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April 27, 2023

VIA ELECTRONIC FILING

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

RE: Pennsylvania Public Utility Commission v. Philadelphia Gas Works; Docket No. R-2023-3037933

Dear Secretary Chiavetta:

Attached for filing with the Pennsylvania Public Utility Commission is the Prehearing Memorandum of the Philadelphia Industrial and Commercial Gas Users Group ("PICGUG"), in the above-referenced proceeding.

As evidenced by the attached Certificate of Service, all parties to this proceeding are being duly served with a copy of this document. Thank you.

Sincerely,

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Charis Mincavage MCNEES WALLACE & NURICK LLC

c: Administrative Law Judge Eranda Vero (via e-mail) Administrative Law Judge Arlene Ashton (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).

VIA E-MAIL

Craig W. Berry, Esq. Philadelphia Gas Works 800 W. Montgomery Avenue Philadelphia, PA 19122 craig.berry@pgworks.com

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Charin Miniarage

Charis Mincavage

Counsel to the Philadelphia Industrial and Commercial Gas Users Group

Dated this 27th day of April, 2023, at Harrisburg, Pennsylvania

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
	:	
V.	:	Docket No. R-2023-3037933
	:	
Philadelphia Gas Works	:	

PREHEARING MEMORANDUM OF THE PHILADELPHIA INDUSTRIAL AND COMMERCIAL GAS USERS GROUP

As requested by Administrative Law Judges ("ALJ") Eranda Vero and Arlene Ashton in their April 20, 2023, Prehearing Conference Order, the Philadelphia Industrial and Commercial Gas Users Group ("PICGUG") hereby submits this Prehearing Memorandum in the abovecaptioned proceeding.

I. HISTORY OF THE PROCEEDING

On March 1, 2023, Philadelphia Gas Works ("PGW" or "Company") filed with the Pennsylvania Public Utility Commission ("Commission" or "PUC") Supplement No. 159 to Gas Service Tariff – Pa. P.U.C. No. 2 ("Supplement No. 159"), requesting a general rate increase of approximately \$85.8 million to become effective on April 28, 2023. In addition, PGW proposed several tariff modifications.

On March 17, 2023, PICGUG filed a Complaint in this proceeding. A description of PICGUG is set forth in Paragraph 6 of PICGUG's Complaint. A Prehearing Conference has been scheduled in this proceeding for April 28, 2023.

II. IDENTIFICATION OF LEAD ATTORNEY

For purposes of the Prehearing Conference, Charis Mincavage will speak as the lead attorney on behalf of PICGUG.

III. ANTICIPATED ISSUES AND SUB-ISSUES

PICGUG'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 allocation of the proposed rate increase among the customer classes is just, reasonable, and non-discriminatory;
- (c) Whether PGW's claimed cost of service study is accurate, legitimate, and appropriate; and
- (d) Whether PGW's proposed tariff modifications result in unjust and unreasonable rates and service for customers.

PICGUG anticipates pursuing these issues during this proceeding, as necessary, and reserves the right to address additional issues, as well as to respond to issues raised by other parties during the course of this proceeding.

IV. PROPOSED WITNESSES

PICGUG expects to sponsor testimony regarding the aforementioned issues by the following witness:

Billie S. LaConte J. Pollock, Incorporated 12647 Olive Blvd, Suite 585 St. Louis, MO 63141 Phone: (314) 878-5814 <u>bsl@jpollockinc.com</u>

PICGUG reserves the right to modify or supplement this witness list during the course of this proceeding. In the event that PICGUG decides to modify or supplement the witness list, it will

inform the parties and the ALJs as soon as possible of the intended witnesses. PICGUG 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.

V. PROPOSED SCHEDULE AND DISCOVERY RULES

PICGUG will cooperate with the ALJs and the parties at the Prehearing Conference to finalize a complete procedural schedule requiring the filing of Reply Briefs by August 7, 2023. PICGUG will also cooperate with the ALJs and the parties to develop appropriate discovery rules in accordance with the Commission's regulations and any ALJ directives.

VI. POSSIBILITY OF SETTLEMENT

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

Respectfully submitted,

McNEES WALLACE & NURICK LLC

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Counsel to the Philadelphia Industrial and Commercial Gas Users Group

Dated: April 27, 2023