

DIS Case Number: 17-1326-GA-CRS

Section A: Application Information

A-1. Provider type:

☐ Retail Natural Gas
Broker

☐ Retail Natural Gas
Aggregator

☒ Retail Natural Gas
Marketer

A-2. Applicant's legal name and contact information.

Legal Name: South Bay Energy Corp.

Country: United States

Phone: 631-724-9010
Extension (if applicable):

Street: 700 Veterans Memorial Hwy. #210

Website (if any): www.southbayenergy.com

City: Hauppauge

Province/State: NY

Postal Code: 11788

A-3. Names and contact information under which the applicant will do business in Ohio

Provide the names and contact information the business entity will use for business in Ohio. This does not have to be an Ohio address and may be the same contact information given in A-2.

Name	Type	Address	Active?	Proof
South Bay Energy Corp.	Official Name	700 Veterans Memorial Hwy. #210 Hauppauge, NY 11788	Yes	File

A-4. Names under which the applicant does business in North America

Provide all business names the applicant uses in North America, including the names provided in A-2 and A-3.

Name	Type	Address	Active?	Proof
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A-5. Contact person for regulatory matters



Public Utilities Commission

Brittany Hirson
700 Veterans Memorial Highway, #210
Hauppauge, NY 11788
US
brittany@southbayenergy.com
6317249010

A-6. Contact person for PUCO Staff use in investigating consumer complaints

Brittany Hirson
700 Veterans Memorial Highway, #210
Hauppauge, NY 11788
US
brittany@southbayenergy.com
6317249010

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

Phone: 877-724-9010	Extension (if applicable):	Country: United States
Fax: 631-724-9011	Extension (if applicable):	Street: 700 Veterans Memorial Hwy. #210
Email: info@southbayenergy.com	City: Hauppauge	Province/State: NY
	Postal Code: 11788	

A-8. Applicant's federal employer identification number

451760711

A-9. Applicant's form of ownership

Form of ownership: Corporation

A-10. Identify current or proposed service areas

Identify each service area in which the applicant is currently providing service or intends to provide service and identify each customer class that the applicant is currently serving or intends to serve.

Service area selection

Columbia Gas of Ohio

Dominion Energy Ohio
Duke Energy Ohio
Vectren Energy Delivery of Ohio

Class of customer selection

Industrial
Residential
Small Commercial
Large Commercial

A-11. Start date

Indicate the approximate start date the applicant began/will begin offering services: 06-26-2017

A-12. Principal officers, directors, and partners

Please provide all contacts that should be listed as an officer, director or partner.

Name	Email	Title	Address
Stephen Mellis	steve@southbayenergy.com		700 Veterans Memorial Hwy. 210 Hauppauge, NY 11788 US

A-13. Company history

South Bay Energy Corp. was formed in April of 2011 under the laws of the state of New York as a Corporation. South Bay Energy Corp.'s principal business interest is being a Competitive Retail Electric Supplier (CRES) and Competitive Retail Natural Gas Supplier (CRNGS) to residential and commercial customers. South Bay Energy Corp. is currently operating as a power and gas supplier in the states of New York, Pennsylvania, New Jersey, Illinois and Ohio.

A-14. Secretary of State

Secretary of State Link:

A-15. Proof of Ohio Employee and Office



Public Utilities Commission

Provide proof of an Ohio Office and Employee in accordance with Section 4929.22 of the Ohio Revised Code. List the designated Ohio employee's name, Ohio office address, telephone number and web site address

Employee Name: Ralph Barker III
7809 Morse Road
New Albany, OH 43054
US
tbarker@southbayenergy.com
6148328173

Section B: Applicant Managerial Capability and Experience

B-1. Jurisdiction of operations

List all jurisdictions in which the applicant or any affiliated interest of the applicant is certified, licensed, registered or otherwise authorized to provide retail natural gas service or retail/wholesale electric service as of the date of filing the application..

Jurisdiction of Operation: South Bay Energy Corp. is licensed to provide retail electricity and natural gas services in New York, Pennsylvania, New Jersey, Illinois and Ohio.

B-2. Experience and plans

Describe the applicant's experience in providing the service(s) for which it is applying (e.g., number and type of customers served, utility service areas, amount of load, etc.). Include the 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 Sections 4928.10 and/or 4929.22 of the Ohio Revised Code.

Application Experience and Plan Description: South Bay Energy Corp. currently operates as a retail natural gas supplier. Staff handles all aspects of the customer experience in-house and has existing relationships with legal and regulatory partners who can assist in addressing customer inquiries and complaints when necessary.

South Bay Energy Corp. will use direct solicitation, internet, and mailings to contact and enroll customers. Customers' enrollment by means of direct solicitation, internet, and mailings will be conducted under the Commission rules Section 4901: 1-21-06.



Public Utilities Commission

Billing statements to the customer are contracted to be sent directly to the customer by the incumbent EDU. South Bay Energy Corp. has contracted with EC Infosystems as an EDI provider and this will be the primary means of exchanging billing information, between South Bay Energy Corp. and the incumbent EDU.

In addition, South Bay Energy Corp. has contracted with Genscape, Inc. of New York, a consultancy with over 30 years of energy industry experience, to manage all wholesale business processes. Genscape, Inc. is tasked with the nomination and scheduling of retail natural gas for delivery, as well as managing all settlement data and hedging activities.

B-3. Disclosure of liabilities and investigations

For the applicant, affiliate, predecessor of the applicant, or any principal officer of the applicant, describe all existing, pending or past rulings, judgments, findings, contingent liabilities, revocation of authority, regulatory investigations, judicial actions, or other formal or informal notices of violations, or any other matter related to competitive services in Ohio or equivalent services in another jurisdiction..

Liability and Investigations Disclosures: South Bay Energy Corp. does not have any existing, pending or past rulings, judgments, contingent liabilities, revocation of authority, regulatory investigations, or any other matter that could adversely impact its financial or operational status or ability to provide the services it is seeking to be certified to provide.

B-4. Disclosure of consumer protection violations

Has the applicant, affiliate, predecessor of the applicant, or any principal officer of the applicant been convicted or held liable for fraud or for violation of any consumer protection or antitrust laws within the past five years?

No

B-5. Disclosure of certification, denial, curtailment, suspension or revocation

Has the applicant, affiliate, or a predecessor of the applicant had any certification, license, or application to provide retail natural gas or retail/wholesale electric service denied, curtailed, suspended, revoked, or cancelled or been terminated or suspended from any of Ohio's Natural Gas or Electric Utility's Choice programs within the past two years?

No



Section C: Applicant Financial Capability and Experience

C-1. Financial reporting

Provide a current link to the most recent Form 10-K filed with the Securities and Exchange Commission (SEC) or upload the form. If the applicant does not have a Form 10-K, submit the parent company's Form 10-K. If neither the applicant nor its parent is required to file Form 10-K, state that the applicant is not required to make such filings with the SEC and provide an explanation as to why it is not required.

