

COMMONWEALTH OF PENNSYLVANIA



PATRICK M. CICERO  
Consumer Advocate

OFFICE OF CONSUMER ADVOCATE  
555 Walnut Street, 5th Floor, Forum Place  
Harrisburg, Pennsylvania 17101-1923  
(717) 783-5048  
(800) 684-6560

 @pa\_oca  
 /pennoca  
FAX (717) 783-7152  
consumer@paoca.org  
www.oca.pa.gov

May 6, 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.  
PECO Energy Co. - Gas Division  
Docket No. R-2024-3046932

Dear Secretary Chiavetta:

Attached for electronic filing please find the Office of Consumer Advocate's Prehearing Memorandum in the above-referenced proceeding.

Copies have been served on the parties as indicated on the enclosed Certificate of Service.

Respectfully submitted,

A handwritten signature in blue ink that reads "Erin L. Gannon".

Erin L. Gannon  
Senior Assistant Consumer Advocate  
PA Attorney I.D. # 83487  
EGannon@paoca.org

Enclosures

cc: The Honorable Marta Guhl (email and first-class mail)  
The Honorable Darlene D. Heep (email and first-class mail)  
Certificate of Service

CERTIFICATE OF SERVICE

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

I hereby certify that I have this day filed electronically on the Commission’s electronic filing system and served a true copy of the following document, the Office of Consumer Advocate’s Prehearing Memorandum, upon parties of record in this proceeding in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant), in the manner and upon the persons listed below.

Dated this 6th day of May 2024.

SERVICE BY E-MAIL ONLY

Carrie B. Wright, Esquire
Pennsylvania Public Utility Commission
Bureau of Investigation and Enforcement
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120
carwright@pa.gov
Counsel for I&E

Steven C. 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
Counsel for OSBA

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

Kenneth M. Kulak
Mark A. Lazaroff
Brooke E. McGlinn
Catherine G. Vasudevan
Morgan, Lewis & Bockius LLP
2222 Market Street
Philadelphia, PA 19103
ken.kulak@morganlewis.com
mark.lazaroff@morganlewis.com
brooke.mcglinn@morganlewis.com
catherine.vasudevan@morganlewis.com
Counsel for PECO Energy Company

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

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

SERVICE BY E-MAIL ONLY

Charles T. Joyce  
Samuel E. Shopp  
SPEAR WILDERMAN, P.C.  
230 South Broad Street, Ste. 1650  
Philadelphia, PA 19102  
ctjoyce@spearwilderman.com  
sshopp@spearwilderman.com  
*Counsel for Local 614 of the International  
Brotherhood of Electrical Works*

Nicholas J. Enoch  
LUBIN & ENOCH, P.C.  
349 North 4th Avenue  
Phoenix, Arizona 85003-1505  
nick@lubinandenoch.com  
*Counsel for Local 614 of the International  
Brotherhood of Electrical Works*

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

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



Erin L. Gannon  
Senior Assistant Consumer Advocate  
PA Attorney I.D. # 83487  
EGannon@paoca.org

Gina L. Miller  
Barrett C. Sheridan  
Jacob D. Guthrie  
Assistant Consumer Advocates  
OCAGASPECO2024@paoca.org

*Counsel for:*  
Office of Consumer Advocate  
555 Walnut Street  
5th Floor, Forum Place  
Harrisburg, PA 17101-1923  
717-783-5048

Dated: May 6, 2024

BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	Docket Nos.	R-2024-3046932
	:		C-2024-3048363
v.	:		C-2024-3048456
	:		C-2024-3048631
PECO Energy Company – Gas Division	:		C-2024-3048497

---

PREHEARING CONFERENCE MEMORANDUM  
OF THE  
OFFICE OF CONSUMER ADVOCATE

---

Pursuant to the Prehearing Conference Order issued on April 29, 2024, in the above-captioned proceeding, by the Honorable Administrative Law Judges (ALJs) Darelene Heep and Marta Guhl, of the Office of Administrative Law Judge (OALJ) of the Pennsylvania Public Utility Commission (Commission), and pursuant to Section 333 of the Public Utility Code (Code), 66 Pa. C.S. § 333, the Commission’s regulations at 52 Pa. Code §§ 5.221-5.224, the Pennsylvania Office of Consumer Advocate (OCA) submits the following Prehearing Conference Memorandum.

