

610-929-3601 Bradley A. Bingaman, Esq. (610) 921-6203 (610) 939-8655 (Fax)

December 30, 2011

### **VIA UNITED PARCEL SERVICE**

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

DEC 30 2011

PA PUBLIC UTILITY COMMISSION SECRETARY'S BUREAU

Re:

Petition for Extension of Implementation Period and/or Temporary
Waiver of Certain Standards and Billing Practices of 52 Pa. Code § 56.1

Dear Secretary Chiavetta:

Enclosed for filing please find the original and four (4) copies of the above-referenced Petition for Waiver submitted on behalf of West Penn Power Company. Please date stamp the additional copy, identify the docket number and return it to me in the enclosed, postage-prepaid envelope.

As indicated on the Certificate of Service, copies have been served on the parties in the manner indicated.

Please contact me with any questions regarding this matter.

Sincerely,

Bradley & Bingaman Cam
Bradley A. Bingaman

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Enclosures

## **BEFORE THE** PENNSYLVANIA PUBLIC UTILITY COMMISSION

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	TA FUBLIC UTILITY COMMO
	PA PUBLIC UTILITY COMMISSION SECRETARY'S BUREAU
Docket No.	THE BUREAU

Petition for Extension of Implementation
Period and/or Temporary Waiver of
Certain Standards and Billing Practices of

52 Pa. Code § 56.1 et seq.

PETITION FOR	<b>EXTENSION </b>	OR TEMPORARY
WAIVER OF W	EST PENN PO	WER COMPANY

West Penn Power Company ("West Penn" or the "Company"), in accordance with the provisions of 52 Pa. Code §§ 1.15 and 5.43, hereby petitions for an extension of the informal implementation grace period established by the Pennsylvania Public Utility Commission's ("PUC" or "Commission") Bureau of Consumer Services ("BCS") or, in the alternative, a temporary waiver of certain provisions of the Commission's regulations for Standards and Billing Practices for Residential Utility Service set forth in 52 Pa. Code § 56.1, et seq, as revised by Commission Order entered June 13, 2011 at Docket No. L-00060182 ("Rulemaking Proceeding"). The extension or temporary waiver is needed to facilitate the ongoing conversion of West Penn's computer mainframe system into one integrated SAP system with its sister companies, Metropolitan Edison Company ("Met-Ed"), Pennsylvania Electric Company ("Penelec"), and Pennsylvania Power Company ("Penn Power") (collectively, "the Companies") following the merger of Allegheny Energy, Inc. with FirstEnergy Corp. In support of its request, the Company states as follows:

#### I. INTRODUCTION AND BACKGROUND

- 1. The Petitioner is an electric public utility subsidiary of FirstEnergy Corp. that provides retail electric service to customers within its franchised service territory throughout southwestern and central Pennsylvania. Pursuant to the Electricity Generation Customer Choice and Competition Act, 66 Pa.C.S. § 2801, et seq, the Company serves as an "electric distribution company" as defined therein, and also as the electric generation provider of last resort to retail customers within its service territory who do not choose an alternate electric generation supplier.
- 2. The names and address of the Petitioner's attorneys with respect to this matter are Bradley A. Bingaman and Tori L. Giesler, 2800 Pottsville Pike, P.O. Box 16001, Reading, PA 19612-6001.
- 3. On June 13, 2011, the Commission entered a Revised Final Rulemaking Order ("Rulemaking Order") adopting revisions to Chapter 56 of its regulations in order to align its regulations with the provisions adopted by Chapter 14 of the Public Utility Code.<sup>1</sup> This Rulemaking Order provided that the revisions would be effective upon publication in the Pennsylvania Bulletin.
- 4. The revised regulations were published in the Pennsylvania Bulletin on October 8, 2011.<sup>2</sup>
- 5. The BCS, recognizing that the revisions to these regulations would require significant programming and training efforts by the utilities subject to Chapter 56, informally provided the utilities with a grace period for implementation of such changes until the end of

<sup>&</sup>lt;sup>1</sup> 66 Pa.C.S. § 1401, et seq.

<sup>&</sup>lt;sup>2</sup> 41 Pa.B. 5473.

2011, while directing the utilities to file necessary tariff revisions and requests for extensions or waivers, as necessary, by the end of 2011.<sup>3</sup>

# II. REQUEST FOR EXTENSION OR, IN THE ALTERNATIVE, WAIVER

- 6. On February 24, 2011, the Commission approved the merger of Allegheny Energy and FirstEnergy filed at Docket Nos. A-2010-2176520 and A-2010-2176732.
- 7. As part of the incorporation of West Penn into FirstEnergy, the Company is scheduled for a retirement of its existing mainframe computer systems and software packages, after which West Penn will begin using the SAP-based system used by the Companies ("SAP Conversion"). This process is scheduled to be completed as of April 2, 2012.
- 8. As part of the planned SAP Conversion, the Company is developing new programming for many functions which drive or impact the Company's ability to comply with Chapter 56. The resources needed and the complexities associated with the development of this new programming makes it extremely difficult, if not impossible, to comply with those revised sections of Chapter 56, as those sections cannot be implemented until the SAP Conversion is completed.
- 9. During this conversion process, all changes to West Penn's existing system are locked and cannot be modified. In order to permit these modifications to West Penn's existing system, the SAP conversion could not be achieved as is currently planned and serious delays would result.
- 10. The revised regulations at 52 Pa. Code §§ 56.14, 56.36(b), 56.42, 56.91, 56.93, 56.96, 56.152, and 56.191 ("Named Sections") require resources and programming that West

<sup>&</sup>lt;sup>3</sup> Inasmuch as December 31, 2011 falls on a Saturday, on January 3, 2012 (the next business day) Met-Ed, Penelec, Penn Power and West Penn will be filing the necessary tariff revisions with a 60-day effective date in accordance with the Rulemaking Proceeding.

