

COMMONWEALTH OF PENNSYLVANIA
PUBLIC UTILITY COMMISSION

DATE: April 8, 1997

SUBJECT: PP&L Restructuring Plan
Docket No. R-00973954

TO: James J. McNulty, Prothonotary

FROM: Blaine J. Loper
Bureau of CEEP *BJL*

000195

97 APR - 3 11 3: 36

PROTHONOTARY'S OFFICE

We have completed our review of PP&L's Restructuring Plan filing and offer the following comments.

For the most part, PP&L's Plan adequately satisfies the data requirements contained in Appendix A of the Commission's Order of February 13, 1997, at Docket No. M-00960890, Folder 0003. There are, however, a few responses which appear to be incomplete. Some may be justified.

Section D - Taxes. Question 9: PP&L states that a copy of the official settlement is not available at this time.

Section G - General. Question 2: The system map is not available in electronic format. Question 3: A copy of the budget used as a basis for any base claim year was not provided. Question 7: A copy of PP&L's Annual Resource Planning Report was not provided because it is voluminous and contains confidential information. (PP&L filed this report with the Commission last year and submitted the confidential information under separate cover.) Question 8: Incomplete response which only references Question 7, referring to the Annual Resource Planning Report which PP&L did not provide.

Section L - Restructuring Issues. Question 4: No final determination made as to the amounts or timing of any securitization. Question 17: PP&L states that it is unable to respond due to lack of information within the data request.

Section O - Corporate Finance and Structure. Question 2: PP&L refuses to comment on potential mergers, consolidation, acquisition or disposition.

cc: Director Kaloko
Barry Maddox
Calvin Birge
George Kogut

INDEXED
MAY 06 1997

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COMMONWEALTH OF PENNSYLVANIA
PUBLIC UTILITY COMMISSION

April 8, 1997

SUBJECT: Review of PECO Energy's Restructuring Proceeding

**To: James McNulty
Prothonotary**

**From: John C. Miller, Jr. P.E.
Bureau of CEEP**

In response to your request for a technical review of PECO Energy's Restructuring Filing, the Bureau of CEEP has prepared the following memorandum.

PECO has seemingly met all filing requirements related to 66 Pa. C.S. §2806(E). CEEP neither supports the conclusions reached nor the methodologies used to reach those conclusions. CEEP is merely recognizing the filing and related materials.

If you have questions or need additional information please feel free to contact me at your convenience.

~~BUCKETED~~

~~MAY 06 1997~~

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ORIGINAL

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

DOCKETED
APR 18 1997

Pennsylvania Public Utility :
Commission :
:
v. :
:
Pennsylvania Power & Light Company :

Docket No.
R-00973954 KJR

NOTICE OF APPEARANCE

**DOCUMENT
FOLDER**

To The Secretary:

Please enter the appearance of the Office of Trial Staff of the Pennsylvania Public Utility Commission in the above-captioned proceeding.

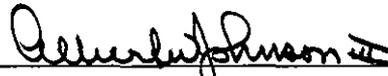
Prosecutor(s) for the Office of Trial Staff, in addition to the undersigned, will be:

Johnnie E. Simms
Scott H. DeBroff

All service on and communications to the Office of Trial Staff in this proceeding should be addressed to:

Johnnie E. Simms
Scott H. DeBroff
Prosecutors, Office of Trial Staff
Pa. Public Utility Commission
Post Office Box 3265
Harrisburg, PA 17105-3265
(717) 787-1976

RECEIVED
97 APR 10 AM 10:07
P.A.P.U.C.
PROTHONOTARY'S OFFICE



Albert W. Johnson, III
Deputy Chief Prosecutor



Charles F. Hoffman
Chief Prosecutor

Date: April 8, 1997

R-00973954

ORIGINAL

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

In the Matter of
Pennsylvania Power & Light Co.
Restructuring Plan Filing

)
)
)
)

Dkt. No. R-00973954

NOTICE OF INTENT TO PARTICIPATE

by

THE ENVIRONMENTALISTS

000140 KJR

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97 APR - 9 11:12:35

DOCUMENT
FOLDER

Alan J. Barak (Sup. Ct. #67886)
Counsel to the Environmentalists

1417 Blue Mountain Pkwy
Harrisburg, PA 17112
v. 717-540-5106
f. 717-541-1970

ORIGINAL

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

In the Matter of)
Pennsylvania Power & Light Co.) Dkt. No. R-00973954
Restructuring Plan Filing)
)

NOTICE OF INTENT TO PARTICIPATE

The Environmentalists hereby give you notice that they intend to participate as an active party in the above-referenced docket. Please add the following people to your Service List:

Alan J. Barak
Penn Energy Project
1417 Blue Mtn Parkway
Harrisburg, PA 17112
v. 717-540-5106
f. 717-541-1970
e-mail: *barak@igc.apc.org*

Fred Zalcman
Pace University School of Law
78 North Broadway
White Plains, NY 10603
v. 914-422-4082
f. 914-422-4180
e-mail: *fzalcman@genesis.pace.law.edu*

DOCUMENT
FOLDER

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97 APR -9 11:12:35
RECEIVED
PROTHONOTARY'S OFFICE

DUCKETED
APR 21 1997

Bruce Biewald
Synapse Energy Economics, Inc.
101 Chilton St.
Cambridge, MA 02138
v. 617-661-3248
f. 617-661-0599
e-mail: biewald@world.std.com

and,
Jeff Schmidt
The Sierra Club
P.O. Box 663
Harrisburg, PA 17108
v. 717-232-0101
f. 717-238-6330
e-mail: pennsylvaniachapter@sierraclub.org

Respectfully submitted,



Alan J. Barak (Sup. Ct. #67886)
Counsel for the Environmentalists

1417 Blue Mountain Parkway
Harrisburg, PA 17112
v. 717-540-5106
f. 717-541-1970

ORIGINAL

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION
000141

RECEIVED
PROTHONOTARY'S OFFICE

In the Matter of)
Pennsylvania Power & Light Co.)
Restructuring Plan Filing)
)

Dkt. No. R-00973954

CERTIFICATE OF SERVICE

I hereby certify that I have on the 8th day of April, 1997, served the following document, Environmentalists' Notice of Intent to Participate, upon the following parties and in the manner outlined below.

SERVICE BY FIRST CLASS MAIL, POSTAGE PREPAID

ALJ George Kashi
PA Public Utility Commission
Room G-8A, North Office Building
P.O. Box 3265
Harrisburg, PA 17105-3265

James Mullins, Esq. (OCA)
Tanya J. McCloskey, Esq.
Assistant Consumer Advocates
Office of the Consumer Advocate
1425 Strawberry Square
Harrisburg, PA 17120

Office of Special Assistants
Attn:
PA Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

Joan O. Brandeis, Esq. (BET)
Schnader, Harrison Segal & Lewis
Suite 3600
1600 Market Street
Philadelphia, PA 19103-4252

Office of Trial Staff
Attn: Johnnie Simms
PA Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

Kenneth Zielonis (CART)
Stevens & Lee
208 N. 3rd St., Suite 310
P.O. Box 12090
Harrisburg, PA 17108-2090

Paul Russell, Esq. (PPL)
Associate General Counsel
Pennsylvania Power & Light Co.
Two North Ninth Street
Allentown, PA 18101-1179

Karen Oill Moury, Esq. (SBA)
Office of Small Business Advocate
Suite 1102 - Commerce Building
300 North Second Street
Harrisburg, PA 17101

David M. Kleppinger, Esq. (PAIEUG)
James P. Dougherty, Esq.
Derrick P. Williamson, Esq.
McNees Wallace & Nurick
P.O. Box 1166
Harrisburg, PA 17108-1166

David A. McCormick, Esq. (DOD)
Regulatory Law Office
Office of the Judge Advocate General
Dept. of the Army
901 North Stuart Street - Room 713
Arlington, VA 22203-1837

James P. Melia, Esq. (UCC)
Kirkpatrick & Lockhart
240 North Third Street
Harrisburg, PA 17101-1507

Donald A. Kaplan, Esq.
Preston Gates Ellis & Rouvelas Meeds
Suite 500
1735 New York Ave. NW
Washington DC 20006-4759

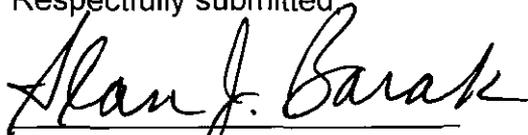
Bruce Biewald
Synapse Energy Economics Inc
101 Chilton St
Cambridge MA 02138

Fred Zalcmán, Esq.
Pace University School of Law
78 North Broadway
White Plains, NY 10603

Stephen J. Selden, Esq. (BET)
Assistant General Counsel
Bethlehem Steel Corporation
1170 Eighth Avenue
Bethlehem, PA 18016-7699

Robert P. Haynes, III, Esq. (FOD)
Mette, Evans & Woodside
3401 North Front Street
P.O. Box 5950
Harrisburg, PA 17110

Respectfully submitted,



Alan J. Barak (Sup. Ct. No. 67886)
Counsel for the Environmentalists

1417 Blue Mountain Pkwy.
Harrisburg, PA 17112
v. 717-540-5106
f. 717-541-1970

**COMMONWEALTH OF PENNSYLVANIA
PUBLIC UTILITY COMMISSION
BUREAU OF FIXED UTILITY SERVICES**

DATE: April 11, 1997

SUBJECT: Pennsylvania Power & Light Company
Restructuring Plan
Docket Number R-00973954

TO: James J. McNulty, Deputy Prothonotary

FROM: Robert Bennett, Fixed Utility Manager
Bureau of Fixed Utility Services

It is our opinion that the data filed in support of PP&L's restructuring plan meets the Commission's filing guidelines at Docket No. M-00960890, Order Entered, February 13, 1997.

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

ORIGINAL

KJR

IN THE MATTER OF THE APPLICATION
OF PENNSYLVANIA POWER & LIGHT
FOR THE APPROVAL OF ITS PLAN TO
RESTRUCTURE UNDER SECTION 2806
OF THE PUBLIC UTILITY CODE

DOCKET #
R-00973954

DOCUMENT
FOLDER

DOCKETED

APR 21 1997

VERIFIED APPLICATION FOR LEAVE TO INTERVENE OF
GENE STILP AND THE PENNSYLVANIA POWER & LIGHT
RATEPAYERS' ASSOCIATION

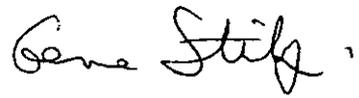
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97 APR 14 PM 4:05
P.A.P.U.C. OFFICE
PROTHONOTARY'S OFFICE

Gene Stilp as a ratepayer and as a Pennsylvania taxpayer and as a coordinator for the Pennsylvania Power & Light Ratepayers' Association hereby files this Verified Application for Leave To Intervene in this proceeding under 52 Pennsylvania Code sections 5.71 through 5.74, and in support thereof states the following:

1. Gene Stilp, as intervenor, is an Pennsylvania taxpayer and a resides in a home served by Pennsylvania Power & Light
2. The Pennsylvania Power & Light Ratepayers' Association is an association of P.P.& L. ratepayers from throughout the service area of the utility P.P.& L.
3. Gene Stilp is a coordinator for the P.P.& L. Ratepayers' Association.
4. The office and mailing address of the P.P.& L. Ratepayers' Association is 1550 FCVR, Harrisburg, Pa. 17112-9240.
5. Pursuant to an order of the Public Utility Commission, on April 1, 1997, Pennsylvania Power & Light filed an "Application for Approval of Restructuring Plan" pursuant to Section 2806 of the Public Utility Code. That filing seeks the recovery of 4.6 billion dollars of stranded costs, the imposition of unbundled rates, and implementation of P.P.& L.'s plan to meet service and conservation obligations.
6. Gene Stilp, and the Pennsylvania Power & Light Ratepayers' Association have a direct and distinct interest in this proceeding as ratepayers to this utility, and approval of P.P.& L.'s application will result in a substantial loss of savings that would otherwise be passed onto the above intervenors. A decision by the P.U.C. Commissioners to pass P.P.& L.'s "Stranded Costs" onto the ratepayers will result to substantial costs to the ratepayers.

7. The matter is now before the Commission.

For the above reasons we request that this application be granted.

A handwritten signature in cursive script that reads "Gene Stilp".

Gene Stilp, Coordinator
P.P. & L. Ratepayers' Association
1550 FCVR
Harrisburg, Pa. 17112-9240
717-599-7700

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

DOCUMENT
FOLDER

~~ORIGINAL~~

Pennsylvania Public Utility
Commission

Commission Docket No.
R-00973954

v.

Pennsylvania Power & Light Company

DOCKETED
APR 21 1997

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

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KJR

PETITION TO INTERVENE OF
DELMARVA POWER & LIGHT COMPANY

NOW COMES, Delmarva Power & Light Company ("DP&L"), pursuant to 52 Pa. Code §5.71, by and through its attorney, and hereby files this Petition to Intervene in the above-captioned proceeding involving an application by the Pennsylvania Power & Light Company ("PP&L") for Commission approval of a Restructuring plan filed pursuant to Section 2806 of the Public Utility Code. In support of its Petition, DP&L sates as follows:

1. DP&L is a corporation organized and existing under the laws of the States of Delaware and Virginia for the purposes,

inter alia, of acquiring, owning, operating and maintaining property, equipment and facilities for the generation, transmission, distribution and furnishing of electricity and natural gas to and for the public for the production of light, heat and power. Applicant currently furnishes electricity to and for the public throughout the State of Delaware and certain parts of the States of Maryland and Virginia in the Delmarva Peninsula. Petitioner is a member of the Pennsylvania-Maryland-New Jersey Interconnection Association ("PJM") and has authority from the Federal Energy Regulatory Commission ("FERC") to make wholesale sales at market-based rates.

2. DP&L is the holder of four Certificates of Public Convenience issued by the Commission at the following Docket numbers: A-91675; A-93235; A-94227; and A-96380.

3. DP&L's principal place of business is:

Delmarva Power & Light Company
800 King Street
Wilmington, DE 19899

4. DP&L will be represented in this proceeding by the following counsel, who should be placed on the Commission's

service list and receive copies of all correspondence and other documents:

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

(717) 230-9555
(717) 230-9750 FAX

Randall V. Griffin, Esquire
Delmarva Power & Light Company
800 King Street
P.O. Box 231
Wilmington, DE 19899

(302) 429-3757
(302) 429-3801 FAX

Mr. Griffin is an attorney in good standing before the bar in the State of Delaware, whose Commission permits Pennsylvania attorneys to appear before it in cases of special interest.

5. On December 3, 1996, Governor Tom Ridge signed into law the Electric Generation Customer Choice and Competition Act (the "Act"). The Act restructures the electric industry in Pennsylvania to provide customers with choice in their electric generator.

6. To implement these restructuring changes, the Act adds Chapter 28 to the Pennsylvania Public Utility Code (the "Code"), 66 Pa. C.S. §101 *et seq.* Specifically, 66 Pa. C.S. §2806(d) requires all electric utilities in Pennsylvania to file restructuring plans with the Pennsylvania Public Utility

Commission (the "PUC" or "Commission") on a schedule to be developed by the PUC.

7. On or about April 1, 1997, PP&L filed with the Commission its proposed restructuring plan pursuant to Section 2806 of the Code, 66 Pa.C.S. §2806.

8. DP&L is in the process of filing an application for the issuance of a license for it to become supplier of electric generation within Pennsylvania.

9. DP&L has a direct interest in this proceeding. DP&L's intent to participate in the competitive marketplace in Pennsylvania will be substantially affected by the resolution of issues raised in this proceeding. No party, other than DP&L, can adequately represent DP&L's unique position or protect its interests in this proceeding.

10. Permitting DP&L's intervention in this proceeding will not delay any on-going proceedings nor prejudice any existing party or the public interest. DP&L states that the public interest is best served by permitting the intervention of DP&L.

WHEREFORE, Delmarva Power & Light Company respectfully requests that its Petition to Intervene in this proceeding be granted.

Respectfully submitted,



Craig A. Doll
214 State Street
Harrisburg, PA 17101
(717) 230-9555
(717) 230-9750 FAX

Dale Griffin, Esquire
Delmarva Power & Light Company
800 King Street
P. O. Box 231
Wilmington, DE 19899

(302) 429-3757
(302) 429-3801 FAX

Dated: April 14, 1997

Pennsylvania Public Utility Commission :
Commission Docket No. :
R-00973954 :
v. :
Pennsylvania Power & Light Company :

CERTIFICATE OF SERVICE

I, Craig A. Doll, attorney for Respondent, hereby certify that I have this day served a true copy of the foregoing document upon the participants listed below, in accordance with the requirements of § 1.54.

VIA FIRST CLASS MAIL

Honorable George M. Kashi
Administrative Law Judge
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

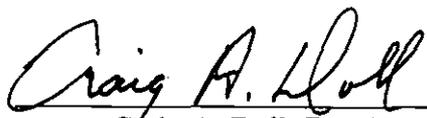
Paul E. Russell
Associate General Counsel
Two North Nineth Street
Allentown, PA 18101-1179
(For PP&L)

Kenneth Mickens, Senior Prosecutor
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265
(For Pa.PUC)

Bernard Ryan, Esquire
Karen Oill Moury, Esquire
Office of Small Business Advocate
Suite 1102, Commerce Building
300 North 2nd Street
Harrisburg, PA 17101
(For OSBA)

Tanya McCloskey, Esquire
Steven Steinmetx, Esquire
Office of Consumer Advocate
14th Floor, Strawberry Square
Harrisburg, PA 17120
(For OCA)

Dated this 14th day of April, 1997



Craig A. Doll, Esquire

COMMONWEALTH OF PENNSYLVANIA

DATE: April 15, 1997

SUBJECT: R-00973954

KJR

TO: Office of Administrative Law Judge

FROM: *WJZ* John G. Alford, Secretary

APPLICATION OF PENNSYLVANIA POWER & LIGHT COMPANY FOR
APPROVAL OF ITS RESTRUCTURING PLAN

Attached is copy of a Petition to Intervene of Bethlehem Steel Corporation filed in connection with the above docketed proceeding.

This matter is assigned to your Office for appropriate action.

Attachment

cc: Office of Trial Staff

wjz

DOCKETED
APR 21 1997

**DOCUMENT
FOLDER**

COMMONWEALTH OF PENNSYLVANIA

DATE: April 16, 1997

SUBJECT: R-00973954

TO: Office of Administrative Law Judge

FROM: *WJP* John G. Alford, Secretary

DOCUMENT
FOLDER

PENNSYLVANIA POWER & LIGHT COMPANY'S RESTRUCTURING
PLAN

Attached is copy of a Petition to Intervene of Delmarva Power & Light Company and Verified Application for Leave to Intervene of Gene Stilp and the Pennsylvania Power & Light Ratepayers' Association, filed in connection with the above docketed proceeding.

This matter is assigned to your Office for appropriate action.

Attachment

cc: OTS

wjz

DOCKETED
APR 21 1997



Bruce A. Connell
General Counsel

DuPont Power Marketing Inc.
600 N. Dairy Ashford, ML1034
P.O. Box 4783
Houston, TX 77210
(281) 293-1736
Fax: 293-3826

April 16, 1997

ORIGINAL

000
415

Mr. John G. Alford, Sec.
Pennsylvania Public Utility Commission
Room B20 North Office Bldg.
Commonwealth and North Street
Harrisburg, PA 17109

Dear Mr. Alford:

Pennsylvania Power & Light Company
Docket No. R-00973954

97 APR 22 AM 11:05
RECEIVED
PROTHOMOTARY OFFICE

Enclosed for filing is an original and fourteen copies of "Motion of DuPont Power Marketing Inc. for Leave to Intervene." A copy is also being served on Pennsylvania Power & Light Company and all parties on the official service list.

Also enclosed is an additional copy of the motion. Please acknowledge receipt of the filing on the copy and return it in the stamped, self-addressed envelope which is enclosed.

Sincerely,

/ld
Encl.

**DOCUMENT
FOLDER**

cc: Pennsylvania Power & Light Company
Parties on Official Service List

1
35

ORIGINAL

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

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97 APR 22 AM 11:56

Pennsylvania Power & Light Company

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§

Docket No. R-00973954

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PROTHONOTARY'S OFFICE

**MOTION OF DUPONT POWER MARKETING INC.
FOR LEAVE TO INTERVENE**

Pursuant to the rules and procedures of the Pennsylvania Public Utility Commission, 52 Pa. Code @ 5.71, *et seq.*, DuPont Power Marketing Inc. ("DPMI") hereby moves to intervene in the above-captioned proceeding. In support of this motion, DPMI states as follows:

I.

The exact legal name of movant is DuPont Power Marketing Inc. DPMI is a Delaware corporation with its executive offices located at 600 North Dairy Ashford, Houston, Texas 77079. DPMI is a power marketer. DPMI is a wholly-owned subsidiary of DuPont Energy Company, which is a wholly-owned subsidiary of E. I. du Pont de Nemours and Company ("DuPont").

II.

The names and mailing addresses of the persons upon whom all communications concerning the proceeding should be served are as follows:

DOCUMENT
FOLDER

DOCKETED

APR 26 1997

Bruce A. Connell, Esq.
Legal Department
600 N. Dairy Ashford, ML-1034
Houston, Texas 77079
(281) 293-1736
(281) 293-3826 Fax

and

Gordon E. Goodman, President
DuPont Power Marketing Inc.
600 North Dairy Ashford, CH-1081
Houston, Texas 77079
(281) 293-5152
(281) 293-3940 Fax

III.

On April 1, 1997, Pennsylvania Power & Light Company filed its Application for Approval of its Restructuring Plan under Section 2806 of the Public Utility Code with the Pennsylvania Public Utility Commission.

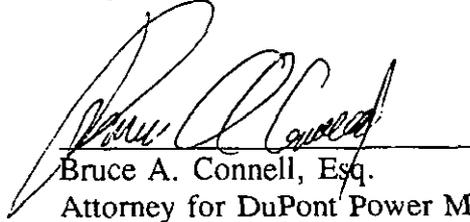
IV.

DPMI is a power marketer, authorized to engage in wholesale electric power and energy transactions. In such circumstances, DPMI respectfully submits that it has direct and substantial interests in Pennsylvania Power & Light Company's filing and that its interests cannot adequately be represented by any other party.

WHEREFORE, DPMI respectfully requests that it be permitted to intervene in this proceeding and to pursue its interests as set forth herein and as may arise during the course of this proceeding. DPMI further requests that it be granted all the rights of a party, including the right to participate fully in all formal and informal conferences and hearings, to receive copies of all pleadings and evidence, to present evidence, cross

examine witnesses, submit arguments and briefs and to engage in any other act or acts permitted any other party to this proceeding.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Bruce A. Connell", is written over a horizontal line.

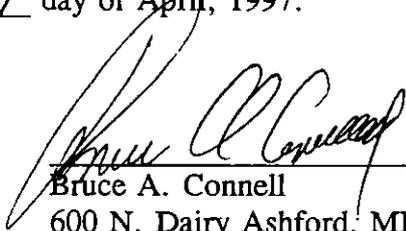
Bruce A. Connell, Esq.
Attorney for DuPont Power Marketing Inc.
600 N. Dairy Ashford, ML-1034
Houston, Texas 77079
(281) 293-1736

April 12, 1997.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon
Pennsylvania Power & Light Company and all parties listed on the official service list.

Dated at Houston, Texas this th 17 day of ~~April~~, 1997.



Bruce A. Connell
600 N. Dairy Ashford, ML-1034
Houston, Texas 77079
(281) 293-1736

SCOTT J. RUBIN
Public Utility Consulting

3 Lost Creek Drive
Selinsgrove, PA 17870-9357

(717) 743-2233 (Voice)
(717) 743-8145 (Fax)
e-mail: sjrubin@ptd.net

April 16, 1997

000183

97 APR 17 AM 10:25

Robert Frazier, Prothonotary
Pa. Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105

ORIGINAL

RECEIVED
PROTHONOTARY'S OFFICE

Re: Pennsylvania Power & Light Company's
Restructuring Plan
Docket No. R-00973954

KJR

Dear Mr. Frazier:

Enclosed for filing please find an original and three (3) copies of the Petition to Intervene of International Brotherhood of Electrical Workers, Local 1600, in the above-referenced proceeding. A copy of this document has been served on all parties of record, as shown on the attached certificate of service.

I am also enclosing an extra copy of the Petition that I would appreciate having time-stamped and returned to me in the enclosed envelope. Thank you for your prompt attention to this matter.

Sincerely,


Scott J. Rubin, Esq.

Enclosures

cc: All parties of record
Hon. George Kashi, ALJ

DOCUMENT
FOLDER

17

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

In the Matter of Pennsylvania Power
and Light Company's Restructuring
Plan

000184

Docket No. R-00973954

97 APR 17 AM 10: 25

RECEIVED
NOTARIAL OFFICE

ORIGINAL

PETITION TO INTERVENE
OF INTERNATIONAL BROTHERHOOD OF ELECTRICAL
WORKERS, LOCAL 1600

Pursuant to 52 Pa. Code §§ 5.71, *et seq.*, the International Brotherhood of Electrical Workers, Local 1600 ("Local 1600") hereby petitions to intervene in the above-captioned proceeding. In support of this Petition, Local 1600 states as follows:

1. Local 1600 is the authorized bargaining unit for several groups of employees of the Pennsylvania Power and Light Company ("PP&L"), and is located at:

William Schmitt
IBEW Local 1600
540 Grange Rd.
P.O. Box 470
Trexlerstown, PA 18087

**DOCUMENT
FOLDER**

DOCKETED
APR 26 1997

2. Among the issues that will be addressed in this restructuring proceeding are the planned closure and/or consolidation of plants or other facilities and the effects of such actions on PP&L's employees; planned reductions in the level of employees and programs for assisting such employees; and other actions that will or may affect the employees of PP&L who are members of Local 1600.

3. No other party to this proceeding represents the interests of the members of Local 1600.

4. Local 1600 intends to actively participate in this proceeding on such matters that affect the interests of its members. Such participation may include the presentation of direct or rebuttal testimony and the cross-examination of witnesses presented by PP&L and other parties to this proceeding.

5. Local 1600 will be represented in this case by, and all documents should be served upon:

Scott J. Rubin, Esq.
3 Lost Creek Drive
Selinsgrove, PA 17870-9357

Phone: (717) 743-2233
Fax: (717) 743-8145

WHEREFORE, International Brotherhood of Electrical Workers, Local 1600, respectfully requests the right to intervene as an active party in this proceeding.

Respectfully submitted,



Scott J. Rubin, Esq.
3 Lost Creek Drive
Selinsgrove, PA 17870
(717) 743-2233

Counsel for:
International Brotherhood of Electrical
Workers, Local 1600

Dated: April 16, 1997

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

In the Matter of Pennsylvania Power :
and Light Company's Restructuring : Docket No. R-00973954
Plan :
:

CERTIFICATE OF SERVICE

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

Service by First Class Mail

Paul E. Russell
Pennsylvania Power & Light Co.
Two North Ninth St.
Allentown, PA 18101

Donald A. Kaplan
Preston Gates Ellis & Rouvelas
Meeds, LLP
1735 New York Ave., NW, #500
Washington, DC 20006

Irwin A. Popowsky
Office of Consumer Advocate
1425 Strawberry Square
Harrisburg, PA 17120

Charles F. Hoffman
Office of Trial Staff
Pa. Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105

David M. Kleppinger
McNees, Wallace & Nurick
P.O. Box 1166
Harrisburg, PA 17108

Elizabeth R. Benson
Energy Associates
7303 Timber Lane
Falls Church, VA 22046-2735

Warren W. Mack
Ahlstrom Development Corp.
4350 LaJolla Village Dr. #210
San Diego, CA 92122

Alan Kohler
Wolf, Block, Schorr and Solis-Cohen
305 North Front St.
Harrisburg, PA 17101-1236

Richard L. Caplan
Caplan & Lubner, LLP
40 Darby Road
Paoli, PA 19301

Billie E. Ramsey
ARIPPA
1300 Market St.
Lemoyne, PA 17043

Craig G. Goodman
Equitable Resources
3333 K St., NW, #425
Washington, DC 20007

Louis J. Carter
7300 City Line Ave.
Philadelphia, PA 19151-2291

Ginny Kreitler
RMI, Inc.
111 Presidential Blvd., #127
Bala Cynwyd, PA 19004

Todd S. Stewart
Malatesta Hawke & McKeon
P.O. Box 1778
Harrisburg, PA 17120

Lisa Yoho
The Eastern Group, Inc.
2900 Eisenhower Ave., #300
Alexandria, VA 22314

D. Jane Drennan
Drennan & Associates
1216 16th St., NW
Washington, DC 20036

Joan O. Brandeis
Schnader, Harrison, Segal & Lewis
1600 Market St., #3600
Philadelphia, PA 19103-4252

Alan J. Barak
Mid-Atlantic Energy Project
3700 Vartan Way
Harrisburg, PA 17110

Eric J. Epstein
2308 Brandywine Dr.
Harrisburg, PA 17110

Kenneth Zielonis, Esq.
Stevens & Lee
208 North Third St., #310
Harrisburg, PA 17101

David A. McCormick
Department of the Army
Office of the Judge Advocate General
901 North Stuart St.
Arlington, VA 22203-1837

Wayne M. Thomas
Kohn, Nast & Graff, P.C.
1101 Market St., 24th Floor
Philadelphia, PA 19107

Robert P. Haynes, III
Mette, Evans & Woodside
3401 North Front St.
Harrisburg, PA 17110-0950

Stephen L. Hunton
PECO Gas Supply Co.
2301 Market St.
Philadelphia, PA 19101-8699

Paul E. Nordstrom
Verner & Liipfert, Bernhard,
McPherson & Hand
901 15th St., NW
Washington, DC 20005

James Melia
Kirkpatrick & Lockhart
240 North Third St.
Harrisburg, PA 17101-1507

Craig R. Kuennen
Comm. on Economic Opportunity
211 South Main St.
Wilkes-Barre, PA 18701-1596

Stephen J. Selden
Bethlehem Steel Corp.
8th & Eaton Avenues
Bethlehem, PA 18016

Noel H. Trask
PECO Energy Co.
2301 Market St.
Philadelphia, PA 19101-8699

John L. Munsch
Allegheny Power
800 Cabin Hill Dr.
Greensburg, PA 15601



Scott J. Rubin, Esq.
3 Lost Creek Drive
Selinsgrove, PA 17870
(717) 743-2233

Counsel for:
International Brotherhood of Electrical Workers,
Local 1600

Dated: April 16, 1997



PECO ENERGY

Legal Department

PECO Energy Company
2301 Market Street
PO Box 8699
Philadelphia, PA 19101-8699
215 841 5544
Fax 215 568 3389

James W. Durham
Senior Vice President
and General Counsel

Paul R. Bonney
Ellen M. Cavanaugh
Edward J. Cullen, Jr.
Todd D. Cutler
Vilna Waldron Gaston
Gregory Golazeski
John C. Halderman
Mary McFall Hopper
Stephen L. Huntoon
Thomas G. Jackson
J. Lindsay Johnston
Conrad O. Kattner
Stephanie Whitton Lewis
Jeffrey J. Norton
Mark B. Peabody
Roslyn G. Pollack
Christine A. Reuther
Wendy Schermer
Susan E. Sciamanna
Jenny P. Shulbank
Ward L. Smith
Dawn Getty Sutphin
Noel H. Trask
Assistant General Counsel

ORIGINAL

Direct Dial: 215 841 4917

April 16, 1997

FEDERAL EXPRESS

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APR 16 1997

KJR

James J. McNulty, Esquire
Prothonotary
Pennsylvania Public Utility Commission
North Office Building, Room 206
Harrisburg, Pennsylvania 17101

PA PUBLIC UTILITY COMMISSION
PROTHONOTARY'S OFFICE

RE: Pennsylvania Power & Light Company
Restructuring Plan Filing, Docket No. R-00973954

Dear Prothonotary McNulty:

Enclosed for filing on behalf of PECO Energy Company are an original and fifteen (15) copies of its Petition to Intervene.

I have served copies of this document upon all those listed on the attached certificate of service.

Pursuant to 52 Pa. Code § 1.11, the enclosed document is deemed filed on April 16, 1997, which is the date it was deposited with an overnight express delivery service as shown on the delivery receipt attached to the mailing envelope.

Upon receipt of this filing, please date and time-stamp the enclosed extra copy of this letter and return it to me in the envelope provided.

Respectfully submitted,

Stephen L. Huntoon

21

Enclosure

cc: Administrative Law Judge George M. Kashi
Certificate of Service

**DOCUMENT
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APR 16 1997

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

Pennsylvania Power & Light Company :
Restructuring Plan Filing :

Docket No. R-00973954

ORIGINAL

PETITION TO INTERVENE
OF PECO ENERGY COMPANY

Pursuant to 52 Pa. Code § 5.71 and various Commission orders, PECO Energy Company ("PECO Energy") hereby files this Petition to Intervene in the above-captioned proceeding involving Pennsylvania Power & Light Company's ("PP&L") Restructuring Plan. In support of its petition, PECO Energy states as follows:

1. PECO Energy is a public utility providing electric service in southeastern Pennsylvania subject to the jurisdiction of the Pennsylvania Public Utility Commission ("PUC" or the "Commission"). PECO Energy's principal place of business is:

2301 Market Street
Philadelphia, Pennsylvania 19103

2. PECO Energy will be represented in this proceeding by the following counsel, who should be placed on the Commission's service list and receive copies of all correspondence and other documents:

DOCUMENT
FOLDER

DOCKETED
APR 26 1997

Stephen L. Huntoon
Mary McFall Hopper
PECO Energy Company
2301 Market Street, S23-1
Philadelphia, Pennsylvania 19103
(215) 841-4917
fax (215) 568-3389

3. On December 3, 1996, Governor Tom Ridge signed into law the Electricity Generation Customer Choice and Competition Act (the "Act"). The Act restructures the electric utility industry in Pennsylvania to provide customers with choice of their electricity generator.

4. To implement these restructuring changes, the Act adds Chapter 28 to the Public Utility Code (the "Code"), 66 Pa. C.S. § 2801, et seq. The Act requires electric utilities to file Restructuring Plans on a schedule developed by the PUC. By orders adopted January 24, 1997 and February 23, 1997, at Docket No. M-009680890, et seq., the PUC required the filing of such plans by PP&L and PECO Energy on April 1, 1997.

5. As an existing electric utility in the Commonwealth, PECO Energy may participate in PP&L's electric market as an electric generation supplier. Moreover, the review of PP&L's plan simultaneously with PECO Energy's plan could lead to either partially or fully litigated proceedings involving common issues of first impression for the Commission.

6. PECO Energy's participation as a party in this proceeding is required to protect its substantial, individual interests both with regard to supplying customers on PP&L's system and with regard to restructuring issues generally.

