

January 22, 2019

Ms. Rosemary Chiavetta, Secretary Pennsylvania Public Utility Commission Commonwealth Keystone Building 400 North Street, 2<sup>nd</sup> Floor Harrisburg, PA 17120

Re: Pennsylvania Electric Company Tariff Electric Pa. P.U.C. No. 81

Changes to the Rules to Include Electric Vehicle Charging: Docket

No. R-2019-3007070

Dear Secretary Chiavetta:

Transmitted herewith for filing with the Pennsylvania Public Utility Commission ("Commission") is a redline copy of Supplement No. 69 to Pennsylvania Electric Company's ("Penelec" or the "Company") Tariff Electric Pa. P.U.C. No. 81, which bears an issue date of January 11, 2019. The tariff changes contained in Supplement No. 69 are proposed to be effective on or after March 1, 2019. This redline version of Supplement No. 69 supports the Company's filing on January 11, 2019 under Docket No. M-2017-2604382.

In addition to the redline version of Supplement No. 69, the Company is filing a correction to the supplemental information required by 52 Pa. Code § 53.52 and removing all references to "pro-forma" in the filing.

If you have any questions regarding the enclosed documents, please contact me at 610-921-6525 or Kim Bortz at 610-921-6717.

Sincerely,

Charles V. Fullem

Director - Rates & Regulatory Affairs-PA

#### **Enclosures**

c: Scott Thomas, sjthomas@pa.gov
Joseph Cardinale, jcardinale@pa.gov
Darren Gill, dgill@pa.gov
As Per Certificate of Service

# BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

:

:

Policy Statement on Third Party Electric

Docket No. R-2019-3007069

Vehicle Charging – Resale/Redistribution

R-2019-3007070

of Utility Service Tariff Provisions

R-2019-3007071

R-2019-3007072

# CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true and correct copy of the foregoing document upon the individuals listed below.

Service by first class mail, as follows:

John R. Evans Office of Small Business Advocate Suite 1102, Commerce Building 300 North Second Street Harrisburg, PA 17101

Tanya J. McCloskey Office of Consumer Advocate 555 Walnut Street, 5th Floor Forum Place Harrisburg, PA 17101

Richard Kanaskie Bureau of Investigation and Enforcement Pennsylvania Public Utility Commission P.O. Box 3265 Harrisburg, PA 17105-3265

Dated: January 22, 2019

Charles V. Fullem

Director - Rates and Regulatory Affairs - PA

FirstEnergy Service Company

2800 Pottsville Pike

P.O. Box 16001

Reading, Pennsylvania 19612-6001

(610) 921-6525

#### Supplement No. 69 Electric Pa. P.U.C. No. 81

# PENNSYLVANIA ELECTRIC COMPANY READING, PENNSYLVANIA

**Electric Service Tariff** 

Effective in

The Territory as Defined on Page Nos. 8 - 15 of this Tariff

Issued: January 11, 2019

Effective: March 1, 2019

By: Samuel L. Belcher, President Reading, Pennsylvania

#### **NOTICE**

Supplement No. 69 makes changes to Table of Contents and General Rules and Regulations.

See Sixty-Sixth Revised Page No. 2.

PENNSYLVANIA ELECTRIC COMPANY

Electric Pa. P.U.C. No. 81 (Supp. 69) Sixty-Sixth Revised Page 2 Superseding Sixty-Fifth Revised Page 2

## **LIST OF MODIFICATIONS**

#### **Table of Contents**

MISCELLANEOUS PROVISIONS - Rule No. 23 has been added (See First Revised Page 5).

#### **General Rules and Regulations**

Rule 23 - Electric Vehicle Charging - Language has been added (See Third Revised Page 62).

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Issued: January 11, 2019 Effective: March 1, 2019

#### PENNSYLVANIA ELECTRIC COMPANY

Electric Pa. P.U.C. No. 81 (Supp. 69)

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First Revised Page 5

Superseding Original Page 5

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Issued: January 11, 2019

Effective: March 1, 2019

#### PENNSYLVANIA ELECTRIC COMPANY

Electric Pa. P.U.C. No. 81 (Supp. <u>69</u>) Third Revised Page 62

Superseding Second Revised Page 62

#### GENERAL RULES AND REGULATIONS

Rule 21 – Service Continuity: Limitation on Liability for Service (continued)

To the extent applicable under the Uniform Commercial Code or on any theory of contract or products liability, the Company disclaims and shall not be liable to any Customer or third party for any claims involving and including, but not limited to, strict products liability, breach of contract, and breach of actual or implied warranties of merchantability or fitness for an intended purpose.

