

Paul Russell
Associate General Counsel

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May 17, 2004
ORIGINAL

FEDERAL EXPRESS

James J. McNulty, Esquire
Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, Pennsylvania 17120

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MAY 17 2004

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

DOCUMENT

Re: **PPL Electric Utilities Corporation**
Supplement No. 38 to Tariff -
Electric Pa. P.U.C. No. 201
Docket No. R-00049255

Dear Mr. McNulty:

Attached for filing, pursuant to the Commission's regulations, 52 Pa. Code § 5.342(d), is a Certificate of Service identifying responses to interrogatories that PPL Electric Utilities Corporation served today on the active participants in this proceeding.

If you have any questions regarding these responses, please call.

Very truly yours,

Paul E. Russell

Attachment

cc: The Honorable Allison K. Turner

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

ORIGINAL

PPL Electric Utilities Corporation :
Supplement No. 38 to Tariff – Electric :
Pa. P.U.C. No. 201 :

Docket No. R-00049255

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MAY 17 2004

CERTIFICATION OF SERVICE

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

I hereby certify that I have this day served a true copy of the responses of PPL Electric Utilities Corporation to Interrogatories of the Office of Trial Staff, Set 9, Question OTS-RR-17 and Set 10, Questions OTS-RE-113 through OTS-RE-123, upon the participant(s) listed below, in accordance with the requirements of §1.54 (relating to service by a participant):

VIA FEDERAL EXPRESS

Irwin A. Popowsky, Esquire
James A. Mullins, Esquire
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Johnnie Simms, Esquire
Richard A. Kanaskie, Esquire
Office Of Trial Staff
Pennsylvania Public Utility Commission
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UGI Utilities, Inc.
460 North Gulph Road
King of Prussia, PA 19406

Dated: May 17, 2004



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**Re: PPL Electric Utilities Corporation
Supplement No. 38 to Tariff -
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Dear Mr. McNulty:

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If you have any questions regarding these responses, please call.

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cc: The Honorable Allison K. Turner

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PENNSYLVANIA PUBLIC UTILITY COMMISSION

ORIGINAL

PPL Electric Utilities Corporation :
Supplement No. 38 to Tariff – Electric :
Pa. P.U.C. No. 201 :

Docket No. R-00049255

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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

CERTIFICATION OF SERVICE

I hereby certify that I have this day served a true copy of the responses of PPL Electric Utilities Corporation to Interrogatories of the PP&L Industrial Customer Alliance, Set I, Questions 1 through 11, upon the participant(s) listed below, in accordance with the requirements of §1.54 (relating to service by a participant):

VIA FEDERAL EXPRESS

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460 North Gulph Road
King of Prussia, PA 19406

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MAY 17 2004

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Dated: May 17, 2004


Paul E. Russell



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James J. McNulty, Esquire
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Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, Pennsylvania 17120

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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

**Re: PPL Electric Utilities Corporation
Supplement No. 38 to Tariff -
Electric Pa. P.U.C. No. 201
Docket No. R-00049255**

Dear Mr. McNulty:

Enclosed for filing on behalf of PPL Electric Utilities Corporation ("PPL Electric") is an original and eight (8) copies of Supplement No. 39 to Tariff Electric - Pa. P.U.C. No. 201 ("Tariff"). Supplement No. 39 implements the order entered by the Public Utility Commission on May 7, 2004, in the above-captioned docket suspending the rates proposed in Supplement No. 38 of the Tariff from June 1, 2004 until January 1, 2005. The presently effective provisions of PPL Electric's Tariff, and supplements thereto, will continue in effect until otherwise amended.

I have served copies of Tariff Supplement No. 39 on Administrative Law Judge Allison K. Turner and all active parties in this proceeding.

Pursuant to 52 Pa. Code § 1.11, the enclosed document is to be deemed filed on May 17, 2004, which is the date it was deposited with an overnight express delivery service as shown on the delivery receipt attached to the mailing envelope.

In addition, please date and time-stamp the enclosed extra copy of this letter and return it to me in the envelope provided.

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

Very truly yours,

Paul E. Russell

Enclosures

cc: The Honorable Allison K. Turner
Certificate of Service

120

ORIGINAL

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

PPL Electric Utilities Corporation :
Supplement No. 38 to Tariff – Electric :
Pa. P.U.C. No. 201 :

Docket No. R-00049255

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MAY 17 2004

CERTIFICATION OF SERVICE

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

I hereby certify that I have this day served a true copy of the foregoing documents upon the participant(s), listed below, in accordance with the requirements of §1.54 (relating to service by a participant):

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Dated: May 17, 2004



Paul E. Russell



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MAY 17 2004

PA PUBLIC UTILITY COMMISSION
SECRETARY'S OFFICE

PPL Electric Utilities Corporation

GENERAL TARIFF

RULES AND RATE SCHEDULES FOR ELECTRIC SERVICE

In the territory listed on pages 4, 4A, and 4B
and in the adjacent territory served.

ISSUED: May 17, 2004

EFFECTIVE: May 17, 2004

The application of rate changes proposed in Supplement No. 38 to Tariff Electric – PA. P.U.C. No. 201, filed to become effective June 1, 2004, is hereby suspended until January 1, 2005 in compliance with the Commission's Order entered May 7, 2004 at Docket No. R-00049255. Presently effective rates contained in Tariff Electric - PA. P.U.C. No. 201, and Supplements thereto, will continue in effect until otherwise amended.

Issued by
JOHN F. SIFICS, PRESIDENT
Two North Ninth Street
Allentown, PA 18101-1179

DOCKETED
JUN 30 2004

NOTICE

DOCUMENT

DOCKETED

JUN 08 2004

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

PENNSYLVANIA PUBLIC
UTILITY COMMISSION

v.

Docket No. R-00049255

PPL ELECTRIC UTILITIES
CORPORATION

PP&L INDUSTRIAL CUSTOMER
ALLIANCE

v.

Docket No. R-00049255C0002

PPL ELECTRIC UTILITIES
CORPORATION

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2004 MAY 27 PM 4:02
2004 MAY 24 PM 2:02
SECRETARY'S BUREAU
SECRETARY'S BUREAU

**PREHEARING MEMORANDUM
OF THE PP&L INDUSTRIAL CUSTOMER ALLIANCE**

The PP&L Industrial Customer Alliance ("PPLICA") hereby submits this Prehearing Memorandum in the above-captioned proceeding. PPLICA intends to participate in this proceeding as an "active" party.

I. HISTORY OF THE PROCEEDING

On March 29, 2004, PPL Electric Utilities Corporation ("PPL" or "Company") filed Supplement No. 38 to Tariff – Electric Pa. P.U.C. No. 201, together with supporting testimony, with the Pennsylvania Public Utility Commission ("PUC" or "Commission"). By its filing, PPL requests an increase in the Company's distribution base rates under Section 1308 of the Public Utility Code, 66 Pa.C.S.A. § 1308. On April 6, 2004, PPLICA filed a Complaint in this proceeding. A description of PPLICA is set forth in Paragraph 6 of PPLICA's Complaint.

II. ANTICIPATED ISSUES AND SUB-ISSUES

PPLICA's preliminary review of the Company's filing indicates the need for Commission investigation into at least the following issues:

- (a) whether the size of the requested rate increase is appropriate;
- (b) whether the expenses claimed by PPL were prudently incurred;
- (c) whether the allocation of the proposed distribution rate increase between and among customer classes is just, reasonable and non-discriminatory;
- (d) whether PPL's proposed rate structure and rate design are appropriate;
- (e) whether the 11.5% return on equity proposed by PPL and other aspects of the Company's proposal result in a fair rate of return;
- (f) whether PPL's claimed cost of service is accurate, legitimate and appropriately allocated;
- (g) whether PPL's proposed funding of certain social programs, including the Community Betterment Initiative and the Sustainable Energy Fund, is appropriate;
- (h) whether PPL's proposed application and design of the proposed Transmission Service Charge is appropriate, just and reasonable; and
- (i) whether PPL's proposed implementation of a Distribution System Improvement Charge is appropriate and lawful.

PPLICA anticipates pursuing these issues during this proceeding, and reserves the right to raise and address other issues of concern and to respond to issues raised by other parties.

III. PROPOSED WITNESSES

PPLICA tentatively expects to sponsor the testimony of the following witnesses:

- (a) Stephen J. Baron of J. Kennedy and Associates, Inc.;
- (b) Jennifer Hunsperger of Praxair, Inc.;
- (c) Craig C. Onori of Agere Systems, Inc.;
- (d) Jay Rooney of Armstrong World Industries, Inc; and

(e) Larry Stalica of BOC Gases.

PPLICA reserves the right to modify or supplement this witness list during the course of this proceeding. In the event that PPLICA decides to modify or supplement its witness list, PPLICA will inform the parties and the Administrative Law Judge ("ALJ") as soon as possible of the intended witnesses. PPLICA also intends to participate in this proceeding through the submission of discovery, cross-examination of other parties' witnesses, and the submission of briefs, exceptions and reply exceptions, if necessary.

IV. PROPOSED SCHEDULE AND DISCOVERY RULES

PPLICA will cooperate with the ALJ and the parties at the Prehearing Conference to develop an appropriate procedural schedule and discovery rules in accordance with the Commission's regulations and any ALJ directives.

V. POSSIBILITY OF SETTLEMENT

PPLICA is willing to participate in discussions with the other parties to amicably resolve the issues in this proceeding.

Respectfully submitted,

McNEES WALLACE & NURICK LLC

By Karen S. Miller

David M. Kleppinger
Pamela C. Polacek
Karen S. Miller
100 Pine Street
P.O. Box 1166
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Dated: May 17, 2004

Counsel to the PP&L Industrial Customer
Alliance

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May 18, 2004

James McNulty, Secretary
PA Public Utility Commission
Commonwealth Keystone Bldg., 2nd
Floor, 400 North Street P.O. Box 3265
Harrisburg, PA 17105-3265

DOCUMENT

RECEIVED
2004 MAY 18 PM 3:26
SECRETARY'S BUREAU

Re: Pa. PUC, *et al.* v. PPL Electric Utilities Corporation;
Docket No. R-00049255, *et al.*

Dear Secretary McNulty

Enclosed for filing are the original and three copies of the Mid-Atlantic Power Supply Association's Prehearing Memorandum in the above-referenced matter. As evidenced by the attached Certificate of Service, all parties of record have been served in the manner indicated.

If you have any questions regarding this filing, please contact me at your convenience.

Sincerely,

Kevin J. Moody

Kevin J. Moody

For WOLF, BLOCK, SCHORR and SOLIS-COHEN LLP

KJM/jls
Enclosures

cc: Certificate of Service (w/enc)

DSH:41078.1/MID051-158776

Cherry Hill, NJ ■ Harrisburg, PA ■ New York, NY ■ Norristown, PA ■ Philadelphia, PA ■ Roseland, NJ ■ Wilmington, DE

WolfBlock Government Relations: Harrisburg, PA and Washington, DC
Wolf, Block, Schorr and Solis-Cohen LLP, a Pennsylvania Limited Liability Partnership

23

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BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

DOCKETED

JUL 07 2004

Pennsylvania Public Utility Commission, *et al.* : R-00049255, R-00049255C0001, *et al.*
v. :
PPL Electric Utilities Corporation :

DOCUMENT

SECRETARY'S BUREAU

2004 MAY 18 PM 3:26

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**PREHEARING MEMORANDUM
of MID-ATLANTIC POWER SUPPLY ASSOCIATION**

On April 30, 2004, the Mid-Atlantic Power Supply Association ("MAPSA") filed and served its petition to intervene. Pursuant to Section 333 of the Public Utility Code and in response to the May 12, 2004 Prehearing Order of Administrative Law Judge ("ALJ") Allison K. Turner, the Mid-Atlantic Power Supply Association ("MAPSA") submits its Prehearing Memorandum.

Issues

MAPSA continues to review PPL's filing.¹ MAPSA is primarily interested in the allocation of costs between generation, distribution and transmission, and addressing in a manner that promotes competition any improperly allocated costs, as well as exploring ways in which PPL's installation of automated meters may be used to support development of the competitive market. MAPSA reserves the right to address other issues, as developed in discovery and the testimony of other parties, that may affect MAPSA's interests in promoting competition.

Witnesses

MAPSA has not yet determined whether it will present testimony, but will inform the ALJ and the other parties when that determination has been made. MAPSA reserves the right to

¹ The opinions expressed in this filing may not represent the views of all members of MAPSA.

participate through discovery, cross-examination and the submission of briefs and other documents as necessary to protect and advance MAPSA's interests.

Scheduling and Discovery

Other than supporting the use of email for service of electronic copies of discovery responses and documents, MAPSA does not take a position concerning scheduling and discovery in this proceeding, and is willing to accept the discovery rules and schedule ordered by the ALJ.


Active status request

MAPSA elects to participate in this proceeding as an "active" party.

Possibility Of Settlement

MAPSA is willing to participate in any process or discussions to reach an amicable resolution of issues in this proceeding.

Respectfully submitted,



Daniel Clearfield, Esquire
Kevin J. Moody, Esquire
Wolf, Block, Schorr & Solis-Cohen LLP
212 Locust Street, Suite 300
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(717) 237-7160

Date: May 18, 2004

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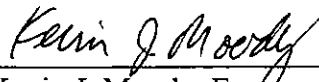
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Richard Rathvon, President
MAPSA
c/o Reliant Energy Solutions
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Tracy McCormick
Executive Director
MAPSA
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Harrisburg, PA 17112

Date: May 18, 2004



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COUNSELORS AT LAW

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May 18, 2004

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2004 MAY 18 PM 2:58

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James J. McNulty
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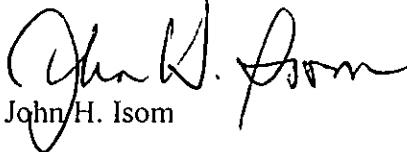
**Re: Pennsylvania Public Utility Commission v.
PPL Electric Utilities Corporation
Docket No. R-00049255**

Dear Secretary McNulty:

Enclosed for filing, are an original and three (3) copies of the Prehearing Memorandum of PPL Electric Utilities Corporation in the above-referenced proceeding.

As indicated on the attached Certificate of Service, copies have been served on all parties in the manner indicated.

Respectfully submitted,


John H. Isom

JHI/jl

Enclosure

c: Certificate of Service

John F. Sipics	Statement No. 1	Current financial condition, management effectiveness and perspective on filing.
Joseph R. Schadt	Statement No. 2	Operating budgets, actual results of operations and expense adjustments.
David R. Woodruff	Statement No. 3	Sales forecast, annualization of sales and revenue and load research.
Douglas A. Krall	Statement No. 4	DSR, distribution system improvement charge, transmission service charge, AMR/other capital and strategic rate design.
Joseph M. Kleha	Statement No. 5	Cost allocation study, cash working capital, taxes, expense adjustments and cost recovery mechanisms.
Oliver G. Kasper	Statement No. 6	Specific rate design, class revenue allocation, tariff rules, proofs of revenue and pro forma revenue adjustments.
Timothy R. Dahl	Statement No. 7	Universal service programs, community betterment initiative, sustainable energy fund.
John Spanos	Statement No. 8	Depreciation and service life study.
Paul R. Moul	Statement No. 9	Cost of common equity, capital structure, embedded cost of capital and fair rate of return.
Julie M. Cannell	Statement No. 10	Cost of common equity and investor perspective.

PPL Electric is unable to provide further identification of the issues at this time because the issues that will be litigated in this proceeding ultimately will be identified at least initially by other parties.

PPL Electric may present additional witnesses, testimony and exhibits on matters arising during the course of the proceeding, including matters raised by other parties.

SETTLEMENT

PPL Electric stands ready to enter into settlement discussions with the other parties on all issues. It is premature, however, to predict the likelihood of achieving either an overall settlement or settlements of any issues because the proceeding is in its early stages.

PROPOSED SCHEDULE

PPL Electric is providing as Attachment "A" hereto a proposed schedule. This proposed schedule conforms to the "Outline of Procedural Schedule" that was provided as Appendix A to the Prehearing Order of Administrative Law Judge Turner dated May 12, 2004. PPL Electric believes that the proposed schedule is fair to all parties, given the statutory limitation on the length of time for the Commission to adjudicate proposed general increases in base rates. PPL Electric will work with the other parties to make reasonable accommodations for others' schedules, but PPL Electric believes that the final schedule should not deviate substantially from that proposed in Attachment "A" hereto.

DISCOVERY SCHEDULE

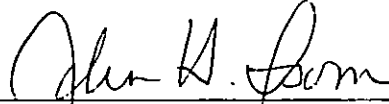
PPL Electric believes that the opportunity for discovery should continue through the proceeding until the close of the evidentiary record. PPL Electric believes that it would be inappropriate for the discovery schedule to be accelerated due to the substantial amount of discovery that has been propounded to PPL Electric to date. To date, 26 sets of discovery requests containing more than 560 separate interrogatories, many with multiple subparts, have been served upon PPL Electric. PPL Electric will continue to respond to discovery requests as rapidly as possible.

PUBLIC INPUT HEARINGS

PPL Electric believes that four public input hearings should be sufficient to provide to customers a reasonable opportunity to express their views concerning this proceeding. PPL Electric suggests that any public input hearings be held early in the

proceeding so that PPL Electric will have a reasonable opportunity to respond to any issues raised by customers.

Respectfully submitted,



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Fax: 610.774.6726
E-mail: perussell@pplweb.com

Of Counsel:

Morgan, Lewis & Bockius LLP

Date: May 18, 2004

Attorneys for PPL Electric
Utilities Corporation

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission, et al. :
:
v. : Docket No. R-00049255
:
PPL Electric Utilities Corporation :

**PPL ELECTRIC UTILITIES CORPORATION'S
PROPOSED LITIGATION SCHEDULE**

Prehearing Conference	May 19, 2004
Other Parties' Cases-in-Chief	June 25, 2004
Rebuttal Testimony	July 26, 2004
Surrebuttal Testimony	August 4, 2004
Rejoinder Testimony	Oral at hearings.
Hearings	August 9-13, 2004
Main Brief	August 31, 2004
Reply Brief	September 10, 2004
Recommended Decision	October 15, 2004
Commission Decision	December 16, 2004
January 1, 2005	New rates become effective

All dates are "in hand" dates.

Service by e-mail will be considered in hand if a hard copy is sent by First Class Mail or more expedited service on the same day.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing **“Prehearing Memorandum of PPL Electric Utilities Corporation”** upon the participant(s), listed below, in accordance with the requirements of §1.54 (relating to service by a participant):

VIA FIRST-CLASS MAIL & E-MAIL

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Eric Joseph Epstein
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Honorable Allison K. Turner
Administrative Law Judge
Pennsylvania Public Utility Commission
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1400 West Spring Garden Street
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Attorney at Law
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2004 MAY 18 PM 2:58

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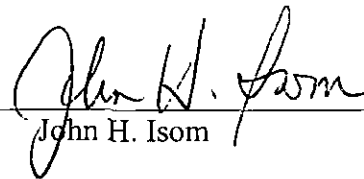
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Mark C. Morrow
460 North Gulph Road
King of Prussia, PA 19406

Date: May 18, 2004



John H. Isom



ORIGINAL

May 18, 2004

James J. McNulty, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
3rd Floor
400 North Street
P.O. Box 3265
Harrisburg, PA 17105-3265

SECRETARY'S BUREAU

2004 MAY 18 PM 2:18

RECEIVED

Re: Pennsylvania Public Utility Commission v. PPL Electric Utilities Co.
Docket Number ~~P~~-00049255
R

Déar Secretary McNulty:

Enclosed for filing in the above-captioned proceeding, is an original and three (3) copies of the Petition to Intervene of Citizens for Pennsylvania's Future, Char Magaro, and Edward M. McGovern. Copies of this document have been served upon the presiding Administrative Law Judge as well as parties of record as indicated on the attached Certificate of Service.

