



COMMONWEALTH OF PENNSYLVANIA

February 17, 2021

**E-FILED**

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:

Enclosed please find the Prehearing Memorandum, on behalf of the Office of Small Business Advocate (“OSBA”), in the above-captioned proceeding.

Copies will be served on all known parties in this proceeding, as indicated on the attached Certificate of Service.

If you have any questions, please do not hesitate to contact me.

Sincerely,

/s/ Steven C. Gray

Steven C. Gray  
Senior Supervising  
Assistant Small Business Advocate  
Attorney ID No. 77538

*Enclosures*

cc: The Honorable Joel Cheskis  
Mr. Robert D. Knecht  
Parties of Record

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

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

**PREHEARING MEMORANDUM  
OF THE OFFICE OF SMALL BUSINESS ADVOCATE**

**I. INTRODUCTION**

The Office of Small Business Advocate (“OSBA”) is authorized to represent the interests of small business customers of utility services before the Pennsylvania Public Utility Commission (“Commission”) pursuant to the provisions of the Small Business Advocate Act, Act 181 of 1988, 73 P.S. §§ 399.41 – 399.50 (“the Act”). In order to discharge this statutory duty, the Small Business Advocate deems it necessary to participate as a party to these proceedings. Representing the OSBA in the above-referenced matter is Assistant Small Business Advocate Steven C. Gray. Please address all correspondence in this matter as follows:

Steven C. Gray, Esq.  
Senior Supervising  
Assistant Small Business Advocate  
Office of Small Business Advocate  
555 Walnut Street  
Forum Place 1<sup>st</sup> Floor  
Harrisburg, PA 17101  
(717) 783-2525  
(717) 783-2831 (fax)  
[sgray@pa.gov](mailto:sgray@pa.gov)

**II. BACKGROUND**

On October 27, 2020, the Commonwealth Court issued its decision in *PPL Electric*

*Utilities Corporation v. Public Utility Commission* at Docket No. 624 C.D. 2019.

The Commonwealth Court held:

To recapitulate, section 1103(a) provides that a CPC [certificate of public convenience] ‘**shall be granted** by order of the [C]ommission, only **if the [C]ommission shall find or determine that the granting of such certificate is necessary or proper for the service, accommodation, convenience, or safety of the public.**’

*PPL Electric*, at 17 (emphasis in original) (citation omitted). The Commonwealth Court concluded, as follows:

[W]e believe the Commission can conduct a disjunctive analysis in this case and that, for purposes of section 1103(a), Utility need only establish—and the Commission need only find—that granting a CPC would be ‘proper for the service . . . of the public.’ 66 Pa. C.S. §1103(a).

*Id.*, at 24.

### **III. IDENTIFICATION OF WITNESS AND TENTATIVE ISSUES**

Assisting in the development and presentation of the OSBA’s case in this proceeding will be:

Mr. Robert D. Knecht  
Industrial Economics Incorporated  
2067 Massachusetts Avenue  
Cambridge, MA 02140  
(617) 354-0074  
(617) 354-0463 (Fax)  
RDK@indecon.com

The OSBA will participate in this proceeding to assure that the interests of small business customers are adequately represented and protected.

After the initial proceeding before the Commission at this Docket, and the issuance of the Commonwealth Court's decision, the OSBA has identified the following list of issues that it will litigate in this proceeding:

1. Whether PPL's proposed inter-company restructuring is necessary for service, accommodation, convenience, or safety of the public.
2. Whether PPL's proposed inter-company restructuring is proper for service, accommodation, convenience, or safety of the public.
3. Whether PPL's proposed inter-company restructuring is solely for the benefit of the Company and its shareholders and is not "necessary or proper for the service, accommodation, convenience, or safety of the public."

The OSBA reserves the right to pursue additional issues that may arise throughout this proceeding.

#### **IV. SERVICE OF DOCUMENTS**

In accordance with 52 Pa. Code § 1.54(b)(3)(i), the OSBA agrees to accept electronic mail delivery of documents on the due date<sup>1</sup> as satisfying the in-hand requirement. At the time of this writing, hard copy delivery of documents to the OSBA is not possible. The OSBA requests that email delivery of documents also be provided to its witness identified above.

In addition to email copies of pleadings, briefs, and exceptions, the OSBA requests email copies of responses to discovery propounded by the OSBA or any other party.

---

<sup>1</sup> In accordance with 52 Pa. Code § 1.56(a)(5), documents must be received by 4:30 pm.

**V. DISCOVERY**

The OSBA does not propose any discovery modifications.

**VI. SETTLEMENT**

The OSBA notes its willingness to enter into settlement discussions at the appropriate phase of this proceeding.

**VII. HEARING AND BRIEFING SCHEDULE**

The record set forth in the underlying Commission litigation is complete. The OSBA proposes that parties simply brief the issues based upon the Commonwealth Court's decision.

The OSBA will discuss the procedural and briefing schedule with the parties and will keep Deputy Chief Administrative Law Judge Joel H. Cheskis updated on those discussions prior to the February 24, 2021, prehearing conference.

Respectfully submitted,

/s/ Steven C. Gray

---

Steven C. Gray, Esq.  
Senior Supervising  
Assistant Small Business Advocate  
Attorney ID No. 77538

Office of Small Business Advocate  
555 Walnut Street  
Forum Place 1<sup>st</sup> Floor  
Harrisburg, PA 17101  
(717) 783-2525  
(717) 783-2831 (fax)

Dated: February 17, 2021

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

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

**CERTIFICATE OF SERVICE**

I hereby certify that true and correct copies of the foregoing have been served via email only (*unless other noted below*) upon the following persons, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

The Honorable Joel Cheskis  
Administrative Law Judges  
Pennsylvania Public Utility Commission  
400 North Street  
Commonwealth Keystone Building  
Harrisburg, PA 17120  
[jcheskis@pa.gov](mailto:jcheskis@pa.gov)

Gina L. Miller, Esquire  
Bureau of Investigation & Enforcement  
400 North Street  
Commonwealth Keystone Building  
Harrisburg, PA 17120  
[ginmiller@pa.gov](mailto:ginmiller@pa.gov)  
(*Counsel for BIE*)

Christy Appleby, Esq.  
Erin L. Gannon, Esq.  
Office of Consumer Advocate  
Forum Place  
555 Walnut Street, 5th Floor  
Harrisburg, PA 17101-1923  
[cappleby@paoca.org](mailto:cappleby@paoca.org)  
[egannon@paoca.org](mailto:egannon@paoca.org)

David B. MacGregor, Esquire  
Michael W. Gang, Esquire  
Lindsay A. Berkstresser, Esquire  
Post & Schell, P.C.  
17 North Second Street, 12<sup>th</sup> Floor  
Harrisburg, PA 17101  
[dmacgregor@postschell.com](mailto:dmacgregor@postschell.com)  
[mgang@postschell.com](mailto:mgang@postschell.com)  
[lberkstresser@postschell.com](mailto:lberkstresser@postschell.com)  
(*Counsel for PPL*)

Kimberly A. Klock, Esquire  
PPL Services Corporation  
Two North Ninth Street  
Allentown, PA 18101  
[kklock@pplweb.com](mailto:kklock@pplweb.com)  
(*Counsel for PPL*)

DATE: February 17, 2021

/s/ Steven C. Gray

---

Steven C. Gray  
Senior Supervising  
Assistant Small Business Advocate  
Attorney I.D. No. 77538