

1 **Q. PLEASE RESPOND TO MR. DAHL'S REBUTTAL TESTIMONY REGARDING**
2 **A CASH WORKING CAPITAL ADJUSTMENT TO CAP PROGRAM COSTS.**

3 A. Mr. Dahl opposes any offset to the Company's CAP costs to account for the decreased
4 working capital associated with the program. Mr. Dahl recommends rejecting the
5 working capital adjustment for both the arrearage forgiveness (\$320,090) and the CAP
6 credits (\$135,943). Even if Mr. Dahl's recommendation is accepted, it applies only to the
7 proposed offset of \$320,090. My proposed working capital adjustment for CAP credits
8 (\$135,043), contrary to Mr. Dahl's testimony, is not associated with arrearage
9 forgiveness and is not affected by the accounting treatment of arrearage forgiveness.

10
11 **Q. PLEASE RESPOND TO MR. DAHL'S REBUTTAL TESTIMONY REGARDING**
12 **CAP CREDIT CEILINGS.**

13 A. Mr. Dahl has agreed to an important limitation on the CAP credit ceiling which it
14 proposes in this proceeding. He states that "PPL Electric. . .will not remove customers
15 who exceed their CAP credits limit for reasons beyond their control." (Dahl, at 38). The
16 importance of this commitment, of course, comes in its implementation. As I note in my
17 Direct Testimony, this must not simply be a commitment in principle, but in practice. As
18 I indicated in my Direct Testimony, the commitment should be that "customers should
19 have the *opportunity to show* that their usage is beyond their ability to control." This
20 opportunity should include notice of their right to be exempt from this CAP control
21 feature, a specific process that is made available to CAP customers *prior to* their loss of
22 CAP credits, and an opportunity to appeal an adverse determination if the process is used
23 by a CAP participant.

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Q. IS THERE ANY OTHER RESPONSE THAT YOU WISH TO MAKE TO MR. DAHL'S REBUTTAL TESTIMONY ON THE COMPANY'S PROPOSED CEILING ON CAP CREDITS?

A. Yes. Mr. Dahl correctly notes in his rebuttal testimony that the Company had previously imposed a ceiling on CAP credits. Based on that observation, I withdraw my proposed adjustment to CAP costs based on the CAP credit ceiling.

PART 2. RESPONSE TO WITNESSES KNECHT AND BARON.

Q. PLEASE STATE THE PURPOSE OF THIS SECTION OF YOUR TESTIMONY.

A. In this section of my testimony, I respond to the testimony of PPLICA witness Baron and OSBA witness Knecht regarding the allocation of universal service costs. These two witnesses, along with PPL witness Dahl, assert that non-residential ratepayers receive no benefits from the Company's universal service programs. These witnesses do not acknowledge the substantial, direct benefits generated by universal service programs for all customer classes. These benefits are recognized and documented by innumerable studies, many of which I myself have prepared and many of which are of the type I routinely rely upon in my professional work.³ Indeed, much of the research cited below supports more than the single proposition for which they are cited. Direct benefits include:

³ See generally, Marilyn Brown (September 1994). *Weatherization Works: final report of the national weatherization evaluation*. Oak Ridge National Laboratory: Oak Ridge (TN); Marilyn Brown and Linda Berry (February 1994). *Energy Exchange. Weatherization Works: Results from the National Evaluation*. Oak Ridge National Laboratory: Oak Ridge (TN); TecMRKT Works (November 1999). *An Evaluation of the Energy and Non-energy impacts of Vermont's Weatherization Program*, Vermont Department of Community Development: Montpelier (VT); Lisa Skumatz (March 2001). *Non-Energy Benefits (NEBS): Recognizing and Measuring All Net Program Benefits*. SERA: Denver (CO).

- 1 ➤ Universal service programs help increase employee productivity.⁴
- 2
- 3 ➤ Universal service programs help prevent employee turnover and increased
- 4 absenteeism.⁵
- 5
- 6 ➤ Universal service programs help employers by contributing to the economic
- 7 stability of their workforces. These programs bolster the ability of low-
- 8 income workers to meet their basic needs, in effect providing a wage
- 9 supplement to employers.⁶
- 10
- 11 ➤ With low-wage employees, in particular, unaffordable home energy directly
- 12 contributes to lowered productivity. Increased personal illness, increased
- 13 employee turnover, and increased family care responsibilities are but three of
- 14 the factors contributing to lower employee productivity.⁷
- 15
- 16 ➤ Universal service programs have a substantial economic development impact
- 17 in the jurisdictions in which they operate. As a significant contributor to
- 18 economic development, low-income rate affordability programs help drive
- 19 additional job creation, income generation, and economic activity for local
- 20 businesses.⁸
- 21
- 22 ➤ Universal service programs provide a substantial housing affordability subsidy
- 23 to low-wage workers, thus improving the work and competitive environment
- 24 of the territory within which they are offered.⁹
- 25
- 26 ➤ Universal service programs help prevent forced mobility and provide
- 27 businesses with a better-educated work force.¹⁰

⁴ Geri Scott (2004): "Private Employers and Public Benefits," Workforce Innovation Networks (WINS) (a collaboration of Jobs for the Future, the Center for Workforce Preparation of the U.S. Chamber of Commerce, and the Center for Workforce Success, The Manufacturing Institute of the National Association of Manufacturers): Boston (MA) and Washington D.C.

⁵ Research and Policy Committee (1993). *Why Child Care Matters: Preparing Young Children for a More Productive America*, A Statement by the Research and Policy Committee of the Committee for Economic Development, Committee for Economic Development: New York.

⁶ Erica Schoenberger (1999). *The Living Wage in Baltimore: Impacts and Reflections*, John Hopkins University Department of Geography and Environmental Engineering: Baltimore (MD).

⁷ Apprise, Inc. (September 2005). *2005 National Energy Assistance Survey: Final Report*, National Energy Assistance Directors' Association: Washington D.C.; Apprise, Inc. (April 2004). *National Energy Assistance Survey Report*, National Energy Assistance Directors Association: Washington D.C.; Apprise, Inc. (September 2005). *2005 National Energy Assistance Survey: Final Report*, National Energy Assistance Directors' Association: Washington D.C.; Colton (2006). *Georgia REACH Project Energize: Final Program Evaluation*, prepared for the Georgia Department of Human Resources.

⁸ Roger Colton (August 2003). *The Economic Impacts of Home Energy Assistance: The Entergy States*. Entergy Services Corp: Little Rock (AR); Colton (2003). *The Economic Development Impacts of Home Energy Assistance in Colorado*, Colorado Energy Assistance Foundation: Denver (CO).

⁹ Colton (2003). *Energy Efficiency as an Affordable Housing Tool in Colorado*, prepared for Colorado Energy Assistance Foundation.

- 1 ➤ Universal service programs helps to control the need to provide local
2 government services, the cost of which is largely borne by non-residential
3 taxpayers. The connection between the loss of home energy service and
4 housing abandonment has been documented. There is a documented
5 connection between utility shutoffs and an increase in homelessness.¹¹ There
6 is a direct connection between unaffordable home energy bills and public
7 health and nutrition services.¹²
8
9 ➤ There is a documented connection between unaffordable home energy bills
10 and public safety costs.¹³
11
12 ➤ Low wage employers are often small businesses. Small business
13 disproportionately offers employment opportunities to persons who have
14 limited employment skills. Small firms disproportionately pay wages that do
15 not allow a household to economically exist without public assistance.
16 Businesses paying low wages rely on programs such as the Company's universal
17 service programs to make up the difference between these wages and what it
18 costs their employees to live.¹⁴
19

20 In sum, the summary refusal by OSBA, PPLICA and PPL witnesses to acknowledge the
21 direct, and substantial, benefits generated by the Company's universal service programs
22 for non-residential customer classes should be rejected.

¹⁰ Colton (1996). "The Road Off Taken: Unaffordable Home Energy Bills, Forced Mobility And Childhood Education in Missouri." 2 *Journal on Children and Poverty* 23; Colton (2004). *Paid but Unaffordable: The Consequences of Energy Poverty in Missouri*, prepared for the National Low-Income Home Energy Consortium.

¹¹ Liz Robinson (1991). "An Examination of the Relationship between Utility Terminations, Housing Abandonment and Homelessness," Energy Coordinating Agency of Philadelphia: Philadelphia (PA); William Woods, et al. (1990). "Homelessness and Low-Cost Housing in Northern Kentucky," Northern Kentucky Coalition for the Homeless and Applied Information Resources: Lexington (KY).

¹² Frank DA, Roos N, Meyers AF, et al., "Seasonal variation in weight-for-age in a pediatric emergency room." *Public Health Reports*, 1996; 111:366-371; Bhattacharya J, DeLeire T, and Currie J. "Heat or eat? Cold-weather shocks and nutrition in poor American families." *Am. J. Public Health*. 2003; 93:1149-1154; Mark Nord and Linda Kantor. Seasonal Variation in Food Insecurity is Associated with Heating and Cooling Costs Among Low-Income Elderly Americans. *Journal of Nutrition*. 2006; 136:2939-2944.

¹³ Marty Ahrens (June 2001). *The U.S. Fire Problem Overview Report: Leading Causes and Other Patterns and Trends*, at 55, National Fire Protection Association: Quincy (MA); Johns Hopkins School of Medicine (April 11, 2005). *Burn Injuries and Deaths of Children Associated with Power Shut-offs*, at 5, PowerPoint presentation to Maryland Public Service Commission, Baltimore: MD; Colton (2001). *In Harm's Way: Home Heating, Fire Hazards, and Low-Income Households*, prepared for National Fuel Funds Network: Washington D.C.

¹⁴ Karen Kraut, Scott Klinger and Chuck Collins (2000). *Choosing the High Road: Businesses that Pay a Living Wage and Prosper*, Responsible Wealth: Boston (MA).

