



These increases include a 68.3% increase in the customer charge from \$7.13 to \$12.00 for both Rate R and RH. PECO also proposed in its filing to establish an arrearage forgiveness program to address arrears accrued by customers enrolled in its currently designed tiered discount Customer Assistance Program (CAP).

On April 11, 2015, CAUSE-PA filed a Petition to Intervene and Answer, indicating its significant interest in this proceeding to both examine the rate increase to determine whether it is just and reasonable, and to ensure that PECO's in-program arrearage forgiveness proposal is approved. On April 23, 2015, the Commission entered an order suspending Tariff No. 5, and opening an investigation to determine the lawfulness, justness, and reasonableness of the rates, rules, and regulations contained in PECO's filing. In addition, a Joint Statement was issued by Commissioners Powelson and Brown, requesting that the record be developed to address additional questions related to the Auxiliary Service Rider and its General Service rate, and the impact of these changes on distributed generation customers.

## **II. Issues to be Presented**

In addition to complying with sound rate making principles, including the requirement that rates be just and reasonable, PPL must also ensure that its rates and tariff comply with universal service requirements. In turn, the Commission must ensure that universal service programs assist low-income customers to afford electric service, and that these programs are appropriately funded and available in each respective service territory. 66 Pa. C.S. § 2203(8).

In the event that the Commission approves any electric distribution rate increase, the Commission should condition approval on PPL's agreement to perform such actions as are necessary to assure compliance with applicable sections of the Public Utility Code, Commission regulations and guidelines, and settlement agreements.

CAUSE-PA has conducted an initial review of PECO's proposed tariff changes and testimony, and it opposes PECO's proposal to increase the basic customer charge, as it is likely to result in unjust and unreasonable rates that would impose severe hardship on low and moderate income residential customers.

In particular, CAUSE-PA intends to address the impact that a 68.3% raise in the customer charge will have on the effectiveness of PECO's universal service programs, particularly the Customer Assistance Program, and the ability of low-income customers enrolled in those programs to maintain essential utility service. CAUSE-PA further intends to address the impact that the proposed increase in the customer charge will have on individuals with moderate incomes who fall outside the income guidelines for universal service program assistance.

Additionally, CAUSE-PA intends to ensure that PECO's proposed CAP arrearage forgiveness program is approved, that the relief for low income customers is equitable, and that the terms of the program will not impose additional hardship on vulnerable customers. PECO's proposed arrearage forgiveness program is part of a negotiated settlement, to which CAUSE-PA is a party, to redesign PECO's current tiered CAP in order to produce bills for CAP participants which are closer to conformance with Commission affordability guidelines. To date, PECO's CAP has consistently produced bills which exceed the Commission's affordability guidelines. The arrearage forgiveness program is part and parcel to ensuring greater compliance with Commission affordability guidelines under the new CAP design, as it prevents vestiges of the unaffordable CAP model from following customers into the newly designed program.

CAUSE-PA asserts that these matters, and any future modifications presented by intervening parties, must be thoroughly reviewed to ensure that all customers are able to access safe, affordable utility services within the PECO service territory.

### **III. Witnesses and Testimony**

CAUSE-PA reserves the right to present the following witness to testify in this matter, as well as the right to call additional witnesses as may be warranted upon proper notice to Your Honor and the parties:

Mitchell Miller  
Mitch Miller Consulting LLC  
60 Geisel Road  
Harrisburg, PA 17112  
717-903-2196  
[Mitchmiller77@hotmail.com](mailto:Mitchmiller77@hotmail.com)

Mr. Miller will address the issues identified above and any other issues that may arise in the course of this proceeding.

### **IV. Proposed Schedule**

Unfortunately, counsel for CAUSE-PA has an irreconcilable conflict the week of August 10, 2015, making it a physical impossibility to be present at hearings. As it stands, hearings for three other significant and complex cases before the Commission are scheduled to take place between August 4 and August 14, 2015. The Columbia Gas base rate proceeding is scheduled for August 4-5 and August 10, 2015; the PPL Electric base rate proceeding is scheduled for August 6-7 and 10-11, 2015; and the PGW DSM proceeding is scheduled for August 11-14, 2015. CAUSE-PA is a party in each of these proceedings, as each has the potential to seriously impact low and moderate income individuals across the state. PULP represents CAUSE-PA in each of these proceedings and would not have sufficient staff available to attend the PECO hearings were it scheduled at the same time as the currently scheduled Columbia, PGW, and PPL hearings. Adding to this conflict is the fact that one of the two attorneys representing CAUSE-PA will be out of the state.

CAUSE-PA therefore does not support the schedule proposed by PECO and other intervening and statutory parties, as it will truncate the ability for CAUSE-PA to have counsel present at the hearings and fully present its case and develop the record in this proceeding. While we appreciate the willingness of PECO and other parties to be flexible with the order of witness presentation to allow us to present testimony, we note for Your Honor that this does not resolve the fact that counsel for CAUSE-PA is unable to attend the presentation of all record testimony in this proceeding, thereby foreclosing counsel from fully developing the record in the interest of its clients.

To resolve this irreconcilable conflict, CAUSE-PA asks Your Honor to order that hearings be held the week of August 17, 2015 or, in the alternative, on August 6-7, with additional hearing dates held on August 17-18 as needed. These are the only dates in which CAUSE-PA can be assured to have counsel present for hearings. We acknowledge that this proposal could prolong the close of the record, and poses a potential conflict for the witness of one party, but we nonetheless assert that the ability for all party's counsel to be present during the presentation of testimony is a paramount concern, as it raises significant issues of due process and representation. There are matters in this proceeding which are of great import to low and moderate income customers, and to the future of energy affordability in the context of a rapidly changing energy grid. The significance of this case on the energy grid was not lost on the Commission, as evidenced by the questions posed in its suspension order requiring PECO and record parties to respond to the impact that this rate proceeding will have on distributed generation and other renewable energy developments. Thus, we ask that Your Honor order accordingly to ensure that each party to the proceeding has a full opportunity to participate in the proceedings.

**V. Public Input Hearings**

CAUSE-PA supports the commencement of public input hearings. CAUSE-PA plans to attend all public input hearings as an active party to ensure that testimony provided by the public is fully developed for the record.

**VI. Settlement**

CAUSE-PA is willing and ready to engage in settlement discussions with any and all parties in an attempt to resolve or narrow the issues in this proceeding, and encourages the parties to engage in settlement early in the process.

**VII. Service on CAUSE-PA**

CAUSE-PA is represented by the attorneys at the Pennsylvania Utility Law Project. Electronic service and one hard copy of all documents should be served on CAUSE-PA as follows:

Elizabeth R. Marx, Esq.  
Harry S. Geller, Esq.  
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WHEREFORE, CAUSE-PA respectfully submits this Prehearing Conference Memorandum.

Respectfully submitted,

**PENNSYLVANIA UTILITY LAW PROJECT**  
*Counsel for CAUSE-PA*



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Date: May 7, 2015

**BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION**

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

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**Certificate of Service**

I hereby certify that I have this day served copies of the **Prehearing Memo of the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania** 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 AND EMAIL**

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Respectfully submitted,  
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May 7, 2015