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File #: 161086

February 6, 2015

***VIA ELECTRONIC FILING***

Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street, 2nd Floor North  
P.O. Box 3265  
Harrisburg, PA 17105-3265

**Re: Pennsylvania Public Utility Commission v. Peoples TWP LLC**  
**Docket Nos. R-2014-2456648, C-2014-2464270 & C-2014-2454412**

Dear Secretary Chiavetta:

Enclosed, for filing, is the Prehearing Conference Memorandum of Peoples TWP LLC, in the above-referenced proceeding. Copies will be provided as indicated on the Certificate of Service.

Respectfully submitted,



Devin T. Ryan

DTR/jl  
Enclosures

cc: Honorable Jeffrey Watson  
Certificate of Service

## CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been served upon the following persons, in the manner indicated, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

### VIA E-MAIL AND FIRST CLASS MAIL

Sharon E. Webb, Esquire  
Office of Small Business Advocate  
300 North Second Street, Suite 202  
Harrisburg, PA 17101

David T. Evrard, Esquire  
Aron J. Beatty, Esquire  
Office of Consumer Advocate  
555 Walnut Street  
Forum Place, 5th Floor  
Harrisburg, PA 17101-1923

Allison Kaster, Esquire  
Bureau of Investigation & Enforcement  
Commonwealth Keystone Building  
400 North Street, 2nd Floor West  
PO Box 3265  
Harrisburg, PA 17105-3265

Robert D. Knecht  
Consultant for OSBA  
Industrial Economics Incorporated  
2067 Massachusetts Avenue  
Cambridge, MA 02140

Date: February 6, 2015



Devin T. Ryan

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission	:	
	:	
v.	:	Docket Nos. R-2014-2456648
	:	C-2014-2464270
Peoples TWP LLC	:	C-2014-2454412

**PREHEARING CONFERENCE MEMORANDUM  
OF PEOPLES TWP LLC**

TO ADMINISTRATIVE LAW JUDGE JEFFREY A. WATSON:

Pursuant to the Prehearing Conference Order dated February 2, 2015, Peoples TWP LLC (“Peoples TWP”) hereby submits this Prehearing Conference Memorandum in the above-captioned matters, and states as follows:

**I. PROCEDURAL HISTORY**

On January 2, 2015, Peoples TWP submitted its pre-filing material to the Pennsylvania Public Utility Commission (“Commission”) in compliance with Section 1307(f) of the Public Utility Code (Act 74 of 1984) and the Commission’s regulations. *See* 66 Pa. C.S. § 1307(f); 52 Pa. Code §§ 53.64-65. On February 2, 2015, Peoples TWP filed its unnumbered and undated Supplement to Tariff Gas – PA PUC No. 8 as required by Section 1307(f) of the Public Utility Code to provide for projected changes in tariff rates resulting from changes in purchased gas costs. In the supplement, Peoples TWP proposes a decrease in its rates for recovery of purchased gas costs applicable to residential sales service customers of \$0.9662/Mcf, from the purchased gas costs in effect as of November 1, 2014. Rate changes related to recovery of purchased gas costs were proposed for other customer classes.

On January 8, 2015, Michael W. Hassell and Devin T. Ryan filed a Notice of Appearance on behalf of Peoples TWP. On January 22, 2015, the Office of Small Business Advocate

("OSBA") filed a Complaint, Verification, and Public Statement. On January 28, 2015, the Office of Consumer Advocate ("OCA") filed a Notice of Appearance, Complaint, and Public Statement. On February 3, 2015, the Bureau of Investigation and Enforcement ("I&E") filed a Notice of Appearance.

On January 30, 2015, a Notice was issued scheduling a Prehearing Conference before Administrative Law Judge Jeffrey A. Watson (the "ALJ") at 10:00 AM on Monday, February 9, 2015, at Piatt Place, 2<sup>nd</sup> Floor Hearing Room, Suite 220, 301 Fifth Avenue, Pittsburgh, Pennsylvania and at Commonwealth Keystone Building, Hearing Room 2, 400 North Street, Harrisburg, Pennsylvania. On February 2, 2015, a Prehearing Conference Order was issued by the ALJ, directing the parties to file Prehearing Memoranda on or before 3:00 PM on February 6, 2015.

Peoples TWP herein files this Prehearing Memorandum pursuant to the February 2, 2015 Prehearing Conference Order.

