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# **DOCKET NO. 55516**

**IN RE:** **NEXTERA ENERGY SERVICES GEORGIA LLC APPLICATION FOR NATURAL GAS CERTIFICATE OF AUTHORITY**

**FINAL ORDER APPROVING**

**NEXTERA ENERGY SERVICES GEORGIA, LLC**

**INTERIM CERTIFICATE OF AUTHORITY**

Interim Certificate of Authority No.: GM-49

Date Issued: February 29, 2024

# **Background**

This matter came before the Georgia Public Service Commission (“GPSC” or “Commission”) on the application of NextEra Energy Services Georgia, LLC (“Applicant,” “NES Georgia”, or “Company”) pursuant to the Natural Gas Competition and Deregulation Act (“Act”), particularly O.C.G.A. § 46-4-153, and the Commission’s Rules, Chapter 515-7-3 for a natural gas Certificate of Authority to market and provide natural gas commodity sales service to retail customers who receive Firm service on Atlanta Gas Light Company’s (“AGL”) system.

The Act provides that a Certificate of Authority is necessary prior to providing or offering to provide natural gas service to firm retail customers in Georgia. O.C.G.A. § 46-4-153(a)(1). In order to be certificated, an applicant must demonstrate to the Commission that it meets the criteria set forth in the Act. Those criteria include that the applicant:

(A) Possesses satisfactory financial and technical capability to render the certificated service;

(B) Has a sufficient gas supply to meet the requirements of such service; and

(C) Will offer such service pursuant to rules and contract terms which the commission finds economically viable for the territory which the marketer proposes to serve.

O.C.G.A. § 46-4-153(a)(2).

1. **NextEra Energy Services Georgia LLC Application**

### On November 20, 2023, Fireside Natural Gas, LLC (“Fireside”) filed a petition with the Commission for a change in ownership, pursuant to Commission Rule 515-7-3-.04(10). As part of Staff’s review, it was determined that an affiliate of NextEra Energy, Inc., NextEra Energy Services Georgia LLC (“NES Georgia” or “Company” requested to purchase Fireside.) On November 22, 2023, in Docket Number 25471, the Staff issued its 21st Set of Data Requests to Fireside to gather additional information regarding the Purchase Sales Agreement. On November 29, 2023, the Company filed its response, which included a Membership Interest Purchase Agreement as “Exhibit A.” In the review of the responses, it appeared that the Company was taking over a substantial amount of the Fireside operations. In discussions with the representatives of NextEra Georgia, the Staff requested that the Company file an Application for a Certificate of Authority. On January 5, 2024, the Staff provided the application to NES Georgia. Since the purchase of Fireside was time sensitive, the Staff worked with the Company and provided guidance in the completion of the application and to complete the entire process expeditiously. On January 23, 2024, NES Georgia filed its Application for a Certificate of Authority (“Application”) along with its pre-filed direct testimony.

1. **Staff’s Analysis**

After the January 23, 2024, filing, the Staff had fifteen (15) days to review the application to determine if it was whole and complete based on Commission Rule 515-7-3-.03(6). After the Staff’s review, the Staff determined that the Application was whole and complete. NES Georgia stated that it would serve in all nine (9) AGL Pool Groups, and it would only serve Commercial and Industrial customers, as Fireside Natural Gas does currently. On February 7, 2024, the Commission issued a Procedural and Scheduling Order (“PSO”), starting the 90-day timeline for the final Commission decision on this matter. On February 8, 2024, a Procedural and Scheduling Order Nunc Pro Tunc was issued “to correct a scrivener’s error to properly reflect the days of the week correlating to the hearing schedule dates.” On February 15, 2024, the Commission held a hearing on this matter. The Company witnesses included PJ Zonsius (“Mr. Zonsius”), Vice President and General Manager of Retail Gas at Gexa Energy LP, and Michael Swartzell (“Mr. Swartzell”), Vice President of Supply and Risk Management with Gexa Energy LP.

