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March 11, 2019

VIA ELECTRONIC FILING

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

RE: Pennsylvania Public Utility Commission v. Peoples Natural Gas Company, LLC
Docket No. R-2018-3006818

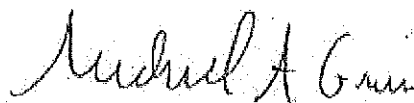
Dear Secretary Chiavetta:

Enclosed for filing is Duquesne Light Company's Prehearing Conference Memorandum in the above-captioned matter.

Copies of this filing have been served in accordance with the attached Certificate of Service. Should you have any questions, please feel free to contact me.

Best Regards,

STEVENS & LEE



Michael A. Gruin

Enclosure

cc: Administrative Law Judge Joel H. Cheskis (via electronic mail and First Class U.S. Mail)
Certificate of Service

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	R-2018-3006818
Office of Consumer Advocate	:	C-2019-3007711
Office of Small Business Advocate	:	C-2019-3007752
Charles Hagins	:	C-2019-3007698
Daniel Killmeyer	:	C-2019-3007635
Samuel Givens	:	C-2019-3007959
Sean D. Ferris	:	C-2019-3007904
	:	
v.	:	
	:	
Peoples Natural Gas Company, LLC	:	

PREHEARING MEMORANDUM
OF DUQUESNE LIGHT COMPANY

Pursuant to the Prehearing Conference Order of Administrative Law Judge Joel H. Chekis, Section 333 of the Public Utility Code, 66 Pa. C.S. § 333, and in anticipation of the Prehearing Conference scheduled for Thursday, March 14, 2019, Duquesne Light Company (“Duquesne Light”) by and through its attorneys, Stevens & Lee, provides the following information:

I. INTRODUCTION AND BACKGROUND

On January 28, 2019, Peoples Natural Gas Company LLC (“Peoples”) filed Retail Tariff Gas – Pa. P.U.C. No. 47 and Supplier Tariff Gas – Pa.P.U.C. No. S-3 to become effective March 29, 2019, containing proposed changes in rates, rules and regulations calculated to produce \$94.9 million (14.2%) in additional fully-projected future test year annual revenues. Under this proposal, the total bill for a Peoples Division commercial customer using 238 Mcf per year would increase from \$150.79 to \$172.56 per month or by 14.4%.

On February 25, 2019, Duquesne Light filed its Petition to Intervene on the basis that Duquesne Light is a Peoples customer and receives natural gas services from Peoples at several of its locations in Allegheny County, Pennsylvania.

Pursuant to Section 1308(d) of the Public Utility Code, the Commission suspended Peoples' filing by operation law until October 29, 2019 unless permitted by the Commission to become effective at an earlier date. By Order dated February 28, 2019, the Commission indicated its investigation into the proposed increase shall include analyzing the lawfulness, justness and reasonableness of Peoples' existing rates, rules, and regulations.

II. ISSUES

Based upon a preliminary analysis of Peoples's base rate filing, Duquesne Light anticipates the following issues to arise in this proceeding:

A. Customer Service

Duquesne Light seeks to examine how Peoples' proposed rate increase will impact customer service and quality of service to customers, including Duquesne Light.

B. Rate Structure/ Rate Design/Return on Equity

Duquesne Light will examine Peoples' proposal, with particular regard to analyzing whether the rates proposed are just, reasonable, undiscriminatory, and in conformity with Commission rules and regulations pursuant to 66 Pa. C.S. §§ 1301 and 1304. Duquesne Light will examine the reasonableness of Peoples's proposed rate design, including its proposed increase to the commercial customers by 14.4%.

C. Other Issues

Duquesne Light will examine the reasonableness and appropriateness of Peoples's proposed tariff changes, any relevant issues that arise as a result of Peoples's operations, and will investigate to ensure that Peoples is complying with all prior orders.

It is anticipated that issues in addition to those enumerated above may arise and may be pursued once the answers to Duquesne Light's interrogatories have been received and analyzed. Duquesne Light reserves the right to present any new or unanticipated issues at such time.

