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July 24, 2009

Via Electronic Filing

James J. McNulty, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17105-3265

RE: Petition of PPL Electric Utilities Corporation for Approval of an Energy
Efficiency and Conservation Plan, Docket No. M-2009-2093216;
PREHEARING MEMORANDUM

Dear Secretary McNulty:

Enclosed for filing with the Commission is an original copy of the Prehearing Memorandum of UGI Utilities, Inc., – Gas Division, UGI Penn Natural Gas, Inc. and UGI Central Penn Gas, Inc. in the above-captioned proceeding, along with a receipt of electronic filing.

Please do not hesitate to contact me if you have any questions related to this filing.

Very truly yours,



Lillian S. Harris

LSH/cll

Enclosures

cc: Per Certificate of Service
Honorable Susan D. Colwell

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of PPL Electric Utilities :
Corporation for Approval of an Energy : Docket No. M-2009-2093216
Efficiency and Conservation Plan :

**PREHEARING MEMORANDUM
OF UGI UTILITIES, INC. – GAS DIVISION, UGI PENN NATURAL
GAS, INC. AND UGI CENTRAL PENN GAS, INC.**

TO THE HONORABLE SUSAN D. COLWELL:

UGI Utilities, Inc. – Gas Division (“UGI”), UGI Penn Natural Gas, Inc. (“PNG”) and UGI Central Penn Gas, Inc. (“CPG”) (collectively, the “UGI Distribution Companies”), by and through their counsel, Hawke McKeon & Sniscak LLP, hereby file this Prehearing Memorandum in the above-captioned matter pursuant to Your Honor’s July 1, 2009 Order and 52 Pa. Code § 5.222. In support thereof, the UGI Distribution Companies represent as follows:

I. COUNSEL OF RECORD FOR SERVICE LISTS

1. The UGI Distribution Companies are represented in the above-captioned matter by the following counsel:

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Please include the above-listed counsel on the service lists for all documents in this matter.

II. ISSUES

2. The UGI Distribution Companies will address the following issues:
 - a. Whether, given the broad requirements and clear intent of Act 129 for the EDCs' employment of energy efficiency and conservation measures such as "energy efficient heating and cooling equipment or systems and energy efficient appliances and other technologies," PPL's EE&C Plan should include more robust fuel substitution measures?

Suggested Answer: Yes. It is the UGI Distribution Companies' position that additional fuel substitution measures should be employed by PPL in its EE&C Plan, not only meet the load reduction mandate of Act 129, but to provide long-term sustainable benefits to consumers such as downward pressure on wholesale electric and natural gas prices resulting from the more efficient use of natural gas on a source-to-end-use basis and a reduction in greenhouse gas emissions.

III. BRIEFING SCHEDULE

3. The July 1, 2009 Prehearing Order indicates suggested dates for main and reply briefs to be filed. Of the dates suggested, the UGI Distribution Companies prefer an August 28th deadline for the submission of main briefs and a September 9th deadline for the submission of reply briefs.

IV. WITNESSES

4. At this time, the UGI Distribution Companies have identified one witness that they will present in the case:

Paul H. Raab
Economic Consulting
5313 Portsmouth Road
Bethesda, MD 20816
Phone: 301-320-7549

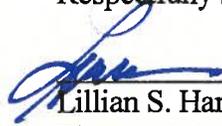
Mr. Raab will present testimony examining the nature, extent and sufficiency of PPL's proposed fuel substitution measures in its EE&C plan. Mr. Raab will present and support the fuel substitution programs that the UGI Distribution Companies recommend that PPL include as part of its EE&C Plan. The UGI Distribution Companies reserve the right to present additional witnesses if they determine that further witnesses are necessary to fully present their issues in the case or respond to issues raised by other parties or participants.

V. DISCOVERY PROCEDURES

5. The UGI Distribution Companies have reviewed Your Honor's discovery procedures in the July 1, 2009 Prehearing Order and the UGI Distribution Companies will follow the stated procedures for the conduct of discovery and the resolution of discovery disputes. The UGI Distribution Companies note that it initiated discovery early in the process (on July 10, 2009) and has received PPL's objections to some questions. The UGI Distribution Companies will meet and confer with PPL in an attempt to resolve PPL's objections and only file a motion to compel if the matters cannot be resolved. The UGI Distribution Companies reserves the right

to supplement their August 7, 2009 submission if they do not receive timely answers to the July 10, 2009 discovery requests in order to develop their positions.

Respectfully submitted,



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Counsel for the UGI Distribution Companies

Dated: July 24, 2009

CERTIFICATE OF SERVICE

I hereby certify that I have served the foregoing Prehearing Memorandum upon the parties, listed below, in accordance with the requirements of §1.54 (relating to service by a party).

Via Electronic Mail and First Class Mail

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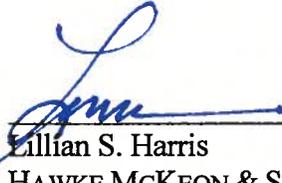
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DATED: July 24, 2009