



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P.O. BOX 3265, HARRISBURG, PA 17105-3265

IN REPLY PLEASE
REFER TO OUR FILE

January 12, 2018

Secretary Rosemary Chiavetta
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

Re: Application of PPL Electric Utilities Corporation for
Approval of Intercompany Restructuring
Docket No. A-2017-2629534

Dear Secretary Chiavetta:

Please be advised that the Bureau of Investigation and Enforcement's (I&E) **Prehearing Memorandum** in the above-captioned proceeding.

Copies of this letter are being served on all active parties as evidenced in the attached Certificate of Service. If you have any questions, please feel free to contact me at 717-787-8754.

Sincerely,

Gina L. Miller

Prosecutor

Bureau of Investigation and Enforcement
PA Attorney I.D. #313863

GLM/snc
Enclosure

cc: Certificate of Service
ALJ Joel H. Cheskis
ALJ Benjamin J. Myers

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Application of PPL Electric Utilities	:	
Corporation for Approval of	:	A-2017-2629534
Intercompany Restructuring	:	

**PREHEARING MEMORANDUM OF THE
BUREAU OF INVESTIGATION AND ENFORCEMENT**

**TO ADMINISTRATIVE LAW JUDGES JOEL H. CHESKIS AND
BENJAMIN J. MYERS:**

In accordance with the Prehearing Conference Order dated December 12, 2017, the Bureau of Investigation and Enforcement (“I&E”) hereby submits this Prehearing Memorandum. The I&E prosecutor assigned to this proceeding is Gina L. Miller. Ms. Miller may be contacted as follows:

By Mail: Gina L. Miller
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

By e-mail: ginmiller@pa.gov

Telephone: (717) 787-8754
FAX: (717) 772-2677

I. BACKGROUND

On October 16, 2017, PPL Electric Utilities Corporation (“PPL”) filed an Application for Approval of Intercompany Restructuring (“Application”) with the Pennsylvania Public Utility Commission (“Commission”). The Application, filed at Docket No. A-2017-2629534, serves as PPL’s request for approval of a corporate restructuring plan that would interject two new Delaware holding

companies, PPL Subsidiary Holdings, LLC and PPL Energy Holdings, LLC between PPL and its corporate parent, PPL Corporation. In its Application, PPL alleges that there would be no change in its management or operations under the proposed restructuring.¹ PPL's Application also acknowledges that both the Public Utility Code and the Commission's policies provide an avenue for Commission review and approval of transactions involving restructuring.²

On November 21, 2017, the Office of the Small Business Advocate filed a Notice of Intervention, Protest, and Public Statement. On November 22, 2017, the Office of Consumer Advocate filed a Notice of Intervention and Public Statement. On December 1, 2017, I&E entered its appearance in this matter. Subsequently, the Commission's Office of Administrative Law Judge assigned the proceeding to Administrative Law Judges ("ALJs") Joel H. Cheskis and Benjamin J. Myers. A Prehearing Conference in this matter is set for January 22, 2018. Pursuant to the Prehearing Conference Order issued on December 12, 2017, I&E submits this Prehearing Memorandum.

II. ISSUES

I&E has not yet determined whether it will submit testimony in this proceeding. If I&E determines that it will submit testimony, it will promptly notify the parties and the ALJs of the subject matter of such testimony.

¹ PPL's Application, ¶ 9.

² PPL's Application, ¶¶ 11-15; 66 Pa. C.S. § 1102(a)(3); 66 Pa. C.S. § 1102; 66 Pa. C.S. § 1102; 52 Pa. Code § 69.901; *Policy Statement Regarding Interpretation of 66 Pa. C.S. § 1102(a)(3)*, Docket No. M-930490, 1994 Pa. PUC LEXIS 56 (Order entered September 13, 1994).

Additionally, if there are issues of Commission policy or legal interpretation that are not properly the subject of testimony or factual issues that are clear on the record and need not be supported by testimony, I&E reserves the right to dispense with testimony when, in its opinion, an issue can be adequately addressed in its Brief.

III. WITNESSES

If I&E identifies issues that warrant the filing of written testimony, then it is expected that I&E may call the following witness without being limited thereto:

D.C. Patel Fixed Utility Financial Analyst

Mr. Patel may be contacted through the contact information listed above for Ms. Miller. I&E reserves the right to substitute witnesses or call additional witnesses if deemed necessary.³ All active parties and the ALJs will be notified of any amendments to the I&E witness list.

IV. SCHEDULE

I&E is working and will continue to work with the other parties to develop a mutually agreeable schedule for the submission of testimony, hearings, and briefs in this matter.

V. SETTLEMENT

I&E is willing to make a good faith effort to successfully resolve this matter. If settlement discussions do not result in a full and complete resolution of

³ The above listing is provided without analysis of the positions of all parties to this proceeding and without the benefit of completed discovery.

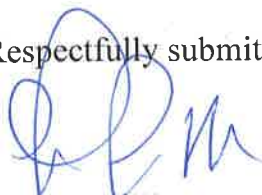
the matter, I&E is prepared to fully or partially litigate this proceeding as it deems appropriate.

VI. DISCOVERY

Pursuant to 52 Pa. Code §§5.322 and 5.331(b), discovery has begun and is ongoing. I&E does not request that the Commission's Rules of Practice and Procedure for the conduct of discovery be modified at this time. However, in the event that another party proposes modifications to the discovery rules that abbreviate the time-frames established in the Commission's regulations relating to discovery, I&E respectfully requests that the following additional modification be adopted:

Discovery related pleadings, i.e., objections, motions, answers, served on a Friday or on any business day preceding a state holiday shall be deemed to have been served the next business day.

Respectfully submitted,



Gina L. Miller
Prosecutor
Bureau of Investigation and Enforcement
Pennsylvania Public Utility Commission

Dated: January 12, 2018

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Application of PPL Electric Utilities :
Corporation for Approval of Intercompany : Docket No. A-2017-2629534
Restructuring :

CERTIFICATE OF SERVICE

I hereby certify that I am serving the foregoing **Prehearing Memorandum** dated January 12, 2018, in the manner and upon the persons listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a party):

Served via Electronic and First-Class Mail

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Gina L. Miller
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