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September 30, 2014

VIA ELECTRONIC FILING

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, Filing Room
Harrisburg, PA 17120

RE: Petition of Duquesne Light Company for Approval of its Default Service Program
for the Period June 1, 2015 through May 31, 2017; Docket No. P-2014-2418242;
**STATEMENT OF NEXTERA ENERGY POWER MARKETING, LLC IN
SUPPORT OF STIPULATION**

Dear Secretary Chiavetta:

Enclosed for electronic filing with the Commission, please find a Statement of NextEra Energy Power Marketing, LLC in Support of Statement in the above-captioned docket. Copies will be served in accordance with the attached Certificate of Service.

Thank you for your attention to this matter. If you have any questions related to this filing, please do not hesitate to contact my office.

Very truly yours,

Thomas J. Sniscak
Todd S. Stewart
Counsel for
NextEra Energy Power Marketing, LLC

TSS/jld
Enclosures

cc: Honorable Katrina L. Dunderdale (via electronic & first class mail)
Per Certificate of Service

MAILING ADDRESS: P.O. BOX 1778 HARRISBURG, PA 17105

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing document 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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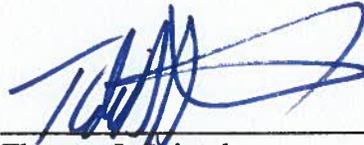
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DATED: September 30, 2014

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**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition of Duquesne Light Company	:	
For Approval of its Default Service Plan	:	
For The Period June 1, 2015	:	Docket No. P-2014-2418242
Through May 31, 2017	:	

**STATEMENT
OF NEXTERA ENERGY POWER MARKETING, LLC
IN SUPPORT OF STIPULATION**

NOW COMES NextEra Energy Power Marketing, LLC, (“NEPM”), by and through its counsel in the above-captioned matter, Hawke, McKeon & Sniscak, LLP, and hereby offers this Statement in Support of the Stipulation in the above-captioned matter that was filed with the Pennsylvania Public Utility Commission (“Commission”) on September 15, 2014 (“Stipulation”). The Stipulation was agreed-to or not opposed by all parties to the proceeding and proposes to modify certain discrete aspects of Duquesne Light Company’s (“DLC”) “as-filed” default service plan. In support of the Stipulation, NEPM states and avers as follows:

1. On or about April 24, 2014, Duquesne Light Corporation (“DLC”) filed a Petition with the Pennsylvania Public Utility Commission (“Commission”) seeking approval of its Default Service Program (“DSP”) for the Period June 1, 2015 through May 31, 2017.

2. DLC’s plan proposed a number of changes to its current procurement methodology, including modifications to Supplier Master Agreement (“SMA”); which is the standard contract used by DLC when it procures power from the wholesale market in its role of

default service supplier. DLC's witness, Mr. James Habberfield, testified that the revised agreement was the product of a collaboration between the electric distribution companies, including DLC, and the Commission's Office of Competitive Market Oversight. (Duquesne Light St. No. 2, pp. 15-17). Among the proposed changes to the SMA was a modification to the credit requirements for those financial institutions that offer credit support for wholesale suppliers who provide default service supply to DLC. DLC proposed to modify the current credit rating requirements for those financial institutions, which are S&P A- or better and Moody's A3, to a new higher standard, namely an A/A2 requirement, respectively. (Duquesne Exhibit JH-3, p. 56).

3. NEPM opposed the change, as discussed in the Testimony of NEPM's witness Sean Cheslock. NEPM believed that this change was likely to result in substantial and negative impacts on the provision of default service, both on the number of suppliers that would participate in DLC's wholesale procurements and also increase upward pressure on the prices bid by those suppliers, in order to recover the increased costs of securing the adequate credit for participating in those default service auctions. (NEPM Statement Nos. 1 and 1-SR)

4. As part of the Stipulation, however, DLC and other Parties have agreed (or are not opposed) to the modification of DSP's SMA, as discussed therein, particularly at paragraph 11. c) where DLC has agreed to continue the *status quo*, and revise the minimum credit standard to a minimum A- from S&P and A3 from Moody's.

5. The proposed change was not necessary, as discussed in Mr. Cheslock's Testimony, because there have been no documented defaults, under the current standards, by wholesale suppliers which were followed by a default of the issuer of a Letter of Credit. Moreover, maintaining the *status quo* will keep costs down and allow for lower bid prices.

Accordingly, NEPM believes that the stipulation, as it relates to this issue, is in the public interest and should be approved as part of the filing and, therefore, request that the Commission approve the modifications presented in this Stipulation.

WHEREFORE, NEPM respectfully requests that the Pennsylvania Public Utility Commission approve Duquesne's Petition filing, as modified by the Stipulation, and in particular, request that Section 6.7 of DLC's SMA be modified to provide for a credit ratings of A-/A3 as reflected in the Stipulation.

Respectfully submitted,



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DATED: September 30, 2014