

February 11, 2018

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
400 North Street, Keystone Building
Harrisburg, PA 17120

Secretary Bureau:

I have recently filed for Electricity and Natural Gas Broker Licenses on behalf of my company Apollo Edison LLC. I am sending along this letter and documents in follow up to that application in hopes of completing and rectifying that applications for timely approval. The 2 items referenced below for Docket No. A-2018-2641004 are provided.

Docket No. A-2018-2641004
Apollo Edison LLC
Data Requests

1. Reference Application, Section 4.d, Bonding Letters – Applicant failed to provide any of the required bonding letters. Please provide the missing documentation.
2. Reference Application, Section 8.a, Technical Fitness – Applicant failed to provide sufficient documentation for Technical Fitness. Please provide additional information of the types listed in Section 8.a of the Application Package.
3. Reference Application, Section 12, Notarized Proofs – Applicant failed to provide a notarized proof of publication for Johnstown Tribune-Democrat. Please provide the notarized proofs of publication for the above newspaper.

I, Kenneth S. Antos, 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).



Kenneth S. Antos
Principal
Apollo Edison LLC
310 Nottingham Drive
Spring City, PA 19475
(508) 612-4288
kantos@apolloedison.com

1. Reference Application, Section 4.d, Bonding Letters – Applicant failed to provide any of the required bonding letters. Please provide the missing documentation.

- a. BONDING:** In accordance with 66 Pa. C.S. Section 2208(c), no natural gas supplier license shall be issued or remain in force unless the applicant or holder furnishes a bond or other security in a form and amount to ensure the financial responsibility of the natural gas supplier. The criteria used to determine the amount and form of such bond or other security shall be set by each NGDC. Provide documentation that the applicant has met the security requirement of each NGDC by submitting the letters sent by the NGDCs stating what bonding amounts they require.

Apollo Edison LLC is applying for a Natural Gas broker license in the Commonwealth of Pennsylvania. Because the Applicant is a Broker and not a Supplier, no additional Bonding requirements from the Natural Gas Distribution Companies (NGDC) have been requested. The Applicant has received letters from Columbia Gas of Pennsylvania and National Fuel, stating that no bonding is required. The Applicant has provided copies of these letters in **Appendix A**.

2. Reference Application, Section 8.a, Technical Fitness – Applicant failed to provide sufficient documentation for Technical Fitness. Please provide additional information of the types listed in Section 8.a of the Application Package.

8. TECHNICAL FITNESS:

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

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

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

The Applicant, Apollo Edison LLC, is updating the application with additional information on Technical Fitness. The Applicant has tremendous experience with energy services including brokering supply and will demonstrate that within.

Applicant's previous experience in the electricity industry.

Apollo Edison LLC is a single member/principal entity, whose Principal is Kenneth S. Antos. Mr. Antos has extensive experience in the energy space dating back to 2006 when he began employment at World Energy Solutions Inc. (World Energy). World Energy has since been acquired by EnerNOC and now Enel. At the time of original employment, Mr. Antos was a key Account Manager working with various channel partners and customers on sourcing electricity and natural gas nationally. At the time, the company was privately held, and he was involved with IPOs on Toronto Stock Exchange (TSX) later in 2006 and then on the NASDAQ in 2009. As the company grew, Mr. Antos' responsibilities grew along with it. Mr. Antos has been physically located and worked in markets like NEISO, ERCOT and predominately PJM. Mr. Antos moved to the Commonwealth of Pennsylvania initially in late 2008 to begin working with PA customers on their Natural Gas and in anticipation of PA Electricity Rate Cap Expiration.

As the PA market opened, Mr. Antos became involved with hundreds of electricity and natural gas supply contracts over the course of several years. He worked with various commercial, industrial and governmental customers to help them manage costs & risk associated with their energy supply contracts. These customers generally have multi-million-dollar energy spends and he has conducted several hundred million dollars in energy transactions. Mr. Antos has been involved with all aspects of these transactions from initial needs analysis, through competitive bid, contract execution and ongoing management.

The primary methodology used for transacting customer supply contracts was via online bidding and reverse auctions. This methodology provides for very transparent display of the process to the end-user customer of energy, and this is something that he holds as valuable today. As the PA and other PJM markets grew for World Energy, Mr. Antos grew a sales & account management team of 6 personnel, within the organization. This team worked under his purview to assist end user customers and their

consultants with their energy supply needs. It is important to note, that Mr. Antos and his team were also involved with assistance customers with meeting renewable energy sourcing goals and consulting around Demand Response Services.

Upon World Energy's acquisition by EnerNOC completed in January 2015, Mr. Antos managed his team into new roles at the combined organization. Mr. Antos was a team lead energy supply expert, assisting 12 other team member's customers with supply services.

As the organization evolved, Mr. Antos opted to work in the Demand Response and Software services group at EnerNOC. This helped to further round out his expertise in Demand Response markets and Energy Software and Monitoring that he is further involved with today.

Upon completing 10 full years of service at the combined World Energy / EnerNOC organization, Mr. Antos went to pursue his interest in working for a Retail Energy Supplier in WGL Energy. At WGL, Mr. Antos was responsible for providing electricity and natural gas commodity solutions to indirect channels and direct end-user customers. This was invaluable experience to understand the inner workings of pricing electricity and natural gas customers in DE, DC, MD, VA and mostly PA. Mr. Antos has unique experience having worked at both the energy broker/consultant and retail supplier level.

Mr. Antos then went on to setting up his own energy management & consulting firm, Apollo Edison LLC.

