



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

BUREAU OF
INVESTIGATION
&
ENFORCEMENT

September 12, 2024

Via Electronic Filing

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

Re: Pennsylvania Public Utility Commission v.
PECO Energy Company – Gas Division
Docket No. R-2024-3046932
I&E Statement in Support

Dear Secretary Chiavetta:

Enclosed for electronic filing please find the Bureau of Investigation and Enforcement's Statement in Support of Joint Petition for Settlement of Rate Investigation 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 'Carrie B. Wright' with a stylized flourish at the end.

Carrie B. Wright
Deputy Chief Prosecutor
Bureau of Investigation and Enforcement
PA Attorney ID No. 208185
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CBW/ac
Enclosures

cc: Administrative Law Judge Marta Guhl (*via Electronic and First-Class Mail*)
Administrative Law Judge Darlene Heep (*via Electronic and First-Class Mail*)
Per Certificate of Service

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

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

**BUREAU OF INVESTIGATION AND ENFORCEMENT
STATEMENT IN SUPPORT OF
JOINT PETITION FOR SETTLEMENT
OF RATE INVESTIGATION**

TO ADMINISTRATIVE LAW JUDGES MARTA GUHL AND DARLENE HEEP:

The Bureau of Investigation and Enforcement (I&E) of the Pennsylvania Public Utility Commission (Commission), by and through Prosecutor, Carrie B. Wright, hereby respectfully submits that the terms and conditions of the foregoing *Joint Petition for Partial Settlement of Rate Investigation* (Joint Petition or Settlement) are in the public interest and represent a fair, just, reasonable and equitable balance of the interests of PECO Energy Company – Gas Division (PECO or Company) and its customers. The parties to this settlement are the PECO Energy Company (PECO), I&E, the Office of Consumer Advocate (OCA), the Office of Small Business Advocate (OSBA), the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (CAUSE-PA), the Philadelphia Area Industrial Users Group (PAIEUG), the Southeastern Pennsylvania Transportation Authority (SEPTA), and Walmart, Inc. (Walmart) (collectively, the Joint Petitioners). The parties to this Settlement Agreement have conducted extensive formal and informal discovery and have participated in numerous

Settlement Conferences. The extensive discussions and sharing of information has culminated in the submission of the attached Settlement Agreement. The request for approval of the Joint Petition is based on I&E's conclusion that the Settlement Agreement meets all the legal and regulatory standards necessary for approval. "The prime determinant in the consideration of a proposed Settlement is whether or not it is in the public interest."¹ The Commission has recognized that a settlement "reflects a compromise of the positions held by the parties of interest, which, arguably fosters and promotes the public interest."² The Settlement Agreement in the instant proceeding protects the public interest in that a comparison of the original filing submitted by the Company and the negotiated agreement demonstrates that compromises are evident throughout the Joint Petition.

The Bureau of Investigation and Enforcement is of the opinion that the terms and conditions of the Joint Petition are in the public interest. In support of this position, I&E offers the following:

I. INTRODUCTION

A. Background

Modern utility regulation grants monopoly status to utility companies.³ Then, in exchange for a generally exclusive, monopoly position, a utility's ratepayers receive the assurance that an essential service will be available, adequate to meet demand, provided to all who require it, and reasonably priced.⁴ "The utility assumes the obligation to serve a

¹ *Pennsylvania Public Utility Commission v. Philadelphia Electric Company*, 60 Pa.PUC 1, 22 (1985).

² *Pennsylvania Public Utility Commission v. C S Water and Sewer Associates*, 74 Pa.PUC 767, 771 (1991).

³ *A Guide to Utility Ratemaking*, Cawley and Kennard (2018 Edition), p. 1.

⁴ *Id.*

defined region; to serve all customers within this area; and to charge only the rates permitted by the government.”⁵

As a public utility, a natural gas distribution company (NGDC) shall provide just and reasonable rates to customers receiving gas service in the Commonwealth of Pennsylvania.⁶

A public utility is entitled to a rate that allows it to recover those expenses that are reasonably necessary to provide service to its customers and allows the utility an opportunity to obtain a reasonable rate of return on its investment.⁷ A public utility shall also provide safe and reliable service by furnishing and maintaining adequate facilities and reasonable services and by making the necessary improvements thereto.⁸

