

COMMONWEALTH OF PENNSYLVANIA



OFFICE OF CONSUMER ADVOCATE

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September 15, 2009

James J. McNulty
Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

RE: Kushequa Union Church, et al
v.
Knox Energy Cooperative Association
Docket No. C-2009-2129285

Dear Secretary McNulty:

Enclosed for filing is the Notice of Intervention and Public Statement of the Office of Consumer Advocate, in the above-referenced proceeding.

Copies have been served as indicated on the Certificate of Service.

Respectfully Submitted,

A handwritten signature in cursive script that reads "Jennedy S. Johnson".

Jennedy S. Johnson
Assistant Consumer Advocate
PA Attorney I.D. # 203098

Enclosures

cc: Office of Administrative Law Judge
Office of Special Assistants

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BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION


Kushequa Union Church, *et al* :
 :
v. : Docket No. C-2009-2129285
 :
Knox Energy Cooperative Association :

NOTICE OF INTERVENTION

Pursuant to 52 Pa. Code Sections 5.71-74, the Office of Consumer Advocate hereby gives Notice of Intervention in the above-captioned proceeding. A copy of all correspondence and notices, documents, orders or other communications with respect to the above-captioned proceeding should be addressed to the following:

Jennedy S. Johnson
PA Attorney I.D. # 203098
E-Mail: JJohnson@paoca.org
Darryl Lawrence
PA Attorney I.D. # 93682
E-Mail: DLawrence@paoca.org
Assistant Consumer Advocates
Office of Consumer Advocate
555 Walnut Street
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Harrisburg, PA 17101-1923
Phone: (717) 783-5048
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Respectfully submitted,


Jennedy S. Johnson
Assistant Consumer Advocate
PA Attorney I.D. # 203098

DATED: September 15, 2009
117816

PUBLIC STATEMENT OF THE
OFFICE OF CONSUMER ADVOCATE
PURSUANT TO 71 P.S. SECTION 309-4(e)

Act 161 of the Pennsylvania General Assembly, 71 P.S. Section 309-2, as enacted July 9, 1976, authorizes the Consumer Advocate to represent the interests of consumers before the Pennsylvania Public Utility Commission (Commission). In accordance with Act 161, and for the following reasons, the Consumer Advocate determined to intervene and participate in the Formal Complaint of Kushequa Union Church, *et al* before the Commission.

On September 2, 2009, Kushequa Union Church and twelve other customers (collectively, Complainants) of Knox Energy Cooperative Association (Knox) filed a Formal Complaint (Complaint) with the Commission alleging that Knox has unlawfully abandoned the gas line serving the Kushequa area as of August 1, 2009. Complaint at 4. As a result of the abandonment, thirty-three (33) customers have had to or will have to convert to alternative fuel sources for heat. Id.

On March 22, 2007, the Commission approved the transfer of Gasco-Kane Division's assets and facilities to Utility Pipeline Ltd. (UPL) who immediately thereafter transferred such to Knox. See Re: Gasco Distribution Systems, Inc., Docket No. A-120002F2000, *slip op 2007 WL 1014367* (Order Entered March 22, 2007) (Abandonment Order). The Abandonment Order specifically provided that the Commission would monitor both UPL and Knox for the next three (3) years as to the distribution system and operations. Id. at *7. Knox was to be run as a bona fide cooperative under 66 Pa.C.S. § 102. Id. at *3.

The Complainants allege that they were never issued a membership agreement or cooperative bylaws. The Complainants also allege that they were never given the opportunity to comment on the abandonment process or its terms, including any conversion payments made. The

Complainants further allege that they were not informed of any Board of Directors meetings at which these issues were to be addressed. Id. at 8-10.

The OCA intends to participate in this proceeding to protect the interests of Knox customers, including those customers who were abandoned on August 1, 2009. The Complaint contains factual assertions regarding Knox's compliance with the terms of the Abandonment Order and Knox's status as a bona fide cooperative. The OCA will investigate these claims.

CERTIFICATE OF SERVICE

Kushequa Union Church, et al :
 :
 v. : Docket No. C-2009-2129285
 :
 :
 Knox Energy Cooperative Association :

I hereby certify that I have this day served a true copy of the foregoing document, the Notice of Intervention and Public Statement of the Office of Consumer Advocate, upon parties of record in this proceeding in accordance with the requirements of 52 Pa. Code Section 1.54 (relating to service by a participant), in the manner and upon the persons listed below:

Dated this 15th day of September 2009.

SERVICE BY FIRST CLASS MAIL

Kushequa Union Church
1 Church Street
Kane, PA 16735

Jonathan & Trudy Pomeroy
2 Church Street
Kane, PA 16735

Tammy L. Alexis
112 Brickwork Road
Kane, PA 16735

Jolene & James Hallock, Jr.
1329 Kushequa Avenue
Kane, PA 16735

Margaret Pomeroy
19 Church Street
Kane, PA 16735

Lisa Kane
20 Brier Lane
Kane, PA 16735

Anthony Zippo
P.O. Box 447
Mount Jewett, PA 16740-0047

Ken & Sally Bernhard
521 East Street
Corry, PA 16407

Brian Sees
P.O. Box B
Mount Jewett, PA 16740

John Moffett
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Mount Jewett, PA 16740

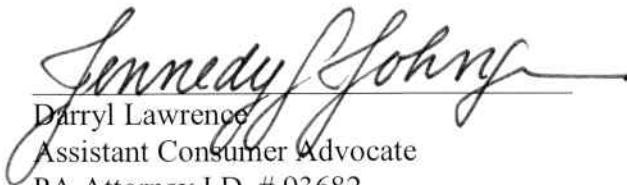
John & Jeanne Verolini
1387 Kushequa Avenue
Kane, PA 16735

James & Dorothy Hallock
1315 Kushequa Avenue
Kane, PA 16735

Ron & Susan Keim
1253 Kushequa Avenue
Kane, PA 16735

Knox Energy Cooperative Association
5900 Mayfair Road, NW
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