7. PECO Energy's participation will be in the public interest because the Company can comment and provide input for the record from the perspective of an electric utility, other than PP&L, familiar with the requirements of the Act and the Commission orders related to Restructuring Plans, including the practical and substantive concerns that arise in the course of attempting to comply with the Act and Commission orders. PECO Energy can assist in the development of a full and complete record for review either by the Commission itself or by an ALJ in any proceeding established pursuant to Commission orders.

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

9. PECO Energy will attempt to limit its comments, testimony and other participation in this matter to that required to support its specific interests and positions, and will not attempt to expand its participation in this proceeding beyond that which is necessary.

WHEREFORE, the petition to intervene should be granted.

Respectfully submitted,

PECO ENERGY COMPANY

By: 

Stephen L. Huntoon
Assistant General Counsel
PECO Energy Company
2301 Market Street, S23-1
Philadelphia, PA 19103
(215) 841-4917
fax (215) 568-3389

April 16, 1997

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Power & Light Company :
Restructuring Plan Filing :

Docket No. R-00973954

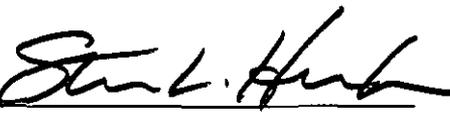
CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing document upon the attached list.

Dated this 16th day of April, 1997.

Respectfully submitted,

PECO ENERGY COMPANY

By: 

Stephen L. Huntoon
Assistant General Counsel
PECO Energy Company
2301 Market Street, S23-1
Philadelphia, PA 19103
(215) 841-4917

R-00973954 Pennsylvania Power and Light Company

Application for approval of a Restructuring Plan

PAUL E RUSSELL ESQUIRE
PENNSYLVANIA POWER AND LIGHT COMPANY
TWO NORTH NINTH STREET
ALLENTOWN PA 18101

LISA M HELPERT
PRESTON GATES ELLIS AND ROUVELAS
MEEDS, LLP
SUITE 500
1735 NEW YORK AVENUE NW
WASHINGTON DC 20006

DONALD A HELPERT
PRESTON GATES ELLIS AND ROUVELAS
MEEDS, LLP
SUITE 500
1735 NEW YORK AVENUE NW
WASHINGTON DC 20006

DONALD H MUTH
PA PUC BUREAU OF FUS
PO BOX 3265
NORTH OFFICE BUILDING
HARRISBURG PA 17105-3265

Z AHMED KALOKO
PA PUC CEEP
PO BOX 3265
HARRISBURG PA 17105-3265

GLENN BARTON
PA PUC BUREAU OF AUDITS
PO BOX 3265
HARRISBURG PA 17105-3265

JOHN F POVILAITIS ESQUIRE
PA PUC LAW BUREAU
PO BOX 3265
HARRISBURG PA 17105-3265

IRWIN A POPOWSKY ESQUIRE
CONSUMER ADVOCATE
1425 STRAWBERRY SQUARE
HARRISBURG PA 17120

BERNARD A RYAN ESQUIRE
SMALL BUSINESS ADVOCATE
SUITE 1102 COMMERCE BUILDING
300 NORTH SECOND STREET
HARRISBURG PA 17101

CHARLES F HOFFMAN ESQUIRE
PA PUC OFFICE OF TRIAL STAFF
PO BOX 3265
HARRISBURG PA 17105-3265

DAVID M KLEPPINGER ESQUIRE
MCNEES WALLACE AND NURICK
PO BOX 1166
100 PINE STREET
HARRISBURG PA 17108

ELIZABETH R BENSON
ENERGY ASSOCIATES
7303 TIMBER LANE
FALLS CHURCH VA 22046-2735

WARREN W MACK PRESIDENT
AHLSTROM DEVELOPMENT CORPORATION
4350 LAJOLLA VILLAGE DRIVE
SUITE 210
SAN DIEGO CA 92122

ALAN KOHLER ESQUIRE
WOLF BLOCK SCHORR AND SOLIS-COHEN
305 NORTH FRONT STREET
HARRISBURG PA 17101-1236

RICHARD L CAPLAN ESQUIRE
CAPLAN AND LUBER LLP
40 DARBY ROAD
PAOLI PA 19301

BILLIE E RAMSEY EXECUTIVE DIRECTOR
ARIPPA
1300 MARKET STREET
LEMOYNE PA 17043

CRAIG G GOODMAN ESQUIRE
EQUITABLE RESOURCES
3333 K STREET NW
SUITE 425
WASHINGTON DC 20007

LOUIS J CARTER ESQUIRE
7300 CITY LINE AVENUE
PHILADELPHIA PA 19151-2291

GINNY KREITLER RMI INC.
111 PRESIDENTIAL BOULEVARD
SUITE 127
BALACYNWYD PA 19004

EDWIN D HILL INTERNATIONAL VICE PRESIDENT
IBEW
200 CORPORATE CENTER DRIVE
SUITE 301
CORAPOLIS
PA 15108

WILLIAM SCHMITT
LOCAL 1600 IBEW
540 GRANGE ROAD
PO BOX 470
TREXLERTOWN PA 18087

J KENNEDY AND ASSOCIATES INC.
SUITE 475
35 GLENLAKE PARKWAY
ATLANTA GA 30328

TODD S STEWART ESQUIRE
MALATESTA HAWKE AND MCKEON
100 NORTH TENTH STREET
PO BOX 1778
HARRISBURG PA 17120

LISA YOHO DIRECTOR OF REGULATORY AFFAIRS
THE EASTERN GROUP, INC.
2900 EISENHOWER AVENUE
SUITE 300
ALEXANDRIA VA 22314

D JANE DRENNAN ESQUIRE
DRENNAN AND ASSOCIATES
1216 16TH STREET NW
WASHINGTON DC 20036

SARAH T TOMALTY ESQUIRE
DRENNAN AND ASSOCIATES
1216 16TH STREET NW
WASHINGTON DC 20036

DAVID A MCCORMICK ESQUIRE
DEPARTMENT OF THE ARMY
OFFICE OF THE JUDGE ADVOCATE GENERAL
901 NORTH STUART STREET
ARLINGTON VA 22203-1837

JAMES MELIA ESQUIRE
KIRKPATRICK AND LOCKHART
THE PAYNE SHOEMAKER BUILDING
240 NORTH THIRD STREET
HARRISBURG PA 17101-1507

JOAN O BRANDEIS ESQUIRE
SCHNADER HARRISON SEGAL AND LEWIS
SUITE 3600
1600 MARKET STREET
PHILADELPHIA PA 19103-4252

WAYNE M THOMAS ESQUIRE
KOHN NAST AND GRAFF PC
1101 MARKET STREET 24TH FLOOR
PHILADELPHIA PA 19107

CRAIG R KUENNEN ENERGY SERVICES MANAGER
COMMISSION ON ECONOMIC OPPORTUNITY
211 SOUTH MAIN STREET
WILKES-BARRE PA 18701-1596

ALAN J BARAK ESQUIRE
MID-ATLANTIC ENERGY PROJECT
3700 VARTAN WAY
HARRISBURG PA 17110

ROBERT P HAYNES III ESQUIRE
METTE EVANS AND WOODSIDE
3401 NORTH FRONT STREET
HARRISBURG PA 17110-0950

STEPHEN J SELDEN ESQUIRE
BETHLEHEM STEEL CORPORATION
EIGHTH AND EATON AVENUES
BETHLEHEM PA 18016

ERIC J EPSTEIN
2308 BRANDYWINE DRIVE
HARRISBURG PA 17110

NORMAN J KENNARD ESQUIRE
MALATESTA HAWKE AND MCKEON
100 NORTH TENTH STREET
HARRISBURG PA 17101

STEPHEN L HUNTON ESQUIRE
PECO GAS SUPPLY COMPANY
2301 MARKET STREET
PHILADELPHIA PA 19101-8699

NOEL H TRASK ESQUIRE
PECO ENERGY COMPANY
2301 MARKET STREET
PHILADELPHIA PA 19101-8699

KENNETH ZIELONIS ESQUIRE
STEVENS AND LEE
208 NORTH THIRD STREET
SUITE 310
HARRISBURG PA 17101

PAUL E NORDSTROM ESQUIRE
VERNER AND LIIPFERT BERNHARD MCPHERSON AND HAND
901 15TH STREET NW
WASHINGTON DC 20005

JOHN L MUNSCHE ESQUIRE
ALLEGHENY POWER
800 CABIN HILL DRIVE
GREENSBURG PA 15601



ORIGINAL

OFFICE OF SMALL BUSINESS ADVOCATE

Suite 1102, Commerce Building
300 North Second Street
Harrisburg, Pennsylvania 17101

Bernard A. Ryan, Jr.
Small Business Advocate

April 17, 1997

(717) 783-2525
(717) 783-2831(FAX)

HAND DELIVERED

Office of the Prothonotary
Pennsylvania Public Utility Commission
Room B-20, North Office Building
P. O. Box 3265
Harrisburg, PA 17105-3265

Re: Application of Pennsylvania Power & Light Company
For Approval Of Its Restructuring Plan Under
Section 2806 the Public Utility Code
Docket No. R-00973954

RECEIVED
97 APR 17 PM 3:23
PROTHONOTARY'S OFFICE
P.U.C.

Dear Prothonotary:

I am delivering for filing today the original plus three copies of the:

1. Notice of Intervention of the Small Business Advocate in the above captioned matter; and
2. Public Statement of the Small Business Advocate relating to the filing of that Notice of Intervention.

Copies of each of the documents listed above are being served today on all known parties in this proceeding. A Certificate of Service to that effect is enclosed.

Sincerely,

Karen Oill Moury

Karen Oill Moury
Assistant Small Business Advocate

Enclosures

cc: Hon. George M. Kashi
Parties of Record
Mr. Robert D. Knecht

DOCUMENT
FOLDER

ORIGINAL

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Application of Pennsylvania :
Power & Light Company For :
Approval Of Its Restructuring :
Plan Under Section 2806 Of : Docket No. R-00973954
The Public Utility Code :

**Office of
Small Business Advocate
Notice of Intervention**

The Office of Small Business Advocate, an agency of the Commonwealth authorized by the Small Business Advocate Act (Act 181 of 1988, 73. P.S. §§399.41 - 399.50) to represent the interest of small business consumers as a party in proceedings before the Pennsylvania Public Utility Commission, files this Notice of Intervention in this proceeding pursuant to the provisions of 52 Pa. Code §5.71(a)(1).

Representing the Office of Small Business Advocate in this proceeding is:

Karen Oill Moury
Office of Small Business Advocate
Suite 1102, Commerce Building
300 North Second Street
Harrisburg, Pennsylvania 17101
(717) 783-2525

RECEIVED
APR 17 PH 3:23
PA.P.U.C.
PETITIONARY'S OFFICE

Karen Oill Moury
Karen Oill Moury
Assistant Small Business Advocate

Dated: April 17, 1997

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APR 24 1997

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**PUBLIC STATEMENT OF
SMALL BUSINESS ADVOCATE
CONCERNING THE INTEREST
OF SMALL BUSINESS CONSUMERS
TO BE PROTECTED BY THE FILING OF A
NOTICE OF INTERVENTION
IN THE APPLICATION OF PENNSYLVANIA POWER & LIGHT COMPANY
FOR APPROVAL OF ITS RESTRUCTURING PLAN
UNDER SECTION 2806 OF THE PUBLIC UTILITY CODE
AT DOCKET NO. R-00973954**

The Small Business Advocate is authorized and directed to represent the interest of small business consumers of utility services in Pennsylvania under the provisions of the Small Business Advocate Act, Act 181 of 1988, 73 P.S. §§399.41 - 399.50 (the "Act"). The Act further provides that the Small Business Advocate is to issue publicly a written statement setting forth the specific interest of small business consumers to be protected by the intervention in any proceeding involving those interests before the Public Utility Commission ("PUC" or "Commission"). This public statement relates to the filing today by the Small Business Advocate of a notice of intervention in the proceeding initiated by Pennsylvania Power & Light Company ("PP&L") on April 1, 1997.

PP&L seeks Commission approval of its Restructuring Plan that was filed pursuant to Section 2806 of the Electricity Generation Customer Choice and Competition Act, 66 Pa.C.S. §2806. In this filing, PP&L projects that its stranded costs will amount to \$4.6 billion and proposes a Competitive Transition Charge ("CTC") that would allow for the recovery of approximately \$4.2 billion of those stranded costs from its ratepayers. PP&L's CTC would decline from year-to-year to reflect an expected increase in the market price of generation. With respect to the design of the CTC, PP&L intends to

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collect one-half of it through a fixed charge and one-half through a variable (per kwh) charge.

PP&L's proposal also sets forth an approach for the unbundling of rates into transmission and distribution charges, CTC and generation charge. In addition, PP&L's filing addresses several other issues, including billing, metering, reliability, universal service and consumer education.

The Office of Small Business Advocate ("OSBA") has intervened in this case to assure that the interests of PP&L's small business customers are adequately represented and protected. While the OSBA intends to review all aspects of PP&L's filing, the OSBA will particularly focus on any issue where the impact on the interests of PP&L's small business consumers is significant or unjustifiably different from the impact on other classes of customers.

In an effort to represent and protect the interests of PP&L's small business customers, the OSBA will pursue numerous issues relating to PP&L's restructuring plan. In particular, the OSBA will consider the reasonableness of PP&L's stranded cost claim, including the reliability of PP&L's market price analyses and underlying assumptions and the appropriateness of various components of stranded costs that PP&L has included in its request. That inquiry will necessarily involve a review of whether PP&L has taken adequate steps to mitigate the costs that it now seeks approval to recover from ratepayers.

The OSBA will also examine the Company's unbundling proposal and allocation methods, along with the supporting cost data

submitted with its plan. That review will consider whether PP&L has designed its CTC in a manner that is fair to all customers, particularly small businesses, and whether PP&L has proposed an appropriate allocation of the recovery of CTC revenues among customer classes.

In addition, the OSBA will evaluate all other aspects of PP&L's restructuring plan to ensure that the needs and interests of small business customers have not been overlooked. To the extent that a feature of PP&L's proposal would adversely affect small businesses, the OSBA intends to raise such issues.

Finally, the OSBA will review all items submitted by other parties to this proceeding. As necessary to protect the interests of small businesses, the OSBA will respond to or endorse the positions of other parties.

In order to adequately protect and advance the interests of PP&L's small business consumers, the OSBA intends to fully participate in this proceeding. To the extent that the OSBA concludes that any aspect of PP&L's filing or of proposals submitted by other parties would adversely affect the interests of the small business community within PP&L's service territory, the OSBA will ensure that those concerns are set forth and addressed.

Date: April 17, 1997

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Application of Pennsylvania :
Power & Light Company For :
Approval Of Its Restructuring :
Plan Under Section 2806 Of : Docket No. R-00973954
The Public Utility Code :

CERTIFICATE OF SERVICE

I certify that I am serving copies of the Notice of Intervention and Public Statement on behalf of the Office of Small Business Advocate by first class mail (unless otherwise indicated) upon the persons addressed below:

Hon. George M. Kashi
Administrative Law Judge
Pa. Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17120
(hand delivered)

Craig R. Burgraff, Esquire
Barrett C. Sheridan, Esquire
James A. Mullins, Esquire
Office of Consumer Advocate
1425 Strawberry Square
Harrisburg, PA 17120

Paul E. Russell, Esquire
Pennsylvania Power & Light Co.
Two North Ninth Street
Allentown, PA 18101-1179
(FAX and first class mail)

David Kleppinger, Esquire
McNees, Wallace & Nurick
100 Pine Street
P.O. Box 1166
Harrisburg, PA 17108-1166

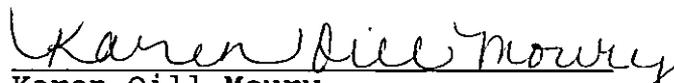
Kenneth L. Mickens, Esquire
Office of Trial Staff
Pa. Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17101

Joan O. Brandeis, Esquire
Schnader, Harrison, Scott
and Lewis
1600 Market Street, Suite 600
Philadelphia, PA 19103

Alan J. Barak, Esquire
1417 Blue Mountain Parkway
Harrisburg, PA 17112

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

Donald A. Kaplan, Esquire
Lisa M. Helpert, Esquire
Preston Gates Ellis &
Rouvelas Meeds
Suite 500
1735 New York Avenue, N.W.
Washington, DC 20006-4759


Karen Oill Moury
Assistant Small Business Advocate

Date: April 17, 1997

RECEIVED
97 APR 17 PM 3:23
PROTECTOR'S OFFICE

LAW OFFICES
WOLF, BLOCK, SCHORR AND SOLIS-COHEN

305 N. FRONT STREET
SUITE 401
HARRISBURG, PA 17101-1236

(717) 237-7160
FACSIMILE: (717) 237-7161

KJR

DIRECT DIAL NUMBER:
(717) 237-7181

April 17, 1997

VIA HAND DELIVERY

James J. McNulty
Acting Prothonotary
PA Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17101

ORIGINAL

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

97 APR 17 PM 2:43

RECEIVED

RE: In the Matter of PP&L's Restructuring Plan; Docket No. R-00973954

Dear Mr. McNulty:

Enclosed for filing please find the original and three copies of a Motion to Intervene of Enron Corp., in the above-referenced matter. As evidenced by the attached Certificate of Service, all parties of record have been served in accordance with the requirements of § 1.54.

If you have any questions, please feel free to contact me.

Respectfully,



Robert J. Longwell
For WOLF, BLOCK, SCHORR and SOLIS-COHEN

RJL/jlg
Enclosures

cc: Parties of Record (w/encs)

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FOLDER

14

DSH:8438.1

33

ORIGINAL

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

In the Matter of Pennsylvania Power & Light Company's Restructuring Plan :
: Docket No. R-00973954
:

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97 APR 17 PM 2:43
P.A.P.U.C.
PROTHONOTARY'S OFFICE

**MOTION TO INTERVENE OF
ENRON CORP.**

Enron Corp. ("Enron"), through its counsel, hereby moves pursuant to 52 Pa. Code § 5.71, to intervene in the above-captioned "Restructuring Plan" proceeding initiated by Pennsylvania Power & Light Company ("PP&L") on April 1, 1997. Through the submission of its Restructuring Plan Petition, PP&L seeks the issuance of a Commission Order pursuant to the Electricity Generation Customer Choice and Competition Act (the "Customer Choice Act") finding the Restructuring Plan to be just and reasonable and in the public interest. Implementation of a Restructuring Plan for PP&L will have far-reaching impact on the development of a competitive generation market in PP&L's service territory. Enron is a generation supplier which plans to provide service in PP&L's service territory once direct access is implemented. Enron seeks to participate in this proceeding in order to protect its interests and to assure that PP&L's Restructuring Plan is fully consistent with the Customer Choice Act and results in fully competitive retail electric markets.

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APR 26 1997

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FOLDER**

In support of its Motion, Enron states as follows:

1. The name and address of the entity seeking intervention is as

follows:

Enron Corp.
Attn: James D. Steffes
1400 Smith Street
P.O. Box 4428
Houston, TX 77002
(713) 853-7500
(713) 646-8160 (f)

2. Enron will be represented in this proceeding by the following
counsel:

Daniel Clearfield, Esquire
Alan Kohler, Esquire
Robert Longwell, Esquire
Wolf, Block, Schorr and Solis-Cohen
305 North Front Street, Suite 401
Harrisburg, PA 17101
(717) 237-7160

3. Enron is actively involved in electric competition issues in
Pennsylvania and around the Nation.

4. On December 3, 1996, Governor Ridge signed the Electricity
Generation Customer Choice and Competition Act, 66 Pa. C.S. § 2801 et seq., into law.
The Customer Choice Act requires the restructuring of Pennsylvania's electric industry
to implement the transition from monopoly provision of electricity supply to a
competitive market.

5. Retail competition, once implemented in Pennsylvania, will provide far-reaching benefits to both residential and business consumers throughout the Commonwealth through reduced prices and improved services. Furthermore, retail competition will stimulate economic development and will allow Pennsylvania businesses to compete effectively in national and international markets and will enhance Pennsylvania's business climate.

6. Enron is the largest, non-regulated wholesale electric supplier in the Nation. Enron intends to participate fully in Pennsylvania's retail electric market, including PP&L's service territory. Enron intends to file an application with the Commission for a supplier license in the near future. In anticipation of its retail marketing activities, Enron is developing a range of products and services related to the purchase, sale and delivery of electric power for all consumers in Pennsylvania.¹

7. In accordance with Section 2806(E) of the Customer Choice Act, the Commission, by order entered on February 13, 1997 at Docket No. M-00960890F0003

¹ The Commission expressly recognized the important role of companies like Enron in its Electric Competition Report when it described the variety of alternatives available to consumers in a retail marketplace as including service provided as follows:

Through aggregators, such as marketers, brokers, local governments or purchasing cooperatives. This option is a secondary form of direct contracting which utilizes a third party to acquire the electricity and groups of consumers who can get the broadest range of services with group purchasing power while reducing the need for knowledgeable, active involvement.

Electric Competition Report, p. 31.

and by order entered on January 24, 1997 at Docket No. M-00970902, required certain electric utilities including PP&L to file Restructuring Plans by April 1, 1997 in accordance with said orders and the Customer Choice Act.

8. On April 1, 1997 PP&L filed its Restructuring Plan at the above-captioned docket.

9. PP&L's proposed Restructuring plan is the first of its kind filed in Pennsylvania. Through the restructuring plan, PP&L requests the Commission to approve four major components:

(a) Terms and conditions for open access retail competition, including a proposal to provide comparable access to the Company's transmission and distribution system, procedures and rules under which the Company will participate as a supplier of electricity, and an extensive proposal for customer education;

(b) A calculation of the Company's stranded or transition costs as defined in the Act, including efforts to mitigate stranded costs;

(c) Unbundled rates for the generation, transmission and distribution of electricity, including a Competitive Transition Charge ("CTC") to recover stranded costs, a proposed rate design to facilitate and encourage full and fair competition, send appropriate price signals to customers, comply with the rate caps contained in the Act, and implement significant rate reductions for incremental usage of electricity; and

(d) Proposals for continued ratepayer protection, including an expanded Company program for assistance to low-income customers and other measures to assure continued safe, reliable and efficient service to customers at reasonable rates.

10. Commission review of the Restructuring plan filing provides an important step in the development of retail choice for consumers in PP&L's service territory. The Commission's decision, upon review of PP&L's filing, will have a lasting impact on the development of competition, the types of services offered and the prices charged by electric generation suppliers offering service to present customers of PP&L.

11. Enron seeks intervention in this proceeding to advocate its views regarding Commission review of PP&L's restructuring plan. Enron will particularly focus on any issues where there is an impact on Enron's ability to offer attractive service options to consumers in this retail marketplace. Enron's advocacy in this proceeding will focus on full development of electric generation supply markets to assure a "level playing field" between all market participants.

12. Enron has a direct, and substantial interest in this proceeding, which is not adequately represented by any other party for among the following reasons:

(a) The competitive safeguards or code of conduct that emerges from this proceeding must prevent utility anti-competitive and unfair behavior. The standards of conduct controlling the utility "generation" division and/or the utility generation affiliate must protect fair competition

and be strong enough to control horizontal market power and the potential for vertical affiliate abuse. Especially important will be the rules, not just for the access to PP&L's transmission and distribution system, but as well, for the use and distribution of data and information collected. All competitors must have compatible access to these resources. Overall, Enron has a strong interest in advocating comprehensive safeguards which assures that non-affiliated generation suppliers are provided treatment equal to that provided PP&L's affiliate and/or division.

(b) As filed, the restructuring plan does not propose to allow or promote the competitive provision of non-wire distribution services or to unbundle PECO's "distribution" function between its "wire" and "non-wire" aspects. Consumers, especially residential and small commercial customers, stand to lose potential benefits of competition if electricity generation suppliers like Enron are not allowed to provide non-wire services such as bill provisioning, metering, and customer account management. Furthermore, absent necessary unbundling much of the benefit normally to be expected through the technological developments prompted by competition will be lost.

(c) The rules for distribution facility access must be non-discriminatory, seamless, consistent, and appropriately priced. To be nondiscriminatory distribution tariffs must require that all consumers, even

those still receiving utility bundled rates, must pay for and take service from a uniform tariff. Moreover the distribution tariffs must price flexibly and allow customers and their electric generation suppliers to pursue the least cost delivery option.

(d) Any Competitive Transition Charge ("CTC") approved by the Commission in this proceeding will be collected through a non-bypassable charge which must be assessed on all electric customers, including Enron's customers. Accordingly, the establishment and level of any CTC approved by the Commission will have a significant impact on the development of a competitive market in PP&L's service territory and the ability of Enron to offer a supply of electric generation at attractive prices to its customers especially in comparisons to other fuel sources. Furthermore, allowing stranded costs not properly justified under the Customer Choice Act will adversely impact Enron's ability to market energy in Pennsylvania by increasing the prices Enron can charge or offer existing and potential customers.

13. Enron is in the process of obtaining an electric supplier license and intends to market competitive retail electric services in the Commonwealth, including in PP&L's service territory. Enron also anticipates that as part of its provision of competitive retail electric services, Enron will purchase "distribution" and "non-wire" services from PP&L once PP&L's present retail tariffs are unbundled. The level of

changes in those unbundled distribution service tariffs will likely be directly affected by the Commission's decision in this proceeding, and, thus, Enron has standing to participate as an active party in this proceeding. Accordingly, as a competitor and customer of PP&L Enron has a direct, immediate and substantial interest in the subject matter of the proceeding for the following reasons.

(a) As the Commission is fully aware, the telecommunication industry is also in the midst of a Commission administered transition to competition, particularly in the intraLATA toll and local markets.² As with the electric industry, the transition to competition is not voluntary but has been mandated by law.

(b) Within this context, litigation before the Commission by emerging competitors asserting claims of unfair competition have become relatively routine.³ While the standing of litigants asserting competitive interest has not been challenged in most of these cases,⁴ the Commission has frequently heard and decided cases in the telecommunications area involving allegations of unfair competition.

² The interLATA long distance market had been previously converted from a monopoly to a competitive business environment.

³ See, e.g., AT&T Communications of Pennsylvania, Inc. v. Bell Atlantic Pennsylvania, Inc., R-00953409 (alleging intraLATA toll discount plans were anti-competitive); AT&T Communications of Pennsylvania, Inc. v. GTE North, Inc., R-00963692.

⁴ Presumably because it was concluded by the respondent that the existence of standing was beyond dispute.

(c) Furthermore, in at least one case, the Commission has expressly determined that a pure competitive interest confers standing. In AT&T Communications of Pennsylvania, Inc. v. GTE North, Inc. and GTE Card Services Inc. d/b/a GTE Long Distance⁵, the Commission denied a motion to dismiss filed by GTE Long Distance and upheld the standing of AT&T to challenge an affiliated interest agreement between GTE and GTE Long Distance under which, if approved, GTE would have been permitted to joint market its local services with GTE Long Distance's interLATA services. AT&T's challenge to the affiliated interest agreement was based on its claim that permitting GTE to joint market the two services prior to the time that AT&T or other competitors entered GTE's local market was anti-competitive.

(d) In its Opinion and Order entered September 6, 1996, the Commission summarily denied GTE Long Distance's motion to dismiss, rejected its standing arguments, and expressly recognized AT&T's standing to pursue its competitive interest.⁶ In its Opinion and Order, the Commission rejected GTE Long Distance's standing arguments "without extensive elaboration," presumably because it was completely clear to the

⁵ C-00968172 (September 6, 1996).

⁶ September 6, 1996 Opinion and Order, p. 20-21, 30.

Commission that given the present regulatory scheme, a competitive interest is adequate to confer standing.

(e) In PECO's recent securitization proceeding,⁷ Enron's Petition to Intervene was granted over the objection of PECO.

Here, Enron's standing to assert its competitive interest is equally clear.

WHEREFORE, for all the foregoing reasons, Enron respectfully requests the Commission to grant this Motion and approve Enron's intervention as a party of record in this proceeding.

Respectfully submitted,



Daniel Clearfield
Alan Kohler
Robert J. Longwell
WOLF, BLOCK, SCHORR and SOLIS-COHEN
305 N. Front Street, Suite 401
Harrisburg, PA 17101
(717) 237-7160

Dated: April 17, 1997

⁷ Application of PECO Energy for Issuance of a Qualified Rate Order Under Sections 2808 and 2812 of the Public Utility Code, Docket No. R-00973877, Order Granting Petition to Intervene, February 14, 1997.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing documents upon the participants, listed below, in accordance with the requirements of §1.54 (relating to service by a participant):

The Honorable John M. Quain, Chairman
Pennsylvania Public Utility Commission
North Office Building
Commonwealth Avenue and North Street
Harrisburg, PA 17105-3265

The Honorable Lisa Crutchfield, Vice Chairman
Pennsylvania Public Utility Commission
North Office Building
Commonwealth Avenue and North Street
Harrisburg, PA 17105-3265

The Honorable John R. Hanger, Commissioner
Pennsylvania Public Utility Commission
North Office Building
Commonwealth Avenue and North Street
Harrisburg, PA 17105-3265

The Honorable David W. Rolka, Commissioner
Pennsylvania Public Utility Commission
North Office Building
Commonwealth Avenue and North Street
Harrisburg, PA 17105-3265

The Honorable Robert K. Bloom, Commissioner
Pennsylvania Public Utility Commission
North Office Building
Commonwealth Avenue and North Street
Harrisburg, PA 17105-3265

The Honorable Robert A. Christianson
Chief Administrative Law Judge
Pennsylvania Public Utility Commission
North Office Building
Commonwealth Avenue and North Street
Harrisburg, PA 17105-3265

Mr. Donald H. Muth
Pennsylvania Public Utility Commission
North Office Building
Commonwealth Avenue and North Street
Harrisburg, PA 17105-3265

Dr. Z. Ahmed Kaloko
Pennsylvania Public Utility Commission
North Office Building
Commonwealth Avenue and North Street
Harrisburg, PA 17105-3265

Mr. Glenn Bartron
Pennsylvania Public Utility Commission
North Office Building
Commonwealth Avenue and North Street
Harrisburg, PA 17105-3265

John F. Povilaitis, Esquire
Pennsylvania Public Utility Commission
North Office Building
Commonwealth Avenue and North Street
Harrisburg, PA 17105-3265

Irwin A. Popowsky, Esquire
Office of Consumer Advocate
1425 Strawberry Square
Harrisburg, PA 17120

Bernard A. Ryan, Esquire
Office of Small Business Advocate
Suite 1102, Commerce Building
300 North Second Street
Harrisburg, PA 17101

Charles F. Hoffman, Esquire
Office of Trial Staff
Pennsylvania Public Utility Commission
P. O. Box 3265
Harrisburg, PA 17105

David M. Kleppinger, Esquire
McNees, Wallace & Nurick
P. O. Box 1166
100 Pine Street
Harrisburg, PA 17108

Elizabeth R. Benson
Energy Associates
7303 Timber Lane
Falls Church, VA 22046-2735

Warren W. Mack, Vice President
Ahlstrom Development Corp.
4350 LaJolla Village Drive
Suite 210
San Diego, CA 92122

Richard L. Caplan, Esquire
Caplan & Luber, LLP
40 Darby Road
Paoli, PA 19301

Billie E. Ramsey, Executive Director
ARIPPA
1300 Market Street
Lemoyne, PA 17043

Craig G. Goodman, Esquire
Equitable Resources
3333 K Street, N.W.
Suite 425
Washington, DC 20007

Louis J. Carter, Esquire
7300 City Line Avenue
Philadelphia, PA 19151-2291

Ginny Kreitler
RMI, Inc.
111 Presidential Boulevard
Suite 127
Bala Conoid, PA 19004

Edwin D. Hill, International Vice President
IBEW
200 Corporate Center Drive
Suite 301
Corapolis, PA 15108

William Schmitt
Local 1600 IBEW
540 Grange Road
P. O. Box 470
Trexlerstown, Pennsylvania 18087

J. Kennedy and Associates, Inc.
Suite 475
35 Glenlake Parkway
Atlanta, GA 30328

Todd S. Stewart, Esquire
Malatesta Hawke & McKeon
100 North Tenth Street
P. O. Box 1778
Harrisburg, PA 17120

Lisa Yoho
Director of Regulatory Affairs
The Eastern Group, Inc.
2900 Eisenhower Avenue, Suite 300
Alexandria, VA 22314

D. Jane Drennan, Esquire
Sarah E. Tomalty, Esquire
Drennan & Associates
1216 16th Street, N.W.
Washington, DC 20036

David A. McCormick, Esquire
Department of the Army
Office of the Judge Advocate General
901 North Stuart Street
Arlington, VA 22203-1837

James Melia, Esquire
Kirkpatrick & Lockhart
The Payne Shoemaker Building 240 North Third Street
Harrisburg, PA 17101-1507

Joan O. Brandeis, Esquire
Schnader, Harrison, Segal & Lewis
Suite 3600
1600 Market Street
Philadelphia, PA 19103-4252

Wayne M. Thomas, Esquire
Kohn, Nast & Graff, P.C.
1101 Market Street, 24th Floor
Philadelphia, PA 19107

Mr. Craig R. Kuennen
Energy Services Manager
Commission on Economic Opportunity
211 South Main Street
Wilkes-Barre, PA 18701-1596

Alan J. Barak, Esquire
Mid-Atlantic Energy Project
3700 Vartan Way
Harrisburg, PA 17110

Robert P. Haynes, III, Esquire
Mette, Evans & Woodside
3401 North Front Street
Harrisburg, PA 17110-0950

Stephen J. Selden, Esquire
Assistant General Counsel
Bethlehem Steel Corporation
Eighth & Eaton Avenues
Bethlehem, PA 18016

Mr. Eric J. Epstein
2308 Brandywine Drive
Harrisburg, PA 17110

Norman J. Kennard, Esquire
Malatesta, Hawke & McKeon
100 North Tenth Street
Harrisburg, PA 17101

Stephen L. Hunton, Esquire
PECO Gas Supply Company
2301 Market Street
Philadelphia, PA 19101-8699

Noel H. Trask, Esquire
PECO Energy Company
2301 Market Street
Philadelphia, PA 19101-8699

Kenneth Zielonis, Esquire
Stevens & Lee
208 North Third Street, Suite 310
Harrisburg, PA 17101

Paul E. Nordstrom, Esquire
Verner & Liipfert, Bernhard, McPherson & Hand
901 15th Street, N.W.
Washington, DC 20005

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

Paul E. Russell, Esquire
Pennsylvania Power & Light Co.
Two North Ninth St.
Allentown, PA 18101

Donald A. Kaplan, Esquire
Lisa M. Helpert, Esquire
Preston Gates Ellis & Ravelas Meeds LLP
Suite 500, 1735 New York Ave., N.W.
Washington, DC 20006

Dated this 17th day of April, 1997.



Robert J. Longwell, Esq.