The company will act as an outsourced energy manager to customers looking for service on various aspects of energy. These services include the following below:

- Managing electricity & natural gas supply spend & risk
- Managing Renewable Energy inclusion being onsite or offsite Options
- Consulting around Demand Response Contract Services
- Assisting customers with decision-making and exploring Financing for Distributed Generation Resources
- Consulting around energy efficiency and rebates, along with installing energy monitoring software

It is important to note that the Applicant and its Principal officer, Kenneth Antos, have been involved with every facet of the energy brokering process for more than a decade. Mr. Antos has worked with clients on initial supply option needs analysis and understanding their budget and risk tolerances. Developing a Request for Proposal (RFP) from qualified and approved Third-Party Retail Energy Suppliers. From there Mr. Antos has thoroughly vetted the supplier offerings for various contract products & term lengths. Once vetted and cross-referenced back to the customers needs and overall supply management strategy, contracts would be consummated. These contracts have been thoroughly reviewed and negotiated to optimize not only price, but various Terms & Conditions in the contract that affect the customer. Upon successful contracting, the current contracts, invoices and market conditions would all be monitored. This monitoring would flag any contract or invoicing errors and look for opportune times to go back out for supply RFPs. This ongoing procurement process is valuable to the client and an integral part of the Apollo Edison LLC procurement process and overall energy management practice.

Summary and proof of licenses as a supplier of electric services in other states or jurisdictions.

Apollo Edison LLC has commenced working on supply opportunities in CT and NY, as they do not require licensing. The Applicant has filed for licenses in DE, OH, and MA, in addition to PA. The Applicant has plans to file for licenses in DC, IL, MD and NJ also. The Applicant has customers with sites in various states that would require this extensive licensing.

Currently, the Applicant does not have any approved licenses as PA was the first license filed for. The Applicant does have a Docket # for the DE Application 17-1160.

Type of customers and number of customers Applicant currently serves in other jurisdictions.

The Applicant is currently not servicing customers in other jurisdictions as the company is a startup with licensing pending. The Applicant is currently working on Demand Response and Energy Monitoring contracts that are pending and slated to transact in the coming weeks. Upon receiving licensing in the various markets applied for, the Applicant will begin to pursue supply contract opportunities. The Applicant will work with past customers that have been provided energy services. These customers range in size, industry and sophistication level around energy, but can benefit from the transparent and straight-forward manner of business that Apollo Edison LLC provides.

Staffing structure and numbers as well as employee training commitments.

Currently the Applicant is a single member/partner/principal LLC, whose Principal is Kenneth Antos. Mr. Antos' wife Jessica is a homemaker and has recently started assisting with some of the business needs. This is the initial staff that will be utilized to assist customers with their energy management needs. The goal initially and longer term is to maintain a small headcount of employees, but partner with the "best of breed" solutions in the industry to bring the customer value. As the business grows and scales, the need for increased headcount or acquisition may be necessary and considered. Having been involved with Mergers & Acquisitions and organically growing headcount at World Energy, the skillset is there, but not necessarily required initially.

Additionally, Mr. Antos is a firm believer in leveraging technology to create efficiencies and heighten the customer experience. The Applicant is developing technology to assist customers with accessing general and specific energy market information to make informed decisions and transactions.

The Applicant will be involved with various energy related and non-energy related organizations for continuing education and best practices. These organization include Associations of Energy Engineers (AEE) and The Energy Professional's Association (TEPA). Mr. Antos has been involved with these organization in the past from a certification and speaking engagement perspective. Mr. Antos has been a Certified Energy Procurement Professional (CEP) since 2006 and has also taken courses in Distributed Generation (DG) and Certified Energy Manager (CEM). Mr. Antos sees continuing education and training as critical to personal and professional development and will continue to do this himself and for any team members that may join over time.

Business plans for operations within the Commonwealth.

The Applicant intends to operate within the Commonwealth as it has since 2008 and also has in other markets. This is to conduct business in a fair and transparent manner at a low cost to the customer to create value. The Applicant is looking to be the outsourced energy manager for various organizations that do not have the size or sophistication to bring on a full-time resource. This involves a relationship built on trust and transparency, and reputation is critical in this or any industry. The Applicant will work with satisfied former clients that are looking for this trusted advisor relationship in the current marketplace. Upon completing successful consulting work or transactions for clients, the business plan is to work with referred similar customers in size & industry. As the organization grows, additional marketing and

outreach will be performed to get the Apollo Edison LLC business name in front of additional prospective customers. The Applicant has provided a partial business plan in **Appendix B** of this document.

Documentation of membership in PJM, ECAR, MAAC, other regional reliability councils, or any other membership or certification that is deemed appropriate to justify competency to operate as an EGS within the Commonwealth.

The Applicant is currently not a member of PJM, ECAR, MAAC and does not intend to be as part of the business operations or plan. The Applicant will be involved with the Association of Energy Engineers (AEE) and The Energy Professional's Association (TEPA). As the business grows over time and there is a need to be involved with other associations and councils, those will be considered.

Any other information appropriate to ensure the technical capabilities of the Applicant.

The Applicant hopes that it has conveyed their experience and willingness to conduct sound business practices in the Commonwealth of Pennsylvania. The Applicant has physically relocated to PA to conduct energy business dealings for nearly the past decade and looks forward to continuing to do so. The Applicant's principal, Kenneth Antos, feels that he has the appropriate experience and reputation that make for an ideal Applicant in this energy environment and thank you for your consideration. The Applicant's Principal Officer, Kenneth Antos' Resume can be found in **Appendix C.**

3. Reference Application, Section 12, Notarized Proofs – Applicant failed to provide a notarized proof of publication for Johnstown Tribune-Democrat. Please provide the notarized proofs of publication for the above newspaper.

Apollo Edison LLC notes that the notarized proof of publication for the Johnstown Tribune-Democrat was mistakenly excluded from the original application filing. An electronic copy of the proof of publication can be found in **Appendix D**, which was also provided in an application update dated December 19th, 2017. In addition, all of the seven-original proof of publication documents, including the Johnstown Tribune-Democrat proof, were provided to the PUC on January 24th, 2018.

**Exhibit A –NGDC Bonding Letters
(Columbia Gas of PA and National Fuel)**



December 11, 2017

Kenneth S. Antos
Apollo Edison LLC
310 Nottingham Dr
Spring City, PA 19475

Dear Kenneth S. Antos:

We are pleased that Apollo Edison LLC has applied for a license to provide Natural Gas Broker/Marketer Services on the distribution system of Columbia Gas of Pennsylvania, Inc. ("Columbia Gas").

