



300 N. LaSalle Street  
Suite 4000  
Chicago, Illinois 60654-3406  
312.715.5000  
Fax 312.715.5155  
www.quarles.com

Adam Margolin  
Writer's Direct Dial: 312.715.5089  
E-Mail: [adam.margolin@quarles.com](mailto:adam.margolin@quarles.com)

Attorneys at Law in  
Chicago  
Indianapolis  
Madison  
Milwaukee  
Naples  
Phoenix  
Scottsdale  
Tampa  
Tucson  
Washington DC

July 2, 2019

**VIA UPS DELIVERY**  
**CONTAINS CONFIDENTIAL MATERIALS**

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PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

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

***Re: Summer Energy Midwest, LLC's Application for an Electric Supplier License***

Dear Secretary Chiavetta:

Enclosed please find Summer Energy Midwest, LLC's application to the Pennsylvania Public Utility Commission for an electric supplier license. Pursuant to the Commission's instructions, we have included a hard copy of the application with the confidential attachments thereto in a separate envelope. We have also included an electronic copy of the application on a CD-ROM with the confidential attachments thereto indicated as such in their file names.

If you have any questions, please do not hesitate to contact me or my colleagues Chris Skey and Anne McKeon at (312) 715-5000.

Very truly yours,

Adam Margolin

One of Summer Energy's Attorneys

Enclosures

# BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Application of **Summer Energy Midwest, LLC** ("Summer Energy Midwest, LLC" or "Summer Energy") for approval to offer, render, furnish, or supply electricity or electric generation services as a Supplier of Electricity 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:

**Name:** Summer Energy Midwest, LLC

**Primary Address:**  
5847 San Felipe Street, Suite #3700  
Houston, TX 77057

**Web Address:** <https://www.summerenergy.com>

**Telephone number:** (713) 375-2790

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SECRETARY'S BUREAU

- 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.

**CT Corporation System**  
600 N. 2nd St., Ste. 401  
Harrisburg, PA 17101  
(717) 234-2300  
Fax: (717) 238-8232

- 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.

**Adam Margolin, Attorney**  
**Christopher Skey, Attorney**  
**Anne McKeon, Attorney**  
**QUARLES & BRADY LLP**  
300 N. LaSalle, Suite 4000  
Chicago, Illinois 60654  
(312) 715-5000  
Fax: (312) 715-5155  
[adam.margolin@quarles.com](mailto:adam.margolin@quarles.com)  
[chris.skey@quarles.com](mailto:chris.skey@quarles.com)  
[anne.mckeon@quarles.com](mailto:anne.mckeon@quarles.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.

**Adam Margolin, Attorney**  
**Christopher Skey, Attorney**

Anne McKeon, Attorney  
QUARLES & BRADY LLP  
300 N. LaSalle, Suite 4000  
Chicago, Illinois 60654  
(312) 715-5000  
Fax: (312) 715-5155  
[adam.margolin@quarles.com](mailto:adam.margolin@quarles.com)  
[chris.skey@quarles.com](mailto:chris.skey@quarles.com)  
[anne.mckeon@quarles.com](mailto:anne.mckeon@quarles.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.

Steven Bernal, Director, Customer Service  
Summer Energy Midwest, LLC  
5847 San Felipe Street, Suite #3700  
Houston, TX 77057  
(713) 375-2790  
Fax: (888) 594-9350  
[sbernal@summerenergy.com](mailto:sbernal@summerenergy.com)

Angela Hanley, President  
Summer Energy Midwest, LLC  
5847 San Felipe Street, Suite #3700  
Houston, TX 77057  
(713) 375-2790  
Fax: (888) 594-9350  
[ahanley@summerenergy.com](mailto:ahanley@summerenergy.com)

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## 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.

Please see Attachment A for proof of Summer Energy Midwest, LLC's Department of State filings and charter documentation.

- 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**

The Applicant is a:

- domestic corporation (15 Pa. C.S. §1308)
- foreign corporation (15 Pa. C.S. §4124)
- 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.
- Provide the state in which the business is incorporated/organized/formed and provide a copy of the Applicant's charter documentation.
- Give name and address of officers.

**Summer Energy Midwest, LLC is organized in Ohio.**

**Names and addresses of officers:**

**Neil Leibman, Chief Executive Officer  
Summer Energy Midwest, LLC  
6847 San Felipe Street, Suite #3700  
Houston, TX 77057  
(713) 375-2790**

Fax: (888) 594-9350

Jaleea George, Chief Financial Officer  
Summer Energy Midwest, LLC  
5847 San Felipe Street, Suite #3700  
Houston, TX 77057  
(713) 375-2790  
Fax: (888) 594-9350

Angela Hanley, President  
Summer Energy Midwest, LLC  
5847 San Felipe Street, Suite #3700  
Houston, TX 77057  
(713) 375-2790  
Fax: (888) 594-9350

Travis Andrews, Chief Supply Officer  
Summer Energy Midwest, LLC  
5847 San Felipe Street, Suite #3700  
Houston, TX 77057  
(713) 375-2790  
Fax: (888) 594-9350

Please see Attachment A for proof of Summer Energy Midwest, LLC's Department of State filings and charter documentation.

### 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.

**With this application, Summer Energy Midwest, LLC is requesting permission from the Pennsylvania PUC to serve Pennsylvania customers as an electric supplier. Summer Energy Midwest, LLC is licensed as an electric supplier in Ohio and Illinois.**

**Summer Energy Midwest, LLC's affiliates are licensed as electric suppliers in Texas, Massachusetts, and New Hampshire. Specifically, Summer Energy, LLC is licensed as an electric supplier in Texas. Summer Energy Northeast, LLC is licensed as an electric supplier in Massachusetts and New Hampshire.**

**Neither Summer Energy Midwest, LLC nor Summer Energy Midwest, LLC's affiliates are public utilities.**

**As of the date of this application, none of Summer Energy Midwest, LLC's affiliates have applied to the Commission for authority to do business in 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.

**Summer Energy Midwest, LLC's predecessor is Summer Energy of Ohio, LLC.**

**Name: Summer Energy of Ohio, LLC**

**Primary Address:**  
5847 San Felipe Street, Suite #3700  
Houston, TX 77057

**Web Address:** <https://www.summerenergy.com>

**Telephone number:** (713) 375-2790

#### 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.

**Summer Energy has a long-term perspective on the market and believes in smart growth in the energy sector, bringing the benefits of competition to residential and commercial customers.**

With this application, Summer Energy Midwest, LLC is requesting permission from the Pennsylvania PUC to serve Pennsylvania customers as an electric supplier. Summer Energy Midwest, LLC is licensed as an electric supplier in Ohio and Illinois.

Summer Energy Midwest, LLC's affiliates are licensed as electric suppliers in Texas, Massachusetts, and New Hampshire. Specifically, Summer Energy, LLC is licensed as an electric supplier in Texas. Summer Energy Northeast, LLC is licensed as an electric supplier in Massachusetts and New Hampshire.

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

- Citizens' Electric
- Duquesne Light
- Met-Ed
- PECO
- Penelec
- Penn Power

- Pike
- PPL
- UGI Utilities
- Wellsboro
- West Penn

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
- 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.

Summer Energy plans to begin actively marketing to customers within the Commonwealth upon receipt of its license from the Pennsylvania PUC.

## 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 Summer Energy Midwest, LLC nor its affiliates, 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 years.

- 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.

**Neither Summer Energy Midwest, LLC nor its affiliates, a predecessor of either, or a person identified in this application has been or is currently the defendant or respondent in the actions described in this subsection within the last five years.**

**Summer Energy Midwest, LLC has not been the recipient of a Commission-issued license that was subsequently 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)*

**Please see Attachment B for Summer Energy's Certificate of Service stating that a copy of this application has been served to the entities listed in subsections (a) and (b), below.**

- 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

## 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.
- 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.

**Please see Attachment C for the required bond.**

**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.

**Please see Attachment D for Summer Energy Holdings, Inc.'s Form 10-K, which Summer Energy Holdings, Inc. filed with the Securities and Exchange Commission on April 11, 2019. The 10-K includes Summer Energy Holding's, Inc.'s financial statements for 2017 and 2018 including revenues for those years and the auditor's reports. Summer Energy Holdings, Inc. is the parent company of Summer Energy Midwest, LLC.**

**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.

In May 2018, two of Summer Energy's affiliates, Summer Energy, LLC and Summer Energy Northeast, LLC (collectively, "Summer affiliates"), entered into a 36-month agreement with EDF Energy Services, LLC and EDF Trading North America, LLC (collectively, "EDF") that became effective as of April 2018 and terminates in April 2021. Under the agreement, EDF provides all of the power necessary for the Summer affiliates' customers. Specifically, the agreement states that EDF provides the Summer affiliates' with a full requirements product, the price of which includes all costs of energy, capacity, and ancillary services for the Summer affiliates to serve their customers, and EDF provides the Summer affiliates with certain credit facilities to assist the Summer affiliates in the purchase of their electric power and associated service requirements.

In addition to the market based commodity price charged by EDF for each underlying commodity transaction, the Summer affiliates pay a "Commodity Fee" for each MWh of power that the Summer affiliates request for delivery from EDF during the term of the agreement. In addition, the Summer affiliates are responsible for other mutually agreed upon fees incurred by EDF on their behalf. The Summer affiliates are also responsible for any reasonable transmission or transportation costs incurred in connection with power transactions.

EDF provides various forms of credit support to the Summer affiliates, including (i) in the form of cash, including cash required to be posted as collateral for the issuance of a letter of credit, or a guaranty or similar instrument required by state utility commissions, transmission or transportation providers or distribution companies or any other similar utility, and (ii) by selling power to the Summer affiliates for delivery to the Summer affiliates' customers while allowing the Summer affiliates to defer a regularly scheduled supply payment for a specified period.

On June 19, 2019, the Summer affiliates and EDF amended their arrangement by entering into an Amended and Restated Energy Services Agreement ("Amended Agreement"). Among other items, the Amended Agreement adds Summer Energy Midwest, LLC as a party to the arrangement and removes EDF Energy Services, LLC as a party to the arrangement. The Amended Agreement is provided in Attachment E.

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

Not applicable.

- 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.

Jaleea George, Chief Financial Officer  
Summer Energy Midwest, LLC  
5847 San Felipe Street, Suite #3700  
Houston, TX 77057  
(713) 375-2790  
Fax: (888) 594-9350  
[jgeorge@summerenergy.com](mailto:jgeorge@summerenergy.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.*

Please see Attachment F for Summer Energy's tax certification statement.

## **8. TECHNICAL FITNESS:**

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

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

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

**Summer Energy is licensed as an electric supplier in Ohio and Illinois. Summer Energy's affiliates are licensed as electric suppliers in Texas, Massachusetts, and New Hampshire. Specifically, Summer Energy, LLC is licensed as an electric supplier in Texas. Summer Energy Northeast, LLC is licensed as an electric supplier in Massachusetts and New Hampshire. Please see Attachment G for Summer Energy's and its affiliates' state licenses.**

**Summer Energy offers electric supply services to residential and commercial customers, and relies upon established relationships and low-cost branding programs to attract those customers. Summer Energy offers its customers competitive electricity rates, flexible payment and pricing choices, simple offers with understandable terms, and responsive customer service. In the commercial market, Summer Energy's primary customers are small to medium-sized customers (less than one megawatt of peak usage), but the company selectively serves larger commercial customers as well.**

**As of December 31, 2018, Summer Energy and its affiliates had 81 full-time employees. Summer Energy's officers and senior management have extensive experience in the electric industry. Summer Energy's officers and senior management's experience and current responsibilities are as follows:**

**Neil Leibman**  
**Chief Executive Officer**

**Neil Leibman serves as CEO of Summer Energy, and has served in that position since 2006. He also currently serves as Co-CEO of Horizon Power and Light, LLC. Previously, Mr. Leibman served as Chairman and CEO of Aspen Pipeline LP I and II, a private equity firm (Energy Spectrum of Dallas) backed limited partnership, which owns and operates gas gathering systems and transportation pipelines. Aspen owns and operates one of the largest open loop biomass electricity generation facilities in the State of Texas. Neil is the former CEO of Gexa Energy Corporation (NASDAQ: GEXA), a Houston-based retail electricity provider, which he founded and sold to FPL Group, Inc. (NYSE:FPL) in June of 2005. He assisted in this transition as the President of the combined entity. Prior to founding Gexa, Mr. Leibman practiced law with the firm of Leibman & Oesch, LLP. Mr. Leibman started his career as an attorney for Exxon Company USA upon graduation from law school. He attended Emory University in Atlanta from 1977-1981 and graduated**

in the top 10% of his class. He then attended the State University of New York School of Law and Business from 1981-1983 and simultaneously obtained a law degree and Masters of Business Administration and graduated with Honors.

**Angela Hanley**

**President**

Angela Hanley serves as President of the company. Ms. Hanley manages day-to-day operations and is responsible for implementing the business strategy and vision for Summer Energy, its affiliates, and Horizon Power and Light, LLC. Ms. Hanley has over 15 years of experience in the Texas electricity and natural gas markets. She has served as the Vice President of Operations and Marketing for Summer Energy, LLC, where she helped launch the company's initial marketing efforts and assisted with operations. From January 2009 until she joined Summer Energy, Ms. Hanley was the Regional Marketing Manager for Atmos Energy Marketing, one of the country's largest natural-gas-only distributors selling natural gas supply and services to industrial and commercial customers in Tennessee, Alabama, Kentucky, and Texas. Since 2002, Ms. Hanley has held various marketing positions for other retail electric providers in Texas, including Business Development Manager, Marketing Manager, and Director of Sales. Ms. Hanley has a Bachelor of Science degree from Stephen F. Austin State University in Nacogdoches, Texas. She is also a member of the Women's Energy Network.

**Jaleea P. George**

**Chief Financial Officer**

Jaleea George manages all financial operations of Summer Energy and its affiliates, bringing with her more than thirty-five years of accounting experience. Ms. George is responsible for all aspects of the internal, external, and compliance reporting, and also serves as the head of human resources. Ms. George has extensive accounting, taxation, and administrative experience. She has served in various financial positions that encompassed a diverse range of industry experience, including a 9,600 mile pipeline company covering several states, an international manufacturing company with operations in thirty-two countries, and a project developer of a 50 megawatt wood-waste biomass fired electricity generations facility. Prior to joining Summer Energy, Ms. George served as the Director of Finance of a major not-for-profit organization. Ms. George graduated from the University of Texas at Austin with a Bachelor of Business Administration in accounting and is certified by the Texas State Board of Public Accountancy. She is a member of the American Institute of Certified Public Accountants (AICPA), Texas Society of CPAs (TSCPA), and the Houston Chapter of TSCPA.

**Travis Andrews**

**Chief Supply Officer**

Travis Andrews is responsible for risk management, wholesale power purchase, customer load forecasting, balancing, settlement, and scheduling functions for Summer Energy. Previously, Mr. Andrews held management positions in the energy industry, including Vice President of Supply and Risk Management for Champion Energy Services, Director of Electric Structuring for Integrys Energy Services, and Director of Product Development for Constellation. Most recently, Mr. Andrews served as Vice President of Risk Management for APG&E. Mr. Andrews holds a Bachelor of Business Administration from Texas A&M University in College Station, Texas.

**Janie Escalante**

**Director, Operations**

Janie Escalante has nearly twenty years of experience in the retail energy market. Ms. Escalante's role is to manage all operational aspects and the company's operations team. Prior to joining the company, Ms. Escalante served as the Operations Manager for StarTex Power, which was acquired by Exelon.

**Jeremy Wallace**

**Director, Credit and Collections**

Jeremy Wallace has over fifteen years of experience in the retail energy market. At Summer Energy, Mr. Wallace manages the Credit and Collections group. His role includes assessing the risk associated with commercial and residential customers as well as post-sale collection efforts.

Mr. Wallace previously held management positions concerning operations, credit, and collections at StarTex Power, which was acquired by Exelon, and Gexa Energy.

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):

Summer Energy is in the process of implementing a multi-tiered marketing and sales strategy. The short-term emphasis is on controlled growth, utilizing indirect marketing through third-party relationships. Indirect marketing efforts, including the following, allow the company to facilitate growth while keeping expenses low by avoiding the expense associated with creating and managing a full internal sales team:

- Agents, Brokers, and Consultants -- often referred to as “ABCs” in the retail power industry;
- Referrals -- reaching out to individuals connected to the community and providing incentives for sign-ups;
- Charitable programs -- enhancing referral programs and offering customers the chance to donate referral fees to local charitable organizations;
- Affinity programs -- gift card programs, company-branded product incentives; and
- Multifamily housing programs -- incentivizing property management companies based on referrals to their tenants.

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.

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.

One of Summer Energy’s top priorities is the implementation of a robust compliance program to ensure that its processes and procedures are compliant with the standards that state policymakers and regulators adopt and enforce. All of Summer Energy’s employees and third-party contractors who educate and interact with its current and prospective customers receive training on state-specific requirements and restrictions. If Summer Energy is granted a license from the Pennsylvania PUC, that training would cover the relevant provisions of Chapter 28 of the Public Utilities Code, the Pennsylvania Unfair Trade Practices and Consumer Protection Law, the Pennsylvania PUC Chapter 54, 56, and 111 rules, and other sources of authority.

- 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.

**Neil Leibman, Chief Executive Officer**  
**Angela Hanley, President**  
**Jaleea George, Chief Financial Officer**  
**Travis Andrews, Chief Supply Officer**

The resumes for the officers listed above are included in Attachment H.

- 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.
- Not applicable

Summer Energy received approval from FERC to serve as a power marketer in FERC Docket ER15-1743-000. The relevant order from FERC is included in Attachment I.

## 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.*

**Please see Attachment J for the disclosure statement Summer Energy intends to use in Pennsylvania. Summer Energy reserves the right to modify the disclosure statement after the submission and approval of this application.**

## 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

**Please see Attachment K for proof of Summer Energy's registration as a PJM LSE.**

- 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

## 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.
- 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.

**Please see Attachment L for the required affidavits.**

## 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.

**Please see Attachment M for the required proofs of publication.**

	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

**13. SIGNATURE**

Applicant: **Summer Energy Midwest, LLC**

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

Title: **Neil Leibman, Chief Executive Officer**

**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: **Summer Energy Midwest, LLC**

	Signature	
✓	Filing Fee (CERTIFIED CHECK OR MONEY ORDER ONLY)	
✓	Application Affidavit	
✓	Operations Affidavit	
✓	Proof of Publication	
✓	Bond, Letter of Credit, or Parental/Affiliate Guarantee	
✓	Tax Certification Statement	
✓	Commonwealth Department of State Verification	
✓	Certificate of Service	

Applicant's Use

PUC Secretary's Bureau Use

**Attachment A – Department of State Filings and Charter Documentation**

**RECEIVED**

JUL - 2 2019

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

**PENNSYLVANIA DEPARTMENT OF STATE  
 BUREAU OF CORPORATIONS AND CHARITABLE ORGANIZATIONS**

<p>Document will be returned to the name and address entered below.  <b>Kirton McConkie</b></p> <hr/> <p>Name          50 E. South Temple, Suite 400,</p> <hr/> <p>Address          Salt Lake City                      UT                      84111</p> <hr/> <p>City    State    Zip Code</p>	<p><b>Foreign Registration Statement</b>          DSCB: 15-412          (rev. 2/2017)</p>  <p><b>412</b></p>
--	---

Read all instructions prior to completing. This form may be submitted online at <https://www.corporations.pa.gov/>.

Fee: \$250.00                       I qualify for a veteran/reservist-owned small business fee exemption (see instructions)

In compliance with the requirements of the applicable provisions of 15 Pa.C.S. § 412 (relating to foreign registration statement), the undersigned foreign association hereby states that:

**1. The type of association is (check only one):**

- |   |  |   |
|---|--|---|
| <input type="checkbox"/> Business Corporation                 | <input type="checkbox"/> Limited Partnership                     | <input type="checkbox"/> Business Trust           |
| <input type="checkbox"/> Nonprofit Corporation                | <input type="checkbox"/> Limited Liability (General) Partnership | <input type="checkbox"/> Professional Association |
| <input checked="" type="checkbox"/> Limited Liability Company | <input type="checkbox"/> Limited Liability Limited Partnership   |   |

**2. The full and proper name of the foreign association as registered in its jurisdiction of formation is:**

Summer Energy Midwest, LLC

**2A. If the name in 2 does not contain a required designator or if the name in 2 is not available for use in the Commonwealth, the alternate name under which the association is registering in this Commonwealth is:**

**3. The jurisdiction of formation:**                      OH

**4. The street and mailing address of the association's principal office.**

5847 San Felipe Street #3700,	Houston	TX	77057
Number and street	City	State	Zip

**4A. The street and mailing address of the office, if any, required to be maintained by the law of the association's jurisdiction of formation in that jurisdiction:**

5847 San Felipe Street #3700,	Houston	TX	77057
Number and street	City	State	Zip

5. The (a) address of the association's registered office in this Commonwealth or (b) name of its commercial registered office provider and the county of venue is:

Complete part (a) OR (b) – not both:

(a) \_\_\_\_\_  
Number and street City OR State Zip County

(b) c/o: CT CORPORATION SYSTEM Dauphin  
Name of Commercial Registered Office Provider County

6. Check one of the following:

- The association may not have series.
 The association may have one or more series.

7. Effective date of registration of foreign association (check, and if appropriate complete, one of the following):

- The Foreign Registration Statement shall be effective upon filing in the Department of State.
 The Foreign Registration Statement shall be effective on: \_\_\_\_\_ at \_\_\_\_\_
Date (MM/DD/YYYY) Hour (if any)

8. To be completed by Limited Liability Companies only. Check, and if appropriate complete, one of the following:

- The association is a limited liability company which is not organized to render any of the below professional service(s).
 The association is a restricted professional limited liability company organized to render one or more of the following professional service(s): (If this box is checked, one or more of the fields below must be checked.)

\_\_\_ Chiropractic \_\_\_ Dentistry \_\_\_ Law \_\_\_ Medicine and surgery
\_\_\_ Optometry \_\_\_ Osteopathic medicine and surgery \_\_\_ Podiatric medicine \_\_\_ Public accounting
\_\_\_ Psychology \_\_\_ Veterinary medicine

IN TESTIMONY WHEREOF, the undersigned association has caused this Foreign Registration Statement to be signed by a duly authorized representative thereof 26th day of February, 2019 this

Summer Energy Midwest, LLC

Name of Association

Neil Leibman

Signature

Manager

Title

UNITED STATES OF AMERICA  
STATE OF OHIO  
OFFICE OF THE SECRETARY OF STATE

*I, Jon Husted, do hereby certify that I am the duly elected, qualified and present acting Secretary of State for the State of Ohio, and as such have custody of the records of Ohio and Foreign business entities; that said records show SUMMER ENERGY MIDWEST, LLC, an Ohio For Profit Limited Liability Company, Registration Number 2253690, was organized within the State of Ohio on December 16, 2013, is currently in FULL FORCE AND EFFECT upon the records of this office.*



*Witness my hand and the seal of the Secretary of State at Columbus, Ohio this 31st day of October, A.D. 2018.*

*Jon Husted*

Ohio Secretary of State

Validation Number: 201830402422



DATE	DOCUMENT ID	DESCRIPTION	FILING	EXPED	CERT	COPY
10/31/2018	201830401832	LIMITED LIABILITY COMPANY - AMENDMENT (LAM)	50.00	100.00	0.00	0.00

**Receipt**

This is not a bill. Please do not remit payment.

KIRTON MCCONKIE  
50 E. SOUTH TEMPLE, SUITE 400  
SALT LAKE CITY, UT 84111

**STATE OF OHIO  
CERTIFICATE**

**Ohio Secretary of State, Jon Husted  
2253690**

It is hereby certified that the Secretary of State of Ohio has custody of the business records for  
**SUMMER ENERGY MIDWEST, LLC**

and, that said business records show the filing and recording of:

Document(s)

**LIMITED LIABILITY COMPANY - AMENDMENT**

Effective Date: 10/31/2018

Document No(s):

**201830401832**



United States of America  
State of Ohio  
Office of the Secretary of State

Witness my hand and the seal of the  
Secretary of State at Columbus, Ohio this  
31st day of October, A.D. 2018.

*Jon Husted*

Ohio Secretary of State

**PENNSYLVANIA DEPARTMENT OF STATE  
BUREAU OF CORPORATIONS AND CHARITABLE ORGANIZATIONS**

<p>Registration of Fictitious Name DSCB:54-311 (rev. 2/2017)</p>  <p align="center">311</p>	<p><input type="checkbox"/> Return document by mail to: Kirtan McConkie 50 E. South Temple, Suite 400, Salt Lake City UT 84111</p> <p><input type="checkbox"/> Return document by email to: City State Zip Code</p>
--	---

Read all instructions prior to completing. This form may be submitted online at <https://www.corporations.pa.gov/>.  
 Fee: \$70.00  I qualify for a veteran/reservist-owned small business fee exemption (see instructions)

In compliance with the requirements of 54 Pa.C.S. § 311 (relating to registration), the undersigned entity(ies) desiring to register a fictitious name under 54 Pa.C.S. Ch. 3 (relating to fictitious names), hereby state(s) that:

1. The fictitious name is: Summer Energy

2. A brief statement of the character or nature of the business or other activity to be carried on under or through the fictitious name is: Retail electric provider

3. The address, including number and street, if any, of the principal place of business (P.O. Box alone is not acceptable):  
 5847 San Felipe Street #3700, Houston TX 77057 Out Of State  
 Number and street City State Zip County

4. The name and address, including number and street, if any, of each individual interested in the business is:  
 Name Number and Street City State Zip

5. Each entity, other than an individual, interested in such business is (are):  
 Summer Energy Midwest, LLC Limited Liability Company OH  
 Name Form of Organization Organizing Jurisdiction  
 5847 San Felipe Street #3700, Houston, Out Of State, TX, United States, 77057  
 Principal Office Address  
 CT Corporation System, Dauphin PA Registered Office, if any

6. The applicant is familiar with the provisions of 54 Pa.C.S. § 332 (relating to effect of registration) and understands that filing under the Fictitious Names Act does not create any exclusive or other right in the fictitious name.

7. (Optional): The name(s) of the agent(s), if any, any one of whom is authorized to execute amendments to, withdrawals from or cancellation of this registration in behalf of all then existing parties to the registration, is (are):

---

IN TESTIMONY WHEREOF, the undersigned has caused this Application for Registration of Fictitious Name to be executed this

1st day of July, 2019.

Summer Energy Midwest, LLC

Entity Name

Neil Leibman

Signature

Manager

Title

**Attachment B -- Certificate of Service concerning Statutory Agencies & EDCs**

**RECEIVED**

JUL - 2 2019

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

## CERTIFICATE OF SERVICE

On this the 2nd day of July, 2019, I certify that a true and correct copy of the foregoing filing 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 Consumer Advocate  
5th Floor, Forum Place  
555 Walnut Street  
Harrisburg, PA 17120

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

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

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

Legal Department  
First Energy  
2800 Pottsville Pike  
Reading PA, 19612

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

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

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

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

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

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

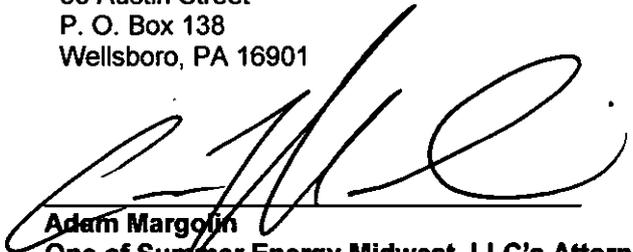
UGI Utilities, Inc.  
Attn: Rates Dept. – Choice Coordinator  
2525 N. 12th Street, Suite 360  
Post Office Box 12677  
Reading, PA 19612-2677

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

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PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

  
Adam Margolin  
One of Summer Energy Midwest, LLC's Attorneys

**Attachment C – Bond**

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PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

**Attachment D – Summer Energy Holdings, Inc.'s Form 10-K**

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JUL - 2, 2019

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

10-K 1 sume\_10k.htm 10-K

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
FORM 10-K**

[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF  
1934

For the fiscal year ended December 31, 2018.

[ &NBSP;] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES  
EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number: 001-35496

**SUMMER ENERGY HOLDINGS, INC.**

(Exact name of registrant as specified in its charter)

Nevada	20-2722022
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

5847 San Felipe Street, Suite 3700, Houston, Texas, 77057  
(Address of principal executive offices) (Zip Code)

(713) 375-2790   
(Registrant's telephone number, including area code)

Securities registered under Section 12(b) of the Act: None

Securities registered under Section 12(g) of the Act:

Common Stock, \$0.001 par value  
(Title of Class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes [ ] No [X]

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.

Yes [ ] No [X]

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes [X] No [ ]

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (Sec. 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes [X] No [ ]

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [ ]

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer" and "large accelerated filer" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

Emerging growth company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act).

Yes  No

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standard provided pursuant to Section 13(a) of the Exchange Act.

The aggregate market value of the registrant's common stock, \$0.001 par value per share, held by non-affiliates of the registrant on June 30, 2018, the last business day of the registrant's most recently completed second fiscal quarter, was approximately \$31,527,428 (based on the average bid price of the common stock on that date as reported by OTC Markets). For this purpose, shares of common stock held by each officer and director and each person known to the registrant to own 10% or more of the outstanding voting securities of the registrant were excluded in that such persons may be deemed to be affiliates. This determination of affiliate status is not a determination for other purposes. The registrant has one class of securities, its common stock.

As of April 10, 2019, the registrant had 30,615,833 shares of common stock outstanding.

**DOCUMENTS INCORPORATED BY REFERENCE.**

Part III incorporates by reference certain information from the registrant's definitive proxy statement (the "Proxy Statement") for the 2019 Annual Meeting of Stockholders to be filed on or before April 30, 2019.

**SUMMER ENERGY HOLDINGS, INC.  
ANNUAL REPORT ON FORM 10-K  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2018**

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### Cautionary Note Regarding Forward-Looking Statements

From time to time, we and our representatives may provide information, whether orally or in writing, including certain statements in this Annual Report on Form 10-K (this "Annual Report"), which are deemed to be "forward-looking" within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act") and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), that concern matters that involve risks and uncertainties which could cause actual results to differ materially from those projected in the forward-looking statements. These forward-looking statements are intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995 (the "Litigation Reform Act") and are based on our beliefs as well as assumptions made by us using information currently available. All statements other than statements of historical fact contained in this Annual Report, including statements regarding future events, our future financial performance, our future business strategy and the plans and objectives of management for future operations, are forward-looking statements. The words "anticipate," "believe," "estimate," "expect," "intend," "will," "should" and similar expressions, as they relate to us, are intended to identify forward-looking statements. Such statements reflect our current views with respect to future events and are subject to certain risks, uncertainties and assumptions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described herein as anticipated, believed, estimated, expected or intended or using other similar expressions. In accordance with the provisions of the Litigation Reform Act, we are making investors aware that such forward-looking statements, because they relate to future events, are by their very nature subject to many important factors that could cause actual results to differ materially from those contemplated by the forward-looking statements contained in this Annual Report, any exhibits to this Annual Report and other public statements we make. Such factors are set forth in the "Business" section, the "Risk Factors" section, the "Legal Proceedings" section, the "Management's Discussion and Analysis of Financial Condition and Results of Operations" section and other sections of this Annual Report, as well as in our Quarterly Reports on Form 10-Q and Current Reports on Form 8-K. We expressly disclaim any intent or obligation to update any forward-looking statements after the date hereof to conform such statements to actual results or to changes in our opinions or expectations, except as required by applicable law.

## PART I

### ITEM 1. BUSINESS

#### Introduction

Summer Energy Holdings, Inc. (including our subsidiaries, Summer Energy, LLC ("Summer LLC"), Summer Energy Midwest, LLC ("Summer Midwest"), Summer EM Marketing, LLC ("Marketing LLC") and Summer Energy Northeast, LLC ("Summer Northeast"), are referred to collectively in this Annual Report, as the "Company," "Summer Energy," "we," "our" and "us"). The Company's primary business operations are conducted through our subsidiaries Summer LLC and Summer Northeast. Summer LLC is a Texas limited liability company that is licensed within the state of Texas as a Retail Electric Provider ("REP") by the Public Utility Commission of Texas ("PUCT"). Summer Northeast is a Texas limited liability company that is licensed as a REP in New Hampshire, Massachusetts, Connecticut and Rhode Island and currently operates in Massachusetts and Rhode Island. Summer Midwest is an Ohio limited liability company that is licensed in the state of Ohio as a REP. As stated above, references to the "Company," the "Registrant," "we," "our," and "us" or similar terms, refer to Summer Energy Holdings, Inc. (f/k/a Castwell Precast Corporation), and its predecessors and its subsidiaries, except where the context makes clear that the reference is only to a specific subsidiary.

For more information on the Company and our products and services, please see the information set forth below or visit our website at [www.summerenergy.com](http://www.summerenergy.com). The inclusion of our internet address in this Annual Report does not include or incorporate by reference into this Annual Report any information on our website. Our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, amendments to those reports and other filings with the Securities and Exchange Commission (the "SEC") are generally available through the EDGAR system maintained by the SEC at [www.sec.gov](http://www.sec.gov).

### Description of Our Company and Predecessor

The Company was incorporated in the state of Nevada under the name Castwell Precast Corporation on March 25, 2005. On March 27, 2012, the Company (f/k/a Castwell Precast Corporation), closed the transaction (the "Transaction") contemplated by that certain Agreement and Plan of Contribution entered into on January 17, 2012 among the Company, Summer LLC, and the individual members of Summer LLC (the "Contribution Agreement"). A copy of the Contribution Agreement was filed as Exhibit 10.1 to the Company's Current Report on Form 8-K dated January 19, 2012, and the description contained herein of the terms of the Contribution Agreement is qualified in its entirety by reference to the provisions thereof. Further, a more complete description of the Transaction is set forth in the Company's Current Report on Form 8-K dated March 30, 2012. Prior to the consummation of the Transaction, the Company's principal business activity, carried out entirely through its wholly-owned subsidiary Castwell Precast Inc., was the manufacture and installation of decorative window wells made from precast concrete. Castwell Precast Inc. was incorporated in the state of Utah on March 24, 2005. The Company ceased the business of manufacturing and installing decorative window wells, and currently conducts the business of purchasing and reselling electric power within the states of Texas, Massachusetts and New Hampshire through its wholly-owned subsidiaries Summer LLC and Summer Northeast.

### Overview

Following the Transaction, the Company now carries on, through Summer LLC and Summer Northeast, the business of an REP in the states of Texas, Massachusetts and New Hampshire, with head offices located at 5847 San Felipe Street, Suite 3700, Houston, Texas 77057. The Company's telephone number is (713) 375-2790, its fax number is (713) 375-2794, and its website is [www.summerenergy.com](http://www.summerenergy.com). The information accessible through the Company's website does not constitute part of, and is not incorporated by reference into, this Annual Report.

Summer LLC was organized as a Texas limited liability company on April 6, 2011, by the filing of a certificate of organization with the Texas Secretary of State. In September of 2011, Summer LLC was awarded a license by the PUCT to operate as a REP in Texas. In general, Texas regulatory structure permits REPs, such as Summer LLC, to procure and sell electricity at unregulated prices. All REPs must be certified by the Electric Reliability Council of Texas ("ERCOT") to operate within the Texas market. In Texas, ERCOT serves as the Independent System Operator ("ISO") of the power grid and enables REPs, generators, regulated transmission and distribution service providers ("TDSPs"), and ultimately customers, to operate in a deregulated marketplace. ERCOT is responsible for coordinating and monitoring all communications by and between the power generator, the retail electric provider and the TDSP, including customer sign up, meter reading and billing between the end user, power generator and the REP.

Summer Northeast was organized as a Texas limited liability company on December 21, 2007 and was awarded licenses to operate as a REP by the public utility commissions of New Hampshire, Massachusetts, Rhode Island and Connecticut. REPs pay the local transmission and distribution utilities a regulated tariff rate for delivering electricity to their customers. As a REP, we sell electricity and provide the related billing, customer service, collections and remittance services to residential and commercial customers. We offer our customers competitive electricity rates, flexible payment and pricing choices, simple offers with understandable terms and responsive customer service. Summer Midwest was organized as an Ohio limited liability company (formerly known as Summer Energy of Ohio, LLC) and has not yet commenced operations.

We offer retail electricity to commercial and residential customers in designated target markets within the states of Texas, Massachusetts and New Hampshire. In the commercial market, the primary targets are small to medium-sized customers (less than one megawatt of peak usage), but we will also selectively pursue larger commercial customers. Residential customers are a secondary target market. At this time, a majority of our customers are located in the Houston and Dallas-Fort Worth metropolitan areas, although our footprint extends to metropolitan and rural areas.

We rely upon established relationships and low-cost branding programs to attract commercial and residential customers. We continue to evaluate opportunities to expand our areas of operations as certain market regions elect

to opt-in to deregulation. In addition, we continue to evaluate and pursue opportunities to acquire other REPs to the extent these acquisitions would provide value to us.

In most jurisdictions, we are required to enter into agreements with local transmission and distribution service providers for use of the local distribution and transmission systems and operation of functional interfaces necessary for us to serve our customers. With respect to energy supply, we utilize wholesale purchase agreements with wholesale energy providers. We serve as our own qualified scheduling entity for open market purchases and sales of electricity, forecasting our energy demand, and conducting procurement activities through an experienced team of professionals. The forecast for electricity load requirements is based on our aggregate customer base currently served and anticipated weather conditions, as well as forecasted customer acquisition and attrition. We continuously monitor and update our supply positions based on our retail demand forecasts and market conditions. Our policy is to maintain a balanced supply/demand book to limit commodity risk exposure. At this time, we do not plan on maintaining a financial book in addition to our physical supply/demand book for risk-hedging purposes.

We began delivering electricity to customers in mid-February 2012. We have continued to experience growth in our customer base since that time.

As of December 31, 2018, we had 81 full-time employees. Our employees are not represented by any collective bargaining agreement, and we have never experienced a work stoppage. We believe our employee relations are good.

#### **Expansion into New Markets**

If the Company enters additional deregulated markets, we will be required to operate within the specific regulatory environment of such state or region. We will evaluate the regulatory environment of each market, in addition to other operational, financial and customer considerations, before determining whether to pursue other market area opportunities.

#### **Principal Supplier**

Our subsidiaries, Summer LLC and Summer Northeast, are parties to an Energy Services Agreement with EDF Energy Services, LLC and EDF Trading North America, LLC (collectively, "EDF") whereby, with limited exceptions, they are required to purchase all of their electric power and associated services requirements from EDF. We therefore rely substantially on EDF in order to meet our customers' needs.

#### **Marketing and Sales**

The Company seeks to employ a multi-tiered marketing and sales strategy. The short-term emphasis is on controlled growth, utilizing indirect marketing through third-party relationships. Indirect marketing efforts, including the following, allow the Company to facilitate growth while keeping expenses low by avoiding the expense associated with creating and managing a full sales team:

- Aggregators, Brokers, Consultants - often referred to as "ABC's" in the retail power industry;
- Affinity Programs - Gift card programs; Company-branded product incentives;
- Multifamily Housing Programs - incentivizing property management companies based on referrals to their tenants;
- Referrals - reaching out to individuals connected to the community and providing incentives for sign-ups; and
- Charitable Programs - enhancing referral programs and offering customers the chance to donate referral fees to local charitable organizations.

As the Company grows, we expect to achieve long-term growth by enhancing our indirect marketing efforts as well as growing our residential customer base. These initiatives include or will include, without limitation:

- Releasing an online portal for third parties to manage their commercial pricing requests and customer data

- remotely with minimal intervention of sales staff;
- Further business development by strengthening existing and revisiting weakened or less active relationships;
- Improving efficiency of our sales teams through further IT development and automation;
- Increasing our pre-paid electric residential segment via online and relationship marketing; and
- Refining our multi-family marketing division through IT improvements, increased staffing, and onsite marketing support to properties promoting our product.

Direct marketing efforts continue to be a result of management's existing relationships, direct traffic to our enrollment platform on our website, and customer referrals.

#### **Competition and Perceived Competitive Advantages**

As more fully set forth under the heading entitled "Risk Factors," the Company faces competition from many competitors who have significantly greater financial resources, well-established brand names, and large, existing installed customer bases. We expect the level of competition to intensify in the future. There is also significant competition from incumbent, traditional, and new electricity providers which may be better capitalized than the Company.

It is understood that there is significant competition in the retail electric market; however, we have observed that most established competitors target the larger customer segment such as large commercial and industrial operations. This creates a niche that we aggressively target. We focus on small to medium size commercial, residential, and select large businesses in our core marketing efforts. We believe this market segment will yield a higher per-unit-margin with improved customer loyalty.

The Company anticipates the addition of new market participants. Recent entries into the marketplace include single-client companies established for a select number of large electricity users such as refineries or industrial plants. These new participants' strategy is to focus most of their marketing dollars on high-end users, as they assume the larger customers provide the highest return. The Company differentiates its strategy by focusing on the small to mid-size customer segment and building lasting relationships through excellent customer service, flexible terms, unique sales techniques, and competitive pricing.

The Company's present management and staff have significant experience working in the Texas retail energy market. Management and staff also have experience with REPs who operate in Maryland, New Hampshire, the District of Columbia and Massachusetts. We believe management's experience with these entities will contribute to management's ability to market and continue to grow the Company in the markets in which we operate.

Because of management's prior experience, management and staff have developed and maintained strong connections with agents, brokers, property owners and others in the markets in which we operate. Through these relationships, the Company anticipates building sales momentum.

#### **Intellectual Property**

The Company has not applied for any patents or copyrights. The Company has filed trademark applications for "Summer Energy" and for "Pronto Power." The Company has not spent any significant time since its inception on research and development activities.

#### **Additional Information**

As more fully set forth under the heading entitled "Risk Factors," the Company is subject to governmental regulation and will face additional costs in complying with such regulations. At this time, the Company does not have an estimate of its annual regulatory compliance costs.

#### **ITEM 1A. RISK FACTORS**

*Before deciding to purchase, hold or sell our common stock, you should carefully consider the risks described below in addition to the other information contained in this Annual Report and in our other filings with the SEC, including*

*subsequent reports on Forms 10-Q and 8-K. The risks and uncertainties not presently known to us or that we currently deem immaterial may also affect our business. If any of these known or unknown risks or uncertainties actually occurs with material adverse effects on the Company, our business, financial condition, results of operations and/or liquidity could be seriously harmed. In that event, the market price of our common stock will likely decline, and you may lose all or part of your investment.*

#### **Risks Factors Related to Our Business and Industry**

##### ***We depend on key personnel.***

For the foreseeable future, our success will depend largely on management's industry knowledge, marketing skills and relationships with key investors, customer bases and industry leaders. The Company has employment agreements with management and other key personnel. We do not maintain key life insurance policies for our executive officers. Should any of these individuals leave the Company, it may have a material adverse effect on our future results of operations.

##### ***Recourse to the Company's assets.***

Outside of our wholesale contracts, our customer contracts and our REP certificates, the Company currently has limited assets that are available to satisfy liabilities and other obligations of the Company. If the Company becomes subject to a liability, parties seeking to have the liability satisfied may have recourse to the Company's assets.

