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January 14, 2019

VIA E-FILING

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

Re: Application of SouthStar Energy Services LLC D/B/A Pennsylvania Energy for Approval to Offer, Render, Furnish or Supply Natural Gas Supply Services as a Supplier or Aggregator to the Public in the Commonwealth of Pennsylvania, Docket No. A-2018-3005507 – **RESPONSES TO DATA REQUESTS**

Dear Secretary Chiavetta:

Attached for e-filing with the Pennsylvania Public Utility Commission (“Commission”) are the Public Responses of SouthStar Energy Services LLC D/B/A Pennsylvania Energy to Commission Staff’s Data Requests 8 and 9, dated December 13, 2018 regarding the above-referenced Application. Included with the Public Responses are the **non-confidential** attachments and information requested by Staff for the Data Requests, along with a signed Verification.

Confidential Responses to Data Requests 8 and 9 contain confidential and proprietary information and a hardcopy of the confidential attachments are being filed separately with the Commission via hand delivery under seal of confidentiality.

Please advise if you have any questions in connection with this matter. Thank you.

Very truly yours,



Alan M. Seltzer

Counsel for SouthStar Energy Services LLC
D/B/A Pennsylvania Energy

AMS/gm

Attachments

cc: Jordan Van Order (via e-mail)
Certificate of Service (via first class mail)

Docket No. A-2018-3005507
SouthStar Energy Services LLC D/B/A Pennsylvania Energy
Response to Data Requests

8. Reference TUS Data Requests, Response to DR 1. The response is incomplete. The provided information does not include jurisdictional information, a description, explanation, and docket numbers for the affiliates. Please provide the missing information.

RESPONSE:

Additional information regarding the affiliates listed in the Response to DR 1 is provided at Confidential Attachment DR 8.

Docket No. A-2018-3005507
SouthStar Energy Services LLC D/B/A Pennsylvania Energy
Response to Data Requests

9. Reference Application, Section 7.b, Financial Fitness. The Applicant provided an unexecuted copy of a guaranty agreement which includes Southern Company Gas, a Georgia Corporation (Southern Company Gas). Please provide supporting financial fitness information for Southern Company Gas.

RESPONSE:

In lieu of a parental guaranty as submitted previously, Applicant is relying on SouthStar Energy Services LLC's previously provided financial statements to support its financial fitness. Additional details are reflected in Confidential Attachment DR 9. Applicant is also submitting the attached revised Application page reflecting a change to Section 7.c. Supplier Funding Method.

7. FINANCIAL FITNESS

- a. **BONDING:** In accordance with 66 Pa. C.S. Section 2208(c), no natural gas supplier license shall be issued or remain in force unless the applicant or holder furnishes a bond or other security in a form and amount to ensure the financial responsibility of the natural gas supplier. The criteria used to determine the amount and form of such bond or other security shall be set by each NGDC. Provide documentation that the applicant has met the security requirement of each NGDC by submitting the letters sent by the NGDCs stating what bonding amounts they require.

See Attachment 7a.

- b. **FINANCIAL RECORDS, STATEMENTS, AND RATINGS:** Applicant must provide sufficient information to demonstrate financial fitness commensurate with the service proposed to be provided. Examples of such information which may be submitted include the following:

- Actual (or proposed) organizational structure including parent, affiliated or subsidiary companies.
- Published Applicant or parent company financial and credit information (i.e. 10Q or 10K). (SEC/EDGAR web addresses are sufficient). See <https://www.sec.gov/cgi-bin/browse-edgar?action=getcompany&CIK=0001004155&owner=exclude&count=40&hidefilings=0>
- Applicant's accounting statements, including balance sheet and income statements for the past two years.
- Evidence of Applicant's credit rating. Applicant may provide a copy of its Dun and Bradstreet Credit Report and Robert Morris and Associates financial form, evidence of Moody's, S&P, or Fitch ratings, and/or other independent financial service reports.
- A description of the types and amounts of insurance carried by Applicant which are specifically intended to provide for or support its financial fitness to perform its obligations as a licensee.
- Audited financial statements exhibiting accounts over a minimum two year period.
- Bank account statement, tax returns from the previous two years, or any other information that demonstrates Applicant's financial fitness.

See Confidential Attachment 7b.

- c. **SUPPLIER FUNDING METHOD:** If Applicant is operating as anything other than **Broker/Marketer only**, explain how Applicant will fund its operations. Provide all credit agreements, lines of credit, etc., and elaborate on how much is available on each item.

SouthStar Energy Services LLC D/B/A Pennsylvania Energy intends to use a Southern Company Gas Parental Guarantee for its Pennsylvania operations in the form contained in Confidential Attachment 7c.

Please see also Confidential Attachment 7b, Public Response to DR 9, and Confidential Response to DR 9.

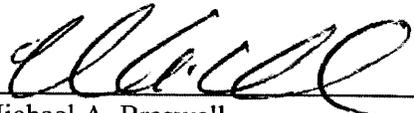
- d. **BROKER PAYMENT STRUCTURE:** If applicant is a broker/marketer, explain how your organization will be collecting your fees.

N/A

VERIFICATION

I, Michael A. Braswell, 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. § 4904 (relating to unsworn falsification to authorities).

Dated: 1/10/19



Michael A. Braswell
President and CEO
SouthStar Energy Services LLC

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

SouthStar Energy Services LLC D/B/A :
Pennsylvania Energy Application For :
Approval to Offer, Render, Furnish Or :
Supply Natural Gas Supply Services : Docket No. A-2018-3005507
As a Supplier or Aggregator to The :
Public in The Commonwealth of PA :

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true and correct copy of SouthStar Energy Services LLC D/B/A Pennsylvania Energy's **Responses to Data Requests** via First Class Mail in accordance with the requirements of 52 Pa. Code § 1.54 et seq., upon the following:

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

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

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

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

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

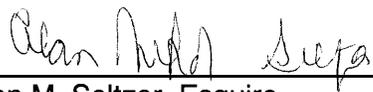
Peoples Natural Gas – Equitable Division
Lynda W. Petrichevich
375 North Shore Drive
Pittsburgh, PA 15212

Columbia Gas of Pennsylvania, Inc.
Michele Caddell
290 W. Nationwide Blvd.
Columbus, OH 43215

Peoples Natural Gas Company LLC
Lynda W. Petrichevich
375 North Shore Drive
Pittsburgh, PA 15212

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Lynda W. Petrichevich
375 North Shore Drive
Pittsburgh, PA 15212

Date: January 14, 2019



Alan M. Seltzer, Esquire