Through its bureaus and offices, the Commission has the authority to take appropriate enforcement actions that are necessary to ensure compliance with the Public Utility Code and Commission regulations and orders.⁹ The Commission established I&E to serve as the prosecutory bureau to represent the public interest in ratemaking and utility service matters and to enforce compliance with the Public Utility Code.¹⁰ By representing the public interest in rate proceedings before the Commission, I&E works to balance the interest of customers, utilities, and the regulated community as a whole to ensure that a utility’s rates are just, reasonable, and nondiscriminatory.¹¹

⁵ *Id.*

⁶ 66 Pa.C.S. §§ 102, 1301; *Federal Power Comm’n v. Hope Natural Gas Co.*, 320 U.S. 591, 602-603 (1944) (*Hope*).

⁷ *City of Lancaster v. Pennsylvania Public Utility Commission*, 793 A.2d 978, 982 (Pa. Cmwlth. 2002); *see also Hope*, 320 U.S. at 602-603.

⁸ 66 Pa.C.S. § 1501.

⁹ Act 129 of 2008, 66 Pa.C.S. § 308.2(a)(11); 66 Pa.C.S. § 101 *et seq.*; 52 Pa.Code § 1.1 *et seq.*

¹⁰ *Implementation of Act 129 of 2008; Organization of Bureaus and Offices*, Docket No. M-2008-2071852 (Order entered August 11, 2011).

¹¹ *See* 66 Pa.C.S. §§ 1301, 1304.

B. Procedural History

On March 28, 2024, PECO Energy Company – Gas Division (Company or PECO) filed proposed Tariff Gas-PA. P.U.C. No. 6. The requested increase in Tariff No. 6 equaled \$111 million based on data for a full projected future test year (FPFTY) ended December 31, 2025.

On April 25, 2024, the Commission entered an Order instituting an investigation into the lawfulness, justness and reasonableness of the Company's proposed rates. Pursuant to 66 Pa.C.S. Section 1308(d), proposed Tariff Gas-PA. P.U.C. No. 6 was suspended by operation of law until December 28, 2024¹², unless permitted by Commission Order to become effective on an earlier date.

The Commission assigned the Company's filing to the Office of Administrative Law Judge (OALJ) for the development of an evidentiary record culminating in a Recommended Decision (RD). The OALJ subsequently assigned the suspended proceeding to Administrative Law Judges Marta Guhl and Darlene Heep for investigation and scheduling of hearings to consider the lawfulness, justness and reasonableness of the Company's rate increase request.

A Prehearing Conference was held on May 7, 2024, at which time a procedural schedule was established and the aforementioned Petitions to Intervene were granted. The procedural schedule included filing dates for written Direct, Rebuttal, and Surrebuttal Testimony and Main Briefs and Reply Briefs, as well as dates for Evidentiary Hearings. Five in person and two telephonic public input hearings were held in PECO's service territory. A telephonic

¹² PECO later agreed to request an extension of the suspension period until December 30, 2024 and that request was granted.

evidentiary hearing was held on August 8 and 12, 2024. At this hearing several PECO witnesses presented oral rejoinder testimony and were cross examined. I&E witness Christopher Keller was also cross examined. In addition, the parties' written testimony and exhibits were entered into the record. The remaining days of hearings were cancelled.

II. DISCUSSION

The Commission encourages settlements, which eliminate the time, effort, and expense of litigating a matter to its ultimate conclusion.¹³ Here, the Joint Petitioners successfully achieved a Settlement Agreement.

The Settlement Agreement is a “Black Box” agreement, which does not specifically identify the resolution of certain disputed issues.¹⁴ Instead, an overall increase to base rates is agreed to and Joint Petitioners retain all rights to further challenge all issues in subsequent proceedings. A “Black Box” settlement benefits ratepayers as it allows for the resolution of a proceeding in a timely manner while avoiding significant additional expenses.¹⁵

I&E contends that an agreement as to the resolution of each and every disputed issue in this proceeding would not have been possible without judicial intervention. Additional testimony and exhibits, three days of litigious hearings, briefing, and further involvement of both ALJs would have added time and expense to an already cumbersome and complex proceeding. Ratepayers benefit when rate case expenses stay at a reasonable level.¹⁶ The request for approval of the *Joint Petition for Settlement* is based on the I&E conclusion that the Settlement Agreement meets all the legal and regulatory standards necessary for approval.

