



Filing Receipt

Filing Date - 2025-05-01 11:10:14 AM

Control Number - 58044

Item Number - 1



Public Utility Commission of Texas
1701 N. Congress Avenue or P.O. Box 13326
Austin, Texas 78711-3326
512-936-7000
Web address: www.puc.texas.gov

**Application for, or amendment to,
a Retail Electric Provider (REP) Certificate**
(In accordance with 16 Texas Administrative Code (TAC) § 25.107)

TITLE PAGE (TP)

ALL SUB-PARTS ARE APPLICABLE TO OPTION 1, 2, AND 3 REPS.

TP-1. Applicant Name – Applicant must provide its legal business name as it appears on applicant's relevant Texas Secretary of State (Texas SoS) registration. A relevant Texas SoS registration can include a Certificate of Formation or Certificate of Registration/Authority, or equivalents.

Applicant legal business name: Priority Energy Transition 2, LLC

Second applicant legal business name (if required):

TP-2. Type of Certification – As required by 16 TAC § 25.107(a)(1)(A), a person must obtain a REP certificate under section 16 TAC § 25.107 before purchasing, taking title to, or reselling electricity to provide retail electric service. A person may certify as an Option 1 REP, Option 2 REP, or Option 3 REP.

(a) Check only one of the following and, as applicable, provide the required information.

- | | |
|---|---|
| <input type="checkbox"/> New REP Option 1 certification | <input type="checkbox"/> New REP Option 2 certification |
| <input type="checkbox"/> New REP Option 3 certification | <input checked="" type="checkbox"/> REP certificate amendment |
| | ◆ Type of REP certificate: Option 2 |
| | ◆ REP certification no.: 10319 |

(b) For amendment applications, check one or more of the following options relating to the amendment categories requested in this filing:

- ☐ Change in ownership or control of the applicant.
- ☐ Corporate restructuring that involves the applicant (Option 1 REPs only).
- ☐ Transfer of a REP certificate.
- ☐ Name change amendment, including addition or deletion of assumed names.
- ☐ Customer Change, including additions or deletions of customers (Option 2 and 3 REPs only).

- ☐ Change in service area (Option 1 REPs only).
- ☐ Change in technical and managerial qualifications (Option 1 REPs only).
- ☐ Change in financial qualifications (Option 1 REPs only).
- ☐ Change in REP's type of certification as an Option 1, Option 2, or Option 3 REP.
- ☒ Relinquishment of certification.
- ☐ Other (Explain in "c" below).

(c) Written explanation of the amendment (attach additional pages if necessary).

Priority Energy Transition 2, LLC is not actively or previously having served any customers. This REP previously had negotiated to provide capacity to certain customers however those projects did not materialize and the REP was never required to provide service.

(d) Date each material change was or will be effective. As required by 16 TAC § 25.107(h)(4)(A), an applicant must state the effective date of each material change that prompted the amendment application.

Date(s): N/A - See Response E-1

MANDATORY INFORMATION (MI)

MI-1, MI-2, AND MI-3 ARE APPLICABLE TO OPTION 1, 2, AND 3 REPS.

MI-1. Applicant's Primary Contact Information – As required by 16 TAC § 25.107(d)(1)(D)(i).

Contact name: Russ Schwertner	Title: Senior Managing Director - MIO	
Street or mailing address: 4526 Research Forest Drive		
Mailing address (suite, floor or room):		
City: The Woodlands	State: TX	ZIP: 77381
Phone no.: 346-268-2564	Toll free no.:	
Email: rschwertner@prioritypower.com	Web address:	

MI-2. Authorized Representative Contact Information – As required by 16 TAC § 25.107(d)(1)(D)(ii).

Contact name: Jim Gant	Title: Head of Strategic Delivery	
Street or mailing address: 4526 Research Forest Drive		
Mailing address (suite, floor or room):		
City: The Woodlands	State: TX	ZIP: 77381
Phone no.: 214-562-1807		
Email: jgant@prioritypower.com	Web address:	

MI-3. General Affidavit – As required by 16 TAC § 25.107(d)(2)(A), an applicant is required to provide as Attachment MI-3 a signed, notarized affidavit from an executive officer affirming all material provided in the application is true, correct, and complete.

☒ Applicant completed and provided Attachment MI-3.

MI-4 AND MI-5 ARE APPLICABLE TO OPTION 1 REPS ONLY.

MI-4. Persons Prohibited from Exercising Control – As required by 16 TAC § 25.107(e)(2)(E)(iv), an applicant must complete the affidavit labeled as Attachment MI-4. An applicant must further provide as Attachment MI-4 a statement identifying certain persons that meet the criteria of 16 TAC § 25.107(e)(2)(E)(iv)(I)(-a-) through (-d-), and the applicant's relationship with such persons. As specified by 16 TAC § 25.107(e)(2)(E)(iv)(I), such persons are inclusive of all of the applicant's principals, executive officers, employees, and third-party providers that meet the criteria. Further, 16 TAC § 25.107(e)(2)(E)(v) requires an applicant affirm that persons listed under 16 TAC § 25.107(g)(1) do not control the applicant and are not relied upon by the applicant to meet the requirements listed under 16 TAC § 25.107(e)(1)(A) – (B). The affidavit must be notarized and signed by an executive officer of the applicant.