1. **Financial Capability: 515-7-3-.03(2)(k)(1-14)**

In its application, NES Georgia submitted documentation of a parental guarantee from NextEra Energy Services, LLC provided as Exhibit-D to the Application. In the Application on page 9, the president of NextEra Energy Services, LLC signed a sworn statement of financial support to NES Georgia. On page 7 of the direct testimony, Mr. Zonsius stated that NES Georgia is a subsidiary of a parent company, NextEra Energy Services, LLC that has $21 billion in revenues and has ample access to capital.

1. **Technical Capability: 515-7-3-.03(2)(l)(1-20)**

In the application, NES Georgia provided detailed information regarding its natural gas team and their experience in serving the Georgia market. In the Technical Capability section of the application beginning on page 16, NES Georgia detailed the knowledge and experience of their gas operations team. The Application stated that Mr. Swartzell, VP of Supply and Risk Management, leads supply and risk management for the NES retail natural gas business and that he has more than 19 years of experience in retail natural gas markets with an extensive background in natural gas risk management, asset optimization, trading, rate design, commercial contracting, and financial analysis. The Application stated that before NextEra, Mr. Swartzell worked at Gas South in various supply, asset optimization, rate design, and risk management roles for over 17 years. The Application included that Mr. Swartzell also has an extensive background in managing gas supply and risks in AGL’s deregulated natural gas market.

1. **Customer Support and Marketing**

On page 10 of the NES Georgia direct testimony, Mr. Zonsius stated that the customer care for NES Georgia and Fireside Natural Gas, will be handled by the parent company. He further stated that marketing will initially continue under the Fireside Natural Gas name.

1. **General Conditions of Natural Gas Certificate Applicants**

The Commission is cognizant of the General Assembly’s intent to promote competition while protecting the consumer during and after the transition to a competitive natural gas market, to maintain and encourage safe and reliable natural gas service, to deregulate those components of the industry subject to actual competition while continuing to regulate those services subject to monopoly power, and to promote an orderly and expeditious transition of the industry toward competition. O.C.G.A. § 46-4-151(a). The Commission affirms that certain conditions should be imposed upon all the new Certificates of Authority in order to attain these legislative goals. Applicants must apply to the Commission prior to any change in ownership, name change (including doing-business-as [d/b/a] name change), adding or dropping a primary delivery pool group from service, owning meters, or any other substantial change that would affect their certification, Commission Rule 515-7-3-.04(10).

In addition, any marketer that is found to have engaged in “cramming” or to have switched a customer’s service or to have changed the features of a customer’s service without that customer’s authorization shall be subject to Commission sanctions including, without limitation, the revocation of its certificate. All applicants for a natural gas certificate of authority are required to pass through discounts to senior citizens who are eligible for the AGL senior citizen discount program, to the extent that AGL provides the underlying discounts to the marketers.

As a requirement to serve Residential customers, applicants are required to maintain on file with the Commission current and accurate copies of their sample bills and terms and conditions/disclosure statement in accordance with any applicable Commission rules.

Applicants shall be required to fulfill any outstanding requests for information from the Staff that may not have been provided as of the date of issuance of the Interim Certificate of Authority and to provide any other information that may be required by the Commission.

The applicant shall comply with all applicable laws, rules, and regulations. For example, all contracts must allow a firm customer to cancel their contract without penalty within seventy-two (72) hours after the customer has signed up for service and must allow cancellation without penalty if the customer moves outside the primary delivery pool group (see Commission Rules 515-7-3-.03(2)(l)(16)(IV)(I)(II), pursuant to the authority of O.C.G.A. § 46-4-160(a)(2)). Marketers with interim certificates may not avoid their obligations under their certificate conditions, applicable laws, rules, and regulations, by contracting with intermediary agents whose practices would result in violations of these obligations, or by contracting in any manner that results in customers not receiving the full protection of these obligations. NES Georgia shall be required to make available contemporaneously to customers who are randomly assigned to it the same options for rates, terms, and conditions of service that the Company makes available to its other similarly situated customers. The Commission may revoke an Interim Certificate of Authority for good cause under the Act, including without limitation, a finding that activities of the marketer are serving or could serve to mislead, deceive, or work a fraud upon members of the public under O.C.G.A. § 46-4-153(e). All certificated marketers must abide by statutory and Commission rules provisions relating to the Universal Service Fund found in Commission Rule 515-7-5. Pursuant to Commission Rule 515-7-3-.07(1)(g), NES Georgia must serve customers within 12-months, or its certificate may be revoked.

