

Control Number: 49455



Item Number: 4

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APPLICATION OF DEMAND CONTROL 2, LLC FOR A RETAIL ELECTRIC PROVIDER CERTIFICATE

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PUBLIC UTILITY COMMISSION
PUBLIC UTILITY COMMISSION
OF TEXAS
FILING OFFICE

COMMISSION STAFF'S RECOMMENDATION ON SUFFICIENCY

COMES NOW the Commission Staff (Staff) of the Public Utility Commission of Texas, representing the public interest, and files this recommendation. Staff recommends that the application be deemed sufficient for further review. In support thereof, Staff shows the following:

I. BACKGROUND

On April 16, 2019, Demand Control 2, LLC (Demand Control), filed an application under PURA¹ § 39.352 and 16 Tex. Admin. Code (TAC) § 25.107 for a retail electric provider Option 2 certificate. Order No. 1, issued on April 18, 2019, directed Staff to file a recommendation on the sufficiency of Demand Control's application by May 7, 2019. This pleading, therefore, is timely filed.

II. SUFFICIENCY

After reviewing the application, Staff has concluded that Demand Control's application for REP certification is sufficient and complete. This recommendation does not address the merits of the application.

III. CONCLUSION

For the reasons discussed above, Staff respectfully requests that Demand Control's application be deemed sufficient for further review.

Dated: May 2, 2019

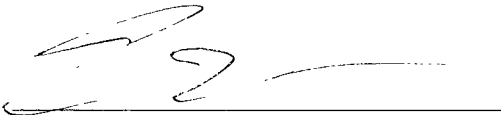
¹ Public Utility Regulatory Act, Tex Util Code Ann §§ 11 001-58.303 (West 2016), §§ 59 001-66 017 (West 2007 & Supp 2016) (PURA)

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Margaret Uhlig Pemberton
Division Director

Stephen Mack
Managing Attorney

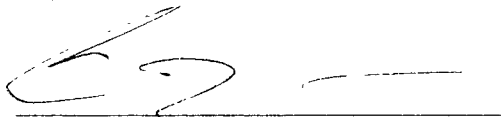


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DOCKET NO. 49455

CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on this the 2nd of May, 2019 in accordance with 16 TAC § 22.74.



Creighton R. McMurray

Public Utility Commission of Texas

Memorandum

TO: Creighton McMurray, Attorney
Legal Division

FROM: Fred Goodwin, Competitive Market Analyst
Competitive Markets Division

DATE: May 1, 2019

RE: Docket No. 49455 – *Application of Demand Control 2, LLC for a Retail Electric Provider Certificate*

Sufficiency Recommendation

I. Application

On April 16, 2019, Demand Control 2, LLC (Demand Control or the Applicant) filed an application with the Public Utility Commission of Texas (Commission) for certification as an Option 2 retail electric provider (REP) in Texas pursuant to Public Utility Regulatory Act (PURA) § 39.352 and 16 Texas Administrative Code (TAC) § 25.107.

II. Analysis

The general, certification, basic, and content requirements for a new Option 2 REP certification application are listed in 16 TAC § 25.107(c), (d), (e), and (f) respectively.

General requirements

Pursuant to 16 TAC § 25.107(c)(2), an application for REP certification “shall be made on a form approved by the commission, verified by oath or affirmation, and signed by an executive officer of the applicant.” Staff reviewed the application and found that it was submitted on a commission-approved form and that it contains all of the information required by 16 TAC § 25.107.

Certification requirements

Under 16 TAC § 25.107(d), “a person seeking certification under this section may apply to provide services under paragraph (1) or (2) of this subsection, and shall designate its election in the application.” The Applicant designated its election as an Option 2 provider in Section B-1 (“Certificated Service Area”) of the application form.

Under 16 TAC § 25.107(d)(2), a REP seeking certification under this paragraph “must file with the commission a signed, notarized affidavit from each customer, with whom it has contracted to provide one megawatt or more of capacity. The affidavit must state that the customer is satisfied that the REP meets the standards prescribed by PURA §39.352 (b)(1)-(3) and (c).” The applicant provided the required customer affidavit.

Basic requirements

Under 16 TAC § 25.107(e)(1)(A), the Commission may not authorize more than five assumed names for a REP at one time. The Applicant did not request any assumed names.

Under 16 TAC § 25.107(e)(1)(B), a REP business name “shall not be deceptive, misleading, vague, otherwise contrary to §25.272 of this title (relating to Code of Conduct for Electric Utilities and Their Affiliates), or duplicative of a name previously approved for use by a REP certificate holder.” Staff verified that the company is registered with the Office of the Secretary of State in File No. 803209081. Staff also verified that the company name does not duplicate any existing REP names and is not otherwise deceptive, misleading, vague, otherwise contrary to §25.272.

Under 16 TAC § 25.107(e)(2), a REP “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 REP’s compliance with PURA and the commission’s rules.” The REP location may not be a post office box. The Applicant listed its required Texas office address in Section A-6(c) of the application and it is not a post office box.

Content requirements

Under 16 TAC §25.107(f)(5), if a REP “serves customers in the service area of a TDU that is subject to a financing order pursuant to PURA §39.310, the REP shall comply with §25.108 of this title.” The applicant agreed to bill applicable transition charges in Section C-3

of the application (“Financial standards required for billing and collection of transition charges”).

III. Conclusion

Staff has reviewed the application and found that it was submitted on a commission-approved form and it contains all of the information required by 16 TAC § 25.107. Therefore, Staff recommends that the application be considered sufficient for further review.

If you have any questions, please contact, Fred Goodwin at (512) 936-7454.