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PA PUBLIC UTILITY COMMISSION SECRETARY'S BUREAU



P.O. Box 4819 • Syracuse, NY 13221-4819 • (888) 982-4929 • www.agwayenergy.com

July 24, 2019

### VIA FEDEX OVERNIGHT

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

### RE: Agway Energy Services LLC. Petition for Reduction in Financial Security Amount to 5% of Gross Receipts: Docket No. A-2011-2277881

Dear Secretary Chiavetta:

Agway Energy Services LLC ("Agway") is a licensed electrical generation supplier ("EGS") in the Commonwealth of Pennsylvania. Agway applied for an EGS license in 2011 and the Pennsylvania Public Utility Commission ("Commission") opened Docket No. A-2011-2277881 for that purpose. The Commission granted Agway a EGS license in April 2012. See **Exhibit A**. This letter and accompanying attachments constitute Agway's Financial Security Reduction Petition ("Petition"). This Petition is being submitted pursuant to 18 Pa.C.S. § 4904, 66 Pa.C.S. § 2809, 52 Pa. Code § 54.40, and the Commission's Bond Reduction Order.<sup>1</sup>

Through this Petition Agway respectfully requests that the level of Agway's financial security be reduced from 10% to 5% of Agway's previous twelve (12) months of gross receipts. Agway's current bond expires on November 11, 2019; ninety (90) days before the expiration of that bond is August 13, 2019. This Petition is being submitted on or before August 13, 2019.

In support of Agway's request, please find the following information and documentation:

- 1. Agway's gross receipts in Pennsylvania for the most recent twelve (12) months. Attached as **Exhibit B** (CONFIDENTIAL).
- 2. Agway is current with payments of tax liabilities to the Commonwealth of Pennsylvania and is providing a Tax Status Letter of Good Standing from the Pennsylvania Department of Revenue. Attached as **Exhibit C** (CONFIDENTIAL).
- 3. Agway is current with its tax liabilities to the Commonwealth of Pennsylvania and is providing proof of its prepaid gross receipts' taxes toward its estimated revenue of the current year via a recent REV-423 Specialty Tax Estimate Payment Form

<sup>&</sup>lt;sup>1</sup> Public Utility Commission Bonding/Security Requirements for Electric Generation Suppliers; Acceptable Security Instruments, Docket No. M-2013-2393141, Final Order entered July 24, 2014.

from the Pennsylvania Department of Revenue. Attached as Exhibit D (CONFIDENTIAL).

- 4. Agway's Alternative Energy Portfolio Standards compliance. Attached as Exhibit E (CONFIDENTIAL).
- 5. Agway is compliant with the Commission's annual and supplemental fee requirements. See attached Exhibit F.

Agway has been a load serving entity in the Commonwealth of Pennsylvania for over two (2) years. The confidential attachments to this Petition are being provided to the Commission under seal and Agway respectfully requests that the documents be maintained in such a way as to protect the sensitive business information from being disclosed to the public or to any party not authorized to know the information.

Enclosed please find a verification attesting to the truthfulness of the facts set forth in this Petition. Also enclosed is a check in the amount of \$350.00 for the required filing fee for this Petition.

Agway has served this Petition on the statutory advocates: (i) The Commission's Bureau of Investigation & Enforcement; (ii) The Pennsylvania Department of Revenue; (iii) The Office of Consumer Advocate; (iv) The Office of Attorney General, Bureau of Consumer Protection; and (v) The Office of Small Business Advocate. The Petition has also been served on the required electric distribution companies. Attached as **Exhibit G** is a Certificate of Service.

Thank you for your time and attention to this matter. If you have any questions or concerns, please contact M. Douglas Dagan at (908) 848-5916 or ddagan@bmg.law.

Sincerely, matchuelor

Michael A. Schueler Vice President, Product Supply

Enclosures

cc: Stephen Jakab, Bureau of Technical Utility Services, via email
Parties Listed on Certificate of Service (confidential information redacted)
M. Douglas Dagan, Esq. Bevan, Mosca & Giuditta, P.C.



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# Exhibit A

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## License for Electric Generation Supplier



## PENNSYLVANIA PUBLIC UTILITY COMMISSION

#### IN THE MATTER OF THE APPLICATION OF: A-2011-2277881

The Application of Agway Energy Services LLC for to begin to offer, render, furnish or supply electric generation supplier services to residential, small commercial (25 kw and under demand), and large commercial (over 25 kw demand) customers in all electric distribution company service territories throughout the Commonwealth of Pennsylvania.

