

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission	:	
	:	
v.	:	R-2023-3037933
	:	
Philadelphia Gas Works	:	

PREHEARING CONFERENCE ORDER ON REMAND

By Order dated August 1, 2025, the Commonwealth Court of Pennsylvania vacated the January 18, 2024, order of the Pennsylvania Public Utility Commission (Commission) and remanded the matter to the Commission for further explanation and clarification regarding:

1. Whether treating Philadelphia Industrial Commercial Gas Users Group as technically “Firm” for purposes of **rate allocation** while, at the same time, requiring it to adhere to the obligations of **interruptible** customers under Philadelphia Gas Work’s (PGW) Tariff violates PGW’s Tariff and, thus, Section 1303 of the PUC Code;
2. How, under a cost causation analysis, Rate IT customers **caused** PGW’s distribution mains-related costs to be incurred;
3. Whether the Commission applied a new retrospective benefits or “value of service” principle to conclude that interruptible customers should pay for the benefits that they ultimately received from a utility service for purposes of rate allocation, and if so, whether that principle is consistent with cost causation principles or whether it is a new ratemaking principle that should replace or supplement cost causation as the operative ratemaking rationale in this unique situation, and
4. Whether employing a benefits principle can be squared with the Commission’s duty to impose only “just and reasonable” rates considering the interruptible nature of

rate IT customers and their investment in systems to allow for interruptions in the event that PGW does call for a curtailment.

Philadelphia Indus. & Com. Gas Users Grp. v. Pennsylvania Pub. Util. Comm'n, 342 A.3d 140 (Pa. Commw. Ct. 2025).

On November 24, 2025, the above captioned matter was reassigned to the Commission's Office of Administrative Law Judge (OALJ) for issuance of a Recommended Decision per Commonwealth Court August 1, 2025, Order.

A Prehearing Conference is scheduled in this case for **Monday, January 5, 2026, at 10:00 a.m.** Administrative Law Judge Eranda Vero will preside telephonically. To participate in the hearing, you must dial the toll-free number listed below. You will be prompted to enter a PIN number, which is also listed below. You will be asked to speak your name and then the telephone system will connect you to the hearing.

Toll-free Bridge Number: 1.866.560.8322
PIN Number: 36676820

You must call into the conference on the scheduled day and time. Failure of any party to attend the prehearing conference without good cause shall constitute a waiver of all objections to the agreements reached and matters decided at the prehearing conference. You will not be called by the Administrative Law Judge (ALJ).

The parties are hereby directed to comply with the following requirements:

1. Each party must e-file and/or serve by email, prior to **12:00 p.m. on Friday, January 2, 2026**, a Prehearing Conference Memorandum which sets forth the history of the proceeding, the issues you intend to present, a proposed plan and schedule of discovery, a listing of your proposed witnesses and the subject of their testimony, and a proposed litigation schedule, agreed to by all parties if possible. 52 Pa.Code § 5.222(d). **Parties represented by multiple**

attorneys must designate a primary speaker for the purposes of the prehearing conference.

2. A request for a change of the scheduled Prehearing Conference date must state the agreement or opposition of other parties, and must be submitted by email no later than three (3) days prior to the Prehearing Conference. 52 Pa.Code § 1.15(b). Requests for changes of initial prehearing conferences must be sent by email, with copies to all parties of record. Only the undersigned Administrative Law Judge or Office of Administrative Law Judge Scheduling Unit may grant a request for a change of a prehearing conference. Such changes are granted only in rare situations where sufficient cause exists. Requests for changes of subsequent Prehearing Conferences or hearings, if any, should also be served directly on the presiding Administrative Law Judge.

In accordance with the foregoing, absent a continuance for good cause, all parties must be prepared to participate in the scheduled Prehearing Conference.

3. In response to this Prehearing Order, you may proceed one of three ways:

a. **Do nothing.** If you do nothing after receiving this Prehearing Conference Order, your name will be removed from the full-service list. After the Prehearing Conference, you will not receive any pleadings, filings, discovery requests, written testimony or orders and decisions in this matter. You will be placed on a limited-service list and receive copies of orders, hearing notices and the Recommended Decision and the Commission's final Decision. You may still attend and testify at a public input hearing, if one is scheduled, as explained in the next paragraph.

b. **Attend a public input hearing if one is scheduled.** Public input hearings, if scheduled, may be held in geographical areas affected by the rate filing for the purpose of giving citizens who do not wish to participate in the formal litigation an opportunity to express their opinions regarding the Company's proposal. In order to testify at a public input hearing, all a citizen has to do is to show up and sign in. No advance registration is required. If you testify at a public input hearing, you will not be permitted to also testify at the technical evidentiary hearings.

