



August 27, 2014

Commonwealth of Pennsylvania  
Pennsylvania Public Utilities Commission  
P.O. Box 3265  
Harrisburg, PA 17105-3265

ATTN: Rosemary Chiavetta, Secretary

RE: Burton Energy Group, Inc. Application for Natural Gas Supplier License

Dear Ms. Chiavetta,

Please be advised that Burton Energy Group, Inc. has included additional information to submit for their Natural Gas Supplier License as requested by the Pennsylvania Public Utility Commission. The information included is in reference to Docket No. A-2014-2431165.

The information included responses to the following:

- Reference application, Section 6, Affiliates and Predecessors with Pennsylvania
- Reference application, Section 16.a, Standards, Billing Practices, Terms and Conditions of Providing Service and Consumer Education
- Reference application, Section 17, Financial Fitness
- Reference application, Section 17.b, Financial Fitness
- Reference application, Section 18, Technical Fitness
- Reference application, Section 19- 24

Thank you for your consideration of Burton Energy Group, Inc.'s Application.

Sincerely,

A handwritten signature in black ink, appearing to read 'R Banks Quarles, Jr.', followed by a large, stylized flourish.

R. BANKS QUARLES, JR.

Director of Finance and Accounting

Burton Energy Group, Inc.

Enclosure

cc. Stephen Jakab

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

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

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

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

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

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.

Kristen Murphy  
Vice President, Energy Supply and Risk Management  
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jkessler@ burtonenergygroup.com

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 Attachment F**

- Published parent company financial and credit information.

**Burton Energy Group, Inc. does not have a parent company; this requirement is not applicable.**

- 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 reference Attachment C**

- 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.

**Please See Attachment D (Burton Energy Group's 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.

**Please reference Attachment C**

- Audited financial statements

**Burton Energy Group, Inc. is not a publicly traded company; this requirement is not applicable.**

- Such other information that demonstrates Applicant's financial fitness.

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.

**Burton Energy Group, Inc. is filing as a licensed broker/ marketer, this requirement is not applicable.**

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

- **Please reference Attachment E.**

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

**R. Banks Quarles Jr.**  
**Director of Finance and Accounting**  
**Burton Energy Group, Inc.**  
**3650 Mansell Rd. Ste. 350**  
**Alpharetta, GA 30022**  
**Phone: (678) 829-4012**  
**Fax: (678) 829-0534**  
**Email: bquarles@burtonenergygroup.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 reference Attachment E.**
- A copy of any Federal energy license currently held by the Applicant.
  - **Burton Energy Group, Inc. does not currently hold a Federal energy license**
- Proposed staffing and employee training commitments.
  - **Please see Attachment F**
  - **Employees are fully trained and highly experienced.**
  - **Burton Energy Group, Inc. has a formal commitment for a continuing education program for current employees. Each year beginning with September 1<sup>st</sup>, the company commits \$500 per employee for educational materials, memberships to educational seminars, subscriptions to industry periodicals, partial payment towards coursework or conferences, etc. This financial support provides employees the additional assistance to ensure employees have the appropriate training and knowledge of the energy market and energy policies.**
- Business plans.
  - **Please reference Attachment E.**

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.

**AGREED**

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.

**AGREED**

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

**AGREED**

- 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.

**AGREED**

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.

**AGREED**

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

**AGREED**

I, R. Banks Quarles Jr., hereby state that the facts above set forth are true and correct to the best of my knowledge, information and belief, and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).