#### EFFECTIVE DATE: April 12, 2012

The Pennsylvania Public Utility Commission hereby certifies that after an investigation and/or hearing, it has, by its report and order made and entered, found and determined that the granting of the application is necessary or proper for the service, accommodation, convenience and safety of the public and hereby issues, evidencing the Commission's approval, to the applicant this:

#### LICENSE FOR ELECTRIC GENERATION SUPPLIER.

In Witness Whereof, the PENNSYLVANIA PUBLIC UTILITY COMMISSION has caused these presents to be signed and sealed, and duly attested by its Secretary at its office in the city of Harrisburg this 12<sup>th</sup> day of April 2012.

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Secretary

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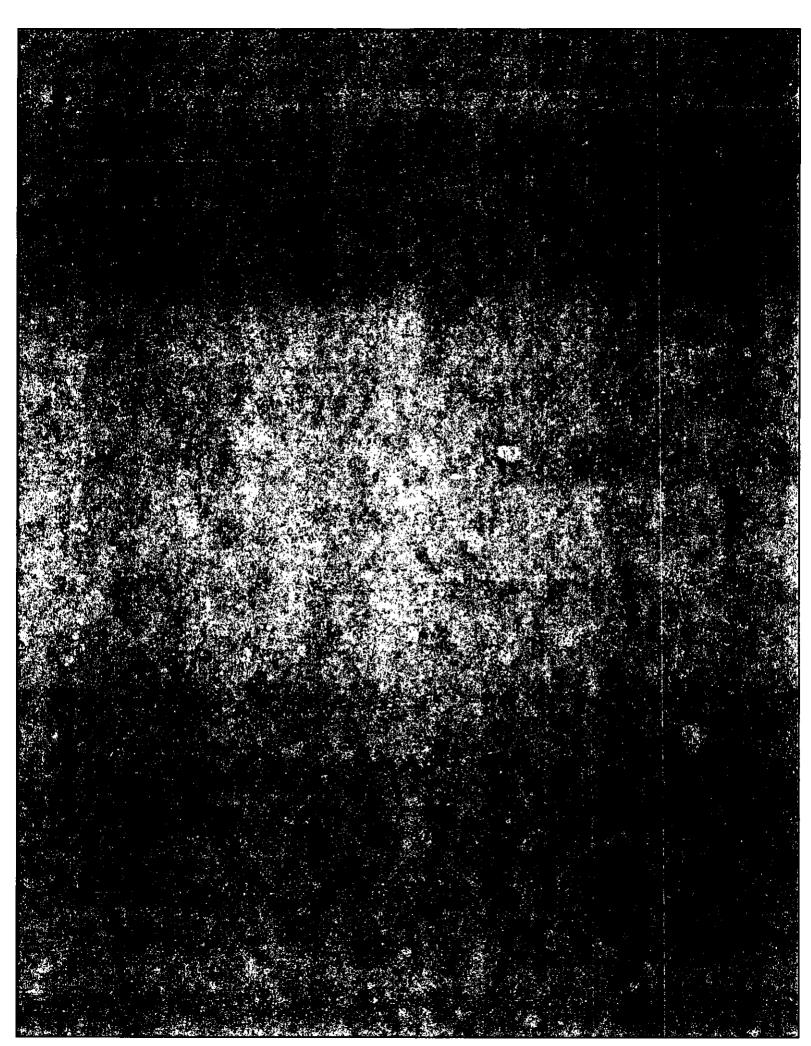
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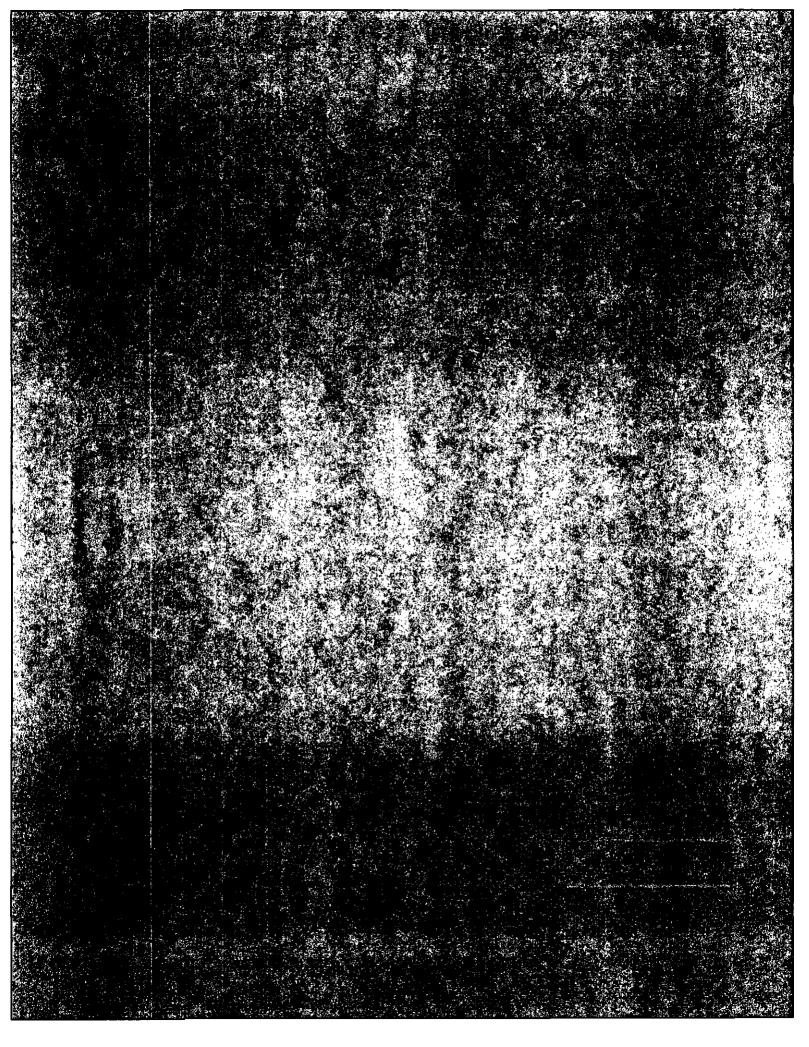
## **Exhibit B**

