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Anthony D. Kanagy

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May 18, 2017

VIA ELECTRONIC FILING

Rosemary Chiavetta, Secretary Pennsylvania Public Utility Commission Commonwealth Keystone Building 400 North Street, 2nd Floor North P.O. Box 3265 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 and York Counties, Pennsylvania; (2) for Certain Affiliated Interest Agreements; and (3) for any Other Approvals Necessary to Complete the Contemplated Transactions

Docket No. A-2017-2587821

Dear Secretary Chiavetta:

Enclosed please find the Prehearing Memorandum of Transource Pennsylvania, LLC for the above-referenced proceeding. Copies will be provided as indicated on the Certificate of Service.

Respectfully submitted,

Anthony D. Kanagy

ADK/skr Enclosure

cc: Certificate of Service

Honorable Elizabeth Barnes

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been served upon the following persons, in the manner indicated, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

VIA E-MAIL AND FIRST CLASS MAIL

Darryl A. Lawrence, Esquire Kristine E. Marsilio, Esquire Office of Consumer Advocate 555 Walnut Street Forum Place, 5th Floor Harrisburg, PA 17101-1923

Tori Giesler, Esquire
Teresa K. Schmittberger, Esquire
FirstEnergy Service Company
2800 Pottsville Pike
P.O. Box 16001
Reading, PA 19612-6001
Counsel for Mid-Atlantic Interstate
Transmission, LLC

Romulo L. Diaz, Jr., Esquire Jack R. Garfinkle, Esquire Michael S. Swerling, Esquire Jennedy S. Johnson, Esquire PECO Energy Company 2301 Market Street Philadelphia, PA 19103 Counsel for PECO Energy

Date: May 18, 2017

Anthony D Kanagy

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Application of Transource Pennsylvania,

LLC for a Certificate of Public

Convenience to Begin to Furnish and

Supply Electric Transmission Service in

Franklin and York Counties, Pennsylvania

Docket Nos. A-2017-2587821

G-2017-2587822

PREHEARING CONFERENCE MEMORANDUM OF TRANSOURCE PENNSYLVANIA, LLC

TO ADMINISTRATIVE LAW JUDGE ELIZABETH H. BARNES:

Pursuant to 52 Pa. Code § 5.224(c) and the Prehearing Conference Order dated May 8, 2017, Transource Pennsylvania, LLC ("Transource PA" or the "Company") hereby submits this Prehearing Conference Memorandum in the above-captioned matter and states as follows:

I. PROCEDURAL HISTORY

On February 7, 2017, Transource PA filed an Application requesting all necessary authority, approvals and certificates of public convenience from the Pennsylvania Public Utility Commission ("Commission") pursuant to Sections 1101 and 2102 of the Public Utility Code, 66 Pa.C.S. §§ 1101 and 2102, authorizing Transource PA to begin to furnish and supply electric transmission service within two corridors to be located in Franklin and York Counties, Pennsylvania.

On March 6, 2017, the Office of Consumer Advocate ("OCA") filed a Notice of Intervention, Protest, and Public Statement, and Mid-Atlantic Interstate Transmission, LLC ("MAIT") filed a Petition to Intervene.

On April 14, 2017, PECO Energy Company ("PECO") filed a Petition to Intervene.

A Prehearing Conference is scheduled to be held before Administrative Law Judge Elizabeth H. Barnes (the "ALJ") at 10:00 AM on Monday, May 22, 2017, at Commonwealth Keystone Building, Hearing Room 4, 400 North Street, Harrisburg, Pennsylvania.

On May 8, 2017, a Prehearing Conference Order was issued by the ALJ, directing the parties to file Prehearing Memoranda on or before May 18, 2017.

Transource PA hereby files this Prehearing Memorandum pursuant to the Prehearing Conference Order.

II. SERVICE OF DOCUMENTS

Transource PA requests that David B. MacGregor, Anthony D. Kanagy, and Christopher T. Wright be listed on the service list on behalf of the Company. Their contact information is provided below.

