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November 12, 1997

KJR

Via Facsimile & U.S. First Class Mail

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PUBLIC UTILITY COMMISSION
PROTHONOTARY'S OFFICE

John Gallagher, Esquire
LeBoeuf, Lamb, Greene &
MacRae, LLP
200 North Third Street - Suite 300
Harrisburg, PA 17108-2105

Re: Application of PECO Energy Company for Approval of its Restructuring Plan under Section 2806 of the Public Utility Code Docket No. R-00973953; Petition of Enron Energy Service Power, Inc. P-00971265.

Dear Counsel:

Enclosed are two copies of PECO Energy Company's Interrogatories to Enron, Set XXI numbers 1 through 8. Please note that the name Enron, as used in these interrogatories, refers to Enron Corporation, Enron Power Marketing, Inc., Enron Energy Services Power, Inc., and any company or entity affiliated with any of those three companies. For each answer, please identify the person that prepared the answer and, if different, the person who will be available to testify regarding the answer.

We would appreciate Mr. Slater's responses by Friday, November 14th. Please call if he will not be able to provide this information by then.

Sincerely,

Paul R. Bonney

PRB/mbo
Enclosures

cc: Certificate of Service (w/enclosure)
James McNulty, Acting Prothonotary (Certificate of Service Only)

DOCUMENT
FOLDER

Certificate of Service

I hereby certify that I have this day served the foregoing document on the following in the matter of Pennsylvania Public Utility Commission v. PECO Energy Company Pa. PUC Docket No. R-00973953.

Honorable Marlane R. Chestnut)
Administrative Law Judge
1302 Philadelphia State Office Building
1400 West Spring Garden Street
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Honorable Charles E. Rainey, Jr.
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Dated: November 12, 1997



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1302 Philadelphia State Office Building
1400 West Spring Garden Street
Philadelphia, PA 19130

KJK

Re: Application Of PECO Energy Company For Approval Of Its Restructuring Plan
Under Section 2806 Of The Public Utility Code,
Docket No. R-00973953;
Petition of Enron Energy Service Power, Inc., Docket No. P-00971265.

Dear Judge Chestnut and Judge Rainey:

Enclosed is PECO Energy's Rebuttal Testimony Regarding the Enron Choice Plan:
Thomas P. Hill, Jr. PECO St. No. 1-ER, and PECO Energy's Motion to Strike The
Testimony And Exhibits Submitted On November 7, 1997 On Behalf Of The
Environmentalists And New Energy Ventures.

Sincerely,

Paul Bonney

PRB/mbo

Attachments

cc: Certificate of Service (by fax and first class mail)
Jim McNulty, Acting Secretary (cover ltr and Certificate of Service only)

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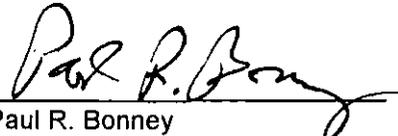
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Dated: November 12, 1997



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P-00971265.

Dear Counsel:

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We would appreciate Mr. Slater's responses by Friday, November 14th. Please call if he will not be able to provide this information by then.

Sincerely,

Paul Bonney/mbo

Paul R. Bonney

PRB/mbo
Enclosures

cc: Certificate of Service (w/enclosure)
James McNulty, Acting Prothonotary (Certificate of Service Only)

DOCUMENT
FOLDER

INSTRUCTIONS

a. These interrogatories shall be deemed to be continuing. The Respondent is obliged to change, supplement and correct all answers to interrogatories to conform to available information, including such information as first becomes available to the Respondent after the answers hereto are filed.

b. The answers provided should first restate the question asked and also identify the person(s) supplying the information.

c. All information is to be divulged that is within the knowledge, possession, control, or custody of Respondent or may be reasonable ascertained thereby.

d. As used herein the words "document" or "workpaper" or "analyses" include, but are not limited to, the original and all copies (regardless of origin or form, electronic or paper, and whether or not including additional writing thereon or attached thereto) of memoranda, reports, books, manuals, instructions, directives, records, forms, notes, letters, notices, confirmations, telegrams, pamphlets, notations of any sort concerning conversations, telephone calls, meetings or other communications, bulletins, transcripts, diaries, analyses, summaries, correspondence and enclosures, circulars, opinions, studies, investigations, questionnaires and surveys, worksheets, and all drafts, preliminary versions, alternations, modifications, revisions, changes, amendments and written comments concerning the foregoing.

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NOV 17 AM 10:27

**PECO ENERGY COMPANY
DOCKET NO. R-00973953
INTERROGATORIES AND DOCUMENT REQUESTS
TO ENRON
SET XXI**

1. Please provide documentation of any retail electricity price offers that Enron witness Bohi is aware of that are below the cost of energy. For any offers that Dr. Bohi is aware of, state the reasons that the sellers of such energy were willing to price below cost. (Bohi, Page 7)
2. Please identify and provide documentation for the "various fuel price forecasts" that Enron witness Slater references. (Slater, Page 6) Please provide an explanation of what is meant by "The forecast I used was representative of more than one of these." (Slater, Page 6) Please provide any work papers associated with Mr. Slater's use of the "various fuel price forecasts."
3. Please identify and provide documentation and any work papers for "the gas and oil price forecasts" which Mr. Slater said he had been "working through most of this year." (Slater, Page 7)
4. Please identify and provide documentation of the "forward fuel markets" and "the asking price for future deliveries of the fuels" referenced by Mr. Slater. (Slater, Page 7)
5. Please provide any work papers associated with Mr. Slater's accounting for "the load factors of the customer classes by combining the generation credits of appropriate peak and off-peak rate classes in order to approximate a 100% load factor retail portfolio." (Slater, Page 9)
6. In what way does Mr. Slater's long-run marginal cost analysis provide a "reflection of competition in the way" he "has assumed that the system will operate in the future"? (Slater, Page 11)
7. What analyses or studies of the PJM capacity marketplace has Mr. Slater performed? Please provide any work papers associated with these analyses or studies. (Slater, Page 12)
8. On what basis does Mr. Slater claim that "if PECO could achieve a result similar to that achieved by the New England Electric System in its divestiture, PECO's stranded costs would undoubtedly be far less than it is forecasting"? Please provide any analyses or studies that support this claim. (Slater, Page 16)

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Dated: November 12, 1997



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Honorable Marlane R. Chestnut
Honorable Charles E. Rainey, Jr.
Administrative Law Judges
1302 Philadelphia State Office Building
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KJR

Re: Application Of PECO Energy Company For Approval Of Its Restructuring Plan
Under Section 2806 Of The Public Utility Code,
Docket No. R-00973953;
Petition of Enron Energy Service Power, Inc., Docket No. P-00971265.

Dear Judge Chestnut and Judge Rainey:

Enclosed is PECO Energy's Rebuttal Testimony Regarding the Enron Choice Plan:
Thomas P. Hill, Jr. PECO St. No. 1-ER, and PECO Energy's Motion to Strike The
Testimony And Exhibits Submitted On November 7, 1997 On Behalf Of The
Environmentalists And New Energy Ventures.

Sincerely,

Paul Bonney

PRB/mbo

Attachments

cc: Certificate of Service (by fax and first class mail)
Jim McNulty, Acting Secretary (cover ltr and Certificate of Service only)

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I hereby certify that I have this day served the foregoing document on the following in the matter of Pennsylvania Public Utility Commission v. PECO Energy Company Pa. PUC Docket No. R-00973953.

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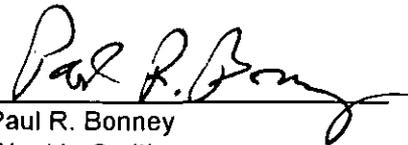
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Dated: November 12, 1997

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

APPLICATION OF PECO ENERGY COMPANY
FOR APPROVAL OF ITS RESTRUCTURING PLAN
UNDER SECTION 2806 OF THE PUBLIC UTILITY CODE

018578

REBUTTAL TESTIMONY

OF

THOMAS P. HILL, JR.
REGARDING THE ENRON PLAN

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Regarding Testimony Submitted By The
Environmentalists And New Energy Ventures

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**REBUTTAL TESTIMONY OF THOMAS P. HILL, JR.
REGARDING THE ENRON PLAN**

I. INTRODUCTION AND PURPOSE OF TESTIMONY

1 Q. **Please state your name and business address.**

2 A. Thomas P. Hill, Jr., 2301 Market Street, Philadelphia, PA 19103.

3 Q. **By whom are you employed and in what capacity?**

4 A. I am employed by PECO Energy Company ("PECO" or the "Company") as Vice
5 President and Controller.

6 Q. **Have you previously participated in this proceeding?**

7 A. Yes. I submitted direct testimony (PECO St. 1) and various supporting exhibits (Exhibits
8 TPH-1 through TPH-14) with PECO's April 1, 1997 restructuring filing. A statement of
9 my qualifications is contained in my direct testimony. I later submitted supplemental
10 direct testimony (PECO St. 1-S) and an accompanying exhibit (TPH-15) in which I
11 responded to certain questions posed by Commissioner Hanger. On July 18, 1997, I
12 submitted rebuttal testimony (PECO St. 1-R) and accompanying exhibits (Exhibits
13 TPH-16 through TPH-25) in which I updated PECO's stranded cost claim and responded
14 to various proposals advanced by other parties to this proceeding. On September 17,
15 1997, I submitted supplemental rebuttal testimony (PECO St. 1-SR) and accompanying
16 exhibits (Exhibits TPH-26 through TPH-28) in which I explained why, in PECO's view,
17 approval of the August 27, 1997 Joint Petition For Partial Settlement Of PECO Energy

1 Company's Proposed Restructuring Plan And Application For A Qualified Rate Order
2 (the "Partial Settlement ") is in the public interest. On October 8 and 13, 1997,
3 respectively, I submitted rejoinder and supplemental rejoinder testimony (PECO
4 Sts. 1-RJ and 1-SRJ) and accompanying exhibits (Exhibits TPH-29 through TPH-32) in
5 which I responded to various objections to the Partial Settlement. Finally, on November
6 7, 1997, I submitted testimony (PECO St. 1-E) and accompanying exhibits (Exhibits
7 TPH-33 through TPH-36) in which I explained why the so-called "Choice Plan"
8 submitted by Enron Energy Services Power, Inc. ("Enron") on October 7, 1997 (the
9 "Enron Plan") was not in the public interest and should be rejected.

10 Q. **What is the purpose of your testimony?**

11 A. This testimony responds to testimony submitted on November 7, 1997 by witnesses for
12 the Environmentalists and New Energy Ventures ("NEV"). I will first explain why the
13 Commission's consideration of that testimony would be inappropriate and unfair. I will
14 then address certain aspects of the Environmentalists' "Better Choice Plan" and will
15 comment briefly on NEV witness Boonin's "alternative" proposals.

16 **II. THE OPPOSING PARTIES' TESTIMONY IS UNTIMELY**

17 Q. **What is your understanding of the purpose of this phase of the proceeding?**

18 A. This phase of the proceeding was designed to provide the parties an opportunity to
19 address the Enron Plan. As set forth in Prehearing Order #5, which was issued by the
20 presiding Administrative Law Judges on October 17, 1997, testimony in support of the

1 Enron Plan was to have been filed on or before October 24, 1997; testimony in opposition
2 to it was due on November 7, 1997. Much of the testimony submitted by the
3 Environmentalists and NEV is, to a large measure, inappropriate and, for the reasons set
4 forth in the Motion that PECO is filing concurrently herewith, should be stricken.

5 **Q. Why, in your view, is the Environmentalists' testimony inappropriate?**

6 A. Because the Environmentalists seek to utilize this additional round of testimony to launch
7 an entirely new proposal at the eleventh hour. Most of the Environmentalists' testimony,
8 particularly that submitted by Messrs. Biewald and Schoengold, has nothing to do with
9 the Enron Plan, but rather is a vehicle by which the Environmentalists present their latest
10 "wish list". As a stand-alone proposal, the Environmentalists' "Better Choice Plan"
11 should have been submitted in June when the opposing parties filed responsive testimony
12 to PECO's restructuring proposal. Alternatively, the Environmentalists could have
13 submitted the "Better Choice Plan" at a separate docket, with full notice provided to
14 customers, and asked that it be consolidated with this case. Instead, the
15 Environmentalists, through the guise of testimony "opposing the Enron Plan", would
16 dump into this proceeding a host of issues which were not raised previously and, as to
17 which, other parties and the public have been given insufficient notice and opportunity to
18 respond.

19 **Q. Why do you object to consideration of the NEV testimony?**

20 A. Like the Environmentalists' testimony, much of the NEV testimony is not responsive to
21 the Enron Plan. Rather, Mr. Boonin critiques various elements of the Partial Settlement

1 (e.g., amount of stranded cost recovery allowed, discount rate and sales level
2 assumptions) and offers support for the position previously submitted by the
3 Pennsylvania Electric Competition Coalition (“PECC”), of which NEV is a member. As
4 such, Mr. Boonin’s testimony, in order to be considered, should have been filed at the end
5 of September and cross-examined during the hearings held in mid-October. It is clearly
6 untimely and should similarly be stricken.

7 **III. THE OPPOSING PARTIES’ SUBSTANTIVE**
8 **PROPOSALS ARE WITHOUT MERIT**

9 **Q. What’s wrong with the “Better Choice Plan” from a substantive standpoint?**

10 A. The “Better Choice Plan” is deficient in a number of respects: (1) it is anti-competitive;
11 (2) it is grossly unfair to PECO; and (3) it is not achievable statutorily. Indeed, the
12 principal beneficiaries of the “Better Choice Plan” would not be Pennsylvania consumers,
13 but rather the Environmentalists who would leverage electric utility restructuring into a
14 new and large source of funding to promote their own agenda.

15 **Q. Why is the “Better Choice Plan” anti-competitive?**

16 A. The “Better Choice Plan” is anti-competitive because competitors’ market shares would
17 be determined not on the basis of the free choices of consumers, but rather on an artificial
18 pre-determined Commission-mandated allocation scheme. More specifically, under the
19 Environmentalists’ proposal, if less than 50% of PECO’s customers selected an
20 alternative electric generation supplier (“EGS”), all default customers would be assigned
21 to non-incumbent EGSs in proportion to the market share each such EGS initially

1 achieved in the customer selection process. In other words, customers would have to take
2 affirmative action in order to continue to be served by PECO or risk being assigned to a
3 supplier not of their choice or volition. This strikes me as tantamount to “slamming”,
4 which has been severely condemned by the public and the Commission in the
5 telecommunications area, and is likewise a concern as electricity markets become
6 competitive. In fact, the Competition Act (§2807(D)(1)) requires that the Commission
7 promulgate regulations to ensure that customers do not have their supplier switched
8 without their consent and the Commission’s proposed rules, published October 11, 1997
9 in the Pennsylvania Bulletin, require verbal and written authorization from customers to
10 switch suppliers.

11 Q. **Is the Environmentalists’ proposal anti-competitive in any other respects?**

12 A. Yes. The “Better Choice Plan” would further skew the operation of competitive markets
13 by requiring participants in the default customer allocation process to (1) subsidize
14 renewable energy sources through the mandatory contribution of 0.5% of their total
15 Pennsylvania electric revenues to the “Pennsylvania Sustainable Development Fund” and
16 (2) offer a resource mix which includes at least 1.0% of renewable resources. These
17 conditions would not promote competition, but instead would provide an artificial prop to
18 a protected class of potential suppliers who might not otherwise be able to compete on
19 their own merit. If customers wish to support renewable energy, they will do so by
20 exercising their right to choose amongst various generation suppliers -- there is no need to
21 interpose a regulatory stimulus to create a market for those services.

1 Q. **Have you quantified the extent of the subsidy that renewable energy sources would**
2 **receive if the Environmentalists' 0.5% funding proposal were adopted?**

3 A. Yes. I estimate that this proposal, if implemented on a state-wide basis, would generate
4 approximately \$220 million of "contributions" over the next ten years.

5 Q. **You mentioned previously that the "Better Choice Plan" was also unfair to PECO.**
6 **Please explain.**

7 A. As I indicated earlier, all default customers would be allocated to "non-incumbent" EGSs.
8 In other words, neither PECO nor any affiliated-EGS could participate in the process.
9 Thus, in Mr. Biewald's Example No. 3, PECO would have a 65% market share prior to
10 allocation and a 5% market share after the default customers had been divvied up. At the
11 same time, however, the Environmentalists would impose on PECO "provider of last
12 resort" responsibilities for all customers. The resulting imbalance in opportunities and
13 obligations is so fundamentally unfair that the Environmentalists' proposal must be
14 rejected for this reason alone.

15 Q. **Why is the "Better Choice Plan" unworkable statutorily?**

16 A. It is unworkable because, in my opinion, the Commission is not empowered to condition
17 competitive entry upon the agreement of the competitor to pay an excise tax in the form
18 of a contribution to a renewable energy fund and/or to maintain a certain generation
19 resource mix. In addition, the Environmentalists' plan would, in effect, put the
20 Commission in business as an environmental watch-dog, ensuring that out-of-state EGSs
21 continuously met "an environmental baseline comparable to the applicable Pennsylvania

1 environmental regulations” (Environmentalists St. 2-E, p. 20). Although PECO certainly
2 favors an environmentally-level playing field, the interplay between electric restructuring
3 and environmental compliance extends far beyond the scope of this proceeding.

4 Moreover, even if the Commission possessed the requisite regulatory authority and
5 necessary resources, it is far from clear how the Commission could monitor compliance
6 with Mr. Biewald’s undefined “environmental baseline”.

7 **Q. Do you have any other comments regarding the Environmentalists’ testimony?**

8 A. Yes. In his testimony, Mr. Biewald discusses the Hirfindahl-Hirschmann Index (HHI),
9 which is used in evaluating market concentration, and implies that PECO might possess
10 “market dominance” if it retained as much as 50% of its existing retail load. However, a
11 relatively high HHI is in no way dispositive of market power. To the contrary, I am
12 advised that any number of other factors, including ease of entry, would have to be
13 carefully evaluated. In addition, Mr. Biewald’s observations are quite misleading as he
14 assumes that PECO’s service territory is the relevant geographic market. In fact, and as
15 all of the market price witnesses in this proceeding properly recognize, the market in
16 which PECO and other suppliers will compete will encompass all of Pennsylvania and
17 other adjoining areas as well. Mr. Biewald’s analysis therefore is largely meaningless.

18 **Q. Did NEV also submit an entirely new proposal?**

19 A. No. In contrast to the Environmentalists, Mr. Boonin’s principal objective appears to be
20 in mustering further support for the position articulated earlier by other PECC witnesses.
21 As such, his testimony is similarly untimely, albeit for different reasons.

1 Q. **Does Mr. Boonin's testimony bring to light any new facts or arguments?**

2 A. Not really. Indeed, even when Mr. Boonin purports to critique the weaknesses of the
3 Enron Plan, he simply takes shots at the Partial Settlement (which he inappropriately
4 characterizes as "PECO's Proposal"). In doing so, Mr. Boonin either rehashes old
5 arguments or freely opines on matters for which he offers no independent support.

6 Q. **Please provide some examples of statements which are unsupported.**

7 A. Certainly. On page 9 of his testimony, Mr. Boonin asserts that "[n]umbers around 3.75
8 cents per kilowatt hour seem to better reflect current market conditions than the 3.48
9 proposed by Enron". Mr. Boonin offers absolutely no market price evidence to support
10 this statement. Moreover, and as noted by Mr. Freeman in the testimony he has
11 submitted in this proceeding, Mr. Boonin's observations regarding "current market
12 conditions" are contradicted by the deals which suppliers are presently offering
13 customers.

14 Mr. Boonin later takes issue with PECO's implicit discount rate because it allegedly
15 incorporates an excessive equity component. However, Mr. Boonin's only support for
16 his proposed 10.0% equity cost rate is a Commission finding earlier this year in PECO's
17 securitization proceeding, which all rate of return witnesses in this case agree seriously
18 understates PECO's current capital costs.

19 Q. **Please comment on Mr. Boonin's net present value analyses.**

1 A. Mr. Boonin's analyses suffer for all the same reasons which I identified in discussing
2 Enron witness Oliver's flawed attempts to quantify the relative savings of the Partial
3 Settlement and the Enron Plan (e.g., no recognition of the transactional costs of
4 securitization or the benefits to customers of industrial rate discounts, early rate relief,
5 extension of the rate caps etc.) (see PECO St. 1-E, pp. 16-20). In addition, Mr. Boonin
6 erroneously reflects the impact of securitization in his discount rate without taking into
7 account the effect which securitization would have on PECO's overall mix of capital
8 (more leverage) and cost of money (higher). The appropriate place to reflect the impact
9 of securitization is in the calculation of revenue requirements, as PECO has done (see
10 Exhibit TPH-35), not in the discount rate.

11 Q. **Are there any other problems with Mr. Boonin's analyses?**

12 A. Yes. On page 15 of his testimony, Mr. Boonin recognizes that every dollar of revenue
13 received by PECO will be subject to gross receipts tax (GRT). He then contends that
14 PECO erred in calculating its GRT liability by multiplying the revenues received by .956
15 rather than dividing that amount by 1.044.

16 Q. **Is Mr. Boonin correct?**

17 A. No, as a simple example will illustrate. In order to net \$100 of revenue after gross
18 receipts tax, PECO must receive \$104.60 in electric revenue. As shown in the table
19 below, \$104.60 in revenue yields \$100 after paying the GRT. The table also shows that
20 the same result is achieved by calculating the GRT specifically or, alternatively, by
21 multiplying the revenue by 0.956 (i.e. the standard method followed by PECO). Under

1 Mr. Boonin's approach, however, the calculated net revenue is \$100.19, leaving \$4.41 for
2 GRT, less than the required \$4.60. Mr. Boonin's method therefore understates tax
3 liability and overstates revenue.

4 Standard (i.e. PECO) Method

5	Revenue	\$104.60	\$104.60
6	GRT (4.4%)	<u>4.60</u>	<u>x 0.956</u>
7	New Revenue	\$100.00	\$100.00

8 Boonin Method

9	Revenue (before GRT)	\$104.60
10	Revenue (net of GRT)	<u>\$100.19</u> (\$104.60/1.044)
11	Estimated GRT	\$ 4.41
12	Required GRT	\$ 4.60

13 Q. Does that conclude your testimony?

14 A. Yes, it does.



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November 12, 1997

By Fax and First Class Mail

Honorable Marlane R. Chestnut
Honorable Charles E. Rainey, Jr.
Administrative Law Judges
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Re: Application Of PECO Energy Company For Approval Of Its Restructuring Plan
Under Section 2806 Of The Public Utility Code,
Docket No. R-00973953;
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Sincerely,


Paul Bonney

PRB/mbo

Attachments

cc: Certificate of Service (by fax and first class mail)
Jim McNulty, Acting Secretary (cover ltr and Certificate of Service only)

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**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

018579

**APPLICATION OF PECO ENERGY
COMPANY FOR APPROVAL OF
ITS RESTRUCTURING PLAN
UNDER SECTION 2806 OF THE
PUBLIC UTILITY CODE**

Docket No. R-00973953

**PETITION OF ENRON ENERGY
SERVICES POWER, INC. FOR
APPROVAL OF AN ELECTRIC
COMPETITION AND CUSTOMER
CHOICE PLAN FOR AUTHORITY
PURSUANT TO SECTION
2807(e)(3) OF THE PUBLIC
UTILITY CODE TO SERVE AS
THE PROVIDER OF LAST
RESORT IN THE SERVICE
TERRITORY OF PECO ENERGY
COMPANY**

Docket No. P-00971265

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**MOTION TO STRIKE THE TESTIMONY AND EXHIBITS
SUBMITTED ON NOVEMBER 7, 1997 ON BEHALF OF THE
ENVIRONMENTALISTS AND NEW ENERGY VENTURES**

PECO Energy Company ("PECO" or the "Company") hereby moves to strike the Environmentalists' Statements 1-E, 2-E and 3-E, New Energy Ventures ("NEV") Statement DMB-2 and all exhibits accompanying the foregoing statements because they are untimely and their belated submission would substantially prejudice PECO and other parties supporting the Partial Settlement of PECO's restructuring proceeding. Accordingly, PECO requests that the presiding Administrative Law Judges (the "ALJs") enter an order under 52 Pa. Code § 5.403

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finding that the statements and exhibits submitted by the Environmentalists and NEV may not be admitted in the record of this proceeding. In support of this Motion, PECO states as follows:

I. INTRODUCTION

1. On April 1, 1997, PECO submitted its restructuring plan. PECO submitted extensive supporting information with its restructuring plan, including the direct testimony and accompanying exhibits of seventeen witnesses. On June 20, 1997, various intervenors submitted direct testimony addressing virtually every aspect of PECO's proposed restructuring plan. PECO responded to the intervenors' testimony on July 18, 1997, by filing rebuttal statements and exhibits.

2. On August 27, 1997, various parties, including PECO, Senator Vincent J. Fumo, CEPA et al., Lance Haver, the OTS, the OCA, the OSBA, PAIEUG, the AARP and the Department of the Navy filed a Joint Petition for Partial Settlement of the proceeding.

3. Pursuant to Prehearing Order No. 4, the ALJs established a procedural schedule to provide non-settling parties an opportunity to contest the Partial Settlement. In accordance with that schedule, parties opposed to the Partial Settlement submitted testimony on September 29, 1997. PECO and the consumer parties filed responsive testimony on October 8, 1997. Hearings with regard to the Partial Settlement were held on October 14-16, 1997.

4. On October 7, 1997, Enron Energy Services Power, Inc. ("Enron") filed a Petition requesting, inter alia, authority to serve as the "provider of last resort" ("PLR") in

PECO's service territory. By its Order entered October 9, 1997, the Commission consolidated Enron's Petition with its review of the Partial Settlement.

5. Pursuant to Prehearing Order No. 5, the ALJs established a procedural schedule for the proceeding upon the Enron Petition. Prehearing Order No. 5 provides, in pertinent part, as follows:

October 24	Testimony in support of the [Enron] petition
November 7	Responsive testimony (opposing petition)
November 12	Rebuttal testimony (supporting petition).

6. On October 24, 1997, Enron submitted the testimony and accompanying exhibits of nine witnesses in support of its Petition.

7. On November 7, 1997, the Environmentalists submitted the testimony and accompanying exhibits of three witnesses, David Schoengold (Statement 1-E), Bruce E. Biewald (Statement 2-E) and Roger D. Colton (Statement 3-E), and NEV submitted the testimony and accompanying exhibit of one witness, David M. Boonin (Statement DMB-2). As more fully explained below, these statements either support the Enron Petition, criticize the Partial Settlement or present a wholly new alternative to restructuring. In each instance, the foregoing statements constitute testimony that should have been filed at an earlier stage of this proceeding. Accordingly, submission of such testimony at this late date is improper and unduly prejudicial to PECO.

