

PHILADELPHIA GAS COMMISSION

PGW'S PETITION FOR RECOMMENDATION OF APPROVAL
OF AN AMENDMENT TO SERVICE AGREEMENT
UNDER RATE SCHEDULE WSS
WITH TRANSCONTINENTAL GAS PIPE LINE COMPANY, LLC

January 13, 2026

10:00 a.m.

Hybrid Meeting held on the
18th Floor - 1515 Arch Street
and Virtually via Teams

BEFORE: CHRISTY BRADY, Chairwoman
MIKE DRISCOLL
DOMINIC McGRAW
BILL RUBIN, Alternate
Commissioners

VERITEXT LEGAL SOLUTIONS
MID-ATLANTIC DIVISION

1 APPEARANCES:

2 TRAVIS M. KNIFFIN, ESQ.
3 Assistant City Solicitor
4 Counsel to Philadelphia Gas Commission

5 ANDRE C. DASENT, ESQ. (Via Teams)
6 BROOKE DARLINGTON, ESQ.
7 Counsel to Philadelphia Gas Works

8 COMMUNITY LEGAL SERVICES, INC.
9 BY: ROBERT W. BALLENGER, ESQ.
10 Counsel to Public Advocate

11 PRESENT ON BEHALF OF PGC:

12 GEMELA N. McCLENDON, ESQ.
13 Executive Director
14 HEIDI L. WUSHINSKE, ESQ.
15 Hearing Examiner

16 ROSLYN BELL, ESQ.
17 Hearing Examiner
18 ANNA M. CORRADO ROWE
19 Senior Analyst

20 TIMOTHY MURTHA
21 Financial Analyst/Internal Auditor

22 PRESENT ON BEHALF OF PGW:

23 WILLIAM J. GALLAGHER
24 Vice President, Budget and Strategic
Development
ROBERT HOAGLUND, ESQUIRE
Senior Attorney

PRESENT ON BEHALF OF PGW: (Continued)

NICHOLAS TIMER (Via Teams)

Manager, Gas Supply

JOYCE SAMANTHA (Via Teams)

Analyst, Rates and Regulatory

PRESENT ON BEHALF OF CITY COUNCIL:

THOMAS P. FORKIN

6th District Chief of Staff

PRESENT ON BEHALF OF THE OFFICE OF SUSTAINABILITY:

ANYA GILROY (Via Teams)

GABRIEL DATTILO (Via Teams)

1 THE CHAIRWOMAN: Good morning. Can
2 you hear me?

3 THE COURT REPORTER: Yes.

4 THE CHAIRWOMAN: Okay.

5 This meeting is being held in a
6 hybrid format to enhance public
7 participation. Instructions for virtual
8 participation are included in the public
9 meeting notices and can be found on the Gas
10 Commission's website.

11 I would like to acknowledge the
12 presence of a quorum with the participation
13 of Vice Chair Mike Driscoll and Commissioner
14 McGraw.

15 I would like to have the agenda read,
16 marked, and entered into the record as Gas
17 Commission Exhibit #1.

18 EXEC. DIR. McCLENDON: "The
19 Philadelphia Gas Commission will hold its
20 regularly scheduled meeting in the
21 Commission's hearing room on January 13th,
22 2026, at 10:00 a.m. in the Commission's
23 hearing room on the 18th Floor, 1515 Arch
24 Street, Philadelphia, Pennsylvania, with a

1 virtual option for those who cannot attend
2 in person, for the purpose of considering:

3 "PGW's Petition for Recommendation of
4 Approval of an Amendment to the Service
5 Agreement under Rate Schedule WSS with
6 Transcontinental Gas Pipe Line Company, LLC;
7 and

8 "Such other business that may
9 properly be brought before this Commission.

10 "A link to the virtual meeting room
11 will be posted on the Commission's website
12 so as to allow virtual attendees to
13 participate.

14 "Christy Brady, Chair."

15 - - -

16 (Whereupon PGC Exhibit #1 was marked
17 for identification purposes.)

18 - - -

19 THE CHAIRWOMAN: The first item on
20 the agenda is PGW's Petition Requesting a
21 Recommendation of Approval of an Amendment
22 to PGW's Service Agreement with
23 Transcontinental Gas Pipe Line Company.

24 The procedural history is detailed in

1 the Recommended Decision, which was issued
2 by Executive Director Gemela McClendon and
3 Commission Staff on December 23rd, 2025, and
4 will be marked as Gas Commission Exhibit #2.

5 - - -

6 (Whereupon PGC Exhibit #2 was marked
7 for identification.)

8 - - -

9 THE CHAIRWOMAN: The Recommended
10 Decision shall be marked and entered into
11 the record as Gas Commission Exhibit #3.

12 - - -

13 (Whereupon PGC Exhibit #3 was marked
14 for identification purposes.)

15 - - -

16 THE CHAIRWOMAN: On December 23rd the
17 Public Advocate notified Commission Staff
18 that it did not have any comments or
19 exceptions to the Recommended Decision and
20 on December 29th, 2025, PGW similarly
21 notified Staff that it did not have any
22 comments or exceptions.

23 These shall be marked as Public
24 Advocate Exhibit #1 and PGW Exhibit #1.

- - -

(Whereupon PA Exhibit #1 and PGW Exhibit #1 were marked for identification.)

- - -

THE CHAIRWOMAN: I would like to ask Ms. McClendon to provide a brief overview of the recommended amendment.

EXEC. DIR. McCLENDON: PGW is currently a party to a natural gas storage agreement with Transco which originally commenced on April 3rd, 2001.

