

## THE LEGACY ENERGY GROUP, LLC

32 WATERLOO STREET
WARRENTON, VIRGINIA 20186

MICHAEL L. R. HOUSLEY
PRESIDENT

TELEPHONE (540) 351-0981 TELECOPIER (540) 351-0984

December 19, 2011

Pennsylvania Public Utility Commission 2 Keystone Building – Room N201 Attn: Docket # A-2011-2262793 Harrisburg PA 17120

RECEIVED

DEC 19 2011

RE: NGDC Financial Security

PA PUBLIC UTILITY COMMISSION SECRETARY'S BUREAU

Dear Public Utility Commission:

A-2011-2262793

Attached please find seven (7) NGDC financial security requirement letters from the following NGDCs:

Columbia Gas

PECO

**PGW** 

NFGDC

UGI

Valley Energy

Peoples Natural Gas

Each of the NGDC letters provides that at this time Legacy Energy is not required to post financial security with the NGDC in order to supply natural gas services within the NGDC's territory.

I, Mike Stumpo, hereby state that the facts above set forth 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).

Please contact me on phone number 540-351-0981 if you have any questions or need any additional information.

Very Best Regards,

For THE LEGACY ENERGY GROUP, LLC

Mike Stumpo

**Energy Management Services** 



A NiSource Company

November 22, 2011

Mike Stumpo President The Legacy Energy Group, LLC 32 Waterloo St Warrenton, VA 20186 RECEIVED

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PA PUBLIC UTILITY COMMISSION SECRETARY'S BUREAU

Dear Mike Stumpo:

We are pleased that The Legacy Energy Group, LLC ("LEG") has applied for a license to provide Natural Gas Broker/Marketer Services 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, LEG could be required to provide to Columbia Gas a bond or other financial security instrument in an amount that Columbia Gas determines to be appropriate. LEG has indicated only brokering and consulting services will be provided. Therefore, we have determined at this time that LEG does not need a bond or other financial security requirement to provide broker natural gas services to Columbia Gas customers.

If the creditworthiness requirement or Columbia Gas' exposure to LEG changes in the future, Columbia Gas might deem it appropriate to require LEG to provide a bond or other financial security instrument.

Please feel free to contact me at 614-460-6841 should you have any questions regarding a bond or other financial security instrument requirements of Columbia Gas.

Sincerely.

Michele Caddell

Manager, Supplier Services

bele laddelf



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

(610) 796-3400 Telephone

November 15, 2011

## **RECEIVED**

DEC 19 2011

Mr. Michael Stumpo Legacy Energy 32 Waterloo Street Warrenton, VA 20186

PA PUBLIC UTILITY COMMISSION SECRETARY'S BUREAU

Re: Legacy Energy Group application to serve as a natural gas broker/marketer

Dear Mr. Stumpo,

UGI Utilities has reviewed the license application of Legacy Energy Group. LLC ("Legacy Energy") to serve as a natural gas broker/marketer. Based on the information in the application and subsequent discussions with you, UGI Utilities has concluded that, at this time, Legacy Energy will not need to post security on UGI-Central Penn Gas, UGI-Penn Natural Gas or UGI Utilities, Inc. This is based on the declaration that Legacy Energy will not be taking title to gas or directly serving end use customers. This also assumes that Legacy Energy will be acting on the behalf of a licensed Natural Gas Supplier who has been approved to serve in the applicable UGI service territories and who has posted the required financial security as specified in the respective tariffs. If Legacy Energy wishes to directly serve Choice customers in any of UGI service territories in the future as a natural gas supplier, it will have to post security as specified in the respective tariffs prior to the commencement of the service.

Please feel free to contact me with any additional questions that you may have.

Sincerely,

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

## Philadelphia Gas Works



800 W. Montgomery Ave., Philadelphia, PA 19122 Telephone: 215-236-0500

December 15, 2011

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Mr. Michael Stumpo The Legacy Energy Group, LLC 32 Waterloo Street Warrenton, VA 20186

DEC 19 2011

PA PUBLIC UTILITY COMMISSION SECRETARY'S BUREAU

Re: Security Requirement Bond for The Legacy Energy Group, LLC

Dear Mr.Stumpo:

Philadelphia Gas works (PGW") is aware that The Legacy Energy Group, LLC 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.

As you know, in making such an application, The Legacy Energy Group, LLC must furnish acceptable security to each utility where The Legacy Energy Group, LLC will do business. As such, under its tariff, Philadelphia Gas Works could require The Legacy Energy Group, LLC to provide a bond or other financial security instrument in an amount that Philadelphia Gas Works determines to be appropriate.

However, you have indicated, and it is Philadelphia Gas Works' understanding, that The Legacy Energy Group, LLC intends only to provide natural gas aggregating, brokering and consulting services at this time. You have stated that, in performing these services, The Legacy Energy Group, LLC will never take title to any delivered natural gas.