Does not apply

C-2. Financial statements

Provide copies of the applicant's two most recent years of audited financial statements, including a 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, provide 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 bank account numbers redacted**.

If the applicant is unable to meet the requirement for two years of financial statements, the Staff reviewer may request additional financial information.

Preferred to file this information confidentially

C-3. Forecasted financial statements

Provide two years of forecasted income statements **based solely on the applicant's anticipated business activities in the state of Ohio**.

Include the following information with the forecast: a list of assumptions used to generate the forecast; a statement indicating that the forecast is based solely on Ohio business activities



only; and the name, address, email address, and telephone number of the preparer of the forecast.

The forecast may be in one of two acceptable formats: 1) an annual format that includes the current year and the two years succeeding the current year; or 2) a monthly format showing 24 consecutive months following the month of filing this application broken down into two 12-month periods with totals for revenues, expenses, and projected net incomes for both periods. Please show revenues, expenses, and net income (revenues minus total expenses) that is expected to be earned and incurred in **business activities only in the state of Ohio** for those periods.

If the applicant is filing for both an electric certificate and a natural gas certificate, please provide a separate and distinct forecast for revenues and expenses representing Ohio electric business activities in the application for the electric certificate and another forecast representing Ohio natural gas business activities in the application for the natural gas certificate.

Preferred to file confidentially

C-4. Credit rating

Provide a credit opinion disclosing the applicant's credit rating as reported by at least one of the following ratings agencies: Moody's Investors Service, Standard & Poor's Financial Services, Fitch Ratings or the National Association of Insurance Commissioners. If the applicant does not have its own credit ratings, substitute the credit ratings of a parent or an affiliate organization and submit 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 'Not Rated'.

This does not apply

C-5. Credit report

Provide a copy of the applicant's credit report from Experian, Equifax, TransUnion, Dun and Bradstreet or a similar credit reporting organization. If the applicant is a newly formed entity with no credit report, then provide a personal credit report for the principal owner of the entity seeking certification. At a minimum, the credit report must show summary information and an overall credit score. **Bank/credit account numbers and highly sensitive identification information must be redacted.** If the applicant provides an acceptable credit rating(s) in response to C-4, then the applicant may select 'This does not apply' and provide a response in the box below stating that a credit rating(s) was provided in response to C-4.



Preferred to file this information confidentially

C-6. Bankruptcy information

Within the previous 24 months, have any of the following filed for reorganization, protection from creditors or any other form of bankruptcy?

- Applicant
- Parent company of the applicant
- Affiliate company that guarantees the financial obligations of the applicant
- Any owner or officer of the applicant

No

C-7. Merger information

Is the applicant currently involved in any dissolution, merger or acquisition activity, or otherwise participated in such activities within the previous 24 months?

No

C-8. Corporate structure

Provide a graphical depiction of the applicant's corporate structure. Do not provide an internal organizational chart. The graphical depiction should include all parent holding companies, subsidiaries and affiliates as well as 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 the applicant may respond by stating that it is a stand-alone entity with no affiliate or subsidiary companies.

Stand-alone entity with no affiliate or subsidiary companies

C-9. Financial arrangements

Provide copies of the applicant's financial arrangements to satisfy collateral requirements to conduct retail electric/natural gas business activities (e.g., parental guarantees, letters of credit, contractual arrangements, etc., as described below).

Renewal applicants may provide a current statement from an Ohio local distribution utility (LDU) that shows that the applicant meets the LDU's collateral requirements. The statement or letter must be on the utility's letterhead and dated within a 30-day period of the date the applicant files its renewal application.



First-time applicants or applicants whose certificate has expired must meet the requirements of C-9 in one of the following ways:

1. The applicant itself states that it is investment grade rated by Moody's Investors Service, Standard & Poor's Financial Services, or Fitch Ratings and provides evidence of rating from the rating agencies. If you provided a credit rating in C-4, reference the credit rating in the statement.
2. The applicant's parent company is investment grade rated (by Moody's, Standard & Poor's, or Fitch) and guarantees the financial obligations of the applicant to the LDU(s). Provide a copy of the most recent credit opinion from Moody's, Standard & Poor's or Fitch.
3. The applicant's parent company 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 parent company's financials and a copy of the parental guarantee must be included in the application if the applicant is relying on this option.
4. The applicant can provide evidence of posting a letter of credit with the LDU(s) listed as the beneficiary, in an amount sufficient to satisfy the collateral requirements of the LDU(s).

Preferred to file confidentially

Section D: Applicant Technical Capacity

D-1. Operations

Gas Marketers: Describe the operational nature of the applicant's business, specifying whether operations will include the contracting of natural gas purchases for retail sales, the nomination and scheduling of retail natural gas for delivery, and/or the provision of retail ancillary services, as well as other services used to supply natural gas to the natural gas company city gate for retail customers.



Operations Description: South Bay Energy Corp., in conjunction with its agents and consultants, will continue to perform all functions of a Competitive Retail Natural Gas Supplier, including the contracting of natural gas purchases for retail sales, the nomination and scheduling of retail natural gas for delivery, and the provision of ancillary services as well as other services used to supply natural gas to the natural gas company city gate for retail customers.

D-2. Operations Expertise & Key Technical Personnel

Given the operational nature of the applicant's business, provide evidence of the applicant's experience and technical expertise in performing such operations. Include the names, titles, e-mail addresses, and background of key personnel involved in the operations of the applicant's business.

Operations Expertise & Personnel Description: South Bay Energy Corp. has an unblemished record with the regulatory authorities in New York, Pennsylvania, New Jersey, Illinois and Ohio. South Bay Energy Corp. will continue to maintain high standards of service in every market and jurisdiction where it serves customers. Key Technical Personnel includes Stephen Mellis as President (Steve@SouthBayEnergy.com; 631-724-9010), Greg Blume as President (Greg@SouthBayEnergy.com; 631-724-9010) and Brittany Hirson as COO (Brittany@SouthBayEnergy.com; 631-724-9010).



Public Utilities
Commission

Application Attachments

**SOUTH BAY ENERGY CORP.
FINANCIAL STATEMENTS
FOR THE YEAR ENDING
DECEMBER 31, 2019**

SOUTH BAY ENERGY CORP.
FINANCIAL STATEMENTS
FOR THE YEAR ENDING DECEMBER 31, 2019

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DiVenti & Lee, CPA's, P.C.

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Shareholders
South Bay Energy Corp.

