



Your Energy & Telecom Experts

A-2018-3002110

July 1, 2018

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

Re: Natural Gas Broker License Application – Response to 6-5-18 Correspondence

Dear Ms. Chiavetta:

In response to your correspondence of June 5, 2018 attached is the additional documentation requested. Please note that as of this date, Philadelphia Gas Works has not acknowledged our numerous communications requesting a waiver of the bonding requirement. It will be necessary to amend our application to remove them from the territories we will service at this time. We have included a copy of our amended response for Question 4d, on page 3 of the application as instructed by Mr. Jeremy Hering.

If you have any questions, please contact me directly at 518-824-0311 or via email at [Dave.Sadlocha@CostControlAssociates.com](mailto:Dave.Sadlocha@CostControlAssociates.com).

Sincerely,

  
Dave Sadlocha  
Senior Vice-President

Attachments

Cc Jeremy Haring (via email)

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**DATA REQUESTS/OTHER**

1. **Request for Bonding Letters:**

Please see Exhibits 1-6. Please note that Peoples, and UGI included multiple companies on their response.

2. **Request for License (OH):**

See Exhibit 7.

3. **Operations Affidavit:**

See Exhibit 8.

4. **Revised Page 3 of Application:**

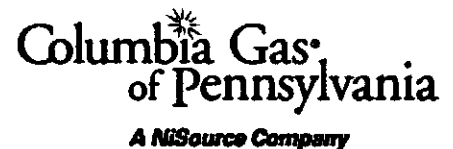
As noted in cover letter, enclosed is an amended page 3.

5. **Certification Statement**

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June 12, 2018

Dave Sadlocha  
Cost Control Associates, Inc.  
310 Bay Road  
Queensbury, NY 12804

Dear Dave Sadlocha:

We are pleased that Cost Control Associates, Inc. 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, Cost Control Associates, Inc. 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. Cost Control Associates, Inc. has indicated only brokering and consulting services will be provided. Therefore, we have determined at this time that Cost Control Associates, Inc. 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 Cost Control Associates, Inc. changes in the future, Columbia Gas might deem it appropriate to require Cost Control Associates, Inc. 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,

A handwritten signature in cursive script that reads 'Patricia Chang'.

Patricia Chang  
Manager of Choice and Transportation Support Services



**National Fuel**

June 13, 2018

Dave Sadlocha  
Senior Vice President  
Cost Control Associates, Inc.  
310 Bay Road  
Queensbury, NY 12804

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Re: Cost Control Associates, Inc.

Dear Dave,

National Fuel Gas Distribution Corporation ("NFGDC") is aware Cost Control Associates, Inc. (CCA) 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, CCA must furnish acceptable security to each utility where CCA will do business. As such, under its tariff, NFGDC could require CCA 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 CCA intends only to provide natural gas aggregating, brokering and consulting services at this time. You have stated that, in performing these services, CCA will never take title to any delivered natural gas.

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

If you have any questions concerning the foregoing, please contact me at 716-857-7541.

Yours truly,

Nicole Barker  
Transportation Services Department



An Exelon Company

June 25, 2018

Dave Sadlocha  
Senior Vice-President  
Cost Control Associates, Inc. (CCA)  
310 Bay Road  
Queensbury, NY 12804

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Re: Broker Requirements

Dear Mr. Sadlocha/CCA:

PECO is aware that Cost Control Associates, Inc. (CCA) has applied for a license to provide brokering and consulting services to commercial and industrial customers on the distribution system of PECO.

In making such an application, Cost Control Associates, Inc. (CCA) could be required to provide to PECO a bond or other acceptable financial security in an amount that PECO determines to be appropriate. Cost Control Associates, Inc. (CCA) has indicated that it intends to provide only brokering and consulting services to commercial and industrial customers, and will not take title to any delivered natural gas; nor will accept any customer payments or deposits. Therefore, PECO has determined at this time that Cost Control Associates, Inc. (CCA) does not need a bond or other financial security requirement, since they are not directly engaging in business with PECO and only providing brokering or consulting services to PECO customers. However, if the services provided by Cost Control Associates, Inc. (CCA) or the creditworthiness requirement for PECO's exposure to Cost Control Associates, Inc. (CCA) changes in the future, PECO reserves the right to require Cost Control Associates, Inc. (CCA) to provide a bond or other financial security instrument.

If you should have any questions regarding this matter, please contact Chris Sauerbaum at 215-841-6422 or myself at 215-841-6452.

Respectfully submitted,

A handwritten signature in cursive script that reads "Carlos P. Thillet".

