



July 11, 2012

Pennsylvania Public Utility Commission
Secretary
Commonwealth Keystone Building
2nd floor, Room N201
Harrisburg, PA 17120

Re: FTR Energy Services, LLC application for License to Supply Electricity

Dear Sir or Madam,

Enclosed please find an original and one copy of the application for a license to supply electricity for FTR Energy Services, LLC together with a CD containing a pdf version.

Please contact me at 203-663-7542 if there are any questions with respect to this application and its contents.

Respectfully,

A handwritten signature in cursive script that reads "Andrea Martino".

Andrea Martino
Paralegal

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JUL 11 2012

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

64 North Main Street
Norwalk, CT 06854
203-663-7542
amartino@viridian.com

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Application of FTR Energy Services, LLC for approval to offer, render, furnish, or supply electricity or electric generation services as a(n) supplier and aggregator of electricity to the public in the Commonwealth of Pennsylvania (Pennsylvania).

To the Pennsylvania Public Utility Commission:

1. IDENTIFICATION AND CONTACT INFORMATION

- a. IDENTITY OF THE APPLICANT:** Provide name (*including any fictitious name or d/b/a*), primary address, web address, and telephone number of Applicant:

FTR Energy Services, LLC
64 North Main Street
Norwalk, Connecticut 06854
Main Line Telephone: 1-877-811-7023

- b. PENNSYLVANIA ADDRESS / REGISTERED AGENT:** *If the Applicant maintains a primary address outside of Pennsylvania, provide the name, address, telephone number, and fax number of the Applicant's secondary office within Pennsylvania. If the Applicant does not maintain a physical location within Pennsylvania, provide the name, address, telephone number, and fax number of the Applicant's Registered Agent within Pennsylvania.*

National Registered Agents, Inc.
State of Pennsylvania, County of Dauphin
(Commercial Registered Agent)

- c. REGULATORY CONTACT:** Provide the name, title, address, telephone number, fax number, and e-mail address of the person to whom questions about this Application should be addressed.

Jan L. Fox
Vice President and General Counsel
FTR Energy Services, LLC
64 North Main Street
Norwalk, Connecticut 06854
(t) 203.517.0130
(f) 203.738.1044
Email: jfox@viridian.com

- d. ATTORNEY:** Provide the name, address, telephone number, fax number, and e-mail address of the Applicant's attorney. If the Applicant is not using an attorney, explicitly state so.

Jan L. Fox
Vice President and General Counsel
FTR Energy Services, LLC
64 North Main Street
Norwalk, Connecticut 06854
(t) 203.517.0130
(f) 203.738.1044
Email: jfox@viridian.com

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- e. **CONTACTS FOR CONSUMER SERVICE AND COMPLAINTS:** Provide the name, title, address, telephone number, FAX number, and e-mail of the person and an alternate person responsible for addressing customer complaints. These persons will ordinarily be the initial point(s) of contact for resolving complaints filed with the Applicant, the Electric Distribution Company, the Pennsylvania Public Utility Commission, or other agencies. The main contact's information will be listed on the Commission website list of licensed EGSs.

Betsy Webb, Vice President Regulatory Affairs
64 North Main Street
Norwalk, Connecticut 06854
Work Phone: (203) 663-7523
Fax: (203) 413-4434
Email: compliance@viridian.com or bwebb@viridian.com

2. BUSINESS ENTITY FILINGS AND REGISTRATION

- a. **FICTITIOUS NAME:** *(Select appropriate statement and provide supporting documentation as listed.)*

The Applicant will be using a fictitious name or doing business as ("d/b/a")

Provide a copy of the Applicant's filing with Pennsylvania's Department of State pursuant to 54 Pa. C.S. §311, Form PA-953.

or

The Applicant will not be using a fictitious name.

- b. **BUSINESS ENTITY AND DEPARTMENT OF STATE FILINGS:**

(Select appropriate statement and provide supporting documentation. As well, understand that Domestic means being formed within Pennsylvania and foreign means being formed outside Pennsylvania.)

The Applicant is a sole proprietor.

- If the Applicant is located outside the Commonwealth, provide proof of compliance with 15 Pa. C.S. §4124 relating to Department of State filing requirements.

or

The Applicant is a:

- domestic general partnership (*)
- domestic limited partnership (15 Pa. C.S. §8511)
- foreign general or limited partnership (15 Pa. C.S. §4124)
- domestic limited liability partnership (15 Pa. C.S. §8201)
- foreign limited liability general partnership (15 Pa. C.S. §8211)
- foreign limited liability limited partnership (15 Pa. C.S. §8211)

- Provide proof of compliance with appropriate Department of State filing requirements as indicated above.
- Give name, d/b/a, and address of partners. If any partner is not an individual, identify the business nature of the partner entity and identify its partners or officers.

3. AFFILIATES AND PREDECESSORS

(both in state and out of state)

- a. **AFFILIATES:** Give name and address of any affiliate(s) currently doing business and state whether the affiliate(s) are jurisdictional public utilities. If the Applicant does not have any affiliates doing business, explicitly state so. Also, state whether the applicant has any affiliates that are currently applying to do business in Pennsylvania.

The following affiliates of FTR Energy Services, LLC are registered and/or providing electricity service in the identified states as follows:

Viridian Energy PA, LLC 64 North Main Street Norwalk, CT 06854 States – Pennsylvania, Maryland, New Jersey, Illinois, and the District of Columbia* (Pending application in Delaware*)	Viridian Energy NY, LLC 64 North Main Street Norwalk, CT 06854 State – New York
FairPoint Energy, LLC 64 North Main Street Norwalk, CT 06854 States – Maine, New Hampshire	Viridian Energy, Inc. 64 North Main Street Norwalk, CT 06854 States – Connecticut, Massachusetts
Cincinnati Bell Energy, LLC 64 North Main Street Norwalk, CT 06854 State – Ohio	

* Not yet launched.

- b. **PREDECESSORS:** Identify the predecessor(s) of the Applicant and provide the name(s) under which the Applicant has operated within the preceding five (5) years, including address, web address, and telephone number, if applicable. If the Applicant does not have any predecessors that have done business, explicitly state so.

The applicant does not have any predecessors that operated within the past five years. However in the interest of full disclosure FTR Energy Services, formerly Viridian Energy NG, LLC had FERC market based rate authority granted on September 15, 2011 and was licensed by the state of Ohio to sell electricity on June 9, 2012. However Viridian Energy NG never operated and has since changed its name to FTR Energy Services, LLC.

4. OPERATIONS

- a. **APPLICANT'S PRESENT OPERATIONS:** (select and complete the appropriate statement)

- The Applicant is presently doing business in Pennsylvania as a
- municipal electric corporation
- electric cooperative
- local gas distribution company

- provider of electric generation, transmission or distribution services
- Other; Identify the nature of service being rendered.

or

X The Applicant is not presently doing business in Pennsylvania. However, it's affiliate Viridian Energy PA, LLC is doing business in Pennsylvania.

b. **APPLICANT'S PROPOSED OPERATIONS:** The Applicant proposes to operate as a (*may check multiple*):

- Generator of electricity
- X Supplier of electricity
- X Aggregator engaged in the business of supplying electricity
- Broker/Marketer engaged in the business of supplying electricity services
- Electric Cooperative and supplier of electric power
- Other (Describe):

Definitions

- Supplier – an entity that sells electricity to end-use customers utilizing the jurisdictional transmission and distribution facilities of an EDC.
- Aggregator - an entity that purchases electric energy and takes title to electric energy as an intermediary for sale to retail customers.
- Broker/Marketer - an entity that acts as an intermediary in the sale and purchase of electric energy but does not take title to electric energy.

c. **PROPOSED SERVICES:** Describe in detail the electric services or the electric generation services which the Applicant proposes to offer.

FTR Energy Services, LLC plans to offer retail electricity service to residential, commercial, and industrial consumers using a variety of pricing designs and product offerings.

d. **PROPOSED SERVICE AREA:** Provide a list of each Electric Distribution Company for which the Applicant proposes to provide service.

FTR Energy Services, LLC plans to offer retail electricity service in the Duquesne Light Company, Metropolitan Edison Company, PECO Energy Company, Pennsylvania Electric Company, Pennsylvania Power Company, PPL Electric Utilities, UGI Utilities, Inc., West Penn Electric Distribution Company, Citizens' Electric Company, Wellsboro Electric Company and Pike County Light and Power service territories.

e. **CUSTOMERS:** Applicant proposes to provide services to:

- Residential Customers
- Small Commercial Customers - (25 kW and Under)
- Large Commercial Customers - (Over 25 kW)
- Industrial Customers
- Governmental Customers
- X All of above
- Other (Describe):

f. **PROPOSED MARKETING METHOD** (check all that apply)

- Internal – Applicant will use its own internal resources/employees for marketing
- External EGS – Applicant will contract with a PUC **LICENSED EGS** broker/marketer
- Affiliate – Applicant will use a **NON-EGS** affiliate marketing company and or individuals.
- External Third-Party – Applicant will contract with a **NON-EGS** third party marketing company and or individuals
- Other (Describe):

g. **DOOR TO DOOR SALES:** Will the Applicant be implementing door to door sales activities?

- Yes There are no current plans to do so but Applicant may do so in the future.
- No

If yes, will the Applicant be using a Third Party Verification procedure?

- Yes if begin to do DTD.
- No

If yes, describe the Applicant's Third Party Verification procedures.

After a customer enrolls via the phone for service with FTR Energy Services, the independent TPV provider is called and they verify the sales order using a script provided by FTR Energy Services. A confirmation number is issued and sent back to match the sales order. The order is then released for enrollment with the utility company.

h. **START DATE:** Provide the approximate date the Applicant proposes to begin services within the Commonwealth.

The Applicant anticipates beginning to offer service in Pennsylvania on or about November 1, 2012.

5. COMPLIANCE

a. **CRIMINAL/CIVIL PROCEEDINGS:** State specifically whether the Applicant, an affiliate, a predecessor of either, or a person identified in this Application, has been or is currently the defendant of a criminal or civil proceeding within the last five (5) years.

Identify all such proceedings (active or closed), by name, subject and citation; whether before an administrative body or in a judicial forum. If the Applicant has no proceedings to list, explicitly state such.

The Applicant has no such proceedings to report.

b. **SUMMARY:** If applicable; provide a statement as to the resolution or present status of any such proceedings listed above.

Not applicable

c. **CUSTOMER/REGULATORY/PROSECUTORY ACTIONS:** Identify all formal or escalated actions or complaints filed with or by a customer, regulatory agency, or prosecutory agency against the Applicant, an affiliate, a predecessor of either, or a person identified in this Application, for the prior five (5) years, including but not limited to customers,

Utility Commissions, and Consumer Protection Agencies such as the Offices of Attorney General. If the Applicant has no actions or complaints to list, explicitly state such.

In January 2011, the Staff of the Maryland Public Service Commission filed a complaint against Viridian Energy PA, LLC ("Viridian"), an affiliate of FTR Energy Services, alleging that Viridian had violated the Maryland customer protection rules by providing misleading representations in late 2010. Among other things, Staff initially sought to revoke or suspend Viridian's Maryland license.

- d. **SUMMARY:** If applicable; provide a statement as to the resolution or present status of any actions listed above.

A hearing was conducted in February 2011 and in March 2011. Commission Staff and Viridian filed a Joint Recommendation of Staff. Fifteen months later on June 7, 2012, the Commission assessed a civil penalty of \$60,000 against Viridian, relating to instances of past behavior, but rejected Commission Staff's initial request to revoke or suspend its license and bar it from seeking new customers. In so doing, the Commission commended Viridian for strengthening its compliance program. Viridian has been operating in Maryland for over a year since the January 2011 complaint, a period during which no further complaints or investigations have been filed.

A copy of the June 7, 2012 decision from the Maryland Commission is attached as Attachment I.

6. PROOF OF SERVICE

(Example Certificate of Service is attached at Appendix C)

- a.) **STATUTORY AGENCIES:** Pursuant to Section 5.14 of the Commission's Regulations, 52 Pa. Code §5.14, provide proof of service of a signed and verified Application with attachments on the following:

Office of Consumer Advocate
5th Floor, Forum Place
555 Walnut Street
Harrisburg, PA 17120

Office of the Attorney General
Bureau of Consumer Protection
Strawberry Square, 14th Floor
Harrisburg, PA 17120

Office of the Small Business Advocate
Commerce Building, Suite 1102
300 North Second Street
Harrisburg, PA 17101

Commonwealth of Pennsylvania
Department of Revenue
Bureau of Compliance
Harrisburg, PA 17128-0946

- b.) **EDCs:** Pursuant to Sections 1.57 and 1.58 of the Commission's Regulations, 52 Pa. Code §§1.57 and 1.58, provide Proof of Service of the Application and attachments upon each of the Electric Distribution Companies the Applicant proposed to provide service in. Upon review of the Application, further notice may be required pursuant to Section 5.14 of the Commission's Regulations, 52 Pa. Code §5.14. Contact information for each EDC is as follows.

Allegheny Power:
Legal Department
West Penn Power d/b/a Allegheny Power
800 Cabin Hill Drive
Greensburg, PA 15601-1689

PECO:
Manager Energy Acquisition
PECO Energy Company
2301 Market Street
Philadelphia, PA 19101-8699

Duquesne Light:
Regulatory Affairs
Duquesne Light Company
411 Seventh Street, MD 16-4
Pittsburgh, PA 15219

PPL:
Legal Department
Attn: Paul Russell
PPL
Two North Ninth Street
Allentown, PA 18108-1179

MetEd, Penelec, and Penn Power:
Legal Department
First Energy
2800 Pottsville Pike
Reading PA, 19612

UGI:
UGI Utilities, Inc.
Attn: Rates Dept. – Choice Coordinator
2525 N. 12th Street, Suite 360
Post Office Box 12677
Reading, Pa 19612-2677

Citizens' Electric Company:
Citizens' Electric Company
Attn: EGS Coordination
1775 Industrial Boulevard
Lewisburg, PA 17837

Pike County Light & Power Company:
Director of Customer Energy Services
Orange and Rockland Company
390 West Route 59
Spring Valley, NY 10977-5300

Wellsboro Electric Company:
Wellsboro Electric Company
Attn: EGS Coordination
33 Austin Street
P. O. Box 138
Wellsboro, PA 16901

7. FINANCIAL FITNESS

- a. **BONDING:** In accordance with 66 Pa. C.S. Section 2809(c)(1)(i), the Applicant is required to file a bond or other instrument to ensure its financial responsibilities and obligations as an EGS. Therefore, the Applicant is
- X Furnishing the **original** (along with copies) of an initial bond, letter of credit or proof of bonding to the Commission in the amount of \$250,000.
 - Furnishing the **original** (along with copies) of another initial security for Commission approval, to ensure financial responsibility.
 - Filing for a modification to the \$250,000 requirement and furnishing the **original** (along with copies) of an initial bond, letter of credit or proof of bonding to the Commission in the amount of \$10,000. Applicant is required to provide information supporting an amount less than \$250,000. Such supporting information must include indication that the Applicant will not take title to electricity and will not pay electricity bills on behalf of its customers. Further details for modification may be described as well.

- *At the conclusion of Applicant's first year of operation it is the intention of the Commission to tie security bonds to a percentage of Applicant's gross receipts resulting from the sale of generated electricity consumed in Pennsylvania. The amount of the security bond will be reviewed and adjusted on an annual basis.*
- *Example version of a bond and letter of credit are attached at Appendix D & E, Applicant's security must follow language from these examples.*
- *Any deviation from these examples must be identified in the application and may not be acceptable to the Commission.*

Original bond is enclosed as Attachment J.

b. FINANCIAL RECORDS, STATEMENTS, AND RATINGS: Applicant must provide sufficient information to demonstrate financial fitness commensurate with the service proposed to be provided. Examples of such information which may be submitted include the following:

- Actual (or proposed) organizational structure including parent, affiliated or subsidiary companies.
- Published Applicant or parent company financial and credit information (i.e. 10Q or 10K). (SEC/EDGAR web addresses are sufficient)
- Applicant's accounting statements, including balance sheet and income statements for the past two years.
- Evidence of Applicant's credit rating. Applicant may provide a copy of its Dun and Bradstreet Credit Report and Robert Morris and Associates financial form, evidence of Moody's, S&P, or Fitch ratings, and/or other independent financial service reports.
- A description of the types and amounts of insurance carried by Applicant which are specifically intended to provide for or support its financial fitness to perform its obligations as a licensee.
- Audited financial statements exhibiting accounts over a minimum two year period.
- Bank account statement, tax returns from the previous two years, or any other information that demonstrates Applicant's financial fitness.

FTR Energy Services, LLC is providing audited financial statements exhibiting accounts over a two year period in confidential Attachment C.

c. ACCOUNTING RECORDS CUSTODIAN: Provide the name, title, address, telephone number, FAX number, and e-mail address of Applicant's custodian for its accounting records.

Roop Bhullar, CFO, Treasurer
 64 North Main Street
 Norwalk, Connecticut 06854
 Telephone: 203-883-9900
 Fax: (203) 413-4434
 Email: rbhullar@viridian.com

d. **TAXATION:** Complete the TAX CERTIFICATION STATEMENT attached as Appendix F to this application.

All sections of the Tax Certification Statement must be completed. Absence (submitting N/A) of any of the TAX identifications numbers (items 7A through 7C) shall be accompanied by supporting documentation or an explanation validating the absence of such information.

Items 7A and 7C on the Tax Certification Statement are designated by the Pennsylvania Department of Revenue. Item 7B on the Tax Certification Statement is designated by the Internal Revenue Service.

8. TECHNICAL FITNESS:

To ensure that the present quality and availability of service provided by electric utilities does not deteriorate, the Applicant shall provide sufficient information to demonstrate technical fitness commensurate with the service proposed to be provided.

a.) **EXPERIENCE, PLAN, STRUCTURE:** such information may include:

- Applicant's previous experience in the electricity industry.
- Summary and proof of licenses as a supplier of electric services in other states or jurisdictions.
- Type of customers and number of customers Applicant currently serves in other jurisdictions.
- Staffing structure and numbers as well as employee training commitments.
- Business plans for operations within the Commonwealth.
- Documentation of membership in PJM, ECAR, MAAC, other regional reliability councils, or any other membership or certification that is deemed appropriate to justify competency to operate as an EGS within the Commonwealth.
- Any other information appropriate to ensure the technical capabilities of the Applicant.