¹³ *Pa. PUC v. Venango Water Co.*, Docket No. R-2014-2427035, 2015 WL 2251531, at *3 (Apr. 23, 2015 ALJ Decision) (adopted by Commission via Order entered June 11, 2015); *See* 52 Pa. Code §5.231.

¹⁴ *See id.* at *11.

¹⁵ *See id.*

¹⁶ *See id.*

“The prime determinant in the consideration of a proposed Settlement is whether or not it is in the public interest.”¹⁷ The Commission has recognized that a settlement “reflects a compromise of the positions held by the parties of interest, which, arguably fosters and promotes the public interest.”¹⁸ The Settlement Agreement in the instant proceeding protects the public interest in that a comparison of the original filing submitted by the Company and the negotiated agreement demonstrates that compromises are evident throughout the Joint Petition.

A. Revenue Requirement (Joint Petition ¶¶ A.13-14)

The proposed Settlement will allow PECO to file new tariff rates designed to provide an annual increase in gas distribution revenues of approximately \$78, exclusive of the \$18 million of revenues currently recovered through the Distribution System Improvement Charge (DSIC), for service rendered on or after the Commission enters an Order approving the Settlement, instead of the Company’s requested approximately \$111 million increase. The DSIC will be rest to zero. The parties to the Joint Settlement have agreed upon the additional annual gas distribution revenues as a Black Box settlement, subject to a few specific provisions that affect rate design and the setting of rates in the future.

Based on I&E’s analysis of the Company’s filing and discovery responses received the rate increase under the proposed Settlement represents a result that is within the range of likely outcomes in the event that the case was fully litigated. If the case were to fully litigate, I&E’s recommended revenue requirement was approximately \$75.1 million.¹⁹ The increase agreed to as part of the settlement is reasonably close to the I&E litigation position and is

¹⁷ *Pennsylvania Public Utility Commission v. Philadelphia Electric Company*, 60 PA PUC 1, 22 (1985).

¹⁸ *Pennsylvania Public Utility Commission v. C S Water and Sewer Associates*, 74 PA PUC 767, 771 (1991).

¹⁹ I&E St. No. 1-SR, p. 3.

appropriate. When accompanied by other important provisions contained in the Settlement, this revenue requirement yields a result that is both just and reasonable and in the public interest.

As noted above, the additional revenue in this proceeding is base rate revenue and has been agreed to in the context of a Black Box settlement. A Black Box agreement does not specifically identify the resolution of any disputed issues. Instead, an overall increase to base rates is agreed to and parties retain all rights to further challenge all issues in subsequent proceedings. A Black Box settlement benefits ratepayers as it allows for the resolution of a proceeding in a timely manner while avoiding significant additional expenses. I&E is of the opinion that an agreement as to the resolution of each and every disputed issue in this proceeding would not have been possible without judicial intervention. The involvement of the ALJ would have added time and expense to an already cumbersome proceeding. Avoiding this necessity will benefit ratepayers by keeping the expenses associated with this filing at a reasonable level. The previous Chairman of the Commission has commented on Black Box settlements and stated that the “[d]etermination of a company’s revenue requirement is a calculation that involves many complex and interrelated adjustments affecting revenue, expenses, rate base and the company’s cost of capital. To reach an agreement on each component of a rate increase is an undertaking that in many cases would be difficult, time-consuming, expensive and perhaps impossible. Black Box settlements are an integral component of the process of delivering timely and cost-effective regulation.”²⁰

²⁰ See Statement of Commissioner Robert F. Powelson, *Pennsylvania Public Utility Commission v. Wellsboro Electric Company*, Docket No. R-2010-2172662 (Order entered January 13, 2011). See also Statement of Commissioner Robert F. Powelson, *Pennsylvania Public Utility Commission v. Citizens’ Electric Company of Lewisburg, Pennsylvania*, Docket No. R-2010-2172665 (Order entered January 13, 2011).

This increased level of Black Box revenue adequately balances the interests of ratepayers and the Company. PECO will receive sufficient operating funds in order to provide safe and adequate service while ratepayers are protected as the resulting increase minimizes the impact of the initial proposal. Mitigation of the level of the rate increase benefits ratepayers and results in rates that satisfy the regulatory standard requiring just and reasonable rates. As such, this element supports the standard for approval of a settlement as the resulting rates are just and reasonable and in accordance with the Public Utility Code and all pertinent case law.

