

# Marketing Systems Group, LLC

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2033 Milwaukee Ave, Suite 350 Riverwoods, Illinois 60015

July 15, 2014

**Pennsylvania Public Utility Commission**  
**Secretary**  
**Keystone Building, 2<sup>nd</sup> Floor, Room N201**  
**Harrisburg, PA 17120**

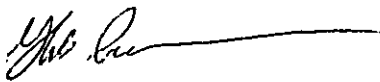
**Application of Marketing Systems Group, LLC dba ("Ilon Power") for a**  
**Broker/Marketer License to serve Natural Gas**

Dear Sir or Madam:

Attached please find the application for a license to supply natural gas for Marketing Systems Group, LLC for your review and consideration. Please keep under seal as "Confidential" and not make part of the public record the Exhibits 6A, 6B, 17A-1, 17A-2, 17A-3, 17A-4, 17B-1, 18A, 18G and 18H. The natural gas utility business is highly competitive, and it is imperative that public disclosure of the confidential information contained in the documents identified above be avoided. Marketing Systems Group, LLC is not a publically traded company and, therefore, all of its information is highly confidential and is available only to those individuals on a need to know basis. The public disclosure of Marketing Systems Group, LLC information as disclosed in response to the questions and provided in the exhibits referenced above would create an extreme hardship for Marketing Systems Group, LLC because it would give an unfair advantage to Marketing Systems Group, LLC competitors and would likely result in substantial economic damages to Marketing Systems Group, LLC .

Thank you for your time and consideration of our application as well. We look forward to working with you as we continue through the application process.

Very truly yours,



Gleb Arshinov

CEO, Marketing Systems Group, LLC

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JUL 16 2014

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

**Marketing Systems Group, LLC**

Application to offer, render, furnish Natural Gas as a Broker/Marketer

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PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

## BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Application of **Marketing Systems Group, LLC d/b/a ("Iion Power")** for approval to offer, render, furnish, or as a(n) Broker/Marketer of natural gas services.(see 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:

Marketing Systems Group, LLC  
2033 Milwaukee Ave, Suite 350  
Riverwoods, IL 60015  
312-600-3763  
<http://iionmarketinggroup.com>

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.

**NONE**

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:

Alexander Rozenblat  
General Counsel / Director of Compliance  
2033 Milwaukee Ave, Suite 350  
Riverwoods, IL 60015  
Phone: (312) 600-3763  
Fax: (312)-489-8462  
[regulatory@iionenergy.com](mailto:regulatory@iionenergy.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:

Alexander Rozenblat  
General Counsel / Director of Compliance  
2033 Milwaukee Ave, Suite 350  
Riverwoods, IL 60015  
Phone: (312) 600-3763  
Fax: (312)-489-8462  
[regulatory@iionenergy.com](mailto:regulatory@iionenergy.com)

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

Alexander Rozenblat  
General Counsel / Director of Compliance  
2033 Milwaukee Ave, Suite 350  
Riverwoods, IL 60015  
Phone: (312) 600-3763  
Fax: (312)-489-8462  
[regulatory@iionenergy.com](mailto:regulatory@iionenergy.com)

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- 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:

**InCorp Services, Inc.  
7208 Red Top Road  
Hummelstown, PA 17036  
Dauphin County**

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

X 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.

**Please see Attached Exhibit 4A**

**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**

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

**Please See Exhibit 5A**

Give name and address of officers.

Alexander Goldstein, Secretary and Treasurer  
2033 Milwaukee Ave, Suite 350  
Riverwoods, IL 60015  
Phone: (312) 267-1921  
[alexg@iionenergy.com](mailto:alexg@iionenergy.com)

Gleb Arshinov, CEO and President  
2033 Milwaukee Ave, Suite 350  
Riverwoods, IL 60015  
Phone: (312) 267-1922  
[mark@iionenergy.com](mailto:mark@iionenergy.com)

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

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

**NONE**

Give name and address of the affiliate(s) and state whether the affiliate(s) are jurisdictional public utilities.

- X 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

**Please See Exhibit 6A (Confidential)**

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.

**Please See Exhibit 6B (Confidential)**

- 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.

**NA**

- 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.