Please see Attachment D for information related to the Applicant's experience, plan, and structure.

b.) **OFFICERS:** Identify Applicant's chief officers including names and their professional resumes.

- Michael Fallquist, President, CEO
- Roop Bhullar, CFO, Treasurer
- Mike Chester, VP Operations
- Betsy Webb, Vice President Regulatory Affairs
- Jan Fox, Vice President, General Counsel, Secretary

Copies of each officer's resume is included as Attachment E.

c.) **FERC FILING:** Applicant has:

Filed an Application with the Federal Energy Regulatory Commission to be a Power Marketer.

Received approval from FERC to be a Power Marketer at Docket or Case Number _____.

Not applicable

9. DISCLOSURE STATEMENT:

a. **Disclosure Statements:** If proposing to serve Residential and/or Small Commercial (under 25 kW) customers, provide a Residential and/or Small Commercial disclosure statement. A sample disclosure statement is provided as Appendix G to this Application.

- Electricity should be priced in clearly stated terms to the extent possible. Common definitions should be used. All consumer contracts or sales agreements should be written in plain language with any exclusions, exceptions, add-ons, package offers, limited time offers or other deadlines prominently communicated. Penalties and procedures for ending contracts should be clearly communicated.

Disclosure Statement attached to this application as Attachment H

10. VERIFICATIONS, ACKNOWLEDGEMENTS, AND AGREEMENTS

a. **PJM LOAD SERVING ENTITY REQUIREMENT:** As a prospective EGS, the applicant understands that those EGSs which provide retail electric supply service (i.e. takes title to electricity) must provide either:

- proof of registration as a PJM Load Serving Entity (LSE), or
- proof of a contractual arrangement with a registered PJM LSE that facilitates the retail electricity services of the EGS.

The Applicant understands that compliance with this requirement must be filed within 120 days of the Applicant receiving a license. As well, the Applicant understands that compliance with this requirement may be filed with this instant application.

(Select only one of the following)

AGREED - Applicant has included compliance with this requirement in the instant application, labeled in correspondence with this section (10).

AGREED - Applicant will provide compliance with this requirement within 120 days of receiving its license

ACKNOWLEDGED - Applicant is not proposing to provide retail electric supply service at this time, and therefore is not presently obligated to provide such information

b. **STANDARDS OF CONDUCT AND DISCLOSURE:** As a condition of receiving a license, Applicant agrees to conform to any Uniform Standards of Conduct and Disclosure as set forth by the Commission. Further, the Applicant agrees that it must comply with and ensure that its employees, agents, representatives, and independent contractors comply with the standards of conduct and disclosure set out in Commission regulations at 52 Pa. Code § 54.43.

X AGREED

c. **REPORTING REQUIREMENTS:** Applicant agrees to provide the following information to the Commission or the Department of Revenue, as appropriate:

- Retail Electricity Choice Activity Reports: The regulations at 52 Pa. Code §§ 54.201--54.204 require that all active EGSs report sales activity information. An EGS will file an annual report reporting for customer groups defined by annual usage. Reports must be filed using the appropriate report form that may be obtained from the PUC's Secretary's Bureau or the forms officer, or may be down-loaded from the PUC's internet web site.
- Reports of Gross Receipts: Applicant shall report its Pennsylvania intrastate gross receipts to the Commission on a quarterly and year to date basis no later than 30 days following the end of the quarter.
- The Treasurer or other appropriate officer of Applicant shall transmit to the Department of Revenue by March 15, an annual report, and under oath or affirmation, of the amount of gross receipts received by Applicant during the prior calendar year.
- Applicant shall report to the Commission the percentages of total electricity supplied by each fuel source on an annual basis:
- Applicant will be required to meet periodic reporting requirements as may be issued by the Commission to fulfill the Commission's duty under Chapter 28 pertaining to reliability and to inform the Governor and Legislature of the progress of the transition to a fully competitive electric market.

X AGREED

d. **TRANSFER OF LICENSE:** The Applicant understands that if it plans to transfer its license to another entity, it is required to request authority from the Commission for permission prior to transferring the license. See 66 Pa. C.S. Section 2809(D). Transferee will be required to file the appropriate licensing application.

X AGREED

e. **ASSESSMENT:** The Commission does not presently assess Electric Generation Suppliers for the purposes of recovery of regulatory expenses; see *PPL Energyplus, LLC v. Commonwealth*, 800 A.2d 360 (Pa. Cmwlth. 2002).

X ACKNOWLEDGED

f. **FURTHER DEVELOPMENTS:** Applicant is under a continuing obligation to amend its application if substantial changes occur to the information upon which the Commission relied in approving the original filing. See 52 Pa. Code § 54.34.

AGREED

- g. **FALSIFICATION:** The Applicant understands that the making of false statement(s) herein may be grounds for denying the Application or, if later discovered, for revoking any authority granted pursuant to the Application. This Application is subject to 18 Pa. C.S. §§4903 and 4904, relating to perjury and falsification in official matters.

AGREED

- h. **NOTIFICATION OF CHANGE:** If your answer to any of these items changes during the pendency of your application or if the information relative to any item herein changes while you are operating within the Commonwealth of Pennsylvania, you are under a duty to so inform the Commission, within twenty (20) days, as to the specifics of any changes which have a significant impact on the conduct of business in Pennsylvania. See 52 Pa. Code § 54.34.

AGREED

- i. **CEASING OF OPERATIONS:** Applicant is also required to officially notify the Commission if it plans to cease doing business in Pennsylvania, 90 days prior to ceasing operations.

AGREED

- j. **Electronic Data Interchange:** The Applicant acknowledges the Electronic Data Interchange (EDI) requirements and the relevant contacts for each EDC, as listed at appendix J.

AGREED

- k. **FEE:** The Applicant has enclosed or paid the required initial licensing fee of \$350.00 payable to the Commonwealth of Pennsylvania.

PAYMENT ENCLOSED

11. AFFIDAVITS

- a.) **APPLICATION AFFIDAVIT:** Complete and submit with your filing an officially notarized Application Affidavit stating that all the information submitted in this application is truthful and correct. An example copy of this Affidavit can be found at Appendix A.

A complete Application Affidavit is included as Attachment F.

- b.) **OPERATIONS AFFIDAVIT:** Provide an officially notarized affidavit stating that you will adhere to the reliability protocols of the North American Electric Reliability Council, the appropriate regional reliability council(s), and the Commission, and that you agree to comply with the operational requirements of the control area(s) within which you provide retail service. An example copy of this Affidavit can be found at Appendix B.

A complete Operations Affidavit is included as Attachment G.

12. NEWSPAPER PUBLICATIONS

Notice of filing of this Application must be published in newspapers of general circulation covering each county in which the applicant intends to provide service. Below is a list of

newspapers which cover the publication requirements for Electric Generation Suppliers looking to do business in Pennsylvania.

The newspapers in which proof of publication is required is dependent on the service territories the applicant is proposing to serve. The chart below dictates which newspapers are necessary for each EDC. If the applicant is proposing to serve the entire Commonwealth, please file proof of publication in all seven newspapers.

Please file with the Commission the Certification of Publication, along with a photostatic copy of the notice to complete the notice requirements.

Proof of newspaper publications must be filed with the initial application. Applicants **do not** need a docket number in their publication. Docket numbers will be issued when all criteria on the item 14 checklist (see below) are satisfied.

	<u>Duquesne</u>	<u>Met Ed</u>	<u>PECO</u>	<u>Penelec</u>	<u>Penn Power</u>	<u>PPL</u>	<u>UGI</u>	<u>West Penn</u>	<u>Entire Commonwealth</u>
Philadelphia Daily News		X	X			X			X
Harrisburg Patriot-News		X		X		X		X	X
Scranton Times Tribune		X		X		X	X		X
Williamsport Sun Gazette				X		X		X	X
Johnstown Tribune Democrat				X				X	X
Erie Times-News				X	X				X
Pittsburgh Post-Gazette	X				X			X	X

(Example Publication is provided at Appendix H)

Proofs of Publication are attached as Attachment K.

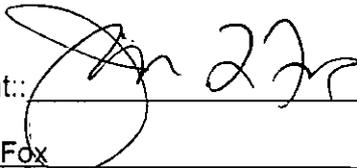
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13. SIGNATURE

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JUL 11 2012

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Applicant: 

By: Jan Fox

Title: Vice President and General Counsel

14. CHECKLIST

For the applicant's convenience, please use the following checklist to ensure all relevant sections are complete. The Commission Secretary's Bureau will not accept an application unless each of the following sections are complete.

Applicant: FTR Energy Services, LLC

Applicant's Use	✓	Signature	
	✓	Filing Fee	
	✓	Application Affidavit	
	✓	Operations Affidavit	
	✓	Proof of Publication	
	✓	Bond or Letter of Credit	
	✓	Tax Certification Statement	
	✓	Commonwealth Department of State Verification	
	✓	Certificate of Service	

PUC Secretary's Bureau Use

ATTACHMENT A

APPLICANT'S CERTIFICATION WITH THE SECRETARY OF STATE

RECEIVED
JUL 11 2012
PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF STATE

JUNE 21, 2012

TO ALL WHOM THESE PRESENTS SHALL COME, GREETING:

FTR Energy Services, LLC

I, Carol Alchele, Secretary of the Commonwealth of Pennsylvania
do hereby certify that the foregoing and annexed is a true and correct
copy of
Application for Registration filed on June 12, 2012
which appear of record in this department.

RECEIVED

JUL 11 2012

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU



IN TESTIMONY WHEREOF, I have
hereunto set my hand and caused
the Seal of the Secretary's Office to
be affixed, the day and year above
written.

A handwritten signature in cursive script, appearing to read "Carol Alchele".

Secretary of the Commonwealth

**PENNSYLVANIA DEPARTMENT OF STATE
CORPORATION BUREAU**

**Application for Registration - Foreign
(15 Pa.C.S.)**

- Registered Limited Liability General Partnership (§ 8211)
- Registered Limited Liability Limited Partnership (§ 8211)
- Limited Partnership (§ 8582)
- Limited Liability Company (§ 8981)

Name <u>FTR Energy Services, LLC</u>		
Address <u>c/o Esquire Assist -- Counter Pickup</u>		
City _____	State _____	Zip Code _____

Document will be returned to the name and address you enter to the left.

Commonwealth of Pennsylvania
APPLICATION FOR REGISTRATION 3 Page(s)



Fee: \$250

In compliance with the requirements of the applicable provisions (relating to registration), the undersigned, desiring to register to do business in this Commonwealth, hereby states that:

1. The name of the limited liability company/limited liability partnership/limited partnership in the jurisdiction in which it is formed:
FTR Energy Services, LLC

2. The name under which the limited liability company/limited liability partnership/limited partnership proposes to register and do business in this Commonwealth is:
FTR Energy Services, LLC

3. The name of the jurisdiction under the laws of which it was organized and the date of its formation:
Jurisdiction: Nevada Date of Formation: 7/5/11

4. The (a) address of its initial registered office in this Commonwealth or (b) name of its commercial registered office provider and the county of venue is:

(a) Number and street	City	State	Zip	County
(b) Name of Commercial Registered Office Provider <u>National Registered Agents Inc</u>				County <u>Dauphin</u>

5. Check and complete one of the following:

The address of the office required to be maintained by it in the jurisdiction of its organization by the laws of that jurisdiction is:

Number and street	City	State	Zip
<input checked="" type="checkbox"/> It is not required by the laws of its jurisdiction of organization to maintain an office therein and the address of its principal office is:			
64 North Main Street	Newark	CT	06854
Number and street	City	State	Zip

6. ~~For Restricted Professional Limited Liability Company Only. Strike out if Inapplicable: The company is a restricted professional company organized to render the following professional service(s):~~

Limited Liability Partnership and Limited Partnership: Complete paragraphs 7 and 8

7. The name and business address of each general partner.

Name	Business Address

8. The address of the office at which is kept a list of the names and addresses of the limited partners and their capital contribution is:

Number and street	City	State	Zip	County
The registered partnership hereby undertakes to keep those records until its registration to do business in the Commonwealth is canceled or withdrawn.				

IN TESTIMONY WHEREOF, the undersigned has caused this Application for Registration to be signed by a duly authorized officer/member or manager thereof this

8th day of June, 2012

FTR Energy Services, LLC

Name of Partnership/Company

[Signature]

Signature

Authorized Officer

Title

ATTACHMENT B

APPLICANT'S CERTIFICATION AS A LIMITED LIABILITY COMPANY BY THE STATE OF NEVADA

RECEIVED

JUL 11 2012

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

STATE OF NEVADA

ROSS MILLER
Secretary of State



SCOTT W. ANDERSON
Deputy Secretary
for Commercial Recordings

OFFICE OF THE
SECRETARY OF STATE

Certified Copy

June 7, 2012

Job Number: C20120607-1200
Reference Number:
Expedite:
Through Date:

The undersigned filing officer hereby certifies that the attached copies are true and exact copies of all requested statements and related subsequent documentation filed with the Secretary of State's Office, Commercial Recordings Division listed on the attached report.

Document Number(s)	Description	Number of Pages
20120403880-58	Amendment	1 Pages/1 Copies



Respectfully,

A handwritten signature in black ink, appearing to read "Ross Miller".

ROSS MILLER
Secretary of State

Certified By: Richard Sifuentes
Certificate Number: C20120607-1200
You may verify this certificate
online at <http://www.nvsos.gov/>

RECEIVED

JUL 11 2012

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Commercial Recording Division
202 N. Carson Street
Carson City, Nevada 89701-4069
Telephone (775) 684-5708
Fax (775) 684-7138



ROSS MILLER
 Secretary of State
 204 North Carson Street, Suite 1
 Carson City, Nevada 89701-4520
 (775) 684-5708
 Website: www.nvsos.gov



091201

Filed in the office of 	Document Number 20120403880-58
Ross Miller Secretary of State State of Nevada	Filing Date and Time 06/07/2012 9:45 AM
	Entity Number E0401472011-7

**Amendment to
 Articles of Organization**
 (PURSUANT TO NRS 86.221)

USE BLACK INK ONLY - DO NOT HIGHLIGHT

ABOVE SPACE IS FOR OFFICE USE ONLY

Certificate of Amendment to Articles of Organization
For a Nevada Limited-Liability Company
 (Pursuant to NRS 86.221)

1. Name of limited-liability company:

Viridian Energy NG, LLC

2. The company is managed by: Managers OR Members
 (check only one box)

3. The articles have been amended as follows: (provide article numbers, if available)*

Article 1 is amended as follows:

The name of the limited liability company is PTR Energy Services, LLC.

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PA PUBLIC UTILITY COMMISSION
 SECRETARY'S BUREAU

4. Effective date and time of filing: (optional) Date: _____ Time: _____
 (must not be later than 90 days after the certificate is filed)

5. Signature (must be signed by at least one manager or by a managing member):

X

 Signature

* 1) If amending company name, it must contain the words "Limited-Liability Company," "Limited Company," or "Limited," or the abbreviations "Ltd.," "LLC.," or "LC.," "LLC" or "LC." The word "Company" may be abbreviated as "Co."
 2) If adding managers, provide names and addresses.

FILING FEE: \$175.00

IMPORTANT: Failure to include any of the above information and submit with the proper fees may cause this filing to be rejected.

This form must be accompanied by appropriate fees.

ATTACHMENT C

APPLICANT'S FINANCIAL RECORDS, STATEMENTS, AND RATINGS

FTR Energy Services, LLC is providing the Commission a copy of its parent company's, Regional Energy Holdings Inc.'s, audited financial statements as a confidential attachment to this application. FTR Energy Services, LLC considers the data included in the confidential attachment to be proprietary and secret because it directly relates to the value of the company and similarly situated, privately held companies are not required to publicly release comparable information about themselves. Public disclosure of FTR Energy Services, LLC's data could put it at a competitive disadvantage to similarly situated companies in the acquisition and/or terms related to acquisition of financing. Moreover, public disclosure would place FTR Energy Services, LLC at a competitive disadvantage by disclosing its parent companies profit margins and costs of operation such that competitors might alter their pricing to undermine FTR Energy Services, LLC's ability to compete.

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ATTACHMENT D

APPLICANT'S EXPERIENCE, PLAN, AND STRUCTURE

FTR Energy Services, LLC is a wholly-owned subsidiary of Regional Energy Holdings, Inc., which owns other competitive electricity and natural gas retailers that are licensed in Pennsylvania, Connecticut, Massachusetts, New York, Maryland, New Jersey, Illinois, the District of Columbia, under the name Viridian Energy, Maine, and New Hampshire under the name FairPoint Energy, and Ohio under the name Cincinnati Bell Energy and Viridian Energy has a pending application in Delaware. FTR Energy Services, LLC will utilize the same leadership and resources that its affiliates use.

Additionally, FTR Energy Services, LLC was licensed by the Public Utility Commission of Ohio on June 9, 2012, as a competitive provider and received eligibility as a New York ESCO on June 29, 2012 and has pending applications for natural gas in Michigan, and Indiana, electricity and natural gas in Illinois, and California and is licensed to sell electricity and natural gas in Ohio .

Please see Attachment E which includes resumes for the key personnel at FTR Energy Services, LLC and which details the many years of experience that support FTR Energy Services, LLC's operation.

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ATTACHMENT E
RESUMES OF APPLICANT'S OFFICERS

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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

BETSY WEBB, MSHR
Mission Viejo, California 92691

Phone: (949) 330-9685
E-mail: webb_be@yahoo.com

Human Resources professional with expertise as a strategic partner working with senior management to achieve business imperatives. Maintains a proven record of success in diversified industries, enhancing productivity through the development and implementation of human resources programs and implementing cost-saving programs and processes. Works well managing multiple projects under prompt deadlines. Key competencies include:

- Compensation and Benefits
- Employee Relations
- Compliance/Legal/Regulatory
- Mergers/Acquisitions
- Payroll
- Policies/Procedures
- Process Improvement
- Recruitment/Selection
- Safety/Workers' Compensation
- Training and Development

EXPERIENCE

Regional Holdings, Inc. (REH), Norwalk, CT

Aug 2010 - Present

A growing retail provider that offers an alternative energy supply (gas and electricity) option to local utilities in six states.

