



COMMONWEALTH OF PENNSYLVANIA

May 7, 2015

E-FILED

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

Re: PA PUC v. PECO Energy Company
Docket No. R-2015-2468981

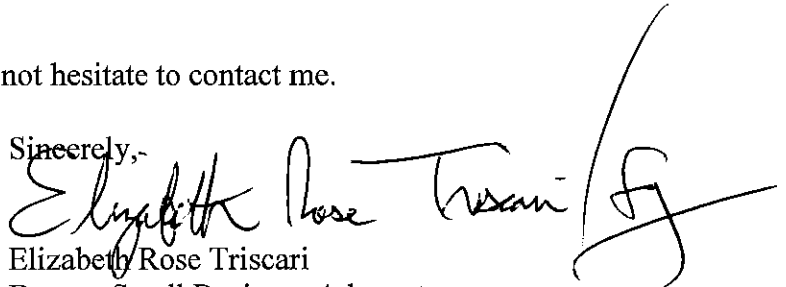
Dear Secretary Chiavetta:

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

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,-


Elizabeth Rose Triscari
Deputy Small Business Advocate
Attorney ID No. 306921

Enclosures

cc: The Honorable Angela T. Jones
Brian Kalcic
Parties of Record

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

PENNSYLVANIA PUBLIC UTILITY COMMISSION	:	
	:	
	:	Docket No. R-2015-2468981
v.	:	C-2015-2475585
	:	C-2015-2477974
PECO ENERGY COMPANY	:	

**OFFICE OF SMALL BUSINESS ADVOCATE
PREHEARING MEMORANDUM**

I. INTRODUCTION

The Office of Small Business Advocate (“OSBA”) is authorized to represent the interests of small business consumers of utility services before the Pennsylvania Public Utility Commission (the “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 are Deputy Small Business Advocate Elizabeth Rose Triscari and Assistant Small Business Advocate Daniel G. Asmus. Please address all correspondence as follows:

Elizabeth Rose Triscari, Esquire
Daniel G. Asmus, Esquire
Office of Small Business Advocate
300 North Second Street, Suite 202
Harrisburg, PA 17101
(717) 783-2525
(717) 783-2831 (fax)
etriscari@pa.gov
dasmus@pa.gov

II. BACKGROUND

On March 27, 2015, PECO Energy Company (“PECO” or “the Company”) filed with the Commission proposed Tariff – Electric Pa. P.U.C. No. 5 (“Proposed Tariff”), which, if approved by the Commission, would increase the retail electric distribution rates of PECO by \$190 million per year, representing a 4.4% increase over the Company’s total present revenues.

On April 16, 2015, the OSBA filed a formal Complaint in this proceeding in order to protect the interests of the Company’s small business customers.

A formal Complaint was also filed by the Office of Consumer Advocate (“OCA”) on April 6, 2015.

The Commission’s Bureau of Investigation and Enforcement (“I&E”) filed a Notice of Appearance on April 7, 2015.

Petitions to Intervene were filed by the Coalition for Affordable Utility Service and Energy Efficiency in Pennsylvania (“CAUSE-PA”) on April 9, 2015, and by Tenant Union Representative Network (“TURN”) and Action Alliance of Senior Citizens of Greater Philadelphia (“Action Alliance”) on April 20, 2015.

By Order entered April 23, 2015, the Commission suspended the Proposed Tariff by operation of law until December 26, 2015, and instituted an investigation into the lawfulness, justness, and reasonableness of the proposed rate increases.

This matter has been assigned to Administrative Law Judge (“ALJ”) Angela T. Jones. ALJ Jones issued a Prehearing Conference Order on April 28, 2015, informing the

parties that a prehearing conference will be held on May 11, 2015. The OSBA submits this prehearing memorandum in accordance with that Order.

