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November 30, 2015

Via Electronic Filing

Rosemary Chiavetta, Secretary
PA Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

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 (DSP IV) – Docket Nos. P-2015-2511333; P-2015-2511351;
P-2015-2511355; and P-2015-2511356

Dear Secretary Chiavetta:

Enclosed for electronic filing please find Direct Energy Services, LLC's Prehearing Memorandum with regard to the above-referenced matter. Copies to be served in accordance with the attached Certificate of Service.

Sincerely,



Sarah C. Stoner

SCS/dsc
Enclosure

cc: Hon. David A. Salapa w/enc.
Cert. of Service w/enc.

CERTIFICATE OF SERVICE

I hereby certify that this day I served a copy of Direct Energy Services, LLC's Prehearing Memorandum upon the persons listed below in the manner indicated in accordance with the requirements of 52 Pa. Code Section 1.54.

Via Email and/or First Class Mail

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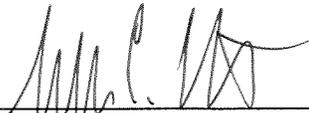
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Sarah C. Stoner, Esq.

Dated: November 30, 2015

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Joint Petition Of Metropolitan Edison	:	Docket No. P-2015-2511333
Company, Pennsylvania Electric	:	Docket No. P-2015-2511351
Company, Pennsylvania Power Company	:	Docket No. P-2015-2511355
and West Penn Power Company for	:	Docket No. P-2015-2511356
Approval of Their Default Service	:	
Program	:	

**PREHEARING MEMORANDUM
OF DIRECT ENERGY SERVICES, LLC**

Pursuant to 52 Pa. Code §§ 5.72-5.75, the public notices published in the Pennsylvania Bulletin on November 14, 2015 and the Prehearing Conference Order dated November 6, 2015, Direct Energy Services, LLC (“Direct Energy”) submits this Prehearing Memorandum.

I. SERVICE OF DOCUMENTS

Direct Energy requests that all documents be served on:

Deanne M. O’Dell, Esquire
Eckert Seamans Cherin & Mellott, LLC
213 Market St., 8th Floor
P.O. Box 1248
Harrisburg, PA 17101
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Direct Energy also agrees to receive service of documents electronically in this proceeding. To the extent that materials are available electronically, it is requested that copies be served upon:

Daniel Clearfield – dclearfield@eckertseamans.com
Deanne O’Dell – dodell@eckertseamans.com
Sarah C. Stoner – sstoner@eckertseamans.com

II. SETTLEMENT

Direct Energy is willing to participate in settlement discussions with any party to narrow the issues in this matter.

III. PROPOSED PLAN AND SCHEDULE OF DISCOVERY

Direct Energy is amenable to working with the other parties in this matter to adopt a reasonable proposed plan and schedule of discovery. Direct Energy does not have any proposals regarding discovery modifications.

IV. SCHEDULE FOR SUBMISSION OF TESTIMONY, HEARINGS AND BRIEFS

Direct Energy will cooperate with the other parties and the ALJ to facilitate a workable litigation schedule.

V. WITNESSES

At this time, Direct Energy is still evaluating whether or not to present testimony in this matter. Direct Energy reserves the right to present a witness as may be necessary depending on the course of the proceeding and will provide the Presiding Officer as well as the other parties in this matter reasonable notice if necessary. Direct Energy also reserves its right to add additional witnesses or change the identity of its witnesses at any time upon appropriate notice to the Presiding Officer and the parties.

VI. PRESENTLY IDENTIFIED ISSUES

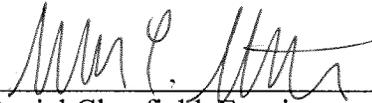
Direct Energy is licensed by the Commission at No. A-110164 to provide electricity and related services to all classes of retail customers throughout Pennsylvania, including the service territories of the Companies. Direct Energy's intervention to participate in the above-captioned action is being filed simultaneously.

Direct Energy has identified the following issues that should be examined in this proceeding:

- Whether the Companies' overall default service supply plan is consistent with the Commission's regulations and the Public Utility Code.
- The effectiveness of the Companies' default service plan to promote retail market development for the benefit of consumers in the Companies' service territories.
- Whether the Companies' proposed rate design and tariffs for default generation service, including recovery of all of the Companies' costs associated with the provision of default service, is consistent with the Commission's regulations and the Public Utility Code.
- The appropriateness of the Companies' proposed changes to its Customer Referral Programs and continuation of the programs from June 1, 2017 through May 31, 2019.
- Whether the Companies' proposal to revise its purchase of receivables programs to include a clawback clause for write-offs is appropriate.
- The implications of the Companies' proposed revisions to their supplier tariffs relating to procedures for EGS refunds.

At this time, Direct Energy continues to evaluate its position on and will refine its position based on further study of the proposals, review of discovery and additional input from other parties. Direct Energy reserves the right to address other issues identified through its continued review and analysis of the filing or raised by other parties.

Respectfully submitted,



Daniel Clearfield, Esquire

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Deanne M. O'Dell, Esquire

Attorney ID 81064

Sarah C. Stoner, Esquire

Attorney ID 313793

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Date: November 30, 2015

Attorneys for Direct Energy Services, LLC