

Stevens & Lee

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May 6, 2024

VIA ELECTRONIC FILING

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

**Re: Application of Pay Less Energy LLC for Approval to Offer, Render, Furnish or
Electric Generation Services
Docket No. A-2024-3047921**

Dear Secretary Chiavetta:

Enclosed for filing please find the following application updates of Pay Less Energy LLC, along with a verification page:

- Corrected page 4 to Application
- Licenses referenced in Exhibit 8a with “Confidential” label removed

Thank you, and please feel free to contact me with any questions or concerns.

Sincerely,
STEVENS & LEE



Michael A. Gruin, Esq.

Enclosures

cc: Jeff McCracken, TUS

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.

See Confidential Exhibit 3a – List of Affiliates

The Applicant is owned by 33 Sigma Holding Inc., 19790 W. Dixie Highway, Suite 1101, Aventura, FL 33180

- 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.

Applicant has no predecessors

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



Philip D. Murphy
Governor

Sheila Y. Oliver
Lt. Governor

STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 3rd Floor, Suite 314
Post Office Box 350
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

Aida Camacho-Welch
Secretary of the Board
Tel. # (609) 292-1599

June 21, 2019

Ravi Mishra, Member
Pay Less Energy, LLC
500 Paterson Plank Road
Union City, NJ 07087

Re: **Electric Power and Natural Gas Supplier Renewal Licenses**
Docket Nos. EE19050578L and GE19050577L

Dear Mr. Mishra:

In accordance with the Electric Discount and Energy Competition Act of 1999, N.J.S.A. 48:3-49 et seq., at its June 21, 2019 Agenda meeting, the New Jersey Board of Public Utilities voted to renew Licenses as an Electric Power and Natural Gas Supplier to Pay Less Energy, LLC. The company's license numbers are ESL-0219 and GSL-0192.

The enclosed licenses are effective June 21, 2019 and expire on June 20, 2020. These licenses and the rights thereunder are **Non-Transferable**.

This letter is not an endorsement of, nor is it intended for use in, the marketing promotions of the registrant. Registrants shall comply with all applicable law, including the Electric Discount and Energy Competition Act, which prohibits the unauthorized change of a customer's energy provider and other fraudulent and illegal marketing activities.

If you have any questions, please contact Valencia Hunt at (609) 292-0637.

Sincerely,

A handwritten signature in cursive script that reads "Aida Camacho-Welch".

Aida Camacho-Welch
Secretary of the Board

ACW/vch
Encl.(s)

State of New Jersey



Board of Public Utilities

44 South Clinton Avenue, 3rd Floor, Suite 314, P.O. Box 350, Trenton, New Jersey 08625-0350

HEREBY LICENSES

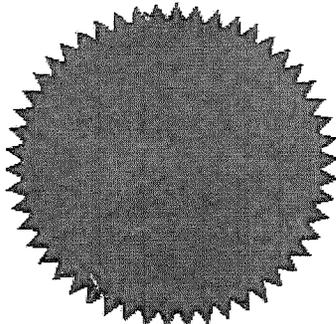
Pay Less Energy, LLC
500 Paterson Plank Road
Union City, New Jersey 07087

To conduct business in the State of New Jersey as an

Electric Power Supplier


Aida Camacho-Welch
Secretary of the Board

License No. ESL-0219
Effective Date: June 21, 2019
Expiration Date: June 20, 2020



State of New Jersey



Board of Public Utilities

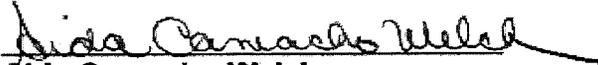
44 South Clinton Avenue, 3rd Floor, Suite 314, P.O. Box 350, Trenton, New Jersey 08625-0350

HEREBY LICENSES

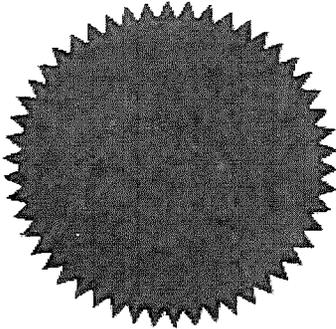
Pay Less Energy, LLC
500 Paterson Plank Road
Union City, New Jersey 07087

