

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter of the application of)	
ELIGO ENERGY MI, LLC,)	Case No. U-17814
for a license as an alternative gas supplier.)	
_____)	

At the June 15, 2015 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 December 19, 2014, Eligo Energy MI, LLC (Eligo), 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, Eligo provided information to demonstrate its compliance with the AGS license requirements set forth in Act 634 and the Commission's March 12, 2003 order in Case No. U-13694 establishing the AGS licensing procedure (March 12 order).

Act 634 requires an AGS to have the necessary financial, managerial, and technical capabilities to serve customers within the state of Michigan.¹ In accordance with the March 12 order, the Commission Staff (Staff) must review the application for AGS licensure for conformance with Act 634 and with the Commission's orders. The Staff then must recommend appropriate action regarding that application to the Commission.

¹ See, 2002 PA 634, MCL 460.9b(3).

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

The application indicated that Eligo is a privately held, wholly owned subsidiary of Eligo Energy, LLC (Eligo Energy). The parent company was founded in July 2012 and serves retail electricity customers through its subsidiaries. Eligo was organized in Delaware on August 4, 2014, is headquartered in Chicago, Illinois, and was registered with the Michigan Corporations Division on September 3, 2014, ID Number D9428G.

Eligo Energy is licensed and currently providing electricity to over 35,000 retail residential and small commercial customers in Illinois, Ohio, New York, Maryland, and the District of Columbia. Retail electric and/or gas licenses have been granted in New York, Ohio, Illinois, and Pennsylvania and the company is planning to begin serving retail gas customers during 2015. Applications are pending for retail licenses in New Jersey and Connecticut.

Upon review of Eligo's personnel descriptions and histories, the Staff observed that its key personnel have over 60 combined years of experience in the energy industry from management and oversight operations, marketing, sales, and customer service. Eligo 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 Eligo is well-qualified with sufficient experience and expertise to serve customers in Michigan's Gas Customer Choice Program.

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

Eligo 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 Eligo's financial capabilities and availability meet Act 634 requirements. The Commission agrees.

Act 634 requires Eligo to maintain an office within the state of Michigan.² Eligo does not currently have a Michigan office, but will establish one upon becoming licensed in the state and will notify the Staff in writing of the address prior to engaging in any marketing activity. The Staff expressed its support of the company's plan to establish a Michigan office after being granted its license. The Commission agrees.

Based on Eligo's submissions and the Staff's review, the Commission finds that Eligo'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. Eligo Energy MI, LLC, is granted a license as an alternative gas supplier.
- B. Eligo Energy MI, 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.

² See, 2002 PA 634, MCL 460.9b(2).

C. Eligo Energy MI, 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. To comply with the Michigan Rules of Court's requirement to notify the Commission of an appeal, appellants shall send required notices to both the Commission's Executive Secretary and to the Commission's Legal Counsel.

Electronic notifications should be sent to the Executive Secretary at mpscedockets@michigan.gov and to the Michigan Department of the Attorney General - Public Service Division at pungpl@michigan.gov. In lieu of electronic submissions, paper copies of such notifications may be sent to the Executive Secretary and the Attorney General - Public Service Division at 7109 West Saginaw Hwy, Lansing, MI 48917.

MICHIGAN PUBLIC SERVICE COMMISSION

John D. Quackenbush, Chairman

By its action of June 15, 2015.

Greg R. White, Commissioner

Mary Jo Kunkle, Executive Secretary

Sally A. Talberg, Commissioner

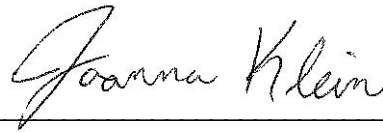
P R O O F O F S E R V I C E

STATE OF MICHIGAN)

Case No. U-17814

County of Ingham)

Joanna Klein being duly sworn, deposes and says that on June 15, 2015 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 15th day of June 2015

Steven J. Cook
Notary Public, Ingham County, Michigan
As acting in Eaton County
My Commission Expires: April 30, 2018

Service List U-17814

Eligo Energy MI, LLC
1658 N. Milwaukee Avenue, Suite 314
Chicago IL 60647