**I. INTRODUCTION AND PROCEDURAL HISTORY**

On March 28, 2024, PECO Energy Company, Gas Division (PECO Gas or the Company) filed Original Tariff Gas – Pa. P.U.C. No. 6, in the above-captioned R docket, with the Commission. The Company proposes to increase rates to produce additional overall revenues of \$111 million per year, a 23.1% increase in overall distribution revenue requirement. PECO Gas provides gas distribution service to approximately 552,834 residential, commercial, and industrial customers in portions of 5 counties in Southeastern and South-Central Pennsylvania.

Under the Company's proposal, the total bill for a residential customer purchasing 80 CCF (hundred cubic feet of natural gas) per month would increase by \$16.15 from \$97.98 to \$114.13, or by approximately 16.5%. The Company has proposed increasing the monthly residential customer charge from \$14.25 to \$19.38, or by 36%. PECO Gas proposes a return on equity of 11.15% resulting in an overall rate of return of 8.08%, in conjunction with an equity-rich capital structure of 53.4% equity and 46.6% debt. Additionally, the filing requests approval of the following: (1) a new Weather Normalization Adjustment, (2) changes to its Neighborhood Pilot Extension Program, and (3) changes to its recovery of Customer Assistance Program costs.

On April 11, 2024, the OCA filed a Formal Complaint, Public Statement, and Notice of Appearance in this proceeding to protect the interests of consumers in PECO Gas's service territory and to ensure that PECO Gas is permitted to implement only a level of rates that is just and reasonable and in accordance with sound ratemaking principles.

On April 1, 2024, the Commission's Bureau of Investigation & Enforcement (I&E) filed a Notice of Appearance. On April 16, 2024, an individual complainant and the Office of Small Business Advocate (OSBA) filed Complaints. On April 17, 2024, the International Brotherhood of Electrical Workers, Local 614, filed a Petition to Intervene. On or about April 23, 2024, PA Representative Christina Sappey filed a Formal Complaint. On April 26, 2024, the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (CAUSE-PA) filed a Petition to Intervene. On May 2, 2024, Walmart, Inc. filed a Petition to Intervene.

On April 25, 2024, the Commission issued an Order that initiated an investigation into the lawfulness, justness, and reasonableness of the proposed rate increase in this filing in addition to the Company's existing rates, rules, and regulations, assigned this matter to the OALJ for further

proceedings as appropriate, and suspended the effective date of Original Tariff No. 6 until December 27, 2024.

## **II. ISSUES**

Based upon a preliminary analysis of the Company's general rate increase filing, the OCA has compiled a list of issues and sub-issues which it anticipates will be included in its investigation of PECO Gas's rate request. It is anticipated that other issues may arise and may be pursued once the answers to all the OCA's interrogatories have been received and analyzed. The issues and sub-issues set forth below, and others that may develop during discovery, will be analyzed and presented as appropriate by the OCA with the assistance of its expert witnesses:

### **A. Rate of Return**

1. The OCA will perform a detailed analysis of the 11.15% cost of common equity claimed by the Company as well as the overall rate of return as claimed by the Company. Also, the OCA will carefully examine the Company's methodologies and supporting data used to develop its final cost of common equity claim.

2. The OCA will examine whether the capital structure proposed by the Company is representative of the period in which rates will be in effect and is otherwise appropriate for ratemaking purposes.

3. The OCA will examine the embedded cost of debt claimed by the Company to determine whether it is reasonable and appropriate for ratemaking purposes.

