



COMMONWEALTH OF PENNSYLVANIA
 PENNSYLVANIA PUBLIC UTILITY COMMISSION
 P. O. BOX 3265, HARRISBURG, Pa. 17120

December 13, 1982

IN REPLY PLEASE
 REFER TO OUR FILE

Monitor - Commissioner Johnson

R-822169

see attached list

Pennsylvania Public Utility Commission
 vs.
 Pennsylvania Power & Light Company

NOTICE

This is to advise that a prehearing conference in the above-captioned proceeding will be held Thursday, January 6, 1983, at 10:00 a.m., in available hearing room, Ground Floor, North Office Building, Harrisburg.

In an effort to expedite the future conduct and disposition of this proceeding, we are attaching a list of information you are expected to bring with you to this conference.

The presiding officer in this proceeding will be Administrative Law Judge Morris Mindlin, P. O. Box 3265, Harrisburg, Pennsylvania 17120; telephone (717) 783-5452.

Wm R. Shane
 William R. Shane
 Chief Administrative Law Judge

DOCUMENT
 FOLDER

Attachment

ccs:

Judge Mindlin
 Law Bureau
 Bureau of Rates
 Mr. Bramson
 Ms. Dickson
 Ms. Crouse
 Mr. Munsch

Chairman Shanaman
 Commissioner Cawley
 Commissioner Johnson
 Commissioner Jones
 Commissioner Taliaferro

File

DOCKETED
 DEC 14 1982

ORIGINAL

K-822164
David M. Olenick
5340 Oxford Circle
Apt. #50 Quincy
Mechanicsburg, PA 17055

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Pennsylvania Public Utility Commission
Harrisburg, PA 17120

JAN 5 1983

**SECRETARY'S OFFICE
Public Utility Commission**

I would like to file an informal complaint before your panel on the proposed rate increases sought by the Pennsylvania Power and Light Company.

I believe that your decision in this matter would be to reject these increases sought, since the economic downturn for most of us during this recession has been felt very deeply and therefore we could not handle this huge added monthly expense.

Due to the economic problems brought on by the recession, such as; hundreds of thousands of people losing their jobs, their homes, and for many of us who are working and barely making ends meet and have not yet received a pay raise for close to two years and for some of us who have even taken pay cuts, I cannot believe that you would allow such a huge increase to pass when a decision comes due.

While President Reagan is asking many of us to live within the present inflation rate of three to four percent, how could the PP&L Company ask for such an unheard of rate increase. If the Pennsylvania citizen is required to live within his/hers means, then why doesn't this apply to the PP&L Company.

Since many of us have not received a pay raise for close to two years and whom are just staying above water with our present monthly food and utility bills we now pay, I feel confident you would not allow this increase to take effect.

To ask for an increase of 19.4% during good economic times is greedy, but to ask for a 19.4% increase when most of us cannot ask for a raise during these poor economic times; is not just an insult to the paying consumer, but also to the PUC panel.

This increase sought to bring on line both the Berwich Plant and then the Susquehanna Steam Plant are unjustly called for at this time.

Why should the consumer be required to pay for additional reactors when demand for electricity is way down. When the law of "Supply and Demand" is in effect, then a rate increase may be warranted; but when demand is low, why should the consumer pay 19.4% this year and maybe as much as 15% next year to cover costs for reactors not needed by the public.

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JAN 5 1983

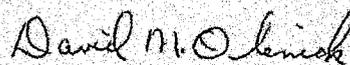
As in the private sector, when a business no longer becomes cost efficient, they go out of business. This should also apply to the PP&L Company. The company should first become cost efficient before asking us to pay their over-inflated payrolls and costs. I could just see myself as a panel member of the PUC asking for a 19.4% pay raise; we both would be laughed at.

I believe that after the panel reviews all the information and looks into the economic picture and hardships we consumers face, you'll not only find it in your heart to reject these rate increase proposals, but also as a case of better business judgement.

I therefore call upon each panel member as do many of the other thousands of people in this area opposed to this rate increase do, to request that you reject this rate increase proposal.

Thank you for your time.

Sincerely,



David M. Olenick

U.S. Demand for Electricity Shows Surprising Decrease

WASHINGTON (AP)— Demand for electricity dropped last summer for the first time since World War II, catching utilities by surprise and leaving them with the biggest surplus generating capacity they've had since the Great Depression.

Utilities blamed the decrease on the recession and an unusually mild summer.

But critics said the decline raises questions about the need for 180 new large power plants the industry is building, which they said will cost consumers billions of dollars each year.

The Edison Electric Institute, an organization of the nation's investor-owned electric

utilities, said yesterday that the peak electrical demand last summer was 2.7 percent below the summer of 1981. The institute said that 1945 was the last time peak summer electrical demand had declined.

The North American Electric Reliability Council, another utility group, had predicted a 2.3 percent increase in peak demand last summer and has forecast a 6.3 percent rise for the summer of 1983.

The institute also reported that electricity generated by power plants in the first 11 months of 1982 declined 2.1 percent from the same period a year earlier. The only prior

yearly decline was 0.3 percent in 1974, the year after the Arab oil embargo.

The Environmental Action Foundation charged that the industry's inability to forecast demand while continuing to build new plants is costing consumers billions of dollars each year.

Richard E. Morgan, an economist for the foundation, said construction costs are probably the single biggest factor in the record \$9.5 billion rate increases that electric companies received in 1981.

Unless utilities reassess

See **ELECTRICITY**—Page A7

PP&L foresees another hike next autumn

HAZLETON, Pa. (AP) — Pennsylvania Power & Light Co. will ask the Public Utilities Commission next fall for a another rate increase, President Robert K. Campbell said Wednesday.

The utility currently has a 19.4 percent rate hike request pending before the PUC.

Campbell said the second rate increase will be used largely for construction to bring the Unit Two nuclear reactor at the Susquehanna Steam Electric Station on line next November.

The bulk of the present rate hike request will finance construction for the Berwick plant's Unit One reactor, which is expected to go on line in mid-May.

Campbell said the amount of the second request will be less than the 19.4 percent boost which the utility formally filed for last month. The PUC suspended the \$315 million annual rate request last Friday to begin an investigation. The commission must rule on that request by Aug. 22.

PP&L serves the eastern and central parts of the state.

Mr. Robert K. Campbell, President
Pennsylvania Power & Light Company
Two North Ninth Street
Allentown, Pennsylvania 18101

PENNSYLVANIA PUBLIC UTILITY
COMMISSION
v.
PENNSYLVANIA POWER & LIGHT COMPANY

Dear Sir:

The Commission in a public meeting on December 3, 1982, instituted an inquiry and investigation at the above docket to determine the fairness, reasonableness and justness of rates named in Supplement No. 2 to Tariff Electric-PA PUC No. 199 filed to become effective January 22, 1983. Under authority of Title 66 PA C.S. ss 1308 (d), application of the proposed rates is suspended, by statute, for a period of up to seven months or to August 22, 1983.

Under the Public Utility Code, a supplement must be filed with the Commission and posted at the offices of the company to announce that the aforementioned Supplement is suspended until the date stated in the Commission's order.

Attached is a sample copy of a seven months suspension supplement which must be filed in triplicate with the Commission as soon as possible.

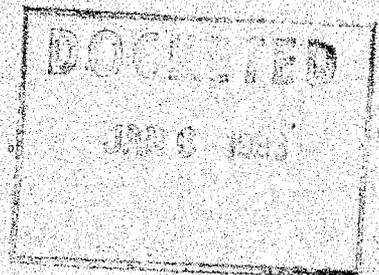
Copies of the formal order adopted by the Commission will be forwarded to you within the near future.

Very truly yours,

Jerry Rich
Secretary



Attachment
CERTIFIED MAIL
RETURN RECEIPT REQUESTED



BORDEN INC

180 EAST BROAD STREET • COLUMBUS, OHIO 43215

ORIGINAL



LAW DEPARTMENT

January 5, 1983

Commonwealth of Pennsylvania
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, Pa. 17120

RECEIVED

JAN 10 1983

SECRETARY'S OFFICE
Public Utility Commission

Re: Docket No. R-822169
Pennsylvania Power & Light Company
Proposed Rate Increase

Dear Sirs:

I have been requested by my client, Borden, Inc., to enter its appearance in the above rate proceeding and to register its objections to the proposed rate increase. My client will not be filing a formal complaint at this time but would like to be apprised of all material developments on this docket. We may be interested in presenting or cross-examining witnesses.

Please add my name to your mailing list in this proceeding.

Very truly yours,

Brent E. Kinnan
Attorney for Borden, Inc.
27th Floor
180 E. Broad St.
Columbus, Ohio 43215
(614) 225-4447

lh
cc: Harry Elkin

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JAN 10 1983

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TELEPHONE (614) 225-4000

I. STATEMENT OF ISSUES AND WITNESSES

The following statement of issues represents a list of the presently identified significant issues in this rate case. This list is as complete a statement of the issues as Prosecutory Staff can provide at this time. However, should other issues arise during the course of the proceedings or as a result of further discovery, Prosecutory Staff reserves the right to pursue them. Also, it is possible that some of the issues listed will not require hearing time if they can be resolved through stipulation or other discovery.

Beyond the issues specifically identified below it should be noted that the Public Utility Code places the burden of proof on the utility to demonstrate the justness and reasonableness of the proposed rate increase and each of the underlying accounting entries and adjustments that make up the claimed revenue requirement. 66 Pa. C.S. §315(a) and (d). Prosecutory Staff, therefore, provides notice that it will fully investigate the accuracy and reasonableness of each significant accounting entry and adjustment that underlies the Company's claim in this rate case. If, as a result of such investigation, any accounting entry or adjustment is found to be lacking in adequate supporting documentation, reasonableness, or basic fairness, that fact will be placed on the record by means of direct testimony, cross-examination, and/or exhibits and will be presented in the Prosecutory Staff brief.

Most issues raised by Prosecutory Staff (Staff) will be supported by the direct testimony of a Staff witness. However, we reserve the right to pursue issues raised by other parties. In addition, there may be issues of Commission policy or legal interpretation that cannot be

properly raised through testimony or factual issues which are clear on the record which need not be supported by testimony. We will endeavor to inform the Administrative Law Judge and the parties of any issues of this nature so that the parties will have advance warning before the issue appears in the Staff's brief.

Staff issues and Staff's proposed witnesses are as follows:

A. SUSQUEHANNA UNIT I - NUCLEAR GENERATING STATION

D. Kalbarszyk
M. Gruber

This case reflects the enormous impact of putting into Pennsylvania Power & Light's (PP&L) rate base Unit I of the two-unit Susquehanna Steam Electric Station (Susquehanna Unit I). The actual projected revenue requirement is over \$500,000,000. However, this impact is masked by projected fuel savings and projected revenues from off-system sales made possible by the release of existing more expensive generation capacity from commitment to PP&L's base load.

The validity of the projections of sales and fuel savings will be issues in this case. The issue of how much of PP&L's generation plant is used and useful in the public service will also be examined.

Further, the actual capacity of the new nuclear plant -- Susquehanna Unit I -- to render service during the test year will be examined.

B. RATE OF RETURN

A. O'Donnell

Staff may propose adjustments to PP&L's proposed capital structure for July 31, 1983.

Staff's preliminary analysis of debt cost rates indicates that a downward adjustment may be made to Witness Brennan's proposed debt cost rate and therefore PP&L's claimed embedded cost rate to the extent it is based on an estimated 13% estimate for a proposed \$50 million issuance.

Staff's preliminary analysis of the embedded cost/rate of preferred and preference stock projected at July 31, 1983 indicates that PP&L's proposed cost rate may need to be adjusted downward to reflect the actual yield of a proposed issuance of preference stock.

Staff's preliminary analysis indicates that Witnesses Brennan's 17% cost rate of common equity is significantly over-stated due to the interest rate sensitivity and market-determined factors of his methodologies. PP&L's independently proposed 16.2% common equity cost rate may also be an overstatement of the proper common equity return requirement.

C. TAXES

W. Doyle

Staff proposes at this time a tentative adjustment relating to income taxes on the decelerated method of depreciation proposed by the company for the Susquehanna Nuclear Plant.

Staff reserves the right to propose other income tax adjustments as may be developed through discovery and testimony.

D. RATE STRUCTURE

R. Rosenthal
J. Giordano, Ph.D.

The Company has proposed an across-the-board increase. Staff's preliminary analysis indicates that improper divergence from the system rate of return exists for certain classes: LP-6, GS-1, GS-3, RS and Commercial Heating. Staff will develop a proposal for allocation of revenues which adjusts PP&L's position based on cost of service considerations and relative rate of return relationships.

Staff is analyzing and may challenge certain methodologies and techniques used by PP&L in arriving at its rate structure proposals.

Staff's analysis indicates that PP&L's demand charges and block structure should be adjusted to aid in rewarding conservation and load management efforts, to avoid the risk of return erosion caused by economic recession, and to reflect the Company's investment in plant in order to reduce fuel costs.

E. RATE BASE - Valuation, Depreciation and
Cash Working Capital

R. Nellis, Ph.D.
M. Gruber
G. Markovci
D. Kalbarczyk

Staff will recommend an alternative to PP&L's proposed "modified sinking fund" for depreciating Susquehanna Unit I. Staff will demonstrate the differential impacts on various groups of ratepayers of various methodologies. Staff will show the effect of the inclusion of Susquehanna Unit II as well, and will provide a complete picture of these methods.

Staff's preliminary analysis of fuel stock inventory indicates that the Company's claims are excessive. A reduction in the amount allowed for inventory will be proposed.

Staff's review of the construction costs and other costs relating to Susquehanna Unit No. 1 indicate that such costs are overstated or include improper amounts and that reduction of the valuation of the unit may be appropriate.

The Company's claim improperly includes certain pieces of land, which do not meet requirements to be considered as land held for future use, and should be adjusted accordingly.

Staff's initial analysis indicates that certain adjustments to cash working capital may be made for amounts accrued for payment of taxes. Evaluation of budget and trended budget billing is continuing. Staff's final cash working capital position must wait upon final Staff positions on plant in service, inter alia.

The Company's claim does not include any amounts for contractor retentions; any such amounts which do exist should be deducted from rate base.

F. REVENUES

L. Jones
J. Jones
G. Yocca
D. Kalbarczyk

Staff will propose an adjustment increasing PP&L's projected jurisdictional sales for the future test year ending July 31, 1983, and a concomitant adjustment decreasing PP&L's revenue requirement. PP&L's projections show a decrease in jurisdictional sales for ratemaking purposes to a level below 1981 actual sales. Staff will challenge these projections.

Staff's preliminary analysis indicates that PP&L's projected profits from its off-system sales are not supported by any documentation of firm sales agreements or sales projections through PJM. The projected energy savings which are planned to offset revenue requirements will not necessarily be reflected in base rates but rather in ECR proceedings. Staff will challenge PP&L's projections of the amount of and benefit derived to the ratepayers from off-system sales.

Staff's analysis indicates that PP&L's jurisdictional customers may subsidize its FERC customers, and revenues will be adjusted accordingly.

Staff's initial analysis indicates that:

- 1) the annualization of the operating expenses associated with Susquehanna Unit I may be overstated to a large degree.
- 2) the projected increase to the service category of expenses is inflated.
- 3) the projected increase in uncollectible accounts is overstated; also, the potential impact of trended budget billing on uncollectible accounts must be evaluated.
- 4) PP&L has included Advertising Expenses which are improper for rate-making purposes.
- 5) PP&L's rate case expense claim is improperly calculated; a calculation showing staff's adjustment will be submitted, but this issue will primarily be presented through argument in brief.
- 6) the wage and benefits claim for the future test year is too high.
- 7) the projected increase in tree and brush control costs for the future test year are not fully justified.
- 8) certain claims for items such as dues to EPRI, Operation Help, the RCS program, the operation and maintenance of recreational facilities, and the Susquehanna Education Center, are not justified for rate making purposes.
- 9) there is a \$5 million amount remaining to be refunded from a prior self-insurance fund.

Neither the above list nor any item on that list is intended to be all inclusive. Adjustments to decrease all improper expense claims will be proposed. Staff reserves the right to propose additional expense adjustments which develop from discovery or testimony.

H. DECOMMISSIONING AND SPENT FUEL

W. Pachul

Staff will challenge the methodology for calculating and the amount of decommissioning expense and will adjust this claim downward.

Staff will challenge the methodology and calculation of the spent fuel allowance and will recommend a decrease in this claim.

I. OTHER: FORCED OUTAGE RESERVES

J. Dukes

Staff may propose that PP&L refund the approximately \$5,200,000 that remained on the books at December 31, 1980 for forced outage reserves.

J. SUMMARY OF STAFF POSITION

C. Smetak
C. Horsfield

Staff may present a comprehensive exhibit summing up its position.

II. FILING OF REVISED COMPANY CLAIM

Staff hereby requests that prior to the close of the hearings PP&L be required to provide for the record a schedule or schedules which show all revisions made to its original claims during the proceeding, providing a reference to where that revision is supported in the record, and demonstrates the impact of the revision on the original claim.

III. EVIDENCE TO BE RELIED UPON

In addition to the direct testimony of its witnesses, Trial Staff also intends to rely upon the Company's filing, answers to informal and formal data requests and interrogatories, the Company's annual

reports to the Commission and other Commission filings, general financial market information sources (mainly rate of return), and the Company's quarterly filing updates.

IV. CONSOLIDATION

Staff requests that complaints R-822169C001-C014 be consolidated with R-822169 for purposes of hearing and decision.

V. DISCOVERY PROCEDURES

Prompt and full answers to interrogatories are important to the efficient and effective investigation of the Company's proposed rate increase. To that end, Prosecutory Staff suggests that the following discovery procedures be adopted by the Administrative Law Judge:

1. That copies of all interrogatories be served upon all active parties and upon the Administrative Law Judge, if he wishes to receive them.
2. That all answers to interrogatories restate the question at the beginning of each answer and indicate the name, business address and position of the person answering.
3. That copies of all answers be served upon all active parties and upon the Administrative Law Judge, unless he indicates otherwise. Six (6) copies of each answer shall be served upon the Prosecutory Staff; if, however, any answer is of unusual length or bulk, arrangements should be made for the provisions of fewer copies, or for review in situ.

4. That all answers to interrogatories shall be filed within ten (10) calendar days after the service date appearing on the interrogatories. Any objections to interrogatories or requests for extension of time shall be in writing and shall be accompanied by a full explanation of the reasons therefore. A mere allegation of hardship or difficulty shall not be sufficient without further explanation. A request for extension of time shall state the date on which the answer will be available. Objections or requests for extension shall be served no later than five (5) days after the service date appearing on the interrogatories are served. Parties shall attempt to resolve all discovery conflicts informally if possible, and shall resort to formal proceedings before the ALJ only after such initial attempts. Formal steps shall be taken within five (5) additional days after the conclusion of the objection period.

Staff takes the position that only those interrogatory answers which are relevant to litigation issues should be included in the record, and will oppose inclusion in the record of other interrogatory responses. Staff requests that the ALJ rule on the inclusion of interrogatory answers and other exhibits at the closing of the record.

VI. RATE CASE SCHEDULE

Attached to this prehearing memorandum is an outline of a proposed rate case schedule. Staff proposes that the parties work out a witness schedule and notify the ALJ of it subsequently. The outline provides for a preliminary period to allow continuing discovery, to be followed by hearings for the cross-examination of Company and intervenor witnesses. The schedule also provides that the record will be closed in

this proceeding with sufficient additional time to allow approximately one month for the Administrative Law Judge and one and one-half months for Exceptions and for the Commission to draft their decision. Prosecutory Staff moves that the attached outline schedule be adopted.

In Staff's opinion, this case is of great public interest and raises several issues, the decision of which will have great and lasting public impact. Therefore, it is important that a schedule be designed which allows public participation and full development of issues raised by the parties on the record.