Applicant must check all of the options below that apply.

Applicant has identified a principal, executive officer, employee, or third-party provider of applicant that:

- ☐ Exercised direct or indirect control over a REP that experienced a mass transition of the REP's customers under 16 TAC § 25.43 at any time within the six months prior to the mass transition. Applicant provided Attachment MI-4, including a supporting affidavit, identifying the person and their relationship to the applicant in accordance with 16 TAC § 25.107(e)(2)(E)(iv)(I)(-a-) and 16 TAC § 25.107(g)(1)(A)(i).
 - ☐ Exercised direct or indirect control over a market participant at any time within the six months prior to a market participant having had its ERCOT standard form market participant agreement (SFA) terminated or a similar agreement for an applicable independent organization terminated. Applicant provided Attachment MI-4, including a supporting affidavit, identifying the person and their relationship to the applicant in accordance with 16 TAC § 25.107(e)(2)(E)(iv)(I)(-b-) and 16 TAC § 25.107(g)(1)(A)(ii).
 - ☐ Exercised direct or indirect control of a market participant within the prior six months of a market participant having exited an electricity or gas market with outstanding payment obligations that remain outstanding. Applicant provided Attachment MI-4, including a supporting affidavit, identifying the person and their relationship to the applicant in accordance with 16 TAC § 25.107(e)(2)(E)(iv)(I)(-c-) and 16 TAC § 25.107(g)(1)(A)(iii).
 - ☐ Have been barred, in any way, participation by Commission order. Applicant provided Attachment MI-4, including a supporting affidavit, identifying the person and their relationship to the applicant in accordance with 16 TAC § 25.107(e)(2)(E)(iv)(I)(-d-) and 16 TAC § 25.107(g)(1)(B).
 - ☐ None of the above criteria apply to any of an applicant's principals, executive officers, employees, or third-party providers. Applicant completed and provided the affidavit labeled as Attachment MI-4.
-
- ☐ Applicant confirms that a person meeting the criteria for persons prohibited from controlling a REP in accordance with 16 TAC § 25.107(g):
 - (1) does not control the applicant; and
 - (2) is not relied upon to meet the basic certification requirements of 16 TAC § 25.107(d) or the technical and managerial requirements of 16 TAC § 25.107(e).

MI-5. Information on Principals – As required by 16 TAC § 25.107(d)(2)(E)(iii) and (iv), an applicant must provide a list of ALL names, titles, phone numbers, and emails of applicant's principals, including executive officers, in Microsoft Excel format. To report more than five principals, including executive officers, provide as Attachment MI-5 additional pages of information.

Under 16 TAC § 25.107(b)(13), the term principal includes: A sole proprietor; a general partner of a partnership; an executive of a company (e.g., a president, chief executive officer, chief operating officer, chief financial officer, general counsel, or equivalent position); a manager, managing member, or a member vested with the management authority of a limited liability company or limited liability partnership; a shareholder with more than 10% equity of the REP, if a public company; and a person who exercises control and has apparent or actual authority to exercise such control over either the REP or a principal. A consultant, third-party provider, or fiduciary of a company such as the

board of directors is a principal if it has apparent or actual authority to exercise control over the REP or principals of the REP, and exercises such control.			
Name:	Title:	Phone no.:	Email:
Name:	Title:	Phone no.:	Email:
Name:	Title:	Phone no.:	Email:
Name:	Title:	Phone no.:	Email:
Name:	Title:	Phone no.:	Email:
<input type="checkbox"/> Applicant provided principal information in a word-searchable file and in a format native to Microsoft Excel (such as .xls, .xlsx, .xlsm, etc.). <input type="checkbox"/> Applicant provided additional principals as Attachment MI-5.			

OTHER INFORMATION (OI)

**OI-1, OI-2, OI-3, OI-4, OI-5, OI-6, AND OI-7 ARE APPLICABLE TO
OPTION 1, 2, AND 3 REPS.**

OI-1. Regulatory Representative Contact Information – As required by 16 TAC § 25.107(d)(1)(D)(iii).

Contact name: Bobak Fatemizadeh	Title: Chief Legal Officer
Street or mailing address: 4526 Research Forest Drive	
Mailing address (suite, floor or room): Suite 250	
City: The Woodlands	State: TX ZIP: 77381
Phone no.: 281-704-9554	
Email: bfatemizadeh@prioritypower.com	Web address:

OI-2. Customer Complaint Representative Contact Information – As required by 16 TAC § 25.107(d)(1)(D)(iv).

Contact name: Andrew Few	Title: Sr VP of Strategic Operations
Street or mailing address: 4526 Research Forest Drive	
Mailing address (suite, floor or room): Suite 250	
City: The Woodlands	State: TX ZIP: 77381
Phone no.: 713-598-1075	Toll free no.:
Email: afew@prioritypower.com	Web address:

OI-3. Emergency Contact Information – As required by 16 TAC § 25.107(d)(1)(D)(v). An applicant may provide up to three emergency contacts. The Commission prefers that an applicant provide at least two emergency contacts.