**NA**

**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):

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

**Marketing Systems Group, LLC intends to become a licensed Broker/Marketer of natural gas. We propose to contract with licensed gas suppliers in the State of Pennsylvania and supply natural gas services to residential, commercial, and industrial customers.**

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

Columbia Gas of PA, Inc.  
Peoples Natural Gas  
PECO Gas  
UGI Utilities  
UGI Central Penn Gas  
UGI Penn Natural Gas  
Peoples TWP LLC (Formerly T. W. Phillips)

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 or after August 15, 2014 (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:

<p><b>Valley Energy Inc.</b> Robert Crocker 523 South Keystone Avenue Sayre, PA 18840-0340 PH: 570.888-9664 FAX: 570.888.6199 email: <a href="mailto:rcrocker@ctenterprises.org">rcrocker@ctenterprises.org</a></p>	<p><b>National Fuel Gas Distribution Corp.</b> David D. Wolford 6363 Main Street Williamsville, NY 14221 PH: 716.857.7483 FAX: 716.857.7479 email: <a href="mailto:wolfordd@natfuel.com">wolfordd@natfuel.com</a></p>
<p><b>UGI Central Penn</b> David Beasten 2525 N. 12<sup>th</sup> Street, Suite 360 Reading, PA 19612-2677 PH: 610.796.3425 FAX: 610.796.3559</p>	<p><b>Peoples Natural Gas Company LLC</b> Lynda Petrichevich 375 North Shore Drive, Suite 600 Pittsburgh, PA 15212 email: <a href="mailto:Lynda.w.petrichevich@peoples-gas.com">Lynda.w.petrichevich@peoples-gas.com</a> PH: 412.208.6528 FAX: 412.208.6577</p>
<p><b>Peoples TWP LLC (Formerly T. W. Phillips)</b> Andrew Wachter 375 North Shore Drive, Suite 600 Pittsburgh, PA 15212 PH: 724.431.4935 FAX: 724.287.5021 email: <a href="mailto:Andrew.Wachter@peoplestwp.com">Andrew.Wachter@peoplestwp.com</a></p>	<p><b>UGI</b> David Beasten 2525 N. 12<sup>th</sup> Street, Suite 360 Reading, PA 19612-2677 PH: 610.796.3425 FAX: 610.796.3559</p>
<p><b>UGI Penn Natural</b> David Beasten 2525 N. 12<sup>th</sup> Street, Suite 360 Reading, PA 19612-2677 PH: 610.796.3425 FAX: 610.796.3559</p>	<p><b>Equitable Gas Company</b> Jerald Moody 225 North Shore Drive Pittsburgh, PA 15212-5352 PH: 412.395.3209 FAX: 412.395.3335</p>
<p><b>PECO</b> Carlos Thillet, Manager, Gas Supply and Transportation 2301 Market Street, S9-2 Philadelphia, PA 19103 email: <a href="mailto:carlos.thillet@exeloncorp.com">carlos.thillet@exeloncorp.com</a> PH: 215.841.6452</p>	<p><b>Columbia Gas of Pennsylvania Inc.</b> Thomas C. Heckathorn 200 Civic Center Drive Columbus, OH 43215 PH: 614.460.4996 FAX: 614.460.6442 email: <a href="mailto:theckathorn@nisource.com">theckathorn@nisource.com</a></p>
<p><b>Philadelphia Gas Works</b> Douglas Moser 800 West Montgomery Avenue Philadelphia, PA 19122 email: <a href="mailto:douglas.moser@pqworks.com">douglas.moser@pqworks.com</a> 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.

**Please see Exhibit 14 "Appendix B"**

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.

**Marketing Systems Group, LLC nor any affiliate, predecessor or any person identified in this application have ever been convicted of a crime involving fraud or any other similar activity.**

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.

**Please See Exhibit 16A**

- b. Provide a copy of all standard forms or contracts that you use, or propose to use, for service provided to residential customers.

**Marketing Systems Group, LLC is submitting an application for a broker/marketer license. Marketing Systems will adopt the standard forms of contract from the approved License suppliers within Pennsylvania.**

- c. 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.

**Marketing Systems Group, LLC is submitting an application for a broker/marketer license. Marketing Systems will adopt the standard forms of contract from the approved License suppliers within Pennsylvania.**

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:

- Actual (or proposed) organizational structure including parent, affiliated or subsidiary companies.

**Please See Exhibit 17A-1 (Confidential)**

- Published parent company financial and credit information.

**In support of its Certification Application for a Natural Gas Broker/Marketer license in the State of Pennsylvania, Marketing Systems Group, LLC and its parent are privately held companies and does not have published financial and credit information.**

- 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.

**Please See Exhibit 17A-2 (Confidential)**

**In support of its Certification Application for a Natural Gas Broker/Marketer license in the State of Pennsylvania, Marketing Systems Group, LLC hereby states that it is a startup and does not currently have a balance sheet and income statement. However please see attached Marketing Systems Group, LLC affiliate most recent fiscal year balance sheet and income statement.**

- 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.