Penn does not currently have available while maintaining the existing plan for its integration into the new SAP system.

- 11. The SAP Conversion project is expected to be complete as of April 2, 2012. However, the Companies have established a contingency implementation date of April 9, 2012 to accommodate any unforeseen technical difficulties in the conversion.
- 12. Section 1.15 of the Commission's regulations<sup>4</sup> provides that extensions of time may be granted by the Commission for good cause and upon motion made before the expiration of the period originally prescribed.
- 13. The Company is seeking an extension of time to complete the implementation of the revisions to Chapter 56 in order to allow for the completion of its conversion to the SAP system it will share with the Companies.
- 14. The Company has prepared to implement and will be compliant with all Chapter 56 revisions as of the start of 2012 that do not depend upon the planned system modifications.
- 15. The BCS has recognized that there may be certain revisions which will take longer for certain utilities to achieve compliance with due to reprogramming requirements and other such necessary steps, and has requested utilities that foresee such implementation limitations after the start of 2012 to file a request for extension of the implementation grace period.
- 16. Due to the impossibility of simultaneously implementing the changes required by the Named Sections into West Penn's system and preparing for the aforementioned SAP Conversion, the Company hereby requests an extension of the informal grace period extended by the BCS until April 9, 2012. An extension through this contingency effective date allows for the

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<sup>&</sup>lt;sup>4</sup> 52 Pa. Code § 1.15.

additional time necessary should the conversion not be implemented as planned due to technical limitations.

- 17. In the alternative, West Penn requests that the Commission waive revisions to the Named Sections on a temporary basis through April 9, 2012 in order to accommodate the technical limitations described in this Petition, as is permitted by Section 5.43 of its regulations.<sup>5</sup>
- 18. Section 5.43 permits that petitions be made to the Commission seeking waiver of regulations, to include the interest of the petitioner in the waiver, the section(s) for which a waiver is sought, and the statutory or other authority involved, as well as the purpose of and facts constituting the grounds requiring the waiver.
- 19. The Company requests a waiver of the Named Sections on the same basis for which it requests an extension for implementation of the Named Sections, that being the current SAP Conversion.
- 20. The Company's Petition complies with the format required by the Commission in its regulations.

#### III. ADDITIONAL INFORMATION

21. As mentioned in paragraph 14 of this Petition, West Penn has prepared to implement the revisions to Chapter 56 made final by the Final Rulemaking Order as of the start of 2012, with the exception of those Named Sections. Although copies of this Petition or notice of this request for extension or waiver were not served on potentially-affected customers, copies of the Petition were served on the Office of Consumer Advocate, the Office of Small Business Advocate, the Commission's Bureau of Investigation and Enforcement, and the Commission's Bureau of Consumer Services.

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<sup>&</sup>lt;sup>5</sup> 52 Pa. Code § 5.43.

22. The Commission's BCS contemplated the difficulty that some utilities could be

confronted with when implementing the new regulations and addressing system changes, which

is evidenced by its provision of an informal grace period, as well as the suggestion that an

extension of the same or waiver be sought by those utilities needing additional implementation

time.

IV. CONCLUSION

WHEREFORE, in view of the foregoing, West Penn Power Company respectfully

requests that the Pennsylvania Public Utility Commission grant this Petition for Extension such

that the implementation of the revisions to those sections of Chapter 56 named herein is delayed

until April 9, 2012. In the alternative, West Penn Power Company asks that these sections be

temporarily waived until April 9, 2012 to allow for the completion of the Company's SAP

Conversion.

Respectfully submitted,

Dated: December 30, 2011

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PA PUBLIC UTILITY COMMISSION SECRETARY'S BUREAU

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Counsel for West Penn Power Company

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#### **VERIFICATION**

I, Marybeth Smialek, Manager, Compliance & Human Services, FirstEnergy Service Company, make this verification on behalf of West Penn Power Company, and do state that I am authorized to make such Verification on behalf of West Penn Power Company. I verify that, to the best of my information, knowledge, and belief, the facts set forth in the foregoing Petition are true and correct and I further understand that my statements are made subject to 18 Pa.C.S. § 4904, providing for criminal penalties for unsworn falsification authorities.

Marybeth Smialek

Manager, Compliance & Human Services

West Penn Power Company

Date: 13/30/11

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Petition for Extension of Implementation	:		
Period and/or Temporary Waiver of	:	Docket No	
Certain Standards and Billing Practices of	:		
52 Pa. Code § 56.1 et seg.	:		

#### **CERTIFICATE OF SERVICE**

I hereby certify that I have this day served a true and correct copy of the foregoing document upon the individuals listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

Service by first class mail and electronic mail, as follows:

Steven C. Gray, Esq.
Acting Small Business Advocate
Office of Small Business Advocate
Suite 1102, Commerce Building
300 North Second Street
Harrisburg, PA 17101
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Johnnie E. Simms, Esq.
Bureau of Investigation & Enforcement
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265
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Irwin A. Popowsky, Esq.
Office of Consumer Advocate
555 Walnut Street – 5<sup>th</sup> Floor
Harrisburg, PA 17101-1923
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Alexis Bechtel, Director
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LTR

SHIP TO:

ROSEMARY CHIAVETTA, SECRETARY (800) 692-7375

PA PUBLIC UTILITY COMMISSION COMMONWEALTH KEYSTONE BUILDING 2ND FLOOR

**400 NORTH STREET** 

HARRISBURG PA 17120-0079

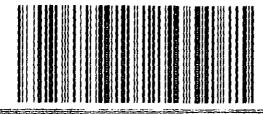




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