

**BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission, et al. :  
 :  
 v. : Docket No. R-2016-2529660  
 :  
 Columbia Gas of Pennsylvania, Inc. :

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**PREHEARING MEMORANDUM  
OF THE COALITION FOR AFFORDABLE UTILITY SERVICES  
AND ENERGY EFFICIENCY IN PENNSYLVANIA**

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**PENNSYLVANIA UTILITY LAW PROJECT**  
*Counsel for CAUSE-PA*  
Joline Price, Esq., PA ID: 315405  
Elizabeth R. Marx, Esq., PA ID: 309014  
Patrick M. Cicero, Esq., PA ID: 89039  
118 Locust Street  
Harrisburg, PA 17101  
Tel.: 717-236-9486  
Fax: 717-233-4088

**April 27, 2016**

## **I. Introduction**

On April 22, 2016, a Prehearing Conference Order was issued by Administrative Law Judge Katrina L. Dunderdale setting a prehearing conference for Thursday, April 28, 2016, and requiring parties to file a prehearing memorandum no later than noon on Wednesday, April 27, 2016. In addition, on April 26, 2016, Judge Dunderdale issued a corrected Prehearing Conference Order. In response, the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (“CAUSE-PA”), through its counsel at the Pennsylvania Utility Law Project, hereby submits this Prehearing Memorandum.

## **II. History of the Proceeding**

On March 18, 2016, Columbia Gas of Pennsylvania (“Columbia”) submitted a rate filing, Supplement No. 241 to its Tariff Gas PA PUC No. 9, which proposes to increase rates by approximately \$55.3 million per year, or 11.23%. According to Columbia’s calculations, its proposal would increase the total bill for a residential customer who uses 70 therms of gas from \$77.33 to \$86.97 per month, an increase of 12.47%. On April 12, 2016, CAUSE-PA filed a Petition to Intervene. On April 21, 2016, the Commission entered an order suspending the Columbia tariff by operation of law, and opening an investigation to determine the lawfulness, justness, and reasonableness of the rates, rules, and regulations contained therein.

## **III. Issues to be addressed**

In addition to complying with sound rate making principles, including the requirement that rates be just and reasonable, Columbia Gas must also ensure that its rates and tariff comply with universal service requirements. In turn, the Commission must ensure that universal service programs assist low-income customers to afford natural gas service, and that these programs are

appropriately funded, promoted, and available in each natural gas distribution territory. 66 Pa. C.S. § 2203(8).

In the event that the Commission approves any natural gas distribution rate increase, the Commission should condition approval on Columbia's agreement to perform such actions as are necessary to assure compliance with applicable sections of the Public Utility Code, Commission regulations and guidelines, and settlement agreements.

Counsel for CAUSE-PA has reviewed Columbia's filing and testimony. While CAUSE-PA is still formulating its positions on all of the issues presented, it is concerned about the effect that the proposed rate increase will have on the affordability of service for economically vulnerable households within Columbia's service territory, and has tentatively identified the following issues presented by the filing which affect its members:

- i. The effect of Columbia's rate filing and proposed rate increase on low income households; and,
- ii. The effect of Columbia's rate filing and proposed rate increase on low income households enrolled in UGI's current Universal Service Programs; and
- iii. The availability of universal service programs, such as Columbia's hardship fund, that are developed, maintained, and appropriately funded to ensure such affordability.

CAUSE-PA asserts that these matters must be thoroughly reviewed through discovery and a hearing in order to ensure that the Company's low-income customers are sufficiently protected from the harm caused by any rate increase and any rate increase is in the public interest. CAUSE-PA anticipates that additional issues may arise as a more comprehensive review of the Company's filing is undertaken, discovery is conducted, and other parties present evidence and testimony. CAUSE-PA reserves the right to present evidence on any of the other issues contained in

Columbia's filing but not specifically identified above, as well as those issues raised by other parties.

**IV. Witnesses**

CAUSE-PA is still evaluating whether or not to present testimony in this matter, and reserves the right to present a witness as may be necessary depending on the course of the proceeding. If testimony will be submitted, CAUSE-PA will provide the Presiding Officer as well as the other parties in this matter reasonable notice of its designated witness. CAUSE-PA also reserves its right to call additional or substitute witnesses as may be warranted upon proper notice to the Presiding Officer and the parties:

**V. Discovery**

CAUSE-PA will work with the other parties to develop a reasonable proposed plan and schedule of discovery.

**VI. Settlement**

CAUSE-PA will work with any and all of the other parties in this proceeding to attempt to come to a full or partial settlement of the litigated issues.