B. Gas Base Rate Stay-Out (Joint Petition ¶ B.15)

Per the Settlement, PECO has agreed that the Company will not file another general base rate case prior to March 16, 2026. The provision affords a level of rate stability that is not otherwise available in a fully litigated base rate case.

C. Revenue Allocation and Rate Design (Joint Petition ¶¶ C. 16 - 20)

The allocation of rate increase among the customer classes was a significant issue in this proceeding. Per the Settlement, the parties proposed to increase residential rates by approximately \$54.7 million for the residential class (GR) and approximately \$19 million for general service class (GC) instead of the originally requested approximately \$78.6 million for the residential rate class and approximately \$28 million for the general service class.²¹

In this proceeding, PECO provided a summary of various costs related to the customer charge in its exhibit JD-5. It is important to allow the utility to recover only those direct monthly costs that vary with the addition or loss of a customer through the Customer Charge. This charge provides the Company with a steady, predictable level of income that will

²¹ PECO Exhibit JAB-1.

allow for the proper maintenance and upkeep of the system. Establishing the proper customer charge protects ratepayers by ensuring that PECO is not being overcompensated. Moderating the requested increase in this proceeding also benefits ratepayers as it allows them to reap a greater portion of the benefit of conservation. Shifting costs to the volumetric portion of a customer's bill allows for the immediate realization of the benefit of conserving usage. Designing rates to allow customers to have greater control of their gas bills is in the public interest.

PECO proposed to increase the Rate GR monthly Customer Charge from \$10.50 to \$19.38.²² Under the Settlement, the Company agreed to set the rate GR monthly Customer Charge at \$15.70 per month. I&E supports the Settlement, which moderates the increase in the Customer Charge for residential customers.

Based on I&E's review of the cost of service studies presented in this proceeding, I&E views the Settlement to be within the range of reasonable outcomes that would result from full litigation of this case. Further, the mitigated level of Customer Charge demonstrates a compromise of the interests of the parties. As such, these provisions are in the public interest.

D. FPFTY Reports (Joint Petition ¶¶ D.21)

The Company uses a Fully Projected Future Test Year (FPFTY) in its filing. The use of a FPFTY ending December 31, 2025, resulted in a claim of \$429,186,000 of plant additions and \$25,134,000 of retirements associated solely with the FPFTY.²³ I&E witness Cline recommended that the Company provide interim reports until the filing of its next base

²² PECO Statement No. 7 at p. 8.

²³ I&E Statement No. 3 p. 8.

rate case to allow the Commission to measure and verify the accuracy of PECO's projected investments in future facilities.²⁴

In the Joint Petition, PECO agrees to provide to I&E, OCA, OSBA, and the Commission's Bureau of Technical Utility Services (TUS) updates to PECO Exhibit MJT-2, Sch. C-2, by April 1, 2025, setting forth the gas division's actual capital expenditures, plant additions, and requirements by month from January 1, 2024 through December 31, 2024. Additionally, PECO will file an update providing these actual amounts, for the twelve months ending December 31, 2025, no later than April 1, 2026. In PECO's next base rate case, it will provide a comparison of its actual expenses and rate base additions for the twelve months ended December 31, 2025 to the projections included in this case.

The updates are important because as I&E witness Cline explained, "there is value in determining how closely PECO Gas's projected investments in future facility comport with actual investments that are made by the end of the FTY and FPFTY. Determining the correlation between PECO's projected and actual results will help inform the Commission and the parties in PECO Gas's future rate cases as to the validity of the Company's projections."²⁵ I&E avers this term is within the public interest as it allows the parties and Commission to compare actual numbers to the Company's projections to gauge the accuracy of PECO's projected investments in future proceedings.

E. DSIC (Joint Petition, ¶¶ E.22-24)

In accordance with the Settlement, PECO will not implement a DSIC during the calendar year ending December 31, 2025. Additionally, the first DSIC in 2026 will be

²⁴ I&E Statement No. 3 p. 9.

