



COMMONWEALTH OF PENNSYLVANIA

December 27, 2018

**E-FILED**

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

**Re: Petition of Valley Energy, Inc. for Expansion Project Surcharge and Waiver of  
Tariff Rule 4 / Docket No. P-2018-3006500**

Dear Secretary Chiavetta:

Enclosed please find the Notice of Intervention, Answer, Public Statement, and Verification, on behalf of the Office of Small Business Advocate ("OSBA"), in the above-captioned proceeding.

Copies will be served on all known parties in this proceeding, as indicated on the attached Certificate of Service.

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

Sincerely,

A handwritten signature in blue ink, appearing to read "Sharon E. Webb".

Sharon E. Webb  
Assistant Small Business Advocate  
Attorney ID No. 73995

*Enclosures*

cc: Brian Kalcic  
Parties of Record

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**Petition of Valley Energy, Inc. for** :  
**Expansion Project Surcharge and** : **Docket No. P-2018-3006500**  
**Waiver of Tariff Rule 4** :

**NOTICE OF INTERVENTION  
OF THE SMALL BUSINESS ADVOCATE**

1. The Intervenor is:

John R. Evans  
Small Business Advocate  
Office of Small Business Advocate  
300 North Second Street, Suite 202  
Harrisburg, PA 17101  
(717) 783-2525  
(717) 783-2831 (fax)  
[jorevan@pa.gov](mailto:jorevan@pa.gov)

2. The name and address of the Intervenor's attorney is:

Sharon E. Webb  
Assistant Small Business Advocate  
Pennsylvania Office of Small Business Advocate  
300 North Second Street, Suite 202  
Harrisburg, Pennsylvania 17101  
(717) 783-2525  
(717) 783-2831 (fax)  
[swebb@pa.gov](mailto:swebb@pa.gov)

3. The respondent utility is:

Valley Energy, Inc.  
523 S. Keystone Avenue  
Sayre, PA 18840

4. The Intervenor is authorized and directed by the Small Business Advocate

Act, Act 181 of 1988, 73 P.S. §§ 399.41 - 399.50, to represent the interests of small

business consumers of utility services in matters before the Pennsylvania Public Utility Commission (“Commission”).

5. This Intervention is filed regarding the filing by Valley Energy, Inc. of the Petition of Valley Energy, Inc. for Expansion Project Surcharge and Waiver of Tariff Rule 4, with the Commission on December 11, 2018.

Respectfully submitted,



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Sharon E. Webb  
Assistant Small Business Advocate  
Attorney ID No. 73995

For:  
John R. Evans  
Small Business Advocate

Office of Small Business Advocate  
300 North Second Street, Suite 202  
Harrisburg, PA 17101  
(717) 783-2525

Date: December 27, 2018

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**Petition of Valley Energy, Inc. for** :  
**Expansion Project Surcharge and** : **Docket No. P-2018-3006500**  
**Waiver of Tariff Rule 4** :

**ANSWER OF THE OFFICE OF SMALL BUSINESS ADVOCATE**

**I. INTRODUCTION**

Pursuant to 52 Pa. Code §5.61(a), the Office of Small Business Advocate (“OSBA”) files this Answer to the Petition of Valley Energy, Incorporated (“Valley” or “Company”) for Expansion Project Surcharge and Waiver of Tariff Rule No. 4 that was filed with the Pennsylvania Public Utility Commission (“Commission”) on December 11, 2018, and avers the following in support thereof:

1. The OSBA is an agency of the Commonwealth of Pennsylvania authorized by the Small Business Advocate Act (Act 181 of 1988, 73 P.S. §§ 399.41 - 399.50) to represent the interest of small business consumers as a party in proceedings before the Commission.

2. In its Petition, Valley is seeking approval of a proposed gas main extension to the East Athens area of Valley’s service territory. Valley has filed this Petition to establish an alternate means of calculating and charging customers for contributions in aid of construction (“CAIC”) for the expansion into the East Athens area of the Company’s service territory.<sup>1</sup>

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<sup>1</sup> Petition, p. 1.

3. In addition to the proposed surcharge, Valley is seeking the waiver of certain provision of its Tariff Rule No. 4 “Equipment and Facilities”.

4. Valley is seeking approval of the Petition on and requesting the Commission permit the Tariff to become effective on one day’s notice.

