

PENNSYLVANIA PUBLIC UTILITY COMMISSION
Uniform Cover and Calendar Sheet

1. REPORT DATE: October 20, 1998	2. BUREAU AGENDA NO. OCT-98-FUS-1124*
3. BUREAU: Fixed Utility Services	
4. SECTION(S): Energy	5. PUBLIC MEETING DATE: October 30, 1998
6. APPROVED BY: Director: Muth 3-5242 Supervisor: Bennett 7-5553 Legal Review by [Signature] 7-3767	
7. PERSONS IN CHARGE: Glunz / Maher 3-6163	
8. DOCKET NO.: A-110094	

DOCKETED
NOV - 4 1998

- 9. (a) CAPTION (abbreviate if more than 4 lines)
- (b) Short summary of history & facts, documents & briefs
- (c) Recommendation

- (a) License Application of JRI Energy Systems, d/b/a Anthracite Power & Light Company (Home Office: Frackville, PA)
- (b) On August 7, 1998, JRI Energy Systems ("JRI") filed an application for a license to offer, render, furnish, and supply electricity and/or electric generation supply and other energy-related products and services to all customers in all counties within the Commonwealth of Pennsylvania as a broker/marketer and aggregator.

The License Application is filed in accordance with the requirements of Section 2809 of the Public Utility Code, 66 Pa. C.S. §2809.

- (c) The Bureau of Fixed Utility Services recommends that the Commission adopt the proposed draft Opinion and Order which approves the License Application.

SRB

10. MOTION BY: Commissioner Chm. Quain
 Commissioner Bloom - No
 Commissioner Brownell - Yes
 SECONDED: Commissioner Rolka
 Commissioner Wilson - Yes

CONTENTS OF MOTION: Staff recommendation adopted.
 Statement of Vice Chairman Robert K. Bloom attached.

DOCUMENT I
FOLDER

PENNSYLVANIA PUBLIC UTILITY COMMISSION
Harrisburg, Pennsylvania 17105-3265

LICENSE APPLICATION OF
JRI ENERGY SYSTEMS, D/B/A
ANTHRACITE POWER & LIGHT
COMPANY

PUBLIC MEETING -
OCTOBER 30, 1998
OCT-98-FUS-1124*
DOCKET NO: A-110094

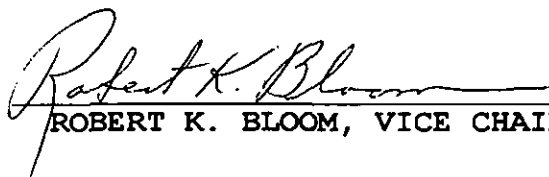
STATEMENT OF VICE CHAIRMAN ROBERT K. BLOOM

Before the Commission for consideration is the application filed by JRI Energy Systems, d/b/a Anthracite Power & Light Company ("JRI") for approval of a license to become an electric generation supplier in Pennsylvania. The application was filed on August 7, 1998 pursuant to the Commission's directive in its Final Rulemaking Order entered April 24, 1998 concerning licensing requirements for electric generation suppliers. The Bureau of Fixed Utility Services recommends that the Commission approve this application. I disagree.

Section 2809(c)(1)(i) of the Public Utility Code, 66 Pa. C.S. §2809(c)(1)(i), requires an electric generation supplier to furnish a bond or other security approved by the Commission before the Commission can issue the supplier a license to provide electricity generation service within Pennsylvania. In its application, JRI seeks to substitute a \$250,000 Letter Of Credit in lieu of a \$250,000 security bond. However, the Commission has not to this date formally determined the proper parameters of a financial security to be submitted in lieu of a security bond. I believe that the proper course of action in this instance is to reject the license application without prejudice. Most of the applicants approved to date have supplied security bonds and it is not fair to apply different standards for other applicants. For the above reason, I must dissent on this application.

10-28-98

DATE


ROBERT K. BLOOM, VICE CHAIRMAN



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

REFER TO OUR FILE

DOCUMENT
FOLDER

OCTOBER 30, 1998

A-110094

MARTIN J CERULLO ESQUIRE
CERULLO DATTE & WALLBILLICH
450 W MARKET STREET
GARFIELD SQUARE
POTTSVILLE PA 17901

DOCKETED
NOV 05 1998

KJR

Application of JRI, Energy Systems, d/b/a Anthracite Power and Light Company, to become a licensed marketer/broker and aggregator of electric services.

