



COMMONWEALTH OF PENNSYLVANIA

April 8, 2021

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 Natural Gas Company LLC--
1307(f) / Docket No. R-2021-3023965**

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.

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,

/s/ Erin K. Fure

Erin K. Fure
Assistant Small Business Advocate
Attorney ID No. 312245

Enclosures

cc: Parties of Record
Brian Kalcic

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission	:	R-2021-3023965
Office of Small Business Advocate	:	C-2021-3024558
Office of Consumer Advocate	:	C-2021-3024609
	:	
v.	:	
	:	
Peoples Natural Gas Company LLC	:	

Pennsylvania Public Utility Commission	:	R-2021-3023967
Office of Small Business Advocate	:	C-2021-3024551
Office of Consumer Advocate	:	C-2021-3024610
	:	
v.	:	
	:	
Peoples Gas Company LLC	:	

**OFFICE OF SMALL BUSINESS ADVOCATE
PREHEARING MEMORANDUM**

I. INTRODUCTION

The Office of Small Business Advocate (“OSBA”) is authorized to represent the interests of small business consumers 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 this proceeding.

Representing the OSBA in this matter is Assistant Small Business Advocate Erin K. Fure.

Please address all correspondence as follows:

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II. FILING BACKGROUND

Pursuant to Section 1307(f) of the Public Utility Code, 66 Pa. C.S. § 1307(f), Peoples Natural Gas Company LLC (“PNG”) and Peoples Gas Company LLC (“Peoples”) (collectively, the “Companies”) made their annual Section 1307(f) Gas Cost Rate (“GCR”) pre-filings on February 1, 2021 and March 1, 2021, and their definitive filings on April 1, 2020.

On March 2, 2021, the Commission’s Bureau of Investigation and Enforcement (“I&E”) filed a Notice of Appearance at both dockets.

The OSBA filed a Notice of Appearance and Complaint on March 11, 2021 at both dockets. The OSBA’s Complaint to PNG’s filing was docketed at C-2021-3024558 and the OSBA’s Complaint to Peoples’ filing was docketed at C-2021-3024551.

The Office of Consumer Advocate (“OCA”) filed a Notice of Appearance and Complaint at both dockets on March 16, 2021. The Companies filed letters on March 16, 2021 indicating they would not file Answers to the OSBA’s Complaints.

On March 17, 2021, the Companies filed letters indicating they would not file Answers to the OCA's Complaints.

On March 30, 2021, a Notice was issued that a telephonic pre-hearing conference was scheduled for April 9, 2021 at 9:00 a.m. before Administrative Law Judge ("ALJ") Katrina Dunderdale.

On April 6, 2021, a Petition to Intervene was filed at each docket by the Pennsylvania Independent Oil and Gas Association ("PIOGA").

III. IDENTIFICATION OF WITNESSES 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

After an initial review of the materials submitted by the Companies, the OSBA has identified the following issues:

1. Whether PNG is appropriately mitigating unaccounted-for gas levels on its system.
2. Whether Peoples is appropriately mitigating unaccounted-for gas levels on its system.
3. Whether PNG's proposed transportation retainage rate of 5.4% and producer retainage rate of 2.3% are appropriate.
4. Whether People's proposed transportation retainage rate of 6.9% and producer retainage rate of 3.4% are appropriate.

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

As appropriate and necessary, the OSBA will investigate and analyze the claims and proposals of the Companies and other parties through discovery, through the cross-examination of witnesses appearing for those parties, through the filing of testimony, and through briefing. The OSBA will particularly focus on any issue where the impact on the interests of the Companies' small business consumers would be unjustifiably different than, or disproportionate to, the impact on another class of customers, or otherwise lacking in reasonableness or basic fairness. The OSBA reserves the right to pursue additional issues as they arise throughout the 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. The OSBA requests that electronic copies be provided to its witness identified above.

The OSBA also requests that all parties serve an electronic copy of all interrogatory responses upon the OSBA and the OSBA witnesses identified above.

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

V. DISCOVERY

The OSBA does not propose any discovery modifications in this proceeding, but will work with the parties to develop any mutually agreeable discovery modifications.

VI. SETTLEMENT

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

VII. HEARING AND BRIEFING SCHEDULE

The OSBA has cooperated with the other parties to develop a procedural schedule. The OSBA is in agreement with the schedule proposed by the Companies.

Respectfully submitted,

/s/ Erin K. Fure

Erin K. Fure
Assistant Small Business Advocate
Attorney ID No. 312245
For:

John R. Evans
Small Business Advocate

Office of Small Business Advocate
555 Walnut Street, 1st Floor
Harrisburg, PA 17101

Dated: April 8, 2021

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission :
 :
 v. : Docket No. R-2021-3023965
 :
 Peoples Natural Gas Company LLC-- 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 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 Katrina L. Dunderdale
Administrative Law Judge
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DATE: April 8, 2021

/s/ Erin K. Fure

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