



COMMONWEALTH OF PENNSYLVANIA

January 19, 2023

E-FILED

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

Re: Pennsylvania Public Utility Commission v. National Fuel Gas Distribution Corporation 1307(f) / Docket No. R-2023-3037428

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/ Steven C. Gray

Steven C. Gray
Senior Supervising
Assistant Small Business Advocate
Attorney I.D. No. 77538

Enclosures

cc: Mark Ewen
Parties of Record

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

| | | |
|---|---|----------------------------------|
| Pennsylvania Public Utility Commission | : | |
| | : | |
| v. | : | Docket No. R-2023-3037428 |
| | : | |
| National Fuel Gas Distribution Corporation 1307(f) | : | |

**COMPLAINT OF THE
SMALL BUSINESS ADVOCATE**

1. The Complainant is:

NazAarah Sabree
555 Walnut Street
Forum Place 1st Floor
Harrisburg, PA 17101
(717) 783-2525

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

Steven C. Gray
Senior Supervising
Assistant Small Business Advocate
Office of Small Business Advocate
555 Walnut Street
Forum Place 1st Floor
Harrisburg, PA 17101
(717) 783-2525
sgray@pa.gov

3. The respondent utility is:

Nation Fuel Gas Distribution Corporation
6363 Main Street
Williamsville, NY 14221

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 December 30, 2022, pursuant to Section 1307(f) of the Public Utility Code, National Fuel Gas Distribution Corporation (“NFG” or the “Company”) submitted the Company’s annual Purchased Gas Cost (“PGC”) Rate pre-filing.

6. Section 1318 of the Public Utility Code, 66 Pa. C.S. § 1318, provides that no rates of a natural gas distribution utility shall be deemed just and reasonable unless the Commission finds that the utility is pursuing a least cost fuel procurement policy, consistent with the obligation to provide safe, adequate and reliable service. The Commission must find, among other things, that the utility has (1) fully and vigorously represented ratepayer interests before the Federal Energy Regulatory Commission; (2) taken all prudent steps to negotiate favorable gas supply contracts and to relieve its obligations under contracts that may be adverse to ratepayer interests; (3) taken all reasonable steps to obtain lower cost gas supplies; and (4) not withheld or caused to be withheld gas supplies that should have been utilized as part of a least cost fuel procurement policy. 66 Pa. C.S. § 1318(a).

7. The OSBA files this Formal Complaint to ensure that the Company’s purchased gas cost rates are consistent with a least cost fuel procurement policy and do not result in rates and charges that are excessive, unjust or unreasonable, discriminatory or otherwise contrary to Commission regulation or policy.

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

- a. Hold evidentiary hearings in accordance with Section 1307(f) of the Public Utility Code;
- b. Deny any proposed rate changes which are not the result of a least cost fuel procurement policy as defined by the standards set forth in Section 1318 of the Public Utility Code, and as defined by other applicable ratemaking standards;
- c. Ensure that the Company's small business customers are not allocated any costs that should not be borne by them;
- d. Deny any rate change that is unjust, unreasonable, unduly discriminatory or contrary to sound ratemaking principles; and
- e. Grant such other relief as may be necessary or appropriate.

Respectfully submitted,

/s/ Steven C. Gray

Senior Supervising
Assistant Small Business Advocate
Attorney ID No. 77538

For:
NazAarah Sabree

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

Dated: January 19, 2023

**BEFORE THE
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**PUBLIC STATEMENT OF
THE OFFICE OF SMALL BUSINESS ADVOCATE**

The Small Business Advocate is authorized and directed to represent the interest of small business consumers of utility services in Pennsylvania under the provisions of the Small Business Advocate Act, Act 181 of 1988, 73 P.S. §§ 399.41 - 399.50 (the “Act”). The Act further provides that the Small Business Advocate is to issue publicly a written statement stating concisely the specific interest of small business consumers to be protected by his initiation of or intervention in any proceeding involving those interests before the Public Utility Commission or any other agency or court. This public statement relates to the filing today by the Small Business Advocate of a complaint against the 2023 Purchased Gas Cost (“PGC”) Rate pre-filing of National Fuel Gas Distribution Corporation (“NFG” or the “Company”).

The Small Business Advocate files this formal complaint against the Company’s proposed gas cost rate in order to protect the interests of NFG’s small business customers. A thorough inquiry by the Public Utility Commission into all of the elements of the Company’s gas cost rate is necessary to ensure that the utility is pursuing a least cost fuel procurement policy, consistent with the obligation to provide safe, adequate and reliable service.

In view of the foregoing, the Small Business Advocate will participate in proceedings before the Public Utility Commission to investigate the reasonableness of the proposed rates in the Company’s 2023 PGC Rate filing. The Small Business Advocate will ask the Commission to


deny any proposed rate increase or other changes in NFG's present tariffs that apply to small business customers that are not proven by NFG to be lawful, just, reasonable, and non-discriminatory.

Dated: January 19, 2023

VERIFICATION

I, NazAarah Sabree, 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: 01/19/23



(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 otherwise 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

Carrie B. Wright, Esquire
Pennsylvania Public Utility Commission
Bureau of Investigation and Enforcement
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Harrisburg, PA 17101-1601
akanagy@postschell.com

DATE: January 19, 2023

/s/ Steven C. Gray

Senior Supervising
Assistant Small Business Advocate
Attorney ID No. 77538