

STEVENS & LEE
LAWYERS & CONSULTANTS

17 N. 2nd Street, 16th Fl.
Harrisburg, PA 17101
www.stevenslee.com

Direct Dial: (717) 255-7365
Email: mag@stevenslee.com

January 5, 2016

VIA ELECTRONIC FILING

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

**RE: Petition of Duquesne Light Company for Approval of its Act 129 Phase III Energy
Efficiency and Conservation Plan
Docket No. M-2015-2515375**

Dear Secretary Chiavetta:

Enclosed for filing on behalf of Duquesne Light Company is its Prehearing Conference Memorandum in the above-captioned matter.

Copies of this filing have been served in accordance with the attached Certificate of Service.

Thank you, and please contact me if you have any questions or concerns.

Sincerely,

STEVENS & LEE



Michael A. Gruin

Enclosures

cc: Certificate of Service
Administrative Law Judge Katrina Dunderdale (via email and First Class U.S. Mail)

Philadelphia • Reading • Valley Forge • Allentown • Harrisburg • Lancaster • Scranton
Wilkes-Barre • Princeton • Charleston • New York • Wilmington
A PROFESSIONAL CORPORATION

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition of Duquesne Light Company for Approval	:	
of its Act 129 Phase III Energy Efficiency and	:	Docket No. M-2015-2515375
Conservation Plan	:	
	:	
	:	

**PREHEARING CONFERENCE MEMORANDUM OF
DUQUESNE LIGHT COMPANY**

Pursuant to 52 Pa. Code § 5.222 and the Prehearing Conference Order issued by Administrative Law Judge Katrina Dunderdale on December 15, 2015, Duquesne Light Company (“Duquesne” or “Company”) respectfully submits its Prehearing Conference Memorandum in the above-captioned matter.

I. BACKGROUND

On November 25, 2015, pursuant to Act 129 of 2008 (“Act 129”), 66 Pa. C.S §§2806.1 and 2806.2, the *Implementation Order* issued by the Pennsylvania Public Utility Commission (“Commission”) on June 11, 2015¹, and the *Clarification Order* issued by the Commission on August 20, 2015², Duquesne Light filed the above-captioned Petition with the Commission. Act 129, which became effective on October 15, 2008, created, inter alia, an energy efficiency and conservation (“EE&C”) program. This program required each EDC with at least 100,000 customers to adopt and implement a Commission-approved EE&C Plan. EE&C Plans are

¹ *Energy Efficiency and Conservation Program*, Docket No. M-2014- 2424864, (Implementation Order entered on June 11, 2015) (“*Phase III Implementation Order*”)

² *Energy Efficiency and Conservation Program*, Docket No. M-2014- 2424864, (Clarification Order entered on August 20, 2015)

programs designed to achieve the Act 129 conservation and peak load reduction requirements, by specified dates, within the specified cost cap.

With its Petition, Duquesne Light requested Commission approval of Duquesne Light's Phase III EE&C Plan, which covers the period from June 1, 2016 through May 31, 2021. The Phase III Plan includes a range of energy efficiency and demand response programs designed to achieve the required 440,916 MWh of reduced energy consumption and the required demand reduction of 42 MW. Duquesne Light's Phase III EE&C Plan includes a total of fifteen programs: six programs targeting the residential sector; four programs targeting the small commercial and industrial sector; three programs targeting the large commercial and industrial sector; and two programs specifically targeted to the G/E/NP sector. The Company's Phase III Plan also includes a demand response ("DR") program that will include two program components: 1) a direct load control program for residential and/or small commercial and industrial customers; and 2) a large C & I customer curtailment component, in order to achieve the required reduction of 42 MW.

Duquesne Light's Plan proposes an Energy Efficiency and Conservation ("EEC") Surcharge, which is designed to fully recover all applicable EE&C-related costs. The EEC Surcharge is fully reconcilable and will be applied on a non-bypassable basis to customers who receive distribution service from the Company. The Plan includes a reconcilable adjustment clause tariff mechanism in accordance with 66 Pa.C.S. § 1307.

On December 10, 2015, the Office of Consumer Advocate ("OCA") filed its Notice of Intervention and Public Statement in this proceeding.

On December 12, 2015, notice of Duquesne Light's Petition was published in the Pennsylvania Bulletin. The notice established a deadline of January 4, 2015 for the filing of comments on, and responsive pleadings to, the Company's Phase III EE&C Plan.

