

Thomas J. Sniscak (717) 236-1300 x224 tjsniscak@hmslegal.com

100 North Tenth Street, Harrisburg, PA 17101 Phone: 717.236.1300 Fax: 717.236.4841 www.hmslegal.com

April 15, 2015

# Via Electronic Filing

Rosemary Chiavetta, Secretary Pennsylvania Public Utility Commission Commonwealth Keystone Building 400 North Street, 2<sup>nd</sup> Floor (filing room) Harrisburg, PA 17120

Re: Pennsylvania Public Utility Commission v. Columbia Gas of Pennsylvania; Docket Nos. R-2015-2468056 and C-2015-2473682; PREHEARING CONFERENCE MEMORANDUM OF THE PENNSYLVANIA STATE UNIVERSITY

Dear Secretary Chiavetta:

Please find enclosed for filing with the Pennsylvania Public Utility Commission the Prehearing Conference Memorandum of The Pennsylvania State University in the above-referenced docket. Copies have been served in accordance with the attached Certificate of Service.

Should you have any questions or comments, please feel free to contact me directly.

Very truly yours

Thomas J. Sniscak William E. Lehman

Counsel for

The Pennsylvania State University

TJS/das Enclosures

cc: Hon. Mary D. Long

Per Certificate of Service

### CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing document upon the parties, listed below, in the manner indicated below, and in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a party).

## Via Electronic and First Class U.S. Mail

Hon. Mary D. Long Administrative Law Judge Pennsylvania Public Utility Commission 301 5<sup>th</sup> Avenue, Suite 220 Pittsburgh, PA 15222 malong@pa.gov

Michael W. Hassell, Esquire
Lindsay A. Berkstresser, Esquire
Post & Schell, P.C.
17 North Second Street
12<sup>th</sup> Floor
Harrisburg, PA 17101
mhassell@postschell.com
lberkstresser@postschell.com
Counsel for Columbia Gas of Pennsylvania,
Inc.

Theodore J. Gallagher, Esquire Columbia Gas of Pennsylvania, Inc. 121 Champion Way, Suite 100 Canonsburg, PA 15317 tjgallagher@?nisource.com Counsel for Columbia Gas of Pennsylvania, Inc.

Andrew S. Tubbs, Esquire
NiSource Corporate Services Company
800 N. Third Street, Suite 204
Harrisburg, PA 17102
astubbs@nisource.com
Counsel for Columbia Gas of Pennsylvania,
Inc.

Erin L. Gannon, Esquire
Amy E. Hirakis, Esquire
Hobart J. Webster, Esquire
Office of Consumer Advocate
555 Walnut St., 5th Floor Forum Place
Harrisburg, PA 17101-1923
egannon@paoca.org
ahirakis@paoca.org
hwebster@paoca.org

Johnnie E. Simms, Esquire
Scott B. Granger, Esquire
PA Public Utility Commission
Bureau of Investigation and Enforcement
P.O. Box 3265
Harrisburg, Pa 17105-3265
josimms@pa.gov
sgranger@pa.gov

Daniel G. Asmus, Esquire
John R. Evans, Esquire
Assistant Small Business Advocate
Office of Small Business Advocate
300 North Second St., Ste. 202
Harrisburg, PA 17101
dasmus@pa.gov
jorevan@pa.gov

Charis Mincavage, Esquire
Elizabeth P. Trinkle, Esquire
McNees Wallace & Nurick LLC
100 Pine Street
P.O. Box 1166
Harrisburg, PA 17108-1166
cmincavage@mwn.com
etrinkle@mwn.com
Counsel for Columbia Industrial Intervenors

Certificate of Service Page 2

Todd S. Stewart, Esquire
Hawke McKeon & Sniscak LLP
100 North 10<sup>th</sup> Street
P.O. Box 1778
Harrisburg, PA 17101
tsstewart@hmslegal.com
Counsel for The NGS Parties

Harry S. Geller, Esquire
Elizabeth R. Marx, Esquire
Pennsylvania Utility Law Project
118 Locust Street
Harrisburg, PA 17101
pulp@palegalaid.net
emarxpulp@palegalaid.net
Counsel for CAUSE-PA

Thoms J. Snixal

Thomas J. Sniscak

William E. Lehman

Dated: April 15, 2015

# BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission

: Docket No. R-2015-2468056

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Columbia Gas of Pennsylvania, Inc.

V.

C-2015-2473682

# PREHEARING CONFERENCE MEMORANDUM OF THE PENNSYLVANIA STATE UNIVERSITY

TO: THE HONORABLE MARY D. LONG:

On April 10, 2015, an Order was issued by the Pennsylvania Public Utility Commission ("Commission") setting a Telephonic Prehearing Conference in the above-captioned proceeding for Thursday, April 16, 2015 at 10:00 a.m. before the Honorable Mary D. Long. On April 9, 2015, Administrative Law Judge ("ALJ") Mary D. Long issued a Prehearing Conference Order requiring each party to file a Prehearing Conference Memorandum by April 15, 2015.

