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Schneider Electric

May 4, 2020

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

Enclosed are the following in accordance with the instructions for a Certification Application for Electric Aggregators/Power Brokers:

1 Original
3 Copies

Please advise if you need anything else in order to approve our application.

Thank you,

Matt Bischoff
Regional Energy Buyer

Schneider Electric
10350 Ormsby Park Place
Suite 400
Louisville, KY 40223 USA
502-429-3800

www.schneider-electric.com

Ohio | Public Utilities Commission

Original AGG Case Number	Version
10 - 645 -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 complete 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 **Summit Energy Services, Inc.**
Address **10350 Ormsby Park Place, Suite 400, Louisville, KY 40223**
PUCO Certificate # and Date Certified **10-214E (4); June 18, 2016**
Telephone # **(502) 429-3800** 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 **Summit Energy Services, Inc.**
Address **10350 Ormsby Park Place, Suite 400, Louisville, KY 40223**
Telephone # **(502) 429-3800** Web site address (if any) ____

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

Schneider Electric
Summit Energy Services, Inc.

A-5 Contact person for regulatory or emergency matters

Name **Holly Jetter**
Title **Director, Operations**
Business address **10350 Ormsby Park Place, Suite 400, Louisville, KY 40223**
Telephone # **(502) 753-3181** Fax # **(502) 753-2248**
E-mail address **Holly.Jetter@se.com**

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

Name **Holly Jetter**
Title **Director, Operations**
Business address **10350 Ormsby Park Place, Suite 400, Louisville, KY 40223**
Telephone # **(502) 753-3181** Fax # **(502) 753-2248**
E-mail address **Holly.Jetter@se.com**

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

Customer Service address **10350 Ormsby Park Place, Suite 400, Louisville, KY 402:**
Toll-free Telephone # **(502) 429-3800** Fax # **(502) 753-2248**
E-mail address **n/a**

A-8 Applicant's federal employer identification number # 61-1211144

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

☐ Sole Proprietorship ☐ Partnership
☐ Limited Liability Partnership (LLP) ☐ Limited Liability Company (LLC)
☑ Corporation ☐ 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 1st **day of** May, 2020
Month **Year**

Leslie Williams
Signature of official administering oath

Leslie Williams, Notary
Print Name and Title

My commission expires on 10/10/2023

Leslie Williams
Notary Public, ID No. 544022
State at Large, Kentucky
My Commission Expires on 10/10/2023

10/10/2023

AFFIDAVIT

State of Kentucky :

Louisville ss.
(Town)

County of Jefferson :

Holly Jetter, Affiant, being duly sworn/affirmed according to law, deposes and says that:

He/She is the Director, Operations (Office of Affiant) of Summit Energy Services, 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.

Signature of Affiant & Title

Sworn and subscribed before me this 1st day of May, 2020
Month Year

Signature of official administering oath

Leslie Williams, Notary
Print Name and Title

Leslie Williams
Notary Public, ID No. 544022
State at Large, Kentucky
My Commission Expires on 10/10/2023

My commission expires on 10/10/2023

10/10/2023

Summit Energy Services, Inc.

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

Steve Wilhite
Senior Vice President, ESS
10350 Ormsby Park Place, Suite 400
Louisville, KY 40223
502-753-3103

Bill Brewer
Vice President, Global Supply & Sustainability Operations
10350 Ormsby Park Place, Suite 400
Louisville, KY 40223
502-753-3125

Kevin Whaites
Vice President, Global Sourcing and Solutions
5 Salmon Fields Business Village
Royton
Oldham UK
OL2 6HT
+44 (161) 785-7953

Summit Energy Services, Inc.

Exhibit B-1: Jurisdictions of Operation

State:	**License No:**
Delaware	13-378
District of Columbia	EA 2013-20, GA 2013-13
Illinois	10-0241
Maine	2006-318
Maryland	IR-1396, IR-3249
Massachusetts	RA-104, EB-149
New Hampshire	DM 13-328, DM 11-286
New Jersey	EA-0422
Ontario	ER-2017-0357
Pennsylvania	A-2015-2489074, A-2013-2389017
Rhode Island	D-96-6 (O6), 2379(D3)
Texas	80292
Virginia	A-66

Exhibit B-2: Experience & Plans

Summit Energy Services Inc. is a broker, not a supplier, and we do not provide contracting services or billing statements.

Summit Energy Services, Inc.

