



COMMONWEALTH OF PENNSYLVANIA  
PENNSYLVANIA PUBLIC UTILITY COMMISSION  
COMMONWEALTH KEYSTONE BUILDING  
400 NORTH STREET, HARRISBURG, PA 17120

BUREAU OF  
INVESTIGATION  
&  
ENFORCEMENT

March 7, 2024

**Via Electronic Filing**

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

Re: Pennsylvania Public Utility Commission v.  
Philadelphia Gas Works  
Docket No. R-2024-3045966  
**I&E Prehearing Memorandum**

Dear Secretary Chiavetta:

Enclosed for electronic filing please find the Prehearing Memorandum of the Bureau of Investigation and Enforcement (I&E) in the above-captioned proceeding.

Copies are being served on parties of record per the attached Certificate of Service. Should you have any questions, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink that reads 'Michael Podskoch'.

Michael A. Podskoch, Jr.  
Prosecutor  
Bureau of Investigation and Enforcement  
PA Attorney ID No. 330132  
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MAP/ACK/ac  
Enclosures

cc: Administrative Law Judge Arlene Ashton (*via email*)  
Per Certificate of Service

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission	:	
	:	
v.	:	Docket No. R-2024-3045966
	:	
Philadelphia Gas Works – 1307(f)	:	

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**PREHEARING MEMORANDUM OF THE  
BUREAU OF INVESTIGATION AND ENFORCEMENT**

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**TO ADMINISTRATIVE LAW JUDGE ARLENE ASHTON:**

The Bureau of Investigation and Enforcement (“I&E”) of the Pennsylvania Public Utility Commission (“Commission”) respectfully submits the following Prehearing Memorandum in the above-captioned proceeding.

The Bureau of Investigation and Enforcement Prosecutors in this proceeding will be Allison C. Kaster and Michael A. Podskoch, Jr. Contact information is as follows:

By mail: Allison C. Kaster, Chief Prosecutor  
Michael A. Podskoch, Jr., Prosecutor  
Pennsylvania Public Utility Commission  
Bureau of Investigation and Enforcement  
Commonwealth Keystone Building  
400 North Street  
Harrisburg, PA 17120

By e-mail: [akaster@pa.gov](mailto:akaster@pa.gov)  
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## **I. INTRODUCTION**

On February 1, 2024, Philadelphia Gas Works (“PGW”) submitted its pre-filing information in support of its annual reconciliation of purchased gas costs rates.

On February 13, 2024, the Office of Small Business Advocate (“OSBA”) filed a Complaint, Public Statement, and Verification. On February 15, 2024, the Philadelphia Industrial and Commercial Users Group (“PICGUG”) filed a Petition to Intervene. On March 1, 2024, the Office of Consumer Advocate (“OCA”) filed a Formal Complaint, Public Statement and Verification. On March 5, 2024, I&E filed its Notice of Appearance.

On March 1, 2024, PGW made its Annual Purchased Gas Cost Rate filing in accordance with Section 1307(f) of the Public Utility Code, which establishes a procedure for recovery of purchased gas expenses by public utilities.

On March 4, 2024, I&E received a Prehearing Conference Order which was issued to advise parties that Administrative Law Judge Arlene Ashton (“ALJ Ashton”) would be presiding in this case and to memorialize the date, time, and requirements for the Prehearing Conference.

Pursuant to the Prehearing Conference Order, a telephonic Prehearing Conference is scheduled on March 11, 2024 at 10:00 a.m. before ALJ Ashton.

## **II. ISSUES**

The following list represents I&E’s preliminary determination of the potential issues in this proceeding:

1. Unaccounted for Gas;

2. Off System Sales/Capacity Release;
3. Heating Degree Days;
4. Capacity Requirements;
5. Natural Gas Contracts;
6. LNG;
7. C-Factor;
8. E-Factor;
9. Supplier Refunds;
10. Pipeline Refunds;
11. Interest Rate on Over/Under Collections;
12. Purchase of Receivables;
13. Other Post Employment Benefit Surcharge; and
14. Receivables Program/Merchant Function Charge

The listing is as complete as can be made at this time. I&E specifically reserves the right to address other issues as it deems appropriate if any such relevant issues arise.

