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VIA E-FILING

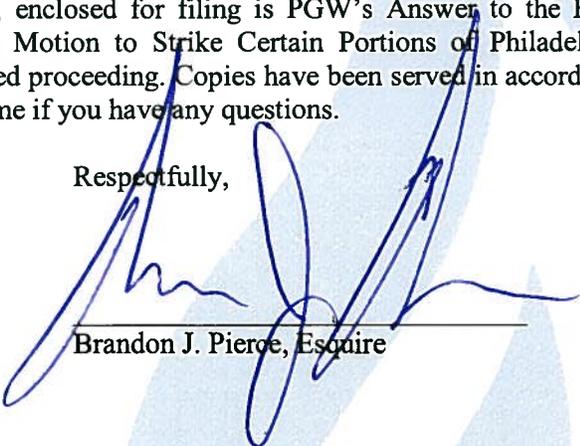
Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
2nd Floor, 1 North
400 North Street
Harrisburg, PA 17120

**Re: Philadelphia Gas Works 2019-2020 Gas Cost Rate Filing
Docket No. R-2019-3007636**

Dear Secretary Chiavetta:

On behalf of Philadelphia Gas Works ("PGW"), enclosed for filing is PGW's Answer to the Bureau of Investigation & Enforcement's (I&E) Expedited Motion to Strike Certain Portions of Philadelphia Gas Works' Gas Cost Rate Filing in the above-captioned proceeding. Copies have been served in accordance with the attached Certificate of Service. Please contact me if you have any questions.

Respectfully,



Brandon J. Pierce, Esquire

Enclosure

cc: Certificate of Service w/ enc.
Hon. Marta Guhl w/ enc.

CERTIFICATE OF SERVICE

I hereby certify that this day I served a copy of PGW's Answer to the Bureau of Investigation & Enforcement's (I&E) Expedited Motion to Strike Certain Portions of Philadelphia Gas Works' Gas Cost Rate Filing, upon the persons listed below in the manner indicated in accordance with the requirements of 52 Pa. Code Section 1.54.

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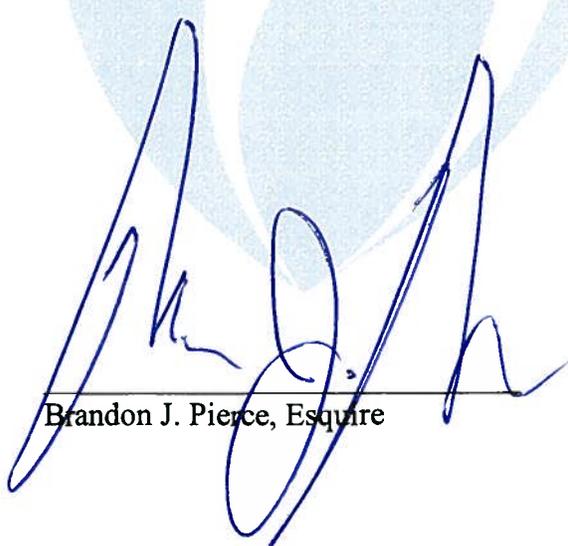
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Dated: March 21, 2019



Brandon J. Pierce, Esquire

as part of its annual Section 1307(f) investigation into the reasonableness of PGW’s historical and future gas costs. Section 1307(f) proceedings are not only for purposes of calculating a cost of gas; under the Public Utility Code, this proceeding is also designed to review and investigate a natural gas utility’s gas supply plans and reliability, as well as its overall efforts to adhere to a “least cost” fuel procurement strategy. Since the LNG-N Tariff will impact these issues, it was appropriately filed in conjunction with PGW’s annual 1307(f) filing.

PGW respectfully submits that when the purpose and scope of the proposed rate LNG-N is considered, it is clear that it would be unreasonable, contrary to the public interest, and an inefficient use of resources to assign the review of this rate to a separate Section 1308 tariff review where a complete picture of PGW’s gas supply reliability and procurement plans would be unavailable. Moreover, if I&E’s Motion was spurred by a concern that it would not have enough time to investigate the reasonableness of PGW’s proposed tariff, PGW is willing to work with I&E (and other parties) to craft a schedule that will provide the time that they believe is necessary for an adequate review and response.

