



COMMONWEALTH OF PENNSYLVANIA

May 29, 2014

E-FILED

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

**Re: Petition of Duquesne Light Company for Approval of Default Service Plan for the
Period June 1, 2015 through May 31, 2017
Docket No. P-2014-2418242**

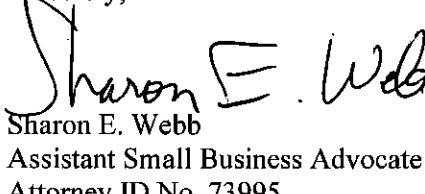
Dear Secretary Chiavetta:

I am delivering for filing today the original of the Prehearing Memorandum, on behalf of the Office of Small Business Advocate, in the above-captioned proceeding.

Two copies have been served today on all known parties in this proceeding. A Certificate of Service to that effect is enclosed.

If you have any questions, please do not hesitate to contact me.

Sincerely,


Sharon E. Webb
Assistant Small Business Advocate
Attorney ID No. 73995

Enclosures

cc: Brian Kalcic

Parties of Record

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Duquesne Light Company :
Petition for Approval of Default Service Plan :
For the Period June 1, 2015 through : **Docket No. P-2014-2418242**
May 31, 2017 :

**PREHEARING MEMORANDUM
OF THE OFFICE OF SMALL BUSINESS ADVOCATE**

I. INTRODUCTION

The Office of Small Business Advocate (“OSBA”) is authorized to represent the interests of small business customers of utility services before the Pennsylvania Public Utility Commission (“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 the above-captioned proceeding.

Representing the OSBA in this matter is Assistant Small Business Advocate Sharon E. Webb. Please address all correspondence in this matter as follows:

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Office of Small Business Advocate
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II. FILING BACKGROUND

On April 24, 2014, the Duquesne Light Company (“Duquesne” or “Company”) initiated the above-captioned proceeding by filing with the Commission a petition for

approval of a default service plan for the period of June 1, 2015, through May 31, 2017 (“Petition”).

On May 15, 2012, the OSBA filed a Notice of Intervention, a Public Statement, an Answer, and a Notice of Appearance.

III. IDENTIFICATION OF WITNESS AND TENTATIVE ISSUES

Assisting in the development and presentation of the OSBA’s case in this proceeding will be:

Mr. Brian Kalcic
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After an initial review of the materials submitted by Duquesne, the OSBA offers the following summary of the issues:

1. Duquesne proposes to acquire electricity for customers in the Residential and Lighting classes primarily through 12-month, laddered full requirements, load following contracts. *See* Petition, para. 6 and 7. Except for Lighting customers, Duquesne would acquire electricity to serve non-residential default service customers with maximum peak demands of less than 25 kW through 12-month, laddered full-requirements, load-following contracts. *See* Petition, para. 20 and 21. Duquesne would acquire electricity to serve non-residential default service customers with maximum peak demands of equal to or greater than 25 kW but less than 300 kW through three month,

non-laddered, full-requirements, load-following contracts. *See* Petition, para. 28-29.

Duquesne would continue serving default customers with maximum peak demands of 300 kW or higher through day ahead hourly spot pricing which the same service currently offered to Large C&I customers under the Company's current DSP VI Plan. *See* Petition, para. 35.

2. Duquesne would conduct separate procurements for Small Commercial and Industrial ("C&I") customers and Medium C&I customers. Small C&I customers have maximum peak demands of less than 25 kW while Medium C&I customers have maximum peak demands of at least 25 kW but less than 300 kW. *See* Petition, para. 21 and 29.

3. Duquesne also would impose a cap on the number of Residential and Small C&I tranches awarded to the same wholesale supplier. Duquesne has proposed to remove the supplier load cap for Medium C&I solicitations. *See* Petition, para. 38.

4. The OSBA agrees that Duquesne should acquire default service electricity for Small C&I customers through full-requirements, laddered load-following contracts. The OSBA also agrees that Duquesne should impose a load cap on Small C&I solicitations. However, the OSBA reserves the right to comment on the details of these, and other, provisions of Duquesne's Petition after the OSBA has had the opportunity to engage in discovery.

5. The OSBA also reserves the right to pursue additional issues as they arise throughout the proceeding.

IV. SERVICE OF DOCUMENTS

The OSBA requests that all parties serve a hard copy of any document filed in this case upon the OSBA **and the OSBA witness identified above**. In addition to hard copies of pleadings, briefs, and exceptions, the OSBA requests hard copies of responses to discovery propounded by the OSBA or any other party. Service by electronic mail only is not acceptable.

V. SETTLEMENT

The OSBA notes its willingness to enter into settlement discussions at the appropriate phase of this proceeding.

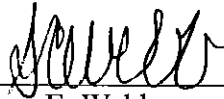
VI. HEARING AND BRIEFING SCHEDULE

The OSBA will cooperate with the other parties to develop a procedural schedule.

The OSBA's witness has currently hearings scheduled in another jurisdiction on August 25, 26, and 28. If he has to travel to hearings to testify in this proceeding, and his other case does not settle, he will only be available on August 27th to testify.

In light of the Governor's commitment to reduce the operating budget of Commonwealth Offices, the OSBA respectfully requests that the evidentiary hearings take place in Harrisburg.

Respectfully submitted,



Sharon E. Webb
Assistant Small Business Advocate
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Dated: May 29, 2014

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition of Duquesne Light Company for :
Approval of Default Service Plan for the : **Docket No. P-2014-2418242**
Period June 1, 2015 Through May 31, 2017 :

CERTIFICATE OF SERVICE

I certify that I am serving two copies of the Prehearing Memorandum, on behalf of the Office of Small Business Advocate, by e-filing, e-mail, and/or first-class mail (unless otherwise noted) upon the persons addressed below:

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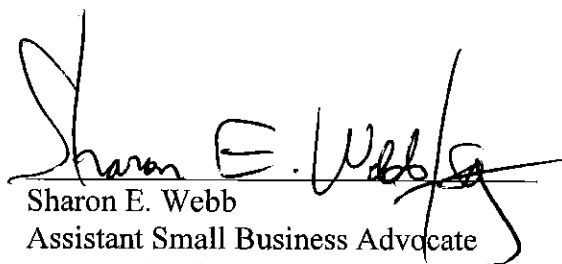
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Date: May 29, 2014

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