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|  | **PENNSYLVANIA**  **PUBLIC UTILITY COMMISSION**  **Harrisburg, PA 17105-3265** | | | |  |
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|  | | Public Meeting held March 17, 2011 | | | |
| Commissioners Present: | | |  | | |
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| Robert F. Powelson, Chairman  Wayne E. Coleman, Vice Chairman  Tyrone J. Christy  Wayne E. Gardner  James H. Cawley | | | | | |
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| Applications of Constellation NewEnergy-Gas Division, LLC to Amend its Natural Gas Supplier License | | | | A-125095 | |
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**ORDER**

**BY THE COMMISSION:**

On January 14 and February 10, 2011, Constellation NewEnergy-Gas Division, LLC (CNEG) filed applications to amend its natural gas supplier license to add the additional natural gas distribution company (NGDC) service territories of Philadelphia Gas Works (PGW) and PECO Energy Company (PECO), respectively, and for approval to provide gas supply services to small commercial customers (less than 6,000 Mcf annually) and governmental customers in all its currently authorized service territories, as well as PGW and PECO.

On April 5, 2001, the Commission issued a license authorizing CNEG, under its prior name of Alliance Energy Services Partnership, the right to begin to offer, render, furnish or supply natural gas supply services to industrial companies in the Commonwealth of Pennsylvania in the NGDC service territories of Columbia Gas of Pennsylvania, Inc., National Fuel Gas Distribution Corporation, and UGI Utilities, Inc. On April 28, 2004, the Commission approved a request by Alliance Energy Services Partnership to change the name on its license to CNEG.

On September 16, 2004, the Commission approved a change to CNEG’s license to include the additional service territory of the Peoples Natural Gas Company. On July 17, 2006, the Commission approved a change to CNEG’s license to include the additional service territories of T. W. Phillips Gas and Oil Company and the Equitable Gas Company.

On November 15, 2006, the Commission approved a change to CNEG’s license to authorize it to provide natural gas service to large commercial customers in its approved service territories within the Commonwealth of Pennsylvania.

CNEG has provided proofs of publication in Pennsylvania newspapers of general circulation serving the geographical territories affected by the applications and proofs of service to the interested parties as required by the Commission.

Section 2208(c)(1), 66 Pa. C.S. § 2208(c)(1), provides that a natural gas supplier license shall not be issued unless the applicant furnishes a bond or other security in a form and amount to ensure its financial responsibility. The criteria used to establish the form and amount of the bond or other security is set forth in the NGDC’s tariff. The amount and form of the bond or other security may also be mutually agreed to between the NGDC and the natural gas supplier. Section 2208 also provides that should the parties fail to achieve an agreement, then the form and amount of bond or other financial security “shall be determined by criteria approved by the Commission.” CNEG has provided documentation to evidence its compliance with the Section 2208(c) bonding requirement for all of the additional NGDCs in whose service territories it proposes to expand its operations.

As of March 3, 2011, no protests have been filed.

Upon full consideration of all matters of record, we find that approval of these applications is necessary and proper for the service, accommodation and convenience of the public; **THEREFORE,**

**IT IS ORDERED:**

1. That the applications of Constellation NewEnergy-Gas Division, LLC are hereby approved, consistent with this Order.

2. That a license be issued authorizing Constellation NewEnergy-Gas Division, LLC to begin to offer, render, furnish or supply natural gas supply services to large and small commercial customers, governmental customers, and industrial customers in the additional natural gas distribution company service territories of Philadelphia Gas Works and PECO Energy Company.

3. That Constellation NewEnergy-Gas Division, LLC’s license be modified to authorize it to provide natural gas supply services to small commercial customers and governmental customers in its approved service territories within the Commonwealth of Pennsylvania.

4. That this proceeding at Docket No. A-125095 be closed.

 **BY THE COMMISSION,**

Rosemary Chiavetta

Secretary

(SEAL)

ORDER ADOPTED: March 17, 2011

ORDER ENTERED: March 18, 2011