

PENNSYLVANIA PUBLIC UTILITY COMMISSION
Uniform Cover and Calendar Sheet

1. <u>REPORT DATE:</u> October 2, 2007	2. <u>BUREAU AGENDA NO.</u> OCT-2007-FUS-1049* <i>R</i>
3. <u>BUREAU:</u> Fixed Utility Services	
4. <u>SECTION(S):</u> Energy	5. <u>PUBLIC MEETING DATE:</u>
6. <u>APPROVED BY:</u> Director: Mgr/Spvr: <i>Diskin PD</i> 214-5558 Legal Review: <i>[Signature]</i>	October 11, 2007 DOCUMENT FOLDER
7. <u>PERSONS IN CHARGE:</u> Diskin/Shurskis 7-8763	9. <u>EFFECTIVE DATE OF FILING:</u> N/A
8. <u>DOCKET NO.:</u> A-110173	

DOCKETED
OCT 16 2007

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

(a) License Application of American PowerNet Management, LP.
(Home Office: Wyomissing, PA)

(b) On June 29, 2007, American PowerNet Management, LP filed an application for a license to offer, render, furnish or supply electricity or electric generation services as a broker/marketer engaged in the business of supplying electricity to industrial and governmental customers in the service territories throughout the Commonwealth of Pennsylvania.

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 Order.

11. **MOTION BY:** Commissioner Chm. Holland

SECONDED: Commissioner Cawley

Commissioner Christy - Yes
Commissioner Pizzingrilli - Yes
Commissioner

CONTENT OF MOTION: Staff recommendation adopted.



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

IN REPLY PLEASE
REFER TO OUR FILE

October 12, 2007

A-110173

**DOCUMENT
FOLDER**

ELIZABETH WHITTLE ESQUIRE
NIXON PEABODY LLP
401 NINTH STREET NW SUITE 900
WASHINGTON DC 20004-2128

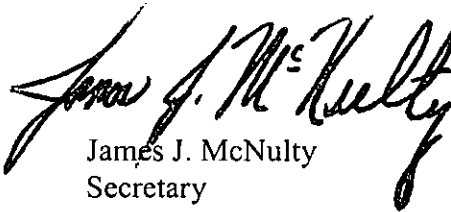
License application of American PowerNetManagement, LP for approval
to offer, render, furnish or supply electricity or electric generation services as
a broker/marketer.

To Whom It May Concern:

This is to advise you that the Commission in Public Meeting on October 11, 2007 adopted
an Order in the above entitled proceeding.

An Order has been enclosed for your records.

Very truly yours,



James J. McNulty
Secretary

Encls
Cert. Mail
MH

LINDA JABLONSKI
OFFICE MANAGER
AMERICAN POWERNET MANAGEMENT LP
867 BERKSHIRE BLVD SUITE 101
WYOMISSING PA 19610

**PENNSYLVANIA
PUBLIC UTILITY COMMISSION
Harrisburg, PA 17105-3265**

Public Meeting held October 11, 2007

Commissioners Present:

Wendell F. Holland, Chairman
James H. Cawley, Vice Chairman
Tyrone J. Christy
Kim Pizzingrilli

License Application of American PowerNet
Management, LP for Approval to Offer, Render,
Furnish, or Supply Electricity or Electric Generation
Services as a Broker/Marketer.

Docket No.
A-110173

ORDER

BY THE COMMISSION:

On June 29, 2007, American PowerNet Management, LP (APNM) filed an application seeking to become a licensed electric generation supplier (EGS) in the Commonwealth of Pennsylvania. The application was filed pursuant to the Commission's regulations at 52 Pa. Code §§ 54.31-54.43, which became effective on August 8, 1998, and which were established under 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.

APNM is a Pennsylvania Limited Partnership, certified on November 12, 1999, with its principal office located in Wyomissing, Pennsylvania. APNM proposes to provide services as a broker/marketer to commercial, industrial, governmental and higher educational customers with 1 MW or higher in the entire Commonwealth of Pennsylvania. Currently, APNM does not intend to provide electric generation supplier services to residential customers. Therefore, Chapter 56 residential service regulations do not apply.

