



COMMONWEALTH OF PENNSYLVANIA

October 31, 2025

**E-FILED**

Matthew L. Homsher, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street  
Harrisburg, PA 17120

**Re: Pennsylvania Public Utility Commission v. PPL Electric Utilities Corporation  
/ Docket No. R-2025-3057164**

Dear Secretary Homsher:

Enclosed for filing please find the Prehearing Memorandum, on behalf of the Office of Small Business Advocate (“OSBA”), in the above-referenced 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 Attorney  
Assistant Small Business Advocate  
Attorney ID No. 77538

*Enclosures*

cc: Maksim Malukoff  
Robert D. Knecht  
Mark Ewen  
Parties of Record

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

<b>Pennsylvania Public Utility Commission</b>	:	
	:	<b>Docket No. R-2025-3057164</b>
<b>v.</b>	:	
	:	
<b>PPL Electric Utilities Corporation</b>	:	

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

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**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 are Assistant Small Business Advocates Steven C. Gray and Rebecca Lyttle. Please address all correspondence in this matter as follows:

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Assistant Small Business Advocate  
Office of Small Business Advocate  
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## **II. FILING BACKGROUND**

On September 30, 2025, pursuant to Section 1308(8) of the Public Utility Code, 66 Pa. C.S. Section 1308(d), PPL Electric Utilities Corporation (“PPL” or the “Company”) filed Original Tariff Electric – Pa. P.U.C. No. 202 (“Tariff No. 202”) with the Commission. PPL’s Tariff No. 202 proposes to increase the Company’s annual distribution revenue by approximately \$356 million, or approximately 33.42%.

The OSBA filed a Complaint on October 9, 2025.

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

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

Mark Ewen  
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Robert D. Knecht  
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The OSBA will participate in this proceeding to assure that the interests of PPL’s small business customers are adequately represented and protected.

After an initial review of the materials submitted by PPL, the OSBA has identified the following list of issues that it will evaluate in this proceeding:

- (1) Whether the Company’s proposed allocated cost of service study (“ACOSS”) reasonably reflects cost causation, past practice and Commission precedent, including but not limited to distribution plant sub-functionalization and classification, selection of theoretically appropriate demand allocators, and the

- development of peak demand and customer allocation factors;
- (2) Whether the Company's revenue allocation proposal reasonably reflects the results of a reasonable ACOSS, rate gradualism, credible competitive concerns and other established rate design principles;
  - (3) Whether the Company's proposed rate design for the GS-1, GS-3 and LP-4 customer classes is consistent with allocated costs and other established rate design principles, including but not limited to evaluation of the applicability of narrow billing demands for commercial customers that do not reflect system demands or time-of-use;
  - (4) Whether the Company's proposal to close out Rate GH is appropriate at this time;
  - (5) Whether the Company's cost allocation and rate design practices reasonably reflect the implications of the trend increases in distributed generation and electric vehicle usage, as identified by Vice Chair Barrow;
  - (6) Whether some portion of the costs for the Company's CAP programs should reasonably be assigned to new large load customers, pursuant to the consideration raised by Vice Chair Barrow;
  - (7) Whether the Company's proposal to categorize default service customers between the GSC-1 and GSC-2 rate categories based on "net power flow from or into the Company's distribution or transmission system" is a reasonable response to the proliferation of large customer generators in the GSC-1 default service category;
  - (8) Whether the Company's proposal to include the cost of payment transaction fees in base rates is reasonable, and whether the proposal is reasonably accounted for in the proposed cost allocation and rate design;

- (9) Whether the Company's proposed changes to the universal service program, including but not necessarily limited to the proposed inclusion of internal universal service employee costs in the rider and proposed elimination of the cost recovery offset, are reasonable, and are properly accounted for in the proposed cost allocation and rate design;
- (10) Whether the Company's proposed Elective Vehicle Time-of-Use Charging Rebate program is reasonable and consistent with established cost assignment and cost recovery practices; and
- (11) Whether the Company's Economic Development Program outlined in PPL Electric Statement No 21 represents a reasonable use of ratepayer funds, and whether the costs for the program are properly attributed and recovered in the Company's proposed cost allocation and rate design with allocated costs and other established rate design principles.

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.

**The OSBA requests that email delivery of documents also be provided to its witnesses 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.

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<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**

At the time of this writing, the parties are discussing a proposed procedural schedule.

Respectfully submitted,

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

Commonwealth of Pennsylvania  
Office of Small Business Advocate  
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Dated: October 31, 2025

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

<b>Pennsylvania Public Utility Commission</b>	:	
	:	<b>Docket Nos. R-2025-3057164</b>
<b>v.</b>	:	<b>C-2025-3057889</b>
	:	
<b>PPL Electric Utilities Corporation</b>	:	

**CERTIFICATE OF SERVICE**

I hereby certify that true and correct copies of the foregoing have been served via email (*unless otherwise 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 Christopher P. Pell  
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The Honorable Barbara Shadie Nause  
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Date: October 31, 2025

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