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December 6, 2022

VIA ELECTRONIC MAIL

Administrative Law Judge Jeffrey A. Watson
Pennsylvania Public Utility Commission
301 Fifth Avenue, Suite 220
Pittsburgh, PA 15222
jeffwatson@pa.gov

RE: Leatherstocking Gas Company LLC 2022 General Base Rate Increase (Gas) Filing;
Docket No. R-2022-3032764; **BILL IMPACT ANALYSIS ADDENDUM TO
THE UNANIMOUS JOINT PETITION FOR FULL SETTLEMENT OF
RATE PROCEEDING**

Dear Judge Watson:

Enclosed for filing is the Bill Impact Analysis Addendum (“Appendix H”) to the Unanimous Joint Petition for Full Settlement of Rate Proceeding (“Settlement”). The Joint Petitioners are submitting Appendix H to supplement the Settlement, which details the monthly customer bill impacts resulting from the Settlement both inclusive and exclusive of purchased gas costs. Per Paragraph 6 of the Settlement, the agreed-upon revenue increase is allocated based on a uniform percentage increase to the SC-1, SC-2, and SC-3 classes on a distribution revenue basis. Appendix A of the Settlement, however, only presents the monthly bill impacts inclusive of purchased gas costs, which distorts the percentage increase to each customer class. Accordingly, as set forth in Appendix H, by providing the bill impact analysis both inclusive and exclusive of purchased gas costs, it demonstrates that the SC-1, SC-2, and SC-3 classes each received a uniform percentage increase based upon a distribution revenue basis.

By way of this filing, the Joint Petitioners seek to clarify and stipulate to the monthly customer bill impacts both inclusive and exclusive of purchased gas costs and ask that Your Honor consider Appendix H along with the rest of the Settlement when making your determination in this matter.

The Honorable Jeffrey A. Watson, ALJ
Pennsylvania Public Utility Commission
December 6, 2022
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If you should have any questions, please feel free to contact me at 717-236-1300.

Very truly yours,

/s/ Whitney E Snyder

Thomas J. Sniscak

Whitney E. Snyder

Phillip D. Demanchick Jr.

Counsel for Leatherstocking Gas Company LLC

WES/das
Enclosure

cc: Rosemary Chiavetta, Secretary (via efilings)
Nick Miskanick, Legal Assistant (nmiskanick@pa.gov)
Per Certificate of Service

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission	:	
	:	
v.	:	Docket No. R-2022-3032764
	:	
Leatherstocking Gas Company, LLC	:	

**BILL IMPACT ANALYSIS ADDENDUM TO THE
UNANIMOUS JOINT PETITION OF LEATHERSTOCKING, I&E, OCA, AND OSBA
FOR FULL SETTLEMENT OF RATE PROCEEDING**

TO THE HONORABLE JEFFREY A. WATSON:

1. Leatherstocking Gas Company, LLC (“Leatherstocking” or “LGC”) the Bureau of Investigation & Enforcement (“I&E”), the Office of Consumer Advocate (“OCA”), and the Office of Small Business Advocate (“OSBA”), by their attorneys and collectively referred to as “Joint Petitioners,” submit and stipulate to the following Bill Impact Analysis Addendum (“Addendum”) to the Joint Petition for Full Settlement of Rate Proceeding (“Settlement”).

2. Accompanying this Addendum is **Appendix H**, which is a bill impact analysis demonstrating the average customer bill impacts of the agreed-upon revenue increase as allocated under the terms of the Settlement. Appendix H provides the bill impacts both inclusive and exclusive of purchased gas cost revenues.

3. In the Settlement, the Joint Petitioners agreed to allocate the agreed-upon revenue increase based on a uniform percentage increase to the SC-1, SC-2, and SC-3 classes on a distribution revenue basis. Settlement ¶ 6. However, the Proposed Findings of Fact in Appendix

A present the bill impacts inclusive of purchased gas costs, which gives the appearance that each class is receiving a different percentage increase. *See* Settlement, App. A at 9-10, ¶¶ 25-27. Accordingly, when excluding gas cost revenues from the bill impact analysis, the average SC-1, SC-2, and SC-3 customers receive the same percentage increase in their monthly bills consistent with the terms of the Settlement. *See* App. H, at 2.

4. Specifically, under as-filed rates, the monthly bill of a residential customer using 79 CCF per month would have increased from \$95.21 to \$151.58 per month, or by 59.2%, excluding estimated gas costs. Under Year 1 Settlement rates, the monthly bill of a residential customer using 79 CCF per month will increase from \$95.21 to \$141.80 per month, or by 48.9%, excluding estimated gas costs, beginning April 1, 2023. Under Year 2 Settlement rates, the monthly bill of a residential customer using 79 CCF per month will increase from \$141.80 to \$153.01 per month, or by 7.9%, excluding estimated gas costs, beginning April 1, 2024.

