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May 7, 2015

Via E-Filing

Rosemary Chiavetta, Secretary Pennsylvania Public Utility Commission Post Office Box 3265 Harrisburg, PA 17105

Re: City of Philadelphia's Prehearing Conference Memorandum, Pennsylvania Public

Utility Commission v. PECO Energy Company – Electric Division

Docket No. R-2015-2468981

Dear Secretary Chiavetta:

I have enclosed an original of the City of Philadelphia's Prehearing Conference Memorandum in regard to the above noted subject which I filed electronically today.

Sincerely,

Jocelyn G. Hill

Assistant City Solicitor

JGH/mh

cc:

Attached Service List (w/enclosure)

Angela T. Jones, Administrative Law Judge

BEFORE THE PENNSYLVANIA PUBLIC UTILTY COMMISSION

Pennsylvania Public Utility Commission, et al.

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V.

Docket No. R-2015-2468981

PECO Energy Company – Electric Division

PREHEARING MEMORANDUM OF THE CITY OF PHILADELPHIA

The City of Philadelphia ("City") submits this pre-hearing memorandum in the above-captioned proceeding pursuant to 52 Pa. Code § 5.222 and the Prehearing Conference Order dated April 28, 2015.

I. History of the Proceeding

On March 27, 2015, PECO Energy Company ("PECO" or "Company") filed with the Pennsylvania Public Utility Commission ("PUC" or "Commission") proposed Tariff Electric-Pa. P.U.C. No. 5, containing proposed changes to rates and a general rate increase of approximately \$190 million. PECO's filing includes the Direct Testimony of its witnesses, responses to filing requirements, and documentation regarding its proposals.

On April 23, 2015, the City of Philadelphia filed a Petition to Intervene. By

Order entered that same day, the Commission instituted an investigation into the
lawfulness, justness and reasonableness of the proposed rate increases in the tariff filing.

A Prehearing Conference has been scheduled in this proceeding for May 11, 2015, at

10:00 a.m., before Administrative Law Judge Angela T. Jones.

II. Presently Identified Issues

The City intends to direct its involvement in this proceeding toward the issues raised by the requested changes to the municipal lighting tariffs. The City has concerns about whether the information and data filed by PECO in support of its proposed rates for municipal lighting are sufficient to establish that these rates are just, reasonable, and nondiscriminatory, as required by Section 1301 and 1304 of the Public Utility Code, 66 Pa. C.S. §§ 1301 and 1304. The City reserves the right to address issues raised by other parties, the Administrative Law Judge or the Commissioners as they arise during the course of the proceeding, including the issues identified in the questions posed to PECO by Chairman Powelson and Commissioner Brown about the replacement of the Auxiliary Service Rider, as set forth in Paragraph 12 of the Prehearing Conference Order.

III. Proposed Witnesses and Subject Matter of Testimony

At present, the City plans to present testimony from the following witnesses on the subject matters described below.

Adam Agalloco City of Philadelphia Director, Energy Office 1515 Arch Street, 18th Floor Philadelphia, PA 19102 (215) 686-4460 - Office (267) 216-5887 - Cell

Richard J Montanez, P.E. City of Philadelphia Traffic & Street Lighting Chief Engineer Street Lighting Division 1401 John F. Kennedy Blvd. Suite 900 MSB (215) 686-5515 - Office Subject matter: How the rate increases will increase costs for the City in dollar amount and percentages and the reasonableness of the fixed and variable distribution charges for the municipal lighting rates.

The City reserves the right to call additional witnesses as may be necessary depending on the course of the proceeding.

Respectfully submitted,

The City of Philadelphia

J. Barry Davis (J.D. No. 62137)

Scott J. Schwarz (I.D. No. 38224)

Jocelyn G. Hill (LD. No. 93372)

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CERTIFICATE OF SERVICE

I hereby certify that I am serving a true and correct copy of the foregoing document this day by first-class mail, postage-prepaid, and/or by electronic mail, on the parties listed below, addressed as follows:

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