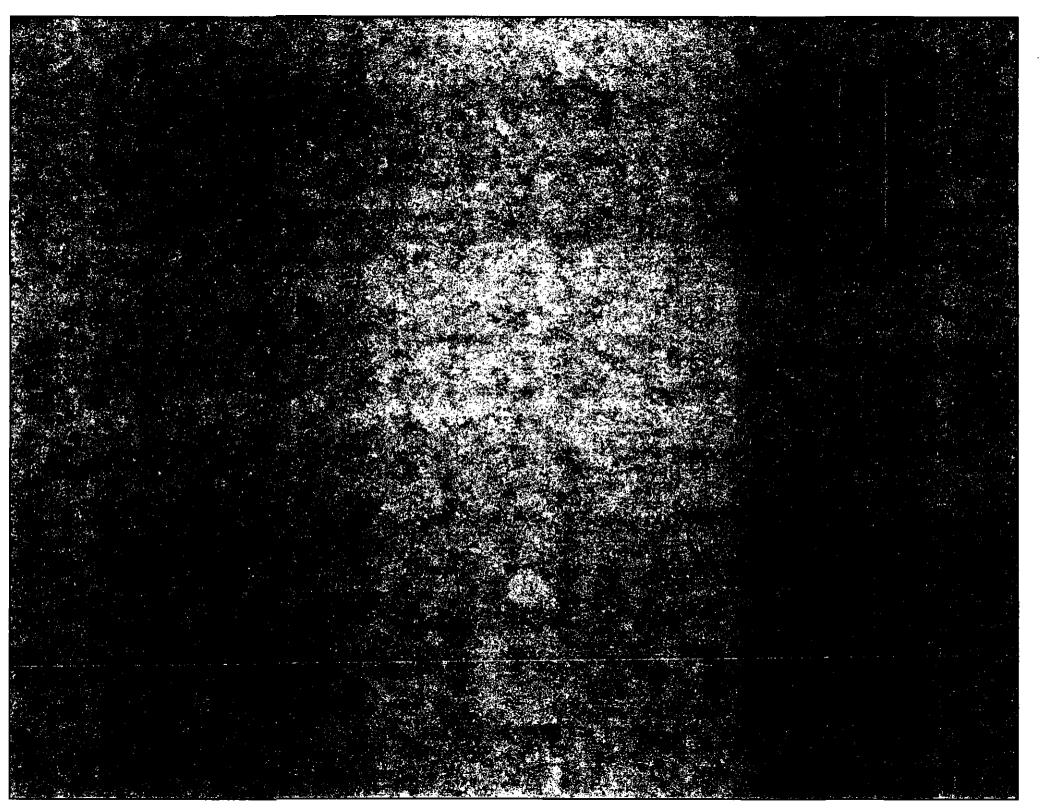
Past Twelve (12) Months Gross Receipts



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