4. The OCA will examine whether any company-specific adjustments proposed by the Company are justified.

5. The OCA will examine the impact of Company's proposed alternative ratemaking mechanisms on its risk profile.

### **B. Rate Base/ Measure of Value**

1. The OCA will examine the reasonableness and accuracy of Company's projections related to the utility plant in service at the time relevant to this proceeding.

2. The OCA will review the Company's claim for plant additions during the FTY and FPFTY.

3. The OCA will investigate whether the Company's adjustment to rate base for depreciation reserve is appropriate.

4. The OCA will examine the Company's projections of non-investor supplied funds, including but not limited to, customer deposits, customer advances for construction, and contributions in aid of construction.

5. The OCA will examine the Company's proposal to include unamortized balances in rate base.

6. The OCA will examine the Company's claim for materials and supplies.

7. The OCA will examine the Company's calculation and amount of cash working capital.

8. The OCA will examine the reasonableness and lawfulness of rate base claims for amounts paid to affiliates, in accordance with Section 2101 of the Public Utility Code. 66 Pa. C.S. § 2101 *et seq.*

9. The OCA will examine the Company's Accumulated Deferred Income Tax (ADIT) balances and excess ADIT balances.

10. The OCA will examine the reasonableness of the Company's proposed AFUDC for land held for future use.

C. Revenues and Expenses

1. The OCA will examine the Company's claimed revenues and any adjustments to the level of revenues.

2. The OCA will seek to ascertain whether the Company's claimed expenses are supported, reasonable, and appropriate.

3. The OCA will examine whether the projected number of customers in the FTY and FPFTY are reasonable and accurate.

4. The OCA will examine whether the Company's claims of sales and revenues during the FTY and FPFTY are reasonable and accurate.

5. The OCA will examine whether the Company's projections of revenues in the future periods are reasonable and accurate including, but not limited to, its billed days adjustments, metered sales and the impact of conservation measures, and miscellaneous revenue adjustments.

6. The OCA will examine whether the Company's projections of number of employees, overtime, and incentive pay are reasonable and accurate.

7. The OCA will examine the costs associated with the accrual of retirement benefits other than pensions for the Company's employees or contributions to pension funds.

8. The OCA will examine the justness and reasonableness of the Company's employee healthcare expense.

9. The OCA will examine the appropriateness of the Company's pro forma claim for rate case expense.

10. The OCA will examine the reasonableness of the Company's proposed purchased power expense claims.

11. The OCA will examine the Company's request for depreciation expenses to determine whether it is just and reasonable.

12. The OCA will examine the justness and reasonableness of the Company's claim for insurance costs.

13. The OCA will examine the justness and reasonableness of the Company's proposed expense amortizations.

14. The OCA will examine the justness and reasonableness of the Company's claim for regulatory commission costs.

15. The OCA will examine the justness and reasonableness of the Company's claims for other operations and maintenance expenses.

16. The OCA will examine the justness and reasonableness of the Company's claims for service company expenses, including the allocated expenses of the Exelon Business Services Company, an affiliate of PECO Gas.

17. The OCA will examine the justness and reasonableness of the Company's claimed rate case normalization period.

18. The OCA will examine any cost savings identified in the most recent Management and Operations Audit should be reflected, if relevant, which was conducted since PECO Gas's prior general rate increase request was filed.

19. The OCA will examine the justness and reasonableness of the Company's claimed uncollectibles expense.

20. The OCA will examine the Company's claimed revenues and any adjustments to the level of revenues.

D. Taxes

1. The OCA will examine issues related to the calculation of taxes including, but not limited to, calculation of federal and state income taxes and the amount of those taxes included as expenses for ratemaking purposes and will examine whether the Company is in compliance including with Act 40 of 2016 (66 Pa. C.S. § 1301.1).

2. The OCA will examine the reasonableness of the Company's proposal regarding the tax repairs deductions, and its claims for income taxes, property taxes, and general assessments.



3. The OCA will examine the effect of the Tax Cuts and Jobs Act on the Company's tax expense and its ADIT accounts and the amount, if any, that needs to be returned to ratepayers as a result.

