



STATE OF DELAWARE

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April 17, 2018

MEMORANDUM

TO: The Chair and Members of the Commission

FROM: Shona Marshall, Public Utility Analyst 

SUBJECT: IN THE MATTER OF THE APPLICATION OF ARCADIA POWER, INC. FOR A CERTIFICATE TO PROVIDE ELECTRIC SUPPLY SERVICES WITHIN THE STATE OF DELAWARE (SUBMITTED DECEMBER 20, 2017; FILED MARCH 30, 2018) - PSC DOCKET No. 17-1220

Background

On December 20, 2017, Arcadia Power, Inc. (the “Arcadia” or the “Company”) 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 December 20, 2017 but the submitted Application did not meet the minimum filing requirements (“MFR’s”). In a letter dated January 10, 2018, Commission Staff (“Staff”) requested the Company submit authorization to do business in the State of Delaware, an attestation for the confidential information submitted December 20, 2017, and a brief description of the services the Company intends to provide in the State of Delaware. Response was received by the Company on or before February 12, 2018 as requested. Staff submitted the letter of deficiency again on March 2, 2018. The Company submitted a response on March 30, 2018 to satisfy 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 business in the State of Delaware. The Delaware certificate of good standing was issued October 5, 2017. The

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

Delaware business license was issued December 7, 2017 and is valid from March 1, 2018 through December 31, 2018.

Resident Agent

The Company supplied the contact information for a Delaware Registered Agent listed in the Application as Agents and Corporations, Inc., located at 1201 Orange St., Suite 600, One Commerce Center, Wilmington, DE 19801.

Compliance with Regional Requirements

The Company agreed to only work with an entity that complies with PJM's requirements and is a certified electric supplier in Delaware.

Financial, Operational, Managerial and Technical Ability

The Company provided a Balance Sheet as of November 10, 2017, a Profit & Loss Statement from January 1, 2017 through December 31, 2017, a Statement of Cash Flow for January 1, 2016 through December 31, 2016, comparative Balance Sheet and Profit & Loss Statements for the period of January 2016 through December 2016 as indicia of financial capability under Section 2.2.16.2 of the Supplier Rules in its initial Application. Staff has reviewed the financial statements, and 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 Residential and Small Commercial customers throughout the State of Delaware. The Company's Application states that it is currently licensed in the states of Illinois and Ohio. It is pending licensure in the states of Maryland, Massachusetts, Maine, and New Jersey.

The Application included a summary of experience and qualifications for its officers. Kiran Bhatraju is the Founder of Arcadia Power and has held the position of CEO since June 2013. He has over eight years of managerial experience and energy industry experience. Ryan Nesbitt is Co-Founder of Arcadia and has served as President since November 2013. Mr. Nesbitt has over 7 years of managerial experience and over four years of experience in the energy industry. Kate G. Henningsen serves as General Counsel and Vice President of People for Arcadia. She has held this position since October 2015. Ms. Henningsen has more than two years of experience in the energy industry and has held various positions related to politics, policy development, and the practice of law from 2004 through 2014. Zach Axelrod is the Vice President of Energy Services for Arcadia Power and has held this position since 2017. Mr. Axelrod possesses over nine years of managerial experience and over 12 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.

Verification of Application

The Application contained a signed sworn verification of application with the signature of Ryan Nesbitt. A subsequent filing contained a signed sworn verification with the signature of Kiran Bhatraju.

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 will operate as a broker.

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 April 17, 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 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.