Under Paragraph 2.4.5 of the Rules Applicable to Distribution Service section of the Tariff of Columbia Gas, Apollo Edison LLC could be required to provide to Columbia Gas a bond or other financial security instrument in an amount that Columbia Gas determines to be appropriate. Apollo Edison LLC has indicated only brokering and consulting services will be provided. Therefore, we have determined at this time that Apollo Edison LLC does not need a bond or other financial security requirement to provide broker natural gas services to Columbia Gas customers.

If the creditworthiness requirement or Columbia Gas' exposure to Apollo Edison LLC changes in the future, Columbia Gas might deem it appropriate to require Apollo Edison LLC to provide a bond or other financial security instrument.

Please feel free to contact me at 614-460-4712 should you have any questions regarding a bond or other financial security instrument requirements of Columbia Gas.

Sincerely,

Patricia Chang

Patricia Chang
Manager of Choice and Transportation Support Services



National Fuel

December 7, 2017

Kenneth S. Antos, Principal
Apollo Edison LLC
310 Nottingham Drive
Spring City, PA 19475

Re: Security Requirement for Apollo Edison LLC

Dear Kenneth,

National Fuel Gas Distribution Corporation ("NFGDC") is aware Apollo Edison LLC (APE) has filed an application with the Pennsylvania Public Utility Commission to supply natural gas service to the public in Pennsylvania and specifically within the service territory of NFGDC.

As you know, in making such an application, APE must furnish acceptable security to each utility where APE will do business. As such, under its tariff, NFGDC could require APE to provide a bond or other financial security instrument in an amount that NFGDC determines to be appropriate.

However, you have indicated, and it is NFGDC's understanding that APE intends only to provide natural gas aggregating, brokering and consulting services at this time. You have stated that, in performing these services, APE will never take title to any delivered natural gas.

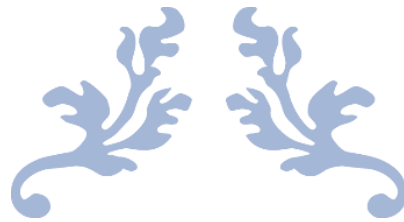
Based upon your representations, NFGDC has determined that, at this time, APE does not need to post a bond or other form of security to operate in its service territory. However, if the services provided by APE change in the future, NFGDC reserves the right to require security from APE as it deems appropriate.

If you have any questions concerning the foregoing, please contact me at 716-857-7599.

Yours truly,

Nathan E. Barnes
Transportation Services Department

Exhibit B – Apollo Edison LLC Business Plan



APOLLO EDISON LLC

Business Plan 2018



JANUARY 1, 2018
APOLLO EDISON LLC

Apollo Edison LLC (Apollo)

Executive Summary

Apollo Edison LLC (Apollo) is a newly formed Delaware LLC operated by Kenneth Antos, an energy industry veteran since 2006. This plan is written as a guide for and working document for growth over time.

Apollo's core business is based upon the principals of retail deregulation for electricity and natural gas within the continental United States. Peripheral lines of business and revenues will be generated from incorporation renewable energy, Demand Response, engineering and energy efficiency projects.

- The objectives of Apollo are to generate a profit, grow at a challenging and manageable rate, and to be a good citizen in the industry and local communities.
- The mission of Apollo is to provide high quality energy sourcing and risk management services to clients in a transparent manner.
- The keys to success for Apollo are variety of business services, deep industry knowledge, personal contacts, timely and accurate service, leveraging technology and efficiencies whenever possible, and a reputation of honesty and integrity.
- The primary services offered will be electricity and natural gas procurement for Commercial, Industrial and Governmental (CIG) clients. Peripheral energy related services may include Residential procurement, Demand Response offerings, Renewable Energy incorporation (both physical and financial), risk management services, distributed & renewable generation consulting, and back office services for other energy consultants.
- The first 2 years of business operation will focus on intense customer acquisition and retention. Within this timeframe and beyond, various opportunities for growth will be explored. These opportunities include hiring supporting talent, partnerships for back office support, developing a technology platform to increase efficiencies and customer stickiness, and incorporating emerging technologies to the solution set (i.e. battery storage).

In conclusion, as shown in the highlights above, there is a solid foundation for starting and growing a successful business. Implementing this plan, will ensure that Apollo will become a competitive and innovative force in the deregulated energy marketplace for decades to come.

Contents

- 1. The Apollo Group Objectives 13
 - 1.1 Objectives 13
 - 1.2 Mission..... 13
 - 1.3 Keys to Success..... 13
- 2. Company Summary 13
 - 2.1 Company Ownership 14
 - 2.2 Start-up Summary 14
- 3. Services 15
 - 3.1 Core Energy Services..... 15
 - 3.2 Value Added Products 15
 - 3.3 Longer Term Offerings and Goals 16
- 4. Market Analysis Summary 17
 - 4.1 Market and Opportunity Description 17
 - 4.2 Market Segmentation 18
- 5. Competitive Edge..... 19
 - 5.1 Marketing Strategy..... 19
 - 5.2 Sales Strategy..... 19
 - 5.3 Sales Forecast..... 20
 - 5.4 Milestones 21
 - 5.5 Management Summary 21
- 6 Personnel Plan..... 21
- 7 Financial Plan and Start-up Funding..... 21
- Conclusions:..... 22

1. The Apollo Group Objectives

1.1 Objectives

The main objectives of Apollo are:

- Customer Acquisition: to acquire past customer business and seek customer referrals to expand growth. (Customer referrals are the cheapest method for obtaining new clients).
- Profit - to create enough prosperity for the Principal and future potential employees and to have a secure and comfortable working environment and lifestyle.
- Growth - to grow the business at a rate that is both challenging and manageable.
 - Grow Revenue to \$1,000,000 in the first 3 years.
 - Grow Revenue to \$2,000,000 in the first 5 years.
 - To add employees as the business grows and warrants.
 - Maintain profit margins of 75% or greater.
- Citizenship - to be a social steward in the industry and local communities and also contribute philanthropically and environmentally through renewable energy services.