Alan J. Barak, PC

1417 Blue Mtn Pkwy
Harrisburg PA 17112

717.540.5106 v.
717.6541.1970 f.

barak@igc.apc.org

KJR

April 17, 1997

James McNulty
Office of the Prothonotary
PA Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

VERIFIED
ORIGINAL

RECEIVED
97 APR 18 AM 9:33
PA.P.U.C. OFFICE
PROTHONOTARY'S OFFICE

RE: Application of PP&L Energy Company for Approval
of its Restructuring Plan, Docket No. R-00973954
Complaint and intervention petition of Environmentalists

DOCUMENT
FOLDER

Dear Mr. McNulty:

Enclosed please find the original and fifteen copies of the Environmentalists' Formal Complaint, Protest And Petition to Intervene in the above-docketed proceeding, as well as a Certificate of Service. I have also included two computer diskettes with the documents in WordPerfect 5.1 format.

We have provided a fax copy of this filing to ALJ Kashi and PP&L counsel Paul Russell this same day.

Please time-stamp our enclosed 'office copy' of the Complaint and return it in the envelope provided.

Sincerely,



Mary Lou Morin
Secretary to Alan J. Barak
Counsel for the Environmentalists

cc: Paul Russell, Esq. PP&L
Service List attached

5

44

COMMONWEALTH OF PENNSYLVANIA
BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

FORMAL COMPLAINT

BEFORE THE

ORIGINAL

PENNSYLVANIA PUBLIC UTILITY COMMISSION

FORMAL COMPLAINT, PROTEST AND PETITION TO INTERVENE
OF THE ENVIRONMENTALISTS
REGARDING THE Pennsylvania Power & Light Co. RESTRUCTURING PLAN
DOCKET R-00973954

For Commission Use Only:

COMPLAINT DOCKET NO. _____
UTILITY CODE _____

RECORDED
APR 26 1997

RECEIVED
97 APR 18 AM 9:33
P.A.P.U.C. OFFICE
PROTHONOTARY'S

PLEASE PRINT:

1. YOUR NAME, ADDRESS AND TELEPHONE NUMBER.

Name Alan J. Barak, Esq., Alan J. Barak, PC (Attorney for Environmentalists)
Street 1417 Blue Mountain Parkway
City Harrisburg State PA Zip 17112
County Dauphin Work Telephone - Area Code (717) 540-5106

2. COMPANY YOU ARE COMPLAINING ABOUT

Name Pennsylvania Power & Light Company

**DOCUMENT
FOLDER**

¹The Environmentalists are represented by Penn. Energy Project. Located in offices on the Harrisburg campus of Widener University School of Law, Penn. Energy is supported by gifts from the Heinz Endowments and receives further assistance from the Widener Law School. Penn. Energy secures *pro bono publico* representation primarily for environmental and other public interest groups which could not meaningfully participate in legal proceedings without such assistance.

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DATE FILED ___/___/___ MONITOR _____ BUREAU _____

3. WHAT IS YOUR COMPLAINT? (DESCRIBE PROBLEM)

BACKGROUND

1. On April 1, 1997, Pennsylvania Power & Light Company ("PP&L" or "the Company") filed its Application for Approval of its Restructuring Plan and with it submitted the written testimony and exhibits of its proposed witnesses and related materials. This filing was made to comply with the requirements of the Electricity Generation Customer Choice and Competition Act ("the Act") (66 Pa. C.S. §§2801 *et seq.*). The Commission assigned the matter Docket No. R-00973954.

INTERESTS

2. SUMMARY OF INTERESTS

We are a coalition of groups which have come together to advocate a common agenda of interests in PP&L's restructuring proposal. These groups and organizations, many of which are themselves PP&L ratepayers and all which have members who are PP&L ratepayers, have interests in the following aspects of this proceeding:

- a. The protection of the natural environment and public health from the serious environmental consequences of electricity generation and use. The Environmentalists want an electric power marketplace which does not encourage and contribute to the degradation of Pennsylvania's air, water and land water quality.
- b. An electric power marketplace designed to allow for the development of clean, distributed energy technologies and supplies as a component of Pennsylvania's sustainable economy. The Environmentalists want the development of safe, clean and reliable energy projects in the PP&L service territory and are interested in the sale of such electricity to PP&L customers.
- c. An electric power marketplace and a regulatory system designed to make energy conservation and energy efficiency meaningful options for consumers and for the distribution and transmission systems. The

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Environmentalists believe that conservation and efficiency are cost-effective strategies which have broad economic and environmental benefits.

- d. A fair, healthy and robust electric power marketplace in which PP&L is denied the ability to use its influence and power for anti-competitive ends. The Environmentalists believe that the Act must deliver real competition, not a hollow promise.
- e. A significant rate reduction for all ratepayers. The Environmentalists want competition to fulfill its promise of economic benefits to the PP&L service territory.
- f. An effective Universal Service program. The Environmentalists want PP&L to fulfill the Act's promise of universal access to electricity at affordable rates.
- g. An effective consumer education program. The Environmentalists believe that consumers will realize the potential savings and environmental benefits only if they have access to objective information in consistent formats and an accurate understanding of the choices they are called on to make.

3. IDENTIFICATION OF THE MEMBER ORGANIZATIONS

The Environmentalists represent an important segment of the Pennsylvania community, one particularly concerned with the interrelationships between energy production, distribution and consumption, public health and the quality of our natural environment. The Environmentalist coalition consists of the following organizations:²

²The majority of these organizations were members of the Environmentalists coalition which has been an active participant in many of the Commission's previous restructuring proceedings, including Docket No. R-00973877 (the PP&L securitization case), Docket No. M-00960890 F.003 (the restructuring guidelines), Docket Nos. P-00971168, P-00971169, P-00971170, P-00971172, P-00971175 and P-00971183 (the pilot programs), Docket No. M-00960890 (the pilot program guidelines), Docket No. M-00960890 F.004 (the licensing guidelines), Docket No. M-00960890 F.002 (the Qualified Rate Order guidelines) and Docket No. L-97-00970120 (the reliability rulemaking).

- a. The Sierra Club³ is a century-old broad-based citizens' environmental organization with active members throughout the Commonwealth. It has devoted significant resources to advocating cost-effective, environmentally benign alternatives to traditional supply side utility resources. Many of Sierra Club's members take service from PP&L.⁴
- b. Citizen Action is Pennsylvania's largest consumer and environmental non-profit watchdog organization, with over 50,000 members in the state. Citizen Action fights for more and better paying jobs; a clean, healthy environment; cheaper, less-polluting energy; affordable and quality health care; a system of justice that protects consumers; and a democracy free from the unfair domination of special interests. Its membership includes Pennsylvania Power & Light customers.⁵
- c. The Pennsylvania Public Interest Research Group ("PennPIRG") is a student-founded, state-wide public interest group, with members in PP&L service territory, that advocates for all citizens on a wide variety of consumer issues.⁶

³The Sierra Club is based in San Francisco, California, and maintains a Pennsylvania Chapter with executive offices in Harrisburg, Pennsylvania. The organization's state membership of over 17,000 is located throughout the Commonwealth, and a state volunteer board is broadly representative of the interests of the state's regions. Sierra Club members take service from virtually all of the state's energy utilities. The Sierra Club has, since its founding in 1892, been concerned with the exploration, enjoyment, and protection of wild and scenic places of the Earth. Today's agenda includes protection of the national and global environment against threats of acid rain, water and air pollution, hazardous wastes, ozone depletion and global warming. The Sierra Club works to promote the utilization of renewable resources and technologies in order to preserve non-renewable natural resources for usages for which alternatives have not been identified.

⁴Metropolitan Edison, et. al. and Duguesne Light Co., Docket No., A-110300F051 (PA PUC) (filed 1991) (Sierra Club intervention granted). It has advocated environmental interests as a party to a traditional rate case. Re: PP&L, No. R-000943271 (Rate Filing) (1995), and in Commission generic and rulemaking cases, Investigation Into Demand Side Management By Electric Utilities, Docket No. I-900005 (Order of December 13, 1993), as one of the "Environmentalists", and has filed comments in Commission dockets I-860025 (all source bidding), I-900005 (seven electric utility DSM programs), and M-00940623 (IRP) as one of the Environmentalists.

⁵Citizen Action's work in Pennsylvania focuses on research, public education, lobbying and statewide outreach. Its membership takes service from most of the state's utilities.

⁶PennPIRG is the Pennsylvania Public Interest Research Group, founded 20 years ago by Pennsylvania college and university students to advocate the interests of ordinary citizens to the Commonwealth's

- d. The Pennsylvania Organization for Watersheds and Rivers (POWR) is a statewide coalition of organizations and individuals working to protect, restore and enhance the Commonwealth's river resources. Many of its members take service from PP&L.⁷
- e. The Environmentalists will update this list as necessary throughout the proceedings, in the form of amendments to this Complaint, Protest, and Petition.

THE ENVIRONMENTALISTS' POSITIONS

4. Based on a preliminary examination of the Company's filing, the Environmentalists intend to advance the following positions in this proceeding:
- a. PP&L's restructuring plan fails to reduce electric rates by a meaningful amount and thus fails to deliver the economic benefits which is the underlying foundation of the Act.
 - b. PP&L's restructuring plan will create barriers to a healthy and robust electric power marketplace contrary to the public interest and the goals of the Act.
 - c. PP&L's restructuring plan contains many features which may limit market entry by alternative suppliers and have negative consumer and environmental impacts. Among other things, the Environmentalists are concerned that PP&L has not erected an adequate firewall between its power marketing and its other divisions.
 - d. PP&L has not properly unbundled its rates.

decision makers. PennPIRG now has 10,000 members statewide, of all ages. It is advocates for environmental quality. Its membership takes service from seven of the state's largest utilities.

⁷POWR is a non-profit, 501 (c) (3) corporation with almost 100 organizational and individual members throughout the state. POWR advocates for sound river conservation policies, provides networking, organizational and technical assistance for watershed associations, sportsmen's groups and other organizations working on river conservation, and conducts public education to raise awareness of the importance of Pennsylvania's rivers.

- e. PP&L has not properly computed its stranded costs.
- f. PP&L's estimate of future electric prices may be flawed.
- g. PP&L has not adequately mitigated its stranded costs.
- h. PP&L has not proposed a fair sharing of its stranded costs.
- i. PP&L's proposed Competition Transition Charge is excessive and unreasonable.
- j. PP&L's universal service plan may be inadequate and fail to meet the standards of the Act.
- k. PP&L's consumer information and education plan appears to be inadequate and fail to meet the standards of the Act.
- l. PP&L's restructuring plan fails to adopt the integrated resource planning strategies of energy conservation, load management and distributed power generation to reduce or hold down the future costs of distribution system improvements.
- m. PP&L's restructuring plan fails to adequately address how PP&L will work with the Commission and others like the Environmentalists to establish independent system operators ("ISOs") and to operate the transmission system and the interstate power pools in a fair and reliable manner.
- n. PP&L's restructuring plan may not be in the public interest.
- o. PP&L's stranded cost estimate is overstated because it fails to account for all "stranded benefits", including fossil-fueled power plants built in the 1950's (e.g., Martins Creek 1 and 2), sixties (e.g., Keystone 1 and 2), and early 1970's (e.g., Montour 1 and 2), which preceded many of the Clean Air Act regulations. To the extent that these plants still have much greater air emissions than newer fossil-fueled plants and have not had to meet New Source Performance Standards, these older plants will have an unfair competitive advantage against newer plants. They should be valued as "stranded benefits", as an offset to the Company's stranded investments claim.

- p. Stranded cost recovery should not be split between energy and a fixed customer charge, as PP&L's Dr. Tierney proposes. Most of PP&L's stranded generating costs are from the Susquehanna nuclear plant, which was built primarily with the intention of providing base load energy. The proposed split allocation, based upon a customer's past usage,⁸ will send the wrong price signals, discourage wasteful energy use to the detriment of the integrated system, and discourage competition.
- q. The Company's nuclear decommissioning and waste-related costs should be fully and responsibly provided for and the Company's shareholders should bear an appropriate responsibility for them. Susquehanna's decommissioning costs could well exceed \$1 billion. PP&L is currently collecting \$9.5 million per year for its nuclear decommissioning trust fund, and has proposed that these payments continue over the expected remaining life of the plant.⁹ It is also important that there be appropriate incentives for PP&L to control decommissioning costs, and to make economic decisions about plant retirement.
- r. Coordination with outside organizations is essential to an effective education initiative to ensure that a balanced perspective is communicated. PP&L proposes that it will pursue partnerships with the PUC, and educational service and consumer organizations for the development of educational materials.¹⁰ The Commission should require that provisions for disclosure and certification also be a part of PP&L's restructuring plan.

5. The Environmentalists reserve the right to identify and raise other issues relating to PP&L's restructuring plan as the facts become more apparent in the discovery and evidentiary phases.

4. WHAT DO YOU WANT US TO DO?

WHEREFORE, the Environmentalists REQUEST THAT THE COMMISSION:

⁸PP&L Statement No. 9, Direct Testimony of Susan F. Tierney, page 33.

⁹PP&L Statement No. 3, Direct Testimony of Joseph M. Kleha, page 14-15.

¹⁰PP&L Statement No. 17, Direct Testimony of Dawn G. Lennon, page 4-5.

- a. Receive for filing and docket this Formal Complaint, Protest and Intervention;
- b. Consolidate this Formal Complaint, Protest and Intervention with PP&L's Application and all other Complaints, Protests and Interventions which are made part of Docket Number R-00973954;
- c. Order that the Environmentalists be a party to such proceedings, that they be placed on the service list, and that each party to the proceeding provide them with all papers filed therein;
- d. Hold full evidentiary contested case hearings examining the reasonableness of PP&L's Application and the policies, programs, terms of service, rates and other charges it proposes to implement;
- e. After the completion of the formal parties' evidentiary hearings, hold public input hearings throughout PP&L's service territory in order to provide its customers with an opportunity to be heard on the record, and make the testimony and exhibits received therein a part of the record;
- f. Deny any increase or change in PP&L's rates, charges and/or policies that is unjust, unreasonable, unduly discriminatory or inconsistent with the Public Utility Code, sound ratemaking principles, and public policy;
- g. Determine the justness and reasonableness of PP&L's Application and the policies, programs, terms of service, rates and other charges it proposes to implement, as appropriate and lawful;
- h. Grant the relief requested in this Formal Complaint, Protest and Intervention;
- i. Grant all other relief to which the Environmentalists are entitled; and,
- j. Grant such other relief which the Commission may deem to be necessary and proper.

YOU MUST SIGN AND DATE YOUR COMPLAINT.

The information I have placed on this form is true and correct to the best of my knowledge. I understand that I could be punished under Pennsylvania State law if I purposely give false information. I am an attorney.

SIGNATURE OF COMPLAINANT:

Respectfully submitted,



Alan J. Barak

Alan J. Barak, PC
Attorney for the Environmentalists
(Sup. Ct. No. 67886)

Dated: April 16, 1997

YOU DO NOT NEED A LAWYER If you **DO** have a lawyer **PLEASE PRINT** the lawyer's name, address and telephone number below.

Lawyer's Name Alan J. Barak, Esq.
Street 1417 Blue Mountain Parkway
City Harrisburg State PA Zip 17112
Telephone Number - (717) 540-5106
Fax Number - (717) 541-1970
E-mail address - barak@igc.apc.org

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BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Application of Pennsylvania Power & :
Light Company for Approval of its : Docket No. R-00973954
Restructuring Plan :

CERTIFICATE OF SERVICE

I hereby certify that I have on the 17th day of April, 1997, served the Environmentalists' Formal Complaint, Protest And Petition to Intervene upon the following parties and in the manner outlined below.

SERVICE BY FIRST CLASS MAIL, POSTAGE PREPAID

ALJ George Kashi
PA Public Utility Commission
Room G-8A, North Office Building
P.O Box 3265
Harrisburg, PA 17105-3265

John Povilaitis, Esq.
PA PUC Law Bureau
P.O. Box 3265
Harrisburg, PA 17105-3265

Office of Trial Staff (OTS)
Attn: Johnnie Simms
PA Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

James Mullins, Esq. (OCA)
Tanya J. McCloskey, Esq.
Office of the Consumer Advocate
1425 Strawberry Square
Harrisburg, PA 17120

Paul Russell, Esq. (PPL)
Associate General Counsel
Pennsylvania Power & Light Co.
Two North Ninth Street
Allentown, PA 18101-1179

Donald Helpert, Esq. (PPL)
Lisa Helpert, Esq.
Preston Gates Ellis & Rouvelas Meeds
1735 New York Ave. NW
Suite 500
Washington DC 20006

David M. Kleppinger, Esq. (PAIEUG)
James P. Dougherty, Esq.
Derrick P. Williamson, Esq.
McNees Wallace & Nurick
P.O. Box 1166
Harrisburg, PA 17108-1166

Karen Oill Moury, Esq. (OSBA)
Office of Small Business Advocate
Suite 1102 - Commerce Building
300 North Second Street
Harrisburg, PA 17101

Christopher B Craig Esq
Office of Sen Vincent Fumo
Room 545
Main Capitol Bldg
Harrisburg PA 17120

David A. McCormick, Esq. (DOD)
Regulatory Law Office
Office of the Judge Advocate General
Dept. of the Army
901 North Stuart Street - Room 713
Arlington, VA 22203-1837

James P. Melia, Esq. (UCC)
Kirkpatrick & Lockhart
240 North Third Street
Harrisburg, PA 17101-1507

Joan O. Brandeis, Esq. (BET)
Schnader, Harrison Segal & Lewis
Suite 3600
1600 Market Street
Philadelphia, PA 19103-4252

Stephen J. Selden, Esq. (BET)
Assistant General Counsel
Bethlehem Steel Corporation
1170 Eighth Avenue
Bethlehem, PA 18016-7699

Robert P. Haynes, III, Esq. (FOD)
Mette, Evans & Woodside
3401 North Front Street
P.O. Box 5950
Harrisburg, PA 17110

Dan Clearfield, Esq.(ENRON)
Alan Kohler, Esq.
Wolf, Block, Schorr & Solis-Cohen
305 N. Front St., Suite 401
Harrisburg, PA 17101

Roger Clark, Esq.
NESIP
905 Denston Dr.
Ambler, PA 19002-3901

Jerry Mendl
MSB Energy Associates
Suite 200
7505 Hubbard Avenue
Middletown WI 53562

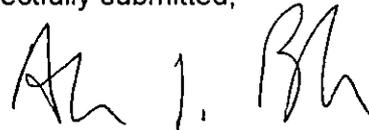
Michael Banta, Esq. (IPL)
V.P. and Assistant Gen'l Counsel
Indianapolis Power & Light Co.
One Monument Circle
P.O. Box 1595
Indianapolis, IN 46206-1595

Kenneth Zielonis (CART)
Stevens & Lee
208 N. 3rd St., Suite 310
P.O. Box 12090
Harrisburg, PA 17108-2090

Bruce Biewald
Synapse Energy Economics Inc
101 Chilton St
Cambridge MA 02138

Fred Zalzman, Esq.
Pace University School of Law
78 North Broadway
White Plains, NY 10603

Respectfully submitted,



Alan J. Barak (Sup. Ct. No. 67886)
Counsel for the Environmentalists

1417 Blue Mtn Parkway
Harrisburg PA 17112
v. 717-540-5106
f. 717-541-1970

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

APPLICATION OF PENNSYLVANIA :
POWER & LIGHT COMPANY FOR :
APPROVAL OF ITS RESTRUCTURING :
PLAN UNDER SECTION 2806 OF THE :
PUBLIC UTILITY CODE :

Docket No. R-00073954

RECEIVED
KJR
APR 23 PM 2:28
PROTHONOTARY'S OFFICE
PA. P.U.C. OFFICE

OFFICE OF SMALL BUSINESS ADVOCATE
PREHEARING MEMORANDUM

I. INTRODUCTION

The Office of Small Business Advocate ("OSBA") is authorized to represent the interests of small business consumers of utility services before the Pennsylvania Public Utility Commission pursuant to the provisions of the Small Business Advocate Act, Act 181 of 1988, 73 P.S. §§399.41 - 399.50 ("the Act"). In order to discharge this statutory duty, the Small Business Advocate deems it necessary to participate as a party to this proceeding. Representing the OSBA in this matter is Assistant Small Business Advocate Karen Oill Moury. Please address all correspondence as follows:

Office of Small Business Advocate
Suite 1102, Commerce Building
300 North Second Street
Harrisburg, Pennsylvania 17101
(717) 783-2525

DUCKETED
APR 28 1997

DOCUMENT
FOLDER

II. FILING BACKGROUND

On April 1, 1997, Pennsylvania Power & Light Company ("PP&L" or "Company") filed its Restructuring Plan pursuant to Section 2806 of the Electricity Generation Competition and Customer Choice Act, 66 Pa.C.S. §2806. By this Application, PP&L proposes a Competitive Transition Charge ("CTC"), which would allow the recovery of approximately \$4.2 of stranded costs from its ratepayers. PP&L's filing also sets forth its proposal for the unbundling of rates. In addition, PECO's filing addresses several other issues, including billing, metering, reliability, universal service and consumer education. The OSBA filed a Notice of Intervention and Public Statement on April 17, 1997.

III. IDENTIFICATION OF ISSUES AND WITNESSES

The OSBA has identified several issues that it intends to pursue during this proceeding. Of paramount concern to the OSBA is the impact of all aspects of PP&L's restructuring plan on its small business customers.

In particular, the OSBA will consider the reasonableness of PP&L's stranded cost claim, including the reliability of its market price analyses and underlying assumptions. In addition, the OSBA will examine the appropriateness of various components of stranded costs that PP&L has included in its claim. That inquiry will necessarily involve a review of whether PP&L has taken adequate steps to mitigate the costs that it now seeks approval to recover from ratepayers.

The OSBA will also evaluate the Company's unbundling proposal and allocation methods, along with the supporting cost data submitted with its plan. That review will consider whether PP&L has designed its CTC in a manner that is fair to all customers and whether PP&L has proposed an appropriate allocation of the recovery of CTC revenues among customer classes.

In addition, the OSBA will examine all other aspects of PP&L's restructuring plan to ensure that the needs and interests of small business customers have not been overlooked. To the extent that a feature of PP&L's proposal would adversely affect small businesses, the OSBA intends to raise such issues.

Finally, the OSBA will review all items submitted by other parties to this proceeding. As necessary to protect the interests of small businesses, the OSBA will respond to or endorse the positions of other parties.

The OSBA may present direct, rebuttal, and surrebuttal testimony in this proceeding on the matters identified above, as well as any additional issues that arise or become apparent during the course of the proceeding. Assisting in the development and presentation of the OSBA's case, and appearing as a witness for the OSBA, will be the following:

Mr. Robert D. Knecht
Industrial Economics Incorporated
2067 Massachusetts Avenue
Cambridge, MA 02140

The OSBA requests that all parties serve copies of all documents, including discovery, testimony, briefs, and all other matters upon Mr. Knecht, simultaneously with service upon the OSBA.

The OSBA will participate in the case to assure that the interests of PP&L's small business customers are adequately represented and protected. While the OSBA intends to review all aspects of PP&L's filing, the OSBA will particularly focus on any issue where the impact on the interests of PP&L's small business consumers is significant or unjustifiably different from the impact on other classes of customers.

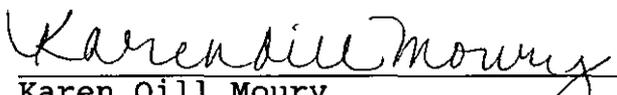
IV. SETTLEMENT

Although the OSBA is willing to enter into settlement discussions at any phase of this proceeding, a more thorough review of the filing is necessary before the OSBA can meaningfully participate in such sessions.

V. PROCEDURAL SCHEDULE

The OSBA will cooperate with the other parties in developing a mutually acceptable procedural schedule for this case.

Respectfully submitted,


Karen Oill Moury
Assistant Small Business Advocate

Office of Small Business Advocate
Suite 1102, Commerce Building
300 North Second Street
Harrisburg, PA 17101
(717) 783-2525

Dated: April 17, 1997

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Application of Pennsylvania :
Power & Light Company For :
Approval Of Its Restructuring :
Plan Under Section 2806 Of : Docket No. R-00973954
The Public Utility Code :

CERTIFICATE OF SERVICE

I certify that I am serving copies of the Prehearing Memorandum on behalf of the Office of Small Business Advocate by FAX and first class mail (unless otherwise indicated) upon the persons addressed below:

Hon. George M. Kashi
Administrative Law Judge
Pa. Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17120
(hand delivered)

Craig R. Burgraff, Esquire
Barrett C. Sheridan, Esquire
James A. Mullins, Esquire
Office of Consumer Advocate
1425 Strawberry Square
Harrisburg, PA 17120

Paul E. Russell, Esquire
Pennsylvania Power & Light Co.
Two North Ninth Street
Allentown, PA 18101-1179

David Kleppinger, Esquire
McNees, Wallace & Nurick
100 Pine Street
P.O. Box 1166
Harrisburg, PA 17108-1166

Kenneth L. Mickens, Esquire
Office of Trial Staff
Pa. Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17101

Joan O. Brandeis, Esquire
Schnader, Harrison, Segal
and Lewis
1600 Market Street, Suite 3600
Philadelphia, PA 19103

Alan J. Barak, Esquire
1417 Blue Mountain Parkway
Harrisburg, PA 17112

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

Donald A. Kaplan, Esquire
Lisa M. Helpert, Esquire
Preston Gates Ellis &
Rouvelas Meeds
Suite 500
1735 New York Avenue, N.W.
Washington, DC 20006-4759


Karen Oill Moury
Assistant Small Business Advocate

Date: April 17, 1997



OFFICE OF CONSUMER ADVOCATE
1425 Strawberry Square
Harrisburg, Pennsylvania 17120

IRWIN A. POPOWSKY
Consumer Advocate

(717) 783-5048

April 17, 1997

KJR

Honorable George M. Kashi
Administrative Law Judge
Pennsylvania Public Utility Commission
Room G-08, North Office Building
P. O. Box 3265
Harrisburg, PA 17105-3265

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

Re: Pennsylvania Public Utility Commission
v.
Pennsylvania Power and Light Company
(Application for Approval of a Restructuring Plan)
Docket No. R-00973954

Dear Judge Kashi:

Enclosed please find two (2) copies of the Office of Consumer Advocate's Prehearing Memorandum in the above-captioned proceeding.

Copies have been served upon all parties of record as shown on the attached Certificate of Service.

Sincerely,

James A. Mullins
Assistant Consumer Advocate

Enclosures
cc: All parties of record
41503

DOCUMENT
FOLDER

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

APPLICATION OF PENNSYLVANIA POWER :
AND LIGHT COMPANY FOR APPROVAL :
OF ITS RESTRUCTURING PLAN UNDER :
SECTION 2806 OF THE PUBLIC UTILITY :
CODE :

Docket No. R-00973954

PREHEARING MEMORANDUM
OF THE
OFFICE OF CONSUMER ADVOCATE

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Pursuant to Section 333 of the Public Utility Code, 66 Pa.C.S. §333, and in response to the prehearing conference notice issued in the above-captioned matter, the Office of Consumer Advocate (OCA) provides the following information:

I. BACKGROUND

On April 1, 1997, pursuant to the recently enacted Electricity Generation Competition and Customer Choice Act ("Act"), Pennsylvania Power and Light Company ("PP&L" or "Company") filed its proposed Restructuring Plan and related tariffs under Section 2806 of the Act. 66 Pa.C.S. §2806. PP&L's Plan proposes a Competitive Transition Charge ("CTC") tariff provision which seeks the recovery of Transition or Stranded Costs totaling \$4.6 billion. PP&L's proposed CTC is to be recovered from all ratepayers within the Company's service territory regardless of their future generation supplier. Under PP&L's proposal, towards

the end of the nine year CTC recovery period set forth in the Act, any overcollections or undercollections will be taken into account thereby either prematurely terminating the CTC period or further extending it in order to ensure that overcollections or undercollections are reconciled.

PP&L's Restructuring Plan sets out the Company's specific proposal for the unbundling of its rates to provide its customers direct access to alternative generation suppliers and to provide generation suppliers direct access to PP&L's customers. In addition to unbundled transmission, distribution and generation rates, PP&L's Plan also contains numerous other provisions addressing such issues as billing, metering, reliability, self-generation, universal service and consumer education.

II. ISSUES AND SUB-ISSUES

Based upon a preliminary analysis of the Company's filing of April 1, 1997, OCA has compiled a list of issues and sub-issues which it anticipates will be included in its investigation of PP&L's proposal. It is anticipated that other issues may arise and may be pursued once the answers to the OCA's interrogatories have been received and analyzed.

The OCA anticipates that in addition to formal discovery, informal discovery meetings will be necessary due to the size and complexity of PP&L's filing. At those meetings, the OCA expects to narrow the scope of the issues and narrow the scope of additional information requests. Once this process has been completed, the OCA will file direct testimony which will set forth the specific issues to be addressed in this proceeding. At that time, the OCA will also be able to make and to quantify its specific recommendations.

The following list sets forth the issues at this time that the OCA anticipates it may

raise:

Market Price Analysis: The OCA will investigate PP&L's claimed amount of stranded costs including whether the Company's market price analysis of the prospective price of power provides a reasonably accurate forecast of its alleged stranded costs. In its review of the Company's claimed level of stranded costs, the OCA will seek to determine whether or not PP&L has utilized reasonable assumptions and market price models in estimating the Company's projected levels of operation and maintenance expenses.

Stranded or Transition Costs: The OCA will examine PP&L's request to recover its stranded costs including PP&L's methodologies and assumptions utilized to estimate its stranded costs, whether the specific stranded costs which PP&L seeks to recover are properly recoverable from ratepayers, and whether the level of these costs sought by the Company is just and reasonable.

Discount Rate: The OCA will review the discount rate used by the Company in determining its stranded costs.

Specific Cost Claims: The OCA will review a variety of claimed costs included by the Company in its determination of stranded costs. Some of the claimed costs which the OCA intends to investigate are PP&L's claimed costs of decommissioning its fossil and nuclear power plants, PP&L's claimed cost of capital, PP&L's claim for its normalized level of future on-going energy costs, depreciation claims and any regulatory asset claims set forth by the Company.

Reallocation of Depreciation Reserves: The OCA will examine the Company's proposal to shift the \$205 million difference between the current accumulated depreciation and theoretical accumulated depreciation from transmission and distribution to depreciation associated with the

Susquehanna plant in order to determine if this proposed action is a proper stranded cost mitigation effort.

Recognition of Regulatory Liabilities: The OCA will seek to determine whether the Company is properly recognizing regulatory liabilities as offsets to regulatory assets.

Mitigation: The OCA will investigate whether PP&L has taken all appropriate steps to mitigate the costs it seeks to recover through its proposed CTC.

Unbundling: The OCA will examine whether the Company properly unbundled the price terms of the rate schedules in PP&L's current electric tariff utilizing appropriate data. Central to this examination is a review of the Company's cost of service study, the allocation of the costs of distribution, transmission and generation, the classification of costs, and the allocation of costs to rate classes.

CTC Design: The OCA will review PP&L's allocation of the recovery of CTC revenues among each class of ratepayers as well as its design of the CTC.

Revised Tariffs, Rate Schedules, Rule & Regulations: The OCA will examine PP&L's revised tariffs, rate schedules and proposed rules and regulations for consistency with the Act and to ensure that they are reasonable, non-discriminatory, in the public interest, and that they do not improperly shift costs.

Direct Access, Supplier Access: The OCA will review the Company's proposed procedures allowing customers direct access to alternative generation suppliers and the suppliers' access to PP&L consumers. The OCA will examine whether these procedures provide effective, fair and nondiscriminatory access to alternative generation suppliers consistent with the Electricity Generation and Customer Choice Act.

Rate Reduction: The OCA will examine the Company's rationale for failing to implement a current rate reduction in 1999 associated with a \$102 million reduction in annual depreciation expense associated with the Susquehanna plant that PP&L promised to consumers at the end of its last rate base case.

Universal Service: The OCA will examine whether the Company's proposals properly satisfy the universal service and low-income assistance requirements of the Act and are in the public interest.

Consumer Education: The OCA will review the Company's proposed plan for Consumer Education to determine whether it will properly educate consumers about the options, benefits and methods of purchasing electricity from alternative generation suppliers.

Obligation to Serve, Reliability: The OCA will review PP&L's provisions concerning its continuing obligation to serve and the Company's proposals for maintaining system reliability to ensure that they are consistent with the goals of the Act.

Code of Conduct: The OCA will examine PP&L's proposed code of conduct for consistency with the Act.

The OCA reserves the right to raise other issues presented by the responses to discovery or testimony. In addition, the OCA reserves the right to address issues raised by other parties.

III. WITNESSES

The OCA intends to present the direct, rebuttal and surrebuttal testimony, as may be necessary, of the following witnesses in this proceeding. Each witness will present testimony in written form and will also attach various exhibits, documents, and explanatory information which will assist in the presentation of OCA's case. In order to expedite the resolution of this proceeding, the OCA requests that copies of all interrogatories, testimony, and answers to interrogatories be mailed directly to the expert witnesses, as well as counsel for the OCA.

The OCA's expert witnesses for this proceeding are:

Richard LaCapra/Henry Yoshimura
LaCapra Associates
The Province Building
333 Washington Street
Boston, MA 02108

Phone: 617-367-6500
Fax: 617-951-0528
E-mail: 73623.3635@compuserve.com

Neil Talbot
81 Grand Street, No. 5
New York, NY 10013

Phone: 212-334-4921
Fax: 212-334-4922
E-mail: 75321.453@compuserve.com

Thomas Catlin
Exeter Associates, Inc.
Suite 350
12510 Prosperity Drive
Silver Spring, MD 20904

Phone: 301-622-4500
Fax: 301-622-2686

Nancy Brockway, Esq.
Suite 400
18 Tremont Street
Boston, Mass. 02108

Phone: 617-523-8010
Fax: 617-523-7398

The OCA specifically reserves the right to call additional witnesses, as necessary. As soon as OCA has determined whether an additional witness or witnesses will be necessary for any portion of its case, all parties of record will be notified.

IV. SERVICE ON OCA

The OCA will be represented in this case by Senior Assistant Consumer Advocate Craig R. Burgraff, and Assistant Consumer Advocates Tanya J. McCloskey, Barrett C. Sheridan and James A. Mullins. Two copies of all documents should be served on the OCA as follows:

James A. Mullins
Assistant Consumer Advocate
Office of Consumer Advocate
1425 Strawberry Square
Harrisburg, PA 17120

Telephone: (717) 783-5048
Telecopier: (717) 783-7152

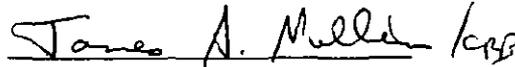
V. PROPOSED SCHEDULE

The OCA has arrived at a proposed schedule in consultation with the Company, the Office of Trial Staff and the PP&L Industrial Customer Alliance.

VI. PUBLIC INPUT HEARINGS

The Office of Consumer Advocate requests that public input hearings be scheduled throughout PP&L's service territory.

