

May 6, 2024

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

Re: Pennsylvania Public Utility Commission v. PECO Energy Company - Electric Division, Docket No. R-2024-3046931; and Public Utility Commission v. PECO Energy Company - Gas Division, Docket No. R-2024-3046932

Dear Secretary Chiavetta:

Enclosed for electronic filing please find the Prehearing Memorandum of the Tenant Union Representative Network and Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania in the above captioned matters.

This memorandum is being served via email as indicated on the attached Certificate of Service.

Sincerely,

<u>/s/ Charlotte Edelstein</u> Charlotte E. Edelstein, Esquire Attorney ID No. 334505

Enclosures Cc: Certificates of Service

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	R-2024-3046931
Office of Consumer Advocate Office of Small Business Advocate Alan McCarthy Philadelphia Area Industrial Energy Users Group v.	C-2024-3048362 C-2024-3048467 C-2024-3048475 C-2024-3048671
PECO Energy Company (Electric)	
Pennsylvania Public Utility Commission	R-2024-3046932
Office of Consumer Advocate Office of Small Business Advocate State Representative Christina Sappey Alan McCarthy	C-2024-3048363 C-2024-3048456 C-2024-3048631 C-2024-3048497
V.	
PECO Energy Company (Gas)	

Prehearing Memorandum of Tenant Union Representative Network and Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania

Tenant Union Representative Network and the Coalition for Affordable Utility Services

and Energy Efficiency in Pennsylvania (CAUSE-PA) (collectively, "TURN and CAUSE-PA")

through counsel Community Legal Services, Inc., hereby submit this Prehearing Conference

Memorandum pursuant to the Prehearing Conference Order of Administrative Law Judges

Darlene Heep and Marta Guhl of April 29, 2024.

I. History of the Proceeding

On March 28, 2024, PECO Energy Company ("PECO" or "the Company") filed with the PUC its Tariff Electric - Pa. P.U.C. No. 8 ("Tariff 8"), which was assigned this Docket No. R-2024-3046931 and its Tariff Gas - Pa. P.U.C. No.6 ("Tariff 6"), which was assigned this Docket No. R-2024-3046932.

PECO has requested to increase the electric distribution base rates charged to PECO's residential, commercial, and industrial customers. In its filing, PECO proposes to increase its annual distribution rates by approximately \$464 million effective May 27, 2024, with a one-time credit of \$64 million, resulting in a net electric rate increase of \$399 million in 2025 and an additional \$64 million rate increase the following year. If PECO's rate request is approved, the average bill of a residential customer using 700 kilowatt hours (kWh) per month will increase by \$16.67 from \$135.85 to \$152.52 or by 12.3% in 2025. As part of its request, PECO proposes to increase its fixed customer charge for electric residential and residential heating customers from \$10.52 per month to \$14.30 per month.

PECO has requested to increase the gas distribution base rates charged to PECO's residential, commercial, and industrial customers. In its filing, PECO proposes to increase its overall natural gas rates by approximately \$111 million effective May 27, 2024. If PECO's rate request is approved, the average bill of a residential customer using 80 Ccf per month will increase by \$16.15 from \$97.98 to \$114.13 or by 16.5%. As part of its request, PECO proposes to increase its fixed customer charge for general service residential gas customers from \$14.25 per month to \$19.38 per month.

On April 26, 2024, TURN and CAUSE-PA filed petitions to intervene in these proceedings. On April 29, 2024, Judges Heep and Guhl issued a Call-In Telephonic Prehearing

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Conference Notice, scheduling a Prehearing Conference to be held May 7, 2024, at 1:30 p.m. On April 29, Judges Heep and Guhl issued a Prehearing Conference Order ("Order") requiring parties to file a Prehearing Conference Memorandum on or before May 6, 2024, 11:00 a.m. TURN and CAUSE-PA submit this prehearing memorandum pursuant to that Order.

II. Issues

TURN and CAUSE-PA have preliminarily reviewed PECO's rate filings and generally object to any rate increase to the extent that the proposed increase could result in unjust and unreasonable rates and impose severe hardship on low and moderate income residential customers and consumers, including those enrolled in PECO's Customer Assistance Program. TURN and CAUSE-PA have preliminarily identified the following issues presented by these filings, which affect their members, and which TURN and CAUSE-PA seek to examine more fully:

- 1. The justness and reasonableness of PECO's proposed rates;
- 2. The effectiveness of PECO's customer service in light of its rate request;
- 3. The economic effect of the proposed rates on moderate and low income residents;
- The effectiveness of PECO's universal service programs in mitigating the impact of PECO's rates on low-income customers;
- 5. Whether PECO's proposed electric and gas rate designs, including its proposals to increase its fixed customer charges for electric residential and residential heating customers and general service residential gas customers are just and reasonable, including:
 - a. The impact PECO's proposed rate design will have on low and moderate income customers; and
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- b. How an increase to the residential fixed charges will impact the ability of low and moderate income customers to reduce their energy costs through conservation;
- 6. The effect of PECO's proposed revisions to the Matching Energy Assistance Fund program on moderate and low income residents;
- The quality and effectiveness of PECO's customer service in relation to Limited English Proficiency households;
- Whether PECO's rates and tariffs comply with the billing, collections, and termination standards, as well as the universal service requirements, contained in the Public Utility Code, the Pennsylvania Code, and PUC policy.