II. MOTION TO STRIKE THE ENVIRONMENTALISTS' STATEMENTS 1-E, 2-E AND 3-E

9. Taken together, the testimony submitted by the Environmentalists purports to do three things: (1) Mr. Schoengold (Statement No. 1-E) claims to present “the Environmentalists’ perspective on the Enron proposal;” (2) Mr. Biewald claims to present “an alternative to Enron’s proposal to serve as the default supplier;” and (3) Mr. Colton claims to provide “the policy rationale and justification for the market allocation proposal advanced by Mr. Bruce Biewald.”

10. Mr. Schoengold’s statement clearly does not constitute testimony “opposing [the Enron] Petition.” Rather, Mr. Schoengold actually supports substantial elements of the Enron proposal, such as larger generation credits in the earlier years of the transition period, the larger “discounts” Enron claims to provide PECO customers and the annual reconciliation of projected and actual CTC/ITC recovery (Env. St. 1-E, pp. 6-7, 9-10). In fact, based on the criteria Mr. Schoengold uses to compare the Enron proposal to the Partial Settlement, he generally supports the Enron Petition. E.g., Env. St. 1-E, p. 3 (“The Enron proposal is better for the environment than the PECO Partial Settlement.”) and pp. 5 and 7. Additionally, virtually the only critical comments Mr. Schoengold makes of the Enron proposal relate to its adoption of some elements of the Partial Settlement, such as the calculation of stranded costs, the allocation of costs between retail and wholesale service, mitigation efforts, the absence of “net metering” tariff rules and insufficiently detailed interconnection standards. See Env. St. 1, pp. 2-3, 6 and 8-10. Significantly, these are the same issues that the

Environmentalists addressed in their testimony filed on June 20, 1997 in opposition to PECO's restructuring plan.

In sum, Mr. Schoengold's statement consists of testimony supportive of the Enron proposal, which should have been filed by October 24, 1997, and testimony critical of the Partial Settlement, which should have been filed by September 29, 1997. The attempt to repackage such testimony as offering "the Environmentalists' perspective on the Enron proposal" is improper. Accordingly, Mr. Schoengold's statement is untimely and should not be admitted.

11. Mr. Biewald proposes a complex system "for allocating default customers to all generation companies serving PECO's service territory" (Env. St. 2-E, p. 3). Mr. Colton supports Mr. Biewald's testimony by purporting to offer "the policy rationale and justification for [Mr. Biewald's] market allocation proposal" (Env. St. 3-E, p. 1). While characterized as "an alternative to Enron's proposal to serve as the default supplier," the Environmentalists have presented an entirely new approach for providing generation service to "default" customers and, as such, the testimony of Messrs. Biewald and Colton should have been submitted long before now. Indeed, Mr. Biewald admits that the Environmentalists' proposal is actually an alternative to any one company being designated the default supplier. See, Env. St. 2-E, pp. 2-3. Moreover, viewed in its entirety, Mr. Biewald's testimony is clearly designed to preempt PECO as the default supplier, as evidenced by Mr. Biewald's setting a threshold for triggering the allocation mechanism that is tied directly to measures of PECO's market share, not Enron's. See Env. St. 2-E, pp. 4 and 13-15.

The incumbent utility's responsibility to act as default supplier is spelled out in the Electricity Generation Customer Choice and Competition Act (66 Pa. C.S. § 2807(e)(1)) and was expressly assumed by PECO in both its restructuring plan filed on April 1, 1997 and in the Partial Settlement submitted to the Commission on August 27, 1997. The Environmentalists' should have presented their alternative approach in in testimony filed on June 20, 1997 in response to PECO's restructuring plan. While the Environmentalists did submit testimony at that time by Messrs. Schoengold, Biewald and Colton, it contains not a word about alleged problems with the designation of a single default provider or the necessity for allocating default customers among non-PECO generation suppliers. The testimony they submitted in response to the Partial Settlement is likewise silent on this issue. Simply stated, the Environmentalists have used their response to the Enron Petition as an improper attempt to take "a second bite (indeed, a third bite) at the apple." Therefore, the testimony of Messrs. Biewald and Colton should not be admitted.

The prejudice PECO suffers as a result of the Environmentalists' belated submission is obvious. They have offered a wholly new and highly complex proposal that PECO has had to analyze and respond to in approximately two business days. Moreover, Mr. Colton claims that the "rationale" for the Environmentalists' proposal is supported by "substantial customer research." However, there is insufficient time to even obtain such "research" through discovery, let alone analyze it, before PECO is required to respond.

III. MOTION TO STRIKE NEV STATEMENT DMB-2

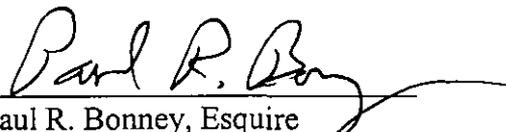
12. In NEV Statement DMB-2, Mr. Boonin purports to weigh the strengths and weaknesses of the Enron proposal and comes out in favor of Enron: “On balance, the Enron Proposal is substantially preferable to the PECO Proposal and, if the Commission were required to accept one or the other, the Enron Proposal should be accepted.” NEV St. DBM-2, p. 11. Based upon this statement alone, it is clear that NEV Statement DBM-2 is supportive of the Enron Petition overall and, as such, should have been submitted no later than October 24, 1997, when all such supportive testimony was due.

Mr. Boonin’s testimony contains other elements that are equally untimely and, therefore, objectionable. Specifically, Mr. Boonin has used a purported response to the Enron Petition to reassert criticisms of the Partial Settlement and to promote the pricing alternative favored by the Pennsylvania Electric Competition Coalition (“PECC”). Testimony on these matters was due to be filed no later than September 29, 1997, under the schedule adopted for responding to the Joint Petition For Partial Settlement. The attempt to slip this belated testimony into the record under the guise of responding to Enron’s Petition is wholly transparent and decidedly improper. Accordingly, NEV Statement DBM-2 should not be admitted.

IV. CONCLUSION

For all of the foregoing reasons, PECO's Motion to Strike should be granted, and the ALJs should enter an Order, under the authority of 52 Pa. Code § 5.403, finding that the Environmentalists' Statements 1-E, 2-E and 3-E, NEV Statement DBM-2 and all accompanying exhibits will not be admitted into the record in this case.

Respectfully submitted,


Paul R. Bonney, Esquire
Assistant General Counsel
PECO Energy Company
2301 Market Street
P.O. Box 8699
Philadelphia, PA 19101-8699
(215) 841-4252

Dated: November 12, 1997



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

IN REPLY PLEASE
REFER TO OUR FILE

November 12, 1997

The Honorable Paul G. Mattus, Chairman
Delaware County Council
Government Center Building
Media, PA 19063

Dear Mr. Mattus:

Thank you for your recent letter of October 30, 1997, to Chairman John M. Quain of the Pennsylvania Public Utility Commission expressing your support for the Joint Settlement Agreement reached by certain parties in PECO Energy Company's rate restructuring filing.

This matter is currently pending before the Commission and that is why Chairman Quain referred your letter to me for a response.

Please know that I have taken the liberty of forwarding your letter to the Acting Secretary of the Commission so it can become a part of the official file in this proceeding.

Thank you again for the benefit of your thinking on this very important issue.

Sincerely,

Rosemary Chiavetta, Esq.
Director of Legislative Affairs

cc: Chairman Quain
Acting Secretary McNulty



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

IN REPLY PLEASE
REFER TO OUR FILE

November 12, 1997

The Honorable Thomas H. Killion
Vice Chairman
Delaware County Council
Government Center Building
Media, PA 19063

Dear Mr. Killion:

Thank you for your recent letter of October 30, 1997, to Chairman John M. Quain of the Pennsylvania Public Utility Commission expressing your support for the Joint Settlement Agreement reached by certain parties in PECO Energy Company's rate restructuring filing.

This matter is currently pending before the Commission and that is why Chairman Quain referred your letter to me for a response.

Please know that I have taken the liberty of forwarding your letter to the Acting Secretary of the Commission so it can become a part of the official file in this proceeding.

Thank you again for the benefit of your thinking on this very important issue.

Sincerely,

Rosemary Chiavetta, Esq.
Director of Legislative Affairs

cc: Chairman Quain
Acting Secretary McNulty



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

IN REPLY PLEASE
REFER TO OUR FILE

November 12, 1997

Mr. Wallace H. Nunn
Delaware County Council
Government Center Building
Media, PA 19063

Dear Mr. Nunn:

Thank you for your recent letter of October 30, 1997, to Chairman John M. Quain of the Pennsylvania Public Utility Commission expressing your support for the Joint Settlement Agreement reached by certain parties in PECO Energy Company's rate restructuring filing.

This matter is currently pending before the Commission and that is why Chairman Quain referred your letter to me for a response.

Please know that I have taken the liberty of forwarding your letter to the Acting Secretary of the Commission so it can become a part of the official file in this proceeding.

Thank you again for the benefit of your thinking on this very important issue.

Sincerely,

Rosemary Chiavetta, Esq.
Director of Legislative Affairs

cc: Chairman Quain
Acting Secretary McNulty



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

IN REPLY PLEASE
REFER TO OUR FILE

November 12, 1997

Mr. John J. McFadden
Delaware County Council
Government Center Building
Media, PA 19063

Dear Mr. McFadden:

Thank you for your recent letter of October 30, 1997, to Chairman John M. Quain of the Pennsylvania Public Utility Commission expressing your support for the Joint Settlement Agreement reached by certain parties in PECO Energy Company's rate restructuring filing.

This matter is currently pending before the Commission and that is why Chairman Quain referred your letter to me for a response.

Please know that I have taken the liberty of forwarding your letter to the Acting Secretary of the Commission so it can become a part of the official file in this proceeding.

Thank you again for the benefit of your thinking on this very important issue.

Sincerely,

Rosemary Chiavetta, Esq.
Director of Legislative Affairs

cc: Chairman Quain
Acting Secretary McNulty



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

IN REPLY PLEASE
REFER TO OUR FILE

November 12, 1997

Mrs. Kathrynann W. Durham
Delaware County Council
Government Center Building
Media, PA 19063

Dear Mrs. Durham:

Thank you for your recent letter of October 30, 1997, to Chairman John M. Quain of the Pennsylvania Public Utility Commission expressing your support for the Joint Settlement Agreement reached by certain parties in PECO Energy Company's rate restructuring filing.

This matter is currently pending before the Commission and that is why Chairman Quain referred your letter to me for a response.

Please know that I have taken the liberty of forwarding your letter to the Acting Secretary of the Commission so it can become a part of the official file in this proceeding.

Thank you again for the benefit of your thinking on this very important issue.

Sincerely,



Rosemary Chiavetta, Esq.
Director of Legislative Affairs

cc: Chairman Quain
Acting Secretary McNulty



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

IN REPLY PLEASE
REFER TO OUR FILE

November 12, 1997

The Honorable Timothy Pesci
House of Representatives
House Post Office
Main Capitol
Harrisburg, PA

Dear Representative Pesci:

Thank you for your letter of October 28, 1997, to Chairman John Quain expressing your support for the Enron's Choice Plan which is currently being considered by the Pennsylvania Public Utility Commission in the context of the PECO Energy Company's restructuring filing proceeding under the Pennsylvania Electric Generation Customer Choice and Competition Act. Chairman Quain referred your letter to me for a response.

Please know that I have taken the liberty of forwarding your correspondence to the Acting Secretary of the Commission for inclusion into the official file of this proceeding.

Thank you again for the benefit of your thinking on this very important matter.

Sincerely,

Rosemary Chiavetta, Esq.
Director of Legislative Affairs

cc: Chairman Quain
Acting Secretary McNulty

TIMOTHY L. PESCI, MEMBER
HERITAGE SQUARE
170 LINCOLN STREET
SUITE 4
VANDERGRIFT, PENNSYLVANIA 15690
PHONE: (412) 568-2387

MAIN CAPITOL BUILDING
HOUSE BOX 202020
HARRISBURG, PENNSYLVANIA 17120-2020
PHONE: (717) 787-1407



House of Representatives
COMMONWEALTH OF PENNSYLVANIA
HARRISBURG

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October 28, 1997

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OCT 29 1997

Mr. John M. Quain, Chairman
Public Utility Commission
Room 104 - North Office Building
Harrisburg, PA 17120

CHAIRMAN QUAIN'S
OFFICE

Dear Chairman Quain:

I am writing to you with regard to the recent developments in the endeavor to introduce competition in the Pennsylvania electricity market. On the eve of public hearings on the restructuring of the market and recovery stranded costs for PECO, the state Public Utilities Commission ("PUC") has received an alternative proposal from Enron Corp.

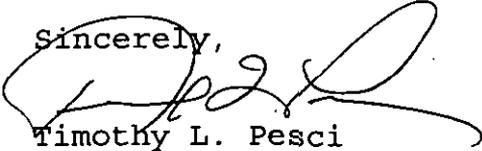
As you are aware, the goal of the 1996 Competition Act is to introduce competition into the Pennsylvania generation market in order to benefit all classes of customers. One of the basic underpinnings and anticipated outcomes of competition is increased electric service options for consumers. Consumer options will arise from a robust market, where several suppliers compete to offer many options. Thus, in the interest of fostering such an environment, it is appropriate and imperative that the PUC consider both restructuring options before it.

PECO has presented Pennsylvania electricity consumers with one option that would allow PECO to recover its stranded costs and offer consumers a 10% rate cut. Enron has submitted another proposal that also allows PECO to recover its stranded costs, while offering consumers a 20% rate cut. Enron would also acquire the right to become the supplier of last resort. Competition is about choice. Therefore, if the interests of Pennsylvania customers are to be effectively represented and served, the Commission must give equal consideration to any and all efforts and petitions to introduce competition in our market.

My review of Enron's plan and PECO's plan leads me to believe that Enron's plan provides a better alternative given the fact that the plan offers significant rate cuts to consumers and enables development of a competitive market in PECO's service territory. This combination appears to provide an appropriate balance between immediate rate cuts and the long-term benefits which competition will deliver to electric customers.

Overall, Enron's plan appears to be fully consistent with the legislative objectives underlying Pennsylvania 1996 Competition Act. Accordingly, through this letter, I wish to voice my support for PUC adoption of Enron's plan.

Sincerely,



Timothy L. Pesci
State Representative
60th Legislative District

TLP/sms



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

IN REPLY PLEASE
REFER TO OUR FILE

November 12, 1997

The Honorable Harold James
House of Representatives
House Post Office
Main Capitol
Harrisburg, PA

Dear Representative James:

Thank you for your recent letter of October 27, 1997, to Chairman John M. Quain of the Pennsylvania Public Utility Commission expressing your support for the Joint Settlement Agreement reached by certain parties in PECO Energy Company's rate restructuring filing.

This matter is currently pending before the Commission and that is why Chairman Quain referred your letter to me for a response.

Please know that I have taken the liberty of forwarding your letter to the Acting Secretary of the Commission so it can become a part of the official file in this proceeding.

Thank you again for the benefit of your thinking on this very important issue.

Sincerely,



Rosemary Chiavetta, Esq.
Director of Legislative Affairs

cc: Chairman Quain
Acting Secretary McNulty

HAROLD JAMES, MEMBER
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PHONE: (215) 462-3308
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HARRISBURG OFFICE:
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House of Representatives
COMMONWEALTH OF PENNSYLVANIA
HARRISBURG

COMMITTEES

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SUBSTANCE ABUSE CAUCUS

October 27, 1997

Chairman John Quain
Pennsylvania Public Utility Commission
Room 104 North Office Building
Harrisburg, Pennsylvania 17120

OCT 31 1997

CHAIRMAN QUAIN'S
OFFICE

Dear Chairman Quain:

I would like to take this opportunity to express my support for the proposed settlement between PECO Energy and the Pennsylvania Consumer Advocate, Pennsylvania Small Business Advocate, Senator Vince Fumo and others. This settlement offers consumers a guaranteed 10% savings. It also increases PECO Energy's customer assistance program from the current level of 40,000 families to 100,000. These guaranteed benefits far outweigh promises being made by others and provides consumers the comfort level needed to move into a deregulated market.

PECO Energy is an integral part of the economic base in our community. Their investment in our community enables us to grow and prosper. This is the type of commitment that must be recognized and supported.

I would respectfully request that you approve the settlement so that these benefits can be realized.

Sincerely,


Representative Harold James
186th Legislative District

HJ:pbs



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

Acting Secretary

IN REPLY PLEASE
REFER TO OUR FILE

November 12, 1997

Mr. Curt Cyliax
622 Covered Bridge Lane
Doylestown, PA 18901-2050

Dear Mr. Cyliax:

Thank you for your recent letter to Governor Tom Ridge expressing your support for electric competition in Pennsylvania and also for your kind words of congratulations for completing the economic development transaction which will breathe new life into the Philadelphia Navy Yard.

First, the PECO Energy Company's restructuring filing is currently being considered by the Pennsylvania Public Utility Commission under the Electric Generation Customer Choice and Competition Act. The Commission is expected to take action on this proceeding in the next several weeks. Please know that I have taken the liberty of forwarding your correspondence to the Acting Secretary of the Commission for inclusion into the official file on the PECO proceeding.

Thank you again for the benefit of your thinking on this very important issue.

Sincerely,

Rosemary Chiavetta, Esq.
Director of Legislative Affairs

cc: The Hon. Tom Ridge
Chairman John Quain



**Susan F. & Curt A. Cyliax
622 Covered Bridge Lane
Doylestown, PA 18901-2050
(215) 489-8881 or (215) 489-8880**

From: Curt A. Cyliax
To: Gov Tom Ridge
Fax #: (717) 772-8284
of Pages: 1
Re: Electrical Supplier Choice

Dear Gov:

Congrats on the Kvaerner Deal. It will be a benefit not only to our area, and the Commonwealth, but also to the country, as we educate workers and management on a better way to build a ship.

Concerning the choice of electricity suppliers, I hope you will consider not just the PECO proposal, but others (such as Enron), provided they are a reputable company with regard to people, community and the environment. I must leave the judgement in your capable hands and trust you will do what is best given all considerations. Although PECO is offering a 10% discount (which is not a great discount!), you must be aware that PECO rates are among the highest in the country. Now, I understand they must comply with more clean air regulations than others, (such as PP&L), but this too must be considered on a nationwide basis so competition can truly be on a competitive basis. I encourage you to make the right choice without sacrificing the environment and would encourage other govenors to do the same.

Thank You.

Curt A. Cyliax

LEBOEUF, LAMB, GREENE & MACRAE
L.L.P.

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HARRISBURG, PA 17108-2105
(717) 232-8199
FACSIMILE: (717) 232-8720

LOS ANGELES
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SALT LAKE CITY
SAN FRANCISCO
BRUSSELS
MOSCOW
ALMATY
LONDON
(A LONDON-BASED
MULTINATIONAL PARTNERSHIP)

November 13, 1997

BY HAND

DOCUMENT
FOLDER

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

Re: Pennsylvania Public Utility Commission v.
PECO Energy Company
Docket No. R-00973953

RECEIVED
97 NOV 13 PM 12:37
P.A.P.U.C. OFFICE
PROTHONOTARY'S OFFICE

Dear Mr. McNulty:

Enclosed please find for filing three (3) copies of a Certificate of Service evidencing service of Enron Energy Services Power, Inc.'s Responses to Senator Vincent J. Fumo's Interrogatories, Set V, Nos. 1 and 3 through 6.

If you have any questions concerning this matter, please contact me at your convenience.

Sincerely,

Michael D. Klein

Michael D. Klein

MDK/mas
enclosure

cc: All Parties on Certificate of Service
Daniel Clearfield, Esquire

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission

Docket No. R-00973953

v.

PECO Energy Company

DOCKETED
NOV 17 1997

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PA P.U.C.
PROTHONOTARY'S OFFICE

DOCUMENT
FOLDER

CERTIFICATE OF SERVICE

I hereby certify that I have on this 13th day of November, 1997, served a true copy of the foregoing Responses to Senator Vincent J. Fumo's Interrogatories, Set V, Nos. 1 and 3 through 6, on behalf of Enron Energy Services Power, Inc. upon the participants, listed below, in accordance with the requirements of 52 Pa.Code § 1.54:

Paul R. Bonney, Esquire
Noel H. Trask, Esquire
Ward L. Smith, Esquire
Assistant General Counsel
PECO Energy Company
2301 Market Street, P.O. Box 8699
Philadelphia, PA 19101-8699
(*PECO Energy Company*)

Senator Vincent J. Fumo
Christopher B. Craig, Esquire
Senate Democratic Appropriations
Committee
Main Capitol Building, Room 545
Harrisburg, PA 17120
(*Senator Vincent J. Fumo*)

Paul E. Russell, Esquire
Pennsylvania Power & Light Company
Two North Ninth Street
Allentown, PA 18101
(*Pennsylvania Power & Light Company*)

Donald A. Kaplan, Esquire
Lisa M. Helpert, Esquire
Preston Gates Ellis & Rouvelas Meeds
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Washington, DC 20006
(*Pennsylvania Power & Light Company*)

Steven P. Hershey, Esquire
Philip A. Bertocci, Esquire
Community Legal Services
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Philadelphia, PA 19102
(*Community Legal Services*)

Roger Clark, Esquire
Environmentalists
905 Denston Drive
Ambler, PA 19002-3901
(*The Environmentalists*)

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(*Delmarva Power & Light Company, d/b/a
Conectiv Energy*)

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John & Hengerer
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Washington, DC 20036
(*Self*), (*Duke Energy Trading & Marketing,
LLC*), (*Noram Energy Management, Inc.*),
(*Vastar Power Marketing, Inc.*), (*Electric
Clearinghouse, Inc.*)

Walter W. Cohen, Esquire
Andrew J. Giorgione, Esquire
Obermayer Rebmann Maxwell & Hippel,
L.L.P.
204 State Street
Harrisburg, PA 17101
(*Indianapolis Power & Light Company*)

Joseph A. Dworetzky, Esquire
John Lavelle, Jr., Esquire
Hangley, Anonchick, Segal and Pudlin
One Logan Square, 12th Floor
Philadelphia, PA 19103
(*New Energy Ventures, Inc.*)

John L. Munsch, Esquire
Allegheny Power
800 Cabin Hill Drive
Greensburg, PA 15601
(*Allegheny Power*)

Stephanie Sugrue, Esquire
Mary Ann Ralls, Esquire
Duane, Morris & Heckscher
L.L.P.
1667 K Street, N.W.
Suite 700
Washington, DC 20006
(*QST Energy, Inc.*)

Audrey Van Dyke, Associate Counsel
Naval Facilities Engineering Command
Washington Navy Yard, Bldg 218,
Room 200
901 M Street, S.E.
Washington, DC 20374-5018
(*Department of Navy*)

Bernard Ryan, Esquire
Karen Oill Moury, Esquire
Office of Small Business Advocate
Suite 1102, Commerce Building
300 North Second Street
Harrisburg, PA 17101
(*OSBA*)

Tanya McCloskey, Esquire
Steven K. Steinmetz, Esquire
Office of the Consumer Advocate
1425 Strawberry Square
Harrisburg, PA 17120
(OCA)

Robert Mills, Esquire
McNees, Wallace & Nurick
100 Pine Street, P.O. Box 1166
Harrisburg, PA 17108-1166
(PA Retailers' Association)

Terrance J. Fitzpatrick, Esquire
David M. DeSalle, Esquire
Ryan, Russell, Ogden & Seltzer, L.L.P.
800 North Third Street, Suite 101
Harrisburg, PA 17102-2025
(GPU)

William T. Hawke, Esquire
Janet Miller, Esquire
Todd Stewart, Esquire
Malatesta, Hawke & McKeon, L.L.P.
Harrisburg Energy Center
100 North Tenth Street
Harrisburg, PA 17105-1778
(Mid-Atlantic Power Supply Association)

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Richard Silkman
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Attorney for Enron Energy
Services Power, Inc.

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L.L.P.

A LIMITED LIABILITY PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

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LOS ANGELES
NEWARK
PITTSBURGH
PORTLAND, OR
SALT LAKE CITY
SAN FRANCISCO
BRUSSELS
MOSCOW
ALMATY
LONDON
(A LONDON-BASED
MULTINATIONAL PARTNERSHIP)

November 13, 1997

BY HAND

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

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PA.P.U.C.
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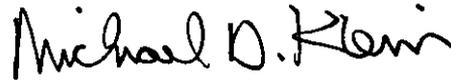
Re: Pennsylvania Public Utility Commission v.
PECO Energy Company
Docket No. R-00973953

Dear Mr. McNulty:

Enclosed please find for filing three (3) copies of a Certificate of Service evidencing service of Enron Energy Services Power, Inc.'s Amended Responses to Senator Vincent J. Fumo's Interrogatories, Set IV, Nos. 2 and 5.

If you have any questions concerning this matter, please contact me at your convenience.

Sincerely,



Michael D. Klein

MDK/mas
enclosure

cc: All Parties on Certificate of Service
Daniel Clearfield, Esquire

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission

Docket No. R-00973953

v.

PECO Energy Company

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CERTIFICATE OF SERVICE

I hereby certify that I have on this 13th day of November, 1997, served a true copy of the foregoing Amended Responses to Senator Vincent J. Fumo's Interrogatories, Set IV, Nos. 2 and 5, on behalf of Enron Energy Services Power, Inc. upon the participants, listed below, in accordance with the requirements of 52 Pa.Code § 1.54:

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November 13, 1997

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Pennsylvania Public Utility Commission
North Office Building
P.O. Box 3265
Harrisburg, PA 17105-3265

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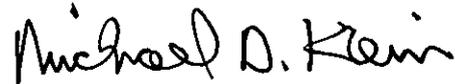
Re: Pennsylvania Public Utility Commission v.
PECO Energy Company
Docket No. R-00973953

Dear Mr. McNulty:

Enclosed please find for filing three (3) copies of a Certificate of Service evidencing service of Enron Energy Services Power, Inc.'s Amended Responses to Indianapolis Power and Light Company's Interrogatories, Set I, Nos. 3 and 4.

If you have any questions concerning this matter, please contact me at your convenience.

Sincerely,



Michael D. Klein

MDK/mas
enclosure

cc: All Parties on Certificate of Service
Daniel Clearfield, Esquire

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission

v.

PECO Energy Company

Docket No. R-00973953

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I hereby certify that I have on this 13th day of November, 1997, served a true copy of the foregoing Amended Responses to Indianapolis Power and Light Company's Interrogatories, Set I, Nos. 3 and 4, on behalf of Enron Energy Services Power, Inc. upon the participants, listed below, in accordance with the requirements of 52 Pa.Code § 1.54:

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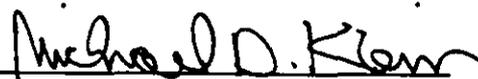
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(717) 232-8199

Attorney for Enron Energy
Services Power, Inc.