##### ***We will indemnify management and the members of the Board of Directors.***

Members of our executive management ("Management") and other key decision-makers will be entitled to indemnification from the Company except in certain circumstances, as more fully set forth in our Articles of Incorporation, Bylaws and separate indemnification agreements.

##### ***Stockholders will have no right to participate in management of the Company.***

Stockholders in the Company will not have the right to participate in the management of the Company or in decisions made by Management on the Company's behalf. As a result, stockholders will have almost no control over their investments in the Company or their prospects with respect thereto.

##### ***Uncertain economic conditions.***

Recent economic events have created uncertainty with respect to the condition of the economy in the United States. Certain economic factors and indicators have suggested that such events have had a substantial negative effect on the economies of the United States and the states in which we operate. Furthermore, several industries have experienced financial difficulties. In addition, there have been material adverse effects on the world's economies caused by illegal activities in the business and accounting professions resulting in significant declines in the United States equity markets. Other equity markets have been similarly affected. It is impossible to determine at this time the long-term effects of these events and conditions on the economy. Any negative change in the general economic conditions could adversely affect the financial condition and our operating results. Unforeseen incidents, such as terrorist attacks, corporate fraud or general weakness in the economy, could have a negative impact on the overall economic state of the market in which we intend to market and utilize our products and services. The Company may experience difficulty in raising additional capital necessary for expenses and growth, may experience underfunding due to the timing of payments received and due to the seasonality of the markets in which we operate and customer electricity usage.

##### ***Adequacy of funds for operations or capital expenditures.***

To the extent that the Company's expenses increase, unanticipated expenses arise, or capital expenditures are necessary, and accumulated reserves are insufficient to meet such expenses, the Company may be required to obtain cash advances and additional funds through borrowing or additional equity raises, if available. Such debt and/or equity raises may have a material negative adverse effect on the Company's profitability.

*We are substantially dependent on a single party to purchase our electricity.*

Our subsidiaries, Summer LLC and Summer Northeast, are parties to an Energy Services Agreement with EDF whereby, with limited exceptions, they are required to purchase all of their electric power and associated services requirements from EDF. We therefore rely substantially on EDF in order to meet our customers' needs. If we default in our obligations to EDF, we may be unable to purchase the required electricity supply to service our customers. If we are unable to purchase through EDF, we may be forced to purchase substantial electricity supply in the open market to meet customer demand at a time when energy prices are volatile, which could have an adverse impact on our financial condition. Our obligations to EDF are secured by a first position security interest in all of our assets, equipment and inventory.

*Our business is dependent on retaining licenses in the markets in which we operate.*

Our business model is dependent on continuing to be licensed in existing markets. If we have a license revoked or are not granted renewal of a license, or if our license is adversely conditioned or modified, it could materially and adversely affect our business, financial condition, cash flows and results of operations.

***Volatile energy prices and regulatory risk***

Sustained high energy prices, ongoing price volatility, decreasing reserve margins, and changing environmental regulation all creates a risk of increased regulatory and/or legislative intervention, which may limit our flexibility within the deregulated market. In addition, ISOs, public utility commissions, and state legislatures possess significant regulatory control over our business operations in all markets. Factors outside of our control may cause changes to the deregulated electricity structure at any time, which may have an adverse effect upon our business.

The Company believes that competitive markets yield a broad range of innovative product and service alternatives to consumers and ultimately lead to the most efficient use of resources. We believe regulatory entities should continue to take actions that encourage competition in the industry, but no assurance can be given that this will be the case. Regulatory and/or legislative intervention could disrupt the market structure of electricity prices, which could impact the Company's results of operations. The Company's earnings and cash flows may also be adversely affected in any period in which the demand for power significantly varies from forecasted supply, which may occur due to, among other factors, weather events, competition and economic conditions.

***Reliance on TDSPs affiliated with our competitors to perform some functions for our customers.***

Under our regulatory structure, we may be required to enter into agreements with local incumbent utilities for use of the local distribution systems, and for the creation and operation of functional interfaces necessary for us to serve our customers. While we are optimistic about our ability to enter into acceptable agreements in relevant markets, any delay in future negotiations for access or our inability to enter into reasonable agreements to operate could delay or negatively impact our ability to serve our customers, which could have a material negative impact on our business, results of operations, and financial condition.

In certain markets we are dependent on TDSPs for maintenance of the infrastructure through which we deliver electricity to our retail customers. Any infrastructure failure that interrupts or impairs delivery of electricity to our customers could negatively impact the satisfaction of our customers with our service and could have a material adverse effect on our results of operations, financial condition and cash flow. Additionally, in certain markets we are dependent on TDSPs for performing service initiations and changes, and for reading our customers' energy meters. We are required to rely on the TDSPs, or, in some cases, ERCOT, to provide us with our customers' information regarding energy usage, and we may be limited in our ability to confirm the accuracy of the information. The provision of inaccurate information or delayed provision of such information by the TDSPs or ERCOT could have a material adverse effect on our business, results of operations, financial condition and cash flow. In addition, any operational problems with our new systems and processes could similarly have a material adverse effect on our business, results of operations, financial condition and cash flow. Further, we rely on the TDSPs to properly repair and maintain electrical lines in outages caused by severe weather, which may produce a delay in providing service to the Company's customers, which can negatively impact the Company.

*We are subject to government regulation and extensive government regulation may increase our costs and slow our growth.*

Significant regulations imposed at the federal, state and local levels govern the provision of utility services and affect our business and our existing and potential competitors. Delays in receiving required regulatory approvals, the enactment of adverse legislation, regulations or regulatory requirements, or the application of existing laws and regulations to certain services may have a material adverse effect on our business, financial condition, results of operations and cash flow. In addition, future legislative, judicial and regulatory agency actions could alter competitive conditions in the markets in which we intend to operate, in ways not necessarily to our advantage.

Moreover, existing regulations may be revised or reinterpreted and new laws and regulations may be adopted or become applicable to our commercial activities. These actions could have a material adverse effect on our results of operations, financial conditions and cash flows.

*New legislation or regulation.*

We cannot determine what effect additional state or federal governmental legislation, regulations, or administrative orders, when and if promulgated, would have on our business in the future. New legislation or regulations may require the reformulation of our business to meet new standards, require us to cease operations, impose stricter qualification and/or registration standards, impose additional record keeping, or require expanded consumer protection measures.

*Reliance on information technology systems; collection of sensitive customer data.*

Our business is dependent on information sharing among market participants. This information includes customer enrollment information, ERCOT transactions, meter readings, invoices for wire line charges, etc. Therefore, our success as an independent REP is impacted by our ability to handle this information, and we are dependent on third parties to provide timely and accurate information to us. We rely on a combination of internal systems including telephone, Internet, load forecasting, as well as systems operated by third parties. Failure to receive timely and accurate information could have an adverse impact on our business.

We have implemented, or intend to implement, both processes and infrastructure to provide for redundancy of core data due to business interruption associated with our billing platform; however, that is only one component of our business model. In addition, our systems and those we rely upon from third parties need continued development and investment to ensure reliability and scalability as our business grows at a rapid rate.

Despite the implementation of security measures, our networks may be vulnerable to unauthorized access, computer viruses and other disruptive problems. A party who is able to circumvent security measures could misappropriate proprietary information or cause interruptions in our Internet operations. We may be required to expend significant capital or other resources to protect against the threat of security breaches or to alleviate problems caused by such

breaches. Although we intend to continue to implement industry-standard security measures, there can be no assurance that measures implemented by us will not be circumvented in the future.

Our business requires access to sensitive customer data in the ordinary course of business. Examples of sensitive customer data are names, addresses, account information, historical electricity usage, expected patterns of use, payment history, credit bureau data, credit and debit card account numbers, driver's license numbers, social security numbers and bank account information. We may need to provide sensitive customer data to vendors and service providers who require access to this information in order to provide services. It is possible that our security controls over personal data, our training of employees and consultants on data security, and other practices we follow may not prevent the improper disclosure of personally identifiable information. If a significant breach occurred, our reputation may be adversely affected, customer confidence may be diminished, or our business may be subject to legal claims, any of which may contribute to the loss of customers and have a negative impact on the business and/or results of operations.

***We depend on the accuracy of data in our information management systems, which subjects us to risks.***

We depend on the accuracy and timeliness of our information management systems for billing, collections, consumption and other important data. We rely on many internal and external sources for this information, including:

- our marketing, pricing and customer operations functions; and
- various local regulated utilities and independent system operators (ISOs) for volume or meter read information, certain billing rates and billing types (e.g., budget billing) and other fees and expenses.

Inaccurate or untimely information, which may be outside of our direct control, could result in:

- inaccurate and/or untimely bills sent to customers;
- reduced effectiveness and efficiency of our operations;
- inability to adequately hedge our portfolio;
- increased overhead costs;
- inaccurate accounting and reporting of customer revenues, gross margin and accounts receivable activity;
- inaccurate measurement of usage rates, throughput and imbalances;
- customer complaints; and
- increased regulatory scrutiny.

We are also subject to disruptions in our information management systems arising out of events beyond our control, such as natural disasters, epidemics, failures in hardware or software, power fluctuations, telecommunications and other similar disruptions. In addition, our information management systems may be vulnerable to computer viruses, incursions by intruders or hackers and cyber terrorists and other similar disruptions. A successful cyber-attack on our information management systems could severely disrupt business operations, preventing us from billing and collecting revenues, and could result in significant expenses to investigate and repair security breaches or system damage, lead to litigation, fines, other remedial action, heightened regulatory scrutiny, diminished customer confidence and damage to our reputation. We do not maintain cyber-liability insurance that covers certain damage caused by cyber events.

Inaccurate data and disruptions of our information management systems to perform as anticipated for any reason could materially and adversely affect our business, financial condition, cash flows and results of operations.

***Certain political and natural events may affect our Company.***

Catastrophic events or geo-political conditions may disrupt our business. A disruption or failure of our systems or operations in the event of a major earthquake, weather event, cyber-attack, terrorist attack, or other catastrophic event or natural disaster could cause delays in performing critical functions. A catastrophic event that results in the destruction or disruption of any of our critical business or information technology systems could harm our ability to conduct normal business operations and our operating results. For example, in the third quarter of 2017, Hurricane

Harvey caused historic flooding, extensive damage and widespread power outages across the Gulf Coast of Texas. Although we did not suffer physical damage to our Houston office, the hurricane negatively impacted our ability to serve our customers and deliver electricity in this region during the hurricane and for the following weeks.

*Weather and other related commodity risks may affect our ability to manage and maintain a balanced supply/demand book.*

Commitments for future purchase of electricity supply (i.e., forward power contracts) are based solely on our current customer base under contract. No speculative positions to buy or sell electricity are allowed by our internal risk policy. Long term supply positions are consistently monitored and rebalanced due to adding or removing customers, long term weather assumptions, and economic indicators. Short term supply positions are also monitored and rebalanced due to changing demand positions. Short term changes in demand are driven primarily by the weather forecasts for the geographical areas in which we operate. We plan to continue to maximize retail earnings through efficient procurement practices, with the primary goal being to protect the earnings generated by the retail business. However, fluctuations in actual weather conditions, generation availability, transmission constraints, and generation reserve margins may all have an impact on the actual power prices and the electricity consumption of our customers on a given day. Extreme weather conditions may force us to purchase electricity in the balancing market on days when weather is unexpectedly severe, and the pricing for balancing market energy may be significantly higher on such days than the cost of electricity in our existing fixed priced contracts. Unusually mild weather conditions could leave us with excess power which may be sold in the balancing market at a loss if the balancing market price is lower than the Company's cost of electricity in our existing fixed priced contracts.

Commodity pricing is an inherent risk component of our business operations and our financial results. The prevailing market prices for electricity and fuel may fluctuate substantially over relatively short periods of time, potentially adversely impacting our results of operations, financial condition and cash flows. Changes in market prices for electricity and fuel may result from any of the following:

- weather conditions;
- seasonality;
- demand for energy commodities and general economic conditions;
- forced or unscheduled plant outages;
- disruption of electricity or gas transmission or transportation infrastructure or other constraints or inefficiencies;
- addition or reduction of generating capacity;
- environmental and emissions regulation;
- availability of competitively priced alternative energy sources;
- availability and levels of storage and inventory for fuel stocks;
- natural gas, crude oil and refined products, and coal production levels;
- the creditworthiness or bankruptcy or other financial distress of market participants;
- changes in market liquidity;
- natural disasters, wars, embargoes, acts of terrorism and other catastrophic events; and
- Federal and state governmental regulation and legislation.

*Our financial results fluctuate on a seasonal, quarterly and annual basis.*

Our overall operating results fluctuate substantially on a seasonal, quarterly and annual basis depending on: (1) the geographic mix of our customer base; (2) the concentration of our product mix; (3) the impact of weather conditions on commodity pricing and demand; (4) variability in market prices for electricity; and (5) changes in the cost of delivery of commodities through energy delivery networks. These factors can have material short-term impacts on monthly and quarterly operating results, which may be misleading when considered outside of the context of our annual operating cycle. In addition, our accounts payable and accounts receivable are impacted by seasonality due to the timing differences between when we pay our suppliers for accounts payable versus when we collect from our customers on accounts receivable.

Accordingly, we may experience seasonal, quarterly and annual fluctuations, which could materially and adversely affect our business, financial condition, cash flows and results of operations.

*We may have difficulty retaining our existing customers or obtaining a sufficient number of new customers, due to competition and for other reasons.*

The markets in which we compete are highly competitive, and we may face difficulty retaining our existing customers or obtaining new customers due to competition. We encounter significant competition from local regulated utilities or their retail affiliates and traditional and new REPs. Many of these competitors or potential competitors are larger than us, have access to more significant capital resources, have more well-established brand names and have larger existing installed customer bases. Additionally, existing customers may switch to other REPs during their contract terms in the event of a significant decrease in the retail price of electricity in order to obtain more favorable prices. Although we generally have a right to collect a termination fee from each customer on a fixed-price contract that terminates its contract early, we may not be able to collect the termination fees in full or at all.

If we are unable to obtain new customers or maintain our existing customers, due to competition or otherwise, it could materially and adversely affect our business, financial condition, cash flows and results of operations.

*We are subject to direct credit risk for certain customers who may fail to pay their bills as they become due.*

We bear direct credit risk related to our customers located in markets that have not implemented purchase of accounts receivable ("POR") programs as well as indirect credit risk in those POR markets that pass collection efforts along to us after a specified non-payment period. We generally have the ability to terminate contracts with customers in the event of non-payment, but in most states in which we operate we cannot disconnect their electricity service. In POR markets where the local regulated utility has the ability to return non-paying customers to us after specified periods, we may realize a loss for one to two billing periods until we can terminate these customers' contracts. We may also realize a loss on fixed-price customers in this scenario due to the fact that we will have already fully hedged the customer's expected commodity usage for the life of the contract and we also remain liable to our suppliers of electricity for the cost of our supply commodities. Furthermore, in the Texas market, we are responsible for billing the distribution charges for the local regulated utility and are at risk for these charges, in addition to the cost of the commodity, in the event customers fail to pay their bills. Changing economic factors, such as rising unemployment rates and energy prices also result in a higher risk of customers being unable to pay their bills when due.

The failure of our customers to pay their bills or our failure to maintain adequate billing and collection procedures could adversely affect our financial results.

*We may not be able to manage our growth successfully.*

The development of our operations will depend upon, among other things, our ability to create and expand our customer base in our existing markets and to enter new markets in a timely manner and at reasonable costs. In addition, we anticipate that our employee base will grow in order for us to accommodate our increased customer base. We may experience difficulty managing the growth of a portfolio of customers that is diverse both with respect to the types of services they will require, the market rules in their jurisdiction and the infrastructure required to deliver electricity to those customers. Expanding our operations may also require continued development of our operating and financial controls and may place additional stress on our management, finances and operational resources. If we are unable to manage our growth and development successfully, our operating results and financial condition could be materially adversely affected.

*Achieving the desired benefits of acquisitions may be subject to a number of challenges and uncertainties which make it hard to predict the future success of each entity.*

We acquired Summer Energy Northeast, LLC (formerly known as REP Energy, LLC) with expected benefits including, among other things, operating efficiencies, entering into new markets, procurement savings, innovation, sharing of best practices and increased market share that may allow for future growth. Achieving the anticipated benefits may be subject to a number of significant challenges and uncertainties, including, without limitation, whether unique corporate cultures will work collaboratively in an efficient and effective manner, the coordination of separate organizations, the possibility of imprecise assumptions underlying expectations regarding potential synergies and the integration process, unforeseen expenses and delays, and competitive factors in the marketplace. We could also encounter unforeseen transaction and integration-related costs or other circumstances such as unforeseen liabilities or other issues. Many of these potential circumstances are outside of our control and any of them could result in increased costs, decreased revenue, decreased synergies and the diversion of management time and attention. If we are unable to achieve our objectives within the anticipated time frame, or at all, the expected benefits may not be realized fully or at all, or may take longer to realize than expected, which could have an adverse effect on our business, financial condition and results of operations.

***We rely on a third-party vendor for our customer billing and transactions platform that exposes us to third party performance risk.***

We have outsourced our back-office customer billing and transactions functions to a third party, and we rely heavily on the continued performance of that vendor under our commercial agreement. Failure of our vendor to operate in accordance with the terms of the agreement or the vendor's bankruptcy or other event that prevents it from performing under our agreement could materially and adversely affect our business, financial condition, cash flows and results of operations.

***We face strong competition from incumbent utilities and other competitors.***

The market in which the Company operates is highly competitive. The Company faces competition from many competitors with significantly greater financial resources, well-established brand names and large, existing installed customer bases. We expect the level of competition to intensify in the future. We expect significant competition from incumbent, traditional, and new electricity providers, which may be better capitalized than the Company.

In some markets, our principal competitor may be the local incumbent utility's unregulated affiliates. These affiliates have the advantage of long-standing relationships with their customers, and they may have longer operating histories, greater financial and other resources and greater name recognition in their markets than we do. In addition, incumbent utilities have been subject to regulatory oversight, in some cases for close to a century, and thus have a significant amount of experience regarding the regulators' policy preferences as well as a critical economic interest in the outcome of proceedings concerning their revenues and terms and conditions of service.

Some of our competitors, including affiliated retailers, have formed alliances and joint ventures in order to compete in the restructured, deregulated retail electricity industry. Many customers of these incumbent utilities may decide to stay with their long-time energy provider if they have been satisfied with its service in the past.

In addition to competition from the incumbent utilities and their affiliates, we face competition from a number of other energy service providers, including start-up companies focusing on internet marketing and online services, and other energy industry participants who may develop businesses that will compete with us in both local and national markets. Many of these competitors or potential competitors are larger than the Company and have access to more significant capital resources.

***Payment defaults by other REPs to ERCOT.***

In the event of a default by a REP of its payment obligations to ERCOT, the portion of that obligation that is unrecoverable by ERCOT from the defaulting REP is assumed by the remaining market participants in proportion to each participant's load ratio. As a REP and market participant in ERCOT, we may have to pay a portion of the amount owed to ERCOT should such a default occur, and ERCOT is not successful in recovering such amounts. As a relatively small company, any such default of a REP in its obligations to ERCOT could have a material adverse effect on our business, results of operations, financial conditions and cash flows.

***ERCOT has experienced problems with its information systems.***

Problems in the flow of information between ERCOT, TDSPs and the REPs have resulted in delays and other problems in enrolling and billing customers. In some instances, the Company has been erroneously charged by TDSPs for delivered power, resulting in a negative effect on the Company's results of operations and financial condition. When customer enrollment transactions are not successfully processed by all involved parties, ownership records in the various systems supporting the market are not synchronized properly and subsequent transactions for billing and settlement are adversely affected. The impact may mean that we are not listed as the electric provider-of-record for intended or agreed upon time periods, delays in receiving customer consumption data that is necessary for billing and settlement either through ERCOT or directly with TDSPs, as well as the incorrect application of rates or prices and imbalances in our electricity supply forecast and actual sales.

***Our future results of operations may be negatively impacted by settlement adjustments determined by ERCOT related to prior periods.***

Settlement information for most operating activity is due from ERCOT within two months after the operating day, and true-up settlements are due from ERCOT within six months after the operating day. ERCOT has the ability to resettle any operating day at any time after the six-month settlement period, usually the result of a lingering dispute, an alternative dispute resolution process, or litigated event. As a result, we are subject to settlement adjustments from ERCOT related to prior periods, which may result in charges or credits impacting our future reported results of operations.

***Our results of operations and financial condition could be negatively impacted by any development or event beyond our control that causes economic weakness in the markets in which we operate.***

Currently, we operate in Texas, New Hampshire and Massachusetts. As a result, regardless of the state of the economy in areas outside the markets in which we operate, economic weakness in these markets could lead to reduced demand for electricity in these markets. Such a reduction could have a material negative impact on our results of operations, liquidity and financial condition.

**Risks Related to the Company**

***We may have contingent liabilities related to the Company's operations prior to the Transaction of which we are not aware and for which we have not adequately provisioned.***

Prior to the consummation of the Transaction, the Company was engaged in the business of manufacturing and installing decorative window wells made from precast concrete. We cannot ensure that there are no material claims outstanding, or other circumstances of which we are not aware, that would give rise to a material liability relating to these prior operations, even though we have not recorded any provisions in our financial statements related to such potential liabilities. If we are subject to past claims or material obligations relating to our operations prior to the consummation of the Transaction, such claims could materially adversely affect our business, financial condition, and results of operations.

***We have a substantial amount of indebtedness, which may adversely affect our financial resources and our ability to operate our business.***

Our subsidiary, Summer LLC, is party with Blue Water Capital Funding, LLC (the "Lender"), to, and we are liable with Summer LLC for, up to \$5 million of outstanding debt under a revolving loan made pursuant to a loan agreement and accompanying revolving promissory note, security agreement and guaranty, as amended by that certain Amendment to Certain Loan Documents dated as of June 27, 2018 (collectively, the "Loan Agreement"). The maturity date of the outstanding Loan Agreement is June 30, 2020. Further, under the Loan Agreement, Summer LLC is subject to certain restrictive covenants that, among other things, may limit our ability to obtain additional financing for working capital requirements, product development activities, debt service requirements, and general corporate or other purposes. These restrictive covenants include, without limitation, restrictions on Summer LLC's ability to: (1) incur additional indebtedness; (2) incur liens; (3) make certain dispositions of assets; (4) merge, dissolve, consolidate or sell all or substantially all of its assets; and (5) enter into certain transactions with affiliates during the term of the Loan Agreement. If Summer LLC breaches any of these restrictive covenants or is

unable to pay the indebtedness under the Loan Agreement when due, this could result in a default under the Loan Agreement. In such event, the Lender may elect (after the expiration of any applicable notice or grace periods) to declare all outstanding borrowings, together with accrued and unpaid interest and other amounts payable under the Loan Agreement, to be immediately due and payable. Any such occurrence would have an immediate and materially adverse impact on our business and results of operations. The Loan Agreement is secured by a second position security interest in all assets of Summer LLC and is guaranteed by the Company. Further, pursuant to the Energy Services Agreement and related agreements with EDF, we are generally indebted to EDF for short-term debt related to our purchase of electricity. Our resulting substantial level of indebtedness and other financial obligations increase the possibility that we may be unable to pay, when due, the principal of, interest on, or other amounts due in respect of, our indebtedness.

#### **Risks Related to the Transaction and the Ownership of the Common Stock of the Company**

*We face increased costs and demands upon management and accounting and finance resources as a result of complying with the laws and regulations affecting public companies; any failure to establish and maintain adequate internal controls over financial reporting or to recruit, train and retain necessary accounting and finance personnel could have an adverse effect on our ability to accurately and timely prepare our consolidated financial statements.*

As a public operating company, we incur significant administrative, legal, accounting and other burdens and expenses beyond those of a private company, including those associated with corporate governance requirements and public company reporting obligations. In particular, we may need to enhance and supplement our internal accounting resources with additional accounting and finance personnel with the requisite technical and public company experience and expertise, as well as refine our quarterly and annual financial statement closing process, to enable us to satisfy such reporting obligations. However, even if we are successful in doing so, there can be no assurance that our finance and accounting organization will be able to adequately meet the increased demands that result from being a public company.

Furthermore, we are required to comply with Section 404 of the Sarbanes-Oxley Act of 2002. In order to satisfy the requirements of Section 404 of the Sarbanes-Oxley Act of 2002, we are required to document and test our internal control procedures and prepare annual management assessments of the effectiveness of our internal control over financial reporting. These assessments will need to include disclosure of identified material weaknesses in our internal control over financial reporting. Testing and maintaining internal control over financial reporting will involve significant costs and could divert management's attention from other matters that are important to our business. Additionally, we cannot provide any assurances that we will be successful in remediating any deficiencies that may be identified. If we are unable to remediate any such deficiencies or otherwise fail to establish and maintain adequate accounting systems and internal control over financial reporting, or we are unable to recruit, train and retain necessary accounting and finance personnel, we may not be able to accurately and timely prepare our consolidated financial statements and otherwise satisfy our public reporting obligations. Any inaccuracies in our financial statements or other public disclosures (in particular if resulting in the need to restate previously filed financial statements), or delays in our making required SEC filings, could have a material adverse effect on the confidence in our financial reporting, our credibility in the marketplace and the trading price of our common stock.

We devote significant resources to address these public company-associated requirements, including compliance programs and investor relations, as well as our financial reporting obligations. Complying with these rules and regulations increases our legal and financial compliance costs and makes some activities more time-consuming and costly.

*An active, liquid and orderly trading market for our common stock may not develop, and the price of our stock may be volatile and may decline in value.*

There currently is not an active public market for our common stock. An active trading market may not develop or, if developed, may not be sustained. The lack of an active market may impair the ability of stockholders to sell shares of common stock at the time they wish to sell them or at a price they consider reasonable. An inactive market may also impair our ability to raise capital by selling shares of common stock and may impair our ability to acquire other companies or assets by using shares of our common stock as consideration.

The stock market in general has experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of companies with securities traded in those markets. Broad market and industry factors may seriously affect the market price of companies' stock, including ours, regardless of actual operating performance.

***The Company may not be able to attract the attention of brokerage firms.***

Because the Transaction is characterized as a "reverse acquisition," securities analysts of brokerage firms may not provide coverage of the Company. No assurance can be given that brokerage firms will want to conduct any secondary offerings on behalf of the Company in the future, should the need arise.

***Our common stock may not be eligible for listing on a national securities exchange.***

Our common stock is not currently listed on a national securities exchange, and we do not currently meet the initial quantitative listing standards of a national securities exchange. We cannot assure you that we will be able to meet the initial listing standards of any national securities exchange, or, if we do meet such initial qualitative listing standards, that we will be able to maintain any such listing. Our common stock is currently quoted on the OTC Markets and, until our common stock is listed on a national securities exchange, we expect that it will continue to be eligible and quoted on the OTC Markets, another over-the-counter quotation system, or in the "pink sheets." In these venues, an investor may find it difficult to obtain accurate quotations as to the market value of our common stock. In addition, if we fail to meet the criteria set forth in SEC regulations, various requirements would be imposed by law on broker-dealers who sell our securities to persons other than established customers and accredited investors. Consequently, such regulations may deter broker-dealers from recommending or selling our common stock, which may further affect its liquidity. This would also make it more difficult for us to raise additional capital in the future.

***The Company's common stock may be considered "a penny stock" and may be difficult to sell.***

The SEC has adopted regulations that generally define "penny stock" to be an equity security that has a market price of less than \$5.00 per share, or an exercise price of less than \$5.00 per share, subject to specific exemptions. The market price of our common stock is likely to be less than \$5.00 per share and, therefore, may be designated as a "penny stock" according to SEC rules. This designation requires any broker or dealer selling these securities to disclose certain information concerning the transaction, obtain a written agreement from the purchaser and determine that the purchaser is reasonably suitable to purchase the securities. These rules may restrict the ability of brokers or dealers to sell our common stock and may affect the ability of investors to sell their shares.

***Our stockholders may experience significant dilution if future equity offerings are used to fund operations or acquire complementary businesses.***

If we engage in capital raising activities in the future, including issuances of common stock, to fund the growth of our business, our stockholders could experience significant dilution. In addition, securities issued in connection with future financing activities or potential acquisitions may have rights and preferences senior to the rights and preferences of our common stock. We have an equity incentive plan pursuant to which equity awards may be granted to eligible employees (including our executive officers), directors and consultants, if our board of directors determines that it is in the best interest of the Company and our stockholders to do so. The issuance of shares of our common stock upon the exercise of any such equity awards may result in dilution to our stockholders and adversely affect our earnings.

***If securities or industry analysts do not publish, or cease publishing, research or reports about us, our business or our market, or if they change their recommendations regarding our stock adversely, our stock price and trading volume could decline.***

The trading market for our common stock will be influenced by whether industry or securities analysts publish research and reports about us, our business, our market or our competitors and, if any analysts do publish such reports, what they publish in those reports. We may not obtain analyst coverage in the future. Any analysts that do cover us may make adverse recommendations regarding our stock, adversely change their recommendations from time to time, and/or provide more favorable relative recommendations about our competitors. If any analyst who

may cover us in the future were to cease coverage of our company or fail to regularly publish reports on us, or if analysts fail to cover us or publish reports about us at all, we could lose, or never gain, visibility in the financial markets, which in turn could cause our stock price or trading volume to decline.

*We do not anticipate paying any dividends in the foreseeable future.*

We currently intend to retain our future earnings to support operations and to finance expansion and, therefore, we do not anticipate paying any cash dividends to holders of our common stock in the foreseeable future.

*The forward-looking statements contained in this Annual Report may prove incorrect.*

This Annual Report contains certain forward-looking statements. These forward-looking statements are based largely on our current expectations and are subject to a number of risks and uncertainties. Actual results could differ materially from these forward-looking statements. In addition to the other risks described elsewhere in this "Risk Factors" discussion, important factors to consider in evaluating such forward-looking statements include: (i) changes to external competitive market factors or in our internal budgeting process which might impact trends in our results of operations; (ii) anticipated working capital or other cash requirements; (iii) changes in our business strategy or an inability to execute our strategy due to unanticipated changes in our industry; and (iv) various competitive factors that may prevent us from competing successfully in the marketplace. In light of these risks and uncertainties, many of which are described in greater detail elsewhere in this "Risk Factors" discussion, there can be no assurance that the events predicted in forward-looking statements contained in this Annual Report will, in fact, transpire. Any negative change in the factors listed above could adversely affect the financial condition and operating results of the Company and its products.

#### **ITEM 1B. UNRESOLVED STAFF COMMENTS**

Not applicable.

#### **ITEM 2. PROPERTIES**

Effective December 1, 2017, we lease approximately 20,073 square feet of office space on the 37<sup>th</sup> floor of 5847 San Felipe, Houston, Texas, pursuant to a sublease agreement dated October 11, 2017 with ENSCO International Incorporated ("Sublandlord") for a term beginning on December 1, 2017 and terminating on December 31, 2025.

The rent payment is \$15,891 per month during the term of the sublease agreement. The Company is also responsible for 12.08% of the operating expenses, utilities and taxes charged to the Sublandlord.

We currently pay lease payments for the remaining term of the lease agreement for our former office space located at 800 Bering Drive, Suite 260, Houston, Texas 77057. For the period of November 1, 2016 and through October 31, 2017, the base lease payments were \$12,665 per month, beginning November 1, 2017 through October 31, 2018 the base payments increased to \$12,934 and beginning November 1, 2018 through October 31, 2019 the base lease payments are \$13,203.

Summer Northeast entered into a sublease agreement with PDS Management Group, LLC ("PDS") on October 31, 2017 at 800 Bering Drive, Suite 250, Houston, Texas, under a non-cancellable lease obligation which will expire on February 28, 2020. PDS is 100% owned by Tom O'Leary who is a member of the Company Board of Directors. On September 1, 2018, PDS subleased 800 Bering Drive, Suite 250, Houston, Texas to an outside party, and Summer Northeast receives a monthly credit in the amount of \$1,698 until the end of the lease obligation on February 28, 2020. The monthly base rent is \$3,727 for the period of November 1, 2017 to February 2018 and \$3,904 until August 31, 2018. Beginning on September 1, 2018 through the termination of the lease on February 28, 2020, the monthly rent, net of credit, is \$2,255.

The premises are sufficient for the Company's current needs.

**ITEM 3. LEGAL PROCEEDINGS**

Not applicable.

**ITEM 4. MINE SAFETY DISCLOSURES**

Not applicable.

## PART II

**ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES**

Our common stock is traded on the OTC Markets, OTCQB, under the symbol "SUME." As such, the market for our common stock may be less liquid, receive less coverage by security analysts and news media, and generate lower prices than might otherwise be obtained if it were listed on a national exchange.

There is not, nor has there been, an active trading market for our common stock. The following table presents quarterly information on the high and low sales prices of our common stock during the fiscal years ended December 31, 2018 and 2017, furnished by the OTC Markets.

	<u>High</u>	<u>Low</u>
<b>Fiscal Year Ended December 31, 2018</b>		
First Quarter	\$5.00	\$1.75
Second Quarter	\$3.00	\$1.52
Third Quarter	\$2.45	\$1.40
Fourth Quarter	\$1.99	\$1.35
<b>Fiscal Year Ended December 31, 2017</b>		
First Quarter	\$1.57	\$1.30
Second Quarter	\$1.57	\$1.00
Third Quarter	\$3.05	\$1.40
Fourth Quarter	\$2.50	\$1.60

 **Holders**

On April 10, 2019, we had approximately 138 stockholders of record.

 **Dividends**

We have never paid cash dividends on our common stock and do not anticipate paying such dividends in the foreseeable future. The future payment of dividends, if any, will be determined by our Board of Directors (the "Board") in light of conditions then existing, including our financial condition and requirements, future prospects, restrictions in financing agreements, business conditions and other factors deemed relevant by the Board.

 **Repurchases**

During the fiscal years ended December 31, 2018 and 2017, we did not repurchase any of our securities.

 **Recent Sales of Unregistered Equity Securities**

We did not sell any unregistered equity securities during the fiscal year ended December 31, 2018 other than as previously reported.

 **Securities Authorized for Issuance under Equity Compensation Plans**

The following table provides certain information as of December 31, 2018 with respect to our existing equity compensation plans under which shares of our common stock are authorized for issuance.

Plan	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights	Weighted Average Exercise Price of Outstanding Options, Warrants and Rights	Number of Securities Remaining Available for Future Issuances Under Plans (excluding securities reflected in column (a))
	(a)	(b)	(c)
Equity compensation plans approved by security holders (1):	632,000	\$1.24	2,000
Equity compensation plans approved by security holders (2):	1,481,000	\$1.76	19,000
Equity compensation plans approved by security holders (3):	501,250	\$2.42	998,750
Equity compensation plans not approved by security holders (4):	1,396,993	\$1.41	-
<b>Total</b>	<b>4,011,243</b>		<b>1,019,750</b>

(1) This plan is the 2012 Stock Option and Stock Award Plan.

(2) This plan is the 2015 Stock Option and Stock Award Plan.

(3) This plan is the 2018 Stock Option and Stock Award Plan.

(4) From time to time and at the discretion of the Board, we may issue warrants and stock options to our key individuals or officers as performance-based compensation.

#### ITEM 6. SELECTED FINANCIAL DATA.

Not applicable.

#### ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

The following discussion presents information about our consolidated results of operations, financial condition, liquidity and capital resources and should be read in conjunction with our consolidated financial statements and the notes thereto beginning on page F-2 of this Annual Report.

##### Background

The consolidated financial statements include the accounts of Summer Energy Holdings, Inc. (formerly Castwell Precast Corporation) and its wholly-owned subsidiaries Summer Energy, LLC ("Summer LLC"), Summer Energy Midwest, LLC ("Summer Midwest"), Summer EM Marketing, LLC ("Marketing LLC") and Summer Energy Northeast, LLC ("Summer Northeast") (collectively referred to as the "Company," "we," "us," or "our"). All significant intercompany transactions and balances have been eliminated in these consolidated financial statements.

On March 27, 2012, Summer LLC became a wholly-owned subsidiary of Summer Energy Holdings, Inc. (previously known as Castwell Precast Corporation) through a reverse acquisition transaction, which resulted in the former members of Summer LLC owning approximately 92.3% of Summer Energy Holdings, Inc.'s outstanding common stock. The transaction was treated as a recapitalization of Summer LLC, and Summer LLC (and its historical financial statements) is the continuing entity for financial reporting purposes.

Summer LLC is a Retail Electricity Provider ("REP") in the state of Texas under a license with the Public Utility Commission of Texas ("PUCT"). Summer LLC procures wholesale energy and resells to commercial and residential customers. Summer LLC was organized on April 6, 2011, under the laws of the state of Texas.

Marketing, LLC was formed in the state of Texas on November 6, 2012 to provide marketing services to Summer LLC.

Summer Midwest (formerly known as Summer Energy of Ohio, LLC) was formed in the state of Ohio on December

16, 2013 to procure and sell electricity in the state of Ohio. The Public Utilities Commission of Ohio issued a certificate as a Retail Electric Service Provider to Summer Ohio on June 16, 2015. At December 31 2018, there was no business activity in the state of Ohio.

Summer Northeast, a Texas limited liability company (formerly known as REP Energy, LLC), was acquired on November 1, 2017 and became a wholly-owned subsidiary of Summer Energy Holdings, Inc. Summer Northeast is a REP serving electric load to both residential and commercial customers in New Hampshire and Massachusetts and holds licenses in Massachusetts, Rhode Island, New Hampshire and Connecticut.

#### **Overview**

Our wholly-owned subsidiary, Summer LLC, is licensed in the state of Texas. In general, Texas regulatory structure permits REPs, such as Summer LLC, to procure and sell electricity at unregulated prices. REPs pay the local transmission and distribution utilities a regulated tariff rate for delivering electricity to their customers. As a REP, Summer LLC sells electricity and provides the related billing, customer service, collections and remittance services to residential and commercial customers. Summer LLC offers retail electricity to commercial and residential customers in designated target markets within the state of Texas. In the commercial market, the primary target is small to medium-sized customers (less than one megawatt of peak usage), but we will also selectively pursue larger commercial customers through Management's existing, historical relationships. Residential customers are a secondary target market. We anticipate that a majority of Summer LLC's customers will be located in the Houston and Dallas-Fort Worth metropolitan areas; although, we anticipate a growing number will be located in a variety of other metropolitan and rural areas within Texas. We began delivering electricity to customers in the Texas market mid-February 2012.

Our wholly-owned subsidiary, Summer Northeast, is a licensed REP in the states of Massachusetts, New Hampshire, Rhode Island and Connecticut. In general, the regulatory structure in these states permits REPs, such as Summer Northeast, to procure and sell electricity at unregulated prices. As a REP, Summer Northeast sells electricity to residential and commercial customers. In the commercial market, the primary target is small to medium-sized customers (less than one megawatt of peak usage), but we will also selectively pursue larger commercial customers through Management's existing, historical relationships. Residential customers are a secondary target market. At this time, Summer Northeast sells electricity in Massachusetts and New Hampshire. There is no sales activity in the states of Connecticut and Rhode Island.

During the year ended December 31, 2018, we added seven full-time employees to our workforce, and we anticipate these staffing additions will enable us to effectively expand our presence throughout the Texas market and in the Northeast United States ("U.S.") market.

As of December 31, 2018, we had 81 full-time employees.

#### **Application of Critical Accounting Policies**

The SEC defines critical accounting policies as those that are, in management's view, most important to the portrayal of our financial condition and results of operations and most demanding of our judgment. The discussion and analysis of our financial condition and results of operations are based upon our financial statements, which were prepared in accordance with accounting principles generally accepted in the U.S., which is referred to as "GAAP." The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosures of contingent assets and liabilities. On an on-going basis, we evaluate these estimates, including those related to stock-based compensation, customer programs and incentives, bad debts, supply inventories, intangible assets, income taxes, contingencies and litigation. We base our estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

We consider the following accounting policies to be those most important to the portrayal of our financial condition and those that require the most subjective judgment:

### Revenue Recognition

Our electricity revenue in the Texas market is recognized by our Company upon delivery of electricity to a customer's meter. This method of revenue recognition is commonly referred to as the flow method. The flow method of revenue relies upon Electric Reliability Council of Texas ("ERCOT") settlement statements to determine the estimated revenue for a given month. Supply delivered to customers for the month, measured on a daily basis, provides the basis for revenues. Electricity revenue consists of proceeds from energy sales, including pass through charges from the Transmission and Distribution Providers ("TDSPs") billed to the customer at cost.

The Company's revenue in the Northeast market is recorded based on the flow method of revenue recognition for electricity delivered through the end of the calendar month to retail customers' meters and relies upon the settlement statements from ISO New England Inc. ("ISO New England") to determine the estimated revenue for a given month. Supply delivered to customers for the month, measured on a daily basis, provides the basis for revenues.

### Unbilled Revenue and Accounts Receivable

Electric services in the Texas market not billed by month-end are accrued based upon estimated deliveries to customers as tracked and recorded by ERCOT multiplied by our average billing rate per kilowatt hour ("kWh") in effect at the time. At the end of each calendar month, revenue is accrued to unbilled receivables based on the estimated amount of power delivered to customers using the flow technique. Unbilled revenue also includes accruals for estimated TDSP charges and monthly service charges applicable to the estimated electricity usage for the period. All charges that were physically billed in the calendar month are recorded from the unbilled account to the customer's receivable account. Accounts receivable are customer obligations billed at the customer's monthly meter read date for that period's electricity usage and due within 16 days of the date of the invoice. The customers' past due balances are subject to a late fee that is assessed on that billing.

Electric services in the ISO New England market not billed by month-end are accrued based upon estimated deliveries to customers as tracked and recorded by ISO New England multiplied by our average billing rate per kWh in effect at the time. The customer billing in the ISO New England market is performed by the local utility company.

The Company, in the Texas market, determines an allowance for doubtful accounts based upon a review of outstanding receivables, historical write-off experience and existing economic conditions. Receivables past due over 90 days are considered delinquent and reviewed individually for collectability. After all means of collection have been exhausted, delinquent receivables are written off. Billed receivables over 90 days and 2% of unbilled receivables are reserved by the Company.

Within the ISO New England market, the local utility companies in the state of Massachusetts purchase the Company's billed receivables at a statutory published discounted rate without recourse, therefore, no allowance for doubtful accounts are recorded as of December 31, 2018.

### Cost Recognition

Direct energy costs are recorded when the electricity is delivered to the customer's meter.

Cost of goods sold ("COGS") within the Texas market include electric power purchased and pass through charges from the TDSPs in the areas serviced by the Company. TDSP charges are costs for metering services and maintenance of the electric grid. TDSP charges are established by regulation of the PUCT. COGS within the ISO New England market is comprised of wholesale costs based upon the wholesale power tariff rate for volumes purchased during the delivery month and scheduling fees.

The energy portion of our COGS is comprised of two components: bilateral wholesale costs and balancing/ancillary costs. These two cost components are incurred and recognized differently as follows:

Bilateral wholesale costs are incurred through contractual arrangements with wholesale power suppliers for firm delivery of power at a fixed volume and fixed price. We are invoiced for these wholesale volumes at the end of each

calendar month for the volumes purchased for delivery during the month, with payment due 20 days after the end of the month.

