



COMMONWEALTH OF PENNSYLVANIA

January 20, 2022

E-FILED

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

Re: Joint Petition of Metropolitan Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company, and West Penn Power Company, for Approval of Their Default Service Programs; Docket Nos. P-2021-3030012; P-2021-3030013; P-2021-3030014; and P-2021-3030021

Dear Secretary Chiavetta:

Enclosed for filing please find the Prehearing Memorandum, on behalf of the Office of Small Business Advocate (“OSBA”), in the above-captioned proceedings.

Copies will be served on all known parties in these proceedings, as indicated on the attached Certificate of Service.

If you have any questions, please do not hesitate to contact me.

Sincerely,

/s/ Erin K. Fure

Erin K. Fure
Assistant Small Business Advocate
Attorney ID No. 312245

Enclosures

cc: Parties of Record
Robert D. Knecht

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

JOINT PETITION OF METROPOLITAN	:	
EDISON COMPANY, PENNSYLVANIA	:	
ELECTRIC COMPANY, PENNSYLVANIA	:	DOCKET NOS. P-2021-3030012
POWER COMPANY AND WEST PENN	:	P-2021-3030013
POWER COMPANY FOR APPROVAL OF	:	P-2021-3030014
THEIR DEFAULT SERVICE PROGRAMS	:	P-2021-3030021
	:	

**OFFICE OF SMALL BUSINESS ADVOCATE
PREHEARING MEMORANDUM**

I. INTRODUCTION

The Office of Small Business Advocate (“OSBA”) is authorized to represent the interests of small business consumers of utility services before the Pennsylvania Public Utility Commission (“Commission”) pursuant to the provisions of the Small Business Advocate Act, Act 181 of 1988, 73 P.S. §§ 399.41 - 399.50 (“the Act”). In order to discharge this statutory duty, the Small Business Advocate deems it necessary to participate as a party to this proceeding. Representing the OSBA in this matter is Assistant Small Business Advocate Erin K. Fure. Please address all correspondence as follows:

Erin K. Fure
Assistant Small Business Advocate
Office of Small Business Advocate
555 Walnut Street, 1st Floor
Harrisburg, Pennsylvania 17101
(717) 783-2525
(717) 783-2831 (fax)
efure@pa.gov

II. FILING BACKGROUND

On December 14, 2021, a Joint Petition of Metropolitan Edison Company (“Met-Ed”), Pennsylvania Electric Company (“Penelec”), Pennsylvania Power Company (“Penn Power”), and West Penn Power Company (“West Penn”) (collectively, “First Energy” or the “Companies”) for Approval of Their Default Service Programs (“*Joint Petition*”) was filed at the above-captioned dockets.

On December 17, 2022, Notice was issued that a telephonic Prehearing Conference was scheduled for January 21, 2022 before Administrative Law Judge (“ALJ”) Jeffrey Watson.

On December 22, 2021, the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (“CAUSE-PA”) filed Petitions to Intervene at all of the above-captioned dockets.

On January 3, 2022, ALJ Watson issued a Prehearing Conference Order.

On January 13, 2022, the Office of Consumer Advocate filed Notices of Intervention, Answers, and Public Statements at all of the above-captioned dockets.

On January 14, 2022, Joint Petitions to Intervene of the Met-Ed Industrial Users Group (“MEIUG”), the Penelec Industrial Consumer Alliance (“PICA”), and the West Penn Power Industrial Intervenors (“WPPII”) were filed at all the above-captioned dockets.

On January 17, 2022, Joint Petitions to Intervene were filed by John Bevec and Sunrise Energy LLC at all of the above-captioned dockets.

On January 18, 2022, the OSBA filed Answers, Notices of Appearance, Notices of Intervention, and Public Statements at all of the above-captioned dockets.

On January 18, 2022, Petitions to Intervene were filed by the Retail Energy Supply Association (“RESA”) and NRG Energy’s Inc. (“NRG”) at all of the above-captioned dockets.

On January 18, 2022, Petitions to Intervene were filed by Shipley Choice, LLC d/b/a

Shiple Energy at all of the above-captioned dockets.

III. IDENTIFICATION OF WITNESSES AND TENTATIVE ISSUES

Assisting in the development and presentation of the OSBA's case in this proceeding will be:

Robert D. Knecht
5 Plymouth Road
Lexington, MA 02421
(781) 249-9461 (mobile)
rdk@indecon.com

The OSBA will participate in the case to assure that the interests of small business customers of the Companies are adequately represented and protected. After an initial review of the materials submitted by the City, the OSBA has identified the following issues:

1. Whether the risk premiums being paid by small business customers associated with full requirements load following contracts are reasonable and not excessive;
2. Whether the Companies' proposed modifications to the mix of contract terms for the Commercial rate class groups is reasonable, notably the proposed elimination of 3-month contracts and the inclusion of 6-month contracts;
3. Whether the proposed procurement timing for Commercial contracts is reasonable, notably the proposal to procure some supplies up to 8 months prior to commencement of service;
4. Whether the proposal to lock in default service program ("DSP") rates for six months rather than the current three months is justified by historical DSP rates and will not result in unreasonable reconciliation adjustments;
5. Whether the Companies' proposed time-of-use ("TOU") rates are reasonable with respect to (a) the definition of peak, off-peak and super off-peak periods, (b) the absence of any seasonal differences for TOU rate multipliers, (c) the magnitude of the rate multipliers in each TOU period, and (d) the treatment of net metered customers;
6. Any other issues that arise as a result of OSBA's ongoing review and analysis of the Companies' proposed DSPs.

