



COMMONWEALTH OF PENNSYLVANIA

June 8, 2016

E-FILED

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

**Re: Petition of Duquesne Light Company for Approval of its
Default Service Plan for the Period June 1, 2017 through May 31, 2021
Docket No. P-2016-2543140**

Dear Secretary Chiavetta:

I am delivering for filing today the Prehearing Memorandum, on behalf of the Office of Small Business Advocate, in the above-captioned proceeding.

Copies have been served today on all known parties in this proceeding, as indicated by the enclosed Certificate of Service.

If you have any questions, please do not hesitate to contact me.

Sincerely,

A handwritten signature in cursive script, appearing to read 'S. Webb'.

Sharon E. Webb
Assistant Small Business Advocate
Attorney ID No. 73995

Enclosures

cc: The Honorable Conrad A. Johnson
Mr. Brian Kalcic
Parties of Record

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Duquesne Light Company :
Petition for Approval of Default Service Plan :
For the Period June 1, 2017 through : **Docket No. P-2016-2543140**
May 31, 2021 :

**PREHEARING MEMORANDUM
OF THE OFFICE OF SMALL BUSINESS ADVOCATE**

I. INTRODUCTION

The Office of Small Business Advocate (“OSBA”) is authorized to represent the interests of small business customers of utility services before the Pennsylvania Public Utility Commission (“Commission”) pursuant to the provisions of the Small Business Advocate Act, Act 181 of 1988, 73 P.S. §§ 399.41 – 399.50 (“the Act”). In order to discharge this statutory duty, the Small Business Advocate deems it necessary to participate as a party to the above-captioned proceeding.

Representing the OSBA in this matter is Assistant Small Business Advocate Sharon E. Webb. Please address all correspondence in this matter as follows:

Sharon E. Webb
Assistant Small Business Advocate
Office of Small Business Advocate
300 North Second Street, Suite 202
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(717) 783-2525
(717) 783-2831 (fax)
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II. FILING BACKGROUND

On May 2, 2016, the Duquesne Light Company (“Duquesne” or “Company”) initiated the above-captioned proceeding by filing with the Commission a petition for

approval of a default service plan for the period of June 1, 2017, through May 31, 2021 (“Petition”).

Notice of the Petition was published in the May 21, 2016 issue of the Pennsylvania Bulletin. The Notice in the Pennsylvania Bulletin set a deadline for protests, answers or interventions of June 6, 2016. Consistent with the requirements set forth in the Pennsylvania Bulletin the OSBA filed an Answer, Notice of Intervention, Public Statement, and a Notice of Appearance on June 6, 2016.

III. IDENTIFICATION OF WITNESS AND TENTATIVE ISSUES

Assisting in the development and presentation of the OSBA’s case in this proceeding will be:

Mr. Brian Kalcic
Excel Consulting
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excel.consulting@sbcglobal.net

After an initial review of the materials submitted by Duquesne, the OSBA offers the following summary of the issues:

1. Duquesne proposes to acquire electricity for customers in the Residential and Lighting classes through a mix of 12 and 24 month full requirements, load-following contracts. *See* Petition, para. 8. Except for Lighting customers, Duquesne would acquire electricity to serve non-residential default service customers with maximum peak demands of less than 25 kW with the same procurement strategy, full-requirements, load-

following contracts as residential customers. *See* Petition, para. 16. Duquesne would acquire electricity to serve non-residential default service customers with maximum peak full-requirements, load-following contracts. *See* Petition, para. 23. Duquesne would continue serving default customers with maximum peak demands of 300 kW or higher through hourly pricing. *See* Petition, para. 32.

2. Duquesne would conduct separate procurements for Small Commercial and Industrial (“C&I”) customers and Medium C&I customers. Small C&I customers have maximum peak demands of less than 25 kW while Medium C&I customers have maximum peak demands of at least 25 kW but less than 300 kW. *See* Petition, para. 16, 23.

3. Duquesne would conduct separate procurements for Small Commercial and Industrial (“C&I”) customers and Medium C&I customers. Small C&I customers have maximum peak demands of less than 25 kW while Medium C&I customers have maximum peak demands of at least 25 kW but less than 300 kW. *See* Petition, para. 16, 23.

4. Duquesne is proposing to serve Large C&I customers, currently identified with a monthly metered demand of 300 kW or greater, to be served by hourly day-ahead PJM energy market prices. *See* Petition, para. 29.

5. Duquesne is proposing several significant changes to the Large C&I procurement plan from what is currently approved in DSP VII. Of particular concern to the OSBA, two years into the proposed plan, Duquesne proposes to lower the kW threshold for Large C&I customers that receive hourly pricing from greater than or equal to 300 kW to greater than or equal to 200 kW beginning 2019.

7. The OSBA agrees that Duquesne should acquire default service electricity for Small and Medium C&I customers through full-requirements, load-following contracts. The OSBA also agrees that Duquesne should impose a load cap. However, the OSBA has concerns about the proposed mid-plan changes for Large C&I customers. Therefore, the OSBA reserves the right to comment on the details of these, and other, provisions of Duquesne's Petition after the OSBA has had the opportunity to engage in discovery.

8. The OSBA also reserves the right to pursue additional issues as they arise throughout the proceeding.

IV. SERVICE OF DOCUMENTS

The OSBA requests that all parties serve a hard copy of any document filed in this case upon the OSBA **and the OSBA witness identified above**. In addition to hard copies of pleadings, briefs, and exceptions, the OSBA requests hard copies of responses to discovery propounded by the OSBA or any other party. Service by electronic mail only is not acceptable.

V. SETTLEMENT

The OSBA notes its willingness to enter into settlement discussions at the appropriate phase of this proceeding.

VI. HEARING AND BRIEFING SCHEDULE

The OSBA will cooperate with the other parties to develop a procedural schedule.

In light of the Governor's commitment to reduce the operating budget of Commonwealth Offices, the OSBA respectfully requests that the evidentiary hearings take place in Harrisburg.

Respectfully submitted,



Sharon E. Webb
Assistant Small Business Advocate
Attorney ID # 73995

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Dated: June 8, 2012

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition of Duquesne Light Company :
For Approval of Default Service Plan : **Docket No. P-2016-2543140**
for the Period June 1, 2017 through :
May 31, 2021 :

CERTIFICATE OF SERVICE

I hereby certify that true and correct copies of the foregoing have been served via email and/or First-Class mail (unless other noted below) upon the following persons, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

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DATE: June 8, 2016



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