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January 16, 2026

**VIA ELECTRONIC FILING**

Matthew L. Homsher, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street  
Harrisburg, PA 17120

RE: Pennsylvania Public Utility Commission v. Philadelphia Gas Works; Docket No. R-2023-3037933; **PREHEARING CONFERENCE MEMORANDUM OF GRAYS FERRY COGENERATION PARTNERSHIP AND VICINITY ENERGY PHILADELPHIA, INC.**

Dear Secretary Homsher:

Enclosed for filing with the Pennsylvania Public Utility Commission is the Prehearing Conference Memorandum of Grays Ferry Cogeneration Partnership and Vicinity Energy Philadelphia, Inc. ("Vicinity") in the above-captioned docket. Copies of this Memorandum have been served as indicated on the attached Certificate of Service.

Thank you for your attention to this matter. If you have any questions related to this filing, please do not hesitate to contact my office.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Todd S. Stewart", is written over a horizontal line.

Todd S. Stewart  
*Counsel for Grays Ferry Cogeneration  
Partnership and Vicinity Energy  
Philadelphia, Inc.*

TSS/jld

Enclosure

cc: Administrative Law Judge Eranda Vero (via electronic mail – [evero@pa.gov](mailto:evero@pa.gov))  
Per Certificate of Service

## CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing document upon the parties, listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a party).

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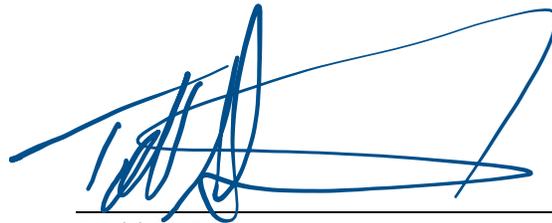
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Todd S. Stewart

DATED: January 16, 2026

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission	:	
Complainant,	:	
	:	Docket No. R-2023-3037933
v.	:	
	:	
Philadelphia Gas Works,	:	
Respondent.	:	

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**PREHEARING CONFERENCE MEMORANDUM  
OF GRAYS FERRY COGENERATION PARTNERSHIP  
AND VICINITY ENERGY PHILADELPHIA, INC.**

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**TO THE HONORABLE ERANDA VERO:**

**NOW COME** Grays Ferry Cogeneration Partnership (“Grays Ferry”) and Vicinity Energy Philadelphia, Inc. (“VEPI”) (collectively “Vicinity”), by and through their counsel, HMS Legal LLP, and hereby submit their Prehearing Conference Memorandum as required for the Prehearing Conference currently scheduled to be held telephonically before Presiding Administrative Law Judge Eranda Vero on January 22, 2026 at 2:00 p.m. In anticipation of the Prehearing Conference, and intending to comply with ALJ Vero’s December 12, 2025, Prehearing Conference Order on Remand, Vicinity submit the following:

**I. HISTORY OF THE PROCEEDING**

1. On February 27, 2023, Philadelphia Gas Works (“PGW”) filed proposed Supplement No. 159 to PGW’s Gas Service Tariff – Pa. P.U.C. No. 2 (Supplement No.

159) and proposed Supplement No. 105 to PGW's Supplier Tariff – Pa. P.U.C. No. 1 (Supplement No. 105) to become effective April 28, 2023. Supplement No. 159 and Supplement No. 105 sought a rate increase calculated to produce approximately \$85.8 million (10.3%) in additional annual revenues. Also filed on this date was a Petition for Waiver seeking waiver of the application of the statutory definition of the FPFTY to allow PGW to use a fully FPFTY beginning September 1, 2023, in this proceeding. PGW also served the Direct Testimony of its witnesses, in support of its filing.

2. Also on February 27, 2023, I&E filed a Notice of Appearance. Complaints were filed against the proposed rate increase by Vicinity on March 3, 2023; the OCA on March 7, 2023; the OSBA on March 9, 2023; James M. Williford (Mr. Williford) on March 17, 2023; and PICGUG on March 17, 2023.

3. PGW served Supplemental Direct Testimony regarding revisions to PGW's Weather Normalization Adjustment (WNA) formula to be used in future heating seasons on April 3, 2023.

4. On April 12, 2023, CAUSE-PA filed a Petition to Intervene and Answer. On April 20, 2023, the Commission, by Order, instituted an investigation to determine the lawfulness, justness, and reasonableness of PGW's proposed rate increase. The April 20, 2023 Order suspended proposed Supplement No. 159 and proposed Supplement No. 105 until November 28, 2023, unless permitted by further Order of the Commission to become effective at an earlier date. The April 20, 2023 Order also assigned the matter to the Office of Administrative Law Judge (OALJ) for the scheduling of any necessary hearings and the issuance of a Recommended Decision. Pursuant to this Order, the matter was assigned to