TURN and CAUSE-PA reserve the right to raise other relevant issues and respond to other issues that may arise in the course of this proceeding.

III. Witnesses and Testimony

At this time, TURN and CAUSE-PA intend to present the testimony of Ms. Elizabeth Marx, Esquire.

Elizabeth Marx Pennsylvania Utility Law Project 118 Locust Street Harrisburg, PA 17101 (717) 710-3825 <u>emarx@pautilitylawproject.org</u>

It is anticipated that Ms. Marx will provide testimony regarding some or all of the issues identified above. Ms. Marx may also address other issues and provide testimony in response to other parties. TURN and CAUSE-PA reserve the right to present the aforementioned witness to testify in this matter, as well as the right to call additional or substitute witnesses as may be warranted upon proper notice to Your Honors and the parties.

IV. Discovery

TURN and CAUSE-PA will work with the parties to develop appropriate modifications to discovery rules that support the prompt and robust exchange of all relevant information.

V. Settlement

TURN and CAUSE-PA are 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 encourage the parties to engage in settlement discussions early in the process.

VI. Public Input Hearings

TURN and CAUSE-PA support a minimum of two public input hearings, and would request that at least one public input hearing be conducted telephonically and at least one public input hearing be conducted in person. TURN and CAUSE-PA also note that, given the requests for both electric and gas base rate increases, it may be appropriate to hold more than two public input hearings.

VII. Schedule for Testimony, Hearings, and Briefs

TURN and CAUSE-PA have engaged in discussions with the other parties regarding a litigation schedule and timing of hearings. TURN and CAUSE-PA support the proposed schedule set forth by PECO, although note that their witness will not be available for oral testimony on August 7.

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VIII. Service on TURN and CAUSE-PA

TURN and CAUSE-PA will be represented in this proceeding by Charlotte E. Edelstein,

Esquire, Joline R. Price, Esquire, Vikram A. Patel, Esquire, and Robert W. Ballenger, Esquire

who will accept electronic delivery of documents.

Charlotte E. Edelstein, Esquire Joline R. Price, Esquire Vikram A. Patel, Esquire Robert W. Ballenger, Esquire Community Legal Services, Inc. 1410 West Erie Ave. Philadelphia, PA 19140 Telephone: 215-981-3700 Facsimile: 267-765-6481 cedelstein@clsphila.org jprice@clsphila.org vpatel@clsphila.org rballenger@clsphila.org

TURN and CAUSE-PA also request that their witness, Elizabeth Marx, be included on all service

in this proceeding, by electronic means wherever possible, as follows:

Elizabeth Marx Pennsylvania Utility Law Project 118 Locust Street Harrisburg, PA 17101 <u>emarx@pautilitylawproject.org</u>

Pursuant to Paragraph 7 of the Prehearing Order, TURN and CAUSE-PA designate Charlotte E.

Edelstein, Esq. to appear on the official service list for this proceeding:

Charlotte E. Edelstein, Esquire Community Legal Services, Inc. 1410 West Erie Ave. Philadelphia, PA 19140 Telephone: 215-227-4732 Facsimile: 267-765-6481 <u>cedelstein@clsphila.org</u>

IX. Conclusion

TURN and CAUSE-PA respectfully request that this memorandum be entered into the record of this proceeding.

Respectfully submitted,

/s/ Charlotte Edelstein Charlotte E. Edelstein, Esquire Joline R. Price, Esquire Vikram A. Patel, Esquire Robert W. Ballenger, Esquire Community Legal Services, Inc. 1410 West Erie Ave. Philadelphia, PA 19140 Telephone: 215-981-3700 Facsimile: 267-765-6481 cedelstein@clsphila.org jprice@clsphila.org vpatel@clsphila.org

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CERTIFICATE OF SERVICE

I hereby certify that I have this day served copies of the Prehearing Memorandum of the Tenant Union Representative Network and Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania upon the partis of record in the above captioned proceedings in accordance with the requirements of 52 Pa. Code § 1.54.

