

COMMONWEALTH OF PENNSYLVANIA



OFFICE OF CONSUMER ADVOCATE

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Consumer Advocate

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September 25, 2009

James J. McNulty
Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

RE: Petition of PPL Electric Utilities
Corporation for Approval of a Smart Meter
Technology Procurement and Installation Plan
Docket No. M-2009-2123945

Dear Secretary McNulty:

Enclosed for filing is the Prehearing Memorandum of the Office of Consumer Advocate,
in the above-referenced proceeding.

Copies have been served as indicated on the enclosed Certificate of Service.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "James A. Mullins".

James A. Mullins
Assistant Consumer Advocate
PA Attorney I.D. # 77066

Enclosures

cc: Honorable Wayne L. Weismandel
Office of Special Assistants

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BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of PPL Electric Utilities Corporation :
for Approval of a Smart Meter Technology : Docket No. M-2009-2123945
Procurement and Installation Plan :

PREHEARING MEMORANDUM
OF THE
OFFICE OF CONSUMER ADVOCATE

Pursuant to Section 333 of the Public Utility Code, 66 Pa.C.S. § 333, and in response to the Prehearing Conference Order issued in the above-captioned matter, the Office of Consumer Advocate (OCA) provides the following information:

I. INTRODUCTION

On August 14, 2009, PPL Electric Utilities Corporation (PPL or Company) filed its Petition with the Pennsylvania Public Utility Commission (Commission) pursuant to Section 2807(f)(1) of the Public Utility Code and pursuant to the Implementation Order entered by the Commission at Docket No. M-2009-2092655 on June 24, 2009. Since all of PPL's metered customers currently have advanced meters installed at their service locations, the Company proposes to study, test and pilot applications which enhance and expand upon the capabilities of its current advanced meter infrastructure. Further, PPL proposes to recover its Smart Meter Plan

costs through its Act 129 Compliance Rider that was filed with PPL Electric's Energy Efficiency and Conservation Plan on July 1, 2009, as modified to recover smart meter technology costs.

The Company's filing was assigned to the Office of Administrative Law Judge and further assigned to Administrative Law Judge Wayne L. Weismandel for investigation. On September 1, 2009, a Prehearing Conference Order was issued by ALJ Weismandel specifying, among other things, that a prehearing conference will be held in Harrisburg on September 29, 2009.

On August 28, 2009, the Office of Consumer Advocate filed its Notice of Intervention and Public Statement in this matter. The OCA has served three sets of interrogatories to date and expects to compile further questions as it receives answers to its previously- served interrogatories. On September 25, 2009, the OCA will file Comments in this proceeding which will set forth the specific issues that the OCA has identified.

II. ISSUES AND SUB-ISSUES

Based upon a preliminary analysis of PPL's filing, the OCA has compiled a list of issues and sub-issues which it anticipates will be included in its investigation of the Company's filing. It is anticipated that other issues may arise and may be pursued once the answers to all of OCA's interrogatories have been received and analyzed.

The following list sets forth the issues at this time that the OCA anticipates it will examine:

- (1) Reasonableness of the Company's smart meter plan and the individual proposed pilots for meeting the requirements of Act 129.
- (2) Review the reasonableness of the Company's proposed pilot program costs, including the proposed budgets.

- (3) Review the reasonableness and cost effectiveness of the proposed pilot programs and whether the resulting rates are just and reasonable.
- (4) Review the need for an on-going role of a stakeholder group and Commission review and approval of pilot programs.
- (5) Review the reasonableness of the Company's proposed cost recovery mechanisms and the allocation of costs.

The OCA specifically reserves the right to raise additional issues as may be necessary. The OCA would note that it is also filing Comments in this docket on September 25, 2009 in which the OCA identifies its initial concerns and recommendations regarding the Company's filing. A copy of the OCA's Comments will be provided to the ALJ and the parties to the proceeding.