To Whom It May Concern:

This is to advise you that an Opinion and Order has been adopted by the Commission in Public Meeting on October 30, 1998, in the above entitled proceeding.

An Opinion and Order has been enclosed for your records.

Very truly yours,

James J. McNulty,
Secretary

smk
Encls.
Cert.Mail

PENNSYLVANIA
PUBLIC UTILITY COMMISSION
Harrisburg, PA. 17105-3265

Public Meeting held October 30, 1998

Commissioners Present:

John M. Quain, Chairman
Robert K. Bloom, Vice Chairman, Dissenting - Statement attached
David W. Rolka
Nora Mead Brownell
Aaron Wilson, Jr.

DOCKETED
NOV 05 1998

Docket Number:
A-110094

Application of JRI, Energy Systems, d/b/a Anthracite Power and Light Company, to become a licensed marketer/broker and aggregator of electric services.

OPINION AND ORDER

DOCUMENT
FOLDER

BY THE COMMISSION:

On August 7, 1998, JRI Energy Systems d/b/a Anthracite Power and Light Company, filed a License Application to operate as a broker/marketer and aggregator of electric generation and related services. This filing is made pursuant to 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. 66 Pa. C.S. §2809.

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 utilizing the jurisdictional transmission and distribution facilities of an electric distribution company, or that purchases, brokers, arranges or markets electricity or related services to end-use customers utilizing the jurisdictional transmission and distribution facilities of an electric distribution company. 66 Pa. C.S. §2803.

It is important to note that a licensee must comply with, and be governed by, our Chapter 56 regulations. 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 only to residential accounts. An electric generation supplier cannot physically disconnect a customer from the electricity grid, and the service termination provisions are not applicable. An electric generation supplier may seek to terminate its generation service through an appropriate written notice to the customer and the distribution company. The customer can then attempt to repair their relationship with the supplier, seek a new supplier, or default to utility service at capped rates in accordance with the local electric distribution 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 Chapter 56 if the customer failed to meet their obligations to the utility or the provider of last resort.

Additionally, we take this opportunity to once again remind the licensee that its officers, representatives and employees have 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.

Anthracite Power and Light Company has stated that upon the approval of this Application it proposes to provide services to all customer classes within all counties of the Commonwealth of Pennsylvania.

Anthracite Power and Light Company has provided proofs of publication from the Pennsylvania newspapers in which it was required by the Commission to publish its notice of application.

In response to items 24 and 25 of the license application, Anthracite Power and Light Company submitted its confidential financial statements.

Anthracite Power and Light Company has furnished a \$250,000 letter of credit, as required by item #20 of the application.

Anthracite Power and Light Company has provided the required Pennsylvania Emergency Management Agency ("PEMA") contact information.

As of October 20, 1998, 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 the 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.

3. 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 Anthracite Power and Light Company, is hereby approved, consistent with this Opinion and Order.
2. That a license be issued authorizing Anthracite Power and Light Company, the right to begin to offer, render, furnish or supply electric generation supplier services to the public within the Commonwealth of Pennsylvania.
3. That this proceeding at Docket No. A-110094 be closed.

BY THE COMMISSION,


James J. McNulty
Secretary

(SEAL)

ORDER ADOPTED: October 30, 1998

ORDER ENTERED: **OCT 30 1998**

SENDER: <input type="checkbox"/> Check box at right if you require restricted delivery. <input type="checkbox"/> Attach this form to the front of the mailpiece, or on the back if space does not permit. <input type="checkbox"/> The Return Receipt will show to whom the article was delivered and the date delivered.		I also wish to receive the following services (for an extra fee): <input type="checkbox"/> Restricted Delivery Consult postmaster for fee.	
3. Article Addressed to: MARTIN J CERULLO ESQUIRE CERULLO DATTE & WALLBILICH 450 W MARKET STREET GARFIELD SQUARE POTTSVILLE PA 17931 A-110094 <i>o/o</i>		4a. Article Number P 970 732 541	
		4b. Service Type <input checked="" type="checkbox"/> CERTIFIED	
		7. Date of Delivery NOV 2 1988	
5. Received By: (Print Name)		8. Addressee's Address	
6. Signature: (Addressee or Agent) X <i>Plot Mason</i>			
PS Form 3811, December 1994		Domestic Return Receipt	

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