

COMMONWEALTH OF PENNSYLVANIA



OFFICE OF CONSUMER ADVOCATE

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March 21, 2013

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

RE: Petition of PECO Energy Company for
Approval of its Smart Meter Universal
Deployment Plan
Docket No. M-2009-2123944

Dear Secretary Chiavetta:

Enclosed please find the Office of Consumer Advocate's Prehearing Memorandum, in the above-referenced proceeding.

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

Respectfully Submitted,

A handwritten signature in cursive script that reads "Aron J. Beatty".

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

Enclosures

cc: Hon. Angela T. Jones, ALJ
Certificate of Service

165747

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of PECO Energy Company :
for Approval of Its Smart Meter : Docket No. M-2009-2123944
Universal Deployment Plan :

PREHEARING MEMORANDUM
OF THE
OFFICE OF CONSUMER ADVOCATE

Pursuant to Section 333 of the Public Utility Code, 66 Pa. C.S. § 333, and in response to the Prehearing Conference Order issued February 26, 2013 in the above-captioned matter, the Office of Consumer Advocate (OCA) provides the following information:

I. INTRODUCTION

On January 18, 2013, PECO Energy Company (PECO or Company) filed a Petition in the above-captioned docket seeking approval of the second phase of its smart meter technology procurement and installation plan. The second phase consists of PECO's "Universal Deployment Plan" in which it proposes to substantially complete the installation of smart meters by the end of 2014 at a cost of approximately \$282 million. The Company proposes that the Commission review its filing in an expedited manner so that it can achieve substantial completion of its smart meter installations by the end of 2014.

On February 7, 2013, the OCA filed its Answer to the Company's Petition. The matter has been referred to the Office of Administrative Law Judge and further assigned to Administrative Law Judge Angela T. Jones (ALJ). A Prehearing Conference has been set for

March 22, 2013. The OCA submits this Prehearing Conference Memorandum in accordance with the ALJ's Prehearing Conference Order entered February 26, 2013.

II. ISSUES AND SUB-ISSUES

Based upon a preliminary analysis of the Company's filing, the OCA has compiled a list of issues, which it anticipates will be included in its investigation of the Company's Plan. It is anticipated that issues in addition to those enumerated below may arise and may be pursued once the answers to the OCA's interrogatories have been received and analyzed. The OCA reserves the opportunity to present any new or unanticipated issues at such time.

At this time the OCA has identified the following issues as requiring further review and analysis: (1) whether the plan complies with Act 129 and the Commission's Implementation Order entered June 24, 2009 at Docket No. M-2009-2092655; (2) whether the total proposed costs and cost recovery are reasonable; and (3) whether the privacy of customer information will be adequately maintained. The OCA will also investigate the Company's technology selection, implementation and security of the Company's smart meter systems.

III. WITNESSES

The OCA has retained three experts to assist with its analysis of the Smart Meter Deployment Plan. Mr. Thomas S. Catlin and Ms. Christina R. Mudd are with the firm of Exeter Associates, and will be responsible for reviewing matters related to technology selection, deployment, smart meter capabilities, system security, plan costs, benefits and cost recovery. Ms. Brockway is an independent consultant who will be responsible for reviewing matters related to customer privacy and customer education.

The contact information for the OCA's experts is as follows:

Thomas S. Catlin
Christina R. Mudd
Exeter Associates, Inc.
10480 Little Patuxent Parkway
Suite 300
Columbia, MD 21044
Telephone: (410) 992-7500
Email: tcatlin@exeterassociates.com
cmudd@exeterassociates.com

Nancy Brockway
10 Allen Street
Boston, MA 02131
Telephone: (617) 645-4018
E-mail: nbrockway@aol.com

The OCA reserves the right to call additional witnesses, as necessary. If the OCA determines that an additional witness or witnesses will be necessary for any portion of its case, the OCA will promptly notify all parties and the ALJ.

IV. SERVICE ON THE OCA

The OCA will be represented in this proceeding by Assistant Consumer Advocate Aron J. Beatty. Service of all documents should be made as follows:

Aron J. Beatty
Assistant Consumer Advocate
Office of Consumer Advocate
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5th Floor, Forum Place
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V. DISCOVERY

The OCA supports the discovery modifications that will be presented in the Company's Prehearing Memorandum.

VI. PROCEDURAL SCHEDULE

The OCA supports the procedural schedule that will be presented in the Company's Prehearing Memorandum.

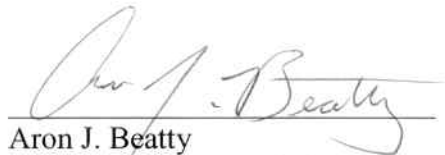
VII. PUBLIC INPUT HEARINGS

The OCA is not aware of any specific consumer requests for public input hearings in this matter to date. If the OCA becomes aware of substantial consumer interest, however, the OCA will promptly notify the ALJ and parties to request a public input hearing.

VIII. SETTLEMENT

The OCA is willing to engage in settlement discussions with the Company and other parties.

Respectfully Submitted,



Aron J. Beatty
Assistant Consumer Advocate
PA Attorney I.D. # 86625
E-Mail: ABeatty@paoca.org

Counsel for:
Tanya J. McCloskey
Acting Consumer Advocate

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Telephone: (717) 783-5048
Date: March 21, 2013
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CERTIFICATE OF SERVICE

Petition of PECO Energy Company :
for Approval of Its Smart Meter : Docket No. M-2009-2123944
Universal Deployment Plan :

I hereby certify that I have this day served a true copy of the foregoing document, the Office of Consumer Advocate's Prehearing Memorandum, upon parties of record in this proceeding in accordance with the requirements of 52 Pa. Code §1.54 (relating to service by a participant), in the manner and upon the persons listed below:

Dated this 21st day March 2013.

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