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IRWIN A. PSOROWSKY
Consumer Advocate
INDEPENDENT REGULATORY
REVIEW COMMISSION

November 1, 1999

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James J. McNulty, Secretary
PA Public Utility Commission
Room B-20, North Office Bldg.
Harrisburg, PA 17105-3265

Re: Requirements for Natural Gas Distribution Companies
Pursuant to Section 1307(f) of Title 66 Regarding
Recovery of Natural Gas Costs
Docket No. M-00991249F0007

Dear Secretary McNulty:

Enclosed please find for filing an original and fifteen (15) copies of the Office of Consumer Advocate's Comments in the above-captioned proceeding.

Copies have been served upon all parties of record as shown on the attached Certificate of Service.

Sincerely,

Edmund J. Berger
Senior Assistant Consumer Advocate

Enclosures

- cc: All parties of record
- Hon. John M. Quain, Chairman
- Hon. Robert K. Bloom, Vice Chairman
- Hon. David W. Rolka, Commissioner
- Hon. Nora Mead Brownell, Commissioner
- Hon. Aaron Wilson, Jr., Commissioner
- Barbara Bruin, Executive Director (OED)
- Veronica A. Smith, Deputy Executive Director (OED)
- Bohdan R. Pankiw, Chief Counsel (Law Bureau)
- Karen Oill Moury, Deputy Chief Counsel (Law Bureau)

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

REQUIREMENTS FOR NATURAL GAS :
DISTRIBUTION COMPANIES PURSUANT : Docket No. M-00991249F0007
TO SECTION 1307(F) OF THE PUBLIC :
UTILITY CODE :

COMMENTS OF THE
OFFICE OF CONSUMER ADVOCATE

I. INTRODUCTION

With the implementation of the Natural Gas Choice and Competition Act, 66 Pa.C.S. §§ 2201-2211, which was signed into law on June 22, 1999, the General Assembly also made several changes to the manner in which natural gas costs are recovered by natural gas distribution companies (“NGDCs”) under Section 1307(f) of the Public Utility Code, 66 Pa.C.S. § 1307(f). As part of its task of implementing these changes, the Commission issued a Proposed Rulemaking Order on August 13, 1999 at the above-referenced docket. On October 2, 1999, this Proposed Rulemaking Order was published in the Pennsylvania Bulletin with a Comment period of 30 days.

The Proposed Rulemaking Order addresses the changes set forth in Section 1307(f)(1)(ii) of the Act. That Section allows NGDCs to file tariffs to provide for adjustments to purchased gas cost rates more frequent than the 12 months set forth in Section 1307(f)(1). Such adjustments may be made as frequently as monthly but, if such adjustments are made more frequently than quarterly, the NGDC is required to provide a “fixed-rate option which recovers natural gas costs over a 12-month period, subject to annual reconciliation under paragraph (5).” That

section also calls for the Commission to promulgate rules governing such adjustments and fixed-rate option.

II. COMMENTS

A. The Commission's Rulemaking Should Also Address The Procedures For Adjustment Of Gas Costs On A More Frequent Than Quarterly Basis.

OCA would note first that while the Commission in its Proposed Rulemaking Order addresses the fixed-rate option, the Proposed Rulemaking Order does not address procedures for adjustments of rates to recover natural gas costs on more than an annual basis as set forth in section 1307(f)(1)(ii). OCA recognizes that the Commission's quarterly adjustment procedures at 52 Pa. Code § 53.64(i)(5) already address adjustments on a quarterly basis. However, similar procedures need to be established for companies seeking to adjust rates on other than a quarterly basis.

B. Adjustment Procedures and Fixed-Rate Option Are Applicable Only To Section 1307(f) Gas Utilities.

Second, OCA would emphasize that these adjustment procedures and fixed-rate option are only applicable to companies subject to section 1307(f) of the Public Utility Code, *i.e.* those with gross intrastate operating revenues in excess of \$40 million. Thus, in response to the Commission's request that commenters address whether companies with less than \$40 million "may employ their current gas cost rate (GCR) reconciliation period regarding a fixed rate option offering," OCA submits that the revisions to section 1307(f)(1)(ii) are not applicable to such companies. Such companies' GCR procedures are established pursuant to section 1307(a) through (e) of the Public Utility Code.