Carlos P. Thillet  
Manager, Gas Supply and Transportation  
2301 Market Street  
Philadelphia, Pa 19103



375 North Shore Drive  
Pittsburgh, Pennsylvania 15212

[www.peoples-gas.com](http://www.peoples-gas.com)

**Carol Scanlon**  
Manager, Rates & Regulation

**Peoples Service Company LLC**  
Phone: 412-208-6931  
Email: [Carol.Scanlon@peoples-gas.com](mailto:Carol.Scanlon@peoples-gas.com)

June 14, 2018

**Dave Sadlocha**  
Vice President/Secretary  
Cost Control Associates, Inc.  
310 Bay Road  
Queensbury, NY 12804

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Dear Mr. Sadlocha:

We are pleased that Cost Control Associates, Inc. has applied for a license to provide natural gas services on the Peoples Group of Companies. Specifically you have requested to be licensed as a supplier on the distribution systems of Peoples Natural Gas Company LLC, Peoples Natural Gas Company LLC – Equitable Division, and Peoples Gas Company LLC (formerly Peoples TWP) ("the Companies").

Since Cost Control Associates, Inc. is not currently serving customers on the Peoples systems, we have determined at this time that Cost Control Associates, Inc. does not need a bond or other financial security requirement to provide these services to the Company's customers.

If a Pool is established, and customers are enrolled which alters the creditworthiness requirement or the Company's exposure to Cost Control Associates, Inc. provision of services on the Peoples' system changes in the future, the Companies may deem it appropriate to require a bond or other financial instrument.

If you have any questions feel free to contact me at 412-208-6931 or by email at [Carol.Scanlon@peoples-gas.com](mailto:Carol.Scanlon@peoples-gas.com).

Sincerely,

A handwritten signature in black ink that reads "Carol Scanlon".

Carol Scanlon  
Manager, Rates and Regulation  
Peoples Natural Gas Company LLC

Cc: Stephen Kelly  
Mina Speicher



UGI Utilities, Inc.  
2525 North 12<sup>th</sup> Street  
Suite 360  
Post Office Box 12677

June 12, 2018

Dave Sadlocha  
Senior Vice President  
Cost Control Associates  
310 Bay Road  
Queensbury, NY 12804

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PA PUBLIC UTILITY COMMISSION  
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RE: Cost Control Associates application to serve as a Natural Gas Broker

Dear Mr. Sadlocha,

Based on your assertion that Cost Control Associates ("COST CONTROL") is applying with the State of Pennsylvania to operate as a natural gas broker/marketer, UGI Utilities Inc. ("UGIU") has concluded that COST CONTROL will not need to post security with UGI-Central Penn Gas ("CPG"), UGI-Penn Natural Gas ("PNG") or UGI Utilities Gas Division ("UGI"). This is based on the declaration that COST CONTROL will not be taking title to gas or directly serving end use customers. This also assumes that COST CONTROL will be acting in conjunction with a licensed Natural Gas Supplier who has been approved by the Pennsylvania Public Utility Commission to serve in the applicable UGIU service territories and who has posted the required financial security as specified in the respective UGIU tariffs. If COST CONTROL wishes to directly serve Choice customers in the service territories of UGI, PNG and/or CPG in the future as a natural gas supplier, it will have to post security as specified in the respective UGI tariffs prior to the commencement of the service.

Please feel free to contact me with any additional questions that you may have.

Sincerely,

A handwritten signature in black ink, appearing to read "David E. Lahoff".

David E. Lahoff  
Senior Manager, Tariff & Supplier Administration  
UGI Utilities, Inc.



# VALLEY ENERGY

523 S. Keystone Avenue, P.O. Box 340, Sayre, PA 18840  
800/998-4427 • 570/888-9664 • FAX 570/888-6199

June 18, 2018

**VIA EMAIL**

Mr. Dave Sadlocha  
Senior Vice-President  
Cost Control Associates, Inc.  
[dave.sadlocha@costcontrolassociates.com](mailto:dave.sadlocha@costcontrolassociates.com)

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Dear Mr. Sadlocha:

We understand that Cost Control Associates, Inc. has applied with the Pennsylvania Public Utility Commission to supply natural gas services to the public in Pennsylvania including our company's service area.

Because Cost Control Associates, Inc. intends to only provide natural gas aggregating, brokering and consulting services at this time, we have determined that Cost Control Associates, Inc. will not be required to post a bond or other form of financial security instrument to provide these services in our service area. However, if the services provided change in the future, we reserve the right to require security from Cost Control Associates, Inc. as deemed appropriate.