Balancing/ancillary costs are based on the customer load and are determined by ERCOT and ISO New England through a multiple step settlement process. Balancing costs/revenues are related to the differential between supply that we provided through our bilateral wholesale supply and the supply required to serve our customer load. The Company endeavors to minimize the amount of balancing/ancillary costs through our load forecasting and forward purchasing programs.

#### Stock-Based Compensation

Under the fair value recognition provisions of the authoritative guidance, stock-based compensation cost granted to employees is measured at the grant date based on the fair value of the award and is recognized as expense over the requisite service or performance period, which is the vesting period. Stock options and warrants issued to consultants and other non-employees as compensation for services to be provided to us are accounted for based upon the fair value of the services provided or the estimated fair value of the option or warrant, whichever can be more clearly determined. We currently use the Black-Scholes option pricing model to determine the fair value of stock options. The determination of the fair value of stock-based payment awards on the date of grant using an option-pricing model is affected by our stock price as well as assumptions regarding a number of complex and subjective variables. These variables include our expected stock price volatility over the term of the awards, the expected term of the award, the risk-free interest rate and any expected dividends. Compensation cost associated with grants of restricted stock units are also measured at fair value. We evaluate the assumptions used to value restricted stock units on a quarterly basis. When factors change, including the market price of the stock, share-based compensation expense may differ significantly from what has been recorded in the past. If there are any modifications or cancellations of the underlying unvested securities, we may be required to accelerate, increase or cancel any remaining unearned share-based compensation expense.

#### Income Taxes

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amount of tax-related assets and liabilities and income tax expense. These estimates and assumptions are based on the requirements of the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") relating to accounting for uncertainty in income taxes. Our policy is to classify interest and penalties related to unrecognized income tax benefits as a component of income tax expense.

We assess whether previously unrecognized tax benefits may be recognized when the tax position is (1) more likely than not of being sustained based on its technical merits, (2) effectively settled through examination, negotiation or litigation, or (3) settled through actual expiration of the relevant tax statutes. Implementation of this requirement requires the exercise of significant judgment. Recognizing deferred tax assets will increase tax benefits and increase net income.

Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss carry forwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the period in which those temporary differences are expected to be recovered or settled. The effect on deferred income tax assets and liabilities of a change in tax rates is recognized in income tax expense in the period that includes the enactment date.

The Company recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. Recognized income tax positions are measured at the largest amount that is greater than 50% likely of being realized. Changes in recognition or measurement are reflected in the period in which the change in judgment occurs. The Company records interest related to unrecognized tax benefits and penalties in income tax expense.

#### New Customer Implementation Costs

We ordinarily incur additional costs to implement our services for new customers. These costs are comprised primarily of additional labor and support. These costs are expensed as incurred and have a negative impact on our statements of operations and cash flows during the implementation phase. We attempt to maintain a disciplined approach to customer implementation costs since these costs influence our profitability. We do not capitalize new customer implementation costs as such costs are typically associated with contracts that are less than one year in duration.

#### Warrants

The Company's common stock warrants are measured at fair value using the Black-Scholes valuation model which takes into account, as of the measurement date, factors including the current exercise price, the term of the instrument, the current price of the underlying stock and its expected volatility, expected dividends on the stock and the risk-free interest rate for the term of the item.

The above listing is not intended to be a comprehensive list of all of our accounting policies. In many cases, the accounting treatment of a particular transaction is specifically dictated by GAAP, with no need for management's judgment in its application. There are also areas in which management's judgment in selecting any available alternative would not produce a materially different result. Please see our audited consolidated financial statements and notes thereto which begin on page F-2 of this Annual Report on Form 10-K, which contain accounting policies and other disclosures required by GAAP and please refer to the disclosures in Note 2 of our financial statements for a summary of our significant accounting policies.

#### **Results of Operations**

##### **Year Ended December 31, 2018 compared to the Year Ended December 31, 2017**

For the year ended December 31, 2018 compared to December 31, 2017, the Company's unit gross margin declined by approximately 24%. Weather conditions directly influence the demand for electricity and affect the prices of energy commodities. Our hedging strategy is based on forecasted customer energy usage, which can vary substantially as a result of weather patterns deviating from historical norms. We are particularly sensitive to this variability with our residential customers in which energy is highly sensitive to weather conditions that impart heating and cooling demand. Our risk management policies direct that we hedge substantially all of our forecasted demand, which is typically hedged to long-term weather patterns. We also attempt to add additional contracts from time to time to protect us from volatility in markets where we have historically experienced higher exposure to extreme weather conditions. Because we attempt to match commodity purchases to anticipated demand, unanticipated changes in weather patterns can have a significant impact on our operating results and cash flows from period to period.

Severe unpredictable weather events occurred during the months of January and July 2018 which contributed to the decline in unit gross margin and resulted in material losses to the Company. The extreme cold temperatures during the first and third weeks of January 2018 caused an increase in electric consumption by customers along with significantly higher-than-normal wholesale power prices to the Company causing a deviation from the Company's anticipated forecast for the month. During July 2018, there were ten consecutive days of record-setting high temperatures in both the Houston and Dallas metro areas. The result of the extreme heat during this ten-day period produced a surge in wholesale power prices and increased electric consumption for both metro areas.

The Company also experienced non-weather events that negatively impacted earnings during 2018. The Company's electronic data interchange system ("EDI") and billing provider went offline for an extended period of time. During the EDI outage, the Company was unable to generate invoices to customers or collect cash from billings for a two-week period. This unforeseen event prevented the Company from billing and collecting fee revenues which is a significant source of income. In addition, the Company was adversely affected by an allegedly erroneous power settlement issue with a local utility company. The Company pursued legal action against the local utility company

and entered into an electricity usage resolution agreement in favor of the Company in March 1, 2019 for \$1,341,400 for such alleged overcharges.

In 2019, the Company anticipates unit gross margin to improve, and the non-weather events experienced during 2018 are unlikely to reoccur. Currently, the Company is evaluating temperature contingent options to mitigate the impact of weather events on its earnings and manage its exposure. Such instruments will be implanted if a suitable solution is determined.

**Revenue** – For the year ended December 31, 2018, the Company generated \$151,903,328 in electricity revenue from commercial customers and various long and short-term residential customers. The majority of our revenue comes from the flow of electricity to customers. However, included within these revenues are revenues from contract cancellation fees, disconnection fees and late fees in the amount of \$3,320,374. Electricity revenues for the year ended December 31, 2017 were \$117,683,175, including \$4,804,289 from contract cancellation fees, disconnection fees and late fees.

	2018		2017		Variance	
	Delivered Volume after Line Loss (Mwh)	\$	Delivered Volume after Line Loss (Mwh)	\$	\$	\$ Variance Percentage
<b>Electricity Revenues from Contracts with Customers</b>						
ERCOT Market	1,587,329	\$ 133,379,103	1,319,238	\$ 109,289,306	\$ 24,089,797	22.04%
ERCOT Pre-Paid Market	41,775	4,829,172	26,437	2,661,220	2,167,952	81.46%
Northeast Market	99,296	10,374,679	9,136	928,360	9,446,319	1017.53%
<b>Total</b>	<b>1,728,401</b>	<b>148,582,954</b>	<b>1,354,812</b>	<b>112,878,886</b>	<b>\$ 35,704,068</b>	<b>31.63%</b>
<b>Other Revenues:</b>						
Fees Revenue		3,320,374		4,804,289	(1,483,915)	-30.89%
<b>Total Revenues:</b>		<b>\$ 151,903,328</b>		<b>\$ 117,683,175</b>	<b>34,220,153</b>	<b>29.08%</b>

Electricity revenues from contracts with customers for the year ended December 31, 2018 increased approximately 32% from the year ended December 31, 2017. This increase was primarily due to an increase in electricity volumes delivered in the Northeast market from the acquisition of Rep Energy, LLC on November 1, 2017 and by an approximate increase of 81% in the growth of the pre-paid ERCOT market. Fee revenue decreased by approximately 30% primarily due to the inability of the Company to bill fees during the EDI outage.

Management plans to continue to execute on its sales and marketing program to solicit individual commercial and residential customers. Customer growth is a key driver of our operations. Our customer growth strategy includes growing organically through traditional sales channels complemented by customer portfolio and business acquisitions. Management plans to continue to evaluate and acquire portfolios of commercial and residential customers where they make sense economically or strategically. In addition, management plans to expand into new markets during the calendar year 2019.

**Cost of Goods Sold and Gross Profit** – For the year ended December 31, 2018, cost of goods sold and gross profit totaled \$138,328,052 and \$13,575,276, respectively. Cost of goods sold and gross profit for the year ended December 31, 2017 totaled \$99,898,779 and \$17,784,396, respectively.

	For the Years Ended December 31,		Increase in Costs	Percentage Increase
	2018	2017		
<i>Power Purchases and balancing/ancillary</i>				
ERCOT Market	\$ 71,228,545	\$ 51,918,590	19,309,955	37.19%
Northeast Market	10,044,628	990,867	9,053,761	913.72%
	<u>\$ 81,273,173</u>	<u>\$ 52,909,457</u>	<u>28,363,716</u>	<u>53.61%</u>

Total wholesale cost of power increased approximately 54% for the year ended December 31, 2018 from December 31, 2017. The Company experienced higher-than-normal electricity prices due to the extreme unpredictable weather in the first and third quarters of 2018. In addition, the Company had an increase in electricity volumes driven by the acquisition of Rep Energy, LLC during 2017 which a full year of results are reflected in the 2018 cost of goods sold.

**Operating expenses** – Operating expenses for the year ended December 31, 2018, totaled \$19,913,508, consisting of general and administrative of \$11,309,711, bank services fees of \$1,220,786, collection fees/sales verification fees of \$77,293, outside commissions' expense of \$5,039,347, professional fees of \$609,530, bad debt reserve of \$1,121,396 and \$535,445 of billing fees. Billing fees are primarily costs paid to a third-party Electronic Data Inter-Chain ("EDI") providers to handle transactions between us, ERCOT and the TSDPs in order to produce customer bills.

Operating expenses for the year ended December 31, 2017, totaled \$15,194,672, consisting of general and administrative of \$8,350,781, bank services fees of \$881,585, collection fees/sales verification fees of \$67,765, outside commissions' expense of \$3,836,336, professional fees of \$353,060, bad debt reserve of \$750,011 and \$955,134 of billing fees.

	2018	2017	Percentage	
			Change	Change
General and administrative	\$ 11,309,711	\$ 8,350,781	2,958,930	35.43%
Bank service fees	1,220,786	881,585	339,201	38.48%
Collection fees/sales verification fees	77,293	67,765	9,528	14.06%
Outside commission expense	5,039,347	3,836,336	1,203,011	31.36%
Professional fees	609,530	353,060	256,470	72.64%
Bad debt reserve	1,121,396	750,011	371,385	49.52%
Billing fees	535,445	955,134	(419,689)	-43.94%
	<u>\$ 19,913,508</u>	<u>\$ 15,194,672</u>	<u>4,718,836</u>	<u>31.06%</u>

Total operating expenses for the year ended December 31, 2018 compared to December 31, 2017 increased by approximately 31%. This increase is primarily due to an increase of commission paid to commercial brokers, increases in payroll costs with the net addition of seven full-time employees during 2018 and other variable costs associated with increased growth and increased from general and administrative expenses associated with the acquisition of Rep Energy, LLC in 2017.

**Net Income/(Loss)** – Net income/(loss) for the years ended December 31, 2018 and 2017, totaled \$(7,753,870) and \$1,266,608, respectively. The 2018 net loss compared to the 2017 net income relates primarily to higher cost of goods sold, especially during the months of January and July 2018.

#### Liquidity and Capital Resources

At December 31, 2018 and 2017, our cash totaled \$451,995 and \$313,757, respectively. Our principal cash requirements for the year ended December 31, 2018 and 2017, were for operating expenses and cost of goods sold, including power purchases, employee cost, customer acquisition and capital expenditures. In 2018, the primary source of cash was from electricity revenues, \$3,637,500 from capital raised pursuant to a private placement of our

common stock and from \$9,456,006 in loan proceeds. During the year ended December 31, 2017, the primary source of cash was from electricity revenues and \$450,000 from capital raised pursuant to a private placement of our common stock.

**General** – The Company's increase in net cash flows during the year ended December 31, 2018 is attributable to \$10,377,919 cash used in operating activities, \$32,561 cash used in investing activities for the purchase of property and equipment, and net cash of \$12,273,329 provided by financing activities primarily consisting of \$3,637,500 received by the Company from the sale of our common stock through private placements. During the year ended December 31, 2017, the Company's decrease in net cash flow was attributable to \$1,816,174 cash used in operating activities, \$44,696 cash used in investing activities, including \$75,897 used for the purchase of property and equipment, and net cash of \$425,000 provided by financing activities primarily consisting of \$450,000 received by the Company from the sale of our common stock through private placements.

The Company has no present agreements or commitments with respect to any material acquisitions of other businesses, products, product rights or technologies. However, we will continue to evaluate acquisitions of and/or investments in products, technologies, or companies that complement our business and may make such acquisitions and/or investments in the future. Accordingly, we may need to obtain additional sources of capital in the future to finance any such acquisitions and/or investments. We may not be able to obtain such financing on commercially reasonable terms, if at all. If we are able to obtain additional financing, such financing may result in restrictions on our operations, in the case of debt financing, or substantial dilution for stockholders, in the case of equity financing.

#### **Cash Outflows for Capital Assets, Customer Acquisition and Deposits**

We expect to expend funds for capital assets, customer acquisition and deposits in connection with the expansion of our business in the upcoming year ending December 31, 2019. The anticipated source of funds is electricity revenues, lending and capital raised in the upcoming year ending December 31, 2019.

#### **Future Financing Needs**

The Company commenced operations and the generation of revenue during the year ended December 31, 2012.

Management believes that we have adequate liquidity to support operations, but, this belief is based upon many assumptions and is subject to numerous risks.

While we believe in the viability of our plan of operations and strategy to generate revenues and in our ability to raise additional funds, there can be no assurances that our plan of operations or ability to raise capital will be successful. The ability to grow is dependent upon our ability to further implement our business plan, generate revenues, and obtain additional financing, if and as needed.

#### **Off-Balance Sheet Arrangements**

Our existing wholesale power purchase agreement provides that we will provide additional credit support to cover mark-to-market risk in connection with the purchase of long-term power. A mark-to-market credit risk occurs when the price of previously purchased long term power is greater than the current market price for power purchased for the same term. While we believe that the current environment of historically low power prices limits our exposure to risk, a collateral call, should it occur, could limit our working capital and, if we fail to meet the collateral call, could cause liquidation of power positions.

#### **Related Party Transactions**

On October 31, 2017, Summer Northeast (formerly Rep Energy, LLC) entered into a sublease agreement with PDS Management Group, LLC ("PDS") for office space located at 800 Bering Drive, Suite 250, Houston, Texas. PDS is 100% owned by Tom O'Leary who is a member of the Company's Board of Directors.

On November 1, 2017, the Company entered into a Membership Interest Purchase Agreement (the "Purchase Agreement") with Summer Northeast (formerly REP Energy, LLC) and the members of Summer Northeast (the "Members" and the transaction contemplated by the Purchase Agreement, the "Purchase Transaction") whereby the

Company acquired 100% of the issued and outstanding units of membership interest (the "Interests") of Summer Northeast from the Members. Several of the Members of Summer Northeast are officers and/or directors of the Company. The conflicts of interest of officers and/or directors of the Company were disclosed and known to the Board of Directors of the Company (the "Board"). The terms of the Purchase Agreement and the Purchase Transaction were negotiated, considered and approved by a majority of the disinterested members of the Board.

On November 1, 2017, the Company assumed a Master Revolver Note ("Master Note") held by Summer Northeast pursuant to the terms of the Purchase Agreement. Guaranty of the Master Note at origination on July 25, 2017 was made by two members of Summer Northeast (Neil Leibman and Tom O'Leary (the "Guarantors") who are also members of the Company's Board (Mr. Leibman is also an executive officer). In accordance with the provisions of Purchase Agreement, the Company, as soon as practicable, will replace the letters of credit secured by the Master Note and arrange a release of the guaranty by the Guarantors. Until such release is effective, the Company agrees to pay monthly interest to the Guarantors, at the lowest applicable federal rate published by the Internal Revenue Service, on the outstanding balance of such credit facility. The Master Note was paid in full on February 22, 2018 and terminated on July 26, 2018 upon the deactivated of the letter of credit issued to a wholesale provider.

On November 1, 2017, the Company assumed \$767,677 of related party debt owed by Summer Northeast to members Tom O'Leary and Neil Leibman pursuant to the terms of the Purchase Agreement. Messrs. O'Leary and Leibman serve on the Company's Board and Mr. Leibman is an executive officer. In accordance with the Amended and Restated Limited Liability Company Agreement of Summer Northeast, the amount of any loan or advance by a member shall not be treated as a contribution to the capital of the lending member but shall be considered debt. The loan bears interest at the rate of the greater of (i) 12% per annum or (ii) the Prime Rate plus 5%, payable monthly. The loan was paid in full during the year ended December 31, 2018.

On December 18, 2018, four members of the Company's Board of Directors, Stuart Gaylor, Andrew Bursten, Tom O'Leary and Neil Leibman (Mr. Leibman is also an executive officer) (collectively, the "Guarantors") guaranteed a single payment note with Comerica Bank in the amount of \$2,900,000. The Company agreed to pay interest at a rate of 12% for the guarantee provided by the four individuals and such interest is to be paid with the issuance of the Company's common stock.

#### **Contractual Obligations, Contingent Liabilities and Commitments**

We currently lease approximately 20,073 square feet of office space at 5847 San Felipe Street, Suite 3700, Houston, Texas pursuant to a sublease agreement effective December 1, 2017 and terminating on December 31, 2025. The rent payments are approximately \$15,900 per month during the term of the sublease agreement. The Company is also responsible for 12.08% of the operating expenses, utilities and taxes charged to the sublandlord.

Summer LLC assumed an operating lease for office space on November 1, 2011 at 800 Bering Drive, Suite 260, Houston, Texas, under a non-cancellable lease obligation which expired on August 31, 2016. The Sixth Amendment to the office space lease extended the obligation to October 31, 2019. Beginning on November 1, 2016 and through October 31, 2017, the base lease payment was \$12,665 per month, beginning November 1, 2017 through October 31, 2018 the base payments increased to \$12,934 and beginning November 1, 2018 through October 31, 2019 the base lease payments is \$13,203.

The base lease payments under the assumed lease are \$13,203 per month as of December 31, 2018.

<u>Rent Period</u>	<u>Monthly Base Rent</u>
09/01/2014 – 08/31/2015	\$ 11,182
09/01/2015 – 08/31/2016	\$ 11,451
09/01/2016 – 10/31/2016	\$ 0
11/01/2016 – 10/31/2017	\$ 12,665
11/01/2017 – 10/31/2018	\$ 12,934
11/01/2018 – 10/31/2019	\$ 13,203

Summer Northeast entered into a sublease agreement with PDS Management Group, LLC ("PDS") on October 31, 2017 at 800 Bering Drive, Suite 250, Houston, Texas, under a non-cancellable lease obligation which will expire on February 28, 2020. On September 1, 2018, PDS subleased 800 Bering Drive, Suite 250, Houston, Texas to an outside party, and Summer Northeast receives a monthly credit in the amount of \$1,698 until the end of the lease obligation on February 28, 2020. The monthly base rent is \$3,727 for the period of November 1, 2017 to February 2018 and \$3,904 until August 31, 2018. Beginning on September 1, 2018 through the termination of the lease on February 28, 2020, the monthly rent, net of credit, is \$2,255.

**ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

Not applicable.

**ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA**

The financial statements required by this item are included in Part IV, Item 15 of this Annual Report.

**ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE**

None.

**ITEM 9A. CONTROLS AND PROCEDURES**

We maintain disclosure controls and procedures (as defined in Rules 13a-15(e) and 15(d)-15(e) under the Exchange Act) that are designed to ensure that information required to be disclosed in our reports under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

We carried out an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of our "disclosure controls and procedures" as of the end of the period covered by this Annual Report, pursuant to Rules 13a-15(b) and 15d-15(b) under the Exchange Act. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures, as of the end of the period covered by this Annual Report, were effective.

**Management's Report on Internal Control over Financial Reporting**

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act. Management conducted an assessment of the effectiveness, as of December 31, 2018, of our internal control over financial reporting, based on the 2013 framework established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"). Based on their assessment under the COSO framework, our management concluded that our internal control over financial reporting was effective as of December 31, 2018.

This Annual Report on Form 10-K does not include an attestation report of our independent registered public accounting firm regarding internal control over financial reporting. Management's report was not subject to attestation by our independent registered public accounting firm pursuant to final rules of the Securities and Exchange Commission that permit us to provide only management's report in this Annual Report on Form 10-K.

**Changes in Internal Control over Financial Reporting**

There has been no change in our internal control over financial reporting during the most recently completed fiscal quarter that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

**ITEM 9B. OTHER INFORMATION****Short-term Loans**

On January 7, 2019, the Company executed and delivered a promissory note in the amount of \$473,000 for an advance by and in favor of Tom O'Leary for purposes of short-term financing. Mr. O'Leary is a member of the Company's Board. The promissory note accrues interest at a rate of 5% per annum based upon 365 days in a year and has a maturity date of July 7, 2019. On February 7, 2019, the Company repaid this loan in full.

On January 7, 2019, the Company executed and delivered a promissory note in the amount of \$25,000 in favor of Tom O'Leary and Neil Leibman for purposes of short-term financing. Messrs. O'Leary and Leibman are members of the Company's Board and Mr. Leibman is also an executive officer. The promissory note accrues interest at a rate of 5% per annum based upon 365 days in a year and has a maturity date of July 7, 2019. On February 7, 2019, the Company repaid this loan in full.

**Guarantees**

On December 18, 2018, four members of the Company's Board of Directors, Stuart Gaylor, Andrew Bursten, Tom O'Leary and Neil Leibman (Mr. Leibman is also an executive officer) (collectively, the "Guarantors") guaranteed a single payment note with Comerica Bank (See Note 26) in the amount of \$2,900,000 in favor of the Company. The Company agreed to pay interest at a rate of 12% for the guarantee and such interest is to be paid with the issuance of the Company's common stock.

**PART III****ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE**

The information with respect to our executive officers and directors appearing in our Definitive Proxy Statement which is expected to be filed with the SEC on or prior to April 30, 2019 in connection with the 2019 Annual Meeting of Stockholders ("Proxy Statement") is hereby incorporated by reference.

**ITEM 11. EXECUTIVE COMPENSATION**

The information with respect to compensation of our executive officers appearing in our Proxy Statement is hereby incorporated by reference.

**ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS**

The information with respect to the security ownership of certain beneficial owners and management appearing in our Proxy Statement is hereby incorporated by reference.

**ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS AND DIRECTOR INDEPENDENCE**

The information with respect to certain relationships and related transactions with management appearing in our Proxy Statement is hereby incorporated by reference.

**ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES**

The information with respect to the principal accounting fees and services appearing in the Proxy Statement is hereby incorporated by reference.

## PART IV

## ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES

## (1) Financial Statements

The following consolidated financial statements, and related notes thereto of our independent auditor are filed as part of this Annual Report:

<u>Report of Independent Registered Public Accounting Firm</u>	F-1
<u>Consolidated Balance Sheets as of December 31, 2018 and 2017</u>	F-2
<u>Consolidated Statements of Operations for the years ended December 31, 2018 and 2017</u>	F-3
<u>Consolidated Statements of Changes in Stockholders' Equity for the years ended December 31, 2018 and 2017</u>	F-4
<u>Consolidated Statements of Cash Flows for the years ended December 31, 2018 and 2017</u>	F-5
<u>Notes to Consolidated Financial Statements</u>	F-6

## (2) Financial Statement Schedules

All financial statement schedules were omitted because they are not applicable, not required or the information required is shown in the financial statements or the notes thereto.

## (3) Exhibits

The exhibits listed on the accompanying index to exhibits immediately following the financial statements are filed as part of, or hereby incorporated by reference into, this Annual Report.

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Board of Directors and Stockholders  
Summer Energy Holdings, Inc.

**Opinion on the Financial Statements**

We have audited the accompanying consolidated balance sheets of Summer Energy Holdings, Inc. and subsidiaries (the "Company") as of December 31, 2018 and 2017, and the related consolidated statements of operations, changes in stockholders' equity, and cash flows for the years then ended, and the related notes (collectively referred to as the "financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2018 and 2017, and the results of their operations and their cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

**Basis for Opinion**

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ WHITLEY PENN LLP

We have served as the Company's auditor since 2017.

Houston, Texas  
April 11, 2019

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**SUMMER ENERGY HOLDINGS, INC.  
AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEETS**

	December 31,	
	2018	2017
<b>ASSETS</b>		
<b>Current assets:</b>		
Cash	\$ 451,995	\$ 313,757
Restricted cash	3,402,890	1,678,279
Accounts receivable, net	34,270,548	27,130,836
Prepaid and other current assets	4,014,194	915,362
Total current assets	42,139,627	30,038,234
Property and equipment, net	82,209	156,366
Deferred financing cost, net	9,375	44,972
Intangible asset, net	2,165,724	3,347,028
Total assets	\$ 44,396,935	\$ 33,586,600
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Current liabilities:</b>		
Accounts payable	\$ 3,208,088	\$ 605,118
Accrued wholesale power purchased	12,202,099	8,944,275
Accrued transportation and distribution charges	4,151,678	5,942,457
Accrued expenses	4,636,911	3,260,174
Short-term related party debt	-	767,677
Short-term debt, net of debt discount	-	2,540,000
Total current liabilities	24,198,776	22,059,701
<b>Long-term liabilities:</b>		
Long-term debt	11,956,006	-
Total liabilities	36,154,782	22,059,701
Commitments and contingencies		
<b>Stockholders' equity</b>		
Common stock - \$.001 par value, 100,000,000 shares authorized, 27,480,833 and 25,055,833 shares issued and outstanding at December 31, 2018 and December 31, 2017, respectively	27,480	25,055
Subscription receivable	(52,000)	(52,000)
Additional paid-in capital	23,357,951	18,891,252
Accumulated deficit	(15,091,278)	(7,337,408)
Total stockholders' equity	8,242,153	11,526,899
Total liabilities and stockholders' equity	\$ 44,396,935	\$ 33,586,600

See accompanying notes to the consolidated financial statements.

**SUMMER ENERGY HOLDINGS, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**

	Years Ended December 31,	
	2018	2017
<b>Revenue</b>	\$ 151,903,328	\$ 117,683,175
Power purchases and balancing/ancillary	81,273,173	52,909,457
Transportation and distribution providers charge	57,054,879	46,989,322
<b>Total cost of goods sold</b>	<b>138,328,052</b>	<b>99,898,779</b>
<b>Gross profit</b>	<b>13,575,276</b>	<b>17,784,396</b>
<b>Operating expenses</b>	<b>19,913,508</b>	<b>15,194,672</b>
<b>Operating (loss) income</b>	<b>(6,338,232)</b>	<b>2,589,724</b>
<b>Other expense</b>		
Financing costs	(48,097)	(89,944)
Interest expense, net	(1,272,009)	(684,332)
Other expense	-	(375,000)
<b>Total other expense</b>	<b>(1,320,106)</b>	<b>(1,149,276)</b>
<b>Net (loss) income before income taxes</b>	<b>(7,658,338)</b>	<b>1,440,448</b>
<b>Income tax expense</b>	<b>95,532</b>	<b>173,840</b>
<b>Net (loss) income applicable to common shareholders</b>	<b>\$ (7,753,870)</b>	<b>\$ 1,266,608</b>
Net (loss) income per common share:		
Basic	\$ (0.29)	\$ 0.05
Dilutive	\$ (0.29)	\$ 0.05
Weighted average number of shares:		
Basic	26,727,477	23,038,005
Dilutive	26,727,477	23,817,635

See accompanying notes to the consolidated financial statements.

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**SUMMER ENERGY HOLDINGS, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY**  
**Years Ended December 31, 2018 and 2017**

	Common Stock		Subscription Receivable	Additional paid in capital	Accumulated Deficit	Total
	Shares	Amount				
<b>Balance at December 31, 2016</b>	22,463,424	\$ 22,463	\$ (52,000)	\$ 14,615,555	\$ (8,604,016)	\$ 5,982,002
Vesting of stock options and restricted shares associated with the 2012 Stock Option and Award Plan	-	-	-	3,115	-	\$3,115
Vesting of stock options and restricted shares associated with the 2015 Stock Option and Award Plan	-	-	-	558,306	-	\$558,306
Issuance of common stock associated with a private placement offering	409,091	409	-	449,591	-	\$450,000
Cashless exercise of warrants	5,406	5	-	(5)	-	\$0
Issuance of common stock for the acquisition of Rep Energy, LLC	2,177,912	2,178	-	3,264,690	-	\$3,266,868
Net income	-	-	-	-	1,266,608	\$1,266,608
<b>Balance at December 31, 2017</b>	25,055,833	\$ 25,055	\$ (52,000)	\$ 18,891,252	\$ (7,337,408)	\$ 11,526,899
Vesting of stock options and restricted shares associated with the 2015 Stock Option and Award Plan	-	-	-	206,748	-	\$206,748
Vesting of stock options and restricted shares associated with the 2018 Stock Option and Award Plan	-	-	-	624,876	-	\$624,876
Issuance of common stock associated with a private placement offering	2,425,000	2,425	-	3,635,075	-	\$3,637,500
Net loss	-	-	-	-	(7,753,870)	(\$7,753,870)
<b>Balance at December 31, 2018</b>	27,480,833	\$ 27,480	\$ (52,000)	\$ 23,357,951	\$ (15,091,278)	\$ 8,242,153

See accompanying notes to the consolidated financial statements.

**SUMMER ENERGY HOLDINGS, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**

	For the Years Ended	
	2018	2017
<b>Cash Flows from Operating Activities</b>		
Net (loss) income	\$ (7,753,870)	\$ 1,266,608
Adjustments to reconcile net income (loss) to net cash used in operating activities:		
Amortization of deferred financing costs	48,097	89,944
Stock compensation expense	831,624	561,421
Depreciation of property and equipment	106,718	158,324
Amortization of intangible asset	1,181,304	196,884
Bad debt expense	1,121,396	750,011
Changes in operating assets and liabilities:		
Accounts receivable	(8,261,108)	(11,210,496)
Prepaid and other current assets	(3,098,832)	(498,537)
Accounts payable	2,602,970	181,219
Accrued wholesale power purchased	3,257,824	3,125,031
Accrued transportation and distribution charges	(1,790,779)	-
Accrued expense	1,376,737	3,563,417
Net cash used in operating activities	(10,377,919)	(1,816,174)
<b>Cash Flows from Investing Activities</b>		
Purchase of property and equipment	(32,561)	(75,897)
Cash acquired in the acquisition of Rep Energy, LLC	-	31,201
Net cash (used in) provided by investing activities	(32,561)	(44,696)
<b>Cash Flows from Financing Activity</b>		
Payment on master revolver note	(40,000)	(25,000)
Advances from wholesale provider	4,136,006	-
Advances from Blue Water Capital Funding, LLC	2,420,000	-
Deferred financing costs	(12,500)	-
Repayment of related party debt	(767,677)	-
Proceeds from Comerica Bank note	2,900,000	-
Proceeds from issuance of common shares in a private placement, net of costs of offering	3,637,500	450,000
Net cash provided by financing activities	12,273,329	425,000
<b>Net Increase (Decrease) in Cash and Restricted Cash</b>	1,862,849	(1,435,870)
<b>Cash and Restricted Cash at Beginning of Year</b>	1,992,036	3,427,906
<b>Cash and Restricted Cash at End of Year</b>	\$ 3,854,885	\$ 1,992,036
<b><u>Supplemental Disclosure of Cash Flow Information:</u></b>		
Income taxes paid	\$ -	\$ -
Interest paid	\$ 1,285,321	\$ 671,800
<b><u>Non-Cash Transactions</u></b>		
Assets acquired and liabilities assumed in acquisition of Rep Energy, LLC	\$ -	\$ 3,235,667

See accompanying notes to the consolidated financial statements.

**SUMMER ENERGY HOLDINGS, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
December 31, 2018 and 2017

**NOTE 1 - ORGANIZATION**

The consolidated financial statements include the accounts of Summer Energy Holdings, Inc. and its wholly-owned subsidiaries Summer Energy, LLC ("Summer LLC"), Summer Energy Midwest, LLC ("Summer Midwest"), Summer EM Marketing, LLC ("Marketing LLC") and Summer Energy Northeast, LLC ("Summer Northeast") (collectively referred to as the "Company," "we," "us," or "our"). All significant intercompany transactions and balances have been eliminated in these consolidated financial statements.

Summer LLC is a retail electric provider in the state of Texas under a license with the Public Utility Commission of Texas ("PUCT"). Summer LLC procures wholesale energy and resells to commercial and residential customers. Summer LLC was organized on April 6, 2011 under the laws of the state of Texas.

Summer Midwest (formerly Summer Energy of Ohio, LLC) was formed in the state of Ohio on December 16, 2013 to procure and sell electricity in the state of Ohio. The Public Utilities Commission of Ohio issued a certificate as a Retail Electric Service Provider to Summer Midwest on June 16, 2015. At December 31, 2018, there was no business activity in the state of Ohio.

Marketing LLC was formed in the state of Texas on November 6, 2012 to provide marketing services to Summer LLC. Marketing LLC is currently inactive and there is no business activity.

Summer Northeast, a Texas limited liability company formerly named REP Energy, LLC, was acquired on November 1, 2017 and became a wholly-owned subsidiary of Summer Energy Holdings, Inc. Summer Northeast is a retail electric provider serving electric load to both residential and commercial customers in the Northeastern U.S. and holds licenses in Massachusetts, New Hampshire, Connecticut and Rhode Island.

**NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES**

These consolidated financial statements in conformity with accounting principles generally accepted in the United States ("GAAP") and pursuant to the rules and regulations of the Securities and Exchange Commission ("SEC").

Revenue and Cost Recognition

Our revenues are primarily derived from the sale of electricity to residential and small commercial customers. Revenues for sales of electricity are recognized under the accrual method of accounting.

Direct energy costs are recorded when the electricity is delivered to the customer's meter.

Cost of goods sold ("COGS") within the Texas market include electric power purchased and pass through charges from the transmission and distribution service providers ("TDSPs") in the areas serviced by the Company. TDSP charges are costs for metering services and maintenance of the electric grid. TDSP charges are established by regulation of the PUCT. COGS within the Independent System Operator ("ISO") for the New England market is comprised of wholesale costs based upon the wholesale power tariff rate for volumes purchased during the delivery month and scheduling fees.

The energy portion of our COGS is comprised of two components: bilateral wholesale costs and balancing/ancillary costs. These two cost components are incurred and recognized differently as follows:

Bilateral wholesale costs are incurred through contractual arrangements with wholesale power suppliers for firm delivery of power at a fixed volume and fixed price. We are invoiced for these wholesale volumes at the end of each calendar month for the volumes purchased for delivery during the month, with payment due 20 days after the end of the month.

Balancing/ancillary costs are based on the customer load and are determined by the Electric Reliability Council of Texas ("ERCOT") and ISO New England through a multiple step settlement process. Balancing costs/revenues are related to the differential between supply that we provided through our bilateral wholesale supply and the supply required to serve our customer load. The Company endeavors to minimize the amount of balancing/ancillary costs through our load forecasting and forward purchasing programs.

#### Basic and Diluted Income/(Loss) Per Share

Basic income/(loss) per share are computed by dividing net income/(loss) applicable to the weighted-average number of shares outstanding during the period. Diluted income per share is determined using the weighted-average number of shares outstanding during the period, adjusted for the dilutive effect of share equivalents, using the treasury method, consisting of shares that might be issued upon exercise of share equivalents. In periods where losses are reported, the weighted average number of shares outstanding excludes share equivalents, because their inclusion would be anti-dilutive.

At December 31, 2018, the weighted-average number of dilutive shares equivalents of 1,209,388 were excluded because their inclusion would have been anti-dilutive. In 2017, the weighted-average number of share equivalents were 779,630 dilutive and 640,000 anti-dilutive shares.

#### Stock-Based Compensation

Stock-based awards granted to employees are measured at the grant date based on the fair value of the award and recognized as expense over the requisite service or performance period, which is the vesting period.

Stock options and warrants issued to consultants and other non-employees as compensation for services to be provided to us are accounted for based upon the fair value of the services provided or the estimated fair value of the option or warrant, whichever can be more clearly determined. We currently use the Black-Scholes option pricing model to determine the fair value of stock options. The determination of the fair value of stock-based payment awards on the date of grant using an option-pricing model is affected by our stock price as well as assumptions regarding a number of complex and subjective variables. These variables include our expected stock price volatility over the term of the awards, the expected term of the award, the risk-free interest rate and any expected dividends. Compensation cost associated with grants of restricted stock units are also measured at fair value. We evaluate the assumptions used to value restricted stock units on a quarterly basis. When factors change, including the market price of the stock, share-based compensation expense may differ significantly from what has been recorded in the past. The Company estimates forfeitures at the date of grant and revises the estimates, if necessary, in subsequent periods if actual forfeitures differ from those estimates.

If there are any modifications or cancellations of the underlying unvested securities, we may be required to accelerate, increase or cancel any remaining unearned share-based compensation expense.

#### Income Taxes

Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the period in which those temporary differences are expected to be recovered or settled. The effect on deferred income tax assets and liabilities of a change in tax rates is recognized in income tax expense in the period that includes the enactment date.

The Company recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. Recognized income tax positions are measured at the largest amount that is greater than 50% likely of being realized. Changes in recognition or measurement are reflected in the period in which the change in judgment occurs. The Company records interest related to unrecognized tax benefits and penalties in income tax expense.

#### Advertising Costs

The Company expenses advertising costs as incurred and such costs are included in the operating expenses on the consolidated statement of operations. For the years ended December 31, 2018 and 2017, advertising costs were \$241,131 and 265,857, respectively.

#### New Customer Implementation Costs

We ordinarily incur additional costs to implement our services for new customers. These costs are comprised primarily of additional labor and support. These costs are expensed as incurred and have a negative impact on our statements of operations and cash flows during the implementation phase. We attempt to maintain a disciplined approach to customer implementation costs since these costs influence our profitability. We do not capitalize new customer implementation costs as such costs are typically associated with contracts that are less than one year in duration.

#### Warrants

The Company's common stock warrants are measured at fair value using the Black-Scholes valuation model which takes into account, as of the measurement date, factors including the current exercise price, the term of the instrument, the current price of the underlying stock and its expected volatility, expected dividends on the stock and the risk-free interest rate for the term of the item.

#### Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

#### Concentration of Credit Risk

The Company maintains its cash in demand deposit accounts or "noninterest-bearing transaction accounts" which, at times, may exceed federally insured limits. The Company's management periodically assesses the financial stability of these banks. The Company has not experienced any losses on such accounts.

#### Intangibles or Long-lived assets

The Company periodically evaluates the carrying value of definite-lived intangibles when events or changes in circumstances indicate that the carrying value may not be recoverable. Factors the Company considers important which could trigger an impairment review include, but are not limited to, significant under-performance relative to historical or projected future operating results, significant changes in the manner of its use of acquired assets or its overall business strategy, and significant industry or economic trends.

When the Company determines that the carrying value of a long-lived asset may not be recoverable based upon the existence of one or more of the above indicators, the Company determines the recoverability by comparing the carrying amount of the asset to net future undiscounted cash flows that the asset is expected to generate and recognizes an impairment charge equal to the amount by which the carrying amount exceeds the fair market value of the asset.

If the Company's revenues or other estimated operating results are not achieved at or above our forecasted level, and the Company is unable to recover such costs through price increases, the carrying value of certain of the Company's assets may prove to be unrecoverable and we may incur impairment charges of definitive-live intangible assets. The Company recorded no impairment loss for definite-lived intangible assets during the years ended December 31, 2018 and 2017.

The Company amortizes definite-lived intangible assets on a straight-line basis over their useful lives. The Company's capitalized intangible asset for customer relationships in the amount of \$3,543,912 is amortized over the three-year life of various customer contracts acquired in the Summer Energy Northeast, LLC acquisition on November 1, 2017. Amortization of the capitalized customer relationships for the years ended December 31, 2018 and 2017 was \$1,181,304 and \$196,884, respectively. The unamortized amount of capitalized customer relationships as of December 31, 2018 and 2017 was \$2,165,724 and \$3,347,028, respectively.

#### Cash and Restricted Cash

The Company considers all short-term investments with an original maturity of three months or less to be cash equivalents. There were no such investments at December 31, 2018 or 2017.

Restricted cash represents funds held in escrow for customer deposits and securing irrevocable stand-by letters of credit for the benefit of the TDSP's that provide transmission services to the Company in the amount of \$3,402,890 and \$1,678,279 as of December 31, 2018 and 2017, respectively.

	<u>December 31, 2018</u>	<u>December 31, 2017</u>
Cash	\$ 451,995	\$ 313,757
Restricted cash	3,402,890	1,678,279
Total cash and restricted cash	<u>\$ 3,854,885</u>	<u>\$ 1,992,036</u>

#### Accounts Receivable and Unbilled Revenue

Account receivables are comprised of trade receivables and unbilled receivables (accrued revenue). Customers are billed monthly in cycles having billing dates that do not generally coincide with the end of a calendar month. This results in customers having received electricity that they have not been billed for as of month-end. Therefore, at the end of each calendar month, revenue is accrued to unbilled receivables based on the estimated amount of power delivered to customers using the flow technique. Unbilled revenue also includes accruals for estimated TDSP charges and monthly service charges applicable to the estimated electricity usage for the period. All charges that were physically billed in the calendar month are recorded from the unbilled account to the customer's receivable account.

#### Property and Equipment

Property and equipment are stated at cost and depreciated on a straight-line basis over the following estimated useful lives:

	<u>Estimated Lives</u>
Computer software	3 years
Computer hardware	3 years
Furniture and fixtures	5 years
Leasehold improvements	5 years
Website	3 years
Other equipment	7 years

Expenditures for additions, major renewals and betterments are capitalized, and expenditures for maintenance and repairs are charged against income as incurred. When property and equipment are retired or otherwise disposed of, the related cost and accumulated depreciation are removed from the accounts, and any resulting gain or loss is reflected in operations.

#### Deferred Financing Costs

The Company's deferred financing costs in the amount of \$179,887 was amortized over the two-year life of the financing from Blue Water Capital Funding LLC ended on June 27, 2018. The Company entered into an Amendment to Loan Documents Agreement with Blue Water Capital Funding, LLC on June 27, 2018 and

capitalized \$12,500 of deferred financing costs to be amortized over the two-year life of the amended loan (See Note 6). Amortization of deferred financing costs for the years ended December 31, 2018, and 2017 were \$48,097 and \$89,944, respectively. The unamortized amount of deferred financing costs as of December 31, 2018 and 2017 were \$9,375 and \$44,972, respectively.

