



COMMONWEALTH OF PENNSYLVANIA

September 21, 2015

**HAND DELIVERED**

Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
P. O. Box 3265  
Harrisburg, PA 17105-3265

**Re: Petition of Philadelphia Gas Works for Waiver of Provisions of  
Act 11 to Increase the Distribution System Improvement Charge  
CAP and to Permit Levelization of DSIC Charges  
Docket No. P-2015-2501500**

Dear Secretary Chiavetta:

I am delivering for filing today the originals of the **Answer of the Office of Small Business Advocate, Verification, Public Statement, Notice of Appearance, and Notice of Intervention**, on behalf of the Office of Small Business Advocate, in the above-captioned proceeding.

Two copies have been served today on all known parties in this proceeding. A Certificate of Service to that effect is enclosed.

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

Sincerely,

A handwritten signature in black ink, appearing to read "S. Webb".

Sharon E. Webb  
Assistant Small Business Advocate  
Attorney ID No. 73995

Enclosures

cc: The Honorable Charles E. Rainey, Jr.  
Parties of Record  
Robert D. Knecht

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition of Philadelphia Gas :  
Works for Waiver of Provisions :  
Of Act 11 to Increase the : Docket No. P-2015-2501500  
Distribution System Improvement :  
Charge Cap and to Permit :  
Levilization of DSIC Charges :

**CERTIFICATE OF SERVICE**

I hereby certify that true and correct copies of the foregoing have been served via email and/or first-class mail (unless other noted below) upon the following persons, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

The Honorable Charles E. Rainey, Jr.  
Chief Administrative Law Judge  
PA Public Utility Commission  
PO Box 3265  
Harrisburg, PA 17105-3265  
[crainey@pa.gov](mailto:crainey@pa.gov)  
**(E-mail and Hand Delivery)**

Daniel Clearfield, Esquire  
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Harrisburg, PA 17101  
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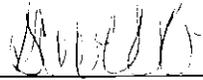
Erin L. Gannon, Esquire  
Darryl Lawrence, Esquire  
Office of Consumer Advocate  
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Harrisburg, PA 17101-1921  
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Sharon E. Webb  
Assistant Small Business Advocate  
Attorney I.D. No. 73995

Dated: September 21, 2015

**BEFORE THE PENNSYLVANIA  
PUBLIC UTILITY COMMISSION**

**Petition of Philadelphia Gas Works** :  
**for Waiver of Provisions of Act 11** :  
**to Increase the Distribution System** : **Docket No. P-2015-2501500**  
**Improvement Charge CAP and to** :  
**Permit Levelization of DSIC Charges** :

**ANSWER OF THE OFFICE OF  
SMALL BUSINESS ADVOCATE**

Pursuant to 52 Pa. Code §5.61(e), the Office of Small Business Advocate (“OSBA”) hereby answers the Petition filed by Philadelphia Gas Works (“PGW” or “Company”) with the Pennsylvania Public Utility Commission (“Commission”) on September 1, 2015, and avers the following in support thereof:

1. The OSBA is an agency of the Commonwealth of Pennsylvania authorized by the Small Business Advocate Act (Act 181 of 1988, 73 P.S. §§ 399.41 - 399.50) to represent the interest of small business consumers as a party in proceedings before the Commission. Concurrent with the filing of this Answer, the OSBA is filing a Notice of Intervention and Public Statement in connection with the above-captioned proceeding to protect the interest of the Company’s small business customers.

2. In the Petition, the Company seeks to *inter alia*, to modify the current Distribution System Improvement Charge (“DSIC”) mechanism through a waiver or suspension of the requirements of Act 11 of 2012 (“Act 11”) by allow the Company to base its DSIC on annual expenditures rather than quarterly expenditures.<sup>1</sup> Additionally, the Petition seeks a waiver current DSIC cap of 5% of base rate distribution revenues to

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<sup>1</sup> See Petition at 1 and 19-24.

7.5% in addition to any positive reconciliation charge. To provide for a positive reconciliation charge, PGW proposes that the DSIC upper limit be increased to 10%.<sup>2</sup>

3. PGW requests that the Commission approve the Company's DSIC in an expedited manner, prior to the conclusion of its investigation and hearings so that the charge becomes effective on January 1, 2016.<sup>3</sup>

4. After preliminary review of the materials filed by the Company in support of the Petition, the OSBA believes, and therefore avers, that the Company's proposals may be unjust, unreasonable, and unlawfully discriminatory in violation of, *inter alia*, Sections 1301 and 1304 of the Public Utility Code, 66 Pa.C.S. §§1301 and 1304, and contrary to appropriate public policy and sound ratemaking considerations, and may not be supported by the materials filed by the Company.

5. In view of the foregoing, the Office of Small Business Advocate respectfully requests that the Commission:

- a. Suspend and investigate PGW's proposed Tariff Supplement No 85 to PA PUC No. 2;
- b. Deny the Petition as filed and refer the matter to the Office of Administrative Law Judge for investigation, hearings and the development of an evidentiary record ; and
- c. Grant such other relief as may be necessary or appropriate.

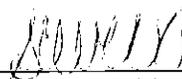
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<sup>2</sup> See Petition at 1 and 9-20.

<sup>3</sup> Petition at 27.

