



Constellation.

An Exelon Company

20 N Wacker Drive
Suite 2100
Chicago, IL 60606
www.constellation.com

March 29, 2021

REDACTED

Pennsylvania Public Utility Commission
Attn: Rosemary Chiavetta, Secretary
Commonwealth Keystone Building
2nd Floor, Room-N201
400 North Street
Harrisburg, PA 17120

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MAR 29 2021

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

**RE: Constellation NewEnergy, Inc.
License Number A-110036**

Dear Ms. Chiavetta:

Enclosed please find Constellation NewEnergy, Inc.'s annual letter from the Chief Financial Officer as required per the Parental Guarantee. We have also enclosed a copy of the Parental Guarantee and its amendments, which we consider confidential.

Please do not hesitate to contact me with any questions regarding this information. My telephone number is 312-681-1855 and email address is amy.klaviter@constellation.com.

Sincerely,

Amy Klaviter
Senior Analyst, Legal Compliance

Enclosures



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MAR 29 2021

March 24, 2021

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

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

Dear Ms. Chiavetta:

I am the Senior Vice President and Chief Financial Officer of Exelon Generation Company, LLC, a limited liability company, hereinafter referred to as "guarantor." This letter is in support of the guarantee for the guarantor's subsidiary, Constellation NewEnergy, Inc. of 1310 Point Street, Baltimore MD 21231, and is made as the annual affidavit filing as required in provision 7 of the guarantee.

I possess the requisite authority to bind the guarantor to the guarantee being provided, to acknowledge that the attached corporate guarantee is an ongoing, continuing and binding obligation of the guarantor, and to certify the contents of this letter.

The attached guarantee is being made pursuant to the guarantor's processes and procedures for issuing a parent guarantee. This process includes the performance of a risk analysis and review by the guarantor's legal and treasury departments.

Through this letter, I, on behalf of the guarantor, certify that as of the date of this letter, the guarantor has the following long-term bond ratings: BBB- by Standard & Poors, and Baa2 by Moody's Investors' Services, and BBB by Fitch IBCA.

Through this letter, I, on behalf of the guarantor, certify that Exelon Generation Company, LLC maintains an investment grade long-term bond rating from at least two of the following rating agencies – Standard & Poors, Moody's Investors' Services, and Fitch IBCA – where investment grade long-term bond rating is defined as:

Standard & Poors	BBB- or higher
Moody's Investors' Services	Baa3 or higher
Fitch IBCA	BBB- or higher

Please note that Exelon Generation Company, LLC is no longer rated by Duff and Phelps Credit Rating Company. Through this letter, I, on behalf of the guarantor, certify that I will notify the Pennsylvania Public Utility Commission within 10 calendar days anytime that the guarantor's long-term bond rating from any of the rating agencies listed above falls below investment grade or if the guarantor is named as debtor in a voluntary or involuntary proceeding under Title 11 (Bankruptcy), U.S. Code.

I hereby certify that all representations contained in this letter and in the attached parent guarantee are, to the best of my knowledge, true, complete and accurate. This letter and attached parent guarantee constitute a binding and continuing obligation of the guarantor, Exelon Generation Company, LLC, and are enforceable in accordance with the laws of the state of Pennsylvania and the terms of the guarantee.

Exelon Generation Company, LLC

By: Bryan S Wright

Name: Bryan Wright

Title: Chief Financial Officer

Date: 3/24/21

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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

STATE OF Texas

CITY/COUNTY OF Harris

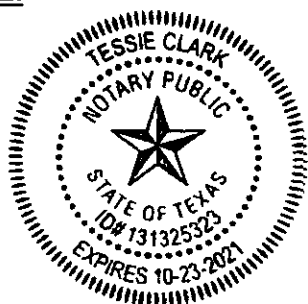
The forgoing document was acknowledged before me on the 24th day of March, 2021

Notary Name: Tessie M. Clark

Notary Signature: Tessie M. Clark

My Commission Expires: 10/23/2021

SEAL:



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Parent Company Guarantee

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Guarantee made this September 19, 2016, by Exelon Generation Company, LLC, a corporation organized under the laws of Pennsylvania, U.S.A., herein referred to as the "guarantor," to the Pennsylvania Public Utility Commission ("PUC"), beneficiary, on behalf of our subsidiary Constellation NewEnergy, Inc. of 100 Constellation Way, Suite 1200C, Baltimore, MD 21202.