#### Derivative Instruments

The Company's business operations require entering into physically settled commodity contracts that meets the definition of a derivative. The Company has elected "normal purchases and normal sales" exception which is a term specific to ASC 815-10-15-22. When the contract satisfies certain criteria, including a requirement that physical delivery of the underlying commodity is probable and is expected to be used in normal course of business. Retail revenues and retail cost of revenues resulting from deliveries of commodities under normal purchase contracts and normal sales contracts are included in earnings at the time of contract settlement.

#### Fair Value of Financial Instruments

The carrying amounts reported in the consolidated balance sheets for cash equivalents, accounts receivable, accounts payable and accrued expenses approximate fair value because of the immediate or short-term maturity of these financial instruments. None of these instruments are held for trading purposes.

The recorded value of short-term and long-term debt approximates the fair value as the interest rate approximates market interest rates.

#### Recent Pronouncements

##### Accounting Pronouncements Issued But Not Yet Effective

In August 2018, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2018-14, which amends FASB ASC Topic 715, "Compensation - Retirement Benefits." The amendments in this guidance modify the disclosure requirements for employers that sponsor defined benefit pension or other postretirement plans. The amendments in this guidance remove disclosures that no longer are considered cost beneficial, clarify the specific requirements of disclosures and add disclosure requirements identified as relevant. This guidance is effective for annual reporting periods ending after December 15, 2020, with early adoption permitted, is required to be adopted retrospectively, and is not expected to have a material impact on the Company's consolidated financial statements.

In February 2016, the FASB issued ASU No. 2016-02 (Topic 842) "Leases." Topic 842 supersedes the lease requirements in Accounting Standards Codification ("ASC") Topic 840, "Leases." Under Topic 842, lessees are required to recognize assets and liabilities on the balance sheet for most leases and provide enhanced disclosures. Leases will continue to be classified as either finance or operating. We will adopt Topic 842 effective January 1, 2019 using a modified retrospective method and will not restate comparative periods. As permitted under the transition guidance, we will carry forward the assessment of whether our contracts contain or are leases, classification of our leases and remaining lease terms. Based on our portfolio of leases as of December 31, 2018, approximately \$1.3 million of lease assets and liabilities will be recognized on our balance sheet upon adoption, primarily relating to office space. We are substantially complete with our implementation efforts.

##### Accounting Pronouncements Issued and Recently Adopted

In May 2014, the FASB issued ASU No. 2014-09, Revenue from Contracts with Customers, which requires an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. The standard permits the use of either the retrospective or cumulative effect transition method. In August 2015, the FASB issued ASU No. 2015-14, Revenue from Contracts with Customers (Topic 606): Deferral of the Effective Date, which deferred the effective date to periods beginning after December 15, 2017. Early adoption is permitted only as of annual reporting periods beginning after December 15, 2016. In December 2016, the FASB further issued ASU No. 2016-20, Technical Corrections and Improvements to Topic 606, Revenue from Contracts with Customers, to increase stakeholders' awareness of the proposals and to expedite improvements

to ASU 2014-09. The Company adopted this guidance for all applicable contracts as of January 1, 2018 under a modified retrospective method and the adoption did not have a cumulative effect impact at the date of initial adoption. See Note 4 for further disclosure.

In November 2016, the FASB issued ASU No. 2016-18, "Statement of Cash Flows (Topic 230): Restricted Cash." This ASU provides guidance on the presentation of restricted cash or restricted cash equivalents in the statement of cash flows. This standard is effective for interim and annual reporting periods beginning after December 15, 2017. The Company adopted this standard effective January 1, 2018. The adoption by the Company of the revised guidance resulted in a change to the amount of cash, cash equivalents and restricted cash explained when reconciling the beginning of period and the end of period total amounts shown on the Consolidated Statements of Cash Flows.

In addition, a reconciliation has been provided of cash and restricted cash reported within the Consolidated Balance Sheets that sums to the total of the same such amounts in the Consolidated Statements of Cash Flow. Prior to adoption, the Company reflected changes in restricted cash within Cash Flows from Investing Activities on the Consolidated Statements of Cash Flow.

In January 2017, the FASB issued ASU No. 2017-01, Business Combinations (Topic 805): Clarifying the Definition of a Business ("ASU 2017-01"). ASU 2017-01 clarifies the definition of a business with the objective of adding guidance to assist entities with evaluating whether transactions should be accounted for as acquisitions (or disposals) of assets or businesses. The definition of a business affects many areas of accounting, including acquisitions, disposals, goodwill, and consolidation. ASU 2017-01 will be effective for annual periods beginning after December 15, 2017, including interim periods within those periods. The Company adopted this standard effective January 1, 2018, and it did not have a material impact on the Company's consolidated financial statements.

In May 2017, the FASB issued ASU No. 2017-09, Compensation - Stock Compensation (Topic 718) ("ASU 2017-09"). ASU 2017-09 provides guidance on when changes to the terms or conditions of a share-based payment award require an entity to apply modification accounting. An entity should account for the effects of a modification unless all of the following are met:

- The fair value of the modified award is the same as the fair value of the original award immediately before the original award is modified
- The vesting conditions of the modified award are the same as the vesting conditions of the original award immediately before the original award is modified
- The classification of the modified award as an equity instrument or a liability instrument is the same as the classification of the original award immediately before the original award is modified.

The amendments in ASU 2017-09 are effective for all entities for annual periods, and interim periods within those annual periods, beginning after December 15, 2017. The company adopted ASU 2017-09 on January 1, 2018 and it did not have a material impact on the Company's consolidated financial statements.

**NOTE 3 - INCOME TAXES**

The components of income tax expense from continuing operations for the years ended December 31, 2018 and 2017 are as follows:

	<u>Current</u>	<u>Deferred</u>	<u>Total</u>
<b>2018</b>			
U.S. Federal	\$ -	\$ -	\$ -
States and Local	95,110	-	95,110
Total	<u>\$ 95,110</u>	<u>\$ -</u>	<u>\$ 95,110</u>
<b>2017</b>			
U.S. Federal	\$ 45,840	\$ -	\$ 45,840
States and Local	128,000	-	128,000
Total	<u>\$ 173,840</u>	<u>\$ -</u>	<u>\$ 173,840</u>

Actual income tax expense for the years ended December 31, 2018 and 2017 is reconciled from the amount computed by applying the U.S. federal income tax rate of 21% to income before income taxes as follows:

	<u>2018</u>	<u>2017</u>
Expected tax expense	\$ (1,623,190)	\$ 574,250
Reconciling items:		
Permanent Differences/Discrete Items	131,100	36,090
Change in Valuation Allowance	1,587,200	(390,750)
Change in Tax Rate	-	(45,750)
Total tax expense	<u>\$ 95,110</u>	<u>\$ 173,840</u>

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities at December 31, 2018 and 2017 are presented below:

	<u>2018</u>	<u>2017</u>
Deferred tax assets:		
Net operating loss carryforward		
Federal	\$ 1,748,600	\$ 746,500
Federal Minimum Tax	73,750	73,750
Reserve for uncollectible receivables	172,500	247,000
Amortization of intangible asset	236,600	39,000
Disallowed Business Interest Expense	277,150	-
Donations	1,500	-
Accrued expenses	398,000	220,000
Total gross deferred tax assets	<u>2,908,100</u>	<u>1,326,250</u>
Valuation allowance	<u>(2,908,300)</u>	<u>(1,321,250)</u>
Net deferred tax assets	<u>(200)</u>	<u>5,000</u>
Deferred tax liabilities:		
Depreciation of plant and equipment	<u>200</u>	<u>(5,000)</u>
Net deferred tax liabilities	<u>200</u>	<u>(5,000)</u>
Net deferred tax assets	<u>\$ -</u>	<u>\$ -</u>

There was a valuation allowance of \$2,908,300 and \$1,321,250 as of December 31, 2018 and 2017, respectively. In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management considers the scheduled reversal of deferred tax liabilities, projected future taxable

income, and tax planning strategies in making this assessment. Based upon the level of historical taxable income, projections for future taxable income over the periods in which the deferred tax assets are deductible, and the scheduled reversal of deferred tax liabilities, management does not believe it is more likely than not the Company will realize the full benefits of these deductible differences at December 31, 2018.

Net operating loss carryforwards attributable to federal income taxes was \$8,326,981 at December 31, 2018 of which \$3,554,500 expires at different dates through 2038 and \$4,778,996, of which occurred in 2018, is carried forward indefinitely.

There is not a provision for material uncertain tax positions for the Company at December 31, 2018 or 2017.

As of December 31, 2018, with few exceptions, the Company is no longer subject to U.S. Federal income tax examinations by tax authorities for years before 2014 and for state for years before 2013.

The Tax Cuts and Jobs Act of 2017 was signed into law on December 22, 2017. The law includes significant changes to the U.S. corporate income tax system, including the reduction in the federal corporate rate from 34% to 21%. Pursuant to the guidance within SEC Staff Accounting Bulletin No. 118 ("SAB 118"), as of December 31, 2017, the Company recognized the provisional effects of the enactment of the Act for which measurement could be reasonably estimated. Since the Company has provided a full valuation allowance against its deferred tax assets, the revaluation of the deferred tax assets did not have a material impact on any period presented. The ultimate impact of the Act may differ from these estimates due to the Company's continued analysis or further regulatory guidance that may be issued as a result of the Act.

#### NOTE 4 – REVENUE

The table below represents the Company's reportable revenues for the years ended December 31, 2018 and 2017 from customers, net of respective provisions for refund:

	<u>For the year ended December 31, 2018</u>	<u>For the year ended December 31, 2017</u>
<i>Electricity Revenues from Contracts with Customers</i>		
ERCOT Market	\$ 133,379,103	\$ 109,289,306
ERCOT Pre-Paid Market	4,829,172	2,661,220
Northeast Market	<u>10,374,679</u>	<u>928,360</u>
<i>Total Electricity Revenues from Contracts with Customers</i>	<u>148,582,954</u>	<u>112,878,886</u>
<i>Other Revenues:</i>		
Fees Revenue	3,320,374	4,804,289
<b>Total Revenues:</b>	<u>\$ 151,903,328</u>	<u>\$ 117,683,175</u>

Presented in the following table are the components of accounts receivable and accrued revenue:

	<u>December 31, 2018</u>	<u>January 1, 2018</u>
<i>Accounts receivable from customers</i>		
ERCOT Market	\$ 7,729,016	\$ 6,828,105
ISO New England Market	544,454	635,160
<i>Total accounts receivable from customers</i>	<u>8,273,470</u>	<u>7,463,265</u>
<i>Accrued revenue from customers</i>		
ERCOT Market	25,811,607	20,146,719
ISO New England Market	1,006,895	697,810
<i>Total accrued revenue with customers</i>	<u>26,818,502</u>	<u>20,844,529</u>
Allowance for doubtful accounts	(821,424)	(1,176,958)
<i>Total accounts receivable and accrued revenue</i>	<u>\$ 34,270,548</u>	<u>\$ 27,130,836</u>

The Company recognizes revenue from the sale of electricity to consumers and is recognized upon the performance obligation to deliver electricity to the customer's meter. This method of revenue recognition is commonly referred to as the flow method. The Company's customer base consists of a mix of residential and commercial customers in the ERCOT and ISO New England markets. Also, the Company recognizes revenues from contract cancellation fees, disconnection fees and late fees.

The invoice practical expedient within the accounting guidance allows for the recognition of revenue from performance obligations in the amount of consideration to which there is a right to invoice the customer and when the amount for which there is a right to invoice corresponds directly to the value transferred to the customer. The purpose of the invoice practical expedient is to depict an entity's measure of progress toward completion of the performance obligation within a contract and can only be applied to performance obligations that are satisfied over time and when the invoice is representative of services provided to date. The Company elected to apply the invoice practical expedient to recognize revenue for performance obligations satisfied over time as the invoices from the respective revenue streams are representative of services or goods provided to date to the customer.

#### *Performance Obligations*

**Residential and Commercial** – The Company has performance obligations for the service to deliver electricity to its customers and it satisfies these performance obligations over time as electricity is provided continuously to the customer who simultaneously receives and consumes the benefits provided. The Company recognizes revenue at a fixed base amount and a price per kilowatt hour as it provides these services on a fixed term contract. Contracts generally have fixed terms of 3-month increments not to exceed a 24-month fixed term. For customers whose fixed contracts have expired, the Company recognizes revenue at the market price per kilowatt hour as the service is provided.

**Residential pre-paid** – The Company has performance obligations for the service to deliver electricity to its customers and these performance obligations are satisfied over time as electricity is provided continuously to the customer who simultaneously receives and consumes the benefits provided. Revenues in the pre-paid market are variable at the market rate per kilowatt hour as the service is provided.

#### *Accounts Receivable and Unbilled Revenue*

Account receivables are comprised of trade receivables and unbilled receivables (accrued revenue). Customers are billed monthly in cycles having billing dates that do not generally coincide with the end of a calendar month. This results in customers having received electricity that they have not been billed for as of month-end. Therefore, at the end of each calendar month, revenue is accrued to unbilled receivables based on the estimated amount of power delivered to customers using the flow technique. Unbilled revenue also includes accruals for estimated TDSP charges and monthly service charges applicable to the estimated electricity usage for the period. All charges that

were physically billed in the calendar month are recorded from the unbilled account to the customer's receivable account.

In the Texas market, electricity revenues not billed by month-end are accrued based upon estimated deliveries to customers as tracked and recorded by ERCOT multiplied by our average billing rate per kilowatt hour ("kWh") in effect at the time. At the end of each calendar month, revenue is accrued to unbilled receivables based on the estimated amount of power delivered to customers using the flow technique. Unbilled revenue also includes accruals for estimated TDSP charges and monthly service charges applicable to the estimated electricity usage for the period. All charges that were physically billed in the calendar month are recorded from the unbilled account to the customer's receivable account. Accounts receivable are customer obligations billed at the customer's monthly meter read date for that period's electricity usage and due within 16 days of the date of the invoice. The past due customer balances are subject to a late fee that is assessed on that billing. Unbilled accounts in the Texas market as of December 31, 2018 and December 31, 2017 were estimated at \$25,811,607 and \$20,146,719, respectively.

In the ISO New England market, electricity services not billed by month-end are accrued based upon estimated deliveries to customers as tracked and recorded by ISO New England multiplied by our average billing rate per kilowatt hour ("kWh") in effect at the time. The customer billing in the ISO New England market is performed by the local utility company. Unbilled accounts in the ISO New England market as of December 31, 2018 and December 31, 2017 were estimated at \$1,006,895 and \$697,810, respectively.

The Company, in the Texas market, determines an allowance for doubtful accounts based upon a review of outstanding receivables, historical write-off experience and existing economic conditions. Receivables past due over 90 days are considered delinquent and reviewed individually for collectability. After all means of collection have been exhausted, delinquent receivables are written off. Billed receivables over 90 days and 2% of unbilled receivables are reserved by the Company. Management has determined that the allowance for doubtful accounts as of December 31, 2018 and December 31, 2017 is \$821,424 and \$1,176,958, respectively. Bad debt expense for the 12 months ended December 31, 2018 and 2017 was \$1,121,396 and \$750,011, respectively. Net write offs and recoveries for the years ended December 31, 2018 and 2017 were \$1,476,930 and \$572,099, respectively.

Within the ISO New England market, the local utility companies in the state of Massachusetts purchase the Company's billed receivables at a statutory published discounted rate without recourse; therefore, no allowance for doubtful accounts is recorded as of December 31, 2018 or December 31, 2017.

#### **NOTE 5 - LETTERS OF CREDIT**

As of December 31, 2018, Summer LLC had five secured irrevocable stand-by letters of credit totaling \$565,300 with a financial institution for the benefit of the TDSPs that provide transition services to the Company. Two letters of credit totaling \$73,000 expire in June 2019, one letter of credit in the amount of \$54,800 expires in July 2019, and two letters of credit totaling \$437,500 expire in January 2020. The five letters of credit are subject to automatic extension and renewal provisions.

As of December 31, 2018, Summer Midwest secured one irrevocable stand-by letter of credit in the amount of \$50,000 for the benefit of Duke Energy Ohio, Inc. The letter of credit expires in June 2019 and is subject to automatic extension and renewal provisions.

As of December 31, 2018, Summer Northeast secured two irrevocable stand-by letters of credit totaling \$750,000. The letters of credit were issued for the benefit of the following parties: Connecticut Department of Public Utility Control in the amount of \$250,000 expiring on May 26, 2019 with auto extension provisions and the State of New Hampshire Public Utilities Committee in the amount of \$500,000 expiring on May 1, 2020.

On July 26, 2018, the letter of credit issued to the wholesale provider (Note 11) in the amount of \$250,000 was released and deactivated.

As of December 31, 2018, none of the letters of credit issued on behalf of the Company were drawn upon.

**NOTE 6 - FINANCING FROM BLUE WATER CAPITAL FUNDING LLC**

On June 29, 2016, Summer LLC (the "Borrower") entered into a Loan Agreement (the "Agreement") with Blue Water Capital Funding, LLC ("Blue Water") and guaranteed by the Company (the "Guaranty"). Pursuant to the Agreement, Blue Water agreed to provide a revolving loan (the "Loan") to the Borrower, and the Borrower agreed to borrow and repay funds loaned by Blue Water. Further, in connection with the Agreement, the Borrower granted to Blue Water a second position security interest in and to the Borrower's collateral, which includes receivables, equipment, inventory, personal property, other intangibles, and proceeds from any of these, to secure the Borrower's payment of its obligation under the Loan.

The amount of available credit under the Loan was \$5,000,000. The Loan was revolving in nature and is evidenced by a Revolving Promissory Note (the "Note"). The maturity date of the Loan was June 30, 2018.

On June 27, 2018, Summer LLC entered into an amendment to the agreement (the "Amendment") with Blue Water with respect to the Agreement.

Pursuant to the Amendment, the maturity date of the Note was extended through June 30, 2020, and the interest rate on the Note was changed from 11% per annum to a variable rate equal to the Prime Rate published by the *Wall Street Journal* plus 475 basis points. As of December 31, 2018, the interest rate was 10.25%. The amount of credit available pursuant to the Agreement, as amended by the Amendment, continues to be \$5,000,000. The Note continues to include a minimum monthly financing fee of \$22,500 per month. Interest is payable on the tenth day of each month and on the maturity date of the Note. Summer LLC and Blue Water agreed that the security interest granted pursuant to the Agreement remains in effect, and the Company reaffirmed its obligations under the Guaranty.

Further, under the Agreement, Summer LLC is subject to certain restrictive covenants that, among other things, may limit our ability to obtain additional financing for working capital requirements, product development activities, debt service requirements, and general corporate or other purposes. These restrictive covenants include, without limitation, restrictions on Summer LLC's ability to: (1) incur additional indebtedness; (2) incur liens; (3) make certain dispositions of assets; (4) merge, dissolve, consolidate or sell all or substantially all of its assets; and (5) enter into certain transactions with affiliates during the term of the Agreement. If Summer LLC breaches any of these restrictive covenants or is unable to pay the indebtedness under the Agreement when due, this could result in a default under the Agreement. In such event, the Lender may elect (after the expiration of any applicable notice or grace periods) to declare all outstanding borrowings, together with accrued and unpaid interest and other amounts payable under the Agreement, to be immediately due and payable. As of December 31, 2018, Summer LLC was in compliance with the covenants of the Agreement.

At December 31, 2018 and 2017, the outstanding balance of financing from Blue Water Capital was \$4,920,000 and \$2,500,000, respectively. Interest accrued during the years ended December 31, 2018 and 2017 was \$459,068 and \$278,820, respectively.

**NOTE 7 - COMERICA BANK LOAN**

On December 18, 2018, The Company signed a single payment note (the "Note") with Comerica Bank (the "Bank") in the amount of \$2,900,000. The Note has a maturity date of June 11, 2020, with interest thereon at a per annum rate equal to the "Prime Referenced Rate" plus the "Applicable Margin." The "Prime Referenced Rate" means, for any day, a per annum interest rate which is equal to the "Prime Rate" in effect on such day, but in no event and at no time shall the "Prime Reference Rate" be less than the sum of the Daily Adjusting LIBOR rate for such day plus two and one-half percent (2.5%) per annum. "Prime Rate" means the per annum rate established by the Bank as its prime rate for its borrowers at any such time. "Applicable Rate" means 0.25% per annum. Accrued and unpaid interest on the unpaid principal balance outstanding on the Note shall be payable monthly on the first day of each month, commencing on February 1, 2019.

As of December 31, 2018, the outstanding balance of financing from Comerica Bank was \$2,900,000 and the accrued interest was \$6,001.

**NOTE 8 - WHOLESALE POWER PURCHASE AGREEMENT WITH EDF**

On May 1, 2018, Summer Energy Holdings, Inc. (for purposes of this footnote, "SEH"), together with its subsidiaries Summer LLC and Summer Northeast (collectively the "Company") closed a transaction with EDF Energy Services, LLC and EDF Trading North America, LLC (collectively, "EDF"). As part of the transaction, Summer LLC, Summer Northeast and EDF entered into an Energy Services Agreement (the "Energy Services Agreement") pursuant to which Summer LLC and Summer Northeast agreed to purchase their electric power and associated services requirements from EDF, and EDF agreed to provide Summer LLC and Summer Northeast with certain credit facilities to assist Summer LLC and Summer Northeast in the purchase of their electric power and associated service requirements. The terms of the Energy Services Agreement are governed by the ISDA Master Agreement, as well as a Schedule and Power Annex thereto and the Credit Support Annex thereto.

In conjunction therewith, the Company and EDF also entered into a Security Agreement (the "Security Agreement"), a Pledge Agreement (the "Pledge Agreement") and a Guaranty (the "Guaranty") in favor of EDF. The Energy Services Agreement has a term of three years, and automatically renews for successive one-year periods unless either party provides written notice of termination 180 days prior to the renewal date. In addition to the market-based commodity price charged by EDF for each underlying commodity transaction, the Company will pay a "Commodity Fee" for each MWh of power that the Company requests for delivery from EDF during the term of the Energy Services Agreement. In addition, the Company is responsible for other mutually agreed upon fees incurred by EDF on its behalf. The Company is also responsible for any reasonable transmission or transportation costs incurred in connection with power transactions. Monthly supply obligations will accrue interest at a rate equal to three-month London Interbank Offered Rate ("LIBOR") plus 6% per annum. Any additional credit support will bear interest at the per annum rate equal to the lesser of (i) a rate per annum equal to three-month LIBOR rate plus 3% per annum, and (ii) the maximum rate of interest permitted by applicable law.

In consideration of the services and credit support provided by EDF to Summer LLC and Summer Northeast, and pursuant to the Security Agreement, Summer LLC and Summer Northeast agreed to, among other things (i) grant a priority security interest to EDF in all of their assets, equipment and inventory; (ii) require their customers to remit monthly payments into a lockbox account over which EDF has a security interest; and (iii) deliver monthly and annual forecasted and audited statements to EDF.

Pursuant to the Pledge Agreement, SEH pledged to EDF, and granted to EDF a security interest in all of the membership interests of Summer LLC and Summer Northeast owned by SEH as well as all additional membership interests of such subsidiaries from time to time acquired by SEH. Pursuant to the Guaranty, SEH agreed to guaranty the obligations of Summer LLC and Summer Northeast under the Energy Services Agreement.

The foregoing is only a brief description of the material terms of the transaction with EDF and does not purport to be a complete description of the rights and obligations of the parties thereunder and such descriptions are qualified in their entirety by reference to the text of the Energy Services Agreement, the ISDA Master Agreement, the Security Agreement, the Pledge Agreement and the Guaranty, which are filed as Exhibits 10.1 through 10.5, respectively, to our quarterly report on Form 10-Q filed with the SEC on August 14, 2018.

As of December 31, 2018, EDF has provided additional credit support in the amount of \$4,136,006 for cash collateral as well as to secure letters of credit (Note 5) for the benefit of the Company.

For the period ended December 31, 2018, the Company expensed \$575,733 interest to EDF.

**NOTE 9 – LONG TERM DEBT**

Long-term debt of the Company is comprised as follows:

	Maturity Date	December 31,	
		2018	2017
Financing from Blue Water Capital Funding, LLC (Note 6)	June 30, 2020	\$ 4,920,000	\$ -
Comerica Bank Loan (Note 7)	June 11, 2020	2,900,000	-
Advances from EDF for collateral (Note 8)	May 1, 2021 <sup>(1)</sup>	4,136,006	-
		<u>\$ 11,956,006</u>	<u>\$ -</u>

<sup>(1)</sup> Automatically renews for successive one-year periods unless either party provides written notice of termination 180 days prior to renewal date.

**NOTE 10 - WHOLESALE POWER PURCHASE AGREEMENT SUMMER LLC WITH DTE**

In April, 2014, Summer LLC closed a transaction with DTE Energy Trading, Inc. ("DTE"). As part of the transaction, Summer LLC and DTE entered into an Energy Marketing Agreement for Electric Power (the "Energy Marketing Agreement"). Pursuant to the terms of the Energy Marketing Agreement, Summer LLC agreed to purchase its electric power and associated services requirements from DTE, and DTE agreed to provide Summer LLC with certain credit facilities to assist Summer LLC in the purchase of its electric power and associated service requirements. Summer LLC also agreed to pay DTE a fixed monthly fee, as well as certain fees based on megawatt hours purchased. The terms of the Energy Marketing Agreement are governed by the ISDA 2002 Master Agreement, as well as a Schedule and Power Annex thereto (the "2002 Master Agreement"). In conjunction, therewith, Summer LLC and DTE also entered into a Credit Agreement, a Security Agreement and a Membership Interest Pledge Agreement.

Pursuant to the Credit Agreement, among other things DTE agreed to (i) provide a guaranty (a "Credit Guaranty") to ERCOT for the benefit of Summer LLC, and (ii) provide commodity loans for the purchase of electricity ("Commodity Loans"). Each Commodity Loan and any Credit Guaranty bore interest on the outstanding principal amount thereof, from the date such Commodity Loan or Credit Guaranty was issued until it became due or revoked, respectively, at a rate per annum equal to the Prime Rate (as reported by the *Wall Street Journal*) plus two percent. Summer LLC covenanted not to, among other things, (a) merge or consolidate with any other person, (b) acquire all or substantially all of the capital stock or property of another person, (c) create, assume or suffer to exist any lien on any property now owned or hereafter acquired by Summer LLC except for permitted liens (as set forth in the Credit Agreement) or (d) become liable for any indebtedness (other than permitted indebtedness, as set forth in the Credit Agreement).

In consideration of the services and credit support provided by DTE to Summer LLC, and pursuant to the Security Agreement, Summer LLC was required to, among other things (i) grant a priority security interest to DTE in all of its assets, equipment and inventory; (ii) require its customers to remit monthly payments into a lockbox account over which DTE has a security interest; and (iii) deliver monthly and annual forecasted and audited statements to DTE. Pursuant to the Membership Interest Pledge Agreement, the Company pledged to DTE, and granted to DTE a security interest in all of the membership interests of Summer Energy, LLC owned by the Company, as well as all additional membership interests of Summer Energy, LLC from time to time acquired by the Company.

The Energy Marketing Agreement between Summer LLC and DTE was terminated on April 30, 2018.

**NOTE 11 - WHOLESALE POWER PURCHASE AGREEMENT SUMMER NORTHEAST**

Summer Northeast purchased electric power from Calpine Energy Solutions, LLC (formerly Noble Americas Energy Solutions LLC) through May 2018. Summer Northeast was invoiced for the volumes at the end of each calendar month for the volumes purchased for delivery during said month at a wholesale power tariff rate plus

scheduling fees. The invoice was payable on the 20<sup>th</sup> of the following month from delivery. Summer Northeast provided Calpine with a \$250,000 letter of credit (Note 5) which was deactivated and released on July 26, 2018.

Beginning in June 2018, Summer Northeast purchases power under the wholesale power agreement with EDF (Note 8).

#### **NOTE 12 – 2012 STOCK OPTION AND STOCK AWARD PLAN**

During 2012, the Company approved the 2012 Stock Option and Stock Award Plan (“2012 Plan”) established to advance the interest of the Company and its stockholders by providing an incentive to attract, retain and reward persons performing services for the Company and by motivating such persons to contribute to the growth and profitability of the Company.

The maximum aggregate number of (i) shares of stock that may be issued under the 2012 Plan, and (ii) shares of stock with respect to which stock appreciation rights may be granted, is 785,000 and consists of authorized but unissued or reacquired shares of stock or any combination thereof. Such number of shares of stock may be issued under the 2012 Plan pursuant to incentive stock options, nonstatutory stock options, restricted stock grants, stock appreciation right grants or any combination thereof, so long as the aggregate number of shares so issued does not exceed such number of shares, as adjusted.

The 2012 Plan continues in effect until the earlier of its termination by the Board or the date on which all the shares of stock available for issuance under the 2012 Plan have been issued and all restrictions on such shares under the terms on the 2012 Plan and the agreement evidencing awards granted under the 2012 Plan have lapsed. However, all awards shall be granted, if at all, within ten (10) years from the earlier of the date the 2012 Plan is adopted by the Board or the date the 2012 Plan is duly approved by the stockholders of the Company.

On December 6, 2012, a Form S-8 Registration Statement was filed with the United States Securities and Exchange Commission regarding shares under the 2012 Plan.

There were no stock options granted under the 2012 Plan for the years ended December 31, 2018 or 2017.

During the years ended December 31, 2018 and 2017, the Company recognized total stock compensation expenses of \$0 and \$3,115, respectively, relating to the vesting of stock options issued from the 2012 Plan.

As of December 31, 2018, 2,000 shares remain available for issuance.

As of December 31, 2018, the Company had outstanding granted stock options from the 2012 Plan, net of forfeitures to purchase 632,000 shares summarized as follows:

	Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (in Years)	Grant Date Fair Value
Outstanding at December 31, 2016	632,000	\$ 1.24	6.86	\$ 67,789
Options granted	-	-	-	-
Options exercised	-	-	-	-
Options cancelled/forfeited/expired	-	-	-	-
Outstanding at December 31, 2017	632,000	\$ 1.24	5.88	\$ 67,789
Options granted	-	-	-	-
Options exercised	-	-	-	-
Options cancelled/forfeited/expired	-	-	-	-
Outstanding at December 31, 2018	632,000	\$ 1.24	4.87	\$ 67,789
Vested at December 31, 2018	632,000	\$ 1.24	4.87	\$ 67,789
Exercisable at December 31, 2018	632,000	\$ 1.24	4.87	\$ 67,789

#### NOTE 13 – 2015 STOCK OPTION AND STOCK AWARD PLAN

During the year ended December 31, 2015, the Company's stockholders approved the 2015 Stock Option and Stock Award Plan ("2015 Plan"), which was established to advance the interest of the Company and its stockholders by providing an incentive to attract, retain and reward persons performing services for the Company and by motivating such persons to contribute to the growth and profitability of the Company.

The maximum aggregate number of (i) shares of stock that may be issued under the 2015 Plan, and (ii) shares of stock with respect to which stock appreciation rights may be granted, is 1,500,000 and consists of authorized but unissued or reacquired shares of stock or any combination thereof. Such number of shares of stock may be issued under the 2015 Plan pursuant to incentive stock options, nonstatutory stock options, restricted stock grants, stock appreciation right grants or any combination thereof, so long as the aggregate number of shares so issued does not exceed such number of shares, as adjusted.

The 2015 Plan continues in effect until the earlier of its termination by the Board or the date on which all the shares of stock available for issuance under the 2015 Plan have been issued and all restrictions on such shares under the terms on the 2015 Plan and the agreements evidencing awards granted under the 2015 Plan have lapsed. However, all awards shall be granted, if at all, within ten years from the earlier of the date the 2015 Plan is adopted by the Board or the date the 2015 Plan is duly approved by the stockholders of the Company.

On July 2, 2015, a Form S-8 Registration Statement was filed with the United States Securities and Exchange Commission regarding the 2015 Plan.

During the year ended December 31, 2017, the Company granted a total of 534,500 stock options from the 2015 Plan with a fair value of approximately \$836,107 on the date of grant. The fair value of the options in the amount of \$836,107 was determined using the Black-Scholes option-pricing model. The weighted average assumptions used to calculate the fair market value are as follows: (i) risk-free interest rate of 1.97% (ii) estimated volatility of 131.57% (iii) dividend yield of 0.00% and (iv) expected life of all options averaging 10 years.

During the year ended December 31, 2018, the Company granted a total of 51,000 stock options from the 2015 Plan with a fair value of approximately \$111,911 on the date of grant. The fair value of the options in the amount of \$111,911 was determined using the Black-Scholes option-pricing model. The weighted average assumptions used to calculate the fair market value are as follows: (i) risk-free interest rate of 2.25% (ii) estimated volatility of 110.73% (iii) dividend yield of 0.00% and (iv) expected life of all options averaging 8 years.

During the years ended December 31, 2018 and 2017, the Company recognized total stock compensation expenses of \$206,748 and \$558,306, respectively, for vesting options issued from the 2015 Plan.

As of December 31, 2018, the unrecognized expense for vesting of options issued from the 2015 Plan is \$197,199 relating to 241,000 of unvested shares expected to be recognized over a weighted average period of approximately 7.78 years, and the unrecognized expense for vesting of options from the 2015 Plan at December 31, 2017 was \$292,037 relating to 266,500 of unvested shares expected to be recognized over a weighted average period of years of approximately 3.53 years.

As of December 31, 2018, 19,000 shares remain available for issuance.

As of December 31, 2018, the Company had outstanding granted stock options from the 2015 Stock Option and Stock Award Plan, net of forfeitures, to purchase 1,481,000 shares summarized as follows:

	Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (in Years)	Grant Date Fair Value
Outstanding at December 31, 2016	899,500	\$ 1.33	8.75	\$ 426,945
Options granted	534,500	\$ 2.37	9.36	\$ 836,107
Options exercised	-	-	-	-
Options cancelled/forfeited/expired	(4,000)	\$ 2.50	-	\$ (5,748)
Outstanding at December 31, 2017	1,430,000	\$ 1.74	8.42	\$ 1,257,304
Options granted	51,000	\$ 2.28	8.99	\$ 111,911
Options exercised	-	-	-	-
Options cancelled/forfeited/expired	-	-	-	-
Outstanding at December 31, 2018	1,481,000	\$ 1.76	7.46	\$ 1,369,215
Vested at December 31, 2018	1,240,000	\$ 1.61	7.14	\$ 971,716
Exercisable at December 31, 2018	1,240,000	\$ 1.61	7.14	\$ 971,716

#### NOTE 14 - 2018 STOCK OPTION AND STOCK AWARD PLAN

Effective February 12, 2018, the Board of Directors of the Company approved and adopted the Summer Energy Holdings, Inc. 2018 Stock Option and Stock Award Plan ("2018 Plan"), which was established to advance the interest of the Company and its stockholders by providing an incentive to attract, retain and reward persons performing services for the Company and by motivating such persons to contribute to the growth and profitability of the Company. The Company's named executive officers are eligible for grants or awards under the 2018 Plan. The Company's stockholders approved the 2018 Plan on June 8, 2018.

The maximum aggregate number of (i) shares of stock that may be issued under the 2018 Plan and (ii) shares of stock with respect to which stock appreciation rights may be granted, is 1,500,000 and consists of authorized but unissued or reacquired shares of stock or any combination thereof. Such number of shares of stock may be issued under the 2018 Plan pursuant to incentive stock options, non-statutory stock options, restricted stock grants, restricted stock units, stock appreciation right grants or any combination thereof, so long as the aggregate number of shares so issued does not exceed such number of shares, as adjusted. The 2018 Plan or any increase in the maximum aggregate number of shares of stock issuable thereunder shall be approved by the stockholders of the Company within twelve months of the date of adoption by the Board. Awards granted prior to stockholder approval of the 2018 Plan shall become exercisable no earlier than the date of stockholder approval of the 2018 Plan.

The 2018 Plan continues in effect until the earlier of its termination by the Board or the date on which all shares of stock available for issuance under the 2018 Plan have been issued and all restrictions on such shares under the terms

on the 2018 Plan and the agreement evidencing awards granted under the 2018 Plan have lapsed. However, all awards shall be granted, if at all, within ten years from the earlier of the date the 2018 Plan is adopted by the Board or the date the 2018 Plan is duly approved by the stockholders of the Company.

On February 20, 2018, the Company granted the following options to purchase common stock under the 2018 Plan to key officers of the Company:

Name	Number of Options	Exercise Price	Date of Vest
Angela Hanley	150,000	\$ 2.50	February 20, 2023
Jaleca George	85,000	\$ 2.50	February 20, 2023
Angela Hanley	15,000	\$ 2.50	July 1, 2018
Jaleca George	15,000	\$ 2.50	July 1, 2018
Neil Leibman	15,000	\$ 2.50	July 1, 2018
Total	<u>280,000</u>		

The options granted to key officers covering a total of 235,000 shares vest five years after the date of grant. The stock options have an exercise price of \$2.50 per share and will expire 10 years from the date of grant. The fair value of the options of \$539,132 was determined using the Black-Scholes option-pricing model. The assumptions used to calculate the fair market value are as follows: (i) risk-free interest rate of 2.65% (ii) estimated volatility of 119.27% (iii) dividend yield of 0.00% and (iv) expected life of the options of 8 years.

The options to key officers covering a total of 45,000 shares vested on July 1, 2018. The stock options have an exercise price of \$2.50 per share and will expire 10 years from the date of grant. The fair value of the options of \$103,238 was determined using the Black-Scholes option-pricing model. The assumptions used to calculate the fair market value are as follows: (i) risk-free interest rate of 2.65% (ii) estimated volatility of 119.27% (iii) dividend yield of 0.00% and (iv) expected life of the options of 8 years.

On April 19, 2018, the Company granted a total of 45,000 stock options to non-employee members of the Company's Board of Directors under the 2018 Plan as compensation. The director stock options vested on July 1, 2018. The director options have an exercise price of \$2.25 per share, will expire 10 years from the date of the grant and are estimated to have a fair value of approximately \$81,659 on the date of grant determined using the Black-Scholes option-pricing model. The assumptions used to calculate the fair market value are as follows: (i) risk-free interest rate of 2.77% (ii) estimated volatility of 141.02% (iii) dividend yield of 0.00% and (iv) expected life of the options of 8 years.

On June 29, 2018, the Company granted a total of 53,750 stock options from the 2018 Stock Option and Stock Award Plan to non-employee members of the Company's Board of Directors. The director stock options vested on July 1, 2018. The approximate fair value of the options in the amount of \$126,864 was determined using the Black Scholes option pricing model. The assumptions used to calculate the fair market value are as follows: (i) risk-free interest rate of 2.73% (ii) estimated volatility of 144.57% (iii) dividend yield of 0.00% and (iv) expected life of all options averaging 8 years.

On September 28, 2018, the Company granted a total of 53,750 stock options from the 2018 Stock Option and Stock Award Plan to non-employee members of the Company's Board of Directors. The director stock options vested immediately on September 28, 2018 and have an approximate fair value of \$102,644. The fair value of the options in the amount of \$102,644 was determined using the Black Scholes option pricing model. The assumptions used to calculate the fair market value are as follows: (i) risk-free interest rate of 2.94% (ii) estimated volatility of 143.29% (iii) dividend yield of 0.00% and (iv) expected life of all options averaging 8 years.

On December 27, 2018, the Company granted a total of 53,750 stock options from the 2018 Stock Option and Stock Award Plan to non-employee members of the Company's Board of Directors. The director stock options vested immediately on December 27, 2018, and have an approximate fair value of \$102,656. The fair value of the options

in the amount of \$102,656 was determined using the Black Scholes option pricing model. The assumptions used to calculate the fair market value are as follows: (i) risk-free interest rate of 2.60% (ii) estimated volatility of 143.77% (iii) dividend yield of 0.00% and (iv) expected life of all options averaging 8 years.

During the year ended December 31, 2018, the Company granted a total of 15,000 stock options from the 2018 Stock Option and Stock Award Plan to key employees of the Company. The options granted to the key employees vest in 1 year and have an approximate fair value totaling \$29,698. The fair value of the options in the amount of \$29,698 was determined using the Black Scholes option pricing model. The assumptions used to calculate the fair market value are as follows: (i) risk-free interest rate of 2.81% (ii) estimated volatility of 143.28% (iii) dividend yield of 0.00% and (iv) expected life of all options averaging 8 years.

During the year ended December 31, 2018, the Company granted a total of 501,250 stock options from the 2018 Stock Option and Stock Award Plan and recognized total stock compensation expenses of \$624,876 relating to the vesting of stock options issued from the 2018 Plan.

As of December 31, 2018, the unrecognized expense for vesting of options issued from the 2018 Plan is \$461,015 relating to 250,000 of unvested shares expected to be recognized over a weighted average period of approximately 7.17 years.

As of December 31, 2018, 998,750 shares remain available for issuance.

As of December 31, 2018, the Company had outstanding granted stock options from the 2018 Stock Option and Stock Award Plan, net of forfeitures to purchase 501,250 shares summarized as follows:

	Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (in Years)	Grant Date Fair Value
Outstanding at December 31, 2017	-	\$ -	-	\$ -
Options granted	501,250	\$ 2.42	7.36	\$ 1,085,891
Options exercised	-	-	-	-
Options cancelled/forfeited/expired	-	-	-	-
Outstanding at December 31, 2018	<u>501,250</u>	<u>\$ 2.42</u>	<u>7.36</u>	<u>\$ 1,085,891</u>
Vested at December 31, 2018	<u>251,250</u>	<u>\$ 2.34</u>	<u>7.55</u>	<u>\$ 517,061</u>
Exercisable at December 31, 2018	<u>251,250</u>	<u>\$ 2.34</u>	<u>7.55</u>	<u>\$ 517,061</u>

On September 20, 2018, a Form S-8 Registration Statement was filed with the United States Securities and Exchange Commission regarding shares under the 2018 Plan.

#### NOTE 15 - PRIVATE PLACEMENT OFFERINGS

During the year ended December 31, 2017, the Company accepted subscription agreements from various accredited investors and entered into Securities Purchase Agreements with such investors to purchase from the Company 409,091 shares of the Company's common stock at a price of \$1.10 per share totaling \$450,000. No warrants were issued in connection with the 2017 Securities Purchase Agreements.

During the year ended December 31, 2018, the Company commenced a private placement offering (the "Offering") to certain investors with whom the Company, its management and/or agents have a pre-existing relationship. The Offering was to accredited investors to purchase shares of the Company's common stock at a purchase price of \$1.50 per share. The Offering resulted in the issuance of 2,425,000 shares of common stock in exchange for cash proceeds in the amount of \$3,637,500.

**NOTE 16 - WARRANTS**

The Company issued no warrants during the calendar years ended December 31, 2018 or 2017.