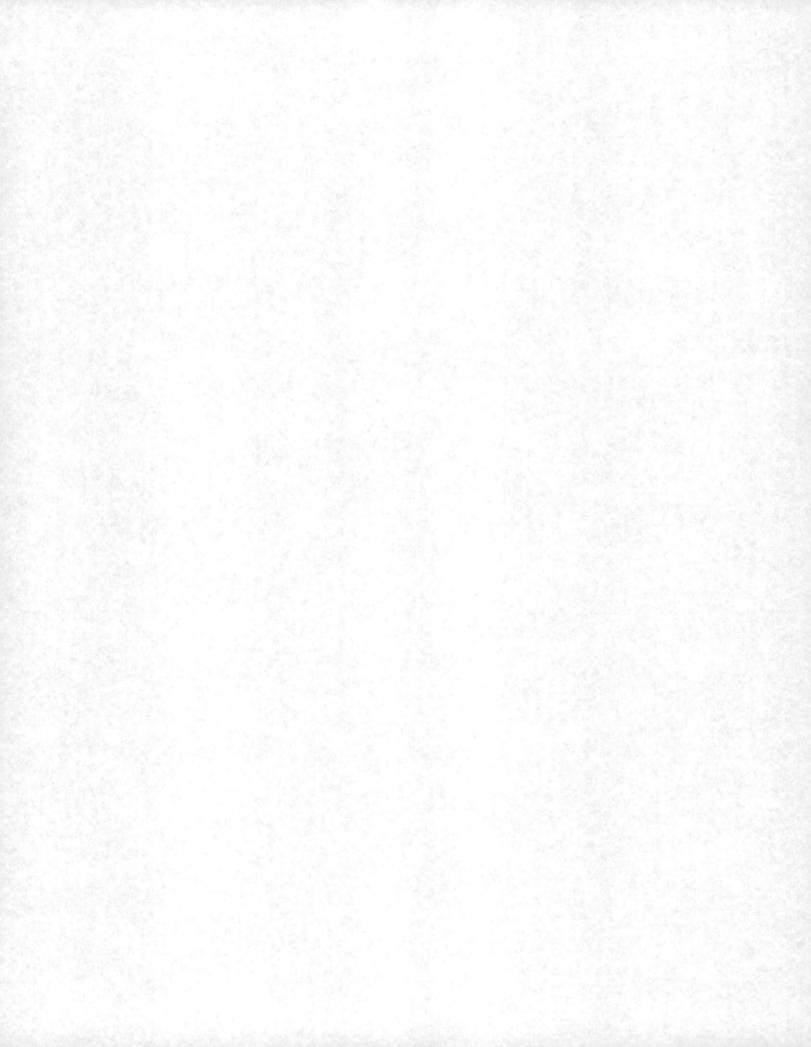
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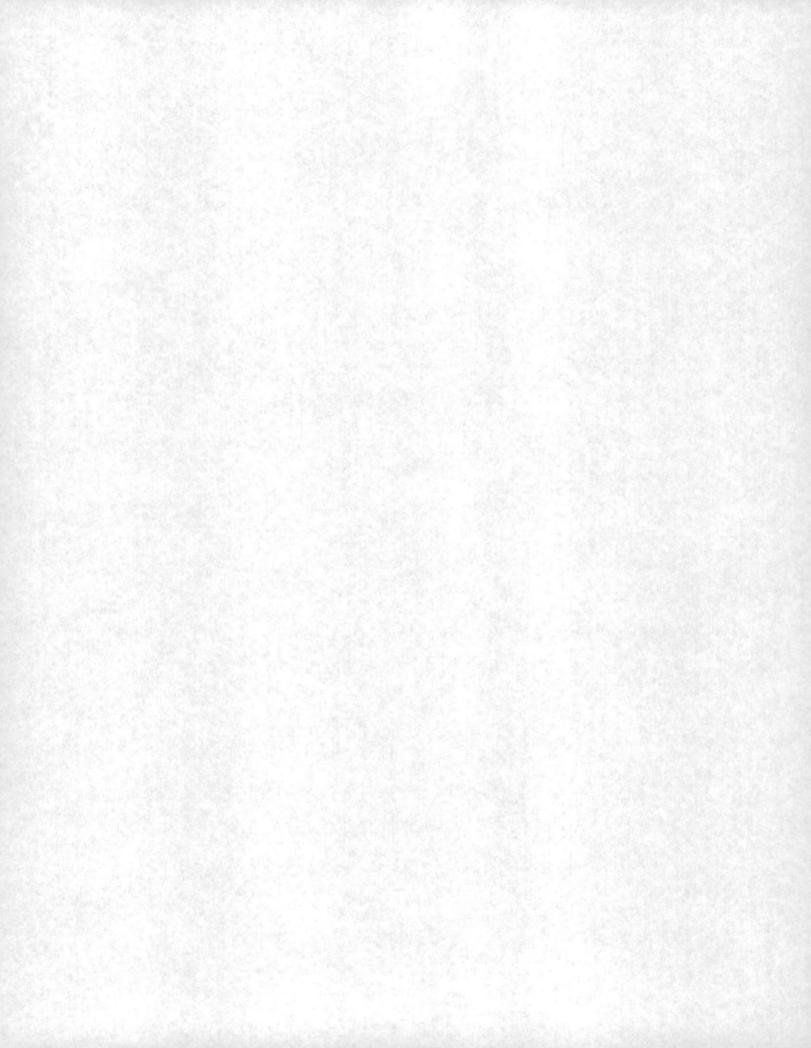
