



3625 Cumberland Boulevard SE, Suite 1500, Atlanta, GA 30339

May 2, 2024

VIA Electronic Filing

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

Re: Docket No.: A-2024-3047602; Gas South, LLC
Natural Gas Supplier License Application

Dear Secretary Chiavette,

Enclosed for filing please see the Public Version responses of Gas South, LLC (“Gas South”) to the staff Data Request issued on April 18, 2024, in the above-captioned matter. Gas South’s financial information under Section 7(b) and (c) are considered confidential and proprietary and therefore is being filed under seal.

Please contact me should you have any questions or concerns.

Sincerely,

/s/ Brad Nelson
Brad Nelson
Sr. Governmental Affairs Manager
Gas South, LLC
5001 Celebration Pointe, 2nd Flr, Suite
220 Gainesville, FL 32608
Regulatory@gassouth.com
Phone: (770) 763-4492

Enclosures

Cc: Lee Yalcin, PA PUC (via email)

Gas South, LLC
NGS License Application
Data Request Responses - Public Disclosure

Docket No. A-2024-3047602
Gas South, LLC
Data Request

1. Reference Application, Section 1.a., Identity of Applicant – Applicant failed to provide the applicant’s web address and telephone number. Please provide an updated Application page with the appropriate corrections.

RESPONSE: See updated application page attached, specifically section 1.a - reflecting Gas South, LLC’s website address and telephone number.

2. Reference Application, Section 4.c, Description of Proposed Services – The applicant stated the following: “Gas South, LLC plans to *serve large commercial, industrial, and governmental* end-users in the Commonwealth of Pennsylvania.” This information is not consistent with Section 4.e of the Application, where the applicant indicated that it is seeking to also serve small commercial customers, as well as residential and small commercial customers in a mixed meter capacity. Please submit updated pages of the Application that reference the same customer classes the applicant is seeking approval for licensing per section 4.e of the Application.

RESPONSE: See updated application page attached, specifically section 4.c – wherein Gas South, LLC provides further clarification on the classes of customers it intends to serve. As stated, Gas South, LLC’s primary focus in the Commonwealth of Pennsylvania will be serving large commercial, industrial, and governmental end-users of natural gas. However, there may be instances where the company may, at the request of the customer, serve a small commercial or a residential and small commercial customer in a mixed meter capacity, that is affiliated with a large commercial or industrial customer.

3. Reference Application, Section 4.d, Bonding Letters – Please note that bonding letters must list the company name as indicated in Section 1.a. of the Application, and in accordance with the type of licensing the applicant is seeking approval for in Section 4.b of the Application. The following items do not match the Application and will need corrected and submitted:
 - a. The bonding letter provided by PECO references the company as “Northeastern Gas South, LLC” and mentions the following: “Therefore, PECO has determined at this time that Gas South, LLC does not need a bond or other financial security requirement, since they are not directly engaging in business with PECO and only providing *brokering or consulting services* to PECO customers.”
 - b. The Bonding letter for Valley Energy mentions that Gas South, LLC is seeking to provide services in *gas aggregating, brokering, and consulting services*.

RESPONSE: See attached, updated bonding letters from PECO and Valley Energy, referencing the correct name of the applicant as well as the type of licensing the applicant is seeking

approval for in Section 4.b of the Application. Please note that, PECO understands that Gas South, LLC intends to act as a Supplier or Aggregator of natural gas services, and not a Broker or Marketer. Gas South, LLC has been advised by PECO, that the verbiage used in their bonding letter is general and allows for PECO to assess or determine creditworthiness of Gas South, LLC at any point in the future.

4. Reference Application, Section 7.b, Financial Fitness – Please provide three recent consecutive months of bank statements. Please provide financial statements and/or tax returns for year ending 2023, if the company filed for an extension please provide a copy of the extension.

RESPONSE: Gas South, LLC’s financial fitness information being requested under Section 7.b, is considered confidential and proprietary and therefore is being filed under seal.

5. Reference Application, Section 7.c, Supplier Funding Method – Please provide copies of the mentioned insurance coverage and credit agreements for all funding sources dedicated to Gas South, LLC.

RESPONSE: Gas South, LLC’s supplier funding method information being requested under Section 7.c, is considered confidential and proprietary and therefore is being filed under seal.

6. Reference Application, Section 8.a, Technical Fitness – Please provide a copy of each license for each state Gas South is approved to operate.

RESPONSE: Provided are weblinks to Gas South, LLC’s license approvals in Georgia, Virginia, and West Virginia.

Georgia PSC Docket No. 21109:

<https://services.psc.ga.gov/api/v1/External/Public/Get/Document/DownloadFile/88698/20726>

West Virginia Docket No. 21-0299-GP-GPC:

<https://www.psc.state.wv.us/scripts/WebDocket/ViewDocument.cfm?CaseActivityID=565890&NotType=WebDocket>

Virginia SCC Docket No. PUR-2024-00042:

<https://www.scc.virginia.gov/docketsearch/DOCS/7ysz01!.PDF>

c. **PROPOSED SERVICES:** Describe in detail the natural gas supply services which the Applicant proposes to offer.

