



April 9, 2014

VIA E-FILE

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Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor North
P.O. 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; PREHEARING MEMORANDUM OF FIRSTENERGY SOLUTIONS CORP.

Dear Secretary Chiavetta:

Enclosed for filing with the Commission is the Prehearing Memorandum of FirstEnergy Solutions Corp. in the above-referenced proceeding. Copies have been served per the attached Certificate of Service.

Thank you for your attention to this matter. If you have any questions regarding this filing, please direct them to me.

Sincerely,

COZEN O'CONNOR

By: David P. Zambito
Counsel for *FirstEnergy Solutions Corp.*

DPZ/kmg
Enclosure

cc: Honorable Cynthia W. Fordham
Per Certificate of Service

CERTIFICATE OF SERVICE
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

I hereby certify that I have this day served a true copy of FirstEnergy Solutions Corp.'s Prehearing Memorandum upon the parties, listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a party).

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DATED: April 9, 2014



David P. Zambito Esquire
Counsel for FirstEnergy Solutions Corp.

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Administrative Law Judge
Cynthia W. Fordham

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

**PREHEARING MEMORANDUM OF
FIRSTENERGY SOLUTIONS CORP.**

FirstEnergy Solutions Corp. (“FES”), by its counsel in this matter, hereby files this Prehearing Memorandum in the above-captioned matter in compliance with the Prehearing Order of the Honorable Administrative Law Judge Cynthia W. Fordham (“Presiding Officer”), dated April 3, 2014, and the regulations of the Pennsylvania Public Utility Commission (“Commission”) at 52 Pa. Code § 5.222(d), and states as follows:

I. INTRODUCTION

FES is a subsidiary of FirstEnergy Corp., a diversified energy services holding company headquartered in Akron, Ohio. FES is experienced in wholesale and retail electric markets, and offers wholesale and retail energy and related products to customers located throughout the Mid-Atlantic and Midwest regions. FES has actively participated in default service supply procurements of all of the largest electric distribution companies (“EDCs”) in Pennsylvania, and anticipates that it may participate in the competitive procurement process for which PECO Energy Company (“PECO”) seeks approval of the Commission through the instant Petition. In addition, FES is a

licensed electric generation supplier (“EGS”) in Pennsylvania since 1998, having been authorized at Docket No. A-110078 to serve all categories of retail customers throughout the Commonwealth.

II. HISTORY OF THE PROCEEDING

The history of the proceeding as set forth by the Presiding Officer on pages 1-2 of her Prehearing Order, dated April 3, 2014, is incorporated herein by reference.

III. FES COUNSEL

FES is represented in this matter by the following counsel:

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IV. SERVICE OF DOCUMENTS

FES’ attorneys are authorized to accept service on behalf of FES in this proceeding. FES agrees to receive service of documents electronically. Electronic service of documents should be made upon Ms. Klodowski and Mr. Zambito. FES requests that, to the extent that hard copies of documents are served and service is restricted to only one recipient per party, they be served upon Ms. Klodowski at her Greensburg, PA address.

V. ISSUES

While FES has reviewed PECO’s Petition, FES is still identifying issues that may require further review and formulating its positions. Generally, FES, as a potential participant in the

competitive processes by which PECO will procure wholesale power to serve its default service customers, is interested in the schedule and manner in which those processes will be administered, and the terms and conditions under which wholesale suppliers will provide PECO's default supply. Also, as a licensed EGS that currently serves retail electric generation customers in Pennsylvania, FES is interested in any effects that the competitive procurement processes, PECO's proposed default service products and rate design, and PECO's Standard Offer Program may have on retail electric competition in Pennsylvania.

As this proceeding progresses, PECO and other parties file additional written testimony, and more information becomes available through discovery, FES may expand or modify its issues of interest. FES reserves the right to address additional issues that it identifies during the course of this proceeding.

VI. WITNESSES

FES' final designation of witnesses and their areas of testimony will depend on the definitive list of issues that FES identifies, as well as the hearing dates scheduled in this proceeding. FES reserves the right to change its designation of witnesses and their areas of testimony as this proceeding develops, issues are identified, and hearing dates are scheduled. Subject to the foregoing, FES has tentatively identified the following witness to submit testimony relating to the issues identified to date: Sharon L. Noewer, Director, Competitive Market Policies, FirstEnergy Solutions Corp., 341 White Pond Drive, Akron, OH 44320.

VII. DISCOVERY

FES is willing to work with the other parties to arrive at acceptable modifications to the Commission's discovery rules.

VIII. PROCEDURAL SCHEDULE

The procedural schedule proposed by PECO in its Petition, as modified by OCA, is acceptable to FES.

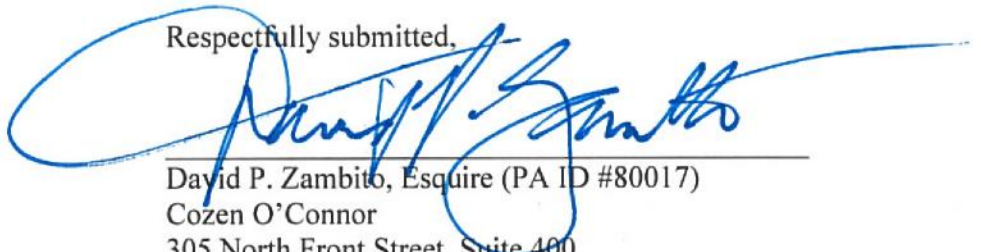
IX. PROTECTION OF CONFIDENTIAL INFORMATION

FES will participate in negotiations with the other parties regarding an acceptable protective order. FES anticipates that the negotiated protective order will then be presented, via a motion, for consideration by the Presiding Officer.

X. SETTLEMENT DISCUSSIONS

FES recognizes the benefits of settlement and, accordingly, is willing to participate actively in settlement discussions with the other parties.

Respectfully submitted,



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Dated: April 9, 2014