

January 2, 2014

Secretary of the Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

RE: Utilities Marketing Group, LLC's Application for License as a Natural Gas Broker

To Whom It May Concern:

Please accept this signed and verified original plus three (3) copies of Utilities Marketing Group, LLC's Application for Parties Wishing to Offer, Render, Furnish, or Supply Natural Gas Supply Services to the Public in the Commonwealth of Pennsylvania. Please also find enclosed one three and one half inch diskette containing an electronic version of this document. A copy of this application has also been served upon: (i) Office of Consumer Advocate, (ii) Office of the Attorney General, (iii) Small Business Advocate and (iv) Department of Revenue. Enclosed please find the \$350 filing fee made out to "Commonwealth of Pennsylvania".

Should you have any questions, please do not hesitate to contact me at 727-410-0600 or geronin@utilitiesmarketinggroupllc.com. If there is anything further that is required, please let me know and I will be happy to provide the information as soon as possible. Thank you for your consideration.

Sincerely,



Gary Cronin
Executive Director of Utilities Marketing Group, LLC

cc: Office of Consumer Advocate
Office of Attorney General
Small Business Advocate
Department of Revenue



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P.O. BOX 3265, HARRISBURG, PA 17105-3265

Contents of Natural Gas Supplier (NGS) License Application Package

- I. Introduction.
- II. License Application.
- III. Tax Certification Statement (Appendix A).
- IV. Sample Disclosure Statement (Appendix B).
- V. Sample Form of Notice (Appendix C).
- VI. Chapter 56 - Standards and Billing Practices for Residential
Utility Service. Available from Fry Communications
(717) 766-0211 ext. 339.
- VII. Standards of Conduct (Appendix D).

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Application of Utilities Marketing Group, LLC, d/b/a [N/A], for approval to offer, render, furnish, or as a(n) as specified in item #8 below to the public in the Commonwealth of Pennsylvania.

To the Pennsylvania Public Utility Commission:

1. **IDENTITY OF THE APPLICANT:** The name, address, telephone number, and FAX number of the Applicant are:

Utilities Marketing Group, LLC
13100 56th Court, Suite 705
Clearwater, FL 33760
Phone: 727-572-0600
Fax: 727-572-0602

Please identify any predecessor(s) of the Applicant and provide other names under which the Applicant has operated within the preceding five (5) years, including name, address, and telephone number.

N/A

2. a. **CONTACT PERSON:** The name, title, address, telephone number, and FAX number of the person to whom questions about this Application should be addressed are:

Gary Cronin, Executive Director
13100 56th Court, Suite 705
Clearwater, FL 33760
Phone: 727-572-0600
Fax: 727-572-0602
Email: gcronin@utilitiesmarketinggroupllc.com

- b. **CONTACT PERSON-PENNSYLVANIA EMERGENCY MANAGEMENT AGENCY:** The name, title, address telephone number and FAX number of the person with whom contact should be made by PEMA:

Gary Cronin, Executive Director
13100 56th Court, Suite 705
Clearwater, FL 33760
Phone: 727-572-0600
Fax: 727-572-0602
Email: gcronin@utilitiesmarketinggroupllc.com

- 3.a. **ATTORNEY:** If applicable, the name, address, telephone number, and FAX number of the Applicant's attorney are:

N/A

b. **REGISTERED AGENT:** If the Applicant does not maintain a principal office in the Commonwealth, the required name, address, telephone number and FAX number of the Applicant's Registered Agent in the Commonwealth are:

CSC (Corporation Service Company)
2704 Commerce Drive
Harrisburg, PA 17110
Dauphin County
800-622-2300
800-927-9800

4. **FICTITIOUS NAME:** (select and complete appropriate statement)

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

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

or

The Applicant will not be using a fictitious name.

5. **BUSINESS ENTITY AND DEPARTMENT OF STATE FILINGS:** (select and complete appropriate statement)

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.

- * If a corporate partner in the Applicant's domestic partnership is not domiciled in Pennsylvania, attach a copy of the Applicant's Department of State filing pursuant to 15 Pa. C.S. §4124.

OR

- X The Applicant is a:
- domestic corporation (none)
 - foreign corporation (15 Pa. C.S. §4124)
 - domestic limited liability company (15 Pa. C.S. §8913)
 - Xforeign limited liability company (15 Pa. C.S. §8981)
 - Other _____

Provide proof of compliance with appropriate Department of State filing requirements as indicated above. Additionally, provide a copy of the Applicant's Articles of Incorporation.

Give name and address of officers.

Gary Cronin, Executive Director
13100 56th Court, Suite 705
Clearwater, FL 33760
Phone: 727-572-0600
Fax: 727-572-0602
Email: gcronin@utilitiesmarketinggroupllc.com

Sherman Reid, Director of Sales & Personnel
13100 56th Court, Suite 705
Clearwater, FL 33760
Phone: 727-572-0600
Fax: 727-572-0602
E: sreid@utilitiesmarketinggroupllc.com

The Applicant is incorporated in the state of Florida.

6. **AFFILIATES AND PREDECESSORS WITHIN PENNSYLVANIA:** (select and complete appropriate statement)

- Affiliate(s) of the Applicant doing business in Pennsylvania are:

- Does the Applicant have any affiliation with or ownership interest in:
- (a) any other Pennsylvania retail natural gas supplier licensee or licensee applicant,
 - (b) any other Pennsylvania retail licensed electric generation supplier or license applicant,
 - (c) any Pennsylvania natural gas producer and/or marketer,
 - (d) any natural gas wells or
 - (e) any local distribution companies (LDCs) in the Commonwealth

If the response to parts a, b, c, or d above is affirmative, provide a detailed description and explanation of the affiliation and/or ownership interest.

- Provide specific details concerning the affiliation and/or ownership interests involving:
- (a) any natural gas producer and/or marketers,
 - (b) any wholesale or retail supplier or marketer of natural gas, electricity, oil, propane or other energy sources.

- Provide the Pa PUC Docket Number if the applicant has ever applied:
- (a) for a Pennsylvania Natural Gas Supplier license, or
 - (b) for a Pennsylvania Electric Generation Supplier license.

- If the Applicant or an affiliate has a predecessor who has done business within Pennsylvania, give name and address of the predecessor(s) and state whether the predecessor(s) were jurisdictional public utilities.

OR

- The Applicant has no affiliates doing business in Pennsylvania or predecessors which have done business in Pennsylvania.

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

- The Applicant is presently doing business in Pennsylvania as a
- natural gas interstate pipeline.
 - municipal providing service outside its municipal limits. local gas distribution company
 - retail supplier of natural gas services in the Commonwealth
 - a natural gas producer
 - Other. (Identify the nature of service being rendered.)

OR

- The Applicant is not presently doing business in Pennsylvania.

8. **APPLICANT'S PROPOSED OPERATIONS:** The Applicant proposes to operate as a:

- supplier of natural gas services. Municipal
- supplier of natural gas services.
- Cooperative supplier of natural gas services.
- Broker/Marketer engaged in the business of supplying natural gas services. Aggregator engaged in the business of supplying natural gas services. Other (Describe):
- services. Other (Describe):

9. **PROPOSED SERVICES:** Generally describe the natural gas services which the Applicant proposes to offer.

The Applicant is looking to establish a natural gas agency/broker/consultancy business in the Commonwealth of Pennsylvania. The Applicant will not be taking title to the natural gas. The Applicant is currently registered as a telemarketer in New York, New Jersey and Florida. The Applicant does not currently hold any natural gas broker licenses in any other state. The Applicant was formed to provide natural gas and electric brokerage and sales services.

10. **SERVICE AREA:** Provide each Natural Gas Distribution Company (NGDC) in which Applicant proposes to offer services.

Initially, the Applicant proposes to offer services in: UGI Central Penn, UGI Penn Natural, National Fuel Gas Distribution Corp., UGI, Columbia Gas of Pennsylvania Inc., PECO. Potentially in the future, the Applicant may seek to offer services in: Valley Energy Inc., Peoples TWP LLC, Carnegie Natural Gas Company, Philadelphia Gas Works, Peoples Natural Gas Company LLC and Equitable Gas Company.

11. **CUSTOMERS:** Applicant proposes to initially provide services to:

- Residential Customers
- Commercial Customers - (Less than 6,000 Mcf annually)
- Commercial Customers - (6,000 Mcf or more annually)
- Industrial Customers
- Governmental Customers
- All of above
- Other (Describe):

12. **START DATE:** The Applicant proposes to begin delivering services on the date upon which the Applicant's license is approved by the Pennsylvania Public Utility Commission. (approximate date).

