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January 7, 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 PECO Energy Company For Approval of its Act 129 Phase IV Energy Efficiency and Conservation Plan; Docket No. M-2020-3020830

Dear Secretary Chiavetta:

Attached for filing with the Pennsylvania Public Utility Commission is the Prehearing Memorandum of the Philadelphia Area Industrial Energy Users Group ("PAIEUG") in the above-referenced proceeding.

As shown by the attached Certificate of Service, all parties to these proceedings 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.

Sincerely,

McNEES WALLACE & NURICK LLC

By Charis Mercarage

Charis Mincavage

Counsel to the Philadelphia Area Industrial Energy Users Group

Enclosure

c: Deputy Chief Administrative Law Judge Mark A. Hoyer (via E-mail) Administrative Law Judge Emily DeVoe (via E-mail) Certificate of Service

HARRISBURG, PA • LANCASTER, PA • SCRANTON, PA • STATE COLLEGE, PA • YORK, PA • COLUMBUS, OH • FREDERICK, MD • WASHINGTON, DC

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 E-MAIL

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Chris Mincavage Counsel to the Philadelphia Area Industrial Energy Users Group

Dated this 7th day of January, 2021, at Harrisburg, Pennsylvania

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of PECO Energy Company:For Approval of its Act 129 Phase IV:Energy Efficiency and Conservation Plan:

Docket No. M-2020-3020830

PREHEARING MEMORANDUM OF THE PHILADELPHIA AREA INDUSTRIAL ENERGY USERS GROUP

Pursuant to the December 30, 2020, Prehearing Conference Order issued by Deputy Chief Administrative Law Judge ("ALJ") Mark A. Hoyer, the Philadelphia Area Industrial Energy Users Group ("PAIEUG") hereby submits this Prehearing Memorandum in the abovecaptioned proceeding.

I. HISTORY OF THE PROCEEDING

On November 30, 2020, PECO petitioned the Commission for approval of the Company's Phase IV Energy Efficiency & Conservation ("EE&C") Plan ("Phase IV Plan"). PECO's Petition for Approval of its Phase IV Plan ("Petition") outlines PECO's proposal to address the requirements of Act 129 and the PUC's Phase IV Implementation Order entered on June 18, 2020, at Docket No. M-2020-3015228 ("Implementation Order"). *See* Petition, p. 1.

According to PECO, the Company employed a market-based approach in order to design Phase IV programs that will satisfy PECO's Phase IV energy savings and peak demand reduction targets. *See id.* at 2. PECO proposes to recover costs through a non-bypassable charge Phase IV Energy & Conservation Program Charge ("Phase IV EEPC"). *See id.* at 12. As a result, PECO's Phase IV Plan costs and program measures may impact the rates and services of PECO's largest customers. It is therefore imperative that PECO implement its Phase IV EE&C Plan in a just and reasonable manner, consistent with Act 129, the Implementation Order, and all applicable statutes and regulations.

Concurrent with the filing of this Prehearing Memorandum, PAIEUG is filing a Petition to Intervene in this proceeding. A description of PAIEUG is set forth in Paragraph 1 of PAIEUG's Petition to Intervene.

A Prehearing Conference has been scheduled in this proceeding for January 8, 2021.

II. SERVICE LIST

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

Charis Mincavage (I.D. No. 82039) 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 cmincavage@mcneeslaw.com abakare@ mcneeslaw.com

III. ANTICIPATED ISSUES AND SUB-ISSUES

PAIEUG is concerned with issues regarding the terms and conditions of its members' electricity service. Specifically, PAIEUG is concerned with the cost of PECO's Phase IV Plan and potential rate impact upon PECO's Large Commercial and Industrial ("C&I") customers. PAIEUG also reserves the right to raise further issues as necessary and appropriate during the course of this proceeding and to respond to issues raised by other parties.

III. PROPOSED WITNESSES

PAIEUG is in the process of evaluating whether it will sponsor testimony in this proceeding. In the event that PAIEUG decides to sponsor testimony, it will immediately inform the parties and the ALJs of any intended witnesses and topics of testimony. PAIEUG also intends to participate in this proceeding 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

PAIEUG is agreeable to the procedural schedule proposed by PECO and set forth in the ALJs' Prehearing Order. In addition, PAIEUG will defer to the parties at the Prehearing Conference regarding the amount of hearing time and number of days needed. PAIEUG will also 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

PAIEUG is willing to participate in discussions with the other parties to amicably resolve

the issues in this proceeding.

Respectfully submitted,

McNEES WALLACE & NURICK LLC

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Counsel to the Philadelphia Area Industrial Energy Users Group

Dated: January 7, 2021