Exhibit B-3: Disclosure of Liabilities and Investigations

In January 2015, Summit Energy Services, Inc. (Summit) was ordered by the Commodity Futures Trading Commission (CFTC) to pay a $140,000 civil monetary penalty for acting as an unregistered Commodity Trading Advisor for a period of time from October 2012 through September 25, 2014. This arose as the result of Summit working with the CFTC to ensure all reporting requirements were met.

Currently, Summit is now registered as a Commodity Trading Advisor (CTA) with the CFTC and are in full compliance with the requirements to provide financial hedging and risk management services to clients, and there will be no impact to operations or customers. Even before the CFTC's inquiry, Summit was working through the requirements to meet these new regulations, including obtaining the necessary certifications to provide financial hedging and risk management services to our clients. This situation has been fully resolved, and does not impact any of our operations or our services, past or future. Furthermore, there are no implications for our clients, their businesses, or their interactions with Summit.

Information regarding this can be found in CFTC Docket No. 15-12

Exhibit C-1: Annual Reports

Annual reports for Schneider Electric SA can be found online at http://www.schneider-electric.com/sites/corporate/en/finance/presentations/annual-reports.page.

Exhibit C-2: SEC Filings

Schneider Electric SA shares are not traded on an organized exchange in the United States. As a result, Schneider Electric does not fall under the SEC's jurisdiction. The shares are traded on the Paris Stock Exchange (Eurolist – Euronext Paris).

Exhibit C-3: Financial Statements

1. Consolidated statement of income

(in millions of euros except for earnings per share)	Note	Full year 2017	Full year 2016*
Revenue	**3**	**24,743**	**24,459**
Cost of sales		(15,245)	(15,101)
Gross profit		**9,498**	**9,358**
Research and development	4	(501)	(527)
Selling, general and administrative expenses		(5,346)	(5,333)
EBITA adjusted**	**3**	**3,651**	**3,498**
Other operating income and expenses	6	(15)	(63)
Restructuring costs	7	(286)	(309)
EBITA***		**3,350**	**3,126**
Amortization and impairment of purchase accounting intangibles	8	(140)	(151)
Operating income		**3,210**	**2,975**
Interest income		51	41
Interest expense		(270)	(313)
Finance costs, net		**(219)**	**(272)**
Other financial income and expense	9	(148)	(190)
Net financial income/(loss)		**(367)**	**(462)**
Profit from continuing operations before income tax		**2,843**	**2,513**
Income tax expense	10	(600)	(719)
Income of discontinued operations, net of income tax		(94)	(17)
Share of profit/(loss) of associates	14	61	34
PROFIT FOR THE PERIOD		2,210	1,811
◆ attributable to owners of the parent		2,150	1,750
◆ attributable to non-controlling interests		60	61
Basic earnings (attributable to owners of the parent) per share *(in euros per share)*	21.2	3.85	3.12
Diluted earnings (attributable to owners of the parent) per share *(in euros per share)*		3.81	3.09

* *2016 figures were restated for discontinued operations disclosed in note 1.*
** *Adjusted EBITA (Earnings Before Interest, Taxes, Amortization of Purchase Accounting Intangibles).*
Adjusted EBITA corresponds to operating profit before amortization and impairment of purchase accounting intangible assets, before goodwill impairment, other operating income and expenses and restructuring costs.
*** *EBITA (Earnings Before Interest, Taxes and Amortization of Purchase Accounting Intangibles).*
EBITA corresponds to operating profit before amortization and impairment of purchase accounting intangible assets and before goodwill impairment.
The accompanying notes are an integral part of the consolidated financial statements.

Other Comprehensive Income

(in millions of euros)	Note	Full year 2017	Full year 2016
Profit for the year		**2,210**	**1,811**
Other Comprehensive Income:			
Translation adjustment		(1,517)	(43)
Cash-flow hedges		(94)	30
Income tax effect of cash-flow hedges	21.6	32	(12)
Net gains (losses) on financial assets		(6)	4
Income tax effect of net gains (losses) on financial assets	21.6	-	-
Actuarial gains (losses) on defined benefit plans	22.1	48	(426)
Income tax effect of Actuarial gains (losses) on defined benefit plans	21.6	(182)	59
Other Comprehensive Income for the year, net of tax		**(1,719)**	**(388)**
of which to be recycled in income statement		(1,585)	22
of which not to be recycled in income statement		(134)	(410)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		491	1,423
Attributable:			
◆ to owners of the parent		445	1,363
◆ to non-controlling interests		46	60

The accompanying notes are an integral part of the consolidated financial statements.

