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December 5, 2014

Via Hand Delivery

Rosemary Chiavetta. Secretary PA Public Utility Commission P.O. Box 3265 Harrisburg, PA 17105-3265

Re: Petition of Reliant Energy Northeast LLC d/b/ a NRG Home and NRG Business to

Revise its Required Level of Financial Security, Docket No. A-2010-2192350

Dear Secretary Chiavetta:

Enclosed for filing please find the Petition of Reliant Energy Northeast LLC d/b/ a NRG Home and NRG Business along with a check in the amount of \$350 for the filing fee. Please be advised that some of the attachments are marked **confidential** and should be handled accordingly.

Sincerely,

Deanne M. O'Dell

DMO/lww Enclosure

cc: Attached Certificate of Service w/enc.

RECEIVED

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

DEC - 5 2014

PA PUBLIC UTILITY COMMISSION SECRETARY'S BUREAU

Petition of Reliant Energy Northeast LLC d/b/a NRG Home and NRG Business to

Docket No. A-2010-2192350

Revise Its Required Level of Financial

Security

PETITION OF RELIANT ENERGY NORTHEAST, LLC

Pursuant to the Commission's Final Order entered on July 24, 2014 at Docket Number M-2013-2393141 ("Financial Security Order"), Reliant Energy Northeast, LLC d/b/a NRG Home and NRG Business ("REN") requests that the Commission reduce the level of security it is required to maintain with the Commission from the current 10% to 5% of its last twelve months of revenue. REN is not seeking any changes to the current financial security instruments utilized to meet this requirement and, if approved, would submit a revised instrument. In support of this request, REN states as follows:

- 1. REN is currently licensed as an electric generation supplier ("EGS") for all customer classes within the Commonwealth of Pennsylvania. The EGS license was first approved on October 14, 2010.
- 2. REN has maintained its license in good standing and is compliant with its current financial security requirements.
- 3. Pursuant to the *Financial Security Order*, the Commission concluded 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 higher, so long as the revised amount still meets the other criteria set forth in 52 Pa Code § 54.40(f). *Financial Security Order* at 11-12.

- 4. The Commission also requested that EGSs seeking to revise their financial security requirements provide the following information with the request:
 - Gross revenues for the sale of electricity to retail customers in Pennsylvania for the most recent 12 months;
 - The amount of gross receipts taxes that the EGS has prepaid towards its estimated revenues for the current calendar year;
 - Available AEPS compliance data from the most recent 12 months; and.
 - Copies of all Department of Revenue documents that support the EGS's request (i.e., Gross Receipts Tax Returns for the prior three years).
 - 5. In support of its Petition, REN is including the following attachments:

Attachment	Description
A	REN's gross revenues for the sale of electricity to retail
CONFIDENTIAL	customers in Pennsylvania from Sept 1, 2013 through October
	31, 2014
В	Documentation Verifying Payment of Gross Receipts Estimated
CONFIDENTIAL	2014 Liability
С	Proof of payment of Pennsylvania taxes for 2011-2013
CONFIDENTIAL	
D	Available AEPS compliance data from the most recent 12
CONFIDENTIAL	months

- 6. REN submits that this supporting documentation is consistent with the Commission's *Financial Security Order* and provides appropriate support to grant its Petition. Importantly, granting REN's Petition will not in any way impede REN's ability to comply with 66 Pa. C.S. § 2809(c) or 52 Pa Code § 54.40(a) which requires REN to maintain enough financial security to ensure financial responsibility, the payment of gross receipts tax and the supply of electricity at retail. Finally, granting REN's petition will enable REN to better allocate resources to developing retail products for the benefit of consumers.
- 7. As REN is not seeking any revision to its current financial security instrument, if this Petition is approved, then REN will submit a newly revised bond to the Commission to replace the ones currently in effect.

8. REN is prepared to work with the Commission's Bureau of Technical Utility Services to process this request and provide any additional input as needed.

WHEREFORE, REN respectfully requests that the Commission grant this petition and permit REN to maintain financial security in the amount of 5% of its last twelve months of revenue secured through surety bonds.

Respectfully submitted,

Daniel Clearfield, Esquire

Attorney ID 26183

Deanne M. O'Dell, Esquire

Attorney ID 81064

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Fax 717.237.6019

Date: December 5, 2014 Attorneys for Reliant Energy Northeast, LLC



CERTIFICATE OF SERVICE

I hereby certify that this day I served a copy of Petition of Reliant Energy Northeast, LLC (Public Version) upon the persons listed below in the manner indicated in accordance with the requirements of 52 Pa. Code Section 1.54.

Via First Class Mail

Office of Consumer Advocate 555 Walnut Street 5th Floor Forum Place Harrisburg, PA 17101-1923

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

Office of Small Business Advocate Commerce Building, Suite 202 300 North Second Street Harrisburg, PA 17101

Legal Department West Penn Power d/b/a Allegheny Power 800 Cabin Hill Drive Greensburg, PA 15601-1689

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

Met-Ed, Penelec, and Penn Power: Legal Department First Energy 2800 Pottsville Pike Reading PA, 19612

Dated: December 5, 2014

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

Wellsboro Electric Company Attn: EGS Coordination 33 Austin Street P. O. Box 138 Wellsboro, PA 16901

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

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

UGI Utilities, Inc. Attn: Rates Dept. – Choice Coordinator 2525 N. 12th Street, Suite 360 Post Office Box 12677 Reading, Pa 19612-2677

Director of Customer Energy Services Orange and Rockland Company

390 West Route 59

Spring Valley, NY 10977-5300

Deanne M. O'Dell, Esq.