

COMMONWEALTH OF PENNSYLVANIA



OFFICE OF CONSUMER ADVOCATE

555 Walnut Street, 5th Floor, Forum Place  
Harrisburg, Pennsylvania 17101-1923  
(717) 783-5048  
800-684-6560

FAX (717) 783-7152  
consumer@paoca.org

April 28, 2014

Rosemary Chiavetta, Secretary  
PA Public Utility Commission  
Commonwealth Keystone Bldg.  
400 North Street  
Harrisburg, PA 17101

Re: Pa. Public Utility Commission  
v.  
PPL Electric Utilities Corporation  
Docket No. R-2012-2290597

Dear Secretary Chiavetta:

Enclosed please find the Office of Consumer Advocate's Answer to the Petition of PPL Electric Utilities Corporation for Reconsideration and Clarification 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 black ink, appearing to read "Darryl A. Lawrence".

Darryl A. Lawrence  
Assistant Consumer Advocate  
PA Attorney I.D. # 93682

Enclosures

cc: Honorable Susan D. Colwell  
Certificate of Service

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BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission,	:	
	:	
v.	:	Docket No. R-2012-2290597
	:	
PPL Electric Utilities Corporation	:	

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ANSWER OF THE OFFICE OF CONSUMER ADVOCATE  
TO THE PETITION OF PPL ELECTRIC UTILITIES  
CORPORATION FOR RECONSIDERATION  
AND CLARIFICATION

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Pursuant to 52 Pa. Code Section 5.572, the Office of Consumer Advocate (OCA) provides the following Answer to PPL Electric Utility Corporation's (PPL or Company) Petition for Reconsideration and Clarification (PPL Petition) in the above-captioned proceeding.

On April 3, 2014, the Pennsylvania Public Utility Commission (Commission) issued its Opinion and Order approving PPL's proposed Storm Damage Expense Rider (SDER) with certain modifications. Pa. PUC v. PPL Opinion and Order, Dock. No. R-2012-2290597 (Order entered April 3, 2014) (April 3 Order). On April 18, 2014, PPL submitted its Petition seeking reconsideration and clarification as to the April 3 Order. PPL Petition at 1. The OCA submits that the PPL Petition should be dismissed, as the Company has failed to meet the standard for reconsideration or clarification of the April 3 Order.

The OCA continues to oppose the SDER. As the OCA has maintained throughout the comment process in this docket, a rider for collection of normal, ongoing storm damage expense is contrary to sound ratemaking principles, including the principles against single-issue ratemaking and retro-active ratemaking, is contrary to the law and is unsound public policy. The SDER would, in effect, disassemble the carefully crafted ratemaking process for recovery of storm damage expenses that has achieved just and reasonable rates. See OCA Comments, submitted April 18, 2013 and December 16, 2013; OCA Reply Comments submitted May 6, 2013 and December 31, 2013. That said, however, the OCA opposes the grant of reconsideration or clarification as to any issue raised in the PPL Petition as the Company has failed to meet the necessary legal standard for such review.

As set forth in Duick v. Pennsylvania Gas and Water Co., 56 Pa.P.U.C. 553 (1985), the standards for granting a petition for reconsideration are as follows:

A petition for reconsideration, under the provisions of 66 Pa.C.S. § 703(g), may properly raise any matters designed to convince the Commission that it should exercise its discretion under this code section to rescind or amend a prior order in whole or in part. In this regard we agree with the Court in the Pennsylvania Railroad Company case, wherein it was stated that “[p]arties ..., cannot be permitted by a second motion to review and reconsider, to raise the same questions which were specifically considered and decided against them ...” What we expect to see raised in such petitions are new and novel arguments, not previously heard, or considerations which appear to have been overlooked or not addressed by the Commission. Absent such matters being presented, we consider it unlikely that a party will succeed in persuading us that our initial decision on a matter or issue was either unwise or in error.

56 Pa.P.U.C. at 559 (quoting Pennsylvania R.R. Co. v. Pa. PUC, 118 Pa. Super. 380, 179 A. 850 (1935)) (emphasis added). PPL raised two broad areas of concern in its Petition: (1) the appropriateness of a cap on the SDER, and (2) whether the SDER should be re-set to zero as part of a base rate proceeding.

The OCA finds no new or novel arguments in the PPL Petition that legally support a grant of reconsideration or clarification of the April 3 Order. On March 28, 2013, PPL filed its proposed SDER with the Commission. Several rounds of comments followed, in which PPL actively participated. The Commission specifically requested comments as to a cap on the SDER in its Opinion and Order issued October 31, 2013. Pa. PUC v. PPL Opinion and Order, Dock. No. R-2012-2290597 at Appendix A (Order entered Nov. 15, 2013) (November 15 Order). In its Comments PPL specifically objected to any cap being placed on the SDER. See PPL Comments at 22-23, submitted December 16, 2013. The PP&L Industrial Customer Alliance (PPLICA) also submitted Comments on the cap issue and proposed a 1% cap. See PPLICA Comments at 6-7, submitted December 16, 2013. In its April 3 Order, the Commission disagreed with PPL and instituted a 3% cap on the SDER. April 3 Order at 25, 29-30. Similar to the cap issue, several of the parties to this matter discussed the idea of reconciliation, base rate treatment and re-setting of storm fund debits or credits throughout their various sets of Comments. See, e.g., I&E Comments at 2-17, submitted December 16, 2013; OCA Comments at 10-17, submitted December 16, 2013. In its April 3 Order, the Commission discussed and explained how the SDER would function and how debits or credits would be dealt with when PPL next files a base rate case. April 3 Order at 30.

