



April 29, 2020

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

Re: Pa. PUC v. Philadelphia Gas Works, Docket No. R-2020-3017206
CAUSE-PA Prehearing Memorandum

Dear Counsel,

Enclosed for electronic filing, please find the *Prehearing Memorandum of the Coalition for Affordable Utility Service and Energy Efficiency in Pennsylvania (CAUSE-PA)*.

Copies have been served on all parties, as indicated in the attached Certificate of Service.

Respectfully,



John W. Sweet, Esq.
Counsel for CAUSE-PA

CC: Certificate of Service

Encl.

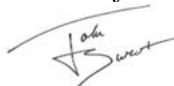
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Respectfully Submitted,
PENNSYLVANIA UTILITY LAW PROJECT
Counsel for CAUSE-PA



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lawfulness, justness, and reasonableness of the rates, rules, and regulations contained therein. (S&I Order).

II. Issues to be Presented

In addition to compliance with sound rate making principles, including the requirement that rates be just and reasonable, PGW must also ensure that its rates and tariff comply with universal service requirements. See 66 Pa. C.S. § 2203(8). In determining whether rates are just and reasonable, the Commission must examine whether rates are affordable and accessible those served.

In the event that the Commission approves any natural gas distribution rate increase, the Commission should condition approval on PGW's agreement to perform such actions as are necessary to assure compliance with applicable sections of the Public Utility Code, Commission regulations and guidelines, and settlement agreements.

CAUSE-PA has conducted an initial review of PGW's proposed tariff changes and testimony, and opposes PGW's request on the grounds that the proposed rate increase and tariff changes may result in unjust and unreasonable rates that would impose severe hardship on low and moderate income residential customers. CAUSE-PA identifies the following specific issues of concern, which must be addressed in this proceeding, though it reserves the right to raise additional issues which may arise through the course of this proceeding:

- i. The conformity to law and the effect of PGW's rate filing and proposed rate increase on low-income households.

- ii. The effect of PGW's proposed \$19.25 fixed residential customer charge on low-income households, and the ability to achieve appreciable bill savings through adoption of energy efficiency measures.
- iii. The effect of PGW's rate filing and proposed rate increase on low-income households enrolled in or eligible for its Universal Service Programs, and the continued adequacy of those programs in delivering universally accessible natural gas service.

III. Witnesses and Testimony

As of the date of this Prehearing Memorandum, CAUSE-PA has not identified a witness for this proceeding. CAUSE-PA is currently evaluating possible witnesses for this proceeding and reserves the right to call witnesses as may be warranted upon proper notice to Your Honor and the parties.

IV. Discovery

CAUSE-PA supports the discovery modifications requested by the Office of Consumer Advocate (OCA) in its Prehearing Memorandum.

V. Settlement

CAUSE-PA is willing and ready to engage in settlement discussions in an attempt to resolve or narrow the issues in this proceeding, with any and all parties, and encourages the parties to engage in settlement early in the process.

VI. Service on CAUSE-PA

CAUSE-PA is represented by the attorneys at the Pennsylvania Utility Law Project. All documents should be served on CAUSE-PA as follows:

John W. Sweet, Esq.
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We request that parties serve one hard copy in addition to an electronic copy of all documents served in this proceeding; however, we will accept e-service only of all documents until the the Commission's March 16 Emergency Order is lifted.

VII. Representation of CAUSE-PA at Prehearing Conference

For the purposes of the Prehearing Conference, CAUSE-PA will be represented by John W. Sweet, Esq.

VIII. Litigation Schedule

CAUSE-PA is currently involved in discussions with PGW and other parties to reach a mutually agreeable litigation schedule. CAUSE-PA is aware of the Expedited Motion of the Bureau of Investigation and Enforcement to Extend the Statutory Suspension Period During the Emergency Interruption of Normal Operations of the Pennsylvania Public Utility Commission, filed April 29, 2020 in this proceeding. We reserve the right to file a separate answer to the motion, but note that we generally support an extension in the proceeding to allow for a more accurate assessment of the economic impact of COVID-19 on proposed rates, as well as rate of return, return on equity, and investment priorities.

WHEREFORE, CAUSE-PA respectfully submits this Prehearing Conference Memorandum.

Respectfully submitted,
PENNSYLVANIA UTILITY LAW PROJECT
Counsel for CAUSE-PA

A handwritten signature in black ink, appearing to read "John W. Sweet", is written over a vertical line that separates the signature from the typed name below.

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