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Version Revised 03/08/18

## BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Application of **NE Energy, LLC**, d/b/a **N/A**, for approval to offer, render, furnish, or supply electricity or electric generation services as a(n) **Broker/Marketer** to the public in the Commonwealth of Pennsylvania (Pennsylvania).

To the Pennsylvania Public Utility Commission:

### 1. IDENTIFICATION AND CONTACT INFORMATION

- a. **IDENTITY OF THE APPLICANT:** Provide name (*including any fictitious name or d/b/a*), primary address, web address, and telephone number of Applicant:

**NE Energy, LLC**  
**280 Saint John Drive**  
**Camp Hill, Pennsylvania 17011**  
**717-580-4927**  
**Attention: Ian J. Delaney-Lazar, Managing Member**  
**Web Address: [ian@neenergyllc.com](mailto:ian@neenergyllc.com)**  
**Web Site: [neenergyllc.com](http://neenergyllc.com)**

- b. **PENNSYLVANIA ADDRESS / REGISTERED AGENT:** If the Applicant maintains a primary address outside of Pennsylvania, provide the name, address, telephone number, and fax number of the Applicant's secondary office within Pennsylvania. If the Applicant does not maintain a physical location within Pennsylvania, provide the name, address, telephone number, and fax number of the Applicant's Registered Agent within Pennsylvania.

**NE Energy, LLC does not maintain a primary address outside of Pennsylvania**

- c. **REGULATORY CONTACT:** Provide the name, title, address, telephone number, fax number, and e-mail address of the person to whom questions about this Application should be addressed.

**Kristen Snyder, ESQ**  
**Jackson Law Firm**  
**1215 Manor Drive**  
**Suite 202**  
**Mechanicsburg, PA 17055**  
**Telephone Number: 717-620-7119**  
**Fax Number: 717-620-8749**  
**Email address: [Ksnyder@jlfplanning.com](mailto:Ksnyder@jlfplanning.com)**

- b. **PENNSYLVANIA ADDRESS / REGISTERED AGENT:** If the Applicant maintains a primary address outside of Pennsylvania, provide the name, address, telephone number, and fax number of the Applicant's secondary office within Pennsylvania. If the Applicant does not maintain a physical location within Pennsylvania, provide the name, address, telephone number, and fax number of the Applicant's Registered Agent within Pennsylvania.

**NE Energy, LLC does not maintain a primary address outside of Pennsylvania**

- c. **REGULATORY CONTACT:** Provide the name, title, address, telephone number, fax number, and e-mail address of the person to whom questions about this Application should be addressed.

**Kristen Snyder, ESQ  
Jackson Law Firm  
1215 Manor Drive  
Suite 202  
Mechanicsburg, PA 17055  
Telephone Number: 717-620-7119  
Fax Number: 717-620-8749  
Email address: Ksnyder@jlfplanning.com**

- d. **ATTORNEY:** Provide the name, address, telephone number, fax number, and e-mail address of the Applicant's attorney. If the Applicant is not using an attorney, explicitly state so.

**Kristen Snyder, ESQ  
Jackson Law Firm  
1215 Manor Drive  
Suite 202  
Mechanicsburg, PA 17055  
Telephone Number: 717-620-7119  
Fax Number: 717-620-8749  
Email address: Ksnyder@jlfplanning.com**

- e. **CONTACTS FOR CONSUMER SERVICE AND COMPLAINTS: (Required of ALL Applicants)** Provide the name, title, address, telephone number, FAX number, and e-mail **OF THE PERSON AND AN ALTERNATE PERSON (2 REQUIRED)** responsible for addressing customer complaints. These persons will ordinarily be the initial point(s) of contact for resolving complaints filed with the Applicant, the Electric Distribution Company, the Pennsylvania Public Utility Commission, or other agencies. The main contact's information will be listed on the Commission website list of licensed EGSs.

**NE Energy, LLC  
280 Saint John Drive  
Camp Hill, Pennsylvania 17011  
717-580-4927  
Attention: Ian J. Delaney-Lazar, Managing Member**

**Web Address: [lan@neenergyllc.com](mailto:lan@neenergyllc.com)**  
**Web Site: [neenergyllc.com](http://neenergyllc.com)**

**Alternative Person:**  
**Kristen Snyder, ESQ**  
**Jackson Law Firm**  
**1215 Manor Drive**  
**Suite 202**  
**Mechanicsburg, PA 17055**  
**Telephone Number: 717-620-7119**  
**Fax Number: 717-620-8749**  
**Email address: [Ksnyder@jlfplanning.com](mailto:Ksnyder@jlfplanning.com)**

## **2. BUSINESS ENTITY FILINGS AND REGISTRATION**

- a. FICTITIOUS NAME:** *(Select appropriate statement and provide supporting documentation as listed.)*

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

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

**or**

The Applicant will not be using a fictitious name.

- b. BUSINESS ENTITY AND DEPARTMENT OF STATE FILINGS:**  
*(Select appropriate statement and provide supporting documentation. As well, understand that Domestic means being formed within Pennsylvania and foreign means being formed outside Pennsylvania.)*

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.
- Provide the state in which the business is organized/formed and provide a copy of the Applicant's charter documentation.
- \* If a corporate partner in the Applicant's domestic partnership is not domiciled in Pennsylvania, attach a copy of the Applicant's Department of State filing pursuant to 15 Pa. C.S. §4124.

**or**

**X** The Applicant is a:

- domestic corporation (15 Pa. C.S. §1308)
- foreign corporation (15 Pa. C.S. §4124)
- X** domestic limited liability company (15 Pa. C.S. §8913)
- foreign limited liability company (15 Pa. C.S. §8981)
- Other (Describe):

- Provide proof of compliance with appropriate Department of State filing requirements as indicated above.  
**Exhibit 1: NE Energy LLC's Document with the Commonwealth of Pennsylvania Department of State.**
- Provide the state in which the business is incorporated/organized/formed and provide a copy of the Applicant's charter documentation.  
**Exhibit 2: NE Energy's Charter Document. NE Energy LLC is a Pennsylvania Limited Liability Company.**
- Give name and address of officers.

**Ian J. Delaney-Lazar  
280 Saint John Drive  
Camp Hill, PA 17011**

**Richard A. Hale  
111 Meadow Trail  
Dillsburg, PA 17019**

### 3. AFFILIATES AND PREDECESSORS

*(both in state and out of state)*

- a. **AFFILIATES:** Give name and address of any affiliate(s) currently doing business and state whether the affiliate(s) are jurisdictional public utilities. If the Applicant does not have any affiliates doing business, explicitly state so. Also, state whether the applicant has any affiliates that are currently applying to do business in Pennsylvania.

**NE Energy LLC has no affiliate doing business in Pennsylvania or outside of Pennsylvania. NE Energy LLC has no affiliates applying to do business in Pennsylvania or outside of Pennsylvania.**

- b. **PREDECESSORS:** Identify the predecessor(s) of the Applicant and provide the name(s) under which the Applicant has operated within the preceding five (5) years, including address, web address, and telephone number, if applicable. If the Applicant does not have any predecessors that have done business, explicitly state so.

**NE Energy LLC has no predecessors that have done business in or outside of Pennsylvania.**

### 4. OPERATIONS

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

Definitions

- Supplier – an entity that sells electricity to end-use customers utilizing the jurisdictional transmission and distribution facilities of an EDC.
- Aggregator - an entity that purchases electric energy and takes title to electric energy as an intermediary for sale to retail customers.
- Broker/Marketer - an entity that acts as an intermediary in the sale and purchase of electric energy but does not take title to electric energy.

- The Applicant is presently doing business in Pennsylvania as a

- municipal electric corporation
- electric cooperative
- local gas distribution company
- provider of electric generation, transmission or distribution services
- broker/marketer engaged in the business of supplying electricity services
- Other; Identify the nature of service being rendered.

or

The Applicant is not presently doing business in Pennsylvania.

b. **APPLICANT'S PROPOSED OPERATIONS:** The Applicant proposes to operate as a (*may check multiple*):

- Generator of electricity
- Supplier of electricity
- Aggregator engaged in the business of supplying electricity
- Broker/Marketer engaged in the business of supplying electricity services
  - Check here to verify that your organization will not be taking title to the electricity nor will you be making payments for customers.
- Electric Cooperative and supplier of electric power
- Other (Describe):

c. **PROPOSED SERVICES:** Describe in detail the electric services or the electric generation services which the Applicant proposes to offer.

**NE Energy LLC proposes to market to large industrial and commercial accounts competitively priced electricity under terms and conditions that the customers prefer. NE Energy LLC, using its extensive network of suppliers intends to custom design its offerings to match the needs of each customer. Customers will be able to choose fixed priced contracts, real time contracts, or a combination of both depending on their preferences. Price collars, ceilings and floors, will be offered where a customer need is present.**

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

- |   |  |
|---|--|
| <input type="checkbox"/> Citizens' Electric | <input type="checkbox"/> Pike          |
| <input type="checkbox"/> Duquesne Light     | <input type="checkbox"/> PPL           |
| <input type="checkbox"/> Met-Ed             | <input type="checkbox"/> UGI Utilities |
| <input type="checkbox"/> PECO               | <input type="checkbox"/> Wellsboro     |
| <input type="checkbox"/> Penelec            | <input type="checkbox"/> West Penn     |
| <input type="checkbox"/> Penn Power         |  |

**Entire Commonwealth of PA**

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

- Residential Customers
- Small Commercial Customers - (25 kW and Under)
- Residential and Small Commercial as Mixed Meter ONLY (CANNOT BE TAKEN WITH RESIDENTIAL AND/OR SMALL COMMERCIAL ABOVE)
- Large Commercial Customers - (Over 25 kW)
- Industrial Customers
- Governmental Customers
- All of above (Except Mixed Meter)
- Other (Describe):

f. **START DATE:** Provide the approximate date the Applicant proposes to actively market within the Commonwealth.

**As soon as the Pennsylvania Public Utility Commission grants NE Energy LLC an Electric Generation Supplier (EGS) License.**

## 5. COMPLIANCE

a. **CRIMINAL/CIVIL PROCEEDINGS:** State specifically whether the Applicant, an affiliate, a predecessor of either, or a person identified in this Application, has been or is currently the defendant of a criminal or civil proceeding within the last five (5) years.

Identify all such proceedings (active or closed), by name, subject and citation; whether before an administrative body or in a judicial forum. If the Applicant has no proceedings to list, explicitly state such.

**Neither NE Energy LLC, an affiliate of NE Energy LLC, a predecessor of either nor a person identified in this Application, has been or is currently the defendant of a criminal or civil proceeding within the last five (5) years.**

**NE Energy LLC has no proceedings to list (active or closed).**

b. **SUMMARY:** If applicable; provide a statement as to the resolution or present status of any such proceedings listed above.

**Not Applicable.**

- c. **CUSTOMER/REGULATORY/PROSECUTORY ACTIONS:** Identify all 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 the Applicant, 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 should also include if it had a Pennsylvania PUC EGS or NGS license previously cancelled by the Commission.** If the Applicant has no actions or complaints to list, explicitly state such.

**NE Energy LLC, an affiliate, a predecessor of either, nor a person identified in this Application has had any formal or escalated actions or complaints filed with or by a customer, regulatory agency, or prosecutor agency against it 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.**  
**NE Energy LLC has never had a Pennsylvania PUC EGS or NGS license previously cancelled by the Commission.**

- d. **SUMMARY:** If applicable; provide a statement as to the resolution or present status of any actions listed above.

**Not Applicable**

## **6. PROOF OF SERVICE**

**Required of ALL Applicants regardless of operating as a supplier, broker, marketer, or aggregator.**  
*(Example Certificate of Service is attached at Appendix C)*

- a. **STATUTORY AGENCIES:** Pursuant to Section 5.14 of the Commission's Regulations, 52 Pa. Code §5.14, provide proof of service of a signed and verified Application with attachments on the following:

Bureau of Investigation & Enforcement  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street, 2 West  
Harrisburg, PA 17120

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

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

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



Office of the Small Business Advocate  
Commerce Building, Suite 202  
300 North Second Street  
Harrisburg, PA 17101

- b. **EDCs:** Pursuant to Sections 1.57 and 1.58 of the Commission's Regulations, 52 Pa. Code §§1.57 and 1.58, provide Proof of Service of the Application and attachments upon each of the Electric Distribution Companies the Applicant proposed to provide service in. 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. Contact information for each EDC is as follows.

**Pike County Light & Power Company:**

Vice President – Energy Supply  
Corning Natural Gas Holding Corporation  
330 West William Street  
Corning, NY 14830

**West Penn:**

Legal Department  
West Penn Power d/b/a Allegheny Power  
800 Cabin Hill Drive  
Greensburg, PA 15601-1689

**PECO:**

Manager Energy Acquisition  
PECO Energy Company  
2301 Market Street  
Philadelphia, PA 19101-8699

**Duquesne Light:**

Regulatory Affairs  
Duquesne Light Company  
411 Seventh Street, MD 16-4  
Pittsburgh, PA 15219

**PPL:**

Office of General Counsel  
Attn: Kimberly A. Klock  
PPL  
Two North Ninth Street (GENTW3)  
Allentown, PA 18101-1179

**Met-Ed, Penelec, and Penn Power:**

Legal Department  
First Energy  
2800 Pottsville Pike  
Reading PA, 19612

**UGI:**

UGI Utilities, Inc.  
Attn: Rates Dept. – Choice Coordinator  
2525 N. 12th Street, Suite 360  
Post Office Box 12677  
Reading, Pa 19612-2677

**Citizens' Electric Company:**

Citizens' Electric Company  
Attn: EGS Coordination  
1775 Industrial Boulevard  
Lewisburg, PA 17837

**Wellsboro Electric Company:**

Wellsboro Electric Company  
Attn: EGS Coordination  
33 Austin Street  
P. O. Box 138  
Wellsboro, PA 16901

**The Certificate of Service is attached and is marked as Exhibit 3**

## **7. FINANCIAL FITNESS**

a. **BONDING:** In accordance with 66 Pa. C.S. Section 2809(c)(1)(i), the Applicant is required to file a bond or other instrument to ensure its financial responsibilities and obligations as an EGS. Therefore, the Applicant is...