Respectfully submitted,



Craig R. Burgraff
Barrett C. Sheridan
James A. Mullins
Assistant Consumer Advocates

Counsel For:
Irwin A. Popowsky
Consumer Advocate

Office of Consumer Advocate
1425 Strawberry Square
Harrisburg, PA 17120
(717) 783-5048

DATED:
41477

CERTIFICATE OF SERVICE

Re: Pennsylvania Public Utility Commission
v.
Pennsylvania Power and Light Company
(Application for Approval of a Restructuring Plan)
Docket No. R-00973954

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

Dated this 17th day of April, 1997.

SERVICE BY FACSIMILE AND INTER-OFFICE MAIL

Kenneth L. Mickens, Esq.
Office of Trial Staff
PA Public Utility Commission
P. O. Box 3265
Harrisburg, PA 17105-3265

SERVICE BY FACSIMILE AND FIRST CLASS MAIL, POSTAGE PREPAID

Paul E. Russell, Esq.
Pennsylvania Power & Light Company
Two North Ninth Street
Allentown, PA 18101-1179

SERVICE BY FACSIMILE AND FIRST CLASS MAIL, POSTAGE PREPAID

Joan O. Brandeis, Esq.
Schnader, Harrison, Segal &
Lewis
Suite 3600
1600 Market Street
Philadelphia, PA 19103

Bernard A. Ryan, Jr., Esq.
Office of Small Business Advocate
Suite 1102, Commerce Bldg.
300 North Second Street
Harrisburg, PA 17101

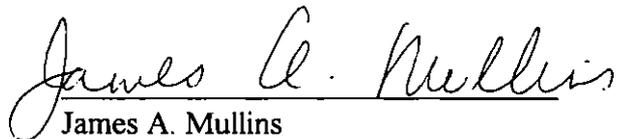
David M. Kleppinger, Esq.
McNees, Wallace & Nurick
100 Pine Street
P. O. Box 1166
Harrisburg, PA 17108

Donald A. Kaplan, Esq.
Lisa M. Helpert, Esq.
Preston Gates, Ellis & Rouvelas
Meeds, LP
Suite 500
1735 New York Avenue, N.W.
Washington, DC 20006

Alan J. Barak, Esq.
Penn. Energy Project
1417 Blue Mountain parkway
Harrisburg, PA 17112

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

Randall V. Griffin, Esq.
Delmarva Power & Light Company
800 King Street
P. O. Box 231
Wilmington, DE 19899



James A. Mullins
Assistant Consumer Advocate

Counsel For
Office of Consumer Advocate
1425 Strawberry Square
Harrisburg, PA 17120
(717) 783-5048

41338

THE LAW FIRM OF

MALATESTA HAWKE & McKEON LLP

MAILING ADDRESS:
P.O. BOX 1778
HARRISBURG, PA 17105

JOSEPH J. MALATESTA, JR.
WILLIAM T. HAWKE
KEVIN J. McKEON
LOUISE A. KNIGHT
THOMAS J. SNISCAK
NORMAN JAMES KENNARD
LILLIAN SMITH HARRIS
SCOTT T. WYLAND
JANET L. MILLER
SUSAN J. SMITH
STEVEN K. HAAS
TODD S. STEWART

HARRISBURG ENERGY CENTER
100 NORTH TENTH STREET
HARRISBURG, PENNSYLVANIA 17101

(717) 236-1300

FAX (717) 236-4841

<http://www.MHM-LAW.com>

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April 18, 1997

APR 18 1997

James McNulty, Prothonotary
Pennsylvania Public Utility Commission
P.O. Box 3265
Room 206, North Office Building
Harrisburg, PA 17105-3265

PA PUBLIC UTILITY COMMISSION
PROTHONOTARY'S OFFICE

ORIGINAL

RE: Pennsylvania Power & Light Company Restructuring Plan Filing; Docket No. R-00973954; **PETITION TO INTERVENE**

Dear Mr. McNulty:

Enclosed, for filing with the Pennsylvania Public Utility Commission, are the original and three (3) copies of the Petition of Mid-Atlantic Power Supply Association to Intervene in the above-captioned proceeding. Copies of this Petition have been served in accordance with the attached Certificate of Service.

Thank you for your attention to this matter.

Very truly yours,

Janet L. Miller

William T. Hawke
Janet L. Miller
Todd S. Stewart

DOCUMENT
FOLDER

Counsel for
Mid-Atlantic Power Supply Association

cc: Honorable George M. Kashi
Per Certificate of Service

13

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APR 18 1997

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

Pennsylvania Power & Light Company
Restructuring Plan Filing

Docket No. R-00973954

ORIGINAL

**PETITION OF
MID-ATLANTIC POWER SUPPLY ASSOCIATION
TO INTERVENE IN PROCEEDING**

Mid-Atlantic Power Supply Association ("MAPSA" or "Petitioner"), by and through its counsel in this matter, Malatesta Hawke & McKeon LLP, and pursuant to 52 Pa. Code §§5.71 and 5.72, hereby files this Petition to Intervene in the above-captioned proceeding. In support of its Petition, MAPSA represents as follows:

1. The name and address of Petitioner are:

Mid-Atlantic Power Supply Association
620 Herndon Parkway, Suite 200
Herndon, VA 20170

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FOLDER**

2. The names and address of Petitioner's attorneys are:

William T. Hawke
Janet L. Miller
Todd S. Stewart
Malatesta Hawke & McKeon LLP
Harrisburg Energy Center
P. O. Box 1778
Harrisburg, PA 17105-1778
(717) 236-1300

Petitioner's attorneys are authorized to accept service on behalf of MAPSA in this proceeding. Petitioner requests that the Pennsylvania Public Utility Commission ("Commission") and all parties of record serve copies of all discovery requests and answers, correspondence, Commission Orders, and any other documents issued in this proceeding on Petitioner's attorneys.

3. MAPSA is an association of power suppliers with an interest in the emerging electric power supply market within the Commonwealth of Pennsylvania and the Mid-Atlantic region¹. MAPSA's members include power marketers, independent power producers and a broad range of companies who support the electric services industry. MAPSA's members currently intend to participate as "electric generation suppliers" following retail access phase-in of the

¹ The Board of Directors of the "Mid-Atlantic Independent Power Producers" has elected to adopt the name of "Mid-Atlantic Power Supply Association" for the purpose of pursuing the interests of the association's members in the Mid-Atlantic region. MAPSA's Board of Directors believes that the new name better reflects the emerging nature of the competitive power industry and of its own evolving membership. Currently, MAPSA's Board of Directors includes representatives of Air Products and Chemicals, Inc.; Atlantic Generation, Inc.; CNG Energy Services Corporation; Cogen Technologies, Inc.; Destec Energy, Inc.; DuPont Power Marketing, Inc.; The Eastern Group; Energy Investment Advisors; Enron Capital & Trade Resources; Edison Source; Odyssey Strategies, Inc.; and U.S. Generating Company.

competitive electric marketplace. As such, MAPSA has a unique and material interest in the outcome of this proceeding.

4. On April 1, 1997, in accordance with the Electricity Generation Customer Choice and Competition Act, 66 Pa. C.S. §2801, et seq., Pennsylvania Power & Light Company ("PP&L") filed its Restructuring Plan ("Restructuring Plan") with the Commission. The Restructuring Plan contains PP&L's proposal and intended rate design for the unbundling of PP&L's current retail rates and functional service elements which will allow PP&L customers to choose an alternative generation supplier within the competitive environment of the restructured electric industry. The Restructuring Plan also contains, but is not limited to, PP&L's proposals for the (a) recovery of Stranded Costs; (b) implementation of Competitive Transition Charges and specific tariff revisions; (c) functional separation of PP&L's electric delivery activities (i.e., distribution and transmission) and its generation supply and marketing activities; (d) implementation of codes of conduct to "ensure fair and equitable participation to alternative electric suppliers" (PP&L Statement No. 13, at p. 4); and (e) establishment of a consumer education program.

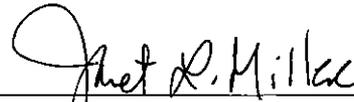
5. MAPSA seeks to intervene in this proceeding because the Commission's review and approval or modification of PP&L's Restructuring Plan will have a direct impact on MAPSA's members. Specifically, the Commission's approval or modification of the proposed

Restructuring Plan will determine how and to what extent MAPSA's members are able to enter into the competitive electric marketplace and provide electric generation services to PP&L's customers.

6. MAPSA believes that no party, other than itself, can adequately protect the interests of its members in this proceeding.

WHEREFORE, for all of the foregoing reasons, MAPSA respectfully requests that its Petition to Intervene in this proceeding be granted.

Respectfully submitted,



William T. Hawke
Janet L. Miller
Todd S. Stewart
Malatesta Hawke & McKeon LLP
Harrisburg Energy Center
P. O. Box 1778
Harrisburg, PA 17105-1778
(717) 236-1300

Counsel for Mid-Atlantic Power
Supply Association

DATED: April 18, 1997

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a copy of the foregoing document upon the person(s) named and in the manner indicated below.

Service By First Class Mail:

Paul E. Russel, Esquire
PP&L Company
Two North Ninth Street
Allentown, PA 18101

Honorable George M. Kashi
Administrative Law Judge
Pennsylvania Public Utility Commission
Room G-08, North Office Building
PO Box 3265
Harrisburg, PA 17105

Donald H. Muth
Pennsylvania Public Utility Commission
PO Box 3265
North Office Building
Harrisburg, PA 17105-3265

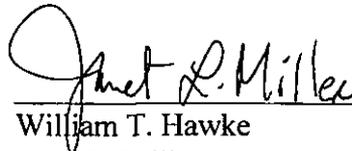
Charles F. Hoffman, Esquire
Pennsylvania Public Utility Commission
Office of Trial Staff
PO Box 3265
Harrisburg, PA 17105-3265

Z. Ahmed Kaloko
Pennsylvania Public Utility Commission
CEEP
PO Box 3265
Harrisburg, PA 17105-3265

John F. Povilaitis, Esquire
Pennsylvania Public Utility Commission
Law Bureau
PO Box 3265
Harrisburg, PA 17105-3265

Irwin A. Popowsky, Esquire
Consumer Advocate
1425 Strawberry Square
Harrisburg, PA 17120

Bernard A. Ryan, Esquire
Small Business Advocate
Suite 1102, Commerce Building
300 North Second Street
Harrisburg, PA 17101



William T. Hawke
Janet L. Miller
Todd S. Stewart
Malatesta Hawke & McKeon LLP
Harrisburg Energy Center
P. O. Box 1778
Harrisburg, PA 17105-1778
(717) 236-1300

DATED: April 18, 1997

McNulty, James

From: Hinton, Sara
To: McNulty, James; Trout, Doreen
Subject: FW: PECO & PP&L Restructuring Filings
Date: Wednesday, April 23, 1997 11:25AM
Priority: High

HERE YOU GO!

From: Hinton, Sara
To: McNulty, James
Subject: RE: PECO & PP&L Restructuring Filings
Date: Wednesday, April 16, 1997 11:38AM

Anytime!

From: McNulty, James
To: Hinton, Sara
Subject: RE: PECO & PP&L Restructuring Filings
Date: Wednesday, April 16, 1997 10:19AM

ok Sara, thank you kindly ,jim

From: Hinton, Sara
To: McNulty, James
Cc: Sauers, Louis; Williams, Wayne
Subject: PECO & PP&L Restructuring Filings
Date: Wednesday, April 16, 1997 10:17AM
Priority: High

BCS has reviewed PECO & PP&L Restructuring Filings as they pertain to BCS' issues. In BCS' opinion, these filings are in substantial compliance with the Commission's Restruturing Order (i.e., provided answers to questions).

If you need anything further, let me know.

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Power & Light Company :
Application For Approval Of A : Docket No: R-00973954
Restructuring Plan Under :
Section 2806 Of The Public :
Utility Code :

**PREHEARING MEMORANDUM
OF THE OFFICE OF TRIAL STAFF**

BEFORE ADMINISTRATIVE LAW JUDGE GEORGE M. KASHI:

The Office of Trial Staff ("OTS") respectfully submits the following Prehearing Memorandum in the above-captioned proceeding in response to the April 2, 1997 Notice of Prehearing Conference distributed by the Public Utility Commission's ("Commission") Office of Administrative Law Judge. Said Notice informed the parties of record that the first prehearing conference is to be held in Harrisburg on Friday, April 18, 1997 at 10:00 a.m.

The OTS Prosecutors in this proceeding are Johnnie E. Simms and Scott H. DeBroff.

Service in this proceeding should be to:

Johnnie E. Simms
Scott H. DeBroff
Prosecutors, Office of Trial Staff
Pennsylvania Public Utility Commission
Post Office Box 3265
Harrisburg, Pennsylvania 17105-3265
Telephone (717) 787-1976
Telecopier (717) 772-2677

KJR
RECEIVED
97 APR 23 PM 2:28
PROthonotary's OFFICE
PA. P.U.C.
BUCKETED
APR 28 1997

**DOCUMENT
FOLDER**

I. BACKGROUND

On April 1, 1997, Pennsylvania Power & Light Company ("PP&L" or "Company") made its Application for Approval of its Restructuring Plan pursuant to the Electricity Generation Customer Choice and Competition Act ("Electric Competition Act"), 66 Pa. C.S. §2801, et seq. In this filing, PP&L requests recovery of approximately \$6.8 billion in stranded costs.

OTS's participation in these proceedings is authorized pursuant to 66 Pa. C.S.A. §306. A Notice of Appearance was filed by OTS on April 8, 1997.

II. ISSUES, WITNESSES, EVIDENCE

OTS provides notice that it will fully investigate the accuracy and reasonableness of every significant component of PP&L's instant request. OTS reserves the right not to present testimony on any particular issue if we deem the submission of such testimony to be unwarranted or unnecessary. At present, OTS anticipates that the Office of Trial Staff Expert Technical Witnesses identified below will present testimony on the indicated issues:

EXPERT WITNESS

Stephen Reed
Fixed Utility Financial Analyst

Michael J. Gruber
Fixed Utility Valuation Engineer

Kevan Deardorff
Fixed Utility Financial Analyst

ISSUES

1. Regulatory Assets
2. Expense Allocations
3. Universal Service

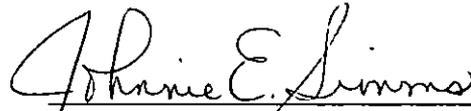
4. Billings
5. Fossil and Nuclear Decommissioning
6. Stranded Costs
7. Net Plant
8. Cost of Service Allocation
9. Unbundling of Rate
10. Discount Rate/Rate of Return
11. Rate Structure
12. CTC Recovery
13. Direct Access Implementation
14. Customer Selection During Phase-In
15. PP&L's Requirement of Supplier Reciprocity
16. Code of Conduct Design and Implementation
17. Energy Conservation
18. PP&L's Decision to Continue All Metering
19. Phased Implementation of Retail Access

This list of anticipated OTS Technical Witnesses should not be considered as a limitation upon OTS's right to call additional witnesses or pursue other issues which may arise during the course of the proceeding. If necessary to provide a full and complete record in this proceeding, OTS reserves the right to pursue any issues identified in the Commission's Bureau of Audit's continuing property audit of PP&L, currently in progress. If additional issues arise during the course of the proceeding or as the result of further discovery, or if facts or circumstances undergo a material change during this proceeding, OTS reserves the right to pursue additional issues and to change any previously-declared positions.

In addition to the direct testimony and exhibits of OTS's witnesses and facts derived from cross-examination of other parties' witnesses, OTS also intends to rely upon any filings made by PP&L, answers to data requests and interrogatories, PP&L's annual reports to the Commission, other Commission filings, general financial market information sources, other

public documents and reports. In addition, OTS reserves the right to pursue legal issues on constitutional matters. Further, OTS will investigate whether PP&L's proposed Restructuring Plan is just and reasonable under 66 Pa. C.S. §2804(13). It is possible that some of the issues listed will not require hearing time if they can be resolved either through stipulation or discovery. It is also possible that there may be issues of Commission policy where legal interpretation cannot be properly the subject of testimony, or factual issues which are clear on the record and which therefore need not be supported by testimony. OTS would further reserve the right to dispense with testimony when, in its opinion, an issue can be dealt with adequately in its brief.

Respectfully submitted,



Johnnie E. Simms
Scott H. DeBroff
Prosecutors, Office of Trial Staff
Pennsylvania Public Utility Commission
Post Office Box 3265
Harrisburg, PA 17105-3265
Telephone (717) 787-1976

Dated: April 18, 1997

OTS PROPOSED SCHEDULE

PENNSYLVANIA POWER & LIGHT CO.
DOCKET NO: R-00973954

April 1	Filing
April 18	First Prehearing Conference
May 2	First Informal Discovery/Technical Conference
May 16	Second Prehearing Conference (possible settlement conference)
May 27-June 6	Public Input Hearings
July 2	Opposing Party Testimony
July 15*	Third Prehearing Conference/Technical Conference
August 5	Rebuttal Testimony
August 15	Surrebuttal Testimony
August 18	Evidentiary Hearings Begin
August 29	Evidentiary Hearings Conclude
September 25	Initial Briefs
October 14	Reply Briefs

* If the parties are in agreement.

COMMONWEALTH OF PENNSYLVANIA

DATE: April 21, 1997

SUBJECT: R-00973954

TO: Office of Administrative Law Judge

FROM: *WJK* John G. Alford, Secretary

KJR
DOCKETED

APR 26 1997

APPLICATION OF PP&L FOR APPROVAL OF ITS RESTRUCTURING
PLAN

Attached is copy of a Petition to Intervene of the Environmentalists filed in connection with the above docketed proceeding.

This matter is assigned to your Office for appropriate action.

Attachment

cc: Office of Trial Staff - w/copy of petition

wjz

DOCUMENT
FOLDER

1417 Blue Mtn Pkwy
Harrisburg PA 17112

717-540-5106 v.
717-652-6899 f.

barak@igc.apc.org

Alan J. Barak PC

April 21, 1997

MEMORANDUM

**DOCUMENT
FOLDER**

TO: Office of the Prothonotary, PA Public Utility Commission

FR: Mary Lou Morin, Secretary to Alan J. Barak, Counsel for the Environmentalists

DT: April 21, 1997

RE: Application of PP&L Energy Company for Approval of its Restructuring Plan
Docket No. R-00973954 - Complaint and intervention petition of the
Environmentalists

Enclosed please find two diskettes with the filing of the Environmentalists made on Thursday, April 17, 1997. The two diskettes should have been included with our filing. The diskettes contain our complaint and intervention petition in WP5.1 format.

AB/mlm
Enclosures



DEPARTMENT OF THE ARMY
UNITED STATES ARMY LEGAL SERVICES AGENCY
901 NORTH STUART STREET
ARLINGTON, VA 22203-1837



REPLY TO
ATTENTION OF

Regulatory Law Office
U 3949

21 April 1997

SUBJECT: Pennsylvania Public Utility Commission v. Pennsylvania Power and
Light Company, Restructuring Plan
Pennsylvania PUC Docket No. R 00973954

RECEIVED

KJR

Hon. James J. McNulty,
Prothonotary
Pennsylvania Public Utility Commission
North Office Building, Room B-20
P.O. Box 3265
Harrisburg, PA 17108

APR 21 1997

PA PUBLIC UTILITY COMMISSION
PROTHONOTARY'S OFFICE

ORIGINAL

Dear Mr. McNulty:

Enclosed for filing are twenty copies of the petition for leave to intervene on behalf of the consumer interest of the United States Department of Defense and other affected Federal Executive Agencies in the above referenced proceeding. Also enclosed find a computer disk with a copy of this document in "Word Perfect 5.1" in a file entitled "DODPET.WP."

Copies of this document are being sent in accord with the Certificate of Service. Inquiries to this office regarding this proceeding should be directed to the undersigned at (703) 696-1646.

Sincerely,

David A. McCormick
General Attorney
Regulatory Law Office

15

DOCUMENT
FOLDER

109

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission et al.)
vs. Pennsylvania Power & Light Co.)
Restructuring Plan) Docket No. R 00973954

ORIGINAL

PETITION FOR LEAVE TO INTERVENE

RECEIVED

APR 21 1997

PA PUBLIC UTILITY COMMISSION
PROTHONOTARY'S OFFICE

Robert N. Kittel
Chief
Regulatory Law Office
U.S. Army Legal Services Agency
Department of the Army
DAJA-RL 3949
901 North Stuart Street, Room 713
Arlington, VA 22203-1837

For

THE DEPARTMENT OF DEFENSE AND
THE FEDERAL EXECUTIVE AGENCIES

David A. McCormick
Attorney

Of Counsel

DOCKETED

APR 26 1997

Dated: 21 April 1997

**DOCUMENT
FOLDER**

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission et al.)
vs. Pennsylvania Power & Light Co.)
Restructuring Plan) Docket No. R 00973954
)

PETITION FOR LEAVE TO INTERVENE

I

The Secretary of Defense, through duly authorized counsel, on behalf of the consumer interest of the United States Department of Defense and other affected Federal Executive Agencies (collectively herein after "DOD")¹ tenders this petition for leave to intervene in the above-styled application proceeding of the Pennsylvania Power and Light Company (PP&L).

II

That petitioner is authorized by law to make this petition.

III

That the name: address telephone and facsimile copier numbers of the attorney to whom communications in regard to this petition should be addressed is:

¹ DOD has been delegated authority by the General Services Administration to represent, through Department of the Army counsel, the consumer interest of all the Federal Executive Agencies in this proceeding under 40 U.S.C.A. 481(a)(4) and 486(d).

David A. McCormick
Regulatory Law Office
U.S. Army legal Services Agency
Department of the Army
DAJA-RL 3949
901 N. Stuart Street, Room 713
Arlington, VA 22203-1837

Telephone: (703) 696-1646
FAX: (703) 696-2960

The Pennsylvania Attorney I.D. Number of David A. McCormick is 17357.

IV

That the DOD maintains military installations and civilian activities within the Commonwealth of Pennsylvania a number of which are served by PP&L. PP&L proposes in this restructure its rates and operations rates for electric service to comply with 66 Pa. C.S. §§ 2801 et seq. and the Orders of this Commission in Docket No. M-00960890.

V

The major federal installations served by PP&L are the Scranton Army Ammunition Plant, Tobyhanna Army Depot, the Naval Supply Depot at Mechanicsburg, New Cumberland Army Depot, and Carlisle Barracks. PP&L serves offices of civilian federal agencies such as the United States Courthouses in Harrisburg and Scranton and a federal penitentiary. PP&L billings to the installations of the Department of the Army, alone, in calendar 1996 were about \$8,000,000.

VI

Usage characteristics, and mix of rate schedules upon which DOD facilities buy electric service make DOD usage distinct. DOD facilities received most electric utility

service on Rate LP-5. and some on Rate LP-4. The DOD installation have a large investment in gas distribution plant similar to a municipal utility. DOD installations are served at higher voltages than most other customers. DOD installations have a moderate load factor, and a load curve somewhat distinct from other high voltage customers of PP&L. DOD is a customer with a significant economic interest in this proceeding and would be affected by its outcome. The interest of the DOD is such that it cannot be adequately protected by any other party. To the knowledge of the undersigned, it has never been found appropriate to “group” the consumer interest of DOD with any other party to curtail cross-examination. The undersigned suggests that a cursory inquiry of other counsel in this proceeding (many of whom were in the last PP&L rate case) will indicate that DOD counsel is not prone to ask redundant, irrelevant or “friendly” cross examination questions which might delay hearings, or unduly bolster the record.

VII

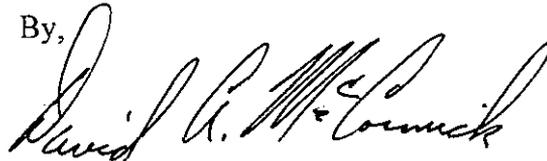
That DOD has not at this time fully reviewed the entire PP&L rate filing in this proceeding. That said, the major issues are likely to be similar to those raised in DOD Comments dated 27 March 1997, filed in PP&L’s proceeding in Docket No. P-00971183. DOD may present direct evidence which will be of value to the Commission in its determination of the issues involved in this proceeding. DOD has not determined, at this time, how many, or whether DOD will sponsor any witnesses in this proceeding. Granting of intervention of DOD will neither unduly broaden the issues nor unduly delay the proceeding.² If briefs are permitted, DOD plans to brief the issues in this proceeding,

² DOD has regularly appeared in rate and other proceedings before the Pennsylvania Public Utility Commission involving issues of concern to DOD. See: *Investigation into Electric Power Competition*.

and to participate in cross examination, if necessary, at hearings. DOD reserves the right to question the rate design and cost allocation methods of the utility, or others, if necessary in the proceeding.

WHEREFORE, DOD requests leave to intervene and be treated as a party hereto with right to have notice of and appear at the taking of testimony, produce and cross examine witnesses, and be heard through counsel, upon brief and at oral argument, if oral argument is granted.

By,



David A. McCormick
Attorney I.D. No. 17357

Regulatory Law Office
U.S. Army Legal Services Agency
Department of the Army (DAJA-RL 3949)
901 North Stuart Street, Room 713
Arlington, VA 22203-1837

Pa. PUC Docket No. 1 940032, dated 3 July 1996, *Pa. PUC v. Pennsylvania Power & Light Co.* Docket No. R 943271 (September 27, 1995); *Pa. PUC v. West Penn Power Company*, Docket No. R 942986, 29 December 1994, 1994 Pa. PUC LEXIS 144; *Pa. PUC v. West Penn Power Company*, Docket No. R 901609, 73 Pa. PUC 454, 119 P.U.R. 4th 110 (December 13, 1990); *Pa. PUC v. West Penn Power Company*, Docket R 850220, 77 P.U.R. 4th 220 (July 24, 1986); *Pa. PUC v. West Penn Power Company*, 69 P.U.R. 4th 470 (August 28, 1985); *Pa. PUC v. Pennsylvania Power & Light Co.* Docket No. R 842651, 59 Pa. PUC 332, 67 P.U.R. 30 (April 25, 1985); *Pa. PUC v. Pennsylvania Power & Light Company* Docket No. R 822169, 55 P.U.R. 4th 185 (August 19, 1983).

CERTIFICATE OF SERVICE

I certify that I have caused a copy of the foregoing document to be sent this day, by
postage prepaid, first class U.S. Mail to the following addressees:

PAUL E. RUSSELL, ESQUIRE
LAW DEPARTMENT
PENNSYLVANIA POWER & LIGHT CO.
TWO NORTH NINTH STREET
ALLENTOWN, PA 18101-1779

DAVID M. KLEPPINGER, ESQUIRE
ROBERT A. WEISHAAR, ESQUIRE
McNEES, WALLACE & NURICK
P.O. BOX 1166
100 PINE STREET
HARRISBURG, PA 17108-1166

JOHNNIE E. SIMMS, ESQUIRE
OFFICE OF TRIAL STAFF
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P.O. BOX 3265
HARRISBURG, PA 17120

JAMES MELIA, ESQUIRE
KIRKPATRICK & LOCKHART
240 NORTH THIRD STREET
HARRISBURG, PA 17101

ALAN J. BARAK, ESQUIRE
MID ATLANTIC ENERGY PROJECT
3700 VARTAN WAY
HARRISBURG, PA 17110

MR. CRAIG R. KUENNEN
ENERGY SERVICES MANAGER
COMMISSION ON ECONOMIC
OPPORTUNITY
211 SOUTH MAIN STREET
WILKES-BARRE, PA 18701-1596

BERNARD A. RYAN, JR. ESQUIRE
KAREN OILL MOURY, ESQUIRE
OFFICE OF THE SMALL BUSINESS ADVOCATE
SUITE 1102, COMMERCE BUILDING
300 N. SECOND STREET
HARRISBURG, PA 17101

ROBERT P. HAYNES III, ESQ.
METTE, EVANS & WOODSIDE
3401 NORTH FRONT STREET
P.O. BOX 5950
HARRISBURG, PA 17110-0950

TANYA McCLOSKEY, ESQUIRE
ASSISTANT CONSUMER ADVOCATE
OFFICE OF THE CONSUMER ADVOCATE
1425 STRAWBERRY SQUARE
HARRISBURG, PA 17120

STAFF JUDGE ADVOCATE
U.S. ARMY GARRISON
CARLISLE BARRACKS
ATTN: ATZE-JA
45 ASHBURTON DRIVE, ROOM 21
CARLISLE, PA 17013-5009

KENNETH ZIELONIS, ESQUIRE
STEVENS & LEE
208 THIRD STREET, SUITE 310
P.O. BOX 12090
HARRISBURG, PA 17108

STAFF JUDGE ADVOCATE
U.S. ARMY GARRISON
TOBYHANNA ARMY DEPOT
TOBYHANNA, PA 18466-5046

JOAN O. BRANDEIS, ESQUIRE
SCHNADER, HARRISON, SEGAL & LEWIS
SUITE 3600
1600 MARKET STREET
PHILADELPHIA, PA 19103-4252

STEPHEN J. SELDEN, ESQ.
ASSISTANT GENERAL COUNSEL
BETHLEHEM STEEL CORPORATION
EIGHTH & EATON AVENUES
BETHLEHEM, PA 18016

TODD S. STEWART, ESQUIRE
MALATESTA, HAWKE & McKEON
100 NORTH TENTH STREET
P.O. BOX 1778
HARRISBURG, PA 17120

NOEL H. TRASK, ESQUIRE
PECO ENERGY COMPANY
2301 MARKET STREET
PHILADELPHIA, PA 19101-8689

LISA YOHO
THE EASTERN GROUP
2900 EISENHOWER AVENUE, SUITE 300
ALEXANDRIA, VA 22314

GEORGE ELLIS, ESQUIRE
PENNSYLVANIA COAL ASSOCIATION
212 N. THIRD STREET, SUITE 102
HARRISBURG, PA 17101

BILLIE E. RAMSEY
ANTHRACITE REGIONAL INDEPENDENT
POWER PRODUCERS ASSOCIATION
1300 MARKET STREET, SUITE 7
LEMOYNE, PA 17043

MICHAEL D. KLEIN, ESQUIRE
LeBOUEF, LAMB, GREEN & McCRAE
200 N. THIRD STREET, SUITE 300
P.O. BOX 12105
HARRISBURG, PA 17108-2105

MR. SAM DE FRAWI
NAVY RATE INTERVENTION
CHESNAVFACECOM
BUILDING 212, 4th FLOOR
NAVY YARD
901 M STREET, S.E.
WASHINGTON, DC 20374-5018

MR. ERIC EPSTEIN
2308 BRANDYWINE DRIVE
HARRISBURG, PA 17110

WAYNE M. THOMAS, ESQ.
KOHN, NAST & GRAFF
1101 MARKET STREET
PHILADELPHIA, PA 19107

STEPHEN L. HUNTON, ESQ.
PECO GAS SUPPLY COMPANY
2301 MARKET STREET
PHILADELPHIA PA 19107-8699

ELIZABETH BENSON
ENERGY ASSOCIATES
7303 TIMBER LANE
FALLS CHURCH, VA 22046-2735

EUGENE M. TRISKO, ATTORNEY
UNITED MINE WORKERS UNION
P.O. BOX 596
BERKELEY SPRINGS, WV 25411

DAVID M. BOONIN, ESQUIRE
NEW ENERGY VENTURES
200 S. BROAD STREET, SUITE 800
PHILADELPHIA, PA 19102

DOUGLAS BEIMFOHR, ESQUIRE
BUCHANAN INGERSOLL
COLLEGE CENTRE
500 COLLEGE ROAD EAST
PRINCETON, NJ 08540

PATRICIA ARMSTRONG, ESQUIRE
THOMAS, THOMAS, ARMSTRONG
& NIESEN
212 LOCUST STREET, SUITE 500
P.O. BOX 9500
HARRISBURG, PA 17108-9500

RALPH L. LENTZ, ESQUIRE
I.B.E.W., LOCAL UNION 777
740 ANNA MAY STREET
YORK, PA 17404-1366

PETER J. THOMPSON, ESQUIRE
ANDREWS & KURTH
1701 PENNSYLVANIA AVENUE, NW
WASHINGTON, DC 20006

PAUL E. NORDSTROM, ESQ.
VERNER, LIIPERT, BERNHARD
McPHERSON & HAND
901 15TH STREET, NW
WASHINGTON, DC 20005

CRAIG G. GOODMAN, ESQ.
EQUITABLE RESOURCES, INC.
333 K STREET, NW SUITE 425
WASHINGTON, DC 20007

TIMOTHY W. MERRILL, JR.
ENSERCH ENERGY SERVICES, INC.
PENN CENTER WEST, BLDG. 4, SUITE 200
PITTSBURGH, PA 15276

SCOTT J. RUBIN, ESQUIRE
ATTORNEY AT LAW
3 LOST CREEK DRIVE
SELINGROVE, PA 17870

MR. DONALD STITLER
GENERAL SERVICES ADMINISTRATION
WANNAMAKER BUILDING, ROOM 719
100 PENN SQUARE EAST
PHILADELPHIA, PA 19107

CHRISTOPHER ZETTLEMOYER, ESQ.
REED, SMITH, SHAW & MCCLAY
213 MARKET STREET
P.O. BOX 11844
HARRISBURG, PA 17108

AMY LEADER, ESQUIRE
DECHERT, PRICE & RHOADS
30 N. THIRD STREET
HARRISBURG, PA 17120

THOMAS P. BROGAN, ESQUIRE
KLETT, LIEBER, ROONEY &
SCHORLING
240 N. THIRD STREET, SUITE 600
HARRISBURG, PA 17101

JOHN L. MUNSCH, ATTORNEY
ALLEGHENY POWER COMPANY
800 CABIN HILL DRIVE
GREENSBURG, PA 15601

RAYMOND. B. WULSLICH, ESQ.
WINSTON & STRAWN
1400 L STREET, NW
WASHINGTON, DC 20005-3502

ERIC HANSEN, ESQ.
DELMARVA POWER CO.
800 KING STREET
WILMINGTON, DE 19899

LISA M. HELPERT, ESQUIRE
PRESTON, GATES, ELLIS ROUVELAS & MEEDS
1735 NEW YORK AVENUE, NW, SUITE 500
WASHINGTON, DC 20006

DEFENSE FUEL SUPPLY CENTER
DEFENSE LOGISTICS AGENCY
ATTN: DFSC-A (LTC HERRICK)
SUITE 4950
8725 JOHN J. KINGMAN ROAD
FORT BELVOIR, VA 22060

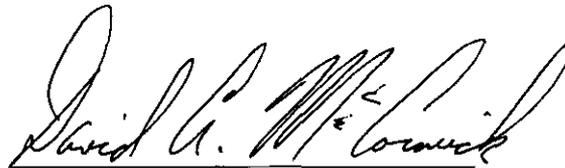
ALAN KOHLER, ESQUIRE
WOLF, BLOCK SCHORR & SOLIS COHEN
305 NORTH FRONT STREET
HARRISBURG, PA 17101-1236

RICHARD L. CAPLAN, ESQ.
CAPLAN & LUBER
40 DARBY ROAD
PAOLI, PA 19301

HON. GEORGE M. KASHI
ADMINISTRATIVE LAW JUDGE
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P.O. BOX 3265
COMMONWEALTH AVENUE & NORTH STREET
HARRISBURG, PA 17105

STEPHEN L. HUNTOON, ESQ
MARY M. HOPPER, ESQ.
PECO ENERGY COMPANY
S23-1
2301 MARKET STREET
PHILADELPHIA, PA 19103

Dated this 21st day of April, 1997, at Arlington County, Virginia.

