

COMMONWEALTH OF PENNSYLVANIA



DARRYL A. LAWRENCE
Interim Acting Consumer Advocate

OFFICE OF CONSUMER ADVOCATE
555 Walnut Street, 5th Floor, Forum Place
Harrisburg, Pennsylvania 17101-1923
(717) 783-5048
(800) 684-6560

 @pa_oca
 /pennoca
FAX (717) 783-7152
consumer@paoca.org
www.oca.pa.gov

February 20, 2025

Via Electronic Filing

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; Docket No.
R-2025-3053184

Dear Secretary Chiavetta:

Attached for electronic filing, please find the Office of Consumer Advocate's Formal Complaint and Public Statement in this 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, Esq.
Assistant Consumer Advocate
PA Attorney I.D. # 320580
Email: HBreitman@paoca.org

Enclosures

cc: The Honorable Charles E. Rainey, Jr. (Email Only: crainey@pa.gov)
Office of Special Assistants (Email Only: ra-OSA@pa.gov)
Paul Diskin, TUS (Email Only: pdiskin@pa.gov)
Daniel Searfoorce, TUS (Email Only: dsearfoorc@pa.gov)
Sean Donnelly, TUS (Email Only: sdonnelly@pa.gov)
Paul Zander, TUS (Email Only: pzander@pa.gov)
Certificate of Service

CERTIFICATE OF SERVICE

Pennsylvania Public Utility Commission :
 :
 v. : Docket No. R-2025-3053184
 :
 Peoples Natural Gas Company LLC :

I hereby certify that I have this day served a true copy of the following document, the Office of Consumer Advocate’s Formal Complaint and Public Statement, 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. This document was filed electronically on the Commission’s electronic filing system.

Dated this 20th day of February 2025.

SERVICE BY E-MAIL ONLY

Allison Kaster
Bureau of Investigation and Enforcement
Commonwealth Keystone Building
400 North Street, 2nd Floor West
P.O. Box 3265
Harrisburg, PA 17105-3265
akaster@pa.gov

NazAarah Sabree
Office of Small Business Advocate
555 Walnut Street
Forum Place, 1st Floor
Harrisburg, PA 17101
ra-sba@pa.gov

Meagan Moore, Esq.
PNG Companies LLC
375 North Shore Drive
Pittsburgh, PA 15212
meagan.moore@peoples-gas.com
Counsel for Peoples Natural Gas Co. LLC

Counsel for:
Darryl A. Lawrence
Interim Acting Consumer Advocate

Office of Consumer Advocate
555 Walnut Street
5th Floor, Forum Place
Harrisburg, PA 17101-1923
717-783-5048

Dated: February 20, 2025

/s/ Harrison W. Breitman
Harrison W. Breitman, Esq.
Assistant Consumer Advocate
PA Attorney I.D. # 320580
Email: HBreitman@paoca.org

Ryan Morden, Esq.
Assistant Consumer Advocate
PA Attorney I.D. # 335679
Email: RMorden@paoca.org

Pennsylvania Public Utility Commission

Formal Complaint Form

1. COMPLAINANT

Darryl A. Lawrence, Interim Acting Consumer Advocate

555 Walnut Street, 5th Floor, Forum Place
Harrisburg, PA 17101-1923
Dauphin County

Phone: (717) 783-5048
Facsimile: (717) 783-7152

2. RESPONDENT

Peoples Natural Gas Company, LLC, Docket No. R-2025-3053184

3. TYPE OF UTILITY

Gas

4. COMPLAINT

- A. On January 31, 2025, Peoples Natural Gas Company, LLC (Peoples or The Company), submitted its pre-filing information in support of its annual reconciliation of purchased gas cost (PGC) rates, pursuant to Sections 53.64 and 53.65 of the Commission’s Rules and Regulations. 52 Pa. Code §§ 53.64-65.
- B. On or about April 1, 2025, Peoples will submit its definitive annual PGC filing to the Commission pursuant to Section 1307(f) of the Public Utility Code, 66 Pa. C.S. § 1307(f).
- C. Peoples is a natural gas distribution company that serves approximately 700,000 residential, commercial and industrial customers in southwestern and western Pennsylvania, including the following counties: Allegheny, Armstrong, Beaver, Blair, Butler, Cambria, Clarion, Fayette, Greene, Indiana, Jefferson, Lawrence, Mercer, Somerset, Venango, Washington, and Westmoreland.
- D. The Public Utility Code 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 utility's obligation to provide safe, adequate and reliable service. 66 Pa. C.S. § 1318. 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)(1-4).