II. Background

A. Procedural History

On March 1, 2019, PGW filed its 2019-2020 gas cost rate filing.¹ That filing included testimony and a tariff addendum, *inter alia*, proposing Rate “LNG-N” – which would replace the existing tariff (Rate LNG) and would expand the types of LNG sales that PGW could offer to customers (who executed contracts with PGW).

¹ PGW’s prefiling information was submitted on February 1, 2019.

This proceeding was assigned to Administrative Law Judge (“ALJ”) Marta Guhl. A telephonic prehearing conference in this matter is scheduled to be held on Wednesday, March 27, 2018, at 10:00 a.m.

PGW has received discovery requests from the Office of Consumer Advocate (“OCA”)² and the Office of Small Business Advocate (“OSBA”)³ regarding Rate LNG-N. As of the filing of this Answer, PGW has not received discovery requests regarding Rate LNG-N from I&E.⁴

That being said, on Friday, March 22, 2019, PGW will hold a call with the parties and their experts to provide them with additional information and context about Rate LNG-N, as well as to answer questions they may have about the proposed Rate LNG-N.

On March 18, 2019, I&E filed the subject Motion seeking to strike or exclude the portions of PGW’s gas cost rate filing referencing PGW’s proposal for establishing Rate LNG-N. On March 19, 2019, ALJ Guhl set Thursday, March 21, 2019, as the date by which responses to the Motion must be filed. This timely Answer is being filed in response to said Motion.

B. PGW’S Proposed Rate LNG-N

Proposed Rate LNG-N would replace the existing tariff (Rate LNG) and would expand the types of LNG sales and services that PGW could offer to customers. The proposed Rate LNG-N is broader than the existing Rate LNG. The existing Rate LNG covers only interruptible LNG sales (with commodity supplied by PGW) and requires that the LNG be withdrawn from PGW’s LNG facilities by truck. In comparison, Rate LNG-N would permit the liquefaction of

² On February 11, 2019, the OCA filed a Public Statement, a Notice of Appearance on behalf of Harrison W. Breitman, Esq. and Lauren M. Burge, Esq., and a formal Complaint. The Complaint was docketed by the Secretary’s Bureau at Docket No. C-2019-3007837.

³ On February 8, 2019, the OSBA filed a Public Statement, a Notice of Appearance on behalf of Sharon Webb, Esq., and a formal Complaint. The Complaint was docketed by the Secretary’s Bureau at Docket No. C-2019-3007819.

⁴ On February 5, 2019, Gina L. Miller, Esquire, filed a notice of appearance on behalf of I&E. The Philadelphia Industrial and Commercial Gas Users Group (“PICGUG”) has not issued discovery to PGW as of this filing. On February 19, 2019, PICGUG filed a Petition to Intervene in this proceeding.

gas that was either supplied by PGW or gas that was supplied by the counterparty. Under Rate LNG-N, which is designed to address all types of LNG-related services and costs (including those services previously provided under Rate LNG), PGW would have a mechanism to offer LNG-related gas sales, transportation, liquefaction, storage, vaporization, delivery methods, and exchange services.

The expanded LNG services will not have any negative effects on PGW's ability to meet its customers' design day needs. In fact, one of the contemplated transactions⁵ would actually add to PGW's liquefaction abilities (at no cost to ratepayers), which means that PGW will have enhanced access to supply for purchase and the facilities would be available to assist other regional utilities in times of supply shortage, if capacity was available for such purpose. But, to be able to achieve these substantial benefits on behalf of PGW's customers,⁶ PGW needs to have a tariff approved by the Commission that is broad and flexible enough to permit these market driven transactions to go forward.⁷

III. RESPONSE TO MOTION

An ALJ is empowered to regulate the course of the proceeding⁸ and is empowered to use his or her discretion in doing so. ALJs have the authority pursuant to Section 5.403 of the PUC's

⁵ PGW is seeking approval from Philadelphia City Council for a Public Private Partnership (P3) project with Passyunk Energy Center, LLC (PEC). The project, if approved, will facilitate the marketing and sale of LNG, with the potential to generate millions of dollars in PGW revenue each year, through fees and revenue-sharing.