WHEREAS, Constellation NewEnergy, Inc. may satisfy the financial security requirements for electric generation supplier ("EGS") licensing by relying upon a guarantor that meets the financial security requirements of the Public Utility Code, 66 Pa. C.S. 101, *et seq.* and the rules and regulations of the Pennsylvania Public Utility Commission.

WHEREAS, the guarantor has full authority and capacity to enter into this guarantee under its bylaws, articles of incorporation, and the laws of Pennsylvania.

NOW THEREFORE, in consideration of and in order to induce the Commission to grant Constellation NewEnergy, Inc.'s application for or amendment to a license to serve as an EGS in the Commonwealth of Pennsylvania pursuant to 66 Pa. C.S. 2809 and 52 Pa. Code 54.31-54.43, guarantor hereby covenants and agrees to the following provisions:

1. This guarantee is being issued to comply with the statutes and regulations of and orders issued by the PUC, an agency of the Commonwealth of Pennsylvania. This guarantee is being issued pursuant to Section 2809(c)(1)(i) of the Public Utility Code, 66 Pa. C.S. 2809(c)(1)(i), to ensure compliance with applicable provisions of the Public Utility Code, 66 Pa. C.S. 101, *et seq.* and the rules and regulations of the Pennsylvania Public Utility Commission by the Principal as a licensed electric generation supplier; to ensure the payment of Gross Receipts Tax as required by Section 2810 of the Public Utility Code, 66 Pa. C.S. 2810; to ensure the payment of annual fees as authorized by Act 155 of 2014; to adhere to the requirements of the Alternative Energy Portfolio Standards Act, 73 P.S. § 1648.1 *et seq.* and 52 Pa. Code 75.1 *et seq.*; and to ensure the supply of electricity at retail in accordance with contracts, agreements, or arrangements, including arrangements in the wholesale electricity market where electric generation suppliers purchase electricity and resell to customers in the Pennsylvania retail market.

2. This guarantee is issued to provide financial assurance in the penal sum of [REDACTED] lawful money of the United States of America, pursuant 66 Pa. C.S. 2809, 52 Pa. Code 54.40, and 73 P.S. 1648.1 *et seq.*

3. Exelon Generation Company, LLC is a limited liability company duly organized and validly existing under the law of Pennsylvania and has the power and authority to execute, deliver, and carry out the terms and provisions of this guarantee.

4. No authorization, approval, consent, or order of, for registration or filing with, any court or other governmental body having jurisdiction over guarantor is required on the part of guarantor for the execution and delivery of this guarantee.

5. The guarantor has an investment grade long-term bond rating from at least two of the four following rating agencies:

Standard & Poors	BBB- or higher
Moody's Investors' Services	Baa3 or higher
Fitch IBCA	BBB- or higher
Duff and Phelps Credit Rating Company	BBB- or higher.

6. For value received from Constellation NewEnergy, Inc., and pursuant to the guarantor's authority to enter into the guarantee, the guarantor guarantees to the PUC that, if the licensed EGS fails to pay the Gross Receipts Tax; to pay the annual fees; to adhere to the requirements of the Alternative Energy Portfolio Standards Act; or to deliver electricity at retail in accordance with contracts, agreements and arrangements in both the retail and wholesale electricity markets, the guarantor shall make the required monetary disbursements up to and including the full amount of [REDACTED]

[REDACTED] Payment of claims shall have the following priority: (I) The Commonwealth of Pennsylvania; (II) Electric Distribution Companies for the reimbursement of Gross Receipts Tax; and (III) Private Individuals.

7. The guarantor agrees to submit annually within 90 days of the close of the parent/affiliate guarantor's fiscal year, an Affidavit from the guarantor's Chief Financial Officer:

- a. detailing the corporate process by which the Guarantee can be made;
- b. listing the long-term bond rating from at least two of the four following rating agencies: Standard & Poors, Moody's Investors' Services, Fitch IBCA, and Duff and Phelps Credit Rating Company
- c. certifying that the Parent maintains an investment grade long-term bond rating from at least two of the aforementioned rating agencies.
- d. and certifying that the Parent will notify the Commission if its rating from any of the following four listed above-listed agencies falls below investment grade.

8. The guarantor also agrees to notify the PUC promptly if the ownership of the EGS or the guarantor is transferred and to maintain this guarantee until the new guarantor or EGS provides alternative financial assurance acceptable to the PUC.

9. The guarantor agrees that it and the EGS shall be jointly and severally liable for all litigation costs incurred by the PUC in any successful effort to enforce the agreement against the guarantor.

