

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition of Pennsylvania Power Company for :
Approval of a Distribution System Improvement : P-2015-2508931
Charge :

Office of Consumer Advocate :
 : C-2016-2531054
v. :
 :
 :
Pennsylvania Power Company :

Petition of Metropolitan Edison Company for :
Approval of a Distribution System Improvement : P-2015-2508942
Charge :

Office of Consumer Advocate :
 : C-2016-2531040
v. :
 :
 :
Metropolitan Edison Company :

Petition of West Penn Power Company for :
Approval of a Distribution System Improvement : P-2015-2508948
Charge :

Office of Consumer Advocate :
 : C-2016-2531019
v. :
 :
 :
West Penn Power Company :

Petition of Pennsylvania Electric Company for :
Approval of a Distribution System Improvement : P-2015-2508936
Charge :

Office of Consumer Advocate :
 : C-2016-2531060
v. :
 :
Pennsylvania Electric Company :

FURTHER PREHEARING CONFERENCE ORDER

On June 9, 2016, the Pennsylvania Public Utility Commission (Commission) entered Orders separately approving petitions for a Distribution System Improvement Charge (DSIC) filed by Metropolitan Edison Company (Met-Ed), Pennsylvania Electric Company (Penelec), West Penn Power Company (West Penn) and Pennsylvania Power Company (Penn Power). In the Orders, the Commission determined that the petitions comply with the requirements of Act 11 of 2012 (Act 11) and the Commission's Final Implementation Order implementing Act 11. Implementation of Act 11 of 2012, Docket No. M-2012-2293611 (entered Aug. 2, 2012). The Commission found the petitions to be consistent with applicable law and Commission policy and allowed the tariffs to go into effect on July 1, 2016. The Commission, however, also referred the matter to the Office of Administrative Law Judge (OALJ) for hearing and preparation of a recommendation decision regarding various issues raised in response to the petition.

As a result, on July 28, 2016, the Commission issued a Hearing Notice establishing an Initial Prehearing Conference for these cases for Wednesday, August 10, 2016 beginning at 10:00, 10:30, 11:00 and 11:30 a.m. in Hearing Room 5 of the Commonwealth Keystone Building in Harrisburg and assigning me as the Presiding Officer. Prehearing Conference Orders were issued in each proceeding on July 28, 2016 setting forth various rules that would govern the prehearing conferences.

Prior to the prehearing conferences, a discussion was held amongst the parties and the Presiding Officer regarding consolidating the four proceedings. Since no party objected to

consolidation and common issues of law and fact were present, the proceedings were consolidated.

During the prehearing conference, the companies proposed that, in lieu of establishing a litigation schedule, the parties would schedule two or more settlement and/or technical conferences to be held between August 15, 2016 and September 15, 2016 and report back to the Presiding Officer on the status of negotiations by September 19, 2016. If the consolidated proceedings were not settled by that time, a second prehearing conference would be scheduled. The proposal was memorialized via a Scheduling Order dated August 12, 2016. The parties submitted several status reports and engaged in various settlement efforts culminating in the submission of a Joint Petition for Settlement of Pending Issues on February 2, 2017.

In the interim, the Commission issued an Opinion and Order on January 19, 2017 in the proceeding involving the companies' consolidated respective base rate filings. In that Opinion and Order, the Commission referred to this proceeding the contested issue concerning the Office of Consumer Advocate's claim with regard to the calculation of the Accumulated Deferred Income Tax (ADIT) and the companies' DSIC riders interpreting the recently enacted Act 40. The Commission also transferred to this proceeding various parts of the record from the base rate proceeding that pertained to ADIT issues. The Commission noted that a Recommended Decision had not yet been issued in this proceeding and that there is adequate time to resolve the contested issue from the base rate proceeding within the context of this proceeding.

On February 21, 2017, at the request of the Presiding Officer, an off-the-record conference call amongst the parties and the Presiding Officer was held. During that call, it was determined that, in light of the submission of the settlement of the original issues raised in this proceeding on February 2, 2017, a further prehearing conference should be convened on March 6, 2017 to discuss how to address the ADIT issue referred to this case in the Commission's January 19, 2017 Opinion and Order.

As a result, on February 21, 2017, the Office of Administrative Law Judge issued a hearing notice establishing a further prehearing conference for this case for Monday, March 6, 2017, at 10:00 a.m. in hearing room 4 of the Commonwealth Keystone Building in Harrisburg. In anticipation of the Initial Prehearing Conference and in accordance with Section 333 of the Public Utility Code, 66 Pa. C.S. § 333, and Section 5.221-5.224 of the Commission's regulations, 52 Pa. Code §§ 5.221-5.224, this Further Prehearing Conference Order is being issued.

ORDER

THEREFORE,

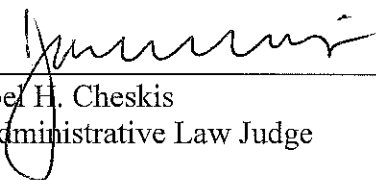
IT IS ORDERED:

1. That a Further Prehearing Conference shall be held **Monday, March 6, 2017 at 10:00 a.m.** in Hearing Room 4 in the Commonwealth Keystone Building, Harrisburg, Pennsylvania.
2. That on or before **Thursday, March 2, 2017** the parties shall serve me and each other with a Further Prehearing Conference Memorandum addressing:
 - a.) A statement regarding possible settlement of the case, subject to approval of the Pennsylvania Public Utility Commission.
 - b.) A proposed plan and schedule of discovery.
 - c.) A proposed schedule for litigation.
 - d.) Names, business addresses, and telephone numbers of witnesses the party expects to call and the subject matter of each witness' testimony.

e.) A list of the issues and sub-issues of this proceeding which the party intends to address and a statement of the party's position on each of the issues and sub-issues listed.

3. That all other aspects of the Prehearing Conference Order dated July 28, 2016 remain in effect.

Date: February 22, 2017



Joel H. Cheskis
Administrative Law Judge

Petition of

P-2015-2508931 - PENNSYLVANIA POWER COMPANY

P-2015-2508936 - PENNSYLVANIA ELECTRIC COMPANY

P-2015-2508942 - METROPOLITAN EDISON COMPANY

P-2015-2508948 - WEST PENN POWER COMPANY

FOR APPROVAL OF ITS LONG-TERM INFRASTRUCTURE IMPROVEMENT PLAN.

Revised 2/23/17

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For Office of Consumer Advocate

C-2015-2531054 *Pennsylvania Power
Company*

C-2015-2531060 *Penelec*

C-2015-2531040 *MetEd*

C-2016-2531019 *West Penn Power*

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