Primary contact: Jim Gant	Title: Head of Strategic Delivery
Office no.: 214-562-1807	
Cell no.:	Home no.:
Email: jpgant@prioritypower.com	Web address:
Secondary contact: Russ Schwertner	Title: Senior Managing Director
Office no.: 346-268-2564	
Cell no.:	Home no.:
Email: rschwertner@prioritypower.com	Web address:

Tertiary contact:		Title:	
Office no.:			
Cell no.:		Home no.:	
Email:		Web address:	
OI-4. Applicant's Company Contact Information – An applicant must provide the following contact information related to its Texas office address, mailing address, and address of its principal place of business as required by 16 TAC § 25.107(d)(1)(E).			
(a). Texas Office Address (cannot be a Post Office Box (P.O. Box)) – As required by 16 TAC § 25.107(d)(1)(E)(i). An applicant must provide a Texas office address, as it appears on applicant's relevant Texas SoS registration for the purpose of providing customer service. The Texas office address may not be a P.O. Box under 16 TAC § 25.107(d)(1)(E)(i)(III). The Texas office address may be the same as the applicant's primary business office under OI-4(b), provided that the principal place of business address is not a P.O. Box.			
Primary business office address: 4526 Research Forest Drive, Suite 250			
City: The Woodlands		State: TX	ZIP: 77381
Email: jgant@prioritypower.com		Web address: www.prioritypower.com	
Phone no.: 800-221-7061		Toll free no.: 800-221-7061	
<input checked="" type="checkbox"/> The Texas office address is the same as primary business office address, and the primary business office address is not a P.O. Box.			
(b). State of Formation/Incorporation and Address of Primary Business Office (Principal Place of Business) – As required by 16 TAC § 25.107(d)(1)(E)(ii), an applicant must provide its state of formation or incorporation, and the address of its primary business office address as it appears on applicant's relevant Texas SoS registration. An applicant's primary business office is its principal place of business (i.e. where its executive officers direct, control, and coordinate the corporation's activities) and may be located in a different state from the applicant's state of formation or incorporation.			
State of formation/incorporation: Texas			
Primary office address: 4526 Research Forest Drive, Suite 250			
City: The Woodlands		State: TX	ZIP: 77381
(c). Mailing Address (if different from the Texas Office address or primary business office address) – As required by 16 TAC § 25.107(d)(1)(E)(iii).			
Mailing address:			
City:		State:	ZIP:

(d). Registered Agent – As required by 16 TAC § 25.107(d)(1)(E)(iv), an applicant must provide the name and address of the applicant’s registered agent for the purpose of receiving service of process		
Name of Registered Agent: Corporation Service Copmany d/b/a CSC-Lawyers Incorporating Service		
Address of Registered Agent: 211 East 7th St., Suite 620		
City: Austin	State: Texas	ZIP: 78701
OI-5. Emergency Operation Plan – As required by 16 TAC § 25.107(d)(2)(G), an applicant is required to file an emergency operations plan that complies with 16 TAC § 25.53.		
Project no.: 53385		
Item no.: 2670		
OI-6. Certificated Name(s) and Legal Entity Status – As required by 16 TAC § 25.107(d)(1)(A), an applicant must only provide retail electric service under the name or names set forth in an approved application for certification or subsequent amendment application. In accordance with 16 TAC § 25.107(d)(1)(C), a REP’s certificate must contain the REP’s legal business name and all assumed names under which it proposes to provide service. An applicant must also maintain an active business registration with the Texas SoS.		
<p>(a). Primary Name on Certificate – As required by 16 TAC § 25.107(d)(2)(B), an applicant must disclose information related to the applicant’s status as a legal entity, including information related to its tax status and authority to do business in Texas to verify the information required under 16 TAC § 25.107(d)(1)(A)-(C).</p> <p>As required by 16 TAC § 25.107(d)(2)(B)(i), an applicant is required to provide a copy of the applicant’s relevant Texas SoS registration as Attachment OI-6. An applicant must also provide all filing numbers associated with such registration below.</p> <p>Under 16 TAC § 25.107(d)(2)(B)(i) an applicant’s legal business name, as it appears on the applicant’s Texas SoS registration, must not be deceptive, misleading, vague, otherwise contrary to 16 TAC § 25.272, or duplicative of a name previously approved for use by a REP.</p>		
Primary name on certificate (Applicant’s legal business name on applicable Texas SoS certificate, must match the name disclosed under TP-1 of this form):		
For name change amendment only, applicant’s previous legal business name:		
Texas SoS (or County) filing number associated with registration:		
Indicate below the type of registration on file with the Texas SoS. Complete only the option below that applies.		
<input type="checkbox"/> Certificate of Formation or equivalent (For Texas Entities) <input type="checkbox"/> Certificate of Registration/Authority or equivalent (For Out-of-State Entities) <input type="checkbox"/> Other, please specify:		
Date and state where business was established:		