10. The guarantor acknowledges that this guarantee contains the foregoing Confession of Judgment. The guarantor waives the right to notice and a prior judicial proceeding to determine its rights and liabilities and further acknowledges that pursuant to the terms of this guarantee, the PUC may obtain judgment against the guarantor for all sums due hereinunder without the prior knowledge or consent of the guarantor and without any opportunity of the guarantor to raise any defense, set-off, counterclaim or other claim that guarantor may have.

11. The guarantor, to the fullest extent permitted by applicable law, expressly waives notice of acceptance of this guarantee by the PUC. The guarantor expressly waives notice of

amendments or modifications of the Public Utility Code, 66 Pa. C.S. 101, *et seq.*, the rules and regulations of the PUC; 66 Pa. C.S. 2810; Act 155 of 2014; 73 P.S. § 1648.1 *et seq.* and 52 Pa. Code 75.1 *et seq.*; and of amendments or modification of the EGS's license. Any right which at any time guarantor has under existing or future laws to require that recourse be had to the assets of any other Person before any claim is enforced against guarantor in respect of the guarantee hereby assumed by the guarantor is hereby abandoned and waived. Guarantor agrees to be bound by this guaranty whether or not it is made a party to legal proceedings for the recovery of any amount due or owing by the EGS to the PUC or the Commonwealth of Pennsylvania and whether the formalities required by any law (whether existing now or in the future) in regard to the rights or obligations of sureties shall or shall not have been observed.

12. Guarantor guarantees that the guaranteed obligations will be paid, as applicable, strictly in accordance with the terms of the guarantee and any other documents evidencing the same. Guarantor waives any right that it might have to challenge the amount or validity of any amounts (a) acknowledged by the EGS to be due under the guarantee or (b) determined to be due under the guarantee pursuant to arbitration or judicial proceedings or otherwise pursuant to, or in connection with, the guarantee. The liability of guarantor under this guarantee shall be full, absolute, and unconditional in accordance with its terms and shall remain in full force and effect without regard to, and shall not be released, suspended, discharged, terminated, or otherwise affected by, any circumstance or occurrence whatsoever (other than indefeasible payment in full).

13. This guarantee shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania, without regard to conflicts of laws principles.

14. The guarantor agrees to remain bound under this agreement for as long as the EGS must comply with the applicable financial assurance requirements of the Public Utility Code, 66 Pa. C.S. 101, *et seq.*, the payment of annual fees as authorized by Act 155 of 2014, the requirements of the Alternative Energy Portfolio Standards Act, 73 P.S. § 1648.1 *et seq.* and 52 Pa. Code 75.1 *et seq.*, except that the guarantor may terminate its future liability under this guarantee sixty (60) days after furnishing written notice of intention to terminate. This termination shall not affect the liability of the guarantor and the Principal for any liability incurred by the Principal prior to the effective date of such termination. Any claim under this guarantee must be instituted within one year (12 months) of the effective date of termination.

15. This guarantee shall be binding on guarantor and its successors and assigns, heirs, and executors and administrators, jointly, severally, and firmly.

16. **CONFESSION OF JUDGMENT: EXELON GENERATION COMPANY, LLC HEREBY IRREVOCABLY AUTHORIZES AND EMPOWERS THE PUC, THROUGH ANY ATTORNEY, OR ANY OTHER PERSON AUTHORIZED BY THE PUC, AT ANY TIME OR TIMES, TO APPEAR IN ANY STATE OR FEDERAL COURT OF RECORD IN THE UNITED STATES OF AMERICA, AFTER ALL, OR ANY PART, OF THE OBLIGATIONS EVIDENCED BY THIS INSTRUMENT HAVE BECOME DUE, AND IN EACH CASE TO WAIVE THE ISSUANCE AND SERVICE OF PROCESS, TO FILE A COMPLAINT AND PRESENT TO THE COURT THIS INSTRUMENT OR A COPY THEREOF AND, IN THE PUC'S DISCRETION, ANY OTHER WRITING EVIDENCING THE OBLIGATION OR OBLIGATIONS IN QUESTION, TO ADMIT THE DUE DATE AND THE NON-PAYMENT OF THIS INSTRUMENT, TO CONFESS JUDGMENT AGAINST EXELON GENERATION COMPANY, LLC IN FAVOR OF THE COMMONWEALTH OF PENNSYLVANIA, IN ANY JURISDICTION IN WHICH THE UNDERSIGNED OR ANY OF ITS PROPERTY IS LOCATED, FOR THE**

