



COMMONWEALTH OF PENNSYLVANIA  
PENNSYLVANIA PUBLIC UTILITY COMMISSION  
P.O. BOX 3265, HARRISBURG, PA 17105-3265

IN REPLY PLEASE  
REFER TO OUR FILE

Bp8# 2320450  
Bp8# 2320468  
Bp8# 2320480  
Bp8# 2320484

September 6, 2012

Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
400 North Street, 2<sup>nd</sup> Floor North  
P.O. Box 3265  
Harrisburg, PA 17105-3265

**RE: Joint Petition of Metropolitan Edison Company,  
Pennsylvania Electric Company, Pennsylvania Power  
Company, and West Penn Power Company for Evidentiary  
Hearing at Docket Nos. P-2012-2320450, P-2012-2320468,  
P-2012-2320480, P-2012-2320484**

Dear Secretary Chiavetta:

Pursuant to the 29 August 2012 Prehearing Conference Order, please find enclosed the Prehearing Memorandum of the Statewide Evaluator in the docket referenced above.

The Statewide Evaluator has served copies on all Parties and Parties petitioning for intervention in accord with the attached Certificate of Service.

Please contact the undersigned should you have any questions at (717) 787-3464 or [shsparks@pa.gov](mailto:shsparks@pa.gov).

Sincerely,

Shaun A. Sparks  
Assistant Counsel  
Law Bureau

Enclosure

cc: As per Certificate of Service  
Robert F. Young, Deputy Chief Counsel

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**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

<b>Petition of Metropolitan Edison Company,</b>	<b>:</b>	<b>Docket No. P-2012-2320450</b>
<b>Pennsylvania Electric Company,</b>	<b>:</b>	<b>Docket No. P-2012-2320468</b>
<b>Pennsylvania Power Company, and West</b>	<b>:</b>	<b>Docket No. P-2012-2320480</b>
<b>Penn Power Company For An Evidentiary</b>	<b>:</b>	<b>Docket No. P-2012-2320484</b>
<b>Hearing</b>	<b>:</b>	

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**PREHEARING MEMORANDUM  
OF THE  
STATEWIDE EVALUATOR**

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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, administrative counsel for the Statewide Evaluator (SWE) provides the following information:

**I. INTRODUCTION AND BACKGROUND**

On March 1, 2012, the Pennsylvania Public Utility Commission (Commission) requested comments regarding issues instrumental to its ongoing efforts to implement the requirements of Pennsylvania's Act 129 of 2008 (the Act or Act 129, effective November 14, 2008) codified at 66 Pa. C.S. §§ 2806.1 and 2806.2. The Commission also conducted a stakeholder meeting on March 16, 2012, to provide parties an opportunity to identify additional issues raised by its request for comments.

On May 11, 2012, the Commission entered a Tentative Implementation Order at Docket Nos. M-2012-2289411 and M-2012-2069887 seeking comments on proposed

consumption reductions, guidelines for implementing Phase II of the Energy Efficiency and Conservation (EE&C) Program, and released the SWE's Market Potential Study. The Commission directed interested parties to file comments and reply comments. The Commission also held a stakeholder meeting on June 5, 2012, to provide stakeholders with the opportunity for questions and answers with the SWE related to the baseline studies and the Market Potential Study. By comments and through stakeholder meetings, parties raised due process concerns regarding the data used by the Commission to set individual utility consumption targets.

On August 3, 2012, the Commission entered its Implementation Order that, *inter alia*, recognized the due process concerns raised by the parties. In response, the Commission provided for the instant proceeding to allow electric distribution companies to challenge the data underlying the consumption reduction requirements established for each company. *Energy Efficiency and Conservation Program*, Docket Nos. M-2012-2289411 and M-2008-2069887, Implementation Order at 30-32 (August 3, 2012). The SWE is participating in this proceeding in accord with the Implementation Order.

## **II. ISSUES AND SUB-ISSUES**

The SWE does not intend to raise issues beyond the material contained in the previously released Statewide Evaluator reports and data. These reports and data include the following materials:<sup>1</sup>

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<sup>1</sup> The documents are available at: [http://www.puc.state.pa.us/electric/Act\\_129\\_info.aspx](http://www.puc.state.pa.us/electric/Act_129_info.aspx).

- 1) Electric Energy Efficiency Potential For Pennsylvania
  - a) Appendix 1 - Avoided Costs and General Model Inputs by EDC
  - b) Appendix 2 - Residential Sector Data
  - c) Appendix 2.2 - Measure Level TRC Ratios by EDC
  - d) Appendix 2.3 – Measure Level Levelized Costs by EDC
  - e) Appendix 3 - Commercial/Industrial Sector data
- 2) Pennsylvania Statewide Residential End-Use and Saturation Study
- 3) Pennsylvania Statewide Commercial & Industrial End Use & Saturation Study

### **III. SERVICE ON THE STATEWIDE EVALUATOR**

The Statewide Evaluator will be represented in this case by administrative counsel Shaun A. Sparks and Krystle J. Sacavage. Counsel agrees to accept electronic service of documents. In addition to e-service to both Mr. Sparks ([shsparks@pa.gov](mailto:shsparks@pa.gov)) and Ms. Sacavage ([ksacavage@pa.gov](mailto:ksacavage@pa.gov)), counsel requests that parties serve a hard copy of each document as follows:

Shaun A. Sparks  
Assistant Counsel  
Law Bureau  
Pennsylvania Public Utility Commission  
PO Box 3265  
Harrisburg, PA 17105-3265  
Phone: 717-787-3464  
Email: [shsparks@pa.gov](mailto:shsparks@pa.gov)

### **IV. WITNESSES AND EVIDENCE**

The SWE does not intend to present written expert testimony in addition to the reports and data discussed in Section II of this memorandum.

