



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P.O. BOX 3265, HARRISBURG, PA 17105-3265

IN REPLY PLEASE
REFER TO OUR FILE

May 11, 2011

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

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SECRETARY'S BUREAU

Re: Pennsylvania Public Utility Commission v.
PPL Electric Utilities Corporation

Docket No. R-2010-2161694

Dear Secretary Chiavetta:

Enclosed please find a copy of the **Prehearing Memorandum** of the Office of Trial Staff (OTS). As evidenced by the enclosed Certificate of Service, copies have been served on all active parties.

If you have any questions, please contact me at (717) 783-6184.

Sincerely,

Richard A. Kanaskie
Senior Prosecutor
Office of Trial Staff
PA Attorney I.D. #80409

Enclosure
RAK/edc

cc: Parties of Record
Hon. Susan D. Colwell

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

PENNSYLVANIA PUBLIC UTILITY COMMISSION	:	
	:	
v.	:	DOCKET NO.
	:	R-2010-2161694
PPL ELECTRIC UTILITIES CORPORATION	:	
	:	
	:	

**PREHEARING MEMORANDUM
OF THE
OFFICE OF TRIAL STAFF**

TO THE HONORABLE SUSAN D. COLWELL:

In accordance with the First Prehearing Order on Remand issued by Your Honor dated April 28, 2011, the Office of Trial Staff ("OTS") hereby submits this Prehearing Memorandum. The OTS prosecutor assigned to this remanded proceeding is Richard A. Kanaskie. Mr. Kanaskie may be contacted as follows:

By Mail: Richard A. Kanaskie
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I. BACKGROUND

On January 5, 2011, the PPL Industrial Customer Alliance (“PPLICA”) filed a Petition seeking reconsideration of the Opinion and Order entered by the Pennsylvania Public Utility Commission (“PUC” or “Commission”) on December 21, 2010. In the alternative, PPLICA sought rehearing, or re-argument, of the decision rendered in the above referenced proceeding.

By Order Adopted March 31, 2011 and Entered April 27, 2011, the Commission granted PPLICA’s Petition and remanded the proceeding to the Office of Administrative Law Judge for further proceedings and the development of an additional evidentiary record culminating in the issuance of a Recommended Decision on Remand. A Prehearing Conference has been scheduled for May 16, 2011.

II. ISSUES

Based upon a preliminary review of the information presented in the Opinion and Order directing the remand of this proceeding, OTS will evaluate, among other things, the impact of discounting rates for one customer in a rate class. Of particular concern is the planned recovery of any shortfall in revenue resulting from a reduction in rates to one customer. OTS will evaluate the remanded proceeding to ensure that discriminatory rates are not established and that charges are not shifted to other ratepayers indiscriminately.

Most of the issues raised by OTS will be supported by the Direct Testimony of an OTS witness in his area of responsibility. However, there may be issues of Commission policy or legal interpretation that are not properly the subject of testimony; or there may be factual issues that are clear on the record and need not be supported by testimony. OTS reserves the right to dispense with testimony when, in its opinion, an issue can be adequately addressed in brief.

III. WITNESSES

It is currently expected that OTS may call either, or both, of the following witnesses without being limited thereto:

Michael Gruber Fixed Utility Valuation Engineer

Jeremy Hubert Fixed Utility Valuation Engineer¹

OTS reserves the right to call additional witnesses and/or delete witnesses listed above. The above listing is provided without any analysis of the positions of the other interested parties to this remanded proceeding. Also, additional discovery may result in the development of issues not previously addressed. Both Mr. Gruber and Mr. Hubert will evaluate engineering issues associated with this remanded filing. Their analysis will include cost allocation and cost shifting.

¹ Mr. Gruber and Mr. Hubert can be contacted at the same address and same phone information provided for the assigned OTS Prosecutor in this proceeding.

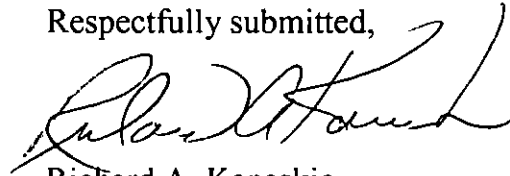
IV. SCHEDULE

OTS will cooperate with the parties in the development of a procedural schedule that allows for the development of a complete record in this remanded proceeding.

V. DISCOVERY

OTS will cooperate with the parties to determine if any modifications of the Discovery Rules are necessary in this remanded proceeding.

Respectfully submitted,



Richard A. Kanaskie
Senior Prosecutor

Office of Trial Staff
Pennsylvania Public
Utility Commission

Dated: May 21, 2011

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission :
 :
 v. : Docket No. R-2010-2161694
 :
 PPL Electric Utilities Corporation :

CERTIFICATE OF SERVICE

I hereby certify that I am serving the foregoing **Prehearing Memorandum**
dated May 11, 2011, either personally, by first class mail, electronic mail, express mail
and/or by fax upon the persons listed below:

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