

Tori L. Giesler, Esq. (610) 921-6658 (610) 939-8655 (Fax)

April 28, 2016

VIA HAND DELIVERY

Rosemary Chiavetta, Secretary Pennsylvania Public Utility Commission Commonwealth Keystone Building 400 North Street P.O. Box 3265 Harrisburg, PA 17105-3265

2800 Pottsville Pike P.O. Box 16001 Reading, PA 19612-6001

610-929-3601



Re: Pennsylvania Electric Company – General Base Rate Filing Docket No. R-2016-2537352

Dear Secretary Chiavetta:

INTRODUCTION AND CONTENTS OF THE FILING

Pursuant to Section 1308 of the Pennsylvania Public Utility Code, 66 Pa.C.S. § 1308, enclosed for filing on behalf of Pennsylvania Electric Company ("Penelec" or the "Company") is Supplement No. 23 to Penelec's Tariff Electric – Pa. P.U.C. No. 81 ("Supplement No. 23"), which has been marked for identification as Penelec Company Exhibit 1. Supplement No. 23 sets forth proposed rates designed to produce an increase in the Company's annual distribution revenue of \$158.8 million based on data for a fully projected future test year ending December 31, 2017. Supplement No. 23 also contains non-substantive revisions to the language of certain Rules and Regulations, rate schedules and riders in the Company's currently effective tariff, as summarized in Penelec Exhibit KMS-7. Supplement No. 23 bears an issue date of April 28, 2016, and an effective date of June 27, 2016.

Along with Supplement No. 23, the Company is filing all the supporting data required by the Pennsylvania Public Utility Commission's ("PUC" or "Commission") regulations at 52 Pa. Code §§ 53.52 – 53.53, including the written direct testimony of nine witnesses, who are identified in Penelec Exhibit CVF-2. A summary of the reasons for the proposed rate increase is set forth in the Company's Statement of Reasons, which is marked for identification as Penelec Exhibit CVF-1.

The Company is filing one complete hard copy and one electronic copy, on the enclosed CD, of its entire filing. An index cross-referencing the contents of the Company's supporting data and the Commission's filing requirements is attached as Appendix A to this transmittal letter.

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USE OF ALTERNATIVE METHOD OF CUSTOMER NOTIFICATION

Penelec hereby advises the Commission that it has elected to use the alternative method of customer notification set forth in the Commission's regulations at 52 Pa. Code § 53.45(b)(4). Consequently, as required by that regulation, Penelec will notify its customers of the proposed rate increase through bill inserts along with paid advertisements in major local newspapers.¹ Penelec also agrees to extend from 60 to 90 days the minimum period within which the filing of a complaint places the burden of proof upon the Company with respect to proposed rates, pursuant to 52 Pa. Code § 53.45(b)(4)(vi).

REQUEST FOR CONFIDENTIAL TREATMENT OF PROPRIETARY INFORMATION

Penelec Exhibits RAD-7 and RAD-40 contain information that Penelec considers to be proprietary and confidential. These pages have been marked *Highly Confidential*, are enclosed in separate envelopes and have not been included in the electronic version of the filing.

Penelec requests that the copies of the material that have been marked *Highly Confidential* and are contained in the envelopes similarly marked *Highly Confidential* be treated confidentially by the Commission, including its various Offices and Bureaus. In particular, the Company requests that the *Highly Confidential* material be excluded from the Commission's public document folder and not otherwise be disclosed to the public. Penelec intends to request the entry of an appropriate Protective Order from the presiding Administrative Law Judge(s) to maintain the confidentiality of such material if it is to be provided to parties in this case.

REQUEST FOR CONSOLIDATION

This filing is being made contemporaneously with general rate increase filings by Penelec's Pennsylvania affiliates at the docket numbers identified below:

Metropolitan Edison Company ("Met-Ed")	R-2016-2537349
Pennsylvania Power Company ("Penn Power")	R-2016-2537355
West Penn Power Company ("West Penn")	R-2016-2537359

Pursuant to 52 Pa. Code § 5.81, Penelec, by this transmittal letter, and Met-Ed, Penn Power and West Penn, in their respective transmittal letters, request that proceedings initiated with regard to their rate filings be formally consolidated by the Commission at the earliest possible opportunity. There is a fundamental commonality to virtually all of the components of the Companies' revenue requirements, rate designs and related issues. Consequently, proceedings initiated by the Commission will involve a substantial number of common questions of law and fact. The resources of the Commission and all parties would be used most efficiently

¹ In addition, Penelec is posting notice of this filing at its Company headquarters pursuant to 52 Pa. Code § 53.45(b)(1), posting the filing to its website, and issuing a news release describing the proposed changes to local newspapers, radio and television stations pursuant to 52 Pa. Code § 53.45(b)(2).

