

FILE

Ohio

Public Utilities
Commission

Original CRS Case Number	Version
13 - 2211 -EL- CRS	May 2016

RENEWAL APPLICATION FOR RETAIL GENERATION PROVIDERS
AND POWER MARKETERS

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 renewed as: (check all that apply)

- ☒ Retail Generation Provider ☐ Power Broker
☒ Power Marketer ☐ Aggregator

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

Legal Name MP2 Energy NE LLC
Address 21 Waterway Avenue, Suite 450 The Woodlands, TX 77380
PUCO Certificate # and Date Certified 13-763E (2)
Telephone # (832) 510-1030 Web site address (if any) www.mp2energy.com

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

Legal Name MP2 Energy NE LLC
Address 21 Waterway Avenue, Suite 450 The Woodlands, TX 77380
Telephone # (832) 510-1030 Web site address (if any) www.mp2energy.com

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 mm Date Processed 11/15/17

RECEIVED-DOCKETING DIV
2017 NOV 15 PM 12:37
PUCO

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

MP2 Energy NE LLC

A-5 Contact person for regulatory or emergency matters

Name Drew Baird
Title Vice President of Operations
Business address 21 Waterway Avenue, Suite 450 the Woodlands, TX 77380
Telephone # (832) 510-1030 Fax # (832) 510-1128
E-mail address regulatory@mp2energy.com

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

Name Andrew Few
Title Vice President of Retail Operations
Business address 21 Waterway Avenue, Suite 450 The Woodlands, TX 77380
Telephone # (832) 510-1030 Fax # (832) 510-1128
E-mail address regulatory@mp2energy.com

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

Customer Service address 21 Waterway Avenue, Suite 450 The Woodlands, TX 773
Toll-free Telephone # (877) 238-5343 Fax # (832) 510-1128
E-mail address pjmcustomerservice@mp2energy.com

A-8 Applicant's federal employer identification number # 27-3566322

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 checked="" type="checkbox"/> Limited Liability Company (LLC) |
| <input 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. 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.
- 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 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.

D. TECHNICAL CAPABILITY

PROVIDE THE FOLLOWING AS SEPARATE ATTACHMENTS AND LABEL AS INDICATED:

- D-1 **Exhibit D-1 "Operations"** provide a written description of the operational nature of the applicant's business. Please include whether the applicant's operations include the generation of power for retail sales, the scheduling of retail power for transmission and delivery, the provision of retail ancillary services as well as other services used to arrange for the purchase and delivery of electricity to retail customers.
- D-2 **Exhibit D-2 "Operations Expertise,"** given the operational nature of the applicant's business, provide evidence of the applicant's experience and technical expertise in performing such operations.
- D-3 **Exhibit D-3 "Key Technical Personnel,"** provide the names, titles, e-mail addresses, telephone numbers, and the background of key personnel involved in the operational aspects of the applicant's business.
- D-4 **Exhibit D-4 "FERC Power Marketer License Number,"** provide a statement disclosing the applicant's FERC Power Marketer License number. (Power Marketers only)

 VP of Regulatory Affairs
Signature of Applicant and Title

Sworn and subscribed before me this 14th day of November 2017
Month Year


Signature of official administering oath

Michelle Sanchez, Notary Public
Print Name and Title



My commission expires on 03-24-2021

AFFIDAVIT

State of Texas :

The Woodlandsss.
(Town)

County of Montgomery :

Drew Baird, Affiant, being duly sworn/affirmed according to law, deposes and says that:


He/She is the VP of Regulatory Affairs (Office of Affiant) of MP2 Energy NE LLC (Name of Applicant);

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

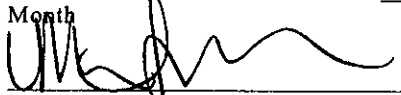
1. The Applicant herein, attests under penalty of false statement that all statements made in the application for certification renewal are true and complete and that it will amend its application while the application is pending if any substantial changes occur regarding the information provided in 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 comply with all state and/or federal rules and regulations concerning consumer protection, the environment, and advertising/promotions.
7. 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.
8. 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.
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.

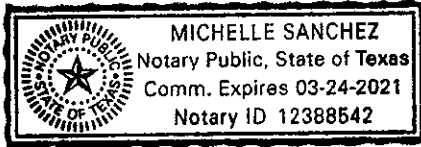
That the facts above set forth are true and correct to the best of his/her knowledge, information, and belief and that he/she expects said Applicant to be able to prove the same at any hearing hereof.

 , VP of Regulatory Affairs
Signature of Affiant & Title

Sworn and subscribed before me this 14th day of November, 2017
Month Year


Signature of official administering oath

Michelle Sanchez, Notary Public
Print Name and Title



My commission expires on 03-24-2021

EXHIBIT B-1

“Jurisdictions of Operation”

MP2 Energy NE LLC is certified, licensed, registered, or otherwise authorized to provide retail electric services in the following jurisdictions:

PJM

Location: State of Illinois (Illinois Commerce Commission)

- Licensed and approved March 19, 2014
- Filed as MP2 Energy NE LLC
- ICC Docket No. 14-0111

Location: State of Pennsylvania (Pennsylvania Public Utility Commission)

- Licensed and approved December 20, 2012
- Filed as MP2 Energy NE LLC
- A # A-2012-2322668

Location: State of New Jersey (Board of Public Utilities)

- Licensed and approved September 18, 2013.
- Filed as MP2 Energy NE LLC
- BPU # ESL-0145

Location: State of Ohio (Public Utility Commission of Ohio)

- Licensed and approved December 15, 2013.
- Filing as MP2 Energy NE LLC
- Certificate # 13-763E (2)

Location: State of Virginia (State Corporation Commission of Virginia)

- Licensed and approved March 24, 2016
- Filing as MP2 Energy NE LLC
- Certificate # E-34

Location: District of Columbia (Public Service Commission of the District of Columbia)

- Licensed and approved August 3, 2017
- Filing as MP2 Energy NE LLC
- Order Number # 18853

MP2 Energy Texas LLC, another wholly owned subsidiary of Applicant's parent (MP2 Energy LLC) is certified, licensed, registered, or otherwise authorized to provide retail electric services in the following jurisdictions:

ERCOT

Location: State of Texas (Public Utility Commission of Texas)

- Licensed as of January 13, 2010
- Filed as MP2 Energy Texas, LLC
- PUCT #10174

MP2 Energy LLC's parent, Shell Energy North America (US) LP is certified, licensed, registered, or otherwise authorized to provide retail services in the following jurisdictions:

<u>STATE</u>	<u>TYPE</u>	<u>LICENSE NO.</u>
California	Power	Esp-1374
Illinois	Power	08-0299
Massachusetts	Power	CS-062
Maryland	Power	IR-1357
New York	Power	N/A
Ohio	Power	16-1140E (1)
Oregon	Power	ES-15
Rhode Island	Power	D-96-6 (S3)
Texas	Power	10025

EXHIBIT B-2
“Experience & Plans”

Billing

MP2 Energy NE LLC (MP2) bills tens of thousands of meters every month. Our standard bill is sent via email, but we can provide paper copies at the customer's request. Our software allows us to customize bills in many fashions, including consolidated bills with backup sheets, consolidated bills by site locations, multiple bill recipients, etc. Our billing department can also customize our format to make the bills easily understood, although we believe our current format is very clear and concise. MP2's summary billing breaks out energy, tariffs, and any other charges, all by Meter ID and/or customer defined "location" fields in detail.

Experience & Plans for Contracting with Customers

MP2 values the relationship with our customers and the channel partners we work through to acquire customers and serve them efficiently. We operate through direct and indirect sales channels to get our potential customers the product they need at the best possible price. We then contract with the customer and our customer service team submits the necessary orders for MP2 to serve the meters. Our customers are provided a contract to sign and then are mailed a copy of the counter-signed agreement. Our experience in serving thousands of customers in multiple markets and behind many utilities has given us the proficiency in contracting with our customers and dealing with multiple issues that may arise in the process of enrollment, billing, and contracting.

Our contracting process is simple and easy for customers to understand. After a thorough explanation of price and product, the customer is given a copy of the contract to sign. All contracts meticulously explicate all of the following in accordance with Section 4928.10 of the Revised Code:

- pricing, terms of service, and any early termination fees
- conditions under which the customer may rescind a contract without penalty
- customer service contact information
- disconnection and service termination

We are able to make any adjustments or additions to the billing and contracting process quickly and easily if needed. Of course, the MP2 Retail Team and the Client Relations Team are available to answer any questions the customer may have before agreeing to the terms of the contract.

Responding to Customer Complaints

MP2 has a top-rated customer service team readily available by email, phone, or mail. Every invoice and contract sent to the customer lists the information to contact our client relations team that is easy to locate. Our team is dedicated to responding to customer inquiries, complaints, and comments immediately. MP2's record serving customers is exceptional, and we plan to continue this service in Ohio. We do not outsource client relations, and do all billing and customer service in-house at our headquarters in The Woodlands, TX. The client relations team is available 8am-5pm (CT), Monday through Friday and is headed by Andrew Few (please see Exhibit D-3 for key technical personnel biographies and qualifications). All points of contact are listed below:

MP2 Energy NE LLC Customer Service

832.510.1030

877.238.5343 (toll free)

pjmcustomerservice@mp2energy.com

21 Waterway Avenue, Suite 450

The Woodlands, TX 77380

Andrew Few, Vice President of Retail Operations

832.510.1087

andrew.few@mp2energy.com

Exhibit B-3: Disclosure of Liabilities and Investigations

There have been no rulings, judgments, contingent liabilities, revocations of authority, or regulatory investigations that would inhibit MP2 Energy NE LLC or its parent company, Shell Energy North America, (U.S.), L.P. from providing competitive retail electric services in Ohio.

