

# Morgan Lewis

**Anthony C. DeCusatis**

Of Counsel  
+1.215.963.5034  
anthony.decusatis@morganlewis.com

July 11, 2016

**VIA eFILING**

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

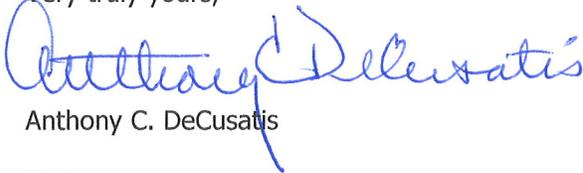
**Re: Pennsylvania Public Utility Commission v.  
Metropolitan Edison Company  
Docket No. R-2016-2537349**

Dear Secretary Chiavetta:

Enclosed for filing in the above-captioned proceeding is the **Answer of Metropolitan Edison Company to the Environmental Defense Fund's Petition to Intervene** ("Answer").

Copies of this Answer are being served on the parties as indicated on the attached Certificate of Service.

Very truly yours,



Anthony C. DeCusatis

Enclosures

c: Per Certificate of Service (w/encls.)

**Morgan, Lewis & Bockius LLP**

1701 Market Street  
Philadelphia, PA 19103-2921  
United States

**T** +1.215.963.5000  
**F** +1.215.963.5001

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**PENNSYLVANIA PUBLIC UTILITY COMMISSION** :  
 :  
 :  
 v. : **Docket Nos. R-2016-2537349**  
 :  
**METROPOLITAN EDISON COMPANY** :

**CERTIFICATE OF SERVICE**

I hereby certify and affirm that I have this day served copies of the **Answer of Metropolitan Edison Company to the Environmental Defense Fund's Petition to Intervene**, on the following persons, in the manner specified below, in accordance with the requirements of 52 Pa. Code § 1.54:

**VIA ELECTRONIC AND FIRST CLASS MAIL**

Honorable Mary D. Long  
Administrative Law Judge  
Office of Administrative Law Judge  
Pennsylvania Public Utility Commission  
Pittsburgh District Office, Piatt Place  
301 5th Avenue, Suite 220  
Pittsburgh, PA 15222  
[malong@pa.gov](mailto:malong@pa.gov)

Darryl A. Lawrence  
Lauren M. Burge  
David T. Evrard  
Candis A. Tunilo  
Office of Consumer Advocate  
555 Walnut Street  
5th Floor, Forum Place  
Harrisburg, PA 17101-1923  
[2016FIRSTENERGYRATECASES@paoca.org](mailto:2016FIRSTENERGYRATECASES@paoca.org)

Allison C. Kaster  
Senior Prosecutor  
Gina L. Lauffer  
Prosecutor  
Bureau of Investigation & Enforcement  
Pennsylvania Public Utility Commission  
Commerce Keystone Building  
400 North Street, 2nd Floor  
Harrisburg, PA 17105-3265  
[akaster@pa.gov](mailto:akaster@pa.gov)  
[ginlauffer@pa.gov](mailto:ginlauffer@pa.gov)

Charis Mincavage  
Vasiliki Karandrikas  
Kenneth Stark  
Allesandra L. Hylander  
McNees, Wallace & Nurick, LLC  
100 Pine Street  
P.O. Box 1166  
Harrisburg, PA 17108-1166  
[cmincavage@mcneeslaw.com](mailto:cmincavage@mcneeslaw.com)  
[vkandrikas@mcneeslaw.com](mailto:vkandrikas@mcneeslaw.com)  
[kstark@mcneeslaw.com](mailto:kstark@mcneeslaw.com)  
[ahylander@mcneeslaw.com](mailto:ahylander@mcneeslaw.com)  
*Counsel for MEIUG*

Daniel G. Asmus  
Office of Small Business Advocate  
Commerce Tower, Suite 202  
300 North Second Street  
Harrisburg, PA 17101  
[dasmus@pa.gov](mailto:dasmus@pa.gov)