**WHEREFORE**, the Office of Small Business Advocate respectfully requests that the Commission refer the Petition to the Office of Administrative Law Judge for investigation and hearings and the preparation of a Recommended Decision.

Respectfully submitted,



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Sharon E. Webb  
Assistant Small Business Advocate  
Attorney ID No. 73995

For: John R. Evans  
Small Business Advocate

Office of Small Business Advocate  
300 North Second Street, Suite 202  
Harrisburg, PA 17101  
717-783-2525  
717-783-2831 (fax)

September 21, 2015

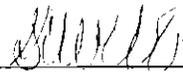
**BEFORE THE PENNSYLVANIA  
PUBLIC UTILITY COMMISSION**

**Petition of Philadelphia Gas Works** :  
**for Waiver of Provisions of Act 11** :  
**to Increase the Distribution System** : **Docket No. P-2015-2501500**  
**Improvement Charge CAP and to** :  
**Permit Levelization of DSIC Charges** :

**VERIFICATION**

I, Sharon E. Webb, hereby state that the facts set forth herein above are true and correct to the best of my knowledge, information and belief and that I expect to 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 (relating to unsworn falsification to authorities).

Date: September 21, 2015

  
\_\_\_\_\_  
(Signature)

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**Petition of Philadelphia Gas Works** :  
**for Waiver of Provisions of Act 11** :  
**to Increase the Distribution System** : **Docket No. P-2015-2501500**  
**Improvement Charge CAP and to** :  
**Permit Levelization of DSIC Charges** :  
:

**NOTICE OF INTERVENTION  
OF THE SMALL BUSINESS ADVOCATE**

1. The Intervenor is:

John R. Evans  
Small Business Advocate  
Office of Small Business Advocate  
300 North Second Street, Suite 202  
Harrisburg, PA 17101  
(717) 783-2525  
(717) 783-2831 (fax)  
[jorevan@pa.gov](mailto:jorevan@pa.gov)

2. The name and address of the Intervenor's attorney is:

Sharon E. Webb  
Assistant Small Business Advocate  
Office of Small Business Advocate  
300 North Second Street, Suite 202  
Harrisburg, PA 17101  
(717) 783-2525  
(717) 783-2831 (fax)  
[swebb@pa.gov](mailto:swebb@pa.gov)

3. The respondent utility is:

Philadelphia Gas Works  
800 Montgomery Avenue  
Philadelphia, PA 19122

4. The Intervenor is authorized and directed by the Small Business Advocate Act, Act 181 of 1988, 73 P.S. §§ 399.41 - 399.50, to represent the interests of small business consumers of utility services in matters before the Pennsylvania Public Utility Commission (“Commission”).

5. This Intervention is filed regarding the Petition of Philadelphia Gas Works for Waiver of Provisions of Act 11 to Increase the Distribution System Improvement Charge CAP and to Permit Levelization of DSIC Charges (“Petition”) that was filed with the Commission on September 1, 2015.

6. In view of the foregoing, the Small Business Advocate respectfully requests that the Pennsylvania Public Utility Commission:

- A. Direct the Office of Administrative Law Judge to holding hearings on the *Petition* and prepare an initial decision; and
- B. Grant such other relief as may be necessary or appropriate.

Respectfully submitted,



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Sharon E. Webb  
Assistant Small Business Advocate  
Attorney ID No. 73995

Office of Small Business Advocate  
300 North Second Street, Suite 202  
Harrisburg, PA 17101  
(717) 783-2525  
(717) 783-2831 (fax)

Dated: September 21, 2015

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**Petition of Philadelphia Gas Works** :  
**for Waiver of Provisions of Act 11** :  
**to Increase the Distribution System** : **Docket No. P-2015-2501500**  
**Improvement Charge CAP and to** :  
**Permit Levelization of DSIC Charges** :

**PUBLIC STATEMENT  
OF THE SMALL BUSINESS ADVOCATE**

The Small Business Advocate is authorized and directed to represent the interests of small business consumers of utility services in Pennsylvania under the provisions of the Small Business Advocate Act, Act 181 of 1988, 73 P.S. §§ 399.41 - 399.50 (“Act”). The Act further provides that the Small Business Advocate is to issue publicly a written statement setting forth concisely the specific interest of small business consumers to be protected by his initiation of or intervention in any proceeding involving those interests before the Pennsylvania Public Utility Commission (“Commission”) or any other agency or court. This public statement relates to the Small Business Advocate’s intervention in the above-captioned Commission proceedings.

On September 1, 2015, Philadelphia Gas Works (“PGW”), filed a Petition seeking a waiver of certain provisions of Act 11 and also to increase the 5% cap on its distribution system improvement charge, (“DSIC”) initiating the above-captioned proceeding.

The Small Business Advocate is intervening in the above-captioned proceeding in order to protect the interests of PGW’s small business customers. A thorough inquiry by the Commission into all of the elements of PGW’s petition is necessary to ensure that PGW’s proposals for making and paying for distribution system improvements are in accord with the Public Utility Code and with the Commission’s regulations and policies.

In view of the foregoing, the Small Business Advocate is requesting that the petition be subject to investigation and evidentiary hearings before the Commission. The Small Business Advocate will ask the Commission to deny or modify any aspect of the PGW's proposal that is not proven by PGW to be in accord with the Public Utility Code and with the Commission's regulations and policies.

Dated: September 21, 2015