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1077 Celestial Street • Rookwood Bldg. • Suite 110  
Cincinnati, Ohio 45202-1629  
(513) 621-1113  
(800) 598-2046  
(513) 621-3773 Fax

2017 FEB 27 PM 3:13

PUCO

February 24, 2017

Public Utilities Commission of Ohio  
Docketing Division  
180 East Broad Street  
Columbus, OH 43215-3793

**Re: Case No. 13-634EL-CRS**

Ladies and Gentlemen:

Enclosed for filing are an original and three (3) copies of *Stand Energy Corporation's Renewal Certification Application as a Competitive Retail Natural Electric Supplier (CRES)* docketed under PUCO Case No. 13-634EL-CRS.

Please note that Exhibits, C-3 and C-5 are filed under seal. You may contact me if you have any questions about these filings.

Sincerely,

A handwritten signature in cursive script that reads "Kate Bedinghaus".

Kate Bedinghaus  
Associate Counsel

Enclosures

This is to certify that the images appearing are an accurate and complete reproduction of a case file document delivered in the regular course of business.  
Technician DM Date Processed FEB 27 2017

# CONFIDENTIAL

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*Confidential treatment has been requested for the following document:*

*Case # 13-634-EL-CRS*

*Page Count: 15*

*Date Filed: February 24, 2017*

*Filed by: Kate Bedinghaus*

*On behalf of: Stand Energy Corporation*

*Summary of Document: Exhibits C-3 and C-5*



## Public Utilities Commission

Original AGG Case Number	Version
13 - 634 -EL-AGG	May 2016

### RENEWAL APPLICATION FOR ELECTRIC AGGREGATORS/POWER BROKERS

Please print or type all required information. Identify all attachments with an exhibit label and title (Example: Exhibit C-10 Corporate Structure). All attachments should bear the legal name of the Applicant. Applicants should file completed applications and all related correspondence with the Public Utilities Commission of Ohio, Docketing Division; 180 East Broad Street, Columbus, Ohio 43215-3793.

This PDF form is designed so that you may input information directly onto the form. You may also download the form, by saving it to your local disk, for later use.

#### A. RENEWAL INFORMATION

##### A-1 Applicant intends to be certified as: (check all that apply)

☒ Power Broker ☒ Aggregator

##### A-2 Applicant's legal name, address, telephone number, PUCO certificate number, and web site address

Legal Name Stand Energy Corporation  
Address 1077 Celestial Street, Suite 110, Cincinnati, Ohio 45202-1629  
PUCO Certificate # and Date Certified 13-673E(1); April 12, 2013  
Telephone # (513) 621-1113 Web site address (if any) http://www.standenergy.com

##### A-3 List name, address, telephone number and web site address under which Applicant will do business in Ohio

Legal Name Stand Energy Corporation  
Address 1077 Celestial Street, Suite 110, Cincinnati, Ohio 45202-1629  
Telephone # (513) 621-1113 Web site address (if any) http://www.standenergy.com

##### A-4 List all names under which the applicant does business in North America

Stand Energy Corporation  
\_\_\_\_\_  
\_\_\_\_\_

##### A-5 Contact person for regulatory or emergency matters

Name John Dosker  
Title General Counsel  
Business address 1077 Celestial Street, Suite 110, Cincinnati, Ohio 45202-1629  
Telephone # (513) 621-1113 Fax # (513) 621-3773  
E-mail address jdosker@standenergy.com

**A-6 Contact person for Commission Staff use in investigating customer complaints**

Name John Dosker  
Title General Counsel  
Business address 1077 Celestial Street, Suite 110, Cincinnati, Ohio 45202-1629  
Telephone # (513) 621-1113 Fax # (513) 621-3773  
E-mail address jdosker@standenergy.com

**A-7 Applicant's address and toll-free number for customer service and complaints**

Customer Service address 1077 Celestial Street, Suite 110, Cincinnati, Ohio 45202-1629  
Toll-free Telephone # (800) 598-2046 Fax # (513) 621-3773  
E-mail address electriccomplaint@standenergy.com

**A-8 Applicant's federal employer identification number # 61-1065157**

**A-9 Applicant's form of ownership (check one)**

- |  |  |
|--|--|
| <input type="checkbox"/> Sole Proprietorship                 | <input type="checkbox"/> Partnership                     |
| <input type="checkbox"/> Limited Liability Partnership (LLP) | <input type="checkbox"/> Limited Liability Company (LLC) |
| <input checked="" type="checkbox"/> Corporation              | <input type="checkbox"/> Other _____                     |

**PROVIDE THE FOLLOWING AS SEPARATE ATTACHMENTS AND LABEL AS INDICATED:**

**A-10 Exhibit A-10 "Principal Officers, Directors & Partners" provide the names, titles, addresses and telephone numbers of the applicant's principal officers, directors, partners, or other similar officials.**

**B. APPLICANT MANAGERIAL CAPABILITY AND EXPERIENCE**

**PROVIDE THE FOLLOWING AS SEPARATE ATTACHMENTS AND LABEL AS INDICATED:**

**B-1 Exhibit B-1 "Jurisdictions of Operation," provide a list of all jurisdictions in which the applicant or any affiliated interest of the applicant is, at the date of filing the application, certified, licensed, registered, or otherwise authorized to provide retail or wholesale electric services including aggregation services.**

**B-2 Exhibit B-2 "Experience & Plans," provide a description of the applicant's experience and plan for contracting with customers, providing contracted services, providing billing statements, and responding to customer inquiries and complaints in accordance with Commission rules adopted pursuant to Section 4928.10 of the Revised Code.**

**B-3** **Exhibit B-3 "Disclosure of Liabilities and Investigations,"** provide a description of all existing, pending or past rulings, judgments, contingent liabilities, revocation of authority, regulatory investigations, or any other matter that could adversely impact the applicant's financial or operational status or ability to provide the services it is seeking to be certified to provide.

**B-4** Disclose whether the applicant, a predecessor of the applicant, or any principal officer of the applicant have ever been convicted or held liable for fraud or for violation of any consumer protection or antitrust laws within the past five years.  
☒ No ☐ Yes

If yes, provide a separate attachment labeled as **Exhibit B-4 "Disclosure of Consumer Protection Violations"** detailing such violation(s) and providing all relevant documents.