Joseph Otis Minott  
Ernest Logan Welde  
Clean Air Council  
135 South 19th Street, Suite 300  
Philadelphia, PA 19103  
[joe\\_minott@cleanair.org](mailto:joe_minott@cleanair.org)  
[lwelde@cleanair.org](mailto:lwelde@cleanair.org)  
*Counsel for Clean Air Council  
(Electronic Mail only)*

Joline Price  
Elizabeth R. Marx  
Patrick M. Cicero  
Pennsylvania Utility Law Project  
118 Locust Street  
Harrisburg, PA 17101  
[pulp@palegalaid.net](mailto:pulp@palegalaid.net)  
*Counsel for Coalition for Affordable  
Utility Services and Energy Efficiency  
in Pennsylvania*

George Jugovic, Jr.  
Chief Counsel  
Citizens for Pennsylvania's Future  
200 First Avenue, Suite 200  
Pittsburgh, PA 15222  
[jugovic@pennfuture.org](mailto:jugovic@pennfuture.org)  
*Counsel for Citizens for Pennsylvania's  
Future  
(Electronic Mail only)*

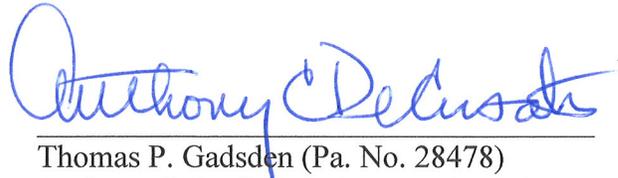
Derrick Price Williamson  
Barry A. Naum  
Spilman Thomas & Battle, PLLC  
1100 Bent Creek Boulevard, Suite 101  
Mechanicsburg, PA 17050  
[dwilliamson@spilmanlaw.com](mailto:dwilliamson@spilmanlaw.com)  
[bnaum@spilmanlaw.com](mailto:bnaum@spilmanlaw.com)  
*Counsel for Wal-Mart Stores East, LP  
and Sam's East, Inc.*

John Finnigan  
Environmental Defense Fund  
128 Winding Brook Lane  
Terrance Park, OH 45174  
*Counsel for Environmental Defense Fund*  
[jfinnigan@edf.org](mailto:jfinnigan@edf.org)

Robert Altenburg  
Director, PennFuture Energy Center  
Citizens for Pennsylvania's Future  
610 North Third Street  
Harrisburg, PA 17101  
[altenburg@pennfuture.org](mailto:altenburg@pennfuture.org)  
*Counsel for Citizens for Pennsylvania's  
Future  
(Electronic Mail only)*

George Jukovic, Jr.  
Chief Counsel  
Citizens for Pennsylvania's Future  
200 First Avenue, Suite 200  
Pittsburgh, PA 15222  
[gjukovic@pennfuture.org](mailto:gjukovic@pennfuture.org)  
*Counsel for Environmental Defense Fund*

Respectfully submitted,



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](mailto:thomas.gadsden@morganlewis.com)  
[anthony.decusatis@morganlewis.com](mailto:anthony.decusatis@morganlewis.com)  
[catherine.vasudevan@morganlewis.com](mailto:catherine.vasudevan@morganlewis.com)  
[brooke.mcglinn@morganlewis.com](mailto:brooke.mcglinn@morganlewis.com)

*Counsel for Metropolitan Edison Company*

Dated: July 11, 2016

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**PENNSYLVANIA PUBLIC UTILITY  
COMMISSION**

**v.**

**METROPOLITAN EDISON COMPANY**

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**Docket No. R-2016-2537349**

**ANSWER OF METROPOLITAN EDISON COMPANY TO  
THE ENVIRONMENTAL DEFENSE FUND'S PETITION TO INTERVENE**

Metropolitan Edison Company ("Met-Ed" or the "Company"), pursuant to 52 Pa. Code § 5.66, submits this Answer to the Petition filed by the Environmental Defense Fund ("EDF") on June 30, 2016, to intervene in Met-Ed's base rate proceeding at Docket No. R-2016-2537349. As explained below, Met-Ed opposes EDF's intervention and requests that EDF's Petition be denied because EDF has failed to demonstrate that it has a direct interest in matters which are within the scope of the Company's rate proceeding and which are not adequately represented by existing participants in that proceeding.