Sincerely,

Peter Adels

Peter Adels
General Counsel

cc: Honorable Allison Turner
Certificate of Service

DOCUMENT
FOLDER

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

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2004 MAY 18 PM 2: 18

SECRETARY'S BUREAU

Pennsylvania Public Utilities Commission :

v. :

PPL Electric Utilities Co. :

Docket Number ^R P-00049255

PETITION TO INTERVENE
OF
CITIZENS FOR PENNSYLVANIA'S FUTURE,
CHAR MAGARO, and EDWARD M. McGOVERN

Through Counsel, Citizens for Pennsylvania's Future ("PennFuture"), Char Magaro, and Edward M. McGovern (collectively, the "PennFuture Parties") file this Petition to Intervene pursuant to the provisions of the Rules of Practice and Procedure of the Pennsylvania Public Utility Commission ("Commission"), 52 Pa. Code §§5.71-5.74 and Chapters 11, 13 and 28 of the Public Utility Code, and request status, individually and collectively, as Intervenors in the proceedings of the Commission in the referenced docket.

Petitioners provide the following in support of their Petition to Intervene:

1. On March 29, 2004, PPL Electric Utilities Co. ("PPL") filed a Petition requesting approval of a rate increase for distribution service to retail customers in its service territory for the period beginning on January 1, 2005 (the "proposal"). Whether approved, modified, or rejected, the PPL proposal would increase customer bills and affect the ability of PPL to attract capital, to provide safe and reliable service to its customers, and to make its programs available.

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2. On May 7, 2004, the Pennsylvania Public Utility Commission (PUC) suspended the proposed tariff and sent the matter for hearings to investigate whether the proposal is just and reasonable.

3. Petitioner Citizens for Pennsylvania's Future, d/b/a PennFuture, is a Pennsylvania not-for-profit corporation with offices in Harrisburg, Philadelphia, and Pittsburgh, Pennsylvania. PennFuture's Harrisburg office is at 610 North Third Street. PennFuture receives electric distribution service from PPL and is directly affected by the terms of such service. PennFuture has members, staff and directors who live and work in the PPL service territory and are direct customers of PPL for distribution service and/or are dependent upon such service.

PennFuture's organizational purpose is to preserve and protect the environment of Pennsylvania. PennFuture engages in research and analysis, policy development, public education, litigation and other strategies to achieve its goals. A substantial portion of the work of the organization concerns restructuring electricity markets to benefit the economy and environment of Pennsylvania, and PennFuture is widely considered a national expert in such matters.

4. Individual Petitioners are members, directors or staff of PennFuture and are customers receiving distribution service from PPL.

a. Char Magaro resides at 606 Magaro Road, Enola, Pennsylvania, 17025, where she is a customer receiving distribution service from PPL. Ms. Magaro also owns Char's Bella Mundo restaurant, located at 540 Race Street, Harrisburg, Pennsylvania 17104, and is a customer receiving distribution service from PPL at that address for her business.

b. Edward M. McGovern resides at 640 Stony Creek Drive, Dauphin, Pennsylvania, 17018, where he is a customer receiving distribution service from PPL.

5. The name and addresses of Petitioner's Counsel is:

Peter Adels, General Counsel
Charley McPhedran, Senior Attorney
PennFuture
Suite 1801
117 S. 17th Street
Philadelphia, PA 19103
fax 215-569-9637
adels@pennfuture.org 215-569-9695
mcphehdran@pennfuture.org 215.569.9693

6. The Commission's regulations at 52 Pa. Code § 5.72(a) state that a person is eligible for intervention who has "an interest which may be directly affected and which is not adequately represented by existing participants and as to which the petitioner may be bound by the action of the Commission in the proceeding."

7. Each individual Petitioner is directly and personally affected by the proposal because it reasonably may be expected to affect the safety, reliability, cleanliness and affordability of distribution service received from PPL. Each individual Petitioner purchases renewable generation and has used the services of the Sustainable Energy Fund of Central Eastern Pennsylvania, the continued funding of which is at issue in this proceeding. The proposal will affect the availability of other programs and services available to each Petitioner, their opportunity to participate in PPL programs, as well as the opportunity for others to participate in such programs. The proposal will directly affect each individual Petitioner's ability to meet the basic necessities of life and work, and could impose health and financial consequences if the proposal, as it may be approved, modified or rejected in these proceedings, does not result in safe, reliable, clean, and affordable

service. Individually and collectively, the PennFuture Parties have a unique perspective on the matters at issue in these proceedings that cannot be adequately represented by any other party.

8. Petitioners have not determined any ultimate position on various aspects of PPL's proposal but note that there appear to be ways in which the proposal can be improved to provide safer, cleaner, and more reliable and more affordable electricity services in the PPL service territory.

9. Petitioners reserve the right to raise other and more specific issues as necessary and appropriate during the course of the proceeding and to respond to issues raised by other parties.

For the foregoing reasons, Petitioners believe that good cause has been shown to grant the Petition and allow Petitioners participation in these proceedings with full party status.

Respectfully submitted,



CITIZENS FOR PENNSYLVANIA'S FUTURE
Peter Adels, General Counsel
117 S. 17th St., Suite 1801
Philadelphia, PA 19103
215-569-9695 215-569-9637 (fax)
adels@pennfuture.org

Counsel for Petitioners

Dated: May 18, 2004

CERTIFICATE OF SERVICE

PA PUC v. PPL Electric Utilities Co.

Docket No. R-00049255

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

Date: 5/18/04

Peter Adels

Peter Adels, Esq.

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(PPL Industrial Intervenors)

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2004 MAY 18 PM 2:19
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DOCUMENT

May 18, 2004

FEDERAL EXPRESS

James J. McNulty, Esquire
Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
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RECEIVED

MAY 19 2004

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

**Re: PPL Electric Utilities Corporation
Supplement No. 38 to Tariff -
Electric Pa. P.U.C. No. 201
Docket No. R-00049255**

Dear Mr. McNulty:

Attached for filing, pursuant to the Commission's regulations, 52 Pa. Code § 5.342(d), is a Certificate of Service identifying responses to interrogatories that PPL Electric Utilities Corporation served today on the active participants in this proceeding.

If you have any questions regarding these responses, please call.

Very truly yours,

Paul E. Russell

Attachment

cc: The Honorable Allison K. Turner

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

PPL Electric Utilities Corporation :
Supplement No. 38 to Tariff – Electric : Docket No. R-00049255
Pa. P.U.C. No. 201 :

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MAY 19 2004

CERTIFICATION OF SERVICE

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

I hereby certify that I have this day served a true copy of the responses of PPL Electric Utilities Corporation to Interrogatories of the Office of Trial Staff, Set 11, Questions OTS-RB-1 through OTS-RB-7; Set 12, Questions OTS-RE-124 through OTS-RE-126, Set 12, Questions OTS-RS-50 through OTS-RS-67; Set 14, Questions OTS-RE-127 through OTS-RE-130; and Set 15, Question OTS-RE-131, upon the participant(s) listed below, in accordance with the requirements of §1.54 (relating to service by a participant):

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Michael Fiorentino, Esquire
Joseph Otis Minott
Clean Air Council
135 S. 19th Street, Suite 300
Philadelphia, PA 19103

Dated: May 18, 2004

A handwritten signature in black ink, appearing to read "Paul E. Russell", written over a horizontal line.

Paul E. Russell



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(610) 337-1000 Telephone
(610) 992-3259 Fax

May 18, 2004

James J. McNulty, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

Re: Pennsylvania Public Utility Commission v. PPL Electric Utilities Corporation, Docket No. R-00049255, et. al.

SECRETARY'S BUREAU
04 MAY 20 AM 9:23

DOCUMENT FOLDER

Dear Secretary McNulty:

Enclosed for filing in the above-captioned matter please find an original and three copies of the Prehearing Memorandum of UGI Utilities, Inc. Copies of this document have been served upon the persons indicated on the attached certificate of service.

Should you have any questions concerning this filing, please feel free to contact me.

Very truly yours,

Mark C. Morrow

Counsel for UGI Utilities, Inc.

16

ORIGINAL

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission,

v.

PPL Electric Utilities Corporation

:
:
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:
:

Docket No. R-00049255;
R-00049255C0001, *et. al.*

SECRETARY'S BUREAU
P.U.C.
04 MAY 20 AM 9:23

PREHEARING MEMORANDUM
OF
UGI UTILITIES, INC.

BEFORE ADMINISTRATIVE LAW JUDGE ALLISON K. TURNER:

Pursuant to Section 333 of the Public Utility Code, 66 Pa. C.S. § 333, and in response to the prehearing conference notice issued in the above-captioned matter, UGI Utilities, Inc.

("UGI") submits the following Prehearing Memorandum.

DOCKETED
JUN 17 2004

I. BACKGROUND

On March 29, 2004, PPL Electric Utilities Corporation ("PPL") filed Supplement No. 38 to Tariff Electric - Pa. P.U.C. No. 201 ("Supplement No. 38") with the Commission proposing various modifications to its rates. On May 11, 2004, UGI filed a petition to intervene in this proceeding.

II. ISSUES

UGI is still in the process of evaluating Supplement No. 38, but is primarily interested in rate structure and DSIC proposals contained therein, as well as the proposed pass-through of FERC-jurisdictional charges.

**DOCUMENT
FOLDER**

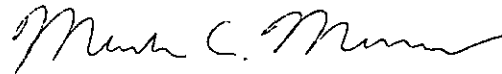
III. SCHEDULING AND WITNESSES

UGI will abide by any schedule established in this proceeding. UGI does not anticipate that it will be submitting any testimony or exhibits in this proceeding, or cross-examining any witnesses, but reserves the right to do so.

IV. ACTIVE PARTY STATUS

UGI requests active party status so that it is included on all service lists for all documents and information circulated in this proceeding.

Respectfully submitted,



Mark C. Morrow
460 North Gulph Road
King of Prussia, PA 19406
Tel.: 610.337.1000
Fax.: 610.992.3258
morrowm@ugicorp.com

Dated May 18, 2004

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

PENNSYLVANIA PUBLIC UTILITY :
COMMISSION :

v. :

PPL ELECTRIC UTILITIES :
CORPORATION :

Docket No. R-00049255;
R-00049255C0001, *et. al.*

CERTIFICATE OF SERVICE

I hereby certify that I have, this 18th day of May, 2004, served a true and correct copy of the Prehearing Memorandum of UGI Utilities, Inc. in the manner and upon the persons listed below in accordance with requirements of 52 Pa. Code §1.54 (relating to service by a participant):

VIA FIRST CLASS MAIL:

Paul E. Russell, Associate General Counsel
PPL Electric Utilities Corporation
Two North Ninth Street
Allentown, PA 18101-1179

The Honorable Allison K. Turner
Administrative Law Judge
Pennsylvania Public Utility Commission
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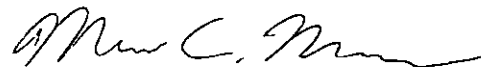
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Mark C. Morrow

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Business Services
Company

Direct Dial: 215 841 4941

DOCUMENT

May 18, 2004

Via E-Mail and Fax

Administrative Law Judge Allison K. Turner
1302 Philadelphia State Office Building
1400 West Spring Garden Street
Philadelphia, PA 19130

Subject: **Prehearing Memorandum of PECO Energy Company**
Docket No. R-00049255 et seq.

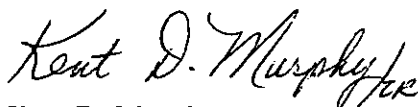
RECEIVED
2004 MAY 24 PM 2:02
SECRETARY'S BUREAU

Dear Judge Turner:

Enclosed please find Prehearing Memorandum of PECO Energy Company in the above captioned matter.

Any questions related to PECO Energy Company's Prehearing Memorandum may be directed to the undersigned counsel at 215-841-4941.

Sincerely,



Kent D. Murphy

KDM/zr

Enc.

cc: Parties of Record

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

PENNSYLVANIA PUBLIC
UTILITY COMMISSION ET AL.

v.

PPL ELECTRIC UTILITIES
CORPORATION

Docket No. R-00049255 et seq.

DOCUMENT

DOCKETED
JUN 08 2004

PREHEARING MEMORANDUM
OF PECO ENERGY COMPANY

Pursuant to the Prehearing Order dated May 12, 2004 in this proceeding, PECO Energy Company ("PECO"), a wholly owned indirect subsidiary of Exelon Corporation, hereby submits this Prehearing Memorandum in the above-captioned proceeding. PECO intends to participate in this proceeding as an "active" party.

I. HISTORY OF THE PROCEEDING

The history of this proceeding is summarized in the May 12, 2004. As stated therein, PECO Energy filed its intervention on April 12, 2004. In this respect, PECO has a direct interest in this proceeding as a PPL Electric Utilities Corporation electric service customer at a variety of locations. PECO is also interested in this first major electric distribution general rate proceeding since the advent of electric restructuring in Pennsylvania pursuant to its role as a regulated electric distribution company. Similarly, as a potential electric generation supplier, PECO has an interest in ensuring that PPL's unbundled retail transmission rates are properly established.

II. ANTICIPATED ISSUES AND SUB-ISSUES

PECO's preliminary review of the Company's filing indicates that this rate case involves fairly typical general rate issues, including cost allocation and rate design issues that may affect the level of rates PECO would be required to pay for PPL's retail electric service.

PECO anticipates that its interest in other ratemaking issues such as cost of service, rate of return and capital structure, and PPL's Universal Service proposals, will depend on PPL's response to discovery propounded by the various parties as well as the testimony of the other parties hereto.

III. PROPOSED WITNESSES

PECO at this time does not expect to submit the testimony of any witnesses in this proceeding but will inform the other parties and the Presiding Administrative Law Judge if that expectation changes. PECO may also participate in this proceeding through the submission of discovery, cross-examination of witnesses, and the submission of briefs and other pleadings, if necessary.

IV. PROPOSED SCHEDULE AND DISCOVERY RULES

PECO is willing to accept whatever schedule the other parties to this proceeding are willing to arrange, or the Presiding Administrative Law Judge otherwise directs.

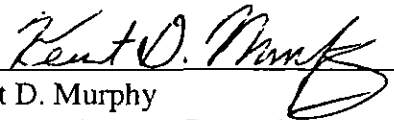
PECO requests that PPL provide all discovery responses via Internet e-mail in addition to the paper responses required under the Commission's rules of practice and procedure. Electronic responses reduce the burden of copying and otherwise increase the efficiency of reviewing the responses.

V. POSSIBILITY OF SETTLEMENT

PECO generally believes that most, if not all issues in a general rate proceedings are reasonably susceptible to mutually resolution and would participate in any process design to achieve that goal.

Respectfully submitted,

EXELON BUSINESS SERVICES
COMPANY

By 
Kent D. Murphy
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Phone: (215) 841-4941
Fax: (215) 568-3389
Email: kent.murphy@exeloncorp.com

Dated: May 18, 2004

Counsel for PECO Energy Company

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

PENNSYLVANIA PUBLIC UTILITY :
COMMISSION ET AL. :
 :
 :
v. : Docket No. R-00049255 et seq
 :
 :
PPL ELECTRIC UTILITIES :
 :
 :

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a copy of Prehearing Memorandum of PECO Energy Company in the above matter upon all interested parties by mailing a copy thereof by e-mail and US First Class mail, properly addressed and postage prepaid to:

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Eugene M. Brady
Commission on Economic Opportunity
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PO Box 1127
Wilkes-Barre, PA 18703

Patricia Armstrong
Thomas, Thomas, Armstrong & Niesen
Suite 500
212 Locust Street
PO Box 9500
Harrisburg, PA 17108-9500

Dated at Philadelphia, Pennsylvania, May 18, 2004.


Kent D. Murphy

Exelon Business Services Company
2301 Market Street, S23-1
P.O. Box 8699
Philadelphia, PA 19101-8699
215/841-4941



JUN 08 2004

Before the
PENNSYLVANIA PUBLIC UTILITY COMMISSION

DOCUMENT

Administrative Law Judge
Allison K. Turner, Presiding

Pennsylvania Public Utility
Commission

: Docket No. R-00049255

v.

PPL Electric Utilities Corporation

SECRETARY'S BUREAU

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PREHEARING MEMORANDUM FOR THE
SUSTAINABLE ENERGY FUND OF
CENTRAL EASTERN PENNSYLVANIA

AND NOW, comes the Sustainable Energy Fund of Central Eastern Pennsylvania ("SEF"), by its attorneys, and submits this memorandum in connection with the Initial Prehearing Conference scheduled to be held in the above captioned matter on May 19, 2004.

I. Introduction

This proceeding concerns PPL Electric Utilities Corporation's ("PPL") Supplement No. 38 to Tariff Electric-Pa. P.U.C. No. 201 issued March 29, 2004 ("Supplement No. 38"). Supplement No. 38 proposes an increase in PPL's distribution rates of \$164 million and an extension of the existing Sustainable Energy Fund Rider.

SEF is a Pennsylvania non-stock, non-profit corporation and an exempt organization under Section 501(c)(3) of the Internal Revenue Code, 26 U.S.C. §501(c)(3).

On April 28, 2004, SEF filed a petition to intervene in this proceeding. On May 13, 2004, PPL filed an answer to SEF's petition stating that it does not oppose SEF's intervention.

SEF's address is as follows:

Sustainable Energy Fund of Central Eastern Pennsylvania
609 Hamilton Street
Allentown, PA 18101

The names and addresses of SEF's attorneys are:

Patricia Armstrong, Esquire
Thomas T. Niesen, Esquire
THOMAS, THOMAS, ARMSTRONG & NIESEN
212 Locust Street, Suite 500
P.O. Box 9500
Harrisburg, PA 17108-9500

II. SEF's Participation In This Proceeding

SEF receives all of its funding through the application of the Sustainable Energy Fund Rider. As explained at Second Revised Page No. 19K of PPL's presently effective Tariff No. 201, the Sustainable Energy Fund Rider of 0.01 cents per KWH is scheduled to expire on December 31, 2004.

PPL has proposed in its Supplement No. 38, Third Revised Page No. 19K, to continue the Sustainable Energy Fund Rider at the current rate of 0.01 cents per KWH until not later than December 31, 2009.

SEF's mission is to promote, research, and invest in clean and renewable energy technologies, energy conservation, energy efficiency, and sustainable energy enterprises that provide opportunities and benefits for PPL ratepayers. Through its intervention SEF intends to support the continuation of an adequate funding stream for the promotion of renewable and clean energy.

Upon the granting of its intervention, SEF intends to participate in this matter as a party with all of a party's attendant rights. Presently, however, SEF does not intend to call a witness as part of its presentation. SEF respectfully reserves the right to identify and call a witness or witnesses as this matter progresses. SEF will work with the other parties to develop an appropriate procedural schedule.

