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May 14, 2021

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

### **VIA ELECTRONIC FILING**

RE: Pennsylvania Public Utility Commission v. Columbia Gas of Pennsylvania; Docket No. R-2021-3024296

Dear Secretary Chiavetta:

Attached for filing with the Pennsylvania Public Utility Commission is the Prehearing Memorandum of the Columbia Industrial Intervenors ("CII") in the above-referenced proceeding.

As shown by the attached Certificate of Service, all parties to this proceeding are being duly served via email only due to the current COVID-19 pandemic. Upon lifting of the aforementioned Emergency Order, we can provide parties with a hard copy.

Sincerely,

McNEES WALLACE & NURICK LLC

Charis Mincavage

By Chair Mincarage

Counsel to the Columbia Industrial Intervenors

Enclosure

c: Deputy Chief Administrative Law Judge Mark A. Hoyer (via E-Mail)

Certificate of Service

#### CERTIFICATE OF SERVICE

I hereby certify that I am this day serving a true copy of the foregoing document upon the participants listed below in accordance with the requirements of 52 Pa. Code Section 1.54 (relating to service by a participant).

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Chair Miniarge

Dated this 14th day of May, 2021, at Harrisburg, Pennsylvania.

# BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission

:

v. : Docket No. R-2021-3024296

Columbia Gas of Pennsylvania, Inc.

## PREHEARING MEMORANDUM OF THE COLUMBIA INDUSTRIAL INTERVENORS

As requested by Deputy Chief Administrative Law Judge ("ALJ") Mark A. Hoyer in the Prehearing Conference Order dated May 10, 2021, the Columbia Industrial Intervenors ("CII") hereby submit this Prehearing Memorandum.

#### I. HISTORY OF THE PROCEEDING

On March 30, 2021, Columbia Gas of Pennsylvania, Inc. ("Columbia" or "Company"), filed with the Pennsylvania Public Utility Commission ("PUC" or "Commission") proposed Supplement No. 325 to Tariff Gas – Pa. P.U.C. No. 9 ("Supplement No. 325"), proposed to become effective on May 29, 2021. Through the filing, Columbia requested a general rate increase of approximately \$98.3 million over its present annual revenues.

On April 29, 2021, CII filed a Complaint in this proceeding. A description of CII is set forth in Paragraph 5 of CII's Complaint.

On May 6, 2021, the Commission suspended Columbia's proposed filing by operation of law until December 29, 2021, and instituted an investigation into the Company's proposed Supplement No. 325.

A Prehearing Conference has been scheduled in this proceeding for May 17, 2021.

#### II. ANTICIPATED ISSUES AND SUB-ISSUES

CII's preliminary review of the Company's filing indicates a need for Commission investigation into at least the following issues:

- a) whether the size of the requested rate increase is appropriate;
- b) whether the expenses claimed by Columbia were prudently incurred;
- c) whether the allocation of the proposed increase among customer classes is just, reasonable, and non-discriminatory in light of the cost of service study results;
- d) whether the Return on Equity ("ROE") proposed by the Company results in a fair Rate of Return ("ROR");
- e) whether Columbia's claimed cost of service is accurate, legitimate, and appropriately allocated; and
- f) whether Columbia's proposed Tariff changes result in unjust and unreasonable service for customers.

CII anticipates pursuing these issues during this proceeding and reserves the right to raise further issues and to respond to all issues raised by other parties.

### III. PROPOSED WITNESS

CII is in the process of evaluating whether it will sponsor testimony in this proceeding. In the event that CII decides to sponsor testimony, it will immediately inform the parties and the ALJ of any intended witnesses and topics of testimony. CII also intends to participate in this proceeding through the submission of discovery, cross-examination of other parties' witnesses, and the submission of briefs, exceptions, and reply exceptions, if necessary.

#### IV. PROPOSED SCHEDULE AND DISCOVERY RULES

CII will cooperate with the ALJ and the parties at the Prehearing Conference to develop an appropriate procedural schedule and discovery rules in accordance with the Commission's regulations and any directives issued by the ALJ.

#### V. POSSIBILITY OF SETTLEMENT

CII is willing to participate in discussions with the other parties to amicably resolve the issues in this proceeding.

Respectfully submitted,

McNEES WALLACE & NURICK LLC

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Dated: May 14, 2021

<sup>\*</sup> For purposes of this Prehearing Conference, CII's lead Counsel is Charis Mincavage.