




STATE OF DELAWARE

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

March 3, 2020

MEMORANDUM

TO: The Chairman and Members of the Commission

FROM: Shona Marshall, Public Utility Analyst 

SUBJECT: IN THE MATTER OF THE APPLICATION OF GRID ENERGY EXCHANGE LLC FOR A CERTIFICATE TO PROVIDE ELECTRIC SUPPLY SERVICES WITHIN THE STATE OF DELAWARE (SUBMITTED JANUARY 17, 2020; FILED FEBRUARY 6, 2020) - PSC DOCKET No. 20-0067

Background

On January 17, 2020, Grid Energy Exchange LLC (the “Company”) submitted an application (“Application”) with the Delaware Public Service Commission (“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 January 17, 2020, but the submitted Application was deficient in meeting the minimum filing requirements (“MFRs”). In a letter dated February 3, 2020, Commission Staff (“Staff”) requested the Company provide documentation related to legal name, state of formation certificates, authorization to do business in Delaware, corporate structure, and customer service number. The Company satisfied the requirements of the MFRs on February 6, 2020.

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

Review and Analysis

Authority to do Business in Delaware

The Company was formed in the State of Maryland. 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 January 13, 2020. The Delaware business license was issued January 9, 2020 and is valid from January 8, 2020 through December 31, 2020.

Resident Agent

The Company supplied the contact information for James Pettit located at 16192 Coastal Hwy, Lewes, DE 19958.

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 submitted bank statements from 3/29/2019 through 12/31/2019 as indicia of financial capability under Section 2.2.16.2 of the Supplier Rules. Staff has reviewed the financial statements supplied by the Company. The Company has satisfied the financial ability requirements of the Supplier Rules to broker electric supply services for large commercial and industrial customers in the State of Delaware.

The Company anticipates serving large commercial and industrial customers throughout the State of Delaware. The Company does not possess any additional licenses.

The Application included a summary of experience and qualifications for key personnel. James Pettit is President of Grid Energy Exchange LLC and has held this position since September 2009. He has over 29 years of experience in the energy industry and managerial experience.

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 and subsequent filings to the Application contained a signed sworn verification of application with the signature of James Pettit, President.

Consent to Jurisdiction

The Company consents to the jurisdiction of the Delaware courts.

Contracts and Marketing Materials

The Company will not be using direct mail and have not provided any marketing materials to be used in the State of Delaware. The Company is a broker and is not required to submit contracts for Staff's review.

Statement of Criminal Activity

The Company 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 3, 2020.

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 evidence of capability to render service to large commercial and industrial customers based on the Company's financial, operational, managerial and technical abilities. Therefore, Staff recommends the Commission approve the Application.