Respectfully submitted,

Allison K. Turner

Allison K. Turner
Assistant Counsel

Julian S. Suffian
Assistant Counsel

John Quain
Assistant Counsel

Albert W. Johnson, III
Deputy Chief Counsel

For the Commission Prosecutory Staff

Dated: January 6, 1983

PROPOSED OUTLINE SCHEDULE

| | |
|------------------------------|--|
| January 6, 1983 | Prehearing |
| January 24, 1983 | Order of PP&L witnesses provided to ALJ Continuing Discovery and Settlement Discussions |
| February 7-February 11, 1983 | Begin cross-examination of PP&L witnesses |
| March 14-April 1, 1983 | File Staff and Intervenor Testimony as it becomes available; all direct testimony filed by April 1, 1983 |
| March 28, 1983 | Begin cross-examination of intervenor's case |
| April 18-22, 1983 | PP&L file rebuttal testimony as available; all rebuttal by March 22, 1983 |
| April 25-29, 1983 | Cross-examination of rebuttal File surrebuttal |
| May 2-6, 1983 | Cross-examination of surrebuttal |
| May 8, 1983 | Close record |
| May 9-June 10, 1983 | Briefs & Reply Briefs |
| June 8, 1983 | ALJ Decision |

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing Prehearing Memorandum by first class mail or in person upon the persons listed below:

Honorable Morris J. Mindlin
Administrative Law Judge
Pa. Public Utility Commission
P. O. Box 3265
Harrisburg, PA 17120

Harry Mattern, Esquire
c/o Duryea Borough
P. O. Box 5
Duryea, PA 18642

Henry R. MacNicholas, Esquire
McNees, Wallace & Nurick
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Harrisburg, PA 17108

Harry W. Snow
R. D. #3
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Duncannon, PA 17020

H. William Koch, Esquire
51 South Front Street
Milton, PA 17847

Charles B. Zwally, Esquire
Shearer, Mette & Woodside
1801 North Front Street
Harrisburg, PA 17102

Walker L. Schautz, President
Grove Textiles, Inc.
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P. O. Box 953
Scranton, PA 18501

Walter W. Cohen, Consumer Advocate
Philip McClelland, Assistant
Consumer Advocate
1425 Strawberry Square
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Harrisburg, PA 17102

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Macungie, PA 18062

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Philip R. Ehrenkranz, Esquire
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Esquire, Sanders & Dempsey
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Washington, D.C. 20036

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Allentown, PA 18102

Gene Molino
1613 Farr Street
Scranton, PA 18504

Peter M. Zukrewski
621 N. 16th Street
Allentown, PA 18102

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New York, N.Y. 10017

City of Harrisburg
10 N. Market Square
Harrisburg, PA 17101

John Dolinsky
Apt. 339H, Pine Grove Circle
Wescosville, PA 18106

U. S. Dept. of Defense
c/o Mr. Dellon E. Coker
Regulatory Law Office (JALS-RL)
5611 Columbia Pike, Nassif Building
Room 422
Falls Church, VA 22041

Jack M. Levan
339-C Pine Grove Circle
Wescosville, PA 18106

Hazleton Taxpayers Association
990 Lincoln Street
Hazleton, PA 18201

Allison K. Turner

Allison K. Turner
Assistant Counsel

Date: January 6, 1983

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

RECEIVED

JAN 10 1983

SECRETARY'S
Public Utility Commis.

Pennsylvania Public Utility
Commission, et al.

v.

Pennsylvania Power & Light
Company

Docket No.
R-822169

FIRST PREHEARING CONFERENCE MEMORANDUM OF
PENNSYLVANIA POWER & LIGHT COMPANY

Pennsylvania Power & Light Company ("PP&L" or the
"Company"), by its attorneys, hereby submits its prehearing
conference memorandum in response to the December 13, 1982
Notice issued by Chief Administrative Law Judge William R.
Shane.

1. Issues And Sub-Issues

The issues and sub-issues involved in this proceeding
and PP&L's position on each are contained throughout the filing
submitted by the Company on November 22, 1982. Attachment 1
consists of copies of four schedules submitted in the filing;
they present a summary of these issues and the Company's
position on each:

- Adjustment To Operating Revenue Year Ended July 31,
1983 (Exhibit Future 1, Schedule D-3, pages 1
and 2)
- Adjustments To Income For The Year Ended July 31,
1983 (Exhibit Future 1, Schedule D-2, pages 1

-1-

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and 2)

- ° Measures Of Value And Rate Of Return As Of July 31, 1983 (Exhibit Future 1, Schedule C-1, pages 1 and 2)
- ° Rate Of Return Projected At July 31, 1983 (Exhibit Future 1, Schedule B-9)

2. Proposed Witness And Subject Matter Of Testimony

PP&L submitted as part of its filing in this proceeding the direct testimony of seventeen (17) witnesses and the exhibits associated with that testimony. Attachment 2 is a list of these witnesses, the subject matter of their testimony, and a list of related exhibits.

3. Evidence

PP&L intends to present at the hearing all the evidence contained in its November 22, 1982 filing. This will consist of:

- ° Responses to filing regulations mandated by 52 Pa. Code §53.51, et seq., for the historic test year ended July 31, 1982 and the future test year ended July 31, 1983
- ° Direct testimony of seventeen (17) witnesses and exhibits related thereto
- ° Summary of historic test year data (Exhibit Historic 1)
- ° Summary of test year data (Exhibit Future 1)

In addition, PP&L may present additional evidence including, but

not limited to, the following:

- ° Rebuttal testimony by the seventeen (17) original witnesses and possibly additional witnesses and exhibits related thereto
- ° Responses to formal and informal interrogatories
- ° Revisions to and updates of evidence previously submitted

4. Limitation Of Issues

PP&L encourages the parties to resolve or limit the issues in this case by negotiation and stipulation. This is in complete accord with the rules and regulations (52 Pa. Code §3.141 and 1 Pa. Code §35.112) relating to prehearing conferences.

PP&L submits that it is a fundamental principle of all legal process, including administrative proceedings, to encourage litigants to arrive at the settlement of issues and the limitation of issues by agreement. The benefits to the public resulting from such agreement, in the saving of time and human and material resources, are obvious.

In this connection PP&L proposes that the parties accept the future test year rate base and operating revenues and expenses submitted by PP&L, excluding all claims related to SSES Unit 1. This would include the original cost rate base without SSES of \$2,151,234,000 shown on Exhibit Future 1, Schedule C-1, page 2, the operating revenues without SSES of \$1,287,408,000 shown on Exhibit Future 1, Schedule D-1, page 2, column 3 and

the related operating revenue deductions. The cost of debt and preferred capital and the capital structure shown on Exhibit Future 1, Schedule B-9 should also be included in this agreement.

All of the foregoing are consistent with the Commission decisions in recent PP&L rate proceedings. Indeed as set forth in the Statement of Reasons, contained in Exhibit Future 1, Schedule A-1, pages 2 and 3, PP&L could have requested an additional \$166 million in revenues under well established PUC rate case precedents. Thus, the filing is not only conservative but consistent with established precedent. Little would be gained by relitigating the same issues.

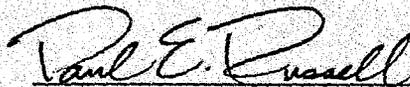
Such an agreement would leave open all Susquehanna issues, including among other things its cost, need, capacity, energy cost impact, in service status and operating expenses; the rate design issue; and the cost of equity issue. Focused on these specific issues, the proceeding could be conducted efficiently and thoroughly within the time available.

PP&L is also prepared to discuss not only the limitation of specific issues but also settlement of the entire proceeding on a reasonable and mutually agreeable basis. Its objective in such settlement negotiations would be to arrive at the level of rates reasonably likely to result from a full rate proceeding, without the expenditure of great time and resources

by the parties which a full hearing entails --- the costs of which must ultimately be borne by customers.

Respectfully submitted,

PENNSYLVANIA POWER & LIGHT COMPANY
by:



Paul E. Russell
G. D. Caliengo
Its Attorneys

Of Counsel:

Morgan Lewis & Bockius
123 South Broad Street
Philadelphia, Pennsylvania 19109

PENNSYLVANIA POWER & LIGHT COMPANY
Adjustment to Operating Revenue
Year July 31, 1983
(Thousands of Dollars)

| Line No. | Description | Adjusted Budget (a) Amount | Reference | Pro-Forma at Present Rates Amount | Adjustments (Col. (3) - Col. (1)) Amount | Explanation |
|--|--|----------------------------|------------|-----------------------------------|--|---|
| Sales of Electricity | | | | | | |
| Pa. P.U.C. Jurisdictional Customers | | | | | | |
| 1 | Rate revenue | \$1,074,270 | | \$1,174,533 | \$ 100,263 | |
| 2 | Energy cost rate revenue | 143,682 | D-3, Pg. 3 | - | (143,682) | Total energy costs are being included in operating expenses thus requiring inclusion in base rates of energy cost rate revenues. |
| 3 | Tax surcharge revenue | 72,514 | | - | (72,514) | The portion of those Pennsylvania taxes recovered by the tax surcharge are not included in the taxes claimed, thus requiring elimination of tax surcharge revenues. |
| 4 | Total PPUC tariff revenues | <u>1,290,466</u> | | <u>1,174,533</u> | <u>(115,933)</u> | |
| 5 | Delayed payment charges | 3,307 | D-3, Pg. 3 | 3,348 | 41 | |
| 6 | Other electric revenues | (72,727) | D-3, Pg. 3 | 8,398 | 81,125 | Net increase resulting from the elimination of unbilled energy revenues and other unbilled revenues. |
| 7 | Total revenues - PPUC | <u>1,221,046</u> | D-3, Pg. 3 | <u>1,186,279</u> | <u>(34,767)</u> | |
| FERC Jurisdictional Customers | | | | | | |
| 8 | Rate revenue | 30,638 | | 62,531 | 31,893 | Net increase resulting from the inclusion of revenues associated with the Atlantic City contract. |
| 9 | Fuel clause revenue | 3,565 | | 3,565 | - | |
| 10 | Delayed payment charges | - | | - | - | |
| 11 | Other electric revenues | 427 | | 427 | - | |
| 12 | Total Revenues-FERC | <u>34,630</u> | | <u>66,523</u> | <u>31,893</u> | |
| 13 | Total operating revenue (Line 7 + Line 12) | <u>\$1,255,676</u> | | <u>\$1,252,802</u> | <u>\$ (2,874)</u> | |

(a) Reflects the elimination of FERC jurisdictional SSES Unit No. 1 - related operating revenue included in the last year operating budget as set forth on D-3, page 2.

D-3
Page 2
R. J. Bernini
A. J. Baldwin

PENNSYLVANIA POWER & LIGHT COMPANY

Adjustment to SSES Unit No. 1 - Related
Operating Revenue
Year Ended July 31, 1983
(Thousands of Dollars)

This adjustment provides for the elimination of SSES Unit No. 1 - related FERC jurisdictional operating revenue included in the test year operating budget.

| <u>Line No.</u> | <u>Description</u> | <u>Amount</u> |
|-----------------|--|-----------------|
| 1 | SSES Unit No. 1 - related revenues associated with Atlantic City Electric contract | <u>\$ 6,731</u> |

PENNSYLVANIA POWER & LIGHT COMPANY

Adjustments to Income
Year Ended July 31, 1983
 (Thousands of Dollars)

| Line No. | Reference | Description | Amount | |
|---|-------------|--|-------------------|------------------|
| | | | Other | SSES |
| <u>Operating Revenues</u> | | | | |
| 1 | D-3, Pg. 1 | Operating revenue | \$(34,767) | \$ 31,893 |
| <u>Operation and Maintenance Expenses</u> | | | | |
| 2 | D-4, Pg. 1 | Energy costs | 34,097 | (171,913) |
| 3 | D-5, Pg. 1 | Wage expense | 13,171 | - |
| 4 | D-6, Pg. 1 | Employee benefits expense | 1,844 | - |
| 5 | D-7, Pg. 1 | Rate case expenses | (161) | - |
| 6 | D-8, Pg. 1 | Amortization of flood costs | - | - |
| 7 | D-9, Pg. 1 | Interest expense on customer deposits | 166 | - |
| 8 | D-10, Pg. 1 | RCS program expenses | 225 | - |
| 9 | D-11, Pg. 1 | SSES Unit No. 1 annual operating costs | - | 61,576 |
| 10 | D-12, Pg. 1 | Decommissioning expense | - | 2,644 |
| 11 | D-13, Pg. 1 | Spent fuel disposal expenses | - | 8,153 |
| 12 | | Total | <u>49,342</u> | <u>(99,540)</u> |
| <u>Depreciation</u> | | | | |
| 13 | D-14, Pg. 1 | Annual depreciation expense | <u>4,139</u> | <u>15,008</u> |
| <u>Provision for Taxes</u> | | | | |
| Taxes other than income | | | | |
| 14 | D-15, Pg. 1 | State capital stock | (7,770) | - |
| 15 | D-15, Pg. 1 | State gross receipts | (34,658) | - |
| 16 | D-15, Pg. 1 | State public utility realty | (28,570) | - |
| 17 | D-11, Pg. 1 | Payroll taxes | - | 1,347 |
| Income taxes | | | | |
| 18 | D-16, Pg. 1 | Federal | (63,200) | (8,633) |
| 19 | D-16, Pg. 1 | State | (7,782) | (8,027) |
| 20 | D-17, Pg. 1 | Deferred income taxes | (1,528) | 77,801 |
| Investment tax credit | | | | |
| 21 | D-18, Pg. 1 | Provision | 58,031 | (48,925) |
| 22 | D-18, Pg. 3 | Amortization | (126) | (1,104) |
| 23 | | Total taxes | <u>(85,603)</u> | <u>12,459</u> |
| 24 | | Total operating expenses | <u>(32,122)</u> | <u>(72,073)</u> |
| 25 | | Total adjustments | <u>\$ (2,645)</u> | <u>\$103,966</u> |

PENNSYLVANIA POWER & LIGHT COMPANYAdjustments to Budgeted Income
for SSES Unit No. 1 Operations
Year Ended July 31, 1983
(Thousands of Dollars)

| <u>Line No.</u> | <u>Reference</u> | <u>Description</u> | <u>Amount</u> |
|---|------------------|--|-------------------|
| <u>Operating Revenues</u> | | | |
| 1 | D-3, Pg. 2 | Operating revenue | <u>\$ (6,731)</u> |
| <u>Operation and Maintenance Expenses</u> | | | |
| 2 | D-4 | Energy costs | 37,211 |
| 3 | D-11, Pg. 2 | SSES Unit No. 1 annual operating costs | (12,885) |
| 4 | D-12, Pg. 2 | Decommissioning expenses | (443) |
| 5 | D-13, Pg. 2 | Spent fuel disposal expenses | <u>(1,902)</u> |
| 6 | | Total | <u>21,981</u> |
| <u>Deferred SSES Operating Costs</u> | | | <u>(20,417)</u> |
| <u>Depreciation</u> | | | |
| 7 | D-14, Pg. 2 | Annual depreciation expense | <u>(2,746)</u> |
| <u>Provision for Taxes</u> | | | |
| Taxes other than income | | | |
| 8 | D-11, Pg. 2 | Payroll taxes | (344) |
| Income taxes | | | |
| 9 | D-16, Pg. 2 | Federal | 12,427 |
| 10 | D-16, Pg. 2 | State | 3,303 |
| 11 | D-17, Pg. 2 | Deferred income taxes | (55,430) |
| Investment tax credit | | | |
| 12 | D-18, Pg. 2 | Provision | 36,500 |
| 13 | D-18, Pg. 4 | Amortization | <u>227</u> |
| 14 | | Total taxes | <u>(3,317)</u> |
| 15 | | Total operating expense | <u>(4,499)</u> |
| 16 | | Total adjustments | <u>\$ (2,232)</u> |

PENNSYLVANIA POWER & LIGHT COMPANY

Measures of Value and Rate of Return
As of July 31, 1983
(Thousands of Dollars)

| Line No. | Description | Original Cost | | | |
|-------------|---|--------------------|------|--------------------|--------------------|
| | | Total | Ref. | Other | SSS |
| | Electric Plant | | | | |
| 1 | Electric plant in service | \$4,624,887 | C-2 | \$2,949,029 | \$1,675,858 |
| 2 | Reserve for depreciation | 882,766 | C-2 | 880,241 | 2,525 |
| 3 | Net electric plant in service | <u>3,742,121</u> | | <u>2,068,788</u> | <u>1,673,333</u> |
| | Additions and deductions | | | | |
| 4 | Electric plant held for future use | 12,322 | C-3 | 12,322 | - |
| 5 | Pollution control projects | 2,684 | C-4 | 2,684 | - |
| 6 | Retirements associated with pollution control projects | - | | - | - |
| 7 | Net additions and deductions | <u>15,006</u> | | <u>15,006</u> | - |
| 8 | Total electric plant (net) | <u>3,757,127</u> | | <u>2,083,794</u> | <u>1,673,333</u> |
| | Working Capital | | | | |
| 9 | Cash working capital | 27,075 | C-5 | 34,705 | (7,630) |
| 10 | Fuel stock and materials and operating supplies | <u>200,742</u> | C-6 | <u>200,568</u> | <u>174</u> |
| 11 | Total working capital | <u>227,817</u> | | <u>235,273</u> | <u>(7,456)</u> |
| | Deductions | | | | |
| 12 | Accumulated deferred taxes on income | 139,333 | C-7 | 80,317 | 59,016 |
| 13 | Customer advances for construction | 163 | B-1 | 163 | - |
| 14 | Customer deposits | <u>1,841</u> | B-1 | <u>1,841</u> | - |
| 15 | Total deductions | <u>141,337</u> | | <u>82,321</u> | <u>59,016</u> |
| 16 | Measures of value (net) | <u>\$3,843,607</u> | | <u>\$2,236,746</u> | <u>\$1,606,861</u> |

PENNSYLVANIA POWER & LIGHT COMPANYMeasures of Value and Rate of Return
As of July 31, 1983
(Thousands of Dollars)

| Line No. | Description | Original Cost | | |
|-------------|---|---------------------------|------------------------------|--------------------|
| | | <u>PUC Jurisdictional</u> | <u>Customers - Exh. AJB3</u> | |
| | | <u>Total</u> | <u>Other</u> | <u>SSES</u> |
| | Electric Plant | | | |
| 1 | Electric plant in service | \$4,338,888 | \$2,839,128 | \$1,499,760 |
| 2 | Reserve for depreciation | 852,081 | 849,822 | 2,259 |
| 3 | Net electric plant in service | <u>3,486,807</u> | <u>1,989,306</u> | <u>1,497,501</u> |
| | Additions and deductions | | | |
| 4 | Electric plant held for future use | 11,819 | 11,819 | - |
| 5 | Pollution control projects | 2,572 | 2,572 | - |
| 6 | Retirements associated with pollution control projects | - | - | - |
| 7 | Net additions and deductions | <u>14,391</u> | <u>14,391</u> | - |
| 8 | Total electric plant (net) | <u>3,501,198</u> | <u>2,003,697</u> | <u>1,497,501</u> |
| | Working Capital | | | |
| 9 | Cash working capital | 26,039 | 33,535 | (7,496) |
| 10 | Fuel stock and materials and operating supplies | 193,598 | 193,441 | 157 |
| 11 | Total working capital | <u>219,637</u> | <u>226,976</u> | <u>(7,339)</u> |
| | Deductions | | | |
| 12 | Accumulated deferred taxes on income | 129,973 | 77,435 | 52,538 |
| 13 | Customer advances for construction | 163 | 163 | - |
| 14 | Customer deposits | 1,841 | 1,841 | - |
| 15 | Total deductions | <u>131,977</u> | <u>79,439</u> | <u>52,538</u> |
| 16 | Measures of value (net) | <u>\$3,588,858</u> | <u>\$2,151,234</u> | <u>\$1,437,624</u> |
| | Pro forma return at present rates | | | |
| | Dollars (D-1, column 7) | \$310,960 | | |
| | Percent | 8.66% | | |
| | Pro forma return at proposed rates | | | |
| | Dollars (D-1, column 9) | \$456,270 | | |
| | Percent | 12.71% | | |