Exhibit C-1: Annual Reports

MP2 Energy NE LLC does not prepare annual reports. Exhibit C-3 provides audited financial statements that include MP2 Energy LLC and all subsidiaries.

Exhibit C-2: SEC Filings

MP2 Energy NE LLC, nor its affiliates or subsidiaries, are registered with the Securities and Exchange Commission (SEC). MP2 Energy NE, LLC, MP2 Energy LLC, and Shell Energy North America (US), LP, are privately held companies and not required to file with the SEC.

Exhibit C-3: Financial Statements

The information included in Exhibit C-3 is proprietary and confidential information filed under seal in accordance with Ohio Adm. Code 4901:1-24-08(A).

Exhibit C-4: Financial Arrangements

Attached is a current statement by an Ohio local distribution utility (LDU) that shows MP2 Energy NE LLC meets the LDU's collateral requirements.

October 24, 2017

MP2 Energy NE, LLC
Attn: Drew Baird
21 Waterway Ave, Suite 450
The Woodlands, TX 77380

Re: MP2 Energy NE, LLC ("CRES Supplier")/CRES Supplier Contact: Drew Baird. CRES Supplier posted collateral in the form of Cash as of September 5, 2017.

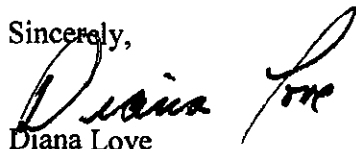
To CRES Supplier:

In reference to the following specific provisions of Ohio Power Company's Distribution Tariff filed pursuant to Order dated January 30, 2013 in Case Nos. 11-346-EL-SSO and 11-348-EL-SSO, namely Paragraph 31, Section: *Supplier Terms and Conditions of Service*, Paragraph 10, Section: *CRES Provider Credit Requirements* (See 1st Revised Sheets Nos. 103-32D and 33D of PUCO No. 20 Terms and Conditions of Open Access Distribution Service) and CRES Supplier's available load data through October 23, 2017, AEP Ohio has undertaken a limited review of posted collateral through this date, subject to the limitations set forth below, and AEP Ohio believes that the CRES Supplier is current with the specifically identified collateral requirements through October 23, 2017.

Please note AEP Ohio is not undertaking a separate review of CRES Supplier's financial wherewithal, the status of pending invoices or invoices for amounts that are yet to be billed or due, nor are we evaluating or taking a position as to whether the CRES Supplier will, on a prospective basis, remain in compliance with the identified collateral requirements or other Tariff requirements. This review was limited to the specific collateral requirements identified above, and does not include a review of whether the CRES Supplier is in compliance with any other Tariff requirements or PUCO rules and regulations binding upon CRES suppliers, and further, does not account for any PJM rebillings or settlements that may occur at a later time.

This letter is effective only as of the date hereof, and we are not assuming any responsibility for updating this letter, nor is AEP Ohio waiving any rights or remedies it may be entitled to under Ohio law, its Tariff or any CRES Supplier agreements. This letter is intended solely for the benefit of the addressees and may not be relied upon by such addressees or any other person or entity for any other purpose.

Sincerely,



Diana Love
Credit Risk Analyst

Exhibit C-5: Forecasted Financial Statements

The information included in Exhibit C-5 is proprietary and confidential information filed under seal in accordance with Ohio Adm. Code 4901:1-24-08(A).

Exhibit C-6: Credit Rating

MP2 Energy NE LLC (MP2) has partnered with Shell Energy North America L.P. (Shell) to provide financial backing and wholesale credit support of MP2's retail operations. Shell is a wholly owned subsidiary of Shell Oil Company, a Houston, Texas based company, that is one of America's largest oil and natural gas producers, natural gas marketers, gasoline marketers, and petrochemical manufacturers.

Shell's credit ratings are attached.

Shell Energy North America (US) L.P.

Issuer Credit Rating					
Rating Type	Rating	Rating Date	Regulatory Identifiers	CreditWatch/ Outlook	CreditWatch/ Outlook Date
Local Currency LT	A- Regulatory Disclosures	13-Jul-2016	EE	Positive	28-Feb-2017
Foreign Currency LT	A- Regulatory Disclosures	13-Jul-2016	EE	Positive	28-Feb-2017

[View Ratings Definitions](#)

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Despite Regulatory Uncertainty, Renewable Energy Is On The Rise, Report Says
11-Oct-2017 09:58 EDT

NEW YORK (S&P Global Ratings) Oct. 11, 2017—Several factors influence the growth of renewable energy in the U.S., including renewable portfolio standards, which mandate that power generators use renewable energy sources; production tax credits, which

Credit Conditions: North America Sector Outlook—September 2017
28-Sep-2017 11:19 EDT

The following is a rundown of credit conditions for various business sectors in North America, with a focus on what has changed since the previous quarter. For a broader look at our top risks and the region's macroeconomic environment and financing

Credit Conditions: North America September 2017—Growing Pressures Add Uncertainty, But Favorable Conditions Prevail
28-Sep-2017 11:14 EDT

While broadly favorable credit conditions prevail in North America, the economic effects of the season's major hurricanes in the southern U.S. and ongoing political posturing in Washington over fiscal policy are lending additional uncertainty to an

PREMIUM RESEARCH FROM
RATINGSDIRECT

The following premium research is available from RatingsDirect - the real-time, Web-based source for Standard & Poor's global credit ratings, research, and risk analysis.

Looming Debt Maturities Could Be A Game-Changer For Some U.S. Oil And Gas Companies
28-Sep-2017 15:33 EDT

The U.S. oil and gas industry faces massive refinancing needs over the next few years. Particularly perilous is the maturity of a significant number of credit facilities through 2019—a staggering \$71 billion of bonds and other debt instruments are due

Nuclear Power And U.S. Utilities—A Half-Life Of 17 Years?
22-Sep-2017 12:43 EDT

With SCANA Corp.'s announcement that construction efforts by subsidiary South Carolina Electric & Gas Co. (SCE&G) will cease at the Virgil C. Summer nuclear units 2 and 3 and are to be abandoned, we are witnessing perhaps the beginning of the end of

Reactions: Nuclear In Q3 2017
13-Sep-2017 12:16 EDT

In April 2017, the U.S. Department of Energy, under Energy Secretary Rick Perry, announced its so-called 60-Day Study. At the time, the development was a bit unexpected. The Trump Campaign had extolled the virtues of a more deregulated energy market

Shell Energy North America (US), L.P.

Moody's Orig ID: 600020447 Market Segment: Corporates Industry: ENERGY: OIL - INTEGRATED
 Peer Group: Energy, Oil & Gas - Integrated Domestic: UNITED STATES

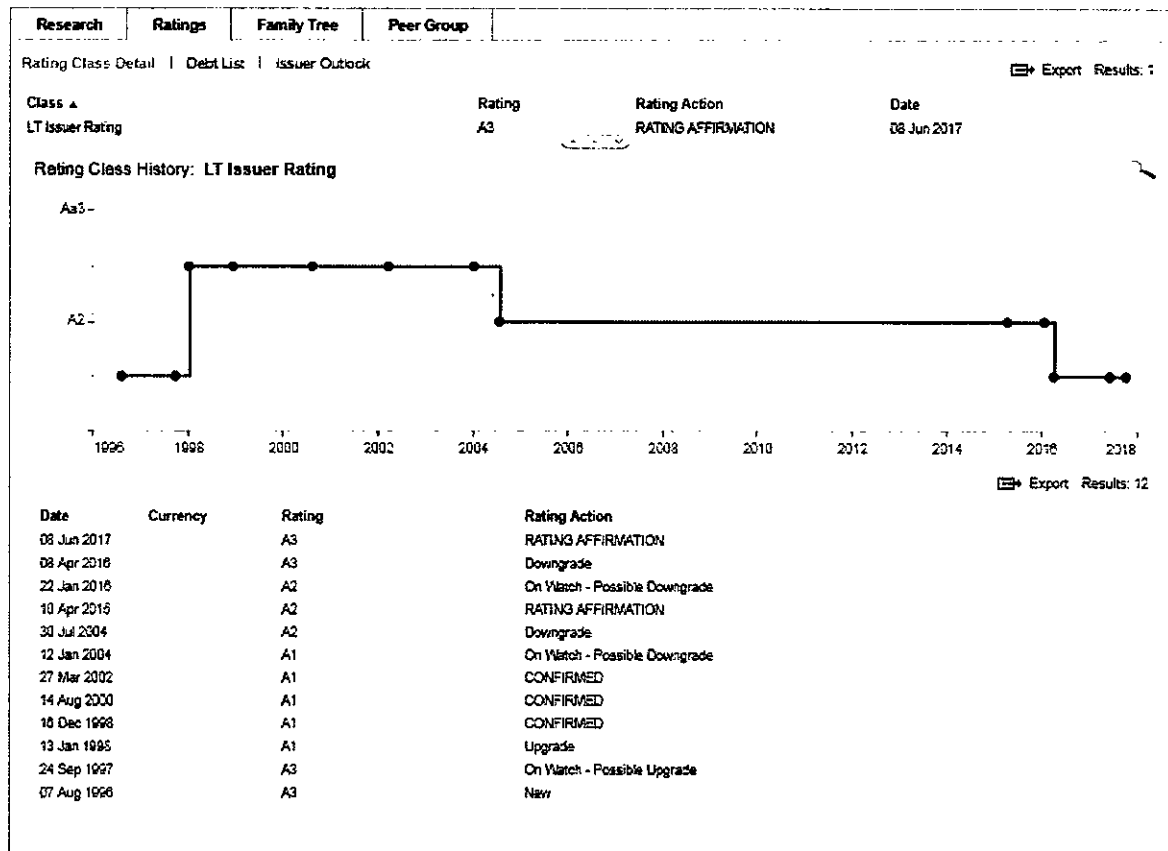
ANALYST

Analyst: Sven Reinke

LONG TERM RATING
 Rating: A3, Not on Watch
 Type: LT Issuer Rating
 Date: 08 Jun 2017

