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November 19, 2018

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

RE: Linde Energy Services, Inc.; Docket No. A-110162

Petition to Amend Electric Generation Supplier License to Reduce Bond Level

Dear Secretary Chiavetta:

Pursuant to Section 54.40(d) of the Pennsylvania Public Utility Commission's ("PUC" or "Commission") Regulations¹ and the Commission's July 24, 2014, Final Order,² Linde Energy Services, Inc. ("LESI"), hereby respectfully requests to amend its Electric Generation Supplier ("EGS") license to reduce its bond level, effective on December 21, 2018, in preparation for LESI's upcoming bond renewal deadline of December 31, 2018.³

In order to hold an EGS license in the Commonwealth, the applicant must furnish a bond or other security that demonstrates financial responsibility.⁴ After its first year in operation, a licensed EGS must submit its security level to the Commission for review and may seek approval for an alternative level of bonding commensurate with its nature and scope of operation.⁵ According to the Commission's July 24 Order, an EGS may file a petition seeking a reduction in its level of security from 10% to 5% of its most recent 12 months of revenue or \$250,000, whichever is higher.⁶

¹ 52 Pa. Code § 54.40(d).

² Final Order, Public Utility Commission Bonding/Security Requirements for Electric Generation Suppliers; Acceptable Security Instruments, Docket No. M-2013-2393141 (July 24, 2014) ("July 24 Order").

³ To be clear, this Petition only seeks to reduce LESI's bonding level, not its form of security.

⁴ 66 Pa. C.S. § 2809(c).

⁵ 52 Pa. Code § 54.40(d).

⁶ See July 24 Order, pp.10-11.

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LESI has operated as a licensed EGS in the Commonwealth since 2004. In accordance with the Commission's Regulations and guidance, LESI submits this Petition to amend its EGS license to reduce the bond level ("Petition").⁷ In support of its Petition, LESI has enclosed the following documents for filing with the Commission:

- Confidential Attachment A, which sets forth LESI's gross revenues for the sale of electricity to retail customers in Pennsylvania for the most recent 12 months; and
- Confidential Attachment B, which provides the amount of gross receipts taxes that LESI has prepaid towards its estimated revenues for the current calendar year;
- Confidential Attachment C, which includes available Alternative Energy Portfolio Standards ("AEPS") compliance data from the most recent 12 months;
- Confidential Attachment D, which includes LESI's REV-423 Specialty Tax Estimated Payment Form; and
- Attachment E, which includes a Certificate of Good Standing from the Pennsylvania Department of State.

Please note that LESI is awaiting the Department of Revenue's issuance of the Tax Status Letter of Good Standing. Upon receipt, LESI will supplement this Petition by filing the Tax Status Letter of Good Standing with the Commission.

Also enclosed is a check in the amount of \$350.00 made payable to the Commonwealth of Pennsylvania to cover the requisite filing fee for LESI's Petition.

LESI respectfully requests that the Commission grant confidential treatment of the documents found at Attachments A through D accompanying this Petition. The enclosed information is not available to the public and is believed by LESI to be of a proprietary or confidential nature and is so designated by being stamped "Confidential." LESI respectfully requests that the Commission treat these documents as confidential, place them under seal and prevent public disclosure in accordance with the Commission's procedures. Any party desiring access to the aforementioned documents can contact the undersigned counsel with such a request.

Finally, LESI respectfully requests the Commission act upon this Petition on an expedited basis to allow for an effective date of December 21, 2018, in preparation for LESI's upcoming bond renewal

⁷ See 52 Pa. Code, § 54.40(d); July 24 Order, pp. 10-11.

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deadline of December 31, 2018. Commission action by LESI's requested effective date would enable LESI to arrange for a new bond to become effective by December 31, 2018.

Please date stamp the extra copy of this transmittal letter, and kindly return it to our messenger for our filing purposes. Please contact the undersigned with any questions regarding this filing. Thank you.

Very truly yours,

McNEES WALLACE & NURICK LLC

By /

n]E. Bruce

Counsel to Linde Energy Services, Inc.

SEB/leh Enclosures

c: Certificate of Service (via First-Class Mail) (w/o attachments)
 Paul Diskin, Director, Bureau of Technical Utility Services (via First-Class Mail) (w/o attachments)

CONFIDENTIAL ATTACHMENT A

Gross Revenues

(provided under protective seal to the Commission only)

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CONFIDENTIAL ATTACHMENT B

Gross Receipts Taxes

(provided under protective seal to the Commission only)

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CONFIDENTIAL ATTACHMENT C

AEPS Compliance Data

(provided under protective seal to the Commission only)

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CONFIDENTIAL ATTACHMENT D

REV-423 Specialty Tax Estimated Payment Form

(provided under protective seal to the Commission only)

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ATTACHMENT E

Pennsylvania DOS Certificate of Good Standing
(Attached)

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COMMONWEALTH OF PENNSYLVANIA DEPARTMENT OF STATE

11/08/2018

TO ALL WHOM THESE PRESENTS SHALL COME, GREETING:

I DO HEREBY CERTIFY THAT,

Linde Energy Services, Inc.

is duly registered to do business under the laws of the Commonwealth of Pennsylvania and remains a registered Foreign Business Corporation so far as the records of this office show, as of the date herein.

I DO FURTHER CERTIFY THAT this Certificate of Registration shall not imply that all fees, taxes and penalties owed to the Commonwealth of Pennsylvania are paid.



IN TESTIMONY WHEREOF, I have hereunto set my hand and caused the Seal of the Secretary's Office to be affixed, the day and year above written

Acting Secretary of the Commonwealth

Certification Number: TSC181108131038-1

Verify this certificate online at http://www.corporations.pa.gov/orders/verify

VERIFICATION

THE STATE OF NEW JERSEY)	
)	SS
COUNTY OF WARREN)	

I, Larry Stalica, President of Linde Energy Services, Inc., hereby state that the facts set forth in the foregoing Petition to Amend Electric Generation Supplier License to Reduce Bond Level are true and correct to the best of my knowledge, information and belief. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

Larry Stalica

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CERTIFICATE OF SERVICE

I hereby certify that I am this day serving a true copy of the foregoing document upon the participants listed below in accordance with he requirements of Section 1.54 (relating to service by a participant).

Bureau of Investigation & Enforcement Pennsylvania Public Utility Commission Commonwealth Keystone Building 400 North Street, 2 West Harrisburg, PA 17120

Office of Consumer Advocate 5th Floor, Forum Place 555 Walnut Street Harrisburg, PA 17120

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

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

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PA PUBLIC UTILITY COMMISSION SECRETARY'S BUREAU

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

Commonwealth of Pennsylvania Department of Revenue Bureau of Compliance Harrisburg, PA 17128-0946

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

Office of General Counsel Attn: Kimberly A. Klock PPL Two North Ninth Street (GENTW3) Allentown, PA 18101-1179

Counsel to Linde Energy Services, Inc.

Dated this 19th day of November, 2018, in Harrisburg, Pennsylvania.