Furnishing the **ORIGINAL** of an initial bond, letter of credit or proof of bonding to the Commission in the amount of \$250,000.

Furnishing the **ORIGINAL** of another initial security for Commission approval, to ensure financial responsibility, such as a parental guarantee, in the amount of \$250,000.

X **For Marketers and Brokers** - Filing for a modification to the \$250,000 requirement and furnishing the **ORIGINAL** of an initial bond, letter of credit or proof of bonding to the Commission in the amount of \$10,000. Applicant is required to provide information supporting an amount less than \$250,000. Such supporting information must include indication that the Applicant will not take title to electricity and will not pay electricity bills on behalf of its customers. Further details for modification may be described as well.

**NE Energy LLC will not take title to electricity and will not pay electric bills on behalf of its Customers.**

**NE Energy LLC has posted a letter of credit to the Commission in the amount of \$10,000. It is**

**Attached and marked as Exhibit 4**

### **CRITICAL BONDING NOTES:**

Applicant is required to maintain a bond or other financial instrument the entire time it maintains an EGS license with the Commonwealth of Pennsylvania. If Applicant's security instrument is not continuous, Applicant **MUST** submit a Rider, Amendment, or Continuation Certificate annually based on the expiration date of its security instrument.

At least sixty days (60) prior to the security instrument's expiration date, Applicant should contact Stephen Jakab at [sjakab@pa.gov](mailto:sjakab@pa.gov) to determine the appropriate bonding amount based on a percentage of Applicant's gross receipts resulting from the sale of generated electricity consumed in Pennsylvania. Once the amount has been determined, Applicant should overnight the updated security instrument(s) at least thirty (30) days prior to the expiration date to ensure adequate time for staff review and approval of the security instrument(s).

Template versions of a continuous bond, fixed-term bond, continuous letter of credit, and parental guarantee are attached at Appendix E, F, G, & H, respectively. Applicant's security must follow language from these examples, and must include the unmodified language outlined in Appendix D. Any deviation from these examples must be identified in the application and may not be acceptable to the Commission.

**b. FINANCIAL RECORDS, STATEMENTS, AND RATINGS:** Applicant must 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.
- Published Applicant or parent company financial and credit information (i.e. 10Q or 10K). (SEC/EDGAR web addresses are sufficient)
- Applicant's accounting statements, including balance sheet and income statements for the past two years.
- 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, evidence of Moody's, S&P, or Fitch ratings, and/or other independent financial service reports.
- A description of the types and amounts of insurance carried by Applicant which are specifically intended to provide for or support its financial fitness to perform its obligations as a licensee.
- Audited financial statements exhibiting accounts over a minimum two year period.
- Bank account statement, tax returns from the previous two years, or any other information that demonstrates Applicant's financial fitness.

**NE Energy LLC is acting strictly as a Broker/Marketer only. The members of the NE Energy LLC are high net worth individuals and have elected to fund operations using all equity. Exhibit 5, marketed "Confidential" is the initial opening bank statement of the newly formed Pennsylvania Limited Liability Company.**

**c. SUPPLIER FUNDING METHOD:** If Applicant is operating as anything other than Broker/Marketer only, explain how Applicant will fund its operations. Provide all credit agreements, lines of credit, etc., and elaborate on how much is available on each item.

**Not Applicable**

**d. BROKER PAYMENT STRUCTURE:** If applicant is a broker/marketer, explain how your organization will be collecting your fees.

**Typically, NE Energy will collect fees from the seller. However, NE Energy is open to other methods such as collecting fees from the Buyer for doing a reverse auction or for conducting a RFP on behalf of the Buyer. NE Energy would consider a fee from the Buyer based on a percentage of the savings the Buyer achieves by using NE Energy LLC's services.**

- e. **ACCOUNTING RECORDS CUSTODIAN:** Provide the name, title, address, telephone number, FAX number, and e-mail address of Applicant's custodian for its accounting records.

**NE Energy, LLC  
280 Saint John Drive  
Camp Hill, Pennsylvania 17011  
717-580-4927  
Attention: Ian J. Delaney-Lazar, Managing Member  
Web Address: [ian@neenergyllc.com](mailto:ian@neenergyllc.com)  
Web Site: [neenergyllc.com](http://neenergyllc.com)**

- f. **TAXATION:** Complete the TAX CERTIFICATION STATEMENT attached as Appendix I to this application.

*All sections of the Tax Certification Statement must be completed. Absence (submitting N/A) of any of the TAX identifications numbers (items 7A through 7C) shall be accompanied by supporting documentation or an explanation validating the absence of such information.*

*Items 7A and 7C on the Tax Certification Statement are designated by the Pennsylvania Department of Revenue. Item 7B on the Tax Certification Statement is designated by the Internal Revenue Service.*

**NE Energy LLC's Tax Certification Statement is attached and marked as Exhibit 6. 7A is marked as**

**N/A because NE Energy is acting as a Marketer/Broker and will not take title to electricity and will**

**Not pay electric bills on behalf of its customers.**

## **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.  
**Please see Exhibits Marked as 8 and 9.**
- Summary and proof of licenses as a supplier of electric services in other states or jurisdictions.  
**NE Energy LLC is a startup firm beginning in its home State of Pennsylvania, so it does not have licenses in other states or jurisdictions.**
- Type of customers and number of customers Applicant currently serves in other jurisdictions.  
**NE Energy LLC is a startup firm, so it does not have customers in other jurisdictions.**
- Staffing structure and numbers as well as employee training commitments.

**Initial staffing structure will consist of the 2 members of NE Energy LLC. Appropriate training will be provided to any new employees if that staff need arises in the future.**

- Business plans for operations within the Commonwealth.  
**The Business plans for operation within the Commonwealth consist of contacting the vast array of existing business contacts that the 2 members of NE Energy LLC currently have and use referrals to expansion their customer base.**
- 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.  
**One member of NE Energy LLC has worked for as a electric trader for a company for 5 years who was a member of PJM, NY ISO, and NEEPool.**
- Any other information appropriate to ensure the technical capabilities of the Applicant.  
**The 2 members of NE Energy LLC have a combined history in energy marketing of 44 years. One member has traded and marketed electricity in PJM, NY ISO, and NEEPool on behalf of his employer.**

**b. PROPOSED MARKETING METHOD** *(check all that apply)*

- Internal – Applicant will use its own internal resources/employees for marketing
- External EGS – Applicant will contract with a PUC **LICENSED EGS** broker/marketer
- Affiliate – Applicant will use a **NON-EGS** affiliate marketing company and or individuals.
- External Third-Party – Applicant will contract with a **NON-EGS** third party marketing company and or individuals
- Other (Describe):

**c. DOOR TO DOOR SALES:** Will the Applicant be implementing door to door sales activities?

- Yes
- No

If yes, will the Applicant be using verification procedures?

- Yes
- No

If yes, describe the Applicant's verification procedures.

**Not Applicable**

**d. OVERSIGHT OF MARKETING:** Explain all methods Applicant will use to ensure all marketing is performed in an ethical manner, for both employees and subcontractors.

**NE Energy LLC will use the following methods to ensure all marketing is performed in an ethical manner:**

- (1) **Use of recorded and monitored telephone lines for sales work being done by subcontractors or non-officer employees via telephone.**
- (2) **Follow up surveys of new customers experience with sales made by non-officer employees and subcontractors.**
- (3) **Company officers attending sales meetings with non-officer employees and subcontractors on a regular basis.**
- (4) **Requiring all new hired to complete an ethics training class prior to making any sales.**

- e. **OFFICERS:** Identify Applicant's chief officers and include the professional resumes for any officers directly responsible for operations. All resumes should include date ranges and job descriptions containing actual work experience.

**Resumes for Ian J. Delaney-Lazar and Richard A. Hale the only officers of NE Energy LLC are attached and are marked as Exhibit 7 and Exhibit 8.**

- f. **FERC FILING:** Applicant has:

Filed an Application with the Federal Energy Regulatory Commission to be a Power Marketer.

Received approval from FERC to be a Power Marketer at Docket or Case Number \_\_\_\_\_.

Not applicable

## **9. DISCLOSURE STATEMENTS:**

**Disclosure Statements:** If proposing to serve Residential and/or Small Commercial (under 25 kW) Customers, provide a Residential and/or Small Commercial disclosure statement. A sample disclosure statement is provided as Appendix J to this Application.

- Electricity 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.

***Not applicable for an applicant applying for a license exclusively as a broker/marketer. NE Energy LLC is applying for a license exclusively as a Broker/Marketer.***

## **10. VERIFICATIONS, ACKNOWLEDGEMENTS, AND AGREEMENTS**

a. **PJM LOAD SERVING ENTITY REQUIREMENT:** As a prospective EGS, the applicant understands that those EGSs which provide retail electric supply service (i.e. takes title to electricity) must provide either:

- proof of registration as a PJM Load Serving Entity (LSE), or
- proof of a contractual arrangement with a registered PJM LSE that facilitates the retail electricity services of the EGS.

The Applicant understands that compliance with this requirement must be filed within 120 days of the Applicant receiving a license. As well, the Applicant understands that compliance with this requirement may be filed with this instant application.

*(Select only one of the following)*

- AGREED - Applicant has included compliance with this requirement in the instant application, labeled in correspondence with this section (10).
- AGREED - Applicant will provide compliance with this requirement within 120 days of receiving its license
- ACKNOWLEDGED - Applicant is not proposing to provide retail electric supply service at this time, and therefore is not presently obligated to provide such information

b. **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. Further, the Applicant agrees that it must comply with and ensure that its employees, agents, representatives, and independent contractors comply with the standards of conduct and disclosure set out in Commission regulations at 52 Pa. Code § 54.43, as well as any future amendments.

AGREED

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

- Retail Electricity Choice Activity Reports: The regulations at 52 Pa. Code §§ 54.201--54.204 require that all active EGSs report sales activity information. An EGS will file an annual report reporting for customer groups defined by annual usage. Reports must be filed using the appropriate report form that may be obtained from the PUC's Secretary's Bureau or the forms officer, or may be down-loaded from the PUC's internet web site.
- Reports of Gross Receipts: Applicant shall report its Pennsylvania intrastate gross receipts to the Commission on a quarterly and year to date basis no later than 30 days following the end of the quarter.
- The Treasurer or other appropriate officer of Applicant shall transmit to the Department of Revenue by March 15, an annual report, and under oath or

affirmation, of the amount of gross receipts received by Applicant during the prior calendar year.

- Net Metering Reports: Applicant shall be responsible to report any Net Metering per the Standards on [http://www.puc.pa.gov/consumer\\_info/electricity/alternative\\_energy.aspx](http://www.puc.pa.gov/consumer_info/electricity/alternative_energy.aspx). Scroll down to the Net Metering Standards Section.
- Applicant shall report to the Commission the percentages of total electricity supplied by each fuel source on an annual basis per 52 Pa. Code § 54.39(d).
- Applicant will be required to meet periodic reporting requirements as may be issued by the Commission to fulfill the Commission's duty under Chapter 28 pertaining to reliability and to inform the Governor and Legislature of the progress of the transition to a fully competitive electric market.

AGREED

- d. **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 2809(D). Transferee will be required to file the appropriate licensing application.

AGREED

- e. **ANNUAL FEES:** The Public Utility Code authorizes the PUC to collect an annual fee of \$350 from suppliers, brokers, marketers, and aggregators selling electricity in the Commonwealth of PA, and an annual supplemental fee based on annual gross intrastate revenues, applicable to suppliers only.

ACKNOWLEDGED

- f. **FURTHER DEVELOPMENTS:** Applicant is under a continuing obligation to amend its application if substantial changes occur to the information upon which the Commission relied in approving the original filing. See 52 Pa. Code § 54.34.

AGREED

- g. **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



- h. **NOTIFICATION OF CHANGE:** If your answer to any of these items changes during the pendency of your application or if the information relative to any item herein changes while you are operating within the Commonwealth of Pennsylvania, you are under a duty to so inform the Commission, within twenty (20) days, as to the specifics of any changes which have a significant impact on the conduct of business in Pennsylvania. See 52 Pa. Code § 54.34.

AGREED

- i. **CEASING OF OPERATIONS:** Applicant is also required to officially notify the Commission if it plans to cease doing business in Pennsylvania, 90 days prior to ceasing operations.

AGREED

- j. **Electronic Data Interchange:** The Applicant acknowledges the Electronic Data Interchange (EDI) requirements and the relevant contacts for each EDC, as listed at Appendix M.

AGREED

- k. **FILING FEE:** The Applicant has enclosed or paid the required, non-refundable filing fee by **CERTIFIED CHECK OR MONEY ORDER** in the amount of **\$350.00** payable to the Commonwealth of Pennsylvania. The Commission does not accept corporate or personal checks for filing fees.

**PAYMENT ENCLOSED and is marked as Exhibit 9.**

## 11. AFFIDAVITS

**Must be notarized before filing.**

- a. **APPLICATION AFFIDAVIT:** Complete and submit with your filing an officially notarized Application Affidavit stating that all the information submitted in this application is truthful and correct. An example copy of this Affidavit can be found at Appendix A.

