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May 7, 2015

Via E-Filing

Secretary Rosemary Chiavetta
Pennsylvania Public Utility Commission
PO Box 3265
Harrisburg, PA 17105-3265

**Re: Pennsylvania Public Utility Commission v.
PECO Energy Company
Docket No. R-2015-2468981**

Dear Secretary Chiavetta:

Enclosed please find the **Prehearing Memorandum of Tenant Union Representative Network and Action Alliance of Senior Citizens of Greater Philadelphia** in the above captioned matter.

Copies are being served on parties as identified in the attached certificate of service. If you have any questions, please contact me at (215) 227-4378

Sincerely,

A handwritten signature in black ink that reads 'Josie B. H. Pickens'. The signature is written in a cursive style with a large, looping initial 'J'.

Josie B. H. Pickens, Esq.
Attorney for TURN et al.
Community Legal Services, Inc
1410 West Erie Avenue
Philadelphia, PA 19140
(215) 227-4378

Enclosures

cc: Certificate of Service

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission	:	Docket No. R-2015-2468981
	:	
v.	:	
	:	
PECO Energy Company	:	
	:	

**Prehearing Memorandum of Tenant Union Representative Network and
Action Alliance of Senior Citizens of Greater Philadelphia**

Tenant Union Representative Network and Action Alliance of Senior Citizens of Greater Philadelphia (collectively, TURN et al.), through counsel Community Legal Services, Inc., hereby submit the following Prehearing Memorandum pursuant to the Prehearing Conference Order of April 28, 2015.

History of the Proceeding

On March 27, 2015, PECO submitted a general base rate filing for electric operations. In its filing, PECO proposes to increase its electric distribution rates by approximately \$190 million, effective May 26, 2015. PECO's proposed rates and other changes are set forth in PECO's Tariff Electric – Pa. PUC No. 5 (“Tariff No. 5”). PECO proposes to increase revenue by \$98.8 million per year for Rate R Residential Service and by approximately \$26 million for Rate RH Residential Heating Service. This includes a proposal to increase the Rate R and Rate RH service charge to \$12 per month. PECO also proposes an in-program arrearage forgiveness program to provide a fresh start for its anticipated and newly redesigned customer assistance program (CAP).

On April 20, 2015, TURN et al. filed a petition to intervene stating their intent to examine, in this proceeding, whether PECO's request for a rate increase will result in unjust and unreasonable rates for Philadelphia's low income residential customers and consumers. In their petition, TURN et al. further indicated their significant interest in ensuring that PECO's in-program arrearage forgiveness proposal receives final approval from the Commission.¹

On April 23, 2015, the Commission entered an order, which instituted an investigation to determine the lawfulness, justness, and reasonableness of the rates, rules, and regulations contained in Tariff No. 5; suspended Tariff No. 5 until December 26, 2015, unless otherwise directed; directed PECO to file tariff supplements announcing the suspension of Tariff No. 5, and assigned the case to the Office of Administrative Law Judge. In addition, Chairman Powelson and Commissioner Brown issued a Joint Statement directing questions to the parties regarding PECO's proposal to replace its Auxiliary Service Rider with a Capacity Reservation Rider and its proposal to change its General Service rate for commercial and industrial customers.

On April 28, 2015, Administrative Law Judge Angela T. Jones issued a Prehearing Conference Order directing counsel to submit prehearing memorandum on or before noon on Thursday, May 7, 2015.

1. Issues to be presented

TURN et al. intend to examine several issues, including, but not limited to:

- The reasonableness and justness of PECO's proposal to increase its electric distribution rates by approximately \$190 million, including potential impacts this

¹ On April 6, 2015, the Office of Consumer Advocate ("OCA") filed a formal complaint; Petitions to intervene were filed by the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania ("CAUSE-PA") on April 9, 2015, the City of Philadelphia on April 23, 2015, and Clean Air Council on May 1, 2015. A formal complaint was filed by the Office of Small Business Advocate on April 16, 2015. A formal complaint was filed by the Philadelphia Area Industrial Energy Users Group ("PAIEUG") on May 6, 2015.

will have on bill affordability for low and moderate income residential customers in Philadelphia;

- The reasonableness and justness of PECO's proposal to increase the Rate R and Rate RH service charge to \$12 per month, including potential impacts this will have on bill affordability for low and moderate income residential customers in Philadelphia.

