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November 4, 2010

via Federal Express

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

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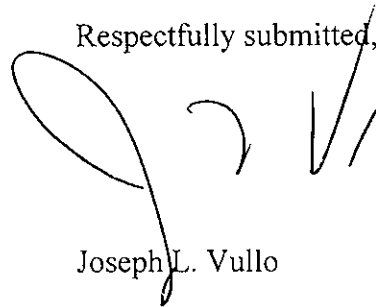
PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

RE: In Re: PPL Electric Utilities Request for Rate Increase
Docket No: R-2010-2161694

Dear Secretary McNulty:

Enclosed please find the original and nine copies of the Exception of Commission on Economic Opportunity to Recommended Decision for filing with the PUC. I have served all parties of record in accordance with the enclosed Certificate of Service. Should you have any questions, please do not hesitate to contact me.

Respectfully submitted,



Joseph L. Vullo

JLV/jar

encls.

cc: ALJ Susan D. Colwell
All Parties Per Certificate of Service

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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

PENNSYLVANIA PUBLIC UTILITY
COMMISSION,

V.

PPL ELECTRIC UTILITIES

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R-2010-2161694

Request for Rate Increase

**EXCEPTION OF COMMISSION ON ECONOMIC
OPPORTUNITY TO RECOMMENDED DECISION**

NOW COMES, the Commission on Economic Opportunity (CEO), by and through counsel, Joseph L. Vullo, Esquire, and files the following Exception to the Recommended Decision of Administrative Law Judge Susan D. Colwell dated October 15, 2010, in the above-captioned matter and sets forth the following:

I. INTRODUCTION

1. CEO is a non-profit organization serving the low-income and elderly in Luzerne County, Pennsylvania.

2. CEO intervened in the above-captioned matter to address the Company's universal service programs, particularly WRAP, its low income usage reduction program.

3. On October 15, 2010, Administrative Law Judge Susan D. Colwell issued a "Recommended Decision" relative to the proposed request for a rate increase by the Company.

4. CEO files the following exception to that Decision.

II. EXCEPTION

The ALJ Abused Her Discretion and Committed an Error of Law By Finding that CEO Did Not Meet Its Burden of Proof in Establishing the Need For Additional Funding For the Company's Low Income Usage Reduction Program.

In this proceeding the Company has reached a settlement that would increase distribution rates by 11.5% and is proposing that the increase be allocated entirely to the residential class. The impact of that possible increase on low-income residential customers is compounded by the fact that customers recently saw the generation portion of their bill increase by 30%. (Brady Direct p. 3). Further, the need for assistance to low-income customers existed prior to the Company's request for a rate increase in this proceeding and recent increase in generation charges. Mr. Brady testified that CEO has seen an increase in the number of people who are living in poverty and that rising energy costs, rising healthcare costs and a dramatic increase in unemployment have all contributed to a greater need for help. (Brady Direct p. 5-6).

This increased need is demonstrated further by the Company's own reporting of the number of people it has served through its universal service programs. The Company serves 1,221,405 low income customers. In 2006 it provided 2418 of those customers with WRAP services and in 2009 that number increased by 42% to 3422 customers. The same need has been shown in the increase in hardship cases served by the Company. In 2006, 3869 customers received help through the Company's hardship program (HELP) and in 2009 that number increased by 22% to 4704 customers. The Company has indicated that hardship funds ran out in 2008 and 2009 leaving many people without needed help. (Brady Direct p. 6).

A well-funded LIURP program, because it allows a consumer to conserve energy, is often times the only defense that a poor person has to manage rising utility costs. Because of the ever-increasing economic challenges facing poor people, the Company's WRAP program provides energy saving measures that a poor person could not otherwise afford. (Brady Direct p. 8). Current funding for WRAP was established in the Company's last rate case filed in 2007 and that annual funding has not changed since that time. (PUC Docket No. 72155). The Company in the rebuttal testimony of Timothy R. Dahl (Statement 9-R) contends that current funding for WRAP should remain the same because additional funding for weatherization has been provided through federal ARRA funding and Act 129 requirements. But ARRA funding ends in 2012 and the increased funding for weatherization provided by ARRA and Act 129 only demonstrates the value of and need for weatherization funding. A value that has long been recognized by the Commission:

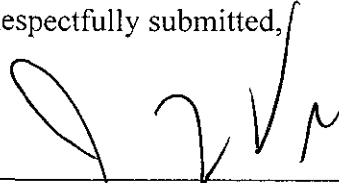
“The Commission finds that LIURP has been one of the Commonwealth's most successful programs for assisting low income customers. The Commission has found that LIURP reduces bad debt by reducing customers' bills. Customers who receive LIURP services are able to pay their entire bill plus contribute to their arrearage.”

(Brady Direct p. 7 quoting PUC Order on Duquesne Light's Restructuring, R-00974104, p. 293).

In her Recommended Decision, the Administrative Law Judge recognized “the gravity of the circumstances in which many PPL Electric customers find themselves...” (Recommended Decision, p. 69). This finding by the ALJ is supported by the facts set forth above. PPL customers recently underwent a 30% increase in generation charges, the Company's own testimony demonstrated the large amount of low income customers who have never received WRAP services and the settlement in this proceeding increased distribution rates by 11.5% that

quite possibly will fall entirely on the residential class. Contrary to the ALJ's Recommended Decision the testimony submitted by CEO and the Company's own information regarding the number of its low-income customers who have not received weatherization measures met the burden of proof required to demonstrate the need for additional LIURP funding

Respectfully submitted,



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BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

PENNSYLVANIA PUBLIC UTILITY COMMISSION,	:	
	:	
	:	
V.	:	R-2010-2161694
	:	
PPL ELECTRIC UTILITIES	:	Request for Rate Increase

CERTIFICATE OF SERVICE

The undersigned certifies that he served a true and correct copy of Exception of Commission on Economic Opportunity to Recommended Decision upon the following participants this 4th day of November, 2010, via electronic mail and first-class mail:

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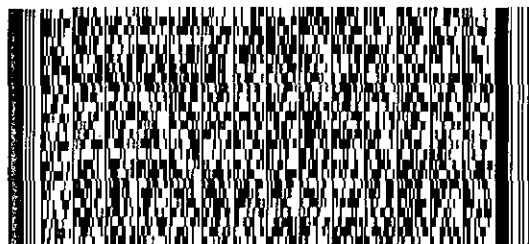
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