

August 22, 2014

D. Troy Sellars Direct Phone 717-703-5890 tselfars@cozen.com

# **VIA HAND DELIVERY**

Rosemary Chiavetta, Secretary Pennsylvania Public Utility Commission Commonwealth Keystone Building 400 North Street, 2nd Floor North P.O. Box 3265 Harrisburg, PA 17105-3265

### Re: Petition of FirstEnergy Solutions Corp. to Reduce Its Bonding Requirement; Docket No. A-110078

Dear Secretary Chiavetta:

Enclosed for filing with the Commission is the Petition of FirstEnergy Solutions Corp. ("FES") to Reduce Its Bonding Requirement ("Petition") in the above-referenced proceeding. The Petition is filed in accordance with the Commission's final order entered on July 24, 2014 at Docket No. M-2013-2393141. The license number for FES is A-110078. Also enclosed is a check (Check No. 245984) in the amount of \$350.00 for the filing fee associated with the Petition.

If you have any questions regarding this filing, please do not hesitate to contact me. Please date-stamp the extra copy and return it with our courier. Thank you for your attention to this matter.

Sincerely,

COZEN O'CONNOR

By: D. Troy Sellars Counsel for *FirstEnergy Solutions Corp*.

DTS/kmg Enclosure

cc: James Shurskis, Bureau of Technical Utility Services

SECRETARY'S BUREAU  $\mathcal{I}$ AG m  $\bigcirc$ 22 771 ~ Pł [7] ÷  $\bigcirc$ 305 North Front Street Suite 400 Harrisburg, PA 17101 717,703,5900 877,868,0840 717,703,5901 Fax cozen.com

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# BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

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Petition of FirstEnergy Solutions Corp. to Reduce Its Bonding Requirement

Docket No. A-110078



# PETITION OF FIRSTENERGY SOLUTIONS CORP. TO REDUCE ITS BONDING REQUIREMENT

COMES NOW, FirstEnergy Solutions Corp. ("FES"), by and through its undersigned counsel, and files the instant Petition to Reduce its Bonding Requirement and, in support thereof, avers as follows:

1. FES is a licensed electric generation supplier ("EGS") in the Commonwealth of Pennsylvania.

2. FES has been a licensed EGS for more than one year. It was licensed in 1998 at Docket No. A-110078 and has maintained its license in good standing since that time.

3. FES is compliant with its current bonding requirements.

4. By Final Order entered July 24, 2014, the Pennsylvania Public Utility Commission (the "Commission") held that an EGS, following its first year of operations, may petition to have its bonding requirement reduced from 10% to 5% of the EGS's last 12 months of revenue or \$250,000, whichever is greater. *Public Utility Commission Bonding/Security Requirements for Electric Generation Suppliers: Acceptable Security Instruments*, Docket No. M-2013-2393141, pp. 17-18, Conclusion and Ordering ¶ 5 (Order entered July 24, 2014) (the "Bond Reduction Order"). 5. Through this Petition, FES seeks to reduce its bonding requirement to 5% of its last 12 months of revenue.

6. As required by the Bond Reduction Order, FES's revenue, prepaid gross receipts tax for the last 12 months, and Alternative Energy Portfolio Standards compliance data are provided on Appendix A (CONFIDENTIAL), which is attached hereto and incorporated by reference.

7. As directed by the Bond Reduction Order, FES anticipates working with the Commission's Bureau of Technical Utility Services ("TUS") to process this Application and welcomes TUS's input and guidance for this reduction.<sup>1</sup>

8. After coordination with TUS and upon approval of the reduction and other changes, if any, FES will make a compliance filing with the new bond reflecting the reduced amount.

<sup>&</sup>lt;sup>1</sup> The Bond Reduction Order also expanded the forms of acceptable security instruments to meet the bonding requirements. While FES does not currently envision any such changes, should such changes become necessary or desirable during this process, FES seeks approval for those changes as well. Any such changes will, of course, be in compliance with the Bond Reduction Order.

WHEREFORE, FirstEnergy Solutions Corp. respectfully requests that this Honorable Commission, in accord with the Bond Reduction Order at Docket No. M-2013-2393141, grant the instant Petition and approve a reduction to the bonding requirements of FirstEnergy Solutions Corp. and other changes, if any, to the security instrument employed by FirstEnergy Solutions Corp. to meet that reduced bonding requirement.

Respectfully submitted

David P. Zambito (PA ID #80017) D. Troy Sellars (PA ID #210302) Cozen O'Connor 305 North Front Street, Suite 400 Harrisburg, PA 17101-1236 Telephone: (717) 703-5892 Facsimile: (215) 989-4216 E-mail: dzambito@cozen.com tsellars@cozen.com

Amy M. Klodowski, Esquire (PA ID #28068) FirstEnergy Solutions Corp. 800 Cabin Hill Drive Greensburg, PA 15601 Telephone: (724) 838-6765 Facsimile: (234) 678-2370 E-mail: aklodow@firstenergycorp.com

Counsel for FirstEnergy Solutions Corp.

Dated: August 22, 2014

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#### VERIFICATION

I, Amy M. Klodowski, Attorney for FirstEnergy Solutions Corp., hereby state that the facts set forth above are true and correct to the best of my knowledge, information and belief and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

Dated: <u>*P*/22/14</u>

Amy M. Klodowski