⁶ The P3 project offers the potential of generating between \$1.3 million and \$4 million in additional revenue for PGW, each year for 25 years. Likewise, the ability to offer increased LNG services at PGW's Richmond LNG facilities will also create the opportunity for additional PGW revenues.

⁷ The market is looking for, and demanding, services beyond the delivery of LNG by truck, and PGW is positioned to provide these services, if Rate LNG-N is approved.

⁸ 52 Pa. Code § 5.403(a). *See also* 66 Pa.C.S. §331(d); 52 Pa. Code § 5.483 (ALJs are empowered to exclude irrelevant, immaterial or unduly repetitive evidence, to prevent excessive examination of witnesses, to schedule and impose reasonable limitations on discovery and to otherwise regulate the course of the proceeding). Pursuant to the Commission's regulations, "written testimony is subject to the same rules of admissibility and cross-examination of the sponsoring witness as if it were presented orally in the usual manner." 52 Pa.Code § 5.412(c). Essential legal principles must be observed when ruling on evidentiary issues. *See, e.g., Pittsburgh & L. E. R. Co. v. PUC*, 85 A.2d 646 (Pa. Super. 1952).

Rules of Practice,⁹ to exclude evidence, but in doing so should keep in mind the policy favoring the receipt of evidence the administrative record for the benefit of the ultimate decision maker (the PUC).¹⁰

A. Rate LNG-N is relevant to this proceeding

The Motion is based on an incorrect premise: that a 1307(f) proceeding is only concerned with calculating the price of gas incurred by a utility in the historical and future 1307(f) period and making a finding as to whether that cost is reasonable.¹¹ In fact, as the Public Utility Code makes clear, Section 1307(f) proceedings are much broader—they are also designed to assure that a gas utility’s gas supply plans are reasonable, that a utility’s plans demonstrate it can reliably meet its customers’ supply requirements, and that it is following a least cost fuel procurement strategy.

PGW's proposal for Rate LNG-N is relevant and germane to each of these additional Section 1307(f) requirements because the transactions that this tariff will facilitate relate to reliability and supply plans. That is, Rate LNG-N will enhance PGW’s reliability and improve its ability to supply gas to its customers in emergencies — which are issues that must be considered as part of Section 1307(f) proceedings.¹² In fact, PGW’s use of LNG is regularly reviewed in Section 1307(f) proceedings. Furthermore, these transactions are projected to produce millions of dollars of additional revenue for PGW, *all of which* will flow back to ratepayers, whether through its GCR or otherwise, resulting in rates that will be lower than they

⁹ *Id.* Section 5.403(b) of the Commission’s regulations requires presiding officers to “actively employ these powers to direct and focus the proceedings consistent with due process.” 52 Pa. Code § 5.403(b).

¹⁰ *See, e.g., Re: Philadelphia Suburban Water Company*, Application Docket 99126, Order entered July 23, 1975; 1975 Pa. PUC LEXIS 40 (referencing repeated Commission policy of receiving evidence in doubtful cases); *C.S. Warthman Funeral Home, et al. v. GTE North, Incorporated*, Docket No. C-00924416, Order entered July 3, 1993; 1993 Pa. PUC LEXIS 214 (“In Pennsylvania, relevant evidence is generally admissible absent some specific defect warranting exclusion. *Clark v. Essex Wire*, 361 Pa. 60, 63 A.2d 35 (1949); *Engle v. West Penn Power Company*, 409 Pa. Super 462, 598 A.2d 290 (1991), *appeal denied*, 605 A.2d 334 (1992).”

¹¹ Motion at 4, 7, 10-11, 13, 15.

¹² *See* 66 Pa.C.S. §§ 1307(f)(2), 1317(c), 1317(d), 1318(a).

would have been without these transactions. In other words, by seeking to exclude Rate LNG-N from the 1307(f) proceeding, and if I&E's Motion were granted, the Commission would be precluded in this proceeding from hearing all relevant evidence regarding whether PGW is pursuing a least cost fuel procurement strategy (given the proposed existence of Rate LNG-N) and whether its gas supply is safe, adequate, and reliable (and, in this case, enhanced by the proposed existence of Rate LNG-N)—all in contravention of the statutory requirements of Public Utility Code.¹³ Accordingly, Rate LNG-N is relevant to all these inquiries and it is both reasonable and appropriate for PGW's rate LNG-N tariff to be reviewed in the context of its Section 1307(f) review.