13. **NOTICE:** Pursuant to Section 5.14 of the Commission's Regulations, 52 Pa. Code §5.14, serve a copy of the signed and verified Application with attachments on the following:

Irwin A. Popowsky
Office of Consumer Advocate
5th Floor, Forum Place
555 Walnut Street
Harrisburg, PA 17120-1921

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

William R. Lloyd, Jr.
Commerce Building, Suite 1102
Small Business Advocate
300 North Second Street
Harrisburg, PA 17101

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

Any of the following Natural Gas Distribution Companies through whose transmission and distribution facilities the applicant intends to supply customers: **N/A**

<p>Valley Energy Inc. Robert Crocker 523 South Keystone Avenue Sayre, PA 18840-0340 PH: 570.888-9664 FAX: 570.888.6199 email: rcrocker@ctenterprises.org</p>	<p>National Fuel Gas Distribution Corp. David D. Wolford 6363 Main Street Williamsville, NY 14221 PH: 716.857.7483 FAX: 716.857.7479 email: wolfordd@natfuel.com</p>
<p>UGI Central Penn David Beasten 2525 N. 12th Street, Suite 360 Reading, PA 19612-2677 PH: 610.796.3425 FAX: 610.796.3559</p>	<p>Peoples Natural Gas Company LLC Lynda Petrichevich 375 North Shore Drive, Suite 600 Pittsburgh, PA 15212 email: Lynda.w.petrichevich@peoples-gas.com PH: 412.208.6528 FAX: 412.208.6577</p>
<p>Peoples TWP LLC (Formerly T. W. Phillips) Robert M. Hovanec 205 North Main Street Butler, PA 16001 PH: 724.287.2725 FAX: 724.287.5021 email: rhovanec@twphillips.com</p>	<p>UGI David Beasten 2525 N. 12th Street, Suite 360 Reading, PA 19612-2677 PH: 610.796.3425 FAX: 610.796.3559</p>
<p>UGI Penn Natural David Beasten 2525 N. 12th Street, Suite 360 Reading, PA 19612-2677 PH: 610.796.3425 FAX: 610.796.3559</p>	<p>Equitable Gas Company Jerald Moody 225 North Shore Drive Pittsburgh, PA 15212-5352 PH: 412.395.3209 FAX: 412.395.3335</p>
<p>PECO Carlos Thillet, Manager, Gas Supply and Transportation 2301 Market Street, S9-2 Philadelphia, PA 19103 email: carlos.thillet@exeloncorp.com PH: 215.841.6452</p>	<p>Columbia Gas of Pennsylvania Inc. Thomas C. Heckathorn 200 Civic Center Drive Columbus, OH 43215 PH: 614.460.4996 FAX: 614.460.6442 email: theckathorn@nisource.com</p>
<p>Philadelphia Gas Works Douglas Moser 800 West Montgomery Avenue Philadelphia, PA 19122 email: douglas.moser@pgworks.com PH: 215.684.6899</p>	

Pursuant to Sections 1.57 and 1.58 of the Commission's Regulations, 52 Pa. Code §§1.57 and 1.58, attach Proof of Service of the Application and attachments upon the above named parties. 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.

14. **TAXATION:** Complete the TAX CERTIFICATION STATEMENT attached as Appendix B to this application.
15. **COMPLIANCE:** State specifically whether the Applicant, an affiliate, a predecessor of either, or a person identified in this Application has been convicted of a crime involving fraud or similar activity. Identify all proceedings, by name, subject and citation, dealing with business operations, in the last five (5) years, whether before an administrative body or in a judicial forum, in which the Applicant, an affiliate, a predecessor of either, or a person identified herein has been a defendant or a respondent. Provide a statement as to the resolution or present status of any such proceedings. **N/A**
16. **STANDARDS, BILLING PRACTICES, TERMS AND CONDITIONS OF PROVIDING SERVICE AND CONSUMER EDUCATION:** All services 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.
- a. Contacts for Consumer Service and Complaints: Provide the name, title, address, telephone number and FAX number 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 Applicant, the Distribution Company, the Pennsylvania Public Utility Commission or other agencies.

Gary Cronin, Executive Director
 13100 56th Court, Suite 705, Clearwater, Florida 33760
 Phone: 727-572-0600, Fax: 727-572-0602
 Alternate: Sherman Reid, Director of Sales & Personnel (same contact information)

- a. Provide a copy of all standard forms or contracts that you use, or propose to use, for service provided to residential customers. **N/A**
- b. If proposing to serve Residential and/or Small Commercial customers, provide a disclosure statement. A sample disclosure statement is provided as Appendix B to this Application. **N/A**

17. **FINANCIAL FITNESS:**

- A. Applicant shall 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: **Please see Schedules attached hereto.**
- *Actual (or proposed) organizational structure including parent, affiliated or subsidiary companies.
 - Published parent company financial and credit information. (No financial or credit information is published for the Applicant, which is privately held)
 - *Applicant's balance sheet and income statement for the most recent fiscal year. Published financial information such as 10K's and 10Q's may be provided, if available.
 - 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 or other independent financial service reports. (The Applicant has no credit rating)
 - *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 (The Applicant has no audited financial statements)
 - Such other information that demonstrates Applicant's financial fitness. (The Applicant does not propose to function as a supplier, but will be operating as a marketer/broker. It will not process payments or render bills. As such, its financial requirements are minimal. The incremental cost to the Applicant of expanding its services to the Commonwealth of Pennsylvania are small enough to be handled from routine cash flow at this time.

B. Applicant must provide the following information:

- Provide proof of compliance with bonding/credit requirements for each NGDC the applicant is proposing to provide service in. This requirement is designated by each NGDC and can commonly be found in the NGDC supplier tariff.
- *Identify Applicant's chief officers including names and their professional resumes.
- Provide the name, title, address, telephone number and FAX number of Applicant's custodian for its accounting records.

Claire Loehwing, Finance, 13100 56th Court, Suite 705, Clearwater, FL 33760
Phone: 727-572-0600, Fax: 727-572-0602, cloehwing@utilitiesmarketinggrouppllc.com

18. **TECHNICAL FITNESS:** To ensure that the present quality and availability of service provided by natural gas utilities does not deteriorate, the Applicant shall provide sufficient information to demonstrate technical fitness commensurate with the service proposed to be provided. Examples of such information which may be submitted include the following: **Please see the Schedules attached hereto.**

- *The identity of the Applicant's officers directly responsible for operations, including names and their professional resumes.
- A copy of any Federal energy license currently held by the Applicant. (N/A)
- *Proposed staffing and employee training commitments.
- *Business plans.

20. **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 2208(D). Transferee will be required to file the appropriate licensing application.

21. **UNIFORM 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.

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

- a. **Reports of Gross Receipts:** Applicant shall report its Pennsylvania intrastate gross receipts to the Commission on an annual basis no later than 30 days following the end of the calendar year.


Applicant will be required to meet periodic reporting requirements as may be issued by the Commission to fulfill the Commission's duty under Chapter 22 pertaining to reliability and to inform the Governor and Legislature of the progress of the transition to a fully competitive natural gas market.

22. **FURTHER DEVELOPMENTS:** Applicant is under a continuing obligation to amend its application if substantial changes occur in the information upon which the Commission relied in approving the original filing.

23. **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.

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

Applicant: Utilities Marketing Group, LLC

By: 
Gary Cronin, Executive Director

AFFIDAVIT

State of Florida:

County of Pinellas
Pinellas

ss.

Gary Cronin, Affiant, being duly sworn/affirmed according to law, deposes and says that: He is the Vice President of Call Center Operations of Utilities Marketing Group, LLC; and that he is authorized to and does make this affidavit for said Applicant;

That Utilities Marketing Group, LLC, the Applicant herein, acknowledges that Utilities Marketing Group, LLC 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 Utilities Marketing Group, LLC, the Applicant herein, asserts that it possesses the requisite technical, managerial, and financial fitness to render natural gas supply 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 Utilities Marketing Group, 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 22 of Title 66. The Applicant acknowledges that failure to pay such taxes or otherwise comply with the taxation requirements of, 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 natural gas 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).

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 Utilities Marketing Group, LLC, the Applicant herein, acknowledges that it has a statutory obligation to conform with 66 Pa. C.S. §506, 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 Commission's Office of Communications 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 2nd day of January, 2014.



Signature of official administering oath

My commission expires 06/10/2016



AFFIDAVIT

State of Florida:

County of _____ : SS.
Pinellas _____ :

Gary Cronin, Affiant, being duly sworn/affirmed according to law, deposes and says that: He/she is the Vice President (Office of Affiant) of Utilities Marketing Group, LLC and that he/she is authorized to and does make this affidavit for said Applicant;

That Utilities Marketing Group, LLC, the Applicant will submit to the Commission the proof of publication from each newspaper in which notice of the application filing was published as soon as it is available.

