

Eckert Seamans Cherin & Mellott, LLC 213 Market Street 8th Floor Harrisburg, PA 17101 TEL 717 237 6000 FAX 717 237 6019 www.eckertseamans.com

Deanne M. O'Dell 717.255.3744 dodell@eckertseamans.com

May 4, 2018

Via Electronic Filing

Rosemary Chiavetta, Secretary PA Public Utility Commission PO Box 3265 Harrisburg, PA 17105-3265

Re:

Pennsylvania Public Utility Commission v. PECO Energy Company,

Office of Consumer Advocate v. PECO Energy Company Office of Small Business Advocate v. PECO Energy Company Docket Nos. R-2018-300164; C-2018-3001112; C-2018-3001043

Dear Secretary Chiavetta:

Enclosed for electronic filing please find the Retail Energy Supply Association's ("RESA") Prehearing Memorandum with regard to the above-referenced matter. Copies to be served in accordance with the attached Certificate of Service.

Sincerely,

Deanne M. O'Dell

DMO/lww Enclosure

cc:

Hon. Christopher P. Pell w/enc.

Hon. F. Joseph Brady w/enc.

Cert. of Service w/enc.

CERTIFICATE OF SERVICE

I hereby certify that this day I served a copy of RESA's Prehearing Memo upon the persons listed below in the manner indicated in accordance with the requirements of 52 Pa. Code Section 1.54.

Via Email and/or First Class Mail

Romulo L. Diaz, Jr., Esq.
Jack R. Garfinkle, Esq.
W. Craig Williams, Esq.
Michael S. Swerling, Esq.
PECO Energy Company
2301 Market St.
P.O. Box 8699
Philadelphia, PA 19101
Romulo.diaz@exeloncorp.com
Jack.garfinkle@exeloncorp.com
Craig.williams@exeloncorp.com
Michael.swerling@exeloncorp.com

Kenneth M. Kulak, Esq.
Anthony C. DeCusatis, Esq.
Morgan Lewis & Bockius LLP
1701 Market St.
Philadelphia, PA 19103
Ken.kulak@morganlewis.com
Anthony.decusatis@morganlewis.com

Carrie B. Wright, Esq.
Bureau of Investigation & Enforcement
PA Public Utility Commission
PO Box 3265
Harrisburg, PA 17105-3265
carwright@pa.gov

Elizabeth Rose Triscari, Esq.
Office of Small Business Advocate
300 North Second St., Suite 202
Harrisburg, PA 17101
etriscari@pa.gov

Dated: May 4, 2018

Christy M. Appleby, Esq.
Hayley Dunn, Esq.
Aron J. Beatty, Esq.
Office of Consumer Advocate
555 Walnut St., 5th Fl., Forum Place
Harrisburg, PA 17101-1923
cappleby@paoca.org
hdunn@paoca.org
abeatty@paoca.org

Patrick M. Cicero, Esq. Elizabeth R. Marx, Esq. Kadeem G. Morris, Esq. 118 Locust St. Harrisburg, PA 17101 pulp@palegalaid.net

Scott J. Rubin, Esq. 333 Oak Lane Bloomsburg, PA 17815 Scott.j.rubin@gmail.com

Charles T. Joyce, Esq. Spear Wilderman, P.C. 230 South Broad St., Suite 140 Philadelphia, PA 19102 ctjoyce@spearwilderman.com

Deanne M. O'Dell, Esq.

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission : R-2018-3000164
Office of Consumer Advocate : C-2018-3001112
Office of Small Business Advocate : C-2018-3001043

v.

:

PECO Energy Company - Electric Division

PREHEARING MEMORANDUM OF RETAIL ENERGY SUPPLY ASSOCIATION

Subject to the granting of its simultaneously filed Petition to Intervene and pursuant to 52 Pa. Code § 5.222 and the Prehearing Conference Order dated April 20, 2018 associated with the above-captioned base rate proceeding initiated by PECO Energy Company ("PECO" or "Company"), the Retail Energy Supply Association ("RESA")¹ submits this Prehearing Memorandum.

I. <u>BACKGROUND</u>

On March 29, 2018, PECO initiated this base rate proceeding by the filing of Tariff Electric – Pa. PUC No. 6. By Order entered on April 19, 2018, the Commission suspended the base rate filling for investigation until December 28, 2018. The Commission scheduled a prehearing conference for May 8, 2018 at 9:30 a.m. by Prehearing Conference Notice dated April 20, 2018. By Prehearing Order dated April 20, 2018, Deputy Chief Administrative Law

The comments expressed in this filing represent the position of the Retail Energy Supply Association (RESA) as an organization but may not represent the views of any particular member of the Association. Founded in 1990, RESA is a broad and diverse group of twenty retail energy suppliers dedicated to promoting efficient, sustainable and customer-oriented competitive retail energy markets. RESA members operate throughout the United States delivering value-added electricity and natural gas service at retail to residential, commercial and industrial energy customers. More information on RESA can be found at www.resausa.org.