OUTLOOK
 Stable
 Date: 08 Jun 2017

OTHER DEBTS ON WATCH?
 No



For credit ratings that are derived exclusively from an existing credit rating of a program, series, category/class of debt, support provider or primary rated entity, or that replace a previously assigned provisional rating at the same rating level, Moody's publishes a rating announcement on that series, category/class of debt or program as a whole, on the support provider or primary rated entity, or on the provisional rating, but often does not publish a specific rating announcement on each subsequent bond or note for which the credit rating is derived from the existing credit rating. Rating announcements are usually press releases classified as Rating Actions on [www.moody's.com](#). Please refer to the Research tab on the issuer/entity page for this rating announcement.

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EXHIBIT C-7
“Credit Report”

Live Report : MP2 ENERGY NE LLC

D-U-N-S® Number: 96-501-7432

Trade Names: (SUBSIDIARY OF MP2 ENERGY LLC, THE WOODLANDS, TX)

Endorsement/Billing Reference: eric.juarez@mp2energy.com

D&B Address

Address 21 Waterway Ave Ste 450
Moved From: 21
Waterway Ave Ste 500,
Spring, TX
Spring, TX, US - 77380

Phone 832 510-1030

Fax

Location Type Single (Subsidiary)

Web

Endorsement : eric.juarez@mp2energy.com

Company Summary

Currency: Shown in USD unless otherwise indicated 

Score Bar

PAYDEX®

Unavailable

**Commercial Credit Score
Percentile**



61

Moderate Risk of severe payment delinquency.

**Financial Stress Score National
Percentile**



26

Moderate to High Risk of severe financial stress.

D&B Viability Rating

6

5



[View More Details](#)

Bankruptcy Found

No

D&B Rating

—

Unavailable.

Detailed Trade Risk Insight™

Days Beyond Terms Past 3 Months

There is not sufficient reporting trading activity to generate 3 months Days Beyond Terms (a minimum of 3 trade experiences from at least 2 suppliers)

Recent Derogatory Events

	Aug-17	Sep-17	Oct-17
Placed for Collection	-	-	-
Bad Debt Written Off	-	-	-

D&B Viability Rating

6

Viability Score: 6

5

Portfolio Comparison: 5

Data Depth Indicator: C

Company Profile: Z

Subsidiary

D&B Company Overview

This is a single (subsidiary) location

Manager	ERIC MILLER, MNG MBR
Year Started	2010
Employees	Undetermined
SIC	4911
Line of business	Electric services
NAICS	221118
History Status	CLEAR

FirstRain Company News



 This Company is not currently tracked for Company News

Powered by FirstRain

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	6	04/03/17

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

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:

6

Viability Score

Lowest Risk:1

Highest Risk:9

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

- Level of Risk: **Moderate Risk**
- Businesses ranked 6 have a probability of becoming no longer viable: **13 %**

- Percentage of businesses ranked 6: **30 %**
- Across all US businesses, the average probability of becoming no longer viable: **14 %**

5

Portfolio Comparison

Lowest Risk:1

Highest Risk:9

Compared to All US Businesses within the same MODEL SEGMENT:

- Model Segment : **Limited Trade Payments**
- Level of Risk: **Moderate Risk**
- Businesses ranked 5 within this model segment have a probability of becoming no longer viable: **10 %**
- Percentage of businesses ranked 5 with this model segment: **15 %**
- Within this model segment, the average probability of becoming no longer viable: **11 %**

Data Depth Indicator

Predictive Data:A

Descriptive Data:G

Data Depth Indicator:

- ✓ Rich Firmographics
- ✓ Extensive Commercial Trading Activity
- ✗ No Financial Attributes

Greater data depth can increase the precision of the D&B Viability Rating assessment.

Company Profile

Subsidiary

Credit Capacity Summary

This credit rating was assigned because of D&B's assessment of the company's creditworthiness. For more information, see the

D&B Rating Key

D&B Rating : —

The blank rating symbol should not be interpreted as indicating that credit should be denied. It simply means that the information available to D&B does not permit us to classify the company within our rating key and that further enquiry should be made before reaching a decision. Some reasons for using a "—" symbol include: deficit net worth, bankruptcy proceedings, insufficient payment information, or incomplete history information.

Below is an overview of the company's rating history since 10-11-2010

Number of Employees Total:

Undetermined

D&B Rating

Date Applied

—

10-11-2010

Payment Activity:

(based on 2 experiences)

Highest Credit:

100

Total Highest Credit:

150

D&B Credit Limit Recommendation

Conservative credit Limit

10,000

Aggressive credit Limit: 25,000

Risk category for this business : LOW

The Credit Limit Recommendation (CLR) is intended to serve as a directional benchmark for all businesses within the same line of business or industry, and is not calculated based on any individual business. Thus, the CLR is intended to help guide the credit limit decision, and must be balanced in combination with other elements which reflect the individual company's size, financial strength, payment history, and credit worthiness, all of which can be derived from D&B reports.

Risk is assessed using D&B's scoring methodology and is one factor used to create the recommended limits. See Help for details.

Financial Stress Class Summary

The Financial Stress Score predicts the likelihood of a firm ceasing business without paying all creditors in full, or reorganization or obtaining relief from creditors under state/federal law over the next 12 months. Scores were calculated using a statistically valid model derived from D&B's extensive data files.

The Financial Stress Class of 4 for this company shows that firms with this class had a failure rate of 0.84% (84 per 10,000), which is 1.75 times higher than the average of businesses in D & B's database.

Financial Stress Class : 4 (Lowest Risk:1; Highest Risk:5)

Moderately higher than average risk of severe financial stress, such as a bankruptcy or going out of business with unpaid debt, over the next 12 months.

Probability of Failure:

Risk of Severe Financial Stress for Businesses with this Class: **0.84 %** (84 per 10,000)
Financial Stress National Percentile : **26** (Highest Risk: 1; Lowest Risk: 100)
Financial Stress Score : **1428** (Highest Risk: 1,001; Lowest Risk: 1,875)
Average Risk of Severe Financial Stress for Businesses in D&B database: **0.48 %** (48 per 10,000)

The Financial Stress Class of this business is based on the following factors:

Low proportion of satisfactory payment experiences to total payment experiences.
UCC Filings reported.
Limited time in business
Higher risk legal structure.

Notes:

The Financial Stress Class indicates that this firm shares some of the same business and financial characteristics of other companies with this classification. It does not mean the firm will necessarily experience financial stress.

The Probability of Failure shows the percentage of firms in a given Class that discontinued operations over the past year with loss to creditors. The Probability of Failure - National Average represents the national failure rate and is provided for comparative purposes.

The Financial Stress National Percentile reflects the relative ranking of a company among all scorable companies in D&B's file.

The Financial Stress Score offers a more precise measure of the level of risk than the Class and Percentile. It is especially helpful to customers using a scorecard approach to determining overall business performance.

Norms	National %
This Business	26
Region: WEST SOUTH CENTRAL	44
Industry: INFRASTRUCTURE	43
Employee range:	UN
Years in Business: 6-10	43

This Business has a Financial Stress Percentile that shows:

Higher risk than other companies in the same region.

Higher risk than other companies in the same industry.

Higher risk than other companies with a comparable number of years in business.

Credit Score Summary

The Commercial Credit Score (CCS) predicts the likelihood of a business paying its bills in a severely delinquent manner (91 days or more past terms).

The Credit Score class of 3 for this company shows that 5.8% of firms with this class paid one or more bills severely delinquent, which is lower than the average of businesses in D & B's database.

Credit Score Class : 3 Lowest Risk:1; Highest Risk :5

Incidence of Delinquent Payment

Among Companies with this Classification: **5.80 %**
 Average compared to businesses in D&B's database: **10.20 %**
 Credit Score Percentile : **61** (Highest Risk: 1; Lowest Risk: 100)
 Credit Score : **514** (Highest Risk: 101; Lowest Risk:670)

The Credit Score Class of this business is based on the following factors:

No payment experiences reported
 Higher risk region based on delinquency rates for this region
 Limited time under present management control
 Limited business activity signals reported in the past 12 months

Notes:

The Commercial Credit Score Risk Class indicates that this firm shares some of the same business and financial characteristics of other companies with this classification. It does not mean the firm will necessarily experience severe delinquency.

The Incidence of Delinquent Payment is the percentage of companies with this classification that were reported 91 days past due or more by creditors. The calculation of this value is based on D&B's trade payment database.

The Commercial Credit Score percentile reflects the relative ranking of a firm among all scorable companies in D&B's file.

The Commercial Credit Score offers a more precise measure of the level of risk than the Risk Class and Percentile. It is especially helpful to customers using a scorecard approach to determining overall business performance.