PECO ENERGY

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Legal Department

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PO Box 8699
Philadelphia, PA 19101-8699
215 841 5544
Fax 215 568 3389

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PA PUBLIC UTILITY COMMISSION
PROTHONOTARY'S OFFICE

Direct Dial: 215 841 4941 ^{KJP}

November 13, 1997

James W. Durham
Senior Vice President
and General Counsel

Edward J. Cullen, Jr.
Deputy General Counsel

Sandra H. Byrne
Legal Administrator

Paul R. Bonney
Ellen M. Cavanaugh
Jessica N. Cone
Todd D. Cutler
Susan S. Foehl
Viina Waldron Gaston
Gregory Golazeski
John C. Halderman
Mary McFall Hopper
Conrad O. Kattner
Stephanie Whitton Lewis
Jeffrey J. Norton
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Roslyn G. Pollack
Wendy Schermer
Richard S. Schlegel
Jenny P. Shulbank
Ward L. Smith
Delia W. Stroud
Dawn Getty Sutphin
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Ronald L. Zack
Assistant General Counsel

FedEx 800729987371

James McNulty, Acting Secretary
Pennsylvania Public Utility Commission
Room B-20, North Office Building
Harrisburg, PA 17105-3265

Re: Application of PECO Energy Company For Approval Of Its Restructuring Plan
Under Section 2806 Of The Public Utility Code - Docket No. R-00973953

Dear Secretary McNulty:

Enclosed are an original and three copies of PECO Energy Company's
Objections to Enron Energy Services Power, Inc.'s Interrogatory, Set X, No. 29.

As proof of filing, please date-stamp and return the extra copy of this letter in the
enclosed envelope.

Sincerely,

Mary McFall Hopper

MMH/mtg

cc: John J. Gallagher (Fax)
Service List (First Class Mail -11/14/97)

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**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**
PA PUBLIC UTILITY COMMISSION
PROTHONOTARY'S OFFICE

**APPLICATION OF PECO ENERGY
COMPANY FOR APPROVAL OF ITS
RESTRUCTURING PLAN UNDER
SECTION 2806 OF THE
PUBLIC UTILITY CODE**

:
:
: **APPLICATION**
: **DOCKET NO. R-00973953**
:
:

**PECO ENERGY COMPANY'S OBJECTIONS TO
ENRON ENERGY SERVICES POWER, INC.
SET X, INTERROGATORY NUMBER 29**

Pursuant to 52 Pa. Code §5.432 and the April 15, 1997 Prehearing Order issued by Judges Chestnut and Rainey, PECO Energy Company ("PECO" or the "Company") sets forth the following objection to the interrogatories of Enron Energy Services Power, Inc. ("EESPI"). PECO timely communicated to counsel for EESPI the objection:

PECO objects to the following:

29. Provide all documents in PECO's possession showing the dividend expected to be paid during the term of the Partial Settlement.

Objection. The requested information is irrelevant to this proceeding and, in accordance with 52 Pa. Code §5.321, is beyond the scope of permissible discovery.

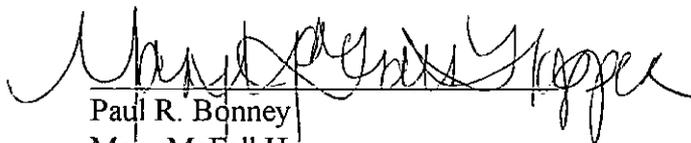
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NOV 18 1997

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In addition, the provision of such information is highly confidential, and the release of which would cause unreasonable annoyance, oppression, burden or expense. 52 Pa. Code §5.361.

Respectfully submitted,



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Mary McFall Hopper
PECO Energy Company
2301 Market Street, S23-1
P.O. Box 8699
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215 841 4941
215 568 3389 (Fax)

Dated: November 13, 1997

Certificate of Service

I hereby certify that I have this day served the foregoing document on the following in the matter of Pennsylvania Public Utility Commission v. PECO Energy Company Pa. PUC Docket No. R-00973953.

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Administrative Law Judge
1302 Philadelphia State Office Building
1400 West Spring Garden Street
Philadelphia, PA 19130

Honorable Charles E. Rainey, Jr.
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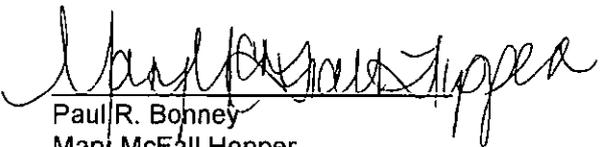
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Harrisburg Energy Center
100 North Tenth Street - P.O. Box 1778
Harrisburg, PA 17105
(Municipal Group)

Usher Fogel, Esquire
Roland, Fogel, Koblenz & Carr, LLP
1 Columbia Place
Albany, NY 12207
(Counsel for Pennsylvania Petroleum Association and Pennsylvania Association of Plumbing, Heating, Cooling Contractors, Inc.)

Vickiren S. Aeshleman
Director - Regulatory Policy
QST Energy, Inc.
300 Hamilton Blvd.; Suite 300
Peoria, IL 61602

John Klauberg, Esquire
Bruce Miller, Esquire
LeBoeuf, Lamb, Greene & MacRae, LLP
125 West 55th Street
New York, NY 10019-5389
(Counsel for Enron Energy Services Power, Inc.)



Paul R. Bonney
Mary McFall Hopper
Assistant General Counsel
PECO Energy Company
2301 Market Street, S23-1
Philadelphia, PA 19103
(215) 841-4252
(215) 841-4941

Dated: November 14, 1997

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OFFICES IN

WASHINGTON, D.C.
MARYLAND
VIRGINIA

VENABLE
ATTORNEYS AT LAW

PA PUBLIC UTILITY COMMISSION
PROTHONOTARY'S OFFICE

Kenneth G. Hurwitz
(202) 962-4850

November 13, 1997

VIA FEDEX DELIVERY

Mr. John McNulty, Acting Secretary
PENNSYLVANIA PUBLIC UTILITY COMMISSION
New Filing Section
North Office Building
North Street & Commonwealth Avenue
Harrisburg, PA 17120-3265

ORIGINAL

Re: Pennsylvania Public Utility Commission v. PECO Energy Company, PECO Application for Approval of its Restructuring Plan and Joint Petition for Partial Settlement, Docket No. R-00973953; Petition of Enron Energy Services Power, Inc. for Approval of an Electric Competition and Customer Choice Plan and For Authority Pursuant to Section 2807(e)(3) of the Public Utility Code to Serve as the Provider of Last Resort in the Service Territory of PECO Energy Company, Docket No. P-00971265

Dear Mr. McNulty:

Enclosed for filing in the above-captioned matter please find an original and two (2) copies of each of the following documents:

1. The SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY'S Petition to Intervene^{1/}
2. Motion for Admission of Kenneth G. Hurwitz Pro Hac Vice
3. Motion for Admission of Maureen Z. Hurley Pro Hac Vice

KJR

**DOCUMENT
FOLDER**

^{1/} *Petition to Intervene contains a facsimile copy of the verification. The original verification will be filed under separate cover immediately upon our receipt of it.*

Mr. McNulty
November 13, 1997
Page 2

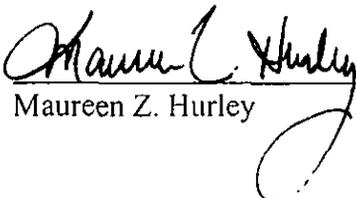
4. Notices of Appearance for Kenneth G. Hurwitz, Maureen Z. Hurley,
G. Roger Bowers and Vincent J. Walsh, Jr.

Pursuant to 52 Pa. Code § 1.11(a)(2), the filing date of the enclosures should be deemed to be November 13, 1997. Also enclosed are two (2) additional copies of each of the above-referenced documents which we request that you time-stamp and return to us in the enclosed self-addressed, stamped envelope.

Thank you for your assistance.

Very truly yours,


Kenneth G. Hurwitz


Maureen Z. Hurley

Enclosures

cc: Honorable Marlane R. Chestnut
Parties listed on Certificate of Service

MZH/cap
Enclosures
51757

RECEIVED

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION NOV 13 1997

PA PUBLIC UTILITY COMMISSION PROTHONOTARY'S OFFICE

Pennsylvania Public Utility Commission

v.

PECO Energy Company

PECO Application for Approval of its Restructuring Plan and Joint Petition for Partial Settlement

Petition of Enron Energy Services Power, Inc. for Approval of an Electric Competition and Customer Choice Plan and For Authority Pursuant to Section 2807(e)(3) of the Public Utility Code to Serve as the Provider of Last Resort in the Service Territory of PECO Energy Company

Docket No. R-00973953

Docket No. P-00971265

ORIGINAL

PETITION TO INTERVENE OF THE SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY

DOCUMENT FOLDER

Pursuant to Section 5.72 of the Commission's Rules of Practice and Procedure (the "Rules"), 52 Pa. Code § 5.72, the Southeastern Pennsylvania Transportation Authority ("SEPTA") respectfully petitions to intervene in the above-captioned proceeding. In support, SEPTA states as follows:

- 1. SEPTA is a body corporate and politic that exercises the public powers of the Commonwealth as an agency and instrumentality thereof, with a metropolitan area consisting of the City and County of Philadelphia and the Counties of Bucks, Chester.

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Delaware and Montgomery.^{1/} SEPTA operates and provides a multi-modal mass transportation system that consists of commuter railroad lines, high speed subway-elevated lines, light rail lines, trackless trolley lines (all of which use electric power for propulsion), bus lines and paratransit service. SEPTA's operations fall under the following separate divisions: City Transit, Regional Rail and Suburban Operations (Victory and Frontier).^{2/}

2. All notices and communications with respect to the above-captioned proceeding should be sent to the following persons, and the following should be added to the official service list in this proceeding:

Vincent J. Walsh, Jr., Esquire
Assistant Deputy Counsel
SOUTHEASTERN PENNSYLVANIA
TRANSPORTATION AUTHORITY
1234 Market Street
Fifth Floor
Philadelphia, PA 19107-3780
(215) 580-7459 - phone
(215) 580-7078 - fax

and

^{1/} See 74 Pa. C.S. § 1701 *et seq.*

^{2/} The City Transit Division serves the City of Philadelphia with a network of 84 subway-elevated, light rail, trackless trolley and bus routes providing approximately 554 thousand passenger trips per day. The Regional Rail Division serves all five counties with a network of 13 commuter rail lines, providing approximately 79 thousand passenger trips per day. The Suburban Operations Division serves the western and northern suburbs with a network of 41 inter-urban trolley, light rail and bus routes, providing approximately 44 thousand passenger trips per day.

Kenneth G. Hurwitz, Esquire
Maureen Z. Hurley, Esquire
VENABLE, BAETJER, HOWARD & CIVILETTI, LLP
1201 New York Avenue, NW, Suite 1100
Washington, D.C. 20005-3917
(202) 962-4800 - phone
(202) 962-8300 - fax

I.
PROCEDURAL BACKGROUND

3. The Electricity Generation Customer Choice and Competition Act (the "Act") requires jurisdictional electric utilities in Pennsylvania to submit to the Commission restructuring plans to implement direct access to a competitive market for the generation of electricity.^{3/} In accordance with the Act and with the Commission's Order entered January 24, 1997 at Docket No. M-00960890, PECO Energy Company ("PECO") on April 1, 1997 filed an application in Docket No. R-00973593 for approval of its proposed restructuring plan.^{4/}

4. On August 25, 1997, PECO and several other parties filed a *Joint Petition for Partial Settlement* of that proceeding.^{5/} Public input hearings on the *Joint Petition for Partial Settlement* were held during the week of October 6, 1997, and technical hearings were held during the week of October 13, 1997.

^{3/} 66 Pa. C.S. §§ 2801 *et seq.*

^{4/} Application of PECO Energy Company for Approval of its Restructuring Plan under Section 2806 of the Pennsylvania Public Utility Code.

^{5/} Joint Petition for Partial Settlement of PECO Energy Company's Proposed Restructuring Plan and Application for a Qualified Rate Order.

5. On September 10, 1997, the majority of the parties to the Partial Settlement (the "Joint Signatories") filed in Docket No. R-00973953 a *Petition to Suspend Consideration of Certain Issues Pending a Commission Determination of the Proper Forum* (the "Petition to Suspend Consideration"). In the *Petition to Suspend Consideration*, the Joint Signatories requested that the Commission approve a procedure for evaluating issues in the restructuring proceeding that were not addressed in the *Joint Petition for Partial Settlement*. On October 2, 1997, the Commission entered a tentative order (the "Tentative Order") granting the *Petition to Suspend Consideration* in part but directing the parties to brief certain issues. On November 6, 1997, the Commission entered an order clarifying and finalizing the *Tentative Order*.

6. On October 7, 1997, Enron Energy Services Power, Inc. ("Enron") filed in Docket No. P-00971265 a petition for approval of an alternative *Electric Competition and Customer Choice Plan* for the service territory of PECO.^{6/} Enron also filed on that day a motion to consolidate its petition with the *Joint Petition for Partial Settlement*. On October 8, 1997, Enron filed a *Motion for Expedited Establishment of a Procedural Schedule* relative to its October 7 filings ("Schedule Motion").

7. On October 9, 1997, the Commission issued an Opinion and Order granting Enron's motion to consolidate and granting the *Schedule Motion* in part ("October 9 Order"). In the October 9 Order, the Commission directed the Office of

^{6/} Petition of Enron Energy Services Power, Inc. for Approval of an Electric Competition and Customer Choice Plan and for Authority Pursuant to Section 2807(e)(3) of the Public Utility Code to Serve as the Provider of Last Resort in the Service Territory of PECO Energy Company.

Administrative Law Judge (“OALJ”), the presiding Administrative Law Judge, and the parties to devise a procedural schedule that would allow the parties to present their cases on the *Joint Petition for Partial Settlement* and Enron’s alternative plan within the context of PECO’s overall restructuring proceeding. The October 9 Order also directed that the procedural schedule allow for the issuance of a Commission decision by December 11, 1997. As an alternative, the October 9 Order suggested that the schedule could be extended if PECO agreed that a Commission decision in its restructuring case could be postponed until January 30, 1998.

8. By letter dated October 14, 1997, PECO rejected the January 30, 1998 option and offered instead the alternatives of March 12, 1998 and May 12, 1998 as dates for final Commission action, depending on the circumstances. On October 21, 1997, PECO filed a *Petition for Clarification or Reconsideration of the October 9 Order* (“PECO Petition for Reconsideration”) and a group of other parties filed a *Joint Petition for Clarification or Reconsideration* (“Joint Petition for Reconsideration”). The PECO *Petition for Reconsideration* requested that the October 9 Order be clarified to provide (1) that the only issue to be briefed at this time is whether the *Joint Petition for Partial Settlement* should be approved; and (2) that, if the *Joint Petition for Partial Settlement* were not approved in its entirety, the proceedings be remanded to the OALJ to provide the parties with the opportunity to present their non-settlement litigation positions, with full rights of cross-examination and briefing.

9. The *Joint Petition for Reconsideration* requested that the October 9 Order be clarified to provide that the parties be afforded the opportunity to resume litigation of PECO's restructuring plan if the *Joint Petition for Partial Settlement* were rejected.

10. On November 6, 1997, the Commission issued an Opinion and Order granting both petitions for reconsideration but denying the relief requested therein, in part ("November 6, Order"). In the November 6 Order, the Commission clarified that additional hearings are to be conducted as necessary to permit all parties a full opportunity to present their cases concerning all issues raised in the restructuring proceeding, including those addressed by the *Joint Petition for Partial Settlement* or the Enron alternative plan. The Commission also stated that the record must be certified by December 2, 1997 and that it would render a decision at a special Public Meeting on December 11, 1997. The Commission also reaffirmed the intent of the October 9 Order to extend the date for a final decision to no later than January 30, 1998, if PECO agreed to the extension.

11. Notwithstanding this complex and tortuous procedural history, SEPTA understands that PECO accepted the January 30, 1998 deadline for decision, that additional hearings in this proceeding are scheduled to be held in November, and that briefs are due by December 2, 1997.

II.
ARGUMENT

12. SEPTA's electric power costs are approximately \$33 million annually, approximately \$26 million of which is attributable to electric power purchased from PECO. SEPTA is one of PECO's largest customers, receiving propulsion power at Wayne Junction in North Philadelphia for its Regional Rail Division operations on SEPTA lines formerly part of the Reading Railroad system, and at approximately 30 conjunctively-billed delivery points in Philadelphia and its suburbs for SEPTA's electrified transit routes in its City and Suburban Transit Division. Propulsion power received from PECO costs SEPTA approximately \$19 million annually. SEPTA also receives non-propulsion power at a series of depots, terminals, offices and other facilities, which costs SEPTA approximately \$7 million annually.

13. Approval of PECO's restructuring plan, the *Joint Petition for Partial Settlement*, the Enron alternative plan, or any modified versions of them, will dramatically alter the electricity supply options available to SEPTA as well as SEPTA's electricity costs. These plans address such fundamental issues as the level and timing of rate reductions for PECO customers, stranded cost recovery and the form and extent of future competition within PECO's existing service territory. As one of the largest customers on PECO's system, SEPTA plainly has an interest that will be directly affected

by this proceeding, that cannot adequately be represented by other parties, and as to which it will be bound by the Commission's actions herein.^{7/}

14. SEPTA requests that the Commission grant its intervention notwithstanding that SEPTA did not timely file a Petition to Intervene. As demonstrated below, SEPTA satisfies the Commission's standards for a grant of late intervention.

15. Section 5.74 of the Commission's Rules, 52 Pa. Code § 5.74, provides that persons may intervene late in Commission proceedings if due cause for the late filing is demonstrated. The Commission has explained that this "due cause" standard is analogous to a "good cause" standard of Section 3.381 of the Commission's Rules, which is applicable to the late filing of protests in motor carrier proceedings.^{8/} The Pennsylvania Supreme Court has defined "good cause" as conduct which is reasonable under all of the circumstances, thereby justifying the claimant's actions.^{9/}

16. Traditionally, the Commission has been liberal in its interpretation of the "good" or "due cause" requirement and its allowance of late intervention.^{10/} Thus, the Commission has permitted late intervention:

^{7/} See 52 Pa. Code § 5.72(a)(2). Moreover, as an agency of the Commonwealth, SEPTA may intervene as of right pursuant to Section 5.72(b) of the Commission's Rules, 52 Pa. Code § 5.72(b).

^{8/} See *In Re Penn Access Corporation and Digital Direct of Pittsburgh, Inc.*, Docket No. A-310006 (Order entered June 2, 1992).

^{9/} *Frumento v. Unemployment Compensation Board of Review*, 466 Pa. 81, 351 A.2d 631 (1976).

^{10/} *In Re Touch of Class Limo, Inc.*, Docket No. A-00111898 (Order entered July 14, 1995); *In Re Penn Access Corporation and Digital Direct of Pittsburgh, Inc.*, Docket No. A-
Footnote continued on next page

- (1) where the petitioner has a reasonable excuse for missing the protest due date;
- (2) where the proceeding is contested at the time of the filing of a petition for intervention;
- (3) where the grant of intervention will not delay the orderly progress of the case; and
- (4) where the grant of intervention will not broaden significantly the issues, or shift the burden of proof.^{11/}

Most recently, in *Shapiro v. ALLTEL Pennsylvania, Inc.*,^{12/} the Commission granted the petition of the Pennsylvania Telephone Association (“PTA”) for late intervention in a proceeding regarding telephone companies’ billing and accounting systems. The Commission explained that allowing intervention of the trade association could assist the Commission in evaluating the public interest and would not prejudice the parties because the PTA would “take the record as it finds it.”^{13/}

Footnote continued from previous page

310006 (Order entered June 2, 1992); *In Re Douglasville Water Company*, Docket No. A-210760 (Order entered August 24, 1990).

^{11/} *In Re Touch of Class Limo, Inc.*, Docket No. A-00111898 (Order entered July 14, 1995); *In Re Penn Access Corporation and Digital Direct of Pittsburgh, Inc.*, Docket No. A-310006 (Order entered June 2, 1992); *In Re Milton Transportation, Inc.*, 56 Pa. PUC 623 (1982).

^{12/} Docket No. F-00278237 (Order entered July 24, 1997).

^{13/} *Shapiro v. ALLTEL Pennsylvania, Inc.*, Docket No. F-00278237 (Order entered July 24, 1997).

17. Applying the above-cited authority to the instant facts demonstrates that “due cause” exists to warrant granting SEPTA’s Petition to Intervene. SEPTA is uniquely situated due to its sheer size as an electricity purchaser, the nature and scope of the public transportation services it provides to Pennsylvania’s citizens, and the budgetary constraints under which it must operate. With regard to the first criterion for permitting late intervention, SEPTA missed the due date for filing a timely intervention because it has not been a regular participant in PECO rate and regulatory proceedings and because, due to its unique characteristics and budgetary constraints, it opted to rely on other parties who typically intervene in Commission proceedings who were themselves likely to address at least some of SEPTA’s concerns as an end-user.

18. Recent developments, including Enron’s submission of an alternative plan and the Commission’s consolidation of the Enron proceeding with the PECO restructuring proceeding, have fundamentally changed the scope and nature of this proceeding. In addition, two and one-half weeks ago, SEPTA elected to exercise its rights as a customer under the PECO pilot program. Taken together, these recent developments underscore SEPTA’s need to protect its interests by requesting intervention, even at this late stage of the proceedings.

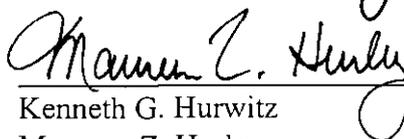
19. SEPTA satisfies the remaining criteria for a Commission grant of late intervention. First, the introduction of the Enron alternative plan and the responses to that plan filed by many parties confirm the contested nature of this proceeding. Second, a grant of intervention will not delay the orderly progress of the case nor prejudice any parties since SEPTA will “take the record as it finds it.” Finally, SEPTA’s intervention

would not significantly broaden the issues or shift the burden of proof in the proceeding. Indeed, given the Commission's November 6 Order, this proceeding already encompasses all matters required by statute to be considered in evaluating PECO's restructuring plan. SEPTA seeks only the opportunity to address those issues in the remaining course of the scheduled proceedings. Finally, permitting intervention by SEPTA may assist the Commission in evaluating the public interest by furthering the development of a full evidentiary record in this watershed proceeding.

20. Based on the foregoing, SEPTA seeks to intervene in the above-captioned proceeding, to be added to the official service list of active parties, and to have the opportunity to participate in any and all remaining aspects of this proceeding.

WHEREFORE, SEPTA respectfully requests that the Commission grant its
Petition to Intervene in the above-captioned proceeding.

Respectfully submitted,



Kenneth G. Hurwitz
Maureen Z. Hurley
VENABLE, BAETJER, HOWARD
& CIVILETTI, LP
1201 New York Avenue, NW
Suite 1100
Washington, D.C. 20005-3917
(202) 962-4800

G. Roger Bowers, Esquire, Pa. Atty. # 02153
General Counsel
Vincent J. Walsh, Jr., Esquire, Pa. Atty. # 28692
Assistant Deputy Counsel
SOUTHEASTERN PENNSYLVANIA
TRANSPORTATION AUTHORITY
1234 Market Street
Fifth Floor
Philadelphia, PA 19107-3780
(215) 580-7459

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission v. PECO Energy Company PECO Application for Approval of its Restructuring Plan and Joint Petition for Partial Settlement Petition of Enron Energy Services Power, Inc. for Approval of an Electric Competition and Customer Choice Plan and For Authority Pursuant to Section 2807(e)(3) of the Public Utility Code to Serve as the Provider of Last Resort in the Service Territory of PECO Energy Company Docket No. R-00973953 Docket No. P-00971265

VERIFICATION

I, JOSEPH M. CASEY, DIRECTOR OF BUDGETS of Southeastern Pennsylvania Transportation Authority verify under penalty of perjury under the laws of the United States and the Commonwealth of Pennsylvania that the factual information set forth in the Petition To Intervene of the Southeastern Pennsylvania Transportation Authority is true and correct to the best of my knowledge, information and belief.

November 13, 1997 Date

Handwritten signature of Joseph M. Casey

EXHIBIT

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BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

NOV 13 1997

Pennsylvania Public Utility
Commission

v.

PECO Energy Company

PECO Application for Approval of its Restructuring
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the Service Territory of PECO Energy
Company

ORIGINAL

PA PUBLIC UTILITY COMMISSION
PROTHONOTARY'S OFFICE

Docket No.
R-00973953

Docket No.
P-00971265

MOTION FOR ADMISSION OF
KENNETH G. HURWITZ
PRO HAC VICE

Pursuant to Rule 301 of the Pennsylvania Bar Admission Rules, James R. Burdett respectfully moves that Kenneth G. Hurwitz be admitted to appear as an attorney on behalf of the Southeastern Pennsylvania Transportation Authority ("SEPTA") in the above-captioned proceeding. In support thereof, movant states:

1. I am an active member of the Pennsylvania Bar (Attorney Registration No. 41025) and a partner at Venable, Baetjer, Howard & Civiletti, LLP.

2. Kenneth G. Hurwitz, a partner at Venable, Baetjer, Howard & Civiletti, LLP, has practiced regulatory and energy law for over twenty years. He is a 1976 graduate of the University of Pennsylvania Law School. He has been duly authorized and licensed to practice

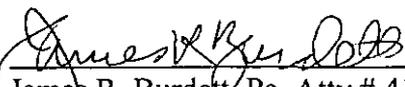
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law in the District of Columbia since 1976, in New York since 1980, and in Maryland since 1987.

3. Mr. Hurwitz has experience and particular expertise in various aspects of regulatory and energy law. Mr. Hurwitz served as Executive Director of the Maryland Public Service Commission from 1983 to 1987, where he was responsible for supervising the Commission's technical staff. Mr. Hurwitz has appeared as an attorney before the Federal Energy Regulatory Commission and state utility commissions, including the commissions of the District of Columbia, Maryland, Indiana, New Jersey, and Utah.

WHEREFORE, I respectfully move that Mr. Hurwitz be admitted to practice *Pro Hac Vice* in this proceeding.

Respectfully submitted,


James R. Burdett, Pa. Atty # 41025
VENABLE, BAETJER, HOWARD
& CIVILETTI, LLP
1201 New York Avenue, NW
Suite 1000
Washington, D.C. 20005-3917
(202) 962-4893

Dated: November 13, 1997

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BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION NOV 13 1997

Pennsylvania Public Utility
Commission

v.

