



RECEIVED
IRRC

2012 MAY 14 AM 10:42

Ron Cerniglia, Director – National Advocacy,
Government & Regulatory Affairs
Direct Energy Services, LLC
7240 Ryehill Drive
Cary, NC 27519

Tel: (919) 267-5503 Cell: (518) 522-6461
Email: Ron.Cerniglia@directenergy.com

2837

May 14, 2012

VIA HAND DELIVERY

Hon. Silvan B. Lutkewitte, III, Chairman
Pennsylvania Independent Regulatory Review Commission
333 Market Street, 14th Floor
Harrisburg, PA 17101

RE: Default Service Regulations IRRC No. 2837
Pennsylvania Public Utility Commission
Final Regulation No. 57-273

Chairman Lutkewitte,

On behalf of Direct Energy Services, LLC (“Direct Energy”), the purpose of this letter is to recommend that IRRC approve the resubmission (without changes) of the above regulations by the Pennsylvania Public Utility Commission (“PaPUC”). Direct Energy is an electric generation supplier (“EGS”) that provides competitive electricity generation and related services to all classes of retail customers throughout Pennsylvania. This subject matter of this rulemaking proceeding (i.e. the design of default service), directly impacts the ability of Direct Energy to provide competitive generation service in Pennsylvania.

Here the PaPUC proposes to incorporate the statutory changes made to the Competition Act as a result of the implementation of Act House Bill 2200, Act 129 which became effective in November 2008. Direct Energy supports revising the regulations to incorporate the current requirements of the law and believes the Commission has achieved this goal.

Although the PaPUC, and interested stakeholders including Direct Energy, are in the process of reviewing potential changes to the current default structure in Pennsylvania in the Retail Markets Investigation, the regulatory changes proposed by the PaPUC are narrowly limited to incorporating the 2008 statutory changes and, as such, do not hamper or impede the efforts of the broader proceeding. Based on this, Direct Energy sees no reason to delay the progress of this rulemaking any further and looks forward to continuing to work with all stakeholders in the Retail Market Investigation to implement a

default structure in Pennsylvania which will foster the development of a robust competitive retail electricity market as required by the Electric Competition Act.

Sincerely,

A handwritten signature in black ink, appearing to read "Ronald M. Cerniglia". The signature is fluid and cursive, with a large, stylized initial "R".

Ronald M. Cerniglia
Director – National Advocacy, Government & Regulatory Affairs

cc: George D. Bedwick, IRRRC Vice Chairman
Arthur Coccodrilli, IRRRC Commissioner
John Mizner, Esq., IRRRC Commissioner
Lawrence J. Tabas, Esq., IRRRC Commissioner
Scott Schalles, IRRRC Analyst (via email only)
Bohdan Pankiw, PA PUC (via email only)