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By E-Filing

April 28, 2017

Rosemary Chiavetta, Secretary Pennsylvania Public Utility 400 North Street Harrisburg, PA 17120

Re: Natural Gas Supplier License Application of National Energy Cost Services Inc.

Reply to Data Request

Docket Number: A-2017-2595619

Dear Ms. Chiavetta:

In response to your data request, attached is National Energy Cost Services Inc's response. I am also emailing a copy of it to Stephen Jakab at sjakab@pa.gov.

If you require any additional information, please contact me at the address and telephone number below

Thank you,

Diane Gluck

Senior Account Manager

LicenseLogix

140 Grand Street, Suite 300

Huck

White Plains, NY 10601

dglucki@licenselogix.com

(800) 292-0909 x305



BY E-FILING

April 28, 2017

Rosemary Chiavetta, Secretary Pennsylvania Public Utility Commission 400 North Street Harrisburg, PA 17120

Re: Natural Gas Supplier License Application of National Energy Cost Services Inc.

Dear Ms. Chiavetta,

In response to your Data Request, please be advised as follows:

- 1. Reference Application, Section 7.a. Bonding- Applicant is attaching bonding letters for each territory the applicant wishes to do business.
- Reference Application, Section 8a, Technical Fitness, the applicant did not provide a NY or a
  Connecticut license, because both those states do not require a license to serve as an energy
  broker.

I Moishe Schwaltz, hereby state that the facts above set forth 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. section 4904 (relating to unsworn falsification to authorities.)

Title:

Date:

4/28/17

Vice President



January 31, 2017

Mayer Orgel National Energy Cost Services Inc. 1274 49th St. Brooklyn, NY 11219

Dear Mayer Orgel:

We are pleased that National Energy Cost Services Inc. has applied for a license to provide Natural Gas Broker/Marketer Services on the distribution system of Columbia Gas of Pennsylvania, Inc. ("Columbia Gas").

Under Paragraph 2.4.5 of the Rules Applicable to Distribution Service section of the Tariff of Columbia Gas, National Energy Cost Services Inc. could be required to provide to Columbia Gas a bond or other financial security instrument in an amount that Columbia Gas determines to be appropriate. National Energy Cost Services Inc. has indicated only brokering and consulting services will be provided. Therefore, we have determined at this time that National Energy Cost Services Inc. does not need a bond or other financial security requirement to provide broker natural gas services to Columbia Gas customers.

If the creditworthiness requirement or Columbia Gas' exposure to National Energy Cost Services Inc. changes in the future, Columbia Gas might deem it appropriate to require National Energy Cost Services Inc. to provide a bond or other financial security instrument.

Please feel free to contact me at 614-460-6841 should you have any questions regarding a bond or other financial security instrument requirements of Columbia Gas.

Sincerely,

Michele Caddell

Michele Caddell

Director Transportation Programs and Nominatons



April 11, 2017

Mayer Orgel, CEO National Energy Cost Services Inc. 1274-49th Street Brooklyn, NY 11219

Re: Security Requirement for National Energy Cost Services Inc.

Dear Mayer,

National Fuel Gas Distribution Corporation ("NFGDC") is aware National Energy Cost Services Inc. (NEC) has filed an application with the Pennsylvania Public Utility Commission to supply natural gas service to the public in Pennsylvania and specifically within the service territory of NFGDC.

As you know, in making such an application, NEC must furnish acceptable security to each utility where NEC will do business. As such, under its tariff, NFGDC could require NEC to provide a bond or other financial security instrument in an amount that NFGDC determines to be appropriate.

However, you have indicated, and it is NFGDC's understanding that NEC intends only to provide natural gas aggregating, brokering and consulting services at this time. You have stated that, in performing these services, NEC will never take title to any delivered natural gas.

Based upon your representations, NFGDC has determined that, at this time, NEC does not need to post a bond or other form of security to operate in its service territory. However, if the services provided by NEC change in the future, NFGDC reserves the right to require security from NEC as it deems appropriate.

If you have any questions concerning the foregoing, please contact me at 716-857-7599.

Nathan E. Barnes

Yours trally

Transportation Services Department



## April 25, 2017

Mayer Orgel, CEO National Energy Cost Services Inc. 1274-49th St. Brooklyn, NY 11219

Re: Bonding Requirements

PECO is aware that National Energy Cost Services Inc. has applied for a license to provide brokering and consulting services to commercial and industrial customers on the distribution system of PECO.

In making such an application, National Energy Cost Services Inc. could be required to provide to PECO a bond or other acceptable financial security in an amount that PECO determines to be appropriate. National Energy Cost Services Inc. has indicated that it intends to provide only brokering and consulting services to commercial and industrial customers will not take title to any delivered natural gas; nor will accept any customer payments or deposits. Therefore, PECO has determined at this time that National Energy Cost Services Inc. does not need a bond or other financial security requirement, since they are not directly engaging in business with PECO and only providing brokering or consulting services to PECO customers. However, if the services provided by National Energy Cost Services Inc. or the creditworthiness requirement for PECO's exposure to National Energy Cost Services Inc. changes in the future, PECO reserves the right to require National Energy Cost Services Inc. to provide a bond or other financial security instrument.

If you should have any questions regarding this matter, please contact Chris Sauerbaum at 215-841-6422 or myself at 215-841-6452.

