

May 1, 2024

Via E-Mail Only The Honorable Katrina L. Dunderdale Administrative Law Judge Pennsylvania Public Utility Commission Suite 220 Piatt Place 301 Fifth Avenue Pittsburgh, PA 15222 kdunderdal@pa.gov

# Re: Pennsylvania Public Utility Commission v. FirstEnergy Pennsylvania Electric Company, Docket No. R-2024-3047068

**Prehearing Memorandum of CAUSE-PA** 

Your Honor:

Please find the attached **Prehearing Memorandum of the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (CAUSE-PA)** in the above-noted proceeding.

As indicated on the attached Certificate of Service, service on the parties was accomplished by email only.

Respectfully Submitted,

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Ria M. Pereira, Esq. Counsel for CAUSE-PA

CC: Secretary Rosemary Chiavetta (via E-file) Certificate of Service

#### BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
V.	:	Docket No. R-2024-3047068
FirstEnergy Pennsylvania Electric Company	:	
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# PREHEARING MEMORANDUM OF THE COALITION FOR AFFORDABLE UTILITY SERVICES AND ENERGY EFFICIENCY IN PENNSYLVANIA

**PENNSYLVANIA UTILITY LAW PROJECT** *Counsel for CAUSE-PA* Ria M. Pereira, Esq., PA ID: 316771 Elizabeth R. Marx, Esq., PA ID: 309014 John W. Sweet, Esq., PA ID: 320182 Lauren N. Berman, Esq., PA ID: 310116

118 Locust Street Harrisburg, PA 17101 Tel.: 717-236-9486 Fax: 717-233-4088 pulp@pautilitylawproject.org

May 1, 2024

On April 35, 2024, a Prehearing Conference Order was issued by the Honorable Katrina L. Dunderdale, Administrative Law Judge (ALJ), setting a telephonic prehearing conference for Thursday, May 2, 2024 at 9:00 a.m., and requiring parties to file a Prehearing Memorandum no later than Wednesday, May 1, 2024 at 12:00 p.m. In response, the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania ("CAUSE-PA"), through its counsel at the Pennsylvania Utility Law Project, hereby files this Prehearing Memorandum.

#### I. <u>Background</u>

On April 2, 2024, FirstEnergy Pennsylvania Electric Company ("FE PA" or the "Company") submitted a rate filing, Supplement No. 3 to FE PA's Tariff Electric – Pa. P.U.C. No. 1 ("Supplement No. 3"), seeking a general rate increase of approximately \$502 million, or 34%, over existing revenues across all FE PA Rate Districts based on data for a fully projected future test year ending December 31, 2025. On a Rate District basis, FE PA has proposed rates allegedly designed to increase the following annual distribution revenues: Met-Ed Rate District -\$146 million (or by 31%); Penelec Rate District - \$132 million (or by 28%); Penn Power Rate District - \$55 million (or by 43%); and West Penn Rate District - \$169 million (or by 40%). (Statement of Reasons at 1-2).

On April 16, 2024, CAUSE-PA filed a Petition to Intervene and Answer in the abovecaptioned proceeding, in which CAUSE-PA respectfully requests that the Commission enter an order granting CAUSE-PA full status as an intervener in this proceeding with active party status.

## II. <u>Issues to be Presented</u>

In addition to compliance with sound rate making principles, including the requirement that rates be just and reasonable, FE PA must also ensure that its rates and tariff comply with universal service requirements. See 66 Pa. C.S. § 2804. In determining whether rates are just and

reasonable, the Commission must examine whether rates are affordable and accessible to those served.

If the Commission approves any electric distribution rate increase, the Commission should condition approval on FE PA's agreement to perform such actions as are necessary to ensure compliance with applicable sections of the Public Utility Code, Commission regulations and guidelines, and settlement agreements.

