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April 8, 2015

**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

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2015 APR - 8 PM 3:52  
PA PUC BUREAU  
SECRETARY'S BUREAU

**Re: Application of PPL EnergyPlus, LLC to Become a Licensed Supplier of Natural Gas, Docket No. A-125153**

**Re: Application of PPL EnergyPlus, LLC for Authority to Offer, Render, Furnish or Supply Electricity or Electric Generation Services, Docket No. A-110098**

**Notice Regarding Changes in the Organizational Structure and Operating Name of PPL EnergyPlus, LLC**

Dear Secretary Chiavetta:

PPL EnergyPlus, LLC ("PPL EnergyPlus") hereby submits this letter, pursuant to 52 Pa. Code § 54.34(b), to inform the Pennsylvania Public Utility Commission ("Commission") of certain changes regarding PPL EnergyPlus expected to occur in the second quarter of 2015. As explained in more detail below, the changes are only in the ownership and name for PPL EnergyPlus; there will be no change in the operations, areas served, or scope of services offered.

PPL EnergyPlus currently is licensed by the Commission to provide retail electric (Docket No. A-110098) and natural gas supplies (Docket No. A-125153) in the Commonwealth of Pennsylvania. Pursuant to 66 Pa.C.S. § 2809(c), PPL EnergyPlus' current licensed electric supplier bond Continuation Certification, Bond No. 019-007-643, has been filed with the Commission (Docket No. A-110098) and remains effective through May 15, 2015. To the extent that the Commission requires a name change for the surety bond, PPL EnergyPlus can submit the name change immediately following closing.

Currently, PPL EnergyPlus is a wholly owned, indirect subsidiary of PPL Corporation (“PPL Corp.”). PPL Corp. and RJS Entities<sup>1</sup> have agreed to combine their competitive power generation business lines into a new stand-alone, publicly traded Independent Power Producer, Talen Energy Corporation (“Talen Energy”). Under the terms of the agreement, at closing, PPL Corp. will spin off its deregulated electric generation and retail electric and gas supply business lines to the shareowners of PPL Corp. and then immediately combine that business with the RJS Entities’ competitive power generation business to form Talen Energy. PPL EnergyPlus is an unregulated entity that is moving over to Talen Energy as part of the spinoff. Consequently, upon closing, ownership of PPL EnergyPlus will be transferred from PPL Corp. to Talen Energy.<sup>2</sup> The spinoff was previously approved by the Commission and is scheduled to close during the second quarter of 2015.<sup>3</sup>

Upon closing, PPL EnergyPlus will not be merged with another entity but, rather, will become a wholly-owned, indirect subsidiary of Talen Energy. Because it will continue as a corporate entity under new ownership, PPL EnergyPlus will not be filing as a “new” corporate entity with either the Department of State or Internal Revenue Service. Relatedly, PPL EnergyPlus’ tax identification will not change upon closing.

In addition to a change in ownership, PPL EnergyPlus will change its corporate name from “PPL EnergyPlus, LLC” to “Talen Energy Marketing, LLC.” PPL EnergyPlus will submit a name change notification to both the Department of State and Internal Revenue Service.

The physical address for PPL EnergyPlus will remain at 835 Hamilton St, Allentown, PA 18101. Post-closing the mailing address will change from Two North Ninth Street, Allentown, PA 18101 to 835 Hamilton St, Allentown, PA 18101.

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<sup>1</sup> The RJS Entities are Raven Power Holdings LLC, C/R Energy Jade LLC, and Sapphire Power Holdings LLC (hereinafter, collectively referred to as the “RJS Entities”).

<sup>2</sup> PPL Corp. will have no continuing ownership interest in Talen Energy. Upon closing, PPL Corp’s shareowners will own 65% of Talen Energy and the RJS Entities will directly or indirectly own 35% of Talen Energy.