- E.** The Consumer Advocate is empowered to represent the interests of Pennsylvania consumers before the Pennsylvania Public Utility Commission (the “Commission”) pursuant to Act 1976-161 of the General Assembly, as amended, 71 Pa. Stat. Ann. §§309-1, *et seq.*
- F.** After initial review of Peoples’ filing information, the Interim Acting Consumer Advocate files this Formal Complaint in order to ensure that the Company's proposed PGC rate is consistent with a least cost fuel procurement policy and does not result in rates or charges that are excessive, unjust or unreasonable, discriminatory or otherwise contrary to Commission Regulations or policy.

5. RELIEF

The Interim Acting Consumer Advocate respectfully requests that the Commission:

- A.** Hold evidentiary hearings before the Office of Administrative Law Judge, as mandated by Section 1307(f) of the Public Utility Code;
- B.** Hold at least one public input hearing, if there is sufficient public interest in holding one;
- C.** Deny any rate or tariff 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, 66 Pa. C.S. § 1318, and as defined by other applicable ratemaking standards;
- D.** Ensure that the Company's PGC customers are only allocated those costs that should be borne by them;
- E.** Deny any rate or tariff that is unjust, unreasonable, unduly discriminatory or contrary to sound ratemaking principles; and;
- F.** Grant such other relief that the Commission may deem to be necessary, just or proper.

6. VERIFICATION

Verification:

I, Darryl A. Lawrence, Interim Acting Consumer Advocate, hereby state that the facts above set forth are true and correct (or 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).

/s/Darryl A. Lawrence
(Signature)

2/20/2025
(Date)

7. LEGAL REPRESENTATION

Harrison W. Breitman, Assistant Consumer Advocate, PA Bar No. 320580
Ryan Morden, Assistant Consumer Advocate, PA Bar No. 335679

555 Walnut Street, 5th Floor, Forum Place
Harrisburg, PA 17101-1923
Dauphin County

Phone: (717) 783-5048
Facsimile: (717) 783-7152

E-mail: HBreitman@paoca.org
RMorden@paoca.org

**PUBLIC STATEMENT OF THE OFFICE OF CONSUMER ADVOCATE
PURSUANT TO 71 P.S. SECTION 309-4(e)**

Act 161 of the Pennsylvania General Assembly, 71 P.S. § 309-2, as enacted July 9, 1976, authorizes the Consumer Advocate to represent the interests of consumers before the Pennsylvania Public Utility Commission (Commission). In accordance with Act 161, and for the following reasons, the Interim Acting Consumer Advocate determined to file a Formal Complaint in the proceedings before the Commission involving the proposed purchased gas cost rate change by Peoples Natural Gas Company, LLC (Peoples or The Company) at Docket No. R-2025-3053184.

On January 31, 2025, pursuant to Sections 53.64 and 53.65 of the Commission's Rules and Regulations, 52 Pa. Code §§ 53.64-65, Peoples submitted its pre-filing information in support of its annual reconciliation of purchased gas cost (PGC) rates. On or about April 1, 2025, Peoples will submit its definitive annual PGC filing to the Commission pursuant to Section 1307(f) of the Public Utility Code. 66 Pa. C.S. § 1307(f).

The Office of Consumer Advocate (OCA) has filed this Formal Complaint to ensure that the Commission examines Peoples PGC filing and that any implemented PGC rate is consistent with the least cost fuel procurement obligation under the Public Utility Code. A thorough analysis and review are appropriate because Section 1318 of the Public Utility Code mandates that purchased gas costs cannot be determined to be just and reasonable unless such rates result from a least cost fuel procurement policy. 66 Pa. C.S. §1318(a). The OCA will seek to ensure that only those purchased gas costs which meet the requirements of Section 1318 will be paid by Peoples' ratepayers. The OCA will also seek to ensure that the rates approved by the Commission are otherwise just and reasonable, and not unduly discriminatory or excessive.