

COMMONWEALTH OF PENNSYLVANIA



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August 4, 2023

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

Re: Petition for Declaratory Order of the
Retail Energy Supply Association Re
Columbia Gas' Interim Purchase Gas Cost
Adjustment Filings
Docket No. P-2023-3039774

Dear Secretary Chiavetta:

Attached for electronic filing please find the Office of Consumer Advocate's Prehearing Memorandum in the above-referenced proceeding.

Copies have been served on the parties as indicated on the enclosed Certificate of Service.

Respectfully submitted,

/s/ Harrison W. Breitman
Harrison W. Breitman
Assistant Consumer Advocate
PA Attorney I.D. # 320580
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Enclosures:

cc: The Honorable Christopher P. Pell (**email only**)
The Honorable Chad Allensworth (**email only**)
Certificate of Service

*345305

CERTIFICATE OF SERVICE

Petition for Declaratory Order of the :
Retail Energy Supply Association : Docket No. P-2023-3039774
Re Columbia Gas' Interim Purchase Gas :
Cost Adjustment Filings :

I hereby certify that I have this day served a true copy of the following document, the Office of Consumer Advocate's Prehearing Memorandum, 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 4th day of August 2023.

SERVICE BY E-MAIL ONLY

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Dated: August 4, 2023
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BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition For Declaratory Order of the	:	
Retail Energy Supply Association	:	
Re Columbia Gas' Interim Purchase Gas Cost	:	P-2023-3039774
Adjustment Filings	:	

PREHEARING MEMORANDUM OF THE
OFFICE OF CONSUMER ADVOCATE

Pursuant to the Prehearing Conference Order of Administrative Law Judges Christopher P. Pell and Chad Allensworth issued on July 12, 2023, Section 333 of the Public Utility Code, 66 Pa. C.S. § 333, and in anticipation of the Prehearing Conference scheduled for Tuesday, August 8, 2023, the Office of Consumer Advocate (OCA) provides the following information:

I. INTRODUCTION

On April 10, 2023, the Retail Energy Supply Association (RESA) filed a Petition for Declaratory Order with the Pennsylvania Public Utility Commission (Commission). The Petition seeks to address Columbia Gas' (Columbia or Company) utilization of interim Purchased Gas Cost (PGC) rate changes. The Company adjusts its PGC rate quarterly, as necessary, in April, July, October and January of the PGC year. For rates effective in March 2023, Columbia filed an interim PGC adjustment that reflected substantial changes in the wholesale price of gas.

The Application was assigned to Administrative Law Judges Pell and Allensworth for investigation and scheduling of hearings to address RESA's Petition, which seeks to limit the utilization of interim PGC adjustments by Natural Gas Distribution Companies (NGDCs). The

OCA filed an Answer to the RESA Petition on May 1, 2023, to protect the interests of NGDC ratepayers.

II. ISSUES AND SUB-ISSUES

As stated in its Answer, the OCA supports interim PGC quarterly adjustment filings decreasing the PGC rate. In this instance, Columbia's interim filings properly captured decreases in the wholesale cost of natural gas paid by Columbia and passed through to consumers through the PTC. Columbia's interim filing produced a PGC that more closely reflected the Company's cost of gas and brought a needed rate reduction from sustained high pricing. The interim filing brought substantial rate reductions during the winter heating period, providing timely rate relief while reducing overcollections.

III. WITNESSES

The OCA has not identified a witness in this proceeding. If issues arise that require the OCA to identify a witness, the OCA will notify the ALJ and parties immediately.

IV. SERVICE ON THE OCA

The OCA will be represented in this case by Senior Assistant Consumer Advocate Aron J. Beatty and Assistant Consumer Advocate Harrison W. Breitman. Two copies of all documents should be served on the OCA as follows:

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V. PROPOSED SCHEDULE

The OCA is working with the parties to develop a mutually agreeable schedule, with an emphasis on early settlement negotiations.

VI. DISCOVERY

The OCA is not proposing any discovery modifications in this proceeding.

VII. SETTLEMENT

The OCA is participating, and will continue to participate in, settlement discussions with RESA and Columbia.

Respectfully submitted,

/s/ Aron J. Beatty

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DATED: August 4, 2023