4. The OCA will examine the Company's level of PURTA and property tax expense.

E. Rate Structure/ Cost of Service / Rate Design/ Tariffs/ Alternative Ratemaking

1. The OCA will examine the reasonableness of Company's proposed distribution or allocation of the revenue increase among customer classes to determine whether the proposal meets all legal requirements and sound ratemaking principles.

2. The OCA will examine Company's cost of service studies, including the methodology used and the reasonableness of the allocations.

3. The OCA will examine the reasonableness and appropriateness of the Company's proposed tariff changes, including all proposed surcharges. This includes the Company's proposed adjustments to its Universal Service Fund Charge (USFC), Gas Purchase Charge (GPC), Merchant Function Charges (MFC), and new Weather Normalization Adjustment (WNA).

4. The OCA will review the Company's alternative ratemaking proposal, the WNA. The proposed WNA may be unjust, unreasonable, and in violation of law; may be contrary to the provisions of prior Commission orders; and otherwise, may be contrary to sound ratemaking principles and public policy.

5. The OCA will examine all other cost allocation and rate design proposals.

F. Depreciation

1. The OCA will examine PECO Gas's depreciation study, including the proposed service lives, net salvage rates, and depreciation rate calculations to determine if they are reasonable.

2. The OCA will analyze the depreciation rates based upon the actuarial analysis to determine if any modifications are necessary.

G. Low-Income Programs

1. The OCA will analyze current and proposed Company operations, practices, procedures and outreach related to serving low-income customers.

2. The OCA will assess the impact of the Company's proposed rate increase on universal service, including the overall Customer Assistance Program (CAP) cost as affected by the Company's rate design.

3. The OCA will investigate the reasonableness of PECO Gas's proposal to increase the proportion of its cost of CAP administration recovered from ratepayers, instead of shareholders, from 73% to 89.5%.

4. The OCA will examine how Company's proposed rate increase, rate structure and proposed new alternative ratemaking and new surcharges will affect low-income and/or low-usage customers.

5. The OCA will review the Company's current bill discount programs, arrearage management programs, or lack thereof, and proposed changes to the programs.

6. The OCA will review the Company's affordability analysis.

#### H. Quality of Service

1. The OCA will review the Company's quality of service to ensure that it is providing safe, adequate, and reliable service that is consistent with the requirements of Section 1501 of the Public Utility Code.

2. The OCA will investigate the quality of service complaints by the Company's customers.

#### I. Customer Service

1. The OCA will review the Company's consumer protection policies and programs in order to ensure compliance with Chapter 14 of the Public Utility Code and Chapter 56 of the Commission's regulations.

2. The OCA will examine the Company's customer service, including performance trends, internal training, management oversight, policies, and programs.

3. The OCA will examine the Company's consumer education programs, particularly with regard to changes in billing and collection rights and remedies, and complaint processes.

4. The OCA will examine the Company's compliance and reporting as required in the last rate case concerning service and service quality.

5. The OCA will examine the Company's request for a management performance adder to its return on equity and rate of return in light of the Company's customer service performance.

6. The OCA will examine the Company's response to the most recent Commission Management Audit.

#### J. Other Issues

1. The OCA will examine any relevant issues that arise as a result of the Company's operations.

2. The OCA will investigate to ensure that the Company is complying with all prior orders.

3. The OCA reserves the right to examine other issues affecting the Company's revenue requirements, rates, charges, and other tariff provisions as they are identified through discovery.

### III. WITNESSES

The OCA intends to present the direct, rebuttal, and surrebuttal testimonies, as may be necessary, of the below witnesses. Each witness will present testimony in written form and will attach various exhibits, documents, and explanatory information, as may be necessary. In order to expedite the resolution of this proceeding, the OCA requests that copies of all interrogatories, testimony, and answers to interrogatories be mailed and/or emailed directly to the OCA's group email formed particularly for this proceeding.

