

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

IN REPLY PLEASE REFER TO OUR FILE Bp8# 2320369

September 6, 2012

Rosemary Chiavetta, Secretary Pennsylvania Public Utility Commission 400 North Street, 2nd Floor North P.O. Box 3265 Harrisburg, PA 17105-3265

> RE: Petition of PPL Electric Utilities Corporation For An Evidentiary Hearing; Docket No. P-2012-2320369

Dear Secretary Chiavetta:

Pursuant to the 29 August 2012 Prehearing Conference Order, please find enclosed the Prehearing Memorandum of the Statewide Evaluator in the docket referenced above.

The Statewide Evaluator has served copies on all Parties and Parties petitioning for intervention in accord with the attached Certificate of Service.

Please contact the undersigned should you have any questions at (717) 787-3464 or shsparks@pa.gov.

Sincerely,

Shaun A. Sparks **Assistant Counsel** Law Bureau

Enclosure

As per Certificate of Service cc:

Robert F. Young, Deputy Chief Counsel

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of PPL Electric Utilities

Docket No. P-2012-2320369

Corporation For An Evidentiary Hearing

PREHEARING MEMORANDUM
OF THE
STATEWIDE EVALUATOR

Pursuant to Section 333 of the Public Utility Code, 66 Pa.C.S. § 333, and in response to the Prehearing Conference Order issued in the above-captioned matter, administrative counsel for the Statewide Evaluator (SWE) provides the following information:

I. INTRODUCTION AND BACKGROUND

On March 1, 2012, the Pennsylvania Public Utility Commission (Commission) requested comments regarding issues instrumental to its ongoing efforts to implement the requirements of Pennsylvania's Act 129 of 2008 (the Act or Act 129, effective November 14, 2008) codified at 66 Pa. C.S. §§ 2806.1 and 2806.2. The Commission also conducted a stakeholder meeting on March 16, 2012, to provide parties an opportunity to identify additional issues raised by its request for comments.

On May 11, 2012, the Commission entered a Tentative Implementation Order at Docket Nos. M-2012-2289411 and M-2012-2069887 seeking comments on proposed consumption reductions, guidelines for implementing Phase II of the Energy Efficiency and Conservation (EE&C) Program, and released the SWE's Market Potential Study.

1

The Commission directed interested parties to file comments and reply comments. The Commission also held a stakeholder meeting on June 5, 2012, to provide stakeholders with the opportunity for questions and answers with the SWE related to the baseline studies and the Market Potential Study. By comments and through stakeholder meetings, parties raised due process concerns regarding the data used by the Commission to set individual utility consumption targets.

On August 3, 2012, the Commission entered its Implementation Order that, *inter alia*, recognized the due process concerns raised by the parties. In response, the Commission provided for the instant proceeding to allow electric distribution companies to challenge the data underlying the consumption reduction requirements established for each company. *Energy Efficiency and Conservation Program*, Docket

Nos. M-2012-2289411 and M-2008-2069887, Implementation Order at 30-32 (August 3, 2012). The SWE is participating in this proceeding in accord with the Implementation Order.

II. ISSUES AND SUB-ISSUES

The SWE does not intend to raise issues beyond the material contained in the previously released Statewide Evaluator reports and data. These reports and data include the following materials:¹

- 1) Electric Energy Efficiency Potential For Pennsylvania
 - a) Appendix 1 Avoided Costs and General Model Inputs by EDC
 - b) Appendix 2 Residential Sector Data

¹ The documents are available at: http://www.puc.state.pa.us/electric/Act_129_info.aspx .

c) Appendix 2.2 - Measure Level TRC Ratios by EDC

d) Appendix 2.3 – Measure Level Levelized Costs by EDC

e) Appendix 3 - Commercial/Industrial Sector data

2) Pennsylvania Statewide Residential End-Use and Saturation Study

3) Pennsylvania Statewide Commercial & Industrial End Use & Saturation Study

SERVICE ON THE STATEWIDE EVALUATOR III.

The Statewide Evaluator will be represented in this case by administrative counsel

Shaun A. Sparks and Krystle J. Sacavage. Counsel agrees to accept electronic service of

documents. In addition to e-service to both Mr. Sparks (shsparks@pa.gov) and

Ms. Sacavage (ksacavage@pa.gov), counsel requests that parties serve a hard copy of

each document as follows:

Shaun A. Sparks

Assistant Counsel

Law Bureau

Pennsylvania Public Utility Commission

PO Box 3265

Harrisburg, PA 17105-3265

Phone: 717-787-3464

IV.

Email: shsparks@pa.gov

WITNESSES AND EVIDENCE

The SWE does not intend to present written expert testimony in addition to the

reports and data discussed in Section II of this memorandum.

