



STATE OF DELAWARE

**PUBLIC SERVICE COMMISSION**  
861 SILVER LAKE BLVD.  
CANNON BUILDING, SUITE 100  
DOVER, DELAWARE 19904

TELEPHONE:  
(302) 739-7500

October 5, 2016

**MEMORANDUM**

TO: The Chair and Members of the Commission

FROM: Shona Marshall, Public Utility Analyst 

SUBJECT: IN THE MATTER OF THE APPLICATION OF VERVANTIS, INC. FOR A CERTIFICATE TO  
BROKER ELECTRIC SUPPLY SERVICES WITHIN THE STATE OF DELAWARE (SUBMITTED  
JUNE 24, 2016; FILED OCTOBER 4, 2016) - PSC DOCKET No. 16-0731

**Background**

On June 24, 2016 Vervantis, Inc. (the “Company” or “Vervantis”) submitted an application (the “Application”) with the Delaware Public Service Commission (the “Commission”) for an Electric Supplier Certificate (“ESC”) to broker electric supply services 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”).<sup>1</sup>

**Application**

The Company’s original filing was submitted on June 24, 2016 but the submitted Application did not meet the minimum filing requirements (MFR’s). In a letter dated June 30, 2016, Staff requested the Company file a Certificate of Good Standing signed by the Delaware Secretary of State that has been issued within the last 12 months, a Delaware business license, financial statements that have been certified by an officer of the Company within the last 12 months, and a consent to jurisdiction statement. Follow up documentation was received from the Company on August 4, 2016 and October 4, 2016. The Company’s response dated August 4, 2016 provided all of the requested documents. This information satisfies the MFR’s for this Application.

**Review and Analysis**

Authority to do Business in Delaware

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

The Company was incorporated under the laws of the state of Nevada. The Company provided proof issued by the Delaware Secretary of State that it is legally authorized and qualified to do business in the State of Delaware issued July 26, 2016.

#### Resident Agent

The Company supplied the contact information for a Delaware Registered Agent listed in the application as InCorp Services, Inc. located at One Commerce Center-1201 Orange St. #600, Wilmington, DE 19899.

#### 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 a copy of the Balance Sheet, Profit & Loss Statement, and the Statement of Cash Flows for the periods December 2015-March 31, 2016 as indicia of financial capability under Section 2.1.1.5.1 of the Supplier Rules. Staff believes that the confidential financial statements show substantial evidence of the Applicant's ability to broker electric supply services in the State of Delaware.

The Company anticipates serving Large Commercial, Small Commercial, and Industrial customers for the sale or purchase of electricity throughout the State of Delaware. The Company's application states that it has pending applications in the states of District of Columbia, Illinois, Maine, Maryland, Massachusetts, New Jersey, Ohio, and Pennsylvania. Staff has confirmed that the Company is currently licensed in the state of New Hampshire and is in good standing. Staff has also confirmed that the Company remains in pending status within the states listed above. In Exhibit 6 of the Application, the Company expressed interest in providing its services within the following jurisdictions where licensure is not required: California, Connecticut, Michigan, Rhode Island, New York, and Texas.

The Application included a summary of key operating personnel of the Company. Dan Moat, the Vice President of Sales & Marketing, has over 21 years in the energy industry and 14 years of managerial experience. Mr. Moat has held the position of Client Development Manager at Schneider Electric from June 2012 through October 2015. He has also served as the Vice President of Client Development at M&C Energy Group from June 2010 through June 2012. He served as Owner and Vice President of Sales & Marketing at Encore International Limited from October 2004 through June 2010 and Client Development Manager at Utiyx Energy Consultants from April 2003 through October 2004. From February 1995-April 2003, he has held the positions of Social Energy Efficiency Grant Manager, Industrial Structured Products Manager, and Energy Trading Partnerships in Retail Investments and Commodities at the companies of TXU Europe Energy and Sempra Energy Trading. Mr. John Warrick is the Vice President of Operations at Vervantis, Inc. and possesses nine years of experience in the energy industry and four years of managerial experience. Prior to joining Vervantis, Inc., Mr. Warrick held the position of Project Manager from June 2012 through January 2016 at Schneider Electric. John served as a Commodity Market Analyst/Procurement Analyst at Coleman Hines Inc from March 2007 until it became M&C Energy Group in November 2010. As an M&C Energy Group employee, Mr. Warrick served as a Business Analyst until June 2012. Mr. Mark Dickinson is the Chairman and Chief Financial Officer of Vervantis, Inc. He possesses 21 years of experience in the energy industry and over fifteen years of managerial experience. Mr. Dickinson has served as the Client Services Director of Schneider Electric from June 2012 through April 2013. He has held the positions of Operations Director (June 2010-January 2011) and Chief Executive Officer (January 2011-June 2012) at M&C Energy Group between the years of 2010 and 2011. From January 2001 through June 2010, he served as Managing Director and Owner of Encore International Limited. From May of 1995 through January 2001, Mr. Dickinson held various positions within Eastern Electricity (May 1995-October 1998), and he held the position of

Negotiator at BG Group (October 1998-January 1999), and Structured Products Manager at Sempra Energy Trading Europe (January 1999-January 2001). Staff believes that the Company has demonstrated substantial evidence that its Officers have the operational, managerial, and technical abilities to perform as a Broker. Staff also performed an internet review of the key operating personnel. The review did not reveal any issues with the Company or its personnel responsible for Delaware operations.

#### Surety Bond

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.

#### Verification of Application

The original Application contained a signed sworn verification of application with the signature of John Warrick, Vice President of Operations. Subsequent filings to the Application have also been verified by John Warrick.

#### Consent to Jurisdiction

The Company consents to the jurisdiction of the Delaware courts.

#### Contracts

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

#### Statement of Criminal Activity

The Applicant stated that they have not been charged or convicted of any criminal activity nor have any of its principals or corporation offices. An internet review of the Company and its principals did not return any incidents of criminal activity.

### **Legal Review**

Staff submitted this Memo for review by the Attorney on October 6, 2016.

### **Staff Recommendation**

Based on Staff's review and analysis of the Application, the Company has satisfied the requirements of the Act and the Supplier Rules. The Company resolved all outstanding issues with Staff and the completed Application supports the Company's request for certification. Staff's review and analysis of the Application submitted by the Company demonstrates substantial evidence of capability to render service based on the Company's financial, operational, managerial and technical abilities. Therefore, Staff recommends the Commission approve the Application.