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April 7, 1995

BY TELECOPY AND FEDERAL EXPRESS

The Honorable Robert A. Christianson
Administrative Law Judge
Pennsylvania Public Utility Commission
Room G-08A, North Office Building
Harrisburg, PA 17105-3265

Re: Pennsylvania Public Utility Commission v.
Pennsylvania Power & Light Company,
Docket No. R-00943271.

Dear Judge Christianson:

Enclosed please find Pennsylvania Power & Light
Company's Answer to University/College Coalition's ("UCC") Motion
to Compel Answers to UCC Interrogatory Set I.

Copies of the Company's Answer have been served in
accordance with the attached Certificate of Service.

Sincerely,

Alan K. Maesaka
Counsel for Pennsylvania Power
& Light Company

DOCUMENT
FOLDER

AKM/cmb
Enclosures
cc: Certificate of Service

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APR 10 1995

OFFICE OF C.A.L.J
PUBLIC UTILITY COMMISSION

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BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

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PA. P. U. C. DIV.
INFO. CONTROL

PENNSYLVANIA PUBLIC UTILITY COMMISSION :
v. : Docket No. R-00943271
PENNSYLVANIA POWER & LIGHT COMPANY :

ANSWER OF
PENNSYLVANIA POWER & LIGHT COMPANY
TO UNIVERSITY/COLLEGE COALITION'S
MOTION TO COMPEL

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APR 10 1995

OFFICE : C.A.L.J
PUBLIC UTILITY COMMISSION

Pennsylvania Power & Light Company ("PP&L" or the "Company"), by its attorneys, hereby files with the Public Utility Commission ("Commission"), pursuant to 52 Pa. Code §5.342(e)(1), this Answer to University/College Coalition's ("UCC") Motion To Compel (hereafter "Motion") and states as follows:

On March 21, 1995, UCC served upon PP&L its Interrogatory Set I (hereafter "interrogatory") consisting of the following question:

Please provide cost-of-service studies for the future test year at present and proposed rates which use for allocation factors D-10, D-15, and D-20 class coincident peak demands for the following three months: January, February and December. Please include in the response a complete printout of the studies and all workpapers that were utilized to derive the allocation factors.

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On March 30, 1995, PP&L filed its Objection to University/College Coalition Interrogatory Set I (hereafter "Objection") on the grounds that UCC's Interrogatory Set I is "irrelevant, overly broad, unreasonably burdensome and would require an unreasonable investigation."

On April 4, 1995, UCC filed its Motion, claiming that the information requested is relevant to the issues in this proceeding and would not place an unreasonable burden on PP&L.

UCC's Motion is without merit, and therefore should be denied. In addition to the reasons already set forth in PP&L's Objection, UCC's Motion should be denied for the following four reasons.

First, UCC's interrogatory is unreasonably burdensome because it would require PP&L to prepare a completely new cost of service study. UCC is incorrect in averring that "[t]he '3 C[oincident] P[eak]' studies that UCC has requested would only require PP&L to aggregate the load data for these three months rather than for every month of the year as was performed by the Company for its 12 CP studies." Motion, p. 4.

In order to produce a meaningful and accurate study, the Company cannot simply run the study once load data has been aggregated for the three requested months. Rather, after developing new allocators, PP&L then must determine whether each rate base and expense item from its original 12 CP studies should

be reallocated for a 3 CP study. For example, the interruptible load credit to rate base would have to be completely reallocated under a 3 CP study. Many other allocation factors would change as well. Failure to reallocate such rate base and expense items would produce an inaccurate and meaningless "hybrid" cost of service study that would reflect both 3 CP and 12 CP methodologies.

Second, as explained above, a response to UCC's interrogatory would be unreasonably burdensome. This burden is further compounded by the timing of UCC's request. Specifically, from the outset of this case, PP&L has received over 1,000 interrogatories and data requests. The Company has made every reasonable effort to answer each completely and in a timely manner.

