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Devin Ryan

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January 18, 2019

### 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: PPL Electric Utilities Corporation Universal Service and Energy Conservation Plan for 2017-2019 Submitted in Compliance with 52 Pa. Code § 54.74 Docket No. M-2016-2554787

Dear Secretary Chiavetta:

Enclosed for filing is the Petition of PPL Electric Utilities Corporation to Extend its current Universal Service and Energy Conservation Plan for 2017-2019, Amend Related Filing Dates, and Grant a Limited Waiver of 52 Pa. Code § 54.74(a) in the above-referenced proceeding. Copies will be provided as indicated on the Certificate of Service.

Respectfully submitted,

Devin Ryan

DTR/jl Enclosures

cc: Certificate of Service

### 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 & FIRST CLASS MAIL

Kadeem Morris, Esquire
Patrick M. Cicero Esquire
Elizabeth R. Marx, Esquire
Pennsylvania Utility Law Project
118 Locust Street
Harrisburg, PA 17101

Christy M. Appleby Esquire Office of Consumer Advocate 555 Walnut Street Forum Place, 5th Floor Harrisburg, PA 17101-1923

Richard A. Kanaskie, Esquire
Director and Chief Prosecutor
PA Public Utility Commission
Bureau of Investigation & Enforcement
Commonwealth Keystone Building
400 North Street, 2nd Floor West
PO Box 3265
Harrisburg, PA 17105-3265

John R. Evans Small Business Advocate Office of Small Business Advocate 300 North Second Street, Suite 202 Harrisburg, PA 17101

Date: January 18, 2019

Devin T. Ryan

# BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

PPL Electric Utilities Corporation Universal

Service and Energy Conservation Plan for

2017-2019 Submitted in Compliance with 52

Pa. Code § 54.74

Docket No. M-2016-2554787

PETITION OF PPL ELECTRIC UTILITIES CORPORATION TO EXTEND ITS CURRENT UNIVERSAL SERVICE AND ENERGY CONSERVATION PLAN FOR 2017-2019, AMEND RELATED FILING DATES, AND GRANT A LIMITED WAIVER OF 52 PA. CODE § 57.74(a)

Pursuant to 52 Pa. Code §§ 5.41, 5.43, and 5.572, PPL Electric Utilities Corporation ("PPL Electric" or the "Company") hereby petitions the Pennsylvania Public Utility Commission ("Commission") to issue an Order on an expedited basis by its public meeting on March 14, 2019, which: (1) extends the Company's current 2017-2019 Universal Service and Energy Conservation Plan ("USECP") through 2020; (2) amends the USECP filing schedule set forth in the Secretarial Letter dated June 27, 2014, to reflect that the six-year independent evaluation of the Company's USECP is due by March 1, 2020, and that the Company's next USECP is due by September 1, 2020; (3) grants a limited waiver of Section 54.74(a) of the Commission's regulations so that PPL Electric can file its next USECP by September 1, 2020, and extend its current USECP for 2017-2019 through 2020; and (4) grants any other approvals or waivers that are needed to implement these requests.

As explained herein, PPL Electric currently is scheduled to file its USECP for the period 2020-2022 by August 1, 2019. However, the six-year independent evaluation of PPL Electric's

<sup>&</sup>lt;sup>1</sup> Because the current filing date for PPL Electric's next USECP is August 1, 2019, PPL Electric would need to begin updating and designing that USECP in March 2019 unless the Company's proposal is approved. Therefore, Commission approval by this date is necessary to avoid the incurrence of unnecessary time and expenses.

USECP is due by October 1, 2020. PPL Electric believes that it would be beneficial to incorporate the findings and recommendations of that evaluation into its next USECP. Therefore, PPL Electric respectfully requests that: (1) the due date for its six-year independent USECP evaluation be moved up to March 1, 2020; (2) the due date for the Company's next USECP be changed from August 1, 2019, to September 1, 2020; and (3) the Company's current USECP be extended through 2020.<sup>2</sup>

In support of the instant Petition, PPL Electric states as follows:

# I. <u>INTRODUCTION</u>

- 1. PPL Electric is a corporation organized and existing under the laws of the Commonwealth of Pennsylvania. PPL Electric is a wholly-owned direct subsidiary of PPL Corporation.
- 2. PPL Electric furnishes electric distribution, transmission and default supply services to approximately 1.4 million customers throughout its certificated service territory, which includes all or portions of 29 counties and encompasses approximately 10,000 square miles in eastern and central Pennsylvania.
- 3. PPL Electric is a "public utility," an "electric distribution company" and a "default service provider" as defined in Sections 102 and 2803 of the Public Utility Code, 66 Pa. C.S. §§ 102, 2803.
  - 4. The complete name and address of PPL Electric is as follows:

PPL Electric Utilities Corporation Two North Ninth Street Allentown, PA 18101

<sup>&</sup>lt;sup>2</sup> Under PPL Electric's proposal, the next USECP would cover the three-year period of 2021-2023.

