



**PULP**

PENNSYLVANIA  
UTILITY LAW PROJECT

April 8, 2014

Via E-Filing

Secretary Rosemary Chiavetta  
Pennsylvania Public Utility Commission  
P.O. Box 3265  
Harrisburg, PA 17105-3265

**Re: Petition of PECO Energy Company for Approval of its Default  
Service Program for the period of June 1, 2015 through May 31, 2017  
Docket No. P-2014-2409362**

Dear Secretary Chiavetta:

Enclosed please find the Pre Hearing Memorandum of the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania ("CAUSE-PA") in the captioned proceedings.

Kindly notify the undersigned if you have any questions or concerns about this filing.

Respectfully submitted,

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CC: Certificate of Service  
Hon. Cynthia Williams Fordham

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

<b>Petition of PECO Energy Company</b>	:	
<b>for Approval of its Default Service</b>	:	
<b>Program for the period commencing</b>	:	<b>Docket Nos. P-2014-2409362</b>
<b>June 1, 2015 through May 31, 2017</b>	:	

**Certificate of Service**

I hereby certify that I have this day served copies of CAUSE-PA's Pre Hearing Memorandum upon the counsel of record for the parties who have filed a Petition to Intervene in the captioned matter, and the statutory parties as set forth below in accordance with the requirements of 52 Pa. Code § 1.54:

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Harry S. Geller, Esq., PA ID: 22415

Date: April 8, 2014

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition of PECO Energy Company for  
Approval of its Default Service Program  
For the Period from June 1, 2015 through  
May 31, 2017

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P-2014-2409362

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**PREHEARING MEMORANDUM OF THE  
COALITION FOR AFFORDABLE UTILITY SERVICES  
AND ENERGY EFFICIENCY IN PENNSYLVANIA**

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The Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (“CAUSE-PA”), through its counsel at the Pennsylvania Utility Law Project, hereby submits this Prehearing Memorandum pursuant to the April 3, 2014, Prehearing Order of Administrative Law Judge Cynthia Williams Fordham.

**History of Proceeding**

1. On March 10, 2014, PECO Energy Company, Inc. (“PECO” or “Petitioner”) filed a petition with the Pennsylvania Public Utility Commission (“Commission”) requesting that the Commission to approve its third Default Service Program (the “Program” or “DSP III”). PECO noted that this petition was filed in accordance with its responsibilities as the default service provider for its certificated service territory for the period from June 1, 2015 through May 31, 2017, following the expiration of its current default service program (“DSP II”). Concurrently, PECO submitted the testimony of five witnesses (PECO Statements 1-5).

2. On March 19, 2014, the Public Utility Commission's Secretary's Bureau issued a Notice which directed that formal protests, petitions to intervene, and answers to PECO's Petition be filed with on or before April 1, 2014.

3. On April 1, 2014, CAUSE-PA filed a Petition to Intervene and an Answer consistent with the notice of the Secretary's Bureau in this proceeding.

4. On April 3, 2014, Administrative Law Cynthia Williams Fordham issued a Prehearing Conference Order scheduling a telephonic prehearing conference on Thursday, April 10, 2014, at 2 p.m. The Prehearing Order directed that on or before 10:00 a.m., April 9, 2014, all parties are to file and serve a Prehearing Conference Memorandum. This Prehearing Conference Memorandum is filed in accordance with Judge Fordham's Order.

**I. Service on CAUSE-PA**

5. CAUSE-PA consents to accept electronic delivery of documents on the deadlines for their filing, if followed by one (1) hard copy delivered by first class mail to its counsel of record:

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**II. Issues to be Presented**

6. CAUSE-PA has preliminarily reviewed the PECO's Petition and identified a number

of issues presented by the filing which potentially affect its members. CAUSE-PA anticipates that additional issues may arise as a more comprehensive review of the filing is undertaken, discovery is conducted, and the testimony is more thoroughly reviewed. However, the preliminary issues identified by CAUSE-PA include:

a. In its Petition, the Company proposes to adjust its default service reconciliation from its current quarterly reconciliation to a semi-annual reconciliation. Petition ¶ 35. PECO asserts that this change will reduce the significant fluctuations in default service rates and provide more accurate signals to shopping and default service customers. Id.

b. The Company also proposes to continue offering its Standard Offer Program (SOP) for residential and small commercial customers from June 1, 2015 to May 31, 2017. Petition, ¶ 38.

c. The Company proposes to continue to recover the cost of the SOP through a participant fee assessed to EGSs, a discount on the EGSs purchase of receivables, and through the Company's non-bypassable rider. Id.

d. Additionally, the Company proposes to implement several new initiatives such as seamless moves, instant connects, and enhancements to its customer account number lookup procedures. Petition ¶ 39.

7. CAUSE-PA asserts that each of these matters, as presented within the Petition and any proposed modifications presented by intervening parties, must be thoroughly reviewed through discovery and a hearing in order to ensure that the PECO low-income customers are not harmed and the programs are in the public interest.

**III. Witnesses and Testimony**

8. CAUSE-PA intends to sponsor the following witness:

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**IV. Scheduling, Discovery, and Testimony**

9. CAUSE-PA will work with the other parties to come to a schedule which suits the needs of all of the parties and the Commission.

**V. Conclusion**

CAUSE-PA respectfully requests that its Prehearing Memorandum be entered into the record of this proceeding.

Respectfully submitted,

**PENNSYLVANIA UTILITY LAW PROJECT**  
*Counsel for CAUSE-PA*



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April 8, 2014

Prehearing Memorandum of CAUSE-PA  
Docket No. P-2014-2409362