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.



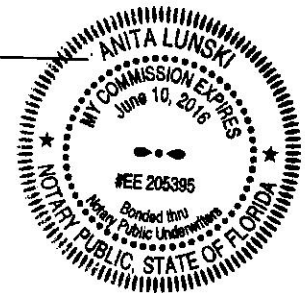
Signature of Affiant

Sworn and subscribed before me this 2nd day of January, 2014.



Signature of official administering oath

My commission expires 06/10/2016



AFFIDAVIT

State of Florida:

County of Pinellas
Pinellas

ss.

Gary Cronin, Affiant, being duly sworn/affirmed according to law, deposes and says that: He is the Vice President of Call Center Operations of Utilities Marketing Group, LLC; and that he is authorized to and does make this affidavit for said Applicant;


That the Applicant herein, Utilities Marketing Group, LLC, has the burden of producing information and supporting documentation demonstrating its technical and financial fitness to be licensed as a natural gas supplier pursuant to 66 Pa. C.S. §2208(c)(1).

That the Applicant herein, Utilities Marketing Group, LLC, has answered the questions on the application correctly, truthfully, and completely and provided supporting documentation as required.

That the Applicant herein, Utilities Marketing Group, 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, Utilities Marketing Group, 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.



Signature of Affiant

Sworn and subscribed before me this 2nd day of January, 2014.



Signature of official administering oath

My commission expires 06/10/2016



Appendix B

Sample Disclosure Statement Format for Natural Gas Suppliers

This is an agreement for natural gas services, between NGS name and customer's name and full address.

Background

We at NGS Company Name are licensed by the Pennsylvania Public Utility Commission to offer and supply natural gas services in Pennsylvania. Our PUC license number is A-110XXX.

- We set the prices and charges that you pay. The Public Utility Commission regulates distribution or delivery prices and services. The Federal Energy Regulatory Commission regulates interstate pipeline prices and services.
- If you ask us, we can bill you directly for our service.
- Right of Recision - You may cancel this agreement at any time before midnight of the third business day after receiving this disclosure.

Definitions

- Interstate Pipeline Charges - Charges for moving natural gas to the distribution lines of a distribution company.
- Nonbasic Charges - *Define each nonbasic service being offered.*

Terms of Service

1. (a) **Basic Service Prices** - *Itemize Basic Services you are billing for and their prices.*

You will pay rate per (Mcf/Dth/ccf) for the commodity of natural gas.
Suppliers are to include any variable pricing conditions and limits, if charging a variable rate.

You will pay rate per (Mcf/Dth/ccf) for other natural gas service.
Suppliers are to include transmission service prices if billed.

- (b) **Nonbasic Service Prices** - *Itemize Nonbasic Services you are offering and their prices.*
2. **Length of Agreement**

You will buy your natural gas services for the above street address from company's name beginning date through date of expiration, if any.

3. **Special Terms and Conditions** - *List and explain all that apply.*

Sign-up bonuses
Add-ons
Limited time offers
Other Sales
Promotions Exclusions

4. **Special Services** - *Provide explanation of price, terms and conditions, including advanced metering deployment, if applicable.*

5. **Penalties, Fees and Exceptions** - List any that apply including a late payment charge. The print size for this section must be larger than the print in the rest of the agreement.

6. **Cancellation Provisions** - This category may consist of both customer initiated cancellation provisions and supplier initiated cancellation provisions.

7. **Renewal Provision** - If this is a fixed term agreement with automatic renewal, explain the procedure here.

8. **Agreement Expiration/Change in Terms**

If you have a fixed term agreement with us and it is approaching the expiration date or if we propose to change our terms of service, we will send you written notice in each of our last three bills or in separate mailings before either the expiration date or the effective date of the changes. We will explain your options in these three advance notices.

9. **Dispute Procedures**

Contact us with any questions concerning our terms of service. You may call the PUC if you are not satisfied after discussing your terms with us.

10. **Contact Information**

Supplier Name: _____
Address: _____

Phone Number: _____
Internet Address: _____

Distribution Company Name: _____
Provider of Last Resort Name: _____

Address: _____

Phone Number: _____
Public Utility Commission (PUC) Address: _____

Natural Gas Competition Hotline Number: P.O. Box 3265 Harrisburg, PA 17105-3265
1-888-xxx-xxxx

Universal Service Program Name: _____
Phone Number: _____

APPENDIX C
FORM OF NOTICE

PENNSYLVANIA
PUBLIC UTILITY COMMISSION
NOTICE

*Application of **Utilities Marketing Group, LLC** For Approval To Offer, Render, Furnish Natural Gas Supply Services as a Marketer/Broker Engaged In The Business Of Supplying Natural Gas Supply Services, To The Public In The Commonwealth Of Pennsylvania.*

On January 2, 2014, **Utilities Marketing Group, LLC** filed an application with the Pennsylvania Public Utility Commission ("PUC") for a license to provide natural gas supply services as a broker/marketer engaged in the business of supplying natural gas. **Utilities Marketing Group, LLC** proposes to sell natural gas and related services throughout all of Pennsylvania under the provisions of the new Natural Gas Choice and Competition Act.

The PUC may consider this application without a hearing. Protests directed to the technical or financial fitness of **Utilities Marketing Group, 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 **Utilities Marketing Group, LLC** at the address listed below.

Utilities Marketing Group, LLC

13100 56th Court, Suite 705

Clearwater, Florida 33760

Phone: 727-572-0600

Fax: 727-572-0602

Attention: Gary Cronin

APPENDIX D

Standards of Conduct

- (1) The [natural gas distribution company] should apply its tariffs in a nondiscriminatory manner to its affiliate, its own marketing division and any nonaffiliate.
- (2) The [natural gas distribution company] should likewise not apply a tariff provision in any manner that would give its affiliate or division an unreasonable preference over other marketers with regard to matters such as scheduling, balancing, transportation, storage, curtailment, capacity release and assignment, or nondelivery, and all other services provided to its affiliated suppliers.
- (3) If a tariff provision is mandatory, the [natural gas distribution company] should not waive the provision for its affiliate or division absent prior approval of the Commission.
- (4) If a tariff provision is not mandatory or provides for waivers, the [natural gas distribution company] should grant the waivers without preference to affiliates and divisions or non-affiliates.
- (5) The [natural gas distribution company] should maintain a chronological log of tariff provisions for which it has granted waivers. Entries should include the name of the party receiving the waiver, the date and time of the request, the specific tariff provision waived and the reason for the waiver. Any chronological log should be open for public inspection during normal business hours.
- (6) The [natural gas distribution company] should process requests for transportation promptly and in a nondiscriminatory fashion with respect to other requests received in the same or a similar period. The [natural gas distribution company] should maintain a chronological log showing the processing of requests for transportation services. Any chronological log should be open for public inspection during normal business hours.
- (7) Transportation discounts and fee waivers and rebates provided to the [natural gas distribution company's] or its marketing affiliate's favored customers should be offered to other similarly situated customers and should not be tied to any unrelated service, incentive or offer on behalf of either the parent of affiliate. A chronological

log should be maintained showing the date, party, time and rationale for the action. Any chronological log should be open for public inspection during normal business hours.

- (8) The [natural gas distribution company] should not disclose any customer proprietary information to its marketing affiliate or division, and to the extent that it does disclose customer information, it should contemporaneously provide this same information to other similarly situated marketers in a similar fashion so as not to selectively disclose, delay disclosure, or give itself or its affiliate any undue advantage related to the disclosure. A chronological log should be maintained showing the date, time and rationale for the disclosure. Any chronological log should be open for public inspection during normal business hours. A natural gas distribution company should not provide information received from non-affiliated customers or suppliers to its affiliated natural gas suppliers.
- (9) The [natural gas distribution company] should justly and reasonably allocate to its marketing affiliate or division the costs or expenses for general administration or support services.
- (10) The [natural gas distribution company] selling surplus gas supplies and/or upstream capacity on a short-term basis (as defined by the Federal Energy Regulatory Commission) to its affiliate should make supplies available to similarly situated marketers on a nondiscriminatory basis. The [natural gas distribution company] should not make any gas supplies and/or upstream capacity available through private disclosure to the [natural gas distribution company's] affiliate unless the availability is made simultaneously with public dissemination in a manner that fairly apprises interested parties of the availability of the gas supplies and/or upstream capacity. The [natural gas distribution company] should maintain a chronological log of these public disseminations. Any chronological log should be open for public inspection during normal business hours.
- (11) The [natural gas distribution company] should not condition or tie agreements to release interstate pipeline capacity to any service in which the [natural gas distribution company] or affiliate is involved.
- (12) The [natural gas distribution company] should not directly or by implication . . . represent to any customer, supplier or third party that an advantage may accrue to any party through use of the [natural gas distribution company's] affiliate or subsidiary.