C. Fixed-Rate Options Should Recover The Same Costs As The Adjusted Section 1307(f) Rate With The Only Difference Being The Use Of A 12-Month, Rather Than A More Frequent Reconciliation.

In its Proposed Rulemaking Order, the Commission presents several options for the establishment of a fixed rate option and several possible approaches to reconciliation, and it seeks comments on a number of separate options. The Commission raises the following important issues in its Proposed Rulemaking Order:

- 1) Should the fixed rate option follow the 1307(f) recovery year, a calendar year, or some other term;
- 2) Should the fixed rate option be effective for an annual period or may it also be adjusted for a shorter period;
- 3) Should costs of gas supply be separately reconciled from other 1307(f) natural gas costs; and
- 4) May the Commission implement a procedure with no reconciliation of the fixed rate option?

In raising these issues, OCA recognizes the Commission's efforts to provide a useful mechanism for operation in the competitive marketplace. However, OCA submits that the statutory language is fairly clear on a number of these points and, on other points, sound public policy requires a different approach. In particular, OCA submits that the statutory language contemplates a fixed rate for gas supply for a 12-month period and requires an annual reconciliation. OCA submits that this is the plain meaning of the language that the company "shall offer retail gas customers a fixed-rate option which recovers natural gas costs over a 12-month period, subject to annual reconciliation under paragraph (5)." The requirement for this procedure was to give customers a more stable option than the option provided for those companies with adjustment procedures that were more frequent than quarterly.

In this respect, OCA submits that a fixed-rate option for less than a 12-month period, such as for the heating season, was not contemplated by the General Assembly; nor, in OCA's view, is it advisable at this time even if the statute could be interpreted to allow for it. With the implementation of the Natural Gas Choice and Competition Act and the opportunity to select from among a number of natural gas suppliers, customers will be provided with new choices for gas supply. Consistent with the manner in which the pilot choice programs have operated, OCA expects that most competitive gas supply offers will be for a 12-month period as a general rule and will not vary by season. The fixed rate option should follow the same paradigm and OCA submits this was the intent of the Act -- to provide a stable option for the entire year rather than a price that fluctuated by season. OCA submits that the Commission should not implement a fixed-rate option for the heating season at this point in time.

With respect to whether the Commission may implement a "no-reconciliation" procedure, OCA would note its agreement with the Commission that such a method "would be consistent with a competitive market place." However, OCA submits that a reconciliation procedure is mandated by the law and must be utilized. Nonetheless, there is nothing to prevent NGDCs from stabilizing the costs of their gas supplies. Stabilization of prices in this manner can be accomplished if the NGDC locks in its own prices of delivered gas supplies through the purchase of long-term wholesale gas supply contracts or through the use of hedged transactions.

In this regard, the Commission has also raised a question of whether the fixed rate option should be separately reconciled from gas costs for other retail gas sales. OCA submits that it should not be separately reconciled. The fixed-rate option is designed to provide customers with a choice as to the level of stability of their gas supply price -- to use a frequent adjustment

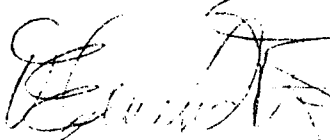
methodology or an annual adjustment methodology. It is not, however, intended to provide customers with a separate gas supply with a different underlying amount of costs. To utilize separate gas supply assets to serve fixed-rate option customers as compared to monthly-reconciled customers would be a qualitatively different service offering. OCA submits that this was not the intent of requiring a fixed-rate option and would unnecessarily add customer confusion and result in a rate that inappropriately competes with the competitive marketplace. Instead, there should be no difference between the gas costs embedded in the price for the fixed-rate option and the gas costs embedded in the price for customers with more frequently adjusted gas costs. The only difference should be in the manner in which those costs are reconciled with the price charged.

The Commission has also asked whether it should require reconciliation for the fixed-rate option contract period, a calendar year, the 1307(f) recovery period, or some other 12-month term. As indicated above, OCA submits that the fixed-rate option is simply a different method of recovering the same amount of purchased gas costs and, therefore, a customer should be free to switch between the fixed rate option offering and the more frequently-adjusted rate at any time although it may be appropriate to limit the number of switches between these options. OCA also submits that customers should be able to switch between the offerings of competitive suppliers and the Company's fixed rate option in the same manner that they are able to switch between the normal section 1307(f) gas cost and competitive offers. The fixed-rate option is not a contract rate, but a tariff rate that should be equally available to customers as the more frequently adjusted rate and should similarly have no limitation on its availability.