A handwritten signature in black ink, reading "David A. McConick". The signature is written in a cursive style with a horizontal line underneath the name.

ORIGINAL

KJR

BEFORE THE

PENNSYLVANIA PUBLIC UTILITY COMMISSION

In the Matter of Pennsylvania Power & Light :
Company's Restructuring Plan : Docket No. R-00973954
:

**PETITION TO INTERVENE OF ERIC JOSEPH EPSTEIN
2308 Brandywine Drive
Harrisburg, PA 17110**

Eric Joseph Epstein ("Petitioner"), hereby moves pursuant to 52 Pa. Code § 5.71, to intervene on the above-captioned "Restructuring Plan" proceeding initiated by Pennsylvania Power and Light Company ("PP&L.")

1. Mr. Epstein is a PP&L rate payer and shareholder.

2. The Petitioner was an active participant in the most recent PP&L Base Rate Proceedings, Docket No. R-00943271C0024.

3. Mr. Epstein's contributions to the Base Rate Proceedings were recognized by the Honorable Robert A. Christianson, Administrative Law Judge: "... I appreciate Mr. Epstein's role in this proceeding. I suggest that Mr. Epstein has played a useful and beneficial role with respect to nuclear power and the regulation of nuclear power by state and federal governments." (Recommended Decision, Robert A. Christianson, Administrative Law Judge, July 28, 1995, p. 183.)

JACKETED

APR 30 1997

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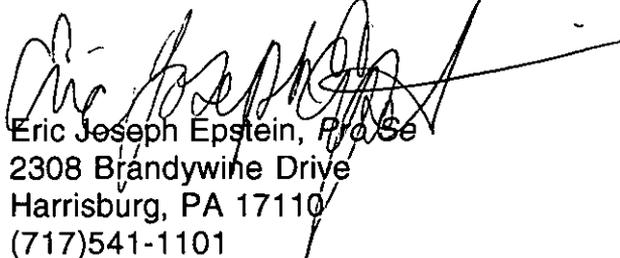
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PROTHONOTARY'S OFFICE**

4. Consistent with the Petitioner's interest in nuclear decommissioning and nuclear waste isolation, his active participation in the proceeding will focus on "stranded costs" associated with the "back-end" of nuclear power production.

5. Mr. Epstein's participation will include direct and/or rebuttal testimony and the cross examination of witnesses presented by PP&L and other parties.

WHEREFORE, Eric Joseph Epstein requests the right to intervene as an active party in this proceeding.

Respectfully submitted,



Eric Joseph Epstein, *Pro Se*
2308 Brandywine Drive
Harrisburg, PA 17110
(717)541-1101
(717)-541-5487 FAX

DATED: April 21, 1997

Before the
PENNSYLVANIA PUBLIC UTILITY COMMISSION

ERIC JOSEPH EPSTEIN

v.

:
: Docket No. P-00973954
:

PENNSYLVANIA POWER and LIGHT
COMPANY

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CERTIFICATION OF SERVICE

I hereby certify that I have this day served a true and correct copy of the foregoing document upon the individuals named below by US mail or hand delivery in accordance with the requirements of Section 1.54.

The Honorable George M. Kashi
Administrative Law Judge
Pennsylvania Public Utility Commission
North Office Building
PO Box 3265
Harrisburg, PA 17105- 3265

Donald A. Kaplan & Lisa M. Helpert
Preston, Gates, Ellis & Rouvelas
Meeds, LLP
Suite 500
1735 New York Avenue, N.W.
Washington, D.C. 20006

Donald H. Muth
PA PUC, North Office Bldg.
Commonwealth Ave. and North St.
Harrisburg, PA 17105-3265

Dr. Z. Ahmed Kaloko
PA PUC, North Office Bldg.
Commonwealth Ave. and North St.
Harrisburg, PA 17105-3265

Glenn Barton
PA PUC, North Office Bldg.
Commonwealth Ave. and North St.
Harrisburg, PA 17105-3265

John F. Povilaitis, Esq.
PA PUC, North Office Bldg.
Commonwealth Ave. and North St.
Harrisburg, PA 17105-3265

Elizabeth R. Benson
Energy Associates
7303 Timber Lane
Falls Church, Va 22046-2735

David M. Kleppinger, Esq.
McNees, Wallace & Nurick
100 Pine Street, PO Box 1166
Harrisburg, PA 17108-1166

Paul E. Russell, Esquire
PP&L Company
Two North Ninth Street
Allentown, PA 18101

Warren W. Mack
Ahlstrom Develop. Corp.
4350 La Jolla Village Dr., Suite 210
San Diego, CA 92122

Alan Kohler, Esq.
Wolf, Block, Schorr & Solis-Cohen
305 N. Front Street, Suite 401
Harrisburg, PA 17101

Tanya J. McCloskey, Esquire
Craig Burghoff
Office of Consumer Advocate
1425 Strawberry Square
Harrisburg, PA 17120

Johnnie E. Simms, Esquire
Senior Prosecutor
Pennsylvania PUC
Pitnick Bldg - 3rd Floor
901 N. 7th Street - Rear
Harrisburg, PA 17102

Alan J. Bark, Esquire
Mid Atlantic Energy Project
Energy Law Project
3700 Vartan Way
Harrisburg, PA 17110

Robert P. Haynes
Mette, Evans & Woodside
3401 N. front Street
Harrisburg, PA 17110-0950

Matthew I. Kahal
Thomas S. Catlin
Exeter Associates
12150 Prosperity Drive, Suite 350
Silver Spring, MD 20901

D. Jane Drennan, Esq.
Drennan & Associates
1216 16th Street, N.W.
Washington, D.C. 20036

Richard L. Caplan, Esq.
Caplan & Luber, LLP
40 Darby Rd.
Paoli, PA 19301

Louis J. Carter, Esq.
7300 City Line Ave.
Philadelphia, PA 19151-2291

Billie E. Ramsey, ED
ARIPPA, 1300 Market St.
Lemoyne, PA 17043

David A. McCormick, Esquire
General Attorney
Office of the Judge Advocate General
901 North Stuart Street
Arlington, VA 22203-1837

Joan O. Brandies, Esquire
Schander, Harrison, Segal & Lewis
Suite 3600, 1600 Market St.
Philadelphia, PA 19103-4252

James P. Melia, Esquire
Daniel P. Delaney
Kirkpatrick & Lockhart
240 North Third Street
Harrisburg, PA 17101

Karen Oill Moury, Esquire
Office of Small Business Advocate
Suite 1102, Commerce Bldg.
Harrisburg, PA 17101

Stephen J. Selden, Esq.
Assistant General Counsel
Bethlehem Steel Corporation
Eighth & Eaton Avenues
Bethlehem, PA 18106

Craig Kuennen
Eugene M. Brady
Commission on Economic Opportunity
211 S. Main Street
Wilkes-Barre, PA 18701-1596

Kenneth Zielonis, Esquire
Stevens & Lee
208 North 3rd Street, Suite 310
Harrisburg, PA 17101

Craig G. Goodman, Esq.
Equitable Resources
3333 K St., N.W., Suite 425
Washington, D.C. 20007

Wayne M. Thomas, Esq.
Kohn, Nast & Graff, P.C.
1101 Market St., 24th Floor
Philadelphia, PA 19103-4252

Scott J. Rubin, Esq.
3 Lost Creek Drive
Selinsgrove, PA 17870-9357

Todd S. Stewart, Esq.
Malatesta, Hawke & McKeon
100 North Tenth St.
P.O. Box 1778
Harrisburg, PA 17120

John L. Munsch, Esq.
Allegheny Power
800 Cabin Hill Dr.
Greensburg, PA 15601

Maurice Brubaker
Draxen-Brubaker & Associates
7730 Forsyth Blvd, Suite 200
St. Louis, MO 63105-0840

Stephen J. Baron
J. Kennedy & Associates, Inc.
Suite 475, 35 Glenlake Pkwy
Atlanta, GA 30328

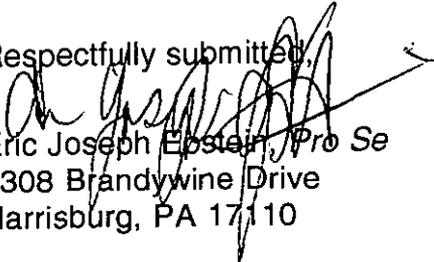
Paul E. Nordström, Esq.
Verner, Liipfert, Bernhard, McPherson
& Hand
901 15th St., N.W.
Washington, D.C. 20005

Ginny Kreidler
RMI, Inc.
111 President Blvd., Suite 127
Bala Cynwyd, PA 19004

Stephen L. Huntoon, Esq.
Asst. General Counsel
PECO Energy Company
2301 Market St., S23-1
Philadelphia, PA 19103

Lisa Yoho, Dir. Regulatory Affairs
The Eastern Group, Inc.
2900 Eisenhower Ave., Suite 300
Alexandria, VA 22314

Respectfully submitted,


Eric Joseph Epstein, Pro Se
2308 Brandywine Drive
Harrisburg, PA 17110

DATE: April 21, 1997



ANTHRACITE REGION INDEPENDENT POWER PRODUCERS ASSOCIATION

REPLY TO:

April 21, 1997

Billie E. Ramsey
Executive Director
1300 Market Street
Suite 7
Lemoyne, PA 17043
(717) 763-7635
(717) 763-7455 Fax

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

ORIGINAL

David F. Martin, P.E.
President
P.O. Box 7
299 Morea Road
Frackville, PA 17931
(717) 874-4119
(717) 874-2034 Fax

Re: Application of Pennsylvania Power & Light Company for
Approval of a Restructuring Plan
Docket No. R-00973954

Dear Mr. McNulty:

Members:

Archbald Power Company
Archbald, PA

Ebensburg Power Company
Ebensburg, PA

Foster Wheeler Mt. Carmel, Inc.
Mt. Carmel, PA

Gilberton Power Company
Frackville, PA

Inter-Power/Ahicon Partners, L.P.
Colver, PA

Northeastern Power Company
Mc Adoo, PA

Panther Creek Partners
Nesquehoning, PA

Schuylkill Energy Resources
Shenandoah, PA

U. S. Generating Company
Northampton, PA

U. S. Generating Company
Scrubgrass, PA

Westwood Energy Properties
Tremont, PA

Wheelabrator Frackville Energy Co.
Frackville, PA

Enclosed for filing please find an original and three (3) copies of the Petition to Intervene of the Anthracite Region Independent Power Producers Association in the above-captioned proceeding. Copies have been served upon the parties shown on the attached Certificate of Service.

Please do not hesitate to call if there any questions concerning the filing.

Very truly yours,

Billie E. Ramsey

Enc.

cc: As per Certificate of Service
Administrative Law Judge George M. Kashi

KJR

0088

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PROTHONOTARY'S OFFICE

97 APR 22 AM 8:56

**DOCUMENT
FOLDER**

Affiliate Member:

Air Products & Chemicals, Inc.
Cambria, PA

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

ORIGINAL

Application of Pennsylvania Power
& Light Company for Approval of : Docket No. R-00973954
a Restructuring Plan

0000089

PETITION TO INTERVENE OF THE ANTHRACITE
REGION INDEPENDENT POWER PRODUCERS ASSOCIATION

The Anthracite Region Independent Power Producers Association ("ARIPPA") hereby petitions to intervene in the above-captioned proceeding filed by Pennsylvania Power & Light Company ("PP&L"), and in support thereof as follows:

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1. ARIPPA is a trade association comprising 13 operating power plants in Pennsylvania, all of which utilize waste coal as a source of fuel. ARIPPA's members have invested over \$2 billion in Pennsylvania over the last decade. ARIPPA's principal place of business is located at 1300 Market Street, Suite 7, Lemoyne, Pennsylvania, 17043.

2. Each of ARIPPA's members currently is operating under a long-term power purchase agreement with an investor-owned utility. Six of ARIPPA's 13 members sell power to PP&L under a long-term contract. Rate recovery of amounts paid under these contracts was approved by the Pennsylvania Public Utility Commission ("Commission") in 1986.

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3. ARIPPA's members have a direct and substantial interest in PP&L's restructuring plan specifically, and the establishment of a fair and open competitive marketplace generally. In addition to ARIPPA's concern regarding the direct and indirect impact that this proceeding may have on existing contracts, all of ARIPPA's members are potential competitive suppliers in the retail market, either (a) through the sale of incremental capacity and/or energy above the wholesale contract limit with the utility; (b) through additional capacity and/or energy that is made available by the implementation of any future buy-out or buy-down agreement; and (c) at the expiration of the term of the current wholesale contract with the purchasing utility. Finally, many of ARIPPA's members are customers of PP&L for the purchase of back-up power.

4. Unlike many, if not most, potential competitive suppliers, ARIPPA members own and operate generating capacity within PP&L's service territory and can not easily supply power in other markets if the Commission fails to ensure that a viable, competitive market develops here at home.

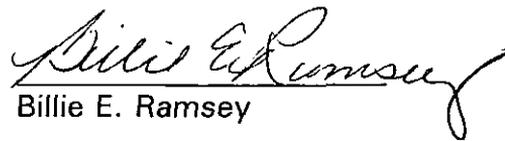
5. No other party adequately represents the interests of ARIPPA in this proceeding.

6. ARIPPA intends to actively participate in this proceeding through the cross-examination of witnesses presented by PP&L and other parties. ARIPPA reserves the right to present direct or rebuttal testimony.

7. All documents in this proceeding should be served upon the undersigned.

WHEREFORE, the Anthracite Region Independent Power Producers Association respectfully requests that its petition to intervene be granted.

Respectfully submitted,


Billie E. Ramsey

ARIPPA
1300 Market Street, Suite 7
Lemoyne, PA 17043
(717) 763-7635

Counsel for:
Anthracite Region Independent Power Producers
Association

Dated: April 21, 1997

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of Pennsylvania Power
& Light Company for Approval
of a Restructuring Plan : Docket No. R-00973954

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a copy of the foregoing document upon the persons and in the manner indicated below:

Service by First-Class Mail, Postage Prepaid

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

Donald A. Kaplan, Esq.
Preston Gates Ellis & Rouvelas Meeds, LLP
1735 New York Ave., NW #500
Washington, DC 20006

Johnnie E. Simms, Esq.
Office of Trial Staff
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

Tonya McCloskey, Esq.
Office of Consumer Advocate
1425 Strawberry Square
Harrisburg, PA 17120

Karen Oill Moury, Esq.
Office of Small Business Advocate
1102 Commerce Building
300 North Second Street
Harrisburg, PA 17101

David M. Kleppinger, Esq.
McNees, Wallace & Nurick
P.O. Box 1166
100 Pine Street
Harrisburg, PA 17108

Daniel Clearfield, Esq.
Alan Kohler, Esq.
Robert Longwell, Esq.
Wolf, Block, Schorr and Solis-Cohen
305 North Front Street, Suite 401
Harrisburg, PA 17101-1236

Richard L. Caplan, Esq.
Caplan & Luber, LLP
40 Darby Road
Paoli, Pa 19301

Todd S. Stewart, Esq.
Malatesta, Hawke & McKeon
100 North Tenth Street
P.O. Box 1778
Harrisburg, PA 17120

Scott J. Rubin, Esq.
3 Lost Creek Drive
Selinsgrove, PA 17870

Alan J. Barak, Esq.
Mid-Atlantic Energy Project
3700 Vartan Way
Harrisburg, PA 17110

Mr. Eric Epstein
2308 Brandywine Drive
Harrisburg, PA 17110

Stephen L. Huntoon, Esq.
Mary McFall Hopper, Esq.
PECO Energy Company
2301 Market Street, S23-1
Philadelphia, PA 19101-8699

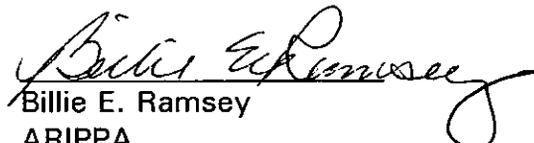
John L. Munsch, Esq.
Allegheny Power Company
800 Cabin Hill Drive
Greensburg, PA 15601

David A. McCormick, Esq.
Department of the Army
Office of the Judge Advocate General
901 North Stuart Street
Arlington, VA 2203-1837

Robert P. Haynes, III, Esq.
Mette, Evans & Woodside
3401 North Front Street
Harrisburg, PA 17110-0950

Harry S. Geller, Esq.
Pennsylvania Utility Law Project
118 Locust Street
Harrisburg, PA 17101-1414

Respectfully submitted,


Billie E. Ramsey
ARIPPA
1300 Market Street, Suite 7
Lemoyne, PA 17043

Dated: April 21, 1997

DATE: April 22, 1997

KJR

SUBJECT: R-00973954

TO: Office of Administrative Law Judge

FROM: *WJ* John G. Alford, Secretary

DOCKETED
APR 26 1997

PENNSYLVANIA POWER & LIGHT COMPANY
RESTRUCTURING PLAN

Attached is copy of a Petition to Intervene of DuPont Power Marketing Inc.; Anthracite Region Independent Power Producers Association; and the United States Department of Defense and Other Affected Federal Executive Agencies filed in connection with the above docketed proceeding.

This matter is assigned to your Office for appropriate action.

Attachment

cc: OTS

wjz

DOCUMENT
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COMMONWEALTH OF PENNSYLVANIA

DATE: April 22, 1997

SUBJECT: R-00973954

TO: Office of Administrative Law Judge

DOCKETED
APR 26 1997

FROM: *WB* John G. Alford, Secretary

PENNSYLVANIA POWER & LIGHT COMPANY
RESTRUCTURING PLAN

Attached are copies of Petitions to Intervene of Peco Energy Company; International Brotherhood of Electrical Workers, Local 1600; Enron Corp.; and Mid-Atlantic Power Supply Association, filed in connection with the above docketed proceeding.

This matter is assigned to your Office for appropriate action.

Attachment

cc: OTS

wjz

DOCUMENT
FOLDER

VERNER · LIPFERT
BERNHARD · McPHERSON & HAND
CHARTERED

901 - 15TH STREET, N.W.
WASHINGTON, D.C. 20005-2301
(202) 371-6000
FAX: (202) 371-6279

April 22, 1997

Joel D. Newton
(202) 371-6197

ORIGINAL

KJR

VIA FEDERAL EXPRESS

James J. McNulty
Acting Prothonotary
Pennsylvania Public Utility Commission
North Office Building
North Street and Commonwealth Avenue
Harrisburg, PA 17105-3265

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APR 22 1997

PA PUBLIC UTILITY COMMISSION
PROTHONOTARY'S OFFICE

**Re: Application Of Pennsylvania Power
And Light Company For Approval Of Its
Restructuring Plan Under Section 2806
Of The Public Utility Code,
Docket No. R-00973954**

Dear Mr. McNulty:

Enclosed for filing in the above-captioned proceeding are an original and three copies of the Petition to Intervene of Allegheny Power.

Also enclosed is an additional copy to be stamped and returned to us in the enclosed self-addressed envelope. Thank you for your assistance.

Very truly yours,

DOCUMENT
FOLDER

Joel D. Newton^{PAS}
Joel D. Newton
Attorney for Allegheny Power

cc: The Honorable George M. Kashi (Via Federal Express)
Service List (Via First Class Mail)

HOUSTON, TEXAS
2600 TEXAS COMMERCE TOWER
600 TRAVIS
HOUSTON, TEXAS 77002
(713) 225-7200
FAX: (713) 237-1216

AUSTIN, TEXAS
SAN JACINTO CENTER
98 SAN JACINTO BLVD., SUITE 1440
AUSTIN, TEXAS 78701
(512) 703-6000
FAX: (512) 703-6003

HONOLULU, HAWAII
HAWAII TIMES BUILDING
928 NUUANU AVE., SUITE 400
HONOLULU, HAWAII 96817
(808) 566-0999
FAX: (808) 566-0995

McLEAN, VIRGINIA
8280 GREENSBORO DRIVE
SUITE 601
McLEAN, VIRGINIA 22102
(703) 749-6000
FAX: (703) 749-6027

65

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BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

APR 22 1997

PA PUBLIC UTILITY COMMISSION
PROTHONOTARY'S OFFICE

Application Of Pennsylvania Power :
And Light Company For Approval Of Its :
Restructuring Plan Under Section 2806 :
Of The Public Utility Code :

Docket No. R-00973954

PETITION TO INTERVENE OF
ALLEGHENY POWER

ORIGINAL

Pursuant to 52 Pa. Code § 5.71, Allegheny Power hereby files this Petition to Intervene in the above-captioned proceeding involving an application by Pennsylvania Power & Light Company ("PP&L") for approval of its Restructuring Plan under Section 2806 of the Public Utility Code. In support of its Petition, Allegheny Power states as follows:

1. Allegheny Power^{1/} is a public utility furnishing electric service in all or parts of twenty-three (23) counties in Pennsylvania.
2. Allegheny Power will be represented in this proceeding by the following counsel:

Clinton A. Vince
Paul E. Nordstrom
Deborah A. Swanstrom
Joel D. Newton^{2/}
Verner, Liipfert, Bernhard, McPherson & Hand
901 15th Street, NW
Washington, DC 20005-2301
(202) 371-6000

and

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MAY 01 1997

DOCUMENT
FOLDER

1/ Allegheny Power is the trade name of West Penn Power Company, a Pennsylvania corporation and public utility authorized to provide electric service in Pennsylvania.

2/ Allegheny Power intends to file a Motion for Admission Pro Hac Vice of Clinton A. Vince, Paul E. Nordstrom, and Deborah A. Swanstrom. Mr. Newton is a member of the Pennsylvania Bar.

John L. Munsch
Attorney
Allegheny Power
800 Cabin Hill Drive
Greensburg, PA 15601
(412) 838-6210

Pursuant to the Presiding Judge's directive at the April 18, 1997 Prehearing Conference in this proceeding, Allegheny Power officially designates Paul E. Nordstrom, of the law firm Verner, Liipfert, Bernhard, McPherson and Hand, as the person upon whom copies of all correspondence and documents must be served in this proceeding. As a professional courtesy, Allegheny Power also respectfully requests that the parties serve John L. Munsch of Allegheny Power with copies of all correspondence and documents.

3. On December 3, 1996, Governor Tom Ridge signed into law the Electricity Generation Customer Choice and Competition Act ("Competition Act"). The Competition Act restructures the electric utility industry in Pennsylvania to provide customers with choice of their electricity generator.

4. To implement these restructuring changes, the Competition Act adds Chapter 28 to the Public Utility Code, 66 Pa.C.S. § 101, et seq. Specifically, 66 Pa.C.S. § 2806(D) requires all electric utilities in Pennsylvania to file restructuring plans with the Pennsylvania Public Utility Commission ("Commission") on a schedule to be developed by the Commission.

5. On February 13, 1997, the Commission issued its Order Re Restructuring Filings at Docket No. M-00960890F0003, setting forth requirements and procedures for filing restructuring plans pursuant to Section 2806(D) of the Code.

6. On April 1, 1997, PP&L filed with the Commission an application for approval of its Restructuring Plan.

7. Among other things, PP&L's application addresses the calculation and recovery of utility stranded costs, unbundling of utility rates, design of a Competitive Transition Charge ("CTC"), terms and conditions for retail competition in PP&L's service area, a progressive rate design, PP&L's obligation to serve as a supplier of last resort, and the education of consumers about retail competition.

8. Allegheny Power has a direct and substantial interest in this proceeding, which cannot be adequately represented by any other party.

9. The Competition Act provides competing generation suppliers, such as Allegheny Power, with the opportunity to serve retail customers located in PECO's service territory using PECO's transmission and distribution system. Allegheny Power, as a competing generation supplier, will be affected directly by the rates, terms and conditions proposed by PECO in this proceeding for such retail access. As a fellow Pennsylvania utility, which must similarly submit a restructuring plan later this year, Allegheny Power also may be affected by any precedent that is established in this proceeding.

10. Allegheny Power's participation as an active party in this proceeding is required to protect its substantial individual interest in ensuring that the Competition Act is implemented fairly. Allegheny Power's participation in this proceeding will thereby serve the public interest.

WHEREFORE, for all the foregoing reasons; Allegheny Power respectfully requests that the Commission grant this Petition and approve Allegheny Power's intervention as an active party of record in this proceeding.

Respectfully submitted,

By: Joel D. Newton^{QAS}
Joel D. Newton, PA Bar No. 63059
Verner, Liipfert, Bernhard, McPherson & Hand
901 15th Street, NW
Washington, DC 20005-2301
(202) 371-6197

and

John L. Munsch
Attorney
Allegheny Power
800 Cabin Hill Drive
Greensburg, PA 15601
(412) 838-6210

Attorneys for Allegheny Power

Dated: April 22, 1997

Elizabeth R. Benson
Energy Associates
7303 Timber Lane
Falls Church, VA 22046-2735

Warrén W. Mack
Vice President
Ahlstrom Development Corp.
4350 LaJolla Village Drive
Suite 210
San Diego, CA 92122

Daniel Clearfield, Esq.
Alan Kohler, Esq.
Robert J. Longwell, Esq.
Wolf, Block, Schorr and Solis-Cohen
305 North Front Street
Harrisburg, PA 17101-1236

Richard L. Caplan, Esq.
Caplan & Luber, LLP
40 Darby Road
Paoli, PA 19301

Billie E. Ramsey
Executive Director
Arippa
1300 Market Street
Lemoyne, PA 17043

Craig G. Goodman, Esq.
Equitable Resources
3333 K Street, NW
Suite 425
Washington, DC 20007

Louis J. Carter, Esq.
7300 City Line Avenue
Philadelphia, PA 19151

Ginny Kreidler
RMI, Inc.
111 Presidential Boulevard
Suite 127
Bala Cynwyd, PA 19004

Edwin D. Hill
International Vice President
IBEW
200 Corporate Center Drive
Suite 301
Corapolis, PA 15108

William Schmitt
IBEW Local 1600
540 Grange Road
PO Box 470
Trexlerstown, PA 18087

J. Kennedy and Associates, Inc.
Suite 475
35 Glenlake Parkway
Atlanta, GA 30328

Todd S. Stewart, Esq.
Norman J. Kennard, Esq.
Malatesta Hawke & McKeon
100 North Tenth Street
PO Box 1778
Harrisburg, PA 17120

Lisa Yoho
Director of Regulatory Affairs
The Eastern Group, Inc.
2900 Eisenhower Avenue, Suite 300
Alexandria, VA 22314

D. Jane Drennan, Esq.
Sarah E. Tomalty, Esq.
Drennan & Associates
1216 16th Street, NW
Washington, DC 20036

David A. McCormick, Esq.
Department of the Army
Office of the Judge Advocate
901 North Stuart Street
Arlington, VA 22203-1837

James Melia, Esq.
Kirkpatrick & Lockhart
The Payne Shoemaker Building
240 North Third Street
Harrisburg, PA 17101-1507

Joan O. Brandeis, Esq.
Schnader, Harrison, Segal & Lewis
Suite 3600
1600 Market Street
Philadelphia, PA 19103-4252

Wayne M. Thomas, Esq.
Kohn, Nast & Graff, PC
1101 Market Street, 24th Floor
Philadelphia, PA 19107

Mr. Craig R. Kuennen
Energy Services Manager
Commission on Economic Opportunity
211 South Main Street
Wilkes-Barre, PA 18701-1596

Alan J. Barak, Esq.
Mid-Atlantic Energy Project
3700 Vartan Way
Harrisburg, PA 17110

Robert P. Haynes, III, Esq.
Mette, Evans & Woodside
3401 North Front Street
Harrisburg, PA 17110-0950

Stephen J. Selden, Esq.
Assistant General Counsel
Bethlehem Steel Corporation
Eighth & Eaton Avenues
Bethlehem, PA 18016

Mr. Eric J. Epstein
2308 Brandywine Drive
Harrisburg, PA 17110

Stephen L. Hunton, Esq.
PECO Gas Supply Company
2301 Market Street
Philadelphia, PA 19101-8699

Stephen L. Huntoon
Mary McFall Hopper
2301 Market Street, S23-1
Philadelphia, PA 19103

Noel H. Trask, Esq.
PECO Energy Company
2301 Market Street
Philadelphia, PA 19101-8699

Kenneth Zielonis, Esq.
Stevens & Lee
208 North Third Street
Suite 310
Harrisburg, PA 17101

Donald A. Kaplan
Lisa M. Helpert
Preston Gates Ellis & Rouvelas
Meeds, LLP
1735 New York Avenue, NW
Suite 500
Washington, DC. 20006

Scott J. Rubin, Esq.
Counsel for IBEW 1600
3 Lost Creek Drive
Selinsgrove, PA 17870

Dated this 22nd day of April, 1997.



Joel D. Newton
Verner, Lipfert, Bernhard,
McPherson and Hand
901 15th Street, NW
Suite 700
Washington, DC 20005

Attorney for Allegheny Power

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

BUCKETED

APR 28 1997

Application of Pennsylvania Power & Light Company For Approval of Its Restructuring Plan Under Section 2806 of the Public Utility Code : : Docket No. R-00973954

KJR

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97 APR 23 PM 2:28
PA.P.U.C. OFFICE
PROTHONOTARY'S OFFICE

**PREHEARING CONFERENCE MEMORANDUM OF
PENNSYLVANIA POWER & LIGHT COMPANY**

Pennsylvania Power & Light Company ("PP&L" or "the Company") submits the following Prehearing Conference Memorandum.

I. INTRODUCTION

On December 3, 1996, Governor Tom Ridge signed into law the Electricity Generation Customer Choice and Competition Act (the "Act"). The Act restructures the electric utility industry in Pennsylvania to provide customers with the opportunity to choose their electricity generation supplier. To implement the restructuring changes, the Act adds Chapter 28 to the Public Utility Code (the "Code"), 66 Pa. C.S. § 101, *et seq.* Specifically, 66 Pa. C.S. § 2806(D) requires electric utilities in Pennsylvania to file Restructuring Plans with the Public Utility Commission ("PUC" or

**DOCUMENT
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"Commission") on a schedule to be developed by the PUC. On February 13, 1997, the Commission issued its Order Re Restructuring Filings ("Restructuring Order"), at Docket No. M-00960890/F0003, setting forth requirements and procedures for filing restructuring plans pursuant to Section 2606(E) of the Code.

In response to the Act and the Commission's Restructuring Order, on April 1, 1997, PP&L filed its application for approval of its Restructuring Plan under Section 2806 of the Public Utility Code, initiating this proceeding. A restructuring plan filing is a new type of proceeding for the Commission. PP&L expects that this proceeding will differ, for example, from a typical base rate case in several respects. Thus, much of the detailed information developed and examined in base rate case proceedings is simply unnecessary or inappropriate for the coming regime of competitive energy and capacity sales. The Commission recognized this in modifying the proposed filing guidelines. See Restructuring Order at 11-12. Nonetheless, these proceedings will inevitably involve difficult conceptual issues not normally addressed in base rate proceedings. Accordingly the schedule and procedural steps must permit adequate time to understand and develop positions on these issues.

To accommodate the unique nature of this proceeding, PP&L is proposing modifications to the Commission's traditional hearing procedures which will facilitate the Commission's and interested intervenors' consideration of its Restructuring Plan. These include:

- Completion of all responsive evidentiary submissions before the oral cross-examination hearing;

- At least two technical conferences to permit the parties to understand the filing and address questions to the technical witnesses in a non-adversarial and non-record manner;
- Reasonable regulation of the discovery process to improve the efficiency and fairness of the process, including the adoption of a protective order;
- A common outline for briefing and the initial decision that will permit the Administrative Law Judge ("ALJ") and the Commission to compare directly the contrasting position of the parties on the different issues and facilitate the ability of parties to join in common briefs on some issues; and
- An early settlement conference before the submission of answering testimony designed to achieve factual consensus and possibly settlements on a number of issues.

II. PROCEDURAL PROPOSALS

A. Schedule

A proposed schedule is attached as Appendix A. In formulating this schedule, PP&L has tried to accommodate the requirements of the Act, the Commission's meeting schedule and the fact that numerous parties to PP&L's restructuring proceeding will also be participating in the Commission's consideration of PECO Energy's Restructuring Plan, which was also filed on April 1, 1997, at Docket No. R-00973953. Accommodating all of the requirements and considerations left little room to make adjustments. As one would expect, attempting to move one date often made another, later date unacceptable for various reasons.

The Act specifically requires:

The Commission shall review the restructuring plan filed by each electric utility and shall, after open evidentiary hearings with proper notice and opportunity for all parties to cross-examine witnesses, issue an order accepting, modifying or rejecting such plan at the earliest date possible, but no later than nine months from the filing of such restructuring plan.

Accordingly, the Commission is given only nine months to address all of the complex issues, many of first impression, that are inherent in a restructuring plan, and to hold evidentiary hearing on those issues as well. The fact that the Commission's last scheduled public meeting for the year is on December 18, effectively limits the available time to consider both PP&L's and PECO's restructuring plans to eight and one-half months. To alleviate this problem, PP&L is willing to waive the statutory requirement to the extent that the Commission considers its Restructuring Plan at its January 8, 1998 meeting.¹ Most of the other crucial dates in the proposed schedule are similarly adjusted so that overlap with the procedural schedule in the PECO proceeding is minimized. Appendix B compares the schedule proposed here with the one adopted at the prehearing conference in the PECO proceeding on April 15, 1997.

¹ At a preliminary informal prehearing conference held on February 27, 1997, PP&L proposed a procedural schedule that concluded with the Commission's meeting on December 18, 1997.

As reflected on the attached proposed schedules, PP&L proposes that all answering, rebuttal and surrebuttal testimony be served prior to the commencement of evidentiary hearings. This is the standard procedure utilized by the Federal Energy Regulatory Commission ("FERC") and has been frequently utilized by this Commission as well. This approach should speed up the process of filing testimony; should focus the evidentiary hearings on the material issues to be decided; and should eliminate the need for some witnesses to appear and reduce the cross-examination of others.

B. Public Input Hearings

PP&L proposes up to nine public input hearings to be held between May 27 and June 6, 1997 at locations throughout its service territory. The Company suggests that afternoon and evening hearings be held in paired cities located near each other, as was done in PP&L's last base rate case. This not only minimizes travel time, but it also permits customers unable to attend either an afternoon or an evening session to attend an earlier or later session in the nearby city. At this time PP&L proposes that public input hearings be held in the following paired cities:

Harrisburg and Lancaster
Allentown and Bethlehem
Scranton and Wilkes Barre
Hazleton and Pottsville
Williamsport

The order of the hearings and the specific dates are subject to the availability of appropriate locations. In conjunction with the Commission, PP&L will assist in providing public notice of the time, location and purpose of the public input hearings.

