



COMMONWEALTH OF PENNSYLVANIA  
PENNSYLVANIA PUBLIC UTILITY COMMISSION  
P.O. BOX 3265, HARRISBURG, PA 17105-3265

IN REPLY PLEASE  
REFER TO OUR FILE

January 7, 2015

Hon. Susan D. Colwell  
Pennsylvania Public Utility Commission  
Office of Administrative Law Judge  
P.O. Box 3265  
Harrisburg, PA 17105-3265

Re: Pennsylvania Public Utility Commission v.  
PPL Electric Utilities Corporation

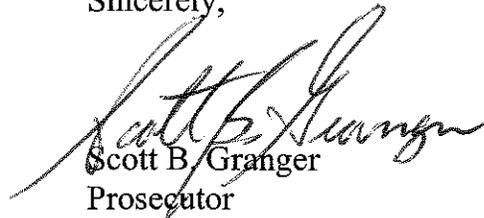
Docket No. R-2012-2290597

Dear Judge Colwell:

Enclosed please find an original copy of the Bureau of Investigation and Enforcement's (I&E) **Prehearing Memorandum** in the above-captioned proceeding.

Copies are being served on all active parties of record. If you have any questions, please contact me at (717) 425-7593.

Sincerely,



Scott B. Granger  
Prosecutor

Bureau of Investigation and Enforcement  
PA Attorney I.D. #63641

Enclosures  
SBG/sea

cc: Parties of Record

BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission :  
 :  
 v. : R-2012-2290597  
 :  
 PPL Electric Utilities Corporation :

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PREHEARING MEMORANDUM  
OF THE  
BUREAU OF INVESTIGATION AND ENFORCEMENT

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**TO ADMINISTRATIVE LAW JUDGE SUSAN D. COLWELL:**

The Bureau of Investigation and Enforcement (“I&E”) of the Pennsylvania Public Utility Commission (“Commission”) respectfully submits the following Prehearing Memorandum in the above-captioned consolidated proceedings.

The Bureau of Investigation and Enforcement Prosecutor in these proceedings will be Scott B. Granger. Contact information is as follows:

By mail: Scott B. Granger  
Pennsylvania Public Utility Commission  
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Harrisburg, PA 17105-3265

By e-mail: [sgranger@pa.gov](mailto:sgranger@pa.gov)  
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## **I. INTRODUCTION**

On October 31, 2014, PPL Electric Utilities Corporation (“PPL Electric”) filed Supplement No. 165 to Tariff - Electric Pa. P.U.C. No. 201 (“Tariff Supplement” or “Supplement No. 165”) to become effective January 1, 2015. Supplement No. 165 implements PPL Electric’s initial Storm Damage Expense Rider (“SDER” or “Rider”) for the period January 1, 2015 through December 31, 2015.

Supplement No. 165 was filed pursuant to the Commission’s Opinion and Order entered April 3, 2014 at Docket No. R-2012-2290597 (“April 3, 2014 Order”).

In the April 3, 2014 Order, the Commission directed PPL Electric to file a tariff supplement with its initial SDER, as approved and modified by the April 3, 2014 Order, with 60 days’ notice to be effective January 1, 2015.

On November 10, 2014, the PP&L Industrial Customer Alliance (“PPLICA”) filed a letter in response to the tariff filing identifying concerns and proposing modifications.

On November 24, 2014 PPL Electric filed a letter requesting that the modifications proposed by PPLICA be rejected.

On December 3, 2014, the Office of Consumer Advocate (“OCA”) filed a Formal Complaint and Public Statement requesting hearings on the tariff filing.

On December 18, 2014, the Commission, at its public meeting, suspended the proposed Tariff Supplement by operation of law pursuant to 66 Pa. C.S. §1307 until April 20, 2015, unless otherwise directed by Order of the Commission.

By the same Order, the matter was referred to the Office of Administrative Law Judge and subsequently assigned to Administrative Law Judge Susan D. Colwell.

Accordingly, a prehearing conference has been scheduled in the above-captioned case for 1:00 pm Friday, January 9, 2015, in Hearing Room 2, Commonwealth Keystone Building, 400 North Street, Harrisburg, PA.

