

COMMONWEALTH OF PENNSYLVANIA



OFFICE OF CONSUMER ADVOCATE

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April 24, 2014

Rosemary Chiavetta, Secretary
PA Public Utility Commission
Commonwealth Keystone Bldg.
400 North Street
Harrisburg, PA 17120

RE: Joint Petition of Metropolitan Edison Company,
Pennsylvania Electric Company, Pennsylvania Power
Company, and West Penn Power Company for
Approval of their Smart Meter Deployment Plan
Docket Nos. M-2013-2341990, M-2013-2341991,
M-2013-2341993, M-2013-2341994

Dear Secretary Chiavetta:

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

Copies have been served upon all parties of record as shown on the attached Certificate of Service.

Sincerely yours,

A handwritten signature in cursive script that reads "Christy M. Appleby".

Christy M. Appleby
Assistant Consumer Advocate
PA Attorney I.D. # 85824

Enclosures

cc: Honorable Elizabeth H. Barnes
Certificate of Service

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BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

JOINT PETITION OF METROPOLITAN : DOCKET NO. M-2013-2341990
EDISON COMPANY, PENNSYLVANIA : DOCKET NO. M-2013-2341991
ELECTRIC COMPANY, PENNSYLVANIA : DOCKET NO. M-2013-2341993
POWER COMPANY AND WEST PENN : DOCKET NO. M-2013-2341994
POWER COMPANY FOR APPROVAL OF :
THEIR SMART METER DEPLOYMENT :

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 Second Prehearing Order of April 18, 2014 entered by Administrative Law Judge Elizabeth H. Barnes (ALJ) in the above-captioned matter, the Office of Consumer Advocate (OCA) provides the following information:

I. Introduction

On March 6, 2014, the Pennsylvania Public Utility Commission (Commission) issued its Opinion and Order regarding the Smart Meter Deployment Plan (Plan) of Metropolitan Edison Company (Met-Ed), Pennsylvania Electric Company (Penelec), Pennsylvania Power Company (Penn Power) and West Penn Power Company (West Penn) (collectively, FirstEnergy Companies or Companies) at the above dockets (March 6 Order). On March 19, 2014, the FirstEnergy Companies filed a Compliance Filing and Amended Plan in response to the Commission's March 6 Order. With the Compliance Filing, the FirstEnergy Companies also included new supplemental testimony from the Companies' witnesses George L. Fitzpatrick and Laura W. Gifford and an Amended Plan regarding accelerated smart meter deployment for its

Penn Power service territory. The Companies had raised the proposal for accelerated smart meter deployment in the Penn Power service territory for the first time in the FirstEnergy Companies' December 2, 2013 Exceptions to the ALJ's Recommended Decision dated November 8, 2013, at the above dockets.

On March 31, 2014, the OCA filed Exceptions to the Compliance Filing regarding the inclusion of the proposed accelerated smart meter deployment in the Compliance Filing and requested that the Commission direct the Companies to file a Petition to Amend the Plan or assign the matter to an Administrative Law Judge for the development of an evidentiary record. On April 7, 2014, the FirstEnergy Companies filed a Response to the OCA's Exceptions.

On April 16, 2014, the Commission's Secretary issued a Secretarial Letter, which referred the matter to the Office of Administrative Law Judge and directed that the record be certified to the Commission by May 15, 2014 for decision by the Commission at the June 5, 2014 Public Meeting.

On April 17, 2014, the ALJ issued a Further Prehearing Conference Notice scheduling the Prehearing Conference for Friday, April 25, 2014 at 10:00 a.m. The OCA submits this Prehearing Memorandum in accordance with the ALJ's Second Prehearing Conference Order entered April 18, 2014.

II. Issues

Based upon a preliminary analysis of the Companies' testimony and Amended Plan, the OCA has compiled a list of issues, which it anticipates will be included in its investigation of the Companies' proposal for accelerated smart meter deployment in the Penn Power service territory. The OCA has participated in several informal discovery meetings with the Companies, and the Companies have responded to informal data requests.