Finally, OCA submits that the details of any fixed-rate option proposal must be reviewed in the context of a proposal for such a fixed-rate option, which should be made in the context of the Company's annual section 1307(f) proceeding.

WHEREFORE, OCA respectfully submits that the Commission should require (1) that the fixed-rate option be designed to recover an annual level of gas costs, (2) should be reconciled on an annual basis, (3) should not be separately reconciled from the gas costs for non-fixed-rate option customers, and (4) customers should be permitted to elect the fixed-rate option or switch to the fixed-rate option with minimal limitations. OCA also submits that the Commission should establish procedures for adjustment of gas costs on a more frequent than quarterly basis.

Respectfully submitted,



Edmund J. Berger
Senior Assistant Consumer Advocate

Counsel for:
Irwin A. Popowsky
Consumer Advocate

Office of Consumer Advocate
555 Walnut Street 5th Floor, Forum Place
Harrisburg, PA 17101-1923
(717) 783-5048

Dated: November 1, 1999
55264.wpd

CERTIFICATE OF SERVICE

Re: Requirements for Natural Gas Distribution Companies
Pursuant to Section 1307(f) of Title 66 Regarding
Recovery of Natural Gas Costs
Docket No. M-00991249F0007

I hereby certify that I have this day served a true copy of the foregoing document, OCA's Comments, 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 1st day of November, 1999.

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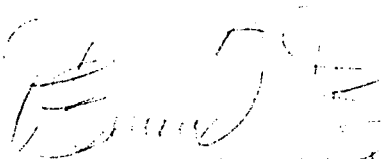
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55251



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P.O. BOX 3265, HARRISBURG, PA 17105-3265

November 4, 1999

IN REPLY PLEASE
REFER TO OUR FILE

The Honorable John R. McGinley, Jr.
Chairman
Independent Regulatory Review Commission
14th Floor, Harristown II
333 Market Street
Harrisburg, PA 17101

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Re: L-990143, M-991249F0007/57-207
Proposed Rulemaking Re
Requirements for Natural Gas Distribution
Companies Pursuant to Section 1307(f) of
Title 66 Regarding Recovery of Natural Gas
Costs and the Fixed Rate Option
52 Pa. Code Chapter 53

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Dear Chairman McGinley:

Enclosed is one (1) copy of comments received regarding the above regulation as required under Section 5(10)(b.1) of the Regulatory Review Act of June 30, 1989 (P.L. 73, No. 19).

Very truly yours,

Barbara Bruin
Executive Director

Comments submitted by:

Pennsylvania Gas Association
Office of Consumer Advocate
PUC Office of Trial Staff

cc: Chief Counsel Pankiw
Regulatory Coordinator DelBiondo
Assistant Counsel Barth
Mr. Maher



Pennsylvania Gas Association

COPY

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99 NOV -1 PM 1:47

November 1, 1999

Mr. James J. McNulty
Secretary
Pa. Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105

Re: PUC Docket Nos. M-00991249.F0007 and L-00990143: Requirements for Natural Gas Distribution Companies pursuant to Section 1307(f) of Title 66 regarding Recovery of Natural Gas Costs

Dear Mr. McNulty:

Enclosed, for filing with the Commission, are the original and 15 copies of PGA's comments in the referenced dockets. Per Ordering Paragraphs (5) and (6) of the Commission's Proposed Rulemaking Order, 29 Pa.B. 5098, 5101, PGA is providing one copy of its comments on a diskette (Microsoft Word format), and PGA is concurrently providing copies of its comments to Thomas P. Maher of the Bureau of Fixed Utility Services and Assistant Counsel Lawrence F. Barth, Esq., of the Commission's Law Bureau.

Please date stamp the two additional copies and return them for our filing purposes.

Respectfully submitted,

Daniel R. Tunnell
President

Enclosure

cc: Thomas P. Maher (w/enc.)
Lawrence F. Barth (w/enc.)

