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File #: 167910

January 12, 2018

***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

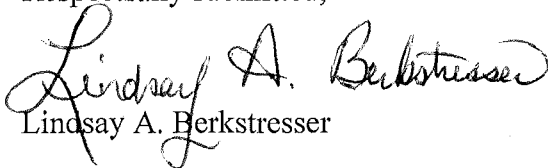
**Re: Application of PPL Electric Utilities Corporation for Approval of Intercompany  
Restructuring  
Docket No. A-2017-2629534**

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Dear Secretary Chiavetta:

Enclosed for filing, please find the Prehearing Memorandum of PPL Electric Utilities Corporation in the above-referenced proceeding. Copies will be provided as indicated on the Certificate of Service.

Respectfully submitted,

  
Lindsay A. Berkstresser

LAB/skr  
Enclosure

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

**CERTIFICATE OF SERVICE**

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).

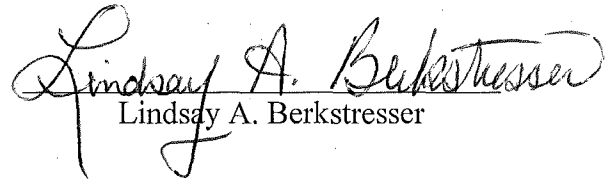
**VIA E-MAIL AND FIRST CLASS MAIL**

Steven C. Gray, Esquire  
Office of Small Business Advocate  
300 North Second Street, Suite 202  
Harrisburg, PA 17101

Aron J. Beatty, Esquire  
Office of Consumer Advocate  
555 Walnut Street  
Forum Place, 5th Floor  
Harrisburg, PA 17101-1923

Gina L. Miller, Esquire  
Bureau of Investigation & Enforcement  
Commonwealth Keystone Building  
400 North Street, 2nd Floor West  
PO Box 3265  
Harrisburg, PA 17105-3265

Date: January 12, 2018

  
Lindsay A. Berkstresser

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

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

**PREHEARING MEMORANDUM OF  
PPL ELECTRIC UTILITIES CORPORATION**

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

PPL Electric Utilities Corporation (“PPL Electric” or the “Company”), pursuant to 52 Pa. Code § 5.222(d), and in compliance with the Prehearing Order issued by Administrative Law Judges Joel H. Cheskis and Benjamin J. Myers on December 12, 2017, hereby files this Prehearing Memorandum in the above-captioned matter, and states as follows:

**I.     PROCEDURAL HISTORY**

1.     On October 16, 2017, PPL Electric filed an Application for Approval of Intercompany Restructuring (“Application”) requesting Pennsylvania Public Utility Commission (“Commission”) approval of the proposed restructuring.

2.     On October 18, 2017, the Commission issued a Secretarial Letter acknowledging receipt of the Application and directing the Company to publish public notice of the Application.

3.     Notice of the Application was published in the Pennsylvania Bulletin and the Morning Call on October 28, 2017, indicating a deadline of November 13, 2017 for filing petitions to intervene.

4.     Notices of Intervention and Public Statements were filed by the Office of Small Business Advocate and the Office of Consumer Advocate. The Commission’s Bureau of Investigation and Enforcement entered a notice of appearance.

5. On December 7, 2017, the Commission issued a Hearing Notice scheduling an in-person prehearing conference for January 22, 2018. The Commission issued a Prehearing Conference Order on December 12, 2017, directing the parties to file prehearing conference memoranda on or before January 12, 2018.

**II. SERVICE OF DOCUMENTS**

6. PPL Electric requests that all documents be served on:

David B. MacGregor (PA ID # 28804)  
Post & Schell, P.C.  
Four Penn Center  
1600 John F. Kennedy Blvd.  
Philadelphia, PA 19103  
Phone: 215-587-1197  
Fax: 215-320-4879  
Email: dmacgregor@postschell.com

7. PPL Electric agrees to receive service of documents electronically in this proceeding. Further, to the extent that materials are available electronically, it is requested that copies be served upon:

Michael W. Gang - mgang@postschell.com  
Lindsay A. Berkstresser - lberkstresser@postschell.com  
Kimberly A. Klock - kklock@pplweb.com  
Amy E. Hirakis - aehirakis@pplweb.com

8. PPL Electric's attorneys are authorized to accept service on behalf of the Company in this proceeding. PPL Electric requests that the Commission and all parties of record serve copies of all discovery requests and answers, correspondence, Commission Orders, and any other documents issued in this proceeding on its attorneys at the address and via the email addresses stated above.

### **III. DISCOVERY**

9. Interrogatories have been served on the Company in this proceeding. PPL Electric encourages the use of informal discovery to expedite the discovery process.

10. PPL Electric believes that a protective order may be necessary with regard to discovery in this proceeding. The Company reserves the right to request a protective order to limit the disclosure of competitive business information or other confidential information.

11. PPL Electric proposes that discovery be conducted within the timeframe provided in the proposed procedural schedule and pursuant to the Commission's regulations regarding discovery, 52 Pa. Code § 5.342.

### **IV. PROCEDURAL SCHEDULE**

12. PPL Electric proposes the following procedural schedule:

Prehearing Conference – January 22, 2018

PPL Electric Direct – March 23, 2018

Other Parties' Direct – April 23, 2018

Rebuttal – May 9, 2018

Surrebuttal – May 16, 2018

Hearing – May 30, 2018

Main Brief – June 29, 2018

Reply Brief – July 13, 2018

13. All dates are for in-hand delivery. The Company proposes that electronic mail for receipt and distribution of testimony and exhibits will satisfy in-hand service dates, with follow-up hard copies provided by first class mail.

V. **WITNESSES AND ISSUES**

14. The witness that PPL Electric expects to call in support of its Application is as follows:

Alexander J. Torok  
Assistant Treasurer of PPL Electric Utilities Corporation  
Two North Ninth Street  
Allentown, PA 18101-1179  
ajtorok@pplweb.com  
610-774-3247

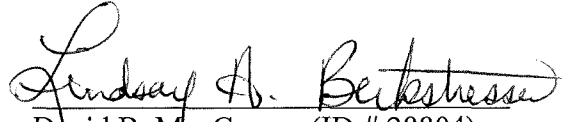
15. PPL Electric reserves the right to substitute witnesses or add witnesses, as appropriate, depending upon the issues raised and witnesses presented by other parties in the proceeding.

16. The primary issue in this proceeding is whether the Application is in the public interest. As explained in the Application this determination is to be based on whether the proposed restructuring will have a fundamental effect on the management and operations of the utility. It is PPL Electric's position that its proposed restructuring will not result in an ultimate change in control or have a fundamental effect on PPL Electric's management or operations. Therefore, the Application is in the public interest and should be approved. In support of its position, PPL Electric intends to present evidence, including but not limited to, the effects and the benefits of the proposed restructuring as stated in its Application.

**VI. SETTLEMENT**

17. PPL Electric will be working with the parties in an effort to resolve this proceeding through settlement.

Respectfully submitted,



Kimberly A. Klock (ID #89716)  
Amy E. Hirkakis (ID #310094)  
PPL Services Corporation  
Two North Ninth Street  
Allentown, PA 18101  
Phone: 610-774-5696  
Fax: 610-774-4102  
E-mail: kklock@pplweb.com  
E-mail: aehirakis@pplweb.com

David B. MacGregor (ID # 28804)  
Michael W. Gang (ID # 25670)  
Lindsay A. Berkstresser (ID # 318370)  
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E-mail: lberkstresser@postschell.com

Date: January 12, 2018

Attorneys for PPL Electric Utilities Corporation