



Commonwealth of Pennsylvania

Department of Revenue
Bureau of Corporation Taxes
6th Floor - Strawberry Square
Harrisburg, PA 17128-0700

RECEIVED
JUN 11 2002

PA F.U.C.
SECRETARY'S BUREAU
2002 JUN -4 PM 3:10
RECEIVED

Mr. Robert Bennett, Energy Manager
Pennsylvania Utility Commission
Bureau of Fixed Utility Services
3rd Floor West
Commonwealth Keystone Building
Harrisburg, PA 17105

Dear Mr. Bennett:

Enclosed please find Corporation Taxes' lien certificates for the following electric utilities showing the amounts of settled unpaid Gross Receipts Taxes for electric sales:

- A-110098 PPL ENERGY PLUS LLC
A-110089 JEROME H RHOADS INC
A-110051 DUKE SOLUTIONS INC -c
A-110135 ENERGY EAST SOLUTIONS INC
A-110130 UTILIMAX COM INC -c
A-110119 AES DIRECT LLC
A-110118 UTILITY COM INC
A-110096 NICOLE ENERGY SERVICES INC
A-110059 ENRON ENERGY SERVICES INC
A-110055 CONSOLIDATED EDISON SOLUTIONS
A-110043 AMERICAN ENERGY SOLUTIONS

DOCUMENT FOLDER

These lien certificates are the result of said companies failure to file the required PA annual corporate tax reports, pay said taxes or make required estimated tax payments for tax years as specified per lien certificate. In the case where no tax reports were filed, estimated settlements were imposed based upon the best information available and/or furnished by the PUC.

Each company has been previously notified of their unpaid taxes and to date has not complied to the filing or payment requirements. As the PUC maintains appropriate bonding levels per company, it is hereby requested that these claims for payment of Gross Receipt Taxes to the Bureau of Corporation Taxes be pursued against said bonds. Please note that any interest charges applicable are computed upon payment of principal, so additional claims against each bond may be warranted in the event said utility fails to pay directly.

If you have any questions or require additional information, please contact me at your convenience at (717)787-8211 or gskotnicki@state.pa.us.

Sincerely,
[Signature]
Greg Skotnicki, Assistant to the Director
Bureau of Corporation Taxes

Enclosures

cc: James Shurkis, PUC
Rick Railing, Revenue

26

LIEN CERTIFICATE



REV-101 CM AFP (06-99)

Request of

**JAMES MCNULTY, SECRETARY
PENNSYLVANIA PUBLIC UTILITY COMMISSION
COMMONWEALTH KEYSTONE BUILDING
400 NORTH STREET, 2ND FLOOR
HARRISBURG, PA 17120**

A-110098

for a Lien Certificate under Section 213 of the Act of April 9, 1929, P.L. 343.

THIS CERTIFICATE IS A TRUE AND CORRECT STATEMENT OF CORPORATE TAX LIENS OF RECORD IN THE COMMONWEALTH OF PENNSYLVANIA, DEPARTMENT OF REVENUE, AGAINST

PPL ENERGY PLUS LLC

SETTLEMENT DATE	TAX YEAR	TYPE OF TAX	AMOUNT
11 15 01	12-00	GROSS RECEIPTS - TAX 10	3,222,992.00

DOCKETED
JUL 31 2002
DOCUMENT FOLDER

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NOTE: INTEREST CHARGES ARE ASSESSED ON UNPAID TAXES AT TIME OF PAYMENT.

The Commonwealth reserves the right to make collection of any additional amount of Corporate Net Income Tax which may arise as a result of changes made by the Federal Government.

CERTIFICATE INCLUDES TRANSACTIONS AS OF: May 21, 2002

Please direct all inquiries to the above address, ATTN: Lien Control Section or telephone (717) 787-5649.
TDD # 1-800-447-3020 (Services for Special Hearing and Speaking Needs Only).

EXPLANATION OF AMOUNTS DUE ON THE FACE OF THIS LIEN CERTIFICATE

By statute (Section 213 of the Fiscal Code, Act of 1929, April 9, P.L. 343, 72 P.S. Section 213), the Department, upon payment of a \$2 fee, will certify settled obligations owed to the Commonwealth. As the statute is restricted to settled deficiencies, no mention is made of credits (if any) that may be available in the tax account.

