



COMMONWEALTH OF PENNSYLVANIA

June 3, 2014

E-FILED

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

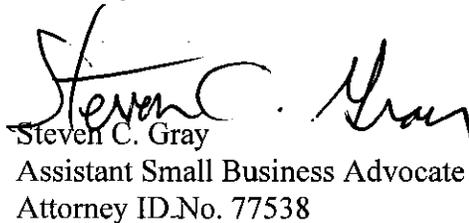
**Re: Petition of PPL Electric Utilities Corporation for Approval of a Default
Service Program and Procurement Plan for the Period June 1, 2015 through
May 31, 2017
Docket No. P-2014-2417907**

Dear Secretary Chiavetta:

Enclosed for filing is the Prehearing Memorandum, on behalf of the Office of Small Business Advocate, in the above-captioned proceeding.

As evidenced by the enclosed certificate of service, all parties have been served as indicated.

Sincerely,


Steven C. Gray
Assistant Small Business Advocate
Attorney ID.No. 77538

Enclosures

cc: Parties of Record

Robert D. Knecht

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**Petition of PPL Electric Utilities Corporation :
for Approval of a Default Service Program and : Docket No. P-2014-2417907
Procurement Plan for the Period June 1, 2015 :
through 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 this proceeding. Representing the OSBA in the above-referenced matter is Assistant Small Business Advocate Steven C. Gray. Please address all correspondence in that matter as follows:

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II. FILING BACKGROUND

PPL Electric Utilities Corporation (“PPL” or the “Company”) filed a Petition for the Approval of a Default Service Program and Procurement Plan for the Period June 1, 2015 through May 31, 2017 (“Petition”) with the Commission on April 18, 2014. The OSBA filed an Answer and Notice of Intervention on May 28, 2014.

III. IDENTIFICATION OF WITNESS AND TENTATIVE ISSUES

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

Mr. Robert D. Knecht
Industrial Economics Incorporated
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The OSBA will participate in this proceeding to assure that the interests of small business customers are adequately represented and protected.

After an initial review of the materials submitted by PPL, the OSBA has identified the following list of issues that it will evaluate in this proceeding:

1. Whether the proposed methodology and timing of the small commercial and industrial (“Small C&I”) customer procurements is reasonable.
2. Whether the proposed modification of Small C&I definition for the GSC from below 500 kW to below 100 kW is reasonable.
3. Whether the proposed retention of the definition of Small C&I for the TSC is reasonable.

4. Whether the Company's proposal to continue to purchase non-market-based transmission costs for default service customers only is anti-competitive.
5. Whether the Company's proposal to switch from quarterly rate changes and reconciliation to bi-annual rate changes and reconciliation is reasonable.
6. Whether the Company's proposed TOU program is consistent with the partial settlement in PPL's recent TOU case.
7. Whether reducing the upper limit on net meter customer generating capacity to reduce the negative impact of these generators on Small C&I default service rates would be just and reasonable.
8. Whether the Company's proposed contingency plan is reasonable.

The OSBA 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 upon the OSBA and the OSBA witness identified above. In addition to hard copies of pleadings and briefs, the OSBA requests hard copies of responses to discovery propounded by the OSBA or any other party.

V. SETTLEMENT

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

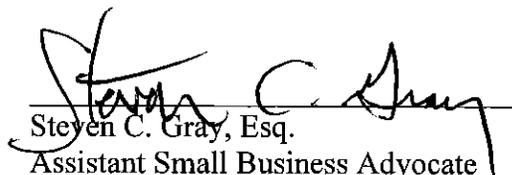
VI. DISCOVERY

The OSBA supports the discovery modifications set forth in the Office of Consumer Advocate's prehearing memo.

VII. HEARING AND BRIEFING SCHEDULE

The OSBA has been working with the other parties to develop a procedural schedule, and, at the time of this writing, believe that agreement on the schedule has been reached. The OSBA respectfully requests that the evidentiary hearings take place in Harrisburg.

Respectfully submitted,


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Dated: June 3, 2014

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**Petition of PPL Electric Utilities Corporation :
for Approval of a Default Service Program and : Docket No. P-2014-2417907
Procurement Plan for the 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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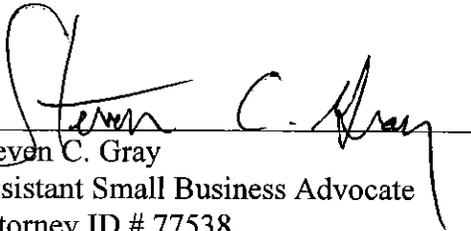
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