## PALM<sub>CO</sub><sup>TM</sup>

Electricity Sales – Natural Gas Sales 1350 60<sup>th</sup> Street, Brooklyn, New York 11219 Toll Free (877) 726-5862 – Fax (718) 851-2427 Privately Owned; Family in Business Since 1938 www.PalmcoEnergy.com We Treat you Like Family

June 17, 2011

Rosemary Chiavetta, Secretary Pennsylvania Public Utility Commission Commonwealth Keystone Building 400 North Street Harrisburg, PA 17120

Re: License A-2009-2100320

Dear Secretary Chiavetta:

Palmco Energy PA, LLC requests to supply natural gas to the public in the UGI Utilities, Inc. and UGI Penn Natural Gas territories. Attached is a letter from UGI Utilites, Inc. stating that Palmco Energy has met its credit requirements to conduct business in these two territories.

Please amend Palmco Energy PA, LLC's natural gas license to include UGI Utilities, Inc. and Penn Natural Gas

Very Truly Yours,

Robert Palmese – Member

RECEIVED

JUN 1.7, 2011

PA PUBLIC UTILITY COMMISSION SECRETARY'S BUREAU



UGI Utilities, Inc. 2525 North 12th Street Suite 360 Post Office Box 12677 Reading, PA 19612-2677

(610) 796-3400 Telephone

June 17, 2011

Robert Palmese Member Palmco Energy PA. LLC 1350 60<sup>th</sup> Street Brooklyn, New York 11219

RE: UGI Financial Security Requirements

Dear Mr. Palmese:

UGI Utilities, Inc. ("UGI") has reviewed the financial information of Palmco Energy PA. LLC ("Palmco"). Based on this review and the requirement that Palmco must post security as specified in the UGI Penn Natural Gas ("PNG") and UGI Utilities Gas ("UGI") Supplier Coordination Tariffs before it serves customers on the PNG and UGI distribution systems, UGI has determined that Palmco has demonstrated adequate creditworthiness to satisfy any costs PNG and UGI may incur in the event it they operate as a supplier of last resort due to a default on the part of Palmco.

This determination may change in the event there is a material deterioration in that condition, if Palmco's obligations to PNG and UGI exceed the amount of the financial security provided, if the financial security is withdrawn or is deemed to be null and void or inadequate due to the material financial deterioration of any guarantor, or if Palmco fails to abide by the terms and conditions of the PNG and UGI Gas Tariffs and the PNG and UGI 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, 1

David E. Lahoff.

Manager, Rates UGI Utilities, Inc.

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JUN 1:7-2011

PA PUBLIC UTILITY COMMISSION SECRETARY'S BUREAU

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Rosemary Chiavetta, Secretary Pennsylvania Public Utility Commission Commonwealth Keystone Building 400 North Street Harrisburg, PA 17120