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January 17, 2019

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

VIA ELECTRONIC FILING

**Re: Joint Application of Aqua America, Inc., Aqua Pennsylvania, Inc., Aqua Pennsylvania Wastewater, Inc., Peoples Natural Gas Company LLC and Peoples Gas Company LLC for all of the Authority and the Necessary Certificates of Public Convenience to Approve a Change in Control of Peoples Natural Gas Company LLC and Peoples Gas Company LLC by Way of the Purchase of All of LDC Funding LLC's Membership Interests by Aqua America, Inc.;
Docket Nos. A-2018-3006061, *et al.***

Dear Secretary Chiavetta:

Please find enclosed for filing with the Pennsylvania Public Utility Commission ("PUC" or "Commission") the Prehearing Conference Memorandum of United States Steel Corporation, in the above-referenced matter.

This document was filed electronically with the Commission on this date. All parties are being served a copy of this document in accordance with the enclosed Certificate of Service.

Please contact me if you have any questions concerning this filing.

Sincerely,

SPILMAN THOMAS & BATTLE, PLLC

By 

Derrick Price Williamson
Barry A. Naum

BAN/sds

Enclosures

c: Administrative Law Judge Mary D. Long (via E-mail and First-Class Mail)
Certificate of Service

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Joint Application of Aqua America, Inc.,	:	
Aqua Pennsylvania, Inc., Aqua Pennsylvania	:	
Wastewater, Inc., Peoples Natural Gas	:	Docket Nos. A-2018-3006061
Company LLC and Peoples Gas Company	:	A-2018-3006062
LLC for all of the Authority and the	:	A-2018-3006063
Necessary Certificates of Public	:	
Convenience to Approve a Change in	:	
Control of Peoples Natural Gas Company	:	
LLC and Peoples Gas Company LLC by	:	
Way of the Purchase of All of LDC Funding	:	
LLC's Membership Interests by Aqua	:	
America, Inc.	:	

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing document upon the following parties to this proceeding in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by participant).

VIA E-MAIL AND/OR FIRST-CLASS MAIL

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Barry A. Naum

Dated: January 17, 2019

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Joint Application of Aqua America, Inc.,	:	
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LLC and Peoples Gas Company LLC by	:	
Way of the Purchase of All of LDC Funding	:	
LLC's Membership Interests by Aqua	:	
America, Inc.	:	

**PREHEARING CONFERENCE MEMORANDUM OF
UNITED STATES STEEL CORPORATION**

Pursuant to the Prehearing Conference Order issued on January 4, 2019, by Administrative Law Judge ("ALJ") Mary D. Long, United States Steel Corporation ("U.S. Steel"), hereby submits this Prehearing Memorandum in the above-captioned proceedings.

I. HISTORY OF THE PROCEEDING

On November 13, 2018, Aqua America, Inc. ("Aqua America"), Aqua Pennsylvania, Inc. ("Aqua PA"), Aqua Pennsylvania Wastewater, Inc. ("Aqua PA Wastewater"), Peoples Natural Gas Company LLC ("Peoples Natural Gas"), and Peoples Gas Company LLC ("Peoples Gas") (collectively, "Joint Applicants") filed with the Pennsylvania Public Utility Commission ("PUC" or "Commission") a Joint Application that proposes the acquisition of Peoples Natural Gas and Peoples Gas (collectively, "Peoples Companies") by Aqua America through the purchase of the interests of LDC Funding LLC ("Funding"), the parent company of the Peoples Companies. On

December 21, 2018, U.S. Steel filed a Petition to Intervene to participate in these proceedings. A description of U.S. Steel is set forth in its Petition to Intervene.

II. REPRESENTATION AND SERVICE CONTACT

U.S. Steel is represented by the following counsel, whose contact information is provided for purposes of service in this proceeding:

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Mr. Naum will be the principal attorney for this case.

III. ANTICIPATED ISSUES

U.S. Steel is still evaluating the Joint Application and anticipates being informed by the record created in these cases. At this preliminary stage, however, U.S. Steel plans to pay careful attention to how the proposed merger may impact the reliability of natural gas delivery, customer service, rates -- including special contract terms -- and the quality of natural gas service that U.S. Steel currently receives, as well as the benefits that the proposed merger may produce for the Joint Applicants and their customers. U.S. Steel anticipates pursuing these issues during these proceedings and reserves the right to raise further issues and to respond to all matters raised by other parties.

IV. PROPOSED WITNESSES AND EVIDENCE

U.S. Steel has not yet received, and therefore has not had the opportunity to review, the Joint Applicants' testimony supporting the Application. As such, U.S. Steel is still in the process of evaluating whether it will sponsor testimony in these proceedings. In the event U.S. Steel

discerns the need to sponsor testimony, U.S. Steel will promptly inform the ALJ and the parties if this changes and will identify the applicable witness or witnesses. At present, probable witnesses for the issues identified above would include Dave Stoner and/or Kylie Zeis, whose business address is 600 Grant Street, Suite 2014, Pittsburgh, PA, 15219. Regardless, U.S. Steel reserves the right to participate in these proceedings and adduce evidence through the submission of discovery, cross-examination of other parties' witnesses, and the submission of briefs, exceptions, and reply exceptions, if necessary.

V. PROPOSED SCHEDULE AND DISCOVERY RULES

The parties in this proceeding, including U.S. Steel, have engaged in initial discussions regarding the procedural schedule. U.S. Steel will continue to cooperate with the parties and the ALJ to formulate a reasonable procedural schedule and discovery requirements in accordance with the Commission's regulations and ALJ directives.

VI. SETTLEMENT

U.S. Steel is willing, and intends, to participate in settlement discussions in this proceeding.

Respectfully submitted,

By 

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Dated: January 17, 2019