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**APPLICATION OF TESLA ENERGY § PUBLIC UTILITY COMMISSION
VENTURES, LLC FOR A RETAIL §
ELECTRIC PROVIDER CERTIFICATE § OF TEXAS**

NOTICE OF APPROVAL

This Notice of Approval addresses the application of Tesla Energy Ventures, LLC for an option 1 retail electric provider (REP) certificate. The Commission issues option 1 REP certificate number 10296 to Tesla Energy Ventures, LLC.

I. Findings of Fact

The Commission makes the following findings of fact.

Applicant

1. Tesla Energy Ventures is a Delaware limited liability company registered with the Texas secretary of state under file number 804186722.

Application

2. On August 16, 2021, Tesla Energy Ventures applied for an option 1 REP certificate to provide retail electric service throughout the area served by the Electric Reliability Council of Texas (ERCOT).
3. Tesla Energy Ventures filed supplemental information on August 17 and September 7, 9, and 28, 2021.
4. Tesla Energy Ventures submitted its application using the Commission-approved form, verified by oath or affirmation, and signed by Ana Stewart, president of Tesla Energy Ventures.
5. In Order No. 2 filed on August 31, 2021, the administrative law judge (ALJ) found the application sufficient for further review.

Basic Requirements

6. The name Tesla Energy Ventures, LLC is registered with the Texas secretary of state and the names Tesla Energy Ventures, LLC and Tesla are not deceptive, misleading, vague, or duplicative of a name previously approved for use by an existing REP certificate holder.
7. Tesla Energy Ventures maintains an office with a physical address located in Texas for the purpose of providing customer service, accepting service of process, and making available books and records for inspection at that office.

Financial Requirements

8. Tesla Energy Ventures' application, as supplemented, provided its August 2021 balance sheet and demonstrated shareholders' equity of at least one million dollars.
9. Tesla Energy Ventures provided evidence under confidential seal, in Project No. 37919,¹ of an irrevocable stand-by letter of credit payable to the Commission with a face value of \$500,000.
10. Tesla Energy Ventures will not collect customer deposits or residential advance payments.
11. Tesla Energy Ventures will comply with the financial standards required for the billing and collection of transition charges.
12. Tesla Energy Ventures reported that neither itself, nor any predecessor in interest, has a history of insolvency, bankruptcy, dissolution, merger or acquisition during the 60 months immediately preceding the application.

Technical and Managerial Requirements

13. Tesla Energy Ventures' application, as supplemented, provided the resume of at least one principal employee who has five years of experience in energy commodity risk management of a substantial energy portfolio.
14. Tesla Energy Ventures has demonstrated: (a) it has the capability to comply with all applicable ERCOT policies, protocols, guidelines, procedures, and rules; (b) it has the capability to comply with all applicable ERCOT registration and certification requirements; (c) it will comply with all renewable energy portfolio standards; (d) its

¹ *Letter of Credit and Letter of Credit Amendment Filings Pursuant to PUC Substantive Rule § 25.107, Project No. 37919, Tesla Energy Ventures' Confidential- Letter of Credit Bate Stamp - 1 to 3 (Aug. 18, 2021) and Confidential- Letter of Credit Bate Stamp 1-1 (Sep. 10, 2021).*

principals or permanent, managerial employees have at least 15 years combined experience in the competitive retail electric or gas industry; (e) it has at least one principal or permanent employee with five years of experience in energy commodity risk management of a substantial energy portfolio; (f) it has adequate staffing and employee training to meet all service level commitments; (g) it has the capability and effective procedures to be the primary point of contact for retail electric customers for distribution system service; and (h) it has a customer service plan that complies with the Commission's customer protection and anti-discrimination rules.

15. Tesla Energy Ventures reported that neither itself, nor its principals, has any complaint history, disciplinary record, or compliance record during the ten years immediately preceding the application from any federal agency, self-regulatory organization, state public utility commission, state attorney general's office, other regulatory agency, the Texas secretary of state, the Texas comptroller's office, or the Office of the Texas Attorney General.
16. Tesla Energy Ventures reported that neither itself, nor its principals, are currently under investigation or have been penalized by an attorney general or any state or federal regulatory authority for violation of any deceptive trade or consumer protection laws or regulations.
17. Tesla Energy Ventures reported that neither itself, nor its principals, have been convicted of or found liable for fraud, theft, larceny, deceit, or violations of any securities laws, customer protection laws, or deceptive trade laws.
18. Tesla Energy Ventures is not currently providing service to customers.
19. Tesla Energy Ventures included with its application an affidavit by Ms. Stewart, certifying that the company will register with or be certified by ERCOT and will comply with the technical and managerial requirements of 16 Texas Administrative Code (TAC) § 25.107(g).