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Company

ORIGINAL

PA PUBLIC UTILITY COMMISSION
PROTHONOTARY'S OFFICE

Docket No.
R-00973953

Docket No.
P-00971265

**MOTION FOR ADMISSION OF
MAUREEN Z. HURLEY
PRO HAC VICE**

Pursuant to Rule 301 of the Pennsylvania Bar Admission Rules, James R. Burdett respectfully moves that Maureen Z. Hurley be admitted to appear as an attorney on behalf of the Southeastern Pennsylvania Transportation Authority ("SEPTA") in the above-captioned proceeding. In support thereof, movant states:

1. I am an active member of the Pennsylvania Bar (Attorney Registration No. 41025) and a partner at Venable, Baetjer, Howard & Civiletti, LLP.

2. Ms. Hurley is Of Counsel at the law firm of Venable, Baetjer, Howard & Civiletti, LLP. She has been duly authorized and licensed to practice law in the District of Columbia since 1988. Ms. Hurley is a 1986 graduate of the George Washington University Law School.

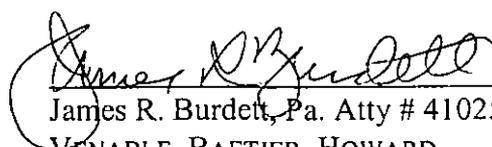
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3. Ms. Hurley has experience and particular expertise in various aspects of regulatory and energy law. Ms. Hurley has appeared as an attorney in several proceedings before the Federal Energy Regulatory Commission and state utility commissions, including the Pennsylvania Public Utility Commission.

WHEREFORE, I respectfully move that Ms. Hurley be admitted to practice *Pro Hac Vice* in this proceeding.

Respectfully submitted,



James R. Burdett, Pa. Atty # 41025

VENABLE, BAETJER, HOWARD
& CIVILETTI, LLP
1201 New York Avenue, NW
Suite 1000
Washington, D.C. 20005-3917
(202) 962-4893

Dated: November 13, 1997

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v.

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Docket No.
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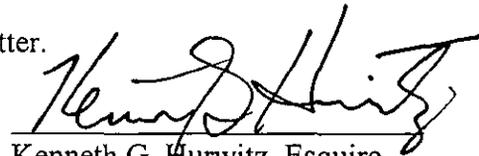
Docket No.
P-00971265

NOTICE OF APPEARANCE

Please enter my appearance in the above-designated matter on behalf of the Southeastern Pennsylvania Transportation Authority. I am authorized to accept service on behalf of said participant in this matter.

On the basis of this notice, I request a copy of each document hereafter issued by the Pennsylvania Public Utility Commission in this matter.

Dated: November 13, 1997



Kenneth G. Hurwitz, Esquire
VENABLE, BAETJER, HOWARD &
CIVILETTI, LLP
1201 New York Avenue, NW
Suite 1000
Washington, D.C. 20005-3917
(202) 962-4800 - phone
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BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION NOV 13 1997

PA PUBLIC UTILITY COMMISSION PROTHONOTARY'S OFFICE

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ORIGINAL

Docket No. R-00973953

Docket No. P-00971265

NOTICE OF APPEARANCES

Please enter our appearances in the above-designated matter on behalf of the Southeastern Pennsylvania Transportation Authority.

On the basis of this notice, we request that a copy of each document hereafter issued by the Pennsylvania Public Utility Commission in this matter be directed to Vincent J. Walsh, Jr. at the address set forth below..

Dated: November 13, 1997

DOCUMENT FOLDER

G. Roger Bowers/meh

G. Roger Bowers, Esquire

General Counsel

Vincent J. Walsh, Jr., Esquire

Assistant Deputy Counsel

SOUTHEASTERN PENNSYLVANIA

TRANSPORTATION AUTHORITY

1234 Market Street

Fifth Floor

Philadelphia, PA 19107-3780

(215) 580-7459 - phone

(215) 580-7078 - fax

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of each of the foregoing documents was served, via United States first class mail, postage prepaid, this 13th day of November, 1997, upon the following:

Daniel Clearfield, Esquire
Tanya C. Leshko, Esquire
Alan Kohler, Esquire
Gerald Gornish, Esquire
Wolf, Block, Schoor, and
Solis-Cohen
305 North Front Street
Suite 401
Harrisburg, PA 17101-1236

Christopher B. Craig, Counsel
Sen. Democratic Appropriations
Committee
Room 545
Main Capitol Building
Harrisburg, PA 17120

Robin L. Krongold, Paralegal
Paul Bonney, Ward Smith
2301 Market Street
P.O. Box 8699
Philadelphia, PA 19101-8699

Tanya J. McCloskey
Steven K. Steinmetz
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Harrisburg, PA 17120

Alan J. Barak, Esquire
Kathleen O'Reilly, Esquire
Roger Clark, Esquire
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Harrisburg, PA 17112

John Gallagher, Esquire
Zsusanna Benedek, Esquire.
Michael Klein, Esquire
Bruce Miller, Esquire
200 N 3rd Street
Suite 300
P.O. Box 12105
Harrisburg, PA 17108-2105

Kenneth Mickens, Esquire
Charles Shields, Esquire
Pa Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

Senator Vincent J. Fumo, Chm. of Senate
Democratic Committee on Appropriations
Room 545, Main Capitol Building
Harrisburg, PA 17120

Walter W. Cohen, Esquire
Andrew J. Giorgione, Esquire
Obermayer Rebmann Maxwell & Hippel
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Harrisburg, PA 17102

Craig A. Doll, Esquire
214 State Street
Harrisburg, PA 17101

Randall V. Griffin, Esquire
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Philip A. Bertocci, Attorney
1424 Chestnut Street
Philadelphia, PA 19102-2502

Mary McFall Hopper
Noel H. Trask
Paul Bonney
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P.O. Box 8699
Philadelphia, PA 19101

Karen Oill Moury
300 N. 2nd Street
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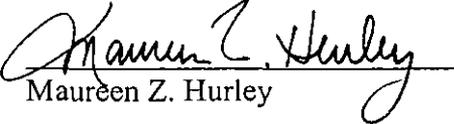
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Veronica A. Smith, Deputy Exec. Dir.
Pennsylvania Public Utility Commission
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Maureen Z. Hurley

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Attorneys for the SOUTHEASTERN
PENNSYLVANIA TRANSPORTATION
AUTHORITY



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

IN REPLY PLEASE
REFER TO OUR FILE

November 13, 1997

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NOV 14 1997

Kerry Palanjan
300 Horsham Road
Building E-8
Hatboro, PA 19040

Office of Prothonotary
Public Utility Commission

Dear Kerry Palanjan:

Thank you for your recent letter to Governor Tom Ridge expressing your support for Enron's Choice Plan which is currently being considered by the Pennsylvania Public Utility Commission in the context of the PECO Energy Company's restructuring filing proceeding under the Pennsylvania Electric Generation Customer Choice and Competition Act.

Please know that I have taken the liberty of forwarding your correspondence to the Acting Secretary of the Commission for inclusion into the official file of this proceeding.

Your comments of congratulations in adopting this type of legislation, which we believe will fuel further economic development in the Commonwealth, is greatly appreciated as well as your continued support of my efforts as Governor of Pennsylvania.

Sincerely,

Rosemary Chiavetta, Esq.
Director of Legislative Affairs

cc: Chairman Quain
Acting Secretary McNulty

"Simply Shiatsu

by Kerry Palanjan"

October 15, 1997

The Honorable
Governor Tom Ridge
Governors's Office
225 Main Capital Building
Harrisburg, PA 17120

Dear Governor Ridge:

As a member of the Greater Philadelphia Chamber of Commerce, it was a pleasure to hear you address our annual meeting at the Philadelphia Convention Center and hear of the recent successes you and the state have had in retaining and attracting old and new businesses, respectively, to Pennsylvania. I am also pleased with your attitude regarding our wonderful Democratic Mayor, Ed Rendell. As Thatcher Longstreth, a well-respected Republican stated, "Ed Rendell is the best mayor in the city's history." It is nice, fitting, and productive, when politicians put aside their affiliations and work together. I applaud your attitude, and hope to see more of it from others in the coming years as astute politicians hopefully work on problems, versus cheerleading their group as good and the other group as bad.

The purpose of this letter, however, is to lend further support to the deregulation of the electric utility industry and to indicate my support for the Choice Plan submitted by Enron. Simply stated, if Enron has met any timing deadline indicated by the state, then they are entitled to enter the competition. If Peco's claim that Enron has a record of not living up to their claims is true, let the consumer choose, not the legislature or Peco's lobbying. I have little empathy for Peco's stockholders. I do not believe a state's obligation is to protect the owners (i.e. the shareholders) of a public utility. When you purchase stock you are taking a risk. If you choose a firm that has made its money by running an inefficient, bloated company that has been charging the highest rates in the nation and getting away with it, you have taken that risk. Fortunately, you as governor have allowed this legislation allowing for utility competition to come to fruition; it is clear you agree in some manner with my contentions. In this regard, therefore, do not allow Peco to successfully lobby against Enron if they (Enron) are within their legal right to offer services in the State of Pennsylvania.

I appreciate your time and wish you continued success as governor.

Thank you.

Sincerely,


Kerry Palanjan

cc: Senator Stewart Greenleaf, 12th
Representative Roy W. Cornell, 152nd
Joseph Celano, Mayor, Borough of Hatboro

300 Horsham Road · Building E-8 · Hatboro, PA 19040
(215) 674-3086 (609) 399-5333



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

IN REPLY PLEASE
REFER TO OUR FILE

November 13, 1997

Ms. Carolyn Scanlan
President and Chief Executive Officer
The Hospital & Healthsystem Association
of Pennsylvania
4750 Lindel Road
P. O. Box 8600
Harrisburg, PA 17105-8600

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Office of Prothonotary
Public Utility Commission

Dear Ms. Scanlan:

Thank you for your recent letter of November 6, 1997, to Chairman John Quain of the Pennsylvania Public Utility Commission expressing your strong support for the introduction of competition in the electricity market throughout the Commonwealth.

Please know that I have taken the liberty of forwarding your letter to the Acting Secretary of the Commission for inclusion into the official file of the PECO Energy Company's restructuring proceeding.

We greatly appreciate the benefit of your thinking on this very important issue.

Sincerely,


Rosemary Chiavetta, Esq.
Director of Legislative Affairs

cc: Chairman Quain
Acting Secretary McNulty ✓



THE HOSPITAL & HEALTHSYSTEM ASSOCIATION OF PENNSYLVANIA

Carolyn F. Scanlan
President and Chief Executive Officer

November 6, 1997

John M. Quain
Chairman
Public Utility Commission
104 North Office Building
Harrisburg, PA 17105-3265

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CHAIRMAN QUAIN'S
OFFICE

Dear Mr. Quain:

The Hospital and Healthsystem Association of Pennsylvania strongly supports the introduction of competition in the electricity market.

Our hospitals, which must operate 24-hours a day, 365 days a year, are significant users of electric power. Moreover, hospitals are under intense pressures to reduce their costs. Speaking for the 260 hospitals and health systems in Pennsylvania, I believe it is critical that the Public Utility Commission support policies to provide maximum choice and offer the greatest opportunity for rate reductions.

The decisions the Public Utility Commission makes related to the proposals submitted by PECO and Enron for southeastern Pennsylvania have significant implications to the entire state. I hope that as you consider this first restructuring plan, the Public Utility Commission will continue to do everything possible to ensure fair and open competition in the electric marketplace.

Thank you for considering our views.

Sincerely,

CAROLYN F. SCANLAN
President and Chief Executive Officer

/ls

c : PUC Commissioners



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

IN REPLY PLEASE
REFER TO OUR FILE

November 13, 1997

In Re: **R-00973953,**
R-00973953C0001-
C0007, P-00971265

(See letter dated 10/17/97)

DOCKETED
NOV 17 1997

R-00973953,R-00973953C0001-C0007
PECO ENERGY COMPANY

DOCKETED
NOV 17 1997

Application for approval of a Restructuring Plan and Consumer Education Program.

P-00971265
Petition of ENRON Energy Services Power, Inc.

DOCUMENT
FOLDER

For approval of an electric competition and customer choice plan and for authority pursuant to section 2807(E)(3) of the Public Utility Code to serve as the provider of last resort in the service territory of PECO Energy Company .

NOTICE

This is to inform you that **the Further Hearing now scheduled for Friday, November 14, 1997 at 10:00 a.m. in Philadelphia, Pennsylvania has been canceled.**

Presiding Officer: **Administrative Law Judge Marlane R. Chestnut**
Administrative Law Judge Charles E. Rainey, Jr.
1302 Philadelphia State Office Building
Broad and Spring Garden Streets
Philadelphia, Pennsylvania 19130
Telephone: (215) 560-2105

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PROTHONOTARY'S OFFICE

KJR

Please mark your records accordingly.

If you are a person with a disability, and you wish to attend the hearing, we may be able to make arrangements for your special needs. Please call Norma Lewis at the Public Utility Commission:

- Scheduling Office: 717-787-1399
- AT&T Relay Service number for persons who are deaf or hearing impaired: 1-800-654-5988.

pc: Judge Chestnut
Judge Rainey
Rosemary Chiavetta - BPL 111
John Frazier - BPL 101
Office of Trial Staff (2)
Consumer Advocate
Small Business Advocate
Bill Barrett - FUS
Norma Lewis
Steve L. Springer, Scheduling Officer
Beth Plantz
Docket Section
Calendar File

ORIGINAL

LEBOEUF, LAMB, GREENE & MACRAE
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MOSCOW
ALMATY
LONDON
(A LONDON-BASED
MULTINATIONAL PARTNERSHIP)

November 14, 1997

KJR

BY HAND

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

Re: Pennsylvania Public Utility Commission v.
PECO Energy Company
Docket No. R-00973953

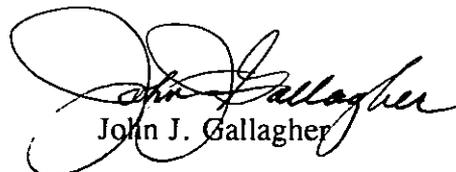
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PA.P.U.C.
PROTHONOTARY'S OFFICE

Dear Mr. McNulty:

Enclosed please find the original and three (3) copies of the Reply to PECO Energy Company's Answer in Opposition to Motion to Compel PECO to Produce Workpapers and Other Supporting Information or to Strike Portions of PECO's Testimony on behalf of Enron Energy Services Power, Inc. to be filed in the above-captioned proceeding. A Certificate of Service is also enclosed.

If you have any questions concerning this matter, please contact me at your convenience.

Sincerely,


John J. Gallagher

JJG/mas
enclosure

cc: All Parties on Certificate of Service
Daniel Clearfield, Esquire

DOCUMENT
FOLDER

93

ORIGINAL

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission	:	
	:	
v.	:	Docket No. R-00973953
	:	
PECO Energy Company	:	
	:	
Petition of Enron Energy Services Power, Inc.	:	Docket No. P-00971265
	:	

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**REPLY OF ENRON ENERGY SERVICES POWER, INC.
 TO PECO ENERGY COMPANY'S ANSWER IN OPPOSITION
 TO MOTION TO COMPEL PECO TO PRODUCE
 WORKPAPERS AND OTHER SUPPORTING INFORMATION
 OR TO STRIKE PORTIONS OF PECO'S TESTIMONY**

On November 10, 1997, after failing to reach a resolution with counsel for PECO Energy Company ("PECO") on the provision of information supporting the bond rating claims in the rebuttal testimony of J. Barry Mitchell, Enron Energy Services Power, Inc. ("Enron") filed a motion to, alternatively, (1) strike the portions of the offending testimony, or (2) compel PECO to provide information and allow Enron the opportunity to present late-filed rebuttal testimony based on that information. On November 12, 1997, PECO filed its Answer to Enron's Motion. While Enron would have hoped to rest on its original moving papers, certain statements in PECO's Answer require a response.

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**DOCUMENT
 FOLDER**

A. Enron Has Not Been Given The Information Requested.

Most shocking of all of the assertions in PECO's Answer is the claim that "Enron has already been provided the requested documentation." Answer at 1. Whatever might ultimately be determined as to the degree of information which is required, one thing is beyond dispute -- PECO has not provided Enron with the information which Enron has requested.

On November 10, 1997, after attempting unsuccessfully several times to reach PECO's counsel and leaving a detailed message with a secretary concerning Enron's intention to file its motion unless certain information was forthcoming, a telephone conference between counsel for Enron and PECO was finally held after 2:00 P.M. At that time, Enron's specific request for information was again conveyed to PECO's counsel. When it became apparent that the parties could not agree either as to the information to be provided or to an extension of Enron's time to rebut the testimony, counsel for Enron informed counsel for PECO that Enron would be filing its motion. That motion was based, in part, on Mr. Kinney's accompanying affidavit, which spells out with crystal clarity the information Enron needs to perform an independent evaluation of the effect of the Choice Plan on PECO's bond rating.

On the next day, November 11, 1997, PECO faxed Enron the very information that Enron had already informed PECO on the afternoon of the 10th would not be sufficient. Accordingly, later that day, counsel for Enron faxed counsel for PECO a letter stating, again, that the information provided was neither responsive to Enron's request, nor sufficient to permit an independent evaluation of Mr. Mitchell's claims. (A copy of the letter is attached hereto). Therefore, regardless of PECO's belief as to whether the information is sufficient, it

is simply beyond dispute that PECO has never provided Enron with the information Enron has requested.

B. PECO Has Conceded That Enron Was Not Provided With The Information Necessary To Test Mr. Mitchell's Assumptions Until The Afternoon of Tuesday, November 11th.

Included in PECO's argument that Enron has been given all of the information it asked for, is PECO's strange claim that "[i]f any party is to be criticized for failing to document the financial effects of the Enron Plan, it is Enron, not PECO." Answer at 3. Clearly, PECO is confused.

PECO claims, for example, that certain confidential calculations and assumptions were provided to Enron's counsel as a consequence of Mr. Mitchell's deposition in September 1997. Answer at 4. PECO apparently forgets, however, that the calculations and assumptions referred to the Partial Settlement -- not the Choice Plan.

PECO then extends itself even farther out on a limb, arguing that Enron, itself, had all the information it needed to perform the calculations:

Those calculations, with revisions to certain assumptions to reflect the financial effect of the Enron Plan, were thereafter used by Mr. Mitchell to prepare the financial analysis of the Enron Plan that was submitted in Mr. Mitchell's Statement No, 20-R. Thus, although Enron could have duplicated the calculations and analysis itself from previous information available to it, apparently it did not.

Answer at 4. PECO fails to discern the flaw that is fatal to its claim.

One may search in vain the testimony of Mr Mitchell (in Statement 20-R) to find any of the "revisions to certain assumptions to reflect the financial effect of the Enron Plan" upon which Mr. Mitchell is claimed to rely. If, as PECO claims, Enron could have

evaluated Mr. Mitchell's testimony based on the calculations and analysis that were faxed to Enron on Tuesday, November 11th, the fact is that those assumptions were not contained in his testimony. Therefore, even PECO would have to agree that the earliest that Enron could have begun an analysis of Mr. Mitchell's testimony would have been on Tuesday afternoon. Enron, however, should have been able to begin that analysis on the evening of Friday, November 7th, when PECO's rebuttal testimony was due. The fact that Enron could not begin its analysis until November 12th was due solely to PECO's failure to have Mr. Mitchell state the assumptions he relied on to reach his conclusions about PECO's bond ratings under the Choice Plan.

Nevertheless, despite its implicit concession that Enron did not have sufficient information until Tuesday afternoon, PECO remains adamant that Enron should not be given any additional time. Under the circumstances, basic fairness would require that Enron be given back the four days it has lost due to PECO's admitted failure to provide information necessary to permit Enron to analyze and rebut Mr. Mitchell's testimony. In view of PECO's claim that it should not be required to respond to oral rebuttal, Enron would be willing to pre-file written testimony no later than 4:30 P.M. on Friday, November 14, 1997.

C. The Information PECO Has Provided Is Unresponsive to the Information Sought and Is of No Value.

PECO claims that Enron should have provided its own analysis of the Choice Plan because Enron was given information relating to the Partial Settlement. Answer at 5. With all due respect, the financial information provided by PECO is of no value because it constitutes information which PECO has chosen to provide to the parties, not information which PECO, itself, has used and relied on. In this regard, PECO apparently forgets that

during the deposition of Mr. Mitchell, PECO's counsel repeatedly objected to any effort to discover PECO's own view of the financial results that were likely to occur under the Partial Settlement. The following exchanges are illustrative, although not exhaustive:

Q. Did you conduct any financial analysis of the parts of this settlement agreement after this settlement agreement was signed?

A. I'm trying to remember the time. Yes.

* * *

Q. Okay. As a general matter, what were those analyses?

MR. BONNEY: Objection. This calls for disclosure of protected, privileged material.

* * *

Q. Without identifying communication to or from your lawyer, can you tell me as a general matter what the analyses that you referred to were?

MR. BONNEY: Same objection. It was prepared under the direction of counsel and is, therefore, attorney work product, privileged.

Mitchell Deposition, Tr. 16-17.

* * *

Q. Yes. Does the document I'm referring to as settlement analysis include an evaluation of the present worth of income streams contemplated by the settlement agreement?

MR. BONNEY: I'm going to object to that question as well. Among other things, that it's business proprietary whether we've done that kind of analysis, as well as the results of that analysis.

Mitchell Deposition, Tr. 39.

Clearly, PECO is in possession of other analyses of its future financial performance that it apparently deems more probative and reliable than the data it was willing to share with the parties. Equally clearly, PECO is not about to divulge those analyses.

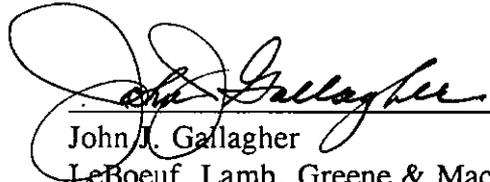
Therefore, Mr. Mitchell's claims about PECO's bond rating, either as a result of the Partial Settlement or the Choice Plan, are not reliable.

Mr. Kinney's affidavit sets forth, in no uncertain terms, the information that is needed in order to permit an independent evaluation of Mr. Mitchell's claims. Mr. Kinney is a Chartered Financial Analyst who is employed by one of America's largest financial institutions. Conspicuously, PECO has not offered an answering affidavit, by someone having qualifications equal to Mr. Kinney, showing how or why Mr. Kinney is in error. Inasmuch as PECO has not factually disputed Mr. Kinney's statements, this motion must be determined based on a finding that, without the information that PECO refuses to divulge, an independent determination cannot be made of the accuracy of Mr. Mitchell's claims. Accordingly, Mr. Mitchell's testimony is of no probative value and the appropriate remedy is to bar its entry into the record.

CONCLUSION

For the reasons expressed above, the offending portions of the testimony of J. Barry Mitchell should be barred from the record. If the Presiding Administrative Law Judges are unwilling to bar such testimony, at minimum, Enron should be provided the opportunity to file rebuttal testimony to Mr. Mitchell's claims by 4:30 on Friday, November 14, 1997.

Respectfully submitted,



John J. Gallagher
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L.L.P.

Bruce V. Miller
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November 11, 1997

VIA FACSIMILE

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PECO Energy Company
2301 Market Street
P.O. Box 8699
Philadelphia, PA 19101-8699

RECEIVED
97 NOV 14 PM 4: 14
F.A.P.U.C.
PROTHONOTARY'S OFFICE

Re: Docket No. R-00973953, Application of PECO Energy Company For Approval Of Its Restructuring Plan Under Section 2806 of the Public Utility Code; Docket No. P-00971265, Petition of Enron Energy Services Power, Inc. for Approval of its Choice Plan.

Dear Paul:

I am replying to your letter sent earlier today regarding the information we sought in our Motion filed yesterday. As you can well understand, we have been quite busy in preparing our rebuttal filing, but I wanted to respond to your letter in advance of the telephone conference tomorrow. While I appreciate your efforts to resolve this matter, the information you sent is insufficient.

As you will recall, PECO witness Mitchell testified that PECO would be reduced by the Choice Plan to a bond rating of "B or below" in each year of the period 1999 to 2005. The affidavit of Mr. Kinney, which was attached to our motion, stated that it was not possible to evaluate Mr. Mitchell's claim without examining the following information for the years in question: details of the use of proceeds of the sale of transition bonds, the assumed tax effect of the transaction, detailed calculations of the ratios, with supporting financial statements, including

Paul R. Bonney, Esquire
November 11, 1997
Page 2

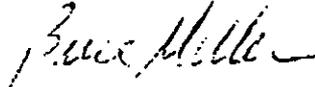
pro forma balance sheets, income statements and statements of cash flows taking into consideration the financing proposal.

The information which you faxed me earlier today does not contain the information that Mr. Kinney sought. In fact, the only information responsive to Mr. Kinney's statement of his requirements was information as to PECO's assumed use of the proceeds of the financing. The remainder of the information you sent contained only financial information for 1996 and earlier years and certain assumptions which would tend to produce a predetermined result. Notably absent from the package was the rest of the information necessary to make an independent evaluation of Mr. Mitchell's claims, including detailed calculations of the ratios, supported by pro forma balance sheets, income statements and statements of cash flows for the years 1999-2005.

In view of PECO's failure to provide the requested information, Enron's financial advisors remain unable to respond in any meaningful manner to Mr. Mitchell's statement that PECO will be reduced to a bond rating of B or below.

I assume that we will be speaking further on this matter.

Very truly yours,



Bruce V. Miller

Hon. Marlane R Chestnut
Hon. Charles E. Rainey, Jr.

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission	:	
	:	
v.	:	Docket No. R-00973953
	:	
PECO Energy Company	:	
	:	
Petition of Enron Energy Services Power, Inc.	:	Docket No. P-00971265
	:	

CERTIFICATE OF SERVICE

I hereby certify that I have on this 14th day of November, 1997, caused to be served via facsimile and first class mail, unless otherwise noted, a true copy of the foregoing Reply to PECO Energy Company's Answer in Opposition to Motion to Compel PECO to Produce Workpapers and Other Supporting Information or to Strike Portions of PECO's Testimony on behalf of Enron Energy Services Power, Inc. upon the participants, listed below, in accordance with the requirements of 52 Pa.Code § 1.54:

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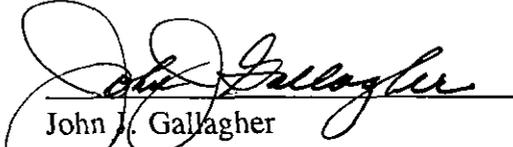
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(202) 962-4850

November 14, 1997

VIA FEDEX DELIVERY

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Mr. John McNulty, Acting Secretary
PENNSYLVANIA PUBLIC UTILITY COMMISSION
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KJP

PA PUBLIC UTILITY COMMISSION
PROTHONOTARY'S OFFICE

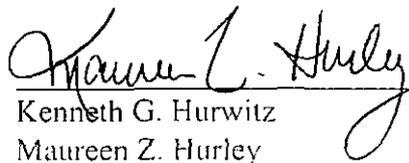
Re: Pennsylvania Public Utility Commission v. PECO Energy Company, PECO Application for Approval of its Restructuring Plan and Joint Petition for Partial Settlement, Docket No. R-00973953; Petition of Enron Energy Services Power, Inc. for Approval of an Electric Competition and Customer Choice Plan and For Authority Pursuant to Section 2807(e)(3) of the Public Utility Code to Serve as the Provider of Last Resort in the Service Territory of PECO Energy Company, Docket No. P-00971265

Dear Mr. McNulty:

Enclosed for filing in the above-captioned matter please find an original and two (2) copies of a Verification, a facsimile copy of which was filed with the Commission on November 13, 1997 as part of the the SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY'S Petition to Intervene.

