



November 5, 2020

VIA E-File

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

Re: Pa. PUC v. PECO Energy Company, Docket No. R-2020-3018929
Prehearing Memorandum of CAUSE-PA

Dear Secretary Chiavetta:

Please find the attached **Prehearing Memorandum of the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (CAUSE-PA)** in the above noted proceeding.

Pursuant to the Commission's Emergency Order issued on March 20, 2020, and as indicated on the attached Certificate of Service, service on the parties was accomplished by email only.

Respectfully Submitted,

Elizabeth R. Marx, Esq.
Counsel for CAUSE-PA

CC: Certificate of Service

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission, et al. :
 :
 v. : Docket No. R-2020-3018929
 :
 PECO Energy Company :

**PREHEARING MEMORANDUM
OF THE COALITION FOR AFFORDABLE UTILITY SERVICES
AND ENERGY EFFICIENCY IN PENNSYLVANIA**

On October 29, 2020, a Prehearing Conference Order was issued by Deputy Chief Administrative Law Judge Christopher P. Pell setting a telephonic prehearing conference for Monday, November 9, 2020 at 10 a.m., and requiring parties to file a Prehearing Memorandum no later than 12:00 pm on Thursday, November 5, 2020. In response, the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (“CAUSE-PA”), through its counsel at the Pennsylvania Utility Law Project, hereby files this Prehearing Conference Memorandum.

I. Background

On September 30, 2020, PECO Energy Company filed a request for a general rate increase for its gas operations, proposed Tariff Gas – Pa. PUC No. 4, which proposes to increase rates by approximately \$68.7 million per year. The bill for a typical residential gas customer with an average usage of 80 Ccf of gas per year would increase \$7.12 per month from \$78.85 to \$85.97, or 9.03%.

On October 22, 2020, CAUSE-PA filed a Petition to Intervene, requesting full intervenor status as an active party to the proceeding.

On October 29, 2020, the Commission entered a Suspension and Investigation Order suspending PECO's proposed tariff by operation of law, and opening an investigation to determine the lawfulness, justness, and reasonableness of the rates, rules, and regulations contained therein. (S&I Order).

II. Issues to be Presented

In addition to compliance with sound rate making principles, including the requirement that rates be just and reasonable, PECO must also ensure that its rates and tariff comply with universal service requirements. See 66 Pa. C.S. § 2203(8). In determining whether rates are just and reasonable, the Commission must examine whether rates are affordable and accessible those served.

In the event that the Commission approves any natural gas distribution rate increase, the Commission should condition approval on PECO's agreement to perform such actions as are necessary to assure compliance with applicable sections of the Public Utility Code, Commission regulations and guidelines, and settlement agreements.

CAUSE-PA has conducted an initial review of PECO's proposed tariff changes and testimony, and preliminarily opposes PECO's request on the grounds that the proposed rate increase and tariff changes may result in unjust and unreasonable rates that would impose severe hardship on low and moderate income residential customers. CAUSE-PA identifies the following specific issues of concern which it intends to address in this proceeding, though it

reserves the right to raise additional issues which may arise through the course of this proceeding:

- i. The conformity to law and the effect of PECO's rate filing and proposed rate increase on low income households.
- ii. The effect of PECO's proposed fixed residential customer charge on low income households, and the ability to achieve appreciable bill savings through adoption of energy efficiency measures.
- iii. The effect of PECO's rate filing and proposed rate increase on low income households enrolled in or eligible for PECO's Universal Service Programs, and the adequacy of those programs in delivering universally accessible natural gas service.

III. Witnesses and Testimony

CAUSE-PA intends to present the following witness to testify in this matter, and reserves the right to call additional witnesses as may be warranted upon notice to Your Honor and parties:

Mitchell Miller
Mitch Miller Consulting LLC
60 Geisel Road
Harrisburg, PA 17112
717-903-2196
Mitchmiller77@hotmail.com

Mr. Miller will address the issues identified above, as well as other issues that may arise in the course of this proceeding.

IV. Discovery

CAUSE-PA is actively working with the parties to arrive at a mutually agreeable set of proposed discovery modifications.

