

STEVENS & LEE
LAWYERS & CONSULTANTS

17 North Second Street
16th Floor
Harrisburg, PA 17101
(717) 234-1090 Fax (717) 234-1099
www.stevenslee.com

RECEIVED
2019 JUL 31 PM 12:21
PA PUC
SECRETARY'S BUREAU
FRONT DESK

Direct Dial: (717) 255-7365
Email: mag@stevenslee.com

July 31, 2019

VIA HAND DELIVERY

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

**Re: WGL Energy Services, Inc. Annual Compliance Filing to Renew its Reduction in Security Amount and Continued Use of a Parental Guarantee
Docket No. A-110158**

Dear Secretary Chiavetta:

Enclosed for filing please find an original plus one copy of WGL Energy Services, Inc.'s Annual Compliance Filing to Renew its Reduction in Security Amount and Continued Use of a Parental Guarantee to Satisfy its Security Requirement. **Please note that Exhibits 1, 2, and 3 to this filing and the updated Parental Guarantee contain Confidential information, and have been marked as such and provided in a separate envelope.** The Petitioner requests that the Exhibits be filed under Seal.

Non-confidential copies of this filing have been served in accordance with the attached Certificate of Service. Upon filing, please return a time-stamped copy of the filing to our courier. Thank you, and if you have questions, please do not hesitate to contact me.

Best Regards,

STEVENS & LEE


Michael A. Gruin, Esq.

Enclosures

Allentown • Bala Cynwyd • Charleston • Cleveland • Fort Lauderdale • Harrisburg • Lancaster • New York
Philadelphia • Princeton • Reading • Rochester • Scranton • Valley Forge • Wilkes-Barre • Wilmington
A PROFESSIONAL CORPORATION

SL1 1597362v1 106431.00003

RECEIVED
2019 JUL 31 PM 12:38
PA PUC
SECRETARY'S BUREAU
FRONT DESK

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

WGL Energy Services, Inc. : Docket No. A-110158
Continued Reduction in Security :
Amount and Continued Use of :
Parental Guarantee to Satisfy its :
Security Requirement :

**WGL Energy Services, Inc.
Annual Compliance Filing To Renew its Reduction in Security Amount and
Continued Use of Parental Guarantee**

And Now, pursuant to 66 Pa.C.S.A. § 2809 (c)(1)(i) and the Order of the Pennsylvania Public Utility Commission (“Commission”) published in the Pennsylvania Bulletin on October 6, 2018 in Docket No. P-2017-2608078, WGL Energy Services, Inc. (“WGL Energy”) hereby makes its annual compliance filing in order to continue the reduction of its Electric Generation Supplier security requirement to 5% of annual gross receipts, and to permit the continued use of a Parental Guarantee to satisfy its Electric Generation Supplier security requirement. In support of this filing, WGL Energy states as follows:

1. WGL Energy has been licensed as an Electric Generation Supplier (“EGS”) in Pennsylvania since 2002.
2. WGL Energy’s license number is A-110158 and its utility code is 110158.
3. WGL Energy’s contact information is set forth below:

WGL Energy Services, Inc.
Bernice K. McIntyre
Regulatory Strategy Director,
WGL Business Development and
Non-utility Operations
8614 Westwood Center Drive
Vienna, VA 22182

4. On December 8, 2015, WGL Energy filed a request to the Pennsylvania Public Utility Commission (“Commission”) to change the form of its Electric Generation Supplier security from a bond to a parental guarantee.

5. By Secretarial Letter issued on January 11, 2016, the Commission approved WGL Energy’s request to utilize a parental guarantee instead of a bond to satisfy its Electric Generation Supplier security requirements, and required WGL Energy to annually renew its request to utilize a parental guarantee.

6. On October 5, 2017, WGL Energy submitted its first annual renewal request to continue utilizing a parental guarantee.

7. By Secretarial Letter issued on November 6, 2017, the Commission approved WGL Energy’s request to reduce its security amount from 10% to 5% of annual revenue, in accordance with the Commission’s Order entered on July 24, 2014 in Docket No. M-2013-2393141.

8. On October 16, 2018, WGL submitted its annual renewal request for the renewal of the 5% security amount and for the continued use of a parental guarantee to satisfy its security requirement for the forthcoming year.

9. By Secretarial Letter issued on November 19, 2018, the Commission approved WGL Energy’s renewal request.

10. The expiration/anniversary date of WGL Energy’s current Financial Security is October 31, 2019.

11. With this filing, WGL Energy hereby requests the further renewal of the reduced security amount and the continued use of a parental guarantee to satisfy its security requirement

for the forthcoming year.

12. WGL Energy intends to continue to provide a guarantee from its ultimate corporate parent, AltaGas Ltd., to satisfy the security obligations of WGL Energy, which will be updated to reflect the appropriate guarantee amount based on the WGL Energy's most recent 12 months of revenues.

13. Since becoming licensed in Pennsylvania, WGL Energy has always met all of its financial and annual reporting obligations.

14. WGL Energy has no outstanding Pennsylvania Tax liabilities, and since becoming licensed WGL Energy has paid its Gross Receipts Tax obligations in full and in a timely manner.

