

FILE



(26)
14-1699-EL-AGG
2018 RENEWAL
9/2018

Original AGG Case Number	Version
14-1699-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 North Coast Energy, Inc.
 Address 3967 Encell Drive, Copley, OH 44321
 PUCO Certificate # and Date Certified 14-887E 10/31/2014
 Telephone # (330) 576-6365 Web site address (if any) _____

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

Legal Name North Coast Energy, Inc.
 Address 3967 Encell Drive, Copley, OH 44321
 Telephone # (330) 576-6365 Web site address (if any) _____

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

North Coast Energy, Inc. _____

A-5 Contact person for regulatory or emergency matters

Name Sean Kennedy
 Title Vice President
 Business address 3967 Encell Drive, Copley, OH 44321
 Telephone # (330) 576-6365 Fax # (330) 576-6451
 E-mail address seanmkennedy@ymail.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 C.B. Date Processed 10/1/18

PUCO

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RECEIVED-DOCKETING DIV

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

Name Sean Kennedy
Title Vice President
Business address 3967 Encell Drive, Copley, OH 44321
Telephone # (330) 576-6365 Fax # (330) 576-6451
E-mail address seanmkennedy@ymail.com

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

Customer Service address 3967 Encell Drive, Copley, OH 44321
Toll-free Telephone # _____ Fax # (330) 576-6451
E-mail address seanmkennedy@ymail.com

A-8 Applicant's federal employer identification number # 30-0760681

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.).

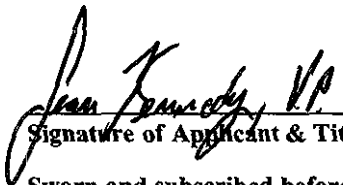
Renewal applicants can fulfill the requirements of Exhibit C-4 by providing a current statement from an Ohio local distribution utility (LDU) that shows that the applicant meets the LDU’s collateral requirements.

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 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.
- 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.


Signature of Applicant & Title

Sworn and subscribed before me this 27th day of September, 2018
Month Year


Signature of official administering oath

Maria Disalvo, Notary
Print Name and Title

My commission expires on April 23, 2023



AFFIDAVIT

State of OHIO :

Cosmopolitan ss.
(Town)

County of Summit :

Sean Kenney, Affiant, being duly sworn/affirmed according to law, deposes and says that:

He/She is the Vice President (Office of Affiant) of North Coast Energy Inc. (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.

Jean Kennedy, V.P.
Signature of Affiant & Title

Sworn and subscribed before me this 27th day of September, 2018
Month Year

Maria Disalvo
Signature of official administering oath

Maria Disalvo, Notary
Print Name and Title

My commission expires on April 23, 2023



Exhibit A-10 "Principal Officers, Directors & Partners"

- Michael Kennedy
 - President
 - 2604 Chateau Drive, Port Clinton, OH 43452
 - (216) 577-8977
- Sean Kennedy
 - Vice President
 - 3967 Encell Drive, Copley, OH 44321
 - (330) 576-6365

North Coast Energy, Inc.

Exhibit B-1 "Jurisdictions of Operation"

North Coast Energy, Inc. is authorized by certified suppliers to provide retail electric services throughout all of Ohio where permitted.

Exhibit B-2 "Experience & Plans"

Michael Kennedy worked at The East Ohio Gas Company as a sales manager prior to them being purchased by Dominion. He built a network of large industrial natural gas users and still remains in contact with them today. Michael understands the market and how natural gas is traded extremely well. Sean Kennedy has learned over the years from Michael and is constantly learning from him today.

We plan to visit customers face-to-face to speak with them regarding their electric and natural gas needs and goals. We then plan to take that information to certified suppliers to find a suppliers who will meet their needs. Once a supply price is agreed upon, we will deliver the contract to the customer for their signature and acceptance of the already agreed upon supply contract. The certified supplier will provide billing statements on a monthly basis to the customer. We will respond to customer inquiries and complaints within 24 hours in a professional and courteous manner and work diligently to resolve the issue with the customer and supplier.

Exhibit B-3 "Disclosure of Liabilities and Investigations"

- There are no 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 we are seeking to be certified to provide.

North Coast Energy, Inc.

Exhibits C-1 "Annual Reports" and C-2 "SEC Filings"

Both exhibits are not applicable because North Coast Energy is a privately held company.

Exhibit C-3 "Financial Statements"

- See following pages.

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Accrual Basis

Summary Balance Sheet

As of December 31, 2016

	Dec 31, 16
ASSETS	
Current Assets	
Checking/Savings	2,753.94
Total Current Assets	2,753.94
Fixed Assets	7,352.13
TOTAL ASSETS	10,106.07
LIABILITIES & EQUITY	
Equity	10,106.07
TOTAL LIABILITIES & EQUITY	10,106.07

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Accrual Basis

Summary Balance Sheet

As of December 31, 2017

	Dec 31, 17
ASSETS	
Current Assets	
Checking/Savings	28,580.26
Total Current Assets	28,580.26
Fixed Assets	7,352.13
TOTAL ASSETS	35,932.39
LIABILITIES & EQUITY	
Equity	35,932.39
TOTAL LIABILITIES & EQUITY	35,932.39

