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February 13, 2012

Via Electronic Filing

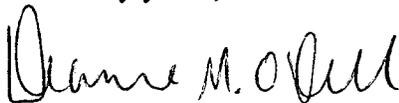
Rosemary Chiavetta, Secretary
PA Public Utility Commission
PO Box 3265
Harrisburg, PA 17105-3265

Re: Petition of PECO Energy Company for Approval of
Its Default Service Program; Docket No. P-2012-2283641

Dear Secretary Chiavetta:

On behalf of Direct Energy Services, LLC ("Direct Energy") enclosed please find the original of its Petition to Intervene, with the electronic filing confirmation page, with regard to the above-referenced matter.

Sincerely yours,



Deanne M. O'Dell, Esq.

DMO/jls
Enclosure

cc: Hon. Dennis Buckley, ALJ w/enc.
Certificate of Service w/enc.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of Direct Energy Services, LLC's Petition to Intervene upon the participants listed below in accordance with the requirements of § 1.54 (relating to service by a participant).

VIA EMAIL AND FIRST CLASS MAIL

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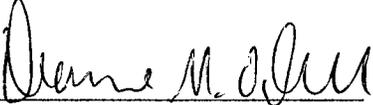
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Date: February 13, 2012


Deanne M. O'Dell, Esquire

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition Of PECO Energy Company For :
Approval Of Its Default Service Program : Docket No. P-2012-2283641
:

**PETITION TO INTERVENE
OF DIRECT ENERGY SERVICES, LLC**

Pursuant to 52 Pa. Code §§ 5.72-5.75, the public notices filed in the Pennsylvania Bulletin on January 28, 2012, Direct Energy Services, LLC (“Direct Energy”) hereby petitions to intervene in the Petition of PECO Energy Company (“PECO” or “Company”) for approval of its Default Service Program (“DSP Petition”). In support of its intervention, Direct Energy states as follows:

1. Direct Energy is an electric generation supplier (“EGS”) licensed by the Commission at A-110164 to provide electricity and related services to retail customers throughout Pennsylvania, including PECO’s service territory. Direct Energy is a North American affiliate of Centrica plc, a leading international provider of energy and other energy-related services with over 32 million customer relationships worldwide. Direct Energy is one of North America’s largest energy and energy services companies with approximately 5.1 million customers, operating in 20 states, the District of Columbia, and all ten provinces in Canada. Direct Energy also owns and operates natural gas fired generation facilities, operates natural gas wells, has significant contracts for wind assets, and offers energy efficiency programs to help manage its customers overall energy bills. Direct Energy decided to locate its North American business corporate headquarters in Pittsburgh, with its employee base continuing to grow as it expands its presence in the state. Lastly, Direct Energy has a unique business model, and

extensive experience in providing energy services to residential, small and large commercial and industrial (“C&I”) customers, and government entities. Direct Energy offers retail energy customers many products and services, including variable, fixed-price, renewable, carbon neutral, demand response, and energy efficiency. .

2. Direct Energy’s attorneys in this matter are:

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3. On January 13, 2011, PECO filed its DSP Petition proposing to establish the terms and conditions under which they will procure default service supply, provide default service to non-shopping customers, and recover all associated costs on a full and current basis for the period from June 1, 2013 through May 31, 2015.

4. By public notice published in the *Pennsylvania Bulletin* on January 28, 2012, the Commission established a deadline of Monday, February 13, 2012 for formal protests, petitions to intervene and answers. The Initial Prehearing Conference before Administrative Law Judge Dennis J Buckley is scheduled for Tuesday, March 13, 2012.

5. The Commission’s regulations allow intervention where a person has an interest in the proceeding which may be directly affected and which is not adequately represented by existing parties, and as to which the person may be bound by the action of the Commission in the proceeding. 52 Pa. Code § 5.72(a)(2). Intervention is also permitted where participation of the

person may be in the public interest. 52 Pa. Code § 5.72(a)(3). A “person” includes a corporation and an association. 52 Pa. Code § 1.8.

6. Direct Energy meets the standards for intervention set forth in 52 Pa. Code § 5.72(a). As a supplier of both retail and wholesale power in PECO’s territory in the Commonwealth, Direct Energy satisfies the standard for intervention because Direct Energy possesses an “interest which may be directly affected and which is not adequately represented by existing participants, and as to which the petitioner may be bound by the action of the Commission in the proceeding.” 52 Pa. Code § 5.72(a)(1).

7. Direct Energy’s interests in this proceeding are unique from and not adequately represented by other parties that may seek to intervene, including individual EGSs or other organizations interested in electric competition in Pennsylvania in general and in PECO’s service territory in particular. Direct Energy is licensed by the Commission to provide service to customers in PECO’s service territory and will continue to do so as long as the market structure supports sustained and robust electric competition, especially among residential and small commercial customers.

8. PECO’s default service plan for the period from June 1, 2013 through May 31, 2015 will have a material effect on competitive development in PECO’s service territory. This is especially true because the specifics of the Commission’s “market enhancing steps,” including opt-in auctions, referral programs and new and moving customer programs shall be determined in this proceeding. Accordingly, PECO’s proposals must be implemented in a manner that promotes and encourages the development of a fully competitive retail electricity market, as mandated by the Public Utility Code. Such a result is crucial to ensure that the market environment is conducive to Direct Energy’s ability to offer competitive service.

9. In view of Direct Energy's unique business model, Direct Energy's interests in this proceeding cannot be adequately represented by other EGS parties with different business models and different customer target markets.

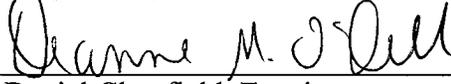
10. Direct Energy will be bound by the action of the Commission in this proceeding, which will determine PECO's default service rates, terms and conditions effective June 1, 2013. Direct Energy must compete against these rates, and how they are structured will have a significant effect on the level of retail competition that will be experienced in the PECO market during this period and, thus, on the ability of Direct Energy to continue to do business in PECO's service territory. Thus, the Commission's actions regarding the PECO's proposals will have a substantial impact on Direct Energy's future involvement in the market.

11. Direct Energy's intervention is in the public interest. As a member of the Centrica group of companies providing energy and energy related services through over 32 million customer relationships worldwide, Direct Energy has the experience and resources to aid the Commission in carrying out its duties and responsibilities under the Electricity Generation Customer Choice and Competition Act to ensure that the goals of that Act are met. Accordingly, Direct Energy's participation in this proceeding is clearly in the public interest. *See* 52 Pa. Code § 5.72(a)(3).

12. At this time, Direct Energy continues to evaluate its position on the PECO's proposals and will refine its position based on further study of the proposals, review of discovery and additional input from other parties.

WHEREFORE, Direct Energy respectfully requests that the Commission grant its
Petition to Intervene.

Respectfully submitted,



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Date: February 13, 2012

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