

COMMONWEALTH OF PENNSYLVANIA



OFFICE OF CONSUMER ADVOCATE

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September 30, 2011

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

RE: Petition of PPL Electric Utilities
Corporation for Approval to Implement a
Reconciliation Rider for Default Supply
Service
Docket No. P-2011-2256365

Dear Secretary Chiavetta:

Enclosed for filing is the Prehearing Memorandum of the Office of Consumer Advocate,
in the above-referenced proceeding.

Copies have been served as indicated on the Certificate of Service.

Respectfully Submitted,

A handwritten signature in cursive script, appearing to read "Aron J. Beatty".

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

Enclosure

cc: Honorable Susan D. Colwell

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BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of PPL Electric Utilities Corporation for Approval to Implement a Reconciliation Rider for Default Supply Service	:	Docket No. P-2011-2256365
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	:	
	:	

PREHEARING MEMORANDUM
OF THE
OFFICE OF CONSUMER ADVOCATE

Pursuant to Section 333 of the Public Utility Code, 66 Pa.C.S. Section 333, and in response to the July 22, 2011 Prehearing Notice issued in the above-captioned matter, the Office of Consumer Advocate (OCA) provides the following information:

I. INTRODUCTION

On August 3, 2011 PPL Electric Utilities Corporation's (PPL) filed a Petition seeking Commission approval to implement a reconciliation rider for default supply service. In its Petition, PPL seeks approval to implement a reconciliation Rider beginning on June 1, 2012. According to PPL, the Rider would provide the Company with a method to refund or recover net over and under collections of default service costs from customers who were responsible for those costs. As a result, customers who shopped would continue to pay for a share of any under collection of costs that accrued before those customers left default service. When an over collection occurs, shopping customers who were default service customers during the time of over collection would be refunded those costs. Under the Company's proposal, shopping

customers would not be subject to the rider for up to 12 months upon their return to default service. On August 25, 2011 PPL filed an Amended Petition.

This Petition was assigned to the Office of Administrative Law Judge and was further assigned to Administrative Law Judge Susan D. Colwell for investigation and the scheduling of hearings.

On August 18, 2011, the Office of Small Business Advocate (OSBA) filed an Answer; on August 23, 2011, Dominion Retail, Inc (Dominion) and Retail Energy Supply Association (RESA) filed Answers; and on August 25, 2011, PP&L Industrial Customer Alliance (PPLICA) filed an Answer. Petitions to Intervene were filed by RESA, Richards Energy Group, Inc., and Wal-Mart Stores and Sam's East, Inc. Answers to the Amended Petition were filed by Dominion, OSBA, and PPLICA.

The OCA filed a Notice of Intervention and Public Statement to the Company's Petition on August 23, 2011. The OCA submits this Prehearing Memorandum in anticipation of the scheduled October 4th conference.

II. ISSUES AND SUB-ISSUES

At present, the OCA anticipates that it will examine the rate design incorporated in the Rider to ensure that it produces a reasonable allocation of costs among residential customers. In addition, the OCA submits that the proposed Rider, if approved, will require substantial customer education and the OCA will participate in this proceeding to ensure that customers are appropriately informed of their continuing cost responsibilities under any approved migration Rider. The OCA reserves the right to raise additional issues as the proceeding develops.

III. WITNESSES

The OCA has not yet determined whether the testimony of an expert witness is necessary. The OCA specifically reserves the right to call a witness (or witnesses), as necessary. As soon as the OCA has determined whether a witness or witnesses will be necessary for any portion of its case, Your Honor and all parties of record will be promptly notified.

IV. PROPOSED SCHEDULE

The OCA will work with the parties to develop a mutually acceptable schedule.

V. SERVICE ON OCA

The OCA will be represented in this case by Aron J. Beatty. Two copies of all documents should be served on the OCA as follows:

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VI. SETTLEMENT

The OCA is willing to participate in settlement discussions.

Respectfully Submitted,



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Dated: September 30, 2011
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CERTIFICATE OF SERVICE

Petition of PPL Electric Utilities :
Corporation for Approval to : Docket No. P-2011-2256365
Implement a Reconciliation Rider for :
Default Supply Service :

I hereby certify that I have this day served a true copy of the foregoing document, Prehearing Memorandum of the Office of Consumer Advocate 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 30th day of September 2011.

SERVICE BY E-MAIL and INTEROFFICE MAIL

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SERVICE BY E-MAIL and FIRST CLASS MAIL

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