Although UCC had every opportunity to submit its interrogatory at any time after this proceeding was initiated, it delayed its request for over two and one half months. Indeed, UCC did not serve its interrogatory until after hearings in this proceeding commenced. UCC's delay would force PP&L to divert its limited resources away from these tasks, preparing rebuttal testimony and responding to on-the-record data requests, thereby jeopardizing the Company's ability to comply with the procedural schedule established in this case.

In light of the circumstances described above, it would be inequitable to force PP&L to answer UCC's interrogatory. Any

"penalty" resulting from the tardiness of UCC's request should properly rest with UCC, not PP&L.

Third, UCC's Motion also relies heavily on Section 5.361(b) of the Commission's rules of discovery. 52 Pa. Code §5.361(b). Section 5.361(b) states:

In rate proceedings, discovery is not limited under subsection (a) solely because the discovery request requires the compilation of data or information which the answering participant does not maintain in the format requested, in the normal course of business, or because the discovery request requires that the answering participant make a special study or analysis, if the study or analysis cannot reasonably be conducted by the participant making the request. (Emphasis added).

52 Pa. Code §5.361(b). Based on this rule, UCC asserts that PP&L should be required to perform the requested studies because they "cannot be reasonably conducted by UCC itself." Motion, p. 3. UCC further claims that the information required to perform the requested study is "solely in the control of PP&L." Id. UCC is in error, and its interpretation of the Commission's regulations is overbroad and should be rejected.

PP&L has provided extensive data to all parties in this proceeding, including the data necessary to perform cost of service studies. Thus, UCC is incorrect in stating that the required data is "solely" in PP&L's control. The Company has, and will, provide such data to any party upon request.

Moreover, given the necessary data, any party is capable, perhaps with the aid of a consultant, of performing a cost of service study. UCC's protestations therefore are without merit. UCC can conduct the requested studies with data from PP&L, or it can hire a consultant to conduct such studies. Unlike many of the intervenors in this proceeding, UCC would have the advantage of being able to distribute the costs of such a study among its participating customers.^{1/}

PP&L should not be forced to bear the costs of litigating UCC's case, and Section 5.361(b) cannot reasonably be interpreted to intend this result. Section 5.361(b) requires a utility to perform a study only where that study cannot reasonably be conducted by the requesting party. UCC can conduct the study; it simply does not want to pay for it. Under UCC's reading of Section 5.361(b), any party could file a complaint, refuse to hire a consultant and require the utility to prepare its case at no cost. This is clearly an unreasonable result and should not be sanctioned by the Commission.

Fourth, PP&L has already conducted a 1 CP study. There is no reason to believe that a 3 CP study will produce significantly different results from a 1 CP study. Similarly, there is no reason to believe that a 3 CP study will provide any information useful in a resolution of the issues in this case.

^{1/} UCC is comprised of five separate institutional customers: Muhlenburg College, Wilkes College, Kings College, Messiah College and the University of Scranton.

For example, under a 1 CP study, the LP-4 rate class receives a demand allocation of approximately 9.85%. Under a 3 CP method, that allocation would change to 10.47%. Given this minor change, it is not apparent that a 3 CP study would have any material affect on the LP-4 class return. As explained above, however, PP&L will provide UCC with the data necessary to conduct the requested study if UCC deems it appropriate.

WHEREFORE, the Company requests the Presiding Officer to deny University/College Coalition's Motion To Compel and grant the Objection of Pennsylvania Power & Light Company To The University/College Coalition Interrogatory Set I.

Respectfully submitted,


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Paul E. Russell
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Counsel for Pennsylvania Power &
Light Company

OF COUNSEL:

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(215) 963-5448

DATE: April 7, 1995

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

PENNSYLVANIA PUBLIC UTILITY
COMMISSION, ET AL.

v.

PENNSYLVANIA POWER & LIGHT
COMPANY

DOCKET NO. R-00943271

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a copy of the foregoing document upon the participants listed below, in accordance with the requirements of Section 1.54 (relating to service by a participant).