If you have any questions, please contact Jamie Levering at 570-888-9664.

Sincerely,

Edward E. Rogers  
President & CEO

EER/ss

cc: J. Levering, Valley Energy



**FILE The Public Utilities Commission of Ohio  
Ohio Competitive Retail Natural Gas Aggregator/Broker Certificate**

Issued pursuant to Case Number(s):  
**18-0468-GA-AGG**

is  
Ohio Competitive Retail Natural Gas Aggregator/Broker Certificate Number:  
**18-656G(1)**

Granted to:  
**Cost Control Associates, Inc.**

Whose office or principal place of business is located at:  
**310 Bay Road, Queensbury, NY 12804**

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And is hereby certified to provide:  
**Retail Natural Gas Broker Services**  
within the state of Ohio, for a two-year period.

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Certification Effective:  
**April 19, 2018 through April 19, 2020**

The certification of Ohio competitive retail natural gas aggregators/brokers is governed by Chapter 4901:1-27 of the Ohio Administrative Code and section 4929.20 of the Ohio Revised Code.

This Certificate is revocable if all of the conditions set forth in the aforementioned case(s) as well as those under law, are not met.

Certified entity is subject to all rules and regulations of the commission, now existing or hereafter promulgated.

Witness the seal of the Commission affixed at Columbus, Ohio  
Dated: **April 25, 2018**

By Order of  
The Public Utilities Commission of Ohio  
  
Barcy F. McNeal, Secretary  
Tanowa M. Troupe, Acting Secretary  
Susan Patterson, Acting Secretary  
Beverly Hoskinson, Acting Secretary

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**EXHIBIT 8**

**OPERATIONS AFFIDAVIT**

State of New York:

County of Warren:

Dave Sadlocha, Affiant, being duly sworn according to law, deposes and says that:

He is the Vice President of Cost Control Associates, Inc.;

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

That Cost Control Associates, Inc., the Applicant herein, acknowledges that Cost Control Associates, Inc. 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 Cost Control Associates, Inc. the Applicant herein, asserts that it possesses the requisite technical, managerial, and financial fitness to render natural gas supply service within the Commonwealth of Pennsylvania and that the Applicant will abide by all applicable federal and state laws and regulations and by the decisions of the Pennsylvania Public Utility Commission.

That Cost Control Associates, Inc., 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 Chapter 28 shall be cause for the Commission to revoke the license of the Applicant. The Applicant acknowledges that it shall report to the Commission its jurisdictional 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 Cost Control Associates, Inc., the Applicant herein, acknowledges that it has a statutory obligation to conform with 66 Pa. C.S. §506 and the standards and billing practices of 52 PA. Code Chapter 56.

That the Applicant agrees to provide all consumer education materials and information in a timely manner as requested by the 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 to the best of his knowledge, information, and belief.

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

Sworn and subscribed before me this 2 day of July, 2018.

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

DANA SASTRE  
NOTARY PUBLIC-STATE OF NEW YORK  
No. 01SA6375138  
Qualified in Warren County  
My Commission Expires 05-14-2022

**c. PROPOSED SERVICES:**

Cost Control Associates will perform as a broker bring customers and suppliers together for the purpose of purchasing natural gas.

**d. PROPOSED SERVICE AREA:** Check the box of each Natural Gas Distribution Company for which the Applicant proposes to provide service.

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> Columbia                     | <input type="checkbox"/> Philadelphia Gas Works      |
| <input checked="" type="checkbox"/> National Fuel Gas            | <input checked="" type="checkbox"/> UGI Central Penn |
| <input checked="" type="checkbox"/> PECO                         | <input checked="" type="checkbox"/> UGI Penn natural |
| <input checked="" type="checkbox"/> Peoples Gas – Equitable Div. | <input checked="" type="checkbox"/> UGI Utilities    |
| <input checked="" type="checkbox"/> Peoples Natural Gas          | <input checked="" type="checkbox"/> Valley Energy    |
| <input checked="" type="checkbox"/> Peoples Gas Company          | <input type="checkbox"/> All of the above            |

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

- Residential Customers
- Small Commercial Customers - (Less than 6,000 Mcf annually)
- Residential and Small Commercial as Mixed Meter ONLY (CANNOT BE TAKEN WITH RESIDENTIAL AND/OR SMALL COMMERCIAL ABOVE)
- Large Commercial Customers - (6,000 Mcf or more annually) Industrial Customers
- Governmental Customers
- All of above (Except Mixed Meter) Other
- (Describe):

**f. START DATE:**

Anticipated start date is 6/1/18.