<input type="checkbox"/> Applicant provided a copy of its Texas SoS registration (either a Certificate of Formation or Certificate of Registration/Authority, or equivalent) as Attachment OI-6.		
(b). Tax Information and Other Registrations – As required by 16 TAC § 25.107(d)(2)(B)(ii), an applicant must disclose its Texas Comptroller Tax Identification number, and all other relevant or applicable file numbers.		
Texas Comptroller's Tax ID no.:		
Other applicable or relevant certification/file nos.:		
(c). EXISTING Approved Assumed Names (if applicable) (Maximum of Five Assumed Names) – To comply with 16 TAC § 25.107(d)(1)(A), an applicant must disclose any assumed names already used in the applicant's regular course of business as a REP.		
Commission approved assumed name:		
Commission approved assumed name:		
Commission approved assumed name:		
Commission approved assumed name:		
Commission approved assumed name:		
(d). REQUESTED Assumed Names (if applicable) (Maximum of Five Assumed Names) – An applicant may request to use up to a total of five assumed names in addition to the primary name on the REP certificate. Under 16 TAC § 25.107(d)(1)(B), a REP is prohibited from using more than five assumed names in association with a single REP certificate.		
Name:	Texas SoS file no.	Date active:
Name:	Texas SoS file no.	Date active:
Name:	Texas SoS file no.	Date active:
Name:	Texas SoS file no.	Date active:
Name:	Texas SoS file no.	Date active:
(e). DELETION of EXISTING Assumed Names (if applicable)		
Assumed name to be DELETED:		
Assumed name to be DELETED:		
Assumed name to be DELETED:		
Assumed name to be DELETED:		
Assumed name to be DELETED:		

OI-7. Ongoing Obligations – In accordance with 16 TAC § 25.107(d)(2)(F), an applicant must provide as Attachment OI-7 a statement that applicant has complied with the requirements under 16 TAC § 25.107(d)(1)(F) and (H)-(I), or for 16 TAC § 25.107(d)(1)(I) how the applicant will comply, and include a short summary describing the manner of compliance for each subparagraph.

- ☐ Applicant provided a statement affirming compliance with 16 TAC § 25.107(d)(1)(F) and (H)(I) and included a short summary describing the manner of compliance for each subparagraph as Attachment OI-7.

OI-8 AND OI-9 ARE APPLICABLE TO OPTION 1 REPS ONLY.

OI-8. ERCOT Requirements – In accordance with 16 TAC § 25.107(e)(1)(C)(i)-(iv) an applicant, if providing retail electric service in the ERCOT region, must provide the below information as required by 16 TAC § 25.107(d)(2)(F)(i)-(v).

- ☐ **Qualified Scheduling Entity (QSE) information.** Applicant completed and provided Attachment OI-8.
- ☐ **Applicant confirmation of capability and effective procedures.** Applicant confirms it has the capability and effective procedures to be the primary point of contact for retail electric customers for distribution system service in accordance with applicable Commission rules, including procedures for relaying outage reports to the TDU on a 24-hour basis.
- ☐ **Outage notification information.** Applicant confirms it will provide outage notifications in accordance with 16 TAC § 25.53.
- ☐ **ERCOT testing obligation.** Applicant has or will soon complete ERCOT's flight test obligation.
- ◆ **Date of applicant's last (or applicant's next scheduled) ERCOT Flight Test:**

OI-9. Registration with ERCOT or Other Applicable Independent Organization –As required by 16 TAC § 25.107(e)(2)(E)(iii), an applicant is required to provide as Attachment OI-9 a notarized affidavit signed by an executive officer of the applicant affirming that the applicant will register with or be certified by the applicable independent organization and that the applicant will comply with the technical and managerial requirements of this subsection; and that third-party providers with whom the applicant has a contractual relationship are registered with or certified by the independent organization, as appropriate, and will comply with all system rules and protocols established by the applicable independent organization.

- ☐ Applicant completed and provided Attachment OI-9.

PART A – OWNERSHIP & CORPORATE STRUCTURE

ALL SUB-PARTS ARE APPLICABLE TO OPTION 1, 2, AND 3 REPS.

A-1. Subsidiaries, Parent Companies, and Sister Companies – As required by 16 TAC § 25.107(d)(2)(E)(i) an applicant must provide a list of the applicant's subsidiaries and parent companies up to the ultimate corporate parent, and any sister companies that are registered or certified with the Commission. Each company must be identified by name and, if applicable, type of Commission registration or certification. To report more than five subsidiaries, parent companies, or sister companies provide a list of such companies as Attachment A-1.

Subsidiary, parent, or sister company name: See Attachment A-1	Type of Commission certification: See Attachment A-1	Commission certification no.:
Subsidiary, parent, or sister company name:	Type of Commission certification:	Commission certification no.:
Subsidiary, parent, or sister company name:	Type of Commission certification:	Commission certification no.:
Subsidiary, parent, or sister company name:	Type of Commission certification:	Commission certification no.:
Subsidiary, parent, or sister company name:	Type of Commission certification:	Commission certification no.:

☒ Applicant provided additional subsidiaries, parents, and sister companies as Attachment A-1.

A-2. Ownership and Corporate Structure– As required by 16 TAC § 25.107(d)(2)(E)(ii) an applicant must provide an ownership and corporate structure chart that includes ownership percentages. The chart must be as detailed as practicable, but must contain, **AT MINIMUM**, the entities provided under A-1 and any entities with more than ten percent ownership of the REP or any of the REP's parent companies with a controlling interest in the REP.

☒ Applicant provided an ownership and corporate structure chart as Attachment A-2.

PART B – SERVICE AREA OR CUSTOMERS SERVED

B-1 IS APPLICABLE TO OPTION 1 REPS ONLY.

B-1. Option 1 REP – An applicant must identify its service area by geography by selecting one of the options below.

