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January 6, 2021

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 its Act 129 Phase IV Energy Efficiency and Conservation Plan; Docket No. M-2020-3020824

Dear Secretary Chiavetta:

Attached please find for filing with the Pennsylvania Public Utility Commission the Prehearing Memorandum on behalf 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: Deputy Chief Administrative Law Judge Mark A. Hoyer (via E-mail) Administrative Law Judge Emily DeVoe (via E-mail) Certificate of Service

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).

VIA FIRST-CLASS MAIL

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the Bh

Adeolu A. Bakare

Counsel to the PP&L Industrial Customer Alliance

Dated this 6th day of January, 2021, at Harrisburg, Pennsylvania

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

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Petition of PPL Electric Utilities Corporation For Approval of its Act 129 Phase IV Energy Efficiency and Conservation Plan

Docket No. M-2020-3020824

PREHEARING MEMORANDUM OF THE PP&L INDUSTRIAL CUSTOMER ALLIANCE

Pursuant to the December 30, 2020, Prehearing Conference Order issued by Deputy Chief Administrative Law Judge ("ALJ") Mark A. Hoyer, the PP&L Industrial Customer Alliance ("PPLICA") hereby submits this Prehearing Memorandum in the above-captioned proceeding.

I. HISTORY OF THE PROCEEDING

On November 30, 2020, PPL Electric Utilities Corporation ("PPL" or "Company") petitioned the Commission for approval of the Company's Phase IV Energy Efficiency & Conservation ("EE&C") Plan ("Phase IV Plan"). PPL's Petition for Approval of its Phase IV Plan ("Petition") outlines PPL's proposal to address the requirements of Act 129, the PUC's Phase IV Implementation Order entered on June 18, 2020, at Docket No. M-2020-30125228 ("Implementation Order") through programs designed to achieve an overall 1,250,157 MWh consumption reduction, and a 229 MW peak demand reduction. *See* Petition, p. 5.

The proposed Phase IV Plan portfolio includes Residential, Low-Income, and Non-Residential programs. The Non Residential program includes separate Efficient Energy and Custom components for Small Commercial and Industrial ("C&I") and Large C&I customers, respectively. *See id.* at 11.

As with the Phase III EE&C Plan, PPL proposes to recover all costs through a fully reconcilable, non-bypassable charge under Section 1307 of the Public Utility Code. *See id.* at 18. The total proposed charges for the Large C&I customer class are \$99,943,535, or approximately 32% of total costs for PPL's Phase IV Plan. *See* Petition, Exhibit 1, p. 23. For the proposed non-bypassable charge, or Phase IV Act 129 Compliance Rider ("ACR IV"), PPL intends to establish separate recovery charges for each customer class in proportion to the cost of the programs targeting that class. *See* Petition, p. 18. For multi-class programs, PPL proposes to allocate costs using an allocation factor (*i.e.*, a percentage equal to the actual EE&C costs directly assigned to each customer class divided by the actual EE&C costs assigned to all customer classes). *See id*.

As a result, PPL's Phase IV Plan costs and program measures may impact the rates and services of PPL's largest customers. It is therefore imperative that PPL implement its Phase IV EE&C Plan in a just and reasonable manner, consistent with Act 129, the Implementation Order, the Clarification Order, and all applicable statutes and regulations.

Concurrently with the filing of this Prehearing Memorandum, PPLICA is filing a Petition to Intervene. A description of PPLICA is set forth in Paragraph 1 of PPLICA's Petition to Intervene and Answer.

A Prehearing Conference has been scheduled in this proceeding for January 7, 2021.

II. SERVICE LIST

For purposes of service in the above-captioned proceedings, please direct all communications to:

Adeolu A. Bakare (I.D. No. 208541) Jo-Anne Thompson (Pa. I.D. No. 325956) McNEES WALLACE & NURICK LLC 100 Pine Street P.O. Box 1166 Harrisburg, PA 17108-1166 Phone: (717) 232-8000 Fax: (717) 237-5300 abakare@mcneeslaw.com jthompson@mcneeslaw.com

III. ANTICIPATED ISSUES AND SUBISSUES

PPLICA is concerned with issues regarding the terms and conditions of its members' electricity service, including the PUC's final disposition of PPL's Phase IV Plans, which would directly affect the rates that PPL imposes on PPLICA for electric service. PPL's seeks to ensure that PPL implements its Phase IV EE&C Plan in a just and reasonable manner, consistent with Act 129, the PUC's Implementation Order, and all applicable statues and regulations. PPLICA anticipates pursuing these issues during these proceedings and also reserve the right to raise further issues and to respond to all matters raised by other parties.

III. PROPOSED WITNESSES

PPLICA is in the process of evaluating whether it will sponsor any testimony in these proceedings. In the event PPLICA decides to sponsor testimony, PPLICA will inform the ALJs and the other parties of any intended witnesses and topics of testimony. PPLICA also intends to participate in these proceedings through the submission of discovery, cross-examination of other parties' witnesses, and the submission of briefs, exceptions and reply exceptions, if necessary.

IV. PROPOSED SCHEDULE AND DISCOVERY RULES

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PPLICA will cooperate with the ALJs and the parties at the Prehearing Conference to develop appropriate discovery rules in accordance with the Commission's regulations and any directives issued by the ALJs.

V. POSSIBILITY OF SETTLEMENT

PPLICA is willing to participate in discussions with the other parties to amicably resolve the issues in this proceeding.

Respectfully submitted,

McNEES WALLACE & NURICK LLC

By_ By_

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Counsel to the PP&L Industrial Customer Alliance

Dated: January 6, 2021