

June 19, 2013

**eFILED**

Rosemary Chiavetta, Secretary  
PA Public Utility Commission  
400 North Street  
Keystone Bldg., 2nd Floor  
Harrisburg, PA 17105-3265

RE: Petitions of Peoples Natural Gas Company, LLC & Peoples TWP, LLC for  
Approval of a Distribution System Improvement Charge  
Docket Nos. P-2013-2344596, P-2013-2344595

OCA v. Peoples Natural Gas Company, LLC & Peoples TWP, LLC  
Docket Nos. C-2013-2348847, C-2013-2348849

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Dear Secretary Chiavetta:

Enclosed is the Pennsylvania Independent Oil & Gas Association's Prehearing Conference Memorandum in the above-referenced proceedings. Copies have been served as shown on the Certificate of Service.

If you have any questions, please contact me at your convenience.

Very truly yours,



Kevin J. Moody  
General Counsel  
Pennsylvania Independent Oil & Gas Association

KJM/hs  
Enclosures

cc: ALJ Mary D. Long (via email)  
ALJ Jeffrey A. Watson (via email)  
Certificate of Service

## CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true and correct copy of PIOGA's prehearing memo in the proceedings referenced above upon the parties listed below in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a party) and the ALJs' prehearing orders.

### VIA EMAIL

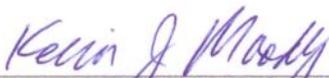
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Date: June 19, 2013

  
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Kevin J. Moody, Esquire

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition of Peoples Natural Gas Company, LLC for Approval of a Distribution System Improvement Charge P-2013-2344596

Office of Consumer Advocate v. Peoples Natural Gas Company, LLC C-2013-2348847

Petition of Peoples TWP, LLC for Approval of a Distribution System Improvement Charge P-2013-2344595

Office of Consumer Advocate v. Peoples TWP, LLC C-2013-2348849

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**PREHEARING CONFERENCE MEMORANDUM  
OF THE  
PENNSYLVANIA INDEPENDENT OIL AND GAS ASSOCIATION**

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**To The Honorable Mary D. Long and Jeffrey A. Watson, Administrative Law Judges:**

Pursuant to Section 333 of the Public Utility Code, 66 Pa. C.S. § 333, 52 Pa. Code §§ 5.221-5.224 and Your Honors' Prehearing Conference Orders, the Pennsylvania Independent Oil & Gas Association (PIOGA) submits this prehearing conference memorandum.

**I. BRIEF HISTORY OF PROCEEDINGS**

Peoples and Peoples TWP each filed their Long-Term Infrastructure Improvement Plans (LTIIPs) and their Distribution System Improvement Charge (DSIC) materials per the Commission's August 2, 2012 Final Implementation Order at Docket No. M 2012 2293611, which established procedures and guidelines to implement Act 11 of 2012, enacted on February 14, 2012. Act 11 amended Chapters 3, 13 and 33 of the Public Utility Code to, *inter alia*, provide jurisdictional water and wastewater utilities, electric distribution companies and natural gas distribution companies (NGDCs) with the ability to implement a DSIC to recover reasonable

and prudent costs incurred to repair, improve or replace certain eligible distribution property that is part of the utility's distribution system.

The statutory advocates intervened, with the Office of Consumer Advocate filing formal complaints with respect to each DSIC petition. PIOGA filed a Petition to Intervene in each utility's DSIC proceeding that did not dispute any element of the DSIC filings but commented favorably on each utility's proposal not to impose the DSIC on services to producers, such as Peoples' Rate LGA (Local Gas Aggregation Service).

By separate orders entered May 23, 2013, the Commission addressed these filings and, *inter alia*, (i) assigned certain issues to the Office of Administrative Law Judge (OALJ) for hearing and preparation of a recommended decision and (ii) authorized each utility to implement a DSIC mechanism consistent with the order on ten days' notice, subject to recoupment and/or refund pending final resolution of the matters referred to the OALJ.

## **II. SERVICE LIST**

PIOGA's entry on the service list is:

Kevin J. Moody, Esquire  
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Pennsylvania Independent Oil & Gas Association  
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717-234-8525  
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## **III. ISSUES TO BE ADDRESSED**

As stated above, PIOGA intervened to advocate its position that services to producers should not be subject to a charge designed to permit recovery of costs incurred to repair, improve or replace distribution system property used to serve distribution customers. As neither utility proposes to do so (Peoples TWP does not have a rate similar to Peoples' Rate LGA), PIOGA

does not expect to present witnesses or testimony, unless other parties make proposals contrary to PIOGA's position.

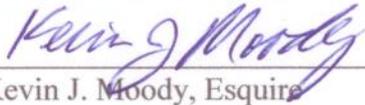
**IV. PROPOSED LITIGATION SCHEDULE**

PIOGA has no objection to the proposed litigation schedule circulated by the utilities prior to this prehearing conference.

**VI. MODIFICATION OF DISCOVERY RULES**

PIOGA is amenable to reasonable modifications to the Commission's discovery rules to accommodate reduced response times and email service, and other concerns that arise.

Respectfully submitted,



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Kevin J. Moody, Esquire  
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Dated: June 19, 2013