**B-5** Disclose whether the applicant or a predecessor of the applicant has had any certification, license, or application to provide retail or wholesale electric service including aggregation service denied, curtailed, suspended, revoked, or cancelled within the past two years.  
☒ No ☐ Yes

If yes, provide a separate attachment labeled as **Exhibit B-5 "Disclosure of Certification Denial, Curtailment, Suspension, or Revocation"** detailing such action(s) and providing all relevant documents.

## **C. FINANCIAL CAPABILITY AND EXPERIENCE**

PROVIDE THE FOLLOWING AS SEPARATE ATTACHMENTS AND LABEL AS INDICATED:

**C-1** **Exhibit C-1 "Annual Reports,"** provide the two most recent Annual Reports to Shareholders. If applicant does not have annual reports, the applicant should provide similar information in Exhibit C-1 or indicate that Exhibit C-1 is not applicable and why. (This is generally only applicable to publicly traded companies who publish annual reports.)

**C-2** **Exhibit C-2 "SEC Filings,"** provide the most recent 10-K/8-K Filings with the SEC. If the applicant does not have such filings, it may submit those of its parent company. An applicant may submit a current link to the filings or provide them in paper form. If the applicant does not have such filings, then the applicant may indicate in Exhibit C-2 that the applicant is not required to file with the SEC and why.

**C-3**    **Exhibit C-3 “Financial Statements,”** provide copies of the applicant’s two most recent years of audited financial statements (balance sheet, income statement, and cash flow statement). If audited financial statements are not available, provide officer certified financial statements. If the applicant has not been in business long enough to satisfy this requirement, it shall file audited or officer certified financial statements covering the life of the business. If the applicant does not have a balance sheet, income statement, and cash flow statement, the applicant may provide a copy of its two most recent years of tax returns (with social security numbers and account numbers redacted).

**C-4**    **Exhibit C-4 “Financial Arrangements,”** provide copies of the applicant's financial arrangements to conduct CRES as a business activity (e.g., guarantees, bank commitments, contractual arrangements, credit agreements, etc.).

Renewal applicants can fulfill the requirements of Exhibit C-4 by providing a current statement from an Ohio local distribution utility (LDU) that shows that the applicant meets the LDU’s collateral requirements.

First time applicants or applicants whose certificate has expired as well as renewal applicants can meet the requirement by one of the following methods:

1.        The applicant itself stating that it is investment grade rated by Moody’s, Standard & Poor’s or Fitch and provide evidence of rating from the rating agencies.
2.        Have a parent company or third party that is investment grade rated by Moody’s, Standard & Poor’s or Fitch guarantee the financial obligations of the applicant to the LDU(s).
3.        Have a parent company or third party that is not investment grade rated by Moody’s, Standard & Poor’s or Fitch but has substantial financial wherewithal in the opinion of the Staff reviewer to guarantee the financial obligations of the applicant to the LDU(s). The guarantor company’s financials must be included in the application if the applicant is relying on this option.
4.        Posting a Letter of Credit with the LDU(s) as the beneficiary.

If the applicant is not taking title to the electricity or natural gas, enter "N/A" in Exhibit C-4. An N/A response is only applicable for applicants seeking to be certified as an aggregator or broker.

- C-5 **Exhibit C-5 "Forecasted Financial Statements,"** provide two years of forecasted income statements for the applicant's **ELECTRIC related business activities in the state of Ohio Only**, along with a list of assumptions, and the name, address, email address, and telephone number of the preparer. The forecasts should be in an annualized format for the two years succeeding the Application year.
- C-6 **Exhibit C-6 "Credit Rating,"** provide a statement disclosing the applicant's credit rating as reported by two of the following organizations: Duff & Phelps, Fitch IBCA, Moody's Investors Service, Standard & Poor's, or a similar organization. In instances where an applicant does not have its own credit ratings, it may substitute the credit ratings of a parent or an affiliate organization, provided the applicant submits a statement signed by a principal officer of the applicant's parent or affiliate organization that guarantees the obligations of the applicant. If an applicant or its parent does not have such a credit rating, enter "N/A" in Exhibit C-6.
- C-7 **Exhibit C-7 "Credit Report,"** provide a copy of the applicant's credit report from Experian, Dun and Bradstreet or a similar organization. An applicant that provides an investment grade credit rating for Exhibit C-6 may enter "N/A" for Exhibit C-7.
- C-8 **Exhibit C-8 "Bankruptcy Information,"** provide a list and description of any reorganizations, protection from creditors or any other form of bankruptcy filings made by the applicant, a parent or affiliate organization that guarantees the obligations of the applicant or any officer of the applicant in the current year or within the two most recent years preceding the application.
- C-9 **Exhibit C-9 "Merger Information,"** provide a statement describing any dissolution or merger or acquisition of the applicant within the two most recent years preceding the application.
- C-10 **Exhibit C - 10 "Corporate Structure,"** provide a description of the applicant's corporate structure, not an internal organizational chart, including a graphical depiction of such structure, and a list of all affiliate and subsidiary companies that supply retail or wholesale electricity or natural gas to customers in North America. If the applicant is a stand-alone entity, then no graphical depiction is required and applicant may respond by stating that they are a stand-alone entity with no affiliate or subsidiary companies.

 President & CEO  
Signature of Applicant & Title

Sworn and subscribed before me this 23<sup>rd</sup> day of February, 2017  
Month Year

  
Signature of official administering oath

John M. Dosker, Notary Public  
Print Name and Title

My commission expires on 03/25/2017

# **AFFIDAVIT**

State of Ohio :

Cincinnati ss.  
(Town)

County of Hamilton :

Judith A. Phillips, Affiant, being duly sworn/affirmed according to law, deposes and says that:

He/She is the President & CEO (Office of Affiant) of Stand Energy Corporation (Name of Applicant);