C. Technical Conference

PP&L proposes that a technical conference be held to amplify and explain its expert and technical testimony. Such a conference should render a significant amount of discovery unnecessary and help intervening parties in the preparation of their answering testimony. Frequently, early discovery in a proceeding is addressed at simply locating information, or its source. Other discovery requests address information based on facts or scenarios that do not or can not exist. Having the opportunity to ask an expert or technical witness a simple question may avoid hours of work by intervenors and *Company personnel and counsel*. It may also avoid discovery disputes and the resultant motion practice, thus benefiting the presiding ALJ, as well.

PP&L proposes to make the following witnesses available on Friday, May 2, 1997 at 1:00 p.m. in Harrisburg: Joseph M. Kleha, Michael J. Berish, Donald S. Hoch, Dr. Scott T. Jones, Joseph R. Schadt, Douglas A. Krall, Oliver G. Kasper, William H. Whitehead, Henry W. Baumann, Bernard J. Bujnowski and Timothy R. Dahl. Other PP&L witnesses presented policy testimony that is not amenable to the technical conference format. The witnesses will be presented in two or three panels. No statements by the witnesses will be record evidence or an admission by PP&L. The witnesses will not be sworn.

PP&L also recommends that a similar technical conference be held shortly after answering testimony is submitted. Such a conference will permit the Company and intervenors to obtain the same benefits PP&L is proposing to afford with respect to its expert and technical witnesses.

D. Regulation of Discovery

Complementary to the proposals made above, PP&L proposes the following narrow limits on discovery:

1. Responses to discovery will not be due any earlier than 10 working days after the request was received by the recipient. All discovery requests should be accompanied by an electronic copy on a 3.5 inch diskette (PC compatible) in MS Word version 7.0 or WordPerfect version 6.1 or earlier format of either program.
2. Objections to discovery must be made within 7 working days of receipt. A failure to move to compel within an additional 7 working days shall mean that the discovery request is deemed withdrawn.
3. Discovery following the filing of rebuttal and surrebuttal testimony should be limited specifically to that testimony.
4. Although discovery requests and responses will generally be served on all active parties, responses that consist of a large

volume of documents or other material, or material that is costly or difficult to reproduce, will only be provided to the party propounding or joining in the request and to the Commission staff. All responses to discovery will be available during normal business hours in Allentown for inspection and copying.

5. PP&L requests that a protective order be entered before any discovery is provided in order to protect against the unnecessary disclosure of any confidential or proprietary information. PP&L will forward a proposed protective order to all active parties shortly following the prehearing conference.

PP&L believes that these focused, reasonable regulations for discovery will facilitate the hearing process and keep the costs and burdens of discovery within manageable bounds.

E. Common Issue and Briefing Outline

PP&L proposes that at the end of the evidentiary hearing, the parties meet briefly to agree upon a simple, common outline. Such an outline will make it easier for the ALJ and the Commission to compare the contrasting positions of the parties on various issues and for the parties to prepare their post-hearing briefs and reply briefs. This process may also facilitate joint briefs on specific issues. Accordingly, PP&L urges that, if this proposal is accepted and a common outline is

achieved, parties be permitted to file joint briefs on issues where they can agree with other parties and a single separate brief on all remaining issues. A common outline will also assist the ALJ in identifying the issues that need to be addressed.

F. Settlement Discussions

PP&L proposes that a settlement conference be convened well before the submission of answering testimony. Such a conference could be held in conjunction with the second prehearing conference shown on the attached Proposed Procedural Schedule. By convening such a conference at an early date, the parties may be able to avoid preparation of testimony on some issues. Moreover, settlement of some issues might be more easily achieved if positions are not stated in publicly filed testimony. An early settlement conference will also give the parties time for follow-up conferences on issues that prove promising for settlement or narrowing though stipulation.

G. Miscellaneous

PP&L proposes that active parties on the service list voluntarily limit the number of separate entities on the list to a maximum of three. PP&L will maintain on its web site (<http://www.papl.com>) a current electronic version of the active party service list.

III. CONCLUSION

The various procedural proposals set forth herein will achieve a more expeditious proceeding in the interests of PP&L, its customers, active intervening

parties, the Commission and Pennsylvania electricity consumers anxious for the beginning of full retail competition. For the foregoing reasons, PP&L urges the presiding ALJ to adopt these and other procedures.

Respectfully submitted,

Paul E. Russell
Associate General Counsel
Pennsylvania Power & Light Company
Two North Ninth Street
Allentown, PA 18101
(610) 774-4254

Donald A. Kaplan
Lisa M. Helpert
Preston Gates Ellis
& Rouvelas Meeds, LLP
Suite 500
1735 New York Avenue, NW
Washington, DC 20006
(202) 628-1700

By: 

Dated: April 18, 1997
at Allentown, Pennsylvania

Proposed PP&L Procedural Schedule

Date	Day	Response Interval*	Activity
April 1	Tuesday	0	Filing
April 18	Friday	17	First Prehearing Conference
May 2	Friday	14	Technical Conference
May 16	Friday	14	Second Prehearing Conference (Possible Settlement Conference)
May 27	Tuesday	11	Public Input Hearings Begin
June 6	Friday	10	Public Input Hearings End
July 2	Wednesday	92	Answering Testimony
July 15	Tuesday	13	Third Prehearing and Answering Witness Technical Conference (Date to be set by agreement)
August 5	Tuesday	34	Rebuttal Testimony
August 15	Friday	10	Surrebuttal Testimony
August 18	Monday	3	Evidentiary Hearings Begin
August 29	Friday	11	Evidentiary Hearings Conclude
September 25	Thursday	27	Initial Post-Hearing Briefs
October 14	Tuesday	19	Post-Hearing Reply Briefs
November 13	Thursday	30	Recommended Decision
November 25	Tuesday	12	Exceptions
December 5	Friday	10	Replies to Exceptions
December 18	Thursday	13	Commission Polling
January 8	Thursday	21	Commission Order

* Bold line response intervals are measured from previous bold line.

**Comparison of PP&L and PECO
Proposed Procedural Schedules**

PECO			PP&L			Activity
Date	Day	Response Interval*	Date	Day	Response Interval*	
April 1	Tue	0	April 1	Tue	0	Filing
April 15	Tue	14	April 18	Fri	17	First Prehearing Conference
April 23	Wed	8	May 2	Fri	14	Technical Conference
May 21	Wed	28	May 16	Fri	14	Second Prehearing Conference (Possible Settlement Conference)
			May 27	Tue	11	Public Input Hearings Begin
			June 6	Fri	10	Public Input Hearings End
June 20	Fri	80	July 2	Wed	92	Answering Testimony
June 27	Fri	7	July 15	Tue	13	Third Prehearing and Answering Witness Technical Conference (Date to be set by agreement)
July 18	Fri	28	August 5	Tue	34	Rebuttal Testimony
August 1	Fri	14	August 15	Fri	10	Surrebuttal Testimony
August 4	Mon	3	August 18	Mon	3	Evidentiary Hearings Begin
August 22	Fri	18	August 29	Fri	11	Evidentiary Hearings Conclude
September 15	Mon	24	September 25	Thu	27	Initial Post-Hearing Briefs
September 29	Mon	14	October 14	Tue	19	Post-Hearing Reply Briefs
October 31	Fri	32	November 13	Thu	30	Recommended Decision
November 14	Fri	14	November 25	Tue	12	Exceptions
November 21	Fri	7	December 5	Fri	10	Replies to Exceptions
December 4	Thu	13	December 18	Thu	13	Commission Polling
December 18	Thu	14	January 8	Thu	21	Commission Order

* Bold line response intervals are measured from previous bold line.

CAPLAN & LUBER, LLP

ATTORNEYS AT LAW

RICHARD L. CAPLAN ¹
JOEL S. LUBER ²
STEVEN N. YERMISH ^{3, 5}
MARY HUWALDT

THE CAPLAN & LUBER BUILDING
40 DARBY ROAD
PAOLI, PA 19381-1461

NEW JERSEY OFFICE

97 APR 25 5:10 PM
RECEIVED
PROTHONOTARY
ONE GREENTREE CENTRE
SUITE 201
MARLTON, NJ 08053
TEL (609) 482-2992
FAX - (609) 482-7373

SHARON ORAS MORGAN ³
STEPHEN M. HLADIK ³

TEL - (610) 640-1200

FAX - (610) 640-9865

E-MAIL: attorneys@caplublaw.com

LLOYD S. MARKIND ^{3, 4}
RESIDENT MANAGING PARTNER

1 - ALSO ADMITTED IN NY & DC
2 - L.L.M. IN TAXATION
3 - ALSO ADMITTED IN NJ
4 - ALSO ADMITTED IN OK
5 - ALSO ADMITTED IN FL

April 23, 1997

REPLY TO: PAOLI

James J. McNulty, Esquire
Prothonotary
Pennsylvania Public Utility Commission
Room B-20, North Office Building
Commonwealth & North Streets
Harrisburg, PA 17120

ORIGINAL

Re: **Petition to Intervene**
Docket No. R-00973954

Dear Mr. McNulty:

Enclosed for filing in the above-referenced proceeding, please find an original and three (3) copies of the Petition By Schuylkill Energy Resources, Inc. and Gilberton Power Company to intervene.

Kindly date stamp and return the additional copy of the first page in the self-addressed envelope provided.

Very truly yours,

CAPLAN & LUBER, LLP.


Richard L. Caplan, Esquire

RLC\dmf
#1236-013
Enclosures

cc: All parties on Certificate of Service

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BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

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In the Matter of :
Pennsylvania Power & Light Company's : Docket No. R-00973954
Restructuring Plan :

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PETITION TO INTERVENE OF
SCHUYLKILL ENERGY RESOURCES, INC.
AND GILBERTON POWER COMPANY

ORIGINAL

Schuylkill Energy Resources, Inc. (hereinafter "SER") and Gilberton Power Company (hereinafter "GPC"), collectively identified hereinafter as "Petitioners," hereby petition to intervene in the above-captioned proceeding pursuant to 52 Pa. Code Sections 5.71 *et seq.*. In support of this Petition, Petitioners submit and rely upon the following:

1. SER is a Pennsylvania corporation with principal place of business situated at 200 Mahantongo Street, Pottsville, PA 17901.
2. SER owns and operates an anthracite culm-fired cogeneration plant, nominally rated at 80 megawatts net, which is situated in the service territory of Pennsylvania Power & Light Company.
3. SER's plant currently supplies all of its net output of electricity to PP&L under terms of a twenty year power purchase agreement that extends at least to the year 2009. However, the plant is capable of generated six to seven additional megawatts, which it intends to offer for sale to third parties either for resale or for consumption when retail customer choice is implemented.
4. GPC is a Pennsylvania general partnership with principal place of business situated at 50 Eleanor Avenue, Frackville, PA 17931.

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5. GPC owns and operates an anthracite culm-fired cogeneration plant, nominally rated at 80 megawatts net, which is situated in the service territory of PP&L.

6. GPC's plant supplies all of its net output of electricity to PP&L under terms of a power purchase agreement that could run (at GPC's option) until the year 2007.

7. Both SER and GPC are presently receiving from PP&L \$.066 per KWH for their electricity under the terms of their respective power purchase agreements.

8. The combined development cost of both the SER and GPC cogeneration plants exceeded 250 million dollars, the bulk of which was raised through long term borrowing secured by the plants themselves.

9. Petitioners are represented in this proceeding by, and all documents should be served upon,

Richard L Caplan, Esquire
Mary Huwaldt, Esquire
Caplan & Luber
40 Darby Road
Paoli, PA 19301
(610) 640-1200
(610) 640-9865 (FAX)

10. On April 1, 1997, PP&L filed its Restructuring Plan in compliance with Section 2806 (D) of the Electricity Generation Customer Choice and Competition at Act, 66 Pa. C.S. Section 2801 *et seq.*.

11. As potential suppliers of electricity for resale within PP&L's service territory as well as for consumption by existing PP&L customers, when retail market access becomes a reality, Petitioners share a vital interest in ensuring that the terms and conditions of PP&L's

Restructuring Plan will not unfairly hamper their opportunities to compete against PP&L and other generators.

12. Similarly, because the SER and GPC plants are must-run units that are dependent upon a predictable level of cash flow to service their respective project financed debt, Petitioners are concerned that PP&L's proposed stranded investment mitigation strategies, power purchase contract administration procedures or generation management policies could weaken or vitiate their existing contract rights.

13. Finally, the proposed amount and method of recovery of PP&L's alleged stranded costs, the rates to be imposed by PP&L's open access transmission tariff and PP&L's proffered operational requirements for alternative generation suppliers could have a prejudicial impact upon Petitioners' ability to viably compete in the generation marketplace.

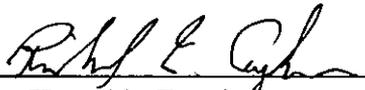
14. As existing generators of electricity physically situated within PP&L's service territory that *currently* benefit from power purchase agreements spawned by the federal Public Utility Regulatory Policies Act, 16 U.S.C. 824a-1 *et seq.* ("*PURPA*"), Petitioners' interests are not adequately represented by other parties to this proceeding. Virtually all of the other, similarly situated *PURPA* projects interconnected to PP&L's transmission grid have entered into various settlement agreements with PP&L (pertaining to minimum generation curtailment disputes) which would constrain their ability to forcefully represent Petitioners in this proceeding.

15. Given Petitioners' direct, substantial interest in the outcome of this proceeding, Petitioners request leave to participate fully as parties, to present testimony and cross examine adverse witnesses, and to avail themselves of the full panoply of procedural rights incident

thereto. See Opinion and Order of the Commission in *Bethlehem Steel Corporation v. Pennsylvania Power & Light Company*, Docket No. C-00968137 (March 13, 1997).

WHEREFORE, Schuylkill Energy Resources, Inc. and Gilberton Power Company respectfully request that they be permitted to intervene as parties to this proceeding.

CAPLAN & LUBER, LLP

By: 
Mary Huwaldt, Esquire
Richard L. Caplan, Esquire
Attorneys for Schuylkill Energy Resources, Inc.
and Gilberton Power Company
40 Darby Road
Paoli, PA 19301-1461
(610)640-1200

Dated: April 23, 1997

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

In the Matter of Pennsylvania Power & Light Company's Restructuring Plan :
: Docket No. R-00973954

CERTIFICATION OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing documents upon the participants, listed below, in accordance with the requirements of §1.54 (relating to service by a participant):

First Class Mail

The Honorable John M. Quain, Chairman
Pennsylvania Public Utility Commission
North Office Building
Commonwealth Avenue and North Street
Harrisburg, PA 17105-3265

The Honorable Lisa Crutchfield, Vice Chairman
Pennsylvania Public Utility Commission
North Office Building
Commonwealth Avenue and North Street
Harrisburg, PA 17105-3265

The Honorable John R. Hanger, Commissioner
Pennsylvania Public Utility Commission
North Office Building
Commonwealth Avenue and North Street
Harrisburg, PA 17105-3265

The Honorable David W. Rolka, Commissioner
Pennsylvania Public Utility Commission
North Office Building
Commonwealth Avenue and North Street
Harrisburg, PA 17105-3265

The Honorable Robert K. Bloom, Commissioner
Pennsylvania Public Utility Commission
North Office Building
Commonwealth Avenue and North Street
Harrisburg, PA 17105-3265

The Honorable Robert A. Christianson
Chief Administrative Law Judge
Pennsylvania Public Utility Commission
North Office Building
Commonwealth Avenue and North Street
Harrisburg, PA 17105-3265

Mr. Donald H. Muth
Pennsylvania Public Utility Commission
North Office Building
Commonwealth Avenue and North Street
Harrisburg, PA 17105-3265

Dr. Z. Ahmed Kaloko
Pennsylvania Public Utility Commission
North Office Building
Commonwealth Avenue and North Street
Harrisburg, PA 17105-3265

Mr. Glenn Barton
Pennsylvania Public Utility Commission
North Office Building
Commonwealth Avenue and North Street
Harrisburg, PA 17105-3265

John F. Povilaitis, Esquire
Pennsylvania Public Utility Commission
North Office Building
Commonwealth Avenue and North Street
Harrisburg, PA 17105-3265

Irwin A. Popowsky, Esquire
Office of Consumer Advocate
1425 Strawberry Square
Harrisburg, PA 17120

Bernard A. Ryan, Esquire
Office of Small Business Advocate
Suite 1102, Commerce Building
300 North Second Street
Harrisburg, PA 17101

Charles F. Hoffman, Esquire
Office of Trial Staff
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17108

Paul E. Russell, Esquire
Pennsylvania Power & Light Company
Two North Ninth Street
Allentown, PA 18101-1179

Elizabeth R. Benson
Energy Associates
7303 Timber Lane
Falls Church, VA 22046-2735

Warren W. Mack, Vice President
Ahlstrom Development Corp.
3450 LaJolla Village Drive
Suite 210
San Diego, CA 92122

Alan Kohler, Esquire
Robert J. Longwell, Esquire
Daniel Clearfield, Esquire
Wolf, Block, Schorr and Solis-Cohen
305 North Front Street
Harrisburg, PA 17101-1236

Scott J. Rubin, Esquire
3 Lost Creek Drive
Selinsgrove, PA 17870

Billie E. Ramsey, Executive Director
ARIPPA
1300 Market Street
Lemoyne, PA 17043

Graig G. Goodman, Esquire
Equitable Resources
3333 K Street, N.W.
Suite 425
Washington, DC 20007

Louis J. Carter, Esquire
7300 City Line Avenue
Philadelphia, PA 19151-2291

Ginny Kreidler
RMI, Inc.
111 Presidential Boulevard
Suite 127
Bala Cynwyd, PA 19004

Edwin D. Hill, International Vice President
IBEW
200 Corporate Center Drive
Suite 301
Corapolis, PA 15108

William Schmitt
Local 1600 IBEW
540 Grange Road
P.O. Box 470
Trexlerstown, PA 18087

J. Kennedy and Associates, Inc.
Suite 475
35 Glenlake Parkway
Atlanta, GA 30328

Todd S. Stewart, Esquire
Malatesta Hawke & McKeon
100 North Tenth Street
P.O. Box 1778
Harrisburg, PA 17120

Lisa Yoho
Director of Regulatory Affairs
The Eastern Group, Inc.
2900 Eisenhower Avenue, Suite 300
Alexandria, VA 22314

D. Jane Drennan, Esquire
Sarah E. Tomalty, Esquire
Drennan & Associates
1216 16th Street, N.W.
Washington, DC 20036

David A. McCormick, Esquire
Department of the Army
Office of the Judge Advocate General
901 North Stuart Street
Arlington, VA 22203-1837

James Melia, Esquire
Kirkpatrick & Lockhart
The Payne Shoemaker Building
240 North Third Street
Harrisburg, PA 17101-1507

Joan O. Brandeis, Esquire
Schnader, Harrison, Segal & Lewis
Suite 3600
1600 Market Street
Philadelphia, PA 19103-4252

Wayne M. Thomas, Esquire
Kohn, Nast & Graff, P.C.
1101 Market Street, 24th Floor
Philadelphia, PA 19107

Mr. Craig R. Kuennen
Energy Services Manager
Commission on Economic Opportunity
211 South Main Street
Wilkes-Barre, PA 18701-1596

Alan J. Barak, Esquire
Mid-Atlantic Energy Project
3700 Vartan Way
Harrisburg, PA 17110

Robert P. Haynes, III, Esquire
Mette, Evans & Woodside
3401 North Front Street
Harrisburg, PA 17110-0950

Stephen J. Selden, Esquire
Assistant General Counsel
Bethlehem Steel Corporation
Eighth & Eaton Avenues
Bethlehem, PA 18016

Mr. Eric J. Epstein
2308 Brandywine Drive
Harrisburg, PA 17110

Norman J. Kennard, Esquire
Malatesta, Hawke & McKeon
100 North Tenth Street
Harrisburg, PA 17101

Stephen L. Hunton, Esquire
PECO Gas Supply Company
2301 Market Street
Philadelphia, PA 19101-8699

Noel H. Trask, Esquire
PECO Energy Company
2301 Market Street
Philadelphia, PA 19101-8699

Kenneth Zielonis, Esquire
Stevens & Lee
208 North Third Street, Suite 310
Harrisburg, PA 17101

Paul E. Nordstrom, Esquire
Verner & Liipfert, Bernhard, McPherson & Hand
901 15th Street, N.W.
Washington, DC 20005

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


Richard L. Caplan, Esquire

Dated: April 23, 1997

HELLER EHRMAN WHITE & McAULIFFE

ATTORNEYS
A PARTNERSHIP OF PROFESSIONAL CORPORATIONS

815 CONNECTICUT AVENUE, N.W.
SUITE 200
WASHINGTON, D.C. 20006-4004
TELEPHONE: (202) 785-4747
FACSIMILE: (202) 785-8877

WASHINGTON, D.C.
HONG KONG
SINGAPORE

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ORIGINAL

April 24, 1997

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VIA FEDERAL EXPRESS

APR 24 1997

Mr. John G. Alford
Office of the Prothonotary
Commonwealth of Pennsylvania
Pennsylvania Public Utility Commission
Box 3265, North Office Building, Room B-20
Harrisburg, PA 17105-3265

PA PUBLIC UTILITY COMMISSION
PROTHONOTARY'S OFFICE

Pennsylvania Power & Light Company
Restructuring Plan Filing, Docket No. R-00973954

KJR

Dear Mr. Alford:

On behalf of Kraft Foods, Inc., please find enclosed an original plus 4 copies of The Petition To Intervene and File Comments of Kraft Foods, Inc. in the above-captioned matter.

Please date stamp one copy of the document and return it in the enclosed, stamped and addressed envelope. Please call me if you have any questions.

Sincerely,


Michael A. Stosser

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CERTIFICATE OF SERVICE

PA PUBLIC UTILITY COMMISSION
PROTHONOTARY'S OFFICE

I hereby certify that on this the 24th day of April, 1997, I have served copies of the foregoing document upon all persons listed on the official service list by first class mail.



A handwritten signature in cursive script, appearing to read "Michael A. Stosser", is written over a horizontal line.

Michael A. Stosser

Before The
PUBLIC UTILITY COMMISSION
Of The
STATE OF PENNSYLVANIA

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APR 24 1997

PA PUBLIC UTILITY COMMISSION
PROTHONOTARY'S OFFICE

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Pennsylvania Power & Light Company,)
Restructuring Plan Filing)

Docket No. R-00973954

**PETITION
TO INTERVENE AND FILE COMMENTS OF
KRAFT FOODS, INC.**

Pursuant to 52 Pa. Code Sections 5.41 and 5.71, Kraft Foods, Inc. ("Kraft"), hereby petitions to intervene in the above-captioned proceeding, and files these comments in response to the Restructuring Plan ("Plan") filed by Pennsylvania Power & Light Company ("PP&L") on April 1, 1997. In support of its petition to intervene, Kraft states as follows:

1. Kraft produces food products at its plant in Lehigh Valley, Pennsylvania ("Lehigh Valley Facility"). The Lehigh Valley Facility currently receives its electric power requirements from PP&L. Kraft's corporate headquarters are located at: Three Lakes Drive, Northfield, Illinois 60093.

2. Kraft will be represented in this proceeding by the following counsel, who should be placed on the Commission's service list and receive copies of all correspondence and other documents:

Michael A. Stosser
Adelia S. Borrasca
Heller Ehrman White & McAuliffe
815 Connecticut Avenue, N.W., Suite 200
Washington, D.C. 20006
Telephone (202) 785-4747
Facsimile (202) 785-8877

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3. Pursuant to the "Electricity Generation Customer Choice and Competition Act" ("Act"), as codified in Chapter 28 of the Pennsylvania Public Utility Code ("Code"), 66 Pa.C.S. § 101, *et seq.*, the Commission has ordered, and established guidelines for, electric utilities to submit to the Commission restructuring plans to implement direct access to competitive markets for electricity generation.

4. The Commission's Order, at Docket No. M-00960890F0005, entered January 24, 1997, established a procedural schedule for restructuring filings. Pursuant to that Order, PP&L filed a Restructuring Plan ("Plan") on April. 1, 1997.

5. Kraft hereby requests that the Commission allow Kraft to intervene in this proceeding as an affected large industrial customer whose interests are not yet represented. Kraft manufactures and processes various consumer food products at its Lehigh Valley Facility. Kraft operates in a highly competitive environment.

COMMENTS

6. Kraft receives electric service from PP&L under Rate Schedule LP-5, subject to Tariff 4-D (Alternate Supply) and to the Economic Development Initiatives Rider, pursuant to two contracts executed by PP&L and Kraft in 1994.

7. Kraft has been informed by PP&L that the Lehigh Valley Facility is not eligible to participate in PP&L's proposed Retail Access Pilot Program ("Pilot Program"), filed by PP&L on February 28, 1997, because of the existing contracts between Kraft and PP&L.

8. In response to PP&L's representation of the Lehigh Facility's ineligibility, Kraft filed an intervention and protest in PP&L's Pilot Program proceeding, Docket No. P-00971183.

Therein, Kraft argued that PP&L's position was unreasonable and discriminatory. Further, Kraft argued that both the Legislation governing retail open access and the Commission's Guidelines permit and encourage the broadest direct access by all customer classes to electric generation suppliers. Kraft noted that the Commission's Guidelines clearly state that participation in pilot programs is open to all customer classes. Kraft's protest in Docket No. P-00971183 is pending before the Commission.

9. Based on an initial review of PP&L's proposed Restructuring Plan, it is not clear whether the Plan similarly precludes Kraft's Lehigh Valley Facility from participation in PP&L's transition to full retail competition. The Plan provides for a three-step phase-in approach under which 33 percent of each customer class will be eligible for retail competition beginning on January 1, 1999, including those customers enrolled in PP&L's pilot access program. On January 1, 2000, another 33 percent of each customer class will be eligible. By January 1, 2001, full retail access will be achieved.

10. The testimony filed by PP&L indicates that certain credits, including the Economic Development Initiatives Rider ("EDI") to which Kraft's service is subject, will be eliminated effective January 1, 1999. Customers currently on the EDI program, defined as those customers taking service under this provision on December 31, 1996, will be grandfathered through 2005, to the extent that PP&L remains the customer's bundled supplier of last resort. However, if a customer chooses to buy energy and capacity from another source, the EDI credit no longer will apply. (Statement No. 11, Direct Testimony of Oliver G. Kasper, at pages 7-9)

11. The testimony filed by PP&L could be interpreted to mean that customers that are presently served under a tariff subject to the EDI Rider may participate in the three-step phase-in

to retail competition by foregoing the credit associated with the EDI. Kraft would agree to this interpretation which would require Kraft to forego the EDI credit, if it would allow Kraft to participate in the transition period of retail access beginning on January 1, 1997. If this interpretation is not correct, however, Kraft will not be eligible to participate in the proposed transitional phase of open access. This result is unacceptable to Kraft and is contrary to the intent and purpose of the Pennsylvania legislation and the Commission's guidelines.

12. **The Electricity Generation Customer Choice and Competition Act.** The Act does not permit PP&L to discriminate against any customers, including customers with long-term contracts. The Act states: "The Commission shall require that restructuring of the electric utility industry be implemented in a manner that does not unreasonably discriminate against one customer class to the benefit of another." 66 Pa.C.S. § 2804(VI)(7). The Act encourages the broadest customer participation possible prior to full direct access to ensure that all customer classes can and will benefit from competitive markets. *See, e.g.,* 66 Pa.C.S. § 2806(G)(1). Clearly, the Act does not sanction PP&L's exclusion of customers with existing contracts from participation in the pilot programs or the transitional phases of direct access.

Rather, the Act mandates the expansion, not limitation, of retail competition. The Act specifically requires that the Commission shall establish regulations to "prevent competitive disadvantages among similarly situated customers within a customer class." 66 Pa.C.S. § 2806(B)(4). This means that the Commission must not allow PP&L to offer only some large industrial customers retail access through either the utility's pilot program or the other transitional phases set forth in PP&L's Plan. All industrial customers, whether or not they have a

contract with PP&L, must be afforded equal opportunity to participate in PP&L's Restructuring Plan.

13. **Commission's Order Re: Electric Utility Restructuring Filings Made Pursuant to 66 Pa.C.S. § 2806(E).** The Commission's Order, issued February 13, 1997, in Docket No. M-00960890, sets forth the procedures adopted by the Commission for compliance with the Act, and states the Commission's assurance that it will closely follow the policy enunciated in the legislation. "In carrying out the mandate of the legislature, we are obligated to comply with its full intent." (Commission's Order, *slip op.*, at 4.) The Order clearly expresses the Commission's requirement that utilities provide a full explanation of how their respective restructuring plans comply with the Act. "We expect restructuring filings to contain full discussion and detailed information on how the plan complies with regard to the legislative directives contained in 66 Pa.C.S. §§ 2804, 2806, 2807, 2808, 2809, and 2811 It should be observed that jurisdictional utilities filing such plans have the burden of proof with regard to such compliance." (Commission's Order, *slip op.*, at 6.)

14. **PP&L's Plan.** PP&L's proposed Restructuring Plan fails to meet the standards set forth in the Act and in the Commission's Order. By omitting any explanation of its intention to exclude from participation customers with existing contracts, PP&L also fails to meet the requisite burden of proof established by the Commission.

The issue of eligibility for PP&L's retail competition plan, in both its pilot and transitional stages, is critical to Kraft and other industrial and commercial customers now subject to contracts with PP&L. Kraft assumes that most industrial and large commercial customers have contracts with PP&L. These contracts were executed when PP&L was the only available

supply source. There is no justification for holding customers to previous arrangements entered into with a monopoly provider once other supply sources are accessible, and once retail access has been mandated by the Legislature. Exclusion of large numbers of industrial and commercial customers is arbitrary, discriminatory, and contrary to the policy expressed in the Act and the Commission's Order.

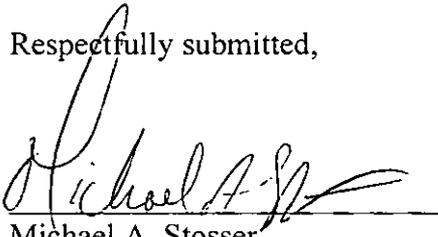
Kraft urges the Commission to clarify the issue at the earliest possible time and to require PP&L to allow all customers, including those with whom PP&L has existing contracts, to fully participate in its retail access restructuring program.

WHEREFORE, Kraft respectfully requests that the Commission grant this petition to intervene with full rights as a party to these proceedings, and to issue an order which will clarify the issue of eligibility and require PP&L to permit all customers with whom PP&L has existing contracts to participate in its restructuring plan.

Respectfully submitted,

April 24, 1997

By:



Michael A. Stosser

Adelia S. Borrasca

Heller Ehrman White & McAuliffe

815 Connecticut Avenue, N.W., Ste. 200

Washington, D.C. 20006-4004

Telephone (202) 785-4747

Facsimile (202) 785-8877

Counsel for Kraft Foods, Inc.

ALJ APPEARANCE SHEET

ALJ Hearing Report

Docket No. R-00973954

Case Name PA PUC v.
PENNSYLVANIA POWER & LIGHT COMPANY

Location HARRISBURG

Date APRIL 18, 1997

ALJ GEORGE M. KASHI

Reporting Firm Commonwealth Reporting

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 _____

RECORD CLOSED YES NO

Briefs to be filed YES NO

BENCH DECISION YES NO

DOCUMENT FOLDER

DOCKETED
APR 25 1997

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OFFICE OF C.A.L.J.
97 APR 23 AM 9:53
PA PUC

REMARKS: _____

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PROthonotary's Office
PA PUC

Names, Addresses and Telephone Numbers of Parties or Counsel of Record
PLEASE PRINT CLEARLY

Incomplete Information may Result in Delay of Processing

Name and Telephone Number	Address	Appearing for
Lisa Helpert / Donald Kapiak Preston Gates ELMs + ROUNDELAS Meeds Telephone No. (202) 628 1700	1735 NEW YORK AVE NW SUITE 500 City: Washington DC Zip: 20006	Pennsylvania Power + Light Co. (1)
PAUL RUSSELL / Telephone No. (610) 774 4254	TWO NORTH NINTH ST. City: Allentown PA Zip: 18101	Pennsylvania Power + Light Co.
Mary Hunsoldt Caplan + Luker Telephone No. (610) 640-1200	46 PARRY ROAD City: PAZI State: PA Zip: 17301	Schuylkill Energy Resources, Inc. (2) Gilberton Power Co. (3)
Johnnie E. Simms Scott H. DeB Roff Telephone No. 717 787-1976	P.O. BOX 3265 City: Hbg. State: PA Zip: 17105	Office of TRIAL STAFF (4)

Check this box if additional parties or counsel of record appear on back of form.

