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| PUC logo | COMMONWEALTH OF PENNSYLVANIAPENNSYLVANIA PUBLIC UTILITY COMMISSIONP.O. BOX 3265, HARRISBURG, PA 17105-3265 | **IN REPLY PLEASE REFER TO OUR FILE** |

# **September 24, 2015**

#  Docket No. A-110036

Utility Code: 110036

**CERTIFIED**

GREGORY URBIN

CONSTELLATION NEWENERGY

111 MARKET PLACE STE 700

BETHLEHEM MD 21202

**RE: LICENSE BOND OR OTHER FINANCIAL SECURITY**

Dear Mr. Urbin:

On January 19, 2010, Constellation Newenergy, Inc. (Constellation) obtained a license from the Public Utility Commission (Commission) to provide electric generation supplier services as a supplier in the Commonwealth. On August 26, 2015, the Commission’s Bureau of Technical Utility Services sent a Bond Increase Notice seeking original documentation that a bond, or other approved security, has been increased (the Bond Increase Letter is attached). To date, Constellation has not submitted the required documentation.

Please be advised that **within 10 days of the date of this letter**, Constellation **MUST** file with the Commission an **ORIGINAL** of any documentation that a bond, or other approved security, has been obtained, such as: an original bond, letter of credit, continuation certificate, amendment, etc. **If the documentation filed is not an original, the documentation will be rejected and returned to you.**

Failure to file the requested documentation may result in the cancellation of your company’s electric supplier license, removal of your information from the Commission’s website and notification to all electric distribution companies, in which your company is licensed to do business, of the cancellation of the license. If Constellation has decided to abandon its license, please notify the Commission of such decision.

All original documentation must be sent to the Commission’s Secretary’s Bureau at: Rosemary Chiavetta, Secretary, Pennsylvania Public Utility Commission, 400 North Street, Harrisburg, PA 17120. Please direct any questions to Stephen Jakab at sjakab@pa.gov (preferred) or (717) 783-6174, Bureau of Technical Utility Services.



 Sincerely,

 Rosemary Chiavetta

 Secretary

Attachment

cc: Stephen Jakab, TUS

Secretary’s Bureau

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August 26, 2015

GREGORY URBIN

CONSTELLATION NEWENERGY

111 MARKET PLACE STE 700

BETHLEHEM MD 21202

RE: Current License Bond or Other Financial Security Notice for

Constellation Newenergy, Inc.

Dear Mr. Urbin:

The Commission’s regulations of 52 Pa. Code §54.40 require an electric generation supplier to furnish a bond or other security approved by the Commission to ensure the financial licensee’s responsibility, the payment of gross receipt tax, and the supply of electricity at retail.

Further, the regulations require "the security level for each licensee will be reviewed annually and modified primarily based upon the licensee's reported annual gross receipts information. The security level will be 10% of the licensee's reported gross receipts." The minimum security level provided may not be less than the initial security level provided when the license was granted.

The Commission's regulations at 52 Pa. Code §54.39(b) require a licensee to file an annual report on or before April 30 of each year, for the previous calendar year. In this report the licensee discloses the total amount of its gross receipts from the sale of electricity and the total amount of electricity sold during the preceding calendar year. **Based on the annual report, the current bond and/or other approved security provided by Constellation Newenergy, Inc. may be insufficient.**

 In order for your company to maintain its status as a licensed electric supplier in the Commonwealth of Pennsylvania, it must provide proof to the Commission that a bond or other approved security has been obtained in amount equal to 10% of the licensee’s reported gross receipts.

 Please be advised that you **MUST** file with the Commission an **ORIGINAL** of any documentation that a bond or other approved security has been obtained, such as: an original bond, letter of credit, continuation certificate, amendment, etc. **If the documentation filed is not an original, the documentation will be rejected and returned to you.**

 Failure to file the requested documentation may cause Commission staff to initiate a formal proceeding, that may lead to the following: cancellation of your company’s electric supplier license, removal of your information from the Commission’s website and notification to all electric distribution companies, in which your company is licensed to do business, of the cancellation of the license.

 All original documentation must be sent to the Commission’s Secretary’s Bureau at: Rosemary Chiavetta, Secretary, Pennsylvania Public Utility Commission, 400 North Street, Harrisburg, PA 17120. Please respond with an acknowledgement within fifteen (15) days of the date of this letter to Stephen Jakab at sjakab@pa.gov (preferred) or (717) 783-6174, Bureau of Technical Utility Services.

 Sincerely,

 

 Darren D. Gill, Deputy Director

 Bureau of Technical Utility Services

Attachment

cc: R. Chiavetta, Secretary