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File #: 161587

January 7, 2016

VIA ELECTRONIC FILING

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor North
P.O. Box 3265
Harrisburg, PA 17105-3265

Re: Whemco-Steel Castings, Inc. v. Duquesne Light Company
Docket No. C-2014-2459527

Dear Secretary Chiavetta:

Enclosed please find the Further Prehearing Conference Memorandum of Duquesne Light Company in the above-referenced proceeding. Copies will be provided as indicated on the Certificate of Service.

Respectfully submitted,

A handwritten signature in black ink that reads 'Anthony D. Kanagy'. The signature is written in a cursive style with a large initial 'A'.

Anthony D. Kanagy

ADK/skr
Enclosure

cc: Honorable Jeffrey Watson
Certificate of Service

**CERTIFICATE OF SERVICE
(Docket No. C-2014-2459527)**

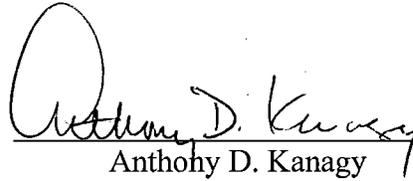
I hereby certify that a true and correct copy of the foregoing has been served upon the following persons, in the manner indicated, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

VIA E-MAIL and REGULAR MAIL

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Date: January 7, 2016



Anthony D. Kanagy

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Whemco-Steel Castings, Inc.	:	
	:	
v.	:	Docket No. C-2014-2459527
	:	
Duquesne Light Company	:	

**FURTHER PREHEARING CONFERENCE MEMORANDUM
OF DUQUESNE LIGHT COMPANY**

TO ADMINISTRATIVE LAW JUDGE JEFFREY A. WATSON:

Duquesne Light Company (“Duquesne Light” or the “Company”) hereby submits this Further Prehearing Conference Memorandum in compliance with the Prehearing Conference Order issued by Administrative Law Judge Jeffrey A. Watson (the “ALJ”) on December 24, 2015.

I. BACKGROUND

Duquesne Light furnishes electric service to approximately 588,000 customers throughout its certificated service territory, which includes portions of Allegheny and Beaver counties and encompasses approximately 817 square miles in western Pennsylvania. Duquesne Light is a “public utility” and an “electric distribution company” as defined in Sections 102 and 2803 of the Pennsylvania Public Utility Code, 66 Pa.C.S. §§ 102, 2803.

Whemco-Steel Castings, Inc. (“Whemco”) is a Delaware corporation with industrial plants located in Midland and West Homestead, Pennsylvania. Pertinent to the pending Complaint is Whemco’s Midland plant (“Midland Facility”). The Midland Facility is a Large Commercial and Industrial (“Large C&I”) customer located in Duquesne Light’s service territory. At all times material to the Complaint, the Midland Facility received electric distribution service from Duquesne Light.

On December 23, 2014, Whemco filed the above-captioned Complaint. The subject of Whemco's Complaint are the rates Whemco paid for electric distribution service provided by Duquesne Light to Whemco's Midland Facility during the period of January 1, 2011 through April 2014. Specifically, Whemco alleges that it overpaid for electric distribution service provided to the Midland Facility during the period of January 1, 2011 through April 2014 as a result of the elimination of Rider No. 5 – Time of Day Discounts.

On January 21, 2015, Duquesne Light filed an Answer and New Matter to the Complaint. In its Answer, Duquesne Light denied that the elimination of Rider No. 5 – Time of Day Discounts was improper and denied that Whemco was entitled to any refunds. In its New Matter, the Company also explained that it filed a distribution rate case in 2010 and that former Rider No. 5 – Time of Day Discounts was completely eliminated for all customers in the proposed distribution rate case tariff that was filed with the Commission.

On February 10, 2015, Whemco filed a Reply to Duquesne Light's New Matter.

On April 13, 2015, Whemco served Objections to certain of Duquesne Light's Set I Interrogatories.

On April 17, 2015, Whemco filed a Motion to Determine Sufficiency of Duquesne Light Responses to Whemco's Requests for Admissions Set I.

On April 21, 2015, the ALJ issued a Prehearing Conference Order and Order Converting Initial Telephonic Hearing (Scheduled for May 7, 2015) To a Prehearing Conference.

On April 23, 2015, the ALJ issued an Interim Order Regarding Motion of Whemco-Steel Castings, Inc. To Determine Sufficiency of Duquesne Light Company Responses to Requests for Admission Set I. In the Interim Order, the ALJ directed Duquesne Light to file a response to the Motion by May 5, 2015.

On May 4, 2015, Duquesne Light and Whemco submitted Prehearing Memoranda.

