

May 4, 2018

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

Re: Pennsylvania Public Utility Commission v. PECO Energy Company

Docket No. R-2018-3000164

Dear Secretary Chiavetta:

Enclosed please find the Prehearing Memorandum of Tenant Union Representative Network and Action Alliance of Senior Citizens of Greater Philadelphia (TURN et al.), in the above-referenced proceeding.

Copies have been served as indicated on the Certificate of Service.

Respectfully Submitted,

Joline R. Price

Attorney for TURN et al.

Community Legal Services, Inc.

1424 Chestnut Street

Philadelphia, PA 19102

(215) 981-3756

Enclosure

Cc: Administrative Law Judge Christopher P. Pell

Administrative Law Judge F. Joseph Brady

Certificate of Service

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

PECO Energy Company -General Base Rate Filing for

Electric Operations

Docket No. R-2018-3000164

Certificate of Service

I hereby certify that I have this day served copies of the **Prehearing Memorandum of Tenant Union Representative Network and Action Alliance of Senior Citizens of Greater Philadelphia** upon the parties of record in the above captioned proceeding in accordance with the requirements of 52 Pa. Code § 1.54 in the manner and upon the persons listed below.

VIA FIRST CLASS MAIL

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Deputy Chief Administrative Law Judge
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Philadelphia, PA 19107

F. Joseph Brady Administrative Law Judge Pa Public Utility Commission 801 Market Street, Suite 4063 Philadelphia, PA 19107

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Respectfully submitted,

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COMMUNITY LEGAL SERVICES, INC.

1424 Chestnut Street

Philadelphia, PA 19102

May 4, 2018

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

PECO Energy Company - :

General Base Rate Filing for :

Electric Operations : Docket No. R-2018-3000164

:

Pre-Hearing Memorandum of Tenant Union Representative Network and Action Alliance of Senior Citizens of Greater Philadelphia

Tenant Union Representative Network ("TURN") and Action Alliance of Senior Citizens of Greater Philadelphia ("Action Alliance"), (collectively "TURN et al."), through counsel Community Legal Services, Inc., hereby submit the following Pre-Hearing Memorandum pursuant to the Prehearing Conference Order of April 20, 2018.

I. History of the Proceeding.

On March 29, 2018, PECO submitted a general base rate filing for electric operations. In its filing, PECO proposes to increase its electric distribution revenues by approximately \$82 million, effective May 28, 2018. PECO's proposed rates and other changes are set forth in PECO's Tariff Electric – Pa. PUC No. 6 ("Tariff No. 6"). PECO proposes to increase revenue by \$44.9 million per year for Rate R Residential Service and by \$12 million for Rate RH Residential Heating Service. This includes an increase in the residential fixed charge to \$12.50.

On April 19, 2018, the Public Utility Commission suspended the implementation of those rates by operation of law until December 28, 2018 to allow for an investigation into the lawfulness, justness, and reasonableness of the rates, rules, and regulations contained in the proposed Tariff No. 6.

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On April 20, 2018, Administrative Law Judges Christopher P. Pell and F. Joseph Brady issued a Prehearing Conference Order directing that prehearing conference memoranda be submitted by Friday, May 4th before 12:00 p.m.

On May 3, 2018, TURN et al. filed a petition to intervene stating their intent to examine, in this proceeding, whether PECO's request for a rate increase will result in unjust and unreasonable rates for Philadelphia's low and moderate income residential customers and consumers.

II. Issues for Consideration

A. Discovery

TURN et al. supports the discovery modifications proposed by PECO in its prehearing memorandum.

B. Settlement

TURN et al. are willing and ready to engage in settlement discussions in an attempt to resolve or narrow the issues in this proceeding, with any and all parties, and encourage the parties to engage in settlement early in the process.

C. Issues

Counsel for TURN et al. have preliminarily reviewed PECO's rate filing, and generally object to any increase to the extent that the proposed increased could result in unjust and unreasonable rates and impose hardship on low and moderate income residential customers and consumers, including those enrolled in PECO's Customer Assistance Program. While TURN et al. is still reviewing the proposal, TURN et al. have tentatively identified the following issues:

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- Whether a rate increase and PECO's proposed rate design will result in unjust and unreasonable rates for PECO's low and moderate income residential customers and consumers, based on all relevant factors.
- 2. Whether PECO's proposed rate design, including its proposal to increase residential fixed charge to \$12.50 is just and reasonable, including:
 - a. The impact such an increase will have on low and moderate income customers; and
 - b. How such an increase will impact the ability of low and moderate income customers to reduce their energy costs through conservation.
- 3. Whether PECO's universal service programs, including its Customer Assistance Program, Low Income Usage Reduction Program, Customer Assistance Referral and Evaluation Services, and Hardship Fund are sufficiently robust so as to offset the impact of any approved rate increase and/or change in rate design.
- 4. Whether PECO's rates and tariff comply with the billing, collections, and termination standards, as well as the universal service requirements contained in the Public Utility Code.
- 5. Whether PECO's existing rates, rules and regulations are lawful, just and reasonable.

 TURN et al. anticipates that other issues may come up during the course of this proceeding and reserve the right to examine any other issues that arise in the course of this proceeding.

D. Witnesses and Testimony.

TURN <u>et al</u>. intend to present the following witness to testify in this matter. TURN <u>et al</u>. reserve the right to call additional or substitute witnesses as may be warranted upon proper notice to Your Honors and the parties:

Harry S. Geller, Esq. 118 Locust Street Harrisburg, PA 17101 717-576-2282 hgellerpulp@palegalaid.net

Mr. Geller may address some of the issues identified above and any other issues that may arise in the course of this proceeding.

E. Schedule for Testimony, Hearings, and Briefs

TURN et al. has engaged in discussions with the other parties regarding a litigation schedule and timing of hearings. TURN et al. supports the proposed schedule set forth by PECO in its prehearing memorandum, noting that TURN et al.'s witness is only available on August 20th, the proposed first day of hearings. To our knowledge, no party objects to our witness being scheduled to testify that day.

F. Service on TURN et al.

TURN et al. will be represented in this proceeding by Joline R. Price, Esquire and Robert W. Ballenger, Esquire, who will accept electronic delivery of documents. In addition, one hard copy of all documents should also follow by first class mail to TURN et al. as follows:

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Philadelphia, PA 19102

Telephone: 215-981-3756 Facsimile:

215-981-0436

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jprice@clsphila.org; rballenger@clsphila.org

III. Conclusion

TURN et al. respectfully request that this memorandum be entered into the record of this proceeding.

Respectfully submitted,

Joline R. Price, Esquire (Atty ID: 315405) Robert W. Ballenger, Esquire (Atty ID: 93434)

Attorneys for TURN et al. COMMUNITY LEGAL SERVICES, INC.

1424 Chestnut Street Philadelphia PA 19102

May 4, 2018