

R-0097410400002

110150

ORIGINAL

KJR



City of Pittsburgh

Department of Law

Tom Murphy
Mayor

Jacqueline R. Morrow
City Solicitor

September 4, 1997

VIA EXPRESS U.S. MAIL DELIVERY

RECEIVED

James J. McNulty
Prothonotary
Pennsylvania Public Utility Commission
P. O. Box 3265
North Office Building
Harrisburg, Pennsylvania 17105-3265

SEP 4 1997

PA PUBLIC UTILITY COMMISSION
PROTHONOTARY'S OFFICE

**RE: Application of Duquesne Light Company for Approval of a Restructuring Plan (Under Section 2806 of the Pennsylvania Public Utility Code);
Docket No. R-00974104**

Dear Mr. McNulty:

Please find enclosed for filing, on behalf of the City of Pittsburgh, Pennsylvania, the original and three (3) copies of a Formal Complaint and Petition to Intervene in the above-captioned proceeding.

Also enclosed is an extra copy, marked as such. Kindly return same, marked as filed, in the self-addressed, postage prepaid envelope, enclosed herewith.

Copies have been served on parties of record, as indicated in the enclosed Certificate of Service. Any questions regarding this filing should be directed to the undersigned at (412) 255-2015. Thank you.

**DOCUMENT
FOLDER**

Sincerely,

Rodney R. Akers
Assistant City Solicitor

Enclosures
CC: Parties of Record

DOCKETED
SEP 9 1997



R - 00974104 0002
110150

COMMONWEALTH OF PENNSYLVANIA
BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Application of Duquesne Light Company : Docket No. R-00971104
For Approval of a Restructuring Plan :

RECEIVED

FORMAL COMPLAINT AND PETITION TO INTERVENE
OF THE CITY OF PITTSBURGH SEP 4 1997

PA PUBLIC UTILITY COMMISSION
PROTHONOTARY'S OFFICE

Pursuant to 52 Pa. Code § 5.21, 52 Pa. Code §5.71 and various orders of the Pennsylvania Public Utility Commission ("Commission"), the City of Pittsburgh ("City") hereby files this Formal Complaint and Petition to Intervene in the above-captioned proceeding pertaining to the proposed restructuring of the Duquesne Light Company ("Duquesne Light"). In support of its filing, the City states as follows:

1. The name and address of the Complainant and Petitioner is the City of Pittsburgh ("City"), a home rule charter municipality of the Commonwealth of Pennsylvania. The City's address is as follows:

The City of Pittsburgh
City-County Building
Pittsburgh, Pennsylvania 15219

2. The names and addresses of the City's attorneys are Jacqueline R. Morrow, City Solicitor, and Rodney R. Akers, Assistant City Solicitor, 313 City-County Building, 414 Grant Street, Pittsburgh, Pennsylvania. All notices, pleadings, and other documents should be served upon Rodney R. Akers at the following address:

City of Pittsburgh Department of Law
313 City-County Building
414 Grant Street
Pittsburgh, Pennsylvania 15219

3. The Respondent is Duquesne Light Company ("Duquesne Light"), a public utility providing electric services with a principal address at 411 Seventh Avenue, Pittsburgh, Pennsylvania 15219.

4. On or about December 3, 1996, Pennsylvania Governor Tom Ridge signed into law the Electricity Generation Customer Choice and Competition Act (the "Electric Competition Act"), which requires restructuring of the electric utility industry in the Commonwealth.

5. To implement the restructuring changes, the Electric Competition Act adds Chapter 28 to the Pennsylvania Public Utility Code (the "Code"), 66 PA. STAT. ANN. § 2801, et seq. The Electric Competition Act requires electric utilities to file restructuring plans on schedule developed by the Commission. By Order adopted on or about January 24, 1997, at Commission Docket No. M-0096800890, et seq., the Commission directed that Duquesne Light file such a plan not later than August 1, 1997.