Regulatory Policy / Revenue Requirement  
/ Accounting

John DeFever  
Larkin & Associates, PLLC  
15728 Farmington Road  
Livonia, MI 48154  
[OCAGASPECO2024@paoca.org](mailto:OCAGASPECO2024@paoca.org)

Cost of Service / Rate Structure/ Rate Design

Clarence Johnson  
CJ Energy  
3707 Robinson Ave.  
Austin, TX 78722  
[OCAGASPECO2024@paoca.org](mailto:OCAGASPECO2024@paoca.org)

Rate of Return / Cost of Capital /  
Capital Structure

David Garrett  
Resolve Utility Consulting PLLC  
101 Park Avenue, Suite 1125  
Oklahoma City, OK 73102  
[OCAGASPECO2024@paoca.org](mailto:OCAGASPECO2024@paoca.org)

Affordability of Service / Low-Income  
Customers Assistance Programs

Roger Colton  
Fisher, Sheehan, & Colton  
34 Warwick Road  
Belmont, MA 02478  
[OCAGASPECO2024@paoca.org](mailto:OCAGASPECO2024@paoca.org)

Customer Service / Tariff / Quality of Service

Nicholas A. DeMarco  
Regulatory Analyst  
Office of Consumer Advocate  
555 Walnut Street  
5<sup>th</sup> Floor, Forum Place  
Harrisburg, PA 17101-1923  
[OCAGASPECO2024@paoca.org](mailto:OCAGASPECO2024@paoca.org)

Alternative Ratemaking / Weather Normalization  
Adjustment

Ron Nelson  
Volt-Watt Consulting LLC  
1311 SE 53rd Avenue  
Portland, OR 97215  
[OCAGASPECO2024@paoca.org](mailto:OCAGASPECO2024@paoca.org)

The OCA specifically reserves the right to call additional witnesses, as necessary, and retains the flexibility to have the witnesses above address other areas of this case as the case proceeds. If the OCA determines that additional witnesses will be necessary for any portion of its case, it will notify all parties of record immediately.

#### IV. PROPOSED SCHEDULE

The OCA continues to work with the Company and the parties on a procedural schedule that is a reasonable compromise of the parties' competing interests within the time afforded for litigation of this matter. The OCA proposes the following schedule:

Public Input Hearings for PECO Gas and PECO Electric: 6 hearings (mix of day and evening times, with 4 in-person hearings in the PECO Gas and Electric service territories and ending with 2 telephonic hearings)	Week of June 3, 2024
Other Parties' Direct Testimony	June 17, 2024
Opposing Party Supplemental Direct Testimony Regarding Public Input Hearings	May be needed depending on timing of public input hearings and other party direct testimony
Rebuttal Testimony (all parties and all issues)	July 16, 2024 (by noon)
Surrebuttal Testimony (all parties and all issues)	July 30, 2024
Written Rejoinder Outline (by noon)	August 1, 2024 (by 4:00 pm)
Evidentiary Hearings (telephonic)	August 5, 6, and 7, 2024
Main Briefs	August 21, 2024
Reply Briefs	August 30, 2024

The OCA requests that the dates included in any litigation schedule in this matter be considered "in-hand" dates and that electronic service on the due date will satisfy the "in-hand" requirement.

#### V. PUBLIC INPUT HEARINGS

The OCA will be prepared to discuss public input hearings at the prehearing conference. Given the magnitude of the requested rate increase, the size of the customer base, and the requests for public input hearings and complaints received thus far in this matter, the OCA respectfully

requests that both in-person and telephonic public input hearings be held for PECO Gas's large customer base impacted by this rate filing. PA Senator Tim Kearney requested in-person public input hearings in or near his home district, in central Delaware County. PA Representative Christina Sappey requested in-person public input hearings in or near to her district, in Chester County (Kennett Square area).

Attached as Appendix A is the OCA's proposed draft Notice for the Public Input Hearing (to be completed with details as determined by the presiding ALJs). The OCA requests the following:

A. Given the size of the customer base and service territory, a total of six (6) Public Input Hearings be held, four in-person and two telephonic.

