

COMMONWEALTH OF PENNSYLVANIA



OFFICE OF CONSUMER ADVOCATE

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March 11, 2009

James J. McNulty
Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

RE: Petition of PPL Electric Utilities Corporation for
Approval of a Rate Mitigation Plan
Docket No. P-2009-2091280

Dear Secretary McNulty:

Enclosed for filing are an original and one (1) copy of the Answer of the Office of Consumer Advocate, in the above-referenced proceeding.

Copies have been served as indicated on the enclosed Certificate of Service.

Respectfully Submitted,

A handwritten signature in cursive script that reads "James A. Mullins".

James A. Mullins
Assistant Consumer Advocate
PA Attorney I.D. # 77066

Enclosures

cc: Administrative Law Judge
Office of Special Assistants

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BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of PPL Electric Utilities Corporation for Approval of a Rate Mitigation Plan	:	Docket No.	P-2009-2091280
	:		
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ANSWER OF THE
OFFICE OF CONSUMER ADVOCATE TO THE
PETITION OF PPL ELECTRIC UTILITIES CORPORATION FOR
APPROVAL OF A RATE MITIGATION PLAN

I. INTRODUCTION

On February 19, 2009, PPL Electric Utilities Corporation (PPL Electric or the Company) filed a Petition with the Pennsylvania Public Utility Commission (Commission or PUC) requesting approval of a Rate Mitigation Plan (RMP or Plan). The RMP would be available to most of the Company's residential and small commercial and industrial customers. The RMP is designed to ease the transition from current capped generation rates to market-based rates and will enable eligible customers to voluntarily elect to defer a portion of PPL's January 1, 2010 forecasted rate increase. Deferred amounts, plus carrying charges, would be fully recovered by the end of 2012 and all eligible customers must enroll in the RMP by December 15, 2009. PPL asserts that the Petition does not warrant full hearings; therefore, the Company has requested that the Commission approve the RMP by April 17, 2009.

The Office of Consumer Advocate (OCA) generally supports the Company's Petition. However, certain issues should be addressed prior to any Commission approval. These issues are set forth below.

A. Issues To Be Addressed.

1. Mechanics/Operation

According to the Petition, customers can withdraw from participation in the RMP at any time. Petition at ¶25. Customers will also be removed from the RMP if they fail to pay their bills (in full) for two consecutive billing cycles after joining the RMP. *Id.* As to the former, detail is needed as to what methods are available for withdrawal. Further, implications stemming from customer removal based on non-payment require additional analysis. Additionally, the operation of the RMP in the event of a customer's change in service, i.e., death, relocation, etc., needs to be detailed further.

2. Notice to the Public

PPL states that it will provide customer notice and education at the time the Commission acts on the RMP, before implementation of the RMP and during its term. Petition at ¶31. PPL also identifies four primary topics for customer notice and education:

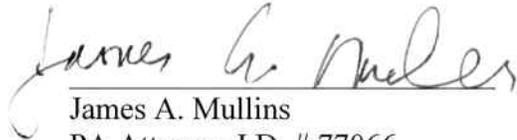
- The magnitude of the expected rate increase in 2010.
- The reasons for that increase.
- Full description of the RMP and its potential impact on rates.
- Full description of how customers can elect to participate in the RMP.

The OCA submits that prior to Commission approval, the specific methods and approaches that PPL intends to employ for customer notice and education should be made clear. Further, it should be clarified whether ratepayers will be responsible for any of the associated costs.

III. CONCLUSION

The Office of Consumer Advocate respectfully requests that the issues set forth above be addressed prior to the approval of the PPL Electric Petition for its RMP and that the PUC take whatever steps it deems to be necessary in order to ensure that any implemented RMP is consistent with the Pennsylvania Public Utility Code and Pennsylvania law. The OCA looks forward to working with the Company and other interested parties in an effort to address these issues.

Respectfully Submitted,



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Dated: March 11, 2009

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CERTIFICATE OF SERVICE

Petition of PPL Electric Utilities :
Corporation for Approval of a : Docket No. P-2009-2091280
Rate Mitigation Plan :

I hereby certify that I have this day served a true copy of the foregoing document, Answer of the Office of Consumer Advocate, upon parties of record in this proceeding in accordance with the requirements of 52 Pa. Code Section 1.54 (relating to service by a participant), in the manner and upon the persons listed below:

Dated this 11th day of March 2009.

SERVICE BY E-MAIL and INTEROFFICE MAIL

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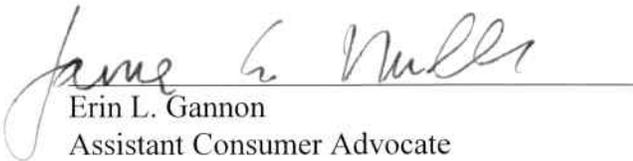
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