

COMMONWEALTH OF PENNSYLVANIA



OFFICE OF CONSUMER ADVOCATE

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Consumer Advocate

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October 14, 2009

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

RE: Pennsylvania Public Utility Commission
Office of Consumer Advocate
v.
PPL Electric Utilities Corporation
Docket No. R-2009-2122718
C-2009-2128394

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 enclosed Certificate of Service.

Respectfully Submitted,

A handwritten signature in cursive script, appearing to read "Aron J. Beatty".

Aron J. Beatty
Assistant Consumer Advocate
PA Attorney I.D. # 86625

Enclosures

cc: Honorable Davis A. Salapa

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BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
Office of Consumer Advocate	:	Docket No. R-2009-2122718
v.	:	C-2009-2128394
PPL Electric Utilities Corporation	:	

PREHEARING MEMORANDUM
OF THE
OFFICE OF CONSUMER ADVOCATE

Pursuant to Section 333 of the Public Utility Code, 66 Pa.C.S. § 333, and in response to the October 9, 2009 Prehearing Conference Order issued in the above-captioned matter, the Office of Consumer Advocate (OCA) provides the following information:

I. INTRODUCTION

On July 31, 2009, PPL Electric Utilities Corporation (PPL or Company) filed its Supplement No. 71 to PPL Electric Utilities Corporation's Tariff Electric – Pa. P.U.C. No. 201. Supplement No. 71 was issued on July 31, 2009 to become effective for service rendered on and after January 1, 2010. PPL proposes to implement new, optional time of use (TOU) default service generation rates for residential, small commercial and industrial customers. The Company sought expedited Commission review, requesting a decision by October 1, 2009. Statement of Reasons at 20.

The Petition was assigned to the Office of Administrative Law Judge and was further assigned to Administrative Law Judge David A. Salapa for investigation and the

scheduling of hearings. On October 9, 2009, ALJ Salapa issued a Prehearing Conference Order indicating that an Initial Prehearing Conference was scheduled for October 16, 2009. This Order also detailed the parties' obligations with respect to the Prehearing Conference.

The OCA filed a Formal Complaint against the Company's rate filing, and a Notice of Intervention and Public Statement on September 2, 2009. The OCA submits this Prehearing Memorandum in anticipation of the scheduled October 16th conference.

II. ISSUES AND SUB-ISSUES

Based upon a preliminary analysis of the Company's Filing, the OCA has compiled a list of issues that it anticipates will be included in its investigation of the proposed TOU rate Filing. It is possible that other issues may arise and may be pursued as discovery proceeds.

The OCA has identified the following issues in its review of the Company's Filing, as follows:

- Impact On Participating and Non-Participating Customers: The OCA will examine the cost impacts on customers who voluntarily sign up for these TOU rates, and those customers who elect to remain on non-TOU rates.
- Rate Design: The OCA will examine how the specific prices contained in the proposed TOU rates were determined, and whether they are just and reasonable. In addition, the OCA will examine the hours selected for "on peak" rates and "off peak" rates to help ensure that they are reasonable.
- Alignment With 2010 Default Service Procurement: The OCA will examine how the proposed TOU rates comport and align with the default service power supply procurement plan that has been implemented for 2010.

III. WITNESSES

The OCA intends to present the direct, rebuttal, and surrebuttal testimony, as may be necessary, of Richard Hahn. Mr. Hahn will present testimony in written form and will also attach various exhibits, documents, and explanatory information which will assist in the

presentation of the OCA's case. In order to expedite the resolution of this proceeding, the OCA requests that copies of all interrogatories, testimony, and answers to interrogatories be mailed directly to the OCA's witness at the below address, as well as mailing a copy to counsel for the OCA. The address for the OCA's witness is as follows:

Richard Hahn
Principal Consultant
La Capra Associates, Inc.
One Washington Mall, 9th floor
Boston, Massachusetts 02108
E-mail: rhahn@lacapra.com

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, the OCA will notify Administrative Law Judge Salapa and all parties of record.

