



**National Fuel**

May 28, 2014

Jonathan Moore, Partner  
L5E, LLC (dba "5")  
5320 Albemarle Street  
Bethesda, MD 20816

Re: Security Requirement for L5E, LLC (dba "5"):

Dear Jonathan,

National Fuel Gas Distribution Corporation ("NFGDC") is aware L5E, LLC (dba "5") 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, L5E must furnish acceptable security to each utility where L5E will do business. As such, under its tariff, NFGDC could require L5E 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 L5E intends only to provide natural gas aggregating, brokering and consulting services at this time. You have stated that, in performing these services, L5E will never take title to any delivered natural gas.

Based upon your representations, NFGDC has determined that, at this time, L5E does not need to post a bond or other form of security to operate in its service territory. However, if the services provided by L5E change in the future, NFGDC reserves the right to require security from L5E as it deems appropriate.

If you have any questions concerning the foregoing, please contact me at 716-857-7599.

Yours truly,

Nathan E. Barnes  
Transportation Services Department

Philadelphia Gas Works



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

June 12, 2014

Mr. Jonathan Moore  
LSE, LLC (dba "5")  
130 E. John Carpenter Freeway  
Irving, TX 75062

Re: Security Requirement Bond for LSE, LLC

Dear Mr. Moore:

Philadelphia Gas Works ("PGW") is aware that LSE, 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, LSE, LLC must furnish acceptable security to each utility where LSE, LLC will do business. As such, under its tariff, Philadelphia Gas Works could require LSE, 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 LSE, LLC intends only to provide natural gas aggregating, brokering and consulting services at this time. You have stated that, in performing these services, LSE, LLC, will never take title to any delivered natural gas.

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

If you have any questions concerning the foregoing, please contact me at (215) 684-6405.

Sincerely,

A handwritten signature in blue ink, appearing to read "Ray M. Snyder", is written over the typed name.

Raymond M. Snyder  
Vice President  
Gas Management, Inc.

RMS:b