To avoid waste of Commonwealth resources, counsel respectfully requests that the Presiding Officer take judicial notice of the public online availability of the Statewide Evaluator reports and data on the Commission website for the limited purpose of service of these materials on the parties. The SWE will provide hard copies of these materials to any requesting party and will provide hard copies to the Presiding Officer and court reporter. The SWE will provide expert witness qualifications in accord with the approved procedural schedule.

To expedite this proceeding, counsel requests that in addition to serving documents on counsel, parties send copies of all interrogatories and testimony (preferably in electronic format) directly to the following expert witnesses responsible for the Statewide Evaluator reports and data listed above.

Dick Spellman  
President  
GDS Associates, Inc.  
Suite 800  
1850 Parkway Place  
Marietta, GA 30067  
Phone: 770.425.8100  
Email: [Dick.Spellman@gdsassociates.com](mailto:Dick.Spellman@gdsassociates.com)

Salil Gogte  
Principal, Planning & Evaluation  
Nexant, Inc.  
101 Lindenwood Drive, Suite 127  
Malvern, PA 19355  
Phone: 610.786.7406  
Email: [sgogte@nexant.com](mailto:sgogte@nexant.com)

Patrick Burns  
Principal, Planning & Evaluation  
Nexant, Inc.  
1401 Walnut Street  
Boulder, CO 80302  
Phone: 303.402.2493  
Email: [pburns@nexant.com](mailto:pburns@nexant.com)

The Statewide Evaluator specifically reserves the right to call additional witnesses as necessary pending discovery and discovery responses from the Parties, if any.

Also in the interest of administrative efficiency, counsel requests that the Presiding Officer permit the SWE witnesses to provide panel testimony at any evidentiary hearings. This will work to avoid recalling witnesses during the cross-examination phase (and on redirect), if any.

#### **V. PROPOSED SCHEDULE**

The SWE will cooperate to develop an acceptable procedural schedule in accord with the limitations below. The SWE witnesses are available for evidentiary hearings September 26-28, and October 1-3, 9, 18-31.

## VI. DISCOVERY

Appendix A contains proposed amendments to the Commission's discovery regulations. Administrative counsel believes that these amendments will assist the parties in clarifying issues and will help bring this proceeding to timely conclusion.

Respectfully submitted,



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Shaun A. Sparks  
Assistant Counsel  
Law Bureau  
Attorney ID 87372

Krystle J. Sacavage  
Assistant Counsel  
Law Bureau  
Attorney ID 309151

Administrative Counsel for Statewide Evaluator

Pennsylvania Public Utility Commission  
PO Box 3265  
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DATED: September 6, 2012

## APPENDIX A

<b>Petition of Metropolitan Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company, and West Penn Power Company For An Evidentiary Hearing</b>	<b>:</b>	<b>Docket No. P-2012-2320450</b>
	<b>:</b>	<b>Docket No. P-2012-2320468</b>
	<b>:</b>	<b>Docket No. P-2012-2320480</b>
	<b>:</b>	<b>Docket No. P-2012-2320484</b>

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### **PROPOSED AMENDMENTS TO DISCOVERY REGULATIONS**

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The SWE would propose to amend Commission discovery regulations in accord with the following:

- A. Answers to written interrogatories to be served in-hand within ten (10) calendar days of service of the interrogatories.
- B. Objections to interrogatories to be communicated orally within three (3) days of service; unresolved objections be served in writing within five (5) days of service of interrogatories.
- C. Motions to dismiss objections and/or direct the answering of interrogatories to be filed with the ALJ within three (3) days of service of written objections.
- D. Answers to motions to dismiss objections and/or direct the answering of interrogatories to be filed within three (3) days of service of such motions.
- E. Rulings over such motions to be issued, if possible, within seven (7) days of filing of the motion.
- F. Responses to requests for document production, entry for inspection, or other purposes to be served in-hand within ten (10) calendar days.
- G. Requests for admission be deemed admitted unless answered within ten (10) days or objected to within five (5) days of service.
- H. Answers to on-the-record data requests to be served in-hand within seven (7) calendar days of the request.
- I. Responses to interrogatories served after Noon on Friday will be due as if served the following Monday.



## CERTIFICATE OF SERVICE

I hereby certify that I am this day serving the foregoing document in accordance with the requirements of 52 Pa. Code § 1.54 *et seq.* regarding the Joint Petition of Metropolitan Edison Company at Docket No. P-2012-2320450, Pennsylvania Electric Company at Docket No. P-2012-2320468, Pennsylvania Power Company at Docket No. P-2012-2320480, and West Penn Power Company at Docket No. P-2012-2320484 for Evidentiary Hearing

### **Notification by First Class Mail and email addressed as follows:**

Kathy J. Kolich  
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**HAND DELIVERED Addressed as follows:**

Honorable Elizabeth Barnes  
Administrative Law Judge  
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400 North Street, Second Floor  
Po Box 3265  
Harrisburg Pa 17105

Johnnie E. Simms, Esquire  
Charles Daniel Shields, Esquire  
Bi&E - PA Public Utility Commission  
400 North Street, Second Floor West  
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Dated: September 6, 2012

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