TRANSFER OF CREDIT

A tax obligation may be satisfied via the transfer of available credit within the corporate account. **Estimated Prepayments** of Capital Stock, Franchise, Corporate Net Income and Mutual Thrift taxes are available for refund, transfer or assignment at any time. **Tentative Tax Prepayments** are available for transfer **only** after receipt by the Department of the annual report for the year in which the overpayment occurred.

To transfer credits, use the preprinted REV-855, Custom Refund/Transfer coupon, which is provided as part of the REV-857I, PA Corporation Tax Estimated Payment Coupon Book. Available credit for any tax paid into the General Fund also may be transferred in payment of Corporation Taxes. The sale or exchange (assignment) of credit between corporate entities will be considered provided a REV-774, Assignment of Tax Credit, is submitted in duplicate.

ESTIMATED TAX SETTLEMENTS

As required, the Department will make an estimate of the tax due by a delinquent corporation. Estimates generally are made for failure to file tax reports. Estimated tax settlements are removed when a report in processible form is filed and settled. (Section 804 of the Fiscal Code and Section 407 (d) of the Tax Reform Code, Act of 1971, March 4, P.L. 6, 72 P.S. Section 7407 (d)).

Article XIV of the Pennsylvania Fiscal Code Provides the Following for Collection of Taxes:

Section 1401 Liens of Taxes, Interest, Penalties and Other Accounts Due the Commonwealth

"All state taxes imposed under the authority of any law of this Commonwealth, now existing or that may hereafter be enacted, and unpaid bonus, penalties and all public accounts settled, assessed or determined against any corporation, association or person, including interest thereupon, shall be a first lien upon the franchises and property, both real and personal, of such corporation . . ."

Section 1404 Entry of Tax Liens; Scire Facias

"The Department of Revenue may, at any time, transmit to the prothonotaries of the respective counties of the Commonwealth, to be by them entered of record, certified copies of all liens for state taxes, unpaid bonus, interest and penalties . . . upon which record it shall be lawful for writs of scire facias to issue and be prosecuted to judgment and execution . . ."



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P.O. BOX 3265, HARRISBURG, PA 17105-3265

IN REPLY PLEASE
REFER TO OUR FILE
A-110098

June 12, 2002

ERIC W HURLOCKER, SENIOR COUNSEL
PPL ENERGYPLUS LLC
TWO NORTH NINTH STREET
ALLENTOWN PA 18101-1179

DOCKETED
JUL 01 2002

Re: June 3, 2002 Letter Re: PPL EnergyPlus, LLC: License Bond or Other Financial Security

Dear Mr. Hurlocker:

This letter is to acknowledge receipt of your letter, dated June 3, 2002, in which you acknowledged receipt of the letter from Mr. Robert A. Rosenthal, dated May 6, 2002, regarding the license bond or other financial security for PPL EnergyPlus LLC ("PPL").

In your letter you request the Commission's approval for a security in the amount of \$6,500,000. However, you also request that, by June 15, 2002, the Commission staff indicate whether the Commission is willing to grant PPL's request for a security level of \$6,500,000. Because these requests seem to be contradictory, it is not clear if the letter is a Petition for a Reduced Bonding Level or an effort to determine the Commission's likely action on such a Petition. If it is a Petition, it is deficient, because it has not been served on all the appropriate parties.

Otherwise, if you decide to submit a Petition for a Reduced Bonding Level, you should first review the Commission's regulations concerning Rules of Administrative Practice and Procedure and Formal Proceedings, at 52 Pa. Code, prior to submitting the appropriate filing. Section 52 Pa. Code §5.41 would be a good starting point. You should also review the August 27, 2001 Secretarial Letter at Docket No. M-00011489 Re: Service of Petitions Relating to Bonding Levels. If you need clarification of the regulations, I suggest that you contact Ms. Patricia Burket, Assistant Counsel, in the Commission's Law Bureau, at 717-787-3464.

Commission records indicate that PPL had revenues of \$178,960,757 for 2001. Based on the Commission's regulations at 52 Pa. Code §54.40 the appropriate security level for the 2001 revenue amount is \$17,896,076.

You also request that, by June 15, 2002, the Commission provide a copy of the form of letter of credit that is acceptable to the Commission. A copy of the form of letter of credit is enclosed.

Finally, Commission records indicate that, on June 4, 2002, the PA Department of Revenue filed a corporate tax lien certificate with the Commission against PPL EnergyPlus LLC for gross receipts taxes.

Sincerely,

Robert A. Rosenthal, Director
Bureau of Fixed Utility Services