Also enclosed are two (2) additional copies of the Verification which we request that you time-stamp and return to us in the enclosed self-addressed, stamped envelope.

Very truly yours,


Kenneth G. Hurwitz
Maureen Z. Hurley

KJR

Enclosure

cc: Honorable Marlane R. Chestnut
Parties listed on Certificate of Service

**DOCUMENT
FOLDER**

ORIGINAL

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility
Commission

v.

PECO Energy Company

PECO Application for Approval of its Restructuring
Plan and Joint Petition for Partial Settlement

Petition of Enron Energy Services
Power, Inc. for Approval of an Electric
Competition and Customer Choice Plan
and For Authority Pursuant to Section
2807(e)(3) of the Public Utility Code to
Serve as the Provider of Last Resort in
the Service Territory of PECO Energy
Company

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PA PUBLIC UTILITY COMMISSION
PROTHONOTARY'S OFFICE

)
)
) Docket No.
) R-00973953
)

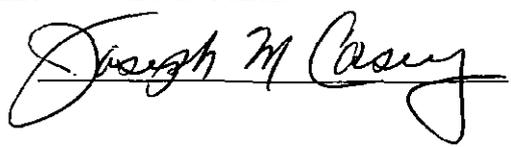
)
) Docket No.
) P-00971265
)
)
)
)

VERIFICATION

I, JOSEPH M. CASEY,, DIRECTOR OF BUDGETS of Southeastern

Pennsylvania Transportation Authority verify under penalty of perjury under the laws of the United States and the Commonwealth of Pennsylvania that the factual information set forth in the *Petition To Intervene of the Southeastern Pennsylvania Transportation Authority* is true and correct to the best of my knowledge, information and belief.

November 13, 1997
Date



DC2B0CS151883

**DOCKETED DOCUMENT
NOV 19 1997 FOLDER**

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document was served, via United States first class mail, postage prepaid, this 14th day of November, 1997, upon the following:

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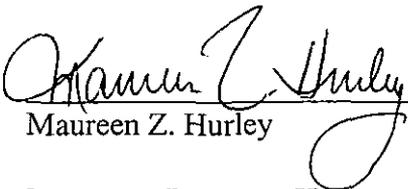
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OFFICE OF
EXECUTIVE DIRECTOR

November 14, 1997

Robert A. Christianson
Chief Administrative Law Judge
Office of Administrative Law Judge
Room G-6, North Office
Harrisburg, PA 17105-3265

Set 3

KJR

Re: PECO Energy Restructuring
R-00973953

Dear Chief Judge Christianson:

Attached are Commission data requests to be provided to the parties in the PECO Restructuring proceeding. Responses to the data requests should be made part of the record with service on all parties. The parties should also seek to place the responses into evidence. Since hearings will be concluded as of Thursday, November 20, 1997, responses should be filed to meet that deadline.

In addition, the answers to the Commission data requests should be compiled in one document. However, should the record already contain the response elsewhere, the responding party can cite to the place in the record where the response can be found.

Please forward these questions to Administrative Law Judges Marlane Chestnut and Charles Rainey for appropriate direction to the parties.

Thank you for your cooperation and attention to this matter.

Sincerely,

Veronica A. Smith
Deputy Executive Director

PA.P.U.C.
PROTHONOTARY'S OFFICE

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Attachment

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DOCUMENT
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To PECO and Enron and other parties in the PECO / Enron proceeding, as applicable, please answer the following:

Each data request scenario below assumes base kwh retail sales of 33,569,358,000 kwh growing at 1% per year for each and every year of the transition period. When performing Net Present Value (NPV) calculations do so to September 1, 1998 even if the particular restructuring plan scenario indicated below starts on January 1, 1999. Use a discount rate of 8.41% in performing all NPV calculations.

1. Assume the Partial Settlement is implemented without modification and that no legal impediment to securitization exists. Please provide a table quantifying the nominal cash value of annual rate cuts (relative to the system rate in effect on 12/31/1996) for each and every year of the transition period and the net present value and levelized annual rate cut (relative to the PECO system rate in effect on 12/31/1996) for plan in total. Please perform this calculation for each of the following scenarios a. and b. below and assume that transmission and distribution rates are as found in columns 1 and columns 2 of table A of the Partial Settlement for each and every year of the partial settlement's transition period.

a. all consumers remain a bundled customer of PECO Energy and purchase generation at the energy and capacity cap rates found on column 4 of Table A of the Partial Settlement.

b. all consumers procure generation at a market price of 2.88 cents/kwh on a system basis in 1999 escalating at 3% per year for each and every year of the transition period.

2. Assume PECO's April 1, 1997 Original Filing is implemented as filed and that no legal impediment to securitization exists, PECO securitizes \$4 billion and flows through to consumers securitization benefits of .75% per billion for each year of the April 1 filing's transition period. Please provide a table quantifying the nominal cash value of annual rate cuts (relative to the system rate in effect on 12/31/1996) for each and every year of the transition period and the net present value and levelized annual rate cut (relative to the PECO system rate in effect on 12/31/1996) for the plan in total. Please perform this calculation for each of the following scenarios a. and b.:

a. all consumers remain a bundled customer of PECO Energy and purchase generation at the generation credit rates found in PECO's April 1 filing.

b. all consumers procure generation at a market price in 1999 of 2.88 cents/kwh escalating at 3% per year for each and every year of the transition period

3. Assume the Enron Choice Plan is implemented without modification and that no legal impediment to securitization exists. Please provide a table quantifying the nominal cash value for each and every year of the transition period and the net present value and levelized annual rate cut (relative to the PECO system rate in effect on 12/31/1996) for plan in total. Please perform this calculation for each of the following scenarios, and assume that transmission and distribution rates are as found in the Choice plan for each and every year of the Choice plan's transition period.

a. all consumers are a provider of last resort customer of Enron and purchase generation at the energy and capacity cap rates found in the Choice Plan petition.

b. all consumers procure generation at a market price of 2.88 cents/kwh on a system basis in 1999 escalating at 3% per year for each and every year of the transition period.

4. Please repeat scenarios 1,2, and 3 assuming no securitization occurs.

5. Attached is an example of the above analysis. Please comment on the analysis.

PECO Restructuring: Annual, NPV & Levelized Annual Rate Cuts (vs. 12/31/96) WITH Securitization in amounts indicated

	1	2	3	4	5	6
	Bundled Cust. PECO PARTIAL SETTLEMENT Secure \$4 bln.	Shopper with PECO PARTIAL SETTLEMENT Secure \$4 bln.	Bundled Cust. PECO's April Filing Secure \$4 bln.	Shopping Cust. PECO's April Filing Secure \$4 bln.	PLR customer in ENRON "CHOICE PLAN" Secure \$5.416 bln	Shopper with ENRON "CHOICE PLAN" Secure \$5.416 bln.
<u>Year</u>						
<u>4 mos.</u>	\$ 109,671,093	\$ -	\$ -	\$ -	\$ -	\$ -
1999	\$ 332,336,644	\$ 305,481,158	\$ 100,204,534	\$ 73,349,047	\$ 664,673,288	\$ 866,089,436
2000	\$ 335,660,011	\$ 279,242,005	\$ 101,206,579	\$ 44,788,573	\$ 671,320,021	\$ 845,456,366
2001	\$ 167,796,100	\$ 217,315,811	\$ 102,218,645	\$ 151,738,356	\$ 339,016,611	\$ 504,966,269
2002	\$ 65,714,432	\$ 187,786,335	\$ 103,240,831	\$ 225,312,735	\$ 134,887,518	\$ 301,921,928
2003	\$ (3,493,241)	\$ 156,683,948	\$ 104,273,240	\$ 264,450,429	\$ (3,493,241)	\$ 163,670,430
2004	\$ (3,528,173)	\$ 219,202,112	\$ 105,315,972	\$ 328,046,257	\$ (3,528,173)	\$ 162,751,339
2005	\$ (3,563,455)	\$ 221,336,661	\$ 106,369,132	\$ 331,269,248	\$ (3,563,455)	\$ 157,194,471
2006	\$ (183,553,567)	\$ 258,401,409	\$ 924,966,013	\$ 1,366,920,989	\$ (183,553,567)	\$ (25,926,665)
2007	\$ (403,493,929)	\$ 222,358,658	\$ 897,864,869	\$ 1,523,717,456	\$ (367,143,125)	\$ (210,215,915)
2008	\$ (370,814,556)	\$ 294,541,758	\$ 833,414,893	\$ 1,498,771,206	\$ (370,814,556)	\$ (223,130,048)
Rate Cuts:						
<u>Levelized</u>	\$ 57,303,254	\$ 214,677,186	\$ 249,426,330	\$ 421,838,243	\$ 151,164,489	\$ 304,037,469
<u>NPV</u>	\$ 385,489,521	\$ 1,444,172,879	\$ 1,677,936,755	\$ 2,837,783,376	\$ 1,016,911,296	\$ 2,045,315,927

Scenario 1 is the PECO Partial Settlement proposal under the assumption that all consumers purchase bundled service at the ECC (i.e. Generation) cap rates

Scenario 2 assumes PECO Partial Settlement and all customers shopping, again assuming system market generation purchase at 2.88 cents growing at 3%/year

Scenario 3 assumes PECO's April 1 Filing was stamped "APPROVED" and all customers chose not to shop. Scenario 3 and 4 assume that the CTC avoided in 2006, 2007 and 2008 is the CTC/ITC found in the partial settlement.

Scenario 4 assumes approval of the PECO April 1 Filing, with all customers shopping

Scenario 5 assumes Enron Choice Plan savings under the assumpt. that all customers are a bundled customer of ENRON (assuming ENRON is the PLR).

Scenario 6 is for shopping customers assuming the Enron Choice plan is in effect. The consumer purchases gen. @ 2.88 cents/kwh

For each scenario above, Kwh sales are assumed to grow at 1% per year for each and every year of the transition period.

The discount rate used above is 8.41% , and securitization benefits = rate cuts of .75 % per billion securitized.

PECO Restructuring: Annual, NPV and Levelized Annual Cash Value of Rate Cuts (vs. 12/31/96) WITHOUT Securitization

	1	2	3	4	5	6
	Bundled Cust. PECO PARTIAL SETTLEMENT	Shopper with PECO PARTIAL SETTLEMENT	Bundled Cust. PECO's April Filing	Shopping Cust. PECO's April Filing	PLR customer in ENRON "CHOICE PLAN"	Shopper with ENRON "CHOICE PLAN"
Year						
4 mos	\$ 77,157,491	\$ -	\$ -	\$ -	\$ -	\$ -
1999	\$ 233,810,578	\$ 206,955,092	\$ -	\$ (26,855,486)	\$ 467,765,505	\$ 669,181,653
2000	\$ 236,148,684	\$ 179,730,678	\$ -	\$ (56,418,006)	\$ 472,443,160	\$ 646,579,505
2001	\$ 67,289,661	\$ 116,809,372	\$ -	\$ 49,519,711	\$ 238,167,730	\$ 404,117,388
2002	\$ 65,714,432	\$ 187,786,335	\$ -	\$ 122,071,903	\$ 69,173,086	\$ 236,207,496
2003	\$ (3,493,241)	\$ 156,683,948	\$ -	\$ 160,177,189	\$ (3,493,241)	\$ 163,670,430
2004	\$ (3,528,173)	\$ 219,202,112	\$ -	\$ 222,730,285	\$ (3,528,173)	\$ 162,751,339
2005	\$ (3,563,455)	\$ 221,336,661	\$ -	\$ 224,900,116	\$ (3,563,455)	\$ 157,194,471
2006	\$ (183,553,567)	\$ 258,401,409	\$ 817,533,190	\$ 817,533,190	\$ (183,553,567)	\$ (25,926,665)
2007	\$ (403,493,929)	\$ 222,358,658	\$ 789,357,718	\$ 789,357,718	\$ (367,143,125)	\$ (210,215,915)
2008	\$ (370,814,556)	\$ 294,541,758	\$ 723,822,670	\$ 723,822,670	\$ (370,814,556)	\$ (223,130,048)
Rate Cuts:						
<u>Levelized</u>	\$ 17,956,886	\$ 179,789,048	\$ 155,347,511	\$ 213,819,071	\$ 85,679,537	\$ 238,552,518
<u>NPV</u>	\$ 120,799,274	\$ 1,209,473,963	\$ 1,045,051,250	\$ 1,438,400,179	\$ 576,381,993	\$ 1,604,786,623

Please See "WITH SECURITIZATION" page for Scenario Descriptions and assumptions, except that securitization is not assumed to occur for this sheet.

ORIGINAL

LEBOEUF, LAMB, GREENE & MACRAE
L.L.P.

A LIMITED LIABILITY PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

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LOS ANGELES
NEWARK
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PORTLAND, OR
SALT LAKE CITY
SAN FRANCISCO
BRUSSELS
MOSCOW
ALMATY
LONDON
(A LONDON-BASED
MULTINATIONAL PARTNERSHIP)

KJR

November 14, 1997

BY HAND

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

Re: Pennsylvania Public Utility Commission v.
PECO Energy Company
Docket No. R-00973953

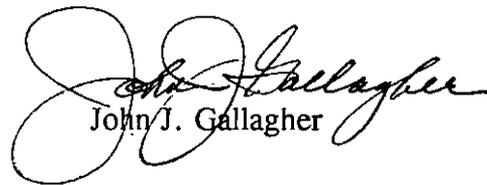
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P.A.P.U.C.
PROTHONOTARY'S OFFICE

Dear Mr. McNulty:

Enclosed please find the original and three (3) copies of Enron Energy Services Power, Inc.'s Motion for an Expedited Ruling from the Bench to Compel PECO to Produce Workpapers and Other Supporting Information or to Strike Portions of PECO's Testimony to be filed in the above-captioned proceeding. A Certificate of Service is also enclosed.

If you have any questions concerning this matter, please contact me at your convenience.

Sincerely,


John J. Gallagher

JJG/mas
enclosure

cc: All Parties on Certificate of Service
Daniel Clearfield, Esquire

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124

ORIGINAL

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission :
 :
 v. : Docket No. R-00973953
 : Docket No. P-00971265
 PECO Energy Company :

MOTION OF
ENRON ENERGY SERVICES POWER, INC.
FOR AN EXPEDITED RULING FROM THE BENCH
TO COMPEL PECO TO PRODUCE WORKPAPERS
AND OTHER SUPPORTING INFORMATION
OR TO STRIKE PORTIONS OF PECO'S TESTIMONY

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Enron Energy Services Power, Inc. ("Enron" or "EESPI"), through its undersigned counsel, pursuant to 52 Pa. Code §§ 5.371 and 5.372, hereby files this motion to compel PECO to produce documents in support of testimony by noon, Thursday, November 13, 1997, and to provide Enron with the opportunity to rebut such testimony at the last hearing on November 19, 1997. In the alternative, Enron moves to strike: (1) portions of the testimony of PECO Energy Company ("PECO") witness J. Barry Mitchell that refer to the effect on PECO's financial integrity if the Commission were to adopt Enron's Choice Plan; and (2) portions of the testimony of PECO witnesses that rely upon Mr. Mitchell's testimony on this matter.

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¹ Counsel for Enron and PECO have spoken but have been unsuccessful in their efforts to resolve this matter.

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1. **Factual Background.**

On October 7, 1997, EESPI filed a Petition requesting implementation of its Choice Plan, along with a motion to consolidate Commission consideration of the Enron Choice Plan with the Commission's consideration of the Partial Settlement.² On October 9, 1997, the Commission entered an Opinion and Order granting Enron's Motion to Consolidate. In accordance with the established procedural schedule, Enron filed direct testimony on October 24, 1997.

Late on Friday, November 7, 1997, PECO filed responsive testimony. At PECO Statement No. 20-E, J. Barry Mitchell submitted testimony on behalf of PECO. In pertinent part, the purpose of Mr. Mitchell's testimony is to describe the so-called "catastrophic effect of the Choice Plan . . . on the Company's [PECO's] financial integrity." PECO St. No. 20-E at 2. According to PECO witness Mitchell, a company's financial integrity is determined by:

A company's ability to internally generate funds is measured by its cash flow. A company's access to the short-term debt market is determined by its creditworthiness, which is reflected in the rating of its commercial paper. A company's ability to access the long-term debt market is also determined by its creditworthiness, which is reflected by its bond rating, which is in turn derived from criteria such as funds from operations as a percentage of total debt, funds from operations interest coverage, the ratio of total debt to total capital, pre-tax interest coverage, and net cash flow as a percentage of capital expenditures. A company's ability to access the common stock equity market is determined by its ability to provide an adequate total return to its shareholders, commonly demonstrated by earnings and dividends per share and cash flow per share.

PECO St. No. 20-E at 4.

² On October 7, 1997, a Motion for Expedited Establishment of a Procedural Schedule was also filed by Enron.

PECO witness Mitchell then proceeds to summarize the “effects” of the Choice Plan, stating among other things, that approval of Enron’s Plan will culminate in a junk bond rating of “B or below” for PECO’s mortgage bond debt. PECO St. 20-E at 6-7. There exists absolutely no financial documentation in Mr. Mitchell’s testimony, however, to support any of his claims. PECO has seen fit neither to present an exhibit showing the financial information and assumptions in support of this claim nor to provide a copy of Mr. Mitchell’s workpapers.

Attached to this motion is the affidavit of Christopher P. Kinney of Chase Securities Inc. As Mr. Kinney’s affidavit demonstrates, the conclusory statements offered by PECO concerning the effect on its financial integrity of the Choice Plan are of absolutely no evidentiary value, standing unsubstantiated, as they are. Mr. Kinney’s affidavit shows that a responsible financial analyst would place no credence upon such claims without carefully examining the underlying financial information and assumptions in support thereof.

2. PECO’s Action Has Deprived Enron of It’s Right to File Rebuttal Testimony on Mr. Mitchell’s Contentions.

At page 6 of his testimony, Mr. Mitchell acknowledges that he has “calculated the effect” of the Enron Plan on PECO’s financial integrity. PECO St. 20-E at 6. Rather than provide those calculations, however, Mr. Mitchell presents his summarized view of the “effects” of such calculations. *Id.* at 6-7. In other words, the calculations, assumptions and the financial information relied upon by PECO witness Mitchell remain hidden from review by Enron, the parties and, ultimately, the Commission.

Due to the extreme time constraints in this case, Enron was given extremely little time to file rebuttal testimony to the positions espoused by PECO and other parties to this proceeding. PECO’s testimony was served on counsel for Enron late Friday afternoon on

November 7, 1997. Enron is required to serve its rebuttal testimony in hand on Wednesday, November 12, 1997. Given the need to reproduce copies and serve the testimony, Enron in effect has been given four (4) days to prepare its rebuttal -- with two of those days being weekend days. By the time Enron's representatives were able to read Mr. Mitchell's testimony and recognize its deficiencies, the weekend was upon them and counsel at PECO was gone for the day.³ Therefore, the earliest that Enron could file this motion for back-up financial information in support of Mr. Mitchell's testimony would be Monday morning, November 10, 1997. Even assuming that PECO agrees to respond fully to Enron's request for the financial documentation in support of Mr. Mitchell's assertions, by the time such information is provided, Monday will be largely gone and Enron will have just one day to analyze and respond to the back-up financial information purporting to underlie Mr. Mitchell's claims and the claims of the other PECO witnesses who rely upon PECO witness Mitchell's unsupported assertions.

PECO is, or should be, well aware that no party would accept the analysis of the impact of the Choice Plan on PECO's financial integrity based solely on the naked assertions contained in Mr. Mitchell's testimony.⁴ Obviously, PECO knew, or should have known, that Enron would have no reasonable chance of analyzing and responding to Mr. Mitchell's claims without being provided with back-up financial information and the assumptions upon which Mr. Mitchell relied. Regardless of whether PECO's failure to provide this essential information was a

³ Enron's employees, its counsel and consultants, nevertheless have labored through the weekend in an effort to produce the comprehensive record demanded by the Commission.

⁴ Even more important, the Commission should not be placed in the position of being presented with the critical issue of the effect of the Choice Plan on PECO's financial integrity without the benefit of any of the information and assumptions which underlie that issue.

simple error or part of a deliberately crafted plan to deprive Enron of its ability to rebut Mr. Mitchell's contentions, the result is the same -- Enron has been deprived of its ability to prepare and file rebuttal testimony of the nature and scope that the Commission has determined must be filed in this case.

3. PECO's Actions will Deprive the Commission of Review of a Full and Complete Evidentiary Record.

By Opinion and Order entered November 6, 1997, the Commission clarified its Order of October 9, 1997 concerning the scope and nature of this phase of this proceeding. The Commission explicitly noted that "[i]t is essential that this Commission have available a full record upon which to determine a result which furthers the public interest, as the Act requires." Opinion and Order at 6. The Commission specifically noted the encompassing scope of this proceeding as follows:

We affirm and clarify that additional hearings, including any further public input hearings, shall be conducted as necessary to permit all parties a full opportunity to present their cases concerning all issues raised in the Restructuring proceeding, including those addressed by the Joint Petition for Partial Settlement or the Enron PLR Petition. This Commission must have an adequate record for adjudication of PECO's Restructuring Plan in the event that neither the Joint Petition for Partial Settlement, the Enron PLR Petition, nor any other proposed settlement is approved. In view of the foregoing, it is incumbent upon the OALJ and the parties to develop a schedule which will provide for the filing of testimony and hearings consistent with the discussion herein.

Opinion and Order at 7. The Commission concluded that such a public interest determination hinges upon the development of a full and complete record, regardless of "whether or not a settlement is proffered in these consolidated proceedings." *Id.* at 9.

In other words, the Commission's premise of developing "the totality of the evidentiary record" mandates that all assumptions and assertions contained within PECO witness Mitchell's testimony must be supported by record evidence. In this regard, PECO has the burden of going forward with evidence to demonstrate that reasonableness of its contentions. *Pa. Public Utility Commission v. Breezewood Telephone Co.* 74 Pa. PUC 431, 437 (1991). If PECO, in this proceeding, advocates that the Partial Settlement should be approved as just and reasonable over and above Enron's Choice Plan because the Choice Plan will have an alleged negative impact upon PECO's financial integrity, then PECO must satisfy the burden of production to provide evidence to support fully and completely this portion of PECO witness Mitchell's testimony.

It is Enron's position that the Commission in its Order of November 6, 1997 intended that a full and complete record be developed in this proceeding. However, on the issue of the impact to PECO's financial integrity under the Enron Choice Plan versus the Partial Settlement, the Commission would be given a grossly incomplete and skewed record.⁵ PECO witness Mitchell fails to provide any supporting calculations, documents or analyses demonstrating how he derived the "summary" of PECO's claimed "results" to PECO's financial integrity allegedly arising from the approval of Enron's Choice Plan. Therefore, not only has PECO deprived Enron of its ability to rebut Mr. Mitchell, but PECO has also deprived the

⁵ For example, a significant portion of Mr. Mitchell's contentions are derived from Table JBM-1 at page 8 of his testimony. While Mr. Mitchell applies S&P "key financial criteria," he fails to provide underlying assumptions and otherwise fails to demonstrate how he applied such criteria to the Enron Choice Plan to determine that for each year PECO's bond ratings will be at "B or below." PECO St. No. 20-E at 8. Moreover, Table JBM-1 is incomplete from the Commission's evidentiary requirement for this case because it fails to provide a similar table with supporting documents as applicable to the Partial Settlement utilizing the same assumptions as were applied to the Choice Plan.

Commission of its intended review of a full and complete record which is so vital to a proceeding of this nature.

4. Relief Requested.

It remains Enron's position that the Commission envisioned the development of "a full record upon which to determine a result which furthers the public interest." Opinion and Order, entered November 6, 1997. Accordingly, and in accordance with the Commission's Order of November 6, 1997, Enron herein moves to compel PECO to provide all documents, calculations, assumptions and conclusions in support of Mr. Mitchell's assertions in testimony concerning the financial impact upon PECO of approval of Enron's Choice Plan.

The attached affidavit of Christopher P. Kinney describes the type of specific information sought to be produced by PECO. Mr. Kinney's affidavit provides as follows: "Such assumptions should include, among others, details of the use of proceeds of the \$5.461 billion to be obtained from Enron's purchase of transition bonds under the Choice Plan, the assumed tax effect of the transaction, and detailed calculations of the ratios with supporting financial statements, including pro forma balance sheet, income statement and statement of cash flow taking into consideration the financing proposed in the Choice Plan." Affidavit of Christopher P. Kinney at ¶ 6.

Enron requests that such supporting documents be provided to Enron by noon on Thursday, November 13, 1997, and to provide Enron with the opportunity to rebut such testimony at the last hearing on November 19, 1997.⁶

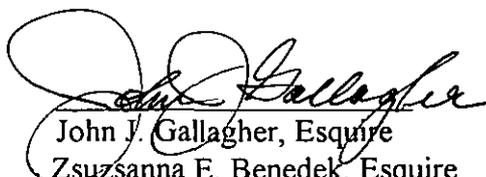
⁶ Given the time constraints in this case, counsel for Enron will be available to address this motion at the convenience of the Presiding ALJs or during the conference call among the ALJs, PECO, Enron and other interested parties that is
(continued...)

In the alternative, if PECO refuses to provide such financial data and workpapers in support of Mr. Mitchell's testimony, Enron moves to strike portions of Mr. Mitchell's testimony concerning PECO's derivation of the alleged financial impact upon PECO of Enron's Choice Plan.⁷ Enron would also seek the removal of any portions of the testimonies of other PECO witnesses who rely upon or reference Mr. Mitchell's testimony on this matter

Respectfully submitted,

Bruce V. Miller, Esquire
LeBouef, Lamb, Greene &
MacRae, L.L.P.
125 W. 55th Street
New York, NY 10019
(212) 424-8357
Fax (212) 424-8500

Dated: November 10, 1997


John J. Gallagher, Esquire
Zsuzsanna E. Benedek, Esquire
LeBouef, Lamb, Greene &
MacRae, L.L.P.
200 North Third Street
Suite 300
Harrisburg, PA 17108-2105
(717) 232-8199
Fax (717) 232-8720

⁶(...continued)

scheduled to occur on Wednesday, November 12, 1997. Counsel for Enron agrees to undertake the coordination of any conference call on this matter, if advised to do so by the presiding ALJs. Enron counsel Gallagher and Benedek are currently with Mr. Miller in LeBoeuf Lamb's New York office and can be reached at 212-424-8357.