That he/she is authorized to and does make this affidavit for said Applicant,

1. The Applicant herein, attests under penalty of false statement that all statements made in the application for certification renewal are true and complete and that it will amend its application while the application is pending if any substantial changes occur regarding the information provided in the application.
2. The Applicant herein, attests it will timely file an annual report with the Public Utilities Commission of Ohio of its intrastate gross receipts, gross earnings, and sales of kilowatt-hours of electricity pursuant to Division (A) of Section 4905.10, Division (A) of Section 4911.18, and Division (F) of Section 4928.06 of the Revised Code.
3. The Applicant herein, attests that it will timely pay any assessments made pursuant to Sections 4905.10, 4911.18, or Division F of Section 4928.06 of the Revised Code.
4. The Applicant herein, attests that it will comply with all Public Utilities Commission of Ohio rules or orders as adopted pursuant to Chapter 4928 of the Revised Code.
5. The Applicant herein, attests that it will cooperate fully with the Public Utilities Commission of Ohio, and its Staff on any utility matter including the investigation of any consumer complaint regarding any service offered or provided by the Applicant.
6. The Applicant herein, attests that it will fully comply with Section 4928.09 of the Revised Code regarding consent to the jurisdiction of Ohio Courts and the service of process.
7. The Applicant herein, attests that it will use its best efforts to verify that any entity with whom it has a contractual relationship to purchase power is in compliance with all applicable licensing requirements of the Federal Energy Regulatory Commission and the Public Utilities Commission of Ohio.
8. The Applicant herein, attests that it will comply with all state and/or federal rules and regulations concerning consumer protection, the environment, and advertising/promotions.
9. The Applicant herein, attests that it will cooperate fully with the Public Utilities Commission of Ohio, the electric distribution companies, the regional transmission entities, and other electric suppliers in the event of an emergency condition that may jeopardize the safety and reliability of the electric service in accordance with the emergency plans and other procedures as may be determined appropriate by the Commission.
10. If applicable to the service(s) the Applicant will provide, the Applicant herein, attests that it will adhere to the reliability standards of (1) the North American Electric Reliability Council (NERC), (2) the appropriate regional reliability council(s), and (3) the Public Utilities Commission of Ohio. (Only applicable if pertains to the services the Applicant is offering)



11. The Applicant herein, attests that it will inform the Commission of any material change to the information supplied in the renewal application within 30 days of such material change, including any change in contact person for regulatory purposes or contact person for Staff use in investigating customer complaints.

That the facts above set forth are true and correct to the best of his/her knowledge, information, and belief and that he/she expects said Applicant to be able to prove the same at any hearing hereof.

X  President & CEO  
Signature of Affiant & Title

Sworn and subscribed before me this 23<sup>rd</sup> day of February, 2017  
Month Year

  
Signature of official administering oath

John M. Dosker, Notary Public  
Print Name and Title

My commission expires on 03/25/2017

JOHN M. DOSKER  
Notary Public, State of Ohio  
My Commission Expires 03-25-2017

**PUBLIC VERSION**

**TRADE SECRETS, CONFIDENTIAL & PROPRIETARY APPLICANT**  
**INFORMATION REDACTED**

**OHIO COMPETITIVE RETAIL ELECTRIC AGGREGATOR/POWER BROKER  
RENEWAL APPLICATION OF STAND ENERGY CORPORATION**

**A. RENEWAL INFORMATION**

**A-10 Exhibit A-10 “Principal Officers, Directors & Partners”** provide the names, titles, addresses and telephone numbers of the applicant’s principal officers, directors, partners, or other similar officials.

**Answer:**

Judith A. Phillips, President & Chief Executive Officer  
1077 Celestial St., Suite 110  
Cincinnati, OH 45202-1629  
(513) 621-1113

Matth. Toebben, Chairman of the Board of Directors  
1077 Celestial St., Suite 110  
Cincinnati, OH 45202-1629  
(513) 621-1113

Larry Freeman, Executive Vice President  
1077 Celestial St., Suite 110  
Cincinnati, OH 45202-1629  
(513) 621-1113

John Phillips, Senior Vice President Marketing & Sales  
1077 Celestial St., Suite 110  
Cincinnati, OH 45202-1629  
(513) 621-1113

Carla Piening, Vice President Electric Marketing & Sales Affiliates  
1077 Celestial St., Suite 110  
Cincinnati, OH 45202-1629  
(513) 621-1113

**B. APPLICANT MANAGERIAL CAPABILITY AND EXPERIENCE**

**B-1 Exhibit B-1 “Jurisdictions of Operation,”** provide a current list of all jurisdictions in which the applicant or any affiliated interest of the applicant is, at the date of filing the application, certified, licensed, registered, or otherwise authorized to provide retail or wholesale electric services including aggregation services.

**Answer:**

Stand Energy Corporation currently maintains its Wholesale Electric Power Marketing License issued by the Federal Energy Regulatory Commission (FERC) in Case No. 95-ER-362-000. Stand Energy Corporation is licensed to provide retail electric service in Ohio and Pennsylvania.

**B-2    Exhibit B-2 “Experience & Plans,”** provide a description of the applicant’s experience and plan for contracting with customers, providing contracted services, providing billing statements, and responding to customer inquiries and complaints in accordance with Commission rules adopted pursuant to Section 4928.10 of the Revised Code.

**Answer:**

Stand Energy has over 30 years of experience supplying energy to commercial, industrial, educational and governmental customers in over 14 states behind dozens of separate utilities. Stand Energy has been a hands-on participant in the evolution of retail energy deregulation and contracting issues. Stand Energy invests a significant amount of money to maintain and continually improve its proprietary Information Technology. Typically, Stand Energy has created the vast majority of customer billing in-house, but Stand Energy has also elected on occasion to utilize LDC billing services. Stand Energy developed computer software insures timeliness and accuracy for invoicing for all energy products.

All of Stand Energy Corporation’s contracted electric services, customer service functions and billing statements will be provided in accordance with Ohio Revised Code § 4928.10.

Customers may contract with Stand Energy only via written contract. Stand Energy does not accept telephonic, fax or internet sign-ups at this time. One Stand Energy employee has been assigned the task of responding to customer electric complaints. Stand Energy’s history of customer satisfaction, as measured by customer complaints, is extremely good. Over the years, Stand Energy has had a handful of customer issues that involved the PUCO at any level. The lack of PUCO involvement in Stand Energy billing and collection issues speaks volumes about the integrity and honesty of the company. We expect our record with electricity customers to be the same going forward. Responding to customer inquiries is the responsibility of every single employee of the Company.

Stand Energy exists to provide energy commodities and related advice and budgeting services to our commercial, industrial, educational and governmental customers. Stand Energy intends to apply its successful business model to retail electricity to these same customer classes.