We have audited the accompanying financial statements of South Bay Energy Corp. (a New York corporation) which comprise the balance sheet as of December 31, 2019, and the related statements of income, retained earnings and cash flow for the year then ended, and the related notes to the financial statements

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America. This includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

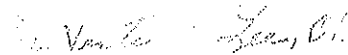
Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of South Bay Energy Corp. as of December 31, 2019, and the results of its operations and its cash flow for the year then ended in conformity with accounting principles generally accepted in the United States of America.



DiVenti & Lee CPA's P.C.
Certified Public Accountants
Massapequa, New York
March 2, 2020

**SOUTH BAY ENERGY CORP.
BALANCE SHEET
DECEMBER 31, 2019**

ASSETS

Current Assets

Cash	\$ 819,519	
Accounts Receivable	1,514,702	
Accounts Receivable - other	3,862,916	
Total Current Assets		\$ 6,197,137

Property and Equipment

Machinery & Equipment	12,856	
Less: Accumulated Depreciation	(12,578)	
Total Property and Equipment		278

Other Assets

Pipeline Security Deposit	656,000	
Security Deposits - Power	1,345,956	
Broker Draws	491,058	
Total Other Assets		2,493,014

TOTAL ASSETS		<u><u>\$ 8,690,429</u></u>
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LIABILITIES AND STOCKHOLDER'S EQUITY

Current Liabilities

Due to Natural Gas	\$ 471,600	
Accrued Expenses	1,855,510	
Sales Tax Payable	260,407	
Sterling Line of Credit	500,000	
Total Current Liabilities		\$ 3,087,517

Long Term Liabilities

Loan Payable Officers	160,163	
Total Long Term Liabilities		160,163

Stockholder's Equity

Common stock 1,000 shares issued and authorized, no par value	1,000	
Retained Earnings	5,441,749	
Total Stockholder's Equity		5,442,749

TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY		<u><u>\$ 8,690,429</u></u>
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The accompanying notes are an integral part of these financial statements

SOUTH BAY ENERGY CORP.
STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED DECEMBER 31, 2019

Sales	\$ 28,491,415
Cost of Sales	<u>19,196,069</u>
Gross Profit	9,295,346
Operating Expenses	<u>6,858,535</u>
Net income from operations	2,436,811
Other income (expenses)	
Interest income	48,241
Management fee income	<u>414,030</u>
Net Income (Loss)	2,899,082
Beginning Retained Earnings	5,145,545
Less: Distributions	<u>(2,602,878)</u>
Ending Retained Earnings	<u><u>\$ 5,441,749</u></u>

The accompanying notes are an integral part of these financial statements

**SOUTH BAY ENERGY CORP.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2019**

CASH FLOWS FROM OPERATING ACTIVITIES:

Net Income	\$ 2,899,082
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Adjustment for certain Operating Activities:

Depreciation	186
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Changes in Operating Assets and Liabilities

(Increase) Decrease in:	
Accounts Receivable	121,976
Loans & Exchanges	34,384
Security Deposits	(341,175)
Increase (Decrease) in:	
Accrued Expenses	(119,995)
Line of Credit	500,000
Taxes Payable	232,428

Net Cash Provided by Operating Activities:	<u>3,326,886</u>
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CASH FLOWS FROM INVESTING ACTIVITIES:

Purchase of Property and Equipment, Net	<u>-</u>
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Net Cash (Used in) Provided by Investing Activities	<u>-</u>
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CASH FLOWS FROM FINANCING ACTIVITIES:

Distributions	(2,602,878)
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Net Cash (Used in) Provided by Financing Activities	<u>(2,602,878)</u>
--	--------------------

Net Increase (decrease) in Cash	724,008
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CASH - BEGINNING OF YEAR	<u>95,511</u>
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CASH - END OF YEAR	<u><u>\$ 819,519</u></u>
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SUPPLEMENTARY DISCLOSURES OF CASH FLOW INFORMATION

Cash Paid During the Year for:

Interest	\$ 11,261
Income Taxes	\$ 13,708

The accompanying notes are an integral part of these financial statements

**SOUTH BAY ENERGY CORP.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

1. BUSINESS DESCRIPTION

South Bay Energy Corp. (the Company) is an S corporation located in Hauppauge, New York. The company is engaged in the retail sale of energy and was incorporated on April 6, 2011 in New York.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash and Cash Equivalents

For the purposes of this report, the Company considers all short-term debt securities purchased with a maturity of three months or less to be cash equivalents.

Basis of Accounting

The company's policy is to prepare its financial statements on the accrual basis of accounting.

Property and Equipment

Property and Equipment is stated at cost. Depreciation of property and equipment is provided using the straight-line method for financial reporting purposes at rates based on the following useful lives:

	<u>Years</u>
Computer Equipment	3
Office Equipment	3

For federal income tax purposes, depreciation is computed using the accelerated cost recovery system and the modified accelerated cost recovery system. Expenditures for major renewals and improvements that extend the useful lives of property and equipment are capitalized. Expenditures for maintenance and repairs are charged to expense as incurred. Depreciation expense for the year ended December 31, 2019 was \$186.

Income Taxes

The company has elected, with consent of its shareholders, to be taxed as an "S" Corporation under Internal Revenue Code Section 1362 and a similar section of the state code. An "S" Corporation does not generally pay income taxes, but instead, its shareholders are taxed on the Company's income. Therefore, no provision or liability for Federal income taxes has been included in the financial statements.

SOUTH BAY ENERGY CORP.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Interest Income

The Company's policy is to consider interest earned on all holding accounts as income allocable to operating expenses. The Company earns interest on two holding accounts with NYISO and PJM Settlement that are both funded by collateral money.

Management Estimates

Generally accepted accounting principles require that management make estimates and assumptions regarding various accounting issues, assets and liabilities. These estimates and assumptions include estimated bad debts, the useful lives of fixed assets, future liabilities, etc. these estimates and assumptions, if inaccurate, could affect the balances recorded in the financial statements.

3. CASH AND CASH EQUIVALENTS

The Company has cash assets of \$819,519.04 deposited in two non-interest bearing checking accounts. The Company's bank account is insured by the Federal Insurance Corporation (FDIC) up to \$250,000, but the balances in the accounts may exceed this insured limit.

4. ACCOUNTS RECEIVABLE – OTHER

This account consists of all deposits in transit at year end. A deposit in transit is cash and checks that have been received and recorded but which have not yet been recorded in the records of the bank where the funds are deposited. In this case, the deposits consist of commission income from various sources.

5. PROPERTY AND EQUIPMENT

The following is a summary of property and equipment at cost, less accumulated depreciation:

	<u>December 31, 2019</u>
Computer Equipment	\$ 2,629
Office Equipment	10,227
	<u>12,856</u>
Less: Accumulated Depreciation	(12,578)
Total Property and Equipment	<u>\$ 278</u>

**SOUTH BAY ENERGY CORP.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

6. NOTE D – CREDIT LINE PAYABLE

The Company has an available \$2,000,000 line-of-credit with a financial institution. The line, which is guaranteed by the officers of the Company, charges interest at a rate of 4.77988%. There is no formal expiration date for this line of credit. The balance of this line-of-credit at December 31, 2019 was \$500,000.

