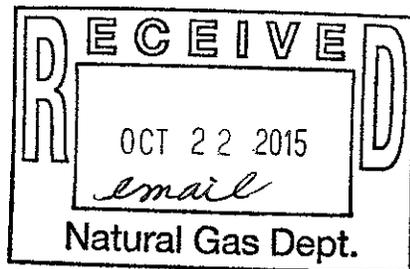


BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF NEBRASKA



IN THE MATTER OF THE APPLICATION OF )  
SOURCEGAS DISTRIBUTION LLC, GOLDEN, )  
COLORADO SEEKING AUTHORITY TO PUT INTO )  
EFFECT A SYSTEM SAFETY AND INTEGRITY RIDER )  
TARIFF AND SAFETY AND INTEGRITY RIDER )  
CHARGE )

DOCKET NO. NG-0078.2

**SOURCEGAS DISTRIBUTION LLC'S ANSWER  
TO PUBLIC ALLIANCE FOR COMMUNITY ENERGY'S  
PETITION FOR FORMAL INTERVENTION**

In accordance with Title 291, Rule of Commission Procedure 004, SourceGas Distribution LLC ("SourceGas Distribution") submits this Answer to the Petition for Formal Intervention of Public Alliance for Community Energy ("ACE"). Although SourceGas Distribution does not object to ACE's formal intervention in this matter, SourceGas Distribution objects to the scope of ACE's intervention and the relief requested in its Petition, as explained herein.

**A. The Scope of ACE's Formal Intervention Should be Limited**

The Commission's rules allow any person who has "an interest in any proceeding" to file a Petition for Formal Intervention. Commission Rule 015.01. The Petition must set forth the name and address of the intervenor, a statement of the interest of the intervenor in the proceeding, the grounds upon which the intervention is made and shall specify the facts and circumstances relied upon for such intervention. Id. at 015.01A. The formal intervenor is allowed to participate "to the extent of his/her express interest in the matter." Id. at 015.01C.

ACE's Petition for Formal Intervention states that SourceGas Distribution's filing under NG-0078.2 "will have a direct financial impact on ACE due to the inability to [sic] for ACE to recoup the additional SSIR charge which is part of the guaranteed monthly rate paid by customers on fixed monthly bill." *Petition for Formal Intervention*, ¶ 4. ACE's statement of interest is inaccurate and confusing. ACE is a natural gas supplier in the Choice Gas program. Id. at ¶ 1. ACE provides no support or explanation as to how an infrastructure system

replacement cost recovery charge for *SourceGas Distribution's* customers will have **any** impact on ACE, let alone a "direct financial impact."

Moreover, ACE seems to usurp the Public Advocate's role in order to state an interest in this matter. Without any support or explanation, ACE alleges that the current SSIR filing will "have a substantial financial impact on end-use customers." It is not ACE's role to assert the interests of SourceGas Distribution's end-use customers to justify its intervention in this docket. See Neb. Rev. Stat. § 66-1866(3)(a) (appointing the Public Advocate to conduct an examination of the proposed infrastructure system replacement cost recovery charge rate schedules). The Public Advocate is charged with the responsibility to represent the interests of customers, and is certainly capable of doing so in this docket. SourceGas Distribution's Application was filed pursuant to and in compliance with its Tariff and the Commission's Order in this docket. As with past filings, the Application will be reviewed by the Public Advocate and a hearing will be held. See Nebraska Gas Tariff, First Revised Sheet No. 11-11A.

As stated above, SourceGas Distribution does not object *per se* to ACE's involvement in this proceeding. However, pursuant to the Commission's Rules, SourceGas Distribution requests that ACE's participation as a formal intervenor be limited "to the extent of [its] express interest in the matter." Commission Rule 015.01C.

**B. There is No Legal Authority for ACE's Request to Stay this Action**

In its Comments, ACE asks the Commission to "hold in abeyance this filing in lieu of the Black Hills acquisition of SourceGas now on file." *Petition for Formal Intervention*, p. 2. ACE's request is without authority and is directly in conflict with the State Natural Gas Regulation Act and this Commission's objectives. As the Commission noted in its Order granting Source Gas Distribution's application in NG-0078, in part:

The Commission seeks to establish a regulatory scheme that encourages natural gas companies to invest in the safety and integrity of their systems to protect the public. Failure to address the company's ability to recover costs may result in a less robust infrastructure replacement program and more frequent

general rate cases. Such outcomes undermine the safety and integrity of the natural gas system and impose increased administrative costs on rate-payers.

*Order Approving Application, In Part* (October 28, 2014), NG-0078, p. 4. SourceGas Distribution's involvement in another matter currently pending before this Commission is irrelevant and should not be used by ACE in an effort to prohibit SourceGas Distribution from investing in the safety and integrity of its system.

SourceGas Distribution does not object to ACE's alternative request for the Commission to hold a hearing on this matter pursuant to the Act and the Commission's Rules.

For the reasons stated above, SourceGas Distribution asks the Commission to limit ACE's involvement as a formal intervenor to its status as a Choice Gas supplier and deny ACE's request to stay this proceeding.

Dated this 22<sup>nd</sup> day of October, 2015.

Respectfully Submitted,

SOURCEGAS DISTRIBUTION LLC, Applicant.

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## CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the above and foregoing Answer of SourceGas Distribution LLC to the Public Alliance for Community Energy's Petition for Formal Intervention was served electronically on this 22<sup>d</sup> day of October, 2015, upon the following:

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