

RYAN, RUSSELL, OGDEN & SELTZER
A PROFESSIONAL CORPORATION

SUITE 101
800 NORTH THIRD STREET
HARRISBURG, PENNSYLVANIA 17102-2025

TELEPHONE: 717-236-7714
FACSIMILE: 717-236-7816
WWW.RYANRUSSELL.COM

WYOMISSING OFFICE
SUITE 210
1150 BERKSHIRE BOULEVARD
WYOMISSING, PENNSYLVANIA
19610-1208
TELEPHONE: 610-372-4761
FACSIMILE: 610-372-4177

July 24, 2009

VIA E-FILING

James J. McNulty, Secretary
Pennsylvania Public Utility Commission
400 North Street – 2nd Floor
Commonwealth Keystone Building
Harrisburg, Pennsylvania 17120

Re: Petition of West Penn Power Company d/b/a Allegheny Power for
Approval of its Energy Efficiency and Conservation Plan, Approval
of Recovery of its Costs through a Reconcilable Adjustment Clause
and Approval of Matters Relating to the Energy Efficiency and
Conservation Plan, Docket No. M-2009-2093218

Dear Secretary McNulty:

Attached is an e-file copy of the Prehearing Memorandum of West Penn Company, d/b/a Allegheny Power in the above-referenced proceeding. Copies are being served as indicated in the attached Certificate of Service.

Very truly yours,



John F. Povilaitis

JFP/ck
Enclosures

- c. Certificate of Service
The Honorable Katrina L. Dunderdale

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition of West Penn Power Company :
d/b/a Allegheny Power for Approval :
of its Energy Efficiency and Conservation :
Plan, Approval of Recovery of its Costs : Docket No. M-2009-2093218
through a Reconcilable Adjustment Clause :
and Approval of Matters Relating to the :
Energy Efficiency and Conservation Plan :

**PREHEARING MEMO OF WEST PENN POWER COMPANY
D/B/A ALLEGHENY POWER**

TO THE HONORABLE KATRINA L. DUNDERDALE:

Pursuant to the Prehearing Order of the Presiding Office, West Penn Power Company d/b/a Allegheny Power, by and through its counsel, submits this Prehearing Memorandum:

I. Name and Address of Allegheny Power's Legal Representation

Attorneys representing Allegheny Power in this proceeding authorized to accept service are:

John L. Munsch (Attorney I.D. No. 31489)
800 Cabin Hill Drive
Greensburg, Pennsylvania 15601
(724) 838-6210
jmunsch@alleghenyenergy.com

John F. Povilaitis (Attorney I.D. No. 28944)
Matthew A. Totino (Attorney I.D. No. 83044)
RYAN, RUSSELL, OGDEN & SELTZER
800 North Third Street, Suite 101
Harrisburg, Pennsylvania 17102-2025
(717) 236-7714
jpovilaitis@ryanrussell.com
mtotino@ryanrussell.com

II. History of the Proceeding

On June 29, 2009, Allegheny Power filed its Act 129 Energy Efficiency and Conservation Plan ("EE&C Plan" or "Plan") with the Pennsylvania Public Utility Commission ("Commission"). The Plan was filed in accordance with Act 129¹ and with the Commission's Act 129 Implementation Orders issued at Docket No. M-2008-2069887. The Plan was filed with a supporting testimony and Petition. As stated in the Petition, Allegheny Power proposes to meet the energy efficiency and conservation requirements of Act 129 with a portfolio of 22 energy efficiency and conservation and demand response programs. The Plan includes measures that target major energy-consuming systems, such as heating, ventilating and air conditioning, and major consumer appliances and lighting, with a sufficiently broad scope to provide an opportunity for all Allegheny Power customers in Pennsylvania to participate.

On or about July 7, 2009, the Office of Consumer advocate filed its public statement and notice of intervention in this matter. The Commission's Office of Trial Staff filed a notice of appearance on July 8, 2009, while the Office of Small Business Advocate also filed a notice of intervention and notice of appearance in this matter.

On or about July 10, 2009, a petition to intervene in the proceeding was filed by UGI Utilities, Inc., UGI Penn Natural Gas, Inc., and UGI Central Penn Gas, Inc. The West Penn Industrial Intervenors also have intervened.

On July 20, 2009, Allegheny Power filed an answer in opposition to the petition to intervene of the UGI distribution companies.

¹ See Section 2806.1 of the Act, 66 Pa. C.S. § 2806.1.

By Prehearing Order dated July 13, 2009, the Presiding Officer scheduled a prehearing conference for Tuesday, July 28, 2009 at 1:00 p.m.

III. Issues, Witnesses, and Subject Matter of Testimony

Allegheny Power expects to call the below witnesses at hearing in support of its case in chief, which requests Commission approval of the EE&C Plan, including the individual Plan programs and cost recovery for the Plan. Allegheny Power submitted the following written testimony, in Q & A form, in support of its Plan:

- Allegheny Power St. No. 1, Direct testimony of Roger J. Heasley, which describes the process that was used or how Allegheny Power developed its Plan;
- Allegheny Power St. No. 2, Direct Testimony of Edward C. Miller, which also discusses the development of the Plan and addresses the reductions in electricity consumption and demand that will be obtained by the Plan, within expense limits, and the cost effectiveness of the plan;
- Allegheny Power St. No. 3, Direct Testimony of Raymond E. Valdes, which addresses the determination of EE&C Plan costs, the allocation of those costs to customer classes, and the proposed cost recovery tariff mechanism;
- Allegheny Power St. No. 4, Direct Testimony of Ethan L. Cohen, which addresses the use of Advanced Metering Infrastructure, smart meters, and the EE&C Plan elements relating to that technology.

