



COMMONWEALTH OF PENNSYLVANIA  
PENNSYLVANIA PUBLIC UTILITY COMMISSION  
COMMONWEALTH KEYSTONE BUILDING  
400 NORTH STREET, HARRISBURG, PA 17120

BUREAU OF  
INVESTIGATION  
&  
ENFORCEMENT

March 15, 2021

**Via Electronic Filing**

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

Re: Pennsylvania Public Utility Commission,  
Bureau of Investigation and Enforcement v.  
Monona, LLC  
Docket No. C-2020-3023168  
**I&E Prehearing Memorandum**

Dear Secretary Chiavetta:

Enclosed for electronic filing please find the **Prehearing Memorandum of the Bureau of Investigation and Enforcement** for the above-captioned proceeding.

Copies are being served on parties per the attached Certificate of Service. *Due to the temporary closing of the PUC's offices, I&E is only providing electronic service.* If you have any questions on this matter, please contact me.

Sincerely,

A handwritten signature in black ink that reads 'Chris M. Andreoli'.

Christopher M. Andreoli  
Prosecutor  
Bureau of Investigation and Enforcement  
PA Attorney ID No. 85676  
(717) 772-8582  
[chandreoli@pa.gov](mailto:chandreoli@pa.gov)

CMA/jfm  
Enclosures

cc: Hon. Conrad Johnson – Office of Administrative Law Judge (*via email only*)  
Nicholas Miskanic, Legal Assistant – Office of Administrative Law Judge (*via email only*)  
Per Certificate of Service

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission,	:	
Bureau of Investigation and Enforcement,	:	
Complainant	:	
	:	
v.	:	Docket No. C-2020-3023168
	:	
Monona, LLC,	:	
Respondent	:	

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**PREHEARING MEMORANDUM OF THE  
BUREAU OF INVESTIGATION AND ENFORCEMENT**

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**TO ADMINISTRATIVE LAW JUDGE CONRAD JOHNSON:**

Pursuant to the Prehearing Conference Order issued by the Honorable Conrad Johnson, the Bureau of Investigation and Enforcement ("I&E") of the Pennsylvania Public Utility Commission ("Commission") files this Prehearing Memorandum.

**A. I&E's Entry on the Service List**

Pursuant to 52 Pa. Code § 1.55, I&E's entry on the service list is as follows:

Christopher M. Andreoli  
Prosecutor  
Pennsylvania Public Utility Commission  
Bureau of Investigation and Enforcement  
Commonwealth Keystone Building  
400 North Street  
Harrisburg, PA 17120  
(717) 772-8582  
[chandreoli@pa.gov](mailto:chandreoli@pa.gov)

**B. Witnesses**

I&E intends to call the following witness:

Amy R. Zuvich  
Chief of Finance and Assessments  
Fiscal Office  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street  
Harrisburg, PA 17120  
717-783-6806  
[azuvich@pa.gov](mailto:azuvich@pa.gov)

The subject matter of Amy Zuvich's testimony will be Act 13 impact and administrative fees, the Commission's administration of these fees, and Ms. Zuvich's experiences dealing with Monona, LLC ("Monona").

I&E reserves the right to call additional witnesses, as necessary, and will notify Your Honor and all parties of record.

**C. Issues**

The issues in this case are as follows:

1. Did Monona fail to comply with Act 13 by failing to timely pay both the full amount of impact fees and administrative charges (spud fees) imposed under the Act for its wells with permit number 129-28411 for reporting year 2019?

I&E's position: Yes

2. Did Monona file a timely dispute for the impact fees and administrative charges (spud fees) imposed under Act 13 for reporting year 2019?

I&E's position: No

**D. Brief Statement of Evidence**

I&E proposes to present Monona's Fund Well Summary and DEP production data for reporting year 2019, and Respondent's Past Due Impact Fee Statements for reporting year 2019, along with the testimony of Amy Zuvich. Below please find a brief summary of I&E's Exhibits:

Exhibit 1 – Statement of Account as of March 9, 2021 showing payment of outstanding impact fees and spud fees on January 14, 2021;

Exhibit 2 – Reminder email to Monona from Fiscal dated April 13, 2020;

Exhibit 3 – Reminder email to Monona from Fiscal dated May 4, 2020;

Exhibit 4 – Notice of Amount Due dated July 15, 2020 sent via Certified Mail;

Exhibit 5 – Certified Mailing Proof of Delivery with Signature.

