



PHILADELPHIA GAS WORKS

800 West Montgomery Avenue • Philadelphia, PA 19122

GREGORY J. STUNDER
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March 13, 2012

VIA EMAIL and OVERNIGHT MAIL

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

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MAR 13 2012

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

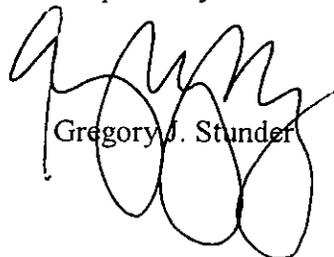
RE: **PaPUC v. Philadelphia Gas Works - Docket No. R-2012-2286447**

Dear Secretary Chiavetta,

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,



Gregory J. Stunder

Enclosure

cc: All Parties of Record
Hon. Christopher Pell

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission,	:	
	:	
v.	:	Docket No. R-2012-2286447
	:	
Philadelphia Gas Works	:	

**PHILADELPHIA GAS WORK'S
PREHEARING MEMORANDUM**

I. INTRODUCTION

Philadelphia Gas Works ("PGW") submits this Prehearing Memorandum in anticipation of the Prehearing Conference scheduled before Administrative Law Judge Christopher Pell on March 15, 2012. This Prehearing Conference will address PGW's 2012-13 Gas Cost Rate ("GCR") proceeding, which includes the establishment of its 2012-13 proposed Universal Service Surcharge, for which PGW submitted its prefiling information on February 1, 2012 and its annual filing on March 1, 2012. Additionally, PGW submitted a Petition requesting waiver of certain Commission regulations pertaining to its supporting data and customer notice for the GCR.

II. DISCOVERY

The following rules are consistent with PGW's prior GCR proceedings and are acceptable to PGW:

1. Answers to written interrogatories shall be served in-hand within ten (10) calendar days of service of the interrogatories, except that service of interrogatories on a Friday shall be deemed service on the following Monday.
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 2012-13 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 2011-12 natural gas expense, GCR Expense and prior years' over/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), Enhanced Low Income Usage Reduction Program (ELIRP) and Senior Citizen Discount (SCD) programs just, reasonable and in accordance with applicable PUC orders and the Public Utility Code?

4. Whether PGW's proposed Supplement No. 51 to PGW's Pa PUC Tariff No. 2 setting forth the revisions in rates required by the changes in the GCR, Restructuring, Efficiency Cost Recovery, OPEB and USC surcharges are 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.
Philadelphia Gas Works
800 West Montgomery Ave.
Philadelphia, PA 19122
(215) 684-6878 (phone)
(215) 684-6798 (fax)
greg.stunder@pgworks.com

V. SCHEDULE

PGW has communicated with the other parties in order to develop a proposed schedule for discovery, testimony, evidentiary hearings and submission of briefs and all parties have agreed to the following:

Non-company parties – direct testimony	Friday, Apr 20, 2012
All parties - rebuttal testimony	Thursday, May 3, 2012
Surrebuttal	Wednesday, May 9, 2012
Oral rejoinder	Monday, May 14, 2012
Hearings	Monday/Tuesday, May 14/15, 2012
Close of record	Tuesday, May 15, 2012

Main briefs

Tuesday, May 29, 2012

Reply briefs

Wednesday, June 6, 2012

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, 2012.

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, 2012.

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

VII. SETTLEMENT

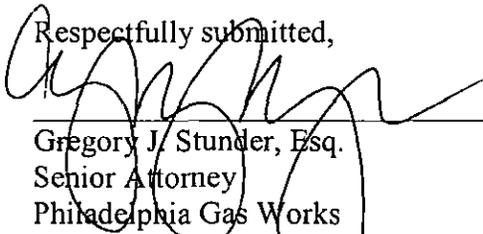
PGW is willing to discuss settlement of its claims and will be initiating such discussions as soon as the parties indicate they have had sufficient time to review PGW's direct case on the GCR.

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Respectfully submitted,



Gregory J. Stunder, Esq.
Senior Attorney
Philadelphia Gas Works
800 West Montgomery Ave.
Philadelphia, PA 19122
(215) 684-6878

Dated: March 13, 2012

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 EMAIL and FIRST CLASS MAIL

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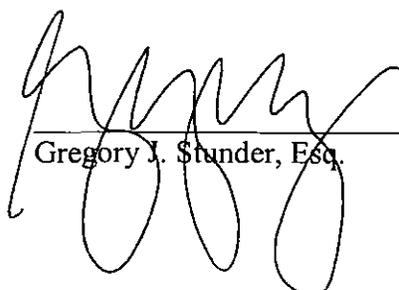
Sharon Webb, Esq.
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Gregory J. Stunder, Esq.

Date: March 13, 2012

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1112

FedEx NEW Package
Express US Airbill

FedEx
Tracking
Number

8764 5790 5172

Form
ID No

0215

Recipient's Copy

RECIPIENT: PEEL HERE

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

Date 3.13.12

FedEx
Tracking Number

876457905172

Sender's
Name

Greg Sturder. E.g

Phone

215 684 6878

Company

PHILADELPHIA GAS WORKS

Address

800 W MONTGOMERY AVE

Dept./Floor/Suite/Room

City

PHILADELPHIA

State

PA

ZIP

19122-2888

2 Your Internal Billing Reference

3 To

Recipient's
Name

Secretary, Rosemary Ch

Phone

Company

PA PVC

Address

2nd Floor, 1 North

We cannot deliver to P.O. boxes or P.O. ZIP codes.

Address

4100 North Street

Use this line for the HOLD location address or for continuation of your shipping address

City

Harrisburg

State

PA

ZIP

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FedEx 2Day to select locations.

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8764 5790 5172

4 Express Package Service

* To most locations.

NOTE: Service order has changed. Please select carefully.

Packages up to 150 lbs.
For packages over 150 lbs., use the new
FedEx Express Freight US Airbill

Next Business Day

FedEx First Overnight
Earliest next business morning delivery to select
locations. Friday shipments will be delivered on
Monday unless SATURDAY Delivery is selected.

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

FedEx Standard Overnight
Next business afternoon.*
Saturday Delivery NOT available.

2 or 3 Business Days

NEW FedEx 2Day A.M.
Second business morning*
Saturday Delivery NOT available

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

FedEx Express Saver
Third business day*
Saturday Delivery NOT available.

5 Packaging

* Declared value limit \$500.

FedEx Envelope*

FedEx Pak*

FedEx
Box

FedEx
Tube

Other

6 Special Handling and Delivery Signature Options

SATURDAY Delivery

NOT available for FedEx Standard Overnight, FedEx 2Day A.M., or FedEx Express Saver.

No Signature Required
Package may be left without
obtaining a signature for delivery.

Direct Signature
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?

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 _____ kg

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or placed in a FedEx Express Drop Box.

Cargo Aircraft Only

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Obtain recip.
Acct. No.

Sender
Account No. in Section
I will be billed.

Recipient

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Credit Card

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Total Weight

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