2. Consolidated statement of cash flows

(in millions of euros)	Note	Full year 2017	Full year 2016*
Profit for the year		**2,210**	**1,811**
Losses/(gains) from discontinued operations		94	17
Share of (profit)/losses of associates, net of dividends received		(61)	(34)
Income and expenses with no effect on cash flow			
Depreciation of property, plant and equipment	13	387	386
Amortization of intangible assets other than goodwill	12	399	447
Impairment losses on non-current assets		68	106
Increase/(decrease) in provisions	23	(69)	(112)
Losses/(gains) on disposals of assets		(93)	17
Difference between tax paid and tax expense		48	188
Other non-cash adjustments		37	130
Net cash provided by operating activities		**3,020**	**2,956**
Decrease/(increase) in accounts receivable		(257)	(17)
Decrease/(increase) in inventories and work in progress		(173)	93
(Decrease)/increase in accounts payable		304	(21)
Other current assets and liabilities		47	(54)
Change in working capital requirement		**(79)**	**1**
Total I – Cash flows from operating activities		**2,941**	**2,957**
Purchases of property, plant and equipment	13	(434)	(476)
Proceeds from disposals of property, plant and equipment		61	81
Purchases of intangible assets	12	(315)	(360)
Proceeds from disposals of intangible assets		-	14
Net cash used by investment in operating assets		**(688)**	**(741)**
Net financial investments	2.2	(416)	47
Other long-term investments		26	44
Increase in long-term pension assets		(160)	(111)
Sub-total		**(550)**	**(20)**
Total II – Cash flows from/(used in) investing activities		**(1,238)**	**(761)**
Issuance of bonds	24	740	800
Repayment of bonds	24	(1,025)	(672)
Sale/(purchase) of own shares		(171)	(853)
Increase/(decrease) in other financial debt		111	(794)
Increase/(decrease) of shares capital		161	164
Dividends paid by Schneider Electric SE	21	(1,133)	(1,127)
Dividends paid to non-controlling interests		(64)	(100)
Purchases of minority interests	2.2	(141)	-
Total III – Cash flows from/(used in) financing activities		**(1,522)**	**(2,582)**
Total IV – Net foreign exchange difference		**(33)**	**77**
Total V – Effect of discontinued operations		**89**	**(10)**
Increase/(decrease) in net cash and cash equivalents: I + II + III + IV + V		**237**	**(319)**
Net cash and cash equivalents at January 1		2,530	2,849
Increase/(decrease) in cash and cash equivalents		237	(319)
NET CASH AND CASH EQUIVALENTS AT DECEMBER 31	20	2,767	2,530

* *2016 figures were restated for discontinued operations disclosed in note 1.*
The accompanying notes are an integral part of the consolidated financial statements.

3. Consolidated balance sheet

Assets

(in millions of euros)	**Note**	Dec. 31, 2017	Dec. 31, 2016
NON-CURRENT ASSETS			
Goodwill, net	11	16,423	17,785
Intangible assets, net	12	4,335	4,574
Property, plant and equipment, net	13	2,490	2,642
Total tangible and intangible assets		6,825	7,216
Investments in associates	14	547	601
Non-current financial assets	15	436	539
Deferred tax assets	16	2,097	2,573
Total non-current assets		**26,328**	**28,714**
CURRENT ASSETS			
Inventories and work in progress	17	2,844	2,876
Trade and other operating receivables	18	5,763	5,929
Other receivables and prepaid expenses	19	1,693	1,507
Current financial assets	15	32	30
Cash and cash equivalents	20	3,045	2,795
Total current assets		**13,377**	**13,137**
Assets of discontinued operations		**144**	**-**
TOTAL ASSETS		39,849	41,851

The accompanying notes are an integral part of the consolidated financial statements.