IV. DISCOVERY

Because the time period for discovery and preparation of testimony is limited, the OCA supports a shortened discovery response time in this proceeding. The OCA, therefore, requests the following modifications to the discovery regulations:

- A. Answers to written interrogatories be served in-hand within seven (7) calendar days of service of the interrogatories.
- B. Objections to interrogatories be communicated orally within three (3) days of service; unresolved objections be served to the ALJ in writing within five (5) days of service of interrogatories.
- C. Motions to dismiss objections and/or direct the answering of interrogatories be filed within three (3) days of service of written objections.

- D. Answers to motions to dismiss objections and/or direct the answering of interrogatories be filed within three (3) days of service of such motions.
- E. Responses to requests for document production, entry for inspection, or other purposes be served in-hand within ten (10) calendar days.
- F. Requests for admission be deemed admitted unless answered within ten (10) days or objected to within five (5) days of service.
- G. Answers to on-the-record data requests be served in-hand within seven (7) calendar days of the request.

V. PROPOSED SCHEDULE

The OCA will work with the parties to develop a mutually acceptable schedule.

VI. SERVICE ON OCA

The OCA will be represented in this case by Aron J. Beatty. Two copies of all documents should be served on the OCA as follows:

Aron J. Beatty
Assistant Consumer Advocate
Office of Consumer Advocate
555 Walnut St., 5th Floor, Forum Place
Harrisburg, PA 17101-1923
Telephone: (717) 783-5048
Fax: (717) 783-7152
Email: abeatty@paoca.org

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

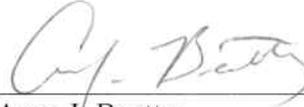
VII. SETTLEMENT

The OCA is willing to participate in settlement discussions.

VIII. PUBLIC INPUT HEARINGS

At present, the OCA has not received a request for a public input hearing. The OCA will make prompt notification to Your Honor and the parties to request a public input hearing should circumstances warrant.

Respectfully Submitted,



Aron J. Beatty
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Tanya J. McCloskey
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Counsel for:
Irwin A. Popowsky
Consumer Advocate

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Dated: October 14, 2009
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CERTIFICATE OF SERVICE

Pennsylvania Public Utility Commission :
Office of Consumer Advocate : Docket No. R-2009-2122718
v. : C-2009-2128394
PPL Electric Utilities Corporation :

I hereby certify that I have this day served a true copy of the foregoing document, the Prehearing Memorandum 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 14th day of October, 2009.

SERVICE BY E-MAIL and INTEROFFICE MAIL

Allison Curtin Kaster, Esquire
Office of Trial Staff
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

SERVICE BY E-MAIL and FIRST CLASS MAIL

Paul E. Russell, Esquire
PPL Electric Utilities Corporation
Two North Ninth Street
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Counsel for: *PPL Electric Utilities Corporation*

David B. MacGregor, Esquire
Anthony Kanagy, Esquire
Post & Schell, P.C.
17 North Second Street, 12th Floor
Harrisburg, PA 17101-1601
Counsel for: *PPL Electric Utilities Corporation*

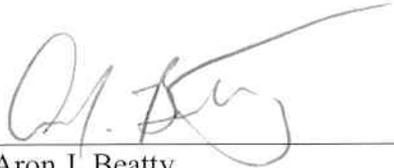
Sharon E. Webb
Assistant Small Business Advocate
Office of Small Business Advocate
Commerce Building, Suite 1102
300 North Second Street
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Counsel for: *Office of Small Business Advocate*

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Central Eastern Pennsylvania
316 Yorkshire Drive
Harrisburg, PA 17111
Counsel for: *The Sustainable Energy Fund of Central Eastern Pennsylvania*

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4100 Hillsdale Road
Harrisburg, PA 17112

Robert D. Knecht
Industrial Economics Incorporated
2067 Massachusetts Avenue
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Consultant for: *Office of Small Business Advocate*

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Hummelstown, PA 17036-0403
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