1 Q. **DOES THIS CONCLUDE YOUR TESTIMONY?**

2 A. Yes it does.

Schedule RDC-SR1

Schedule RDC-SR1

Actual Expenditures on CAP Credits and Arrearage Forgiveness (PPL Electric) (January 2005 – December 2006)			
Line #	Month	CAP credits	Arrearage Forgiveness
1	Jan-05	\$1,464,848	\$274,196
2	Feb-05	\$1,609,044	\$195,849
3	Mar-05	\$1,570,533	\$325,165
4	Apr-05	\$1,066,453	\$264,463
5	May-05	\$606,165	\$284,492
6	Jun-05	\$595,787	\$300,405
7	Jul-05	\$698,284	\$278,569
8	Aug-05	\$64,678	\$318,015
9	Sep-05	\$535,655	\$299,869
10	Oct-05	\$455,439	\$289,330
11	Nov-05	\$535,119	\$232,113
12	Dec-05	\$1,001,849	\$279,221
13	Jan-06	\$995,331	\$254,617
14	Feb-06	\$764,070	\$207,687
15	Mar-06	\$918,774	\$268,673
16	Apr-06	\$519,775	\$259,016
17	May-06	\$427,395	\$338,712
18	Jun-06	\$483,641	\$422,968
19	Jul-06	\$733,443	\$431,814
20	Aug-06	\$893,724	\$517,195
21	Sep-06	\$728,199	\$438,884
22	Oct-06	\$465,956	\$569,928
23	Nov-06	\$855,083	\$550,544
24	Dec-06	\$1,174,605	\$202,258
25	2005 total	\$10,203,854	\$3,341,687
26	2006 total	\$8,959,996	\$4,462,296

SOURCE: OCA-XI-9.

95114.doc

OCA Hearing Exhibit No. 1
Hbg rx AUG 13 2007

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Application of PPL Electric Utilities :
Corporation for an Increase in its Rates :
and Charges :

Docket No. R-00072155

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AUG 14 2007

AFFIDAVIT OF LAFAYETTE K. MORGAN, JR.

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

I, Lafayette K. Morgan, Jr. being duly sworn according to law, depose and say that I am a Senior Regulatory Analyst with Exeter Associates, Inc., hired as a consultant by the Pennsylvania Office of Consumer Advocate having qualifications as set forth at pages 1 and 2 of my Direct Testimony at OCA St. No. 1, and have been authorized to make this affidavit on its behalf and that the facts set forth in my Direct Testimony and Surrebuttal Testimony at OCA St. No. 1-S, are true and correct to the best of my knowledge, information and belief and expect to be able to prove the same at any hearing thereof.

Lafayette K. Morgan Jr.
Lafayette K. Morgan, Jr.

Sworn and subscribed before
me this 10th day of August, 2007

Kelly J. Rutter
Signature of official administering oath

My Commission expires:
MARCH 31, 2011
State of Virginia
Fairfax County



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OCA Hearing Exhibit No. 2
Hog FK AUG 13 2007

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission :
v. :
PPL Electric Utilities Corporation :
Base Rate Proceeding :

DOCKET NO.
R-00072155

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AUG 14 2007

AFFIDAVIT OF DAVID C. PARCELL

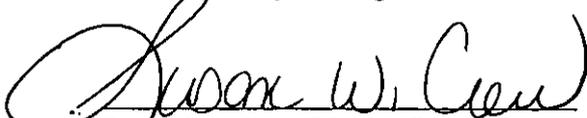
PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

I, David C. Parcell, being duly sworn according to law, depose and say that I am a principal in the firm of Technical Associates, Inc., employed as a consultant by the Pennsylvania Office of Consumer Advocate having qualifications as set forth in Schedule DCP-1 of my Direct Testimony at OCA St. No. 2 and have been authorized to make this affidavit on its behalf and that the facts set forth in my Direct Testimony and Surrebuttal Testimony at OCA St. No. 2S, are true and correct to the best of my knowledge, information and belief and expect to be able to prove the same at any hearing thereof.



David C. Parcell

Sworn and subscribed before
Me this 9th day of August, 2007



Susan W. Crew, Notary Public

My Commission Expires: 3/31/10
Registration # 270986

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OCA Hearing Exhibit No. 3
Hby ~~IT~~ AUG 13 2007

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission *
*
v. *
*
PPL Electric Utilities Corporation *
Base Rate Proceeding *

DOCKET NO. R-00072155

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AUG 14 2007

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

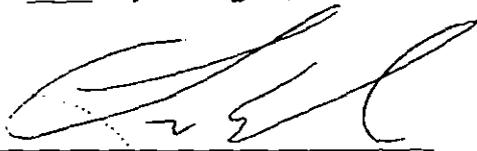
AFFIDAVIT OF ROGER D. COLTON

I, Roger D. Colton, being duly sworn according to law, depose and state that I am a principal in the firm of Fisher, Sheehan & Colton, Public Finance and General Economics, employed as a consultant by the Pennsylvania Office of Consumer Advocate having qualifications as set forth in Attachment 1 of my Direct Testimony at OCA St. No. 4 and have been authorized to make this affidavit on its behalf and that the facts set forth in my Direct and Surrebuttal Testimony at OCA St. No. 4S are true and correct to the best of my knowledge, information and belief and expect to be able to prove the same at any hearing thereof.



Roger D. Colton

Sworn to and subscribed before me
This 13 day of August, 2007



My Commission expires:

LEE K. BARBER
Notary Public, Massachusetts
My Commission Expires September 21, 2012

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CEO Statement No. 1
Hbg dx AUG 13 2007

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AUG 14 2007

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

COMMISSION ON ECONOMIC OPPORTUNITY

CEO Statement No. 1

Direct Testimony of Eugene M. Brady

In Re: Application of PPL Electric Utilities for Rate Increase

Docket Number: R-00072155

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1 **Q. Please state your full name and business address.**

2 A. Eugene M. Brady, 165 Amber Lane, PO Box 1127, Wilkes-Barre, Pennsylvania
3 18703-1127.

4

5 **Q. By whom are you employed and in what capacity?**

6 A. I am employed by the Commission on Economic Opportunity (CEO) as Executive
7 Director.

8

9 **Q. What are the interests of the Commission on Economic Opportunity in this
10 rate case?**

11 A. The Commission on Economic Opportunity is a non-profit organization serving
12 the low-income and elderly in Luzerne County, PA. In a typical year, the Commission
13 serves more than 20,000 Luzerne County residents, of which 98% are at or below 150%
14 of the poverty level. It is part of our responsibility to our constituency to advocate for
15 their interests in regulatory proceedings, and this proposed request will certainly have an
16 impact upon those low income ratepayers. In addition to the affordability of transmission
17 and distribution rates, CEO is particularly interested in the adequacy and operation of a
18 company's universal service program.

19

20 **Q. What background and experience in energy issues qualify you and the
21 Commission on Economic Opportunity to participate in this case?**

22 A. I have served as the Executive Director of the Commission since 1978. During

1 my tenure, CEO's experience and the expertise of its staff in energy programs has been
2 recognized on state and national levels. CEO's energy related programs have been
3 acknowledged by receipt of a Superior Achievement Award from the United States
4 Department of Energy. The Commission has weatherized more than 25,000 homes under
5 the U.S. Department of Energy Weatherization Assistance Program. The organization
6 also serves as a subcontractor for the PPL Electric Utilities' WRAP Program (LIURP)
7 and the Low Income Usage Reduction Programs operated by the PG Energy Company
8 and UGI Gas and Electric Divisions. In addition to energy conservation, the Commission
9 is the contracted operator of Customer Assistance Programs sponsored by PPL, UGI and
10 PG Energy, and operates the hardship assistance funds for each of those three utility
11 companies. CEO is also the PA Department of Public Welfare's contracted operator of
12 the crisis component of the Low Income Home Energy Assistance Program (LIHEAP) in
13 Luzerne and Wyoming Counties. CEO was also a major contractor for PPL in the Low
14 Income Renewable Energy Pilot, and secured funding and installed several solar thermal
15 water heating systems for PG Energy and UGI Gas Division.

16 Throughout my career, I have served on numerous Boards, Committees and Task
17 Forces in the energy field under the auspices of the U.S. Department of Energy, The PA
18 Department of Community & Economic Development and the PA Public Utility
19 Commission. Presently, I serve on the Board of Directors of the National Center for
20 Appropriate Technology; I am on the Board of the National Community Action
21 Foundation, the Chair of the Pennsylvania Weatherization Providers Task Force and
22 Chair of the Department of Community & Economic Development Weatherization Policy
23 Advisory Council.

1 Additionally, CEO has been an active party in many restructuring and rate cases
2 before the PUC, including both PG Energy's (R-00994783) and UGI's (R-00994786)
3 restructuring cases, and prior PPL Electric rate proceedings and participated in those
4 matters to address universal service issues. CEO was an active party in UGI's
5 application to purchase PG Energy (A-120011F2000) and PG Energy's most recent rate
6 case.

7
8 **Q. Before addressing the specifics of your testimony, do you have general**
9 **concerns regarding this rate case?**

10 A. Yes. My main concern is the impact of the Company's proposal on the residential
11 class. The effect of the proposed rate increase will fall mostly on the residential class.
12 Under the Company's proposal, a typical residential customer who uses 1000 kilowatt
13 hours of electricity will see their monthly bill increase by 6.8%, while a typical
14 commercial customer will incur an increase of less than 1%. A typical industrial user
15 will see a decrease in rates under the Company's proposal. Additionally, part of the
16 residential customer's increase will be due to an over 25% increase in the monthly
17 customer charge, from \$7.96 to \$10.00. This increase in the monthly fixed charge
18 concerns me, as it has the Commission in recent cases, because it discourages
19 conservation; as the Company moves towards charging customers based upon the
20 Company's fixed costs and away from a customer's consumption there is less incentive,
21 and ability, to conserve. One of the only defenses a family, particularly a poor family,
22 has against the sharp increases in energy costs is to conserve – lower the thermostat, seal
23 air leaks, change filters regularly, add more insulation, get a more efficient heating unit,

1 etc. The Company's proposal to increase the fixed costs greatly impacts a customer's
2 motive to conserve and the ability to lessen the impact of any rate increase.

