



17 North Second Street  
12th Floor  
Harrisburg, PA 17101-1601  
717-731-1970 Main  
717-731-1985 Main Fax  
www.postschell.com

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Anthony D. Kanagy

akanagy@postschell.com  
717-612-6034 Direct  
717-720-5387 Direct Fax  
File #: 174994

February 3, 2020

***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, et al. v. National Fuel Gas Distribution Corporation**  
**Docket Nos. R-2020-3015251, C-2020-3016657 & C-2020-3016944**

Dear Secretary Chiavetta:

Enclosed for filing is the Prehearing Memorandum of National Fuel Gas Distribution Corporation in the above-referenced proceeding. Copies will be provided as indicated on the Certificate of Service.

Respectfully submitted,

  
Anthony D. Kanagy

ADK/jl  
Enclosures

cc: Honorable Conrad A. Johnson  
Certificate of Service

## CERTIFICATE OF SERVICE

**Docket No. R-2020-3015251**

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 & FIRST CLASS MAIL

Steven C. Gray, Esquire  
Office of Small Business Advocate  
555 Walnut Street  
Forum Place, 1<sup>st</sup> Floor  
Harrisburg, PA 17101

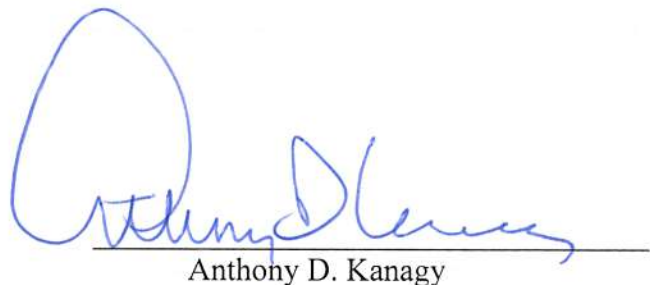
Phillip D. Demanchick, Esquire  
Santo G. Spataro, Esquire  
Aron J. Beatty, Esquire  
Office of Consumer Advocate  
555 Walnut Street  
Forum Place, 5<sup>th</sup> Floor  
Harrisburg, PA 17101-1923

Carrie Wright, Esquire  
Bureau of Investigation & Enforcement  
Commonwealth Keystone Building  
400 North Street, 2nd Floor West  
P.O. Box 3265  
Harrisburg, PA 17105-3265

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

Jerome D. Mierzwa  
Exeter Associates, Inc.  
10480 Little Patuxent Parkway, Suite 300  
Columbia, MD 21044

Date: February 3, 2020



Anthony D. Kanagy

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission	:	Docket Nos.	R-2020-3015251
Office of Consumer Advocate	:		C-2020-3016657
Office of Small Business Advocate	:		C-2020-3016944
	:		
v.	:		
	:		
National Fuel Gas Distribution Corporation	:		

**PREHEARING MEMORANDUM OF  
NATIONAL FUEL GAS DISTRIBUTION CORPORATION**

**TO ADMINISTRATIVE LAW JUDGE CONRAD A. JOHNSON:**

Pursuant to 52 Pa. Code § 5.224(c) and Administrative Law Judge Conrad A. Johnson’s (the “ALJ”) Prehearing Conference Order dated January 16, 2020, National Fuel Gas Distribution Corporation (“Distribution”) hereby submits this Prehearing Conference Memorandum.

**I. PROCEDURAL HISTORY**

On December 30, 2019, Distribution filed data and exhibits supporting recovery of purchased gas costs in compliance with the Pennsylvania Public Utility Commission’s (“Commission”) regulations at 52 Pa. Code §§ 53.64 - 53.65.

On January 31, 2020, Distribution filed additional supporting data and exhibits as well as the prepared, written testimony of the 9 witnesses listed below in support of Supplement No. 216 to Tariff Gas — Pa. P.U.C. No. 9, to be effective for service rendered on and after August 1, 2020. Distribution also submitted a Tariff Addendum. The Tariff Supplement and the Addendum set forth the specific rates proposed by Distribution for recovery of purchased gas costs effective on August 1, 2020.

On January 14, 2020, the Bureau of Investigation & Enforcement (“I&E”) of the Commission filed a Notice of Appearance.

On January 16, 2020, a Prehearing Conference Order was issued, which, among other things, scheduled a telephonic prehearing conference for February 5, 2020, and directed the parties to file prehearing memoranda on or before February 3, 2020, at 4:00 PM.

On January 23, 2020, the Office of Consumer Advocate (“OCA”) filed a Notice of Appearance, Complaint, and Public Statement.

On January 28, 2020, the Office of Small Business Advocate (“OSBA”) filed a Notice of Appearance, Complaint, Public Statement, and Verification.

