



COMMONWEALTH OF PENNSYLVANIA

March 18, 2026

E-FILED

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 – 1307(f) / Docket No. R-2026-3060186

Dear Secretary Homsher:

Enclosed for filing, please find the Prehearing Memorandum, on behalf of the Office of Small Business Advocate (“OSBA”), in the above-referenced proceeding.

Copies will be served on all known parties in this proceeding, as indicated on the attached Certificate of Service.

If you have any questions, please do not hesitate to contact me.

Sincerely,

/s/ Rebecca Lyttle

Rebecca Lyttle
Assistant Small Business Advocate
Attorney ID No. 201399

Enclosures

cc: Jason Hails
Roger Cathcart
Parties of Record

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission	:	
	:	Docket No. R-2026-3060186
v.	:	
	:	
Philadelphia Gas Works -1307(f)	:	

**PREHEARING MEMORANDUM
OF THE OFFICE OF SMALL BUSINESS ADVOCATE**

I. INTRODUCTION

The Office of Small Business Advocate (“OSBA”) is authorized to represent the interests of small business customers of utility services before the Pennsylvania Public Utility Commission (“Commission”) pursuant to the provisions of the Small Business Advocate Act, Act 181 of 1988, 73 P.S. §§ 399.41 – 399.50 (“the Act”). To discharge this statutory duty, the Small Business Advocate deems it necessary to participate as a party to these proceedings. Representing the OSBA in the above-referenced matter is Assistant Small Business Advocate Rebecca Lyttle. Please address all correspondence in this matter as follows:

Rebecca Lyttle, Esq.
Assistant Small Business Advocate
Office of Small Business Advocate
Forum Place
555 Walnut Street, 1st Floor
Harrisburg, PA 17101
relyttle@pa.gov

II. FILING BACKGROUND

On January 30, 2026, Philadelphia Gas Works ("PGW" or "Company") filed with the Commission its Gas Cost Rate ("GCR") pre-filing pursuant to Section 1307(f) of the Public Utility Code, 66 Pa.C.S. § 1307(f). Pursuant to this pre-filing, PGW is not proposing any rate structure or rate allocation changes.

On February 3, 2026, The Office of Consumer Advocate ("OCA") filed a Formal Complaint. On February 4, 2026, the Bureau of Investigation and Enforcement ("I&E") filed a Notice of Appearance. On February 9, 2026, Philadelphia Industrial and Commercial Gas Users Group ("PICGUG"), filed a Petition to Intervene. On March 9, 2026, the OSBA filed a Complaint.

III. IDENTIFICATION OF WITNESS

Assisting in the development and presentation of the OSBA's case in this proceeding will be:

Jason Hails
Quantiv Advisory, LLC
925 Wappoo Road, Suite A
Charleston, SC 29407
j.hails@quantivadvisory.com

Roger Cathcart, CPA, CA, CBV
Quantiv Advisory, LLC
300-330 St. Mary Avenue
Winnipeg, MB, R3C 3Z5
Canada
REMC@CathcartAdvisors.com

The OSBA requests that all parties provide courtesy copies of all documents, including discovery, testimony, and briefs to the above witnesses, simultaneously with service upon the OSBA.

IV. TENTATIVE ISSUES

The OSBA is participating in the case to assure that the interests of small business customers of PGW are adequately represented and protected. After an initial review of the

materials submitted by PGW, the OSBA has identified the following list of issues that it will evaluate in this proceeding:

- (1) Whether PGW's gas supply purchasing plan reasonably protects gas sales customers from potential volatility in the natural gas markets, including whether PGW has met established settlement terms regarding a hedging strategy;
- (2) Whether PGW's estimated design day demand levels are reasonable and prudent;
- (3) Whether all of the components of the various reconcilable tariff charges and credits that PGW includes in this filing (USEC, IRC, OPEB, ECR, LBC) are reasonable and accurately calculated;
- (4) Whether PGW calculated the cost of gas used for off-system sales appropriately;
- (5) Whether PGW's unaccounted-for gas ("UFG") rate is reasonable, whether the Company has adopted a reasonable strategy for mitigating UFG, and whether the Company's proposed retainage rate is consistent with a reasonable estimate of the UFG rate; and
- (6) Any other issues that may arise during this proceeding that may adversely affect small business customers.

As appropriate and necessary, the OSBA will investigate and analyze the claims and proposals of the Company and other parties through discovery, through the cross-examination of witnesses appearing for those parties, through the filing of testimony, and through briefing. The OSBA will particularly focus on any issue where the impact on the interests of the Company's small business consumers would be unjustifiably different than, or disproportionate to, the impact on another class of customers, or otherwise lacking in reasonableness or basic fairness.

V. SERVICE OF DOCUMENTS

In accordance with 52 Pa. Code § 1.54(b)(3)(i), the OSBA agrees to accept electronic mail delivery of documents on the due date¹ as satisfying the in-hand requirement. At the time of this writing, hard copy delivery of documents to the OSBA is not possible.

¹ In accordance with 52 Pa. Code § 1.56(a)(5), documents must be received by 4:30 pm.

The OSBA requests that email delivery of documents also be provided to its witnesses identified above.

In addition to email copies of pleadings, briefs, and exceptions, the OSBA requests email copies of responses to discovery propounded by the OSBA or any other party.

VI. DISCOVERY

The OSBA does not propose any discovery modifications.

VII. SETTLEMENT

The OSBA notes its willingness to enter settlement discussions at the appropriate phase of this proceeding.

VIII. HEARING AND BRIEFING SCHEDULE

At the time of this writing, the parties are discussing a proposed procedural schedule.

Respectfully submitted,

/s/ Rebecca Lyttle

Rebecca Lyttle
Assistant Small Business Advocate
Attorney ID No. 201399

Commonwealth of Pennsylvania
Office of Small Business Advocate
Forum Place
555 Walnut Street, 1st Floor
Harrisburg, PA. 17101

Dated: March 18, 2026

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission	:	
	:	Docket Nos. R-2026-3060186
v.	:	C-2026-3060961
	:	
Philadelphia Gas Works -1307(f)	:	

CERTIFICATE OF SERVICE

I hereby certify that true and correct copies of the foregoing have been served via email (*unless otherwise noted below*) upon the following persons, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

The Honorable Marta Guhl
Administrative Law Judge
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mguhl@pa.gov

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Date: March 18, 2026

/s/ Rebecca Lyttle
Rebecca Lyttle
Assistant Small Business Advocate
Attorney ID No. 201399