



STATE OF DELAWARE

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


TELEPHONE:
(302) 736-7500

FAX:
(302) 739-4849

March 19, 2018

MEMORANDUM

TO: The Chair and Members of the Commission

FROM: Shona Marshall, Public Utility Analyst 

SUBJECT: IN THE MATTER OF THE APPLICATION OF SUNLIGHT ENERGY GROUP LLC FOR A CERTIFICATE TO PROVIDE ELECTRIC SUPPLY SERVICES WITHIN THE STATE OF DELAWARE (SUBMITTED NOVEMBER 22, 2017; FILED JANUARY 25, 2018) - PSC DOCKET No. 17-1156

Background

On November 22, 2017, SunLight Energy Group LLC (the “Company” or “SunLight”) submitted an application (the “Application”) with the Delaware Public Service Commission (the “Commission”) for an Electric Supplier Certificate (“ESC”) to broker electricity 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

The Company’s original filing was submitted on November 22, 2017, but the submitted Application did not meet the minimum filing requirements (MFR’s). In a letter dated December 12, 2017, Commission Staff (“Staff”) requested the Company submit a permanent copy of its Delaware business license, a signed consent to jurisdiction statement, and additional financial documents to support its Application. The Company submitted responses December 20, 2017 and December 27, 2017. Staff submitted a second deficiency letter requesting a permanent copy of the business license, a professional resume for the officer who verified the Company’s subsequent filing, and an attestation for the confidential information submitted December 20, 2017. The Company’s response dated January 25, 2018 satisfied the requirements of the MFR’s.

Review and Analysis

Authority to do Business in Delaware

The Company is limited liability company formed in the state of Delaware. The Company provided proof issued by the Delaware Secretary of State that it is legally authorized and qualified to do

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

business in the State of Delaware. The Delaware certificate of good standing was issued June 6, 2017. The Delaware business license was issued December 20, 2017 and is valid from January 1, 2018 through December 31, 2018.

Resident Agent

The Company supplied the contact information for a Delaware Registered Agent listed in the Application as Harvard Business Services, Inc., located at 16192 Coastal Highway, Lewes, DE 19958.

Compliance with Regional Requirements

The Company agrees to only work with Electric Suppliers who have been certified in Delaware and comply with PJM's requirements.

Financial, Operational, Managerial and Technical Ability

The Company provided a copy of its independently audited financial statements for December 31, 2016 and June 30, 2017 as indicia of financial capability under Section 2.2.16.2 of the Supplier Rules in its initial Application. The Company provided a letter of reference from JP Morgan Chase Bank acknowledging the Company's good standing and financial stability. Also, the Company provided Staff with additional documentation related to its sales account. Staff has reviewed the Statements of Financial Condition, Statements of Operations, Statements of Change in Member Capital, and all supplemental financial documents. The Company has satisfied the requirements of the Supplier Rules for purposes of brokering electric supply services in the State of Delaware.

The Company anticipates serving Large Commercial and Industrial customers throughout the State of Delaware. The Company's Application states that it is currently licensed in the States of Maryland, New Jersey, and Pennsylvania. The Company is an affiliate of SunLight General Capital, LLC, a company engaged in the business of financing, owning, and operating solar energy systems for its corporate, industrial, and municipal clients.

The Application included a summary of experience and qualifications for its officers. James E. Mumm has held the position as CEO of SunLight since September 2016. He possesses over 17 years of managerial experience and more than four years of experience in the energy industry. William C. Zachary is one the managing partners for SunLight and affiliate SunLight General Capital, LLC. Mr. Zachary has over 28 years of managerial experience and six years of experience in the energy industry.

Surety Bond

The Company did not post a surety bond because there are no service agreements between the Company and any Delaware Electric Distribution Company. The Company will not be serving residential or small commercial customers.

Verification of Application

The Application and subsequent filings to the Application contained a signed sworn verification of application with the signature of William C. Zachary, Partner.

Consent to Jurisdiction

The Company consents to the jurisdiction of the Delaware courts.

Contracts

The Company has not submitted copies of customer contracts or marketing materials designed for use in the State of Delaware because it does not intend to serve residential and small commercial customers.

Statement of Criminal Activity

The Applicant stated that it has 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 March 19, 2018.

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 completed Application supports the Company's request for certification. Staff's review and analysis of the Company's Application 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.