3

4 **Q. How does the effect of the Company's proposal on the residential class**
5 **impact upon your testimony in this case?**

6 A. I believe there should be greater measures to provide aid to the Company's low-
7 income customers. For a typical residential customer, a 6.8% increase is substantial, but
8 for a low-income customer, the effects can be dramatic. High utility costs are not the
9 only challenge for a poor person. Our agency has been helping low-income people for
10 years and knows first hand that they face financial challenges on many fronts -- housing,
11 energy costs, food and health care -- and a dramatic increase in any of those areas can
12 have a devastating impact. In light of that and the impact of the Company's proposal on
13 its residential customers, greater funding is needed for the Company's universal service
14 programs.

15

16 **Q. Which specific universal service programs would you like to address?**

17 A. I would address funding for the Company's low-income usage reduction program,
18 or WRAP. Although the Company proposes to increase funding for its four universal
19 service programs by a total of \$7M annually, only \$1M of that increase is proposed for
20 WRAP. I commend the Company for proposing the increases in funding for its other
21 universal service programs and feel that those increases, at a minimum, are necessary, but
22 I believe that the increase in funding for the WRAP program should be greater, that the
23 increase should be \$2M per year.

1 **Q. What is the basis for recommending that WRAP funding be increased by**
2 **\$2M annually?**

3 A. As I mentioned above, often times the only defense that a poor person has to
4 rising utility costs is conservation and WRAP services increase a person's ability to
5 conserve. WRAP provides conservation measures that a poor person could otherwise not
6 afford. With the many economic challenges facing a low-income person, they lack the
7 resources to improve energy efficiencies in the home. Additionally, because of the effect
8 of the Company's proposed increase on the residential class and the move towards higher
9 fixed charges, more help has to be given to the low-income residential customer in the
10 form of improving their ability to conserve and thereby control their energy costs. As we
11 move forward with rates based upon the cost of service to the various rate classes the
12 impact of future increases will further burden the residential class. Finally, as a general
13 matter, with ever increasing energy costs and dependence on foreign resources to meet
14 our demand, conservation measures have taken on a greater significance across the
15 country and in this Commonwealth, and that greater emphasis should be recognized and
16 adopted here.

17

18 **Q. Are there other reasons why you propose increasing WRAP funding by**
19 **\$2M annually?**

20 A. Yes. Although I believe the Company's proposed increases in funding for its
21 other universal service programs are needed and should at a minimum be adopted, those
22 other universal service programs help a low income customer only after a problem has
23 arisen, whether it be arrearages or other crisis that impacts a person's ability to pay.

1 Whereas a well-funded usage reduction program helps a poor person avoid a crisis by
2 allowing for greater conservation and thereby a reduction in their monthly bills while at
3 the same time promoting the common good that comes from energy conservation. I
4 believe these are the reasons why the Commission has long recognized the value of a
5 well-funded LIURP program.

6

7 **Q. Other than your proposal to increase funding for WRAP, do you have any**
8 **other recommendations regarding WRAP?**

9 A. Yes. There remains a need to reach more low-income customers with WRAP
10 services. This was acknowledged by Company witness Timothy R. Dahl (Statement No.
11 8) when he stated that, based on U.S. Census data, “the Company believes that there are
12 still thousands of customers who may qualify for WRAP.” (Dahl Stmt. p. 13.) Mr. Dahl
13 goes on to list various reasons for this remaining need and touches upon the fact that to
14 be eligible for WRAP a customer must use at least 6,000 kWh annually. (Id.) Because of
15 the remaining need for WRAP services and the fact that those in need may use less than
16 the minimum 6,000 kWh annually, I am proposing that the minimum usage required be
17 lowered to 5,000 kWh annually.

18 Additionally, the Company currently expends 20% of its WRAP funding on those
19 between 150% and 200% of the federal poverty level. In order to reach more of those
20 still in need, I am proposing that the amount be increased to 25%.

21 I would also propose that as part of WRAP the Company earmark \$500,000
22 annually for solar water heating (SWH) measures. As a result of its last rate case, the
23 Company agreed to spend \$400,000 annually on SWH and I propose that the amount be

1 increased to \$500,000 annually.

2 And finally, the Company's spending for solar photovoltaic over the last three
3 years has been minimal with only \$950 being spent in 2006. CEO has worked with the
4 Company in prior solar projects and the Company in its universal service plan for 2008-
5 2010 has indicated a willingness to work with interested parties in the development of
6 renewable energy programs. With our experience in the solar energy field and the
7 Company's desire to expand its renewable programs I believe we can work together to
8 develop, implement and administer a solar PV program.

9

10 **Q. Do you have any general comments on the Company's universal service**
11 **programs?**

12 A. This Company has a history of using community based organizations in the
13 administration and implementation of its universal service programs, and I commend
14 them for doing so. And it has indicated in this proceeding that it intends to continue to
15 use community based organizations relative to its universal service programs. As part of
16 this proceeding, the Company should be directed to continue to use community based
17 organizations in the administration and implementation of its universal service programs
18 as it has traditionally.

19 And as a final point, all unspent universal service funds from prior years should
20 be carried over for use in the next year.

21

22 **Q. Can you summarize your recommendations?**

23 A. I am recommending the following:

- 1 1. That annual WRAP funding be increased by \$2M per year with any
2 unspent portion being carried over to the following year;
- 3 2. That the minimum usage requirement for WRAP be lowered to 5,000kWh
4 annually;
- 5 3. That the Company spends 25% of its annual WRAP spending on eligible
6 customers who are between 150% and 200% of the federal poverty level; and
- 7 4. That the Company's WRAP budget include \$500,000 annually to be spent
8 on solar water heating measures and the Company fund and work with CEO in the
9 development, implementation and administration of a solar PV program.
- 10 5. That the Company be directed to continue to use community based
11 organizations as it has traditionally done in the administration and implementation
12 of its universal service programs.

13

14 **Q. Does this conclude your testimony?**

15 **A. Yes.**

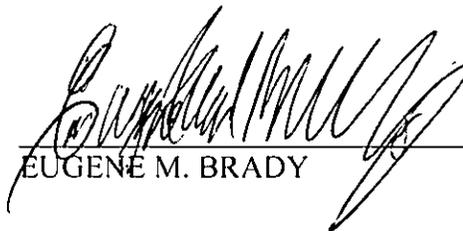
CEO Statement
Exhibit #1
R-00072155
8-13-07
143,
JAK

COMMONWEALTH OF PENNSYLVANIA :
: S.S.
COUNTY OF LUZERNE :

AFFIDAVIT

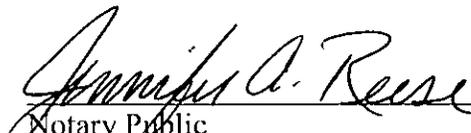
I, **EUGENE M. BRADY**, hereby depose and state the following:

1. I am the Executive Director of the Commission on Economic Opportunity.
2. I have submitted in this proceeding, through counsel, written direct testimony, CEO Statement No. 1.
3. In lieu of my appearance at hearing in this matter, I am offering CEO Statement No. 1 into evidence at hearing through the statements set forth in this Affidavit.
4. If I were called to testify at hearing, the answers to the questions I gave in CEO Statement No. 1 would be the answers given by me at hearing in response to those same questions.
5. The facts set forth in my answers contained in CEO Statement No. 1 are true and correct and represent my answers to those questions.
6. There are no additions, corrections or deletions I would propose to CEO Statement No. 1.


EUGENE M. BRADY

Subscribed and sworn to
before me this 10th day
of August, 2007.

DOCUMENT
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Notary Public

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Jennifer A. Reese, Notary Public
Forty Fort Boro, Luzerne County
My Commission Expires Mar. 17, 2010

DOCUMENT
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Richards Energy Group
Statement No. REG-1
Witness: Frank Richards
FRJ AUG 13 2007

PENNSYLVANIA PUBLIC UTILITY COMMISSION

v.

PPL ELECTRIC UTILITIES CORPORATION

Docket No. R-00072155

Direct Testimony

Of

Frank J. Richards
Richards Energy Group, Inc.

RECEIVED

AUG 14 2007

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Concerning:

Tariff Issues

1 Q. Please state your name and business address.

2 A. Frank J. Richards. My business address is Richards Energy Group, Inc., 3901 Nolt
3 Road, Building #1, Landisville, PA 17538.

4 Q. By whom are you employed and in what capacity?

5 A. I am President of Richards Energy Group, Inc.

6 Q. In what type of business does Richards Energy Group engage?

7 A. Richards Energy Group is an energy engineering firm dedicated to reducing energy
8 costs for commercial and industrial end users. To accomplish this goal, Richards
9 Energy Group performs various audits including energy usage reduction and billing
10 audits. We also have developed a power-buying consortium known as the Richards
11 Energy Affinity Program ("REAP") which has authority to purchase over 1 billion
12 kwh per year for its Pennsylvania members. Over 200 members of this consortium
13 have over 700 PPL accounts, including, for example, Conestoga Wood Specialties,
14 Hooper Feeds, and Willow Valley Retirement Communities. In addition, Richards
15 Energy Group provides electric utility consulting services, energy and sales tax
16 audits, lighting retrofit installations and real-time metering and sub-metering
17 solutions. Finally, Richards Energy Group is a licensed electric supplier in
18 Pennsylvania.

19 Q. What is your general educational background?

20 A. I am a 1968 graduate of Lehigh University with a BS in Electrical Engineering. I am
21 a Licensed Professional Engineer in the Commonwealth of Pennsylvania, and a
22 Certified Energy Procurement Professional, sanctioned by the Association of Energy
23 Engineers.

