

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter of the application of)	
AMBIT MIDWEST, LLC,)	Case No. U-17647
for a license as an alternative gas supplier.)	
_____)	

At the November 24, 2014 meeting of the Michigan Public Service Commission in Lansing, Michigan.

PRESENT: Hon. John D. Quackenbush, Chairman
Hon. Greg R. White, Commissioner
Hon. Sally A. Talberg, Commissioner

ORDER GRANTING LICENSE

On July 2, 2014, Ambit Midwest, LLC (Ambit), applied for a license to operate as an alternative gas supplier (AGS) within Michigan pursuant to 2002 PA 634, MCL 460.9 *et seq.* (Act 634). As part of its application, Ambit provided information to demonstrate compliance with the AGS license requirements under Act 634 and under the Commission’s March 12, 2003 order in Case No. U-13694 (March 12 order). That order established the AGS licensing procedure.

Act 634 requires an AGS to have the necessary financial, managerial, and technical capabilities to serve customers within the state of Michigan. The act also requires an AGS to maintain an office within the state. In accordance with the March 12 order, the Commission Staff (Staff) must review the application of the AGS for conformance with Act 634 and with the Commission’s orders. The Staff then must recommend appropriate action regarding that application to the Commission.

The Staff reviewed Ambit's license application and the information submitted and has recommended this company be granted a license to operate as an AGS in Michigan.

The application shows that Ambit is a privately held wholly-owned subsidiary of Ambit Energy Holdings, LLC (Ambit Energy), the parent company founded in 2006 that serves retail gas and electricity customers through its subsidiaries. Ambit was organized in Delaware on May 13, 2013, is headquartered in Dallas, Texas, and was registered with the Michigan Corporations Division on May 17, 2013, ID Number D9241V.

According to the application, Ambit subsidiaries are licensed to market and serve natural gas and/or electricity to retail residential and commercial customers in California, Connecticut, Delaware, Illinois, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Texas, Virginia, and Washington, D.C. It currently services approximately 1.2 million residential and small commercial retail customers in 64 markets throughout these 14 states and the District of Columbia.

The Staff reviewed Ambit's personnel descriptions and histories, and observes that their key personnel have over 70 combined years of experience in the energy industry from managing and overseeing operations to marketing, sales, and customer service. Ambit will respond to customer inquiries and complaints during regular business hours in a timely manner through its current customer call center. Based on its review, the Staff has determined that Ambit is well qualified with sufficient experience and expertise to serve customers in Michigan's Gas Customer Choice Program.

Based upon the information provided by Ambit and the recommendation of the Staff, the Commission finds that Ambit possesses the appropriate managerial and technical capabilities to serve customers within the state of Michigan.

Ambit has provided the Staff with a letter of credit in the amount of \$100,000. Based on its review of the confidential financial documents and the satisfied letter of credit requirement, the Staff determined that Ambit's financial capabilities and availability meet Act 634 requirements. The Commission agrees.

Act 634 requires Ambit to maintain an office within the state of Michigan. Ambit does not currently have a Michigan office, but will establish one upon becoming licensed in the state and will notify the Commission Staff in writing of the address prior to engaging in any marketing activity. The Staff supports the Michigan office situation regarding the AGS license for Ambit. The Commission agrees.

Based upon the submissions by Ambit and the Staff's review, the Commission finds that Ambit's request to be licensed as an AGS is reasonable and in the public interest, and that it should be approved. However, the grant of the license is conditioned upon compliance with all of the applicable provisions of Act 634, the Commission's orders and administrative rules, and each of the delivering natural gas utilities' tariffs. Failure to comply with any of these provisions may result in revocation of the license or other penalties.

THEREFORE, IT IS ORDERED that:

- A. Ambit Midwest, LLC, is granted a license as an alternative gas supplier.
- B. Ambit Midwest, LLC, shall comply with the regulatory requirements specified in 2002 PA 634, MCL 460.9 *et seq.*; the Commission's orders and administrative rules approved by the Commission; and each of the delivering natural gas utilities' tariffs.
- C. Ambit Midwest, LLC, shall establish an office in Michigan upon becoming licensed in the state and will notify the Commission Staff in writing of the address prior to engaging in any marketing activity.

The Commission reserves jurisdiction and may issue further orders as necessary.

Any party desiring to appeal this order must do so in the appropriate court within 30 days after issuance and notice of this order, under MCL 462.26.

MICHIGAN PUBLIC SERVICE COMMISSION

John D. Quackenbush, Chairman

Greg R. White, Commissioner

Sally A. Talberg, Commissioner

By its action of November 24, 2014.

Mary Jo Kunkle, Executive Secretary

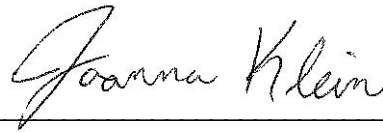
P R O O F O F S E R V I C E

STATE OF MICHIGAN)

Case No. U-17647

County of Ingham)

Joanna Klein being duly sworn, deposes and says that on November 24, 2014 A.D. she served a copy of the attached Commission order by first class mail, postage prepaid, or by inter-departmental mail, to the persons as shown on the attached service list.



Joanna Klein

Subscribed and sworn to before me
This 24th day of November 2014

Lisa Felice
Notary Public, Eaton County, Michigan
My Commission Expires: April 15, 2020

Service List U-17647

Ambit Midwest, LLC
1801 N. Lamar Street, Suite 600
Dallas TX 75202

Ambrosio Casarez
Ambit Energy
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Dallas TX 75205