

ORIGINAL

LAW OFFICES

OBERMAYER REBMANN MAXWELL & HIPPEL LLP

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PHILADELPHIA, PA 19103-1895

(215) 665-3000
FAX (215) 665-3165

WENDELL F. HOLLAND
DIRECT DIAL (215) 665-3282
E-MAIL WFH@OBERMAYER.COM

May 2, 2001

RECEIVED

A-00016378

MAY 02 2001

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

VIA FEDERAL EXPRESS

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

RE: Philadelphia Gas Works' 2001-2002 Gas Cost Rate ("GCR") Filing

Dear Mr. McNulty:

In accordance with our letter of May 1, 2001, Philadelphia Gas Works ("PGW") encloses eight (8) copies of supporting information relating to 52 Pa. Code §53.64 (i).

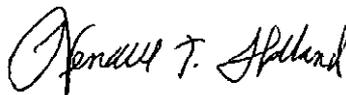
Please include the enclosed materials with PGW's May 1, 2001 GCR filing.

Also enclosed is an additional copy of the filing which I respectfully request be time-stamped and returned to me in the self-addressed stamped envelope provided. Please contact me if you have any questions.

Thank you for your kind assistance in this matter.

DOCUMENT
FOLDER

Respectfully,



WENDELL F. HOLLAND

WFH/swwc
Enclosure

cc: Veronica Smith, Dep. Exec. Dir.
R.A. Rosenthal, Bureau of Fixed Utility Services
R. Bennett, Bureau of Fixed Utility Services

63

James McNulty, Secretary
Pennsylvania Public Utility Commission
May 2, 2001
Page 2

Tanya McCloskey, Esquire and Stephen Keene, Esquire,
Office of Consumer Advocate
Bernard Ryan, Esquire and Steven C. Gray, Esquire,
Office of Small Business Advocate
Johnnie E. Simms, Esquire,
Office of Trial Staff
Timothy Wallich, Joseph Metro, and Ted Weakley -- OTS Technical Staff
Charis M. Burak, Esquire and David M. Kleppinger, Esquire
Philip A. Bertocci, Esquire
Abby Pozefsky, Esquire
Les Fyock
Daniel Clearfield, Esquire and Kevin J. Moody, Esquire
(All with enclosure)

R-00016378

Docket No. R-01XXX

Item 53.64 (i)

Philadelphia Gas Works

Pennsylvania Public Utility Commission
52 Pa. Code §53.61, et seq.
For the Twelve Months Ending August 31, 2001

Item 53.64(i) Utilities shall comply with the following:

(1) Thirty days prior to the filing of a tariff reflecting increases or decreases in purchased gas expenses, gas utilities under 66 Pa.C.S. § 1307(f) recovering expenses under that section shall file a statement for the 12-month period ending 2 months prior to the filing date under 66 Pa.C.S. § 1307(f) as published in accordance with subsection (b) which shall specify:

- (i) The total revenues received under 66 Pa.C.S. § 1307(a), (b) or (f), including fuel revenues received, whether shown on the bill as 66 Pa.C.S. § 1307(a), (b) or (f) charges or rolled in as base rates.
- (ii) The total gas expenses incurred.
- (iii) The difference between the amounts in sub paragraphs (i) and (ii).
- (iv) Evidence explaining how actual costs incurred differ from the costs allowed under subparagraph (ii).
- (v) How these costs are consistent with a least cost fuel procurement policy, as required by 66 Pa.C.S. § 1318 (relating to determination of just and reasonable natural gas rates).

Response: Please see attached material. Please also refer to Item 53.64 (c)(6) in PGW's May 1, 2001 GCR filing.

**DOCUMENT
FOLDER**

DOCKETED
MAY 04 2001

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MAY 02 2001
PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