**E. Background**

On May 28, 2020, Monona submitted a partial payment in the amount of \$5,200 regarding its outstanding impact fees and administrative charges (spud fees).

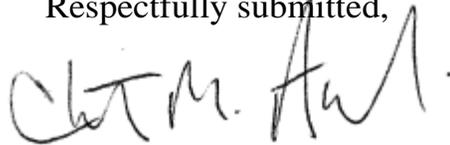
Due to Monona's failure to pay its remaining outstanding impact fees and administrative charges (spud fees) of \$10,050, I&E filed and served the Formal Complaint against Monona on December 4, 2020. On January 14, 2021, Monona paid its outstanding impact fees and administrative charges (spud fees) in the amount of \$10,050. However, Monona failed to pay the penalties and interest which were requested in I&E's Formal Complaint. I&E hereby requests that Monona be directed to pay its outstanding penalties and interest, as detailed below:

- a. Monona be ordered to pay interest at an interest rate of 6.0% of the amount due for a sum of \$603 pursuant to 58 Pa.C.S. § 2308(a);

- b. Monona be ordered to pay a penalty of 25% of the amount due for a sum of \$2,512.50 pursuant to 58 Pa.C.S. § 2308(b);
- c. Monona be ordered to pay an administrative civil penalty of \$2,500 pursuant to 58 Pa.C.S. § 2310; and

I&E reserves the right to update its responses contained in this Prehearing Conference Memorandum.

Respectfully submitted,



Christopher M. Andreoli  
Prosecutor  
PA Attorney ID No. 85676

Pennsylvania Public Utility Commission  
Bureau of Investigation and Enforcement  
Commonwealth Keystone Building  
400 North Street  
Harrisburg, PA 17120  
(717) 772-8582  
[chandreoli@pa.gov](mailto:chandreoli@pa.gov)

Dated: March 15, 2021

**I&E**  
**EXHIBIT 1**



Pennsylvania Public Utility Commission



**MONONA LLC**  
**Statement of Account as of 03/09/2021**

Date	Description	Debits	Credits	Account Balance
04/17/2019	2018 Impact fee for 1 Horizontal Gas Wells	\$20,300.00		\$20,300.00
04/17/2019	2018 Spud fee for 1 Horizontal Gas Wells	\$50.00		\$20,350.00
04/29/2019	2018 Impact Fee Payment		\$5,000.00	\$15,350.00
06/06/2019	2018 Impact Fee Payment		\$5,000.00	\$10,350.00
06/06/2019	2018 Spud Fee Payment		\$50.00	\$10,300.00
11/15/2019	2018 Impact Fee Payment		\$10,300.00	\$0.00
04/20/2020	2019 Impact fee for 1 Horizontal Gas Wells	\$15,200.00		\$15,200.00
04/20/2020	2019 Spud fee for 1 Horizontal Gas Wells	\$50.00		\$15,250.00
05/28/2020	2019 Impact Fee Payment		\$5,200.00	\$10,050.00
01/14/2021	2019 Impact Fee Payment		\$10,000.00	\$50.00
01/14/2021	2019 Spud Fee Payment		\$50.00	\$0.00

**I&E**  
**EXHIBIT 2**

**From:** [White, Victoria](#)  
**To:** [tstickle@verizon.net](mailto:tstickle@verizon.net)  
**Subject:** MONONA LLC(35-0000341458) Reminder to submit 2019 Annual Report in ACT 13 PUC website  
**Date:** Monday, April 13, 2020 11:22:00 AM

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Good morning,

Department of Environmental Protection shows active production of 90mcf or over for well permit 129-28411.

Annual reporting and impact fee was due April 1<sup>st</sup>, 2020.

Please submit your 2019 Annual Report, print the invoice and submit payment as soon as possible. (I have included instructions below.)

Thank you for your assistance!

