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|  | COMMONWEALTH OF PENNSYLVANIAPENNSYLVANIA PUBLIC UTILITY COMMISSIONP.O. BOX 3265, HARRISBURG, PA 17105-3265 | **IN REPLY PLEASE REFER TO OUR FILE****M-2015-2514767****M-2015-2514768****M-2015-2514769****M-2015-2514772** |

**June 2, 2016**

John L. Munsch, Esquire

FirstEnergy

800 Cabin Hill Drive

Greensburg, PA 15601

Re: Metropolitan Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company and West Penn Power Company CSP Contract with Honeywell Smart Grid Solutions, a division of Honeywell International, Inc. (PO # 55122008)

Docket Nos. M-2015-2514767; M-2015-2514768;

M-2015-2514769; M-2015-2514772

Dear Mr. Munsch:

 This letter acknowledges that Commission staff has reviewed the FirstEnergy Companies, Metropolitan Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company and West Penn Power Company proposed revised Conservation Service Provider (CSP) contract and Change Order #1 dated April 20, 2016 with Honeywell Smart Grid Solutions, a division of Honeywell International, Inc. (PO # 55122008), filed with the Commission on April 29, 2016 for the provision of the Phase III Program Management Services for the Residential Energy Efficient Products Program.

 The Implementation Order, *inter alia*, required all Electric Distribution Companies (EDCs) subject to Act 129 to submit, for Commission review, all proposed contracts with CSPs. The Commission may order modification of these proposed contracts. 66 Pa. C.S. § 2806.1(a)(8). The Commission, in its *Energy Efficiency and Conservation Program Implementation Order* at Docket No. M‑2008‑2069887 (entered January 16, 2009), delegated its authority to review and approve CSP contracts to Commission Staff.

 FirstEnergy Companies are advised that the proposed revised CSP contract and Change Order #1 dated April 20, 2016 with Honeywell Smart Grid Solutions, a division of Honeywell International, Inc. (PO # 55122008), filed on April 29, 2016 is approved. Furthermore, we note that approval of this filing does not constitute a determination that

such filing is consistent with the public interest and that the associated costs or expenses are reasonable or prudent for the purposes of cost recovery. These issues will be addressed by the Commission in any appropriate plan approval and cost recovery proceedings.

Please direct any questions to Joseph Sherrick, Bureau of Technical Utility Services, at (717) 787-2359 or Patricia T. Wiedt, Assistant Counsel, Law Bureau, at (717) 787‑5755.

 Sincerely,


#  Rosemary Chiavetta

 Secretary

cc: Darren Gill, Deputy Director, TUS

 Joseph Sherrick, TUS

 Charles Covage, TUS

 Kriss Brown, Law Bureau

 Patricia T. Wiedt, Law Bureau

 Kathy Aunkst, Secretary’s Bureau

 Tanya J. McCloskey, Esquire, OCA

 John R. Evans, OSBA