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November 23, 1987

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NOV 23 1987

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

SECRETARY'S OFFICE  
Public Utility Commission

Re: Pennsylvania Public Utility Commission v.  
Philadelphia Electric Company, Docket Nos.  
I-870051, P-870230, M-870140

DOCUMENT  
FOLDER

Dear Secretary Rich:

Enclosed for filing please find an original and two copies of the Joint Stipulation on behalf of the Office of Trial Staff, Office of Consumer Advocate, Philadelphia Area Industrial Energy Users Group and Philadelphia Electric Company. Pursuant to the terms of the Commission's September 3, 1987 Order, said Stipulation designates the issues to be litigated in the above referenced proceeding.

Sincerely yours,

*Walter R. Hall II*  
Walter R. Hall, II

WRH:bls

Enclosures

cc: All parties of record  
Honorable Herbert S. Smolen, Esq.

ORIGINAL RECEIVED

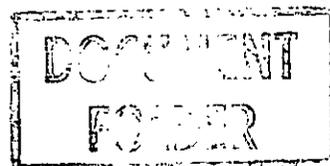
BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

NOV 23 1987

SECRETARY'S OFFICE  
Public Utility Commission

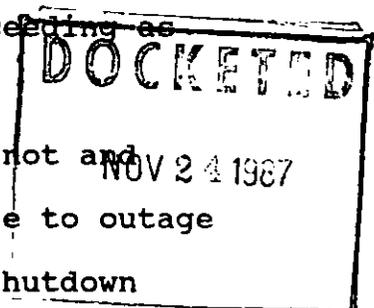
PENNSYLVANIA PUBLIC UTILITY COMMISSION	:	
	:	Docket Nos. I-870051
v.	:	P-870230
	:	M-870140
PHILADELPHIA ELECTRIC COMPANY	:	

JOINT STIPULATION



NOW COMES, Office of Trial Staff ("OTS"), Office of Consumer Advocate ("OCA"), Philadelphia Area Industrial Energy Users Group ("PAIEUG") and Philadelphia Electric Company ("PECO"), and, pursuant to the terms of the Commission's Order entered September 3, 1987, present this Joint Stipulation specifying and limiting the issues to be addressed at hearings and in briefing in this proceeding as follows:

1. PECO hereby reaffirms that it does not and will not claim replacement power costs attributable to outage periods solely and proximately caused by the NRC Shutdown Order affecting the Peach Bottom Station. Thus, the causes of the NRC Shutdown Order do not require evidentiary examination. The method to be used to calculate replacement power cost due to outage periods solely and proximately caused by the NRC Shutdown Order and the duration of such outage periods to the extent specifically described in



paragraphs 3 to 5 below, however, requires evidentiary examination.

2. Examination of how the ECRF 80%/20% reconciliation mechanism should be applied to costs not claimed by PECO as being solely and proximately caused by the NRC Shutdown Order or disallowed by the Commission. This issue incorporates that presented to ALJ Morris Solomon at Docket Nos. M-FACE8715 respecting the appropriate accounting for §1307(e) Statement preparation of the costs defined above.

3. Review of the Peach Bottom 2 outage period caused by necessary refueling and maintenance rather than the NRC Shutdown Order, which began March 13, 1987, to determine whether any portion of that period should have its associated replacement power costs disallowed due to imprudent management of refueling and maintenance activities. Review of outage periods subsequent thereto at Peach Bottom 2, including but not limited to outage extensions incurred during testing and startup activities, beneficial plant modifications or outage periods caused by independent events not presently identifiable, if activities occurring during such periods are advanced as support for allowance of replacement power costs claimed by the Company, to determine the appropriateness of such Company claims. Such outage periods cannot be fully identified at the present time as the outage has not yet ended and the activities performed during

it have not been fully defined. Such a claim for replacement power cost recovery will be made by the Company after giving ample notice to other parties and may be the subject of a separate hearing process.

4. Review of the actual start date, i.e. October 1, 1987, for the Peach Bottom 3 outage caused by necessary refueling, maintenance and pipe replacement rather than the NRC Shutdown Order, to determine whether that outage would have actually begun on October 1, 1987, as opposed to a later date, but for the NRC Shutdown Order. In other words, there shall be examined on the evidentiary record of this proceeding specifically whether the Peach Bottom 3 1987 outage actual start date of October 1, 1987 was advanced by the Company due to the occurrence of the NRC Shutdown Order. Issues respecting the management of that outage after its initiation are expressly deferred to future appropriate proceedings, if any.