Warrant activity for the years ended December 31, 2018 and 2017, was as follows:

	Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (in Years)	Grant Date Fair Value
Outstanding at December 31, 2016	1,891,000	\$ 1.44	3.47	\$ 113,826
Warrants granted	-	-	-	-
Warrants exercised	(21,000)	\$ 1.50	-	\$ (826)
Warrants cancelled/forfeited/expired	(250,000)	\$ 1.50	-	\$ (10,256)
Outstanding at December 31, 2017	1,620,000	\$ 1.43	1.73	\$ 102,744
Warrants granted	-	-	-	-
Warrants exercised	-	-	-	-
Warrants cancelled/forfeited/expired	(260,000)	\$ 1.50	-	\$ (10,666)
Outstanding at December 31, 2018	1,360,000	\$ 1.42	0.93	\$ 92,078
Exercisable at December 31, 2018	1,094,763	\$ 1.52	1.13	\$ 47,042

**NOTE 17 – PROPERTY AND EQUIPMENT**

As of December 31, 2018, and 2017, property and equipment consisted of the following:

	2018	2017
Computer software	\$ 127,954	\$ 122,445
Computer hardware	199,830	188,605
Furniture and fixtures	56,023	49,723
Leasehold improvements	129,721	120,194
Website	775,881	775,881
Total property and equipment	1,289,409	1,256,848
Less: Accumulated depreciation	(1,207,200)	(1,100,482)
Property and equipment, net	\$ 82,209	\$ 156,366

Depreciation expense charged, to operations totaled \$106,718 for the year ended December 31, 2018 and \$158,324 for the year ended December 31, 2017.

**NOTE 18 - OPERATING LEASES, COMMITMENTS AND CONTINGENCIES**Office Space

Beginning December 1, 2017, the Company procured approximately 20,073 square feet of office space on the 37<sup>th</sup> floor of 5847 San Felipe, Houston, Texas, pursuant to a sublease agreement dated October 13, 2017 with ENSCO International Incorporated ("Sublandlord") for a term beginning on December 1, 2017 and terminating on December 31, 2025. The base rent payments are approximately \$15,900 per month during the term of the sublease agreement.

The Company is also responsible for 12.08% of the operating expenses, utilities and taxes charged to the Sublandlord.

Summer LLC assumed an operating lease for office space on November 1, 2011 at 800 Bering Drive, Suite 260, Houston, Texas, under a non-cancellable lease obligation which expired on August 31, 2016. The Sixth Amendment to the office space lease extended the obligation to October 31, 2019.

Summer Northeast entered into a sublease agreement with PDS Management Group, LLC ("PDS") on October 31, 2017 at 800 Bering Drive, Suite 250, Houston, Texas, under a non-cancellable lease obligation which will expire on February 28, 2020. On September 1, 2018, PDS subleased 800 Bering Drive, Suite 250, Houston, Texas to an outside party, and Summer Northeast receives a monthly credit in the amount of \$1,698 until the end of the lease obligation on February 28, 2020. The monthly base rent is \$3,727 for the period of November 1, 2017 to February 2018 and \$3,904 until August 31, 2018. Beginning on September 1, 2018 through the termination of the lease on February 28, 2020, the monthly rent, net of credit, is \$2,255.

Future minimum commitments including extension options under all non-cancellable operating lease obligations are as follows:

<u>Contractual Obligations</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>Thereafter</u>	<u>Total</u>
Operating Leases	\$350,698	\$195,355	\$190,694	\$190,694	\$190,694	\$381,387	\$1,499,522

Lease expense for the office space for years ended December 31, 2018 and 2017 totaled \$626,980 and \$152,149, respectively.

#### Significant Customers

For the years ended December 31, 2018 and 2017, the Company did not have any significant customers that individually accounted for more than 10% of our consolidated retail revenue.

#### Significant Suppliers

The Company has contractual commitments as of December 31, 2018 to purchase its wholesale electric power from EDF (Note 8) and contracts for billing services with three vendors (Energy Services Group, DYNAMO Programs International, LLC and EC Infosystems, Inc.) totaling \$535,445.

#### **NOTE 19 – EXECUTIVE EMPLOYMENT AGREEMENTS**

Effective October 20, 2017, the employment agreements of our executive officers, Neil Leibman, Chief Executive Officer, Angela Hanley, President, and Jaleea P. George, Chief Financial Officer, were amended to adjust the performance metrics that must be met by the Company in order for the executives to receive additional equity compensation. Pursuant to the amendments, in the event the Company meets certain performance milestones, each of the executives will be granted an option to purchase 15,000 shares of the Company's common stock at an exercise price equal to the greater of: (i) the fair market value of a share of stock on the date of grant and (ii) \$2.50 per share. All other provisions of the executives' employment agreements remained in full force and effect.

The executive employment agreements for executive officers expired on December 31, 2018.

#### **NOTE 20 - TEXAS SALES AND USE TAX AUDIT**

During 2018, Summer LLC finalized the audit for Texas sales and use tax with the Comptroller of Public Accounts ("Comptroller") for the period from February 2013 through July 2016. The Company made payments totaling \$419,662 towards assessment for the Texas sales and use tax liability plus penalty and interest.

As of December 31, 2018, and 2017, the Company had accrued a liability of \$0 and \$375,000 related to the assessment.

#### **NOTE 21 - ACQUISITION OF SUMMER ENERGY NORTHEAST, LLC (FORMERLY REP ENERGY, LLC)**

On November 1, 2017, Summer Energy Holdings, Inc. entered into a Membership Interest Purchase Agreement (the "Purchase Agreement") with REP Energy, LLC, a Texas limited liability company ("REP Energy") and the members of REP Energy (the "Members") and the transaction contemplated by the Purchase Agreement, the "REP Transaction") whereby the Company acquired 100% of the issued and outstanding units of membership interest (the "Interests") of REP Energy from the Members. Several of the Members of REP Energy are officers and/or directors of the Company. The conflicts of interest of officers and/or directors of the Company were disclosed and known to the Board of Directors of the Company. The terms of the Purchase Agreement and the REP Transaction were negotiated, considered and approved by a majority of the disinterested members of the Board.

The purchase price paid for the Interests consisted of the issuance of 2,177,912 unregistered and restricted shares of the Company's common stock (the "Summer Energy Stock"), which was the number of shares having an aggregate value of \$3,266,868, with the price per share equal to \$1.50 per share of Summer Energy Stock, rounded up to the nearest whole number of shares, on the acquisition date. Such amount was determined by the Board in good faith as the fair market value of a share of Summer Energy Stock. Pursuant to the Purchase Agreement, REP Energy and the Members agreed to deliver to the Company assignments of the Interests and the corporate record books of REP Energy. The Company agreed to deliver the Summer Energy Stock.

The estimated fair values of the assets acquired and liabilities assumed are based on management's internal valuations and historical experience. The following table is the estimated fair value of the assets acquired and liabilities assumed in the transaction:

Cash	\$	31,200
Restricted cash		91,186
Accounts receivable		1,014,465
Intangible asset - customer relationships		3,543,912
Accounts payable		(16,297)
Accrued liabilities		(564,921)
Debt		(832,677)
Total net assets acquired	\$	<u>3,266,868</u>

The amount of net sales and net loss included in the Company's consolidated statement of operations for the period from November 1, 2017 through December 31, 2017, totaled \$928,360 and \$(338,281), respectively.

The estimated useful life of the intangible asset acquired in the transaction is three years. At the year ended December 31, 2018 and 2017, the unamortized amount of capitalized customer relationships was \$ 2,165,724 and \$3,347,028, respectively.

Customer relationship amortization for the years ended December 31, 2018 and 2017 was \$1,184,304 and \$196,884. The future amortization expense is as follows:

	<u>Amount</u>
Year 2019	\$ 1,181,304
Year 2020	984,420
	<u>\$ 2,165,724</u>

#### NOTE 22 – MASTER REVOLVER NOTE

The Company assumed a Master Revolver Note ("Master Note") held by Summer Northeast (formerly REP Energy, LLC) pursuant to the terms of the Purchase Agreement (Note 21).

The amount of available credit under the Master Note is \$800,000 issued by Comerica Bank. The Master Note is dated July 25, 2017 and had a maturity date of July 25, 2018. Each advance under the Master Note shall bear interest thereon at a per annum rate equal to the "Prime Referenced Rate" plus the "Applicable Margin." The "Prime Referenced Rate" means, for any day, a per annum interest rate which is equal to the "Prime Rate" in effect on such day, but in no event and at no time shall the "Prime Reference Rate" be less than the sum of the Daily Adjusting LIBOR rate for such day plus two and one-half percent (2.5%) per annum. "Prime Rate" means the per

annum rate established by Comerica Bank as its prime rate for its borrowers at any such time. "Applicable Margin" means 1 percent per annum. Accrued and unpaid interest on the unpaid principal balance outstanding shall be payable monthly, in arrears, on the first Business Day of each month.

On February 22, 2018, the Company paid \$40,000 to Comerica Bank to pay off the balance of the Master Note. As of December 31, 2018, and 2017, the Master Note, which had secured a letter of credit totaling \$250,000 (Note 5) was terminated upon the deactivation of the letter of credit.

As of December 31, 2018, and 2017, the outstanding advances on the Master Note were \$0 and \$40,000, respectively. Guaranty of the Master Note at origination on July 25, 2017 was made by two members of Summer Northeast (Neil Leibman and Tom O'Leary) who are also members of the Company's Board (Mr. Leibman is also an executive officer). In accordance with the provisions of Purchase Agreement (Note 21), the Company paid the guarantors monthly interest at the lowest applicable federal rate published by the Internal Revenue Service, on the outstanding balance of such credit facility until the credit facilities secured by the Master Note was replaced by the Company.

#### **NOTE 23 – DEBT TO RELATED PARTIES ASSUMED**

On November 1, 2017, the Company assumed \$767,677 of related party debt owed by Summer Northeast to members Tom O'Leary and Neil Leibman pursuant to the terms of the Purchase Agreement (Note 21). Messrs. O'Leary and Leibman serve on the Company's Board (Mr. Leibman is also an executive officer).

In accordance with the Amended and Restated Limited Liability Company Agreement of Summer Northeast, the amount of any loan or advance by a member shall not be treated as a contribution to the capital of the lending member but shall be considered a debt. The loan bears interest at the rate of the greater of (i) 12% per annum or (ii) the Prime Rate plus 5%, payable monthly with a maturity date of October 31, 2018.

During the year ended December 31, 2018, the \$767,677 was paid in full by the Company to the related parties Messrs. O'Leary and Leibman. Interest paid during the years ended December 31, 2018 and 2017 on such related party debt assumed was \$35,057 and \$15,609, respectively.

As of December 31, 2018, and 2017, the outstanding debt to related parties was \$0 and \$767,677, respectively.

#### **NOTE 24 – RELATED PARTY LOANS**

On January 3, 2018, the Company entered into two separate promissory notes in the amount of \$125,000 each for an advance of \$250,000 by Tom O'Leary and Neil Leibman for purposes of short-term financing. The promissory notes accrued interest at the rate of 5% per annum based upon 365 days a year with a maturity date of July 3, 2018.

The loans from Mr. O'Leary and Mr. Leibman were paid in full on June 1, 2018. During the year ended December 31, 2018, the Company paid Mr. O'Leary and Mr. Leibman a combined amount of \$5,103 in interest on the notes.

On January 8, 2018, the Company entered into a promissory note in the amount of \$373,000 for an advance by Mr. Leibman for purposes of short-term financing. The promissory note accrued interest at a rate of 5% per annum based upon 365 days in a year and had a maturity date of July 8, 2018. On March 6, 2018, \$200,000 was paid back to Mr. Leibman and on April 16, 2018, the remaining balance of \$173,000 was paid. For the year ended December 31, 2018, the Company paid interest to Mr. Leibman in the amount of \$3,884. As of December 31, 2018, the balance was \$0 and the loan was paid in full.

On January 8, 2018, the Company entered into a promissory note with Pinnacle Power, LLC ("Pinnacle"), in the amount of \$80,000 for purposes of short-term financing. Mr. O'Leary and Mr. Leibman hold membership interests in Pinnacle. The promissory note accrued interest at a rate of 5% per annum based upon 365 days a year and had a maturity date of July 8, 2019. On February 22, 2018, \$40,000 was repaid to Pinnacle and on March 6, 2018, \$40,000 was repaid to Pinnacle. During the year ended December 31, 2018, the Company paid Pinnacle \$558 in interest. As of December 31, 2018, the balance of the Pinnacle loan was \$0.

**NOTE 25 – OTHER RELATED PARTY TRANSACTIONS**

On October 31, 2017, Summer Northeast entered into a sublease agreement with PDS for office space located at 800 Bering Drive, Suite 250, Houston, Texas (Note 18). PDS is 100% owned by Tom O’Leary who is a member of the Company’s Board of Directors.

In January 2018, Mr. Leibman provided aviation transportation and the Company paid \$4,000 in fuel costs for purposes of a company off-site management meeting.

On May 17, 2018, the Company disbursed \$45,500 to each of Mr. O’Leary and Mr. Leibman for a total of \$91,000, which was in accordance with the Membership Interest Purchase Agreement dated November 1, 2017 between the Company and Summer Northeast (formerly REP Energy, LLC).

On June 28, 2018, the Company entered into individual Securities Purchase Agreements and Registration Rights Agreements with four investors for such investors to purchase from the Company a total of 125,000 shares of common stock at a purchase price of \$1.50 per share for a total purchase price of \$187,500. A member of the Company’s Board of Directors, Andrew Bursten, purchased 85,100 of such shares and his family members purchased 39,900 of such shares.

On December 18, 2018, four members of the Company’s Board of Directors, Stuart Gaylor, Andrew Bursten, Tom O’Leary and Neil Leibman (Mr. Leibman is also an executive officer) (collectively, the “Guarantors”) guaranteed a single payment note with Comerica Bank (See Note 7) in the amount of \$2,900,000. The Company agreed to pay interest at a rate of 12% for the guarantee and such interest is to be paid with the issuance of the Company’s common stock.

**NOTE 26 - SUMMER ENERGY 401(K) PLAN**

In January 2017, the Company adopted a qualified 401(K) Retirement Plan (the “Plan”) whereby eligible employees may elect to save for retirement on a tax-advantaged basis. There are two types of salary deferrals: pre-tax 401(K) deferrals and Roth 401(K) deferrals. Eligible employee participants are automatically enrolled at 3% of compensation unless a participant elects an alternative deferral percentage limited to dollar amount of \$18,500 in 2018 or elects not to defer under the Plan. There is no Company match to the Plan.

**NOTE 27 - EMPLOYEE STOCK PURCHASE PLAN**

Effective May 2017, the Company began offering an Employee Stock Purchase Plan (the “ESPP”) whereby eligible employees may elect to purchase common stock of the Company through a registered broker/dealer. Eligible employees who so elect may authorize payroll deductions for contributions to the ESPP up to a maximum of \$25,000 each calendar year. The Company will match 10% of eligible employee contributions up to an aggregate maximum of \$24,000 for all ESPP participants (not each individual ESPP participant). The employer match for the year ended December 31, 2018 and 2017 was \$5,208 and \$3,704, respectively.

**NOTE 28 - SUBSEQUENT EVENTS**

During January and February 2019, the Company issued 3,180,000 shares of common stock in exchange for cash proceeds in the amount of \$4,770,000 by the Company entering into five Securities Purchase Agreements in a private placement offering of the Company’s common stock at a purchase price of \$1.50 per share.

On January 7, 2019, the Company entered into a promissory note in the amount of \$473,000 for an advance by Mr. O’Leary for purposes of short-term financing. The promissory note accrues interest at a rate of 5% per annum based upon 365 days in a year and has a maturity date of July 7, 2019. On February 7, 2019, such loan was repaid. On January 7, 2019, the Company entered into a promissory note in the amount of \$25,000 with Messrs. O’Leary and Mr. Leibman for purposes of short-term financing. The promissory note accrues interest at a rate of 5% per annum based upon 365 days in a year and has a maturity date of July 7, 2019. On February 7, 2019, such loan was repaid.

On January 25, 2019, the Company issued a warrant for 43,772 shares of the Company's common stock under a Referral Agreement whereby the sales broker introduces the Company potential sales leads. The five-year warrant has an exercise price of \$1.50 per share.

On January 25, 2019, the Company issued two warrants, each for 6,715 shares, of the Company's common stock under a Referral Agreement whereby the sales broker introduces the Company potential sales leads. The five-year warrants have an exercise price of \$1.50 per share.

On February 4, 2019, the Company amended stock option grant agreements dated May 13, 2014 with Tom O'Leary and Neil Leibman which provided each with an option to purchase 151,115 shares of the Company's common stock at an exercise price of \$1.50 per share. Pursuant to the amendments, the term of the options was amended from five years to ten years from the grant date and was approved by the disinterested members of the Company's Board. All other provisions of the grant agreements remain in full force and effect.

On March 1, 2019, the Company entered into an electricity usage resolution agreement with a local utility related to an allegedly erroneous power settlement. The repayment amount in favor of the Company was \$1,341,400.

On March 4, 2019, the Company signed a letter agreement with EDF in reference to the Energy Services Agreement dated May 1, 2018 to provide Summer Midwest collateral postings required at respective utilities and Public Utility Commissions and the Company shall have the ability to post up to \$1,400,000 through June 1, 2019 under this letter agreement.

On March 29, 2019, the Company granted a total of 53,750 stock options from the 2018 Stock Option and Stock Award Plan to non-employee members of the Company's Board of Directors. The director stock options vested immediately on March 29, 2019, and have an approximate fair value of \$103,170. The fair value of the options in the amount of \$103,170 was determined using the Black Scholes option pricing model. The assumptions used to calculate the fair market value are as follows: (i) risk-free interest rate of 2.21% (ii) estimated volatility of 147.94% (iii) dividend yield of 0.00% and (iv) expected life of all options averaging 8 years.

On March 29, 2019, the Company granted 2,500 stock options from the 2018 Stock Option and Stock Award Plan to a key employee of the Company. The stock options will vest on March 29, 2020, and have an approximate fair value of \$4,789. The fair value of the options in the amount of \$4,789 was determined using the Black Scholes option pricing model. The assumptions used to calculate the fair market value are as follows: (i) risk-free interest rate of 2.21% (ii) estimated volatility of 147.94% (iii) dividend yield of 0.00% and (iv) expected life of all options averaging 8 years.

## EXHIBIT INDEX

Exhibit No.	Description
2.1	<u>Agreement and Plan of Contribution, by and among Castwell Precast Corporation, Summer Energy, LLC and the members of Summer Energy, LLC, incorporated by reference to Exhibit 10.1 to our Form 8-K filed on January 19, 2012.</u>
3.1	<u>Articles of Incorporation of the Company dated March 25, 2005, incorporated by reference to Exhibit 3.1 to our Registration Statement on Form SB-2 filed on July 16, 2007.</u>
3.2	<u>Certificate of Amendment to Articles of Incorporation filed with the Nevada Secretary of State effective March 27, 2012, incorporated by reference to Exhibit 3.1 to our Form 8-K filed on March 30, 2012.</u>
3.3	<u>Amended and Restated Bylaws of the Company, incorporated by reference to Exhibit 3.2 to our Form 8-K filed on March 30, 2012.</u>
3.4	<u>Certificate of Designation of Rights, Preferences, Privileges and Restrictions for Series A Preferred Stock, filed with the Nevada Secretary of State on August 28, 2013, incorporated by reference to Exhibit 3.1 to our Form 8-K filed on September 4, 2013.</u>
3.5	<u>Certificate of Designation of Rights, Preferences, Privileges and Restrictions for Series B Preferred Stock, filed with the Nevada Secretary of State on February 19, 2014, incorporated by reference to Exhibit 3.1 to our Form 8-K filed on February 24, 2014.</u>
10.1	<u>Warrant to Purchase Units of Membership Interest dated January 17, 2012, incorporated by reference to Exhibit 10.3 to our Form 8-K filed on March 30, 2012.</u>
10.2	<u>Form of Agreement to Assist with Credit Facility dated November 30, 2011, incorporated by reference to Exhibit 10.4 to our Form 8-K filed on March 30, 2012.</u>
10.3	<u>Agreement to Assist with Credit Facility – Rod Danielson, dated December 16, 2011, incorporated by reference to Exhibit 10.5 to our Form 8-K filed on March 30, 2012.</u>
10.4	<u>2012 Stock Option and Stock Award Plan, incorporated by reference to Exhibit 10.6 to our Form 8-K filed on March 30, 2012.*</u>
10.5	<u>Form of Lock Up Agreement, incorporated by reference to Exhibit 10.7 to our Form 8-K filed on March 30, 2012.</u>
10.6	<u>Form of Indemnification Agreement for Officers and Directors, incorporated by reference to Exhibit 10.1 to our Form S-8 filed on December 6, 2012</u>
10.7	<u>Form of 2013 Agreement to Assist with Credit Facility, incorporated by reference to Exhibit 10.1 to our Form 8-K filed on September 4, 2013.</u>
10.8	<u>Form of Series B Preferred Stock Purchase Agreement, incorporated by reference to Exhibit 10.1 to our Form 8-K filed on February 24, 2014</u>
10.9	<u>Energy Marketing Agreement by and between Summer Energy, LLC and DTE Energy Trading, Inc., dated as of April 1, 2014, incorporated by reference to Exhibit 10.1 to our Form 10-Q filed on May 15, 2014. Portions of this exhibit were redacted pursuant to a request for confidential treatment filed with the Securities and Exchange Commission.</u>

10.10	<u>ISDA Master Agreement, Part 7 Power Annex to ISDA Master Agreement and Schedule to ISDA Master Agreement, by and between Summer Energy, LLC and DTE Energy Trading, Inc., dated as of April 1, 2014, incorporated by reference to Exhibit 10.2 to our Form 10-Q filed on May 15, 2014.</u>
10.11	<u>Credit Agreement by and between Summer Energy, LLC and DTE Energy Trading, Inc., dated as of April 1, 2014, incorporated by reference to Exhibit 10.3 to our Form 10-Q filed on May 15, 2014. Portions of this exhibit were redacted pursuant to a request for confidential treatment filed with the Securities and Exchange Commission.</u>
10.12	<u>Security Agreement by and between Summer Energy, LLC and DTE Energy Trading, Inc., dated as of April 1, 2014, incorporated by reference to Exhibit 10.4 to our Form 10-Q filed on May 15, 2014.</u>
10.13	<u>Membership Interest Pledge Agreement made by Summer Energy Holdings, Inc. in favor of DTE Energy Trading, Inc., dated as of April 1, 2014, incorporated by reference to Exhibit 10.5 to our Form 10-Q filed on May 15, 2014.</u>
10.14	<u>Novation Agreement by and among BP Energy Company, Summer Energy, LLC and DTE Energy Trading, Inc., dated as of April 24, 2014, incorporated by reference to Exhibit 10.6 to our Form 10-Q filed on May 15, 2014</u>
10.15	<u>Advance to Loan Amount Note by Summer Energy, LLC in favor of Comerica Bank, dated as of April 18, 2014, incorporated by reference to Exhibit 10.7 to our Form 10-Q filed on May 15, 2014.</u>
10.16	<u>Executive Employment Agreement, effective January 1, 2015, by and between Summer Energy Holdings, Inc. and Jaleea P. George, incorporated by reference to Exhibit 10.1 to our Form 8-K filed on January 27, 2015.</u>
10.17	<u>Executive Employment Agreement, effective January 1, 2015, by and between Summer Energy Holdings, Inc. and Neil Leibman, incorporated by reference to Exhibit 10.2 to our Form 8-K filed on January 27, 2015.</u>
10.18	<u>Second Lien Term Loan Agreement by and between Summer Energy, LLC and Black Ink Energy, LLC, dated as of March 2, 2015, incorporated by reference to Exhibit 10.1 to our Form 8-K filed on March 5, 2015.</u>
10.19	<u>Second Lien Security Agreement by and between Summer Energy, LLC and Black Ink Energy, LLC, dated as of March 2, 2015, incorporated by reference to Exhibit 10.2 to our Form 8-K filed on March 5, 2015.</u>
10.20	<u>Second Lien Membership Interest Pledge Agreement by and between Summer Energy Holdings, Inc. and Black Ink Energy, LLC, dated as of March 2, 2015, incorporated by reference to Exhibit 10.3 to our Form 8-K filed on March 5, 2015.</u>
10.21	<u>Form of Warrant issued to Black Ink Energy, LLC, dated as of March 2, 2015, incorporated by reference to Exhibit 10.4 to our Form 8-K filed on March 5, 2015.</u>
10.22	<u>Loan Agreement by and between Summer Energy, LLC and Blue Water Capital Funding, LLC, dated as of June 29, 2016, incorporated by reference to Exhibit 10.1 to our Form 8-K filed on July 6, 2016.</u>

10.23	<u>Security Agreement by and between Summer Energy, LLC and Blue Water Capital Funding, LLC, dated as of June 29, 2016, incorporated by reference to Exhibit 10.2 to our Form 8-K filed on July 6, 2016.</u>
10.24	<u>Guaranty by and between Summer Energy Holdings, Inc. and Blue Water Capital Funding, LLC, dated as of June 29, 2016, incorporated by reference to Exhibit 10.3 to our Form 8-K filed on July 6, 2016.</u>
10.25	<u>Revolving Promissory Note made by Summer Energy, LLC for the benefit of Blue Water Capital Funding, LLC, dated as of June 29, 2016, incorporated by reference to Exhibit 10.1 to our Form 8-K filed on July 6, 2016.</u>
10.26	<u>Executive Employment Agreement, effective January 1, 2017, by and between Summer Energy Holdings, Inc. and Jaleea P. George, incorporated by reference to Exhibit 10.1 to our Form 8-K filed on January 4, 2017.</u>
10.27	<u>Executive Employment Agreement, effective January 1, 2017, by and between Summer Energy Holdings, Inc. and Neil M. Leibman, incorporated by reference to Exhibit 10.2 to our Form 8-K filed on January 4, 2017.</u>
10.28	<u>Executive Employment Agreement, effective January 1, 2017, by and between Summer Energy Holdings, Inc. and Angela Hanley, incorporated by reference to Exhibit 10.3 to our Form 8-K filed on January 4, 2017.</u>
10.29	<u>Sublease Agreement, dated October 13, 2017, by and between Summer Energy Holdings, Inc. and ENSCO International Incorporated, incorporated by reference to Exhibit 10.1 to our Form 8-K filed on November 7, 2017.</u>
10.30	<u>Membership interest Purchase Agreement, dated November 1, 2017 by and among Summer Energy Holdings, Inc., REP Energy, LLC and the members of REP Energy, LLC, incorporated by reference to Exhibit 10.2 to our Form 8-K filed on November 7, 2017.</u>
10.31	<u>ISDA Master Agreement and Schedule thereto between Summer Energy Northeast, LLC and EDF Energy Services, LLC, dated as of February 21, 2018, incorporated by reference to Exhibit 10.2 to our Form 8-K filed on February 23, 2018.</u>
10.32	<u>ISDA Credit Support Annex between Summer Energy Northeast, LLC and EDF Energy Services, LLC, dated as of February 21, 2018, incorporated by reference to Exhibit 10.3 to our Form 8-K filed on February 23, 2018.</u>
10.33	<u>Security Agreement between Summer Energy Northeast, LLC and EDF Energy Services, LLC, dated as of February 21, 2018, incorporated by reference to Exhibit 10.4 to our Form 8-K filed on February 23, 2018.</u>
10.34	<u>Guaranty of Summer Energy Holdings, Inc. in favor of EDF Energy Services, LLC dated as of February 21, 2018, incorporated by reference to Exhibit 10.5 to our Form 8-K filed on February 23, 2018.</u>
10.35	<u>First Amendment to Executive Employment Agreement between Summer Energy Holdings, Inc. and Angela Hanley, dated October 20, 2017.</u>
10.36	<u>First Amendment to Executive Employment Agreement between Summer Energy Holdings, Inc. and Neil Leibman, dated October 20, 2017.</u>
10.37	<u>First Amendment to Executive Employment Agreement between Summer Energy Holdings, Inc. and Jaleea George, dated October 20, 2017.</u>
10.38	<u>Sublease Agreement between Summer Energy Northeast, LLC (formerly REP Energy, LLC) and PDS Management Group, LLC dated October 31, 2017.</u>

10.39	Form of Promissory Note by Summer Energy Holdings, Inc. in favor of Neil Leibman and Tom O'Leary, dated January 3, 2018.
10.40	Promissory Note by Summer Energy Holdings, Inc. in favor of Neil Leibman dated January 8, 2018.
10.41	Form of Promissory Note by Summer Energy Holdings, Inc. in favor of Pinnacle Power, LLC dated January 8, 2018.
10.42	<u>Securities Purchase Agreement dated April 13, 2018, incorporated by reference to Exhibit 10.1 to our Form 8-K filed on April 19, 2018.</u>
10.43	<u>Registration Rights Agreement dated April 13, 2018, incorporated by reference to Exhibit 10.2 to our Form 8-K filed on April 19, 2018.</u>
10.44	<u>Amendment to Certain Loan Documents, dated June 27, 2018, incorporated by reference to Exhibit 10.1 to our Form 8-K filed on July 3, 2018.</u>
10.45	<u>Energy Services Agreement by and among Summer Energy, LLC, Summer Energy Northeast, LLC, EDF Trading North America, LLC and EDF Energy Services, LLC dated as of May 1, 2018. Portions of this exhibit were redacted pursuant to a request for confidential treatment filed with the Securities and Exchange Commission, incorporated by reference to Exhibit 10.1 to our Form 10-Q filed on August 14, 2018.</u>
10.46	<u>ISDA Master Agreement, Power Annex to ISDA Master Agreement Schedule to ISDA Master Agreement and Credit Support Amex thereto, by and among Summer Energy, LLC, Summer Energy Northeast, LLC and EDF Trading North America, LLC dated as of May 1, 2018, incorporated by reference to Exhibit 10.2 to our Form 10-Q filed on August 14, 2018.</u>
10.47	<u>Security Agreement by and among Summer Energy, LLC, Summer Energy Northeast, LLC, EDF Trading North America, LLC and EDF Energy Services, LLC dated as of May 1, 2018, incorporated by reference to Exhibit 10.3 to our Form 10-Q filed on August 14, 2018.</u>
10.48	<u>Pledge Agreement made by Summer Energy Holdings, Inc. in favor of EDF Trading North America, LLC and EDF Energy Services, LLC dated as of May 1, 2018, incorporated by reference to Exhibit 10.4 to our Form 10-Q filed on August 14, 2018.</u>
10.49	<u>Guaranty made by Summer Energy Holdings, Inc. in favor of EDF Trading North America, LLC and EDF Energy Services, LLC dated as of May 1, 2018, incorporated by reference to Exhibit 10.5 to our Form 10-Q filed on August 14, 2018.</u>
14.1	<u>Code of Business Conduct and Ethics, incorporated by reference to Exhibit 14.1 to our Form 10-Q filed on May 15, 2012.</u>
16.1	<u>Letter regarding change in certifying accountants, dated April 18, 2012, incorporated by reference to Exhibit 16.1 to our Form 8-K/A filed on April 20, 2012.</u>
16.2	<u>Letter regarding change in certifying accountants, dated August 21, 2017, incorporated by reference to Exhibit 99.1 to our Form 8-K filed on August 23, 2017.</u>
21.1	Schedule of Subsidiaries.
23.1	Consent of Whitley Penn LLP
24	Power of Attorney (included on the Signature Page).
31.1	Certification of the Chief Executive Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a).
31.2	Certification of the Chief Financial Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a).
32.1	Certification of CEO and CFO pursuant to 18 U.S.C. Sec. 1350 as adopted pursuant to Sec. 906 of the Sarbanes-Oxley Act of 2002.
99.1	<u>Audit Committee Charter, incorporated by reference to Exhibit 99.1 to our Form 10-Q filed on May 15, 2013.</u>
99.2	<u>Compensation Committee Charter, incorporated by reference to Exhibit 99.2 to our Form 10-Q filed on May 15, 2013.</u>
99.3	<u>Nominating and Corporate Governance Committee Charter, incorporated by reference to Exhibit 99.3 to our Form 10-K filed on March 28, 2013.</u>

\*Each of these Exhibits constitutes a management contract, compensatory plan or arrangement.

**ITEM 16. FORM 10-K SUMMARY**

Registrants may voluntarily include a summary of information required by Form 10-K under this Item 16. The Company has elected not to include such summary information.

**SIGNATURES**

Pursuant to the requirements of Section 13 or 15(d) with the Securities Exchange Act of 1934, the Registrant has duly caused this Annual Report to be signed on its behalf by the undersigned, thereunto duly authorized.

**SUMMER ENERGY HOLDINGS, INC.**

By: /s/ Neil M. Leibman  
Neil M. Leibman  
President, Chief Executive Officer and  
Principal Executive Officer

April 11, 2019

By: /s/ Jalcea P. George  
Jalcea P. George  
Chief Financial Officer and  
Principal Financial Officer

April 11, 2019

**POWER OF ATTORNEY AND SIGNATURES**

We, the undersigned directors and officers of Summer Energy Holdings, Inc., do hereby constitute and appoint each of Neil M. Leibman and Jaleea P. George as our true and lawful attorneys-in-fact and agents with power of substitution, to do any and all acts and things in our name and behalf in our capacities as directors and officers and to execute any and all instruments for us and in our names in the capacities indicated below, which said attorneys-in-fact and agents, or either of them, may deem necessary or advisable to enable said corporation to comply with the Securities and Exchange Act of 1934, as amended, and any rules, regulations and requirements of the Securities and Exchange Commission, in connection with this Annual Report on Form 10-K, including specifically but without limitation, power and authority to sign for us or any of us in our names in the capacities indicated below, any and all amendments (including post-effective amendments) hereto; and we do hereby ratify and confirm all that said attorney-in-fact and agent, shall do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this Annual Report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated:

<b>Signature</b>	<b>Title</b>	<b>Date</b>
<u>/s/ Neil M. Leibman</u> Neil M. Leibman	Chief Executive Officer (Principal Executive Officer and Director)	April 11, 2019
<u>/s/ Jaleea P. George</u> Jaleea P. George	Secretary, Treasurer, Chief Financial Officer (Principal Financial Officer and Accounting Officer)	April 11, 2019
<u>/s/ Stuart C. Gaylor</u> Stuart C. Gaylor	Director (Non-executive Chairman of the Board)	April 11, 2019
<u>/s/ Tom D. O'Leary</u> Tom D. O'Leary	Director	April 11, 2019
<u>/s/ Jefferey Mace Meeks</u> Jefferey Mace Meeks	Director	April 11, 2019
<u>/s/ Albert LaRose, Jr.</u> Albert LaRose, Jr.	Director	April 11, 2019
<u>/s/ Andrew Bursten</u> Andrew Bursten	Director	April 11, 2019
<u>/s/ James P. Stapleton</u> James P. Stapleton	Director	April 11, 2019

**Attachment E -- Agreement between Summer Energy and EDF**

**RECEIVED**

JUL - 2 2019

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

**[SEE CONFIDENTIAL ATTACHMENT E]**

**Attachment G - Illinois, Ohio, Texas, Massachusetts, and New Hampshire Licenses**

RECEIVED

JUL - 2 2019

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

**STATE OF ILLINOIS**  
**ILLINOIS COMMERCE COMMISSION**

**Summer Energy Midwest, LLC** :  
: :  
**Application for Certificate of Service** : **19-0315**  
**Authority under Section 16-115 of the** :  
**Public Utilities Act.** :

**ORDER**

By the Commission:

**RECEIVED**

JUL - 2 2019

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

**I. PRELIMINARY MATTERS**

On March 25, 2019, Summer Energy Midwest, LLC ("Applicant") filed a verified Application with the Illinois Commerce Commission ("Commission") requesting a certificate of service authority to operate as an alternative retail electric supplier ("ARES") in Illinois pursuant to Section 16-115 of the Public Utilities Act ("Act"), 220 ILCS 5/1-101 et seq., and 83 Ill. Adm. Code 451 ("Part 451"). Applicant also filed a Motion for Confidential Treatment. Applicant submitted its certificate of publication showing that on March 27, 2019, *proper notice of the Application was published in the official State newspaper.*

**II. BACKGROUND AND AUTHORITY SOUGHT BY APPLICANT**

Applicant requests authority to offer the sale of electricity and power to eligible residential and non-residential retail customers in the Commonwealth Edison Company ("ComEd") service territory. Applicant indicates that it is not seeking authority to provide single-billing services under Subpart F of Part 451.

**III. REQUIREMENTS FOR ALL APPLICANTS UNDER SECTION 16-115(d) OF THE ACT**

Applicant is an Ohio limited liability company, headquartered in Houston, Texas, and has not been previously certificated as a retail electric supplier in Illinois. The Applicant indicates it is currently licensed to provide similar services in Texas. Applicant indicates that it has affiliates which operate in Texas, Massachusetts and New Hampshire. The Applicant states that it has not been denied an electric supplier license in any state, nor has it had an electric supplier license suspended or revoked in any state. The Applicant indicates that it has no other applications for an electric supplier license pending in any state.

Applicant states that it does not and will not have employees that will be installing, operating, and maintaining generation, transmission, or distribution facilities within the State of Illinois. Applicant indicates that it has not contracted with any other entity to perform these functions. No demonstration of compliance with the requirements of Section 451.20(f)(2) has been made and Applicant's employees are not permitted to perform such functions, and other entities are not permitted to perform such functions pursuant to contractual arrangements with Applicant.

Applicant has certified that it will comply with all applicable regulations; that it will provide service only to retail customers eligible to take such services; that it will comply with informational and reporting requirements established by Commission rule; that it will comply with informational and reporting requirements pursuant to Section 16-112 of the Act; and that it will comply with all other applicable laws, regulations, terms, and conditions required to the extent they have application to the services being offered by an ARES. Additionally, Applicant has agreed to submit good faith schedules of transmission and energy in accordance with applicable tariffs. Applicant has agreed to adopt and follow rules relating to customer authorizations, billing records, and retail electric services and agrees to retain requests for delivery services transmitted to utilities for a period of not less than two calendar years after the calendar year in which they are created. Applicant has agreed to adopt and follow rules and procedures to preserve the confidentiality of its customers' data.

Pursuant to the requirements of Subpart D of Part 451, Applicant certifies that any marketing materials that make statements concerning prices, terms and conditions of service shall contain information that adequately discloses the prices, terms and conditions of the products or services that it is offering or selling to the customer. Applicant also certifies that before any customer is switched from another supplier, it shall give the customer written information that adequately discloses, in plain language, the prices, terms and conditions of the products and services being offered and sold to the customer. Applicant further certifies that it will provide documentation to the Commission and to customers that substantiates any claims made regarding the technologies and fuel types used to generate the electricity offered or sold to customers. Applicant commits to provide to its customers itemized billing statements that describe the products and services provided to the customer and their prices; and an additional statement, at least annually, that adequately discloses the average monthly prices, and the terms and conditions, of the products and services sold to the customer.

Applicant certifies that it will include materials comprising the consumer education program pursuant to Section 16-117 of the Act with all initial mailings to potential residential and small commercial retail customers and before executing any agreements or contracts with such customers. Applicant certifies that it will provide consumer education program materials pursuant to Section 16-117 of the Act at no charge to residential and small commercial retail customers upon request. Applicant certifies that it will provide to residential and small commercial retail customers on a semi-annual basis information on how to obtain a list of ARESs that have been found in the last three years

by the Commission to have failed to provide service in accordance with the terms of their contracts pursuant to Section 16-117(g) (4) (C) of the Act.

Pursuant to the requirements of Section 451.50 of Part 451, Applicant provided a License or Permit Bond in the amount of \$300,000 issued by a qualifying surety authorized to transact business in Illinois. Attachment "C" to the Application is a copy of the required License or Permit Bond.

#### **IV. FINANCIAL, TECHNICAL, AND MANAGERIAL REQUIREMENTS OF SECTION 16-115**

Applicant asserts that it meets the financial qualifications set forth in Section 16-115(d)(1). Included in Attachment "D" to the Application is information intended to demonstrate that Applicant meets the criteria set forth in Sections 451.320(a)(2) of the currently applicable rules, which provides in part that:

- 2) The applicant maintains one or more lines of credit with RTOs and/or unaffiliated wholesale suppliers for electric energy for delivery to the service territories of the utilities for which the applicant is seeking a certificate.
  - A) The amount of credit available to the applicant under the credit agreements shall in aggregate be no less than the greater of \$1,000,000 or 10% of the amount of the applicant's revenue for its most recently completed 12-month fiscal year. That amount of revenue must appear in the applicant's certified financial statements, or those of the applicant's parent, that have received an accountant's report that certifies those financial statements to be free of material misstatement. If the applicant is using the certified financial statements of its parent, the minimum required amount of credit available under the credit agreements shall be determined using the applicable revenue amount from the segment information section of the certified financial statements of the applicant's parent.

The Applicant has shown that it maintains the required supplier credit agreement and services agreement between the Applicant and Summer Energy, LLC, in an amount that satisfies the requirements of Section 451.320(a)(2). Applicant also provided documentation intended to verify that it meets the financial requirements of Part 451.

Applicant represents that it meets the technical and managerial qualifications set forth in Section 16-115(d)(1) of the Act and Section 451.330 of Part 451. In Attachment "E" the Applicant provided the name and relevant occupational background for its qualified staff pursuant to Section 451.330(b). Applicant asserts that it further meets the requirements of Part 451.330 by designating contact information for where its staff can

be directly reached at all times. Attachment "F" contains a corporate organizational chart, which indicates the positions of those persons used to meet the requirements of Part 451.330, as well as an address, toll-free telephone number and facsimile number where the Applicant's staff can be reached at all times. In Attachment "F" to the Application, Applicant also provided information intended to demonstrate that it meets the managerial qualifications set forth in Part 451.340.

Applicant further disclosed its contractor has the required experience to satisfy the technical and managerial licensing requirements pursuant to Sections 451.330(b), 451.340 and 451.350(a). The Applicant certifies that all of its agents or contractors will comply with all Sections of Part 451 applicable to the function or functions to be performed by the respective agent or contractor.

The Applicant notes in its Application that neither it or its affiliates have been the subject of formal customer complaints before state-level public utility commissions.

The Applicant further certifies that in the event that it bills any residential customer directly for supply, the Applicant shall ensure that when marketing to residential customers who receive any type of low income energy assistance, the Applicant has entered into the necessary agreements to allow low-income customers to receive Low Income Home Energy Assistance Program ("LIHEAP") benefits and Percentage of Income Payment Program ("PIPP") benefits.

#### **V. REQUIREMENTS OF SECTION 16-115(d)(5) OF THE ACT**

On January 12, 2009, Public Act 095-01027 ("PA 95-1027") was signed into law in Illinois. Among many other things, PA 95-1027 amends Section 16-115 of the Act. Section 16-115(d)(5) requires, in part:

That the [ARES] applicant will procure renewable energy resources and will source electricity from clean coal facilities, as defined in Section 1-10 of the Illinois Power Agency Act, in amounts at least equal to the percentages set forth in subsections (c) and (d) of Section 1-75 of the Illinois Power Agency Act.

Applicant states that it intends to fully comply with Subsection 16-115(d)(5) of the Act and the specific requirements to procure renewable energy resources as defined in the Illinois Power Agency Act ("IPA Act"). Applicant says it will procure renewable energy sources in accordance with Sections 16-111.5(d)(5) and 16-115D of the Public Utilities Act and will source electricity from clean coal facilities, as defined in Section 1-10 of the Illinois Power Agency Act, in amounts at least equal to the percentages set forth in subsections (c) and (d) of Section 1-75 of the Illinois Power Agency Act. Applicant indicates it is not a generator of electric power and energy (renewable or otherwise) and therefore contemplates that it will either purchase the required portion of its electric supply requirements from qualified renewable power generation sources directly, or more likely,

purchase sufficient Renewable Energy Credits and/or make alternative compliance payments to meet the requirements of the Acts and related Commission requirements.