B-9
R. R. FortunePENNSYLVANIA POWER & LIGHT COMPANYRate of Return at
July 31, 1983

| <u>Line</u> <u>No.</u> | | <u>Capitalization</u> <u>Ratio (B-8)</u> | <u>Embedded</u> <u>Cost</u> | <u>Return</u> |
|---------------------------|--------------------------|---|--------------------------------|---------------|
| 1 | Long-Term Debt | 48.4% | 11.25% (B-6) | 5.45% |
| 2 | Preferred and Preference | 16.3 | 9.43 (B-7) | 1.54 |
| 3 | Common | <u>35.3</u> | 16.20 | <u>5.72</u> |
| 4 | Total | <u>100.0%</u> | | <u>12.71%</u> |

| <u>Witness</u> | <u>Nature of Testimony</u> | <u>Statement</u> | <u>Exhibit</u> |
|-------------------|--|------------------|----------------|
| R. R. Fortune | Reasons for filing. Financial needs of Company. Financing plans. Rate of return. | 1 | --- |
| G. F. Vanderslice | Measures of value. Conserva- tive nature of claim. Historic and future test year accounting exhibits. | 2 | --- |
| R. J. Bernini | Operating income statements and adjustments. Reserves for decommissioning and spent nuclear fuel disposal. | 3 | --- |
| M. J. Berish | Budget process. Development of future test year data. | 4 | MJB 1-9 |
| A. J. Baldwin | Revenue adjustments. Cost of service study. Rate design. Computation of proposed rate effects. | 5 | AJB 1-4 |
| J. O. Beamer | Life span depreciation. Book reserve for Hydro, Transmis- sion, Distribution and General functions. Modified sinking fund depreciation. Sales fore- cast. | 6 | JOB 1-4 |
| D. S. Hoch | Depreciation methodology. Valuation of electric plant. Life study. Interim retirement study. | 7 | DSH 1-5 |
| N. W. Curtis | Management of the Susquehanna design and construction process. Factors affecting the project. Capital cost of Susquehanna. | 8 | --- |

| <u>Witness</u> | <u>Nature of Testimony</u> | <u>Statement</u> | <u>Exhibit</u> |
|--|---|------------------|----------------|
| B. D. Kenyon | Organization of the Nuclear Department. Operation and maintenance expenses of Susquehanna excluding fuel. | 9 | --- |
| J. S. Stefanko | Nuclear fuel costs. Spent nuclear fuel disposal. | 10 | --- |
| W. F. Hecht | Explanation of the electric system. Construction budget and adjustments. Reserve capacity. Planning history of Susquehanna. Economic benefits of Susquehanna. Sales of capacity and energy. | 11 | WFH 1-3 |
| W. R. Scheffley | Station loading. Interconnection operation. Bilateral sales. Cost of energy. | 12 | --- |
| G. E. McNair | Trended budget billing. Operation HELP. Conservation programs. | 13 | GEM 1 |
| J. F. Brennan (Associated Utility Services, Inc.) | Rate of return. | 14 | JFB 1 |
| R. H. Koppe (S. M. Stoller Corp.) | Capacity factors of Susquehanna. | 15 | RHK 1 |
| A. A. Weinstein (S. M. Stoller Corp.) | Method and cost of decommissioning Susquehanna. | 16 | AAW 1 |
| R. C. Traylor (Management Analysis Company) | Historical assessment of Susquehanna. Management of cost and schedule. Comparison with similar plants. | 17 | RCT 1-2 |

JAN 10 1983

Pennsylvania Power & Light Company
Proposed Hearing Schedule
Docket No. R-822169

SECRETARY'S OFFICE
Public Utility Commission

| | |
|--------------|--|
| Week of 2/7 | Opposing Party Cross - SSES |
| Week of 2/14 | Opposing Party Cross - Rate of Return and Rate Design |
| Week of 2/21 | Opposing Party Cross - Rate Base, Revenues, Expenses and Taxes |
| 3/7 | Opposing Party Testimony - SSES |
| 3/14 | Opposing Party Testimony - ROR and RD |
| 3/21 | Opposing Party Testimony - RB and RET |
| Week of 3/21 | PP&L Cross - SSES |
| Week of 3/28 | PP&L Cross - ROR, RB, RET and RD |
| 4/8 | PP&L Rebuttal - SSES |
| 4/15 | PP&L Rebuttal - Other Issues |
| Week of 4/18 | Opposing Party Cross - SSES Rebuttal |
| Week of 4/25 | Opposing Party Cross - Other Rebuttal |
| 4/29 | Opposing Party Surrebuttal - All Issues |
| Week of 5/2 | Final Cross and Rebuttal and Close Record |
| 6/1 | Initial Brief |
| 6/10 | Reply Brief |
| 7/8 | Recommended Decision |
| 7/23 | Exceptions |
| 7/28 | Reply Exceptions |
| 8/19 | PUC Order |

DOCKETED
JAN 11 1983

ORIGINAL

ST REGIS

PAPER COMPANY

237 Park Avenue, New York, NY 10017 212/808-6000

January 11, 1983

Mr. Jerry Rich, Secretary
Pennsylvania Public Utility
Commission
P. O. Box 3265
Harrisburg, Pa. 17120

RECEIVED

JAN 13 1983

RE: Pennsylvania Public Utility Commission
v.
Pennsylvania Power and Light Company
Docket No. R-822169

SECRETARY'S OFFICE
Public Utility Commission

Dear Mr. Rich:

Enclosed are 10 copies of St. Regis Paper Company's Prehearing Conference Memorandum. Copies are also being sent to those individuals and parties listed on the enclosed Service List.

Sincerely yours,

Peggy Wells Dobbins

Peggy W. Dobbins
Attorney

PWD:jf
Enclosures

OWNERS
FOLDER

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

ST. REGIS PAPER COMPANY

v.

PENNSYLVANIA POWER AND
LIGHT COMPANY

DOCKET NO. R-822169

PREHEARING CONFERENCE MEMORANDUM
OF ST. REGIS PAPER COMPANY



1. SUMMARY OF POSITION

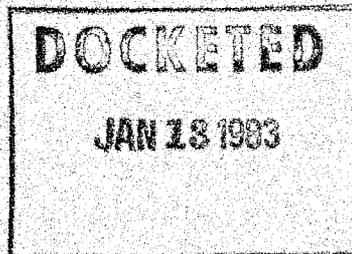
St. Regis Paper Company ("St. Regis") maintains the position in regulatory proceedings throughout the country that utility rates should reflect actual cost of service incurred in serving various types of customers. The cost attributed to each customer class should be determined by the operating characteristics of the utility.

2. SUMMARY OF ISSUES TO BE RAISED

St. Regis will primarily address class cost of service revenue distribution, and rate design issues.

3. DECLARATION OF INTENTION WITH RESPECT TO TESTIMONY

St. Regis will present testimony by Mr. Kenneth Eisdorfer of the firm of Cook, Eisdorfer, Willer & Associates, Inc., Suite 901, 111 West Port Plaza, St. Louis, Missouri 63141. Mr. Eisdorfer's telephone number is (314) 576-0562. The scope and extent of Mr. Eisdorfer's testimony on the subjects listed in "2" above cannot be determined until answers to interrogatories have been studied and analysis has been completed.



Respectfully submitted,

Peggy Wells Dobbins
Peggy Wells Dobbins
Attorney

Dated: January 11, 1983

CERTIFICATE OF SERVICE

I hereby certify that on this *11th* day of January, 1983, I have served a copy of the foregoing on the persons listed below:

Honorable Morris J. Mindlin
Administrative Law Judge
Pa. Public Utility Commission
P. O. Box 3265
Harrisburg, Pa. 17120

Harry Mattern, Esquire
c/o Duryea Borough
P. O. Box 5
Duryea, Pa. 18642

Henry R. MacNicholas, Esquire
McNees, Wallace & Nurick
100 Pine Street
P. O. Box 1166
Harrisburg, Pa. 17108

Harry W. Snow
R. D. #3
Box 855
Duncannon, Pa. 17020

H. William Koch, Esquire
51 South Front Street
Milton, Pa. 17847

Charles B. Zwally, Esquire
Shearer, Mette & Woodside
1801 North Front Street
Harrisburg, Pa. 17102

Walker L. Schautz, President
Grove Textiles, Inc.
150 E. Grove Street
P. O. Box 958
Scranton, Pa. 18501

Walter W. Cohen, Consumer
Advocate
Phillip McClelland, Assistant
Consumer Advocate
1425 Strawberry Square
Harrisburg, Pa. 17120

Bernard A. Ryan, Jr., Esquire
Dechert, Price & Rhoads
800 North Third Street
Harrisburg, Pa. 17102

William L. Moyer, Esquire
Deckert, Price & Rhoads
3400 Center Square West
1500 Market Street
Philadelphia, Pa. 18062

Joseph E. McAndrew
85 West Chestnut Street
Macungie, Pa. 18062

D. Jane Drennan, Esquire
McDermott, Will & Emery
1850 K Street, N.W.
Suite 500
Washington, D. C. 20006

Philip R. Ehrenkranz, Esquire
Keith R. McCrea, Esquire
Squire, Sanders & Dempsey
21 Dupont Circle, N.W.
Washington, D. C. 20036

Thomas L. Young, Esquire
Owens-Illinois, Inc.
One SeaGate
Toledo, Ohio 43666

A. Jane Perkins
216 Cumberland Street
Harrisburg, Pa. 17102

Louis Kovacs, President
723 Chew Street
Allentown, Pa. 18102

Gene Molino
1613 Farr Street
Scranton, Pa. 18504

Peter M. Zukrewski
621 N. 16th Street
Allentown, Pa. 18102

Christopher O. Fried
R. D. 3, Box 229G
Catawissa, Pa. 17820

City of Harrisburg
10 N. Market Square
Harrisburg, Pa. 17101

John Dolinsky
Apt. 339H, Pine Grove
Circle
Wescosville, Pa. 18106

U. S. Dept. of Defense
c/o Mr. Dellon E. Coker
Regulatory Law Office
(JALS-RL)
5611 Columbia Pike
Nassif Building
Room 422
Falls Church, Va. 22041

Jack M. Levan
339-C. Pine Grove Circle
Wescosville, Pa. 18106

Hazleton Taxpayers Association
990 Lincoln Street
Hazleton, Pa. 18201

Allison K. Turner
Assistant Counsel
Pennsylvania Public Utility
Commission
P. O. Box 3265
Harrisburg, Pa. 17120

Paul E. Russell, Esquire
Pennsylvania Power & Light Co.
Two North Ninth Street
Allentown, Pa. 18101

Peggy Wells Dobbins

Peggy Wells Dobbins
Attorney



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P. O. BOX 3265, HARRISBURG, Pa. 17120

January 12, 1983

IN REPLY PLEASE
REFER TO OUR FILE

R-822169

(See attached list)

RECEIVED

JAN 13 1983

SECRETARY'S OFFICE
Public Utility Commission

In re: Pennsylvania Public Utility Commission,
et al v. Pennsylvania Public Utility
Commission Interrogatories on Revenue
and Rate Structure

Dear Sir:

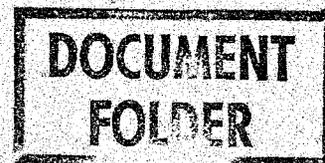
On Friday, January 7, 1983, Interrogatories on Revenue and Rate Structure in the abovementioned case were served on PP&L and other parties active in the case. A copy will be provided to you upon request.

Sincerely,

Allison K. Turner
Allison K. Turner
Assistant Counsel

AKT:gdp

cc: Jerry Rich, Secretary





COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P. O. BOX 3265, HARRISBURG, Pa. 17120

January 12, 1983

IN REPLY PLEASE
REFER TO OUR FILE

R-822169

RECEIVED

JAN 13 1983

SECRETARY'S OFFICE
Public Utility Commission

(See attached list)

In re: Pennsylvania Public Utility Commission
et al v. Pennsylvania Power & Light
Company - Prehearing Memorandum

Dear Sir:

On January 6, 1983, Prosecutory Staff (Staff) served its Prehearing Memorandum on the Administrative Law Judge (ALJ) and all parties who were present. A copy will be made available to you upon request.

Sincerely,

Allison K. Turner
Allison K. Turner
Assistant Counsel

AKT:gdp

cc: Jerry Rich, Secretary

**DOCUMENT
FOLDER**



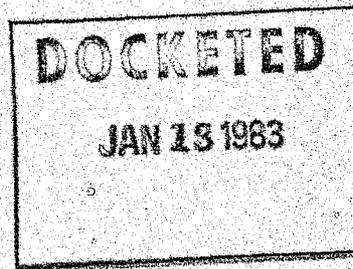
COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P. O. BOX 3265, HARRISBURG, Pa. 17120

January 12, 1983

Monitor - Commissioner Johnson

IN REPLY PLEASE
REFER TO OUR FILE
R-822169, etc.

see attached list



Pennsylvania Public Utility Commission, et al.
v.
Pennsylvania Power & Light Company



NOTICE

As agreed to at prehearing conference, hearings in the above-captioned proceeding will be held as follows:

Harrisburg - 10:00 a.m., available hearing room,
Ground Floor, North Office Building
Tuesday through Friday - January 25, 26, 27 & 28, 1983

Allentown - 10:00 a.m., Courtroom No. 1, Second Floor,
Old Lehigh County Courthouse, 401 Hamilton Street
Tuesday through Friday - February 1, 2, 3 & 4, 1983

Public Input Hearing
Tuesday - February 1, 1983
commencing at 7:00 p.m.
Allentown - Room as above identified

NOTE: This public input hearing will adjourn when all persons who have signed in within one hour of commencement time have been heard.

7-2

COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION

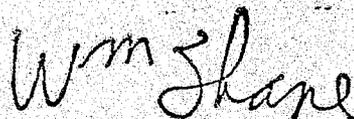
- 2 -

Harrisburg - 10:00 a.m., available hearing room,
Ground Floor, North Office Building

Tuesday through Friday - February 8, 9, 10 & 11, 1983
Tuesday through Friday - February 15, 16, 17 & 18, 1983
Tuesday through Friday - February 22, 23, 24 & 25, 1983
Monday through Thursday - February 28, March 1, 2 & 3, 1983
Tuesday through Friday - March 8, 9, 10 & 11, 1983
Tuesday through Friday - March 15, 16, 17 & 18, 1983
Tuesday through Friday - March 22, 23, 24 & 25, 1983
Tuesday through Friday - March 29, 30, 31 and April 1, 1983
Wednesday through Friday - April 6, 7 & 8, 1983

Consideration is being given to the requests for hearings in other locations, and when a decision is reached you will be promptly informed.

The presiding officer in this proceeding is Administrative Law Judge Morris Mindlin, P.O. Box 3265, Harrisburg, PA 17120; telephone (717) 783-5452.



William R. Shane
Chief Administrative Law Judge

ccs:
Judge Mindlin
Law Bureau
Bureau of Rates
Mr. Bramson
Ms. Dickson
Ms. Crouse
File

Chairman Shanaman
Commissioner Cawley
Commissioner Johnson
Commissioner Jones
Commissioner Taliaferro

PLEASE NOTE: In any scheduled hearings of two or more consecutive days, if testimony for that sequence of hearings is concluded in less time, any subsequent date in that sequence of hearings is subject to cancellation without advance notice.

CASE NAME Pennsylvania Power & Light

Hearing concluded

Company

Record closed

HEARING LOCATION Harrisburg, PA

Briefs to be filed

HEARING DATE January 6, 1983

Estimated add'l days

ALJ Mindlin

BENCH DECISION

REMARKS

DOCKETED

JAN 13 1983

DOCK FOLD

Names and addresses of parties or counsel of record

Please Print Clearly

Incomplete Information May Result in Delay of Process

NAME

ADDRESS

APPEARING FOR

Allison K. Turner
Julian S. Soffer
John M. Quinn
Albert W. Johnson, III

P.O. Box 3265

City: Hbg. State: PA Zip: 17120

Paul Russell

Robert H. Young
David B. MacGregor
Morgan, Lewis & Bockius

123 S. Broad St.
City: Phila. State: PA Zip: 19109

Pennsylvania Power and Light Co.

G.D. CALIENDO

2 NORTH 9TH STREET

PENNSYLVANIA & LIGHT CO.

PAUL E. RUSSELL

City: ALLENTOWN State: PA Zip: 18101

Charles R. Zwally
Shore, Mott & Winkler

1801 N. Front St.
City: Hbg. State: Pa Zip: 17108

Milton Meyers
Crane America
Hess's Dept. S

Check this box if additional parties of counsel of record appear on back.

Reporter

| | | |
|---|---|---|
| Nureck Bernard A. Ryan Cheryl Ussey | Hbg Pa 17108 Address 800 N. 3rd St City State Zip Harrisburg Pa 17102 | Berkleh Corp |
| Peggy Wells Dobbins | Address St. Regis Paper Co., 237 Park Ave City State Zip NY NY 10017 | St. Regis Company |
| J. Jackson Eaton Tom Sadek Butz, Hodder & Tallman | Address 740 Hamilton Mall City State Zip Allentown Pa 18101 | Ross Bicycle |
| Philip McDella David Barasch Irwin Popowsky | Address 1425 Strawberry Sy City State Zip Hbg. Pa. 17125 | Office of Consumer Affairs |
| John Fullerton | Address 407 N. Front St City State Zip Hbg Pa 17101 | Susquehar Swatara Temp |
| Otto F. Holman Pa Utility Law Project | Address 213 A. W. Front St City State Zip Hbg Pa 17101 | CEP Bernard |
| David Mann | Address P O Box 249 City State Zip Lewisburg Pa 17837 | Susqueh All |
| Judith Schinner | Address 10 N. Market Square City State Zip Harrisburg PA 17101 | City of Harrisburg |
| Theren Wanick | Address 940 Lincoln Street City State Zip Hagerstown Pa 17827 | Hagerstown Telephone Administration |
| Eugene P. Stulp | Address 1037 MAGLAY ST HARRISBURG PA 17103 | PPL RATEPA COALITION THE RATE IN |

HEARING REPORT

DOCKET NO. R-822169

CASE NAME Pennsylvania Power & Light Co.

HEARING LOCATION Phog

HEARING DATE Jan 6, 1983

ALJ Munkin

CHECK THOSE BLOCKS WHICH APPLY:

Hearing concluded

Record closed

Briefs to be filed

Further hearing

Estimated add'l days

BENCH DECISION

REMARKS:

Names and addresses of parties or counsel of record
Please Print Clearly
Incomplete Information May Result in Delay of Process

NAME

ADDRESS

APPEARING FOR

NATHANIEL M. CARMEL JR.
(Pillsbury Madison & Sutro)

Suite 900
1050 SEVENTEENTH ST. N.W.
City State Zip
WASHINGTON D.C. 20002

PENNSYLVANIA
INDUSTRIAL
COALITION

City State Zip

City State Zip

City State Zip

Check this box if additional parties of counsel of record appear on back.

Gene W. Holth

Reporter

ORIGINAL

ST REGIS

PAPER COMPANY

237 Park Avenue, New York, NY 10017 212/808-6000

January 13, 1983

Mr. Jerry Rich, Secretary
Pennsylvania Public Utility
Commission
P. O. Box 3263
Harrisburg, Pa. 17120

RECEIVED

JAN 17 1983

RE: Pennsylvania Public Utility Commission
v.
Pennsylvania Power and Light Company
Docket No. R-822169

SECRETARY'S OFFICE
Public Utility Commission

Dear Mr. Rich:

Inadvertently I did not send you a copy of St. Regis Paper Company's Data Request No. 1 to the Pennsylvania Power and Light Company which was sent to the utility and those on the Service List on January 10. I, therefore, am sending you the copy of Data Request No. 1 at the same time as I am enclosing a copy of St. Regis Paper Company's Data Request No. 2 to Pennsylvania Power and Light Company.