## **II. ISSUES**

The following list represents I&E's preliminary determination of the potential issues in these proceedings. The listing is as complete as can be made at this time. I&E specifically reserves the right to address other issues, as it deems appropriate if any such relevant issues arise. The issues are as follows:

1. Tariff Supplement modifications set forth in the Commission's April 3, 2014 Order;
2. Categories of storm damage expense subject to reconciliation;
3. Reporting requirements of storm damage expenses and revenue;
4. Provisions for interest on under and over collections;
5. Timing of reconciliation; and
6. Methods for adjusting the annual level of the expense in rates.

### **III. WITNESSES**

It is currently expected that I&E may call the following expert witnesses without being limited thereto:

**Lisa A. Boyd, Fixed Utility Valuation Engineer**

The I&E witnesses may be contacted through the information listed above for Prosecutor Granger. The witness list is provided without the benefit of complete discovery or analysis of the positions of potential other parties to this proceeding. Accordingly, I&E reserves the right to call additional witnesses or withdraw the name of the witnesses listed above.

### **IV. EVIDENCE**

I&E expects to present all written testimony and accompanying exhibits at the evidentiary hearing. Moreover, I&E intends to rely on the Company's filings, answers to data requests and interrogatories, annual reports and other documents submitted to the Commission, other relevant Commission filings, any other relevant Commonwealth agency letters or reports, general financial market information sources and other public documents and reports.

### **V. DISCOVERY**

Discovery in these proceedings will be conducted according to 52 Pa. Code §§5.321 et. seq. No modifications to the rules of discovery have been proposed by the parties. Also, pursuant to 52 Pa. Code §§5.322 and 5.331(b), discovery has begun and is ongoing.

## **VI. SCHEDULE**

The schedule for this proceeding was set forth in the ALJ's 1<sup>st</sup> Prehearing Order, dated December 18, 2014. As of this date, I&E understands that the schedule is as follows:

Prehearing Conference	January 9, 2015
Direct Testimony of Company	January 16, 2015
Testimony of Other Parties	January 23, 2015
Evidentiary Hearings	January 28, 2015
Briefs	February 4, 2015
Recommended Decision	February 17, 2015

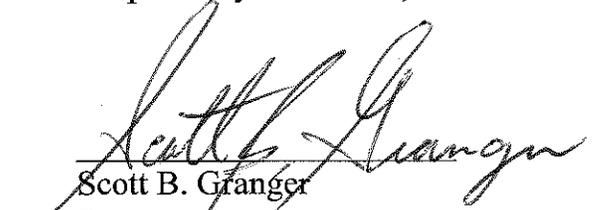
## **VII. SERVICE OF DOCUMENTS**

For purposes of satisfying in-hand requirements for discovery responses, prepared testimony and briefs, I&E will accept electronic delivery of documents with a follow-up hard copy provided by regular first class mail.

## VIII. SETTLEMENT

I&E is willing to make good faith efforts to successfully resolve this matter through settlement. In the event settlement discussions fail to result in a full and complete resolution of the matter, I&E is prepared to fully or partially litigate this proceeding.

Respectfully Submitted,



Scott B. Granger  
Prosecutor  
PA Attorney I.D. # 63641

Bureau of Investigation and Enforcement  
Pennsylvania Public Utility Commission  
Post Office Box 3265  
Harrisburg, Pennsylvania 17105-3265  
(717) 787-1976

Dated: January 7, 2015

BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

**Pennsylvania Public Utility Commission :**

v.

**PPL Electric Utilities Corporation :**

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:  
:  
:

**Docket No. R-2012-2290597**

**CERTIFICATE OF SERVICE**

I hereby certify that I am serving the foregoing **Prehearing Memorandum** dated January 7, 2015, in the manner and upon the persons listed below, in accordance with the requirements of § 1.54 (relating to service by a party):

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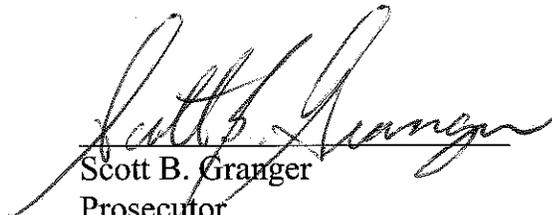
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