Liabilities

(in millions of euros)	Note	Dec. 31, 2017	Dec. 31, 2016
Equity	**21**		
Share capital		2,388	2,370
Additional paid-in capital		5,147	6,232
Retained earnings		12,768	10,895
Translation reserve		(506)	997
Equity attributable to owners of the parent		**19,797**	**20,494**
Non-controlling interests		145	159
Total equity		**19,942**	**20,653**
Non-current provisions			
Pensions and other post-employment benefit obligations	22	1,783	2,229
Other non-current provisions	23	1,431	1,650
Total non-current provisions		**3,214**	**3,879**
Non-current financial liabilities			
Bonds	24	5,626	5,721
Other non-current debt	24	24	45
Non-current financial liabilities		5,650	5,766
Deferred tax liabilities	16	996	1,367
Other non-current liabilities	25	10	142
Total non-current liabilities		**9,870**	**11,154**
Current liabilities			
Trade and other operating payables		4,148	4,146
Accrued taxes and payroll costs		2,250	2,006
Current provisions	23	842	857
Other current liabilities		1,018	1,182
Current debt	24	1,691	1,853
Total current liabilities		**9,949**	**10,044**
Liabilities of discontinued operations		**88**	**-**
TOTAL EQUITY AND LIABILITIES		39,849	41,851

The accompanying notes are an integral part of the consolidated financial statements.

4. Consolidated statement of changes in equity

(in millions of euros except for number of shares)	**Number of shares *(thousands)***	**Capital**	**Additional paid-in capital**	**Treasury shares**	**Retained earnings**	**Translation reserve**	**Equity attributable to owners of the parent**	**Non-controlling interests**	Total
Jan. 1st, 2016	**588,734**	**2,355**	**7,267**	**(1,027)**	**11,214**	**1,039**	**20,848**	**441**	**21,289**
Profit for the year					1,750		1,750	61	1,811
Other Comprehensive Income					(345)	(42)	(387)	(1)	(388)
Comprehensive income for the year					1,405	(42)	1,363	60	1,423
Capital increase	2,843	11	119				130		130
Exercise of stock option plans and performance shares	922	4	30				34		34
Dividends			(1,127)				(1,127)	(100)	(1,227)
Change in treasury shares				(853)			(853)		(853)
Share-based compensation expense					118		118		118
Other			(57)		38		(19)	(242)*	(261)
Dec. 31, 2016 published	**592,499**	**2,370**	**6,232**	**(1,880)**	**12,775**	**997**	**20,494**	**159**	**20,653**
IFRS 9 restatement**					(100)		(100)		(100)
Jan. 1st, 2017 restated	**592,499**	**2,370**	**6,232**	**(1,880)**	**12,675**	**997**	**20,394**	**159**	**20,553**
Profit for the year					2,150		2,150	60	2,210
Other Comprehensive Income					(202)	(1,503)	(1,705)	(14)	(1,719)
Comprehensive income for the year					1,948	(1,503)	445	46	491
Capital increase	2,413	10	132				142		142
Exercise of stock option plans and performance shares	2,004	8	16		(6)		18		18
Dividends			(1,133)				(1,133)	(64)	(1,197)
Change in treasury shares				(154)	(17)		(171)		(171)
Share-based compensation expense					102		102		102
Other			(100)	(119)	219		-	4	4
DEC. 31, 2017	596,916	2,388	5,147	(2,153)	14,921	(506)	19,797	145	19,942

* *The EUR242 million decrease in non-controlling interests mainly results from the deconsolidation of Delixi.*
** *2017 opening retained earnings were restated from IFRS 9 adoption impacts disclosed in note 1.*
The accompanying notes are an integral part of the consolidated financial statements.

6. Statutory auditors' report on the consolidated financial statements

Year ended December 31, 2017

To the Annual General Meeting of Schneider Electric S.E.,

I. Opinion

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying consolidated financial statements of Schneider Electric S.E. for the year ended December 31, 2017.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2017and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the audit and risks committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the ***Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements*** section of our report.

Independence

We conducted our audit engagement in compliance with independence rules applicable to us, for the period from January 1, 2017 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No. 537/2014 or in the French Code of Ethics (***Code de déontologie***) for statutory auditors.

Emphasis of Matter

We draw your attention to the matter described in Note 1.1 to the consolidated financial statements relating to the early application of phases 1 and 2 of IFRS 9 – Financial instruments. Our opinion is not modified in respect of this matter.

Justification of Assessments - Key Audit Matters

In accordance with the requirements of Articles L. 823-9 and R. 823-7 of the French Commercial Code (***Code de commerce***) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

Measurement of goodwill and trademarks with an indefinite useful life

Notes 1.9, 1.11, 8, 11 and 12 to the consolidated financial statements

Key audit matter

As at December 31, 2017, the carrying amount of goodwill and trademarks with an indefinite useful life is M€ 16,423 and M€ 2,117 respectively, totaling 47 % of the group consolidated assets.