Sincerely yours,

Peggy W. Dobbins

Peggy W. Dobbins
Attorney

PWD:jf
Enclosure



PAPER COMPANY

237 Park Avenue, New York, NY 10017 212/808-6000

January 10, 1983

RE: Pennsylvania Public Utility Commission v.
Pennsylvania Power & Light Company
Docket No. R-822169

RECEIVED

JAN 17 1983

Paul E. Russell, Esquire
Pennsylvania Power & Light Company
Two North Ninth Street
Allentown, Pa. 18101

SECRETARY
Public Utility Commission

Dear Mr. Russell:

I am enclosing St. Regis Paper Company's Data Request No. 1 to the Pennsylvania Power & Light Company in the above proceeding. I shall appreciate very much your sending answers to this Interrogatory by Federal Express to Mr. Kenneth Eisdorfer at the following address:

Mr. Kenneth Eisdorfer
Cook, Eisdorfer, Willer & Associates, Inc.
Suite 901 - 111 West Port Plaza
St. Louis, Missouri 63141.

Mr. Eisdorfer's Federal Express Number is 1012-1438-9.

Thank you very much for your assistance.

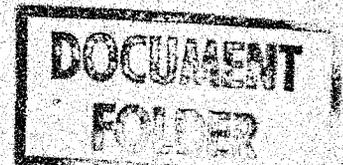
Sincerely yours,

Peggy Wells Dobbins

Peggy W. Dobbins
Attorney

PWD:jf
Enclosure

cc: Kenneth Eisdorfer
Cook, Eisdorfer, Willer & Associates, Inc.



JAN 17 1983

PENNSYLVANIA POWER & LIGHT COMPANY
 Pennsylvania PUC Docket No. R-822169

SECRETARY'S OFFICE
 Public Utility Commission

St. Regis Paper Company Data Request No. 1

- | Item NO. | Description |
|----------|--|
| 1. | A copy of the FERC Form 1 for 1981 and 1982 (when available). |
| 2. | For the years 1970 through 1980, please provide a copy of FERC Form 1, Pages 431 and 432. Please include all continuation sheets. |
| 3. | A copy of the monthly EIA119A forms (formerly FERC 12E2 forms) for the years 1980, 1981 and 1982. |
| 4. | A copy of the Company's most recent filing to FERC pursuant to Section 133 of PURPA. |
| 5. | A copy of the annual reports to the stockholders for the years 1970 through 1982 (when available). |
| 6. | A copy of the SEC Form 10-K for 1981 and 1982 (when available). |
| 7. | A copy of all stock and bond prospectuses issued during 1982. |
| 8. | A copy of the Pennsylvania Commission's Order in the Company's last rate case. |
| 9. | A copy of the Pennsylvania Commission's Declaratory Order in Docket No. P-820367. |
| 10. | A copy of the Company's current rules and regulations for electric service. |
| 11. | Copies of all PJM reconciliation statements for 1981 and 1982. |
| 12. | A copy of the computation of the PJM Forecast Obligation for PP&L for the current planning period. |
| 13. | Please provide a complete copy of the computer printouts for the following cost-of-service studies for: 1) the historic test period and 2) the future test period: |

DOCKETED

JAN 19 1983

DOCUMENT
 CENTER

St. Regis Paper Company Data Request No. 1 (Cont'd)

| <u>Item NO.</u> | <u>Description</u> |
|-----------------|---|
| | (a) Summer Peak Responsibility (b) Winter Peak Responsibility (c) Non-coincident Peak (d) Average & Excess (e) Average Demand |
| 14. | For each of the cost-of-service studies referenced in Item 13, please provide a complete set of back-up workpapers. These should include, but not be limited, to workpapers supporting the development of the class energy, demand and customer allocation factors. |
| 15. | A copy of all rate design workpapers. |
| 16. | A copy of all past reports to public agencies which supported the need for the construction of Susquehanna Unit No. 1. Sections of reports pertaining to engineering and design details need not be provided. |
| 17. | Average yearly fuel costs in mills per kilowatthour from 1972 through 1982. |

CERTIFICATE OF SERVICE

I hereby certify that on this 10th day of January, 1983, I have served a copy of the foregoing on the persons listed below:

| | |
|--|---|
| Honorable Morris J. Mindlin Administrative Law Judge Pa. Public Utility Commission P. O. Box 3265 Harrisburg, Pa. 17120 | Bernard A. Ryan, Jr., Esquire Dechert, Price & Rhoads 800 North Third Street Harrisburg, Pa. 17102 |
| Harry Mattern, Esquire c/o Duryea Borough P. O. Box 5 Duryea, Pa. 18642 | William L. Moyer, Esquire Deckert, Price & Rhoads 3400 Center Square West 1500 Market Street Philadelphia, Pa. 18062 |
| Henry R. MacNicholas, Esquire McNees, Wallace & Nurick 100 Pine Street P. O. Box 1166 Harrisburg, Pa. 17108 | Joseph E. McAndrew 85 West Chestnut Street Macungie, Pa. 18062 |
| Harry W. Snow R. D. #3 Box 855 Duncannon, Pa. 17020 | D. Jane Drennan, Esquire McDermott, Will & Emery 1850 K Street, N.W. Suite 500 Washington, D. C. 20006 |
| H. William Koch, Esquire 51 South Front Street Milton, Pa. 17847 | Philip R. Ehrenkranz, Esquire Keith R. McCrea, Esquire Squire, Sanders & Dempsey 21 Dupont Circle, N.W. Washington, D. C. 20036 |
| Charles B. Zwally, Esquire Shearer, Mette & Woodside 1801 North Front Street Harrisburg, Pa. 17102 | Thomas L. Young, Esquire Owens-Illinois, Inc. One SeaGate Toledo, Ohio 43666 |
| Walker L. Schautz, President Grove Textiles, Inc. 150 E. Grove Street P. O. Box 958 Scranton, Pa. 18501 | A. Jane Perkins 216 Cumberland Street Harrisburg, Pa. 17102 |
| Walter W. Cohen, Consumer Advocate Phillip McClelland, Assistant Consumer Advocate 1425 Strawberry Square Harrisburg, Pa. 17120 | Louis Kovacs, President 723 Chew Street Allentown, Pa. 18102 |
| | Gene Molino 1613 Farr Street Scranton, Pa. 18504 |

Peter M. Zukrewski
621 N. 16th Street
Allentown, Pa. 18102

Christopher O. Fried
R. D. 3, Box 229G
Catawissa, Pa. 17820

City of Harrisburg
10 N. Market Square
Harrisburg, Pa. 17101

John Dolinsky
Apt. 339H, Pine Grove
Circle
Wescosville, Pa. 18106

U. S. Dept. of Defense
c/o Mr. Dellon E. Coker
Regulatory Law Office
(JALS-RL)
5611 Columbia Pike
Nassif Building
Room 422
Falls Church, Va. 22041

Jack M. Levan
339-C. Pine Grove Circle
Wescosville, Pa. 18106

Hazleton Taxpayers Association
990 Lincoln Street
Hazleton, Pa. 18201

Allison K. Turner
Assistant Counsel
Pennsylvania Public Utility
Commission
P. O. Box 3265
Harrisburg, Pa. 17120

Peggy Wells Dobbins

Peggy Wells Dobbins
Attorney



PAPER COMPANY

237 Park Avenue, New York, NY 10017 212/808-6000

January 13, 1983

RE: Pennsylvania Public Utility Commission v.
Pennsylvania Power & Light Company
Docket No. R-822169

RECEIVED

JAN 17 1983

Paul E. Russell, Esquire
Pennsylvania Power & Light Company
Two North Ninth Street
Allentown, Pa. 18101

SECRETARY'S OFFICE
Public Utility Commission

Dear Mr. Russell:

I am enclosing three copies of St. Regis Paper Company's Data Request No. 2 to the Pennsylvania Power & Light Company in the above proceeding. I shall appreciate very much your sending the answers to this Interrogatory by Federal Express to Mr. Kenneth Eisdorfer at the following address:

Mr. Kenneth Eisdorfer
Cook, Eisdorfer, Willer & Associates, Inc.
Suite 901 - 111 West Port Plaza
St. Louis, Missouri 63141.

Mr. Eisdorfer's Federal Express Number is 1012-1438-9.

Thank you very much for your assistance.

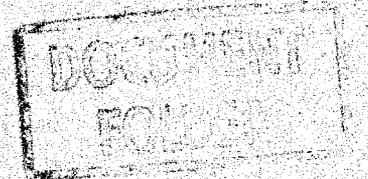
Sincerely yours,

Peggy W. Dobbins
Attorney

PWD:jf
Enclosures

cc: Mr. Jerry Rich, Secretary
Pennsylvania Public Utility
Commission

Mr. Kenneth Eisdorfer
Cook, Eisdorfer, Willer & Associates, Inc.



RECEIVED

JAN 17 1983

PENNSYLVANIA POWER & LIGHT COMPANY
Pennsylvania PUC Docket No. R-822169

SECRETARY'S OFFICE
Public Utility Commission

St. Regis Paper Company Data Request No. 2 to
Pennsylvania Power & Light Company

| <u>Item No.</u> | <u>Description</u> |
|-----------------|---|
| 18. | Copies of the monthly FERC 12E2 forms for 1978 and 1979. |
| 19. | Monthly customer class coincident peak data used in the construction of allocation factor D10 in the monthly peak responsibility cost-of-service studies. |

DOCKETED

JAN 19 1983

DOCUMENT
FOLDER

CERTIFICATE OF SERVICE

I hereby certify that on this 13th day of January, 1983, I have served a copy of the foregoing on the persons listed below:

Honorable Morris J. Mindlin
Administrative Law Judge
Pa. Public Utility Commission
P. O. Box 3265
Harrisburg, Pa. 17120

Harry Mattern, Esquire
c/o Duryea Borough
P. O. Box 5
Duryea, Pa. 18642

Henry R. MacNicholas, Esquire
McNees, Wallace & Nurick
100 Pine Street
P. O. Box 1166
Harrisburg, Pa. 17108

Harry W. Snow
R. D. #3
Box 855
Duncannon, Pa. 17020

H. William Koch, Esquire
51 South Front Street
Milton, Pa. 17847

Charles B. Zwally, Esquire
Shearer, Mette & Woodside
1801 North Front Street
Harrisburg, Pa. 17102

Walker L. Schautz, President
Grove Textiles, Inc.
150 E. Grove Street
P. O. Box 958
Scranton, Pa. 18501

Walter W. Cohen, Consumer
Advocate
Phillip McClelland, Assistant
Consumer Advocate
1425 Strawberry Square
Harrisburg, Pa. 17120

Bernard A. Ryan, Jr., Esquire
Dechert, Price & Rhoads
800 North Third Street
Harrisburg, Pa. 17102

William L. Moyer, Esquire
Deckert, Price & Rhoads
3400 Center Square West
1500 Market Street
Philadelphia, Pa. 18062

Joseph E. McAndrew
85 West Chestnut Street
Macungie, Pa. 18062

D. Jane Drennan, Esquire
McDermott, Will & Emery
1850 K Street, N.W.
Suite 500
Washington, D. C. 20006

Philip R. Ehrenkranz, Esquire
Keith R. McCrea, Esquire
Squire, Sanders & Dempsey
21 Dupont Circle, N.W.
Washington, D. C. 20036

Thomas L. Young, Esquire
Owens-Illinois, Inc.
One SeaGate
Toledo, Ohio 43666

A. Jane Perkins
216 Cumberland Street
Harrisburg, Pa. 17102

Louis Kovacs, President
723 Chew Street
Allentown, Pa. 18102

Gene Molino
1613 Farr Street
Scranton, Pa. 18504

Peter M. Zukrewski
621 N. 16th Street
Allentown, Pa. 18102

Christopher O. Fried
R. D. 3, Box 229G
Catawissa, Pa. 17820

City of Harrisburg
10 N. Market Square
Harrisburg, Pa. 17101

John Dolinsky
Apt. 339H, Pine Grove
Circle
Wescosville, Pa. 18106

U. S. Dept. of Defense
c/o Mr. Dellon E. Coker
Regulatory Law Office
(JALS-RL)
5611 Columbia Pike
Nassif Building
Room 422
Falls Church, Va. 22041

Jack M. Levan
339-C. Pine Grove Circle
Wescosville, Pa. 18106

Hazleton Taxpayers Association
990 Lincoln Street
Hazleton, Pa. 18201

Allison K. Turner
Assistant Counsel
Pennsylvania Public Utility
Commission
P. O. Box 3265
Harrisburg, Pa. 17120

Peggy Wells Dobbins

Peggy Wells Dobbins
Attorney
St. Regis Paper Company



Pennsylvania Power & Light Company

Two North Ninth Street • Allentown, PA 18101 • 215 / 770-5151

January 13, 1983

Robert K. Campbell
President
215 / 770-5947

RECEIVED

JAN 17 1983

SECRETARY OF
Public Utility Commission

PENNSYLVANIA PUBLIC UTILITY COMMISSION
P.O. BOX 3265
HARRISBURG, PENNSYLVANIA 17120

The enclosed Tariff Supplement of the Pennsylvania Power & Light Company is forwarded to you for filing in compliance with requirements of the Public Utility Code and the Tariff Regulations issued thereunder:

Supplement No. 4 to Electric Pa. P.U.C. No. 199

Issued January 14, 1983

The above Supplement is filed pursuant to notice by the Commission that it has instituted an inquiry and investigation at Docket No. R-822169 into the rates proposed in Supplement No. 2 and has suspended them for a period up to seven months or until August 22, 1983.

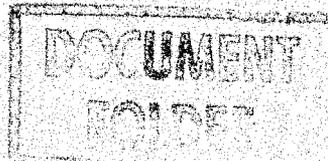
This filing has been duly posted in the Public Tariff files in the Company's business offices.

PENNSYLVANIA POWER & LIGHT COMPANY

Robert K. Campbell

PRESIDENT

Enclosure



ORIGINAL

Supplement No. 4
Electric Pa. P.U.C. No. 199

PENNSYLVANIA POWER & LIGHT COMPANY

GENERAL TARIFF

JAN 17 1983
PUBLIC UTILITY COMMISSION

RULES AND RATE SCHEDULES FOR ELECTRIC SERVICE

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

The application of rates proposed in Supplement No. 2 to Tariff Electric Pa. P.U.C. No. 199 filed to become effective January 22, 1983 is hereby suspended until August 22, 1983 by operation of law at R-822169. Presently effective rates contained in Tariff Electric Pa. P.U.C. No. 199 and supplements thereto, will continue in effect until otherwise amended.

ISSUED January 14, 1983

Issued in compliance with
Title 66 Pa. C.S. § 1308(d).

Issued by
ROBERT K. CAMPBELL, PRESIDENT
Two North Ninth Street
Allentown, Pa.

DOCUMENT
FOLDER

DOCKETED
JAN 17 1983

NOTICE

K-822169
HAZLETON TAXPAYERS ASSOCIATION

RECEIVED

990 LINCOLN STREET
Hazleton, Pa. 18201
TELEPHONE: 717-454-2858

JAN 19 1983

SECRETARY'S OFFICE
January 18, 1983
Public Utility Commission



OFFICE HOURS:
MONDAY TO FRIDAY -
9:00 A. M. TO 12:00 NOON
EVENINGS BY APPOINTMENT.

Honorable Morris J. Mindlin
Administrative Law Judge
Pennsylvania Public Utility Commission
P. O. Box 3265
Harrisburg, Pennsylvania.

RECEIVED

JAN 19 1983

Office of A. L. J.
Harrisburg ✓

Dear Judge Mindlin:

The Hazleton Taxpayers Association has requested a Public Input Hearing to be held in the City of Hazleton, on the Pennsylvania Power & Light company \$315 Million rate increase.

Your Honor, we have over seven hundred (700) names of rate payers that want to be heard on the PP&L rate increase. We also have many Boroughs, Townships, Business, Industry, and Labor Councils that want to have public input at a Hazleton hearing.

May we suggest to you, that a hearing be held in March, because of the bad weather we get in this area. March would make it much safer traveling from Harrisburg.

Please feel free to contact me if you have any questions or concerns on this matter.

Very truly yours,

Theresa Wanick

Theresa Wanick,
President HTA.

TW/am

DOCKETED
JAN 20 1983

DOCUMENT
FOLDER

ROBERT E. BELFANTI, JR., MEMBER
49 EAST AVENUE
MT. CARMEL, PENNSYLVANIA 17851
(717) 339-5252 / 275-7376

107 SOUTH OFFICE BUILDING
HARRISBURG, PA 17120
(717) 787-5780



R-822169
COMMITTEES

LABOR RELATIONS
MILITARY & VETERANS AFFAIRS
MINES & ENERGY MANAGEMENT
POLICY

HOUSE OF REPRESENTATIVES
COMMONWEALTH OF PENNSYLVANIA
HARRISBURG

RECEIVED

January 13, 1983

JAN 19 1983

SECRETARY'S OFFICE
Public Utility Board

Honorable Morris Mindlin
Office of Administrative Law Judge
G-08-A North Office Building
Harrisburg, Pennsylvania 17120

Dear Judge Mindlin:

As the representative of the 107th Legislative District within the PP&L service territory, I am disturbed to learn that only one public input meeting has been scheduled on the utility's pending \$315 million rate increase request, and that for Allentown on February 1st.

The people of my district are quite deeply disturbed about the impact this increase would have on their household budgets, especially the senior citizens on pensions.

The people of my district who are going to be most affected by the increase are working people and the elderly who can't arrange to travel to Allentown for a meeting.

Therefore, I request that a public input meeting on the rate case be scheduled at a site convenient to the residents of my legislative district, perhaps in the city of Shamokin, Mt. Carmel or the Danville-Bloomsburg area.

On behalf of my constituents, I look forward to a prompt and appropriate response to their request.

Sincerely,

Robert E. Belfanti, Jr.
Member, Pennsylvania
House of Representatives

DOCKETED

JAN 20 1983

REB:mar

DOCUMENT
FOLDER

RECEIVED

JAN 13 1983

Office of A. L. J.
Harrisburg



PAPER COMPANY

237 Park Avenue, New York, NY 10017 212/808-6000

January 14, 1983

RE: Pennsylvania Public Utility Commission v.
Pennsylvania Power & Light Company
Docket No. R-822169

RECEIVED

JAN 17 1983

Paul E. Russell, Esquire
Pennsylvania Power & Light Company
Two North Ninth Street
Allentown, Pa. 18101

SECRETARY'S OFFICE
Public Utility Commission

Dear Mr. Russell:

I am enclosing three copies of St. Regis Paper Company's Data Request No. 3 to the Pennsylvania Power & Light Company in the above proceeding. I shall appreciate very much your sending the answers to this Interrogatory by Federal Express to Mr. Kenneth Eisdorfer at the following address:

Mr. Kenneth Eisdorfer
Cook, Eisdorfer, Willer & Associates, Inc.
Suite 901 - 111 West Port Plaza
St. Louis, Missouri 63141.

Mr. Eisdorfer's Federal Express Number is 1012-1438-9.

Thank you very much for your assistance.

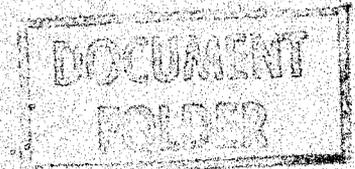
Sincerely yours,

Peggy W. Dobbins
Attorney

PWD:jf
Enclosures

cc: Mr. Jerry Rich, Secretary
Pennsylvania Public Utility
Commission

Mr. Kenneth Eisdorfer
Cook, Eisdorfer, Willer & Associates, Inc.



RECEIVED

JAN 17 1983

PENNSYLVANIA POWER & LIGHT COMPANY
Pennsylvania PUC Docket No. R-822169

SECRETARY'S OFFICE
Public Utility Commission

St. Regis Paper Company Data Request No. 3 to
Pennsylvania Power & Light Company

Item No.

Description

20.

A copy of the PJM agreement dated September 29, 1956.

21.

Please describe exactly how the capacity obligation figures appearing in Tables 3-2, 3-3 and 3-4 of Exhibit WFH-1 were calculated. Please provide back-up workpapers for the capacity obligation figures appearing on Table 3-2.

DOCKETED

JAN 20 1983

DOCUMENT
FOLDER

CERTIFICATE OF SERVICE

I hereby certify that on this *14th* day of January, 1983, I have served a copy of the foregoing on the persons listed below:

Honorable Morris J. Mindlin
Administrative Law Judge
Pa. Public Utility Commission
P. O. Box 3265
Harrisburg, Pa. 17120

Harry Mattern, Esquire
c/o Duryea Borough
P. O. Box 5
Duryea, Pa. 18642.

