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File #: 140056

June 25, 2013

VIA ELECTRONIC FILING

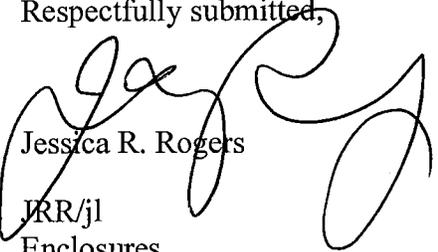
Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor North
P.O. Box 3265
Harrisburg, PA 17105-3265

Re: Petition of PPL Electric Utilities Corporation For Approval of a Distribution System Improvement Charge - Docket No. P-2012-2325034

Dear Secretary Chiavetta:

Enclosed for filing is the Prehearing Conference Memorandum of PPL Electric Utilities Corporation. Copies will be provided as indicated on the Certificate of Service.

Respectfully submitted,



Jessica R. Rogers

JRR/jl
Enclosures

cc: Honorable Kandace F. Melillo (*Via E-Mail & First Class Mail*)

CERTIFICATE OF SERVICE

Docket Nos. P-2012-2325034

I hereby certify that true and correct copies of the foregoing have been served upon the following persons, in the manner indicated, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

Via E-Mail & First Class Mail

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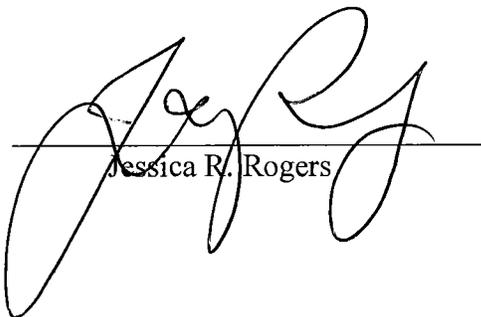
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Cambridge, MA 02140

Date: June 25, 2013



Jessica R. Rogers

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition of PPL Electric Utilities Corporation For Approval of a Distribution System Improvement Charge	:	Docket Nos. P-2012-2325034
	:	
Office of Consumer Advocate	:	C-2012-2346390
Alan D. Whitehouse	:	C-2013-2345750
Pamela Mosconi	:	C-2013-2346375
John E. Hoag	:	C-2013-2345729
James Weaver	:	C-2013-2351090

**PREHEARING CONFERENCE MEMORANDUM
OF PPL ELECTRIC UTILITIES CORPORATION**

TO: ADMINISTRATIVE LAW JUDGE KANDACE F. MELILLO:

PPL Electric Utilities Corporation (“PPL Electric” or “Company”) hereby submits this Prehearing Conference Memorandum in compliance with the Prehearing Conference Order issued by Administrative Law Kandace F. Melillo (“the ALJ”) on June 7, 2013.

I. BACKGROUND

On September 18, 2012, PPL Electric filed a Long Term Infrastructure Improvement Plan (“LTIIIP”) pursuant to Section 1352 of the Public Utility Code, 66 Pa. C.S. § 1352. On October 9, 2012, the Office of Consumer Advocate (“OCA”) and PP&L Industrial Customer Alliance (“PPLICA”) filed Comments on the LTIIIP. Also on October 9, 2012, PECO Energy Company filed a Petition to Intervene. On January 10, 2013, the Public Utility Commission (“Commission”) approved PPL Electric’s LTIIIP.

On January 15, 2013, pursuant to Section 1353, PPL Electric filed a Petition for Approval of a Distribution System Improvement Charge (“DSIC”). 66 Pa. C.S. § 1353. On February 4, 2013, PPLICA filed a Petition to Intervene and an Answer to the DSIC. Also on February 4,

2013, the OCA filed an Answer, Notice of Intervention and Formal Complaint and Public Statement. On February 8, 2013, a Petition to Intervene was filed by Eric Epstein. On March 22, 2013, the Office of Small Business Advocate (“OSBA”) filed an Answer, Notice of Intervention, Public Statement, and Notice of Appearance.

On March 15, 2013, PPL Electric filed an Answer to the OCA’s Complaint.

By Order entered May 23, 2013, the Commission approved PPL Electric’s DSIC. The DSIC was approved subject to refund, pending final resolution of issues raised in the parties’ filings and identified in the Commission’s Order.

On June 6, 2013, PPLICA filed a Motion for Judgment on the Pleadings, alleging that there is no genuine issue of material fact regarding customers served under PPL Electric’s Rate Schedule LP-5, and that LP-5 customers should be excluded from PPL Electric’s proposed DSIC.

II. ISSUES

In its May 23, 2013 Order, the Commission directed that the following issues be assigned to the Office of Administrative Law Judge for hearing and preparation of a Recommended Decision:

- a. Whether customers taking service under Rate Schedule LP-5 at transmission voltage rates should be included under the DSIC charge;
- b. If revenues associated with the Company’s Act 129 Compliance Rider (ACR), Smart Meter Rider, Universal Service Rider, Net Metering Rider, and Competitive Enhancement Rider riders in PPL Electric’s tariff are properly included as distribution revenues;
- c. Impact of accumulated deferred income taxes associated with DSIC investments;
- d. Calculation of state income tax component of the DSIC revenue requirement.

III. WITNESSES

As part of its direct case, PPL Electric will present the following witnesses who will testify as to the matters explained in the following prefiled statements:

Witness & General Subject Matter

Statement

Dennis A. Urban, Jr.
2 North Ninth Street
Allentown, Pennsylvania 18101

PPL Electric St. No. 1

Asset Optimization Strategy and Compliance with Act 11

Stephen J. Gelatko
2 North Ninth Street
Allentown, Pennsylvania 18101

PPL Electric St. No. 2

Eligible Property and LTIP

Bethany L. Johnson
2 North Ninth Street
Allentown, Pennsylvania 18101

PPL Electric St. No. 3

DSIC Tariff and Calculations

PPL Electric reserves the right to present additional witnesses, testimony and exhibits on all matters arising during the course of the proceeding, including all matters raised by other parties. As noted in the procedural schedule, below, PPL Electric will file Supplemental Direct testimony in this proceeding.

IV. PROCEDURAL SCHEDULE

PPL Electric proposes the following procedural schedule:

July 19	Supplemental Direct
August 15	Other Parties' Direct
September 12	Rebuttal
October 3	Surrebuttal
October 24	Written Rejoinder
Oct 29 – 30	Hearings

All dates are for in-hand delivery. Electronic mail for receipt and distribution of testimony and exhibits will satisfy in-hand service dates, with follow-up hard copies provided by first class mail.

While PPL Electric does not believe that there is any required resolution deadline for this case, the Company would like a quick resolution to avoid large refunds, if it is determined that a refund is necessary, and to remove uncertainty in the continued application of its DSIC.

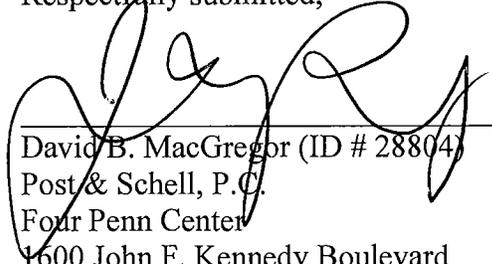
V. DISCOVERY

PPL Electric does not propose any modifications regarding discovery in this proceeding.

VI. SETTLEMENT

PPL Electric will work with the parties to attempt to resolve all or portions of this case.

Respectfully submitted,



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Of Counsel:

Post & Schell, P.C.

Date: June 25, 2013

Attorneys for PPL Electric Utilities Corporation