Vice President, Regulatory Affairs and Administration

- Manage compliance program for numerous utilities in six states.
- Oversee staff that responds to all customer complaints including billing disputes and questionable enrollments.
- Respond to formal complaints from all regulatory agencies.
- Develop and maintain relationships with key staff members from each state's commission office.
- Built the HR infrastructure including benefit programs, compensation plan, employee handbook, new employee orientation, payroll system, performance management, etc.
- Responsible for company insurance plans, IT and office management.

Commerce Energy Group, Inc., Costa Mesa, CA

Oct 2007 – Dec 2009

A leading retail provider of electricity and natural gas to residential and commercial customers in 10 states and 22 utility markets.

Director, Human Resources

Manage: Budget - \$2.1 million; staff - 5 employees; employee population – 300; functions – HR, Facilities, Health and Safety, Payroll and Workers' Compensation; locations – four offices in three states.

- Built HR infrastructure into a department that had been without leadership for over one year.
- Educated senior management to best-practice procedures and how to efficiently utilize HR as a strategic business partner.
- Reduced employee turnover from 55% to 5%.
- Developed internal programs to include New Employee Orientation, HR Boot Camp for New Managers, college recruitment, performance management and HR Metrics for executive team.
- Assisted a new executive management team restructuring organization to align with new business model.
- Developed structure and brought the department into compliance with state/federal laws.
- Provided counsel and guidance to employees and management during a difficult reorganization and downsizing of the Company to ensure compliance with state/federal laws.

Suffolk Construction, Irvine, CA

Nov 2005 – Aug 2007

Provides general contracting, construction management, preconstruction, and design/build services in the public/private sectors.

Senior Human Resources Manager

Managed: Budget - \$300,000; staff – 3 employees; employee population – 800; functions – HR; Facilities and Workers' Compensation; locations – three offices in three states.

- As a member of the Executive Team, established a regional HR department to immediately address employee relations and California compliance issues.
- Developed and implemented a New Employee Orientation, career start program for college hires that included college recruiting and the development of a strategic training program that resulted in reduced employee turnover by 25%.
- Partnered on recruitment, strategic planning, benefits management, office management, training and development, and workers' compensation functions.

Tickets.com (a wholly owned subsidiary of MLBAM), Costa Mesa, CA

Mar 2000 – Aug 2005

A leading global live event ticketing products and service provider for top entertainment and sports venues and teams.

Director, Human Resources

Managed: Budget - \$1.5 million; staff - 10 employees; employee population – 1000; functions – HR, Facilities, Health and Safety, Payroll and Workers' Compensation; locations – seven cities in five states and four countries.

- As a member of the Executive Team worked to develop, implement and administer the organization's human resource function including benefits, employee relations, health and safety, payroll, performance management, staffing and training.
- Managed the human resources function for international offices located in Australia and Europe.
- Developed and implemented human resources policies and procedures for the organization including benefits, employee handbook, HR Reference Guide and Reorganization Guide for managers, performance management, policies to ensure compliance with Sarbanes-Oxley Act and safety.
- Oversaw various programs including, but not limited to, employment practices liability, facilities management to guarantee a safe working environment and maintain compliance with OSHA standards, vehicle, and workers' compensation programs.
- Generated \$175,000 in savings through the development of an employee self-service program that included benefits enrollment and payroll and human resources self-service module for employees/management.
- Created employee anniversary program increasing employee morale and recognition.
- Developed performance management tools and changed company from anniversary to focal review cycle.
- Created HR metrics for senior management resulting in streamlined operations.
- Reduced employee turnover by 30% through the development of an aggressive retention program.
- Worked with the Executive Team on stock sale of Tickets.com to MLBAM valued at \$66 million.

PacifiCare (acquired by UnitedHealth), Santa Ana, CA

Jan 1996 – Jan 2000

Was one of the nation's leading managed health care services company.

Manager, Human Resources

Managed: Budget - \$250,000; staff – three employees; employee population – 12,000; functions – HR, Health and Safety and Workers' Compensation; locations – 19 cities in five states.

- Collaborated with the management team to create new employee orientation resulting in the reduction of training time from 16 hours to 4 hours.
- Reduced employee turnover ratio by 10% by combining best practices for leave of absence and workers' compensation.
- Generated \$200,000 in savings of workers' compensation premiums by reducing the cost of managed care and developing and implementing ergonomic program.
- Achieved a 50% reduction in days lost and increased employee morale by developing and implementing return-to-work program for workers' compensation.
- Increased supervisory/managerial awareness by developing and delivering workplace violence training.
- Achieved 90% satisfaction rate from customer service survey.
- Continually assumed additional projects such as the employee recognition program, security, transportation, and workers' compensation.
- Served as an advisory team member on PacifiCare's acquisition of FHP valued at \$2.1 billion.
- Collaborated with in-house HR team to create new employee handbook (in preparation for FHP acquisition).

EDUCATION & AFFILIATIONS

- Master of Science in Human Resources, Chapman University, Orange, CA
- Bachelor of Science in Business Administration with a concentration on management, California State University, Long Beach, CA
- Certificate in Human Resources, Chapman University, Orange, CA
- Certificate in Employee Relations Law, Institute for Applied Management & Law, Inc. (IAML)
- Formal training on ADP, Ceridian, Oracle, Paychex and PeopleSoft HR systems
- Certified SuccessFactors (performance management) implementation and system administrator
- Society for Human Resources Management (SHRM) Member

ROOP S. BHULLAR

203-883-9900 rbhullar@viridian.com

EXPERIENCE

REGIONAL ENERGY HOLDINGS

Chief Financial Officer

Norwalk, CT
April 2010-Present

Founded in 2009, REH was set up as a holding company to manage a portfolio of energy service companies. Viridian Energy, Cincinnati Bell Energy, FairPoint Energy and FTR Energy Services are competitive retail electricity and natural gas providers. Jointly they are licensed to operate in ten (10) states with license applications pending in several other states.

- Head finance and wholesale energy supply functions of over \$200M electricity and natural gas retailing business servicing over 180,000 customers across 7 states and over 25 utility markets.
- Overall responsibility for wholesale energy procurement, risk management, hedging and pricing of electricity, natural gas and renewable energy certificates.
- Manage relationship with the Company's supplier, Macquarie Energy under the \$100M credit sleeve facility.
- Provide financial, analytical and strategic support to the CEO, executive management team and Board in the day-to-day operations and long term Company strategy.
- Overall responsibility for full-cycle monthly accounting process, audit, taxation, financial planning & analysis and treasury.

COMMERCE ENERGY

Director, Finance

Costa Mesa, CA
August 2008 – March 2010

- Headed finance, accounting, energy accounting and risk functions of the \$460M electricity and natural gas retailing business and supervised a staff of eight.
- Overall responsibility for full-cycle monthly accounting and quarterly earnings process, audit, taxation, financial planning & analysis, treasury, risk management and counterparty credit/collateral requirements.
- Chosen to lead the comprehensive post-acquisition transition of accounting systems, personnel and operations following Commerce Energy's acquisition by Universal Energy and later, Just Energy Group.
- Coordinated financial and accounting due diligence and financial input to negotiations for a 5 year \$40M structured finance deal entailing an exclusive supplier agreement with Shell North America for physical and financial energy requirements, ancillary services, a revolver and collateral support.
- Financial analytical support to the Senior Executive Team on strategic issues including due diligence with potential lenders and acquirers, negotiations with existing primary and subordinated lenders on amendments to loan agreements, debt refinancing and restructuring and the eventual consensual debt foreclosure and \$26M sale of the business to Universal Energy.
- Managed treasury function including daily cash management, day-to-day bank relationships, loan covenant compliance monitoring and bank reporting for \$50M asset based lending facility and \$30M subordinated notes and revolver.
- Developed and maintained the company's liquidity model which analyzed all aspects of the cash conversion cycle to forecast cash and credit requirements and compliance with all borrowing base covenants on a daily basis.

KING COUNTRY ENERGY

Finance Manager / Controller

Taumarunui, New Zealand
October 2003 – August 2006

- Led the finance team consisting of six staff, reported to the CEO and was a key member of the Senior Executive Team.
- Instrumental in a diverse range of decision-making and governance functions spanning all areas of the \$75M publicly listed energy business including strategy, sales/marketing, customer services, electric generation operations, commodity hedging and risk management, IT and human resources.

Continued

- As Corporate Secretary, interacted on a continuous basis with Chairman and Board of Directors, including attending and presenting financial results to monthly board meetings, finance & audit committee meetings and annual shareholder meetings.
- Reengineered and streamlined internal financial reporting processes and up-skilled staff to improve team performance, including expediting year-end accounts and audit process by one month and monthly accounts process by over 20 days.
- Initiated and conducted strategic review of retail electricity tariff structure, including detailed segmental profitability analysis. Presented recommendations to Board and implemented these, improving retail profitability by 15%.
- Oversaw Company risk management practices and \$29M electricity hedge book, including monitoring, forecasting and reporting spot market and electricity swaps exposures and requirements.
- Headed cross-functional team initiative to improve debt recovery. Achieved 22% improvement, taking debt recoveries to highest in the industry – evidenced by independent benchmarking exercise.
- Designed and presented to the Board in-depth overhead benchmarking model, which gave new and useful insights into cost competitiveness and allowed targeted improvements.

DELOITTE

Tax Manager, Senior Tax Consultant, Tax Consultant

Auckland, New Zealand
February 1998 – September 2003

- Managed ledger of over 50 multi-national, national and middle-market corporate clients with annual fees of \$2M and supervised team of seven, including performance evaluation, training and mentoring.
- Headed specialist Mergers & Acquisitions / Transaction Services team, interfaced with Corporate Finance division, provided due diligence and tax advice in relation to mergers, acquisitions, international tax planning, inbound and outbound deal structuring and execution.
- Received nation-wide award for highest individual 'Client Service Matrix' sales in 2002 and led team to winning team award. Became nation-wide specialist in selling Depreciation Maximization products, due to success at selling these products.
- Received merit based two year 'fast-track' promotions to Senior Consultant and then Manager.

EDUCATION

UCLA ANDERSON SCHOOL OF MANAGEMENT

M.B.A., Finance & Strategy

GPA 3.9/4.0

Los Angeles, CA
October 2006 - June 2008

- *Academic honors & leadership:* Dean's Scholar (top 10% of class), Dean's List, Exceptional International Student Fellowship (\$15,000 merit-based scholarship), Graduate Teaching Assistant (Business Strategy & Marketing Management), Director - South Asian Business Association
- *Financial Strategies & Analysis Intern:* HSBC Card Services, Salinas, CA (June 2007 – August 2007), performed in-depth evaluation of the performance and penetration of HSBC's \$600M suite of credit protection, identity protection and credit monitoring products by portfolio and by marketing channel. Presented findings to Senior Management in Marketing Department for use in channel selection, resource allocation and offer priority decisions. Identified, analyzed and forecasted the key value drivers behind these products and developed a financial model to calculate the present value per enrolment of products marketed through various prime, near prime and sub-prime card portfolios, and through various outbound and inbound marketing channels.

UNIVERSITY OF WAIKATO

Bachelor of Management Studies, (B.M.S. Hon), Accounting

GPA 8.1/9.0

Hamilton, New Zealand
March 1993 - December 1997

Bachelor of Laws, (LLB), Commercial/Corporate Law

GPA 7.4/9.0

- *Academic honors:* Graduated with First Class Honors (highest rank) and prizes for highest marks in the University in Advanced Taxation, Constitutional Law, Administrative Law, Introduction to Accounting & Finance
-

ADDITIONAL

- *Professional memberships:* Chartered Accountant (CPA equivalent): Member of New Zealand Institute of Chartered Accountants (NZICA), 2001

Admitted to the bar as Barrister & Solicitor of New Zealand High Court, 1998

MICHAEL A. CHESTER

6 Forest View Drive, Newtown, CT 06482 • (203) 945-9244 • mac12269@yahoo.com

SUMMARY

Results-oriented operations leader with extensive experience leading teams in start-up and established corporate environments. A successful track record of more than 20 years of experience working with organizations focused on increasing revenue, reducing costs and improving customer satisfaction. Diverse skills managing internal and outsourced operations as a client and vendor.

- Multi-Site Operational Leadership
- Service Level Agreements/KPIs
- Revenue Management & Cost Control
- Project Life Cycles (Waterfall, Agile)
- Business Process Re-engineering
- CIS Upgrades and Conversions
- Credit Management
- Exception Management
- Electricity & Gas Retail Markets
- Vendor and Client Relationship Management
- Organization & Staff Development
- Business Process Outsourcing
- Customer Information & Billing Systems
- Mergers & Acquisitions
- Collection Agency Management
- Quality Assurance
- Complex Contract Billing & Credit

EXPERIENCE

Vice President Operations

Regional Energy Holdings, Norwalk, CT

January 2012 - Present

Founded in 2009, REH was set up as a holding company to manage a portfolio of energy service companies. Viridian Energy, Cincinnati Bell Energy, FairPoint Energy and FTR Energy Services are competitive retail electricity and natural gas providers. Jointly they are licensed to operate in ten (10) states with license applications pending in several other states.

As an officer of the company, responsible for all aspects of the energy Call Center and back-office operations including billing, transaction management, credit, collections and back-end information systems in nearly two dozen electric and gas markets.

- Established and vetted Debt Management Policy and Strategy to gain financing approval to enter into new growth markets that have an increased exposure to bad debt.
- Launched new fixed term electric and gas products in several markets.
- Worked with credit reporting agency to increase customer identity throughput by more than 5% within 2 months.
- Developed systems, policy and process to launch white label partnerships with Telecommunications and Cable companies.

Director of Retail Billing & Credit Management

First Choice Power (a Direct Energy company), Las Colinas, TX

February, 2009 – January, 2012

Responsible for all aspects of multi-site outsourced back-office operations for entire residential and commercial customer book as well as internal credit and collections organization for Commercial and Industrial contracts.

- Implemented solutions to reduce bad debt over 40% in 2+ years.
- Reduced unbilled revenue exceptions from 6% to less than 1/2 of 1%.
- 2010 ClearMark Award Winning Statement – “Best Redesign – Private Sector.”
- Recognized and provided retention contracts as “Key” contributor achieving targets in 2011.
- Recognized and rewarded as “Key” contributor to excess earnings above maximum target level in 2010.
- Promoted to Director from Senior Manager during tenure with First Choice Power.

Director of Billing & Revenue Assurance

6 Forest View Drive, Newtown, CT 06482 • (203) 945-9244 • mac12269@yahoo.com

Commerce Energy (a Just Energy Company), Irving, TX
May, 2007 – February, 2009

Responsible for all aspects of multi-site, multi-platform operations organization. Lead billing, account management and accounts receivables functions for mass market and commercial customer base in more than a dozen electric and gas markets.

- Reduced monthly unbilled revenue exceptions from 15% to less than 1/2 of 1%.
- Implemented bill print and insert vendor change reducing cost by ~6 cents per piece with value added services.
- Sponsored and implemented two dozen people, process and technology improvements on-time and under budget.
- Offered retention contract as “Key” contributor of the business.

Senior Consulting Services Manager

Alliance Data, Dallas, TX
October 2001 – May, 2007

Provided leadership, strategic guidance and subject matter expertise on Alliance Data Business Process Outsourcing (BPO) projects and operations to ensure quality implementations, employ optimized business processes and consult on business development opportunities in order to meet both internal and external client objectives.

- Rewarded for role on implementation of process and system that brought additional \$20 Million of potential annual revenue to client.
- Multiple Spot Awards for excellence in performance and leadership.
- Recognized and rewarded for managing project to eliminate 310,000+ aged market open system exceptions.
- Reduced outstanding receivables held from credit action by \$11 Million.
- Raised Service Level for billing inquiries from mid 60% to more than 95% in 3 months.
- Awarded for role in conversion of 800,000+ accounts from a legacy CIS to Peace Software’s ENERGY CIS.
- Recognized and rewarded for role in sale of back-office operation.
- Promoted several times during tenure with Alliance Data.

Senior Information Services Analyst

New York State Electric & Gas, Binghamton, NY
March, 1997 – October, 2001
February, 1996 – March, 1997 (Computer Aid)
April, 1995 – February, 1996 (Business Services by Manpower)

Managed a team of 40+ analysts and testers in implementing business and technology strategies, policies and projects to support the billing of approximately 1.2 Million electric and gas customers in New York State.

- Raised Summary Billing “timeliness of billing” from 70% to 98% in one year.
- Reduced Summary Billing postage and payment costs ~\$62K per year.
- Recognized and rewarded several times for role in successful implementations of numerous large-scale projects primarily related to Year 2000, deregulation and customer service via the Internet.
- Developed and/or implemented numerous programs and projects that contributed to the successful expedited launch of NYSEG’s deregulated electricity program.

Business Systems Consultant

Independent Contractor, Le Roy, NY
May, 1992 – May, 1995

Worked directly with small companies to understand their goals and objectives, perform business and systems analysis, and deploy optimal business and technical solutions to bring increased profitability to their companies.

- Re-engineered business processes and implemented a Work Order Invoice and Sales Tracking System allowing a small vacuum repair company to save approximately \$22K per year on invoicing.
- Successfully assisted the launch of satellite location for small Real Estate appraisal company by delivering hardware, software and data communication needs between main office and clients. Additionally, Co-Authored and implemented HUD Review Appraisal database, Appraisal Tracking System and Petty Cash Tracking System to allow management greater visibility into their operational costs.