Norms	National %
This Business	61
Region: WEST SOUTH CENTRAL	52
Industry: INFRASTRUCTURE	32

Employee range: UN
Years in Business: 6-10 43

This business has a Credit Score Percentile that shows:

Lower risk than other companies in the same region.

Lower risk than other companies in the same industry.

Lower risk than other companies with a comparable number of years in business.

Trade Payments

Currency: Shown in USD unless otherwise indicated 

D&B PAYDEX®

Timeliness of historical payments for this company.

Current PAYDEX is Unavailable
Industry Median is 79 Equal to 2 days beyond terms
Payment Trend currently is Unavailable, 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)	2
Payments Within Terms (not weighted)	N/A
Trade Experiences with Slow or Negative Payments(%)	0.00%
Total Placed For Collection	0
High Credit Average	N/A
Largest High Credit	100
Highest Now Owing	0
Highest Past Due	0

D&B has not received a sufficient sample of payment experiences to establish a PAYDEX score.D&B receives nearly 400 million payment experiences each year. We enter these new and updated experiences into D&B Reports as this information is received. At this time, none of those experiences relate to this company.

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.

\$ Credit Extended	# Payment Experiences	Total Amount	% of Payments Within Terms
Over 100,000	0	0	0%
50,000-100,000	0	0	0%
15,000-49,999	0	0	0%
5,000-14,999	0	0	0%
1,000-4,999	0	0	0%
Under 1,000	0	0	0%

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, skipped invoices etc.

Payment Summary

There are 2 payment experience(s) in D&Bs file for the most recent 24 months, with 1 experience(s) reported during the last three month period.

The highest Now Owes on file is 0 . The highest Past Due on file is 0

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

	Total Revd (#)	Total Amts	Largest High Credit	Within Terms (%)	Days Slow <31 31-60 61-90 90> (%) (%) (%) (%)
Top Industries					
Other payment categories					
Cash experiences	2	150	100		
Payment record unknown	0	0	0		
Unfavorable comments	0	0	0		
Placed for collections	0	N/A	0		
Total in D&B's file	2	150	100		

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, skipped invoices etc.

Detailed payment history for this company

Date Reported (mm/yy)	Paying Record	High Credit	Now Owes	Past Due	Selling Terms	Last Sale Within (month)
08/17	(001)	100			Cash account	1 mo
05/16	(002)	50			Cash account	4-5 mos

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.

Public Filings

Currency: Shown in USD unless otherwise indicated 

Summary

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

Record Type	# of Records	Most Recent Filing Date
Bankruptcy Proceedings	0	-
Judgments	0	-
Liens	0	-
Suits	0	-

The following Public Filing data is for information purposes only and is not the official record. Certified copies can only be obtained from the official source.

UCC Filings

Collateral Negotiable instruments including proceeds and products - Accounts receivable including proceeds and products - Account(s) including proceeds and products - General intangibles(s) including proceeds and products - and OTHERS

Type Original

Sec. Party PACIFIC SUMMIT ENERGY LLC, NEWPORT BEACH, CA

Debtor MP2 ENERGY NE LLC

Filing No. 130033231319

Filed With SECRETARY OF STATE/UCC DIVISION, AUSTIN, TX

Date Filed 2013-10-18

Latest Info Received 10/29/13

Type Termination

Sec. Party PACIFIC SUMMIT ENERGY LLC, NEWPORT BEACH, CA

Debtor MP2 ENERGY NE LLC

Filing No. 1700109309

Filed With SECRETARY OF STATE/UCC DIVISION, AUSTIN, TX

Date Filed 2017-03-31

Latest Info Received 04/04/17

Original UCC Filed Date 2013-10-18

Original Filing No. 130033231319

Collateral Account(s) - Assets

Type Original

Sec. Party SHELL ENERGY NORTH AMERICA (US), L.P. AS COLLATERAL AGENT, HOUSTON, TX

Debtor MP2 ENERGY NY LLC

Filing No. 170011185509

Filed With SECRETARY OF STATE/UCC DIVISION, AUSTIN, TX

Date Filed 2017-04-03

Latest Info Received 04/14/17

Collateral Account(s) - Assets

Type Original

Sec. Party SHELL ENERGY NORTH AMERICA (US), L.P. AS COLLATERAL AGENT, HOUSTON, TX

Debtor MP2 ENERGY NE LLC

Filing No. 170011185488

Filed With SECRETARY OF STATE/UCC DIVISION, AUSTIN, TX

Date Filed 2017-04-03

Latest Info Received 04/14/17

Collateral	RIGHTS
Type	Original
Sec. Party	ORANGE & ROCKLAND UTILITIES, INC., SPRING VALLEY, NY
Debtor	MP2 ENERGY NE, LLC
Filing No.	52084603
Filed With	SECRETARY OF STATE/UCC DIVISION, TRENTON, NJ
Date Filed	2017-02-16
Latest Info Received	03/24/17

Collateral	RIGHTS
Type	Original
Sec. Party	ORANGE & ROCKLAND UTILITIES, INC., SPRING VALLEY, NY
Debtor	MP2 ENERGY NE, LLC
Filing No.	170005546664
Filed With	SECRETARY OF STATE/UCC DIVISION, AUSTIN, TX
Date Filed	2017-02-16
Latest Info Received	02/21/17

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Exhibit C-8: Bankruptcy Information

MP2 Energy NE LLC and its affiliates and subsidiaries have not filed bankruptcy since inception of the company, nor have there been any reorganization or protections filed from creditors.

Exhibit C-9: Merger Information

On September 13, 2017 each of the individual members of MP2 Energy LLC (MP2 Energy) and Shell Energy North America (US), LP (Shell) consummated a transaction whereby Shell purchased all the outstanding membership interests in MP2 Energy. As a wholly owned subsidiary of MP2 Energy therefore, MP2 Energy NE LLC's (MP2) corporate structure has changed to the extent that MP2's parent company, MP2 Energy, is now a wholly owned subsidiary of Shell. MP2 remains a subsidiary of MP2 Energy LLC.

See Exhibit C-10 for a description of MP2's corporate structure.

Exhibit C-10: Corporate Structure

Shell Energy North America (US), LP, is the parent company of MP2 Energy LLC.

MP2 Energy LLC is a wholly owned subsidiary of Shell Energy North America (US), LP.

MP2 Energy Retail Holdings LLC is a wholly owned subsidiary of MP2 Energy LLC and exists as a special purpose holding entity, holding 100% of the membership interests of MP2 Energy Texas LLC, MP2 Energy NE LLC and MP2 Energy NY LLC.

MP2 Energy NE LLC (applicant) is a wholly owned subsidiary of MP2 Energy Retail Holdings LLC and is a licensed Electric Generation Supplier in Pennsylvania, a licensed Electric Supplier in New Jersey, a licensed Retail Generation and Power Marketer in Ohio, a licensed Retail Electric Supplier in Illinois, a licensed Competitive Service Provider in Virginia, and a licensed marketer of electricity for residential, commercial and industrial customers in the District of Columbia.

MP2 Energy Texas LLC is a wholly owned subsidiary of MP2 Energy Retail Holdings LLC and is a licensed Retail Electric Provider in ERCOT.

MP2 Energy NY LLC is a wholly owned subsidiary of MP2 Energy Retail Holdings LLC and does not currently have any business operations.

Mpower2 LLC is a wholly owned subsidiary of MP2 Energy LLC and provides power generation management services.

MP2 Mesquite Creek Wind LLC is a wholly owned subsidiary of MP2 Energy LLC and provides energy management services.

MP2 Generation LLC is a wholly owned subsidiary of MP2 Energy LLC and formed for the purpose of developing and having an ownership position in plants that produce electricity and/or thermal output.

EPP LLC is a wholly owned subsidiary of MP2 Energy LLC and does not currently have any business operations.

