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|  | **PENNSYLVANIA**  **PUBLIC UTILITY COMMISSION**  **Harrisburg, PA 17105-3265** | | |  |
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|  | | Public Meeting held February 24, 2011 | | |
| Commissioners Present: | | |  | |
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| James H. Cawley, Chairman | | |  | |
| Tyrone J. Christy, Vice Chairman | | | | |
| John F. Coleman, Jr. | | | | |
| Wayne E. Gardner | | | | |
| Robert F. Powelson | | | | |
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| License Application of Planet Energy (Pennsylvania) Corp for Approval to Offer, Render, Furnish or Supply Electricity or Electric Generation Services as a Supplier of Retail Electric Power | | | A-2011-2223534 | |
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**ORDER**

**BY THE COMMISSION:**

On December 7, 2010, Planet Energy (Pennsylvania) Corp (Planet Energy) filed an application seeking to become a licensed electric generation supplier (EGS) in the electric distribution company (EDC) service territories of Allegheny Power, Duquesne Light Company, PECO Energy Company, Pennsylvania Electric Company, Pennsylvania Power Company, PPL Electric Utilities, Inc. and Metropolitan Edison Company within the Commonwealth of Pennsylvania. The application was filed pursuant to the Commission’s regulations at 52 Pa. Code §§ 54.31-54.43, which became effective on August 8, 1998, and which were established under Section 2809 of the Public Utility Code, 66 Pa. C.S. § 2809.

§ 2809 provides, in pertinent part, that:

License Requirement.--No person or corporation, including municipal corporations which choose to provide service outside their municipal limits except to the extent provided prior to the effective date of this chapter, brokers and marketers, aggregators and other entities, shall engage in the business of an electric generation supplier in this Commonwealth unless the person or corporation holds a license issued by the Commission.

An electric generation supplier is defined as:

A person or corporation, including municipal corporations which choose to provide service outside their municipal limits except to the extent provided prior to the effective date of this chapter, brokers and marketers, aggregators or any other entities, that sells to end-use customers electricity or related services utilizing the jurisdictional transmission and distribution facilities of an electric distribution company or that purchases, brokers, arranges or markets electricity or related services for sale to end-use customers utilizing the jurisdictional transmission and distribution facilities of an electric distribution company.

66 Pa. C.S. § 2803 (in pertinent part).

Planet Energy is a foreign corporation, incorporated in the state of Delaware, and registered to do business in the Commonwealth of Pennsylvania as of September 27, 2010. Planet Energy proposes to act as a supplier of retail electric power to residential, small commercial (25 kW and under demand) and large commercial (over 25 kW demand) customers in the EDC service territories of Allegheny Power, Duquesne Light Company, PECO Energy Company, Pennsylvania Electric Company, Pennsylvania Power Company, PPL Electric Utilities, Inc. and Metropolitan Edison Company within the Commonwealth of Pennsylvania.

Since Planet Energy proposes to provide EGS services to residential customers it is required to comply with, and be governed by, applicable Chapter 56 residential service regulations as set forth in the Commission Order *Guidelines for Maintaining Customer Service at the Same Level of Quality Pursuant to 66 Pa. C.S. § 2807(d), and Assuring Conformance with 52 Pa. Code Chapter 56 Pursuant to 66 Pa. C.S. § 2809(e) and (f)*, at Docket No. M-00960890 F0011, Order entered July 11, 1997*.* Thus, we deem it appropriate to reiterate certain items with respect to Chapter 56 of our regulations. Chapter 56 (52 Pa Code Chapter 56) is applicable to residential accounts. An EGS cannot physically disconnect a residential customer from the electricity grid; therefore, the rules relating to residential service termination are not applicable to electric generation suppliers. An EGS may seek to terminate its generation service through an appropriate written notice to the customer and the distribution company. The residential customer can then attempt to repair their relationship with the supplier, seek a new supplier, or return to utility service at default service rates in accordance with the utility's obligations under Section 2807(e), 66 Pa. C.S. § 2807(e). The customer would only be disconnected from the electricity grid pursuant to appropriate regulations if the customer failed to meet its obligations to the utility or the electric generation supplier that has been designated by the Commission as the provider of last resort.

