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File #: 153583

June 15, 2016

VIA ELECTRONIC FILING

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor North
P.O. Box 3265
Harrisburg, PA 17105-3265

**Re: Petition of UGI Central Penn Gas, Inc. for a Waiver of the Distribution System Improvement Charge Cap of 5% of Billed Distribution Revenues and Approval to Increase the Maximum Allowable DSIC to 10% of Billed Distribution Revenues
Docket No. P-2016-2537609**

Dear Secretary Chiavetta:

Enclosed for filing is the Prehearing Conference Memorandum of UGI Central Penn Gas, Inc., for the above-referenced proceeding. Copies will be provided as indicated on the Certificate of Service.

Respectfully submitted,

Jessica R. Rogers

JRR/jl

Enclosures

cc: Honorable Angela T. Jones
Certificate of Service

CERTIFICATE OF SERVICE

**UGI Central Penn Gas, Inc.
(Docket No. P-2016-2537609)**

I hereby certify that a true and correct copy of the foregoing has been served upon the following persons, in the manner indicated, in accordance with the requirements of § 1.54 (relating to service by a participant).

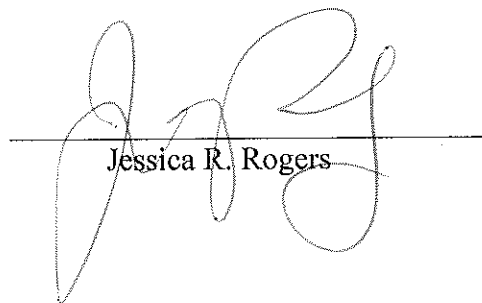
VIA E-MAIL & FIRST CLASS MAIL

Erin L. Gannon
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Commerce Building
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Harrisburg, PA 17101

Carrie B. Wright
Bureau of Investigation & Enforcement
PO Box 3265
Harrisburg, PA 17105-3265

Date: June 15, 2016



Jessica R. Rogers

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition of UGI Central Penn Gas, Inc. for :
a Waiver of the Distribution System :
Improvement Charge Cap of 5% of Billed : Docket No. P-2016-2537609
Distribution Revenues and Approval to :
Increase the Maximum Allowable DSIC to :
10% of Billed Distribution Revenues :

**PREHEARING CONFERENCE MEMORANDUM OF
UGI CENTRAL PENN GAS, INC.**

TO ADMINISTRATIVE LAW JUDGE ANGELA T. JONES:

UGI Central Penn Gas, Inc. (“UGI-CPG”), hereby submits this Prehearing Memorandum in response to the Prehearing Conference Order dated May 31, 2016 and the Prehearing Order dated June 8, 2016.

I. BACKGROUND

On March 31, 2016, UGI-CPG filed the above-captioned Petition with the Pennsylvania Public Utility Commission (“Commission”) at Docket No. P-2016-2537609. The Petition seeks waiver of the Distribution System Improvement Charge (“DSIC”) cap of 5% of billed distribution revenues and approval to increase the maximum allowable DSIC from 5% to 10% of billed distribution revenues.

On April 20, 2016, the Office of Consumer Advocate (“OCA”) filed an Answer, and a Notice of Intervention and Public Statement to the Petition. Also on April 20, the Office of Small Business Advocate (“OSBA”) filed an Answer, Notice of Intervention, and Notice of Appearance.

On May 6, 2016, the Commission’s Bureau of Investigation and Enforcement (“I&E”) filed a Notice of Appearance.

II. DISCOVERY

UGI-CPG does not propose any modifications regarding discovery in this proceeding, but is willing to work with the other parties to expedite the discovery process.

III. SETTLEMENT

At this time, no settlement discussions have been held. UGI-CPG will work with the parties to attempt to resolve all or portions of this case.

IV. ISSUES

As addressed fully in UGI-CPG's Petition, the Company has determined that approval of the requested waiver and proposed increase in the DSIC cap from 5% to 10% of billed revenues is proper and in the public interest. In addition, UGI-CPG will respond to any other issues raised in this proceeding.

V. SCHEDULE

UGI-CPG proposes the following procedural schedule:

| | |
|-----------------------|---------------------------|
| Prehearing Conference | June 17 |
| Other Parties' Direct | July 22 |
| Rebuttal | August 19 |
| Surrebuttal | August 29 |
| Rejoinder | September 7 |
| Hearings | September 8 in Harrisburg |
| Main Brief | September 22 |
| Reply Brief | September 30 |

Counsel for OCA and OSBA have agreed to the proposed schedule.¹ All dates are for in-hand delivery. Electronic mail for receipt and distribution of testimony and exhibits will satisfy in-

¹ I&E was not available prior to the filing of this prehearing memorandum to provide feedback on the proposed schedule.

hand service dates, with follow-up hard copies provided by first class mail.

VI. WITNESSES

As part of its direct case, UGI-CPG will present the following witness, who will testify as to the matters explained in his prefiled statement:

| Witness & General Subject Matter | Statement |
|--|----------------------------|
| William J. McAllister 2525 N. 12 th Street, Suite 360 Reading, PA 19612 (610) 796-3471 Overview of Petition and Support for Increasing the DSIC Cap from 5% to 10% of Billed Distribution Revenues | UGI-CPG Statement No. 1 |

UGI-CPG reserves the right to present additional witnesses, testimony and exhibits on all matters arising during the course of the proceeding, including all matters raised by other parties.

VII. OTHER MATTERS

A. Service

UGI-CPG is represented in this proceeding by the following counsel of record:

Mark C. Morrow (ID # 33590)
Danielle Jouenne (ID # 306839)
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David B. MacGregor (ID # 28804)
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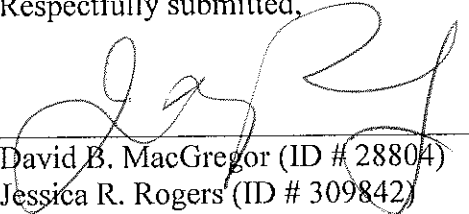
UGI-CPG requests that all documents in this case be served on Jessica R. Rogers. In addition, UGI-CPG agrees to receive service of documents electronically in this proceeding, and requests that David B. MacGregor, Mark C. Morrow, and Danielle Jouenne also be included on all electronic mail sent in this proceeding. Mr. MacGregor's e-mail address is

dmacgregor@postschell.com. Mr. Morrow's e-mail address is morrowm@ugicorp.com. Ms. Jouenne's e-mail address is jouenned@ugicorp.com.

B. Consolidation

UGI-CPG does not oppose the consolidation of this case with the case filed at Docket No. P-2016-2537594 for the purposes of hearing. However, UGI-CPG does respectfully request separate document submission as to each of the dockets, *i.e.*, one final order for each Company.

Respectfully submitted,



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Post & Schell, P.C.

Attorneys for UGI Central Penn Gas, Inc.

Date: June 15, 2016