⁷ Specifically, Enron moves to strike the following portions of Mr. Mitchell's testimony contained in PECO St. No. 20-E which address the alleged effect on PECO's financial integrity: Page 2 (lines 1-3); Page 2 (from line 10 to line 15) and page 6 (line 10) through page 11 (line 20). Enron also moves to strike portions of the following testimony which rely upon or refer to the above testimony: the testimony of Mr. Hill (PECO Statement No. 1-E), p. 15, lines 14 to 15; the testimony of Mr. Pratzon (PECO Statement No. 21-E), p. 40, lines 2 to 12; and the testimony of Mr. Hiller (PECO Statement No 27-E), p. 10, lines 4 to 12, p. 11, line 18 to p. 12, line 2 and p. 13 lines 6 to 8. Enron believes that the above references are complete but reserves its right to include, in this Motion, further testimony that refers to Mr. Mitchell's conclusions about PECO's financial integrity under the Choice Plan.

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission :
: Docket No. R-00973953
v. :
: Docket No. P-00971265
PECO Energy Company :

AFFIDAVIT OF CHRISTOPHER P. KINNEY

**Managing Director
Chase Securities Inc.**

PA. P.U.C.
PROTHONOTARY'S OFFICE

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State of New York)
County of New York) ss.

Christopher P. Kinney, being duly sworn, deposes and says:

1. My business address is 270 Park Avenue, New York, New York 10017. I am employed by Chase Securities Inc. as a Managing Director in the Global Power and Environmental Group.

2. I am a Chartered Financial Analyst. In my position in the Global Power and Environmental Group, I routinely evaluate the financial integrity of companies in the public utility industry.

3. I have reviewed the testimony of J. Barry Mitchell, PECO St. No. 20-E, regarding the effect of the Enron Choice Plan on PECO Energy Company's ("PECO's") financial integrity and, specifically, Table JBM-1 entitled "Effects of Enron Plan Proposal on Key Financial Criteria." PECO St. No. 20-E at 8.

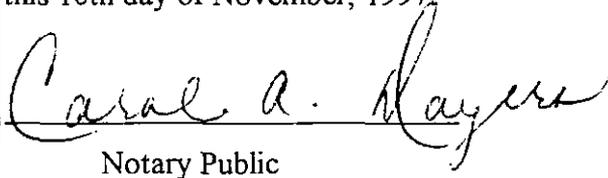
4. Table JBM-1 indicates a projected bond rating of "B" or below for PECO (based on Standard & Poor's Corporation's ("S&P's") ratios) if the Commission adopted Enron's Choice Plan.

5. I am very familiar with the S&P ratio descriptions and how they are calculated. Without additional financial information regarding the assumptions that were used to produce these results, however, it is not possible to evaluate the calculated ratios in Table JBM-1 and, therefore, it is not possible to support or refute PECO's claims regarding the alleged significant downgrading of that company's mortgage bond rating.

6. Such assumptions should include, among others, details of the use of proceeds of the \$5.461 billion to be obtained from Enron's purchase of transition bonds under the Choice Plan, the assumed tax effect of the transaction, and detailed calculations of the ratios with supporting financial statements, including pro forma balance sheet, income statement and statement of cash flows taking into consideration the financing proposed in the Choice Plan.


Christopher P. Kinney

Subscribed and sworn to before me
this 10th day of November, 1997,


Notary Public

CAROL A. MAYERS
NOTARY PUBLIC, State of New York
No. 01MA5084316
Qualified in Bronx County
Commission Expires Sept. 2, 1998

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission

v.

PECO Energy Company

Docket No. R-00973953

CERTIFICATE OF SERVICE

I hereby certify that I have on this 10th day of November, 1997, served by facsimile and first class mail (unless otherwise indicated) a true copy of the foregoing Motion, on behalf of Enron Energy Services Power, Inc., upon the participants, listed below, in accordance with the requirements of 52 Pa.Code § 1.54:

Paul R. Bonney, Esquire
Noel H. Trask, Esquire
Ward L. Smith, Esquire
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(*PECO Energy Company*)

Paul E. Russell, Esquire
Pennsylvania Power & Light Company
Two North Ninth Street
Allentown, PA 18101
(*Pennsylvania Power & Light Company*)

Senator Vincent J. Fumo
Christopher B. Craig, Esquire
Senate Democratic Appropriations
Committee
Main Capitol Building, Room 545
Harrisburg, PA 17120
(*Senator Vincent J. Fumo*)

Donald A. Kaplan, Esquire
Lisa M. Helpert, Esquire
Preston Gates Ellis & Rouvelas Meeds
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(*Community Legal Services*)
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Environmentalists
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Ambler, PA 19002-3901
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Marketing, LLC), (Noram Energy
Management, Inc.), (Vastar Power
Marketing, Inc.), (Electric Clearinghouse,
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Andrew J. Giorgione, Esquire
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Mary Ann Ralls, Esquire
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(*QST Energy, Inc.*)

Audrey Van Dyke, Associate Counsel
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(*Department of Navy*)

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(*OSBA*)

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Steven K. Steinmetz, Esquire
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Ryan, Russell, Ogden & Seltzer, L.L.P.
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(GPU)

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Janet Miller, Esquire
Todd Stewart, Esquire
Malatesta, Hawke & McKeon, L.L.P.
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(Mid-Atlantic Power Supply Association)

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Roland, Fogel, Koblenz & Carr, L.L.P.
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Association Plumbing, Heating and Cooling
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(Philadelphia Area Industrial Energy
Users Group)

Linda C. Smith, Esquire
Dilworth, Paxton, Kalish & Kauffman,
L.L.P.
305 North Front Street - Suite 403
Harrisburg, PA 17101-1236
(American Association of Retired Persons)

Kenneth L. Mickens, Senior Prosecutor
Charles D. Shields, Prosecutor
The Office of Trial Staff
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265
(OTS)

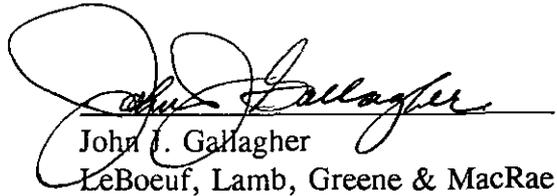
Joseph J. Malatesta, Esquire
Lillian Smith Harris, Esquire
Malatesta, Hawke & McKeon, L.L.P.
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McPherson & Hand
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(Allegheny Power)

Alan Barak
Penn Energy Project
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Richard Silkman
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John J. Gallagher
LeBoeuf, Lamb, Greene & MacRae

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P.O. Box 12105
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(717) 232-8199

Attorney for Enron Energy
Services Power, Inc.

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LEBOEUF, LAMB, GREENE & MACRAE
L.L.P.

A LIMITED LIABILITY PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

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LOS ANGELES
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PORTLAND, OR
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SAN FRANCISCO
BRUSSELS
MOSCOW
ALMATY
LONDON
(A LONDON-BASED
MULTINATIONAL PARTNERSHIP)

November 14, 1997

VIA FACSIMILE & 1ST CLASS MAIL

The Honorable Marlane R. Chestnut
The Honorable Charles E. Rainey, Jr.
Pennsylvania Public Utility Commission
1302 Philadelphia State Office Building
Broad and Spring Garden Streets
Philadelphia, PA 19130

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PROTHONOTARY'S OFFICE
PA PUBLIC UTILITY COMMISSION

Re: Pennsylvania Public Utility Commission v. PECO Energy Company
Docket No. R-00973953

Petition of Enron Energy Services Power, Inc
Docket No. P-00971265

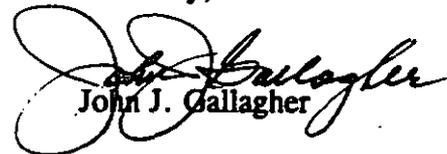
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NOV 21 1997

Dear Judges Chestnut and Rainey:

Enclosed please find on behalf of Enron Energy Services Power, Inc. the revised Exhibit A to the Direct Testimony of Bruce R. Oliver (Statement No. 2).

We are sorry for any inconvenience this may have caused you. If you have any questions or comments, please do not hesitate to contact me at your convenience.

Sincerely,


John J. Gallagher

JJG/mas
enclosure

cc: All Parties on Certificate of Service
Daniel Clearfield, Esquire

R-00973953, etc
Enron Statement 2
Revised Exhibit A
phi 11/18/97
G. Travolta
GST

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission	:	
	:	
v.	:	Docket No. R-00973953
	:	
PECO Energy Company	:	
	:	
Petition of Enron Energy Services Power, Inc.	:	Docket No. P-00971265
	:	

CERTIFICATE OF SERVICE

I hereby certify that on this 14th day of November, 1997, I have caused to be served via facsimile and first class mail, unless otherwise noted, a true copy of the foregoing Revised Exhibit A to the Direct Testimony of Bruce J. Oliver (Statement No. 2) on behalf of Enron Energy Services Power, Inc. upon the participants, listed below, in accordance with the requirements of 52 Pa.Code § 1.54:

Paul R. Bonney, Esquire
Noel H. Trask, Esquire
Ward L. Smith, Esquire
Assistant General Counsel
PECO Energy Company
2301 Market Street, P.O. Box 8699
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(*PECO Energy Company*)

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Pennsylvania Power & Light Company
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Allentown, PA 18101
(*Pennsylvania Power & Light Company*)

Senator Vincent J. Fumo
Christopher B. Craig, Esquire
Senate Democratic Appropriations
Committee
Main Capitol Building, Room 545
Harrisburg, PA 17120
(*Senator Vincent J. Fumo*)

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Lisa M. Helpert, Esquire
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(Community Legal Services)

Roger Clark, Esquire
Environmentalists
905 Denston Drive
Ambler, PA 19002-3901
(The Environmentalists)

Craig A. Doll, Esquire
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Harrisburg, PA 17101
*(Delmarva Power & Light Company, d/b/a
Conectiv Energy)*

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*(Self), (Duke Energy Trading & Marketing,
LLC), (Noram Energy Management, Inc.),
(Vastar Power Marketing, Inc.), (Electric
Clearinghouse, Inc.)*

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*(Allegheny Power)
(via Federal Express)*

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(OSBA)

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(OCA)

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(GPU)

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Janet Miller, Esquire
Todd Stewart, Esquire
Malatesta, Hawke & McKeon, L.L.P.
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100 North Tenth Street
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(Mid-Atlantic Power Supply Association)

Usher Fogel, Esquire
Roland, Fogel, Koblenz & Carr, L.L.P.
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Albany, NY 12207
(Pennsylvania Petroleum Association), (PA
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Contractors)

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(Philadelphia Area Industrial Energy
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Dilworth, Paxton, Kalish & Kauffman,
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(American Association of Retired Persons)

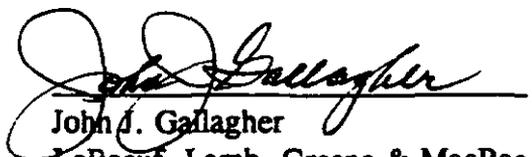
Kenneth L. Mickens, Senior Prosecutor
Charles D. Shields, Prosecutor
The Office of Trial Staff
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265
(OTS)

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Lillian Smith Harris, Esquire
Malatesta, Hawke & McKeon, L.L.P.
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(Self)

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McPherson & Hand
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(*Allegheny Power*)

Richard Silkman
163 Main Street
Yarmouth, ME 04096
(*CEPA Witness*)
(via Federal Express)


John J. Gallagher
LeBoeuf, Lamb, Greene & MacRae
L.L.P.

200 North Third Street, Suite 300
P.O. Box 12105
Harrisburg, PA 17108-2105
(717) 232-8199

Attorney for Enron Energy
Services Power, Inc.

PECO Energy Company

Estimated Net Present Value of Choice Plan Savings

System-Wide Savings (All Customer Classes Included)

Year	Sales (MWH)	CTC Savings (\$/kWh)	CTC Savings (\$000)	Generation Savings (\$/kWh)	Generation Savings (\$000)	T&D Savings (\$/kWh)	T&D Savings (\$000)	Total Savings (\$/kWh)	Total Savings (\$000)
9-12/98	8,385,802	\$ (0.0131)	\$ (109,885)	\$ 0.0186	\$ 139,478	\$ 0.0003	\$ 2,608	\$ 0.0097	\$ 81,112
1999	33,569,358	\$ 0.0173	\$ 580,260	\$ (0.0078)	\$ (260,522)	\$ 0.0003	\$ 10,420	\$ 0.0098	\$ 330,158
2000	33,569,358	\$ 0.0173	\$ 580,260	\$ (0.0078)	\$ (260,522)	\$ 0.0003	\$ 10,420	\$ 0.0098	\$ 330,158
2001	33,569,358	\$ 0.0091	\$ 308,267	\$ (0.0044)	\$ (148,087)	\$ 0.0003	\$ 10,420	\$ 0.0051	\$ 170,600
2002	33,569,358	\$ 0.0037	\$ 124,078	\$ (0.0019)	\$ (84,131)	\$ 0.0003	\$ 10,765	\$ 0.0021	\$ 70,711
2003	33,569,358	\$ 0.0003	\$ 9,932	\$ (0.0005)	\$ (18,592)	\$ 0.0003	\$ 11,257	\$ 0.0001	\$ 4,588
2004	33,569,358	\$ (0.0019)	\$ (62,643)	\$ 0.0017	\$ 55,806	\$ 0.0003	\$ 11,748	\$ 0.0001	\$ 4,911
2005	33,569,358	\$ (0.0023)	\$ (77,202)	\$ 0.0020	\$ 68,625	\$ 0.0004	\$ 12,241	\$ 0.0001	\$ 3,684
2006	33,569,358	\$ (0.0087)	\$ (292,181)	\$ 0.0084	\$ 283,382	\$ 0.0004	\$ 13,228	\$ 0.0001	\$ 4,437
2007	33,569,358	\$ (0.0141)	\$ (472,896)	\$ 0.0138	\$ 463,742	\$ 0.0004	\$ 13,717	\$ 0.0001	\$ 4,563
2008	33,569,358	\$ (0.0155)	\$ (520,405)	\$ 0.0152	\$ 510,185	\$ 0.0004	\$ 14,702	\$ 0.0001	\$ 4,462
Total	344,089,382		\$ 65,483		\$ 773,351		\$ 121,521		\$ 1,009,372
Net Present Value @ 6.0%			\$ 508,429		\$ 182,505		\$ 74,441		\$ 807,760
Net Present Value @ 10.0%			\$ 550,583		\$ 105,228		\$ 68,754		\$ 767,105

NOTES:

Savings calculations based on deviations from results of Partial Settlement. Savings are shown as positive numbers. Generation savings reflect only differences between the generations credits under Partial Settlement and Customer Choice Plan. No savings from participation in competitive generation markets are included in this analysis. Sources: Joint Petition for Partial Settlement, Appendix B, and Enron Customer Choice Plan Petition, Exhibit 1.

PECO Energy Company

Estimated Net Present Value of Choice Plan Savings

Savings for Rate Schedule HT Customers

Year	Sales (MWh)	CTC Savings (\$/kWh)	CTC Savings (\$000)	Generation Savings (\$/kWh)	Generation Savings (\$000)	T&D Savings (\$/kWh)	T&D Savings (\$000)	Total Savings (\$/kWh)	Total Savings (\$000)
9-12/99	3,549,678	\$ (0.0122)	\$ (43,296)	\$ 0.0184	\$ 65,223	\$ 0.0001	\$ 428	\$ 0.0083	\$ 22,355
1999	14,198,713	\$ 0.0122	\$ 172,784	\$ (0.0080)	\$ (85,076)	\$ 0.0001	\$ 1,712	\$ 0.0083	\$ 86,420
2000	14,198,713	\$ 0.0122	\$ 172,784	\$ (0.0080)	\$ (85,076)	\$ 0.0001	\$ 1,712	\$ 0.0083	\$ 89,420
2001	14,198,713	\$ 0.0082	\$ 88,235	\$ (0.0030)	\$ (42,779)	\$ 0.0001	\$ 1,712	\$ 0.0033	\$ 47,168
2002	14,198,713	\$ 0.0021	\$ 29,751	\$ (0.0009)	\$ (13,400)	\$ 0.0001	\$ 1,712	\$ 0.0013	\$ 18,063
2003	14,198,713	\$ (0.0008)	\$ (11,630)	\$ 0.0006	\$ 8,969	\$ 0.0001	\$ 1,712	\$ (0.0001)	\$ (949)
2004	14,198,713	\$ (0.0011)	\$ (15,064)	\$ 0.0009	\$ 12,393	\$ 0.0001	\$ 1,712	\$ (0.0001)	\$ (949)
2005	14,198,713	\$ (0.0012)	\$ (17,487)	\$ 0.0010	\$ 13,958	\$ 0.0001	\$ 1,712	\$ (0.0001)	\$ (1,819)
2006	14,198,713	\$ (0.0056)	\$ (78,896)	\$ 0.0053	\$ 75,365	\$ 0.0001	\$ 1,712	\$ (0.0001)	\$ (1,819)
2007	14,198,713	\$ (0.0092)	\$ (130,331)	\$ 0.0089	\$ 126,800	\$ 0.0001	\$ 1,712	\$ (0.0001)	\$ (1,819)
2008	14,198,713	\$ (0.0100)	\$ (142,244)	\$ 0.0098	\$ 138,713	\$ 0.0001	\$ 1,712	\$ (0.0001)	\$ (1,819)
Total	145,536,608		\$ 24,616		\$ 215,068		\$ 17,549		\$ 257,252
Net Present Value @ 8.0%			\$ 143,608		\$ 55,702		\$ 11,033		\$ 210,643
Net Present Value @ 10.0%			\$ 155,979		\$ 34,925		\$ 9,853		\$ 200,657

NOTES:

Savings calculations based on deviations from results of Partial Settlement. Savings are shown as positive numbers. Generation savings reflect only differences between the generations credits under Partial Settlement and Customer Choice Plan. No savings from participation in competitive generation markets are included in this analysis. Sources: Joint Petition for Partial Settlement, Appendix B, and Enron Customer Choice Plan Petition, Exhibit 1.

PECO Energy Company

Estimated Net Present Value of Choice Plan Savings

Savings for Rate Schedule R Customers

Year	Sales (MWh)	CTC Savings (\$/kWh)	CTC Savings (\$000)	Generation Savings (\$/kWh)	Generation Savings (\$000)	T&D Savings (\$/kWh)	T&D Savings (\$000)	Total Savings (\$/kWh)	Total Savings (\$000)
9-12/98	1,924,858	\$ (0.0083)	\$ (17,830)	\$ 0.0238	\$ 45,344	\$ -	\$ -	\$ 0.0142	\$ 27,413
1999	7,699,431	\$ 0.0253	\$ 194,860	\$ (0.0111)	\$ (85,208)	\$ -	\$ -	\$ 0.0142	\$ 109,652
2000	7,699,431	\$ 0.0253	\$ 194,860	\$ (0.0111)	\$ (85,208)	\$ -	\$ -	\$ 0.0142	\$ 109,652
2001	7,699,431	\$ 0.0134	\$ 103,365	\$ (0.0084)	\$ (49,025)	\$ -	\$ -	\$ 0.0071	\$ 54,340
2002	7,699,431	\$ 0.0059	\$ 45,424	\$ (0.0032)	\$ (24,308)	\$ -	\$ -	\$ 0.0027	\$ 21,116
2003	7,699,431	\$ 0.0016	\$ 12,217	\$ (0.0017)	\$ (12,857)	\$ -	\$ -	\$ (0.0001)	\$ (840)
2004	7,699,431	\$ (0.0028)	\$ (21,427)	\$ 0.0027	\$ 20,790	\$ -	\$ -	\$ (0.0001)	\$ (637)
2005	7,699,431	\$ (0.0036)	\$ (27,361)	\$ 0.0034	\$ 26,362	\$ -	\$ -	\$ (0.0001)	\$ (699)
2006	7,699,431	\$ (0.0128)	\$ (99,038)	\$ 0.0128	\$ 98,523	\$ -	\$ -	\$ (0.0001)	\$ (516)
2007	7,699,431	\$ (0.0207)	\$ (159,670)	\$ 0.0208	\$ 158,943	\$ -	\$ -	\$ (0.0001)	\$ (727)
2008	7,699,431	\$ (0.0226)	\$ (175,344)	\$ 0.0228	\$ 175,485	\$ -	\$ -	\$ (0.0001)	\$ (859)
Total	78,919,168		\$ 48,955		\$ 288,841		\$ -		\$ 317,796
Net Present Value @ 8.0%			\$ 193,317		\$ 65,155		\$ -		\$ 258,472
Net Present Value @ 10.0%			\$ 207,714		\$ 39,484		\$ -		\$ 246,198

NOTES:

Savings calculations based on deviations from results of Partial Settlement. Savings are shown as positive numbers. Generation savings reflect only differences between the generations credits under Partial Settlement and Customer Choice Plan. No savings from participation in competitive generation markets are included in this analysis. Sources: Joint Petition for Partial Settlement, Appendix B, and Enron Customer Choice Plan Petition, Exhibit 1.

PECO Energy Company

Estimated Net Present Value of Choice Plan Savings

Savings for Rate Schedule GS Customers

Year	Sales (MWh)	CTC Savings (\$/kWh)	CTC Savings (\$000)	Generation Savings (\$/kWh)	Generation Savings (\$000)	T&D Savings (\$/kWh)	T&D Savings (\$000)	Total Savings (\$/kWh)	Total Savings (\$000)
9-12/98	1,849,180	\$ (0.0244)	\$ (40,274)	\$ 0.0360	\$ 59,311	\$ 0.0000	\$ 1	\$ 0.0115	\$ 19,038
1999	8,598,721	\$ 0.0202	\$ 133,078	\$ (0.0088)	\$ (58,928)	\$ -	\$ -	\$ 0.0118	\$ 78,150
2000	8,598,721	\$ 0.0202	\$ 133,078	\$ (0.0088)	\$ (58,928)	\$ -	\$ -	\$ 0.0115	\$ 78,150
2001	8,598,721	\$ 0.0108	\$ 70,083	\$ (0.0048)	\$ (31,776)	\$ -	\$ -	\$ 0.0058	\$ 38,307
2002	8,598,721	\$ 0.0048	\$ 32,254	\$ (0.0025)	\$ (16,777)	\$ -	\$ -	\$ 0.0023	\$ 15,477
2003	8,598,721	\$ 0.0017	\$ 10,955	\$ (0.0017)	\$ (11,109)	\$ -	\$ -	\$ (0.0000)	\$ (154)
2004	8,598,721	\$ (0.0022)	\$ (14,720)	\$ 0.0022	\$ 14,719	\$ -	\$ -	\$ (0.0000)	\$ (1)
2005	8,598,721	\$ (0.0028)	\$ (18,184)	\$ 0.0028	\$ 18,183	\$ -	\$ -	\$ (0.0000)	\$ (1)
2006	8,598,721	\$ (0.0102)	\$ (87,233)	\$ 0.0102	\$ 87,231	\$ -	\$ -	\$ (0.0000)	\$ (2)
2007	8,598,721	\$ (0.0185)	\$ (108,823)	\$ 0.0185	\$ 108,822	\$ -	\$ -	\$ (0.0000)	\$ (1)
2008	8,598,721	\$ (0.0181)	\$ (119,488)	\$ 0.0181	\$ 119,487	\$ -	\$ -	\$ (0.0000)	\$ (1)
Total	67,616,380		\$ 10,948		\$ 214,015		\$ 1		\$ 224,882
Net Present Value @ 8.0%			\$ 109,216		\$ 72,737		\$ 0		\$ 181,854
Net Present Value @ 10.0%			\$ 119,132		\$ 54,006		\$ 0		\$ 173,138

NOTES:

Savings calculations based on deviations from results of Partial Settlement. Savings are shown as positive numbers. Generation savings reflect only differences between the generations credits under Partial Settlement and Customer Choice Plan. No savings from participation in competitive generation markets are included in this analysis. Sources: Joint Petition for Partial Settlement, Appendix B, and Enron Customer Choice Plan Petition, Exhibit 1.

PECO Energy Company

Estimated Net Present Value of Choice Plan Savings

Savings for Rate Schedule RH Customers

Year	Sales (MWH)	CTC Savings (\$/kWh)	CTC Savings (\$000)	Generation Savings (\$/kWh)	Generation Savings (\$000)	T&D Savings (\$/kWh)	T&D Savings (\$000)	Total Savings (\$/kWh)	Total Savings (\$000)
9-12/98	704,117	\$ (0.0083)	\$ (4,458)	\$ 0.0168	\$ 11,858	\$ -	\$ -	\$ 0.0102	\$ 7,198
1999	2,818,487	\$ 0.0158	\$ 44,491	\$ (0.0058)	\$ (18,899)	\$ -	\$ -	\$ 0.0102	\$ 28,782
2000	2,818,487	\$ 0.0158	\$ 44,491	\$ (0.0058)	\$ (18,899)	\$ -	\$ -	\$ 0.0102	\$ 28,782
2001	2,818,487	\$ 0.0102	\$ 28,821	\$ (0.0051)	\$ (14,347)	\$ -	\$ -	\$ 0.0051	\$ 14,474
2002	2,818,487	\$ 0.0049	\$ 13,787	\$ (0.0028)	\$ (8,202)	\$ -	\$ -	\$ 0.0020	\$ 5,585
2003	2,818,487	\$ 0.0019	\$ 5,239	\$ (0.0018)	\$ (8,371)	\$ -	\$ -	\$ (0.0000)	\$ (132)
2004	2,818,487	\$ (0.0011)	\$ (3,084)	\$ 0.0011	\$ 3,084	\$ -	\$ -	\$ -	\$ -
2005	2,818,487	\$ (0.0015)	\$ (4,319)	\$ 0.0016	\$ 4,319	\$ -	\$ -	\$ -	\$ -
2006	2,818,487	\$ (0.0081)	\$ (22,862)	\$ 0.0081	\$ 22,862	\$ -	\$ -	\$ -	\$ -
2007	2,818,487	\$ (0.0137)	\$ (38,488)	\$ 0.0137	\$ 38,489	\$ -	\$ -	\$ -	\$ -
2008	2,818,487	\$ (0.0151)	\$ (42,535)	\$ 0.0151	\$ 42,535	\$ -	\$ -	\$ -	\$ -
Total	28,898,787		\$ 21,092		\$ 63,627		\$ -		\$ 84,719
Net Present Value @ 8.0%			\$ 51,570		\$ 18,989		\$ -		\$ 68,569
Net Present Value @ 10.0%			\$ 54,312		\$ 10,944		\$ -		\$ 65,256

NOTES:

Savings calculations based on deviations from results of Partial Settlement. Savings are shown as positive numbers. Generation savings reflect only differences between the generations credits under Partial Settlement and Customer Choice Plan. No savings from participation in competitive generation markets are included in this analysis. Sources: Joint Petition for Partial Settlement, Appendix B, and Enron Customer Choice Plan Petition, Exhibit 1.

