

Phone: (215) 569-5794
Fax: (215) 832-5794
Email: Sharp@Blankrome.com

January 4, 2010

VIA ELECTRONIC FILING

James J. McNulty
Secretary
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

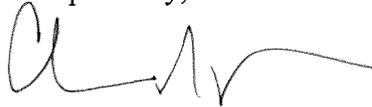
**Re: Petition of PECO Energy Company for Approval of its Revised
Electric Purchase of Receivables Program, Docket No. P-2009-2143607**

Dear Secretary McNulty:

Pursuant to 52 Pa. Code § 5.222, enclosed for filing is the Prehearing Memorandum of Constellation NewEnergy, Inc. in the above-captioned proceeding.

If you have any questions, please contact me.

Respectfully,



Christopher R. Sharp

CRS/scc
Enclosure

Cc: Hon. Cynthia Williams Fordham (ALJ) (w/enclosure) (Via Email and First Class Mail)
All parties on Certificate of Service (w/enclosure) (Via Email and First Class Mail)

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**Petition of PECO Energy Company for
Approval of its Revised Electric
Purchase of Receivables Program**

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Docket No. P-2009-2143607

PREHEARING MEMORANDUM OF CONSTELLATION NEWENERGY, INC.

Pursuant to 52 Pa. Code §§ 5.222, Constellation NewEnergy, Inc. (“Constellation”), by and through its undersigned counsel, hereby submits this Prehearing Conference Memorandum in the above-captioned proceeding.

I. PROCEDURAL HISTORY

On or about November 20, 2009, PECO Energy Company (“PECO”) filed a Petition requesting expedited approval of a Purchase of Receivables (“POR”) program, accompanied by supporting testimony.

On December 16, 2009, Constellation filed a Petition to Intervene in this proceeding indicating that, as a potential supplier of retail power and demand response services within the territory of PECO, Constellation falls squarely within the test articulated for intervention in this proceeding: that is, Constellation possesses “[a]n interest which may be directly affected and which is not adequately represented by existing participants, and as to which the petitioner may bound by the action of the Commission in the proceeding.” 52 Pa. Code. § 5.72(a)(1).

This Prehearing Memorandum is filed pursuant to the Prehearing Order entered on December 18, 2009 by Administrative Law Judge Cynthia Williams Fordham.

II. IDENTIFICATION OF ISSUES

Based on a preliminary review of the Petition, Constellation expects that it will address, the following issues: eligibility, the level of discounts proposed, and provision of data and information to Electric Generation Suppliers (“EGS’s), including payment history and notice of late payment of EGS charges. Constellation specifically reserves the right to address all other issues as it deems appropriate.

III. WITNESSES

Constellation reserves the right to present direct, rebuttal, and surrebuttal fact and expert testimony, to the extent it deems necessary, in this proceeding. Constellation expects to present expert testimony by:

David I. Fein
Vice President, Energy Policy
Director of Retail Energy Policy
Constellation Energy
550 Washington St #300, St. 1100
Chicago, Illinois 60661
Telephone: (312) 704-8499
david.fein@constellation.com

Once discovery has begun and the positions of all parties to this proceeding have been made known, Constellation will notify the Administrative Law Judge and all parties of the identity of any additional witnesses it intends to call.

IV. SERVICE ON CONSTELLATION

Constellation consents to accept electronic delivery documents on the deadline for their filing, if followed by hard copy delivery by first class mail. Constellation respectfully requests that service be made to both Divesh Gupta and its counsel of record in this matter:

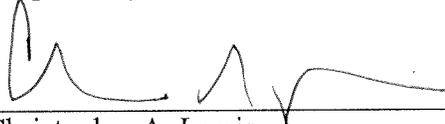
Christopher A. Lewis
Christopher R. Sharp
Melanie J. Tambolas
Blank Rome, LLP
One Logan Square
Philadelphia, PA 19103
Telephone: (215) 569-5793
Facsimile: (215) 832-5793
Lewis@blankrome.com
Sharp@blankrome.com
Tambolas@blankrome.com

Divesh Gupta
Senior Counsel
Constellation Energy
111 Market Place, Suite 500
Baltimore, Maryland 21202
Telephone: (410) 470-3158
Facsimile: (443) 213-3556
Divesh.gupta@constellation.com

V. SETTLEMENT

Constellation is amenable to meeting with PECO and all other parties for the purpose of discussing settlement of the entire matter or discrete issues.