1.2 Mission

Apollo is dedicated to providing energy purchasing services that provide customer savings with increased transparency and decreased risk. We wish to establish a successful partnership with our clients by respecting their interests and goals.

Success will be measured by our clients choosing us because of their belief in our ability to meet or exceed their expectations of pricing, service levels, market knowledge and transparency.

1.3 Keys to Success

The keys to the success for Apollo are:

- A focused set of energy procurement services that are affordable, available and understandable.
- Personal contact and service that meets or exceeds the expectations of our clients.
- To ensure professional marketing and presentation of services at all times.
- Services and products that are delivered with accuracy and timeliness.
- Relationships with our clients that fosters an above industry average retention rates.
- A reputation in the community for it's honesty and integrity.

2. Company Summary

Apollo is a start-up company located in the Philadelphia, PA suburbs that provides energy procurement services to Commercial, Industrial and Governmental (CIG) customers. Growth of Apollo will stem from a rolodex of customer contacts from being in the space since 2006. The first decade of experience has come from sales & account management performed in an identical fashion to Apollo's operations.

2.1 Company Ownership

Apollo will be an LLC owned by Kenneth Antos. Kenneth is a native New Englander (who hides his accent quite well) and received his Bachelor's of Science in Mechanical Engineering from Worcester Polytechnic Institute and an MBA from The University of Connecticut. After having some small business ventures during and after college, he began working for World Energy Solutions, Inc. (XWES) in June 2006.

In his time at World Energy, he went through IPOs on TSX and NASDAQ and relocated to work in several energy markets including TX, DC and now PA where he lives & works with his wife Jessica. Kenneth was involved with integrating employees and customers through several acquisitions included World Energy being acquired by EnerNOC (ENOC) and now Enel. He is a seasoned energy veteran having booked over \$100mm in energy contracts for clients directly and indirectly through 3rd party channels. Kenneth has spoken at many industry events and quoted in publications as a subject matter expert.

Kenneth is seeking the right mix of advisory resources that will position the company for long term sustained growth and success. The playbook to IPO the company from a small startup exists from his World Energy experience and is a potential long-term goal.

2.2 Start-up Summary

Apollo is focused on maintaining positive cash flow and is risk averse enough to understand that during months in which contracts are not available, the corporation must sustain itself. With this said, planned debt leverage is low, therefore risk to the lender is relatively low as well. The existing cash flow and annuity-based revenue stream also create a stable basis to manage the company and layer in growth steadily.

A breakdown of all past expenses and projected expenses through 2022 are summarized in the Financial Pro-forma attachment. Select Apollo start-up costs and expenses include:

- Marketing: marketing material including stationary and logos can be designed by Kenneth having experience doing this with past businesses; experience in CorelDraw and Adobe Creative Suite.
- Printing of Stationary, Business Cards, Brochures
- CRM Licensing: licensing for Salesforce.com to manage and maintain relationships and deal flow efficiently.
- Web and Social Media Development: Can be performed internally
- Cell Phone Plan: business smartphone for call/text/email communication with clients at all times, "energy never sleeps"
- Office Supplies: supplies necessary to set up an office
- Training/Licensing: costs associated with the state licenses required for the energy business
- Business Associations: membership into several business associations such as Chamber of Commerce, LeadingAge, Association of Energy Engineering

Apollo Services long-term assets include:

- Laptop Computer: used in meetings with clients for customer demos, presentations, deal processing.
- Docking station for working at home/office when not traveling.

3. Services

3.1 Core Energy Services

Apollo provides electricity and natural gas procurement services to Commercial, Industrial, and Governmental (CIG) clients. Apollo will conduct business as an Energy Aggregator, Broker, Consultant (ABC). ABC's facilitate 65% of the energy procurement business conducted in the United States. An Energy Research Council (ERC) survey concluded that customer's primary values for working with an ABC were to provide unbiased/expert evaluation (56%), avoid administrative time & expense (22%) and provide additional peripheral services (18%).

Aside from electricity and natural gas procurement, revenues will be generated by generating retainer fees for Demand Response and general Energy Consulting services.

Operational Support/Consulting: deep market expertise and transactional experience from a decade + experience.

Technology Platform: online / Auction platform for efficient, hyper-competitive, transparent bidding process.

Multiple Products: a variety of energy products from fully floating to fully fixed across various terms lengths ranging 12-60 months explored and contracted.

Renewable/Green Energy: a mix from 0-100% can be incorporated for customers in every electricity contract. Renewable Energy Project contracts will also be incorporated that can be up to 20 years and compensated upfront or annuity based also.

Fees for services: as is traditional in the energy brokering and consulting marketplace, fees are generated by either customer paid retainer (monthly, quarterly, yearly) or 3rd party supplier paid adders over time. The latter 3rd party supplier-broker is preferred within the industry because it does not create additional invoices and payment issues to the customer. As the customer pays their electric & gas invoice monthly to the utility or 3rd party supplier, the adder payment is remitted to the broker, in this case Apollo.

The fees for service are based upon per unit of electricity (kWh) or natural gas (dth).

While the annuity-based broker model works quite well for the long term growth and predictability of the company, it does pose near term risks for cash flow. There are a few ways to deal with that issue including:

- Customer Paid Retainer – this is where the customer is invoiced for payment as described and can be collected at time of transacting vs time of energy flowing over time.
- Payment from other Services – other services provided like T&M consulting, project work and long term renewable energy contracts may be paid upfront.

3.2 Value Added Products

Current revenue stream is primarily electricity with more growth in Natural Gas as the local markets become more liquid. According to the ERC, 89% of customers surveyed employ the same internal decision maker for natural gas contracts as they do for electricity.

