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April 20, 2010

### VIA FEDERAL EXPRESS

James J. McNulty, Secretary Pennsylvania Public Utility Commission Keystone Building, 2nd Floor Room N201 P. O. Box 3265 Harrisburg, PA 17105-3265 RECEIVED

APR 2 0 2010

PA PUBLIC UTILITY COMMISSION SECRETARY'S BUREAU

Re: BTU ENERGY, LLC

Docket No. A-2010-2159567

**ELECTRIC GENERATION SUPPLIER LICENSE** 

Dear Mr. McNulty:

Enclosed are the responses to the April 15, 2010 information requests of the Commission's Energy Industry Group. A copy of this letter and attachments has been provided today via electronic mail to Ms. Marissa Boyle.

Please do not hesitate to contact me should you have any questions.

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Sincerely,

Nancy A

NAW/jeh

cc: M. Boyle (via electronic mail)

Enclosures

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PA PUBLIC UTILITY COMMISSION SECRETARY'S BUREAU

Request No. 1:

Please provide a description of BTU Energy, LLC's business model.

Response:

Bu Energy, LLC is a retail energy sales and marketing organization. The company has two main focus areas, heating oil deliveries and door to door (D2D) energy contract marketing.

Docket No. A-2010-2159567

BTU Energy LLC Responses to Requests Dated April 15, 2010

The heating oil area includes BTU Energy's sales and delivery of heating oil to residential and small commercial clients. In addition, BTU Energy provides common carrier services to other energy providers. This common carrier service involves delivering fuel that customers have purchased from third parties. As a result, the common carrier services provided by BTU Energy are transactions that do not involve BTU Energy taking title to the fuel.

BTU Energy's door to door sales effort focuses on marketing energy contracts on behalf of third party suppliers of natural gas and electricity such as, for example, Direct Energy. In these efforts, BTU Energy acts as a liason between the energy suppliers and residential and small commercial consumers. BTU Energy provides consumers information about what products and services may be available from the energy suppliers that have engaged BTU Energy and, in turn, BTU Energy provides those suppliers an additional means for marketing their product in a cost effective manner.

BTU Energy's D2D door marketing activities do not result in BTU being involved in the actual supply transaction that ultimately may be concluded between the energy supplier and the consumer. Any energy supply contracts that are entered into as a result of BTU Energy's marketing efforts will be contracts directly between the energy supplier and the consumer. All

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financial transactions with respect to the energy supplier's sales and deliveries of energy to the consumer are between that energy supplier and that consumer. Thus, BTU Energy never has occasion to take title to any energy, it does not bill any consumer, nor does it collect any funds from any consumers.

BTU Energy's D2D revenues are generated entirely by fees that it charges the energy suppliers for providing the door to door marketing services with respect to the energy suppliers' products.

# Request No. 2:

How will BTU Energy LLC keep its EGS Broker services separate from its fuel oil sales? Response:

The management of BTU Energy has segregated its business management and accounting for its fuel oil business and its D2D business. In addition, each line of business has separate operating personnel. The only shared personnel for the two lines of business are at the executive level.

## Verification:

I, Mark Schroeder, hereby state that the facts above set forth are true and correct to the best of my knowledge, information and belief, and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).

Mark Schroeder BTU Energy LLC

April 19, 2010

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