To conduct business in the State of New Jersey as a

Natural Gas Supplier


Aida Camacho-Welch
Secretary of the Board

License No. GSL-0192
Effective Date: June 21, 2019
Expiration Date: June 20, 2020





Public Service Commission

Three Empire State Plaza, Albany, NY 12223-1350
www.dps.ny.gov

Public Service Commission
John B. Howard
Chair and
Chief Executive Officer

Diane X. Burman
James S. Alesi
Tracey A. Edwards
David J. Valesky
John B. Maggiore
Rory M. Christian
Commissioners

July 21, 2021

Mitul Palan
1451 West Avenue – Unit #503
Bronx, NY 10462

RE: Pay Less Energy, LLC - Triennial Filing

Dear Mr. Palan:

Thank you for your recent triennial submittal pursuant to Section 2.D.2 of the New York State Department of Public Service's Uniform Business Practices (UBP). This letter is to inform you that the documentation submitted has been reviewed by Staff and determined to be in compliance with the UBP.

Be advised that to maintain your ESCO eligibility, you must notify Staff of any substantive legal, financial or business related changes to your company as they occur. If your business plan changes and you decide to expand your service, you must immediately submit the appropriate documentation for Staff review and determination of how it affects your current eligibility.

Please do not hesitate to contact me if you have any further questions or concerns at (518) 473-2047 or jessica.phalen@dps.ny.gov.

Sincerely,

Jessica Phalen
Office of Consumer Services

FEDERAL ENERGY REGULATORY COMMISSION
Washington, D.C. 20426

OFFICE OF ENERGY MARKET REGULATION

In Reply Refer To:
Pay Less Energy LLC
Docket No. ER21-1198-000

Issued: April 22, 2021

K.C. Hairston
Balch & Bingham LLP
1710 6th Avenue North
Birmingham, Alabama 35203

Reference: Market-Based Rate Authorization

On February 24, 2021, you filed on behalf of Pay Less Energy LLC (Applicant) an application for market-based rate authority with an accompanying tariff.¹ The proposed market-based rate tariff provides for the sale of energy, capacity, and ancillary services at market-based rates.² You request on behalf of Applicant waivers commonly granted to similar market-based rate applicants. Applicant's market-based rate tariff is accepted for filing, effective April 26, 2021.³ Based on your representations, Applicant meets the

¹ Applicant is reminded that it must submit required filings on a timely basis, or face possible sanctions by the Commission.

² Applicant requests authorization to sell ancillary services in all of the regional transmission organization or independent system operator markets for which the Commission has approved sales of specific ancillary services. Applicant also requests authorization to engage in the sale of certain ancillary services as a third-party provider in other markets.

³ Pay Less Energy LLC, FERC FPA Electric Tariff, MBR Tariff, Pay Less Energy LLC, Market-Based Rate Tariff, 0.0.0. The next time Pay Less Energy LLC makes a market-based rate filing with the Commission, it must include a revised tariff in compliance with Order Nos. 697 and 697-A to include appropriate citations. *See Market-Based Rates for Wholesale Sales of Elec. Energy, Capacity & Ancillary Servs. by Pub. Utils.*, Order No. 697, 119 FERC ¶ 61,295, at P 916 (2007), *order on reh'g*, Order No. 697-A, 123 FERC ¶ 61,055, at P 384 (2008). *See also Niagara Mohawk Power Corporation*, 121 FERC ¶ 61,275 (2007) at P 8.

criteria for a Category 1 seller in all regions and is so designated.⁴

Your filing was noticed on February 24, 2021, with comments, protests, or interventions due on or before March 17, 2021. None was filed.

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.⁵

You represent that Applicant is a power marketer that is wholly owned by two individuals. You represent that the Applicant and its affiliates do not own or control any generation capacity. Based on your representations, the Applicant satisfies the Commission's requirements for market-based rate authority regarding horizontal market power.⁶

With respect to vertical market power, you represent that Applicant and its affiliates either do not own, operate, or control any transmission facilities; or own, operate, or control transmission facilities that: (a) have a Commission-approved Open Access Transmission Tariff (OATT) on file; (b) are under the operational control of a regional transmission organization or an independent system operator; (c) have received waiver of the OATT requirement under 18 C.F.R. § 35.28(d)(1); or (d) satisfy the requirements for a blanket waiver under 18 C.F.R. § 35.28(d)(2).⁷ Further, you

⁴ See *Refinements to Policies and Procedures for Market-Based Rates for Wholesale Sales of Elec. Energy, Capacity & Ancillary Servs. by Pub. Utils.*, Order No. 816, 153 FERC ¶ 61,065, at P 320 (2015).