Allegheny Power reserves the right to respond to any issues that may be raised subsequently by other parties and to identify and call additional witnesses as may be necessary or appropriate in subsequent phases of these proceedings, upon notice in advance to the other parties and to the Presiding Officer.

IV. Proposed Procedural Schedule

Allegheny Power proposes the following procedural schedule, with the understanding that it will discuss the proposed schedule dates with the Public Advocates

and Intervenors. Allegheny Power's hope is to present the ALJ with a schedule agreeable to all participants at the July 28, 2009 Prehearing Conference.

The following schedule is proposed for consideration:

July 2, 2009	Start of discovery period
July 28, 2009	Prehearing Conference
July 31, 2009	Public Input Hearings
August 7, 2009	Answers, Comments, Testimony due
August 14, 2009	Company Replies to Comments and Testimony due
August 19-20, 2009	Hearings
August 31, 2009	Briefs to Commission due
September 10, 2009	Revised Plan and/or Reply Comments by Company and Reply Briefs by all Parties due

V. Discovery

Allegheny Power will participate in discovery, consistent with the terms in the Presiding Officer's prehearing order.

Respectfully submitted,

Dated: July 24, 2009



John F. Povilaitis

Matthew A. Totino

RYAN, RUSSELL, OGDEN & SELTZER P.C.

800 North Third Street, Suite 101

Harrisburg, PA 17102-2025

(717) 236-7714

(717) 236-7816

Email: JPovilaitis@RyanRussell.com

MTotino@RyanRussell.com

John L. Munsch

800 Cabin Hill Drive

Greensburg, Pennsylvania 15601

(724) 838-6210

Email: jmunsch@alleghenyenergy.com

Counsel for West Penn Power Company
d/b/a Allegheny Power

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Energy Efficiency and Conservation Plan :

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a copy of the foregoing documents in accordance with the requirements of 52 Pa. Code § 1.54 et seq. (relating to service by a participant).

VIA FIRST CLASS AND
ELECTRONIC MAIL

Lauren Lepkoski, Esquire
Small Business Advocate
Office of Small Business Advocate
Suite 1102 Commerce Building
300 North Second Street
Harrisburg, PA 17101
Bus. (717) 783-2525
Fax (717) 783-2831
willloyd@state.pa.us
llepkoski@state.pa.us

Richard A. Kanaskie, Esquire
PA Public Utility Commission
400 North Street, 2nd Floor
Commonwealth Keystone Building
Harrisburg, PA 17120
Phone: (717) 787-1976
Fax (717) 772-2677
rkanaskie@state.pa.us

Thomas J. Sniscak, Esquire
Hawke McKeon & Sniscak LLP
Harrisburg Energy Center
100 N. 10th Street
Harrisburg, PA 17101-1778
Phone: (717) 236-1300
Fax: (717) 236-4841

Christy M. Appleby, Esquire
Tanya J. McCloskey, Esquire
Consumer Advocate
Office of Consumer Advocate
555 Walnut Street
5th Floor Forum Place
Harrisburg, PA 17101-1923
Bus. (717) 783-5048
Fax (717) 783-7152
cappleby@paoca.org
tmccloskey@paoca.org

Adam L. Benshoff, Esquire
Shelby A. Linton-Keddie, Esquire
Derrick P. Williamson, Esquire
McNees, Wallace & Nurick
100 Pine Street
Harrisburg, PA 17108
Phone: 717-237-5298
abenshoff@mwn.com
skeddie@mwn.com
dwilliamson@mwn.com

John L. Munsch, Esquire
West Penn Power Company
800 Cabin Hill Drive
Greensburg, PA 15601-7737
Phone: (724)838-6210
Fax: (724) 838-6177
jmunsch@alleghenypower.com

Scott Perry, Esquire
Commonwealth of Pennsylvania
Department of Environmental Protection
RCSOB, 9th Floor
400 Market Street
Harrisburg, PA 17101-2301
Phone: (717) 787-7060
Fax: (717) 783-7911
scperry@state.pa.us

Robert Knecht
2067 Massachusetts Avenue
Cambridge, MA 02140
Phone: (617) 354-0074
rdk@indecon.com

Lillian S. Harris, Esquire
Thomas J. Sniscak, Esquire
Hawke McKeon & Sniscak, LLP
100 North Tenth Street
Harrisburg, PA 17105-1778
Phone: (717) 236-1300
Fax: (717) 236-4841
lharris@hmslegal.com
tjsniscak@hmslegal.com

Mark C. Morrow, Esquire
Senior Counsel
UGI Utilities, Inc.
460 North Gulph Road
King of Prussia, PA 19406
Phone: (610) 768-3628
morrowm@ugicorp.com

Harry Geller
Pa Utility Law Project
118 Locust Street
Harrisburg, PA 17101
hgellerpulp@legalaids.net

Date: July 24, 2009



John F. Povilaitis
Matthew A. Totino
RYAN, RUSSELL, OGDEN & SELTZER P.C.
800 North Third Street, Suite 101
Harrisburg, PA 17102-2025
Phone: (717) 236-7714
Fax: (717) 236-7816
Email: MTotino@RyanRussell.com
JPovilaitis@RyanRussell.com