Based upon your representations, Philadelphia Gas Works has determined that, at this time, The Legacy Energy Group, LLC does not need to post a bond or other form of security to operate in its service territory. If the services provided by The Legacy Energy Group, LLC should change, Philadelphia Gas Works reserves the right to require security from The Legacy Energy Group, LLC as it deems appropriate.

If you have any questions concerning the foregoing, please contact me at (215) 684-6899.

Sincerely

Gas Management

DAM:b



October 31, 2011

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DEC 19 2011

PA PUBLIC UTILITY COMMISSION SECRETARY'S BUREAU

Mike Stumpo The Legacy Energy Group, LLC 32 Waterloo Street Warrenton VA 20186 Kali Newton

.Dear Mr. Stumpo:

This letter serves as notification that Peoples Natural Gas Company does not require The Legacy Energy Group, LLC to provide a security or credit enhancement. A security or credit enhancement is not required because The Legacy Energy Group, LLC is not currently operating and has no immediate plans to operate a supplier pool to directly serve customers on the Peoples Natural Gas Company system. However, if in the future The Legacy Energy Group, LLC desires to establish a supplier pool on the Peoples Natural Gas Company system, it may be required to establish a security or credit enhancement based on the terms set forth under Paragraphs 6 and 7 of the Rules and Regulations of the Peoples Natural Gas Company Supplier Tariff.

If you have any questions feel free to contact me at 412-208-7905.

Sincerely,

Joseph A. Gregorini

Vice President, Rates and Regulatory Affairs

Peoples Natural Gas Company LLC



## An Exelon Company

November 8, 2011

Mr. Michael Stumpo
The Legacy Energy Group, LLC
32 Waterloo Street
Warrenton VA 20186

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PA PUBLIC UTILITY COMMISSION SECRETARY'S BUREAU

Dear Mr. Stumpo:

Under the PECO Gas Supplier Tariff, The Legacy Energy Group, LLC could be required to provide to PECO Energy Company credit support in the amount outlined in the Tariff. At this time, The Legacy Energy Group, LLC does not need to provide this credit support, as The Legacy Energy Group, LLC is acting purely as a broker of natural gas and not directly engaging in business with PECO Energy

If in the future, PECO Energy's exposure to The Legacy Energy Group, LLC changes, PECO reserves the right to request collateral in response to this change. Please feel free to contact me at 215-841-5531 should you have any questions regarding credit support requirements.

Sincerely

Jon Davis
Credit Risk Management

November 1, 2011

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DEC 19 2011

PA PUBLIC UTILITY COMMISSION SECRETARY'S BUREAU

Mike Stumpo
The Legacy Energy Group, LLC
32 Waterloo Street
Warrenton, VA 20186

Re: Security Requirement for The Legacy Energy Group, LLC

Dear Mike:

National Fuel Gas Distribution Corporation ("NFGDC") is aware that The Legacy Energy Group, LLC. ("Legacy") has filed an application with the Pennsylvania Public Utility Commission to supply natural gas services to the public in Pennsylvania and specifically within the service territory of NFGDC.

As you know, in making such an application, Legacy must furnish acceptable security to each utility where Legacy will do business. As such, under its tariff, NFGDC could require Legacy to provide a bond or other financial security instrument in an amount that NFGDC determines to be appropriate.

However, you have indicated, and it is NFGDC's understanding that, Legacy intends only to provide natural gas aggregating, brokering and consulting services at this time. You have stated that, in performing these services, Legacy will never take title to any delivered natural gas.

Based upon your representations, NFGDC has determined that, at this time, Legacy does not need to post a bond or other form of security to operate in its service territory. However, if the services provided by Legacy change in the future, NFGDC reserves the right to require security from Legacy as it deems appropriate.

If you have any questions concerning the foregoing, please contact me at 716-857-7796.

Yours truly,

Robert C. Smielecki

Robert C. Smielecki

Transportation Services Department

October 31, 2011

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Mr. Mike Stumpo
The Legacy Energy Group, LLC
32 Waterloo St.
Warrenton, VA 20186

DEC 19 2011

PA PUBLIC UTILITY COMMISSION SECRETARY'S BUREAU

Dear Mr. Stumpo:

We understand that The Legacy Energy Group, 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 The Legacy Energy Group, LLC intends to only provide natural gas aggregating, brokering and consulting services at this time, we have determined that The Legacy Energy Group, 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 or failure to meet our requirements for credit worthiness changes in the future, we reserve the right to require security from The Legacy Energy Group, 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

From. (540) 351-0981 Cassie Scott THE LEGACY ENERGY GROUP 32 WATERLOO STREET 3RD FLOOR WARRENTON, VA 20186

SHIP TO: (717) 787-8763

Origin ID: DGNA



Ship Date: 19DEC11 ActWgt: 1.0 LB CAD: 4074783/INET3210

Delivery Address Bar Code

RUL SENDER

Rosemary Chiavetta, Secretary Pennsylvania Public Utility Commiss 2 KEYŠTONE BLDG RM N201 **DOCKET A 2011 2262793** HARRISBURG, PA 17120



Ref# PA PUC NGOC Regts

Invoice # PO # Dept #

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