



McNees Wallace & Nurick LLC
100 Pine Street
P.O. Box 1166
Harrisburg, PA 17108-1166

Charis Mincavage
Direct Dial: 717.237.5437
Direct Fax: 717.260.1725
cmincavage@mcneeslaw.com

May 6, 2024

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

VIA ELECTRONIC FILING

**RE: Pennsylvania Public Utility Commission v. PECO Energy Company – Gas Division;
Docket No. R-2024-3046932**

Dear Secretary Chiavetta:

Attached for filing with the Pennsylvania Public Utility Commission is the Prehearing Memorandum of the Philadelphia Area Industrial Energy Users Group ("PAIEUG"), 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,

A handwritten signature in black ink that reads 'Charis Mincavage'.

Charis Mincavage
MCNEES WALLACE & NURICK LLC

Counsel to the Philadelphia Area Industrial Energy Users Group

c: Darlene Heep, Administrative Law Judge (via e-mail)
Marta Guhl, Administrative Law Judge (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 Section 1.54 (relating to service by a participant).

VIA E-MAIL

Kenneth M. Kulak, Esq.
Mark A. Lazaroff, Esq.
Brooke E. McGlinn, Esq.
Catherine G. Vasudevan, Esq.
Morgan Lewis & Bockius LLP
2222 Market Street
Philadelphia, PA 19103
kkulak@morganlewis.com
mark.lazaroff@morganlewis.com
brooke.mcglinn@morganlewis.com
catherine.vasudevan@morganlewis.com

Anthony E. Gay, Esq.
Jack R. Garfinkle, Esq.
Brandon J. Pierce, Esq.
Adesola K. Adegbesan, Esq.
PECO Energy Company
2301 Market Street S23-1
Philadelphia, PA 19103
anthony.gay@exeloncorp.com
jack.garfinkle@exeloncorp.com
brandon.pierce@exeloncorp.com
Adesola.adegbesan@exeloncorp.com

Erin L. Gannon, Esq.
Jacob Guthrie, Esq.
Gina L. Miller, Esq.
Office of Consumer Advocate
555 Walnut Street
Forum Place, 5th Floor
Harrisburg, PA 17101
OCAGASPECO2024@paoca.org

Steven Gray, Esq.
Rebecca Lyttle, Esq.
Office of Small Business Advocate
Forum Place
555 Walnut Street, 1st Floor
Harrisburg, PA 17101
sgray@pa.gov
relyttle@pa.gov

Charlotte E. Edelstein, Esq.
Joline R. Price, Esq.
Vikram A. Patel, Esq.
Robert W. Ballenger, Esq.
Community Legal Services, Inc.
1424 Chestnut Street
Philadelphia, PA 19102
cedelstein@clsphila.org
jprice@clsphila.org
vpatel@clsphila.org
rballenger@clsphila.org

Carrie B. Wright, Esq.
Bureau of Investigation & Enforcement
Pennsylvania Public Utility Commission
400 North Street, 2nd Floor
Harrisburg, PA 17105
carwright@pa.gov

Charles T. Joyce, Esq.
Samuel E. Shopp, Esq.
Spear Wilderman PC
230 S. Borad Street, Suite 1400
Philadelphia, PA 19102
ctjoyce@spearwilderman.com
sshopp@spearwilderman.com
Counsel to IBEW Local 614

Nicholas J. Enoch, Esq.
Lubin & Enoch, PC
349 North Fourth Avenue
Phoenix, AZ 85003
nick@lubinandenoach.com
Counsel to IBEW Local 614

Certificate of Service

Page 2

Alan McCarthy
705 E. Barnard Street
West Chester, PA 19382
alanmccarthy25@hotmail.com



Charis Mincavage

Counsel to the Philadelphia Area Industrial
Energy Users Group

Dated this 6th day of May, 2024, in Harrisburg, Pennsylvania

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission	:	
	:	
v.	:	Docket No. R-2024-3046932
	:	
PECO Energy Company (Gas)	:	

**PREHEARING MEMORANDUM
OF THE PHILADELPHIA AREA INDUSTRIAL ENERGY USERS GROUP**

As requested by Administrative Law Judges ("ALJs") Darlene Heep and Marta Guhl in the Prehearing Conference Order dated April 29, 2024, the Philadelphia Area Industrial Energy Users Group ("PAIEUG") hereby submits this Prehearing Memorandum.

I. HISTORY OF THE PROCEEDING

On March 28, 2024, PECO Energy Company ("PECO" or "Company") filed with the Pennsylvania Public Utility Commission ("PUC" or "Commission") proposed Tariff Gas – Pa. P.U.C. No. 6 ("Tariff No. 6"), proposed to become effective on May 27, 2024. Through the filing, PECO requested an increase in its annual distribution revenue of approximately \$111 million.

On April 25, 2024, the Commission suspended PECO's proposed filing by operation of law until December 27, 2024, and instituted an investigation into the Company's proposed Tariff No. 6.

May 6, 2024, PAIEUG filed a Complaint in this proceeding. A description of PAIEUG is set forth in Paragraph 5 of PAIEUG's Complaint.

A Prehearing Conference has been scheduled in this proceeding for May 7, 2024.

II. ANTICIPATED ISSUES AND SUB-ISSUES

PAIEUG'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 PECO were prudently incurred;
- c) whether the allocation of the proposed increase among customer classes is just, reasonable, and non-discriminatory;
- d) whether the return on equity proposed by PECO results in a fair rate of return;
- e) whether the rate design and rate structure proposed by PECO are appropriate; and
- f) whether PECO's claimed Cost of Service Study ("COSS") is accurate and legitimate.

PAIEUG 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 WITNESSES

PAIEUG expects to sponsor testimony regarding the aforementioned issues by the following witnesses:

Mr. Jeffrey Pollock
J. Pollock, Inc.
14323 South Outer 40 Rd., Suite 206N
Town and Country, MO 63017
Phone: (314) 878-5814
JCP@jpollockinc.com

Billie S. LaConte
J. Pollock, Inc.
14323 South Outer 40 Rd., Suite 206N
Town and Country, MO 63017
Phone: (314) 878-5814
bsl@jpollockinc.com

PAIEUG reserves the right to modify or supplement this witness list during the course of this proceeding. In the event that PAIEUG decides to modify or supplement the witness list, it will inform the parties and the ALJs as soon as possible of the intended witnesses. PAIEUG 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

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

I. POSSIBILITY OF SETTLEMENT

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

Respectfully submitted,

McNEES WALLACE & NURICK LLC

By 

Charis Mincavage (I.D. No. 82039)
Adeolu A. Bakare (I.D. No. 208541)
Brigid Landy Khuri (I.D. No. 315274)
McNEES WALLACE & NURICK LLC
100 Pine Street
P. O. Box 1166
Harrisburg, PA 17108-1166
Phone: (717) 232-8000
Fax: (717) 237-5300
cmincavage@mcneeslaw.com
abakare@mcneeslaw.com
bkhuri@mcneeslaw.com

Counsel to the Philadelphia Area Industrial Energy
Users Group

Dated: May 6, 2024