1. Rate LNG-N is relevant to PGW's reliability

Section 1307(f) proceedings include review and approval of a plan that ensures deliverability of the natural gas supplies necessary to meet projected period peak day and seasonal requirements.¹⁴

PGW relies on interstate pipelines for all natural gas supply, storage and transportation services, except for PGW's own on-system LNG peak shaving facilities. In this regard, PGW owns and operates LNG facilities that are used both to meet intraday, daily, and seasonal supply needs, as well as to meet peak day requirements. PGW's expanded LNG facilities will further reinforce its system reliability and add additional redundancy. The costs of the gas that PGW liquefies and maintains in storage tanks to meet peak needs, as well as some of the costs to operate the facilities (electricity) are accounted for in PGW's Gas Cost Rate ("GCR"). The costs of operating its LNG facilities (e.g., maintenance and labor) are accounted for in PGW's base rates.

¹³ See 66 Pa.C.S. §§ 1307(f)(2), 1317(c), 1317(d), 1318(a).

¹⁴ See 66 Pa.C.S. § 1317(c).

PGW filed Rate LNG-N as a part of this proceeding because it is relevant to the discussion of PGW's reliability plans. The transactions being contemplated under Rate LNG-N will only be pursued if they will have no negative effect on PGW's ability to deliver to firm retail customers. Consistent with Sections 1307(f) and 1317, as PGW expands the LNG services being offered, PGW will need to ensure that system reliability is maintained. In fact, in the past, Section 1307(f) proceedings have included an evaluation of the reasonableness and prudence of the operation of PGW's LNG facilities in terms of system reliability. For example, in a prior Recommended Decision, which was affirmed by Order of the Commission, PGW was directed to include LNG issues in its 1307(f) proceedings.¹⁵

As part of its Section 1307(f) pre-filing in February 2009, the Company will provide information regarding its evaluations and, if applicable, action plans concerning: (a) The operation of its liquefied natural gas ("LNG") facility in terms of system reliability and opportunities to maximize the value of LNG Storage capacity; (b) The Company's efforts to market its available capacity/natural gas in different ways, including whether a third party could better market PGW's portfolio and maximize its potential; and (c) The balancing of security of supply with the Company's demand requirements, capacity resources, the composition of its capacity components, and the level of off-system sales margin and capacity release credit opportunities.

This Order unequivocally validates the appropriateness of including LNG-related issues in PGW's 1307(f) proceedings, and PGW respectfully submits that the Commission should observe its prior determination and permit the Company to include its Rate LNG-N evidence in its current 1307(f) proceeding.

¹⁵ See, e.g., *PUC v. PGW*, R-2008-2021348, Order entered October 15, 2018, affirming the Recommended Decision dated June 23, 2008; 2008 Pa. PUC LEXIS 417 See also, footnote 17 of this Answer, *infra*.

2. Rate LNG-N is relevant to PGW's procurement of gas supply

Section 1307(f) proceedings also include review and approval of a plan for acquisition or receipt of natural gas supplies.¹⁶

PGW filed Rate LNG-N as a part of this proceeding because it is also relevant to the discussion of gas supply. The proposed and future transactions that will be entered into under Rate LNG-N are part of PGW's least cost fuel procurement strategy because they will produce revenues which will reduce the overall cost of procuring and delivering gas to customers. Consistent with Sections 1307(f), 1317, and 1318, as PGW expands LNG services, it will need to ensure system supply is maintained. In the past, Section 1307(f) proceedings have included an evaluation of the reasonableness and prudence of the Company's gas supply mix, including purchases, the use of LNG, and price volatility risk management programs and policies.¹⁷

3. Rate LNG-N is relevant to gas costs

Rate LNG-N is also related to gas costs. The entirety of the existing Rate LNG, and part of proposed Rate LNG-N, encompasses the provision of commodity by PGW. To the extent that PGW will be selling the commodity to a third party, Rate LNG-N works to ensure (as does the existing Rate LNG) that the appropriate costs attributable to these transactions do not improperly impact purchased gas costs under Section 1307(f). Since part of Rate LNG-N relates to commodity sales by PGW, it is reasonable and appropriate for PGW to propose Rate LNG-N as part of a GCR proceeding. Moreover, PGW has traditionally recovered purchased electric cost

¹⁶ See 66 Pa.C.S. § 1317(d).

