

COMMONWEALTH OF PENNSYLVANIA

125042



OFFICE OF CONSUMER ADVOCATE

555 Walnut Street 5th Floor, Forum Place
Harrisburg, Pennsylvania 17101-1923
(717) 783-5048

IRWIN A. POPOWSKY
Consumer Advocate

FAX (717) 783-7152
E-Mail: paoca@ptd.net

R-00027133C0001

February 12, 2002

James J. McNulty, Secretary
PA Public Utility Commission
Commonwealth Keystone Bldg.
400 North Street
P.O. Box 3265
Harrisburg, PA 17120

DOCUMENT
FOLDED

SECRETARY'S BUREAU

COPIED 12 FEB 14 01

Re: Pa. Public Utility Commission
v.
Philadelphia Gas Works, 1307(f)
Docket No. R-00027133

Dear Secretary McNulty:

Enclosed for filing please find an original and three copies of the Formal Complaint and Public Statement of the Office of Consumer Advocate in the above-referenced proceeding.

A copy of this document has been served upon all parties as evidenced by the attached Certificate of Service.

Sincerely yours,

Stephen J. Keene
Senior Assistant Consumer Advocate

Enclosure

cc: All parties of record
Honorable Allison K. Turner, Administrative Law Judge
67706.wpd

55

FORMAL COMPLAINT

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

RECEIVED
FEB 12 PM 4:01
SECRETARY'S BUREAU

For Commission Use Only:

COMPLAINT DOCKET NO. _____ REF. # _____ UTILITY CODE _____

_____ VS. _____

DOCKETED

PLEASE PRINT:

FEB 14 2002

1. YOUR NAME, ADDRESS AND TELEPHONE NUMBER.

**DOCUMENT
COLLECTED**

Name Irwin A. Popowsky, Consumer Advocate
Street 555 Walnut Street 5th Floor, Forum Place
City Harrisburg State Pennsylvania Zip 17101-1923
County Dauphin Work Telephone-Area Code (717) 783-5048

2. COMPANY YOU ARE COMPLAINING ABOUT.

Name Philadelphia Gas Works

3. WHAT IS YOUR COMPLAINT? (DESCRIBE PROBLEM).

A. On February 1, 2002, pursuant to Section 1307(f) of the Public Utility Code, Section 2212 of the Natural Gas Choice and Competition Act, Sections 53.64 and 53.65 of the Commission's Rules and Regulations, and the Commission's Order entered September 11, 2002 at Docket No. R-00005654, Philadelphia Gas Works ("PGW" or "Company") submitted the pre-filing information in support of the reconciliation of its annual purchased gas cost rate ("GCR").

- B. PGW's pre-filing information does not indicate the effect of the annual purchased gas cost reconciliation on rates. The Company is scheduled to make its definitive rate GCR filing to the Pennsylvania Public Utility Commission ("PUC") on March 1, 2002.
- C. The Public Utility Code provides that no rates of a natural gas distribution utility shall be deemed just and reasonable unless the Commission finds that the utility is pursuing a least cost fuel procurement policy, consistent with the utility's obligation to provide safe, adequate and reliable service to customers. 66 Pa. C.S. § 1318. The Commission must find, among other things, that the utility has (1) fully and vigorously represented ratepayer interests before the Federal Energy Commission; (2) taken all prudent steps to negotiate favorable gas supply contracts and to relieve its obligations under contracts that may be adverse to ratepayer interests; (3) taken all reasonable steps to obtain lower cost gas supplies; and (4) not withheld or caused to be withheld gas supplies that should have been utilized as part of a least cost fuel procurement policy.
- D. The Consumer Advocate is empowered to represent the interests of consumers before the Pennsylvania Public Utility Commission, pursuant to Act 1976-161 of the General Assembly, as amended, 71 Pa. Stat. Ann. §§ 309-1 et seq. (Purdon's Supp. 1990).
- E. After the initial review of PGW's pre-filing information, the Consumer Advocate files this Formal Complaint in order to ensure that the Company's proposed purchased gas cost rates (to be filed on or about March 1, 2002) are consistent with

a least cost fuel procurement policy and do not result in rates and charges that are excessive, unjust or unreasonable, discriminatory or otherwise contrary to Commission regulation or policy.

4. WHAT DO YOU WANT US TO DO?

The Consumer Advocate respectfully requests that the Public Utility Commission:

- A. Hold evidentiary hearings as mandated by Section 1307(f) of the Public Utility Code;
- B. Hold public input hearings in PGW's service territory, if consumer interest arises;
- C. Deny any rate or tariff changes which are not the result of a least cost fuel procurement policy as defined by the standards set forth in Section 1318 of the Public Utility Code, and as defined by other applicable ratemaking standards;
- D. Ensure that PGW's residential customers are not allocated any costs which should not appropriately be borne by them;
- E. Deny any rate or tariff change that is unjust, unreasonable, unduly discriminatory or contrary to sound ratemaking principles; and
- F. Grant any other relief deemed appropriate.

