BEFORE THE

PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission : R-2018-3000164

Office of Consumer Advocate : C-2018-3001112

Office of Small Business Advocate : C-2018-3001043

Philadelphia Area Industrial Energy Users Group : C-2018-3001471

Trustees of the University of Pennsylvania : C-2018-3001636

:

v. :

:

PECO Energy Company :

# **PREHEARING ORDER #3**

On March 29, 2018, PECO Energy Company (PECO) filed proposed Tariff Electric-Pa. P.U.C. No. 6 to become effective May 28, 2018. Tariff No. 6 sets forth proposed rates designed to produce an increase in PECO’s annual distribution revenue of approximately $82 million[[1]](#footnote-1), or 2.2% on the basis of total Pennsylvania jurisdictional operating revenue.

On April 4, 2018, Carrie B. Wright, Esq., entered a Notice of Appearance on behalf of the Commission’s Bureau of Investigation and Enforcement (I&E).

On April 9, 2018, the Office of Small Business Advocate (OSBA) filed a Verification, Public Statement, a Notice of Appearance on behalf of Elizabeth Rose Triscari, Esq., and a formal Complaint. The Complaint was docketed at C-2018-3001043.

On April 10, 2018, the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (CAUSE-PA) filed a Petition to Intervene in this proceeding.

On April 12, 2018, the Office of Consumer Advocate (OCA) filed a Public Statement, a Notice of Appearance on behalf of Christy M. Appleby, Esq., Hayley Dunn, Esq., and Aron J. Beatty and a formal Complaint. The Complaint was docketed at C-2018-3001112.

On April 17, 2018, the International Brotherhood of Electrical Workers, Local 614 (IBEW) filed a Petition to Intervene in this proceeding.

By Order entered April 19, 2018, the Pennsylvania Public Utility Commission (Commission) instituted an investigation into the lawfulness, justness, and reasonableness of the proposed rate increase. Pursuant to Section 1308(d) of the Public Utility Code, 66 Pa. C.S.A. § 1308(d), Tariff Electric-Pa. P.U.C. No. 6 was suspended by operation of law until December 28, 2018, unless permitted by Commission Order to become effective at an earlier date. In addition, the Commission ordered that the investigation include consideration of the lawfulness, justness and reasonableness of PECO’s existing rates, rules, and regulations. The matter was assigned to the Office of Administrative Law Judge for the prompt scheduling of hearings culminating in the issuance of a Recommended Decision.

In accordance with the Commission’s April 19, 2018, Order, the matter was assigned to Deputy Chief Administrative Law Judge Christopher P. Pell and Administrative Law Judge F. Joseph Brady.

On April 23, 2018, the Community Action Association of Pennsylvania (CAAP) filed a Petition to Intervene in this proceeding.

On April 26, 2018, the Philadelphia Area Industrial Energy Users Group (PAIEUG) filed a formal Complaint. The Complaint was docketed at C-2018-3001471.

In compliance with the Commission’s April 19, 2018, Order, PECO filed Supplement No. 1 to Tariff Electric No. 6 on April 27, 2018, to reflect the suspension of Tariff No. 6 until December 28, 2018.

On April 27, 2018, the Delaware Valley Regional Planning Commission (DVRPC) filed a Petition to Intervene in this proceeding.

On May 2, 2018, the Trustees of the University of Pennsylvania (UPenn) filed a formal Complaint. The Complaint was docketed at C-2018-3001636.

On May 3, 2018, the Tenant Union Representative Network and Action Alliance of Senior Citizens of Greater Philadelphia (collectively, TURN et al.) filed a Petition to Intervene in this proceeding.

On May 3, 2018, Tesla, Inc. (Tesla) filed a Petition to Intervene in this proceeding.

On May 3, 2018, Wal-Mart Stores East, LP and Sam’s East, Inc. (collectively, Walmart) filed a Petition to Intervene in this proceeding.

On May 4, 2018, the Retail Energy Supply Association (RESA) filed a Petition to Intervene in this proceeding.

