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April 27, 2016

Rosemary Chiavetta, Secretary Pennsylvania Public Utility Commission Commonwealth Keystone Building 400 North Street, 2nd Floor Harrisburg, PA 17120

VIA ELECTRONIC FILING

RE: Pennsylvania Public Utility Commission v. Columbia Gas of Pennsylvania; Docket No. R-2016-2529660

Dear Secretary Chiavetta:

Please find enclosed for filing with the Pennsylvania Public Utility Commission ("PUC" or "Commission") the Prehearing Conference Memorandum of the Columbia Industrial Intervenors ("CII") in the above-referenced proceeding.

As evidenced by the attached Certificate of Service, all parties to this proceeding are being duly served with a copy of this document.

Sincerely,

McNEES WALLACE & NURICK LLC

Chaus Menearage

Charis Mincavage

Counsel to the Columbia Industrial Intervenors

/leh

Enclosures

c: Administrative Law Judge Katrina L. Dunderdale (via e-mail and First-Class Mail) Certificate of Service

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CERTIFICATE OF SERVICE

I hereby certify that I am this day serving a true copy of the foregoing document upon the participants listed below in accordance with the requirements of 52 Pa. Code Section 1.54 (relating to service by a participant).

VIA E-MAIL AND FIRST-CLASS MAIL

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Counsel to the Columbia Industrial Intervenors

Dated this 27th day of April, 2016, at Harrisburg, Pennsylvania.

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:		
	:		
ν.	:	Docket Nos.	R-2016-2529660
	:		
Columbia Gas of Pennsylvania, Inc.	:		

PREHEARING MEMORANDUM OF THE COLUMBIA INDUSTRIAL INTERVENORS

The Columbia Industrial Intervenors ("CII") hereby submit this Prehearing Memorandum in the above-captioned proceeding.

I. HISTORY OF THE PROCEEDING

On March 18, 2016, Columbia Gas of Pennsylvania, Inc. ("Columbia" or "Company"), filed Supplement No. 241 to Tariff Gas Pa. P.U.C. No. 9 ("Supplement No. 241") with the Pennsylvania Public Utility Commission ("PUC" or "Commission"). Supplement No. 241 requested a general rate increase of approximately \$55.3 million over the Company's present annual revenues. Columbia supplemented this request with the Direct Testimony of several witnesses, responses to filing requirements, and documentation regarding the Company's proposals.

On April 25, 2016, CII filed a Complaint in this proceeding. A description of CII is set forth in Paragraph 5 of CII's Complaint. This proceeding has been assigned to Administrative Law Judge ("ALJ") Katrina L. Dunderdale, and a Prehearing Conference has been scheduled in this proceeding for April 28, 2016.

II. SERVICE LIST

For purposes of this proceeding, CII will be represented by the following counsel:

Charis Mincavage (Pa. I.D. No. 82039) Kenneth R. Stark (Pa. I.D. No. 312945) McNees Wallace & Nurick LLC 100 Pine Street P.O. Box 1166 Harrisburg, PA 17108-1166 Phone: (717) 232-8000 Fax: (717) 237-5300 cmincavage@mwn.com kstark@mwn.com

Please direct all correspondence to the attention of Charis Mincavage; however, for purposes of electronic service lists, CII requests that both Ms. Mincavage and Mr. Stark be included on any correspondence.

III. ANTICIPATED ISSUES AND SUB-ISSUES

CII's preliminary review of the Company's filing indicates the need for Commission

investigation into at least the following issues:

- (a) Whether the size of the requested rate increase is appropriate;
- (b) Whether the expenses claimed by Columbia are prudently incurred;
- (c) Whether the allocation of the proposed increase among customer classes is just, reasonable and non-discriminatory in light of the cost of service study results;
- (d) Whether the return on equity proposed by Columbia results in a fair rate of return;
- (e) Whether Columbia's claimed cost of service is accurate, legitimate and appropriately allocated; and
- (f) Whether Columbia's proposed Tariff changes result in unjust and unreasonable service for customers.

CII reserves the right to raise and address other issues of concern during the course of the proceeding.

IV. PROPOSED WITNESSES

CII is in the process of evaluating whether it will sponsor testimony in this proceeding. In the event that CII decides to sponsor testimony, it will immediately inform the parties and the ALJ of any intended witnesses and topics of testimony. CII also intends to participate in this proceeding through the submission of discovery, cross-examination of other parties' witnesses, and the submission of briefs, exceptions and reply exceptions, if necessary.

V. PROPOSED SCHEDULE AND DISCOVERY RULES

CII will cooperate with the ALJ and the parties at the Prehearing Conference to develop an appropriate procedural schedule and discovery rules in accordance with the Commission's regulations and any ALJ directives.

VI. POSSIBILITY OF SETTLEMENT

Cll is willing to participate in discussions with the other parties to amicably resolve the issues in this proceeding.

Respectfully submitted,

McNEES WALLACE & NURICK LLC

By

Charis Mincavage (Pa. I.D. No. 82039) Kenneth R. Stark (Pa. I.D. No. 312945) 100 Pine Street P.O. Box 1166 Harrisburg, PA 17108-1166 Phone: (717) 232-8000 Fax: (717) 237-5300 cmincavage@mwn.com kstark@mwn.com

Counsel to the Columbia Industrial Intervenors

Dated: April 27, 2016