¹⁷ See footnote 15, *supra*. See also *PUC v. PGW*, R-00027133, Order entered July 11, 2002; 2002 Pa. PUC LEXIS 199, adopting the Recommended Decision dated May 14, 2002; 2002 Pa. PUC LEXIS 200. That Recommended Decision states, in part, that: "Prior to making its 2003 GCR filing, the Company will reevaluate its effective LNG daily vaporization rate to determine the specific vaporization rate that represents the maximum sustainable level which can be produced with a reasonable degree of certainty."

for its LNG facilities as part of its GCR since it is substantially related to the operations of its LNG plants and gas moving equipment.¹⁸

B. Consideration of Rate LNG-N in this proceeding will not result in unfair prejudice

I&E also claims that the “value” of considering Rate LNG-N in this proceeding is outweighed by the danger of “unfair” prejudice.¹⁹

Here, there is no “unfair prejudice.” The consideration of Rate LNG-N does not possess any tendency to suggest that a decision will be made on an improper basis by the ALJ or the Commission. The evidentiary standard is determined upon whether the probative value of the evidence is outweighed by the danger of unfair prejudice.²⁰ The balancing scale on which relevant evidence is placed first tips toward admissibility.²¹ To be “unfair,” the evidence must possess an undue tendency to suggest a decision on an improper basis, commonly an emotional one, such as bias, sympathy, hatred, contempt, retribution, or horror.²² The mere assertion that evidence is “prejudicial” is both insufficient and is also a misstatement of the standard.²³

The exclusion of consideration of Rate LNG-N from this proceeding as prejudicial or somehow unfair is not supportable. I&E’s Motion presents no rationale or argument showing that consideration of this issue will interfere with the integrity of fact-finding and decision making. The Motion does not engage in any balancing of value and prejudice.²⁴ It merely states that

¹⁸ *PUC v. PGW*, R-00006042, Order entered October 4 2001; 2001 Pa. PUC LEXIS 693.

¹⁹ *See* Motion at 8, 10-13.

²⁰ *See* 52 Pa.Code § 5.401(a), 5.401(b)(2)(i). This standard is similar to Pennsylvania Rule of Evidence No. 403, which states that: “The court may exclude relevant evidence if its probative value is outweighed by a danger of one or more of the following: unfair prejudice, confusing the issues, misleading the jury, undue delay, wasting time, or needlessly presenting cumulative evidence.” 225 Pa.Code § 403.

²¹ 1 Ohlbaum on the Pennsylvania Rules of Evidence § 403.06.

²² *See* 1 Ohlbaum on the Pennsylvania Rules of Evidence § 403.09.

²³ *See Commonwealth v. Peer*, 684 A.2d 1077 (Pa. Super. 1996)

²⁴ *See* Motion at 8, 10-13.

“prejudice” to ratepayers may result from approval of rate LNG-N in this proceeding.²⁵ This is a speculative concern at best. Under Rate LNG-N, LNG services will be available to customers that have negotiated an agreement with PGW. That tariff provision indicates that the negotiated rate(s) shall be *in excess of PGW’s incremental costs* to provide the negotiated services to the Customer. It was explained that the charge for the commodity itself (when PGW supplies it) will not be less than the current GCR or the current WACOG.²⁶ This is the same treatment given to sales of the commodity under the current Rate LNG. Whether contracts entered into pursuant to Rate LNG-N satisfy this standard and are otherwise just and reasonable will be reviewed in future 1307(f) proceedings.