**B-3    Exhibit B-3 “Disclosure of Liabilities and Investigations,”** provide a description of all existing, pending or past rulings, judgments, contingent liabilities, revocation of authority, regulatory investigations, or any other matter that could adversely impact the applicant’s financial or operational status or ability to provide the services it is seeking to be certified to provide.

**Answer:**

There are no existing, pending or past rulings, judgments, contingent liabilities, revocations of authority, regulatory investigations, or any other matter that could adversely impact Stand Energy’s financial or operational status or ability to provide the services it is seeking to be certified to provide.

**B-4   Exhibit B-4**   Disclose whether the applicant, a predecessor of the applicant, or any principal officer of the applicant have ever been convicted or held liable for fraud or for violation of any consumer protection or antitrust laws within the past five years.

☒

No

☐

Yes

**If yes, provide a separate attachment, labeled as Exhibit B-4 “Disclosure of Consumer Protection Violations” detailing such violation(s) and providing all relevant documents.**

**B-5   Exhibit B-5** Disclose whether the applicant or a predecessor of the applicant has had any certification, license, or application to provide retail or wholesale electric service including aggregation service denied, curtailed, suspended, revoked, or cancelled within the past two years.

☒ No    ☐ Yes

**If yes, provide a separate attachment labeled as Exhibit B-5 “Disclosure of Certification Denial, Curtailment, Suspension, or Revocation” detailing such action(s) and providing all relevant documents.**

**C. FINANCIAL CAPABILITY AND EXPERIENCE**

**C-1 Exhibit C-1 “Annual Reports,”** provide the two most recent Annual Reports to Shareholders. If applicant does not have annual reports, the applicant should provide similar information in Exhibit C-1 or indicate that Exhibit C-1 is not applicable and why. (This is generally only applicable to publicly traded companies who publish annual reports.)

**Answer:**

Stand Energy Corporation is a closely held corporation and as such its stock is not publicly traded. An Annual Report to the shareholders has never been prepared. However, Stand Energy is submitting Financial Statements (Section C-3) in lieu thereof.



**C-2    Exhibit C-2 “SEC Filings,”** provide the most recent 10-K/8-K Filings with the SEC. If the applicant does not have such filings, it may submit those of its parent company. An applicant may submit a current link to the filings or provide them in paper form. If the applicant does not have such filings, then the applicant may indicate in Exhibit C-2 that the applicant is not required to file with the SEC and why.

**Answer:**

Stand Energy Corporation is a privately-held company and therefore is not required to file with the U.S. Securities Exchange Commission because its stock is not publicly traded. Stand Energy is submitting Financial Statements (Section C-3) in lieu thereof.

**C-3** **Exhibit C-3 “Financial Statements,”** provide copies of the applicant’s two most recent years of audited financial statements (balance sheet, income statement, and cash flow statement). If audited financial statements are not available, provide officer certified financial statements. If the applicant has not been in business long enough to satisfy this requirement, it shall file audited or officer certified financial statements covering the life of the business. If the applicant does not have a balance sheet, income statement, and cash flow statement, the applicant may provide a copy of its two most recent years of tax returns (with social security numbers and account numbers redacted).

**Answer:** **PRIVILEGED AND CONFIDENTIAL – FILED UNDER SEAL**

All documents contained as an Exhibit to this Section C-3 are filed under seal. The Exhibit to this section is Stand Energy Corporation Audited Financials for the years ending December 31, 2014 and December 31, 2015 and is filed under seal as Stand Energy Corporation Application pages 17 - 29. Audited Financials for the year ending December 31, 2016 will be available in May 2017.

**C-4 Exhibit C-4 “Financial Arrangements,”** provide copies of the applicant’s financial arrangements to conduct CRES as a business activity (e.g., guarantees, bank commitments, contractual arrangements, credit agreements, etc.).

Renewal applicants can fulfill the requirements of Exhibit C-4 by providing a current statement from an Ohio local distribution utility (LDU) that shows that the applicant meets the LDU’s collateral requirements.

First time applicants or applicants whose certificate has expired as well as renewal applicants can meet the requirement by one of the following methods:

1. The applicant itself stating that it is investment grade rated by Moody’s, Standard & Poor’s or Fitch and provide evidence of rating from the rating agencies.
2. Have a parent company or third party that is investment grade rated by Moody’s, Standard & Poor’s or Fitch guarantee the financial obligations of the applicant to the LDU(s).
3. Have a parent company or third party that is not investment grade rated by Moody’s, Standard & Poor’s or Fitch but has substantial financial wherewithal in the opinion of the Staff reviewer to guarantee the financial obligations of the applicant to the LDU(s). The guarantor company’s financials must be included in the application if the applicant is relying on this option.
4. Posting a Letter of Credit with the LDU(s) as the beneficiary.

If the applicant is not taking title to the electricity or natural gas, enter “N/A” in Exhibit C-4. An N/A response is only applicable for applicants seeking to be certified as an aggregator or broker.

**Answer:**

N/A. Applicant is seeking to be recertified as an Electric Aggregator/Power Broker.

**C-5 Exhibit C-5 “Forecasted Financial Statements,”** provide two years of forecasted income statements for the applicant’s **ELECTRIC related business activities in the state of Ohio Only**, along with a list of assumptions, and the name, address, email address, and telephone number of the preparer. The forecasts should be in an annualized format for the two years succeeding the Application year.

**Answer: PRIVILEGE AND CONFIDENTIAL – FILED UNDER SEAL**

All documents contained as an Exhibit to this Section C-5 are filed under seal with the Public Utilities Commission of Ohio. The Exhibit to this section is filed under seal as Stand Energy Corporation Application pages 32 - 33.

**C-6**    **Exhibit C-6 “Credit Rating,”** provide a statement disclosing the applicant’s credit rating as reported by two of the following organizations: Duff & Phelps, Fitch IBCA, Moody’s Investors Service, Standard & Poor’s, or a similar organization. In instances where an applicant does not have its own credit ratings, it may substitute the credit ratings of a parent or an affiliate organization, provided the applicant submits a statement signed by a principal officer of the applicant’s parent or affiliate organization that guarantees the obligations of the applicant. If an applicant or its parent does not have such a credit rating, enter “N/A” in Exhibit C-6.

**Answer:**

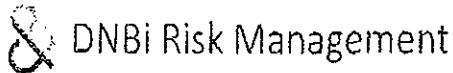
N/A. Stand Energy is a privately held company and does not have an independent credit rating from any of the aforementioned organizations.

