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August 8, 2014

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, PA 17120

VIA ELECTRONIC FILING

RE: Petition of PPL Electric Utilities Corporation for Approval of Its Smart Meter Technology Procurement and Installation Plan; Docket No. M-2014-2430781

Dear Secretary Chiavetta:

Enclosed for filing with the Pennsylvania Public Utility Commission is the Petition to Intervene and Protest of the PP&L Industrial Customer Alliance ("PPLICA") concerning the above-referenced proceeding.

As shown by the attached Certificate of Service, all parties to this proceeding are being duly served. Thank you.

Very truly yours,

McNEES WALLACE & NURICK LLC

By

A handwritten signature in black ink, appearing to read 'Adeolu A. Bakare', is written over a horizontal line.

Adeolu A. Bakare

Counsel to the PP&L Industrial Customer Alliance

Enclosures

c: Administrative Law Judge Susan D. Colwell (via Email and First-Class Mail)
Certificate of Service

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CERTIFICATE OF SERVICE

I hereby certify that I am this day serving a true copy of the foregoing document upon the participants listed below in accordance with the requirements of 52 Pa. Code Section 1.54 (relating to service by a participant).

VIA E-MAIL AND FIRST-CLASS MAIL

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Adeolu A. Bakare
Counsel to the PP&L Industrial Customer Alliance

Dated this 8th day of August, 2014, at Harrisburg, Pennsylvania

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition of PPL Electric Utilities Corporation :
for Approval of its Smart Meter Technology : Docket No. M-2014-2430781
Procurement and Installation Plan :

**PETITION TO INTERVENE AND PROTEST OF
THE PP&L INDUSTRIAL CUSTOMER ALLIANCE**

Pursuant to Sections 5.51 and 5.71-5.74 of the Pennsylvania Public Utility Commission's ("PUC" or "Commission") Regulations, 52 Pa. Code §§ 5.51 and 5.71-5.74, and the Commission's July 19, 2014, Notice as published in the *Pennsylvania Bulletin*, the PP&L Industrial Customer Alliance ("PPLICA") hereby submits this Petition to Intervene and Protest in response to the above-captioned Petition of PPL Electric Utilities Corporation ("PPL" or "Company").

On August 14, 2009, consistent with the requirements of Act 129 and the Commission's Smart Meter Implementation Order ("Implementation Order") entered on June 24, 2009, at Docket No. M-2009-2092655, PPL filed its initial Smart Meter Technology Procurement and Installation Plan ("Initial SMPI Plan") with the Commission. On June 24, 2010, the Commission entered an Opinion and Order ("June 2010 Order"), which determined, *inter alia*, that PPL's existing metering system did not provide customers with direct access to customer usage data. *See* June 2010 Order, p. 22. As a result, the Commission directed PPL to provide metered usage data from the meter to customers to support the automatic control of electricity consumption. *Id.* On August 2, 2012, the Commission issued an Order ("August 2010 Order") authorizing PPL to file a SMPI Plan by June 30, 2014. August 2010 Order, p. 21.

On June 30, 2014, PPL petitioned the Commission for approval of its Smart Meter Technology Procurement and Installation Plan ("SMPI Plan" or "Petition"). Through the SMPI Plan, PPL proposes to begin implementing the technology necessary for smart meters in 2015, with full smart meter deployment from 2017 to 2019. Petition, p. 1. Specifically, PPL proposes to replace its existing power line carrier metering system with a Radio Frequency Mesh metering system to fully comply with the requirements of Act 129 and the Implementation Order. *Id.* at 2.

PPL estimates its total costs to be approximately \$449.3 million, and proposes to recover these costs through the Smart Meter Rider ("SMR") as a per-customer charge for all Residential, Small Commercial and Industrial ("C&I") and Large C&I customers. *Id.* at 22-23.

In support of its Petition to Intervene and Protest, PPLICA asserts as follows:

I. PETITION TO INTERVENE

1. PPLICA is an ad hoc association of energy-intensive manufacturing and industrial customers receiving electric service in PPL's service territory. PPLICA has been actively involved in proceedings related to PPL's smart meter plan. PPLICA members purchase service from PPL primarily under Rate Schedules LP-4 and LP-5, as well as available riders. PPLICA members collectively consume approximately 1.74 billion kWh of electricity annually in manufacturing and other operational processes, and electricity costs comprise a significant portion of their production costs.