**In support of its Certification Application for a Natural Gas license in the State of Pennsylvania, Marketing Systems Group, LLC hereby states that it is a startup and does not currently have a credit report from Dun and Bradstreet or Robert Morris and Associates financial form or other independent financial service reports.**

**Marketing Systems Group, LLC does have a DUNS Number: 79114410**

- 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.

**Please see Exhibit 17A-3 (Confidential)**

- Audited financial statements

**Please see Exhibit 17A-4 (Confidential)**

**In support of its Certification Application for a Natural Gas Broker/Marketer license in the State of Pennsylvania, please see Marketing Systems Group, LLC affiliate company most recent audited financials.**

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.

**Please see Exhibit 17B**

- Identify Applicant's chief officers including names and their professional resumes.

**Please see Exhibit 17B-1(Confidential)**

- Provide the name, title, address, telephone number and FAX number of Applicant's custodian for its accounting records.

**Chris Greco**  
**1658 N Milwaukee Ave**  
**Suite 314**  
**Chicago, IL 60647**  
**Phone: (630) 643-5600**  
**Fax: (312) 489-8462**  
**[regulatory@eligoenergy.com](mailto:regulatory@eligoenergy.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:

- The identity of the Applicant's officers directly responsible for operations, including names and their professional resumes.

**Please See Exhibit 18A (Confidential)**

- A copy of any Federal energy license currently held by the Applicant.

**NA**

- Proposed staffing and employee training commitments.

**Please See Exhibit 18G (Confidential)**

- Business plans.

**Please See Exhibit 18H (Confidential)**

19. **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.

Applicant so understands.

20. **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.

Applicant so understands.

21. **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.**

Applicant so understands.

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.

Applicant so understands.

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.

Applicant so understands.

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

Applicant: Marketing Systems Group, LLC  
By: [Signature]  
Title: CEO

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JUL 16 2014

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

# AFFIDAVIT

[Commonwealth/State] of Illinois

ss.

County of Cook

Gleb Arshinov, Affiant, being duly [sworn/affirmed] according to law, deposes and says that:

[He is the Chief Executive Officer (Office of Affiant) of Marketing Systems Group, LLC (Name of Applicant);]

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

That Marketing Systems Group, 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 Marketing Systems Group, LLC, the Applicant herein, asserts that [he/she/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 Marketing Systems 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 Marketing Systems 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.

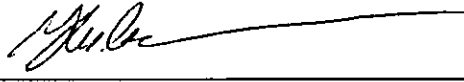
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That the Applicant agrees to provide all consumer education materials and information in a timely manner as requested by the Commission's Office of Communications or other Commission bureaus. Materials and information requested may be analyzed by the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

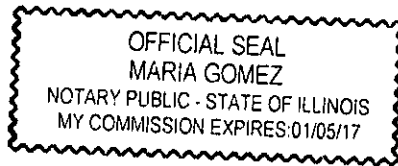
That the facts above set forth are true and correct/true and correct to the best of his/her knowledge, information, and belief.

  
\_\_\_\_\_  
Signature of Affiant

Sworn and subscribed before me this 15 day of July 2014.

  
\_\_\_\_\_  
Signature of official administering oath

My commission expires 1-5-17.



# AFFIDAVIT

[Commonwealth/State] of Illinois:

SS.

County of Cook :

Gleb Arshinov, Affiant, being duly [sworn/affirmed] according to law, deposes and says that:

He is the Chief Executive Officer (Office of Affiant) of Marketing Systems Group, LLC

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

That Marketing Systems Group, L.L.C. the Applicant herein certifies that it has caused the notice of the filing of its license applicat published in the following newspapers on (Already Published):

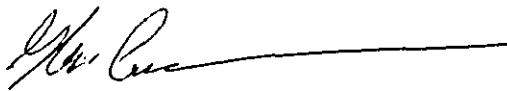
(Date)

Erie Times  
Johnston Tribune  
Harrisburg Patriot News  
Philadelphia Daily News  
Scranton Times  
Pittsburgh Post  
Williamsport Sun Gazette

A copy of the notice as it appeared in each of the above newspapers is attached. Noted on each copy is the newspaper section (name, number or letter), if applicable, and the page number on which the notice appeared.

That Marketing Systems 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 knowledgc, 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 15 day of July 2014



Signature of official administering oath

My commission expires 1-5-17



# AFFIDAVIT

[Commonwealth/State] of Illinois:

: ss.