As described in Note 1.11 to the consolidated financial statements, the Cash Generating Units (CGUs), which the goodwill and the trademarks with an indefinite useful are allocated to, are tested for impairment at least once a year and whenever there is an indication of impairment risk.

The Group's CGUs are Low Voltage (Building), Medium Voltage (Infrastructure), Industrial Automation (Industry), and Secure Power (IT), and correspond to the smallest identifiable groups of assets generating cash inflows that are largely independent from the cash inflows from other assets or groups of assets.

The recoverable value of a CGU is defined as the highest value between its value in use and its realizable value net of costs. The value in use of a CGU is determined by discounting future cash flows that will be generated by its underlying assets and which are based on the Group's management's economic assumptions and operating forecasts.

An impairment loss is recognized when the recoverable value of a CGU is lower than its book value, for the excess amount of the book value over the recoverable value. When the tested CGU comprises goodwill, any impairment loss is primarily deducted there from.

We considered the measurement of goodwill and trademarks with an indefinite useful life to be a key audit matter as these assets account for a large part of the group's consolidated balance sheet and because of the level of management's judgment required to:

- define the CGUs, as an improper mapping could lead your Group to not recognize or under-estimate an impairment of goodwill and trademarks with an indefinite useful life;
- determine the assumptions used for the impairment tests, particularly the discount rates, the long-term growth rates and the expected margin rates.

Our response

Our audit work consisted in:

- assessing whether the Group's definition of the CGUs is compliant with the applicable accounting standards;

- reconciling the carrying amount of assets tested with the accounting data;
- assessing the business forecasts underlying the future cash flows by comparing past estimates to actual results;
- with the assistance of our valuation experts, assessing the assumptions used such as discount rates, long-term growth rates and expected margin rates, as well as the sensitivity of tests results to a variation of these assumptions;
- reconciling the sensitivity analyses performed by the Group with our sensitivity calculations;
- verifying the arithmetical accuracy of the computations underlying the impairment tests.

Capitalization and measurement of development costs

Notes 1.9, 1.11, 4 and 12 to the consolidated financial statements

Key audit matter

As at December 31, 2017, the Group's consolidated balance sheet includes capitalized development costs of M€ 1,181.

As described in notes 1.9 and 1.11 to the consolidated financial statements, the costs the Group incurs as part of its new projects are capitalized when the criteria for capitalizing are strictly met and, in particular, when it is probable that future economic benefits attributable to the project will flow to the group.

Development-related assets are amortized from the commercial launch and over the lifespan of the underlying technology.

Development-related assets which are not amortized yet are tested for impairment on an annual basis and whenever there is an indication of impairment risk. As for development-related assets, which are in the amortization period, they are tested for impairment at year-end in case an impairment risk has been identified. The Group recognizes an impairment loss when the recoverable amount of a development-related asset is lower than its carrying amount.

The capitalization and the measurement of development costs are considered to be a key audit matter due to their materiality when compared to the consolidated assets of the Group, and to the management's judgment exercised when initially determining whether such development costs should be capitalized and when subsequently carrying out impairment tests.

Our response

We analyzed the processes the Group implemented for the initial capitalization of development costs, for the identification of projects to be potentially impaired and for the determination of estimates used for the purpose of testing the development-related assets for impairment. Based on a selection of projects, our work consisted in:

- ensuring the capitalization criteria, as set out in the Group's internal procedure, were met and consistently applied;
- reconciling, on a sample basis, the costs capitalized as at December 31, 2017 with the underlying supporting documentation;
- assessing, with the assistance of our valuation experts, the data and assumptions used by the Group when testing development-related assets for impairment, mainly sales forecasts, discount rates and long-term growth rates, by inquiring of management and by comparing future cash flows to past performance;
- corroborating the sensitivity analyses performed by the Group with our sensitivity calculations;
- verifying the arithmetical accuracy of management's computations.

Recognition and recoverability of deferred tax assets related to tax losses carried forward

Notes 1.16 and 16 to the consolidated financial statements

Key audit matter

As at December 31, 2017, the deferred tax assets recognized in the Group's balance sheet, with regards to tax losses carried forward, amount to M€ 683.

As described in note 1.16 to the consolidated financial statements, the Group recognizes future tax benefits, arising from the utilization of tax losses carried forward, to the extent they can reasonably be expected to be achieved, including when such amounts can be indefinitely carried forward.