III. WITNESS

Assisting in the development and presentation of the OSBA's position in this proceeding will be:

Mr. Brian Kalcic
Excel Consulting
Suite 720
225 S. Meramec Ave.
St. Louis, MO 63105
(314) 725-2511
(314) 725-2022 (fax)
excel.consulting@sbcglobal.net

The OSBA requests that all parties provide courtesy copies of all documents, including discovery, testimony and briefs, upon Mr. Kalcic, simultaneously with service upon the OSBA.

IV. IDENTIFICATION OF ISSUES

The OSBA is participating in this case to ensure that the interests of small business customers of PECO are adequately represented and protected. As appropriate and necessary, the OSBA will investigate and analyze the claims and proposals of the Company and other parties, primarily through discovery, cross-examination of witnesses appearing for those parties, filing of testimony, and briefing of the issues that arise in this proceeding.

The OSBA will particularly focus on issues where the impact upon the interests of PECO's small business customers would be unjustifiably different from or disproportionate to the impact on other classes of customers, or is otherwise lacking in reasonableness or basic fairness.

At this time, the OSBA is concentrating on the following issues:

1. Whether the Company's cost-of-service methodology is appropriate, including whether the study properly allocates all CAP-related costs to the residential class;
2. Whether the Company's proposed class revenue distribution is cost-based;
3. Whether PECO's proposed rate design for Rate GS – General Service is appropriate; and
4. Whether PECO's proposal to adjust its pro forma distribution revenues for projected Act 129-related load reductions in 2017 and 2018 is reasonable and appropriate.

The OSBA reserves the right to pursue additional issues as they may arise throughout the course of the proceeding.

V. DISCOVERY

Discovery amongst the parties is ongoing. The OSBA will cooperate with the ALJ and other parties to arrive at any mutually agreeable discovery modifications.

VI. SERVICE OF DOCUMENTS

The OSBA agrees to accept electronic mail delivery of documents on the due date as satisfying the in-hand requirement, *provided that such documents are followed by hard copy delivery to OSBA by first class mail.* Service by electronic mail *only* is not acceptable. The OSBA requests that such hard copies are also provided to its 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. The OSBA also requests that all parties serve an electronic copy of all interrogatory responses upon the OSBA and the OSBA witness identified above.

VII. SETTLEMENT

The OSBA is willing to enter into settlement discussions at the appropriate phase of this proceeding, including participation in those settlement conferences outlined in the proposed schedule below.

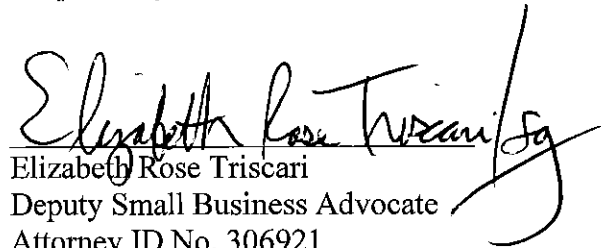
VIII. PROCEDURAL SCHEDULE

The OSBA will work with the ALJ and the parties to arrive at a mutually agreeable schedule. The OSBA supports the following proposed schedule:

Technical Conference #1	May 22 (Harrisburg)
Supplemental Testimony (Capacity Reservation Rider)	May 22
Technical Conference #2 / Outline Settlement Issues	June 3 (Harrisburg)

Public Input Hearings	June 9: 10am & 6pm (Philadelphia) June 10: 6pm (Worcester) June 11: 6pm (Ridley Twp.)
Other Parties' Direct Testimony	June 23
Settlement Conference #1	June 30 (Hershey or Harrisburg)
Settlement Conference #2	July 14 (Hershey or Harrisburg)
Rebuttal Testimony	July 21
Settlement Conference #3	July 28
Surrebuttal Testimony	August 4
Evidentiary Hearings	August 11-14
Record Closes	August 14
Main Briefs	Sept 1
Reply Briefs	Sept 11

Respectfully submitted,


Elizabeth Rose Triscari
Deputy Small Business Advocate
Attorney ID No. 306921

For:

John R. Evans
Small Business Advocate

Office of Small Business Advocate
300 North Second Street, Suite 202
Harrisburg, PA 17101

Dated: May 7, 2015

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

PENNSYLVANIA PUBLIC UTILITY COMMISSION	:	
v.	:	Docket No. R-2015-2468981
	:	Docket No. C-2015-2475585
PECO Energy Company	:	Docket No. C-2015-2477974
	:	

CERTIFICATE OF SERVICE

I certify that two copies of the foregoing, have been served on all parties in this matter, on behalf of the Office of Small Business Advocate, in the above-captioned proceeding, as prescribed below.