**C-7 Exhibit C-7 “Credit Report,”** provide a copy of the applicant’s credit report from Experion, Dun and Bradstreet or a similar organization. An applicant that provides an investment grade credit rating for Exhibit C-6 may enter “N/A” for Exhibit C-7.

**Answer:**

Stand Energy Corporation’s credit report from Dun and Bradstreet is attached at pages 36-47.

# Exhibit C-7 "Credit Report"



Printed By: Jeff Crass  
Date Printed: August 28, 2016

## Live Report : STAND ENERGY CORPORATION

D-U-N-S® Number: 12-129-3039

Endorsement/Billing Reference: jcrass@standenergy.com

### D&B Address

Address 1077 Celestial St Ste 110  
Cincinnati, OH, US -  
45202

Phone 513 621-1113

Fax 513-621-3773

Location Type Single Location

Web www.stand-energy.com

Added to Portfolio: 03/06/2009

Last View Date: 07/18/2016

Endorsement : jcrass@standenergy.co  
m

## Company Summary

Currency: Shown in USD unless otherwise indicated

### Score Bar

PAYDEX®		80	Paying on time.
Commercial Credit Score Percentile		99	Low Risk of severe payment delinquency.
Financial Stress Score National Percentile		69	Low to Moderate Risk of severe financial stress.
D&B Viability Rating			View More Details
Bankruptcy Found		No	
D&B Rating		3A2	3A indicates 1 to 10 million, Credit appraisal of 2 is good

### D&B Viability Rating

	Viability Score: 1
	Portfolio Comparison: 4
	Data Depth Indicator: A
	Company Profile: A
Financial Data Available	Trade Payments Available (3+Trade)
Company Size Large	Years in Business Established

### Public Filings

The following data includes both open and closed filings found in D&B's database on this company.

Record Type	Number of Records	Most Recent Filing Date
Bankruptcies	0	-
Judgments	0	-
Liens	0	-
Suits	0	-
UCCs	9	07/14/16

The public record items contained herein may have been paid, terminated, vacated or released prior to today's date.

### Detailed Trade Risk Insight™

Stand Energy Corporation - Days Beyond Terms Past 3 Months  
2017 CRES Power Broker License Renewal Application

D&B Company Overview

Page No. 36  
Days

## Exhibit C-7 "Credit Report"

This is a single location

Chief Executive MATTH TOEBBEN,  
CHM  
Year Started 1984  
Employees 34  
Financing SECURED  
SIC 4924  
Line of business Natural gas  
distribution  
NAICS 221210  
History Status CLEAR  
Financial Condition GOOD

Dollar-weighted average of 5 payment  
experiences reported from 5 Companies

### Recent Derogatory Events

	Jun-16	Jul-16	Aug-16
Placed for Collection	-	-	-
Bad Debt Written Off	-	-	-

### FirstRain Company News

1

! This Company is not currently tracked for Company  
News

Powered by FirstRain

## Predictive Scores

Currency: Shown in USD unless otherwise indicated 

### D&B Viability Rating Summary

The D&B Viability Rating uses D&B's proprietary analytics to compare the most predictive business risk indicators and deliver a highly reliable assessment of the probability that a company will go out of business, become dormant/inactive, or file for bankruptcy/insolvency within the next 12 months. The D&B Viability Rating is made up of 4 components:



Viability Score

Lowest Risk:1

Highest Risk:9

Compared to All US Businesses within the D&B Database:

- Level of Risk: Low Risk
- Businesses ranked 1 have a probability of becoming no longer viable: 0.2 %
- Percentage of businesses ranked 1: 0.3 %
- Across all US businesses, the average probability of becoming no longer viable: 14 %



## Exhibit C-7 "Credit Report"

**4**

Portfolio Comparison

Lowest Risk: 1

Highest Risk: 9

Compared to All US Businesses within the same MODEL SEGMENT:

- Model Segment : Available Financial Data
- Level of Risk: Low Risk
- Businesses ranked 4 within this model segment have a probability of becoming no longer viable: 0.3 %
- Percentage of businesses ranked 4 with this model segment: 13 %
- Within this model segment, the average probability of becoming no longer viable: 0.6 %

**A**

Data Depth Indicator

Predictive Data: A

Descriptive Data: G

Data Depth Indicator:

- ✓ Rich Firmographics
- ✓ Extensive Commercial Trading Activity
- ✓ Comprehensive Financial Attributes

**A**

Company Profile

Financial Data

Trade  
Payments

Company Size

Years in  
Business

Available

Available (3+  
Trade)

Large

Established

Company Profile Details:


- Financial Data: Available
- Trade Payments: Available (3+ Trade)
- Company Size: Large (Employees: 50+ or Sales: \$500K+)
- Years In Business: Established (5+)

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Current PAYDEX is 80 Equal to generally within terms ( Pays more promptly than the average for its industry of 3 days beyond terms )

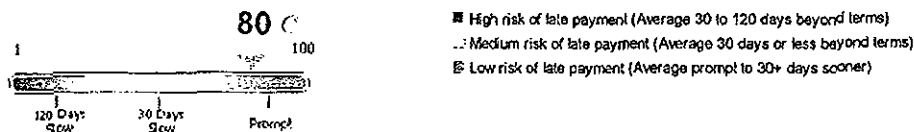
Industry Median is 78 Equal to 3 days beyond terms

Payment Trend currently is  Unchanged, compared to payments three months ago

Indications of slowness can be the result of dispute over merchandise, skipped invoices etc. Accounts are sometimes placed for collection even though the existence or amount of the debt is disputed

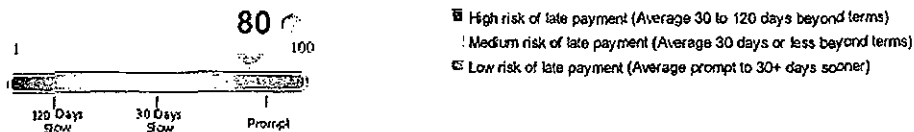
Total payment Experiences in D&Bs File (HQ)	16
Payments Within Terms (not weighted)	100 %
Trade Experiences with Slow or Negative Payments(%)	0.00%
Total Placed For Collection	0
High Credit Average	4,464
Largest High Credit	20,000
Highest Now Owning	5,000
Highest Past Due	0

#### D&B PAYDEX



When weighted by amount, payments to suppliers average generally within terms

#### 3-Month D&B PAYDEX



Based on payments collected over last 3 months.

