

Eckert Seamans Cherin & Mellott, LLC 213 Market Street 8th Floor Harrisburg, PA 17101 TEL 717 237 6000 FAX 717 237 6019 www.eckertseamans.com

Sarah C. Stoner 717.237.6026 sstoner@eckertseamans.com

March 19, 2021

Via Electronic Filing

Rosemary Chiavetta, Secretary PA Public Utility Commission P.O. Box 3265 Harrisburg, PA 17105-3265

Re: Pennsylvania Public Utility Commission v. UGI Utilities, Inc. – Electric Division;

Docket No. R-2021-3023618

Dear Secretary Chiavetta:

Enclosed for electronic filing please find the Petition to Intervene of the Retail Energy Supply Association ("RESA") and NRG Energy, Inc. ("NRG") in the above-referenced matter. Copies to be served in accordance with the attached Certificate of Service.

Sincerely,

Sarah C. Stoner

Sarah C. Stoner

SCS/jls Enclosure

cc: Honorable Steven K. Haas (<u>sthaas@pa.gov</u>) w/ enc.

Cert. of Service w/enc.

CERTIFICATE OF SERVICE

I hereby certify that this day I served a copy of the foregoing **Petition to Intervene** upon the persons listed below in the manner indicated in accordance with the requirements of 52 Pa. Code Section 1.54.

Via First Class Mail and/or Email

John M. Coogan, Esquire
Bureau of Investigation & Enforcement
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, PA 17120
jcoogan@pa.gov

Kent Murphy, Esquire
Michael S. Swerling, Esquire
Danille Jouenne, Esquire
UGI Corporation
460 North Gulph Road
King of Prussia, PA 19406
murphyke@ugicorp.com
swerlingm@ugicorp.com
jouenned@ugicorp.com

David B. MacGregor, Esquire Post & Schell, P.C. Four Penn Center 1600 John F. Kennedy Boulevard Philadelphia, PA 19103-2808 dmacgregor@postschell.com

James M. Van Nostrand, Esquire Keyes & Fox LLP 320 Fort Duquesne Blvd., #15K Pittsburgh, PA 15222 jvannostrand@keyesfox.com

Darryl A. Lawrence, Esquire Luis M. Melendez, Esquire Phillip D. Demanchick, Esquire Office of Consumer Advocate 555 Walnut Street 5th Floor, Forum Place Harrisburg, PA 17101-1923 OCAUGIElectric2021@paoca.org

Date: March 19, 2021

Steven C. Gray, Esquire Office of Small Business Advocate 555 Walnut Street 1st Floor, Forum Place Harrisburg, PA 17109-1923 sgray@pa.gov

Devin T. Ryan, Esquire Garrett P. Lent, Esquire Post & Schell, P.C. 17 North Second Street 12th Floor Harrisburg, PA 17101-1601 glent@postschell.com dryan@postschell.com

Joseph L. Vullo, Esquire Commission on Economic Opportunity 1460 Wyoming Avenue Forty Fort, PA 18704 jlvullo@bvrrlaw.com

Scott F. Dunbar, Esquire Keys & Fox LLP 1580 Lincoln Street, Suite 1105 Denver, CO 80203 sdunbar@keyesfox.com

Jennifer Mattingly 1419 Oak Drive Shavertown, PA 18708 Jcamatt3@aol.com

Brandi Brace 114 Hartman Road Hunlock Creek, PA 18621 BrandiBrace@protonmail.com

Sarah C. Stoner

Sarah C. Stoner, Esquire

Attorney for RESA and NRG Energy, Inc.

 $\{L0994311.1\}$

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission

Docket No. R-2021-3023618

V.

:

UGI Utilities, Inc. – Electric Division

:

<u>PETITION TO INTERVENE</u> <u>OF THE RETAIL ENERGY SUPPLY ASSOCIATION AND NRG ENERGY, INC.</u>

Pursuant to 52 Pa. Code §§ 5.72-5.75, the Retail Energy Supply Association ("RESA")¹ and NRG Energy, Inc. ("NRG") petition to intervene in the above-referenced UGI Utilities, Inc. – Electric Division ("UGI") rate proceeding. In support of their intervention, RESA and NRG state as follows:

II. BACKGROUND

- 1. The Retail Energy Supply Association ("RESA") is a trade association of energy companies including Pennsylvania licensed electric generation suppliers ("EGSs"), many of whom either offer or have relationships with third party providers that develop and offer electric storage options and/or electric vehicle charging infrastructure.
- 2. NRG is a leading integrated power company built on dynamic retail brands and diverse generation assets. A Fortune 500 company, NRG brings the power of energy to consumers by producing, selling and delivering electricity and related products and services to consumers in competitive markets across the U.S. and Canada, as well as 23,000 MW of electric

The comments expressed in this filing represent the position of the Retail Energy Supply Association (RESA) as an organization but may not represent the views of any particular member of the Association. Founded in 1990, RESA is a broad and diverse group of retail energy suppliers dedicated to promoting efficient, sustainable and customer-oriented competitive retail energy markets. RESA members operate throughout the United States delivering value-added electricity and natural gas service at retail to residential, commercial and industrial energy customers. More information on RESA can be found at www.resausa.org.

power generation including nuclear, coal, gas, oil and solar nationwide. Our retail brands serve more than six million customers across North America, including a significant share in Pennsylvania – so significant, in fact, that NRG's northeast retail business is headquartered in Philadelphia. We have several licensed retail electricity suppliers that are actively serving residential, commercial, industrial and institutional customers. ² Our retail companies offer customers a range of products including demand response and energy efficiency, 100% renewable energy, energy plans bundled with energy efficiency technology, such as Nest or Hive thermostats, as well as loyalty rewards and our charitable giving products through our "Choose to Give" plans.

3. RESA and NRG's attorneys in this matter are:

Deanne M. O'Dell, Esq. Sarah C. Stoner, Esq. Eckert Seamans Cherin & Mellott, LLC 213 Market Street, 8th Floor Harrisburg, PA 17101 717.237.6000 717.237.6019 (fax) dodell@eckertseamans.com sstoner@eckertseamans.com

Cody T. Murphey, Esq. Eckert Seamans Cherin & Mellott, LLC 919 E Main St. **Suite 1300** Richmond, VA 23219 804.788.7740 804.788.7740 (fax) cmurphey@eckertseamans.com (motion for admission *pro hac vice* to be filed)

4. UGI proposes to install and interconnect a utility-owned, small-scale, energy storage battery (1.25 MWh) into the primary distribution system. The estimated project cost is approximately \$1.5 million and will support the expected peak load of 68 customers for up to 4

2139745), Stream Energy Pennsylvania, LLC - (Docket No. A-2010-2181867) and XOOM Energy Pennsylvania,

LLC – (Docket No. A-2012-2283821).

As electric generation suppliers in Pennsylvania, NRG companies hold licenses as follows: Direct Energy Business, LLC - (Docket No. A-110025), Direct Energy Business Marketing, LLC - (Docket No. A-2013-2368464), Direct Energy Services, LLC - (Docket No. A-110164), Energy Plus Holdings LLC - (Docket No. A-2009-2139745), Gateway Energy Services Corporation – (Docket No. A-2009-2137275), Independence Energy Group LLC d/b/a Cirro Energy - (Docket No. A-2011-2262337), Reliant Energy Northeast LLC d/b/a NRG Home/NRG Business/NRG Retail Solutions - (Docket No. A-2010-2192350), Green Mountain Energy Company - (Docket No. A-2009-

hours. UGI's ownership of energy storage ("ES") assets and inclusion in the distribution rates raises significant issues, including the proposed participation in PJM's Frequency Regulation ("FR") Market and the impacts of such participation both in the actual classification of the asset and its useful life.

- 5. UGI proposes to develop, own and operate three DCFC EV charging stations.

 UGI seeks to own and maintain make-ready infrastructure needed to serve customer-owned electric vehicle ("EV") charging stations.³ UGI also proposes to provide customer education regarding EVs and EV charging.⁴
- 6. Innovative energy solutions such as EV infrastructure and ES systems are best delivered by the competitive marketplace rather than through regulated electric distribution companies. Solution-focused retailers serve an important role in managing grid challenges and are better positioned than utilities to encourage the adoption of EVs. RESA and NRG have concerns regarding equal access to customer data and the ability of third party suppliers and other market participants to provide competitive service to customers that would be served by UGI's proposed EV and ES projects. RESA and NRG should be granted intervention in this proceeding so that they can adequately guard against being placed at a competitive disadvantage relative to the regulated public utility in the provision of products and services to customers.

III. INTERVENTION

7. The Commission's regulations allow intervention where a person has an interest in the proceeding which may be directly affected and which is not adequately represented by

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UGI Electric Statement No. 6, Direct Testimony of John D. Taylor at pp. 38-40.

