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September 20, 2021

VIA E-FILING (PUBLIC VERSION) AND OVERNIGHT DELIVERY (CONFIDENTIAL VERSION)

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

Re: Just Energy Solutions Inc., d/b/a Just Energy, Request for Renewal of a Reduction

in Level of Security, Docket No. A-110117

Utility Code: 110117

Dear Secretary Chiavetta:

Enclosed is the Compliance Filing of Just Energy Solutions Inc. ("JES"), a licensed energy generation supplier ("EGS"), to obtain renewal of its reduced 5% security requirement. This is a renewal of JES's previously granted security reduction, therefore no filing fee is enclosed.

The Compliance Filing includes commercially valuable and sensitive information for which JES requests confidential treatment. Accordingly, enclosed is a version of the Compliance Filing marked "Public Version" for inclusion in the public record, and a version of the Compliance Filing marked "Confidential Version". JES respectfully requests that the Confidential Version of its Compliance Filing be maintained by the Pennsylvania Public Utility Commission under seal.

Please note that we are filing the public version electronically on the Commission's website and the confidential version is being filed by overnight delivery.

Copies of the Public Version of JES's Compliance Filing have been served on each of the statutory parties, the Commission's Bureau of Technical Utility Services, the Commonwealth of Pennsylvania's Department of Revenue, the Office of Attorney General's Bureau of Consumer Protection and all affected Pennsylvania electric distribution companies, as indicated in the attached Certificate of Service.

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Please contact the undersigned if you have any questions regarding this filing. Thank you for your attention to this matter.

Very truly yours,

John F. Povilaitis

JFP/tlg Enclosures

cc: Certificate of Service

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Just Energy Solutions, Inc. d/b/a : Docket No. A-110117
Just Energy Request for Renewal of a : Utility Code: 110117

Reduction in Level of Security :

JUST ENERGY SOLUTIONS INC. COMPLIANCE FILING

I. Introduction

- 1. Just Energy Solutions Inc. ("JES" or "Company") is an electric generation supplier ("EGS") authorized by the Pennsylvania Public Utility Commission ("PaPUC" or "Commission") to provide electric generation supplier services to residential, small commercial, large commercial, industrial and governmental customers in the electric distribution company service territories within the Commonwealth of Pennsylvania. JES received its initial license to operate as an EGS by order of September 15, 1999 at Docket No. A-110117. As a licensed EGS, Just Energy is subject to the Commission's authority to require it to furnish a bond or other security in order to operate in the Commonwealth of Pennsylvania, pursuant to Section 2809(c) of the Public Utility Code ("Code") and Section 54.40 of the Commission's regulations. 66 Pa.C.S. §2809(c); 52 Pa.Code §54.40.
- 2. Section 54.40(d) of the Commission's regulations requires EGSs to provide a security level of 10% of the licensee's reported gross receipts. However, a licensee may seek approval from the Commission of an alternative level of bonding, commensurate with the nature and scope of its operations. 52 Pa.Code §54.40(d). According to the Commission's regulations, the purpose of the bond is to ensure payment of the Pennsylvania Gross Receipts Tax ("GRT") and to ensure the supply of electricity at the retail level in accordance with contracts, agreements or arrangements. 52 Pa.Code §54.40(f)(2). On July 24, 2014, after consideration of formal

comments submitted to a December 5, 2013 Tentative Order, the Commission found that requiring an EGS to post a bond or security in the amount of 10% of gross receipts after the first year of operation "may be excessive in relation to the risk intended to be secured, unnecessarily burdening EGSs, and presenting a potential barrier to entry into Pennsylvania's retail electric market." Therefore the Commission announced in the July 24, 2014 Order that it was adopting the policy of accepting applications by EGSs to reduce their level of bonding/security after the first year of operation to 5% of the EGS's most recent 12 months of gross revenue or \$250,000, whichever is higher. In addition, the July 24, 2014 Order delegated authority to review uncontested requests for a reduction in the level of bonding to the Bureau of Technical Utility Services.² In an Order entered September 20, 2018, the Commission streamlined the process for EGSs to obtain reductions in their annual security obligations and permitted, *inter alia*, the filing of a Compliance Filing for renewal of security rather than a formal Petition.³

- 3. Based on the July 24, 2014 Order, the September 20, 2018 Order, the Code, the Commission's regulation at Section 54.40(d) and the following supporting material, JES respectfully requests that the Commission accept a reduced security requirement of 5% of its most recent 12 months of gross revenue.
- By Secretarial Letter Dated October 12, 2017 at Docket No. A-2010-2192137, 4. Utility Code: 1112538, the Commission approved JES's September 6, 2017 Petition for a security reduction, effective to December 9, 2018. This approval synchronized the Company's twelve (2) month security reduction period with its annual security renewal period. JES respectfully requests

¹ Public Utility Commission Bonding/Security Requirements for Electric Generation Suppliers; Acceptable Security Instruments, Docket No. M-2013-2393141 (July 24, 2014) ("July 24, 2014 Order") at 10.

