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June 27, 2018

VIA HAND DELIVERY

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, PA 17120

Re: ENGIE Retail, LLC d/b/a Think Energy for a Renewal of Reduced Security Level
Authorization, Docket No. A-2011-2268361

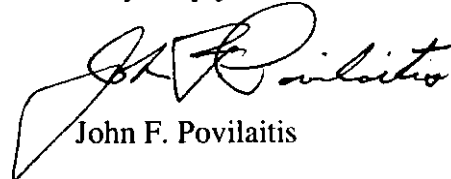
Dear Secretary Chiavetta,

Enclosed please find ENGIE Retail LLC d/b/a Think Energy's ("ENGIE Retail's") verified Petition for a Renewal of Reduced Security Level Authorization ("Petition"). This filing includes commercially valuable and sensitive information for which ENGIE Retail requests confidential treatment. Accordingly, enclosed is a version of the Petition marked "Public Version" for inclusion in the public record, and a version of the Petition marked "Confidential Version." **ENGIE Retail respectfully requests that the Confidential Version of its Petition be maintained by the Pennsylvania Public Utility Commission ("Commission") under seal.** Also enclosed is a filing fee in the amount of \$350.00.

Copies of ENGIE Retail's Public Version of its Petition have been served on each of the Public Advocates, the Commission's Bureau of Investigation and Enforcement, the Commission's Bureau of Technical Utility Services, the Commonwealth of Pennsylvania's Department of Revenue, the Office of Attorney General's Bureau of Consumer Protection and all Pennsylvania electric distribution companies as indicated in the attached Certificate of Service.

Please contact the undersigned if you have any questions regarding this filing. Thank you for your attention to this matter.

Very truly yours,



John F. Povilaitis

JFP/tlg
Enclosures
cc: Certificate of Service

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of ENGIE Retail LLC d/b/a : Docket No. A-2011-2268361
Think Energy For A Renewal of : EGS License No. A-110531
Reduced Security Level Authorization :

PETITION OF ENGIE RETAIL LLC D/B/A THINK ENERGY FOR A
RENEWAL OF REDUCED SECURITY LEVEL AUTHORIZATION

I. Introduction

1. ENGIE Retail LLC d/b/a Think Energy (“ENGIE Retail”) is an electric generation supplier (“EGS”) authorized by the Pennsylvania Public Utility Commission (“PaPUC” or “Commission”) to provide service as a supplier to residential, small commercial (demand under 25 kW) and large commercial (demand over 25 kW) customers in the electric distribution company service territories of Duquesne Light Company, Metropolitan Edison Company, PECO Energy Company, Pennsylvania Electric Company, Pennsylvania Power Company, PPL Electric Utilities Corporation and West Penn Power Company in the Commonwealth of Pennsylvania. ENGIE Retail received its original license to operate as an EGS on December 16, 2011 at Docket No. A-2011-2268361. As a licensed EGS, ENGIE Retail is subject to the Commission’s authority to require it to furnish a bond or other security in order to operate in the Commonwealth of Pennsylvania, pursuant to Section 2809(c) of the Public Utility Code (“Code”) and Section 54.40 of the Commission’s regulations. 66 Pa. C. S. §2809(c); 52 Pa. Code §54.40.

2. Section 54.40(d) of the Commission’s regulations requires EGSs to provide a security level of 10% of the licensee’s reported gross receipts. However, a licensee may seek approval from the Commission of an alternative level of bonding, commensurate with the nature

and scope of its operations. 52 Pa. Code §54.40(d). According to the Commission's regulations, the purpose of the bond is to ensure payment of the Pennsylvania Gross Receipts Tax ("GRT") and to ensure the supply of electricity at the retail level in accordance with contracts, agreements or arrangements. 52 Pa. Code §54.40(f)(2). On July 24, 2014, after consideration of formal comments submitted to a December 5, 2013 Tentative Order, the Commission found that requiring an EGS to post a bond or security in the amount of 10% of gross receipts after the first year of operation "may be excessive in relation to the risk intended to be secured, unnecessarily burdening EGSs, and presenting a potential barrier to entry into Pennsylvania's retail electric market."¹ Therefore the Commission announced in the July 24, 2014 Order that it was adopting the policy of accepting Petitions by EGSs to reduce their level of bonding/security after the first year of operation to 5% of the EGS's most recent 12 months of gross revenue or \$250,000, whichever is higher. In addition, the July 24, 2014 Order delegated authority to review uncontested requests for a reduction in the level of bonding to the Bureau of Technical Utility Services.²

3. Previously in a Petition dated July 11, 2017, ENGIE Retail filed a security reduction petition to reduce its security with the PaPUC from 10% to 5% of the Company's then most recent twelve (12) months of revenues. This reduction was granted by Secretarial Letter. ENGIE Retail's annual security is due to be renewed on August 21, 2018.

4. Based on the July 24, 2014 Order, the Code, the Commission's regulation at Section 54.40(d) and the following supporting material, ENGIE Retail respectfully requests that the Commission approve a reduction in its security requirement to 5% of its most recent 12 months of gross revenue.

¹ *Public Utility Commission Bonding/Security Requirements for Electric Generation Suppliers: Acceptable Security Instruments*, Docket No. M-2013-2393141 (July 24, 2014) ("July 24, 2014 Order") at 10.