Respectfully submitted,



Patricia Armstrong
Thomas T. Niesen
THOMAS, THOMAS, ARMSTRONG & NIESEN
212 Locust Street, Suite 500
P.O. Box 9500
Harrisburg, PA 17108-9500

Attorneys for
Sustainable Energy Fund of
Central Eastern Pennsylvania

DATED: May 18, 2004
SEF Prehearing Memorandum.wpd

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JUN 08 2004

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission

v.

PPL Electric Utilities Corporation

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:

Docket No. R-00049255

DOCUMENT

PREHEARING MEMORANDUM
OF INTERNATIONAL BROTHERHOOD OF ELECTRICAL
WORKERS, LOCAL 1600

Pursuant to the Prehearing Order dated May 12, 2004, of Administrative Law Judge Allison K. Turner, the International Brotherhood of Electrical Workers, Local 1600 ("Local 1600") hereby files this Prehearing Memorandum.

1. Party Identification: Local 1600 is the authorized bargaining unit for several hundred employees of PPL Electric Utilities Corporation ("PPL"), including retirees, and is also a customer of PPL. Local 1600 filed a Petition to Intervene on April 8, 2004, which PPL did not oppose. Local 1600 requests **active party status** and is represented by the undersigned counsel, upon whom all documents should be served.

2. Issues: Local 1600 is particularly concerned with issues that affect PPL's work force, including but not limited to various expense-related issues (for example, recovery of employee transition costs associated with PPL's conversion to automated meter reading; pension and benefit expenses; projected employment levels; among others) and issues concerning the safety and reliability of PPL's service.

3. Discovery: Local 1600 has not yet engaged in discovery and will abide by the discovery rules and schedule that are established by the ALJ.

4. Witnesses: Local 1600 has not yet determined if it will be filing testimony and, therefore, it has not determined if it will have a witness. If Local 1600 decides to call a witness, it will immediately provide notice to the parties and the ALJ of the identity of the witness and the anticipated subject matter of the testimony.

5. Settlement: Local 1600 is willing to participate in settlement negotiations concerning any and all issues that affect its interest in this case.

6. Schedule: Local 1600 will work with the other parties at the Prehearing Conference to develop a schedule.

Respectfully submitted,



Scott J. Rubin
3 Lost Creek Drive
Selinsgrove, PA 17870
voice: (570) 743-2233
fax: (570) 743-8145
scott@publicutilityhome.com

Counsel for:
International Brotherhood of Electrical Workers,
Local 1600

Dated: May 18, 2004

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

PENNSYLVANIA PUBLIC UTILITY
COMMISSION

DOCKETED

JUN 08 2004

v.

Docket No. R-00049255

PPL ELECTRIC UTILITIES CORPORATION

DOCUMENT OFFICE OF SMALL BUSINESS ADVOCATE
PREHEARING MEMORANDUM

SECRETARY'S BUREAU

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I. INTRODUCTION

The Office of Small Business Advocate (OSBA) is authorized to represent the interests of small business consumers of utility services before the Pennsylvania Public Utility Commission pursuant to the provisions of the Small Business Advocate Act, Act 181 of 1988, 73 P.S. §§399.41 - 399.50 ("the Act"). In order to discharge this statutory duty, the Small Business Advocate deems it necessary to participate as a party to this proceeding. Representing the OSBA in this matter is Assistant Small Business Advocate Steven C. Gray. Please address all correspondence as follows:

Steven C. Gray, Esquire
Office of Small Business Advocate
Suite 1102, Commerce Building
300 North Second Street
Harrisburg, Pennsylvania 17101
(717) 783-2525
(717) 783-2831 (fax)
E-mail: sgray@state.pa.us

II. **FILING BACKGROUND**

On March 29, 2004, PPL Electric Utilities Corporation (“PPL” or “Company”) filed Supplement No. 38 to Tariff-Electric Pa. P.U.C. No. 201, proposing to increase its retail distribution rates by \$164.4 million in additional revenues. Additionally, PPL states that transmission charges reflected in retail rates are expected to increase by approximately \$57.2 million. The combination will produce an overall increase of \$221.6 million, an increase in annual revenues of 8.1%.

The OSBA filed a Complaint in this proceeding on April 8, 2004.

III. **IDENTIFICATION OF WITNESSES AND TENTATIVE ISSUES**

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

Mr. Robert D. Knecht
Industrial Economics Incorporated
2067 Massachusetts Avenue
Cambridge, MA 02140
(617) 354-0074
(617) 354-0463 - Fax
rdk@indecon.com

The OSBA will participate in the case to assure that the interests of small business customers of PPL are adequately represented and protected in this investigation into the Company's request for an increase in rates.

As appropriate and necessary, the OSBA will investigate and analyze the claims and proposals of the Company and other parties, setting forth the OSBA's positions through the presentation of testimony by its expert witness and via the cross-examination of witnesses appearing for other parties and briefing of the issues that arise in this proceeding. The OSBA will particularly focus on any issue where the impact on the interests of PPL's small business consumers would be

unjustifiably different than or disproportionate to the impact on another class of customers, or otherwise lacking in reasonableness or basic fairness. To date, the OSBA has identified the following potential issues:

1. Whether PPL's proposed DSIC mechanism is lawful, just and reasonable;
2. Whether PPL's proposed rate of return is excessive;
3. Whether PPL's O&M and other service costs are just and reasonable;
4. Whether the PPL cost of service study properly reflects cost causation;
5. Whether PPL's proposed interclass revenue allocation is just and reasonable;
6. Whether PPL's proposed rate design for the small commercial and industrial customer classes is just and reasonable;
7. Whether the treatment of the proposed transmission cost increase is properly reflected in the filing; and
8. Whether PPL's social program costs and underlying funding mechanisms are just and reasonable.

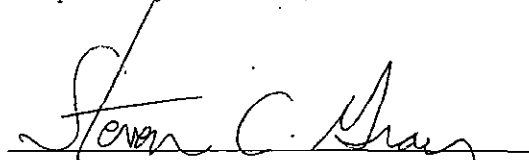
The OSBA reserves the right to pursue additional issues as they arise throughout the proceeding.

IV. HEARING AND BRIEFING SCHEDULE

The OSBA will participate with the other parties to arrive at a mutually acceptable schedule for the Presiding Officers review.

The OSBA supports the request by the *Northeast Delegation of the House of Representatives* for a public input hearing in a central location in Northeastern Pennsylvania. Furthermore, based on inquiries from businesses in Lancaster County, the OSBA believes that a public input hearing should be scheduled in that county.

Respectfully submitted,



Steven C. Gray
Assistant Small Business Advocate

For:

William R. Lloyd, Jr.
Small Business Advocate

Office of Small Business Advocate
Suite 1102, Commerce Building
300 North Second Street
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Dated: May 18, 2004

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

PENNSYLVANIA PUBLIC UTILITY
COMMISSION

v.

Docket No. R-00049255

PPL ELECTRIC UTILITIES CORPORATION

CERTIFICATE OF SERVICE

I certify that I am serving the Prehearing Memorandum on behalf of the Office of Small Business Advocate, by e-mail and first class mail (unless otherwise indicated) upon the persons addressed below:

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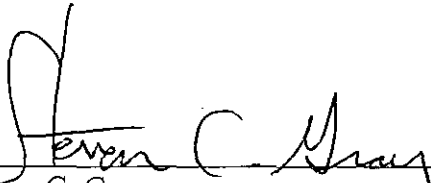
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jmunsch@alleghenenergy.com


Steven C. Gray
Assistant Small Business Advocate

Date: May 18, 2004

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

PENNSYLVANIA PUBLIC UTILITY :
COMMISSION :
v. :
PPL ELECTRIC UTILITIES :
CORPORATION :

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R-00049255 et al.

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PREHEARING MEMORANDUM
OF THE
OFFICE OF TRIAL STAFF

TO THE HONORABLE ALLISON K. TURNER:

In accordance with the Prehearing Order issued by Your Honor dated May 12, 2004, the Office of Trial Staff ("OTS") hereby submits this Prehearing Memorandum. The OTS prosecutors assigned to this proceeding are Johnnie E. Simms and Richard A. Kanaskie. Mr. Simms and Mr. Kanaskie may be contacted as follows:

By Mail: Johnnie E. Simms
Chief Prosecutor
Richard A. Kanaskie
Prosecutor
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

By e-mail: josimms@state.pa.us
rkanaskie@state.pa.us

By Telephone: (717) 787-1976
By FAX: (717) 772-2677

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I. BACKGROUND

On March 29, 2004, PPL electric utilities Corporation (“PPL” or “Company”) filed Supplement No. 38 to Tariff Electric – Pa. P.U.C. No. 201 with the Pennsylvania Public Utility Commission (“PUC” or “Commission”). The Company’s filing proposed to increase its Distribution rates by \$164.4 million with an effective date of June 1, 2004. The Company’s claim is based on a future test year ending December 31, 2004. Also, included with the filing was a notification to the Commission that Transmission charges are expected to increase by approximately \$57.2 million. These charges arise under Federal Energy Regulatory Commission (“FERC”) regulated Open Access Transmission Tariffs with the Pennsylvania, New Jersey and Maryland Interconnection (“PJM”). The requested Distribution and Transmission charges combined will produce an overall increase in annual revenues of \$221.6 million or 8.1%. Only the Distribution charge request is the subject of this proceeding.

PPL serves approximately 1.3 million customers in 29 counties in the state. On May 7, 2004, the Commission stated that pursuant to 66 Pa.C.S. §1308(d) the filing will be suspended by operation of law on June 1, 2004. The revised effective date will be January 1, 2005. PPL is prohibited from increasing Distribution rates before the end of 2004 due to a rate cap. The filing was assigned to the Administrative Law Judge (“ALJ”) Allison K. Turner for investigation and scheduling of hearings to consider the lawfulness, justness and

reasonableness of the Company's Rate increase request. A Prehearing Conference has been scheduled for May 19, 2004.

As of this date, Formal Complaints have been entered by the US Department of Defense & Federal Executive Agencies ("DOD"), PPL Industrial Customer Alliance ("PPLICA"), Office of Small Business Advocate ("OSBA"), Office of Consumer Advocate ("OCA") and Eric Joseph Epstein.

Petitions to Intervene were filed by the International Brotherhood of Electrical Workers, Local 1600 ("IBEW"), the Commission on Economic Opportunity ("CEO"), PECO Energy Company ("PECO"), Duquesne Light Company, the Sustainable Energy Fund of Central Eastern Pennsylvania ("SEF"), Mid Atlantic Power Supply Association ("MAPSA"), West Penn Power Company d/b/a Allegheny Power ("Allegheny") UGI Utilities, Inc. ("UGI") and the Clean Air Council ("Council").

On April 15, 2004 an Entry of Appearance on behalf of PPL was filed by John H. Isom, Michael W. Gang and David McGregor, Esquires, of the law firm of Morgan, Lewis and Bockius. The Office of Trial Staff filed its Notice of Appearance on April 22, 2004.

II. ISSUES

Based upon a preliminary review of the filing, OTS has identified certain areas of inquiry. The following statement of areas of inquiry represents the potential issues in this proceeding at this time. However, OTS specifically reserves the right to address such other issues when those issues arise:

- a) Cost of Common Equity;
- b) Capital Structure;
- c) Customer Charges;
- d) Present Revenue;
- e) Distribution System Improvement Charge;
- f) Wages and Benefits;
- g) Major Storm Damage;
- h) Cash Working Capital;
- i) Customer Assistance Programs;
- j) Transmission Surcharge;
- k) Minimum Systems;
- l) Rate Design;
- m) Cost of Service and
- n) Weather Normalization Adjustment.

Most of the issues raised by OTS will be supported by the Direct Testimony of an OTS witness in his area of responsibility. However, there may be issues of Commission policy or legal interpretation that are not properly the subject of testimony; or there may be factual issues that are clear on the record and need not be supported by testimony. OTS reserves the right to dispense with testimony when, in its opinion, an issue can be adequately addressed in brief.

III. WITNESSES

It is currently expected that OTS may call any or all of the following witnesses without being limited thereto:

Kevan Deardorff	kdeardorff@state.pa.us
Michael Gruber	mgruber@state.pa.us
Joseph Kubas	jkubas@state.pa.us
Charles T. Weakley	cweakley@state.pa.us
Paul Yarolin	pyarolin@state.pa.us
Gary Yocca	gyocca@state.pa.us
Andrew O'Donnell ¹	aodonnell@state.pa.us

¹ The OTS witnesses may be reached at the same mailing and telephone locations as those provided earlier in this Prehearing Memorandum for Mr. Simms and Mr. Kanaskie.

OTS reserves the right to call additional witnesses and/or delete witnesses listed above. The above listing is provided without analysis of the positions of all parties to this proceeding and without the benefit of completed discovery. All active parties will be notified of any additions to the OTS witness list.

IV. SCHEDULE

Attached, as Appendix "A", is a proposed procedural schedule.

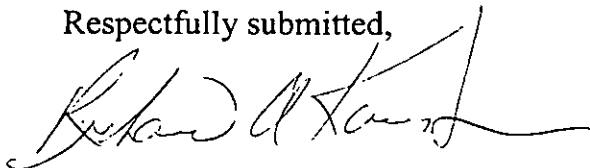
V. SETTLEMENT

OTS intends to participate in any settlement discussions and is willing to reach a resolution of any or all issues. However, a discussion of issues that may be settled is not possible until further discovery has been conducted.

VI. DISCOVERY

OTS does not recommend modification of the Discovery Rules in this proceeding.

Respectfully submitted,



Johnnie E. Simms
Chief Prosecutor

Richard A. Kanaskie
Prosecutor

Office of Trial Staff
Pennsylvania Public
Utility Commission

Dated: May 18, 2004

APPENDIX A

March 29, 2004	Company filing
May 19, 2004	First Prehearing Conference
June 18, 2004	Opposing Party Direct Testimony
June 21-30, 2004	Public Input Hearings
July 12, 2004	Rebuttal Testimony
July 28, 2004	Surrebuttal Testimony
August 2-6, 2004	Evidentiary Hearings
August 31, 2004	Main Briefs
Sept.10, 2004	Reply Briefs
Oct. 15, 2004	Recommended Decision
January 1, 2005	End of Suspension

DOCUMENT

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

PENNSYLVANIA PUBLIC UTILITY :
COMMISSION :
:
v. : Docket No. R-00049255
:
PPL ELECTRIC UTILITIES :
CORPORATION :

PREHEARING MEMORANDUM OF
PPL ELECTRIC UTILITIES CORPORATION

To Administrative Law Judge Allison K. Turner:

On March 29, 2004, PPL Electric Utilities Corporation ("PPL Electric") filed Tariff – Electric Pa. P.U.C. No. 201, together with substantial supporting data. Therein, PPL Electric proposed a general increase in rates to become effective on January 1, 2005. The general increase in rates is designed to produce approximately \$164.4 million of additional operating revenues based upon a future test year ending December 31, 2004. In addition, PPL Electric informed the Pennsylvania Public Utility Commission ("Commission") that PPL Electric will pass through increases in transmission charges that it incurs under the FERC-regulated PJM Open Access Transmission Tariff. This pass through is projected to produce approximately \$57.2 million of additional operating revenues.

On May 7, 2004, the Commission instituted an investigation of the proposed increase in rates and assigned the investigation to the Office of Administrative Law judge for hearings and an Initial Decision. Administrative Law Judge Allison K. Turner was assigned to the proceeding. A Prehearing Conference was scheduled for May 19, 2004.

ISSUES

As part of its direct case, will present the following witnesses who will testify as to the matters explained in the following prefiled statements and exhibits:

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John F. Sipics	Statement No. 1	Current financial condition, management effectiveness and perspective on filing.
Joseph R. Schadt	Statement No. 2	Operating budgets, actual results of operations and expense adjustments.
David R. Woodruff	Statement No. 3	Sales forecast, annualization of sales and revenue and load research.
Douglas A. Krall	Statement No. 4	DSR, distribution system improvement charge, transmission service charge, AMR/other capital and strategic rate design.
Joseph M. Kleha	Statement No. 5	Cost allocation study, cash working capital, taxes, expense adjustments and cost recovery mechanisms.
Oliver G. Kasper	Statement No. 6	Specific rate design, class revenue allocation, tariff rules, proofs of revenue and pro forma revenue adjustments.
Timothy R. Dahl	Statement No. 7	Universal service programs, community betterment initiative, sustainable energy fund.
John Spanos	Statement No. 8	Depreciation and service life study.
Paul R. Moul	Statement No. 9	Cost of common equity, capital structure, embedded cost of capital and fair rate of return.
Julie M. Cannell	Statement No. 10	Cost of common equity and investor perspective.

PPL Electric is unable to provide further identification of the issues at this time because the issues that will be litigated in this proceeding ultimately will be identified at least initially by other parties.

PPL Electric may present additional witnesses, testimony and exhibits on matters arising during the course of the proceeding, including matters raised by other parties.

SETTLEMENT

PPL Electric stands ready to enter into settlement discussions with the other parties on all issues. It is premature, however, to predict the likelihood of achieving either an overall settlement or settlements of any issues because the proceeding is in its early stages.

PROPOSED SCHEDULE

PPL Electric is providing as Attachment "A" hereto a proposed schedule. This proposed schedule conforms to the "Outline of Procedural Schedule" that was provided as Appendix A to the Prehearing Order of Administrative Law Judge Turner dated May 12, 2004. PPL Electric believes that the proposed schedule is fair to all parties, given the statutory limitation on the length of time for the Commission to adjudicate proposed general increases in base rates. PPL Electric will work with the other parties to make reasonable accommodations for others' schedules, but PPL Electric believes that the final schedule should not deviate substantially from that proposed in Attachment "A" hereto.

DISCOVERY SCHEDULE

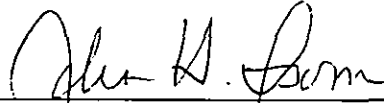
PPL Electric believes that the opportunity for discovery should continue through the proceeding until the close of the evidentiary record. PPL Electric believes that it would be inappropriate for the discovery schedule to be accelerated due to the substantial amount of discovery that has been propounded to PPL Electric to date. To date, 26 sets of discovery requests containing more than 560 separate interrogatories, many with multiple subparts, have been served upon PPL Electric. PPL Electric will continue to respond to discovery requests as rapidly as possible.

PUBLIC INPUT HEARINGS

PPL Electric believes that four public input hearings should be sufficient to provide to customers a reasonable opportunity to express their views concerning this proceeding. PPL Electric suggests that any public input hearings be held early in the

proceeding so that PPL Electric will have a reasonable opportunity to respond to any issues raised by customers.

Respectfully submitted,



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Of Counsel:

Morgan, Lewis & Bockius LLP

Date: May 18, 2004

Attorneys for PPL Electric
Utilities Corporation

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission, et al.	:	
	:	
v.	:	Docket No. R-00049255
	:	
PPL Electric Utilities Corporation	:	

**PPL ELECTRIC UTILITIES CORPORATION'S
PROPOSED LITIGATION SCHEDULE**

Prehearing Conference	May 19, 2004
Other Parties' Cases-in-Chief	June 25, 2004
Rebuttal Testimony	July 26, 2004
Surrebuttal Testimony	August 4, 2004
Rejoinder Testimony	Oral at hearings.
Hearings	August 9-13, 2004
Main Brief	August 31, 2004
Reply Brief	September 10, 2004
Recommended Decision	October 15, 2004
Commission Decision	December 16, 2004
January 1, 2005	New rates become effective

All dates are "in hand" dates.