Tom Stewart
REPORTER

Name and Telephone Number	Address	Appearing for
Joel D. Newton Verner, Lippert, Benhard, Matheson & Hanel Telephone No. 202-371-6197	901 15th St, NW Suite 700 City Washington State DC Zip 20005	Allegheny Power (5)
Michael T. Vaughn Vaughn and Assoc. Telephone No. 717 654-6499	126 South Main St City PITTSTON State PA Zip 18640	C.E.O (6)
David M. Kleppinger Telephone No. (717) 237-5214	100 Pine St City Hbg State PA Zip 17101	PPEL Industrial (7) Customer Alliance CPPICA
Alan Koller Telephone No. (717) 237-7172	305 N. Front St City Hbg State PA Zip 17101	Emron Corp. (8)
D. A. McCormick Telephone No. (703) 696-1646	901 N. Stuart Street City Arlington State VA Zip 22203	US Department of Defense (9) Federal Executive Agency
Tanya McCloskey Craig Burgraff James Millins Telephone No. 717-783-5048	1425 Strawberry St City Hbg State PA Zip 17120	Office of Consumer Advocate (10)
Karen Oill Moury / Telephone No. (717) 783-2525	300 2nd St Suite 1102 City Hbg State PA Zip 17101	Office of Small Business Advocate (11)
Craig A. Doll / Telephone No. (717) 230-9555	214 State St. City Hbg. State PA Zip 17101	Delmarva Power & Light Company (12)
ERIC EPSTEIN Telephone No. 717-541-1101	2308 City Hbg State PA Zip 17110	Pro St (13)
Scott J. Rubin Telephone No. 717-743-2233	3 Lost Creek Dr. City Selinsgrove State PA Zip 17870	International Brotherhood of Electrical Workers Local 1600 (14)
ALAN J. BARAK / Telephone No. 717.540.5106	1417 Blue Mt Pkwy # City HB State PA Zip 17112	Environmentalists (15)

NAME and TELEPHONE NUMBER	ADDRESS			APPEARING FOR
HARRY S. Geller 118 Locust St Harrisburg PA 17101 Telephone No. (717) 232-2719	118 Locust St City: Harrisburg State: PA Zip: 17101	PA Utility Law Project (16)		
Billie Ramsey Telephone No. (717) 763-7635	1300 Market St. Suite 7 City: Lemoyne State: PA Zip: 17043	ARIPPA (17)		
Janet Miller Telephone No. (717) 236-1300	100 N. 10th St. City: Harrisburg State: PA Zip: 17108	MAPSA (18)		
Stephen L. Huntorn Mary Telephone No. (215) 841-4917	2301 Market Street, 523-1 City: Philadelphia State: PA Zip: 19103	PECO Energy Company (19)		
Terrance J. Fitzpatrick David M. DeSalle Telephone No. (717) 236-7714	Ryan, Russell, Ogden & Seltzer LLP 800 N. Third St. Suite 101 City: Harrisburg State: PA Zip: 17102	GPU Energy (20)		
Robert P. Hayes III Telephone No. (717) 232-5000	Mette, Evans & Woodside P.O. Box 5950 5950 City: Hbg State: PA Zip: 17170	Pennsylvania Electric Consumers Council (21)		
Telephone No. ()	City: State: Zip:			
Telephone No. ()	City: State: Zip:			
Telephone No. ()	City: State: Zip:			

MCNEES, WALLACE & NURICK
ATTORNEYS AT LAW

BRUCE D. BAGLEY
ALAN R. BOYNTON, JR.
ERIC L. BROSSMAN
ROBERT M. CHERRY
LOUIS A. DEJOIE
DAVID B. DISNEY
MICHAEL A. DOCTROW
ELIZABETH A. DOUGHERTY
HARVEY FREEDENBERG
JAMES L. FRITZ
W. JEFFREY JAMOUNEAU
MICHAEL G. JARMAN
DONALD B. KAUFMAN
STEPHEN R. KERN
DAVID M. KLEPPINGER
BERNARD A. LABUSKES, JR.
DELANO M. LANTZ

DAVID E. LEHMAN
FRANKLIN A. MILES, JR.
ROBERT A. MILLS
STEPHEN A. MOORE
JOHN S. OYLER
GARY A. RITTER
DANA STEVENS SCADUTO
RICHARD W. STEVENSON
DIANE M. TOKARSKY
CATHERINE E. WALTERS
DAVID M. WATTS, JR.
STEVEN J. WEINGARTEN
NEAL S. WEST
NORMAN I. WHITE
LAWRENCE R. WIEDER
WILLIAM M. YOUNG, JR.

100 PINE STREET
P. O. BOX 1166
HARRISBURG, PA 17108-1166
TELEPHONE (717) 232-8000 FAX (717) 237-5300
1200 G STREET N.W.
SUITE 800
WASHINGTON, D.C. 20005
TELEPHONE (202) 434-8991 FAX (202) 434-8707
<http://www.mwn.com>
OF COUNSEL
ROBERT H. GRISWOLD
FRANCIS B. HAAS, JR.
RICHARD R. LEFEVER
SAMUEL A. SCHRECKENGAUST, JR.

JENNIFER L. BAKER
RICHARD J. BIEL
JEFFREY F. CHAMPAGNE
JAMES P. DeANGELO
JAMES P. DOUGHERTY
KATHLEEN A. DUNST
DEBRA P. FOURLAS
HELEN L. GEMMILL
ROBERT J. GODUTO
SCOTT A. GOULD
RANDOLPH B. HOUSTON, JR.
BRIAN F. JACKSON
BRIAN E. KAMOIE
MICHAEL R. KELLEY
PETER F. KRIEGER
JAMES W. KUTZ
LOUISE HUTCHINSON MARA
F. STEPHENSON MATTHES
JON R. MOONEY
SHARON R. PAXTON
CHAD F. PHIPPS
PAMELA C. POLACEK
JONATHAN H. RUDD
BRUCE R. SPICER
CAROL A. STEINOUR
SUSAN V. STEWART
ROBERT F. TEPLITZ
ROBERT A. WEISHAR, JR.
DERRICK P. WILLIAMSON
JOHN A. WITHEROW, JR.
KATHLEEN A. WOLOWSKI
SAMUEL S. YUN

Writer's Direct Dial:
(717) 237-5368
E-Mail: ppolacek@mwn.com

April 24, 1997

Paul E. Russell, Esq.
Associate General Counsel
Pennsylvania Power & Light Company
Two North Ninth Street
Allentown, PA 18101

VIA FEDERAL EXPRESS

**Re: Pennsylvania Public Utility Commission v. Pennsylvania Power & Light Company
- Application of Pennsylvania Power & Light Company for Approval of its
Restructuring Plan under Section 2806 of the Public Utility Code;
Docket No. R-00973954**

Dear Mr. Russell:

Please find enclosed two (2) copies of the PP&L Industrial Customer Alliance Interrogatories, Set I, to Pennsylvania Power & Light Company in the above-referenced proceeding. In addition, a 3.5 inch diskette containing the interrogatories in Word Perfect 5.1 is enclosed.

Responses to these interrogatories are due within ten (10) days of service. Please endeavor to forward responses in an organized manner as they are completed; it is not necessary to await completion of all responses prior to forwarding those completed more quickly. Please send one (1) copy of your responses and all attachments to the undersigned. In addition, please provide one (1) copy of your responses and all attachments to:

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PROTHONOTARY'S OFFICE

Paul E. Russell, Esq.
April 24, 1997
Page 2

Stephen J. Baron
J. Kennedy and Associates, Inc.
35 Glenlake Parkway, Suite 475
Atlanta, GA 30328

Please communicate any objections or questions that you may have to these interrogatories as quickly as possible.

Copies of these interrogatories are being served on all parties consistent with the attached Certificate of Service.

Thank you for your attention to this matter.

Very truly yours,

McNEES, WALLACE & NURICK

By 
Pamela C. Polacek

Counsel to the PP&L Industrial Customer Alliance

PCP/

Enclosures

c: Certificate of Service
Mr. Stephen J. Baron
James J. McNulty, Prothonotary (transmittal letter and Certificate of Service only)

CERTIFICATE OF SERVICE

I hereby certify that I am this day serving a true copy of the foregoing Interrogatories of PP&L Industrial Customer Alliance Directed to Pennsylvania Power & Light Company, Set I upon the participants listed below in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

VIA FIRST CLASS MAIL

Joan O. Brandeis, Esquire
Schnader, Harrison, Segal & Lewis
Suite 3600
1600 Market Street
Philadelphia, PA 19103-4252

Paul E. Russell
Associate General Counsel
Pennsylvania Power & Light Company
Two North Ninth Street
Allentown, PA 18101

Alan J. Barak, Esquire
Alan J. Barak, PC
Penn Energy Project
1417 Blue Mountain Parkway
Harrisburg, PA 17112

Mr. Robert D. Knecht
Industrial Economics Incorporated
2067 Massachusetts Avenue
Cambridge, MA 02140

Daniel Clearfield, Esquire
Alan Kohler, Esquire
Robert Longwell, Esquire
Wolf, Block, Schorr and Solis-Cohen
305 North Front Street, Suite 401
Harrisburg, PA 17101

Craig R. Burgraff
Barrett C. Sheridan
James A. Mullins
Assistant Consumer Advocate
Office of Consumer Advocate
1425 Strawberry Square
Harrisburg, PA 17120

Enron Corporation
Attn: James D. Steffes
1400 Smith Street
P.O. Box 4428
Houston, TX 77002

Richard LaCapra
Henry Yoshimura
LaCapra Associates
The Province Building
333 Washington Street
Boston, MA 02108

Karen Oill Moury, Esquire
Office of Small Business Advocate
PA Public Utility Commission
Suite 1102, Commerce Building
300 North Second Street
Harrisburg, PA 17101

Neil Talbot
81 Grand Street, No. 5
New York, NY 10013

Stephen L. Huntoon
Mary McFall Hopper
PECO Energy Company
2301 Market Street, S23-1
Philadelphia, PA 19103

Thomas S. Catlin
Exter Associates, Inc.
Suite 350
12510 Prosperity Drive
Silver Spring, MD 20904

Scott J. Rubin, Esquire
3 Lost Creek Drive
Selinsgrove, PA 17870-9357

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CERTIFICATE OF SERVICE

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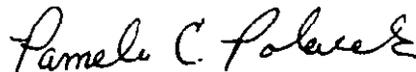
Johnnie E. Simms
Scott H. DeBroff
Prosecutors, Office of Trial Staff
PA Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

Gene Stilp, Coordinator
1550 FCVR
Harrisburg, PA 17112-9240

Donald A. Kaplan, Esquire
Lisa M. Helpert, Esquire
Preston Gates Ellis & Rouvelas Meeds, LLP
Suite 500
1735 New York Avenue, NW
Washington, DC 20006

Craig A. Doll, Esquire
214 State Street
Harrisburg, PA 17112

Randall V. Griffin, Esquire
800 King Street
P.O. box 231
Wilmington, DE 19899



Pamela C. Polacek, Esq.

Counsel to PP&L Industrial Customer Alliance

Dated this 25th day of April, 1997, at Harrisburg, Pennsylvania.

DATE: April 25, 1997

SUBJECT: R-00973953
R-00973954

TO: John Levin
Law Bureau

FROM: James J. McNulty *ddt*
Office of Prothonotary

KJR

Peco Energy Company
and
Pennsylvania Power and Light Company
vs
PA PUC

Attached for your information are the memoranda of the Bureau of CEEP, Fixed Utility Services and Consumer Services, evidencing that the PECO and PP&L Restructuring files are in substantial compliance with the Commission's requirements set forth at its order at M-00960890F0003.

Attachments

ddt

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FILED

MAY 06 1997

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ORIGINAL

JOHN H. KOCH
428 Robin Road
Allentown, PA 18104-6724
22 April 1997
610 433 3587

KJR

Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

DOCKETED
MAY 01 1997

To Whom It May Concern:

Re: Docket No. R-00973954

Please enter my name as a party of interest in the appeal of the Pennsylvania Power and Light Co. restructuring plan, the docket number of which is above.

I am particularly interested in what PP&L identifies as a competition transition charge, which is one of three categories the utility, in promotional literature, says it plans to "unbundle" as part of the restructuring.

I cannot understand how utilities can operate in a deregulated economy and still maintain the long-established parameters of safety and reliability in the generation of electricity.

Depending upon future filings and presentations by the utility, I understand that I, as a citizen and PP&L customer, retain the right to file a complaint at a later date.

Sincerely yours,

John H. Koch
John H. Koch

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212 LOCUST ST. • P.O. BOX 1266 • HARRISBURG, PENNSYLVANIA 17108-1266 • PHONE 717/233-5704

ORIGINAL

April 25, 1997

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

Re: Application of Pennsylvania Power & Light Company
for Approval of Its Restructuring Plan
Docket No. R-00973954

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

97 APR 25 AM 11:08

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KJR

Dear Mr. Frazier:

Enclosed please find the original and fifteen copies of a Petition to Intervene filed by Allegheny Electric Cooperative, Inc. Copies have been served as shown on the enclosed Proof of Service. Also enclosed are two 3.5 inch diskettes containing the Petition to Intervene in WordPerfect 5.1 format.

Thank you for your attention to this filing.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Robert F. Young".

Robert F. Young
Deputy General Counsel

RFY:bak

Enclosures

cc: Attached Proof of Service

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32

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

IN RE: : Docket No.: R-00973954
APPLICATION OF PENNSYLVANIA :
POWER & LIGHT COMPANY :
FOR APPROVAL OF A
RESTRUCTURING PLAN

ORIGINAL

PETITION TO INTERVENE

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PROTHONOTARY'S

NOW COMES, Allegheny Electric Cooperative, Inc., by and through its attorneys, who
Petition this Honorable Commission to intervene in the above-captioned proceeding, and in
support thereof, states the following:

1. Allegheny Electric Cooperative, Inc. (hereinafter referred to as "Allegheny") is a Pennsylvania electric cooperative corporation with its principal place of business at 212 Locust Street, P.O. Box 1266, Harrisburg, Dauphin County, Pennsylvania, 17108-1266.
2. Allegheny is the owner as tenant in common of an undivided ten percent interest in the Susquehanna Steam Electric Station ("SSES") in Berwick, Pennsylvania. The Pennsylvania Power & Light Company ("PP&L") owns the remaining 90 percent of SSES and operates the facility.
3. The instant proceeding raises issues, inter alia, relative to SSES, including the stranded costs associated with ownership of SSES under Act No. 138 of 1996.
4. Allegheny is eligible to intervene in this proceeding pursuant to 52 Pa. Code §5.72(a)(2) because its ownership interest in SSES is an interest which may be directly affected

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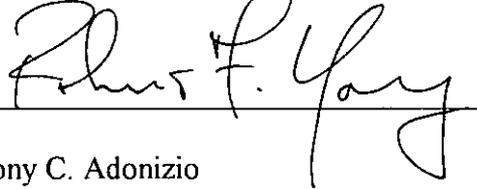
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and which is not adequately represented by existing participants, and as to which the Petitioner may be bound by the action of the Commission.

WHEREFORE, Allegheny Electric Cooperative, Inc. respectfully requests this Commission to grant its Petition to Intervene.

Respectfully submitted,

Allegheny Electric Cooperative, Inc.

By: 

Anthony C. Adonizio
Attorney ID No. 27727
Robert F. Young
Attorney ID No. 55816
Allegheny Electric Cooperative, Inc.
212 Locust Street
P.O. Box 1266
Harrisburg, PA 17108-1266
(717) 233-5704

Date: April 25, 1997

VERIFICATION

COMMONWEALTH OF PENNSYLVANIA :
: ss.
COUNTY OF DAUPHIN :

Robert F. Young, Affiant, being duly sworn according to law, deposes and says that:

I am the Deputy General Counsel of Allegheny Electric Cooperative, Inc., and that I am empowered to make this Verification on its behalf.

The facts contained in the foregoing Petition are true and correct to the best of my knowledge, information and belief and that I expect Allegheny Electric Cooperative, Inc. to be able to prove the same at any hearing thereof.

Robert F. Young

Signature of Affiant

Sworn and subscribed before me this 23rd day of April, 1997.

Linda B. Russell

Signature of official administering oath

My commission expires 2/8/2001

NOTARIAL SEAL
LINDA BURDICK RUSSELL, Notary Public
Harrisburg, PA Dauphin County
My Commission Expires Feb. 8, 2001

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

IN RE: :
APPLICATION OF PENNSYLVANIA :
POWER & LIGHT COMPANY :
FOR APPROVAL OF A :
RESTRUCTURING PLAN :

Docket No.: R-0097395

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

PROOF OF SERVICE

I hereby certify that I have this 25th day of April, 1997 served a true copy of the foregoing Petition to Intervene filed by Allegheny Electric Cooperative, Inc. to the persons listed below in accordance with the requirements of 52 Pa. Code §1.54.

Service by first class United States mail, postage prepaid, addressed as follows:

Paul E. Russell, Esquire
Pennsylvania Power & Light Co.
2 North 9th St.
Allentown, PA 18101-1179

Johnnie E. Simms
Scott H. Debroff
PUC Office of Trial Staff
PO Box 3265
Harrisburg, PA 17105-3265

Craig R. Burgraff
Barrett C. Sheridan
James A. Mullins
Office of Consumer Advocate
1425 Strawberry Square
Harrisburg, PA 17120

Joan O. Brandeis, Esq.
Schnader, Harrison, Segal &
Lewis
1600 Market Street
Suite 3600
Philadelphia, PA 19103-4252

Alan J. Barak
1417 Blue Mountain Parkway
Harrisburg, PA 17112

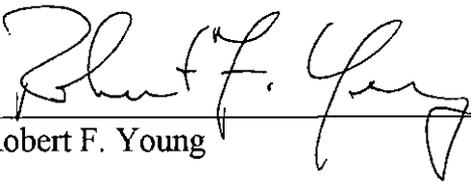
Craig A. Doll, Esq.
214 State Street
Harrisburg, PA 17101

Randall V. Griffin, Esq.
800 King Street
PO Box 231
Wilmington, DE 19899

Gene Stilp, Coordinator
1550 FCVR
Harrisburg, PA 17112-9240

Honorable George M. Kashi
Office of Administrative Law Judge
PO Box 3265
Harrisburg, PA 17105-3265

Chairman John M Quain
Commissioner John Hanger
Commissioner David W. Rolka
Commissioner Robert K. Bloom
Pennsylvania Public Utility Commission
PO Box 3265
Harrisburg, PA 17105-3265


Robert F. Young

COMMONWEALTH OF PENNSYLVANIA

DATE: April 28, 1997

SUBJECT: R-00973954

TO: Office of Administrative Law Judge

FROM: *WP* John G. Alford, Secretary

KJR

APPLICATION OF PENNSYLVANIA POWER & LIGHT COMPANY FOR
APPROVAL OF ITS RESTRUCTURING PLAN UNDER SECTION 2806 OF
THE PUBLIC UTILITY CODE

Attached is copy of a Petition to Intervene of Allegheny Power; Allegheny Electric Cooperative, Inc.; Schuylkill Energy Resources, Inc. and Gilberton Power Company; and Petition to Intervene and File Comments of Kraft Foods, Inc. filed in connection with the above docketed proceeding.

This matter is assigned to your Office for appropriate action.

Attachment

cc: Office of Trial Staff - w/copy of petition

wjz

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MAY 01 1997



Pennsylvania Power & Light Company

Two North Ninth Street • Allentown, PA 18101-1179 • 610/774-5151

Paul E. Russell
Associate General Counsel
610/774-4254

FAX: 610/774-6726

April 28, 1997

ORIGINAL

RECEIVED

APR 28 1997

PA PUBLIC UTILITY COMMISSION
PROTHONOTARY'S OFFICE

VIA FEDERAL EXPRESS

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

**Re: Pennsylvania Power & Light Company
Restructuring Plan
Docket No. R-00973954**

KJR

Dear Mr. McNulty:

Enclosed for filing in the above-referenced proceeding are an original and three copies of Pennsylvania Power & Light Company's Objections to the Environmentalists' First Set of Data Requests.

As shown on the express delivery receipt, this document was deposited with Federal Express on April 28, 1997, and is deemed to be filed on that date pursuant to 52 Pa. Code § 1.11. Also enclosed is an additional copy of this cover letter which we request that you date stamp as of April 28, 1997 and return to us in the enclosed post-age-paid envelope.

As shown below and on the attached Certificate of Service, a copy of these documents has been served on Administrative Law Judge George M. Kashi and all parties of record.

Very truly yours,

Paul E. Russell
Paul E. Russell

**DOCUMENT
FOLDER**

Attachments

cc: The Honorable George M. Kashi
Certificate of Service

104

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Power & Light Company :
Restructuring Plan Filing : Docket No. R-00973954

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APR 28 1997

OBJECTIONS OF
PENNSYLVANIA POWER & LIGHT COMPANY
TO THE ENVIRONMENTALISTS'
FIRST SET OF DATA REQUESTS

PA PUBLIC UTILITY COMMISSION
PROTHONOTARY'S OFFICE

Pennsylvania Power & Light Company ("PP&L or the "Company"), pursuant to 52 Pa. Code §5.342(c), hereby objects to the Environmentalists' first set of Data Requests in its entirety. In support thereof, PP&L avers as follows:

1. By letter dated April 21, 1997, the Environmentalists served its first set of Data Requests directed to PP&L. These Data Requests contain 67 questions, many with multiple subparts. A copy of these Data Requests is attached as Appendix A to these objections.

2. PP&L objects to these Data Requests in their entirety, on the following grounds:

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a. The Data Requests are overly broad and are not specifically related to any aspect of the Company's Restructuring Plan filing. In fact, none of the Data Requests contains any reference to any part of the Company's Restructuring Plan filing. The Data Requests are nothing more than an "off-the-shelf" set of generic data requests unrelated to PP&L or its Restructuring Plan filing. Indeed, the Environmentalists' Data Requests to PP&L are strikingly similar to interrogatories submitted by the same counsel in PP&L's last base rate case (Docket No. R-00943271). A copy of the data requests in that proceeding are attached as Appendix B to these objections. This type of "scatter shot" discovery should not be permitted. At a minimum, parties should be required to review PP&L's filing and to pursue discovery related to that filing.

b. The Data Requests are burdensome and unreasonable. Even a cursory review demonstrates that to respond to these Data Requests would require a massive undertaking by the Company. PP&L cannot possibly respond fully to these questions within any reasonable time frame consistent with the litigation schedule established in this proceeding. Moreover, if PP&L were required to answer these Data Requests, it would inevitably delay responding to the data requests of other parties who undertook the time and effort to review the Company's filing and ask specific questions related to that filing.

3. Based on these objections, PP&L asks that the Environmentalists' first set of Data Requests be stricken in their entirety and that the Environmen-

talists be directed to file data requests that are related to the Company's Restructuring Plan filing.

Respectfully submitted,



Paul E. Russell
Pennsylvania Power & Light Company
Two North Ninth Street
Allentown, PA 18101
(610) 774-4254

Counsel for Pennsylvania Power & Light
Company

DATED: April 28, 1997

APPENDIX A

1417 Blue Mtn Pkwy
Harrisburg PA 17112

717-540-5106 v.
717-652-6899 f.

barak@igc.apc.org

Alan J. Barak, PC

April 22, 1997

Paul E. Russell, Esq
PP&L Company
2 N. 9th St.
Allentown PA 18101

perussell@papl.com
610.774.4254 v
610.774.6726 f

RE: PP&L Energy Co. Restructuring Application, Docket No. R-00973954 (filed Apr. 1, 1997)
Environmentalists' Set # 1 Discovery Request Q's (1 - 67)

Dear Sirs:

Enclosed are two hard copies of Set 1 of the Environmentalists' Data Requests to PP&L Company in the above-captioned proceeding. We are faxing them to you on the date of this letter, with hard copies placed in the mail. We also are emailing a copy of this mailing to you and Mr. Kaplan. (If the email works we will not be sending you diskettes.)

We would appreciate it if you would communicate any objections you may have as soon as possible. Both an attorney and a technical consultant have reviewed these requests. In the interests of meeting this case's schedule I undertake the following, as counsel: If a competitive confidentiality or proprietary interest is claimed, please provide a nondisclosure agreement on the face of a sealed copy of the document, one that reserves the rights of the parties to contest the matter *in camera* before the ALJ. If we and/or our consultants intend to break the seal we will not do so without first signing the agreement, or first negotiating with the Company a mutually acceptable agreement. Otherwise we will return the document with its seal unbroken.

Pursuant to Judge Kashi's oral rulings of April 18, 1997, responses to these data requests are due within 10 days of service. **Given the multiple nature of this first set of requests, and the likelihood of one person having to respond to multiple questions, we waive assertion of the 10-day rule, and related time for Objections, in favor of a 14-day turnaround on the completion of responses to this set.**

Please forward answers as you complete them, rather than batching them for a full set's response. As the General Instructions request, please send a copy of the responses directly to our consultants. Here are the addresses for service of data request responses, including mine:

1. Alan J. Barak, c/o Penn Energy Project, 3700 Vartan Way, Harrisburg PA 17110 (717.541.1967; voice; 717.541.1970 fax, barak@igc.apc.org)
2. Bruce Biewald, Synapse Energy Economics, 101 Chilton St., Cambridge MA 02138 (617.661.3248 voice; 617.661.0599 fax, biewald@world.std.com)
3. Jerry Mendl, MSB Energy Associates, Suite 200, 7507 Hubbard Ave., Middleton WI 53562 (608.831.1127 x301 voice; 608.836.1290 fax, mendl@msbnrg.com)
4. Fred Zalcman, Esq., Pace University School of Law, 78 North Broadway, White Plains, NY 10603, v. 914-422-4082, f. 914-422-4180, fzalcman@genesis.pace.law.edu). [We will be filing a motion to admit Mr. Zalcman *pro hac vice*.]

By the hard copy letter we are serving each of the active parties to the case with one copy.

Very truly yours,

/s

Alan J. Barak,
Attorney for the Environmentalists

cc: All parties identified by 4/18; email to Paul Russell, Esq., perussell@papl.com; Donald Kaplan, Esq., donk@prestongates.com; Fzalcman; Env.'s consultants

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COMMONWEALTH OF PENNSYLVANIA
BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

In the Matter of Pennsylvania Power &)
Light Company's Restructuring Plan) Docket No. R 00973954

ENVIRONMENTALISTS' DATA REQUESTS
TO THE COMPANY: SET #1 (Q's 1 - 67)

Dated: April 22, 1997

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PLEASE SEE THE ATTACHED GENERAL INSTRUCTIONS, WHICH ARE A PART OF THESE REQUESTS.

Standard Data: Reports

1. Provide the annual report to the Commission for each of the following years:

Environmentalists' Data Requests to the Company
Set # 1

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- a. the most recent year filed;
 - b. this year, if the report is completed before the end of the proceeding.
2. Please provide each of the following FERC reports for the Company, its subsidiaries, affiliates, and/or corporate owner:
 - a. Form 1 (Ann. Report - Electricity);
 - b. Form 12; and
 - c. Form 423 for each month in the last two complete calendar years, as well as in this year.
3. Please provide each of the following Securities and Exchange Commission reports, and amendments, for the Company, its subsidiaries, affiliates and/or corporate owner for the last year in which it was filed:
 - a. Form SR (report of sales of securities and use of proceeds therefrom);
 - b. Form S1 (registration statement);
 - c. Form 8K (current report of changes);
 - d. Form 10K (annual report);
 - e. Form 10Q (quarterly report); and/or
 - f. Form U5S (annual report of a public utility holding company).
4. First identify, and then provide, the following operating and financial reports for the Company, its subsidiaries, affiliates, and/or corporate owner, for the period indicated:
 - a. monthly management reports (this calendar year through the pendency of this case);
 - b. year-end management report detail (last complete calendar year) (the "fat" December management report);
 - c. construction report summarizing the last full year (typically the December monthly construction report);
 - d. current adopted operating budget;
 - e. current adopted construction budget;
 - f. current adopted construction budget supporting detail;
 - g. current proposed operating budget;
 - h. current proposed construction budget (for budget covering upcoming calendar year);
 - i. current proposed construction budget supporting detail (for budget covering upcoming calendar year);

Environmentalists' Data Requests to the Company
Set # 1

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- j. reports of property held or acquired for future use (last two calendar years, which includes present year);
- k. report on sources and uses of funds for last full calendar year;
- l. most recent report on sources and uses of funds;
- m. reports of generation dispatched as fixed loaded units, for the purpose of fuel inventory control, system security, or other non-economic reason, or the reports' equivalent (for the last complete calendar year plus this calendar year to date);
- n. monthly report of sales to the Company's largest industrial customers (for last calendar year plus this calendar year) or equivalent data compilation, and/or
- o. normal routine summary maintenance reports or equivalent (for last calendar year and this calendar year).

Corporate planning case and model run

5. First identify, and then provide, for the Company, its subsidiaries, affiliates, and/or corporate owner the most recent planning case presentation materials, and/or that document consisting of:

- a. the materials prepared for presentation to senior management to aid in the development of the Company's current, and/or presently proposed, long term corporate plan;
- b. the narrative for the model run presentation;
- c. the corporate planning model summary output; and
- d. summary output for each update to the most recent planning case study plus related narrative(s).
- e. Please include the page(s) of model output that permit the reader to interpret the meaning of the numbers (e.g., the column and line headings).

6. First identify, and then provide, for the Company, its subsidiaries, affiliates, and/or corporate owner the most recent planning case presentation materials, and/or that document consisting of:

Environmentalists' Data Requests to the Company
Set # 1

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- a. the materials prepared for presentation to senior management to aid in the development of the instant case;
- b. the narrative for the model run presentation, to the extent it varies from the filing in the instant case;
- c. the corporate planning model summary output; and
- d. summary output for each update to the most recent planning case study plus related narrative(s).
- e. Please include the page(s) of model output that permit the reader to interpret the meaning of the numbers (e.g., the column and line headings).

7. First identify, and then provide, materials which the Company officers and/or Board members presented to bond rating agencies and/or securities analysts, including transcripts of oral remarks, during the periods:

- a. 1996; and/or
- b. 1997.

This request covers people, like the Chair of a corporate parent, who are presented as *de facto* Company officers and/or Board members.

8. First identify, and then provide, each report of the ratings of the Company's securities received by the Company within the last 12 months.

T&D audits

9. First identify, and then provide, each report of an **internal audit** of the Company's transmission and/or distribution system, and/or the units of the Company responsible therefor: since the filing of the Company's last general base rate case.

10. First identify, and then provide, each report of an **outside audit** of the Company's transmission and/or distribution system, and/or the units of the Company responsible therefor: since the filing of the Company's preceding general base rate case.

Environmentalists' Data Requests to the Company
Set # 1

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11. First identify, and then provide, each report projecting and/or proposing an audit of the Company's transmission and/or distribution system, and/or the units of the Company responsible therefor: since the filing of the Company's last general base rate case.

Affiliated transactions

12. First identify, and then provide, the documents presenting detailed, current explanation of Company transactions with associated and/or affiliated companies, describing the services performed and/or the bases for the related charges for the following periods: documents generated since the filing of the Company's last general base rate case.

13. Provide a table which schematically presents the entities which the Company projects as related to the stranded cost recovery requested in the instant case AND the other subsidiaries and affiliates of the Company projected for the period in which the CTC would be in effect.

Assumptions: Fixed charge rate

14. First identify, and then provide, the document(s) specifying the fixed charge rate:

- a. which the Company presently uses for planning purposes; and
- b. which the Company used for calculations related to the presentation in the instant case.
- c. Include the documentation supporting the calculations of the fixed charge rates.
- d. Please identify any differences between the rates or their calculation. Where a different fixed charge rate was used for line items within each of the preceding "a" and "b", please explain the rationale for those particular differences.

Billing inserts

15. Please provide the billing inserts sent to customers addressing the instant case.

Environmentalists' Data Requests to the Company
Set # 1

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Forecast/Rates, customer profile

16. Please identify, and then, provide the documents which discuss in summary fashion a description of the Company's tariffs/rates and other retail service schedules by name or other identifier.
- Include those documents which address rate/kWh, demand level(s), demand charge and/or other qualifying and descriptive characteristics.
 - Please state the extent to which the Company believes its filing responds to this question.
 - If no such document exists, please state the requested information.
17. Please identify, and then, provide the official tariff sheets for each of the Company's:
- tariffs/rates and other retail service schedules ;
 - tariffs/rates and other wholesale service schedules; and
 - the tariff sheet and public materials describing the Company's retail net metering tariff.
18. Please provide the monthly current typical residential, industrial and commercial electricity rates for each tariff in ¢/kWh. For the residential class tariffs please also respond for usage levels of 750 kWh and 1000 kWh. Indicate the demand charge comprising each bill.
19. Please provide the monthly typical residential, industrial and commercial electricity rates for each tariff in ¢/kWh which would proceed from the granting of the Company's Application. For the residential class tariffs please also respond for usage levels of 750 kWh and 1000 kWh. Indicate the demand charge comprising each bill.
20. Please provide the most recent comparison of rates undertaken by the Company and/or in its possession which compares the Company's rates to those of other utilities within the Mid-Atlantic and/or Midwest Regions.
21. First identify, and then provide, the most recent studies of energy and peak load usage by customer class and/or type. Include the backup.

Environmentalists' Data Requests to the Company
Set # 1

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22. First identify, and then provide, the study, memorandum, or other summary document which, in the opinion of the Company, most accurately demographically profiles the Company's:

- a. residential customers;
- b. large commercial customers;
- c. small commercial customers;
- d. large industrial customers;
- e. small industrial customers;
- f. the economy of the Company's service territory.

23. With respect to the preceding request/question seeking the study, memorandum, or other summary document which, in the opinion of the Company, most accurately demographically profiles the Company's customer classes and service territory:

- a. Please explain how the Company has correlated this information with its load data.
- b. Provide the most recent document which discusses and/or presents such correlation.

24. First identify, and then provide, the Company's present official long-term sales and loads forecast, including all back-up documentation. (This request seeks the report document/notebook(s), not merely the one-page summary.)

25. First identify, and then provide, the Company's present official long-term loads resources forecast, including all back-up documentation. (This request seeks the report document/notebook(s), not merely the one-page summary.)

Standard Data: Company resources

26. Please provide the current system maps showing for the Company:

- a. all generating facilities;
- b. all transmission facilities;
- c. all distribution facilities; and/or
- d. all interconnections with other utilities;
- e. the borders of the Company's service territory.

Environmentalists' Data Requests to the Company
Set # 1

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The responses should include legible keys to reading the map symbols.

27. First identify, and then provide, **the Company** document(s) which comprehensively **describe** the Company's:

- a. all transmission facilities;
- b. all distribution facilities; and/or
- c. all interconnections with other utilities;
- d. the Company's right to serve the political subdivisions within its service territory.

The documents sought by this request/question are for the use of an engineer, rather than for the use of a lay person.

28. Please provide the current system map(s) showing, **for the integrated pool(s)** of which the Company is a member:

- a. all generating facilities;
- b. all transmission facilities;
- c. all distribution facilities; and/or
- d. all interconnections with other utilities.

29. First identify, and then provide, the Company document(s) which comprehensively **describe for the integrated pool(s)** of which the Company is a member:

- a. all transmission facilities;
- b. all distribution facilities; and/or
- c. all interconnections with other utilities.

The documents sought by this request/question are for the use of a transmission engineer, rather than for the use of a lay person.

Transmission

30. First identify, and then provide, the Company document(s) which comprehensively **discuss** each of the **arrangements** which the Company has **with other utilities**, for the transmission of electricity. This request/question does NOT seek the Company's transmission/interconnection contracts themselves.

Environmentalists' Data Requests to the Company
Set # 1

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31. First identify, and then provide, each **contract**, complete with all necessary amendments and/or attachments, which the Company has **with another utility(s)** for the transmission of electricity, and/or the interconnection therefor.
32. First identify, and then provide, the Company document(s) which comprehensively **discuss** each of the **arrangements** which the Company has **with other NONutilities**, for the transmission of electricity, including the wheeling of another producer's electricity. This request/question does NOT seek the Company's transmission/interconnection contracts themselves.
33. First identify, and then provide, each **contract**, complete with all necessary amendments and/or attachments, which the Company has **with another NONutility(s)** for the transmission of electricity, including wheeling, and/or the interconnection therefor.
34. First identify, and then provide, each **document embodying correspondence, and/or recording a communication** other than a contract and/or contract draft, complete with all attachments, which the Company has had **with another utility(s)** regarding the transmission of electricity into and/or out of the Company's system, and/or the interconnection therefor: for each of 1996 and 1997 to date.
35. First identify, and then provide, each **document embodying correspondence, and/or recording a communication** other than a contract and/or contract draft, complete with all attachments, which the Company has had **with another NONutility(s)** regarding the transmission of electricity into and/or out of the Company's system, and/or the interconnection therefor: for each of 1996 and 1997 to date.
36. Depreciation: First identify, and then provide:
 - a. each report and/or memorandum addressing the most recent depreciated value of each transmission and/or distribution facility in which the Company has an ownership interest; and/or
 - b. each schedule and/or listing of annual depreciation expense for the facility; and/or
 - c. to the extent that related depreciation is functionalized, rather than cumulated for the facility, explain the extent to which the figure(s) for the facility are less than fully representative of the depreciation expense that might be attributed to it. Provide the functional-basis report.