Aron J. Beatty, Esquire
Christy M. Appleby, Esquire
Brandon J. Pierce, Esquire
Office of Consumer Advocate
Forum Place, 5th Floor
Harrisburg, PA. 17120
Bpierce@paoca.org
Abeatty@paoca.org
Cappleby@paoca.org
(E-mail and Hand Delivery)

Jennedy S. Johnson, Esquire
Colin Scott, Esquire
Phillip Kirchner, Esquire
Bureau of Investigation & Enforcement
PA Public Utility commission
P.O. Box 3265
Harrisburg, PA. 17120
jennejohns@pa.gov
colinscott@pa.gov
phikirchne@pa.gov
(E-mail and Hand Delivery)

Elizabeth R. Marx, Esquire
Harry s. Geller, Esquire
Pennsylvania Utility Law Project
118 Locust Street
Harrisburg, PA 17101
pulp@palegalaid.net
(E-mail and First-class Mail)

W. Craig Williams, Esquire
Romulo L. Diaz, Jr. Esquire
Jack R. Garfinkle, Esquire
PECO Energy Company
P.O. Box 8699
2301 Market Street
Philadelphia, PA 19101-8699
Craig.williams@exeloncorp.com
Romulo.diaz@exeloncorp.com
Jack.garfinkle@exeloncorp.com
(E-mail and First-class Mail)

Charis Mincavage, Esquire
McNees Wallace & Nurick LLC
P.O. Box 1166
100 Pine Street
Harrisburg, PA 17108-1166
Cmincavage@mwn.com
(E-mail and First-class Mail)

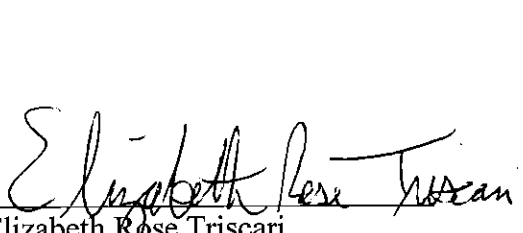
Brooke E. McGlinn, Esquire
Thomas P. Gadsden, Esquire
Anthony C. DeCusatis, Esquire
Catherine G. Vasudevan, Esquire
Morgan, Lewis & Bockius, LLP
1701 Market Street
Philadelphia, PA 19103
Tgadsden@morganlewis.com
Adecusatis@morganlewis.com
Bmcglinn@morganlewis.com
Cvasudevan@morganlewis.com
(E-mail and First-class Mail)

Josie B.H. Pickens, Esquire
Thu B. Tran, Esquire
Robert W. Ballenger, Esquire
Community Legal Services, Inc.
1424 Chestnut Street
Philadelphia, PA 19102
jpickens@clsphila.org
ttran@clsphila.org
rballenger@clsphila.org
(E-mail and First-class Mail)

Daniel G. Asmus, Esquire
Assistant Small Business Advocate
Office of Small Business Advocate
300 North Second Street, Suite 202
Harrisburg, PA 17101
dasmus@pa.gov
(E-mail and First-class Mail)

The Honorable Angela T. Jones
Administrative Law Judge
Pennsylvania Public Utility Commission
801 Market Street
Philadelphia PA 19107
Angeljones@pa.gov
(E-mail and First-class Mail)

Date: May 7, 2015


Elizabeth Rose Triscari
Deputy Small Business Advocate
Attorney ID No. 306921