Company Structure of MP2 Energy LLC
as of 09/13/2017

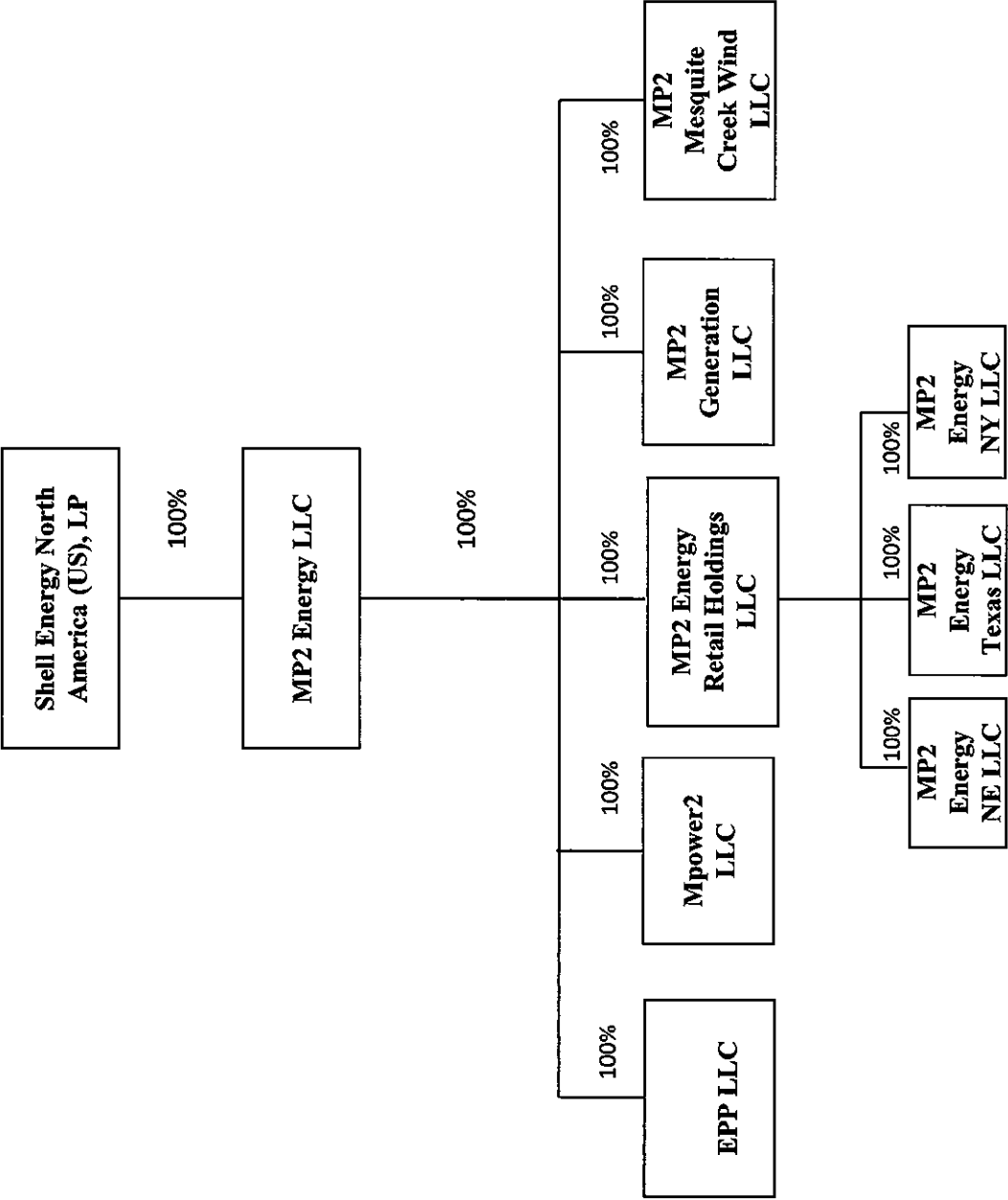


Exhibit D-1: Operations

MP2 Energy NE LLC operates as a Retail Electric Provider in Illinois, Ohio, District of Columbia, New Jersey, Virginia, and Pennsylvania. To support operations as a Retail Electric Provider, MP2 Energy NE LLC engages in scheduling with Electric Distribution Companies, bilateral trades, ISO settlements, risk management, billing, and customer service.

EXHIBIT D-2

“Operations Expertise”

MP2 Energy NE LLC (MP2) has a 24-hour real-time operations desk led by Robert Douglas and Russell Schwertner. MP2 is a qualified member of PJM, which enables MP2 to facilitate all market-based transactions. MP2's Operations team uses the PJM market information system to effectively schedule electricity loads in PJM.

MP2's experience and expertise lies in the team. Please see below for the real-time team biographies and qualifications.

Robert Douglas

Robert is the Senior Vice President and Chief Compliance Officer at MP2 Energy. Robert's energy experience has ranged from working with the Department of Energy (DOE), providing technical and operational solutions, to operations and software solutions expertise for the largest wholesale energy market players. Robert's market neutral experience has afforded him the opportunity to work with a vast array of market participants, therefore allowing him the ability to understand the challenges and develop solutions for Generator Operators, Load Serving Entities, Loads Acting as a Resource, and Trading Firms.

Robert's career in energy commenced at ESO, Inc. (ESO), where he managed grants from the DOE as the Director of Housing and Energy Services. At ESO, Robert was charged with leading a team of 25 to provide energy efficiency and weatherization services to low income families in San Jose, CA and neighboring communities. Later, Robert moved on to APX, Inc. where he worked within the 24x7 Operations group and the Business Development team. In Operations, Robert provided services (scheduling, dispatch, tagging) for multiple market participants that range from firms that engage in solely counterparty transactions to firms that represent complex portfolios. Robert later transitioned to Business Development, where he was responsible for ensuring timely delivery of operational and technical solutions. In this role, Robert focused on scheduling, settlement, SCADA system implementation, and registration/qualification of Qualified Scheduling Entities (QSE). Robert brings a dynamic perspective to MP2 Energy as he understands the needs of Wholesale Generation Asset Managers as well as the technology that supports MP2's efficient power plant, demand

response, and retail operations. Robert is a graduate of Morehouse College with a B.A. in Business Administration and Marketing.

Russell Schwertner

Russell Schwertner is the Chief System Operator at MP2 Energy. Russell has over 12 years of system operations experience working at The Electric Reliability Council of Texas (ERCOT). Russell has a thorough technical understanding of energy markets with a focus on operations and reliability. Prior to joining MP2, Russell was a Senior Outage Coordinator with ERCOT leading the long term outage group, coordinating the complex transmission and generation projects between the Planning, Engineering and System Operation departments. His studies and analysis of the ERCOT grid provide an in depth knowledge of congestion management, thermal and voltage overloads, and the effects of planned and forced outages. He also spent 5 years on the ERCOT Frequency Desk in charge of frequency control, DC tie tagging, and emergency and short supply operations. Prior to work at ERCOT, Russell was a System Operator for The Lower Colorado River Authority (LCRA) starting as a Generation Operator with equal time on the Transmission and Security Desk. Russell is a NERC Certified Reliability Coordinator.

EXHIBIT D-3

“Key Technical Personnel”

Jeff Starcher, CEO

Jeff.Starcher@MP2Energy.com

832.510.1037

Jeff has over 23 years of experience in the Independent Power industry with a wealth of expertise in the areas of Project Development, Project Finance, IPO's, Structured Finance, Demand Side Management Structured Transactions, Power Plant Operations, Asset Management Origination, Wholesale Origination, End User Sales and Marketing, and SEC Reporting and Accounting. Jeff holds a BBA in Finance and BBA in Accounting from Texas A&M University.

Prior to co-founding MP2 Energy, Jeff was a Sr. Vice-President at Eagle Energy Partners which was later bought by Lehman Brothers. Jeff was responsible for originating over 80% of Eagle's ERCOT based Wholesale Power Plant Management book. Prior to Eagle, he was one of the principals and founders of Mpower Energy Services LP and Mpower Retail Energy LP, both of which were ultimately sold to Eagle Energy Partners. Mpower was the largest independent (non-utility affiliated) Retail Electric Provider in the US with over 800 MW of peak load. MPower was also a Level IV QSE representing over 200 MW of wholesale power generation for customers. Prior to Mpower, Jeff spent two years in Austin representing Dynegy's commercial interests in the development of the ERCOT Protocols (the rules of the deregulated power market) and directed two 20 person teams to develop the wholesale and retail systems necessary for Dynegy to participate in the deregulated ERCOT market. Jeff saw the opportunity to more fully utilize the systems that the team built and co-founded Dynegy's third-party asset optimization business (power plant management). Jeff was also Dynegy's business manager for four cogeneration plants in California and Nevada. This experience provided invaluable insight into aero-derivative and Frame based plant operations and optimization side of the power generation business. Earlier in his career, Jeff developed and financed the Indian Queens Project -Destec Energy's first international merchant power plant (London, England). Prior to that assignment he was based in Paris and co-developed Destec's largest IPP the Terneuzen Project in The Netherlands.

Matthew Adams, President

Matthew.Adams@MP2Energy.com

832.510.1033

Matthew leverages 14+ years of experience within the energy market having led efforts at a generation company, retail energy provider, and Investment Bank backed Energy trading desks. Most recently Matthew led ERCOT marketing and structuring at Credit Suisse in Houston

where he marketed innovative long term structured products to bridge the gap between wind project hedges and load within West Texas. Prior to joining Credit Suisse, Matthew headed Occidental Petroleum's ERCOT origination desk where he developed commercial strategies and executed some of the first demand side management structures in the U.S. Prior to Occidental, Matthew was responsible for several revenue streams at MPower Energy, from structuring and pricing complex load transactions, to facilitating demand response programs. Earlier in his career, Matthew developed the Calpine Energy Services risk management group for power and natural gas. This experience provided the foundation and deep understanding of the power and natural gas markets that Matthew utilized in his later roles. Matthew holds a BBA in Finance from Sam Houston State University, an MBA in Finance from University of North Texas and Series 7 certification.

Trey Price, Senior Vice President - Sales

Trey.Price@MP2Energy.com

832.210.1034

Trey's career began at MPower Energy Services as a real-time plant operator, managing and scheduling wholesale generation assets, demand response loads, and MPower's significant retail load through MPower's Level IV QSE. Trey later assumed the role of managing the Retail power sales desk, negotiating and executing contracts. Trey moved with MPower as it was sold to Champion Energy Services and again later to Eagle Energy Partners. Through those transitions, Trey was a top business generator and leader in the organization, participating in the development of innovative Retail Power products and structures. Trey joined Credit Suisse Energy's ERCOT team in 2008, responsible for power scheduling, load analysis, weather, transmission, and regulatory issues that affected market pricing and function. Trey is a graduate of the McCombs School of Business at the University of Texas at Austin with a BBA in Finance and holds a Series 7 license.

