



COMMONWEALTH OF PENNSYLVANIA

March 14, 2025

**E-FILED**

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

**Re: Pennsylvania Public Utility Commission v. Philadelphia Gas Works / Docket No. R-2025-3053112**

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-referenced 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/ Rebecca Lyttle*

Rebecca Lyttle  
Assistant Small Business Advocate  
Attorney ID No. 201399

*Enclosures*

cc: Jason Hails  
Roger Cathcart  
Robert D. Knecht  
Parties of Record



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. This Complaint is filed against the rates, terms, and other provisions of Proposed Gas Service Tariff Supplement No. 176 to Gas Service Tariff – Pa. P.U.C. No. 2 (“Supplement No. 176”), and Proposed Supplier Tariff Supplement No. 119 to Gas - Pa. P.U.C. No. 1 (“Supplement No. 119”) which were filed on February 27, 2025.

6. The proposed Tariffs, if approved by the Commission, would increase the retail distribution rates of Philadelphia Gas Works (“PGW” or “Company”) by \$105.0 million, or 15.73%, per year.

7. PGW asserts that operating costs have increased, while customers have reduced their usage of natural gas. The Company claims that this will result in a \$48 million negative cash balance at the end of the fully projected future test year (“FPFTY”).

8. In addition to the rate increase, PGW is proposing to implement a Revenue Normalization Adjustment (“RNA”) charge, which would reconcile the Company’s Commission-approved revenues with actual billing revenues. PGW claims that the rate increase and the proposed RNA, taken together, will resolve the Company’s predicted negative cash balance.

9. PGW’s proposed RNA will be in addition to the Company’s proposal to continue its troubled Weather Normalization Adjustment (“WNA”).

10. PGW also asserts that, even with the Company's continually rising rates charged to its customers, the Company's annual bills to its customers have become more affordable over the last 10 years.

11. After preliminary review of the materials filed by PGW in support of the proposed Tariffs, 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.

12. Complainant believes, and therefore avers, that PGW's proposed rates, rate design, and cost and 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 PGW.

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

- a. Suspend and investigate the operation of Proposed Supplement No. 176 to PGW's Gas Service Tariff—Pa. P.U.C. No. 2;
- b. Suspend and investigate the operation of Proposed Supplement No. 119 to PGW's Supplier Tariff—Pa. P.U.C. No. 1;
- c. At the conclusion of such investigation, reject the proposed new rates and other tariff changes in Proposed Supplement No. 176 to PGW's Gas Service Tariff—Pa. P.U.C. No. 2, and Proposed Supplement No. 119 PGW's Supplier Tariff No. 1, to

the extent required to insure that PGW's rates are lawful, just, reasonable, and not unduly discriminatory; and

- d. Grant such other relief as may be necessary or appropriate.

Respectfully submitted,

*/s/ Rebecca Lyttle*

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Rebecca Lyttle  
Assistant Small Business Advocate  
Attorney ID No. 201399

Commonwealth of Pennsylvania  
Office of Small Business Advocate  
Forum Place  
555 Walnut Street, 1<sup>st</sup> Floor  
Harrisburg, PA 17101

Dated: March 14, 2025

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

<b>Pennsylvania Public Utility Commission</b>	:	
	:	
	:	<b>Docket No. R-2025-3053112</b>
<b>v.</b>	:	
	:	
<b>Philadelphia Gas Works</b>	:	

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

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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, 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 setting forth 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 Pennsylvania 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 in the above-captioned proceeding.

This proceeding involves a request by Philadelphia Gas Works (“PGW”) for the approval of Proposed Supplement No. 176 to PGW’s Gas Service Tariff No. 2 and Proposed Supplement No. 119 to PGW’s Supplier Tariff- Pa. P.U.C. No. 1. Overall, PGW proposes an increase in retail distribution rates by \$105.0 million, or 15.73%, per year.

In addition to the proposed rate increase, PGW is proposing to implement a Revenue Normalization Adjustment (“RNA”) charge, which would reconcile the Company’s Commission-approved revenues with actual billing revenues. PGW’s

proposed RNA will be in addition to the Company's proposal to continue its troubled Weather Normalization Adjustment ("WNA").

PGW also claims that, even with the Company's continually rising rates charged to its customers, the Company's annual bills to its customers have become more affordable over the last 10 years.

The Small Business Advocate has filed a formal Complaint against PGW's proposed rate increase and other changes to protect the interests of PGW's small business customers.

A preliminary review of the data filed by PGW in support of its request for a rate increase indicates that the costs claimed by the utility for ratemaking purposes may be excessive. A thorough inquiry by the Commission into all elements of PGW's request for a rate increase is necessary to ensure that PGW's rates, including any new rates that may result from this proceeding, are just, reasonable, and non-discriminatory.

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 PGW's proposed Tariff Supplements. The Small Business Advocate will ask the Commission to deny any proposed rate increase or other changes in PGW's present tariffs that apply to small business customers that are not proven by PGW to be lawful, just, reasonable, and non-discriminatory.

Dated: March 14, 2025

**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: March 14, 2025

  
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(Signature)

