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July 29, 2024

VIA FEDERAL EXPRESS

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

RCVD PUC SEC BUR
JUL 29 2024 PM 2:49

**Re: WGL Energy Services, Inc. Annual Compliance Filing to Renew its Reduction in Security Amount and Continued Use of a Parental Guarantee
Docket No. A-110158**

Dear Secretary Chiavetta:

Enclosed for filing please find an original plus one copy of WGL Energy Services, Inc.'s Annual Compliance Filing to Renew its Reduction in Security Amount and Continued Use of a Parental Guarantee to Satisfy its Security Requirement. **Please note that Exhibits 1, 2, 3 and 4 to this filing and the updated Parental Guarantee contain Confidential information, and have been marked as such and provided in a separate envelope.** WGL Energy Services requests that the Exhibits be filed under Seal.

Non-confidential copies of this filing have been served in accordance with the attached Certificate of Service. Upon filing, please return a time-stamped copy of the filing to me in the enclosed self-addressed stamped envelope, and if you have questions, please do not hesitate to contact me.

Best Regards,

STEVENS & LEE



Michael A. Grun

Enc.
cc: Certificate of Service

Allentown • Bergen County • Bala Cynwyd • Cleveland • Fort Lauderdale • Harrisburg • Lancaster • New York
Philadelphia • Princeton • Reading • Rochester • Scranton • Valley Forge • Wilkes-Barre • Wilmington
A PROFESSIONAL CORPORATION

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

WGL Energy Services, Inc. : Docket No. A-110158
Continued Reduction in Security :
Amount and Continued Use of :
Parental Guarantee to Satisfy its :
Security Requirement :

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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

**WGL Energy Services, Inc.
Annual Compliance Filing To Renew its Reduction in Security Amount and
Continued Use of Parental Guarantee**

And Now, pursuant to 66 Pa.C.S.A. § 2809 (c)(1)(i) and the Order of the Pennsylvania Public Utility Commission ("Commission") published in the Pennsylvania Bulletin on October 6, 2018 in Docket No. P-2017-2608078, WGL Energy Services, Inc. ("WGL Energy") hereby makes its annual compliance filing in order to continue the reduction of its Electric Generation Supplier security requirement to 5% of annual gross receipts, and to permit the continued use of a Parental Guarantee to satisfy its Electric Generation Supplier security requirement. In support of this filing, WGL Energy states as follows:

1. WGL Energy has been licensed as an Electric Generation Supplier ("EGS") in Pennsylvania since 2002.
2. WGL Energy's license number is A-110158 and its utility code is 110158.
3. WGL Energy's contact information is set forth below:

WGL Energy Services, Inc.
Attn: Kevin Anderson
V.P. of Operations
8614 Westwood Center Dr. #1200
Vienna, VA 22182
703-287-9528
Kevin.Anderson@wglenergy.com

4. On December 8, 2015, WGL Energy filed a request to the Pennsylvania Public

Utility Commission (“Commission”) to change the form of its Electric Generation Supplier security from a bond to a parental guarantee.

5. By Secretarial Letter issued on January 11, 2016, the Commission approved WGL Energy’s request to utilize a parental guarantee instead of a bond to satisfy its Electric Generation Supplier security requirements, and required WGL Energy to annually renew its request to utilize a parental guarantee.

6. On October 5, 2017, WGL Energy submitted its first annual renewal request to continue utilizing a parental guarantee.

7. By Secretarial Letter issued on November 6, 2017, the Commission approved WGL Energy’s request to reduce its security amount from 10% to 5% of annual revenue, in accordance with the Commission’s Order entered on July 24, 2014 in Docket No. M-2013-2393141.

8. On October 16, 2018, WGL submitted its annual renewal request for the renewal of the 5% security amount and for the continued use of a parental guarantee to satisfy its security requirement for the forthcoming year.

9. By Secretarial Letter issued on November 19, 2018, the Commission approved WGL Energy’s renewal request.

10. WGL submitted its annual renewal request for the renewal of the 5% security amount and for the continued use of a parental guarantee to satisfy its security requirement for the forthcoming year, in 2019, 2020, 2021, 2022, and 2023 all of which were approved.

11. With this filing, WGL Energy hereby requests the further renewal of the reduced security amount and the continued use of a parental guarantee to satisfy its security requirement for the forthcoming year.

12. WGL Energy intends to continue to provide a guarantee from its ultimate corporate parent, AltaGas Ltd., to satisfy the security obligations of WGL Energy, which will be updated to reflect the appropriate guarantee amount based on the WGL Energy's most recent 12 months of revenues.

13. Since becoming licensed in Pennsylvania, WGL Energy has always met all of its financial and annual reporting obligations.