Service by e-mail will be considered in hand if a hard copy is sent by First Class Mail or more expedited service on the same day.

DOCUMENT

DOCKETED
JUN 08 2004

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission, :

v. :

PPL Electric Utilities Corporation :

Docket No. R-00049255;
R-00049255C0001, *et. al.*

PREHEARING MEMORANDUM
OF THE
OFFICE OF CONSUMER ADVOCATE

SECRETARY'S BUREAU

2004 MAY 24 PM 2:01

RECEIVED

Pursuant to Section 333 of the Public Utility Code, 66 Pa. C.S. § 333, and in response to the prehearing conference notice issued in the above-captioned matter, the Office of Consumer Advocate (OCA) provides the following information:

I. INTRODUCTION

On March 29, 2004, PPL Electric Utilities Corporation (PPL or the Company) filed Supplement No. 38 to Tariff Electric - Pa. P.U.C. No. 201 (Supplement No. 38) to become effective January 1, 2005, seeking Commission approval of rates and rate changes that would modify existing tariff provisions and increase the level of rates that PPL charges for providing electric distribution service to its customers. If Supplement No. 38 became effective as proposed, the Company would benefit from an opportunity to recover an estimated annual increase in distribution base rate revenues of \$164.4 million. The Company also seeks an increase in transmission charges of \$57.2 million. The combined transmission and distribution base rate increase is \$221.7 million, representing an approximate increase of 8.14% to the Company's present rates. PPL serves more than

1.3 million residential, commercial and industrial customers in over twenty-three counties throughout Pennsylvania.

II. ISSUES AND SUB-ISSUES

Based upon a preliminary analysis of PPL's base rate increase filing, the OCA has compiled a list of issues which it anticipates will be included in its investigation of this rate request. It is anticipated that other issues may arise and may be pursued once the answers to all of the OCA's interrogatories have been received and analyzed.

The OCA has served nine sets of interrogatories to date. Upon receipt of the answers to those interrogatories, the OCA may then be able to narrow the scope of additional information requests. Currently, OCA Sets IV and V are overdue. Once the discovery process has been completed, the OCA will file direct testimony which will set forth the specific issues to be addressed in this proceeding. At that time, the OCA will also be able to make and to quantify its specific recommendations.

The following list sets forth the issues, at this time, the OCA anticipates it may raise.

A. Rate of Return

1. Cost of Common Equity: The OCA will perform a detailed analysis of the cost of common equity claimed by PPL. Also, the OCA will carefully examine the Company's methodologies and supporting data used to develop its final cost of common equity claim.

2. Capital Structure: The OCA will examine whether the capital structure claimed by PPL is representative of the period in which rates will be in effect and is otherwise appropriate for ratemaking purposes.

3. Embedded Cost of Debt and Preferred Stock: The OCA will examine the embedded cost of debt and preferred stock.

B. Rate Base/Measure of Value

The OCA will examine the reasonableness of the Company's filing as it relates to rate base/measures of values, including the following areas:

- the Company's plant in service claims in order to determine whether the plant claimed is used and useful in providing utility service
- the Company's capital costs and resulting savings relating to the Company's installation of Automated Meter Reading devices
- the Company's claim for cash working capital
- the Company's proposal to recover a return on land held for future use in current rates

C. Revenue and Expenses

The OCA will examine the reasonableness of the Company's filing as it relates to revenues and expenses, including the following areas:

- the sales forecast utilized by the Company in order to project future test year sales and revenues
- PPL's proposed depreciation expense (including the depreciation study, service life study and application of the straight-line remaining life method)

- PPL's amortization of employee displacement costs due to the automated meter reading system
- the Company's proposal relating to employee pension and postretirement benefits
- the Company's claimed deferred costs relating to Hurricane Isabel
- the Company's rate case expense, labor expense, and advertising expense
- inter-company charges due to the fact that PPL has been allocated a share of its parent company's overhead and shared costs
- PPL's affiliate charges, e.g., rents, fees or charges which were assessed for the use of PPL Electric's lines to provide internet, communication or entertainment services
- salaries of PPL employees, including executive compensation

D. Rate Structure/Cost of Service/Rate Design

1. The OCA will examine the Companies' proposed distribution of the revenue increase among customer classes.
2. The OCA will examine the Company's proposed customer charge, including PPL's proposal to include 200 Kwh of usage in the residential class customer charge.
3. The OCA will examine whether the rate design proposed by the Company is reasonable and appropriate.
4. The OCA will examine the cost of service study, including the methodology used and the reasonableness of the allocations.

5. The OCA will examine the reasonableness and appropriateness of the Company's proposed tariff changes.

6. The OCA will examine the proposed Transmission Charges to ensure that they are proper for each customer class.

E. Distribution System Improvement Charge – The OCA will examine whether PPL's proposed Distribution System Improvement Charge is legal, reasonable or otherwise consistent with sound ratemaking principles. This mechanism would allow the Company to recover costs associated with distribution system upgrades between base rate proceedings through an adjustment mechanism.

F. Transmission Service Charge - The OCA will examine whether the proposed reconcilable Transmission Service Charge is reasonable and otherwise consistent with sound ratemaking principles. This mechanism will allow PPL to pass transmission charges assessed by PJM onto its customers.

G. Universal Service Programs - The OCA will examine whether the proposed Universal Service programs, such as OnTrack, WRAP, and Operation HELP, are adequately funded, appropriate, reasonable, and otherwise consistent with sound universal service principles.

III. WITNESSES

The OCA intends to present the direct, rebuttal, and surrebuttal testimony, as may be necessary, of the following witnesses in this proceeding. The witnesses will present testimony in written form and will also attach various exhibits, documents, and explanatory information which will assist in the presentation of the OCA's case. In order

to expedite the resolution of this proceeding, the OCA requests that copies of all interrogatories, testimony, and answers to interrogatories be mailed directly to the expert witnesses responsible for the area of the case, as well as mailing a copy to counsel for the OCA.

A. Rate Base, Revenues, Expenses, and General Accounting

Thomas Catlin
Exeter Associates, Inc.
5565 Sterrett Place
Suite 310
Columbia, MD 21044
Telephone: 410-992-7500
Fax: 410-992-3445
E-mail: topcat@exeterassociates.com

B. Cost of Service and Rate Design

Richard Galligan
Exeter Associates, Inc.
5565 Sterrett Place
Suite 310
Columbia, MD 21044
Telephone: 410-992-7500
Fax: 410-992-3445
E-mail: rgalligan@exeterassociates.com

C. Rate of Return

Matthew Kahal
Exeter Associates, Inc.
5565 Sterrett Place
Suite 310
Columbia, MD 21044
Telephone: 410-992-7500
Fax: 410-992-3445
E-mail: mkahal@exeterassociates.com

D. Universal Service

Roger D. Colton
Fisher, Sheehan & Colton
Public Finance and General Economics

34 Warwick Road
Belmont, MA 02478
Telephone: 617-484-0597
Fax: 617-484-0594
E-mail: RColton101@aol.com

The OCA specifically reserves the right to call additional witnesses, as necessary. As soon as the OCA has determined whether an additional witness or witnesses will be necessary for any portion of its case, the presiding Administrative Law Judge and all parties of record will be notified.

IV. SERVICE ON THE OCA

The OCA will be represented in this case by Assistant Consumer Advocates James A. Mullins, Lori A. Herman, Aron J. Beatty, and Shaun A. Sparks and Senior Assistant Consumer Advocate Tanya J. McCloskey. Two copies of the documents should be served on the OCA as follows:

James A. Mullins
Tanya J. McCloskey
Office of Consumer Advocate
555 Walnut Street
5th Floor, Forum Place
Harrisburg, PA 17101-1923
Telephone: (717) 783-5048
Fax: (717) 783-7152
E-mail: jmullins@paoca.org

V. DISCOVERY

Because the time period for discovery and preparation of testimony is limited, the OCA supports a shortened discovery response time in this proceeding. The OCA, therefore, requests the following modifications to the discovery regulations:

- A. Answers to written interrogatories be served in-hand within ten (10) calendar days of service of the interrogatories.
- B. Objections to interrogatories be communicated orally within three (3) days of service; unresolved objections be served to the ALJ in writing within five (5) days of service of interrogatories.
- C. Motions to dismiss objections and/or direct the answering of interrogatories be filed within three (3) days of service of written objections.
- D. Answers to motions to dismiss objections and/or direct the answering of interrogatories be filed within three (3) days of service of such motions.
- E. Rulings over such motions be issued, if possible, within seven (7) days of filing of the motion.
- F. Responses to requests for document production, entry for inspection, or other purposes be served in-hand within ten (10) calendar days.
- G. Requests for admission be deemed admitted unless answered within ten (10) days or objected to within five (5) days of service
- H. Answers to on-the-record data requests be served in-hand within seven (7) calendar days of the request.

Additionally, the OCA proposes that electronic service be made, when possible, in addition to in-hand service. The OCA is willing to discuss the precise protocols for electronic service at the scheduled Prehearing Conference.

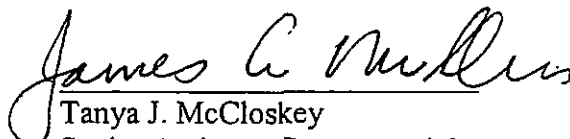
VI. PUBLIC INPUT HEARINGS

The OCA requests that public input hearings be held throughout the Company's service territory. The OCA has received numerous requests for public input hearings through its Customer Call Center. At this time, the OCA has received requests for public inputs principally from the areas of Harrisburg, Wilkes-Barre, Scranton, Allentown, Williamsport, and Bethlehem. In PPL's last base rate case (and its restructuring case), public input hearings were held in Williamsport, Hazelton, Lancaster, Harrisburg, Scranton, Wilkes-Barre, Pottsville, Bethlehem, and Allentown. The OCA will work with the ALJ and Company to identify appropriate areas for public input hearings.

VII. PROPOSED SCHEDULE

The OCA's proposed schedule is attached as Appendix A.

Respectfully submitted,



Tanya J. McCloskey
Senior Assistant Consumer Advocate
James A. Mullins
Lori A. Herman
Aron J. Beatty
Shaun A. Sparks
Assistant Consumer Advocates

Counsel for:
Irwin A. Popowsky

Office of Consumer Advocate
5th Floor, Forum Place
555 Walnut Street
Harrisburg, PA 17101-1923

Telephone: 717-783-5048
Fax: 717-783-7152

DATED: May 18, 2004

79200.msw

OCA Proposed Schedule¹

Prehearing Conference	May 19, 2004
Other Parties' Testimony	June 30, 2004
Public Inputs	mid-July
Rebuttal	July 28, 2004
Surrebuttal	August 6, 2004
Hearings	August 9-13, 2004
Main Brief	September 3, 2004
Reply Brief	September 17, 2004

¹ Testimony dates are in-hand. However, the OCA proposes that electronic service on the due date will constitute in-hand service, provided that a hard copy is received no later than one day after the testimony due date.



LOUISE A. KNIGHT
Phone: (717) 238-7655
Fax: (717) 257-7580
lknight@saul.com
www.saul.com

May 19, 2004

VIA HAND DELIVERY

RECEIVED

MAY 19 2004

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

James J. McNulty, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

Re: Pennsylvania Public Utility Commission v. PPL Electric Utilities Corporation;
Docket No. R-00049255; **PETITION TO INTERVENE OF THE PPL
PUBLIC LIGHTING USER GROUP**

Dear Mr. McNulty:

Enclosed for filing please find an original and three (3) copies of PPL Public Lighting User Group's Petition to Intervene in the above-referenced matter.

Please date-stamp the extra copy and return with our messenger service. Please feel free to call with any questions regarding this filing. Thank you in advance for your cooperation.

Sincerely,

Louise A. Knight
Louise A. Knight

LAZ:clj
Enclosure

c: Per Certificate of Service

*sent note to jim
with this filing
- d & S to ALW & OTS*

gk



ORIGINAL

LOUISE A. KNIGHT
Phone: (717) 238-7655
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www.saul.com

May 19, 2004

VIA HAND DELIVERY

RECEIVED

James J. McNulty, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

MAY 19 2004

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Re: Pennsylvania Public Utility Commission v. PPL Electric Utilities Corporation;
Docket No. R-00049255; **PETITION TO INTERVENE OF THE PPL
PUBLIC LIGHTING USER GROUP**

Dear Mr. McNulty:

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Please date-stamp the extra copy and return with our messenger service. Please feel free to call with any questions regarding this filing. Thank you in advance for your cooperation.

Sincerely,

Louise A. Knight
Louise A. Knight

LAZ:clj
Enclosure

c: Per Certificate of Service

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BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission
et al.,

Complainants

v.

PPL Electric Utilities Corporation

Respondent

Docket No. R-00049255

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MAY 19 2004
PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

PETITION TO INTERVENE OF
THE PPL PUBLIC LIGHTING USER GROUP

The PPL Public Lighting User Group ("PLUG"),¹ by its counsel in this matter, Saul Ewing LLP, hereby petitions to intervene in the above-captioned matter involving the general rate increase request of PPL Electric Utilities ("PPL). In support thereof, PLUG represents as follows:

Interest of PLUG

1. PLUG members are political subdivisions taking electric service from PPL for, inter alia, their street lights and traffic lights. In total, PLUG accounts for approximately 10,000 street and traffic lights.

2. On March 29, 2004, PPL filed Supplement No. 38 to its Tariff Electric-Pa. P.U.C. No. 201, which was to become effective on June 1, 2004. Subsequently, by Order entered

¹ The members of PLUG are set forth in Appendix A, which will be supplemented from time to time as new members are added.

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MAY 26 2004

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May 7, 2004, the Commission suspended the filing until January 1, 2005, unless otherwise directed.

3. PPL's total proposed rate increase is \$164.4 million. The proposed increase to the street lighting class is 9.9%, the highest percentage increase of any rate class.

Grounds for Intervention

4. The impact of the proposed street and traffic light rate increased on PLUG members is direct, immediate, and substantial. No other active party in the proceeding can adequately represent the interest of the PLUG members, or other similarly-situated municipalities, with regard to the lawfulness, justness, and reasonableness of the public street and traffic light rates. Participation by PLUG, accordingly, is necessary and in the public interest.

Position of PLUG

5. PLUG believes that the proposed rate for street and traffic lighting is unjust and unreasonable.

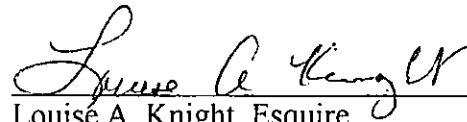
6. PLUG believes that PPL's street lighting service is at times inadequate.

7. PLUG believes that PPL should implement a separate tariff classification for LED traffic lightings and should analyze the propriety of demand side management credits for the installation of same.

WHEREFORE, the PPL Public Lighting User Group, hereby respectfully requests that this petition to intervene be granted and that it be permitted to participate as an active party in the above-captioned matter.

Respectfully submitted,

SAUL EWING LLP



Louise A. Knight, Esquire

Attorney No. 26167

Joseph J. Malatesta

Attorney No. 20404

David P. Zambito

Attorney No. 80017

2 North Second Street, 7th Floor

Harrisburg, PA 17101

Tel: (717) 238-7655

Fax: (717) 257-7580

Dated: May 19, 2004

Attorneys for PPL Public Lighting
User Group

APPENDIX A

Governmental Lighting User Group (PLUG) members as of May 18, 2004:

City of Harrisburg
Borough of Steelton
Hampden Township, Cumberland County
Borough of Hummelstown

VERIFICATION

I, Louise A. Knight, hereby state that the facts above set forth are true and correct to the best of my knowledge, information and belief and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).

Date: 5/19/04

Louise A. Knight
Louise A. Knight

CERTIFICATE OF SERVICE

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

VIA HAND DELIVERY

Honorable Allison K. Turner
Administrative Law Judge
Pennsylvania Public Utility Commission
Philadelphia State Office Building
1400 West Spring Garden St., Rm. 1302
Philadelphia, PA 19130

Scott J. Rubin, Esquire
3 Lost Creek Drive
Selingsgrove, PA 17870-9357

Michael W. Gang, Esquire
John H. Isom, Esquire
Morgan Lewis & Bockius LLP
One Commerce Square
417 Walnut Street, 4th Flr.
Harrisburg, PA 17101-1904

David MacGregor, Esquire
Morgan, Lewis & Bockius LLP
1701 Market Street
Philadelphia, PA 19103-2921

Richard A. Kanaskie, Esquire
Pa. Public Utility Commission
Office of Trial Staff
Commonwealth Keystone Building
400 North Street, 2nd Floor West
PO Box 3265
Harrisburg, PA 17105-3265

Paul E. Russell, Esquire
PPL
2 North Ninth Street
Allentown, PA 18101-1179

David A. McCormick, Esquire
US Army Legal Services Agency
901 North Stuart Street, Room 713
Arlington, VA 22203-1837

William R. Lloyd, Jr., Esquire
Steven C. Gray, Esquire
Office of Small Business Advocate
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Harrisburg, PA 17101

Tanya J. McCloskey, Esquire
James A. Mullins, Esquire
Lori A. Herman, Esquire
Aron J. Beatty, Esquire
Office of Consumer Advocate
555 Walnut Street
Forum Place, 5th Floor
Harrisburg, PA 17101-1923

John L. Munsch
Allegheny Power
800 Cabin Hill Drive
Greensburg, PA 15601

Mark C. Morrow, Esquire
UGI Utilities, Inc.
460 North Gulph Road
King of Prussia, PA 19406

Patricia Armstrong, Esquire
Thomas Niesen, Esquire
Thomas, Thomas, Armstrong & Niesen
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Harrisburg, PA 17108-9500

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MAY 19 2004

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

VIA FIRST CLASS MAIL

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2301 Market Street S23-1
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Philadelphia, PA 19101-8699

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Pamela C. Polacek, Esquire
Karen S. Miller, Esquire
McNees Wallace & Nurick
100 Pine Street, PO Box 1166
Harrisburg, PA 71108

Robert D. Knecht
Industrial Economics Incorp.
2067 Massachusetts Avenue
Cambridge, PA 02140

Honorable Phyllis Mundy, Chair
Northeast Delegation
House Box 202020
Harrisburg, PA 17120-2020

Richard S. Herskovitz
Duquesne Light
411 Seventh Avenue, 8th Floor
Pittsburgh, PA 15219

Eric Joseph Epstein
4100 Hillsdale Road
Harrisburg, PA 17112

Joseph L. Vullo, Esquire
Attorney at Law
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Forty Fort, PA 18704-4237

Michael Fiorentino, Esquire
Joseph Otis Minott, Esquire
Clean Air Council
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Philadelphia, PA 19103

Kevin J. Moody
Wolf, Block, Schorr and Solis-Cohen LLP
212 Locust Street, Suite 300
Harrisburg, PA 17101

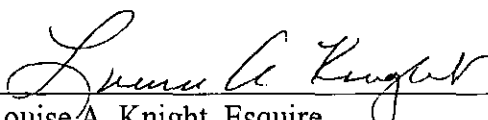
Stephen J. Baron, President
J. Kennedy & Associates Inc.
570 Colonial Park Drive, Suite 305
Roswell, GA 30075-3770

Eugene M. Brady
Commission on Economic Opportunity
165 Amber Lane
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Wilkes-Barre, PA 18703

Roger E. Clark
Sustainable Development Fund
718 Arch Street, Suite 300 North
Philadelphia, PA 19106-1591

Peter Adels, General Counsel
Charley McPhedran, Sr. Attorney
Penn Future
117 S. 17th Street, Suite 1801
Philadelphia, PA 19103

Dated: May 19, 2004


Louise A. Knight, Esquire



ORIGINAL

DEPARTMENT OF THE ARMY
UNITED STATES ARMY LEGAL SERVICES AGENCY
901 NORTH STUART STREET
ARLINGTON VA 22203-1837



REPLY TO
ATTENTION OF

Regulatory Law Office
U 4120

19 MAY 2004

SUBJECT: Pennsylvania Public Utility Commission vs. PPL Electric Utilities
Corporation, Pennsylvania P.U.C. Docket No. R-00049255

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Hon. James J. McNulty, Secretary,
Pennsylvania Public Utility Commission
Commonwealth Keystone Building,
400 North Street
Harrisburg, PA 17120

MAY 19 2004
PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Dear Mr. McNulty:

Enclosed for filing are the original and twenty copies of the Motion for Leave to Late File Prehearing Memorandum and Prehearing Memorandum on behalf of the consumer interest of the United States Department of Defense and other affected Federal Executive Agencies in the above referenced proceeding. Also enclosed find a computer disk with a copy of this document in Micro-Soft Word in a file entitled "DOD.doc."