⁵ Order No. 697, 119 FERC ¶ 61,295 at PP 62, 399, 408, 440.

⁶ We note that Applicant is not being granted authority to make third-party sales of operating reserves to a public utility that is purchasing ancillary services to satisfy its own open access transmission tariff requirements to offer ancillary services to its own customers. If Applicant seeks such authority, it must make the required showing and receive Commission authorization prior to making such sales. See *Third-Party Provision of Ancillary Servs.; Accounting and Financial Reporting for New Elec. Storage Technologies*, Order No. 784, 144 FERC ¶ 61,056, at PP 200-202 (2013), *order on clarification*, Order No. 784-A, 146 FERC ¶ 61,114 (2014).

⁷ See *Open Access and Priority Rights on Interconnection Customer's Interconnection Facilities*, Order No. 807, 150 FERC ¶ 61,211, *order on reh'g*, Order

affirmatively state that Applicant and its affiliates have not erected barriers to entry and will not erect barriers to entry into the relevant market. Based on your representations, Applicant satisfies the Commission's requirements for market-based rate authority regarding vertical market power.

You represent that Applicant made balancing sales of energy in the NYISO real-time market prior to receiving market-based rate authorization. You also represent that Applicant has submitted a self-report to the Commission Enforcement Staff. Additionally, you state that Applicant requests waiver of the Commission's 60-day prior notice requirement and an effective date of February 25, 2021.

Section 205 of the Federal Power Act explicitly requires that proposed rates be filed with the Commission at least 60 days in advance of their proposed effective date.⁸ While the statute and the Commission's regulations give the Commission the discretion to grant waiver of the 60-day prior notice requirement for good cause shown,⁹ the Commission has explicitly stated that, absent extraordinary circumstances, it would not grant waiver of notice when an agreement for new service is filed on or after the day service has commenced.¹⁰

Based on the information presented by Applicant, it has failed to demonstrate extraordinary circumstances warranting waiver of the prior notice requirement. The Commission has previously stated that an applicant's lack of awareness does not constitute extraordinary circumstances.¹¹ Accordingly, Applicant's request for waiver of the 60-day prior notice requirement and an effective date of February 25, 2021 is denied. Applicant's market-based rate tariff is accepted for filing effective April 26, 2021, 61 days after filing.

The Commission has noted that, if a utility files a market-based rate tariff fewer

No. 807-A, 153 FERC ¶ 61,047 (2015).

⁸ 16 U.S.C. § 824d(d) (2018). *See El Paso Elec. Co.*, 105 FERC ¶ 61,131 at P 9-11 (2003).

⁹ 16 U.S.C. § 824d(d) (2018); 18 C.F.R. §§ 35.3(a), 35.11 (2020).

¹⁰ *Central Hudson Gas and Electric Co.*, 60 FERC ¶ 61,106, at 61,339, *reh'g denied*, 61 FERC ¶ 61,089 (1992).

¹¹ *Trigen-St. Louis Energy Corporation*, 120 FERC ¶ 61,044 (2007); *see also OREG 1, Inc.*, 135 FERC ¶ 61,150 (2011), *order denying rehearing*, 138 FERC ¶ 61,110 (2012).

than 60 days prior to the proposed effective date of new service, and waiver is denied, the Commission will require the utility to refund to its customers the time-value of the gross revenues collected, calculated pursuant to 18 C.F.R. § 35.19a of the Commission's regulations,¹² for the entire period that the rate was collected without Commission authorization.¹³ Therefore, Applicant's request for waiver is denied and Applicant is required to make refunds. In addition to returning the time value of the revenues collected for the period the rate was charged without Commission authorization, when dealing with market-based rates that are not timely filed, the Commission has stated that:

