|  |  |  |
| --- | --- | --- |
|  | **PENNSYLVANIA****PUBLIC UTILITY COMMISSION****Harrisburg, PA 17105-3265** |  |
|  |  |  |

|  |  |
| --- | --- |
|  | Public Meeting held July 15, 2010 |
| Commissioners Present: |  |

|  |
| --- |
|  James H. Cawley, Chairman |
|  Tyrone J. Christy, Vice ChairmanJohn F. Coleman, Jr. |
| Wayne E. GardnerRobert F. Powelson |
|  |

|  |  |
| --- | --- |
| License Application of Satori Enterprises LLC d/b/a Satori Energy for Approval to Offer, Render, Furnish or Supply Electricity or Electric Generation Services as a Broker/Marketer | Docket No. A-2010-2168441 |

# ORDER

**BY THE COMMISSION:**

On March 31, 2010, Satori Enterprises LLC d/b/a Satori Energy (“Satori” or “the Applicant”) filed an application seeking to become a licensed electric generation supplier (“EGS”) in the electric distribution company service territories throughout the Commonwealth of Pennsylvania. The application was filed pursuant to the Commission’s regulations at 52 Pa. Code §§54.31-54.43, which became effective on August 8, 1998, and which were established under Section 2809 of the Public Utility Code, 66 Pa. C.S. §2809.

Section 2809 provides in pertinent part as follows:

License Requirement.--No person or corporation, including municipal corporations which choose to provide service outside their municipal limits except to the extent provided prior to the effective date of this chapter, brokers and marketers, aggregators and other entities, shall engage in the business of an electric generation supplier in this Commonwealth unless the person or corporation holds a license issued by the Commission.

An electric generation supplier is defined as:

A person or corporation, including municipal corporations which choose to provide service outside their municipal limits except to the extent provided prior to the effective date of this chapter, brokers and marketers, aggregators or any other entities, that sells to end-use customers electricity or related services utilizing the jurisdictional transmission and distribution facilities of an electric distribution company or that purchases, brokers, arranges or markets electricity or related services to end-use customers utilizing the jurisdictional transmission and distribution facilities of an electric distribution company.

66 Pa. C.S. §2803.

Satori is a foreign limited liability company formed on July 8, 2003, in the state of Illinois. Satori was registered by the Pennsylvania Department of State as a foreign limited liability company on April 5, 2010. By its application, Satori proposes to act as a broker/marketer of electricity and an energy consultant for large commercial (over 25 kW demand), and industrial customers. In this capacity, Satori states that it will offer its clients supply-side procurement of electricity services, implementation of risk management strategies, market monitoring services, and overall energy management solutions. Satori will be compensated at a flat rate per kWh by the supplier that the client selects. Satori will not supply electricity to customers, will not take title to any electricity, and will not make or process utility payments on behalf of its customers.

At this time, Satori does not intend to provide its services to residential customers. Therefore, the regulations at Chapter 56 of Title 52 of the Pennsylvania Code relating to Standards and Billing Practices for Residential Utility Service do not apply. However, should Satori choose to provide broker/marketer services to residential customers in the future, it must notify the Commission Secretary by letter immediately, and shall be required to comply with, and be governed by, applicable Chapter 56 residential service regulations as set forth in the Commission Order *Guidelines for Maintaining Customer Service at the Same Level of Quality Pursuant to 66 Pa. C.S. § 2807(d), and Assuring Conformance with 52 Pa. Code Chapter 56 Pursuant to 66 Pa. C.S. § 2809(e) and (f)* at Docket No. M-00960890 F0011, Order entered July 11, 1997. Thus, we deem it appropriate to address certain items relating to Chapter 56 of our regulations, particularly with respect to the issue of termination of residential accounts.

