

PENNSYLVANIA PUBLIC UTILITY COMMISSION  
HARRISBURG, PENNSYLVANIA 17120

Petition of UGI Utilities, Inc. for  
Approval of its Long-Term  
Infrastructure Improvement Plan

Public Meeting July 9, 2014  
2398833-TUS  
Docket No. P-2013-2398833

**MOTION OF  
CHAIRMAN ROBERT F. POWELSON**

Before the Commission today for disposition is the Long-Term Infrastructure Improvement Plan (LTIIIP or Plan) filed by UGI Utilities, Inc. – Gas Division (UGI) pursuant to Section 1352 of the Public Utility Code, 66 Pa. C.S. § 1352, and the Commission’s Act 11 Final Implementation Order found at Docket No. M-2012-2293611.


Our review of UGI’s LTIIIP is set against the backdrop of a settlement approved by the Commission on February 19, 2013, which arose from a fatal February 2011 gas explosion in Allentown. The terms of the settlement required UGI to accelerate the replacement of bare steel gas mains and prohibited UGI from charging a distribution system improvement charge (DSIC) until April 2015.

One of the main criteria that the Commission must use in judging the adequacy of an LTIIIP is whether the plan accelerates the replacement of aging infrastructure. 66 Pa. C.S. § 1352(a)(6). Further, for companies that have already begun the accelerated replacement of infrastructure, we previously stated that LTIIIPs should demonstrate “how a DSIC *will maintain or augment* acceleration of infrastructure and prudent capital investment.” Final Implementation Order at 24 (emphasis supplied). Accordingly, since UGI has already begun accelerating the replacement of its infrastructure under the terms of the aforementioned settlement, the proposed Plan must demonstrate maintenance of that acceleration.

A thorough review of UGI’s LTIIIP shows that proposed replacement schedule maintains the level set forth in the settlement and is an acceleration over their historic replacement schedule. As such, I believe that approval of the LTIIIP is warranted.

**THEREFORE, I MOVE THAT:**

The Bureau of Technical Utility Services prepare an Opinion and Order consistent with this Motion.

  
ROBERT F. POWELSON  
CHAIRMAN

**DATE: July 9, 2014**