Henry R. MacNicholas, Esquire
McNees, Wallace & Nurick
100 Pine Street
P. O. Box 1166
Harrisburg, Pa. 17108

Harry W. Snow
R. D. #3
Box 855
Duncannon, Pa. 17020

H. William Koch, Esquire
51 South Front Street
Milton, Pa. 17847

Charles B. Zwally, Esquire
Shearer, Mette & Woodside
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Walter W. Cohen, Consumer
Advocate
Phillip McClelland, Assistant
Consumer Advocate
1425 Strawberry Square
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Bernard A. Ryan, Jr., Esquire
Dechert, Price & Rhoads
800 North Third Street
Harrisburg, Pa. 17102

William L. Moyer, Esquire
Deckert, Price & Rhoads
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Joseph E. McAndrew
85 West Chestnut Street
Macungie, Pa. 18062

D. Jane Drennan, Esquire
McDermott, Will & Emery
1850 K Street, N.W.
Suite 500
Washington, D. C. 20006

Philip R. Ehrenkranz, Esquire
Keith R. McCrea, Esquire
Squire, Sanders & Dempsey
21 Dupont Circle, N.W.
Washington, D. C. 20036

Thomas L. Young, Esquire
Owens-Illinois, Inc.
One SeaGate
Toledo, Ohio 43666

A. Jane Perkins
216 Cumberland Street
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Louis Kovacs, President
723 Chew Street
Allentown, Pa. 18102

Gene Molino
1613 Farr Street
Scranton, Pa. 18504

Peter M. Zukrewski
621 N. 16th Street
Allentown, Pa. 18102

Christopher O. Fried
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City of Harrisburg
10 N. Market Square
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John Dolinsky
Apt. 339H, Pine Grove
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U. S. Dept. of Defense
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5611 Columbia Pike
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Hazleton Taxpayers Association
990 Lincoln Street
Hazleton, Pa. 18201

Allison K. Turner
Assistant Counsel
Pennsylvania Public Utility
Commission
P. O. Box 3265
Harrisburg, Pa. 17120

Peggy Wells Dobbins J.F.
Peggy Wells Dobbins
Attorney
St. Regis Paper Company

PENNSYLVANIA UTILITY LAW PROJECT

213-A NORTH FRONT STREET
HARRISBURG, PA 17101

OTTO F. HOFMANN, ESQ.

(717) 232-0581

RECEIVED

JAN 21 1983

SECRETARY'S OFFICE
Public Utility Commission

January 21, 1983

Jerry Rich
Secretary
Public Utility Commission
North Office Building
P.O. Box 3265
Harrisburg, PA 17120

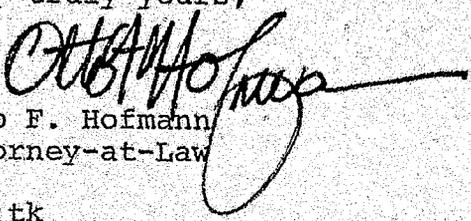
Re: Pa. PUC et al v. PP&L
R-822169

Dear Secretary Rich:

Please enter my appearance in the above captioned proceeding on behalf of Branch No. 39 of the Utility Consumers Union of CEPA. Please mail copies of all notices to:

Otto F. Hofmann, Esquire
PA UTILITY LAW PROJECT
213-A North Front Street
Harrisburg, PA 17101

Very truly yours,


Otto F. Hofmann
Attorney-at-Law

OFH:tk
Enclosure

cc: Hon. Morris Mindlin
Parties of Record

UM
FOLDER

DOCKETED

JAN 21 1983

ORIGINAL

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

RECEIVED

JAN 21 1983

SECRETARY'S OFFICE
Public Utility Commission

CITY OF HARRISBURG

v.

PENNSYLVANIA POWER AND
LIGHT COMPANY

DOCKET NO. R-822169

PREHEARING CONFERENCE MEMORANDUM
OF THE CITY OF HARRISBURG

DOCKETED
JAN 21 1983

1. SUMMARY OF POSITION

The City of Harrisburg ("The City") maintains that the rate classifications are inappropriate as applied to municipalities and do not reflect the actual costs of service to the City. The City agrees with the Consumer Advocate that the construction and operating costs of Susquehanna Nuclear Plant should not be included in the rate base because of the Plant's excess capacity.

2. SUMMARY OF ISSUES TO BE RAISED

The City will primarily address itself to rate classification, rate design and class cost of service issues.

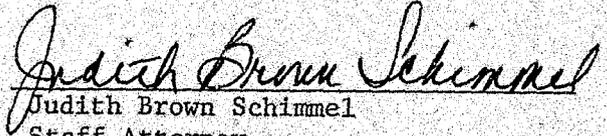
3. DECLARATION OF INTENTION WITH
RESPECT TO EVIDENCE AND TESTIMONY

The City will present testimony by officials of the City and

DOCUMENT
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other municipalities serviced by the Pennsylvania Power and Light Company. The City is investigating the possibility of engaging the services of a rate classification expert who would testify on its behalf. The scope and extent of testimony and exhibits to be presented on the issues set forth in Paragraph 2 cannot be determined until the City's analysis of all the data available to it have been studied.

Respectfully submitted,



Judith Brown Schimmel
Staff Attorney
City of Harrisburg
City Government Center
10 N. Market Square
Harrisburg, PA 17101
(717) 255-3065

Dated: January 20, 1983

CERTIFICATE OF SERVICE

I hereby certify that on this *30th* day of *January*, 1983, I have served a copy of the foregoing on the persons listed below:

Honorable Morris J. Mindlin
Administrative Law Judge
Pa. Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17120

Harry Mattern, Esquire
c/o Duryea Borough
P.O. Box 5
Duryea, PA 18642

Henry R. MacNicholas, Esquire
McNees, Wallace & Nurick
100 Pine Street
P.O. Box 1166
Harrisburg, PA 17108

Harry W. Snow
R.D. #3
Box 855
Duncannon, PA 17020

H. William Koch, Esquire
51 South Front Street
Milton, PA 17847

Charles B. Zwally, Esquire
Shearer, Mette & Woodside
1801 North Front Street
Harrisburg, PA 17102

Walker L. Schautz, President
Grove Textiles, Inc.
150 E. Grove Street
P.O. Box 958
Scranton, PA 18501

Walter W. Cohen, Consumer
Advocate

Phillip McClelland, Assistant
Consumer Advocate
1425 Strawberry Square
Harrisburg, PA 17120

Bernard A. Ryan, Jr., Esquire
Dechert, Price & Rhoads
800 North Third Street
Harrisburg, PA 17102

William L. Moyer, Esquire
Dechert, Price & Rhoads
3400 Center Square West
1500 Market Street
Philadelphia, PA 18062

Joseph E. McAndrew
85 West Chestnut Street
Macungie, PA 18062

D. Jane Drennan, Esquire
McDermott, Will & Emery
1850 K Street, N.W.
Suite 500
Washington, D.C. 20006

Philip R. Ehrenkranz, Esquire
Keith R. McCrea, Esquire
Squire, Sanders & Dempsey
21 Dupont Circle, N.W.
Washington, D.C. 20036

Thomas L. Young, Esquire
Owens-Illinois, Inc.
One SeaGate
Toledo, Ohio 43666

A. Jane Perkins
216 Cumberland Street
Harrisburg, PA 17102

Louis Kovacs, President
723 Chew Street
Allentown, PA 18102

Gene Molino
1613 Farr Street
Scranton, PA 18504

Peter M. Zukrewski
621 N. 16th Street
Allentown, PA 18102

Christopher O. Fried ,
R.D. 3, Box 229G
Catawissa, PA 17820

Peggy Wells Dobbins, Attorney
St. Regis Paper Company
237 Park Avenue
New York, N.Y. 10017

John Dolinsky
Apt. 339H, Pine Grove
Circle
Wescosville, PA 18106

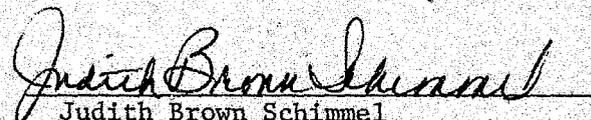
U.S. Dept. of Defense
c/o Mr. Dellon E. Coker
Regulatory Law Office
(JALS-RL)
5611 Columbia Pike
Nassif Building
Room 422
Falls Church, VA 22041

Jack M. Levan
339-C. Pine Grove Circle
Wescosville, PA 18106

Hazleton Taxpayers Association
990 Lincoln Street
Hazleton, PA 18201

Allison K. Turner
Assistant Counsel
Pennsylvania Public Utility
Commission
P.O. Box 3265
Harrisburg, PA 17120

Paul E. Russell, Esquire
Pennsylvania Power & Light Co.
Two North Ninth Street
Allentown, PA 18101
Eugene P. Stilp for the
PP&L Ratepayers' Coalition
Against the Rate Increase
1037 Maclay Street
Harrisburg, PA 17103


Judith Brown Schimmel
Staff Attorney



OFFICE OF CONSUMER ADVOCATE
COMMONWEALTH OF PENNSYLVANIA
1425 STRAWBERRY SQUARE
HARRISBURG, PENNSYLVANIA 17120

JAN 21 1983

SECRETARY'S OFFICE
Public Utility Commission

(717) 783-5048

WALTER W. COHEN
CONSUMER ADVOCATE

January 20, 1983

DOCKETED
JAN 21 1983

Hon. Susan M. Shanaman, Chairman
Pennsylvania Public Utility Commission
Room 104, North Office Building
Harrisburg, Pennsylvania 17120

Re: Pennsylvania Power & Light
Rate Case, R-822169

**DOCUMENT
FOLDER**

Dear Chairman Shanaman:

This Office has serious concerns that the compressed schedule set forth by Administrative Law Judge Morris Mindlin at the January 6 pre-hearing conference in the PP&L rate case will not provide adequate time for this Office to prepare for trial, to develop the complex body of record evidence, and to respond fully to PP&L's likely rebuttal of our expert witnesses' testimony.

To place these concerns in their proper context, it is important to set forth some background about the case. On November 22, 1982, PP&L filed the present request, which seeks base rate recognition of the Susquehanna 1 nuclear plant, which the Company expects to be completed shortly. While the immediate proposed rate impact would be \$315 million (due to PP&L's decision to adjust its initial claim to reflect an imputed \$186 million savings in overall energy costs), PP&L is claiming ratemaking recognition of fully \$501 million of non-energy related cost of service increases. Furthermore, the filing sets forth another \$168 million of potential "alternate claims." Thus, in terms of the scope and complexity of the issues presented, this case is the largest and most important rate case ever heard by the Pennsylvania Public Utility Commission.

I believe the issues presented to be so important to ratepayers that I have made the decision to allocate a very substantial portion of this Office's resources to the trial of this case. Our expected expenditures for expert witness fees alone will represent about 10% of our total annual budget. Furthermore, I have assigned three of this Office's most experienced attorneys to the trial of this case. I believe that the great importance of this case demands that every effort be made by all parties involved to assure that a full record can be developed.

As stated in our formal complaint and public statement, as well as in our prehearing memorandum of January 6, in addition to the traditional areas of inquiry (rate of return, revenues, expenses, valuation, and rate structure), this case raises at least three additional novel areas that demand complete investigation and analysis:

- (1) How much of PP&L's investment in generating plant is presently used and useful, given its capacity needs?
- (2) How much of PP&L's \$1.6 billion claimed cost of building Susquehanna was properly incurred and thus includable in PP&L's measures of value?
- (3) Are PP&L's claimed energy savings accurate and what is the appropriate rate-making treatment for any such alleged energy savings?

In recognition of the complexities presented and the time limitations likely to be confronted in this case, we began serious preparation for it over this past summer. By September, we had retained the engineering consulting services of MHB Technical Associates to provide expert analysis and testimony regarding the costs incurred during the construction of Susquehanna I. Since then, we have worked diligently to conduct our analysis, with the intention of eventually presenting our findings during the trial of the instant base rate proceeding. Also, we have retained Energy Systems Research Group to provide technical analysis and expert testimony concerning PP&L's capacity requirements and energy savings projections. I am sure you realize that the meaningful development of these particular issues greatly add to the time needs of the litigants in the present case.

This Commission's decisions to suspend the PP&L rate case well in advance of the 60 day time period and to hold an initial pre-hearing conference scarcely six weeks after the rate case was filed, were welcomed decisions as far as our Office was concerned. Presumably, the Commission was motivated by a desire to maximize the time period that the parties would have to try this most important case. Unfortunately, the schedule established at the January 6 pre-hearing conference more than offset any time advantage gained by the early suspension of this rate case.

Specifically, the presiding administrative law judge has set a trial schedule that envisions his Recommended Decision being promulgated by June 15, 1983, more than 9 weeks before the August 22, 1983 end of the statutory suspension period. Furthermore, in order to give himself adequate time to review the record, the schedule envisions closing the evidentiary record by April 8, 1983, only three months from the date of the pre-hearing conference. Finally, to achieve that early close of record, the judge has directed that the evidentiary hearings begin by January 25, 1983, and that the entire direct case of complaining parties be filed in early March. Even if the close of record date is eventually extended by a week or two by the presiding ALJ, the early hearing and testimony filing dates which he established will cause serious problems for intervening parties in preparing their direct cases.

January 20, 1983

The above condensed schedule is the result of Judge Mindlin's expressed belief that he must provide the Commission with over two months to review his Recommended Decision, thus moving the close of the record forward by four to five weeks. Necessarily, such a schedule will have several serious negative impacts on the preparation and presentation of our case in opposition to PP&L's proposed rate increase.

First, starting the case by January 25, 1983, cuts in half the remaining pre-trial time that we presumed would be available for formal and informal discovery and trial preparation. As I am sure you realize, adequate discovery and trial preparation time can help to simplify issues, sharpen the focus of cross-examination, and hold down expert witness expenses. Furthermore, as of the date of this writing, this Office has not had adequate time to complete the process of preparing and serving a substantial portion of its interrogatories. We cannot be prepared to conduct meaningful cross-examination in this case on January 25th. I want to point out to you that, in the filed prehearing memoranda, PP&L, the Trial Staff, and this Office all suggested a starting hearing date of February 7, 1983.

Secondly, Judge Mindlin's schedule requires the Office of Consumer Advocate and other complainants to present their entire direct testimony in early March. In view of the complexities set forth above, we have grave doubts that we will be able to present meaningful and cogent evidence less than two months from the date of the initial pre-hearing conference.

Thirdly, in order to close the entire record by April 8, 1983, the administrative law judge has directed that complaining parties file their direct testimony on a "rolling" basis. Except for our rate structure and rate of return testimony, the great bulk of the evidence that we expect to present will be highly complex and interrelated. Requiring the piecemeal submission of our direct case during the early part of March can only lead to confusion, need for subsequent revisions, and general inefficiency in the trial of this case.

Finally, the established condensed schedule leaves both the Office of Consumer Advocate and PP&L with inadequate time to respond to each other's direct, rebuttal and surrebuttal presentations in the more complicated areas of this case.

In summary, if this Commission wishes to have a coherent record on PP&L's construction costs, capacity requirements, projected energy savings, and overall revenue requirements, it is imperative that a way be found to provide more time in the hearing schedule to fully develop the record so that a final decision is made only after all possible evidence is available to the members of the Commission.

January 20, 1983

As stated earlier, it is apparent that ALJ Mindlin felt constrained to set the above schedule based upon his assumption that this Commission would need more than 9 weeks to review his Recommended Decision. A review of the time that this Commission has allocated to consider ALJ decisions in other recent highly complex cases suggests that more than 9 weeks is neither necessary nor advisable for the review of the PP&L case. For comparison, in the 1982 PECO rate case, the Commission took six weeks to reach its decision following the ALJ's recommended decision; in the 1982 Bell case, only four weeks were required; in the review of the ALJ's decision in the mammoth, 1 1/2 year long, Limerick investigation, the Commission only required six weeks. Finally, it should be noted that in PP&L's last litigated rate case, R-80031114, the Commission had seven weeks to review ALJ Mindlin's decision.

I fully appreciate the competing needs for sufficient time to develop the record and sufficient time to review the record, before reaching a decision. However, I am firmly convinced that it makes little sense to carve out an extensive time period to review a record, if the parties are not given adequate time to develop the record for your review. To aid this review, each Commissioner easily could be provided with the direct testimony and briefs as filed before the administrative law judge, along with the hearing transcripts, long before the ALJ's decision is written. Furthermore, I would like to suggest that each commissioner attend as many of the formal hearings as possible to weight first-hand the evidence adduced from the expert witnesses as well as from the ratepayers. On this latter issue, I would note that, as of this date, there is only one date set for public input--Allentown on February 1. Other parties have supported and we urge also, a series of public hearings for consumers to testify throughout the service territory, especially in Harrisburg, Scranton, Wilkes-Barre, Hazleton, Williamsport, and Lancaster, in addition to Allentown. This schedule would still be less burdensome than the hearings held successfully in twelve different cities in the Bell case.

In view of all the considerations set forth above, the Office of Consumer Advocate respectfully urges the Commission to give serious consideration to the special needs presented by the PP&L rate case, and to advise the Office of Administrative Law Judge that it would be willing to accept a Recommended Decision filed by the middle of July. Such a directive would provide all active parties to the PP&L rate case another four to five weeks for the preparation and trial of this most important case.

Hon. Susan M. Shanaman, Chairman
Page 5
January 20, 1983

Thank you for your prompt and serious attention to our request
on behalf of PP&L ratepayers.

Sincerely,



WALTER W. COHEN

cc: Hon. James H. Cawley, Commissioner
Hon. Michael Johnson, Commissioner
Hon. Clifford L. Jones, Commissioner
Hon. Linda C. Taliaferro, Commissioner
Hon. Jerry Rich, Secretary
Hon. Morris Mindlin
All Parties of Record

ORIGINAL

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

HONORABLE MORRIS J. MINDLIN
ADMINISTRATIVE LAW JUDGE

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JAN 21 1983

SECRETARY'S OFFICE
Public Utility Commission

PENNSYLVANIA P.U.C., ET AL.

v.

PENNSYLVANIA POWER & LIGHT CO.

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:
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:

DOCKET NO. R-822169

DOCKETED

JAN 21 1983

**DOCUMENT
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PREHEARING CONFERENCE MEMORANDUM OF THE
P.P. & L. RATEPAYERS' COALITION AGAINST
RATE INCREASE

The P.P. & L. Ratepayers' Coalition Against The Rate Increase anticipates that its testimony may focus on rate of return, economic impact on residential and commercial ratepayers, rate structure, and advertising, educational, legal and lobbying expenses. Testimony will also state that P.P.& L.'s new generation facility is not used and useful. The P.P. & L. Ratepayers' Coalition reserves the right to pursue any issue raised by other parties to these proceedings.

The P.P.&L. Ratepayers' Coalition is currently reviewing the written testimony submitted by P.P.& L.'s witnesses.

The P.P.& L. Ratepayers' Coalition has not made a determination of the witnesses it intends to call and reserves the right to do so.

The P.P.& L. Ratepayers' Coalition believes that the eyes of every Pennsylvanian are on this case and that it will have a profound and lasting impact. Therefore, we are of the opinion that on the record public input sessions be conveniently scheduled throughout the P.P.& L. service area.



COMMONWEALTH OF PENNSYLVANIA
 PENNSYLVANIA PUBLIC UTILITY COMMISSION
 P. O. BOX 3265, HARRISBURG, Pa. 17120
 January 21, 1983

IN REPLY PLEASE
 REFER TO OUR FILE

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JAN 21 1983

SECRETARY'S OFFICE
 Public Utility Commission

The Honorable Robert E. Belfanti, Jr., Member
 Pennsylvania House of Representatives
 107 South Office Building
 Harrisburg, PA 17120

Re: Pennsylvania Public Utility Commission, et al.
 v.
 Pennsylvania Power & Light Company
 Docket No. R-822169, etc.

Dear Representative Belfanti:

I respond to your letter, dated January 13, 1983. Scheduling in the foregoing rate proceeding is only in its initial stages. A reference to the transcript of the prehearing conference, held on January 6, will disclose the nature of our initial attention.

