# BEFORE THE DISTRICT OF COLUMBIA PUBLIC SERVICE COMMISSION

Application Docket No.

Application of \_\_\_\_\_\_, d/b/a ("doing business as")

# Cheap Energy Now LLC

for approval to offer, render, furnish, or supply natural gas services as a(n) Broker [specified in item 10 below] to the public in the District of Columbia

To the District of Columbia Public Service Commission:

# **BUSINESS INFORMATION**

#### **IDENTITY OF THE APPLICANT:** 1.

a.	Legal Name Cheap E	Energy	Now	LLC

Current Mailing Address: 8673 Grovemont Circle

Gaithersburg, MD 20877

Street Address (if diff	ferent):	<u></u>
Telephone Number:	301 980-2333	
Website URL: In	development	

Other States, including District of Columbia, in which the Applicant is now or has been engaged in the retail sale of natural gas and the names under which the Applicant is engaged or has been engaged in such business(es) Applicant may limit response to the last three (3) years:

Name: Cheap	Energy Now LL	_C	
Business Address:	8673 Grovemo	nt Circle	
	Gaithersburg, N		
License # State of	Issuance: IR-4299	Maryland	

Other states in which the Applicant has applied to provide retail natural gas service but has been rejected. Applicant may limit response to the last three (3) years:

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To the District of Columbia Public Service Commission:

# **BUSINESS INFORMATION**

# **1. IDENTITY OF THE APPLICANT:**

a. Legal Name Cheap Energy Now LLC

Current Mailing Address: 8673 Grovemont Circle

Gaithersburg, MD 20877

Street Address (if different):	
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Telephone Number: 301 980-2333

Website URL:	In	deve	lopment
Website LIKL			

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Business Address:	8673 Grovemo	nt Circle	
	Gaithersburg, N		
License # State of	Issuance: IR-4299	Maryland	

Other states in which the Applicant has applied to provide retail natural gas service but has been rejected. Applicant may limit response to the last three (3) years:

State(s):\_\_\_\_\_

Date of Application:

Attach additional sheets to the application if necessary.

b. Trade name (If Applicant will not be using a trade name, skip to question no. 2.a.):

Trade Name:\_\_\_\_\_

c. The District of Columbia and other states, in which the Applicant has provided retail natural gas service under the current Applicant name or in a different name but has voluntarily or involuntarily surrendered its license. Describe reasons for license surrender. With regard to a voluntary or involuntary license surrender in the District of Columbia only, state whether any previously outstanding assessments and/or penalties imposed by the Commission and the Office of the People's Counsel have been paid. If any previous assessments and/or penalties are unpaid, provide a date certain when those assessments and/or penalties will be paid. Applicant may limit response to the last five (5) years:

State(s): \_\_\_\_\_

Date of License Surrender and Reasons for License Surrender:

In the District of Columbia, Amount of Paid Assessments and Unpaid Assessments/Penalties Following License Surrender and to Whom Owed (If Applicable)

Attach additional sheets to the application if necessary.

Name and Title: Peter Zacharkiw - Partner

3.

4.

	Gaithersbur	rg, MD	20877		 	 		 			
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Fax: E-mail:	ENT AG	ENT:						 			
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Fax: E-mail: <b>RESIDF</b> Name an Address:	CNT AGI d Title: <u>R</u> 1717 N Stre ne: ( )	ENT: Register eet NW 202 40	d Agen Ste 1 -0599	ts Inc Washing	 20036	 					

Business Address: 8673 Grovemont Circle

Gaithersburg, MD 20877

Gaithersburg, MD 20877

CEO/Managing Partner: Name(s) Daniel Hanley
Business Address: 8673 Grovemont Circle
Gaithersburg, MD 20877
Secretary Name: Joseph Haley
Business Address: 8673 Grovemont Circle
Gaithersburg, MD 20877
Treasurer Name: Peter Zacharkiw
Business Address: 8673 Grovemont Circle
Gaithersburg, MD 20877

a. APPLICANT'S BUSINESS FORM: (select and complete appropriate statement)

- Proprietorship
  Corporation
  Partnership
  Limited Partnership
  Limited Liability Company
  Limited Liability Partnership
  Other\_\_\_\_\_
- b. STATE OF FORMATION: Applicant's business is formed under the laws of the State of Maryland

c. STATUS: Provide a certificate issued by the state of formation certifying that the Applicant is in good standing and qualified to do business in the state of formation.

If formed under the laws of other than the District of Columbia, provide a certificate issued by the District of Columbia Department of Consumer and Regulatory Affairs (DCRA) certifying that the applicant is registered or qualified, to do business in the District of Columbia and is currently in good standing with DCRA and with the District Department of Finance and Revenue.

d. **OWNERSHIP:** Provide on a separate sheet the names and addresses of all persons and entities that directly or indirectly own ten percent (10%) or more of the ownership interests in the Applicant, or have the right to vote ten percent (10%) or more in the Applicant's voting securities, or who otherwise have the power to control ten percent (10%) or more of the Applicant.