Management assesses at year-end the recoverability by the Group of its deferred tax assets on tax losses carried forward based on its taxable income forecasts. The appropriate estimation of deferred tax assets relies on the Group's ability to accurately forecast its future taxable incomes.

We considered the initial recognition and the subsequent recoverability of deferred tax assets on tax losses carried forward to be a key audit matter due to the judgment exercised by management when assessing its future taxable incomes.

Our response

In considering the Group's capacity to benefit from its deferred tax assets on tax losses carried forward by offsetting them with future taxable incomes, our audit approach consisted, with the assistance of our tax lawyers when necessary, in:

- inquiring about projected taxable incomes for the subsidiaries or tax consolidation groups at stake;
- assessing the data and assumptions underlying the projected taxable incomes supporting the recognition and the measurement of deferred tax assets by the Group.

Risk assessment and measurement of provisions and contingent liabilities

Notes 1.21, 23 and 29.3 to the consolidated financial statements

Key audit matter

The Group operates in many countries and is thus exposed to different environments in terms of law, regulation and tax. The Group is also subject to the inherent risks of its operations, especially with regard to commercial and industrial aspects.

In this context, the Group may face uncertain, litigious or contentious situations, particularly during tax audits which led or could lead to notifications from local tax authorities.

As described in note 1.21 to the consolidated financial statements, the Group recognizes a provision when it has an obligation towards a third party prior to the balance sheet date, and when the loss or liability is likely and can be reliably measured. If the loss or liability is not likely and cannot be reliably estimated, but remains possible, the Group discloses it as a contingent liability.

Each subsidiary and relevant departments of the group assess the identified risks on a regular basis, with the assistance of external counsels when necessary.

We considered provisions, which amount to M€ 2,273 as at December 31, 2017, to be a key audit matter given the various risks the Group is exposed to and to the judgment required from management to estimate its risks and the provisions amounts, if any. In case of an incomplete identification of its risks and/or an incorrect evaluation of its exposure, the Group could under- or overestimate its provisions and contingent liabilities.

Our response

Our audit approach consisted mainly in:

- assessing the procedures implemented by the Group to identify and gather the risks it is exposed to;
- obtaining an understanding of the risk analyses performed by the Group, with the relating supporting documentation, and studying written statements from internal and external legal advisors, where applicable;
- assessing, for the main risks identified, the assumptions used by management to measure the provisions accounted for, with the assistance of our experts, if necessary.

V. Verification of the Information Pertaining to the Group Presented in the Management Report

As required by law we have also verified in accordance with professional standards applicable in France the information pertaining to the Group presented in the Board of Directors' management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

VI. Report on Other Legal and Regulatory Requirements

Appointment of the Statutory Auditors

We were appointed as statutory auditors of Schneider Electric S.E. by the annual general meetings held on May 6, 2004 for MAZARS and on June 25, 1992 for ERNST & YOUNG et Autres.

As at December 31, 2017, MAZARS and ERNST & YOUNG et Autres were in the fourteenth year and twenty-sixth year of total uninterrupted engagement respectively.

VII. Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The audit and risks committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

VIII. Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Objectives and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified in Article L. 823-10-1 of the French Commercial Code (*Code de commerce*), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements.
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.

- Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Report to the audit and risks committee

We submit a report to the audit and risks committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the audit and risks committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the audit and risks committee with the declaration provided for in Article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L. 822-10 to L. 822-14 of the French Commercial Code (Code de commerce) and in the French Code of Ethics (Code de déontologie) for statutory auditors. Where appropriate, we discuss with the audit and risks committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Courbevoie and Paris-La Défense, March 12, 2018

The Statutory Auditors

French original signed by

MAZARS	ERNST & YOUNG et Autres
Loic Wallaert	Jean-Yves Jégourel
	Alexandre Resten

Exhibit C-4: Financial Arrangements

N/A

Summit Energy Services, Inc.

Exhibit C-6: Credit Rating

Summit Energy Services was acquired by Schneider Electric in April 2011 and in January 2012 was branded as Schneider Electric. However, contracting and accounting is still done under Summit Energy Services and the D&B number is Summit Energy's number.

Dunn & Bradstreet Number: 80-878-6073

Summit Energy Services, Inc. has a 1R3 D&B rating.

Schneider Electric USA, Inc. has a 1R4 D&B rating.

