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| PUC logo | COMMONWEALTH OF PENNSYLVANIAPENNSYLVANIA PUBLIC UTILITY COMMISSIONBUREAU OF TECHNICAL UTILITY SERVICESP.O. BOX 3265, HARRISBURG, PA 17105-3265 | **IN REPLY PLEASE REFER TO OUR FILE** |

December 11, 2015

Docket Nos.: P-2015-2508942

P-2015-2508931

P-2015-2508936

P-2015-2508948

JOHN L. MUNSCH ATTORNEY

FIRSTENERGY LEGAL DEPARTMENT

800 CABIN HILL DRIVE

GREENSBURG, PA 15601

 RE: FirstEnergy Long Term Infrastructure Improvement Plan (LTIIP) TUS 1 Data Request

Dear Mr. Munsch:

The FirstEnergy Companies (Met-Ed, Penelec, West Penn, and Penn Power) filed Petitions seeking approval of their Long Term Infrastructure Improvement Plans (LTIIPs) on October 21, 2015. The Office of Small Business Advocate (OSBA) filed an Answer, Notice of Intervention, Public Statement, and Verification on November 5, 2015. In their Answer, the OSBA requested the Petitions be sent to the Office of Administrative Law Judge (ALJ) for hearings and preparation of an initial decision. The Commission’s LTIIP review procedures require LTIIPs to be referred to the ALJ if comments “raise material factual issues.” 52 Pa. Code § 121.4(c).

The only section of each of the FirstEnergy Companies’ LTIIP Petition that was denied by the OSBA was F-18. The OSBA averred there was insufficient information or knowledge to form a belief as to the truth of the Petitions’ claims in this section. This alone does not raise material factual issues. However, the Commission does agree that the Petitions do not provide enough information in section F-18. Therefore, among other additional information, the Commission is requesting more detail on section F-18 in each of the FirstEnergy Companies’ LTIIP Petitions.

An LTIIP must include a description of the manner in which infrastructure replacement will be accelerated per 52 Pa. Code § 121.3(a)(6). The FirstEnergy Companies’ LTIIPs lack sufficient supporting information in regards to historical baseline infrastructure replacement and capital spending for the categories of eligible property. In addition, more information is needed to determine the cost-effectiveness of the LTIIP per 52 Pa. Code § 121.4(e)(1).

Please refer to Attachment 1, Data Request TUS 1, for additional information the Commission requests to properly evaluate and approve the FirstEnergy LTIIPs.

Please forward the information to the Secretary of the Commission at the address listed below **within ten (10) working days** from the date of this letter. Make sure to reference the Docket Numbers listed above when filing your response. Please note that some responses may be e-filed to your case, <http://www.puc.pa.gov/efiling/default.aspx>. A list of document types allowed to be e-filed can be found at <http://www.puc.pa.gov/efiling/DocTypes.aspx>.

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| Rosemary Chiavetta, Secretary |  | Rosemary Chiavetta, Secretary |
| Pennsylvania Public Utility Commission | or | Pennsylvania Public Utility Commission |
| P.O. Box 3265 |  | 400 North Street |
| Harrisburg, PA 17105-3265 |  | Harrisburg, PA 17120 |

**Your answers should be verified per 52 Pa Code § 1.36.** Accordingly, you must provide the following statement with your responses:

I, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, hereby state that the facts above set forth are true and correct to the best of my knowledge, information and belief, and that I expect to be able to prove the same at a hearing held in this matter.  I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

The blank should be filled in with the name of the appropriate company representative, and the signature of that representative should follow the statement.

Please direct any questions to David Washko, Bureau of Technical Utility Services, at dawashko@pa.gov or (717) 425-7401.



 Sincerely,

 Rosemary Chiavetta

 Secretary

Enclosure: Attachment No. 1, Data Request TUS-1

cc: Daniel Searfoorce- TUS Reliability and Emergency Preparedness Supervisor

 David Washko- TUS Electric Reliability Engineer

**Attachment 1**

**Data Request TUS-1**

Docket Nos. P-2015-2508942, P-2015-2508931, P-2015-2508936, P-2015-2508948

FirstEnergy Companies

 For each of the FirstEnergy Companies provide the following:

1. Reference Met-Ed LTIIP Exhibit No.1, page 10, Section B; Penelec LTIIP Exhibit No.1, page, 10, Section B; West Penn LTIIP Exhibit No.1, page 11, Section B; and Penn Power LTIIP Exhibit No.1, page 10, Section B.
	1. Describe in detail the process that will be employed when selecting LTIIP projects to be competitively bid. Describe in detail how bids are solicited for those selected projects. Provide a sample of an RFP. Provide a summary and copy of the procedure(s) controlling the bidding process. Provide an approximate percentage of projects that are to be competively bid to outside contractors. What determinations and thresholds are used to decide what projects are to be outsourced?
	2. Provide the Contractor of Choice (COC) Guideline procedures. How are COCs evaluated to determine on-going acceptable performance? Provide an example of a formalized Contractor review and approval scorecard with scoring methods and acceptance criteria.
	3. Describe in detail how procurement of supplies and components are verified to be cost effective. Describe the process to ensure scrapped/salvaged copper conductors and electrical components are accounted for and how any credit is flowed back to back to the project and/or other area.
2. Reference Met-Ed LTIIP Exhibit No.1, page 13; Penelec LTIIP Exhibit No.1, page 13; West Penn LTIIP Exhibit No.1, page 14; and Penn Power LTIIP Exhibit No.1, page 13.
	1. Provide an annual expenditure cost-by-year table for each of the Infrastructure Improvement Initiative categories as was done for 2016 thru 2020, for the prior 5 years 2010 thru 2014.
3. Reference Met-Ed LTIIP Petition, page 11, section F-18; Penelec LTIIP Petition, page 11, section F-18; West Penn LTIIP Petition, page 10, section F-18; and Penn Power LTIIP Petition, page 10, section F-18.
	1. Explain in detail how the programs’ impacts on SAIDI and SAIFI were/are calculated. Provide a chart with expected SAIDI/SAIFI impacts for each year of the LTIIP. Explain in detail how the outage response costs (and/or avoided costs) are calculated and how the outage costs (and/or avoided costs) and program benefits are compared and any metrics or calculations related to those comparisons.