

PENNSYLVANIA PUBLIC UTILITY COMMISSION
Harrisburg, PA 17120

**Joint Petition of UGI Utilities, Inc. –
Gas Division, UGI Penn Natural Gas, Inc.
and UGI Central Penn Gas, Inc.**

**Public Meeting - February 20, 2014
2356232-ALJ
Docket No. P-2013-2356232**

STATEMENT OF
COMMISSIONER PAMELA A. WITMER

Before the Public Utility Commission (Commission) today is the Recommended Decision of Administrative Law Judge Elizabeth H. Barnes approving a settlement of all issues regarding the Joint Petition of UGI Utilities, Inc. – Gas Division, UGI Penn Natural Gas, Inc. and UGI Central Penn Gas, Inc. (collectively, UGI Companies) to implement Growth Extension Tariff (GET Gas) pilot programs.

Pennsylvania sits on top of one of the largest natural gas reserves in the world. The ability to economically extract Marcellus Shale gas has made Pennsylvania the second largest producer of natural gas in the country. As a result, Pennsylvania consumers should have every reasonable opportunity to take advantage of this efficient and clean burning natural resource. GET Gas is designed to do exactly that.

GET Gas increases the availability of natural gas in areas of the Commonwealth underserved or unserved by the UGI Companies. Typically, customers wishing to have natural gas service extended to them often must pay a lump sum Contribution in Aid of Construction (CIAC) in order to be connected. In some cases, the cost of the CIAC can be prohibitive for a homeowner or a small business, running into thousands of dollars.

While not replacing the UGI Companies' line extension rules, GET Gas seeks to address this obstacle by allowing eligible customers¹ to pay extension costs in monthly amounts over a ten-year period. In exchange for agreeing to pay a fixed GET Gas surcharge, currently unserved and underserved customers can gain access to Pennsylvania's burgeoning natural gas market. In addition, the pilot program as described in the settlement sets appropriate limits on the scope of the initiative, allowing each of the UGI Companies to spend an average of five million dollars per year for five years in order to connect customers through the program. Finally, I note that the settlement requires ongoing reporting by the UGI Companies so that we can monitor the success of the endeavor as well as any

¹ The GET Gas pilot program will be available to applicants seeking an extension of Company facilities that would require a total capital main cost of \$15,000 or more, a per customer maximum project cost of \$10,000, and where at least 50% of the prospective customers along the path of the GET Gas facilities can reasonably be estimated to convert their heating source to natural gas within a 12-year period after natural gas facilities are first installed. (UGI Companies St. No. 2, pp. 4-8).

issues to be resolved before deciding whether this initiative should be allowed to continue beyond five years.

I am pleased to lend my support to this innovative effort by the UGI Companies and I would like to thank and congratulate all of the parties to the settlement for reaching a resolution. Lastly, I am challenging other natural gas utilities operating in underserved or unserved areas to also begin thinking creatively on how they, too, can bring a homegrown fuel to more Pennsylvania businesses and homeowners.

DATE: February 20, 2014

Handwritten signature of Pamela A. Witmer in cursive script, written over a horizontal line.

**PAMELA A. WITMER
COMMISSIONER**