

**Constellation NewEnergy-Gas Division, LLC
Docket A-125095 Amended Authority Request
Data Request Response No. 2
Updated NGDC Bonding Letters**

Reference Application, Section 7.a, Bonding - Applicant is required to provide updated NGOC bonding letters for all of the Applicant's service territories. Applicant can elect to mark submitted information as confidential.

Please find attached updated NGDC bonding letters for the following:

- **Columbia Gas of PA, Inc.**
- **National Fuel Gas Distribution Corp.**
- **PECO**
- **Peoples Natural Gas**
- **Philadelphia Gas Works**
- **UGI Utilities**
- **Valley Energy Inc.**

I, **Stephen Baker**, hereby state that the fact above are true and correct to the best of my knowledge, information and belief, and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).



January 4, 2017

Stephen Baker
Constellation NewEnergy-Gas Division, LLC
325 North St. Paul Street, Suite 2650
Dallas, TX 75201

Dear Stephen Baker:

We are pleased that Constellation NewEnergy-Gas Division, LLC is providing Natural Gas Supply Service on the distribution system of Columbia Gas of Pennsylvania, Inc. ("Columbia Gas").

Under Paragraph 2.4.5 of the Rules Applicable to Distribution Service section of the Tariff of Columbia Gas, Constellation NewEnergy-Gas Division, LLC is required to provide to Columbia Gas a bond or other financial security instrument in an amount that Columbia Gas determines to be appropriate. We have determined that Constellation NewEnergy-Gas Division, LLC has satisfied this bonding and other financial security requirement to provide Natural Gas Supply Service to Columbia Gas customers. Columbia Gas is notifying Constellation NewEnergy-Gas Division, LLC that it currently meets Columbia Gas' bonding or other financial security instrument requirement under paragraph 2.4.5 of the Rules Applicable to Distribution Service section of the Tariff of Columbia Gas.

If the creditworthiness circumstances or Columbia Gas' exposure to Constellation NewEnergy-Gas Division, LLC change in the future, Columbia Gas might deem it appropriate to require Constellation NewEnergy-Gas Division, LLC to increase the deposit or provide a bond or other financial security instrument.

In the meantime, please feel free to contact me at 614-460-6841 if you have any questions now or in the future regarding the bond or other financial security instrument requirements of Columbia Gas.

Sincerely,

Michele Caddell

Michele Caddell
Manager of Choice and Nominations



An Exelon Company

January 4, 2017
PECO - Exelon Corporation
Energy Acquisition
2301 Market Street
Philadelphia, PA. 19101

Stephen Baker, Legal Compliance
Constellation Energy Gas Choice, LLC
100 Constellation Way
Suite 1200C
Baltimore, MD 21202

Energy Acquisition is providing this notification letter that Constellation Energy Gas Choice, LLC has met the creditworthiness business requirement involved with the Pennsylvania Gas Choice - Low Volume Transportation program, pursuant to the receipt of an initial Surety of \$35,000.00 Guaranty. The Surety may be submitted to PECO via three acceptable forms; a Cash Deposit, a Letter of Credit, or a Surety bond. PECO will hold any surety to cover potential obligations to PECO and other system costs that could result from failure of a Supplier to meet its competitive Natural Gas Supply service delivery obligations.

Please note, although the creditworthiness requirements were met, as referenced within Section 7.13 (Creditworthiness of a Natural Gas Supplier (NGS) Serving Low Volume Transportation Customers) of the Gas Service Tariff, PECO has the right to re-assess the creditworthiness of the company if PECO has any reason to suspect a change in the marketer's financial condition.

If you should have any questions regarding this matter, please contact the Electric & Gas Choice Hotline at 215-841-3700.

Sincerely,

A handwritten signature in black ink that reads "Carol Reilly".

Carol Reilly
Manager
Energy Acquisition

Lynda W. Petrichevich
VP, Regulatory Affairs

Peoples Service Company LLC
Phone: 412-208-6528; Fax: 412-208-6577
Email: lpetrichevich@peoples-gas.com

January 10, 2017

Joseph Kirwan
Assistant Secretary
Constellation NewEnergy-Gas Division, LLC
9960 Corporate Campus Drive, Suite 2000
Louisville, KY 40223

Dear Mr. Kirwan:

This letter serves as notification that none of the Peoples Companies (Peoples, Peoples – Equitable Division, Peoples TWP) require Constellation NewEnergy-Gas Division, LLC to provide any additional security or credit enhancement at this time. However, if in the future your company desires to significantly expand your Pool on any of the Peoples Company’s systems, Constellation NewEnergy-Gas Division, LLC may be required to increase the security or credit enhancement based on the terms in our applicable tariffs.

If you have any questions feel free to contact me at 412-208-6528 or by email at Lynda.W.Petrichevich@peoples-gas.com.

Sincerely,



Lynda W. Petrichevich
VP – Regulatory Affairs
Peoples Natural Gas Company LLC

Cc: Steven Kolich
Stephen Kelly



PHILADELPHIA GAS WORKS

800 West Montgomery Avenue • Philadelphia, PA 19122

January 6, 2017

Mr. Stephen Baker
Legal Compliance
325 North St. Paul Street
Suite 2650
Dallas, TX 75201

Re: Security Requirement for Constellation NewEnergy - Gas Division

Dear Baker:

Philadelphia Gas Works ("PGW") is aware that Constellation NewEnergy - Gas Division has filed an application with the Pennsylvania Public Utility Commission to supply natural gas services to the public in Pennsylvania and specifically within the services territory of Philadelphia Gas Works. You have stated that, in performing these services, Constellation NewEnergy - Gas Division will take title to any delivered natural gas.