At this time, the OCA has identified the following issues as requiring further review and analysis:

(1) Whether the proposed Amended Plan to accelerate Penn Power's smart meter deployment is reasonable;

(2) Whether the proposed Amended Plan costs and savings are reasonable in comparison to the Companies' original smart meter deployment Plan;

(3) Whether the impact, including costs and savings, of the proposed Penn Power smart meter accelerated deployment on Met-Ed, Penelec and West Penn ratepayers is reasonable; and

(4) Whether the Companies' calculation of the Net Present Value (NPV) is reasonable.

The OCA specifically reserves the right to raise any new or additional issues as necessary.

III. Witnesses

The OCA intends to present the Direct Testimony of J. Richard Hornby in this proceeding. Mr. Hornby will present testimony in written form and will also attach various exhibits, documents and explanatory documents that will assist in the presentation of the OCA's case. In order to expedite the resolution of this proceeding, the OCA requests that copies of all interrogatories, testimony and answers to interrogatories be e-mailed directly to Mr. Hornby at the following address, as well as mailing copies to counsel for the OCA.

J. Richard Hornby
Synapse Energy Economics, Inc.
485 Massachusetts Ave., Suite 2
Cambridge, Ma. 02139
Telephone: (617) 661-3248
E-mail: rhornby@synapse-energy.com

The OCA specifically reserves the right to call additional witnesses, as necessary. As soon as the OCA has determined whether an additional witness or witnesses will be necessary for any portion of its case, the Administrative Law Judge and all parties of record will promptly be notified.

IV. Service on the OCA

The OCA will be represented in this proceeding by Assistant Consumer Advocates Christy M. Appleby and Candis A. Tunilo. Service of all documents should be made as follows:

Christy M. Appleby
Candis A. Tunilo
Assistant Consumer Advocates
Office of Consumer Advocate
5th Floor, Forum Place
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V. Discovery

The OCA requests the following modification to the discovery rules:

1. Answers to on-the-record data requests shall be served in-hand within five (5) calendar days of the request, or no later than Monday, May 12, 2014.

VI. Protective Order

ALJ Barnes previously entered a Protective Order in this docket on February 27, 2013. The OCA and OCA witness Hornby executed the attached Appendix A on March 5, 2013. The OCA requests that the Protective Order be maintained for this phase of the proceeding.

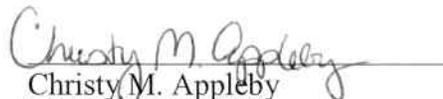
VII. Procedural Schedule

The OCA and the Company have agreed to the following procedural schedule:

Intervenor Direct Testimony	April 29, 2014 by 2:00 p.m.
Rebuttal Testimony	May 5, 2014
Hearings (Harrisburg)	May 7, 2014
Briefs	May 14, 2014
Record Closes And Is Certified to Commission	May 15, 2014

The parties have also agreed to hold an informal discovery session on May 1, 2014. The parties agree that any written discovery responses shall be provided on a best efforts basis by close of business the next business day. The parties will circulate amongst themselves a Common Draft Outline for Briefs by May 6, 2014 with final presentation of the Common Outline for Briefs to the ALJ at the hearings on May 7, 2014.

Respectfully Submitted,


Christy M. Appleby
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DATE: April 24, 2014
182296

CERTIFICATE OF SERVICE

Joint Petition of Metropolitan Edison Company :
Pennsylvania Electric Company, Pennsylvania : Docket Nos. M-2013-2341990
Power Company, and West Penn Power Company : M-2013-2341991
For Approval of their Smart Meter Deployment : M-2013-2341993
Plan : M-2013-2341994
:

I hereby certify that I have this day served a true copy of the foregoing, 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 24th day of April 2014.

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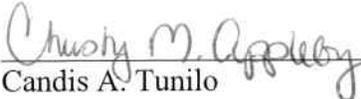
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