EDUCATION

- **B.S. in Business Administration (Systems Management):** S.U.N.Y. College at Brockport, NY (1992),

Michael J. Fallquist
42 Fairfield Ave, Westport, CT 06880
(917) 975-3638
michael.fallquist@gmail.com

SUMMARY OF QUALIFICATIONS

Energy executive with significant leadership experience and a proven track record of success in challenging environments. Possesses deep energy industry expertise coupled with investment banking and management consulting skill-sets, international work experience and a strong background in operational restructuring and process improvement. Key competencies include:

- Business leadership
- Restructuring
- Entrepreneurship, Business start-up
- Transaction management
- Commodities trading & marketing
- Hedging
- People management
- Process improvement
- Fund raising (equity, debt)
- Client management
- M&A valuation
- Strategic planning

WORK EXPERIENCE

REGIONAL ENERGY HOLDINGS, INC.

Norwalk, CT

2009 - present Founder and Chief Executive Officer

Company Overview: Founded in 2009, REH was set up as a holding company to manage a portfolio of energy service companies. Viridian Energy, Cincinnati Bell Energy, FairPoint Energy and FTR Energy Services are competitive retail electricity and natural gas providers. Jointly they are licensed to operate in ten (10) states with license applications pending in several other states. Viridian Energy offers customer the opportunity to purchase green electricity compliant with the 2020 Federal Renewable Portfolio Standards at a discount to the local utility company.

- o Developed concept for the company and wrote the business plan
- o Successfully raised equity and debt capital in a difficult economic environment
- o Established Viridian Network LLC to sell electricity through the direct selling channel

COMMERCE ENERGY, INC. (AMEX: EGR)

Orange County, CA

2008 - 2009 Chief Operating Officer

- o Recruited in early 2008 as part of an executive management team tasked with turning around a business with few controls, significant bad debt exposure, declining customer margins, high operating costs and a negative \$10 million cash position
- o Staved off impending bankruptcy in the most difficult credit and financial markets in many decades by securing \$23 million in subordinated financing in August 2008, divesting multiple underperforming assets, implementing operating controls and expense reductions, and closing a transaction with Universal Energy Group to acquire the remaining assets of the business
- o Provided a positive result for EGR shareholders and maintained employment for 30+ FTEs in California. This result is a significant success considering that prior management had run a public auction process with RBC Capital Markets to sell the company in 2007-08 but received no bids given the considerable operational and financial issues that existed at that time

- o Offered a position by Universal Energy Group to manage remaining US business as Senior Vice President, Commerce Energy

Operating Responsibilities

- o Responsible for the day-to-day business operations of a publicly listed retail natural gas and electricity provider with more than 150,000 customers across 10 states and 24 local markets
- o Direct management responsibility for more than 250 FTEs across 4 offices including functional management of sales & marketing, energy supply, pricing, operations, human resources, customer care and quality assurance

Experience Summary

- o Planned and implemented a successful company-wide restructuring which resulted in an 81 person reduction in force and annual expense savings of nearly \$11 million. Changes implemented include:
 - o Rationalize headcount: Saved \$7.4 million by reducing headcount by 81 FTEs, replacing consultants with FTEs and closing two offices (Boston, Houston)
 - o Implemented process improvements: Saved \$1.5 million by redesigning call center processes, moving 1st party collections in house and implementing legal processes to reduced dependency on external counsel
 - o Instituted operating controls: Saved \$1.1 million by implementing controls over travel & entertainment, dues & subscriptions, office expenses, insurance policies and telephones
 - o Renegotiated key contracts: \$0.7 million by renegotiating key IT, regulatory, and facilities contracts
- o Sold the ERCOT (Power) customer book to Ambit Energy, LP for nearly \$15 million in September 2008. Responsible for the entire deal life cycle including identifying a broker, leading preliminary discussions with the potential buyers, managing the due diligence process, dealing with the Public Utility Commission of Texas, negotiating commercial terms of the transaction and finalizing the asset purchase and transition services agreements
- o Raised subordinated debt facility in August 2008 to survive seasonal cash flow shortfall which was the result of significant exposure in electric markets (ERCOT, PJM, CAISO), regulatory requirements to purchase natural gas inventory for fixed price contracts, pre-payments from concerned suppliers and the 45 day lag between payables and receivables. Primary responsibility for discussions with potential debt providers and due diligence
- o Identified an opportunity to offshore the call center operations (customer care, quality assurance, and inside sales) to the Philippines which would result in improved service levels and reduced costs of approx. \$6.5 million per annum. Completed an RFP process with 9 potential BPO providers and visited potential sites in the Manila, Philippines and Bangalore, India. Implementation project is underway and is expected to be completed in Spring 2009
- o Presented business case to a FERC Settlement Judge in Washington, DC resulting in \$6 million reduction in legal exposure related to EGR's participation in the California energy crisis. Devised a strategy with legal counsel to reposition EGR as an entity that was negatively impacted by the energy crisis when considering customer attrition due to credit constraints and other fixed price sales obligations
- o Reduced bad debt exposure by more than \$2 million by implementing bad debt collection processes that were tailored to the specific market rules

MACQUARIE BANK LIMITED

Los Angeles, CA

2004 - 2008 *Senior Manager, Energy Markets Division*

- o Led the purchase of 437,500 tons of low sulphur Illinois Basin coal and marketed the coal to industrial consumers in the Midwest. Responsible for the coal marketing, contract negotiations, counterparty credit review, and logistical support for the delivery of the physical

coal. Realized profit of approx. \$1.25 million on an \$8.75 million investment within a 6 month timeframe.

- o Managed the deal teams evaluating several natural gas storage assets in North America which included responsibility for development of the economic model, review of all ISS / FSS third-party contracts, negotiation of the Purchase and Sale Agreement with the seller, liaising with engineering and environmental consultants, and evaluation of trading opportunities (eg hub services).
 - o 34 billion cubic foot, multi cycle natural gas storage facility in Northern California (Bid / runner up)
 - o 48 billion cubic foot, single cycle natural gas storage facility in British Columbia, Canada (did not bid due to significant difference in valuation with seller)
 - o 12 billion cubic foot, multi cycle natural gas storage facility in Mississippi (Bid / runner up)
- o Led the due diligence effort on a \$10 million equity investment in a longwall coal mine in Illinois which included responsibility for development of the economic model, negotiation with the equity partners, solicitation of senior / subordinated debt providers, analysis conducted by engineering consultants and discussion with United Mine Workers of America about renegotiation of the existing union contract
- o Developed a strategy to pursue natural gas production, gathering, processing, and storage assets west of the Rockies. The strategy process includes development of a prioritization matrix that will identify which assets offer the greatest value, synergies with the existing business and other assets, and availability for purchase

Natural Gas Trader, Energy Markets Division

- o Member of a two person team responsible for the NYMEX Natural Gas Futures and Options trading book which generated more than \$3 million in profits in 2006
- o 40% of profits derived from proprietary trading and 60% of profits derived from risk management of physical natural gas positions and client trades

Consultant, Strategy Unit

Sydney, Australia

- o Part of a four person team that was responsible for advising the CEO and Executive Committee on bank-wide strategic issues
- o Led a cross-functional team to evaluate and consider alternatives to MBL's status as an Australian licensed bank. This recommendation was ultimately accepted by the Board of Directors leading to the formation of the Macquarie Group
- o Conducted due diligence on significant transactions and new products prior to submission to Executive Committee for final approval
- o Selected by the Head of Strategy to serve as the Secretary to the MBL Executive Committee which included participation in weekly meetings, ad hoc analysis for Committee members and involvement in MBL's most sensitive issues

DELOITTE CONSULTING

New York, NY

Summer 2003 Senior Consultant, Strategy & Operations (Internship)

- o Worked for a customer relationship management software provider to drive additional value from an existing joint venture partnership

TOWERS PERRIN

Los Angeles, CA

1999 - 2002 Senior Associate, Strategy & Organization

- o Analyzed the viability of the benefits delivery strategy for the Hong Kong government and recommended a cost-effective plan for sustainability. Spent several months in Hong Kong interviewing key stakeholders, visiting medical / dental facilities and meeting with potential alternative providers

- o Participated in the development of the executive compensation structure for a \$1.5 billion private equity-backed fiber optics manufacturer headquartered in Japan. Travelled to Tokyo to meet with senior executives and completed benchmarking analysis
- o Optimised the rewards portfolio for a biotechnology firm and developed a strategy to increase retention by 10.1% and reduce cost by \$10 million. Created an employee survey using conjoint analysis methodology to determine which aspects of employee benefits had the most value and recommended a change in benefits strategy
- o Promoted twice during a three year period with Towers Perrin. Towers Perrin offered to pay for business school tuition in exchange for agreement to return after graduation

EDUCATION

CORNELL UNIVERSITY

Johnson Graduate School of Management
Master of Business Administration, May 2004

Ithaca, NY

COLGATE UNIVERSITY

Bachelor of Arts, May 1999
 Concentration: Economics

Hamilton, NY

PERSONAL

- o Elected President of the Johnson School Consulting Club for 2003-04
- o Competed in NCAA Division I Rowing (NY State, Champion 1996)
- o Served as President for Junior and Senior seasons of Colgate Men's Rowing Team
- o Avid golfer
- o Enjoy world travel

Jan L. Fox
597 Westport Drive, #316A
Norwalk, CT 06854
Phone: 203-517-0130
E-mail: JFox@viridian.com

EXPERIENCE

2011 to present **Regional Energy Holdings, Inc.**
Norwalk, CT

Founded in 2009, REH was set up as a holding company to manage a portfolio of energy service companies. Viridian Energy, Cincinnati Bell Energy, FairPoint Energy and FTR Energy Services are competitive retail electricity and natural gas providers. Jointly they are licensed to operate in ten (10) states with license applications pending in several other states.

Vice President and General Counsel, Secretary

Executive responsible for strategic oversight, and management of all legal matters affecting the Companies, as well as providing regulatory expertise to maintain legal compliance and to assist in entering new markets. Responsibilities include (i) leading, developing and executing legal and regulatory strategy as it relates to energy, energy related products, commercial law matters, direct selling, and litigation; (ii) contract negotiation and drafting; (iii) coordinating compliance with all applicable laws and regulations such as FERC, PUCs, copyright and employment laws; and (iv) selection, management and evaluation of outside counsel.

2009 to July 2011 **JLF ENERGY CONSULTING, LLC**
Pittsburgh, PA

JLF Energy Consulting provided businesses with strategic insight and analysis necessary to understand the complex legislative, regulatory, and legal issues involving energy, and assisted businesses in developing strategies for influencing public policy debate related to the evolving energy market.

President

Projects included (i) market entry strategy for smart grid, demand response and acquisition of a utility; (ii) legislative, regulatory and policy analysis and insights related to smart grid, electric vehicles, renewables and utility rate making; and (iii) analysis of demand response, RTO/ISOs and the wholesale power market. Under an Executive Affiliate Agreement with PRTM Management Consulting provided PRTM's Energy Business Group strategic insights and analysis related to emerging energy policy, legislation and regulation and assisted in responding to RFPs and with new business development presentations.

2002 to June 2008 **STRATEGIC ENERGY L.L.C.**
Pittsburgh, PA

Strategic Energy, the deregulated energy subsidiary of Great Plains Energy, was the fifth largest competitive retail electricity provider in the U.S. with over \$2 billion in annual revenues, and operated in eleven (11) states. In June 2008, Direct Energy Services, LLC, a subsidiary of Centrica plc, acquired Strategic Energy. As a result of this acquisition, all members of the Strategic Energy executive management team were severed.

General Counsel, Secretary, Executive Vice President Regulatory Affairs

Executive responsible for strategic oversight, management and development of the Legal Department, the Regulatory Affairs Department, and the Compliance Department, including the departments' budgets. Responsibilities included (i) overseeing all legal affairs including coordinating compliance with all applicable laws and regulations such as SEC, FERC, PUCs, copyright and employment laws; (ii) overseeing energy regulatory matters from both a state and federal level; (iii) assisting with SEC filings and audit reports to the GPE Board of Directors; (iv) selection, management and evaluation of outside counsel; (v) counseling and advising Human Resources on employee discipline, hiring, terminations, accommodations and other daily employee issues; and (vi) due diligence oversight, contract negotiation, and interim operating procedures during the pendency of the sale of the Company. Member of the Sarbanes Oxley (SOX) Steering Committee and 401k Investment Committee. Direct management responsibility for 26 full-time employees.

Interim Executive Vice President Marketing (December 2004 – June 2005)

Assumed role of Interim EVP Marketing at the request of Strategic Energy's CEO following resignation of EVP Marketing. Coordinated marketing functions and assisted sales in an effort to reposition Company for continued profitability in increasingly competitive environment.

1995 - 2002 **LEBOEUF LAMB GREENE and MACRAE, L.L.P. (DEWEY & LEBOEUF, L.L.P.)**
Pittsburgh, PA

Associate 1995-1999, Partner 1999-2002

One of four partners in the Pittsburgh office of an international law firm responsible for managing Alcoa's litigation nationwide under a fixed fee arrangement. Lead counsel on numerous litigation matters, including energy, commercial and employment litigation.

1989 – 1995 **BABST CALLAND CLEMENTS and ZOMNIR, P.C.**
Pittsburgh, PA

Litigation Associate (1991-1995), Legal Intern (1989-1991)

Team member and in some cases lead counsel for various commercial litigation matters. Focus on coal mining issues.

EDUCATION

1991 JD **UNIVERSITY OF PITTSBURGH SCHOOL OF LAW**
Pittsburgh, PA
Cum Laude, Law Review

1978 BFA **SYRACUSE UNIVERSITY**
Syracuse, NY

LICENSES

Commonwealth of PA, 1991 Third, Fourth, Fifth, Ninth Circuits
Supreme Court of United States, 1999 Various Federal District Courts

ATTACHMENT F

APPLICATION AFFIDAVIT

[Commonwealth/State] of Connecticut :

ss.

County of Fairfield :

Jan L. Fox, Affiant, being duly [sworn/affirmed] according to law, deposes and says that:

[He/she is the VP + General Counsel (Office of Affiant) of FTR Energy Services, LLC (Name of Applicant);]

[That he/she is authorized to and does make this affidavit for said Applicant;]

That the Applicant herein FTR Energy Services, LLC has the burden of producing information and supporting documentation demonstrating its technical and financial fitness to be licensed as an electric generation supplier pursuant to 66 Pa. C.S. § 2809 (B).

That the Applicant herein FTR Energy Services, LLC has answered the questions on the application correctly, truthfully, and completely and provided supporting documentation as required.

That the Applicant herein FTR Energy Services, LLC acknowledges that it is under a duty to update information provided in answer to questions on this application and contained in supporting documents.

That the Applicant herein FTR Energy Services, LLC acknowledges that it is under a duty to supplement information provided in answer to questions on this application and contained in supporting documents as requested by the Commission.

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 hearing.

[Handwritten Signature]
Signature of Affiant

Sworn and subscribed before me this 10th day of July, 2012.

Andrea Martino
Notary Public-Connecticut
My Commission Expires
August 31, 2013

[Handwritten Signature]
Signature of official administering oath

My commission expires August 31, 2013.

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ATTACHMENT G

OPERATIONS AFFIDAVIT

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JUL 11 2012

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

[Commonwealth/State] of Connecticut :

: ss.

County of Fairfield :

Jan L. Fox, Affiant, being duly [sworn/affirmed] according to law,
deposes and says that:

[He/she is the VP & General Counsel (Office of Affiant) of FTR Energy Services, LLC
(Name of Applicant);]

[That he/she is authorized to and does make this affidavit for said Applicant;]

That FTR Energy Services, LLC, the Applicant herein, acknowledges that [Applicant] may have obligations pursuant to this Application consistent with the Public Utility Code of the Commonwealth of Pennsylvania, Title 66 of the Pennsylvania Consolidated Statutes; or with other applicable statutes or regulations 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.

That FTR Energy Services, LLC, the Applicant herein, asserts that [he/she/it] possesses the requisite technical, managerial, and financial fitness to render electric service within the Commonwealth of Pennsylvania and that the Applicant will abide by all applicable federal and state laws and regulations and by the decisions of the Pennsylvania Public Utility Commission.

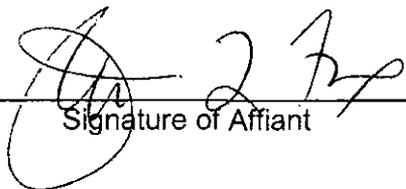
That FTR Energy Services, LLC, the Applicant herein, certifies to the Commission that it is subject to , will pay, and in the past has paid, the full amount of taxes imposed by Articles II and XI of the Act of March 4, 1971 (P.L. 6, No. 2), known as the Tax Reform Act of 1971 and any tax imposed by Chapter 28 of Title 66. The Applicant acknowledges that failure to pay such taxes or otherwise comply with the taxation requirements of Chapter 28, shall be cause for the Commission to revoke the license of the Applicant. The Applicant acknowledges that it shall report to the Commission its jurisdictional Gross Receipts and power sales for ultimate consumption, for the previous year or as otherwise required by the Commission. The Applicant also acknowledges that it is subject to 66 Pa. C.S. §506 (relating to the inspection of facilities and records).

As provided by 66 Pa. C.S. §2810 (C)(6)(iv), Applicant, by filing of this application waives confidentiality with respect to its state tax information in the possession of the Department of Revenue, regardless of the source of the information, and shall consent to the Department of Revenue providing that information to the Pennsylvania Public Utility Commission.

That FTR Energy Services, LLC, the Applicant herein, acknowledges that it has a statutory obligation to conform with 66 Pa. C.S. §506, §2807 (C), §2807(D)(2), §2809(B) and the standards and billing practices of 52 PA. Code Chapter 56.

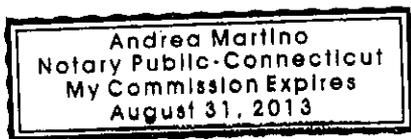
That the Applicant agrees to provide all consumer education materials and information in a timely manner as requested by the Bureau of Public Liaison or other Commission bureaus. Materials and information requested may be analyzed by the Commission to meet obligations under applicable sections of the law.

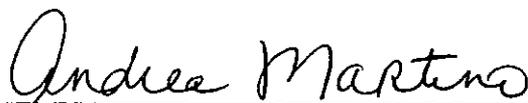
That the facts above set forth are true and correct/true and correct to the best of his/her knowledge, information, and belief.



