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March 8, 2021

Via Electronic Filing

Rosemary Chiavetta, Secretary
PA Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

Re: Philadelphia Gas Works 2021-2022 1307(f) Gas Cost Rate Filing
Docket No. R-2021-3023970

Office of Consumer Advocate v. Philadelphia Gas Works
Docket No. C-2021-3024126

Office of Small Business Advocate v. Philadelphia Gas Works
Docket No C-2021-3024293

Dear Secretary Chiavetta:

Enclosed for electronic filing please find Philadelphia Gas Works' Prehearing Memorandum with regard to the above-referenced matter. Copies to be served in accordance with the attached Certificate of Service.

Sincerely,

Kristine E. Marsilio

Kristine E. Marsilio, Esq.

KEM/lww
Enclosure

cc: Hon. Darlene Heep w/enc.
Cert. of Service w/enc.
Craig Berry w/enc.

CERTIFICATE OF SERVICE

I hereby certify that this day I served a copy of PGW’s Prehearing Memorandum upon the persons listed below in the manner indicated in accordance with the requirements of 52 Pa. Code Section 1.54.

Via Email

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Dated: March 8, 2021

Kristine E. Marsilio

Kristine E. Marsilio, Esq.

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission	:		
	:	Docket No.	R-2021- 3023970
	:		
	:		
Office of Consumer Advocate	:	Docket No.	C-2021-3024126
Office of Small Business Advocate	:	Docket No.	C-2021-3024293
	:		
	:		
v.	:		
	:		
Philadelphia Gas Works	:		

**PREHEARING MEMORANDUM
OF PHILADELPHIA GAS WORKS**

Pursuant to 52 Pa Code § 5.223, the Prehearing Conference Order dated March 3, 2021, and in anticipation of the Initial Telephonic Prehearing Conference scheduled before Administrative Law Judge Darlene D. Heep on Tuesday, March 9, 2021, Philadelphia Gas Works (“PGW”) submits this Prehearing Memorandum.

I. BACKGROUND

1. On February 1, 2021, PGW filed its supporting information for the prefiling for its annual 2021-2022 Gas Cost Rate (“GCR”).

2. At that time, PGW also noted that – pursuant to the Commission’s approval in its 2020-2021 GCR – it intended to depart from certain requirements of 52 Pa. Code Sections 53.45(b), 53.64(c), 53.68(a) and 53.64(i)(5)(i) to address the timing of bill inserts, public notice and underlying data to be relied upon for the March 1, 2021 quarterly 1307(f) filing.¹

3. On February 3, 2021, the Bureau of Investigation and Enforcement (“I&E”) filed a Notice of Appearance.

¹ *Pennsylvania Public Utility Commission, et. al. v. Philadelphia Gas Works 2020-2021 Gas Cost Rate Filing*, Docket No. R-2020-3017934, Final Order at Ordering Paragraph 19 (August 6, 2020).

4. The Office of Consumer Advocate (“OCA”) and the Office of Small Business Advocate (“OSBA”) subsequently filed complaints on February 11, 2021 and February 26, 2021, respectively. The OCA complaint is docketed at C-2021-3024126, and the OSBA complaint is docketed at C-2021-3024293. Consistent with 52 Pa. Code § 5.61(d), PGW did not file answers to the Complaints.

5. On February 17, 2021, the Philadelphia Industrial and Commercial Gas Users Group (“PICGUG”) filed a Petition to Intervene. PGW does not object to PICGUG’s intervention.

6. On March 1, 2021, PGW filed its Section 1307(f) filing which included: proposed tariff revisions (Supplement No. 140 to PGW’s Gas Service Tariff – Pa P.U.C. No. 2 and Supplement No. 95 to PGW’s Gas Supplier Tariff – Pa P.U.C. No. 1); supporting information regarding the computation of annual purchased gas costs for twelve months ending August 31, 2022; and the direct testimony of Florian Teme (PGW St. 1), Ryan E. Reeves (PGW St. 2), and Gregory Stunder (PGW St. 3). On the same date, PGW filed an Errata to update the schedules for Item 53.64(i)(1) of PGW’s February 1, 2021 pre-filing.

II. DISCOVERY

Consistent with the discovery modifications adopted in prior GCR proceedings and in consultation with the parties to this proceeding, PGW can accept the following discovery modifications:

(1) Answers to written interrogatories will be served in-hand within ten (10) calendar days of service of the interrogatories except that service of interrogatories served after 12:00 noon on a Friday shall be deemed service on the following business day;

(2) Objections to interrogatories will be communicated orally within three (3) days of service; unresolved objections shall be served on the ALJ in writing within five (5) business days of service of the interrogatories;

(3) Motions to dismiss objections and/or direct the answering of interrogatories will be filed within three (3) business days of service of written objections to interrogatories;

(4) Responses to motions to dismiss objections and/or direct the answering of interrogatories will be filed within three (3) business days of service of such motions;

(5) Responses to requests for document production, entry for inspection, or other purposes will be served in-hand within ten (10) calendar days or objected to within five (5) business days of service;

(6) Requests for admission will be deemed admitted unless answered within ten (10) calendar days or objected to within five (5) business days of service.

