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May 3, 2018

## Via Electronic Filing

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

Re: Pennsylvania Public Utility Commission v. PECO Energy Company Docket No. R-2018-3000164

Dear Secretary Chiavetta:

On behalf of Wal-Mart Stores East, LP and Sam's East, Inc. (collectively, "Walmart"), please find enclosed for filing with the Pennsylvania Public Utility Commission ("PaPUC" or "Commission") the Petition to Intervene of Wal-Mart Stores East, LP and Sam's East, Inc. in the above-captioned matter.

This document was filed electronically with the Commission on this date. All parties are being served a copy of this document in accordance with the enclosed Certificate of Service.

Please contact me if you have any questions concerning this filing.

Very truly yours,

STEVENS & LEE

Donald R. Wagner

**Enclosures** 

cc: Certificate of Service

# BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission : Docket No.

**'**.

: R-2018-3000164

PECO Energy Company :

# PETITION TO INTERVENE OF WAL-MART STORES EAST, LP AND SAM'S EAST, INC.

Pursuant to 52 Pa. Code Sections 5.71 through 5.74, Wal-Mart Stores East, LP and Sam's East, Inc. (collectively, "Walmart" or "Petitioner"), hereby respectfully files this Petition to Intervene in the above-captioned proceedings. In support thereof, Walmart states as follows:

- 1. On March 29, 2018, PECO Energy Company ("PECO") filed with the Pennsylvania Public Utility Commission ("PaPUC" or "Commission") a proposed Tariff Electric-Pa. P.U.C. No. 6 to become effective May 28, 2018. Tariff No. 6 sets forth proposed rates designed to produce an increase in PECO's annual distribution revenue of approximately \$82 million, or 2.2% on the basis of total Pennsylvania jurisdictional operating revenue pursuant to Section 1308(d) of the Public Utility Code, 66 Pa.C.S. § 1308(d).
- 2. By Order entered April 19, 2018, the Commission acted to allow the tariff filings to be suspended by operation of law and instituted an investigation into the lawfulness, justness and reasonableness of PECO's proposed rate increase.
- 3. The Commission's regulations at 52 Pa. Code § 5.72(a) provide that "A petition to intervene may be filed by a person claiming a right to intervene or an interest of such nature that intervention is necessary or appropriate to the administration of the statute under which the proceeding is brought. The right or interest may be one of the following:
  - (a) A right conferred by statute of the United States or of the Commonwealth;

- (b) An interest which may be directly affected and which is not adequately represented by existing participants, and as to which the petitioner may be bound by the action of the Commission in the proceeding; or
- (c) Another interest of such nature that participation of the petitioner may be in the public interest."
- 4. Walmart is a national retailer with 168 facilities in the Commonwealth of Pennsylvania. Approximately 26 stores and related facilities are in PECO's service territory. These facilities include Walmart stores, Sam's Clubs, distribution centers, and gas stations. Walmart is a large commercial customer of the PECO, taking delivery of over 77 million kWh annually from the PECO on High-Tension Power ("HT") and General Service ("GS") rate classes. The cost of electricity is one of the highest single components of Walmart's cost of operating its commercial business in PECO's service territory. The matters to be decided by the Commission in this case may have a direct and substantial impact on the rates Walmart pays for electricity.
- 5. Walmart anticipates addressing issues related to, but not limited to, cost of equity, revenue requirement, cost of service, revenue allocation, rate design and how changes to the federal income tax rate will be reflected in PECO's proposed Tariff No. 6. Walmart will cooperate with the Presiding Administrative Law Judges ("ALJs") and the parties regarding the procedural schedule, discovery rules and any directive issued by the ALJs in accordance with the Commission's regulations. Walmart has a direct and substantial interest in this proceeding and no other entity can represent Walmart's interests. Walmart expects to sponsor testimony and its proposed witness will be:

Gregory W. Tillman Senior Manager, Energy Regulatory Analysis Walmart Inc. 2001 Southeast 10<sup>th</sup> Street Bentonville, AR 72716-5530

Phone: (479) 204-7933 Fax: (479) 899-5877

Email: greg.tillman@walmart.com

6. As provided in 52 Pa. Code § 1.54(b)(3), counsel consents to the service of documents by electronic mail. For purposes of service in the above-captioned proceedings, please direct all communications to:

Donald R. Wagner, Esq (Attorney ID No. 80280) Linda R. Evers, Esq. (Attorney ID No. 81428) Michael A. Gruin, Esq. (Attorney ID No. 78625) Stevens & Lee 111 N. Sixth Street Reading, PA 19601 Phone: (610) 478-2216 drw@stevenslee.com lre@stevenslee.com mag@stevenslee.com

7. Petitioner respectfully requests the parties provide an electronic copy of communications to Walmart, in care of:

Greg Tillman Walmart Inc. 2001 Southeast 10<sup>th</sup> Street Bentonville, AR 72716-5530

Phone: (479) 204-7993

Email: greg.tillman@walmart.com

**WHEREFORE**, Walmart respectfully requests that its Petition to Intervene be granted and that it be accorded full party status in the above-captioned proceedings.

Respectfully submitted,

STEVENS & LEE

Donald R. Wagner Attorney ID No. 80280 111 N. Sixth Street Reading, PA 19601 Phone: (610) 478-2216

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Attorneys for Wal-Mart Stores East, LP and Sam's East, Inc.

Dated: May 3, 2018

# BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission : Docket No.

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: R-2018-3000164

PECO Energy Company :

# **VERIFICATION**

I, Gregory W. Tillman, Senior Manager Energy Regulatory Analysis for Walmart Inc., hereby state that the facts above set forth are true and correct to the best of my knowledge, information and belief, and that we expect to be able to prove the same at the 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).

Gregory W. Tillman

Sr. Manager Energy Regulatory Analysis Walmart Inc. 2001 Southeast 10<sup>th</sup> Street

Bentonville, AR 72716-5530

Date:  $\frac{5/2/18}{}$ 

# BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission : Docket No.

: R-2018-3000164

PECO Energy Company

## **CERTIFICATE OF SERVICE**

I hereby certify that I served a true and correct copy of the Petition to Intervene on behalf of Wal-Mart Stores East, LP and Sam's East, Inc. (collectively, "Walmart"), on the following parties by electronic mail in accordance with the requirements of 52 Pa. Code § 1.54:

#### SERVICE LIST

## **Administrative Law Judges:**

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F. Joseph Brady Administrative Law Judge FBrady@pa.gov

### **Bureau of Investigation & Enforcement:**

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#### **Office of Consumer Advocate:**

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#### **PECO Energy Company:**

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Delaware Valley Regional Planning Commission (DVRPC):

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Donald R. Wagner

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Attorneys for Wal-Mart Stores East, LP and Sam's East, Inc.

Dated: May 3, 2018