On December 15, 2015, a Prehearing Conference Order was issued in this proceeding. The Prehearing Conference Order scheduled a Prehearing Conference for January 6, 2015, and directed the parties to file prehearing conference memoranda on or before January 5, 2015.

On December 17, 2015, the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania ("CAUSE-PA") filed a Petition to Intervene in this proceeding. On November 18, 2015, the Office of Small Business Advocate ("OSBA") filed its Notice of Intervention and Public Statement in this proceeding.

On December 30, 2015, CAUSE-PA filed its Comments to the Company's Phase III EE&C Plan. On December 31, 2015, Wal-Mart Stores East, L.P. and Sam's East, Inc. (collectively "Walmart") filed a Petition to Intervene in this proceeding.

On January 4, 2016, the OCA and Energy Efficiency for All ("EEFA") filed Comments to the Company's Phase III EE&C Plan. Also on January 4, 2016, Citizen Power and the Duquesne Industrial Intervenors ("DII") filed Petitions to Intervene in this proceeding, and DII filed its Comments to the Company's Phase III EE&C Plan.

II. WITNESSES AND ISSUES

The issue for resolution in this proceeding is whether Duquesne Light's Phase III EE&C Plan should be approved by the Commission as being consistent with the requirements of Act 129 and the Commission's *Implementation Order* and *Clarification Order*. Duquesne Light's

Petition included the Direct Testimony of the following two witnesses in support of the approval of Duquesne Light's Phase III EE&C Plan:

1. David Defide, Duquesne Light's Manager of Customer Programs, 411 Seventh Avenue, Pittsburgh, PA 15219. Mr. Defide's Testimony addresses the methodology employed to analyze, develop, and implement the Company's Phase III EE&C plan.
2. William V. Pfrommer, Duquesne Light's Manager of Rate & Tariff Services, 411 Seventh Avenue, Pittsburgh, PA 15219. Mr. Pfrommer's Testimony details the Company's proposed cost recovery mechanism for the Phase III EE&C Plan.

The Direct Testimony and accompanying Exhibits submitted with the Company's Petition fully support the approval of the Company's Phase III EE&C Plan. Duquesne Light reserves the right to identify and present the testimony of additional witnesses, as necessary, depending on the additional issues raised by other parties to the proceeding.

III. SERVICE OF DOCUMENTS

Duquesne Light's attorneys in this proceeding are:

Michael A. Gruin, Esq.
Stevens & Lee, P.C.
17 North Second Street,
16th Floor
Harrisburg, PA 17101
Phone: 717-255-7365
Fax: 610-988-0852
mag@stevenslee.com

Adrienne D. Kurtanich, Esq.
Duquesne Light Company
411 Seventh Avenue
Pittsburgh, PA 15219
Phone: 412-393-1482
AKurtanich@duqlight.com

Linda R. Evers, Esq.
Stevens & Lee, P.C.
111 N. Sixth Street,
PO Box 679
Reading, PA 19601
Phone: 610-478-2265
Fax: 610-988-0855
lre@stevenslee.com

Elizabeth A. Ware, Esq.
Stevens & Lee, P.C.
111 N. Sixth Street,
PO Box 679
Reading, PA 19601
Phone: 610-478-2210
Fax: 610-371-7912
eaw@stevenslee.com

Duquesne Light's attorneys are authorized to receive all notices and communications regarding this proceeding.

IV. PROPOSED PROCEDURAL SCHEDULE

Duquesne Light proposes the following schedule for this proceeding:

Comments on EE&C Plan filed	January 4, 2016
Prehearing Conference	January 6, 2016
Other Parties' Direct Testimony Served	January 13, 2016
Rebuttal Testimony Served	January 21, 2016
Evidentiary Hearing	January 26, 2016
Briefs	February 5, 2016
Filing of Revised Plan (if necessary)	February 22, 2016
Certification of Record to the Commission	February 24, 2016

V. DISCOVERY

Duquesne has been served with discovery requests by multiple parties since the proceeding was initiated, and Duquesne has already responded to one full set of discovery requests. Duquesne will also make its witnesses available for informal discovery, and in order to expedite the conduct of this proceeding, Duquesne Light proposes the following modifications to the Commission's procedural rules regarding discovery:

1. Answers to written interrogatories and Responses to requests for production of documents must be served in-hand within 10 calendar days of service.