ALJs Vero and Ashton. A Prehearing Conference Order was also issued on April 20, 2023, setting a call-in telephonic prehearing conference for April 28, 2023. In a corollary matter, the Commission directed on April 20, 2023, that Section 1301 questions of the Code, 66 Pa. C.S. § 1301, regarding the “just and reasonable rate” and rate class applicable to PGW’s service to Vicinity be examined utilizing cost of service principles in this base rate case. *See, Grays Ferry Cogeneration Partnership and Vicinity Energy Philadelphia, Inc. v. Philadelphia Gas Works*, Docket No. C-2021-3029259 (Order Entered April 20, 2023). (*Complaint Proceeding*). Prehearing Memoranda were filed by PGW, I&E, the OCA, the OSBA, Vicinity, CAUSE-PA, TURN, POWER and PICGUG prior to a Call-In Telephonic Prehearing Conference held on April 28, 2023. On May 5, 2023, pursuant to the April 2023 Order, PGW submitted Supplement Direct Testimony and exhibits regarding the proposed rates, rules, and regulations governing gas service provided to Vicinity. By Prehearing Order on May 10, 2023, the Petitions to Intervene by CAUSE-PA, TURN, and POWER were granted, and a procedural schedule and framework established. Additionally, the Petition for Waiver, filed by PGW on February 27, 2023, was granted, as the September 1, 2023 date for the beginning of the FPFTY was consistent with PGW’s financial filings.

5. On May 23, 2023, the OCA filed a Motion to Strike (OCA Motion) the supplemental direct testimony submitted by PGW on April 3, 2023, regarding PGW’s WNA. On May 31, 2023, PGW filed a timely answer to the OCA Motion and CAUSE-PA/TURN filed a Joint Answer to the OCA Motion. An Order granting the OCA’s Motion

to Strike was issued on June 6, 2023, directing that PGW's Supplemental Direct Testimony be stricken and not become part of the record.

6. The Opinion and Order in Docket No. R-2022-3034229, PGW's WNA shall be evaluated and fully addressed in PGW's next rate case. *Pa. PUC v. Phil. Gas Works*, Docket No. R-2022-3034229 (Opinion and Order entered September 21, 2023) (*September 2023 Order*).

7. On May 31, 2023, I&E, the OCA, the OSBA, CAUSE-PA/TURN, and POWER served their Direct Testimony and associated exhibits.

8. On June 2, 2023, Vicinity and PICGUG submitted their Direct Testimony and associated exhibits.

9. On June 26, 2023, Rebuttal Testimony was filed by PGW, the OCA, the OSBA, Vicinity, and PICGUG. On July 7, 2023, Surrebuttal Testimony was filed by the OCA, Vicinity, I&E, POWER, PGW, and CAUSE-PA/TURN.

10. On July 10, 2023, PGW submitted a written Rejoinder. Evidentiary hearings were held, in this matter, on July 11 and July 12, 2023. The Parties submitted Main Briefs on July 27, 2023, and Reply Briefs on August 7, 2023. The record in this proceeding closed on or about August 7, 2023, upon the filing of Reply Briefs.

11. In their Recommended Decision, issued on September 5, 2023, ALJs Vero and Ashton recommended that PGW's proposed Supplement No. 159 to its Gas Service Tariff – Pa. P.U.C. No. 2, and proposed Supplement No. 105 to its Gas Supplier Tariff – Pa. P.U.C. No. 1, and the associated proposed revenue increases, be denied because the Company did not meet its burden of proving by a preponderance of the evidence the

justness and reasonableness of every element of its requested increase. Instead, the ALJs recommended the approval of an increase in annual operating revenue in the amount of \$22,306,000, or approximately 2.7% over present rates. The ALJs also recommended that PGW's proposal to create a new tariff class: Rate General Service – Extra Large Transportation (GS-XLT) be approved. Additionally, the ALJs recommended that PGW be directed to undertake multiple measures to improve its customer service. The ALJs further recommended that the Commission reject a proposal by POWER to integrate non-pipeline alternatives (NPAs) investments into PGW planning, finding that the Commission lacks the jurisdiction and authority to do so. R.D. at 1.

12. PGW, the OCA, PICGUG, Vicinity, CAUSE-PA/TURN, and POWER filed Exceptions to the R.D. on September 15, 2023. Reply Exceptions were submitted by PGW, I&E, the OCA, the OSBA, and CAUSE-PA/TURN on September 22, 2023.

13. On September 29, 2023, PICGUG filed a Motion.

14. On October 19, 2023, PGW and the OSBA each filed an Answer to the PICGUG Motion.

15. On November 9, 2023, the Commission issued its Order in this matter.

16. On January 18, 2024, the Commission issued its Final Order in this matter.

17. On August 21, 2025, the Commonwealth Court of Pennsylvania vacated the Commission's January 18, 2024 Order and remanded this matter to the Commission.

## **II. ISSUES**

18. Vicinity's intervention in this proceeding is defensive in that it intends to ensure that its position is not prejudiced by the outcome of this proceeding particularly in

light of any new or modified allocation methodology. To the extent that Vicinity deems necessary, based on positions taken by other parties, it will address those issues as they arise.

### **III. DISCOVERY**

19. Vicinity does not presently intend to propound discovery, but to the extent that it does so, it will work within the parameters and timelines agreed-to by the other Parties.

### **IV. WITNESSES AND SUBJECT OF TESTIMONY**

20. Vicinity does not presently intend to present testimony or to retain a witness. If Vicinity determines that it should introduce testimony, to the extent possible it will work within whatever schedule is agreed-to by the other Parties and will notify Your Honor and the Parties as soon as possible of the identity of any such witness and the subject matter of any proposed testimony.

**V. PROCEDURAL SCHEDULE**

21. Vicinity does not oppose the procedural schedule agreed to by the other Parties.

Respectfully submitted,



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DATED: January 16, 2026