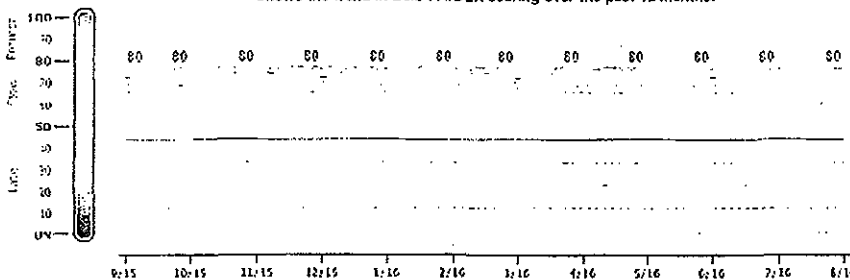
When weighted by amount, payments to suppliers average within terms

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**D&B PAYDEX® Comparison****Current Year**

PAYDEX® of this Business compared to the Primary Industry from each of the last four quarters. The Primary Industry is Natural gas distribution, based on SIC code 4924.

Shows the trend in D&B PAYDEX scoring over the past 12 months.

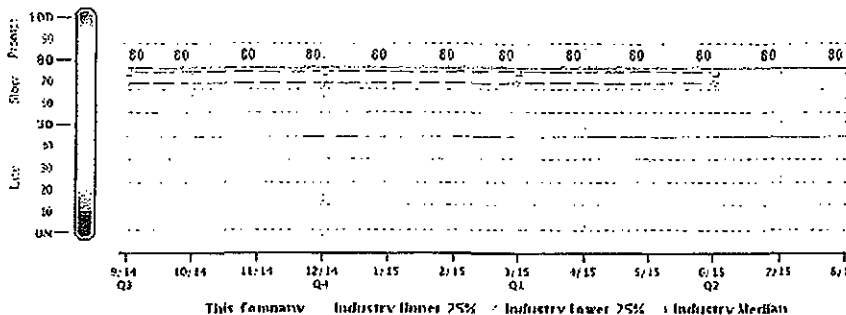


	9/15	10/15	11/15	12/15	1/16	2/16	3/16	4/16	5/16	6/16	7/16	8/16
This Business	80	80	80	80	80	80	80	80	80	80	80	80
Industry Quartiles												
Upper	80			80			80			80		
Median	78			78			78			78		
Lower	73			73			73			73		

Current PAYDEX for this Business is 80, or equal to generally within terms  
 The 12-month high is 80, or equal to GENERALLY WITHIN terms  
 The 12-month low is 80, or equal to GENERALLY WITHIN terms

**Previous Year**

Shows PAYDEX of this Business compared to the Primary Industry from each of the last four quarters. The Primary Industry is Natural gas distribution, based on SIC code 4924.



	09/14 Q3'14	12/14 Q4'14	03/15 Q1'15	06/15 Q2'15
Previous Year				
This Business	80	80	80	80
Industry Quartiles				
Upper	80	80	80	80
Median	78	78	78	78
Lower	73	73	73	73

Based on payments collected over the last 4 quarters.

Current PAYDEX for this Business is 80, or equal to generally within terms  
 The present industry median Score is 78, or equal to 3 days beyond terms  
 Industry upper quartile represents the performance of the payers in the 75th percentile  
 Industry lower quartile represents the performance of the payers in the 25th percentile

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**Payment Habits**

For all payment experiences within a given amount of credit extended, shows the percent that this Business paid within terms. Provides number of experiences to calculate the percentage, and the total credit value of the credit extended

Stand Energy Corporation - Case No. 13-634EL-CRS  
 2014-2015 Power Broker License Renewal Application

**Exhibit C-7 "Credit Report"**

Over 100,000	0	0	0%
50,000-100,000	0	0	0%
15,000-49,999	1	20,000	100%
5,000-14,999	1	5,000	100%
1,000-4,999	4	5,500	100%
Under 1,000	1	750	100%

Based on payments collected over last 24 months.

All Payment experiences reflect how bills are paid in relation to the terms granted. In some instances, payment beyond terms can be the result of disputes over merchandise, shipped invoices etc.

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**Payment Summary**

- There are 16 payment experience(s) in D&B's file for the most recent 24 months, with 8 experience(s) reported during the last three month period.
- The highest Now Owes on file is 5,000 . The highest Past Due on file is 0

Below is an overview of the company's currency-weighted payments, segmented by its suppliers primary industries:

	Total Rev'd (#)	Total Am'ts	Largest High Credit	Within Terms (%)	Days Slow <31 31-60 61-90 90+ (%) (%) (%) (%)			
<b>Top Industries</b>								
Nonclassified	2	25,000	20,000	100	0	0	0	0
Public finance	1	2,500	2,500	100	0	0	0	0
Newspaper-print/publ	1	1,000	1,000	100	0	0	0	0
Ret stationery	1	1,000	1,000	100	0	0	0	0
Radiotelephone commun	1	1,000	1,000	100	0	0	0	0
Telephone communictns	1	750	750	100	0	0	0	0
Electric services	1	0	0	0	0	0	0	0
<b>Other payment categories</b>								
Cash experiences	7	1,150	750					
Payment record unknown	1	50	50					
Unfavorable comments	0	0	0					
Placed for collections	0	N/A	0					
<b>Total in D&amp;B's file</b>	<b>16</b>	<b>32,450</b>	<b>20,000</b>					

Accounts are sometimes placed for collection even though the existence or amount of the debt is disputed.

Indications of slowness can be result of dispute over merchandise, shipped invoices etc.

