



COMMONWEALTH OF PENNSYLVANIA

April 3, 2019

E-FILED

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

**Re: Pennsylvania Public Utility Commission v. Peoples Gas Company LLC
Section 1307(f) / Docket No. R-2019-3007613**

Dear Secretary Chiavetta:

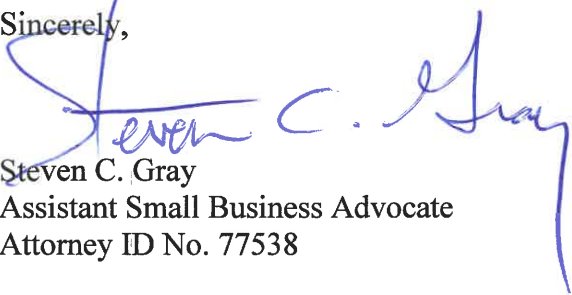
Enclosed for filing please find the Prehearing Memorandum, on behalf of the Office of Small Business Advocate ("OSBA"), in the above-captioned proceeding. I respectfully request that a copy of any documents filed in this case also be shared with our witness at the address below:

Brian Kalcic
Excel Consulting
225 S. Meramec Avenue, Suite 720 T
St. Louis, MO 63105
excel.consulting@sbcglobal.net

Copies will be served on all known parties in this proceeding, as indicated on the attached Certificate of Service.

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

Sincerely,


Steven C. Gray
Assistant Small Business Advocate
Attorney ID No. 77538

Enclosures

cc: Brian Kalcic
Parties of Record

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission	:	
	:	
v.	:	Docket No. R-2019-3007613
	:	
Peoples Gas Company LLC Section 1307(f)	:	

**PREHEARING MEMORANDUM
OF THE OFFICE OF SMALL BUSINESS ADVOCATE**

I. INTRODUCTION

The Office of Small Business Advocate (“OSBA”) is authorized to represent the interests of small business customers 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 these proceedings. Representing the OSBA in the above-referenced matter is Assistant Small Business Advocate Steven C. Gray. Please address all correspondence in that matter as follows:

Steven C. Gray, Esq.
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)
sgray@pa.gov

II. FILING BACKGROUND

On March 1, 2019, pursuant to Section 1307(f) of the Public Utility Code, Peoples Gas Company, LLC (“Peoples Gas” or “Company”) submitted the Company’s pre-filing in support of its annual Purchased Gas Cost (“PGC”) Rate filing.

The Office of Small Business Advocate (“OSBA”) filed a Complaint on March 22, 2019.

On April 1, 2019, Peoples Gas submitted its formal PGC Rate filing.

III. IDENTIFICATION OF WITNESS AND TENTATIVE ISSUES

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

Brian Kalcic
Excel Consulting
225 S. Meramec Avenue, Suite 720
St. Louis, MO 63105
(314) 725-2511
excel.consulting@sbcglobal.net

The OSBA will participate in this proceeding to assure that the interests of small business customers are adequately represented and protected.

After an initial review of the materials submitted by Peoples Gas, the OSBA has identified the following list of issues that it will evaluate in this proceeding:

1. Whether the Company is appropriately mitigating unaccounted-for gas levels on its system.
2. Whether the Company’s design day demand forecasting and peak day capacity requirements are reasonable.
3. Whether the Company’s proposed transportation retainage rate is appropriate.
4. Whether the Company’s strategy for capacity release, off-system sales, asset management arrangements and storage fill agreements is reasonable and serves to minimize costs

incurred by PGC customers.

The OSBA reserves the right to pursue additional issues that may arise throughout this proceeding.

IV. SERVICE OF DOCUMENTS

In accordance with 52 Pa. Code § 1.54(b)(3)(i), the OSBA agrees to accept electronic mail delivery of documents on the due date¹ as satisfying the in-hand requirement, provided that such documents are followed by hard copy delivery to OSBA. Hard copy delivery may be accomplished by first class mail, by personal hand delivery, or by overnight courier.² Service by electronic mail only is not sufficient. The OSBA requests that such hard copies are also provided to its witnesses 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 witnesses identified above.

V. DISCOVERY

The OSBA does not propose any discovery modifications.

VI. SETTLEMENT

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

¹ In accordance with 52 Pa. Code § 1.56(a)(5), documents must be received by 4:30 pm.

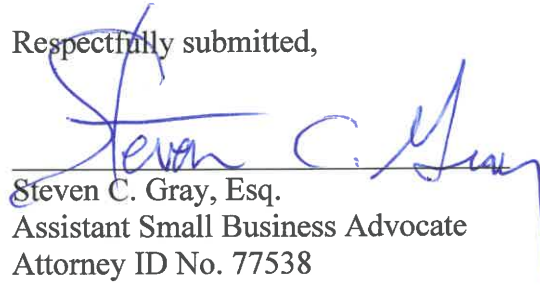
² See 52 Pa. Code §§ 1.54(b)(1), 1.54(b)(2), and 1.56(a)(2). Regarding the *perfection of service*, the OSBA respectfully submits that 52 Pa. Code § 1.56(a)(2), as currently written, does not satisfy the requirements of due process.

VII. HEARING AND BRIEFING SCHEDULE

At the time of this writing, the parties are discussing a procedural schedule.

In light of the Governor's restrictions on travel for offices under his jurisdiction, the OSBA respectfully requests that the evidentiary hearings take place in Harrisburg.

Respectfully submitted,



Steven C. Gray, Esq.
Assistant Small Business Advocate
Attorney ID No. 77538

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

Dated: April 3, 2019

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission :
 :
 :
 v. : **Docket No. R-2019-3007613**
 : **Docket No. C-2019-3008750**
Peoples Gas Company LLC Section 1307(f) :

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 otherwise 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 Katrina L. Dunderdale
Administrative Law Judge
Pennsylvania Public Utility Commission
Piatt Place
301 5th Avenue, Suite 220
Pittsburgh, PA 15222
kdunderdal@pa.gov

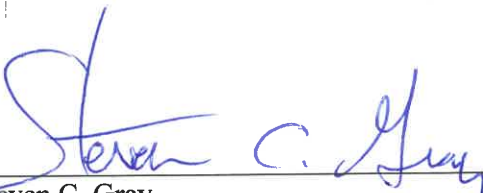
David T. Evrard, Esquire
Lauren M. Burge, Esquire
Office of Consumer Advocate
555 Walnut Street, 5th Floor
Harrisburg, PA 17101
DEvrard@paoca.org
LBurge@paoca.org
(Counsel for OCA)
(Email and Hand Delivery)

John M. Coogan, Esquire
Bureau of Investigation & Enforcement
400 North Street
Commonwealth Keystone Building
Harrisburg, PA 17120
jcoogan@pa.gov
(Counsel for BIE)
(Email and Hand Delivery)

DATE: April 3, 2019

Michael W. Hassell, Esquire
Devin T. Ryan, Esquire
Post & Schell, P.C.
17 North Second Street, 12th Floor
Harrisburg, PA 17101
mhassell@postschell.com
dryan@postschell.com
(Counsel for Peoples)

William H. Roberts II, Esquire
Jennifer Petrisek, Esquire
Andrew Wachter
Peoples Natural Gas Company
375 North Shore Drive
Pittsburgh, PA 15212
William.h.robertsII@peoples-gas.com
Jennifer.Petrisek@peoples-gas.com
Andrew.Wachter@peoples-gas.com
(Counsel for Peoples)


Steven C. Gray
Assistant Small Business Advocate
Attorney ID No. 77538