County of Cook :

Gleb Arshinov, Affiant, being duly [sworn/affirmed] according to law, deposes and says that:

He is the CEO (Office of Affiant) of Marketing Systems Group, LLC

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

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

That the Applicant herein Marketing Systems 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 Marketing Systems 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.



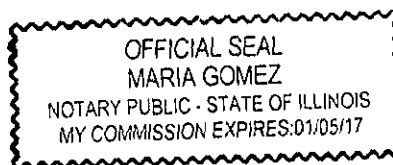
Signature of Affiant

Sworn and subscribed before me this 15 day of July 2014



Signature of official administering oath

My commission expires 1-5-17





## 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 or 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.

## Appendix C

### Example CERTIFICATE OF SERVICE

On this the 7th day of July 2014, I certify that a true and correct copy of the foregoing application form for licensing within the Commonwealth of Pennsylvania as an Natural Gas Supplier and all attachments have been served upon the following:

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

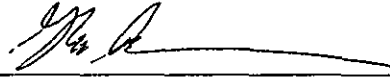
**Office of the Attorney General**  
Bureau of Consumer Protection  
Strawberry Square, 14th Floor  
Harrisburg, PA 17120

**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>Columbia Gas of PA, Inc.</b> Thomas C. Heckathorn 200 Civic Center Drive Columbus, OH 43215 PH: 614.460.4996 FAX: 614.460.6442 <a href="mailto:theckathorn@nisource.com">theckathorn@nisource.com</a>	<b>Equitable Gas Company</b> Lynda Petrichevich 375 North Shore Drive, Suite 600 Pittsburg, PA 15212 PH: 412.208.6528 FAX: 412.208.6577 e-mail: <a href="mailto:Lynda.w.petrichevich@peoples-gas.com">Lynda.w.petrichevich@peoples-gas.com</a>
<b>National Fuel Gas Distribution Corp.</b> David D. Wolford 6363 Main Street Williamsville, NY 14221 PH: 716.857.7483 FAX: 716.857.7479 e-mail: <a href="mailto:wolfordd@natfuel.com">wolfordd@natfuel.com</a>	<b>PECO</b> Carlos Thillet, Manager, Gas Supply and Transportation 2301 Market Street, S9-2 Philadelphia, PA 19103 PH: 215.841.6452 Email: <a href="mailto:carlos.thillet@exeloncorp.com">carlos.thillet@exeloncorp.com</a>
<b>The Peoples Natural Gas Company</b> Lynda Petrichevich 375 North Shore Drive, Suite 600 Pittsburg, PA 15212 PH: 412.208.6528 FAX: 412.208.6577 e-mail: <a href="mailto:Lynda.w.petrichevich@peoples-gas.com">Lynda.w.petrichevich@peoples-gas.com</a>	<b>Philadelphia Gas Works</b> Nicholas LaPergola 800 West Montgomery Avenue Philadelphia, PA 19122 PH: 215.684.6278 email: <a href="mailto:nicholas.lapergola@pgworks.com">nicholas.lapergola@pgworks.com</a>
<b>Peoples TWP LLC (Formerly T. W. Phillips)</b> Lynda Petrichevich 375 North Shore Drive, Suite 600 Pittsburg, PA 15212 PH: 412.208.6528 FAX: 412.208.6577 e-mail: <a href="mailto:Lynda.w.petrichevich@peoples-gas.com">Lynda.w.petrichevich@peoples-gas.com</a>	<b>UGI</b> David Lahoff 2525 N. 12 <sup>th</sup> Street, Suite 360 Reading, PA 19612-2677 PH: 610.796.3520 Email: <a href="mailto:dlahoff@ugi.com">dlahoff@ugi.com</a>

<p><b>UGI Central Penn</b>  David Lahoff  2525 N. 12<sup>th</sup> Street, Suite 360  Reading, PA 19612-2677  PH: 610.796.3520  Email: <a href="mailto:dlahoff@ugi.com">dlahoff@ugi.com</a></p>	<p><b>UGI Penn Natural</b>  David Lahoff  2525 N. 12<sup>th</sup> Street, Suite 360  Reading, PA 19612-2677  PH: 610.796.3520  Email: <a href="mailto:dlahoff@ugi.com">dlahoff@ugi.com</a></p>
<p><b>Valley Energy Inc.</b>  Robert Crocker  523 South Keystone Avenue  Sayre, PA 18840-0340  PH: 570.888-9664  FAX: 570.888.6199  email: <a href="mailto:bobc@ctenterprises.org">bobc@ctenterprises.org</a></p>	



Gleb Arshinov, Marketing Systems Group, LLC