1 Q. Please describe your work experience.

2 A. From 1968 to 1970, I worked for Eastman Kodak as an engineer in quality control.

3 From 1970 to 1995, I was employed by PPL in engineering functions in the System
4 Operating, System Planning, and Marketing & Energy Services Department, as an
5 Engineer, Operations Planning Engineer, Project Engineer and Senior Power
6 Engineer. From 1995 until the present I have run Richards Energy Group.

7 Q. Have you testified in other proceedings before the Pennsylvania Public Utility
8 Commission?

9 A. I presented testimony in Pennsylvania Public Utility Commission v. Metropolitan
10 Edison Company and Pennsylvania Electric Company, R-00016219 and R-00016220.

11 Q. What is the purpose of your testimony?

12 A. My testimony will be confined to several areas, primarily tariff issues. My concerns
13 can be summarized as follows:

14 1. It appears that PPL has eliminated the time of day pricing provisions for each rate
15 classification. While PPL may have intended to maintain the applicability of the
16 time of day provisions in its general section on demand in each rate schedule, the
17 language is unclear at best. I would recommend that PPL clarify the language in
18 each rate schedule to make it clear that the time of day pricing provisions apply to
19 each rate schedule.

20 2. PPL has redefined the availability of GS-1 and GS-3 service that has the effect of
21 prohibiting customers that could previously fit into either classification from
22 obtaining the energy service that best fits their needs through choosing between
23 the two services, both when shopping and when on default service. In addition,

1 smaller 3 phase customers who before could have chosen GS-1, now will be
2 forced to take GS-3 with its minimum 25kW demand charge.

3 3. It appears that PPL's Energy Efficiency Rider is open-ended and contains no
4 spending cap.

5 4. Elimination of the demand side initiative rider may be appropriate.

6 5. Some changes to PPL "Rules" are perplexing.

7 **Q. Are there some positive aspects to PPL's proposal?**

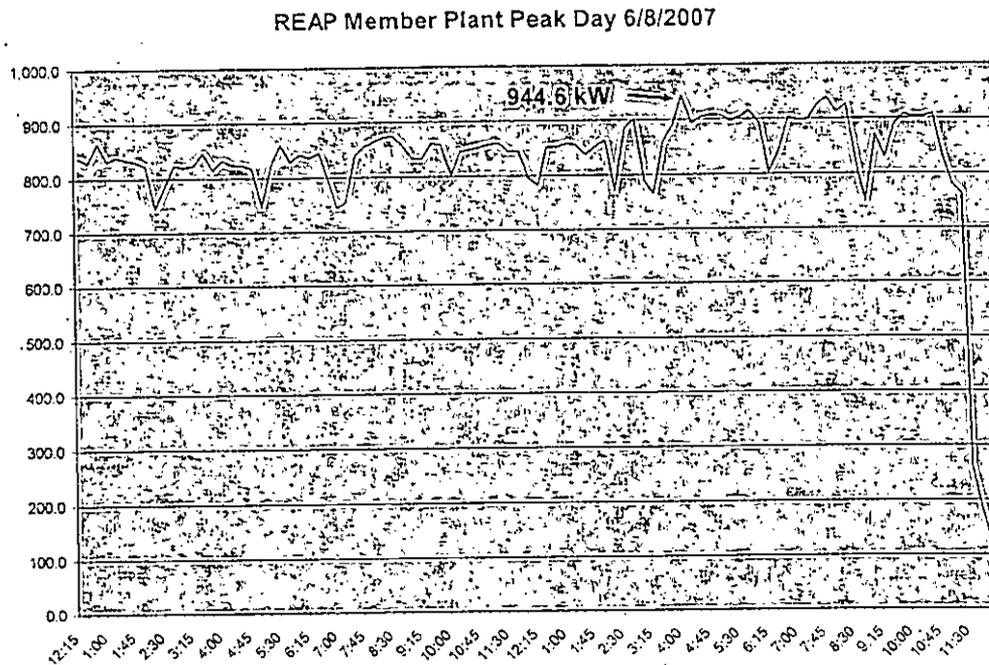
8 A. Yes. The overall reduction of rates for most Industrial and Commercial customers as
9 a result of other proceedings is positive. I do not take any position regarding the total
10 revenue requirement to be granted to PPL or the precise allocation of that increase,
11 but I am encouraged by the movement to cost of service rates. Since I am also a
12 residential customer, on the RTS rate, I am very enthusiastic about PPL's expanded
13 thinking on how to maintain this rate while turning it into a winner for PPL,
14 customers and the overall demand side response effort. Providing the response when
15 it's needed during the day instead of a fixed 7AM-5PM time could work well if the
16 process can be automated.

17 **Q. You mention the elimination of the time of day rate provisions. Please Explain**
18 **how this impacts REAP customers.**

19 A. Although this is a distribution rate proceeding, some changes proposed in this case
20 will impact the entire electric bill, such as possible elimination of Time of Day (TOD)
21 rates entirely, not just being restricted, as they've been since 2000. Why shouldn't
22 they be resurrected instead, based on substantial time-sensitive pricing pressures
23 coming from both legislators and the PUC? Many PPL industrial and commercial

1 customers could save themselves money and reduce peak demands if they were
2 allowed to employ TOD.

3 We are currently performing an energy audit for one of our larger customers. One
4 of their accounts in Pennsylvania is not currently using time of day. We have
5 determined that if they could shift 2 pieces of equipment, which are only used 8 hours
6 or less/day to off-peak times, they could cut 82 kW from their daytime demand and
7 save \$12,700/year. The following exhibit shows interval data for this past month's
8 peak day:



9
10
11 Since TOD is currently restricted, there is little incentive to shift this peak load,
12 which adversely affects not only PPL's summer peak, but also the PJM summer peak.
13 As an aside, I would note that this very useful 15 minute customer interval data was
14 obtained from PPL. Unfortunately with the current information pricing rules in place,
15 it will result in a \$150 fee charged to Richards Energy Group.

1 Q. How would you correct the unavailability of TOD?

2 A. I would suggest that simply reinstating the existing TOD option, at least until the end
3 of rate caps, would provide a suitable interim solution to this issue. A substantial
4 number of accounts in our consortium (125) already have TOD, but the rest of our
5 PPL accounts are denied the opportunity to use this rate since it's currently a
6 restricted rate. After 2010, the bulk of the burden of providing a time of use rate
7 would presumably be borne by suppliers. However, since PPL will be the default
8 supplier at that time, a similar rate structure would continue to be appropriate to
9 provide customer demand side response options even if they are not subjected to real-
10 time pricing.

11 Simply reinstating this option would provide the opportunity for much more
12 demand side response than the existing "Demand Side Initiative Rider", which, to my
13 knowledge, has not been utilized by a single PPL customer in its several years of
14 existence. Yet this is the rider that PPL puts forth as its industrial and commercial
15 response to governmental inquiries about having such programs available.

16 Q. Is customer knowledge of his load at any point in time important?

17 A. Much discussion has recently taken place regarding the customer's right to know his
18 precise load. In June, PPL commendably launched a new web-based free service to
19 provide customers and their designates some fairly powerful and automated tools to see
20 what they have a right to see - their historical billing, kWh usage, and eventually, 15
21 minute interval data. This will be a great step forward, and hopefully will result in
22 substantially less economic penalty for PA-based consultants such as Richards Energy
23 Group. The existing program requires first an original ink signature from the customer

1 on an authorization form, then a \$5 per account fee for billing data information, then a
2 \$150 additional fee for one year of 15 minute interval data. I don't have the records
3 readily available for our early years (1995-2002), but in the 4½ years since incorporating
4 on 1/1/2003, Richards has paid PPL \$9,705 and continues to pay for access to this
5 information. Other licensed suppliers with sophisticated programming capabilities have
6 been able to access PPL's EDI data transfer for this information for which Richards
7 continues to be required to pay. This information is absolutely necessary to make
8 informed shopping and demand side response decisions for our clients. Failure to make
9 this information available to all suppliers and customers at no cost discriminates against
10 the smaller supplier/marketers in Pennsylvania. As a result of PPL's recent \$161 million
11 metering initiative, now in the rate base, this data should be readily available to PPL and
12 its customers, and should be made available to all supplier/marketers at no charge.

13 **Q. You also mentioned the redefining and availability of rates GS-1 and GS-3.**

14 **Please explain how this impacts Richards Energy Group.**

15 A. PPL has proposed to redefine the availability of Rate GS-1 by limiting it to customers
16 who utilize single phase service. Similarly, PPL has proposed changing rate GS-3 to
17 require a two or three phase customer to take service only on the GS-3 rate after
18 2008.

19 **Q. How will this impact customers?**

20 A. First, it will be unfair to some low load factor customers. An extreme example would
21 be a car crusher who takes service at 69kV, but has a 10% or lower load factor
22 (percent of time he's at his peak load). For this case, the GS-1 rate is actually the
23 most advantageous rate, not GS-3, LP-4 or LP-5. In the past, all these rates would

1 have been available to such a customer, to help him mitigate the high cost of having a
2 low load factor. However, for shopping purposes, the most advantageous rate would
3 generally always be rate LP-5.