7. COMMITMENTS AND CONTINGENCIES

Lease Agreement

The Company is obligated under non-cancellable operating lease that it had signed March 24th 2017 and is active through June 30, 2020. There will be a monthly rent expense of \$5,283.42 unless South Bay Energy vacates the premises prior to the expiration date of the lease.

The future minimum rental commitments as follows:

Years Ending December 31,

2020	\$	31,701
2021		-0-
2022		-0-
Thereafter		-0-
	\$	<u>31,701</u>

8. SUBSEQUENT EVENTS

Management has evaluated subsequent events through March 2, 2020, the date on which the financial statements were available to be issued.

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ACCOUNTANTS' REPORT ON SUPPLEMENTARY INFORMATION

To the Shareholders
South Bay Energy Corp.
700 Veterans Highway
Hauppauge, New York 11788

Our report on our independent audit of the basic financial statements of South Bay Energy Corp. for the year ended December 31, 2019 appears on page 1. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. The information included in the accompanying schedules on page 10 is presented only for supplementary analysis purposes. Such information has been subjected to performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.



DiVenti & Lee CPA's P.C.
Certified Public Accountants
Massapequa, New York
March 2, 2020

SOUTH BAY ENERGY CORP.
SUPPLEMENTARY SCHEDULES
FOR THE YEAR ENDED DECEMBER 31, 2019

Cost of Sales

Natural Gas Purchase	\$ 6,894,437
Energy Administrative Fees	2,930
Pipeline	2,882,607
Duke Energy Switching Fee	685
Electric Purchases - NGLI	9,415,410
Total Cost of Sales	<u>\$19,196,069</u>

The accompanying notes are an integral part of these financial statements

SOUTH BAY ENERGY CORP.
SUPPLEMENTARY SCHEDULES
FOR THE YEAR ENDED DECEMBER 31, 2019

General and Administrative Expense	
Advertising & Promotion	\$ 115,492
Auto and Truck Expenses	84,811
Bank Charges	2,381
Computer and Internet Expense	174,290
Contributions	802
Depreciation Expense	186
Dues & Subscriptions	200
Equipment Lease	718
Insurance	150,107
Interest	11,261
Lead Fees	4,752
Legal & Professional Fees	370,950
License & Permits	4,191
Management Fees	165,761
Meals and Entertainment	157,256
Office Expense	9,345
Outside Services	2,814,893
Payroll Processing	5,320
Postage	7,228
Printing	3,830
Rent	66,216
Repairs and Maintenance	106
Salary - officers	1,539,954
Salary - other	961,515
Taxes	158,480
Telephone	15,588
Travel Expense	29,333
Utilities	2,729
Website Expense	840
Total General and Administrative Expenses	\$ 6,858,535

The accompanying notes are an integral part of these financial statements

SOUTH BAY ENERGY CORP.
ATTN: STEPHEN MELLIS OR BRITTANY HIRSON
700 VETERANS MEMORIAL HIGHWAY #210
HAUPPAUGE, NY 11788

STATE OF OHIO CERTIFICATE

Ohio Secretary of State, Jon Husted
4030867

It is hereby certified that the Secretary of State of Ohio has custody of the business records for
SOUTH BAY ENERGY CORP.

and, that said business records show the filing and recording of:

Document(s)

FOREIGN FOR PROFIT CORPORATION - LICENSE

Effective Date: 05/18/2017

Document No(s):

201711704094

Authorization to transact business in Ohio is hereby given, until surrender, expiration or cancellation of this license.



United States of America
State of Ohio
Office of the Secretary of State

Witness my hand and the seal of the
Secretary of State at Columbus, Ohio this
19th day of May, A.D. 2017.

A handwritten signature in cursive script that reads "Jon Husted".

Ohio Secretary of State

**SOUTH BAY ENERGY CORP.
FINANCIAL STATEMENTS
FOR THE YEAR ENDING
DECEMBER 31, 2020**

**SOUTH BAY ENERGY CORP.
FINANCIAL STATEMENTS
FOR THE YEAR ENDING DECEMBER 31, 2020**

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CERTIFIED PUBLIC ACCOUNTANTS

67 GRAND AVENUE
MASSAPEQUA, NEW YORK 11758
(516) 798-7788
FAX (516) 798-8067

INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Shareholders
South Bay Energy Corp.

We have audited the accompanying financial statements of South Bay Energy Corp. (a New York corporation) which comprise the balance sheet as of December 31, 2020, and the related statements of income, retained earnings and cash flow for the year then ended, and the related notes to the financial statements

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America. This includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of South Bay Energy Corp. as of December 31, 2020, and the results of its operations and its cash flow for the year then ended in conformity with accounting principles generally accepted in the United States of America.



DiVenti & Lee CPA's P.C.
Certified Public Accountants
Massapequa, New York
March 1, 2021

**SOUTH BAY ENERGY CORP.
BALANCE SHEET
DECEMBER 31, 2020**

ASSETS

Current Assets

Cash	\$ 312,450	
Accounts Receivable	1,273,351	
Accounts Receivable at Factor	3,307,394	
Loans to Shareholders	<u>250,000</u>	
Total Current Assets		\$ 5,143,195

Property and Equipment

Property & equipment (net of accumulated depreciation of \$31,726)		129
--	--	-----

Other Assets

Pipeline Security Deposit	671,000	
Security Deposits - Power	1,228,582	
Broker Draws	<u>851,643</u>	
Total Other Assets		<u>2,751,225</u>

TOTAL ASSETS

\$ 7,894,549

LIABILITIES AND STOCKHOLDER'S EQUITY

Current Liabilities

Due to Natural Gas	\$ 471,600	
Accrued Expenses	1,583,313	
Payroll Liabilities	523	
Sales Tax Payable	<u>475,572</u>	
Total Current Liabilities		\$ 2,531,008

Long Term Liabilities

Loan Payable Officers	<u>160,163</u>	
Total Long Term Liabilities		160,163

Stockholder's Equity

Common Stock 1,000 Shares Issued and Authorized, No Par Value	1,000	
Retained Earnings	<u>5,202,378</u>	
Total Stockholder's Equity		<u>5,203,378</u>

TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY

\$ 7,894,549

The accompanying notes are an integral part of these financial statements

SOUTH BAY ENERGY CORP.
STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED DECEMBER 31, 2020

