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April 9, 2014

Via Electronic Filing

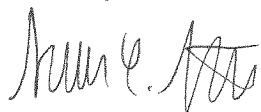
Rosemary Chiavetta, Secretary
PA Public Utility Commission
PO Box 3265
Harrisburg, PA 17105-3265

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 Prehearing Memorandum 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

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 Services, LLC's Prehearing Memorandum 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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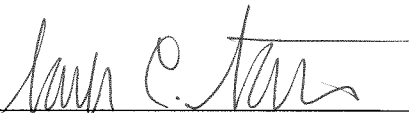
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Dated: April 9, 2014



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 :

**PREHEARING MEMORANDUM
OF DIRECT ENERGY SERVICES, LLC**

Pursuant to 52 Pa. Code §§ 5.72-5.75, the public notices published in the Pennsylvania Bulletin on March 22, 2014 and the Prehearing Order dated April 3, 2014, Direct Energy Services, LLC (“Direct Energy”) submits this Prehearing Memorandum.

I. PROPOSED PLAN AND SCHEDULE OF DISCOVERY

Direct Energy is amenable to working with the other parties in this matter to adopt a reasonable proposed plan and schedule of discovery.

II. POSSIBILITY OF SETTLEMENT

Direct Energy will cooperate with the other parties to facilitate settlement.

III. PRESENTLY IDENTIFIED ISSUES

Direct Energy is licensed by the Commission at No. A-110164 to provide electricity and related services to all classes of retail customers throughout Pennsylvania, including the service territory of PECO. Direct Energy has identified the following issues that should be examined in this proceeding:

- Whether PECO’s overall default service supply plan is consistent with the Commission’s regulations and the Public Utility Code

- The effectiveness of PECO's default service plan to promote retail market development for the benefit of consumers in PECO's service territory
- Whether continuation of PECO's existing Standard Offer Program from June 1, 2015 through May 31, 2017 in its present form is just and reasonable

At this time, Direct Energy continues to evaluate its position on and will refine its position based on further study of the proposals, review of discovery and additional input from other parties. Direct Energy reserves the right to address other issues identified through its continued review and analysis of the filing or raised by other parties.

IV. AMOUNT OF HEARING TIME NEEDED

Direct Energy is still evaluating the issues in this proceedings and the amount of time that may be required for hearings is currently unknown.

V. WITNESSES

At this time, Direct Energy is still evaluating whether or not to present testimony in this matter. Direct Energy reserves the right to present a witness as may be necessary depending on the course of the proceeding and will provide the Presiding Officer as well as the other parties in this matter reasonable notice if necessary. Direct Energy also reserves its right to add additional witnesses or change the identity of its witnesses at any time upon appropriate notice to the Presiding Officer and the parties.

VI. SCHEDULE FOR SUBMISSION OF TESTIMONY, HEARINGS AND BRIEFS

Direct Energy will cooperate with the other parties and the ALJ to facilitate a workable litigation schedule.

VII. SERVICE OF DOCUMENTS

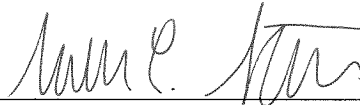
RESA agrees to electronic service of all documents to the email addresses below with one (1) hard copy mailing of all documents sent to Eckert Seamans.

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Sarah Stoner – sstoner@eckertseamans.com

Respectfully submitted,



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Date: April 9, 2014

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