² July 24, 2014 Order at 12-13.

II. Information Provided in Support of Bond Reduction Request

5. This Petition includes Confidential Attachments 1 through 5. Confidential Attachment 1 provides ENGIE Retail's gross revenues for the sale of electricity to retail customers in Pennsylvania for the most recent twelve (12) months.

6. Confidential Attachment 2 is the Tax Status Letter of Good Standing that has been obtained by ENGIE Retail from the Pennsylvania Department of Revenue ("PaDOR").

7. Confidential Attachment 3 documents ENGIE Retail's full compliance with the requirements of the Alternative Energy Portfolio Standards ("AEPS") Act. This attachment shows compliance for the most recent energy year by the Pennsylvania AEPS Administrator.

8. Confidential Attachment 4 is proof that ENGIE Retail has prepaid gross receipts taxes by March 15, 2018.

9. Confidential Attachment 5 is proof that ENGIE Retail is current in its assessment obligation to the PaPUC for regulatory expenses.

10. Based on the foregoing information, ENGIE Retail requests that its bonding requirement be reduced to 5% of its most recent twelve (12) months of gross revenue. This amount is reasonable and satisfies the requirements of Section 2809(c) of the Public Utility Code ("Code") and Section 54.40 of the Commission's regulations. 66 Pa.C.S. § 2809(c); 52 Pa. Code § 54.40.


III. Relief Requested and Conclusion

11. Based on its standing as an EGS licensed to do business in Pennsylvania, the Commission's regulations and the July 24, 2014 Order, ENGIE Retail respectfully requests that it be authorized to amend its current bond security on file with the Commission to 5% of its most recent twelve (12) months of revenue. Upon approval of this Petition by the Commission,

ENGIE Retail will submit a new bond in this amount that also complies with the Commission's bond requirements for EGSs listed in Section 55.40(f) of the Commission's regulations. 52 Pa. Code §54.40(f).

Respectfully submitted,

Dated: June 27, 2018



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Counsel for ENGIE Retail LLC d/b/a Think Energy

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Confidential Attachment 1
(Redacted)

Confidential Attachment 2
(Redacted)

Confidential Attachment 3
(Redacted)

Confidential Attachment 4
(Redacted)

Confidential Attachment 5
(Redacted)

VERIFICATION

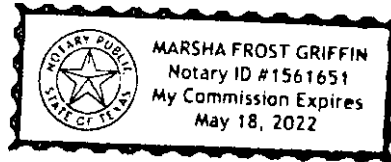
I, DOUGLAS STEIN, VICE PRESIDENT of BUSINESS CONTROL, on behalf of ENGIE Retail, LLC d/b/a Think Energy, hereby verify that the information in the foregoing Petition is true and correct to the best of my information, knowledge and belief. I understand that the statements are made subject to the penalties of 18 Pa. C.S. § 4904, relating to the unsworn falsification to authorities.



DOUGLAS STEIN, VP of BUSINESS CONTROL

JMK

Dated: June 25, 2018



**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition of ENGIE Retail LLC d/b/a : Docket No. A-2011-2268361
Think Energy For A Renewal of : EGS License No. A-110531
Reduced Security Level Authorization :

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the **public version** of the foregoing document upon the parties, listed below, in accordance with the requirements of § 1.54 (relating to service by a party).

Via First Class Mail

Small Business Advocate
300 North Second Street
Suite 202
Harrisburg, PA 17101

Michael L. Swindler
Stephanie Wimer
Pennsylvania Public Utility Commission
Bureau of Investigation & Enforcement
400 North Street, 2nd Floor, F West
Harrisburg, PA 17105-3265

John M. Abel
Margarita Tulman
Office of Attorney General
Bureau of Consumer Protection
15th Floor, Strawberry Square
Harrisburg, PA 17120

Candis A. Tunilo
Christy M. Appleby
Kristine E. Robinson
Office of Consumer Advocate
555 Walnut Street
5th Floor, Forum Place
Harrisburg, PA 17101

Bureau of Technical Utility Services
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 3rd Floor
Harrisburg, PA 17105

Commonwealth of Pennsylvania
Department of Revenue
Bureau of Compliance
PO Box 280947
Harrisburg, PA 17128

Daniel Mumford,
Director of Office of Competitive Market
Oversight
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 3rd Floor, Room N-309
Harrisburg, PA 17105

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

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

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

Legal Department
First Energy
2800 Pottsville Pike
Reading, PA 19612

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

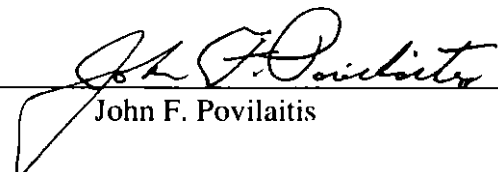
Wellsboro Electric Company
Attn: EGS Coordination
33 Austin Street
P.O. Box 138
Wellsboro, PA 16901

Director of Customer Energy Services
Orange and Rockland Company
390 West Route 59
Spring Valley, NY 10977-5300

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

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

Dated this 27th day of June, 2018.



John F. Povilaitis