- (13) The [natural gas distribution company] should establish and file with the Commission a complaint procedure for dealing with any alleged violations of any of the standards listed in paragraphs (1) through (12), this paragraph or paragraphs (14) and (15), excepting for paragraph (9), which should be exclusively under the purview of the Commission. These procedures should be developed in consultation with interested parties during consideration of any tariff guided by this section and §69.191 (relating to general). The Commission may expect establishment of a complaint procedure or other recordkeeping requirements if warranted by subsequent facts or circumstances.
- (14) The [natural gas distribution company] should keep a chronological log of any complaints, excepting paragraph (9), regarding discriminatory treatment of natural gas suppliers. This chronological log should include the date and nature of the complaint and the [natural gas distribution company's] resolution of it. Any chronological log should be open for inspection during normal business hours.
- (15) Parties alleging violations of these standards may pursue their allegations through the Commission's established complaint procedures. A complainant bears the burden of proof consistent with 66 Pa. C.S. (relating to Public Utility Code) in regard to the allegations.
- (16) Licensees shall provide accurate information about their natural gas supplier services using plain language and common terms. Where new terms are used, such terms must be defined again using plain language: Information should be provided in a format which will allow for comparison of the various natural gas supply services offered and the prices charged for each type of service.
- (17) Licensees shall provide notification of the change in conditions of service, intent to cease operation as a natural gas supplier, explanation of denial of service, proper handling of deposits and proper handling of complaints in accordance with Commission regulations where applicable.
- (18) Licensees shall maintain the confidentiality of customers' historic payment information and right of access to their own load and billing information.

- (19) Licensees shall not discriminate in the provision of natural gas supply services as to availability and terms of service based on race, color, religion, national origin, sex, marital status, age receipt of public assistance income, and exercise of rights under the Consumer Credit Protection Act, 15 U. S. C. §§1691-1691f; Regulation B, 12 C.F.R. §§202-202.14.
- (20) Licensees will be responsible for any fraudulent deceptive or other unlawful marketing or billing acts performed by their agents or representatives. Licensee shall inform consumers of state consumer protection laws that govern the cancellation or rescission of natural gas supply service contracts. 73 P. S. §201-7.
- (21) The natural gas distribution company shall not give any affiliate or marketing division preference over a non-traditional affiliate in the provision of goods and services such as processing requests for information, complaints and responses to service interruptions. The natural gas distribution company shall provide comparable treatment without regard to a customer's chosen natural gas supplier.
- (22) No transaction between the natural gas distribution company and an affiliated natural gas supplier shall involve an anti-competitive cross-subsidy and all such transactions shall comply with applicable law.
- (23) Natural gas distribution company employees who have responsibility for operating the distribution system, including natural gas delivery or billing and metering, shall not be shared with an affiliated or divisional Supplier, and their offices shall be physically separated from the office(s) used by those working for the Supplier. Such natural gas distribution company employees may transfer to a Supplier provided such transfer is not used as a means to circumvent these interim standards of conduct. Any supplier shall have its own direct line management. Any shared facilities shall be fully and transparently allocated between the natural gas distribution company function and the Supplier function. The natural gas distribution company accounts and records shall be maintained such that the costs a Supplier incurs may be clearly identified.
- (24) (a) Neither the natural gas distribution company nor an affiliated or divisional Supplier may directly or by implication falsely and unfairly represent:

- • that the Pa PUC jurisdictionally regulated services provided by the natural gas distribution company are of a superior quality when power is purchased from an affiliated or divisional Supplier; or □
- • that the merchant services (for natural gas) are being provided by the natural gas distribution company rather than an affiliated or divisional Supplier; □
- • that the natural gas purchased from a Supplier that is not an affiliate or division of the natural gas distribution company may not be reliably delivered; □
- that natural gas must be purchased from an affiliate or divisional □ Supplier to receive Pa PUC jurisdictional regulated services.

(b) The natural gas distribution company shall not jointly market or jointly purchase its Pa PUC jurisdictional regulated services with the services of an affiliated or divisional Supplier. This prohibition includes prohibiting the natural gas distribution company from including bill inserts in its natural gas distribution company bills promoting an affiliated or divisional Supplier's services, and further precludes a reference or link from the natural gas distribution company's web-site to any affiliated or divisional supplier.

(c) When an affiliated or divisional Supplier markets or communicates to the public using the natural gas distribution company name or logo, it shall include a disclaimer that states:

(i) That the Supplier is not the same company as the natural gas distribution company; (2) that the prices of the Supplier are not regulated by the Pa PUC; and (3) that a customer does not have to buy natural gas or other products from the Supplier in order to receive the same quality service from the natural gas distribution company. When a Supplier advertises or communicates verbally through radio or television to the public using the natural gas distribution company name or logo, the Supplier shall include at the conclusion of any such communication a disclaimer that includes all of the disclaimers listed in this paragraph.

(25) The natural gas distribution company must: (a) make interstate capacity available for release, assignment, or transfer to its affiliated or divisional Supplier only through the interstate pipeline electronic bulletin boards and the competitive bidding procedures in place on those interstate systems; (b)

not give its affiliated or divisional Supplier any preference over non-affiliated or non-divisional Suppliers, or potential non-affiliated or non-divisional Suppliers, in matters relating to the assignment, release, or other transfer of the natural gas distribution company's capacity rights on interstate pipeline systems; and (c) not condition or tie its agreement to release, assign, or otherwise transfer interstate pipeline capacity to any agreement by a gas Supplier, customer or other third party relating to any service in which its marketing affiliate is involved.

UTILITIES MARKETING GROUP, LLC

SCHEDULE 5

CORPORATE DOCUMENTS

The Applicant is a limited liability company organized under the laws of the state of Florida. Please see attached hereto (i) the Articles of Organization of the Applicant and (ii) a Good Standing Certificate from each of the Commonwealth of Pennsylvania and the State of Florida.

ARTICLES OF ORGANIZATION FOR FLORIDA LIMITED LIABILITY COMPANY

Article I – Name

Utilities Marketing Group, LLC

Article II – Address:

The mailing address and street address of the principal office of the Limited Liability Company is:

1059 Broadway
Suite G
Dunedin, Florida 34698

Article III – Registered Agent, Registered Office, & Registered Agent's Signature

Saul B. Lipson
1515 University Drive
Suite 222
Coral Springs, Florida 33071

Having been named as registered agent and to accept service of process for the above stated limited liability company at the place designated in this certificate, I hereby accept the appointment as registered agent and agree to act in this capacity. I further agree to comply with the provisions of all statutes relating to the proper and complete performance of my duties, and I am familiar with and accept the obligations of my position as registered agent as provided for in Chapter 608, F.S.

Saul B. Lipson
Registered Agent's Signature

Article IV – Management (Check box if applicable.)

The Limited Liability Company is to be managed by one manager or more managers and is, therefore, a manager – managed company.

Saul B. Lipson
Signature of a member or an authorized representative of a member

(In accordance with section 608.408(3), Florida Statutes, the execution of this document constitutes an affirmation under the penalties of perjury that the facts stated herein are true.)

SAUL B- LIPSON
Typed or printed name of signee

SECRETARY OF STATE
FAIR HARBOR, FLORIDA

01 DEC -7 AM 11:22

APPROVED
AND
FILED

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF STATE

SEPTEMBER 30, 2013

TO ALL WHOM THESE PRESENTS SHALL COME, GREETING:

I DO HEREBY CERTIFY THAT,

UTILITIES MARKETING GROUP, LLC

is duly registered as a Foreign Limited Liability Company under the laws of the Commonwealth of Pennsylvania and remains subsisting so far as the records of this office show, as of the date herein.

I DO FURTHER CERTIFY THAT, This Subsistence Certificate shall not imply that all fees, taxes, and penalties owed to the Commonwealth of Pennsylvania are paid.



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 Aichele".

Secretary of the Commonwealth

State of Florida

Department of State

I certify from the records of this office that UTILITIES MARKETING GROUP, LLC, is a limited liability company organized under the laws of the State of Florida, filed on December 7, 2001.

The document number of this company is L01000021142.

