

COMMONWEALTH OF PENNSYLVANIA



OFFICE OF CONSUMER ADVOCATE

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IRWINA. POPOWSKY  
Consumer Advocate

January 3, 2010

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

RE: Petition of Philadelphia Gas Works to  
Modify its Universal Service and Energy  
Conservation Plans with Respect to the  
Customer Responsibility Program  
Docket No. P-2010-2178610

Dear Secretary Chiavetta:

Enclosed for filing is the Prehearing Memorandum of the Office of Consumer Advocate,  
in the above-referenced proceeding.

Copies have been served as indicated on the Certificate of Service.

Respectfully Submitted,

A handwritten signature in cursive script that reads "Christy M. Appleby".

Christy M. Appleby  
Assistant Consumer Advocate  
PA Attorney I.D. # 85824

Enclosures

cc: Honorable Christopher P. Pell

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BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of Philadelphia Gas Works to	:	
Modify its Universal Service and Energy	:	Docket No. P-2010-2178610
Conservation Plans with Respect to the	:	
Customer Responsibility Program	:	

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PREHEARING MEMORANDUM  
OF THE  
OFFICE OF CONSUMER ADVOCATE

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Pursuant to Section 333 of the Public Utility Code, 66 Pa.C.S. § 333, and Administrative Law Judge Christopher P. Pell’s November 30, 2010 Prehearing Conference Order, the Office of Consumer Advocate (OCA) provides the following information:

**I. Introduction**

On June 4, 2010, Philadelphia Gas Works filed a Petition to modify its Universal Service and Energy Conservation Plans with respect to the Customer Responsibility Program.<sup>1</sup> In its Petition, PGW requests to modify its Customer Responsibility Program (CRP)<sup>2</sup> to address the changes in the application of the Low Income Home Energy Assistance Program (LIHEAP) cash grants mandated by the Department of Public Welfare (DPW). PGW proposes to use the Modified Model recommended in the Applied Public Policy Research Institute for Study and Evaluation (APPRISE) report attached to PGW’s Petition. In its Petition, PGW proposes to set the CRP payment levels so that CRP customers will realize the PUC-recommended targeted

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<sup>1</sup> The OCA notes that PGW initially filed its Petition on June 3, 2010, but due to an error in copying, PGW excluded two pages from the testimony of Cristina Coltro. PGW re-filed its Petition with the excluded pages on June 4, 2010.

<sup>2</sup> The Customer Responsibility Program is PGW’s low-income customer assistance program (CAP).

energy burdens after taking into account the effect of the LIHEAP cash grants. Petition at 2. PGW also requests to modify the Plan by adding a conservation incentive program to encourage CRP customers to modify their usage with the potential resultant decrease in the financial burden placed upon non-CRP customers who pay for the program through the Universal Service and Energy Conservation (USC) surcharge.

On June 23, 2010, the OCA filed its Answer, Notice of Intervention and Public Statement. OSBA filed its Notice of Intervention, Public Statement and Answer on June 23, 2010.

The Tenants Union Representative Network (TURN) filed an Answer on June 23, 2010. In its Answer, TURN raised a new matter in opposition to the proposed modifications of the PGW CRP. TURN averred that the manner in which PGW proposed to apply the LIHEAP cash grant was contrary to DPW's LIHEAP policy. On July 12, 2010, PGW filed a Reply to New Matter.

On November 19, 2010, the Commission issued an Order responding to TURN's new matter and referred PGW's Petition to the Office of Administrative Law Judge for hearing and the issuance of a Recommended Decision on PGW's Petition.<sup>3</sup> The matter was further assigned to Administrative Law Judge Christopher P. Pell.

## **II. Issues and Sub-issues**

The OCA generally supports PGW's proposal to modify its CRP program and the creation of a conservation incentive program. See generally, June 23, 2010 Answer of the Office of Consumer Advocate. Therefore, at this time, the OCA has not identified any issues with

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<sup>3</sup> The OCA notes that in its November 19, 2010 Order, the Commission also separately granted PGW's request for an extension on its 2011-2013 Three Year Universal Service and Energy Conservation Plan (Plan) and its third party evaluation as required by Commission regulations. The Commission ordered that the extension for the Plan be filed thirty (30) days after entry of the Commission's Order regarding the instant Petition to Modify the CRP. The Commission ordered that the third-party impact and process evaluation be filed by December 12, 2012.

PGW's Petition. The OCA reserves the right to raise issues or respond to any issues or modifications proposed by PGW and/or other interested parties in this proceeding, as discovery and testimony in the proceeding are submitted.

### **III. Witnesses**

The OCA may present the direct, rebuttal and surrebuttal testimony, as necessary, of the following witness in this proceeding. To expedite discovery in this proceeding, the OCA requests that copies of all interrogatories and answers to interrogatories be mailed directly to the expert witness as well as to counsel for the OCA.

Roger D. Colton  
Fisher, Sheehan & Colton  
Public Finance and General Economics  
34 Warwick Road  
Belmont, Pa. 02478-2841  
Telephone: 617-484-0597  
Fax: 617-484-0594  
E-mail: [roger@fsconline.com](mailto:roger@fsconline.com)

The OCA reserves the right to call additional witnesses, as necessary. If the OCA determines that an additional witness or witnesses will be necessary for any portion of its case, the OCA will notify Your Honor and all parties of record.

### **IV. Service on the OCA**

The OCA will be represented in this case by Assistant Consumer Advocate Christy M. Appleby and Senior Assistant Consumer Advocate Tanya J. McCloskey. Two copies of all documents should be served on the OCA as follows:

Christy M. Appleby  
Assistant Consumer Advocate  
Tanya J. McCloskey  
Senior Assistant Consumer Advocate  
Office of Consumer Advocate  
5<sup>th</sup> Floor, Forum Place  
555 Walnut Street  
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E-mail: [cappleby@paoca.org](mailto:cappleby@paoca.org)  
[tmccloskey@paoca.org](mailto:tmccloskey@paoca.org)

As a courtesy, the OCA requests that all electronic correspondence also be copied to Jessica J. Horner ([jhorner@paoca.org](mailto:jhorner@paoca.org)).

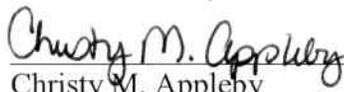
**V. Schedule**

The OCA will work with the parties to reach a mutually acceptable schedule.

**VI. Settlement**

The OCA is willing to discuss settlement of the matter with the parties.

Respectfully Submitted,

  
Christy M. Appleby

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Dated: January 3, 2011  
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CERTIFICATE OF SERVICE

Petition of Philadelphia Gas Works to :  
Modify its Universal Service and Energy : Docket No. P-2010-2178610  
Conservation Plans with Respect to the :  
Customer Responsibility Program :

I hereby certify that I have this day served a true copy of the foregoing document, Prehearing Memorandum of the Office of Consumer Advocate, upon parties of record in this proceeding in accordance with the requirements of 52 Pa. Code Section 1.54 (relating to service by a participant), in the manner and upon the persons listed below:

Dated this 3<sup>rd</sup> day of January 2011.

SERVICE BY E-MAIL and INTEROFFICE MAIL

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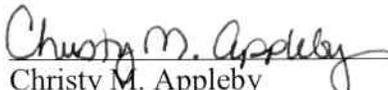
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