Via Email and First Class Mail

Administrative Law Judges Marta Guhl and Darlene Heep Pennsylvania Public Utility Commission Office of Administrative Law Judge 801 Market Street, Suite 4063 Philadelphia, PA 19107 <u>dheep@pa.gov</u> <u>mguhl@pa.gov</u>

Via Email

Erin L. Gannon, Esquire Gina L. Miller, Esquire Jacob D. Guthrie, Esquire Office of Consumer Advocate 555 Walnut Street Forum Place, 5th Floor Harrisburg, PA 17101-1923 OCAGASPECO2024@paoca.org

Carrie B. Wright, Esquire Bureau of Investigation & Enforcement 400 North Street Commonwealth Keystone Building Harrisburg, PA 17120 cwright@pa.gov

Charles T. Joyce, Esquire Samuel E. Shopp, Esquire SPEAR WILDERMAN, P.C. 230 South Broad Street Suite 1650 Philadelphia, PA 19102 ctjoyce@spearwilderman.com sshopp@spearwilderman.com

Nicholas J. Enoch, Esquire LUBIN & ENOCH, P.C. 349 North 4th Avenue Phoenix, AZ 85003 nick@lubinandenoch.com Steven Gray, Esquire Rebecca Lyttle, Esquire Office of Small Business Advocate Forum Place 555 Walnut Street, 1stFloor Harrisburg, Pennsylvania 17101 (717) 783-2525 sgray@pa.gov relyttle@pa.gov

Anthony E. Gay, Esquire Jack R. Garfinkle, Esquire Brandon J Pierce, Esquire Adesola K Adegbesan, Esquire PECO Energy Company 2301 Market Street Philadelphia, PA 19103 anthony.gay@exeloncorp.com jack.garfinkle@exeloncorp.com brandon.pierce@exeloncorp.com Jonathan Nase, Esquire David P. Zambito, Esquire Cozen O'Connor 17 North Second Street Suite 1410 Harrisburg, PA 17101 jnase@cozen.com dzambito@cozen.com

Christina Sappey 698 Unionville Road Kennett Square, PA 19348 RepSappey@pahouse.net

Alan Mccarthy 705 E. Barnard St. West Chester, PA 19382 alanmccarthy25@hotmail.com

Derrick Price Williamson, Esquire Barry A. Naum, Esquire Steven W. Lee, Esquire SPILMAN THOMAS & BATTLE, PLLC 1100 Bent Creek Boulevard, Suite 101 Mechanicsburg, PA 17050 dwilliamson@spilmanlaw.com bnaum@spilmanlaw.com slee@spilmanlaw.com

Laura Antinucci, Deputy City Solicitor James Kellett, Divisional Deputy City Solicitor Philadelphia Law Department 1515 Arch Street, 16th Floor Philadelphia, PA 19102 Laura.Antinucci@phila.gov James.Kellett@phila.gov

Baird Brown eco(n)law, LLC 230 S Broad St 17th Floor Philadelphia, PA 19102 <u>baird@eco-n-law.net</u> Kenneth M. Kulak, Esquire Mark A. Lazaroff, Esquire Brooke E. McGlinn, Esquire Catherine G. Vasudevan, Esquire Morgan, Lewis & Bockius LLP 2222 Market Street Philadelphia, PA 19103 ken.kulak@morganlewis.com mark.lazaroff@morganlewis.com brooke.mcglinn@morganlewis.com

Charis Mincavage, Esquire Adeolu A. Bakare, Esquire Brigid Landy Khuri, Esquire Mcnees Wallace & Nurick 100 Pine Street PO Box 1166 Harrisburg, PA 17108 Cmincavage@mwn.com abakare@mcneeslaw.com bkhuri@mcneeslaw.com

Bernice I. Corman, Esquire Bicky Corman Law, PLLC 1250 Connecticut Avenue, NW, Suite 700 Washington, DC 20036 bcorman@bickycormanlaw.com

Lindsey Stegall Katelyn Lee EVgo Services, LLC 11835 W. Olympic Blvd., Suite 900E Los Angeles, CA 90064 Lindsey.Stegall@evgo.com Katelyn.Lee@evgo.com

Alan Michael Seltzer John F. Povilaitis Buchanan Ingersoll & Rooney PC 409 N. Second Street, Suite 500 Harrisburg, PA 17101-1357 alan.seltzer@bipc.com john.povilaitis@bipc.com Stephen Bright, Esq. Electrify America, LLC 1950 Opportunity Way, Suite 1500 Reston, Virginia 20190 Steve.Bright@electrifyamerica.com William Lesser, Esq. Cozen O'Connor 3 WTC 175 Greenwich Street, 55th Floor New York, New York 10007 wlesser@cozen.com

May 6, 2024

/s/ Charlotte Edelstein Charlotte E. Edelstein, Esq. (PA ID: 334505) Counsel for TURN and CAUSE-PA COMMUNITY LEGAL SERVICES, INC. cedelstein@clsphila.org (215) 227-4732