**5. COMPLIANCE**

**a. CRIMINAL/CIVIL PROCEEDINGS:**

Cost Control Associates, an affiliate, a predecessor of either, or a person identified in this Application, has not been or is currently the defendant of a criminal or civil proceeding within the last five (5) years

**b. SUMMARY:**

Not applicable

**c. CUSTOMER/REGULATORY/PROSECUTORY ACTIONS:**

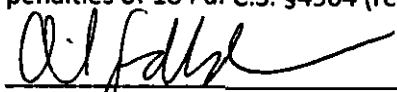
Cost Control Associates has no formal or escalated actions or complaints, in the Commonwealth of Pennsylvania or any state, filed with or by a customer, regulatory agency, or prosecutory agency against Cost Control Associates, an affiliate, a predecessor of either, or a person identified in this Application, for the prior five (5) years, including but not limited to customers, Utility Commissions, and Consumer Protection Agencies such as the Offices of Attorney General. Applicant has not had a Pennsylvania PUC, EGS, or NGS license previously cancelled by the Commission.

**d. SUMMARY:**

Not applicable.

**CERTIFICATION STATEMENT**

I, Dave Sadlocha, 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).

  
\_\_\_\_\_  
Dave Sadlocha, Vice President

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This service area is provided for your internal use  
only. Service must be marked on airbill.

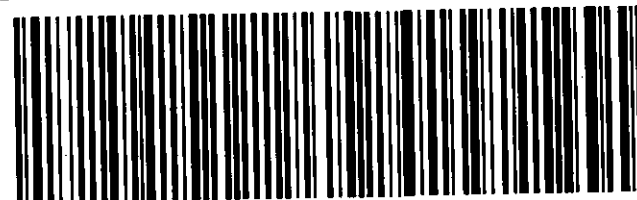
FedEx Service:

**Extremely Urgent**  
**TUE - 03 JUL AA**  
**STANDARD OVERNIGHT**

**FedEx**  
TRK# 8117 4404 1523  
0215

**17120**  
PA-US  
MDT

**EN MDTA**



FTD 6076337 02JUL18 ALBA 548C2/8532/0C8A

RT 205  
RZ 229  
6 16:00  
B  
1528  
07/03

Express Manifest Barcode Label Here or Aff

00026  
00100

**FedEx** Package  
Express US Airbill

FedEx Tracking Number 8117 4404 1523

Form ID No. 0215

Next Business Day

Packages up to 150 lbs.

1 From [Redacted] Date [Redacted]

Sender's Name [Redacted] Phone 518 795-4437

Company COST CONTROL ASSOCIATES

Address 310 BAY RD Dept./Floor/Suite/Room

City QUEENSBURY State NY ZIP 12804-1400

2 Your Internal Billing Reference

3 To Recipient's Name [Redacted] Phone [Redacted]

Company [Redacted]

Address [Redacted] Dept./Floor/Suite/Room

Address [Redacted] Dept./Floor/Suite/Room

City [Redacted] State NY ZIP 17123

0127587847



8117 4404 1523

4 Express Package Service \* To most locations.

- Next Business Day
- FedEx First Overnight  
Earliest next business morning delivery to select locations. Friday shipments will be delivered on Monday unless Saturday Delivery is selected.
  - FedEx Priority Overnight  
Next business morning. Friday shipments will be delivered on Monday unless Saturday Delivery is selected.
  - FedEx Standard Overnight  
Next business afternoon. Saturday Delivery NOT available.

5 Packaging \* Declared value limit \$500.

- FedEx Envelope\*  FedEx Pak\*

6 Special Handling and Delivery Signature

- Saturday Delivery  
NOT available for FedEx Standard Overnight, FedEx 2Day A.M., or FedEx Home Delivery.
- No Signature Required  
Package may be left without obtaining a signature for delivery.
- Direct Signature  
Someone at recipient may sign for delivery.

Does this shipment contain dangerous goods?

- One box must be checked.
- No  Yes - As per attached Shipper's Declaration.
  - No  Yes - Shipper's Declaration not required.

Restrictions apply for dangerous goods - see the current FedEx Service Guide.

7 Payment Bill to:

- Sender  
Acct. No. in Section 1 will be billed.
- Recipient
- Third Party

Total Packages Total Weight

CMPC

To: CHIAVETA, R. PUC

Agency: PUC

Floor:

External Carrier: FEDEX

7/3/2018 10:53:34 AM



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Our liability is limited to USD100 unless you declare a higher value. See the current FedEx Service Guide for details.

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18204

fedex.com 1800.GoFedEx 1800.463.3339