

May 14, 2021

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

RE: Liberty Power Holdings, LLC (A-110175), a licensed Pennsylvania Electric Generation Supplier

Dear Ms. Chiavetta,

On April 21, 2021, Liberty Power Holdings, LLC (“LPH”), an Electric Generation Supplier in the Commonwealth of Pennsylvania, filed a voluntary petition for 11 U.S.C. Chapter 11 reorganization in the United States Bankruptcy Court for the Southern District of Florida, case number 21-13797-SMG (“Reorganization”). Therefore, pursuant to 52 Pa Code § 54.34, LPH hereby provides important information concerning its Pennsylvania operations.

LPH commenced the Reorganization in large part because of the widely reported extreme weather event in Texas last February and March. The event caused a sudden and dramatic spike in wholesale energy and ancillary prices, which LPH was obligated to pay in order to continue service uninterrupted to its Electric Reliability Council of Texas (“ERCOT”) customers. Prior to the event, LPH was on a decidedly positive financial trajectory, with consecutive quarters of EBITDA growth. But the extraordinary circumstances fundamentally disrupted this trajectory for LPH and the wider electric supply chain. Indeed, LPH joined a petition by the Coalition of Competitive Retail Electric Providers to the Public Utility Commission of Texas (“PUCT”) requesting emergency relief. This petition, along with one filed independently by LPH, remains pending with PUCT.

Full recovery from the Texas event will be a prolonged process; however, LPH feels well prepared for the challenge. Since commencing the Reorganization, LPH has secured a commitment for debtor-in-possession (“DIP”) financing in the amount of \$40 million. This financing, which was approved on an interim basis by the Bankruptcy Court on May 6, will supplement LPH’s cash presently on hand and expected to be generated from its ongoing operations. The net result will be an even firmer financial position for LPH than before the Texas event. The DIP financing process also requires that LPH commence and implement a sale process to maximize value. In the meantime, however, LPH will continue to provide its competitive products, services, and pricing and honor its customary commitments to vendors and suppliers for goods and services rendered on or after the Reorganization commencement date.

The Reorganization has not reduced LPH's technical nor managerial competency. LPH has contracted with almost all the former employees of its parent company, Liberty Power Corp LLC ("LPC"), to continue their job functions. These employees include the leaders of customer service, operations, finance, law, and regulatory compliance. Services have not been impacted, as LPH still provides quality, reliable service to over 330,000 retail customer equivalents in fourteen states and the District of Columbia. These conditions are not expected to change.

If you have any further questions, please do not hesitate to contact me.

Sincerely,

Stephen Gibelli

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