



411 Seventh Avenue
16th Floor
Pittsburgh, PA 15219

Tel 412-393-1541
Fax 412-393-5757
twilliams@duqlight.com

Tishekia Williams
Senior Counsel, Regulatory

January 3, 2013

Via Electronic Filing

Ms. Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
PO Box 3265
Harrisburg, PA 17105-3265

RE: Joint Petition for Generic Investigation or Rulemaking Regarding "Gas-On-Gas"
Competition Between Jurisdictional Natural Gas Distribution Companies'
Docket Nos: P-2011-2277868, I-2012-2320323

Dear Secretary Chiavetta:

Enclosed for filing is Duquesne Light Company's Petition to Intervene in the Joint Petition for Generic Investigation or Rulemaking Regarding "Gas-on-Gas" Competition Between Jurisdictional Natural Gas Distribution Companies'.

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

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Tishekia Williams', written over a horizontal line.

Tishekia Williams
Senior Counsel, Regulatory

Enclosures

cc: Certificate of Service
Administrative Law Judge Elizabeth H. Barnes

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Joint Petition for Generic Investigation or
Rulemaking Regarding "Gas-On-Gas"
Competition Between Jurisdictional Natural
Gas Distribution Companies'

Docket No. P-2011-2277868

Generic Investigation Regarding Gas-On-Gas
Competition Between Jurisdictional Natural
Gas Distribution Companies

Docket No. I-2012-2320323

**DUQUESNE LIGHT COMPANY
PETITION TO INTERVENE**

To: The Honorable Elizabeth H. Barnes, Administrative Law Judge:

Pursuant to 52 Pa.Code. §§5.71-5.76, Duquesne Light Company ("Duquesne Light" or the "Company") petitions the Commission to intervene in the above captioned matter. In support of this request, the Company states the following:

I. BACKGROUND

1. Duquesne Light is a public utility as that term is defined under Section 102 of the Public Utility Code, 66 Pa. C.S. § 102, certificated by the Commission to provide electric service in the City of Pittsburgh and in Allegheny and Beaver Counties in Pennsylvania.

2. Duquesne Light is represented in this matter by the following counsel:

Tishekia E. Williams, Esquire
Duquesne Light Company
411 Seventh Avenue
Pittsburgh, PA 15219
Phone: (412) 393-1541
Fax: (412) 393-5757
Email: TWilliams@duqlight.com

The Company requests that the Commission and all parties of record serve copies of all discovery requests and answers, correspondence, Commission Orders and any documents issued in this proceeding on counsel for Duquesne Light at the above address.

II. PROCEDURAL HISTORY

3. On or about December 8, 2011, Peoples TWP LLC, Peoples Natural Gas Company LLC, the Commission's Bureau of Investigation and Enforcement ("BI&E"), the Office of Consumer Advocate ("OCA") and Office of Small Business Advocate ("OSBA") filed a Joint Petition for Generic Investigation or Rulemaking regarding Gas-on-Gas Competition between Jurisdictional Natural Gas Distribution Companies, Docket No. P-2011-2277868.

4. By Secretarial letter dated July 25, 2012, the Commission granted the Joint Petition and assigned the matter to the Office of Administrative Law Judge.

5. On August 23, 2012, your Honor issued a Prehearing Order scheduling a Prehearing Conference for August 31, 2012.

6. As of August 31, 2012, Petitions to Intervene were filed by Columbia Gas of Pennsylvania, Inc. ("Columbia Gas"), Pennsylvania State University ("PSU"), National Fuel Gas Distribution Corporation ("National Fuel"), The Industrial Energy Consumers of Pennsylvania ("IECPA"), PECO Energy Company (PECO), UGI Distribution Companies (UGI), and Equitable Gas Company LLC (Equitable Gas). By Prehearing Order dated August 31, 2012, the Petitions to Intervene were granted.

7. The parties were unable to reach a consensus regarding the appropriate scope of the proceeding at the August 31, 2012 Prehearing conference. The OCA and OSBA argued that the proceeding should be broader and include an examination of 1) the current extent and nature of gas-on-gas discounting, 2) whether discounting rates for certain customers to meet competition from other NGDCs is appropriate, 3) if discounting is appropriate, the types of

discounts that should be permitted, and how the cost of the discounts should be allocated or absorbed, and 4) if discounting is not appropriate, how existing discount policies and practices should be phased out. On the contrary, some NGDCs, including Equitable Gas argued for a more limited scope and narrow interpretation of the Secretarial letter. Parties were ordered to file formal comments regarding the scope of the investigation and the exact issues to be addressed.

8. Comments were filed by the BI&E, Columbia Gas, Equitable Gas, IECPA, National Fuel, OSBA, OCA, Peoples Gas, and PSU.

9. On November 30, 2012, the Pennsylvania Independent Oil and Gas Association filed a petition to intervene.

10. On December 14, 2012, your Honor issued an Order deciding the scope of this proceeding. Specifically, the Order stated “[u]pon review of the parties’ comments, I agree with BI&E, OCA and OSBA that the intention of the Secretarial Letter was to initiate a fully litigated proceeding, specifically to determine the full impact of flexing distribution rates, to address if this competition should be allowed to continue, and if so, how that should be fairly applied as outlined in the Joint Petition for Settlement, page 4. The merits of gas-on-gas competition shall be a part of the scope of this proceeding. The Secretarial Letter states, “It is problematic to resolve the issues related to gas-on-gas competition in the NGDC’s individual base rate case.” Thus, I believe from this statement, the Commission intended for the investigation to be broad rather than narrow in scope.”

