# BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission : R-2020- 3017206

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Office of Consumer Advocate : C-2020-3019161 Office of Small Business Advocate : C-2020-3019100

Philadelphia Industrial and Commercial

Gas User Group : C-2020-3019430

v. :

:

Philadelphia Gas Works

# <u>Prehearing Memorandum of the Tenant Union Representative Network</u> <u>and Action Alliance of Senior Citizens of Greater Philadelphia</u>

On April 16, 2020, Administrative Law Judges Darlene Heep and Marta Guhl issued a Prehearing Conference Order setting a telephonic prehearing conference for Tuesday, May 5, 2020 at 2:00pm, and requiring parties to file a Prehearing Memorandum no later than 11:00 am on Thursday, April 30, 2020. In response, the Tenant Union Representative Network and Action Alliance of Senior Citizens of Greater Philadelphia ("TURN *et al.*"), through their attorneys at Community Legal Services, Inc., hereby file this Prehearing Conference Memorandum.

#### I. Background

On February 28, 2020, Philadelphia Gas Works (PGW) filed a request with the PUC to increase the distribution base rates charged to PGW's residential, commercial and industrial customers. In its filing, PGW proposed to increase its distribution rates by approximately \$70 million per year, effective April 28, 2020. On April 10, 2020, TURN *et al.* filed a Petition to Intervene in this proceeding.

On April 16, 2020, the Commission entered a suspension and investigation Order suspending the PGW tariff by operation of law, and opening an investigation to determine the lawfulness, justness, and reasonableness of the rates, rules, and regulations contained therein.

## II. <u>Discovery</u>

TURN *et al.* will work with the parties to develop appropriate modification to discovery rules that support the robust exchange of all relevant information.

#### III. Settlement

TURN *et al.* are willing and ready to engage in settlement discussions in an attempt to resolve or narrow the issues in this proceeding, with any and all parties, and encourage the parties to engage in settlement early in the process.

### IV. <u>Issues to be Presented</u>

TURN *et al.* have preliminarily reviewed PGW's rate filing, and have tentatively identified the following issues:

- 1. Whether a rate increase will result in unjust and unreasonable rates for Philadelphia's tenants, seniors, and low-income residential customers and consumers, based on all relevant factors;
- 2. Whether PGW's proposal to increase its residential customer charge to \$19.25 is just and reasonable;
- 3. Whether PGW's proposal to increase the residential volumetric charge by approximately 11.2% is just and reasonable;
- 4. Whether PGW's request is reasonable in light of other non-base rate revenues, opportunities for other revenues, and/or reductions in operating expenses;
  - 5. Whether a rate increase is justified given the quality of PGW's customer service;

- 6. Whether PGW's universal service program rules, policies and practices have been successful in mitigating the impact of PGW's high rates on low-income customers; and,
- 7. Whether PGW's termination and reconnection practices, payment agreement requirements, and collections policies, have impeded access to service.

TURN *et al.* reserve the right to examine any other issues that arise in the course of this proceeding.

### V. Witnesses and Testimony

TURN *et al.* reserve the right to present the following witness to testify in this matter, as well as the right to call additional or substitute witnesses as may be warranted upon proper notice to Your Honors and the parties:

Harry S. Geller, Esq. 118 Locust Street Harrisburg, PA 17101 717-576-2282 hgellerpulp@palegalaid.net

Mr. Geller may address some of the issues identified above and any other issues that may arise in the course of this proceeding.

#### VI. <u>Proposed Schedule</u>

TURN et al. have been in discussions with the parties regarding a schedule for this proceeding. TURN et al. are willing to continue discussions with Your Honors and the parties to establish a reasonable litigation schedule, including a schedule for written testimony and public input hearings. The schedule should provide adequate time and opportunity for a through analysis of PGW's filing and any discovery requests. TURN et al. are aware of the Expedited Motion of the Bureau of Investigation and Enforcement to Extend the Statutory Suspension Period, filed April 29, 2020 in this proceeding. TURN et al. reserve the right to file a separate

Answer to that motion, but note its support for an extended timeframe for this proceeding to

allow PGW and the parties to assess the economic impact of COVID-19 on the proposed rates.

VII. **Public Input Hearings** 

TURN et al. support the scheduling of public input hearings to receive testimony directly

from customers and other interested parties about PGW's rate case filing. In light of the ongoing

COVID-19 pandemic, TURN et al. submit that a telephonic or remote hearing process should be

established to protect the public health and ensure robust public participation in this proceeding.

VIII. Evidentiary Hearings

In light of the ongoing COVID-19 pandemic, TURN et al. submit that a telephonic or

remote process should be established for any evidentiary hearings in this proceeding. TURN et

al.'s witness has indicated that he is unable to attend an in person technical hearing in this matter

under the current circumstances. Should in-person hearings be tentatively scheduled, TURN et

al. submit that continuing flexibility will be necessary given the ever-changing public health

concerns and guidance regarding travel and social distancing due to the ongoing pandemic.

Service on TURN et al.

TURN et al. are represented by the attorneys at Community Legal Services, Inc.

Electronic service of all documents should be served on TURN et al. as follows:

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# WHEREFORE, TURN et al. respectfully submit this Prehearing Conference

Memorandum.

Respectfully submitted,

Osie B. H. Picters

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April 30, 2020

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## **Certificate of Service**

I hereby certify that I have this day served copies of the **Prehearing Memorandum of Tenant Union Representative Network and Action Alliance of Senior Citizens of Greater Philadelphia** upon the parties of record in the above captioned proceeding in accordance with the requirements of 52 Pa. Code §1.54 in the manner and upon the persons listed below.

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Respectfully submitted,

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April 30, 2020