On May 5, 2015, Duquesne Light filed its Answer to the Motion of Whemco to Determine the Sufficiency of Duquesne Light Responses to Requests for Admission Set I.

A Prehearing Conference was held on May 7, 2015. At the Prehearing Conference, the Parties agreed to submit Motions for Summary Judgment by July 1, 2015. The Parties also agreed to postpone setting a further litigation schedule pending decisions on the Motions for Summary Judgment.

On May 8, 2015, Whemco served objections to certain of Duquesne Light's Set II Interrogatories.

On May 18, 2015, Duquesne Light filed a Motion to Compel Answers to its Set II Interrogatories.

On May 26, 2015, Whemco filed its Answer to Duquesne Light's May 18, 2015 Motion to Compel.

On June 1, 2015, the ALJ issued an Interim Order Granting in Part and Denying in Part, the Motion of Whemco to Determine Sufficiency of Duquesne Light Responses to Requests for Admission Set I.

On June 2, 2015, the ALJ issued a Prehearing Order memorializing the agreements of the Parties at the Prehearing Conference and setting forth certain rules for the proceeding.

On June 4, 2015, the ALJ issued an Interim Order Denying the Motion of Duquesne Light To Compel Answers to Interrogatories and Requests for Production of Documents Propounded by Duquesne Light on Whemco Set II.

On June 8, 2015, Whemco filed an Application for Authorization to Take the Deposition of Kim Titley, a non-party, and for the issuance of a subpoena in connection thereto.

Also on June 8, 2015, Duquesne Light filed a Petition for Certification of a Discovery Ruling for Interlocutory Review.

On June 15, 2015, Duquesne Light filed a Brief in Support of its Petition for Certification of a Discovery Ruling for Interlocutory Review. In addition, Whemco filed a Brief in Opposition to Certification of a Discovery Ruling for Interlocutory Review.

On June 17, 2015, Whemco withdrew its Application to Take the Deposition of Kim Titley.

On July 1, 2015, Duquesne Light filed a Motion for Partial Summary Judgment. In its Motion, Duquesne Light explained that it disagreed with all allegations that Whemco was entitled to a refund related to the elimination of Rider No. 5 – Time of Day Discounts. Duquesne Light further explained that Whemco's request for relief was barred, in substantial part, by the Commission-made rates doctrine.

Also on July 1, 2015, Whemco filed a Motion for Summary Judgment. In its Motion, Whemco argued that the elimination of Rider No. 5 in the default service proceeding for Large C&I customers was erroneous as a matter of law.

On July 21, 2015, Duquesne Light filed an Answer to Whemco's Motion for Summary Judgment. Also on July 21, 2015, Whemco filed an Answer to Duquesne Light's Motion for Partial Summary Judgment.

On July 29, 2015, Whemco filed Objections to Duquesne Light's Set III Interrogatories.

On August 10, 2015, Duquesne Light filed a Motion to Compel Whemco to Answer the Set III Interrogatories.

On August 24, 2015, Duquesne Light filed a Further Motion to Compel Answers to the Set III Interrogatories.

On August 27, 2015, the ALJ issued an Interim Order Denying the Petition of Duquesne Light for Certification of a Discovery Ruling for Interlocutory Review.

On August 28, 2015, Whemco filed its Answer to Duquesne Light's Motion to Compel Answers to the Set III Interrogatories.

On September 10, 2015, the ALJ issued Interim Orders denying both Parties' Motions for Summary Judgment.

On September 30, 2015, the ALJ issued an Interim Order Granting in Part and Denying in Part the Further Motion to Compel Answers to Interrogatories and Requests for Production of Documents Propounded by Duquesne Light Company on Whemco-Steel Castings, Inc., Set III.

On November 3, 2015, Duquesne Light filed an Application for Authorization to Take the Deposition of Pamela C. Polacek, a Non-Party, and for the Issuance of a Subpoena therewith.

On November 20, 2015, the Parties filed a Stipulation. Therein, the Parties agreed to hold the Application to take Ms. Polacek's deposition in abeyance pending the submission of Whemco's Direct testimony. The Parties also agreed that Duquesne Light would not be required to file its Direct Testimony in this proceeding until one (1) month after all discovery and deposition issues, including discovery and depositions of other Whemco witnesses, were resolved to Duquesne Light's reasonable satisfaction or through resolution by the ALJ.

On December 9, 2015, the ALJ issued an Interim Order approving the Stipulation.

On December 11, 2015, Whemco filed a letter requesting that a further prehearing conference be scheduled.

On December 24, 2015, the ALJ issued a Prehearing Conference Order Establishing a Further Prehearing Conference for Friday, January 8, 2016.