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

50 NOV -1 PM 1:48

Requirements for Natural Gas)
Distribution Companies pursuant to)
Section 1307(f) of Title 66 regarding)
Recovery of Natural Gas Costs)

PA.P.U.C.
SECRETARY'S BUREAU
Docket Nos. M-00991249.F0007
and L-00990143

COMMENTS OF THE PENNSYLVANIA GAS ASSOCIATION

Pursuant to the Proposed Rulemaking Order adopted by the Commission August 12, 1999, and published in the October 2, 1999, issue of the *Pennsylvania Bulletin* at pages 5098 through 5101 (the "Order"), the Pennsylvania Gas Association ("PGA") hereby comments on the Commission's proposed regulations governing the recovery of fuel costs which are incurred by natural gas distribution companies ("NGDCs") in the course of providing regulated retail service via the fixed rate option described in 66 Pa.C.S. § 1307(f)(1)(II), as amended by the Natural Gas Choice and Competition Act (the "Act"). As detailed below, these comments (1) oppose separate reconciliation of the fixed and variable rate services; (2) urge the Commission to defer methodological questions to the NGDCs' 1307(f) filings, rather than addressing these questions through regulations; and (3) note that if fixed rate service is subject to reconciliation, a three-month sign-up period is feasible.

COMMENTS

1. Reconciling the Fixed and Variable Rate Options Separately, as Envisioned in Proposed Section 53.69(b), Must Be Rejected as Unwarranted and Unworkable.

The Order seeks comment on two approaches to reconciling the natural gas costs NGDCs incur to provide regulated sales service under the fixed rate option. Under the first sentence of Proposed Section 53.69(b), an NGDC must "submit a separate reconciliation calculation of the

fixed rate option service, consistent with [the traditional reconciliation filing for variable rate service].”¹ PGA opposes separate reconciliation, and submits that if Section 1307(f) natural gas costs are to be reconciled the reconciliation should be on a consolidated basis, with no segregation of the natural gas costs incurred to provide service under the fixed rate option.²

In the absence of reconciliation, fixed rate service could be viewed as a way for sales customers to insulate themselves from natural gas price fluctuations. In contrast, fixed rate service with reconciliation is properly viewed not as a way to avoid price fluctuations, but as an aid to consumer budgeting. All customers, those taking service at a fixed rate and those taking service at a variable rate, are equally exposed to price fluctuations, with the effects of these fluctuations resolved through the 1307(f) reconciliation process. It is therefore appropriate to place all sales customers on a common footing, by reconciling all of their services on a consolidated basis.³

Consolidated reconciliation also entails significantly less administrative burden. At a minimum, consolidated reconciliation avoids the cost of performing two separate reconciliations (and possibly segregating the NGDC’s capacity and supply assets into those supporting fixed rate service and those supporting variable rate service). More importantly, if the fixed and variable rate options are reconciled separately, customers will be encouraged to migrate from fixed to variable service (or vice versa) depending on the relative difference between the reconciliation adjustments.

¹ See also, Order, 29 Pa.B. at 5100 (soliciting comments on the use of “[a] separate fixed rate option calculation, consistent with the [NGDC’s] current Section 1307(f) reconciliation mechanism”). The second option, no reconciliation, is offered for comment but does not appear in the proposed regulations, *id.*

² Although the Commission did not solicit specific comment on this issue, the Order cites an order in which the New York Public Service Commission expressed a preference for fixed rate options that “fix all elements of cost (including commodity, capacity and LDC margin).” Order, 29 Pa.B. at 5099 (citing *In the Matter of the Commission’s Request for Gas Distribution Companies to Reduce Gas Cost Volatility and Provide for Alternative Gas Purchasing Mechanisms*, 2, Case 97-G-0600 (Issued August 31, 1998)). PGA assumes the Commission intends its fixed rate option regulations to apply to the same range of costs traditionally examined in Section 1307(f) proceedings, and is not intending the new regulations to embrace transition cost or other surcharges.

³ Consolidated reconciliation would dispense with any question over the appropriate reconciliation period for fixed price service. The reconciliation period would be whatever is applicable to the NGDC’s current section 1307(f) filing. At the same time, consolidated reconciliation using the NGDC’s current Section 1307(f) reconciliation period would not preclude the NGDC from offering the fixed price option for only the winter months.