We are keenly aware of the widespread public interest in this proceeding. You may be sure that your concern will receive our deliberate attention in the resolution of the many demands for public input meetings.

Sincerely,

Morris Mindlin
 Administrative Law Judge

MM:em

cc: Secretary's Office--New
 Filing Section

DOCKET
 FOLDER

DOCKETED
 JAN 25 1983

ORIGINAL

ST REGIS

PAPER COMPANY

237 Park Avenue, New York, NY 10017 212/808-6000

January 19, 1983

Mr. Jerry Rich, Secretary
Pennsylvania Public Utility
Commission
P. O. Box 3265
Harrisburg, Pa. 17120

RE: Pennsylvania Public Utility Commission
v.
Pennsylvania Power and Light Company
Docket No. R-822169

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JAN 24 1983

SECRETARY'S OFFICE
Public Utility Commission

Dear Mr. Rich:

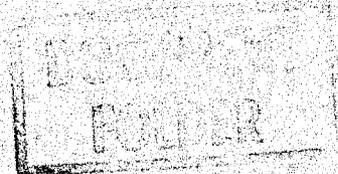
Enclosed are 10 copies of St. Regis Paper Company's Data Request No. 4 to the Pennsylvania Power and Light Company in the above proceeding.

Sincerely yours,

Peggy Wells Dobbins

Peggy W. Dobbins
Attorney

PWD:jf
Enclosure



RECEIVED

JAN 24 1983

PENNSYLVANIA POWER & LIGHT COMPANY
Pennsylvania PUC Docket No. R-822169

SECRETARY'S OFFICE
Public Utility Commission

St. Regis Paper Company Data Request No. 4 of
Pennsylvania Power & Light Company

Item No.

Description

22.

For each of the following four rates, please provide 1) annual billing energy figures, b) annual billing demand figures, and c) average yearly customer figures. This data should be provided for each year from 1972 through 1982. If data is unavailable for some of these years, please provide data for years in which it is available. Please provide copies of tariff sheets in effect during each year for each rate and indicate the base rate for energy cost recovery in effect. The four rates are: 1) Rate GS-3, 2) Rate LP-4, 3) Rate LP-5 and 4) Rate LP-6.

DOCKETED

JAN 25 1983

DOCUMENT
FOLDER

CERTIFICATE OF SERVICE

I hereby certify that on this 19th day of January, 1983, I have served a copy of the foregoing on the persons listed below:

Honorable Morris J. Mindlin
Administrative Law Judge
Pa. Public Utility Commission
P. O. Box 3265
Harrisburg, Pa. 17120

Allison K. Turner, Attorney
Julian S. Suffian, Esquire
John M. Quain, Esquire
Albert W. Johnson, III,
Esquire
P. O. Box 3265
Harrisburg, Pa. 17120

Robert H. Young, Esquire
David P. MacGregor, Esquire
Morgan, Lewis & Bockius
123 S. Broad Street
Philadelphia, Pa. 19109

G. D. Caliendo, Esquire
Paul E. Russell, Esquire
Two North Ninth Street
Allentown, Pa. 18101

Philip McClelland, Esquire
David Barasch, Esquire
Irwin Popowsky, Esquire
1425 Strawberry Square
Harrisburg, Pa. 17120

Charles B. Zwally, Esquire
Shearer, Mette & Woodside
1801 North Front Street
Harrisburg, Pa. 17108

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David M. Kleppinger, Esquire
McNees, Wallace & Nurick
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Cheryl Ussery, Attorney
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Harrisburg, Pa. 17102

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Tom Sadler, Esquire
Batz, Hodders & Tallman
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Allentown, Pa. 18101

John Fullerton, Esquire
107 North Front Street
Harrisburg, Pa. 17101

Otto F. Hoffman, Esquire
Pennsylvania Utility Law Project
213A North Front Street
Harrisburg, Pa. 17101

David Mann, Esquire
P. O. Box 249
Lewisburg, Pa. 17837

Judith Schimmel, Attorney
10 North Market Square
Harrisburg, Pa. 17101

Eugene P. Stilp, Esquire
1037 Maclay Street
Harrisburg, Pa. 17103

D. Jane Drennan, Attorney
Pillsbury, Madison, Sutro
1050 17th Street, N.W.
Washington, D. C. 20036

Theresa Wanick
980 Lincoln Street
Hazleton, Pa. 18201

Peggy Wells Dobbins
Peggy Wells Dobbins
Attorney
St. Regis Paper Company



PAPER COMPANY

237 Park Avenue, New York, NY 10017 212/808-6000

January 19, 1983

RE: Pennsylvania Public Utility Commission v.
Pennsylvania Power & Light Company
Docket No. R-822169

Paul E. Russell, Esquire
Pennsylvania Power & Light Company
Two North Ninth Street
Allentown, Pa. 18101

Dear Mr. Russell:

I am enclosing three copies of St. Regis Paper Company's Data Request No. 4 to the Pennsylvania Power & Light Company in the above proceeding. I shall appreciate very much your sending the answers to this Interrogatory by Federal Express to Mr. Kenneth Eisdorfer at the following address:

Mr. Kenneth Eisdorfer
Cook, Eisdorfer, Willer & Associates, Inc.
Suite 901 - 111 West Port Plaza
St. Louis, Missouri 63141.

Mr. Eisdorfer's Federal Express Number is 1012-1438-9.

Thank you very much for your assistance.

Sincerely yours,

Peggy W. Dobbins
Attorney

PWD:jf
Enclosures

cc: Mr. Jerry Rich, Secretary
Pennsylvania Public Utility
Commission

Mr. Kenneth Eisdorfer
Cook, Eisdorfer, Willer & Associates, Inc.

DOCKET NO. R-822169, etc.
CASE NAME Pennsylvania Public Utility
Commission, et al. vs.
Pennsylvania Power & Light Company
HEARING LOCATION Harrisburg, PA.
HEARING DATE Jan. 25, 26, 27 & 28, 1983

CHECK THOSE BLOCKS WHICH APPLY:
Hearing concluded
Record closed
Briefs to be filed
Further hearing
Estimated add'l days

ALJ Morris Mindlin

BENCH DECISION
REMARKS:
DOCKET
JAN 31 1983

RECEIVED
JAN 25 1983

Names and addresses of parties or counsel of record
Please Print Clearly
Incomplete Information May Result in Delay of Process

| NAME | ADDRESS | CITY | STATE | ZIP | APPEAR |
|--|--------------------|-----------|-------|-------|-----------------|
| David Mann | PO Box 219 | Lewisburg | PA | 17837 | ALL |
| G. CALIENDO Paul E. Russell | 2 N 9th St | Altoona | PA | 18101 | P.P. |
| Robert H. Young David B. MacGregor Morgan, Lewis & Bockius | 123 S. Broad St. | Phila. | PA | 19109 | Pennry & Lig |
| DAVID M. BAVASCH Philip McClellan | 1425 Strawberry St | Altoona | PA | 17120 | ALL |

B

Check this box if additional parties of counsel of record appear on back.

Give

H.R. Alred Nicholas
(Nichols, Wallace & Norbeck)

Address: 100 Vink St
City: Harrisburg PA
Zip: 17102

Accountant
Keystone Penn
New...
Long Street
Arco, Inc

X

~~Address~~
~~City~~ ~~State~~ ~~Zip~~

~~Copiers~~
~~Wholesale~~
~~Union~~
~~Fire Products~~

Peggy Wells Dobbins

Address: St. Regis Paper Co.
237 Park Ave. N.Y. 10017
City: New York N.Y.
Zip: 10017

St. Regis

J. Jackson Eaton III
Joseph A. Fitzpatrick, Jr.
Batz, Hudders & Tallman

Address: 740 Hamilton Mall
City: Allentown PA
Zip: 18101

Modern Slack
Penn Linen &
Atlantic Prod
General Mac
Greif Comp
Ross Bicyc

Frank B. Wilmarth
Allison K. Turner
John M. Quinn
Assistant Counsel

Address: P.O. Box 3265
City: Hbg PA
Zip: 17120

P.A.P.

Cecil O. Simpson, Jr.
Major Robert Bornstoppel

Address: U.S. Army Legal Services Agency
5011 Columbia Pike
Fort Lee, Virginia 22044
City: Fort Lee State: Va Zip: 22044

U.S. Dept.
and
All Other
Agencies of
Federal

Theresa Wamick

Address: 940 Lincoln St
City: Harrisburg PA
Zip: 17120

Harrisburg
Penn

John Fullerton

Address: 407 N. Front St
City: Harrisburg PA
Zip: 17101

County of D
et al
Municipal

Otto F. Hofmann
Pa. Utility Law Project

Address: 213-A N. Front St
City: Harrisburg PA
Zip: 17101

Charles Zwally

Address: 1801 N. Front St
City: Harrisburg PA
Zip: 17108

1801 N. Front St
Harrisburg PA

ORIGINAL

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Honorable Morris Mindlin, Presiding

DOCKETED
JAN 26 1983

Pennsylvania Public Utility Commission, et al.

v.

R-822169, et seq.

Pennsylvania Power and Light Company

RECEIVED

Petition to Intervene

JAN 26 1983

SECRETARY'S OFFICE
Public Utility Commission

DOCUMENT
INDEX

State Senator James Rhoades ("Petitioner") hereby petitions the

Pennsylvania Public Utility Commission ("Commission") for leave to intervene in the above-captioned action pursuant to 1 Pa Code §35.27 et seq. and, in support thereof, answers as follows:

1. On November 22, 1982, Pennsylvania Power and Light Company ("PP&L") filed Supplement No. 2 to Electric - PA PUC No. 199 which is designed to produce a net revenue increase of \$315,226,489 or approximately 25%.

2. By order entered December 3, 1982, the Commission instituted a formal investigation concerning the justness and reasonableness of the proposed rate increase.

3. Petitioner has an interest in the above-captioned action as an elected representative of the citizens of the 29th Senatorial District, Schuylkill, Carbon, and Monroe (parts) counties which is served by PP&L and whose interest will be directly affected and may not be adequately represented by existing parties. Further, Petitioner is a customer of PP&L.

4. Petitioner hereby requests conferral of all legal rights attendant to the status of intervenor.

WHEREFORE, Petitioner requests that the Commission grant the immediate
petition.

Respectfully submitted,

James J. Rhoades

Honorable James J. Rhoades, Member
Senate of Pennsylvania
Capitol Building, Room 171
Harrisburg, PA 17120

DATE:

Jan. 25, 1983

MORGAN, LEWIS & BOCKIUS

COUNSELORS AT LAW

123 SOUTH BROAD STREET

PHILADELPHIA, PENNSYLVANIA 19109

TELEPHONE: (215) 875-5000

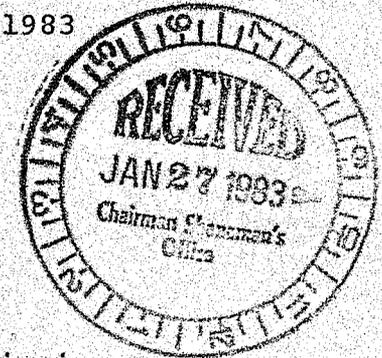
CABLE ADDRESS: MORLEBOCK

TELEX: 83-1315

WASHINGTON
NEW YORK
LOS ANGELESMIAMI
HARRISBURG
LONDONROBERT H. YOUNG
DIAL DIRECT (215) 875-5297

January 26, 1983

The Honorable Susan M. Shanaman
Chairman
Pennsylvania Public Utility
Commission
Room 104, North Office Building
Harrisburg, PA 17120



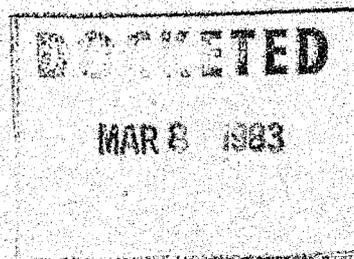
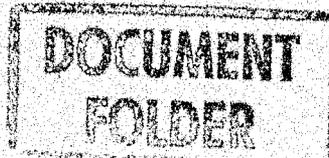
Re: Pennsylvania Public Utility Commission v.
Pennsylvania Power & Light Company,
Docket No. R-822169

Dear Chairman Shanaman:

This letter is in response to the Consumer Advocate's January 20, 1983 letter objecting to certain aspects of the schedule established by Administrative Law Judge Morris J. Mindlin in the above-captioned proceeding. For the reasons set forth below, Pennsylvania Power & Light Company ("PP&L" or the "Company") fully supports Judge Mindlin's schedule and asks that the Consumer Advocate's request be denied.

On January 6, 1983, a pre-hearing conference was held in the above-captioned proceeding. After hearing lengthy discussion, negotiation and argument Judge Mindlin established a schedule for hearings, testimony, briefs and decision in this matter. Subsequently, at the Advocate's request, the schedule was amended to reduce the number of witnesses to be cross-examined in the first week of hearings.

During the hearing, the Advocate expressed concern over certain aspects of the schedule, but made no formal exception at that time. Then, two full weeks after the pre-hearing conference the Advocate submitted a letter directly to the Chairman objecting to the proposed schedule.



The Honorable Susan M.
Shanaman, Chairman

-2-

January 26, 1983

Initially PP&L objects to the filing of such letters directly with the Commissioners during the pendency of a rate proceeding assigned to an Administrative Law Judge pursuant to 66 Pa. C.S. §331. The Commission's regulations, 52 Pa. Code §3.191, establish detailed procedures for interlocutory review of ALJ rulings, which provide a full opportunity for the ALJ and opposing parties to respond to the certified questions presented to the Commission. Rather than follow this well-established procedure, the Advocate remained silent for two weeks, and then ignored Commission regulations by filing a letter directly with the Commission. This approach effectively prevents the ALJ from explaining the rationale for his schedule, and limits the ability of other parties to respond in an orderly fashion to the statements in the Advocate's letter. The Commission should not sanction this abuse of established procedures and should deny the Advocate's request for a change of schedule.

Despite the length of his letter the Advocate's only objection to the schedule is that the ALJ has allowed the Commission too much time to decide this case, and as a result has denied the Advocate adequate time to prepare his case. Specifically, the Advocate objects to the start of hearings on January 25, 1983, "only" three weeks after the pre-hearing conference, and the filing of opposing testimony in early March, "only" two months after the pre-hearing conference. The Advocate argues that the ALJ has cut in half the normal time period for discovery and has allowed insufficient time for the preparation of opposing party testimony.

The central flaw in the Advocate's argument is his use of the pre-hearing conference as the starting point for analyzing the reasonableness of the schedule. Unlike many utilities, PP&L files all of its direct testimony and exhibits with its initial rate filing. Furthermore, at the time of filing the present case the Company served complete copies of it upon all active parties in the last PP&L case, the Office of Consumer Advocate, and seven consultants specified by the Advocate. Thus, the Advocate has had PP&L's entire direct case since November 22, 1982, which is two

The Honorable Susan M.
Shanaman, Chairman

-3-

January 26, 1983

months before the start of hearings and over three months before he must file his first piece of testimony. In fact, the Advocate began discovery on the cost of Susquehanna even before the Company filed its case on November 22, 1982. Under any reasonable standard, this is clearly sufficient time to prepare for hearings and file testimony.

The lack of merit in the Advocate's request becomes even more apparent when one examines the specifics of the schedule. Recognizing that the issues relating to the need for and cost of Susquehanna Unit 1 will be of primary interest and importance in this proceeding, Judge Mindlin separated these issues from the more standard rate case issues and delayed cross-examination on Susquehanna issues. As a result the first four weeks of hearings deal solely with non-Susquehanna issues, and cross-examination on Susquehanna issues will not begin until the week of February 22, 1983, which is three months after the Advocate received PP&L's testimony on all issues. Moreover, the schedule provides the Advocate with approximately three and one-half months to file responsive testimony on Susquehanna issues (November 22, 1982 until March 7, 1983). By contrast, PP&L will have but approximately three weeks to cross-examine and respond to the Advocate's witnesses.

As to non-Susquehanna issues, Judge Mindlin has reserved the first four weeks of hearings for these issues. It should be noted that during the first two weeks only four witnesses will be cross-examined, and that to accommodate opposing parties these four witnesses are among the least controversial in the case and little discovery has been directed to their testimony.

More importantly, PP&L's filing on non-Susquehanna issues is exceedingly conservative. PP&L has eliminated all controversial items, and each claim is fully consistent with prior PP&L rate orders and other recent Commission decisions. In fact, as explained in the Company's Statement of Reasons and its testimony, PP&L has requested far less revenue than it is clearly entitled to under recent Commission decisions.

The Honorable Susan M.
Shanaman, Chairman

-4-

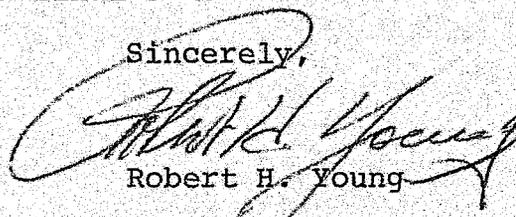
January 26, 1983

Under any reasonable analysis, there should be little, if any, controversy on non-Susquehanna issues, and opposing parties should be free to focus on issues related to Susquehanna Unit 1. Indeed, in PP&L's view, settlement of many non-Susquehanna issues should be possible. PP&L has encouraged this approach.

The Advocate's apparent desire to conduct extensive discovery and to propose adjustments on these non-Susquehanna issues indicates an intention to relitigate issues previously decided by the Commission. The Commission has often criticized this practice and should not sanction its continuance by granting the Advocate additional time to rehash previously decided issues. See Pa. P.U.C. v. Pennsylvania Power Co., Docket No. R-811510 (1982).

The Advocate's argument that the ALJ has given the Commission too much time to decide this case also is incorrect. Under the ALJ's schedule, a Recommended Decision is due June 15, 1983. Under recent Commission procedures, Exceptions would be due June 30, 1983, and Reply Exceptions July 5, 1983. This would provide the Commission but six and one-half weeks to review the Recommended Decision, Exceptions, Reply Exceptions, decide the case and prepare a final Order.

Sincerely,



Robert H. Young

Counsel for Pennsylvania Power
& Light Company

RHY:leb

cc: Hon. Michael Johnson
Hon. James H. Cawley
Hon. Linda C. Taliaferro
Hon. Clifford L. Jones
Hon. Morris J. Mindlin
All Parties Of Record

January 26, 1983

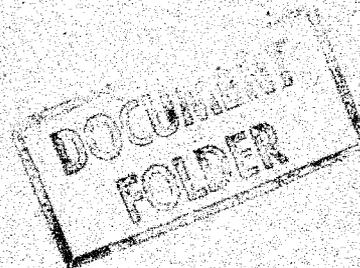
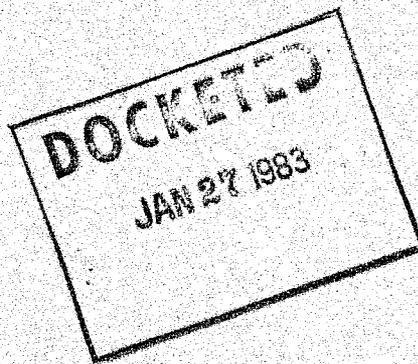
SUBJECT: R-822169, etc. - Pennsylvania Public Utility Commission, et al.
versus Pennsylvania Power & Light Company

TO: The File

FROM: Office of Administrative Law Judges

This is to inform the record that hearing in the above referenced proceeding scheduled for 1/26,27,28/83 at Harrisburg was cancelled.

vb



ORIGINAL

PP&L

Pennsylvania Power & Light Company

Two North Ninth Street • Allentown, PA 18101 • 215 / 770-5151

Paul E. Russell
Senior Attorney-Regulatory Affairs
215/770-4254

January 28, 1982

RECEIVED

JAN 31 1983

Mr. Jerry Rich, Secretary
Pennsylvania Public Utility Commission
P. O. Box 3265
Harrisburg, Pennsylvania 17120

**SECRETARY'S OFFICE
Public Utility Commission**

Re: Pennsylvania Power & Light Company
Docket No. R-822169

Dear Secretary Rich:

Pursuant to Section 3.271 of the Commission's regulations (52 Pa. Code Section 3.271) there are enclosed for filing in the above-referenced docket, eight (8) copies of a document entitled "Pennsylvania Power & Light Company, Electric Operations - Comparison of Actual to Budget for the Two Months Ended September 30, 1982." It has been marked for identification as Exhibit MJB 9A.