- ☐ Entire state of Texas.
- ☐ Service area of one or more transmission and distribution utilities (TDUs), municipally owned utilities, or electric cooperatives. Identify entity's service territory:
- ☐ Geographic area of one or more independent organizations (e.g. ERCOT) within Texas. Identify each independent organization:
- ☐ Specific geographic area. Identify on, and provide as, Attachment B-1 the zip codes defining the requested service area.

B-2 IS APPLICABLE TO OPTION 2 REPS ONLY.

B-2. Option 2 REP – An applicant must identify its customers.

- ☐ Provide as Attachment B-2A an affidavit confirming the applicant will only provide services to customers using one megawatt or more of electricity with which it has contracted to provide services.
- ☐ Within 30 days of the application being approved, or before the application is approved, provide as Attachment B-2B an affidavit from each of the REP's customers with which it has contracted to provide one (1) megawatt of energy or more and that the customer accepts the REP's ability to provide continuous and reliable electric service based on the REP's financial, managerial, and technical resources.
- ☐ Applicant acknowledges that failure for any reason to provide a customer affidavit within 30 days of the application for an Option 2 REP certificate being approved will result in the REP certificate being administratively revoked. The REP will not be certificated to supply retail electric service to any customers for which the applicant does not provide an affidavit for within 30 days of the application being approved

Name of Customer(s):

B-3 IS APPLICABLE TO OPTION 3 REPS ONLY.

B-3. Option 3 REP – An applicant must identify its customer.

- ☐ Provide as Attachment B-3 an affidavit which states that the applicant is in compliance with 16 TAC §§ 25.107(d)(2)(J), 25.109, 25.211, and 25.212.

Name of the Power Generation Company (PGC):

PGC Commission registration number:

Name of the non-residential or small commercial end-use Customer(s):

PART C – FINANCIAL REQUIREMENTS

C-1 IS APPLICABLE TO OPTION 1, 2, AND 3 REPS.

C-1. Collection of Transition Charges – An applicant must comply with 16 TAC § 25.107(j).

Applicant must complete one of the options below.

- ☐ Yes, applicant will collect transition charges, as applicable.
- ☐ No, applicant will not collect transition charges.

C-2, C-3, C-4, AND C-5 ARE APPLICABLE TO OPTION 1 REPS ONLY.

C-2. Access to Capital – An applicant must choose one of the two methods below ((a) or (b)) to demonstrate that an applicant meets the access to capital requirements stated in 16 TAC § 25.107(f)(1).

(a). Guarantor – If applicant elects to maintain an executed version of the Commission approved standard form irrevocable guaranty agreement under 16 TAC § 25.107(f)(1)(A), then applicant must complete the below information.

Name of Guarantor(s):

Guarantor must have an investment grade credit rating OR adequate tangible net worth. Applicant must complete one of the options below.

- ☐ **Guarantor has an investment grade credit rating.** If the applicant elects to meet the requirements of 16 TAC § 25.107(f)(1)(A)(ii)(I), provide as Attachment C-2A the documentation required by § 25.107(f)(4)(A) demonstrating an investment grade credit rating.
- ☐ **Guarantor has adequate tangible net worth.** If the applicant elects to meet the requirements of 16 TAC § 25.107(f)(1)(A)(ii)(II), provide as Attachment C-2A the documentation required by 16 TAC § 25.107(f)(4)(B) demonstrating tangible net worth greater than or equal to \$100,000,000, a minimum current ratio of 1.0, and a debt to total capitalization ratio not greater than 0.60.

Guarantor must be an affiliate(s) of the applicant, a financial institution, OR a wholesale power provider. Applicant must complete one of the options below.

- ☐ **Guarantor is an affiliate(s) of the applicant.**
- ☐ **Guarantor is a financial institution.** If the applicant elects to meet the requirements of 16 TAC § 25.107(f)(1)(A)(i)(II), provide as Attachment C-2B the documentation required by 16 TAC § 25.107(f)(4)(A) demonstrating an investment grade credit rating.
- ☐ **Guarantor is a provider of wholesale power supply, or is otherwise an affiliate of a provider of wholesale power supply, for the applicant.** If the applicant elects to meet the requirements of 16 TAC § 25.107(f)(1)(A)(i)(III), provide as Attachment C-2B the documentation required by 16 TAC § 25.107(f)(4)(H) demonstrating an executed power purchase agreement and as applicable, proof of the guarantor's affiliation with the applicant's provider of wholesale power supply.

Applicant must complete both of the options below indicating the irrevocable guaranty agreement is executed and filed in compliance with 16 TAC § 25.107(f)(4)(G).

- ☐ **Execution of guaranty agreement.** Applicant has executed a Commission approved standard form irrevocable guaranty agreement as required by 16 TAC § 25.107(f)(4)(G)(i) and (ii).