If the Company becomes liable under Section 2806(g) or 2809(c) of the Public Utility Code, 66 Pa. C.S. §§ 2806(g) and 2809(f), for Pennsylvania state taxes not paid by an Electric Generation Supplier (EGS), the non-compliant EGS shall indemnify the Company for the amount of additional state tax liability imposed upon the Company by the Pennsylvania Department of Revenue due to the failure of the EGS to pay or remit to the Commonwealth the tax imposed on its gross receipts under Section 1101 of the Tax Report Code of 1971 or Chapter 28 of Title 66.

#### 22. Transfer of Electric Generation Supplier

The Company shall change a Customer's EGS in accordance with 52 Pa. Code Chapter 57, Subchapter M, "Standard for Changing a Customer's Electricity Generation Supplier". Pursuant to the Commission's Rulemaking to Amend the Provisions of 52 Pa. Code, Chapter 57 Regulations Regarding Standards for Changing a Customer's Electricity Generation Supplier, at Docket No. L-2014-2409383, changes in a Customer's EGS shall be effective within three (3) business days after the enrollment request is processed regardless of whether the meter reading is actual or estimated.

# 23. Electric Vehicle Charging

Electric vehicle charging at third-party owned electric vehicle charging stations shall not be considered resale of electricity as described in 66 Pa. C.S. § 1313. A third-party owned electric vehicle charging station is defined as a charging station owned by a third party open to the public for the sole purpose of electric vehicle charging. An electric vehicle is defined as any vehicle licensed to operate on public roadways that is propelled in whole or in part by electric energy stored on-board for the purpose of propulsion. Types of electric vehicles include, but are not limited to, plug-in hybrid electric vehicles and battery electric vehicles. Electric vehicle charging stations shall be constructed in accordance with the National Electrical Code and the Company's service installation policies. The station must be designed to protect against back flow of electricity to the Company's electrical distribution circuit as required by Company rules. The Customer, who may be either the owner or the host of the third-party owned electric vehicle charging station, shall notify the Company at least one hundred twenty (120) days in advance of the planned installation date and may be required to install metering for the station as determined by the Company. The Customer shall be responsible for all applicable Tariff rates, fees and charges.

(C) Change,

Issued: January 11, 2019 Effective: March 1, 2019

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# Pennsylvania Electric Company Supplement to Tariff Electric Pa. P.U.C. No. 81 Supplemental Information Required by 52 Pa. Code § 53.52(a)

Pennsylvania Electric Company ("Penelec" or "Company") submits the following information in support of its Supplement to Tariff Electric Pa. P.U.C. No. 81. In response to each of the applicable subsections of 52 Pa. Code § 53.52(a), Penelec states the following:

# 52 Pa. Code § 53.52(a)(1)

- Q. The specific reasons for each change.
- A. On November 8, 2018 the Commission issued a Final Policy Statement, under Docket No. M-2017-26043832, instructing electric distribution companies to file a tariff amendment including certain information related to third-party owned electric vehicle charging stations. The purpose of this filing is to amend Penelec's tariff in a manner consistent with the Final Policy Statement.

# 52 Pa. Code § 53.52(a)(2)

- Q. The total number of Customers served by the utility.
- A. As of September 30, 2018, the Company served a total of 582,167 Customers.

# 52 Pa. Code § 53.52(a)(3)

- Q. A calculation of the number of Customers, by tariff subdivision, whose bills could be affected by the change.
- A. There are 495,844 Residential Customers, 85,483 Commercial Customers and 840 Industrial Customers whose bills could be affected by the change.

# 52 Pa. Code § 53.52(a)(4)

- Q. The effect of the change on the utility's Customers.
- A. This change clarifies the tariff rules and has no direct effect on the Company's Customers.

# 52 Pa. Code § 53.52(a)(5)

- Q. The effect, whether direct or indirect, of the proposed change on the utility's revenues and expenses.
- A. There will be minimal effect, direct or indirect, on the Company's revenues or expenses.

# 52 Pa. Code § 53.52(a)(6)

- Q. The effect of the change on the service rendered by the utility.
- A. There will be no effect on the service rendered by the Company.

# 52 Pa. Code § 53.52(a)(7)

- Q. A list of factors considered by the utility in its determination to make the change. The list shall include a comprehensive statement as to why these factors were chosen and the relative importance of each. This subsection does not apply to a portion of a tariff change seeking a general rate increase as defined in 66 Pa. C.S. § 1308 (relating to voluntary changes in rates.).
- A. This change is consistent with the Commission's Final Policy Statement entered November 8, 2018, under Docket No. M-2017-2604382.

