



COMMONWEALTH OF PENNSYLVANIA  
PENNSYLVANIA PUBLIC UTILITY COMMISSION  
P.O. BOX 3265, HARRISBURG, PA 17105-3265

IN REPLY PLEASE  
REFER TO OUR FILE

December 27, 2012

Honorable Christopher P. Pell  
Administrative Law Judge  
Pennsylvania Public utility Commission  
801 Market Street  
Philadelphia, PA 19107

Re: Pennsylvania Public Utility Commission v. Philadelphia Gas Works

Docket Nos. R-2008-2073938  
P-2009-2097639

Dear Judge Pell:

Enclosed please find an original copy of the Bureau of Investigation and Enforcement's (I&E) **Response to Order for Additional Time** in the above-captioned proceeding.

Copies are being served on all active parties of record. If you have any questions, please contact me at (717) 783-6184.

Sincerely,

*Richard A Kanaskie*  
(SEA)

Richard A. Kanaskie  
Deputy Chief Prosecutor  
Bureau of Investigation and Enforcement  
PA Attorney ID #80409

Enclosure  
RAK/sea

cc: Parties of Record



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Honorable Christopher P. Pell  
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801 Market Street  
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RE: Pennsylvania Public Utility Commission v. Philadelphia Gas Works  
Docket No. R-2008-2073938

Dear Judge Pell,

In response to your Order dated October 9, 2012, wherein the Natural Gas Supplier Parties (“NGS Parties”) third request<sup>1</sup> for additional time to provide a procedural update was granted, a letter dated December 20, 2012 was submitted by counsel on behalf of the NGS Parties. The correspondence indicated that its purpose was “to comply with the procedural update requirement and also to request an additional ninety (90) days within which to resolve this matter.”<sup>2</sup> The Bureau of Investigation and Enforcement (“I&E”) acknowledges the compliance nature of the correspondence but objects to the relief requested therein. Furthermore, I&E objects to certain characterizations contained in the NGS Parties letter.

The genesis of this collaborative is the Order issued by the Pennsylvania Public Utility Commission (“Commission”) on December 19, 2008 in response to the emergency rate relief petition filed by Philadelphia Gas Works (“PGW”). Included in the Order was the directive that “Philadelphia Gas Works shall convene...a collaborative process to explore options for transitioning some or all of its customers to an alternative default service supplier.”<sup>3</sup> In a Secretarial Letter dated April 13, 2011, the Commission acknowledged that the collaborative process had stalled<sup>4</sup> and referred the NGS Parties proposal to the Office of Administrative Law Judge (“OALJ”). The Secretarial Letter contained specific instructions as to the issues to be addressed if the NGS Parties wished to pursue the matter. Since the April 13, 2011 Secretarial Letter, the NGS Parties and PGW filed a *Joint Petition for Settlement* that was opposed by I&E, the Office of

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<sup>1</sup> The third request for additional time does not include the original *Motion to Hold Matter in Abeyance* that was granted in Administrative Law Judge Pell’s Order dated February 15, 2012, wherein it was instructed that a procedural update must be provided within sixty (60) days.

<sup>2</sup> Natural Gas Supplier Parties letter dated December 20, 2012. (It is noted that page 2 of the letter shows the date as December 19, 2012).

<sup>3</sup> *Pennsylvania Public Utility Commission v. Philadelphia Gas Works*, Docket No. R-2008-2073938. Order Entered December 19, 2008.

<sup>4</sup> Secretarial Letter dated April 13, 2011, p. 2.

Consumer Advocate (“OCA”) and the Office of Small Business Advocate (“OSBA”). Prior to the Initial Prehearing Conference, a *Motion to Hold the Matter in Abeyance* was submitted and subsequently granted.

I&E opines that the matter has stalled to the point where the only reasonable resolution can be obtained by establishing a procedural schedule to ensure the much needed progress of this proceeding. Since the original granting of sixty (60) days to hold the matter in abeyance, four additional requests for additional time have been presented to Your Honor. The latest request for additional time will delay the resolution of the matter until approximately two (2) years after the Commission’s acknowledgement that the collaborative had stalled.

I&E maintains that the latest request for additional time unnecessarily prolongs this proceeding as no reportable progress has been made since the last request. I&E has not been part of, nor is it aware of, any “negotiations on a continuous basis” as represented in the NGS Parties letter. In fact, no contact has been made with this Bureau leading I&E to maintain that the collaborative is irreparably stalled with no prospects for resolution of the disputed matter. As such, it is only appropriate that the matter be scheduled for Evidentiary Hearings. In order to effectuate this, I&E respectfully requests the scheduling of a Prehearing Conference in order to establish a full litigation schedule allowing for the development of an evidentiary record.

Sincerely,



Richard A. Kanaskie  
Deputy Chief Prosecutor  
Bureau of Investigation Enforcement

RAK/snc

cc: Rosemary Chiavetta, Secretary  
Per Certificate of Service

BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
	:	
v.	:	Docket Nos. R-2008-2073938
	:	P-2009-2097639
Philadelphia Gas Works, Inc.	:	

**CERTIFICATE OF SERVICE**

I hereby certify that I am serving the foregoing **Response to Order for Additional Time**, dated December 27, 2012, either personally, by first class mail, electronic mail, express mail and/or by fax upon the persons listed below, in accordance with the requirements of § 1.54 (relating to service by a party):

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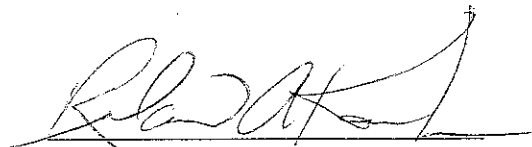
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A handwritten signature in black ink, appearing to read "Richard A. Kanaskie", written over a horizontal line.

Richard A. Kanaskie  
Deputy Chief Prosecutor  
Bureau of Investigation and Enforcement  
PA Attorney I.D. #80409