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March 7, 2024

#### **Via Electronic Filing**

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

Re: Petition of PECO Energy Company for Approval of its Default Service Program for the Period of June 1, 2025, through May 31, 2029 – Docket No. P-2024-3046008

Dear Secretary Chiavetta:

Enclosed for electronic filing please find the NRG Energy Inc.'s ("NRG") Prehearing Memorandum with regard to the above-referenced matter. Copies to be served in accordance with the attached Certificate of Service.

Sincerely,

Karen O. Moury
Karen O. Moury

KOM/lww Enclosure

cc: Hon. Eranda Vero w/enc.

Hon. Arlene Ashton w/enc. Cert. of Service w/enc.

#### CERTIFICATE OF SERVICE

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

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Date: March 7, 2024

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Karen O. Moury

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# BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of PECO Energy Company for

Approval of Its Default Service Plan for : Docket No. P-2024-3046008

the Period from June 1, 2025 Through :

May 31, 2029

# PREHEARING MEMORANDUM OF NRG ENERGY, INC.

Pursuant to 52 Pa. Code §§ 5.72-5.75, the Prehearing Conference Order dated March 4, 2024, and subject to the granting of its Petition to Intervene filed on March 4, 2024, NRG Energy, Inc. ("NRG")<sup>1</sup> submits this Prehearing Memorandum.

#### I. BACKGROUND

On February 2, 2024, PECO Energy Company ("PECO" or "Company") filed a petition with the Pennsylvania Public Utility Commission ("Commission" or "PUC") proposing to establish the terms and conditions under which it will procure default service supplies, provide default service to non-shopping customers, satisfy requirements imposed by the Alternative Energy Portfolio Standards Act ("AEPS Act") and recover all associated costs on a full and current basis for the period from June 1, 2025 through May 31, 2029. By public notice published in the *Pennsylvania Bulletin* on February 17, 2024, the Commission established a deadline of March 4, 2024 for formal protests, petitions to intervene and answers. A telephonic prehearing conference has been scheduled for March 8, 2024 before Administrative Law Judges ("ALJs") Eranda Vero and Arlene Ashton.

As electric generation suppliers ("EGSs") operating in Pennsylvania, NRG subsidiaries hold licenses as follows: Direct Energy Business, LLC – Docket No. A-11025; Direct Energy Business Marketing, LLC – Docket No. A-2013-2368464; Direct Energy Services, LLC – Docket No. A-110164; Energy Plus Holdings LLC – Docket No. A-2009-2139745; Gateway Energy Services Corporation – Docket No. A-2009-2137275; Independence Energy Group LLC d/b/a Cirro Energy – Docket No. A-2011-2262337; Reliant Energy Northeast LLC d/b/a NRG Home/NRG Business/NRG Retail Solutions – Docket No. A-2010-2192350; Green Mountain Energy Company – Docket No. A-2009-2139745; Stream Energy Pennsylvania, LLC – Docket No. A-2010-2181867; and XOOM Energy Pennsylvania, LLC – Docket No. A-2012-2283821.

The adjudication of PECO's Petition will have a direct impact on the ability of NRG's subsidiaries to provide competitive electric supply to retail customers in PECO's service territory because the structure of the default service product, including how supply is procured and how the resulting retail price is portrayed to customers, directly impacts whether or not NRG's subsidiaries are well positioned to develop and offer customer competitive retail options. In addition, PECO, as the default service supplier and the historical monopoly provider, continues to maintain direct access and control of necessary information, data and operations necessary to facilitate the ability of NRG's subsidiaries to access critical operations necessary to provide competitive supply to retail customers. NRG seeks to intervene in this proceeding for the purpose of evaluating the proposed changes by PECO as well as other parties who may intervene in this processing and any associated impacts on the ability of EGSs to continue to operate in the PECO service territory by offering competitive supply options to retail end user customers.

### II. <u>ISSUES</u>

As explained in its Petition to Intervene, many NRG subsidiaries are licensed to provide electric supply to retail customers in the PECO service territory and will be specifically and substantially affected by the outcome of this proceeding, which may alter the terms and conditions under which EGSs provide service to retail end users. NRG is continuing to evaluate PECO's proposals and the forthcoming positions of other parties in relation to their interests and will determine to what extent, if necessary, it identifies issues necessary to bring to the Commission's attention. As such, NRG reserves the right to raise other issues identified through its continued review and analysis in this case.

# III. PROCEDURAL SCHEDULE

NRG will cooperate with the parties and presiding officers to develop a reasonable procedural schedule.

#### IV. HEARINGS

At this time, NRG continues to evaluate the issues in this proceeding and is unable to estimate the amount of hearing time (if any) that may be needed.

### V. WITNESSES

NRG is still considering whether or not to present testimony in this matter. NRG reserves the right to present a witness, as may be necessary, depending on the course of the proceeding. If NRG decides to present testimony, NRG will provide reasonable notice to ALJs Vero and Ashton, as well as the parties. NRG also reserves its right to add or change the identity of its witnesses at any time, upon appropriate notice the ALJs and the parties.

# VI. POSSIBILITY OF SETTLEMENT

NRG is willing to participate in settlement discussions with the parties to narrow the issues in this matter.

#### VII. <u>SERVICE OF DOCUMENTS</u>

NRG's attorneys in this matter are:

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NRG prefers that documents be served electronically to the above email addresses and agrees to receive service of documents electronically in this proceeding. To the extent that materials are not available electronically, NRG requests that only one hard copy of documents, if any, be served upon Deanne O'Dell at the above mailing address.

Respectfully submitted,

# /s/Karen O. Moury

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