I further certify that said company has paid all fees due this office through December 31, 2013, that its most recent annual report was filed on March 23, 2013, and its status is active.

*Given under my hand and the
Great Seal of the State of Florida
at Tallahassee, the Capital, this
the Thirtieth day of September,
2013*



Ken Detzner
Secretary of State

Authentication ID: CU9289322948

To authenticate this certificate, visit the following site, enter this ID, and then follow the instructions displayed.

<https://efile.sunbiz.org/certauthver.html>

UTILITIES MARKETING GROUP, LLC

SCHEDULE 13

PROOF OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing document upon the parties listed below, in accordance with the requirements of 52 Pa. Code Section 1.54 (relating to service by a party). Each party below was served via first class mail and will be receiving one copy of the signed and verified application with attachments.

Irwin A. Popowsky
Office of Consumer Advocate
5th Floor, Forum Place
555 Walnut Street
Harrisburg, PA 17120-1921

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

William R. Lloyd, Jr.
Commerce Building, Suite 1102
Small Business Advocate
300 North Second Street
Harrisburg, PA 17101

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

Dated this 2nd day of January, 2014



Name: GARY L. RAMIN Executive Director
Title:

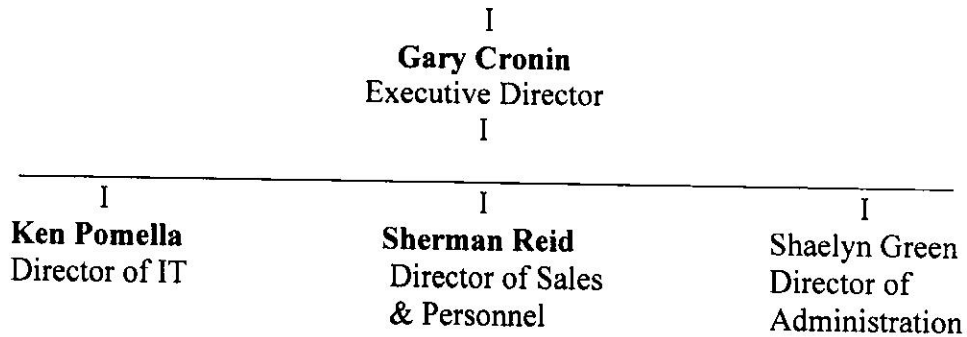
ON BEHALF OF UTILITIES MARKETING GROUP, LLC

UTILITIES MARKETING GROUP, LLC

SCHEDULE 17(A)-1

ORGANIZATIONAL STRUCTURE

The Applicant, Utilities Marketing Group, LLC, was formed on December 7, 2001. The Applicant is owned by HNH Inc. (40.35%), QL IV (21%) and FMR Management, Inc. (38.65%). The Applicant is formed as a limited liability company in the state of Florida and is registered as a foreign corporation in Pennsylvania. There are no parent or subsidiary affiliations.



UTILITIES MARKETING GROUP, LLC

SCHEDULE 17(A)-2

BALANCE SHEET AND INCOME STATEMENT

The Applicant, Utilities Marketing Group, LLC, was formed on December 7, 2001. Please see attached hereto certified balance sheets and income statements for fiscal years 2011 and 2012, and also as of June 30, 2013. Also attached are the financial projections for 2013 and 2014.

SAUL B. LIPSON & COMPANY

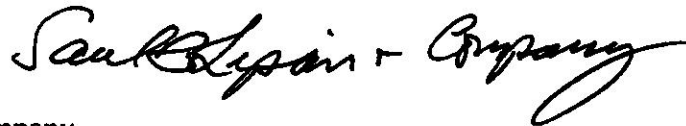
Saul B. Lipson, MAcc, EA
Marjory Hantoot, CPA
•TAX PLANNING AND PREPARATION
•COMPLETE ACCOUNTING SERVICES
•INVESTMENT AND RETIREMENT PLANNING

1515 UNIVERSITY DRIVE•SUITE 222
CORAL SPRINGS, FLORIDA 33071
TELEPHONE: 954.755.4405
FAX: 954.344.3694
EMAIL: Saulco@bellsouth.net

To the Board of Directors
Utilities Marketing Group, LLC

We have compiled the accompanying Balance Sheet of Utilities Marketing Group, LLC as of December 31, 2012 and the Income Statement for the year then ended.

We have prepared the financial statements based on documentation supplied to us by management. We feel that the documentation supplied by management and the form of the financial statements are a fair and accurate representation of the company's financial condition.



Saul B Lipson & Company
November 13, 2013

Utilities Marketing Group, LLC
Balance Sheet
As of December 31, 2012

	Dec 31, 12
ASSETS	
Current Assets	
Checking/Savings	
101 · Cash-Operating	18,797.31
102 · Cash	22,879.27
103 · Cash (1)	24,124.48
104 · Cash (2)	100.00
Total Checking/Savings	65,901.06
Total Current Assets	65,901.06
Fixed Assets	
162 · Furniture and Fixtures	51,255.33
163 · Machinery and Equipment	448,606.91
171 · Accumulated Depreciation	(499,862.24)
Total Fixed Assets	0.00
TOTAL ASSETS	65,901.06
LIABILITIES & EQUITY	
Equity	
275 · Equity-HNH, Inc.	
275.1 · Capital-HNH	13,079.00
Total 275 · Equity-HNH, Inc.	13,079.00
276 · Equity-FMR Management, Inc.	
276.1 · Capital-FMR	10,877.00
Total 276 · Equity-FMR Management, I...	10,877.00
277 · Equity-QL4 Consulting LLc	
277.1 · Capital-QL4	6,365.28
Total 277 · Equity-QL4 Consulting LLc	6,365.28
Net Income	35,579.78
Total Equity	65,901.06
TOTAL LIABILITIES & EQUITY	65,901.06

Utilities Marketing Group, LLC
Profit & Loss
January through December 2012

	<u>Jan - Dec 12</u>
Ordinary Income/Expense	
Income	
301 · Sales Revenue	11,463,691.36
Total Income	<u>11,463,691.36</u>
Gross Profit	11,463,691.36
Expense	
501 · Salaries and Wages	9,172,214.71
507 · Advertising and Promotion	55,215.91
511 · Automobile Expense	1,328.45
516 · Bank Service Charges	107.87
525 · Commissions	80,386.29
534.1 · Depreciation - SEC 179	54,919.30
539 · Entertainment	7,712.19
540 · Equipment Rental	4,310.81
545 · Insurance Expense	59,511.77
551 · Interest Expense	3,693.50
555 · Legal and Accounting	55,969.28
561 · Office Expense	337,291.99
566 · Professional Fees	52,794.88
568 · Postage and Freight	6,056.40
572 · Rent Expense	177,043.54
577 · Security	61,124.22
580 · Taxes-Other	6,361.65
582 · Taxes-ER Fica	678,817.03
588 · Taxes - SUTA	188,037.48
589 · Taxes - FUTA	47,437.57
592 · Telephone Expense	385,852.00
594 · Travel	62,269.64
596 · Utilities	93,501.78
Total Expense	<u>11,591,958.26</u>
Net Ordinary Income	(128,266.90)
Other Income/Expense	
Other Income	
630 · Interest Income	350.96
635 · Miscellaneous Income	163,495.72
Total Other Income	<u>163,846.68</u>
Net Other Income	<u>163,846.68</u>
Net Income	<u><u>35,579.78</u></u>

SAUL B. LIPSON & COMPANY

Saul B. Lipson, MAcc., EA
Marjory Hantoot, CPA
•TAX PLANNING AND PREPARATION
•COMPLETE ACCOUNTING SERVICES
•INVESTMENT AND RETIREMENT PLANNING

1615 UNIVERSITY DRIVE•SUITE 222
CORAL SPRINGS, FLORIDA 33071
TELEPHONE: 954.755.4405
FAX: 954.344.3694
EMAIL: Saulco@bellsouth.net

To the Board of Directors
Utilities Marketing Group, LLC

We have compiled the accompanying Balance Sheet of Utilities Marketing Group, LLC as of December 31, 2011 and the Income Statement for the year then ended.

We have prepared the financial statements based on documentation supplied to us by management. We feel that the documentation supplied by management and the form of the financial statements are a fair and accurate representation of the company's financial condition.

