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June 9, 2016

Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street, 2nd Floor  
Harrisburg, PA 17120

**VIA ELECTRONIC FILING**

**RE: Petition of Valley Energy, Inc. for Delay in Logo Portion of Joint NGDC-NGS Bill Format;  
Docket No. \_\_\_\_\_**

Dear Secretary Chiavetta:

Enclosed for filing with the Pennsylvania Public Utility Commission ("PUC" or "Commission") is Valley Energy, Inc.'s ("Valley Energy"), Petition for Delay in Logo Portion of Joint NGDC-NGS Bill Format Requirements.

If you have any questions regarding the enclosed documents, please feel free to contact the undersigned. Thank you.

Very truly yours,

McNEES WALLACE & NURICK LLC

By   
Pamela C. Polacek

Counsel to Valley Energy, Inc.

PCP/sar  
Enclosures

c: Certificate of Service  
Daniel Mumford, Office of Competitive Market Oversight (via E-mail and First-Class Mail)

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**CERTIFICATE OF SERVICE**

I hereby certify that I am this day serving a true copy of the foregoing document upon the participants listed below in accordance with the requirements of Section 1.54 (relating to service by a participant).

**VIA FIRST CLASS MAIL**

Office of Consumer Advocate  
555 Walnut Street  
Forum Place - 5th Floor  
Harrisburg, PA 17101-1921

Bureau of Investigation and Enforcement  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street, 2nd Floor  
Harrisburg, PA 17120

Office of Small Business Advocate  
Suite 202, Commerce Building  
300 North Second Street  
Harrisburg, PA 17101



Pamela C. Polacek

Counsel to Valley Energy, Inc.

Dated this 9<sup>th</sup> day of June, 2016, in Harrisburg, Pennsylvania.

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition of Valley Energy, Inc. :  
for Delay in Logo Portion of :  
Joint NGDC-NGS Bill Format : Docket No. \_\_\_\_\_

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**PETITION OF VALLEY ENERGY, INC.  
FOR DELAY IN LOGO PORTION OF  
JOINT NGDC-NGS BILL FORMAT REQUIREMENTS**

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Pursuant to Sections 5.41 and 5.43 of the Pennsylvania Public Utility Commission's ("PUC" or "Commission") Regulations, 52 Pa. Code §§ 5.41 and 5.43, Valley Energy, Inc. ("Valley" or "Company") hereby requests a delay in implementing the placement of the Natural Gas Supplier ("NGS") logo on its bill. As explained below, the only customers who are purchasing supply from NGSs in Valley's territory do not use Natural Gas Distribution Company ("NGDC") consolidated billing. As a result, inserting the logo capability on Valley's bills would be an unnecessary initiative at this time. Valley can implement the other required NGDC billing changes (i.e., adding a shopping box and expanding the messaging area). In support thereof, the Company states as follows:

**A. Description of the Company**

1. Valley is an NGDC serving eleven communities in Bradford County, Pennsylvania and Tioga County, New York. Valley is an investor-owned, for-profit natural gas utility, wholly owned by C&T Enterprises, Inc. ("C&T"). Valley supplies and distributes natural gas to approximately 5,867 residential and 874 commercial and industrial customers in and around Sayre, Bradford County, Pennsylvania. Valley is the Supplier of Last Resort ("SOLR") in its territory. Valley is a small natural gas company that submits its purchased gas cost filings

on an annual basis pursuant to Chapter 53, §§ 53.61-53.68 of the Commission's regulations. *See* 52 Pa. Code §§ 53.61-53.68.

2. Currently, Valley has approximately forty-nine small commercial accounts purchasing gas from NGSs. No residential customers purchase service from an NGS. An additional seven large industrial accounts are supplied by NGSs and take only transportation service from Valley. Notably, 70% of Valley's total throughput is delivered to these large transportation accounts. All of the shopping accounts receive separate bills from the NGS for supply, and from Valley for the delivery of the gas. In other words, none of the accounts receive consolidated billing. Valley's current billing system is not programmed to issue consolidated bills.