CAUSE-PA has conducted an initial review of FE PA's proposed tariff changes and testimony and opposes FE PA's request on the grounds that the proposed rate increase and tariff changes may result in unjust and unreasonable rates that would impose severe hardship on low and moderate income residential customers. CAUSE-PA identifies the following specific issues of concern, which must be addressed in this proceeding to determine whether FE PA's proposals are just, reasonable, and in the public interest -- though it reserves the right to raise additional issues which may arise through the course of this proceeding:

- i. The conformity to law and the effect of FE PA's rate filing and proposed rate increases on low income households.
- The effect of FE PA's proposal to increase its fixed customer charge for residential customers across its service districts, including the effect of this proposed increase on low income households, and on the ability to achieve appreciable bill savings through adoption of energy efficiency measures.
- iii. The effect of FE PA's proposed Electric Vehicle (EV) Pilot on FE PA's residential customers, particularly FE PA's low income customers.
- iv. The effects of FE PA's proposed rate increase and rate proposals,
  including its proposed Energy Assistance Outreach Team (EAOT), on low
  income households' access to and participation in the Company's
  Universal Service and Energy Conservation Programs, and the continued
  adequacy of those programs in delivering universally accessible service.

#### III. Witnesses and Testimony

CAUSE-PA intends to present the following witness to testify in this matter, but reserves the right to call additional or substitute witnesses as may be warranted upon proper notice to Your Honor and the parties:

Harry Geller, Esq. c/o 118 Locust Street Harrisburg, PA 17101 hgeller@pautilitylawproject.org

Mr. Geller will address the issues identified above, as well as other issues that may arise throughout this proceeding.

# IV. Discovery

CAUSE-PA is involved in discussions with the parties regarding mutually agreeable modifications related to discovery in this proceeding.

In addition, CAUSE-PA requests that any approved discovery modifications in this matter be considered effective as of the date of the prehearing conference, as opposed to the date of a subsequent Prehearing Order.

### V. <u>Public Input Hearings</u>

CAUSE-PA supports the scheduling of public input hearings in this matter. CAUSE-PA recommends that the Commission consider the use of telephonic and in-person public input hearings to encourage participation by the ratepayers.

### VI. <u>Settlement</u>

CAUSE-PA is willing and ready to engage in settlement discussions in an attempt to resolve or narrow the issues in this proceeding, with any and all parties, and encourages the parties to engage in settlement discussions early in the process.

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## VII. <u>Service on CAUSE-PA</u>

CAUSE-PA is represented by the attorneys at the Pennsylvania Utility Law Project. All

documents should be served on CAUSE-PA as follows:

Ria M. Pereira, Esq. Elizabeth R. Marx, Esq. John W. Sweet, Esq. Lauren N. Berman, Esq. **PENNSYLVANIA UTILITY LAW PROJECT** 118 Locust Street Harrisburg, PA 17102 Telephone: 717-236-9486 Facsimile: 717-233-4088 E-mail: pulp@pautilitylawproject.org

CAUSE-PA requests that parties agree to electronic service in this proceeding.

# VIII. <u>Representation of CAUSE-PA at Prehearing Conference</u>

At the Prehearing Conference, CAUSE-PA will be represented by Ria M. Pereira, Esq.

# IX. Litigation Schedule

CAUSE-PA is currently involved in discussions with the parties to reach a mutually

agreeable litigation schedule. In the absence of a mutually agreed upon schedule between

parties, CAUSE-PA proposes the following procedural schedule:

•	Intervenor and Complainant Direct Testimony:	June 25, 2024
٠	Rebuttal Testimony:	July 22, 2024
٠	Surrebuttal Testimony:	August 8, 2024
٠	Rejoinder Outlines:	August 12, 2024
٠	Evidentiary Hearings (Telephonic):	August 14-16, 2024
٠	All Parties' Main Briefs:	September 4, 2024
٠	All Parties' Reply Briefs:	September 13, 2024

WHEREFORE, CAUSE-PA respectfully submits this Prehearing Memorandum.

Respectfully submitted, **PENNSYLVANIA UTILITY LAW PROJECT** *Counsel for CAUSE-PA* 

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Pennsylvania Public Utility Commission	:	
V.	:	Docket No. R-2024-3047068
FirstEnergy Pennsylvania Electric	:	
Company	:	

# **Certificate of Service**

I hereby certify that I have this day served copies of the **Prehearing Memorandum of the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania** upon the parties of record in the above captioned proceeding in accordance with the requirements of

52 Pa. Code § 1.54.

The Honorable Katrina L. Dunderdale Administrative Law Judge Pennsylvania Public Utility Commission Suite 220 Piatt Place 301 Fifth Avenue Pittsburgh, PA 15222 <u>kdunderdal@pa.gov</u>	
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<u>Via Email</u>

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Respectfully Submitted, **PENNSYLVANIA UTILITY LAW PROJECT** *Counsel for CAUSE-PA* 

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