


COMMONWEALTH OF PENNSYLVANIA



OFFICE OF CONSUMER ADVOCATE

555 Walnut Street, 5th Floor, Forum Place
Harrisburg, Pennsylvania 17101-1923
(717) 783-5048
800-684-6560

 @pa_oca

 /pennoca

FAX (717) 783-7152
consumer@paoca.org

March 13, 2020

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
1307(f) Proceeding
Docket No. R-2020-3017846

Dear Secretary Chiavetta:

Attached for electronic filing please find the Office of Consumer Advocate's Formal Complaint and Public Statement in the above-referenced proceeding.

Copies have been served per the attached Certificate of Service.

Respectfully submitted,

A handwritten signature in blue ink that reads "David T. Evrard".

David T. Evrard
Assistant Consumer Advocate
PA Attorney I.D. # 33870
E-Mail: DEvrard@paoca.org

Enclosures:

cc: Office of Special Assistants (email only: ra-OSA@pa.gov)
Office of Administrative Law Judge (OALJ)
Bureau of Technical Utility Services (email only)
Certificate of Service

*285215

CERTIFICATE OF SERVICE

Re: Pennsylvania Public Utility Commission :
v. : Docket No. R-2020-3017846
Peoples Gas Company LLC :
1307(f) Proceeding :

I hereby certify that I have this day served a true copy of the following document, the Office of Consumer Advocate's 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 13th day of March 2020.

SERVICE BY E-MAIL & INTER-OFFICE MAIL

John M. Coogan, Esquire
Bureau of Investigation & Enforcement
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, PA 17120

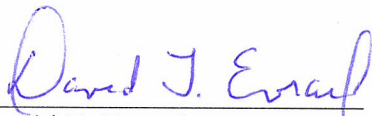
John R. Evans, Esquire
Office of Small Business Advocate
555 Walnut Street
1st Floor, Forum Place
Harrisburg, PA 17101-1923

SERVICE BY E-MAIL & FIRST CLASS MAIL, POSTAGE PREPAID

Michael W. Hassell, Esquire
Devin T. Ryan, Esquire
Post & Schell, P.C.
17 North Second Street, 12th Floor
Harrisburg, PA 17101-1601

Kevin J. Moody, Esquire
Vice President and General Counsel
PA Independent Oil & Gas Association
212 Locust Street, Suite 300
Harrisburg, PA 17101-1510

William H. Roberts II, Esquire
Andrew Wachter, Esquire
Peoples Natural Gas Company LLC
375 North Shore Drive
Pittsburgh, PA 15212-5866


David T. Evrard
Assistant Consumer Advocate
PA Attorney I.D. # 33870
E-Mail: DEvrard@paoca.org

Aron J. Beatty
Senior Assistant Consumer Advocate
PA Attorney I.D. # 86625
E-Mail: ABeatty@paoca.org

Counsel for:
Office of Consumer Advocate
555 Walnut Street
5th Floor, Forum Place
Harrisburg, PA 17101-1923
Phone: (717) 783-5048
Fax: (717) 783-7152
Dated: March 13, 2020
*285220

PENNSYLVANIA PUBLIC UTILITY COMMISSION

Formal Complaint

To complete this form, please type or print legibly in ink.

1. Customer (Complainant) Information

Your name, mailing address, telephone number and utility account number:

Name Tanya J. McCloskey, Acting Consumer Advocate

Street/P.O.Box 555 Walnut Street 5th Floor Forum Place Apt # _____

City Harrisburg State Pennsylvania Zip 17101-1923

County Dauphin

Area Code/Home Phone _____ Area Code/Work Phone (717)783-5048

Utility Account Number _____

If the above mailing address differs from the address where the utility service is provided, list this information below.