5. AFFILIATES, OR PREDECESSOR(S), ENGAGED IN THE SALE OR TRANSPORTATION/DELIVERY OF NATURAL GAS AT WHOLESALE OR RETAIL TO THE PUBLIC: (select and complete appropriate statement) (Applicant may limit responses to the last five (5) years)

- a. The Applicant has no such Affiliate(s) or Predecessors(s).\_\_\_\_\_
- b. Applicant is an Affiliate of a regulated utility. Please provide the regulated utility's Name and the jurisdictions in which it operates:
- c. Affiliate(s), or Predecessor(s), other than a regulated utility that provides, or provided, sale or transportation/delivery of natural gas at wholesale or retail to the public:

Name:\_\_\_\_\_\_

Business Address:

License #, State of Issuance:\_\_\_\_

Location of Operations (Utility Service Territory):\_\_\_\_\_

Attach additional sheets to the application if necessary.

6. ACTIONS AGAINST LICENSEES: Provide the following information for the Applicant, any Predecessor(s), and any unregulated Affiliate that engages in or engaged in the sale or transportation/delivery of natural gas at wholesale or retail to the public. (Applicant may limit responses to the last five (5) years).

Identify all actions against the Licensee, Predecessor or any regulated or unregulated affiliate(s) such as Suspensions/Revocations/Limitations/ Reprimands/Fines and describe the action in an attached statement, including docket numbers, offense dates, and case numbers, if applicable. Formal Investigations (defined as those investigations formally instituted in a public forum by way of the filing of a complaint, show cause order, or similar pleading) instituted by any regulatory agency or law enforcement agency relating to the Applicant, Predecessor(s), or unregulated affiliate(s) if, as a result of the investigation, Applicant's/Predecessor's/or affiliate's license to provide service to the public was in jeopardy are also listed. The license number, state of issuance, and name of license are identified below:

State(s):	
Name(s):	
License Number(s) (or other applicab	le identification):

 $\bigvee$  No such action has been taken.

- 7. **RELIABILITY AND ENVIRONMENTAL OFFICIAL ACTIONS AGAINST APPLICANTS/AFFILIATES**: Provide the following information for Official Actions that have been taken against the Applicant, any Predecessor(s), and any unregulated Affiliate (if available to the Applicant) that engages in the retail or wholesale sale of natural gas for matters relating to environmental or reliability status for the past five years.
- Official Actions such as Suspensions/Revocations/Limitations/ Reprimands/Fines/Regulatory Investigations (state agencies, FERC, EPA, or other federal agencies) have been taken against the Applicant, any Predecessor(s) or unregulated affiliate(s), and are described in the attached statement, including docket numbers, offense dates, and case numbers, if applicable.

State(s):	 	 	
Name(s):	 		



No such action has been taken.

# **OPERATIONAL CAPABILITY**

#### **TECHNICAL FITNESS**

- 8. Provide sufficient information to demonstrate technical fitness to provide the service proposed in this Application. Examples of such information which may be submitted include the following:
  - □ A general description of Applicant's retail natural gas supply activities in the District of Columbia, if any, including other service territories in which Applicant has provided service and the time period.
  - □ A copy of each agreement (if applicable) entered into with District of Columbia natural gas distribution companies.
    - Biographies, including titles, of relevant experienced personnel in key technical positions.
  - $\Box$  Other.

X

9. SOURCE OF SUPPLY: (Check all that apply) This is for informational purposes only. No update required.

	Not applicable. Applicant will not be supplying retail natural gas. Applicant owns natural gas supply. Applicant contracts for natural gas. Applicant obtains natural gas on the spot market Other. Applicant must attach s statement detailing its source of natural gas supply.
$\checkmark$	Aggregator or Broker only

#### SCOPE OF OPERATIONS

(Check all that apply)

10. APPLICANT'S PROPOSED OPERATIONS: The Applicant proposes to operate as a:

Natural Gas Supplier/Marketer of natural gas.

Aggregator acting on behalf of Customers to purchase natural gas and does not take title to natural gas.

Broker acting as an agent or intermediary on behalf of Customers in the sale and purchase of natural gas and who does not take title to natural gas.

Which natural gas supply related service(s) does the Applicant offer?



Other (Please specify the nature of such other services in an attached statement.)

Does Applicant intend to offer competitive billing services? No

Is the Applicant proposing to offer any other services? **NO** If so, please provide information regarding the proposed service in an attached statement.

11. AREA OF OPERATION: If the Applicant does not intend to offer services throughout the Washington Gas Light Company territory in the District of Columbia, Applicant must, in an attached statement, describe in detail the area within the Natural Gas Company's service territory in which Applicant's services will be offered.

Applicant intends to offer service throughout the Washington Gas Light Company territory in the District of Columbia.

Applicant intends to offer services in only a portion of Washington Gas Light Company's service territory in the District of Columbia. Please see attached statement.

- **12. CUSTOMERS:** Applicant proposes to initially provide services to (check all that apply):
  - **V** Residential Customers



Commercial Customers

- **7** Industrial Customers
- Other (Describe in attachment)

Also, Applicant proposes:

Restrictions upon the number of end use Customers (Describe in attachment)



No restrictions on the number of end use Customers.

Restrictions upon the size of end use Customers (Describe in attachment).



No restrictions regarding the size of the end use Customers (Describe in attachment).

Other restrictions regarding Customers (Describe in attachment).

13. START DATE: The Applicant proposes to begin delivering services:

Upon approval of the Application and receipt of License.

Other approximate date of commencement.

# FINANCIAL INTEGRITY

# 14. **REQUIRED DOCUMENTATION OF FINANCIAL INTEGRITY:**

Check that the documents listed below are attached to the Application.

