

**BEFORE THE  
Pennsylvania Public Utility Commission**

**Petition to Intervene of  
Eric Joseph Epstein, *Pro se*  
Re: PPL Electric Utilities Corporation Universal  
Service and Energy Conservation Plan, 2011-2013,  
Re: Docket No. M-2010-2179796**

**Prehearing Memorandum**

October 22, 2010

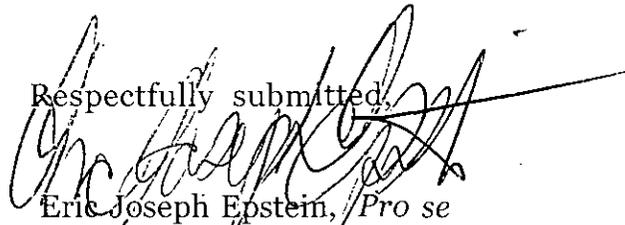
Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street  
Harrisburg, PA 17120

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Dear Secretary Chiavetta:

Eric Joseph Epstein ("Epstein" or "Mr. Epstein") hereby submits an original and three (3) copies of his Prehearing Memorandum in the above-captioned proceeding. Mr. Epstein intends to fully participate in this proceeding as an "active" party. Mr. Epstein also intends to participate in this proceeding through the submission of discovery, cross-examination of other parties' witnesses, and the submission of briefs, exceptions, and reply exceptions, if necessary.

Respectfully submitted,



Eric Joseph Epstein, *Pro se*  
4100 Hillsdale Road  
Harrisburg, PA 17112  
(717)-541-1101 Phone  
[lechambon@comcast.net](mailto:lechambon@comcast.net)

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Pennsylvania Public Utility Commission**

**Petition to Intervene of  
Eric Joseph Epstein, *Pro se*  
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**Prehearing Memorandum**

**I. History of the Proceeding**

**I. Background:**

1) This Proceeding involves PPL Electric Utilities Corporation's ("PPL" or "the Company") filing of its Universal Service and Energy Conservation Plan for 2011-2013 pursuant to the Public Utility Commission's ("Commission") regulations at 52 Pa. Code § 54.74.

2) Eric Joseph Epstein ("Epstein" or "Mr. Epstein") is a residential rate payer and resides at:

4100 Hillsdale Road  
Harrisburg, PA 17112

**II. Procedural Background:**

3) Mr. Epstein was an Active Party PPL's proposed Universal Service Rider proceeding (R-2009-2149789).

4) On December 6, 2007, the Commission approved a Joint Stipulation for Settlement (“Settlement”) of PPL Electric Utilities Corporation’s 2007 base rate proceeding. (Pennsylvania Public Utility Commission v. PPL Electric Utilities, Inc., Docket No. R-00072155)

5) One of the provisions of the approved Settlement established a reconcilable Universal Service Rider (“USR”) for recovery of costs for certain low-income customer programs.

6) Mr. Epstein joined in the Settlement with regard to Paragraphs 25 and 26, relating to Universal Service Programs, Energy Efficiency and Customer Education issues. The Settlement related to the USR included the following provision at Paragraph 25 (e):

No later than July 1, 2009, PPL Electric will convene a meeting or meetings, as appropriate, with interested parties, to discuss whether continued reconciliation of the USR is necessary or appropriate. At the meetings, all parties may also raise USR issues, in addition to reconciliation, based on changes in law after the approval of this Settlement. If a consensus can be reached among the interested parties, PPL Electric will follow that consensus for its 2010 USR filing. If consensus cannot be reached, PPL Electric will file its preferred approach on or before October 1, 2009, and all parties will be provided an opportunity to support or oppose PPL Electric’s proposal. The USR mechanism established by this Settlement will remain in place until a new mechanism is approved by the Commission.

7) By letter dated September 28, 2009, PPL Electric informed the Commission that it had complied with the terms of the Settlement provision by convening meetings for interested parties.

8) However, no consensus was reached, but on September 28, 2009, PPL determined that “no change to its current USR mechanism, no tariff filing is necessary.”

9) The Company's unilateral declaration contravened provisions established in the Joint Stipulation for Settlement of PPL's 2007 base rate case proceeding. (Docket No. R-000072195) The Settlement established a reconcilable Universal Service Rider (Para.) 25(e), and clearly stated that absent a consensus, PPL would file on or by October 1, 2009, and parties to the Settlement would have the opportunity comment on PPL's proposal.