### **III. WITNESSES**

It is currently expected that I&E may call the following expert witnesses without being limited thereto:

1. Christopher Keller, Fixed Utility Financial Analyst
2. Zachari Walker, Fixed Utility Financial Analyst
3. Ethan Cline, Fixed Utility Valuation Engineer

The I&E witnesses may be contacted through the information listed above for Mr. Podskoch and Ms. Kaster. The witness list is provided without the benefit of complete discovery or analysis of the positions of the other parties to this proceeding.

Accordingly, I&E reserves the right to call additional witnesses or withdraw the name of the witnesses listed above.

### **IV. EVIDENCE**

I&E expects to present all written direct, rebuttal, and surrebuttal testimony and accompanying exhibits at the evidentiary hearings. Moreover, I&E intends to rely on the

Company's filing, supplemental testimony, answers to data requests and interrogatories, annual reports and other documents submitted to the Commission, other relevant Commission filings, any other relevant Commonwealth agency letters or reports, general financial market information sources, and other public documents and reports. However, there may be issues of law or Commission policy that are not properly the subject of testimony or factual issues that are clear on the record and need not be supported by testimony. I&E thereby reserves the right to dispense with testimony when, in its opinion, an issue can be adequately addressed through briefing.

## **V. DISCOVERY**

Due to the time limitations in 1307(f) proceedings, I&E requests the following discovery modifications:

1. Answers to written interrogatories shall be served in-hand within ten (10) calendar days of service.
2. Responses to requests for document production, entry for inspection, or other purposes must be served in-hand within ten (10) calendar days.
3. Requests for admissions will be deemed admitted unless answered within ten (10) calendar days or objected to within five (5) calendar days of service.
4. Objections to interrogatories shall be communicated orally within three (3) calendar days of service of the interrogatories; unresolved objections shall be served in writing within five (5) days of service of the interrogatories. Objections to interrogatories served on a Friday shall be communicated orally within four (4) calendar days, and unresolved objections shall be served in writing within six (6) days of service of the interrogatories.

5. Motions to dismiss objections and/or direct the answering of interrogatories shall be filed within three (3) calendar days of service of the written objections.
6. Answers to motions to dismiss objections and/or direct the answering of interrogatories shall be filed within three (3) calendar days of service of such motions.
7. Discovery and discovery-related pleadings propounded after 12:00 noon on a Friday or after 12:00 noon on any business day immediately preceding a state holiday will be deemed served on the next business day for purposes of determining the due date of the responses and responsive pleadings.

## **VI. SCHEDULE**

I&E has reviewed the proposed schedule for hearings and briefs set forth in the Prehearing Conference Order. I&E does not object to those dates proposed for hearings and briefing. Additionally, I&E will work with the parties to develop mutually agreeable testimony deadlines to be proposed for the ALJ's consideration as we work to finalize the litigation schedule for this case.

## **VII. SERVICE OF DOCUMENTS**

For purposes of satisfying in-hand requirements for discovery responses, prepared testimony, briefs, and other documents during this proceeding, and consistent with Commission regulations and policy, I&E proposes to both only serve and accept electronic delivery of documents.

## **VIII. SETTLEMENT**

I&E will maintain an open dialogue and is willing to make good faith efforts to successfully resolve this matter through settlement. In the event settlement discussions

fail to result in a full and complete resolution of the matter, I&E is prepared to fully or partially litigate this proceeding.

Respectfully submitted,



Michael A. Podskoch, Jr.  
Prosecutor  
PA Attorney ID No. 330132

Allison C. Kaster  
Chief Prosecutor  
PA Attorney ID No. 93176

Pennsylvania Public Utility Commission  
Bureau of Investigation and Enforcement  
Commonwealth Keystone Building  
400 North Street  
Harrisburg, PA 17120

Dated: March 7, 2024

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission :  
 :  
 v. : Docket No. R-2024-3045966  
 :  
 Philadelphia Gas Works :

**CERTIFICATE OF SERVICE**

I hereby certify that I am serving the foregoing **Prehearing Memorandum** dated March 7, 2024, in the manner and upon the persons listed below.

**Served via Electronic Mail Only**

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