Section 3.271 of the Commission's regulations provides, in relevant part, that if a utility has utilized a future test year it must submit the results of its actual experience in the future period for each "quarter" starting with the day following the end of the historic test year. PP&L's historic test year ended July 31, 1982.

As indicated above, Exhibit MJB 9A compares actual to budget for the two months ended September 30, 1982 which is a calendar year quarterly report and not a test year quarterly report. Because the Company publicly releases such information of actual experience only on a calendar year quarterly basis, it believes it would be improper to deviate from this practice for purposes of the present proceeding.

DOCUMENT

Service List - Active Parties

Dated January 28, 1983

Walter W. Cohen, Esquire
Philip McClelland, Esquire
Office of Consumer Advocate
1425 Strawberry Square
Harrisburg, Pennsylvania 17120

Peggy Wells Dobbins, Esquire
St. Regis Paper Company
237 Park Avenue
New York, New York 10017

Major Robert Boonstoppel
Mr. David A. McCormick
U.S. Department of Defense
Regulatory Law Office (JALS-RL)
U.S. Army Legal Services Agency
5611 Columbia Pike
Falls Church, Virginia 22041

Judith Schimmel, Esquire
City of Harrisburg
10 North Market Square
Harrisburg, Pennsylvania 17101

Bernard A. Ryan, Jr., Esquire
Dechert Price & Rhoads
800 North Third Street
Harrisburg, Pennsylvania 17102
For: Bethlehem Steel Corporation

Theresa Wanick
Hazleton Taxpayers Association
990 Lincoln Street
Hazleton, Pennsylvania 18201

Otto F. Hoffman, Esquire
Pennsylvania Utility Law Project
213A North Front Street
Harrisburg, Pennsylvania 17101
For: #39 CEPA

David Mann
Susquehanna Alliance
P. O. Box 249
Lewisburg, Pennsylvania 17837

#40 CEPA

#__ CEPA

#52 CEPA

Frank B. Wilmarth, Esquire
Julian S. Suffian, Esquire
John M. Quain, Esquire
PUC Trial Staff
P. O. Box 3265
Harrisburg, Pennsylvania 17120

Eugene P. Stilp
PP&L Ratepayers' Coalition
Against the Rate Increase
1037 Maclay Street
Harrisburg, Pennsylvania 17103

Charles B. Zwally, Esquire
Shearer, Mette & Woodside
1801 North Front Street
Harrisburg, Pennsylvania 17108
For: Crown American Corp.

Milton Manufacturing Co.

Hess's Department Stores,
Inc.

DOCKET NO. A-822109
Service List - Active Parties (Cont'd)

Henry R. MacNicholas, Esquire
McNees, Wallace & Nurick
P. O. Box 1166
Harrisburg, Pennsylvania 17108
For: Hercules Cement Company

Keystone Portland Cement
Company

The New Jersey Zinc
Company, Inc.

Airco, Inc.

Coplay Cement Company

Whitehall Cement Mfg. Co.

Lone Star Industries, Inc.

Air Products and Chemicals,
Inc.

J. Jackson Eaton, III, Esquire
Butz, Hudders & Tallman
740 Hamilton Mall
Allentown, Pennsylvania 18101
For: Modern Slack Creations,
Inc.

Penn Linen & Uniform
Services

Atlantic Processing,
Inc.

General Machine Co.

Greif Companies

Ross Bicycles, Inc.

John E. Fullerton, Esquire
407 North Front Street
Harrisburg, Pennsylvania 17101
For: East Pennsboro Township
Mechanicsburg Borough
Borough of Wormelysburg
Hampden Township
Fairview Township
West Fairview Borough
Camp Hill Borough
Susquehanna Township
Penbrook Borough
Lower Paxton Township
Highspire Borough
Hummelstown Borough
Lower Swatara Township
Paxtang Borough
South Hanover Township
Steelton Borough
West Hanover Township
County of Dauphin

The Honorable Michael Johnson
Pennsylvania Public Utility
Commission
P. O. Box 3265
Harrisburg, Pennsylvania 17120

PENNSYLVANIA POWER & LIGHT COMPANY

Exhibit MJB 9A

Electric Operations - Comparison of Actual to
Budget for the Two Months Ended September 30, 1982

DOCKETED
FEB 2 1983

DOCUMENT
FOLDER

PENNSYLVANIA POWER & LIGHT COMPANY

Electric Operations - Comparison of Actual to Budget
for the Two Months Ended September 30, 1982

(Thousands of Dollars)

| | Two Months Ended 9/30/82 | | Variance | |
|---|--------------------------|------------------|-------------------|--------------|
| | <u>Actual</u> | <u>Budget</u> | <u>Amount</u> | <u>%</u> |
| Operating Revenues | | | | |
| Base rates | \$162,168 | \$168,533 | \$ (6,365) | (3.8) |
| Fuel and energy clause | 21,442 | 22,265 | (823) | (3.7) |
| Tax surcharge | 10,581 | 11,079 | (498) | (4.5) |
| Unbilled revenues - net | (10,649) | (12,856) | 2,207 | 17.2 |
| Other | 2,369 | 1,902 | 467 | 24.6 |
| Total operating revenues | <u>185,911</u> | <u>190,923</u> | <u>(5,012)</u> | <u>(2.6)</u> |
| Operating Expenses | | | | |
| Net cost of energy | | | | |
| Fuel | 84,340 | 115,711 | (31,371) | (27.1) |
| Power purchases | 4,708 | 678 | 4,030 | 594.4 |
| Interchange power sales | (30,627) | (58,797) | 28,170 | 47.9 |
| | 58,421 | 57,592 | 829 | 1.4 |
| Wages and employee benefits | 29,651 | 29,837 | (186) | (0.6) |
| Other operating costs | 23,390 | 23,322 | 68 | 0.3 |
| Total operation & maintenance expense | <u>111,462</u> | <u>110,751</u> | <u>711</u> | <u>0.6</u> |
| Depreciation | 15,012 | 15,012 | - | - |
| Deferred Susquehanna operating expenses | - | - | - | - |
| Taxes | | | | |
| Taxes other than income | 17,489 | 18,062 | (573) | (3.2) |
| Income taxes | 12,674 | 13,994 | (1,320) | (9.4) |
| Deferred income taxes - net | 304 | 1,157 | (853) | (73.7) |
| Investment tax credits | | | | |
| Deferral | (2,267) | (2,720) | 453 | 16.7 |
| Amortization of deferments | (455) | (436) | (19) | (4.4) |
| Total taxes | <u>27,745</u> | <u>30,057</u> | <u>(2,312)</u> | <u>(7.7)</u> |
| Total operating expenses | <u>154,219</u> | <u>155,820</u> | <u>(1,601)</u> | <u>(1.0)</u> |
| Operating income | <u>\$ 31,692</u> | <u>\$ 35,103</u> | <u>\$ (3,411)</u> | <u>(9.7)</u> |



Pennsylvania Association of Retired Persons

"To Act and React"

January 29, 1983

Lou Goldstein - President

Kohlman K. Cohle - Executive Director

Commonwealth of Pennsylvania
Public Utility Commission
Harrisburg, Pa. 17120

R-822169

Pennsylvania Public Utility Commission, et al.
vs
Pennsylvania Power and Light Company

William R. Shane, chief
Administrative Law Judge
Dear Sir

Our basic purpose is to inform you and the Commission of our objections to a proposed rate increase and our interest in appearing as a witness in hearings held by the Commission on this particular case.

We would appreciate if we be considered and listed as a witness at the Public hearing scheduled to be held Tuesday evening February 8, 1983 in the auditorium of the William Penn Museum.

u

We represent the above organization (P.A.R.P.) Pennsylvania Association of Retired Persons, State Wide. We are chartered by the Commonwealth.

In addition, we represent these local organizations as the legislative Chairman.

HARRISBURG AREA, SENIOR CITIZEN COUNCIL, chartered by the City of Harrisburg. This is an umbrella organization of sixty clubs and groups with a membership of approximately thirty thousand Senior Citizens.

J.C.C. Golden Age Club

Susquahanna chapter E.A.R.P. American Association of Retired Persons.

All of the above local persons are consumers who live in the Area served by the Pennsylvania Power and Light Company.

May I take this opportunity to thank your staff for the courtesy extended to me by politely answering my phone calls questions and mailing requested documents promptly.

Again Thank you.

Kohlman K. Cohle

Kohlman K. Cohle

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FEB 2 1983

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RECEIVED
JAN 31 1983
Office of the A. L. J.
Public Utility Commission



COMMONWEALTH OF PENNSYLVANIA
 PENNSYLVANIA PUBLIC UTILITY COMMISSION
 P. O. BOX 3265, HARRISBURG, Pa. 17120

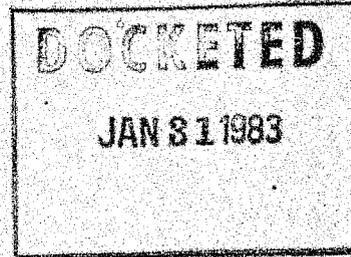
January 28, 1983

IN REPLY PLEASE
 REFER TO OUR FILE

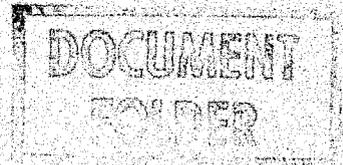
Monitor - Commissioner Johnson

R-822169, etc.

To: All Interested Parties



Pennsylvania Public Utility Commission, et al.
 v.
 Pennsylvania Power & Light Company



NOTICE

In addition to the hearings scheduled in our notice of January 12, 1983, a public input hearing will be held as follows:

Harrisburg - Auditorium, William Penn Museum,
 Third Street

Tuesday - February 8, 1983
 Commencing at 7:00 p.m.

NOTE: This public input hearing will adjourn when all persons who have signed in within one hour of commencement time have been heard.

Consideration is being given to requests for hearings in other locations, and when a decision is reached you will be promptly informed.

William R. Shane

William R. Shane
 Chief Administrative Law Judge

ccs:

Judge Mindlin
 Law Bureau
 Bureau of Rates
 Mr. Bramson
 Ms. Dickson
 Ms. Crouse
 File

Chairman Shanaman
 Commissioner Cawley
 Commissioner Johnson
 Commissioner Jones
 Commissioner Taliaferro

G. D. Caliendo
Vice President and Chief Counsel-
Regulatory Affairs
215/770-5587

HAND DELIVERED

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JAN 28 1983

SECRETARY'S OFFICE

November 22, 1982

Mr. Jerry Rich, Secretary
Pennsylvania Public Utility Commission
P. O. Box 3265
Harrisburg, Pennsylvania 17120

Re: PP&L's Supplement No. 2 to
Electric Pa.P.U.C. No. 199
Docket No. R-822169

DOCKETED

JAN 31 1983

Dear Mr. Rich:

Pursuant to Sections 53.51-53.53 of the Commission's Regulations, there are submitted herewith for filing 8 copies of financial data and other information in support of PP&L's Tariff Supplement No. 2 to Electric Pa.P.U.C. No. 199, effective January 22, 1983. The aforesaid tariff supplement is being filed today under separate cover.

Each copy of the information in support of PP&L's request is contained in two boxes and consists of the following 33 volumes:

- **Exhibit Regs. Section 53.52** --- Information in response to Section 53.52 of the Commission's Regulations (1 book).
- **Exhibit Regs. I - Valuation** --- Responses to each of the pertinent items contained in Section 53.53, Part I of the Commission's Regulations (1 book).

- **Exhibit Regs. II - Rate of Return** --- Responses to each of the pertinent items contained in Section 53.53, Part II of the Commission's Regulations (1 book).
- **Exhibit Regs. III - Balance Sheet and Operating Statement** --- Responses to each of the pertinent items contained in Section 53.53, Part III of the Commission's Regulations (1 book).
- **Exhibit Regs. IV - Rate Structure** --- Responses to each of the pertinent items contained in Section 53.53, Part IV of the Commission's Regulations (1 book).
- **Exhibit Historic 1** --- Summary of the Measures of Value and Rate of Return for the Year Ended July 31, 1982 (1 book).
- **Exhibit Future 1** --- Summary of Measures of Value and Rate of Return for the Year Ending July 31, 1983 (1 book).
- **Appendix A** --- which contains FERC Form 12 for the year 1980 in response to Regulations I-B-7, IV-C-8 and IV-C-22 (1 book).
- **Appendix B** --- which contains information in response to Regulation IV-C-2 (1 book).
- **Direct Testimony - Statements 1-13** --- which contains the direct testimony of 13 of PP&L's witnesses (1 book). The testimony of Joseph F. Brennan of Associated Utility Services, Inc. concerning fair rate of return is being submitted as a separate volume.
- **Direct Testimony - Statement 14 - of Joseph F. Brennan and Exhibit JFB 1** (1 book).
- **Direct Testimony - Statements 15-17** - (1 book).
- **Exhibits MJB 1 to 9** --- Michael J. Berish, Sponsor (1 book).

- Exhibits AJB 1 to 4 --- Andrew J. Baldwin, Sponsor (4 books).
- Exhibits JOB 1 to 4 --- Jack O. Beamer, Sponsor (3 books).
- Exhibits DSH 1 to 5 --- Donald S. Hoch, Sponsor (5 books).
- Exhibits WFH 1 to 3 --- William F. Hecht, Sponsor (2 books).
- Exhibit GEM 1 --- Grayson E. McNair, Sponsor (1 book).
- Exhibit RHK 1 --- Robert K. Koppe, Sponsor (1 book).
- Exhibit AAW 1 --- Albert A. Weinstein, Sponsor (1 book).
- Exhibit RCT 1 and 2 --- Robert C. Traylor, Sponsor (2 books).
- Index to Rate Filing (1 book).

Request for Expeditious Commencement of Public Hearings

PP&L recognizes that in view of the importance of the issues, the Commission most likely will suspend this rate request and undertake the full procedure of public hearings and in-depth investigation of it. PP&L welcomes the opportunity to establish the need for the relief requested herein at public hearings.

However, to insure a timely decision at the end of the seven-month suspension period, it is requested that hearings commence as expeditiously as possible after the end of the sixty-day review period (January 22, 1983). Therefore, it is

requested that prehearing conferences be scheduled during the sixty-day period so that evidentiary hearings can commence immediately thereafter.

Copies of this filing are being either hand delivered or shipped by United Parcel Service to those individuals indicated in the attached Certificate of Service.

Very truly yours,



G. D. Caliendo

Enclosures

cc: Dr. Donald L. Birx (4 copies)
Albert W. Johnson, Esquire (2 copies)

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

In Re: Docket No. 822169

CERTIFICATE OF SERVICE

I certify that I have this date served the indicated number of copies of financial data and other information in support of Pennsylvania Power & Light Company's Tariff Supplement No. 2 to Electric Pa.P.U.C. No. 199 upon the persons and in the manner indicated below:

Hand Delivered

Walter W. Cohen, Esquire
Office of Consumer Advocate
1425 Strawberry Square
Harrisburg, Pennsylvania 17120
(3 copies)

Henry R. MacNicholas, Esquire
McNees, Wallace & Nurick
100 Pine Street
Harrisburg, Pennsylvania 17108
(2 copies)

Bernard A. Ryan, Jr., Esquire
Dechert Price & Rhoads
800 North Third Street
Harrisburg, Pennsylvania 17102
(1 copy)

Charles B. Zwally, Esquire
Shearer, Mette & Woodside
1801 North Front Street
P. O. Box 729
Harrisburg, Pennsylvania 17108
(1 copy)

United Parcel Service
Return Receipt Requested

D. Jane Drennan, Esquire
Pillsbury, Madison & Sutro
Suite 900
1050 Seventeenth Street, N. W.
Washington, D. C. 20036
(2 copies)

Consultants of OCA:

Georgetown Consulting Group
456 Main Street
Ridgefield, Connecticut 06877
(1 copy)

Chodat Ruback & Associates
The Hathaway House
103 Central Street
P. O. Box 749
Wellesley, Massachusetts 02181
(1 copy)

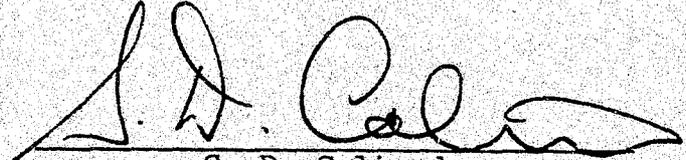
Exeter Association
Attn: Ralph Miller
4550 Montgomery Avenue
Suite 801 North
Bethesda, Maryland 20814
(1 copy)

Matityahu Marcus, Ph.D.
2414 Morris Avenue
Union, New Jersey 07083
(1 copy)

Dr. Robert J. Rohr
Bower, Rohr & Associates
11 Downing Road
Hanover, New Hampshire 03755
(1 copy)

John Stutz
Energy System Research Group
120 Milk Street
Boston, Massachusetts 02109
(1 copy)

MHB Technical Associates
1723 Hamilton Avenue
Suite K
San Jose, California 95125
(1 copy)



G. D. Caliendo

Dated November 22, 1982
at Allentown, Pennsylvania

TMIA: THREE MILE ISLAND ALERT, INC.

315 Peffer St., Harrisburg, Penna. 17102 (717) 233-7897

January 27, 1983



Pennsylvania Public Utility Commission
Judge Morris J. Mindlin
North Office Building
Capitol Complex
Harrisburg, Pa., 17120

RE: Commission Docket No. R-822169

Dear Judge Mindlin:

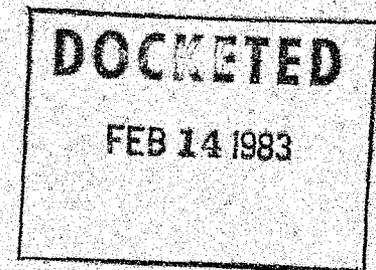
Three Mile Island Alert has filed a Formal Complaint objecting to PP&L's application for a rate increase.

We request hearings be held in Harrisburg as well as other PP&L service areas. These hearings should be held during the evening in order to maximize public participation.

Three Mile Island Alert has hundreds of members that are PP&L ratepayers and live in Dauphin, Cumberland, Perry, York and Lebanon Counties.

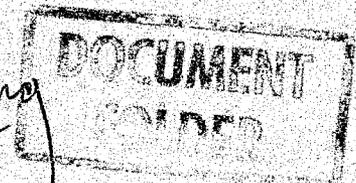
We appreciate your consideration of this request and ask that we be given ample notification of hearing dates and times so we can notify our members and the general public.

Sincerely,



Randall R. Smedley
Chairperson

Kay Pickering
Kay Pickering
Staff



cc Chairman Shannaman



RECEIVED

FEB 1 1983

SECRETARY'S OFFICE
Public Utility Commission

MAYOR
STEPHEN J. LUCASI
CITY HALL
245 W. FOURTH STREET

City of Williamsport

Williamsport
Pennsylvania

PHONE 326-2831
EXTENSION 301

R-822169

January 28, 1983

Public Utility Commission
Harrisburg, Pennsylvania 17120

TO WHOM IT MAY CONCERN:

On behalf of the Mayor of the City of Williamsport and members of Williamsport City Council, we would like to take this opportunity to extend an invitation to your group to conduct one of your hearings on the proposed Pennsylvania Power & Light rate increase here in our Council Chamber in City Hall.

I am sure you would be impressed with the interest and hospitality afforded you.