5. Review of an approximate three week outage period at Peach Bottom 3 and associated replacement power costs claimed by the Company to be required in late July and early August 1987 to satisfy Plant Technical Specification surveillance testing and maintenance requirements rather than the NRC Shutdown Order to determine the accuracy of that claim.

6. In its Secretarial Letter dated June 26, 1987, the Commission made three adjustments to the Company's

proposed ECRF2 rate to which PECO has objected as follows: 1) reduction of PECO's projected coal and oil prices for the ECRF2 period to price levels existing at April 1987; 2) increased PECO's estimated generation from Peach Bottom 3 for the ECRF2 period from a 17.7% to a 50% capacity factor level; and 3) disallowed \$5,852,425 of replacement power costs associated with the April 1987 Peach Bottom 3 shutdown period. In addition, the Commission directed that a 60-70% capacity factor range be employed in future ECRF filings for total nuclear plant generation. The positions of the parties respecting these adjustments and their intention to present testimony and argument to the Commission is stated below. OTS will support the Commission's fossil fuel cost projections, while PECO will oppose those projections. OTS will support and PECO will oppose the Commission's Secretarial Letter Adjustment establishing the 60-70% total nuclear generation range. PECO, OCA and OTS will state positions as to the appropriate adjustments to be made on account of Peach Bottom 3 April 1987 replacement power costs. Also, PECO will explain the appropriateness for the record of its 17.7% projected Peach Bottom 3 capacity factor.

As an alternative to items denominated 1) and 2) above, PECO may request that the 20% non-reconciliation feature of its ECRF be suspended for the ECRF2 period, thus permitting a 100% reconciliation and recovery of actual costs (except for costs not claimed or disallowed). In addition,

PECO will request that it be provided interest on undercollections experienced as the result of the Commission's adjustments to the Clause. OCA and OTS will respond to these requests stated in this paragraph.

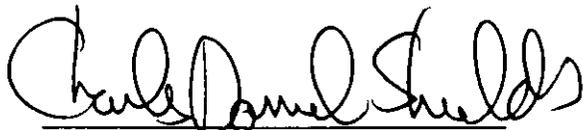
7. Examination of whether any additional and unreasonable nuclear fuel costs were incurred by PECO at Peach Bottom 3 as the result of its early refueling.

8. OCA proposes to review the operation and performance of PECO's other base load power plants for the period July 1, 1986 to April 30, 1987 to determine if any imprudence exists with respect to plant performance and outage management. PECO will not object to initial discovery respecting said non-Peach Bottom plant operations or outages (i.e., OCA Interrogatory Set 1), but reserves its right to object to the introduction of testimony and detailed discovery respecting non-Peach Bottom plant issues, or to file a Petition with the Commission seeking clarification of this matter.

The Parties agree that the above are the issues to be litigated under the terms of the Commission's September 3 Order and the pleadings submitted in response to PECO's ECRF2 rate filing. Each party reserves the right to raise additional issues during the proceeding, but only where such issues could not now be foreseen and thus identified in this Joint Stipulation. Each party agrees to provide other parties with notice of such issues within a reasonable time

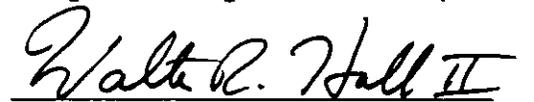
of their discovery, and it is further agreed that a reasonable extension or suspension of the hearing schedule should be permitted to allow an opportunity to address such issues. PECO expressly disagrees that any issues or matters may be raised for the first time in Brief or at hearings without prior adequate notice to it and a fair and full opportunity to address the matter at hearings.

WHEREFORE, the Undersigned Parties stipulate that the above are the issues to be addressed in this proceeding and that no other issues are to be addressed except when raised pursuant to the provision immediately stated above. The Parties request that the Administrative Law Judge enter an Order establishing and limiting the issues to be addressed as stated above.

  
Charles D. Shields, Esq.

Counsel for Office of  
Trial Staff

Respectfully submitted,

  
Walter R. Hall, II, Esq.  
John F. Stillmun, III, Esq.  
Nicholas J. Johnson, Esq.

Counsel for Philadelphia  
Electric Company

  
Joan Fitzpatrick, Esq.

Counsel for Office of  
Consumer Advocate

  
David M. Kleppinger, Esq.

