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| PUC logo | COMMONWEALTH OF PENNSYLVANIA  PENNSYLVANIA PUBLIC UTILITY COMMISSION  400 NORTH STREET, HARRISBURG, PA 17120 | | **IN REPLY PLEASE REFER TO OUR FILE** |
|  |  |  | |

# License No. A-xxxx-xxxxxxx

CONTACT NAME

COMPANY NAME

ADDRESS 1

ADDRESS 2

RE: License Bond or Other Financial Security Renewal Notice

Dear Sir or Madam,

On Month Day, Year, the EGS obtained a license from the Public Utility Commission (Commission) to provide electric generation supplier (EGS) services in the Commonwealth of Pennsylvania. The Commission requires an EGS to file an **original** bond, or other security, approved by the Commission, to ensure the EGS’s financial responsibility under Section 2809(c) of the Public Utility Code. The Commission’s records indicate that the expiration or anniversary date of your company’s approved security will occur on Month Day, Year.

You are required to file the renewal of your current approved security at least thirty (30) days prior to its expiration date in order to maintain your electric supplier license in Pennsylvania, along with these other requirements:

* File an **original** bond, letter of credit, continuation certificate, amendment, or other financial instrument using the most recent template on the Commission’s website. Original financial instruments must display “wet” signatures or digital signatures, preferably in blue ink, and display a “raised seal” or original notary stamp. If the documentation filed is not an original, it will be rejected and returned.

* The name of the principal on the original financial instrument must **match exactly** with the name that appears on the supplier’s license issued (excluding fictitious names) by the Commission. If you are not sure of the correct name on your PUC license, you may review it online at the Commission’s website ([www.puc.pa.gov](http://www.puc.pa.gov)) by searching under your A docket number. If your company has changed its name, you are required to notify the Commission in writing, and obtain the necessary approvals prior to the submission of the financial instrument.
* The Commission's regulations at 52 Pa. Code §54.40(d) require the security level, or bond amount, for each licensee to be 10% of the licensee's most recent reported 4 quarters of gross receipts. The minimum security level provided may not be less than the initial security level provided when the license was granted. Unless approved by the Commission, the initial security level is $250,000.
* Unless ordered by the Commission, an EGS Broker licensee is required to maintain a security level of $10,000.
* It is your responsibility to update the Commission with any changes in your current contact information or the structure of your company.

Please be advised that if your company received approval for a financial security reduction from 10% to 5%, the financial security reduction is only effective for one year. It may be renewed annually by the Commission. As a reminder, to be eligible for the renewal, your company must provide annual documentation of its eligibility for a financial security reduction at least (90) days prior to the approved Financial Security Reduction Petition’s expiration date served via Secretarial Letter. If your company has not filed the required documentation by the time this letter is received, your company must file immediately. In the event your company does not provide such documentation to the Commission, its financial security reduction will cease and the financial security requirement will revert to 10% of gross receipts. This is pursuant to 52 Pa.Code Section 54.40(d).

Failure to file the requested financial security at least **thirty (30) days prior to the expiration date** of the financial security may cause Commission staff to initiate a formal proceeding, that may lead to cancellation of EGS’s electric supplier license, fines and penalties, removal of the company’s information from the Commission’s website and notification to all electric distribution companies, in which the EGS is licensed to do business. If EGS has decided to abandon its license, please notify the Commission of such decision. All original documentation must be sent to the Secretary of the Commission at:

Rosemary Chiavetta, Secretary

Pennsylvania Public Utility Commission

400 North Street

Harrisburg, Pennsylvania 17120

Please respond to Stephen Jakab ([sjakab@pa.gov](mailto:sjakab@pa.gov) (**Preferred**) or 717.783.6174) of the Commission’s Bureau of Technical Utility Services with your intent to renew, to confirm the required financial security amount, or to ask any questions.

Sincerely,

Darren D. Gill, Deputy Director

Bureau of Technical Utility Services

cc: Secretary Chiavetta