In conclusion, in its April 3 Order the Commission approved the Company's SDER in most major respects. Notwithstanding this fact, PPL through its Petition now seeks additional fine tuning and enhancements to the SDER. The Office of Consumer Advocate respectfully

submits that the Commission should dismiss PPL's Petition for Reconsideration and Clarification in this matter.

Respectfully Submitted,



Candis A. Tunilo Atty. I.D. #89891  
Assistant Consumer Advocate  
E-Mail: [CTunilo@paoca.org](mailto:CTunilo@paoca.org)

Darryl Lawrence Atty. I.D. #93682  
Assistant Consumer Advocate  
E-Mail: [DLawrence@paoca.org](mailto:DLawrence@paoca.org)

Counsel for:  
Tanya J. McCloskey  
Acting Consumer Advocate

Office of Consumer Advocate  
555 Walnut Street  
5th Floor, Forum Place  
Harrisburg, PA 17101-1923  
Telephone: (717) 783-5048

Dated: April 28, 2014  
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CERTIFICATE OF SERVICE

Re: Pennsylvania Public Utility Commission :  
v. :  
PPL Electric Utilities : Docket No. R-2012-2290597

I hereby certify that I have this day served a true copy of the Office of Consumer Advocate's Answer to the Petition of PPL Electric Utilities Corporation for Reconsideration and Clarification, upon parties of record in this proceeding in accordance with the requirements of 52 Pa. Code §1.54 (relating to service by a participant), in the manner and upon the persons listed below:

Dated this 28th day of April 2014.

SERVICE E-MAIL & INTER-OFFICE MAIL

Regina L. Matz, Esquire  
Bureau of Investigation & Enforcement  
Pa. Public Utility Commission  
400 North Street  
Harrisburg, PA 17101

SERVICE BY E-MAIL & FIRST CLASS MAIL, POSTAGE PREPAID

Paul E. Russell, Esquire  
PPL Electric Utilities Corporation  
2 North Ninth Street  
Allentown, PA 18101

John H. Isom, Esq.  
Christopher T. Wright, Esq.  
Post & Schell, P.C.  
17 North Second Street, 12<sup>th</sup> Fl.  
Harrisburg, PA 17101-1601

David B. MacGregor, Esq.  
Post & Schell, P.C.  
Four Penn Center  
1600 John F. Kennedy Blvd.  
Philadelphia, PA 19103-2808

Steven Gray, Esquire  
Office of Small Business Advocate  
300 North Second St.  
Suite 1102  
Harrisburg, PA 17101

Kenneth L. Mickens, Esq.  
316 Yorkshire Drive  
Harrisburg, PA 17111

Todd S. Stewart, Esquire  
William E. Lehman, Esquire  
Hawke, McKeon & Sniscak, LLP  
100 North 10<sup>th</sup> Street  
Harrisburg, PA 17101

Pamela C. Polacek, Esq.  
Adeolu A. Bakare, Esq.  
McNees Wallace & Nurick LLC  
100 Pine Street  
P.O. Box 1166  
Harrisburg, PA 17108-1166

Joseph L. Vullo, Esq.  
1460 Wyoming Avenue  
Forty Fort, PA 18704

Scott J. Rubin  
333 Oak Lane  
Bloomsburg, PA 17815-2036

Daniel Clearfield, Esq.  
Carl R. Shultz, Esq.  
Deanne O'Dell, Esq.  
Eckert Seamans Cherin & Mellott, LLC  
213 Market St., 8<sup>th</sup> Fl.  
Harrisburg, PA 17101

Robert D. Knecht  
Industrial Economics Inc.  
2067 Massachusetts Avenue  
Cambridge, MA 02140

Eric J. Epstein  
4100 Hillsdale Road  
Harrisburg, PA 17112

Mr. Frank J. Richards  
Richards Energy Group, Inc.  
781 South Chiques Road  
Manheim, PA 17545

Richard Baudino  
J. Kennedy & Associates, Inc.  
1347 Frye Road  
Westfield, NC 27053

SERVICE BY FIRST CLASS MAIL, POSTAGE PREPAID

Dave Kenney  
577 Shane Drive  
Effort, PA 18330

John Lucas  
112 Jessup Avenue  
Jessup, PA 18434

Helen Schwika  
1163 Lakeview Drive  
White Haven, PA 18661

William Andrews  
40 Gordon Avenue  
Carbondale, PA 18407

Roberta A. Kurrell  
591 Little Mnt. Road  
Sunbury, PA 17801

Donald Leventry  
1154 River Road  
Holtwood, PA 17532



Candis A. Tunilo  
Assistant Consumer Advocate  
PA Attorney I.D. # 89891  
E-Mail: CTunilo@paoca.org  
Darryl Lawrence  
Assistant Consumer Advocate  
PA Attorney I.D. # 93682  
E-Mail: DLawrence@paoca.org

Counsel for  
Office of Consumer Advocate  
555 Walnut Street, 5th Floor, Forum Place  
Harrisburg, PA 17101-1923  
Phone: (717) 783-5048  
Fax: (717) 783-7152  
155399