The utility will be required to refund all revenues resulting from the difference, if any, between the market-based rate and the cost-justified rate . . . The late-filing utility will receive the equivalent of a cost-based rate, less the time value remedy applicable to the unauthorized filing of cost-based rates, until the date of Commission authorization.¹⁴

Please make refunds, with interest, within 30 days of the date of this order. Additionally, you must submit a refund report within 15 days thereafter regarding the basis for and calculations of the refunds paid.¹⁵ Such refunds shall include the entire period that market-based rates were collected without Commission authorization. If no refunds are necessary, you are directed to file a report to that effect within 30 days of the date of this order.

Waivers, Authorizations, and Reporting Requirements

Applicant'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. Applicant'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 141.15.¹⁶ Applicant's request for waiver of Part 101 of the Commission's regulations is hereby

¹² 18 C.F.R. § 35.19a (2020).

¹³ *Prior Notice and Filing Requirements Under Part II of the Federal Power Act*, 64 FERC ¶ 61,139 at 61,980.

¹⁴ *Id.*

¹⁵ When submitting its report, Applicant should use Type of Filing Code 1190 – Refund Report.

¹⁶ See Order No. 697, 119 FERC ¶ 61,295 at PP 984-985.

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.¹⁷ Notwithstanding the waiver of the accounting and reporting requirements here, Applicant is expected to keep its accounting records in accordance with generally accepted accounting principles.

Applicant 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. Applicant 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 Applicant, compatible with the public interest, and reasonably necessary or appropriate for such purposes.¹⁸

Applicant must file Electric Quarterly Reports (EQRs) with the Commission, consistent with Order Nos. 2001¹⁹ and 768.²⁰ Applicant must file EQRs electronically

¹⁷ Hydropower licensees are required to comply with the requirements of the Uniform System of Accounts pursuant to 18 C.F.R. 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* Order No. 816, 153 FERC ¶ 61,065 at PP 345-350; *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")).

¹⁸ *See* Order No. 697, 119 FERC ¶ 61,295 at PP 999-1000.

¹⁹ *Revised Pub. Util. Filing Requirements*, Order No. 2001, 99 FERC ¶ 61,107, *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, 125 FERC ¶ 61,103 (2008).

²⁰ *Elec. Mkt. Transparency Provisions of Section 220 of the Fed. Power Act*, Order No. 768, 140 FERC ¶ 61,232 (2012), *order on reh'g*, Order No. 768-A, 143 FERC ¶

with the Commission consistent with the procedures set forth in Order No. 770.²¹ Applicant 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.²²

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 the applicant.

This action is taken pursuant to the authority delegated to the Director, Division of Electric Power Regulation - West, under 18 C.F.R. § 375.307. 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.

Issued by: Steven T. Wellner, Director, Division of Electric Power Regulation - West

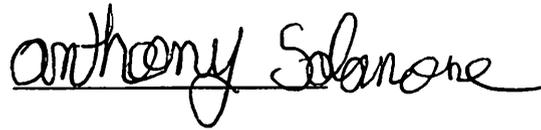
61,054 (2013).

²¹ See *Revisions to Elec. Quarterly Report Filing Process*, Order No. 770, 141 FERC ¶ 61,120, at P 3 (2012) (citing Order No. 2001, 99 FERC ¶ 61,107 at P 31).

²² 18 C.F.R. § 35.42 (2020); see also *Reporting Requirement for Changes in Status for Pub. Utils. with Market-Based Rate Auth.*, Order No. 652, 110 FERC ¶ 61,097, order on reh'g, Order No. 652-A, 111 FERC ¶ 61,413 (2005).

VERIFICATION

I, Anthony Salamone, holding the position of President with Pay Less Energy LLC verify that the information provided in the foregoing responses to data requests is true and correct to the best of my knowledge, information, and belief and that I expect to be able to prove the same at a hearing held in this matter. I understand that false statements herein are made subject to the penalties of 18 Pa. C.S.A. § 4904, relating to unsworn falsifications to authorities.

A handwritten signature in black ink that reads "Anthony Salamone". The signature is written in a cursive style and is positioned centrally below the main text of the document.

Date: 4/24/2024