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May 30, 2014

Via Electronic Filing

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

Re: Petition of PPL Electric Utilities Corporation for Approval of a Default Service Program
and Procurement Plan for the Period June 1, 2015 through May 31, 2017,
Docket No. P-2014-2417907

Dear Secretary Chiavetta:

Enclosed for electronic filing please find Direct Energy Services, LLC's Prehearing Memo with regard to the above-referenced matter. Copies to be served in accordance with the attached Certificate of Service.

Sincerely,



Deanne M. O'Dell

DMO/lww
Enclosure

cc: Hon. Susan D. Colwell, w/enc.

CERTIFICATE OF SERVICE

I hereby certify that this day I served a copy of Direct Energy's Prehearing Memo upon the persons listed below in the manner indicated in accordance with the requirements of 52 Pa. Code Section 1.54.

Via Email and/or First Class Mail

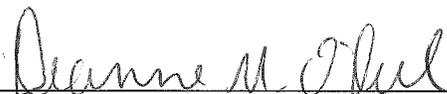
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Date: May 30, 2014



Deanne M. O'Dell, Esq.

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition of PPL Electric Utilities : Docket No. P-2014-2417907
Corporation for Approval of its Default :
Service Program and Procurement Plan :
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 notice published in the Pennsylvania Bulletin on May 10, 2014, the First Prehearing Order dated May 5, 2014, and subject to the granting of Petition to Intervene being filed on this same date, 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 PPL. Direct Energy has identified the following issues that should be examined in this proceeding:

- Whether PPL's overall default service supply plan is consistent with the Commission's regulations and the Public Utility Code
- Whether the scheduling of default service auctions every six months is reasonable
- The effectiveness of PPL's default service plan to promote retail market development for the benefit of consumers in PPL's service territory
- Whether PPL's proposed rate design, including a Time-of-Use rate option is consistent with the Commission's regulations and the Public Utility Code
- Whether continuation of PPL'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

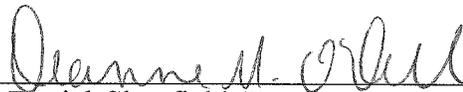
RESA agrees to electronic service of all documents to the email addresses below with one (1) hard copy mailing of all documents sent to Eckert Seamans.

Daniel Clearfield – dclearfield@eckertseamans.com

Deanne O'Dell – dodell@eckertseamans.com

Sarah Stoner – sstoner@eckertseamans.com

Respectfully submitted,



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Date: May 30, 2014

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