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March 14, 2014

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, PA 17120

VIA HAND DELIVERY

RE: Petition of Employers' Energy Alliance of Pennsylvania, Inc. For Approval To Amend Its Electric Generation Supplier License; Docket No. A-2009-2121492

Dear Secretary Chiavetta:

Please find enclosed for filing with the Pennsylvania Public Utility Commission ("PUC" or "Commission") Employers' Energy Alliance of Pennsylvania, Inc. ("EEA-PA") Petition To Amend Its Electric Generation Supplier License in the above-referenced proceeding.

EEA-PA respectfully requests that the Commission grant confidential treatment of Attachment A (original bond) and Attachment B (customer notices). EEA-PA believes the information contained in Attachments A and B is of a proprietary or confidential nature because it may reveal non-public financial information, as well as other information that is commercially sensitive, the release of which may be injurious to EEA-PA's competitive position. To this end, the proprietary and confidential information is so designated by being stamped "Confidential" and is being provided under protective seal to the Commission only. For these reasons, EEA-PA requests that the Commission treat these documents as confidential and prevent public disclosure in accordance with the Commission's procedures. Any party desiring access to these documents can contact the undersigned counsel with such a request.

* * *

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Rosemary Chiavetta, Secretary

March 14, 2014

Page 2

Please date stamp the extra copy of this transmittal letter and kindly return it to us for our filing purposes. Should there be any questions with respect to this filing, please contact the undersigned.

Sincerely,

McNEES WALLACE & NURICK LLC

By *Vasiliki Karandrikas*
Pamela C. Polacek
Vasiliki Karandrikas

Counsel to Employers' Energy Alliance of Pennsylvania, Inc.

VK/emp

Enclosures

c: Certificate of Service (without enclosures)
James Shurskis, Bureau of Technical Utility Services (transmittal letter only – via e-mail)

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BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

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PETITION OF EMPLOYERS' :
ENERGY ALLIANCE OF :
PENNSYLVANIA, INC., FOR APPROVAL :
TO AMEND ITS ELECTRIC :
GENERATION SUPPLIER LICENSE :

Docket No. A-2009-2121492

PETITION TO AMEND ELECTRIC GENERATION SUPPLIER LICENSE

TO THE HONORABLE, THE PENNSYLVANIA PUBLIC UTILITY COMMISSION:

Employers' Energy Alliance of Pennsylvania, Inc. ("EEA-PA"), hereby petitions the Pennsylvania Public Utility Commission ("PUC" or "Commission") for approval to amend its Electric Generation Supplier ("EGS") license in order to be classified as a broker/marketer and for a corresponding reduction in EEA-PA's bonding requirement. EEA-PA respectfully requests approval of this Petition in the 45-day time frame applicable to EGS license applications per the Commission's regulations. *See* 52 Pa. Code § 54.37(b). In support thereof, EEA-PA states as follows:

1. EEA-PA is a licensed EGS authorized to do business in the service territories throughout the Commonwealth of Pennsylvania. EEA-PA filed an application for its license on July 28, 2009. EEA-PA was granted a license at Docket No. A-2009-2121492 by order entered September 1, 2009.

2. As part of the application process, EEA-PA posted a surety bond as required by 66 Pa. C.S. § 2809(c) and 52 Pa. Code § 54.40(a) and (c).

3. EEA-PA's EGS license authorized EEA-PA to serve as a supplier of retail electric power to governmental, industrial, large commercial (over 25 kW of demand), and small

commercial (25 kW and less of demand) customers located throughout the Commonwealth of Pennsylvania.

4. EEA-PA seeks to amend its EGS license to reflect a change in EEA-PA's business model that became effective on or about May 2013. Under its new business model, EEA-PA serves as a broker/marketer of retail electric power with respect to its members. In this role, EEA-PA's services to its members are limited to: obtaining, disseminating, and evaluating information about competitive supply options; assisting with the negotiation of terms, conditions, and pricing for competitive supply arrangements; and serving as an intermediary for preliminary customer service issues. Accordingly, EEA-PA no longer takes title to generation supply for its members, nor does EEA-PA directly bill members who choose to shop for generation supply or pay such members' bills.

5. By this amendment, EEA-PA does not propose any changes to the customer classes it is authorized to serve.

6. To reflect the transition from a competitive electric generation supplier to a marketer/broker, EEA-PA also requests that the Commission reduce its security requirement from 10% of gross receipts, *see* 52 Pa. Code § 54.40(d), to \$10,000, consistent with established precedent. *See, e.g., License Application of US Energy Consulting Group LLC for Approval to Offer, Render, Furnish or Supply Electricity or Electric Generation Services as a Broker/Marketer*, Docket No. A-2013-2392573, Order (Jan. 9, 2014); *License Application of Co-exprise, Inc. for Approval to Offer, Render, Furnish or Supply Electricity or Electric Generation Services as a Consultant of Electricity Supply Services*, Docket No. A-110166 (Jan. 20, 2006); and *License Application of Premier Energy Solutions LLC for Approval to Offer, Render, Furnish or Supply Electricity or Electric Generation Services as a Consultant*, Docket No. A-

110170 (July 26, 2006). As a broker/marketer, EEA-PA will not be collecting or paying any gross receipts taxes, making payments for electric supply on behalf of customers, or taking title to electricity. Members will remit payments directly to the electric distribution company or the selected EGS, as appropriate.

