



17 North Second Street
12th Floor
Harrisburg, PA 17101-1601
717-731-1970 Main
717-731-1985 Main Fax
www.postschell.com

Devin Ryan

dryan@postschell.com
717-612-6052 Direct
717-731-1981 Direct Fax
File #: 167945

September 5, 2018

VIA ELECTRONIC FILING

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor North
P.O. Box 3265
Harrisburg, PA 17105-3265

Re: Alan V. Schmukler v. PPL Electric Utilities Corporation
Docket No. C-2017-2621285

Dear Secretary Chiavetta:

Enclosed for filing are the Exceptions of PPL Electric Utilities Corporation to the Initial Decision in the above-referenced proceeding. Copies will be provided as indicated on the Certificate of Service.

Respectfully submitted,

Devin Ryan

DTR/jl
Enclosures

cc: Honorable Elizabeth Barnes
Certificate of Service
Office of Special Assistants (*via e-mail*)

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been served upon the following persons, in the manner indicated, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

VIA E-MAIL & FIRST CLASS MAIL

Alan V. Schmukler
199 Strawberry Street
Leola, PA 17540
Alanheal@aol.com

Date: September 5, 2018



Devin T. Ryan

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Alan V. Schmukler,	:	
	:	
Complainant,	:	
	:	
v.	:	Docket No. C-2017-2621285
	:	
PPL Electric Utilities Corporation,	:	
	:	
Respondent.	:	

**EXCEPTIONS OF PPL ELECTRIC UTILITIES CORPORATION TO THE
INITIAL DECISION**

Kimberly A. Klock (ID # 89716)
Amy E. Hirakis (ID # 310094)
PPL Services Corporation
Two North Ninth Street
Allentown, PA 18101
Phone: 610-774-4254
Fax: 610-774-4102
E-mail: kklock@pplweb.com
aehirakis@pplweb.com

Devin T. Ryan (ID # 316602)
Garrett P. Lent (ID # 321566)
Post & Schell, P.C.
17 North Second Street, 12th Floor
Harrisburg, PA 17101-1601
Phone: 717-731-1970
Fax: 717-731-1985
E-mail: dryan@postschell.com
glent@postschell.com

Curtis S. Renner (DC ID # 446187)
Watson & Renner
1901 Pennsylvania Ave., NW
Suite 1005 - ENS
Washington, DC 20006
Phone: 202-737 6302
E-mail: crenner@w-r.com

Date: September 5, 2018

Attorneys for PPL Electric Utilities Corporation

TABLE OF CONTENTS

Table of Contents

	Page
I. BACKGROUND	1
II. EXCEPTIONS	2
III. ARGUMENT	2
A. EXCEPTION NO. 1: THE ID ERRED IN TAKING JUDICIAL NOTICE OF THE ANSI AND UL STANDARDS AND THE TESCO WHITE PAPER.....	4
B. EXCEPTION NO. 2: THE ID DID NOT NEED TO MAKE THE FIRE SAFETY RECOMMENDATIONS BECAUSE THEY HAVE ALREADY BEEN ADOPTED BY THE COMPANY OR ARE UNNECESSARY	6
IV. CONCLUSION.....	11

I. BACKGROUND

On September 26, 2017, PPL Electric Utilities Corporation (“PPL Electric” or the “Company”) was served with the above-captioned Formal Complaint filed by Alan V. Schmukler (“Complainant”) with the Pennsylvania Public Utility Commission (“Commission”). In his Complaint, the Complainant contested PPL Electric’s planned installation of a new automated metering infrastructure (“AMI”) meter at his property, 199 Strawberry Street, Leola, Pennsylvania. The Complainant also requested that PPL Electric remove the new AMI meter installed on his neighbor’s property, 197 Strawberry Street, Leola, Pennsylvania.

On October 16, 2017, PPL Electric filed its Answer to the Complaint.

On March 9, 2018, a telephonic evidentiary hearing was held before Administrative Law Judge Elizabeth H. Barnes (the “ALJ”).

On April 26, 2018, the Complainant filed his Main Brief.