**Attached and Marked as Exhibit 10.**

- b. **OPERATIONS AFFIDAVIT:** Provide an officially notarized affidavit stating that you will adhere to the reliability protocols of the North American Electric Reliability Council, the appropriate regional reliability council(s), and the Commission, and that you agree to comply with the operational requirements of the control area(s) within which you provide retail service. An example copy of this Affidavit can be found at Appendix B.

**Attached and Marked as Exhibit 11.**

## 12. NEWSPAPER PUBLICATIONS

**Required of ALL Applicants regardless of operating as a supplier, broker, marketer, or aggregator.**

Notice of filing of this Application must be published in newspapers of general circulation covering each county in which the applicant intends to provide service. The newspapers in which proof of publication are required is dependent on the service territories the applicant is proposing to serve.

The chart below dictates which newspapers are necessary for each EDC. For example, an applicant that wants to operate in Penn Power would need to run ads in both The Erie Times-News and the Pittsburgh Post-Gazette. If the applicant is proposing to serve the entire Commonwealth, please file proof of publication in all seven newspapers.

The only acceptable verification of this requirement is with Notarized Proofs of Publication, which may be requested from each newspaper and must be supplied with this application. Applicants do not need a docket number in their publication. Docket numbers will be issued when all criteria on the item 14 checklist (see below) are satisfied.

	Erie Times-News	Harrisburg Patriot-News	Philadelphia Daily News	Pittsburgh Post-Gazette	Scranton Times-Tribune	Williamsport Sun-Gazette	Johnstown Tribune-Democrat
Citizens' Electric						X	
Duquesne				X			
Met Ed		X	X		X		
PECO			X				
Penelec	X	X			X	X	X
Penn Power	X			X			
Pike					X		
PPL		X	X		X	X	
UGI					X		
Wellsboro						X	
West Penn		X		X		X	X
Entire Commonwealth	X	X	X	X	X	X	X

(Example Publications are provided at Appendices K and L)

Notarized Proof of Publication is Attached and Marked as Exhibit 12 (A-G)

**13. SIGNATURE**

Applicant: NE Energy LLC

By: \_\_\_\_\_

*Ian J. Delaney-Lazar*  
 Ian J. Delaney-Lazar  
 Title: Managing Member

RECEIVED  
 2019 MAR 26 AM 9:40  
 PA PUC  
 SECRETARY'S BUREAU  
 FRONT DESK

**14. CHECKLIST**

For the applicant's convenience, please use the following checklist to ensure all relevant sections are complete. The Commission Secretary's Bureau will not accept an application unless each of the following sections are complete.

**Applicant: NE Energy LLC**

Applicant's Use	X	<b>Signature</b>	
	X	<b>Filing Fee (CERTIFIED CHECK OR MONEY ORDER ONLY)</b>	
	X	<b>Application Affidavit</b>	
	X	<b>Operations Affidavit</b>	
	X	<b>Proof of Publication</b>	
	X	<b>Bond, Letter of Credit, or Parental/Affiliate Guarantee</b>	
	X	<b>Tax Certification Statement</b>	
	X	<b>Commonwealth Department of State Verification</b>	
	X	<b>Certificate of Service</b>	

PUC Secretary's Bureau Use

**Directory of Exhibits for NE Energy LLC Application to the Pennsylvania Public Utility Commission for a License Exclusively as a Broker/Marketer of Electricity**

- Exhibit 1. Proof of Compliance with Pennsylvania Department of State**
- Exhibit 2. NE Energy LLC's Pennsylvania Limited Liability Company Charter Document**
- Exhibit 3. NE Energy LLC's Certificate of Service to Statutory Agencies and NGDCs**
- Exhibit 4. Letter of Credit issued to the Commission**
- Exhibit 5. "Confidential" NE Energy LLC Bank Account Statement**
- Exhibit 6. "Confidential" NE Energy Tax Certification Statement**
- Exhibit 7. Resume of Officer - Richard A. Hale**
- Exhibit 8. Resume of Officer - Ian J. Delaney-Lazar**
- Exhibit 9. NE Energy LLC's Certified Check for its Filing Fee**
- Exhibit 10. NE Energy LLC's Notarized Application Affidavit**
- Exhibit 11. NE Energy LLC's Notarized Operations Affidavit**
- Exhibit 12. (A-G) NE Energy LLC's Notarized Proof of Publication**

Appendix A

APPLICATION AFFIDAVIT

Commonwealth of Pennsylvania \_\_\_\_\_ :

: SS.

County of Cumberland \_\_\_\_\_ :

Ian J. Delaney-Lazar, Affiant, being duly [sworn/affirmed] according to law, deposes and says that:

[He/she is the **Managing Member** (Office of Affiant) of **NE Energy LLC** (Name of Applicant);]

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

That the Applicant herein **NE Energy LLC** has the burden of producing information and supporting documentation demonstrating its technical and financial fitness to be licensed as an electric generation supplier pursuant to 66 Pa. C.S. § 2809 (B).

That the Applicant herein **NE Energy LLC** has answered the questions on the application correctly, truthfully, and completely and provided supporting documentation as required.

That the Applicant herein **NE Energy 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 **NE Energy 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]  
Signature of Affiant

Sworn and subscribed before me this 25<sup>th</sup> day of March, 2019.

Commonwealth of Pennsylvania - Notary Seal  
Kristen Snyder, Notary Public  
Cumberland County  
My commission expires February 18, 2022  
Commission number 1281828  
Member, Pennsylvania Association of Notaries

[Signature]  
Signature of official administering oath

My commission expires 2/18/22

**Appendix B**

**OPERATIONS AFFIDAVIT**

**Commonwealth Pennsylvania :**

: **ss.**

County of Cumberland :

**Ian J. Delaney-Lazar**, Affiant, being duly [sworn/affirmed] according to law, deposes and says that:

[He/she is the **Managing Member** (Office of Affiant) of **NE Energy LLC** (Name of Applicant);]

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

That **NE Energy LLC**, the Applicant herein, acknowledges that **NE Energy LLC** may have obligations pursuant to this Application consistent with the Public Utility Code of the Commonwealth of Pennsylvania, Title 66 of the Pennsylvania Consolidated Statutes; or with other applicable statutes or regulations including Emergency Orders which may be issued verbally or in writing during any emergency situations that may unexpectedly develop from time to time in the course of doing business in Pennsylvania.

That **NE Energy LLC**, the Applicant herein, asserts that it possesses the requisite technical, managerial, and financial fitness to render electric 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 **NE Energy 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 28 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 Gross Receipts and power 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).

As provided by 66 Pa. C.S. §2810 (C)(6)(iv), 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.

**Appendix B (Continued)**

That **NE Energy LLC**, the Applicant herein, acknowledges that it has a statutory obligation to conform with 66 Pa. C.S. §506, §2807 (C), §2807(D)(2), §2809(B) 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 Bureau of Public Liaison 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 25<sup>th</sup> day of March, 2019.

Commonwealth of Pennsylvania - Notary Seal  
Kristen Snyder, Notary Public  
Cumberland County  
My commission expires February 18, 2022  
Commission number 1281828  
Member, Pennsylvania Association of Notaries

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

My commission expires 2/18/22.

COMMONWEALTH OF PENNSYLVANIA }  
 County of Cambria } SS

**PENNSYLVANIA PUBLIC UTILITY COMMISSION  
 NOTICE**  
 Applications of NE Energy, LLC For Approval To Offer, Render, or Furnish Services as a Supplier, Aggregator, and Marketer/Broker 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.  
 NE Energy, LLC will be filing an application with the Pennsylvania Public Utility Commission (PUC) for a license to provide natural gas supply services as (1) a supplier of natural gas, and (2) a broker/marketer engaged in the business of providing natural gas services. NE Energy, LLC will also be filing an application with the PUC for a license to supply electricity or electric generation services as (1) a generator and supplier of electric power, (2) a broker/marketer engaged in the business of supplying electricity, and (3) an aggregator engaged in the business of supplying electricity. NE Energy, LLC proposes to sell electricity, natural gas, and related services in the entire Commonwealth of Pennsylvania under the provisions of the new Natural Gas Choice and Competition Act and the Electricity Generation Customer Choice and Competition Act.  
 The PUC may consider this application without a hearing. Protests directed to the technical or financial fitness of NE Energy, 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 NE Energy, LLC's attorney at the address listed below.  
 By and through Counsel: Kristen Snyder,  
 Jackson Law Firm, PLLC, 1215 Manor Drive, Ste 202,  
 Mechanicsburg, PA 17055, 717-620-7119

published that the a of The Jo in the sub of said pu

On this 1st day of March A.D. 2019, 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, ty of Cambria, and Commonwealth of Pennsylvania and e matter published in said publication in the regular issues , on March 1, 2019; and that the Affiant is not interested that all of the allegations as to time, place and character

*Christine Marhefka*

**STATEMENT OF ADVERTISING COSTS**

Signed and sworn to before me on 1st day of March, 2019, by Christine Marhefka making the statement.

*Finnian Ohs*

0.00 Lines @ \$2.50 per line	0.00
7 Inches @ \$25.00 per inch	175.00
Notary Fee	5.00
Clerical Fee	2.50
<b>Total Cost</b>	<b>182.50</b>

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

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 \_\_\_\_\_



PROOF OF PUBLICATION OF NOTICE IN THE WILLIAMSPORT  
SUN-GAZETTE UNDER ACT NO. 587, APPROVED MAY 16, 1929

STATE OF PENNSYLVANIA

COUNTY OF LYCOMING

SS:

Robert O. Rolley, Jr., Publisher of the Sun-Gazette LLC publishers of the Williamsport Sun-Gazette, successor to the Williamsport Sun and the Gazette & Bulletin, both daily newspapers of general circulation, published at 252 West Fourth Street, Williamsport, Pennsylvania, being duly sworn, deposes and says that the Williamsport sun was established in 1870 and the Gazette & Bulletin was established in 1801, since which dates said successor, the Williamsport Sun-Gazette, has been regularly issued and published in the County of Lycoming aforesaid, and that a copy of the printed notice is attached hereto exactly as the same was printed and published in the regular editions of said Williamsport Sun-Gazette on the following dates, viz:

February 28, 2019

Affiant further deposes that he is an officer daily authorized by the Sun-Gazette LLC, publisher of the Williamsport Sun-Gazette, to verify the foregoing statement under oath and declare that affiant is not interested in the subject matter of the aforesaid notice of publication, and that all the allegations in the foregoing statement as to time, place and character of publication are true.

PENNSYLVANIA PUBLIC  
UTILITY COMMISSION  
NOTICE

Applications of NE Energy, LLC for Approval To Offer, Render, or Furnish Services as a Supplier, Aggregator, and Market Broker, 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

NE Energy, LLC will be filing an application with the Pennsylvania Public Utility Commission (PUC) for a license to provide natural gas supply services as (1) a supplier of natural gas, and (2) a broker/market engaged in the business of providing natural gas services. NE Energy, LLC will also be filing an application with the PUC for a license to supply electricity of electric generation services as (1) a generator and supplier of electric power, (2) a broker/market engaged in the business of supplying electricity, and (3) an aggregator engaged in the

business of supplying electricity. NE Energy, LLC proposes to sell electricity, natural gas and related services in the entire Commonwealth of Pennsylvania under the provisions of the new Natural Gas Choice and Competition Act and the Electricity Generation Customer Choice and Competition Act.

The PUC may consider this application without a hearing. Protests directed to the technical or financial fitness of NE Energy, 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 NE Energy, LLC's attorney at the address listed below.

By and through Counsel:  
Kristen Snyder, Jackson Law Firm, PLLC  
1215 Manor Drive,  
Ste 202,  
Mechanicsburg, PA 17055  
717-620-7119

*[Signature]*  
SUN-GAZETTE LLC

Sworn to and subscribed before me

The 28<sup>th</sup> day of February 2019

*[Signature]*  
BETH A. MILLER

COMMONWEALTH OF PENNSYLVANIA  
Notary Public

NOTARIAL SEAL  
BETH A MILLER  
Notary Public  
CITY OF WILLIAMSPORT, LYCOMING COUNTY  
My Commission Expires Apr 18, 2020

STATEMENT OF ADVERTISING COSTS

To the Sun-Gazette LLC, Dr.:

For publishing the notice attached

Hereto on the above state dates.....\$285.28

Probated same.....\$

Total.....\$285.28

PUBLISHER'S RECEIPT FOR ADVERTISING COSTS

THE SUN-GAZETTE LLC hereby acknowledges receipt of the aforesaid advertising and publication costs and certifies that the same have been fully paid

SUN-GAZETTE LLC

BY Robert O. Rolley, Jr.