This service agreement provides natural gas storage services accounting for approximately 20% of PGW's total storage capacity and, as PGW's only open-access storage contract, represents one of PGW's most important market area storage services.

PGW wishes to continue benefiting from this contract by entering into a proposed third amendment to the service agreement that will extend its term for an additional ten years, with a new expiration date of March 31st, 2035.

According to PGW, the proposed third

1 amendment will cost PGW approximately
2 \$1.8 million per year; whereas without the
3 proposed amendment, PGW would have to pay,
4 in the worst-case scenario, an estimated
5 \$5.3 million per day to obtain spot gas on
6 certain days during the winter heating
7 season.

8 Additionally, this proposed third
9 amendment will aid PGW in complying with the
10 Pennsylvania Public Utility Commission's
11 least-cost fuel procurement policy
12 requirement as required by the Pennsylvania
13 Public Utility Code.

14 Due to the importance of this storage
15 and the cost savings that it represents for
16 PGW's ratepayers, Commission Staff
17 recommends that the Commission recommend
18 approval of this amendment to City Council.

19 Thank you.

20 THE CHAIRWOMAN: Thank you.

21 We would like to provide the
22 participants with the opportunity to make a
23 brief presentation before we call the
24 question to vote.

1 First we will hear from PGW --

2 MR. HOAGLAND: Thank you, Madam
3 Chair.

4 THE CHAIRWOMAN: -- Mr. Hoagland.

5 MR. HOAGLAND: Yes. Thank you, Madam
6 Chair.

7 On behalf of PGW, PGW supports the
8 recommendation to approve the proposed
9 amendment to the Transco Pipe Line Company
10 agreement for WSS storage service.

11 MR. BALLENGER: Is your mic on?
12 Andre is indicating he can't hear you.

13 MR. HOAGLAND: Can the folks online
14 hear me?

15 MR. DASENT: Now we can.

16 MR. HOAGLAND: Okay. Sorry about
17 that. Let me start again.

18 PGW supports the recommendation to
19 approve the proposed amendment to the
20 Transco Pipe Line Company agreement for WSS
21 storage service.

22 As the Commission is aware, the
23 proposed amendment relates to gas storage
24 that comprises approximately 20% of PGW's

1 market area storage capacity and is one of
2 PGW's most important storage services. The
3 proposed amendment is necessary to comply
4 with the PUC least-cost fuel procurement
5 obligation.

6 Under the proposed amendment PGW will
7 extend the term of the current agreement for
8 an additional fixed term that will expire on
9 April 1st, 2035, and will continue to pay
10 rates that are fixed and thereby minimize
11 exposure to market fluctuations and higher
12 costs to customers.

13 As noted during this proceeding, PGW
14 must finalize the proposed amendment by
15 March 31st, 2026, to extend the current
16 agreement.

17 PGW agrees with Staff that the
18 Commission should recommend the approval of
19 the proposed amendment by City Council. PGW
20 further agrees with Staff that the Gas
21 Commission urge City Council to issue its
22 approval in a time frame that enables PGW to
23 meet the March 31st, 2026, Transco deadline.

24 Finally, I just wanted to update

1 Staff and the Commission that Transco has
2 informed us that they are willing to agree
3 to the changes that Staff recommended to the
4 third amendment.

5 Thank you very much.

6 THE CHAIRWOMAN: Thank you,
7 Mr. Hoagland.

8 Mr. Ballenger, are there any
9 statements on behalf of the Advocate?

10 MR. BALLENGER: Thank you, Madam
11 Chair. My name is Robert Ballenger from
12 Community Legal Services on behalf of the
13 Public Advocate.

14 As you noted earlier in the
15 procedural overview, we reviewed the
16 proposed amendment and found no substantive
17 concerns and so did not provide any comments
18 or exceptions.

19 At this point I just would like to
20 note my appreciation for Staff's efforts in
21 identifying some procedural hiccups in this
22 process and rectifying them.

23 For all of those reasons we support
24 the Recommended Decision and believe you

1 should approve it here today.

2 Thank you.

3 THE CHAIRWOMAN: Thank you,
4 Mr. Ballenger.

5 Next we will take brief comments from
6 members of the public. Comments will be
7 limited to three minutes and should be on
8 the topic of PGW's amendment.

9 Are there any comments or questions
10 from the public?

11 - - -

12 (No response.)

13 - - -

14 THE CHAIRWOMAN: There being none,
15 are there any comments or questions from any
16 of the Commissioners at this point?

17 - - -

18 (No response.)

19 - - -

20 THE CHAIRWOMAN: Thank you all very
21 much. We appreciate your participation as
22 we deliberate on PGW's request.

23 This matter is now before us for
24 action. Is there a motion to accept Staff's

1 recommendation as laid out in the Memorandum
2 dated December 23rd, 2025?

3 COMMISSIONER McGRAW: I'll make the
4 motion.

5 COMMISSIONER DRISCOLL: Second.

6 THE CHAIRWOMAN: It has been moved
7 and properly seconded.

8 Is there any discussion?

9 - - -

10 (No response.)

11 - - -

12 THE CHAIRWOMAN: All in favor of the
13 motion.

14 COMMISSIONER McGRAW: Aye.

15 COMMISSIONER DRISCOLL: Aye.

16 THE CHAIRWOMAN: Aye.

17 The motion passes.

18 - - -

19 (Whereupon the motion was unanimously
20 carried.)

21 - - -

22 THE CHAIRWOMAN: All the identified
23 exhibits will be entered into the record of
24 this meeting.

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Reported By: Susan Marie Migatz, RMR, CRR
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