4 Second, many of our customers were able to save money on rate GS-1 when
5 not shopping and GS-3 when shopping. Due to the difference in the method of
6 calculating the unbundled components of these rates, the total bill at GS-1 would be
7 lower when not shopping, but the price to compare at GS-3 is much higher than GS-1.
8 In addition, suppliers have historically offered better rates for GS-3 customers than
9 for GS-1. This combination has resulted in winning shopping deals for several our
10 members. We have 12 members with 15 accounts currently in this category. When
11 not shopping, the GS-1 rate for one of these customers is \$5,000 less expensive per
12 year than the GS-3 rate. However, when this customer engages in shopping for
13 generation, the GS-3 rate is superior due to the differential in the price to compare
14 between the two rates. The price to compare at GS-3 for this customer is 9.6
15 cents/kwh, compared to 7.4 cents/kwh at GS-1. This is a very substantial differential
16 and can definitely mean the difference between being able to shop successfully for
17 generation supply, and not being able to shop. If the purpose of the Electric
18 Competition Act was to give the customer more choices, eliminating this option for
19 these customers would certainly stifle competition, not promote it. By eliminating
20 this option, customers will be forced into one rate or the other, and will not be able to
21 switch when appropriate. Even absent the electric competition laws, it was my
22 understanding that all utilities were required to permit a customer to switch to the
23 most advantageous rate, as long as the customer remained on that rate for at least a

1 year. If our consortium, which includes about 630 GS-1 and GS-3 accounts, can be
2 considered representative of PPL as a whole, then over 6% of all GS-1/GS-3 accounts
3 in PPL have saved, or could be saving, substantially by having the latitude to shift
4 from GS-1 to GS-3 or reverse depending on their load patterns and shopping status.
5 As an example, one of our larger members had 2 small accounts which were placed
6 on the wrong rate by PPL. We were able to place them on the proper rate, resulting in
7 a \$14,700 refund and ongoing savings of \$3,600/year. I would not permit PPL to
8 restrict its rates GS-1 and GS-3 as proposed.

9 **Q. You mentioned that PPL's proposed Energy Efficiency Rider is open-ended.**
10 **Please explain.**

11 **A.** While I generally agree that energy efficiency is extremely important in enabling a
12 customer to keep energy costs at a minimum, and PPL should be complimented for its
13 efforts, I am concerned regarding the method of collecting the costs of this program
14 from customers. As I understand the program, PPL will advance funds in the form of
15 rebates and spend funds for other programs for customers to retrofit lighting,
16 purchase energy efficient appliances, etc. PPL then plans to recover these costs on a
17 dollar for dollar basis from residential and commercial customers. While initially
18 allocating a finite dollar amount to this program, PPL proposes to recover in
19 succeeding years any and all funds expended over the initial amount. My concern is
20 that there is no upper limit to what may be collected from customers for this program.
21 I am also concerned that PPL, which would certainly benefit from the demand-
22 reduction aspect of conservation by not having to reinforce or build new distribution
23 facilities, is not contributing any in-kind amount to the project.

1 Q. What would you recommend?

2 A. I would recommend that the program be capped, and that PPL provide matching
3 funds of its own to augment the program.

4 Q. What are your concerns about rule changes and confusing language?

5 A. Rule 4 A(2): Since this rule now proposes excluding supply of service to 69kV and
6 higher customers, what rule does apply to those customers? Is there a “sub-
7 transmission” tariff somewhere? If not, what governs supply of service to large
8 customers? At a minimum, this requires clarification. For example rates LP-5, LP-6,
9 LPEP and IST are all rate schedules in PPL’s **Distribution** tariff and yet in order to
10 receive service under those rates, a customer must take service at 69kV or higher.
11 Should rates for these customers be somewhere else?

12 Rule 4 A(7): I also have a concern on how to interpret the Rule 4 changes, with
13 regard to a separate point of delivery. (Anecdotally, this rather substantive change
14 seems to have been missed in the “List of Changes). The change from the old tariff
15 has added “to an Institutional Complex” plus an additional sentence. The additional
16 sentence seems to indicate that a second point of delivery will not be able to qualify
17 for a line extension guarantee in lieu of fully allocated costs, even though the
18 facilities may actually be of future use to PPL. That doesn’t seem appropriate. If PPL
19 can use the line in the future for its system expansion, then the customer should be
20 eligible for some cost reduction when that happens. The addition of “to an
21 Institutional Complex” is even harder to understand as this term is not defined. Does
22 this mean that PPL will no longer provide a second point of delivery to a “non-
23 institutional complex” at any cost? Or is this meant to address PPL’s current (but not

1 former) policy to charge customers like Hospitals for reinforcements to backup
2 facilities? In the past, PPL would sometimes provide such high-profile community
3 related critical services with a second point of delivery at no charge. I have also
4 recently heard that PPL has changed its former policy of charging twice the fully
5 allocated cost for a second point of delivery, to only charging fully allocated costs. Is
6 this related to this tariff change?

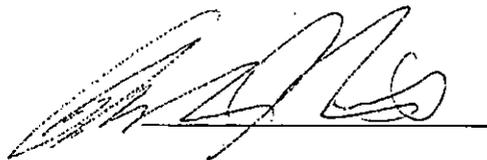
7 Rule 4 C(1)(B): No change has been made to this section, but in reading it, I'm
8 wondering why "wires" are not included with "Poles and Guys" as being supplied by
9 PPL, since they always are?

10 Q. Does this conclude your testimony?

11 A. Yes. However, I reserve my right to submit further testimony on rebuttal.

AFFIDAVIT

I, Frank J. Richards, being duly sworn according to law state that I am the individual that prepared Richards Energy Group, Inc. Statement No REG-1 and that the direct testimony and statements contained therein are true and correct to my best knowledge information and belief.



Frank J. Richards

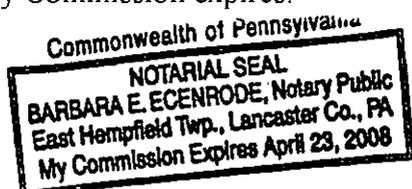
Sworn and subscribed before me

this 09 day of Aug, 2007

Barbara E. Ecenrode

Notary Public

My Commission expires:



SEF Statement No. 1
Docket No. R-00072155
Witness: Jennifer Hopkins
Date Submitted: AUG 13 2007

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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

DIRECT TESTIMONY

OF

JENNIFER HOPKINS

PRESIDENT

SUSTAINABLE ENERGY FUND OF CENTRAL EASTERN PENNSYLVANIA

**ADDRESSING ENERGY EFFICIENCY, CLEAN AND RENEWABLE ENERGY AND
ENERGY EDUCATION PROGRAMS AND INVESTMENT**

(Prepared July 2007)

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1 DIRECT TESTIMONY OF JENNIFER HOPKINS

2 **I. Witness Background**

3 Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

4 A. My name is Jennifer Hopkins. My business address is 968 Postal Road, Suite
5 315, Allentown, PA 18109.

6
7 Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?

8 A. I am employed by the Sustainable Energy Fund of Central Eastern
9 Pennsylvania, which I will refer to in my testimony as "SEF," as President.

10
11 Q. PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND AND WORK
12 EXPERIENCE.

13 A. I attended Pennsylvania State University from where I graduated with a
14 Bachelor of Science Degree in Accounting. In 1993 I received a Master of
15 Business Administration degree specializing in Accounting.

16 From 1984 to 1988 I was an Accountant for Dale E. Kirk, CPA and
17 was responsible for a 2 person satellite accounting office. From 1988 to 1996
18 I was the Accounting Supervisor at The Salk Institute, Government Services
19 Division, handling all accounting duties in conjunction with commercial and
20 government contracts.

21 From 1994 to 1998 I was an Adjunct Faculty member for Northampton
22 Community College. From 1996 to 1998 I was the Senior Staff Accountant for
23 Heico Chemicals, A division of Cambrex.

24 From 1998 to 2002 I was the Controller for CAN DO, Inc. In 2001 I
25 was a Contracted Instructor for Pennsylvania State University.

1 From 2002 to 2005 I was the Controller for Troy Mfg & Worldwide
2 Technology Products. From 2005 to 2006 I was the Controller for
3 Consolidated Storage Companies.

4 In 2006 I accepted the position of Director of Finance of the
5 Sustainable Energy Fund of Central Eastern Pennsylvania. In 2007 I
6 accepted the position of President of the Sustainable Energy Fund of Central
7 Eastern Pennsylvania.

8
9 Q. ARE YOU A MEMBER OF ANY PROFESSIONAL ORGANIZATIONS?

10 A. Yes, I am. I am a member of the Pennsylvania Institute of Certified Public
11 Accountants.

12
13 **II. Sustainable Energy Fund of Central Eastern Pennsylvania**

14 Q. WHAT IS THE SEF?

15 A. SEF is a Pennsylvania corporation, formed at the conclusion of PPL's
16 Restructuring Proceeding. SEF's mission is to develop and invest in
17 economically viable, energy-related businesses, projects and educational
18 initiatives to create innovative, market-based technologies and solutions for
19 environmentally sound and sustainable energy usage. The SEF operates in
20 an entrepreneurial, opportunistic fashion to provide loans and grants to clean
21 energy projects within the PPL service territory.

22 SEF provides financial assistance and attractive funding options,
23 including equity investment, commercial loans and grants, for projects that
24 offer a strong fit with our mission. Idea projects emphasize renewable energy

1 sources, clean energy technologies, energy conservations & efficiency, and
2 energy education.

3 4 **III. Purpose of Testimony**

5 Q. WHAT IS THE PURPOSE OF THIS TESTIMONY?

6 A. The purpose of this testimony is to make recommendations on how the SEF
7 and PPL can collaborate to most effectively deliver programs focused on
8 energy efficiency, clean and renewable energy, and energy education. We
9 have suggested three programs of investment that fit within PPL testimony
10 and meet three objectives: (1) responsible sustainable economic and
11 community development; (2) high impact consumer education of solar energy
12 as a renewable energy source; (3) providing meaningful assistance to small
13 businesses attempting to invest in energy efficiency improvements in
14 anticipation of expiring PPL rate caps.

15 16 **IV. SEF Program Proposals**

17 Q. WHAT IS SEF PROPOSING?

18 A. Program One: Promote Community and Economic Development /
19 Sustainable Development Program

20 PPL is proposing the creation of a Sustainable Development Program,
21 which will allocate \$1.25 million annually for three years to promote
22 community and economic development within PPL's service territory. The
23 proposed Sustainable Development Program is divided into three program
24 elements: (1) \$150,000 LEED Certification Grant fund to encourage the
25 construction of "green buildings"; (2) a \$1,000,000 Downtown Development

1 Program to enhance the orderly development of various downtown
2 improvements; and (3) a \$100,000 DCED Regional Marketing initiative.

