



COMMONWEALTH OF PENNSYLVANIA

April 6, 2015

E-FILED

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

**Re: Columbia Gas of Pennsylvania, Inc. (1307(f))
Docket No. R-2015-2469665**

Dear Secretary Chiavetta:

Enclosed for filing is the Prehearing Memorandum, on behalf of the Office of Small Business Advocate, in the above-captioned proceeding.

As evidenced by the enclosed certificate of service, all parties have been served as indicated.

Sincerely,

A handwritten signature in cursive script that reads "Daniel G. Asmus".

Daniel G. Asmus
Small Business Advocate
Attorney ID No. 83789

Enclosures

cc: Parties of Record
Robert D. Knecht

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

PENNSYLVANIA PUBLIC UTILITY COMMISSION	:	
	:	
v.	:	DOCKET NO. R-2015-2469665
	:	
COLUMBIA GAS OF PENNSYLVANIA, INC. (1307(f))	:	

**OFFICE OF SMALL BUSINESS ADVOCATE
PREHEARING MEMORANDUM**

I. INTRODUCTION

The Office of Small Business Advocate (“OSBA”) is authorized to represent the interests of small business consumers of utility services before the Pennsylvania Public Utility Commission (“Commission”) pursuant to the provisions of the Small Business Advocate Act, Act 181 of 1988, 73 P.S. §§ 399.41 - 399.50 (“the Act”). In order to discharge this statutory duty, the Small Business Advocate deems it necessary to participate as a party to this proceeding. Representing the OSBA in this matter is Assistant Small Business Advocate Daniel G. Asmus. Please address all correspondence as follows:

Daniel G. Asmus, Esquire
Office of Small Business Advocate
300 North Second Street, Suite 202
Harrisburg, Pennsylvania 17101
(717) 783-2525
(717) 783-2831 (fax)
dasmus@pa.gov

II. PROCEDURAL BACKGROUND

On April 1, 2015, pursuant to Section 1307(f) of the Public Utility Code, 66 Pa. C.S. Section 1307(f), Columbia Gas of Pennsylvania, Inc. (“Columbia” or the “Company”) submitted its annual Purchased Gas Cost (“PGC”) Rate filing.

On March 11, 2015, the OSBA filed a Complaint in this proceeding, in response to Columbia’s February 27, 2015 prefiling.

Administrative Law Judge (“ALJ”) Mark Hoyer was assigned to this proceeding and issued a Prehearing Conference Order on April 1, 2015, informing the parties that the Initial Prehearing Conference on this case will be held on April 7, 2015. This Prehearing Memorandum is being served upon ALJ Hoyer and the parties consistent with that Order.

III. IDENTIFICATION OF WITNESSES

Assisting in the development and presentation of the OSBA’s case in this proceeding will be:

Mr. Robert D. Knecht
Industrial Economics Incorporated
2067 Massachusetts Avenue
Cambridge, MA 02140
(617) 354-0074
(617) 354-0463 – Fax
rdk@indecon.com

The OSBA requests that all parties serve copies of all documents, including discovery, testimony and briefs, upon Mr. Knecht, simultaneously with service upon the OSBA.

IV. IDENTIFICATION OF ISSUES

The OSBA has intervened in this proceeding in order to protect the interests of Columbia's small business customers. Among other things, the OSBA will seek to assure that the Company's 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.

At this time, after an initial review of the materials submitted by Columbia, the OSBA is concentrating on the following issues:

1. Whether the Company's claims for unaccounted-for gas costs are reasonable;
2. Whether the Company's proposed gas retainage rates for transportation customers are reasonable;
3. Whether the Company's design day demand forecasting method is reasonable and whether upstream capacity is reasonably consistent with the design day demand forecast; and
4. Splitting USM credits between PGCC and PGDC.

The OSBA reserves the right to pursue additional issues as they arise throughout the proceeding.

V. DISCOVERY

Discovery has been ongoing for several weeks. The OSBA will cooperate with the ALJ and other parties to arrive at any mutually agreeable discovery modifications.

VI. SERVICE OF DOCUMENTS

The OSBA agrees to accept electronic mail delivery of documents on the due date as satisfying the in-hand requirement, *provided that such documents are followed by hard copy delivery to OSBA by first class mail*. Service by electronic mail *only* is not acceptable. The OSBA requests that such hard copies are also provided to its witness identified above.

In addition to hard copies of pleadings, briefs, and exceptions, the OSBA requests hard copies of responses to discovery propounded by the OSBA or any other party. The OSBA also requests that all parties serve an electronic copy of all interrogatory responses upon the OSBA and the OSBA witness identified above.

VII. SETTLEMENT

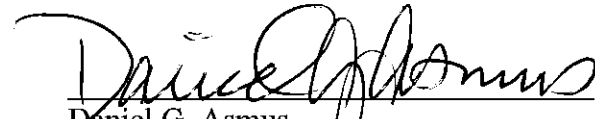
The OSBA notes its willingness to enter into settlement discussions at the appropriate phase of this proceeding.

VIII. PROCEDURAL SCHEDULE

The OSBA will work with the ALJ and the parties to arrive at a mutually agreeable schedule.

In light of the Governor's commitment to reduce the operating budget of Commonwealth Offices, the OSBA respectfully requests that the evidentiary hearings take place in Harrisburg.

Respectfully submitted,



Daniel G. Asmus
Attorney ID No. 306921
Assistant Small Business Advocate

For:

John R. Evans
Small Business Advocate

Office of Small Business Advocate
300 North Second Street, Suite 202
Harrisburg, PA 17101

Dated: April 6, 2015

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission :
v. : **DOCKET NO. R-2015-2469665**
Columbia Gas of Pennsylvania, Inc. (1307(f)) :

CERTIFICATE OF SERVICE

I certify that I am serving two copies of the Prehearing Memorandum, on behalf of the Office of Small Business Advocate, by e-filing, e-mail, and/or first-class mail (unless otherwise noted) upon the persons addressed below:

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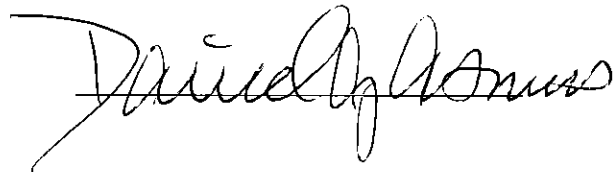
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April 6, 2015

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