2. Objections to interrogatories must be communicated orally within 3 calendar days of service of the interrogatories. Unresolved objections must be served within 5 calendar days of service of the interrogatories.
3. Motions to dismiss objections to interrogatories must be filed within 3 calendar days of service of the objections.
4. Answers to motions to dismiss objections must be filed within 3 calendar days of service of the motion.
5. Rulings on motions to dismiss objections will be issued, to the extent possible, within 7 calendar days of the filing of the motion.
6. Any discovery requests served after 12:00 noon on a Friday will be deemed served on the following business day for purposes of calculating due dates.
7. All discovery due dates require “in-hand” service. Electronic service on the due date will satisfy the “in-hand” requirement, where such service is immediately followed by a hard copy sent via First Class U.S. Mail.
8. Discovery-related pleadings, such as objections, motions, and answers to same, served on a Friday or any business day preceding a state holiday will be deemed served on the next business day.

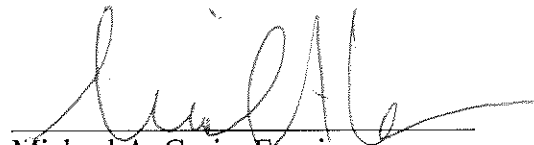
VI. PROTECTIVE ORDER

Duquesne will confer with the parties regarding the submission of a Motion for Protective Order to address the handling of confidential information in the proceeding.

VII. SETTLEMENT

Settlement negotiations between the parties are expected to begin shortly after the Prehearing Conference in this matter. Duquesne Light will make every effort to resolve this proceeding through a settlement. Furthermore, if full settlement cannot be achieved, Duquesne intends to work with the other parties to reach agreement on as many factual and legal issues as possible, to limit the number of issues in dispute and to streamline this proceeding to the greatest extent possible.

Respectfully submitted,



Michael A. Gruin, Esquire
Attorney ID 78625
17 North Second Street, 16th Floor
Harrisburg, PA 17101
Tel: 717.255.7365
Fax: 610.988.0852
mag@stevenslee.com
Counsel for Duquesne Light Company

DATED: January 5, 2016

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition of Duquesne Light Company for Approval :
of its Act 129 Phase III Energy Efficiency and : Docket No. M-2015-2515375
Conservation Plan :
: :
:

CERTIFICATE OF SERVICE

I hereby certify that true and correct copies of the foregoing Prehearing Conference Memorandum have been served upon the following persons, in the manner indicated, in accordance with the requirements of § 1.54 (relating to service by a participant):

VIA EMAIL AND FIRST-CLASS UNITED STATES MAIL

Patrick Cicero, Esquire
Joline Price, Esquire
CAUSE-PA
118 Locust Street
Harrisburg, PA 17101
PCiceroPULP@palegalaid.net
JPricePULP@palegalaid.net
Counsel for CAUSE-PA

Elizabeth Rose Triscari, Esquire
Office of Small Business Advocate
Suite 1102 Commerce Building
300 North Second Street
Harrisburg, PA 17101
etriscari@pa.gov

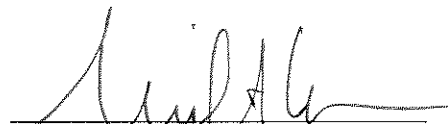
Lauren Burge, Esquire
Darryl Lawrence, Esquire
Office of Consumer Advocate
555 Walnut Street
5th Floor, Forum Place
Harrisburg, PA 17101
DLawrence@paoca.org
LBurge@paoca.org

Johnnie Simms, Esquire
Pennsylvania Public Utility Commission
Bureau of Investigation & Enforcement
PO Box 3265
Harrisburg, PA 17105-3265
josimms@pa.gov

Theodore S. Robinson, Esquire
Citizen Power
2121 Murray Ave.
Pittsburgh, PA 15217
Robinson@CitizenPower.com

Barry A. Naum, Esquire
Derrick Price Williamson, Esquire
Spilman, Thomas & Battle, PLLC
1100 Bent Creek Blvd., Suite 101
Mechanicsburg, PA 17050
bnaum@spilmanlaw.com
dwilliamson@spilmanlaw.com
Counsel for Walmart

Pamela C. Polacek, Esquire
Allesandra L. Hylander, Esquire
McNees, Wallace & Nurick
100 Pine St.
PO Box 1166
Harrisburg, PA 17108
ppolacek@mwnc.com
Counsel for Duquesne Industrial Intervenors



Michael A. Gruin

January 5, 2016