²⁵ I&E Statement No. 3, p. 9.

effective no earlier than March 31, 2026 and will be based on DSIC-eligible expenditures during January and February 2026. Further, PECO will impose its DSIC in a manner that is consistent with the Commission's Supplemental Implementation Order at Docket No. M-2012-2293611. I&E avers that this is in the public interest and benefits both PECO and its ratepayers. First, PECO benefits because it will have access to DSIC funding for necessary infrastructure improvements which helps to ensure PECO is able to meet its obligation to provide its customers with safe and reliable service. Second, customers will benefit because they will not need to fund the DSIC any earlier than March 31, 2026. In sum, ratepayers will have a defined period of time during which they will be relieved from paying any DSIC costs; however, even when the DSIC charge becomes effective, the customers will benefit from the assurance that improved infrastructure will facilitate safe and reliable service.

F. Universal Service Programs (Joint Petition ¶ F.25-35)

Regarding Universal Service Programs, I&E witness Keller addressed in his Rebuttal testimony PECO's (LIURP) budget.²⁶ Specifically, witness Keller addressed the CAUSE-PA recommendation that PECO should increase its annual LIURP budget by \$1,850,000 to \$5,000,000 along with actively recruiting households for participation and collaborating with external entities that provide complementary services.²⁷ While witness Keller found the CAUSE-PA recommendation to be well-intentioned, he considered it inappropriate to consider such a significant increase in the LIURP budget in this base rate proceeding.²⁸

Per the settlement, PECO has agreed to increase its LIURP budget by \$500,000, from \$3.15 million to \$3.65 million. While I&E generally believes that a universal service

²⁶ I&E St. No. 1-R.

²⁷ TURN/CAUSE-PA Statement No. 1, pp. 35-38.

²⁸ I&E St. No. 1-R, p. 6.

proceeding is the more appropriate forum to increase this budget I&E also recognizes that a settlement reflects compromise on the part of all parties. The increase is less substantial than that which was recommended by CAUSE-PA witness Marx, but significant enough to assist low-income ratepayers, which is an important consideration. This is a reasonable compromise which balances the interest of PECO and its ratepayers.

These terms of the Settlement serve to protect vulnerable low-income customers who are facing financial hardship while not imposing undue financial burden on non-low-income customers who must pay for these programs. Regarding the remaining universal service terms, as I&E did not present testimony on those terms I&E takes no position on those terms.

G. Customer Service and Consumer Protection (Joint Petition ¶¶ G.36-42)

I&E took no position on the customer service issues described in the Settlement.

H. Gas Safety (Joint Petition ¶¶ H.43-49)

The provisions contained in the Gas Safety portion of the settlement were important issues for I&E and I&E commends PECO with regard to the safety related terms that were agreed to.

One long standing issue raised by I&E was the need for better analyzing risk on a more granular level. As I&E witness Salamonski explained, having a less granular approach to threat categories may have an impact on pipeline replacement and public safety.²⁹ A more granular approach helps to ensure that the riskiest assets are correctly prioritized and serves to protect public safety. It was important to I&E that a more granular approach was utilized. To that end, PECO has agreed that it will commit to building a new Power BI dashboard to

²⁹ I&E St. No. 4, p. 7.

better present and analyze risk at a more granular level and to add more factors into its risk model. Steps such as these help to ensure the riskiest pipes are prioritized and that public safety concerns are mitigated.

Another of witness Salamonski's recommendations was that PECO continue identifying and locating inaccurate facilities.³⁰ The intent of this recommendation was to decrease facility damages caused by inaccurate mapping.³¹ Third party damages to gas lines are had to eliminate completely, but steps such as these will help to reduce the risk to PECO's pipelines. I&E commends PECO for agreeing to continue to identify and locate inaccurate facilities in furtherance of the goal of reducing risk to the public. Further, PECO has committed to certain changes to its brochures including color coding facilities, which will further help to accurately identify the PECO gas lines and, thereby, mitigate risk.

Witness Salamonski noted that PECO's post construction quality audit program seems to have mixed results and that PECO does not track how many audits have had a failed observation.³² Per the settlement, PECO has agreed that it will keep track of post construction quality audits containing a failed observation. This will serve to help PEOC keep track of the effectiveness of its post construction quality audit program.

Addition, per the settlement agreement, PECO has agreed to continue to invest in technology that will facilitate mapping improvements and removal of hazardous pipeline. This provision is important because accurate mapping helps to identify areas of risky pipe that may need to be repaired or replaced. This is an important component of keeping the

³⁰ I&E St. No. 4, p. 26.

³¹ I&E St. No. 4, p. 26.