10) On October 13, 2009, Mr. Epstein and the Sustainable Energy Fund ("SEF") filed Letters In Opposition to the Tariff Extension. (Re: Pennsylvania Public Utility Commission v. PPL Electric Utilities, Inc., Docket No. R-00072155)

11) On October 19, 2009, Administrative Law Judge ("ALJ") Susan Colwell notified the parties: "This is to advise you that after a brief discussion with Company counsel regarding the background of this matter, this office shall treat the October 13, 2009 letters to be in the nature of complaints against a compliance filing, and the Company shall have twenty days from today (November 9, 2009) to file and serve the appropriate responsive pleadings." (Answers, 52 Pa. Code Section 5.61; new matter, Section 5.62; and/or preliminary objections, Section 5.101)

12) On November 9, 2009, PPL Electric filed Answers to Eric J. Epstein and the SEF's Letters as well as a Motion for Judgment on the Pleadings (which incorporated by reference the PPL Electric Answer).

13) On November 25, 2009, Eric J. Epstein filed a Reply to PPL Electric Utilities Corporation's Answer to the Letter Complaint of Eric. J. Epstein, and PPL Electric Utilities Corporation's Motion for Judgment in the above-reference proceeding.

14) On November 30, 2009, the SEF filed a Reply to PPL Electric Utilities Corporation's Answer to the Letter Complaint of Eric. J. Epstein, and PPL Electric Utilities Corporation's Motion for Judgment in the above-reference proceeding.

15) On December 7, 2009, the ALJ issued an Order at Docket No. R-00072155. Judge Colwell ruled that PPL was cognizant a 2010 Universal Service Rider tariff filing was warranted, and that the other parties correctly anticipated the filing. The ALJ also determined that PPL's September 28, 2009 Letter did not satisfy the requirements of the 2007 Settlement, and directed PPL to file a proposed Universal Service Rider consistent with that Settlement.

16) On December 28, 2009, PPL Electric Utilities Corporation filed a Petition for Approval for Approval of Universal Service Rider Supplement No. 80 to Tariff Electric - PA PUC, No 201, Issued on December 28, 2009, Effective Date of February 26, 2010.

17) Mr. Epstein petitioned to intervene on January 11, 2010, and the SEF petitioned to intervene on January 14, 2010.

18) In its April 26, 2010 Order (Docket No. R-2009-2149789), the Commission noted that the issues raised by SEF and Mr. Epstein included numerous issues in addition to the annual reconciliation provision.

19) The Commission determined that these issues would be more appropriately addressed in PPL's June 1, 2010 Universal Service Plan filing.

In PPL's recently filed base rate proceeding which is now before the Commission, the Company indicates that it intends to file its next three-year universal service and energy conservation plan by June 1, 2010, to be effective from January 1, 2011 through December 31, 2013. This plan will describe how the Company will implement its various universal service programs, and will include the elements required by our regulations. Thus, PPL's impending filing of its next three-year universal service and energy conservation plan will necessarily cover the entire range of elements and issues relating to its various universal service programs, and would be the more appropriate forum in which to address the concerns raised by Mr. Epstein and SEF in the instant proceeding. Accordingly, we will direct PPL to serve a copy of its upcoming universal service and energy conservation plan filing on both Mr. Epstein and SEF, and will advise Mr. Epstein and SEF to participate and raise whatever

issues they deem relevant to the Company's universal service programs in that proceeding. We will also direct PPL to serve a copy of its upcoming universal service and energy conservation plan filing on the OCA. (PUC Order, R-2009-2149789, April 22, 2010 p. 9)

20) The Commission also directed PPL to serve a copy of its June 1, 2010 Universal Service and Energy Conservation Plan filing on Mr. Epstein, and informed the parties they would have the opportunity to participate and raise issues relating to PPL's universal service programs in the June, 2010 Proceeding. (PUC Order, R-2009-2149789, April 22, 2010, p. 10)

21) Mr. Epstein was not served with a copy of PPL Electric Utilities Corporation's Universal Service and Energy Conservation Plan (filed on or around June 1, 2010), and found about the filing through an inquiry at the PUC on June 24, 2010 and Office of Consumer Advocate on June 25, 2010.

22) PPL ignored the Commission's April 26, 2010 Order by failing to serve Mr. Epstein PPL Electric Utilities Corporation Universal Service and Energy Conservation Plan, 2011-2013. (Docket No. M-2010-2179796)

23) Mr. Epstein and the SEF filed Petitions to Intervene on July 12 and July 13, 2010 respectively.

24) On July 29, 2010, the Office of Consumer Advocate filed a Notice of Intervention.

25) The Commission granted the above Petitions to Intervene in its Order on September 24, 2010 and transferred PPL's Petition to the Office of Administrative Law Judge for hearing and issuance of a Recommended Decision."

26) Administrative Law Judge Colwell ordered an initial Prehearing conference for Friday, October 29, 2010 at 10:00 pm in Hearing Room #2, Commonwealth Keystone Building, 400 North Street, Harrisburg, PA.