2. PPLICA members are concerned with issues regarding SMPI costs, the Company's proposed allocation of those costs, the Company's proposed cost recovery mechanism, and PPL's Supplier Portal Pilot. The Commission's final disposition of PPL's Petition will directly affect the rates that PPL imposes on Large C&I customers. As PPL's largest retail customers, PPLICA members have an interest in this proceeding that is not

represented by any other party of record; consequently, PPLICA satisfies the standards for intervention under Section 5.72 of the Commission's Regulations, 52 Pa. Code § 5.72. For purposes of this proceeding, PPLICA includes the companies listed in Appendix A hereto. PPLICA will update Appendix A during the course of this proceeding as needed to reflect changes in its membership.

3. The names and address of PPLICA's attorneys are:

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PPLICA requests that the names and address of its attorneys be added to the Commission's and all parties' service lists. All correspondence in this proceeding from the Commission should be directed to the attention of Adeolu A. Bakare at the address listed above.

II. PROTEST

4. Paragraphs 1-3 are herein incorporated by reference.
5. A preliminary review of the Company's filing indicates a need for a full Commission investigation, with evidentiary hearings, as it remains unclear from the Petition alone whether the Company has taken adequate steps to implement the Supplier Portal Pilot in a manner that reasonably protects customer information. Additionally, while PPLICA supports PPL's proposal to recover the SMPI expenses through a per-customer charge, PPLICA will monitor the proceeding and address any alternative cost allocation proposals that may

materialize. PPLICA further reserves the right to raise and address additional issues of concern during the course of this proceeding based on further review of the Petition and discovery.

6. Supplier Portal Pilot: On August 1, 2012, PPL proposed to modify its Plan ("2012 Annual Smart Meter Filing") by implementing numerous additional programs, including the Supplier Portal Pilot. PPL claimed that the Supplier Portal Pilot would create a secure data environment wherein Electric Generation Suppliers ("EGSs"), and potentially other third parties, can, with appropriate customer authorization, access usage data directly without the need for an electronic data interchange ("EDI") request and response. 2012 Annual Smart Meter Filing, p. 22. Following the filing, PPLICA participated in a stakeholder meeting held on February 27, 2013. Discussions at the stakeholder meeting indicated that PPL views "appropriate customer authorization" as requiring the EGS to provide solely a customer's account number rather than any evidence of affirmative customer authorization. PPLICA subsequently filed a Letter with the Commission's Secretary on March 8, 2013, at Docket No. M-2009-2213945, ("March 2013 Letter"), raising concerns that possession of only an account number fails to constitute appropriate customer authorization because the methodology does not verify direct or explicit authorization from the customer. *See* March 2013 Letter, p. 2. Following submission of PPLICA's March 2013 Letter, PPLICA engaged in informal discussions with PPL representatives and Commission Staff. During these discussions, PPL confirmed that the Company would ensure that the Supplier Portal Pilot would log and retain data allowing PPL to identify third party requests for customer data. This information was deemed critical to ensure that Commission Staff and other stakeholders reserve the ability to investigate any allegations of unauthorized access to customer data. As both the Petition and filed SMPI Plan fail to address PPL's procedures for logging and retaining third party requests for customer data through the

Supplier Portal Pilot, PPLICA will address the Company's obligations to protect customer privacy in this proceeding.

7. Cost Allocation and Cost Recovery: In PPL's Initial SMPI proceeding, PPLICA proposed using a monthly customer charge to recover smart meter costs from Large C&I customers. *Initial SMPI Plan*, Main Brief of the PP&L Industrial Customer Alliance, p. 8 (Dec. 4, 2009). Specifically, PPLICA argued that metering costs generally should be allocated and collected on a per customer or per meter basis because they do not vary based on customer usage or size. *Initial SMPI Plan*, Comments of the PP&L Industrial Customer Alliance at 4 (Sept. 25, 2009). As such, PPLICA supports PPL's proposal to continue applying the SMR as a per-customer charge for all Residential, Small C&I and Large C&I customers.

WHEREFORE, for the reasons stated above, the PP&L Industrial Customer Alliance respectfully requests that the Commission: (1) grant this Petition to Intervene, providing the PP&L Industrial Customer Alliance with full-party status in this proceeding; and (2) institute an investigation and order full evidentiary hearings regarding PPL's June 30, 2014, Smart Meter Technology Procurement and Installation Plan.

Respectfully submitted,

McNEES WALLACE & NURICK LLC

By  _____

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Counsel to the PP&L Industrial Customer Alliance

Dated: August 8, 2014

APPENDIX A

PP&L INDUSTRIAL CUSTOMER ALLIANCE

Air Products and Chemicals, Inc.

Armstrong World Industries, Inc.

General Dynamics-OTS Scranton

Harristown Enterprises, Inc.

Hercules Cement Company

Linde LLC

SAPA Extrusions, Inc.

The Hershey Company

TIMET North America

Wegmans Food Markets, Inc.