Having reviewed the information submitted by Applicant, the Commission concludes that Applicant meets the requirements set forth in Section 16-115(d)(5) of the Act. The Commission notes that it is responsible for enforcing the requirements of Section 16-115(d)(5) of the Act, as well as certain referenced requirements in the IPA Act, and Applicant must fully comply with all requirements contained therein.

## **VI. COMMISSION CONCLUSION AND CERTIFICATE OF SERVICE AUTHORITY**

The Commission has reviewed the Application and attachments along with the supplementary information provided by Applicant regarding the technical, financial, and managerial requirements and all other requirements of the Act and Part 451 and finds that the Applicant sufficiently demonstrates compliance with the requirements.

The Commission concludes, therefore, that Applicant's request for a certificate of service authority to operate as an ARES in Illinois should be granted and should include the following authority:

### **CERTIFICATE OF SERVICE AUTHORITY**

**IT IS CERTIFIED** that Summer Energy Midwest, LLC is granted service authority to operate as an Alternative Retail Electric Supplier as follows:

**SERVICES TO BE PROVIDED:** The sale of electricity and power.

**CUSTOMERS TO BE SERVED:** All eligible residential and nonresidential retail customers.

**GEOGRAPHIC REGION(S) SERVED:** The service territory of Commonwealth Edison Company.

The Applicant has also requested confidential treatment of certain documents filed in support of its request for certification as an ARES. In support of its request for confidential treatment, Petitioner cites the Illinois Freedom of Information Act, 5 ILCS 140/7, and further cites 83 Ill. Adm. Code 451.60. The Commission finds that based on the competitive electric market in Illinois, disclosure of the information contained in Attachments "D" and "F" to the Application could cause harm to the Applicant, and that it would be appropriate to grant the requested two-year period of confidential treatment for those documents, such that they would only be accessible by the Commission and Commission Staff during that time.

## VII. FINDINGS AND ORDERING PARAGRAPHS

The Commission, having reviewed the entire record, is of the opinion and finds that:

- (1) Summer Energy Midwest, LLC, a business organized under the laws of Ohio and licensed to do business in Illinois, seeks a certificate of service authority to operate as an ARES under Section 16-115 of the Act;
- (2) the Commission has jurisdiction over Summer Energy Midwest, LLC and the subject matter hereof;
- (3) the recitals of fact and conclusions reached in the prefatory portion of this Order are supported by the record and are hereby adopted as findings of fact, as required by Section 16-115(d)(1) of the Act;
- (4) Summer Energy Midwest, LLC has demonstrated that it possesses sufficient financial, managerial and technical resources and abilities to provide power and energy to eligible residential and non-residential retail customers throughout the areas certified herein;
- (5) Summer Energy Midwest, LLC has complied with Section 16-115(d)(1) through (5) and (8) of the Act and 83 Ill. Adm. Code 451;
- (6) Summer Energy Midwest, LLC should be granted a certificate of service authority to operate as an ARES as specified in Section VI of this Order;
- (7) 83 Ill. Adm. Code 451.60 provides, in pertinent part that:

If an applicant or ARES believes any of the information to be disclosed by an applicant or ARES is privileged or confidential, the applicant or ARES should request that the Commission enter an order to protect the confidential, proprietary or trade secret nature of any data, information or studies pursuant to 83 Ill. Adm. Code 200.430;

- (8) Section 7(1)(g) of the Illinois Freedom of Information Act, 5 ILCS 140/1 et seq., exempts from disclosure:

Trade secrets and commercial or financial information obtained from a person or business where the trade secrets or commercial or financial information are furnished under a claim that they are proprietary, privileged or confidential, and that disclosure of the trade secrets or commercial or financial information would cause competitive harm to the person or business, and only insofar as the claim directly applies to the records requested;

- (9) as stated in the Motion for Confidential Treatment, filed contemporaneously with the Application, Attachments "D" and "F" fall within the exemption stated in Finding (8); and
- (10) Attachments "D" and "F" to the Application should be exempt from public disclosure under Section 7(1)(g) of the Illinois Freedom of Information Act and Section 5-109 of the Act for a period of two years from the date of this Order.

IT IS THEREFORE ORDERED that Summer Energy Midwest, LLC is hereby granted a Certificate of Service Authority as set forth in Section VI of this Order.

IT IS FURTHER ORDERED that Summer Energy Midwest, LLC shall comply with all applicable Commission rules and orders now and as hereafter amended.

IT IS FURTHER ORDERED that Attachments "D" and "F" to the Application are afforded proprietary treatment and are exempt from public disclosure and will be accessible only by the Commission and the Commission Staff for a period of two years from the date of this Order.

IT IS FURTHER ORDERED that pursuant to Section 10-113(a) of the Public Utilities Act and 83 Ill. Adm. Code 200.880, any application for rehearing shall be filed within 30 days after service of the Order on the party.

IT IS FURTHER ORDERED that, subject to the provisions of Section 10-113 of the Public Utilities Act and 83 Ill. Adm. Code 200.880, this Order is final; it is not subject to the Administrative Review Law.

By Order of the Commission this 2nd day of May, 2019.

(SIGNED) CARRIE ZALEWSKI

Chairman

FILE



**Public Utilities  
Commission**

Asim Z. Haque, Chairman

Commissioners  
M. Beth Trombold  
Thomas W. Johnson  
Lawrence K. Friedeman  
Daniel R. Conway

**PUBLIC UTILITIES COMMISSION OF OHIO**

*Certified as a Competitive Retail Electric Service Provider*

**REVISED RENEWAL**

Certificate Number:

15-982E (2)

Issued Pursuant to Case Number(s):

15-0964-EL-CRS

A certificate as a Competitive Retail Electric Service Provider is hereby granted to **Summer Energy Midwest, LLC** whose office or principal place of business is located at **5847 San Felipe Street, Ste 3700, Houston, TX 77057** to provide power marketer services within the State of Ohio effective **June 15, 2017**.

The certification of competitive retail electric suppliers is governed by Section 4901:1-24-(01-13) of the Ohio Administrative Code, Section 4901:1-21-(01-15) of the Ohio Administrative Code, and Section 4928.08 of the Ohio Revised Code.

This Certificate is revocable if all of the conditions set forth in the aforementioned case(s) are not met.

Subject to all rules and regulations of the Commission, now existing or hereafter promulgated.

Witness the seal of the Commission affixed at Columbus, Ohio.

**Dated: November 21, 2018**

By Order of

**PUBLIC UTILITIES COMMISSION OF OHIO**

Barcy F. McNeal, Secretary  
Tanowa M. Troupe, Acting Secretary  
Susan Patterson, Acting Secretary  
Beverly Hoskinson, Acting Secretary

**Certificate Expires: June 15, 2019**

This is to certify that the images appearing are an accurate and complete reproduction of a case file document delivered in the regular course of business.  
Technician MA Date Processed NOV 21 2018

**CRES AUTOMATIC CASE ACTION FORM**

Date: 11-21-18

Case Number: 15-964-EL-CRS

Company Name and Company Name d/b/a: **Summer Energy Midwest, LLC**

Company Address: **5847 San Felipe Street, Suite 3700**

Company City/State/Zip: **Houston TX 77057**

Regulatory Contact: **Angela Hanley**

Phone: **713-375-2777**

Email: **ahanley@summerenergy.com**

Address: **5847 San Felipe Street, Suite 3700**

City/State/Zip: **Houston TX 77057**

Renewal

**Action Needed:**

Issue Certificate Number to:

Effective Date of Certificate:

Certificate Expires:

Renew Certificate Number from: to:

Effective Date of Certificate:

Certificate Expires:

Certified To Provide the Following Services:

Retail Generation

Aggregation

Power Marketer

Power Broker

Governmental Aggregation

Revise Certificate Number: **15-982E** to (check all applicable):

Reflect name change from: **Summer Energy PJM, LLC** to **Summer Energy Midwest, LLC**

Reflect address change from: to

Correct Administrative Error:

Reflect Change of Ownership to:

Cancel Certificate Number:

Protect Un-redacted copies until:

Close Case File, Case Withdrawn at Applicant's Request

Close Case File

**CASE NUMBER:** 15-0964-EL-CRS  
**CASE DESCRIPTION:** SUMMER ENERGY MIDWEST LLC  
**DATE OF SERVICE:** 11/21/2018  
**DOCUMENT SIGNED ON:** 11/21/2018

Sign Here: \_\_\_\_\_ *DMS*

PARTY OF RECORD	APPLICANT	ATTORNEY
SUMMER ENERGY MIDWEST LLC ANGELA HANLEY 5847 SAN FELIPE STREET SUITE 3700 HOUSTON, TX 77057 Phone: 713-375-2790 Email: AHANLEY@SUMMERENERGY.COM	NONE	

PARTY OF RECORD	ATTORNEY	ATTORNEY
none	*Petrucci, Gretchen L. Mrs. Vorys, Sater, Seymour and Pease 52 East Gay Street, P.O. Box 1008 Columbus, OH 43216-1008 Phone: 614-464-5407 Fax: 614-719-4793 Email: glpetrucci@vorys.com	
none	*Escalante, Janie Mrs. SUMMER ENERGY PJM LLC 800 Bering drive #260 Houston, TX 77504 Phone: 713-375-2771 Fax: 713-481-0905 Email: jescalante@summerenergy.com	

**Donna L. Nelson**  
Chairman

**Kenneth W. Anderson, Jr.**  
Commissioner

**Rolando Pablos**  
Commissioner

**Brian H. Lloyd**  
Executive Director



**Rick Perry**  
Governor

***Public Utility Commission of Texas***

11 SEP 29 PM 3:00  
L. P. O. J. R.

**TO: Summer Energy LLC**  
**Jamie Rigell, President**  
**800 Bering Drive, Suite 260**  
**Houston, Texas 77057**

**Oversight and Enforcement Division**  
**Legal Division**

**RE: Docket No. 39709 – Application of Summer Energy LLC for Retail Electric Provider Certification, Pursuant to SUBST. R. §25.105**

**NOTICE OF APPROVAL**

This Notice grants Summer Energy LLC (the Applicant) certification as a Retail Electric Provider (REP) for the geographic area of the Electric Reliability Council of Texas (ERCOT). The Commission provided notice of the application to interested parties. More than 15 days have passed since the completion of notice. No protests, motions to intervene, or requests for hearing were filed. The Applicant and the Commission Staff are the only parties to the proceeding. Commission Staff recommends approval of the application. The application is approved.

**Statutory Findings**

1. The application complies with PURA<sup>1</sup> § 39.352.
2. The Applicant has met the business name, office, and threshold residential service level requirements specified in subsection (e) of P.U.C. SUBST. R. 25.107.
3. The Applicant is entitled to approval of this application, having demonstrated that it possesses the financial and technical resources to provide continuous and reliable electric

<sup>1</sup> The Public Utility Regulatory Act, TEX. UTIL. CODE ANN. §§ 11.001–66.016 (Vernon 2007 & Supp. 2010) (PURA).

9

- service to its customers in the area for which certification is sought, and the managerial and technical ability to supply electricity at retail in accordance with customer contracts.
4. The Applicant has demonstrated that configuration of the proposed geographic area, if any, does not discriminate in the provision of electric service to any customer because of race, creed, color, national origin, or any other basis prohibited by law or P.U.C. SUBST. R. 25.107(h)(1).
  5. The Applicant has demonstrated that it possesses the resources needed to meet the customer protection requirements, disclosure requirements, and marketing guidelines as specified in P.U.C. SUBST. R. 25.107(h).
  6. The Applicant has demonstrated that it has ownership or lease of an office located within this state for the purpose of providing customer service, accepting service of process, and making available in that office books and records sufficient to establish the retail electric provider's compliance with the requirements of PURA § 39.352(b)(4).
  7. The name(s) under which the Applicant has requested that the REP certificate be issued are not deceptive, misleading, vague, or otherwise contrary to P.U.C. SUBST. R. 25.272, or duplicative of a name previously approved for use by an existing REP certificate holder.
  8. The Applicant has agreed to comply with P.U.C. SUBST. R. 25.107(f)(3), and P.U.C. SUBST. R. 25.108 relating to the billing and collection of transition charges.
  9. The Applicant is financially qualified to be certified as a REP in Texas.
  10. The Applicant has sworn and affirmed that it will register with or be certified by the ERCOT ISO or another independent organization, and will comply with the technical and managerial requirements of P.U.C. SUBST. R. 25.107 or that all entities with whom the Applicant has a contractual relationship to purchase power are registered with or certified by the independent organization and comply with all system rules and standards established by the independent organization, providing such proof of registration or certification after REP certification but at least 21 days before providing electric retail service to customers in Texas.

11. Commission Staff stated that the Applicant has met the requirements in P.U.C. SUBST. R. 25.107 to be certified as a REP in Texas, recommending that the application be approved.

**Ordering Paragraphs**

1. The application for retail electric provider certification is approved.<sup>2</sup> The Applicant is granted REP Certificate No. 10205 for the geographic of ERCOT.
2. The Applicant shall continuously maintain an office located within Texas for the purpose of providing customer service, accepting service of process, and making available in that office books and records sufficient to establish the REPs compliance with the requirements of PURA, and applicable Commission rules.
3. The Applicant shall notify the Commission within 30 days of any change in its office address, business address, telephone number(s) or contact information.
4. This certificate is not transferable without prior approval by the Commission and shall continue in force until further order of the Commission, pursuant to P.U.C. SUBST. R. 25.107.
5. This certificate shall not be construed to vest exclusive service or property rights in and to the area for which the certificate is granted pursuant to P.U.C. SUBST. R. 25.107.
6. The Applicant shall comply with all renewable energy portfolio standards in accordance with P.U.C. SUBST. R. 25.173.
7. The Applicant shall comply with any customer protection requirements, disclosure requirements, marketing guidelines and anti-discrimination rules adopted by the Commission pursuant to §§ 17.001 - 17.004 and Chapter 39 of PURA.
8. Pursuant to P.U.C. SUBST. R. 25.107(f)(2), the Applicant shall maintain records on an on-going basis for any deposits or advance payments received from customers. Financial obligations to customers shall be payable to them within 30 calendar days from the date the REP notifies the commission that it intends to withdraw its certification or is deemed by the commission not able to meet its current customer obligations. Customer

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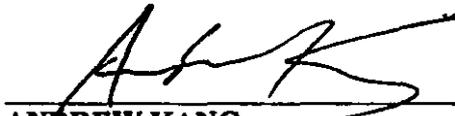
<sup>2</sup> Administrative approval of this uncontested application has no precedential value in a future proceeding.

obligations shall be settled before the REP withdraws its certificate or ceases doing business in Texas.

9. All other motions, requests for entry of specific findings of fact and conclusions of law, and any other requests for general or specific relief, if not expressly granted herein, are hereby denied.

SIGNED AT AUSTIN, TEXAS on the 29<sup>th</sup> day of September 2011.

**PUBLIC UTILITY COMMISSION OF TEXAS**

  
\_\_\_\_\_  
**ANDREW KANG**  
**ADMINISTRATIVE LAW JUDGE**

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JUL - 2 2019

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

THE STATE OF NEW HAMPSHIRE

CHAIRMAN  
Amy L. Ignatius

COMMISSIONERS  
Michael D. Harrington  
Robert F. Scott

EXECUTIVE DIRECTOR  
Debra A. Howland



PUBLIC UTILITIES COMMISSION  
21 S. Fruit Street, Suite 10  
Concord, N.H. 03301-2429

TDD Access: Relay NH  
1-800-735-2964

Tel. (603) 271-2431

FAX (603) 271-3878

Website:  
[www.puc.nh.gov](http://www.puc.nh.gov)

November 1, 2013

Neil Leibman, CEO  
REP Energy, LLC  
800 Bering Drive, Suite 250  
Houston, TX 77057

Re: DM 13-237, REP Energy, LLC  
Competitive Electric Power Supplier Application

Dear Mr. Leibman:

On August 13, 2013, REP Energy, LLC (REP Energy) filed an application with the Commission to register as a competitive electric power supplier (CEPS). The application was completed on October 30, 2013, when the company filed an amendment to its letter of credit.

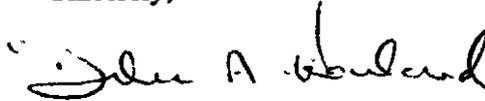
Staff reviewed the information submitted with the application and determined that it complies with the requirements of N.H. Code Admin. Rule Puc 2003 and 2006.02. REP Energy provided evidence that it completed electronic data interchange (EDI) testing with only one distribution utility, Unitil Energy Services (UES). Staff thus recommended that the Commission approve REP Energy's application to register as a CEPS, but limit its approval so that the company may operate only in the franchise area of UES.

Based on Staff's recommendation, the Commission approves REP Energy's application to register as a CEPS, and permits it to operate only in the service area of UES, effective November 1, 2013. If REP Energy seeks to extend its operations into the franchise areas of other distribution utilities, it should file a request with the Commission and provide evidence that it has completed EDI testing with those distribution utilities in whose franchise areas it intends to operate.

This registration is for a term of 5 years and expires at the end of business on October 31, 2018. Pursuant to N.H. Code Admin. Rule Puc 2003.02(a), REP Energy must submit its next renewal application at least 60 days prior to the expiration of the registration approved here, on or before September 1, 2018.

Please be aware that registered CEPSs are subject to specific requirements contained in Puc 2000 – Competitive Electric Power Supplier and Aggregator Rules. These rules are available at: <http://www.puc.nh.gov/Regulatory/Rules/PUC2000.pdf>. This includes PUC 2003.03(b), requiring CEPS to file a confidential quarterly sales activity report by January 31, April 30, July 31, and October 31 of each year.

Sincerely,

A handwritten signature in black ink, appearing to read "Debra A. Howland". The signature is written in a cursive style with a large initial "D".

Debra A. Howland  
Executive Secretary

cc: Service List  
Docket File

**SERVICE LIST - EMAIL ADDRESSES - DOCKET RELATED**

---

Pursuant to N.H. Admin Rule Puc 203.11 (a) (1): Serve an electronic copy on each person identified on the service list.

Executive.Director@puc.nh.gov  
amanda.noonan@puc.nh.gov  
Christina.Martin@oca.nh.gov  
david.goyette@puc.nh.gov  
margaret.raymond@puc.nh.gov  
mleibman@hplco.com  
steve.mullen@puc.nh.gov  
susan.chamberlin@oca.nh.gov  
suzanne.amidon@puc.nh.gov  
tom.frantz@puc.nh.gov

Docket #: 13-237-1 Printed: November 01, 2013

**FILING INSTRUCTIONS:**

- a) Pursuant to N.H. Admin Rule Puc 203.02 (a), with the exception of Discovery, file 7 copies, as well as an electronic copy, of all documents including cover letter with: DEBRA A HOWLAND  
EXEC DIRECTOR  
NHPUC  
21 S. FRUIT ST, SUITE 10  
CONCORD NH 03301-2429
- b) Serve an electronic copy with each person identified on the Commission's service list and with the Office of Consumer Advocate.
- c) Serve a written copy on each person on the service list not able to receive electronic mail.

Docket DM 13-237

**REP energy**

800 Berling Drive Suite 250  
Houston, TX 77057  
www.rep-energy.com

December 7, 2017

Executive Director  
N.H. Public Utilities Commission  
21 South Fruit Street, Suite 10  
Concord, NH 03301

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PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

RE: REP Energy, LLC acquisition by Summer Energy Holdings, Inc.

Effective December 31, 2017 REP Energy, LLC has been acquired by Summer Energy Holdings Inc, and accordingly changed its name to Summer Energy Northeast, LLC. Please see attached response to the required documentation under Puc 2003.02(h), which states:

*Puc 2003.02(h) Each CEPS shall notify the commission of any changes to the information required to be submitted pursuant to this section and Puc 2006.01, with the exception of the information specified in Puc 2006.01(n) and (o). The CEPS shall provide such notice in advance, when practicable, but no later than 10 business days following the effective date of the change, in all cases.*

We are also including a copy of the letter which will be sent to our entire customer base. Please let us know if you require anything further. Thank you.

Best regards,



Neil Leibman  
CEO  
713-554-4300

CC: Executive.Director@puc.nh.gov  
David.Goyette@puc.nh.gov



800 Bering Drive Suite 250

Houston, TX 77057

[www.rep-energy.com](http://www.rep-energy.com)

DATE

Customer

Address

City

Dear Valued Customer,

Effective December 31, 2017 REP Energy, LLC will be acquired by Summer Energy Holdings, Inc., the parent company of Summer Energy, LLC, a retail electric provider based in Houston, Texas. In connection with this acquisition, REP Energy, LLC will change its name to Summer Energy Northeast, LLC. **Summer Energy will continue to serve your electricity account without interruption at the same pricing and terms of your existing agreement.** You will experience no change other than the provider name on your monthly invoice.

You can learn more about Summer Energy by visiting their website at [www.summerenergy.com](http://www.summerenergy.com). Should you have any questions regarding this letter please do not hesitate to call us at the number below. One of our customer service agents will be glad to assist you. We have valued your business and we truly appreciate the opportunity to serve your electricity needs.

Best regards,

REP Energy Customer Service Team

Customer Service Toll Free

Phone: 866-727-5658

Email: [customercare@rep-energy.com](mailto:customercare@rep-energy.com)

# REP energy

800 Bering Drive Suite 250  
Houston, TX 77057  
www.rep-energy.com

## **RE: Docket DM 13-237**

*Effective December 31, 2017 Summer Energy Holdings, Inc., the parent company of Summer Energy, LLC, a retail electric provider based in Houston, Texas, and Summer Energy Northeast, LLC, has acquired REP Energy, LLC.*

### **Exhibit A-Principals**

#### **Neil Leibman**

*Chief Executive Officer*

nleibman@summerenergy.com  
5847 San Felipe Street Suite 3700  
Houston, Texas 77057  
713-554-4301

#### **Angela Hanley**

*President*

ahanley@summerenergy.com  
5847 San Felipe Street Suite 3700  
Houston, Texas 77057  
713-375-2777

#### **Jaleea George**

*Chief Financial Officer*

jgeorge@summerenergy.com  
5847 San Felipe Street Suite 3700  
Houston, Texas 77057  
713-375-2793

#### **Travis Andrews**

*Chief Supply Officer*

tandrews@summerenergy.com  
5847 San Felipe Street Suite 3700  
Houston, Texas 77057  
713-375-2789

THE STATE OF NEW HAMPSHIRE

CHAIRMAN  
Martin P. Honigberg

COMMISSIONERS  
Kathryn M. Bailey  
Michael S. Gialmo

EXECUTIVE DIRECTOR  
Debra A. Howland



PUBLIC UTILITIES COMMISSION  
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TDD Access: Relay NH  
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Tel. (603) 271-2431

FAX (603) 271-3878

Website:  
[www.puc.nh.gov](http://www.puc.nh.gov)

October 31, 2018

Martha Diaz, Supervisor Operations  
Summer Energy Northeast, LLC  
5847 San Felipe Street, Suite 3700  
Houston, TX 77057

Re: DM 18-136, Summer Energy Northeast, LLC  
Application to Renew Registration as Competitive Electric Power Supplier

Dear Ms. Diaz:

On August 30, 2018, Summer Energy Northeast, LLC (Summer Energy) filed an application to renew its registration as a competitive electric power supplier (CEPS).

Commission Staff filed a memorandum on October 31, 2018 that summarizes the filing made by Summer Energy in connection with its registration renewal and Staff's analysis of the completed application. Staff concluded that the application complies with the requirements of Puc 2003 and Puc 2006.01. Staff recommended approval of Summer Energy's registration renewal application for a three-year term beginning on the expiration date of the currently active registration, November 1, 2018, and ending at the close of business on November 1, 2021. In addition, Staff recommended that the renewed registration authorize Summer Energy to operate in the franchise areas of Public Service Company of New Hampshire d/b/a Eversource Energy (Eversource), Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities (Liberty), New Hampshire Electric Cooperative, Inc. (NHEC), and Unitil Energy Systems, Inc. (Unitil) and be permitted to provide service to residential and small commercial customers.

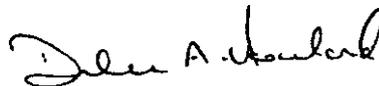
Summer Energy's application for renewed registration as a CEPS authorized to operate in the franchise areas of Eversource, Liberty, NHEC, and Unitil and to provide service to residential and small commercial customers is approved for a term beginning on November 1, 2018 and ending at the close of business on November 1, 2021. Pursuant to Puc 2003.02(a), Summer Energy must submit its next renewal application at least 60 days prior to the expiration of the approved registration period, on or before September 1, 2021.

Please be aware that registered CEPS are subject to specific requirements contained in Puc 2000 – Competitive Electric Power Supplier and Aggregator Rules. These rules are available at: <http://www.puc.nh.gov/Regulatory/Rules/PUC2000.pdf>. In particular, note that, under Puc 2003.03(e), if a CEPS's financial security instrument will not be renewed or extended beyond its expiration date, it must (1) provide written notice to the Commission of such non-renewal or non-extension no less than 60 days prior to the expiration date, and (2) file with the Executive Director a replacement financial security instrument meeting the requirements of the rules no less than 30 days prior to the expiration date, and that, under Puc 2003.03(f), a CEPS that fails to comply with the requirement to file a replacement financial security instrument is subject to fines, suspension, or revocation pursuant to Puc 2005.

Please also note that each CEPS must input into a shopping comparison website, maintained by the Commission, information regarding its standard pricing policies, charges, and key terms for residential and small commercial customers. This information must be updated whenever it changes, but no less frequently than once per month. These requirements are intended to comply with RSA 374-F:4-b, II and Puc 2004.03(a). Following its initial registration, each CEPS will be sent by electronic mail a link to the website through which it must input the required information.

In addition, all CEPS must comply with the renewable portfolio standard (RPS) requirements of RSA 362-F. The RPS obligation applies to every "provider of electricity," as defined in RSA 362-F:2, XIV, which includes registered CEPS. Please also refer to the Puc 2500 rules for further details regarding RPS compliance and reporting requirements. RPS compliance is on a calendar year basis and must be reported to the Commission by July 1 of the subsequent calendar year. Pursuant to RSA 378:49 and Puc 2004.05, all CEPS also must comply with the requirement to disclose environmental characteristics of the electricity they sell to retail customers.

Sincerely,



Debra A. Howland  
Executive Director

cc: Service List  
Docket File

**SERVICE LIST - EMAIL ADDRESSES - DOCKET RELATED**

Pursuant to N.H. Admin Rule Puc 203.11(a) (1): Serve an electronic copy on each person identified on the service list.

Executive.Director@puc.nh.gov  
ahanley@summerenergy.com  
amanda.noonan@puc.nh.gov  
bryan.connelly@puc.nh.gov  
david.goyette@puc.nh.gov  
leszek.stachow@puc.nh.gov  
ocalitigation@oca.nh.gov  
tom.frantz@puc.nh.gov

Docket #: 18-136-1 Printed: November 01, 2018

**FILING INSTRUCTIONS:**

- a) Pursuant to N.H. Admin Rule Puc 203.02 (a), with the exception of Discovery, file 7 copies, as well as an electronic copy, of all documents including cover letter with: DEBRA A HOWLAND  
EXEC DIRECTOR  
NHPUC  
21 S. FRUIT ST, SUITE 10  
CONCORD NH 03301-2429
- b) Serve an electronic copy with each person identified on the Commission's service list and with the Office of Consumer Advocate.
- c) Serve a written copy on each person on the service list not able to receive electronic mail.



THE COMMONWEALTH OF MASSACHUSETTS  
DEPARTMENT OF PUBLIC UTILITIES

DEVAL L. PATRICK  
GOVERNOR

ONE SOUTH STATION  
BOSTON, MA 02110  
(617) 305-3500

ANN G. BERWICK  
CHAIR

JOLETTE A. WESTBROOK  
COMMISSIONER

DAVID W. CASH  
COMMISSIONER

RICHARD K. SULLIVAN, JR.  
SECRETARY OF ENERGY  
AND ENVIRONMENTAL AFFAIRS

June 25, 2013

Neil Leibman, CEO  
REP Energy, LLC  
800 Bering Drive, Suite 250  
Houston, TX 77057

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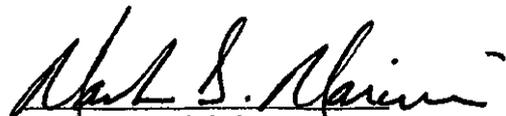
JUL - 2 2013

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

Dear Mr. Leibman,

The Department of Public Utilities ("Department") has reviewed your application for renewal of your **Competitive Supplier License, CS-078**, and is pleased to inform you that your application for renewal has been approved.

As a condition of maintaining this license, you must file updated information within 30 days of any material or organic change in the information required by 220 C.M.R. § 11.05(2), and you must comply with all relevant requirements of G.L. c. 164 and the regulations promulgated thereunder, including 220 C.M.R. §§ 11.00, 12.00 et seq. If you decide to request renewal of your license next year, please submit renewal application no later than September 1, 2013.

  
Mark D. Marini, Secretary

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JUN 28 2013  
BY:



THE COMMONWEALTH OF MASSACHUSETTS  
DEPARTMENT OF PUBLIC UTILITIES

DEVAL L. PATRICK  
GOVERNOR

TIMOTHY P. MURRAY  
LIEUTENANT GOVERNOR

RICHARD K. SULLIVAN, JR.  
SECRETARY OF ENERGY  
AND ENVIRONMENTAL AFFAIRS

ONE SOUTH STATION  
BOSTON, MA 02110  
(617) 305-3500

ANN G. BERWICK  
CHAIR

JOLETTE A. WESTBROOK  
COMMISSIONER

DAVID W. CASH  
COMMISSIONER

December 30, 2011

Jamie Rigell, President of Operation  
REP Energy, LLC  
800 Bering Drive, #250  
Houston, TX 77057

**RE: Renewal Competitive Supplier License #CS-078**

Dear Mr. Rigell,

The Department of Public Utilities ("Department") has reviewed your application for renewal of a **Competitive Supplier License** in the Commonwealth of Massachusetts and is pleased to inform you that your application has been approved.

Your license number is **CS-078**.

As a condition of maintaining this license, you must file updated information within 30 days of any material or organic change in the information required by 220 C.M.R. § 11.05(2), and you must comply with all relevant requirements of G.L. c. 164 and the regulations promulgated thereunder, including 220 C.M.R. §§ 11.00, 12.00 *et seq.* If you decide to request renewal of your license next year, please submit renewal application no later than **September 1, 2012**.

Sincerely,

  
Mark D. Marini, Secretary

**Attachment H -- Resumes**

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**[SEE CONFIDENTIAL ATTACHMENT H]**

**Attachment I – FERC Order**

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PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

FEDERAL ENERGY REGULATORY COMMISSION  
Washington, D.C. 20426

OFFICE OF ENERGY MARKET REGULATION

In Reply Refer To:  
Summer Energy of Ohio LLC  
Docket No. ER15-1743-000

July 1, 2015

Mr. Neil Leibman  
CEO & President  
Summer Energy of Ohio LLC  
800 Bering Drive  
Suite 250  
Houston, Texas 77057

Reference: Market-Based Rate Authorization

Dear Mr. Leibman:

On May 19, 2015, you filed on behalf of Summer Energy of Ohio LLC (Summer Energy) an application for market-based rate authority with an accompanying tariff. The proposed market-based rate tariff provides for the sale of energy and capacity at market-based rates. Summer Energy requests waivers commonly granted to similar market-based rate applicants.

Your filing was noticed on May 19, 2015, with comments, protests or interventions due on or before June 9, 2015. None was filed.

Pursuant to the authority delegated to the Director, Division of Electric Power Regulation - West, under 18 C.F.R. § 375.307, your submittal filed in the referenced docket is accepted for filing, effective July 20, 2015, as requested. Based on your representations, Summer Energy meets the criteria for a Category 1 seller in all regions and is so designated.<sup>1</sup>

---

<sup>1</sup> *Market-Based Rates for Wholesale Sales of Electric Energy, Capacity and Ancillary Services by Public Utilities*, Order No. 697, FERC Stats. & Regs. ¶ 31,252 at PP 848-50, *clarified*, 121 FERC ¶ 61,260 (2007), *order on reh'g*, Order No. 697-A, FERC Stats. & Regs. ¶ 31,268, *clarified*, 124 FERC ¶ 61,055, *order on reh'g*, Order No.

You state that Summer Energy is located in Houston, Texas, and intends to act as a power marketer. You also state that Summer Energy is wholly owned by Summer Energy Holdings, Inc., and is not affiliated with any entity that owns or controls generation or transmission facilities. Further, you affirmatively state that Summer Energy has not erected barriers to entry and will not erect barriers to entry into the relevant market.

You represent that Summer Energy meets the criteria for a Category 1 seller in all regions because it does not own any generation; it does not own, operate, or control transmission facilities; it is not affiliated with anyone that owns, operates, or controls transmission facilities; it is not affiliated with a franchised public utility; and it does not raise any other vertical market power issues.

### **Market-Based Rate Authorization**

The Commission allows power sales at market-based rates if the seller and its affiliates do not have, or have adequately mitigated, horizontal and vertical market power.<sup>2</sup>

Based on your representations, Summer Energy's submittal<sup>3</sup> satisfies the Commission's requirements for market-based rate authority regarding horizontal and vertical market power.

Summer Energy's request for waiver of Subparts B and C of Part 35 of the Commission's regulations requiring the filing of cost-of-service information, except for sections 35.12(a), 35.13(b), 35.15 and 35.16 is granted. Summer Energy's request for waiver of Part 41 and Part 141 of the Commission's regulations concerning accounting and reporting requirements is granted with the exception of 18 C.F.R. §§ 141.14 and 141.15.<sup>4</sup> Summer Energy's request for waiver of Part 101 of the Commission's

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697-B, FERC Stats. & Regs. ¶ 31,285 (2008), *order on reh'g*, Order No. 697-C, FERC Stats. & Regs. ¶ 31,291 (2009), *order on reh'g*, Order No. 697-D, FERC Stats. & Regs. ¶ 31,305 (2010), *aff'd sub nom. Mont. Consumer Counsel v. FERC*, 659 F.3d 910 (9th Cir. 2011), *cert. denied*, 133 S. Ct. 26 (2012).

<sup>2</sup> Order No. 697, FERC Stats. & Regs. ¶ 31,252 at PP 62, 399, 408, 440.

<sup>3</sup> The next time Summer Energy makes a market-based rate filing with the Commission, it must include a revised tariff in compliance with Appendix C – Limitations and Exemptions Regarding Market-Based Rate Authority to include appropriate citations. *Niagara Mohawk Power Corporation*, 121 FERC ¶ 61,275 (2007) at P 8. *See also*, Order No. 697-A, FERC Stats. & Regs. ¶ 31,268 at P 384.

<sup>4</sup> *Citizens Energy Corp.*, 35 FERC ¶ 61,198 (1986); *Citizens Power and Light*

regulations is hereby granted, with the exception that waiver of the provisions of Part 101 that apply to hydropower licensees is not granted with respect to licensed hydropower projects.<sup>5</sup> Notwithstanding the waiver of the accounting and reporting requirements here, Summer Energy is expected to keep its accounting records in accordance with generally accepted accounting principles.

Summer Energy requests blanket authorization under Part 34 of the Commission's regulations for all future issuances of securities and assumptions of liability. A separate notice was published in the Federal Register establishing a period during which protests could be filed. None was filed. Summer Energy is authorized to issue securities and assume obligations or liabilities as guarantor, indorser, surety, or otherwise in respect of any security of another person; provided that such issue or assumption is for some lawful object within the corporate purposes of Summer Energy, compatible with the public interest, and reasonably necessary or appropriate for such purposes.<sup>6</sup>

Summer Energy must file an Electric Quarterly Report (EQR) with the Commission, consistent with Orders Nos. 2001<sup>7</sup> and 768.<sup>8</sup> Summer Energy must file

---

*Corp.*, 48 FERC ¶ 61,210 (1989) (*Citizens Power*); *Enron Power Marketing, Inc.*, 65 FERC ¶ 61,305 (1993), *order on reh'g*, 66 FERC ¶ 61,244 (1994) (*Enron*).

<sup>5</sup> Hydropower licensees are required to comply with the requirements of the Uniform System of Accounts pursuant to 18 CFR Part 101 to the extent necessary to carry out their responsibilities under Part I of the Federal Power Act (FPA). We further note that a licensee's status as a market-based rate seller under Part II of the FPA does not exempt it from its accounting responsibilities as a licensee under Part I of the FPA. *See Seneca Gen., LLC*, 145 FERC ¶ 61,096, at P 23, n.20 (2013) (citing *Trafalgar Power, Inc.*, 87 FERC ¶ 61,207, at 61,798 (1999) (noting that "all licensees are required to comply with the requirements of the Uniform System of Accounts to the extent necessary to carry out their responsibilities under [s]ections 4(b), 10(d) and 14 of the FPA")).

<sup>6</sup> *Citizens Power*, 48 FERC ¶ 61,210; *Enron*, 65 FERC ¶ 61,305.

<sup>7</sup> *Revised Public Utility Filing Requirements*, Order No. 2001, FERC Stats. & Regs. ¶ 31,127, *reh'g denied*, Order No. 2001-A, 100 FERC ¶ 61,074, *reh'g denied*, Order No. 2001-B, 100 FERC ¶ 61,342, *order directing filing*, Order No. 2001-C, 101 FERC ¶ 61,314 (2002), *order directing filing*, Order No. 2001-D, 102 FERC ¶ 61,334, *order refining filing requirements*, Order No. 2001-E, 105 FERC ¶ 61,352 (2003), *order on clarification*, Order No. 2001-F, 106 FERC ¶ 61,060 (2004), *order revising filing requirements*, Order No. 2001-G, 120 FERC ¶ 61,270, *order on reh'g and clarification*, Order No. 2001-H, 121 FERC ¶ 61,289 (2007), *order revising filing requirements*, Order No. 2001-I, FERC Stats. & Regs. ¶ 31,282 (2008).

<sup>8</sup> *Elec. Mkt. Transparency Provisions of Section 220 of the Fed. Power Act*, Order

Docket No. ER15-1743-000

- 4 -

EQRs electronically with the Commission consistent with the procedures set forth in Order No. 770.<sup>9</sup> Summer Energy further must timely report to the Commission any change in status that would reflect a departure from the characteristics the Commission relied upon in granting market-based rate authority in accordance with Order No. 697.<sup>10</sup>

This action does not constitute approval of any service, rate, charge, classification, or any rule, regulation, or practice affecting such rate or service provided for in the filed documents; nor shall such action be deemed as recognition of any claimed contractual right or obligation affecting or relating to such service or rate; and such acceptance is without prejudice to any findings or orders which have been or may hereafter be made by the Commission in any proceeding now pending or hereafter instituted by or against any of the applicant(s).

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PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

---

No. 768, FERC Stats. & Regs. ¶ 31,336 (2012), *order on reh'g*, Order No. 768-A, 143 FERC ¶ 61,054 (2013).

<sup>9</sup> See *Revisions to Electric Quarterly Report Filing Process*, Order No. 770, FERC Stats. & Regs. ¶ 31,338, at P 3 (2012) (citing Order No. 2001, FERC Stats. & Regs. ¶ 31,127 at P 31).

<sup>10</sup> Order No. 697, FERC Stats. & Regs. ¶ 31,252 at PP 1015-1046; 18 C.F.R. § 35.42 (2013). See also *Reporting Requirement for Changes in Status for Public Utilities with Market-Based Rate Authority*, Order No. 652, FERC Stats. & Regs. ¶ 31,175, *order on reh'g*, 111 FERC ¶ 61,413 (2005).

Docket No. ER15-1743-000

- 5 -

This order constitutes final agency action. Requests for rehearing by the Commission may be filed within 30 days of the date of issuance of this order, pursuant to 18 C.F.R § 385.713.

Questions regarding the above order should be directed to:

Federal Energy Regulatory Commission  
Attn: Debra Irwin  
Phone: (202) 502-6253  
Office of Energy Market Regulation  
888 First Street, N.E.  
Washington, D.C. 20426

Sincerely,

Steve P. Rodgers, Director  
Division of Electric Power  
Regulation - West

Document Content(s)

ER15-1743-000.DOC.....1-5

**Attachment J -- Residential and Small Commercial Customer Disclosure Statement**

**RECEIVED**

JUL - 2 2019

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

**Summer Energy Midwest, LLC**  
**Pennsylvania Residential and Small Business Customers**  
**Terms of Service and Customer Agreement**

The following is your terms of service ("Agreement"), with Summer Energy Midwest, LLC (or "Summer Energy") for the purchase of residential electricity service. Pinnacle Power agrees to sell and Customer agrees to buy the quantity of electricity necessary delivered to you, as measured or estimated by your Electric Distribution Company ("EDC"). Summer Energy is an Electric Generation Supplier ("EGS") and as such will, in accordance with the terms of this Agreement, arrange for the delivery of electricity from your EDC to your residence. The words "we," "us," and "our" refer to Summer Energy, and the words "you" and "your" refer to the Customer. Please retain this Agreement for your records.

- A. BACKGROUND.** Summer Energy is licensed by the Pennsylvania Public Utility Commission "PUC" as an EGS to offer and supply electric generation services in Pennsylvania. Summer Energy's license number is \_\_\_\_\_. Generation prices and charges are set by the electric generation supplier you have chosen and the PUC regulates distribution prices and services. The Federal Energy Regulatory Commission ("FERC") regulates electric transmission prices and services.

**RIGHT TO RESCIND.** You may rescind this Agreement without fee or penalty of any kind within by contacting the Company at any time before midnight of the third (3rd) business day following receipt of this disclosure statement. You may rescind by contacting us at Summer Energy in writing at 5847 San Filipe Street, Suite #3700, Houston TX 77057 or 713-554-4300. Please provide your name, address, phone number and a statement that you are rescinding your Agreement under the Right of Rescission.

**B. DEFINITIONS:**

- Generation Charge – Charge for production of electricity.
- Transmission Charge – Charge for moving high voltage electricity from a generation facility to the distribution lines of an electric distribution company.

**C. TERMS OF SERVICE.** The essential terms of your electric generation service are as follows:

**1. Eligibility.** The following Agreement applies strictly to residential and small business customer's metered electric service. Summer Energy does not deny residential electric service or determine eligibility for pricing based on credit history, utility payment data or credit score. Summer Energy does not deny service based on a customer or applicant's race, creed, color, national origin, ancestry, sex, marital status, lawful source of income, level of income, disability, familial status, location of a customer/applicant in an economically distressed geographic area, or qualification for low income or energy efficiency services.

2. **Term.** You will buy your electric generation service from Summer Energy beginning on a date set by your electric distribution company (EDC) and will continue for twelve (12) calendar months or the desired term you specified in your Residential Authorization (“Initial Term”). Customer’s affirmative consent is required if Summer Energy proposes to change your terms of service or to pass through the economic effects of, but not limited to, unanticipated costs, a change in law, administrative regulation, rule, ISO design or structure, order, judicial decision, statute, a change in an interpretation or application of any of the foregoing during the Term of your Agreement with Summer Energy. Summer Energy will send you two (2) advance notices. An Initial Notice will be sent between forty-five (45) and ninety (90) days before the effective date of the changes. The Options Notice shall be provided to you at least forty-five (45) days prior to the effective date of the proposed change in terms. A lack of affirmative consent shall be deemed a rejection of the changed terms and you may either: (i) end your Agreement with Summer Energy with no penalty by enrolling with another EGS or (ii) Summer Energy may return you to the EDC’s default service plan without penalty.