The Applicant shall provide the most recent versions of the following documents to the extent they are available:

- Credit reports or ratings prepared by established credit bureaus or agencies regarding the Applicant's payment and credit history.
- Balance sheets, income statements and statements of cash flow for the two (2) most recent 12-month periods for which information is available. Audited financial statements must be provided if they exist. In addition, the Applicant shall provide any financial statements subsequent to the most recent annual financial statements.
- In the event that a parent or other company, person or entity has undertaken to guarantee the financial integrity of the Applicant, the Applicant must submit such entity's balance sheet, income statement and statement of cash flow, together with documentation of such guarantee to insure the financial integrity of the Applicant. Audited financial statements must be provided if they exist. In addition, the Applicant shall provide any available quarterly financial statements subsequent to the most recent annual financial statements.
- If the Applicant, parent, or guarantor entity has not been in existence for at least two (2) twelve (12)-month periods, it must provide balance sheets, income

statements and statements of cash flow for the life of the business. Audited financial statements must be provided if they exist.

- Organizational structure of Applicant. Include Applicant's parent, affiliate(s), and subsidiary(ies) if any.
- □ Evidence of general liability insurance.
- If the Applicant has engaged in the retail supply of natural gas services in any other jurisdiction, evidence that the Applicant is a licensed supplier in good standing in those jurisdictions.
- □ A current long-term bond rating, or other senior debt rating.
- □ Any other evidence of financial integrity such as an unused line of bank credit or parent guarantees.

# **15. BONDING REQUIREMENTS**

#### **Integrity Bond**

An Applicant who cannot provide credible evidence that it meets the financial integrity standards listed in Section 4705 of Chapter 47 of Title 15 DCMR must submit a bond on the form attached to this Application ("Integrity Bond"). The Applicant, if licensed by the Commission as a natural gas supplier, may be required to update/revise this initial Integrity Bond, by revising the initial Integrity Bond or posting an additional Integrity Bond, as set forth in Section 4705.

However, an Applicant who can provide credible evidence that it meets the financial integrity standards listed in Section 4705 will not be required to submit an Integrity Bond. (The Applicant may still be required to submit a separate Customer Payments Bond, as discussed below.)

#### **Customer Payments Bond**

A separate bond on the appropriate form attached to this Application is mandatory if an Applicant requires prepayments and/or deposits from residential or small commercial Customers ("Customer Payments Bond"). Please check one of the boxes below to state whether you, the Applicant, intend to charge, collect, or hold prepayments and/or deposits, as such terms are defined in the Bonding Requirements Addendum attached to this Application:



Applicant will not accept prepayments or deposits from residential and small commercial Customers.

Applicant intends to accept prepayments or deposits and/or deposits from residential and small commercial Customers. Applicant must comply with Bonding Requirements Addendum governing the Customer Payment Bond.

Further details regarding the District of Columbia's bonding requirements are included in Sections 4704 and 4705 of Chapter 47 of Title 15 DCMR.

- **16. NOTICE OF REQUIRED COMPLIANCE:** The Applicant is hereby notified that it is required to comply with the following:
  - (a) The Applicant may be required to submit bond(s), as applicable as described in Section 15 herein.
  - (b) The Applicant must update this application with the Commission immediately if any of the information provided in this Application changes or an error or inaccuracy is noted during the pendency of the Application. After an Application has been approved, a Licensee must inform the Commission of changes to all parts of the application and the averment regarding any civil, criminal, or regulatory penalties, etc. imposed on applicant, *et al.* within thirty days of the change or an error or inaccuracy is noted. A Licensee must inform the Commission of changes to the averment regarding bankruptcy proceedings instituted voluntarily or involuntarily within one business day of the institution of such proceedings.
  - (c) Supplement this application in the event the Commission modifies the licensing requirements, or request further information.
  - (d) Agree that it will not present itself as a licensed retail supplier of natural gas in the District of Columbia, sell or market services, accept deposits, prepayments, or contract with any end-use Customers without a license from the Commission.
  - (e) Pay all fees imposed by the Commission and any applicable taxes.
  - (f) Ensure that a copy of each service agreement entered into with the Washington Gas Light Company is provided to the Commission.
  - (g) Attend a Natural Gas Suppliers Education Workshop sponsored by the Commission.
  - (h) If certified, the Applicant shall institute a Privacy Protection Policy to protect against the unauthorized disclosure or use of information about a Customer or a Customer's use of service. A copy of that Policy shall be

made available once a year, including any updates or changes, through electronic means or a hardcopy to the Customer and posted in a prominent place on each company's website.

- (i) Abide by 15 DCMR § 308 and not disclose information about a Customer or the Customer's use of natural gas or natural gas services without the Customer's written consent.
- (j) Agrees to comply with 15 DCMR § 4702.11 Natural Gas Company and Licensee Responsibilities in the event of a default after certification, and with the District of Columbia Natural Gas Supplier Coordination Tariff.
- 17. AFFIDAVITS REQUIRED. The Applicant must supply Affidavits of Tax Compliance and General Compliance to the Commission with the completed Application. The affidavits are included with this Application packet and must be executed by the Applicant or representative with authority to bind the Applicant in compliance with District of Columbia laws.
- **18. FURTHER DEVELOPMENTS:** Applicant is under a continuing obligation to amend its application if substantial changes occur in the information upon which the Commission relied in approving the original filing.
- **19. FEE:** The Applicant has enclosed the required fee of \$400.00.