Under its tariff, Philadelphia Gas Works could require Constellation NewEnergy - Gas Division to provide a bond or other financial security instrument in an amount that Philadelphia Gas Works determines to be appropriate. Upon final approval of your application to PGW and prior to enrolling customers, security in the first year for firm pools will be required based on your estimated firm pool size. It will be updated annually based on actual firm pool size.

At this time, Constellation NewEnergy - Gas Division does not need to post a bond or other form of security.

If you have any questions concerning the foregoing, please contact me at 215-684-6725.

Sincerely,

A handwritten signature in blue ink that reads 'John C. Zuk'.

JOHN C. ZUK
Vice President, Gas Supply

NL/dls



National Fuel

January 10, 2017

Stephen Baker
Constellation New Energy - Gas Division, LLC
325 North St. Paul Street, Suite 2650
Dallas, TX 75201

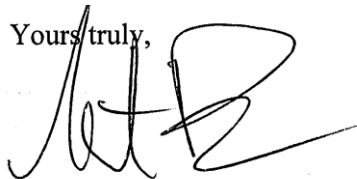
RE: Security Requirement Constellation New Energy - Gas Division, LLC

Dear Stephen,

Pursuant to 66 Pa. C. S. § 2208 (c), an applicant for a natural gas supplier license in the Commonwealth of Pennsylvania must furnish security to each utility where the supplier will do business to ensure the financial responsibility of such natural gas supplier. To this end, National Fuel Gas Distribution Corporation (“National Fuel”) will perform a credit review and analysis of Constellation New Energy - Gas Division, LLC (“CNE”) and determine at the appropriate time whether CNE must post a security deposit acceptable to National Fuel in order to operate as a supplier on National Fuel’s system.

CNE’s security requirement to serve Pennsylvania customers is dependent on the type of transportation service utilized by CNE. There is no Natural Gas Supplier (NGS) security requirement for customers that will be enrolled in National Fuel’s Purchase of Receivable (POR) program. As such, CNE will not be required to post security for customers enrolled in the POR program. A security deposit will be required for transportation customers not enrolled in the POR program.

Should you have any questions concerning the above, please contact me at 716-857-7599.

Yours truly,


Nathan E. Barnes
Transportation Services Department



UGI Utilities, Inc.
2525 North 12th Street
Suite 360
Post Office Box 12677
Reading, PA 19612-2677
(610) 796-3400 Telephone

January 17, 2017

Stephen Baker, Legal Compliance
Exelon BSC
325 North St. Paul Street, Suite 2650, Dallas TX 75201

RE: UGI Financial Security Requirements

Dear Mr. Baker,

UGI Utilities, Inc. (“UGIU”) has reviewed the financial information of Exelon, Corporation (“Exelon”), parent company of New Energy-Gas Division, LLC (“NEW ENERGY”). Based on this review and your assertion that Exelon would provide a corporate guarantee on behalf of NEW ENERGY in order to satisfy the requirement that NEW ENERGY must post security as specified in the UGI Utilities - Gas Division, Inc. (“UGI”), UGI Penn Natural Gas, Inc. (“PNG”) and UGI Central Penn Gas, Inc. (“CPG”) Supplier Coordination Tariffs before it serves customers on the UGI, PNG or CPG distribution systems, UGIU has determined that NEW ENERGY has demonstrated adequate creditworthiness to satisfy any costs UGI, PNG or CPG may incur in the event it operates as a supplier of last resort due to a default on the part of NEW ENERGY.

This determination may change in the event there is a material deterioration in Exelon’s financial condition, if NEW ENERGY’s obligations to UGI, PNG or CPG exceed the amount of the financial security provided, if the financial security is withdrawn or is deemed to be null and void or inadequate due to the material financial deterioration of any guarantor, or if NEW ENERGY fails to abide by the terms and conditions of the UGI, PNG or CPG Gas Tariffs and the UGI, PNG or CPG Natural Gas Supplier Coordination Tariffs.

Please feel free to contact me with any additional questions that you may have. I can be reached at (610) 796-3520

Sincerely,

David E. Lahoff
Manager, Rates
UGI Utilities, Inc.



VALLEY ENERGY

523 S. Keystone Avenue, P.O. Box 340, Sayre, PA 18840
800/998-4427 • 570/888-9664 • FAX 570/888-6199

January 9, 2017

VIA EMAIL

Mr. Stephen Baker, Legal Compliance
Exelon BSC
325 North St. Paul Street, Suite 2650
Dallas, TX 75201
stephen.baker@constellation.com

Dear Mr. Baker:

We understand that Constellation NewEnergy-Gas Division, LLC has applied with the Pennsylvania Public Utility Commission to supply natural gas services to the public in Pennsylvania including our company's service area.

Because Constellation NewEnergy-Gas Division, LLC intends to only provide natural gas aggregating, brokering and consulting services at this time, we have determined that Constellation NewEnergy-Gas Division, LLC will not be required to post a bond or other form of financial security instrument to provide these services in our service area. However, if the services provided change in the future, we reserve the right to require security from Constellation NewEnergy-Gas Division, LLC as deemed appropriate.

If you have any questions, please contact Mrs. Marjorie Johnston at 570-888-9664.

Sincerely,

Robert J. Crocker
President & CEO

RJC/ss

cc: M. Johnston, Valley Energy