B. Given the overlap of the PECO Electric and PECO Gas service territories for some customers, that hearings for both utilities be combined where possible.

C. The four in-person public input hearings include two daytime hearings and two evenings hearings and in four different locations with accessible and free parking or easy access to public transportation.

D. The two telephonic public input hearings include one daytime hearing and one evening hearing.

E. Pre-registration be either encouraged or required for telephonic hearings only, and if required, pre-registration be required by 10:00 a.m. on the day of the telephonic Public Input Hearing at which the witness seeks to testify.

F. Hearing exhibits be required to be submitted to the ALJs by 10:00 a.m. the day before the Public Input Hearing at which the witness seeks to testify.

G. The Commission's notice of the Public Input Hearings will include the phone numbers and access codes necessary for participants to use to fully access all telephonic Public Input Hearings.

H. The Company will be required to, at a minimum, generate a notice of the Public Input Hearings that contains relevant information as to date, time, location, and phone numbers and access codes and further be required to advertise the notice: (1) in the general readership section (not legal section) of local newspapers within the service territory; (2) on its website; and (3) in social media posts which the Company utilizes to advertise generally.

I. That the other parties involved in the proceeding, including the OCA, be permitted to review these public input announcements prior to their publication and distribution and have input into which publications the ads are placed.

## **VI. DISCOVERY**

In conjunction with its proposed schedule, the OCA proposes the following modifications to the Commission's procedural rules regarding discovery. The OCA requests that the Presiding Officers direct that the modifications will take effect when addressed during the on the record prehearing conference and apply to all future discovery requests served on and after the date of the prehearing conference (May 7, 2024).

- A. Answers to written interrogatories and requests for document production, entry for inspection, or other purposes shall be served in-hand within ten (10) calendar days of service.
- B. Objections to interrogatories and/or requests for production shall be communicated orally to the propounding party within three (3) calendar days of service of the interrogatories; unresolved objections shall be served in writing to the propounding party within five (5) calendar days of service of the interrogatories and/or requests for production.
- C. Motions to dismiss objections and/or direct the answering of interrogatories and/or requests for production shall be filed within three (3) calendar days of service of written objections.
- D. Answers to motions to dismiss objections and/or answering of interrogatories and/or requests for production shall be filed within three (3) calendar days of service of such motions.
- E. Requests for admissions will be deemed admitted unless answered within ten (10) calendar days or objected to within five (5) calendar days of service.
- F. Answers to on-the-record data requests shall be served in-hand within five (5) calendar days of the requests.
- G. Any discovery or discovery-related pleadings (such as objections, motions, and answers to same) served after served after 4:30 p.m. Monday through Thursday or after 1:30 p.m. on a Friday or the day before a holiday will be deemed to have been served on the next business day for purposes of calculating the due date for any responsive filing.

After rebuttal is served, the OCA proposes that the deadlines should be reduced as follows:

- A. Answers to interrogatories and responses to requests for document production, entry for inspection, or other purposes shall be served within five (5) calendar days of service of the interrogatories or requests for production.
- B. Objections to interrogatories and/or requests for production shall be communicated orally to the propounding party within two (2) calendar days of service; unresolved objections shall be served on the propounding party in writing within three (3) calendar days of service of the interrogatories and/or requests for production.
- C. Motions to dismiss objections and/or direct the answering of interrogatories and/or requests for production shall be filed within two (2) calendar days of service of written objections.
- D. Answers to motions to dismiss objections and/or direct the answering of interrogatories and/or requests for production shall be filed within two (2) calendar days of service of such motions.
- E. Requests for admission shall be deemed admitted unless answered or objected to within three (3) calendar days of service.
- F. Discovery requests and discovery related pleadings (such as objections, motions, and answers to same) served after 4:30 p.m. Monday through Thursday or after 1:30 p.m. on a Friday or the day preceding a holiday shall be deemed to have been served on the next business day.

