



April 25, 2022

The Honorable F. Joseph Brady
Administrative Law Judge
Pennsylvania Public Utility Commission
801 Market Street, Suite 4063
Philadelphia, PA 19107
fbrady@pa.gov

**Re: Pennsylvania Public Utility Commission v. PECO Energy Company – Gas Division
Docket No. R-2022-3031113**

Prehearing Memorandum of CAUSE-PA

Dear Judge Brady:

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.

As indicated on the attached Certificate of Service, service on the parties was accomplished by email only.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "L. N. Berman".

Lauren N. Berman, Esq.
Counsel for CAUSE-PA

CC: Secretary Rosemary Chiavetta (via E-file)
Certificate of Service

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission :
 :
 v. : Docket No. R-2022-3031113
 :
 PECO Energy Company – Gas Division :
 :

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

PENNSYLVANIA UTILITY LAW PROJECT
Counsel for CAUSE-PA

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April 25, 2022

On April 20, 2022, a Prehearing Conference Order was issued by F. Joseph Brady setting a telephonic prehearing conference for Wednesday, April 27, 2022 at 10:00 a.m., and requiring parties to file a Prehearing Memorandum no later than 12:00 p.m. on Tuesday, April 26, 2022. 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 March 31, 2022, PECO Energy Company – Gas Division (“PECO” or the “Company”) submitted a rate filing, PECO’s Tariff Gas – Pa. P.U.C. No. 5 (“Tariff No. 5”), which proposes to increase overall rates by approximately \$82.1 million per year, or by 9.1% on the basis of total Pennsylvania jurisdictional gas operating revenue. According to the Company, the total bill for a residential customer who uses 80 CcF (hundred cubic feet) per month would increase by \$12.39 – from \$95.31 to \$107.70, or by 13.0%. (Volume I, Notice of Proposed Natural Gas Rate Change).

On April 13, 2022, CAUSE-PA filed a Petition to Intervene, requesting full intervenor status as an active party to the proceeding.

On April 14, 2022, the Commission entered a Suspension and Investigation Order suspending the PECO gas 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 to those served.

If 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 ensure 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 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 must be addressed 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 rate filing and proposed rate increase on low income households enrolled in or eligible for PECO's Universal Service Programs, and the continued adequacy of those programs in delivering universally accessible natural gas service.
- iii. PECO's proposal to expand its Low Income Usage Reduction Program (LIURP), and customer outreach and education levels.
- iv. The implementation of PECO's expanded Safe and Efficient Heating Program (SEHP).

III. Witnesses and Testimony

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

Harry Geller, Esq.
118 Locust Street
Harrisburg, PA 17101
hgeller@pautilitylawproject.org

Mr. Geller will address the issues identified above, as well as other issues that may arise throughout this proceeding.

IV. Discovery

CAUSE-PA supports the discovery modifications proposed by the Office of Consumer Advocate (OCA).

V. Settlement

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

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:

Ria M. Pereira, Esq.
Lauren N. Berman, Esq.
John W. Sweet, Esq.
Elizabeth R. Marx, Esq.
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CAUSE-PA requests that parties agree to electronic service in this proceeding.

VII. Representation of CAUSE-PA at Prehearing Conference

At the Prehearing Conference, CAUSE-PA will be represented by Lauren N. Berman,
Esq.

VIII. Litigation Schedule

CAUSE-PA is currently involved in discussions with PECO and other parties to reach a mutually agreeable litigation schedule and to determine the appropriate amount of hearing time needed in this matter.

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

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



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Pennsylvania Public Utility Commission :
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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.

VIA Email

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