The Scranton Times (Under act P.L. 877 No 160. July 9, 1976)  
Commonwealth of Pennsylvania, County of Lackawanna

JACKSON LAW FIRM  
KRISTEN SNYDER, ESQ.  
1215 MANOR DRIVE, SUITE 202 MECHANICSBURG PA 17055

17055

Account # 632866  
Order # 82312071  
Ad Price: 283.00

NE ENERGY, LLC  
Ann Marie Fortese

Being duly sworn according to law deposes and says that (s)he is Billing clerk for The Scranton Times, owner and publisher of The Scranton Times, a newspaper of general circulation, established in 1870, published in the city of Scranton, county and state aforesaid, and that the printed notice or publication hereto attached is exactly as printed in the regular editions of the said newspaper on the following dates:

02/27/2019

Affiant further deposes and says that neither the affiant nor The Scranton Times is interested in the subject matter of the aforesaid notice or advertisement and that all allegations in the foregoing statement as time, place, and character or publication are true Ann Marie Fortese

Sworn and subscribed to before me  
this 27th day of February A.D., 2019

Sharon Venturi

(Notary Public)

Commonwealth of Pennsylvania - Notary Seal  
Sharon Venturi, Notary Public  
Lackawanna County  
My commission expires February 12, 2022  
Commission number 1254228  
Member, Pennsylvania Association of Notaries

**LEGAL NOTICE**  
**PENNSYLVANIA PUBLIC UTILITY COMMISSION NOTICE**  
Applications of NE Energy, LLC For Approval To Offer, Render, or Furnish Services as a Supplier, Aggregator, and Marketer/Broker 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  
NE Energy, LLC will be filing an application with the Pennsylvania Public Utility Commission ("PUC") for a license to provide natural gas supply services as (1) a supplier of natural gas; and (2) a broker/marketer engaged in the business of providing natural gas services. NE Energy, LLC will also be filing an application with the PUC for a license to supply electricity or electric generation services as (1) a generator and supplier of electric power; (2) a broker/marketer engaged in the business of supplying electricity; and (3) an aggregator engaged in the business of supplying electricity. NE Energy, LLC proposes to sell electricity, natural gas, and related services in the entire Commonwealth of Pennsylvania under the provisions of the new Natural Gas Choice and Competition Act and the Electricity Generation, Customer Choice, and Competition Act.  
The PUC may consider this application without a hearing. Protests directed to the technical or financial fitness of NE Energy, 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 NE Energy, LLC's attorney at the address listed below. By and through Counsel:  
**Kristen Snyder,**  
Jackson Law Firm, PLLC  
1215 Manor Drive, Ste. 202  
Mechanicsburg, PA 17055  
717-620-7119

**Proof of Publication of Notice in Pittsburgh Post-Gazette**

Under Act No 587, Approved May 16, 1929, PL 1784, as last amended by Act No 409 of September 29, 1951

Commonwealth of Pennsylvania, County of Allegheny, ss K. Flaherty, being duly sworn, deposes and says that the Pittsburgh Post-Gazette, a newspaper of general circulation published in the City of Pittsburgh, County and Commonwealth aforesaid, was established in 1993 by the merging of the Pittsburgh Post-Gazette and Sun-Telegraph and The Pittsburgh Press and the Pittsburgh Post-Gazette and Sun-Telegraph was established in 1960 and the Pittsburgh Post-Gazette was established in 1927 by the merging of the Pittsburgh Gazette established in 1786 and the Pittsburgh Post, established in 1842, since which date the said Pittsburgh Post-Gazette has been regularly issued in said County and that a copy of said printed notice or publication is attached hereto exactly as the same was printed and published in the \_\_\_\_\_ regular editions and issues of the said Pittsburgh Post-Gazette a newspaper of general circulation on the following dates, viz:

**28 of February, 2019**

Affiant further deposes that he/she is an agent for the PG Publishing Company, a corporation and publisher of the Pittsburgh Post-Gazette, that, as such agent, affiant is duly authorized to verify the foregoing statement under oath, that affiant is not interested in the subject matter of the afore said notice or publication, and that all allegations in the foregoing statement as to time, place and character of publication are true.

*K. Flaherty*  
\_\_\_\_\_  
PG Publishing Company

Sworn to and subscribed before me this day of:  
February 28, 2019

*Elizabeth R Chmura*  
\_\_\_\_\_  
Notary Public

Commonwealth of Pennsylvania - Notary Seal  
Elizabeth R. Chmura, Notary Public  
Allegheny County  
My commission expires February 8, 2022  
Commission number 1326781  
Member, Pennsylvania Association of Notaries

**STATEMENT OF ADVERTISING COSTS**  
Jackson Law Firm, PLLC  
1215 Manor Drive, Suite 202  
Mechanicsburg Pennsylvania 170

To PG Publishing Company

Total \_\_\_\_\_ \$511.50

**Publisher's Receipt for Advertising Costs**

PG PUBLISHING COMPANY, publisher of the Pittsburgh Post-Gazette, a newspaper of general circulation, hereby acknowledges receipt of the aforesaid advertising and publication costs and certifies that the same have been fully paid.

Office  
2201 Sweeney Drive  
CLINTON, PA 15026  
Phone 412-263-1338

PG Publishing Company, a Corporation, Publisher of  
Pittsburgh Post-Gazette, a Newspaper of General Circulation  
By \_\_\_\_\_

I hereby certify that the foregoing is the original Proof of Publication and receipt for the Advertising costs in the subject matter of said notice.

**COPY OF NOTICE  
OR PUBLICATION**

PENNSYLVANIA PUBLIC  
UTILITY COMMISSION  
NOTICE  
Applications of NE Energy, LLC  
For Approval To Offer, Render,  
or Furnish Services as a  
Supplier, Aggregator, and  
Marketer Broker 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.  
NE Energy, LLC will be filing an  
application with the  
Pennsylvania Public Utility  
Commission ("PUC") for a  
license to provide natural gas  
supply services as (1) a supplier  
of natural gas, and (2) a  
broker/marketer engaged in  
the business of providing  
natural gas services. NE  
Energy, LLC will also be filing  
an application with the PUC  
for a license to supply  
electricity or electric  
generation services as (1) a  
generator and supplier of  
electric power, (2) a  
broker/marketer engaged in  
the business of supplying  
electricity, and (3) an  
aggregator engaged in the  
business of supplying  
electricity. NE Energy, LLC  
proposes to sell electricity,  
natural gas, and related  
services in the entire  
Commonwealth of  
Pennsylvania under the  
provisions of the new Natural  
Gas Choice and Competition  
Act and the Electricity  
Generation Customer Choice  
and Competition Act.  
The PUC may consider this  
application without a hearing.  
Protests directed to the  
technical or financial fitness of  
NE Energy, 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 NE Energy, LLC's  
attorney at the address listed  
below.  
By and through Counsel:  
Kristen Snyder, Jackson Law  
Firm, PLLC, 1215 Manor Drive,  
Ste 202, Mechanicsburg PA  
17055, 717-620-7119

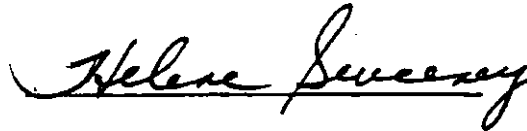
Proof of Publication in The Philadelphia Daily News  
Under Act. No 587, Approved May 16, 1929

STATE OF PENNSYLVANIA  
COUNTY OF PHILADELPHIA

Helene Sweeney being duly sworn, deposes and says that **The Philadelphia Daily News** is a newspaper published daily, except Sunday, at Philadelphia, Pennsylvania, and was established in said city in 1925, since which date said newspaper has been regularly issued in said County, and that a copy of the printed notice of publication is attached hereto exactly as the same was printed and published in the regular editions and issues of the said newspaper on the following dates:

March 1, 2019

Affiant further deposes and says that she is an employee of the publisher of said newspaper and has been authorized to verify the foregoing statement and that she is not interested in the subject matter of the aforesaid notice of publication, and that all allegations in the foregoing statement as to time, place and character of publication are true.

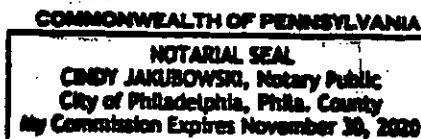


Sworn to and subscribed before me this 1st day of  
March, 2019.



Notary Public

My Commission Expires:



Copy of Notice of Publication

PENNSYLVANIA PUBLIC UTILITY COMMISSION  
NOTICE  
Applications of NE Energy, LLC for Approval To Offer, Render, or Furnish Services as a Supplier, Aggregator, and Marketer Broker 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.  
NE Energy, LLC will be filing an application with the Pennsylvania Public Utility Commission ("PUC") for a license to provide natural gas supply services as (1) a supplier of natural gas, and (2) a broker/marketer engaged in the business of providing natural gas services. NE Energy, LLC will also be filing an application with the PUC for a license to supply electricity or electric generation services as (1) a generator and supplier of electric power, (2) a broker/marketer engaged in the business of supplying electricity, and (3) an aggregator engaged in the business of supplying electricity. NE Energy, LLC proposes to sell electricity, natural gas, and related services in the entire Commonwealth of Pennsylvania under the provisions of the new Natural Gas Choice and Competition Act and the Electricity Generation Customer Choice and Competition Act.  
The PUC may consider this application without a hearing. Protests directed to the technical or financial fitness of NE Energy, 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 NE Energy, LLC's attorney at the address listed below.  
By and through Counsel: Kristen Snyder, Jackson Law Firm, PLLC, 1215 Menor Drive, Ste. 202, Mechanicsburg, PA 17055 717-620-7119



AD#: 0009045666

Commonwealth of Pennsylvania,) ss  
County of Cumberland)

Victoria Soto being duly sworn, deposes that he/she is principal clerk of PA Media Group; that The Patriot News is a public newspaper published in the city of Mechanicsburg, with general circulation in Cumberland and Dauphin and surrounding counties, and this notice is an accurate and true copy of this notice as printed in said newspaper, was printed and published in the regular edition and issue of said newspaper on the following date(s):

The Patriot News 02/28/2019

*Victoria Soto*

Principal Clerk of the Publisher

Sworn to and subscribed before me this 1st day of March 2019

*Crystal B. Rosensteel*  
Notary Public

COMMONWEALTH OF PENNSYLVANIA  
NOTARIAL SEAL  
Crystal B. Rosensteel, Notary Public  
Susquehanna Twp., Dauphin County  
My Commission Expires June 27, 2020  
MEMBER, PENNSYLVANIA ASSOCIATION OF NOTARIES

PENNSYLVANIA PUBLIC UTILITY  
COMMISSION  
NOTICE

Applications of NE Energy, LLC For Approval To Offer, Render, or Furnish Services as a Supplier, Aggregator, and Marketer Broker 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.

NE Energy, LLC will be filing an application with the Pennsylvania Public Utility Commission ("PUC") for a license to provide natural gas supply services as (1) a supplier of natural gas, and (2) a broker/marketer engaged in the business of providing natural gas services. NE Energy, LLC will also be filing an application with the PUC for a license to supply electricity or electric generation services as (1) a generator and supplier of electric power, (2) a broker/marketer engaged in the business of supplying electricity, and (3) an aggregator engaged in the business of supplying electricity. NE Energy, LLC proposes to sell electricity, natural gas, and related services in the entire Commonwealth of Pennsylvania under the provisions of the new Natural Gas Choice and Competition Act and the Electricity Generation Customer Choice and Competition Act.

The PUC may consider this application without a hearing. Protests directed to the technical or financial fitness of NE Energy, 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 NE Energy, LLC's attorney at the address listed below.

By and through Counsel: Kristen Snyder, Jackson Law Firm, PLLC, 1215 Manor Drive, Ste 202, Mechanicsburg PA 17055, 717-620-7119

PROOF OF PUBLICATION  
In  
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Jackson Law Firm, PLLC  
1215 Manor Drive Suite 202  
Mechanicsburg PA 17055

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PUC Notice

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**PENNSYLVANIA PUBLIC UTILITY COMMISSION**  
**NOTICE**

*Applications of NE Energy, LLC For Approval To Offer, Render, or Furnish Services as a Supplier, Aggregator, and Marketer Broker 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.*

NE Energy, LLC will be filing an application with the Pennsylvania Public Utility Commission ("PUC") for a license to provide natural gas supply services as (1) a supplier of natural gas, and (2) a broker/marketer engaged in the business of providing natural gas services. NE Energy, LLC will also be filing an application with the PUC for a license to supply electricity or electric generation services as (1) a generator and supplier of electric power, (2) a broker/marketer engaged in the business of supplying electricity, and (3) an aggregator engaged in the business of supplying electricity. NE Energy, LLC proposes to sell electricity, natural gas, and related services in the entire Commonwealth of Pennsylvania under the provisions of the new Natural Gas Choice and Competition Act and the Electricity Generation, Customer Choice and Competition Act.

The PUC may consider this application without a hearing. Protests directed to the technical or financial fitness of NE Energy, 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 NE Energy, LLC's attorney at the address listed below.

By and through Counsel: Kristen Snyder, Jackson Law Firm, PLLC, 1215 Manor Drive, Ste 202, Mechanicsburg PA 17055, 717-620-7119

AP-333088

Sworn to and subscribed before me this 28th day of February 2019

Affiant: Jennifer L. Trott

NOTARY: Barbara J. Moore

COMMONWEALTH OF PENNSYLVANIA  
NOTARIAL SEAL  
Barbara J. Moore, Notary Public  
City of Erie, Erie County  
My Commission Expires March 23, 2020  
MEMBER PENNSYLVANIA ASSOCIATION OF NOTARIES

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Kristen Snyder  
1215 Manor Drive Suite 202  
Mechanicsburg PA 17055

NE Energy LLC

THE BUREAU OF CORPORATIONS AND CHARITABLE ORGANIZATIONS IS HAPPY TO SEND YOUR FILED DOCUMENT. THE BUREAU IS HERE TO SERVE YOU AND WE WOULD LIKE TO THANK YOU FOR DOING BUSINESS IN PENNSYLVANIA.

IF YOU HAVE ANY QUESTIONS PERTAINING TO THE BUREAU, PLEASE VISIT OUR WEBSITE AT [www.dos.pa.gov/BusinessCharities](http://www.dos.pa.gov/BusinessCharities) OR YOU MAY CONTACT US BY TELEPHONE AT (717)787-1057. INFORMATION REGARDING BUSINESS AND UCC FILINGS CAN BE FOUND ON OUR SEARCHABLE DATABASE AT [www.corporations.pa.gov/Search/CorpSearch](http://www.corporations.pa.gov/Search/CorpSearch) .