3 The SEF proposes a program of service to become the administrative
4 and management entity for the \$1,000,000 Downtown Development Program
5 across PPL service territory. The SEF will collaborate with PPL to develop
6 award criteria centering on energy efficiency and conservation investment in
7 downtown improvement and revitalization efforts across the PPL service
8 territory. The SEF believes its experience and expertise will add value to the
9 PPL programs.

10 The SEF's geographic footprint mirrors PPL service territory. The
11 SEF's mission is to promote the use of renewable energy technologies, clean
12 energy technologies, energy efficiency and conservation throughout PPL
13 territory via strategic investments. The SEF has a demonstrated ability of
14 investing approximately \$16 million in projects aligned with our mission since
15 1999.

16 The SEF's marketing plan for fiscal 2008 centers on forging and
17 maintaining alliances with economic and community development
18 organizations throughout the PPL service territory, as well as the
19 Pennsylvania Department of Community and Economic Development in an
20 effort to strategically deploy capital to further the SEF mission.

21 **Program One Proposal:**

22 The SEF proposes to steward the PPL \$1,000,000 downtown
23 development allocation throughout the 29 county service territory
24 through competitive solicitation of projects from economic
25 development and community development organizations. Program

1 criteria will be collaboratively developed by PPL and SEF to
2 encourage responsible energy efficient investments in downtown
3 revitalization and investment projects, while promoting responsible re-
4 use of property, job creation and leveraged investment. Once
5 program criteria have been developed, the SEF will solicit competitive
6 grant proposals on behalf of PPL throughout the 29 county
7 geographic territory via economic and community development
8 organizations. The SEF and PPL will develop underwriting and
9 program criteria which will be administered through the existing
10 infrastructure of the SEF. Contracting with the SEF as the
11 administrative arm of this fund will allow PPL to meet the following
12 objectives:

- 13 • Enhance orderly development of downtown improvement
14 projects through competitive solicitation of economic and
15 community organizations, ensuring the most fundable projects
16 will be poised for investment potential.
- 17 • Minimize PPL investment for the deployment of these funds via
18 required investment in additional human capital and marketing
19 resources.
- 20 • Build upon the strategic relationships and economic
21 development expertise already in place within the SEF.
- 22 • Partner with an organization whose mission is in line with the
23 objectives of energy efficiency and conservation within the
24 same geographic footprint of PPL.

- 1 • Utilize the in-house competency of the SEF in financial
2 underwriting of investment projects.
- 3 • Harness the expert power of the SEF in identifying other
4 federal, state, and local sources of financing to provide a
5 holistic funding model for projects, where appropriate.
- 6 • Utilize the SEF's existing resources in marketing the program
7 and application of underwriting criteria, as well as
8 *documentation of energy efficiency incurred as a result of the*
9 *potential investment.*
- 10 • Facilitate matching of innovative *loan* dollars alongside PPL's
11 *grant investment through use of SEF program related*
12 *investment.*

13 The SEF has funded approximately \$15 million in "program
14 related investment projects" meeting the mission of renewable energy,
15 alternative energy, and energy efficiency and conservation since
16 inception in 1999. The SEF has also awarded \$1.25 million in grant
17 dollars to endeavors that support the SEF's mission since inception
18 and possess the administrative expertise to manage grants. Our
19 investment breadth has ranged from grants, to low interest loans, loan
20 guarantees and direct equity investments. Additionally, our clients
21 have ranged from small businesses to schools, to large scale wind
22 energy projects. We competitively differentiate ourselves from most
23 government funding sources in the flexibility and creativity of our
24 funding. A sampling of projects includes:

- 1 • Gamber Physical Therapy - Provided a 0% loan in the amount
2 of \$8,500 to a physical therapy business to finance the
3 installation of a 5 kWh solar system and hot water system in a
4 therapy pool.
- 5 • Bear Creek Wind Farm – Provided a \$1.75 million loan toward
6 a \$60 million wind project that generates 68,584 MWh of
7 renewable electricity annually to power 5,500 homes.
- 8 • Petersburg Commons - Pledged a \$1 million certificate of
9 deposit as a “guarantee” on behalf of a developer of low to
10 moderate income green housing project. This project provides
11 50% energy efficiency over conventional townhouse projects.

12 The SEF proposal to administer the Sustainable Development
13 Program specific to downtown development includes an 8% annual
14 administrative fee. It is anticipated that the administrative costs would
15 be netted out of the annual allocation. The SEF will recapture its
16 annual costs of 8% associated with administrative, marketing, legal,
17 and human capital costs of program deployment.

18 19 Program Two: Consumer Education Program / Solar Scholars

20 As part of PPL's testimony, PPL has included \$4.4 million in its 2007
21 operating budget to provide consumers with information on the wise use of
22 electricity. The SEF has an existing proven solar education program
23 dedicated to universities and promoting awareness and use of solar energy.
24 For a minimal investment, PPL and SEF can collaboratively continue to

1 deliver the Solar Scholar™ initiative to universities and students throughout
2 the PPL territory.

3 **Program Two Proposal:**

4 The SEF has developed a solar energy educational initiative
5 with Pennsylvania Universities and colleges. Solar Scholars™
6 provides students and their schools with funding and incentives for in-
7 depth study, training, and research in photovoltaic technology as part
8 of an overall academic curriculum in renewable energy. Its mission is
9 to prepare the next generation of solar energy leaders to make
10 informed decisions that are science, business, and technology based.
11 The SEF has funded six Pennsylvania universities in the amount of
12 \$132,000 for the installation of six photovoltaic systems on
13 Pennsylvania campuses and the augmentation or development of
14 renewable energy curriculum. Universities which have received
15 investment include: Penn State University, Clarion University,
16 Bucknell University, Mercyhurst College, Messiah College, and
17 Villanova University. Three schools have successfully installed PV
18 systems on campus, while the remaining three are currently in
19 development. The SEF is currently working with the universities to
20 document energy generation on installed systems, and its impact on
21 curriculum.

22 The SEF proposes that PPL allocate a portion of its consumer
23 education program allocation toward the SEF Solar Scholars
24 Program. As a result, Solar Scholars™ would be prioritized within
25 Universities throughout the PPL territory. Through partnership with

1 the SEF, PPL can invest approximately \$150,000 into an existing
2 consumer education program centered on exposure to alternative and
3 renewable technologies at a university level. For this minimal
4 investment, PPL can invest in a demonstrated educational program
5 tied to universities with renewable energy curriculum. A second round
6 of funding would be opened to an additional six universities within
7 PPL's territory which will achieve maximum exposure for PPL and
8 solar technology as an alternative energy technology. Targeting
9 investment in this way can reach many consumers and promote
10 awareness of other energy generation options.

11
12 Program Three: Energy Efficiency and Conservation Programs: Small
13 Business Loan Guarantee Program

14 PPL has proposed five new energy efficiency and energy conservation
15 programs largely directed toward providing information to residential and
16 small business customers. Creating a more informed consumer is an
17 important step in behavior modification associated with energy efficiency and
18 conservation. The SEF suggests that PPL review the funding associated with
19 these four programs and consider a portion of the funding for the
20 capitalization of a small business guarantee program.

21 **Program Three Proposal:**

22 Assuming that the partnership as outlined within SEF's
23 partnering proposal in the Sustainable Development Program is
24 approved, the SEF will already have the distribution and marketing
25 channels in place to promote a "small business guarantee" program to

1 economic and community organizations, as well as private commercial
2 banks. In order to be effective, the program is proposed to be
3 marketed through the small business development centers within PPL
4 territory.

5 The SEF would work collaboratively with PPL in establishing
6 guidelines associated with a small business guarantee program that
7 would be marketed across PPL territory. The SEF and PPL would
8 work collaboratively on the development of guidelines that meet the
9 needs of the targeted population, while mimic best practices that have
10 been employed elsewhere based on initial limited capitalization of a
11 program. The initial capitalization (amount to be determined) would
12 provide the seed capital to encourage banks to lend to small
13 businesses due to the security of the guarantee. It is proposed that
14 administrative fees charged to fund applicants would be reimbursed
15 back into the pool to build the fund up over a number of years. The
16 SEF would consider applicants for financing alongside the PPL
17 guarantee program.

18 The SEF would administer this loan program on behalf of PPL
19 within our comparable service territory for a negotiable fee. This
20 allotment represents a re-direct of PPL investment associated with
21 energy efficiency, or additional capital not identified within proposed
22 programs.

1 Q. ARE THESE PROGRAMS AN "ALL OR NONE" PROPOSAL?

2 A. No. The Sustainable Energy Fund has attempted to review PPL's planned
3 program development associated with the proposed rate increase, and add
4 value to the identified programs. Although the SEF believes the PPL
5 ratepayer would benefit in service and efficiency from the implementation of
6 all three programs (given that infrastructure is predominantly in place), PPL
7 could consider each program separately.

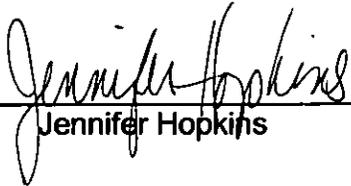
8

9 Q. DOES THIS COMPLETE YOUR WRITTEN DIRECT TESTIMONY?

10 A. Yes.

VERIFICATION OF JENNIFER HOPKINS

I, Jennifer Hopkins, President, Sustainable Energy Fund of Central Eastern Pennsylvania (SEF), hereby state that my prepared written direct testimony, marked for identification on behalf of the SEF, is true and correct to the best of my knowledge, information and belief. I understand that this verification and my written direct testimony are made subject to the penalties of 18 Pa. C.S. ' 4904 (relating to unsworn falsification to authorities).