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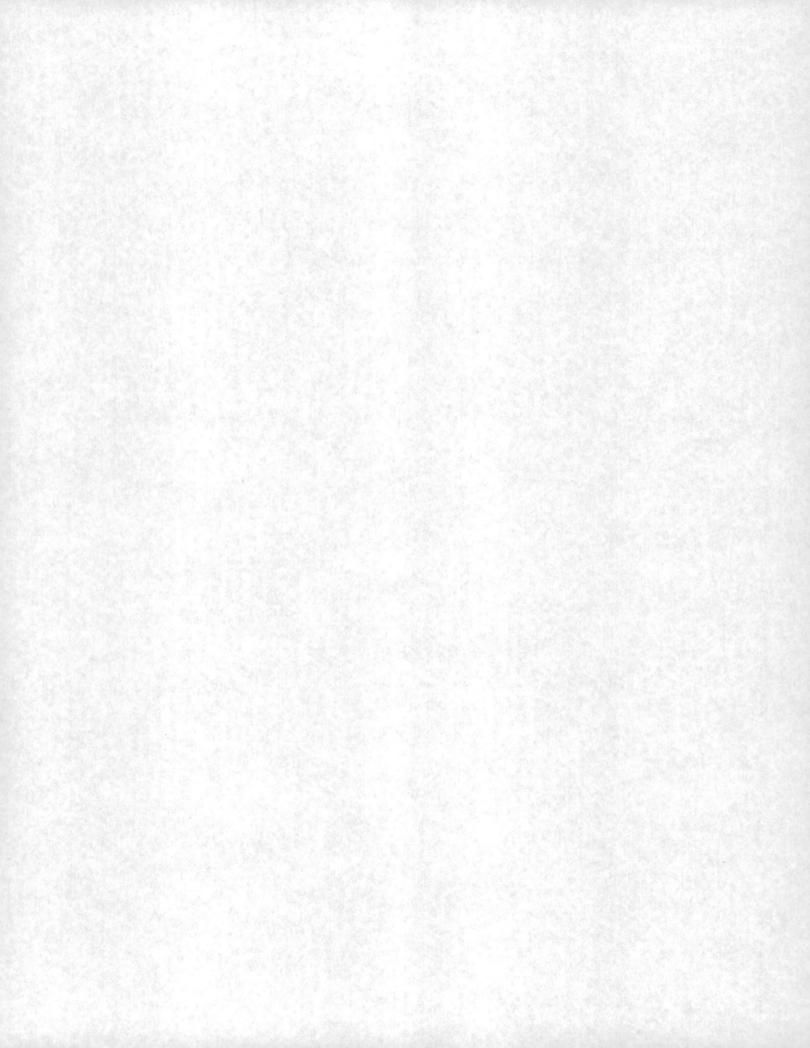
## **Exhibit** C