## II. Statement of Issues

27) Eric Epstein's Interrogatories, Set on July 23, 2010 and Set II on September 24, 2010 dealt with the e following elements:

- 1) Program description.
- 2) Eligibility criteria.
- 3) Projected needs assessment.
- 4) Projected enrollment levels.
- 5) Program budget.
- 6) Plans to use community-based organizations.
- 7) *Organizational structure of staff responsible for universal service programs.*

28) Eric Joseph Epstein analyzed PPL's assumptions, estimates, projections, and methodologies associated with the PPL Electric Utilities Corporation Universal Service and Energy Conservation Plan, 2011-2013. (Docket No. M-2010-2179796)

29) Mr. Epstein's evaluation found numerous assumptions, omissions, and unproven methodologies in the the following areas:

- a) PPL's metrics for evaluating the efficacy of CAP and On Track are ineffective and arbitrary.
- b) PPL's Key Performance Indicators for customer service, customer satisfaction, and service reliability are ineffective and arbitrary.
- c) PPL's administrative costs may be excessive.
- d) PPL has stated that some of the expenditures under the Work by Outsiders category are being performed by organizations associated with PPL Corporation. PPL also stated its affiliates are providing administrative services. In both instance, "double dipping" and excessive costs need to be evaluated.
- e) Shutoffs of electric service to PPL customers are excessive, arbitrary, and have resulted in systemic challenges to public health including several fatalities.

f) Data projections for this USR filing are based on outdated census material from 2000. PPL needs to recompute its assumptions based on 2008 data points.

### **III. Proposed Witnesses**

30) Mr. Epstein respectfully reserves the right to modify or supplement his witness list during the course of this proceeding. In the event that Eric Joseph Epstein decides to modify or supplement his witness list, Epstein will inform the parties and the Administrative Law Judge.

### **IV. Proposed Schedule & Discovery Rules**

31) Mr. Epstein will fully cooperate with the Court and the Parties at the Prehearing Conference to develop an appropriate procedural schedule and discovery rules in accordance with the Commission's regulations and any ALJ directives.

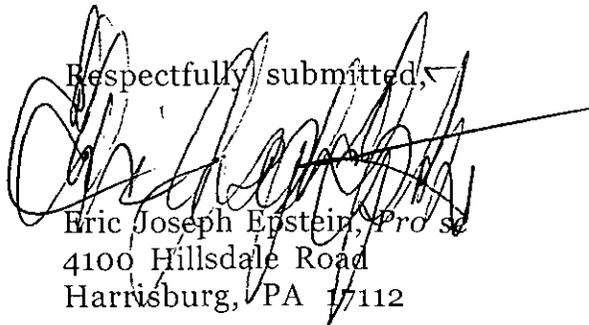
### **V. Public Input Hearing**

32) Mr. Epstein will attend and participate in Public Input Hearings.

### **VI. Settlement Discussions**

33) Eric Joseph Epstein is willing to participate in Settlement discussions and negotiations with the other parties to resolve all outstanding issues in this proceeding.

Respectfully submitted,



Eric Joseph Epstein, *Pro se*  
4100 Hillsdale Road  
Harrisburg, PA 17112

October 22, 2010

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## CERTIFICATION OF SERVICE

I hereby certify that I have this day served a true and correct copy of the foregoing document upon the active participants named below by US mail or hand delivery or electronic transmission in accordance with the requirements of Section 1.54.

Honorable Susan D. Colwell  
Administrative Law Judge  
PA PUC  
Commonwealth Keystone Bldg.  
400 North Street, Floor 2 West  
POB 3265  
Harrisburg, PA 17105

Craig R. Burgraff, Esquire  
Todd S. Stewart, Esquire  
Hawke, McKeon & Sniscak  
100 N. Tenth Street  
Harrisburg, Pa 17101

Paul E. Russell, Esquire  
PPL Electric Utilities Corporation  
Two North Ninth Street  
Allentown, PA 18101-1179

Charles D. Shields, Esquire  
PA Public Utility Commission  
Office of Trial Staff  
P.O. Box 3265  
Harrisburg, PA 17105-3265

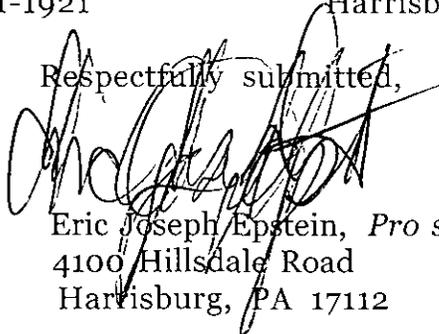
Pamela C. Polacek, Esquire  
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Respectfully submitted,



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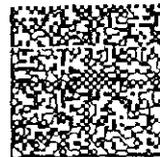
EFMR Monitoring, Inc.  
4100 Hillsdale Rd.  
Harrisburg, PA 17112

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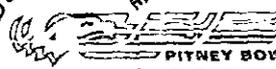
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Commonwealth Keystone Building  
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