On April 27, 2018, PPL Electric filed its Main Brief.

On May 15, 2018, the Complainant and PPL Electric filed their Reply Briefs.

The record closed on July 27, 2018.

On August 16, 2018, the ALJ’s Initial Decision (“ID”) was issued. The ID dismissed the Complaint with prejudice but made certain recommendations to the Company concerning fire safety.

PPL Electric fully supports the ID’s well-reasoned dismissal of the Complaint with prejudice.

However, the Company is filing limited Exceptions to the ID because: (1) the ID erred in taking judicial notice of safety standards from the American National Standards Institute (“ANSI”) and Underwriters Laboratories (“UL”) and a white paper entitled “TESCO Hot Socket Gap Research” (“TESCO White Paper”) because these materials are not matters of common

knowledge or incontrovertible facts; and (2) the ID did not need to make the fire safety recommendations based on those standards and white paper because these recommendations have already been adopted by the Company or are unnecessary given the Company's established practices and procedures.

Thus, PPL Electric respectfully requests that the Commission grant these limited Exceptions and modify the ID accordingly.

II. EXCEPTIONS

Exception No. 1: The ID erred in taking judicial notice of safety standards from ANSI and UL and the TESCO White Paper because these materials are not matters of common knowledge or incontrovertible facts. ID at 33.

Exception No. 2: The ID did not need to make the fire safety recommendations based on the ANSI and UL standards and the TESCO White Paper because these recommendations have already been adopted by the Company or are unnecessary given the Company's established practices and procedures. ID at 33-34.

III. ARGUMENT

The ID correctly dismissed the Complaint with prejudice, finding, among other things, that: (1) the installation of the new automated metering infrastructure ("AMI") meter is required by Act 129 of 2008; (2) the Complainant failed to sustain his burden of proof that the installation of the new AMI meter would violate Section 1501 of the Public Utility Code. ID at 18-40, 44-45. As a part of this decision, the ID properly rejected the Complainant's claims that the new AMI meter would be a fire risk. ID at 31-34. Particularly, the ID was persuaded by the credible testimony of the Company's witnesses that the new AMI meters are safe, not fire hazards, and have devices designed to actually help prevent fires. ID at 32-34.

Notwithstanding, the ID took judicial notice of various safety standards from ANSI and UL as well as a white paper entitled “TESCO Hot Socket Gap Research.” ID at 33. Based on these standards and the TESCO White Paper, the ID made the following recommendations for the first time in this proceeding:

I encourage PPL and/or its Agents (i.e. Grid One Solutions) to perform a statistically relevant sample audit on its past meter installations and going forward to perform certain meter base checks (if it is not already doing so) prior to setting any meters as an added precaution against fires caused by micro-arcing.

...

I recommend PPL and its Agents consult with other peer EDCs to determine and adopt the best practices regarding customer meter base inspections. At a minimum, customer meter base checks should include the following tests. First, verify conductor terminals are tight. Second, identify and address any defects during installation, i.e., loose or broken socket jaws, significantly corroded and rusty socket jaws, and compromised meters that leak or are degraded by rodent or insect infestation. Third, check that the common neutral is common to all exposed metal surface. Fourth, employ a jaw tension test to ensure proper socket jaw tension force prior to connecting a meter into a customer’s meter base. Fifth, replace a customer’s equipment at PPL’s cost if the customer’s meter base socket jaws have an unsafe low socket jaw retention force. A hot socket gap indicator device may be used for such tests and socket safety clips(s) might be used to temporarily restore a safe retention force on socket jaw(s) until the customer’s meter base can be replaced. Load side socket jaws should be tested to ensure there is no voltage or continuity indicated. In summary, PPL should perform tests that serve to minimize any potential fires due to micro-arcing.

...

I recommend PPL and its Agents verify that the Underwriter’s Inspection Certificate is present on every AMI meter prior to its installation as an additional precaution. UL 2735, Standard for Electric Utility Meters and ANSI Z535.4 (Product Safety Signs and Labels).

ID at 33-34.