Applicant: Cheap Energy Now LLC
By: Puter & Junle
Printed Name: Peter B Zacharkiw
Title: Partner

#### AFFIDAVIT OF TAX COMPLIANCE

SS

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State of Maryland	
County of Montgomery	:
County of	:

Peter B Zacharkiw, Affiant, being duly [sworn/affirmed] according to law, deposes and says that:

That he/she is the **Partner** (office of Affiant) of Cheap Energy Now LLC (Name of Applicant);

That he/she is authorized to and does make this affidavit for said Applicant:

That \_\_\_\_\_\_, the Applicant herein, certifies to the Public Service Commission of the District of Columbia ("Commission") that it is subject to, will pay, and in the past has paid, the full amount of District of Columbia and Federal taxes imposed by applicable statutes and ordinances, as may be amended from time to time. The Applicant acknowledges that failure to pay such taxes or otherwise comply with the taxation requirements of the District of Columbia, shall be cause for the Commission to revoke the license of the Applicant. The Applicant acknowledges that it shall provide to the Commission its jurisdictional Gross Receipts and revenues from retail sales in the District, for the previous year or as otherwise required by the Commission.

As provided by applicable Law, Applicant, by filing of this application waives confidentiality with respect to its tax information in the possession of the (appropriate taxing authority), regardless of the source of the information, and shall consent to the (appropriate taxing authority) providing that information to the Commission. The Commission shall retain such information confidentially. This does not constitute a waiver of the confidentiality of such information with respect to any party other than the Commission.

That the facts above set forth are true and correct to the best of his/her present knowledge, information, and belief after due inquiry and that he/she expects said Applicant to be able to prove the same at any hearing hereof.

Signature of Affiant Puter & Jouland Sworn and subscribed before me this 10 day of July 2000 Casla-maia Signature of official administering oath My commission expires CARLA-MARIA GRAVES Notary Public-Maryland Montgomery County My Commission Expires February 24, 2022

## AFFIDAVIT OF GENERAL COMPLIANCE

State of	Maryland	_:	
County of	Montgomery	۲ :	SS
Peter B Za	charkiw , Affiant, being d	uly [s	worn/affirmed] according to law, deposes
and says that:	Partner		Chean Energy Now LLC

He/she is the \_\_\_\_\_(Officer/Affiant) of \_\_\_\_\_(Name of Applicant).

That he/she is authorized to and does make this affidavit for said Applicant.

That the Applicant herein certifies to the Public Service Commission of the District of Columbia ("Commission") that:

The Applicant agrees to comply with the terms and conditions of Washington Gas Light Company's tariff and agreements.

The Applicant is in compliance with and agrees to comply with all applicable Federal and District of Columbia consumer protection and environmental laws and regulations, and Commissions regulations, fees, assessments, order and requirements.

If certified, the Applicant shall institute a Privacy Protection Policy to protect against the unauthorized disclosure or use of information about a Customer or a Customer's use of service. A copy of that Policy shall be made available once a year, including any updates or changes, through electronic means or a hardcopy to the Customer and posted in a prominent place on each company's website.

The Applicant also agrees to abide by 15 DCMR § 308 and not disclose information about a Customer or a Customer's use of service without the Customer's written consent.

Applicant agrees, upon request by the Commission, to provide copies to the Commission, of its consumer forms and/or contracts, its marketing or advertising materials (flyers and solicitation scripts), consumer pamphlets and its consumer education materials.

Applicant agrees to abide by any periodic reporting requirements set by the Commission by regulation, including any required periodic reporting to the (appropriate taxing authority).

The Applicant has obtained all the licenses and permits required to operate the proposed business in the District of Columbia.

The Applicant agrees that it shall neither disclose nor resell individual residential Customer data provided to the Applicant by Washington Gas Light Company. Disclosure or resale of individual non-residential Customer data provided to the Applicant by a District of Columbia natural gas company will be governed by Customer contract.

The Applicant agrees, if the Commission approves its Application, to post an appropriate bond or other form of financial guarantee as required by the Commission and its regulations.

If the Applicant is certified, but later defaults, the licensee/Supplier agrees to comply with 15 DCMR § 4702.11, Natural Gas Company and Licensee Responsibilities in the event of a default, and with the District of Columbia Natural Gas Supplier Coordination Tariff.

The Applicant agrees, pursuant to the requirements of § 4703, to complete the Natural Gas Supplier Education Workshop sponsored by the Commission. Successful completion of the workshop by the Licensee shall be evidenced by a certificate issued by the Commission.

The Applicant, including any of its Predecessor(s) and/or affiliates that engages in or engaged in the sale or transportation/delivery of natural gas at wholesale or retail to the public, the general partners, company officials, corporate officers or directors, or limited liability company managers or officers of the Applicant, its predecessor(s) or its affiliates:

- 1. Has had no civil, criminal or regulatory sanctions or Penalties imposed against it within the previous five (5) years pursuant to any state or federal consumer protection law or regulations, has not been convicted of any fraud-related crime (including, but not limited to, counterfeiting and forgery, embezzlement and theft, fraud and false statements, perjury, and securities fraud) within the last five (5) years; and has not ever been convicted of a felony; or alternatively.
- 2. Has disclosed by attachment all such sanctions, penalties or convictions.

