COMMONWEALTH OF PENNSYLVANIA



OFFICE OF CONSUMER ADVOCATE

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



April 6, 2021

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

Re:

Pennsylvania Public Utility Commission

V.

Columbia Gas of Pennsylvania, Inc.

Docket No. R-2021-3024296

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,

/s/ Laura J. Antinucci Laura J. Antinucci Assistant Consumer Advocate PA Attorney I.D. # 327217 E-Mail: LAntinucci@paoca.org

Enclosures:

cc:

Office of Administrative Law Judge (email only)

Office of Special Assistants (email only: ra-OSA@pa.gov)

Bureau of Technical Utility Services (email only)

Certificate of Service

*306158

CERTIFICATE OF SERVICE

Re: Pennsylvania Public Utility Commission :

v. : Docket No. R-2021-3024296

Columbia Gas of Pennsylvania, Inc.

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 6th day of April 2021.

SERVICE BY E-MAIL ONLY

Richard A. Kanaskie, Esquire Bureau of Investigation & Enforcement Pennsylvania Public Utility Commission Commonwealth Keystone Building 400 North Street, 2nd Floor Harrisburg, PA 17120 Steven C. Gray, Esquire Office of Small Business Advocate 555 Walnut Street 1st Floor, Forum Place Harrisburg, PA 17109-1923

Michael W. Hassell, Esquire Lindsay A. Berkstresser, Esquire Post & Schell, P.C. 17 North Second Street, 12th Floor Harrisburg, PA 17101-1601 Amy E. Hirakis, Esquire NiSource Corporate Services Co. 800 North Third Street Suite 204 Harrisburg, PA 17102

Nicole M. Paloney, Esquire Theodore J. Gallagher, Esquire Columbia Gas of Pennsylvania, Inc. Southpointe Industrial Park 121 Champion Way, Suite 100 Canonsburg, PA 15317

/s/ Laura J. Antinucci

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Darryl A. Lawrence Senior Assistant Consumer Advocate PA Attorney I.D. # 93682 E-Mail: DLawrence@paoca.org Barrett C. Sheridan Assistant Consumer Advocate PA Attorney I.D. # 61138 E-Mail: BSheridan@paoca.org

Christy M. Appleby Assistant Consumer Advocate PA Attorney I.D. # 85824 E-Mail: <u>CAppleby@paoca.org</u>

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

*306549

Dated: April 6, 2021

PENNSYLVANIA PUBLIC UTILITY COMMISSION

Formal Complaint

1. CUSTOMER NAME (COMPLAINANT)

Tanya J. McCloskey, Acting Consumer Advocate 555 Walnut Street 5th Floor, Forum Place Harrisburg, PA 17101-1923

Phone: (717) 783-5048 Fax: (717) 783-7152

2. UTILITY NAME (RESPONDENT)

Columbia Gas of Pennsylvania, Inc. Docket No. R-2021-3024296

3. TYPE OF UTILITY

Gas

4. **COMPLAINT**

- A. On March 30, 2021, Columbia Gas of Pennsylvania, Inc. (Columbia or the Company) filed Supplement No. 325 to its Tariff Gas Pa. P.U.C. No. 9 at Docket No. R-2021-3024296. The Company proposes to increase rates to produce additional overall revenues of \$98.3 million per year, or approximately 14.9% over present revenues. The Company proposes that the rate increase become effective on May 29, 2021.
- B. Columbia is engaged in the business of furnishing natural gas service to approximately 436,000 residential, commercial, and industrial customers in portions of 26 counties in western, northwestern, southern, and central Pennsylvania.
- C. Under the Company's proposal, the total bill for a residential customer purchasing 70 therms of gas per month would increase from \$100.77 to \$115.37, or by approximately 14.49%.
- D. Columbia has also proposed an increase in the monthly residential customer charge from \$16.75 to \$19.33.
- E. In its base rate filing, the Company utilizes a fully projected future test year (FPFTY) ending December 31, 2022.

