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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

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September 16, 2010

VIA OVERNIGHT UNITED PARCEL SERVICE

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, PA 17120

Re: CONFIDENTIAL MATERIAL ENCLOSED

*Joint Petition for Consolidation of Proceedings and Approval of Energy
Efficiency and Conservation Plans of Metropolitan Edison Company,
Pennsylvania Electric Company and Pennsylvania Power Company
Docket Nos. M-2009-2092222, M-2009-211952, M-2009-2112956*

M-2009-2112952

Dear Secretary Chiavetta:

Enclosed are an original and three (3) copies of the executed **CONFIDENTIAL** Agreement between FirstEnergy Service Company (on behalf of Metropolitan Edison Company, Pennsylvania Electric Company and Pennsylvania Power Company) ("the Companies") and PowerDirect Energy ("PDE") to provide program management services for approved Residential Multifamily programs under the Companies' Act 129 Energy Efficiency and Conservation Plans.

The Agreement consists of six **CONFIDENTIAL** documents:

- a Purchase Order, setting forth pricing and additional terms of the Agreement;
- the FirstEnergy Service Company – PA Act 129 Terms and Conditions for Purchase of Consulting Services;
- the PDE Participation Incentives;
- the full PDE proposal to provide program management services for the Multifamily Program;
- the PDE price list; and
- the PDE Multifamily Program Additional Items document.

September 16, 2010

In awarding this contract, the Companies followed the approved Competitive Bidding Process for Conservation Service Providers, which was submitted to the Commission and approved by Secretarial Letter dated March 18, 2009. This contract incorporates the General Terms and Conditions for Purchase of Consulting Services, which was approved by the Commission by Secretarial Letter dated April 27, 2009, with the exception of Article III(C) – Criminal/Background Checks and the Records and Reports section of the Supplemental Terms and Conditions, in which these specific terms were added.¹ For ease of Commission review, these two sections have been set forth in a different font size.

By this letter, the Companies respectfully request Commission staff's review and approval of the enclosed Agreement within forty-five (45) days of filing, consistent with the Commission's Act 129 Implementation Order. However, to the extent possible, the Companies would appreciate any expedited review and approval of this contract so that the Companies can begin implementing these important programs in the near future.

Due to the financially sensitive and proprietary nature of the information contained in this Agreement, the Companies respectfully request that the Commission treat the Agreement with the highest possible confidential treatment under the Commission's regulations.

Please date stamp the additional copy of this cover letter and return it to me in the enclosed, postage-prepaid envelope. Should you have any questions regarding this matter, please do not hesitate to contact me.

Sincerely,



Bradley A. Bingaman

lmr
Enclosures

c: Kriss E. Brown, Esq., Law Bureau
Anthony J. Rametta, Bureau of Fixed Utility Services
Patricia T. Wiedt, Esq., Law Bureau
Wayne E. Williams, Bureau of Conservation, Economics and Energy Planning
William R. Lloyd, Esq., Office of Small Business Advocate (cover letter only)
Irwin A. Popowsky, Esq., Office of Consumer Advocate (cover letter only)
Johnnie E. Simms, Esq., Office of Trial Staff (cover letter only)

¹ The language requiring criminal and other background checks in Article III(C) is the same language approved by Secretarial Letter issued December 18, 2009, in approving an addendum to the FirstEnergy Service Company and Science Application International Corporation ("SAIC") contract for program management services for Commercial and Industrial programs.

**CONFIDENTIAL/PROPRIETARY
MATERIAL FOLLOWS:**

NO SCANNED IMAGE AVAILABLE

**ACTUAL DOCUMENT IN
CONFIDENTIAL FILE FOLDER**