Sales	\$ 25,117,247
Cost of Sales	<u>15,219,945</u>
Gross Profit	9,897,302
Operating Expenses	<u>5,954,613</u>
Net Income From Operations	3,942,689
Other Income (Expenses)	
Interest income	<u>6,902</u>
Net Income (Loss)	3,949,591
Beginning Retained Earnings	5,441,751
Less: Distributions	<u>(4,188,964)</u>
Ending Retained Earnings	<u><u>\$ 5,202,378</u></u>

The accompanying notes are an integral part of these financial statements

**SOUTH BAY ENERGY CORP.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2020**

CASH FLOWS FROM OPERATING ACTIVITIES:

Net Income	\$ 3,949,591
------------	--------------

Adjustment for certain Operating Activities:

Depreciation	19,149
--------------	--------

Changes in Operating Assets and Liabilities

(Increase) Decrease in:

Accounts Receivable	796,873
---------------------	---------

Loans & Exchanges	(610,586)
-------------------	-----------

Security Deposits	102,377
-------------------	---------

Increase (Decrease) in:

Accrued Expenses	(272,197)
------------------	-----------

Line of Credit	(500,000)
----------------	-----------

Payroll Liabilities	523
---------------------	-----

Taxes Payable	215,165
---------------	---------

Net Cash Provided by Operating Activities:	<u>3,700,895</u>
---	------------------

CASH FLOWS FROM INVESTING ACTIVITIES:

Purchase of Property and Equipment, Net	<u>(19,000)</u>
---	-----------------

Net Cash (Used in) Provided by Investing Activities	<u>(19,000)</u>
--	-----------------

CASH FLOWS FROM FINANCING ACTIVITIES:

Distributions	<u>(4,188,964)</u>
---------------	--------------------

Net Cash (Used in) Provided by Financing Activities	<u>(4,188,964)</u>
--	--------------------

Net Increase (Decrease) in Cash	(507,069)
---------------------------------	-----------

CASH - BEGINNING OF YEAR	<u>819,519</u>
--------------------------	----------------

CASH - END OF YEAR	<u><u>\$ 312,450</u></u>
--------------------	--------------------------

SUPPLEMENTARY DISCLOSURES OF CASH FLOW INFORMATION

Cash Paid During the Year for:

Interest	\$ 3,570
----------	----------

Income Taxes	\$ 165,330
--------------	------------

The accompanying notes are an integral part of these financial statements

**SOUTH BAY ENERGY CORP.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020**

1. BUSINESS DESCRIPTION

South Bay Energy Corp. (the Company) is an S corporation located in Hauppauge, New York. The company is engaged in the retail sale of energy and was incorporated on April 6, 2011 in New York.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash and Cash Equivalents

For the purposes of this report, the Company considers all short-term debt securities purchased with a maturity of three months or less to be cash equivalents.

Basis of Accounting

The company's policy is to prepare its financial statements on the accrual basis of accounting.

Property and Equipment

Property and Equipment is stated at cost. Depreciation of property and equipment is provided using the straight-line method for financial reporting purposes at rates based on the following useful lives:

	<u>Years</u>
Computer Equipment	3
Office Equipment	3

For federal income tax purposes, depreciation is computed using the accelerated cost recovery system and the modified accelerated cost recovery system. Expenditures for major renewals and improvements that extend the useful lives of property and equipment are capitalized. Expenditures for maintenance and repairs are charged to expense as incurred. Depreciation expense for the year ended December 31, 2020 was \$19,149.

Income Taxes

The company has elected, with consent of its shareholders, to be taxed as an "S" Corporation under Internal Revenue Code Section 1362 and a similar section of the state code. An "S" Corporation does not generally pay income taxes, but instead, its shareholders are taxed on the Company's income. Therefore, no provision or liability for Federal income taxes has been included in the financial statements.

SOUTH BAY ENERGY CORP.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Interest Income

The Company's policy is to consider interest earned on all holding accounts as income allocable to operating expenses. The Company earns interest on two holding accounts with NYISO and PJM Settlement that are both funded by collateral money.

Management Estimates

Generally accepted accounting principles require that management make estimates and assumptions regarding various accounting issues, assets and liabilities. These estimates and assumptions include estimated bad debts, the useful lives of fixed assets, future liabilities, etc. these estimates and assumptions, if inaccurate, could affect the balances recorded in the financial statements.

3. CASH AND CASH EQUIVALENTS

The Company has cash assets of \$312,450 deposited in two non-interest bearing checking accounts. The Company's bank account is insured by the Federal Insurance Corporation (FDIC) up to \$250,000, but the balances in the accounts may exceed this insured limit.

4. ACCOUNTS RECEIVABLE AT FACTOR

This account consists of all deposits in transit at year end. A deposit in transit is cash and checks that have been received and recorded but which have not yet been recorded in the records of the bank where the funds are deposited. In this case, the deposits consist of commission income from various sources.

5. PROPERTY AND EQUIPMENT

The following is a summary of property and equipment at cost, less accumulated depreciation:

	<u>December 31, 2020</u>
Computer Equipment	\$ 2,629
Office Equipment	<u>29,226</u>
	31,855
Less: Accumulated Depreciation	<u>(31,726)</u>
Total Property and Equipment	\$ <u>129</u>

**SOUTH BAY ENERGY CORP.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020**

6. NOTE D – CREDIT LINE PAYABLE

The Company has an available \$2,000,000 line-of-credit with a financial institution. The line, which is guaranteed by the officers of the Company, charges interest at a rate of 4.77988%. There is no formal expiration date for this line of credit. The balance of this line-of-credit at December 31, 2020 was \$ - 0 - .

7. COMMITMENTS AND CONTINGENCIES

Lease Agreement

The Company is obligated under non-cancellable operating lease that it had signed July 1st 2020 and is active through December 31, 2023. There will be a monthly rent expense of \$5,031.50 through June 30, 2021. From July 1, 2021 through June 30, 2022, the monthly rent expense will increase to \$5,207.60. From July 1, 2022 through June 30, 2023, the monthly rent expense will increase to \$5,389.87. From July 1, 2023 through December 31, 2023, the monthly rent expense will increase to \$5,578.51. The total rent expense was \$41,859 as of December 31, 2020.

The future minimum rental commitments as follows:

Years Ending December 31,

2021	\$	61,435
2022		63,585
2023		65,810
Thereafter		- 0 -
	\$	<u>190,830</u>

8. SUBSEQUENT EVENTS

Management has evaluated subsequent events through March 1, 2021, the date on which the financial statements were available to be issued.

DiVenti & Lee, CPA's, P.C.

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NEW YORK STATE SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS

67 GRAND AVENUE
MASSAPEQUA, NEW YORK 11758
(516) 798-7788
FAX (516) 798-8067

ACCOUNTANTS' REPORT ON SUPPLEMENTARY INFORMATION

To the Shareholders
South Bay Energy Corp.
700 Veterans Highway
Hauppauge, New York 11788

Our report on our independent audit of the basic financial statements of South Bay Energy Corp. for the year ended December 31, 2020 appears on page 1. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. The information included in the accompanying schedules on page 10 is presented only for supplementary analysis purposes. Such information has been subjected to performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.