Signature of Affiant

Sworn and subscribed before me this 10th day of July, 2012.





Signature of official administering oath

My commission expires August 31, 2013.



CERTIFICATE OF SERVICE

On this the 10th day of July 2012, I certify that a true and correct copy of the foregoing application form for licensing within the Commonwealth of Pennsylvania as an Electric Generation Supplier and all attachments have been served upon the following:

Office of Consumer Advocate
5th Floor, Forum Place
555 Walnut Street
Harrisburg, PA 17120

Office of the Attorney General
Bureau of Consumer Protection
Strawberry Square, 14th Floor
Harrisburg, PA 17120

Small Business Advocate
Commerce Building, Suite 1102
300 North Second Street
Harrisburg, PA 17101

Commonwealth of Pennsylvania
Department of Revenue
Bureau of Compliance
Harrisburg, PA 17128-0946

Legal Department
West Penn Power d/b/a Allegheny Power
800 Cabin Hill Drive
Greensburg, PA 15601-1689

Manager Energy Acquisition
PECO Energy Company
2301 Market Street
Philadelphia, PA 19101-8699

Regulatory Affairs
Duquesne Light Company
411 Seventh Street, MD 16-4
Pittsburgh, PA 15219

Legal Department
Attn: Paul Russell
PPL
Two North Ninth Street
Allentown, PA 18108-1179

Legal Department
First Energy
2800 Pottsville Pike
Reading PA, 19612

UGI Utilities, Inc.
Attn: Rates Dept. – Choice Coordinator
2525 N. 12th Street, Suite 360
Post Office Box 12677
Reading, Pa 19612-2677

Citizens' Electric Company
Attn: EGS Coordination
1775 Industrial Boulevard
Lewisburg, PA 17837

Director of Customer Energy Services
Orange and Rockland Company
390 West Route 59
Spring Valley, NY 10977-5300

Wellsboro Electric Company
Attn: EGS Coordination
33 Austin Street
P. O. Box 138
Wellsboro, PA 16901

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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU



Jan L. Fox

Counsel for FTR Energy Services, LLC

Attachment H
Sample Disclosure Statement

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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Pennsylvania Disclosure Statement/Terms and Conditions

Your agreement with FTR Energy Services, LLC ("FTR") authorizes FTR to change your electric generation supplier and/or your natural gas supplier to FTR. FTR is licensed by the Pennsylvania Public Utility Commission ("PUC") to offer and supply electricity ("Electric Service") and natural gas ("Gas Service") as an Electric Generation Supplier and a Natural Gas Supplier (each a "Supplier"). **FTR's Pennsylvania Public Utility Commission's license number is _____ for electricity and _____ for natural gas.** FTR supplies the electricity or natural gas commodity to your Electric Distribution Company ("EDC") and/or your Natural Gas Distribution Company ("NDGC" with each EDC and NDGC being referred to herein as a "DC") based on how much you consume. Your DC will then distribute (deliver) the electricity or natural gas to your location.

This Disclosure Statement/Terms and Conditions, the Welcome Letter and the Enrollment Form create your agreement with FTR (the "Agreement") and supersede any oral or written statements made in connection with the Agreement or your Service.

Terms of Service:

Term	<ul style="list-style-type: none"> For fixed price Service, the "Initial Term" of the Agreement with respect to such Service is the number of billing cycles set forth at time of enrollment and confirmed in your Welcome Letter, after which time the Agreement will continue with respect to such Service month to month at a variable rate until terminated by you or FTR in accordance with the terms of the Agreement. For variable price Service, your Service with FTR will continue month to month until terminated by you or FTR in accordance with the terms of the Agreement.
Price	<ul style="list-style-type: none"> During the Initial Term of fixed price Service, you will pay FTR the fixed price per kWh or the fixed price per Ccf or MCF set forth at time of enrollment and confirmed in your Welcome Letter, after which time the Agreement will continue with respect to such Service month to month at a variable rate until terminated by you or FTR in accordance with the terms of the Agreement. For variable price Service, your rate for the first month of Service will be set forth at time of enrollment and confirmed in your Welcome Letter. After the first month you will pay a variable rate for such Service, which can fluctuate on a month-to-month basis, as described in the Price section below.
Rescission	<p>You have the right to cancel your Agreement without fees or penalties of any kind at any time prior to midnight of the third (3rd) business day after receiving the Agreement. If you are receiving both Electric Service and Natural Gas Service from FTR, you are entitled to cancel one Service without cancelling the other.</p>
Early Cancellation Fee	<ul style="list-style-type: none"> After the right of rescission period ends, cancellation fees in the total amount of \$50 will apply if you terminate this Agreement with respect to a fixed price Service prior to the end of the then-current term. If you terminate this Agreement with respect to a variable price Service, there are no termination fees.
Fixed Price Renewal	<p>After the Initial Term or any renewal term your Service will continue month to month with FTR without additional notice, and you will pay a variable rate unless you affirmatively elect to renew for another fixed price term ("Renewal Term") or cancel the Agreement.</p>

1. Definitions:

- a. **Generation Charge** – Part of the basic service charges on every customer’s bill for electric supply service. Electric supply service is competitively priced and is not regulated by the PUC. This charge depends on the contract between the customer and the electric supplier.
- b. **Transmission Charge** – Part of the basic service charges on every customer’s bill for transporting electricity from the source of supply to the DC. The Federal Energy Regulatory Commission regulates retail transmission prices and services. This charge will vary with your source of supply.
- c. **Distribution Charge** – Part of the basic service charges on every customer’s bill for delivering electricity from the DC to your home or business. The distribution charge is regulated by the PUC. This charge will vary according to how much electricity you use.

2. Price

- a. **Fixed Price:** Under FTR’s Fixed Price, you will pay the fixed price set forth at time of enrollment and confirmed in your Welcome Letter for the Initial Term, after which your existing Agreement will continue month to month with a variable rate. The fixed price during the Initial Term will be calculated (i) for Everyday Green Plan or Pure Green Plan Electric Service, by multiplying the price of electricity per kilowatt hour (kWh) by the amount of electricity you use in the billing cycle plus any applicable fees, charges or taxes, and (b) for Gas Service, by multiplying the price of natural gas per Ccf or MCF by the amount of natural gas you use in the billing cycle plus any applicable fees, charges or taxes.
- b. **Variable Rate:** Under FTR’s Variable Price, your price may fluctuate each month based on wholesale market conditions applicable to the DC’s service territory. The variable price for Everyday Green Plan or Pure Green Plan Electric Service each month will be calculated by multiplying the variable price of electricity per kilowatt hour (kWh) that month by the amount of electricity you use in the billing cycle plus any applicable fees, charges or taxes. The variable price for Gas Service each month will be calculated by multiplying the variable price of natural gas per Ccf or MCF that month by the amount of natural gas you use in the billing cycle plus any applicable fees, charges or taxes.
- c. FTR’s prices may be higher or lower than the DC’s rate in any given month.

3. Term: FTR will begin supplying the applicable Service on a date set by the DC.

- a. The fixed price Initial Term will be for the number of billing cycles set forth at time of enrollment and confirmed in your Welcome Letter starting on the first meter read date after your Service is started with FTR and continuing through the last meter read date in the end month. If you do not affirmatively elect a Renewal Term, your Service will continue month to month with FTR without additional notice, and you will pay a variable rate.
- b. The variable price term will begin on the first meter read date after your Service is started with FTR and will continue month to month until terminated by you or FTR in accordance with the terms in the Agreement.

4. Renewal Notice for Fixed Price and Notification of Changes in Terms: (a) When the fixed price Initial Term or any Renewal Term with respect to Electric Service is approaching the expiration date or whenever we propose to change our terms of service in any type of agreement, you will receive a written notification from us in each of the last three bills for Electric Service charges or in corresponding separate mailings that precede either the expiration date or the effective date of the proposed changes. We will explain your options to you in these three advance notifications.

(b) When the fixed price Initial Term or any Renewal Term that is longer than 3 months with respect to Gas Service is approaching the expiration date, we will send you advance written notices at about 90 days and 60 days before the expiration date. If we propose to change our terms of service in any type of agreement, we will send you advance written notices at about 90 days and 60 days before the effective date of the change. If we are billing you directly for our services, then we will provide the notices as a bill message, a bill insert, or in a separate corresponding mailing. If the NGDC is billing our charges for us, then we will provide the notices in separate corresponding mailings. We will explain your options to you in these two advance notifications.

5. **Rescission:** You have the right to cancel this Agreement, without fees or penalties of any kind, by either calling your DC or FTR at any time prior to midnight of the third business day after receiving this Agreement. If your DC is PPL, call 1-800-342-5775. If your DC is PECO, call 1-800-494-4000. If your DC is Duquesne Light Company (DLC), call 1-888-393-7000. If your DC is Peoples Natural Gas, call 1-800-400-4271. FTR may be reached at 1-877-811-7023. Please provide your name, address, phone number, account number and a statement that you are rescinding this Agreement under the three-day right of rescission.
6. **Termination by Customer:** If you elect to cancel or terminate this Agreement with respect to any fixed price Service after the rescission period and prior to the end of the fixed price Initial Term or any Renewal Term, you will pay a cancellation fee as set forth above. If you elect to cancel or terminate your variable price Agreement, there are no termination fees. In order to cancel you must notify FTR in advance by email at TO BE DETERMINED in writing by mail at 64 North Main Street, Norwalk, CT 06854 or by phone at 1-877-811-7023. Termination becomes effective upon the processing of your cancellation request by the DC. You shall be obligated to pay for the Service provided pursuant to the Agreement prior to the date that such cancellation becomes effective, including any applicable DC late fees, fees or charges. Should you cancel your Agreement, you will be returned to your DC's default Supplier unless you choose another Supplier.
7. **Termination by FTR:** FTR may cancel or terminate the Agreement at any time, without penalty, by notifying you in writing. If for any reason performance of the Agreement becomes materially uneconomical to FTR or if any change in law causes FTR to no longer have the ability to serve you, FTR may cancel the Agreement upon written notice to you. Termination becomes effective upon the processing of FTR's cancellation request by the DC. You shall be obligated to pay for the Service provided by FTR pursuant to the Agreement prior to the date that such cancellation becomes effective, including any applicable DC late fees, fees or charges. Should FTR terminate the Agreement, you will be returned to your DC's default Supplier unless you choose another Supplier.
8. **Relocation:** If you relocate, you will provide a 30-day notice to FTR. A final meter read will be made at your old address and your account will be finalized with both your DC and FTR. You shall be obligated to pay for the Service provided pursuant to the Agreement prior to the date the termination due to relocation becomes effective, including any applicable DC late fees, fees or charges. If you relocate within your DC's service territory, you may have the option of entering into a new agreement with FTR for Service.
9. **Billing and Payment:** You will receive a single consolidated bill from your DC that includes the DC's charges and FTR's generation charge. The DC will set your payment due date and the payment address. Any bill not paid in full by its due date will incur a late payment fee in accordance with the DC's billing and payment policies and procedures.
10. **Dispute Procedures:** If you have billing questions or would like to make an inquiry about FTR's terms of service, you may contact FTR by telephone at 1-77-811-7023, by email at TO BE DETERMINED or by mail at 64 N. Main Street, Norwalk, CT 06854. In the event of a dispute or a disagreement under the Agreement, the parties must use their best efforts to

resolve the dispute. If you are not satisfied after discussing the issue with FTR, you may call the PUC at 1-800-692-7380 or write them at the Bureau of Consumer Service, P.O. Box 3265, Harrisburg, PA 17105-3265.

11. **Emergency:** In the event of an emergency, such as a power failure or a downed power line, you should call your DC. If your DC is PPL, call 1-800-342-5775. If your DC is PECO, call 1-800-841-4141. If your DC is Duquesne Light Company (DLC), call 1-888-393-7000. If your DC is Peoples Natural Gas, call 1-800-400-4271.
12. **LIMITATIONS ON WARRANTY AND DAMAGES:** THE COMODITY PROVIDED UNDER THIS AGREEMENT WILL MEET THE QUALITY STANDARDS OF THE APPLICABLE DC. YOU UNDERSTAND AND AGREE THAT THERE ARE NO OTHER WARRANTIES, EITHER EXPRESS OR IMPLIED, ASSOCIATED WITH THE SERVICE PROVIDED BY FTR. FTR HAS NO LIABILITY FOR SERVICE INTERRUPTIONS. LIABILITIES NOT EXCUSED BY REASON OF FORCE MAJEURE OR OTHERWISE SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES. FTR WILL BEAR NO LIABILITY TO YOU OR ANY THIRD PARTY FOR CONSEQUENTIAL, PUNITIVE, INCIDENTAL, SPECIAL OR OTHER INDIRECT DAMAGES. FTR IS NOT LIABLE FOR INTERRUPTIONS TO OR SHORTAGES OF ELECTRICITY OR NATURAL GAS SUPPLY NOR ANY ASSOCIATED LOSS OR DAMAGE RESULTING THEREFROM.
13. **Force Majeure:** The Service is firm subject to force majeure. FTR will not be responsible for supplying electricity or natural gas services to you in the event of circumstances beyond its control such as events of force majeure, as defined by the DC or any transmitting or transportation entity, which includes but is not limited to acts of terrorism, sabotage or acts of God. If there is a change in any law, rule or pricing structure that results in FTR being prevented, prohibited or frustrated from carrying out the terms of the Agreement, FTR reserves the right to cancel the Agreement in accordance with the termination provisions in the Agreement.
14. **Universal Service Program:** Your DC may have programs available to customers who are on a limited or fixed income to assist them with utility bills. Some of these programs might include bill payment assistance and weatherization services. Information on your DC's Universal Service Program can be obtained by contacting your DC at the number or address listed below.
15. **Information Release Authorization:** By entering into this Agreement, you authorize FTR to obtain information from the DC concerning your account that includes, but is not limited to: billing history, payment history, account number, historical and future electricity or natural gas usage, meter readings and characteristics of your electricity or natural gas service. Subject to the terms set forth herein you may rescind this authorization at any time by contacting FTR. The Company will not release your confidential information without your express consent, except as required by legal authority.
16. **Assignment:** You may not assign the Agreement without FTR's prior written consent. FTR reserves the right to sell, transfer, pledge or assign the accounts, revenues or proceeds hereof in connection with any financial agreement. You authorize FTR to assign this Agreement to another energy supplier, Supplier, or other entity as authorized by the PUC. Any required assignment notice will be considered to have been made to you if mailed to the appropriate party.
17. **Miscellaneous:** You agree to promptly notify FTR if there are any anticipated major changes in your electricity or natural gas consumption. During enrollment you will notify FTR if your account is a cogeneration/net metered account. For purposes of accounting, both parties accept the quantity, quality and measurements determined by the DC. Except as provided by law, you will pay all taxes due and payable with respect to customer obligations under the Agreement.

There may be a delay before the applicable DC switches your electricity or natural gas supply to FTR. FTR is not responsible for any such delays. You agree to receive periodic updates of product and services from FTR. Any changes to the Agreement must be made in writing. The Agreement is subject to any future legislation, orders, rules, regulations or DC tariff or policy changes. Venue for any lawsuit brought to enforce any term or condition of this Agreement shall lie exclusively in the Commonwealth of Pennsylvania. The Agreement shall be construed under and shall be governed by the laws of the Commonwealth of Pennsylvania without regard to the application of its conflicts of law principles. You acknowledge that electricity is the product of a mix of generation energy sources that is delivered over a system of wires.

18. **Parties Bound:** This Agreement is binding upon the parties hereto and their respective successors and legal assigns.

Customer Contact Information:

FTR Energy Services, LLC

64 N. Main Street
Norwalk, CT 06854
Toll-Free: 877-811-7023 Fax: TO BE DETERMINED
Monday through Friday, 8:30 a.m. to 6:30 p.m. EST

PECO

2301 Market Street
PO Box 8699
Philadelphia, PA 19101
Phone: 1-800-494-4000.
www.peco.com/

PPL

PPL Electric Utilities
827 Hausman Road
Allentown, PA 18104-9392
Phone: 1-800-DIAL-PPL (1-800-342-5775)
www.ppelectric.com/

Duquesne Light Company (DLC)

Duquesne Light Customer Service
411 Seventh Avenue (6-1)
Pittsburgh, PA 15219
Phone: 412-393-7100
www.duquesnelight.com/

Peoples Natural Gas

PO Box 535323
Pittsburgh, PA 15264
Phone: 1-800-764-0111
www.peoples-gas.com

Pennsylvania Public Utility Commission

P.O. Box 3265
Harrisburg, PA 17105-3265
Toll-Free: 1-800-692-7380

Metropolitan Edison Company

1-800-545-7741

Pennsylvania Power Company

1-800-720-3600

UGI Utilities, Inc.

2525 North 12th Street
Suite 360
Reading, PA 19605
1-800-276-2722

West Penn Electric

FirstEnergy Solutions Corp.
341 White Pond Dr., Building B3
Akron, Ohio 44320
1-877-524-SAVE (1-877-524-7283)

Citizens' Electric Company

PO Box 551
1775 Industrial Blvd.
Lewisburg, PA 17837
570-522-6144

Wellsboro Electric Company

33 Austin Street
PO Box 138
Wellsboro, PA 16901
570-724-3516

Pike County Power & Light Company

311 Broad Street, The Town Square
Milford, PA
1-877-434-4100

Maryland Commission Decision

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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

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JUL 11 2012

ORDER NO: 84959

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

IN THE MATTER OF THE
COMPLAINT OF THE STAFF OF THE
PUBLIC SERVICE COMMISSION
AGAINST VIRIDIAN ENERGY PA,
LLC

BEFORE THE
PUBLIC SERVICE COMMISSION
OF MARYLAND

CASE NO. 9255

Issue Date: June 7, 2012

This matter comes before the Public Service Commission of Maryland (“Commission”) from a Complaint filed by the Commission Staff alleging violations of customer protection regulations by Viridian Energy PA, LLC. Upon consideration of the record developed in this matter, and as more fully explained below, the Commission finds that Viridian violated Public Utilities Article § 7-507 and COMAR 20.53.07.07 and 20.53.07.08 by making false and misleading representations about Viridian’s relationship with utility companies and the savings customers would achieve in widely distributed advertisements, and by claiming that customers did not need to sign a contract. Based on the number and severity of these violations, the Commission imposes a civil penalty in the amount of \$60,000.00 (sixty-thousand dollars) pursuant to Public Utilities Article §§ 7-507 and 13-201.