Informal Disposition

20. More than 15 days have passed since the completion of notice provided in this docket.
21. No person filed a protest or motion to intervene.

22. Tesla Energy Ventures and Commission Staff are the only parties to this proceeding.
23. No party requested a hearing and no hearing is needed.
24. Commission Staff recommended approval of the application, as supplemented.
25. This decision is not adverse to any party.

II. Conclusions of Law

The Commission makes the following conclusions of law.

1. The Commission has authority over the application under PURA² § 39.352.
2. The application complies with the requirements of PURA § 39.352 and 16 TAC § 25.107.
3. Tesla Energy Ventures designated its election for option 1 REP certification to provide retail electric services within Texas as required by 16 TAC § 25.107(d)(1).
4. Tesla Energy Ventures maintains a Texas business location in satisfaction of PURA § 39.352(b)(4) and 16 TAC § 25.107(e)(2).
5. The name Tesla Energy Ventures, LLC is not deceptive, misleading, vague, otherwise contrary to 16 TAC § 25.272, or duplicative, in compliance with 16 TAC § 25.107(e)(1)(B).
6. Tesla Energy Ventures demonstrated compliance with the access to capital requirement in 16 TAC § 25.107(f)(1)(B).
7. Tesla Energy Ventures agreed to comply with 16 TAC §§ 25.107(f)(5) and 25.108, relating to the billing and collection of transition charges.
8. Tesla Energy Ventures demonstrated the capability to comply with all applicable rules established by ERCOT in compliance with the requirements of 16 TAC § 25.107(g)(1)(A) and (B).
9. Tesla Energy Ventures demonstrated compliance with all renewable energy portfolio standards in accordance with 16 TAC § 25.173 in satisfaction of 16 TAC § 25.107(g)(1)(C).
10. Tesla Energy Ventures has principals or permanent employees in managerial positions whose combined experience in the competitive electric industry equals or exceeds 15 years,

² Public Utility Regulatory Act, Tex. Util. Code §§ 11.001–66.016.

and at least one principal or employee who has five years of experience in energy commodity risk management of a substantial energy portfolio, as required by 16 TAC § 25.107(g)(1)(D) and (E).

11. Tesla Energy Ventures demonstrated that it has experience in competitive retail electric service or a related industry, is committed to adequate staffing and training, will be the primary point of contact for its customers, and has a customer service plan that complies with the Commission's customer protection and anti-discrimination rules as required by 16 TAC § 25.107(g)(1)(F) through (H).
12. The Commission processed the application in accordance with the requirements of PURA, the Administrative Procedure Act,³ and Commission's rules.
13. The requirements for informal disposition in 16 TAC § 22.35 have been met in this proceeding.

III. Ordering Paragraphs

In accordance with these findings of fact and conclusions of law, the Commission issues the following orders.

1. The Commission issues option 1 REP certificate number 10296 in the name "Tesla Energy Ventures, LLC" to provide retail electric services throughout the area served by ERCOT.
2. Tesla Energy Ventures must provide service only under the name Tesla Energy Ventures, LLC or Tesla.
3. Tesla Energy Ventures must continuously maintain an office 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 compliance with the requirements of PURA and applicable Commission rules.
4. For the period beginning on the date of certification and ending two years after Tesla Energy Ventures begins serving load, Tesla Energy Ventures must not make any distribution or other payment to any shareholders or affiliates that would reduce Tesla Energy Ventures' shareholders' equity to an amount that is less than one million dollars, net of assets used for collateral pledged to secure the \$500,000 irrevocable standby-letter of credit.

³ Tex. Gov't Code §§ 2001.001–903.

5. The Commission denies all other motions and any other requests for general or specific relief, if not expressly granted.

Signed at Austin, Texas the 3rd day of November 2021.

PUBLIC UTILITY COMMISSION OF TEXAS

A handwritten signature in black ink, appearing to read "Christina Denmark", written in a cursive style.

**CHRISTINA DENMARK
ADMINISTRATIVE LAW JUDGE**