# 52 Pa. Code § 53.52(a)(8)

- Q. Studies undertaken by the utility in order to draft its proposed change. This paragraph does not apply to a portion of a tariff change seeking a general rate increase as defined in 66 Pa. C.S. § 1308.
- A. The Company has not performed any specific studies concerning the proposed changes.

# 52 Pa. Code § 53.52(a)(9)

- Q. Customer polls taken and other documentation which indicates Customer acceptance and desire for the proposed change. If the poll or other documents reveal discernible opposition, an explanation of why the change is in the public interest shall be provided.
- A. The Company did not conduct any Customer polls.

## 52 Pa. Code § 53.52(a)(10)

- Q. Plans the utility has for introducing or implementing the changes with respect to its ratepayers.
- A. Other than through the instant filing, the Company has no plans for introducing the changes with respect to its ratepayers. There will be no noticeable change to rates, bills, or service rendered.

# 52 Pa. Code § 53.52(a)(11)

- Q. F.C.C., F.E.R.C., or Commission orders or rulings applicable to the filing.
- A. See the response to 52 Pa. Code  $\S$  53.52(a)(1).

# Pennsylvania Electric Company Supplement to Tariff Electric Pa. P.U.C. No. 81 Supplemental Information Required by 52 Pa. Code § 53.52(b)

Pennsylvania Electric Company ("Penelec" or "Company") submits the following information in support of its Supplement to Tariff Electric Pa. P.U.C. No. 81. In response to each of the applicable subsections of 52 Pa. Code § 53.52(b), Penelec states the following:

# 52 Pa. Code § 53.52(b)(1)

- Q. The specific reasons for each increase or decrease.
- A. See the response to 52 Pa. Code  $\S 53.52(a)(1)$ .

# 52 Pa. Code § 53.52(b)(2)

- Q. The operating income statement of the utility for a 12-month period, the end of which may not be more than 120 days prior to the filing.
- A. See page 4 of this response for Penelec's operating income statement for the twelve months ended September 30, 2018.

# 52 Pa. Code § 53.52(b)(3)

- Q. A calculation of the number of customers, by tariff subdivision, whose bills will be increased.
- A. Not applicable.

## 52 Pa. Code § 53.52(b)(4)

- Q. A calculation of the total increases, in dollars, by tariff subdivision, projected to an annual basis.
- A. Not applicable.

# 52 Pa. Code § 53.52(b)(5)

- Q. A calculation of the number of customers, by tariff subdivision, whose bills will be decreased.
- A. Not applicable.

## 52 Pa. Code § 53.52(b)(6)

- Q. A calculation of the total decreases, in dollars, by tariff subdivision, projected to an annual basis.
- A. Not applicable.

# Pennsylvania Electric Company

## Statements of Income

## (In Thousands)

Unaudited

		Twelve months		
		Ended Sep	Ended September 30,	
Line No.	Description	2018	2017	
1	Operating Revenues	\$907,902	\$888,229	
	Operating Expenses:			
2	Power purchased and interchange:	\$310,628	\$308,356	
3	Nuclear operating costs	-	-	
4	Other operation and maintenance	185,700	213,120	
5	Depreciation and amortization	103,991	66,768	
6	Goodwill Impairment	-	-	
7	Taxes, other than income taxes	<u>49,706</u>	<u>49,703</u>	
8	Total operating expenses	\$650,025	\$637,947	
9	Operating Income Before Income Taxes	\$257,877	\$250,282	
10	Income taxes	<u>\$48,005</u>	\$66,637	
11	Operating Income	\$209,872	\$183,645	
	Other Income and Deductions:			
12	Allowance for other funds used during	\$ -	\$ -	
	construction			
13	Other income/(expense), net	(2,102)	(2,666)	
14	Income taxes	1,801	1,030	
15	Total other income and deductions	(\$301)	(\$1,636)	
16	Income Before Interest Charges	\$210,173	\$185,281	
	Interest Charges:			
17	Long term debt	\$54,728	\$62,236	
18	Trust preferred securities	-	-	
19	Other interest	4,981	3,569	
20	Deferred Interest Income	-	-	
21	Company-obligated mandatorily	-	-	
	redeemable preferred securities	-	-	
22	Allowance for borrowed funds used	-	-	
	during construction			
23	Total interest charges	\$59,709	\$65,805	
24	Income/(Loss) Before Extraordinary Items	\$150,464	\$119,476	
25	Extraordinary item	2		
26	Net Income	\$150,464	\$119,476	
27	Preferred stock dividends	-	-	
28	Loss on preferred stock reacquisition			
29	Earnings Available for common stock	\$150,464	\$119,476	