I. Background

Viridian Energy PA, LLC (“Viridian” or “the Company”) is a residential electricity supplier that was formed in Connecticut in March 2009.¹ Viridian began providing service in Connecticut in August 2009, Pennsylvania in February 2010, and

¹ February 9, 2011 hearing, Transcript (“Tr.”), pp. 20 and 94.

New Jersey in May 2010.² It was licensed by this Commission on May 10, 2010 to supply electricity and electricity supply services in Maryland,³ and began marketing its services to the Baltimore Gas and Electric (“BGE”) service territory in July 2010 and to the Potomac Electric Power Company (“Pepco”) service territory in September 2010.⁴ As of February 9, 2011, Viridian had a total of over 140,000 customers in the jurisdictions in which it was licensed.⁵

Viridian employs a multi-level direct sales concept in which individuals join the company as associates, market Viridian’s services, and receive compensation based primarily upon the energy usage of the customers they enroll to receive Viridian’s services.⁶ The associates – who are agents, not employees, of Viridian⁷ – join the company under one of four categories, two of which are at no charge to the associate, one of which is at a one-time fee of \$199 to the associate, and one of which is at a one-time fee of \$399 to the associate.⁸ As of April 2011, Viridian had approximately 2,500 associates working in the State of Maryland.⁹

² At the February 9, 2011 hearing, Michael J. Fallquist, founder and CEO of Viridian, testified that the Company would begin service in New York as of the following week. Tr. p. 20.

³ January 14, 2011 Complaint of the Staff of the Public Service Commission of Maryland (“Staff’s Complaint”), p. 1, paragraph (“para.”) 2.

⁴ Joint Recommendation of the Staff of the Public Service Commission of Maryland and Viridian Energy, PA, LLC – public version (“Joint Recommendation”), Stipulation of Facts, p. 1, para. 3.

⁵ February 9, 2011 hearing, Tr. p. 21.

⁶ Joint Recommendation, Stipulation of Facts, p. 2, para. 8 and 10.

⁷ Joint Recommendation, Stipulation of Facts, p. 3, para. 11. It must also be noted that, while Viridian’s Policies and Procedures expressly state that its sales associates are not agents of the Company, Fallquist took the opposite position at the February 9, 2011 hearing, stating, “I would agree that they are the agent of Viridian.” February 9, 2011 hearing, Tr. p. 96.

⁸ “Viridian associates are offered four categories of enrollment. Two of these categories are available at no cost to the Viridian associate: one is customer acquisition plan (“CAP”) that allows Viridian associates to refer customers and, in return, earn a monthly fee based on the customer’s usage. The CAP program is not a multi-level sales approach. The other free category of associate enrollment is the fundraising option, in which non-profit companies or similar entities enroll as an associate and refer customers in order to raise funds for the benefit of their organization. The remaining two categories entail one time fees of \$199, for the right to make sales for Viridian within a single state and \$399, for the right to make sales for Viridian within each state where Viridian is licensed.” Joint Recommendation, Stipulation of Facts, p. 2, para. 9.

⁹ April 1, 2011 hearing, Tr. p. 84.

A Viridian associate's compensation is based upon an associate's rank and the kilowatt hour consumption of customers enrolled by the associate,¹⁰ as well as customers enrolled by the associate's "downline" associates.¹¹ Although Viridian's compensation scheme does not compensate associates directly for recruiting other associates, the prospect of compensation for the sales of "downstream" associates creates a potentially powerful incentive to recruit. As of January 2011, Viridian had paid a total of approximately \$114,000 to its Maryland associates.¹²

The relationship between Viridian and its associates is detailed in the company's Policies & Procedures ("Policies").¹³ Associates must accept the Policies in order to be enrolled as an associate.¹⁴ The Policies state that Viridian may unilaterally sanction or terminate any Viridian associate that is non-compliant with the Policies.¹⁵

Prior to Staff filing the complaint that initiated this matter, Viridian's associate training procedures were as follows:

1) Associates received a training guide which summarized deregulation matters and provided information pertaining to Viridian and its products;¹⁶

2) Viridian presented one or two live trainings each week that associates could choose to attend or listen to;¹⁷

3) Viridian sent weekly emails ("VTalk") and monthly newsletters ("VLife") to associates, both of which contained information on company events, employees of note-

¹⁰ Actual enrollments are handled by ESG (Energy Services Group), a provider of outsourced services to the retail energy industry.

¹¹ Joint Recommendation, Stipulation of Facts, p. 2, para. 10.

¹² February 9, 2011 hearing, Tr. p. 63.

¹³ February 9, 2011 hearing, Viridian Exhibit 1.

¹⁴ Joint Recommendation, Stipulation of Facts, p. 3, para 12.

¹⁵ *Id.*

¹⁶ February 9, 2011 hearing, Tr. pp. 25 and 26.

¹⁷ *Id.* at 32.

worthy performance, and compliance issues and guidelines, among other things¹⁸ (Viridian estimates that approximately 4,500 associates read VTalk each week¹⁹); and

4) At the discretion of the Associate Compliance Council,²⁰ telephone calls were made to associates for training purposes as needed.²¹

Also, before this case began, Viridian's associates were subject to the following marketing guidelines:

1) Associates were prohibited from telemarketing;²²

2) Associates were required to complete an application, pay a nominal fee, and submit to a background check prior to receiving corporate approval to perform door-to-door marketing;²³

3) Associates could purchase enrollment forms and marketing materials from Viridian for a nominal fee;²⁴

4) Associates could also use their self-created marketing materials provided they received corporate approval to do so;²⁵

5) Associates were given their own personal website under the Viridian domain name on which they were able to place customized content;²⁶ and

6) Associates were provided with Viridian's "Marketing Don'ts" document which

¹⁸ *Id.* at 36.

¹⁹ *Id.* at 36 and 37.

²⁰ The Compliance Council is comprised of 12 representatives from the field, including every member of Viridian's executive team except for the CFO. *Id.* at 125.

²¹ *Id.* at 39.

²² Joint Recommendation, Stipulation of Facts, p. 4, para. 14.

²³ *Id.* at para. 15.

²⁴ April 1, 2011 hearing, Tr. p. 69.

²⁵ Joint Recommendation, Stipulation of Facts, p. 4, para. 17.

²⁶ April 1, 2011 hearing, Tr. p. 30.

listed rules to be followed by associates when marketing Viridian to customers.²⁷

Eight complaints were filed with the Commission against Viridian in the eight months between May 10, 2010 (the date on which Viridian was licensed by the Commission) and January 14, 2011 (the date on which this matter commenced).²⁸

II. Procedural History

On January 14, 2011, the Commission Staff (“Staff”) filed a Complaint, pursuant to Code of Maryland Regulations (“COMAR”) 20.07.03, requesting that the Commission issue an Order to Show Cause why Viridian’s license to provide electricity or electric supply services should not be suspended or revoked or, in the alternative, why Viridian should not be precluded from soliciting additional customers and why they should not be subject to a civil penalty under § 7-507 and 13-201 of the Maryland Public Utilities Article (“PUA”). The complaint alleged that Viridian had engaged and was engaging in deceptive practices and that the Company had failed to comply with the Commission’s consumer protection regulations in COMAR 20.53.07.

On January 26, 2011 the Commission issued an Order to Show Cause to determine whether Viridian was engaging in misleading and deceptive practices and whether it had violated Maryland laws or regulations. Viridian was directed to appear before the Commission on February 9, 2011.

Viridian filed a Preliminary Response to the Complaint on February 4, 2011. On February 9, 2011 a Show Cause Hearing was held at which Viridian’s founder and Chief Executive Officer, Michael Fallquist, appeared and testified. At the conclusion of the

²⁷ The “Marketing Don’ts” document was first provided to Viridian associates as part of the August 27, 2010 VTalk and became transmitted to associates with regular frequency following the filing of Staff’s Complaint. Joint Recommendation, Stipulation of Facts, p. 4, para. 18.

²⁸ February 9, 2011 hearing, Tr. p. 126.

Show Cause Hearing, a discovery schedule was established and the date of April 1, 2011 was agreed upon for the continued hearing in this matter.

On March 29, 2011, Staff and Viridian filed public and confidential versions of a Joint Recommendation of Staff and Viridian Energy, PA, LLC (“Joint Recommendation”) which contained a Statement of Facts, Remediation Plan, and Monthly Report Form. The Joint Recommendation proposed development of a Code of Conduct for Viridian and payment by it of \$20,000.²⁹ The continued hearing was held on April 1, 2011 and Mr. Fallquist again testified. The Commission requested additional information from Viridian and took the matter under advisement. Viridian provided the requested information on April 8, 2011. Since that time Viridian has submitted monthly reports³⁰ pursuant to a proposal in the Joint Recommendation that Viridian file reports with Staff on a monthly basis for a period of one year³¹ “as a means of monitoring Viridian’s performance and progress in the Remediation Plan.”³²

III. The Alleged Violations

Staff filed its Complaint, pursuant to COMAR 20.07.03,³³ upon discovering what it alleged to be misleading and deceptive representations by Viridian with regards to its relationship with utilities and the services it provides, as well as violations by Viridian of

²⁹ Viridian proposed it be a donation to the Fuel Fund of Maryland, while Staff proposed the payment be a civil penalty. Joint Recommendation, p. 2.

³⁰ Viridian filed its monthly report for April 2011 on May 13, 2011; its monthly report for May 2011 on June 29, 2011; its monthly report for June 2011 on August 8, 2011; its monthly report for July 2011 on October 5, 2011; its monthly report for August 2011 on October 5, 2011; its monthly report for September 2011 on October 18, 2011; its monthly report for October 2011 on December 1, 2011; its monthly report for November 2011 on January 5, 2012; its monthly report for December 2011 on January 20, 2012; its monthly report for January 2012 on March 22, 2012; its monthly report for February 2012 on March 22, 2012; and its monthly report for March 2012 on April 13, 2012.

³¹ Joint Recommendation, p.1.

³² Joint Recommendation, Remediation Plan, p. 11.

³³ COMAR 20.07.03.01 Applicability. A. This chapter applies to complaints filed under Public Utilities Article, §3-102, Annotated Code of Maryland, against public service companies subject to the jurisdiction of this Commission, which allege a violation of the Public Service Commission’s law, orders, or regulations.

the Commission's customer protection regulations. Specifically, Staff was alerted to a flyer, a newspaper advertisement, and other marketing materials that it contends falsely represented guaranteed savings and utility affiliations as well as a "no contract requirement" to customers. Such representations would be direct violations of COMAR 20.53.07.07, prohibiting "unfair, false, misleading, or deceptive" marketing, and 20.53.07.08, setting forth the minimum requirements to be included in Supplier Contracts, and therefore Staff requested that the Commission impose certain consequences upon Viridian.

A. The Flyer

In September of 2010, a Viridian associate delivered 1,188 copies of a flyer advertising Viridian's services ("the Flyer")³⁴ to the leasing agent for the Seasons apartment complex.³⁵ The Flyer was created by the associate. Though the associate did not receive Viridian's approval to use the Flyer as marketing material, she did have it distributed to the Seasons' residents during the months of September, October, and November 2010.³⁶ The initial enrollment from a Seasons resident came on October 2, 2010.³⁷ Twenty-two additional Seasons residents subsequently enrolled with Viridian.³⁸

The Flyer prominently displays large BGE and Viridian logos next to each other, under which is a graphic of hands shaking – insinuating agreement – with the caption "Partners in Power."³⁹ The phrase "Customer Choice Program for Apartment and Townhome Renters" appears near the handshake, as do the additional phrases of "Save

³⁴ Staff's Complaint, Exhibit I.

³⁵ Viridian's April 8, 2011 response to the Commission's April 1, 2011 data requests.

³⁶ *Id.*

³⁷ *Id.*

³⁸ February 9, 2011 hearing, Tr. p. 76.

³⁹ Staff's Complaint, Exhibit I.

16.8% on your BGE Electric Bill” and “No Contracts. No Credit Checks. No Security Deposit.”⁴⁰ Finally, a second, smaller BGE logo is displayed at the bottom of the Flyer, reading “BGE, We’re on it.”⁴¹

Viridian became aware of the Flyer in early November 2010.⁴² Viridian acknowledges that, contrary to the Flyer’s content, neither the company nor its associates are authorized to use utility names or logos in marketing materials, to imply or claim affiliation or partnership with a utility, or to guarantee savings of a certain amount over other electricity suppliers.⁴³ Viridian admits that the Flyer’s references to a BGE affiliation, a specified savings percentage, and no contract being required were misleading.⁴⁴ Viridian also pointed out, however, that the associate failed to receive approval to distribute the Flyer, that Viridian would not have approved the Flyer for distribution, that the Flyer was “uneducated,” and that the specified savings percentage was, in fact, accurate, although for just a brief period of time.⁴⁵

At Viridian’s request, on November 11, 2010 the associate retrieved and discarded approximately 50 copies that remained of the Flyer from the Seasons apartment complex.⁴⁶ When questioned by Viridian, the associate admitted that she had not read the

⁴⁰ *Id.*

⁴¹ *Id.* “We’re on it” is a trademarked slogan commonly used by BGE in its advertising and customer communications.

⁴² Joint Recommendation, Stipulation of Facts, p. 5, para. 14.

⁴³ February 9, 2011 hearing, Tr. p. 44; Joint Recommendation, Stipulation of Facts, p. 5, para. 14 and 15, p. 6, para. 16

⁴⁴ April 1, 2011 hearing, Tr. pp. 89 and 90.

⁴⁵ Joint Recommendation, Stipulation of Facts, p. 5, para. 14 and p. 6, para. 16; April 1, 2011 hearing, Tr. pp. 89 and 90: Chairman Nazarian: Do you think the first flier was unintentional? Mr. Fallquist: I apologize. It was uneducated. But the company takes responsibility for its – partners in power is clearly inaccurate. Chairman Nazarian: You don’t dispute that this is misleading? Mr. Fallquist: The partners in power I believe is misleading. The 16.8 percent when it was produced was the factual amount of savings. I believe that the associate, had they been educated, and we would have never produced that as a company, but in October it was incorrect. Chairman Nazarian: So there were times where this was misleading? Mr. Fallquist: Correct.

⁴⁶ Viridian’s April 8, 2011 response to the Commission’s April 1, 2011 data requests.

Policies or the Marketing Don'ts.⁴⁷ She was subsequently put on probation for a period of six months and required to undergo unspecified additional training, during which time she continued to receive payment from Viridian.⁴⁸

B. The Newspaper Advertisement

On October 21, 2010, the Dundalk, Maryland-based periodical *The Dundalk Eagle* published an advertisement (“the Newspaper Ad”) marketing Viridian’s services.⁴⁹ The Newspaper Ad prominently displayed the phrases “BRING YOUR BGE bill to... Drug City Pharmacy and let us show you how to save up to 20% off your electric charges” and “NO contracts,” as well as a smaller notation under the Viridian logo stating, “BGE Approved.”⁵⁰ The Newspaper Ad was created and submitted by a Viridian associate who had not sought or received Viridian’s approval to use the Newspaper Ad as marketing material.⁵¹ The Newspaper Ad is believed to have been run on one occasion in *The Dundalk Eagle*.⁵² It is unknown if any enrollments resulted from the Newspaper Ad.

Viridian became aware of the Newspaper Ad when it received and reviewed Staff’s Complaint.⁵³ Viridian acknowledges that, contrary to the Newspaper Ad’s content, neither the company nor its associates are authorized to use utility names in marketing materials, to imply or claim affiliation with a utility, or to guarantee savings of a certain amount.⁵⁴ Viridian points out, however, that the associate had not read the Policies, was not aware of the Marketing Don'ts, and did not seek Viridian’s approval to

⁴⁷ Joint Recommendation, Stipulation of Facts, p. 5, para. 14; February 9, 2011 hearing, Tr. p. 50.

⁴⁸ February 9, 2011 hearing, Tr. pp. 50 and 51; April 1, 2011 hearing, Tr. pp. 52 and 53.

⁴⁹ Staff’s Complaint, Exhibit 2.

⁵⁰ *Id.*

⁵¹ Viridian’s February 3, 2011 Preliminary Response, p. 2.

⁵² February 9, 2011 hearing, Tr. p. 51.

⁵³ Joint Recommendation, Stipulation of Facts, p. 6, para. 18.

⁵⁴ February 9, 2011 hearing, Tr. p. 44; Joint Recommendation, Stipulation of Facts, p. 5, para. 19.

distribute the Newspaper Ad.⁵⁵ The associate was subsequently put on probation for a period of six months and required to undergo unspecified additional training, during which time he continued to receive payment from Viridian.⁵⁶

C. Viridian's "No Contract" Materials

From the time Viridian began marketing its services in the BGE and Pepco territories until a few days after the filing of Staff's Complaint, Viridian *as a company* advertised its services both orally and in writing as having "no contract" required.⁵⁷ For six months, Viridian used "no contract" language when recruiting its customers, despite having Terms and Conditions that the customers were required to agree to prior to completing their enrollment.⁵⁸ Viridian agrees that, despite using the phrase "no contract" in the marketing of its services, Maryland law requires that there be a contract for such services.⁵⁹ Viridian explains that its use of the phrase "no contract" was meant only to indicate to customers that they would be free to leave Viridian at any time without being subject to a termination fee.⁶⁰ Shortly after Staff filed its Complaint, Viridian replaced the oral and written use of the "no contract" language with "cancel service at any time."⁶¹

IV. Discussion

Staff's Complaint asks the Commission to find that, through the allegations detailed above, Viridian did violate COMAR 20.53.07.07 and 20.53.07.08, and therefore requests that the Commission impose penalties upon Viridian pursuant to PUA § 7-507

⁵⁵ Joint Recommendation, Stipulation of Facts, p. 6, para. 18.