**VII. Service on CAUSE-PA**

Service on CAUSE-PA may be made on its attorneys at the Pennsylvania Utility Law Project, who consent to accept by electronic delivery all documents on the deadlines for their filing as follows:

Joline Price, Esq.  
Elizabeth R. Marx, Esq.  
Patrick M. Cicero, Esq.  
**PENNSYLVANIA UTILITY LAW PROJECT**  
118 Locust Street  
Harrisburg, PA 17101  
Tel.: 717-236-9486  
Fax: 717-233-4088

[pulp@palegalaid.net](mailto:pulp@palegalaid.net)

**VIII. Litigation Schedule**

CAUSE-PA will work with other parties and the ALJ in good faith to develop a workable litigation schedule.

**IX. Conclusion**

CAUSE-PA respectfully requests that its Prehearing Memorandum be entered into the record of this proceeding.

Respectfully submitted,

**PENNSYLVANIA UTILITY LAW PROJECT**  
*Counsel for CAUSE-PA*



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Joline Price, Esq., PA ID: 315405  
Elizabeth R. Marx, Esq., PA ID: 309014  
Patrick M. Cicero, Esq., PA ID: 89039  
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**Certificate of Service**

I hereby certify that I have this day served copies of the **Prehearing Memorandum of the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania** upon the parties of record in the above captioned proceeding in accordance with the requirements of 52 Pa. Code § 1.54 in the manner and upon the persons listed below.

**VIA FIRST CLASS MAIL**

Michael W. Hassell, Esq.  
Lillian S. Harris, Esq.  
Lindsay A. Berkstresser, Esq.  
Post & Schell, PC  
17 North Second Street, 12<sup>th</sup> Fl  
Harrisburg, PA 17101  
*Counsel for Columbia Gas*

Theodore J. Gallacher, Esq.  
Meagan Bielanin Moore, Esq.  
Columbia Gas of Pennsylvania, Inc.  
121 Champion Way, Suite 100  
Canonsburg, PA 15317  
*Counsel for Columbia Gas*

Andrew S. Tubbs, Esq.  
NiSource Corporate Service Company  
800 N. Third Street, Suite 204  
Harrisburg, PA 17102  
*Counsel for Columbia Gas*

Todd S. Stewart, Esq.  
Hawke, McKeon & Sniscak, LLP  
100 N. 10<sup>th</sup> Street  
Harrisburg, PA 17101  
*Counsel for Shipley Choice et al*

Erin L. Gannon, Esq.  
Lauren M. Burge, Esq.  
Amy E. Hirakis, Esq.  
Office of Consumer Advocate  
555 Walnut Street  
5<sup>th</sup> Floor Forum Place  
Harrisburg, PA 17101-1923  
*Counsel for OCA*

Daniel G. Asmus, Esq.  
Office of Small Business Advocate  
300 North Second Street  
Suite 202  
Harrisburg, PA 17101  
*Counsel for OSBA*

Carrie B. Wright, Prosecutor  
Bureau of Investigation & Enforcement  
PA Public Utility Commission  
Second Floor West  
400 North Street  
Harrisburg, PA 17120  
*Counsel for I&E*

Thomas J. Sniscak, Esq.  
Christopher M. Arfaa, Esq.  
William H. Lehman, Esq.  
Hawke, McKeon & Sniscak, LLP  
100 N. 10<sup>th</sup> Street  
Harrisburg, PA 17101  
*Counsel for Pennsylvania State University*

Joseph L. Vullo, Esq.  
Burke Vullo Reilly Roberts  
1460 Wyoming Avenue  
Forty Fort, PA 18704  
*Counsel for Community Action Association  
of PA*

John F. Povilaitis, Esq.  
Karen O'Moury, Esq.  
Buchanan Ingersoll & Rooney PC  
409 N. Second Street Suite 500  
Harrisburg, PA 17101  
*Counsel for RESA*

Daniel Clearfield, Esq.  
Carl R. Shultz, Esq.  
Sarah C. Stoner, Esq.  
Eckert Seamans Cheron & Mellott, LLC  
213 Market Street 8<sup>th</sup> Floor  
Harrisburg, PA 17101  
*Counsel for Direct Energy*

Charis Mincavage  
Kenneth R. Stark  
McNees Wallace & Nurrick LLC  
100 Pine Street  
PO Box 1166  
Harrisburg, PA 17108  
*Counsel for Columbia Industrial Intervenors*

Ralph Miller  
3638 Kortni Drive  
Dover, PA 17315

Michael Pikus  
430 Ascent Drive #9103  
Wexford, PA 15090

Respectfully submitted,  
**PENNSYLVANIA UTILITY LAW PROJECT**  
*Counsel for CAUSE-PA*



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