

COMMONWEALTH OF PENNSYLVANIA



OFFICE OF CONSUMER ADVOCATE

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IRWIN A. POPOWSKY  
Consumer Advocate

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March 16, 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 Authority to Defer for  
Accounting and Financial Reporting  
Purposes Certain Default Service,  
Conservation Program and Smart Meter  
Technology Costs  
Docket No. P-2009-2091818

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, appearing to read "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 Corp. :  
for Authority to Defer for Accounting and :  
Financial Reporting Purposes Certain : Docket No. P-2009-2091818  
Default Service, Conservation Program and :  
Smart Meter Technology Costs :

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ANSWER OF THE OFFICE OF CONSUMER ADVOCATE  
TO THE PETITION OF PPL ELECTRIC UTILITIES CORPORATION  
FOR AUTHORITY TO DEFER FOR ACCOUNTING AND FINANCIAL  
REPORTING PURPOSES CERTAIN DEFAULT SERVICE,  
CONSERVATION PROGRAM AND SMART METER  
TECHNOLOGY COSTS

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The Office of Consumer Advocate (OCA) is in receipt of the Petition of PPL Electric Utilities Corporation (PPL or Company) for Authority to Defer for Accounting and Financial Reporting Purposes Certain Default Service, Conservation Program and Smart Meter Technology Costs filed on February 23, 2009. Through this Petition, PPL requests authorization to defer for accounting and financial reporting purposes:

- certain default service costs associated with PPL's default service plan for the period January 1, 2011 through May 31, 2013 filed on August 28, 2008,
- certain energy efficiency and conservation program (EE&C Program) costs, and
- certain smart meter technology costs that the Company has incurred and/or will incur prior to recovering these costs in rates.

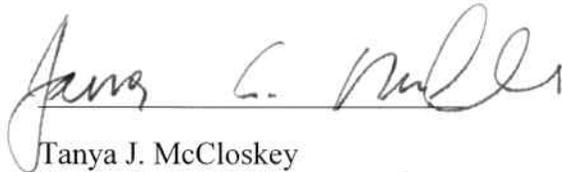
Petition at 1. Although PPL is not requesting Commission approval for recovery of these costs at this time, the Company asserts that: (1) it is authorized to recover the costs of implementing its

2011-2013 default service plan pursuant to Section 2807 of the Public Utility Code, 66 Pa.C.S. § 2807, (2) it is authorized to recover the costs of implementing its EE&C Program pursuant to Section 2806.1 of the Public Utility Code, 66 Pa.C.S. § 2806.1, and (3) it is authorized to recover the costs of deploying smart meter technology pursuant to Section 2807(F)(7) of the Public Utility Code, 66 Pa.C.S. § 2807(F). Id. PPL further states that cost recovery issues will be addressed in the respective default service, EE&C Program and smart meter technology proceedings prior to any recovery in rates. Petition at 8.

The OCA does not oppose PPL's Petition. However, the OCA's non-opposition rests on PPL's acknowledgement that cost recovery issues will be addressed in the appropriate proceedings prior to the recovery of any of the associated costs.

WHEREFORE, the Office of Consumer Advocate hereby submits that it does not oppose the Company's Petition for Authority to Modify Certain Accounting Procedures.

Respectfully Submitted,



Tanya J. McCloskey  
Senior Assistant Consumer Advocate  
James A. Mullins  
Assistant Consumer Advocate

Counsel for:  
Irwin A. Popowsky  
Consumer Advocate

Office of Consumer Advocate  
555 Walnut Street 5th Floor, Forum Place  
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(717) 783-5048

Dated: March 16, 2009  
00110016

CERTIFICATE OF SERVICE

Petition of PPL Electric Utilities :  
Corporation for Approval to Defer for : Docket No. P-2009-2091818  
Accounting and Financial Reporting :  
Purposes Certain Default Service, :  
Conservation Program and Smart :  
Meter Technology Costs :

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 16<sup>th</sup> day of March 2009.

SERVICE BY E-MAIL and INTEROFFICE MAIL

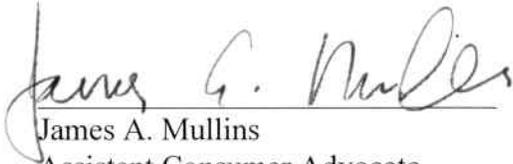
Johnnie E. Simms, Esquire  
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Harrisburg, PA 17120

SERVICE BY E-MAIL and FIRST CLASS MAIL

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