

PENNSYLVANIA PUBLIC UTILITY COMMISSION
Harrisburg, Pennsylvania 17105-3265

**Philadelphia Gas Works Petition
For Extraordinary or Emergency
Rate Relief**

**Public Meeting – December 18, 2008
2073938-OSA-010
DOCKET NO: R-2008-2073938**

STATEMENT OF VICE CHAIRMAN TYRONE J. CHRISTY

Before the Commission for consideration is the Petition for Extraordinary or Emergency Rate Relief (Petition) filed by the Philadelphia Gas Works requesting an increase to distribution base rates of \$60 million. PGW's Petition and supporting testimony provided a detailed explanation of the justification for its request, namely the current financial crises and its effect on PGW's immediate financial transactions as well as those that must be accomplished over the next year and a half.

I am supportive of the Chairman's Motion to allow PGW to implement the entire \$60 million request on an emergency basis, coinciding with the projected gas cost rate decrease of \$107 million. I do not come to this conclusion lightly. However, I am very concerned with PGW's current financial situation and the potential ramifications if it is unsuccessful in its efforts to convert its long term bond issuances or to roll-over its commercial paper. I believe it is incumbent upon the Commission to understand the seriousness of PGW's unique situation and to address it in a proactive manner.

Furthermore, I wish to emphasize the importance of the Company pursuing all potential avenues to improve its financial situation and to note my support for each of the conditions listed in the Chairman's Motion. As specified in my Joint Motion at C- 0011 with Commissioner Powelson, I intend to closely monitor PGW's situation and stand ready to act if additional efforts are needed or if PGW is not performing up to expectations.

DATE

TYRONE J. CHRISTY, VICE CHAIRMAN