1. **Finding of Facts and Conclusions of Law**

NextEra Energy Services Georgia, LLC (“NES Georgia”), is a Delaware corporation registered in Georgia on Augst 1, 2023 with the Georgia Secretary of State, Control Number 23165616. NES Georgia is headquartered at 601 Travis Street, Suite 1400, Houston, TX 70002. The Applicant uses a Registered Agent, Corporation Service Company, 2 Sun Court, Suite 400, Peachtree Corners, GA 30092. NES Georgia seeks to market and sell natural gas only to Commercial and Industrial customers. The Applicant elected to serve in all nine (9) primary delivery pool groups on the AGLC system within the State of Georgia. NES Georgia was required to demonstrate that it has the financial and technical capability to serve in the Georgia deregulated natural gas market.

As provided in Commission Rule 515-7-3-.03(2)(k)(1-14), and provided in Section IV of the marketer application, the Commission finds and concludes that NES Georgia has demonstrated it has the financial capability to meet the requirements to provide natural gas service in the AGLC delivery groups in the State of Georgia as a deregulated natural gas marketer. NES Georgia will use the Fireside book of business to support its ongoing operations, and it has a parental guarantee from its parent company, NextaEra Energy Services, LLC to support any required financing. In addition, the Applicant provided financial documentation that it has the ability to meet the creditworthiness standards of AGL, Southern Natural Gas, and Transco.

As provided in Commission Rule 515-7-3-.03(2)(l)(1-20) and provided in Section V of the marketer application, the Commission finds and concludes that NES Georgia has demonstrated it has the technical capability to meet the requirements to provide natural gas service in the AGL delivery groups in the State of Georgia as a deregulated marketer. Technical capability applies not only to natural gas operations but also to a marketer’s ability to perform other functions necessary for providing customers with reliable service. These other functions include but are not limited to, billing, customer service, and meeting the credit standards of the Electing Distribution Company, or AGL, and the interstate pipelines, Southern Natural Gas, and Transco. NES Georgia presented evidence that it has the capability to provide all these functions.

NES Georgia demonstrated the technical capability to perform the following, pursuant to Commission Rule 515-7-3-.04:

1. Obtain sufficient natural gas supply to meet the requirements of its proposed service;
2. Meet required forecasted load demand;
3. Provide backup natural gas supplies in the event of a disruption in natural gas supply; and
4. Provide ancillary services to firm customers, including but not limited to billing, billing inquiries, payment processing, customer service inquiries, and telephone support.

Based on the evidence submitted, the Commission finds and concludes that NES Georgia satisfies the technical capability standards required by Georgia law and Commission rules.

1. **Change in Ownership Petition in Docket No. 25471**

Concerning the Change in Ownership petition filed by Fireside on November 20, 2023, the Commission will consider the petition in Docket No. 25741 as a separate matter from the NES Georgia Natural Gas Certificate of Authority application.

# **Commission Decision**

During the Thursday, February 29, 2024, Special Administrative Session, the Commission decided, based upon its evaluations and determinations as set forth in the preceding, and in the Findings of Fact and Conclusions of Law, and upon the evidence of record, that it is reasonable and appropriate to certify NextEra Energy Services Georgia, LLC is approved for an Interim Certificate of Authority.

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# **Ordering Paragraphs**

**WHEREFORE, IT IS ORDERED**, that Interim Certificate of Authority No. GM-49 is granted to NextEra Energy Services Georgia, LLC, to provide Firm natural gas commodity sales services in Georgia in the primary delivery pool groups specified below. The Interim Certificate of Authority shall be issued on an interim basis as a condition of this certificate. The Applicant uses a Registered Agent Corporation Service Company, 2 Sun Court, Suite 400, Peachtree Corners, GA 30092.

**ORDERED FURTHER,** that NES Georgia is hereby granted an Interim Certificate of Authority to provide firm natural gas service to only Commercial and Industrial customers in all nine of the AGLC Georgia primary delivery pool groups of Atlanta, Ex-Atlanta Southern, Ex-Atlanta Transco, Macon, Augusta, Brunswick, Rome, Valdosta, and Savannah.