Tax Status Letter of Good Standing from Pennsylvania Department of Revenue











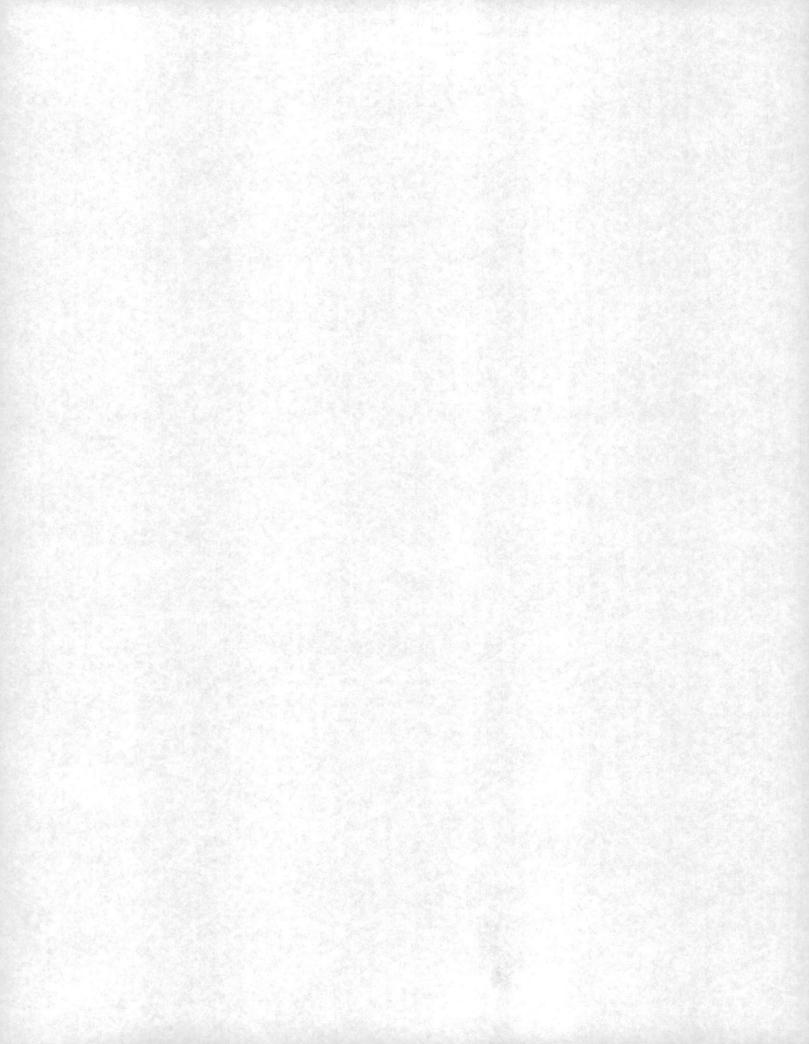
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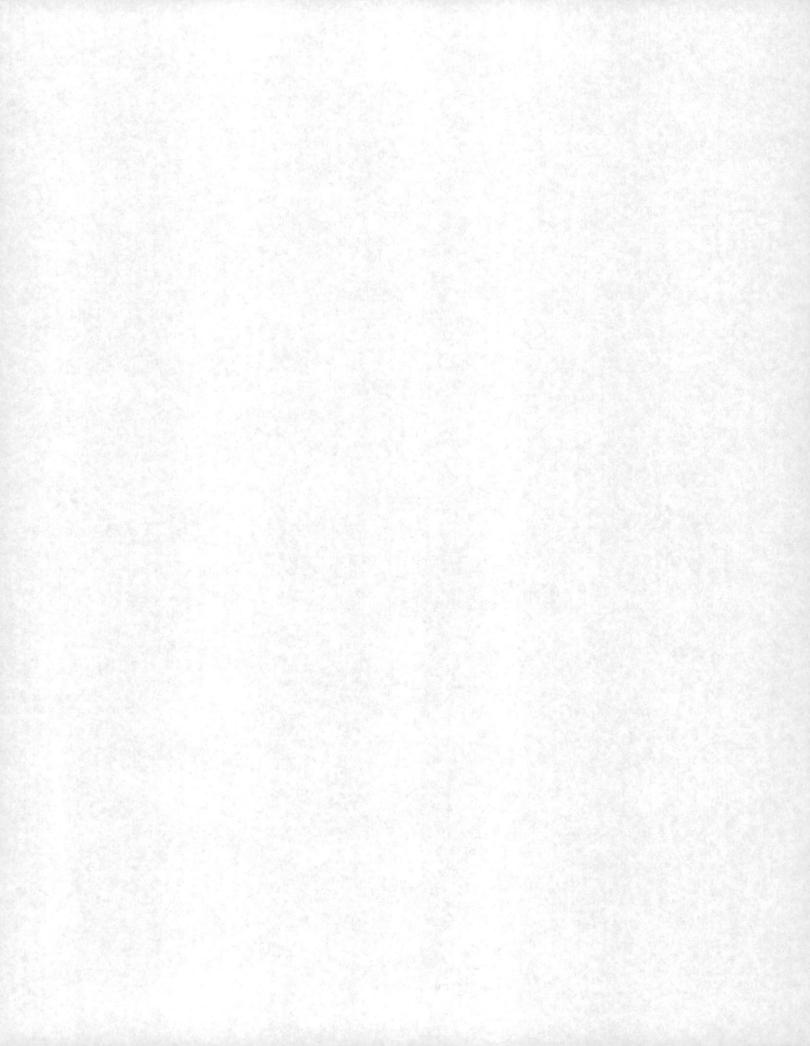
# **Exhibit D**

