



100 Pine Street • PO Box 1166 • Harrisburg, PA 17108-1166  
Tel: 717.232.8000 • Fax: 717.237.5300

Adeolu A. Bakare  
Direct Dial: 717.237.5290  
Direct Fax: 717.260.1744  
abakare@mwn.com

March 21, 2013

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

**VIA ELECTRONIC FILING**

**RE: Petition of PECO Energy Company For Approval of its Smart Meter Universal Deployment Plan; Docket No. M-2009-2123944**

Dear Secretary Chiavetta:

Please find enclosed for filing with the Pennsylvania Public Utility Commission ("PUC" or "Commission") the Prehearing Memorandum of the Philadelphia Area Industrial Energy Users Group ("PAIEUG") in the above-referenced proceeding.

As evidenced by the attached Certificate of Service, all parties to this proceeding are being duly served with a copy of this document.

Sincerely,

McNEES WALLACE & NURICK LLC

By

A handwritten signature in black ink, appearing to read 'A. Bakare', written over a horizontal line.

Adeolu A. Bakare

Counsel to the Philadelphia Area Industrial Energy Users Group

Enclosure

c: Administrative Law Judge Angela T. Jones (via e-mail and First-Class Mail)  
Certificate of Service

[www.mwn.com](http://www.mwn.com)

HARRISBURG, PA • LANCASTER, PA • STATE COLLEGE, PA • COLUMBUS, OH • WASHINGTON, DC

## CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing document upon the participants listed below in accordance with the requirements of Section 1.54 (relating to service by a participant).

### VIA E-MAIL AND FIRST-CLASS MAIL

Romulo L. Diaz, Jr., Esq.  
Anthony E. Gay, Esq.  
W. Craig Williams, Esq.  
Exelon Business Services Company  
2301 Market Street  
P.O. Box 8699  
Philadelphia, PA 19101-8699  
[Romulo.Diaz@Exeloncorp.com](mailto:Romulo.Diaz@Exeloncorp.com)  
[anthony.gay@exeloncorp.com](mailto:anthony.gay@exeloncorp.com)

Thomas P. Gadsden, Esq.  
Anthony C. DeCusatis, Esq.  
Brooke E. McGlinn, Esq.  
Morgan, Lewis & Bockius LLP  
1701 Market Street  
Philadelphia, PA 19103-2921  
[tgadsden@morganlewis.com](mailto:tgadsden@morganlewis.com)  
[adecusatis@morganlewis.com](mailto:adecusatis@morganlewis.com)

Aron J. Beatty, Esq.  
Tanya J. McCloskey, Esq.  
Office of Consumer Advocate  
555 Walnut Street  
5<sup>th</sup> Floor, Forum Place  
Harrisburg, PA 17101  
[abeatty@paoca.org](mailto:abeatty@paoca.org)  
[tmccloskey@paoca.org](mailto:tmccloskey@paoca.org)

Richard A. Kanaskie, Esq.  
Johnnie E. Simms, Esq.  
Carrie B. Wright, Esq.  
Pennsylvania Public Utility Commission  
Bureau of Investigation & Enforcement  
P.O. Box 3265  
Harrisburg, PA 17105-3265  
[rkanaskie@pa.gov](mailto:rkanaskie@pa.gov)  
[josimms@pa.gov](mailto:josimms@pa.gov)  
[carwright@pa.gov](mailto:carwright@pa.gov)

David Raphael, Esq.  
Commonwealth of Pennsylvania  
Department of Environmental Protection  
RCSOB, 9<sup>th</sup> Floor  
400 Market Street  
Harrisburg, PA 17101-2301  
[daraphael@pa.gov](mailto:daraphael@pa.gov)

Stephen Gray, Esq.  
Elizabeth Rose Triscari, Esq.  
Office of Small Business Advocate  
Suite 1102, Commerce Building  
300 North Second Street  
Harrisburg, PA 17101  
[sgray@pa.gov](mailto:sgray@pa.gov)  
[etriscari@pa.gov](mailto:etriscari@pa.gov)

Harry S. Geller, Esq.  
John C. Gerhard, Esq.  
Julie George, Esq.  
Pennsylvania Utility Law Project  
118 Locust Street  
Harrisburg, PA 17101-1414  
[hgellerpulp@palegalaid.net](mailto:hgellerpulp@palegalaid.net)  
[jgerhardpulp@palegalaid.net](mailto:jgerhardpulp@palegalaid.net)  
[jgeorgepulp@palegalaid.net](mailto:jgeorgepulp@palegalaid.net)

Joseph Otis Minott  
Clean Air Council  
135 S. 19<sup>th</sup> Street, Suite 300  
Philadelphia, PA 19103  
[joe\\_minott@cleanair.org](mailto:joe_minott@cleanair.org)

Divesh Gupta  
Managing Counsel – Regulatory  
Constellation Energy  
100 Constellation Way, Suite 500C  
Baltimore, MD 21202  
[divesh.gupta@constellation.com](mailto:divesh.gupta@constellation.com)

Certificate of Service  
Docket No. M-2009-2123944  
Page 2

Deanne M. O'Dell, Esq.  
Eckert Seamans Cherin & Mellott, LLC  
213 Market Street, 8th Floor  
Harrisburg, PA 17101  
[dodell@eckertseamans.com](mailto:dodell@eckertseamans.com)



---

Adeolu A. Bakare

Counsel to the Philadelphia Area Industrial Energy  
Users Group

Dated this 21<sup>st</sup> day of March, 2013, in Harrisburg, Pennsylvania.