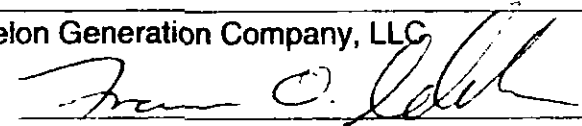
FULL AMOUNT OF ANY AND ALL LIABILITIES THEN APPEARING DUE, TOGETHER WITH INTEREST AND COSTS OF SUIT, INCLUDING ATTORNEYS' FEES AND ACTUAL COLLECTIONS COSTS, AND TO RELEASE ALL ERRORS AND WAIVE ALL RIGHTS OF APPEAL AND ANY STAY OF EXECUTION OF THE JUDGMENT.

THE FOREGOING WARRANT OF ATTORNEY WILL SURVIVE ANY JUDGMENT, IT BEING UNDERSTOOD THAT IF ANY JUDGMENT AGAINST EXELON GENERATION COMPANY, LLC IS VACATED, STRICKEN OFF, OR OPENED FOR ANY REASON, PUC MAY NEVERTHELESS UTILIZE THE FOREGOING WARRANT OF ATTORNEY IN THEREAFTER OBTAINING ONE OR MORE ADDITIONAL JUDGMENTS AGAINST EXELON GENERATION COMPANY, LLC. EXELON GENERATION COMPANY, LLC ACKNOWLEDGES AND AGREES THAT EXELON GENERATION COMPANY, LLC IS VOLUNTARILY, KNOWINGLY, AND INTELLIGENTLY GIVING UP ITS RIGHT TO NOTICE AND HEARING PRIOR TO THE ENTRY OF JUDGMENT, IS GRANTING THE PUC THE RIGHT TO CONFESS JUDGMENT AGAINST EXELON GENERATION COMPANY, LLC, AND IS FREELY WAIVING EXELON GENERATION COMPANY, LLC'S DUE PROCESS RIGHTS.

THE GUARANTOR ACKNOWLEDGES THAT THIS GUARANTEE CONTAINS THE FOREGOING CONFESSION OF JUDGMENT. THE GUARANTOR WAIVES THE RIGHT TO NOTICE AND A PRIOR JUDICIAL PROCEEDING TO DETERMINE ITS RIGHTS AND LIABILITIES, AND THE GUARANTOR FURTHER ACKNOWLEDGES THAT PURSUANT TO THE TERMS OF THIS GUARANTEE, THE PUC MAY OBTAIN JUDGMENT AGAINST THE GUARANTOR FOR ALL SUMS DUE HEREINUNDER WITHOUT THE PRIOR KNOWLEDGE OR CONSENT OF THE GUARANTOR AND WITHOUT ANY OPPORTUNITY OF THE GUARANTOR TO RAISE ANY DEFENSE, SET-OFF, COUNTERCLAIM OR OTHER CLAIM THAT GUARANTOR MAY HAVE.

IN WITNESS WHEREOF, GUARANTOR HAS CAUSED THIS GUARANTEE TO BE EXECUTED ON THE DATE SET FORTH BELOW IN ITS CORPORATE NAME AND BY ITS AUTHORIZED REPRESENTATIVE. THIS GUARANTEE CONTAINS A CONFESSION OF JUDGMENT THAT MAY BE ENTERED AGAINST THE GUARANTOR WITHOUT NOTICE AND AN OPPORTUNITY TO BE HEARD. THE GUARANTOR HERBY CERTIFIES THAT IT HAS CONSULTED AN ATTORNEY REGARDING THE IMPLICATIONS OF A CONFESSION OF JUDGMENT AND KNOWINGLY AND INTELLIGENTLY WAIVES ANY RIGHT TO PRIOR NOTICE AND OPPORTUNITY TO BE HEARD IN CONNECTION THEREWITH.

Exelon Generation Company, LLC

By: 

Title: VP, Treasurer

Date: 9/19/16

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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

AMENDMENT TO PARENT COMPANY GUARANTEE

This Amendment Guarantee is made and entered into as of this 17th day of June, 2019 ("Amendment") by Exelon Generation Company, LLC ("Guarantor") in favor of the Pennsylvania Public Utility Commission ("Guaranteed Party").

Recitals

WHEREAS, Guarantor made and issued that certain Guarantee dated September 19, 2016 for the benefit of Guaranteed Party (the "Guarantee"); and

WHEREAS, Guarantor and Guaranteed Party desire to amend the Guarantee as set forth in this Amendment as required by the statutes and regulations of and the orders issued by the Guaranteed Party.