6. On or about August 1, 1997, Duquesne Light filed its Application for Approval of its Restructuring Plan, and submitted with that document written testimony and exhibits of its proposed witnesses and related materials. The filings were made to comply with the requirements of the Electric Competition Act. The Commission assigned to this matter Docket No. R-00974104.

7. The City is a purchaser of electricity from Duquesne Light. The City also brings this action on behalf of its residents, and commercial and industrial entities located within its borders who are customers of Duquesne Light. The City's participation as a party in this proceeding is required to protect its substantial, individual interests as a customer, the interests of its residents and businesses, and with regard to restructuring issues generally.

8. The parties that will be participating in this case may well assume positions on the issues herein that support their specific interests, and those positions may be inconsistent with positions that the City would take. For this reason, no other party in this proceeding can represent adequately the City, or protect its interests;

9. The City respectfully reserves the right to identify and raise other issues relating to Duquesne Light's restructuring plan as the facts become more apparent in the discovery and evidentiary phases.

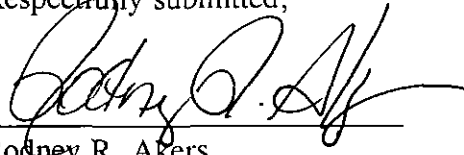
WHEREFORE, the City respectfully requests that the Commission:

- a. Receive for filing and docket this Formal Complaint and Intervention;
- b. Consolidate this Formal Complaint and Intervention with Duquesne Light's Application and all other Complaints, Protests and/or Interventions which are made part of Docket No. R-00974104;
- c. Order that the City be designated an active party to this proceeding, that it be placed on the service list for each, and that each party to the proceeding provide it with all papers, documents, and any other submissions filed therein;
- d. Hold full evidentiary contested case hearings examining the reasonableness of Duquesne Light's Application and the policies, programs, terms of service, rates and other charges it proposes to implement;
- e. After the completion of the formal parties' evidentiary hearings, hold public input hearings throughout Duquesne Light's service territory in order to provide its

customers with an opportunity to be heard on the record, and make the testimony and exhibits received therein a part of the record;

- f. Deny any increase or change in Duquesne Light's rates, charges and/or policies that is unjust, unreasonable, unduly discriminatory or inconsistent with the Pennsylvania Public Utility Code, cogent ratemaking principles, and sound public policy;
- g. Determine the justness and reasonableness of Duquesne Light's Application and the policies, programs, terms of service, rates and other charges it proposes to implement, in accordance with the directives of the Electric Competition Act;
- h. Grant the relief requested in this Formal Complaint and Intervention;
- i. Grant any and all other relief to which the City is entitled; and,
- j. Grant such other relief which this Commission may deem to be necessary and proper.

Respectfully submitted,



Rodney R. Akers
Assistant City Solicitor

/s/ Jacqueline R. Morrow

Jacqueline R. Morrow
City Solicitor

Attorneys for the City of Pittsburgh

City of Pittsburgh
Department of Law
313 City-County Building
414 Grant Street
Pittsburgh, Pennsylvania 15219

Telephone: (412) 255-2015
Facsimile: (412) 255-2285

Dated: September 4, 1997

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing document upon the participants, as indicated on the attached service listing, in accordance with the requirements of § 1.54 (relating to service by a participant).

Dated this 4th day of September, 1997.



Rodney R. Akers
Counsel for City of Pittsburgh

City of Pittsburgh
Department of Law
313 City County Building
414 Grant Street
Pittsburgh, Pennsylvania 15219

Telephone (412) 255-2015
Facsimile (412) 255-2285

COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P O BOX 3265, HARRISBURG PA 17105-3265
SEPTEMBER 9, 1997

KJH

LARRY R CRAYNE ASSIS GEN CSL
411 SEVENTH AVENUE PO BOX 1930
PITTSBURGH PA 15230-1930

RE: PA PUC vs DUQUESNE LIGHT COMPANY
Docket Number R-00974104C0002

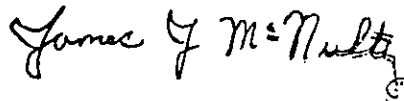
Dear Sir/Madam:

A Complaint has been filed against you in the above-captioned matter before the Pennsylvania Public Utility Commission by CITY OF PITTSBURGH.