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition of PECO Energy Company :  
for Approval of Its Smart Meter Universal : Docket No. M-2009-2123944  
Deployment Plan :

---

**PREHEARING MEMORANDUM OF  
THE PHILADELPHIA AREA INDUSTRIAL ENERGY USERS GROUP**

---

As requested by Administrative Law Judge ("ALJ") Angela T. Jones in the February 26, 2013, Prehearing Conference Order, the Philadelphia Area Industrial Energy Users Group ("PAIEUG") hereby submits this Prehearing Memorandum.

**I. HISTORY OF THE PROCEEDING**

On August 14, 2009, consistent with the requirements of Act 129 and the Commission's Implementation Order entered June 24, 2009, at Docket No. M-2009-2092655 ("I.O."), PECO Energy Company ("PECO" or "Company") filed its Smart Meter Technology Procurement and Installation Plan ("Initial Smart Meter Plan"). The Initial Smart Meter Plan proposed procurement and deployment of 100,000 smart meters over 30 months and bifurcated PECO's smart meter installations into the 30-month "grace" period and a subsequent universal deployment plan to be completed by 2019. By Orders entered May 6, 2010, and June 3, 2012, the Commission approved PECO's Initial Smart Meter Plan, with modifications.

On January 18, 2013, consistent with the bifurcated deployment approved through the Initial Smart Meter Plan, PECO filed its Smart Meter Universal Deployment Plan ("Universal Deployment Plan"). The Universal Deployment Plan summarizes PECO's performance through the Initial Smart Meter Plan and outlines the projected benchmarks for universal deployment. PECO anticipates deployment of approximately 600,000 smart meters at the conclusion of the Initial Smart Meter Plan. PECO further proposes to significantly accelerate the original 2019

benchmark for universal deployment and complete full-scale deployment of an additional 1.2 million smart meters by the end of 2014.

PECO intends to recover the costs of its expedited Universal Deployment Plan through the non-bypassable Smart Meter Cost Recovery Charge ("SMCRC") approved through the Initial Smart Meter Plan proceeding. The Company would maintain the original ten-year period for recovery of smart meter infrastructure and its unrecovered investments in Automatic Meter Readers ("AMR"). PECO did not propose any modifications to the Commission-approved rate structure currently utilized for the SMCRC.

On February 11, 2013, PAIEUG filed a Petition to Intervene in this proceeding. A description of PAIEUG is set forth in Paragraph 3 of PAIEUG's Petition to Intervene. PAIEUG's Petition to Intervene is pending and awaits disposition by the ALJ.

## **II. ANTICIPATED ISSUES AND SUB-ISSUES**

PAIEUG is concerned with whether the Company's Universal Deployment Plan is in the public interest and whether the Universal Deployment Plan is in accordance with Act 129, the I.O., and all other applicable statutes and regulations. In this proceeding, PAIEUG plans to pursue issues regarding the terms and conditions of its electricity service, including any rate increases imposed as a result of the Company's Universal Deployment Plan and the appropriate allocation of projected revenues across customer classes. PAIEUG anticipates pursuing these issues during this proceeding and reserves the right to raise further issues and respond to issues raised by other parties as necessary and appropriate during the course of this proceeding

## **III. PROPOSED WITNESSES**

PAIEUG is in the process of evaluating whether it will sponsor testimony in this proceeding. In the event that PAIEUG decides to sponsor testimony, it will immediately inform the parties and the ALJ of any intended witnesses and topics of testimony. PAIEUG also intends to participate in

this proceeding through the submission of discovery, cross-examination of other parties' witnesses, and the submission of briefs, exceptions, and reply exceptions, if necessary.

**IV. PROPOSED SCHEDULE AND DISCOVERY RULES**

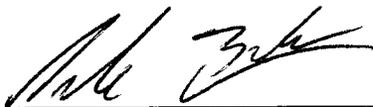
PAIEUG has participated in discussions with PECO and other parties to develop an appropriate procedural schedule and discovery rules in accordance with the Commission's regulations. PAIEUG does not anticipate any conflicts with scheduling or discovery proposals from other parties. To the extent necessary, PAIEUG will comply with any further directives from the ALJ.

**V. SETTLEMENT**

PAIEUG is willing to participate in discussions with the other parties to amicably resolve the issues in this proceeding.

Respectfully submitted,

McNEES WALLACE & NURICK LLC

By 

Charis Mincavage (I.D. No. 82039)  
Adeolu A. Bakare (I.D. No. 208541)  
100 Pine Street  
P.O. Box 1166  
Harrisburg, PA 17108-1166  
Phone: (717) 232-8000  
Fax: (717) 237-5300  
cmincavage@mwn.com  
abakare@mwn.com

Counsel to the Philadelphia Area Industrial Energy  
Users Group

Dated: March 21, 2013