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May 18, 2017

VIA eFILING

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

Re: Application of Transource Pennsylvania, LLC for All of the Necessary Authority, Approvals, and Certificates of Public Convenience (1) to Begin to Furnish and Supply Electric Transmission Service in Franklin & York Counties, Pennsylvania (2) for Certain Affiliated Interest Agreements; and (3) for any Other Approvals Necessary to Complete the Contemplated Transactions Docket Nos. A-2017-2587821, G-2017-2587822

Dear Secretary Chiavetta:

Enclosed please find PECO Energy Company's Prehearing Memorandum in the above-captioned proceeding.

Copies have been served per the attached Certificate of Service.

Very truly yours,



Jennedy S. Johnson

c: Honorable Elizabeth H. Barnes
Per Certificate of Service (w/encls.)

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Application of Transource Pennsylvania, LLC for All of the Necessary Authority, Approvals, and Certificates of Public Convenience (1) to Begin to Furnish and Supply Electric Transmission Service in Franklin & York Counties, Pennsylvania (2) for Certain Affiliated Interest Agreements; and (3) for any Other Approvals Necessary to Complete the Contemplated Transactions	:	Docket Nos.	A-2017-2587821 G-2017-2587822
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**PREHEARING MEMORANDUM OF
PECO ENERGY COMPANY**

This memorandum is submitted in response to the Prehearing Conference Order issued by Administrative Law Judge Elizabeth H. Barnes dated May 8, 2017.

I. INTRODUCTION

On February 7, 2017, Transource Pennsylvania, LLC (“Transource”) filed with the Pennsylvania Public Utility Commission (“Commission”) an Application for All of the Necessary Authority, Approval, and Certificates of Public Convenience (1) to Begin to Furnish and Supply Electric Transmission Service in Franklin and York Counties, Pennsylvania; (2) for Certain Affiliated Interest Agreements; and (3) for any Other Approvals Necessary (“Application”). Through its Application, Transource seeks Commission approval to implement a PJM Market Efficiency Project (the “9A project”) to alleviate transmission congestion, and Transource will construct, own, maintain, and operate two new electric transmission substations in Pennsylvania, as well as the Pennsylvania portions of two new 230kV interstate transmission lines.

II. INTERVENTION

On April 14, 2017, PECO filed its Petition to Intervene, which was not opposed by any party. As PECO noted in its Petition, Transource served its Application on the Commission's Bureau of Investigation and Enforcement, the Office of Consumer Advocate ("OCA"), the Office of Small Business Advocate, the Franklin and York County Administrators, and FirstEnergy/Mid-Atlantic Interstate Transmission, LLC ("MAIT"). OCA and MAIT intervened in the proceeding. PECO was not served with Transource's Application, and PECO filed its Petition to Intervene as soon as practicable after it became aware of the proceeding.

III. ISSUES

As was noted in PECO's Petition to Intervene, Transource's filing lacks relevant information, including testimony, sufficient for PECO to form a position regarding the necessity or public benefit of granting Transource's request for a Certificate of Public Convenience. Specifically, a portion of the 9A facilities Transource proposes to build would be connected to PECO infrastructure. Any modifications made to the 9A project during this or any subsequent citing proceeding could result in obligations to PECO and ultimately its customers. Through its participation, PECO seeks to assess and monitor the impacts of Transource's proposal on PECO customers and facilities.

IV. DISCOVERY

PECO proposes the adoption of the Commission's existing discovery regulations as set forth in 52 Pa. Code Section 5.321, *et seq.*

V. WITNESSES

As Transource has not yet provided any testimony or support for its Application, PECO is unable to determine if it needs a witness in this proceeding and, if so, who that witness would

be. PECO reserves the right to call a witness or witnesses and will notify ALJ Barnes and the parties of any witness(es) if and when such need is determined.

VI. PROPOSED PROCEDURAL SCHEDULE

PECO is committed to working with the Administrative Law Judge and the parties to arrive at a mutually agreeable procedural schedule.

VII. SETTLEMENT

PECO is willing to pursue all avenues of settlement with the parties including the possible stipulation of individual issues or more substantial settlement discussions that might lead to a comprehensive resolution of this matter.

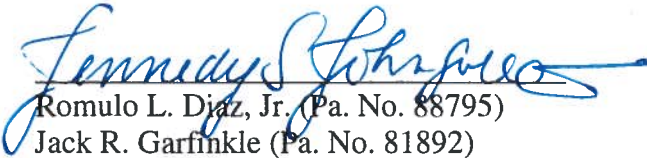
VIII. SERVICE LIST

PECO requests that the official service list entry for the Company be as follows:

Romulo L. Diaz, Jr. (Pa. No. 88795)
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Michael S. Swerling (Pa. No. 94748)
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IX. CONCLUSION

PECO respectfully requests the entry of a scheduling and discovery order based upon the terms set forth above.



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Dated: May 18, 2017

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**Application of Transource Pennsylvania :
LLC for All of the Necessary Authority, :
Approvals, and Certificates of Public :
Convenience (1) to Begin to Furnish and :
Supply Electric Transmission Service in : Docket Nos. A-2017-2587821
Franklin & York Counties, Pennsylvania : G-2017-2587822
(2) for Certain Affiliated Interest :
Agreements; and (3) for any Other :
Approvals necessary to Complete the :
Contemplated Transactions :**

CERTIFICATE OF SERVICE

I hereby certify and affirm that I have this day served a copy of the foregoing document, PECO Energy Company's Prehearing Memorandum, in the matter specified in accordance with the requirements of 52 Pa. Code § 1.54:

via electronic mail and/or first class mail

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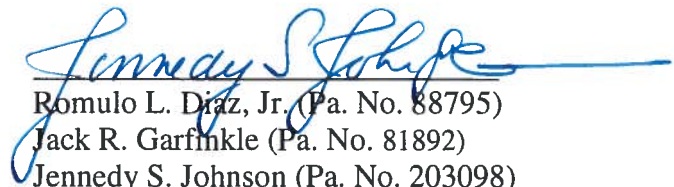
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Dated: May 18, 2017



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