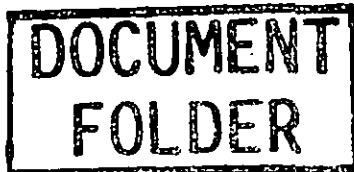
This complaint, of which the attached is a true and correct copy, has been presented and filed of record with the Pennsylvania Public Utility Commission. The Pennsylvania Public Utility Code, 66 Pa. C.S., requires the Commission to serve on each party named in a complaint a copy of the complaint.

Within twenty (20) days from the date on which this complaint is served, you may either satisfy this complaint or comply with the provisions of 52 Pa. Code, Section 5.61 et seq., as amended.

Very truly yours,



James J. McNulty
Acting Secretary



DOCKETED
SEP 9 1997

(SEAL)

Certified Mail
Return Receipt Requested
jly

SENDER:

- Complete items 1 and/or 2 for additional services.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1. Addressee's Address
 - 2. Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

R-00974104C0002
 FC
 LARRY CRAYNE

4a. Article Number

P 968 435 395

4b. Service Type CERTIFIED

7. Date of Delivery

9/11/97

5. Received By: (Print Name)

8. Addressee's Address (Only if requested and fee is paid)

6. Signature: (Addressee or Agent)

X *Katherine A. Harris*

PS Form 3811, January 1996

Domestic Return Receipt
 NJA

COMMONWEALTH OF PENNSYLVANIA

DATE: SEPTEMBER 9 1997

SUBJECT: R-00974104C0002

KJR

TO: Office of Administrative Law Judge

FROM: *JJK* James J. McNulty, Acting Secretary

CITY OF PITTSBURGH
v.
DUQUESNE LIGHT COMPANY

Attached is copy of a formal complaint filed in connection with the above docketed proceeding.

This matter is assigned to your office for necessary action.

Attachment - copy of complaint

cc:

Bureau of Fixed Utility Services - w/copy of complaint
Office of Trial Staff - w/copy of complaint
Press Secretary, John Frazier - w/copy of complaint
Office of ALJ, Charles Hilmer - w/copy of complaint
Office of Special Assistants - w/copy of complaint

**DOCUMENT
FOLDER**

jiy

DOCKETED
SEP 9 1997

ORIGINAL

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<http://www.mwn.com>

OF COUNSEL
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FRANCIS B. HAAS, JR.
RICHARD R. LEFEVER
SAMUEL A. SCHRECKENGAUST, JR.

Direct Dial: (717) 237-5368
e-mail: ppolacek@mwn.com

October 17, 1997

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JOHN A. WITHEROW, JR.
KATHLEEN A. WOLOWSKI
WILLIAM D. WRIGHT
SAMUEL S. YUN

DOCUMENT
FOLDER

VIA HAND DELIVERY

KJK

James J. McNulty, Acting Secretary
Pennsylvania Public Utility Commission
Room B-20, North Office Building
Harrisburg, PA 17120

Re: **Application of Duquesne Light Company for approval of Restructuring Plan Under Section 2806 of the Public Utility Code; Docket No. R-00974104C**

Dear Mr. McNulty:

Enclosed for filing with the Commission are the original and three (3) copies of the Prehearing Memorandum of the Duquesne Industrial Intervenors ("DII") in the above-referenced proceeding.

As evidenced by the attached Certificate of Service, all parties to this proceeding have been duly served. Please date stamp the extra copy of this transmittal letter and kindly return for our filing purposes.

Very truly yours,

McNEES, WALLACE & NURICK

By *Pamela C. Polacek*
Pamela C. Polacek

Counsel to the Duquesne Industrial Intervenors

RECEIVED
97 OCT 17 PM 3:54
PROTHONOTARY'S OFFICE

PCP/clc

Enclosures

c: Certificate of Service
Administrative Law Judge John H. Corbett, Jr. (via facsimile and first class mail)

ORIGINAL

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Duquesne Industrial Intervenors

v.