FUEL ADJUSTMENT
STATEMENT OF RECONCILIATION

2000-2001

	NET COST OF FUEL	APPLICABLE SALES	BASE FUEL FACTOR	BASE FUEL CREDIT	FUEL COST REMAINING TO BE RECOVERED	GCR FACTOR APPLIED	GCR REVENUE BILLED	1999-2000 OVER/(UNDER) RECOVERY	CARRYOVER DISTRIBUTED ON GCR BUDGET VOLUME	NET OVER/(UNDER) RECOVERY
	1	2	3	4=2*3	5=1-4	6	7	8=7-5	9	10=8+9
PRIOR YEAR'S CARRYOVER:										
1999-2000 FINALIZED OVER/(UNDER) BILLING									(14,050,659)	
2000-2001 NATURAL GAS REFUNDS									4,999,224	
TOTAL "E" FACTOR									(9,051,435)	
2000-2001										
SEPTEMBER	12,843,601	1,482,659	3.1800	4,714,856	8,128,745	1.0982	1,616,117	(6,512,628)	(109,017)	(6,621,645)
OCTOBER	22,444,908	2,599,426	3.1800	8,266,175	14,178,733	1.0982	2,801,077	(11,377,656)	(355,608)	(11,733,265)
NOVEMBER	36,538,935	4,318,717	3.1800	13,733,520	22,805,415	1.0982	5,097,105	(17,708,310)	(506,952)	(18,215,261)
DECEMBER	73,641,489	8,641,077	3.1800	27,478,625	46,162,864	2.6678	22,271,133	(23,891,731)	(909,618)	(24,801,349)
JANUARY	92,902,250	11,679,909	3.1800	37,142,111	55,760,139	4.6724	53,946,379	(1,813,760)	(1,524,154)	(3,337,914)
FEBRUARY	Actual 68,865,829	8,999,776	3.1800	28,619,288	40,246,541	6.1985	55,795,589	15,549,048	(1,767,157)	13,781,891
MARCH	Estimated 57,476,061	7,861,020	3.1800	25,061,644	32,414,417	6.4552	50,873,562	18,459,145	(1,246,850)	17,212,295
APRIL	37,844,833	5,784,372	3.1800	18,394,302	19,450,531	6.6959	38,731,574	19,281,043	(927,211)	18,353,831
MAY	20,267,650	2,786,574	3.1800	8,861,305	11,406,345	6.6959	18,658,621	7,252,276	(636,869)	6,615,407
JUNE	13,576,073	1,888,849	3.1800	6,006,540	7,569,533	6.6959	12,647,544	5,078,011	(524,417)	4,553,594
JULY	13,979,026	1,426,060	3.1800	4,534,871	9,444,155	6.6959	9,548,756	104,800	(431,112)	(326,511)
AUGUST	14,779,784	1,421,216	3.1800	4,519,466	10,260,318	6.6959	9,516,319	(743,999)	(112,472)	(856,471)
TOTAL	465,160,440	58,909,655		187,332,702	277,827,738		281,503,775	3,676,037	(9,051,435)	(5,375,398)
Interim Settlement Adjustment										(7,000,000)
GRAND TOTAL	465,160,440	58,909,655		187,332,702	277,827,738		281,503,775	3,676,037	(9,051,435)	(12,375,398)

LAW OFFICES
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WENDELL F. HOLLAND
DIRECT DIAL (215) 665-3292
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(215) 665-3000
FAX (215) 665-3165

May 22, 2001

RECEIVED

VIA FEDERAL EXPRESS MAIL

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

JUN 22 2001

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

**RE: In re: Philadelphia Gas Works for
Proposed 2001-2002 Gas Cost Rate
Docket No. R-00016378**

Dear Mr. McNulty:

On behalf of Philadelphia Gas Works, enclosed is a certificate of service pursuant to 52 Pa. Code §5.412(f) for filing the Direct Testimony of Craig White in the above-referenced docket.

Please contact me if you have any questions with respect to the Company's filing.

Respectfully,



WENDELL F. HOLLAND

WFH/swwc
Enclosure
cc: All parties (w/o enc.)

DOCUMENT
FOLDER

CERTIFICATE OF SERVICE

I herby 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).

RECEIVED

VIA HAND DELIVERY

The Honorable Marlane R. Chestnut,
Administrative Law Judge
1302 Philadelphia State Office Building
1400 West Spring Garden Street
Philadelphia, PA 19130