ENTITY NUMBER : 6824555

**OPERATING AGREEMENT  
OF  
NE ENERGY, LLC**

**(A Pennsylvania Limited Liability Company, Member Managed)**

**THIS OPERATING AGREEMENT** (this “Agreement”) is made effective as of this 21<sup>st</sup> day of January, 2019, by and among **IAN J. DELANEY-LAZAR**, also known as Ian Delaney, an adult individual and **RICHARD A. HALE**, also known as Tim Hale, an adult individual (collectively, the “Members” and each a “Member”) and **NE ENERGY, LLC**, a Pennsylvania limited liability company (the “Company”).

**WITNESSETH:**

**WHEREAS**, the Company was formed pursuant to the Pennsylvania Uniform Limited Liability Company Act of 2016, as amended (the “Act”) on January 21, 2019;

**WHEREAS**, the Members desire to organize and operate the Company in accordance with the terms and conditions set forth in this Agreement; and

**WHEREAS**, the Members desire to set forth their mutual understandings, rights and obligations in this Agreement.

**NOW, THEREFORE**, in consideration of the mutual promises and covenants herein and intending to be legally bound, the parties hereto agree as follows:

**ARTICLE 1**

**DEFINITIONS**

**1.1 Definitions.**

For purposes of this Agreement, terms not otherwise defined herein shall have the meanings set forth below, except as otherwise specified or as the context may otherwise require:

“**Adjusted Capital Account Deficit**” shall mean, with respect to any Member, the deficit balance, if any, in such Member’s Capital Account as of the end of the relevant fiscal year, after giving effect to the following adjustments: (i) credit to such Capital Account any amounts which such Member is obligated to restore (pursuant to the terms of such Member’s promissory note or otherwise) or is deemed to be obligated to restore pursuant to Treasury Regulation Sections 1.704-2(g)(1) and 1.704-2(i)(5); and (ii) debit to such Capital Account the items described in Sections 1.704-1(b)(2)(ii)(d)(4), 1.704-1(b)(2)(ii)(d)(5) and 1.704-1(b)(2)(ii)(d)(6) of the Regulations. The foregoing definition of Adjusted Capital Account Deficit is intended to comply with the provisions of Section 1.704-1(b)(2)(ii)(d) of the Regulations and shall be interpreted consistently therewith.

“**Bankruptcy**” shall mean (i) the entry of a decree or order for relief by a court having jurisdiction in respect of a Person in an involuntary proceeding under any applicable bankruptcy,



insolvency or other similar law now or hereafter in effect, or the appointment of a receiver, liquidator, assignee, custodian, trustee, sequestrator (or similar official) of a Person or for any substantial part of such Person's property or the entry of an order for the winding up or liquidation of its affairs, which decree or order remains unstayed and in effect for a period of ninety (90) consecutive days; (ii) the commencement by a Person of a voluntary proceeding under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or consent to the entry of an order for relief in an involuntary case under any such law, or consent to the appointment or taking possession by a receiver, liquidator, assignee, custodian, trustee, sequestrator (or similar official) of a Person or for any substantial part of its property, or any general assignment by a Person for the benefit of creditors; or (iii) the attachment by a creditor of a Person's interest in the Company, which attachment is not discharged or vacated within ninety (90) days from the date it becomes effective.

**"Capital Account(s)"** shall mean the individual account(s) maintained by the Company with respect to each Member as provided in Section 3.2 of this Agreement.

**"Capital Contribution(s)"** shall mean the amount of cash or the agreed value of the property or services (as determined by the Members) contributed by each Member to the Company as provided in Article 3 of this Agreement.

**"Cash Flow"** shall mean, for the fiscal year in which such determination is being made, the Company's net income after agreed upon compensation and/or "draws" by the Members, taxes from operations, plus depreciation and amortization expense for such fiscal year (as computed for income tax purposes), less principal payments on scheduled indebtedness of the Company during the one-year period ending on the date upon which such determination is being made.

**"Code"** shall mean the Internal Revenue Code of 1986, as amended. All references to the Code or any regulations adopted thereunder, including Treasury Regulations or Temporary Treasury Regulations, are references to the Code or such regulations as they are in effect on the date hereof.

**"Company Minimum Gain"** shall have the same meaning as partnership minimum gain set forth in Treasury Regulation Sections 1.704-2(b)(2) and 1.704-2(d).

**"Depreciation"** shall mean, for each fiscal year or other period, an amount equal to the depreciation, amortization or other cost recovery deduction allowable with respect to an asset for such year or other period, except that if the Gross Asset Value of an asset differs from its adjusted basis for Federal income tax purposes at the beginning of such year or other period, Depreciation shall be an amount which bears the same ratio to such beginning Gross Asset Value as the Federal income tax depreciation, amortization, or other cost recovery deduction for such year or other period bears to such beginning adjusted tax basis; provided, however, that if the Federal income tax depreciation, amortization, or other cost recovery deduction for such year is zero, Depreciation shall be determined with reference to such beginning Gross Asset Value using any reasonable method selected by the Members.

**"Gross Asset Value"** with respect to any asset shall mean the asset's adjusted basis for Federal income tax purposes, except as follows:

(a) The initial Gross Asset Value of any asset contributed by a Member to the Company shall be the gross fair market value of such asset, as determined by the Members;

(b) The Gross Asset Values of all Company assets shall be adjusted to equal their respective gross fair market values, as determined by the Members, as of the following times: (i) the acquisition of an additional interest in the Company by any new or existing Member in exchange for more than a de minimis Capital Contribution; (ii) the distribution by the Company to a Member of more than a de minimis amount of the Company's property other than money as consideration for an interest in the Company; and (iii) the liquidation of the Company for Federal income tax purposes within the meaning of Treasury Regulation Section 1.704-1(b)(2)(ii)(g). Notwithstanding anything to the contrary herein, the adjustments pursuant to clauses (i) and (ii) above shall be made only if the Members reasonably determine that such adjustments are necessary or appropriate to reflect the relative economic interests of the Members in the Company;

(c) The Gross Asset Value of any of the Company's assets distributed to any Member shall be the gross fair market value of such asset on the date of distribution;

(d) The Gross Asset Values of the Company's assets shall be increased (or decreased) to reflect any adjustments to the adjusted basis of such assets pursuant to Code Section 734(b) or Code Section 743(b), but only to the extent that such adjustments are taken into account in determining Capital Accounts pursuant to Treasury Regulation Section 1.704-1(b)(2)(iv)(m) and Section 4.3(g) hereof; provided, however, that Gross Asset Values shall not be adjusted pursuant to this subparagraph (d) to the extent the Members determine that an adjustment pursuant to subparagraph (b) hereof is necessary or appropriate in connection with a transaction that would otherwise result in an adjustment pursuant to this subparagraph (d); and

(e) If the Gross Asset Value of an asset has been determined pursuant to subparagraphs (a), (b) or (d) hereof, such Gross Asset Value shall thereafter be adjusted by the Depreciation taken into account with respect to such asset for purposes of computing Profits and Losses.

**"Member Nonrecourse Debt"** shall have the same meaning as partner nonrecourse debt set forth in Sections 1.704-2(b)(4) and 1.704-2(i) of the Treasury Regulations.

**"Member Nonrecourse Debt Minimum Gain"** shall have the same meaning as partner nonrecourse debt minimum gain set forth in Treasury Regulation Section 1.704-2(i) and shall be determined in accordance with the principles of such Section of the Treasury Regulations.

**"Member Nonrecourse Deductions"** shall have the same meaning as partner nonrecourse deductions set forth in Sections 1.704-2(i)(1) and 1.704-2(i)(2) of the Treasury Regulations.

**"Nonrecourse Deductions"** shall mean deductions having the meaning set forth in Sections 1.704-2(b)(1) and 1.704-2(c) of the Treasury Regulations.

**"Percentage Interest"** shall mean a Member's percentage ownership interest set forth on Schedule A attached hereto and as amended from time to time.

**“Person”** shall mean any individual, partnership, corporation, trust or other entity.

**“Property”** shall mean the real estate and improvements owned by the Company.

**“Profits and Losses”** shall mean, for each fiscal year or other period, an amount equal to the Company’s taxable income or loss for such year or period, determined in accordance with Code Section 703(a) (for these purposes, all items of income, gain, loss or deduction required to be stated separately pursuant to Code Section 703(a)(1) shall be included in taxable income or loss), with the following adjustments:

Any income of the Company that is exempt from Federal income tax and not otherwise taken into account in computing Profits or Losses pursuant to the foregoing shall be added to such taxable income or loss;

Any expenditures of the Company described in Code Section 705(a)(2)(B) or that are treated as Code Section 705(a)(2)(B) expenditures pursuant to Treasury Regulation Section 1.704-1(b)(2)(iv)(i) and not otherwise taken into account in computing Profits or Losses pursuant to the foregoing shall be subtracted from such taxable income or loss;

In the event the Gross Asset Value of any of the Company’s assets is adjusted pursuant to subparagraph (b) or (c) of the definition of Gross Asset Value, the amount of such adjustment shall be taken into account as gain or loss from the disposition of such asset for purposes of computing Profits or Losses;

Gain or loss resulting from any disposition of the Company’s property with respect to which gain or loss is recognized for federal income tax purposes shall be computed by reference to the Gross Asset Value of the property disposed of, notwithstanding that the adjusted tax basis of such property differs from its Gross Asset Value;

In lieu of depreciation amortization, and other cost recovery deductions taken into account in computing such taxable income or loss, there shall be taken into account Depreciation for such fiscal year or other period computed in accordance with the definition of Depreciation used herein;

To the extent an adjustment to the adjusted tax basis of any of the Company’s assets pursuant to Code Section 734(b) or Code Section 743(b) is required pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(m)(4) to be taken into account in determining Capital Accounts as a result of a distribution other than in liquidation of a Member’s interest, the amount of such adjustment shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases the basis of the asset) from the disposition of the asset and shall be taken into account for purposes of computing Profits or Losses; and

Notwithstanding the above, any items which are specially allocated pursuant to Sections 4.3 or 4.4 hereof shall not be taken into account in computing Profits and Losses.

## ARTICLE 2

### FORMATION AND PURPOSE

#### 2.1 Formation.

The Members formed the Company pursuant to the Act on January 21, 2019. The provisions of the Act shall apply and govern the formation and operation of the Company except to the extent otherwise expressly provided in this Agreement.

#### 2.2 Name.

The name of the Company shall be NE Energy, LLC. The Company may do business under such other names as may be chosen from time to time by the Members.

#### 2.3 Registered Office.

The registered office of the Company in the Commonwealth of Pennsylvania is 280 St. Johns Drive, Camp Hill, Pennsylvania 17011, or such other offices as the Members shall determine.

#### 2.4 Purposes.

(a) The purposes of the Company shall be to engage in any other lawful purpose under the Act as the Members may determine and to make, enter into and perform any contracts and other undertakings, and to engage in any activities and transactions as may be ancillary to or necessary or advisable to carry out the foregoing purposes.

(b) To accomplish the foregoing purposes, the Company has, but is not limited to, the following authority:

(i) to borrow or raise money by the issuance, acceptance, endorsement or execution of notes, drafts, bills of exchange, warrants, bonds, debentures, instruments or evidences of indebtedness, securing the indebtedness by mortgage, pledge, transfer or assignment in trust of all or any part of the Company's property, and by selling, pledging or disposing of obligations of the Company;

(ii) to purchase, lease, acquire, sell or dispose of supplies, equipment, buildings and other property;

(iii) to operate one or more offices, lease or acquire office space, engage personnel and do all things necessary to operate such an office;

(iv) to carry insurance as the Members may deem necessary and appropriate; and

(v) to make, enter into, deliver and perform all contracts, agreements or undertakings, pay all costs and expenses and perform all acts deemed appropriate by the Members to carry out the Company's purposes.

**2.5 Execution and Filing of the Certificate.**

The Members have filed a Certificate of Organization for the Company, as amended from time to time (the "Certificate") with the Commonwealth of Pennsylvania. Whenever it is necessary or appropriate to amend or restate the Certificate, the Members may timely file an amended Certificate and the Members shall do and continue to do all other things as may be required or advisable to maintain the Company as a limited liability company existing pursuant to Pennsylvania law and as provided herein.

**2.6 Governing Act.**

The Company under this Agreement shall be organized pursuant to the Act, as it may be amended from time to time.

**2.7 Authorized Units.**

The Company is authorized to issue one thousand (1,000) Units (as defined herein).

**2.8 Title to Property.**

All real and personal property owned by the Company shall be owned by the Company as an entity and no Member shall have any ownership interest in such property in the Member's individual name or right, and each Member's Units shall be personal property for all purposes. The Company shall hold all of its real and personal property in the name of the Company and not in the name of any Member.

**2.9 Other Qualifications.**

The Company shall exist under the laws of the Commonwealth of Pennsylvania and, to the extent that the business of the Company is conducted in any jurisdiction other than Pennsylvania, under the laws of such other jurisdiction to the extent necessary or desirable to do business in such jurisdiction, as determined by the Members.

**ARTICLE 3**

**CAPITAL CONTRIBUTIONS**

**3.1 Capital Contributions of Members.**

Each Member has contributed cash, tangible or intangible property, services rendered, or a promissory note or other obligation to contribute cash or property or to perform services to the Company in accordance with the Member's Percentage Interest as shown on Schedule A attached hereto.

