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|  | **PENNSYLVANIA**  **PUBLIC UTILITY COMMISSION**  **Harrisburg, PA 17120** |  |
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|  | Public Meeting held October 8, 2020 |
| Commissioners Present: |  |

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| Gladys Brown Dutrieuille, Chairman | |
| David W. Sweet, Vice Chairman  John F. Coleman, Jr.  Ralph V. Yanora | |
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| Application of Bounce Energy, Inc. for  Approval to Offer, Render, Furnish, or Supply Electricity or Electric Generation Services as a Broker/Marketer | Docket Number:  A-2020-3020380 |

# ORDER

**BY THE COMMISSION:**

On June 15, 2020, the Commission accepted Bounce Energy, Inc.’s (Bounce Energy), Utility Code 1123219, application to provide electric generation supplier (EGS) services as a broker/marketer in all of the electric distribution company service territories throughout the Commonwealth of Pennsylvania. The application was filed pursuant to the Commission’s regulations at 52 Pa. Code §§ 54.31-54.43, which became effective on August 8, 1998, and which were established under Section 2809 of the Public Utility Code, 66 Pa. C.S. § 2809. For the reasons expressed in this Order, the Commission approves the application consistent with this Order.

Section 2809 provides in pertinent part that:

License Requirement.--No person or corporation, including municipal corporations which choose to provide service outside their municipal limits except to the extent provided prior to the effective date of this chapter, brokers and marketers, aggregators and other entities, shall engage in the business of an electric generation supplier in this Commonwealth unless the person or corporation holds a license issued by the Commission.

66 Pa. C.S. § 2809.

An electric generation supplier is defined as:

A person or corporation, including municipal corporations which choose to provide service outside their municipal limits except to the extent provided prior to the effective date of this chapter, brokers and marketers, aggregators or any other entities, that sells to end-use customers electricity or related services utilizing the jurisdictional transmission or distribution facilities of an electric distribution company, or that purchases, brokers, arranges or markets electricity or related services for sale to end-use customers utilizing the jurisdictional transmission and distribution facilities of an electric distribution company.

66 Pa. C.S. § 2803.

Bounce Energy is a foreign corporation, incorporated in the State of Delaware as of April 17, 2008, and registered to do business in the Commonwealth of Pennsylvania on April 7, 2020. Bounce Energy proposes to act as a broker/marketer of retail electric power to residential, small commercial (25 kW and under demand), large commercial (over 25 kW demand), industrial, and governmental customers. Bounce Energy has indicated that it will not be taking title to electric power, but it may be paying customers’ bills in its broker/marketer role. Because Bounce Energy may pay bills to the suppliers on behalf of its customers, the Commission has required that Bounce Energy provide a $250,000 financial security. Bounce Energy has already provided a bond in the amount of $250,000. Bounce Energy provides an optional service which entails paying customers’ entire utility bills as a payment agent if the customer requests this optional service. The action we take here today is to approve only the Company’s application to be licensed as a broker/marketer as prescribed by Title 66. In doing so, we also are setting the bond requirements for this licensee.

Regarding the financial and technical requirements of the license application, Bounce Energy has submitted two consecutive years of audited financial statements. Bounce Energy has also supplied its previous experience in the electric industry, an organizational chart, and extensive résumé data for its chief officers. We find that sufficient information has been provided by Bounce Energy to demonstrate its financial and technical fitness in order to be licensed as a broker/marketer of retail electric power in the Commonwealth of Pennsylvania.