Additionally, we specifically note that the licensee must comply with, and ensure that its employees, agents, representatives, and independent contractors and subcontractors comply with the standards of conduct and disclosure for licensees set out in Commission regulations at 52 Pa. Code § 54.43 that were enacted to protect consumers of this Commonwealth. These standards include, *inter alia,* the provision of timely and accurate information about the services offered by the licensee, the practice of nondiscrimination in service in regard to race, color, religion, national origin, marital status, etc., the safeguarding of a consumer’s personal information, and compliance with applicable state and federal consumer protection laws. Also, we take this opportunity to remind the licensee of its agreement to abide by, and to ensure that its employees, representatives, agents, and independent contractors and subcontractors abide by all applicable federal and state laws, and Commission regulations, procedures and orders, including Emergency Orders, which may be issued verbally or in writing during any emergency situations that may unexpectedly develop from time to time in the course of doing business in Pennsylvania. *See, for example*, 52 Pa. Code § 54.43(f) (“A licensee is responsible for any fraudulent deceptive or other unlawful marketing or billing acts performed by the licensee, its employees, agents or representatives.”).

We also note that that the licensee must comply with our decision in Docket No. M-2010-2157431, Motion adopted at the February 11, 2010, Public Meeting, regarding membership in PJM Interconnection (PJM) for EGS applicants that are taking title to electricity. Specifically, our Motion directed that such EGS applicants must file with the Commission, within 120 days of receiving an EGS license, proof of membership in PJM as a Load Serving Entity (LSE) or proof of a contractual arrangement with an existing PJM LSE that facilitates the applicant’s retail operations. Since Planet Energy is taking title to electricity, it has included documentation evidencing compliance with this requirement.

Planet Energy has provided proof of publication in Pennsylvania newspapers of general circulation in the geographical territories affected by the application and proofs of service to the interested parties as required by the Commission.

Regarding the financial and technical fitness requirements of the license application, Planet Energy has provided audited consolidated financial statements for its parent company, Planet Energy Corp, for the fiscal years ended March 31, 2009 and 2010. Planet Energy has also supplied professional resume information and employment experience for its officers as well as a summary of its current operations and experience in the energy industry. Sufficient information has been provided by Planet Energy to demonstrate its financial and technical fitness in order to be licensed as a supplier of retail electric power in the Commonwealth of Pennsylvania.

Planet Energy has provided a $250,000 irrevocable standby letter of credit as required by the license application.

As of February 14, 2011, no protests have been filed.

We find that the applicant:

1. Is fit, willing and able to properly perform the service proposed in conformance with applicable provisions of the Public Utility Code and lawful Commission Orders and regulations, specifically including 52 Pa. Code Chapter 56 (relating to Standards and Billing Practices for Residential Utility Service).

2. Has agreed to lawfully abide by all Commission regulations, procedures and Orders, including Emergency Orders, which may be issued verbally or in writing during any emergency situations that may unexpectedly develop from time to time in the course of doing business in Pennsylvania.

We further find that the proposed service, to the extent authorized by the license, will be consistent with the public interest and the policy declared in the Electricity Generation Customer Choice and Competition Act.

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

**IT IS ORDERED:**

1. That the application of Planet Energy (Pennsylvania) Corp is hereby approved, consistent with this Order.

2. That a license be issued authorizing Planet Energy (Pennsylvania) Corp to begin to offer, render, furnish or supply electric generation supplier services to residential, small commercial (25 kW and under demand) and large commercial (over 25 kW demand) customers in the electric distribution company service territories of Allegheny Power, Duquesne Light Company, PECO Energy Company, Pennsylvania Electric Company, Pennsylvania Power Company, PPL Electric Utilities, Inc. and Metropolitan Edison Company within the Commonwealth of Pennsylvania.

3. That a copy of this Order be served on the Department of Revenue, Bureau of Corporation Taxes.

4. That this proceeding at Docket No. A-2011-2223534 be closed.

**BY THE COMMISSION,**



Rosemary Chiavetta

Secretary

(SEAL)

ORDER ADOPTED: February 24, 2011

ORDER ENTERED: February 25, 2011