Exhibit C-6: Credit Rating

DNBi Risk Management

Printed By: Wes Tappmeyer

Date Printed: April 16, 2020

LIVE REPORT

Currency: Shown in USD unless otherwise indicated

SUMMIT ENERGY SERVICES, INC.

Trade Names: (SUBSIDIARY OF SCHNEIDER ELECTRIC HOLDINGS, INC., SCHAUMBURG, IL)

ACTIVE | HEADQUARTERS (SUBSIDIARY)

D-U-N-S Number:	80-878-6073
Company:	SUMMIT ENERGY SERVICES, INC.

D&B Address

Address:	10350 ORMSBY PK PL STE 400 LOUISVILLE, KY, US - 40223
Location Type:	HEADQUARTERS (SUBSIDIARY)
Phone:	502-429-3800
Fax:	
Web:	

Added to Portfolio:	02/18/2019
Endorsement:	Wes.tappmeyer@ems.schneider-electric.com
Last View Date:	04/16/2020

Company Summary

SCORE BAR

PAYDEX®	**55**	Paying 26 days past due
Commercial Credit Score Percentile	**9**	High Risk of severe payment delinquency.
Financial Stress Score National Percentile	**36**	Moderate Risk of severe financial stress.
D&B Viability Rating	2 1 B Z	View More Details
Bankruptcy Found	**N**	
D&B Rating	**1R3**	1R indicates 10 or more Employees, Credit appraisal of 3 is fair

DETAILED TRADE RISK INSIGHT™

3 months from Feb-20 to Apr-20

Days Beyond Terms Past 3 months: 2 Days

Days Beyond Terms Past 3 months : 2

Low Risk:0 ; High Risk:120+

Dollar-weighted average of **9** payment experiences reported from **8** companies.

D&B VIABILITY RATING SUMMARY

Viability Score

Viability Score : 2

Low Risk:1 ; High Risk:9

Portfolio Comparison

Portfolio Comparison : 1

Low Risk:1 ; High Risk:9

Data Depth Indicator

Data Depth Indicator : B

Predictive:A ; Descriptive:G

Company Profile:

Z
SUBSIDIARY

D&B COMPANY OVERVIEW

This is a headquarters (subsidiary) location

Branch(es) or Division(s) exist	Chief Executive	Age (Year Started)
Y	STEVE WILHITE, PRES	29 years (1991)
Employees	**History Status**	**SIC**
1800 (Undetermined Here)	CLEAR	8741
Line of business	**NAICS**	
Management services	561110	

PAYDEX® TREND CHART

FIRSTRAIN COMPANY NEWS

Powered By FirstRain

TDI Podcast: A Crude Reality (#650) The Disciplined Investor Feb 22, 2020
Google Inc.

CFTC Enforcement Priorities: Commodity Trading Advisory Services in Energy and Other Areas Under Scrutiny JD Supra Nov 13, 2019
Google Inc.

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	11/27/2014

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

CORPORATE LINKAGE

This is a Headquarters (Subsidiary) location	SUMMIT ENERGY SERVICES, INC. Louisville, KY D-U-N-S® NUMBER: 80-878-6073
Global Ultimate :	SCHNEIDER ELECTRIC SE RUEIL MALMAISON, HAUTS DE SEINE , FRANCE D-U-N-S® NUMBER: 27-513-6398
Parent Company	SCHNEIDER ELECTRIC HOLDINGS, INC. Illinois D-U-N-S® NUMBER: 83-308-9860

Predictive Scores

D&B VIABILITY RATING SUMMARY

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

Viability Score

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

- Level of Risk: **Low Risk**
- Businesses ranked **2** have a probability of becoming no longer viable: **2** %
- Percentage of businesses ranked **2: 4** %
- Across all US businesses, the average probability of becoming no longer viable: **14** %

Portfolio Comparison

Compared to All US Businesses within the same MODEL SEGMENT:

- Model Segment : **Established Trade Payments**
- Level of Risk: **Low Risk**
- Businesses ranked **1** within this model segment have a probability of becoming no longer viable: **2** %
- Percentage of businesses ranked **1** with this model segment: **11** %
- Within this model segment, the average probability of becoming no longer viable: **5** %

Data Depth Indicator

Data Depth Indicator:

✓ Rich Firmographics

✓ Extensive Commercial Trading Activity

✓ Basic Financial Attributes

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

To help improve the current data depth of this company, you can ask D&B to make a personalized request to this company on your behalf to obtain its latest financial information. To make the request, click the link below. Note, the company must be saved to a folder before the request can be made.