Copies of this document are being sent in accord with the Certificate of Service. Inquiries to this office regarding this proceeding should be directed to the undersigned at (703) 696-1646.

Sincerely,

David A. McCormick
General Attorney
Regulatory Law Office

83

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission et al.)
vs.)
) Docket No. R 00049255
) and R 00049255C0001 to 5
PPL Electric Utilities Corporation)

MOTION TO LATE FILE
PREHEARING MEMORANDUM
and
PREHEARING MEMORANDUM

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MAY 19 2004

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Robert N. Kittel
Chief
Regulatory Law Office
U.S. Army Legal Services Agency
Department of the Army
DAJA-RL 4120
901 North Stuart Street, Room 713
Arlington, VA 22203-1837

For

THE DEPARTMENT OF DEFENSE AND
THE FEDERAL EXECUTIVE AGENCIES

David A. McCormick
Attorney

Of Counsel

Dated: 19 MAY 2004

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission et al.)
vs.)
PPL Electric Utilities Corporation) Docket No. R 00049255

MOTION TO LATE FILE
PREHEARING MEMORANDUM
and
PREHEARING MEMORANDUM

DOCKETED
JUN 21 2004

**DOCUMENT
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I

1. The Secretary of Defense, through duly authorized counsel, on behalf of the consumer interest of the United States Department of Defense and other affected Federal Executive Agencies (collectively herein after "DOD")¹ moves for leave to file this late-filed Prehearing Memorandum related to the Preliminary Order dated 12 MAY 2004 in the above-styled application proceeding of the PPL Electric Utilities Corporation (hereinafter PPL).

2. The undersigned counsel was out of the office from late on 12 MAY 2004 until the morning of 19 MAY 2004, and thus did not become aware of the Preliminary Order dated 12 MAY 2004 until a short time ago. While other personnel do work in the

¹ DOD has been delegated authority by the General Services Administration to represent, through Department of the Army counsel, the consumer interest of all the Federal Executive Agencies in this proceeding under 40 U.S.C.A. §§481(a)(4) and 486(d). See also: 48 CFR § 41.101.

governmental office where the undersigned is employed, apparently the import of the Preliminary Order was not identified by those personnel. Thus, no Prehearing Memorandum was sent by e-mail by noon on 18 MAY in accord with the Preliminary Order and the undersigned was not aware of the Prehearing Conference scheduled today at 2:00 PM. These matters were not fully in the control of the undersigned counsel. In light of the above, DOD moves for leave to late file this Prehearing Memorandum. The granting of permission to late file this Prehearing Memorandum should not unduly prejudice any party.

3. Service and Party Status: DOD would hope to be considered an **active status** party, and plans to offer expert witness testimony and exhibits, as discussed below.

DOD may be served at the address, telephone, telecopier and e-mail addresses below:

David A. McCormick
Regulatory Law Office
U.S. Army legal Services Agency
DAJA-RL 4120
901 N. Stuart Street, Room 713
Arlington, VA 22203-1837

Telephone: (703) 696-1646
FAX: (703) 696-2960
E-mail: David.Mccormick@hqda.army.mil

4. Issues: While DOD expert witnesses have, at this time, not fully analyzed the PPL rate filing as to all possible issues there are a few areas that DOD witnesses are likely to question, or take a position different than PPL. Forinstance, DOD may offer return on equity testimony different than 11.5 percent sought by PPL. Further, DOD's accounting witness may have overall revenue and expense adjustments to the test year data proposed by PPL. Lastly, DOD may have class cost of service and rate design issues that are at variance with those proposed by PPL in the rate filing. Admittedly, the

latter is uncertain to the undersigned counsel for the expert witness which has been retained by DOD, has been out of the country since 12 MAY 2004 and will be so for a few more days. Thus, the DOD expert witness is not available to discuss the nuances of class cost of service and rate design issues with the undersigned, today.

5. Discovery: DOD has not yet engaged in discovery. Other parties have filed extensive discovery, and DOD would not plan to file any redundant discovery in this proceeding. It is possible that DOD may find that the responses by PPL to the discovery of other parties may be such that DOD may not need file any additional discovery.

6. Witnesses: DOD currently plans to have two expert witnesses. Their names and addresses are as follows:

Rate Design Issues &
Cost of Equity Capital.

Mr. Kenneth L. Kincel, President
Decision Analysis Corp. of Virginia
8009 Snowpine Way, Suite 100
McLean, VA 22101

Telephone: (703) 893-5087
Telecopier: (703) 893-7104
E-mail: Kenkincel@aol.com

Overall Revenue &
Accounting Issues.

Mr. Thomas J. Prisco
Regulatory Law Office
U.S. Army legal Services Agency
901 N. Stuart Street, Room 713
Arlington, VA 22203-1837

Telephone: (703) 696-1646
Telecopier: (703) 696-2960
E-mail: Thomas.Prisco@hqda.army.mil

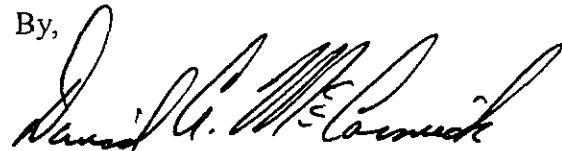
7. Settlement: DOD is willing to participate in settlement negotiations concerning any and all issues that affect its interest in this proceeding.

8. Procedural Schedule: DOD has no objection to either the procedural schedule appended to the Preliminary Order or that proposed in the Prehearing Memorandum of

the Office of Consumer Advocate (OCA). Indeed, DOD does not anticipate any special problems related to the procedural schedule.

WHEREFORE, DOD requests leave to late file this Prehearing Memorandum and respectfully submits this Prehearing Memorandum.

By,



David A. McCormick
Attorney I.D. No. 17357

Regulatory Law Office
U.S. Army Legal Services Agency
Department of the Army (DAJA-RL 4120)
901 North Stuart Street, Room 713
Arlington, VA 22203-1837

For

THE DEPARTMENT OF DEFENSE AND
FEDERAL EXECUTIVE AGENCIES

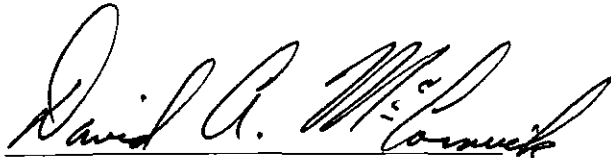
Post Judge Advocate
Carlisle Barracks – U.S. Army Garrison
ATTN: ATZE-PJA
45 Ashburn Drive, Room 21
Carlisle, PA 17103-5009

CPT Marcus A. Streips
ATTN: AMSEL-TY-LO
Tobyhanna Army Depot
11 Hap Arnold Boulevard
Tobyhanna, PA 18466-5054

Naval Facilities Engineering Command
NAVY RATE INTERVENTION (Mr. Sam De Frawi)
1314 Harwood Street, S.E.
WASHINGTON NAVY YARD
WASHINGTON, DC 20374-5018

Office of General Counsel OGC-LRD
GENERAL SERVICES ADMINISTRATION
18th and F Streets, N.W.
WASHINGTON, DC 20405

Dated this 19th day of May, 2004 at Arlington County, Virginia.



David A. McCann

May 19, 2004

James J. McNulty, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

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2004 MAY 19 PM 1:52
PPL
SECRETARY'S BUREAU

Re: Pennsylvania Public Utility Commission et al. v. PPL Electric Utilities Corporation
Docket No. R-00049255
PPL PUBLIC LIGHTING USER GROUP PETITION TO INTERVENE

Dear Mr. McNulty:

Enclosed with this letter are the original and three (3) copies of the Petition to Intervene of the PPL Public Lighting User Group.

Please date stamp the extra copy of the Answer and return same with our messenger.

Thank you for your attention to this matter.

Very truly yours,



Louise A. Knight

c: Paul Russell, Esq.
David McGregor, Esq.
Office of Consumer Advocate
Office of Small Business Advocate
Office of Trial Staff

**DOCUMENT
FOLDER**

ORIGINAL

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission
et al.,

Complainants

v.

PPL Electric Utilities Corporation

Respondent

Docket No. R-00049255

SECRETARY'S BUREAU
P.U.C.

04 MAY 19 PM 3:31

PETITION TO INTERVENE OF
THE PPL PUBLIC LIGHTING USER GROUP

The PPL Public Lighting User Group ("PLUG"),¹ by its counsel in this matter, Saul Ewing LLP, hereby petitions to intervene in the above-captioned matter involving the general rate increase request of PPL Electric Utilities ("PPL). In support thereof, PLUG represents as follows:

Interest of PLUG

1. PLUG members are political subdivisions taking electric service from PPL for, inter alia, their street lights and traffic lights. In total, PLUG accounts for approximately 10,000 street and traffic lights.

2. On March 29, 2004, PPL filed Supplement No. 38 to its Tariff Electric-Pa. P.U.C. No. 201, which was to become effective on June 1, 2004. Subsequently, by Order entered

¹ The members of PLUG are set forth in Appendix A, which will be supplemented from time to time as new members are added.

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May 7, 2004, the Commission suspended the filing until January 1, 2005, unless otherwise directed.

3. PPL's total proposed rate increase is \$164.4 million. The proposed increase to the street lighting class is 9.9%, the highest percentage increase of any rate class.

Grounds for Intervention

4. The impact of the proposed street and traffic light rate increased on PLUG members is direct, immediate, and substantial. No other active party in the proceeding can adequately represent the interest of the PLUG members, or other similarly-situated municipalities, with regard to the lawfulness, justness, and reasonableness of the public street and traffic light rates. Participation by PLUG, accordingly, is necessary and in the public interest.

Position of PLUG

5. PLUG believes that the proposed rate for street and traffic lighting is unjust and unreasonable.

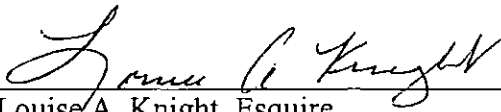
6. PLUG believes that PPL's street lighting service is at times inadequate.

7. PLUG believes that PPL should implement a separate tariff classification for LED traffic lightings and should analyze the propriety of demand side management credits for the installation of same.

WHEREFORE, the PPL Public Lighting User Group, hereby respectfully requests that this petition to intervene be granted and that it be permitted to participate as an active party in the above-captioned matter.

Respectfully submitted,

SAUL EWING LLP



Louise A. Knight, Esquire

Attorney No. 26167

Joseph J. Malatesta

Attorney No. 20404

David P. Zambito

Attorney No. 80017

2 North Second Street, 7th Floor

Harrisburg, PA 17101

Tel: (717) 238-7655

Fax: (717) 257-7580

Dated: May 19, 2004

Attorneys for PPL Public Lighting
User Group

VERIFICATION

I, Louise A. Knight, hereby state that the facts above set forth are true and correct to the best of my knowledge, information and belief and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).

Date: 5/19/04

Louise A. Knight
Louise A. Knight

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APPENDIX A

Governmental Lighting User Group (PLUG) members as of May 18, 2004:

City of Harrisburg
Borough of Steelton
Hampden Township, Cumberland County
Borough of Hummelstown

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PLUG BUREAU
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OALJ Hearing Report

Please Check Those Blocks Which Apply

Docket No.:	R-00049255		YES	NO
Case Name:	PUC v PPL Electric Utilities Corporation	Prehearing Held:	<input checked="" type="checkbox"/>	<input type="checkbox"/>
		Hearing Held:	<input type="checkbox"/>	<input checked="" type="checkbox"/>
		Testimony Taken:	<input type="checkbox"/>	<input checked="" type="checkbox"/>
		Transcript Due:	<input checked="" type="checkbox"/>	<input type="checkbox"/>
		Hearing Concluded:	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Location:	Harrisburg	Further Hearing Needed:	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Date:	5/19/04	Estimated Add'l Days:		
ALJ:	Allison K. Turner	RECORD CLOSED:	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Reporting Firm:	Commonwealth Reporting	DATE:		
		Briefs to be Filed:	<input type="checkbox"/>	<input type="checkbox"/>
		DATE:		
		Bench Decision:	<input type="checkbox"/>	<input type="checkbox"/>

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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

PLEASE PRINT CLEARLY - Incomplete information may result in delay of processing.

REMARKS: PREHEARING CONF. HELD
6-19 - Settlement Conf. - PUC Hearing
Hearings Aug-9-13, 2004
Harrisburg

Name and Telephone Number	Address	Who are you representing?
X STEVEN C. GRAY Telephone: (717) 783-2525	Suite 1102, Commerce Bldg 300 North Second St. City: HBG State: PA Zip: 17101	Office of Small Business Advocate
X JOHNNIE E. SIMMS RICHARD A. KANASKIE Telephone: 717 787-1976	P.O. Box 3265 City: HARRISBURG State: PA Zip: 17105	OFFICE OF TRIAL STAFF
X TANYA McCLOSKEY James Mullins Telephone: 717-783-5048	555 Walnut St. 5th Floor, Forum PI City: Hbg State: PA Zip: 17101-1923	OCA

Check this box if additional parties or attendees appear on back of form.

Sandra Trulus B...
Reporter's Signature

Note: Completion of this form does not constitute an entry of appearance, see 52 Pa. Code §§1.24 and 1.25.

Name and Telephone Number	Address	Who are you representing?
X David B. MacGregor Morgan, Lewis & Boeckus LLP 215-963-5448 Telephone:	1701 Market St Phila City PA 19103 E-mail Address: dmacgregor@morganlewis.com	PPL Electric Utilities Fax Number: 215-963-5009
X PAUL E. RUSSELL Telephone: (610) 774-4254	2 NORTH 9TH STREET Allentown City PA 18101 E-mail Address: perussell@pplneb.com	PPL ELECTRIC UTILITIES Fax Number: (610) 774-6726
X Joseph L. Vullo Telephone: 570-6288-0700	1460 Wyoming Ave Forty Foot City PA 18704 E-mail Address: JLVullo@col.com	Commission on Economic Opportunity Fax Number: 570-288-4598
X Mark C. Morrow Telephone: 610-337-1220	460 North Gulph Road King of Prussia City PA 19306 E-mail Address: morrowm@UGI.CORP.COM	UGI Utilities, Inc Fax Number: 610-992-3258
X John H. Ison Morgan, Lewis & Boeckus LLP Telephone: 717-237-4622	417 Walnut St. H'br City PA 17036 E-mail Address: jison@morganlewis.com	PPL Electric Utilities Corp Fax Number: 717-237-4004
Thomas T. Niesen Patricia Armstrong Thomas, Thomas, Armstrong & Niesen Telephone: 717 255-7641	Suite 500 212 Locust St. P.O. Box 9000 H'br City PA 17108 E-mail Address: tniesen@ttanlaw.com parmarstrong@ttanlaw.com	Sustainable Energy Fund of Central Eastern Pennsylvania Fax Number: 717 236-8278
X Pamela Polacek McNeeseWallace & Nurick Telephone: 717-237-5368	100 Pine Street P.O. Box 1166 H'br City PA 17101-1166 E-mail Address: ppolacek@mwn.com	PPL Industrial Customer Alliance ("PPLICA") Fax Number: 717-237-5300
X David A. McCormick Telephone: 703-696-1646	Department of the Army (JALS-R) 901 N. Stuart Street Rm 713 Arlington City VA 22203 E-mail Address: David.McCormick@hqs.dau.mil	U.S. Department of Defense and Federal Executive Agencies Fax Number: 703-696-2960

Note: Completion of this form does not constitute an entry of appearance, see 52 Pa. Code §§1.24 and 1.25.

Name and Telephone Number	Address			Who are you representing?
X Peter Adels 215 569 9695 Telephone:	Suite 1801 117 S 17th St. City: Phila State: PA Zip: 19103	Citizens for Pennsylvania's Future, Edward McGovern, and Cher Nagoro (PennFuture Partners)		
E-mail Address: adels@pennfuture.org	Fax Number: 215 569 9697			
X Michael Fiorentino Telephone: 215-567-4004	135 S. 19th St. Suite 300 City: Philadelphia State: PA Zip: 19119	Clean Air Council		
E-mail Address: mfiorentino@cleanair.org	Fax Number: 215-567-0441			
X RICHARD HERSKOVITZ Telephone: 412-393-3662	411 SEVENTH AVE. City: PITTSBURGH State: PA Zip: 15219	DUQUESNE LIGHT COMPANY		
E-mail Address: rherkovitz@duqlight.com	Fax Number: 412-393-5602			
X Kevin J. Moody Telephone: 717-237-7187	212 Locust St., Suite 300 City: Hbg State: PA Zip: 17101	MAPSA		
E-mail Address: kmoody@wolfblock.com	Fax Number: 717-237-2767			
Eric J. Epstein, Pro SE 717-541-1101 Telephone:	4100 Hillside Rd City: HRB State: PA Zip: 17112	Pro SE		
E-mail Address: eric@epstein.com	Fax Number: 717-541-5787			
Telephone:	E-mail Address:	Fax Number:		
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PA PUBLIC UTILITY COMMISSION SECRETARY'S BUREAU				
Telephone:	E-mail Address:	Fax Number:		
Telephone:	E-mail Address:	Fax Number:		

Note: Completion of this form does not constitute an entry of appearance, see 52 Pa. Code §§1.24 and 1.25.