DiVenti & Lee CPA's P.C.
Certified Public Accountants
Massapequa, New York
March 1, 2021

**SOUTH BAY ENERGY CORP.
SUPPLEMENTARY SCHEDULES
FOR THE YEAR ENDED DECEMBER 31, 2020**

Cost of Sales

Natural Gas Purchase	\$ 4,279,475
Energy Administrative Fees	2,043
Pipeline	2,498,225
Duke Energy Switching Fee	525
Electric Purchases	8,439,677
Total Cost of Sales	<u>\$15,219,945</u>

The accompanying notes are an integral part of these financial statements

**SOUTH BAY ENERGY CORP.
SUPPLEMENTARY SCHEDULES
FOR THE YEAR ENDED DECEMBER 31, 2020**

General and Administrative Expense

Advertising & Promotion	\$ 98,448
Auto and Truck Expenses	45,417
Bank Charges	8,141
Computer and Internet Expense	156,506
Contributions	1,075
Depreciation Expense	19,149
Dues & Subscriptions	3,003
Equipment Lease	730
Insurance	188,832
Interest	3,570
Lead Fees	1,187
Legal & Professional Fees	445,551
License & Permits	7,135
Meals and Entertainment	96,763
Office Expense	6,361
Outside Services	2,653,734
Payroll Processing	3,444
Postage	7,500
Printing	3,537
Rent	41,859
Repairs and Maintenance	300
Salary - Officers	1,223,077
Salary - Other	641,576
Taxes	280,922
Telephone	11,475
Travel Expense	2,023
Utilities	1,662
Website Expense	1,636
Total General and Administrative Expenses	<u>\$ 5,954,613</u>

The accompanying notes are an integral part of these financial statements

Subcode: 254038

Ordered: 01/29/2021 14:28:52 CST



Transaction Number: C861182772

Search Inquiry: South Bay ENERGY CORP/700 VETERN MEMORIAL HWY/HAUPPAUGE/NY/11178/Phone 631-724-9010/Tax ID 451760711

Model Description: Intelliscore Plus V2

Intelliscore PlusSM and BPR

Identifying Information

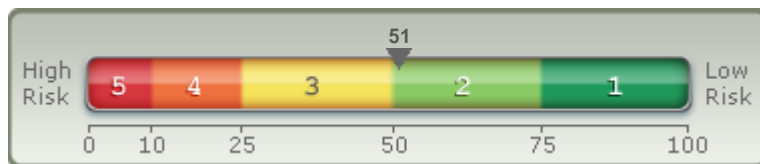
This information is the primary name and address for the business you inquired on. All data in this report pertains to the business.

SOUTH BAY ENERGY CORP
700 VETERANS HWY STE 210
HAUPPAUGE, NY 11788-2985
(631) 724-9010

Business Identification Number: 956930473
Full Report Number: FR-I861182772
Years on File: 10 (FILE ESTABLISHED 05/2011)
Date of Incorporation: 08/07/2019
SIC GAS SYSTEMS - 4932
Code:

Commercial Model

Current Intelliscore Plus Score: 51



This score predicts the likelihood of serious credit delinquencies for this business within the next 12 months. Payment history and public record along with other variables are used to predict future risk. Higher scores indicate lower risk.

Factors lowering the score

- ▶ NUMBER OF COMMERCIAL ACCOUNTS WITH NET 1-30 DAYS TERM
- ▶ NUMBER OF DEROGATORY COMMERCIAL LEGAL ITEMS
- ▶ NBR OF ACTIVE COMMERCIAL ACCTS WITHIN THE LAST 12 MOS
- ▶ NUMBER OF RECENTLY ACTIVE COMMERCIAL ACCOUNTS

Risk Class: 2

LOW - MEDIUM RISK

The risk class groups scores by risk into ranges of similar performance. Range 5 is the highest risk, range 1 is the lowest risk.

Industry Risk Comparison

50% of businesses indicate a higher likelihood of severe delinquency.

TOP

Business Information - SOUTH BAY ENERGY CORP

Business Credit Information		Business Legal Filings and Collections	
Current Days Beyond Terms (DBT):	0	Bankruptcy filings:	0
Monthly average DBT:	0	Tax lien filings: details (FILED 06/19)	2
Highest DBT previous 6 months:	0	Judgment filings:	0
Highest DBT previous 5 quarters:	0	Total collections:	0
Total continuous trades:	0	Sum of legal filings:	\$26,025
Current continuous trade balance:	\$0	UCC filings: details (FILED 01/12-06/19)	6
Trade balance of all trades (3):	\$0	Cautionary UCC filings present?	Yes**
Average balance previous 5 quarters:	\$0		
Highest credit amount extended:	\$0		
6 month balance range:	\$0 - \$0		

** Cautionary UCC Filings include one or more of the following collateral:

Accounts, Accounts Receivables, Contract Rights, Hereafter Acquired Property, Inventory, Leases, Notes Receivable or Proceeds.

TOP

Legal Filings and Collections

Tax Liens						
File Date	Filing Type	Status	Amount	Filing Number	Jurisdiction	
10/03/2019	State Tax Lien	Released	\$1,118	E040566333W0024	NASSAU COUNTY REG	

08/19/2019	State Tax Lien	Released	\$24,907	E040566333W0019	NASSAU COUNTY REG
06/27/2019	State Tax Lien	Filed	\$24,907	E040566333W0019	NASSAU COUNTY REG
06/27/2019	State Tax Lien	Filed	\$1,118	E040566333W0024	NASSAU COUNTY REG

TOP 

Additional Payment Experiences											
Trade Payment Experiences (Trade Lines With an (*) after date are newly reported)						Account Status Days Beyond Terms					
Business Category	Date Reported	Last Sale	Payment Terms	Recent High Credit	Balance	Cur	1-30	31-60	61-90	91+	Comments
BANK CARD	01/2021		REVOLVE	\$56,700	\$0						
CRED CARD	01/2021	01/2020	REVOLVE	\$300	\$0						
PACKAGING	01/2020		NET 30		\$0						CUST 4 YR

TOP 

Inquiries										
Summary of Inquiries										
Business Category	JAN21	DEC20	NOV20	OCT20	SEP20	AUG20	JUL20	JUN20	MAY20	
FINCL SVCS								1		
Totals								1		

TOP 

UCC Profile						
The UCC Filings are summarized and listed below						
UCC Summary			Filings			
Date Range	Year	Cautionary UCCs **	Total Filed	Released / Termination	Continuous	Amended / Assigned
JAN - PRESENT	2021					
JUL - DEC	2020					
JAN - JUN	2020					
JUL - DEC	2019					
JAN - JUN	2019	1	1			
PRIOR TO JAN	2019	5	5		2	9
Total		6	6	0	2	9

** Cautionary UCC Filings include one or more of the following collateral:
Accounts, Accounts Receivables, Contract Rights, Hereafter Acquired Property, Inventory, Leases, Notes Receivable or Proceeds.