11. The Order also provides that a second prehearing conference will be held on January 24, 2013, at which time any unaddressed petitions to intervene and a procedural schedule and discovery issues shall be addressed.

12. Duquesne Light Company respectfully requests that it be granted intervenor status in this proceeding. Although Duquesne Light does not intend to be an active party it will closely monitor this proceeding, and reserves the right to respond to significant issues raised by other parties in the course of the proceeding. As a natural gas consumer at six (6) locations throughout western Pennsylvania, Duquesne Light has a direct, material interest in the outcome of this proceeding that is not adequately represented by other parties.

III. GROUNDS FOR GRANTING DUQUESNE LIGHT INTERVENOR STATUS

13. The Commission regulations at 52 Pa. Code. § 5.72 state in relevant part:

(a) *Persons.* A petition to intervene may be filed by a person claiming a right to intervene or an interest of such nature that intervention is necessary or appropriate to the administration of the statute under which the proceeding is brought. The right or interest may be one of the following:

(1) A right conferred by statute of the United States or of the Commonwealth.

(2) **An interest which may be directly affected and which is not adequately represented by existing participants, and as to which the petitioner may be bound by the action of the Commission in the proceeding.**

(3) Another interest of such nature that participation of the petitioner may be in the public interest.

...

13. Among other things, a key issue to be decided in this proceeding is whether discounting rates for certain customers to meet competition from other NGDCs is appropriate and if not, how existing discount policies and practices should be phased out.

14. Duquesne Light receives natural gas service at six locations throughout western Pennsylvania. All locations are serviced by Equitable Gas Company as the Distribution Company, and Equitable Energy as the commodity provider.

15. The Commission is likely to determine whether NGDCs may continue to offer discounts, which will ultimately impact the cost of natural gas service to Duquesne Light Company, as a mid-sized commercial customer.

REQUESTED RELIEF

WHEREFORE, for all of the foregoing reasons, Duquesne Light Company respectfully requests that the Pennsylvania Public Utility Commission approve the instant Petition to Intervene.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read 'Tisheka Williams', written over a horizontal line.

Tisheka Williams, Esquire
Duquesne Light Company
411 Seventh Avenue
Pittsburgh, PA 15219
Phone: (412) 393-1541
Fax: (412) 393-5897
E-mail: TWilliams@duqlight.com

Dated: January 3, 2013

VERIFICATION

I, Tishekia Williams, attorney for Duquesne Light Company, hereby state that the facts set forth above are true and correct to the best of my knowledge, information and belief, and that I expect that Duquesne Light Company will 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 related to unsworn falsification to authorities.

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke extending to the right, positioned above a thin horizontal line.

Dated: January 3, 2013

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of Duquesne Light Company's Petition to Intervene has been served upon the following persons, in the manner indicated, in accordance with the requirements of § 1.54 (relating to service by a participant):

VIA FIRST-CLASS MAIL

Theodore J. Gallagher, Senior Counsel
Nisource Corporate Services Company
121 Champion Way, Suite 100
Cannonsburg, PA 15317
724-416-6355

Jay W. Dawson, Esquire
Peoples TWP LLC
205 North Main Street
Butler, PA 16001

Teresa K. Schmittberger, Esquire
McNees Wallace and Nurick LLC
100 Pine Street, PO Box 1166
Harrisburg, PA 17108
717-237-5270

Mark C. Morrow, Esquire
UGI Corporation
460 North Gulph Road
King of Prussia, PA 19406
610-768-3628

William E. Lehman, Esquire
Thomas J. Sniscak, Esquire
Hawke McKeon & Sniscak, LLP
100 North Tenth Street, PO Box 1778
Harrisburg, PA 17105-1778

Elizabeth Rose Triscari
Office of Small Business Advocate
Suite 1102, 300 North Second Street
Harrisburg, PA 17101
717-783-2525

James A. Mullins, Esquire
Office of Consumer Advocate
Forum Place 5th Floor
555 Walnut Street
Harrisburg, PA 17101-1923
717-783-5048

William H. Roberts II, Senior Counsel
Peoples Natural Gas Company LLC
375 N. Shore Drive Suite 600
Pittsburgh, PA 15212
412-208-6527

Maureen Geary Krowicki, Esquire
National Fuel Gas Distribution Corporation
PO Box 2081, 1100 State Street
Erie, PA 16512
814-871-8035

Allison C. Kaster, Esquire
Bureau of Investigation and Enforcement
PO Box 3265
Harrisburg, PA 17105-3265

Donna M.J. Clark, Esquire
Energy Association of Pennsylvania
800 North Third Street, Suite 205
Harrisburg, PA 17101

Amy Neufeld, Esquire
500 North Third Street
Suite 800
Harrisburg, PA 17110

Kevin J. Moody, General Counsel
Pennsylvania Independent Oil & Gas Assoc.
115 VIP Drive, Suite 210
Northridge Office Plaza II
Wexford, PA 15090-7906



Tishekia Williams, Esq.
Duquesne Light Company
411 Seventh Avenue, 16-1
Pittsburgh, PA 15219
412-393-1541 (phone)/412-393-5757 (fax)
twilliams@duqlight.com

Dated January 3, 2013