

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

<b>Petition of PPL Electric Utilities Corporation</b>	)	
<b>For Approval to Implement Reconciliation</b>	)	
<b>Rider for Default Service Supply Service</b>	)	<b>Docket No. P-2011-2256365</b>
	)	
	)	
	)	

**PREHEARING MEMORANDUM OF  
WAL-MART STORES EAST, LP AND SAM'S EAST, INC.**

As requested by Administrative Law Judge Susan D. Colwell in the Prehearing Order at paragraph 5, Wal-Mart Stores East, LP and Sam's East, Inc. (collectively, "Walmart") hereby submits its prehearing memorandum in conformance with 52 PA Code § 5.222(d).

**I. History of Proceeding**

On or about August 3, 2011, and as amended on or about August 5, 2011, PPL Electric Utilities Corporation ("PPL" or "the Company") filed a Petition (and Amended Petition) with the Pennsylvania Public Utility Commission ("Commission") requesting approval from the Commission to submit a revised tariff supplement to Tariff Electric-Pa P.U.C. No. 201, to implement a Reconciliation Rider and a Competitive Transition Rider ("CTR") to become effective on June 1, 2012. The proposed Reconciliation Rider, if approved, would implement a mechanism to refund or recover net over and under collections related to transmission service and generation supply service to and from customers who take default service from PPL. The CTR, if approved, would implement a temporary non-bypassable rate mechanism to refund or recoup historic over or under collections related to transmission service and generation supply

service that were incurred between January 1, 2010 and May 31, 2012, prior to the date of implementation of any approved Reconciliation Rider.

On August 18, 2011, the Office of Small Business Advocate filed its Notice of Intervention, Answer, Verification, and Public Statement in this proceeding. On August 23, 2011, the Office of Consumer Advocate filed its Notice of Intervention and Public Statement in this proceeding. On August 23, 2011, Dominion Retail, Inc. filed its Answer to the Petition and the Retail Energy Supply Association (“RESA”) filed its Answer in Opposition to the Petition. On August 25, 2011, the PP&I Industrial Customer Alliance filed its Answer to the Petition. On August 29, 2011, Richards Energy Group, Inc. filed its Petition to Intervene. On September 14, 2011, RESA filed its Petition to Intervene and Dominion Retail filed its Answer to the Amended Petition. On September 19, 2011, the PP&L Industrial Customer Alliance filed its Answer to the Amended Petition. Finally, on September 26, 2011, Walmart filed its Petition to Intervene Out-of-Time.

## **II. ANTICIPATED ISSUES AND SUB-ISSUES**

Walmart’s preliminary review of the Company’s filing indicates the need for the Commission to investigate at least the following broad issues:

1. Whether the proposed CTR, as PPL proposes to implement it, is just, reasonable and reflects cost causation?
2. Whether the retroactive nature of the proposed CTR would prevent its adoption?
3. The manner in which the costs to be included in the CTR would be allocated to customers and the manner in which the rates would be charged to customers?

Walmart submits that additional issues may arise when more information pertaining to the proposed CTR becomes available through the filing of PPL’s direct testimony.

### **III. WITNESSES**

Walmart is continuing to develop its position on the proposed Amended Application. At this time, Walmart intends to offer the testimony of:

Steve W. Chriss  
Senior Manager, Energy Regulatory Analysis  
Wal-Mart Stores, Inc.  
Sam Walton Development Complex  
2001 SW 10<sup>th</sup> Street  
Bentonville, AR 72716  
[stephen.chriss@wal-mart.com](mailto:stephen.chriss@wal-mart.com)

In order to expedite the resolution of this proceeding, Walmart requests that copies of all interrogatories, testimony and responses be emailed directly to its witness at [Stephen.chriss@wal-mart.com](mailto:Stephen.chriss@wal-mart.com).

Walmart reserves the right to supplement this witness list during the course of this proceeding. In the event that Walmart decides to modify or supplement its witness list, Walmart will notify the parties and the ALJ as soon as possible of the intended witness. Walmart 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.

### **IV. PROPOSED SCHEDULE AND DISCOVERY RULES**

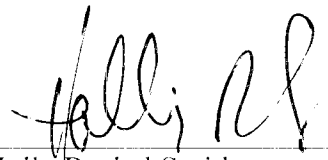
Walmart will cooperate with the ALJ and the parties at the Prehearing conference to develop an appropriate procedural schedule and discovery rules in accordance with the Commission's regulations and any directives issued by the ALJ.

**V. POSSIBILITY OF SETTLEMENT**

Walmart understands that settlements between parties can resolve matters without the expense of litigation. As such Walmart is committed to working with the parties with regard to settling the issues identified above, as well as other issues that arise as the case develops.

DATED: September 30, 2010

Respectfully submitted,



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## CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was served by mailing a true and correct copy via electronic mail (when available) and by first-class postage prepaid mail (\*except as otherwise noted), to all parties on this 30th day of September, 2011.

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\* by mail to PO Box and via overnight Federal Express to the Commission