UCC Filings	
UCC FILED Date: 06/25/2019 Filing Number: 201906255818356 Jurisdiction: SEC OF STATE NY Secured Party: STERLING NATIONAL BANK NY JERICO 11753 ONE JERICO PLAZA, 3 Collateral: UNDEFINED, EQUIP, FURN & FIX, INVENTORY, HEREAFTER AQUIRED PROP	UCC AMENDED Date: 04/12/2018 Filing Number: 201804125439056 Original Filing Date: 01/03/2017 Original Filing Number: 2017010350 Original Filing State: NY Jurisdiction: SEC OF STATE NY Secured Party: STERLING NATIONAL BANK Collateral: UNDEFINED, HEREAFTER AQUIRED PROP
UCC AMENDED Date: 04/12/2018 Filing Number: 201804125439070 Original Filing Date: 11/26/2012 Original Filing Number: 2012112663 Original Filing State: NY Jurisdiction: SEC OF STATE NY Secured Party: STERLING NATIONAL BANK Collateral: UNDEFINED, HEREAFTER AQUIRED PROP	UCC FILED Date: 12/12/2017 Filing Number: 201712128532343 Jurisdiction: SEC OF STATE NY Secured Party: VECTREN ENERGY DELIVER OF OHIO, INC. IN EVANSVILLE 47708 ONE Collateral: UNDEFINED, ACCTS REC, HEREAFTER AQUIRED PROP
UCC AMENDED Date: 12/06/2017 Filing Number: 201712066475295	UCC AMENDED Date: 12/06/2017 Filing Number: 201712066475257

Original Filing Date: 01/03/2017
Original Filing Number: 2017010350
Original Filing State: NY
Jurisdiction: SEC OF STATE NY
Secured Party:
Collateral: UNDEFINED, HEREFTER AQUIRED PROP

UCC AMENDED Date: 12/06/2017
Filing Number: 201712066475726
Original Filing Date: 11/26/2012
Original Filing Number: 2012112663
Original Filing State: NY
Jurisdiction: SEC OF STATE NY
Secured Party:
Collateral: UNDEFINED, HEREFTER AQUIRED PROP

UCC AMENDED Date: 12/04/2017
Filing Number: 201712046467220
Original Filing Date: 01/03/2017
Original Filing Number: 2017010350
Original Filing State: NY
Jurisdiction: SEC OF STATE NY
Secured Party: STERLING NATIONAL BANK
Collateral: UNDEFINED, HEREFTER AQUIRED PROP

[+ View Additional UCC Details](#)

Original Filing Date: 11/26/2012
Original Filing Number: 2012112663
Original Filing State: NY
Jurisdiction: SEC OF STATE NY
Secured Party:
Collateral: UNDEFINED, HEREFTER AQUIRED PROP

UCC AMENDED Date: 12/05/2017
Filing Number: 201712056470774
Original Filing Date: 11/26/2012
Original Filing Number: 2012112663
Original Filing State: NY
Jurisdiction: SEC OF STATE NY
Secured Party: STERLING NATIONAL BANK
Collateral: UNDEFINED, HEREFTER AQUIRED PROP

UCC AMENDED Date: 11/15/2017
Filing Number: 201711150557757
Original Filing Date: 01/18/2017
Original Filing Number: 2017011800
Original Filing State: NY
Jurisdiction: SEC OF STATE NY
Secured Party: THE BROOKLYN UNION GAS COMPANY
Collateral: UNDEFINED, HEREFTER AQUIRED PROP

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Company Background Information

Corporate Registration

THE FOLLOWING INFORMATION WAS PROVIDED BY THE STATE OF NEW YORK. THE DATA IS CURRENT AS OF 01/29/2021.

State of Origin: NY
Date of Incorporation: 08/07/2019
Current Status: Active

Business Type: Profit
Charter Number: 0803387869

Agent: C T CORPORATION SYSTEM
Agent Address: 1999 BRYAN STREET SUITE 900 DALLAS, TX

Additional Company Background Information

Key Personnel

Principal (s): STEPHEN MELLIS, DIRECTOR

Operating Information

Primary SIC Code: GAS SYSTEMS - 4932
Secondary SIC Code: ENERGY MANAGEMENT SYSTEMS & PRODUC - 1711
Additional SIC Code: 4911 - 4924

Years in Business: 10
Number of Employees: 10
Sales: \$13,770,000

TOP 

CREDIT LIMIT: _____

TERMS: _____

COMMENTS: _____

SIGNATURE: _____

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Experian prides itself on the depth and accuracy of the data maintained on our databases. Reporting your customer's payment behavior to Experian will further strengthen and enhance the power of the information available for making sound credit decisions. Give credit where credit is due. Call 1-800-520-1221, option #4 for more information.

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Experian and the Experian marks herein are service marks or registered trademarks of Experian.



139 East Fourth
EM740
Cincinnati, Ohio 45202

June 21, 2021

South Bay Energy has the following amount held with Duke Energy for Collateral.

Gas Collateral = \$50,000

South Bay Energy has met the Collateral obligations for Duke Energy Corporation.

Donna Burns

Duke Energy Corp
Certified Supplier Business Center
Donna.Burns@Duke-Energy.com



Subcode: 254038

Ordered: 01/29/2021 14:28:52 CST



Transaction Number: C861182772

Search Inquiry: South Bay Energy Corp/700 VETERN MEMORIAL HWY/HAUPPAUGE/NY/11178/Phone 631-724-9010/Tax ID 451760711

Model Description: Intelliscore Plus V2

Intelliscore PlusSM and BPR

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Risk Class: 2

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TOP

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Accounts, Accounts Receivables, Contract Rights, Hereafter Acquired Property, Inventory, Leases, Notes Receivable or Proceeds.

