

COMMONWEALTH OF PENNSYLVANIA



OFFICE OF CONSUMER ADVOCATE

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IRWINA. POPOWSKY
Consumer Advocate

October 6, 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 Requesting Approval of a Voluntary
Purchase of Accounts Receivables Program and
Merchant Function Charge
Docket No. P-2009-2129502

Dear Secretary McNulty:

Enclosed for filing is the Prehearing Memorandum of the Office of Consumer Advocate,
in the above-referenced proceeding.

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

Respectfully Submitted,

A handwritten signature in cursive script that reads "Candis A. Tunilo".

Candis A. Tunilo
Assistant Consumer Advocate
PA Attorney I.D. # 89891

Enclosures

cc: Honorable Louis G. Cocheres

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**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition of PPL Electric Utilities Corporation :
Requesting Approval of a Voluntary : Docket No. P-2009-2129502
Accounts Receivables Program and :
Merchant Function Charge :

**PREHEARING MEMORANDUM
OF THE
OFFICE OF CONSUMER ADVOCATE**

Pursuant to Section 333 of the Public Utility Code, 66 Pa.C.S. § 333, the Office of Consumer Advocate (OCA) provides the following information:

I. INTRODUCTION AND PROCEDURAL HISTORY

On September 10, 2009, PPL Electric Utilities Corporation (PPL Electric or Company) filed with the Public Utility Commission (Commission) its Petition Requesting Approval of a Voluntary Purchase of Accounts Receivables Program and Merchant Function Charge. The Company's Petition requests the following: (1) approval of a voluntary Purchase of Receivables (POR) program; (2) approval of a Merchant Function Charge (MFC) in order to unbundle generation-related uncollectible accounts expense from base rates; and (3) authorization to file tariff supplements to implement the POR and MFC and reduce base rates to account for the MFC. PPL requests that the program last one year beginning January 1, 2010, and ending December 31, 2010.

The OCA filed a Notice of Intervention and Public Statement on September 30, 2009. The following parties have also intervened in this matter: Office of Small Business Advocate,

PP&L Industrial Customer Alliance, FirstEnergy Solutions Corp., Dominion Retail, Constellation New Energy, Inc., and Direct Energy Services, LLC. The Office of Trial Staff filed its Notice of Appearance in this matter on October 1, 2009.

The Commission referred this matter to the Office of Administrative Law Judge, and the matter was subsequently assigned to Administrative Law Judge Louis G. Cocheres (ALJ). The Prehearing Conference will convene on October 7, 2009, at 10:00 a.m.

II. ISSUES AND SUB-ISSUES

Based upon a preliminary analysis of PPL Electric's filing, the OCA has compiled a list of issues and sub-issues, which it anticipates will be included in its investigation of the filing. These issues and sub-issues are identified in detail in the OCA's Answer to the Company's Petition, which was filed on September 30, 2009, and are summarized as follows:

- Customer Notification;
- Termination/reconnection;
- Unbundling and uncollectible accounts expense; and
- MFC.

It is anticipated that other issues may arise and may be pursued during the course of these proceedings.

III. WITNESSES

The OCA intends to present the direct, rebuttal and surrebuttal testimony, as necessary, of the following witness in this proceeding. In order to expedite the resolution of this proceeding,

the OCA requests that copies of all interrogatories and answers to interrogatories be mailed directly to the expert witness as well to counsel for the OCA.

Barbara R. Alexander
83 Wedgewood Drive
Winthrop, ME 04364
(207) 395-4143
barbalex@ctel.net

The OCA specifically reserves the right to call additional witnesses, as necessary. As soon as the OCA has determined whether an additional witness or witnesses will be necessary for any portion of its case, all parties of record will be notified.

IV. SERVICE ON OCA

The OCA will be represented in this case by Assistant Consumer Advocates, James A. Mullins and Candis A. Tunilo, and Senior Assistant Consumer Advocate, Tanya J. McCloskey. Two copies of all documents should be served on the OCA as follows:

James A. Mullins
Candis A. Tunilo
Assistant Consumer Advocates
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555 Walnut Street, 5th Floor Forum Place
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Telephone: (717) 783-5048
Facsimile: (717) 783-7152
Email: JMullins@paoca.org
CTunilo@paoca.org

As a courtesy, the OCA requests that all electronic correspondence be copied to Jessica J. Horner (JHorner@paoca.org).

V. DISCOVERY

The OCA does not propose any modifications to the Commission's regulations pertaining to the conduct of discovery in this matter.

VI. SCHEDULE

The Secretary's Letter dated September 25, 2009, provides the majority of the schedule for these proceedings, which is as follows:

Prehearing Conference	October 7, 2009
Evidentiary Hearings	October 22-23, 2009
Main Briefs	October 30, 2009
Reply Briefs	November 6, 2009

The OCA is flexible with regard to testimony due dates and will work with the parties to address any witness scheduling issues. Further, the OCA is willing to participate in settlement meetings in this matter.

VII. PUBLIC INPUT HEARINGS

The OCA has not received any requests for public input hearings.

Respectfully Submitted,



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Dated: October 6, 2009
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CERTIFICATE OF SERVICE

Petition of PPL Electric Utilities Corporation :
Requesting Approval of a Voluntary : Docket No. P-2009-2129502
Purchase of Accounts Receivables Program :
and Merchant Function Charge :

I hereby certify that I have this day served a true copy of the foregoing document, the 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 6th day of October 2009.

SERVICE BY E-MAIL and INTEROFFICE MAIL

Allison C. Kaster, Esquire
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SERVICE BY E-MAIL and FIRST CLASS MAIL

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