However, if APNM chooses to provide electric generation supplier services to residential customers in the future, APNM will notify the Commission Secretary by letter immediately and be required to comply with, and be governed by, applicable Chapter 56 residential service regulations as set forth in the Commission Order *Guidelines for Maintaining Customer Service at the Same Level of Quality Pursuant to 66 Pa. C.S. §2807(d), Assuring Conformance with 52 Pa. Code Chapter 56 Pursuant to 66 Pa. Code*

Chapter 56 Pursuant to §2809(e) and (f) and Addressing the Application of Partial Payments (M-00960890 F0011). 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 to residential accounts. An electric generation supplier cannot physically disconnect a residential customer from the electricity grid; therefore, the rules relating to residential service termination are not applicable to electric generation suppliers. An electric generation supplier may seek to terminate its generation service through an appropriate written notice to the customer and the distribution company. The residential 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 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 appropriate regulations if the customer failed to meet its obligations to the utility or the electric generation supplier that has been designated by the Commission as 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.

APNM has provided proofs of publication in Pennsylvania newspapers and proofs of service to the interested parties as required by the Commission.

Regarding the financial and technical requirements of the license application, APNM, a privately held company, submitted confidential financial statements, including a Statement of Assets, Liabilities and Equity as of December 31, 2006 and the related Statement of Revenue and Expenses for the 12 months

ended December 31, 2006, in accordance with Statements of Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. APNM has supplied information, which indicates that its principal officers have the requisite expertise. Sufficient information has been provided by APNM to demonstrate its financial and technical fitness in order to be licensed as a Broker/Marketer of Electricity and Electric Generation Services in the Commonwealth of Pennsylvania.

APNM has provided a \$250,000 letter of credit as required by the license application.

APNM has provided the required Pennsylvania Emergency Management Agency ("PEMA") contact information.

As of October 2, 2007, 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 lawful Commission orders and regulations.
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.

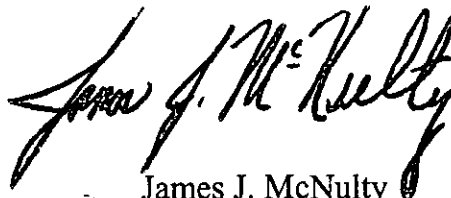
3. That the proposed service, to the extent authorized by the license, will be consistent with the public interest and the policy declared in the Electricity Generation Customer Choice and Competition Act.

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 American PowerNet Management, LP is hereby approved, consistent with this Order.
2. That a license be issued authorizing American PowerNet Management, LP to begin to offer, render, furnish, or supply electric generation supplier services to the public in the entire Commonwealth of Pennsylvania, as specified in the Order.
3. That this proceeding at Docket No. A-110173 be closed.

BY THE COMMISSION,




James J. McNulty
Secretary

(SEAL)

ORDER ADOPTED: October 11, 2007

ORDER ENTERED:


OCT 12 2007

2. Article Number		COMPLETE THIS SECTION ON DELIVERY	
 7160 3901 9843 1963 7441		A. Received by (Please Print Clearly)	B. Date of Delivery
3. Service Type CERTIFIED MAIL		10-17-07	
4. Restricted Delivery? (Extra Fee) Yes		C. Signature	<input type="checkbox"/> Agent <input checked="" type="checkbox"/> Addressee
1. Article Addressed to:		D. Is delivery address different from item 1? If YES, enter delivery address below:	
A-110173 0 Elizabeth Whittle Esq.			

PS Form 3811, February 2003

Domestic Return Receipt

KJR

2. Article Number		COMPLETE THIS SECTION ON DELIVERY	
 7160 3901 9843 1963 7502		A. Received by (Please Print Clearly)	B. Date of Delivery
3. Service Type CERTIFIED MAIL		LINDA JABLONSKI 10/15/07	
4. Restricted Delivery? (Extra Fee) Yes		C. Signature	<input type="checkbox"/> Agent <input checked="" type="checkbox"/> Addressee
1. Article Addressed to:		D. Is delivery address different from item 1? If YES, enter delivery address below:	
A-110173 0 Linda Jablonski			

PS Form 3811, February 2003

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