**ORDERED FURTHER,** that if NES Georgia seeks to add or drop a primary delivery pool group from service, it shall submit an application for an amendment to its current Interim Certificate of Authority to provide services to additional or fewer primary delivery pool groups.

**ORDERED FURTHER,** that NES Georgia shall maintain a current listing for a registered office and a registered agent in Georgia on file with this Commission, as well as a current registration with the Georgia Secretary of State’s Office to do business in Georgia.

**ORDERED FURTHER,** that if NES Georgia does not transact any business as a marketer of firm natural gas services in one or more primary delivery pool groups for more than twelve (12) months, it shall file an application to amend or terminate its current Interim Certificate of Authority accordingly with respect to such un-served primary delivery pool group(s), or its Interim Certificate of Authority shall be revoked, pursuant to Commission Rule 515-7-3-.07(1)(g).

**ORDERED FURTHER,** that if NES Georgia desires to do business in Georgia under any name(s) other listed on this Interim Certificate of Authority and approved by the Commission, it shall file a petition for an approval to an amendment to its Interim Certificate of Authority requesting a name change prior to implementing any changes, pursuant to Commission Rule 515-7-3-.04(10).

**ORDERED FURTHER,** that if NES Georgia desires to change ownership, or proposes any other substantial change that would affect its certification, it shall file a petition requesting approval prior to implementing any changes, pursuant to Commission Rule 515-7-3-.04(10).

**ORDERED FURTHER,** that NES Georgia shall successfully complete GOS training to AGLC’s satisfaction prior to serving any natural gas customers in AGLC’s service territory.

**ORDERED FURTHER,** that the Interim Certificate of Authority herein approved is issued subject to the standards and requirements adopted by the Commission in Docket No. 15326 and that NES Georgia shall abide by the provisions relating to the Universal Service Fund in that docket and Commission Rule 515-7-5, all Federal laws and all applicable laws under the Official Code of Georgia Annotated, all applicable rules and regulations of the Commission and provisions of pertinent Commission orders currently in effect or which may be promulgated from time to time.

**ORDERED FURTHER,** that during the period of the Interim Certificate of Authority herein NES Georgia, is subject to the standards and requirements adopted in the Commission Rules.

**ORDERED FURTHER,** that pursuant to O.C.G.A. § 46‑4-153, the Interim Certificate of Authority granted herein shall be subject to revocation if NES Georgia fails to comply with Commission Rules, requirements, or orders, or violates any applicable law.

**ORDERED FURTHER,** that NES Georgia shall not avoid its obligations under this Interim Certificate of Authority, applicable laws, rules, or regulations, by contracting with intermediary agents whose practices would result in violations if undertaken by NES Georgia, or by contracting in any manner that results in customers not receiving the full protection of these obligations.

**ORDERED FURTHER,** that if NES Georgia is found to have switched a customer’s service or to have changed the features of a customer’s service without that customer’s authorization shall be subject to Commission sanctions including, without limitation, the revocation of its Interim Certificate of Authority.

**ORDERED FURTHER,** that NES Georgia shall be required to make available contemporaneously to customers randomly assigned to it the same options for rates, terms, and conditions of service that it makes available to its other similarly situated customers.

**ORDERED FURTHER,** that NES Georgia shall fulfill any outstanding request for information from the Staff within thirty (30) days of the order and shall provide any other information that may be required by the Commission.

**ORDERED FURTHER,** that all findings, conclusions, and determinations stated in the preceding sections of this Order are adopted as findings of fact, conclusions of law, and determinations of regulatory policy of this Commission.

**ORDERED FURTHER,** that any motion for reconsideration, rehearing or oral argument, or any other motion, shall not stay the effectiveness of this Order, unless otherwise ordered by the Commission.

**ORDERED FURTHER,** that jurisdiction over this matter is expressly retained for the purpose of entering such further Order or Orders as the Commission may deem just and proper.

The above by action of the Commission in a Special Administrative Session on the 29th day of February 2024.

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Sallie Tanner Jason Shaw

Executive Secretary Chairman

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# Date Date