## **II. COUNSEL**

Distribution will be represented by the following counsel in this proceeding:

Anthony D. Kanagy (ID # 85522)  
Post & Schell, P.C.  
17 North Second Street  
12<sup>th</sup> Floor  
Harrisburg, PA 17101-1601  
Phone: 717-731-1970  
E-mail: [akanagy@postschell.com](mailto:akanagy@postschell.com)

Distribution’s counsel is authorized to receive copies of all documents served in this proceeding. Please include Mr. Kanagy on all correspondence in this proceeding. In addition, Distribution agrees to receive service of documents electronically in this proceeding.

## **III. WITNESSES AND ISSUES**

Distribution, as part of its direct case, presented the following witnesses who are testifying to the matters as explained in their statements and exhibits that were filed on January 31, 2020:

**Witness**

**Statement**

Christopher A. Cej  
National Fuel Gas Distribution  
Corporation  
6363 Main Street  
Williamsville, NY 14221

Distribution PGC Statement No. 1  
and Exhibits identified therein

Evan M. Crahen  
National Fuel Gas Distribution  
Corporation  
6363 Main Street  
Williamsville, NY 14221

Distribution PGC Statement No. 2  
and Exhibits identified therein

Sofia S. Cruz  
National Fuel Gas Distribution  
Corporation  
6363 Main Street  
Williamsville, NY 14221

Distribution PGC Statement No. 3  
and Exhibits identified therein

Wasył Darmograi  
National Fuel Gas Distribution  
Corporation  
6363 Main Street  
Williamsville, NY 14221

Distribution PGC Statement No. 4  
and Exhibits identified therein

Caitlin A. DiGiore  
National Fuel Gas Distribution  
Corporation  
6363 Main Street  
Williamsville, NY 14221

Distribution PGC Statement No. 5  
and Exhibits identified therein

Donald N. Koch  
National Fuel Gas Distribution  
Corporation  
6363 Main Street  
Williamsville, NY 14221

Distribution PGC Statement No. 6  
and Exhibits identified therein

Ken B. McAvoy  
National Fuel Gas Distribution  
Corporation  
6363 Main Street  
Williamsville, NY 14221

Distribution PGC Statement No. 7  
and Exhibits identified therein

Lisa A. Petko  
National Fuel Gas Distribution  
Corporation  
6363 Main Street  
Williamsville, NY 14221

Distribution PGC Statement No. 8  
and Exhibits identified therein

Maryann Stankovski  
National Fuel Gas Distribution  
Corporation  
6363 Main Street  
Williamsville, NY 14221

Distribution PGC Statement No. 9  
and Exhibit Identified therein.

The issues and subject matter addressed by each witness are set forth in their direct testimony. Distribution may present additional witnesses, testimony and exhibits on matters arising during the course of the proceeding, including matters raised by other parties.

Distribution will amend its prefiled 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 for the 12 months ending July 31, 2020, including the effects of quarterly changes in rates for recovery of purchased gas costs pursuant to 52 Pa. Code § 53.64.(i)(5).

It is noted that the rates that will become effective on August 1, 2020, in all likelihood, will be different from the rates proposed by Distribution at this time because the final rates will be calculated to reflect the quarterly updates that became effective on February 1, 2020, and the quarterly update that will become effective on May 1, 2020, differences between projected and actual purchased gas costs and recoveries for the period through June 30, 2020, and changes in forecasts of gas costs during the application period.

**IV. PROPOSED SCHEDULE**

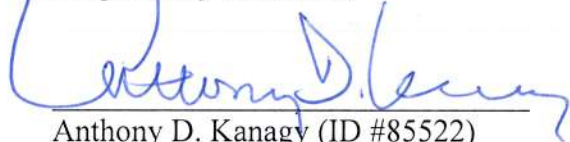
Distribution, I&E, OCA and OSBA have agreed to the following schedule for this proceeding:

Other Parties' Direct Testimony	March 10, 2020
Rebuttal Testimony	March 24, 2020
Surrebuttal Testimony	March 30, 2020
Oral Rejoinder Outline	April 1, 2020
Hearings (including oral rejoinder)	April 2 – 3, 2020
Main Brief	April 13, 2020
Reply Brief or Joint Settlement Petition	April 21, 2020

**V. SETTLEMENT**

Distribution is willing to meet with the other parties to discuss settlement of this proceeding.

Respectfully submitted,



Anthony D. Kanagy (ID #85522)  
Post & Schell, P.C.  
17 North Second Street  
12<sup>th</sup> Floor  
Harrisburg, PA 17101-1601  
Phone: 717-731-1970  
Fax: 717-731-1985  
E-mail: [akanagy@postschell.com](mailto:akanagy@postschell.com)

Of Counsel:

Post & Schell, P.C.

Date: February 3, 2020

Counsel for National Fuel Gas  
Distribution Corporation