Jennifer Hopkins

SEF Statement No. 1-SR
Docket No. R-00072155
Witness: Jennifer Hopkins
Date Submitted: **AUG 13 2007**

Aug DC

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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

SURREBUTTAL TESTIMONY

OF

JENNIFER HOPKINS

PRESIDENT

SUSTAINABLE ENERGY FUND OF CENTRAL EASTERN PENNSYLVANIA

**ADDRESSING ENERGY EFFICIENCY, CLEAN AND RENEWABLE ENERGY AND
ENERGY EDUCATION PROGRAMS AND INVESTMENT**

(Prepared August 2007)

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1 business. The SEF believes that an education and access to capital can be
2 achieved simultaneously. In fact, tying capital (a solution to an impediment) to
3 the education process (identification of an impediment) can result in more
4 effective programming. Leveraging partners such as financial institutions,
5 PPL, and the SEF will increase probability of market exposure of energy
6 efficient behaviors and solutions. Given a limited dollar guarantee, PPL may
7 choose to augment the guarantee program with larger scale consumer
8 education efforts. In addition, the SEF suspects that there are small
9 businesses that are already informed relative to needed improvements in
10 energy efficiency. *Creating a guarantee program can prepare small*
11 *businesses for increased electricity costs projected by 2010.* As the SEF has
12 completed much of the due diligence in reviewing comparable programs in
13 Pennsylvania and Delaware, a collaborative approach can be cost effective
14 and implemented rather quickly. The SEF does not object to a competitive
15 proposal process to solicit the best partner for the program if the program
16 were adopted. Following SEF research of "best practices on other guarantee
17 programs", the SEF is certain of its ability to add value to a small business
18 guarantee program targeting energy efficiency within PPL territory.

19
20 Q. PLEASE ADDRESS MR. KRALL's REBUTTAL TESTIMONY, PAGE 21,
21 WHERE HE DISCUSSES SEF's PROPOSED EARMARKING OF A
22 PORTION OF THE \$4.4 MILLION FOR CONSUMER EDUCATION FOR THE
23 SEF SOLAR SCHOLARS™ PROGRAM.

24 The SEF believes that an investment into the Solar Scholars™ program can
25 be an excellent means for PPL and the SEF to collaboratively achieve the

1 targeted deliverable of consumer education in electricity choices. The SEF
2 has supported six universities throughout Pennsylvania in the installation of
3 photovoltaic systems and related development of alternative energy curricula,
4 which has lead to the construction of six solar arrays generating 15.kWp of
5 clean energy. The Solar Scholars™ program can serve as a high visibility
6 consumer education program, focused on renewable energy at the faculty,
7 student, and parent level. The Lehigh Valley, corporate seat of both the SEF
8 and PPL, hosts eleven universities enrolling more than 48,000 students.
9 Investment in such a program can result in meaningful market awareness for
10 a limited investment. Mr. Krall states that the program might have significant
11 merit but expresses concern with due diligence review. As an existing
12 program already in place at six Pennsylvania universities, Solar Scholars™
13 should meet appropriate due diligence review for application at additional
14 locations.

15
16 Q PLEASE ADDRESS MR. DAHL'S REBUTTAL TESTIMONY, PAGES 34
17 THROUGH 38, RELATIVE TO IMPLEMENTATION OF A SUSTAINABLE
18 DEVELOPMENT PROGRAM AND ITS EFFECTS ON LOCAL
19 COMMUNITIES.

20 A. The SEF is in full support of PPL's proposed Sustainable Development
21 Program which includes the proposed Downtown Development Program and
22 believes it fills a void that public policy currently does not address, particularly
23 in relation to older building stock in downtown areas and the potential impact
24 on the Pennsylvania economy in a rising electricity rate environment.
25 Implementation of a proactive program, such as the Sustainable Development

1 Program, may incentivize investments that will need to occur, particularly in
2 downtown areas. According to the Brookings Institution, in the "Back to
3 Prosperity: A Competitive Agenda for Renewing Pennsylvania" report,
4 "Pennsylvania ranks low on demographic and economic performance and
5 high on sprawl and abandonment. These trends undermine the state's
6 competitiveness and are fiscally wasteful. These patterns are not inevitable;
7 state policies facilitate sprawl and promote abandonment." The SEF believes
8 a program which incentives downtown energy efficiency improvements, and
9 sustainable redevelopment of downtown areas currently fills a need not
10 adequately addressed by public policy. Ultimately, the Sustainable
11 Development Program should contribute toward job creation, generation of
12 tax revenue, sustainable redevelopment of otherwise potentially abandoned
13 property, and potential reduced electricity usage during peak demand. The
14 SEF looks forward to working and partnering with PPL to accomplish the
15 worthwhile objectives of the SDP and adding value by leveraging SEF funds
16 alongside the SDP, irrespective of the administration of the fund.

17
18 Q. DOES THIS COMPLETE YOUR WRITTEN SURREBUTTAL TESTIMONY?

19 A. Yes.

VERIFICATION OF JENNIFER HOPKINS

I, Jennifer Hopkins, President, Sustainable Energy Fund of Central Eastern Pennsylvania (SEF), hereby state that my prepared written surrebuttal testimony, marked for identification on behalf of the SEF, is true and correct to the best of my knowledge, information and belief. I understand that this verification and my written surrebuttal testimony are made subject to the penalties of 18 Pa. C.S. ' 4904 (relating to unsworn falsification to authorities).



Jennifer Hopkins

City Statement No. 1
Docket No. R-00072155
Witness: George Parker, PE
Date Submitted: AUG 13 2007

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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

DIRECT TESTIMONY

OF

GEORGE PARKER, PE

DIRECTOR OF PUBLIC WORKS

CITY OF SCRANTON

ADDRESSING ISSUES CONCERNING STREET LIGHTING SERVICE

(Prepared July 2007)

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1 maintenance, highways and bridge repairs, and fleet repairs for the entire
2 City. My responsibilities include street lighting matters and I have operational
3 and budget control for street lighting.
4

5 **II. Purpose of Testimony**

6 Q. WHAT IS THE PURPOSE OF THIS TESTIMONY?

7 A. As part of the proceeding, PPL proposes to expand the availability of its Rate
8 SE to non-municipal users. In my testimony, I explain that the expansion of
9 availability should not be approved and I address the impact that such an
10 expansion could have on municipalities such as the City of Scranton.
11

12 **III. Street Lighting Issues**

13 Q. WHAT IS RATE SE?

14 A. Rate SE is the Street Lighting Energy Only rate as provided by PPL. It is
15 used by municipalities that own all or part of their street lighting facilities. It
16 provides municipalities with much needed flexibility and controls for a
17 municipal system while serving as the most cost effective application for such
18 a system. The City regards Rate SE, in its existing form, as a great tool to
19 addressing its needs.

20 Municipal users of Rate SE strive to meet the terms required of private
21 ownership. By meeting those requirements, the municipalities are able to
22 attain the efficiencies of the cost benefits of Rate SE. In order to meet those
23 requirements, Cities have additional responsibilities in adhering to codes,
24 safety, and configuration of street lighting systems.

1 Q. WHAT IMPACT, IF IMPLEMENTED, WILL THE EXPANDED AVAILABILITY
2 HAVE ON THOSE WHO QUALIFY FOR RATE SE?

3 Under the expanded availability proposed, entities within the City would be
4 allowed to migrate into the SE Rate class. Specifically, non-municipal
5 customers would be allowed to utilize the rate for outdoor lighting purposes.
6 The City is greatly concerned about the proposed change. The results of
7 such a change would bring harm to the City.

8 PPL has relationships with developers and private land owners. PPL,
9 in its capacity, performs certain aspects of engineering on a regular basis.
10 PPL makes a determination as to the viability of a development and structures
11 a system to address its needs. If the viability or cash flow of providing the
12 services fails, PPL will collect revenue from the developer or third party for the
13 *distribution design and improvements being proposed. If the project has*
14 *viability, PPL requires the developer to supply a site plan accepted by the City*
15 *as an approved plan of the subdivision. As such, PPL utilizes a City process*
16 *as the actual conduit and step into determining the viability of a project. With*
17 *PPL requiring developers to submit approved plans prior to PPL expending its*
18 *efforts in engineering, the result is that distribution and configuration of the*
19 *systems are being done after the approval is attained. The engineering is*
20 *done directly under agreements with the developers, absent any interaction*
21 *with the City. The City requires steps to be adhered to by the developer in*
22 *order to attain the cost benefits availed to the City under Rate SE. Without*
23 *Rate SE availability, Rate SA or metered rate is a burden the developer would*
24 *be exposed to.*

1 By changing the definitions of the Rate SE, a stop gap and control
2 feature to how the City operates is removed. More importantly, the impact of
3 the change is to public safety and to financial impacts of substandard
4 conditions being faced into a municipal system.

5
6 Q. HOW DOES THE CITY CURRENTLY OPERATE UNDER RATE SE?

7 The City has a system of control, and when the conditions are met,
8 developers have access to the very same rate. In fact, by complying with
9 *these conditions, many Developer's Agreements specifically address the City*
10 taking over such costs and improvements. These Developer's Agreements
11 are executed with the City where items and improvements are bonded and
12 facilitated under the City controls. The City has founded these requirements
13 on meeting the standards imposed through the City's ownership and Rate SE
14 requirements in its ongoing compliance to PPL terms.

15 The City recognizes clearly that a developer's goal is to complete
16 projects and transition such improvements to the City and remove themselves
17 from the ongoing terms of providing for the infrastructure. To this example, it
18 is already a goal of a developer to meet this progression and transition away
19 from private ownership. Since lighting facilities have an impact beyond the
20 temporary nature of the developer, decision and control are best suited with
21 the City or municipal entity as they are now.

1 Q. HOW DOES THE PROPOSED EXPANDED AVAILABILITY UNDERCUT THE
2 CITY'S CURRENT SYSTEM?

3 If granted the proposed change to Rate SE would facilitate dangerous
4 conditions, operational havoc, disregard for public safety, and financially
5 impact the City.