**Victoria (Vicki) White**

Fiscal Management Specialist

Public Utility Commission

Commonwealth Keystone Bldg., 3<sup>rd</sup> Floor

400 North Street

Harrisburg, PA 17120

Phone: 717.783.6190

E-Mail: [victwhite@pa.gov](mailto:victwhite@pa.gov)

[www.puc.pa.gov](http://www.puc.pa.gov)

The Act 13 Reporting Website can be accessed using this link- [www.act13-reporting.puc.pa.gov](http://www.act13-reporting.puc.pa.gov)

**Annual Reporting Instructions**

The annual reporting module will be active beginning February 1st. Once it is available, you can access it by going to Producers/Wells and selecting Annual Report. Here, you will find a list of your wells. You need to review the information for each well. (If you have a large list of wells, you can export the list to Excel for review.) If everything is accurate, you scroll to the bottom and click Finalize Report to submit your annual report. If there are errors or updates that need to be made, most of that can be done in the monthly reporting module. (The information on the annual report pulls directly from the information input in the monthly report.) However, if you completely disagree that a well should be assessed a fee, usually because you disagree with the interpretation of the law, you can dispute the fee. Simply click on the triangle beside the well to expand the screen. There, you can check a box to dispute the fee and provide an explanation to why you are disputing it. Initially, you do not owe an impact fee on a disputed well. Depending on the resolution of the dispute, you may or may not owe a fee.

Once your annual report is accurate, you click the button to Finalize the report. This will take you to a screen where you can print off statements showing your impact fees and spud fees due. These should be delivered to your accounting office for payment. (We do not mail out invoices.)

Your annual report and impact/spud fee payments are due by **April 1<sup>st</sup>** of each year. However, I do suggest filing your annual report early. Submitting your report generates your invoices, and it often takes accounting offices a few days/weeks to cut a check.

**I&E**  
**EXHIBIT 3**

**From:** [White, Victoria](#)  
**To:** [tstickle@verizon.net](mailto:tstickle@verizon.net)  
**Subject:** PAST DUE ACT 13 IMPACT and/or SPUD FEE PAYMENT  
**Date:** Monday, May 4, 2020 9:04:00 AM  
**Attachments:** [ProducerInvoice-Monona.docx](#)

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Dear Mr. Stickle,

Pursuant to Act 13 of 2012, Section 2303 (a), impact fees for reporting year 2019 were due by April 1, 2020.

Currently, the PUC's records indicate that we have not received the past due amount on the attached invoice(s) for impact and/or spud fee payment for Monona, LLC.

For your convenience, I have attached a copy of the past due invoice(s).

Please remit payment to the Pa Public Utility Commission no later than Wednesday, May 13, 2020.

Failure to pay the delinquent fees will result in appropriate legal action.

Thank you,

**Victoria (Vicki) White**  
Fiscal Management Specialist  
Public Utility Commission  
Commonwealth Keystone Bldg., 3<sup>rd</sup> Floor  
400 North Street  
Harrisburg, PA 17120  
E-Mail: [victwhite@pa.gov](mailto:victwhite@pa.gov)  
[www.puc.pa.gov](http://www.puc.pa.gov)



**Commonwealth of Pennsylvania**  
**Pennsylvania Public Utility Commission**  
P.O. Box 3265  
Harrisburg, PA 17105-3265

MONONA LLC  
PO BOX 612  
LIGONIER, PA 15658-0612

STATEMENT DATE	STATEMENT NUMBER
04/20/2020	19-35-0000341458-1

REPORTING YEAR
January 1, 2019 - December 31, 2019

**IMPACT FEE STATEMENT**

Please contact Amy Zuvich at 717-783-6806 for questions concerning this statement.

**PAST DUE**

Description	Amount
Impact fee for 1 Horizontal Gas Wells	\$15,200.00
<b>Balance Due by April 1, 2020</b>	<b>\$15,200.00</b>

MAKE CHECK PAYABLE TO:
Commonwealth of Pennsylvania FEIN: 01-0661737

MAIL PAYMENT TO:
PA PUC BUREAU OF ADMINISTRATION/FISCAL OFFICE PO BOX 3265 HARRISBURG, PA 17105-3265

ACH and Wire Payments:	
Bank:	Wells Fargo Bank
ABA#:	121000248
Account Name:	Commonwealth of PA
Account #:	2100019662887
OBI:	Gas Well Fees



**Commonwealth of Pennsylvania  
Pennsylvania Public Utility Commission  
P.O. Box 3265  
Harrisburg, PA 17105-3265**

MONONA LLC  
PO BOX 612  
LIGONIER, PA 15658-0612

STATEMENT DATE	STATEMENT NUMBER
04/20/2020	19-35-0000341458-2

REPORTING YEAR
January 1, 2019 - December 31, 2019

### SPUD FEE STATEMENT

Please contact Amy Zuvich at 717-783-6806 for questions concerning this statement.