**3.2 Capital Accounts.**

For tax purposes, a separate Capital Account shall be established and maintained for each Member in accordance with Code Section 704 and Treasury Regulation Section 1.704-1(b) and the following provisions:

(a) Generally, the Capital Account of a Member shall consist of the Member's initial Capital Contribution increased by: (i) any additional Capital Contributions in cash; (ii) the fair market value of any Capital Contribution of property in kind (net of liabilities securing such contributed property that the Company is considered to assume or take subject to, under Section 752 of the Code); and (iii) such Member's share of Company Profits (or items thereof allocated pursuant to Article 4), including income and gain exempt from tax, and decreased by (iv) distributions in cash to such Member; (v) the fair market value of property distributed in kind to such Member (net of liabilities securing such distributed property that such Member is considered to assume or take subject to, under Section 752 of the Code); (vi) such Member's share of Company Losses allocated pursuant to Article 4; and (vii) such Member's share of expenditures of the Company described or treated as described in Section 705(a)(2)(B) of the Code.

(b) If any interest in the Company, or a portion thereof, is transferred in accordance with this Agreement, the transferee shall succeed to the Capital Account of the transferor to the extent it relates to the transferred interest.

(c) The foregoing provisions and other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Treasury Regulation Section 1.704-1(b) and shall be interpreted and applied in a manner consistent with such Treasury Regulations.

### **3.3 Additional Capital Contributions.**

No Member shall be required to make any additional capital contribution to the Company or to restore any deficit in such Member's Capital Account. Such deficit, if any, shall not be considered a debt owed to the Company or to any other person for any purpose.

### **3.4 No Return of or Interest on Capital; No Partition.**

Except as specifically provided in this Agreement, no Member may withdraw any amount from his Capital Account or be paid interest on his Capital Contributions or his Capital Account. No Member shall have any personal liability for the repayment of any Capital Contributions of any other Member. Each Member waives any right to partition the Company's property. The foregoing shall not constitute a waiver of any Member's rights upon dissolution of the Company.

### **3.5 Membership Units.**

For purposes of this Agreement, "Unit" means a Membership Interest in the Company expressed in terms of measurement as a Unit. Any Unit issued by the Company shall have the relative rights, duties and obligations as may be set forth in this Agreement. Each Unit shall have one vote per Unit. Subject to approval by the Members collectively owning a majority of the Units, additional Units may be issued at any time with such relative rights, duties and obligations as may be determined by the Members. Units, unless otherwise provided, shall mean all outstanding Units of the Company, irrespective of whether any particular Unit is entitled to voting rights. The number of Units held by each Member shall be reflected on Schedule A as the same may be amended from time to time.

## ARTICLE 4

### DISTRIBUTIONS TO MEMBERS AND ALLOCATIONS OF PROFITS AND LOSSES

#### **4.1 Profits and Losses.**

After giving effect to Distributions of Cash Flow pursuant to Section 4.2 and the special allocations set forth in Sections 4.3 and 4.4 hereof, Profits and Losses for any fiscal year shall be allocated in accordance with the Members' respective Percentage Interests.

Notwithstanding the above paragraph and after application of Treasury Regulation Section 1.704-1(b)(2)(ii)(d), no such Losses shall be allocated to a Member which would cause such Member to have an Adjusted Capital Account Deficit at the end of any fiscal year if, at the time, any other Member has a positive Capital Account balance. Any Losses not allocated to a Member due to the foregoing limitation shall be specially allocated to the Members with positive Capital Account balances in proportion to such Capital Account balances until all such Capital Account balances have been reduced to zero and any remainder shall be allocated to Members in accordance with their respective Percentage Interests.

#### **4.2 Distributions.**

Distributions of Cash Flow shall be made in accordance with the Members' respective Percentage Interests.

#### **4.3 Special Allocations.**

The following special allocations shall be made in the following order:

(a) **Minimum Gain Chargeback.** Notwithstanding any other provision of this Article 4, if there is a net decrease in Company Minimum Gain during any taxable year of the Company, each Member shall be specially allocated items of Company income and gain for such year (and, if necessary, subsequent years) in accordance with Treasury Regulation Section 1.704-2(f). Allocations pursuant to the previous sentence shall be made in proportion to the respective amounts required to be allocated to each of such Members pursuant thereto. The items to be so allocated shall be determined in accordance with Section 1.704-2(f) of the Treasury Regulations. This Section 4.3(a) is intended to comply with the minimum gain chargeback requirement in such Section of the Treasury Regulations and shall be interpreted consistently therewith.

(b) **Member Minimum Gain Chargeback.** Notwithstanding any other provision of this Article 4, except Section 4.3(a), if there is a net decrease in Member Nonrecourse Debt Minimum Gain attributable to a Member Nonrecourse Debt during any fiscal year of the Company, each Member who has a share of the Member Nonrecourse Debt Minimum Gain attributable to such Member Nonrecourse Debt, determined in accordance with Treasury Regulation Section 1.704-2(i)(5), shall be specially allocated items of Company income and gain for such year (and, if necessary, subsequent years) in accordance with Treasury Regulation Section 1.704-2(i)(4). Allocations pursuant to the previous sentence shall be made in proportion to the respective amounts required to be

allocated to each of such Members pursuant thereto. The items to be so allocated shall be determined in accordance with Section 1.704-2(i)(4) of the Treasury Regulations. This Section 4.3(b) is intended to comply with the minimum gain chargeback requirement in such Section of the Regulations and shall be interpreted consistently therewith.

(c) **Qualified Income Offset.** In the event any Member who is not obligated (or treated as obligated) to restore a deficit balance in its Capital Account unexpectedly receives any adjustments, allocations, or distributions described in Regulation Section 1.704-1(b)(2)(ii)(d)(4), 1.704-1(b)(2)(ii)(d)(5) or 1.704-1(b)(2)(ii)(d)(6), items of Company income and gain shall be specially allocated to each such Member in an amount and manner sufficient to eliminate, to the extent required by the Regulations, the Adjusted Capital Account Deficit of such Member as quickly as possible, provided that an allocation pursuant to this Section 4.3(c) shall be made if and only to the extent that such Member would have an Adjusted Capital Account Deficit after all other allocations provided for in this Article 4 have been tentatively made as if this Section 4.3(c) were not in the Agreement.

(d) **Gross Income Allocation.** In the event any Member has a deficit Capital Account at the end of any Company fiscal year that is in excess of the sum of (i) the amount such Member is obligated to restore, and (ii) the amount such Member is deemed to be obligated to restore pursuant to Sections 1.704-2(g)(1) and 1.704-2(i)(5) of the Treasury Regulations, each such Member shall be specially allocated items of Company income and gain in the amount of such excess as quickly as possible, provided that an allocation pursuant to this Section 4.3(d) shall be made if and only to the extent that such Member would have a deficit Capital Account balance in excess of such sum after all other allocations provided for in this Article 4 have been tentatively made as if Section 4.3(c) hereof and this Section 4.3(d) were not in the Agreement.

(e) **Nonrecourse Deductions.** Nonrecourse Deductions for any taxable year or other period shall be allocated among the Members in proportion to their respective Percentage Interests.

(f) **Member Nonrecourse Deductions.** Any Member Nonrecourse Deductions for any fiscal year or other period shall be specially allocated to the Member who bears the economic risk of loss with respect to the Member Nonrecourse Debt to which such Member Nonrecourse Deductions are attributable in accordance with Treasury Regulation Section 1.704-2(i).

(g) **Section 754 Adjustment.** To the extent an adjustment to the adjusted tax basis of any Company asset pursuant to Code Section 734(b) or Code Section 743(b) is required, pursuant to Treasury Regulation Section 1.704-1(b)(2)(iv)(m), to be taken into account in determining Capital Accounts, the amount of such adjustment to the Capital Accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis) and such gain or loss shall be specially allocated to the Members in a manner consistent with the manner in which their Capital Accounts are required to be adjusted pursuant to such Section of the Treasury Regulations.



#### **4.4 Curative Allocations.**

The allocations set forth in Section 4.1 hereof and in Section 4.3 hereof (the "Regulatory Allocations") are intended to comply with certain requirements of Treasury Regulation Section 1.704-1(b). It is the intent of the Members that, to the extent possible, all Regulatory Allocations shall be offset either with other Regulatory Allocations or with special allocations of other items of Company income, gain, loss or deduction pursuant to this Section 4.4. Therefore, notwithstanding any other provision of this Article 4 (other than the Regulatory Allocations), the Members shall make such offsetting special allocations of Company income, gain, loss and deduction in whatever manner they determine appropriate so that, after such offsetting allocations are made, each Member's Capital Account balance is, to the extent possible, equal to the Capital Account balance such Member would have had if the Regulatory Allocations were not part of the Agreement and all Company items were allocated pursuant to Section 4.1 hereof. In exercising their discretion under this Section 4.4, the Members shall take into account future Regulatory Allocations under Sections 4.3(a) and 4.3(b) that, although not yet made, are likely to offset other Regulatory Allocations previously made under Sections 4.3(e) and 4.3(g).

#### **4.5 Tax Allocations: Code Section 704(c).**

In accordance with Code Section 704(c) and the Regulations thereunder, income, gain, loss and deduction with respect to any property contributed to the capital of the Company shall, solely for tax purposes, be allocated among the Members so as to take account of any variation between the adjusted basis of such property to the Company for federal income tax purposes and its initial fair market value. Allocations pursuant to this Section 4.5 are solely for purposes of Federal, state and local taxes and shall not affect, or in any way be taken into account in computing, any Member's Capital Account or share of Profits, Losses, other items or distributions pursuant to any provision of this Agreement.

#### **4.6 Miscellaneous.**

(a) For purposes of determining the Profits, Losses or any other items allocable to any period, Profits, Losses and any such other items shall be determined on a daily, monthly or other basis, as determined by the Members, using any permissible method under Code Section 706 and the Regulations promulgated thereunder.

(b) Except as otherwise provided in this Agreement, all items of Company income, gain, loss, deduction, and any other allocations not otherwise provided for shall be divided among the Members in the same proportions as they share Profits or Losses, as the case may be, for the year.

(c) The Members are aware of the income tax consequences of the allocations made by this Article 4 and hereby agree to be bound by the provisions of this Article 4 in reporting their shares of Company income or loss for income tax purposes.

(d) Solely for the purpose of determining each Member's share of excess nonrecourse liabilities pursuant to Treasury Regulation Section 1.752-3(a)(3), and solely for such purpose, each Member's interest in Company Profits is hereby specified to be such Member's Percentage Interest.

**4.7 Establishment of Reserve.**

The Members shall have the obligation to establish reasonable reserves based on generally accepted accounting principles for maintenance, improvements, acquisitions, capital expenditures and other contingencies, such reserves to be funded with such portion of the operating revenues of the Company for any fiscal year as the Members may deem necessary or appropriate for that purpose.

**4.8 Amounts Withheld.**

All amounts withheld pursuant to the Code or any provision of any state or local tax law with respect to any payment, distribution or allocation to the Company or the Members shall be treated as amounts distributed to the Members pursuant to this Section 4.8 for all purposes under this Agreement. The Members agree to withhold from distributions, or with respect to allocations, to the Members and to pay over to any federal, state or local government any amounts required to be so withheld pursuant to the Code or any provision of any other federal, state or local law and shall allocate any such amounts to the Members with respect to which such amount was withheld.

**ARTICLE 5**

**MANAGEMENT**

**5.1 Rights and Duties of Members.**

Ian J. Delaney-Lazar shall be the Managing Member. The Members may, from time to time, designate certain individuals as officers and authorize them to act on behalf of the Company, in accordance with the instructions of the Members.

**5.2 Exculpation.**

No Member as such or any officer, employee or agent of any Member or the Company shall be liable to the Company or any Member for losses or liabilities arising from the conduct of the affairs of the Company or from the conduct of any employee or agent of the Company.

**5.3 Indemnification of the Members.**

The Company shall indemnify and hold harmless the Members and each person who shall serve at any time as a representative of a Member or an officer of the Company against all damages, losses, fines, costs and expenses (including attorneys' fees and disbursements) resulting from or relating in any way to any claim or demand made or threatened, or any action, proceeding or investigation commenced or threatened, omitted to have been taken (or alleged to have been taken or omitted to have been taken) by such person in connection with the organization, business or other affairs of the Company (including any amounts paid or property transferred, and all costs and expenses, including attorneys' fees and disbursements, incurred in connection with any settlement of any such claim, action, proceeding, or investigation), except that such indemnification shall be made only if such action or omission of such person satisfies the requirements of Section 8848 of the Act, with respect to the matter or matters as to which indemnity is sought.

For the purposes of Section 5.3 hereof, the determination that the action or omission of any person satisfies Section 8848 of the Act shall be made by a court of competent jurisdiction or other body before which the relevant action, proceeding or investigation is pending. In the absence of a determination by such court or other body, such determination may be made by legal counsel to the Company in a written legal opinion to the Company.

**5.4 Holding of Property.**

Property owned by the Company shall be held in the name of the Company.

**5.5 Loans.**

Any Person may, with the consent of the Members, lend or advance money to the Company. If any Member shall make any loan or loans to the Company or advance money on its behalf, the amount of any such loan or advance shall not be treated as a Capital Contribution but shall be a debt due from the Company. The amount of any such loan or advance by a lending Member shall be repayable out of the Company's cash and shall bear interest at such rate as the lending Member and other Members shall agree but not in excess of the maximum rate permitted by law. None of the Members shall be obligated to make any loan or advance to the Company.

**5.6 Insurance Matters.**

The Members, in their discretion, may cause the Company to procure and maintain general liability insurance and any other insurance applicable to the business and risks incidental thereto, including, but not limited to life insurance policies for the Members.

