

COMMONWEALTH OF PENNSYLVANIA



OFFICE OF CONSUMER ADVOCATE

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IRWINA. POPOWSKY
Consumer Advocate

September 14, 2012

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

RE: Petition of Duquesne Light Company for
Approval of its Smart Meter Technology
Procurement and Installation Plan
Docket No. M-2009-2123948
P-2012-

Dear Secretary Chiavetta:

Enclosed please find the Office of Consumer Advocate's Prehearing Memorandum, in the above-referenced proceeding.

Copies have been served as indicated on the enclosed Certificate of Service.

Respectfully Submitted,

A handwritten signature in cursive script that reads "David T. Evrard".

David T. Evrard
Assistant Consumer Advocate
PA Attorney I.D. # 33870

Enclosures

cc: Hon. Katrina L. Dunderdale, ALJ
Certificate of Service

158982

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of Duquesne Light Company for :
Approval of its Final Smart Meter Plan : Docket No. M-2009-2123948

PREHEARING MEMORANDUM
OF THE
OFFICE OF CONSUMER ADVOCATE

Pursuant to Section 333 of the Public Utility Code, 66 Pa. C.S. § 333, and in response to the Prehearing Conference Order issued in the above-captioned matter, the Office of Consumer Advocate (OCA) provides the following information:

I. Introduction

On June 29, 2012, Duquesne Light Company (Duquesne or Company) filed with the Public Utility Commission (Commission) its Final Smart Meter Plan (Plan) together with a Petition requesting Commission approval of the Plan without modification. The Plan describes the technical components of Duquesne's smart meter strategy including the two major projects that are part of the Plan, the FOCUS Project (replacing the existing customer information system with a Customer Care and Billing system and implementing a Meter Data Management System), and the AMI Project (consisting of the smart meters and the system infrastructure needed to support them – the Local Area Network, Wide Area Network and Head End Collection Engine). The Plan also describes the integration of several Information Technology systems to support the smart meter system, the capabilities of the smart meters, the timeline for deployment of the

meters, the costs of the smart meter program, the method of cost recovery and the Company's strategy for educating customers and gaining customer acceptance of the smart meters.

On July 23, 2012, the OCA filed an Answer to Duquesne's Petition. In its Answer, the OCA identified the following areas of the Plan as requiring further review and analysis: compliance with Act 129 and the Commission's June 2009 Implementation Order, the selection of smart meters and system technology and its implementation, the privacy of customer information, the security of the smart meter systems, the customer education and acceptance plan, and the total cost of the Plan.

Also on July 23, Citizen Power filed an Answer to Duquesne's Petition. Both the OCA and Citizen Power requested that Duquesne's Petition and Final Plan be referred to the Office of Administrative Law Judge (OALJ) for hearings. By Secretarial Letter dated August 17, 2012, the Commission did in fact refer the matter to the OALJ for further proceedings. A prehearing conference was set for September 17, 2012.

II. Witnesses and Issues

The OCA has retained three experts to assist with its analysis of the Plan. They are: Mr. Thomas Catlin, Ms. Christina Mudd, and Ms. Nancy Brockway. Mr. Catlin and Ms. Mudd are with the firm Exeter Associates. Mr. Catlin will be responsible for reviewing matters related to the cost of the Plan and the method of cost recovery. Ms. Mudd will be responsible for reviewing matters related to technology selection and deployment as well as smart meter capabilities and system security. Ms. Brockway is an independent consultant who will be responsible for reviewing matters related to customer privacy and customer education. The contact information for the OCA's experts is as follows:

Mr. Thomas Catlin
Ms. Christina Mudd
Exeter Associates, Inc.
Suite 300
10480 Little Patuxent Parkway
Columbia, MD 21044
Phone: (410) 992-7500
Fax: (410) 992-3445
E-mail: tcatlin@exeterassociates.com
cmudd@exeterassociates.com

Ms. Nancy Brockway
10 Allen Street
Boston, MA 02131
Phone: (617) 645-4018
E-mail: nbrockway@aol.com

The OCA reserves the right to call additional witnesses, as necessary. If the OCA determines that an additional witness or witnesses will be necessary for any portion of its case, the OCA will promptly notify all parties.

III. Service on the OCA

The OCA will be represented in this proceeding by Assistant Consumer Advocate David Evrard. Service of all documents should be made as follows:

David T. Evrard
Assistant Consumer Advocate
Office of Consumer Advocate
555 Walnut Street
5th Floor, Forum Place
Harrisburg, PA 17101-1923
Telephone: (717) 783-5048
E-Mail: devrard@paoca.org

IV. Discovery

To date, the OCA has issued three sets of interrogatories to Duquesne. The Company is in the process of responding to those requests. The OCA is not seeking modifications to the Commission's discovery rules for this proceeding.

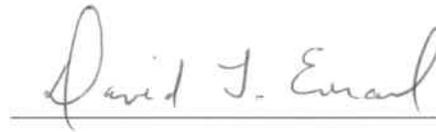
V. Procedural Schedule

In its prehearing memorandum, Duquesne has proposed a procedural schedule for this case. The OCA will work with the Company and other parties to arrive at a mutually acceptable schedule.

VI. Settlement

The OCA stands prepared to engage in settlement discussions with the Company and other parties.

Respectfully Submitted,

A handwritten signature in cursive script that reads "David T. Evrard". The signature is written in dark ink and is positioned above a horizontal line.

David T. Evrard
Assistant Consumer Advocate
PA Attorney I.D. # 33870
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September 14, 2012

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CERTIFICATE OF SERVICE

Petition of Duquesne Light Company for :
Approval of its Smart Meter Technology : Docket No. M-2009-2123948
Procurement and Installation Plan : P-2012-

I hereby certify that I have this day served a true copy of the foregoing document, the Office of Consumer Advocate's Prehearing Memorandum, upon parties of record in this proceeding in accordance with the requirements of 52 Pa. Code Section 1.54 (relating to service by a participant), in the manner and upon the persons listed below:

Dated this 14th day of September 2012.

SERVICE BY E-MAIL and INTEROFFICE MAIL

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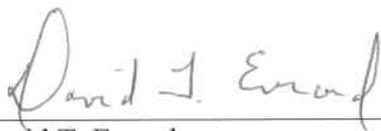
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