



Control Number: 49456



Item Number: 13

Addendum StartPage: 0

RECEIVED

APPLICATION OF VANTAGE ENERGY LLC FOR A RETAIL ELECTRIC PROVIDER CERTIFICATE

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PUBLIC UTILITY COMMISSION

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PUBLIC UTILITY COMMISSION OF TEXAS
FILING CLEAR

COMMISSION STAFF’S THIRD SUFFICIENCY RECOMMENDATION

COMES NOW the Staff of the Public Utility Commission of Texas (Staff), representing the public interest, and files this Commission Staff’s Third Sufficiency Recommendation and would show the following:

I. BACKGROUND

On April 17, 2019, Vantage Energy LLC (Vantage), filed an application under 16 Texas Administrative Code (TAC) § 25.107 for an Option 1 Retail Electric Provider (REP) certificate.

Order No. 4, issued on July 10, 2019, required Vantage to cure deficiencies in its application by July 25, 2019, and directed Staff to file a supplemental recommendation on the completeness of the application by August 8, 2019. Therefore, this pleading is timely filed.

II. STAFF’S SUFFICIENCY RECOMMENDATION

To date, Vantage has not cured the outstanding deficiencies in its application. Therefore, Staff recommends that the application continue to be found deficient. Additionally, the applicant has failed multiple times to provide materials sufficient for the Commission to find the application administratively complete. Under the Commission's procedural rules, pursuant to 16 Texas Administrative Code (TAC) § 22.181(d)(7), grounds for dismissal include "failure to amend an application such that it is sufficient after repeated determinations that the application is insufficient." Staff reserves its right to move for dismissal pursuant to 16 TAC § 22.181(d)(7) if the application remains insufficient by September 8, 2019.

III. CONCLUSION

Staff respectfully requests an order consistent with the above recommendation.

13

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF
TEXAS LEGAL DIVISION**

Margaret Uhlig Pemberton
Division Director

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 (with permission)

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DOCKET NO. 49456

CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on this the 7th of August, 2019 in accordance with 16 TAC § 22.74.

 (with permission)

Joshua Adam Barron

Public Utility Commission of Texas

Memorandum

TO: Joshua Barron, Attorney
Legal Division

FROM: Fred Goodwin, Competitive Market Analyst
Competitive Markets Division

DATE: August 8, 2019

RE: Docket No. 49456 – *Application of Vantage Energy LLC for a Retail Electric Provider Certificate*

Supplemental Sufficiency Recommendation

Application

On April 17, 2019, Vantage Energy LLC (Vantage or the Applicant) filed an application with the Public Utility Commission of Texas (Commission) for certification as an Option 1 retail electric provider (REP) in Texas pursuant to Public Utility Regulatory Act § 39.352 and 16 Texas Administrative Code (TAC) § 25.107. Per Order No. 4, *Granting Requests for Extension*, Vantage was required to cure the deficiencies in its application by July 25, 2019. Vantage did not file anything by that date to cure the deficiencies.

Technical and Managerial Analysis

The general, basic, and content requirements applicable to a new REP certification application are listed in PUC Substantive Rule 16 TAC § 25.107(c), (e), and (g) respectively.

General requirements

Under 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 confirmed that the application was submitted on a Commission-approved form, verified by oath, and signed by an officer of the company. Except as detailed below, all required sections of the application were completed.

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. 803270508. 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(g)(2)(A)-(H) certain technical and managerial information must be included in the REP’s initial certification application. Staff confirmed that the application failed to include the required information as detailed in the chart below:

<i>Rule</i>	<i>Requirement</i>	<i>Application</i>
16 TAC §25.107(g)(2)(A)	Competitive experience (*)	Confidential Attachment D-4
16 TAC §25.107(g)(2)(B)	Complaint history	Application section D-7
16 TAC §25.107(g)(2)(C)	Insolvency, bankruptcy, etc.	Application section C-4
16 TAC §25.107(g)(2)(D)	Investigation of principals	Application section D-8
16 TAC §25.107(g)(2)(E)	Fraud by principals	Application section D-9
16 TAC §25.107(g)(2)(F)	ERCOT registration affidavit	Not provided
16 TAC §25.107(g)(2)(G)	Principals involved in POLR	Not provided
16 TAC §25.107(g)(2)(H)	Other evidence	None

* The information provided does not satisfy the substantive requirement.

Conclusion

Staff has reviewed the application and found that it was submitted on a commission-approved form but it does not contain all of the information required by 16 TAC § 25.107. Specifically, the application does not include the affidavits required under 16 TAC § 25.107(g)(2)(F) and 16 TAC § 25.107(g)(2)(G). Finally, the evidence provided in confidential Attachment D-4 does not satisfy the substantive requirement. Specifically, Staff cannot determine that the experience proffered was gained in competitive gas or electric markets.

Therefore, Staff recommends that the application be considered not sufficient for further review, from a technical and managerial perspective. The financial and risk management qualifications of the applicant will be reviewed separately. This recommendation does not address the merits of the application.

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