Name and Telephone Number	Address			Who are you representing?
Y. Scott J. Rubin 570-743-2233 Telephone:	3 Lost Creek Dr.			International Brotherhood of Electrical Workers, Local 1600, AFL-CIO
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	E-mail Address: scott@publicutilityhome.com			Fax Number: 570-743-8145
X Lourse A. Knight Sand Ewing LLP	2 N. 2nd St.			Public Lighting User Group
	City Harrisburg	State PA	Zip 17101	
Telephone: 717-238-7655	E-mail Address: lknight@sand.			Fax Number: 717-257-7580
X Kent D. Murphy Exelon Business Services Company	2301 Market St, 523-1			Peco Energy Company
	City Philadelphia	State PA	Zip 19101	
Telephone: 215-841-4941	E-mail Address: kent.murphy@exeloncorp.			Fax Number: 8215-568-3389
X John L. Munsch Allegheny Power	800 Cabin Hill Drive Greensburg			Allegheny Power
	City PA	State PA	Zip 15601	
Telephone: 724-838-6210	E-mail Address: jmunsch@alleghenyenergy.com			Fax Number: 724-838-6177
	City	State	Zip	
Telephone:	E-mail Address:			Fax Number:
	City	State	Zip	
Telephone:	E-mail Address:			Fax Number:
	City	State	Zip	
Telephone:	E-mail Address:			Fax Number:

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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Note: Completion of this form does not constitute an entry of appearance, see 52 Pa. Code §§1.24 and 1.25.

Paul Russell
Associate General Counsel

PPL
Two North Ninth Street
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Tel. 610.774.4254 Fax 610.774.6726
perussell@pplweb.com



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May 20, 2004

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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

James J. McNulty, Esquire
Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, Pennsylvania 17120

Re: **PPL Electric Utilities Corporation
Supplement No. 38 to Tariff -
Electric Pa. P.U.C. No. 201
Docket No. R-00049255**

Dear Mr. McNulty:

Attached for filing, pursuant to the Commission's regulations, 52 Pa. Code § 5.342(d), is a Certificate of Service identifying responses to interrogatories that PPL Electric Utilities Corporation served today on the active participants in this proceeding.

If you have any questions regarding these responses, please call.

Very truly yours,

Paul E. Russell

Attachment

cc: The Honorable Allison K. Turner

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MAY 20 2004

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION
PENNSYLVANIA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

PPL Electric Utilities Corporation
Supplement No. 38 to Tariff – Electric
Pa. P.U.C. No. 201

Docket No. R-00049255

ORIGINAL

CERTIFICATION OF SERVICE

I hereby certify that I have this day served a true copy of the responses of PPL Electric Utilities Corporation to Interrogatories of the Commission on Economic Opportunity, Questions 1 through 49, upon the participant(s) listed below, in accordance with the requirements of §1.54 (relating to service by a participant):

VIA FEDERAL EXPRESS

Irwin A. Popowsky, Esquire
James A. Mullins, Esquire
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Steven C. Grey, Esquire
Office Of Small Business Advocate
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300 North Second Street
Harrisburg, PA 17101

Johnnie Simms, Esquire
Richard A. Kanaskie, Esquire
Office Of Trial Staff
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
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Pamela Polacek, Esquire
McNees, Wallace & Nurick
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US Army Legal Services Agency
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Sustainable Development Fund
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Philadelphia, PA 19106-1591

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J. Kennedy and Associates, Inc.
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Eric Epstein
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Eugene M. Brady
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Kent Murphy, Esquire
Legal Division
Exelon Business Services Company
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Joseph Otis Minott
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Richard S. Herskovitz, Esquire
Duquesne Light
411 Seventh Avenue, 9th Floor
Pittsburgh, PA 15219

Peter Adels, General Counsel
Charley McPhedran, Senior Attorney
PennFuture
Suite 1801, 117 S. 17th Street
Philadelphia, PA 19103

Dated: May 20, 2004

A handwritten signature in black ink, appearing to read "Paul E. Russell", written over a horizontal line.

Paul E. Russell

Morgan, Lewis & Bockius LLP
One Commerce Square
417 Walnut Street
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Tel: 717.237.4000
Fax: 717.237.4001
www.morganlewis.com

John H. Isom
717.237.4022
jisom@morganlewis.com

May 20, 2004

VIA HAND DELIVERY

James J. McNulty, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

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SECRETARY'S BUREAU

**Re: Pennsylvania Public Utility Commission v. PPL Electric Utilities Corporation
Docket No. R-00049255**

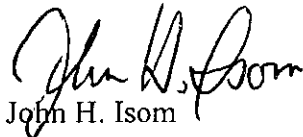
Dear Secretary McNulty:

Enclosed for filing are an original and three (3) copies of the Answer of PPL Electric Utilities Corporation to the "Petition to Intervene of Duquesne Light Company" in the above-reference proceeding.

As indicated on the certificate of service, copies have been served on all parties of record.

If you have any questions concerning these matters, please contact me at the addresses or telephone numbers provided above.

Respectfully submitted,


John H. Isom

JHI/jl

Enclosures

cc: Certificate of Service

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**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission, et al. :

v.

**DOCUMENT
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Docket No. R-00049255

PPL Electric Utilities Corporation

**ANSWER OF PPL ELECTRIC UTILITIES CORPORATION TO THE
"PETITION TO INTERVENE OF DUQUESNE LIGHT COMPANY"**

TO THE PENNSYLVANIA PUBLIC UTILITY COMMISSION:

PPL Electric Utilities Corporation ("PPL Electric") hereby answers the "Petition to Intervene of Duquesne Light Company" ("Petition") as follows:

1. Information concerning the operations of Duquesne Light Company ("Duquesne") is not reasonably available to PPL Electric, and therefore, the averments of Paragraph No. 1 of the Petition are denied.

2. In response to Paragraph No. 2 of the Petition, it is admitted that, on March 29, 2004, PPL Electric filed with the Pennsylvania Public Utility Commission ("Commission") Supplement No. 38 to Tariff - Electric Pa. P.U.C. No. 201 together with supporting data. Therein, PPL Electric proposed increases in rates designed to produce approximately \$164.4 million of additional annual operating revenues and a pass-through to customers of an increase in transmission service costs of \$57.2 million.

3. In response to Paragraph No. 3 of the Petition, it is admitted that PPL Electric's filing is the first general increase in base rates under Section 1308(d) of the Public Utility Code, 66 Pa.C.S. § 1308(d) filed by a major electric distribution company

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since the Electricity Generation Customer Choice and Competition Act was passed into law on December 3, 1996.

4. Paragraph No. 4 of the Petition quotes a portion of the Pennsylvania Public Utility Commission's regulations concerning intervention. It is admitted that Duquesne has correctly quoted a portion of this Commission's regulation at 52 Pa. Code § 5.72(a).

5. The averments of Paragraph No. 5 of the Petition are speculative statements regarding the possible outcome of this proceeding which PPL Electric cannot verify, and therefore, the averments of Paragraph No. 5 of the Petition are denied. By way of further response, however, PPL Electric does not oppose intervention by Duquesne in this proceeding.

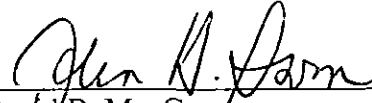
6. The averments of Paragraph No. 6 of the Petition are conclusions of law to which no response is required.

7. The averments of Paragraph No. 7 of the Petition are speculative statements concerning Duquesne's possible positions in this proceeding. PPL Electric cannot verify these statements, and therefore, they are denied.

8. The averments of Paragraph No. 8 of the Petition are admitted.

The remaining averments of the Petition are requests for relief to which no response is required. By way of further response, PPL Electric does not object to intervention by Duquesne in this proceeding.

Respectfully submitted,



David B. MacGregor
Morgan, Lewis & Bockius LLP
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Fax: 610.774.6726
E-mail:perussell@pplweb.com

Of Counsel:

Morgan, Lewis & Bockius LLP

Date: May 20, 2004

Attorneys for PPL Electric
Utilities Corporation

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing **Answer of PPL Electric Utilities Corporation to the "Petition to Intervene of Duquesne Light Company"** upon the participant(s), listed below, in accordance with the requirements of §1.54 (relating to service by a participant):

VIA FIRST-CLASS MAIL

Honorable Allison K. Turner
Administrative Law Judge
Pennsylvania Public Utility Commission
Philadelphia State Office Building
1400 West Spring Garden Street
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Philadelphia, PA 19130

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James A. Mullins, Esquire
Lori A. Herman, Esquire
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Selinsgrove, PA 17870-9357

Eric Joseph Epstein
4100 Hillsdale Road
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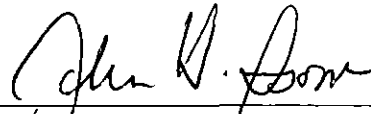
Roger E. Clark
Sustainable Development Fund
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Michael Fiorentino
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Joseph J. Malatesta, Esquire
David P. Zambito, Esquire
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Robert D. Knecht
Industrial Economics Incorporated
2067 Massachusetts Avenue
Cambridge, MA 02140

Date: May 20, 2004



John H. Isom

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Morgan Lewis
COUNSELORS AT LAW

John H. Isom
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May 20, 2004

VIA HAND DELIVERY

James J. McNulty, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

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2004 MAY 20 PM 2:02
SECRETARY'S BUREAU

**Re: Pennsylvania Public Utility Commission v. PPL Electric Utilities Corporation
Docket No. R-00049255**

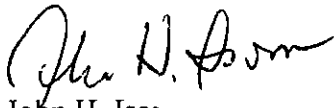
Dear Secretary McNulty:

Enclosed for filing are an original and three (3) copies of the Answer of PPL Electric Utilities Corporation to the "Protest and Petition to Intervene of Clean Air Council" in the above-reference proceeding.

As indicated on the certificate of service, copies have been served on all parties of record.

If you have any questions concerning these matters, please contact me at the addresses or telephone numbers provided above.

Respectfully submitted,


John H. Isom

JHI/jl

Enclosures

cc: Certificate of Service

ORIGINAL

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

SECRETARY'S BUREAU

2004 MAY 20 PM 2:03

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Pennsylvania Public Utility Commission, et al. :

v.

**DOCUMENT
FOLDER**

Docket No. R-00049255

PPL Electric Utilities Corporation

**ANSWER OF PPL ELECTRIC UTILITIES CORPORATION
TO THE "PROTEST AND PETITION
TO INTERVENE OF CLEAN AIR COUNCIL"**

TO THE PENNSYLVANIA PUBLIC UTILITY COMMISSION:

PPL Electric Utilities Corporation ("PPL Electric") hereby answers the "Protest and Petition to Intervene of Clean Air Council" ("Petition") as follows:

1. The averments of Paragraph No. 1 of the Petition are admitted.
2. Paragraph No. 2 of the Petition contains a description of the Clean Air

Council ("CAC"). Information concerning CAC, however, is not reasonably available to PPL Electric, and therefore, such averments are denied.

3. The averments of Paragraph No. 3 of the Petition are admitted.
4. The averments of Paragraph No. 4 of the Petition are admitted.

Two consecutive paragraphs of the Petition are both designated Paragraph No. 4

In response to the second Paragraph No. 4 of the Petition, such averments are admitted.

5. The averments of Paragraph No. 5 of the Petition are denied as stated. In Supplement No. 38 to Tariff – Electric Pa. P.U.C. No. 201, PPL Electric has proposed increases in rates designed to produce \$164.4 million of additional annual operating revenues and to pass-through projected increases in expenses for transmission services of \$57.2 million. In addition, PPL Electric has proposed certain changes in tariff rules and

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regulations.

6. The averments of Paragraph No. 6 of the Petition are admitted.

7. The averments of Paragraph No. 7 of the Petition are admitted.

8. The averments of Paragraph No. 8 of the Petition are admitted.

9. The averments of Paragraph No. 9 of the Petition are denied. Because CAC has not identified any of its members which “live and/or work in PPL service territories and are customers of PPL for transmission and distribution services,” PPL Electric cannot verify that members of the CAC are customers. Therefore, such averments are denied.

10. The averments of Paragraph No. 10 of the Petition are statements of positions which CAC apparently intends to advocate in this proceeding. As such, such averments are not averments of fact which PPL Electric can verify, and therefore, such averments are denied.

11. The averments of Paragraph No. 11 of the Petition are summaries of CAC’s positions in PPL Electric’s 1998 restructuring proceeding. Such positions, however, were expressed in written documents filed in the restructuring proceeding. Therefore, CAC’s positions in that proceeding, if relevant here, should be determined by reference to documents which it filed in that proceeding. CAC’s summaries of its positions in PPL Electric’s restructuring proceeding are denied.

12. The averments of Paragraph No. 12 of the Petition purport to be, in part, a summary certain of PPL Electric’s proposals in this proceeding. PPL Electric’s proposals, however, are explained fully in its testimony and exhibits that were filed on March 29, 2004, and CAC’s summaries and characterizations of PPL Electric’s proposals

are denied. The remaining averments of Paragraph No. 12 of the Petition are a statement of a position which CAC apparently intends to take in this proceeding. As such, the averments are speculative statements which PPL Electric cannot verify. Therefore, the remaining averments of Paragraph No. 12 of the Petition are denied.

13. In response to Paragraph No. 13 of the Petition, it is admitted that PPL Electric has proposed increases in rates to residential customers and changes in the design of the rates applicable to residential customers.

14. The averments of Paragraph No. 14 of the Petition purport to summarize certain of PPL Electric's proposals. Such proposals, however, are explained fully in the statements and exhibits filed by PPL Electric, and CAC's summaries and characterization of those proposals are denied.

15. The averments of Paragraph No. 15 of the Petition purport to summarize certain of PPL Electric's proposals. Such proposals, however, are explained fully in the statements and exhibits filed by PPL Electric, and CAC's summaries and characterization of those proposals are denied.

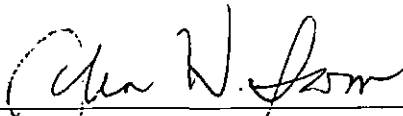
16. The averments of Paragraph No. 16 of the Petition purport to summarize certain of PPL Electric's proposals. Such proposals, however, are explained fully in the statements and exhibits filed by PPL Electric, and CAC's summaries and characterization of those proposals are denied.

17. The averments of Paragraph No. 17 of the Petition are conclusions of law to which no response is required.

The remaining averments of the Petition are requests for relief to which no response is required. By way of further response, however, PPL Electric does not oppose

intervention by CAC in this proceeding.

Respectfully submitted,



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Of Counsel:

Morgan, Lewis & Bockius LLP

Date: May 20, 2004

Attorneys for PPL Electric
Utilities Corporation

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing **Answer of PPL Electric Utilities Corporation to the "Protest and Petition to Intervene of Clean Air Council"** upon the participant(s), listed below, in accordance with the requirements of §1.54 (relating to service by a participant):

VIA FIRST-CLASS MAIL

Honorable Allison K. Turner
Administrative Law Judge
Pennsylvania Public Utility Commission
Philadelphia State Office Building
1400 West Spring Garden Street
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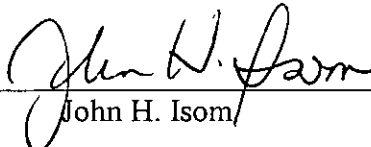
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Date: May 20, 2004



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May 20, 2004

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**Re: Pennsylvania Public Utility Commission v. PPL Electric Utilities Corporation
Docket No. R-00049255**

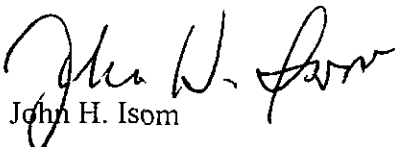
Dear Secretary McNulty:

Enclosed for filing are an original and three (3) copies of the Answer of PPL Electric Utilities Corporation to the "Petition to Intervene of The Sustainable Development Fund" in the above-reference proceeding.

As indicated on the certificate of service, copies have been served on all parties of record.

If you have any questions concerning these matters, please contact me at the addresses or telephone numbers provided above.

Respectfully submitted,


John H. Isom

JHI/jl

Enclosures

cc: Certificate of Service

ORIGINAL

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

SECRETARY'S BUREAU

2004 MAY 20 PM 2:04

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Pennsylvania Public Utility Commission, et al. :

v. :

PPL Electric Utilities Corporation

**DOCUMENT
FOLDER**

Docket No. R-000492555

**ANSWER OF PPL ELECTRIC UTILITIES CORPORATION
TO THE "PETITION TO INTERVENE OF
THE SUSTAINABLE DEVELOPMENT FUND"**

TO THE PENNSYLVANIA PUBIC UTILITY COMMISSION:

PPL Electric Utilities Corporation ("PPL Electric") hereby answers the "Petition to Intervene of the Sustainable Development Fund" ("Petition") as follows:

1. The averments of Paragraph No. 1 of the Petition are admitted.
2. The averments of Paragraph No. 2 of the Petition are denied as stated. On May 7, 2004, the Pennsylvania Public Utility Commission ("Commission") instituted an investigation of Supplement No. 38 to Tariff Electric - Pa. P.U.C. No. 201, as well as existing tariff rates, rules and regulations. Supplement No. 38 was suspended by operation of Section 1308(d) of the Public Utility Code, 66 Pa.C.S. § 1308(d).
3. The averments of Paragraph No. 3 of the Petition are conclusions of law to which no response is required.
4. The averments of Paragraph No. 4 of the Petition are denied. Initially, it is noted that information concerning SDF's joint investments is not reasonably available to PPL Electric, and therefore, such averments are denied. SDF's averments concerning possible future investments are nothing more than speculation, to which no response is

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required. If it is determined that a response to SDF's speculation is required, such averments are denied.

SDF claims that its ability to make joint investments in the future will be influenced by this proceeding. Such averments are denied. Apparently, SDF is referring to its ability to make joint investments with the Sustainable Energy Fund of Central Eastern Pennsylvania ("SEFCEP"). SEFCEP was organized to provide certain services in PPL Electric's service territory. SDF, in contrast, was organized to provide certain services in the service territory of PECO Energy Company. This proceeding will have no effect upon SDF's ability to make investments. There is some possibility that it may affect SEFCEP's abilities to make investments, but that is the direct interest of SEFCEP, not SDF. By way of further response, however, PPL Electric does not oppose intervention by SDF in this proceeding.

5. The averments of Paragraph No. 5 of the Petition are speculative statements regarding the possible outcome of this proceeding which PPL Electric cannot verify, and therefore, the averments of Paragraph No. 5 of the Petition are denied. By way of further response, however, PPL Electric does not oppose intervention by SDF in this proceeding.

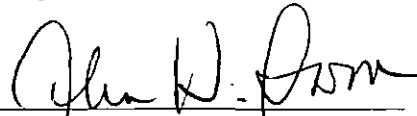
6. The averments of Paragraph No. 6 of the Petition are denied. Initially, it is noted that the interests of SDF in this proceeding is virtually identical to the interest of SEFCEP, and SDF's speculations about positions which it may or may not take in the proceeding do not alter that fact. By way of further response, however, PPL Electric does not oppose intervention by SDF in this proceeding.

7. The averments of Paragraph No. 7 of the Petition indicate that SDF has not determined what positions it will take in this proceeding if it is allowed to intervene. As such, the averments are no averments of fact, and therefore, no response is required.

8. The averments of Paragraph No. 8 of the Petition are admitted.

The remaining averments of the Petition are requests for relief to which no response is required. By way of further response, however, PPL Electric does not oppose intervention by SDF in this proceeding.