David B. MacGregor (PA ID # 28804) Anthony D Kanagy (PA ID # 85522) Christopher T. Wright (PA ID # 203412) Post & Schell, P.C. 17 North Second Street 12th Floor Harrisburg, PA 17101-1601 Phone: 717-731-1970

Fax: 717-731-1985 E-mail: dmacgregor@postschell.com E-mail: akanagy@postschell.com

E-mail: cwright@postschell.com

Transource PA agrees to receive service of documents electronically in this proceeding. Further, to the extent that materials are available electronically, it is requested that copies be

served upon Amanda Riggs Conner (arconner@aep.com) and Hector Garcia (hgarcia1@aep.com). 1

III. WITNESSES, ISSUES, AND EVIDENCE

Below is a list of the witnesses that Transource PA intends to call in this proceeding and the subject areas of their testimony. Further definition of the issues will be developed by the parties during the course of this proceeding. Transource PA reserves the right to call additional witnesses and/or present testimony on additional issues and subject matters that may arise during the course of this proceeding.

Witness

Peggy I. Simmons Managing Director Transmission Asset Strategy American Electric Power 1 Riverside Plaza, Floor 25 Columbus, OH 43215 614-716-2510

Kamran Ali Director Transmission Planning American Electric Power 8500 Smiths Mill Road, Floor 02 New Albany, OH 43054 614-933-2122

General Subject Matter

Overview of Transource PA and Other Entities; Overview of Independence Project and Electric Service to Be Provided by Transource PA; Financial, Legal, and Technical Fitness of Transource PA; Affiliated Interest Agreements

Need for Transource PA to Provide Utility Service

Transource PA will present evidence that: (1) the Company seeks to provide service to or for the public for compensation; (2) the proposed electric transmission service is reasonably necessary for the accommodation or convenience of the public; (3) the Company is financially, legally, and technically fit to provide the proposed service; and (4) the affiliated interest

¹ The Company will be filing motions to admit Amanda Riggs Conner and Hector Garcia pro hac vice.

agreements identified in the Application should be approved. The issues in this proceeding and Transource PA's position on those issues are set forth in the Application that was filed on February 7, 2017.

IV. DISCOVERY

Transource PA does not propose any special orders regarding discovery. The Company is not aware of any outstanding discovery disputes. Transource PA is willing to work with the parties, through informal discovery, to expedite discovery. Further, the Company will work with the other parties to develop an acceptable plan and schedule of discovery.

V. PROCEDURAL SCHEDULE

Transource PA will work with the other parties to develop an acceptable procedural schedule for this proceeding.

VI. CONSOLIDATION

Transource PA respectfully requests that the proceedings at Docket Nos. A-2017-2587821 and G-2017-2587822 be consolidated.

VII. PUBLIC INPUT HEARINGS

Transource PA is not aware of any substantial consumer interest with respect to the instant proceeding. The Company does not propose that any public input hearings be held absent substantial public interest in the filings.

VIII. PROTECTION OF CONFIDENTIAL INFORMATION

Transource PA will submit a Motion for Protective Order for consideration by the ALJ if necessary. The Company will seek the concurrence of the other parties as to the form of the Protective Order before submitting the Motion.

IX. <u>SETTLEMENT DISCUSSIONS</u>

Transource PA has conducted settlement discussions with certain parties. Transource PA will work with the parties in an effort to resolve these proceedings through settlement.

Amanda Riggs Conner (District of Columbia

ID # 481740)

Hector Garcia (VA ID # 48304)

American Electric Power Service Corporation

1 Riverside Plaza, 29th Floor

Columbus, OH 43215 Phone: 614-716-3410 Fax: 614-716-1613

E-mail: arconner@aep.com

E-mail: hgarcia1@aep.com

Date: May 18, 2017

Respectfully submitted,

David B. MacGregor (PA ID # 28804)
Anthony D Kanagy (PA ID # 85522)

Christopher T. Wright (PA ID # 203412)

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Counsel for Transource Pennsylvania, LLC