Apollo intends to offer the following independent products and services:

- Demand Response services: allowing customers to receive quarterly payments to actively manage their energy profiles.
- Additional Renewable Energy: evaluation of renewable distributed generation projects (solar, biomass) for onsite generation and tax incentives. Additionally, purchasing Renewable Energy Certificates (RECs) to support program subsidies.
- Subscription services: for utility bill management (UBM) or Energy Monitoring Software (i.e. Panoramic)

3.3 Longer Term Offerings and Goals

Apollo believes in leveraging technology wherever possible to create value for the company, customers and industry. Technology that is created to streamline business operations internally could be resell or white-label opportunities for other industry consultants. Additional services around creating a transparent pricing model for customers to audit market rates could be sold as a 'per analysis' or subscription based model. The industry is still too fragmented for Software as a Service (SAAS), but in need of Technology Enabled Consultants such as Apollo. Potential long-term goal of an IPO similar to World Energy is possible.

Brick & Mortar: a brick and mortar commercial office setting similar to an insurance office is also a longer-term possibility. This could serve as a corporate office and allow for walk in residential & small commercial energy contract business, but also be used to showcase technologies like LED lighting or solar panels.

4. Market Analysis Summary

4.1 Market and Opportunity Description

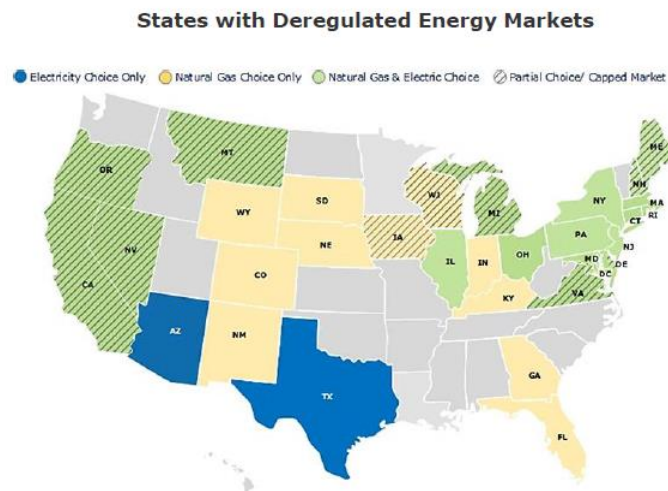
Potential Customers have the ability to go direct to market to 3rd party energy Suppliers, but also work with an Aggregator, Broker, Consultant (ABC) as an intermediary.

In a recent Energy Research Council (ERC) survey of Middle Market Customer firms, approximately 65% work through an ABC to contract with a supplier vs going direct. There is a strong consultative need for these customers in understanding energy contracting components and Terms & Conditions to evaluate suppliers on a level playing field. The complexities in the market will only increase over time, making the demand for ABCs increase.

In the competitive marketplace landscape in PA, PJM and Nationally, there are hundreds of thousands of addressable

customers. All major utilities in have published customer lists to perform analysis on customer locations and usage. These lists be used to prioritize customer acquisition resources for growth longer term. All neighboring states to PA are ripe with opportunity and one of the key reasons that I initially relocated the region. A map of market opportunities is show here

(courtesy of DNV GL KEMA).



PA

can

to

The energy broker & consulting industry is very regional and fragmented. Apollo has identified 3-tiered Enterprise Commercials, Industrial and Governmental (CIG) market segments being Named Accounts, Middle Market and Small & Medium Business (SMB).

- There are several large consulting companies that focus on the top tier “Named Accounts” representing 40% of the Market Spend. These 2500 accounts have an average \$500k average ARR per account. The firms targeting these accounts include Enel (formerly EnerNOC and World Energy), Accenture (Procurian), Tradition Energy, Schneider Electric (Summit Energy) and Siemens (PACE Consulting). Many acquisitions of ABCs have been made in the last several years by larger Energy Service Companies (ESCOs) to sell their core product and service offerings into.
- The Middle Market of customers represents another 40% of the Market Spend and is more regional and fragmented with no real consistency of service and competitors. There are several tens of thousands (10,000s) of accounts with a \$30k average ARR per account. The ABCs thriving in these markets are focused on local or regional market knowledge and relationships. Customer Care is important in this Middle Market, and customers can be obtained quickly, act as references. This business is much more transactional in nature with low initial costs to serve.
- The Small & Medium Business (SMB) makes up the remaining 20% of the Market Spend, but across hundreds of thousands (100,000s) of accounts with \$1k average ARR

per account. These market is even more fragmented and relationship driven, and is seen as a long-term opportunity by leveraging technology enhancements. These technological gains will make it easier for Apollo to service these accounts, but also act as a back-office solution provider to other ABCs in the market to service these customers for a fee share.

Apollo will primarily focus on the Middle Market segment with a geographic focus on an Eastern PA epicenter and expand outwardly. The market area for Apollo will be focused in the PA, NJ and MD initially. The reason for being in Philadelphia, is that it is near the epicenter of PJM, a wholesale grid operator with vibrant market opportunities. Every surrounding state to PA is an open and active deregulated electric and natural gas market, ripe with opportunity.

Apollo may compete but also partner for services with the larger tiered consultants and ESCOs in the marketplace. I have been able to work directly and indirectly with many of these firms since 2006 and understand their strengths and weaknesses.

Competitors in the forefront of the marketplace typically offer information-based energy consulting, integration and management services. Services are designed to increase clients' operations effectiveness through reduced cost, improved customer service, enhanced quality of current services, and a more rapid introduction of new products and services. Competitors also offer industry-specific expertise to objectively evaluate, select, develop, implement, and manage peripheral energy consulting project work like evaluating Distributed Generation (CHP, Solar), Battery Storage and Frequency Regulation .

Consulting services are becoming more focused on technology-based solutions to help clients improve cost management, quality, service, and research and development to obtain differentiation and competitive advantage. Online services include executive visioning, energy management strategy, planning for other business projects & initiatives.