⁵⁶ February 9, 2011 hearing, Tr. p. 51.

⁵⁷ Joint Recommendation, Stipulation of Facts, p. 7, para. 22; April 1, 2011 hearing, Tr. p. 55.

⁵⁸ Joint Recommendation, Stipulation of Facts, p. 7, para. 23; April 1, 2011 hearing, Tr. p. 55.

⁵⁹ February 9, 2011 hearing, Tr. p. 13.

⁶⁰ February 9, 2011 hearing, Tr. p. 53; Viridian's February 3, 2011 Preliminary Response, p. 2.

⁶¹ Viridian's February 3, 2011 Preliminary Response, pp. 2 and 3; February 9, 2011 hearing, Tr. p. 54; Joint Recommendation, Stipulation of Facts, p. 8, para. 24.

and 13-201. Viridian does not dispute that it is responsible for any violations of the law or regulations that the Commission would find to have been committed by one of its associates.⁶²

While the majority of the oral and written testimony taken from Viridian at the *April 1, 2011 hearing centered on the resources and additional measures the Company intends to utilize and develop to ensure improved compliance with Maryland laws and regulations*, the record also reveals Viridian's policies and practices prior to the filing of Staff's Complaint, which were inadequate to prevent the misleading and deceptive advertisements alleged in the complaint. Indeed, by characterizing the ads and the associates distributing them as "uneducated," Viridian effectively admits that its *associate training and compliance processes did not prevent associates from preparing and distributing ads that violated Viridian's own policies, not to mention our regulations*. Although we acknowledge and appreciate Viridian's efforts to better its operations, we have focused here on the violations, with Viridian's after-the-fact compliance measures considered as "good faith" mitigation efforts, not as a basis on which to overlook the violations committed here.

The Commission is charged with finding whether or not Viridian violated COMAR 20.53.07.07 by engaging in false, misleading, or deceptive marketing practices through the use of the Flyer, the Newspaper Ad, and the "no contract" materials. Each of the 1,188 Flyers distributed to potential customers contained large BGE and Viridian logos next to each other, a graphic of hands shaking in agreement next to the phrase "Partners in Power," a claim of an opportunity to "Save 16.8% on your BGE Electric Bill," a claim of "No Contracts," and a smaller BGE logo displayed next to the phrase,

⁶² February 9, 2011 hearing, Tr. p. 11.

“BGE, We’re on it.” Similarly, the Newspaper Ad, which was contained in a paper distributed to thousands of subscribers, contained a claim to assist customers in saving “up to 20%” off of their electric charges as well as the phrases “NO contracts” and “BGE Approved.” Lastly, for approximately six months Viridian used “no contract” language when recruiting customers statewide, despite requiring customers to consent to its Terms and Conditions.

It was false, misleading, and deceptive for Viridian to claim that there would be no contract required for its services, in part because COMAR 20.53.07.08 requires contracts for service from electricity suppliers, but also because Viridian itself requires its customers to enter into a contract by agreeing to its Terms and Conditions prior to the start of service. It was misleading and deceptive for Viridian to utilize the BGE name and logo as doing so implies affiliation with the utility – something Viridian does not have. Likewise, the use of the phrase, “BGE Approved” was also false, misleading, and deceptive, as BGE did not approve Viridian’s services in any manner. And the claims to save certain percentages off of an electricity bill are misleading and deceptive as they represent, at best, a brief potential savings opportunity based upon constantly fluctuating rates and fees, not to mention that the claims fail to acknowledge the possibility that Viridian’s services would be more costly than the utility’s. For these stated reasons we find that Viridian did engage in false, misleading, and deceptive advertising and solicitation practices and therefore violated COMAR 20.53.07.07. Each of these separate advertisements or representations was disseminated to thousands of Maryland residents, and thus constitutes many thousands of violations.

Staff also asks the Commission to find that Viridian violated COMAR 20.53.07.08, which requires there to be a contract for the provision of electricity services and further details the minimum requirements to be contained in such contract. Regardless of Viridian's past claims that no contract was needed as addressed in detail above, it appears that Viridian did, in fact, require all customers to consent affirmatively to the company's *Terms and Conditions* prior to completing enrollment with the company and beginning to receive its services. Furthermore, a review of Viridian's Terms and Conditions⁶³ shows that the minimum contract requirements listed in COMAR 20.53.07.08 are satisfied. For these stated reasons we find that Viridian did require customers to enter into a contract for services and that the contract was sufficient, and therefore did not violate COMAR 20.53.07.08.

Staff's Complaint asked us to, upon finding violations by Viridian, suspend or revoke the company's license, preclude the company from soliciting additional customers, and/or impose a civil penalty upon the company pursuant to PUA § 7-507 and 13-201. Those sections authorize us to take all forms of the requested action as Viridian's deceptive practices⁶⁴ and regulatory violations⁶⁵ are considered just cause for doing so. In imposing a civil penalty upon Viridian, PUA § 7-507(l)(3) and 13-201(d) require us to consider specified criteria when determining the penalty amount, including but not limited to the gravity of the offenses, the good faith efforts to correct the offenses, and any other matter that we consider appropriate and relevant.

While Viridian acknowledged the creation and dissemination of the Flyer and Newspaper Ad by its associates, it also spent much time offering explanations and

⁶³ A copy of Viridian's Terms and Conditions was attached to the Joint Recommendation.

⁶⁴ PUA §7-507(k)(3)(iv).

⁶⁵ PUA §7-507(k)(3)(vi) and 13-201(b)(1).

defenses for such behavior. It stated that the Flyer and Newspaper Ad were created by associates that were “uneducated” and that failed to seek and receive Viridian’s approval of the materials as required. While that may be true, we note that, prior to the filing of Staff’s Complaint, Viridian had no mandatory education procedures in place – periodic emails, newsletters, and seminars were read or attended by associates on a voluntary basis. Furthermore, while Viridian’s Policies stated that associate-created sales materials were to be considered denied until they were approved,⁶⁶ the company’s own website simultaneously read, “before you send out any marketing materials that have not been purchased directly from Viridian, be sure to send it to compliance@viridian.com first to be safe.”⁶⁷ These two messages are confusing, if not conflicting, and we find that any failure of an associate to be educated on or to fully understand compliance matters would thus have been Viridian’s own doing.

Viridian also acknowledged using the claim of “no contract” in its customer recruitment practices, despite admitting that the claim was wrong.⁶⁸ The company stated countless times that it didn’t intend to convey that no contract was needed, but rather that *customers could cancel their service at any time at no additional cost. We are hard-pressed to find how Viridian could justifiably have thought – for approximately six months, if not longer – that “no contract” meant anything other than “no contract.”* This claim was a blatant misrepresentation not only of regulatory requirements, but also of Viridian’s policies. Regardless of its alleged intentions, Viridian was recruiting

⁶⁶ Viridian’s February 3, 2011 Preliminary Response, Exhibit 2: Viridian’s Statement of Policies & Procedures section 3.3.2.

⁶⁷ April 1, 2011 hearing, Tr. p. 70.

⁶⁸ February 9, 2011 hearing, Tr. p. 13.

customers under the pretense of them not being subjected to a contract, and then enrolling them to receive company services only after they consented to the company's contract.

Viridian could have and should have devoted appropriate resources to compliance measures. The violations noted here are egregious, yet seemingly easily preventable had the company properly educated and controlled its associates and communicated its intentions to prospective customers. It must not go unnoted that, prior to the filing of Staff's Complaint, Viridian had only one employee monitoring the marketing behavior of associates and one employee performing enrollment verifications through the placement of outbound calls,⁶⁹ and allowed associates to customize the content found on their individual pages within the company's website. As was stated at the February 9, 2011 Show Cause hearing, even the company's CEO agreed that the company needed to take a stronger approach to compliance.⁷⁰

We appreciate the compliance measures that Viridian has implemented and claims to intend to continue to implement since the filing of Staff's Complaint. In addition to replacing the "no contract" language with "cancel service at any time," the company voluntarily terminated its door-to-door marketing program,⁷¹ created "Viridian University" to ensure appropriate and ongoing training and education for its associates,⁷² ceased allowing associate-generated marketing materials,⁷³ and placed an increased focus on third-party verification measures.⁷⁴ We encourage Viridian to continue on this path of compliance. We also encourage Viridian to follow through on its stated intention to

⁶⁹ February 9, 2011 hearing, Tr. pp. 24 and 25.

⁷⁰ *Id.* at p. 23.

⁷¹ April 1, 2011 hearing, Trans. p. 24.

⁷² Joint Recommendation, Remediation Plan, p. 4.

⁷³ April 1, 2011 hearing, Tr. p. 23.

⁷⁴ *Id.* at p. 21.

support the competitive retail energy industry and to provide the public and its customers with honest, accurate information.⁷⁵

As previously stated, we have found that Viridian engaged in deceptive practices⁷⁶ and violated a Commission regulation.⁷⁷ The statutes allowing us to impose civil penalties in such circumstances expressly state that, while the penalty for each violation cannot exceed \$10,000,⁷⁸ each day that a violation occurred is to be considered a separate violation.⁷⁹ It follows that we are authorized to treat each Flyer and newspaper distributed as a separate violation for each day of distribution, as well as every misrepresentation made by Viridian as a separate violation for each of its intended recipients.

The gravity of these violations is one factor we are statutorily required to consider when imposing a civil penalty,⁸⁰ and there must be no doubt that we consider the violations at issue to be very serious. We are also required, however, to consider the number of previous violations committed by Viridian, as well as the good faith attempts by Viridian to achieve compliance after receiving notification of the violations – two factors that we find to have a somewhat mitigating effect on the penalty to be imposed, as these violations are Viridian’s “first offense” and, as previously stated, they have implemented several compliance measures since the filing of Staff’s Complaint.⁸¹ After careful consideration of all required factors, we direct Viridian to pay a civil penalty in the amount of \$60,000.00 (sixty-thousand dollars).

⁷⁵ *Id.* at p. 105.

⁷⁶ PUA §7-507(k)(3)(iv).

⁷⁷ PUA §7-507(k)(3)(vi) and 13-201(b)(1).

⁷⁸ PUA §7-507(l)(1)(i) and 13-201(b)(1).

⁷⁹ PUA §7-507(l)(2) and 13-201(c)(2) and (3).

⁸⁰ PUA §7-507(l)(3)(ii) and 13-201(d)(2).

⁸¹ Under PUA §13-201(d)(4), we are also authorized to consider “any other matter that the Commission considers appropriate and relevant.”

V. Conclusion

Based upon the foregoing reasons, we find that Viridian Energy PA, LLC violated Code of Maryland Regulation 20.53.07.07 by engaging in false, misleading, and deceptive advertising and solicitations. We further find that Viridian did not violate Code of Maryland Regulation 20.53.07.08 governing supplier contracts. As previously stated, and based upon the criteria enumerated in §§ 7-507 and 13-201 of the Public Utilities Article of the Annotated Code of Maryland, Viridian Energy PA, LLC shall pay a civil penalty in the amount of \$60,000.00 (sixty-thousand dollars).

IT IS, THEREFORE, this 7th day of June, in the year Two Thousand Twelve, by the Public Service Commission of Maryland,

ORDERED: (1) That the January 14, 2011 Complaint filed by the Commission Staff against Viridian Energy PA, LLC is hereby granted in part and denied in part as follows:

- (a) The request by Commission Staff that the Commission suspend or revoke Viridian Energy PA, LLC's license to provide electricity or electric supply services is denied;
- (b) The request by Commission Staff that the Commission preclude Viridian Energy PA, LLC from soliciting additional customers is denied;
- (c) The request by Commission Staff that the Commission impose upon Viridian Energy PA, LLC a civil penalty pursuant to §§ 7-507 and 13-

201 of the Public Utilities Article of the Annotated Code of Maryland is granted as detailed below;

(2) That Viridian Energy PA, LLC shall pay a civil penalty of \$60,000.00 (sixty-thousand dollars) based on the findings stated herein;

(3) That the Remediation Plan within the March 29, 2011 Joint Recommendation of the Staff of the Public Service Commission of Maryland and Viridian Energy PA, LLC is hereby accepted in part and denied in part as follows:

- (a) The “Development of Code of Conduct” provision found on page 5 of the Remediation Plan is hereby denied in that the Commission does not order, approve, authorize, or accept the development of a Viridian Code of Conduct by Viridian and the Commission Staff;
- (b) The “Development of guidelines for information sharing between Staff and Viridian” provision found on page 5 of the Remediation Plan is hereby denied in that the Commission does not order, approve, authorize, or accept the development of guidelines by Staff and Viridian for Staff to follow in transmitting certain information of issue or concern to Viridian;
- (c) The “Reports to Be Filed with the Commission Staff” provision found on page 11 of the

Remediation Plan is hereby accepted in that the Commission acknowledges that Viridian did voluntarily agree – without submission or direction from the Commission – to submit, and did, in fact, submit a monthly report to the Commission for a period of one year;

- (d) Any and all other proposals contained within the Remediation Plan, whether made by the Commission Staff, Viridian, or the parties jointly, shall not be deemed accepted by the Commission in any manner;

(4) That all other requests contained within the March 29, 2011 Joint Recommendation of the Staff of the Public Service Commission of Maryland and Viridian Energy PA, LLC are hereby denied; and

(5) That this proceeding is hereby closed on the Commission's docket.

/s/ Douglas R. M. Nazarian

/s/ Harold D. Williams

/s/ Lawrence Brenner

Commissioners

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JUL 11 2012

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Newspaper Proofs of Publication

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JUL 11 2012

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

PROOF OF PUBLICATION OF NOTICE IN THE WILLIAMSPORT SUN-GAZETTE UNDER ACT NO. 587, APPROVED MAY 16, 1929

STATE OF PENNSYLVANIA
COUNTY OF LYCOMING

SS:

Bernard A. Oravec Publisher of the Sun-Gazette Company, publishers of the Williamsport, Sun-Gazette, successor to the Williamsport Sun and the Gazette & Bulletin, both daily newspapers of general circulation, published at 252 West Fourth Street, Williamsport, Pennsylvania, being duly sworn, deposes and says that the Williamsport Sun was established in 1870 and the Gazette & Bulletin was established in 1801, since which dates said successor, the Williamsport Sun-Gazette, has been regularly issued and published in the County of Lycoming aforesaid, and that a copy of the printed notice is attached hereto exactly as the same was printed and published in the regular editions of said Williamsport Sun-Gazette on the following dates, viz:

June 28, 2012

Affiant further deposes that he is an officer daily authorized by the Sun-Gazette Company, publisher of the Williamsport Sun-Gazette, to verify the foregoing statement under oath and also declares that affiant is not interested in the subject matter of the aforesaid notice of publication, and that all the allegations in the foregoing statement as to time, place and character of publication are true.

PENNSYLVANIA PUBLIC UTILITY COMMISSION NOTICE
Application of FTR Energy Services, LLC For Approval To Offer, Render, Furnish Or Supply Electricity Or Electric Generation Services As A Marketer/Broker Engaged In The Business Of Supplying Electricity, And An Aggregator Engaged In The Business Of Supplying Electricity, To The Public In The Commonwealth Of Pennsylvania.

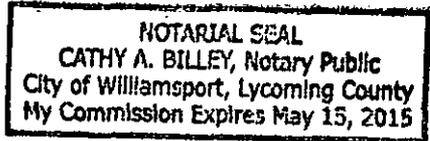
FTR Energy Services, LLC will be filing an application with the Pennsylvania Public Utility Commission ("PUC") for a license to supply electricity or electric generation services as (1) a broker/marketer engaged in the business of supplying electricity, and (2) an aggregator engaged in the business of supplying electricity. FTR Energy Services, LLC proposes to sell electricity and related services throughout all of Pennsylvania under the provisions of the new Electricity Generation Customer Choice and Competition Act.

The PUC may consider this application without a hearing. Protests directed to the technical or financial fitness of FTR Energy Services, LLC may be filed within 15 days of the date of this notice with the Secretary of the PUC, P.O. Box 3265, Harrisburg, PA, 17105-3265. You should send copies of any protest to FTR Energy Services, LLC attorney at the address listed below.

Bernard A. Oravec

SUN-GAZETTE COMPANY

Sworn to and subscribed before me
the 28th day of June, 2012
Cathy A. Billey
Notary Public



STATEMENT OF ADVERTISING COSTS

To the Sun-Gazette Company, Dr.:
For publishing the notice attached
hereto on the above state dates.....\$ 254.88
Probated same.....\$
Total.....\$ 254.88

PUBLISHER'S RECEIPT FOR ADVERTISING COSTS

THE SUN-GAZETTE COMPANY hereby acknowledges receipt of the aforesaid advertising and publication costs and certifies that the same have been fully paid.

SUN-GAZETTE COMPANY

BY Bernard A. Oravec

RECEIVED

JUL 11 2012

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

By and through
Counsel: Jan Fox
FTR Energy Services,
LLC
64 North Main Street
Norwalk, CT 06854
1-877-811-7023

Proof of Publication of Notice in Pittsburgh Post-Gazette

Under Act No 587, Approved May 16, 1929, PL 1784, as last amended by Act No 409 of September 29, 1951

Commonwealth of Pennsylvania, County of Allegheny, ss M. Goodwin, being duly sworn, deposes and says that the Pittsburgh Post-Gazette, a newspaper of general circulation published in the City of Pittsburgh, County and Commonwealth aforesaid, was established in 1993 by the merging of the Pittsburgh Post-Gazette and Sun-Telegraph and The Pittsburgh Press and the Pittsburgh Post-Gazette and Sun-Telegraph was established in 1960 and the Pittsburgh Post-Gazette was established in 1927 by the merging of the Pittsburgh Gazette established in 1786 and the Pittsburgh Post, established in 1842, since which date the said Pittsburgh Post-Gazette has been regularly issued in said County and that a copy of said printed notice or publication is attached hereto exactly as the same was printed and published in the regular editions and issues of the said Pittsburgh Post-Gazette a newspaper of general circulation on the following dates, viz:

28 of June, 2012

Affiant further deposes that he/she is an agent for the PG Publishing Company, a corporation and publisher of the Pittsburgh Post-Gazette, that, as such agent, affiant is duly authorized to verify the foregoing statement under oath, that affiant is not interested in the subject matter of the afore said notice or publication, and that all allegations in the foregoing statement as to time, place and character of publication are true.

