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April 24, 2014

VIA E-FILING

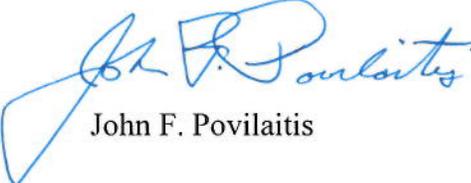
Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, PA 17120

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 Plans; Docket Nos. M-2013-2341990, M-2013-2341991, M-2013-2341993, M-2013-2341994

Dear Secretary Chiavetta:

On behalf of Metropolitan Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company and West Penn Power Company (the "Companies"), enclosed for electronic filing is the Prehearing Memorandum of Metropolitan Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company and West Penn Power Company. Copies have been served as indicated in the attached certificate of service.

Very truly yours,



John F. Povilaitis

JFP/kra

Enclosure

cc: The Honorable Elizabeth H. Barnes (via email and first class mail)
Bureau of Audits (via first class mail)
Bureau of Technical Utility Services, Reliability and Emergency Preparedness Section
(via first class mail)
Certificate of Service

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

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

**PREHEARING MEMORANDUM OF METROPOLITAN EDISON COMPANY,
PENNSYLVANIA ELECTRIC COMPANY, PENNSYLVANIA POWER COMPANY
AND WEST PENN POWER COMPANY**

TO THE HONORABLE ELIZABETH H. BARNES:

Pursuant to the Second Prehearing Order of the Administrative Law Judge (“ALJ”) dated April 18, 2014 (Second Prehearing Order”), Metropolitan Edison Company (“Met-Ed”), Pennsylvania Electric Company (“Penelec”), Pennsylvania Power Company (“Penn Power”) and West Penn Power Company (“West Penn”) (collectively, the “Companies”) by and through their counsel, submit this Prehearing Memorandum:

I. Name and Address of the Companies’ Legal Representation

The attorney authorized to accept service for purposes of the Pennsylvania Public Utility Commission’s (“Commission”) service list is:

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Parties are requested to also serve documents on the following attorneys as a courtesy:

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II. Background and History of this Phase of the Proceeding

On March 19, 2014, the Companies filed a Revised Smart Meter Deployment Plan that proposed a modification of the smart meter deployment schedule approved by the Commission on March 6, 2014.¹ The March 19, 2014 filing was consistent with the Commission's March 6, 2014 Order which authorized the Companies to file an amended plan proposing an accelerated deployment schedule within 30 days of the entry date of the Order. Specifically, the Revised Smart Meter Deployment Plan proposed a new schedule for the Penn Power solution validation stage of deployment that under the revised plan would start in mid-2014 and complete the build out of Penn Power's 170,000 smart meters by the end of 2015. Originally, the deployment in Penn Power's service territory was expected to take until early 2017. In addition, the deployment schedule was revised to reflect the Companies' expectation that 98.5% of all smart

¹ The March 19, 2014 filing also served as a compliance filing with respect to the Commission's March 6, 2014 Order approving the Plan.

meters could be installed by mid-2019 rather than the end of 2019. These proposals were supported by the Supplemental Testimony of Mr. George L. Fitzpatrick (Met-Ed/Penelec/Penn Power/West Penn Statement No. 4-S) and Ms. Laura W. Gifford (Met-Ed/Penelec/Penn Power/West Penn Statement No. 6-S). The Companies have responded to informal discovery propounded by the Office of Consumer Advocate (“OCA”) on the Revised Smart Meter Deployment Plan and its supporting materials.

On March 31, 2014, OCA filed Exceptions to the March 19, 2014 filing. The Companies filed a Response to those Exceptions on April 7, 2014. By Secretarial Letter dated April 16, 2014, the Commission referred the Revised Smart Meter Deployment Plan to the Office of Administrative Law Judge for the development of an evidentiary record. The Secretarial Letter further determined that the presiding officer should establish a procedural schedule that would enable the preparation of an order certifying the record, without a recommended decision from the presiding officer, at the Public Meeting of June 5, 2014.²

On April 18, 2014, the presiding officer, Administrative Law Judge Elizabeth H. Barnes, issued her Second Prehearing Order. This order directed the submission of prehearing conference memorandum on or before April 24, 2014. The Second Prehearing Order also encouraged the parties to agree to a procedural schedule regarding the filing of testimony and hearing dates, provided a list of potential hearing dates, directed a one day turnaround of the prehearing conference and hearing transcripts and directed the submission of briefs (with no opportunity for reply) using a consistent format and including proposed findings of fact and conclusions of law.³

² April 16, 2014 Secretarial Letter at 3.

³ Second Prehearing Order at 2.

III. Witnesses and Subject Matter of Testimony

The Companies filed and served the following Testimony on March 19, 2014:

- **Met-Ed/Penelec/Penn Power/West Penn Statement No. 4-S**, Supplemental Testimony of George L. Fitzpatrick (Modifications to Deployment Schedule, Financial Impacts of Accelerating the Deployment Plan, Status of the Companies' Communications Plan).
- **Met-Ed/Penelec/Penn Power/West Penn Statement No. 6-S**, Testimony of Laura W. Gifford (Updated SMT-C Rates, Customer Bill Impacts).

It is the Companies' position that the issues outstanding in this new phase of the proceeding are limited to the Plan changes proposed in the March 19, 2014 filing.

IV. Proposed Procedural Schedule

The Companies and OCA have discussed a procedural schedule. On Monday April 21, a proposed procedural schedule acceptable to OCA and the Companies was circulated to all Parties. No party has objected to the following proposed procedural schedule:

Intervenor Direct Testimony	April 29, 2014 (2:00 p.m.)
Informal Discovery of Intervenor Direct Testimony via Conference Call	May 1, 2014
Written Responses due to discovery propounded orally on May 1, 2014	May 2, 2014 (best efforts basis)
All Parties' Rebuttal Testimony	May 5, 2014
Draft Common Brief Outline Circulated by Companies	May 6, 2014
Hearing and Finalization/Submission of Final Common Brief Outline	May 7, 2014 (Harrisburg)
Briefs Due	May 14, 2014 (Including Findings of Fact and Conclusions of Law)

Responses to ALJ – Authorized On the Record Data Requests	No later than May 12, 2014
Close of Record	May 14, 2014
Issuance of Order Certifying Record to Commission	May 15, 2014

V. Discovery

Consistent with the Second Prehearing Order, the Companies will initiate discovery as early as reasonably possible, exchange information on an informal basis to the extent possible and cooperate with all Parties in discovery. The proposed procedural schedule addresses certain discovery timelines specific to this phase of the proceeding.

VI. Protective Order

The Companies respectfully request that the Administrative Law Judge confirm that the Protective Order dated February 27, 2013 in these Dockets continues to be in effect and applies to all Parties in this phase of the proceeding.

VII. Settlement

The Companies will participate in any settlement discussions and informal resolution of issues to the extent other Parties are amenable to such discussions.

Respectfully submitted,

Dated: April 24, 2014



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Counsel for Metropolitan Edison Company,
Pennsylvania Electric Company, Pennsylvania Power
Company and West Penn Power Company

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

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

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a copy of the foregoing document 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

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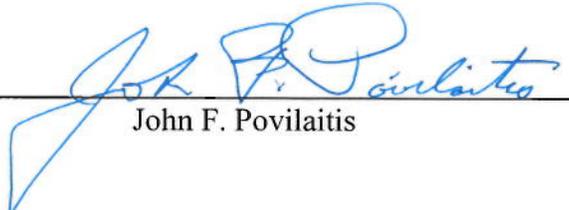
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Date: April 24, 2014



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