15. WGL Energy also has no outstanding financial obligations to any of its customers, to any of the Electric Distribution Companies ("EDCs") in Pennsylvania or to PJM Interconnection, LLC ("PJM").

16. Attached hereto as Confidential Exhibit 1 is a statement showing WGL Energy's gross revenues for sales of electricity to retail customers in Pennsylvania for the most months of July 2018 through June of 2019, and calculation of 5% gross receipts amount for its financial security.

17. Attached hereto as Confidential Exhibit 2 is WGL Energy's most recent Department of Revenue Rev-423 PA Corporation Specialty Tax Estimated Payment form.

18. Attached hereto as Confidential Exhibit 3 a recent Tax Status Letter of Good Standing from the Pennsylvania Department of Revenue to confirm that WGL Energy is current with all of its Pennsylvania tax obligations.

19. Enclosed herewith is an updated Parental Guarantee from AltaGas, Ltd., reflecting a guarantee amount that is equal to WGL' Energy's updated 5% of gross receipts as

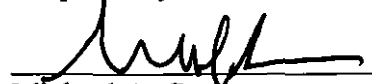
reflected in Confidential Exhibit 1.

20. The parental guarantee of AltaGas Ltd. fully complies with the July 24, 2014 Final Order in the Commission's Public Utility Commission Bonding/Security Requirements for Electric Generation Suppliers - Acceptable Security Instruments proceeding at Docket No. M-2013-2393141. Furthermore, the Guarantee and accompanying Chief Financial Officer Letter are provided in the form approved by the Commission's Law Bureau.

21. Copies of this filing are being served on the Bureau of Technical Utility Services, the Office of Consumer Advocate, Office of Small Business Advocate, Bureau of Investigation and Enforcement, PA Department of Revenue, Office of Attorney General Bureau of Consumer Protection and all of the EDCs in Pennsylvania in whose territories WGL Energy is licensed to operate.

Dated: July 31, 2019

Respectfully Submitted




Michael A. Gruin
PA I.D. 78625
STEVENS & LEE, P.C.
17 N. 2nd St., 16th Floor
Harrisburg, PA 17101
(717) 255-7365
mag@stevenslee.com
Counsel for WGL Energy Services, Inc.

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

WGL Energy Services, Inc. : Docket No. A-110158
Continued Reduction in Security :
Amount and Continued Use of :
Parental Guarantee to Satisfy its :
Security Requirement :

VERIFICATION

I, Bernice K McIntyre, holding the title of Regulatory Strategy Director, WGL Business Development and Non-Utility Operations verify that the statements made in the foregoing filing are true and correct to the best of my knowledge, information and belief. I understand that false statements herein are made subject to the penalties of 18 Pa. C.S. §4904, relating to unsworn falsifications to authorities.


Bernice K. McIntyre

7-30-2019
Date

RECEIVED

JUL 31 2019

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

WGL Energy Services, Inc. : Docket No. A-110158
Continued Reduction in Security :
Amount and Continued Use of :
Parental Guarantee to Satisfy its :
Security Requirement :

I hereby certify that on this 31st day of July, 2019 copies of the foregoing filing have been served upon the persons listed below via First Class U.S. Mail in accordance with the requirements of 52 Pa. Code Sections 1.54 and 1.55.

Tanya McCloskey, Esq. Office of Consumer Advocate 555 Walnut Street Forum Place, 5th Floor Harrisburg, PA 17101-1921	John Evans Office of Small Business Advocate Commerce Building, Suite 202 300 North Second Street Harrisburg, PA 17101
Office of Attorney General Bureau of Consumer Protection Strawberry Square, 14th Floor Harrisburg, PA 17120	Commonwealth of Pennsylvania Department of Revenue Bureau of Compliance P.O. Box 280946 Harrisburg, PA 17128-0946
Bureau of Investigation and Enforcement Pennsylvania Public Utility Commission Commonwealth Keystone Building 400 North Street, 2nd Floor, F West Harrisburg, PA 17120	Legal Department Attn: Paul Russell PPL Two North Ninth Street Allentown, PA 18108-1179
Bureau of Technical Utility Services Pennsylvania Public Utility Commission 400 North Street Harrisburg, PA 17120	Manager Energy Acquisition Legal Department PECO Energy Company 2301 Market Street Philadelphia, PA 19101-8699
Legal Department First Energy 2800 Pottsville Pike Reading PA, 19612	Wellsboro Electric Company Attn: EGS Coordination 33 Austin Street P. O. Box 138 Wellsboro, PA 16901
Regulatory Affairs Duquesne Light Company 411 Seventh Street, MD 16-4 Pittsburgh, PA 15219	UGI Utilities, Inc. Attn: Rates Dept. – Choice Coordinator 2525 N. 12th Street, Suite 360 Reading, Pa 19612-2677

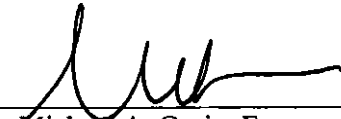
PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

JUL 31 2019

RECEIVED

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

DATE: July 31, 2019



Michael A. Guin, Esq.

RECEIVED
2019 JUL 31 PM12:38
PA PUC
SECRETARY'S BUREAU
FRONT DESK