JUN 22 2001

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

VIA E-MAIL, FACSIMILE, AND FIRST CLASS MAIL, POSTAGE PREPAID

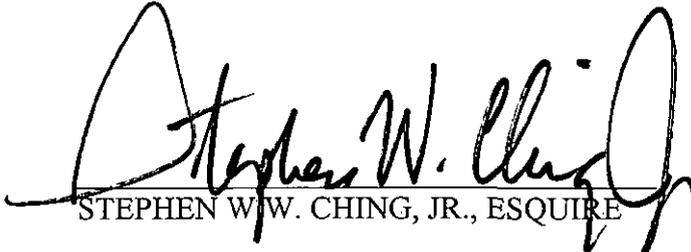
Johnnie E. Simms, Esquire Senior Prosecutor Office of Trial Staff Pennsylvania Public Utility Commission P.O. Box 3265 Harrisburg, PA 17105-3256 (717) 787-1976 Fax (717) 772-2677 simmsj@puc.state.pa.us	Phillip A. Bertocci, Esq. Community Legal Services, Inc. 1424 Chestnut Street, 4 th Floor Philadelphia, PA 19102-2505 (215) 981-3702 Fax (215) 981-0435 pbertocci@clsphila.com
Steven C. Gray, Esquire Office of Small Business Advocate Commerce Building, Suite 1102 300 North 2 nd Street Harrisburg, PA 17101 (717) 783-2525 Fax (717) 783-2831 sgray@state.pa.us stevencgray@earthlink.net	Stephen Keene, Esquire Assistant Consumer Advocate Office of Consumer Advocate 555 Walnut Street, 5 th Floor, Forum Place Harrisburg, PA 17101-1923 (717) 782-5048 Fax (717) 783-7152 skeene@paoca.org

DOCKETED

JUN 27 2001

DOCUMENT
FOLDER

<p>Charis M. Burak, Esquire McNEES, WALLACE, NURICK 100 Pine Street P.O. Box 1166 Harrisburg, PA 17108-1166 (717) 232-8000 Fax (717) 237-5300 <u>cburak@mwn.com</u></p>	<p>Richard Lelash Financial and Regulatory Consultant 18 Seventy Acre Road Redding, CT 06896 (203) 438-4659 (203) 431-9625 (fax) LELASH@SPRINT.COM (OCA)</p>
<p>Paul Metro Office of Trial Staff--Technical Pennsylvania Public Utility Commission P.O. Box 3265 Harrisburg, PA 17105-3256 <u>simmsj@puc.state.pa.us</u></p>	<p>Charles Weakley Office of Trial Staff--Technical Pennsylvania Public Utility Commission P.O. Box 3265 Harrisburg, PA 17105-3256 <u>simmsj@puc.state.pa.us</u></p>
<p>Mr. Robert D. Knecht Industrial Economics Incorporated 2067 Massachusetts Avenue Cambridge, MA 02140 (617) 354-0074 Fax: (617) 354-0463 <u>RDK@indec.com</u> (OSBA)</p>	<p>Timothy Wallich Office of Trial Staff--Technical Pennsylvania Public Utility Commission P.O. Box 3265 Harrisburg, PA 17105-3256 <u>simmsj@puc.state.pa.us</u></p>


STEPHEN W.W. CHING, JR., ESQUIRE

Dated: June 22, 2001

DOCUMENT
FOLDER

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

ORIGINAL

Pennsylvania Public Utility Commission :

v.

Docket No. R-00016378

Philadelphia Gas Works :

NOTICE OF APPEARANCE

DOCKETED
MAY 30 2001

TO THE SECRETARY:

Please enter the appearance of the Office of Trial Staff of the
Pennsylvania Public Utility Commission in the above-captioned proceeding.

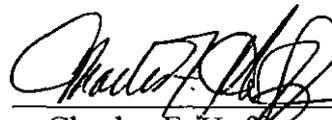
Prosecutor(s) for the Office of Trial Staff, in addition to the undersigned
will be:

JOHNNIE E. SIMMS

All service on and communications to the Office of Trial Staff in this
proceeding should be addressed:

**Johnnie E. Simms, Esquire
Pa. Public Utility Commission
Office of Trial Staff
P.O. Box 3265
Harrisburg, PA 17105-3265
(717) 787-1976**

RECEIVED
01 MAY 23 PM 12:59
PA.P.U.C.
SECRETARY'S BUREAU


Charles F. Hoffman
Chief Prosecutor

Dated: May 23, 2001

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission :

v.

