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February 20, 2013

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 Smart Meter Universal
Deployment Plan, Docket No. M-2009-2123944

Dear Secretary Chiavetta:

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

Sincerely,

A handwritten signature in blue ink that reads "Deanne M. O'Dell".

Deanne M. O'Dell

DMO/lww
Enclosure

cc: Hon. Angela Jones w/enc.
Cert. of Service w/enc.

CERTIFICATE OF SERVICE

I hereby certify that this day I served a copy of Direct Energy's Petition to Intervene upon the persons listed below in the manner indicated in accordance with the requirements of 52 Pa.

Code Section 1.54.

Via First Class Mail and/or Email

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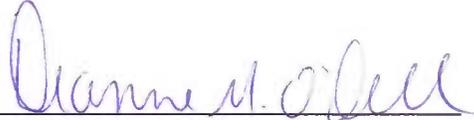
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Deanne M. O'Dell, Esq.

Dated: February 20, 2013

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition of PECO Energy Company for :
Approval of its Smart Meter Universal : Docket No. M-2009-2123944
Deployment Plan :
: :
: :
: :

**PETITION TO INTERVENE
OF DIRECT ENERGY SERVICES, LLC**

Pursuant to 52 Pa. Code §§ 5.72-5.75, Direct Energy Services, LLC (“Direct Energy”) submits this petition to intervene in Petition of PECO Energy Company (“PECO”) for Approval of its Smart Meter Universal Deployment Plan (“Smart Meter Petition”) filed on January 18, 2013. In support of its intervention, Direct Energy states as follows:

1. Direct Energy is an electric generation supplier (“EGS”) licensed by the Commission at A-110164 to provide electricity and related services to retail customers throughout Pennsylvania, including the service territory of PECO. Direct Energy is a North American affiliate of Centrica plc, a leading international provider of energy and other energy-related services with over 32 million customer relationships worldwide. Direct Energy is one of North America’s largest energy and energy services companies with approximately 6 million customers, operating in 47 states, the District of Columbia, and all ten provinces in Canada. Direct Energy also owns and operates natural gas fired generation facilities, operates natural gas wells, has significant contracts for wind assets, and offers energy efficiency programs to help manage its customers overall energy bills. The North American business corporate headquarters for Direct Energy is located in Pittsburgh, with its employee base continuing to grow as it expands its presence in the Commonwealth. Lastly, Direct Energy has a unique business model,

and extensive experience in providing energy services to residential, small and large commercial and industrial (“C&I”) customers, and government entities. Direct Energy offers retail energy customers many products and services, including variable, fixed-price, renewable, carbon neutral, demand response, and energy efficiency.

2. Direct Energy’s attorneys in this matter are:

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Direct Energy agrees to accept electronic service to all attorneys listed above to be followed up with one hard copy of the documents served.

3. On January 18, 2013, PECO filed its Smart Meter Petition seeking Commission approval of its Smart Meter Deployment Plan which details how PECO proposes to deploy smart meters in its service territory. The Initial Prehearing Conference before Administrative Law Judge Angela T. Jones is scheduled for March 22, 2013.

4. The Commission’s regulations allow intervention where a person has an interest in the proceeding which may be directly affected and which is not adequately represented by existing parties, and as to which the person may be bound by the action of the Commission in the proceeding. 52 Pa. Code § 5.72(a)(2). Intervention is also permitted where participation of the person may be in the public interest. 52 Pa. Code § 5.72(a)(3). A “person” includes a corporation and an association. 52 Pa. Code § 1.8.

5. Direct Energy meets the standards for intervention set forth in 52 Pa. Code § 5.72(a). As a supplier of both retail and wholesale power in PECO's service territory, Direct Energy satisfies the standard for intervention because Direct Energy possesses an "interest which may be directly affected and which is not adequately represented by existing participants, and as to which the petitioner may be bound by the action of the Commission in the proceeding." 52 Pa. Code § 5.72(a)(1).

6. Direct Energy's interests in this proceeding are unique from and not adequately represented by other parties that may seek to intervene, including individual EGSs or other organizations interested in electric competition in Pennsylvania in general and in the PECO service territory in particular. Direct Energy is licensed by the Commission to provide service to customers in PECO's service territory and will continue to do so as long as the market structure supports sustained and robust electric competition, especially among residential and small commercial customers.

7. PECO's proposed smart meter deployment plan may have a material effect on competitive development in the PECO's service territory. Specifically, the implementation of smart meters will enhance the ability of PECO to provide EGSs customer information necessary for EGSs to offer a competitive generation price. PECO's proposed cyber security and data privacy policies should not be designed to inhibit the ability of Direct Energy to access important customer information. In fact, the Commission has specifically directed the capabilities that the smart meters are required to accommodate with regard to providing historical interval usage data via Electronic Data Interchange ("EDI").¹ The Commission has directed PECO to incorporate meter-level interval usage data capabilities within their smart meter plans. Both of these issues

¹ See *Smart Meter Procurement and Installation*, Docket No. M-2009-2092655, Final Order entered December 6, 2012.

address the ability of Direct Energy to have access to important customer information. Direct Energy needs timely and reliable access to the usage data of PECO's current customers so that it can accurately price alternate supply service and make a competitive offer to the customer. Delayed access to this information or receiving information that is not accurate may discourage competitors from coming into the market and could lead to confusion for customers if the EGS is either delayed or inaccurate in the price it offers only due to issues related to the underlying data. Therefore, Direct Energy has an interest in ensuring that the smart meters deployed by PECO sufficiently address these issues.

8. Additionally, PECO plans to implement the necessary customer and usage data integration with Dynamic Pricing vendors to enable new Dynamic Pricing rates for customers. Such processes must be carefully implemented to ensure that all customers – whether they receive PECO's default service or competitive supply – have equal access to the benefits of dynamic pricing programs.

9. Accordingly, Direct Energy has an interest in ensuring that PECO's proposals are be implemented in a manner that promotes and encourages the development of a fully competitive retail electricity market, as mandated by the Public Utility Code. Such a result is crucial to ensure that the market environment is conducive to Direct Energy's ability to offer competitive service.

10. In view of Direct Energy's unique business model, Direct Energy's interests in this proceeding cannot be adequately represented by other EGS parties with different business models and different customer target markets.

11. Direct Energy will be bound by the action of the Commission in this proceeding, which will set forth the manner in which smart meters will be deployed in the service territory of

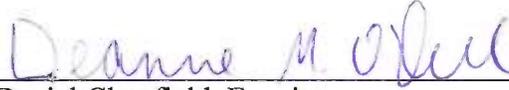
PECO. Direct Energy will be required to rely upon the information provided by these smart meters to enable it to provide competitive service to consumers. Thus, the Commission's actions regarding PECO's Smart Meter Petition will have a substantial impact on Direct Energy's future involvement in the market.

12. Direct Energy's intervention is in the public interest. As a member of the Centrica group of companies providing energy and energy related services through over 32 million customer relationships worldwide, Direct Energy has the experience and resources to aid the Commission in carrying out its duties and responsibilities under the Electricity Generation Customer Choice and Competition Act to ensure that the goals of that Act are met. Accordingly, Direct Energy's participation in this proceeding is clearly in the public interest. *See* 52 Pa. Code § 5.72(a)(3).

13. At this time, Direct Energy continues to evaluate its position on PECO's proposals and will refine its position based on further study of the proposals, review of discovery and additional input from other parties.

WHEREFORE, Direct Energy respectfully requests that the Commission grant its
Petition to Intervene.

Respectfully submitted,



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Date: February 20, 2013

Attorneys for Direct Energy Services, LLC