With all best wishes, I remain,

Very truly yours,

Stephen J. Lucasi
Stephen J. Lucasi, Mayor
City of Williamsport, PA

SJL/p

DOCUMENT
FOLDER

DOCKETED
FEB 2 1983

January 27, 1983

RECEIVED

FEB 1 1983

Pennsylvania Public Utility Commission
Judge Morris J. Mindlin
North Office Building
Capitol Complex
Harrisburg, Pa., 17120

**SECRETARY'S OFFICE
Public Utility Commission**

RE: Commission Docket No. R-822169

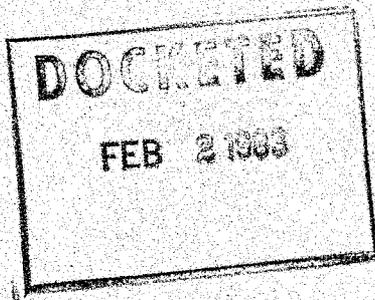
Dear Judge Mindlin:

Three Mile Island Alert has filed a Formal Complaint objecting to PP&L's application for a rate increase.

We request hearings be held in Harrisburg as well as other PP&L service areas. These hearings should be held during the evening in order to maximize public participation.

Three Mile Island Alert has hundreds of members that are PP&L ratepayers and live in Dauphin, Cumberland, Perry, York and Lebanon Counties.

We appreciate your consideration of this request and ask that we be given ample notification of hearing dates and times so we can notify our members and the general public.



Sincerely,

Randall R. Smedley
Randall R. Smedley KP
Chairperson

Kay Pickering
Kay Pickering
Staff

cc: Chairman Shannaman



ORIGINAL

HOUSE OF REPRESENTATIVES

COMMONWEALTH OF PENNSYLVANIA

HARRISBURG

January 31, 1983

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FEB 2 1983

SECRETARY'S OFFICE
Public Utility Commission

Honorable Morris Mindlin
Administrative Law Judge
Public Utility Commission
Room G-08-A
North Office Building
Harrisburg, PA 17120

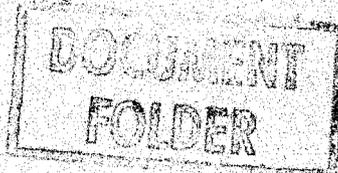
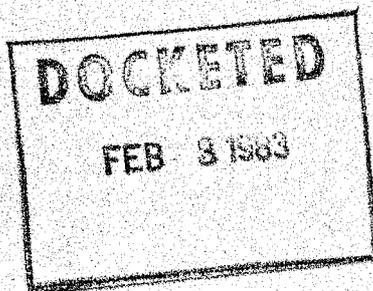
R-222109
RE: PP&L Rate Increase Request

Dear Judge Mindlin:

The requested increase of PP&L of almost 20% percent in its electrical rates, if granted, would have a devastating impact upon the individuals, municipalities and businesses throughout the 125th District which I represent. Not only are there a significant number of individuals and failings existing on small-fixed incomes who would have to sacrifice other necessities to pay such an increase in electrical rates, but the increase to municipalities, particularly municipal authorities operating sewage treatment plants or water treatment plants, would be forced to increase taxes or utility rates to absorb this additional cost. Many small businesses would have a difficult time absorbing the costs and may be forced to close or lay off additional workers.

I firmly believe that it is the duty of the PUC to consider the impact on the public of rate increases such as that requested by PP&L. It is my understanding that only one public input hearing has been scheduled thus far on the PP&L rate increase request for the City of Allentown. I strongly urge you to schedule additional hearings for public participation at convenient sites throughout the PP&L service area.

The PUC must balance the need of the utility companies to make a reasonable return on their investment



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Office of A. L. J.
Harrisburg

against the needs of the public for reasonably priced electrical service. I do not see how that balance can be achieved unless the public is given more input during the hearings on this request for a rate increase.

Kindest regards,

A handwritten signature in cursive script, appearing to read "William E. Baldwin".

William E. Baldwin
Member
125th District

WEB:gec

JOHN R. SHOWERS, MEMBER
315 FRONT STREET
NEW BERLIN, PENNSYLVANIA 17855
PHONE: (717) 966-3811
TOLL FREE: (800) 332-8911

HOUSE P.O. BOX 24
HARRISBURG, PENNSYLVANIA 17120
PHONE: (717) 787-7682



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COMMITTEES
AGRICULTURE & RURAL AFFAIRS
LOCAL GOVERNMENT

HOUSE OF REPRESENTATIVES
COMMONWEALTH OF PENNSYLVANIA
HARRISBURG

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January 28, 1983

FEB 3 1983

SECRETARY'S OFFICE
Public Utility Commission

Morris Mindlin, Esquire
Administrative Law Judge
Public Utility Commission
G-05 North Office Building
Harrisburg, PA 17120

Dear Judge Mindlin:

As the Representative from the 85th Legislative District serving Snyder and Union Counties, strategically found in the general service area of the Pennsylvania Power & Light Company, I would like to add my voice to the chorus of concern and protest urging more hearings by the Pennsylvania Public Utility Commission regarding the proposed PP&L rate increase in locating these hearings around the entire service area.

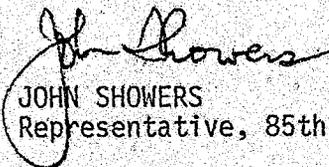
R-822169

Considering that Milton Manufacturing, located in Milton, Northumberland County, is PP&L's second largest industrial utility user, I believe it only proper that a hearing be held in our central Susquehanna Valley area to accommodate Milton Manufacturing's concern and the concern of other area residential and industrial users. May I suggest, for your purposes, the possible hearing location of the Union County Courthouse located in Lewisburg.

Again, I urge you to hold these hearings around the entire service area. The utility users rightfully deserve an opportunity to comment on this proposed hike without having to sacrifice a days' employment to drive 100 miles to voice their concerns.

I await your reply.

Sincerely yours,


JOHN SHOWERS
Representative, 85th District

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FEB 4 1983

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FEB 03 1983

Office of A. L. J.
Harrisburg

JS/ps

cc: Mr. Fred Cornell
Milton Manufacturing
230 Lower Market
Milton, PA 17847

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FEB 2 1983

SECRETARY'S OFFICE
Public Utility Commission

BEFORE THE

PENNSYLVANIA PUBLIC UTILITY COMMISSION

PENNSYLVANIA PUBLIC UTILITY)
 COMMISSION, et al.)
 v.)
 PENNSYLVANIA POWER & LIGHT)
 COMPANY)

DOCKET NO. R-822169, etc.

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FEB 8 1983

RULING AND ORDER

In the course of the prehearing conference, held in these proceedings on January 6, 1983, and later by written "petition", a number of requests or suggestions have been made for what have come to be called "public input hearings". They have related to the locale of such "hearings"; the time; the format, including sworn testimony; and the legal effect of such "hearings". They have been made by or on behalf of formal parties-complainant.

In all, to date, the requested or suggested locales have included more than 20 municipalities. One of the "memoranda" to the presiding officer observed: "Consumers feel angry and frustrated because they are shut out of the rate-making process... Public input hearings in as many local communities as desire them is one way of providing an opportunity for consumers to voice their opinions as to the issues involved in the pending rate case." (Memorandum #2, Consumers Education & Protective Association, January 25, 1983).

DOCUMENT

Public concern over utility ratemaking has intensified over a period. At an earlier point, non-evidentiary hearings were afforded as an avenue for public expression and participation. At some later point, undetermined by this presiding officer, non-evidentiary hearings came to be called "public input hearings", set off in quotation marks to indicate a special or uncertain significance. At about the same point, requests were posed to treat these "hearings" as evidentiary hearings.

Recent developments in respect of "public participation" are typified by the Bell case at Commission Docket No. R-811819. In its Order, entered September 3, 1982, the Commission noted:

"A series of 'public input hearings' was begun on January 26, 1982. Twelve such 'hearings' were held in various cities throughout the Commonwealth between January 26 and March 9, 1982. A thirteenth was held on June 18, 1982, after the close of the formal hearings." (See hearing transcript, dated June 18, 1982, for a procedural perspective.)

We presided at the thirteenth "public input hearing" in the Bell case; our predecessor presided at the prior twelve such "hearings" in the Bell case. Confronted with a variety of insistent requests in the present case, we took them under advisement and study, because we have been seriously concerned over the legal aspects of these "public input hearings" and the potentiality for the public's misconception of the nature and scope of their right to participate as well as the treatment of

their participation in such "hearings".

There has been no declaration of agency policy on "public input hearings", no definition of their legal status and no provision of uniform agency rules of procedure for such "hearings". It, therefore, has fallen to us to reconcile the conduct of these "public input hearings" with some principle of administrative law and process and with our legal function and duty.

We requested supplemental prehearing memoranda from interested parties, addressing, among other aspects, the legal aspects of these "public input hearings". We received memoranda from the Respondent and several public groups, including the Susquehanna Alliance and the Consumers Education and Protective Association. These memoranda contained a certain agreeability about such hearings and a scant reference to a customary occurrence of such "hearings" in other rate cases before our Commission and Commissions in other states. They contained no legal citations.

Our study of the matter to this point has been limited but sufficient to enable us, without further delay, to rule upon the several requests before us. It appears expeditious to us immediately to focus our attention upon the "hearing" and "decision" issues.

It is immediately clear that the Public Utility Code, 66 Pa. C.S.A. §§101, et seq., contains no express or clearly implied provision for "public input hearings". In cases, involving "general rate increases", the Public Utility Code does require "a hearing" upon the Commission's investigation or upon complaint as well as "a final decision and order". 66 Pa. C.S.A. §1308(d) and §703(c) and (e).

In respect of investigations and hearings, the Code defines the powers of the commission and administrative law judges and specifies as well essential procedures. 66 Pa. C.S.A. §§331-335. Among these statutory provisions is the requirement that "the commission shall as a matter of policy provide for the exclusion of irrelevant, immaterial or unduly repetitious evidence." Code §332(b). There is the provision that "every party is entitled to present his case or defense by oral or documentary evidence and to conduct such cross-examination as may be required for a full and true disclosure of the facts." Code, §332(c).

Suffice it to say, the statutory design is to afford "due process of law". U.S. Const. Amend. XIV. As part of the process, the Commission's "findings, determinations or order" must be supported by substantial evidence. U.S. Steel Corp. v. Pennsylvania Public Utility Commission, 37 Pa. Cmwlth. Ct. 195, 201, 390 A.2d 849, 853 (1978).

An administrative law judge has an essential role in the process. Among his functions and within his authority are presiding at hearings, ruling upon offers of proof and receiving relevant evidence, regulating the course of hearings, holding conferences to facilitate hearings, rendering initial decisions in a variety of cases, and making recommended decisions in rate determination proceedings. Code §§331(d), 332(g), 333, and 335. The legislative history of the creation of the office of administrative law judge to the Commission bespeaks an intent, in short, to afford a judicial character to hearings before the Commission. Act No. 216, enacted October 7, 1976.

We have then noted from the Public Utility Code that a general rate proceeding involves a process of evidentiary hearing, explicitly governed by rules of evidence, including the procedure of cross-examination, and culminating in a final decision by the Commission, founded upon the evidentiary facts and upon the law. The process is properly characterized as one of adjudication. In the area of administrative law and process, adjudication has been described as "the administrative equivalent of a judicial trial". Gellhorn, "Administrative Law And Process In a Nutshell", p. 122 (West Publishing Co., 1972).

Expectably, formal rules of practice and procedure exist. Under pertinent statutory authority, there have been promulgated general rules of administrative practice and pro-

cedure for formal proceedings before all agencies of the Commonwealth and particular rules of practice and procedure for formal and informal proceedings before our Commission. 1 Pa. Code §§35.1, et seq.; 52 Pa. Code §§3.101, et seq. Here we find detailed rules for due process.

Just as we did not find express or implied provisions for "public input hearings" in the Public Utility Code, we do not find such provisions in the formal rules of administrative practice and procedure. No other legal authority for such "hearings" has been brought to our attention. We are compelled to conclude that, unless these "public input hearings" satisfy the requirements of constitutional due process, satisfy the statutory requirements of the Public Utility Code for hearings, and satisfy the duly adopted formal rules of administrative practice and procedure, the testimony, offered in sworn or unsworn form at these "public input hearings", may not enter the basis for the presiding officer's recommended decision or the Commission's final decision. If these "public input hearings" do not satisfy these constitutional, statutory, and administrative requirements, these "hearings" are "meetings" and not "hearings". The testimony, offered at these meetings, is then expressions of opinion and not evidence. We shall not theorize about such meetings as a forum and place of assembly, where the public may express its views and grievances.

In an early and basic survey of the question of public participation in the administrative process, the author observed: "There is a general tendency to be in favor of 'public participation' without worrying about the details." Cramton, "The Why, Where, and How of Broadened Public Participation in the Administrative Process", 60 Geo. L. J. 525, 531 (1972). (See, also, Recommendation No. 71-6 of the Administrative Conference of the United States, 1 C.F.R. §305.71-6 and Gellhorn, "Public Participation in Administrative Proceedings", 81 Yale L. J. 359 (1972)). We have found little worry about details in the requests before us. Unfortunately, we have found nothing in the legal literature on public participation, which contemplates the barely defined type of "public input hearing", requested in our case; nor have we found judicial precedent for defining such "hearing", let alone, for giving evidentiary and substantive effect to such "hearing". We come upon an irony if the formal parties, who have made the requests for "public input hearings" and are, in fact, themselves, members or representatives of the public, could escape the constraints of formal hearings and expand the evidentiary record through the device of "public input hearings".

There are now more than 100 formal complainant-parties to this general rate proceeding. They include the very individuals and groups, who have made the requests for "public input hearings" and would otherwise be participants in such "hearings".

There is presently one party, seeking leave to intervene. (See 1 Pa. Code §§35.27 et seq.) He is a member of the legislature and seeks leave to intervene as an elected representative of his public constituency.

The organization and scheduling for a major rate proceeding is a difficult task. Within the limits of time, set by law, we have no doubt that every formal party upon this record will have a fair opportunity to be heard. We have no doubt that there are formal parties upon the record, who intend to participate in the formal hearings and through whom the consuming public can and will be fairly and thoroughly represented.

Among the formal parties is the Consumer Advocate. The office of Consumer Advocate was created by the addition of an Article IX-A to "the Administrative Code of 1929". Act No. 161, enacted July 9, 1976. Section 904-A of the Article sets forth the powers and duties of the Consumer Advocate. They include the authority and the duty "to represent the interest of consumers as a party". (Emphasis added.)

If consumers feel that they are shut out of the rate-making process, they are seriously uninformed or misinformed. It is especially unfortunate that consumers, who are hard-pressed by age, ill health, or economic circumstance, should be led to believe that they are shut out of the ratemaking process and that their condition is unrecognized and unfelt by the Adminis-

trative Law Judges to the Commission and by the Commission and unrepresented or inadequately represented by the office of Consumer Advocate. There is no reason why the Consumer Advocate, in cooperation with such other formal parties as the Susquehanna Alliance and CEPA, can not and should not bring upon the evidentiary record, according to law and proper procedure, every piece of relevant material evidence that a "public input hearing" might produce. It is in the public interest and in the interest of these formal parties to cooperate in seeing that "there shall be excluded such evidence as is unduly repetitious or cumulative, or such evidence as is not of the kind which would affect reasonable and fair-minded men in the conduct of their daily affairs." 1 Pa. Code §35.161. It would, in truth and justice, be in everyone's interest if the law, the economics, and the administration of ratemaking were better understood; if the regulation of rates were not viewed as a conspiracy against the public; and if free speech, right of assembly, and public expression of grievances were distinguished from evidentiary testimony.

In general principle, we respect and honor the right of the public to express its viewpoint and to be heard attentively by government. The questions before us are how and in what place.

We acknowledge the Commission's practice of having "public input hearings". We are uncertain about our legal duty to preside but acquiesce in the assignment. We have, therefore,

scheduled such "hearings" in Allentown and Harrisburg to this point. We shall, by separate order, schedule two or three additional such "hearings" in locations, which are as practical and convenient as possible for the public.

We do not consider it sensible or practical against the overall heavy burden of schedule in this proceeding to arrange more than four or five "public input hearings". Avoiding repetitious testimony is more than a technicality; it is a matter of good sense.

Until we have a developed declaration of official policy before us and an official set of rules of procedure and practice in respect of such "hearings", we can only act upon our conception of the applicable law. For purposes of our making a recommended decision, it is our view that we may not, in the circumstances, make the testimony, taken at such "hearings", part of the evidentiary record. We may not and shall not lead the public to believe that we can and may do otherwise. It is for the Commission, in the exercise of its power to make a final decision, to decide what effect it will give to these "hearings".

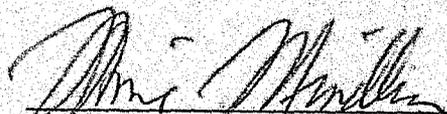
Therefore, an official transcript of these proceedings will be made. Persons, desiring to testify, may choose to give either sworn or unsworn testimony. For our purposes, we shall consider such testimony to be expressions and discussion of

viewpoint about the issues in this general rate proceeding. The offered testimony will be taken down by the official stenographer and thus will become part of the formal record. We shall not, however, consider such testimony, sworn or unsworn, as part of the evidentiary record, so to speak.

We have been concerned, not with mere technicalities, but with the law and proper procedure. We have especially noted several groups of residential customers of the utility, who are formal parties to this proceeding. We have noted the representative function of the Consumer Advocate.

We ought not to overlook the rather recent amendment of the Public Utility Code, which provides that "prosecutory counsel of the Commission shall be responsible for and shall assist in the development of, challenge of, and representation on the record of all matters in the public's interest." 66 Pa. C.S.A. §308(b). Such counsel performs the prosecutory function of the Commission's Law Bureau and is an important part of this case.

From the number and composition of the formal parties and with the opportunity afforded to the public generally to express its views, we can hardly conclude that any part of the public will not have had a role in this case and will not have been properly heard.


Morris Mindlin

Dated: January 31, 1983

February 2, 1983

SUBJECT: R-822169 - Pennsylvania Power & Light Company

TO: The File

FROM: Office of Administrative Law Judges

This is to inform the record that hearing in the above referenced proceeding scheduled for 2/2,3,4/83 at Allentown was cancelled.

vb

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DOCKETED
FEB 8 1983

DOCUMENT
FOLDER

Docket No. K 522169
P.P. & L
ALLEN TOWN, PA.
2/1/83

| NAME | ADDRESS | APPEARING FOR |
|---|--|--------------------------------------|
| DAVID M. BARASCH Irwin Popowsky | 1425 Strawberry St Hbg, PA | Office of Consumer Advocate |
| David Mann | 80 Box 244 Lewisburg 700 N. Third St Hbg, PA 17102 | Susq. Alliance Bethlehem Stalgrp |
| Bernard A. Papp | 100 Pine St. Box 1066 Harrisburg, PA 17109 | Lehigh Valley Power Committee |
| H.R. MacKubie | 123 S. Broad St. Philadelphia, PA 19109 | Pennsylvania Bd Power & Light Co. |
| Robert H. Young David B. MacGregor Morgan Lewis & Bockius | | |

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ROSS BICYCLE CO
ATLANTIC
PROCESSING
GRIFF COMPANY
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Office of the A. L. J.
Public Utility Commission

DOCKET NO. R-822169, etc.

05171

HEARING REPORT 0909

CASE NAME Pennsylvania Public Utility

CHECK THOSE BLOCKS WHICH APPLY:

Commission, et al. vs. Pennsylvania

Hearing concluded

Power & Light Company

Record closed

HEARING LOCATION Harrisburg, PA.

Briefs to be filed

HEARING DATE Feb. 15, 16, 17 & 18, 1983

Further hearing

ALJ Klovekorn

Estimated additional days

BENCH DECISION

REMARKS:

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Office of the A. L. J.
Public Utility Commission

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Names and addresses of parties or counsel of record
Please Print Clearly
Incomplete Information May Result in Delay of Process

NAME

ADDRESS

APPEARING FOR

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Crawm American
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Boyle's
Company

Dave Mann

P.O. Box 249

City: Lewisburg State: PA Zip: 17837

Susquehanna
Alliance

Check this box if additional parties of counsel of record appear on back.

GRAY S. SWIGART

SUBJECT:

R-822169 - PAPAC v. PPH

TO:

The File

FROM:

Office of Administrative Law Judges

This is to inform the record that hearing in the above referenced proceeding scheduled for 1/26, 27, 28/83 at Harrisburg was cancelled.

vb

DOCKETED
FEB 10 1983

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