

Philadelphia Gas Works

Gregory J. Stunder
Senior Attorney



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March 16, 2010

VIA EXPRESS MAIL

James McNulty, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
2nd Floor, 1 North
400 North Street
Harrisburg, PA 17120

RECEIVED

MAR 16 2010

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

RE: Philadelphia Gas Works 2010 – 2011 Gas Cost Rate Filing
Docket No. R-2010-2157062

Dear Secretary McNulty,

On behalf of Philadelphia Gas Works, enclosed for filing is an original and three copies of its Prehearing Memorandum with regard to the above referenced matter. A copy has been served on the parties listed on the attached Certificate of Service.

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

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Gregory J. Stunder", is written over the typed name. The signature is stylized and cursive.

Gregory J. Stunder

Enclosures

cc: All Parties of Record
Hon. Cynthia Williams Fordham
Hon. Christopher Pell

2. Objections to interrogatories shall be communicated orally within three (3) days of service; unresolved objections shall be served to the ALJ in writing within five (5) days of service of the interrogatories.
3. Motions to dismiss objections and/or direct the answering of interrogatories shall be filed within three (3) business days of service of written objections.
4. Answers to motions to dismiss objections and/or direct the answering of interrogatories shall be filed within three (3) days of service of such motions and shall have attached a copy of the interrogatory or interrogatories and any responses.
5. Responses to requests for document production, entry for inspection, or other purposes must be served in-hand within ten (10) calendar days.
6. Requests for admission shall be deemed admitted unless answered within ten (10) days or objected to within five (5) days of service.
7. Answers to on-the-record data requests shall be served in-hand within seven (7) calendar days of the requests.

III. FACTUAL AND LEGAL ISSUES

The following is a summary of the factual and legal issues that PGW anticipates will be raised in this case:

1. Whether PGW proposed 2010-11 projected natural gas expense and total applicable GCR Expense are just, reasonable and consistent with the least cost fuel procurement and other standards set forth in 66 Pa.C.S. §§ 1307(f), 1317 and 1318?
2. Whether PGW's claimed realized 2009-10 natural gas expense, GCR Expense and prior years' undercollection is just, reasonable and consistent with the least cost procurement and other standards set forth in 66 Pa. C.S. §§ 1307(f), 1317 and 1318?
3. Are the revisions to PGW's authorized Universal Service Charge (USC) designed to recover PGW's realized and projected costs and discounts associated with its CRP, CAP, Conservation Works Program (CWP) and Senior Citizen Discount (SCD) programs just, reasonable an in accordance with applicable PUC orders and the Public Utility Code?

4. Whether PGW's proposed Supplement No. 37 to PGW's Pa PUC Tariff No. 2 setting forth the revisions in rates required by the changes in the GCR, Restructuring, and USC surcharges is just, reasonable and otherwise consistent with law?

5. Whether PGW's present natural gas supply plan, including a long-term pre-paid gas purchase contract, is in compliance with PUC requirements and 66 Pa. C. S. § 1317(d)?

IV. SERVICE OF DOCUMENTS

Service of documents in this matter should be on the following counsel of record:

Gregory J. Stunder, Esq.*
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213 Market Street
9th Floor
Harrisburg, PA 17101
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dclearfield@eckertseamans.com

* Lead Counsel

V. SCHEDULE

PGW has been communicating with the other parties in order to develop a proposed schedule for discovery, testimony, evidentiary hearings and submission of briefs and anticipates presenting a schedule during the pre-hearing conference.

VI. WITNESSES

PGW expects to submit the testimony of the following witnesses:

A. Douglas Moser (same business address as the undersigned). The issues Mr. Moser will address are outlined in the prepared direct testimony submitted on March 1, 2010.

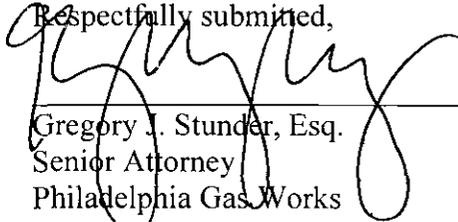
B. Kenneth Dybalski (same business address as the undersigned). The issues Mr. Dybalski will address are outlined in the prepared direct testimony submitted on March 1, 2010.

PGW reserves its right to modify this witness list prior to the submission of testimony.

VII. SETTLEMENT

PGW is willing to discuss settlement of its claims and will be initiating such discussions as soon as the parties indicate they have had sufficient time to review PGW's direct case on the GCR.

Respectfully submitted,



Gregory J. Stunder, Esq.
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Of Counsel:
Daniel Clearfield, Esq.
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213 Market Street
9th Floor
Harrisburg, PA 17101
(717) 237-7173

Dated: March 16, 2010

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing document upon the participants listed below in accordance with the requirements of § 1.54 (relating to service by a participant).

VIA E-MAIL and FIRST CLASS MAIL

Aron Beatty, Esq.
Office of Consumer Advocate
5th Floor, Forum Place Bldg.
555 Walnut Street
Harrisburg, PA 17101-1921

✓Barry Naum, Esq.
Charis Mincavage, Esquire
McNEES, WALLACE, NURICK
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P.O. Box 1166
Harrisburg, PA 17108-1166

Sharon Webb, Esq.
Office of Small Business Advocate
Commerce Building, Suite 1102
300 North 2nd Street
Harrisburg, PA 17101

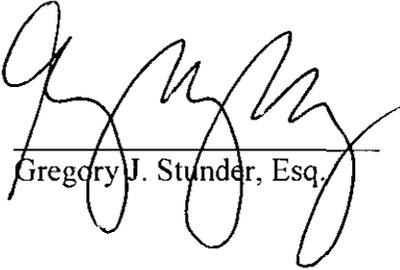
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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU



Gregory J. Stunder, Esq.

Date: March 16, 2010

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3 To

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EXP SAVER

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Someone at recipient's address may sign for delivery. *Fee applies.*

Indirect Signature
If no one is available at recipient's address, someone at a neighboring address may sign for delivery. For residential deliveries only. *Fee applies.*

Does this shipment contain dangerous goods?

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