**ARTICLE 6**

**RIGHTS AND OBLIGATIONS OF MEMBERS; MEETINGS**

**6.1 Initial and Subsequent Members.**

The Members of the Company are the persons listed on Schedule A. A person who is not already a Member and who acquires a previously outstanding Membership Interest may be admitted as a Member upon the unanimous agreement of all Members, from time to time and on such terms as are set forth in this Agreement. Persons who are subsequently admitted as Members or who acquire any or all of an existing Member's Membership Interest shall execute this Agreement either by counterpart or amendment. When any person is admitted as a Member or ceases to be a Member, the Members shall prepare a revised version of Schedule A and distribute it to all the Members. For purposes of this Agreement "Membership Interest" shall mean the interest of the Members in the Company, including, without limitation, interests in Profits and Losses, rights to distributions (liquidating or otherwise), allocations, information, and to consent to or approve actions by the Company, all in accordance with the provisions of this Agreement and the Act.

## **6.2 Liability of Members.**

Except as specifically provided herein, no Member shall have any personal liability with respect to the liabilities or obligations of the Company unless such Member expressly and voluntarily assumes in writing any obligations of the Company; and

No Member shall be personally liable or obligated, except as otherwise required by the Act, either (1) to pay to the Company, any other Member or any creditor of the Company any deficiency in his Capital Account or (2) to return to the Company or to pay any creditor or any other Member the amount of any return of its Capital Contribution to it or other distribution made to it.

## **6.3 Voting Rights.**

The Members shall each have the number of votes corresponding to their respective Units on any Company matter. Any action to be taken by the Members may be taken at a meeting held in accordance with Section 6.4 hereof or by consent in writing in accordance with this Section 6.3 and Section 6.4. Each Member who is entitled to vote or consent may vote or consent by a signed writing or a signed written consent directing the manner in which it desires that its vote be cast, except that any Member who fails to respond to any notice of meeting within ten (10) days after hand delivery or the mailing thereof by certified or registered mail shall be deemed not to have consented to or approved any action proposed.

## **6.4 Company Meetings.**

Meetings of the Company may be called by a Member upon no less than five (5) days but no more than twenty (20) days notice in writing to the other Members.

Members may participate in meetings by means of conference telephone calls in which all Members participating in the meeting can hear each other. Any vote may be cast in person, by telephone or by proxy.

At any Company meeting, the presence in person or by telephone or proxy of Members representing over fifty percent (50%) of the Units outstanding in the Company shall constitute a quorum. Except as otherwise provided herein, the business of the Company presented at any meeting shall be decided by the vote of over fifty percent (50%) of the Units outstanding in the Company in favor of the action proposed. Alternatively, actions of the Company may be taken without a meeting by written consent of the Members representing over fifty percent (50%) of the Units outstanding in the Company.

## **6.5 Member Action.**

Unless otherwise provided herein, any provision herein which requires the action, consent, approval or similar requirement of the Members shall mean the approval of over fifty percent (50%) of the Units entitled to vote on such matter.

**6.6 Dissenting Members.**

The Members expressly waive any rights to relief as a dissenting Member, if any, under the Act.

**ARTICLE 7**

**ACCOUNTING**

**7.1 Books and Records.**

The Members shall keep, or cause to be kept, true, exact and complete books of account of the Company's affairs, in which shall be entered fully and accurately each transaction of the Company and of each entity which it controls. The books of account shall be kept by a Member designated by the Members (the "Accounting Member"). Such books of account, together with all correspondence, papers and other documents, shall be kept at the principal office of the Company and shall be, at all reasonable times, open to the examination of any of the Members or their duly authorized representatives. Except as otherwise provided herein, all financial books and records of the Company and of each entity which it controls shall be kept, and all financial statements furnished to the Members hereunder shall be prepared, in accordance with generally accepted accounting principles consistently applied as modified by tax basis accounting or such other basis as the Members may determine.

**7.2 Fiscal Year.**

The fiscal year and the taxable year of the Company shall end as of December 31 of each year.

**7.3 Tax and Financial Reports.**

The Accounting Member shall prepare or cause to be prepared all federal, state and local tax returns of the Company for each year for which such returns are required to be filed. The "tax matters partner" designated in Section 7.4 shall promptly notify all other Members of any Company audits by the U.S. Internal Revenue Service or any state or local taxing authority.

**7.4 Tax Matters Partners.**

To the extent necessary under the Code, Ian J. Delaney-Lazar shall be designated as the "tax matters partner" in accordance with Section 6231(a)(7) of the Code and, in connection therewith and in addition to all other powers given thereunder, shall have all other powers needed to perform fully hereunder, including, without limitation, the power to retain all mutually agreeable attorneys and accountants. The tax matters partner shall give notice to each other Member of a Company audit.

**7.5 Federal Income Tax Elections.**

In the event of a distribution of property to a Member or the transfer of an interest in the Company by sale, exchange, gift or upon the death of a Member, the Member may cause the Company to file an election under Section 754 of the Code in accordance with the Treasury

Regulations promulgated thereunder to adjust the basis of Company property in the manner provided in Sections 734 and 743 of the Code.

## ARTICLE 8

### TERM AND DISSOLUTION

#### **8.1 Term.**

The term of the Company shall commence as of the date of this Agreement and shall continue until termination pursuant to the provisions hereof.

#### **8.2 Events Causing Termination.**

Except as otherwise provided herein, the Company shall be dissolved and shall terminate, and its affairs shall be wound up, upon the occurrence of any of the following:

- (a) the Bankruptcy of the Company;
- (b) the unanimous written consent of the Members; or
- (c) the sale or other disposition of all or substantially all of the assets of the Company.

Unless otherwise agreed by the affirmative vote of the Members representing two thirds (2/3) of the Units outstanding in the Company, the business of the Company shall continue in the event of the death, retirement, insanity, resignation, withdrawal, expulsion, Bankruptcy, dissolution of a Member, or occurrence of any other event which terminates the continued membership of a Member in the Company under the Act.

#### **8.3 Actions of Members.**

No action of or event affecting a Member shall dissolve or terminate the Company unless specifically provided in Section 8.2 of this Agreement.

#### **8.4 Distribution in Case of Termination.**

Upon the termination of the Company, the Members, or such liquidating agent as such Members may appoint, shall proceed to wind up the affairs of the Company, unless within ninety (90) days after such event all of the remaining Members agree in writing to continue the Company, in the following order of priority:

- (a) To the payment of the debts and liabilities of the Company and the expenses of liquidation in the order of priority as provided by the Act, and to the establishment of any reserves which the Members or liquidating agent shall deem reasonably necessary for any contingent or unforeseen liabilities or obligations of the Company. Said reserves may be paid over by the Members or liquidating agent to a bank or an attorney-at-law to be held in escrow for the purpose of paying any such contingent or unforeseen liabilities or obligations, and at the expiration of such period as the Members or liquidating agent shall

deem advisable, such reserves shall be distributed to the Members or their assigns in the order of priority provided in this Section 8.4;

(b) To the Members in proportion to the credit balance in each of their Capital Accounts, after giving effect to all contributions, distributions and allocations for all periods.

Liquidation shall be conducted in accordance with the timing requirements of Section 1.704-1(b)(2) of the Treasury Regulations. No Member shall be liable to restore, or pay to the Company, any deficit in such Member's Capital Account. The Company shall terminate when all property owned by the Company shall have been disposed of and the net proceeds, after satisfaction of liabilities to creditors, shall have been distributed among the Members as aforesaid. The establishment of any reserves in accordance with the provisions of Section 8.4 shall not have the effect of extending the term of the Company.

#### **8.5 Rights of Members on Liquidation.**

Except as otherwise provided in this Agreement, (i) each Member shall look solely to the assets of the Company for the return of its Capital Contributions and shall have no right or power to demand or receive property other than cash from the Company and (ii) no Member shall have priority over any other Member as to the return of its Capital Contributions, distributions or allocations.

### **ARTICLE 9**

#### **COMPANY INTERESTS AND TRANSFERS**

##### **9.1 Transfer of Interests in General.**

Except for estate planning purposes, the Members shall not sell, assign, transfer, give, donate, pledge or otherwise dispose of any of their Membership Interests, or any right or interest in any Membership Interests hereafter acquired by them, whether voluntarily, by operation of law, by order of court, or otherwise, to any Person, without the written consent of the other Members. Each of the Members hereby acknowledges the reasonableness of the restrictions on the transfer of the interests in the Company imposed by this Agreement in view of the Company's purposes and the relationship of the Members. Accordingly, the restrictions on transfer contained herein shall be specifically enforceable.

##### **9.2 Violative Transfers Void.**

Any purported transfer of Membership Interests by any Member not in accordance with the provisions of this Agreement shall be null and void, and shall not operate to transfer any interest or title to the purported transferee. The Company shall not cause or permit the transfer of any certificates representing any Membership Interests owned by any Member to be made on its books, except in accordance with the terms of this Agreement.

##### **9.3 Right of First Refusal.**

(a) If a Member receives a bona fide offer for the purchase of all or any part of

his Units and wishes to accept the offer, the Member must first offer the Units for sale by notice to the other Members, on a pro rata basis, on the same terms and conditions as the bona fide offer and at a price per Unit which is the same as the bona fide offer per Unit price. Such offer will remain open for a period of thirty (30) days following the giving of the notice. The Member offering his Units for sale may not vote, as a Member or director, on the issue of the purchase of such units by the Company or the remaining Members.

(b) Each offeree may only accept such offer by giving notice to the Member offering his Units for sale within the time provided stating the number of Units that such offeree desires to purchase, subject to the other provisions of this Section 9.3.

(c) Any Units offered for sale pursuant to this Section 9.3 that are not purchased pursuant to such offers within the time allowed may be sold or otherwise disposed of to the bona fide offeror for the price and upon the terms and conditions set forth in the bona fide offer for a period of sixty (60) days commencing upon the termination of the offer period.

#### **9.4 Transactions with Members.**

Notwithstanding anything to the contrary herein, the Company may enter into leases and other agreements with one or more of the Members or entities owned or controlled by one or more of the Members; provided, that (i) all of the terms and conditions of such an agreement shall be disclosed to the disinterested Members, and (ii) such a transaction shall require the unanimous consent of the disinterested Members.

#### **9.5 Non-Collusion.**

Notwithstanding anything to the contrary herein, no Member of the Company shall agree, consult, determine, conspire or collude with any entity to fix or set the terms of an agreement between such entity and the Company unless (i) all of the terms and conditions of such agreement have been previously disclosed to all Members, and (ii) such transaction shall have been approved by all of the Members. Further, no Member of the Company shall attempt to induce any entity to refrain from entering into any agreement with the Company without the prior unanimous consent of all Members.

### **ARTICLE 10**

#### **GENERAL PROVISIONS**

##### **10.1 Binding Effect and Benefit of This Agreement.**

This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns, as the case may be.

##### **10.2 Agreement.**

The titles of the Articles and Sections herein have been inserted as a matter of convenience of reference only and shall not control or affect the meaning or construction of any of the terms or provisions hereof. At the expense of the Company, the Members shall promptly have prepared, executed and filed or recorded all legally required fictitious name or other applications,



registrations, publications, certificates and affidavits for filing with the proper governmental authorities and have arranged for the proper advertisement, publication and filing of record thereof.

**10.3 Notices.**

Except as otherwise expressly provided herein, all notices which are required or contemplated by this Agreement shall be in writing. Delivery of such notices shall be deemed to be made when the same are either personally served upon the person entitled thereto or sent by telecopy (fax) to such person (with receipt acknowledged by the person receiving such telecopy) or three (3) days after being deposited in the mail, by certified or registered mail, with postage prepaid, addressed to such person at its mailing address as shown on the Company's records as changed by notice to parties hereto in accordance herewith.

**10.4 Integration; Termination.**

This Agreement represents the entire understanding of the parties with respect to the subject matter hereof. No termination, revocation or waiver of this Agreement shall be binding unless in writing and signed by all Members.

**10.5 Interpretation.**

This Agreement shall be interpreted and construed in accordance with the laws of the Commonwealth of Pennsylvania without regard to its conflicts of laws provisions, but shall not be construed against the drafter of this Agreement. As used in this Agreement, the neuter, masculine and/or feminine gender shall include the neuter, masculine or feminine gender as required by the context of the sentence and the plural shall include the singular wherever appropriate.

**10.6 Governing Law.**

This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania without regard to its conflicts of laws principles.

**10.7 Jurisdiction; Venue.**

Any claim, dispute or controversy arising out of or in connection with this Agreement, or any breach thereof, shall be heard exclusively in the courts, state and federal, located in Dauphin County, Pennsylvania, and each of the parties to this Agreement expressly consents to the jurisdiction and venue of such courts.

**10.8 Equitable Relief.**

The parties acknowledge that the Units and Membership Interests are unique, and that any violation of this Agreement cannot be compensated for in damages alone. Therefore, in addition to all of the other remedies which may be available under applicable law, any party hereto shall have the right to enforce specifically the terms of this Agreement by obtaining injunctive relief against any violation or nonperformance hereof.

**10.9 Company's Right to Offset.**

Notwithstanding any provision of this Agreement to the contrary, in the event that the Company is the purchaser of Units from a Member and the selling Member is indebted to the Company by reason of a loan, note or advance made by the Company to the selling Member, the Company shall satisfy this indebtedness by direct reduction of the purchase price otherwise payable to the selling Member or his personal representative. Such reduction shall be taken from the first payment and all succeeding payments in the order which they otherwise would be due and payable, to the extent needed to pay such indebtedness.

**10.10 Counterparts.**

The parties hereto may execute this Agreement in any number of counterparts, each of which, when executed and delivered, shall be an original; but all such counterparts shall constitute one and the same instrument.

