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|  | COMMONWEALTH OF PENNSYLVANIAPENNSYLVANIA PUBLIC UTILITY COMMISSIONP.O. BOX 3265, HARRISBURG, PA 17105-3265 | **IN REPLY PLEASE REFER TO OUR FILE**M-2009-2092222 |

**September 15, 2010**

Bradley A. Bingaman, Esquire

FirstEnergy

2800 Pottsville Pike

P. O. Box 16001

Reading, PA 19612-6001

Re: FirstEnergy Conservation Service Provider Contract with

 Performance Systems Development of New York, LLC

 Docket No. M-2009-2092222

Dear Mr. Bingaman:

This letter acknowledges that Commission staff have reviewed FirstEnergy

Service Company’s (FirstEnergy) proposed Conservation Service Provider (CSP) agreement with Performance Systems Development of New York, LLC, filed with the Commission on August 16, 2010, for the provision of CSP services in connection with providing program management services for approved Residential New Home Construction programs.

 The Implementation Order, *inter alia*, required all Electric Distribution Companies (EDCs) subject to Act 129 to submit, for Commission review, all proposed contracts with

 CSPs. The Commission may order modification of these proposed contracts.

66 Pa. C.S. § 2806.1(a)(8). The Commission, in its *Energy Efficiency and Conservation Program Implementation Order* at Docket No. M‑2008‑2069887 (entered January 16,

2009), delegated its authority to review and approve CSP contracts to Commission Staff.

 FirstEnergy is advised that the proposed CSP agreement filed on August 16, 2010 is approved. This approval does not constitute approval of any component of FirstEnergy’s Energy Efficiency and Conservation Plan. Furthermore, we note that approval of this filing does not constitute a determination that such a filing is consistent with the public interest and that the associated costs or expenses are reasonable or prudent for the purposes of cost recovery. These issues will be addressed by the Commission in any appropriate plan approval and cost recovery proceedings.

Please direct any questions to Anthony J. Rametta, Energy Division Supervisor, Bureau of Fixed Utility Services, at (717) 787-2359 or Patricia T. Wiedt, Assistant Counsel, Law Bureau, at (717) 787‑5755.

 Sincerely,


#  Rosemary Chiavetta

 Secretary

cc: Elaine McDonald, FUS

 Anthony J. Rametta, FUS

 Kriss Brown, Law Bureau

 Patricia T. Wiedt, Law Bureau

 Kathy Aunkst, Secretary’s Bureau

 Irwin A. Popowsky, Esquire, OCA

 William R. Lloyd, Esquire, OSBA