# 5. The attorneys for PPL Electric are:

Kimberly A. Klock (ID # 89716) Michael J. Shafer (ID # 205681) PPL Services Corporation Office of General Counsel Two North Ninth Street Allentown, PA 18101

Phone: 610-774-5696 Fax: 610-774-4101

E-mail: kklock@pplweb.com
E-mail: mjshafer@pplweb.com

David B. MacGregor (ID # 28804) Devin T. Ryan (ID # 316602)

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Phone: 717-731-1970 Fax: 717-731-1985

E-mail: dmacgregor@postschell.com E-mail: dryan@postschell.com

PPL Electric's attorneys are authorized to receive all notices and communications regarding this Petition.

# II. <u>BACKGROUND</u>

- 6. In October 2014, the most recent six-year independent evaluation for PPL Electric's USECP was filed with the Commission.
- 7. On June 30, 2016, PPL Electric filed its proposed 2017-2019 USECP in compliance with the Commission's regulations. The USECP included details on the Company's OnTrack Customer Assistance Program ("CAP"), Winter Relief Assistance Program ("WRAP"), Low-Income Usage Reduction Program ("LIURP"), Customer Assistance and Referral Evaluation Services ("CARES") Program, and Hardship Fund.
- 8. On April 6, 2017, the Commission entered a Tentative Order requesting additional information about the Company's proposed 2017-2019 USECP before it would be approved. The Commission also invited parties to comment on the proposed USECP. Subsequently, PPL Electric, the Office of Consumer Advocate ("OCA"), and the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania ("CAUSE-PA") filed comments and reply comments.

- 9. On October 5, 2017, the Commission entered an Order directing PPL Electric to, among other things, file a revised 2017-2019 USECP consistent with that Order within 30 days.
- 10. On November 3, 2017, PPL Electric filed its revised 2017-2019 USECP in compliance with the October 5, 2017 Order.
- 11. On December 7, 2017, the Commission entered an Order approving PPL Electric's revised 2017-2019 USECP.
- 12. On February 5, 2018, PPL Electric filed a proposed "zero-income" addendum to its 2017-2019 USECP, which would allow customers reporting no income to enroll in OnTrack. Thereafter, CAUSE-PA filed comments on the proposed "zero-income" addendum, and PPL Electric filed reply comments.
- 13. On April 18, 2018, the Commission entered an Order approving the amendment of PPL Electric's 2017-2019 USECP to include the proposed "zero-income" addendum.
  - 14. In July 2018, PPL Electric fully implemented its 2017-2019 USECP.

### III. LEGAL STANDARDS

- 15. Section 5.41 of the Commission's regulations states, in pertinent part, that "[p]etitions for relief under the act or other statute that the Commission administers, must be in writing, state clearly and concisely the interest of the petitioner in the subject matter, the facts and law relied upon, and the relief sought." 52 Pa. Code § 5.41(a).
- 16. Similarly, Section 5.43 of the Commission's regulations provides that a petition for waiver of a regulation "must set forth clearly and concisely the interest of the petitioner in the subject matter, the specific . . . waiver . . . requested, and cite by appropriate reference the statutory provision or other authority involved." 52 Pa. Code § 5.43(a). Such petition also "must

set forth the purpose of, and the facts claimed to constitute the grounds requiring the . . . waiver."

Id.

- 17. Copies of any petition under Sections 5.41 and 5.43 must be served on the statutory parties and "on all persons directly affected and on other parties whom petitioner believes will be affected by the petition," as well as further directed by the Commission. 52 Pa. Code §§ 5.41(b)-(c), 5.43(b)-(c).
- 18. Section 5.572 of the Commission's regulations prescribes that petitions for rescission or amendment "must be in writing and specify, in numbered paragraphs, the findings or orders involved, and the points relied upon by the petitioner, with appropriate record references and specific requests for the findings or orders desired." 52 Pa. Code § 5.572(a).
- 19. A petition for rescission or amendment "may be filed at any time according to the requirements of section 703(g)" of the Public Utility Code, and answers to such petition are due within 10 days after the date of service. 52 Pa. Code § 5.572(d)-(e).
- 20. Section 54.74(a) of the Commission's regulations requires electric distribution companies ("EDCs") with more than 60,000 electric service accounts, such as PPL Electric, to file a USECP every three years on a staggered schedule. 52 Pa. Code § 54.74(a)(1). Each USECP should cover a three calendar year period. 52 Pa. Code § 54.74(a)(2).
- 21. Section 54.76 of the Commission's regulations requires each EDC to "have an independent third-party conduct an impact evaluation of its universal service and energy conservation programs and provide a report of findings and recommendations to the Commission and EDC." 52 Pa. Code § 54.76(a). These independent evaluation reports are due to be filed at no more than six-year intervals on a staggered schedule. 52 Pa. Code § 54.76(b).

