



COMMONWEALTH OF PENNSYLVANIA

May 12, 2022

E-FILED

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

**Re: Pennsylvania Public Utility Commission v. Valley Energy, Inc. / Docket No.
R-2022-3032300**

Dear Secretary Chiavetta:

Enclosed please find the Complaint, Public Statement, and Verification, 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/ Sharon E. Webb

Sharon E. Webb
Assistant Small Business Advocate
Attorney ID No. 73995

Enclosures

cc: Robert D. Knecht
Parties of Record

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**PENNSYLVANIA PUBLIC UTILITY
COMMISSION**

v.

VALLEY ENERGY, INC.

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DOCKET NO. R-2022-3032300

**COMPLAINT OF THE
SMALL BUSINESS ADVOCATE**

1. The Complainant is:

The Office of Small Business Advocate
555 Walnut Street
Forum Place, 1st Floor
Harrisburg, PA 17101
(717) 783-2525
(717) 783-2831 (fax)

2. The name and address of the Complainant's attorney is:

Sharon E. Webb
Assistant Small Business Advocate
Office of Small Business Advocate
555 Walnut Street
Forum Place, 1st Floor
Harrisburg, PA 17101
(717) 783-2525
(717) 783-2831 (fax)
swebb@pa.gov

3. The respondent utility is:

Valley Energy, Inc.
523 S. Keystone Avenue
Sayre, PA 18840-0340

4. The Complainant is authorized and directed by the Small Business Advocate Act, Act 181 of 1988, 73 P.S. §§ 399.41 - 399.50, to represent the interests of small business consumers of utility services in matters before the Pennsylvania Public Utility Commission (“Commission”).

5. On April 29, 2022, Valley Energy, Inc. (“Valley” or the “Company”), filed Supplement No. 59 to Tariff Gas-PA P.U.C. No. 2. The proposed Supplement No. 59, if approved, would result in an increase in the annual distribution revenues of Valley by \$991,632 per year, a 18.2% increase.

6. This Complaint is filed against the rates, terms and other provisions of Supplement No. 59 to Tariff Gas-Pa. P.U.C. No. 2, which was filed on July 29, 2019, by Valley. After preliminary review of the materials filed by the Company in support of the proposed Supplement, Complainant believes, and therefore avers, that those materials may be insufficient to justify the rate increase requested, and that the Company’s present and proposed rates, rules, and conditions of service may be unjust, unreasonable, unduly discriminatory, and otherwise contrary to law, particularly as they pertain to small business customers.

7. Complainant believes, and therefore avers, that Valley’s proposed rates, rate design, and class revenue allocation are or may be unjust, unreasonable, and unlawfully discriminatory in violation of, *inter alia*, Sections 1301 and 1304 of the Public Utility Code, 66

Pa.C.S. §§1301 and 1304, and contrary to appropriate public policy and sound ratemaking considerations, and may not be supported by the materials filed by Valley.

8. In view of the foregoing, the Small Business Advocate respectfully requests that the Pennsylvania Public Utility Commission:

- A. Suspend and investigate the operation of Supplement No. 59 to Tariff Gas-Pa. P.U.C. No. 2;
- B. At the conclusion of such investigation, reject the proposed new rates and other tariff changes in Supplement No. 59 to Tariff Gas-Pa. P.U.C. No. 2 to the extent required to ensure that Valley's rates are lawful, just, reasonable and not unduly discriminatory to any class of customers; and
- C. Grant such other relief as may be necessary or appropriate.

Respectfully submitted,

/s/ Sharon E. Webb

Sharon E. Webb
Assistant Small Business Advocate
Attorney ID No. 73995

For:

The Office of Small Business Advocate

Office of Small Business Advocate
555 Walnut Street, 1st Floor
(717) 783-2525
(717) 783-2831 (fax)

Dated: May 12, 2022

**PUBLIC STATEMENT OF
SMALL BUSINESS ADVOCATE
CONCERNING THE INTEREST
OF SMALL BUSINESS CONSUMERS
TO BE PROTECTED BY THE FILING OF A COMPLAINT
AGAINST PROPOSED SUPPLEMENT NO. 59 TO
TARIFF GAS – PA. P.U.C. NO. 2 FILED BY
VALLEY ENERGY, INC.
DOCKET NO. R-2022-3032300**

The Small Business Advocate is authorized and directed to represent the interests of small business consumers of utility services in Pennsylvania under the provisions of the Small Business Advocate Act 181 of 1988, 73 P.S. §§ 399.41 – 399.50 (“the Act”). The Act further provides that the Small Business Advocate issue publicly a written statement stating concisely the specific interest of small business consumers to be protected by the initiation of or intervention in any proceeding involving those interests before the Public Utility Commission (“Commission”) or any other agency or court. This public statement relates to the filing today by the Small Business Advocate of a Complaint against proposed Supplement No. 59 to Tariff Gas – Pa. P.U.C. No. 2 (“Supplement No. 59”) of Valley Energy, Inc. (“Valley”).

Valley’s proposed Revised Supplement No. 59 would increase the amount of gas distribution revenues currently being collected from all customers, including small business customers, by \$931,632 per year, a 18.2% increase.

The Small Business Advocate has filed a formal Complaint against Valley’s proposed rate increase in order to protect the interests of Valley’s small business customers. A preliminary review of the data filed by Valley in support of its request for a rate increase indicates that the costs claimed by Valley for ratemaking purposes may be excessive. A thorough inquiry by the Commission into all elements of Valley’s request for a rate increase at this docket is necessary to ensure that Valley’s rates, including any new rates that may result from this proceeding, are just

and reasonable.

In view of the foregoing, the Small Business Advocate will participate in proceedings before the Commission to investigate the reasonableness of the proposed rates in Valley's proposed Supplement No. 59. The Small Business Advocate will ask the Commission to deny any proposed rate increase or other changes in Valley's present tariffs that apply to small business customers that are not proven by Valley to be lawful, just, reasonable and non-discriminatory to all of its customer classes.

Dated: May 12, 2022

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**PENNSYLVANIA PUBLIC UTILITY
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v.

VALLEY ENERGY, INC.

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VERIFICATION

I, Sharon E Webb, hereby state that the facts set forth herein above 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).

Date: May 12, 2022

/s/ Sharon E. Webb

(Signature)

**BEFORE THE
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CERTIFICATE OF SERVICE

I hereby certify that true and correct copies of the foregoing have been served via email (*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 Charles E. Rainey Jr.
Chief Administrative Law Judge
Pennsylvania Public Utility Commission
400 North Street
Commonwealth Keystone Building
Harrisburg, PA 17120
crainey@pa.gov

Patrick M. Cicero, Esq.
Office of Consumer Advocate
555 Walnut Street
Forum Place, 5th Floor
Harrisburg, PA 17101
pcicero@paoca.org

Richard Kanaskie, Esquire
Bureau of Investigation & Enforcement
400 North Street
Commonwealth Keystone Building
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(*Counsel for BIE*)

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Pamela C. Polacek
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P.O. Box 129
Venetia, PA 15367
ppolacek@ctenterprises.org

DATE: May 12, 2022

/s/ Sharon E. Webb

Sharon E. Webb
Assistant Small Business Advocate
Attorney ID No. 73995