

COMMONWEALTH OF PENNSYLVANIA



OFFICE OF CONSUMER ADVOCATE

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October 17, 2017

Rosemary Chiavetta, Secretary
PA Public Utility Commission
Commonwealth Keystone Bldg.
400 North Street
Harrisburg, PA 17120

Re: Pine Roe Natural Gas Company
Docket No. R-2017-2618332

Dear Secretary Chiavetta:

Attached for electronic filing please find the Office of Consumer Advocate's Formal Complaint and Public Statement in the above-referenced proceeding.

Copies have been served per the attached Certificate of Service.

Very truly yours,

A handwritten signature in black ink, appearing to read "Darryl A. Lawrence".

Darryl A. Lawrence
Senior Assistant Consumer Advocate
PA Attorney I.D. # 93682
E-Mail: DLawrence@paoca.org

Attachment:
Certificate of Service
240980

CERTIFICATE OF SERVICE

Re: Pine Roe Natural Gas Company
Docket No. R-2017-2618332

I hereby certify that I have this day served a true copy of the foregoing 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:


Dated this 17th day of October 2017.

SERVICE BY E-MAIL & INTER-OFFICE MAIL

Richard A. Kanaskie, Esquire
Allison C. Kaster, Esquire
Bureau of Investigation & Enforcement
Pennsylvania Public Utility Commission
Commonwealth Keystone Bldg.
400 North Street
Harrisburg, PA 17120

SERVICE BY EMAIL AND FIRST CLASS MAIL, POSTAGE PREPAID

Pauline Griebel, Accountant
Pine Roe Natural Gas Co.
P.O. Box 146
Clarion, PA 16214
Fleming110@yahoo.com



Darryl A. Lawrence
Senior Assistant Consumer Advocate
PA Attorney I.D. # 93682
E-Mail: DLawrence@paoca.org

Counsel for Office of Consumer Advocate
555 Walnut Street, 5th Floor, Forum Place
Harrisburg, PA 17101-1923
Phone: (717) 783-5048
Fax: (717) 783-7152
240978

PENNSYLVANIA PUBLIC UTILITY COMMISSION

Formal Complaint Form

1. CUSTOMER NAME (COMPLAINANT)

Tanya McCloskey, Acting Consumer Advocate
555 Walnut Street 5th Floor, Forum Place
Harrisburg, PA 17101-1923
Dauphin County
(717) 783-5048
(717) 783-7152 (fax)

2. UTILITY NAME (RESPONDENT)

Pine Roe Natural Gas Company

3. TYPE OF UTILITY

Gas

4. COMPLAINT

- A. On August 7, 2017, Pine Roe Natural Gas Company (Pine Roe or Company) filed Supplement No. 40 to Tariff - Gas Pa. P.U.C. No. 1, requesting an increase in base rates for all customer classes served by Pine Roe.
- B. Pine Roe is a natural gas distribution company serving 165 residential customers in portions of Beaver, Clarion, Monroe, and Piney Townships in Clarion County, PA.
- C. The Company is requesting an overall rate increase of \$50,000.00 per year, all of which would come from an increase to the Customer Charge. A typical residential customer using 8.5 MCF of natural gas per month would see a total bill increase from \$29.01 to \$54.26 per month, or 87%.
- D. The current customer charge of \$6.61 includes the first 2 Mcf of natural gas.

Under the Company's proposal, the customer charge would continue to include the first 2 Mcf of natural gas but the charge would increase to \$31.86, or by 381.997%.

- E. The Consumer Advocate is empowered to represent the interest of Pennsylvania consumers before the Pennsylvania Public Utility Commission, pursuant to Act 161 of the General Assembly, as amended. 71 Pa. Stat. Ann §§ 309-1 et seq.
- F. A preliminary examination of the Company's filing indicates that the proposed increase to annual revenues of \$50,000.00 may be unjust, unreasonable, in violation of law and will or may produce an excessive return on investment in violation of the Public Utility Code. 66 Pa.C.S. § 1301, et seq.
- G. The Acting Consumer Advocate also avers that the proposed tariff changes and proposed rate design may be unlawfully discriminatory, in violation of the Public Utility Code, 66 Pa.C.S. Sections 1301 and 1304, et seq., and may otherwise be contrary to sound ratemaking principles and public policy.
- H. The Acting Consumer Advocate files this complaint to ensure that the Commission fully and fairly adjudicates issues pertaining to whether the Company's proposed rates - and all rate policy changes - are just, reasonable, and otherwise lawful.

5. RELIEF

The Acting Consumer Advocate respectfully requests that the Commission take the following actions:

- A. Suspend and investigate the operation of the proposed Supplement No. 4, pursuant to Section 1308(d) of the Public Utility Code, 66 Pa.C.S. § 1308(d);

- B. Consolidate all complaints filed against the proposed increase;
- C. Hold full evidentiary hearings examining the reasonableness of the proposed increases in rates;
- D. After providing the public with adequate notice, hold public input hearings in the Company's service territory, in order to provide its customers with an opportunity to be heard on the record;
- E. Deny any changes contained in the proposal which cannot be fully justified, or which otherwise are contrary to the Public Utility Code, sound ratemaking principles, and public policy;
- F. Grant such other relief, which the Commission may deem to be necessary and proper.

6. VERIFICATION AND SIGNATURE

Verification:

I Tanya McCloskey, 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).

Tanya J. McCloskey
(Signature)

October 17, 2017
(Date)

7. LEGAL REPRESENTATION (IF ANY)

If you are represented by a lawyer in this matter you must provide your lawyer's name, address and telephone number.

Lawyers' Names: Darryl Lawrence, Senior Assistant Consumer Advocate (Attorney I.D. 93682)

Street 555 Walnut Street, 5th Floor

City Harrisburg State PA Zip 17101-1923

Area Code/Phone Number (VOICE) 717-783-5048 (FAX) 717-783-7152

(E-Mail) Darryl Lawrence: DLawrence@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. Section 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 Acting Consumer Advocate determined to file a Formal Complaint and participate in proceedings before the Commission involving the proposed rate increase requested by Pine Roe Natural Gas Company (Pine Roe or Company).

Under the Company's proposal, Pine Roe would receive additional annual revenues of \$50,000.00. A customer using 8.5 MCF of gas per month would see a total bill increase from \$29.01 to \$54.26 per month, or by 87%. The Company serves 165 residential customers, in portions of Beaver, Clarion, Monroe, and Piney Townships in Clarion County, PA.

The objective of the Acting Consumer Advocate in filing a Formal Complaint in this matter is to protect the interests of the Company's customers. The Acting Consumer Advocate will seek to ensure that the Company is permitted to implement only a level of rates that is fully justified and in accordance with sound ratemaking principles. The Acting Consumer Advocate will strive to prevent the Company from collecting from ratepayers all alleged costs that cannot be justified, or are unreasonable or unduly discriminatory, or otherwise violate the Public Utility Code.

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