A. EXCEPTION NO. 1: THE ID ERRED IN TAKING JUDICIAL NOTICE OF THE ANSI AND UL STANDARDS AND THE TESCO WHITE PAPER

The ID erred in taking judicial notice of the ANSI and UL standards and the TESCO White Paper because: (1) these standards and the white paper are not matters of common knowledge or incontrovertible facts; and (2) taking judicial notice of these facts in the ID denied PPL Electric’s due process rights. ID at 33.

As the Commonwealth Court has recognized, “judicial notice may be taken only of matters of common knowledge, of facts which are ‘so well known [sic] as to be incontestable.’” *Commonwealth v. Cassidy*, 521 A.2d 59, 61 (Pa. Cmwlth. 1987) (quoting *Savoy v. Beneficial Consumer Disc. Co.*, 468 A.2d 465, 468 (Pa. 1983)). Examples of subjects that are appropriate for judicial notice “may include the county in which a town or city is located, and the location of roads and highways.” *Coard v. City of Phila.*, 2018 Pa. Commw. Unpub. LEXIS 92, at *5 (Pa. Cmwlth. 2018) (citing *Commonwealth v. Varner*, 401 A.2d 1235 (Pa. Super. 1979)). “However, a court may not take judicial notice of a fact for which there may be conflicting evidence, and so relieve a party of its burden of proof.” *Coard*, 2018 Pa. Commw. Unpub. At *5-6 (citations omitted).

Here, the ID’s fire safety recommendations are based on these technical standards and this white paper, which are not matters of common knowledge or incontrovertible facts. ID at 34. Indeed, the ANSI and UL standards are technical industry standards, and the TESCO White Paper contains the results and conclusions of TESCO – The Eastern Specialty Company (“TESCO”) concerning its research on meter installations. Therefore, these are not matters of common knowledge or incontrovertible facts, such as the county in which a town is located, that are appropriate for judicial notice.

Moreover, because the record closed before the ID was issued, taking judicial notice of these materials in the ID denied the Company due process. “The Commission, as an administrative body, is bound by the due process provisions of constitutional law and by the principles of common fairness.” *Hess v. Pa. PUC*, 107 A.3d 246, 266 (Pa. Cmwlth. 2014) (citations omitted). “Among the requirements of due process are notice and an opportunity to be heard on the issues, to be apprised of the evidence submitted, to cross-examine witnesses, to inspect documents, and to offer evidence in explanation or rebuttal.” *Id.* (citations omitted).

Here, PPL Electric was never presented with an opportunity to present evidence explaining why the TESCO White Paper is unreliable and should not be considered in this case. Similarly, although PPL Electric witness Larson testified about the Company’s fire safety practices and protocols (Tr. 234-38, 247-48), PPL Electric never had an opportunity to explain on the record that all of the ID’s fire safety recommendations have been adopted by the Company or are unnecessary given the Company’s established practices and procedures. Rather, PPL Electric’s presentation of evidence was focused on rebutting the fire safety allegations made by the Complainant. In fact, the Complainant never referenced the TESCO White Paper or these specific ANSI standards that were judicially noticed in the ID, nor did the Complainant propose the fire safety recommendations made in the ID.

If presented with the opportunity to respond to these standards, the TESCO White Paper, and these recommendations on the record, PPL Electric would have demonstrated, as shown below, that the TESCO White Paper is unreliable because it reaches conclusions that would lead to the purchase of TESCO’s products and that the fire safety recommendations have been

adopted by the Company or are unnecessary given the Company's established practices and procedures.¹

For these reasons, the ID erred in taking judicial notice of the ANSI and UL standards and the TESCO White Paper, upon which the ID based its fire safety recommendations.

B. EXCEPTION NO. 2: THE ID DID NOT NEED TO MAKE THE FIRE SAFETY RECOMMENDATIONS BECAUSE THEY HAVE ALREADY BEEN ADOPTED BY THE COMPANY OR ARE UNNECESSARY

The ID did not need to make the fire safety recommendations because they have already been adopted by the Company or are unnecessary given the Company's established practices and procedures. ID at 33-34.