Recent REV-423 Specialty

Tax Estimate Payment







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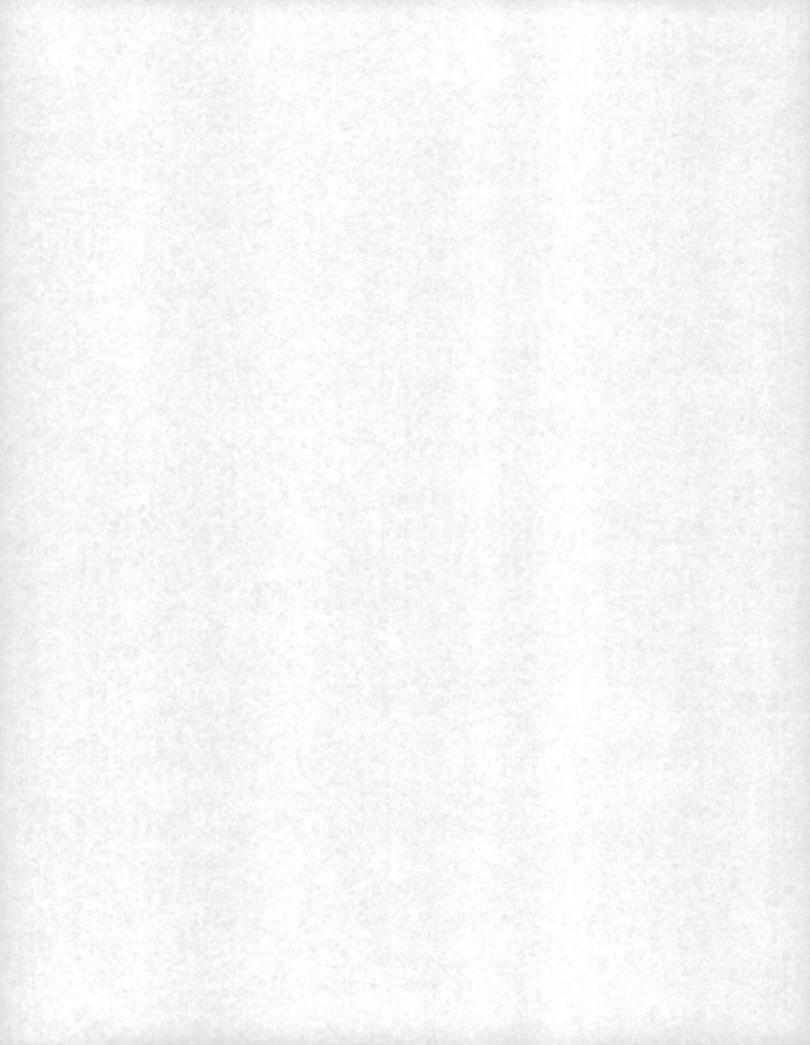
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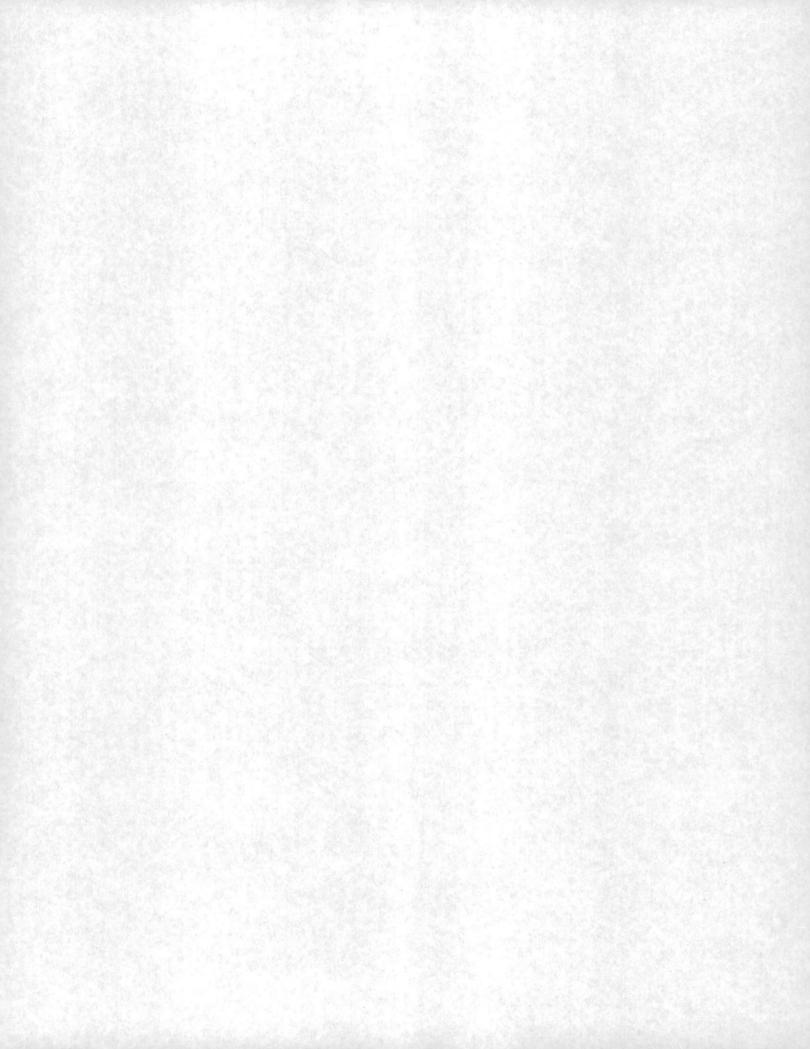
# **Exhibit E**