3. **Expiration of Agreement.** If you have a fixed term contract with Summer Energy approaching the expiration date or whenever Summer Energy proposes to change the terms of service in any type of contract, you will receive two separate written notifications that precede either the expiration date or the effective date of the proposed changes. These notifications will explain your options going forward. An Initial Notice will be sent between forty-five (45) and ninety (90) days before the end date of your Agreement. The Options Notice shall be provided to you at least forty-five (45) days prior to the expiration date of the fixed term agreement. At the end of your Term, unless a renewal term greater than one month is established with your affirmative consent, this Agreement will automatically continue under the Summer Energy month-to-month plan, which has no cancellation penalty. While your electricity price under the month-to-month price product will not change more than once a month, it may vary on a month-to-month basis as determined by an hourly market price set by the applicable independent system operator (“ISO”). The price of the month-to-month product is subject to change without notice for any reason and has unlimited variability. Your actual price will be shown on each monthly statement and will be used to calculate your monthly bill amount based on your actual electricity usage.

4. **Pricing, Billing and Payment Terms.** You will receive a single bill from your EDC that includes our generation supply charges (as outlined in this terms of service), as well as the EDC’s delivery charges. Your contract price for generation supply charges for the term of your agreement is \$\_\_\_\_\_ per kWh. This contract price includes Electric Generation Service Charges, Transmission Charges and Estimated State Sales Taxes including Gross Receipts Tax, but excludes applicable state and local sales taxes and the Distribution Charges from your local EDC. Your payment will be due to the EDC by the date specified in the EDC bill.

5. **Access to Customer Information.** Customer understands that by executing this Agreement, Summer Energy will be provided certain basic information about Customer by the EDC, including, but not limited to, account number, data about meter readings, rate class and electric usage, Customer’s address(es) and telephone number, and whether or not Customer is on a budget billing plan or payment arrangement or as otherwise approved by the PUC Bureau of Consumer Services. Customer further understands that the EDC is required by PUC to communicate with Customer following a notice of change of EGS to confirm the change was authorized.

**6. Privacy of customer information** (a) An EDC or EGS may not release private customer information to a third party unless the customer has been notified of the intent and has been given a convenient method of notifying the entity of the customer's desire to restrict the release of the private information. Specifically, a customer may restrict the release of either the following:

- (1) The customer's telephone number.
- (2) The customer's historical billing data.

(b) Customers shall be permitted to restrict information as specified in subsection (a) by returning a signed form, orally or electronically.

**7. Dispute Resolution.** In the event of a billing dispute or a disagreement involving any essential element of this Agreement, the parties will use their best efforts to resolve the dispute. Customer should contact the EDC regarding any billing dispute, and should contact Summer Energy in writing at 5847 San Filipe Street, Suite #3700, Houston TX 77057 or by telephone at 713-554-4300 for any terms of service dispute. If, after discussing your problem with Summer Energy or the EDC you remain dissatisfied, you may file an informal complaint with the Public Utility Commission. You may file an informal complaint by telephoning the Utility Choice Hotline at 1-800-692-7380, or by writing to the following address: Public Utility Commission, Box 3265, Harrisburg, Pennsylvania 17120.

**8. Consumer Protections.** The services provided by Summer Energy are protected by the terms and conditions of this Agreement and the Pennsylvania Public Utilities Commission ("PUC"). The complete text of the PUC Customer Protection Rules referenced herein can be found in the Pennsylvania Code, Title 52, Public Utilities at: <http://www.pacode.com/secure/data/052/chapter54/subchapAtoc.html>; and <https://www.pacode.com/secure/data/052/chapter56/chap56toc.html>.

**9. PENALTIES, FEES AND EXCEPTIONS:** AFTER YOUR SERVICE BEGINS, YOU MAY CANCEL SERVICES DURING THE INITIAL TERM BUT YOU WILL BE CHARGED AN EARLY CANCELLATION FEE OF \$150.00 PER YEAR BASED ON THE TERM OF YOUR CONTRACT. FOR EXAMPLE, IF YOU HAD AN INITIAL TERM OF ONE YEAR AND YOU CANCEL BEFORE THE END OF YOUR TERM, YOU WILL BE CHARGED \$150.00.

**10. Customer's Right to Rescind or Cancel Services.** When you cancel services, you agree to pay for the services provided by Summer Energy through the date you are switched to another EGS or returned to the EDC for service. Your cancellation will not be effective until the next regularly scheduled meter-reading date which follows the date on which Summer Energy gives the EDC notice of your cancellation request. You are responsible for all charges incurred through the date on which cancellation is effected by the EDC.

**11. Summer Energy's Right to Cancel Services.**

- (i) **Non-Payment:** If your electric service is terminated by your electric distribution company, then this agreement is cancelled on the date that

your electric service is terminated. You will owe us for amounts unpaid for our charges for electric generation service up to the date of termination.

- (ii) **Company-Initiated Cancellation:** If we cancel this agreement for any reason other than for customer non-payment. We will follow applicable rules in providing notice to you.
- (iii) **Customer-Initiated Termination:** If you cancel this agreement before the end of the initial term, you will owe us for amounts unpaid up to date of cancellation and we will charge you the early cancellation fees mentioned above specifically Paragraph 8 Penalties and Fees.
- (iv) **Customer Move:** If the customer moves from the address listed above, this agreement is cancelled.

Summer Energy reserves the right to cancel this agreement (i) if your EDC is unable to read your meter for three (3) months in a row; (ii) if at any time you request separate bills from your EDC and Summer Energy; or (iii) if the EDC removes you from their consolidated billing program and requires that Summer Energy bill you separately for your electricity generation. You agree to pay for the services provided by Summer Energy through the date you are switched to another EGS or returned to the EDC for service. Your cancellation will not be effective until the next regularly scheduled meter-reading date which follows the date on which Summer Energy gives notice to the EDC of your cancellation request. We will notify both you and your EDC of the cancellation of this agreement with two advance notices which will be sent between forty-five (45) and ninety (90) days before the effective date of the changes.

**12. Default Liability.** LIABILITIES NOT EXECUTED BY REASON OF FORCE MAJEURE OR OTHERWISE SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY (WHICH WILL NOT EXCEED THE AMOUNT OF CUSTOMER'S SINGLE LARGEST MONTHLY INVOICE DURING THE PRECEDING TWELVE MONTHS). SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY AND ALL OTHER REMEDIES AT LAW OR IN EQUITY ARE HEREBY WAIVED. IN NO EVENT SHALL CUSTOMER OR SUMMER ENERGY BE LIABLE FOR ANY PUNITIVE, INCIDENTAL, CONSEQUENTIAL, EXEMPLARY, INDIRECT, THIRD-PARTY CLAIMS OR OTHER DAMAGES WHETHER BASED ON CONTRACT, WARRANTY, TORT, NEGLIGENCE, STRICT LIABILITY OR OTHERWISE, OR FOR LOST PROFITS ARISING FROM A BREACH OF THIS AGREEMENT.

**13. Governing Law.** Venue for any lawsuit brought to enforce any term or condition of this agreement or to construe the terms hereof shall be exclusively in the Commonwealth of Pennsylvania. This Agreement shall be construed under and shall be governed by the laws of the Commonwealth of Pennsylvania.

**14. Assignment.** Customer hereby acknowledges and consents that Summer Energy may freely pledge, assign, or subrogate all of its rights hereunder as Summer Energy may deem necessary. In the event any other provision of this Agreement shall be deemed to prohibit or otherwise restrict Summer Energy's right to assign, subrogate or pledge its rights hereunder, this provision shall control. In the event Summer Energy assigns this contract Customer will be provided 30 days advance written notice prior to such assignment.

**15. Severability.** If any provision of this Agreement is held by a court or regulatory agency of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall continue in full force without being invalidated in any way.

**16. No Warranties.** Unless otherwise expressly set forth in this Agreement, Summer Energy provides and Customer receives no warranties, express or implied, statutory, or otherwise and Summer Energy specifically disclaims any warranty of merchantability or fitness for a particular purpose.

**17. Delay or Failure to Exercise Rights.** No partial performance, delay or failure on the part of Summer Energy in exercising any rights under this Agreement and no partial or single exercise thereof shall constitute a waiver of such rights or of any other rights hereunder.

**18. Force Majeure.** The term "Force Majeure" shall mean any cause not reasonably within the control of the Party claiming suspension and which by the exercise of due diligence, such Party is unable to prevent or overcome, including but not limited to, any act or cause which is deemed a Force Majeure by the EDC or any transportation or transmitting entity. If either party is unable, wholly or in part, by Force Majeure to perform or comply with any obligations or conditions of this Agreement, such party shall give immediate written notice, to the maximum extent practicable, to the other party. Such obligations or conditions, so far as they are affected by such Force Majeure, shall be suspended during the continuance of any inability so caused, and such party shall be relieved of liability and shall suffer no prejudice for failure to perform the same during the period. The party claiming suspension of obligations must in good faith attempt to mitigate and/or terminate the Force Majeure.

**19. Pennsylvania and Laws.** Except as otherwise provided in this Agreement or by law, all taxes of whatsoever kind, nature and description, due and payable with respect to Customer's performance of its obligations under this Agreement, shall be paid by Customer. The parties' obligations under this Agreement are subject to present and future legislation, orders, rules, or regulations of a duly constituted governmental authority having jurisdiction over this Agreement or the services to be provided herein.

**20. Entire Agreement.** This Agreement sets forth the entire agreement between the parties with respect to the terms and conditions of this transaction; any and all other agreements, understandings and representations by and between the parties with respect to the matters addressed herein are superseded by this Agreement.

**21. Acceptance and Amendments.** This Agreement shall not become effective until accepted by Summer Energy. Summer Energy may amend the terms of this Agreement at any time, consistent with any applicable law, rule or regulation, by providing notice to Customer of such amendment at least thirty (30) days prior to the effective date thereof. Summer Energy will supply Customer with a current version of this document annually and upon request.

**22. Provider of Last Resort Contact Information.**

PPL Electric Utilities  
827 Hausman Road  
Allentown, PA 18104

Allegheny/West Penn Power  
800 Cabin Hill Drive  
Greensburg, PA 15601-1689

Toll Free Telephone: 1-800-342-5775

Duquesne Light Co.

411 Seventh Avenue (6-1)

Pittsburgh, PA 15219

Toll Free Telephone: 412-393-7100

PECO Energy Co.

Customer Service Center

2301 Market Street

P.O. Box 8699

Philadelphia, PA 19101

Toll Free telephone: 1-800-494-4000

Met-Ed (Metropolitan Edison Co.)

P.O. Box 3687

Akron, OH 44309-3687

Toll Free Telephone: 1-800-545-7741

Toll Free Telephone: 1-800-255-3443

Penelec (Pennsylvania Electric Co.)

P.O. Box 3687

Akron, OH 44309-3687

Toll Free Telephone: 1-800-545-7741

Public Utility Commission (PUC)

P.O. Box 3265

Harrisburg, PA 17105-3265

Utility Choice Hotline: 1-800-692-7380

**23. Universal Service Program:** Your EDC has programs available to customers who are on a limited or fixed income to assist them with utility bills. Contact your EDC at the phone number listed below for assistance information:

PPL Electric Utilities

1-888-668-4775

Duquesne Light Co.

1-888-393-7600

PECO Energy Co

1-800-774-7040

Met-Ed (Metropolitan Edison Co.)

1-800-545-7741

Allegheny/West Penn Power

1-800-255-3443

Penelec (Pennsylvania Electric Co.)

1-800-545-7741

Authorized Signature \_\_\_\_\_ Print Name \_\_\_\_\_

Dated \_\_\_\_ / \_\_\_\_ / \_\_\_\_ Summer Energy Midwest Approval \_\_\_\_\_

**Attachment K -- PJM Load Serving Entity Documentation**

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PJM Interconnection, L.L.C.  
2750 Monroe Boulevard  
Audubon, PA 19403

Steven R. Pincus  
Associate General Counsel  
T: (610) 666-4438 | F: (610) 666-8211  
[steven.pincus@pjm.com](mailto:steven.pincus@pjm.com)

January 31, 2019

The Honorable Kimberly D. Bose  
Secretary  
Federal Energy Regulatory Commission  
888 First Street, N.E., Room 1A  
Washington, D.C. 20426

*Re: PJM Interconnection, L.L.C., Docket No. ER19-925-000  
PJM Operating Agreement, Schedule 12 Membership List Amendments  
PJM Reliability Assurance Agreement, Schedule 17 Amendments*

Dear Secretary Bose:

Pursuant to section 205 of the Federal Power Act, 16 U.S.C § 824d (2006), and Section 35.13 of the Federal Energy Regulatory Commission's (the "Commission's" or "FERC's")<sup>1</sup> regulations, 18 C.F.R. Part 35, PJM Interconnection, L.L.C. ("PJM") submits for filing proposed revisions to the Amended and Restated Operating Agreement of PJM Interconnection, L.L.C. ("Operating Agreement"), Schedule 12, and Reliability Assurance Agreement among Load Serving Entities in the PJM Region ("RAA"), Schedule 17, to update these lists to include new members, remove withdrawn members, reflect the signatories to the RAA, and reflect corporate name changes for the fourth quarter of 2018 beginning October 1, 2018 and ending December 31, 2018.

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<sup>1</sup> Capitalized terms not otherwise defined herein have the meaning specified in the PJM Operating Agreement, PJM Open Access Transmission Tariff, and PJM RAA, as appropriate.

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**I. DESCRIPTION OF FILING**

**A. *Revised Operating Agreement, Schedule 12***

PJM hereby submits for filing proposed revisions to the Operating Agreement, Schedule 12, which lists all the current PJM Members and includes updates to reflect (1) the addition of new PJM Members; (2) the removal of withdrawn PJM Members;<sup>2</sup> and (3) PJM Members' corporate name changes up to, and including, December 31, 2018.

**B. *Revised RAA, Schedule 17***

PJM hereby submits for filing proposed revisions to the RAA, Schedule 17, which lists all the current RAA signatories, and includes updates to reflect the addition of new RAA signatories through December 31, 2018.

**C. *Membership Withdrawals***

Pursuant to Section 35.15 of the Commission's regulations, 18 C.F.R. Part 35, and Operating Agreement, section 4.1(c) and 18.18.2, PJM submits a notice of entities that have withdrawn from membership in PJM. As set forth in these sections, a "...member may withdraw from [the Operating Agreement] upon ninety days' notice," provided, however, that such withdrawal shall not be effective until approved by the Commission. Additionally, Operating Agreement, Schedule 3, specifies that each group of Affiliates, Related Parties or Member that does not timely pay its annual membership fee by January 1 shall be deemed to have given notice of its intent to withdraw from PJM Membership in accordance with section 18.18.2 as noted above. The withdrawing entities specified in this filing have either failed to pay their annual membership fees when due or notified PJM of their intent to withdraw from PJM

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<sup>2</sup> This filing includes a clerical revision to Operating Agreement, Schedule 12 to reflect the withdrawal of Global Energy, LLC. Global Energy, LLC provided notice of withdraw of membership on February 28, 2018, resulting in a withdrawal effective date of May 29, 2018, which was unaccounted for in PJM's July 31, 2018 filing, Docket No. ER18-2109-000 (see, *PJM Interconnection, L.L.C.*, Letter Order, Docket No. ER18-2109-000 (Sept. 19, 2018)) due to an administrative oversight.

Membership ninety days prior to the effective date noted for the respective entity as shown in Attachment C.

## **II. WAIVER AND EFFECTIVE DATE**

PJM requests a waiver of the Commission's notice requirements to permit a December 31, 2018 effective date, a date which includes the last member withdrawal following the requisite ninety days prior notice, for the revised Operating Agreement, Schedule 12, and the last amendment to the list of parties to RAA, Schedule 17. Waiver is appropriate in this circumstance to allow new PJM Members, withdrawing Members, and corporate name changes to be reflected in the revised Operating Agreement, Schedule 12, as of the requested effective date; a date that is tied to the effective date of the last membership withdrawal (*i.e.*, December 31, 2018). Waiver is appropriate with respect to RAA, Schedule 17, as to allow new parties, withdrawing parties, and corporate name changes to be reflected accurately therein. Additionally, PJM requests that the Commission make the proposed revisions effective as of December 31, 2018.

## **III. DOCUMENTS SUBMITTED**

Along with this transmittal letter, PJM submits the following attachments:

1. Attachment A: Revised Operating Agreement, Schedule 12 and RAA, Schedule 17 (*Marked Tariff*);
2. Attachment B: Revised Operating Agreement, Schedule 12 and RAA, Schedule 17 (*Clean Tariff*);
3. Attachment C: List of Member Withdrawals;
4. Attachment D: List of New Members;
5. Attachment E: List of Member Corporate Name Changes; and
6. Attachment F: List of New Parties to RAA.

#### **IV. CORRESPONDENCE AND COMMUNICATION**

The following individuals are designated for inclusion on the official service list in this proceeding and for receipt of any communication regarding this filing:

Craig Glazer  
Vice President–Federal Government Policy  
PJM Interconnection, L.L.C.  
1200 G Street, N.W, Suite 600  
Washington, D.C. 20005  
(202) 423-4743  
[craig.glazer@pjm.com](mailto:craig.glazer@pjm.com)

Steven R. Pincus  
Associate General Counsel  
PJM Interconnection, L.L.C.  
2750 Monroe Blvd.  
Audubon, PA 19403  
(610) 666-4438  
[steven.pincus@pjm.com](mailto:steven.pincus@pjm.com)

#### **V. SERVICE**

PJM has served a copy of this filing on all PJM Members and on all state utility regulatory commissions in the PJM Region by posting this filing electronically. Electronic service is permitted as of November 3, 2008, under the Commission's regulations<sup>3</sup> pursuant to Order No. 714<sup>4</sup> and the Commission's Notice of Effectiveness of Regulations issued on October 28, 2008, in Docket No. RM01-5-000. In compliance with those regulations, PJM will post a copy of this filing to the FERC filings section of the its internet site, located at the following link: <http://www.pjm.com/documents/ferc-manuals/ferc-filings.aspx> with a specific link to the newly filed document, and will send an e-mail on the same date as this filing to all PJM Members and all state utility regulatory commissions in the PJM Region<sup>5</sup> alerting them that this filing has been made by PJM today and available by following such link. If the document is not immediately available by using the referenced link, the document will be available through the referenced link within 24 hours of the filing. Also, a copy of this filing will be available on the

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<sup>3</sup> See, 18 C.F.R. §§ 35.2, 154.2, 154.208 and 341.2.

<sup>4</sup> *Electronic Tariff Filings*, Order No. 714, 124 FERC ¶ 61,270 (2008).

<sup>5</sup> PJM already maintains, updates, and regularly uses e-mail lists for all PJM Members and affected commissions.

Honorable Kimberly D. Bose  
January 31, 2019  
Page 5

Commission's eLibrary website located at the following link: <http://www.ferc.gov/docs-filing/elibrary.asp> in accordance with the Commission's regulations and Order No. 714.

Respectfully submitted,

*/s/ Steven R. Pincus*

Craig Glazer  
Vice President – Federal Government Policy  
PJM Interconnection, L.L.C.  
1200 G Street, N.W.  
Suite 600  
Washington, D.C. 20005  
(202) 202-423-4743  
[Craig.Glazer@pjm.com](mailto:Craig.Glazer@pjm.com)

Steven Pincus  
Associate General Counsel  
PJM Interconnection, L.L.C.  
2750 Monroe Boulevard  
Audubon, PA 19403  
(610) 666-4370  
[Steven.Pincus@pjm.com](mailto:Steven.Pincus@pjm.com)

**Attachment B**

**Revisions to the PJM Operating Agreement and  
PJM Reliability Assurance Agreement  
(Clean Format)**

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Section(s) of the  
PJM Operating Agreement  
(Clean Format)

**SCHEDULE 12 -  
PJM MEMBER LIST**

Abest Power & Gas, LLC  
Acadia Energy Partners, LLC  
AC Energy, LLC  
Acciona Energy North America Corporation (AENAC)  
Achieving Equilibrium LLC  
ACT Commodities Inc.  
ADG Group Inc.  
Advanced Energy Economy Inc.  
Aeon Energy Trading LLC  
AEP Appalachian Transmission Company, Inc.  
AEP Energy Partners, Inc.  
AEP Energy, Inc.  
AEP Indiana Michigan Transmission Company, Inc.  
AEP Kentucky Transmission Company, Inc.  
AEP Ohio Transmission Company, Inc.  
AEP Retail Energy Partners, LLC  
AEP West Virginia Transmission Company, Inc.  
AES Energy Storage, LLC  
AES ES Holdings, LLC  
Aesir Power, LLC  
AES Laurel Mountain, LLC  
AES Ohio Generation, LLC  
A.F. Mensah Inc.  
Affirmed Energy LLC  
Agera Energy LLC  
Aggressive Energy LLC  
Agway Energy Services, LLC  
Air Products & Chemicals, Inc.  
AK Steel Corporation  
Alabama Power Company  
Alegria Fund, LP  
Algonquin Energy Services, Inc.  
All American Power and Gas, LLC  
Allegheny Electric Cooperative, Inc.  
Allegheny Energy Supply Company, LLC  
ALLETE, Inc. d/b/a Minnesota Power  
Alliant Energy Corporate Services, Inc.  
Alliant Energy Resources, LLC  
Alpaca Energy LLC  
Alpha Gas and Electric, LLC  
Alphataraxia Palladium LLC  
Alternative Transmission Inc.  
Altus Power America, Inc.

Amazon Energy LLC  
Ambit Northeast, LLC  
American Municipal Power, Inc.  
American Power & Gas of IL, LLC  
American Power & Gas of MD, LLC  
American Power & Gas of NJ, LLC  
American Power & Gas of Ohio, LLC  
American Power & Gas of Pennsylvania, LLC  
American Power Partners, LLC  
American PowerNet Management, L.P.  
American Transmission Systems Inc.  
Amerigreen Energy, Inc.  
Ames Energy, LLC  
Amity Energy LLC  
AMP Transmission, LLC  
Anahau Energy, LLC  
Anbaric Development Partners, LLC  
Anbaric Northeast Transmission Development Company, LLC  
Anchor Energy LLC  
AP Gas & Electric (IL), LLC  
AP Gas & Electric (MD), LLC  
AP Gas & Electric (OH), LLC  
AP Gas and Electric (NJ), LLC  
AP Gas and Electric (PA), LLC  
APH Acquisition, LLC  
APN Starfirst, LP  
Apogee Energy Trading LLC  
Appalachian Power Company  
Appian Way Energy Partners MidAtlantic, LLC  
Approved Energy II LLC  
APV Renaissance Opco, LLC  
Aquenergy Systems Inc.  
ArcelorMittal USA, LLC  
Archer Energy, LLC  
Arc Private Capital Inc.  
Armenia Mountain Wind, LLC  
Arrow Energy RRH, LLC  
Aspen Generating, LLC  
Aspire Power Ventures, LP  
Associated Electric Cooperative, Inc.  
Astral Energy LLC  
Atlantic City Electric Company  
Atlantic Energy MD, LLC  
Atlantic Grid Operations A, LLC  
ATNV Energy, LP  
Automated Algorithms, LLC

Avangrid Networks, Inc.  
Avangrid Renewables, LLC  
AXPO U.S. LLC  
Baltimore Gas and Electric Company  
Baltimore Power Company LLC  
Bancroft Energy LLC  
Barclays Capital Services Corporation  
Bath County Energy, LLC  
Battery Utility of Ohio, LLC  
Bayles Energy LLC  
Bayonne Plant Holding, L.L.C.  
Bazinga, LLC  
BBPC LLC d/b/a/ Great Eastern Energy  
Beacon Power, LLC  
Beaver Dam Energy LLC  
Beech Ridge Energy LLC  
Beech Ridge Energy Storage LLC  
Berks Hollow Energy Associates, LLC  
Bernards Solar, LLC  
BIF II Safe Harbor Holding LLC  
BIF III Holtwood LLC  
Big Bend Trading, LLC  
Big Level Wind LLC  
Big Rivers Electric Corporation  
Big Sandy Peaker Plant, LLC  
Big Savage, LLC  
Big Sky Wind, LLC  
Bilton Wong Power, Inc.  
Biogas Energy Solutions LLC  
BioUrja Power, LLC  
Birchwood Power Partners, L.P.  
Birdsboro Power LLC  
Bishop Hill Energy LLC  
BITH Solar I, LLC  
BJ Energy, LLC  
Black Oak Capital, LLC  
Blackout Power Trading Inc.  
Blackstone Wind Farm II, LLC  
Blackstone Wind Farm, LLC  
Blue Ridge Power Agency, Inc.  
BlueRock Energy, Inc.  
BNP Paribas Energy Trading GP  
Borough of Butler, Butler Electric Division  
Borough of Chambersburg  
Borough of Columbia, PA  
Borough of Lavallette, New Jersey

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Borough of Madison, New Jersey  
Borough of Milltown  
Borough of Mont Alto  
Borough of Park Ridge, New Jersey  
Borough of Pemberton  
Borough of Pitcairn, Pennsylvania  
Borough of Seaside Heights  
Borough of South River, New Jersey  
Boston Energy Group, Inc.  
Boston Energy Trading and Marketing LLC  
Bowfin KeyCon Energy, LLC  
Bowfin KeyCon Power, LLC  
BP Energy Company  
Brandon Shores LLC  
BREG Aggregator LLC  
Brick Standard LLC  
Brighten Energy, LLC  
Brookfield Energy Marketing, LP  
Brookfield Power Piney & Deep Creek LLC  
Brookfield Renewable Energy Marketing US LLC  
Bruce Power Inc.  
Brunner Island, LLC  
Buckeye Power, Inc.  
C.P. Crane LLC  
Calpine Bethlehem, LLC  
Calpine Energy Services, L.P.  
Calpine Energy Solutions, LLC  
Calpine Mid Atlantic Marketing, LLC  
Calvert Cliffs Nuclear Power Plant, LLC  
Cambria Cogen Company  
Camden Plant Holding, L.L.C.  
Camp Grove Wind Farm, LLC  
Capacity Markets Partners, LLC  
Cape May County Municipal Utilities Authority  
Capital Energy LLC  
Cargill Power Markets, LLC  
Carolina Solar Energy III, LLC  
Carroll County Energy LLC  
Casterbridge Advisory, L.L.C.  
Castleton Commodities Merchant Trading L.P.  
CenStar Energy Corp.  
Central Transmission, LLC  
Central Virginia Electric Cooperative  
Centre Lane Trading Limited  
Champion Energy, LLC  
Champion Energy Marketing LLC

Champion Energy Services, LLC  
Chesapeake Transmission LLC  
Chief Conemaugh Power, LLC  
Chief Keystone Power, LLC  
Choice Energy, LLC dba 4 Choice Energy, LLC  
CIMA ENERGY SOLUTIONS, LLC  
Cincinnati Bell Energy, LLC  
Cinnamon Bay, LLC  
Citadel FNGE Ltd.  
Citigroup Energy Inc.  
Citizens' Electric Company of Lewisburg, PA  
City of Batavia, Illinois  
City of Cleveland, Department of Public Utilities, Division of Cleveland Public Power  
City of Dover, Delaware  
City of Geneva (The)  
City of Hamilton  
City of Philippi – West VA  
City of Rochelle  
CleanChoice Energy, Inc.  
Clean Energy Future, LLC  
Clean Energy Future – Lordstown, LLC  
CleanLight Power + Energy, LLC  
Clear Power LLC  
Cleveland Electric Illuminating Company  
CMS Energy Resource Management Company  
Coaltrain Energy LP  
Coastal Strategies, LLC  
Cognovi Analytics, LLC  
Collegiate Clean Energy, LLC  
Commonwealth Chesapeake Company, LLC  
Commonwealth Edison Company  
Community Energy, Inc.  
Connecticut Central Energy LLC  
ConocoPhillips Company  
Consolidated Edison Company of New York, Inc.  
Consolidated Edison Energy, Inc.  
Consolidated Edison Solutions, Inc.  
Constellation Energy Power Choice, LLC  
Constellation Energy Services, Inc.  
Constellation NewEnergy, Inc.  
Constellation Power Source Generation, LLC  
Consumer Protection and Advocate Division of the Tennessee Attorney General  
Consumers Energy Company  
Convergent Energy and Power LP  
Cordova Energy Company LLC  
Cork Oak Solar LLC

Cornerstone Gas, L.L.C.  
Corona Power LLC  
County of Frederick, VA  
Covanta Energy Group, LLC  
Covanta Essex Company  
Covanta Union, LLC  
CP Energy Marketing (US) Inc.  
CPV Fairview, LLC  
CPV MARYLAND, LLC  
CPV Power Holdings, LP  
CPV Shore, LLC  
Credit Suisse (USA), Inc.  
Crescent Ridge LLC  
Crete Energy Venture, LLC  
Cube Hydro Partners, LLC  
Cumulus Master Fund  
Current Power & Gas Inc.  
Customized Energy Solutions, Ltd.  
CWP Energy Inc.  
Cypress Creek Renewables, LLC  
Darby Energy, LLLP  
Darby Power, LLC  
Dart Container Corporation of Pennsylvania  
Dayton Power & Light Company (The)  
DC Energy LLC  
DC Energy Mid-Atlantic, LLC  
DCO Energy, LLC  
Decatur Energy Center, LLC  
Delaware Division of the Public Advocate  
Delaware Municipal Electric Corporation  
Delmarva Power & Light Company  
Denver Energy, LLC  
Devonshire Energy, LLC  
Diamond State Generation Partners, LLC  
Direct Energy Business, LLC  
Direct Energy Business Marketing, LLC  
Direct Energy Services, LLC  
Discount Power, Inc.  
Divine Power, Inc.  
Dominion Energy Fairless, LLC  
Dominion Energy Generation Marketing, Inc.  
Domtar Paper Company, LLC  
Doswell Limited Partnership  
Downes Associates, Inc.  
DPL Energy Resources, LLC  
Drift Marketplace, Inc.

DTE Energy Trading, Inc.  
Dufossat Capital I, LLC  
Duke-American Transmission Company, LLC  
Duke Energy Business Services, LLC  
Duke Energy Carolinas, LLC  
Duke Energy Commercial Enterprises, Inc.  
Duke Energy Florida, LLC  
Duke Energy Kentucky, Inc.  
Duke Energy Ohio, Inc.  
Duke Energy Progress, LLC  
Duke Energy Renewable Services, LLC  
Duquesne Conemaugh LLC  
Duquesne Keystone LLC  
Duquesne Light Company  
Duquesne Light Energy, LLC  
Duquesne Power LLC  
Dynamix Energy Services Company, LLC  
Dynasty Energy California Inc.  
Dynasty Energy Group LLC  
Dynasty North America Holdings Inc.  
Dynasty Power Inc.  
Dynergy Energy Services, LLC  
Dynergy Kendall Energy, LLC  
Dynergy Marketing and Trade, LLC  
Dynergy Power Marketing, LLC  
Eagle Creek Hydro Holdings, LLC  
Eagle Point Power Generation LLC  
Earth Networks, Inc.  
East Coast Power & Gas of New Jersey, LLC  
East Coast Power Linden Holdings, L.L.C.  
Eastern Generation, LLC  
Eastern Shore Solar LLC  
East Kentucky Power Cooperative, Inc.  
Easton Utilities Commission  
Ebensburg Power Company  
eCap Network, LLC  
Ecesis LLC  
EcoGrove Wind, LLC  
EDF Trading North America, LLC  
Edgecombe Genco, LLC  
EDP Energy Services, LLC  
EDP Renewables North America, LLC  
EF Kenilworth LLC  
EFS Parlin Holdings, LLC  
Elgin Energy Center, LLC  
Eligo Energy, LLC

Elliot Bay Energy Trading, LLC  
Elmagin Power Fund LLC  
Elmwood Park Power, LLC  
Elwood Energy LLC  
EMC Development Company, Inc.  
Emera Energy Services, Inc.  
Emporia Hydropower Limited Partnership  
ENBALA Power Networks, Inc.  
Endurance Energy Midwest LLC  
Enel Trading North America, LLC  
Enel X North America, Inc.  
ENERGIA Y SERVICIOS DEL ISTMO CENTROAMERICANO, S.A. DE C V. INC.  
Energy Authority, Inc. (The)  
Energy Consulting Services, LLC  
Energy Cooperative Association of Pennsylvania  
Energy Cooperative of America, Inc.  
EnergyHub, Inc.  
Energy Plus Holdings LLC  
Energy Power Investment Company, LLC  
Energy Service Providers, Inc.  
Energy Solutions Consortium Holdings, LLC  
Energy Technology Savings, Inc.  
Energy Transfer Retail Power, LLC  
Energy.me Midwest llc d/b/a energy.me  
Energya VM Gestion de Energia S.L.U.  
EnergPenn USA, LLC  
Enerwise Global Technologies, Inc.  
Engelhart CTP (US) LLC  
ENGIE Energy Marketing NA, Inc.  
ENGIE Resources LLC  
ENGIE Retail, LLC  
EnPowered USA Inc.  
Entrust Energy East, Inc.  
E.ON Climate & Renewables North America Inc.  
EPP Renewable Energy, LLC  
ESC Brook County Power I, LLC  
ESC Harrison County Power, LLC  
Essential Power OPP, LLC  
Essential Power Rock Springs, LLC  
ETC Endure Energy L.L.C.  
Evergreen Community Power  
Evergreen Gas & Electric, LLC  
EverPower Commercial Services, LLC  
Everyday Energy, LLC  
Exelon Business Services Company, LLC  
Exelon Generation Company, LLC

Falcon Energy, LLC  
Fantods LLC  
Fermata, LLC  
FirstEnergy Solutions Corp.  
First Point Power, LLC  
FiTran Fund LP  
Florey Knob Energy LLC  
Florida Power & Light Company  
Forest Investment Group, LLC  
Forked River Power LLC  
Fowler Ridge Wind Farm LLC  
Fowler Ridge II Wind Farm LLC  
Fowler Ridge III Wind Farm LLC  
Fowler Ridge IV Wind Farm LLC  
Franklin Power LLC  
Freepoint Commodities LLC  
Freepoint Energy Solutions LLC  
Fresh Air Energy XVIII, LLC  
Fresh Air Energy XXXV, LLC  
Frontier Utilities Northeast, LLC  
Future Power PA LLC  
G&G Energy, Inc.  
G&S Wantage Solar, LLC  
Galilean Electricae LLC  
Gallus Capital LLC  
Galt Power, Inc.  
Gavin Power, LLC  
GBE Energy Marketing Inc.  
GDF SUEZ Energy Resources NA, Inc.  
Geenex Solar LLC  
Genbright LLC  
Gen IV Investment Opportunities, LLC  
GenOn Energy Management, LLC  
GenOn Mid-Atlantic, LLC  
Gen Ops, LLC  
Geodesic 2 LLC  
Georgia Power Company  
Gerdau Ameristeel Energy, Inc  
GlidePath Power Operations LLC  
Grain Belt Express Clean Line LLC  
Grand Ridge Energy LLC  
Grand Ridge Energy II LLC  
Grand Ridge Energy III LLC  
Grand Ridge Energy IV LLC  
Grand Ridge Energy V LLC  
Grand Ridge Energy Storage, LLC

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PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

Granger Energy of Honey Brook, LLC  
Grays Ferry Cogeneration Partnership  
Great American Power, LLC  
Great Barrington Energy Fund LP  
Great Bay Energy III, LLC  
Great Falls Hydroelectric Company, Limited Partnership  
Green Energy NE LLC  
GreenHat Energy, LLC  
Greenlight Energy Inc.  
Green Mountain Energy Company  
Green River Holdings, LLC  
GRG ENERGY LLC  
Grid Power Direct, LLC  
Gridforce Energy Management, LLC  
Group628, LLC  
GSG, LLC  
GSG 6, LLC  
Guernsey Power Station LLC  
Gulf Power Company  
Guzman Energy LLC  
H.A. Wagner LLC  
H.Q. Energy Services (U.S.), Inc.  
Hagerstown Light Department  
Half Moon Ventures, LLC  
Handsome Lake Energy, LLC  
Harborside Energy, LLC  
Harrison REA, Inc. – Clarksburg, WV  
Hartree Partners, LP  
Hawks Nest Hydro LLC  
Hazle Spindle, LLC  
Hazleton Generation LLC  
Headwaters Wind Farm LLC  
Helix Ironwood, LLC  
Hemlock Solar, LLC  
Hemsworth Capital LP  
Hemsworth Capital Midwest LP  
Hexis Energy Trading, LLC  
Hickory Run Energy, LLC  
Highland North LLC  
High Resolution Energy, LLC  
High Trail Wind Farm LLC  
HIKO Energy, LLC  
Hill Energy Resource & Services, LLC  
Hill Top Energy Center, LLC  
Hilltopper Wind Power, LLC  
Holcim (US), Inc.

Holocene Finance, LLC  
Holtwood, LLC  
Homer City Generation, LP  
Hoosier Energy REC, Inc.  
Hop Bottom Energy LLC  
Horizon Energy Investments, Inc.  
Horizon Power and Light, LLC  
H-P Energy Resources, LLC  
Hudson Energy Services, LLC  
Hudson Transmission Partners, LLC  
HXNAir Solar One, LLC  
Icetec.com, Inc.  
Icetec Energy Services, Inc.  
IDT Energy, Inc.  
IHG Core Holdings, Ltd.  
Illinois Citizens Utility Board  
Illinois Municipal Electric Agency  
Illinois Power Marketing Company  
IMG Midstream LLC  
Incite Energy, LLC  
Indeck Niles, LLC  
Independence Energy Group, LLC  
Independent Energy Consultants, Inc.  
Indiana Michigan Power Company  
Indiana Municipal Power Agency  
Indiana Office of Utility Consumer Counselor (IN OUCC)  
Industrial Energy Users-Ohio  
Inertia Power I, LLC  
Ingenco Wholesale Power, LLC  
Innovari Market Solutions LLC  
Innoventive Power LLC  
Inspire Energy Holdings, LLC  
Intelligent Generation LLC  
International Paper Company  
Interstate Gas Supply, Inc.  
Interstate Power and Light Company  
Invenergy Energy Management LLC  
Invenergy LLC  
Invenergy Nelson LLC  
IPKeys Power Partners LLC  
ISO 1, LLC  
ITC Interconnection LLC  
ITC Mid-Atlantic Development LLC  
Jack Rich, Inc. d/b/a Anthracite Power & Light Company  
Jane Street Energy Trading, LLC  
J. Aron & Company LLC

Jersey-Atlantic Wind, LLC  
Jersey Central Power & Light Company  
Jersey Green Energy, LLC  
Joliet Battery Storage LLC  
Josco Energy IL LLC  
Josco Energy USA, LLC  
JP Morgan Ventures Energy Corporation  
JPTC, LLC  
Just Energy Solutions Inc.  
Kansas City Power & Light Company  
KDC Solar Green Power LLC  
Keni Energy LLC  
Kentucky Power Company  
Kestrel Acquisition, LLC  
KeyTex Energy LLC  
KeyTex Energy Solutions LLC  
KFW Energy, LLC  
Kimberly-Clark Corporation  
Kincaid Generation, LLC  
Kingsport Power Company  
Kiwi Energy NY LLC  
Kiyoshi Technologies, LLC  
KMC Thermo, LLC  
Koch Energy Services, LLC  
KOREnergy, Ltd.  
Krayn Wind LLC  
Kuehne Chemical Company, Inc.  
L&P Electric Inc., d/b/a Leggett & Platt Electric Inc.  
Lackawanna Energy Center LLC  
Lafayette Power LLC  
Lamarr Energy, LLC  
Lancaster County Solid Waste Management Authority  
Landaj Investment, LLC  
Land O'Lakes, Inc.  
Lantar Energy LLC  
Lawrenceberg Power, LLC  
Lee County Generating Station, LLC  
Lee River Proprietary Strategies, Inc.  
Leeward Asset Management, LLC  
Legacy Energy Group, LLC (The)  
Lehigh Portland Cement Company  
LEPPM, LLC  
Letterkenny Industrial Development Authority – PA  
Liberty Electric Power, LLC  
Liberty Power Corp., L.L.C.  
Liberty Power Delaware, LLC

Liberty Power District of Columbia LLC  
Liberty Power Holdings LLC  
Liberty Power Maryland, LLC  
LifeEnergy, LLC  
Lightstone Marketing LLC  
Lincoln Generating Facility, LLC  
Linde Energy Services, Inc.  
Linde, LLC  
Linden VFT LLC  
Links EP LLC  
LM Power, LLC  
LMP Research Inc.  
Long Island Lighting Company d/b/a LIPA  
Longview Power, LLC  
Louisville Gas and Electric Company/Kentucky Utilities Company  
Lower Electric, LLC  
Lower Mount Bethel Energy, LLC  
LQA, LLC  
LSC Communications US, LLC  
LSP University Park, LLC  
LTSTE Investments, LLC  
Lykins Oil Company d/b/a Lykins Energy Solutions  
Macquarie Energy, LLC  
Madison Gas and Electric Co.  
MAG Energy Solution, Inc.  
Mahoning Creek Hydroelectric Company, LLC  
Major Energy Electric Services, LLC  
Manatee Transmission LLC  
Mansfield Power and Gas, LLC  
Maple Analytics, LLC  
Marathon Power LLC  
Marina Energy, LLC  
Martins Creek, LLC  
Marubeni Power International, Inc.  
Marvel Energy, LP  
Maryland Office of People's Counsel  
Maryland Solar LLC  
Mattawoman Energy, LLC  
MC Squared Energy Services, LLC  
Meadow Lake Wind Farm, LLC  
Meadow Lake Wind Farm II, LLC  
Meadow Lake Wind Farm III, LLC  
Meadow Lake Wind Farm IV, LLC  
Meadow Lake Wind Farm V, LLC  
Meadow Lake Wind Farm VI LLC  
MeadWestvaco Corporation

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PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

Median Energy Corp.  
Median Energy IL LLC  
Median Energy PA LLC  
Mega Energy Holdings, LLC  
Mega Energy of Illinois, LLC  
MEG Generating Company, LLC  
Mehoopany Wind Energy LLC  
Mendota Hills, LLC  
Mercuria Energy America, Inc.  
Mercuria SJAK Trading, LLC  
Merrill Lynch Commodities, Inc.  
Metropolitan Edison Company  
Metropolitan Water Reclamation District of Greater Chicago  
Miami Valley Lighting, LLC  
Michigan Department of Attorney General, Environment, Natural Resources & Agriculture  
Division  
Michigan Public Power Agency  
Microsoft Corporation  
MidAmerican Energy Company  
MidAmerican Energy Services, LLC  
Mid-Atlantic Interstate Transmission, LLC  
MidAtlantic Power Partners, LLC  
Mid-Atlantic Renewable Energy Coalition  
Middlesex County Utilities Authorities  
Middlesex Energy Center, LLC  
Midwest Energy Trading East LLC  
Midwest Generation, LLC  
Milan Energy LLC  
Milford Solar LLC  
Mint Energy, LLC  
Mississippi Power Company  
Monmouth Energy, Inc.  
Monongahela Power Company d/b/a Allegheny Power  
Monterey MA, LLC  
Montour, LLC  
Montpelier Generating Station, LLC  
Monument Generating Station, LLC  
Morgan Stanley Capital Group Inc.  
Morgan Stanley Services Group Inc.  
Morris Cogeneration, L.L.C  
Mosaic Power, LLC  
Moundsville Power, LLC  
Moxie Freedom LLC  
MP2 Energy, LLC  
MP2 Energy NE, LLC  
MPCF I, LLC

MPower Energy NJ LLC  
Mt. Carmel Cogeneration Inc.  
MWD Trading, LLC  
NATGASCO d/b/a/ Supreme Energy, Inc.  
National Gas & Electric, LLC  
Nautilus Power, LLC  
Nautilus Solar Energy, LLC  
NDC Partners, LLC  
NedPower Mount Storm, LLC  
NEPM II, LLC  
Neptune Regional Transmission System, LLC  
NERC-Middlesex Solar I, LLC  
Newark Energy Center, LLC  
New Covert Generating Company, LLC  
New Creek Wind LLC  
New Jersey Division of the Ratepayer Advocate  
New Jersey Transit Corporation  
New Wave Energy Corp  
New York Power Authority  
New York State Electric & Gas Corporation  
Newark Bay Cogeneration Partnership, L.P.  
NextEra Energy Bluff Point, LLC  
NextEra Energy Marketing, LLC  
NextEra Energy Services Illinois, LLC  
NextEra Energy Services New Jersey, LLC  
NextEra Energy Transmission, LLC  
NextEra Energy Transmission MidAtlantic, LLC  
Nexus Energy Inc.  
Nittany Energy, LLC  
NJR Clean Energy Ventures Corporation  
NJR Clean Energy Ventures II Corporation  
NJR Clean Energy Ventures III Corporation  
Nordic Energy Services LLC  
North American Power and Gas, LLC  
North Carolina Electric Membership Corporation  
North Carolina Municipal Power Agency Number 1  
North Hanover Solar W2-082, LLC  
Northampton Generating Company, L.P.  
Northeastern REMC  
Northeast Maryland Waste Disposal Authority  
Northern Illinois Municipal Power Agency  
Northern Indiana Public Service Company  
Northern States Power Company  
Northern Virginia Electric Cooperative - NOVEC  
NorthPoint Energy Solutions, Inc.  
Northstar Trading Ltd.