- IV. THE COMPANY'S PROPOSED EXTENSION OF 2017-2019 USECP, AMENDMENT OF FILING DATES, AND WAIVER OF REGULATION ARE REASONABLE AND IN THE PUBLIC INTEREST AND SHOULD BE APPROVED
- 22. PPL Electric respectfully requests that the Commission: (1) extend the Company's current 2017-2019 USECP be extended through 2020; (2) amend the USECP filing schedule set forth in the Secretarial Letter dated June 27, 2014, to reflect that the six-year independent evaluation of the Company's USECP is due by March 1, 2020, and that the Company's next USECP is due by September 1, 2020; (3) grant a limited waiver of Section 54.74(a) of the Commission's regulations so that PPL Electric can file its next USECP by September 1, 2020; and (4) grant any other approvals or waivers that are needed to implement these requests.
- 23. As demonstrated in the following sections, the Company's proposal is reasonable and in the public interest and, therefore, should be approved.

# A. PROPOSED EXTENSION OF 2017-2019 USECP AND AMENDMENT OF FILING DATES

- 24. PPL Electric respectfully requests that the Commission approve the extension of its 2017-2019 USECP through 2020 and amend the filing dates for the Company's upcoming six-year independent USECP evaluation and the Company's next USECP.
- 25. PPL Electric's current USECP has a term of 2017-2019 and was approved by the Commission's Order entered on December 7, 2017, at Docket No. M-2016-2554787.
- 26. Under the Commission's Secretarial Letter dated June 27, 2014, PPL Electric is scheduled to file its 2020-2022 USECP by August 1, 2019.
- 27. Moreover, the Company's next six-year independent USECP evaluation is due by October 2020, because it must be submitted no later than six years after the previous evaluation report. See 52 Pa. Code § 57.76(b).

- 28. Therefore, unless the filing dates for the next USECP and six-year independent USECP evaluation are changed, PPL Electric will have to file its next USECP before the six-year evaluation is submitted.
- 29. The six-year evaluations are important because they provide a third party's independent and comprehensive review of the Company's USECP and make recommendations to improve the USECP.
- 30. PPL Electric would like to be able to incorporate the findings and recommendations from the upcoming six-year evaluation report into the next USECP.
- 31. In fact, Section 54.74(a)(4) prescribes that the USECP "should include revisions based on analysis of program experiences and evaluations." 52 Pa. Code § 54.74(a)(4).
- 32. To accomplish this, the six-year evaluation report must be submitted sufficiently in advance of the USECP's filing date.
- 33. Based on past experience, PPL Electric needs approximately five to six months of lead time to update and design its USECPs. *See* note 1.
- 34. Therefore, if the findings and recommendations of the upcoming six-year evaluation report are to be incorporated in the next USECP by September 1, 2020, the report's submission date needs to be changed from October 1, 2020, to March 1, 2020.
- 35. In addition, PPL Electric fully implemented the 2017-2019 USECP in July 2018 and has only been able to collect data on the approved programs from that date.
- 36. Under the current USECP filing schedule, PPL Electric will have less than a year's worth of data to incorporate into its design of the 2020-2022 USECP.

- 37. As a result, PPL Electric believes that it does not have enough data on the 2017-2019 USECP to make meaningful revisions to the next USECP if the Company is required to submit it by August 1, 2019.
- 38. Finally, prior to filing this Petition, PPL Electric discussed extending the deadlines for its next six-year independent evaluation and the next USECP with OCA and CAUSE-PA. Neither OCA nor CAUSE-PA objected to PPL Electric making this request.<sup>3</sup>
- 39. For these reasons, PPL Electric avers that it is reasonable and in the public interest to extend the 2017-2019 USECP through 2020 and amend the pertinent filing dates so that the Company can incorporate the six-year evaluation's findings and recommendations before the next USECP is filed.