Alternative Energy Portfolio

Standards Compliance







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# **Exhibit** F

## Compliance Statement Regarding Commission's

Annual and Supplemental Fee





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July 24, 2019

Pennsylvania Public Utility Commission Secretary 400 North Street Keystone Building, 2nd Floor Room N201 Harrisburg, PA 17120

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#### Agway Energy Services LLC Compliant with Commission Fees Re:

To Whom It May Concern:

Please accept this letter as confirmation that Agway Energy Services LLC, ("Agway") is compliant with Pennsylvania Public Utility Commission ("Commission") required annual fees and required supplemental annual fees.

This confirmation is being provided as part of Agway's petition to the Commission for a reduction in the financial security amount from the current 10% to 5% of gross receipts.

Sincerely,

matchueler

Michael A. Schueler Vice President, Product Supply



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#### VERIFICATION

I, Michael Schueler state that I am Vice President of Product Supply at Suburban Propane Partners, L.P. and its wholly owned subsidiary Agway Energy Services LLC. I am authorized to make this Verification for Agway Energy Services LLC. I hereby verify that the facts set forth in the foregoing Financial Security Reduction Petition 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 any hearing in this matter. I understand that the statements made herein are subject to the penalties of 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).

<u>7/24/2019</u> Date

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Michael Schueler

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# **Exhibit** G

Certificate of Service



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#### **CERTIFICATE OF SERVICE**

On this the <u>24</u> day of <u>July</u> 2019, I certify that a true and correct copy of the foregoing filing and all <u>NON-CONFIDENTIAL</u> attachments have been served as a hardcopy print out upon the following:

Bureau of Investigation & Enforcement Pennsylvania Public Utility Commission Commonwealth Keystone Building 400 North Street, 2<sup>nd</sup> Floor, F West Harrisburg, PA 17120

Office of Consumer Advocate 555 Walnut Street 5th Floor, Forum Place Harrisburg, PA 17101

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

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

Regulatory Affairs Duquesne Light Company 411 Seventh Street Pittsburgh, PA 15219

Legal Department FirstEnergy 2800 Pottsville Pike Reading PA, 19605 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

Vice President – Energy Supply Corning Natural Gas Holding Corporation 330 West William Street Corning, NY 14830

Manager Energy Acquisition PECO Energy Company 2301 Market Street Philadelphia, PA 19103

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

UGI Utilities, Inc. Attn: Rates Dept. – Choice Coordinator 2525 N. 12<sup>th</sup> Street, Suite 360 P.O. Box 12677 Reading, PA 19612-2677 Citizens' Electric Company Attn: EGS Coordination 1775 Industrial Boulevard Lewisburg, PA 17837

Citizens' Electric Company 1775 Industrial Blvd. Lewisburg, PA 17837

Met-Ed P.O. Box 3687 Akron, OH 44309-3687

Penelec P.O. Box 3687 Akron, OH 44309-3687

Pike County Light & Power P.O. Box 1109 Milford, PA 18337

UGI Utilities P.O. Box 13009 Reading, PA 19612-3009

West Penn Power P.O. Box 3687 Akron, OH 44309-3687 Wellsboro Electric Company Attn: EGS Coordination 33 Austin Street P.O. Box 138 Wellsboro, PA 16901

Duquesne Light Company 411 Seventh Avenue (6-1) Pittsburgh, PA 15219

PECO Customer Service Center 2301 Market Street Philadelphia, PA 19103

Penn Power P.O. Box 3687 Akron, OH 44309-3687

PPL Electric Utilities 827 Hausman Road Allentown, PA 18104-9392

Wellsboro Electric Company PO Box 138 33 Austin Street Wellsboro, PA 16901

M. Douglas Dagan Associate Bevan, Mosca & Giuditta, P.C.

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