Judge Christopher P. Pell and Administrative Law Judge F. Joseph Brady directed the filing of prehearing memoranda no later than 12:00 p.m. on May 4, 2018.

II. SERVICE OF DOCUMENTS

RESA requests that all documents be served on:

Deanne M. O'Dell, Esquire Eckert Seamans Cherin & Mellott, LLC 213 Market St., 8th Floor Harrisburg, PA 17101 717.237.6000 Fax 717.237.6019 dodell@eckertseamans.com

RESA also agrees to receive service of documents electronically in this proceeding. To the extent that materials are available electronically, it is requested that copies be served upon:

Deanne O'Dell – <u>dodell@eckertseamans.com</u> Sarah C. Stoner – <u>sstoner@eckertseamans.com</u>

Deanne O'Dell will serve as RESA's lead attorney during the prehearing conference scheduled for May 8, 2018.

III. SETTLEMENT

RESA is willing to participate in settlement discussions with any party to narrow the issues in this matter.

IV. PROPOSED PLAN AND SCHEDULE OF DISCOVERY

RESA is amenable to working with the other parties in this matter to adopt a reasonable proposed plan and schedule of discovery. RESA does not have any proposals regarding discovery modifications.

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V. SCHEDULE FOR SUBMISSION OF TESTIMONY, HEARINGS AND BRIEFS

RESA will cooperate with the other parties and the Presiding Officers to facilitate a workable litigation schedule. RESA has not yet determined the amount of hearing time needed to address its presently identified issues.

VI. PUBLIC INPUT HEARINGS

RESA takes no position on whether public input hearings should be scheduled and defers to PECO and other parties on this matter.

VII. WITNESSES

Although RESA has not yet identified a witness, it will provide the Presiding Officers as well as the other parties in this matter reasonable notice prior to serving testimony or the commencement of evidentiary hearings. RESA reserves its right to add additional witnesses or change the identity of its witnesses at any time upon appropriate notice to the Presiding Officers and the parties.

VIII. PRESENTLY IDENTIFIED ISSUES

RESA is a trade association of power marketers, independent power producers, and a broad range of companies within the Mid-Atlantic marketplace, each of whom support the electric services industry and seek to develop a more competitive power industry. RESA members are licensed to sell electric energy in the markets of Pennsylvania's major electric distribution companies, including the service territories of PECO.

RESA has identified the following issues that should be examined in this proceeding: (1) the proposed Electric Vehicle Direct Current Fast Charger Pilot Rider; (2) PECO's initiatives to

improve the direct billing relationship it has with its distribution customers; (3) PECO's proposed modifications to net metering eligibility; (4) PECO's proposed allocation of costs to distribution functions that are related to the provision of default service and should be removed from distribution charges; and (5) proposals to streamline the interconnection process for distributed generation technologies. With members operating in PECO's service territory, RESA is concerned about the potential anti-competitive impacts that may result from efforts of PECO to utilized ratepayer funded resources to offer value-added, generation-related products and services that are more appropriately offered in the competitive market. PECO's proposed allocation of costs to distribution functions for functions that are related to the provision of default service need to be analyzed to ensure that the cost allocation does not negatively impact the ability of EGSs to present competitive products to consumers in PECO's service territory. Due to the early stage of this proceeding, RESA reserves the right to raise and address issues identified through its continued review and analysis of PECO's filing (and related information), or other issues raised by other parties.

At this time, RESA continues to evaluate its position on and will refine its position based on further study of the proposals, review of discovery and additional input from other parties.

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RESA reserves the right to address other issues identified through its continued review and analysis of the filing or raised by other parties.

Respectfully submitted,

Deanne M. O'Dell, Esquire

Attorney ID 81064

Sarah C. Stoner, Esquire

Attorney ID 313793

Eckert Seamans Cherin & Mellott, LLC

213 Market St., 8th Floor Harrisburg, PA 17101

717.237.6000

Fax 717.237.6019

dodell@eckertseamans.com

sstoner@eckertseamans.com

Attorneys for Retail Energy Supply Association

Date: May 4, 2018