6 Consider that a third party developer, under the proposed expanded
7 rate availability, could place conduit and facilitate changes in what will
8 become public right-of-way, and, providing the changes meet PPL's
9 requirements, be placed on Rate SE service billed directly to the developer.
10 The City in this example would not be part of the process. The long term
11 viability of the developer is not addressed but it needs to be addressed. A
12 need exists to determine developer viability at a future date. It is this type of
13 unknown exposure that creates the problem. It will not be a consideration,
14 that although PPL participated in the process, that PPL would not be able to
15 facilitate a resolution to open items. These open items include addressing
16 what could be considered changes over time. More specifically, the process
17 fails to make assumptions on what liability transfers to the municipality in
18 default conditions, substandard construction, or the progression of codes and
19 safety. Given that there is no ability to create bonding security, financial risk
20 is not mitigated. As long as the developer meets the PPL rules, and no
21 exception is created, the developer qualifies for the rate. The default
22 condition is not easily resolved. The municipal entity is no longer involved for
23 the public good.

24 In a snapshot of time, a developer can meet the requirements of the
25 Rate and satisfy PPL. At that measured time the system of lighting can be

1 energized by PPL. The City however, would have no control on whether this
2 newly energized system has as-built drawings; whether additions or changes
3 were placed into service; whether the City was provided configurations to the
4 *underground wiring present. These are all critical items.*

5 The City, regardless of the status progression of a developer or
6 development, receives the calls from the residents and citizens. If a light is
7 out, or in disrepair, the logistics of a system where the City has been removed
8 from the process will create havoc to the operation of the rest of the system.
9 The requirements of facilitating the operational management to outages and
10 problems would be a burden to the City. In PPL's own experience, the
11 service centers already have issues with information when the lighting
12 systems are intermixed with Rate SA customers or are meter fed with grid
13 coordinates identifying actual PPL assets on the system. Currently the City
14 works with PPL in making this work. Having tiers of other PPL customers
15 interact without City involvement and management would be a mistake.

16 Public safety has as much to do with training and quality information as
17 *it does with the actions that apply to it. Street lighting systems have an*
18 *inherent public element. The asset selection and criteria to the items being*
19 *placed are not a condition of the tariff. This means the developers selection*
20 *of a light being utilized no longer has stipulations that PPL would allow in its*
21 *own system, nor would it have City input. The quality control, part availability,*
22 *and safety are all put into play. Further, over time, the conditions and*
23 *performance of these assets has an impact to the ongoing safety condition of*
24 *the facilities being placed. Having the utility in a position of adding a layer of*
25 *compliance and introducing an unlimited number of operators working on the*

1 street lighting system, without having systems in place to watch and manage
2 this new provision is unreasonable. The interest of the public requires
3 adherence to the City's existing requirements, and to the requirements of
4 existing Rate SE.

5
6 Q. WILL THESE CONDITIONS IMPOSE A FINANCIAL BURDEN ON THE
7 CITY?

8 Yes, all of the proposed conditions place a stringent financial burden on the
9 City. The assumption is that the developer is stable, financially sound,
10 cooperative, and in compliance. The reality is these conditions are most likely
11 not all present, and over time, many progress into or mature through factions
12 of these same conditions. In nearly every critical condition, the developers
13 project becomes the City's in default, or by nature to the residents of the
14 development who become, or are, City taxpayers. The City is brought into
15 direct line with the conditions existing in the development. Impacts of a
16 substandard system will not reveal themselves until the developer fails or the
17 transition to the deeding to the City finds the condition. By the time the
18 condition is evident, the cost impacts to correcting it are significant or
19 unattainable. The City can not accept the assumption of this exposure based
20 on the apparent desire of PPL to cut a break to developers and private land
21 owners by expanding the availability of Rate SE. These customers are being
22 served by PPL now, and they readily have options available to them to
23 provide for their energy needs.

24 The proposed expansion of Rate SE serves as a price break to
25 developers. Unfortunately, the proposal is a cost burden and liability to the

1 City. The City will have a financial burden both measured and impacting
2 greater over time.

3
4 Q. WHAT DOES THE CITY PROPOSE?

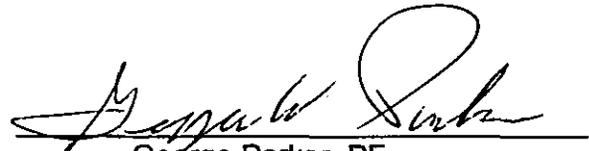
5 A. The City requests the proposed expanded availability of Rate SE not be
6 granted. The actions of PPL in expanding the availability of Rate SE
7 represent a public safety concern and an unwarranted change directly in
8 conflict to the City requirements. Moreover, the expanded availability creates
9 a clear conflict of interest to developers PPL already serves while imposing a
10 direct financial burden to the City.

11
12 Q. DOES THIS COMPLETE YOUR WRITTEN DIRECT TESTIMONY?

13 A. Yes.

VERIFICATION OF GEORGE PARKER, PE

I, George Parker, hereby state that my prepared written direct testimony, marked for identification as City Statement No. 1, is true and correct to the best of my knowledge, information and belief. I understand that this verification and my written direct testimony are made subject to the penalties of 18 Pa. C.S. ' 4904 (relating to unsworn falsification to authorities).


George Parker, PE

City Statement No. 1-SR
Docket No. R-00072155
Witness: George Parker, PE
Date Submitted: **AUG 13 2007**

Hbg JX

SURREBUTTAL TESTIMONY

OF

GEORGE PARKER, PE

DIRECTOR OF PUBLIC WORKS

CITY OF SCRANTON

ADDRESSING ISSUES CONCERNING STREET LIGHTING SERVICE

(Prepared August 2007)

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1 **SURREBUTTAL TESTIMONY OF GEORGE PARKER, PE**

2

3 Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

4 A. My name is George Parker. The business address of the City of Scranton's
5 Public Works administration building is 101 West Poplar Street, Scranton,
6 Pennsylvania 18508.

7

8 Q. ARE YOU THE SAME GEORGE PARKER WHO SUBMITTED DIRECT
9 TESTIMONY IN THIS PROCEEDING?

10 A. Yes, I am. My direct testimony is contained in City Statement No. 1.

11

12 Q. WHAT IS THE PURPOSE OF YOUR SURREBUTTAL TESTIMONY?

13 A. My surrebuttal testimony will respond to the rebuttal testimony of Oliver G.
14 Kasper submitted on behalf of PPL Electric Utilities Corporation ("PPL
15 Electric"), particularly his discussion of PPL Electric's proposal to expand the
16 availability of Rate SE to non-municipal customers.

17

18 Q. HAVE YOU REVIEWED THE TESTIMONY OF PPL ELECTRIC WITNESS
19 KASPER?

20 A. Yes, I have.

21

22 Q. AT PAGES 22 AND 23 OF HIS REBUTTAL TESTIMONY, MR. KASPER
23 DISCUSSES THE APPLICATION OF RATE SE, OUTLINES THE CITY'S
24 CONCERNS WITH RESPECT THERETO, AND COMMENTS THAT RATE
25 SE, AS DRAFTED, DOES NOT PROVIDE FOR MUNICIPAL REVIEW OF

1 LIGHTING PLANS. WHAT DOES PPL ELECTRIC PROPOSE TO DO TO
2 ADDRESS THIS DEFICIENCY?

3 A. PPL Electric proposes to revise Rate SE to include the following additional
4 language:

5 "Any non-municipal customer will be required to demonstrate that it
6 has complied with all municipal requirements pertaining to lighting
7 before being eligible for Rate SE. In addition, the customer will be
8 required to provide PPL Electric and the municipality with an
9 inspector's certification that the street lighting facilities are constructed
10 to applicable electrical code requirements before the facilities may be
11 energized."

12
13 Q. DOES THE PROPOSED REVISED LANGUAGE ADEQUATELY ADDRESS
14 THE CONCERNS OF THE CITY?

15 A. Not completely. While we appreciate that PPL Electric acknowledges the
16 concerns raised by the City and proposes to revise Rate SE to address those
17 concerns, further modification to that proposed by PPL Electric would more
18 completely address the City's concerns if Rate SE is to be expanded to non-
19 municipal customers.

20
21 Q. WHAT DOES THE CITY PROPOSE?

22 A. The City proposes that the language proposed by PPL Electric to be added to
23 Rate SE be further modified to read as follows:

24 "Any non-municipal customer will be required to demonstrate that it
25 has complied with all municipal requirements pertaining to lighting

1 before being eligible for Rate SE. In addition, before street lighting
2 facilities may be energized, the non-municipal customer shall provide
3 PPL Electric and the municipality with an inspector's certification that
4 the street lighting facilities are constructed to applicable electrical
5 code requirements and also provide PPL Electric and the municipality
6 with as-built drawings certified by engineering seal of the final
7 placement, configuration, and cut sheets for the street lighting facilities
8 to be energized. The non-municipal customer shall provide
9 certification to PPL Electric and the municipality of continued
10 compliance with electrical code requirements every two years
11 thereafter."

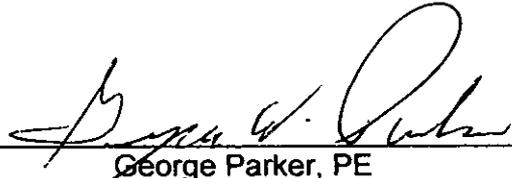
12 We also propose that the last sentence of the IDENTIFICATION paragraph of
13 Rate SE be revised to read as follows: "In addition, customer notifies the
14 public and the local municipality of customer's ownership of and responsibility
15 for the street lighting equipment in the areas served hereunder and publishes
16 and advertises a customer telephone number for public and municipal use in
17 reporting malfunctioning equipment."

18
19 Q. DOES THIS COMPLETE YOUR SURREBUTTAL TESTIMONY?

20 A. Yes.

VERIFICATION OF GEORGE PARKER, PE

I, George Parker, hereby state that my prepared written surrebuttal testimony, marked for identification as City Statement No. 1-SR, is true and correct to the best of my knowledge, information and belief. I understand that this verification and my written surrebuttal testimony are made subject to the penalties of 18 Pa. C.S. ' 4904 (relating to unsworn falsification to authorities).


George Parker, PE