:

Docket No. R-00016378

Philadelphia Gas Works

:

CERTIFICATE OF SERVICE

I hereby certify that I am serving the foregoing **Notice of Appearance** of the Office of Trial Staff, dated May 23, 2001, either personally, by first class mail, electronic mail, or by fax upon the persons listed below:

Wendell F. Holland, Esquire
Obermayer Rebman Maxwell & Hippel LLP
1 Penn Center 19th Floor
1617 J. Kennedy Boulevard
Philadelphia, PA 19103-1895

Bernard A. Ryan, Jr., Esquire
Office of Small Business Advocate
Suite 1102, Commerce Building
300 North Second Street
Harrisburg, PA 17101

Irwin A. Popowsky, Esquire
Office of Consumer Advocate
555 Walnut Street
5th Floor, Forum Place
Harrisburg, PA 17101-1923



Charles F. Hoffman
Chief Prosecutor
Office of Trial Staff

Dated: May 23, 2001
Docket No. R-00016378



ORIGINAL

OFFICE OF SMALL BUSINESS ADVOCATE
Suite 1102, Commerce Building
300 North Second Street
Harrisburg, Pennsylvania 17101

Bernard A. Ryan, Jr
Small Business Advocate

(717) 783-2525
(717) 783-2831 (FAX)

DOCUMENT
FOLDER

May 30, 2001

HAND DELIVERED

James J. McNulty, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
Harrisburg, PA 17105-3265

Re: Pennsylvania Public Utility Commission v.
Philadelphia Gas Works
Docket No. R-00016378 (GCR Proceeding)

RECEIVED
01 MAY 30 PM 2:39
P.A.P.U.C.
SECRETARY'S BUREAU

Dear Secretary McNulty:

I am delivering for filing today the original plus three copies of the:

1. Notice of Intervention of the Small Business Advocate in the above captioned matter; and
2. Public Statement of the Small Business Advocate relating to the filing of that Notice of Intervention.

Copies of each of the documents listed above are being served today on all known parties in this proceeding. A Certificate of Service to that effect is enclosed.

Sincerely,

Steven C. Gray
Assistant Small Business Advocate

Enclosures

cc: Hon. Robert A. Christianson
Chief Administrative Law Judge

Parties of Record

Robert D. Knecht .



ORIGINAL

OFFICE OF SMALL BUSINESS ADVOCATE
Suite 1102, Commerce Building
300 North Second Street
Harrisburg, Pennsylvania 17101

Bernard A. Ryan, Jr
Small Business Advocate

(717) 783-2525
(717) 783-2831 (FAX)

May 30, 2001

RECEIVED
01 MAY 30 PM 2:39
PA.P.U.C.
SECRETARY'S BUREAU

ALL PARTIES OF RECORD AT DOCKET NO. R-00016378:

Re: Pennsylvania Public Utility Commission v.
Philadelphia Gas Works
Docket No. R-00016378 (GCR Proceeding)

The Office of Small Business Advocate has retained the services of Robert D. Knecht as its expert witness in this case. In order to provide our consultant all materials, including discovery, testimony, briefs, etc., in a timely fashion, we request that you add the name of Mr. Knecht to your service lists so that he receives copies of documents when they are served in this case. Those items should be addressed to:

DOCUMENT
FOLDER

Mr. Robert D. Knecht
Industrial Economics Incorporated
2067 Massachusetts Avenue
Cambridge, MA 02140
(617) 354-0074
(617) 354-0463 - Fax

If you have any questions or concerns, please do not hesitate to contact me. Thank you in advance for your cooperation.

Sincerely,

Steven C. Gray
Assistant Small Business Advocate

DOCKETED
MAY 31 2001

cc: Mr. Robert D. Knecht

ORIGINAL

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

PENNSYLVANIA PUBLIC UTILITY
COMMISSION

v.

PHILADELPHIA GAS WORKS

:
:
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:
:

DOCKET NO. R-00016378

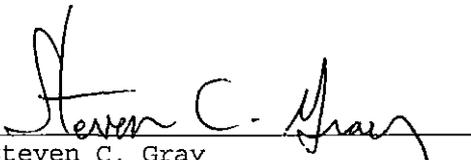
OFFICE OF
SMALL BUSINESS ADVOCATE
NOTICE OF INTERVENTION

The Office of Small Business Advocate, an agency of the Commonwealth authorized by the Small Business Advocate Act (Act 181 of 1988, 73. P.S. §§399.41 - 399.50) to represent the interest of small business consumers as a party in proceedings before the Pennsylvania Public Utility Commission, files this Notice of Intervention in this proceeding pursuant to the provisions of 52 Pa. Code §5.71(a)(1).