5. The OSBA has preliminarily reviewed the Company’s filing and identified several key issues of concern. The OSBA anticipates that additional issues may arise as a more comprehensive review of the filing is undertaking and discovery is conducted. The preliminary issues identified by the OSBA include:

- The lawfulness of the proposed surcharge as an alternative means of calculating contributions in aid of construction; and
- The viability of the surcharge and the potential impact on the Company’s finances and current small business customers; and
- The lawfulness of the requested wavier of certain provisions of Tariff Rule No. 4.

6. The OSBA reserves the right to comment on the details of these, and other, provisions of Valley’s Petition after the OSBA has had the opportunity to engage in discovery.

**WHEREFORE**, the Office of Small Business Advocate respectfully requests the Commission to direct the Office of Administrative Law Judge to hold hearings on Valley's Petition and prepare a Recommended Decision.

Respectfully submitted,



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Sharon E. Webb  
Attorney ID No. 73995  
Assistant Small Business Advocate

For: John R. Evans  
Small Business Advocate

Office of Small Business Advocate  
300 North Second Street, Suite 1102  
Harrisburg, PA 17101  
(717) 783-2525

Date: December 27, 2018

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**Petition of Valley Energy, Inc. for** :  
**Expansion Project Surcharge and** : **Docket No. P-2018-3006500**  
**Waiver of Tariff Rule 4** :

**PUBLIC STATEMENT OF THE  
OFFICE OF SMALL BUSINESS ADVOCATE**

The Small Business Advocate is authorized and directed to represent the interest of small business consumers of utility services in Pennsylvania under the provisions of the Small Business Advocate Act, Act 181 of 1988, 73 P.S. §§ 399.41 - 399.50 (“Act”). The Act further provides that the Small Business Advocate is to issue publicly a written statement stating concisely the specific interest of small business consumers to be protected by his initiation of or intervention in any proceeding involving those interests before the Pennsylvania Public Utility Commission (“Commission”) or any other agency or court. This public statement relates to the filing today by the Small Business Advocate of an intervention regarding the Petition for Expansion Project Surcharge and Waiver of Tariff Rule No. 4 , by Valley Energy, Inc. (“Valley” or the “Company”).

The Small Business Advocate is filing this answer and intervention regarding the Company’s filing in order to protect the interests of the Company’s small business customers. A thorough inquiry by the Commission into all of the elements of the Company’s proposed surcharge and requested tariff waivers are necessary to ensure that the proposals are lawful, just, reasonable, and not unduly discriminatory.

In view of the foregoing, the Small Business Advocate will participate in proceedings before the Commission to investigate the reasonableness of the surcharge and requested waivers. The Small Business Advocate will ask the Commission to deny any proposed new charges and other tariff changes that apply to small business customers that are not proven by Valley to be lawful, just, reasonable, and not unduly discriminatory.

Dated: December 27, 2018



**VERIFICATION**

I, John R. Evans, hereby state that the facts set forth herein above are true and correct to the best of my knowledge, information and belief and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

Date: December 27, 2018

  
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(Signature)

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**Petition of Valley Energy, Inc. for** :  
**Expansion Project Surcharge and** : **Docket No. P-2018-3006500**  
**Waiver of Tariff Rule 4** :

**CERTIFICATE OF SERVICE**

I hereby certify that true and correct copies of the foregoing have been served via email and/or First-Class mail (*unless otherwise noted below*) upon the following persons, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

The Honorable Charles E. Rainey Jr.  
Chief Administrative Law Judge  
Pennsylvania Public Utility Commission  
400 North Street  
Commonwealth Keystone Building  
Harrisburg, PA 17120  
[crainey@pa.gov](mailto:crainey@pa.gov)  
**(Email and Hand Delivery)**

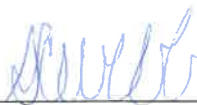
Paul Diskin, Director  
Bureau of Technical Utility Services  
Pennsylvania Public Utility Commission  
400 North Street  
Commonwealth Keystone Building  
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**(Email and Hand Delivery)**

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*(Counsel for OCA)*  
**(Email and Hand Delivery)**

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*(Counsel for Valley Energy)*

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*(Counsel for BIE)*  
**(Email and Hand Delivery)**

DATE: December 27, 2018

  
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Sharon E. Webb  
Assistant Small Business Advocate  
Attorney ID No. 73995