## **VII. OCA COUNSEL / SERVICE ON THE OCA**

The OCA will be represented in this case by the attorneys listed below. During the prehearing conference, Erin Gannon will speak as lead attorney for the OCA.

Erin L. Gannon, Senior Assistant Consumer Advocate  
Barrett S. Sheridan, Assistant Consumer Advocate  
Gina L. Miller, Assistant Consumer Advocate  
Jacob Guthrie, Assistant Consumer Advocate  
555 Walnut Street, 5<sup>th</sup> Floor, Forum Place  
Harrisburg, PA 17101-1923  
Phone: (717) 783-5048  
E-Mail: [OCAGASPECO2024@paoca.org](mailto:OCAGASPECO2024@paoca.org)



The OCA has created a group e-mail address provided above. This is the only email address that is required for service on the OCA; it will provide the emailed materials to all members of the OCA team including the consultants listed above.

The OCA requests that service by email by 4:30 p.m. on the due date will satisfy the in-hand service requirement, without the need for follow-up hard copies to the parties. The OCA notes that the Presiding Officers directed they should receive hard copies (in addition to electronic service) of any document filed in this proceeding.

#### **VIII. COMMON BRIEFING OUTLINE**

The OCA requests that, when the ALJs issue their Instructions for Briefs, the common outline provided by the ALJs will include Roman numeral-level headers for an Overall Position on Rate Increase section following the Summary of Argument section, as well as Alternative Ratemaking, Customer Service / Quality of Service, Customer Assistance Programs, and Tariff Issues (not otherwise briefed) sections of the brief which follow Rate Structure / Rate Design and precede the Conclusion. The OCA also recommends removing the “Fair Value” second-level heading from the Rate Base section. The OCA’s proposals for the common briefing outline are attached as Appendix B to this Prehearing Memorandum.

**IX. SETTLEMENT**

The OCA will participate in settlement discussions in this matter.

Respectfully submitted,

*/s/ Erin L. Gannon*

Erin L. Gannon  
Senior Assistant Consumer Advocate  
PA Bar ID # 83487  
[EGannon@paoca.org](mailto:EGannon@paoca.org)

Barrett C. Sheridan  
Assistant Consumer Advocate  
PA Bar ID # 61138  
[BSheridan@paoca.org](mailto:BSheridan@paoca.org)

Gina L. Miller  
Assistant Consumer Advocate  
PA Bar ID # 313863  
[GMiller@paoca.org](mailto:GMiller@paoca.org)

Jacob Guthrie  
Assistant Consumer Advocate  
PA Bar ID # 334367  
[JGuthrie@paoca.org](mailto:JGuthrie@paoca.org)

Office of Consumer Advocate  
555 Walnut Street  
5<sup>th</sup> Floor, Forum Place  
Harrisburg, PA 17101-1923  
(717) 783-5048

Counsel for:  
Patrick M. Cicero  
Consumer Advocate

DATED: May 6, 2024

OCA APPENDIX A

NOTICE OF IN-PERSON AND TELEPHONIC PUBLIC INPUT HEARINGS

For PECO Gas's and PECO Electric's Rate Increase Requests

Docket Nos.  
R-2024-3046932  
R-2024-3046931

The Pennsylvania Public Utility Commission (PUC) will conduct six Public Input Hearings concerning the general rate increase requests filed by PECO Energy Company – Electric and Gas Divisions on March 28, 2024, seeking to increase electric distribution rates by \$464 million per year and to increase gas distribution rates by \$111 million per year. The in-person and telephonic hearings will be held at the following times and places:

**Presiding Officer: Administrative Law Judges Darelene Heep and Marta Guhl**

**IN-PERSON PUBLIC INPUT HEARINGS**

**Pre-registration is not required.**

Date: [Here]  
Time: [Here]  
Location: [Here]

Date: [Here]  
Time: [Here]  
Location: [Here]

Date: [Here]  
Time: [Here]  
Location: [Here]

Date: [Here]  
Time: [Here]  
Location: [Here]

**TELEPHONIC PUBLIC INPUT HEARINGS**

**Pre-registration is [encouraged/required]. Read below.**

Date: [Here]  
Time: [Here]

Pre-registration is [encouraged/required] by [same day] at 10AM.