M. Goodwin
PG Publishing Company

Sworn to and subscribed before me this day of:
June 28, 2012

J Linda M. Gaertner
COMMONWEALTH OF PENNSYLVANIA

Notarial Seal
Linda M. Gaertner, Notary Public
City of Pittsburgh, Allegheny County
My Commission Expires Jan. 31, 2015
MEMBER, PENNSYLVANIA ASSOCIATION OF NOTARIES

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JUL 11 2012

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

STATEMENT OF ADVERTISING COSTS
VIRIDIAN ENERGY PA LLC
64 N MAIN ST
ATTN: Andrea Martino
NORWALK CT 06854-2716

To PG Publishing Company

Total ----- \$510.00

Publisher's Receipt for Advertising Costs

PG PUBLISHING COMPANY, publisher of the Pittsburgh Post-Gazette, a newspaper of general circulation, hereby acknowledges receipt of the aforesaid advertising and publication costs and certifies that the same have been fully paid.

Office
34 Boulevard of the Allies
PITTSBURGH, PA 15222
Phone 412-263-1338

PG Publishing Company, a Corporation, Publisher of
Pittsburgh Post-Gazette, a Newspaper of General Circulation

By Maria Lucia

I hereby certify that the foregoing is the original Proof of Publication and receipt for the Advertising costs in the subject matter of said notice.

COPY OF NOTICE OR PUBLICATION

PENNSYLVANIA
PUBLIC UTILITY
COMMISSION
NOTICE
Application of FTR Energy Services, LLC For Approval To Offer, Render, Furnish Or Supply Electricity Or Electric Generation Services As A Marketer/Broker Engaged In The Business Of Supplying Electricity, And An Aggregator Engaged In The Business Of Supplying Electricity, To The Public In The Commonwealth Of Pennsylvania.

FTR Energy Services, LLC will be filing an application with the Pennsylvania Public Utility Commission ("PUC") for a license to supply electricity or electric generation services as (1) a broker/marketer engaged in the business of supplying electricity, and (2) an aggregator engaged in the business of supplying electricity. FTR Energy Services, LLC proposes to sell electricity and related services throughout all of Pennsylvania under the provisions of the new Electricity Generation Customer Choice and Competition Act.

The PUC may consider this application without a hearing. Protests directed to the technical or financial fitness of FTR Energy Services, LLC may be filed within 15 days of the date of this notice with the Secretary of the PUC, P.O. Box 3265, Harrisburg, PA 17105-3265. You should send copies of any protest to FTR Energy Services, LLC attorney at the address listed below.

By and through
Counsel: Jan Fox
FTR Energy Services,
LLC
64 North Main Street
Norwalk, CT 06854
1-877-811-7023

The Patriot-News Co.
2020 Technology Pkwy
Suite 300
Mechanicsburg, PA 17050
Inquiries - 717-255-8213

The Patriot-News
Now you know

VIRIDIAN
64 NORTH MAIN STREET

NORWALK CT 06854

THE PATRIOT NEWS
THE SUNDAY PATRIOT NEWS

Proof of Publication

Under Act No. 587, Approved May 16, 1929
Commonwealth of Pennsylvania, County of Dauphin} ss

Holly Blain, being duly sworn according to law, deposes and says:

That she is a Staff Accountant of The Patriot News Co., a corporation organized and existing under the laws of the Commonwealth of Pennsylvania, with its principal office and place of business at 2020 Technology Pkwy, Suite 300, in the Township of Hampden, County of Cumberland, State of Pennsylvania, owner and publisher of The Patriot-News and The Sunday Patriot-News newspapers of general circulation, printed and published at 1900 Patriot Drive, in the City, County and State aforesaid; that The Patriot-News and The Sunday Patriot-News were established March 4th, 1854, and September 18th, 1949, respectively, and all have been continuously published ever since;

That the printed notice or publication which is securely attached hereto is exactly as printed and published in their regular daily and/or Sunday/ Community Weekly editions which appeared on the date(s) indicated below. That neither she nor said Company is interested in the subject matter of said printed notice or advertising, and that all of the allegations of this statement as to the time, place and character of publication are true; and

That she has personal knowledge of the facts aforesaid and is duly authorized and empowered to verify this statement on behalf of The Patriot-News Co. aforesaid by virtue and pursuant to a resolution unanimously passed and adopted severally by the stockholders and board of directors of the said Company and subsequently duly recorded in the office for the Recording of Deeds in and for said County of Dauphin in Miscellaneous Book "M", Volume 14, Page 317.

PUBLICATION COPY

This ad # 0002217435 ran on the dates shown below:

June 29, 2012

Holly Blain

Sworn to and subscribed before me this 02 day of July, 2012 A.D.

Sherrie L. Owens
Notary Public

See att

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JUL 11 2012

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Sherrie L. Owens, Notary Public
Lower Paxton Twp., Dauphin County
My Commission Expires Nov. 26, 2015
MEMBER, PENNSYLVANIA ASSOCIATION OF NOTARIES

PENNSYLVANIA
PUBLIC UTILITY COMMISSION
NOTICE

Application of FTR Energy Services, LLC
For Approval To Offer, Render, Furnish Or
Supply Electricity Or Electric Generation
Services As A Marketer/Broker Engaged In
The Business Of Supplying Electricity, And
An Aggregator Engaged In The Business Of
Supplying Electricity, To The Public In The
Commonwealth Of Pennsylvania.

FTR Energy Services, LLC will be filing an
application with the Pennsylvania Public
Utility Commission ("PUC") for a license to
supply electricity or electric generation
services as (1) a broker/marketer engaged in
the business of supplying electricity, and (2)
an aggregator engaged in the business of
supplying electricity. FTR Energy Services,
LLC proposes to sell electricity and related
services throughout all of Pennsylvania
under the provisions of the new Electricity
Generation Customer Choice and
Competition Act.

The PUC may consider this application
without a hearing. Protests directed to the
technical or financial fitness of FTR Energy
Services, LLC may be filed within 15 days of
the date of this notice with the Secretary of
the PUC, P.O. Box 3265, Harrisburg, PA
17105-3265. You should send copies of any
protest to FTR Energy Services, LLC
attorney at the address listed below.

By and through Counsel: Jan Fox
FTR Energy Services, LLC
64 North Main Street
Norwalk, CT 06854
1-877-811-7023

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JUL 11 2012

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

The Scranton Times (Under act P.L. 877 No 160. July 9, 1976)
Commonwealth of Pennsylvania, County of Lackawanna

VIRIDIAN
ANDREA MARTINO
64 NORTH MAIN STREET NORWALK CT 06854

Account # 564444
Order # 80952548
Ad Price: 191.55

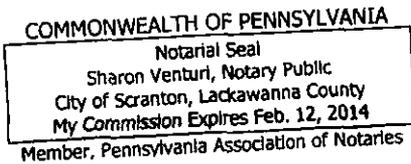
Gina Krushinski
Being duly sworn according to law deposes and says that she is Billing clerk for The Scranton Times, owner and publisher of The Scranton Times, a newspaper of general circulation, established in 1870, published in the city of Scranton, county and state aforesaid, and that the printed notice or publication hereto attached is exactly as printed in the regular editions of the said newspaper on the following dates:

06/27/2012

Affiant further deposes and says that neither the affiant nor The Scranton Times is interested in the subject matter of the aforesaid notice or advertisement and that all allegations in the foregoing statement as time, place and character or publication are true Gina Krushinski

Sworn and subscribed to before me
this 27th day of June A.D., 2012

Sharon Venturi
(Notary Public)



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JUL 11 2012

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

LEGAL NOTICE

PENNSYLVANIA
PUBLIC UTILITY COMMISSION
Application of FTR Energy Services, LLC For Approval To Offer, Render, Furnish Or Supply Electricity Or Electric Generation Services As A Marketer/ Broker Engaged In The Business Of Supplying Electricity, And An Aggregator Engaged In The Business Of Supplying Electricity, To The Public In The Commonwealth Of Pennsylvania.

FTR Energy Services, LLC will be filing an application with the Pennsylvania Public Utility Commission ("PUC") for a license to supply electricity or electric generation services as (1) a broker/marketer engaged in the business of supplying electricity, and (2) an aggregator engaged in the business of supplying electricity. FTR Energy Services, LLC proposes to sell electricity and related services throughout all of Pennsylvania under the provisions of the new Electricity Generation Customer Choice and Competition Act.

The PUC may consider this application without a hearing. Protests directed to the technical or financial fitness of FTR Energy Services, LLC may be filed within 15 days of the date of this notice with the Secretary of the PUC, P.O. Box 3265, Harrisburg, PA 17105-3265. You should send copies of any protest to FTR Energy Services, LLC attorney at the address listed below.

By and through Counsel: Jan Fox
FTR Energy Services, LLC
64 North Main Street
Norwalk, CT 06854
1-877-811-7023

Proof of Publication in The Philadelphia Daily News
Under Act. No 587, Approved May 16, 1929

STATE OF PENNSYLVANIA
COUNTY OF PHILADELPHIA

Florence Devlin being duly sworn, deposes and says that **The Philadelphia Daily News** is a newspaper published daily, except Sunday, at Philadelphia, Pennsylvania, and was established in said city in 1925, since which date said newspaper has been regularly issued in said County, and that a copy of the printed notice of publication is attached hereto exactly as the same was printed and published in the regular editions and issues of the said newspaper on the following dates:

June 28, 2012

Affiant further deposes and says that she is an employee of the publisher of said newspaper and has been authorized to verify the foregoing statement and that she is not interested in the subject matter of the aforesaid notice of publication, and that all allegations in the foregoing statement as to time, place and character of publication are true.

Florence Devlin

Sworn to and subscribed before me this 28th day of
June, 2012.

Mary Anne Logan
Notary Public

My Commission Expires:

NOTARIAL SEAL
Mary Anne Logan, Notary Public
City of Philadelphia, Phila. County
My Commission Expires 3/30/2013

Copy of Notice of Publication

PENNSYLVANIA
PUBLIC UTILITY COMMISSION
NOTICE
Application of **FTR Energy Services, LLC** For Approval To Offer, Render, Furnish Or Supply Electricity Or Electric Generation Services As A Marketer/Broker Engaged In The Business Of Supplying Electricity, And An Aggregator Engaged In The Business Of Supplying Electricity, To The Public In The Commonwealth Of Pennsylvania.
FTR Energy Services, LLC will be filing an application with the Pennsylvania Public Utility Commission ("PUC") for a license to supply electricity or electric generation services as (1) a broker/marketer engaged in the business of supplying electricity, and (2) an aggregator engaged in the business of supplying electricity. **FTR Energy Services, LLC** proposes to sell electricity and related services throughout all of Pennsylvania under the provisions of the new Electricity Generation Customer Choice and Competition Act.
The PUC may consider this application without a hearing. Protests directed to the technical or financial fitness of **FTR Energy Services, LLC** may be filed within 15 days of the date of this notice with the Secretary of the PUC, P.O. Box 3285, Harrisburg, PA 17105-3285. You should send copies of any protest to **FTR Energy Services, LLC** attorney at the address listed below.
By and through Counsel: Jan Fox
FTR Energy Services, LLC
64 North Main Street
Norwalk, CT 06854
1-877-811-7023

RECEIVED

JUL 11 2012

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

COMMONWEALTH OF PENNSYLVANIA
PUBLIC UTILITY COMMISSION

TAX CERTIFICATION STATEMENT

A completed Tax Certification Statement must accompany all applications for new licenses, renewals or transfers. Failure to provide the requested information and/or any outstanding state income, corporation, and sales (including failure to file or register) will cause your application to be rejected. If additional space is needed, please use white 8 1/2" x 11" paper. Type or print all information requested.

1. CORPORATE OR APPLICANT NAME FTR Energy Services, LLC	2. BUSINESS PHONE NO. (203) 883-9900 CONTACT PERSON(S) FOR TAX ACCOUNTS: Roop Bhullar, CFO, Treasurer
3. TRADE/FICTITIOUS NAME (IF ANY)	
4. LICENSED ADDRESS (STREET, RURAL ROUTE, P.O. BOX NO.) (POST OFFICE) STATE) (ZIP) 64 North Main Street Norwalk, Connecticut 06854	
5. TYPE OF ENTITY <input type="checkbox"/> SOLE PROPRIETOR <input type="checkbox"/> PARTNERSHIP <input type="checkbox"/> CORPORATION <input checked="" type="checkbox"/> LLC <input type="checkbox"/> OTHER (Describe...)	

6. LIST OWNER(S), GENERAL PARTNERS, OR CORPORATE OFFICERS(S)	
NAME (PRINT)	SOCIAL SECURITY NUMBER (OPTIONAL)
Michael Fallquist, President, CEO	_ _ _ - _ _ - _ _ _ _ _
Roop Bhullar, CFO, Treasurer	_ _ _ - _ _ - _ _ _ _ _
Mike Chester, VP Operations	_ _ _ - _ _ - _ _ _ _ _
Betsy Webb, Vice President Regulatory Affairs	_ _ _ - _ _ - _ _ _ _ _
Jan Fox, Vice President, General Counsel, Secretary	_ _ _ - _ _ - _ _ _ _ _

7. LIST THE FOLLOWING STATE & FEDERAL TAX IDENTIFICATION NUMBERS (ALL ITEMS A, B, & C MUST BE COMPLETED)
 Applicant must provide explanation if submitting N/A for any items

Item A - Designated by the Pennsylvania Department of Revenue.
 Item B - Designated by the Internal Revenue Service.
 Item C - Designated by the Pennsylvania Department of Revenue. The Corporate Box number may also be referred to as the Corporate Account number.

A. SALES TAX LICENSE (8 DIGITS) APPLICATION PENDING N/A 8 5 - 7 4 0 2 0 - 9 <input type="checkbox"/>	C. CORPORATE BOX NUMBER (7 DIGITS) APPLICATION PENDING N/A 4 1 1 4 9 8 2 <input type="checkbox"/> <input type="checkbox"/>
B. EMPLOYER ID (EIN) (9 DIGITS): APPLICATION PENDING N/A 9 9 - 0 3 6 9 4 6 8 <input type="checkbox"/> <input type="checkbox"/>	

8. Do you have PA employees, resident or non-resident? YES NO

9. Do you own any assets or have an office in PA? YES NO

NAME AND PHONE NUMBER OF PERSON(S) RESPONSIBLE FOR FILING TAX RETURNS
 Roop Bhullar, CFO, Treasurer: 203-883-9900 PA

SALES AND USE TAX Roop Bhullar, CFO, Treasurer	EMPLOYER TAXES Roop Bhullar, CFO, Treasurer	CORPORATE TAXES Roop Bhullar, CFO, Treasurer
PHONE 203-883-9900	PHONE 203-883-9900	PHONE 203-883-9900

Telephone inquiries about this form may be directed to the Pennsylvania Department of Revenue at the following numbers: (717) 772-2673, TDD# (717) 772-2252 (Hearing Impaired Only)



JUL 11 2012

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

From: (203) 663-7534
 Front Desk
 Viridian Energy
 64 N MAIN ST

Origin ID: BDRA



J12201205300325

NORWALK, CT 06854

Ship Date: 11JUL12
 ActWgt: 1.0 LB
 CAD: 102546806/ANET3300

Delivery Address Bar Code



SHIP TO: (203) 663-7523

BILL SENDER

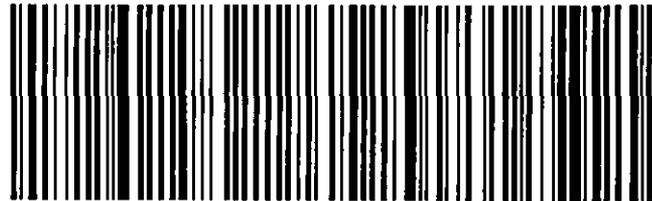
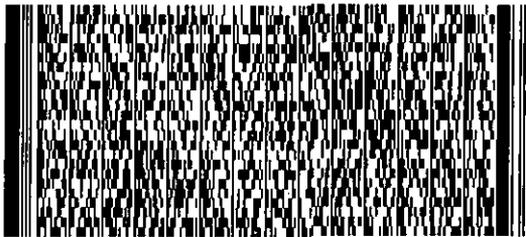
Secretary
Pennsylvania Public Commission
400 NORTH ST
Keystone Building FL 2, Room N 201
HARRISBURG, PA 17120

Ref # Legal - A. Martino
 Invoice #
 PO #
 Dept #

THU - 12 JUL A1
 FIRST OVERNIGHT
 ASR
 17120
 PA-US
 MDT

TRK# 7937 7232 3699

0201

E9 MDTA

515G1E062/AA4

After printing this label:

1. Use the 'Print' button on this page to print your label to your laser or inkjet printer.
2. Fold the printed page along the horizontal line.
3. Place label in shipping pouch and affix it to your shipment so that the barcode portion of the label can be read and scanned.

Warning: Use only the printed original label for shipping. Using a photocopy of this label for shipping purposes is fraudulent and could result in additional billing charges, along with the cancellation of your FedEx account number.

Use of this system constitutes your agreement to the service conditions in the current FedEx Service Guide, available on fedex.com. FedEx will not be responsible for any claim in excess of \$100 per package, whether the result of loss, damage, delay, non-delivery, misdelivery, or misinformation, unless you declare a higher value, pay an additional charge, document your actual loss and file a timely claim. Limitations found in the current FedEx Service Guide apply. Your right to recover from FedEx for any loss, including intrinsic value of the package, loss of sales, income interest, profit, attorney's fees, costs, and other forms of damage whether direct, incidental, consequential, or special is limited to the greater of \$100 or the authorized declared value. Recovery cannot exceed actual documented loss. Maximum for items of extraordinary value is \$500, e.g. jewelry, precious metals, negotiable instruments and other items listed in our ServiceGuide. Written claims must be filed within strict time limits, see current FedEx Service Guide.