**10.11 Severability of Provisions.**

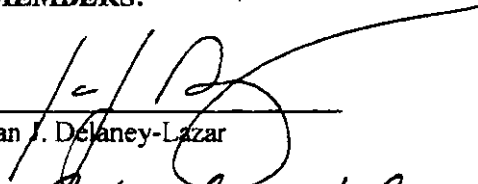
Each provision of this Agreement shall be considered severable. If for any reason any provision or provisions hereof are determined to be illegal or invalid, such illegality or invalidity shall not impair the operation of or affect those portions of this Agreement that are valid and this Agreement shall be construed in all respects as if such invalid or illegal provision was omitted.

**10.12 Amendments.**

This Agreement may be amended by the approval of those Members collectively owning in excess of fifty percent (50%) of the Units and any such amendment approved in accordance with the foregoing shall be provided to all of the Members in written form; provided, however, this Agreement may not be amended without the unanimous written consent of each Member adversely affected thereby if such amendment would modify the limited liability of a Member.

IN WITNESS WHEREOF, the parties have caused this Operating Agreement to be executed as of the day and year first above written.


**MEMBERS:**

  
\_\_\_\_\_  
Ian J. Delaney-Lazar

  
\_\_\_\_\_  
Richard A. Hale

**COMPANY:**

NE ENERGY, LLC

By:   
\_\_\_\_\_  
Ian J. Delaney-Lazar, Managing Member

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**SCHEDULE A**

**OWNERSHIP**

<b><u>Members</u></b>	<b><u>Units</u></b>	<b><u>Percentage Interest</u></b>
Ian J. Delaney-Lazar	500	50%
Richard A. Hale	500	50%

## Appendix C

Required of ALL Applicants regardless of operating as a supplier, broker, marketer, or aggregator.

### Example CERTIFICATE OF SERVICE

On this the 23<sup>rd</sup> day of MARCH 2019, I certify that a true and correct copy of the foregoing application form for licensing within the Commonwealth of Pennsylvania as an Electric Generation Supplier and all **NON-CONFIDENTIAL** attachments have been served, as either a hardcopy or a searchable PDF version on a cd-rom, upon the following:

Bureau of Investigation & Enforcement  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street, 2 West  
Harrisburg, PA 17120

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

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

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

Small Business Advocate  
Commerce Building, Suite 202  
300 North Second Street  
Harrisburg, PA 17101

Vice President – Energy Supply  
Corning Natural Gas Holding Corporation  
330 West William Street  
Corning, NY 14830

Legal Department  
West Penn Power d/b/a Allegheny Power  
800 Cabin Hill Drive  
Greensburg, PA 15601-1689

Manager Energy Acquisition  
PECO Energy Company  
2301 Market Street  
Philadelphia, PA 19101-8699

Regulatory Affairs  
Duquesne Light Company  
411 Seventh Street, MD 16-4  
Pittsburgh, PA 15219

Office of General Counsel  
Attn: Kimberly A. Klock  
PPL  
Two North Ninth Street (GENTW3)  
Allentown, PA 18101-1179

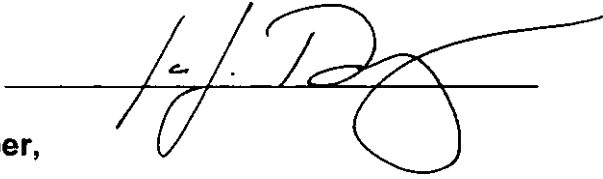
Legal Department  
First Energy  
2800 Pottsville Pike  
Reading PA, 19612

UGI Utilities, Inc.  
Attn: Rates Dept. – Choice Coordinator  
2525 N. 12th Street, Suite 360  
Post Office Box 12677  
Reading, Pa 19612-2677

Citizens' Electric Company  
Attn: EGS Coordination  
1775 Industrial Boulevard  
Lewisburg, PA 17837

Wellsboro Electric Company  
Attn: EGS Coordination  
33 Austin Street  
P. O. Box 138  
Wellsboro, PA 16901

Member,

A handwritten signature in black ink, appearing to read 'I. J. Delaney-Lazar', is written over a horizontal line.

Ian J. Delaney-Lazar, Managing  
NE Energy LLC

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FRONT DESK

# RICHARD A. "TIM" HALE

111 Meadow Trail, Dillsburg, PA 17019 · 609-289-1611  
Tim@neenergyllc.com

---

**My goal is to use my 38 years in the energy trading and marketing business to help industrial and commercial customers achieve substantial cost savings and reduce their risk to price volatility.**

## **EXPERIENCE**

**2002 – 2019**

### **PRESIDENT, CLEARFIELD ENERGY SERVICES, LLC (PA, NY AND NJ)**

Provide trading and marketing services to a local gas distribution company under a long-term contract spanning over a decade, helped mineral owners lease and sell their oil and gas rights, provided strategic development to a startup truck delivered compressed natural gas (CNG) providers, leased and provided marketing services for a large independent oil and gas company, and provided consulting services for wall street equity funds.

- Developed an electric industrial and commercial marketing book in NEEPOOL, New York ISO, and PJM ISO containing several hundred accounts.
- Provided fuel management services for several power generation companies on PJM ISO.
- Leased, purchased and sold approximately 100,000 net mineral acres in the Marcellus and Utica shale fields in Pennsylvania, New York, and West Virginia.
- Directed the producer services group of a utility holding company affiliate as it became one of the largest natural gas and electric trading companies in the mid-Atlantic region.

**1993-2002**

### **FOUNDER AND CHIEF OPERATING OFFICER, H & N GAS LTD. (HOUSTON TX)**

Created a partnership between Howard Energy and Northwestern Mutual Life Insurance Company to trade energy. H & N Gas became one of the top 20 energy trading firms in North America.

- Oversaw a company with 30 plus employees develop into a 1-Billion-dollar a year energy trading firm.
- Provided risk management to the firm using New York Mercantile Exchange futures accounts, forward hedging, use of over the counter financial instruments, and fixed priced products.
- Oversaw the gas transportation, gas storage, gas processing, gas marketing, gas supply, and gas control functions.

**1987-1993**

### **VICE PRESIDENT, AMERICA CENTRAL GAS COMPANY (HOUSTON TX)**

Lead the East Coast trading for a company which became the number one firm on the INC 500 list in 1990.

- Responsible for natural gas supply, gas transportation, natural gas storage, and natural gas marketing for a fast-growing private firm.

**1984-1987**

**DIRECTOR OF GAS SUPPLY AND TRANSPORTATION, HOWARD ENERGY (HOUSTON, TX)**

Headed the Houston Texas supply office for a midwestern gas marketing company.

- Responsible for the natural gas supply and natural gas transportation for a fast-growing private natural gas marketing firm.

**1980-1984**

**MARKET REPRESENTATIVE, TRANSCONTINENTAL GAS PIPE LINE CORPORATION (HOUSTON, TX)**

Was the market representative for an interstate natural gas pipeline to their customers on the East Coast of the United States.

- Completed an 18-month executive management development program.
- Witnessed the deregulation of the natural gas industry at the Federal Level (FERC).

**EDUCATION**

**1976 TO 1980**

**BACHELOR OF SCIENCE, WITH DISTINCTION, MINERAL ECONOMICS, PENNSYLVANIA STATE UNIVERSITY, COLLEGE OF EARTH AND MINERAL SCIENCE**

- **OUTSTANDING ALUMNI OF THE YEAR AWARD 1998**
- **ALUMNI FELLOW AWARD 1999**

**1980 TO 1983**

**UNIVERSITY OF HOUSTON COLLEGE OF LAW**

**1973**

**Eagle Scouting Award & God and Country Award from the Boy Scouts of America.**

**SKILLS**

- |                   |                         |
|-------------------|-------------------------|
| • Energy Trading  | • Energy Contracting    |
| • Risk Management | • Regulatory Compliance |
|                   | • Project Evaluation    |

**ACTIVITIES**

**Travel, College Football, Gem and Mineral Collecting, Cooking, and Model Railroading.**



# Ian J. Delaney-Lazar

•280 Saint Johns Drive, Camp Hill, PA 17011•

• (717) 580-4927 • ian@neenergyllc.com •

## WORK EXPERIENCE

*Vice President, Sales and Marketing, Compass Natural Gas Partners*

*May 2016-Present*

- Direct and lead sales organization
- Develop and coordinate activity of sales team
- Research and develop marketing and communication strategies
- Provide weekly sales reports and updates on sales progress
- Identify prospective clients requiring a fuel source for fleet or facility
- Develop and manage relationship with decision makers
- Prepare and deliver technical presentations that explain product and services
- Provide proposals, analysis of fuel use and pricing
- Apply logistics and analytical thinking methods to solve problems and create new strategies/tactics in the sales process.
- Collaborate with the sales team, and other company departments to assess current and future customer requirements.
- Develop sales plan to introduce products in new markets.
- Maintain strong business network through participation in local professional and civic organizations.
- Responsible for growth of over \$9 MM in new sales and 19 years of sales contracts
- Help identify and solve customer concerns and problems.
- Monitor and provide market intelligence on competitive offerings in each market area and market segment

*Sales and Marketing Analyst, Compass Natural Gas Partners*

*August 2015-May 2016*

- Identify prospective clients requiring fuel source for fleet or facility
- Develop and manage relationship with decision makers
- Prepare and deliver technical presentations that explain product and services
- Provide proposals, analysis of fuel use and pricing
- Develop sales plan to introduce products in new markets.
- Maintain strong business network through participation in local professional and civic organizations.
- Help identify and solve customer concerns and problems.
- Provide weekly sales reports and updates on sales progress

*Transportation, Distribution and Warehouse Manager, Bortek Industries August 2012-June 2015*

- Responsible for all warehouse, transportation, and distribution functions across seven branch locations
- Manage the warehouse and transportation operations strategically to maximize efficiencies and proper utilizations of resources
- Direct supervision of Inventory Control Manger, Shipping and Receiving Supervisor, Operations Administrative Support Personnel, Company drivers and warehouse personnel.
- Continuously improve operations through quality of service and efficiency of the warehouse
- Maintain warehouse & distribution staff job results by coaching, and counseling employees; monitoring, performance reviews and appraising job results
- Participate in staffing decisions, coaching, training and development of staff; building an accountable team
- Oversee and ensure the accuracy of inventory and associated records
- Execute the planning and coordinating with Purchasing for deliveries and transfers between branch locations
- Manage fleet functions, vehicle maintenance, fuel records, registrations, and records
- Ensure certain standards of appearance are kept for the warehouse and delivery vehicles
- Proactively identify areas for improvement in warehouse operations and propose solutions to address these issues

**Warehouse, Distribution and Transportation Manager, Bortek Industries**

**<Cont'd>**

- Establish, implement, and maintain effective safety and housekeeping programs and procedures
- Manage distribution center construction and upgrades
- Negotiate new warehouse equipment purchases
- Coordinate relocation of branch locations
- Renegotiate existing LTL and Freight contracts to produce a 30% yearly savings

**Routing Supervisor, United Natural Foods, Inc.**

**April 2012-August 2012**

- Responsible for efficient process of daily routes and special deliveries, (300+ routes weekly)
- Maintain Customer profiles in RoadNet, PeopleNet, WMS
- Perform post-route analysis, comparing planned time to actual for review with drivers.
- Coach and counsel drivers for optimal efficiency, safety and effectiveness.
- Monitor driver metrics in fleet/occupational safety, delivery accuracy, route effectiveness, DOT compliance and provide superior customer service
- Verify and establish new accounts for best routing options
- Track analysis and results and provide savings to upper management
- Develop initiatives to identify and maximize backhaul opportunities
- Identified and developed routing changes saving approx. \$80,000 per year
- Established new department record for weeks without DOT violations in routing

**Operations Coordinator, W&L Sales Co., Inc.**

**July 2008- April 2012**

- Coordinate 3-shift warehousing and delivery operation
- Serve as back-up front line warehouse manager for all three shifts, supervising up to 40 union and non-union employees
- Train new-hire managers
- Perform Database management in AS400 & UPS Logistics ROADNET systems
- Manage fleet functions, including scheduling preventative maintenance, PA DOT work including titling, and registration, federal and state taxation (IFTA, DOR 2290).
- Manage maintenance and record keeping for industrial lift trucks and related equipment
- Assist with Facility Management of 65,000 Sq Ft Warehouse and Office Space (schedule preventative maintenance, collect bids for work, approve contractors.)
- Assist with sales forecasting, inventory, and product quality assurance.
- Participate as a representative on company safety committee.
- Attend and represent company at insurance captive loss control workshops and conventions
- Review existing operating procedures and develop cost-saving measures.
- Monitor energy markets, review and recommend energy suppliers (electric, natural gas, motor vehicle fuels)
- Implemented recycling program, successfully reducing volume of waste by 50% and cutting waste removal fees by 60%
- Developed company safety program that reduced worker compensations claims by 70% in the first year and led to a 30% reduction in unscheduled call-offs

**EDUCATION**

**Misericordia University, Dallas, PA  
2008**

**May**

Master of Science in Organizational Management; Specialization in Management

**York College of Pennsylvania, York, PA  
2005**

**December**

Bachelor of Arts in Public Relations; Minors in Marketing and Speech Communication

### **Professional and Community Participation**

- York College of Pennsylvania- Alumni Board of Directors
- Pennsylvania Motor Truck Association (PMTA); PMTA Safety Committee; PMTA Next Gen

### **RELEVANT SKILLS**

- Computer proficiency, experience with Microsoft Office; AS 400, VIP, UBS, RoadNet, PeopleNet, PeopleNet Link, TakeStock, FleetLocate; PipeDrive