YOU MUST SIGN AND DATE YOUR COMPLAINT.

The information I have placed on this form is true and correct to the best of my knowledge. I understand that I could be punished under Pennsylvania State Law if I purposely give false information.


Signature of complainant

2/12/02
February 12, 2002

YOU DO NOT NEED A LAWYER If you DO have a lawyer PLEASE PRINT the lawyer's name, address and telephone number below.

Lawyer's Name Stephen J. Keene, Senior Assistant Consumer Advocate

Street 555 Walnut Street, Forum Place, 5th Floor

City Harrisburg State PA Zip 17101-1923

Telephone Number-Area Code 717-783-5048

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. § 309-2, as enacted July 9, 1976, authorizes the Consumer Advocate ("OCA") to represent the interests of consumers before the Pennsylvania Public Utility Commission ("PUC" or "Commission"). In accordance with Act 161, and for the following reasons, the Consumer Advocate determined to file a Formal Complaint and participate in proceedings before the Commission involving Philadelphia Gas Works ("PGW" or "Company").

On February 1, 2002, PGW filed its preliminary information in support of its annual reconciliation of its purchased gas cost rate ("GCR") in accordance with Section 1307(f) of the Public Utility Code. 66 Pa.C.S. §1307(f). PGW's preliminary information does not indicate the effect of the annual purchased gas cost reconciliation on rates. The Company is scheduled to make its definitive rate filing to the Pennsylvania Public Utility Commission ("PUC") on March 1, 2002.

The Consumer Advocate has filed this Complaint with the Commission to ensure that each element of PGW's purchased gas cost rate is scrutinized. A thorough analysis and review are appropriate because Section 1318 of the Public Utility Code mandates that purchased gas costs cannot be determined to be just and reasonable unless such rates result from a least cost fuel procurement policy. That section of the Public Utility Code also specifies certain findings which must be made before such costs are determined to be lawful. The OCA, therefore, will seek to ensure that only those purchased gas costs which meet the requirements of Section 1318 will be paid by PGW's ratepayers.

In addition, the OCA also will seek to ensure that the rates approved by the Commission are otherwise just and reasonable, and not unduly discriminatory or excessive.

*64144

CERTIFICATE OF SERVICE

Re: Pennsylvania Public Utility Commission
v.
Philadelphia Gas Works, 1307(f)
Docket No. R-00027133

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

Dated this 12th day of February, 2002.

SERVICE BY HAND DELIVERY

Johnnie E. Simms, Esq.
Office of Trial Staff
PA Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

SERVICE BY FIRST CLASS MAIL, POSTAGE PREPAID

Kevin J. Moody, Esq.
Wolf, Block, Schorr and Solis-Cohen, LLP
Suite 300
212 Locust Street
Harrisburg, PA 17101

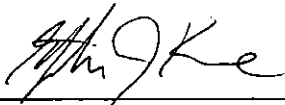
Charis M. Burak, Esq.
McNees, Wallace & Nurick
100 Pine Street
P.O. Box 1166
Harrisburg, PA 17108-1166

Steven Gray, Esq.
Office of Small Business Advocate
Suite 1102 Commerce Bldg.
300 North Second Street
Harrisburg, PA 17101

Margaret Flores, Esq.
Philadelphia Gas Works
800 West Montgomery Avenue
Philadelphia, PA 19122

Philip A. Bertocci, Esq.
Community Legal Services, Inc.
1424 Chestnut Street
Philadelphia, PA 19102-2505

Robert D. Knecht
Industrial Economics Incorporated
2067 Massachusetts Avenue
Cambridge, MA 02140



Stephen J. Keene
Senior Assistant Consumer Advocate

Counsel for
Office of Consumer Advocate
555 Walnut Street 5th Floor, Forum Place
Harrisburg, PA 17101-1923
(717) 783-5048
67707.wpd

SECRETARY'S BUREAU

02 FEB 12 PM 4:01

1000000000

COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P O BOX 3265, HARRISBURG PA 17105-3265

FEBRUARY 14, 2002

KEVIN J MOODY ESQUIRE
WOLF BLOCK SCHORR AND SOLIS-COHEN LLP
212 LOCUST STREET SUITE 300
HARRISBURG PA 17101

DOCKETED
FEB 14 2002

RE: PA PUC vs PHILADELPHIA GAS WORKS
Docket Number R-00027133C0001

DOCUMENT
FOLDED

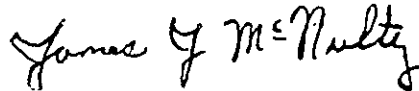
Dear Sir/Madam:

A Complaint has been filed against you in the above-captioned matter before the Pennsylvania Public Utility Commission by OFFICE OF CONSUMER ADVOCATE.

This complaint, of which the attached is a true and correct copy, has been presented and filed of record with the Pennsylvania Public Utility Commission. The Pennsylvania Public Utility Code, 66 Pa. C.S., requires the Commission to serve on each party named in a complaint a copy of the complaint.