The Applicant further certifies that it:

1. Is not under involuntary bankruptcy/insolvency proceedings including but not limited to, the appointment of a receiver, liquidator, or trustee of the supplier, or a decree by such court adjudging the supplier bankrupt or insolvent or sequestering any substantial part of its property or a petition to declare bankruptcy as to reorganize the supplier; and

Has not filed a voluntary petition in bankruptcy under any provision 2. of any Federal or state bankruptcy law, or its consent to the filing of any bankruptcy or reorganization petition against it under any similar law; or without limiting the generality of the foregoing, a supplier admits in writing its inability to pay its debt generally as they become due to consents to the appointment of a receiver, trustee or liquidator of it or of all or any part of its property.

That Applicant possesses the requisite managerial and financial fitness to provide service at retail in the District of Columbia.

That the facts above set forth are true and correct to the best of his/her present knowledge, information, and belief after due inquiry and that he/she expects said Applicant to be able to prove the same at any hearing hereof.

<u>Piter & Junh</u> Signature of Affiant

Sworn and subscribed before me this *D* day of

Signature of official administering oath

	CARLA-MARIA GRAVES
My commission expires	Montgomery County
My commission expires	My Commission Expires
	February 24, 2022

#### VERIFICATION

State of Maryland	:
	: ss
County of Montgomery	:

Peter B Zacharkiw\_\_\_\_\_, Affiant, being duly [sworn/affirmed] according to law, deposes and says that:

He/sheisthe Partner(Officer/Affiant)ofCheap Energy Now LLC(Name of Applicant);

That he/she is authorized to and does make this affidavit for said corporation;

The Applicant understands that the making of a 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 all applicable Sections of the District of Columbia Code as may be amended from time to time relating to perjury and falsification in official matters.

That the Applicant will supplement this Application in the event the Public Service Commission of the District of Columbia ("Commission") modifies the licensing requirements, or requests further information.

That the Applicant agrees that it will not present itself as a licensed retail supplier of natural gas in the District of Columbia, sell or market natural gas, accept deposits, prepayments, or contract with any end-use Customers without a license from the Commission.

That the Applicant agrees to update information contained in this Application in accordance with the schedule set forth in the Application.

That the facts above set forth are true and correct to the best of his/her present knowledge, information, and belief after due inquiry and that he/she expects said Applicant to be able to prove the same at any hearing hereof.

Reter B Jahr Signature of Affiant

Sworn and subscribed before me this  $\frac{1}{100}$  day of  $\frac{1}{100}$ , 2020**\_** `` \* 00-

we De Signature of official administering oath

My commission expires	CARLA-MARIA GRAVES
•	Montgomery County
	My Commission Expires February 24, 2022

# APPLICANT'S GENERAL AUTHORIZATION FOR VERIFICATION OF FINANCIAL INFORMATION, ETC.

#### TO WHOM IT MAY CONCERN:

I/We have applied to the District of Columbia Public Service Commission (the "Commission") for a license to be a Natural Gas Supplier, or to provide certain Natural Gas Supply related services, and authorize you to release to the Staff of the Commission and its authorized representatives and agents any information or copies of records requested concerning:

MY COMPANY OR BUSINESS AND ITS HISTORY, CUSTOMER PERFORMANCE, OPERATIONS, RELATIONS, FINANCIAL CONDITION, INCLUDING BANK ACCOUNT TRANSACTIONS AND BALANCES, PAYMENT HISTORY WITH SUPPLIERS AND OTHER CREDITORS, VERIFICATION OF NET WORTH AND OTHER INFORMATION AND RECORDS WHICH THE COMMISSION REQUIRES TO VERIFY OR MAKE INOUIRY CONCERNING MY/OUR FINANCIAL INTEGRITY AND THE INFORMATION CONTAINED IN MY/OUR LICENSE APPLICATION OR OTHER INFORMATION PROVIDED BY ME/US TO THE COMMISSION OR, STAFF OF THE COMMISSION OR ITS REPRESENTATIVES OR AGENTS.

This Authorization is continuing in nature and includes release of information following issuance of a license, for reverification, quality assurance, internal review, etc. The information is for the confidential use of the Commission and the Staff of the Commission in determining my/our financial integrity for being a licensee or to confirm information I/We have supplied and may not be released by order of the Commission or by order of a court of competent jurisdiction.

A photographic or fax copy of this authorization may be deemed to be the equivalent of the original and may be used as a duplicate original. The original signed form is maintained by the Staff of the Commission.

# **APPLICANT'S AUTHORIZATION TO RELEASE INFORMATION:**

Cheap Energy Now LLC Peter B Zacharkiw

APPLICANT (please print)

APPLICANT'S SIGNATURE DATE

Partner TITLE

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#### ATTACHMENT D

#### FORM OF INTEGRITY BOND FOR AGGREGATORS AND BROKERS

#### INTEGRITY BOND-SURETY BOND

Bond No. PR2711278

we,	
Cheap Energy Now LLC	
(Name of supplier)	
8673 Grovemont Circle	Gaithersburg, MD 20877
(Address of supplier)	)
as principal, and	
Platte River Insurance	Company
(Surety Company)	
P.O. Box 5900, Madiso	on, WI 53705-0900
(Address of surety)	

as surety authorized to do business in the District of Columbia, are held and firmly bound to the Public Service Commission of the District of Columbia, as obligee for the use and benefit of all persons establishing legal rights hereunder, in the sum of TEN THOUSAND 00/100 (\$10,000) lawful money of the United States of America, to the payments of which sum, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly, severally, and firmly by this document.

