

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

* * * * *

In the matter of the application of)
NORDIC ENERGY SERVICES, LLC,) Case No. U-17968
for a license as an alternative electric supplier.)
_____)

In the matter, on the Commission’s own motion,)
regarding the regulatory reviews, determinations,) Case No. U-18066
and/or approvals necessary for **NORDIC ENERGY**)
SERVICES, LLC, to fully comply with)
Public Act 295 of 2008.)
_____)

At the April 14, 2016 meeting of the Michigan Public Service Commission in Lansing,
Michigan.

PRESENT: Hon. Sally A. Talberg, Chairman
Hon. Norman J. Saari, Commissioner

ORDER

On October 14, 2015, Nordic Energy Services, LLC (Nordic), submitted an application pursuant to the Customer Choice and Electricity Reliability Act, 2000 PA 141, MCL 460.10 *et seq.* (Act 141), for a license as an alternative electric supplier (AES). An AES is a person selling electric generation service to retail customers in the state of Michigan, other than a person who physically delivers electricity directly to retail customers.¹

With its application, Nordic submitted information intended to show its compliance with the Act 141 mandates for an AES. Requirements include the AES having the necessary financial

¹ See, MCL 460.10g(1)(a).

capability, the technical competence to engage in energy transactions, the ability to meet safety requirements for electric operations, and compliance with all other lawful obligations.

On October 6, 2008, Public Act 295 of 2008, the Clean, Renewable, and Efficient Energy Act, was signed into law (Act 295).² Among other things, Act 295 requires all providers of electric service in the state of Michigan, including AESs, to establish renewable energy programs (REP). The December 4, 2008 Commission order in Case No. U-15800 provides requirements for AESs' implementation of the REP provision of Act 295.

Act 295 also requires the Commission to establish a statewide net metering program. Pursuant to Section 173(1) of Act 295, the Commission promulgated administrative rules entitled Electric Interconnection and Net Metering Standards,³ that were effective May 27, 2009. Both Act 295 and the Commission's administrative rules require AESs to comply with the net metering requirements set forth therein.

The Commission Staff (Staff) is responsible for review of the AES application and for making a recommendation regarding a license. The Staff reviewed the information submitted by Nordic and recommends that the Commission grant the company a license to operate as an AES in Michigan.

The application shows that Nordic is an independently-owned limited liability company headquartered in Chicago, Illinois. Nordic was organized in Illinois on June 12, 2002, and was registered with the Michigan Corporations Division on July 13, 2009, ID Number B9389J.

Nordic provides unregulated electric service to approximately 26,000 residential and commercial customers in Illinois, Maryland, Ohio, New Jersey, New York and Pennsylvania. It

² See, MCL 460.1001 *et seq.*

³ See, Mich Admin Code, R 460.640 through R 460.656.

provides unregulated gas service to approximately 3,200 customers in Illinois and Indiana. Retail gas licenses have been granted in Ohio and Michigan. Nordic's Michigan alternative gas supplier license was issued on December 6, 2013, in Case No. U-17451, and the company plans to begin serving gas customers by the end of 2016.

Upon review of Nordic's personnel descriptions and histories, the Staff observed that the company's key personnel have over 150 combined years of experience in the energy industry, which includes management and oversight of operations, marketing, sales, and customer service. The Staff determined that Nordic has sufficient experience and expertise to manage risk and to reliably supply electricity in Michigan's electric choice market. Based on the information provided and the recommendation of the Staff, the Commission finds that Nordic possesses the appropriate managerial and technical capabilities to serve customers within the state of Michigan.

The Staff reviewed Nordic's financials for the last two years. Nordic provided the Staff with a bond in the amount of \$100,000. Based upon its review of the financial statements and the bond, the Staff determined that Nordic's financial capabilities meet Act 141 requirements. The Commission agrees.

Finally, the June 19, 2000 Commission order in Case No. U-11915 requires AESs to maintain an office within Michigan. Nordic has an established Michigan office located in Ann Arbor, Michigan. The Staff determined that Nordic has complied with the Michigan office requirements. The Commission agrees.

After review of Nordic's application, the Commission finds that approval of the application is in the public interest. On numerous occasions, the Commission has found that competition can be advantageous to the citizens of the state. Approval of the request for a license as an AES will expand the opportunities for competition. Accordingly, the application should be approved. The

grant of an AES license is conditioned on compliance with all applicable provisions of the statute and the Commission's orders. Failure to comply fully may result in revocation of the license or other penalties. Further, the grant of a license is conditioned upon the provision of service to customers within a reasonable time. Failure to do so may result in revocation of the license.

The Commission also finds that, as a licensed AES in Michigan, Nordic is required by Act 295 to file a renewable energy plan (REP) with the Commission. However, the Commission notes that the original deadline set by Act 295 and the order in Case No. U-15800 for filing an REP has passed. Therefore, in consideration of the fact that Nordic's AES license is granted, the Commission has opened a separate docket for Nordic's REP, which shall be filed in Case No. U-18066 by July 14, 2016.

THEREFORE, IT IS ORDERED that:

- A. Nordic Energy Services, LLC, is granted a license as an alternative electric supplier.
- B. Nordic Energy Services, LLC, shall operate as an alternative electric supplier in compliance with the regulatory requirements specified in the Customer Choice and Electricity Reliability Act, MCL 460.10 *et seq.*, and the Commission's orders.
- C. Nordic Energy Services, LLC, is required to comply with the net metering requirements of Act 295 of 2008 and Commission administrative rules.
- D. Nordic Energy Services, LLC, shall file its initial renewable energy plan in Case No. U-18066 by July 14, 2016.

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, pursuant to 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 pungp1@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 W. Saginaw Hwy., Lansing, MI 48917.

MICHIGAN PUBLIC SERVICE COMMISSION

Sally A. Talberg, Chairman

Norman J. Saari, Commissioner

By its action of April 14, 2016.

Mary Jo Kunkle, Executive Secretary

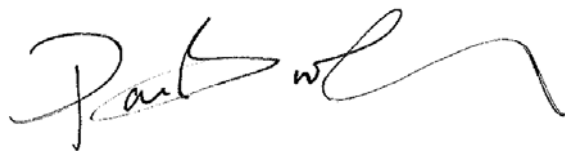
PROOF OF SERVICE

STATE OF MICHIGAN)

Case No. U-17968 et al

County of Ingham)

Paige Bialke being duly sworn, deposes and says that on April 14, 2016 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.



Paige Bialke

Subscribed and sworn to before me
This 14th day of April 2016



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

Service List U-17968

Nordic Energy Services LLC
2723 S. State Street, Suite 150
Ann Arbor MI 48104

U-18066 Service List

Nordic Energy Services LLC
2723 S. State Street, Suite 150
Ann Arbor MI 48104

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

STATE OF MICHIGAN)

Case No. U-18066

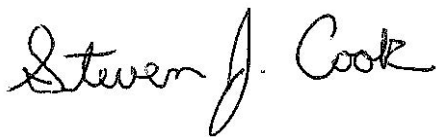
County of Ingham)

Lisa Felice being duly sworn, deposes and says that on April 14, 2016 A.D. she electronically notified the attached list of this **Commission Order (Commission's Own Motion) via e-mail transmission**, to the persons as shown on the attached service list (Listserv Distribution List).



Lisa Felice

Subscribed and sworn to before me
this 14th day of April 2016



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

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