PECO Energy Company

Estimated Net Present Value of Choice Plan Savings

Savings for Rate Schedule PD Customers

Year	Sales (MWh)	CTC Savings (\$/kWh)	CTC Savings (\$000)	Generation Savings (\$/kWh)	Generation Savings (\$000)	T&D Savings (\$/kWh)	T&D Savings (\$000)	Total Savings (\$/kWh)	Total Savings (\$000)
9-12/98	270,414	\$ (0.0175)	\$ (4,722)	\$ 0.0271	\$ 7,329	\$ (0.0000)	\$ (4)	\$ 0.0096	\$ 2,601
1999	1,081,858	\$ 0.0177	\$ 19,159	\$ (0.0081)	\$ (8,741)	\$ (0.0000)	\$ (14)	\$ 0.0096	\$ 10,404
2000	1,081,858	\$ 0.0177	\$ 19,159	\$ (0.0081)	\$ (8,741)	\$ (0.0000)	\$ (14)	\$ 0.0096	\$ 10,404
2001	1,081,858	\$ 0.0099	\$ 9,352	\$ (0.0038)	\$ (4,147)	\$ (0.0000)	\$ (14)	\$ 0.0048	\$ 5,191
2002	1,081,858	\$ 0.0028	\$ 3,056	\$ (0.0008)	\$ (913)	\$ (0.0000)	\$ (14)	\$ 0.0020	\$ 2,129
2003	1,081,858	\$ (0.0015)	\$ (1,589)	\$ 0.0015	\$ 1,582	\$ (0.0000)	\$ (14)	\$ (0.0000)	\$ (21)
2004	1,081,858	\$ (0.0018)	\$ (1,974)	\$ 0.0018	\$ 1,997	\$ (0.0000)	\$ (14)	\$ (0.0000)	\$ (1)
2005	1,081,858	\$ (0.0022)	\$ (2,389)	\$ 0.0022	\$ 2,382	\$ (0.0000)	\$ (14)	\$ (0.0000)	\$ (1)
2006	1,081,858	\$ (0.0083)	\$ (8,995)	\$ 0.0083	\$ 9,008	\$ (0.0000)	\$ (14)	\$ (0.0000)	\$ (1)
2007	1,081,858	\$ (0.0135)	\$ (14,589)	\$ 0.0135	\$ 14,582	\$ (0.0000)	\$ (14)	\$ (0.0000)	\$ (1)
2008	1,081,858	\$ (0.0148)	\$ (15,974)	\$ 0.0148	\$ 15,987	\$ (0.0000)	\$ (14)	\$ (0.0000)	\$ (1)
Total	11,086,974		\$ 534		\$ 30,312		\$ (144)		\$ 30,703
Net Present Value @ 8.0%			\$ 14,884		\$ 10,242		\$ (80)		\$ 24,836
Net Present Value @ 10.0%			\$ 16,178		\$ 7,539		\$ (81)		\$ 23,633

NOTES:

Savings calculations based on deviations from results of Partial Settlement. Savings are shown as positive numbers.
 Generation savings reflect only differences between the generations credits under Partial Settlement and Customer Choice Plan.
 No savings from participation in competitive generation markets are included in this analysis.
 Sources: Joint Petition for Partial Settlement, Appendix B, and Enron Customer Choice Plan Petition, Exhibit 1.

CONSTANCE H. WILLIAMS, MEMBER

DISTRICT OFFICE:

601 SOUTH HENDERSON ROAD., SUITE 201
KING OF PRUSSIA, PENNSYLVANIA 19406
PHONE: (610) 992-9790
FAX: (610) 768-3104

CAPITOL OFFICE:

110 SOUTH OFFICE, HOUSE BOX 202020
HARRISBURG, PENNSYLVANIA 17120-2020
PHONE: (717) 787-7529
FAX: (717) 783-7548

E-MAIL:

CWILLIAM@PALEGIS.CMICH.STATE.PA.US



House of Representatives
COMMONWEALTH OF PENNSYLVANIA
HARRISBURG

COMMITTEES

EDUCATION
AGING AND YOUTH
INTERGOVERNMENTAL AFFAIRS

FIREFIGHTERS AND
EMERGENCY SERVICES
LEGISLATIVE CAUCUS
97 NOV 18 AM 7:36

RECEIVED
PROTHONOTARY'S OFFICE

November 14, 1997

James J. McNulty
Acting Secretary
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105

Dear Mr. McNulty:

I have received the enclosed correspondence from constituents who are supportive of PECO Energy and the Pennsylvania Plan. Because this is a matter before the PUC, I am forwarding a copy of the correspondence to you for your files.

I would appreciate your making the Commissioners aware of this input as they continue to study the plan. Thank you.

Sincerely,

Handwritten signature of Connie Williams in cursive.

Connie Williams
State Representative
149th Legislative District

CW/akf

RECEIVED
NOV 18 1997

Office of Prothonotary
Public Utility Commission

November 5, 1997

Rep. Connie Williams
 601 So. Henderson Rd.
 Suite 201
 King of Prussia, PA 19406

REC'D NOV 12 1997

97 NOV 18 AM 7:36

RECEIVED
 PROTHONOTARY'S OFFICE

Dear Rep. Williams:

This is to inform you that we support PECO Energy & the Pennsylvania Plan because it is pro-Pennsylvania. This plan balances the interests of all parties & provides support for customer choice throughout Pennsylvania. PECO Energy is an important part of our community & a major contributor to our state. Please support the Pennsylvania Plan.

Thank you for your support in this matter.

Very truly yours,
 Arthur Levy
 Charlotte Levy

MR. & MRS. ARTHUR LEVY
 557 HAVERFORD RD
 WYNNWOOD PA 19096

018811

Nov. 5 1997
569 Charles St.
King of Prussia,
Pa. 19406

97 NOV 13 AM 7:36

RECEIVED
KING OF PRUSSIA OFFICE
KING OF PRUSSIA OFFICE
Connie Williams;

Dear Connie:

We want you to know that we support Peco Energy and Pro Pennsylvania. This plan for a guaranteed 10% rate reduction balances the interests of all parties and provides support for customer choice throughout the Commonwealth.

Peco energy is an important part of our community and a major contributor to our state. Please support the Pa. Plan

Sincerely,
Blow and Markand
Kremer

RECEIVED
NOV 6 1997

sent to Anne

018812

97 NOV 18 AM 7:36

Nov 3-97

RECEIVED
PROTHONOTARY'S OFFICE

Dear Representative Williams,

I want you to know I support the P&L Energy and Pennsylvania Plan to guarantee 100% rate reduction balance, the interests of all parties and provides support for Customer Choice.

Sincerely,
Grace P. Benson
(Mrs. Cottrell)

840 Mont Ave.

Oct 70

BM 1901D

RECEIVED
11/16/97

sent to
ann

Antonio P. Ballester, P. E.
371 Anthony Road, King of Prussia, Pennsylvania, PA 19406

NOV 18 1997

November 5, 1997

Representative Connie Williams

018813

97 NOV 18 AM 7:36

601 South Henderson Road
Suite 201

RECEIVED
NOTHONOTARY'S OFFICE

King of Prussia PA 19406

Dear Madam:

my wife, Angela, and I want you to know
that we support Penn Energy and the
Pennsylvania Plan. If Pennsylvania
can put up \$ 100,000,000.00 to create
600 jobs at the former navy yard,

Pennsylvania can also support existing
industries in order to keep present
employment and stop skilled jobs
flowing out of the state.
We seek your support for the
Pennsylvania Plan.

Sincerely

Angela and Antonio Ballester



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

IN REPLY PLEASE
REFER TO OUR FILE

November 14, 1997

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NOV 17 1997

Mr. John O'Rourke
2810 Welsh Road
Philadelphia, PA 19152-1505

Dear Mr. O'Rourke:

Office of Prothonotary
Public Utility Commission

Thank you for your recent letter to Governor Tom Ridge concerning the Enron Choice Plan which was filed as a part of the PECO Energy Company's restructuring proceeding currently being considered by the Public Utility Commission.

Please know that I have taken the liberty of forwarding your letter to the Acting Secretary of the Commission so it can become a part of the official file in this proceeding.

In addition, concerning your remarks about cable television rates, please know that the Public Utility Commission does not regulate this type of utility, and may I suggest that you make your complaint known to the Federal Communications Commission in Washington, D.C.

Thank you again for the benefit of your thinking on these important issues.

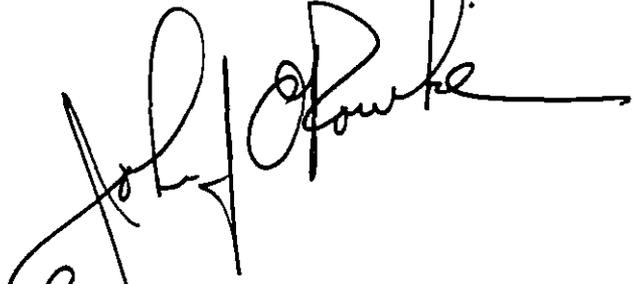
Sincerely,

Rosemary Chiavetta, Esq.
Director of Legislative Affairs

cc: The Hon. Tom Ridge
Chairman Quain
Acting Secretary McNulty ✓

Gov. Tom

I don't like you as Gov. BECAUSE
like hiking REGISTRATION 30% I do not think
you will BRING IT BACK down & BLAME IN ON THE
ROADS ARE BAD. you should CLEAN HOUSE
with ALL THE (RIF RATE) IN NOT JUST HERE
IN PA. BUT LOCAL AS IN PHILLY, STATE, & GOVERNMENT
THERE IS ABOUT 25-TO 30% IN ALL THREE PLACES IF
NOT MORE. OF (EXCESS BAGGAGE) BUT YOU DID DO
SOMETHING ABOUT THE ELECTRIC CO. AS IN PECO
RIPPING US OFF FOR YEARS & MAKING IT CHOICE AS IN
EUROW I THANK YOU FOR THAT TOO.



P.S. Now you could do SOMETHING
ABOUT (CABLE TV) & MAKE THAT
CHOICE I PAID 35.31 MO. FOR
BASIC. IT'S A RIPE OFF COMCAST CABLE.

I AM A COMBAT VET FROM "NAM" WE SHOULD HAVE CHOICE IN EVERYTHING



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

IN REPLY PLEASE
REFER TO OUR FILE

November 14, 1997

RECEIVED
NOV 14 1997

Ms. Joy Trabin
15 High Road
Levittown, PA 19056-1111

Office of Prothonotary
Public Utility Commission

Dear Ms. Trabin:

Thank you for your recent letter to Governor Tom Ridge expressing your support for electric competition in Pennsylvania and your complimentary remarks and support in the Governor's efforts to privatize the state's liquor stores.

Please know that I have taken the liberty of forwarding your letter supporting the Enron Choice Plan, which is a part of the PECO Energy Company's restructuring filing currently being considered by the Commission, to the Acting Secretary of the Commission for inclusion into the official file of this proceeding.

Thank you again for the benefit of your thinking on this issue.

Sincerely,


Rosemary Chiavetta, Esq.
Director of Legislative Affairs

cc: The Hon. Tom Ridge
Chairman Quain
Acting Secretary McNulty

To The Governor: 10/24/97
The Honorable Tom Ridge:

As a recent widow on a very limited income I am in complete agreement with you. That we should all be able to choose our electric company.

I would like to select "Enron" as my energy company especially since I live in an all electric house (Levittown, PA)

I also wish you lucky in putting an end to "State Controlled" liquor stores.

Respectfully
Joy D. Trabin
15 High Rd.
Levittown, PA
19056-1111

APPEARANCE SHEET

ALJ HEARING REPORT

Docket No. R-00973953

R-00973953C0001-C0007, P-00971265

Case Name Pennsylvania Public Utility

Commission v. PECO Energy Company

Petition of ENRON Energy Services Power,

Inc.

Location Philadelphia

Date November 14, 1997

ALJ Chestnut & Rainey

Reporting Firm _____

CHECK THOSE BLOCKS WHICH APPLY:

Prehearing held YES _____ NO _____

Hearing held YES _____ NO NO

Testimony taken YES _____ NO _____

Transcript due YES _____ NO _____

Hearing concluded YES _____ NO _____

Further hearing needed YES _____ NO _____

Estimated add'l days _____

RECORD CLOSED YES _____ NO _____

DATE _____

Briefs to be Filed YES _____ NO _____

DATE _____

BENCH DECISION YES _____ NO _____

REMARKS: Hearing cancelled

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OFFICE OF ALJ

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PA PUC

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NAMES, ADDRESSES AND TELEPHONE NUMBERS OF PARTIES OR COUNSEL OF RECORD
PLEASE PRINT CLEARLY
INCOMPLETE INFORMATION MAY RESULT IN DELAY OF PROCESS

NAME and TELEPHONE NUMBER	ADDRESS			APPEARING FOR
Telephone No.	City	State	Zip	
Telephone No.	City	State	Zip	
Telephone No.	City	State	Zip	

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PROTHONOTARY'S OFFICE

CHECK THIS BOX IF ADDITIONAL PARTIES
OR COUNSEL OF RECORD APPEAR ON BACK.

REPORTER

DATE: November 17, 1997

SUBJECT: R-00973953, P-00971265

TO: Office of Administrative Law Judge

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

KJR

R-00973953 PECO ENERGY COMPANY RESTRUCTURING PLAN

P-00971265 ENRON ENERGY SERVICES POWER, INC. PETITION FOR APPROVAL OF AN ELECTRIC COMPETITION AND CUSTOMER CHOICE PLAN AND FOR AUTHORITY TO SERVE AS THE PROVIDER OF LAST RESORT IN THE SERVICE TERRITORY OF PECO ENERGY COMPANY

Attached is copy of a Petition to Intervene of Southeastern Pennsylvania Transportation Authority filed in connection with the above docketed proceedings.

This matter is assigned to your Office for appropriate action.

DOCKETED
NOV 19 1997

Attachment

cc: OTS

wjz

**DOCUMENT
FOLDER**

KJR

LEBOEUF, LAMB, GREENE & MACRAE
L.L.P.

A LIMITED LIABILITY PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

NEW YORK
WASHINGTON
ALBANY
BOSTON
DENVER
HARRISBURG
HARTFORD
JACKSONVILLE

200 NORTH THIRD STREET
SUITE 300
P.O. Box 12105
HARRISBURG, PA 17108-2105
(717) 232-8199
FACSIMILE: (717) 232-8720

LOS ANGELES
NEWARK
PITTSBURGH
PORTLAND, OR
SALT LAKE CITY
SAN FRANCISCO
BRUSSELS
MOSCOW
ALMATY
LONDON
(A LONDON-BASED
MULTINATIONAL PARTNERSHIP)

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November 17, 1997

KJR

BY HAND

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

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PA P.U.C.
PROTHONOTARY'S OFFICE

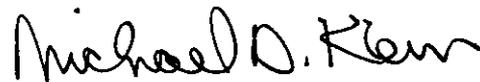
Re: Pennsylvania Public Utility Commission v.
PECO Energy Company
Docket No. R-00973953
PECO-XI-17 (Second Supplement)

Dear Mr. McNulty:

Enclosed please find for filing three (3) copies of a Certificate of Service evidencing service of Enron Energy Services Power, Inc.'s Second Supplemental Response to PECO Energy Company's Interrogatory, Set XI, No. 17.

If you have any questions concerning this matter, please contact me at your convenience.

Sincerely,


Michael D. Klein

MDK/jrh
Enclosure

cc: All Parties on Certificate of Service
Daniel Clearfield, Esquire

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission

v.

PECO Energy Company

Petition of Enron Energy Services Power
Inc.

:
:
:
:
:

Docket No. R-00973953

Docket No. P-00971265

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NOV 20 1997

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CERTIFICATE OF SERVICE

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97 NOV 17 14 3:21
P.A.P.U.C.
PROTHONOTARY'S OFFICE

I hereby certify that I have on this 17th day of November, 1997, served a true copy of the foregoing Second Supplemental Response to PECO Energy Company Interrogatories, Set XI, Question 17 on behalf of Enron Energy Services Power, Inc. upon the participants, listed below, in accordance with the requirements of 52 Pa.Code § 1.54:

Paul R. Bonney, Esquire
Noel H. Trask, Esquire
Ward L. Smith, Esquire
Assistant General Counsel
PECO Energy Company
2301 Market Street, P.O. Box 8699
Philadelphia, PA 19101-8699
(PECO Energy Company)

Senator Vincent J. Fumo
Christopher B. Craig, Esquire
Senate Democratic Appropriations
Committee
Main Capitol Building, Room 545
Harrisburg, PA 17120
(Senator Vincent J. Fumo)

Paul E. Russell, Esquire
Pennsylvania Power & Light Company
Two North Ninth Street
Allentown, PA 18101
(Pennsylvania Power & Light Company)

Donald A. Kaplan, Esquire
Lisa M. Helpert, Esquire
Preston Gates Ellis & Rouvelas Meeds
1735 New York Avenue, N.W., Suite 500
Washington, DC 20006
(Pennsylvania Power & Light Company)

Steven P. Hershey, Esquire
Philip A. Bertocci, Esquire
Community Legal Services
1424 Chestnut Street, 4th Floor
Philadelphia, PA 19102
(*Community Legal Services*)

Roger Clark, Esquire
Environmentalists
905 Denston Drive
Ambler, PA 19002-3901
(*The Environmentalists*)

Craig A. Doll, Esquire
214 State Street
Harrisburg, PA 17101
(*Delmarva Power & Light Company, d/b/a
Conectiv Energy*)

Gordon J. Smith, Esquire
John & Hengerer
1200 17th Street, N.W.
Suite 600
Washington, DC 20036
(*Self*), (*Duke Energy Trading & Marketing,
LLC*), (*Noram Energy Management, Inc.*),
(*Vastar Power Marketing, Inc.*), (*Electric
Clearinghouse, Inc.*)

Walter W. Cohen, Esquire
Andrew J. Giorgione, Esquire
Obermayer Rebmann Maxwell & Hippel,
L.L.P.
204 State Street
Harrisburg, PA 17101
(*Indianapolis Power & Light Company*)

Joseph A. Dworetzky, Esquire
John Lavelle, Jr., Esquire
Hangley, Anonchick, Segal and Pudlin
One Logan Square, 12th Floor
Philadelphia, PA 19103
(*New Energy Ventures, Inc.*)

John L. Munsch, Esquire
Allegheny Power
800 Cabin Hill Drive
Greensburg, PA 15601
(*Allegheny Power*)

Stephanie Sugrue, Esquire
Mary Ann Ralls, Esquire
Duane, Morris & Heckscher
L.L.P.
1667 K Street, N.W.
Suite 700
Washington, DC 20006
(*QST Energy, Inc.*)

Audrey Van Dyke, Associate Counsel
Naval Facilities Engineering Command
Washington Navy Yard, Bldg 218,
Room 200
901 M Street, S.E.
Washington, DC 20374-5018
(*Department of Navy*)

Bernard Ryan, Esquire
Karen Oill Moury, Esquire
Office of Small Business Advocate
Suite 1102, Commerce Building
300 North Second Street
Harrisburg, PA 17101
(*OSBA*)

Tanya McCloskey, Esquire
Steven K. Steinmetz, Esquire
Office of the Consumer Advocate
1425 Strawberry Square
Harrisburg, PA 17120
(OCA)

Robert Mills, Esquire
McNees, Wallace & Nurick
100 Pine Street, P.O. Box 1166
Harrisburg, PA 17108-1166
(PA Retailers' Association)

Terrance J. Fitzpatrick, Esquire
David M. DeSalle, Esquire
Ryan, Russell, Ogden & Seltzer, L.L.P.
800 North Third Street, Suite 101
Harrisburg, PA 17102-2025
(GPU)

William T. Hawke, Esquire
Janet Miller, Esquire
Todd Stewart, Esquire
Malatesta, Hawke & McKeon, L.L.P.
Harrisburg Energy Center
100 North Tenth Street
Harrisburg, PA 17105-1778
(Mid-Atlantic Power Supply Association)

Usher Fogel, Esquire
Roland, Fogel, Koblenz & Carr, L.L.P.
1 Columbia Place
Albany, NY 12207
(Pennsylvania Petroleum Association), (PA
Association Plumbing, Heating and Cooling
Contractors)

David Kleppinger, Esquire
Derrick P. Williamson, Esquire
McNees, Wallace & Nurick
100 Pine Street, P.O. Box 1166
Harrisburg, PA 17108-1166
(Philadelphia Area Industrial Energy
Users Group)

Linda C. Smith, Esquire
Dilworth, Paxton, Kalish & Kauffman,
L.L.P.
305 North Front Street - Suite 403
Harrisburg, PA 17101-1236
(American Association of Retired Persons)

Kenneth L. Mickens, Senior Prosecutor
Charles D. Shields, Prosecutor
The Office of Trial Staff
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265
(OTS)

Joseph J. Malatesta, Esquire
Lillian Smith Harris, Esquire
Malatesta, Hawke & McKeon, L.L.P.
Harrisburg Energy Center
100 North Tenth Street
Harrisburg, PA 17105-1778
(Municipal Group)

Mr. Lance Haver
6803 Lawton Avenue
Philadelphia, PA 19126
(Self)

Paul Nordstrom, Esquire
Verner, Lipfert, Bernhard,
McPherson & Hand
901 North 15th Street, NW
Washington, DC 20005-2301
(Allegheny Power)

Richard Silkman
163 Main Street
Yarmouth, ME 04096
(CEPA Witness)


Michael D. Klein
LeBoeuf, Lamb, Greene & MacRae
L.L.P.
200 North Third Street, Suite 300
P.O. Box 12105
Harrisburg, PA 17108-2105
(717) 232-8199

*Attorney for Enron Energy
Services Power, Inc.*

LEBOEUF, LAMB, GREENE & MACRAE
L.L.P.

A LIMITED LIABILITY PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

NEW YORK
WASHINGTON
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HARRISBURG, PA 17108-2105
17171 232-8199

FACSIMILE: (717) 232-8720

LOS ANGELES
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PORTLAND, OR
SALT LAKE CITY
SAN FRANCISCO
BRUSSELS
MOSCOW
ALMATY
LONDON
(A LONDON-BASED
MULTINATIONAL PARTNERSHIP)

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FOLDER

November 17, 1997

BY HAND

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

KJR

Re: Pennsylvania Public Utility Commission v.
PECO Energy Company
Docket No. R-00973953

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97 NOV 17 PM 3:19
P.A.P.U.C.
PROTHONOTARY'S OFFICE

Dear Mr. McNulty:

Enclosed please find for filing three (3) copies of a Certificate of Service evidencing service of Enron Energy Services Power, Inc.'s Supplemental Response to Senator Vincent J. Fumo's Interrogatory, Set II, No. 3 (Andrew Fastow).

If you have any questions concerning this matter, please contact me at your convenience.

Sincerely,



Michael D. Klein

MDK/mas
enclosure

cc: All Parties on Certificate of Service
Daniel Clearfield, Esquire

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission

v.

PECO Energy Company

Petition of Enron Energy Services Power,
Inc.

:
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:
:
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:
:
:

Docket No. R-00973953

Docket No. P-00971265

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CERTIFICATE OF SERVICE

DOCKETED
NOV 20 1997

I hereby certify that I have on this 15th day of November, 1997, served a true copy of the foregoing Supplemental Response to Senator Vincent J. Fumo's Interrogatory, Set II, No. 3 (Andrew Fastow), on behalf of Enron Energy Services Power, Inc. upon the participants, listed below, in accordance with the requirements of 52 Pa.Code § 1.54:

Paul R. Bonney, Esquire
Noel H. Trask, Esquire
Ward L. Smith, Esquire
Assistant General Counsel
PECO Energy Company
2301 Market Street, P.O. Box 8699
Philadelphia, PA 19101-8699
(*PECO Energy Company*)

Paul E. Russell, Esquire
Pennsylvania Power & Light Company
Two North Ninth Street
Allentown, PA 18101
(*Pennsylvania Power & Light Company*)

Senator Vincent J. Fumo
Christopher B. Craig, Esquire
Senate Democratic Appropriations
Committee
Main Capitol Building, Room 445
Harrisburg, PA 17120
(*Senator Vincent J. Fumo*)

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Lisa M. Helpert, Esquire
Preston Gates Ellis & Rouvelas Meeds
1735 New York Avenue, N.W., Suite 500
Washington, DC 20006
(*Pennsylvania Power & Light Company*)

PAUL R. BONNEY
PROTHONOTARY'S OFFICE

97 NOV 17 PM 3:19

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Steven P. Hershey, Esquire
Philip A. Bertocci, Esquire
Community Legal Services
1424 Chestnut Street, 4th Floor
Philadelphia, PA 19102
(*Community Legal Services*)

Roger Clark, Esquire
Environmentalists
905 Denston Drive
Ambler, PA 19002-3901
(*The Environmentalists*)

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(*Delmarva Power & Light Company, d/b/a
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800 Cabin Hill Drive
Greensburg, PA 15601
(*Allegheny Power*)

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Mary Ann Ralls, Esquire
Duane, Morris & Heckscher
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1667 K Street, N.W.
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Audrey Van Dyke, Associate Counsel
Naval Facilities Engineering Command
Washington Navy Yard, Bldg 218,
Room 200
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Washington, DC 20374-5018
(*Department of Navy*)

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Janet Miller, Esquire
Todd Stewart, Esquire
Malatesta, Hawke & McKeon, L.L.P.
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(Pennsylvania Petroleum Association), (PA
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Kenneth L Mickens, Senior Prosecutor
Charles D. Shields, Prosecutor
The Office of Trial Staff
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Harrisburg, PA 17105-3265
(OTS)

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Lillian Smith Harris, Esquire
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Harrisburg Energy Center
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Harrisburg, PA 17105-1778
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6803 Lawton Avenue
Philadelphia, PA 19126
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McPherson & Hand
901 North 15th Street, NW
Washington, DC 20005-2301
(*Allegheny Power*)

Richard Silkman
163 Main Street
Yarmouth, ME 04096
(*CEPA Witness*)



Michael D. Klein
LeBoeuf, Lamb, Greene & MacRae
L.L.P.
200 North Third Street, Suite 300
P.O. Box 12105
Harrisburg, PA 17108-2105
(717) 232-8199

Attorney for Enron Energy
Services Power, Inc.