Saul B Lipson & Company
October 8, 2013



**UTILITIES MARKETING GROUP. LLC
BALANCE SHEET
AS OF DECEMBER 31, 2011**

ASSETS

CURRENT ASSETS

CASH-OPERATING \$ 30,321.28

TOTAL CURRENT ASSETS 30,321.28

PROPERTY AND EQUIPMENT

FURNITURE AND FIXTURES 47,345.33

MACHINERY & EQUIPMENT 397,597.61

LESS: ACCUMULATED DEPRECIATION (444,942.94)

TOTAL ASSETS \$ 30,321.28

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES

LONG-TERM LIABILITIES

STOCKHOLDERS' EQUITY

CAPITAL- HNH, INC. 26,914.14

CONTRIBUTIONS-HNH, INC. 11,862.00

CAPITAL-FMR MANAGEMENT, INC. 23,710.07

CONTRIBUTIONS-FMR MANAGEMENT, INC. 11,782.00

UTILITIES MARKETING GROUP. LLC
BALANCE SHEET
AS OF DECEMBER 31, 2011

CAPITAL-QL4 CONSULTING LLC	13,457.07
CONTRIBUTIONS-QL4 CONSULTING LLC	6,284.00
CURRENT INCOME (LOSS)	<u>(63,688.00)</u>
TOTAL STOCKHOLDERS' EQUITY	<u>30,321.28</u>
TOTAL LIABILITIES AND	
STOCKHOLDERS' EQUITY	<u><u>\$ 30,321.28</u></u>

**UTILITIES MARKETING GROUP. LLC
INCOME STATEMENT**

	12 Months Ended December 31, 2011	%
SALES		
SALES REVENUE	\$ 9,684,085.00	100.00
	<hr/>	<hr/>
TOTAL SALES	9,684,085.00	100.00
	<hr/>	<hr/>
GROSS PROFIT	9,684,085.00	100.00
	<hr/>	<hr/>
OPERATING EXPENSES		
SALARIES AND WAGES	7,637,485.00	78.87
ADVERTISING	48,578.00	0.50
AUTO EXPENSES	8,463.00	0.09
BANK CHARGES	124.00	0.00
COMMISSIONS	65,361.00	0.67
DEPRECIATION	112,811.00	1.16
INSURANCE	26,195.00	0.27
PROFESSIONAL FEES	13,982.00	0.14
OFFICE EXPENSE	287,457.00	2.97
OUTSIDE SERVICES	38,279.00	0.40
POSTAGE AND FREIGHT	2,237.00	0.02
RENT	180,479.00	1.86
REPAIRS AND MAINTENANCE	7,763.00	0.08
SECURITY	60,442.00	0.62
TAXES - OTHER	10,819.00	0.11
TAXES - PAYROLL	584,268.00	6.03
TAXES - STATE U.C.	125,151.00	1.29
TAXES - FEDERAL U.C.	38,074.00	0.39
TELEPHONE	412,123.00	4.26
TRAVEL	28,410.00	0.29
UTILITIES	67,361.00	0.70
	<hr/>	<hr/>
TOTAL OPERATING EXPENSES	9,755,862.00	100.74
	<hr/>	<hr/>

**UTILITIES MARKETING GROUP, LLC
INCOME STATEMENT**

	12 Months Ended	
	December 31, 2011	%
OPERATING INCOME (LOSS)	<u>(71,777.00)</u>	<u>(0.74)</u>
OTHER INCOME/EXPENSE		
INTEREST INCOME	1,062.00	0.01
MISCELLANEOUS INCOME	<u>7,027.00</u>	<u>0.07</u>
TOTAL OTHER INCOME/EXPENSE	<u>8,089.00</u>	<u>0.08</u>
NET INCOME (LOSS)	<u><u>\$ (63,688.00)</u></u>	<u><u>(0.66)</u></u>

SAUL B. LIPSON & COMPANY

Saul B. Lipson, MAcc., EA
Marjory Hantoot, CPA
•TAX PLANNING AND PREPARATION
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CORAL SPRINGS, FLORIDA 33071
TELEPHONE: 954.755.4405
FAX: 954.344.3694
EMAIL: Saulco@bellsouth.net

To the Board of Directors
Utilities Marketing Group, LLC

We have compiled the accompanying Balance Sheet of Utilities Marketing Group, LLC as of June 30, 2013 and the Income Statement for the six months then ended.

We have prepared the financial statements based on documentation supplied to us by management. We feel that the documentation supplied by management and the form of the financial statements are a fair and accurate representation of the company's financial condition.

Saul B Lipson & Company
October 8, 2013



Utilities Marketing Group LLC
Balance Sheet
June 30, 2013

ASSETS

Current Assets

Cash and cash equivalents
Total Current Assets

\$ 336,543
336,543

Fixed Assets

Furniture and Fixtures
Machinery & Equipment
Accumulated Depreciation
Total Fixed Assets

51,255
507,972
(559,227)
-

Total Assets

\$ 336,543

LIABILITIES AND EQUITY

Equity

Partners' Capital Accounts
Net Income (Loss)

65,901
270,642

Total Stockholders' Equity

336,543

Total Liabilities and Equity

\$ 336,543

Utilities Marketing Group LLC
Profit & Loss
January through June 30, 2013

Income		
	Sales Revenue	\$ 6,708,900
Total Income		<u>6,708,900</u>
Expense		
	Salaries and Wages	5,001,933
	Advertising	71,267
	Alarm	1,226
	Auto	1,718
	Bank Service Charges	41
	Commissions	30,274
	Depreciation Expense	59,365
	Equipment Rental	18,222
	Freight	3,550
	Insurance Expense	25,071
	Legal	89,397
	Licenses	63,432
	Meals & Entertainment	6,506
	Office Expense	175,576
	Professional Fees	32,603
	Rent	93,147
	Security	29,856
	Taxes - Other	2,649
	Taxes - ER Fica	382,648
	Taxes - SUTA	83,695
	Taxes - FUTA	18,910
	Telephone	155,536
	Travel	47,867
	Utilities	43,769
Total Expense		<u>6,438,258</u>
Net Income		<u>\$ 270,642</u>

UTILITIES MARKETING GROUP, LLC

FORCASTED FINANCIALS	2013	2014
1. CASH ON HAND		
Beginning of year/left over from last year)	\$ 19,000.00	\$ 471,400.00
2. CASH RECEIPTS		
Sales	\$ 9,400,000.00	\$ 10,810,000.00
Loans or other Cash Injection		
3. TOTAL CASH RECEIPTS	\$ 9,400,000.00	\$ 10,810,000.00
4. TOTAL CASH AVAILABLE	\$ 9,419,000.00	\$ 11,281,400.00
5. CASH PAID OUT		
Gross Wages	\$ 7,900,000.00	\$ 9,500,000.00
Supplies, Office and Operating	\$ 210,000.00	\$ 241,000.00
Equipment Purchase	\$ 110,000.00	\$ 126,500.00
Advertising and Marketing	\$ 51,000.00	\$ 59,000.00
Travel and Entertainment Expenses	\$ 9,000.00	\$ 10,000.00
Accounting and Legal	\$ 187,000.00	\$ 180,000.00
Rent	\$ 138,000.00	\$ 158,000.00
Security	\$ 34,000.00	\$ 39,000.00
Taxes	\$ 2,600.00	\$ 3,000.00
Telephone	\$ 280,000.00	\$ 322,000.00
Insurance	\$ 12,000.00	\$ 13,800.00
Other Costs	\$ 14,000.00	\$ 16,000.00
6. TOTAL CASH PAID OUT	\$ 8,947,600.00	\$ 10,668,300.00
7. CASH POSITION	\$ 471,400.00	\$ 613,100.00

UTILITIES MARKETING GROUP, LLC

SCHEDULE 7(d)

TAX CERTIFICATION STATEMENT

Please see the tax certification statement of the Applicant attached hereto.