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and cost effectively, and administrative economy would be advanced, by formally consolidating the proceedings initiated with respect to all of the Companies' rate filings.

COUNSEL OF RECORD AND SERVICE ON THE COMPANY

Penelec will be represented by the following counsel in this proceeding:

Tori L. Giesler	Thomas P. Gadsden
FirstEnergy Service Company	y Anthony C. DeCusatis
2800 Pottsville Pike	Catherine G. Vasudevan
Reading, PA 19612	Brooke E. McGlinn
610.921.6658 (dir)	Morgan, Lewis & Bockius LLP
610.939.8655 (fax)	1701 Market Street
tgiesler@firstenergycorp.com	Philadelphia, PA 19103
	215.963.5234 (dir)
	215.953.5001 (fax)
	thomas.gadsden@morganlewis.com
	anthony.decusatis@morganlewis.com
	catherine.vasudevan@morganlewis.com

brooke.mcglinn@morganlewis.com

Penelec's attorneys are authorized to accept service on behalf of the Company in this proceeding. Penelec requests that the Commission and all parties serve copies of all documents in this proceeding on its attorneys.

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CERTIFICATE OF SERVICE

As indicated on the attached Certificate of Service, the Company has served copies of this filing on the Commission's Bureau of Investigation and Enforcement, the Office of Consumer Advocate, the Office of Small Business Advocate, and the Penelec Industrial Customer Alliance. The Company is also providing courtesy copies of the filing to the Commission's Law Bureau, Office of Special Assistants, and Bureau of Technical Utility Services.

Respectfully submitted,

i A Mess

Tori L. Giesler

Enclosures

c: Certificate of Service (w/encls.) Gladys M. Brown, Chairman (w/encls.) Andrew G. Place, Vice Chairman (w/encls.) John F. Coleman, Jr., Commissioner (w/encls.) Robert F. Powelson, Commissioner (w/encls.) Pamela A. Witmer, Commissioner (w/encls.) Bohdan R. Pankiw, Chief Counsel, Law Bureau (w/encls.) Cheryl Walker Davis, Director, Office of Special Assistants (w/encls.) Paul T. Diskin, Director, Bureau of Technical Utility Services (w/encls.)



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PA PUBLIC UTILITY COMMISSION SECRETARY'S BUREAU

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BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

PENNSYLVANIA PUBLIC UTILITY	:	
COMMISSION	:	
	:	
vs.	:	Do
	:	
PENNSYLVANIA ELECTRIC	:	
COMPANY	:	

Docket No. R-2016-2537352

CERTIFICATE OF SERVICE

I hereby certify and affirm that I have this day served copies of the 2016 General

Distribution Base Rate Filing on behalf of Pennsylvania Electric Company on the following

persons, in the manner specified below, in accordance with the requirements of 52 Pa. Code § 1.54:

VIA HAND DELIVERY

Tanya J. McCloskey Acting Consumer Advocate Office of Consumer Advocate 555 Walnut Street 5th Floor, Forum Place Harrisburg, PA 17101-1923 tmccloskey@paoca.org Charis Mincavage Susan E. Bruce Vasiliki Karandrikas Teresa K. Schmittberger McNees, Wallace & Nurick, LLC 100 Pine Street P.O. Box 1166 Harrisburg, PA 17108-1166 <u>cmincavage@mwn.com</u> <u>sbruce@mwn.com</u> <u>vkarandrikas@mwn.com</u> <u>tschmittberger@mwn.com</u> *Counsel for Penelec Industrial Customer Alliance*



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PA PUBLIC UTILITY COMPUTSION SECTEMARY S BURGED Johnnie E. Simms Director Bureau of Investigation & Enforcement Pennsylvania Public Utility Commission Commerce Keystone Building 400 North Street, 2nd Floor Harrisburg, PA 17105-3265 josimms@pa.gov

VIA FEDERAL EXPRESS

John R. Evans Office of Small Business Advocate Suite 202, Commerce Building 300 North Second Street Harrisburg, PA 17101 jorevan@pa.gov

Respectfully submitted,

salv

Thomas P. Gadsden (Pa. No. 28478) Anthony C. DeCusatis (Pa. No. 25700) Catherine G. Vasudevan (Pa. No. 210254) Brooke E. McGlinn (Pa. No. 204918) Morgan Lewis & Bockius LLP 1701 Market Street Philadelphia, PA 19103-2921 215.963.5234 (bus) 215.963.5001 (fax) thomas.gadsden@morganlewis.com

Counsel for Pennsylvania Electric Company

Dated: April 28, 2016