Respectfully submitted,



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Attorneys for PPL Electric
Utilities Corporation

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing **Answer of PPL Electric Utilities Corporation to the "Petition to Intervene of Sustainable Development Fund"** upon the participant(s), listed below, in accordance with the requirements of §1.54 (relating to service by a participant):

VIA FIRST-CLASS MAIL

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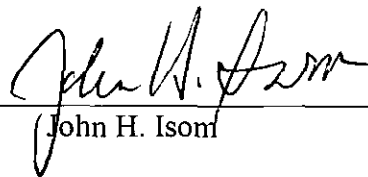
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Date: May 20, 2004



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May 20, 2004

VIA HAND DELIVERY

James J. McNulty, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

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2004 MAY 20 PM 2:05
PENNSYLVANIA
SECRETARY'S BUREAU

**Re: Pennsylvania Public Utility Commission v. PPL Electric Utilities Corporation
Docket No. R-00049255**

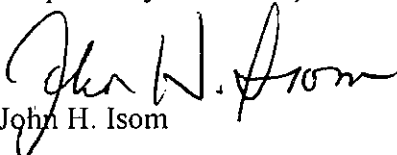
Dear Secretary McNulty:

Enclosed for filing are an original and three (3) copies of the Answer of PPL Electric Utilities Corporation to the "Petition to Intervene of Allegheny Power" in the above-reference proceeding.

As indicated on the certificate of service, copies have been served on all parties of record.

If you have any questions concerning these matters, please contact me at the addresses or telephone numbers provided above.

Respectfully submitted,


John H. Isom

JHI/jl

Enclosures

cc: Certificate of Service

ORIGINAL

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

2004 MAY 20 PM 2: 05
SECRETARY'S BUREAU

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Pennsylvania Public Utility Commission, et al. :

v.

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FOLDER**

Docket No. R-00049255

PPL Electric Utilities Corporation

**ANSWER OF PPL ELECTRIC UTILITIES CORPORATION TO THE
"PETITION TO INTERVENE OF ALLEGHENY POWER"**

TO THE PENNSYLVANIA PUBLIC UTILITY COMMISSION:

PPL Electric Utilities Corporation ("PPL Electric") hereby answers the "Petition to Intervene of Allegheny Power" ("Petition") as follows:

1. Detailed information concerning West Penn Power Company, d/b/a Allegheny Power ("Allegheny Power"), is not reasonably available to PPL Electric, and therefore, the averments of Paragraph No. 1 of the Petition are denied.

2. The averments of Paragraph No. 2 of the Petition are admitted.

3. The averments of Paragraph No. 3 of the Petition are admitted.

4. In response to Paragraph No. 4 of the Petition, it is admitted that Allegheny Power is a retail customer of PPL Electric at several different locations under PPL Electric's Rate Schedule BL, for Borderline Service. It is admitted further that PPL Electric proposes to increase its rates under Rate Schedule BL to produce an increase of approximately 9.94% in annual operating revenues. The remaining averments of Paragraph No. 4 of the Petition are denied. To the contrary, Allegheny Power's interests are represented by, among others, the Office of Trial Staff, which is responsible for balancing the interests of all customers. By way of further response, however, PPL Electric does not object to intervention by Allegheny Power in this proceeding.

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5. The averments of Paragraph No. 5 of the Petition are speculative statements regarding the possible outcome of this proceeding which PPL Electric cannot verify, and therefore, the averments of Paragraph No. 5 of the Petition are denied. By way of further response, however, PPL Electric does not object to Allegheny Power's intervention in this proceeding.

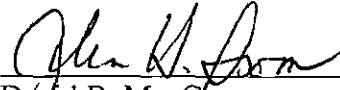
6. The averments of Paragraph No. 5 of the Petition are speculative statements regarding the possible outcome of this proceeding which PPL Electric cannot verify, and therefore, the averments of Paragraph No. 5 of the Petition are denied. By way of further response, however, PPL Electric does not object to Allegheny Power's intervention in this proceeding.

7. The averments of Paragraph No. 7 of the Petition are admitted in part and denied in part. It is admitted that PPL Electric is a transmission-owning entity, a member of PJM and that Allegheny Power is a transmission-owning entity and a member of PJM West. Procurement of energy and transmission services in PJM markets, however, are not the subjects of this proceeding. Such matters are governed by the rules of the PJM Interconnection, LLC, subject to regulation by the Federal Energy Regulatory Commission.

8. The averments of Paragraph No. 8 of the Petition simply summarize Allegheny Power's previous averments. As such, PPL Electric's averments herein above are incorporated herein by reference.

The remaining averments of the Petition are requests for relief to which no response is required. By way of further response, however, PPL Electric does not object to intervention by Allegheny Power.

Respectfully submitted,



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Of Counsel:

Morgan, Lewis & Bockius LLP

Date: May 20, 2004

Attorneys for PPL Electric
Utilities Corporation

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing **Answer of PPL Electric Utilities Corporation to the "Petition to Intervene of Allegheny Power"** upon the participant(s), listed below, in accordance with the requirements of §1.54 (relating to service by a participant):

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King of Prussia, PA 19406

Patricia Armstrong
Thomas, Thomas, Armstrong & Niesen
212 Locust Street, Suite 500
P.O. Box 9500
Harrisburg, PA 17108-9500

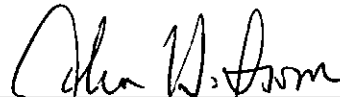
Roger E. Clark
Sustainable Development Fund
718 Arch Street, Suite 300 North
Philadelphia, PA 19106-1591

Michael Fiorentino
Joseph Otis Minott
135 S. 19th Street, Suite 300
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Saul Ewing LLP
2 North Second Street, 7th Floor
Harrisburg, PA 17101

Robert D. Knecht
Industrial Economics Incorporated
2067 Massachusetts Avenue
Cambridge, MA 02140

Date: May 20, 2004



John H. Isom

Morgan, Lewis & Bockius LLP
One Commerce Square
417 Walnut Street
Harrisburg, PA 17101-1904
Tel: 717.237.4000
Fax: 717.237.4001
www.morganlewis.com

ORIGINAL

Morgan Lewis
COUNSELORS AT LAW

John H. Isom
717.237.4022
jisolm@morganlewis.com

May 20, 2004

VIA HAND DELIVERY

James J. McNulty, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

DOCUMENT
FOLDER

SECRETARY'S BUREAU

2004 MAY 20 PM 2:01

RECEIVED

**Re: Pennsylvania Public Utility Commission v. PPL Electric Utilities Corporation
Docket No. R-00049255**

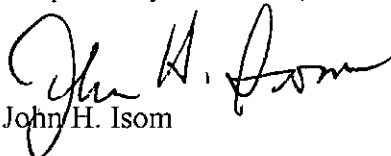
Dear Secretary McNulty:

Enclosed for filing are an original and three (3) copies of the Answer of PPL Electric Utilities Corporation to the "Petition to Intervene of UGI Utilities, Inc." in the above-reference proceeding.

As indicated on the certificate of service, copies have been served on all parties of record.

If you have any questions concerning these matters, please contact me at the addresses or telephone numbers provided above.

Respectfully submitted,


John H. Isom

JHI/jl

Enclosures

cc: Certificate of Service

ORIGINAL
BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

SECRETARY'S BUREAU

2004 MAY 20 PM 2:01

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Pennsylvania Public Utility Commission, et al. :

v.

PPL Electric Utilities Corporation

**DOCUMENT
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Docket No. R-0004855

**ANSWER OF PPL ELECTRIC UTILITIES CORPORATION
TO THE "PETITION TO INTERVENE OF UGI UTILITIES, INC."**

TO THE PENNSYLVANIA PUBLIC UTILITY COMMISSION:

PPL Electric Utilities Corporation ("PPL Electric") hereby answers the "Petition to Intervene" ("Petition") of UGI Utilities, Inc. ("UGI"):

Document
MAY 25 2004

1. Detailed information concerning UGI is not reasonably available to PPL Electric, and therefore, the averments of Paragraph No. 1 of the Petition are denied.
2. Detailed information concerning UGI is not reasonably available to PPL Electric, and therefore, the averments of Paragraph No. 2 of the Petition are denied.
3. The averments of Paragraph No. 3 of the Petition are admitted.
4. The averments of Paragraph No. 4 of the Petition are admitted.
5. The averments of Paragraph No. 5 of the Petition are admitted in part and denied in part.
 - a. The averments of sub-paragraph a. are admitted.
 - b. The averments of sub-paragraph b. are admitted.
 - c. The averments of sub-paragraph c. are admitted, but PPL Electric denies that such averments are relevant or establish a basis for intervention.

By way of further response, PPL Electric does not object to intervention by UGI in this proceeding.

6. The averments of Paragraph No. 6 of the Petition are denied. To the contrary, UGI's interests are represented by, *inter alia*, the Office of Trial Staff, which is responsible for balancing the interests of all parties. By way of further response, however, PPL Electric does not object to intervention by UGI in this proceeding.

7. The averments of Paragraph No. 7 of the Petition describe the manner in which UGI intends to participate in this proceeding. Consequently, such averments are not averments of fact. Therefore, no response is required.

8. The averments of Paragraph No. 8 describe UGI's presently anticipated need for discovery and an attempt to reserve the right to undertake discovery at a later time. As such, the averments are not averments of fact, and therefore, no response is required. By way of further response, however, UGI's rights to undertake discovery in the future are governed by the Rules of Administrative Practice and Procedure and are not affected by UGI's attempt to reserve such rights.

The remaining averments of the Petition are requests for relief to which no response is required. By way of further response, however, PPL Electric does not object to intervention by UGI in this proceeding.

Respectfully submitted,



David B. MacGregor
Morgan, Lewis & Bockius LLP
1701 Market Street

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Voice 215.963.5000
Fax: 215.963.5299
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Paul E. Russell
Associate General Counsel
PPL Services Corporation
Two North Ninth Street
Allentown, PA 18101-1179
Voice: 610.774.4254
Fax: 610.774.6726
E-mail:perussell@pplweb.com

Of Counsel:

Morgan, Lewis & Bockius LLP

Date: May 20, 2004

Attorneys for PPL Electric
Utilities Corporation

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing **Answer of PPL Electric Utilities Corporation to the "Petition to Intervene of UGI Utilities, Inc."** upon the participant(s), listed below, in accordance with the requirements of §1.54 (relating to service by a participant):

VIA FIRST-CLASS MAIL

Honorable Allison K. Turner
Administrative Law Judge
Pennsylvania Public Utility Commission
Philadelphia State Office Building
1400 West Spring Garden Street
Room 1302
Philadelphia, PA 19130

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James A. Mullins, Esquire
Lori A. Herman, Esquire
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Karen S. Miller, Esquire
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3 Lost Creek Drive
Selinsgrove, PA 17870-9357

Eric Joseph Epstein
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Harrisburg, PA 17112

RECEIVED
2004 MAY 20 PM 2:00
SECRETARY'S BUREAU

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Patricia Armstrong
Thomas, Thomas, Armstrong & Niesen
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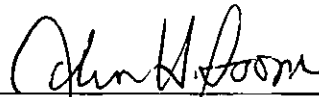
Roger E. Clark
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Date: May 20, 2004



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ORIGINAL

May 21, 2004

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MAY 21 2004

James J. McNulty, Esquire
Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, Pennsylvania 17120

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Re: **PPL Electric Utilities Corporation
Supplement No. 38 to Tariff -
Electric Pa. P.U.C. No. 201
Docket No. R-00049255**

DOCUMENT

Dear Mr. McNulty:

Attached for filing, pursuant to the Commission's regulations, 52 Pa. Code § 5.342(d), is a Certificate of Service identifying responses to interrogatories that PPL Electric Utilities Corporation served today on the active participants in this proceeding.

If you have any questions regarding these responses, please call.

Very truly yours,

Paul E. Russell

Attachment

cc: The Honorable Allison K. Turner

RECEIVED

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

MAY 21 2004

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

PPL Electric Utilities Corporation :
Supplement No. 38 to Tariff – Electric :
Pa. P.U.C. No. 201 :

Docket No. R-00049255

CERTIFICATION OF SERVICE

I hereby certify that I have this day served a true copy of the responses of PPL Electric Utilities Corporation to Interrogatories of Eric Epstein, Set I, Questions 1 through 5 and Questions 7 through 13 (no Question 6 was submitted), upon the participant(s) listed below, in accordance with the requirements of §1.54 (relating to service by a participant):

VIA FEDERAL EXPRESS

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Johnnie Simms, Esquire
Richard A. Kanaskie, Esquire
Office Of Trial Staff
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US Army Legal Services Agency
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Eric Epstein
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Commission on Economic Opportunity
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Peter Adels, General Counsel
Charley McPhedran, Senior Attorney
PennFuture
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Dated: May 21, 2004

A handwritten signature in black ink, appearing to read "Paul E. Russell". The signature is written in a cursive style with a large initial "P" and "R".

Paul E. Russell

610-929-3601

Michael G. Wolfe, Esq.
(610) 921-6202 (Direct Dial)
(610) 939-8655 (Fax)
mwolfe@firstenergycorp.com

ORIGINAL

May 21, 2004

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MAY 21 2004

VIA UPS OVERNIGHT

James J. McNulty, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, PA 17120

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

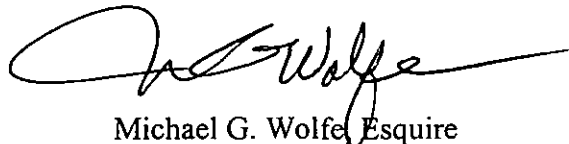
Re: Petition of PPL Electric Utilities Corporation
Docket No. R-00049255

Dear Secretary McNulty:

Enclosed herewith for filing are an original and three (3) copies of a Petition to Intervene in the above-referenced matter on behalf of Pennsylvania Power Company, Metropolitan Edison Company and Pennsylvania Electric Company.

This Petition to Intervene is being served upon the presiding Administrative Law Judge and all parties of record in accordance with the enclosed Certificate of Service.

Very truly yours,



Michael G. Wolfe, Esquire

dln
Enclosures

c: Maureen Govan
ALJ Susan Colwell
ALJ Ember Jandebaur

**DOCUMENT
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ORIGINAL

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of PPL Electric Utilities Corporation :
: Docket No. R-0049255
:

**PETITION TO INTERVENE OF PENNSYLVANIA POWER COMPANY,
METROPOLITAN EDISON COMPANY, PENNSYLVANIA ELECTRIC COMPANY
AND AMERICAN TRANSMISSION SYSTEMS, INCORPORATED**

Pennsylvania Power Company ("Penn Power"), Metropolitan Edison Company ("Met-Ed"), and Pennsylvania Electric Company ("Penelec"), collectively, "Companies", hereby petition to intervene in the above-captioned matter pursuant to 52 Pa. Code § 5.71, et seq. and in connection therewith represents as follows:

I. INTRODUCTION

1. On March 29, 2004, PPL Electric Utilities Corporation ("PPL") filed with the Pennsylvania Public Utility Commission ("Commission") a petition seeking, among other things, a proposed distribution rate increase of \$164.4 million, implementation of a Distribution System Improvement Charge ("DSIC") and informed the PUC of an \$57.2 million increase in automatic pass through transmission service charges. This is the first post-rate cap distribution rate case to be filed in Pennsylvania.

2. The Companies are all affiliates of FirstEnergy Corp., a diversified energy services holding company headquartered in Akron, Ohio. FirstEnergy Corp.'s seven electric utility operating companies comprise the nation's fourth largest investor-owned electric system,

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JUN 1 2004

servicing 4.3 million customers within 36,100 square miles of Ohio, Pennsylvania and New Jersey.

3. The Companies' current interest¹ in this proceeding fall into three categories, all of which implicate significant electric distribution company ("EDC") rate-making policy issues: (i) issues relating to PPL's proposed distribution rate increase and, in particular, its "innovative pricing structure", (ii) issues relating to PPL's proposed Distribution System Improvement Charge ("DSIC") and (iii) issues relating to the information provided in this proceeding on the transmission charge pass through.

4. As described more fully below, the Companies should be granted permission to intervene in this proceeding because (i) the three categories of issues discussed in paragraph 3 will have an actual, direct and significant impact on them as EDC's which will also be exiting retail rate caps in the near future; (ii) the Companies' rights are not adequately represented by any existing party to the proceeding; and (iii) the decision in this matter may constitute a precedent on certain issues that may impact them in the future.

II. BACKGROUND – DESCRIPTION OF PROPOSED INTERVENORS

5. Penn Power, based in New Castle, Pennsylvania, provides retail electric service to 155,930 residential, commercial and industrial customers within a 1,100 square mile area of western Pennsylvania. Penn Power is a wholly-owned subsidiary of Ohio Edison.

6. Met-Ed, based in Reading, Pennsylvania, provides retail electric service to 517,400 residential, commercial and industrial customers within a 3,300 square mile of southern and southeastern Pennsylvania.

¹ The Companies reserve their rights to raise additional issues during the course of the proceeding as necessary or appropriate to protect their interests and as more details about the PPL filing emerge through testimony and discovery.

7. Penelec, based in Erie, Pennsylvania, provides retail electric service to 585,790 residential, commercial and industrial customers within a 17,600 square mile area of northern and central Pennsylvania.

8. Penn Power, Met-Ed and Penelec are all EDCs in Pennsylvania that currently provide service to their retail customers and will continue to do so under circumstances similar to PPL after their respective rate caps under the Competition Act have expired in the future.

9. The name, address and telephone number of counsel for the Companies is:

Michael G. Wolfe
FirstEnergy Corp.
2800 Pottsville Pike
P.O. Box 16001
Reading, PA 19612-6001
(610) 921-6202

III. ELEGIBILITY TO INTERVENE

10. A person or entity's eligibility to intervene in proceedings before this Commission is governed by the Commission's rules at 52 Pa. Code § 5.72. A proposed intervenor must demonstrate that it has a right to intervene or has an interest of such nature that intervention is necessary or appropriate to the proceeding. The requisite "right of interest" may be established by one of the following:

- A right conferred by statute of the United States or the Commonwealth.
- An interest which may be directly affected and which is not adequately represented by existing participants, and as to which the petitioner may be bound by the action of the Commission in the proceeding.

- Another interest of such nature that participation of the petitioner may be in the public interest.

11. As discussed further below, the Companies have a direct interest in this proceeding that is not adequately represented by any other party.

IV. THE COMPANIES SATISFY THE CRITERIA FOR INTERVENTION

12. Penn Power, Met-Ed and Penelec are all Pennsylvania's EDCs that are currently providing service to their customers and will confront issues relating to distribution and transmission rate design subsequent to the termination of their respective rate caps. As such, any final determination by the Commission in this proceeding could impact the way in which these companies may charge delivery customers when their retail rate caps expire, especially with regard to the innovative aspects thereof, including the DSIC. Given these areas of interest, Penn Power, Met-Ed and Penelec's participation in this proceeding is critical to understanding how the PUC might approach similar issues relating to the companies' post-rate cap rate cases.