<sup>3</sup> The spinoff of the deregulated generation and retail electric and gas supply businesses does not require Commission approval, but certain ancillary parts of the transaction did require Commission approval. At a Public Meeting held on March 11, 2015, the Commission adopted the Motion of Chairman Robert F. Powelson to adopt, with one modification, the Recommended Decision of Administrative Law Judge Susan D. Colwell recommending approval of a Settlement resolving all issues related to the transfer of certain assets and authority related to PPL Corp.’s spinoff of its deregulated generation and retail electric and gas supply businesses to Talen Energy. *See Joint Application of PPL Interstate Energy Company and PPL Electric Utilities Corporation for All of the Necessary Authority, Approvals, and Certificates of Public Convenience (1) for the Transfer of PPL Corporation’s Ownership Interests in PPL Interstate Energy Company to Talen Energy Corporation, and Certain Post-Closing Transactions Associated therewith; (2) for the Transfer of Certain Property Interests Between PPL Electric Utilities Corporation and PPL Energy Supply, LLC and its Subsidiaries in Conjunction with the Transfer of All of the Interests of PPL Energy Supply, LLC and its Subsidiaries to Talen Energy Corporation; (3) for any Modification or Amendment of Associated Affiliated Interest Agreements; and (4) for any Other Approvals Necessary to Complete the Contemplated Transactions*, Docket Nos. A-2011-2435752 and A-2014-2435833 (Motion of Chairman Powelson, adopted March 11, 2015. The Recommended Decision adopted by the Commission found, among other things, Talen Energy to be technically, legally, and financially fit.

PPL EnergyPlus currently is a marketer and supplier of competitively priced electricity and gas services in the Commonwealth of Pennsylvania. PPL EnergyPlus also sells wholesale and retail electricity and gas in the mid-Atlantic region and other United States markets. Upon closing, PPL EnergyPlus will continue to offer these same services under Talen Energy ownership, subject to the requirements and conditions of its Commission-approved electric generation supplier and natural gas supplier licenses. There will be no changes in PPL EnergyPlus' operations, services offered, customer types served, or areas served under Talen Energy ownership as a result of the proposed transfer.

Currently, PPL EnergyPlus is an affiliate to two jurisdictional public utilities: PPL Electric Utilities Corporation, an electric distribution company;<sup>4</sup> and PPL Interstate Energy Company, a natural gas distribution company.<sup>5</sup> Upon closing, PPL EnergyPlus and PPL Electric Utilities Corporation will no longer be affiliates. However, PPL Interstate Energy Company will also be acquired by Talen Energy as part of the transaction.<sup>6</sup> Thus, upon closing, PPL EnergyPlus and PPL Interstate Energy Company will remain affiliates as they are today. PPL EnergyPlus will continue to comply with all applicable regulations and requirements regarding marketers with affiliated jurisdictional public utilities.

Based on the foregoing, although the ownership and name for PPL EnergyPlus will change upon closing of the transaction, there will be no changes in PPL EnergyPlus' operations, services offered, customer types served, or areas served as a result of the transfer to Talen Energy. PPL EnergyPlus will continue to provide competitively priced electricity and gas services in the Commonwealth of Pennsylvania in full compliance with the Commission's applicable regulations. For these reasons, PPL EnergyPlus submits that new EGS and NGS license applications are not required, pursuant to applicable law and regulations.

The transaction is scheduled to occur during the second quarter of 2015. Any gap in PPL EnergyPlus' ability to offer these services as a licensed electric generation and natural gas supplier could have significant impacts on existing and future contracts with customers. Accordingly, PPL EnergyPlus respectfully requests that the Commission promptly review this notice and advise PPL EnergyPlus of any additional information needed or any additional requirements that must be satisfied in order to ensure that PPL EnergyPlus may continue to offer competitively priced electricity and gas services in the Commonwealth of Pennsylvania without interruption in service to customers.

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<sup>4</sup> PPL Electric Utilities Corporation is a "public utility," an "electric distribution company" and a "default service provider" as defined in Sections 102 and 2803 of the Public Utility Code, 66 Pa.C.S. §§ 102, 2803.

<sup>5</sup> PPL IEC is a public utility under the Public Utility Code providing transportation of oil and natural gas to electric generating stations pursuant to certificates of public convenience granted by the Commission. *Application of Interstate Energy Company*, Docket No. 97032, 1973 Pa. PUC LEXUS 74, 46 Pa. PUC 524 (Feb. 6, 1973); *Re: Interstate Energy Company*, Docket No. 97032, 1979 Pa. PUC LEXUS 61, 53 Pa. PUC 314 (June 7, 1979); and *Application of Interstate Energy Company*, Docket No. A-00140200, *affirmed by UGI Utilities v. Pa. PUC*, 684 A.2d 225 (Oct. 28, 1996).

<sup>6</sup> See Footnote 3, *supra*.

Rosemary Chiavetta  
April 8, 2015  
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Should you require anything further for your review or have any additional questions, please do not hesitate to contact the undersigned directly.

Respectfully submitted,



David B. MacGregor  
Principal

DBM/ctw

cc: Anthony J. Rametta

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