Counsel for PAIEUG

BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

PENNSYLVANIA PUBLIC UTILITY	:	
COMMISSION	:	
Complainant	:	
	:	
v.	:	Docket Nos. I-870051
	:	P-870230
	:	M-870140
PHILADELPHIA ELECTRIC	:	
COMPANY	:	
Respondent	:	

CERTIFICATE OF SERVICE

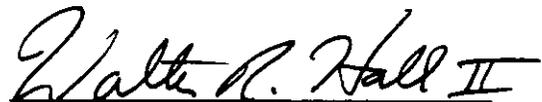
I hereby certify that I have this day served copies of the Joint Stipulation upon the person(s) and in the manner indicated below:

Hand Delivery:

Joan C. Fitzpatrick, Esquire  
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Counsel for PAIEUG

Charles Shields, Esquire  
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Commission  
Office of Trial Staff  
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Walter R. Hall, II  
Counsel for Philadelphia  
Electric Company

DATED: November 23, 1987

**MORGAN, LEWIS & BOCKIUS**

COUNSELORS AT LAW

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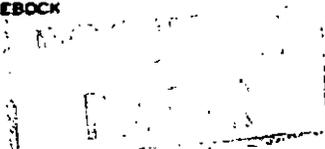
WASHINGTON

NEW YORK

LOS ANGELES

WALTER R. HALL II

DIAL DIRECT (215) 963-8700



July 27, 1988

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HAND DELIVERED

JUL 29 1988

Honorable Herbert S. Smolen, Esq.  
Administrative Law Judge  
Pennsylvania Public Utility Commission  
1302 Philadelphia State Office Building  
1400 West Spring Garden Street  
Philadelphia, PA 19130

SECRETARY'S OFFICE  
Public Utility Commission

Re: Pennsylvania Public Utility Commission v.  
Philadelphia Electric Company, Docket Nos.  
I-870051, P-870230, M-870140, C-871364

Dear Judge Smolen:

Enclosed is a fully executed original and two copies of a Petition and Joint Stipulation of All Parties requesting that your Honor reopen the record to permit limited and fully defined additional data or corrections to earlier submitted data to be placed into the record. That data which the Company proposes be placed in the record is attached, with the exception that it may be supplemented if required once the OTS Exhibit 5 calculation are reviewed. Given the extremely limited and defined nature of these calculations, the necessity for this supplementation or a hearing is believed to be extremely remote. Opposing parties, by signing the Petition and Stipulation, have agreed that no hearing is required to review the Company's attached calculations. The Joint Petition and Stipulation further provides for an 11 day extension of the due dates of the Main and Reply Briefs.

If you have any questions, please feel free to call.

Sincerely yours,

*Walter R. Hall II*  
Walter R. Hall, II

WRH:bls

Enclosure

cc: All parties of record

BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

DOCKETED  
AUG 2 1988

Pennsylvania Public Utility :  
Commission

v.

: Docket Nos. I-870051,  
: P-870230, M-870140 & C-871364

Philadelphia Electric :  
Company

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JUL 29 1988

PETITION AND  
JOINT STIPULATION OF  
ALL PARTIES

SECRETARY'S OFFICE  
Public Utility Commission

DOCUMENT  
FILED

NOW COMES, the Office of Trial Staff, the Office of Consumer Advocate, Philadelphia Area Industrial Energy Users Group and Philadelphia Electric Company (hereafter "the parties"), by their undersigned Counsel, and respectfully request that Administrative Law Judge Herbert S. Smolen (hereafter "the ALJ") grant the following:

1. The parties have agreed amongst themselves and hereby request the ALJ to reopen the record to permit inclusion therein of the following described two documents whose purpose is solely to update data respecting replacement power cost valuation for additional months and clarify positions already set forth in the record. Each undersigned party represents that it has reviewed Attachment 1, the additional data to be provided for the record by PECO, and no party requests that further hearings or cross examination be held with respect to that document or the data contained therein. The two documents requested to be

included in the record pursuant to this Petition and Joint Stipulation are as follows:

