

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition of UGI Penn Natural Gas, Inc. for Waiver : P-2016-2537594
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

ORDER #5
ADMISSION OF LATE-FILED EXHIBIT

On September 9, 2015, an evidentiary hearing convened as scheduled for this proceeding. The following parties appeared at the proceeding:

- (1) UGI Penn Natural Gas (UGI-PNG)
Danielle Jouenne, Esquire and Jessica Rogers, Esquire;
- (2) Bureau of Investigation & Enforcement (I&E)
Carrie Wright, Esquire;
- (3) Office of Consumer Advocate (OCA)
Darryl Lawrence, Esquire and Harrison Breitman, Esquire; and
- (4) Office of Small Business Advocate (OSBA)
Steve Gray, Esquire.

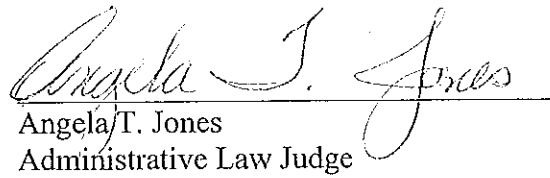
During the course of the proceeding, Mr. Gray introduce through the witness of OSBA an interrogatory identified as Penn Natural Gas OSBA-I-5. The undersigned pointed out that the interrogatory was not in the record. Mr. Gray requested that it be filed as a late-filed exhibit. The Penn Natural Gas OSBA-I-5 exhibit is attached to this Order. No party objected to the request to file the interrogatory as a late-filed exhibit. No party objected to the interrogatory's admission into the record. This order is to confirm that the interrogatory is admitted into the record and to ensure completeness of the record.

THEREFORE,

IT IS ORDERED:

1. That the interrogatory identified as OSBA-I-5 is admitted into the record without objection.
2. That the evidentiary record is closed for the purpose of receiving any further evidence.

Date: September 12, 2016



Angela T. Jones
Administrative Law Judge

ATTACHMENT

PENNSYLVANIA PUBLIC UTILITY COMMISSION :

v. :

Docket No. P-2016-2537594

Petition of UGI Penn Natural 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 :

Response of the OSBA to UGI Penn Natural Gas Inc.
Interrogatories -- Set I

Penn Natural Gas(OSBA)-I-5:

Refer to OSBA Statement No. 1, page 4. Please identify situations in which an investor owned utility would not be able to file a base rate proceeding, but would be able to petition for an increase in the DSIC cap.

Response:

As the interrogatory refers to Mr. Knecht's testimony at page 4, which provides Mr. Knecht's non-legal interpretation of legal language for granting a waiver of the DSIC cap. Please see also Mr. Knecht's testimony at pages 5-7 which explains why there may be uncertainty regarding that interpretation.

It is Mr. Knecht's (non-legal) understanding that an investor-owned utility is always able to *petition* for a waiver of and/or an increase in the DSIC cap.

Assuming the interrogatory was meant to refer to the circumstances under which a waiver of the DSIC cap could be granted even when a rate case option was available to the utility, Mr. Knecht observes that, under extraordinary circumstances, a utility may not have access to capital markets necessary to raise funds needed to safely operate its distribution system, without being able to obtain near term rate relief that could not be achieved promptly through a lengthy base rates proceeding.

Witness: Robert D. Knecht

UGI-PNG Petition for waiver of 5% cap on DSIC and approval of maximum 10% for DSIC cap
Docket No. P-2016-2537594

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