



COMMONWEALTH OF PENNSYLVANIA

August 29, 2019

E-FILED

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

**Re: Pennsylvania Public Utility Commission v. Wellsboro Electric Company /
Docket No. R-2019-3008208**

Dear Secretary Chiavetta:

Enclosed please find the Complaint, 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 that reads "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**

**PENNSYLVANIA PUBLIC UTILITY
COMMISSION**

v.

WELLSBORO ELECTRIC COMPANY

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DOCKET NO. R-2019-3008208

**COMPLAINT OF THE
SMALL BUSINESS ADVOCATE**

1. The Complainant is:

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

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

Sharon E. Webb
Assistant Small Business Advocate
Office of Small Business Advocate
300 North Second Street, Suite 202
Harrisburg, PA 17101
(717) 783-2525
swebb@pa.gov

3. The respondent utility is:

Wellsboro Electric Company
33 Austin Street
Wellsboro, PA 16901

4. The Complainant 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. On July 1, 2019, Valley Energy, Inc. (“Wellsboro” or the “Company”), filed Supplement No. 125 to Tariff Electric-PA P.U.C. No. 8. The proposed Supplement No. 125, if approved, would have resulted in an increase in the annual distribution revenues of Wellsboro by \$1,419,610 per year, a 27.7% increase.

6. In addition to its July 1, 2019 Tariff filing, Wellsboro filed a Petition for Waiver of Filing Requirements Under 52 Pa. Code Section 53.53, seeking relief for filing required documentation, since Wellsboro’s claim exceeded the \$1 million threshold rate increase as set forth in Section 53.53.¹ On July 22, 2019, the Office of Consumer Advocate (“OCA”), the Bureau of Investigation and Enforcement (“I&E”), and the Office of Small Business Advocate filed a joint motion to reject Wellsboro’s July 1, 2019 base rate filing for failing to comply with the requirements Section 53.53. Subsequent to the joint motion, on July 31, 2019, Wellsboro filed replacement schedules and tariff pages to revise its rate increase request.

7. This Complaint is filed against the rates, terms and other provisions of Supplement No. 125 (revised) to Tariff Electric-Pa. P.U.C. No. 8, which was filed on July 31, 2019, by Wellsboro. The proposed Tariff, if approved by the Commission, would increase the annual electric distribution revenues of Wellsboro by \$999,967 per year, a 19.5% increase. After

¹ 52 Pa. Code §53.53

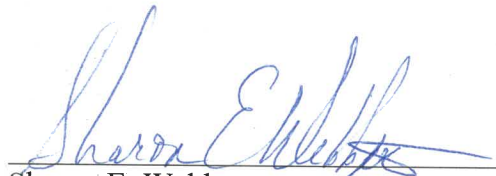
preliminary review of the materials filed by the Company in support of the proposed Supplement, Complainant believes, and therefore avers, that those materials may be insufficient to justify the rate increase requested, and that the Company's present and proposed rates, rules, and conditions of service may be unjust, unreasonable, unduly discriminatory, and otherwise contrary to law, particularly as they pertain to small business customers.

8. Complainant believes, and therefore avers, that Wellsboro's proposed rates, rate design, and class revenue allocation are or may be unjust, unreasonable, and unlawfully discriminatory in violation of, *inter alia*, Sections 1301 and 1304 of the Public Utility Code, 66 Pa.C.S. §§1301 and 1304, and contrary to appropriate public policy and sound ratemaking considerations, and may not be supported by the materials filed by Wellsboro.

9. In view of the foregoing, the Small Business Advocate respectfully requests that the Pennsylvania Public Utility Commission:

- A. Suspend and investigate the operation of Supplement No. 125 (revised) to Tariff Electric-Pa. P.U.C. No. 8;
- B. At the conclusion of such investigation, reject the proposed new rates and other tariff changes in Supplement No. 125 (revised) to Tariff Electric-Pa. P.U.C. No. 8 to the extent required to ensure that Wellsboro's rates are lawful, just, reasonable and not unduly discriminatory to any class of customers; and
- C. Grant such other relief as may be necessary or appropriate.

Respectfully submitted,



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
(717) 783-2831 (fax)

Dated: August 29, 2019

**PUBLIC STATEMENT OF
SMALL BUSINESS ADVOCATE
CONCERNING THE INTEREST
OF SMALL BUSINESS CONSUMERS
TO BE PROTECTED BY THE FILING OF A COMPLAINT
AGAINST PROPOSED SUPPLEMENT NO. 125 (Revised) TO
TARIFF ELECTRIC – PA. P.U.C. NO. 8 FILED BY
WELLSBORO ELECTRIC COMPANY
DOCKET NO. R-2019-3008208**

The Small Business Advocate is authorized and directed to represent the interests of small business consumers of utility services in Pennsylvania under the provisions of the Small Business Advocate Act 181 of 1988, 73 P.S. §§ 399.41 – 399.50 (“the Act”). The Act further provides that the Small Business Advocate issue publicly a written statement stating concisely the specific interest of small business consumers to be protected by the initiation of or intervention in any proceeding involving those interests before the Public Utility Commission (“Commission”) or any other agency or court. This public statement relates to the filing today by the Small Business Advocate of a Complaint against proposed Supplement No. 125 (Revised) to Tariff Electric – Pa. P.U.C. No. 8 (“Revised Supplement No. 125”) of Wellsboro Electric Company (“Wellsboro”).

Wellsboro’s proposed Revised Supplement No. 125 would increase the amount of electric distribution revenues currently being collected from all customers, including small business customers, by \$999,967 per year, a 19.5% increase.

The Small Business Advocate has filed a formal Complaint against Wellsboro’s proposed rate increase in order to protect the interests of Wellsboro’s small business customers. A preliminary review of the data filed by Wellsboro in support of its request for a rate increase indicates that the costs claimed by Wellsboro for ratemaking purposes may be excessive. A thorough inquiry by the Commission into all elements of Wellsboro’s request for a rate increase

at this docket is necessary to ensure that Wellsboro's rates, including any new rates that may result from this proceeding, are just and reasonable.

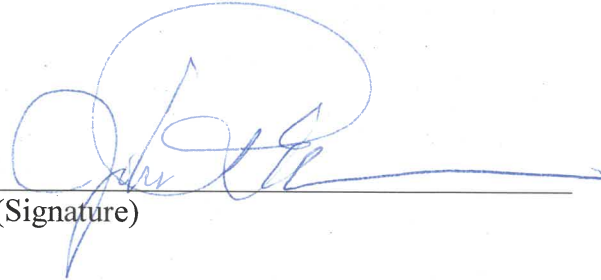
In view of the foregoing, the Small Business Advocate will participate in proceedings before the Commission to investigate the reasonableness of the proposed rates in Wellsboro's proposed Revised Supplement No. 125. The Small Business Advocate will ask the Commission to deny any proposed rate increase or other changes in Wellsboro's present tariffs that apply to small business customers that are not proven by Wellsboro to be lawful, just, reasonable and non-discriminatory to all of its customer classes.

Dated: August 29, 2019

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: August 29, 2019



(Signature)

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission

v.

Wellsboro Electric Company

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Docket No. R-2019-3008208

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
(Email and Hand Delivery)

Darryl Lawrence, Esquire
Christy M. Appleby, Esquire
J.D. Moore, Esquire
Office of Consumer Advocate
555 Walnut Street, 5th Floor
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dlawrence@paoca.org
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(Email and Hand Delivery)

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(Counsel for Wellsboro)

DATE: August 29, 2019


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