

COMMONWEALTH OF PENNSYLVANIA



OFFICE OF CONSUMER ADVOCATE

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December 6, 2012

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17105-3265

Re: Petition of PPL Electric Utilities
Corporation for Approval of its Act 129
Phase II Energy Efficiency and
Conservation Plan
Docket No. M-2012-2334388

Dear Secretary Chiavetta:

Enclosed please find the Office of Consumer Advocate's Prehearing Memorandum in the above-referenced proceeding.

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

Sincerely,

A handwritten signature in cursive script that reads "Dianne E. Dusman".

Dianne E. Dusman
Senior Assistant Consumer Advocate
PA Attorney I.D. # 38308

Enclosures

cc: Hon. Dennis J. Buckley, ALJ
Certificate of Service
163284

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of PPL Electric Utilities :
For Approval of an Act 129 Phase II : Docket No. M-2012-2334388
Energy Efficiency and Conservation 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 AND PROCEDURAL HISTORY

On November 15, 2012, PPL Electric Utilities Corporation (PPL or Company) filed its Petition for Approval of an Act 129 Phase II Energy Efficiency and Conservation Plan (“Phase II Plan”) with the Pennsylvania Public Utility Commission (“Commission”), pursuant to Section 2806.1 of the Public Utility Code and the Implementation Order entered by the Commission at Docket Nos. M-2008-2069887 and M-2012-2289411 on August 3, 2012. Petition at 1. PPL plans to reduce annual energy consumption by at least 821,072 million MWh by May 31, 2016 by implementing thirteen energy efficiency programs. *Id.* at 4-5. Specifically, the Company has proposed, among others, the following programs: (1) Appliance Recycling Program, (2) Residential Retail Program, (3) Residential Energy-Efficiency Behavior and Education Program, (4) Low-income WRAP program, (5) E-Power Wise Program, (6) Residential Home Comfort Program, (7) Student and Parent Energy-Efficiency Education Program, (8) Low income Energy-

Efficiency Behavior & Education Program, and (9) Master Metered Low-income Multifamily Housing Program. Id. at 10.

The Company's filing was assigned to the Office of Administrative Law Judge (ALJ) and further assigned to ALJ Dennis J. Buckley for investigation. On November 28, 2012, a Prehearing Conference Order was issued by ALJ Buckley specifying, among other things, that a prehearing conference will be held in Harrisburg on December 10, 2012.

On December 6, 2012, the Office of Consumer Advocate filed its Notice of Intervention and Public Statement in this matter.

The OCA is also presently compiling interrogatories to serve on the Company. On December 21, 2012, unless otherwise ordered, the OCA will serve Direct Testimony and Comments which will set forth the specific issues that the OCA has identified by that date.

II. ISSUES

Based upon a preliminary analysis of PPL's filing, the OCA has compiled a list of issues which it anticipates will be included in its investigation of the PPL'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 proposed energy conservation and demand response plan and the individual program design for meeting the requirements of Act 129.

- (2) Reasonableness of the balance of the portfolio of programs and whether the programs are equitably distributed.
- (3) Review whether the Company's Plan meets the requirements of Act 129 for low-income customers and governmental/non-profit customers.
- (4) Review the reasonableness of the Company's proposed program costs, including the proposed budgets.
- (5) Review the reasonableness of the Company's proposed cost recovery mechanisms and the allocation of overhead and common costs.
- (6) Review the reasonableness and cost effectiveness of the proposed programs, including whether the Plan meets the requirements of the Total Resource Cost (TRC) test.
- (7) Reasonableness of the Company's proposed measurement and verification and evaluation plans.
- (8) Review the need for an on-going role of a stakeholder group.

The OCA specifically reserves the right to raise additional issues as may be necessary.

III. WITNESSES

The OCA intends to present the direct testimony of the following witness 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 witness, as well as to counsel for the OCA.

EE&C Plan and Cost Recovery

Geoffrey Crandall
MSB Energy Associates, Inc.
1800 Parmenter Street, Suite 204
Middleton, WI 53562
Phone: 608-831-1127
Email: Crandall@msbnrg.com

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, all parties of record will be notified.

IV. SERVICE ON OCA

The OCA will be represented in this case by Senior Assistant Consumer Advocate, Dianne E. Dusman and Assistant Consumer Advocate, Amy Hirakis. Two copies of all documents should be served on the OCA as follows:

Dianne E. Dusman
Senior Assistant Consumer Advocate
PA Attorney I.D. # 38308
Office of Consumer Advocate
555 Walnut Street
5th Floor, Forum Place
Harrisburg, PA 17101-1923
Phone: (717) 783-5048
Fax: (717) 783-7152
E-Mail: DDusman@paoca.org

As a courtesy, the OCA would appreciate it if the following email addresses would also be included on any electronic correspondence: AHirakis@paoca.org and CShoen@paoca.org.

V. DISCOVERY

Given the expedited nature of the schedule, the OCA intends to work with the parties to

expedite discovery by pursuing informal discovery to the fullest extent possible, and will supplement this with formal discovery when appropriate.

VI. SCHEDULE

The OCA is agreeable to the proposed schedule contained in the prehearing conference order.

VII. PUBLIC INPUT HEARINGS

The OCA does not anticipate that a public input hearing will be necessary in this proceeding.

Respectfully Submitted,



Dianne E. Dusman
Senior Assistant Consumer Advocate
PA Attorney I.D. # 38308
E-Mail: DDusman@paoca.org

Amy Hirakis
Assistant Consumer Advocate
PA Attorney I.D. #310094

Counsel for:
Tanya J. McCloskey
Acting Consumer Advocate

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CERTIFICATE OF SERVICE

Petition of PPL Electric Utilites Corporation :
For Approval of its Act 129 Phase II : Docket No. M-2012-2334388
Energy Efficiency and Conservation Plan :

I hereby certify that I have this day served a true copy of the foregoing, the Office of Consumer Advocate's Prehearing Memorandum, 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 6th day of December 2012.

SERVICE BY E-MAIL and INTEROFFICE MAIL

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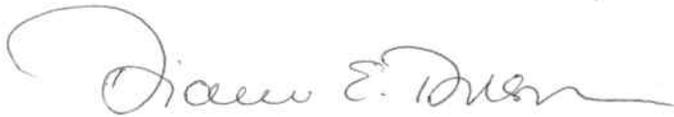
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