To be clear, the assertions in the Motion do not support a finding of unfair prejudice. For other ratepayers, I&E expresses the unfounded and unjustified “fear” that ratepayer funding will be diverted to subsidize the expanded service that PGW now seeks to provide.²⁷ The context for this “fear” is unclear, since the tariff provision dictates that negotiated rate(s) shall be in excess of PGW’s incremental costs. If incremental costs are covered by the negotiated rate(s), it is not reasonable to project that other rates will be subsidizing the LNG services.

Moreover, there is “value” in keeping Rate LNG-N in this proceeding. As explained above, Rate LNG-N is relevant to Section 1307(f) proceedings, which are intended to calculate the cost of gas and to review and investigate a natural gas utility’s gas supply and reliability plans, as well as its overall efforts to adhere to a “least cost” fuel procurement strategy. The continued inclusion of Rate LNG-N appears to be more efficient than the proposed exclusion of consideration of the rate from this proceeding. Inclusion means that such issues would be decided as part of the overall context of this proceeding. In contrast, exclusion would simply

²⁵

Id.

²⁶

See PGW St. No. 2 at lines 13-14.

²⁷

Motion at 12.

mean that the same parties (I&E, OCA, OSBA and, potentially, PICGUG) would need to examine such issues apart from this proceeding. But, that separate consideration would be limited to Rate LNG-N, and could not properly consider/reconsider those issues as part of the overall context of this proceeding. Additionally, it should be noted that if the Motion is granted and PGW promptly files for separate consideration of Rate LNG-N (as a non-general base rate filing), then the parties will be dealing with the same/similar issues in two separate proceedings that will have (to some extent) overlapping schedules.²⁸

C. Issues will not be “confused” by consideration of Rate LNG-N in this proceeding

I&E claims that the “value” of considering Rate LNG-N in this proceeding is outweighed by a “confusion” of the issues that review allegedly would create.²⁹ That is not the case. The alleged “confusion” is based on an overly-restrictive reading of Sections 1307, 1317 and 1318. According to I&E, the only issue to be determined is whether PGW's gas costs are just and reasonable.³⁰

²⁸ I&E's Motion ignores the ability of PGW to file for changes to Rate LNG as part of a non-general rate proceeding under 66 Pa.C.S. §§ 1308(a),(b). I&E appears to imply that PGW can only seek to replace Rate LNG with Rate LNG-N in a general base rate proceeding. That position is not tenable, and lacks a solid foundation in the Public Utility Code and precedent. Section 1308(d) filings are only required when a general rate increase is being proposed; that is, one that affects 5% or more of a utility's customers or 3% or more of its intrastate operating revenues. 66 Pa.C.S. § 1308(d). None of these conditions exist here. If PGW were filing for a general rate increase it could have included Rate LNG-N in its proposed tariff revisions. But there is simply no legal basis for suggesting that this is the only way in which a tariff change having to do with its natural gas supply capabilities may be proposed.

That being said, if I&E's preferred method of filing were to be adopted—that is, the replacement of Rate LNG with Rate LNG-N can only be filed as part of a general base rate filing—PGW would be unable to file the Rate LNG-N tariff provision until December 1, 2019, at the earliest, due to a negotiated “stayout” provision included in PGW's last base rate proceeding—of which I&E was a signatory party. *See PUC v. PGW*, Joint Petition for Partial Settlement ¶ 15, Docket No. R-2017-2586783, July 21, 2017 (approved by Opinion and Order, Nov. 8, 2017). That stay out provision is limited – by its terms – to general rate increase. It does not prohibit PGW from making changes to tariff. Nor does it prohibit the proposed replacement of Rate LNG with Rate LNG-N. Furthermore, the practical effect of this delay could have deleterious effects on PGW's ability to execute contracts for its LNG projects, thus potentially minimizing or eliminating revenue that would be used to offset customer rates. PGW respectfully submits that such an outcome is not in the public interest.

²⁹ *See* Motion at 8, 13-15; *See also* 52 Pa. Code § 5.401(a), 5.401(b)(2)(ii).

³⁰ *See* Motion at 4, 7, 10-11, 13, 15.