<input type="checkbox"/> Filing of executed guaranty agreement. Applicant has filed the executed irrevocable guaranty agreement in Project No. 54827. The Item No. is:
(b). Letter of Credit – If applicant elects to maintain an irrevocable stand-by letter of credit payable to the Commission under 16 TAC § 25.107(f)(1)(B), then the applicant must complete the below information.
<p>Applicant must demonstrate it has \$1,000,000 in shareholders' equity or that it has been serving load for two years or longer. Applicant must complete one of the options below.</p> <p><input type="checkbox"/> Applicant has \$1,000,000 in shareholders' equity. Applicant must provide as Attachment C-2A the documentation required by 16 TAC § 25.107(f)(4)(C) demonstrating adequate shareholders' equity.</p> <p><input type="checkbox"/> Applicant has been serving load two years or longer and is exempt from requirement. Applicant must provide the date it started serving load to prove it is exempt from the shareholders' equity requirement under 16 TAC § 25.107(f)(1)(B)(v). Date REP started serving load:</p>
<p>Applicant must complete both of the options below indicating the irrevocable stand-by letter of credit is executed and filed in compliance with 16 TAC § 25.107(f)(4)(F).</p> <p><input type="checkbox"/> Execution of letter of credit. Applicant has executed a Commission approved standard form irrevocable stand-by letter of credit payable to the Commission with a face value based on the number of electronic service identifies (ESI IDs) the REP serves in accordance with the requirements of 16 TAC § 25.107(f)(1)(B)(i)-(iii).</p> <p><input type="checkbox"/> Filing of letter of credit. Applicant has filed an irrevocable stand-by letter of credit in Project No. 37919. The Item No. is:</p>
C-3. Protection of Customer Deposits and Prepayments – An applicant that seeks to have the option of collecting customer deposits or prepayments must indicate its intention to do so and provide as Attachment C-3 the documentation required by 16 TAC § 25.107(f)(4)(D), (E), or (F), as applicable, that demonstrate compliance with 16 TAC § 25.107(f)(2). A REP collecting customer deposits must also comply with the requirements of 16 TAC § 25.478. A REP collecting customer prepayments must also comply with the requirements of 16 TAC § 25.498.
<p>Applicant must complete one of the options below.</p> <p><input type="checkbox"/> Yes, applicant seeks to collect customer deposits AND prepayments.</p> <p><input type="checkbox"/> Yes, applicant seeks to collect customer deposits.</p> <p><input type="checkbox"/> Yes, applicant seeks to collect customer prepayments.</p> <p><input type="checkbox"/> No, applicant does not seek to collect customer deposits or prepayments.</p>
<p>If applicant seeks to collect customer deposits or prepayments (i.e. previously checked "Yes" above), applicant must check one of the options below indicating how it will protect customer deposits or prepayments, and if applicable, complete the relevant sub-option.</p> <p><input type="checkbox"/> Applicant will use and maintain a segregated cash account. If the applicant seeks to protect customer deposits or prepayments with a segregated cash account, provide as Attachment C-3 the</p>

documentation required by 16 TAC § 25.107(f)(4)(D) demonstrating compliance with 16 TAC § 25.107(f)(2).

- ☐ **Applicant will use and maintain an escrow account.** If the applicant seeks to protect customer deposits or prepayments with an escrow account, provide as Attachment C-3 the documentation required by 16 TAC § 25.107(f)(4)(E) demonstrating compliance with 16 TAC § 25.107(f)(2).
- ☐ **Applicant will use and maintain a letter of credit.** If the applicant seeks to protect customer deposits or prepayments with a letter of credit, then complete the next two sub-options. *If applicable, any irrevocable stand-by letter of credit provided by applicant for customer deposits or prepayments must be in addition to the irrevocable stand-by letter of credit provided under C-2(b).*
 - ☐ **Execution of letter of credit.** Applicant has executed a Commission approved standard form irrevocable stand-by letter of credit payable to the Commission.
 - ☐ **Filing of letter of credit.** Applicant has filed an irrevocable stand-by letter of credit in Project No. 37919. The Item No. is:

Check these options **ONLY IF** applicant will collect customer deposits or prepayments (i.e. previously checked “Yes” under C-3). Checking the option acknowledges the applicant’s agreement with each statement, which is required to collect customer deposits or prepayments.

- ☐ **Acknowledgment for protection customer deposit.** As required by 16 TAC § 25.107(f)(2)(A)(ii), applicant acknowledges that for customer deposits, a segregated cash account, escrow account, or an irrevocable stand-by letter of credit must be adjusted, as necessary, to maintain a minimum of 100% coverage of the REP’s outstanding customer deposits held at the close of each calendar month.
- ☐ **Acknowledgement for protecting customer prepayments.** As required by 16 TAC § 25.107(f)(2)(A)(iii), applicant acknowledges that for customer prepayments, a REP must maintain, at minimum, protection for all customer prepayments that equals or exceeds \$50. The balance of a segregated cash account, escrow account, or irrevocable stand-by letter of credit must be adjusted, as necessary, to maintain a minimum of 100% coverage of customer prepayment funds equal to or exceeding \$50 held at the close of each calendar month.

C-4. Financial History (Insolvency, Bankruptcy, Dissolution, Merger, or Acquisition) – As required by 16 TAC § 25.107(f)(4), an applicant must identify any and all history of insolvency, bankruptcy, dissolution, merger, or acquisition during the 60 months immediately preceding the filing of the application.

Applicant must complete one of the options below.

- ☐ The applicant has a financial history to disclose. Applicant provided as Attachment C-4 explanation of the financial history.
- ☐ The applicant does not have a financial history to disclose.