First, the ID's recommendation that PPL Electric or its agents perform audits of past installations has already been adopted by the Company. Specifically, the Company has had two sets of audits performed on its past meter installations: one by Grid One Solutions LLC ("Grid One"), which is the contractor who installs the new AMI meters, and TESCO. To date, Grid One has completed 5,790 audits, and TESCO has completed approximately 37,000 audits.

Second, PPL Electric or its agents already "perform certain meter base checks . . . prior to setting any meters" as recommended by the ID. ID at 33. Indeed, PPL Electric's contractor, Grid One, inspects all meter bases before installing the new AMI meters. The technicians employed by Grid One receive training on how to identify issues with the meter bases. When discovering a potential issue, these technicians report the issue so that the customer-owned meter base can be repaired or replaced by the Company. To date, PPL Electric has repaired or replaced approximately 10,000 meter bases.

¹ As the Company was not presented with an opportunity to respond on the record in this proceeding to all of the ID's fire safety recommendations and the materials that were judicially noticed in the ID, attached hereto is a Verification signed by Mr. Scott Larson, who is a Senior Engineer of PPL Electric and was one of the Company's witnesses, attesting to the veracity of the information stated herein in response to the ID's fire safety recommendations and the materials that were judicially noticed.

Third, there is no need to place the UL inspection certificate on all of the AMI meters. As explained by the Complainant's own witness, the new AMI meter is certified by UL and meets the UL 2735 safety certification. (Tr. 78)

Fourth, the ID's other recommendations related to meter base inspections are unnecessary. During meter base inspections, the Company's contractor already performs the following tests recommended by the ID: (1) verify that conductor terminals are tight; (2) identify and address any defects during installation, i.e., loose or broken socket jaws, significantly corroded and rusty socket jaws, and compromised meters that leak or are degraded by rodent or insect infestation; and (3) check that the common neutral is common to all exposed metal surface. Further, as recommended by the ID, PPL Electric has been replacing the customer-owned meter bases at its cost when the meter bases are found to be unsafe or otherwise in need of replacement.

Fifth, the ID's recommendations for the Company to consult with peer electric distribution companies ("EDCs"), adopt best practices, and perform additional tests during meter base inspections are unnecessary as well. PPL Electric already has consulted with peer EDCs about these issues, performed extensive investigation and testing concerning these issues, and adopted best practices, including the in-depth inspections of the customer-owned meter bases before the new AMI meters are installed.

In April of 2013, PPL Electric partnered with TESCO to investigate meter failures due to hot socket conditions. The scope was to identify root cause, develop comprehensive test plan for meters, develop a site audit plan, and create a test fixture to simulate conditions. The root cause of these hot socket conditions was identified as loose or broken jaws within the customer-owned

meter bases. This situation would create an air gap around the meter blade; paired with any type of vibration, micro-arcing would occur creating a rise in temperature.

Based upon these findings PPL Electric developed a test fixture, the TESCO 3100-L Hot Socket Test Simulator, and successfully recreated the exact micro-arcing scenario in a controlled environment with the ability to control and monitor temperature at the meter blades. The Company also developed an enhanced field inspection criterion that was integrated into all applicable metering department instructions. Further, PPL Electric provided a training course about the enhanced field inspection criterion. The Company's findings also were shared with peer utility groups through the Association of Edison Illuminating Companies.

In November of 2014, the Company moved into the evaluating the new AMI meters that were to be deployed pursuant to its Commission-approved Smart Meter Plan. PPL Electric utilized the data gained from its TESCO partnership to set a high standard of acceptance for each meter under consideration. Based on this testing, the Landis+Gyr Focus meter was found to be the best device in withstanding heat and met the Company's high standards of acceptance. Moreover, the new AMI meter allows the Company to track temperature in 15-minute intervals and monitor trends. (Tr. 247) The meter also contains temperature alarms that will alert the Company if there is an issue, so it can dispatch a technician to investigate. (Tr. 247-48)

Notwithstanding, the ID recommends additional testing of the jaw tension and suggests that "a hot socket gap indicator device may be used for such tests" and that "socket safety clips(s) might be used to temporarily restore a safe retention force on socket jaw(s) until the customer's meter base can be replaced." ID at 34. Further, the ID states that "[l]oad side socket jaws should be tested to ensure there is no voltage or continuity indicated." These recommendations need not be adopted.