Respectfully submitted,

Carlos P. Thille

Carlos P. Thillet

Manager, Gas Supply and Transportation

2301 Market St S9-1

Philadelphia, Pa 19103

Lynda W. Petrichevich Vice President, Regulatory Affairs

Peoples Service Company LLC Phone: 412-208-6528; Fax: 412-208-6577 Email: lpetrichevich@peoples-gas.com

February 2, 2017

Mayer Orgel CEO National Energy Cost Services Inc. 1274-49th St. Brooklyn, NY 11219

Dear Mr. Orgel:

We are pleased that National Energy Cost Services Inc. has applied for a license to provide natural gas services on the Peoples Group of Companies. Specifically you have requested to be licensed as a supplier on the distribution systems of Peoples Natural Gas Company LLC, Peoples TWP, and Peoples Natural Gas LLC – Equitable Division ("the Companies").

Since National Energy Cost Services Inc. is not currently serving customers on the Peoples systems, we have determined at this time that National Energy Cost Services Inc. does not need a bond or other financial security requirement to provide these services to the Company's customers.

If a Pool is established, and customers are enrolled which alters the creditworthiness requirement or the Company's exposure to National Energy Cost Services Inc. provision of services on the Peoples' system changes in the future, the Companies may deem it appropriate to require a bond or other financial instrument.

If you have any questions feel free to contact me at 412-208-6528 or by email at Lynda.W.Petrichevich@peoples-gas.com.

Sincerely,

Lynda W. Petrichevich

Vice President – Regulatory Affairs Peoples Natural Gas Company LLC

Cc: Steven Kolich Stephen Kelly



## PHILADELPHIA GAS WORKS

800 West Montgomery Avenue . Philadelphia, PA 19122

February 8, 2017

Mayer Orgel, CEO National Energy Cost Services Inc. 1274 49<sup>th</sup> Street Brooklyn, NY 11219

Mailing Address:

LicenseLogix Attn: Michelle Martinez 140 Grand Street, Suite 300 White Plains, NY 10601

Re: Security Requirement Bond for National Energy Cost Services Inc.

Dear Mayer:

Philadelphia Gas Works ("PGW") is aware that National Energy Cost Services Inc. has filed an application with the Pennsylvania Public Utility Commission to supply natural gas services to the public in Pennsylvania and specifically within the services territory of Philadelphia Gas Works.

As you know, in making such an application, National Energy Cost Services Inc. must furnish acceptable security to each utility where National Energy Cost Services Inc. will do business. As such, under its tariff, Philadelphia Gas Works could require National Energy Cost Services Inc. to provide a bond or other financial security instrument in an amount that Philadelphia Gas Works determines to be appropriate.

However, you have indicated, and it is Philadelphia Gas Works' understanding, that National Energy Cost Services Inc. intends only to provide natural gas aggregating, brokering and consulting services at this time. You have stated that in performing these services National Energy Cost Services Inc. will never take title to any delivered natural gas.

Based upon your representations, Philadelphia Gas Works has determined that, at this time, National Energy Cost Services Inc. does not need to post a bond or other form of security to operate in its service territory. If the services provided by National Energy Cost Services Inc. should change, Philadelphia Gas Works reserves the right to require security from National Energy Cost Services Inc. as it deems appropriate.

If you have any questions concerning the foregoing, please contact me at 215-684-6725.

Sincerely,

John C. Zuk

Vice President, Gas Supply

NL/dls



UGI Utilities, Inc. 2525 North 12<sup>th</sup> Street Suite 360 Post Office Box 12677 Reading, PA 19612-2677

April 6, 2017

Mayer Orgel, CEO National Energy Cost Services Inc. 1274-49th St. Brooklyn, NY 11219

RE: National Energy Cost Services Inc. application to serve as a Natural Gas Broker

Dear, Mr. Orgel,

Based on your assertion that National Energy Cost Services Inc. ("NATIONAL ENERGY COST") is applying with the State of Pennsylvania to operate as a natural gas broker/marketer, UGI Utilities Inc. ("UGIU") has concluded that NATIONAL ENERGY COST will not need to post security with UGI-Central Penn Gas ("CPG"), UGI-Penn Natural Gas ("PNG") or UGI Utilities Gas Division ("UGI"). This is based on the declaration that NATIONAL ENERGY COST will not be taking title to gas or directly serving end use customers. This also assumes that NATIONAL ENERGY COST will be acting in conjunction with a licensed Natural Gas Supplier who has been approved by the Pennsylvania Public Utility Commission to serve in the applicable UGIU service territories and who has posted the required financial security as specified in the respective UGIU tariffs. If NATIONAL ENERGY COST wishes to directly serve Choice customers in the service territories of UGI, PNG and/or CPG in the future as a natural gas supplier, it will have to post security as specified in the respective UGI tariffs prior to the commencement of the service.

Please feel free to contact me with any additional questions that you may have.

Sincerely,

David E. Lahoff

Senior Manager, Tariff & Supplier Administration

UGI Utilities, Inc.



April 25, 2017

Mayer Orgel, CEO National Energy Cost Services, Inc. 1274-49th St. Brooklyn, NY 11219

Dear Mr. Orgel:

We understand that National Energy Cost Services, Inc. has applied with the Pennsylvania Public Utility Commission to supply natural gas services to the public in Pennsylvania including our company's service area.

Because National Energy Cost Services, Inc. intends to only provide natural gas aggregating, brokering and consulting services at this time, we have determined that National Energy Cost Services, Inc. will not be required to post a bond or other form of financial security instrument to provide these services in our service area. However, if the services provided change in the future, we reserve the right to require security from National Energy Cost Services, Inc. as deemed appropriate.

If you have any questions, please contact Mrs. Marjorie Johnston at 570-888-9664.

Sincerely,

Robert J. Crocker President & CEO

RJC/ss

cc: M. Johnston, Valley Energy

<u>dgluck@licenselogix.com</u> <u>mmartinez@licenselogix.com</u>