a. PECO Exhibit 12. This Exhibit, which is set forth as Attachment 1 to this Petition and Joint Stipulation, updates the data contained in the record respecting the valuation of replacement power costs to reflect data for the months of March, April, May and June 1988. The Exhibit also corrects certain errors in data previously provided and submits for the record Oral Data Responses TR-OTS-Carroll-4 and 5. A description of the Exhibit's contents is set forth on its initial page. The specific schedules already in the record which it updates for the period March to June 1988 include the following: PECO Statement 4B, Schedule 1, 2, 6 - Sheet 1 and Monthly Calculation Backup Schedules; PECO St. 4B, Schedule 6 - Sheets 6 & 10; Tr-OTS-Carroll-4 and 5; OTS Statement 1A, Schedule 5; and OTS Exhibit 2, Schedule 5. An affidavit attesting to the authenticity and accuracy of this data will be provided by PECO Witness John J. Carroll, Jr., under whose direction and supervision it has been prepared, upon the data's formal submission for inclusion in the record. Formal submission of PECO Exhibit 12 for the record will be made on or before August 2, 1988.

b. OTS Exhibit 5. This Exhibit shall consist solely of four revised schedules: a revised PECO St. 4B, Schedule 6, Sheet 1 and three supporting schedules providing only backup calculations similar to certain schedules set forth in PECO Exhibit 12. The purpose of these Schedules shall be solely to

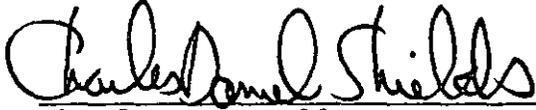
set forth calculations to show the numeric effect of OTS previously stated position on the record of opposition to an adjustment made by PECO in several methods of replacement power cost determination. This adjustment is that which has been made to eliminate what has been called "negative savings" from certain replacement power cost calculation methodologies. No additional matter other than the calculations necessary to demonstrate the numeric effect of this position shall be set forth in OTS Exhibit 5. All parties agree that PECO shall have a full opportunity to review said schedules prior to their submission for the record. OTS and PECO shall also agree upon the accuracy of the calculations made, or PECO may request a hearing to examine said calculations or may submit additional data or calculations responsive solely to and addressing only the accuracy of Trial Staff's calculations as part of its PECO Exhibit 12. An affidavit attesting to the accuracy of these calculations will be supplied for the record by Mr. Hosler. Formal submission of OTS Exhibit 5 will be made for the record on or before August 2, 1988.

2. In consideration of the Agreement set forth in item 1 above, the parties have further agreed to an extension in the briefing deadlines for this proceeding as follows:

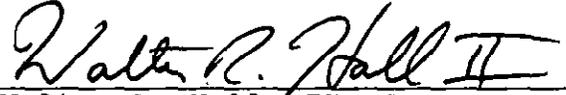
Main Brief	August 11, 1988
Reply Brief	August 25, 1988

WHEREFORE, the Parties respectfully request that Administrative Law Judge Herbert S. Smolen grant the foregoing requests in their entirety.

Respectfully submitted,



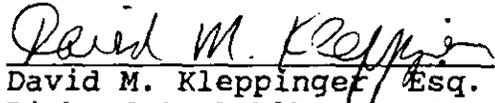
Charles F. Hoffman, Esq.  
Albert J. Johnson, Esq.  
Charles D. Shields, Esq.  
Counsel for Office of Trial  
Staff



Walter R. Hall, II, Esq.  
John F. Stillmun, Esq.  
Nicholas J. Johnson, Esq.  
Counsel for Philadelphia  
Electric Company



Irwin A. Popowsky, Esq.  
Tanya J. McCloskey, Esq.  
Counsel for Office of Consumer  
Advocate



David M. Kleppinger, Esq.  
Richard S. Kahlbaugh, Esq.  
Counsel for Philadelphia Area  
Industrial Energy Users  
Group

BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

PENNSYLVANIA PUBLIC UTILITY  
COMMISSION

v.

PHILADELPHIA ELECTRIC  
COMPANY

Docket Nos. I-870051  
P-870230  
M-870140  
C-871364

CERTIFICATE OF SERVICE

I hereby certify that I have, on July 27, 1988, served copies of a Petition and Joint Stipulation of All Parties by hand delivery and first class mail as indicated below:

FIRST CLASS MAIL:

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Harrisburg, PA 17120

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Commission  
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Counsel for PAIEUG

Jerry Rich, Secretary  
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HAND DELIVERY:

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Administrative Law Judge  
Pennsylvania Public Utility  
Commission  
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1400 Spring Garden Street  
Philadelphia, PA 19130

DATED: July 27, 1988

  
Walter R. Hall, II  
Counsel for Philadelphia  
Electric Company