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#### **DOCKET NO. 56651**

# APPLICATION OF ENERGYWELL§PUBLIC UTILITY COMMISSIONTEXAS, LLC FOR A RETAIL§ELECTRIC PROVIDER CERTIFICATE§OF TEXAS

### ORDER NO. 2 FINDING APPLICATION DEFICIENT, ESTABLISHING DEADLINES AND AN OPPORTUNITY TO CURE, AND DENYING REQUEST FOR GOOD CAUSE EXCEPTION

This Order addresses the sufficiency of the May 23, 2024 application of Energywell Texas, LLC under PURA<sup>1</sup> § 39.352 and 16 Texas Administrative Code (TAC) § 25.107, for an option 1 retail electric provider (REP) certificate, and Energywell's request for a good cause exception to the requirements of 16 Texas Administrative Code (TAC) § 25.107(g)(1).

#### I. Administrative Completeness

On June 14, 2024, Commission Staff recommended that the application be found deficient and proposed a procedural schedule for further processing.

The administrative law judge (ALJ) finds the application administratively incomplete for the reasons described in the memorandum of Ethan Blanchard attached to Commission Staff's recommendation.

Accordingly, the ALJ finds good cause to extend the 90-day administrative approval deadline under 16 TAC § 25.107(c)(3) and establishes the following procedural schedule for further processing:

Event	Date
Deadline for applicant to file supplemental information to cure the deficiencies in the application	July 15, 2024
Deadline for Commission Staff to file a supplemental recommendation on the sufficiency of the supplemented application and propose additional deadlines, if appropriate	July 29, 2024

<sup>&</sup>lt;sup>1</sup> Public Utility Regulatory Act, Tex. Util. Code §§ 11.001–66.016.

# II. Motion for Good Cause Exception

Under 16 TAC § 25.107(d) and (e), an applicant for REP certification must identify various individuals within its organization (such as the primary contact, the customer complaint contact, all company principals and executive officers, employees with industry and risk management experience, and so on). However, 16 TAC § 25.107(g)(1) makes certain types of individuals ineligible for satisfying 16 TAC § 25.107(d) and (e), as follows:

- (1) In no instance may any of the following persons control the REP or be relied upon to meet the requirements of subsections (d) and (e) of this section:
  - (A) a person who was a principal of a market participant, at any time within the six months prior to the market participant:
    - (i) experiencing a mass transition of the REP's customers under 16 TAC § 25.43;<sup>2</sup>

Energywell has principals within its company who were formally principals of a market participant, Griddy Energy, LLC, at the time Griddy experienced a mass transition of its customers. Energywell would like to rely on those principals to qualify for REP certification in this proceeding. Energywell contends generally that, absent the prohibition in 16 TAC § 25.107(g)(1), the principals would satisfy the technical and managerial qualifications for an option 1 REP. Energywell cites 16 TAC § 25.3(b) to support its request for a good cause exception.

Commission Staff declined to take a position on Energywell's request for a good cause exception.

In the present proceeding, there is no dispute that Energywell's principals fall within the category of persons prohibited by 16 TAC § 25.107(g)(1). The ALJ does not believe the language of 16 TAC § 25.107(g)(1) contemplates any exception to its requirements such that a good cause exception could be granted. Accordingly, the ALJ denies Energywell's request for a good cause exception to the requirements of 16 TAC § 25.107(g)(1).

<sup>&</sup>lt;sup>2</sup> Emphasis added.

# Signed at Austin, Texas on the 20th day of June 2024.

# PUBLIC UTILITY COMMISSION OF TEXAS

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ERIC YOON ADMINISTRATIVE LAW JUDGE

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