7. EEA-PA has obtained a \$10,000 security bond. EEA-PA permitted its prior bond to lapse due to an internal misunderstanding that its revised scope of operations negated the need for a bond.¹ The change in EEA-PA's operations also involved changes in management, which contributed to EEA-PA's delay in recognizing that permitting the prior bond to lapse was not consistent with the Commission's bonding regulations. As the Commission may recall, EEA-PA is a wholly owned subsidiary of the Manufacturer & Business Association, a not-for-profit organization that provides information and services to its members that will assist them in the pursuit of their business and community interests. Because security bonds impose an expense on the EGS and cannot easily be adjusted during the term, EEA-PA obtained bonding at the revised level that will be applicable upon approval of this Petition. EEA-PA sincerely apologizes for the oversight and respectfully asks the Commission to accept the \$10,000 bond as sufficient compliance since July 10, 2013 under these circumstances. EEA-PA's original bond is included as "Attachment A," which is being filed under protective seal.

8. EEA-PA requests Commission approval of its requested license modification within the 45-day time period applicable to EGS license applications.

9. As previously noted, the change in EEA-PA's business model became effective on or about May 2013. As to any members to whom EEA-PA provided electric services prior to such date, EEA-PA assigned any supply agreements still in effect to a licensed EGS after

¹ EEA-PA's prior bond expired on July 10, 2013.

providing such members with advance written notice. Examples of EEA-PA's written notices are included as "Attachment B," which is being filed under protective seal.

10. EEA-PA has no open issues regarding contracts, agreements, or other arrangements with any party that may affect the flow of electricity at retail.

11. EEA-PA has no outstanding or potential customer complaints or issues pending before the Commission, nor any Commission fines pending against it.

12. EEA-PA has no outstanding or potential issues with any independent system operator, regional transmission organization or similar entity involved in the Pennsylvania retail electricity market.

13. EEA-PA has no outstanding or potential issues with any entity that provides EEA-PA with electricity on the wholesale market.

14. EEA-PA timely filed and paid all Gross Receipts Tax collected through the date of EEA-PA's business model change in May 2013.

15. EEA-PA has no outstanding tax issues with the Pennsylvania Department of Revenue regarding its EGS license.

RELIEF REQUESTED

For the reasons set forth herein, Employers' Energy Alliance of Pennsylvania, Inc., respectfully requests that the Commission issue an Order, granting its Petition to Amend and reducing its bonding requirement to \$10,000.

Respectfully submitted,

McNEES WALLACE & NURICK LLC

By Vasiliki Karandrikas
Pamela C. Polacek (Pa. I.D. No. 78276)
Vasiliki Karandrikas (Pa. I.D. No. 89711)
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Counsel to Employers' Energy Alliance of Pennsylvania, Inc.

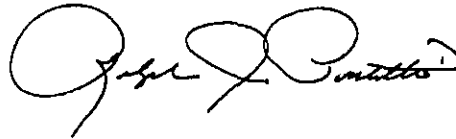
Dated: March 14, 2014

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AFFIDAVIT

COMMONWEALTH OF PENNSYLVANIA :
: ss:
COUNTY OF ERIE :

Ralph J. Pontillo, being duly sworn according to law, deposes and says that he is President of Employers' Energy Alliance of Pennsylvania, Inc., that in this capacity he is authorized to and does make this affidavit for Employers' Energy Alliance of Pennsylvania, Inc., and the facts set forth in the foregoing Petition To Amend Electric Generation Supplier License are true and correct to the best of his knowledge, information, and belief.



Ralph J. Pontillo

SWORN TO and subscribed before
me this 13 day of March, 2014.



Notary Public

NOTARIAL SEAL
BEATRICE A. BLENNER, NOTARY PUBLIC
(SEAL) ERIE, ERIE COUNTY, PENNA.
MY COMMISSION EXPIRES ON OCT. 15, 2017

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CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing document upon the participants, listed below, in accordance with the requirements of Sections 1.57, 1.58 and 5.14.

VIA FIRST-CLASS MAIL

Office of Consumer Advocate
5th Floor, Forum Place
555 Walnut Street
Harrisburg, PA 17120

Citizens' Electric Company
Attn: EGS Coordination
1775 Industrial Boulevard
Lewisburg, PA 17837

Office of the Small Business Advocate
Commerce Building, Suite 1102
300 North Second Street
Harrisburg, PA 17101

Wellsboro Electric Company
Attn: EGS Coordination
33 Austin Street
Wellsboro, PA 16901

Office of Attorney General
Bureau of Consumer Protection
Strawberry Square, 14th Street
Harrisburg, PA 17120

Manager Energy Acquisition
PECO Energy Company
2301 Market Street
Philadelphia, PA 19101-8699

Commonwealth of Pennsylvania
Department of Revenue
Bureau of Compliance
Harrisburg, PA 17128-0946

Legal Department
Attn: Paul Russell
PPL Electric Utilities Corporation
Two North Ninth Street
Allentown, PA 18108-1179

Regulatory Affairs
Duquesne Light Company
411 Seventh Street, MD 16-4
Pittsburgh, PA 15219

UGI Utilities, Inc.
Attn: Rates Dept. - Choice Coordinator
2525 N. 12th Street, Suite 360
P.O. Box 12677
Reading, PA 19612-2677

Legal Department
Metropolitan Edison Company
Pennsylvania Power Company
Pennsylvania Electric Company
West Penn Power Company
2800 Pottsville Pike
Reading, PA 19612

Director of Customer Energy Services
Pike County Light & Power Company
Orange and Rockland Company
390 West Route 59
Spring Valley, NY 10977-5300



Vasiliki Karandrikas

Counsel to Employers' Energy Alliance of
Pennsylvania, Inc.

Dated this 14th day of March, 2014, in Harrisburg, Pennsylvania.

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