Name _____

Street/P.O. Box _____

City _____ State _____ Zip _____

County _____

2. Name of utility company your complaint concerns: Peoples Gas Company LLC

3. Type of Utility (circle one):

GAS

WATER

MOTOR CARRIER

STEAM HEAT

ELECTRIC

SEWER

TELEPHONE – (LOCAL OR LONG DISTANCE)

4. What is your complaint?

- A. On March 2, 2020, pursuant to Sections 53.64 and 53.65 of the Commission's Rules and Regulations, Peoples Gas Company LLC (Peoples or Company) submitted its pre-filing information in support of its annual reconciliation of purchased gas cost (PGC) rates. The Company's definitive filing is expected to be made no later than April 1, 2020.
- B. 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 Regulatory Commission, and
 - (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, and
 - (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.
- C. The Public Utility Code also requires the Pennsylvania Public Utility Commission to make specific findings with regard to the justness and reasonableness of all purchases from any affiliated supplier.
- D. The Consumer Advocate is empowered to represent the interests of consumers before the Pennsylvania Public Utility Commission, pursuant to Act 161 of 1976, 71 P.S. §§ 309-1 *et seq.*
- E. After initial review of Peoples' pre-filing, the Acting 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 the Public Utility Code or Commission regulation or policy.

5. What do you want the Public Utility Commission to do about your complaint?

The Acting 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. 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;
 - C. Ensure that PGC customers are not allocated any costs which should not be borne by them;
 - D. Deny any rate or tariff change that is unjust, unreasonable, unduly discriminatory or contrary to sound ratemaking principles; and
 - E. Grant any other relief deemed appropriate.
6. If you are represented by a lawyer in this matter, provide your lawyer's name, address, telephone number, and e-mail address, if known.

Lawyer's Name Asst. Consumer Advocate David T. Evrard, Attorney #33870 and Sr. Asst. Consumer Advocate Aron J. Beatty, Attorney #86625.

Street/P.O. Box 555 Walnut Street, 5th Floor, Forum Place

City Harrisburg State PA Zip 17101-1923

Area Code/Phone Number 717-783-5048

E-mail Address (if known) devrard@paoca.org; abeatty@paoca.org; hdunn@paoca.org

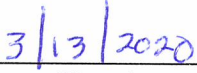
7. You must print or type your name below on the line provided for the verification paragraph, and you must sign and date (in ink) this form on the lines provided.

Verification:

I, Tanya J. McCloskey, hereby state that the facts above set forth are true and correct (or 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).



(Signature of Complainant)



(Date)

8. Filing

You may electronically file your Formal Complaint with the PUC. To do so, you need to establish an account on the PUC's eFiling system, which may be accessed at <http://www.puc.pa.gov/efiling/default.aspx>.

If you do not electronically file your Formal Complaint, mail the completed form (along with any attachments) to one of the addresses listed below:

If using U.S. Postal Service:

If using overnight delivery service:

Secretary Pennsylvania Public Utility Commission P.O. Box 3265 Harrisburg, PA 17105-3265	Secretary Pennsylvania Public Utility Commission 400 North Street Commonwealth Keystone Building, 2 nd Floor Harrisburg, Pennsylvania 17120
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**PUBLIC STATEMENT
OF THE OFFICE OF CONSUMER ADVOCATE
PURSUANT TO 71 P.S. SECTION 309-4(e)**

Act 161 of the Pennsylvania General Assembly, enacted July 9, 1976, 71 P.S. § 309-1 *et seq.*, 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 Acting Consumer Advocate has determined to file a Formal Complaint and participate in proceedings before the Commission involving Peoples Gas Company LLC (Peoples or Company).

The Acting Consumer Advocate has filed this Complaint with the Commission to ensure that each element of Peoples' 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 the 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 will therefore seek to ensure that only those purchased gas costs which meet the requirements of Section 1318 will be paid by Peoples' ratepayers. In addition, the OCA will seek to ensure that the rates approved by the Commission are otherwise just and reasonable, and not unduly discriminatory or excessive.