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April 30, 2020

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

RE: Pennsylvania Public Utility Commission v. Philadelphia Gas Works; Docket No. R-2020-3017206

Dear Secretary Chiavetta,

Please find enclosed for filing with the Pennsylvania Public Utility Commission the Prehearing Memorandum of the Philadelphia Industrial and Commercial Gas Users Group ("PICGUG"), in the above-referenced proceedings.

As shown by the attached Certificate of Service, all parties to these proceedings are being duly served via email only due to the current COVID-19 pandemic. Upon lifting of the aforementioned Emergency Order, we can provide parties with a hard copy of this pleading.

Sincerely,

McNEES WALLACE & NURICK LLC

By Charis Mincavage

Charis Mincavage

Counsel to the Philadelphia Industrial and Commercial Gas Users Group

Enclosures

c: Administrative Law Judge Marta Guhl (via E-Mail)

Administrative Law Judge Darlene Heep (via E-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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Charis Mincavage

Charis Mincavage

Counsel to the Philadelphia Industrial and Commercial Gas Users Group

Dated this 30th day of April, 2020, at Harrisburg, Pennsylvania

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission

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Docket No. R-2020-3017206

Philadelphia Gas Works

PREHEARING MEMORANDUM OF THE PHILADELPHIA INDUSTRIAL AND COMMERCIAL GAS USERS GROUP

As requested by Deputy Chief Administrative Law Judges ("ALJ") Darlene Heep and ALJ Marta Guhl in their April 16, 2020, Prehearing Conference Order, the Philadelphia Industrial and Commercial Gas Users Group ("PICGUG") hereby submits this Prehearing

Memorandum in the above-captioned proceeding.

I. HISTORY OF THE PROCEEDING

On February 28, 2020, Philadelphia Gas Works ("PGW" or "Company") filed with the Pennsylvania Public Utility Commission ("Commission" or "PUC") Supplement No. 128 to Gas Service Tariff – Pa. P.U.C. No. 2 ("Supplement No. 128"), requesting an overall base rate increase of approximately \$70 million to become effective on April 28, 2020. In addition, PGW proposed several tariff modifications.

On April 7, 2020, PICGUG filed a Complaint in this proceeding. A description of PICGUG is set forth in Paragraph 6 of PICGUG's Complaint.

A Prehearing Conference has been scheduled in this proceeding for May 5, 2020.

II. IDENTIFICATION OF LEAD ATTORNEY

For purposes of the Prehearing Conference, Charis Mincavage will speak as the lead attorney on behalf of PICGUG.

III. ANTICIPATED ISSUES AND SUB-ISSUES

PICGUG's preliminary review of the Company's filing indicates the need for Commission

investigation into at least the following issues:

Whether the size of the requested rate increase is appropriate; (a)

Whether the allocation of the proposed rate increase among the customer (b)

classes is just, reasonable and non-discriminatory in light of the cost of

service study results;

(c) Whether PGW's claimed cost of service study is accurate, legitimate and

appropriate; and

(d) Whether PGW's proposed tariff modifications result in unjust and

unreasonable rates and service for customers.

PICGUG reserves the right to address additional issues, as well as to respond to issues

raised by other parties during the course of this proceeding.

IV. PROPOSED WITNESSES

PICGUG expects to sponsor testimony regarding the aforementioned issues by the following

witness:

Mr. Jeffry Pollock

J. Pollock, Inc.

12647 Olive Blvd, Suite 585

St. Louis, MO 63141

Phone: (314) 878-5814

JCP@jpollockinc.com

PICGUG reserves the right to modify or supplement this witness list during the course of this

proceeding. In the event that PICGUG decides to modify or supplement the witness list, it will

inform the parties and the ALJs as soon as possible of the intended witnesses. PICGUG also

intends to participate in this proceeding through the submission of discovery, cross-examination

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of other parties' witnesses and the submission of briefs, exceptions and reply exceptions, if

necessary.

V. PROPOSED SCHEDULE AND DISCOVERY RULES

PICGUG will cooperate with the ALJs and the parties at the Prehearing Conference to

finalize an appropriate procedural schedule and discovery rules in accordance with the

Commission's regulations and any directives issued by the ALJs. Additionally, PICGUG will

defer to the parties at the Prehearing Conference on the need for public input hearings, as well as

on the amount of hearing time needed.

VI. POSSIBILITY OF SETTLEMENT

PICGUG is willing to participate in discussions with the other parties to amicably resolve

the issues in this proceeding.

Respectfully submitted,

McNEES WALLACE & NURICK LLC

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Charis Mincavage (I.D. No. 82039)

Adeolu A. Bakare (I.D. No. 208541) Jo-Anne Thompson (I.D. No. 325956)

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Dated: April 30, 2020

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