That restrictive reading of the Public Utility Code cannot be accepted by the Commission since it fails to give any meaning to the statutory provisions concerning reliability and supply plans.³¹ Nor does it recognize that some of the costs that would be both incurred and revenues recovered would be related to PGW natural gas. As explained above, the issues appropriate for resolution in this proceeding include if the expanded LNG services can be provided consistent with PGW's obligations under the Public Utility Code to pursue a least cost fuel procurement policy and to provide safe, adequate, and reliable service to its customers and to properly account for natural gas purchases and sales in its GCR.³²

The evidentiary standard to be applied in the face of an allegation of "confusion" is whether the probative value of the evidence is outweighed by the danger of confusion of the issues.³³ In that context, "confusion" relates to the creation of an alleged "side issue that will unduly distract the jury from the main issues."³⁴ The Motion explains that if the consideration of Rate LNG-N is part of this proceeding, then a decision will be made regarding Rate LNG-N.³⁵ However, nothing in the Motion explains how the consideration of Rate LNG-N will unduly distract the ALJ and the Commission from the main issues in this proceeding.³⁶ Further, as expounded upon throughout this Answer, the LNG issue is not a side issue, but germane to the

³¹ See 66 Pa.C.S. § 1307(f)(2), 1317(c), 1317(d).

³² See 66 Pa.C.S. § 1317(a). Furthermore, sections 1317(a) includes language in the general rule detailing the types of information, data, and statements that must be included; however, it also contains unambiguous language that permits utilities to include additional information not enumerated in the subparts that follow, stating, "Such information shall include, *but need not be limited to*,..." 66 Pa.C.S. §§ 1317(a) (emphasis added). Section 1318(a) provides the standard upon which the Commission's finding must be based, stating, "the commission shall be required to make specific findings which shall include, *but need not be limited to*, findings that..." 66 Pa.C.S. §§ 1318(a) (emphasis added).

³³ See 52 Pa.Code § 5.401(a), 5.401(b)(2)(ii). This standard is similar to Pennsylvania Rule of Evidence No. 403, which states that: "The court may exclude relevant evidence if its probative value is outweighed by a danger of one or more of the following: unfair prejudice, confusing the issues, misleading the jury, undue delay, wasting time, or needlessly presenting cumulative evidence." 225 Pa.Code § 403.

³⁴ 1 Ohlbaum on the Pennsylvania Rules of Evidence § 403.10 (citations omitted).

³⁵ See Motion at 8, 13-15.

³⁶ *Id.*

determination of PGW's gas supply and reliability plans going forward and its least cost fuel procurement strategy, as well as its pursuit of revenue sources in the public interest.

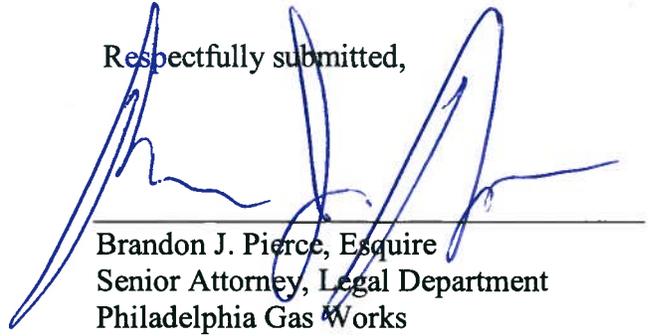
Finally, there is "value" in keeping Rate LNG-N in this proceeding. As explained above, the continued inclusion of Rate LNG-N appears to be more efficient than the proposed exclusion of Rate LNG-N from this proceeding. Also, as noted in the Introduction, PGW is also willing to continue to work with I&E (and the other parties) to ensure that I&E (and the other parties) have adequate information for review and to respond to Rate LNG-N, such as engaging in informal discovery.³⁷ Such efforts will make it unlikely that consideration of Rate LNG-N in this proceeding will present any undue distraction.

IV. CONCLUSION

For the reasons set forth in this Answer, PGW respectfully requests that the Commission deny the Motion to Strike filed by the Bureau of Investigation and Enforcement.

³⁷ As also stated in this Answer, *supra*, PGW is supplying responses to the parties' discovery questions about Rate LNG-N, and is hosting a call with the parties to provide additional information and answer questions informally.

Respectfully submitted,



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Dated: March 21, 2019