### PAST DUE

Description	Amount
Spud fee for 1 Horizontal Gas Wells	\$50.00
<b>Balance Due by April 1, 2020</b>	<b>\$50.00</b>

MAKE CHECK PAYABLE TO:
Commonwealth of Pennsylvania FEIN: 01-0661737

MAIL PAYMENT TO:
PA PUC BUREAU OF ADMINISTRATION/FISCAL OFFICE PO BOX 3265 HARRISBURG, PA 17105-3265

ACH and Wire Payments:	
Bank:	Wells Fargo Bank
ABA#:	121000248
Account Name:	Commonwealth of PA
Account #:	2100019662887
OBI:	Spud Fee

**I&E**  
**EXHIBIT 4**

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**Pennsylvania Public Utility Commission** :  
**Bureau of Administration’s Fiscal Office** :  
: **Docket No. C-2019** \_\_\_\_\_  
v. :  
: **Monona, LLC** :  
:

**NOTICE OF AMOUNT DUE**

NOW COMES the Pennsylvania Public Utility Commission’s (“Commission”), Bureau of Administration’s Fiscal Office (“Fiscal Office”) and files this Notice of Amount Due (“Notice”) against Monona, LLC (“Respondent”), pursuant to Section 2307(b) of Act 13 of 2012, the Unconventional Gas Well Impact Fee Act (Act 13 or Act), 58 Pa. C.S. § 2307(b). In support of its Notice, the Fiscal Office respectfully represents the following:

1. That Respondent is an oil and gas producer, as defined in Section 2301 of Act 13, with a principal place of business at PO Box 612 Ligonier, PA 15658.
2. That pursuant to Section 2302 of Act 13, an unconventional gas well fee (“Impact Fee”) was imposed on all of Respondent’s qualifying unconventional gas wells.
3. That pursuant to Section 2303(b) of Act 13, Respondent was required to file Annual Reports with the Commission detailing the number of its spud unconventional gas wells subject to the Impact Fee and Spud Fee for the previous calendar year. 58 Pa. C.S. § 2303(b). This Annual Report was due by September 1, 2012 (for the 2011 reporting year), and by April 1 for each year thereafter. *Id.*
4. That along with the Annual Reports referenced in Paragraph 2 above, Respondent was required to submit payment of the Impact and Spud Fee to the Commission for each year. *Id.* The Impact Fee due from Respondent was calculated based on the number of qualifying wells that Respondent listed on its Annual Reports. *Id.*
5. That Respondent timely filed with the Commission the Annual Report for reporting year 2019. The Annual Report is attached hereto and marked Exhibit A.
6. That for 2019, Respondent did not pay the full Impact Fee due.

7. That Commission records indicate that Respondent should have paid an Impact Fee in the amount of \$15,200.00 for 2019. However, Respondent only paid \$5,200.00. Therefore, there is a deficiency of \$10,000.00.

8. That for 2019, Respondent did not pay a Spud Fee.

9. That Commission records indicate that Respondent should have paid a Spud Fee in the amount of \$50.00 for 2019. Therefore, there is a deficiency of \$50.00.

10. That Respondent has a total delinquent Impact Fee and Spud Fee for 2019 in the amount of \$10,050.00.

**WHEREFORE**, Respondent is hereby notified that:

(a) The Fiscal Office demands payment of Respondent's total delinquent Impact and Spud Fees for 2019 in the amount of \$10,050.00 within twenty (20) days of the date of service of this Notice.

(b) If Respondent does not pay the delinquent Impact and Spud Fees in accordance with Paragraph (a) above, Respondent shall file a written response with the Commission regarding this matter within twenty (20) days of the date of service of this Notice. Filing shall be made pursuant to Section 1.11 of Title 52 of the Pennsylvania Code. 52 Pa. Code § 1.11.

(c) If Respondent fails to pay the delinquent Impact and Spud Fees or file a written response in accordance with Paragraphs (a) and (b) above, Respondent may be deemed in default.

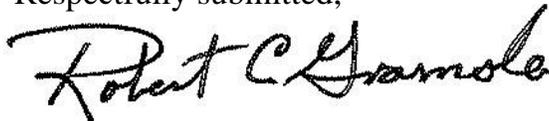
(d) If Respondent fails to pay the delinquent Impact and Spud Fees in full within twenty (20) days of the date of service of this Notice, but files a written response in accordance with Paragraph (b) above, the Fiscal Office will refer this matter to the Office of Administrative Law Judge ("OALJ") for hearing and issuance of a Recommended Decision pursuant to the Commission's rules of practice and procedure found at 52 Pa. Code Chapters 1, 3 and 5.