WHEREAS, the Principal has applied to the Public Service Commission of the District of Columbia for a license to provide natural gas service to retail Customers in the District of Columbia, and

WHEREAS, pursuant to the Retail Natural Gas Licensing and Consumer Protection Act of 2004, the Public Service Commission of the District of Columbia is authorized to require the Principal to maintain a bond in order to provide retail natural gas service.

NOW, THEREFORE, if the Principal shall faithfully and truly fulfill all of its service or product contracts and other contractual commitments to deliver retail natural gas services, and not file for bankruptcy or for similar protection under law, then this obligation shall be void, otherwise to remain in full force and effect as security for the use of the Public Service Commission of the District of Columbia or of any person or entity, who after entering into a service or product contract or third party supplier agreement for service in the District of Columbia with the above named Principal is actually and directly damaged or suffers any actual or direct loss by reason of failure of service or by other breach or bankruptcy by this Principal.

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The aggregate liability of the Surety is limited to the foregoing sum which sum shall be reduced by any payment made in good faith hereunder.

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The term of this bond is for the period beginning <u>7/9/2020</u> and terminating <u>7/9/2021</u>, and may be continued for an annual period by Continuation Certificate signed by the Principal and Surety, a copy of which must be served by registered mail upon the Secretary of the Public Service Commission of the District of Columbia.

In order to draw funds on this Bond, the Public Service Commission of the District of Columbia shall issue an order stating that the Licensee is financially insolvent or unable to meet its obligations as for restitution to any Licensee's Customer who has suffered actual damages or loss of a deposit or prepayment (as such terms defined in Sections 4704 and 4705 of Chapter 47 of Title 15 DCMR) in a specific amount by means of failure, or by reason of breach of contract or violation of the Retail Natural Gas Licensing and Consumer Protection Act of 2004 and/or regulations, rules or standards promulgated pursuant thereto. SIGNED, SEALED AND DATED this 9 day of July. 2020

Principal: Cheap Energy Now LLC

By: <u>*fite*</u> (Signatory) В

Surety: Platte River Insurance Company

Address of Surety: P.O. Box 5900

Madison, WI 53705-0900

By: (Signatory) Chris Eley, Attorney-In-Fact

Notary Seal

, \*

Montgomery County, Maryland Notary Public Joseph Kevin Haley My Commission Expires 11/9/2020

Loc		

#### PLATTE RIVER INSURANCE COMPANY POWER OF ATTORNEY

PR2711278

Bond Number

KNOW ALL MEN BY THESE PRESENTS, That the PLATTE RIVER INSURANCE COMPANY, a corporation of the State of Nebraska, having its principal offices in the City of Middleton, Wisconsin, does make, constitute and appoint

-------CHRIS ELEY: AMELIA MCSHANE; JASON JENKINS------

its true and lawful Attorney(s)-in-fact, to make, execute, seal and deliver for and on its behalf, as surety, and as its act and deed, any and all bonds, undertakings and contracts of suretyship, provided that no bond or undertaking or contract of suretyship executed under this authority shall exceed in amount the sum of

\_\_\_\_\_ALL WRITTEN INSTRUMENTS IN AN AMOUNT NOT TO EXCEED: \$20,000,000.00 ------

This Power of Attorney is granted and is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of **PLATTE RIVER INSURANCE COMPANY** at a meeting duly called and held on the 8th day of January, 2002.

"RESOLVED, that the President, Executive Vice President, Vice President, Secretary or Treasurer, acting individually or otherwise, be and they hereby are granted the power and authorization to appoint by a Power of Attorney for the purposes only of executing and attesting bonds and undertakings, and other writings obligatory in the nature thereof, one or more resident vice-presidents, assistant secretaries and attorney(s)-in-fact, each appointee to have the powers and duties usual to such offices to the business of this company; the signature of such officers and seal of the Company may be affixed to any such power of attorney or to any certificate relating thereto by facsimile, and any such power of attorney or certificate bearing such facsimile seal shall be valid and binding upon the Company in the future with respect to any bond or undertaking or other writing obligatory in the nature thereof to which it is attached. Any such popointment may be revoked, for cause, or without cause, by any of said officers, at any time."

In connection with obligations in favor of the Florida Department of Transportation only, it is agreed that the power and authority hereby given to the Attorney-in-Fact includes any and all consents for the release of retained percentages and/or final estimates on engineering and construction contracts required by the State of Florida Department of Transportation. It is fully understood that consenting to the State of Florida Department of Transportation and/or its assignee, shall not relieve this surety company of any of its obligations under its bond.

In connection with obligations in favor of the Kentucky Department of Highways only, it is agreed that the power and authority hereby given to the Attorney-in-Fact cannot be modified or revoked unless prior written personal notice of such intent has been given to the Commissioner – Department of Highways of the Commonwealth of Kentucky at least thirty (30) days prior to the modification or revocation.