TURN et al. intend to introduce testimony in support of PECO's in-program arrearage forgiveness proposal. TURN et al. were a party to the settlement reached regarding PECO's CAP design at Docket No. M-2012-2290911, which resulted in the proposed in-program arrearage forgiveness program that is contained in this rate case filing. TURN et al. believe that in-program arrearage forgiveness will be essential to improving bill affordability if and when PECO adopts a Fixed Credit Option (FCO) CAP design.

TURN et al. reserve the right to raise other issues that may arise in the course of this proceeding

2. Witnesses

At this time, TURN et al. intend to present the testimony of H. Gil Peach and will submit Mr. Peach's direct and reply testimony, as may be appropriate. Mr. Peach's contact information is as follows:

H. Gil Peach
H. Gil Peach & Associates
16232 NW Oak Hill Drive
Beaverton, OR 97006-5242
Phone: 503-645-0761, Fax: 503-946-3064
hgilpeach@scanamerica.net

Mr. Peach's testimony will include, but will not be limited to, the reasonableness of PECO's proposal to increase the residential service charge to \$12 and the impact this will have on low income customers. Mr. Peach will also testify in support of PECO's in-program arrearage forgiveness proposal. Mr. Peach may also respond to other issues that are raised in other parties' testimony.

TURN et al. reserve the option to call other witnesses as appropriate to reply to other parties' testimony.

4. Proposed litigation schedule

TURN et al. have been in discussions with the parties regarding a schedule for this proceeding. TURN et al. are willing to continue discussions with the parties to establish a reasonable litigation schedule, including a schedule for written testimony and public input hearings. The schedule should provide adequate time and opportunity for a thorough analysis of PECO's filing.

5. Possibility of settlement

TURN et al. are willing to participate in settlement negotiations concerning all issues raised by this case.

6. Service on TURN et al.

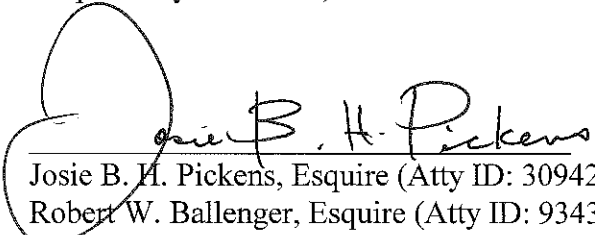
TURN et al. will be represented in this case by Josie B. H. Pickens, Esquire, Thu B. Tran, Esquire, and Robert W. Ballenger, Esquire, who will accept electronic delivery of documents.

One hard copy of all documents should also follow by first class mail to TURN et al. as follows:

Josie B. H. Pickens, Esquire
Community Legal Services, Inc.
1410 West Erie Avenue
Philadelphia, PA 19140
Telephone: (215) 227-4378

Facsimile: (215) 599-1711
E-mail: jpickens@clsphila.org, rballenger@clsphila.org, ttran@clsphila.org

Respectfully submitted,



Josie B. H. Pickens, Esquire (Atty ID: 309422)
Robert W. Ballenger, Esquire (Atty ID: 93434)
Thu B. Tran, Esquire (Atty ID: 83086)

Attorneys for TURN, et al.
COMMUNITY LEGAL SERVICES, INC.
1410 West Erie Avenue
Philadelphia, PA 19140

May 7, 2015

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission : **Docket No. R-2015-2468981**

v. :

PECO Energy Company : :

:

Certificate of Service

I hereby certify that I have this day served copies of the **Prehearing Memorandum of Tenant Union Representative Network and Action Alliance of Senior Citizens of Greater Philadelphia** upon the parties of record in the above captioned proceeding in accordance with the requirements of 52 Pa. Code § 1.54 in the manner and upon the persons listed below.

VIA FIRST CLASS MAIL

Administrative Law Judge Angela T. Jones
Pennsylvania Public Utility Commission
801 Market Street, Suite 4063
Philadelphia, PA 19107

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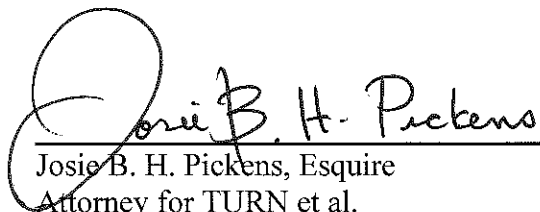
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Respectfully submitted,

A handwritten signature in black ink that reads "Josie B. H. Pickens". The signature is written in a cursive style with a large, looping initial "J".

Josie B. H. Pickens, Esquire
Attorney for TURN et al.
COMMUNITY LEGAL SERVICES, INC.
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Philadelphia, PA 19140
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