### B. PROPOSED WAIVER OF REGULATION

- 40. PPL Electric also respectfully requests a limited waiver of 52 Pa. Code § 54.74(a) so that the Company can file its next USECP by September 1, 2020, and extend its current USECP for 2017-2019 through 2020.
- 41. Section 54.74(a) of the Commission's regulations requires PPL Electric to file a USECP every three years on a staggered schedule. 52 Pa. Code § 54.74(a)(1).
- 42. Further, each USECP "should cover the next 3-calendar years." 52 Pa. Code § 54.74(a)(2).
- 43. However, as explained previously, the Company proposes to file its next USECP by September 1, 2020, and extend its current USECP for 2017-2019 through 2020.

<sup>&</sup>lt;sup>3</sup> Attached hereto as **Appendix A** are true and correct copies of emails from Christy M. Appleby, Assistant Consumer Advocate, dated December 21, 2018, and from Patrick M. Cicero, Pennsylvania Utility Law Project Executive Director, dated December 26, 2018, indicating that the OCA and CAUSE-PA, respectively, do not object to the Company's proposal.

- 44. Therefore, under the Company's proposal, the next USECP would be filed more than three years after its current 2017-2019 USECP was filed on June 30, 2016, and the Company's current USECP would cover more than a three calendar year period (*i.e.*, 2017 through 2020).
- 45. As a result, and given the previously-described benefits of the Company's proposal, PPL Electric respectfully requests a limited waiver of Section 54.74(a) so that the Company can file its next USECP by September 1, 2020, and extend its current USECP for 2017-2019 through 2020.
- 46. Finally, PPL Electric respectfully requests that the Commission grant any additional waivers of the Commission's regulations it deems are necessary to implement the Company's proposal.

## V. CONCLUSION

WHEREFORE, for all the foregoing reasons, PPL Electric Utilities Corporation respectfully requests the Pennsylvania Public Utility Commission issue an Order on an expedited basis by its public meeting on March 14, 2019, that extends the current 2017-2019 Universal Service and Energy Conservation Plan through 2020, amends the filing dates for the upcoming six-year independent evaluation and the next Universal Service and Energy Conservation Plan, grants a limited waiver of 52 Pa. Code § 57.74(a), and grants any other approvals or waivers that are needed to implement the Company's proposal.

Respectfully submitted,

Kimberly A. Klock (ID # 89716) Michael J. Shafer (ID # 205681) PPL Services Corporation Office of General Counsel

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Date: January 18, 2019 Attorneys for PPL Electric Utilities Corporation

# **APPENDIX "A"**

From: Appleby, Christy M. < CAppleby@paoca.org>

Sent: Friday, December 21, 2018 3:31 PM

To: Stumpf, Melinda < <a href="MStumpf@pplweb.com">MStumpf@pplweb.com</a>>
Subject: Request for Extension

EXTERNAL email. STOP and THINK before responding, clicking on links, or opening attachments.

Melinda,

Per our conversation, I talked with Tanya. The OCA does not object to the proposed extension of PPL's USECP until September 2020, or the proposal to move up the date of the Company's evaluation.

Please let me know if you have any questions and have a great holiday!

Christy Appleby Assistant Consumer Advocate Office of Consumer Advocate (717) 783-5048

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This e-mail may consist of or include advisory, consultative, and/or deliberative material and/or attorney-client communications and/or work product. As such, this e-mail and any attachments, or portions thereof, may be privileged and confidential.

From: Patrick Cicero ciceropulp@palegalaid.net
Sent: Wednesday, December 26, 2018 2:39 PM
To: Stumpf, Melinda MStumpf@pplweb.com

Cc: Pulp < pulp@palegalaid.net >

Subject: USECP Evaluation and Plan Filing

### EXTERNAL email. STOP and THINK before responding, clicking on links, or opening attachments.

#### Melinda:

This confirms our conversation today that our office does not object to PPL's planned petition that would move forward PPL's 6 year evaluation to 5 years but then extend the filing date for your next USECP plan so that you can account for that evaluation in your plan preparation.

Based on our conversation, your new evaluation date will be March 2020 and your new plan filing will be September 2020.

Please serve us with a copy of the petition when it is filed. Thank you and Happy New Year.

#### Patrick

Patrick M. Cicero
Pennsylvania Utility Law Project
118 Locust Street | Harrisburg, PA 17101
(717) 710-3822 (direct dial)
(717) 576-2588 (mobile)
(717) 233-4088 (fax)
pciceropulp@palegalaid.net
www.pautilitylawproject.org



### VERIFICATION

I, MELINDA STUMPF, being the Manager- Regulatory Programs/Business Services at PPL Electric Utilities Corporation, hereby state that the facts above set forth are true and correct to the best of my knowledge, information and belief and that I expect PPL Electric Utilities Corporation to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 relating to unsworn falsification to authorities.