² July 24, 2014 Order at 12-13.

³ Petition of the Retail Energy Supply Association to Simplify the Financial Security 5% Renewal Process, Docket No. P-2017-2608078 (Oder Entered September 20, 2018) at 17-20.

that the Commission set its new bond reduction renewal date as December 9, 2022 for it and its two other affiliates - Hudson Energy Services, LLC. ("Hudson"), Docket No. A-2010-2192137, and Just Energy Pennsylvania Corp ("JEPC"), Docket No. A-2009-2097544 (collectively, the "Companies"). Security reduction renewal requests are being separately filed for Hudson and JEPC requesting the same security reduction periods and annual security renewal dates in order to streamline the entire process for the Commission and the Companies.

II. Information Provided in Support of Security Compliance Filing

- 5. This Compliance Filing includes Confidential Attachments 1 through 4. Confidential Attachment 1 provides JES's gross revenues for the sale of electricity to retail customers in Pennsylvania for the most recent twelve (12) months.
- 6. Confidential Attachment 2 is a Tax Status Letter of Good Standing obtained by JES from the Pennsylvania Department of Revenue ("DOR").
- 7. Confidential Attachment 3 documents JES's full compliance with the requirements of the Alternative Energy Portfolio Standards ("AEPS") Act.
- 8. Confidential Attachment 4 is a Department of Revenue RCT-SPEC Specialty Tax Payment Form for JES.
- 9. Confidential Attachment 5 is proof that JES has paid its current Annual Assessment fee to the PaPUC for regulatory costs. Proof of payment of the Supplemental Assessment fee due October 10, 2021 will be submitted when available.
- 10. Based on the foregoing information, JES requests that its bonding requirement be maintained at 5% of its most recent twelve (12) months of gross revenue. This amount is reasonable and satisfies the requirements of Section 2809(c) of the Public Utility Code ("Code") and Section 54.40 of the Commission's regulations. 66 Pa.C. S. §2809(c); 52 Pa. Code §54.40.

An original security document will be submitted to the Commission when the final quarter of gross

revenues is available.

III. Relief Requested and Conclusion

11. Based on its standing as an EGS licensed to do business in Pennsylvania, the

Commission's regulations the July 24, 2014 Order and the September 18, 2020 Order, JES

respectfully requests that it be authorized to renew its security on file with the Commission to 5%

of its most recent twelve (12) months of revenue, effective for the twelve (12) month period to

December 9, 2021. JES will submit a new bond in this amount that also complies with the

Commission's bond requirements for EGSs listed in Section 55.40(f) of the Commission's

regulations. 52 Pa.Code §54.40(f).

Respectfully submitted,

Dated: September 20, 2021

Jóhn F. Povilaitis

Buchanan Ingersoll & Rooney PC

vilates.

409 North Second Street

Suite 500

Harrisburg, PA 17101

(717) 237-4825

Counsel for Just Energy Solutions Inc.

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Gross revenues for the sale of electricity to retail customers in Pennsylvania for the most recent nine (9) months

Letter of Good Standing

AEPS Compliance

RCT-SPEC Specialty Tax Payment Form

Proof of Payment - EGS Annual Fee

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Just Energy Solutions, Inc. d/b/a : Docket No. A-110117
Just Energy Request for Renewal of a : Utility Code: 110117

Reduction in Level of Security :

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the **public version** of the foregoing document upon the parties, listed below, in accordance with the requirements of § 1.54 (relating to service by a party).

Via First Class Mail

Office of Small Business Advocate

Forum Place

555 Walnut Street, 1st Floor

Harrisburg, PA 17101

Commonwealth of Pennsylvania
Department of Revenue
Bureau of Compliance
PO Box 280947

Harrisburg, PA 17128
Pennsylvania Public Utility Commission
Bureau of Investigation & Enforcement

Citizens' Electric Comp

PO Box 3265

Harrisburg, PA 17105-3265

Office of Attorney General Bureau of Consumer Protection 15th Floor, Strawberry Square Harrisburg, PA 17120

Bureau of Technical Utility Services Pennsylvania Public Utility Commission Commonwealth Keystone Building 3rd Floor

Harrisburg, PA 17105

Office of Consumer Advocate 555 Walnut Street 5th Floor, Forum Place Harrisburg, PA 17101 Citizens' Electric Company Attn: EGS Coordination 1775 Industrial Boulevard Lewisburg, PA 17837

Regulatory Affairs Duquesne Light Company 411 Seventh Street, MD 16-4 Pittsburgh, PA 5219

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

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

Office of General Counsel Attn: Kimberly Klock PPL Two North Ninth Street Allentown, PA 18108-1179

UGI Utilities, Inc. Attn: Rates Dept. – Choice Coordinator 2525 N. 12th Street, Suite 360 P.O. Box 12677 Reading, PA 19612-2677 Manager Energy Acquisition PECO Energy Company 2301 Market Street Philadelphia, PA 19101-8699

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

Dated this 20th day of September, 2021.

John F. Povilaitis