3. The names and addresses of the Company's attorneys for this proceeding are as follows:

Pamela C. Polacek (Pa. I.D. 78726)  
Adeolu A. Bakare (Pa. I.D. 208541)  
McNees Wallace & Nurick, LLC  
100 Pine Street  
P.O. Box 1166  
Harrisburg, PA 17108-1166  
Phone: (717) 232-8000  
Fax: (717) 260-1763  
ppolacek@mcneeslaw.com  
abakare@mcneeslaw.com

The Company requests that copies of all filings and documents submitted in this proceeding be served on the above-listed attorneys. Any inquiries regarding this filing should initially be directed to Ms. Polacek.

**B. Background**

4. On August 20, 2015, the Commission issued a Final Order at Docket No. M-2015-2474802 in the *Investigation of Pennsylvania's Retail Natural Gas Market: Joint Natural Gas Distribution Company-Natural Gas Supplier Bill* ("Final Joint Bill Order"). The Final Joint Bill Order implemented modifications designed to make consolidated bills that are issued by the NGDC for competitive gas supplies more "supplier-oriented." The Final Joint Bill Order requires NGDCs to make the following changes to bills: (1) the inclusion of the NGS's logo; (2) the expansion of NGS bill messaging space to four lines; and (3) the inclusion of a Shopping Information Box.

5. Valley has a number of accounts that are purchasing supply from NGSs; however, none of those accounts use consolidated billing.

6. Valley has explored the implementation of all three ordered modifications to its bills required under the Final Joint Bill Order. Valley's billing vendor indicated that the messaging space can be expanded and that the Shopping Information Box can be added with minimal programming changes and cost to Valley.

7. Valley's billing vendor has indicated that the system modifications to add an NGS logo to the bill would be more extensive and more expensive. Importantly, also Valley currently lacks the electronic data interchange capability that is necessary to issue consolidated bills. The most recent cost estimate to implement consolidated billing is \$660,000. Those changes will also take at a minimum 18-24 months to implement.

8. The Final Joint Bill Order granted Pike County Light and Power Company ("PCL&P") a delay in implementing the three billing changes due to a lack of active NGSs participating in its service territory. *Final Joint Bill Order*, p. 33. The Commission also

indicated that other small NGDCs could seek delay in implementing the joint bill requirements.

*Id.*

9. Although Valley has NGSs that serve customers in its territory, the customers are not receiving consolidated bills. Due to the cost and time involved in implementing the NGS logo capability, Valley respectfully requests to delay implementing this aspect of the joint bill until an NGS requests to use consolidated billing. At that time, Valley proposes to file a notice with the Commission that will include a plan to investigate the costs and implementation timeline to pursue consolidated billing (including the inclusion of the NGS logo on the bill). After that investigation, the Company will submit a further filing with the Commission that includes either an implementation plan (with a cost recovery proposal) or a request for a permanent waiver.

10. The relief requested herein is warranted for the reasons summarized below and discussed throughout this Petition.

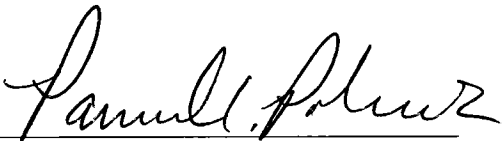
11. First, with annual total revenues of approximately \$10 million (consisting of \$2 million transportation and \$8 million in gas sales), Valley has limited financial resources to implement the logo requirement at this time.

12. Second, due to its smaller size, Valley has not seen interest from NGSs to serve its smaller customers. The NGSs serving the existing transportation customers have not complained to Valley about the absence of consolidated billing. As a result, implementing the changes (both consolidated billing and the logo) at this time will not appear to spur more competitive gas shopping in Valley's territory.

**WHEREFORE**, Valley Energy, Inc. respectfully requests that the Pennsylvania Public Utility Commission issue an Order granting a delay in Valley's implementation of the logo placement as required under the *Final Joint Bill Order* and granting such other relief as the Commission deems appropriate.

Respectfully submitted,

McNees Wallace & Nurick LLC

By 

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Counsel to Valley Energy, Inc.

Dated: June 9, 2016

**VERIFICATION**

I, Marjorie Johnston, Vice President and Treasurer of Valley Energy, Inc., hereby state that the facts above set forth in the foregoing documents 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).

06-09-16  
Date

Marjorie Johnston  
Signature