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 Utilities Marketing Group, LLC	2. BUSINESS PHONE NO. (727) 572-0600 CONTACT PERSON(S) FOR TAX ACCOUNTS: Gary Cronin
---	--

3. TRADE/FICTITIOUS NAME (IF ANY)

4. LICENSED ADDRESS (STREET, RURAL ROUTE, P.O. BOX NO.) (POST OFFICE) STATE) (ZIP)
13100 56th Court, Suite 705, Clearwater, FL 33760

5. TYPE OF ENTITY SOLE PROPRIETOR PARTNERSHIP CORPORATION
x LLC OTHER (Describe...)

6. LIST OWNER(S), GENERAL PARTNERS, OR CORPORATE OFFICERS(S)

NAME (PRINT) Sherman Reid, Director of Sales & Personnel	SOCIAL SECURITY NUMBER (OPTIONAL) - -
NAME (PRINT) Gary Cronin, Executive Director	SOCIAL SECURITY NUMBER (OPTIONAL) - -
NAME (PRINT)	SOCIAL SECURITY NUMBER (OPTIONAL) - -
NAME (PRINT)	SOCIAL SECURITY NUMBER (OPTIONAL) - -
NAME (PRINT)	SOCIAL SECURITY NUMBER (OPTIONAL) - -

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

8. Do you have PA employees, resident or non-resident? YES x NO
9. Do you own any assets or have an office in PA? YES x NO

NAME AND PHONE NUMBER OF PERSON(S) RESPONSIBLE FOR FILING TAX RETURNS

PA SALES AND USE TAX	EMPLOYER TAXES	Saul Lipson CORPORATE TAXES 954-775-4405 ext. 205
PHONE	PHONE	PHONE

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)

UTILITIES MARKETING GROUP, LLC

SCHEDULE 17(A)-3

INSURANCE

The Applicant carries standard forms of business insurance. Since the Applicant is not a supplier, no additional insurance has been acquired or is appropriate. The Applicant maintains, among other coverages: (i) an Errors and Omissions insurance policy in the amount of \$2,000,000, (ii) a Workers' Compensation insurance policy in the amount of \$1,000,000, and (iii) an Umbrella insurance policy in the amount of \$3,000,000, in each case to support its financial fitness to perform its obligations as a licensee.

UTILITIES MARKETING GROUP, LLC

SCHEDULE 17(B)-1

FINANCIAL FITNESS: LIST OF CHIEF OFFICERS OF APPLICANT AND OTHER INFORMATION

Gary Cronin, Executive Director
Sherman Reid, Director of Sales & Personnel
Ken Pomella, Director of IT
13100 56th Court, Suite 705
Clearwater, Florida 33760
Phone: 727-572-0600; Fax: 727-572-0602

Utilities Marketing Group, LLC was formed in 2001 for the purpose of being a broker/telemarketer in natural gas and electricity. The Applicant envisions working in the Commonwealth of Pennsylvania only with licensed third party suppliers and will not be taking title to the natural gas. For the most part it will be the third party suppliers that will have the direct billing/customer service relationship with the customers. However, if a client/customer should ever need to contact Utilities Marketing Group, LLC, the Applicant stands ready, willing and able to handle and professionally address all inquiries. Any and all customer inquiries and/or complaints would be handled in full accordance with Commission rules. The Applicant is currently registered as a telemarketer in New York, New Jersey and Florida. The Applicant currently holds an electricity broker license in Illinois. If granted the license applied for herein, Utilities Marketing Group, LLC will only be representing licensed third party natural gas suppliers in the Commonwealth of Pennsylvania. The Applicant will be calling on commercial, industrial and residential accounts in the Commonwealth of Pennsylvania on behalf of such licensed third party natural gas suppliers.

Executive director, Gary Cronin, is an 10+ year veteran with the Applicant. His extensive background in call center management and quality control has helped UMG become one of the largest energy marketing companies in the country. His never quit attitude and drive for perfection help motivate and teach his staff how to apply the fundamentals of the business and become successful. Gary has a special report with UMG's clients. He treats their customers and prospects as if they were his own. He tells his customer service agents that he wants the person on the other end of the phone to reach through and hug them because of the high level of care and service we provide. Strict regulatory adherence is his specialty. UMG has one of the best QC & training departments in the business. Prior to the Applicant, Gary was co- owner and founder of MGI Communications, overseeing 100 agents and third party verification operators. See attached resume for Gary in Schedule 17(b)-2.

The Director of Sales & Personnel, Sherman Reid, has been in the energy industry for two years on the retail customer acquisition and retention side. His successes started out on the phones as he sold residential and small commercial campaigns for several of the nation's top energy supply companies. After proving a competency for production and quality, Sherman moved to management and operations where he drew on his business knowledge and energy sales experience to help carry out a proven business model of high volume customer acquisitions and marketing. Sherman currently holds the position of Director of Sales and Personnel for the Applicant where he is responsible for managing the system of information that provides its sales and admin staff not only with the most up to date information but the most robust training and QC measures, in order to ensure the best customer experience in the industry. See attached resume for Sherman in Schedule 17(b)-2.

The Director of IT, Ken Pomella, has been working consistently in the deregulated energy industry for the last two and a half years, in both the electricity and natural gas markets. Ken is certified by the Project Management Institute. See attached resume for Ken in Schedule 17(b)-2.

UTILITIES MARKETING GROUP, LLC

SCHEDULE 17(B)-2

FINANCIAL FITNESS: RESUMES OF CHIEF OFFICERS OF APPLICANT

GARY CRONIN—RESUME

PROFESSIONAL EXPERIENCE

Utilities Marketing Group Inc. ♦ 13100 56th Court Suite 705 Clearwater, FL 33761
Executive Director September 2003 – Current

- Oversee entire call center operations including all aspects of the business from Human Resources, Quality Control & Production.
 - Lead launch of new programs & develop new strategies for the sales teams.
 - Maintain profitability for the Florida office and ensure that we hit our client's targeted goals and consistently perform above industry standards with our Quality Control & Compliance Department.
- Stay in constant communication with the Vice President, Chief Finance Officer & the CEO/President to ensure all strategies are implemented.
- Began as Director of Operations handling all Quality Control, Training, and Compliance.

MGI Communications/Millennium Technologies TPV ♦
Owner June 1998 – August 2003

- Launched and managed call center with over 100 sales agents to market long distant products and home services for LDC's.
 - Responsible for of P&L Statements, staffing, client relations and new business development.
 - Attended trade shows and conventions
- Owned and managed third party Verification Company doing live and digital verifications.

NBC Communications ♦
Personal Director/Sales Manager March 1994 – May 1998

- Responsible for interviewing and hiring qualified agents and management. In turn increased staff from 20 to over 80 employees.
 - Developed and launched the Training & Development Department and Quality Control
 - Handled all outside advertising.

UTILITIES MARKETING GROUP, LLC

SHERMAN REID—RESUME

Utilities Marketing Group LLC

2012 – Current

Customer Acquisitions, Marketing and Retention firm specializing in the Retail Energy Industry.

Director of Sales & Personnel

- Manage the operations of management, sales and admin personnel of more than 300
- Work directly with clients, business development and account management teams to develop and carry out sales strategies across 17 states and Canada.
- Manage all potential sales opportunities across 5 different market channels
- Carry out analysis of statistics to determine potential growth; design sales performance goals and monitor performance on a regular basis.

Share the Goodness

2009 – 2012

Specialty and ethnic food distribution and olive oil bottling company specializing in importing and distributing Olive Oils.

Director of Operations

- Started olive oil and specialty food distribution business and opened over 400 direct wholesale customers and 12 distributors within various channels (Natural/Health, Grocery (Latin), Specialty, Export, Food Service, Buying Clubs and more) in Florida, resulting in 567% growth from initial investments within two years.
- Developed olive oil manufacturing/bottling component into process of consumer goods distribution to integrate all aspects of product development and distribution, resulting in increased monthly earnings by 60%.
- Initiated and implemented product launches, including cost and industry analysis, marketing strategies, and merchandising support for branded products for maximum exposure and revenue potential with minimal investment.
- Designed and implemented private label programs for customers that lead to 100% increases in inventory turn ratios, increased brand equity for the wholesalers and increased customer loyalty.

Thompson Pump & Manufacturing

2004 – 2009

Full-service manufacturer and provider of high quality pumps, pumping equipment, and engineering expertise for dewatering, bypass and emergency pumping applications in more than 20 branches across the United States and more than 30 distributors in the United States, Canada, and Latin America.

Corporate Operations & Logistics Manager (2006-2009)

- Coordinated and managed growth-induced restructuring of rental and manufacturing divisions.
- Managed and coordinated 25+ direct employees over 10 different departments.
- Managed implementation of new ERP (Enterprise Resource Planning) system within all branches of organization, as well as administration, sales, purchasing, engineering, and manufacturing.
- Managed and coordinated logistics and inventory into and from corporate between 20+ branch locations and countless distributors (domestic and international) and customers of over 50,000 unique SKU's.

UTILITIES MARKETING GROUP, LLC

- Worked directly with 4 vice-presidents, 5 regional managers, and key accounts on strategic planning and forecasting for municipal and contractor projects domestically and internationally.

Southwest Regional Sales Manager (2005-2006)

- Evaluated, planned and executed strategic sales and management objectives that generated 41% growth in the region, surpassing budget by 20%.

Operations Manager (2004)

- Coordinated all inventory and logistics and provided inside sales support for Central Florida Region (2nd largest revenue generating region in company).

