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PUC DOCKET No. 49634
SOAH DOCKET NO. 472919-6767

PETITION TO REVOKE THE RETAIL § PUBLIC UTILITY COMMISSION
ELECTRIC PROVIDER CERTIFICATE §
OF AXON POWER & GAS, LLC § OF TEXAS.

COMMISSION STAFF'S LIST OF ISSUES

In response to the order of referral issued on August 16, 2019, the Staff of the Public Utility Commission of Texas (Commission) files its proposed list of issues.

I. BACKGROUND

On June 17, 2019, Commission Staff filed a petition to revoke the retail electric provider (REP) certificate of Axon Power and Gas, LLC (Axon) under PURA¹ § 39.356(a). Staff's petition asserts that, as of the date of filing, Axon was delinquent in making payments to as many as four transmission and distribution utilities (TDUs) in the ERCOT market, and that Axon defaulted on making payment to at least one TDU in the ERCOT market. Staff asserts that Axon violated 16 Tex. Admin. Code (TAC) §§ 25.107(j)(7) and 25.107(j)(16) by being delinquent and in default on its payment to TDUs.

Additionally, 16 TAC § 25.214(d) provides the pro-forma retail delivery tariff for retail delivery service applicable to Axon. Section 4.4.5 of the tariff requires that a REP make payment for delivery charges invoiced by a TDU no later than 35 calendar days after the date of the invoice. Section 4.4.6 relates to delinquent payments, stating that payments for delivery charges invoiced by a TDU are considered delinquent if not received by 5:00 pm CPT of the due date stated on the invoice. Section 4.4.6 also states that a REP is considered in default if the REP has not fully paid the balance owed to a TDU after a 10-day grace period following the delinquency date. Accordingly, Staff asserts that Axon additionally violated 16 TAC § 25.214(d) by defaulting under the terms of its tariff with at least one TDU in the ERCOT Market.

¹ Public Utility Regulatory Act, Tex. Util. Code Ann. §§ 11.001-66.016 (PURA).

Staff further alleged that Axon engaged in a pattern of making delinquent payments and of repeatedly defaulting on past-due payments to TDUs for several years back to 2014.

This matter was referred to the State Office of Administrative Hearings on August 16, 2019.

II. LIST OF ISSUES

1. Has Axon violated 16 TAC § 25.107(j)(7)?
2. Has Axon violated 16 TAC § 25.107(j)(16)?
3. Has Axon violated 16 TAC § 25.214(d)?
4. Should Axon's REP certificate be revoked under PURA§ 39.356(a) for violations of Commission Substantive Rules?

III. ISSUES NOT TO BE ADDRESSED

Staff has not identified any issues not to be addressed by the Commission.

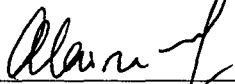
IV. THRESHOLD LEGAL OR POLICY ISSUES

Staff has not identified any threshold legal or policy issues to be addressed by the Commission.

Dated: August 22, 2019

Respectfully Submitted,

Robert M. Long
Division Director
Oversight and Enforcement Division



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CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on this the 22nd day of August, 2019, in accordance with P.U.C. Procedural Rule 22.74.



Alaina Zermeno