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Accrual Basis

Profit & Loss

January through December 2016

	Jan - Dec 16
Ordinary Income/Expense	
Income	
Commission Income	167,878.06
Fees Billed	-2.00
Refunds-Allowances	28.73
Total Income	167,904.79
Expense	
Bank Charges	34.74
Charitable Contributions	730.00
Depreciation Expense	3,968.00
Dues & Subscriptions	1,306.31
Gross Wages	108,048.79
Legal & Professional Fees	207.69
Office Expenses	
Coffee	158.50
Landscaping	1,627.99
Mailing/Postage	185.01
Office Cleaning	1,063.00
Office Supplies	2,063.58
Office Expenses - Other	444.37
Total Office Expenses	5,542.45
Other General and Admin Expense	
Dry Cleaning	182.89
Haircut	170.00
Total Other General and Admin Expense	352.89
Promotional	92.78
Promotional Meals	961.92
Simple IRA	26,418.00
Stationery & Printing	91.64
Subcontractors	8,659.12
Travel	
Fuel	32.00
Licenses and Registration	99.89
Maintenance	261.56
Mileage Sean	8,458.56
Tolls	604.41
Total Travel	9,456.42
Utilities	5,479.37
Website hosting	
Website Maintenance	135.27
Website hosting - Other	743.88
Total Website hosting	879.15
Total Expense	172,229.27
Net Ordinary Income	-4,324.48
Net Income	-4,324.48

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Accrual Basis

Profit & Loss

January through December 2017

	Jan - Dec 17
Ordinary Income/Expense	
Income	
Commission Income	235,204.66
Refunds-Allowances	289.04
Total Income	235,493.70
Expense	
Bank Charges	65.79
Commission Overpayment Repay	1,754.13
Computers	2,896.23
Dues & Subscriptions	1,180.05
Equipment	520.28
Gross Wages	134,964.22
Insurance	687.96
Legal & Professional Fees	884.32
Office Expenses	
Coffee	329.24
Landscaping	2,771.04
Mailing/Postage	167.70
Office Cleaning	1,586.57
Office Supplies	1,910.34
Security	240.00
Office Expenses - Other	646.12
Total Office Expenses	7,651.01
Other General and Admin Expense	
Dry Cleaning	189.63
Haircut	166.19
Other General and Admin Expense - Other	35.36
Total Other General and Admin Expense	391.18
Promotional	2,401.18
Promotional Meals	1,448.92
Repair & Maintenance	1,153.71
Simple IRA	28,043.50
Stationery & Printing	102.48
Subcontractors	3,224.78
Taxes & Licenses	100.00
Travel	
Fuel	69.00
Hotel	508.11
Licenses and Registration	289.78
Maintenance	2,303.41
Mileage Mike	237.15
Mileage Sean	1,079.48
Tolls	454.27
Total Travel	4,941.20
Utilities	5,837.66
Website hosting	743.88
Total Expense	198,992.48
Net Ordinary Income	36,501.22
Net Income	36,501.22

Statement of Cash Flows

January through December 2016

	Jan - Dec 16
OPERATING ACTIVITIES	
Net Income	-4,324.48
Net cash provided by Operating Activities	-4,324.48
INVESTING ACTIVITIES	
Accumulated Depreciation	3,968.00
Net cash provided by Investing Activities	3,968.00
Net cash increase for period	-356.48
Cash at beginning of period	3,110.42
Cash at end of period	<u>2,753.94</u>

Statement of Cash Flows

January through December 2017

	Jan - Dec 17
OPERATING ACTIVITIES	
Net Income	36,501.22
Net cash provided by Operating Activities	36,501.22
FINANCING ACTIVITIES	
Partner Distributions: Michael Kennedy	-10,674.90
Net cash provided by Financing Activities	-10,674.90
Net cash increase for period	25,826.32
Cash at beginning of period	2,753.94
Cash at end of period	<u>28,580.26</u>

North Coast Energy, Inc.

Exhibit C-4 "Financial Arrangements"

This is not applicable because North Coast Energy, Inc. is not taking title to power.

Exhibit C-5 "Forecasted Financial Statements"

	<u>2019</u>	<u>2020</u>
Revenue	\$105,000.00	\$105,000.00
Expenses	\$35,000.00	\$40,000.00
Net Income	\$70,000.00	\$65,000.00

Prepared by:
Sean Kennedy
North Coast Energy, Inc.
3967 Encell Drive, Copley, OH 44321
(330) 576-6365
seanmkennedy@ymail.com

North Coast Energy, Inc.

Exhibit C-6 "Credit Rating"

North Coast Energy, Inc. is not rated by a Rating Agency.

North Coast Energy, Inc.

Exhibit C-7 "Credit Report"

North Coast Energy, Inc. does not have a credit report.

North Coast Energy, Inc.

Exhibit C-8 "Bankruptcy Information"

Not applicable.

North Coast Energy, Inc.

Exhibit C-9 "Merger Information"

Not applicable.

North Coast Energy, Inc.

Exhibit C-10 "Corporate Structure"

- North Coast Energy, Inc. is a stand-alone entity with no affiliate or subsidiary companies.