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May 7, 2020

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

VIA ELECTRONIC FILING

**RE: Petition of PPL Electric Utilities Corporation for Approval of a Default Service Program and Procurement Plan for the Period June 1, 2021 through May 31, 2025
Docket No. P-2020-3019356**

Dear Secretary Chiavetta:

Enclosed for filing with the Pennsylvania Public Utility Commission is the Petition to Intervene and Answer of the PP&L Industrial Customer Alliance ("PPLICA"), in the above-referenced proceeding.

As shown by the attached Certificate of Service and per the Commission's March 20, 2020, Emergency Order, all parties to this proceeding are being duly served via email only due to the current COVID-19 pandemic. Upon lifting of the aforementioned Emergency Order, we can provide parties with a hard copy of this pleading upon request.

Sincerely,

McNEES WALLACE & NURICK LLC

By 

Adeolu A. Bakare

Counsel to the PP&L Industrial Customer Alliance

c: Administrative Law Judge Elizabeth H. Barnes (via E-mail and First-Class Mail)
Certificate of Service

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CERTIFICATE OF SERVICE

I hereby certify that I am this day serving a true copy of the foregoing document upon the participants listed below in accordance with the requirements of 52 Pa. Code Section 1.54 (relating to service by a participant).

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Adeolu A. Bakare

Counsel to the PP&L Industrial Customer Alliance

Dated this 7th day of May, 2020, at Harrisburg, Pennsylvania

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition of PPL Electric Utilities	:	
Corporation for Approval of a Default	:	
Service Program and Procurement	:	Docket No. P-2020-3019356
Plan for the Period June 1, 2021	:	
Through May 31, 2025	:	

**PETITION TO INTERVENE AND ANSWER OF
THE PP&L INDUSTRIAL CUSTOMER ALLIANCE**

TO THE HONORABLE, THE PENNSYLVANIA PUBLIC UTILITY COMMISSION:

Pursuant to Sections 5.71 through 5.74 of the Pennsylvania Public Utility Commission's ("PUC" or "Commission") Regulations, 52 Pa. Code §§ 5.71 - 5.74, the PP&L Industrial Customer Alliance ("PPLICA") hereby files this Petition to Intervene in response to the above-captioned filing of PPL Electric Utilities Corporation, Inc. ("PPL" or "Company"). Furthermore, pursuant to Section 5.61(a) of the Commission's regulations, 52 Pa. Code § 5.61(a), PPLICA hereby files this Answer in response to the above-captioned Petition of PPL.

On March 25, 2020, PPL filed with the Commission its Petition requesting approval of its fourth Default Service Program and Procurement Plan ("DSP V") for the period June 1, 2021, through May 31, 2025. The Company's Petition outlines a number of terms and conditions by which the Company will supply default service to all retail customers within its service territory.

In support of its Petition to Intervene and Answer, PPLICA asserts the following:

I. PETITION TO INTERVENE

1. PPLICA is an ad hoc group of energy-intensive large commercial and industrial ("Large C&I") customers receiving electric service from PPL primarily under Rate Schedules LP-4 and LP-5, as well as available riders. PPLICA members annually consume approximately

1.08 billion kWh of electricity in their manufacturing and operational processes, and electricity costs comprise a significant element of their respective costs of operation.

2. PPLICA has been actively involved in many proceedings related to the introduction of electric generation supply choice in PPL's service territory. This includes participating in PPL's Restructuring Proceeding pursuant to the Electricity Generation Customer Choice and Competition Act ("Competition Act") and joining as a signatory to the Settlement that resolved the appeals and challenges to the Commission's Final order in the Restructuring Proceeding at Docket No. R-009739954. PPLICA also consistently participates in PPL's base rate case proceedings and actively participated in the Company's current Default Service Plan at Docket No. P-2016-2526627.

3. The PUC's disposition of PPL's Petition in this instance may impact the rates PPLICA members pay for electric service.

