



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
COMMONWEALTH KEYSTONE BUILDING
400 NORTH STREET
HARRISBURG, PENNSYLVANIA 17120
April 20, 2023

Docket No. A-110098
Utility Code: 110098

JACQUELINE FLEMING
TALEN ENERGY MARKETING LLC
600 HAMILTON STREET STE 600
ALLENTOWN PA 18101

Re: Bonding/Security Reduction for Electric Generation Suppliers

Dear Ms. Fleming:

On February 15, 2023, Talen Energy Marketing LLC (Talen Energy) filed a 5% Annual Compliance Filing with the Commission for permission to maintain its Electric Generation Supplier financial security level of 5% of its most recent four quarters of revenue.

Talen Energy filed the 5% Annual Compliance Filing pursuant to the Commission's Order entered September 20, 2018, at Docket No. P-2017-2608078.

On May 10, 2022, Talen Energy filed notice with the Commission that it has undergone a material change in its organization under Chapter 11 of the United States Bankruptcy Code on May 9, 2022.

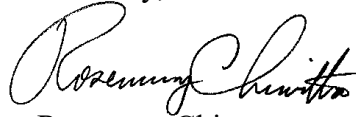
The financial security is designed "to ensure the financial responsibility of the electricity generation supplier and the supply of electricity at retail in accordance with contracts, agreements or arrangements¹." The Commission finds considerable uncertainty regarding Talen Energy's ability to fulfil its future annual obligations under Section 2809 due to its ongoing Bankruptcy Proceeding. In particular, we have concerns regarding Talen Energy's ability to fulfil its obligations related to gross receipts taxes, Alternate Energy Portfolio Standards (AEPS) and the Commission's Annual Fee levied on EGSs. The Commission has determined it is prudent to require Talen Energy to increase its current financial security level from 5% to 10% of its most recent four quarters of revenue because of these uncertainties.

Therefore, for the reasons stated above, Talen Energy's 5% Annual Compliance Filing is hereby **denied**.

¹ 66 Pa. C.S. Section 2809(c)(1)(i)

In accordance with 52 Pa. Code 5.44, this staff action will be deemed to be the final action of the Commission unless a petition of reconsideration is filed with the Secretary of the Commission within 20 days of the date on this notice.

Sincerely,

A handwritten signature in black ink, appearing to read "Rosemary Chiavetta". The signature is written in a cursive style with a large initial "R".

Rosemary Chiavetta
Secretary