4.2 Market Segmentation

Apollo has targeted the following market segments:

CIG Customers with greater than \$500,000 spend on energy purchases annually. As spend increases, generally so does sophistication level of process and product. In some instances it may be necessary to partner with other consulting firms and share revenue. This may be due to licensing needs, technological needs or market expertise.

CIG Customers with under \$500,000 can benefit from the same general process and principalities, but less apt to requiring technology in that process. More traditional RFP/bid processes can be employed for these customers with technology being leveraged “behind the scenes” to create operational efficiencies and reduce overhead costs.

Strategy and Implementation Summary

- Emphasize value instead of price. Apollo is dedicated to working closely with each client and educating them on the importance of value over price.

- Build long-term relationships. Apollo is dedicated to establishing a successful partnership with each client, respecting their interests and goals by cultivating a long-term relationship to enhance client retention.
- Focus on increasing market share. Apollo will focus on CIG business clients that have been identified in the targeted markets.
- Leverage Technology wherever possible. Apollo will acquire, develop or partner for technologic enhancements internally and externally to create efficiencies and value.

5. Competitive Edge

Apollo's competitive edge is our positioning as a strategic ally with our clients, who are clients more than customers. By building a business based on long-standing relationships with satisfied clients, we simultaneously build defenses against competition. The longer the relationship stands, the more we help our clients understand what we offer them and why they need it. By layering technology and additional services over time the company will continue to solidify these relationships and defend against competitive forces.

5.1 Marketing Strategy

The marketing strategy is the core of Apollo's main strategy:

- Emphasize, and educate the client on the importance of value over price
- Build a relationship business that fosters client retention
- Develop specific programs for each target market segment

5.2 Sales Strategy

Apollo's sales strategy will be based on systematic person-to-person contacts through existing customer referrals, an industry rolodex dating back to 2006, private club personal rolodex, telemarketing, online (web, social media, blog), and some key industry events. A recent ERC study of customers and ABCs delved into how ABCs prospect for new business.

- ABCs acquire new customers via Referrals (28%), Direct phone/email contact (27%), Association/Affinity Group relationships (21%), and Web & Social Media (15%).
- When asked how customers selected their ABC via Direct phone/email contact (50%), Referrals (15%), Association/Affinity Group relationships (14%), and Web & Social Media (7%).

Referral business will play a very large role in Apollo developing new business and is the cheapest way to acquire new customers. In my experience, most competing firms and sales professionals ignore this step in their process. Apollo will focus on key customer vertical/geographic combinations to really leverage efficiencies for customer acquisition.

Examples include:

- Focusing on Golf & Country clubs in the Mid-Atlantic. These are sweet spot customer with ample margin and need of services. Targeting the Golf Association of Philadelphia (GAP) with 180 clubs in DE, PA and NJ while potentially marketing through that organization as non-competing vendors have done.

- Senior Living in PA – Senior and Retirement Communities are abundant and growing in PA. These are ideal target customers and the LeadingAge PA is a low cost association that can be marketed through.

I have worked in all deregulated markets across the US and have relationships that can be leveraged to acquire new business. Being a native New Englander that has worked in TX (largest market) and relocated to PA in PJM (2nd largest market), I can cover all active areas of the country. Historically I have been restricted to pursue potential customers in my network due to geographic or volumetric thresholds in place by employers; however, this would no longer be the case. I would be able to pursue business in any market area that a relationship may take me.

ERC surveyed customers identified the following attributes to be important when selecting an ABC: comparing 3rd party supplier prices (81%), Updates on price and regulatory changes (73%), advising on price trends (72%), resolving customer service issues (66%) and negotiating contracts (64%). These services will be provided to existing and future Apollo customers as part of the procurement process and customer lifecycle.

5.3 Sales Forecast

The important elements of the sales forecasts are summarized on the Forecasted Revenue Spreadsheet. Energy brokering being paid in a monthly annuity as customers pay their energy invoices creates a highly stable and predictable revenue stream. The contracts are locked in from 12-36 month terms, with an average of 24 months in the current marketplace. The expected renewal rates of customer contract is 90%.

Kenneth Antos’ individual historical sales performance over a 5-year period is summarized below for reference. Please note that this is for Annual & Contract Bookings and does not model Revenue with the inherent receivables lag.

	Annual Bookings	Total Contract Value
Year 1	\$ 478,404	\$ 907,430
Year 2	\$ 1,074,479	\$ 1,938,788
Year 3	\$ 1,907,119	\$ 3,456,889
Year 4	\$ 1,578,118	\$ 2,622,627
Year 5	\$ 2,085,278	\$ 4,306,226

5.4 Milestones

The bullet points below lists important program milestones, along with dates corresponding dates and resources. The milestone schedule indicates Apollo’s emphasis on planning for implementation and the measurement of these activities. In addition, each milestone is important to achieving the financial forecast used in this business plan. The following is a brief description of each milestone:

- January 2018 – Start of first full fiscal & calendar year and hard launch. Actively begin marketing campaigns and outreach to secure clients in the “spring shoulder” period.
- 2018- 2019: bring on advisory members to provide professional advice in short/long term. Look at strategic options for partnership, hiring and acquisitions.

5.5 Management Summary

The management philosophy of Apollo is based on respect for every client, and individual responsibility. For the first couple years the only employee will be the owner, Kenneth Antos. In 2019 the financial forecast supports the hiring of a resource to help increase the growth of the business.

Apollo’s intention is to hire only those who demonstrate the qualities necessary for working in a professional environment, and the willingness to move forward in continuing education.

6 Personnel Plan

The Personnel Plan reflects the staffing levels required to create, and establish the customer base needed to achieve the revenues projected and reach profitability. All sales and business service personnel salaries are considered a direct cost of sales, and are listed as such in the financials. Initially, Apollo will operate as a “one man band”. As the company grows revenue and customers in 2019, an additional employee may be brought on to manage accounts and workload.

7 Financial Plan and Start-up Funding

A fully detailed 5-year Financial Plan can be found in the attached Pro-forma Financials. Forecasts are based upon projected bookings/revenues and incorporate expenses, taxes and the cost of debt service.