LEBOEUF, LAMB, GREENE & MACRAE
L.L.P.

A LIMITED LIABILITY PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

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ALBANY
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HARRISBURG, PA 17108-2105
17171 232-8199
FACSIMILE: 17171 232-8720

LOS ANGELES
NEWARK
PITTSBURGH
PORTLAND, OR
SALT LAKE CITY
SAN FRANCISCO
BRUSSELS
MOSCOW
ALMATY
LONDON
(A LONDON-BASED
MULTINATIONAL PARTNERSHIP)

November 17, 1997

BY HAND

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FOLDER

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

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PROTHONOTARY'S OFFICE
KJR

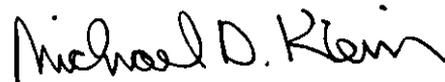
Re: Pennsylvania Public Utility Commission v.
PECO Energy Company
Docket No. R-00973953

Dear Mr. McNulty:

Enclosed please find for filing three (3) copies of a Certificate of Service evidencing service of Enron Energy Services Power, Inc.'s Responses to PECO Energy Company's Interrogatories, Set XXI (Nos. 1 through 8).

If you have any questions concerning this matter, please contact me at your convenience.

Sincerely,



Michael D. Klein

MDK/mas
enclosure

cc: All Parties on Certificate of Service
Daniel Clearfield, Esquire

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission

v.

PECO Energy Company

Petition of Enron Energy Services Power,
Inc.

Docket No. R-00973953

Docket No. P-00971265

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NOV 20 1997

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CERTIFICATE OF SERVICE

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PROTHONOTARY'S OFFICE
PAPUS

I hereby certify that I have on this 14th day of November, 1997, served a true
copy of the foregoing Responses to PECO Energy Company's Interrogatories, Set XXI, on
behalf of Enron Energy Services Power, Inc. upon the participants, listed below, in
accordance with the requirements of 52 Pa.Code § 1.54:

Paul R. Bonney, Esquire
Noel H. Trask, Esquire
Ward L. Smith, Esquire
Assistant General Counsel
PECO Energy Company
2301 Market Street, P.O. Box 8699
Philadelphia, PA 19101-8699
(PECO Energy Company)

Senator Vincent J. Fumo
Christopher B. Craig, Esquire
Senate Democratic Appropriations
Committee
Main Capitol Building, Room 545
Harrisburg, PA 17120
(Senator Vincent J. Fumo)

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Pennsylvania Power & Light Company
Two North Ninth Street
Allentown, PA 18101
(Pennsylvania Power & Light Company)

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Preston Gates Ellis & Rouvelas Meeds
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(Pennsylvania Power & Light Company)

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Suite 600
Washington, DC 20036
(*Self*), (*Duke Energy Trading & Marketing,
LLC*), (*Noram Energy Management, Inc.*),
(*Vastar Power Marketing, Inc.*), (*Electric
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Obermayer Rebmann Maxwell & Hippel,
L.L.P.
204 State Street
Harrisburg, PA 17101
(*Indianapolis Power & Light Company*)

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John Lavelle, Jr., Esquire
Hangley, Anonchick, Segal and Pudlin
One Logan Square, 12th Floor
Philadelphia, PA 19103
(*New Energy Ventures, Inc.*)

John L. Munsch, Esquire
Allegheny Power
800 Cabin Hill Drive
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(*Allegheny Power*)

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(Pennsylvania Petroleum Association), (PA
Association Plumbing, Heating and Cooling
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Users Group)

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(*Allegheny Power*)

Richard Silkman
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(*CEPA Witness*)



Michael D. Klein
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Attorney for Enron Energy
Services Power, Inc.

LEBOEUF, LAMB, GREENE & MACRAE
L.L.P.

A LIMITED LIABILITY PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

NEW YORK
WASHINGTON
ALBANY
BOSTON
DENVER
HARRISBURG
HARTFORD
JACKSONVILLE

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LOS ANGELES
NEWARK
PITTSBURGH
KJR
PORTLAND, OR
SALT LAKE CITY
SAN FRANCISCO
BRUSSELS
MOSCOW
ALMATY
LONDON
(A LONDON-BASED
MULTINATIONAL PARTNERSHIP)

DOCUMENT November 17, 1997
FOLDER

BY HAND

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

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P.A.P.U.C.
PROTHONOTARY'S OFFICE

Re: Pennsylvania Public Utility Commission v.
PECO Energy Company
Docket No. R-00973953

Dear Mr. McNulty:

Enclosed please find for filing three (3) copies of a Certificate of Service evidencing service of Enron Energy Services Power, Inc.'s Responses to Senator Vincent J. Fumo's Interrogatories, Set V, Nos. 32 through 35.

If you have any questions concerning this matter, please contact me at your convenience.

Sincerely,

Michael D. Klein
Michael D. Klein

MDK/mas
enclosure

cc: All Parties on Certificate of Service
Daniel Clearfield, Esquire

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission

v.

PECO Energy Company

:
:
:
:
:
:

Docket No. R-00973953

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FOLDER

I hereby certify that I have on this 13th day of November, 1997, served a true copy of the foregoing Responses to Senator Vincent J. Fumo's Interrogatories, Set V, Nos. 32 through 35, on behalf of Enron Energy Services Power, Inc. upon the participants, listed below, in accordance with the requirements of 52 Pa.Code § 1.54:

DOCKETED
NOV 20 1997

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Noel H. Trask, Esquire
Ward L. Smith, Esquire
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(*PECO Energy Company*)

Senator Vincent J. Fumo
Christopher B. Craig, Esquire
Senate Democratic Appropriations
Committee
Main Capitol Building, Room 545
Harrisburg, PA 17120
(*Senator Vincent J. Fumo*)

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(*Pennsylvania Power & Light Company*)

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(*The Environmentalists*)

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(*Delmarva Power & Light Company, d/b/a
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LLC*), (*Noram Energy Management, Inc.*),
(*Vastar Power Marketing, Inc.*), (*Electric
Clearinghouse, Inc.*)

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Richard Silkman
163 Main Street
Yarmouth, ME 04096
(*CEPA Witness*)
(via Federal Express)



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Attorney for Enron Energy
Services Power, Inc.

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(A LONDON-BASED
MULTINATIONAL PARTNERSHIP)

November 17, 1997

BY HAND

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

DOCUMENT
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KJR

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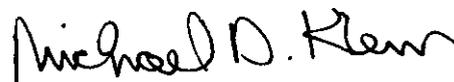
Re: Pennsylvania Public Utility Commission v.
PECO Energy Company
Docket No. R-00973953

Dear Mr. McNulty:

Enclosed please find for filing three (3) copies of a Certificate of Service evidencing service of Enron Energy Services Power, Inc.'s Responses to Senator Vincent J. Fumo's Interrogatories, Set V, Nos. 8 through 16, 37 and 42.

If you have any questions concerning this matter, please contact me at your convenience.

Sincerely,



Michael D. Klein

MDK/mas
enclosure

cc: All Parties on Certificate of Service
Daniel Clearfield, Esquire

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission

Docket No. R-00973953

v.

PECO Energy Company

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CERTIFICATE OF SERVICE

I hereby certify that I have on this 14th day of November, 1997, served a true copy of the foregoing Responses to Senator Vincent J. Fumo's Interrogatories, Set V, Nos. 8 through 16, 37 and 42, on behalf of Enron Energy Services Power, Inc. upon the participants, listed below, in accordance with the requirements of 52 Pa.Code § 1.54:

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Senate Democratic Appropriations
Committee
Main Capitol Building, Room 545
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(Senator Vincent J. Fumo)

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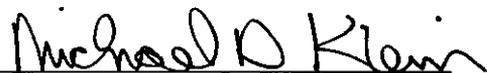
Kenneth L Mickens, Senior Prosecutor
Charles D. Shields, Prosecutor
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(*CEPA Witness*)


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(717) 232-8199

Attorney for Enron Energy
Services Power, Inc.

APPEARANCE SHEET

ALJ HEARING REPORT

Docket No. R-00973953
R-00973953C0001-C0007, P-00971265
 Case Name Pennsylvania Public Utility
 Commission v. PECO Energy Company
 Petition of ENRON Energy Services Power,
Inc.
 Location Philadelphia
 Date November 17, 1997
 ALJ Chestnut & Rainey
 Reporting Firm _____

CHECK THOSE BLOCKS WHICH APPLY:

Prehearing held	YES <input checked="" type="checkbox"/>	NO _____
Hearing held	YES <input checked="" type="checkbox"/>	NO _____
Testimony taken	YES <input checked="" type="checkbox"/>	NO _____
Transcript due	YES <input checked="" type="checkbox"/>	NO _____
Hearing concluded	YES _____	NO <input checked="" type="checkbox"/>
Further hearing needed	YES <input checked="" type="checkbox"/>	NO _____
Estimated add'l days	<u>3*</u>	_____
RECORD CLOSED	YES _____	NO <input checked="" type="checkbox"/>

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 NOV. 19, 1997
 NOV. 20, 1997
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 OFFICE OF THE ALJ
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Briefs to be Filed
 DATE _____
 KJR YES _____ NO _____
 DATE _____
 BENCH DECISION YES NO _____
 REMARKS:

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 97 DEC - 11 9:35
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NAMES, ADDRESSES AND TELEPHONE NUMBERS OF PARTIES OR COUNSEL OF RECORD
 PLEASE PRINT CLEARLY
 INCOMPLETE INFORMATION MAY RESULT IN DELAY OF PROCESS

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David A. Salk Ryan, Russell, Ogden & Seltzer Telephone No. 717-236-7714	200 N. 3rd St, Suite 101 City Harrisburg State PA Zip 17102	GPU Energy

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[Signature]
 REPORTER

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✓ Bruce V. Miller John E. KLAUBERT Telephone No.	LeBoeuf LAMB GREENE & MACRAE 200 N. THIRD ST P.O. Box 12105 City: HARRISBURG PA Zip: 17108-2105	ENRON
✓ Steven Steinmetz Telephone No. (717) 783-5048	1425 Strawberry Sq City: Hbg PA Zip: 17110	OCA
✓ Bernard O. Ryan Telephone No. (717) 783-2525	Suite 1102, Commerce Bldg 300 N. Second St City: Hbg PA Zip: 17101	OSBA
✓ Joseph Duoretzky Telephone No. 715-496-7014	Hangley Archick The Logan City: Plik Pa Zip: 19103	NEV
✓ Craig A. Doll Telephone No. 717-230-9555	214 State St. City: Hbg. PA Zip: 17101	Connectiv Energy
✓ John & Hengerer Jackie Ogs Telephone No. 202-429-8800	1200 17th St, NW #600 City: Washington DC Zip: 20036	Nor Am Energy ECI Duke
✓ Steven P. Hershey CLS Telephone No.	1424 Chestnut St City: State: Zip:	CEPA, TAG ACORN, John W. Long Jr.
✓ William Hawke Telephone No. 717 236 1300	100 N. 10th St. City: Hbg PA Zip: 17105	Mid Atlantic Power Supply Assoc.
✓ WALTER W. CONEN Telephone No. 717-221-7920	209 STATE ST. City: HBL PA Zip: 17101	IPL
Telephone No.	City: State: Zip:	

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Vincent J. Walsh, Jr Telephone No. (215) 580-7459 ✓	1234 Market St City Phila State PA Zip 19107	SEPTA
ROGER E. CLARK Telephone No. 215-643-2364 ✓	905 DENSTON DR. City AMOER State PA Zip 19002	ENVIRONMENTALISTS
David M. Kleppinger McNees, Wallace & Munde Telephone No. (610) 237-5214 ✓	P.O. Box 1166 City Wbys State PA Zip 17108	Phila. Area Industrial Energy Users Group (PAIEUG)
PAUL E. RUSSELL ✓ Telephone No. (610) 774-4254	2 NORTH 9TH ST City ALLENTOWN PA Zip 18101	PP&L, Inc.
DONALD KAPLAN LISA HELPERT ✓ Telephone No.	. City WASH. State D.C. Zip	PP&L, Inc.
Christopher B. Craig ✓ Telephone No. 717 787-5662	545 Main Capital Bldg. City Harrisburg State PA Zip 17120	Sen. Fund
Paul E. Nordstrom ✓ Telephone No. 202/371-6095	901 15th St NW City Wash State DC Zip 20005	Allegheny Power
Telephone No.	City State Zip	
Telephone No.	City State Zip	
Telephone No.	City State Zip	



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

IN REPLY PLEASE
REFER TO OUR FILE

November 18, 1997

RECEIVED
NOV 20 1997

The Honorable Arthur Hershey
House of Representatives
House Post Office
Main Capitol
Harrisburg, PA

Office of the Secretary
Public Utility Commission

Dear Representative Hershey:

Thank you for your recent letter of November 10, 1997, to Chairman John Quain of the Public Utility Commission along with a copy of a letter from your constituents, Mr. and Mrs. Arthur Stern, who support the Pennsylvania Plan which is in actuality the PECO joint settlement which was agreed to by some of the parties involved in the PECO Energy Company's restructuring plan currently pending before the Commission.

Please know that I have taken the liberty of forwarding your letter and the letter of Mr. and Mrs. Stern to the Acting Secretary of the Commission for inclusion into the official record of this proceeding.

Thank you again for the benefit of your thinking on this very important issue.

Sincerely,

Rosemary Chiavetta, Esq.
Director of Legislative Affairs

cc: Chairman Quain
Acting Secretary McNulty
Mr. and Mrs. Arthur Stern

ARTHUR D. HERSHEY, MEMBER

HOUSE POST OFFICE BOX 202020
MAIN CAPITOL BUILDING
ROOM 405 SOUTH OFFICE
HARRISBURG, PA 17120-2020
PHONE: (717) 783-6435
FAX: (717) 783-3899

3157 LIMESTONE ROAD
P.O. BOX 69
COCHRANVILLE, PA 19330
PHONE: (610) 593-6565
FAX: (610) 593-7041



House of Representatives
COMMONWEALTH OF PENNSYLVANIA
HARRISBURG

COMMITTEES

MAJORITY CHAIRMAN, VETERANS AFFAIRS &
EMERGENCY PREPAREDNESS
AGRICULTURAL AND RURAL AFFAIRS,
CONSUMER AFFAIRS

TIMBER CAUCUS
FIREMEN'S CAUCUS

APPOINTMENTS

CHESAPEAKE BAY COMMISSION

November 10, 1997

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NOV 13 1997

John M. Quain, Chairman
Public Utility Commission
PO Box 3265
Harrisburg, PA 17105-3265

CHAIRMAN QUAIN'S
OFFICE

Dear Chairman Quain:

Enclosed is a letter I received from my constituents Mr. And Mrs. Arthur L. Stern in support of the Pennsylvania Plan.

I support the Pennsylvania Plan and forward their letter for your information.

Sincerely,

A handwritten signature in cursive script that reads "Art".

Arthur D. Hershey
State Representative
13th District

ADH/bh

Nov. 4, 1990

Rep. Arthur D. Hersh
3157 Limestone Road
Cochranville
Pa. 19330

Dear Rep. Hersh,
Please support the
Pennsylvania Plan. We do not
support the intrusion of the Enron
Corporation in Pennsylvania. Thank
you.

Respectfully,
Mr + Mrs Arthur L Stern
499 N. Octorara Trail
Cokesburg
Pa 193658



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

IN REPLY PLEASE
REFER TO OUR FILE

November 18, 1997

In Re: **R-00973953,**
R-00973953C0001-
C0007, P-00971265

(See letter dated 11/13/97)

R-00973953,R-00973953C0001-C0007
PECO ENERGY COMPANY

Application for approval of a Restructuring Plan and Consumer Education Program.

P-00971265
Petition of ENRON Energy Services Power, Inc.

For approval of an electric competition and customer choice plan and for authority pursuant to section 2807(E)(3) of the Public Utility Code to serve as the provider of last resort in the service territory of PECO Energy Company .

KJR

NOTICE

This is to inform you that a **Further Hearing on the above captioned case has been scheduled to be held on Tuesday, November 25, 1997 at 10:00 a.m. in an available hearing room, Philadelphia State Office Building, Broad and Spring Garden Streets, Philadelphia, Pennsylvania.**

Presiding Officer: **Administrative Law Judge Marlane R. Chestnut**
Administrative Law Judge Charles E. Rainey, Jr.
1302 Philadelphia State Office Building
Broad and Spring Garden Streets
Philadelphia, Pennsylvania 19130
Telephone: (215) 560-2105

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Please mark your records accordingly.

If you are a person with a disability, and you wish to attend the hearing, we may be able to make arrangements for your special needs. Please call Norma Lewis at the Public Utility Commission:

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NOV 19 1997

- Scheduling Office 717-787-1399
- AT&T Relay Service number for persons who are deaf or hearing impaired:
1-800-654-5988.

pc: Judge Chestnut
Judge Rainey
Rosemary Chiavetta - BPL 111
John Frazier - BPL 101
Office of Trial Staff (2)
Consumer Advocate
Small Business Advocate
Bill Barrett - FUS
Norma Lewis
Steve L. Springer, Scheduling Officer
Beth Plantz
Docket Section
Calendar File

COMMONWEALTH OF PENNSYLVANIA
PUBLIC UTILITY COMMISSION

DATE: November 18, 1997

SUBJECT: R-00973953, R-00973953C0001-C0007 PECO Energy Company

TO: Aggie Brewster, Chief Docketing Section
Office of the Prothonotary

FROM: Steve Springer, Scheduling Officer *52*
Office of Administrative Law Judge

KJR

This is to inform you that the Further Hearing scheduled to be held on the above captioned case in Philadelphia, Pennsylvania on Friday, October 17, 1997 at 10:00 a.m. was canceled.

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APPEARANCE SHEET

ALJ HEARING REPORT

Docket No. R-00973953
R-00973953C0001-C0007, P-00971265
 Case Name Pennsylvania Public Utility
 Commission v. PECO Energy Company
 Petition of ENRON Energy Services Power,
Inc.
 Location Philadelphia
 Date November 18, 1997
 ALJ Chestnut & Rainey
 Reporting Firm _____

CHECK THOSE BLOCKS WHICH APPLY:

Prehearing held YES NO

Hearing held YES NO

Testimony taken YES NO

Transcript filed YES NO

Hearing concluded YES NO

Further hearing needed YES NO

Estimated add'l days 2*

RECORD CLOSED YES NO

★ NOV. 19, 1997
 NOV. 25, 1997

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Briefs to be Filed KJR DATE _____ YES NO

DATE _____

BENCH DECISION YES NO

REMARKS: _____

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NAMES, ADDRESSES AND TELEPHONE NUMBERS OF PARTIES OR COUNSEL OF RECORD
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Karl Boney, Noel Trusk, Ward Smith, Alva Gaston, Mary Hoppe Telephone No. 215-841-4252	2301 Market St. City Phila. State PA Zip 19103	PECO Energy Company

CHECK THIS BOX IF ADDITIONAL PARTIES
 OR COUNSEL OF RECORD APPEAR ON BACK.

[Signature]
 REPORTER

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/ Dan Clearfield Alan Kohler Gerald Telephone No. Gornish Wolf Bluh	305 N. Front St City Hbg, State PA Zip 17101			ENRON
/ John Gallagher Bruce V Miller Telephone No.	LeBoeuf Lamb Greene & MacKinnon 200 N. Third St Suite 600 Po Box 12105 City Harrisburg Pa Zip 17108			ENRON
/ William T. Hawke Telephone No. 717 2361300	100 N. 10th St. City Hbg, State PA Zip 17105			Mid-Atlantic Power Supply Assoc.
Lisa Helpert Telephone No. 202 628 1700	Preston Gates Ellis + Rounselle 1735 New York Ave NW City Washington DC Zip 20006			PPL, Inc
/ Vincent J. Walsh Jr Telephone No. (215) 580-7459	1234 Market St City Phila PA Zip 19107			SEPTA
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Telephone No.	City State Zip			
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Bernard A. Ryan Telephone No. (717) 283-2525	Suite 1102 Commerce Bldg City Hbg State PA Zip 17101			OSBA
Paul E. Nordstrom Telephone No. 202 631-6094	901 15 th St NW City Wash State DC Zip 20005			Allegheny Power
Steven P. Hershey CLS Telephone No.	1424 Chestnut City Phila State PA Zip			CEPA, TAG, ACORN, John W. Long Jr.
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Telephone No.	City State Zip			
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COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P.O. BOX 3265, HARRISBURG, PA 17105-3265

IN REPLY PLEASE
REFER TO OUR FILE

November 19, 1997

Ms. Kelsey O. Smith
131 W. Broad Street
New Holland, PA 17557

Dear Ms. Smith:

Thank you for your recent letter of November 5, 1997, to Senator Noah Wenger regarding the PECO Energy Company's restructuring plan which is currently before the Public Utility Commission for consideration.

Please know that I have taken the liberty of forwarding your letter to the Acting Secretary of the Commission for inclusion into the official file of this proceeding.

We greatly appreciate the benefit of your thinking on this important issue.

Sincerely,

Rosemary Chiavetta, Esq.
Director of Legislative Affairs

cc: Sen. Noah Wenger
Chairman Quain
Acting Secretary McNulty/

NOV 10 1997

131 W. Broad St.
New Holland, PA. 17557
Nov 5, 1997

Senator Noah W. Wenger
1248 W Main Street
Ephrata, PA 17522-1600

Dear Sir:

Re; Pennsylvania Plan for deregular of the utility industry and the Enron Corp
Plan.

I am both a consumer and a stockholder in several Pennsylvania electric
utilities. (PECO, PPL, and Adams Electric Coop, Inc.) . The Pennsylvania Plan seems to
me to be good for me both ways. I see no advantage in the Enron Plan.

Please support the "Pennsylvania Plan.

Kelsey O. Smith
131 W. Broad St.
New Holland, PA. 17557

Kelsey O. Smith

2



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

IN REPLY PLEASE
REFER TO OUR FILE

November 19, 1997

Mr. Robert Umstead
Borough Manager
Borough of Royersford
300 Main Street
Royersford, PA 19468

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R-973953

KJR

Dear Mr. Umstead:

Office of Prothonotary
Public Utility Commission

Thank you for your recent letter of November 13, 1997, to Chairman John Quain of the Public Utility Commission concerning the Borough of Royersford's objections to a filing made by the PECO Energy Company involving the fees which PECO charges municipalities for attachment of their street lights to PECO poles. Since this is an ongoing contested proceeding before the Commission, it would be inappropriate for Chairman Quain to comment on the merits of this matter and, therefore, he referred your letter to me for a response.

The fees which PECO charges municipalities for attachment of their street lights to PECO poles are rates which the Commission has approved and which are set forth in PECO's tariff filed with the Commission. The most recent tariff filing became effective on December 31, 1996. Prior tariff filings available in hard copy indicate that the per month fee has increased slightly from \$9.98 per pole in 1994 to the current \$10.01 per pole. The energy charge has declined from 2.176¢ per kilowatt hour in 1994 to the current 1.741¢ per kilowatt hour. Enclosed are copies of the relevant tariff filings.

The charges set forth in the tariffs result from recent rate making litigation involving PECO. In general, all of the company's proposed rates are supported by a cost of service study that apportions PECO's total cost of doing business to each of the services provided, including street lighting. The rate for street lighting where the customer owns the facility was first established in the mid-1980s. See Springfield Twp. v. Pa. P.U.C., 676 A.2d 304 (Pa. Commw. Ct. 1996) Parties affected by a rate making proceeding have the opportunity to participate in the proceeding and offer evidence as to the reasonableness of the rates charged by PECO.

Since these street lighting rates are a product of the rate making process, they can be altered by the same process. Municipalities can enlist the help of the Office of Consumer Advocate in any future rate making proceeding involving PECO. Moreover, it is my understanding that several municipalities are addressing the issue in PECO's current rate restructuring proceeding under the Electric Generation Customer Choice and Competition Act.

Thank you the benefit of your thinking on this issue, and please know that I have taken the liberty of sending your correspondence to the Acting Secretary of the Commission for inclusion into the official file of this proceeding.

Sincerely,

Rosemary Chiavetta
Director, Bureau of Legislative Affairs

DOCKETED
MAR 18 1998

Enclosures

cc: Chairman Quain
Acting Secretary McNulty *w/o enclosure*

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BOROUGH OF ROYERSFORD

300 MAIN STREET
P.O. BOX 188
ROYERSFORD, PENNSYLVANIA 19468
(610) 948-3737 • FAX (610) 948-1040



November 13, 1997

Mr. John M. Quain, Chairman
Public Utilities Commission
P. O. Box 3265
Harrisburg, PA 17105-3265

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Dear Mr. Quain:

CHAIRMAN QUAIN'S
OFFICE

The Borough of Royersford is a member of the Municipal Intervenor's Group which is objecting to the recent PECO rate filing. The objection is to that portion of the filing known as "location charge". This is PECO's rate SL-E.

PECO is presently charging a \$10.01 fee per street light as a location charge which they have not been able to justify.

Researching the past ten years' billing indicates PECO has charged the Borough an estimated \$1,250.00 per street light. PECO provides no service other than permitting the Borough to attach the Borough's own light to their pole. The Borough is required to perform any and all maintenance.

The Borough presently has 324 street lights. Consequently the Borough has paid to PECO an amount in excess of \$400,000.00 over the last ten years. It is the Borough's feeling this is excessive.

Please consider the objections filed on behalf of the Municipal Intervenor's Group when the review of PECO's SLE is being conducted. Your attention to this will be greatly appreciated by the residents of Royersford whose tax dollars pay for the street lights.

Sincerely,

Robert T. Umstead
Borough Manager

RTU:kw

APPEARANCE SHEET

ALJ HEARING REPORT

Docket No. R-00973953
R-00973953C0001-C0007, P-00971265
 Case Name Pennsylvania Public Utility
 Commission v. PECO Energy Company
 Petition of ENRON Energy Services Power,
Inc.
 Location Philadelphia
 Date November 19, 1997
 ALJ Chestnut & Rainey
 Reporting Firm _____

CHECK THOSE BLOCKS WHICH APPLY:

Prehearing held YES ___ NO

Hearing held YES NO ___

Testimony taken YES NO ___

Transcript due YES NO ___

Hearing concluded YES ___ NO

Further hearing needed YES NO ___

Estimated add'l days 1

RECORD CLOSED YES ___ NO ___

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DATE _____

YES NO ___

DATE 12-2-97

YES ___ NO

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✓ Craig A. Hall Telephone No. 717 - 230-9555	214 State St. City Hbg. State PA Zip 17101	Connectiv Energy
✓ Steven Steinmetz Telephone No. (717) 783-5048	1425 Strawberry St City Hbg. State PA Zip 17110	OCA

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