Request Financial Statements

Reference the FINANCIALS tab for this company to monitor the status of your request.

Company Profile:

Company Profile Details:

- Financial Data:
- Trade Payments:
- Company Size:
- Years in Business:

Z

Subsidiary

Summit Energy Services, Inc.

Exhibit C-7: Credit Report

N/A

Exhibit C-8: Bankruptcy Information

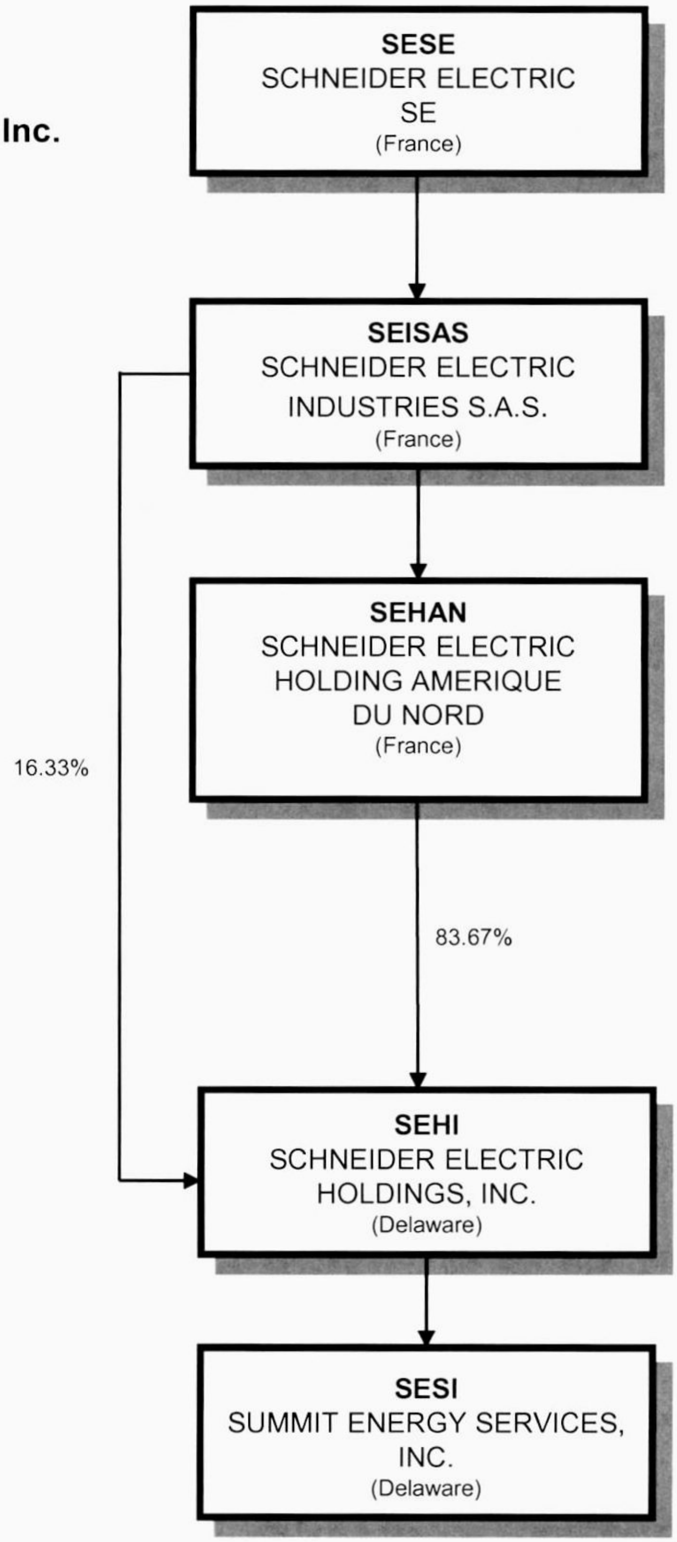
Summit Energy Services, Inc & Schneider Electric are not in any bankruptcy or reorganization proceedings and does not anticipate need to do so.

Exhibit C-9: Merger Information

There has been no dissolution, merger or acquisition since Summit Energy Services, Inc. last filed.

Exhibit C-10: Corporate Structure

Ownership of Summit Energy Services, Inc.



all shareholdings are 100% unless stated otherwise