STEVENS & LEE LAWYERS & CONSULTANTS

111 North 6th Street Reading, PA 19601 (610) 478-2000 Fax (610) 376-5610 <u>www.stevenslee.com</u>

> Direct Dial: (610) 478-2216 Email: <u>drw@stevenslee.com</u> Direct Fax: (610) 988-0846

May 4, 2018

Via Electronic Filing

Rosemary Chiavetta, Secretary Pennsylvania Public Utility Commission Commonwealth Keystone Building 400 North Street, 2nd 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 Prehearing Conference Memorandum 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-2018-300016

PECO Energy Company :

PREHEARING CONFERENCE MEMORANDUM OF WAL-MART STORES EAST, LP AND SAM'S EAST, INC.

Wal-Mart Stores East, LP and Sam's East, Inc. (collectively, "Walmart"), hereby respectfully, by their attorneys, submit this Prehearing Conference Memorandum in connection with the prehearing conference to be held on Tuesday, May 8, 2018 at 9:30 a.m. in the above-captioned matter.

- 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 operated of law and instituted an investigation into the lawfulness, justness and reasonableness of PECO's proposed rate increase.
- 3. On April 20, 2018, the Presiding Officers issued a Prehearing Conference Order scheduling a prehearing conference to be held on Tuesday, May 8, 2018 at 9:30 a.m. in the above-captioned matter.
- 4. On May 3, 2018, Walmart filed a Petition to Intervene in the above-captioned rate case.

5. The name, business address and contract information of counsel for Walmart are:

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 Fax: (610) 988-0846 drw@stevenslee.com lre@stevenslee.com mag@stevenslee.com

Attorney Wagner will attend the Prehearing Conference at the Harrisburg location and speak on behalf of Walmart. Ms. Evers and Mr. Gruin will not attend the Prehearing Conference. Walmart agrees to accept electronic service of documents.

- 6. With respect to the proposed litigation schedule, Walmart will cooperate with the schedule issued by the Presiding Officers for the submission of testimony, hearings and briefs in the Prehearing Conference Order, as may be subsequently amended.
- 7. 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 Officers and the parties regarding the procedural schedule, discovery rules and any directive issued by the Presiding Officers in accordance with the Commission's regulations.
- 8. Walmart expects to sponsor testimony, Direct as well as Rebuttal and Surrebuttal as necessary, to address 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 reserves the right to address other issues that arise through the course of litigation and discovery. Walmart expects to call one witness whose name, business address and contact information is as follows:

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

Phone: (479) 204-7993

Email: greg.tillman@walmart.com

9. Walmart is willing and ready to engage in settlement discussions in an attempt to resolve or narrow the issues in the above-captioned proceedings, with any and all parties.

WHEREFORE, Walmart respectfully submits this Prehearing Conference Memorandum.

Respectfully submitted,

STEVENS & LEE

Donald R. Wagner Attorney ID Mo. 80280 111 N. Sixth Street Reading, PA 19601

Phone: (610) 478-2216 Fax: (610) 988-0846

email: drw@stevenslee.com

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

East, Inc.

Dated: May 4, 2018

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 Prehearing Conference Memorandum 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:

Commonwealth of Pennsylvania Public Utility Commission 801 Market Street, Suite 4063 Philadelphia, PA 19107

Christopher P. Pell
Deputy Chief Administrative Law Judge
CPell@pa.gov

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

Bureau of Investigation & Enforcement:

Carrie B. Wright, Esq.
Commonwealth of Pennsylvania
Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265
carwright@pa.gov

Office of Small Business Advocate:

Elizabeth Rose Triscari, Esquire 300 North Second Street - Suite 202 Harrisburg, PA 17101 etriscari@pa.gov

Office of Consumer Advocate:

555 Walnut Street, 5th Fl, Forum Place Harrisburg, PA 17101-1923

Christy M. Appleby, Esquire CAppleby@paoca.org

Hayley Dunn, Esquire HDunn@paoca.org

Aron J. Beatty, Esquire ABeatty@paoca.org

PECO Energy Company:

2301 Market Street P.O. Box 8699 Philadelphia, PA 19101

Romulo L. Diaz, Jr. Esquire romulo.diaz@exeloncorp.com

SERVICE LIST Continued – Page 2 of 3

Jack R. Garfinkle, Esquire jack.garfinkle@exeloncorp.com

W. Craig Williams, Esquire craig.williams@exeloncorp.com

Michael S. Swerling michael.swerling@exeloncorp.com

Morgan, Lewis & Bockius LLP 1701 Market Street Philadelphia, PA 19103

Kenneth M. Kulak, Esq. ken.kulak@morganlewis.com

Anthony C. DeCusatis, Esquire anthony.decusatis@morganlewis.com

CAUSE-PA:

Pennsylvania Utility Law Project 118 Locust Street Harrisburg, PA 17101 Patrick M. Cicero, Esquire Elixabeth R. Marx, Esquire Kadeem G. Morris, Esquire pulp@palegalaid.net

IBEW Local 614:

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

Charles T. Joyce, Esquire Spear Wilderman, P.C. 230 South Broad Street, Suite 140 Philadelphia, PA 19102 ctioyce@spearwilderman.com

Community Action Association of Pennsylvania (CAAP):

Joseph L. Vullo, Esquire Burke Vullo Reilly Roberts 1460 Wyoming Avenue Forty Fort, PA 18704 jlvullo@bvrrlaw.com

Philadelphia Area Industrial Energy Users Group:

McNees Wallace & Nurick LLC 100 Pine Street P.O. Box 1166 Harrisburg, PA 17108-1166

Charis Mincavage, Esquire cmincavage@mcneeslaw.com

Adeolu Bakare, Esquire abakare@mcneeslaw.com

Alessandra Hylander, Esq. ahylander@mcneeslaw.com

Delaware Valley Regional Planning Commission (DVRPC):

Roger E. Clark, Esquire 905 Denston Drive Ambler, PA 19002 roger@rogerclarkconsulting.com

Trustees of the University of Pennsylvania:

Cozen O'Connor 17 North Second Street, Suite 1410 Harrisburg, PA 17101

David P. Zambito, Esq. dzambito@cozen.com

Jonathan P. Nase jnase@cozen.com

SERVICE LIST Continued – Page 3 of 3

Roman Petyk, Esquire
The University of Pennsylvania
Office of General Counsel
2929 Walnut Street
FMC Tower, Suite 400
Philadelphia, PA 19104-5099
Roman.petyk@ogc.upenn.edu

TURN et al.:

Community Legal Services of Philadelphia 1424 Chestnut Street Philadelphia, PA 19104-5099

Joline R. Price, Esquire jprice@clsphila.org

Robert W. Ballenger, Esquire rballenger@clsphila.org

TESLA:

Mark C. Hammond Land Air Water Legal Solutions, LLC 1000 Westlakes Drive, Suite 150 Berwyn, PA 19312 mhammond@landairwater.com

NRG:

Karen O. Moury Eckert Seamans Cherin & Mellott, LLC 212 Market Street, 8th Floor Harrisburg, PA 17101 kmoury@eckertseamans.com

Abe Silverman
VP and Deputy General Counsel
NRG Energy, Inc.
804 Carnegie Center
Princeton, NJ 08540
abe.silverman@nrg.com

Donald R. Wagner Attorney ID No. 80280

Stevens & Lee 111 N. Sixth Street Reading, PA 19601 Phone: (610) 478-2216 Fax: (610) 988-0846

email: drw@stevenslee.com

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

Dated: May 4, 2018