On May 4, 2018, NRG Energy, Inc. (NRG) filed a Petition to Intervene in this proceeding.

In accordance with a Prehearing Conference Order dated April 20, 2018, PECO, I&E, OSBA, OCA, CAUSE-PA, IBEW, CAAP, PAEIUG, DVRPC, UPenn, TURN, et. al., Tesla, Walmart, NRG, and RESA submitted prehearing memoranda to the presiding officers.

A dual location Prehearing Conference was held on May 8, 2018. Counsel for PECO, I&E, OSBA, OCA, CAUSE-PA, IBEW, PAEIUG, DVRPC, UPenn, TURN, et. al., Tesla, Walmart, NRG, and RESA participated.[[2]](#footnote-2)

No party opposed the Petitions to Intervene filed by Walmart, Tesla, TURN et. al., IBEW, CAUSE-PA, and CAAP. Accordingly, we granted these parties’ Petitions during the prehearing conference and memorialized their status as Intervenors in our May 10, 2018, Prehearing Order #1.

During the Prehearing Conference, PECO indicated that it intended to file answers to the Petitions to Intervene filed by RESA, NRG, and DVRPC. We instructed PECO to file its answers to all three Petitions with the Commission’s Secretary by the close of business on May 16, 2018.

On May 16, 2018, the DVRPC filed a letter with the Commission requesting to withdraw its Petition to Intervene.

On May 16, 2018, PECO filed its Answers to the Petitions to Intervene of RESA and NRG.

On May 23, 2018, NRG filed a response to PECO’s Answer of PECO Energy Company to the Petition to Intervene of NRG Energy, Inc.

On May 24, 2018, RESA filed a response to PECO’s Answer of PECO Energy Company to the Petition to Intervene of the Retail Energy Supply Association.

By Prehearing Order #2 dated June 1, 2018, we granted NRG’s and RESA’s Petitions to Intervene.

On June 12, 2018, PECO filed the Motion of PECO Energy Company for Leave to File the Supplemental Direct Testimony of Richard A. Schlesinger (Motion). In the Motion, PECO indicated that since this proceeding was initiated, it had received customer requests seeking clarification regarding groups of customer-owned streetlights as well as other issues under the street lighting provisions of the Company’s electric service tariff. PECO indicated that this limited-scope Supplemental Direct Testimony is intended to address these requests by proposing minor revisions to existing Rate SL-E (Street Lighting – Customer Owned Facilities) and proposed Rate SL-C (Smart Lighting Control) as well as conforming changes to Rate POL (Private Outdoor Lighting) and Rate SL-S (Street Lighting – Suburban Counties). PECO further indicated that, given the limited nature of the testimony, it believed that any issues associated with these clarifications and additions can be adequately addressed in future testimony under the established procedural schedule.

By email dated June 15, 2018, we instructed the parties that if any party intended to file a responsive pleading to PECO’s Motion, it must be filed by the close of business on Monday, June 18, 2018. No party filed a response to PECO’s Motion.

As no party objected to PECO’s Motion, and since the parties have sufficient time to address any issues raised in PECO’s Supplemental Direct Testimony in their own testimonies, we will grant PECO’s Motion.

# ORDER

THERERFORE,

IT IS ORDERED:

1. That the Motion of PECO Energy Company for Leave to File the Supplemental Direct Testimony of Richard A. Schlesinger filed by PECO on June 12, 2018 is granted.

Date: June 26, 2018 /s/

Christopher P. Pell

Deputy Chief Administrative Law Judge

/s/

F. Joseph Brady

Administrative Law Judge

Pennsylvania Public Utility Commission v. PECO Energy Company

Docket Number R-2018-3000164

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1. PECO’s proposed rate increase reflects $71 million savings in 2019 from changes in the Federal Income Tax Law, effective January 1, 2018. [↑](#footnote-ref-1)
2. Due to a conflict, Joseph Vullo, Esq., counsel for CAAP, was excused from attending the Prehearing Conference. [↑](#footnote-ref-2)