NOW, THEREFORE, the Guarantee is amended as follows:

1. Section 2 of the Guarantee is deleted in its entirety and replaced with the following:

"This guarantee is issued to provide financial assurance in the penal sum of [REDACTED] lawful money of the United States of America, pursuant to 66 Pa. C.S. 2809, 52 Pa. Code 54.40, and 73 P.S. 1648.1 et seq."


2. Section 6 of the Guarantee is hereby amended by deleting the words [REDACTED] and replacing with the words "[REDACTED]"

3. All other terms and conditions of the Guarantee remain unchanged and in full force and effect.

(Signatures on Following Page)

IN WITNESS WHEREOF, the Guarantor has executed this Amendment by its duly authorized representatives as of the date first set forth above.

EXELON GENERATION COMPANY, LLC

By: 
Name: Ryan Baur
Title: Assistant Treasurer

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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

SECOND AMENDMENT TO PARENT COMPANY GUARANTEE

This Second Amendment Guarantee is made and entered into as of this 13 day of December, 2019 ("Amendment") by Exelon Generation Company, LLC ("Guarantor") in favor of the Pennsylvania Public Utility Commission ("Guaranteed Party").

Recitals

WHEREAS, Guarantor made and issued that certain Guarantee dated September 19, 2016 for the benefit of Guaranteed Party (the "Guarantee"); and

WHEREAS, Guarantors amended the Guarantee on June 17, 2019; and

WHEREAS, Guarantor and Guaranteed Party desire to again amend the Guarantee as set forth in this Amendment as required by the statutes and regulations of and the orders issued by the Guaranteed Party.

NOW, THEREFORE, the Guarantee is amended as follows:

1. Section 2 of the Guarantee is deleted in its entirety and replaced with the following:

"This guarantee is issued to provide financial assurance in the penal sum of [REDACTED] lawful money of the United States of America, pursuant to 66 Pa. C.S. 2809, 52 Pa. Code 54.40, and 73 P.S. 1648.1 *et seq.*"

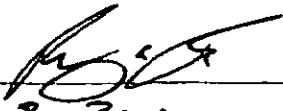
2. Section 6 of the Guarantee is hereby amended by deleting the words [REDACTED] and replacing with the words [REDACTED]

3. All other terms and conditions of the Guarantee remain unchanged and in full force and effect.

(Signatures on Following Page)

IN WITNESS WHEREOF, the Guarantor has executed this Amendment by its duly authorized representatives as of the date first set forth above.

EXELON GENERATION COMPANY, LLC

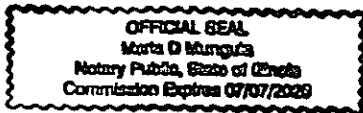
By: 
Name: Ryan Bravo
Title: Assistant Treasurer

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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

 2/13/2020



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SUITE 2100
CHICAGO, IL 60606
UNITED STATES US

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CAD: 107541832/NET4340

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TO **SECRETARY**
PA PUBLIC UTILITIES COMMISSION
COMMONWEALTH KEYSTONE BUILDING
400 NORTH STREET
HARRISBURG PA 17120

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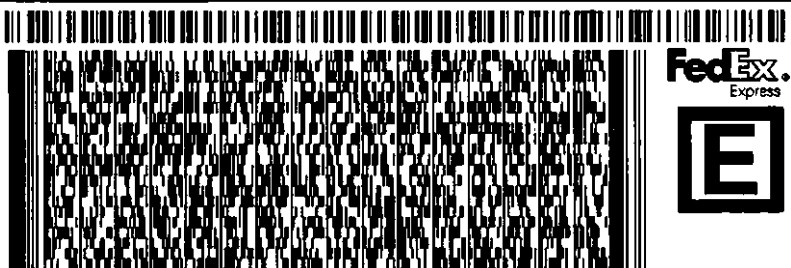
(717) 772-7777

REF: ONE ANNUAL SECURITY LETTER

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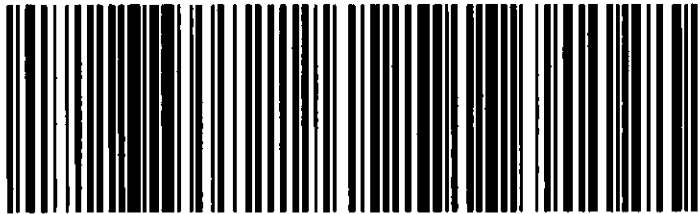


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