5. Under as-filed rates, the monthly bill of a general service and non-residential space heating customer using 235 CCF per month would have increased from \$251.95 to \$425.30 per month, or by 68.8%, excluding estimated gas costs. Under Year 1 Settlement rates, the monthly bill of a general service and non-residential space heating customer using 235 CCF per month will increase from \$251.95 to \$375.27 per month, or by 48.9%, excluding estimated gas costs, beginning April 1, 2023. Under Year 2 Settlement rates, the monthly bill of a general service and non-residential space heating customer using 235 CCF per month will increase from \$375.27 to \$404.93 per month, or by 7.9%, excluding estimated gas costs, beginning April 1, 2024.

6. Under as-filed rates, the monthly bill of a commercial service customer using 5,432 CCF per month would have increased from \$4,917.50 to \$8,378.50 per month, or by 70.4%, excluding estimated gas costs. Under Year 1 Settlement rates, the monthly bill of a commercial

service customer using 5,432 CCF per month will increase from \$4,917.50 to \$7,324.19 per month, or by 48.9%, excluding estimated gas costs, beginning April 1, 2023. Under Year 2 Settlement rates, a commercial service customer's monthly bill using 5,432 CCF per month will increase from \$7,324.20 to \$7,902.42 per month, or by 7.9%, excluding estimated gas costs, beginning April 1, 2024.

7. For the above reasons, the Joint Petitioners stipulate to the inclusion of Appendix H, including the calculated bill impacts both inclusive and exclusive of purchased gas costs, as an appendix to the Settlement.

WHEREFORE, the Joint Petitioners, by their respective counsel, respectfully request that the ALJ treat Appendix H as an appendix to the Joint Petition and approve the Settlement, including all terms and conditions, without modification.

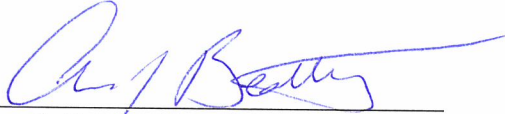
Respectfully submitted,



(Dated) 12/6/2022

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(Dated) December 1, 2022

Counsel for the Office of Small Business Advocate

APPENDICES

APPENDIX H BILL IMPACT ANALYSIS

Leatherstocking Gas Company LLC
Impact of Proposed Rate Change on Total Billings (Includes GCR Revenues & Sales Tax)

Rate Request - As Filed - \$701,200 (A)

Rate Code	Description	CCF Sales	Current Rates	Proposed Rates	Increase	
					Amount	Percent
SC-1	Residential Service	79	\$160.64	\$217.01	\$56.37	35.1%
SC-2	General Services & Non-Residential Space Heating	235	\$453.15	\$626.50	\$173.35	38.3%
SC-3	Commercial Service	5,432	\$9,407.29	\$12,868.29	\$3,461.00	36.8%

April 1, 2023 Base Rate Change - \$520,000

SC-1	Residential Service	79	\$160.64	\$207.24	\$46.60	29.0%
SC-2	General Services & Non-Residential Space Heating	235	\$453.15	\$576.47	\$123.32	27.2%
SC-3	Commercial Service	5,432	\$9,407.29	\$11,813.98	\$2,406.69	25.6%

April 1, 2024 Base Rate Change - \$125,000

SC-1	Residential Service	79	\$207.24	\$218.44	\$11.20	5.4%
SC-2	General Services & Non-Residential Space Heating	235	\$576.47	\$606.13	\$29.65	5.1%
SC-3	Commercial Service	5,432	\$11,813.98	\$12,392.20	\$578.22	4.9%

(A). The amounts shown "As Filed" have been restated to reflect the current GCR rate of \$0.82649 cents per Ccf. The Company's original filing utilized the GCR rate in effect at that time of \$0.94244 cents per Ccf.

Leatherstocking Gas Company LLC
Impact of Proposed Rate Change on Total Billings (excl. GCR Revenue / incl. Sales Tax)

Rate Request - As Filed - \$701,200 (excl. GCR)

Rate Code	Description	CCF Sales	Current Rates	Proposed Rates	Increase	
					Amount	Percent
SC- 1	Residential Service	79	\$95.21	\$151.58	\$56.37	59.2%
SC-2	General Services & Non-Residential Space Heating	235	\$251.95	\$425.30	\$173.35	68.8%
SC-3	Commercial Service	5,432	\$4,917.50	\$8,378.50	\$3,461.00	70.4%

April 1, 2023 Base Rate Change - \$520,000 (excl. GCR)

SC- 1	Residential Service	79	\$95.21	\$141.80	\$46.60	48.9%
SC-2	General Services & Non-Residential Space Heating	235	\$251.95	\$375.27	\$123.32	48.9%
SC-3	Commercial Service	5,432	\$4,917.50	\$7,324.19	\$2,406.69	48.9%

April 1, 2024 Base Rate Change - \$125,000 (excl. GCR)

SC- 1	Residential Service	79	\$141.80	\$153.01	\$11.20	7.9%
SC-2	General Services & Non-Residential Space Heating	235	\$375.27	\$404.93	\$29.65	7.9%
SC-3	Commercial Service	5,432	\$7,324.20	\$7,902.42	\$578.22	7.9%

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).

SERVICE BY EMAIL ONLY:

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Dated: December 6, 2022