The Pennsylvania State University ("PSU"), by and through its attorneys in this matter, Hawke McKeon & Sniscak LLP, hereby submits its Prehearing Conference Memorandum.

I. ACCEPTANCE OF SERVICE

Service of paper documents in this proceeding shall be accepted on behalf of PSU by:

Thomas J. Sniscak, Esquire William E. Lehman, Esquire Hawke McKeon & Sniscak LLP P.O. Box 1778

100 North Tenth Street

Harrisburg, PA 17101 Phone: 717-236-1300

Fax: 717-236-4841 tjsniscak@hmslegal.com welehman@hmslegal.com

Counsel for PSU also requests that any electronic service list utilized by the parties in this proceeding include Thomas J. Sniscak (tjsniscak@hmslegal.com) and William E. Lehman (welehman@hmslegal.com). PSU is willing to extend the same courtesy upon request of any other party for any e-mails or electronic service to the parties.

II. SETTLEMENT

There have been no settlement discussions to date, but PSU is willing to participate in settlement discussions with the other parties.

III. DISCOVERY

PSU takes no position on modification of the discovery schedule at this time but is willing to work with the parties on mutually agreeable modifications.

IV. SCHEDULE

PSU is working with the other parties to develop a mutually satisfactory schedule for consideration by Your Honor at the Prehearing Conference.

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### V. WITNESSES

PSU reserves the right to offer the Direct Testimony of James L. Crist in support of its positions. Mr. Crist's business address, telephone number and e-mail address are:

James L. Crist Lumen Group, Inc. 4226 Yarmouth Drive, Suite 101 Allison Park, PA 15101 (412) 487-9708 JLCrist@aol.com

PSU requests that copies of all interrogatories, answers to interrogatories, testimony and exhibits submitted (other than Columbia's initial filing materials) be e-mailed directly to Mr. Crist at JLCrist@aol.com.

If called, Mr. Crist may present testimony regarding the revenue required by the Company and the allocation of that revenue to the various tariffs, along with the rate design and operational requirements of specific rate schedules and also may present testimony in response to testimony or exhibits offered by any other party. Mr. Crist may also present testimony regarding Rider CAC, "Choice Administration Charge," which is an additional fee that applies to all customers receiving gas supplies from an alternative provider and the Company's proposed Gas Procurement Charge. Mr. Crist reserves his right to also present testimony on any further issue that may arise as a result of further review of the filing, discovery or testimony or any position taken by any other party to this proceeding.

Additionally, PSU may offer the direct testimony of a member of its Office of Physical Plant - Energy and Engineering Division regarding rate issues created or raised by the filing and its offered supporting information. PSU reserves the right to present additional witnesses should its discovery or its review of responses to the discovery of other parties raise additional issues.

PSU reserves the right to adopt any testimony of other witnesses, in whole or in part, and to offer additional witnesses and exhibits as may be necessary to address the testimony, exhibits, or evidence that may be presented by any party in this proceeding.

### VI. ISSUES

At this juncture, and subject to discovery and issues raised by PSU and by other parties, PSU intends to address the issue of whether the service PSU takes under certain rate categories may be burdened with a disproportionate share of the overall increase requested. The Company's cost allocations and multiple Cost of Service Studies appear to be unreasonable and discriminatory as is the proposed distribution of its recommended revenue requirement.

In addition, contrary to Commission policy to encourage competition and develop a healthy alternative gas supply market, the Company has again introduced Rider CAC, "Choice Administration Charge," an additional fee that applies to all customers receiving gas supplies from an alternative provider and places Columbia's own system supply gas in a more favorable position. Furthermore, the Company's proposed Gas Procurement Charge is notably lower than other Pennsylvania natural gas distribution companies and also serves to place Columbia's own system supply gas in a more favorable position.

PSU's position will be finalized in its evidence and briefs submitted under the schedule developed in this case.

### VII. EVIDENCE

PSU reserves the right to submit pre-filed direct testimony and associated exhibits addressing the issues identified in the preceding section. PSU may also present additional testimony and exhibits after discovery or in response to testimony or exhibits introduced by any party or witness in this proceeding.

WHEREFORE, The Pennsylvania State University respectfully submits this Prehearing Conference Memorandum.

Respectfully submitted,

Thomas J. Sniscak, Attorney I.D. # 33891

Thomas J. Sniscak

William E. Lehman, Attorney I.D. #83936

Hawke McKeon & Sniscak LLP

100 North Tenth Street, P.O. Box 1778

Harrisburg, PA 17105-1778

E-mail: tjsniscak@hmslegal.com E-mail: welehman@hmslegal.com

Telephone: (717) 236-1300 Facsimile: (717) 236-4841

Counsel for

The Pennsylvania State University

Dated: April 15, 2015