The Commission is well familiar with the complexity of the migration riders that have been instituted to account for the cost effects of customers switching back and forth between sales and transportation services. If fixed and variable rate services are to be reconciled separately, there would need to be a second set of migration riders to account for the cost effects of customers switching back and forth between fixed and variable rate sales service. Given the experience with migration riders to date, one can hardly imagine the Commission being eager to encourage another set of riders for customers moving between regulated sales services. Consolidated reconciliation avoids this issue, and PGA strongly urges the Commission to reject separate reconciliation as advanced in Proposed Section 53.69(b).

2. As to the Remaining Approaches, Including Consolidated Reconciliation and Non-Reconciliation, the Commission Should Refrain from Mandating Particular Methodologies, and Should Instead Allow the NGDCs to Develop and Advance Specific Proposals Through Their Individual Section 1307(f) Filings.

As amended by the Act, Section 1307(f)(1)(ii) directs the Commission "to promulgate rules or regulations governing [monthly purchased gas] adjustments and [the] fixed rate option" by a date certain. The Act does not state, however, that these regulations have to specify a particular reconciliation methodology. Non-reconcilability is certainly an intriguing concept, which may well be worth exploring at least to the level of working through the details of how this methodology could be implemented. Rather than trying to predetermine methodological details through generic regulations, the spirit of the Act and the interests of the parties would be better served by leaving the details to the NGDCs' individual Section 1307(f) proceedings.

3. Assuming Reconciliation, A Three-Month Sign-Up Period for Fixed Rate Service Is Feasible.

If the fixed rate option is reconcilable, a three-month sign-up period is feasible. For example, the fixed rate would be offered on August 1st through October 31st, with all enrolled customers receiving fixed rate service beginning with their first meter reading date after

November 1st. (As with any service changes, the change should take effect on a meter read date so the customers will not be billed two different rates in a single billing period.)

If the fixed rate option is not to be reconcilable, risk management demands that the sign-up period could not exceed 30 days. Any period longer than 30 days would expose both the NGDC and its customers to unacceptable levels of risk associated with potential price movements between the beginning of the sign-up period and the initiation of fixed rate service.

CONCLUSION

PGA appreciates the opportunity to express these comments and asks the Commission to take them into consideration as it continues its deliberations in this proceeding.

Respectfully submitted,
PENNSYLVANIA GAS ASSOCIATION

By:



DANIEL R. TUNNELL
President

DATED: November 1, 1999



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P.O. BOX 3265, HARRISBURG, PA 17105-3265

November 4, 1999

IN REPLY PLEASE
REFER TO OUR FILE

The Honorable John R. McGinley, Jr.
Chairman
Independent Regulatory Review Commission
14th Floor, Harrisstown II
333 Market Street
Harrisburg, PA 17101

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Re: L-990143, M-991249F0007/57-207
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52 Pa. Code Chapter 53

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Dear Chairman McGinley:

Enclosed is one (1) copy of comments received regarding the above regulation as required under Section 5(10)(b.1) of the Regulatory Review Act of June 30, 1989 (P.L. 73, No. 19).

Very truly yours,

Barbara Bruin
Executive Director

Comments submitted by:

Pennsylvania Gas Association
Office of Consumer Advocate
PUC Office of Trial Staff

cc: Chief Counsel Pankiw
Regulatory Coordinator DelBiondo
Assistant Counsel Barth
Mr. Maher



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P.O. BOX 3265, HARRISBURG, PA 17105-3265

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Re: Request for Comments-Natural Gas Choice
and Competition (52 Pa. Code Chapter 53)
Docket Nos. M-00991249F0007
and L-00990143

Dear Secretary McNulty:

Enclosed for filing please find an original and fifteen (15) copies of the
Comments of the Office of Trial Staff in the above-captioned proceeding.

Copies are being served on all parties of record.

Sincerely,

Kenneth L. Mickens
Senior Prosecutor
Office of Trial Staff

KLM:sjh

enclosures

c: Parties of Record

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

REQUEST FOR COMMENTS- NATURAL GAS CHOICE AND COMPETITION [52 Pa. Code Chapter 53]	: : :	DOCKET NOS. M-00991249F0007 L-00990143
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**COMMENTS OF THE
OFFICE OF TRIAL STAFF**

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PA P.U.C.
SECRETARY'S BUREAU

On August 12, 1999, the Pennsylvania Public Utility Commission (“Commission”) adopted a proposed rulemaking implementing changes in requirements mandated in the Natural Gas Choice and Competition Act for natural gas distribution companies regarding recovery of natural gas costs. The proposed regulation was published in the Pennsylvania Bulletin on October 2, 1999. The Office of Trial Staff (“OTS”) offers the following comments in accordance with the procedure outlined in the Pennsylvania Bulletin.

