

**PENNSYLVANIA PUBLIC UTILITY COMMISSION
HARRISBURG, PENNSYLVANIA 17105-3265**

**Public Meeting December 2, 2004
DEC-2004-OSA-0298***

Pennsylvania Public Utility Commission	R-00049255
U.S. Department of Defense & Federal Executive Agencies	R-00049255C0001
PPL Industrial Customer Alliance	R-00049255C0002
Office of Small Business Advocate	R-00049255C0003
Office of Consumer Advocate	R-00049255C0004
Anthony J. Graziano	R-00049255C0005
Brenda Hoover	R-00049255C0006
Eric Joseph Epstein	R-00049255C0007
Victoria K. Mackin, et al.	R-00049255C0008
Cheryl & Jeremy Ebert	R-00049255C0009
Martha Wells	R-00049255C0010
Margaret M. Stuski	R-00049255C0011
Wal-Mart Store East, LP.	R-00049255C0012
Pennsylvania Energy Consortium	R-00049255C0013
Donald F. McGarrigle	R-00049255C0014
Curvin L. Snyder	R-00049255C0015
William J. Junkin, III	R-00049255C0016
Philip A. Trump	R-00049255C0017
Pennsylvania Retailers Association	R-00049255C0018
Christy Meyers	R-00049255C0019

v.

PPL Electric Utilities Corporation

PARTIAL DISSENT OF VICE CHAIRMAN ROBERT K. BLOOM

I respectfully dissent from the Majority's decision to accept PPL Electric Utilities Corporation's (PPL) claim for the mandated contribution of ratepayer funds for the financing of the operation of the Sustainable Energy Fund (SEF).

Administrative Law Judge Allison Turner (ALJ) recommended approval of the full amount but stated that "consideration could be given to setting declining amounts, so that at the end of five years, or by December 31, 2009, funding will have ended." (RD p. 87-88) The Majority directs that the financing by ratepayers be phased out over a two year period.

The issue is not whether SEF is a worthwhile program. The issue is whether it should be mandated that ratepayers – not shareholders – fund this private entity.

The SEF was created as a result of PPL's restructuring case¹ with an expiration date for the funding of December 31, 2004. PPL proposed that the previously agreed to expiration of the funding should be continued and that ratepayers should fund SEF.

Currently, ratepayers fund the considerable social programs of PPL. In approving the use of ratepayers' dollars, the Commission has found that ratepayers will receive a demonstrable benefit. The record is devoid of evidence to support a claim that distribution ratepayers will receive demonstrable benefits from the activities of SEF. The Office of Trial Staff correctly concludes that "if ratepayers are required to contribute to a fund that fails to provide a demonstrable benefit, but supports a broader, social initiative, it is akin to a hidden tax." (OTS Exceptions, p. 20)

Finally, it should be noted that Act 213 was signed into law on November 30, 2004 and provides for funding of private entities such as SEF. If there is a strong balance sheet and SEF is achieving the goal of becoming itself sustainable, why continue to tax the ratepayers?

DATE

ROBERT K. BLOOM, VICE CHAIRMAN

¹ *Application of PP&L, Inc. for Approval of its Restructuring Plan Under Section 2806 of the Public Utility Code*, Docket No. R-00973954 entered August 27, 1998.