Gas South, LLC is a full-service wholesale and retail supplier of natural gas, services include: capacity analysis, gas supply logistics, asset management, risk management, energy budgeting, scheduling, nominations, balancing, gas market analysis, billing, supply acquisition and delivery. The company's primary focus will be serving large commercial, industrial, and governmental end-users in the Commonwealth of Pennsylvania. However, there may be instances where the company may serve small commercial customers, as well as residential and small commercial customers in a mixed meter capacity, that are affiliated with a large commercial or industrial customer.

d. **PROPOSED SERVICE AREA:** Check the box of each Natural Gas Distribution Company for which the Applicant proposes to provide service.

- | | |
|---|---|
| <input type="checkbox"/> Columbia | <input type="checkbox"/> Philadelphia Gas Works |
| <input type="checkbox"/> National Fuel Gas | <input type="checkbox"/> UGI Utilities – Gas Division |
| <input type="checkbox"/> PECO | <input type="checkbox"/> Valley Energy |
| <input type="checkbox"/> Peoples Natural Gas Company - Peoples Natural Gas Division | |
| <input type="checkbox"/> Peoples Natural Gas Company - Peoples Gas Division | |
- All of the above

e. **CUSTOMERS:** Applicant proposes to provide services to:

- Residential Customers
- Small Commercial Customers - (Less than 6,000 Mcf annually)
- Large Commercial Customers - (6,000 Mcf or more annually)
- Industrial Customers
- Governmental Customers
- All of above
- Other (Describe):
- Residential and Small Commercial Customers in a Mixed Meter Capacity -
This customer class reflects situations in which a large commercial, industrial, and/or governmental customer account also contains features of residential and/or small commercial customers. In this instance, the residential and/or small commercial portion must be an incidental portion of the larger account. **This customer class alone does not allow marketing targeted directly to residential and/or small commercial customers.** Further information may be found in the Licensing Requirements Applicable to Mixed Meter Scenarios Secretarial Letters served March 25, 2011, and July 3, 2013, at Docket No. M-2009-2082042.

f. **START DATE:** Provide the approximate date the Applicant proposes to actively market within the Commonwealth.

Gas South, LLC does not have an approximate date as to when it proposes to actively market within the Commonwealth, however, the company anticipates marketing by Q4 2024 or Q1 2025.



VALLEY ENERGY

523 S. Keystone Avenue, P.O. Box 340, Sayre, PA 18840
800/998-4427 • 570/888-9664 • FAX 570/888-6199

May 1, 2024

VIA EMAIL

Brad Nelson,
Sr. Governmental Affairs Manager
Gas South, LLC
5001 Celebration Pointe, 2nd Floor, Suite 220
Gainesville, FL 32608
Brad.Nelson@gassouth.com

RE: Gas South, LLC

Dear Mr. Nelson:

We understand that Gas South LLC has applied with the Pennsylvania Public Utility Commission to supply natural gas services to the public in Pennsylvania, including our company's service area.

Pursuant to 66 Pa.C.S. § 2208(c), an applicant for a natural gas supplier license must furnish security to each utility where it will do business to ensure the supplier's financial responsibility. To this end, Valley Energy periodically will perform a credit review and analysis of Gas South when it begins to serve customers on Valley Energy's system. Valley Energy will determine whether Gas South must post a security based on the credit review, the types of customers served, the volumes expected to be delivered for those customers and the other rules in Valley Energy's Supplier Tariff. At this time, no security is being requested; however, if the services provided change in the future, we reserve the right to require security from Gas South LLC. as deemed appropriate.

If you have any questions, please contact Jamie Beale at 570-888-9664 (Ext. 5232).

Sincerely,

Jamie Beale
Vice President/Treasurer

JB/km

cc: E. Rogers, Valley Energy



pecoSM

AN EXELON COMPANY

April 25, 2024

Brad Nelson
Gas South, LLC
3625 Cumberland Blvd
Atlanta, Ga. 30339

Re: Bonding Requirements

Dear Gas South, LLC:

PECO is aware that Gas South, LLC has applied for a license to provide brokering and consulting services to commercial and industrial customers on the distribution system of PECO.

In making such an application Gas South, LLC could be required to provide to PECO a bond or other acceptable financial security in an amount that PECO determines to be appropriate. Gas South, LLC, has indicated that it intends to provide only brokering and consulting services to commercial and industrial customers will not take title to any delivered natural gas; nor will accept any customer payments or deposits.

Therefore, PECO has determined at this time that Gas South, LLC does not need a bond or other financial security requirement, since they are not directly engaging in business with PECO and only providing brokering or consulting services to PECO customers. However, if the services provided by Gas South, LLC, or the creditworthiness requirement for PECO's exposure to Gas South, LLC changes in the future, PECO reserves the right to require Gas South, LLC to provide a bond or other financial security instrument.

If you should have any questions regarding this matter, please contact Wanda Rucker at Wanda.Rucker@exeloncorp.com.

Respectfully submitted,

Suzette Adams

Suzette Adams
Sr Manager, Gas Supply and Transportation
2301 Market Street
Philadelphia, PA 19103