To avoid waste of Commonwealth resources, counsel respectfully requests that the

Presiding Officer take judicial notice of the public online availability of the Statewide

Evaluator reports and data on the Commission website for the limited purpose of service

3

of these materials on the parties. The SWE will provide hard copies of these materials to any requesting party and will provide hard copies to the Presiding Officer and court reporter. The SWE will provide expert witness qualifications in accord with the approved procedural schedule.

To expedite this proceeding, counsel requests that in addition to serving documents on counsel, parties send copies of all interrogatories and testimony (preferably in electronic format) directly to the following expert witnesses responsible for the Statewide Evaluator reports and data listed above.

Dick Spellman President GDS Associates, Inc. Suite 800 1850 Parkway Place Marietta, GA 30067

Phone: 770.425.8100

Email: <u>Dick.Spellman@gdsassociates.com</u>

Salil Gogte Principal, Planning & Evaluation Nexant, Inc. 101 Lindenwood Drive, Suite 127 Malvern, PA 19355 Phone: 610.786.7406

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Principal, Planning & Evaluation
Nexant, Inc.
1401 Walnut Street
Boulder, CO 80302

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The Statewide Evaluator specifically reserves the right to call additional witnesses as necessary pending discovery and discovery responses from the Parties, if any.

Also in the interest of administrative efficiency, counsel requests that the Presiding Officer permit the SWE witnesses to provide panel testimony at any evidentiary hearings.

This will work to avoid recalling witnesses during the cross-examination phase (and on redirect), if any.

V. PROPOSED SCHEDULE

The SWE will cooperate to develop an acceptable procedural schedule in accord with the limitations below. The SWE witnesses are available for evidentiary hearings September 26-28, and October 1-3, 9, 18-31.

VI. DISCOVERY

Appendix A contains proposed amendments to the Commission's discovery regulations. Administrative counsel believes that these amendments will assist the parties in clarifying issues and will help bring this proceeding to timely conclusion.

Respectfully submitted,

Shaun A. Sparks
Assistant Counsel

Law Bureau

Attorney ID 87372

Krystle J. Sacavage Assistant Counsel Law Bureau Attorney ID 309151

Administrative Counsel for Statewide Evaluator

Pennsylvania Public Utility Commission PO Box 3265 Harrisburg, PA 17105-3265

Phone: 717-787-3464

DATED: September 6, 2012

APPENDIX A

Petition of PPL Electric Utilities

Docket No. P-2012-2320369

Corporation For An Evidentiary Hearing

PROPOSED AMENDMENTS TO DISCOVERY REGULATIONS

The SWE would propose to amend Commission discovery regulations in accord with the following:

- A. Answers to written interrogatories to be served in-hand within ten (10) calendar days of service of the interrogatories.
- B. Objections to interrogatories to be communicated orally within three (3) days of service; unresolved objections be served in writing within five (5) days of service of interrogatories.
- C. Motions to dismiss objections and/or direct the answering of interrogatories to be filed with the ALJ within three (3) days of service of written objections.
- D. Answers to motions to dismiss objections and/or direct the answering of interrogatories to be filed within three (3) days of service of such motions.
- E. Rulings over such motions to be issued, if possible, within seven (7) days of filing of the motion.
- F. Responses to requests for document production, entry for inspection, or other purposes to be served in-hand within ten (10) calendar days.
- G. Requests for admission be deemed admitted unless answered within ten (10) days or objected to within five (5) days of service.
- H. Answers to on-the-record data requests to be served in-hand within seven (7) calendar days of the request.
- I. Responses to interrogatories served after Noon on Friday will be due as if served the following Monday.

CERTIFICATE OF SERVICE

I hereby certify that I am this day serving the foregoing document in accordance with the requirements of 52 Pa. Code § 1.54 et seq. regarding the Petition of PPL Electric Utilities Corporation for an Evidentiary Hearing at Docket No. P-2012-2320369.

Notification by First Class Mail and email addressed as follows:

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HAND DELIVERED Addressed as follows:

Honorable Elizabeth Barnes Administrative Law Judge Pa Public Utility Commission 400 North Street, Second Floor Po Box 3265 Harrisburg Pa 17105

Johnnie E. Simms, Esquire Charles Daniel Shields, Esquire Bi&E - PA Public Utility Commission 400 North Street, Second Floor West PO Box 3265 Harrisburg, PA 17105-3265 Kriss Brown, Esquire Law Bureau - PA Public Utility Commission 400 North Street, Third Floor PO Box 3265 Harrisburg, PA 17105-3265

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Dated: September 6, 2012

2012 SEP -6 AM 11: 52