Since Bounce Energy will be serving residential customers, it is important to note that a licensee must comply with, and be governed by, applicable Chapter 56 residential service regulations as set forth in the Commission Order *Guidelines for Maintaining Customer Service at the Same Level of Quality Pursuant to 66 Pa. C.S. § 2807(d), and Assuring Conformance with 52 Pa. Code Chapter 56 Pursuant to 66 Pa. C.S. § 2809(e) and (f)*, at Docket No. M‑00960890 F0011, Order entered July 11, 1997*.* Thus, we deem it appropriate to reiterate certain items with respect to Chapter 56 of our regulations. Chapter 56 (52 Pa Code Chapter 56) is applicable to residential accounts. An EGS cannot physically disconnect a residential customer from the electricity grid; therefore, the rules relating to residential service termination are not applicable to EGSs. An EGS may seek to terminate its generation service through an appropriate written notice to the customer and the distribution company. The residential customer can then attempt to repair their relationship with the supplier, seek a new supplier, or return to utility service at default service rates in accordance with the utility's obligations under Section 2807(e), 66 Pa. C.S. § 2807(e). The customer would only be disconnected from the electricity grid pursuant to appropriate regulations if the customer failed to meet its obligations to the utility or the EGS that has been designated by the Commission as the provider of last resort.

Additionally, we specifically note that the licensee must comply with, and ensure that its employees, agents, representatives and independent contractors comply with the standards of conduct and disclosure for licensees set out in Commission regulations at 52 Pa. Code § 54.43 that were enacted to protect consumers of this Commonwealth. These standards include, *inter alia,* the provision of timely and accurate information about the services offered by the licensee, the practice of nondiscrimination in service in regard to race, color, religion, national origin, marital status, etc., the safeguarding of a consumer’s personal information, and compliance with applicable state and federal consumer protection laws. We further note that the licensee and its agents must comply with the Commission’s sales and marketing regulations at 52 Pa. Code § 111.1, et seq. applicable to residential customers. Among other things, these regulations require the licensee and its agents to provide accurate information about products and services being offered and prohibit a licensee and its agents from engaging in misleading or deceptive conduct and from making false or misleading representations. Also, we take this opportunity to remind the licensee of its agreement to abide by, and to ensure that its employees, representatives, agents and independent contractors abide by all applicable federal and state laws, and Commission regulations, procedures and orders, including Emergency Orders, which may be issued verbally or in writing during any emergency situations that may unexpectedly develop from time to time in the course of doing business in Pennsylvania.

To maintain clarity regarding licensed offerings, Bounce Energy is directed to maintain a separate contract for PUC-licensed services with each customer who has contracted with Bounce Energy for additional services which are not licensed by this Commission.

Bounce Energy has provided proofs of publication in the Pennsylvania newspapers and proofs of service to the interested parties as required by the Commission. As of September 29, 2020, no protests have been filed.

We find that the applicant:

1. Is fit, willing, and able to properly perform the service proposed in conformance with applicable provisions of the Public Utility Code and lawful Commission orders and regulations.
2. Has agreed to lawfully abide by all Commission regulations, procedures and orders, including Emergency Orders, which may be issued verbally or in writing during any emergency situations that may unexpectedly develop from time to time in the course of doing business in Pennsylvania.
3. That the proposed service, to the extent authorized by the license, will be consistent with the public interest and the policy declared in the Electricity Generation Customer Choice and Competition Act.

Upon full consideration of all matters of record, we find that approval of this application is necessary and proper for the service, accommodation, and convenience of the public; **THEREFORE,**

**IT IS ORDERED:**

1. That the application of Bounce Energy, Inc. is hereby approved, consistent with this Order.

2. That a license be issued authorizing Bounce Energy, Inc. the right to begin to offer, render, furnish or supply electricity or electric generation services as a broker/marketer to residential, small commercial (25 kW and under demand), large commercial (over 25 kW demand), industrial, and governmental customers in all of the electric distribution company service territories throughout the Commonwealth of Pennsylvania.

1. That Bounce Energy, Inc., shall provide for each customer a contract for PUC-licensed services that is separate and apart from contracts entered into with customers for services not licensed by this Commission.
2. That this proceeding at Docket No. A‑2020-3020380 be closed.

**** **BY THE COMMISSION,**

Rosemary Chiavetta

Secretary

(SEAL)

ORDER ADOPTED: October 8, 2020

ORDER ENTERED: October 8, 2020