

COMMONWEALTH OF PENNSYLVANIA



OFFICE OF CONSUMER ADVOCATE

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February 18, 2011

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

RE: PPL Electric Utilities Corporation
Universal Service and Energy
Conservation Plan for 2011-2013
Docket No. M-2010-2179796

Dear Secretary Chiavetta:

Enclosed for filing is the Statement in Support of Settlement 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 black ink, appearing to read "Aron J. Beatty".

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

Enclosures

cc: Honorable Susan D. Colwell

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BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

PPL Electric Utilities Corporation :
Universal Service and Energy : Docket No. M-2010-2179796
Conservation Plan for 2011-2013 :

STATEMENT IN SUPPORT OF SETTLEMENT
OF THE OFFICE OF CONSUMER ADVOCATE

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The Office of Consumer Advocate (OCA) supports the Joint Petition for Settlement (Settlement) concerning PPL Electric Utilities Corporation's 2011-2013 Universal Service Plan (USP) filing. The OCA closely reviewed the Company's Universal Service Plan filing to ensure that the terms and conditions were reasonable, and in compliance with the modifications agreed to in the Company's 2010 base rate proceeding at docket number R-2010-2161694. The OCA reviewed the testimony submitted by the various parties to ensure that the agreements reached in the 2010 base rate proceeding were not breached or impaired in any significant way. The OCA also participated in the settlement meetings and fully supports the proposed Settlement.

The OCA submits that the Settlement contains further modifications to the Company's USP beyond those being implemented as part of the 2010 base rate proceeding that enhance PPL's overall program to the benefit of customers. The Settlement provides that the

Company will move forward with its filed USP Plan, with several modifications highlighted in the below paragraphs.

First, in Paragraph 34, the Settlement provides that the maximum annual CAP credits under PPL's 2011-2013 USP Plan will be \$2,160 for electric heating customers and \$850 for non-heating customers. This level more closely reflects current market pricing and should be approved. Additionally, PPL has agreed that it will evaluate the impact of the maximum CAP credits and determine if the levels should increase, decrease or stay the same in its next USP Plan filing for the period 2014-2016. Under the Settlement, households will continue to receive notices from PPL Electric when they have reached 50% and 80% of their annual maximum CAP credits. For those Households reaching the 80% level of their annual maximum CAP credits, PPL will evaluate whether the Company's low-income weatherization program, or "WRAP", would be beneficial for those customers services on a priority basis provided that they apply and are eligible for the program. This provision helps ensure that households are aware of their usage as they approach program limits and allows them to make timely adjustments on an expedited basis if needed.

Second, in Paragraph 35, PPL has agreed to analyze the payment plan options offered through OnTrack within three months of the Commission's Order approving the Settlement. PPL has agreed to study the number of customers participating in each payment option, the average payment amount of each option, and the default rate of each payment plan option. The results of the Company's study will be provided to each of the parties in this proceeding. This provision will help determine the payment plan approach that may best achieve the goals of PPL's USP programs.

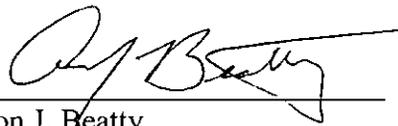
Third, in Paragraph 36, PPL has agreed to work with the Commission on Economic Opportunity (CEO) on an in-home energy display pilot program. Subject to customers' consent, PPL Electric will provide referrals to CEO for the pilot program. This provision helps ensure that CEO and the Company maximize the impact of federal funding by obtaining needed information from the pilot on how low-income customers use electricity and what steps they can take in response to information on usage.

Fourth, in Paragraph 38, PPL has included in its 2011-2013 USP Plan a description of its efforts to coordinate WRAP services with other low-income weatherization programs (e.g., WAP and ARRA). This provision will help ensure the efficient use of resources among parties involved in the WRAP program.

Fifth, in Paragraph 39, PPL has agreed to meet with key Area Agencies on Aging to review and discuss the Company's programs and services for low-income customers; LIHEAP; credit and collection procedures; and various billing options and services (e.g., third-party notification). Prior to holding these meetings, PPL Electric will provide an agenda to parties in this proceeding and give parties the opportunity to provide input on the agenda. This provision will help ensure that senior households are fully apprised of all help available through the Company's USP Plan.

The OCA submits that the parties have reached a reasonable settlement that resolves outstanding issues while building upon the Company's existing USP Plan and those commitments approved by the Commission in PPL's 2010 base rate proceeding. The OCA fully supports the agreement reached by the parties in this proceeding and respectfully requests that the Joint Petition for Settlement be approved as filed.

Respectfully Submitted,



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Dated: February 18, 2011

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CERTIFICATE OF SERVICE

PPL Electric Utilities Corporation :
Universal Service and Energy : Docket No. M-2010-2179796
Conservation Plan for 2011-2013 :

I hereby certify that I have this day served a true copy of the foregoing document, Statement in Support of Settlement of the Office of Consumer Advocate to Settlement Petition, 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 18th day of February 2011.

SERVICE BY E-MAIL and INTEROFFICE MAIL

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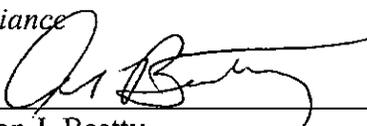
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