III. WITNESSES

The OCA intends to present the direct testimony of expert witnesses in this proceeding to accompany the OCA's Comments. In order to expedite the resolution of this proceeding, the OCA requests that copies of all interrogatories, comments, and answers to interrogatories be mailed directly to the expert witnesses as well as mailing a copy to counsel for the OCA.

Smart Meter Plan and Cost Recovery

Thomas Catlin
Dale Swan
Steve Estomin
Christina Mudd
Exeter Associates, Inc.
Suite 310
5565 Sterrett Place
Columbia, MD 21044
Phone: (410) 992-7500
Fax: (410) 992-3445

The OCA specifically reserves the right to call additional witnesses, as necessary. As soon as the OCA has determined whether an additional witness or witnesses will be necessary for any portion of its case, Your Honor and all parties of record will be notified.

IV. SERVICE ON OCA

The OCA will be represented in this case by Assistant Consumer Advocate, James A. Mullins and Senior Assistant Consumer Advocate, Tanya J. McCloskey. Two copies of all documents should be served on the OCA as follows:

James A. Mullins
Assistant Consumer Advocate
PA Attorney I.D. # 77066
E-Mail: jmullins@paoca.org
Office of Consumer Advocate
555 Walnut Street
5th Floor, Forum Place
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Phone: (717) 783-5048
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As a courtesy, the OCA requests that all electronic correspondence be copied to Jessica J. Horner (JHorner@paoca.org).

V. DISCOVERY

In order to effectively investigate and adequately develop a record on these issues, the OCA requests a modification of the Commission's procedural rules, as set forth below:

(1) Answers to written interrogatories shall be served in-hand within seven (7) calendar days of service.

(2) Objections to interrogatories shall be communicated orally within three (3) calendar days of the service of interrogatories; unresolved objections shall be served to the ALJ in writing within five (5) days of service of the interrogatories.

(3) Motions to dismiss objections and/or direct the answering of interrogatories shall be filed within three (3) calendar days of service of the written objections.

(4) Answers to motions to dismiss objections and/or answering of interrogatories shall be filed within three (3) calendar days of service of such motions.

(5) Ruling over such motions shall be issued, if possible, within seven (7) calendar days of the filing of the motion.

(6) Responses to requests for document production, entry for inspection, or other purposes must be served in-hand within seven (7) calendar days.

(7) Requests for admissions will be deemed admitted unless answered within seven (7) calendar days or objected to within five (5) calendar days of service.

The OCA reiterates that all time periods established in the foregoing discovery schedule should be calculated using calendar days.

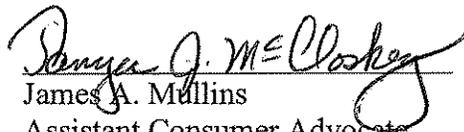
VI. SCHEDULE

The OCA will work with the other parties to address any scheduling issues.

VII. PUBLIC INPUT HEARINGS

At present, the OCA has not received any requests for public input hearings. However, if consumer interest arises, the OCA will make prompt notification to the Administrative Law Judge and the parties.

Respectfully Submitted,



James A. Mullins
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Tanya J. McCloskey
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Dated: September 25, 2009
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CERTIFICATE OF SERVICE

Petition of PPL Electric Utilities Corporation :
for Approval of a Smart Meter Technology : Docket No. M-2009-2123945
Procurement and Installation Plan :

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

Dated this 25th day of September 2009.

SERVICE BY E-MAIL and INTEROFFICE MAIL

Allison C. Kaster, Esquire
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Counsel for: *Office of Trial Staff*

SERVICE BY E-MAIL and FIRST CLASS MAIL

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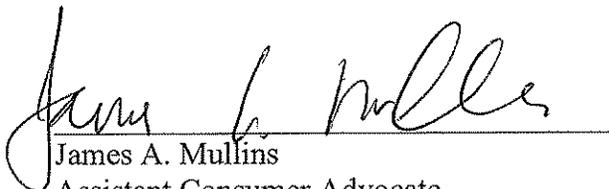
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