Representing the Office of Small Business Advocate in this proceeding is:

Steven C. Gray
Assistant Small Business Advocate
Office of Small Business Advocate
Suite 1102, Commerce Building
300 North Second Street
Harrisburg, PA 17101
(717) 783-2525

**DOCUMENT
FOLDER**



Steven C. Gray
Assistant Small Business Advocate

RECEIVED
01 MAY 30 PM 2:33
PA.P.U.C.
SECRETARY'S BUREAU

Dated: May 30, 2001

DOCKETED
MAY 31 2001

PUBLIC STATEMENT OF THE
SMALL BUSINESS ADVOCATE
CONCERNING THE INTEREST
OF SMALL BUSINESS CONSUMERS
TO BE PROTECTED BY THE INTERVENTION OF
THE OFFICE OF SMALL BUSINESS ADVOCATE IN THE
PURCHASED GAS COST RATE PROCEEDING OF
PHILADELPHIA GAS WORKS
DOCKET NO. R-00016378

The Small Business Advocate is authorized and directed to represent the interest of small business consumers of utility services in Pennsylvania under the provisions of the Small Business Advocate Act, Act 181 of 1988, 73 P.S. §§399.41 - 399.50 (the "Act"). The Act further provides that the Small Business Advocate is to issue publicly a written statement stating concisely the specific interest of small business consumers to be protected by his initiation of or intervention in any proceeding involving those interests before the Public Utility Commission or any other agency or court. This Public Statement relates to the filing today by the Office of Small Business Advocate of its Notice of Intervention in the Purchased Gas Cost rate proceeding under Section 1307(f) of the Public Utility Code for Philadelphia Gas Works at Docket No. R-00016378.

The purchased gas cost rate is a significant component of the total bill of a small business consumer of natural gas. The annual review by the Pennsylvania Public Utility Commission of the purchasing practices of a natural gas distribution company pursuant to Section 1307(f) of the Public Utility Code provides an opportunity to evaluate the reasonableness and prudence of the utility's purchases of natural gas. Those practices directly impact on the costs of gas service to small business consumers. Moreover, various related issues that could have a significant impact on the rates paid by small business

consumers may arise in this proceeding, as they have in previous annual gas cost rate cases before the Public Utility Commission.

The Office of Small Business Advocate will represent the interests of PGW's small business customers in this investigation into the utility's proposed increase to its purchased gas costs.

Dated: May 30, 2001

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

PENNSYLVANIA PUBLIC UTILITY :
COMMISSION :
v. : DOCKET NO. R-00016378
PHILADELPHIA GAS WORKS :

CERTIFICATE OF SERVICE

I certify that I am serving a copy of the Notice of Intervention and Public Statement on behalf of the Office of Small Business Advocate by first class mail upon the persons addressed below:

Hon. Robert A. Christianson
Chief Administrative Law Judge
Pa Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

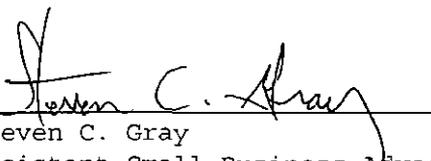
Stephen J. Keene, Esquire
Office of Consumer Advocate
555 Walnut Street 5th FL Forum Place
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(717) 783-7152

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Obermayer Rebmann Maxwell & Hippel
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(215) 665-3165 (fax)

Johnnie E. Simms, Esquire
Office of Trial Staff
Pa. Public Utility Commission
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Harrisburg, PA 17105
(Office of Trial Staff)
(717) 787-1976
(717) 772-2677 (fax)

Daniel Clearfield, Esquire
Kevin J. Moody, Esquire
Wolf, Block, Schorr & Solis-Cohen
Locust Court Building, Suite 300
212 Locust Street
Harrisburg, PA 17101
(717) 237-7160
(717) 237-7161 (fax)

David Kleppinger, Esquire
Charis Burak, Esquire
McNees, Wallace & Nurick
100 Pine Street
P.O. Box 1166
Harrisburg, PA 17108-1166
(717) 232-8000
(717) 236-2665 (fax)


Steven C. Gray
Assistant Small Business Advocate

Date: May 30, 2001