NRG Curtailment Solutions, Inc.  
NRG Potomac River LLC  
NRG Power Marketing, LLC  
NRG Power Midwest LP  
NRG REMA LLC  
NRGStream LLC  
NTE Carolinas, LLC  
NTE Ohio, LLC  
NTherm, LLC  
NuEnergen, LLC  
Oasis Power, LLC dba Oasis Energy  
OCI Solar Power, LLC  
Office of the Attorney General, Kentucky  
Office of the People's Counsel for the District of Columbia  
O.H. Hutchings CT, LLC  
Ohio Consumer's Counsel  
Ohio Edison Company  
Ohio Power Company  
Ohio River Partners Shareholder LLC  
Ohio Valley Electric Corporation  
OhmConnect, Inc.  
Old Dominion Electric Cooperative  
Olympus Power, LLC  
One Energy Enterprises LLC  
Ontario Power Generation Energy Trading, Inc.  
Ontario Power Generation Inc.  
Ontelaunee Power Operating Company  
Oregon Clean Energy, LLC  
Osaka Gas USA Corporation  
Owensboro Municipal Utilities  
Oxbow Creek Energy LLC  
Oxford Energy Services, LLC  
Ozark International, Inc.  
Pacific Summit Energy LLC  
Palmco Power DC, LLC  
PALMco Power DE, LLC  
Palmco Power IL, LLC  
Palmco Power MD, LLC  
Palmco Power NJ, LLC  
Palmco Power OH, LLC  
Palmco Power PA, LLC  
PALMco Power VA, LLC  
Panda Hummel Station LLC  
Panda Liberty LLC  
Panda Patriot LLC  
Panda Stonewall LLC

Panther Creek Power Operating, LLC  
Park Power LLC  
PATH Allegheny Transmission Company, LLC  
PATH West Virginia Transmission Company, LLC  
Patton Wind Farm, LLC  
Paulding Wind Farm II LLC  
Paulding Wind Farm III LLC  
Pay Less Energy, LLC  
PBF Power Marketing, LLC  
PECO Energy Company  
Pedricktown Cogeneration Company LP  
Pegasus Energy Futures LLC  
PEI Power Corporation  
PEI Power II, LLC  
Peninsula Power, LLC  
Penncat Corporation  
Pennoni Associates Inc.  
Pennsylvania Electric Company  
Pennsylvania Grain Processing LLC  
Pennsylvania Office of Consumer Advocate  
Pennsylvania Power Company  
Pennsylvania Renewable Resources, Associates  
Pharentram Energy Services, Ltd.  
P.H. Glatfelter Company  
Philadelphia Energy Solutions Refining and Marketing LLC  
Piedmont Energy Fund, L.P.  
Pilot Power Group, Inc.  
Pine Hill Energy LLC  
Pinnacle Power LLC  
Plant-E Corp.  
Plymouth Rock Energy, LLC  
Portsmouth Genco, LLC  
Potomac Edison Company (The) d/b/a Allegheny Power  
Potomac Electric Power Company  
Power Engineers, Incorporated  
Power Supply Services, LLC  
Power Up Energy, LLC  
PPGI Fund A/B Development, LLC  
PPL Electric Utilities Corporation dba PPL Utilities  
Prairieland Energy, Inc.  
Praxair, Inc.  
Precept Power LLC  
Presto Energy, LLC  
Prime Trading, LLC  
Procter & Gamble Paper Products Company (The)  
Property Endeavors LLC

Providence Heights Wind, LLC  
Provision Power and Gas, LLC  
PSEG Energy Resources & Trade LLC  
PSEG Energy Solutions LLC  
PSEG Fossil LLC  
PSEG Nuclear LLC  
Public Service Electric and Gas Company  
Public Staff – North Carolina Utilities Commission  
Pure Energy, Inc.  
Pure Energy USA IL, LLC  
Pure Energy USA, LLC  
QPH CAPITAL, LLC  
Quasar Energy Group, LLC  
Quattro Energy LP  
R2M Technologies Inc.  
Radford's Run Wind Farm, LLC  
Rainbow Energy Marketing Corporation  
Rainbow Energy Ventures LLC  
Rausch Creek Electric Power Holdings, LLC  
Raven Power Marketing LLC  
RC Cape May Holdings, LLC  
Realgy, LLC  
Red Glen Energy LLC  
Red Oak Power, LLC  
Red Wolf PT, LLC  
Reliant Energy Northeast, LLC  
Renaissance Power, LLC  
Renaissance Power & Gas, Inc.  
Renergy Inc.  
Renewable Energy Aggregators Inc.  
Rensselaer Generating LLC  
RES America Developments Inc.  
ResCom Energy, LLC  
Residents Energy, L.L.C.  
Respond Power, LLC  
Richland-Stryker Generation LLC  
RI-Corp. Development, Inc.  
Ringer Hill Wind, LLC  
Riverside Generating Company, L.L.C.  
Robinson Power Company, LLC  
Robison Energy (Commercial) LLC  
Rochester Gas and Electric Corporation  
Rockfish Solar LLC  
Rock Island Clean Line LLC  
Rockland Electric Company  
Rocky Road Power, LLC

Rolling Hills Generating, L.L.C.  
Roseton Generating LLC  
Roth Rock Wind Farm, LLC  
Roundtop Energy LLC  
Royal Bank of Canada  
RPA Energy, Inc.  
R.R. Donnelley & Sons Company  
RRI Energy Services, LLC  
RRI Energy Solutions East, LLC  
RTP Controls, Inc  
RTR Energy Solutions LLC  
Rushmore Energy, LLC (new).  
Safe Harbor Water Power Corporation  
Safeway Inc.  
Sanford Energy Associates, LLC  
Sanitas Power, LLC  
Santanna Energy Services  
Sapphire Power Marketing LLC  
Saracen Energy East LP  
Saracen Energy Midwest LP  
Saracen Energy West LP  
Saracen Power LP  
Saugatuck River Power Trading LLC  
Schuylkill Energy Resources, Inc.  
Scrubgrass Generating Company, L.P.  
Scylla Energy LLC  
Seneca Trading LLC  
SESCO ENTERPRISES LLC  
Seven Islands Environmental Solutions, LLC  
Severn River Power LLC  
Seward Generation, LLC  
SFE Energy Pennsylvania, Inc.  
SFE Energy, Inc.  
SFE Energy NJ, Inc.  
Shell Energy North America (U.S.), L.P.  
Shepard's Neck Point LLC  
Shipley Choice LLC  
Sidney, LLC  
Siemens Industry, Inc.  
Silver Run Electric, LLC  
S.J. Energy Partners, Inc.  
SmartEnergy Holdings, LLC  
Smart Wires Inc.  
SNC-Lavalin Constructors, Inc.  
Solios Power Mid-Atlantic Trading, LLC  
Solios Power Mid-Atlantic Virtual LLC

Source Power & Gas LLC  
Southampton Solar LLC  
South Bay Energy Corp.  
South Carolina Electric & Gas Company  
Southeastern Chester County Refuse Authority  
Southeastern Power Administration  
Southern Indian Gas and Electric Company d/b/a Vectren Power Supply Inc.  
Southern Maryland Electric Cooperative, Inc.  
Southern Power Company  
South Field Energy LLC  
South Jersey Energy Company  
Spark Energy, LLC  
Sperian Energy Corp  
sPower Energy Marketing, LLC  
Spring Energy RRH, LLC dba Spring Power & Gas Spruance Genco, LLC  
Spruce Power Trading, LLC Standard Gas & Electric, LLC  
Star Energy Partners LLC  
Starion Energy PA, Inc.  
STATARB INVESTMENTS LLC  
St. Joseph Energy Center, LLC  
Stoney Creek Wind Farm, LLC

Stream Energy Columbia, LLC  
Stream Energy Delaware, LLC  
Stream Energy Illinois, LLC  
Stream Energy Maryland, LLC  
Stream Energy New Jersey, LLC  
Stream Energy Pennsylvania, LLC  
Stream Ohio Gas & Electric, LLC  
Strom Power, LLC  
Suffolk Fund LLC  
Summer Energy Midwest, LLC  
Summit Farms Solar, LLC  
SunCoke Energy, Inc  
Sunflower Solar LLC  
SunSea Energy, LLC  
Sunshaw Power Trading, LLC  
Sun Tribe Solar, LLC  
Sunwave USA Holdings Inc.  
Susquehanna Nuclear, LLC  
Sustaining Power Solutions LLC  
Switch Energy, LLC  
Syncarpha Solar, LLC  
Tait Electric Generating Station, LLC  
Talen Energy Marketing, LLC  
Taller Cube, LLC

Tangent Energy Solutions, Inc.  
TAQA Gen X LLC  
Tatanka Wind Power, LLC  
TEC Energy Inc.  
TEC Trading, Inc.  
Tenaska Pennsylvania Partners, LLC  
Tenaska Power Management, LLC  
Tenaska Power Services Co.  
Tenaska Virginia Partners, L.P.  
Tennessee Valley Authority (The)  
Texas Retail Energy, LLC  
The Hartz Group  
The Highlands Energy Group, LLC  
THG Energy Solutions, LLC  
Thordin ApS  
Thurmont Municipal Light Company  
Tidal Energy Marketing Inc.  
Tilton Energy, LLC  
Tios Capital, LLC  
Titan Gas and Power  
Toledo Edison Company (The)  
Torofino Trading, LLC  
Town of Berlin, Maryland  
Town of Williamsport  
Town Square Energy East, LLC  
Tradewind Energy, Inc.  
TrailStone Power, LLC  
Trane Grid Services LLC  
Trans-Allegheny Interstate Line Company  
TransAlta Energy Marketing (US) Inc.  
TransCanada Power Marketing, Ltd.  
TranSource, LLC  
Transource Energy, LLC  
Transource Maryland, LLC  
Transource Pennsylvania, LLC  
Transource West Virginia, LLC  
Tri-County Rural Electric Cooperative, Inc.  
Trident Retail Energy, LLC  
TriEagle Energy, LP  
Triolith Energy Fund, LP  
Trishe Wind Ohio, LLC  
TrueLight Commodities, LLC  
TrueLight Energy Fund, LP  
Trustees of the University of Pennsylvania  
Twin Eagle Resource Management, LLC  
Tyne Hill Investments LP

UGI Development Company  
UGI Energy Services, LLC  
UGI Utilities, Inc.  
Uncia Energy LP – Series B  
Union Electric Company d/b/a Ameren Missouri  
Uniper Global Commodities North America, LLC  
University Park Energy, LLC  
V3 Commodities Group, LLC  
VCIOM, LLC  
VECO Power Trading, LLC  
Velocity American Energy Master I, LP  
Verde Energy USA DC, LLC  
Verde Energy USA Illinois, LLC  
Verde Energy USA Maryland, LLC  
Verde Energy USA Ohio, LLC  
Verde Energy USA, Inc.  
Victory Financial Management, Ltd.  
Vineland Municipal Electric Utility  
Virginia Division of Consumer Counsel  
Virginia Electric and Power Company  
Virginia Solar 2017 Projects LLC  
Virginia State Corporation Commission  
Viridian Energy PA, LLC  
Viridity Energy Solutions Inc.  
Vista Energy Marketing, L.P.  
Vitol, Inc.  
Voltus, Inc.  
Wabash Valley Power Association, Inc.  
Volunteer Energy Services, Inc.  
Walnut Ridge Wind, LLC  
Walleye Power, LLC  
Waterford Power, LLC  
Wellsboro Electric Company  
Westar Energy, Inc.  
West Chicago Battery Storage LLC  
West Deptford Energy II, LLC  
West Deptford Energy, LLC  
Western Reserve Energy Services, LLC  
West Penn Power Company d/b/a Allegheny Power  
West Virginia Consumer Advocate Division  
WGL Energy Services, Inc.  
Wheelabrator Baltimore, L.P.  
Wheelabrator Falls Inc.  
Wheelabrator Frackville Energy Co Inc.  
Wheelabrator Gloucester Company, L.P.  
Wheelabrator Portsmouth, Inc.

Wheeling Power Company  
Whitney Hill Wind Power, LLC  
Wildcat Wind Farm I, LLC  
Willey Battery Utility, LLC  
Wisconsin Power and Light Company  
WM Renewable Energy, LLC  
Wolf Hills Energy, LLC  
Wolf Run Energy LLC  
Wolverine Holdings, L.P.  
Wolverine Power Supply Cooperative, Inc.  
Wolverine Trading, LLC  
World Fuel Services, Inc.  
WPPI Energy  
Wrighter Energy LLC  
Wyandot Solar LLC  
Wylan Energy, L.L.C.  
XO Energy MA, LP  
XO Energy MA2, LP  
XO Energy MA3, LP  
XO Energy NY2 LP  
Xoom Energy Maryland, LLC  
Xoom Energy New Jersey, LLC  
XOOM Energy Ohio, LLC  
XOOM Energy Washington D.C., LLC  
Xoom Energy, LLC  
XYZ Consulting LLC  
Yankee Street, LLC  
Yellow Jacket Energy, LLC  
Yes Energy LLC  
York County Solid Waste and Refuse Authority  
York Generation Company LLC  
York Haven Power Company, LLC  
ZF Energy Development, LLC  
Zongyi Solar America Co. Ltd.

**Section(s) of the  
PJM Reliability Assurance Agreement  
(Clean Format)**

## **SCHEDULE 17**

### **PARTIES TO THE RELIABILITY ASSURANCE AGREEMENT**

This Schedule sets forth the Parties to the Agreement:

Abest Power & Gas, LLC  
AEP Energy, Inc.  
AEP Retail Energy Partners LLC  
AES Ohio Generation, LLC  
Agera Energy LLC  
Aggressive Energy LLC  
Agway Energy Services, LLC  
Algonquin Energy Services Inc.  
All American Power and Gas, LLC  
Allegheny Electric Cooperative, Inc.  
Allegheny Energy Supply Company, L.L.C.  
Alpaca Energy LLC  
Alpha Gas and Electric LLC  
Ambit Northeast, LLC  
American Electric Power Service Corporation on behalf of its affiliates:  
    Appalachian Power Company  
    Indiana Michigan Power Company  
    Kentucky Power Company  
    Kingsport Power Company  
    Ohio Power Company  
    Wheeling Power Company.  
American Municipal Power, Inc.  
American Power & Gas of IL, LLC  
American Power & Gas of MD, LLC  
American Power & Gas of NJ, LLC  
American Power & Gas of Ohio, LLC  
American Power & Gas of Pennsylvania, LLC  
American Power Partners LLC  
American PowerNet Management, L.P.  
American Transmission Systems, Inc.  
AP Gas and Electric (PA), LLC  
APN Starfirst, LP  
Approved Energy II LLC  
Archer Energy, LLC  
ArcelorMittal USA LLC  
Arrow Energy RRH, LLC  
Astral Energy LLC  
Atlantic City Electric Company  
Atlantic Energy MD, LLC  
Avangrid Renewables, LLC

Baltimore Gas and Electric Company  
Baltimore Power Company LLC  
Barclays Capital Services, Inc  
Bativa, IL (City of)  
BBPC LLC d/b/a Great Eastern Energy  
Blackstone Wind Farm, LLC  
Blue Ridge Power Agency, Inc.  
BlueRock Energy, Inc.  
Borough of Butler, Butler Electric Division  
Borough of Chambersburg  
Borough of Columbia, PA  
Borough of Lavallette, New Jersey  
Borough of Milltown  
Borough of Mont Alto, PA  
Borough of Park Ridge, New Jersey  
Borough of Pemberton  
Borough of Pitcairn, Pennsylvania  
Borough of Seaside Heights, New Jersey  
Borough of South River, New Jersey  
Boston Energy Trading and Marketing LLC  
BP Energy Company  
Brighten Energy LLC  
Brookfield Renewable Energy Marketing US LLC  
BTG Pactual Commodities (US) LLC  
Capital Energy, LLC  
Calpine Energy Service, L.P.  
Calpine Energy Solutions, LLC  
Cargill Power Markets LLC  
Central Virginia Electric Cooperative  
Centre Lane Trading Limited  
Champion Energy Marketing LLC  
Champion Energy, LLC  
Choice Energy, LLC dba 4 Choice Energy, LLC  
Cincinnati Bell Energy, LLC  
Citigroup Energy Inc.  
Citizens' Electric Company of Lewisburg, PA  
City of Cleveland, Department of Public Utilities, Division of Cleveland Public Power  
City of Dover, Delaware  
City of New Martinsville - WV  
City of Philippi - West VA  
City of Rochelle  
Cleveland Electric Illuminating Company  
Collegiate Clean Energy, LLC  
Commonwealth Edison Company  
ConocoPhillips Company  
Consolidated Edison Energy, Inc.

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SECRETARY'S BUREAU

Consolidated Edison Solutions, Inc.  
Constellation Energy Power Choice, LLC  
Constellation Energy Services, Inc.  
Constellation NewEnergy, Inc.  
Constellation Power Source Generation, LLC  
Credit Suisse (USA), Inc.  
Current Power & Gas Inc.  
Dayton Power & Light Company (The)  
DC Energy LLC  
Delaware Municipal Electric Corporation  
Delmarva Power & Light Company  
Denver Energy, LLC  
Devonshire Energy LLC  
Direct Energy Business, LLC  
Direct Energy Business Marketing, LLC  
Direct Energy Services, LLC  
Discount Power, Inc.  
Downes Associates, Inc.  
DPL Energy Resources, Inc.  
DTE Energy Trading, Inc.  
Duke Energy Kentucky, Inc.  
Duke Energy Ohio, Inc.  
Duquesne Light Company  
Duquesne Light Energy, LLC  
Dynergy Energy Services, LLC  
Dynergy Kendall Energy, LLC  
Dynergy Marketing and Trade, LLC  
East Coast Power & Gas of New Jersey, LLC  
East Kentucky Power Cooperative, Inc.  
Easton Utilities Commission  
EDF Energy Services, LLC  
EDF Trading North America, LLC  
Eligio Energy, LLC  
Energetix, Inc.  
Energy Cooperative Association of Pennsylvania (The)  
Energy Cooperative of America, Inc.  
Energy Plus Holdings LLC  
Energy Services Providers, Inc.  
Energy Technology Savings, Inc.  
Energy Transfer Retail Power, LLC  
Energy.me Midwest llc d/b/a energy.me  
EnerPenn USA, LLC  
Engie Energy Marketing NA, Inc.  
ENGIE Retail, LLC  
EnPowered USA Inc.  
Entrust Energy East, Inc.

Evergreen Gas & Electric, LLC  
Everyday Energy, LLC  
Exelon Generation Co., LLC  
First Point Power, LLC  
FirstEnergy Solutions Corp.  
Freepoint Energy Solutions LLC  
Frontier Utilities Northeast, LLC  
Front Royal (Town of)  
Galt Power Inc.  
GenOn Power Midwest, LP  
Gerdau Ameristeel Energy, Inc.  
Great American Power, LLC  
Greenlight Energy Inc.  
Green Mountain Energy Company  
Hagerstown Light Department  
Harborside Energy, LLC  
Harrison REA, Inc. - Clarksburg, WV  
Hartee Parnters, LP  
HIKO Energy, LLC  
Holcim (US) Inc.  
Hoosier Energy REC, Inc.  
Hudson Energy Services, LLC  
IDT Energy, Inc.  
Illinois Municipal Electric Agency  
Illinois Power Marketing Company  
Inspire Energy Holdings, LLC  
Interstate Gas Supply, Inc.  
J.P. Morgan Ventures Energy Corporation  
Jack Rich, Inc. d/b/a Anthracite Power & Light Company  
J. Aron & Company LLC  
Jersey Central Power & Light Company  
Josco Energy USA, LLC  
Just Energy Solutions Inc.  
Kiwi Energy NY LLC  
Kuehne Chemical Company, Inc.  
L & P Electric Inc., d/b/a Leggett & Platt Electric Inc.  
Lamarr Energy, LLC  
Land O'Lakes, Inc.  
Liberty Power Corp., L.L.C.  
Liberty Power Delaware LLC  
Liberty Power Holdings LLC  
LifeEnergy, LLC  
Linde Energy Services, Inc.  
Lower Electric, LLC  
LSC Communications US, LLC  
Lykins Oil Company d/b/a Lykins Energy Solutions

Macquarie Cook Energy LLC  
Mansfield Power and Gas, LLC  
Major Energy Electric Services LLC  
MC Squared Energy Services, LLC  
Meadow Lake Wind Farm LLC  
Meadow Lake Wind Farm II LLC  
Meadow Lake Wind Farm III LLC  
Meadow Lake Wind Farm IV LLC  
MeadWestvaco Corporation  
Median Energy Corp.  
Median Energy PA LLC  
Mega Energy Holdings, LLC  
Mercuria Energy America, Inc.  
Metropolitan Edison Company  
MidAmerican Energy Company  
MidAmerican Energy Services, LLC  
Mint Energy, LLC  
Morgan Stanley Capital Group, Inc.  
Morgan Stanley Services Group Inc.  
MP2 Energy NE, LLC  
MPower NJ LLC  
NATGASCO d/b/a/ Supreme Energy, Inc.  
National Gas & Electric, LLC  
NextEra Energy Marketing, LLC  
Nextera Energy Services New Jersey, LLC  
Nextera Energy Services, Illinois, LLC  
Nittany Energy, LLC  
Nordic Energy Services LLC  
North American Power and Gas LLC.  
North Carolina Electric Membership Corporation  
North Carolina Municipal Power Agency Number 1  
Northeastern REMC  
Northern States Power Company  
Northern Virginia Electric Cooperative – NOVEC  
NRG Power Marketing, L.L.C.  
Oasis Power, LLC dba Oasis Energy  
Ohio Edison Company  
Ohio Valley Electric Corporation  
Old Dominion Electric Cooperative  
Oxford Energy Services, LLC  
Palmco Power DC, LLC  
PALMco Power DE, LLC  
Palmco Power IL, LLC  
Palmco Power MD, LLC  
Palmco Power NJ, LLC  
Palmco Power OH, LLC

Palmco Power PA, LLC  
PALMco Power VA, LLC  
Park Power LLC  
Pay Less Energy, LLC  
PBF Power Marketing LLC  
PECO Energy Company  
Pennsylvania Electric Company  
Pennsylvania Grain Processing LLC  
Pennsylvania Power Company  
PEPCO Energy Services, Inc.  
Pinnacle Power LLC  
Plymouth Rock Energy, LLC  
Potomac Electric Power Company  
PPL Electric Utilities Corporation d/b/a PPL Utilities  
Prairieland Energy, Inc.  
Presto Energy, LLC  
Provision Power and Gas, LLC  
PSEG Energy Resources & Trade LLC  
PSEG Energy Solutions LLC  
Public Service Electric & Gas Company  
Pure Energy USA IL, LLC  
Pure Energy USA, LLC  
Realgy, LLC  
Red Oak Power, LLC  
Renaissance Power & Gas, Inc.  
ResCom Energy, LLC  
Residents Energy, L.L.C.  
Respond Power LLC  
Riverside Generating, LLC  
Rolling Hills Generating, LLC  
RPA Energy, Inc.  
R.R. Donnelley & Sons Company  
RRI Energy Services, LLC  
RRI Energy Solutions East, LLC  
Rushmore Energy, LLC (new)  
S.J. Energy Partners, Inc.  
Sanford Energy Associates, LLC d/b/a Powervine Energy  
Santanna Energy Services  
SFE Energy, Inc.  
SFE Energy NJ, Inc.  
Shiple Choice LLC  
Solios Power Mid-Atlantic Trading LLC  
Source Power & Gas LLC  
South Bay Energy Corp.  
South Jersey Energy Company  
Southeastern Power Administration

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SECRETARY'S BUREAU

Southern Indiana Gas & Electric  
Southern Maryland Electric Cooperative, Inc.  
Spark Energy, LLC  
Sperian Energy Corp  
Spring Energy RRH, LLC dba Spring Power & Gas  
Standard Gas & Electric, LLC  
Star Energy Partners LLC  
Starion Energy PA Inc.  
Stream Energy Columbia, LLC  
Stream Energy Delaware, LLC  
Stream Energy Illinois, LLC  
Stream Energy Maryland, LLC  
Stream Energy New Jersey, LLC  
Stream Energy Pennsylvania, LLC  
Stream Ohio Gas & Electric, LLC  
Summer Energy Midwest, LLC  
Switch Energy, LLC  
Talen Energy Marketing, LLC  
Tenaska Power Services Co.  
Texas Retail Energy, LLC  
Thurmont Municipal Light Company  
Tidal Energy Marketing Inc.  
Titan Gas and Power  
Toledo Edison Company (The)  
Town of Berlin, Maryland  
Town of Williamsport  
Town Square Energy East, LLC  
TransAlta Energy Marketing (U.S.) Inc.  
TransCanada Power Marketing Ltd.  
Tri-County Rural Electric Cooperative, Inc.  
Trident Retail Energy, LLC  
TriEagle Energy, LP  
Trustees of the University of Pennsylvania  
Twin Eagle Resource Management, LLC  
UGI Energy Services, LLC  
UGI Utilities, Inc. - Electric Division  
Verde Energy USA DC, LLC  
Verde Energy USA Illinois, LLC  
Verde Energy USA Maryland, LLC  
Verde Energy USA Ohio, LLC  
Verde Energy USA, Inc.  
Vineland Municipal Electric Utility (City of Vineland)  
Virginia Electric & Power Company  
Viridian Energy PA LLC  
Vista Energy Marketing, L.P.  
Wabash Valley Power Association, Inc.

Wellsboro Electric Company  
West Penn Power Company d/b/a Allegheny Power  
WGL Energy Services, Inc.  
Wolverine Holdings, L.P.  
Wolverine Power Supply Cooperative, Inc.  
Xoom Energy Maryland, LLC  
Xoom Energy New Jersey, LLC  
XOOM Energy Ohio, LLC  
Xoom Energy, LLC  
York Generation Company, LLC

**Attachment L – Application Affidavit & Operations Affidavit**

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SECRETARY'S BUREAU

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PA PUBLIC UTILITY COMMISSION  
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APPLICATION AFFIDAVIT

STATE OF TEXAS        )  
                                  )  
COUNTY OF HARRIS    )

Neil Leibman, Affiant, being duly sworn according to law, deposes and says that:

He is the Chief Executive Officer of Summer Energy Midwest, LLC;

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

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

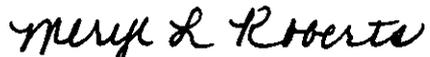
That the Applicant herein Summer Energy Midwest, LLC acknowledges that it is under a duty to update information provided in answer to questions on this application and contained in supporting documents.

That the Applicant herein Summer Energy Midwest, LLC acknowledges that it is under a duty to supplement information provided in answer to questions on this application and contained in supporting documents as requested by the Commission.

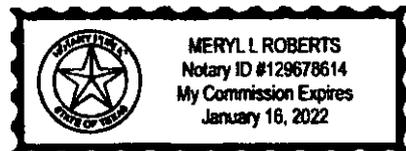
That the facts above set forth are true and correct to the best of his/her knowledge, information, and belief, and that he/she expects said Applicant to be able to prove the same at hearing.

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

Sworn and subscribed before me this 5<sup>m</sup> day of April, 2019.

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

My commission expires 01/16/2022



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PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

**OPERATIONS AFFIDAVIT**

STATE OF TEXAS            )  
  )  
COUNTY OF HARRIS        )

Neil Leibman, Affiant, being duly sworn according to law, deposes and says that:

He is the Chief Executive Officer of Summer Energy Midwest, LLC;

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

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

That Summer Energy Midwest, 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 Summer Energy Midwest, 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.

That Summer Energy Midwest, 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.

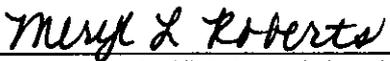
That the Applicant agrees to provide all consumer education materials and information in a timely manner as requested by the Bureau of Public Liaison or other Commission bureaus. Materials and

information requested may be analyzed by the Commission to meet obligations under applicable sections of the law.

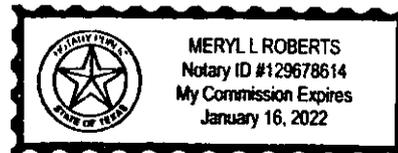
That the facts above set forth are true and correct/true and correct to the best of his/her knowledge, information, and belief.

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

Sworn and subscribed before me this 5<sup>th</sup> day of April, 2019.

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

My commission expires 01/16/2022.



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**Attachment M -- Proofs of Publication**

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PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

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:

April 12, 2019

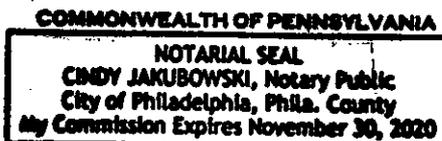
Affiant further deposes and says that she is an employee of the publisher of said newspaper and has been authorized to verify the foregoing statement and that she is not interested in the subject matter of the aforesaid notice of publication, and that all allegations in the foregoing statement as to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



Sworn to and subscribed before me this 12th day of  
April 2019.

  
Notary Public

My Commission Expires:



Copy of Notice of Publication

Pennsylvania Public Utility  
Commission Notice

Application of Summer Energy Midwest, LLC for Approval to Offer, Render, Furnish, or Supply Electricity as a Supplier Engaged in the Business of Supplying Electric Power to the Public in the Commonwealth of Pennsylvania.

Summer Energy Midwest, LLC will be filing an application with the Pennsylvania Public Utility Commission ("PUC") for a license to provide electricity services as a supplier. Summer Energy Midwest, LLC proposes to supply electricity and related services in the following utility service territories pursuant to the provisions of the Electricity Generation Customer Choice and Competition Act: Pike County Light & Power Company, West Penn, Duquesne Light, Met-Ed, Penelec, Penn Power, Citizens' Electric Company, PECO, PPL, UGI, and Wellsboro Electric Company.

The PUC may consider this application without a hearing. Protests directed at the technical or financial fitness of Summer Energy Midwest, LLC may be filed within 15 days of the date of this notice with the Secretary of the PUC, PO Box 3265 Harrisburg, PA 17105-3265. You should send copies of any protest to Summer Energy Midwest, LLC's attorney at the address listed below:

Adam Margolin, Attorney  
QUARLES & BRADY LLP  
300 N. LaSalle, Suite 4000  
Chicago, Illinois 60654  
(312) 715-5000

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PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

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

**Pennsylvania Public Utility Commission Notice**  
 Application of Summer Energy Midwest, LLC for Approval to Offer, Render, Furnish, or Supply Electricity as a Supplier Engaged in the Business of Supplying Electric Power to the Public in the Commonwealth of Pennsylvania.  
 Summer Energy Midwest, LLC will be filing an application with the Pennsylvania Public Utility Commission ("PUC") for a license to provide electricity services as a supplier. Summer Energy Midwest, LLC proposes to supply electricity and related services in the following utility service territories pursuant to the provisions of the Electricity Generation Customer Choice and Competition Act: Pike County Light & Power Company, West Penn, Duquesne Light, Met-Ed, Penelec, Penn Power, Citizens' Electric Company, PECO, PPL, UGI, and Wellsboro Electric Company.  
 The PUC may consider this application without a hearing. Protests directed at the technical or financial fitness of Summer Energy Midwest, LLC may be filed within 15 days of the date of this notice with the Secretary of the PUC, PO Box 3265 Harrisburg, PA 17105-3265. You should send copies of any protest to Summer Energy Midwest, LLC's attorney at the address listed below:

*publish  
 that the  
 of The J  
 in the  
 of said publication are true.*

Adam Margolin, Attorney  
 QUARLES & BRADY LLP  
 300 N. LaSalle, Suite 4000  
 Chicago, Illinois 60654  
 (312) 715-5000

*ty of Cambria, and Commonwealth of Pennsylvania and  
 ve matter published in said publication in the regular issues  
 A, on April 11, 2019; and that the Affiant is not interested  
 d that all of the allegations as to time, place and character*

*On this 17th day of April 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,*

*Christine Marhefka*

**STATEMENT OF ADVERTISING COSTS**

Signed and sworn to before me on  
 17th day of April, 2019,  
 by Christine Marhefka making the statement.

*Adam Ohs*

0.00 Lines @ \$2.50 per line	0.00
6 Inches @ \$25.00 per inch	150.00
Notary Fee	5.00
Clerical Fee	2.50
<b>Total Cost</b>	<b>157.50</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 \_\_\_\_\_

**RECEIVED**

JUL - 2 2019

PA PUBLIC UTILITY COMMISSION  
 SECRETARY'S BUREAU

### 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 D. Rullo, 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:

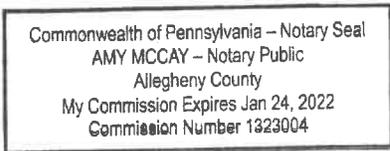
**11 of April, 2019**

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.



PG Publishing Company

Sworn to and subscribed before me this day of:  
April 11, 2019



**STATEMENT OF ADVERTISING COSTS**  
Quarles & Brady LLP  
33 East Main Street, Suite 900  
Madison Wisconsin 53703

To PG Publishing Company

Total ----- \$395.25

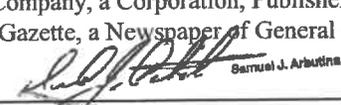
### Publisher's Receipt for Advertising Costs

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  
Application of Summer Energy Midwest, LLC for Approval to Offer, Render, Furnish, or Supply Electricity as a Supplier Engaged in the Business of Supplying Electric Power to the Public in the Commonwealth of Pennsylvania.

Summer Energy Midwest, LLC will be filing an application with the Pennsylvania Public Utility Commission ("PUC") for a license to provide electricity services as a supplier. Summer Energy Midwest, LLC proposes to supply electricity and related services in the following utility service territories pursuant to the provisions of the Electricity Generation Customer Choice and Competition Act: Pike County Light & Power Company, West Penn, Duquesne Light, Met-Ed, Penelec, Penn Power, Citizens' Electric Company, PECC, PPL, UGI, and Wellsboro Electric Company.

The PUC may consider this application without a hearing. Protests directed at the technical or financial fitness of Summer Energy Midwest, LLC may be filed within 15 days of the date of this notice with the Secretary of the PUC, PO Box 3265 Harrisburg, PA 17105-3265. You should send copies of any protest to Summer Energy Midwest, LLC's attorney at the address listed below:

Adam Margolin, Attorney  
QUARLES & BRADY LLP  
300 N. LaSalle, Suite 4000  
Chicago, Illinois 60654  
(312) 715-5000

**PROOF OF PUBLICATON 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:

April 12, 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**

Application of Summer Energy Midwest, LLC for Approval to Offer, Render, Furnish, or Supply Electricity as a Supplier Engaged in the Business of Supplying Electric Power to the Public in the Commonwealth of Pennsylvania.

Summer Energy Midwest, LLC will be filing an application with the Pennsylvania Public Utility Commission ("PUC") for a license to provide electricity services as a supplier. Summer Energy Midwest, LLC proposes to supply electricity and related services in the following utility service territories pursuant to the provisions of the Electricity Generation Customer Choice and Competition Act: Pike County Light & Power Company, West Penn., Duquesne Light, Met-Ed, Penelec, Penn Power, Citizens' Electric Company, PECO, PPL, UGI, and Wellsboro Electric Company.

The PUC may consider this application without a hearing. Protests directed at the technical or financial fitness of Summer Energy Midwest, LLC may be filed within 15 days of the date of this notice with the Secretary of the PUC, PO Box 3265 Harrisburg, PA 17105-3265. You should send copies of any protest to Summer Energy Midwest, LLC's attorney at the address listed below:

Adam Margolin, Attorney  
QUARLES & BRADY LLP  
300 N. LaSalle,  
Suite 4000  
Chicago, Illinois 60654  
(312) 715-5000

[Signature]  
SUN-GAZETTE LLC

Sworn to and subscribed before me  
The 12<sup>th</sup> day of April 20 19

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.....\$ 230.04

Probated same.....\$

Total.....\$ 230.04

**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

**RECEIVED**  
JUL - 2 2019

SUN-GAZETTE LLC  
BY Robert O. Rolley, Jr.

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

PROOF OF PUBLICATION  
In  
THE ERIE TIMES-NEWS  
COMBINATION EDITION

Quarles & Brady LLP  
300 N LaSalle Suite 4000  
Chicago IL 60654

REFERENCE: 98103 358628  
PUC Notice

STATE OF PENNSYLVANIA)  
COUNTY OF ERIE ) SS:

Tom Mezler, being duly sworn, deposes and says that: (1) he/she is a designated agent of the Times Publishing Company (TPC) to execute Proofs of Publication on behalf of the TPC; (2) the TPC, whose principal place of business is at 205 W. 12th Street, Erie, Pennsylvania, owns and publishes the Erie Times-News, established October 2, 2000, a daily newspaper of general circulation, and published at Erie, Erie County Pennsylvania; (3) the subject notice or advertisement, a true and correct copy of which is attached, was published in the regular edition(s) of said newspaper on the date(s) referred to below. Affiant further deposes that he/she is duly authorized by the TPC, owner and publisher of the Erie Times-News, to verify the foregoing statement under oath, and affiant is not interested in the subject matter of the aforesaid notice or advertisement, and that all allegations in the foregoing statement as to time, place and character of publication are true.

PUBLISHED ON: 04/12/19

TOTAL COST: \$476.00 AD SPACE: 0 Lines

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PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

**Pennsylvania Public Utility Commission Notice**

Application of Summer Energy Midwest, LLC for Approval to Offer, Render, Furnish, or Supply Electricity as a Supplier Engaged in the Business of Supplying Electric Power to the Public in the Commonwealth of Pennsylvania.

Summer Energy Midwest, LLC will be filing an application with the Pennsylvania Public Utility Commission ("PUC") for a license to provide electricity services as a supplier. Summer Energy Midwest, LLC proposes to supply electricity and related services in the following utility service territories pursuant to the provisions of the Electricity Generation Customer Choice and Competition Act: Pike County Light & Power Company, West Penn, Duquesne Light, Met-Ed, Penelec, Penn Power, Citizens' Electric Company, PECO, PPL, UGI, and Wellsboro Electric Company.

The PUC may consider this application without a hearing. Protests directed at the technical or financial fitness of Summer Energy Midwest, LLC may be filed within 15 days of the date of this notice with the Secretary of the PUC, PO Box 3265 Harrisburg, PA 17105-3265. You should send copies of any protest to Summer Energy Midwest, LLC's attorney at the address listed below:

Adam Margolin, Attorney  
QUARLES & BRADY LLP  
300 N. LaSalle, Suite 4000  
Chicago, Illinois 60654  
(312) 715-5000

EP-358628

Sworn to and subscribed before me this 12th day of April 2019

Affiant: Tom Mezler

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

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

QUARLES & BRADY LLP  
RIKAELA GREANE  
33 EAST MAIN ST., STE. 900 MADISON WI 53703

Account # 633386  
Order # 82326360  
Ad Price: 246.60

LEGAL NOTICE PENNSYLVANIA

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:

04/11/2019

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 11th day of April 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

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PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

LEGAL NOTICE

Pennsylvania Public Utility  
Commission Notice

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Chicago, Illinois 60654  
(312) 715-5000



AD#: 0009112206

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 04/11/2019

Principal Clerk of the Publisher

Sworn to and subscribed before me this 12th day of April 2019

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

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PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

**Pennsylvania Public Utility  
Commission Notice**

**Application of Summer Energy  
Midwest, LLC for Approval to Offer,  
Render, Furnish, or Supply Electricity  
as a Supplier Engaged in the Business  
of Supplying Electric Power to the  
Public in the Commonwealth of  
Pennsylvania.**

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QUARLES & BRADY LLP  
300 N. LaSalle, Suite 4000  
Chicago, Illinois 60654  
(312) 715-5000

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1. Ensure there are no other shipping or tracking labels attached to your package. Select the Print button on the print dialog box that appears. Note: If your browser does not support this function select Print from the File menu to print the label.
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<p>ADAM MARGOLIN 312-715-5089 QUARLES &amp; BRADY LLP 300 N. LASALLE STREET CHICAGO IL 60654</p> <p><b>SHIP TO:</b> ROSEMARY CHIAVETTA, SECRETARY 717-772-7777 PA PUBLIC UTILITY COMMISSION KEYSTONE BUILDING 400 NORTH STREET HARRISBURG PA 17120-0200</p>	<p>3 LBS    PAK    1 OF 1</p> <p style="font-size: 2em; font-weight: bold;">PA 171 9-20</p> 	<p style="font-size: 2em; font-weight: bold;">UPS NEXT DAY AIR 1</p> <p>TRACKING #: 1Z F36 50R NT 9546 5417</p> 	<p>BILLING: P/P ATTENTION UPS DRIVER: SHIPPER RELEASE</p> <p>Client matter: 167553.00002 Attorney/Timekeeper Initials: A. Margolin CS 271.023    WPTNVS0 12.04.04/2019</p> 
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