14. WGL Energy has no outstanding Pennsylvania Tax liabilities, and since becoming licensed WGL Energy has paid its Gross Receipts Tax obligations in full and in a timely manner.

15. WGL Energy also has no outstanding financial obligations to any of its customers, to any of the Electric Distribution Companies ("EDCs") in Pennsylvania or to PJM Interconnection, LLC ("PJM").

16. Attached hereto as **Confidential Exhibit 1** is a statement showing WGL Energy's gross revenues for sales of electricity to retail customers in Pennsylvania for the most months of July 2023 through June of 2024, and calculation of 5% gross receipts amount for its financial security.

17. Attached hereto as **Confidential Exhibit 2** is the transaction confirmation from the Pennsylvania Department of Revenue reflecting the March 2024 prepayment of WGL Energy's estimated Gross Receipts Tax obligation. This information was previously reflected in the Department of Revenue's Rev-423 form. The report formatting has changed since the implementation of the Department of Revenue new myPATH system as a replacement for the now retired e-TIDES system.

18. Attached hereto as **Confidential Exhibit 3** is a copy of WGL Energy's quarterly report of Gross Receipts for the second quarter of 2024.

19. Attached hereto as **Confidential Exhibit 4** is WGL a current account statement from the Pennsylvania Department of Revenue to confirm that WGL Energy is current with all of its Pennsylvania tax obligations.

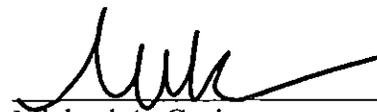
20. Enclosed herewith is an updated Parental Guarantee from AltaGas, Ltd., reflecting a guarantee amount that is equal to WGL' Energy's updated 5% of gross receipts. The Parental Guarantee has been marked as Confidential for filing under seal.

21. The parental guarantee of AltaGas Ltd. fully complies with the July 24, 2014 Final Order in the Commission's Public Utility Commission Bonding/Security Requirements for Electric Generation Suppliers - Acceptable Security Instruments proceeding at Docket No. M-2013-2393141. Furthermore, the Guarantee and accompanying Chief Financial Officer Letter are provided in the form approved by the Commission's Law Bureau.

22. Copies of this filing are being served on the Bureau of Technical Utility Services, the Office of Consumer Advocate, Office of Small Business Advocate, Bureau of Investigation and Enforcement, PA Department of Revenue, Office of Attorney General Bureau of Consumer Protection and all of the EDCs in Pennsylvania in whose territories WGL Energy is licensed to operate.

Respectfully Submitted

Dated: July 29, 2024



Michael A. Guin
PA I.D. 78625
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Counsel for WGL Energy Services, Inc.

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VERIFICATION

I, Kevin Anderson, holding the title of Vice-President of Operations verify that the statements made in the foregoing filing are true and correct to the best of my knowledge, information and belief. I understand that false statements herein are made subject to the penalties of 18 Pa. C.S. §4904, relating to unsworn falsifications to authorities.



Name: Kevin Anderson

7/12/24

Date:

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I hereby certify that on this 29th day of July 2024 copies of the foregoing filing have been served upon the persons listed below via First Class U.S. Mail in accordance with the requirements of 52 Pa. Code Sections 1.54 and 1.55.

Office of Consumer Advocate
555 Walnut Street
Forum Place, 5th Floor
Harrisburg, PA 17101-1921

Office of Small Business Advocate
555 Walnut Street
Forum Place, 1st Floor
Harrisburg, PA 17101-1921

Office of Attorney General
Bureau of Consumer Protection
Strawberry Square, 14th Floor
Harrisburg, PA 17120

Commonwealth of Pennsylvania
Department of Revenue
Bureau of Compliance
P.O. Box 280946
Harrisburg, PA 17128-0946

Bureau of Investigation and Enforcement
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor, F West
Harrisburg, PA 17120

Legal Department
Attn: Kimberly A. Klock
PPL
Two North Ninth Street
Allentown, PA 18108-1179

Bureau of Technical Utility Services
Pennsylvania Public Utility Commission
400 North Street
Harrisburg, PA 17120

Manager Energy Acquisition
Legal Department
PECO Energy Company
2301 Market Street
Philadelphia, PA 19101-8699

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

Regulatory Affairs
Duquesne Light Company
411 Seventh Street, MD 16-4
Pittsburgh, PA 15219

UGI Utilities, Inc.
Attn: Rates Dept. – Choice Coordinator
2525 N. 12th Street, Suite 360
Reading, Pa 19612-2677

Citizens' Electric Company

Pike County Light & Power Company

Attn: EGS Coordination
1775 Industrial Boulevard
Lewisburg, PA 17837

c/o Corning Natural Gas Holding Corporation
Attn: Vice President- Energy Supply
330 West William Street
Corning, NY 14830

DATE: July 29, 2024



Michael A. Gruin, Esq.

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