

COMMONWEALTH OF PENNSYLVANIA



OFFICE OF CONSUMER ADVOCATE

555 Walnut Street, 5th Floor, Forum Place  
Harrisburg, Pennsylvania 17101-1923  
(717) 783-5048  
800-684-6560

FAX (717) 783-7152  
consumer@paoca.org

April 19, 2016

Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street  
Harrisburg, PA 171020

RE: Petition of UGI Utilities, Inc. – Gas Division  
for Approval of a Distribution System  
Improvement Charge  
Docket No. P-2013-2398833

Dear Secretary Chiavetta:

Attached for electronic filing please find the Office of Consumer Advocate's Answer, Notice of Intervention, and Public Statement in the above-referenced proceeding.

Copies have been served per the attached Certificate of Service.

Respectfully submitted,

/s/ Erin L. Gannon  
Erin L. Gannon  
Assistant Consumer Advocate  
PA Attorney I.D. #83487

Attachment  
cc: Office of Administrative Law Judge  
Certificate of Service  
219710

CERTIFICATE OF SERVICE

Petition of UGI Utilities, Inc. – Gas Division :  
for Approval of a Modification to its Long : Docket No. P-2013-2398833  
Term Infrastructure Improvement Plan :

I hereby certify that I have this day served a true copy of the following document, the Office of Consumer Advocate’s Answer, Notice of Intervention and Public Statement, upon parties of record in this proceeding in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant), in the manner and upon the persons listed below:

Dated this 19<sup>th</sup> day of April 2016.

SERVICE BY E-MAIL & INTER-OFFICE MAIL

Johnnie E. Simms, Esquire  
Bureau of Investigation and Enforcement  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street  
Harrisburg, PA 17120

SERVICE BY E-MAIL & FIRST CLASS MAIL, POSTAGE PREPAID

Steven C. Gray, Esquire  
Small Business Advocate  
Office of Small Business Advocate  
300 North Second Street  
Harrisburg, P A 17101

Jessica R. Rogers, Esquire  
David B. Macgregor  
Post & Schell  
17 North Second Street, 12<sup>th</sup> Floor  
Harrisburg, PA 17101

Mark C. Morrow, Esquire  
Danielle Jouenne, Esquire  
UGI Corporation  
460 Gulph Road  
King of Prussia, PA 19406

/s/ Erin L. Gannon

Erin L. Gannon  
Senior Assistant Consumer Advocate  
PA Attorney I.D. # 83487  
E-Mail: EGannon@paoca.org

Darryl Lawrence  
Senior Assistant Consumer Advocate  
PA Attorney I.D. # 93682  
E-Mail: DLawrence@paoca.org

Counsel for Office of Consumer Advocate  
555 Walnut Street, 5th Floor, Forum Place  
Harrisburg, PA 17101-1923  
Phone: (717) 783-5048

\*219262

BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of UGI Utilities, Inc. - Gas Division :  
for Approval of a Distribution System : Docket No. P-2013-2398833  
Improvement Charge :

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NOTICE OF INTERVENTION

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Pursuant to 71 P.S. § 309-1, *et seq.*, and 52 Pa. Code § 5.71(a)(1), the Office of Consumer Advocate hereby gives Notice of Intervention in the above-captioned proceeding. A copy of all correspondence and notices, documents, orders or other communications with respect to the above-captioned proceeding should be addressed to the following:

Erin L. Gannon  
Senior Assistant Consumer Advocate  
PA Attorney I.D. # 83487  
E-Mail: [EGannon@paoca.org](mailto:EGannon@paoca.org)

Darryl Lawrence  
Senior Assistant Consumer Advocate  
PA Attorney I.D. # 93682  
E-Mail: [DLawrence@paoca.org](mailto:DLawrence@paoca.org)

Office of Attorney General  
Office of Consumer Advocate  
5<sup>th</sup> Floor, Forum Place  
555 Walnut Street  
Harrisburg, Pa 17101-1923

Respectfully submitted,

  
Erin L. Gannon  
Senior Assistant Consumer Advocate  
PA Attorney I.D. # 83487

Dated: April 19, 2016

PUBLIC STATEMENT OF THE OFFICE OF CONSUMER ADVOCATE  
PURSUANT TO 71 P.S. SECTION 309-4(e)

In accordance with Act 161, and for the following reasons, the Consumer Advocate determined to file an Intervention and participate in proceedings before the Commission involving the initial Distribution System Improvement Charge (DSIC) tariff and rate proposed by UGI Utilities, Inc. – Gas Division (UGI-GD or the Company) at Docket No. P-2013-2398833.

On March 31, 2016, UGI-GD filed a Petition for Approval of a DSIC and a proposed DSIC tariff, pursuant to 66 Pa. C.S. § 1353. The Company proposes an initial DSIC rate of 0.0% and provides a sample DSIC calculation showing how it would calculate a non-zero DSIC rate. UGI-GD has a base rate case pending at Docket No. R-2015-2518438, which utilizes a fully projected future test year ending September 30, 2017.

The Consumer Advocate has filed an Intervention with the Commission to ensure that each aspect of UGI-GD's proposed tariff is scrutinized and that the proposed DSIC rate is consistent with Sections 1301, 1351, 1353, 1357 and 1358 of the Public Utility Code, 66 Pa.C.S. §§ 1301, 1351, 1353, 1357, 1358, and sound public policy. A thorough analysis and review are appropriate because the proposed tariff will implement a new cost recovery mechanism. It is critical that the DSIC be calculated correctly, recover only costs of DSIC-eligible property, and be applied equally to all customer classes. The OCA, therefore, will seek to ensure that only those costs which comply with the requirements of the Public Utility Code will be paid through a DSIC by the Company's ratepayers. In addition, the OCA will seek to ensure that any DSIC rate approved by the Commission is not otherwise excessive.