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April 30, 2020

**VIA ELECTRONIC FILING**

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

Re: Pennsylvania Public Utility Commission, et al. v. Philadelphia Gas Works  
Docket No. R-2020-3017206; **PREHEARING CONFERENCE**  
**MEMORANDUM**

Dear Secretary Chiavetta:

Enclosed please find the Prehearing Conference Memorandum of Direct Energy Services in the above-captioned docket. Copies of the Memorandum have been served in accordance with the attached Certificate of Service.

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

Very truly yours,

Todd S. Stewart  
*Counsel for Direct Energy Services*

TSS/jld

Enclosure

cc: Administrative Law Judges Marta Guhl and Darlene Heep  
Per Certificate of Service

**CERTIFICATE OF SERVICE**

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

**VIA ELECTRONIC SS MAIL**

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Todd S. Stewart

DATED: April 30, 2020

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission, et al.	:	
	:	
v.	:	Docket No. R-2020-3017206
	:	
Philadelphia Gas Works	:	

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**PREHEARING CONFERENCE MEMORANDUM  
OF  
DIRECT ENERGY SERVICES, INC.**

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**TO THE HONORABLE MARTA GUHL AND THE HONORABLE DARLENE HEEP**

Pursuant to the Prehearing Order dated April 16, 2020 in the above-captioned matter and the Commission’s regulations at 52 Pa. Code §5.221, *et seq.*, Direct Energy Services, Inc. (“Direct”), hereby submits its Prehearing Conference Memorandum.

**I. PROCEDURAL HISTORY**

1. On or about February 28, 2020, Philadelphia Gas Works (“PGW”) filed its request to increase rates.
2. On March 19, 2020, Direct petitioned to intervene in the above-captioned proceeding.
3. Direct has a history of participation in PGW proceedings.

## **II. COUNSEL**

4. Direct are represented in this matter by the following counsel:

Todd S. Stewart  
Attorney I.D. No. 75556  
Hawke McKeon & Sniscak LLP  
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All parties are requested to hereafter serve said counsel with all documents served in this proceeding, including documents served prior to the date of intervention.

## **III. EXPECTED ISSUES**

5. PGW has proposed in this proceeding to substantially modify the following tariff provisions: (1) Technology and Economic Development (TED) Rider to extend it beyond the initial three-year pilot period; (2) the Company's Micro-Combined Heat and Power (CHP) Incentive Program which PGW alleges will incentivize customers to install micro-CHP equipment up to 50 kW; and (3) the Company's Back-Up Service - Rate BUS. In addition, in the latter part of 2019, PGW substantially increased the capacity charges for releases of TETCO capacity, which has had a substantial negative impact on Direct Energy's ability to serve in the PGW service territory. Direct Energy expects to address these issues, while it continues to review the filing, and therefore reserves the right to address additional issues in testimony or as otherwise appropriate.

## **IV. PROPOSED WITNESSES**

6. Direct proposes to provide the testimony of Christopher Reyes, Manager, Regional Operations, Direct Energy North America Business. Direct reserves the right to offer additional witnesses as necessitated by the issues.

**V. LITIGATION SCHEDULE**

7. Direct is committed to working with the other parties and Your Honor to develop a schedule that meets all the parties' needs.

**VI. DISCOVERY**


8. Direct has not submitted discovery as of the date of this prehearing memorandum but will endeavor to do so as soon as possible if they find it necessary. Direct will work cooperatively with the Company and all the other parties in order to minimize discovery issues that might require the attention of the Presiding Administrative Law Judges. Moreover, Direct would not object to the typical discovery modifications proposed by the Office of Consumer Advocate in cases such as this.

**VII. SETTLEMENT**

9. Direct is willing to engage in settlement discussions with any and all parties at any time during this proceeding and welcome the opportunity to do so at the earliest possible date.

**WHEREFORE**, Direct respectfully submits this Prehearing Conference Memorandum in anticipation of the Prehearing Conference currently scheduled to be held telephonically on Tuesday, May 5, 2020 at 10:00 a.m.

Respectfully submitted,



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DATED: April 30, 2020