

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission	:		
	:	Docket No.	R-2022-3030686
	:		
	:		
Office of Consumer Advocate	:	Docket No.	C-2022-3030978
Office of Small Business Advocate	:	Docket No.	C-2022-3030971
	:		
v.	:		
	:		
Philadelphia Gas Works	:		

**PREHEARING MEMORANDUM
OF PHILADELPHIA GAS WORKS**

Pursuant to 52 Pa Code § 5.223, the Prehearing Conference Order dated March 2, 2022 and in anticipation of the Initial Telephonic Prehearing Conference scheduled before Administrative Law Judges Christopher P. Pell and Arlene Ashton on Thursday, March 10, 2022, Philadelphia Gas Works (“PGW”) submits this Prehearing Memorandum.

I. BACKGROUND

1. On February 1, 2022, PGW filed its supporting information for the prefiling for its annual 2022-2023 Gas Cost Rate (“GCR”).

2. At that time, PGW also noted that – pursuant to the Commission’s approval in its 2021-2022 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, 2022 quarterly 1307(f) filing.¹

3. On February 17, 2022, the Bureau of Investigation and Enforcement (“I&E”) filed a Notice of Appearance.

¹ *Pennsylvania Public Utility Commission, et. al. v. Philadelphia Gas Works, R-2021-3023970*, Final Order at 17-18 (August 26, 2021).

4. The Office of Consumer Advocate (“OCA”) and the Office of Small Business Advocate (“OSBA”) subsequently filed complaints on February 17, 2022. The OCA complaint is docketed at C-2022-3030978, and the OSBA complaint is docketed at C-2022-3030971.

Consistent with 52 Pa. Code § 5.61(d), PGW did not file answers to the Complaints.

5. On February 24, 2022, 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, 2022, PGW filed its Section 1307(f) filing which included: proposed tariff revisions (Supplement No. 149 to PGW’s Gas Service Tariff – Pa P.U.C. No. 2 and Supplement No. 100 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, 2023, and the direct testimony of Florian Teme (PGW St. 1) and Ryan E. Reeves (PGW St. 2)).

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 served 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 upon request of the Party.

III. FACTUAL AND LEGAL ISSUES

This proceeding will focus on whether PGW's proposed 2022-2023 GCR, claimed realized natural gas expense, GCR Expense, and prior years' over-/under-collections 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. 149 to PGW's Gas Service Tariff – Pa P.U.C. No. 2, adjusting the GCR, and making corresponding adjustments to the Price-to-Compare, Efficiency Cost Recovery Surcharge, and Universal Service and Energy Conservation Surcharge, and to the proposed Tariff Supplement No. 100 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 – **Speaking for PGW at the Pre-Hearing Conference**

Kristine E. Marsilio, Esquire

Eckert Seamans Cherin & Mellott, LLC

213 Market St., 8th Fl.

Harrisburg, PA 17101

717.237.6000

dclearfield@eckertseamans.com

kmarsilio@eckertseamans.com

Craig Berry, Senior Attorney

Legal Department

Philadelphia Gas Works

800 W. Montgomery Ave

Philadelphia, PA 19122

(215) 684-6049

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.

Date	Event
Friday, April 1, 2022	Other Parties Direct Testimony
Tuesday, April 13, 2022	Rebuttal Testimony
Tuesday, April 19, 2022	Surrebuttal Testimony
Thursday, April 21, 2022	Oral Rejoinder at hearing
Thursday, April 21, and Friday April 22, 2022	Evidentiary Hearings
Friday, April 22, 2021	Close of Record
Wednesday, May 2, 2022	Main Briefs Due
Friday, May 11, 2022	Reply Briefs Due

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.

The business address for PGW’s witnesses is 800 W. Montgomery Ave., Philadelphia, PA 19122.

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

VII. PROTECTIVE ORDER

PGW has already received interrogatories that require the production of confidential information. Accordingly, PGW will be submitting a proposed protective order for entry by the ALJs in order to protect its confidential information from public release or being used for purposes other than this proceeding. PGW is creating a draft and hopes to be able to circulate a draft for review by the parties prior to submission to the presiding officers by the end of this week.

VIII. 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

Daniel Clearfield, Esquire
Kristine E. Marsilio, Esquire
Eckert Seamans Cherin & Mellott, LLC
213 Market St., 8th Fl.
Harrisburg, PA 17101
717.237.6000
dclearfield@eckertseamans.com
kmarsilio@eckertseamans.com

Craig Berry, Senior Attorney
Legal Department
Philadelphia Gas Works
800 W. Montgomery Ave
Philadelphia, PA 19122
(215) 684-6049
Craig.berry@pgworks.com

Attorneys for Philadelphia Gas Works

Dated: March 8, 2022