B. Fixed Rate Option - Reconciliation Mechanism

OTS supports a separate fixed rate option reconciliation calculation.

A separate reconciliation should prevent cross subsidization between

customers electing 1307(f) rates and those electing the fixed rate option. Conceptually, reconciliation implies the development of a separate E-factor over/under collection for 1307(f) and fixed rate option customers. OTS believes this is the preferred option in the initial year or two of restructuring.

However, after this initial period, OTS supports a fixed rate option without reconciliation. This would be consistent with the gradual movement toward incentive regulation that has occurred in recent years in various regulated industries. Under this scenario, the reward/risk of over/under collecting gas costs, would reside with the company. Such a result would reflect a movement toward deregulating the merchant function and promote true competition for natural gas commodity sales. OTS embraces open competition as the end result to the natural course of events that began with restructuring and the opening of transportation service to all customers. However, OTS believes this option should be requested by the company in connection with its next base rate proceeding, so that any base rate implications may be addressed. Since rates are capped by the legislation until January 1, 2001, OTS submits that this option should not be available prior to that date.

C. Fixed Rate Option Reconciliation Period

OTS recommends that the reconciliation period under the fixed rate option coincide with the 1307(f) reconciliation period and that annual filings be made in connection with the annual 1307(f) filing for the following reasons:

(1) It will enable all parties to the 1307(f) proceeding to verify and review the company's direct assignments and/or allocations of gas costs to the traditional 1307(f) customers and the fixed rate option customers. This would assist in the detection and correction of any cross subsidies or inequities that might occur between these customers.

(2) It would enable all parties to verify the recovery of all gas costs incurred by the company to serve all customers. To insure that the company does not over/under collect its total gas costs, all gas purchasing and sales activity should be reviewed collectively.¹

¹ OTS also observes that even under a fixed rate option without reconciliation, an annual filing should be made which discloses the gas purchases for the non-regulated activity. This report would be filed in connection with the 1307(f) filing for the sole purpose of determining whether the company is dedicating the lowest cost sources to the non-regulated sales customers to the detriment of the Purchased Gas Cost customer. The requirement would end when all customers are being served under non-regulated sales agreements.

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Request for Comments-Natural Gas	:	Docket Nos.
Choice and Competition (52 Pa. Code	:	M-00991249F0007
Chapter 53)	:	L-00990143

CERTIFICATE OF SERVICE

I hereby certify that I am serving the foregoing, the Comments of the Office of Trial Staff dated October 28, 1999, either personally, by first-class mail or by fax upon the persons addressed below:

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Kenneth L. Mickens
Senior Prosecutor
Office of Trial Staff

Date: October 28, 1999

Docket Nos. M-00991249F0007 and L-00990143



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P.O. BOX 3265, HARRISBURG, PA 17105-3265

November 4, 1999

IN REPLY PLEASE
REFER TO OUR FILE

The Honorable John R. McGinley, Jr.
Chairman
Independent Regulatory Review Commission
14th Floor, Harristown II
333 Market Street
Harrisburg, PA 17101

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Re: L-990143, M-991249F0007/57-207
Proposed Rulemaking Re
Requirements for Natural Gas Distribution
Companies Pursuant to Section 1307(f) of
Title 66 Regarding Recovery of Natural Gas
Costs and the Fixed Rate Option
52 Pa. Code Chapter 53

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Dear Chairman McGinley:

Enclosed is one (1) copy of comments received regarding the above regulation as required under Section 5(10)(b.1) of the Regulatory Review Act of June 30, 1989 (P.L. 73, No. 19).

Very truly yours,

Barbara Bruin
Executive Director

Comments submitted by:

Pennsylvania Gas Association
Office of Consumer Advocate
PUC Office of Trial Staff

cc: Chief Counsel Pankiw
Regulatory Coordinator DelBiondo
Assistant Counsel Barth
Mr. Maher