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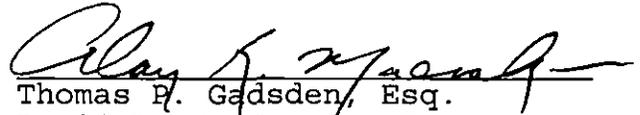
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Dated: April 7, 1995



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Counsel for Pennsylvania
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Pennsylvania Power & Light Company

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April 10, 1995

Mr. John G. Alford, Secretary
Pennsylvania Public Utility Commission
P. O. Box 3265
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PA. P. U. C.
INFO. CONTROL DIV.

**Re: Pennsylvania Public Utility Commission
v.
Pennsylvania Power & Light Company
Docket No. R-00943271**

Dear Mr. Alford:

Attached for filing, pursuant to the Commission's regulations, 52 Pa. Code § 5.342(d), is a Certificate of Service identifying answers to On-the-Record Data Requests that Pennsylvania Power & Light Company served today on the active participants in this proceeding.

If you have any questions regarding this matter, please call.

Very truly yours,

Paul E. Russell/dlw

Paul E. Russell

Attachment

cc: The Honorable Robert A. Christianson

DOCUMENT
FOLDER

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Re: Docket No. R-00943271

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of Pennsylvania Power & Light Company's answers to the following On-the-Record Data Requests upon the active participants listed below, in accordance with the requirements of § 1.54 (relating to service by a participant):

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DR-OSBA-3

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DOCKETED
APR 20 1995

**DOCUMENT
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St. Louis, Missouri 63105-0840

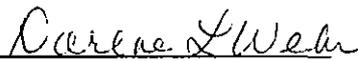
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Dorene L. Wehr
Dorene L. Wehr

Dated: April 10, 1995
at Allentown, Pennsylvania



Pennsylvania Power & Light Company

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April 10, 1995

Mr. John G. Alford, Secretary
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Docket No. R-00943271**

Dear Mr. Alford:

Attached for filing, pursuant to the Commission's regulations, 52 Pa. Code § 5.342(d), is a Certificate of Service identifying answers to interrogatories that Pennsylvania Power & Light Company served today on the active participants in this proceeding.

If you have any questions regarding this matter, please call.

Very truly yours,

Paul E. Russell /dlw

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Attachment

cc: The Honorable Robert A. Christianson

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Re: Docket No. R-00943271

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of Pennsylvania Power & Light Company's answers to the Sierra Club's Interrogatories, Set 2 numbered 31 through 34 upon the active participants listed below, in accordance with the requirements of § 1.54 (relating to service by a participant):

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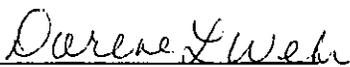
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Dorene L. Wehr

Dated: April 10, 1995
at Allentown, Pennsylvania

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Please send to main file. KJR

April 11, 1995

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Robert A. Christianson
Law Judge, Public Utility Commission
Box 3265
Harrisburg PA 17105-3265

RE:PP&L RATE INCREASE

R-00943271

I have read in the newspaper and received a letter from PP&L regarding a proposed rate increase to be effective 10/95. I'm sorry that I was unable to attend the P.U.C. meeting held in Williamsport.

Using and speaking in terms of averages PP&L has said this was a 15-20% increase for the average user with costs increasing for low demand user and having moderate increases for the higher demand residential user. This rhetoric is far removed from reality and how this rate increase will effect my electric bill.

My home, built in 1986, is a total electric home utilizing a heat storage system with a monitor that allows the heating of the storage units only at off-peak times. Off-peak is defined as between 5:00 P.M. and 7:00 A.M. Off-peak demand heating systems were promoted by utilities because it helped with their supply demand curve, it will help eliminate the need for additional generating facilities.

According to the letter received from PP&L regarding my type of electric usage, my electric charges will increase 56% per kilowatt used. 56% is quite different from the 20% being advertised.

I find it amazing that it costs 56% more to produce electricity now during off-peak times. I feel the rate is excessive for the Residential Time of Day Heat Storage customers. For many, they will have to make income allocation choices between food and paying the electric bill.

I strongly oppose a Carte-Blanche approval of this rate increase. It is being touted as minor but the rate increase is major.

DOCKETED

APR 20 1995

MA Sennett

Michael A Sennett
1675 Oakridge Place
Williamsport PA 17701