

March 9, 2010

VIA OVERNIGHT UNITED PARCEL SERVICEJames J. McNulty, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, PA 17120**RECEIVED**

MAR 09 2010

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU**Re: CONFIDENTIAL MATERIAL ENCLOSED*****Joint Petition for Consolidation of Proceedings and Approval of Energy Efficiency and Conservation Plans of Metropolitan Edison Company, Pennsylvania Electric Company and Pennsylvania Power Company
Docket Nos. M-2009-2092222, M-2009-2112952, M-2009-2112956***

Dear Secretary McNulty:

Enclosed are an original and three (3) copies of the executed **CONFIDENTIAL** Agreement between FirstEnergy Service Company (on behalf of Metropolitan Edison Company, Pennsylvania Electric Company and Pennsylvania Power Company) ("the Companies") and Applied Energy Group Incorporated ("AEG") to provide tracking and reporting solutions for approved Energy Efficiency and Conservation ("EE&C") programs being implemented by the Companies' in accordance with Act 129 of 2008.

The Agreement consists of three **CONFIDENTIAL** documents:

- a Purchase Order, setting forth pricing and additional terms of the Agreement;
- the FirstEnergy Services Company Master Services Agreement and associated Statement of Work; and
- the full AEG proposal to provide tracking and reporting products.

In awarding this contract, the Companies followed the approved Competitive Bidding Process for Conservation Service Providers ("CSP"), which was submitted to the Commission and approved by Secretarial Letter dated March 18, 2009. This contract incorporates the Master Services Agreement, without exception, which was approved by the Commission by Secretarial

March 9, 2010

Letter dated November 20, 2009. Pursuant to the Commission's Order entered on February 26, 2010 approving the Companies' EE&C Plans, the tracking and reporting program was approved subject to final approval of this agreement.

Further, the Companies would like to point out that AEG recently filed with the Commission its Application for registration as a CSP on February 18, 2010, at Docket No. A-2010-2160123. The attached Agreement includes AEG's representation that it has filed such application and an acknowledgment that the Agreement is contingent upon the Commission's approval of AEG as a registered CSP. To the extent that AEG's CSP application is complete and satisfies the requirements for CSPs set forth in the Commission's Implementation Order entered on January 16, 2009, at Docket No. M-2008-2069887, and the Registry of CSPs Order entered on February 5, 2009, at Docket No. M-2008-2074154, the Companies respectfully request that AEG's CSP application as well as this Agreement be approved promptly. Such prompt approval will allow the Companies to begin to track, report and validate cost and savings data regarding their EE&C programs in a more detailed manner.

By this letter, the Companies respectfully request Commission staff's review and approval of the enclosed Agreement within forty-five (45) days of filing, consistent with the Commission's Act 129 Implementation Order. However, to the extent possible, the Companies would appreciate an expedited review and approval of this contract.

Due to the financially sensitive and proprietary nature of the information contained in this Agreement, the Companies respectfully request that the Commission accord the Agreement the highest possible confidential treatment under the Commission's regulations.

Please date stamp the additional copy of this cover letter and return it to me in the enclosed, postage-prepaid envelope. Should you have any questions regarding this matter, please do not hesitate to contact me.

Sincerely,



Bradley A. Bingaman

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MAR 09 2010

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

d1m
Enclosures

- c: Kriss E. Brown, Esq., Law Bureau
Anthony J. Rametta, Bureau of Fixed Utility Services
Patricia T. Wiedt, Esq., Law Bureau
Wayne E. Williams, Bureau of Conservation, Economics and Energy Planning
William R. Lloyd, Esq., Office of Small Business Advocate (cover letter only)
Irwin A. Popowsky, Esq., Office of Consumer Advocate (cover letter only)
Johnnie E. Simms, Esq., Office of Trial Staff (cover letter only)

**CONFIDENTIAL/PROPRIETARY
MATERIAL FOLLOWS:**

NO SCANNED IMAGE AVAILABLE



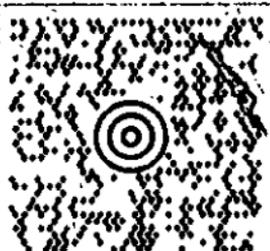
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SHIP TO:

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COMMONWEALTH KEYSTONE BUILDING
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400 NORTH STREET
HARRISBURG, PA 17120-0079



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