Education

University of Florida, Gainesville FL

1997 - 2002

Bachelor of Science - Human Resource Management

- Fulfilled minors in Sociology and Business Administration.
- Completed internship at Neighborhood Nutrition Network.
- Completed internship with Howard Johnson Hotels.
- Assisted in writing business plans for Non-Profit Organizations as part of practicum experience.
- Maintained various retail and service based management roles throughout college years.
- Played Club Volleyball for UF

Skills/ Interests

- Proficient in Microsoft Dynamics NAV (Formerly Navision) a complete ERP solution for midsize companies, QuickBooks, 37 Signals (Web-Based CRM and Project Manager) and Microsoft Office software.
- Member of Big Brothers, Big Sisters, providing leadership and mentorship to at-risk male youth.
- Pro-bono work in creation and continued success of Davie Thrift, a retail thrift store supporting non-profit rescue group, Animal Aid.
- Enjoy cooking and belong to several "Foodies" groups
- All-around athlete, playing in competitive indoor/outdoor volleyball tournaments and enjoying relaxing outdoor activities such as paddle-boarding, yoga, and golf.
- Enjoy traveling and learning about cultures
- Experience with OSHA, DOT and ISO9001

UTILITIES MARKETING GROUP, LLC

KEN POMELLA—RESUME

Technical Skills

C#, C++, Visual Basic 6, VB.NET, VBA, Java, Html, ASP, ASP.NET, AJAX, JQuery, XML, JavaScript, .Net Framework (1.1, 2.0, 3.5), Entity Framework, Oracle/PLSQL, SQL Server 2000, SQL Server 2005, Sql Server Reporting Services, Active Reports, Kentico CMS, Windows 95/98/ME/NT/2000/XP/2003/Vista, Linux, AIX, MAC OSX, Office 2000/XP/2003/2007, Microsoft Project, MindManager, Openoffice, Norton Antivirus, Spybot, Mozilla suite

Project Management Skills

Project Management Methodology (PMBOK), Earned Value Management, Work Breakdown Structures (WBS), Critical Path Methodology (CPM)

Professional Experience

Utilities Marketing Group, LLC – Clearwater, Florida

Manager of Application Development Services – October 2010 – Present

- Created custom dynamic script application for call center in C#/ASP.Net 3.5
- Created custom script and client maintenance tool in C#/ASP.Net 3.5
- Created administration tool for operations in C#/ASP.Net 3.5 with the Entity Framework
- Created user maintenance tool for operations in C#/ASP.Net 3.5 with the Entity Framework
- Created web service for clients to submit leads for third party verifications
- Created windows service to automatically email daily client reports using GemBox Spreadsheet
- Created enrollment for clients to submit sales in C#/ASP.Net with the Entity Framework
- Created reporting web portal in C#/ASP.Net and client reports in SSRS
- Gathered requirements from clients to setup custom forms in dynamic script application
- Created schedules and provided estimates to clients for all projects
- Verified customer satisfaction after product release then closed out project

RevStar Consulting Inc. – Tampa, Florida

President – November 2009 – October 2010

- Created custom web based development solutions
- Built customer management system in C#/ASP.Net 3.5 with the Entity Framework
- Built content management control panel in C#ASP.Net 3.5 with the Entity Framework

Criterion Executive Search (contractor) – Tampa, Florida

.Net Developer – March 2010 – June 2010

- Created SharePoint based websites

UTILITIES MARKETING GROUP, LLC

- Edited content on already existing SharePoint websites
- Created windows service to parse data from SharePoint lists into a database
- Worked on website for PETA in Telligent community server
- Created C# / ASP.Net 3.5 widget controls for community server
- Participated in a Agile/Scrum project management environment

The Free Enterprise Nation Inc. – Tampa, Florida

.Net Developer – October 2009 – March 2010

- Created company website in C#/ASP.Net 3.5 (XHTML), JavaScript, and JQuery
- Developed C#/ASP.Net 3.5 (XHTML) web parts for Kentico CMS
- Created member website which included forums, blogs, rss feeds, and custom searchable news
- Worked with SQL Server 2008 to create stored procedures for the member website.
- Created a custom paging procedure for gridview and repeater controls for better performance
- Worked closely with executive staff to gather requirements for projects

Kingsway America Inc. – Elk Grove Village, Illinois / Tampa, Florida

Sr. Software Developer - September 2006 - September 2009

- Created customs bond filing interface with ASP.Net 2.0 (XHTML) with Ajax and C# (CBP Oracle)
- Worked on customer web interface with ASP.Net 3.5 (XHTML) with Ajax and C# (WebMerlin)
- Created sales goal interface for Avalon's CRM tool in ASP.Net 2.0 (XHTML), C#, and Ajax (S.W.O.R.D)
- Worked on custom internal report generation tool with VB.Net 1.1 Win-Forms (Guinevere)
- Created Web Service to automatically invoice customs bonds in C# .Net 3.5
- Created Windows service to query U.S. Revenue Division and notify brokers of successfully filed bonds
- Created numerous SSRS reports ranging from tabular reports to graphing and grouping
- Worked with SQL Server 2005 doing various DBA tasks and TSQL programming
- Mentored Mid-Level and Jr. developers
- Trained new contract developers
- Created Work Breakdown Structures with Mindjet MindManager
- Created Microsoft Project baselines from requirements gathered by business analysts
- Assigned project tasks to the best suited developer and verified completion
- Participated in project kickoff meetings with executive management
- Coordinated production product deployment
- Verified customer satisfaction
- Documented lessons learned when appropriate for reference on future projects

UTILITIES MARKETING GROUP, LLC

Per-Se Technologies - Elgin, Illinois

Programmer / Analyst – December 2005 - September 2006

- Created C# 2.0 windows application to automate transmission of medical claim data via FTP
- Created windows service in C# 2.0 to remove old files from multiple production servers
- Reengineered main file polling process into a C# 2.0 windows application
- Wrote various T-SQL statements to manipulate data and run reports SQL Server 2000
- Was responsible for administering a multi-million dollar medical claims processing system

Data Managers Inc. - Vernon Hills, Illinois

Application Developer - October 2004 - June 2005

- Created inventory and purchase order system with reports for Metal Co Inc in VB6 and Microsoft Access.
- Created chemical inventory system with finger print recognition for Velsicol Inc in VB6 and Microsoft Access.
- Worked on a software package for a freight organization in VB6 and SQL Server 2000

Single Source Inc. - Woodridge, Illinois

Assistant Director of I.T. Services - October 2004 - February 2005

- Engineered a logistics billing reconciliation windows application in VB.NET 1.1
- Designed a relation database and created stored procedures in SQL Server 2000
- Helped maintain all workstations and servers in an office of twenty

TrialFX - Chicago, Illinois

Web Developer - March 2003 - July 2003

- Developed company intranet using HTML, JavaScript, and Classic ASP
- Created the TrialFX homepage using HTML, JavaScript, and Macromedia Flash

Education

Keller Graduate School of Management of DeVry University - Tampa, FL

M.S. Information Systems Management - July 2008 - June 2009

- Graduated with distinction

DeVry University - Addison, IL

B.S. Computer Information Systems - July 2002 - July 2005

Certifications

Project Management Institute

Project Management Professional (PMP) - May 2009

UTILITIES MARKETING GROUP, LLC

SCHEDULE 18(A)-1

**TECHNICAL FITNESS: IDENTITY OF APPLICANT'S OFFICERS DIRECTLY
RESPONSIBLE FOR OPERATIONS AND THEIR RESUMES**

*Gary Cronin, Executive Director
*Sherman Reid, Director of Sales & Personnel
*Ken Pomella, Director of IT
13100 56th Court, Suite 705
Clearwater, Florida 33760
Phone: 727-572-0600; Fax: 727-572-0602

*The resumes for each of these individuals are previously attached hereto as Schedule 17(B)-2.

UTILITIES MARKETING GROUP, LLC

SCHEDULE 18(A)-2

PROPOSED STAFFING AND EMPLOYEE TRAINING COMMITMENTS

The Applicant currently has approximately four hundred (400) employees devoted to selling natural gas and electricity for different suppliers in various states. This staff will be used to market in the Commonwealth of Pennsylvania. With respect to training, the Applicant has closely reviewed all of the rules, regulations and guidelines set forth by the Pennsylvania Public Utility Commission and applicable law. The Applicant's entire staff will receive comprehensive training with respect to the same.

UTILITIES MARKETING GROUP, LLC

SCHEDULE 18(A)-2

BUSINESS PLANS OF APPLICANT

The Applicant proposes to operate as a marketer/broker for other suppliers of natural gas. Customers will continue to pay directly to supplier, as they do now, and will not pay AGR directly. The Applicant does not take title to the natural gas it markets.