If you want to attend a public input hearing and do not wish to remain on the service list for pleadings, filings, discovery requests or orders and decisions in this matter, you are not required to do anything. Notice of the public input hearing, if one is scheduled, will be published in your local newspaper two weeks before it is held.

c. **Become a party of record.** As a party of record, you will be served with all of the pleadings, filings, discovery requests, written testimony and orders and decisions served and issued in this proceeding. These documents will be voluminous. Your *rights* as a party of record include the ability to present your own testimony and to cross-examine other witnesses at the formal hearings, and to file exceptions to the presiding officer's recommended decision. Your *duties* as a party of record are that you must answer all discovery requests served upon you in accordance with the rules. You will be required to serve a copy of anything that you *file* upon the presiding officer and each party appearing on the service list, as modified after the Prehearing Conference. If you intend to present evidence at the formal evidentiary hearings, you will be required to submit your testimony in writing in advance, in accordance with the schedule to be set after the Prehearing Conference and to provide a copy of your written testimony to each party on the service list at that time. You will be expected to participate in accordance with the rules of Commission practice appearing in Title 52 of the Pennsylvania Code Chapters 1, 3 and 5. **The Pennsylvania Code is available on-line** at <http://www.pacodeandbulletin.gov/>. Although a natural person or a sole proprietor may appear on his or her own behalf, if you are any entity other than a natural person or a sole proprietor, (e.g., a corporation, partnership, municipality, etc.), you will be required to have an attorney represent you in accordance with the laws of Pennsylvania. *See Ordering Paragraph 6.*

4. Please review the regulations pertaining to prehearing conferences, 52 Pa.Code § 5.221-§ 5.224, and in particular, § 5.222(d) which provides, in part:

(d) Parties and counsel will be expected to attend the conference fully prepared for a useful discussion of all problems involved in the proceeding, both procedural and substantive, and fully authorized to make commitments with respect thereto.

(1) The preparation must include submission of a prehearing memorandum and list:

- (i) The presently identified issues.
- (ii) The names and addresses of the witnesses.
- (iii) The proposed area of testimony of each witness.

(2) The preparation may include:

- (i) Development of a proposed procedural schedule.
- (ii) Advance study of all relevant materials.
- (iii) Advance informal communication between the parties, including requests for additional data and information, to the extent it appears feasible and desirable.

(Emphasis added.)

5. Parties should review the regulations relating to discovery, specifically 52 Pa.Code § 5.331(b), which provides, *inter alia*, that “a party shall endeavor to initiate discovery as early in the proceedings as reasonably possible,” and 52 Pa.Code § 5.322, which encourages parties to exchange information on an informal basis. All parties are urged to cooperate in discovery and advise me at the Prehearing Conference as to discovery problems which have not been resolved. There are limitations on discovery and sanctions for abuse of the discovery process. 52 Pa.Code §§ 5.361, 5.371-5.372.

6. Pursuant to 52 Pa.Code §§ 1.21 & 1.22, you may represent yourself, if you are an individual, or you may have an attorney licensed to practice law in the Commonwealth of Pennsylvania, or admitted *Pro Hac Vice*, represent you. However, if you are a partnership, corporation, trust, association, or governmental agency or subdivision, you must have an attorney licensed to practice law in the Commonwealth of Pennsylvania, or admitted *Pro Hac Vice*, represent you in this proceeding. Unless you are an attorney, you may not represent someone else. Attorneys

shall insure that their appearance is entered in accordance with the provisions of 52 Pa.Code § 1.24(b).

7. Failure of a party to attend the Prehearing Conference or notify the ALJ of their desire to fully participate without good cause shown, shall constitute a waiver of all objections to the agreements reached and matters decided at the Prehearing Conference, including, but not limited to, any special discovery rules and the litigation schedule established for this case. 52 Pa.Code §§ 5.222(e) & 5.224.

8. Any party may email the undersigned presiding officers a request to be moved from either the full-service list to the limited-service list, or to be moved from the limited-service list to the full service list. Upon the receipt of such a request, the undersigned presiding officers will issue an Order revising the service lists for this case. Such changes will be effective as of the date of the Order and will not apply to any document filed and served prior to the date of that Order.

9. You must serve the presiding Administrative Law Judge directly with a copy of any document that you file in this proceeding. The undersigned ALJ may be served by email at evero@pa.gov and there is no need to follow email service by hard copy until further notice. If you send the undersigned any correspondence or document, you must send a copy to all other parties. For your convenience, a copy of the Commission's current service list of the parties to this proceeding is enclosed with this Order.

Date: December 12, 2025

/s/
Eranda Vero
Administrative Law Judge

**R-2023-3037933 – PENNSYLVANIA PUBLIC UTILITY COMMISSION v.
PHILADELPHIA GAS WORKS**

Revised: December 10, 2025

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