IN WITNESS WHEREOF, the PLATTE RIVER INSURANCE COMPANY has caused these presents to be signed by its officer undersigned and its corporate seal to be hereto affixed duly attested, this 1st day of January, 2020.

ntinnnungg PLATTE RIVER INSURANCE COMPANY Attest: R WBURAN Rvan J. Byrnes Senior Vice President, John L. Sennott, Jr Chief Financial Officer and Treasurer Chief Executive Officer and President Sunanna M Broadbant AEBRASK Suzanne M. Broadbent Assistant Secretary

STATE OF WISCONSIN COUNTY OF DANE

On the 1st day of January, 2020 before me personally came John L. Sennott, Jr., to me known, who being by me duly sworn, did depose and say: that he resides in the County of Hartford, State of Connecticut; that he is Chief Executive Officer and President of **PLATTE RIVER INSURANCE COMPANY**, the corporation described in and which executed the above instrument; that he knows the seal of the said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation and that he signed his name thereto by like order.

STATE OF WISCONSIN COUNTY OF DANE

S.S.:



David J. Regele

Notary Public, Dane Co., WI My Commission Is Permanent

I, the undersigned, duly elected to the office stated below, now the incumbent in **PLATTE RIVER INSURANCE COMPANY**, a Nebraska Corporation, authorized to make this certificate, **DO HEREBY CERTIFY** that the foregoing attached Power of Attorney remains in full force and has not been revoked; and furthermore, that the Resolution of the Board of Directors, set forth in the Power of Attorney is now in force.

Signed and sealed at the City of Middleton, State of Wisconsin this	9	day of	July	, 20 <u></u> _
	SEAL	ALL		Diaz-Matos neral Counsel and Secretary

THIS DOCUMENT HAS BEEN GENERATED FOR A SPECIFIC BOND. IF YOU HAVE ANY QUESTIONS CONCERNING THE AUTHENTICITY OF THIS DOCUMENT CALL 800-475-4450. PR-ePOA-M (Rev. 01-2020)

#### ACKNOWLEDGMENT

STATE OF ARKANSAS COUNTY OF Saline

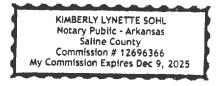
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BE IT REMEMBERED, on this day, personally appeared before me, , known to me to be the person whose name is subscribed to the foregoing as aftorney-in-fact, and acknowledged that he executed the same for the purposes therein contained.

WITNESS my hand and official seal this <u>9</u> day of <u>July</u>, 2020. <u>Kinded</u> yutte <u>Soll</u> Notary Public

My Commission Expires: December 9, 2025



(S E A L)

# **STATE OF MARYLAND Department of Assessments and Taxation**

I, MICHAEL L. HIGGS OF THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION OF THE STATE OF MARYLAND, DO HEREBY CERTIFY THAT THE DEPARTMENT, BY LAWS OF THE STATE, IS THE CUSTODIAN OF THE RECORDS OF THIS STATE RELATING TO LIMITED LIABILITY COMPANIES, OR THE RIGHTS OF LIMITED LIABILITY COMPANIES TO TRANSACT BUSINESS IN THIS STATE, AND THAT I AM THE PROPER OFFICER TO EXECUTE THIS CERTIFICATE.

I FURTHER CERTIFY THAT CHEAP ENERGY NOW LLC (W19839729), REGISTERED JULY 29, 2019, IS A LIMITED LIABILITY COMPANY EXISTING UNDER AND BY VIRTUE OF THE LAWS OF THE STATE OF MARYLAND, AND THAT THE LIMITED LIABILITY COMPANY IS AT THE TIME OF THIS CERTIFICATE IN GOOD STANDING TO TRANSACT BUSINESS.

IN WITNESS WHEREOF, I HAVE HEREUNTO SUBSCRIBED MY SIGNATURE AND AFFIXED THE SEAL OF THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION OF MARYLAND AT BALTIMORE ON THIS JUNE 30, 2020.

Michael L. Higgs Director



301 West Preston Street, Baltimore, Maryland 21201 Telephone Baltimore Metro (410) 767-1340 / Outside Baltimore Metro (888) 246-5941 MRS (Maryland Relay Service) (800) 735-2258 TT/Voice

> Online Certificate Authentication Code: 7aavPDf2ZUumhzaeOoT5TA To verify the Authentication Code, visit http://dat.maryland.gov/verify

# **GOVERNMENT OF THE DISTRICT OF COLUMBIA** DEPARTMENT OF CONSUMER AND REGULATORY AFFAIRS CORPORATIONS DIVISION



**THIS IS TO CERTIFY** that all applicable provisions of the District of Columbia Business Organizations Code have been complied with and accordingly, this *CERTIFICATE OF REGISTRATION* is hereby issued to:

Cheap Energy Now LLC

Effective Date: 7/13/2020

**IN WITNESS WHEREOF I** have hereunto set my hand and caused the seal of this office to be affixed as of 7/13/2020 9:38 AM



Muriel Bowser Mayor

Tracking #: KGY6ViGl

Business and Professional Licensing Administration

-Josef Gi Giasimov

JOSEF G. GASIMOV Superintendent of Corporations, Corporations Division

# **Statement of Technical and Managerial Competency**

In 2013, Mr. Zacharkiw, Mr. Haley and Mr. Hanley joined together to form a company called Cenergetix LLC to focus on implementing energy efficiency projects in lighting and HVAC. Together, we have worked with over 1000 clients in implementing projects that saved energy and met their ROI criteria. As a Pepco Service Provider, we have obtained more than \$10 million in incentives under the Empower Maryland programs for our customers in Maryland. As part of the process, we had to obtain the customers energy bills and see the usage and rates they incur. As an enhanced service to our customers, we have formed Cheap Energy Now LLC to help them get the most competitive rates for both electricity and natural gas.