1. Admitted in part, and denied in part. The Company lacks knowledge or information sufficient to form a belief as to the truth of the averment that "EDF has over 16,000 members living in Pennsylvania, and over 350,000 members nationwide, including members who are the Company's customers." Accordingly, that averment is denied and proof thereof requested at a hearing, if any, in this matter. The remaining averments of Paragraph No. 1 of the Petition are admitted.

2. Admitted.

3. Denied as stated. On April 28, 2016, Met-Ed filed Supplement No. 23 to Met-Ed's Tariff Electric – Pa. P.U.C. No. 52 proposing an annual increase in rates of \$140.2 million (9.08%).

4. Denied. It is denied that EDF's alleged "interest" in "ensuring that the Company maximizes cost-effective, clean energy" provides a valid basis for EDF to intervene in this proceeding. In further answer, it is denied that an electric distribution company ("EDC") must demonstrate that it is maximizing "cost-effective, clean energy" as a condition for the Commission to approve its proposed increase in distribution base rates.

5. Denied. It is denied that "grid modernization, integrated Volt/VAR control and environmental impacts of distribution system improvements" are "issues in this proceeding." To the contrary, the scope of this proceeding is limited to determining the lawfulness, justness and reasonableness of Met-Ed's existing and proposed rates. Moreover, the Company's existing and proposed tariff rules do not contain any provisions related to grid modernization, integrated Volt/VAR control or the environmental impacts of distribution system improvements. As a consequence, EDF's alleged "interests in and perspectives on" the issues they are attempting to interject into Met-Ed's distribution base rate proceeding are not relevant to any aspect of that proceeding and do not constitute a valid basis for EDF to be granted intervention.

It is further denied that EDF's alleged interest in Met-Ed's proposal to increase the monthly fixed charge for residential customers provides a basis for its request to intervene in this proceeding. Other parties (i.e. the Office of Consumer Advocate and the Commission's Bureau of Investigation and Enforcement) have intervened for the express purpose of assessing the impact of the Company's proposed changes in rates, rules and regulations on residential customers. Those parties have participated in numerous prior base rate cases of Met-Ed and other utilities and, as a result, have an understanding of the rate design issues that are within the

scope of such cases. Consequently, as to the issue of the reasonableness of Met-Ed's proposed residential customer charge, the interests EDF purports to represent are already "adequately represented by existing participants" and, therefore, EDF's requested intervention is unnecessary and duplicative. *See* 52 Pa. Code § 5.72(a)(2).

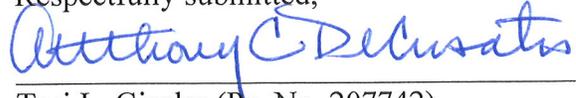
6. Denied. EDF is not entitled to intervene in this proceeding for the reasons set forth above and, therefore, it is not entitled to "reserve" a right that it does not have.

7. Admitted.

8. Denied. EDF does not satisfy the criteria for intervention in this proceeding and, therefore, its Petition should be denied.

WHEREFORE, for the foregoing reasons, Metropolitan Edison Company denies that EDF should be permitted to intervene in its base rate proceeding at Docket No. R-2016-2537349 and, therefore, the Commission should deny its Petition.

Respectfully submitted,



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Tori L. Giesler (Pa. No. 207742)  
FirstEnergy Service Company  
2800 Pottsville Pike  
P.O. Box 16001  
Reading, PA 19612-6001  
Phone: 610.921.6658  
Fax: 610.939.8655  
[tgiesler@firstenergycorp.com](mailto:tgiesler@firstenergycorp.com)

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](mailto:thomas.gadsden@morganlewis.com)  
[anthony.decusatis@morganlewis.com](mailto:anthony.decusatis@morganlewis.com)  
[catherine.vasudevan@morganlewis.com](mailto:catherine.vasudevan@morganlewis.com)  
[brooke.mcglinn@morganlewis.com](mailto:brooke.mcglinn@morganlewis.com)

*Counsel for Metropolitan Edison Company*

Dated: July 11, 2016

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