**BEFORE THE**

**PENNSYLVANIA PUBLIC UTILITY COMMISSION**

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|  | Public Meeting held August 15, 2013 |
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| Commissioners Present: |  |
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| Robert F. Powelson, Chairman | |
| John F. Coleman, Vice Chairman  Wayne E. Gardner  James H. Cawley  Pamela A. Witmer | |
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| Application of Hess Energy Marketing, LLC to become a licensed supplier of natural gas services as a supplier | Docket Number:  A-2013-2365792 |

**ERRATA NOTICE**

This is to advise all parties of record that the Order entered on August 15, 2013, in the above-captioned proceeding contains errors on Page 1, 3, 4 and 6, concerning one service territory.

The service territories listed in the Order incorrectly omitted Equitable Gas Company as one of their authorized service territories. Please find the corrected pages attached for your records.

In addition, a corrected license will be issued to Hess Energy Marketing, LLC.

The Order and License on the PA PUC website will be corrected as indicated above.

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|  | **PENNSYLVANIA**  **PUBLIC UTILITY COMMISSION**  **Harrisburg, PA 17105-3265** | | |  |
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|  | | Public Meeting held August 15, 2013 | | |
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| Robert F. Powelson, Chairman | | | | |
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| Pamela A. Witmer | | | | |
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**ORDER**

**BY THE COMMISSION:**

On May 29, 2013, Hess Energy Marketing, LLC (HEM) filed a License Application to operate as a supplier of natural gas supply services in the natural gas distribution company (NGDC) service territories of PECO Energy Company, UGI Utilities Inc., UGI Penn Natural Gas, UGI Central Penn Gas, Philadelphia Gas Works, Valley Energy, Equitable Gas Company, Peoples Natural Gas Company LLC, Peoples TWP LLC, Columbia Gas of PA Inc., and National Fuel Gas Distribution Corporation within the Commonwealth of Pennsylvania. On July 12, 2013 HEM amended its application to include an additional customer class. This application was filed pursuant to section 2208 of the Natural Gas Choice and Competition Act (Act) and Title 52 of the Pennsylvania Code, Chapter 62, Subchapter D.

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public utility as defined in section 102 (relating to definitions) to the extent that the natural gas supplier is utilizing the jurisdictional distribution facilities of a natural gas distribution company or is providing other services authorized by the Commission.

66 Pa. C.S. § 2202.

As used in the above definition of a natural gas supplier, the term natural gas supply services includes: (i) the sale or arrangement of the sale of natural gas to retail customers; and (ii) services that may be unbundled by the Commission under section 2203(3) of the Act (relating to standards for restructuring of the natural gas utility industry). Natural gas supply service does not include distribution service.

66 Pa. C.S. § 2202.

HEM is a foreign limited liability company organized in the State of Delaware as of March 20, 2013, and registered to do business in Pennsylvania as of March 27, 2013. By this application and amendment, HEM proposes to act as a supplier, broker/marketer and aggregator of retail gas to customers in the following categories: Residential, Small Commercial (6,000 Mcf and under), Large Commercial (Over 6,000 Mcf), Industrial and Governmental customers, in the NGDC service territories of PECO Energy Company, UGI Utilities Inc., UGI Penn Natural Gas, UGI Central Penn Gas, Philadelphia Gas Works, Valley Energy, Equitable Gas Company, Peoples Natural Gas Company LLC, Peoples TWP LLC, Columbia Gas of PA Inc., and National Fuel Gas Distribution Corporation within the Commonwealth of Pennsylvania.

Regarding the financial and technical fitness requirements of the license application, HEM has submitted a Tax return and form 10Q for year ending 2012, Bank statements and available lines of credit complete with terms and rates and sources of funding. HEM also currently has a pending license to operate as an Electric Generation Supplier in the Commonwealth of Pennsylvania, Docket No. A-2013-2368464. The Applicant has provided professional resumes of its chief officers. We find that sufficient information has been provided by HEM to demonstrate its financial and technical fitness

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in order to be licensed as a Natural Gas Supplier (NGS) in the Commonwealth of Pennsylvania.

Section 2208(c)(1), 66 Pa. C.S. §2208(c)(1), provides that a natural gas supplier license shall not be issued unless the applicant furnishes a bond or other security in a form and amount to ensure its financial responsibility. The criteria used to establish the form and amount of the bond or other security is set forth in the natural gas distribution company’s tariff. The amount and form of the bond or other security may also be mutually agreed to between the natural gas distribution company and the natural gas supplier. Section 2208 also provides that should the parties fail to achieve an agreement, then the form and amount of bond or other financial security “shall be determined by criteria approved by the Commission.” HEM has provided documentation to evidence its compliance with the Section 2208(c) bonding requirement for NGDC service territories of PECO Energy Company, UGI Utilities Inc., UGI Penn Natural Gas, UGI Central Penn Gas, Philadelphia Gas Works, Valley Energy, Equitable Gas Company, Peoples Natural Gas Company LLC, Peoples TWP LLC, Columbia Gas of PA Inc., and National Fuel Gas Distribution Corporation.

Additionally, we specifically note that the licensee must comply with, and ensure that its employees, agents, representatives and independent contractors comply with the standards of conduct and disclosure for licensees set out in Commission regulations at 52 Pa. Code § 62.114 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 customer’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 abide by

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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, Hess Energy Marketing, LLC is hereby approved, consistent with this Order.

2. That a license be issued authorizing Hess Energy Marketing, LLC the right to begin to offer, render, furnish or supply natural gas supply services as a supplier, broker/marketer and aggregator to the public, limited to Residential, Small Commercial (6,000 Mcf and under), Large Commercial (Over 6,000 Mcf), Industrial and Governmental customers in the natural gas distribution company service territories of PECO Energy Company, UGI Utilities Inc., UGI Penn Natural Gas, UGI Central Penn Gas, Philadelphia Gas Works, Valley Energy, Equitable Gas Company, Peoples Natural Gas Company LLC, Peoples TWP LLC, Columbia Gas of PA Inc., and National Fuel Gas Distribution Corporation within the Commonwealth of Pennsylvania.

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