V. Settlement

CAUSE-PA is willing and ready to engage in settlement discussions at any time in an attempt to resolve or narrow the issues in this proceeding, with any and all parties, and

encourages the parties to set aside time early in the process for meaningful settlement discussions to commence.

VI. Service on CAUSE-PA

CAUSE-PA is represented by the attorneys at the Pennsylvania Utility Law Project. All documents should be served on CAUSE-PA as follows:

Elizabeth R. Marx, Esq.
John W. Sweet, Esq.
Ria M. Pereira, Esq.
PENNSYLVANIA UTILITY LAW PROJECT
118 Locust Street
Harrisburg, PA 17102
Telephone: 717-236-9486
Facsimile: 717-233-4088
E-mail: pulp@palegalaid.net

We request that parties serve one hard copy in addition to an electronic copy of all documents served in this proceeding.

VII. Representation of CAUSE-PA at Prehearing Conference

For the purposes of the Prehearing Conference, CAUSE-PA will be represented by Elizabeth R. Marx.

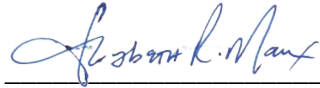
VIII. Litigation Schedule

CAUSE-PA is actively working the parties to arrive at a mutually agreeable schedule for litigation.

WHEREFORE, CAUSE-PA respectfully submits this Prehearing Conference Memorandum.

Respectfully submitted,

PENNSYLVANIA UTILITY LAW PROJECT
Counsel for CAUSE-PA



Elizabeth R. Marx, Esq., PA ID: 309014

Ria M. Pereira, Esq., PA ID: 316771

John W. Sweet, Esq., PA ID: 320182

118 Locust Street
Harrisburg, PA 17101
Tel: 717-236-9486
Fax: 717-233-4088
pulp@palegalaid.net

Date: November 5, 2020

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission, et al.	:	
	:	
v.	:	Docket No. R-2020-3018929
	:	
PECO Energy Company	:	

Certificate of Service

I hereby certify that I have this day served copies of the **Prehearing Memorandum of the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania** upon the parties of record in the above captioned proceeding in accordance with the requirements of 52 Pa. Code § 1.54 and consistent with the Commission’s March 20 Emergency Order at Docket M-2020-3019262.

VIA Email

Anthony E. Gay, Esq.
 Jack R. Garfinkle, Esq.
 Brandon J. Pierce, Esq.
 PECO Energy Company
 2301 Market Street
 PO Box 8699
 Philadelphia, PA, 19101
Anthony.gay@exeloncorp.com
Jack.garfinkle@exeloncorp.com
Brandon.pierce@exeloncorp.com

Kenneth M. Kulak, Esq.
 Mark A. Lazaroff, Esq.
 Catherine G. Vasudevan, Esq.
 Morgan, Lewis, Bockius LLP
 1701 Market Street
 Philadelphia, PA 19103
Ken.kulak@morganlewis.com
Mark.lazaroff@morganlewis.com
Catherine.vasudevan@morganlewis.com

Darryl Lawrence, Esq.
 Christy Appleby, Esq.
 Barrett Sheridan, Esq.
 Phillip Demanchick, Esq.
 Laura Antinucci, Esq.
 Office of Consumer Advocate
 555 Walnut Street, 5th Floor
 Harrisburg, PA 17101-1923
dlawrence@paoca.org
cappleby@paoca.org
bsheridan@paoca.org
pdemanchick@paoca.org
lantinucci@paoca.org

Steven C. Gray, Esq.
 Office of Small Business Advocate
 555 Walnut Street, 1st Floor
 Harrisburg, PA 17101
sgray@pa.gov

Scott B. Granger, Esq.
Bureau of Investigation & Enforcement
PA Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120
sgranger@pa.gov

Honorable Christopher P. Pell
Deputy Chief Administrative Law Judge
Suite 4063
801 Market Street
Philadelphia, PA 19107
cpell@pa.gov

Respectfully Submitted,
PENNSYLVANIA UTILITY LAW PROJECT
Counsel for CAUSE-PA



Elizabeth R. Marx, PA ID 309014
118 Locust Street
Harrisburg, PA 17101
717-710-3837
pulp@palegalaid.net

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