Date: [Here]

Time: [Here]

Pre-registration is [encouraged/required] by [same day] at 10AM.

Toll-free Conference Number: xxx.xxx.xxxx

PIN Number: xxxxxxxx

- You must dial the toll-free Conference number above
- You must enter the PIN number above when instructed
- You must speak your name when prompted, and press #
  - Then, the telephone system will connect you to the hearing

**PRE-REGISTRATION FOR TELEPHONIC PUBLIC INPUT HEARINGS:** To testify at the telephonic Public Input Hearings, pre-registration is [encouraged/required] by [day of the hearing] at 10AM. Failure to pre-register could result in you not being called to testify by the PUC judge. To pre-register to testify by telephone, please contact the PUC Judge's Legal Assistant, [name], by email at [email address] or by phone at [xxx.xxx.xxxx] and provide the requested information.

**NEED ASSISTANCE WITH PRE-REGISTRATION?** If you need assistance pre-registering to testify, you may have someone register for you, but they will need to provide the PUC Judge all the information listed above. Additionally, if more than one person in your household would like to testify, one person may pre-register for other individuals in the same household by providing the PUC Judge's Legal Assistant with the above-listed information for each individual.

**REQUESTS FOR INTERPRETERS:** If you require an interpreter, please pre-register as soon as possible. If you register too close to the hearing date, we may not have enough time to arrange for an interpreter. If you request an interpreter, the PUC will make reasonable efforts to have one present. AT&T Relay Service number for persons who are deaf or hearing-impaired: 1-800-654-5988.

**HEARING EXHIBITS:** If you have any hearing exhibits to which you will refer during the hearing, please email them to the PUC Judge's Legal Assistant, [name], at [email address]. The PUC Judge will forward your exhibits to all the parties. Exhibits for the public input hearing must be received by the PUC Judge by [the day before the hearing] at 10AM.

**QUESTIONS?** The Pennsylvania Office of Consumer Advocate (OCA) represents the interests of utility customers before the PUC. If you have questions about the public input hearings or the Company's requested rate increase, please contact the OCA toll free at 1-800-684-6560 or by email at [consumer@paoca.org](mailto:consumer@paoca.org). Additionally, the OCA can help customers pre-register for the Public Input Hearings.

**OTHER WAYS TO BE HEARD:** If you want to be heard about the proposed rate increase but do not want or cannot testify at the Public Input Hearings, you may file a formal complaint or comment to the proposed rate increase. Please visit the PUC's website to use the applicable form available at <https://www.puc.pa.gov/complaints/formal-complaints/>

## OCA APPENDIX B

### OCA's Proposed Common Briefing Outline For General Rate Increase Proceeding

- I. Introduction
- II. Summary of Argument
- III. Overall Position on Rate Increase
- IV. Rate Base
  - A. Plant in Service
  - B. Depreciation Reserve
  - C. Additions to Rate Base
  - D. Deductions from Rate Base
- V. Revenues
- VI. Expenses
- VII. Taxes
- VIII. Rate of Return
- IX. Rate Structure and Rate Design
  - A. Cost of Service Study
  - B. Revenue Allocation
  - C. Rate Design/ Tariff Structure
  - D. Summary and Alternatives
- X. Alternative Ratemaking
- XI. Customer Service / Quality of Service
- XII. Customer Assistance Programs
- XIII. Tariff Issues (Not Briefed Above)
- XIV. Miscellaneous Issues
- XV. Conclusion

Note: Appropriate modifications may be made. For instance, a party might add "Affiliated Interest Expenses" as a major topic heading or might brief only rate structure and not use other topic headings. A summary and alternatives should be provided under "Rate Structure" but the "Rate Base" and "Rate Structure" formats shown may be modified, as appropriate. Additional subheadings should be used, as appropriate.