The ID fails to recognize that the TESCO White Paper was prepared by the company (*i.e.*, TESCO) who developed and sells the hot socket gap indicator and socket safety clip. Indeed, TESCO developed the hot socket gap indicator and socket safety clip based on its findings from its partnership with the Company. As a result, it would be in TESCO's financial interest for electric utilities to be forced to utilize the devices. Therefore, the TESCO White Paper is more akin to a marketing document, rather than an independent evaluation of research.

In addition, PPL Electric previously evaluated these devices and determined that they should not be utilized. TESCO claims that the hot socket gap indicator can be utilized to determine an unsafe holding-force on a meter socket jaw. However, PPL Electric's engineering team evaluated this device for use and determined that without a proper calibration to set holding force, the device could provide a false reading and chose not to employ it.

The Company also evaluated the socket safety clips. Although TESCO claims that these devices are a temporary solution to improve the holding force of meter socket jaws, the Company determined that, in certain situations, the socket clip had the potential to slip off the jaw causing further damage. Moreover, rather than leave this socket safety clip in place, the Company preferred the solution of immediately repairing sockets that were found to be unsafe. Accordingly, PPL Electric chose not to employ the socket clip as well.

Furthermore, during every new AMI meter installation, the Company's contractors already test the load side socket jaws to ensure there is no voltage or continuity. This testing establishes that the customer has no backfeed voltage present, protects the Company's installers from unsafe scenarios, and confirms that the customer has no type of unapproved generation.

Thus, the ID erred in recommending that these TESCO products could be utilized by PPL Electric and that the Company perform additional testing during its meter base inspections.

For these reasons, PPL Electric fully supports and is not contesting the ID's dismissal of the Complaint with prejudice; however, the Company respectfully requests that the ID be modified to remove the ID's fire safety recommendations that have already been adopted by the Company or are unnecessary given the Company's established practices and procedures.

IV. CONCLUSION

WHEREFORE, the Pennsylvania Public Utility Commission should grant PPL Electric Utilities Corporation's limited Exceptions and enter a Final Order consistent with these Exceptions that adopts the Initial Decision Dismissing Complaint, as modified to remove the fire safety recommendations.

Respectfully submitted,



Kimberly A. Klock (ID # 89716)
Amy E. Hirakis (ID # 310094)
PPL Services Corporation
Two North Ninth Street
Allentown, PA 18101
Phone: 610-774-4254
Fax: 610-774-4102
E-mail: kklock@pplweb.com
aehirakis@pplweb.com

Devin T. Ryan (ID # 316602)
Garrett P. Lent (ID # 321566)
Post & Schell, P.C.
17 North Second Street, 12th Floor
Harrisburg, PA 17101-1601
Phone: 717-731-1970
Fax: 717-731-1985
E-mail: dryan@postschell.com
glent@postschell.com

Curtis S. Renner (DC ID # 446187)
Watson & Renner
1901 Pennsylvania Ave., NW
Suite 1005 - ENS
Washington, DC 20006
Phone: 202-737 6302
E-mail: crenner@w-r.com

Date: September 5, 2018

Attorneys for PPL Electric Utilities Corporation

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Alan V. Schmukler,	:
	:
Complainant,	:
	:
v.	: Docket No. C-2017-2621285
	:
PPL Electric Utilities Corporation,	:
	:
Respondent.	:

VERIFICATION

I, Scott Larson, being Senior Engineer at PPL Electric Utilities Corporation, hereby state that the facts set forth above are true and correct to the best of my knowledge, information and belief, and that if asked orally at a hearing in this matter, my answers would be as set forth therein.

I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 relating to unsworn falsification to authorities.

Date: September 5, 2018


Scott Larson