III. WITNESSES

Duquesne Light intends to present direct, rebuttal, and surrebuttal testimonies of the witnesses, as may be necessary. Each witness will present testimony in written form and will also attach various exhibits, documents, and explanatory information, which will assist in the presentation of Duquesne Light's case.

Customer Service:

Katherine Scholl
Duquesne Light Company
Director of Customer Experience
411 Seventh Avenue
Pittsburgh, PA 15219
Telephone: (412) 393-6370
E-mail: kscholl@duqlight.com

Rate Classification/Tariff Provisions:

Jason Harchick
Duquesne Light Company
General Manager, System Planning
2825 New Beaver Avenue
Pittsburgh, PA 15233
Telephone: (412) 393-8391
E-mail: jharchick@duqlight.com

Rate Design/Rate Structure/ROE:

C. James Davis
Duquesne Light Company
Director of Rates and Energy Procurement and
FERC/RTO Affairs
411 Seventh Avenue
Pittsburgh, PA 15219
Telephone: (412) 393-6402
E-mail: jdavis4@duqlight.com

Duquesne Light specifically reserves the right to call additional witnesses, as necessary. As soon as Duquesne Light has determined whether an additional witness or witnesses will be necessary for any portion of its case, the Presiding Officer and all parties of record will be notified promptly.

IV. EVIDENCE

Duquesne Light will rely on the direct, rebuttal, and surrebuttal testimony of its witnesses as well as the testimony of the other parties to the proceeding. Duquesne Light will present relevant exhibits to support its own testimony, including but not limited to, materials obtained from Peoples through discovery and cross-examination.

V. PROCEDURAL RULES / DISCOVERY

Duquesne Light agrees to cooperate with the parties regarding any requested modification to the Commission's procedural discovery rules.

VII. SERVICE ON DUQUESNE LIGHT

Duquesne Light will be represented in this case by the counsel named below. Copies of all documents should be served on Duquesne Light as follows:

Emily M. Farah
Tishekia Williams
Michael Zimmerman
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VIII. PROPOSED SCHEDULE

The parties have worked to develop the following litigation schedule for the ALJ's consideration. It is Duquesne Light's understanding that the proposed litigation schedule has been agreed to by the parties to this matter.

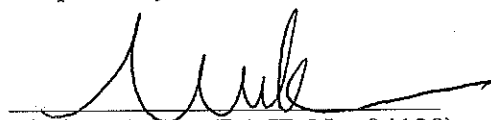
PROPOSED SCHEDULE

Other Parties' Direct Testimony	April 29, 2019
Rebuttal Testimony	May 28, 2019
Surrebuttal Testimony	June 12, 2019
Hearings (including oral rejoinder)	June 18-20, 2019
Main Brief	July 9, 2019
Reply Brief	July 22, 2019

IX. SETTLEMENT

Duquesne Light is willing to engage in settlement discussions with the parties.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read 'L. Evers', written over a horizontal line.

Linda R. Evers (PA ID No. 84128)
Michael A. Gruin (PA ID No. 78625)
Donald R. Wagner (PA ID No. 80280)
Stevens & Lee
111 N. Sixth Street
Reading, PA 19601

March 11, 2019

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission

v.

Peoples Natural Gas Company, LLC

Docket No. R-2018-3006818

CERTIFICATE OF SERVICE

I hereby certify that on this 11th day of March, 2019, copies of the Prehearing Conference Memorandum have been served upon the persons listed below via Electronic Mail and First Class U.S. Mail in accordance with the requirements of 52 Pa. Code Sections 1.54 and 1.55.

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Michael W. Gang, Esq.
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(*Counsel for Utility Works Union of America,
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McNees Wallace & Nurick, LLC
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(*Counsel for Synder Brothers*)

Via First Class U.S. Mail Only:

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McKeesport, PA 15135-2138

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Penn Hills, PA 15235

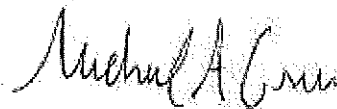
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Charles F. Hagins
420 Goucher St.
Johnstown, PA 15905



Michael A. Guin

DATE: March 11, 2019