4. The names and address of PPLICA's attorneys are:

Pamela C. Polacek (Pa. I.D. No. 78276)
Adeolu A. Bakare (Pa. I.D. No. 208541)
Jo-Anne S. Thompson (Pa. I.D. No. 325956)
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5. For purposes of this proceeding, PPLICA includes the companies listed in Appendix A hereto. PPLICA will update Appendix A during the course of this proceeding as needed to reflect changes in its membership.

6. PPL's Petition generally preserves many programs under its current DSP. However, there is a risk that other intervening parties may propose amendments to the DSP V that could negatively impact PPLICA members.

7. Additionally, as directed by Secretarial Letter issued by the Commission on January 23, 2020, at Docket No. M-2019-3007101, PPL provided an explanation of its methodologies for calculating customers' Peak Load Contributions ("PLC") and Network Service Peak Load ("NSPL") allocations.¹ See PPL Statement No. 1 at 85-90. While PPL provided the requested information, PPLICA is concerned that PPL's current process for calculating customers' NSPL fails to appropriately reflect each customers' contribution to PPL's peak transmission demand. Accordingly, the Commission's resolution of these issues may impact the rates, terms, and conditions under which PPLICA's members receive service from PPL.

8. Therefore, consistent with 52 Pa. Code § 5.72(a), PPLICA has a significant interest in this proceeding that is not represented by any other party of record. Consequently, PPLICA should be granted intervenor status in this proceeding.

II. ANSWER

9. This answer identifies specific issues impacting PPLICA. PPLICA reserves the right, however, to raise and address additional issues of concern during the course of the proceeding based on further review of the Petition, PPL's Direct Testimony, and discovery.

10. Based on a preliminary analysis, PPL's calculation methodology for customers' NSPL contributions results in an inaccurate assessment of each customers' contributions to PPL's peak transmission demand.

¹ PPL refers to the PLC as Installed Capacity ("ICAP") and the NSPL as Network Integration Transmission Service ("NITS"). PPL Statement No. 1, at 86.

11. To calculate customers' NSPL contributions, PPL identifies each customer's usage during the transmission 5 CPs and then "applies both loss factors and reconciliation factors, and averages the results together to create a single NSPL tag for each customer."²

12. PJM, in calculating PPL's zonal transmission obligation, uses a transmission 1 CP capturing the single annual transmission peak.

13. In calculating customers' NSPL contributions using a 5 CP methodology PPL diverges from PJM's method of calculating transmission obligations.

14. PPLICA is concerned that PPL's usage of a 5 CP methodology, when PJM assesses PPL's zonal transmission obligation using a 1 CP methodology conflicts with the Commission's obligation to ensure cost-of-service rates and results in arbitrary transmission obligations for individual PPL customers. *See Lloyd v. Pa. PUC*, 904 A.2d 1010, 1020 (Pa. Cmwlth. 2006). Accordingly, PPLICA requests that PPL modify its NSPL contribution calculation to more equitably allocate PPL's zonal transmission obligation to individual customers using a 1 CP methodology.

² See PPL Statement No. 1 at 89.

WHEREFORE, for the reasons stated above, the PP&L Industrial Customer Alliance respectfully requests that the Pennsylvania Public Utility Commission

(a) Grant this Petition to Intervene and provide the PP&L Industrial Customer Alliance with full-party status in this proceeding; and

(b) Direct PPL to modify its NSPL contribution calculation to allocate its zonal transmission obligation to individual customers using a 1 CP methodology.

Respectfully submitted,

McNEES WALLACE & NURICK LLC

By 

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Counsel to the PP&L Industrial Customer Alliance

Dated: May 7, 2020

VERIFICATION

I, Adeolu A. Bakare, hereby state that the facts above set forth in the foregoing document 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: May 7, 2020

A handwritten signature in black ink, appearing to read 'Adeolu A. Bakare', written over a horizontal line.

Adeolu A. Bakare

APPENDIX A

PP&L INDUSTRIAL CUSTOMER ALLIANCE

Air Products and Chemicals, Inc.
Armstrong World Industries, Inc.
General Dynamics-OTS Scranton
Harristown Enterprises, Inc.
Hercules Cement Company
Messer LLC
Hydro Extrusions, Inc.
The Hershey Company
TIMET North America
Wegmans Food Markets, Inc.