Initially, we note that an EGS cannot physically disconnect a residential customer from the electricity grid. Therefore, the rules relating to residential service termination are not directly applicable to EGSs. However, an EGS may seek to terminate its generation service to a customer through an appropriate written notice to the customer and that customer’s electric distribution company (“EDC”). The residential customer can then attempt to repair its relationship with the EGS, seek a new electricity supplier, or default to receiving electric utility service from the customer’s applicable default service provider (“DSP”) in accordance with the DSP's obligations under Section 2807(e) of the Public Utility Code, 66 Pa. C.S. §2807(e). The customer would only be disconnected from the electricity grid pursuant to applicable regulations if the customer failed to meet its obligations to the EDC, or to the EGS that has been designated by the Commission as that customer’s DSP, or provider of last resort.

Additionally, we specifically note that the licensee must comply with, and ensure that its employees, agents, representatives and independent contractors comply with the standards of conduct and disclosure for licensees set out in Commission regulations at 52 Pa. Code § 54.43 that were enacted to protect consumers of this Commonwealth. These standards include, *inter alia*, the provision of timely and accurate information about the services offered by the licensee, the practice of nondiscrimination in service in regard to race, color, religion, national origin, marital status, etc., the safeguarding of a consumer’s personal information, and compliance with applicable state and federal consumer protection laws. Also, we take this opportunity to remind the licensee of its agreement to abide by, and to ensure that its employees, representatives, agents and independent contractors abide by all applicable federal and state laws, and Commission regulations, procedures and orders, including Emergency Orders, which may be issued verbally or in writing during any emergency situations that may unexpectedly develop from time to time in the course of business in Pennsylvania.

Satori has provided proofs of publication in appropriate Pennsylvania newspapers, and proofs of service to the interested parties as required by the Commission.

In accordance with the financial requirements of the EGS license application, Satori has supplied financial information in the form of balance sheets depicting the company’s assets, liabilities and stockholders’ equity as of December 31, 2009 and December 31, 2008. Additionally, Satori provided profit and loss statements for the periods January through December of both 2009 and 2008. With regard to the technical fitness requirements of the EGS license application, Satori provided resumes of its senior officers and managing director. We find that sufficient information has been provided by Satori to demonstrate its financial and technical fitness in order to be licensed as an EGS in the Commonwealth of Pennsylvania.

Satori has furnished an initial bond in the amount of $250,000 as required by the license application.

Satori has provided the required Pennsylvania Emergency Management Agency (PEMA) contact information.

As of June 30, 2010, no protests have been filed.

In summary, we find that:

1. The Applicant is fit, willing and able to properly perform the service proposed in conformance with applicable provisions of the Public Utility Code and lawful Commission orders and regulations, specifically including 52 Pa. Code Chapter 56 (relating to Standards and Billing Practices for Residential Utility Service).

2. The Applicant has agreed to lawfully abide by all Commission regulations, procedures and orders, including Emergency Orders, which may be issued verbally or in writing during any emergency situations that may unexpectedly develop from time to time in the course of doing business in Pennsylvania.

3. The proposed service, to the extent authorized by the license, will be consistent with the public interest and the policy declared in the Electricity Generation Customer Choice and Competition Act.

Accordingly, upon full consideration of all matters of record, we find that approval of this application is necessary and proper for the service, accommodation and convenience of the public; **THEREFORE,**

**IT IS ORDERED:**

1. That the application of Satori Enterprises LLC d/b/a Satori Energy is hereby approved, consistent with this Order.

 2. That a license be issued authorizing Satori Enterprises LLC d/b/a Satori Energy to begin to offer, render, furnish or supply electric generation supplier services to large commercial (over 25 kW demand), and industrial customers in the electric distribution company service territories throughout the Commonwealth of Pennsylvania, as specified in this Order.

 3. That this proceeding at Docket No. A-2010-2168441 be marked closed.

 **BY THE COMMISSION,**

 Rosemary Chiavetta

 Secretary

(SEAL)

ORDER ADOPTED: July 15, 2010

ORDER ENTERED: July 20, 2010