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September 7, 2012

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

RE:

Petition of PPL Electric Utilities Corporation For an Evidentiary Hearing on the Energy Efficiency Benchmarks Established for the Period June 1, 2013 through May 31, 2016; Docket No. P-2012-2320369

Dear Secretary Chiavetta:

Please find enclosed for filing with the Pennsylvania Public Utility Commission ("PUC" or "Commission") the signed original of the Prehearing Memorandum on behalf of the PP&L Industrial Customer Alliance ("PPLICA") in the above-referenced proceeding.

As evidenced by the attached Certificate of Service, all parties to this proceeding are being duly served with a copy of this document. Please date stamp the extra copy of this transmittal letter and Prehearing Memorandum, and kindly return them to our messenger for our filing purposes.

Very truly yours,

McNEES WALLACE & NURICK LLC

Ву

Adeolu A. Bakare

Counsel to PP&L Industrial Customer Alliance

AAB/leh

Enclosures

c:

Administrative Law Judge Elizabeth H. Barnes (via Hand Delivery) Certificate of Service 2012 SEP -7 PH 2: 29

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of PPL Electric Utilities Corporation:
For an Evidentiary Hearing on the Energy:
Efficiency Benchmarks Established for the Period:
June 1, 2013 through May 31, 2016:

Docket No. P-2012-2320369

PREHEARING MEMORANDUM OF THE PP&L INDUSTRIAL CUSTOMER ALLIANCE

As requested by Administrative Law Judge ("ALJ") Elizabeth H. Barnes in the August 29, 2012, Prehearing Conference Order, the PP&L Industrial Customer Alliance ("PPLICA") hereby submits this Prehearing Memorandum.

I. HISTORY OF THE PROCEEDING

On August 3, 2012, the Pennsylvania Public Utility Commission ("PUC" or "Commission") issued its Energy Efficiency and Conservation ("EE&C") Phase II Implementation Order ("I.O.") at Docket Nos. M-2012-2289411 and M-2008-2069887, tentatively adopting, among other things, Electric Distribution Company ("EDC")-specific consumption reduction targets for the period June 1, 2013, through May 31, 2016. The I.O. indicated that an EDC could contest its specific targets by filing a petition for evidentiary hearing by August 20, 2012. If the EDC did not contest the targets, the targets would become final.

On August 20, 2012, PPL Electric Utilities Corporation ("PPL" or "Company"), submitted to the Commission a Petition for an Evidentiary Hearing challenging the energy efficiency ("EE") benchmarks established in the I.O. ("Petition").

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On August 30, 2012, PPLICA filed a Petition to Intervene in this proceeding. A description of PPLICA is set forth in Paragraph 3 of PPLICA's Petition to Intervene awaits disposition by the ALJ.

II. ANTICIPATED ISSUES AND SUB-ISSUES

PPLICA is concerned with any modifications to PPL's EE&C Plan. PPLICA anticipates pursuing these issues during this proceeding, and also reserves the right to raise further issues and to respond to issues raised by other parties.

III. PROPOSED WITNESSES

PPLICA is still evaluating whether it will present any witnesses in this proceeding. If PPLICA determines that it will present such witnesses, PPLICA will inform the ALJ and the other parties as soon as possible. PPLICA 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. ADDITIONAL MATTERS FOR CONSIDERATION

As per ALJ Barnes' request, PPLICA provides direct responses to the following issues specifically raised in the Prehearing Conference Order.

a) Consolidation of the above-referenced docket numbers or coordination of the hearings.

Please see the response to "b" below.

b) Coordination of this case with other petitions for evidentiary hearing filed at Docket Nos. (1) P-2012-2320334 (PECO); (2) P-2012-2320450 (Met-Ed); (3) P-2012-2320480 (Penn Power); (4) P-2012-2320484 (West Penn); and (5) P-2012-2320468 (Penelec).

PPLICA submits that coordination of these cases with PECO's and FirstEnergy's Petitions for Evidentiary Hearing may not be efficient because PPL, PECO and FirstEnergy have different EE&C Plans and have raised different issues in their Petitions.

c) Whether the hearings should be held separately, but back-to-back.

PPLICA submits that hearings could be held sequentially, but overlaps of attorneys and witnesses may require some time between hearings to allow for adequate preparation.

d) The possibility for settlement of the proceeding, subject to the Commission's approval.

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

c) Whether the matter should be decided upon legal briefs, or whether a hearing is necessary.

PPLICA submits that deciding this matter upon legal briefs may be possible depending on the scope of testimony and an opportunity for responses.

f) If a hearing is required, a procedural schedule will be discussed including the amount of hearing time necessary to dispose of the proceeding.

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

g) Arrangements for the submission of direct testimony of witnesses in writing in advance of the hearing to the extent practicable, and for the submission in advance of hearing of written requests for information which a party contemplates asking another party to present at hearing.

PPLICA supports written testimony and discovery.

- h) Other matters that may aid in expediting the orderly conduct and disposition of the proceeding and the furtherance of justice, including, but not limited to, the following:
 - 1. The exchange and acceptance of exhibits proposed to be offered into evidence.

PPLICA submits that the Commission's rules and regulations regarding exchange and acceptance of exhibits are appropriate.

2. The obtaining of admissions as to, or stipulations of, facts not remaining in dispute, or the authenticity of documents which might properly shorten the hearing.

PPLICA will work with the other parties in an attempt to address the aforementioned issues in a manner that would appropriately and properly shorten the hearing.

3. The limitation of the number of witnesses.

PPLICA is willing to amicably discuss this issue with the other parties at the Prehearing Conference.

4. Discovery rules modifications.

PPLICA does not take a position on this issue at this time.

V. PROPOSED DISCOVERY RULES

PPLICA will cooperate with the ALJ and the parties at the Prehearing Conference to develop appropriate discovery rules in accordance with the Commission's regulations and any directives issued by the ALJ.

By

Respectfully submitted,

McNEES WALLACE & NURICK LLC

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Counsel to the PP&L Industrial Customer Alliance

Dated: September 7, 2012

CERTIFICATE OF SERVICE

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

VIA E-MAIL AND FIRST CLASS MAIL

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Adeolu A. Bakare

Counsel to PP&L Industrial Customer Alliance

Dated this 7th day of September, 2012, at Harrisburg, Pennsylvania.

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