



**STATE OF DELAWARE
THE PUBLIC SERVICE COMMISSION**

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June 11, 2014

MEMORANDUM

TO: The Chair and Members of the Commission
FROM: Malika Davis, Public Utility Analyst
SUBJECT: IN THE MATTER OF THE APPLICATION OF BETTER COST ENERGY LLC FOR A CERTIFICATE TO PROVIDE ELECTRIC SUPPLY SERVICES WITHIN THE STATE OF DELAWARE (FILED FEBRUARY 28, 2014) - PSC DOCKET No. 14-95

Background

On February 28, 2014, Better Cost Energy LLC (the "Company") filed an application (the "Application") with the Delaware Public Service Commission ("Commission") for an Electric Supplier Certificate ("ESC") to act as a Broker in the State of Delaware pursuant to §1012 of the Electric Utility Restructuring Act of 1999, 26 *Del. C.* §1001 - §1020 (the "Act") and 26 *Del. Admin. C.* §3001, the Commission's Rules for Certification and Regulation of Electric Suppliers (the "Supplier Rules").¹

Application

Authority to Do Business in Delaware

The Company is a limited liability company formed under the laws of Maryland and has provided a Certificate of Good Standing issued by the Delaware Secretary of State that it is legally authorized and qualified to do business in the State of Delaware.

Compliance with Regional Requirements

The Company affirms in its Application that it will only present electricity supply contracts to its customers from Marketers/Electric Suppliers who are in compliance with all applicable PJM requirements.

Financial, Operational, Managerial and Technical Ability

The Company provided their bank account statements from August 2012 through December 2013 as other indicia of financial capability under Section 2.1.1.5.1 of the Supplier Rules. The Company anticipates acting as a Broker serving commercial and industrial customers for the sale or purchase of electricity throughout the State of Delaware. The Company's application states that it is presently licensed in Maryland, Washington DC, Ohio, and Connecticut and has pending applications in Pennsylvania and Illinois. The Company has since received approval in Pennsylvania and Illinois. Staff has

¹ Unless otherwise noted, all references to capitalized terms are set forth in the Act and/or the Supplier Rules.

confirmed that the Company is licensed in all the listed states. The Company also operates in New York. The New York Department of Public Services does not required brokers to be licensed. The application states that neither the Company nor its affiliates have been denied approval or had its authority revoked by any state commission. The Application included the résumé of Peter Leiter, Owner/Operator of the Company. The résumé states that Mr. Leiter has been working for the Company since 2010 and includes several years of previous managerial experience. Mr. Leiter also holds a bachelor's degree in Electrical Engineering from University of Maryland. Additionally, the resume of Jeffrey Council, Owner/Operator of the Company was included. Mr. Council's résumé indicates that he has been involved in the energy business with various companies since 2007, has over 30 years' experience in business operations and holds a bachelor's degree in Business Administration. The Company did not post a surety bond because it is a Broker only and there are no service agreements between the Company and any Delaware Electric Distribution Company. The Company will not collect any fees or deposits from any of its customers for any of its brokerage services.

Consent to the Jurisdiction

The Company consents to the jurisdiction of the Delaware courts.

Contracts

The Company did not provide any sample contracts for Residential or Small Commercial Customers because it is a Broker only and does not and will not have contracts with Retail Electric Customers to provide Electric Supply Service.

Staff Recommendation

Based on Staff's review of the Application, the Company has satisfied the requirements of the Act and the Supplier Rules. Thus, Staff recommends the Commission approve the Application.