Within twenty (20) days from the date on which this complaint is served, you may either satisfy this complaint or comply with the provisions of 52 Pa. Code, Section 5.61 et seq., as amended.

Very truly yours,



James J. McNulty
Secretary

(SEAL)

Certified Mail
Return Receipt Requested

ddi

COMMONWEALTH OF PENNSYLVANIA

DATE: FEBRUARY 14, 2002
SUBJECT: R-00027133C0001
TO: Office of Administrative Law Judge
FROM: *MS* James J. McNulty, Secretary

DOCKETED
FEB 14 2002

DOCUMENT
FOLDED

OFFICE OF CONSUMER ADVOCATE
v.
PHILADELPHIA GAS WORKS

Attached is copy of a formal complaint filed in connection with the above docketed proceeding.

This matter is assigned to your office for necessary action.

Attachment - copy of complaint

cc:
Bureau of Fixed Utility Services - w/copy of complaint
Office of Trial Staff - w/copy of complaint
Office of Special Assistants - w/copy of complaint

ddi

COMMONWEALTH OF PENNSYLVANIA



OFFICE OF SMALL BUSINESS ADVOCATE
Suite 1102, Commerce Building
300 North Second Street
Harrisburg, Pennsylvania 17101

Carol F. Pennington
Acting Small Business Advocate

(717) 783-2525
(717) 783-2831 (FAX)

DOCKETED

June 19, 2002

JUL 09 2002

HAND DELIVERED

James J. McNulty, Secretary
Pa. Public Utility Commission
Commonwealth Keystone Building
P. O. Box 3265
Harrisburg, PA 17105

DOCUMENT

PA.P.U.C.
SECRETARY'S BUREAU

02 JUN 19 PM 2:57

RECEIVED

Re: Pennsylvania Public Utility Commission v.
Pennsylvania Gas Works (GCR Proceeding)
Docket No. R-00027133

Dear Secretary McNulty:

Please be advised that the Office of Small Business Advocate will not be filing exceptions in the above captioned proceeding. As evidenced by the enclosed certificate of service, a copy has been served on all active parties in this case.

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

Sincerely,

Steven C. Gray
Assistant Small Business Advocate

Enclosures

cc: Cheryl Walker Davis, Director
Office of Special Assistants

Parties of Record

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

PENNSYLVANIA PUBLIC UTILITY
COMMISSION

v.

PHILADELPHIA GAS WORKS

DOCKET NO. R-00027133

RECEIVED
02 JUN 19 PM 2:58
PA.P.U.C.
SECRETARY'S BUREAU

CERTIFICATE OF SERVICE

I certify that I am serving a copy of the foregoing document on behalf of the Office of Small Business Advocate by FAX and first class mail upon the persons addressed below:

Hon. Allison K. Turner
Administrative Law Judge
Pa. Public Utility Commission
1302 Philadelphia State Office Bldg.
Broad and Spring Garden Streets
Philadelphia, PA 19130
(215) 560-2105
(215) 560-3133 - Fax

Wendell F. Holland, Esquire
Obermayer Rebmman Maxwell & Hippel
One Penn Center - 19th Floor
1617 John F. Kennedy Boulevard
Philadelphia, PA 19103-1895
(215) 665-3000
(215) 665-3165 (fax)

Walter W. Cohen, Esquire
Stephen W. Ching, Jr., Esquire
Obermayer Rebmman Maxwell & Hippel
204 State Street
Harrisburg, PA 17101
(717) 234-9730
(717) 234-9734 (fax)

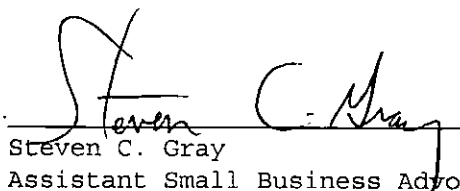
Daniel Clearfield, Esquire
Kevin J. Moody, Esquire
Wolf, Block, Schorr & Solis-Cohen
Locust Court Building, Suite 300
212 Locust Street
Harrisburg, PA 17101
(717) 237-7160
(717) 237-7161 (fax)

Stephen J. Keene, Esquire
Office of Consumer Advocate
555 Walnut Street 5th FL Forum Place
Harrisburg, PA 17101-1923
(717) 783-5048
(717) 783-7152

Johnnie E. Simms, Esquire
Office of Trial Staff
Pa. Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105
(717) 787-1976
(717) 772-2677 (fax)

David Kleppinger, Esquire
Charis Burak, Esquire
McNees, Wallace & Nurick
100 Pine Street
P.O. Box 1166
Harrisburg, PA 17108-1166
(PICGUG)
(717) 232-8000
(717) 236-2665 (fax)

Philip A. Bertocci, Esquire
Community Legal Services, Inc.
1424 Chestnut Street 4th Floor
Philadelphia, PA 19102-2505
(215) 981-3702
(215) 981-0435 (fax)


Steven C. Gray
Assistant Small Business Advocate

Date: June 19, 2002