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April 13, 2011

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, PA 17120

VIA HAND DELIVERY

**RE: PPL Industrial Customer Alliance v. PPL Electric Utilities;
Docket No. C-2010-2153656**

Dear Secretary Chiavetta:

Enclosed for filing with the Pennsylvania Public Utility Commission ("PUC" or "Commission") are the original and three (3) copies of the Prehearing Memorandum of the PP&L Industrial Customer Alliance ("PPLICA"), in the above-referenced proceeding.

As shown by the attached Certificate of Service, all parties to this proceeding are being duly served. Please date stamp an extra copy of this transmittal letter and the Prehearing Memorandum and kindly return them for our filing purposes. Thank you.

Sincerely,

McNEES WALLACE & NURICK LLC

By 
Shelby A. Linton-Keddie

SLK/lmc
Enclosure

c: Administrative Law Judge David A. Salapa (via E-mail and Hand Delivery)
Certificate of Service

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II. SERVICE LIST

PPLICA is represented in this matter by Pamela C. Polacek and Shelby A. Linton-Keddie. All correspondence, notices, documents, orders or other communications with respect to this proceeding should be addressed to Pamela C. Polacek at the following address:

Pamela C. Polacek
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In addition and to the extent feasible, PPLICA requests that any electronic service list also include Shelby A. Linton-Keddie at the following address: skeddie@mwn.com.

III. ANTICIPATED ISSUES AND SUB-ISSUES

Upon review, PPLICA asserts that the information and data filed in support of the 2010 TSC rates are insufficient to establish that the proposed rates are just, reasonable and nondiscriminatory, as required by Sections 1301 and 1304 of the Public Utility Code, 66 Pa. C.S. §§ 1301 & 1304. At minimum, due to the change to the Federal Energy Regulatory Commission ("FERC") formula rate, including a refund from PJM Interconnection, LLC ("PJM") that was approved by FERC late in the annual TSC reconciliation period, and the fact that due to the expiration of PPL's generation rate caps there was a large number of Large C&I customers that transitioned to a competitive generation market, a special rider should be created to ensure that all customers (both those who shopped and did not shop in 2010) receive their fair share of the overcollection refund. Refunds should not have been limited solely to customers who remained on default service in 2010. Notably, however, the delay by the Commission has significantly complicated the relief sought by PPLICA in this proceeding. PPLICA has informally requested additional information regarding this matter and is

still awaiting a response from the Company. Based on the information available to date, PPLICA submits that this proceeding should, at minimum, address the following issues:

- (a) Investigate the rates, terms and provisions included in PPL's Final 2009 TSC Reconciliation Report and 2010 TSC Rate;
- (b) Implement a competitively-neutral refund mechanism for the substantial 2009 TSC overcollection that ensures refunds to both shopping and default service customers;
- (c) Allow PPLICA to participate fully in the evidentiary proceeding, cross-examine all PPL witnesses, *present its own evidence and witnesses, and offer arguments on its own behalf*; and
- (d) Require PPL to adduce substantial evidence to justify and substantiate its reconciliation methodology for the 2010 TSC rate.

PPLICA anticipates pursuing these issues during this proceeding and reserves the right to raise further issues and to respond to all issues raised by other parties.

IV. PROPOSED WITNESSES

PPLICA is still in the process of evaluating the appropriate witness(es) for this proceeding. PPLICA 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.

V. PROPOSED SCHEDULE AND DISCOVERY RULES

PPLICA will cooperate with the ALJ 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. At this point, however, PPLICA suggests the following schedule for the Company and ALJ's consideration:

June 20, 2011	PPLICA Direct Testimony
July 20, 2011	Rebuttal Testimony
August 5, 2011	Surrebuttal Testimony
August 15, 2011	Hearings

September 8, 2011 Main Briefs

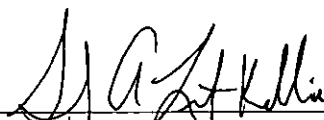
September 22, 2011 Reply Briefs

VI. POSSIBILITY OF SETTLEMENT

PPLICA is willing to participate in discussions with the other parties to amicably resolve the issues in this proceeding.

Respectfully submitted,

McNEES WALLACE & NURICK LLC

By 
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Counsel to PP&L Industrial Customer Alliance

Dated: April 13, 2011

CERTIFICATE OF SERVICE

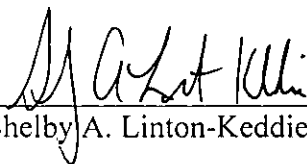
I hereby certify that I am this day serving a true copy of the foregoing document upon the participants listed below in accordance with the requirements of 52 Pa. Code Section 1.54 (relating to service by a participant).

VIA E-MAIL AND FIRST CLASS MAIL

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Counsel to the PP&L Industrial Customer Alliance

Dated this 13th day of April, 2011, at Harrisburg, Pennsylvania.

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