

PUC-77 Rev.
304007

PENNSYLVANIA PUBLIC UTILITY COMMISSION
Uniform Cover and Calendar Sheet

1. REPORT DATE: February 5, 2013	2. BUREAU AGENDA NO. 1206859-TUS
3. BUREAU: Technical Utility Services	
4. SECTION(S): Energy	5. PUBLIC MEETING DATE: February 14, 2013
6. APPROVED BY: Director: P. Diskin 783-6162 Mgr/Spvr: D. Gill 783-5244 Legal Review:	
7. PERSONS IN CHARGE: Rametta/Boyle 787-7237	9. DEADLINE FOR ENTRY OF ORDER: N/A
8. DOCKET NO.: A-110173	

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 (APNM)
(Home Office: Wyomissing, PA)
- (b) On July 29, 2011, APNM filed a request to amend its electric generation supplier license as a broker/marketer to include residential and small commercial (25kW and under) customers in Mixed Meter Scenarios.
- On October 6, 2011, APNM filed a request to further amend its electric generation supplier license for approval to offer, render, furnish or supply electricity as a supplier.
- The proposed amendments are filed in accordance with the requirements of Section 2809 of the Public Utility Code, 66 Pa. C.S. § 2809.
- (c) The Bureau of Technical Utility Services recommends that the Commission adopt the proposed Order which approves the amendments to the electric generation supplier license.

11. MOTION BY: Commissioner Chm Powelson	Commissioner Gardner - Yes
	Commissioner Cawley - Yes
SECONDED: Commissioner VC Coleman	Commissioner Witmer - Yes

CONTENT OF MOTION: Staff recommendation adopted.

PENNSYLVANIA
PUBLIC UTILITY COMMISSION
Harrisburg, PA 17105-3265

Public Meeting held February 14, 2013

Commissioners Present:

Robert F. Powelson, Chairman
John F. Coleman, Jr., Vice Chairman
Wayne E. Gardner
James H. Cawley
Pamela A. Witmer

**DOCUMENT
FOLDER**

Amendment of Electric Generation Supplier
License of American PowerNet Management,
LP for Approval to Offer, Render, Furnish or
Supply Electricity or Electric Generation
Services to Residential and Small Commercial
Customers in Mixed Meter Scenarios and for
Approval to Offer, Render, Furnish or Supply
Electricity or Electric Generation Services as a
Supplier.

Docket Number:
A-110173

ORDER

BY THE COMMISSION:

On June 29, 2007, American PowerNet Management, LP (APNM or the Applicant) filed an application seeking to become a licensed electric generation supplier (EGS) as a broker/marketer throughout the Commonwealth of Pennsylvania, serving large commercial (over 25kW), industrial, and governmental customers. On October 11, 2007, the Commission approved a license at Docket No. A-110173, authorizing the Applicant to begin to offer the services described above.

On July 29, 2011, APNM filed a request to amend its electric generation supplier license to include the additional classes of residential and small commercial (25kW and under) customers under the “mixed meter scenario”, pursuant to the Commission’s Secretarial Letter dated March 11, 2011 (Mixed Meter Letter) at Docket No. M-2009-2082042.

In the Mixed Meter Letter, the Commission provided guidance on electric generation licensing “Requirements Applicable in Mixed Meter Scenarios,” where mixed meter refers to a situation where an EGS has contracted with a large commercial, industrial, or governmental customer, and the service provided to residential or small commercial customers through separate meters is part of or incidental to that contract or account. In the Mixed Meter Letter the Commission stated that:

regardless of who the contracting party is or whether the service to residential or small commercial customers is incidental to service provided to large commercial, industrial or governmental customers, EGSs are required to obtain amendments to their licensing authority to service all classes of customers who will receive supply from them.

On October 6, 2011, APNM filed a request to further amend its electric generation supplier license for approval to offer, render, furnish or supply electricity as a supplier. APNM avers that, at the time of their original application, they were operating as a broker/marketer only. As of January 1, 2010, APNM’s business model changed and APNM began taking title to electricity for a number of customers. APNM was informed that their current license would need to be amended if they were operating as a supplier in addition to a broker/marketer; therefore, the Applicant filed the subsequent amendment request.

APNM had filed a letter of credit in the amount of \$250,000 with its initial application. On November 9, 2011, the Commission requested that APNM increase their letter of credit amount based on their reported gross receipts in order to obtain a modified

license to operate as a supplier. The Commission requested a security amount of 10% of reported gross receipts in accordance with 52 Pa. Code § 54.40. APNM informed the Commission that it would be filing a petition for a reduced bonding level.¹

Due to the length of time that APNM had been operating with a security level that did not meet the requirements of the Commission's regulation at 52 Pa. Code § 54.40(d), and the pending status of the Applicant's petition for a reduced bonding level, a letter was sent to APNM on October 2, 2012, requesting that the Applicant file a letter of credit in the amount of 10% of the Company's reported gross receipts or the matter would be referred to the Commission's Bureau of Investigation & Enforcement for investigation.

On November 1, 2012, APNM filed a letter of credit in the amount of 10% of reported gross receipts, and requested that the Commission modify its license to reflect APNM's status as a supplier in addition to broker/marketer, and to allow APNM to serve residential and small commercial (25kW and under) customers in addition to large commercial (over 25kW), industrial, and governmental customers.

Since APNM has no present intention to separately serve any residential or small commercial (25kW and under) customers, and seeks authorization to serve these customer classes only in the event that a residential or small commercial (25kW and under) customer is incidentally served in a mixed meter scenario, APNM need not submit a disclosure statement at this time. However, if APNM would begin to interact directly with such customers in the future, APNM is directed to submit a disclosure statement as required by 52 Pa. Code § 54.5.

¹ APNM filed a petition for a reduced bonding level on February 29, 2012 which is currently pending at P-2012-2294002.

APNM filed proofs of service to the interested parties of both requests to amend its electric generation supplier license, and published notice of its original license application in the Pennsylvania newspapers as required by the Commission.


As of February 5, 2013, no protests have been filed against the Application.

Upon full consideration of all matters of record, we find that approval of this request is necessary and proper for the service, accommodation and convenience of the public; **THEREFORE,**

IT IS ORDERED:

1. That the request of American PowerNet Management, LP for Approval to Amend its License to Offer, Render, Furnish or Supply Electricity or Electric Generation Services to Residential and Small Commercial (25kW and under) Customer classes in Mixed Meter Scenarios is hereby approved, consistent with this Order.
2. That the request of American PowerNet Management, LP for Approval to Amend its License to Offer, Render, Furnish or Supply Electricity or Electric Generation Services as a Supplier is hereby approved, consistent with this Order.
3. That a license be issued authorizing American PowerNet Management, LP to begin to Offer, Render, Furnish or Supply electric generation supplier services as a Broker/Marketer and Supplier to Large Commercial (over 25kW), Industrial, and Governmental Customers, and to Residential and Small Commercial (25kW and under) Customers (limited to mixed meters) pursuant to the Commission's Secretarial Letter dated March 25, 2011 at Docket No. M-2009-2082042, throughout all electric distribution company service territories within the Commonwealth of Pennsylvania.

4. That this proceeding at Docket No. A-110173 be closed.

BY THE COMMISSION,

Rosemary Chiavetta
Secretary

(SEAL)

ORDER ADOPTED: February 14, 2013

ORDER ENTERED: February 14, 2013

A-110173
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A-110173
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