Income	2017	2018	2019	2020	2021	2022
Electric & Gas Procurement (See Summary)	\$ -	\$ 86,335	\$ 416,477	\$ 1,054,916	\$ 1,573,741	\$ 1,974,055
Demand Response Management	\$ 5,000	\$ 20,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Task Oriented & Retainer Consulting	\$ 10,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Total	\$ 15,000	\$ 131,335	\$ 466,477	\$ 1,104,916	\$ 1,623,741	\$ 2,024,055

Conclusions:

In summary, Apollo is a long-term, stable energy consulting firm that will create innovations in the marketplace. Thank you in advance for your time and consideration.

Exhibit C – Kenneth Antos Resume (Principal Officer of Apollo Edison LLC)

Kenneth S. Antos

310 Nottingham Drive, Spring City, PA 19475
kantos@globalphases.com Cell: (508) 612-4288

OBJECTIVE:

My objective is to seek career and business opportunities that foster professional growth.

EDUCATION:

University of Connecticut (UCONN) Storrs, CT, Completed 2005
Master of Business Administration (MBA): Dual concentrations in Management Consulting and Marketing Intelligence & Interactivity

Project Experience: 1) Managing Organizations project at the UCONN Health Center restructuring the workflow and budget for clinical, academic, & research areas within each department.

2) Integration Project at The Hartford Insurance Claims Center to reduce cycle time for insurance claims, increase efficiency & cooperation among departments.

3) Managing Consulting Practicum Project at the CT Department of Public Safety Headquarters and State Police.

Worcester Polytechnic Institute (WPI) Worcester, MA, Completed 2001
Bachelor of Science in Mechanical Engineering (BSME): Mechanical Design Concentration,
Massachusetts Engineer-In-Training (EIT) Fundamentals of Engineering Exam (FEE)

Project Experience: 1) Global Studies Program in Puerto Rico for Interdisciplinary Qualifying Project: Designed an educational and recreational trail along the Rio Piedras River from the University of Puerto Rico Botanical Gardens to Luis Munoz Marin Park.

2) Major Qualifying Project: Design Study of a Grooved Ball Roller Element with research for patent application.

PROJECT & WORK EXPERIENCE:

WGL Energy Services, Inc. Vienna, VA, (October 2016 – December 2017)
Business Development Manager focused on selling Electricity and Natural Gas commodity within the company footprint. Mostly focused on managing indirect business through 25 channel relationships. Incorporating WGL System offerings of Distributed Generation (solar/wind), Combined Heat & Power (CHP) and emerging Energy Efficiency (EE) Offerings into the solution set to differentiate from commodity. Responsible for managing channel relationships, hitting

revenue targets, obtaining larger (5mWh+) customers, and growing PA marketshare.

EnerNOC, Inc. Boston, MA (June 2006 – September 2016 via World Energy Solutions acquisition)

Business Development Manager (July 2015 – September 2016) Focused on selling Demand Response capacity in the PJM Marketplace.

Energy Procurement Specialist for Enterprise Accounts. Subject Matter Expert Resource for 2 Regional Sales Managers and 13 Business Development Managers for large Enterprise Commercial, Industrial and Governmental Customer Base. Involved with detailed Territory and Account Planning for the largest 2000 Energy Users domestically with global footprints.

Involved with training and selling Demand Response, Utility Bill Management (UBM) and Energy Intelligence Software (EIS) into the PJM Commercial Mid-Market Segment.

EnerNOC Sales Training and execution for both Enterprise & Commercial Teams is based on the systematic and detailed “Force Management” approach.

World Energy Solutions, Inc. Worcester, MA (June 2006 – June 2015)

Vice President, Sales (January 2013 – June 2015) as a Regional Sales Manager for a team of 5 Sales Consultants and 1 Account Manager with quarterly and annual sales quotas. Responsible for mostly regional PJM growth of Commercial, Industrial and Governmental Customers for a publicly traded firm (XWES: NASDAQ). Managed legacy team through 2 Quarters post-acquisition into their new roles at the restructured organization.

Team and Individual efforts to consult generally large volume consumers of Electricity and Natural Gas to implement procurement strategies that manage risk & budgets. Running complex energy RFP bid processes, typically online, and facilitating contract execution.

Working with multiple online platforms including: proprietary Energy Exchange, company Public Shared Site and Exchange Server, and Salesforce.com Developing and growing 3rd party Channel Partner relationships is an essential aspect to meeting sales goals. These partners include Affiliated Power Purchasers International, Aramark, Johnson Controls and Navigant Consulting. Participate in biweekly Sales Management Calls and organize in regularly scheduled Time & Territory sessions with Sales Consultant Team.

Engaged with Company Steering Committees: World Energy Portal Development, Channel Partner Initiative and CRM.

Previous World Energy Roles include Vice President, Sales (Individual, 2010-2013), Director, Sales (Individual 2008-2010) and Account Manager (2006-2008)

World Energy “Key Performer” Award 2008, 2009, 2010 (Last year)

2010 Inaugural and Sole World Energy President’s Award Recipient for Sales Excellence

2012, 2013, 2014 World Energy President’s Club Award for Sales Excellence

Energy Subject Matter Expert: Various speaking engagements and quoted in industry publications including Press Releases, Restructuring Today and Energy Choice Matters.

Global Phases, LLC Lewes, DE (January 2003 – December 2014)

Holding company formed to manage consulting business for other clients and business ventures

Battery Park Bar & Lounge – Founding Partner in Bar & Restaurant: Boston MA (2010-2013)

The Warehouse on Broad – Founding Partner in Bar & Restaurant: Boston MA (2013-2014)

Founder of RallySocks: a Boston sports themed and ALS charity support venture
Founder / Partner of a racing & lifestyle apparel brand and micro-brewed beer concept

Involved with various aspects of these businesses including filing for intellectual property rights (trademarks & copyrights), graphic design for web, print & apparel, managing internet domains & service, web content design including online stores, managing merchant accounts, tax preparation, business registrations, inventory procurement, building business credit and relationships.