(e) Following the adjudicatory proceeding before the OALJ, the Commission will issue a Final Order regarding this matter.

(f) The Commission may assess interest and penalties on the delinquent Impact and Spud Fees and as permitted by Sections 2307-2313 of the Act if (i) Respondent fails to pay the delinquent Impact and Spud Fees in full within twenty (20) days of the service date of this Notice, (ii) Respondent fails to file a timely response in accordance with

Paragraph (b) above, or (iii) after hearing, the Commission sustains the amount due by a Final Order.

Respectfully submitted,

A handwritten signature in black ink that reads "Robert C. Gramola". The signature is written in a cursive style with a large, sweeping initial "R".

Robert C. Gramola  
Bureau of Administration's Fiscal Office  
Pennsylvania Public Utility Commission  
P.O. Box 3265  
Harrisburg, PA 17105-3265

Date: July 15, 2020

## VERIFICATION

I, Amy R. Zuvich, Fiscal Chief, of the Pennsylvania Public Utility Commission's Bureau of Administration's Fiscal Office ("Fiscal Office"), hereby state that the facts above set forth are true and correct to the best of my knowledge, information, and belief and that I expect the Fiscal Office will be able to prove the same at any 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: July 15, 2020



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Amy R. Zuvich  
Bureau of Administration's Fiscal Office  
Pennsylvania Public Utility Commission  
P.O. Box 3265  
Harrisburg, PA 17105-3265

**I&E**  
**EXHIBIT 5**

## My Online Services

 Profile
  Print
  Guide
  Export

Home > [E-Services](#) > Status History

### Status History ?

Tracking Number Information			
<b>Meter:</b>	12604116	<b>Mailing Date:</b>	07/15/20 11:49 AM
<b>Tracking Number:</b>	9171969009350239872758	<b>Sender:</b>	
<b>Current Status:</b>	OK : Delivered	<b>Recipient:</b>	
<b>Class of Mail</b>	FC	<b>Zip Code:</b>	15658
<b>Service:</b>	ERR	<b>City:</b>	LIGONIER
<b>Value</b>	\$0.500	<b>State:</b>	PA

[Proof of delivery](#)



**PO BOX 612**  
LIGONIER, PA 15658-0612

Status Details	
▼ Status Date	Status
Fri, 07/17/20, 11:38:00 AM	OK : Delivered
Fri, 07/17/20, 10:48:00 AM	Arrival at Tracking Pick-up point
Fri, 07/17/20, 09:09:00 AM	Arrival at Tracking Pick-up point
Fri, 07/17/20, 08:16:00 AM	Arrival at Unit
Thu, 07/16/20, 08:12:00 PM	Dispatched from Sort Facility
Thu, 07/16/20, 06:05:00 PM	Processed (processing scan)
Thu, 07/16/20, 01:39:00 PM	Processed (processing scan)
Wed, 07/15/20, 10:19:00 PM	Processed (processing scan)
Wed, 07/15/20, 09:04:00 PM	Origin Acceptance
Wed, 07/15/20, 02:48:00 PM	OK: USPS acknowledges reception of info

Note: Delivery status updates are processed throughout the day and posted upon receipt from the Postal Service.

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission,	:	
Bureau of Investigation and Enforcement,	:	
Complainant	:	
	:	
v.	:	Docket No. C-2020-3023168
	:	
Monona, LLC,	:	
Respondent	:	

**CERTIFICATE OF SERVICE**

I hereby certify that I have this day served a true copy of the foregoing document upon the parties, listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a party).

**Via Electronic Mail due to Emergency Order at M-2020-3019262:**

Thomas A. Stickle  
Monona, LLC  
P.O. Box 612  
Ligonier, PA 15658  
[tstickle@verizon.net](mailto:tstickle@verizon.net)



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Christopher M. Andreoli  
Prosecutor  
PA Attorney ID No. 85676

Pennsylvania Public Utility Commission  
Bureau of Investigation and Enforcement  
Commonwealth Keystone Building  
400 North Street  
Harrisburg, PA 17120  
(717) 772-8582  
[chandreoli@pa.gov](mailto:chandreoli@pa.gov)

Dated: March 15, 2021