On January 6, 2016, Duquesne Light filed the Notice of Appearance of Krysia M. Kubiak in the above-captioned proceeding.

II. SERVICE OF DOCUMENTS

Counsel for Duquesne Light continues to be authorized to receive service of all documents in this matter. Please update Duquesne Light's counsel information as set forth below:

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Duquesne Light continues to agree to receive service of documents electronically in this proceeding.

III. WITNESSES AND ISSUES

Below is a list of witnesses and the subject matters to be addressed by each witness in this proceeding. The subject matters listed below identify the issues that Duquesne Light can provide at this stage of the proceeding.

Duquesne Light presently intends to offer the following witness to testify in this proceeding on the following subject matters:

- William V. Pfrommer, Sr. Manager, Rates & Tariff Services, 411 Seventh Avenue, Pittsburgh, Pennsylvania 15219. Mr. Pfrommer's telephone number is (412) 393-3623. Mr. Pfrommer will address the Company's Default Service Plan and the Company's 2010 base rate proceeding.

Duquesne Light reserves the right to substitute witnesses or add witnesses, as appropriate, depending upon how the proceeding develops and what issues are raised by Whemco.

IV. PROCEDURAL SCHEDULE

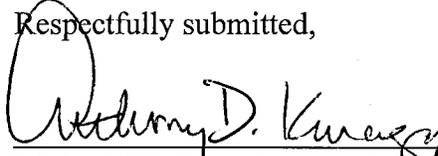
As described in the Background Section above, Duquesne Light and Whemco have entered into a Stipulation whereby the Parties agreed to hold Duquesne Light's Application to Take Ms. Polacek's deposition in abeyance pending the submission of Whemco's direct testimony. In addition, both parties agreed that Duquesne Light would not be required to file its direct testimony in this proceeding until one (1) month after all discovery and deposition issues, including discovery and depositions of other Whemco witnesses, are resolved to Duquesne Light's reasonable satisfaction or through resolution by the ALJ. See Stipulation, ¶ 7.

It is Duquesne Light's understanding that there are two primary issues of dispute between the Parties. First, it is Duquesne Light's understanding that Whemco seeks to establish specific due dates for testimony, hearings and briefs despite agreeing that Duquesne Light's direct testimony date will not be specifically established until all discovery to Whemco is answered and all depositions of Whemco's witnesses are satisfactorily completed or resolved by the ALJ. At this point in time, it is not possible to establish specific due dates for testimony, hearings or briefs, other than the date for Whemco's direct testimony, because there is no way to determine how long it will take for Duquesne Light to conclude discovery and depositions of all necessary witnesses. Discovery and deposition issues have been quite contentious in this proceeding. Duquesne Light cannot predict how long it will take to resolve discovery and deposition issues after Whemco files its direct testimony in this proceeding. Therefore, it is not possible to establish additional litigation dates at this time and comply with the Stipulation. After the discovery and deposition issues are concluded, Duquesne Light proposes to notify the ALJ and Whemco to start the thirty (30) day clock for Duquesne Light's direct testimony as agreed to under the Stipulation. Then, a further litigation schedule can be developed.

The second contested issue is whether Duquesne Light will be permitted to submit two rounds of written testimony. Duquesne Light requests two rounds of written testimony in this proceeding to allow the Company a reasonable opportunity to respond to Whemco's arguments and to defend the Company's position. Whemco bears the burden of proof in this proceeding as the Complainant and is therefore permitted to go first and last with its testimony. Whemco will submit its direct case with its direct testimony. When Duquesne Light submits its direct testimony, it will both respond to Whemco's arguments and present new arguments as part of the Company's direct case. Whemco will then be permitted to submit rebuttal testimony, which will respond to Duquesne Light's direct case. Whemco may offer new arguments in response to Duquesne Light's direct case. It will be necessary for Duquesne Light to submit surrebuttal in response to these new arguments. If Duquesne Light is not afforded the right to submit surrebuttal testimony, it will prejudice Duquesne Light's ability to present factual evidence in response to any new arguments or facts that Whemco may raise in its rebuttal testimony. As the party with the burden of proof, Whemco will then be permitted to offer rejoinder testimony. This procedure of allowing both surrebuttal and rejoinder testimony is consistent with the procedural schedules adopted in numerous Commission proceedings. In addition, this proceeding is not a simple, run of the mill customer complaint case.

It is Duquesne Light's understanding that Whemco opposes allowing Duquesne Light to submit written surrebuttal testimony. Duquesne Light should be permitted to submit written surrebuttal testimony to be able to fully defend its case.

Respectfully submitted,



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Date: January 7, 2016

Counsel for Duquesne Light Company