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**Detailed payment history for this company**

Date Reported (mm/yy)	Paying Record	High Credit	Now Owes	Past Due	Selling Terms	Last Sale Within (month)
07/16	Ppt	20,000	0	0		6-12 mos
	Ppt	5,000	5,000	0		1 mo
	Ppt	1,000	250	0	N80	1 mo
	Ppt	750	0	0		2-3 mos
	Ppt	0	0	0	N30	1 mo
	(006)	100			Cash account	1 mo
	(007)	100			Cash account	1 mo
06/16	Ppt	1,000	750	0		1 mo
05/16	(009)	750			Cash account	1 mo
11/15	(010)					

**Stand Energy Corporation - Case No. 13-634EL+GRS**  
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	(011)	50			Cash account	1 mo
	(012)	50			Cash account	1 mo
06/15	Ppt	2,500				1 mo
04/15	(014) Satisfactory	1,000	0	0		6-12 mos
03/14	(015)	50			Cash account	1 mo
07/14	(015)	50			Cash account	1 mo

Payments Detail Key: 30 or more days beyond terms

Payment experiences reflect how bills are paid in relation to the terms granted. In some instances payment beyond terms can be the result of disputes over merchandise, skipped invoices, etc. Each experience shown is from a separate supplier. Updated trade experiences replace those previously reported.

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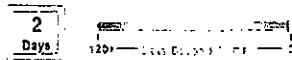
## Detailed Trade Risk Insight™

To learn more, Click here

Detailed Trade Risk Insight provides detailed updates on over 1.5 billion commercial trade experiences collected from more than 260 million unique supplier/purchaser relationships. To learn more Click here

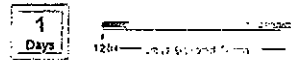
## Days Beyond Terms - Past 3 &amp; 12 Months

3 months from Jun 16 to Aug 16



Dollar-weighted average of 5 payment experiences reported from 5 companies

12 months from Sep 15 to Aug 16

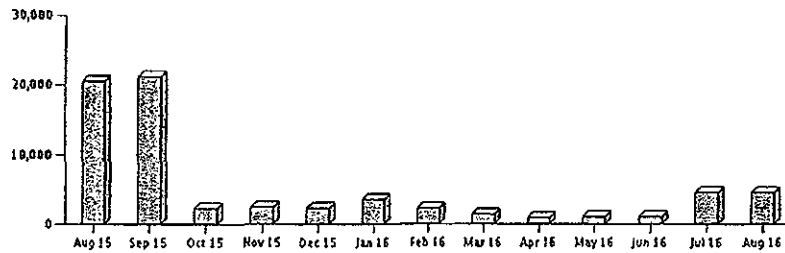


Dollar-weighted average of 6 payment experiences reported from 6 companies

## Derogatory Events Last 13 Months from Aug 15 to Aug 16

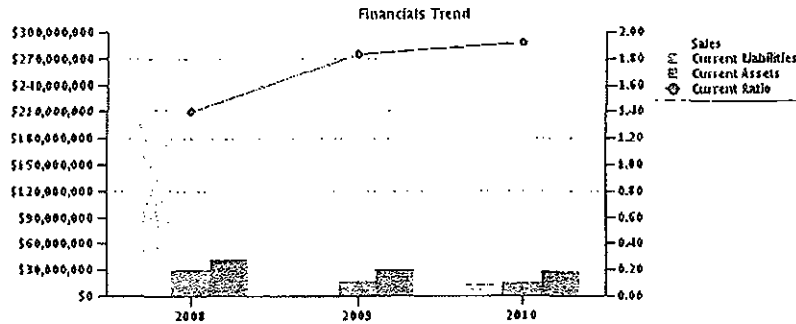
No Derogatory Trade Event has been reported on this company for the past 13 Months

Total Amount Current and Past Due - 13 month trend from Aug 15 to Aug 16



Hide Table

Status	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16
Total	20,504	21,154	2,393	2,449	2,354	3,644	2,330	1,445	1,011	1,101	1,109	4,663	4,663
Current	20,504	21,154	2,393	2,449	2,354	3,644	2,330	1,445	1,011	1,101	1,109	4,663	4,663
1-30 Days Past Due	-	-	-	-	-	-	-	-	-	-	-	-	-
31-60 Days Past Due	-	-	-	-	-	-	-	-	-	-	-	-	-
61-90 Days Past Due	-	-	-	-	-	-	-	-	-	-	-	-	-
90+ Days Past Due	-	-	-	-	-	-	-	-	-	-	-	-	-



01/21/2016

## Three-year Statement Comparative:

	Fiscal Dec 31 2010	Fiscal Dec 31 2009	Fiscal Dec 31 2008
Current Assets	27,097,516	30,108,217	42,467,923
Current Liabilities	14,103,285	16,474,287	30,371,500
Current Ratio	1.92	1.83	1.4
Working Capital	12,992,233	13,633,930	12,096,423
Other Assets	377,061	350,993	289,293
Net Worth	13,271,323	13,934,923	12,385,716
Sales	12,748,800		212,701,118
Long Term Liab	97,971	60,000	0

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## Additional Financial Data

## Fiscal statement dated DEC 31 2014

Assets		Liabilities	
Cash	6,536,423	Accts Pay	12,237,214
Accts Rec	10,338,757	Accruals	482,482
Inventory	4,189,659	Taxes	1,101,386
Notes Rec	350,828		
Mobile Securities	1,002,431		
Prepaid	76,292		
Curr Assets	22,511,200	Curr Liabs	13,821,082
Fid & Equip	310,818	COMMON STOCK	450,500
Real Estate	32,574	ADDIT PD-IN CAP	83,220
		UNREALIZED GAINS	379,258
		RETAINED EARNINGS	8,120,552
Total Assets	22,854,592	Total Liabilities + Equity	22,854,592

From JAN 01 2014 to DEC 31 2014 annual sales \$110,345,110; cost of goods sold \$94,937,089. Gross profit \$15,408,021; operating expenses \$9,016,797. Operating income \$6,391,224; other income \$138,814. Net income \$6,530,038.

Prepared from statement(s) by Accountant: Novikoff, Manheimer, Co., Cincinnati, Ohio.

## ACCOUNTANTS OPINION

A review of the accountant's opinion as submitted by the subject company indicates the financial statement meets generally accepted accounting principles and the audit contains no qualifications.

As of the December 31, 2008 fiscal statement, current assets consist of accounts receivable, cash and inventory; current liabilities consist of accounts payable and miscellaneous current liabilities. No intangible assets were reported. No deferred debt was reported. Liquid assets provided 100% coverage of total liabilities.

On JAN 18 2016 Jeffrey Grass, Contrl, deferred financial information.

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**Request Financial Statements**

Financial Date Requested	Requested Period	Requested Year	Requested By	Received Date	Status
No financial data found.					

Requested financials are provided by STAND ENERGY CORPORATION and are not DUNSRight certified.