(7) Answers to on-the-record data requests will be served in-hand within seven (7) calendar days of request;

(8) Rulings over motions shall be issued, if possible, within seven (7) calendar days of the filing of the motion;

(9) Any discovery or discovery related pleadings such as objections, motions, answers to motions served after 12:00 noon on a Friday or after 12:00 noon on any business day preceding a state holiday, shall be deemed to have been served on the following business day for purposes of tracking responsive due dates; and

(10) That due dates be “in-hand” and that electronic or fax service on the due date will satisfy the “in-hand” requirement, where such service is immediately followed by a hard copy sent by first class mail.

III. FACTUAL AND LEGAL ISSUES

This proceeding will focus on whether PGW's proposed 2021-2022 GCR, claimed realized natural gas expense, GCR Expense, prior years' over-/under-collections, and proposal to implement a pilot program to purchase Renewable Natural Gas during FYs 2022 and 2023 are just, reasonable, and in pursuit of a least cost fuel procurement and other standards set forth in 66 Pa.C.S. §§ 1307(f), 1317 and 1318. In addition, the proceeding will focus on whether PGW's proposed Tariff Supplement No. 140 to PGW's Gas Service Tariff – Pa P.U.C. No. 2, adjusting the GCR, and making corresponding adjustments to the Price-to-Compare, Restructuring and Consumer Education Surcharge, Efficiency Cost Recovery Surcharge, and Universal Service and Energy Conservation Surcharge, and to the proposed Tariff Supplement No. 95 to PGW's Gas Supplier Tariff – Pa P.U.C. No. 1 to adjust the load balancing charge, are just, reasonable and otherwise consistent with law. PGW submits that its proposals, as outlined in its GCR filing, are just, reasonable, and otherwise consistent with the law.

IV. SERVICE OF DOCUMENTS

PGW requests that all documents be served on:

Daniel Clearfield, Esquire
Kristine E. Marsilio, Esquire
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Craig Berry, Senior Attorney
Legal Department
Philadelphia Gas Works
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Craig.berry@pgworks.com

PGW agrees to receive service of documents electronically in this proceeding.

V. PROCEDURAL SCHEDULE

PGW supports adoption of the schedule below for this proceeding based on discussions with the other parties and in consideration of the proposed schedule set forth in the Prehearing Conference Order. The below Procedural Schedule is consistent with the Schedule proposed in the Prehearing Conference Order, except for the Main Brief deadline, which has been moved from March 28, 2021 to March 26, 2021 to give the parties additional time to draft the Reply Brief.

Date	Event
Friday, April 16, 2021	Other Parties Direct Testimony
Tuesday, May 4, 2021	Rebuttal Testimony
Tuesday, May 11, 2021	Surrebuttal Testimony
Wednesday, May 12, 2021	Oral Rejoinder at hearing
Wednesday, May 12, 2021	Evidentiary Hearings
Thursday, May 13, 2021	
Friday, May 14, 2021	Close of Record
Wednesday, May 26, 2021	Main Briefs Due
Friday, June 4, 2021	Reply Briefs Due
Friday, July 2, 2021	Recommended Decision

VI. WITNESSES

PGW expects to submit the testimony of the following witnesses:

- Florian Teme, Vice President, Marketing, Sales and Energy Planning at PGW. The issues Mr. Teme will address are set forth in his Direct Testimony dated March 1, 2021. Mr. Teme’s telephone number is 215.684.6463.
- Ryan E. Reeves, Director of Gas Supply, Transportation and Control at PGW. The issues Mr. Reeves will address are set forth in his Direct Testimony dated March 1, 2021. Mr. Reeve’s telephone number is 215.787.5103.

- Gregory Stunder, Vice President, Regulatory and Legislative Affairs at PGW. The issues Mr. Stunder will address are set forth in his Direct Testimony dated March 1, 2021. Mr. Stunder's telephone number is 215.684.6878.

The business address for PGW's witnesses is 800 W. Montgomery Ave., 4th Fl., Philadelphia, PA 19122.

PGW reserves its right to modify this witness list prior to the submission of testimony into the record.

VII. SETTLEMENT

PGW is willing to participate in settlement discussions and will be initiating such discussions as soon as the parties indicate that they have had sufficient time to review PGW's claims in its filing.

Respectfully submitted,

Kristine E. Marsilio

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Dated: March 8, 2021

Attorneys for Philadelphia Gas Works