## **II. SERVICE OF DOCUMENTS**

Peoples TWP requests that Michael W. Hassell and Devin T. Ryan be listed on the service list on behalf of Peoples TWP. Their contact information is provided below:

Michael W. Hassell, I.D. No. 34851  
Devin T. Ryan, I.D. No. 316602  
Post & Schell, PC  
17 North Second Street  
12th Floor  
Harrisburg, Pennsylvania 17101-1601  
Phone: 717-612-6029  
717-612-6052  
Fax: 717-731-1985  
E-mail: mhassell@postschell.com  
E-mail: dryan@postschell.com

Peoples TWP agrees to receive service of documents electronically in this proceeding. Further, to the extent that materials are available electronically, it is requested that copies be served upon William H. Roberts, at William.H.RobertsII@peoples-gas.com and Lynda Petrichevich at Lynda.Petrichevich@peoples-gas.com.

**III. WITNESSES AND ISSUES**

Below is a list of the witnesses that Peoples TWP intends to call in this proceeding and the subject areas of their testimony. Further definition of the issues will be developed by the parties during the course of this proceeding. Peoples TWP reserves the right to call additional witnesses, present testimony, or both on additional issues and subject matters that may arise during the course of this proceeding.

<u>Witness</u>	<u>Statement</u>	<u>General Subject Matter</u>
Lynda W. Petrichevich 375 North Shore Drive Suite 600 Pittsburgh, PA 15212	Peoples TWP St. No. 1	Overview, Filing Requirements, Design Peak Day Requirements, Retainage Factor Evaluation and Support, and Proposed Tariff Changes.
Andrew P. Wachter 375 North Shore Drive Suite 600 Pittsburgh, PA 15212	Peoples TWP St. No. 2	Gas Procurement, Strategy, and Practices, Gas Supply Portfolio, Capacity Releases, Off-System Sales, and Unaccounted For Gas.
Anthony Caldro 375 North Shore Drive Suite 600 Pittsburgh, PA 15212	Peoples TWP St. No. 3	FERC Participation and 1307(f) Calculations.

Ms. Petrichevich’s direct testimony also identifies the sponsoring witnesses for Peoples TWP’s exhibits.

Peoples TWP may amend its pre-filed statements and exhibits, as appropriate, during the course of this proceeding, based upon more recent information, as such information becomes

available. Such update(s) will reflect changes in information relevant to the determination of the proper level of purchased gas cost recovery rates to become effective August 1, 2015.

#### **IV. DISCOVERY**

Peoples TWP does not propose any special orders regarding discovery. Peoples TWP has received interrogatories from other parties and has already begun to answer those interrogatories. Peoples TWP is not aware of any outstanding discovery disputes. Peoples TWP is willing to work with the parties, through informal discovery, to expedite discovery.

#### **V. PROCEDURAL SCHEDULE**

Peoples TWP proposes the following schedule<sup>1</sup>:

Prehearing Conference	February 9, 2015
Other Parties' Direct Testimony	March 5, 2015*
Rebuttal Testimony	March 25, 2015*
Surrebuttal Testimony	April 2, 2015*
Rejoinder Testimony or Rejoinder Outlines	April 7, 2015*
Hearings	April 9-10, 2015
Main Brief	April 24, 2015
Reply Brief	May 6, 2015*

#### **VI. PUBLIC INPUT HEARINGS**

Peoples TWP is not aware of any substantial consumer interest with respect to the proposed rate change. Peoples TWP does not propose that any public input hearings be held absent substantial public interest in the filing.

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<sup>1</sup> Each date marked with an asterisk is a date on which documents are due. For parties accepting electronic service, the documents are to be served electronically on the date indicated, by 4:00 p.m. unless otherwise indicated. Hard copies will follow by first class mail or by express service. For parties not accepting electronic service and not located in Harrisburg, documents are due in hand on the following business day.

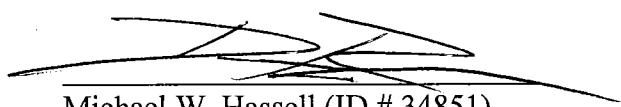
**VII. PROTECTION OF CONFIDENTIAL INFORMATION**

Peoples TWP will timely submit an appropriate Motion for Protective Order.

**VIII. SETTLEMENT DISCUSSIONS**

To date, no settlement discussions have been held. However, Peoples TWP will be working with the parties in an effort to resolve these proceedings through settlement.

Respectfully submitted,



William H. Roberts, II (ID # 54724)  
Peoples Natural Gas  
375 North Shore Drive, Suite 600  
Pittsburgh, PA 15212  
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E-mail: William.H.RobertsII@peoples-gas.com

Michael W. Hassell (ID # 34851)  
Devin T. Ryan (ID # 316602)  
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Date: February 6, 2015

Attorneys for Peoples TWP LLC