

March 6, 2020

#### **E-FILED**

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

Re: Pennsylvania Public Utility Commission v. Philadelphia Gas Works 2020 Base Rate Filing / Docket No. R-2020-3017206

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,

Daniel G. Asmus

Assistant Small Business Advocate

Attorney ID No. 83789

Sharon E. Webb

Assistant Small Business Advocate

Attorney ID No. 73995

Enclosures

cc:

Robert D. Knecht

Parties of Record

## BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission:

. :

Docket Nos. R-2020-3017206

Philadelphia Gas Works

v.

COMPLAINT OF THE SMALL BUSINESS ADVOCATE

1. The Complainant is:

John R Evans Small Business Advocate Forum Building 555 Walnut Street, 1<sup>st</sup> Floor Harrisburg, PA 17101 (717) 783-2525

2. The names and addresses of the Complainant's attorneys are:

Sharon E. Webb
Daniel G. Asmus
Assistant Small Business Advocates
Office of Small Business Advocate
Forum Building
555 Walnut Street, 1st Floor
300 North Second Street
Harrisburg, PA 17101
(717) 783-2525
(717) 783-2831 (fax)
swebb@pa.gov
dasmus@pa.gov

3. The respondent utility is:

Philadelphia Gas Works 800 W. Montgomery Avenue Philadelphia, PA 19122

- 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. This Complaint is filed against the rates, terms, and other provisions of Supplement No. 128 to Philadelphia Gas Work's Gas Service Tariff—Pa. P.U.C. No. 2 ("Supplement No. 128"), and proposed Supplement No. 85 to Philadelphia Gas Works Supplier Tariff—Pa. P.U.C. No. 1 ("Supplement No. 85") which were filed on February 28, 2020. The proposed Tariffs, if approved by the Commission, would increase the retail distribution rates of Philadelphia Gas Works ("PGW" or "Company") by \$70 million per year. After preliminary review of the materials filed by the Company in support of the proposed Tariff, 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.
- 6. Complainant believes, and therefore avers, that PGW's proposed rates, rate design, and cost and 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 PGW.
- 7. 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. 128 to PGW's Gas Service Tariff—Pa. P.U.C. No. 2;
- B. Suspend and investigate the operation of Supplement No. 85 to PGW's Supplier Tariff –Pa. P.U.C. No. 1;
- B. At the conclusion of such investigation, reject the proposed new rates and other tariff changes in Supplement No. 128 to PGW's Gas Service Tariff Pa. P.U.C. No. 2, and proposed Supplement No. 85 PGW's Supplier Tariff No. 1, to the extent required to insure that PGW's rates are lawful, just, reasonable, and not unduly discriminatory; 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

Daniel G. Asmus

Assistant Small Business Advocate

Attorney ID No. 83789

For:

John R. Evans

Small Business Advocate

Office of Small Business Advocate Forum Place 555 Walnut Street, 1<sup>st</sup> Floor Harrisburg, PA 17101 (717) 783-2525 (717) 783-2831 (fax)

Dated: March 6, 2020

## BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission:

:

Docket Nos. R-2020-3017206

Philadelphia Gas Works

 $\mathbf{v}_{\boldsymbol{\cdot}}$ 

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# PUBLIC STATEMENT OF THE OFFICE OF SMALL BUSINESS ADVOCATE

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, 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 setting forth 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 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 a Complaint in the above-captioned proceeding.

This proceeding involves a request by Philadelphia Gas Works ("PGW") for the approval of Supplement No. 128 to PGW's Gas Service Tariff No. 2 (Supplement No. 128), and proposed Supplement No. 85 to Philadelphia Gas Works Supplier Tariff- Pa. P.U.C. No. 1 which provide for an annual \$70 million base rate increase.

The Small Business Advocate has filed a formal Complaint against PGW's proposed rate increase in order to protect the interests of PGW's small business customers. A preliminary review of the data filed by PGW in support of its request for a

rate increase indicates that the costs claimed by the utility for ratemaking purposes may be excessive. A thorough inquiry by the Commission into all elements of PGW's request for a rate increase is necessary to ensure that PGW's rates, including any new rates that may result from this proceeding, are just, reasonable, and non-discriminatory.

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 PGW's Tariff No. 2 ("Supplement No. 128") and PGW's Supplier Tariff No. 85 ("Supplement No. 85"). The Small Business Advocate will ask the Commission to deny any proposed rate increase or other changes in PGW's present tariffs that apply to small business customers that are not proven by PGW to be lawful, just, reasonable and non-discriminatory.

Dated: March 6, 2020

### **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: 03/06/20

(Signature)

### BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission

:

: Docket No. R-2020-3017206

Philadelphia Gas Works

### **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).

Tanya J. McCloskey, Esquire Acting Consumer Advocate Office of Consumer Advocate 555 Walnut Street, 5th Floor Harrisburg, PA 17101 tmccloskey@paoca.org (Counsel for OCA)

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(Counsel for PGW)

Daniel Clearfield, Esquire
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sstoner@eckertseamans.com
(Counsel for PGW)

DATE: March 06, 2020

Gregory J. Stunder Vice President, Regulatory & Legislative Affairs Philadelphia Gas Works 800 West Montgomery Avenue Philadelphia, PA 19122 Gregory.Stunder@pgworks.com

Graciela Christlieb, Esquire Legal Department, PGW 800 W. Montgomery Ave Philadelphia, PA 19122 Graciela.christlieb@pgworks.com

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

Sharon E. Webb Attorney ID No. 73955 Daniel G. Asmus Attorney ID No. 83789 Assistant Small Business Advocates