As appropriate and necessary, the OSBA will investigate and analyze the claims and proposals of the Companies and other parties through discovery, through the cross-examination of witnesses appearing for those parties, through the filing of testimony, and through briefing. The OSBA will particularly focus on any issue where the impact on the interests of the Companies' small business consumers would be unjustifiably different than, or disproportionate to, the impact on another class of customers, or otherwise lacking in reasonableness or basic fairness. The OSBA reserves the right to pursue additional issues as they arise throughout the proceeding.

IV. SERVICE OF DOCUMENTS

In accordance with 52 Pa. Code § 1.54(b)(3)(i), the OSBA agrees to accept electronic mail delivery of documents on the due date¹ as satisfying the in-hand requirement. The OSBA requests that electronic copies be provided to its witness identified above. The OSBA also requests that all parties serve an electronic copy of all interrogatory responses upon the OSBA and the OSBA witnesses identified above.

V. DISCOVERY

The OSBA does not propose any discovery modifications in this proceeding, but will work with the parties to develop any mutually agreeable discovery modifications.

VI. SETTLEMENT

The OSBA notes its willingness to enter into settlement discussions at the appropriate

¹ In accordance with 52 Pa. Code § 1.56(a)(5), documents must be received by 4:30 pm.

phase of this proceeding.

VII. HEARING AND BRIEFING SCHEDULE

The OSBA will cooperate with the other parties to develop a procedural schedule.

Respectfully submitted,

/s/ Erin K. Fure

Erin K. Fure
Assistant Small Business Advocate
Attorney ID No. 312245

Commonwealth of Pennsylvania
Office of Small Business Advocate
555 Walnut Street, 1st Floor
Harrisburg, PA 17101

Dated: January 20, 2022

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THEIR DEFAULT SERVICE PROGRAMS	:	P-2021-3030021
	:	
	:	

CERTIFICATE OF SERVICE

I hereby certify that true and correct copies of the foregoing have been served via email (*unless other noted below*) upon the following persons, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

Tori L. Giesler, Esq.
FirstEnergy
2800 Pottsville Pike
PO Box 16001
Reading, PA 19612-6001
tgiesler@firstenergycorp.com

Brooke E. McGlinn, Esq.
Catherine G. Vasudevan, Esq.
Kenneth M. Kulak, Esq.
Morgan Lewis and Bockius LLP
1701 Market Street
Philadelphia, AP 19103
bmcglinn@morganlewis.com
cvasudevan@morganlewis.com
kkulak@morganlewis.com

Allison C. Kaster, Esq.
Bureau of Investigation and Enforcement
Commonwealth Keystone Building
400 North Street, 2nd Floor West
Harrisburg, PA 17120
akaster@pa.gov

Elizabeth R. Marx, Esq.
John Sweet, Esq.
Lauren Berman
Ria Pereira, Esq.
PA Utility Law Project
118 Locust Street
Harrisburg, PA 1710
emarx@pautilitylawproject.org
jsweet@pautilitylawproject.org
lberman@pautilitylawproject.org
rpereira@pautilitylawproject.org

Patrick M. Cicero, Esq.
Christy Appleby, Esq.
Darryl A. Lawrence, Esq.
Harrison W. Breitman, Esq.
Office of Consumer Advocate
5th Floor Forum Place
555 Walnut Street
Harrisburg PA 17101-1923
pcicero@paoca.org
cappleby@paoca.org
dlawrence@paoca.org
hbreitman@paoca.org

Christopher O'Hara
Senior Vice President, General Counsel, Law
& Chief Compliance Officer
PJM Interconnection LLC
2750 Monroe Boulevard
Audubon, PA 19403-2497
christopher.ohara@pjm.com

Deanne M. O'Dell
Eckert Seamans Cherin & Mellott, LLC
213 Market Street, 8th Floor
P.O. Box 1248
Harrisburg, PA 17101
dodell@eckertseamans.com

Charis Mincavage, Esquire
Mnees Wallace & Nurick LLC
100 Pine Street
Po Box 1166
Harrisburg, PA 17108
cmincavage@mwn.com

The Honorable Jeffrey A. Watson
Administrative Law Judge
Nick Miskanic
Legal Assistant
Piatt Place, Suite 220
201 Fifth Avenue
Pittsburgh, PA 15222
jeffwatson@pa.gov
nmiskanic@pa.gov

Colleen Kartychak
Exelon Corporation
1310 Point Street
Baltimore, MD 21231
Colleen.kartychak@exeloncorp.com

Thomas J. Sniscak, Esquire
Whitney E. Snyder, Esquire
Phillip D. Demanchick, Jr., Esquire
Hawke McKeon & Sniscak LLP
100 North Tenth Street
Harrisburg, PA 17101
tjsniscak@hmslegal.com
wesnyder@hmslegal.com
pddemanchick@hmslegal.com

Deanne M. O'Dell, Esquire
Karen O. Moury, Esquire
Eckert Seamans Cherin & Mellott, LLC
213 Market St., 8th Floor
P.O. Box 1248
Harrisburg, PA 17101
dodell@eckertseamans.com
kmoury@eckertseamans.com

/s/ Erin K. Fure

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