

# Philadelphia Gas Works

Gregory J. Stunder  
Senior Attorney



800 W. Montgomery Avenue, Philadelphia, PA 19122  
Telephone: (215) 684-6878 – Fax (215) 684-6798  
Email: greg.stunder@pgworks.com

## VIA OVERNIGHT MAIL

June 28, 2010

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

Re: Philadelphia Gas Works, Docket No. R-2010-2157062

Dear Secretary Chiavetta:

Enclosed is a copy of a letter that PGW provided in the above-referenced matter on June 25, 2010. Please note that the Docket Number is incorrect and that the correct docket number appears above in the subject line.

If you have any questions regarding this matter, please contact me. Thank you for your assistance with this matter.

Respectfully submitted,

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

Gregory J. Stunder

**RECEIVED**

**JUN 28 2010**

**PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU**

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June 25, 2010

### VIA EXPRESS MAIL

# RECEIVED

JUN 28 2010

Judge Cynthia Williams Fordham  
Judge Christopher Pell  
Pennsylvania Public Utility Commission  
801 Market Street – Suite 4063  
Philadelphia, PA 19107

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

RE: Philadelphia Gas Works 2010– 2011 Gas Cost Rate Filing  
Docket No. R-2010-20157062

Dear Judges Fordham and Pell,

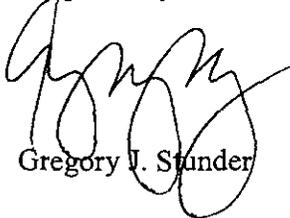
Please permit this letter to serve as a response to the opposition of Paul Hoyer to the Joint Petition for Settlement of Philadelphia Gas Work's 2010-2011 GCR Proceeding. Mr. Hoyer is a complainant in the above-referenced matter who was not an active participant in this proceeding. The following is PGW's response:

- Mr. Hoyer states that the settlement agreement does not encourage the off-peak use of gas.
  - PGW's Response: The encouragement of off-peak gas usage is not relevant to gas cost rate proceedings and not appropriate for inclusion in the Joint Petition for Settlement because the cost and pricing of natural gas remains the same during both peak usage and non-peak usage periods, therefore, non-peak usage does not have any impact on PGW's Gas Cost Rate. In this way, gas consumption and electric consumption are different.
- Mr. Hoyer states that the cost of gas is much higher in Philadelphia than in other cities and the settlement agreement does not encourage PGW to operate in an efficient manner.
  - Response: The Office of the Trial Staff ("OTS") calculates the Purchased Gas Cost Rates of Pennsylvania NGDCs and the calculations are published on the Pennsylvania Public Utility Commission's website. The OTS calculations show that during the twelve-month period ended December 31, 2009 (which is the historical period under review in the instant proceeding), PGW's average Gas Cost Rate is the third **lowest** among the eight largest Pennsylvania Natural Gas Distribution Companies. Additionally, the Office of the Trial Staff, the Office of the Consumer Advocate and the Office of the Small Business Advocate reviewed

PGW's gas purchases and gas purchasing practices during this same twelve month period and concluded that PGW met the requirements of Section 1318(a) of the Public Utility Code by pursuing a least-cost fuel procurement policy, consistent with its obligation to provide safe, adequate and reliable service to its customers.

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

Respectfully submitted,



Gregory J. Stunder

cc: Service List  
Mr. Paul Hoyer  
Rosemary Chiavetta, Secretary - PA Public Utility Commission

**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**

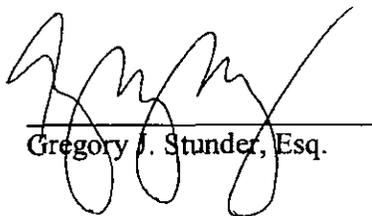
Aron Beatty, Esq.  
Office of Consumer Advocate  
5<sup>th</sup> Floor, Forum Place Bldg.  
555 Walnut Street  
Harrisburg, PA 17101-1921

Carl Zwick, Esquire  
Charis Mincavage, Esquire  
McNEES, WALLACE, NURICK  
100 Pine Street  
P.O. Box 1166  
Harrisburg, PA 17108-1166

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

Daniel Clearfield, Esq.  
Eckert Seamans Cherin & Mellott, LLC  
213 Market Street  
9<sup>th</sup> Floor  
Harrisburg, PA 17101

Adeolu Bakare, Esq.  
Office of Trial Staff  
PA Public Utility Commission  
Commonwealth Keystone Building  
400 North Street, 2nd Floor  
Harrisburg, PA 17120

  
\_\_\_\_\_  
Gregory J. Stunder, Esq.

Date: June 25, 2010

**RECEIVED**  
JUN 28 2010  
PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

# FedEx US Airbill

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Form ID No. **0215**

Recipient's Copy

**1 From** This portion can be removed for Recipient's records.

Date 6-28-10 FedEx Tracking Number 872089525930

Sender's Name Greg Stunder Phone \_\_\_\_\_

Company PHILADELPHIA GAS WORKS

Address 800 W MONTGOMERY AVE Dept./Floor/Suite/Room \_\_\_\_\_

City PHILADELPHIA State PA ZIP 19122-2898

**2 Your Internal Billing Reference**

**3 To**

Recipient's Name Rosemary Chiarella Phone \_\_\_\_\_

Company PA PUC

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FedEx Priority Overnight Next business morning \*\* Friday shipments will be delivered on Monday unless SATURDAY Delivery is selected.

FedEx Standard Overnight Saturday Delivery NOT available.

FedEx First Overnight Earliest next business morning delivery to select locations.\*

FedEx 2Day Second business day \*\* Thursday shipments will be delivered on Monday unless SATURDAY Delivery is selected.

FedEx Express Saver Next business afternoon \*\* X EXP SAVER Saturday Delivery NOT available.

**4b Express Freight Service** \*\* To most locations. Packages over 150 lbs.

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FedEx 2Day Freight Second business day \*\* Thursday shipments will be delivered on Monday unless SATURDAY Delivery is selected.

FedEx 3Day Freight Third business day \*\* Saturday Delivery NOT available.

**5 Packaging** \* Declared value limit \$500.

FedEx Envelope\*  FedEx Pak\* Includes FedEx Small Pak and FedEx Large Pak.  FedEx Box  FedEx Tube  Other

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SATURDAY Delivery NOT available for FedEx Standard Overnight, FedEx Express Saver, or FedEx 3Day Freight.

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Does this shipment contain dangerous goods?  
 One box must be checked.  
 No  Yes As per attached Shipper's Declaration.  Yes Shipper's Declaration not required.  Dry Ice Dry ice, 9 UN 1845 \_\_\_\_\_ x \_\_\_\_\_ kg

Dangerous goods (excluding dry ice) cannot be shipped in FedEx packaging or placed in a FedEx Express Drop Box.  Cargo Aircraft Only

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