



COMMONWEALTH OF PENNSYLVANIA

March 18, 2021

E-FILED

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

**Re: Pennsylvania Public Utility Commission v. UGI Utilities, Inc. – Electric Division /
Docket No. R-2021-3023618**

Dear Secretary Chiavetta:

Enclosed for filing please find the Prehearing Memorandum, on behalf of the Office of Small Business Advocate (“OSBA”), in the above-captioned proceeding.

Copies will be served on all known parties in this proceeding, as indicated on the attached Certificate of Service.

If you have any questions, please do not hesitate to contact me.

Sincerely,

/s/ Steven C. Gray

Steven C. Gray
Senior Supervising
Assistant Small Business Advocate
Attorney I.D. No. 77538

Enclosures

cc: Parties of Record
Robert D. Knecht

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission	:	
	:	
v.	:	Docket No. R-2021-3023618
	:	
UGI Utilities, Inc. – Electric Division	:	

**PREHEARING MEMORANDUM
OF THE OFFICE OF SMALL BUSINESS ADVOCATE**

I. INTRODUCTION

The Office of Small Business Advocate (“OSBA”) is authorized to represent the interests of small business customers of utility services before the Pennsylvania Public Utility Commission (“Commission”) pursuant to the provisions of the Small Business Advocate Act, Act 181 of 1988, 73 P.S. §§ 399.41 – 399.50 (“the Act”). In order to discharge this statutory duty, the Small Business Advocate deems it necessary to participate as a party to this proceeding. Representing the OSBA in the above-referenced matter is Assistant Small Business Advocate Steven C. Gray. Please address all correspondence in that matter as follows:

Steven C. Gray, Esq.
Senior Supervising
Assistant Small Business Advocate
Office of Small Business Advocate
555 Walnut Street
Forum Place, 1st Floor
Harrisburg, PA 17101
(717) 783-2525
(717) 783-2831 (fax)
sgray@pa.gov

II. FILING BACKGROUND

On February 8, 2021, UGI Utilities, Inc. – Electric Division (“UGI-E” or the “Company”) filed Supplement No. 26 to UGI Electric Tariff – Pa. P.U.C. No. 6 and Supplement No. 2 to UGI Electric Tariff – Pa. P.U.C. No. 2S with the Commission.

The OSBA filed a Complaint in opposition to Supplements No. 26 and No. 2 on February 17, 2021.

III. IDENTIFICATION OF WITNESS AND TENTATIVE ISSUES

Assisting in the development and presentation of the OSBA’s case in this proceeding will be:

Mr. Robert D. Knecht
Industrial Economics Incorporated
2067 Massachusetts Avenue
Cambridge, MA 02140
(617) 354-0074
(617) 354-0463 – Fax
rdk@indecon.com

The OSBA will participate in this proceeding to assure that the interests of small business customers are adequately represented and protected.

After an initial review of the materials submitted by UGI-E, the OSBA has identified the following list of issues that it will evaluate in this proceeding:

1. Whether the cost allocation methodology advanced by UGI-E is consistent with sound economic and regulatory principles, and with established Commission precedent for electric distribution companies (“EDCs”);
2. Whether the Company’s proposed changes to key classification and allocation parameters in its allocated cost of service study (“ACOSS”) from those approved by the Commission in the Company’s 2018 base rates case at Docket No. R-2017-2640058 are

reasonable and consistent with established industry practice;

3. Whether the Company's proposed revenue allocation is consistent with a reasonable cost allocation study and other established regulatory principles;

4. Whether the Company's proposed Rate EV will not serve to unduly burden UGI-E ratepayers with costs, and will not unreasonably discourage the development of non-utility EV charging stations;

5. Whether the Company's proposed tariff structure for the GS-1, GS-4, LP, FCP and HTP rate classes is just and reasonable; and

6. Whether the Company's proposal to install a 1.25 MW lithium-ion battery and associated equipment for distribution reliability purposes is reasonable and prudent.

The OSBA reserves the right to address additional issues as they arise throughout this proceeding.

IV. SERVICE OF DOCUMENTS

In accordance with 52 Pa. Code § 1.54(b)(3)(i), the OSBA agrees to accept electronic mail delivery of documents on the due date¹ as satisfying the in-hand requirement. At the time of this writing, hard copy delivery of documents to the OSBA is not possible. The OSBA requests that email delivery of documents also be provided to its witnesses identified above.

In addition to email copies of pleadings, briefs, and exceptions, the OSBA requests email copies of responses to discovery propounded by the OSBA or any other party.

V. SETTLEMENT

The OSBA notes its willingness to enter into settlement discussions at the appropriate phase of this proceeding.

¹ In accordance with 52 Pa. Code § 1.56(a)(5), documents must be received by 4:30 pm.

VI. DISCOVERY

The OSBA does not propose any discovery modifications in this proceeding.

VII. HEARING AND BRIEFING SCHEDULE

At the time of this writing, the parties are working on a proposed procedural schedule.

In light of the Governor's restriction on travel for those offices under his jurisdiction, the OSBA respectfully requests that any in-person evidentiary hearings take place in Harrisburg.

Respectfully submitted,

/s/ Steven C. Gray

Steven C. Gray, Esq.
Senior Supervising
Assistant Small Business Advocate
Attorney ID # 77538

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(717) 783-2525
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Dated: March 18, 2021

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission

v.

UGI Utilities, Inc. – Electric Division

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Docket No. R-2021-3023618

CERTIFICATE OF SERVICE

I hereby certify that true and correct copies of the foregoing have been served via email and/or First-Class mail (*unless other noted below*) upon the following persons, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

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DATE: March 18, 2021

/s/ Steven C. Gray

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