Below are the partners along with their technical and managerial experience.

#### Peter Bohdan Zacharkiw, Partner

Mr. Zacharkiw is a co-founder and principal of Cenergetix and has been involved in the energy efficiency area since 1975 when he started his engineering career working for the Naval Air Engineering Center. For over 40 years, Mr. Zacharkiw has been involved with finding unique ways to reduce the need for energy resources. Prior to forming Cenergetix, he managed a contract for AT&T which required him to find ways for them to reduce energy consumption in over 4000 buildings across the United States.

Mr. Zacharkiw holds both BS and MS degrees in Engineering from Widener University and is a Certified Energy Auditor accredited by AEE. In 1983, he founded Bohdan Associates, Inc which became a \$400 million company engaged in technology headquartered in Gaithersburg, Maryland.

#### **Daniel D Hanley, Partner**

Mr. Hanley is a co-founder and principal of Cenergetix and has been involved in developing energy efficiency solutions for hospitality and commercial building owners and operators throughout the US and Canada. Mr. Hanley's interest in efficiency operations started in 1997 when he purchased a property to develop and build "Le Grand Lodge Mont-Tremblant". Mr. Hanley continues to evaluate and introduce exciting efficiency solutions to his customers and has successfully implemented these solutions in over 10 million square feet of facilities.

Mr. Hanley holds a BS degree from Catholic University and is a member in many organizations which provide the contacts within the energy efficiency arena. With Cenergetix, Mr. Hanley has led the sales team in obtaining over 1000 projects in LED Lighting upgrades.

#### Joseph K. Haley, Partner

Since 2013, as part of Cenergetix LLC, Mr. Haley has been instrumental in securing more than \$10,000,000 in incentive money for his clients through the Empower Maryland programs. His concentration has been on large commercial developers and property managers. Prior to joining Cenergetix, Mr. Haley had his own company Energy Pro LLC which was also providing energy savings solutions to his clients.

Mr. Haley holds a BS degree from Georgetown University and is a member in many organizations which help obtaining new clients in the energy arena.

# **Financial Information**

Cheap Energy Now LLC is a new entity that is dedicated to only selling electricity and natural gas as a broker. It is an off shoot of Cenergetix LLC but will be its own separate entity. They will share business contact information but will maintain a totally separate financial system.

Due to the fact that the management team is basically the same for both entities, Cenergetix LLC is supplying the P&L and Balance Sheets for its 1<sup>st</sup> half of 2020 to demonstrate the teams financial integrity in running a business.

07/06/20 Accrual Basis

# Cenergetix LLC Profit & Loss January through June 2020

	Jan - Jun 20
Ordinary Income/Expense	
Income 45100 - Job Income	1,517,219.51
46000 · Interest Income 49900 · Sales Tax Discount	16.03 198.79
Total Income	1,517,434.33
Cost of Goods Sold 50000 - Cost of Goods Sold	404,178.53
50800 · Equipment Rental for Jobs 51400 · Job Materials Purchased 53600 · Subcontractors Expense	14,581.71 5,339.58 273,968.22
Total COGS	698,068.04
Gross Profit	819,366.29
Expense	18,519.05
60100 · Auto and Truck Expenses 60400 · Bank Service Charges	1,172.97
61000 · Business Licenses and Permits	1,231.43
61500 · Marketing Expense	5,945.12
63300 · Insurance Expense	54,806.97
63400 · Interest Expense	20,323.37
64300 · Meals and Entertainment	339.30
64450 · Shipping	94.54
64900 · Office Expense	14,695.28
65000 Commissions Paid	97,974.00 272,176,12
66000 · Payroll Expenses	272,170.12
66700 · Professional Fees	7,462.00
66900 · Reconciliation Discrepancies	-1,000.00
67100 · Rent Expense	35,908.41
68100 · Telephone Expense	6,359.87
68600 · Utilities	4,567.25
Total Expense	540,575.68
Net Ordinary Income	278,790.61
Net Income	278,790.61

07/06/20 Accrual Basis

# Cenergetix LLC Balance Sheet As of June 30, 2020

	Jun 30, 20
ASSETS Current Ass <del>ets</del> Checking/Savings	46,228.04
Accounts Receivable	855,358.22
Other Current Assets	-11,209.49
Total Current Assets	890,376.77
Fixed Assets	72.00
TOTAL ASSETS	890,448.77
LIABILITIES & EQUITY Liabilities Current Liabilities Accounts Payable	63,075.18
Credit Cards	50,378.31
Other Current Liabilities	488,091.62
Total Current Liabilities	601,545.11
Total Liabilities	601,545.11
Equity	288,903.66
TOTAL LIABILITIES & EQUITY	890,448.77

# Cheap Energy Now LLC – Partners over 10%

Peter B Zacharkiw 12086 Wetherfield Ln Potomac, MD 20854

Daniel D Hanley 7 Mercy Ct Potomac, MD 20854

Joseph K Haley 9235 Potomac School Dr Potomac, MD 20854

Mark N Vitale 4513 Jenner Ct Olney, MD 20832