

June 5, 2018

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VIA E-FILE

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

Re: Pennsylvania Public Utility Commission v. PECO Energy Company; Docket Nos. R-2018-3000164 and C-2018-3001636

REPLY OF THE TRUSTEES OF THE UNIVERSITY OF PENNSYLVANIA TO THE NEW MATTER OF PECO ENERGY COMPANY

Dear Secretary Chiavetta:

Enclosed for filing with the Commission is the Reply of The Trustees of the University of Pennsylvania to the New Matter of PECO Energy Company. Copies of the Reply are being served on the Presiding Officers, Deputy Chief Administrative Law Judge Pell and Administrative Law Judge Brady, and on all parties, as indicated on the enclosed Certificate of Service.

If you have any questions regarding this filing, please direct them to me. Thank you for your attention to this matter.

Sincerely,

COZEN O'CONNOR David P. Zampito By: Counsel for

The Trustees of the University of Pennsylvania

DPZ:kmg Enclosure

cc: Honorable Christopher P. Pell Honorable F. Joseph Brady Per Certificate of Service

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission, et al.

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Docket Nos. R-2018-3000164 C-2018-3001636

PECO Energy Company

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing Reply of The Trustees of the University of Pennsylvania to the New Matter of PECO Energy Company, upon the parties, listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a party).

VIA E-MAIL AND FIRST CLASS MAIL:

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DATED: June 5, 2018

David P. Zambito, Esquire Counsel for Thse Trustees of the University of Pennsylvania

VERIFICATION

I, <u>Faramarz Vakili</u>, hereby state that the facts set forth above 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).

Date: 6-5-18

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Faramarz Vakili Executive Director of Operations and Maintenance Facilities and Real Estate Services University of Pennsylvania 3101 Walnut Street Philadelphia, PA 19104

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Deputy Chief Administrative Law Judge Christopher P. Pell and Administrative Law Judge F. Joseph Brady

The Trustees of the University of Pennsylvania	:	
	:	Docket Nos. R-2018-3000164
v.	:	C-2018-3001636
	:	
PECO Energy Company	:	

REPLY OF THE TRUSTEES OF THE UNIVERSITY OF PENNSYLVANIA TO THE NEW MATTER OF PECO ENERGY COMPANY

AND NOW COMES The Trustees of the University of Pennsylvania ("UPENN"), by and through its counsel, Cozen O'Connor, pursuant to 52 Pa. Code § 5.63, to submit this Reply to the New Matter contained in the "Answer of PECO Energy Company to the Complaint of The Trustees of the University of Pennsylvania" (the "Answer") filed by PECO Energy Company ("PECO") on May 16, 2018. In support thereof, UPENN avers as follows:

I. Reply

17. Denied. The regulations of the Pennsylvania Public Utility Commission ("Commission") are written documents that speak for themselves.

18. Denied. This paragraph states a legal conclusion to which no response is required.

19. Denied. This paragraph states a legal conclusion to which no response is required. By way of further answer, UPENN incorporates by reference Paragraph 10 of its Complaint, including footnote 2, which states:

While the Commission has regulations for the siting of high voltage transmission lines (*i.e.*, designed for 100,000 volts or greater), the Commission has no such regulations for the siting of low voltage transmission lines. *See* 52 Pa Code §§ 57.71-57.77 ("Commission Review of Siting and Construction of Electric Transmission Lines"). The absence of Commission regulations for the siting of low voltage transmission lines suggests that such sitings should be specifically governed by the electric distribution company's Commission-approved tariff and not left to the unbridled discretion of the company.

UPENN also incorporates by reference the averments of Paragraph 12 of its Complaint.

20. Denied. Section 1501 of the Pennsylvania Public Utility Code ("Code"), 66 Pa. C.S. § 1501, is a written document that speaks for itself. The remainder of this paragraph states a legal conclusion to which no response is required. By way of further response, UPENN incorporates by reference the averments of Paragraph 12 of its Complaint.

21. This paragraph states a legal conclusion to which no response is required.

22. This paragraph states a legal conclusion to which no response is required.

23 This paragraph states a legal conclusion to which no response is required.

24. This paragraph states a legal conclusion to which no response is required. By way of further answer, the availability of other remedies does not prevent a complainant from filing a proper complaint against a proposed rate increase.

25. After reasonable investigation, UPENN is unable to admit or deny the allegations of this paragraph.

26. Admitted. By way of further answer, PECO's Answer states that it "*may* seek the incremental costs incurred to accommodate a third-party's request from the third party requesting the departure from a planned route" (emphasis added). The permissive ("may") rather than

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mandatory ("shall") nature of this statement gives rise to the possibility of discrimination in violation of 66 Pa. C.S. §§ 1301 and 1304, as stated in UPENN's Complaint at ¶¶ 9, 11 and 12. Additionally, to the extent that PECO seeks and obtains incremental costs from third parties to depart from a planned route, PECO should be required to account for those monies in this rate proceeding, so that ratepayers will benefit rather than shareholders. By way of further answer, UPENN incorporates by reference the averments of Paragraph 13 of its Complaint.

27. This paragraph states a legal conclusion to which no response is required. By way of further answer, UPENN incorporates by reference the averments of Paragraphs 19, 24 and 26, *supra*.

28. This paragraph states a legal conclusion to which no response is necessary. By way of further answer, UPENN incorporates by reference the averments of Paragraph 24, *supra*.

29. This paragraph states a legal conclusion to which no response is necessary. By way of further answer, UPENN incorporates by reference the averments of Paragraphs 19, 24 and 26, *supra*.

II. CONCLUSION

WHEREFORE, for the foregoing reasons, UPENN continues to request that the Commission: deny any charges or changes contained in PECO's proposed Tariff Electric Pa. P.U.C. No. 6 that cannot be fully justified, or which otherwise are contrary to the Code, sound ratemaking principles and public policy; determine the justness and reasonableness of PECO's proposed rates; consider the practices used by PECO to determine the amount that it will charge for the "incremental costs" of relocating a low voltage transmission line on an alternative site; investigate the amounts actually collected, and anticipated to be collected, by PECO, for the alternative location of low voltage transmission lines, and the accounting treatment thereof; and, grant such other relief as the Commission deems to be necessary or proper.

Respectfully submitted, untos David P. Zambito (PA ID No. 80017)

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Dated: June 5, 2018

Counsel for The Trustees of the University of Pennsylvania