



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

IN REPLY PLEASE
REFER TO OUR FILE

April 21, 2016

Secretary Rosemary Chiavetta
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

Re:

Re: Petition of PECO Energy Company for Approval of Its Default Service
Plane for the Period from June 1, 2017 through May 31, 2019
Docket No. P-2016-2534980

Dear Secretary Chiavetta:

Enclosed please find the Bureau of Investigation and Enforcement's (I&E)
Prehearing Memorandum in this proceeding.

Copies are being served on all active parties of record as evidenced in the attached
Certificate of Service. If you have any questions, please contact me at (717) 783-6151.

Sincerely,

Phillip C. Kirchner
Prosecutor
Bureau of Investigation and Enforcement
PA Attorney I.D. #313870

PCK/sea
Enclosure

cc: Certificate of Service

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of PECO Energy Company :
for Approval of Its Default Service Plane :
for the Period from June 1, 2017 : Docket No. P-2016-2534980
through May 31, 2019 :

CERTIFICATE OF SERVICE

I hereby certify that I am serving the foregoing **Prehearing Memorandum** dated April 21, 2016, in the manner and upon the persons listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a party):

Served via First Class and Electronic Mail

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Phillip C. Kirchner
Prosecutor
Bureau of Investigation and Enforcement
PA Attorney I.D. #313870

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of PECO Energy Company for :
Approval of its Default Service Program :
For the Period from June 1, 2017 through : P-2016-2534980
May 31, 2019 :

PREHEARING MEMORANDUM
OF THE
BUREAU OF INVESTIGATION AND ENFORCEMENT

TO ADMINISTRATIVE LAW JUDGE CYNTHIA W. FORDHAM:

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 proceeding.

The Bureau of Investigation and Enforcement Prosecutor in this proceeding will be Phillip C. Kirchner. Contact information is as follows:

By mail: Phillip C. Kirchner, Esq.
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

By e-mail: phikirchne@pa.gov

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I. INTRODUCTION

On March 17, 2016, PECO Energy Company, Inc. (“PECO”, “Company” or “Petitioner”) filed a petition with the Pennsylvania Public Utility Commission (“Commission”) requesting that the Commission to approve its fourth Default Service Program (“DSP IV”). PECO noted that this petition was filed in accordance with its responsibilities as the default service provider for its certificated service territory for the period from June 1, 2017 through May 31, 2019, following the expiration of its current default service program (“DSP III”).

A Prehearing Conference is now scheduled for April 22, 2016, with Administrative Law Judge Cynthia W. Fordham presiding.

II. ISSUES

At this time, I&E is still evaluating its position but has not discerned any evident issues. Considering that this determination has been made without the benefit of complete discovery or analysis of the positions of other parties to this proceeding, I&E respectfully reserves the right to address issues raised in direct, rebuttal, or surrebuttal testimony or any other issues that become apparent at a later point in time.

III. WITNESSES

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

- Kokou Apetoh, *Fixed Utility Valuation Engineer*
- Rachel Maurer, *Fixed Utility Financial Analyst*

The I&E witnesses may be contacted through the information listed above for undersigned prosecutor. 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 names of the witnesses listed above.

IV. EVIDENCE

I&E expects to present any written direct, rebuttal and surrebuttal testimony and accompanying exhibits at the evidentiary hearing. Moreover, I&E intends to rely on the Company's filing, 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. SCHEDULE

I&E is in agreement with the schedule propounded by PECO on page seventeen (17) of their initial filing.

VI. SERVICE OF DOCUMENTS AND DISCOVERY MODIFICATIONS

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. I&E is in agreement with the discovery modifications proposed by PECO.

VII. 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,



Phillip C. Kirchner, Esq.
Prosecutor
PA Attorney I.D. # 313870

Bureau of Investigation and Enforcement
Pennsylvania Public Utility Commission
Post Office Box 3265
Harrisburg, Pennsylvania 17105-3265

Dated: April 21, 2016