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February 10, 2017

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,
Pennsylvania Electric Company,
Pennsylvania Power Company and
West Penn Power Company**

Docket Nos. R-2016-2537349, et al.

Dear Secretary Chiavetta:

On January 19, 2017, the Pennsylvania Public Utility Commission ("Commission") entered its Opinion and Order ("January 19, 2017 Order") in the above-referenced consolidated proceeding. The January 19, 2017 Order granted a Joint Petition for Partial Settlement ("Joint Petition") filed on October 14, 2016, and approved the terms and conditions of the base rate increase settlement set forth therein. The Joint Petition reserved for briefing and decision one issue (the "reserved issue"), which pertains to the formula for calculating the distribution system improvement charge ("DSIC") set forth in the DSIC Riders of Metropolitan Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company and West Penn Power Company (the "Companies").

The Companies' DSIC Riders were approved by the Commission's Orders entered June 9, 2017 at Docket Nos. P-2015-2508942, P-2015-2508936, P-2015-2508931 and P-2015-2508948 (the "DSIC Orders"). In the DSIC Orders, the Commission referred to the Office of Administrative Law Judge ("OALJ") three DSIC implementation issues that had been raised in pleadings filed by intervenors in that case (the "DSIC Proceeding"). The DSIC proceeding is currently pending before Administrative Law Judge Joel H. Cheskis. A Joint Petition for Settlement of Pending Issues, which encompasses only those issues referred to the OALJ by the Commission's DSIC Orders, was filed on February 2, 2017.

In its January 19, 2017 Order, the Commission concluded that it would not decide the reserved issue on its merits as part of the Companies' base rate cases and, instead, referred the reserved issue to the DSIC

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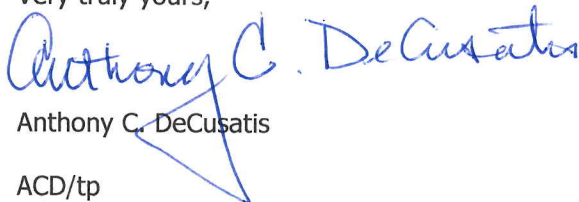
Rosemary Chiavetta, Secretary
February 10, 2017
Page 2

Proceeding. Additionally, in Ordering Paragraph No. 4 of the January 19, 2017 Order, the Commission transferred to the DSIC Proceeding "the relevant part of the record" in the Companies' base rate cases including the OCA's Exceptions, the Companies' Replies, the OCA's Main and Reply Briefs, the Companies' Initial and Reply Briefs, OCA Statement No. 1 and the Companies' Statement No. 2-R.

On February 3, 2017, the OCA filed a Petition for Reconsideration or Clarification ("Petition") for the limited purpose of requesting the Commission to revise Ordering Paragraph No. 4 to also specifically include OCA Statement No. 1-SR because the OCA believes that pages 33-36 of that statement are relevant to the reserved issue.

The Companies have reviewed the OCA's Petition and pages 33-36 of OCA Statement No. 1-SR. The Companies believe that the general terms of the referral (the "relevant parts of the record") are not limited by the itemized list following "including" in Ordering Paragraph No. 4 and, therefore, OCA Statement No. 1-SR is reasonably comprehended by the record transfer. Accordingly, the Companies have no objection to the Commission granting the OCA's request to clarify its January 19, 2017 Order to specifically direct the inclusion of OCA Statement No. 1-SR in the parts of the record transferred to the DSIC Proceeding.

Very truly yours,



Anthony C. DeCusatis

ACD/tp
Enclosures

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

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

PENNSYLVANIA PUBLIC UTILITY COMMISSION	:	
	:	
	:	
vs.	:	Docket No. R-2016-2537349
	:	
METROPOLITAN EDISON COMPANY	:	

PENNSYLVANIA PUBLIC UTILITY COMMISSION	:	
	:	
	:	
vs.	:	Docket No. R-2016-2537352
	:	
PENNSYLVANIA ELECTRIC COMPANY	:	

PENNSYLVANIA PUBLIC UTILITY COMMISSION	:	
	:	
	:	
vs.	:	Docket No. R-2016-2537355
	:	
PENNSYLVANIA POWER COMPANY	:	

PENNSYLVANIA PUBLIC UTILITY COMMISSION	:	
	:	
	:	
vs.	:	Docket No. R-2016-2537359
	:	
WEST PENN POWER COMPANY	:	

CERTIFICATE OF SERVICE

I hereby certify and affirm that I have this day served copies of the **Letter to Secretary Rosemary Chiavetta** 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

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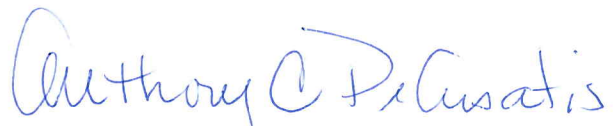
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Dated: February 10, 2017