Environmentalists' Data Requests to the Company
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37. First identify, and then provide, each study performed with respect to each Company-owned transmission facility that addresses the continued economic and/or financial justification for continuing to own the facility.

(In the interests of meeting this case's schedule: If a competitive confidentiality or proprietary interest is claimed, please provide a nondisclosure agreement on the face of a sealed copy of the document, one that reserves the rights of the parties to contest the matter *in camera* before the ALJ. If we and/or our consultants intend to break the seal we will not do so without first signing the agreement, or first negotiating with the Company a mutually acceptable agreement. Otherwise we will return the document with its seal unbroken.)

38. First identify, and then provide, the most recent Company report, memorandum, and/or study representing the Company's best present thinking on the transmission bottlenecks which presently constrain its ability to serve its customers. This request is intended to include system characteristics both internal to and external to the PJM integrated grid.

39. First identify, and then provide, the most recent Company report, memorandum, and/or study representing the Company's best present thinking on the transmission bottlenecks which may in the future constrain its ability to serve its customers. This request is intended to include system characteristics both internal to and external to the PJM integrated grid.

Power sales/purchases

40. First identify each contract, complete with all necessary amendments and/or attachments, which the Company has with another NONutility(s) for the purchase of electricity, whether on a firm capacity or other basis. Please provide the Company's best summary on hand of the terms of the documents.

41. First identify, and then provide, each tariff sheet, FERC and/or the Public Utility Commission, complete with all necessary amendments and/or attachments, applicable to the Company's arrangements with another NONutility(s) for the purchase of electricity, whether on a firm, capacity or other basis. Please provide the Company's best summary on hand of the terms of the documents.

Environmentalists' Data Requests to the Company
Set # 1

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42. First identify each **contract**, complete with all necessary amendments and/or attachments, which the Company has **with another utility(s)** for the purchase of electricity, whether on a firm capacity or other basis. Please provide the Company's best summary on hand of the terms of the documents.

43. First identify, and then provide, each **tariff sheet, FERC and/or the Public Utility Commission**, complete with all necessary amendments and/or attachments, applicable to the Company's arrangements **with another utility(s)** for the purchase of electricity, whether on a firm, capacity or other basis. Please provide the Company's best summary on hand of the terms of the documents.

Generation

44. Please provide the most recent complete, published listing of the generating facilities in which the Company has an ownership interest and/or a specified right to take output. The listing should include plant name/and or other unit identification, age, capacity, capacity factor, expected retirement date and fuel. If not all this information is contained on one published report, include in your response the additional report(s) or listings that provide such information.

45. First identify, and then provide, each study performed in whole or in part since January 1, 1990, with respect to each Company-owned generating unit that addresses the continued economic and/or financial justification for continuing to run the unit.

- a. State the extent to which the Company considers the study still applicable to the facility and the conditions likely to be faced.
- b. (In the interests of meeting this case's schedule: If a competitive confidentiality or proprietary interest is claimed, please provide a nondisclosure agreement on the face of a sealed copy of the document, one that reserves the rights of the parties to contest the matter *in camera* before the ALJ. If we and/or our consultants intend to break the seal we will not do so without first signing the agreement, or first negotiating with the Company a mutually acceptable agreement. Otherwise we will return the document with its seal unbroken.)

46. First identify, and then provide, the generation outages detail report for the following periods: for 1996 and 1997 to date.

Environmentalists' Data Requests to the Company
Set # 1

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47. First identify, and then provide, the documents supporting the Company's most recent calculation(s) of avoided cost(s).
48. First identify, and then provide, each life extension report performed for the Company and/or a generating facility in which it has an interest, since January 1, 1990.
49. First identify, and then provide, the most recent comprehensive report, for each of the generating units in which the Company has an ownership interest, which addresses the unit's potential future expenditures to meet applicable environmental requirements. Include in your response each update to the report.
50. Depreciation: First identify, and then provide:
- a. each report and/or memorandum addressing the most recent depreciated value of each generating facility in which the Company has an ownership interest; and/or
 - b. each schedule and/or listing of annual depreciation expense for the facility; and/or
 - c. to the extent that related depreciation is functionalized, rather than cumulated for the facility, explain the extent to which the figure(s) for the facility are less than fully representative of the depreciation expense that might be attributed to it.

Power pools

51. First identify, and then provide, for the power pool(s) of which the Company is a member, the most recent **adopted** long term planning report, and its attachments.
52. First identify, and then provide, for the power pool(s) of which the Company is a member, the most recent **proposed** long term planning report, and its attachments.
53. First identify, and then provide, the North American Reliability Council reports, produced since the date two years before the Company filed this case, addressing the adequacy of interconnections within and/or with the power pool(s) of which the Company is a member.

Environmentalists' Data Requests to the Company
Set # 1

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54. First identify, and then provide, the load flow analysis reports, cover letters and/or other transmittals, and attachments, generated for the Company's system since the date two years before the Company filed this case.

55. Please provide the set of documents which the Company has filed with the FERC which fully presents the Company's present position on the creation and function of an ISO for the region.

New sources

56. First identify, and then provide, each report, study, memorandum or other writing which addresses the acquisition of **new** sources of energy for any period following the conclusion of the Company's last base rate case.

57. First identify, and then provide, each solicitation for a **new** source of energy for any period following the conclusion of the Company's last base rate case.

58. First identify, and then provide, the most definitive document which the Company has produced regarding the factors to be used in evaluating new sources of energy for any period following the conclusion of the Company's last base rate case.

Power pools and resource value

59. First identify and then provide each document containing a discussion of: the extent to which the Company's generating and/or T&D resources, are valued with a pool-wide perspective. The type of document sought, might, for example, address the relative value to other pool members, with special reference to those in Pennsylvania, of the utility's capacity and other resources presently or prospectively considered excess for the utility itself; or, conversely, the value to it of other utilities' "excess" resources. The document might include an analysis of the relative costs and benefits of more fully utilizing the existing resources.

60. First identify and then provide the most recent documents discussing the Company's energy production and/or transmission resources for purposes of determining current and/or future responsibilities to the pool(s) of which the Company is a member.

Environmentalists' Data Requests to the Company
Set # 1

page 14

61. First identify, and then provide, each study, analysis, memorandum, report and/or other writing addressing the "stranded benefits" likely from the Commission's implementation of retail competition. The concept includes the benefits likely to accrue to the operation of low-cost facilities, facilities that have been mothballed or placed on reserve, to facilities available for back-up, and to T&D facilities.

Rate design

62. First identify, and then provide, each communication since January 1, 1996, or record or summary of such communication, to and/or from each large industrial or commercial customer regarding the development of:

- a. an alternative tariff;
- b. a discount, or other reduction in bills or rates;
- c. the provision of services to assist in lowering bills; and/or
- d. transmission of power generated by another entity.

63. First identify and then provide a copy of each tariff submitted to and/or approved by the Commission since the Company prepared the filing in this case. Include each document which describes and/or summarizes the tariff, including any related Commission orders and/or correspondence from Commission employees.

LIURP and bad debts

64. First identify and then provide the document(s) containing the Company's most recent comprehensive description(s) of its low income demand side programs (e.g. LIURP).

65. First identify and then provide the most recent document(s) containing a comprehensive discussion of the Company's low income DSM programs' costs and benefits, including changes in bad debts among the Company's customers over the life of the program.

66. First identify and then provide the Company's most recent analysis of its low income demand side programs' (e.g. LIURP):

- a. costs; and/or
- b. benefits, including any analysis of reductions in uncollectibles.

Environmentalists' Data Requests to the Company
Set # 1

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67. If the Company has not performed an analysis to determine the effect of its low income DSM programs on uncollectibles, please identify, and then provide:

- a. the information necessary to perform such analysis.
- b. Please include an explanation of:
 - i. how the Company believes such an analysis should be performed,
 - ii. the limitations or other problems in using the available data, and
 - iii. the likely impact of the program on the Company's ability to utilize facilities that it includes in the stranded investment category.
- c. Please explain why the Company has not conducted such an analysis.

Respectfully submitted,

/s

Alan J. Barak,
Attorney for the Environmentalists

Alan J. Barak, PC
1417 Blue Mtn Pkwy
Harrisburg PA 17112

717/540-5006 (voice)
717/541-1970 (fax)

Dated: April 22, 1997

GENERAL INSTRUCTIONS - Environmentalists' Data Requests to the Company

A. No specific response is requested to these general instructions. These instructions apply to each of the Environmentalists' data requests.

B. Under oath. Please provide the answers to these requests separately and under oath. Each response should be signed by the person, other than the attorney, making the response. When a person providing a response is not contemplated as a witness in this case, please identify the person at the Company who can competently testify to the matters contained in the response.

C. Time. Please provide the responses to these requests as soon as possible, and in no event later than the time required under the Commission's Rules or orders in this case.

D. Continuing requests. These are continuing requests. When information responsive to them becomes available, please provide it, even though an earlier response has been given. Please supplement these requests when information becomes available and/or known which has not been provided in your prior responses.

E. Electronic form. When requested information is available in electronic form, please provide the information in BOTH hard copy and electronic form. However, if such computerized information is lengthy, or it would be time-consuming or expensive to convert it to hard copy, please discuss whether providing a diskette would be suitable.

F. Data. Please provide data, calculations, spreadsheet information, and the output of databases in both hard copy and IBM PC readable form, including Lotus, Dbase, WordPerfect, on 3-1/2" 1.44 MB diskettes or equivalent email.

G. Identify responses. Please indicate the preparer of each response, his or her department, and job title, and the witness who could competently answer cross examination questions thereon.

H. Privilege or immunity from discovery. If the Company resists discovery of information based upon a claim of, among other things, a privilege, exemption or immunity, please identify the information being withheld with as much specificity as possible without waiving the claim. This may include redacting those portions of a document subject to the claim, providing the redacted document, and describing the redacted portion separately.

I. Ambiguities, etc. If there is any doubt as to the meaning of any of the instructions or requests please discuss. If any of the requests pose logistical difficulties, please discuss.

J. Applicability. These general instructions, and the Definitions, apply to all of our requests in this docket, including interrogatories and requests to produce.

K. Numbering of responses. If the Company uses a standard, additional, numbering system for its responses, please provide an annotated version of the requests as soon as you have assigned response numbers. E.g., our Q no. 35a, 35b, and 35c, might become 05-ST-72, 05-ST-73, and 05-ST-74, where the "05" are the last two digits of the docket number and "ST" refers to the Staff.

L. Refusal to provide. If the Company declines to provide the requested document in response to one of the Requests please state specifically the reasons therefor, including whether the Company, including its employees and/or agents, lacks the requested document in its possession or control or whether the response is too voluminous. Where a refusal includes "voluminous", please state whether the bulk of the information is NOT available electronically.

M. ADDRESSEES. We would appreciate your sending your responses as follows: one copy each to

Alan J. Barak, c/o Penn Energy Project, 3700 Vartan Way, Harrisburg PA 17110
(717.541.1967; voice; 717.541.1970 fax, barak@igc.apc.org)

Bruce Biewald, Synapse Energy Economics, 101 Chilton St., Cambridge MA 02138
(617.661.3248 voice; 617.661.0599 fax, biewald@world.std.com)

Jerry Mendl, MSB Energy Associates, Suite 200, 7507 Hubbard Ave., Middleton WI 53562 (608.831.1127 x301 voice; 608.836.1290 fax, mendl@msbnerg.com)

Fred Zalcman, Esq., Pace University School of Law, 78 North Broadway, White Plains, NY 10603, v. 914-422-4082, f. 914-422-4180, fzalcman@genesis.pace.law.edu)

DEFINITIONS

a. "Backup" includes, but is not limited to, work papers, calculations, lists of assumptions, transmittal memos containing calculations and/or assumptions, copies of source materials, and other detailed information in documents supporting a calculation, conclusion and/or discussion which to the maximum extent possible assist in the reproduction of the calculation, conclusion and/or discussion.

b. "The Commission", unless otherwise stated, means the Pennsylvania Public Utility Commission.

c. "The Company" is the utility company filing the Application which is the subject of this docket, its parent, affiliates, and subsidiaries.

d. "Discuss", "discusses", "discussion", and variations thereof, include, but are not limited to, the concept of discussing or addressing in whole OR in part. The terms are NOT restricted to the concept of a document which is intended to address in its entirety the one subject mentioned. So, for example, a memo which addresses three topics, one of which is mentioned in the Request, comes within the scope of the request.

e. "Document" includes, but is not limited to, hard copy and electronic information.

f. "E.g." means "for example" or "for instance", and these terms are meant to illustrate, and not to limit.

g. "Electronic information" includes, but is not limited to, information which may be generated as a writing, stored on a diskette, a hard disk, a laser disk, computer tape, or in a form otherwise accessible by a computer.

h. "Identify", "identity", "identification" and, variations thereof, include the following:

i. With respect to a document: the originator and addressee(s), the subject matter, the date, the document's present location, the custodian of the document, and any unique alphanumeric identifier (e.g. if Bates-stamped, the Bates number).

ii. With respect to a person: the full name, employer, business address, telephone number, and job title.

iii. Any other information that would permit the specific identification of the document or person for a subpoena.

i. "Include" or "includes", and variations thereof, are terms of inclusion, not of exclusion. At each point used in these Requests the terms must be read as "include(s) but is not limited to", even if the phrase "but is not limited to" does not appear along with them.

j. "In particular" or "for example" or "for instance" are terms of inclusion, not of exclusion. At each point used in these Requests the terms must be read to indicate a possible conforming response, not the only conforming response.

k. "Person" includes natural and artificial persons, including but not limited to individuals, corporations, partnerships, sole proprietorships, and trustees.

l. "Plant" INCLUDES, but is not limited to, the structure, boilers, generators, cables, access roads, transmission facilities and other facilities related to a generating, transmission, distribution or other physical installation.

m. "Writing" includes, but is not limited to, memorandum, note, summary, letter, message, book, looseleaf notebook, report, specification, diagram, sketch, map, plan or other document, whether in hard copy or other form.



APPENDIX B

COMMONWEALTH OF PENNSYLVANIA
BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility)
Commission)
)
v.) Docket No. R-000943271
)
Pennsylvania Power & Light Co.)
(General rate increase request))

SIERRA CLUB'S DATA REQUESTS
TO PP&L: SET 1 (Q's 1 - 62)

Dated: March 10, 1995

Subjects: Standard Data: Reports; Corporate planning case and model run; T&D audits; Affiliated transactions; Billing inserts; Revenues/Forecast/Rate design: Rate levels, customer profile; Standard Data: System Planning; System planning: Transmission; System planning: Power purchases; System planning: Generation; System planning: Power pools; System planning: New sources; System planning/Rate base: Pools; Rate design; O&M/Planning: DSM, power costs, bad debts.

PLEASE SEE THE ATTACHED GENERAL INSTRUCTIONS, WHICH ARE A PART OF THESE REQUESTS.

Standard Data: Reports

1. Provide the annual report to the Commission for each of the following years:
 - a. the most recent year filed;
 - b. this year, if the report is completed before the end of the proceeding.

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2. Please provide each of the following FERC reports for the Company, its subsidiaries, affiliates, and/or corporate owner:

- a. Form 1 (Ann. Report - Electricity);
- b. Form 12; and
- c. Form 423 for each month in the last two complete calendar years, as well as in this year.

3. Please provide each of the following Securities and Exchange Commission reports, and amendments, for the Company, its subsidiaries, affiliates and/or corporate owner for the last year in which it was filed:

- a. Form SR (report of sales of securities and use of proceeds therefrom);
- b. Form S1 (registration statement);
- c. Form 8K (current report of changes);
- d. Form 10K (annual report);
- e. Form 10Q (quarterly report); and/or
- f. Form U5S (annual report of a public utility holding company).

4. Please provide each of the following Securities and Exchange Commission reports, and amendments, for the Company, its subsidiaries, affiliates and/or corporate owner, for the last year in which it was filed:

- a. Form SR (report of sales of securities and use of proceeds therefrom);
- b. Form S1 (registration statement);
- c. Form 8K (current report of changes);
- d. Form 10K (annual report);
- e. Form 10Q (quarterly report); and/or
- f. Form U5S (annual report of a public utility holding company).

5. Please provide each of the following Securities and Exchange Commission reports, and amendments, for the each facility in which the Company holds an equity interest and/or more than 50% of the long term debt, for the last year in which it was filed:

- a. Form SR (report of sales of securities and use of proceeds therefrom);
- b. Form S1 (registration statement);
- c. Form 8K (current report of changes);
- d. Form 10K (annual report);

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- e. Form 10Q (quarterly report); and/or
- f. Form U5S (annual report of a public utility holding company).

6. First identify, and then provide, the following operating and financial reports for the Company, its subsidiaries, affiliates, and/or corporate owner, for the period indicated:

- a. monthly management reports (this calendar year through the pendency of this case);
- b. year-end management report detail (last complete calendar years) (the "fat" December management report);
- c. monthly construction reports (present year);
- d. current adopted operating budget (last two calendar years, which includes present year);
- e. current adopted construction budget (last two calendar years, which includes present year);
- f. current adopted construction budget supporting detail (last two calendar years, which includes present year);
- g. current proposed operating budget (for budget covering upcoming calendar year);
- h. current proposed construction budget (for budget covering upcoming calendar year);
- i. current proposed construction budget supporting detail (for budget covering upcoming calendar year);
- j. current responsibility budgets (for budget covering this calendar year);
- k. proposed responsibility budgets (for budget covering upcoming calendar year);
- l. current planning year estimate (i.e. post-budget year);
- m. proposed planning year estimate (i.e. post-budget year);
- n. reports of property held or acquired for future use (last two calendar years, which includes present year);
- o. report on sources and uses of funds for last full calendar year;
- p. most recent report on sources and uses of funds;
- q. reports of generation dispatched as fixed loaded units, for the purpose of fuel inventory control, system security, or other non-economic reason, or the reports' equivalent (for each of the last two complete calendar years plus this calendar year to date);
- r. monthly reports of sales to the Company's largest industrial customers (for last calendar year plus this calendar year); and/or

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- s. normal maintenance percents reports or equivalent (for last calendar year and this calendar year).

Corporate planning case and model run

7. First identify, and then provide, for the Company, its subsidiaries, affiliates, and/or corporate owner the most recent planning case presentation materials, and/or that document consisting of the materials prepared for presentation to senior management to aid in the development of the Company's current, and/or presently proposed, long term corporate plan.

8. First identify, and then provide, for the Company, its subsidiaries, affiliates, and/or corporate owner the corporate planning model summary output for the most recent planning case run presentation materials, and/or that document consisting of the materials prepared for presentation to senior management to aid in the development of the Company's current, and/or presently proposed, long term corporate plan.

9. First identify, and then provide, for the Company, its subsidiaries, affiliates, and/or corporate owner the summary output for each update to the corporate planning model from the most recent planning case study plus related narrative(s). Include the page(s) of model output that permit the reader to interpret the meaning of the numbers (e.g., the column and line headings).

10. First identify, and then provide, materials which the Company officers and/or Board members presented to bond rating agencies and/or securities analysts, including transcripts of oral remarks, during the periods:

- a. 1994; and/or
- b. 1995.

This requests covers people, like the Chair of a corporate parent, who are presented as *de facto* Company officers and/or Board members.

11. First identify, and then provide, each report of the ratings of the Company's securities received by the Company within the last 12 months.

T&D audits

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12. First identify, and then provide, each report of an **internal audit** of the Company's transmission and/or distribution system, and/or the units of the Company responsible therefor: since the filing of the Company's last general base rate case.

13. First identify, and then provide, each report of an **outside audit** of the Company's transmission and/or distribution system, and/or the units of the Company responsible therefor: since the filing of the Company's preceding general base rate case.

14. First identify, and then provide, each report projecting and/or proposing an audit of the Company's transmission and/or distribution system, and/or the units of the Company responsible therefor: since the filing of the Company's last general base rate case.

Affiliated transactions

15. First identify, and then provide, the documents presenting detailed, current explanation of Company transactions with associated and/or affiliated companies, describing the services performed and/or the bases for the related charges for the periods: documents generated since the filing of the Company's last general base rate case.

Assumptions: Fixed charge rate

16. First identify, and then provide, the document(s) specifying the fixed charge rate:
- a. which the Company presently uses for planning purposes; and
 - b. which the Company used for calculations related to capital additions affecting the test years in this case.

Include the documentation supporting the calculations of the fixed charge rates. Please identify any differences between the rates or their calculation.

Billing inserts

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17. Please provide the billing inserts sent to customers for each of the last 12 months.

18. Please provide the billing inserts sent to customers since the filing of the Company's preceding rate case which discussed DSM or energy efficiency.

Revenues/Forecast/Rate design: Rate levels, customer profile

19. Please provide the documents which discuss in summary fashion a description of the Company's rates by name or other identifier and rate/kWh, demand level(s), demand charge and/or other qualifying and descriptive characteristics. If no such document exists, please state the requested information.

20. Please provide the monthly current typical residential, industrial and commercial electricity rates for each tariff in ¢/kWh. For the residential class tariffs please also respond for usage levels of 750 kWh and 1000 kWh. Indicate the demand charge comprising each bill.

21. Please provide the monthly typical residential, industrial and commercial electricity rates for each tariff in ¢/kWh which would proceed from the granting of the Company's Application. For the residential class tariffs please also respond for usage levels of 750 kWh and 1000 kWh. Indicate the demand charge comprising each bill.

22. Please provide the most recent comparison of rates undertaken by the Company and/or in its possession which compares the Company's rates to those of other utilities within the Mid-Atlantic and/or Midwest Regions.

23. First identify, and then provide, the most recent studies of energy and peak load usage by customer class and/or type.

24. First identify, and then provide, the study, memorandum, or other summary document which, in the opinion of the Company, most accurately demographically profiles the Company's:

- a. residential customers;
- b. large commercial customers;
- c. small commercial customers;

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- d. large industrial customers;
- e. small industrial customers;
- f. the economy of the Company's service territory.

Please explain how the Company has correlated this information with its load data. Provide the most recent document which discusses such correlation.

Standard Data: System Planning

25. Please provide the current system maps showing for the Company:

- a. all generating facilities;
- b. all transmission facilities;
- c. all distribution facilities; and/or
- d. all interconnections with other utilities;
- e. the borders of the Company's service territory.

The responses should include legible keys to reading the map symbols.

26. First identify, and then provide, the Company document(s) which comprehensively describe the Company's:

- a. all transmission facilities;
- b. all distribution facilities; and/or
- c. all interconnections with other utilities;
- d. the Company's right to serve the political subdivisions within its service territory.

The documents sought by this request are for the use of an engineer, rather than for the use of a lay person.

27. Please provide the current system map(s) showing, for the integrated pool(s) of which the Company is a member:

- a. all generating facilities;
- b. all transmission facilities;
- c. all distribution facilities; and/or
- d. all interconnections with other utilities.

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28. First identify, and then provide, the Company document(s) which comprehensively **describe for the integrated pool(s)** of which the Company is a member:

- a. all transmission facilities;
- b. all distribution facilities; and/or
- c. all interconnections with other utilities.

The documents sought by this request are for the use of a transmission engineer, rather than for the use of a lay person.

System planning: Transmission

29. First identify, and then provide, the Company document(s) which comprehensively **discuss** each of the **arrangements** which the Company has **with other utilities**, for the transmission of electricity. This request does NOT seek the Company's transmission/interconnection contracts themselves.

30. First identify, and then provide, each **contract**, complete with all necessary amendments and/or attachments, which the Company has **with another utility(s)** for the transmission of electricity, and/or the interconnection therefor.

31. First identify, and then provide, the Company document(s) which comprehensively **discuss** each of the **arrangements** which the Company has **with other NONutilities**, for the transmission of electricity, including the wheeling of another producer's electricity. This request does NOT seek the Company's transmission/interconnection contracts themselves.

32. First identify, and then provide, each **contract**, complete with all necessary amendments and/or attachments, which the Company has **with another NONutility(s)** for the transmission of electricity, including wheeling, and/or the interconnection therefor.

33. First identify, and then provide, each **document embodying correspondence, and/or recording a communication** other than a contract and/or contract draft, complete with all attachments, which the Company has had **with another utility(s)** regarding the transmission of electricity into and/or out of the Company's system,

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and/or the interconnection therefor: for each of the last three calendar years, including the present year.

34. First identify, and then provide, each **document embodying correspondence, and/or recording a communication** other than a contract and/or contract draft, complete with all attachments, which the Company has had **with another NONutility(s)** regarding the transmission of electricity into and/or out of the Company's system, and/or the interconnection therefor: for each of the last three calendar years, including the present year.

System planning: Power purchases

35. First identify each **contract**, complete with all necessary amendments and/or attachments, which the Company has **with another NONutility(s)** for the purchase of electricity, whether on a firm capacity or other basis. Please provide the Company's best summary on hand of the terms of the documents.

36. First identify, and then provide, each **tariff sheet, FERC and/or the Commission**, complete with all necessary amendments and/or attachments, applicable to the Company's arrangements **with another NONutility(s)** for the purchase of electricity, whether on a firm, capacity or other basis. Please provide the Company's best summary on hand of the terms of the documents.

37. First identify each **contract**, complete with all necessary amendments and/or attachments, which the Company has **with another utility(s)** for the purchase of electricity, whether on a firm capacity or other basis. Please provide the Company's best summary on hand of the terms of the documents.

38. First identify, and then provide, each **tariff sheet, FERC and/or the Commission**, complete with all necessary amendments and/or attachments, applicable to the Company's arrangements **with another utility(s)** for the purchase of electricity, whether on a firm, capacity or other basis. Please provide the Company's best summary on hand of the terms of the documents.

System planning: Generation

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39. First identify, and then provide, the generation outages detail report for the following periods: for each of the last three calendar years, including the present year.

40. First identify, and then provide, the telemetered generation values reports for the following periods: for each of the years 1994 and 1995 to date.

41. First identify, and then provide, the documents supporting the Company's most recent calculation(s) of avoided cost(s). State the extent to which the calculation includes:

- a. avoided generating capacity costs adjusted for transmission and distribution (both primary and secondary) losses and reserve margin requirements;
- b. avoided transmission and distribution capacity costs;
- c. avoided operating costs, including fuel, plant operations and maintenance, and transmission/distribution operations and maintenance, adjusted for transmission and distribution (both primary and secondary) losses; and
- d. avoided environmental costs.

Please state the extent to which, if any, the calculations and their results differ from those relevant to the Company's filing in this case.

System planning: Power pools

42. First identify, and then provide, for the power pool(s) of which the Company is a member, the most recent **adopted** long term planning report, and its attachments.

43. First identify, and then provide, for the power pool(s) of which the Company is a member, the most recent **proposed** long term planning report, and its attachments.

44. First identify, and then provide, the North American Reliability Council reports, produced since the date two years before the Company filed this case, addressing

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the adequacy of interconnections within and/or with the power pool(s) of which the Company is a member.

45. First identify, and then provide, the load flow analysis reports, cover letters and/or other transmittals, and attachments, generated for the Company's system since the date two years before the Company filed this case.

System planning: New sources

46. First identify, and then provide, each report, study, memorandum or other writing which addresses the acquisition of new sources of energy for any period following the conclusion of the Company's last base rate case.

47. First identify, and then provide, each solicitation for a new source of energy for any period following the conclusion of the Company's last base rate case.

48. First identify, and then provide, the most definitive document which the Company has produced regarding the factors to be used in evaluating new sources of energy for any period following the conclusion of the Company's last base rate case.

System planning/Rate base: Pools

49. First identify and then provide each document containing a discussion of: the extent to which the Company's generating and T&D resources, are valued with a pool-wide perspective. The discussion might include the relative value to other pool members, with special reference to those in Pennsylvania, of the utility's capacity and other resources presently or prospectively considered excess for the utility itself; or, conversely, the value to it of other utilities' "excess" resources. The discussion might include an analysis of the relative costs and benefits of more fully utilizing the existing resources.

50. First identify and then provide the most recent documents discussing the Company's energy production and/or transmission resources for purposes of determining current and/or future responsibilities to the pool(s) of which the Company is a member.

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Rate design

51. First identify, and then provide, each communication since the filing of the Company's preceding base rate case, or record or summary of such communication, to and/or from each large industrial or commercial customer regarding the development of:

- a. an alternative tariff;
- b. a discount, or other reduction in bills or rates;
- c. the provision of services to assist in lowering bills; and/or
- d. transmission of power generated by another entity.

52. Please explain the extent to which the proposed rate design for each major customer class is, or is not, consistent with the Company's most recently-filed ARPR.

53. First identify and then provide a copy of each tariff submitted to and/or approved by the Commission since the Company prepared the filing in this case. Include each document which describes and/or summarizes the tariff, including any related Commission orders and/or correspondence from Commission employees.

O&M/Planning: DSM, power costs, bad debts

54. Provide a copy of:

- a. the Company's most recent DSM program filing;
- b. the Company's most recent Commission-approved DSM program.

If we have already been sent a copy of either document in another docket, please indicate, *in lieu* of providing the document, that such document responds to this question.

55. Please identify in organizational chart form, those Company employees and contractors responsible for the development and conduct of the Company's DSM programs.

56. Provide the budget (or budget estimate if no budget is developed yet) for each demand-side program for each year of the program's projected life. Include in your response the backup to the budget figures, including administrative costs, incentive

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payments, rebates, evaluation costs. If no such backup is available, please give a narrative explaining how you have generated your budget (budget estimates).

57. State the rate impact for the Company's current (or currently-proposed) DSM plan on a year-by-year, and rate-class-by-rate-class, basis. Provide the backup for the calculations.

58. With respect to the impact of your current (or currently proposed) DSM plan on the cost of environmental compliance strategies:

- a. Please identify and provide each document containing a discussion of such impact, and the attachments thereto.
- b. If such impact is not discussed in any document, please describe the extent to which the Company has considered such impact, including the numbers.

59. First identify and then provide the document(s) containing the Company's most recent comprehensive description(s) of its low income demand side programs (e.g. LIURP).

60. First identify and then provide the most recent document(s) containing a comprehensive discussion of the Company's low income DSM programs' costs and benefits, including changes in bad debts among the Company's customers over the life of the program.

61. First identify and then provide the Company's most recent analysis of its low income demand side programs' (e.g. LIURP):

- a. costs; and/or
- b. benefits, including any analysis of reductions in uncollectibles.

62. If the Company has not performed an analysis to determine the effect of its low income DSM programs on uncollectibles, please identify, and then provide:

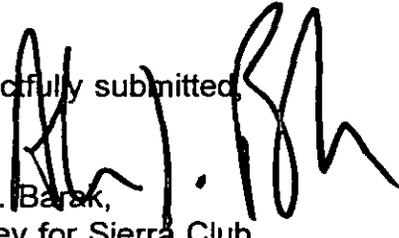
- a. the information necessary to perform such analysis.
- b. Please include an explanation of:

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- i. how the Company believes such an analysis should be performed, and
 - ii. the limitations or other problems in using the available data.
- c. Please explain why the Company has not conducted such an analysis.

Respectfully submitted,


Alan J. Barak,
Attorney for Sierra Club

Alan J. Barak
Mid-Atlantic Energy Project
Widener Energy Law Clinic
3700 Vartan Way
Harrisburg PA 17110

717/541-1967 (voice)
717/541-1970 (fax)

Dated: March 10, 1995

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BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

ORIGINAL
RECEIVED

APR 23 1997

Pennsylvania Power & Light Company :
Restructuring Plan Filing :

PA PUBLIC UTILITY COMMISSION
PROTHONOTARY'S OFFICE
Docket No. R-00973954

CERTIFICATION OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing documents upon the participants, listed below, in accordance with the requirements of §1.54 (relating to service by a participant):

Federal Express

The Honorable George M. Kashi
Pennsylvania Public Utility Commission
North Office Building
North Street and Commonwealth Avenue
Harrisburg, PA 17105-3265

Johnnie Simms, Esquire
Office Of Trial Staff
Pennsylvania Public Utility Commission
Third Floor, Pitnick Building
901 North Seventh Street - Rear
Harrisburg, PA 17105-3265

James A. Mullins, Esquire
Craig R. Burgraff, Esquire
Tanya A. McCloskey, Esquire
Office Of Consumer Advocate
1425 Strawberry Square
Harrisburg, PA 17120

Karen Oill Moury, Esquire
Office Of Small Business Advocate
Suite 1102, Commerce Building
300 North Second Street
Harrisburg, PA 17101.

David M. Kleppinger, Esquire
McNees, Wallace & Nurick
P. O. Box 1166
100 Pine Street
Harrisburg, PA 17108

Robert P. Haynes, III, Esquire
Mette, Evans & Woodside
3401 North Front Street
P. O. Box 5950
Harrisburg PA 17110

Rhonda Hendrickson
100 North 10th Street
Harrisburg, PA 17108

Harry S. Geller, Esquire
118 Locust Street
Harrisburg, PA 17108

Steve Huntoon, Esquire
Assistant General Counsel
PECO Energy Company
2301 Market Street, S23-1
Philadelphia, PA 19103

Alan Kohler, Esquire
305 North Front Street
Harrisburg, PA 17101

Mary Huwaldt, Esquire
Caplan & Luber, LLP
40 Darby Road
Paoli, PA 19301

Michael J. Vough, Esquire
Vough & Associates .
126 South Main Street
Pittston, PA 18040

Joel E. Newton, Esquire
901 15th Street, NW
Suite 700
Washington, DC 20005

Alan J. Barak, Esquire
1417 Blue Mountain Parkway
Harrisburg, PA 17112

David A. McCormick, Esquire
Department Of The Army
Office Of The Judge Advocate General
901 North Stuart Street
Arlington, VA 22203-1837

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

Scott J. Rubin, Esquire
3 Lost Creek Drive
Selinsgrove, PA 17870

Billie E. Ramsey, Executive Director
ARIPPA
1300 Market Street
Lemoyne, PA 17043

Eric Epstein
2308 Brandywine Drive
Harrisburg PA 17710

Robert F. Young
Deputy General Counsel
212 Locust Street
P. O. Box 1266
Harrisburg, PA 17108-1266

Michael A. Stosser, Esquire
Heller Ehrman White & McAuliffe
815 Connecticut Avenue, N.W.
Suite 200
Washington, DC 20006-4004

Bruce A. Connell
General Counsel
600 N. Dairy Ashford, ML-1034
Houston, TX 77079

Joan O. Brandeis
Schnader, Harrison, Segal & Lewis
Suite 3600
1600 Market Street
Philadelphia, PA 19103-4252

Dated this 28th day of April, 1997.



Paul E. Russell