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February 29, 2016

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 a Default Service Program and Procurement Plan for the Period June 1, 2017 Through May 31, 2021; Docket No. P-2016-2526627

Dear Secretary Chiavetta:

Enclosed please find for filing with the Pennsylvania Public Utility Commission the Petition to Intervene of the PP&L Industrial Customer Alliance ("PPLICIA") in the above-referenced proceeding.

As evidenced by the attached Certificate of Service, all parties to the proceeding are being served with a copy of this document. Thank you.

Very truly yours,

McNEES WALLACE & NURICK LLC

By 
Adeolu A. Bakare

Counsel to the PP&L Industrial Customer Alliance

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

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cosCERTIFICATE 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).

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Adeolu A. Bakare

Counsel to the PP&L Industrial Customer Alliance

Dated this 29th day of February, 2016, at Harrisburg, Pennsylvania

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition of PPL Electric Utilities Corporation for Approval of a Default Service Program and Procurement Plan for the Period June 1, 2017 Through May 31, 2021	:	:	:
	:	:	Docket No. P-2016-2526627

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

TO THE HONORABLE, THE PENNSYLVANIA PUBLIC UTILITY COMMISSION:

Pursuant to Sections 5.71 through 5.74 of the Pennsylvania Public Utility Commission's ("PUC" or "Commission") Regulations, 52 Pa. Code §§ 5.71 - 5.74, PP&L Industrial Customer Alliance ("PPLICA") hereby files this Petition to Intervene in response to the above-captioned filing of PPL Electric Utilities Corporation, Inc. ("PPL" or "Company"). Furthermore, pursuant to Section 5.61(a) of the Commission's regulations, 52 Pa. Code § 5.61(a), PPLICA hereby files this Answer in response to the above-captioned Petition of PPL.

On January 29, 2016, PPL filed with the Commission its Petition requesting approval of its fourth Default Service Program and Procurement Plan ("DSP IV") for the period June 1, 2017 through May 31, 2021. The Company's Petition outlines a number of terms and conditions by which the Company will supply default service to all retail customers within its service territory.

In support of its Petition to Intervene and Answer, PPLICA asserts the following:

I. PETITION TO INTERVENE

1. PPLICA is an ad hoc group of energy-intensive large commercial and industrial ("Large C&I") customers receiving electric service from PPL primarily under Rate Schedules LP-4, LP-5, LP-6, IS-P, and IS-T, as well as available riders. PPLICA members annually

consume approximately 1.74 billion kWh of electricity in their manufacturing and operational processes, and electricity costs comprise a significant element of their respective costs of operation.

2. PPLICA has been actively involved in many proceedings related to the introduction of electric generation supply choice in PPL's service territory. This includes participating in PPL's Restructuring Proceeding pursuant to the Electricity Generation Customer Choice and Competition Act ("Competition Act") and a signatory to the Settlement that resolved the appeals and challenges to the Commission's Final order in the Restructuring Proceeding at Docket No. R-009739954. PPLICA also consistently participates in PPL's base rate case proceedings and actively participated in the Company's current Default Service Plan at Docket No. P-2014-2417907.

3. The PUC's disposition of PPL's Petition in this instance may impact the rates PPLICA members pay for electric service.

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

Pamela C. Polacek (Pa. I.D. No. 78276)
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5. 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.

6. PPL's Petition generally preserves many programs under its current DSP; however, there is a risk that other intervening parties may propose amendments to the DSP IV that could negatively impact PPLICA members. Accordingly, the Commission's resolution of these issues may impact the rates, terms, and conditions under which PPLICA's members receive service from PPL.

7. Therefore, consistent with 52 Pa. Code § 5.72(a), PPLICA has a significant interest in this proceeding that is not represented by any other party of record. Consequently, PPLICA should be granted intervenor status in this proceeding.

II. ANSWER

8. This answer identifies specific issues impacting PPLICA. PPLICA reserves the right, however, to raise and address additional issues of concern during the course of the proceeding based on further review of the Petition, PPL's Direct Testimony, and discovery.

A. PPL Must Continue Its Current Procurement Practices.

9. PPL proposes to continue providing default service supply on a real-time hourly basis through the PJM spot market for Large C&I customers. To obtain this supply, PPL proposes annual solicitations to elicit competitive offers from suppliers to provide default service spot market supply to the Large C&I customer class.

10. PPLICA does not oppose this procurement practice. However, PPLICA intends to monitor other proposals filed in response to PPL's proposed DSP IV in the event other parties propose to modify PPL's procurement plan for Large C&I customers.

B. PPL Must Continue Its Current Practice Regarding Non-Market Based Transmission Service Charges.

11. According to the Company's DSP IV, PPL will not purchase so-called Non-Market Based ("NMB") Transmission Services through the default service procurement process.

PPL defines NMB Transmission Services as "Network Integration Transmission Services ("NITS"), Transmission Enhancement Costs, Expansion Cost Recovery Costs, Non-Firm Point-to-Point Transmission Service Credits, Regional Transmission Expansion Plan ("RTEP"), and Generation Deactivation Charges." PPL's proposal is consistent with its current practice and appropriate for the DSP IV.

12. However, PPLICA notes that intervenors in other DSP proceedings before the PUC have advocated in favor of transferring NMB Transmission Service cost recovery responsibility from customer' suppliers (either default service or EGSs) to Electric Distribution Companies through nonbypassable riders or other broad cost recovery mechanisms. PPLICA intends to monitor other proposals filed in response to PPL's proposed DSP IV and oppose any cost recovery schemes that involve transferring NMB Transmission Service cost recovery responsibility for shopping customers onto PPL, which would result in unfair cost recovery from customers who do not receive default service.

III. CONCLUSION

WHEREFORE, for the reasons stated above, the PP&L Industrial Customer Alliance respectfully requests that the Pennsylvania Public Utility Commission grant this Petition to Intervene and Answer and provide the PP&L Industrial Customer Alliance with full-party status in this proceeding.

Respectfully submitted,

McNEES WALLACE & NURICK LLC

By 

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Counsel to the PP&L Industrial Customer Alliance

Dated: February 29, 2016

APPENDIX A

PP&L INDUSTRIAL CUSTOMER ALLIANCE

Air Products and Chemicals, Inc.
General Dynamics-OTS Scranton
Hercules Cement Company
Linde, LLC
SAPA Extrusions, Inc.
The Hershey Company
TIMET North America
Wegmans Food Markets, Inc.