

COMMONWEALTH OF PENNSYLVANIA



OFFICE OF CONSUMER ADVOCATE

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February 26, 2016

Rosemary Chiavetta, Secretary
PA Public Utility Commission
Commonwealth Keystone Bldg.
400 North Street
Harrisburg, PA 17120

Re: Petition of Pennsylvania
Electric Company for Approval
of its Long-Term Infrastructure
Improvement Plan
Docket No. P-2015-2508936

Dear Secretary Chiavetta:

Attached for electronic filing is the Office of Consumer Advocate's Formal Complaint and Public Statement in the above-referenced proceeding.

Copies have been served per the attached Certificate of Service.

Respectfully submitted,

A handwritten signature in cursive script, reading "Erin L. Gannon".

Erin L. Gannon
Senior Assistant Consumer Advocate
PA Attorney I.D. # 83487
E-Mail: EGannon@paoca.org

Attachment

cc: Office of Special Assistants
Office of Administrative Law Judge
Bureau of Technical Utility Services
Certificate of Service

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CERTIFICATE OF SERVICE

Petition of Pennsylvania Electric Company for :
Approval of its Long Term Infrastructure : Docket No. P-2015-2508936
Improvement Plan :

I hereby certify that I have this day served a true copy of the following document, Office of Consumer Advocate's Formal Complaint and Public Statement, upon parties of record in this proceeding in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant), in the manner and upon the persons listed below:

Dated this 26th day of February, 2016.

SERVICE BY E-MAIL & INTER-OFFICE MAIL

Johnnie E. Simms, Esquire
Bureau of Investigation and Enforcement
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

Daniel G. Asmus
Small Business Advocate
Office of Small Business Advocate
300 North Second Street
Harrisburg, P A 17101

SERVICE BY E-MAIL & FIRST CLASS MAIL

Charis Mincavage
Vasiliki Karandrikas
Teresa K. Schmittberger
McNees Wallace & Nurick LLC
100 Pine Street
P.O. Box 1166
Harrisburg, PA 171 08-1166
*Counsel for Penelec Industrial
Customer Alliance*

C. Pursuant to settlement of its most recent base rate case, Penelec calculates its proposed DSIC rate using the 9.90% equity return rate set forth in the Commission's Bureau of Technical Utility Services Report on the Quarterly Earnings of Jurisdictional Utilities, released on January 28, 2016.

D. Penelec proposes to apply the DSIC equally to all customer classes except customers served on Rate Schedules GP and LP at voltage levels over 46,000 volts.

E. Penelec provides electric service to approximately 584,000 residential, commercial and industrial customers in all or portions of thirty-one counties in Pennsylvania.

F. The proposed DSIC rate of 0.043% may be unjust or unreasonable, in violation of Sections 1301, 1351, 1353, 1357, and 1358 of the Public Utility Code, 66 Pa. C.S. §§ 1301, 1351, 1353, 1357, 1358.

G. The Consumer Advocate is empowered to represent the interests of consumers before the Pennsylvania Public Utility Commission, pursuant to Act 161 of the Pennsylvania General Assembly, 71 P. S. §§ 309-1 *et seq*, as enacted July 9, 1976.

H. After initial review of Penelec's filing, the Consumer Advocate files this Formal Complaint in order to ensure that the Company's proposed DSIC tariff and DSIC rate do not result in rates and charges that are excessive, discriminatory or otherwise contrary to statute, Commission regulations or policy.

5. RELIEF

The Consumer Advocate respectfully requests that the Public Utility Commission:

A. Hold evidentiary hearings as provided by Section 1355 of the Public Utility Code, 66 Pa. C.S. § 1355, to review the Petition;

B. Hold public input hearings in Penelec's service territory, if consumer interest arises, 66 Pa. C.S. § 1355;

C. Modify or reject the DSIC and initial tariff if they are not found to be in compliance with Sections 1351, 1353, 1357 and 1358 of the Public Utility Code, 66 Pa.C.S. §§ 1351, 1353, 1357, 1358;

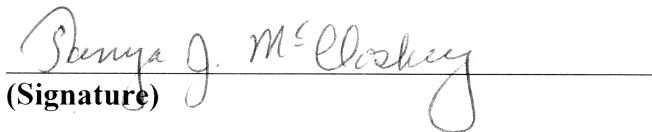
D. Modify or reject the DSIC and initial tariff if they are not found to be just and reasonable and in the public interest; and

E. Grant any other relief deemed necessary.

6. VERIFICATION AND SIGNATURE

Verification:

I, Tanya J. McCloskey, hereby state that the facts above set forth are true and correct (or 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).


(Signature)

February 26, 2016
(Date)

7. LEGAL REPRESENTATION

Erin L. Gannon, Senior Assistant Consumer Advocate
Pa. Attorney No. 83487
EGannon@paoca.org

Darryl Lawrence, Senior Assistant Consumer Advocate
PA Attorney No. 93682
DLawrence@paoca.org

Counsel for: Tanya J. McCloskey
Acting Consumer Advocate
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PUBLIC STATEMENT OF THE OFFICE OF CONSUMER ADVOCATE
PURSUANT TO 71 P.S. SECTION 309-4(e)

Act 161 of the Pennsylvania General Assembly, 71 P.S. § 309-2, as enacted July 9, 1976, authorizes the Consumer Advocate to represent the interests of consumers before the Pennsylvania Public Utility Commission (Commission). In accordance with Act 161, and for the following reasons, the Consumer Advocate determined to file an Intervention and participate in proceedings before the Commission involving the initial Distribution System Improvement Charge (DSIC) tariff and rate proposed by Pennsylvania Electric Company (Penelec or the Company) at Docket No. P-2015-2508936.

On February 16, 2016, Penelec filed a Petition for Approval of a DSIC and a proposed DSIC tariff, pursuant to 66 Pa. C.S. § 1353. The Company estimates a DSIC rate of 0.043%. The Acting Consumer Advocate has filed this Intervention with the Commission to ensure that each aspect of Penelec's proposed tariff is scrutinized and that the proposed DSIC rate is consistent with Sections 1301, 1351, 1353, 1357 and 1358 of the Public Utility Code, 66 Pa.C.S. §§ 1301, 1351, 1353, 1357, 1358, and sound public policy. A thorough analysis and review are appropriate because the proposed tariff will implement new legislation. It is important that the DSIC be calculated correctly, recover only costs of DSIC-eligible property, and be applied equally to all customer classes, consistent with Act 11 and prior Commission Orders. The OCA, therefore, will seek to ensure that any DSIC rate approved by the Commission is not unduly discriminatory or otherwise excessive.