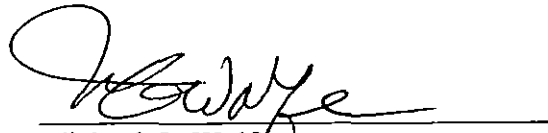
V. CONCLUSION

13. The Companies are prepared to participate in this proceeding in a manner that does not unduly interfere with the prompt adjudication of PPL's rate case. Since no hearings have been conducted and only discovery limited to date, no one will be prejudiced by their intervention in this proceeding.

14. Accordingly, for the reasons specified in this Petition, the Companies' Petition to Intervene in the above-referenced proceeding should be granted.

Wherefore, Pennsylvania Power Company, Metropolitan Edison Company and Pennsylvania Electric Company respectfully request that their Petition to Intervene be granted and that the Commission grant them such other relief as is just and reasonable under the circumstances.

Dated: May 21, 2004



Michael G. Wolfe
FirstEnergy Corp.
2800 Pottsville Pike
P.O. Box 16001
Reading, PA 19612-6001
(610) 921-6202

Attorney for Pennsylvania Power Company,
Metropolitan Edison Company and
Pennsylvania Electric Company

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BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

MAY 21 2004

Petition of PPL Electric Utilities
Corporation

:
:
:

Docket No. R-0049255

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the Petition to Intervene of FirstEnergy Corp. upon the individuals listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

Service by First Class Mail, postage prepaid, addressed as follows:

Paul E. Russell, Esquire
Associate General Counsel
PPL Electric Utilities Corp.
Two North Ninth Street
Allentown, PA 18101-1179

Steven C. Gray, William R. Lloyd, Jr.
Office of Small Business Advocate
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Scott J. Rubin, Esquire
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Robert D. Knecht, Expert Witness
Industrial Economics Incorporated
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David MacGregor, Counsel
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Patricia Armstrong, Esquire
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c/o Reliant Energy Solutions
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Edison (Metro Park), NJ 08837

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Clean Air Council
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Philadelphia, PA 19103

Louise Knight, Esquire
Saul Ewing LLP
2 North Second Street, 7th Floor
Harrisburg, PA 17101-1604

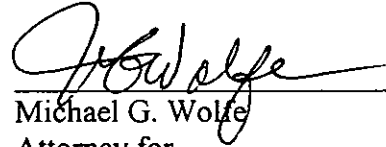
Eric Joseph Epstein
4100 Hilladale Road
Harrisburg, PA 17112

Peter Adels, General Counsel
Citizens for Pennsylvania Future
117 S. 17th Street, Suite 1801
Philadelphia, PA 19103

Honorable Phyllis Mundy, Chair
Northeast Delegation
House Box 202020
Harrisburg, PA 17120-2020

Allison K. Turner
Administrative Law Judge
Pennsylvania Public Utility Commission
OALJ, Room 1302
Philadelphia State Office Building
1400 W. Spring Garden Street
Philadelphia, PA 19130

May 21, 2004



Michael G. Wolfe
Attorney for
Pennsylvania Power Company
Metropolitan Edison Company
Pennsylvania Electric Company
2800 Pottsville Pike
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Reading, PA 19612-6001
mwolfe@firstenergycorp.com

**DOCUMENT
FOLDER**

May 24, 2004

Paul E. Russell, Esquire
Associate General Counsel
PPL Electric Utilities Corporation
Two North Ninth Street
Allentown, PA 18101-1179

VIA E-MAIL AND FIRST CLASS MAIL

**RE: Pennsylvania Public Utility Commission v. PPL Electric Utilities Corporation;
Docket No. R-00049255**

Dear Mr. Russell:

Please find enclosed two (2) copies of PP&L Industrial Customer Alliances' ("PPLICA") Interrogatories, Set II, to PPL Electric Utilities Corporation in the above-referenced proceeding.

Please endeavor to forward responses in an organized manner as they are completed; it is not necessary to await completion of all responses prior to forwarding those completed more quickly. Please forward one set of responses (including all attachments) to our office and one set of responses (including all attachments) to Mr. Stephen Baron of J. Kennedy & Associates, Inc.

Please communicate any objections or questions that you may have to these interrogatories as quickly as possible. Thank you for your attention to this matter.

Very truly yours,

McNEES WALLACE & NURICK LLC

By 
Pamela C. Polacek

Counsel to the PP&L Industrial Customer Alliance

PCP/mp

Enclosures

c: James J. McNulty, Secretary (transmittal letter only)
Joseph M. Kleha (via e-mail only)
Certificate of Service

RECEIVED
MAY 25 AM 8:54
SECRETARY'S BUREAU

CERTIFICATE OF SERVICE

I hereby certify that I am this day serving a true copy of the foregoing document upon the participants listed below in accordance with the requirements of 52 Pa. Code Section 1.54 (relating to service by a participant).

VIA FIRST CLASS MAIL

Steven C. Gray, Esq.
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Harrisburg, PA 17101

David A. McCormick, Esq.
The Department of Defense and Federal
Executive Agencies
Regulatory Law Office
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Certificate of Service
Page 3
Docket No. R-00049255

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Pamela C. Polacek

Counsel to the PP&L Industrial
Customer Alliance

Dated this 24th day of May, 2004, at Harrisburg, Pennsylvania.

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May 25, 2004

FEDERAL EXPRESS

James J. McNulty, Esquire
Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, Pennsylvania 17120

**DOCUMENT
FOLDER**

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MAY 25 2004

**PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU**

**Re: PPL Electric Utilities Corporation
Supplement No. 38 to Tariff -
Electric Pa. P.U.C. No. 201
Docket No. R-00049255**

Dear Mr. McNulty:

Attached for filing, pursuant to the Commission's regulations, 52 Pa. Code § 5.342(d), is a Certificate of Service identifying responses to interrogatories that PPL Electric Utilities Corporation served today on the active participants in this proceeding.

If you have any questions regarding these responses, please call.

Very truly yours,

Paul E. Russell

Attachment

cc: The Honorable Allison K. Turner

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

PPL Electric Utilities Corporation :
Supplement No. 38 to Tariff – Electric :
Pa. P.U.C. No. 201 :

Docket No. R-00049255

CERTIFICATION OF SERVICE

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MAY 25 2004
PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

I hereby certify that I have this day served a true copy of the responses of PPL Electric Utilities Corporation to Interrogatories of the Office of Trial Staff, Set 16, Questions OTS-RS-68 through OTS-RS-73, upon the participant(s) listed below, in accordance with the requirements of §1.54 (relating to service by a participant):

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Dated: May 25, 2004

A handwritten signature in black ink, appearing to read "Paul E. Russell", written over a horizontal line.

Paul E. Russell

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Morgan Lewis
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ORIGINAL

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May 25, 2004

VIA HAND DELIVERY

James J. McNulty, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

**Re: Pennsylvania Public Utility Commission v. PPL Electric Utilities Corporation
Docket No. R-00049255**

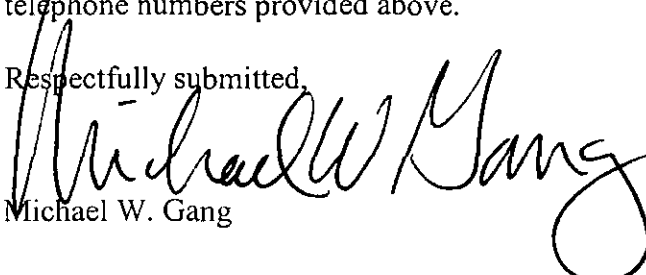
Dear Secretary McNulty:

Enclosed for filing are an original and three (3) copies of the Objections of PPL Electric Utilities Corporation to Certain Interrogatories in Set II of Eric Epstein's Interrogatories in the above-reference proceeding.

As indicated on the certificate of service, copies have been served on all parties of record.

If you have any questions concerning these matters, please contact me at the addresses or telephone numbers provided above.

Respectfully submitted,


Michael W. Gang

BTL

MWG/jl

Enclosures

cc: Certificate of Service

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2004 MAY 25 PM 3:08
SECRETARY'S BUREAU

31

ORIGINAL

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission :
v. :
PPL Electric Utilities Corporation :

Docket No. R-00049255

SECRETARY'S BUREAU

2004 MAY 25 PM 3: 09

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OBJECTIONS OF PPL ELECTRIC UTILITIES CORPORATION TO CERTAIN INTERROGATORIES IN SET II OF ERIC EPSTEIN'S INTERROGATORIES

PPL Electric Utilities Corporation ("PPL Electric") hereby objects, pursuant to 52 Pa. Code § 5.342, to certain written interrogatories included in Mr. Eric Joseph Epstein's second set of interrogatories. PPL electric has notified Mr. Epstein of these objections and has sought to contact him to discuss resolution of this matter informally. Due to scheduling constraints, however, the parties have not had an opportunity to discuss these objections in any detail. PPL Electric is filing these objections to preserve its rights, but remains willing to resolve the objections informally if possible.

1. PPL Electric objects to Interrogatory No. 1 of Mr. Epstein's second set of interrogatories, which reads as follows:

"Q.1. "Please provide all "documents" and "work papers" pertaining to criminal convictions, fines, financial settlements or any other environmental transgression(s) assessed against the Company during actuarial life table computations of 1937 through 2002. (JJS 1, I-3)."

PPL Electric objects to this interrogatory on the grounds that it is unreasonably burdensome in that it calls for substantial data spanning a seventy-five year period which does not even include the test years in this proceeding. Further, the data requested are irrelevant to the proceeding because they are unrelated to any claim of PPL Electric in this proceeding.

2. PPL Electric objects to Interrogatory No. 3 of Mr. Epstein's second set of interrogatories, which reads as follows:

"Q.3. Many of the PPL pole replacements and pole mounted transformers were due to polychlorinated biphenyls (PCB) contamination.

- a) How much has the Company paid to remove and replace PCB contaminated poles and pole mounted transformers?
- b) How much has the Company paid to remediate these sites?
- c) Does the Company maintain a groundwater and follow-up site program at any (or all) of the pole and pole mounted transformer sites?
- d) Please provide copies of all remedial and follow-up studies relating to PCB contamination, pole and transformer site remediation, and follow-up programming.
- e) How much of the PCB remediation costs have been recovered through the rate payer recovery?
- f) Has the Company filed any insurance claims relevant to PCB contamination, replacement, and remediation?
- g) If so, how much compensation has the Company received?
- h) Has insurance or product compensation been credited to past, present or future rate payers?"

PPL Electric objects to this interrogatory on the grounds that it is burdensome in that there is no limit on the period for which PPL Electric is requested to provide data. Therefore, apparently, the interrogatory requests information going back to 1920, when PPL Electric was organized. Answering this interrogatory would be burdensome also because each pole mounted transformer serves only a few customers and because there

are hundreds of thousands of poles in PPL Electric's distribution system. Consequently, there are thousands of pole mounted transformers in PPL Electric's distribution system. Moreover, PPL Electric removes or replaces transformers for many reasons, including age, changes in customer load and construction in the vicinity, which have nothing to do with any contamination. Separately identifying the exact reason for each and every change of poles and pole mounted transformers would require an enormous effort, if sufficient records are available to make such determinations.

3. PPL Electric objects to Interrogatory No. 6 of Mr. Epstein's second set of interrogatories which reads as follows:

"Q.6. This year, three workers were injured when their bucket truck contacted a high voltage line at the Susquehanna reactor.

- a) Does the Company track these incidents?
- b) If so, please provide all data available on historic patterns of inadvertent voltage line contacts."

This Interrogatory is irrelevant to this proceeding because it relates to activities at the Susquehanna Steam Electric Station, which is owned by Susquehanna Generation, LLC. PPL Electric does not own the Susquehanna Steam Electric Station.

4. PPL Electric objects to Interrogatory No. 14 of Mr. Epstein's second set of interrogatories, which reads as follows:

"Q.14. Please provide a year-by-year description of interruptions from 1994 through 2004 by:

- Duration
- Location
- Rate class
- Region
- Root cause: Weather, infrastructure, human performance or maintenance."

This Interrogatory is unreasonably burdensome in that it calls for detailed information for each and every interruption of electric distribution service over a 10-year period. The interrogatory calls for information concerning even momentary, local interruptions. Further, much of the information requested is not available. For example, PPL Electric does not keep records concerning the rate class of customers whose service has been interrupted.

5. PPL Electric objects to Interrogatory No. 15 of Mr. Epstein's second set of interrogatories, which reads as follows:

“Q.15. Please provide data that documents service interruptions by:

- Number of interruptions followed by rate class of customers whose service was interrupted.
- Date and time when the Company was contacted about each an initiating event, followed by the actual date and time PPL arrived at location to begin work, followed by the date and time the task order was actually completed.
- Historic consumption patterns of customers whose service was interrupted.
- Historic bill paying patterns of customers whose service was interrupted.”

PPL Electric objects to this interrogatory on the grounds that answering would be unduly burdensome, and much of the requested information is simply not available. The interrogatory calls for detailed information concerning payment patterns and usage patterns of customers whose service has been interrupted. PPL Electric does not specifically track the identity of each and every customer affected by each and every interruption of service. Further, the interrogatory is unlimited in time, calling for information going back to 1920, when PPL Electric was organized. Further, the

interrogatory calls for detailed information concerning all interruptions, even momentary, local interruptions.

6. PPL Electric objects to Interrogatory No. 17 of Mr. Epstein's second set of interrogatories, which reads as follows:

"Q.17. Nine months after the largest Blackout in U.S. history the nation's reliability standards remain voluntary. PPL CEO William Hecht stated that the Blackout, stemmed from "a failure to follow reliability rules that have been well known and supported throughout our industry since the great blackout of 1965. According to Mr. Hecht, Electricity is inherently an interstate product, he observed, "flowing across state boundaries much like America's rivers."
(Restructuring Today, Tuesday, January 20, 2004, pp. 1-2.

Consistent with Mr. Hecht's analyses, please supply reliability performance indices for other states PPL, e.g., Maine and Montana operates T&D assets so that we may compare and contrast the Company's out-of-state performance levels of Pennsylvania's indices."

PPL Electric objects to this interrogatory on the grounds that the information called for is irrelevant to this proceeding. Further, PPL Electric has no operations or facilities in Montana or Maine. One of PPL Electric's affiliates does have operations in Montana and Maine, but those operations do not include the distribution of electricity.

7. PPL Electric objects to Interrogatory No. 19 of Mr. Epstein's second set of interrogatories, which reads as follows:

"Q.19 PPL's EDC management (human relations, personnel and risk management) should be accountable for recurring trends, and the failure to anticipate and plan from preventable interruptions.

a) How does the Company prepare for and anticipate such events?

b) Beginning in 1994 through 2004, please provide an annual year-by-year accounting for the number of employees and amount of resources PPL has expended in the following departments.

- Human relations:
- Personnel:
- Risk Management.”

PPL Electric objects to this interrogatory on the grounds that it is too vague to be answered in a meaningful manner. Explaining how PPL Electric prepares for preventable interruptions would include a complete explanation of PPL Electric’s distribution system operations. Further, the interrogatory is irrelevant because the assumed relationship between the number of employees in and the levels of expenditures for certain administrative departments and the number of “preventable interruptions” does not exist.

8. PPL Electric objects to a portion of Interrogatory No. 20 of Mr. Epstein’s second set of interrogatories, which reads as follows;

“Q.20. On October 19, 2002, fourteen boroughs brought suit against PPL for alleged market manipulation. The boroughs include: Blakely, Catawissa, Duncannon, Haven, Kutztown, Landsdale, Lehigh, Mifflinburg, Olyphant, Perkasi, Quakertown, Saint Clair, Schuylkill and Watsonstown.

- a) What was the final disposition of the Borough’s suit?
- b) How much of the legal fees and settlement costs were passed on to rate payers?
- c) How often did these boroughs experience service interruptions from October, 2002 through December, 2003?
- d) Please provide data about each specific borough.”

PPL Electric objects to subparts c) and d) of this interrogatory. The political subdivisions listed in Interrogatory No. 20 receive service from PPL Electric at

wholesale, subject to the regulatory jurisdiction of the Federal Energy Regulatory Commission. Such wholesale rates and services are not subject to regulation by the Pennsylvania Public Utility Commission.

9. PPL Electric objects to Interrogatory No. 21 of Mr. Epstein's second set of interrogatories, which reads as follows:

"Q.21. On June 14, 2004, the Pa Public Utility Commission accused PPL of gaming the capacity market in the PJM grid in early 2001, but asked state regulators and federal authorities to investigate.

The Pennsylvania PUC has evidence that allegedly shows PPL withheld electricity to create an artificial power shortage in the market for extra capacity while utilities buy credits to meet PJM reserve requirements.

Such alleged activity drove up prices when the capacity price shot up from \$5/mwh to \$177/mwh on average for more than three months. PPL denies the charges. (*Restructuring Today*, Friday June 14, 2002.)

- a) How much did PPL pay for legal costs?
- b) How much of those expenses were passed on to rate payers?"

PPL objects to this interrogatory on the grounds that it contains an incorrect premise. In fact, the investigation to which Mr. Epstein refers related to PPL EnergyPlus, LLC, an Electric Generation Supplier, not PPL Electric, an Electric Distribution Company. PPL Electric incurred no legal costs with regard to that investigation, and no legal costs were passed on to rate payers.

Respectfully submitted,



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Of Counsel:

Morgan, Lewis & Bockius LLP

Date: May 25, 2004

Attorneys for PPL Electric
Utilities Corporation

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing **Objections of PPL Electric Utilities Corporation to Certain Interrogatories in Eric J. Epstein's Interrogatories, Set II** upon the participant(s), listed below, in accordance with the requirements of §1.54 (relating to service by a participant):

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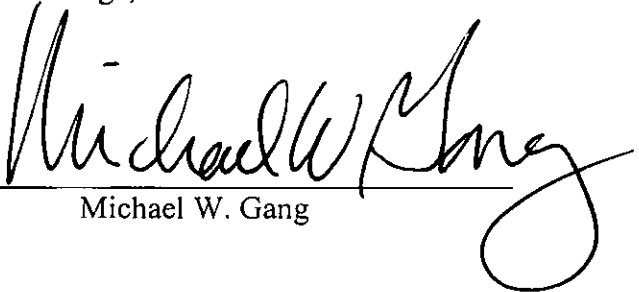
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May 26, 2004

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MAY 26 2004

**PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU**

**Re: PPL Electric Utilities Corporation
Supplement No. 38 to Tariff -
Electric Pa. P.U.C. No. 201
Docket No. R-00049255**

**DOCS
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Dear Mr. McNulty:

Attached for filing, pursuant to the Commission's regulations, 52 Pa. Code § 5.342(d), is a Certificate of Service identifying responses to interrogatories that PPL Electric Utilities Corporation served today on the active participants in this proceeding.

If you have any questions regarding these responses, please call.

Very truly yours,

Paul E. Russell / NB
Paul E. Russell

Attachment

cc: The Honorable Allison K. Turner

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

PPL Electric Utilities Corporation :
Supplement No. 38 to Tariff – Electric :
Pa. P.U.C. No. 201 :

Docket No. R-00049255

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MAY 26 2004

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

CERTIFICATION OF SERVICE

I hereby certify that I have this day served a true copy of the responses of PPL Electric Utilities Corporation to Interrogatories of Eric Epstein, Set I, Questions 14 and 15, upon the participant(s) listed below, in accordance with the requirements of §1.54 (relating to service by a participant):

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Dated: May 26, 2004



Paul E. Russell