⁴ *Id.* at 41.

existing parties, and as to which the person may be bound by the action of the Commission in the proceeding. 52 Pa. Code § 5.72(a)(2). Intervention is also permitted where participation of the person may be in the public interest. 52 Pa. Code § 5.72(a)(3). A "person" includes a corporation and an association. 52 Pa. Code § 1.8.

- 8. RESA and NRG meet the standards for intervention set forth in 52 Pa. Code § 5.72(a). RESA members and NRG actively serve consumers in UGI's service territory. UGI's planned investment threatens to stymie the investment of private dollars into Pennsylvania to develop new EV/ES technologies. Innovation is largely driven by competitive companies. UGI's proposal threatens to negatively impact this potential because the ability of a utility to fund projects through ratepayer dollars creates unfair competitive advantages and crowds out the ability of private companies to deploy these technologies.
- 9. RESA and NRG will be bound by the action of the Commission in this proceeding. The Commission's decision on UGI's EV/ES proposals will directly impact competitive market offerings and the products and services offered by RESA members and NRG. UGI's proposal to own and operate EV charging infrastructure and ES solutions presents legal, technical and economic challenges that directly impact competitive market participants such as RESA and NRG.
- 10. As market leaders in the competitive retail supply industry, RESA and NRG have a substantial and direct interest in several issues regarding UGI's proposal to use ratepayer funds to support products and services that are offered in the private market. These issues include, but are not limited to, the impact on private investment in EV/ES technologies, cost recovery, equal access to customer data and the impact to the competitive retail supply market. RESA and NRG

view UGI's EV and ES proposals as inappropriate for utility investment and participation.

While RESA and NRG continue to evaluate UGI's rate case filing, they are concerned that the proposed changes may negatively impact their ability to offer competitive products and services.

- 11. RESA and NRG's interests in this proceeding are unique from and not adequately represented by other parties that may seek to intervene, including individual EGSs or other organizations interested in electric vehicle or energy storage in Pennsylvania in general and in UGI's service territory in particular. RESA and NRG have unique business models and their interests and perspective are unique.
- 12. For all these reasons, RESA and NRG possess an "interest which may be directly affected and which is not adequately represented by existing participants, and as to which the petitioner may be bound by the action of the Commission in the proceeding." 52 Pa. Code § 5.72(a)(1).
- 13. Moreover, RESA and NRG's specific experience in the UGI service territory as well as other service territories in Pennsylvania and across North America, uniquely position them to review and assess its rate case filing. Accordingly, RESA and NRG's participation in this proceeding is clearly in the public interest. *See* 52 Pa. Code § 5.72(a)(3).

IV. CONCLUSION

On the basis of the foregoing, the Retail Energy Supply Association and NRG Energy, Inc. respectfully request that the Commission grant this Petition to Intervene so that the RESA and NRG may fully participate in this proceeding. RESA and NRG have interests in this proceeding that will be substantially and directly affected by the outcome of this proceeding,

their interests are sufficiently different from that of any party so as to add measurably and constructively to the case.

Respectfully submitted,

Sarah C. Stoner

Deanne M. O'Dell, Esq.
Attorney I.D. 81064
Sarah C. Stoner, Esq.
Attorney I.D. 313793
Eckert Seamans Cherin & Mellott, LLC
213 Market Street, 8th Floor
Harrisburg, PA 17101
717.237.6000; 717.237.6019 (fax)
dodell@eckertseamans.com
sstoner@eckertseamans.com

Dated: March 19, 2021 Counsel for RESA and NRG Energy, Inc.

VERIFICATION

I, Anthony Cusati, III, hereby state that: (1) I am the Pennsylvania State Chairperson for the Retail Energy Supply Association ("RESA"); (2) I am authorized to verify the facts in this Petition on behalf of RESA; and, (3) the facts set forth in this Petition are true and correct to the best of my knowledge, information and belief. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

Date: March 19, 2021

Anthony Cusati, III

Pennsylvania State Chairperson Retail Energy Supply Association

VERIFICATION

I, Leah Gibbons, hereby state that: (1) I am Director of Regulatory Affairs for NRG Energy, Inc.; (2) I am authorized to verify the facts in this Petition on behalf of NRG Energy, Inc.; and, (3) the facts set forth in this Petition are true and correct to the best of my knowledge, information and belief. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

Date: March 19, 2021

Leah Gibbons

Director, Regulatory Affairs

NRG Energy, Inc.