Robert Douglas, Senior Vice President and Chief Compliance Officer

Robert.Douglas@MP2Energy.com

832.510.1042

Robert is the Vice President of Operations at MP2 Energy. Robert's energy experience has ranged from working with the Department of Energy (DOE), providing technical and

operational solutions, to operations and software solutions expertise for the largest wholesale energy market players. Robert's market neutral experience has afforded him the opportunity to work with a vast array of market participants, therefore allowing him the ability to understand the challenges and develop solutions for Generator Operators, Load Serving Entities, Loads Acting as a Resource, and Trading Firms.

Robert's career in energy commenced at ESO, Inc. (ESO), where he managed grants from the DOE as the Director of Housing and Energy Services. At ESO, Robert was charged with leading a team of 25 to provide energy efficiency and weatherization services to low income families in San Jose, CA and neighboring communities. Later, Robert moved on to APX, Inc. where he worked within the 24x7 Operations group and the Business Development team. In Operations, Robert provided services (scheduling, dispatch, tagging) for multiple market participants that range from firms that engage in solely counterparty transactions to firms that represent complex portfolios. Robert later transitioned to Business Development, where he was responsible for ensuring timely delivery of operational and technical solutions. In this role, Robert focused on scheduling, settlement, SCADA system implementation, and registration/qualification of Qualified Scheduling Entities (QSE). Robert brings a dynamic perspective to MP2 Energy as he understands the needs of Wholesale Generation Asset Managers as well as the technology that supports MP2's efficient power plant, demand response, and retail operations. Robert is a graduate of Morehouse College with a B.A. in Business Administration and Marketing.

Russell Schwertner, Chief System Operator

Russell.Schwertner@MP2Energy.com

832.510.1039

Russell Schwertner is the Chief System Operator for MP2 Energy. Russell has over 12 years of system operations experience working at The Electric Reliability Council of Texas (ERCOT). Russell has a thorough technical understanding of GRID operations with a focus on operations and reliability. Most recently, Russell was a Senior Outage Coordinator with ERCOT leading the long term outage group, coordinating the complex transmission and generation projects between the Planning, Engineering and System Operation departments. His studies and analysis of the ERCOT grid provide an in depth knowledge of congestion management, thermal and voltage overloads, and the effects of planned and forced outages. He also spent 5 years on the ERCOT Frequency Desk in charge of frequency control, DC tie tagging, and emergency and short supply operations. Prior to work at ERCOT, Russell was a System Operator for The Lower Colorado River Authority (LCRA) starting as a Generation Operator with

equal time on the Transmission and Security Desk. Russell is a NERC Certified Reliability Coordinator and an ERCOT Certified System Operator.

Josh Weiser, Vice President of Finance & Accounting

Josh.Weiser@MP2Energy.com

832.510.1031

Mr. Weiser operates as the Vice President of Finance and Accounting as well as our financial controller at MP2 Energy. He retains a Bachelor of Science in Entrepreneurship from the University of Arizona as well as a Master of Business Administration from the University of Notre Dame. Josh has over 22 years of experience in the business financial sector, and joined MP2 in 2011. At MP2, Josh manages day-to-day treasury, accounting, and finance operations. He has implemented new accounting procedures that are more transparent and accurate. Josh's work has also developed our Customer Service team into a more efficient accounts receivable department.

Andrew Few, Vice President of Retail Operations

Andrew.Few@MP2Energy.com

832.510.1087

Andrew has over 15 years of experience in Retail Electricity managing various operational groups. At MP2 Energy, he is responsible for managing all aspects of the customer operations including call center, enrollments, and billing. Prior to joining MP2 Energy, Andrew held various operations roles for 14 years at Constellation NewEnergy providing back office operations leadership and support.

Douglas Campbell, Senior IT Director

Doug.Campbell@MP2Energy.com

832.510.1048

Douglas Campbell has over 22 years of experience in software development, network administration, and web development. He began his career as a software engineer at

Medtronic, moving to UPS as a Senior Software Engineer, developing custom EDI and data integration solutions. He worked as a Principal Engineer at Yes! Tech Today, Inc. for 13 years before joining the MP2 Energy team at its inception in March of 2010. Doug handles everything from server and network configuration to implementation of business continuity practices, and designs and implements web applications.

Exhibit D-4: FERC Power Marketer License Number

Attached is Docket No. ER12-2381-000 Order Granting Market-Based Rate Authorization for MP2 Energy NE LLC.

141 FERC ¶ 61,194
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Jon Wellinghoff, Chairman;
Philip D. Moeller, John R. Norris,
Cheryl A. LaFleur, and Tony T. Clark.

MP2 Energy NE LLC

Docket No.

ER12-2381-000

ORDER GRANTING MARKET-BASED RATE AUTHORIZATION

(Issued December 7, 2012)

1. In this order, the Commission grants MP2 Energy NE LLC's (MP2 NE) request for authority to make wholesale sales of electric energy, capacity and ancillary services at market-based rates, effective December 7, 2012. Also, as discussed below, we find that MP2 NE meets the criteria for a Category 1 seller in the Northeast, Northwest, Southeast, Southwest, Southwest Power Pool, and Central regions, and is so designated.¹ We also grant MP2 NE's request for other waivers commonly granted to market-based rate sellers.

I. Background

2. On August 1, 2012, as amended on October 10, 2012, pursuant to section 205 of the Federal Power Act (FPA),² MP2 NE filed an initial application for market-based rate

¹ See *Market-Based Rates for Wholesale Sales of Electric Energy, Capacity and Ancillary Services by Public Utilities*, Order No. 697, FERC Stats. & Regs. ¶ 31,252, at PP 848-850, *clarified*, 121 FERC ¶ 61,260 (2007), *order on reh'g*, Order No. 697-A, FERC Stats. & Regs. ¶ 31,268, *clarified*, 124 FERC ¶ 61,055, *order on reh'g*, Order No. 697-B, FERC Stats. & Regs. ¶ 31,285 (2008), *order on reh'g*, Order No. 697-C, FERC Stats. & Regs. ¶ 31,291 (2009), *order on reh'g*, Order No. 697-D, FERC Stats. & Regs. ¶ 31,305 (2010), *aff'd sub nom. Mont. Consumer Counsel v. FERC*, 659 F.3d 910 (9th Cir. 2011), *cert. denied sub nom. Pub. Citizen, Inc. v. FERC*, 2012 U.S. LEXIS 4820 (U.S. June 25, 2012).

² 16 U.S.C. § 824d (2006).

authority with an accompanying tariff providing for the sale of energy, capacity, and ancillary services at market-based rates.³ MP2 NE states that it is a Texas limited liability company with its principal place of business located in The Woodlands, Texas. MP2 NE requests waivers commonly granted to other market-based rate applicants.

3. MP2 NE represents that it is a wholly-owned subsidiary of MP2 Energy LLC (MP2 Energy).⁴ MP2 NE states that the membership interests of MP2 Energy are owned by both individual investors and entities, with all but two members holding a less than 10 percent interest. MP2 NE further states that Whale Capital, L.P. (Whale Capital) is one of the members that own a greater than 10 percent membership interest in MP2 Energy. MP2 NE states that the principal of Whale Capital, Michael P. Whalen (Mr. Whalen), owns a greater than 10 percent interest in Vista Energy Marketing, LP (Vista Marketing) and Bounce Energy, Inc.⁵

4. MP2 NE notes that the Commission previously expressed concerns regarding the potential for involvement of Mr. Whalen in the affairs of jurisdictional public utilities.⁶

³ MP2 NE requests authorization to sell ancillary services in the markets administered by California Independent System Operator Corporation, ISO New England, Inc., Midwest Independent Transmission System Operator, Inc., New York Independent System Operator, Inc., and PJM Interconnection, LLC. MP2 NE also requests authorization to engage in the sale of certain ancillary services as a third-party provider in other markets.

⁴ MP2 NE states that its parent company MP2 Energy also owns MP2 Energy Texas LLC, Mpower2 LLC, EPP LLC and MP2 Energy GenCo LLC, none of which owns or controls electric generating capacity or assets subject to Commission jurisdiction. In its response to the data request, MP2 NE identifies MP2 Energy NJ LLC and MP2 Energy IL LLC as two new affiliates formed by MP2 since the time of the original filing in August 2012.

⁵ Vista Marketing previously sought and obtained market-based rate authority from the Commission in 2009, but withdrew its market-based rate tariff in July 2010. Bounce Energy PA, LLC and Bounce Energy NY, LLC (collectively, the Bounce Energy Companies), both wholly-owned subsidiaries of Bounce Energy, Inc., received authorization to make sales of energy, capacity and ancillary services at market-based rates. *Bounce Energy PA, LLC*, 140 FERC ¶ 61,014 (2012).

⁶ Mr. Whalen previously pled guilty to charges involving the delivery of false, misleading or inaccurate reports of market information to natural gas price indices. In its market-based rate application, Vista Marketing made certain representations and

(continued...)

MP2 NE states that it is willing to make and keep similar commitments precluding such involvement as were made by Vista Marketing and the Bounce Energy Companies in relation to the Commission orders granting market-based rate authority to Vista Marketing,⁷ Bounce Energy PA, LLC and Bounce Energy NY, LLC.⁸ Specifically, MP2 NE represents and commits that:

- a. Mr. Whalen is not an officer, manager, voting member or employee of MP2 Energy or MP2 NE and has no role in MP2 NE or MP2 Energy other than indirectly through his investment in Whale Capital and its nonvoting investor membership interest in MP2 Energy;

commitments regarding its management and operations and how it intended to ensure compliance with the Commission's rules and regulations. In the order granting Vista Marketing market-based rate authority, the Commission accepted these commitments as appropriate safeguards against Vista Marketing's employees engaging in market manipulation. In addition, the Commission informed Vista Marketing that it was subject to audit to ensure its compliance with the representations and commitments, and with Commission rules, regulations and policies. The Commission also directed Vista Marketing to report to the Commission if the terms of any of the representations and commitments changed. *See Vista Energy Marketing, L.P.*, 128 FERC ¶ 61,188 (2009) (Vista Marketing Order).