UCC Filings	
UCC FILED Date: 06/25/2019 Filing Number: 201906255818356 Jurisdiction: SEC OF STATE NY Secured Party: STERLING NATIONAL BANK NY JERICO 11753 ONE JERICO PLAZA, 3 Collateral: UNDEFINED, EQUIP, FURN & FIX, INVENTORY, HEREAFTER AQUIRED PROP	UCC AMENDED Date: 04/12/2018 Filing Number: 201804125439056 Original Filing Date: 01/03/2017 Original Filing Number: 2017010350 Original Filing State: NY Jurisdiction: SEC OF STATE NY Secured Party: STERLING NATIONAL BANK Collateral: UNDEFINED, HEREAFTER AQUIRED PROP
UCC AMENDED Date: 04/12/2018 Filing Number: 201804125439070 Original Filing Date: 11/26/2012 Original Filing Number: 2012112663 Original Filing State: NY Jurisdiction: SEC OF STATE NY Secured Party: STERLING NATIONAL BANK Collateral: UNDEFINED, HEREAFTER AQUIRED PROP	UCC FILED Date: 12/12/2017 Filing Number: 201712128532343 Jurisdiction: SEC OF STATE NY Secured Party: VECTREN ENERGY DELIVER OF OHIO, INC. IN EVANSVILLE 47708 ONE Collateral: UNDEFINED, ACCTS REC, HEREAFTER AQUIRED PROP
UCC AMENDED Date: 12/06/2017 Filing Number: 201712066475295	UCC AMENDED Date: 12/06/2017 Filing Number: 201712066475257

Original Filing Date: 01/03/2017
Original Filing Number: 2017010350
Original Filing State: NY
Jurisdiction: SEC OF STATE NY
Secured Party:
Collateral: UNDEFINED, HEREFTER AQUIRED PROP

UCC AMENDED Date: 12/06/2017
Filing Number: 201712066475726
Original Filing Date: 11/26/2012
Original Filing Number: 2012112663
Original Filing State: NY
Jurisdiction: SEC OF STATE NY
Secured Party:
Collateral: UNDEFINED, HEREFTER AQUIRED PROP

UCC AMENDED Date: 12/04/2017
Filing Number: 201712046467220
Original Filing Date: 01/03/2017
Original Filing Number: 2017010350
Original Filing State: NY
Jurisdiction: SEC OF STATE NY
Secured Party: STERLING NATIONAL BANK
Collateral: UNDEFINED, HEREFTER AQUIRED PROP

[+ View Additional UCC Details](#)

Original Filing Date: 11/26/2012
Original Filing Number: 2012112663
Original Filing State: NY
Jurisdiction: SEC OF STATE NY
Secured Party:
Collateral: UNDEFINED, HEREFTER AQUIRED PROP

UCC AMENDED Date: 12/05/2017
Filing Number: 201712056470774
Original Filing Date: 11/26/2012
Original Filing Number: 2012112663
Original Filing State: NY
Jurisdiction: SEC OF STATE NY
Secured Party: STERLING NATIONAL BANK
Collateral: UNDEFINED, HEREFTER AQUIRED PROP

UCC AMENDED Date: 11/15/2017
Filing Number: 201711150557757
Original Filing Date: 01/18/2017
Original Filing Number: 2017011800
Original Filing State: NY
Jurisdiction: SEC OF STATE NY
Secured Party: THE BROOKLYN UNION GAS COMPANY
Collateral: UNDEFINED, HEREFTER AQUIRED PROP

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Company Background Information

Corporate Registration

THE FOLLOWING INFORMATION WAS PROVIDED BY THE STATE OF NEW YORK. THE DATA IS CURRENT AS OF 01/29/2021.

State of Origin: NY
Date of Incorporation: 08/07/2019
Current Status: Active

Business Type: Profit
Charter Number: 0803387869

Agent: C T CORPORATION SYSTEM
Agent Address: 1999 BRYAN STREET SUITE 900 DALLAS, TX

Additional Company Background Information

Key Personnel

Principal (s): STEPHEN MELLIS, DIRECTOR

Operating Information

Primary SIC Code: GAS SYSTEMS - 4932
Secondary SIC Code: ENERGY MANAGEMENT SYSTEMS & PRODUC - 1711
Additional SIC Code: 4911 - 4924

Years in Business: 10
Number of Employees: 10
Sales: \$13,770,000

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CREDIT LIMIT: _____

TERMS: _____

COMMENTS: _____

SIGNATURE: _____

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Competitive Retail Natural Gas Service Affidavit

County of Suffolk :

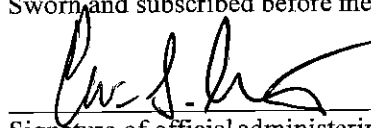
State of New York :

Stephen Mellis, Affiant, being duly sworn/affirmed, hereby states that:

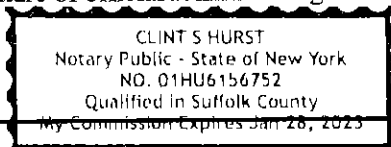
1. The information provided within the certification or certification renewal application and supporting information is complete, true, and accurate to the best knowledge of affiant, and that it will amend its application while it is pending if any substantial changes occur regarding the information provided.
2. The applicant will timely file an annual report of its intrastate gross receipts and sales of hundred cubic feet of natural gas pursuant to Sections 4905.10(A), 4911.18(A), and 4929.23(B), Ohio Revised Code.
3. The applicant will timely pay any assessment made pursuant to Sections 4905.10 and 4911.18(A), Ohio Revised Code.
4. Applicant will comply with all applicable rules and orders adopted by the Public Utilities Commission of Ohio pursuant to Title 49, Ohio Revised Code.
5. Applicant 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. Applicant will comply with Section 4929.21, Ohio Revised Code, regarding consent to the jurisdiction of the Ohio courts and the service of process.
7. Applicant will comply with all state and/or federal rules and regulations concerning consumer protection, the environment, and advertising/promotions.
8. Applicant will inform the Public Utilities Commission of Ohio of any material change to the information supplied in the 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 consumer complaints.
9. The facts set forth above are true and accurate 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.
10. Affiant further saith naught.


Signature of Affiant & Title

Sworn and subscribed before me this 22nd day of June, 2021
Month Year


Signature of official administering oath

Clint S. Hurst, Notary Public
Print Name and Title



My commission expires on 1/28/2023

	Current Year	Forecast Year 1	Forecast Year 2
	2021	2022	2023
Revenues			
Ohio Gas B \$	73,237.02	\$ 74,701.76	\$ 76,195.80
Expenses			
Total Exper \$	26,128.97	\$ 26,651.55	\$ 27,184.58
Taxes			
Provision fr \$	1,500.00	\$ 1,500.00	\$ 1,500.00
Net Income \$	45,608.05	\$ 46,550.21	\$ 47,511.22

Forecast prepared by:

Stephen Mellis

President of South Bay Energy Corp.

700 Veterans Memorial Hwy. #210

Hauppauge, NY 11788

(877) 724-9010

Steve@SouthBayEnergy.com

Assumptions:

South Bay Energy Corp. used the current year budget as a base forecast and applied a 2% increase to sales and

expenses based on anticipated load growth and expected increases in expenses.

This foregoing document was electronically filed with the Public Utilities

Commission of Ohio Docketing Information System on

6/25/2021 1:24:29 PM

in

Case No(s). 17-1326-GA-CRS

Summary: In the Matter of the Application of South Bay Energy Corp