

COMMONWEALTH OF PENNSYLVANIA PENNSYLVANIA PUBLIC UTILITY COMMISSION P.O. BOX 3265, HARRISBURG, PA 17105-3265

IN REPLY PLEASE REFER TO OUR FILE

April 14, 2017

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

Re:

Petition of UGI Utilities, Inc. – Gas Division for Approval of a

Distribution System Improvement Charge

Docket No. P-2013-2398833

Dear Secretary Chiavetta:

Enclosed please find the Bureau of Investigation and Enforcement's (I&E) **Prehearing Memorandum** in the above-captioned proceeding.

Copies are being served on all active parties of record as evidenced in the attached Certificate of Service. If you have any questions, please contact me at (717) 783-6156.

Sincerely,

Carrie B. Wright

Prosecutor

Bureau of Investigation and Enforcement

PA Attorney I.D. #208185

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CBW/sea Enclosure

cc:

ALJ Conrad Johnson

Certificate of Service

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of UGI Utilities, Inc.- Gas

Division for Approval of a Distribution

System Improvement Charge

Docket No. P-2013-2398833

CERTIFICATE OF SERVICE

I hereby certify that I am serving the foregoing **Prehearing Memorandum** dated April 14, 2017, in the manner and upon the persons listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a party):

Served via First Class and Electronic Mail

Jessica R. Rogers, Esquire David B. MacGregor, Esquire Post & Schell PC 17 North Second Street 12th Floor Harrisburg, PA 17101-1601

Darryl A. Lawrence, Esquire Erin L Gannon, Esquire Office of Consumer Advocate 555 Walnut Street 5th Floor Forum Place Harrisburg, PA 17101-1923 Steven C. Gray, Esquire Office of Small Business Advocate 300 North Second Street Suite 202 Harrisburg, PA 17101

Mark C. Morrow, Esquire Danielle Jouenne, Esquire UGI Corporation 460 North Gulph Road King of Prussia, PA 1 9406

Carrie B. Wright

Prosecutor

Bureau of Investigation and Enforcement

PA Attorney I.D. #208185

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of UGI Utilities, Inc. – Gas Division

for Approval of a Distribution System

P-2013-2398833

Improvement Charge

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PREHEARING MEMORANDUM OF THE BUREAU OF INVESTIGATION AND ENFORCEMENT

TO ADMINISTRATIVE LAW JUDGE CONRAD JOHNSON:

The Bureau of Investigation and Enforcement ("I&E") of the Pennsylvania Public
Utility Commission ("Commission") respectfully submits the following Prehearing
Memorandum in the above-captioned consolidated proceedings.

The Bureau of Investigation and Enforcement Prosecutor in these proceedings will be Carrie B. Wright. Contact information is as follows:

By mail:

Carrie B. Wright

Pennsylvania Public Utility Commission

P.O. Box 3265

Harrisburg, PA 17105-3265

By e-mail:

carwright@pa.gov

By telephone:

(717) 783-6156

By fax:

(717) 772-2677

I. INTRODUCTION

On March 31, 2016, UGI Utilities, Inc. ("UGI" or "Company") filed a petition to establish and implement a Distribution System Improvement Charge ("DSIC"). By Order dated November 9, 2016 the Commission determined that UGI may elect to implement a DSIC mechanism. However, the Commission also assigned to the Office of Administrative Law Judge ("OALJ") the issue of whether or not customers receiving service under specific Rate Schedules should be exempt from the DSIC.

A prehearing conference has been scheduled on April 18, 2017 at 10:00 a.m. with ALJ Conrad Johnson presiding.

II. ISSUES

The issue is as follows:

a. Whether or not customers receiving service under specific Rate Schedules should be exempt from the DSIC.

III. WITNESSES

It is currently expected that I&E may call the following expert witness without being limited thereto:

Ethan Cline, Fixed Utility Valuation Engineer

The I&E witness may be contacted through the information listed above for Prosecutor Wright. The witness list is provided without the benefit of complete discovery or analysis of the positions of potential other parties to this proceeding.

Accordingly, I&E reserves the right to call additional witnesses or withdraw the name of the witness listed above.

IV. EVIDENCE

I&E intends to rely on the Company's filing, answers to data requests and interrogatories, annual reports and other documents submitted to the Commission, other relevant Commission filings, any other relevant Commonwealth agency letters or reports, general financial market information sources and other public documents and reports.

V. DISCOVERY

No modifications to the rules of discovery are being proposed by I&E.

VI. SCHEDULE

I&E is working with the parties to develop a schedule in this proceeding.

VII. SERVICE OF DOCUMENTS

For purposes of satisfying in-hand requirements for discovery responses, prepared testimony and briefs, I&E will accept electronic delivery of documents with a follow-up hard copy provided by regular first class mail.

VIII. SETTLEMENT

I&E is willing to make good faith efforts to successfully resolve this matter through settlement.

Respectfully Submitted,

Carrie B. Wright

Prosecutor

PA Attorney I.D. # 208185

Bureau of Investigation and Enforcement Pennsylvania Public Utility Commission Post Office Box 3265 Harrisburg, Pennsylvania 17105-3265 (717) 787-1976

Dated: April 14, 2017