- ☐ **Acknowledgment of bankruptcy.** Applicant acknowledges that, upon filing a petition for bankruptcy, becoming subject of an involuntary bankruptcy proceeding, or in any manner becomes insolvent, including being in default with the applicable independent organization or with a transmission and distribution utility (TDU), applicant will file a notice in Project No. 54822 as prescribed by 16 TAC § 25.107(f)(3)(A) and (B):
 - ◆ The REP must notify the Commission within three working days of the event and must file with the Commission a summary of the nature of the event as required by 16 TAC § 25.107(f)(3)(A).

- ◆ The notification must be filed in Project no. 54822. If the REP has filed a petition for bankruptcy, then the REP must include in its filing the petition that initiated the bankruptcy as required by 16 TAC § 25.107(f)(3)(B).

C-5. Financial Reporting Year – As required by 16 TAC § 25.107(f)(4), an applicant must report the month and last day of its' or its guarantor's reporting fiscal year.

Month and last day of fiscal year of applicant or guarantor:

PART D – TECHNICAL AND MANAGERIAL REQUIREMENTS

ALL SUB-PARTS ARE APPLICABLE TO OPTION 1 REPS ONLY.

D-1. Customer Service – As required by 16 TAC § 25.107(h)(4)(B), an applicant must identify if it is currently providing service to customers in Texas.

Applicant must complete one of the options below.

- ☐ Yes, applicant is currently providing service to customers in Texas.
- ☐ No, applicant is not currently providing service to customers in Texas.

D-2. 15 Years Competitive Electric or Gas Industry Experience – In accordance with 16 TAC § 25.107(e)(2)(B), an applicant must complete and provide as Attachment D-2 demonstrating that one or more applicant's principals and managerial employees have at least 15 years combined experience in the competitive electric or gas industry as required by 16 TAC § 25.107(e)(1)(A).

- ☐ Applicant completed and provided Attachment D-2 and provided supporting resumes as part of Attachment D-2.

D-3. Risk Management Experience – In accordance with 16 TAC § 25.107(e)(2)(B) and (C), an applicant must demonstrate that one executive officer or managerial employee of the applicant has five or more years' experience managing a substantial energy portfolio, OR an applicant can enter into an agreement with a providers of commodity risk management services as required under 16 TAC § 25.107(e)(1)(B).

Applicant must complete one of the options below.

- ☐ Applicant completed Attachment D-3 and provided a supporting resume as part of Attachment D-3 for one executive officer or managerial employee demonstrating that the individual has five years' experience in managing a substantial energy portfolio. Provide specific dollar values of the magnitude of the portfolios managed.
- ☐ Applicant provided as Attachment D-3 an executed agreement with a provider of commodity risk management with a term not less than two years. **The agreement expires on:**

D-4. Complaint History, Disciplinary Record and Compliance Record -- Provide as Attachment D-4, any complaint history, disciplinary record and compliance record during the ten years immediately preceding the filing of the application regarding the applicant, the applicant's corporate parent, all sister companies and subsidiaries of the applicant and the applicant's corporate parent, and affiliates of the foregoing that provide utility-like services or otherwise involving the applicant's principals and any person that merged with any of the preceding persons as required by 16 TAC § 25.107(e)(2)(D).

Applicant must complete one of the options below.

- ☐ Applicant provided responsive information to 16 TAC § 25.107(e)(2)(D) as Attachment D-4.
- ☐ Applicant has nothing to report responsive to 16 TAC § 25.107(e)(2)(D).

D-5. Investigations, Penalties and Violations of Deceptive Trade or Consumer Protection Laws and Regulations – An applicant must complete the affidavit labeled as Attachment D-5. An applicant must further provide as part of Attachment D-5 the information required by 16 TAC § 25.107(e)(2)(E)(i). The affidavit must be notarized and signed by an executive officer of the applicant.

- ☐ Applicant completed and provided the affidavit labeled as Attachment D-5. As necessary, applicant provided explanation of information responsive to 16 TAC § 25.107(e)(2)(E)(i).

D-6. Convictions and Liabilities for Fraud, Theft, Larceny, Deceit and Violations of Securities Laws, Customer Protection Laws and Deceptive Trade Laws – An applicant must complete the affidavit labeled as Attachment D-6. An applicant must further provide as Attachment D-6 the information required by 16 TAC § 25.107(e)(2)(E)(ii). The affidavit must be notarized and signed by an executive officer of the applicant.

- ☐ Applicant completed and provided the affidavit labeled as Attachment D-6. As necessary, applicant provided explanation of information responsive to 16 TAC § 25.107(e)(2)(E)(ii).

D-7. Third-Party Providers Relied Upon – In accordance with 16 TAC § 25.107(e)(2)(A), applicant must provide as Attachment D-7 a list of all third-party providers accompanied by a description of each third-party provider's responsibilities and delegation of authority. Under 16 TAC § 25.107(b)(16) a third-party provider can include a contractor, consultant, agent, or any other person not directly employed by the REP.

- ☐ Applicant completed and provided Attachment D-7 and provided the information in a word-searchable file and in a format native to Microsoft Excel (such as .xls, .xlsx, .xlsm, etc.).

PART E – RELINQUISHMENT OF CERTIFICATION

ALL SUB-PARTS ARE APPLICABLE TO OPTION 1, 2, AND 3 REPS.

E-1. Provision of Notice - 45 days prior to REP relinquishment of certification.