⁷ On May 24, 2012, the Commission approved a Stipulation and Consent Agreement (Agreement) between the Office of Enforcement (Enforcement), Vista Marketing and Mr. Whalen. *See Vista Energy Marketing, L.P.*, 139 FERC ¶ 61,154 (2012). The Agreement resolved Enforcement's investigation into whether Vista Marketing accurately described Mr. Whalen's role in Vista Marketing in its application for market-based rate authority and whether Vista Marketing and Mr. Whalen violated the terms of the Vista Marketing Order. Under the terms of the Agreement, Vista Marketing agreed to pay a civil penalty of \$350,000 and both Vista Marketing and Mr. Whalen agreed to certain restrictions on their participation in Commission-jurisdictional activities for two years. Among other things, Mr. Whalen agreed not to be an officer, director or voting member in any entity that sells electric energy at wholesale in interstate commerce and agreed to limit business and commercial contacts with any entity selling electric energy at wholesale in interstate commerce for a two-year period beginning on May 24, 2012.

⁸ *See* MP2 NE's August 1, 2012 Application, Attachment C at PP 8-9.

- b. The MP2 Energy Board of Managers has sole management authority over MP2 Energy and MP2 NE. Mr. Whalen is not a member of MP2 Energy's Board of Managers, nor is he an officer of MP2 Energy or any of its subsidiaries;
- c. Mr. Whalen has no right to participate in the management of MP2 Energy's business and affairs, nor any power or authority to act for or on behalf of MP2 Energy in any respect whatsoever, which, in turn, eliminates his ability to exert any control over the management or day-to-day operations of MP2 NE;
- d. Mr. Whalen has no day-to-day operational responsibilities and has no other managerial or operational responsibilities in MP2 Energy, and therefore no such responsibilities in MP2 NE;
- e. Mr. Whalen will have no power to sign for, or to bind, MP2 Energy or MP2 NE; and
- f. Mr. Whalen is not now, nor will he be in the future, an officer of MP2 Energy, MP2 NE or any other MP2 subsidiary.

5. On September 11, 2012, the Director, Division of Electric Power Regulation – West, sent MP2 NE a data request seeking additional information regarding commitments and affiliations between MP2 NE and the MP2 Energy owners.⁹ Among other things, the data request also asked the recipients to explain “what assurances and safeguards, if any, are in place to ensure that these officers will not act as conduits of information between the aforementioned individual investor [Mr. Whalen] and the managers of the day-to-day activities of MP2 NE.”

6. On October 10, 2012, MP2 NE filed its response to the data request (October 10 Response). In the October 10 Response MP2 NE states:

- a. Its Board of Managers have adopted and implemented an Internal Policy and Compliance directive to inform the members and employees of the restrictions and controls that are in place to ensure they do not act as conduits of information between the individual investor and the managers of the day-to-day activities of MP2 NE;
- b. Other than Mr. Whalen, none of the members or upstream owners of MP2 Energy or any of its subsidiaries hold, or have held, positions with Vista

⁹ MP2 Energy NE LLC, Docket No. ER12-2381-000 (September 11, 2012).

Marketing, Bounce Energy PA, LLC or Bounce Energy NY, LLC;

c. All MP2 NE employees with wholesale electric market responsibility will undergo comprehensive Commission compliance training prior to participation in Commission jurisdictional markets;

d. The Compliance Officer is tasked with bringing any concerns regarding MP2 NE's trading and activities within the Commission's jurisdictional markets to the attention of the Office of Enforcement at the Commission in the event he observes any activities or practices that cause concern or in any way may be in violation of the Commission's rules and regulations; and

e. The Compliance Officer will not trade natural gas or electricity or direct others to trade natural gas or electricity for MP2 NE.

7. In the October 10 response, MP2 NE also identifies the other owners with membership interests in MP2 Energy and describes the business activities of all direct and upstream owners, stating whether they are involved in the energy industry.

II. Notice of Filing

8. Notice of the MP2 NE's market-based rate application was published in the *Federal Register*,¹⁰ with interventions or protests due on or before August 23, 2012. None was filed.

9. Notice of the MP2 NE's request for blanket authorization under Part 34 was separately published in the *Federal Register*,¹¹ with interventions and protests due on or before August 24, 2012. None was filed.

10. Notice of the October 10 Response was published in the *Federal Register*,¹² with interventions or protests due on or before October 31, 2012. None was filed.

¹⁰ 77 Fed. Reg. 47,831 (2012).

¹¹ 77 Fed. Reg. 47,624 (2012).

¹² 77 Fed. Reg. 63,808 (2012).

III. Discussion

11. As discussed below, we will grant MP2 NE's request for authorization to make wholesale sales of electric energy, capacity, and ancillary services at market-based rates and we will accept the MP2 NE market-based rate tariff, effective December 7, 2012. We will also grant MP2 NE's request for certain waivers.

A. Market-Based Rate Authorization

12. The Commission allows power sales at market-based rates if the seller and its affiliates do not have, or have adequately mitigated, horizontal and vertical market power.¹³

1. Horizontal Market Power

13. The Commission has adopted two indicative screens for assessing horizontal market power: the pivotal supplier screen and the wholesale market share screen.¹⁴

14. MP2 NE represents that neither it nor any of its affiliates owns, operates, or controls any electric generation facilities and consequently that it has no uncommitted capacity attributed to it.¹⁵ Based on MP2 NE's representations, we find that MP2 NE satisfies the Commission's requirements for market-based rate authorization regarding horizontal market power.

2. Vertical Market Power

15. In cases where a public utility, or any of its affiliates, owns, operates, or controls transmission facilities, the Commission requires that there be a Commission-approved Open Access Transmission Tariff (OATT) on file or that the seller has received waiver of the OATT requirement before granting a seller market-based rate authorization.¹⁶

¹³ Order No. 697, FERC Stats. & Regs. ¶ 31,252 at PP 62, 399, 408, 440.

¹⁴ *Id.* P 62.

¹⁵ MP2 NE represents that because neither it nor any of its affiliates own or control generation resources and none have long-term power purchase agreements in place that shift control over third-party supply sources, the Commission's indicative screens for generation market power are not required for MP2 NE.

¹⁶ Order No. 697, FERC Stats. & Regs. ¶ 31,252 at P 408.

16. The Commission also considers a seller's ability to erect other barriers to entry as part of the vertical market power analysis.¹⁷ The Commission requires a seller to provide a description of its ownership or control of, or affiliation with, an entity that owns or controls, intrastate natural gas transportation, storage or distribution facilities; sites for generation capacity development; and physical coal supply sources and ownership of or control over who may access transportation of coal supplies (collectively, inputs to electric power production).¹⁸ The Commission also requires sellers to make an affirmative statement that they have not erected barriers to entry into the relevant market and will not erect barriers to entry into the relevant market.¹⁹ The Commission adopted a rebuttable presumption that the ownership or control of, or affiliation with any entity that owns or controls, inputs to electric power production does not allow a seller to raise entry barriers but will allow intervenors to demonstrate otherwise.²⁰

17. MP2 NE represents that neither it nor any of the MP2 NE affiliates own, operate, or control any transmission assets.

18. With regard to other barriers to entry, MP2 NE represents that neither it nor any of its affiliates own or control intrastate natural gas transportation, storage or distribution facilities; any unique sites for generation capacity development; physical coal supply sources and ownership or control over who may access transportation of coal supplies; or other essential resources or inputs that could be used to restrict market entry by competing power suppliers.

19. MP2 NE also affirmatively states that it has not erected barriers to entry into the relevant market and MP2 NE will not erect barriers to entry into the relevant market.²¹

20. Based on MP2 NE's representations, the Commission finds that MP2 NE satisfies the Commission's requirements for market-based rate authorization regarding vertical market power.

¹⁷ *Id.* P 440.

¹⁸ Order No. 697-A, FERC Stats. & Regs. ¶ 31,268 at P 176.

¹⁹ Order No. 697, FERC Stats. & Regs. ¶ 31,252 at P 447.

²⁰ *Id.* P 446.

²¹ We interpret this statement to apply to MP2 NE and its affiliates. *See* Order No. 697, FERC Stats. & Regs. ¶ 31,252 at P 447.

B. Additional Commitments

21. As noted above, in its market-based rate application and the October 10 Response, MP2 NE made certain additional representations and commitments regarding its management and operations and how MP2 Energy and MP2 NE intend to ensure compliance with the Commission's rules and regulations. In addition to the representations and commitments contained in its market-based rate application and the October 10 Response, we will require that MP2 NE continue at all times to have an experienced Compliance Officer to monitor compliance with the Commission's rules and regulations. If the individual serving as Compliance Officer leaves MP2 NE or otherwise ceases to perform his duties as Compliance Officer, MP2 NE will be required to notify the Commission within 30 days of his departure and to inform the Commission as to the name and relevant background of the new Compliance Officer. We will accept these representations and commitments, as modified herein, as additional safeguards against MP2 Energy and MP2 NE employees engaging in violations of Commission rules, regulations, and orders. As such, for so long as Mr. Whalen is directly or indirectly associated with MP2 NE, we will monitor MP2 NE's compliance with these representations, commitments and requirements on a regular basis.