Docket No. R-00974104C _____

Duquesne Light Company

Application of Duquesne Light Company
for Approval of Restructuring Plan Under
Section 2806 of the Public Utility Code

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PROthonotary's OFFICE

**PREHEARING MEMORANDUM OF
THE DUQUESNE INDUSTRIAL INTERVENORS**

Pursuant to 66 Pa.C.S. Section 333 and 52 Pa. Code Section 5.224, the Duquesne Industrial Intervenors ("DII") submits this prehearing memorandum in anticipation of the second prehearing conference in the above-captioned proceeding to be held on October 21, 1997. Although DII has no specific issue to be addressed by Administrative Law Judge Corbett at the second prehearing conference, DII believes that a prehearing memorandum is an appropriate manner in which to respond to the September 10, 1997 Prehearing Order request for party grouping and to further inform the participants of the anticipated nature of DII's case.

Party Groupings

The September 10, 1997 Prehearing Order issued by Administrative Law Judge Corbett requested that the parties in this proceeding informally group themselves into specified party groupings and select a coordinator for each group. DII, through informal discussion with several parties, attempted to discern the membership of the Large Customer group.

Discussions with the parties led to a proposal that the Large Customer group should be bifurcated into Industrial Customers and Commercial Customers to avoid possible conflicts. Assuming that the proposed Large Customer group bifurcation is permitted, DII will function as the coordinator for the Industrial Customer group, which will consist of the following parties:¹

DII
Allegheny Teledyne, Inc.
Allegheny Ludlum & Teledyne
Armco, Inc.

On October 16, 1997, a facsimile was forwarded to the parties requesting input or comment to the proposed bifurcation and to DII functioning as the coordinator for the Industrial Customer group. As of the writing of this memorandum, no party objected to the proposal.

Testimony and Witnesses

Pre-filed written direct testimony is due from the challenging parties on November 7, 1997. DII will present testimony prepared by the consulting firm of J. Kennedy & Associates, Inc., of Atlanta, Georgia. The specific witnesses will be Steven J. Baron, Randall J. Falkenberg, and Lane Kollen. DII anticipates that these witnesses will address at least the following general topics in that testimony:

- **Rate Design**
- **Regulatory Assets**
- **Stranded Cost Calculation and Recovery**
- **Retail Competition Phase-in**

DII reserves the right, of course, to modify this list.

¹ It is our understanding that HSS will serve as the Large Customer-Commercial Group Coordinator.

Settlement

DII fully supports the Commission's policy in favor of settlement. A better resolution of all issues can often be achieved through cooperation rather than litigation. DII is willing to engage in settlement discussions at an appropriate point in the proceeding.

Electronic Communication

The September 10 Prehearing Order encouraged the parties to use electronic communication when appropriate. The following are e-mail addresses for the DII attorneys:

James P. Dougherty	jdougher@mwn.com
David M. Kleppinger	dkleppin@mwn.com
Robert A. Weishaar, Jr.	rweishaa@mwn.com
Pamela C. Polacek	ppolacek@mwn.com

Respectfully submitted,

McNEES WALLACE & NURICK

By *Pamela C. Polacek*

James P. Dougherty
Pamela C. Polacek
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P.O. Box 1166
Harrisburg, PA 17108-1166
(717) 237-5368

Counsel for the Duquesne Industrial Intervenors

Dated: October 17, 1997

CERTIFICATE OF SERVICE

I hereby certify that I am this day serving a true copy of the foregoing document upon the participants listed below in accordance with the requirements of Section 1.54 (relating to service by a participant).

VIA FIRST CLASS MAIL:

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Certificate of Service
Docket No. R-00974104
Page 2

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Certificate of Service
Docket No. R-00974104
Page 3

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