

COMMONWEALTH OF PENNSYLVANIA



OFFICE OF CONSUMER ADVOCATE

555 Walnut Street, 5th Floor, Forum Place
Harrisburg, Pennsylvania 17101-1923
(717) 783-5048
800-684-6560

 @pa_oa

 /pennoca

FAX (717) 783-7152
consumer@paoca.org

February 17, 2021

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

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

Dear Secretary Chiavetta:

Attached for electronic filing please find the Office of Consumer Advocate's Further Prehearing Memorandum in the above-referenced proceeding.

Copies have been served per the attached Certificate of Service.

Respectfully submitted,

/s/ Christy M. Appleby
Christy M. Appleby
Assistant Consumer Advocate
PA Attorney I.D. # 85824
E-Mail: CAppleby@paoca.org

Enclosures:

cc: The Honorable Joel H. Cheskis (**email only**)
Certificate of Service

*304078

CERTIFICATE OF SERVICE

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

I hereby certify that I have this day served a true copy of the following document, the Office of Consumer Advocate's Further Prehearing Memorandum, upon parties of record in this proceeding in accordance with the requirements of 52 Pa. Code §1.54 (relating to service by a participant), in the manner and upon the persons listed below:

Dated this 17th day of February 2021.

SERVICE BY E-MAIL ONLY

Gina L. Miller, Esquire
Bureau of Investigation & Enforcement
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, PA 17120

Steven C. Gray, Esquire
Office of Small Business Advocate
555 Walnut Street
1st Floor, Forum Place
Harrisburg, PA 17101-1923

David B. MacGregor, Esquire
Michael W. Gang, Esquire
Lindsay A. Berkstresser, Esquire
Post & Schell
17 North Second Street, 12th Floor
Harrisburg, PA 17101-1601

Kimberly A. Klock, Esquire
PPL Services Corporation
2 North 9th Street
Allentown, PA 18101

/s/ Christy M. Appleby
Christy M. Appleby
Assistant Consumer Advocate
PA Attorney I.D. # 85824
E-Mail: CAAppleby@paoca.org

Darryl A. Lawrence
Senior Assistant Consumer Advocate
PA Attorney I.D. # 93682
E-Mail: DLawrence@paoca.org

Counsel for:
Office of Consumer Advocate
555 Walnut Street
5th Floor, Forum Place
Harrisburg, PA 17101-1923
Phone: (717) 783-5048
Fax: (717) 783-7152
Dated: February 17, 2021
*304076

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

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

FURTHER PREHEARING MEMORANDUM
OF THE
OFFICE OF CONSUMER ADVOCATE

Pursuant to the Further Prehearing Conference Order of Administrative Law Judge Joel H. Cheskis issued on January 12, 2021, Section 333 of the Public Utility Code, 66 Pa. C.S. § 333, and in anticipation of the Prehearing Conference scheduled for Wednesday, February 24, 2021, the Office of Consumer Advocate (OCA) provides the following information:

I. INTRODUCTION

On October 16, 2017, PPL Electric Utilities Corporation (PPL EU) filed an Application for Approval of Intercompany Restructuring with the Pennsylvania Public Utility Commission (Commission). Currently, PPL EU is a direct subsidiary of PPL Corporation. As detailed in the Application, under the proposed corporate restructuring, PPL EU would become the direct subsidiary of newly formed “PPL Energy Holdings, LLC.” Petition, Exhibit B. Under the proposed restructuring, PPL EU would remain an indirect subsidiary of PPL Corporation. Application at 3. The OCA filed a Notice of Intervention and Public Statement in this proceeding on November 22, 2017, to protect the interests of PPL EU’s ratepayers.

On September 11, 2018, the Recommended Decision denied the proposed Application because the Administrative Law Judges determined that the proposed intercompany restructuring was not necessary or proper for the service, accommodation, convenience or safety of the public

pursuant to Section 1103 of the Public Utility Code. See, 66 Pa. C.S. § 1103. The Commission adopted the Recommended Decision on April 25, 2019.

The Commission's Order was appealed to the Commonwealth Court. On October 27, 2020, the Commonwealth Court issued its Order, affirming in part and reversing and remanding, in part, the Commission's Order. PPL Electric Utilities Corp. v. Pa. PUC, 2020 Pa. Commw. Unpub. LEXIS 521, 241 A.3d 121 (Pa. Commw. Oct. 27, 2020). In its Order, the Commonwealth Court affirmed that the Commission correctly held that a Certificate of Public Convenience was required for PPL to complete the proposed transaction, but the Court held that the Commission did not apply the correct standard to the Application. Id. at * 31-*33. The Commonwealth Court remanded the matter for the Commission to apply the correct standard to the Application. Id. at *33.

II. ISSUES AND SUB-ISSUES

The OCA participated in the case below in order to protect the interests of PPL EU's ratepayers. The OCA will seek to ensure compliance with the Commonwealth Court's Order in this matter.

III. WITNESSES

The OCA does not plan to present a witness at this time. If the OCA determines that a witness is necessary, the OCA will promptly notify Your Honor and the parties.

IV. SERVICE ON THE OCA

The OCA will be represented in this case by Senior Assistant Consumer Advocate Darryl A. Lawrence, and Assistant Consumer Advocate Christy M. Appleby. Two copies of all documents should be served on the OCA as follows:

Christy M. Appleby
Assistant Consumer Advocate

Darryl A. Lawrence
Senior Assistant Consumer Advocate
Office of Consumer Advocate
555 Walnut Street, 5th Floor Forum Place
Harrisburg, PA 17101-1923
Telephone: (717) 783-5048
Facsimile: (717) 783-7152
E-mail: cappleby@paoca.org
dlawrence@paoca.org

V. PROCEDURAL SCHEDULE

The OCA will work with the parties to develop a mutually agreeable procedural schedule.

VI. DISCOVERY

The OCA does not propose any discovery rule modifications.

VII. SETTLEMENT

The OCA is willing to participate fully in all settlement discussions as needed.

Respectfully Submitted,

/s/ Christy M. Appleby
Christy M. Appleby
Assistant Consumer Advocate
PA Attorney I.D. # 85824
E-Mail: CAAppleby@paoca.org

Darryl A. Lawrence
Senior Assistant Consumer Advocate
PA Attorney I.D. # 93682
E-Mail: DLawrence@paoca.org

Counsel for:
Tanya J. McCloskey
Acting Consumer Advocate

Office of Consumer Advocate
555 Walnut Street
5th Floor, Forum Place
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Phone: (717) 783-5048
Fax: (717) 783-7152

DATE: February 17, 2021