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April 1, 2014

Via Electronic Filing

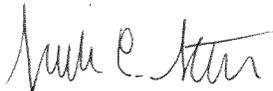
Rosemary Chiavetta, Secretary
PA Public Utility Commission
PO Box 3265
Harrisburg, PA 17105-3265

Re: Petition of PECO Energy Company for approval of its Default Service Program for the period from June 1, 2015 through May 31, 2017; Docket No. P-2014-2409362

Dear Secretary Chiavetta:

Enclosed please find the Petition to Intervene of Direct Energy Services, LLC in the above-referenced matter. Copies have been served in accordance with the attached Certificate of Service.

Sincerely,



Sarah C. Stoner

SCS/dsc

Enclosure

cc: Hon. Cynthia Fordham w/enc.
Cert. of Service w/enc.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of Direct Energy'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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Dated: April 1, 2014



Sarah C. Stoner, Esq.

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition of PECO Energy Company for : Docket No. P-2014-2409362
approval of its Default Service Program :
for the period from June 1, 2015 through :
May 31, 2017 :

**DIRECT ENERGY SERVICES, LLC'S
PETITION TO INTERVENE**

Pursuant to 52 Pa. Code §§ 5.72-5.75 and the public notice published in the Pennsylvania Bulletin on March 22, 2014, Direct Energy Services, LLC (“Direct Energy”) 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. On March 10, 2014, PECO filed a petition proposing to establish the terms and conditions under which it will procure default service supplies, meet its default service obligations and recover all associated costs on a full and current basis for the period from June 1, 2015 through May 31, 2017. This is PECO’s third proposed program for default service under Pennsylvania’s Electricity Generation Customer Choice and Competition Act, 66 Pa. C.S. §§ 2801-2812.

2. Notice of the DSP Petition was published in the *Pennsylvania Bulletin* on March 22, 2014. That notice required that formal protests, petitions to intervene and answers to the DSP Petition be filed by April 1, 2014.

3. 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. 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 provides electricity, natural gas and other energy services to more than 13 million residential homes and businesses across North America. Direct Energy has a unique business model, and extensive experience in providing energy services to residential, small and large commercial and industrial 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.

4. Direct Energy's attorneys in this matter are:

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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 an EGS in PECO's service territory and 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 has an interest in ensuring that the default service structure approved by the Commission will continue to do so as long as the market structure supports sustained and robust electric competition, especially among residential and small commercial customers. PECO's proposed plan must be implemented in a competitively neutral manner to ensure that the market environment is conducive to Direct Energy's ability to offer competitive service.

8. 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.

9. 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 for beginning June 2015 as well as the terms and conditions for the various retail market enhancement programs

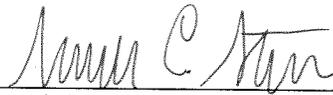
proposed by the Company. Direct Energy must compete against these rates, and how they are structured will have a significant effect on the level of retail competition that will be experienced in PECO's service territory during this period and, thus, on the ability of Direct Energy to continue to do business 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.

10. 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 the 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). It should be noted that Direct Energy actively participated in the most recent default service proceeding that developed the current default service plan for PECO as well as prior default service proceedings involving the Company.

11. Due to the early stage of this proceeding, Direct Energy reserves the right to raise and address issues identified through its continued review and analysis of PECO's DSP Petition (and related information), or other issues raised by other parties.

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

Respectfully submitted,



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Date: April 1, 2014

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