22. As noted earlier, Mr. Whalen is also required to comply with the terms of the Stipulations and Consent Agreement with the Office of Enforcement.²² We direct MP2 NE to report to the Commission if the terms of any of the representations and commitments as accepted herein undergo a change, including any change in Whale Capital's voting status in MP2 Energy or any concerns observed by the Compliance Officer as discussed above. Such report should be submitted no later than 30 days of the date of such change.

C. Waivers, Approvals, and Authorizations

23. MP2 NE requests the following waivers and authorizations: (1) waiver of the filing requirements of Subparts B and C of Part 35 of the Commission's regulations requiring the filing of cost-of-service information, except as to sections 35.12(a), 35.13(b), 35.15, and 35.16; (2) waiver of the accounting and other requirements of Parts 41, 101, and 141 of the Commission's accounting and periodic reporting requirements except sections 141.14 and 141.15; and (3) blanket authorization under section 204 of the FPA²³ and Part 34 of the Commission's regulations for all future issuances of securities and assumptions of liability.

²² See *Vista Energy Marketing, L.P.*, 139 FERC ¶ 61,154.

²³ 16 U.S.C. § 824c (2006).

24. The Commission will grant the requested waivers and authorizations consistent with those granted to some other entities with market-based rate authorizations.²⁴ Notwithstanding the waiver of the accounting and reporting requirements here, the Commission expects MP2 NE to keep its accounting records in accordance with generally accepted accounting principles.

25. We direct MP2 NE to submit a compliance filing containing revisions to the limitations and exemptions section of its market-based rate tariff to include a citation to this order.²⁵

D. Reporting Requirements

26. Consistent with the procedures the Commission adopted in Order No. 2001, an entity with market-based rate authorization must file electronically with the Commission an Electric Quarterly Report (EQR) containing: (1) a summary of the contractual terms and conditions in every effective service agreement for market-based power sales; and (2) transaction information for effective short-term (less than one year) and long-term (one year or longer) market-based power sales during the most recent calendar quarter.²⁶

²⁴ We note that the Commission has examined and approved the continued applicability of the waivers of its accounting and reporting requirements (18 C.F.R. Parts 41, 101, and 141), as well as continued applicability of the blanket authorization for the issuance of securities and the assumption of liabilities (18 C.F.R. Part 34). *See* Order No. 697, FERC Stats. & Regs. ¶ 31,252 at PP 984-985 (regarding waiver of Parts 41, 101, and 141) and 999-1000 (regarding blanket approval under Part 34).

²⁵ *See* Order No. 697, FERC Stats. & Regs. ¶ 31,252 at App. C, *order on reh'g*, Order No. 697-A, FERC Stats. & Regs. ¶ 31,268 at P 384. *See also* *Niagara Mohawk Power Corp.*, 121 FERC ¶ 61,275, at P 8 (2007). These tariff revisions may be filed no later than the next time MP2 NE makes a market-based rate filing with the Commission.

²⁶ *Revised Public Utility Filing Requirements*, Order No. 2001, FERC Stats. & Regs. ¶ 31,127, *reh'g denied*, Order No. 2001-A, 100 FERC ¶ 61,074, *reh'g denied*, Order No. 2001-B, 100 FERC ¶ 61,342, *order directing filing*, Order No. 2001-C, 101 FERC ¶ 61,314 (2002), *order directing filing*, Order No. 2001-D, 102 FERC ¶ 61,334, *order refining filing requirements*, Order No. 2001-E, 105 FERC ¶ 61,352 (2003), *order on clarification*, Order No. 2001-F, 106 FERC ¶ 61,060 (2004), *order revising filing requirements*, Order No. 2001-G, 120 FERC ¶ 61,270, *order on reh'g and clarification*, Order No. 2001-H, 121 FERC ¶ 61,289 (2007), *order revising filing requirements*, Order No. 2001-I, FERC Stats. & Regs. ¶ 31,282 (2008). Attachments B and C of Order No. 2001 describe the required data sets for contractual and transaction information. Public utilities must submit EQRs to the Commission using the EQR

(continued...)

Public utilities must file EQRs no later than 30 days after the end of the reporting quarter.²⁷

27. Additionally, MP2 NE must timely report to the Commission any change in status that would reflect a departure from the characteristics the Commission relied upon in granting market-based rate authority.²⁸

28. In Order No. 697, the Commission created two categories of sellers.²⁹ Category 1 sellers are not required to file regularly scheduled updated market power analyses. Category 1 sellers are wholesale power marketers and wholesale power producers that own or control 500 MW or less of generation in aggregate per region; that do not own, operate or control transmission facilities other than limited equipment necessary to connect individual generation facilities to the transmission grid (or have been granted waiver of the requirements of Order No. 888³⁰); that are not affiliated with anyone that owns, operates or controls transmission facilities in the same region as the seller's generation assets; that are not affiliated with a franchised public utility in the same region as the seller's generation assets; and that do not raise other vertical market power

Submission System Software, which may be downloaded from the Commission's website at <http://www.ferc.gov/docs-filing/eqr.asp>.

²⁷ The exact filing dates for these reports are prescribed in 18 C.F.R. § 35.10b (2012). Failure to file an EQR (without an appropriate request for extension), or failure to report an agreement in an EQR, may result in forfeiture of market-based rate authority, requiring filing of a new application for market-based rate authority if the applicant wishes to resume making sales at market-based rates.

²⁸ *Reporting Requirement for Changes in Status for Public Utilities with Market-Based Rate Authority*, Order No. 652, FERC Stats. & Regs. ¶ 31,175, *order on reh'g*, 111 FERC ¶ 61,413 (2005); 18 C.F.R. § 35.42(a) (2012).

²⁹ Order No. 697, FERC Stats. & Regs. ¶ 31,252 at P 848.

³⁰ *Promoting Wholesale Competition Through Open Access Non-Discriminatory Transmission Services by Public Utilities; Recovery of Stranded Costs by Public Utilities and Transmitting Utilities*, Order No. 888, FERC Stats. & Regs. ¶ 31,036 (1996), *order on reh'g*, Order No. 888-A, FERC Stats. & Regs. ¶ 31,048, *order on reh'g*, Order No. 888-B, 81 FERC ¶ 61,248 (1997), *order on reh'g*, Order No. 888-C, 82 FERC ¶ 61,046 (1998), *aff'd in relevant part sub nom. Transmission Access Policy Study Group v. FERC*, 225 F.3d 667 (D.C. Cir. 2000), *aff'd sub nom. New York v. FERC*, 535 U.S. 1 (2002).

issues.³¹ Sellers that do not fall into Category 1 are designated as Category 2 and are required to file updated market power analyses.³²

29. MP2 NE represents that it meets the criteria for Category 1 seller status in all regions. MP2 NE states that it does not own, operate or control any generation capacity in any region. MP2 NE further states that it does not own, operate or control transmission facilities in any region. Further, MP2 NE states it is not affiliated with a franchised public utility in any region and MP2 NE does not raise any other vertical market power concerns. Based on MP2 NE's representations, we designate MP2 NE as a Category 1 seller in the Northeast, Northwest, Southeast, Southwest, Southwest Power Pool, and Central regions. However, the Commission also reserves the right to require an updated market power analysis at any time for these regions.³³

The Commission orders:

(A) MP2 NE's market-based rate tariff is accepted for filing, effective December 7, 2012, as discussed in the body of this order.

(B) MP2 NE is hereby directed to revise the limitations and exemptions section of its market-based rate tariff to include a citation to this order, as discussed in the body of this order.

(C) Waiver of the provisions of Subparts B and C of Part 35 of the Commission's regulations, with the exception of sections 35.12(a), 35.13(b), 35.15 and 35.16, are hereby granted.

(D) Waiver of Parts 41, 101, and 141 of the Commission's regulations, with the exception of sections 141.14 and 141.15 is hereby granted.

(E) Blanket authorization under Part 34 of the Commission's regulations for all future issuances of securities and assumptions of liability is hereby granted. MP2 NE is hereby granted authority to issue securities and assume obligations or liabilities as guarantors, indorsers, sureties, or otherwise in respect of any security of another person; provided that such issue or assumption is for some lawful object within the corporate

³¹ 18 C.F.R. § 35.36(a)(2) (2012).

³² Order No. 697, FERC Stats. & Regs. ¶ 31,252 at P 850.

³³ *Id.* P 853.

purposes of MP2 NE, compatible with the public interest, and reasonably necessary or appropriate for such purposes.

(F) The Commission reserves the right to modify this order to require a further showing that neither the public nor private interests will be adversely affected by continued Commission approval of MP2 NE's issuances of securities or assumptions of liabilities.

(G) MP2 NE's representations and commitments regarding its management and operations, as modified herein, are hereby accepted and MP2 NE is hereby directed to report any change to the terms of these representations and commitments within 30 days of such a change, as discussed in the body of this order.

(H) MP2 NE is subject to audit to determine whether it is in compliance with the representations, conditions and requirements upon which the authorizations are granted and with Commission rules, regulations and policies. In the event of a violation, the Commission may take action within the scope of its oversight and enforcement authority.

(I) MP2 NE is required to file EQRs in compliance with Order No. 2001. If the effective date of the MP2 NE market-based rate tariff falls within a quarter of the year that has already expired, the MP2 NE EQRs for the expired quarter(s) are due within 30 days of the date of this order.

By the Commission.

(S E A L)

Nathaniel J. Davis, Sr.,
Deputy Secretary.