Date that the REP satisfied, or will satisfy, the notice requirements of 16 TAC § 25.107(h)(3):

- ☒ REP provided a copy of the relinquishment of certification notice required by 16 TAC § 25.107(h)(3) as Attachment E-1.

Date that the REP will, or has, ceased operations as a REP: **4/30/2025**

E-2. Customer Notice of REP Relinquishment of Certification – Prior to a REP ceasing operations as a REP, a REP must provide its customers notice.

Applicant must complete one of the options below.

- ☐ Yes, REP has or will provide customers 45 days' notice prior to ceasing REP operations. REP provided a copy of the customer notice as Attachment E-2.
- ☒ No, REP did not and will not provide customers 45 days' notice prior to ceasing REP operations. REP provided an explanation as Attachment E-2.

E-3. Other Notices of REP Relinquishment of Certification – Prior to a REP ceasing operations as a REP, a REP must notify, the Low Income Discount Administrator, the applicable independent organization, and all TDUs and providers of last resort (POLR) in whose service territory the REP serves customers. As applicable, a REP must also notify all electric cooperatives and municipally owned utilities in whose service territory the REP serves customers.

Applicant must complete one of the options below.

- ☐ Yes, REP has or will provide all of the above entities 45 days' notice prior to ceasing REP operations.
- ☒ No, REP did not and will not provide any, or all, of the above entities 45 days' notice prior to ceasing REP operations. REP provided an explanation as Attachment E-3.

E-4. Customer Deposits and Prepayments

- ☒ REP has provided as Attachment E-4 proof that it has refunded, credited, or transferred all monies owed to customers.

E-5. Outstanding Compliance Requirements

- ☒ REP has provided as Attachment E-5 an affidavit from an executive officer attesting to which person or entity will be responsible for any outstanding compliance requirements, including payments of any administrative penalties, once the REP's certificate relinquishment is complete.

Attachment A-1

Subsidiaries, Parent Companies, and Sister Companies

See Confidential Attachments Filed Under Seal

Attachment A-2

Ownership and Corporate Structure

See Confidential Attachments Filed Under Seal

Attachment E1 – E5

Relinquishment of Certification

Attachments E-1 Through E-5

Priority Energy Transition 2, LLC ("PET") has filed this Application to Relinquish its Option 2 Retail Electric Provider ("REP") Certification. PET is not actively serving or previously having served any customers. PET previously had negotiated to provide capacity to certain customers however those projects did not materialize, and PET was never required to provide service. Because PET has no customers, many of the provisions of 16 Tex. Admin. Code § 25.107(h)(3) are not applicable. PET cannot provide notice to customers when it is not serving any customers. Similarly, because PET does not serve any customers in *any* service territory, notification of a Low Income Discount Administrator, TDUs or a provider of last resort is not applicable. Despite not being active in the ERCOT market, out of an abundance of caution PET has notified the Electric Reliability Council of Texas ("ERCOT") that it is relinquishing its REP Certification. PET has never held or required customer deposits, so no deposits needed to be refunded.

Attachment E-3

Other Notices of REP Relinquishment of Certification

See Confidential Attachments Filed Under Seal

ATTACHMENT MI-3

AFFIDAVIT FOR ALL APPLICATIONS

General Affidavit

State of: Texas

§

§

County of: Harris

§

My name is Bobak Fatemizadeh . I am the Chief Legal Officer of the applicant.

I swear and affirm that I have personal knowledge of the facts stated in this application for, or amendment to, a retail electric provider (REP) certificate, that I am competent to attest to those facts, and that I have the authority to make this statement on behalf of the applicant. I further swear and affirm that all of the statements and representations made in this application for a REP certificate, or amendment to a REP certification, are true and correct. I swear and affirm that the applicant understands and will comply with all requirements applicable to a REP.



Signature

Bobak Fatemizadeh

Typed or Printed Name

Chief Legal Officer

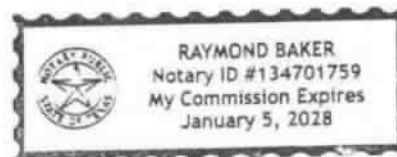
Title of Signatory

SWORN TO AND SUBSCRIBED before me on the 21st day of April, 2020.



Notary Public in and for the State of TEXAS

My commission expires on: 01/05/2025



ATTACHMENT E-5

REP Relinquishment Affidavit

State of: Texas

§

§

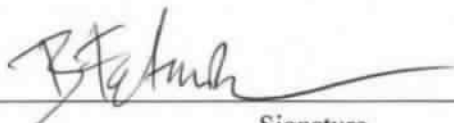
County of: Harris

§

My name is Bobak Fatemizadeh . I am the Chief Legal Officer of the applicant.

I swear and affirm that I have personal knowledge of the facts stated in this application for, or amendment to, a retail electric provider certificate, that I am competent to testify to those facts, and that I have the authority to make this statement on behalf of the applicant.

I further swear and affirm that Priority Energy Transition 2, LLC will be responsible for any outstanding compliance requirements, including payments of administrative penalties, once the applicant's retail electric provider certificate relinquishment is complete.



Signature

Bobak Fatemizadeh

Typed or Printed Name

Chief Legal Officer

Title of Signatory

SWORN TO AND SUBSCRIBED before me on the 21st day of April, 2025.

Notary Public in and For the State of TEXAS

My commission expires on: 01/05/2026

