



May 30, 2014

VIA E-FILE

David P. Zambito

Direct Phone 717-703-5892
Direct Fax 215-989-4216
dzambito@cozen.com

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 Duquesne Light Company for Approval of Its Default Service Program for the Period from June 1, 2015 through May 31, 2017; Docket No. P-2014-2418242; 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: Per Certificate of Service

CERTIFICATE OF SERVICE
Petition of Duquesne Light Company for Approval
of Its Default Service Program for the Period
from June 1, 2015 through May 31, 2017
Docket No. P-2014-2418242

I hereby certify that I have this day served a true copy of FirstEnergy Solutions Corp.'s Prehearing Memorandum in Duquesne Light Company's Default Service Program Petition filed on April 24, 2014, upon the parties, listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a party).

VIA E-MAIL and FIRST CLASS MAIL:

Honorable Katrina L. Dunderdale
Pennsylvania Public Utility Commission
Suite 220, Platt Place
301 Fifth Avenue
Pittsburgh, PA 15222
kdunderdal@pa.gov

Robert H. Hoaglund, II, Esquire
Assistant General Counsel
Duquesne Light Company
411 Seventh Avenue, 16th Floor
Pittsburgh, PA 15219
rhoaglund@duqlight.com
Counsel for *Duquesne Light Company*

Michael W. Gang, Esquire
Anthony D. Kanagy, Esquire
Post & Schell P.C.
17 North Second Street
12th Floor
Harrisburg, PA 17101-161
mgang@postschell.com
akanagy@postschell.com
Counsel for *Duquesne Light Company*

Kristine E. Robinson, Esquire
David T. Evrard, Esquire
Aron J. Beatty, Esquire
Office of Consumer Advocate
555 Walnut Street
Forum Place, 5th Floor
Harrisburg, PA 17101-1923
krobinson@paoca.org
devrard@paoca.org
abeatty@paoca.org
Counsel for *Office of Consumer Advocate*

Elizabeth R. Marx, Esquire
Pennsylvania Utility Law Project
118 Locust Street
Harrisburg, PA 17101
emarxpulp@legalaid.net
Counsel for *Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania ("CAUSE-PA")*

Charles Daniel Shields, Esquire
Pennsylvania Public Utility Commission
Bureau of Investigation & Enforcement
Commonwealth Keystone Building
400 North Street, 2nd Floor West
P.O. Box 3265
Harrisburg, PA 17105-3265
chshields@pa.gov
Counsel for *Bureau of Investigation & Enforcement*

Charles E. Thomas, III, Esquire
Thomas, Long, Niesen & Kennard
212 Locust Street, Suite 500
P.O. Box 9500
Harrisburg, PA 17108-9500
cet3@tntlawfirm.com
Counsel for *Noble Americas Energy Solutions LLC*

Heather M. Langeland, Esquire
Citizens for Pennsylvania's Future
200 First Avenue, Suite 200
Pittsburgh, PA 15222
langeland@pennfuture.org
Counsel for *Citizens for Pennsylvania's Future ("PennFuture")*

Teresa K. Schmittberger, Esquire
McNees Wallace & Nurick LLC
100 Pine Street
PO Box 1166
Harrisburg, PA 17108-1166
tschmittberger@mwn.com
Counsel to the *Duquesne Industrial*
Intervenors ("DI")

Todd S. Stewart, Esquire
Hawke McKeon & Sniscak LLP
100 North Tenth Street
P.O. Box 1778
Harrisburg, PA 17105-1778
tsstewart@hmslegal.com
Counsel for *NextEra Energy Power*
Marketing, LLC

DATED: May 30, 2014



David P. Zambito, Esquire
Counsel for *FirstEnergy Solutions Corp.*

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Administrative Law Judge
Katrina L. Dunderdale

Petition of Duquesne Light Company for Approval :
of Its Default Service Program for the Period from : Docket No. P-2014-2418242
June 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 Katrina L. Dunderdale (“Presiding Officer”), dated May 7, 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 Duquesne

Light Company (“Duquesne Light”) seeks approval of the Commission through the above-captioned 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

On April 24, 2014, Duquesne Light filed its Petition for Approval of Its Default Service Program for the Period from June 1, 2015 through May 31, 2017 (“Petition”). On May 12, 2014, the Office of Consumer Advocate (“OCA”) filed its Notice of Intervention, Public Statement, and Answer to Petition. On May 15, 2014, the Office of Small Business Advocate filed its Notice of Intervention, Public Statement, and Answer to Petition. On May 20, 2014, the Commission’s Bureau of Investigation & Enforcement filed its Notice of Intervention. Petitions to Intervene have been filed by FES (May 19, 2014), Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (May 19, 2014), Noble Americas Energy Solutions LLC (May 23, 2014), Citizens for Pennsylvania’s Future (May 23, 2014), NextEra Energy Power Marketing LLC (May 27, 2014), Duquesne Industrial Intervenors (May 27, 2014), Exelon Generation Company, LLC (May 29, 2014), and Retail Energy Supply Association (May 29, 2014).

By Prehearing Conference Order dated May 7, 2014, the Presiding Officer scheduled a telephonic prehearing conference for June 2, 2014 at 9:00am. Parties were directed to file Prehearing Memoranda by 4:00pm on May 30, 2014.

III. FES COUNSEL

FES is represented in this matter by the following counsel:

David P. Zambito, Esquire
PA Attorney ID No. 80017
Cozen O'Connor
305 North Front Street, Suite 400
Harrisburg, PA 17101-1236
Telephone: (717) 703-5892
Facsimile: (215) 989-4216
E-mail: dzambito@cozen.com

Amy M. Klodowski, Esquire
PA Attorney ID No. 28068
FirstEnergy Solutions Corp.
800 Cabin Hill Drive
Greensburg, PA 15601
Telephone: (724) 838-6765
Facsimile: (234) 678-2370
E-mail: aklodow@firstenergycorp.com

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 the 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 Duquesne Light 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 Duquesne Light'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, Duquesne Light's proposed default service products and rate design,

and Duquesne Light's Standard Offer Program may have on retail electric competition in Pennsylvania.

As this proceeding progresses, Duquesne Light 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

FES is willing to work with the Presiding Officer and other parties to arrive at an acceptable procedural schedule.

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,



David P. Zambito, Esquire (PA ID #80017)
Cozen O'Connor
305 North Front Street, Suite 400
Harrisburg, PA 17101-1236
Telephone: (717) 703-5892
Facsimile: (215) 989-4216
E-mail: dzambito@cozen.com

Amy M. Klodowski, Esquire (PA ID #28068)
FirstEnergy Solutions Corp.
800 Cabin Hill Drive
Greensburg, PA 15601
Telephone: (724) 838-6765
Facsimile: (234) 678-2370
E-mail: aklodow@firstenergycorp.com

Counsel for *FirstEnergy Solutions Corp.*

Dated: May 30, 2014