

100 Pine Street • PO Box 1166 • Harrisburg, PA 17108-1166 Tel: 717.232.8000 • Fax: 717.237.5300 Vasiliki Karandrikas Direct Dial: 717.237.5274 Direct Fax: 717.260.1707 vkarandrikas@mcneeslaw.com

December 5, 2019

Rosemary Chiavetta, Secretary Pennsylvania Public Utility Commission Commonwealth Keystone Building 400 North Street, 2<sup>nd</sup> Floor Harrisburg, PA 17120 VIA HAND DELIVERS

# Re: Employers' Energy Alliance of Pennsylvania, Inc.; Docket No. A-2019-3007449 Notice of EGS Application Update Regarding Bonding EXPEDITED ACTION REQUESTED

Dear Secretary Chiavetta,

Section 54.34(a) of the Pennsylvania Public Utility Commission's ("PUC" or "Commission") Regulations<sup>1</sup> requires electric generation suppliers ("EGSs") to notify the Commission of certain material changes in the information provided in the EGS's application during the pendency of the application, or while the licensee is operating in the Commonwealth of Pennsylvania. In compliance with this requirement, and pursuant to the Commission's Bureau of Technical Utility Services' ("TUS") direction, this correspondence provides notice regarding an upcoming change to the agent/broker of record for Employers' Energy Alliance of Pennsylvania, Inc.'s ("EEA-PA"), Continuous Fidelity Bond. In addition, and out of an abundance of caution, EEA-PA requests expedited Commission guidance on whether EEA-PA must either submit an amendment to its existing bond or post a new bond to reflect the change in its agent/broker of record. For the reasons discussed below, EEA-PA respectfully requests Commission guidance on or before December 16, 2019.

### Notice of Change in Agent/Broker

On December 26, 2018, as amended and updated on January 11, 2019, and February 22, 2019, EEA-PA filed with the Commission an Application for Approval to Offer, Render, Furnish, or Supply Electricity or Electric Generation Services as a Broker to the Public in the Commonwealth of Pennsylvania ("EGS Application" or "Application"). In response to Section 7.a. (Bonding), EEA-PA provided a Confidential Continuous Fidelity Bond.<sup>2</sup> A copy of this document is attached to this Notice as <u>Confidential Attachment A</u> (Continuous Fidelity Bond). <u>Confidential Attachment A</u> is being provided under seal to the Commission only.

<sup>&</sup>lt;sup>1</sup> 52 Pa. Code § 54.34 (2019).

<sup>&</sup>lt;sup>2</sup> EGS Application at 12.

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On March 28, 2019, the Commission approved EEA-PA's EGS Application.<sup>3</sup>

On November 15, 2019, the current agent/broker of record for EEA-PA's Continuous Fidelity Bond, USI Insurance Services LLC ("USI"), informed EEA-PA that it will no longer act as EEA-PA's agent/broker of record, effective December 30, 2019. A copy of this document is attached to this Notice as <u>Confidential Attachment B</u> (USI November 15, 2019, Notice). <u>Confidential Attachment B</u> is being provided under seal to the Commission only.

Following receipt of USI's notice, EEA-PA identified a different broker/agent that is willing to continue the current policy on behalf of EEA-PA. The Commission's regulations governing financial assurance requirements do not address this scenario.

### Request for Expedited Commission Guidance

As previously stated, USI is currently the agent/broker of record for EEA-PA's Continuous Fidelity Bond on file with the Commission. The Continuous Fidelity Bond includes the signature of a USI representative as the Attorney-in-Fact. Because USI will no longer be EEA-PA's broker/agent of record as of December 30, 2019, and because the USI representative appears as the Attorney-in-Fact on EEA-PA's Continuous Fidelity Bond, EEA-PA seeks Commission guidance regarding whether it is necessary to file a new bond or amend its current bond to reflect the change in EEA-PA's broker/agent of record. Accordingly, EEA-PA respectfully requests Commission action on or before December 16, 2019. Expedited PUC action is necessary to ensure that EEA-PA has sufficient time to move its policy to a new agent/broker of record without an interruption in coverage, particularly in light of the intervening holidays, and that EEA-PA remains compliant with the Commission's financial assurance requirements for EGSs.

### **Request for Confidential Treatment**

EEA-PA respectfully requests that the Commission grant CONFIDENTIAL treatment of the documents found at Attachments A and B. EEA-PA believes this information is of a proprietary or confidential nature because it may reveal non-public financial information or other information that is commercially sensitive and whose release may be injurious to EEA-PA's competitive position. To this end, the propriety and confidential information set forth in Attachments A and B is so designated by being labeled "CONFIDENTIAL" and is being provided under protective seal to the Commission only. For these reasons, EEA-PA requests that the Commission treat these documents as confidential and prevent public disclosure in accordance with the Commission's procedures. Any party desiring access to the foregoing documents can contact the undersigned counsel with such a request.

<sup>&</sup>lt;sup>3</sup> Order, Application of EMPLOYERS' ENERGY ALLIANCE OF PENNSYLVANIA, INC. for Approval to Offer, Render, Furnish or Supply Electricity or Electric Generation Services as a Broker/Marketer, Docket No. A-2019-3007149 (Mar. 28, 2019).

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As evidenced by the attached Certificate of Service, copies of this filing are being duly served on the appropriate parties. Please contact the undersigned if you have any questions regarding this filing. In addition, please date stamp the enclosed extra copy of this filing, and kindly return it to our messenger for our filing purposes. Thank you.

Very truly yours,

McNEES WALLACE & NURICK LLC

By Var Whn Kurnen Mar Vasiliki Karandrikas (PA I.D. No. 89711)

Counsel to Employers' Energy Alliance of Pennsylvania, Inc.

Attachments

c: Certificate of Service (without confidential attachments) Stephen Jakab, Bureau of Technical Utility Services (via E-Mail)

> 2019 DEC -S AM 10: 18 PA P.U.C. SECRETARY'S BUREAU

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#### **CERTIFICATE OF SERVICE**

On this 5<sup>th</sup> day of December 2019, I certify that a true and correct copy of the foregoing Notice and all <u>NON-CONFIDENTIAL</u> attachments have been served, as either a hardcopy or a searchable PDF version on a CD-ROM, upon the following:

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 1<sup>st</sup> Floor, Forum Place 555 Walnut Street 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, MD 16-4 Pittsburgh, PA 15219

Legal Department First Energy 2800 Pottsville Pike Reading, PA 19612 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 19101-8699

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. 12th Street, Suite 360 Post Office Box 12677 Reading, PA 19612-2677

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Citizens' Electric Company Attn: EGS Coordination 1775 Industrial Boulevard Lewisburg, PA 17837 Wellsboro Electric Company Attn: EGS Coordination 33 Austin Street P. O. Box 138 Wellsboro, PA 16901

Vas M.M. Kuron Mices-Vasiliki Karandrikas

Counsel to Employers' Energy Alliance of Pennsylvania, Inc.

Dated this 5<sup>th</sup> day of December, 2019, in Harrisburg, Pennsylvania.

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100 Pine Street • PO Box 1166 • Harrisburg, PA 17108-1166

# VIA HAND DELIVERY

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

Employers' Energy Alliance of Pennsylvania, Inc.; Notice of EGS Application Update Regarding Bonding EXPEDITED ACTION REQUESTED

> Docket No. A-2019-3007149

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