³² I&E St. No. 4, p. 27.

public safe when it comes to natural gas lines. Therefore, I&E supports PECO's continued efforts.

PECO's efforts towards gas safety are commendable and I&E supports the terms as being in the public interest. PECO has committed to meeting with the pipeline safety inspectors by August 10, 2025, to discuss the items contained in the settlement. These discussions help to ensure that I&E safety inspectors are aware of the steps PECO is taking to ensure the terms of the settlement are satisfied. I&E presented extensive safety testimony in this proceeding. In consideration of the testimony presented by I&E and PECO and the settlement negotiations, I&E supports these settled upon terms as a full and fair compromise that provides PECO, the Joint Petitioners, ratepayers, and the Commission with a resolution which is in the public interest.

I. Customer Programs (Joint Petition ¶¶ I.50-51)

I&E does not oppose the customer programs as described in the Settlement.

J. Tariff Changes (Joint Petition ¶¶ J.52)

As specified by the settlement term itself, I&E agrees that the tariff changes as set forth in Appendix A are necessary and appropriate to effectuate this settlement.

K. I&E's Remaining Issues

The remaining issues raised in I&E's Prehearing Memo and testimony have been satisfactorily resolved through discovery and discussions with the Company and are incorporated into the Black Box resolution of the revenue requirement in this proceeding. The very nature of a settlement is that it incorporates compromise on the part of all parties. This particular Settlement Agreement exemplifies this principle. In addition, a Black Box settlement makes the specific identification of the resolution of disputed issues impossible. Each signatory

acknowledges the ultimate revenue allowance but makes no representation as to how this addition to base rate revenue was achieved.

III. CONCLUSION

Based on I&E's analysis of the base rate revenue increase requested by PECO Energy Company – Gas Division, acceptance of this proposed Joint Petition is in the public interest. Resolution of these provisions by settlement rather than continued litigation will avoid the additional time and expense involved in formally pursuing all issues in this proceeding. Increased litigation expenses may cause an increase in revenue beyond that agreed to in the Joint Petition. Acceptance of the foregoing Settlement Agreement will negate the need to engage in additional litigation including the preparation of Main Briefs, Reply Briefs, Exceptions, and Reply Exceptions. The avoidance of further rate case expense by settlement of these provisions in this base rate investigation proceeding best serves the interests of PECO and its customers. As litigation of this rate case is a recoverable expense, curtailment of these charges is in the public interest.

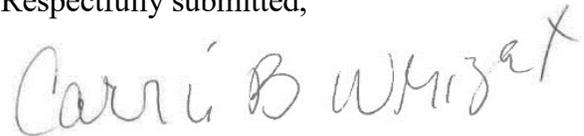
I&E agrees to settle the disputed issue as to the proper level of additional base rate revenue through a Black Box agreement with limited exceptions. I&E's agreement to settle this case is made without any admission or prejudice to any position that I&E might adopt during subsequent litigation or the continuation of this litigation in the event the Settlement Agreement is rejected by the Commission or otherwise properly withdrawn by any of the Joint Petitioners.

If the ALJ recommends that the Commission adopt the Settlement Agreement as proposed, I&E has agreed to waive the right to file Exceptions. However, I&E has not waived its rights to file Exceptions with respect to any modifications to the terms and

conditions of the Settlement Agreement, or any additional matters, that may be proposed by the ALJ in her Recommended Decision. I&E also reserves the right to file Reply Exceptions to any Exceptions that may be filed by any party to this proceeding. The Settlement Agreement is also conditioned upon the Commission's approval of all terms and conditions contained therein, and should the Commission fail to approve or otherwise modify the terms and conditions of the Settlement, the Joint Petition may be withdrawn by I&E or any of the signatories.

WHEREFORE, the Commission's Bureau of Investigation and Enforcement represents that it supports the *Joint Petition for Settlement of Rate Investigation* as being in the public interest and respectfully requests that Administrative Law Judges Marta Guhl and Darlene Heep recommend, and the Commission subsequently approve, the foregoing Settlement Agreement, including all terms and conditions contained therein.

Respectfully submitted,

A handwritten signature in black ink that reads "Carrie B. Wright". The signature is written in a cursive style with a large, stylized "X" at the end of the name.

Carrie B. Wright
Deputy Chief Prosecutor
PA Attorney ID No. 208185

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Dated: September 12, 2024

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