Respectfully submitted,



Christopher A. Lewis
Christopher R. Sharp
Melanie J. Tambolas
Blank Rome, LLP
One Logan Square
Philadelphia, PA 19103
Telephone: (215) 569-5793
Facsimile: (215) 832-5793
Lewis@blankrome.com
Sharp@blankrome.com
Tambolas@blankrome.com

Counsel to Intervenor Constellation NewEnergy, Inc.

Dated: January 4, 2010

CERTIFICATE OF SERVICE

I hereby certify that this day I have served a true copy of the foregoing Prehearing Memorandum on behalf of Constellation NewEnergy, Inc. upon the persons listed below in the manner indicated in accordance with the requirements of 52 Pa. Code § 1.54.

VIA E-MAIL AND FIRST CLASS MAIL

The Hon. Cynthia Williams Fordham
PA Public Utility Commission
801 Market Street
Suite 4063
Philadelphia, PA 19107

Romulo Diaz, Esquire
Anthony E. Gay, Esquire
Exelon Business Services Company
2301 Market Street, S23-1
P.O. Box 8699
Philadelphia, PA 19101-8699
215-841-4635
215-568-3389 (fax)
anthony.gay@exeloncorp.com
Romulo.diaz@exeloncorp.com

Thomas P. Gadsen, Esquire
Kenneth M. Kulak, Esquire
Catherine G. Vasudevan, Esquire
Morgan Lewis & Bockius LLP
1701 Market Street
Philadelphia, PA 19103-2921

Richard A. Kanaskie, Esq.
Office of Trial Staff
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265
717-787-1976
717-772-2677 (fax)
rkanaskie@state.pa.us

Daniel G. Asmus, Esquire
Office of Small Business Advocate
Commerce Building, Suite 1102
300 N. Second Street
Harrisburg, PA 17101
717-783-2525
717-783-2831 (fax)
dasmus@state.pa.us
swebb@state.pa.us

Tanya McCloskey, Esquire
Barrett C. Sheridan, Esquire
Office of Consumer Advocate
555 Walnut Street
5th Floor, Forum Place
Harrisburg, PA 17101
717-783-5048
717-783-7152 (fax)
tmccloskey@paoca.org
jjohnson@paoca.org

Daniel Clearfield, Esquire
Deanne M. O'Dell, Esquire
Eckert Seamens Cherin & Mellott, LLC
213 Market Street, 8th Floor
P.O. Box 1248
Harrisburg, PA 17108-1248

Charis Mincavage, Esquire
Barry A. Naum, Esquire
McNees Wallace & Nurick LLC
100 Pine Street
P.O. Box 1166
Harrisburg, PA 17108-1166
717-237-5459
717-260-1763 (fax)
cmincavage@mwn.com
bnaum@mwn.com

Scott Perry
Aspassia V. Staevska
George Jugovic, Esquire
Pennsylvania Department of Environmental Protection
Rachel Carson State Office Building, 9th Floor
400 Market Street
Harrisburg, PA 17101-2301
scperry@state.pa.us
astaevska@state.pa.us
gjugovic@state.pa.us



Christopher R. Sharp
Blank Rome, LLP
One Logan Square
Philadelphia, PA 19103
Telephone: (215) 569-5450
Facsimile: (215) 832-5450
Tambolas@blankrome.com
Lewis@blankrome.com
Sharp@blankrome.com

Counsel to Constellation NewEnergy, Inc.

Dated: January 4, 2010