



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

ORIGINAL

June 8, 2001

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

DOCUMENT  
FOLDER

RECEIVED  
01 JUN - 8 PM 4:06  
PA.P.U.C.  
SECRETARY'S BUREAU

Re: Pa. Public Utility Commission  
v.  
Philadelphia Electric Company 1307(f)  
Docket No. R-00016378 C600 \

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.

Sincerely yours,

Stephen J. Keene  
Assistant Consumer Advocate

Enclosure

cc: All parties of record

DOCKETED

JUN 12 2001

ORIGINAL

FORMAL COMPLAINT  
BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

For Commission Use Only: R-000163780001

COMPLAINT DOCKET NO. \_\_\_\_\_ REF. # \_\_\_\_\_ UTILITY CODE \_\_\_\_\_  
\_\_\_\_\_  
VS. \_\_\_\_\_

RECEIVED  
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P.A.U.C.  
SECRETARY'S BUREAU

PLEASE PRINT:

1. YOUR NAME, ADDRESS AND TELEPHONE NUMBER.

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

DOCUMENT  
FOLDER

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

A. On June 1, 2001, pursuant to Sections 53.64 and 53.65 of the Commission's Rules and Regulations and the Commission's November 22, 2000 Order at Docket No. R-00005619, Philadelphia Gas Works ("PGW" or "Company") submitted its definitive filing information in support of its annual purchased gas cost rate ("GCR") calculation.

For Commission Use Only:

- B.    PGW’s definitive filing of June 1, 2001 proposes a decrease in purchased gas cost rates for retail sales service from \$6.6959/Mcf to a rate of \$5.5958/Mcf effective September 1, 2001, a reduction of approximately \$1.10/Mcf.
  
- C.    The Public Utility Code provides that no rates of a natural gas distribution company (“NGDC”) shall be deemed just and reasonable unless the Commission finds that the NGDC 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 Regulatory 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 initial review of PGW’s filing, the Consumer Advocate files this Formal Complaint in order to ensure that the Company’s proposed purchased gas cost rates 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 customers are not allocated any costs which should not be borne by them;
- E. Deny any rate or tariff change that is unjust, unreasonable, unduly discriminatory or contrary to sound ratemaking principles;
- 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

Date: June 8, 2001

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 Tanya J. McCloskey, Senior Assistant Consumer Advocate, and  
Stephen Keene Assistant Consumer Advocate

Street 555 Walnut Street, 5<sup>th</sup> Floor, Forum Place

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").

PGW's definitive filing of June 1, 2001 proposes a decrease in purchased gas cost rates for retail sales service from \$6.6959/Mcf to a rate of \$5.5958/Mcf effective September 1, 2001, a reduction of \$1.10/Mcf. 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.

CERTIFICATE OF SERVICE

Re: Pennsylvania Public Utility Commission

v.

Philadelphia Gas Works

Docket No. R-00016378

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 8<sup>th</sup> day of June, 2001.

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

Bernard A. Ryan, Jr., Esq.  
Angela T. Jones, Esq.  
Office of Small Business Advocate  
Suite 1102 Commerce Bldg.  
300 North Second Street  
Harrisburg, PA 17101

Charis M. Burak, Esq.  
David M. Kleppinger, esq.  
Mcnees, Wallace & Nurick  
100 Pine Street  
P.o. Box 1166  
Harrisburg, PA 17108-1166

Daniel Clearfield, Esq.  
Wolf, Block, Schorr and Solis-Cohen, LLP  
Suite 300  
212 Locust Street  
Harrisburg, PA 17101

  
Stephen J. Keene  
Assistant Consumer Advocates

Wendell F. Holland, Esq.  
Obermayer Rebmann Maxwell & Hippel, Llp  
One Penn Center, 19<sup>th</sup> Floor  
1617 John F. Kennedy Blvd.  
Philadelphia, Pa 19103-1895

Counsel for  
Office of Consumer Advocate  
555 Walnut Street 5th Floor, Forum Place  
Harrisburg, PA 17101-1923  
(717) 783-5048  
64142

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

JUNE 11, 2001

**DOCKETED**  
JUN 12 2001

WENDELL F. HOLLAND  
OBERMAYER REBMANN MAXWELL & HIPPEL LLP  
1 PENN CENTRE 19TH FL 1617 J KENNEDY BLVD  
PHILADELPHIA PA 19103-1895

RE: PA PUC vs PHILADELPHIA GAS WORKS  
Docket Number R-00016378C0001

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Dear Sir/Madam:

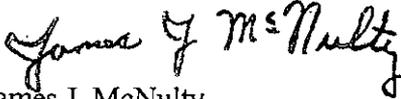
DOCUMENT  
FOLDER

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

JH

COMMONWEALTH OF PENNSYLVANIA

DATE: JUNE 11, 2001

SUBJECT: R-00016378C0001

TO: Office of Administrative Law Judge

FROM:  James J. McNulty, Secretary

**DOCKETED**  
JUN 12 2001

DOCUMENT  
FOLDER

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

JH