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June 11, 2013

Via Electronic Filing

Rosemary Chiavetta, Secretary
PA Public Utility Commission
PO Box 3265
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Re: Joint Petition of Metropolitan Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company and West Penn Power Company for Approval of Their Default Service Programs - Petition to Amend the Commission's August 12, 2012 Order and the November 8, 2012 Secretarial Letter Approving Default Service Procurement Bidding Rules; Docket Nos: P-2011-2273650, P-2011-2273668, P-2011-2273669 and P-2011-2273670

Dear Secretary Chiavetta:

On February 28, 2013, Metropolitan Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company and West Penn Power Company (collectively, "FirstEnergy") filed a Petition to Amend the Commission's August 16, 2012 Order and the November 8, 2012 Secretarial Letter Approving Default Service Procurement Bidding Rules filed on February 28, 2012 ("Petition to Amend") to address the Commission's rejection of January 2013 auction results for industrial customers. In its Petition to Amend, FirstEnergy proposed to (1) procure the necessary physical supply for default service industrial customers directly from PJM Interconnection, Inc. for the period from June 1, 2013 to November 30, 2013; and, (2) conduct a second procurement auction for this customer class in September 2013 which would supply default service from December 1, 2013 through May 31, 2015. Petition to Amend, p. 2. The Retail Energy Supply Association ("RESA") submitted its Answer in Opposition to the Petition of FirstEnergy Companies ("Answer"), opposing specifically FirstEnergy's request to self-supply industrial customers and recommended that a competitive auction be held as soon as possible so that default supply was attained from competitive suppliers. Answer, p. 1-2.

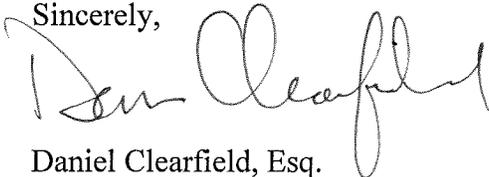
FirstEnergy requested that the Commission consider its Petition to Amend by or before its public meeting scheduled for April 18, 2013. Petition to Amend, p. 7. However, it is our understanding that the Commission has yet to make a decision on this matter. It is also our understanding that, as of June 1, 2013, FirstEnergy began to self-supply industrial default customers. RESA recognizes that without direction from the Commission, FirstEnergy may have viewed self-

supply as its only option. Nonetheless, the result is that FirstEnergy is engaging in the conduct that RESA had asserted was inconsistent with FirstEnergy's approved "Contingency Plan."¹

RESA respectfully requests that the Commission immediately decide this matter and clearly establish how FirstEnergy is to proceed. Consistent with its contingency rules, FirstEnergy should be required to immediately conduct a new, separate solicitation to supply default service to industrial customers through November 30, 2013. As supported in RESA's Answer, FirstEnergy has reasonable alternatives to minimize the costs of an additional auction, such as (1) conducting a single round, sealed bid Request For Proposal ("RFP") process to solicit offers from wholesale suppliers in lieu of the descending clock auction mechanism that FirstEnergy utilizes for its standard solicitations; (2) the use of an online process; or, (3) Commission supervision of the auction. Answer, p. 2-3.

The sooner the Commission resolves this controversy the sooner industrial default service customers may receive the benefits of receiving default service supply through a competitive auction. Thank you for your time and consideration of this matter.

Sincerely,



Daniel Clearfield, Esq.

cc: Cert. of Service w/enc.

¹ *Revised Default Service Plan Compliance Filing, Volume II, Exhibit D*, Docket Nos. P-2011-2273650, P-2011-2273668, P-2011-2273669 and P-2011-2273670, September 6, 2012 at 21.

CERTIFICATE OF SERVICE

I hereby certify that this day I served a copy of RESA's Letter upon the persons listed below in the manner indicated in accordance with the requirements of 52 Pa. Code Section 1.54.

Via Email & First Class Mail Only

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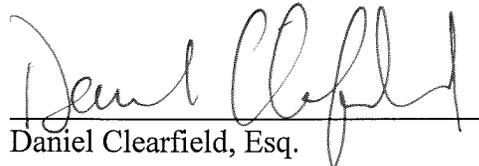
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Dated: June 11, 2013

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