Spirol International: Danielson, CT (April 2002 - September 2003)

Mechanical Engineer performing machine design and automation projects.

Various Internships:

Putnam Precision Molding, Inc: Putnam, CT (May 2004 – September 2004)

MBA Internship developing a strategic plan for a manufacturing company including dealing with overseas pricing competition and maintaining a competitive advantage.

SolidWorks Corporation: Concord, MA (May 2001 – August 2001)

Engineering Internship working on projects to develop software content and program additions.

Cuno, Inc: Stafford Springs, CT (May 2000 – January 2001)

Engineering Internship (Co-op) involving engineering manufacturing and design projects.

SKILLS:

General: Procurement (Online & Auction) Contract Negotiation, Risk Management

General Software: Microsoft Office Suite, CRM / Salesforce.com, World Energy Exchange

Graphics Software: Adobe Creative Suite (PhotoShop, Illustrator), CorelDraw, Web Design

CAD Software: Solid Edge (Spirol), SolidWorks (see internship), ProEngineer (WPI), AutoCAD

CERTIFICATIONS

Association of Energy Engineers – Certified Energy Procurement Professional (CEP)

Association of Energy Engineers – 2010 Legends in Energy Recipient

Fundamentals of Engineering Examination (FEE) – Engineering in Training (EIT) Certified

ACTIVITIES & ORGANIZATIONS:

Association of Energy Engineers (Greater Philadelphia Chapter)

Private Pilot for General Aviation

Golf Digest Golf Course Rater Panel

The Union League of Philadelphia (Golf Club and Aviation Club)

The Philadelphia Cricket Club (Golf)

Stonewall Links (Social)

Exhibit D – Johnstown Tribune-Democrat Notarized Proof of Publication

COMMONWEALTH OF PENNSYLVANIA }
County of Cambria } **SS**

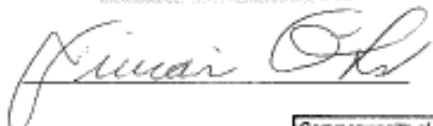
**PENNSYLVANIA PUBLIC UTILITY
 COMMISSION NOTICE**

Applications of Apollo Edison LLC (d/b/a "Apollo") For Approval To Offer, Render, or Furnish Services as a Broker / Marketer Engaged in The Business Of Supplying Natural Gas Supply Services and Electricity Supply or Electric Generation Services, To The Public in The Commonwealth Of Pennsylvania. Apollo Edison LLC will be filing 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 providing natural gas services. Apollo Edison LLC will also be filing an application with the PUC for a license to supply electricity or electric generation services as a broker / marketer engaged in the business of supplying electricity. Apollo Edison LLC proposes to sell electricity, natural gas, and related services in the NGDCS AND EDGS listed below under the provisions of the new Natural Gas Choice and Competition Act and the Electricity Generation Customer Choice and Competition Act. Natural Gas Distribution Companies (NGDCS): Columbia Gas Of Pennsylvania, Inc., National Fuel Gas Distribution Corporation, PECO Gas (Exelon Corporation), Peoples Natural Gas Company LLC, Peoples-Equitable Division (Formerly Equitable Gas), Peoples Gas Company (Formerly Peoples TWP), Philadelphia Gas Works (PGW), UGI Central Penn Gas, UGI Penn Natural Gas, UGI Utilities Inc. (Gas) and Valley Energy. Electric Distribution Companies (EDCS): Citizens Electric Of Lewisburg, Duguesne Light Company (DGC), Pennsylvania Power Company (Penn Power), Metropolitan Edison Company (Met-Ed), Pennsylvania Electric Company (Panelec), PPL Electric Utilities, PECO Energy Company (Electric), Pike County Light & Power Company (Electric), UGI Utilities Inc. (Electric), Wellboro Electric Company, and West Penn Power. The PUC may consider this application without a hearing. Protests directed to the technical or financial fitness of Apollo Edison LLC may be filed within 15 days of the date of this notice with the Secretary of the PUC, 400 North Street, Harrisburg, PA 17120. You should send copies of any protest to Apollo Edison LLC's attorney at the address listed below. By and through Counsel:

publishes that the character of The Journal

Signed a 12th day by Chris

Jay Heidbrink
 Apollo Edison LLC
 4329 Stanford Avenue
 Dallas, TX 75226



Commonwealth of Pennsylvania - Notary Seal
 Vivian Ohs, Notary Public
 Cambria County
 My commission expires December 6, 2020
 Commission number 1123017
 Member, Pennsylvania Association of Notaries

On this 12th day of December A.D. 2017, before me, the subscriber, a Notary Public in and for said County and State, personally appeared Christine Marhefka, who being duly sworn according to law, deposes and says as Sales Manager / Major Accounts of the Tribune-Democrat, Johnstown, PA, a newspaper of general circulation as defined by the "Newspaper Advertising Act", a merger September 8, 1952, of the Johnstown Tribune, established December 7, 1853; and of the Johnstown Democrat, established March 5, 1863,

of Cambria, and Commonwealth of Pennsylvania and the matter published in said publication in the regular issues of, on December 1, 2017; and that the Affiant is not residing and that all of the allegations as to time, place and

Christine Marhefka
STATEMENT OF ADVERTISING COSTS

0.00 Lines @	\$2.50 per line	0.00
9.6 Inches @	\$25.00 per inch	240.00
Notary Fee		5.00
Clerical Fee		2.50
Total Cost		247.50

To The Tribune-Democrat, Johnstown, PA
 For publishing the notice or publication attached hereto on the above stated dates.

PUBLISHER'S RECEIPT FOR ADVERTISING COSTS

_____ for publisher of _____
 a newspaper of general circulation, hereby acknowledges receipt of the aforesaid and publication costs and certifies that the same has been duly paid.

 (Name of Newspaper)

By _____