**Key Business Ratios**

Statement Date Dec 31 2014  
 Based on this Number of Establishments 29

Industry Norms Based On 29 Establishments

	This Business	Industry Median	Industry Quartile
<b>Profitability</b>			
Return on Sales %	5.9	6.4	3
Return on Net Worth %	72.3	9.1	1
<b>Short-Term Solvency</b>			
Current Ratio	1.6	1.1	2
Quick Ratio	1.2	0.4	2
<b>Efficiency</b>			
Assets to Sales %	20.7	181.3	1
Sales / Net Working Capital	12.7	5.0	2
Utilization			
Total Liabilities / Net Worth (%)	153.0	167.8	2

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**Exhibit C-7 "Credit Report"**

» Company Overview » Location on Map » History » Business Registration » Operations » SIC &amp; NAICS

Currency: Shown in USD unless otherwise indicated

**Company Overview**

**Company Name:** STAND ENERGY CORPORATION

**Street Address:** 1077 Celestial St Ste 110  
Cincinnati, OH 45202

**Phone:** 513 621-1113

**Fax:** 513-621-3773

**URL:** <http://www.stand-energy.com>

**History:** Is clear

**Operations:** Profitable

**Present management control:** 32 years

**Annual Sales:** 110,345,110

**Location on Map**

View D&amp;B Address

Map View Map

Larger View »

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**History**

The following information was reported: 01/21/2016

**Officer(s):** MATTH TOEBBEN, CHM  
JUDITH PHILLIPS, PRES-CEO  
LAWRENCE FREEMAN, EXEC VICE PRES  
JEFFREY CRASS, CONTRL

**DIRECTOR(S):** THE OFFICER(S)

The Kentucky Secretary of State's business registrations file showed that Stand Energy Corporation was registered as a Corporation on December 28, 1984, under file registration number 0198832.

Business started 1984 by the officers. 50% of capital stock is owned by Phillips Family. 50% of capital stock is owned by Toebben Family.

According to management, the Company is a more than 50% woman-owned business.

MATTH TOEBBEN born 1931. 1984-present active here.

JUDITH PHILLIPS born 1936. 1984-present active here.

LAWRENCE FREEMAN born 1971. 1984-present active here.

JEFFREY CRASS born 1962. 2003-present active here.

**Related Companies :**

The following are related via common management and/or financial interest.

Toebben Builders & Developers Inc, Covington, KY. Started 1956. General contractor of single family homes.

Matth Toebben Construction Company (Inc), Covington, KY. Started 1956. General contractor of commercial and industrial buildings.

Southern Tier Transmission, 1077 Celestial St #110 Cincinnati, OH, Started 1987. Operates as a gas pipeline.

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**Business Registration**

CORPORATE AND BUSINESS REGISTRATIONS REPORTED BY THE SECRETARY OF STATE OR OTHER OFFICIAL SOURCE AS OF

Jul 31 2016

**Stand Energy Corporation - Case No. 13-634EL-CRS**  
**2017 CRES Power Broker License Renewal Application**

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**Exhibit C-7 "Credit Report"**

**Registered Name:** STAND ENERGY CORPORATION  
**Business type:** CORPORATION  
**Corporation type:** PROFIT  
**Date incorporated:** Dec 28 1984  
**State of incorporation:** KENTUCKY  
**Filing date:** Dec 28 1984  
**Registration ID:** 0196832  
**Status:** ACTIVE  
**Where filed:** SECRETARY OF STATE/CORPORATE DIVISION, FRANKFORT, KY  
**Registered agent:** MATTH. TOEBBEN, 541 BUTTERMILK PIKE; SUITE 104, CRESCENT SPRINGS, KY, 410170000  
**Principals:** Judith Philips DIRECTOR  
 Math Toebben DIRECTOR  
 Judith Philips PRESIDENT  
 Math Toebben SECRETARY  
 Math Toebben TREASURER

[Back to Top](#)**Operations**

01/21/2016

Provides natural gas distribution (100%).

ADDITIONAL TELEPHONE NUMBER(S): Facsimile (Fax) 513 621-3773.

**Description:**

Has 850 account(s). Terms are Net 10 days. Sells to manufacturers, non profit organizations, commercial concerns and government. Territory: United States.

**Employees:**

34 which includes officer(s).

**Facilities:**

Rents 4,580 sq. ft. on one floor of a two story brick building.

**Location:**

Suburban business section on main street

[Back to Top](#)**SIC & NAICS****SIC:**

Based on information in our file, D&amp;B has assigned this company an extended 8-digit SIC. D&amp;B's use of 8-digit SICs enables us to be more specific about a company's operations than if we use the standard 4-digit code.

The 4-digit SIC numbers link to the description on the Occupational Safety &amp; Health Administration (OSHA) Web site. Links open in a new browser window.

4924 0000 Natural gas distribution

**NAICS:**

221210 Natural Gas Distribution

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**C-8 Exhibit C-8 “Bankruptcy Information,”** provide a list and description of any reorganizations, protection from creditors or any other form of bankruptcy filings made by the applicant, a parent or affiliate organization that guarantees the obligations of the applicant or any officer of the applicant in the current year or within the two most recent years preceding the application.

**Answer:**

No reorganizations, protection from creditors or any other form of bankruptcy filings by the applicant or any officer of the applicant has occurred in the current year, within the two most recent years preceding application or at any time in the 32 year history of Stand Energy Corporation.

**C-9    Exhibit C-9 “Merger Information,”** provide a statement describing any dissolution or merger or acquisition of the applicant within the two most recent years preceding the application.

**Answer:**

No dissolution or merger or acquisition of or by the applicant has occurred within the two most recent years preceding the application or at any time since inception and formation of the corporation in 1984.

**C-10 Exhibit C-10 “Corporate Structure,”** provide a description of the applicant’s corporate structure, not an internal organizational chart, including a graphical depiction of such structure, and a list of all affiliate and subsidiary companies that supply retail or whole electricity or natural gas to customers in North America. If the applicant is a stand-alone entity, then no graphical depiction is required and applicant may respond by stating that they are a stand-alone entity with no affiliate or subsidiary companies.

**Answer:**

Stand Energy Corporation is a stand-alone entity with no affiliate or subsidiary companies that supply retail or wholesale electricity or natural gas to customers in North America.