- F. Columbia's proposed rate increase, if approved, would produce a 7.88% overall rate of return on its original cost rate base, including a 10.95% return on common equity.
- G. The Consumer Advocate is empowered to represent the interests of Pennsylvania consumers before the Pennsylvania Public Utility Commission (Commission), pursuant to Act 161 of the General Assembly, as amended, 71 P.S. §§ 309-1, et seq.
- H. A preliminary examination of Columbia's filing indicates that the proposed increase in rates may be unjust, unreasonable, in violation of law, and will or may produce an excessive return on investment in violation of the Public Utility Code, 66 Pa. C.S. § 1301, et seq.
- I. The Acting Consumer Advocate avers that the proposed tariff changes and proposed rate design may be unjust, unreasonable, and unlawfully discriminatory in violation of the Public Utility Code, 66 Pa. C.S. §§ 1301 and 1304, *et seq.*, and may otherwise be contrary to sound ratemaking principles and public policy.
- J. The Acting Consumer Advocate avers that the Company's existing rates, rules, and regulations are or may not be just and reasonable or otherwise proper under the Public Utility Code, 66 Pa. C.S. § 1301, *et seq.*, and applicable ratemaking principles.
- K. The Acting Consumer Advocate files this Formal Complaint to ensure that the Commission will fully and fairly adjudicate issues pertaining to whether the Company's existing and proposed rates and all rate policy changes are unjust, unreasonable, unduly discriminatory, or otherwise unlawful.

5. RELIEF

The Acting Consumer Advocate respectfully requests that the Commission take the following actions:

- A. Suspend and investigate the operation of the proposed Tariff pursuant to Section 1308(d) of the Public Utility Code, 66 Pa. C.S. § 1308(d);
- B. Consolidate all complaints filed against the proposed Tariff;
- C. Hold full evidentiary hearings examining the reasonableness of the Company's current rates and its proposed increase in rates;
- D. After providing the public with adequate notice, hold remote or virtual public input hearings, in lieu of "in-person" public input hearings held in the Company's

service territory, as early as feasible, in order to provide customers with an opportunity to be heard on the record;

- E. Deny an increase in the Company's rates that cannot be fully justified by the Company or that is unjust, unreasonable, unduly discriminatory, or otherwise inconsistent with the Public Utility Code, sound ratemaking principles, and public policy;
- F. Determine the justness and reasonableness of the Company's current and proposed rates; and
- G. Grant such other relief that the Commission deems necessary.

6. VERIFICATION AND SIGNATURE

Verification:

I, Tanya J. McCloskey, Acting Consumer Advocate, 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).

/s/ Tanya J. McCloskey	04/06/2021
Signature	Date

7. LEGAL REPRESENTATION

Darryl A. Lawrence, Senior Assistant Consumer, Advocate PA Attorney I.D. # 93682 Barrett C. Sheridan, Assistant Consumer Advocate, PA Attorney I.D. # 61138 Harrison W. Breitman, Assistant Consumer Advocate, PA Attorney I.D. # 320580 Christy M. Appleby, Assistant Consumer Advocate, PA Attorney I.D. # 85824 Laura J. Antinucci, Assistant Consumer Advocate, PA Attorney I.D. #327217

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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, 71 P.S. § 309-2, as enacted July 9, 1976, authorizes the Consumer Advocate to represent the interests of consumers before the Pennsylvania Public Utility Commission (Commission). In accordance with Act 161, and for the following reasons, the Acting Consumer Advocate determined to file a Formal Complaint and participate in proceedings before the Commission involving the proposed rate increase requested by Columbia Gas of Pennsylvania, Inc. (Columbia).

Columbia is engaged in the business of furnishing natural gas service to approximately 436,000 residential, commercial, and industrial customers in 26 counties in western, northwestern, southern, and central Pennsylvania. On March 30, 2021, the Company filed for an overall increase in revenues of \$98.3 million per year, or approximately 14.9% over present revenues. Columbia proposes that the rate increase become effective on May 29, 2021. Under Columbia's proposal, the total bill for a residential customer who purchases 70 therms of gas per month would increase from \$100.77 to \$115.37, or by approximately 14.49%. Columbia's proposed rate increase, if approved, would produce a 7.88% overall rate of return on its original cost rate base, including a 10.95% return on common equity.

The Acting Consumer Advocate will participate in this proceeding in order to determine whether the rate increase and other tariff changes proposed by Columbia are just and reasonable based upon the information submitted by the Company in support of its claim. The Acting Consumer Advocate will represent the interests of Columbia's customers before the Commission and seek to ensure that customers are not charged rates that are unjust, unreasonable, unduly discriminatory, or otherwise inconsistent with the Public Utility Code, sound ratemaking principles, and public policy.