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March 11, 2019

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

RE:

Pa. PUC v. Peoples Natural Gas Company LLC. Docket No. R-2018-3006818, C-2019-3007711, C-2019-3007752, C-2019-3007698, C-2019-3007635, C-2019-3007959, C-2019-3007904

Dear Secretary Chiavetta:

Enclosed for filing with the Pennsylvania Public Utility Commission is the Prehearing Memorandum of Snyder Brothers, Inc., VEC Energy LLC, and Snyder Armclar Gas Co., LP (collectively, "SBI"), in the above-referenced proceedings.

As shown by the attached Certificate of Service, all parties to these proceedings are being duly served. Thank you.

Very truly yours,

McNEES WALLACE & NURICK LLC

Frrin McCaulley

Counsel to Snyder Brothers, Inc., VEC Energy LLC, and Snyder Armclar Gas Co., LP

Enclosures

c: Administrative Law Judge Joel H. Cheskis (Via E-mail and First-Class Mail)
Certificate of Service

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).

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LLC, and Snyder Armclar Gas Co., LP

Dated this 11th day of March, 2019, at Harrisburg, Pennsylvania

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

:	R-2018-3006818
:	C-2019-3007711
-:-	C-2019-3007752
:	C-2019-3007698
:	C-2019-3007635
:	C-2019-3007959
:	C-2019-3007904
	:

Peoples Natural Gas Company, LLC

v.

PREHEARING MEMORANDUM OF SNYDER BROTHERS, INC., VEC ENERGY LLC, AND SNYDER ARMCLAR GAS CO., LP

Pursuant to the March 4, 2019, Prehearing Conference Order issued by Administrative Law Judge ("ALJ") Joel H. Cheskis, Snyder Brothers, Inc., VEC Energy LLC, and Snyder Armclar Gas Co., LP (collectively, "SBI") hereby submit this Prehearing Memorandum in the above-captioned proceedings.

I. HISTORY OF THE PROCEEDINGS

On January 28, 2019, Peoples Natural Gas Company LLC ("Peoples") filed its 2019 Base Rate Case in the above-captioned proceeding. Included in Peoples' 2019 Base Rate Case are two proposed tariffs, the Retail Tariff Gas - PA PUC No. 47 ("Retail Tariff") and the Supplier Tariff Gas - PA PUC No. S-3 ("Supplier Tariff"). Peoples' proposed tariffs would, among other things, modify and combine the rates and supplier tariff provisions for the Peoples and Equitable Divisions. Additionally, Peoples proposes to eliminate the PA Production Enhancement Service

program ("PES Program") on the Peoples Division and institute a uniform gathering service rate known as the Appalachian Gathering Service tariff rate schedule ("Rate AGS") applicable to all conventional gas production.

On March 5, 2019 SBI filed a Petition to Intervene in these proceedings. A description of SBI is set forth in Paragraphs 4 and 5 of the Petition to Intervene.

A Prehearing Conference has been scheduled in these proceedings for March 11, 2019.

II. SERVICE LIST

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

Pamela C. Polacek (Pa. I.D. No. 78276)
Vasiliki Karandrikas (Pa. I.D. No. 89711)
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III. ANTICIPATED ISSUES AND SUB-ISSUES

As a supplier of conventional natural gas that utilizes Peoples' gathering systems in the Peoples and Equitable Divisions, the Commission's final disposition of Peoples' proposed rates and tariff provisions will directly affect the rates and terms of service that Peoples will impose on SBI. SBI anticipates that its participation in these proceedings will include consideration of (1) the impact of Peoples' proposal to combine the rates and supplier tariff provisions for the Peoples and Equitable Divisions; (2) the effects of Peoples' decision to eliminate the PES Program and institute Rate AGS; (3) the reasonableness of Peoples' water vapor standards in

light of Peoples' proposed Rate AGS; and (4) any other issue that arises during the course of

these proceedings that will impact SBI. As such, SBI seeks to intervene in these proceedings in

order to pursue any issues in the proposed tariff and rate provisions or in other parties' direct

testimony that could adversely impact SBI.

IV. PROPOSED WITNESSES

Ms. Diane Burgraff, an independent consultant and expert witness with over forty years'

experience in the utility industry, will provide testimony on behalf of SBI. SBI requests for

Ms. Burgraff to be placed on the parties' service lists for all documents. Ms. Burgraff's contact

information is as follows:

37 Whittakers Mill Road Williamsburg, VA 23185

Telephone: (717)-319-2970

Email: dmburgraff@outlook.com

At this time, Ms. Burgraff's testimony will address, at the very least, the impact of

Peoples' proposed Rate AGS on conventional natural gas production in the Peoples and

Equitable Divisions. In addition to Ms. Burgraff's testimony, SBI is evaluating whether it will

sponsor additional testimony in these proceedings. If SBI decides to sponsor additional

testimony, it will inform the parties and the ALJ of any intended witnesses and topics of

testimony. SBI also intends to participate in these proceedings 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

For the ALJ's and the parties' consideration, SBI proposes the following schedule:

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April 29, 2019	
May 28, 2019	
June 13, 2019	
June 25-27, 2019	
July 11, 2019	
July 22, 2019	
	May 28, 2019 June 13, 2019 June 25-27, 2019 July 11, 2019

Notwithstanding this proposed schedule, SBI will cooperate with the ALJ and the parties at the Prehearing Conference to develop an appropriate procedural schedule, including a schedule for submitting reply briefs no later than July 22, 2019, and discovery rules in accordance with the Commission's regulations and any directives issued by the ALJ.

VI. POSSIBILITY OF SETTLEMENT

SBI is willing to participate in discussions with the other parties in an attempt to amicably resolve the issues in these proceedings, subject to the approval of the Commission.

Respectfully submitted,

McNEES WALLACE & NURICK LLC

By Pamela C. Polacek (Pa. I.D. No. 78276)

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Dated: March 11, 2019