

Kristine Marsilio
717.237.6037
kmarsilio@eckertseamans.com

April 9, 2018

Via Electronic Filing

Rosemary Chiavetta, Secretary
PA Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

Re: Joint Application of UGI Utilities, Inc., UGI Penn Natural Gas, Inc. and UGI Central Penn Gas, Inc. for all of the necessary authority, approvals and certificates of public convenience for: (1) an agreement and plan of merger; (2) the merger of UGI Penn Natural Gas, Inc. and UGI Central Penn Gas, Inc. into UGI Utilities, Inc.; (3) the initiation by UGI Utilities, Inc. of natural gas service in all territories in this Commonwealth where UGI Penn Natural Gas, Inc. and UGI Central Penn Gas, Inc. do or may provide natural gas service; (4) the abandonment by UGI Penn Natural Gas, Inc. of all natural gas service in this Commonwealth; (5) the abandonment by UGI Central Penn Gas, Inc. of all natural gas service in this Commonwealth; (6) the adoption by UGI Utilities, Inc. of UGI Penn Natural Gas, Inc.'s existing tariffs and their application within new service and rate districts of UGI Utilities, Inc. corresponding to their existing service territories as UGI North and UGI Central, respectively; (8) where necessary, associated affiliated interest agreements; and (9) any other approvals necessary to complete the contemplated transaction;
Docket Nos. A-2018-3000381, A-2018-3000382, A-2018-3000383

Dear Secretary Chiavetta:

Enclosed for electronic filing please find the Petition to Intervene of Direct Energy Business, LLC, Direct Energy Services, LLC and Direct Energy Business Marketing, LLC, with regard to the above-referenced matter. Copies to be served in accordance with the attached Certificate of Service.

Sincerely,



Kristine Marsilio

KM/jls
Enclosure

CERTIFICATE OF SERVICE

I hereby certify that this day I served a true and correct copy of the Petition to Intervene of Direct Energy Business, LLC, Direct Energy Services, LLC, and Direct Energy Business Marketing, LLC, upon the persons listed below in the manner indicated in accordance with the requirements of 52 Pa. Code Section 1.54.

Via Email and/or First Class Mail

Kent D. Murphy, Esquire
Mark C. Morrow, Esquire
UGI Corporation
460 North Gulph Road
King of Prussia, PA 19406
murphyke@ugicorp.com
morrowm@ugicorp.com

Richard Kanaskie, Esquire
PA Public Utility Commission
Bureau of Investigation & Enforcement
PO Box 3265
Harrisburg, PA 17101-3265
rkanaskie@pa.gov

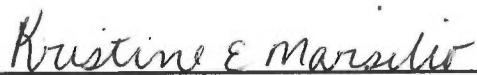
Darryl A. Lawrence, Esq.
Lauren M. Burge, Esq.
Harrison W. Breitman, Esq.
Office of Consumer Advocate
555 Walnut St., 5th Floor, Forum Place
Harrisburg, PA 17101-1923
DLawrence@paoca.org
LBurge@paoca.org
HBreitman@paoca.org

John R. Evans, Esquire
Office of Small Business Advocate
300 N. Second Street, Suite 202
Harrisburg, PA 17101
jorevan@pa.gov

Todd S. Stewart, Esquire
Hawke McKeon & Sniscak LLP
100 North Tenth Street
Harrisburg, PA 17101
tsstewart@hmslegal.com

David B. MacGregor, Esquire
Garrett P. Lent, Esquire
Post & Schell, P.C.
17 North Second St., 12th Fl.
Harrisburg, PA 17101-1601
dmacgregor@postschell.com
glent@postschell.com

Dated: April 9, 2018



Kristine Marsilio, Esquire

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Joint application of UGI Utilities, Inc.,	:	Docket Nos.	A-2018-3000381
UGI Penn Natural Gas, Inc. and UGI	:		A-2018-3000382
Central Penn Gas, Inc. for all of the	:		A-2018-3000383
necessary authority, approvals and	:		
certificates of public convenience for: (1)	:		
an agreement and plan of merger; (2) the	:		
merger of UGI Penn Natural Gas, Inc. and	:		
UGI Central Penn Gas, Inc. into UGI	:		
Utilities, Inc.; (3) the initiation by UGI	:		
Utilities, Inc. of natural gas service in all	:		
territories in this Commonwealth where	:		
UGI Penn Natural Gas, Inc. and UGI	:		
Central Penn Gas, Inc. do or may provide	:		
natural gas service; (4) the abandonment	:		
by UGI Penn Natural Gas, Inc. of all	:		
natural gas service in this Commonwealth;	:		
(5) the abandonment by UGI Central Penn	:		
Gas, Inc. of all natural gas service in this	:		
Commonwealth; (6) the adoption by UGI	:		
Utilities, Inc. of UGI Penn Natural Gas,	:		
Inc.'s and UGI Central Penn Gas, Inc.'s	:		
existing tariffs and their application within	:		
new service and rate districts of UGI	:		
Utilities, Inc. corresponding to their	:		
existing service territories as UGI North	:		
and UGI Central, respectively; (7) the	:		
adoption by UGI Utilities of its existing	:		
tariff to be applied to a new UGI South	:		
Service and Rate District; (8) where	:		
necessary, associated affiliated interest	:		
agreements; and (9) any other approvals	:		
necessary to complete the contemplated	:		
transaction.	:		

**PETITION TO INTERVENE OF DIRECT ENERGY BUSINESS,
LLC, DIRECT ENERGY SERVICES, LLC, AND DIRECT
ENERGY BUSINESS MARKETING, LLC**

Pursuant to 52 Pa. Code §§ 5.72-5.75, Direct Energy Business, LLC, Direct Energy Services, LLC, and Direct Energy Business Marketing, LLC (collectively, “Direct Energy”) petitions to intervene in the Joint Application of UGI Utilities, Inc., UGI Penn Natural Gas, Inc. and UGI Central Penn Gas, Inc. (collectively, “UGI” or the “Companies”) filed with the Pennsylvania Public Utility Commission (“Commission”) for all of the necessary authority, approvals and certificates of public convenience for the merger of UGI Penn Natural Gas, Inc. and UGI Central Penn Gas, Inc. into UGI Utilities, Inc. and for all other approvals related to the transaction (“Joint Application”). In support of its Petition to Intervene, Direct Energy states as follows:

1. On March 8, 2018, the Companies filed a Joint Application for all of the necessary authority, approvals and certificates of public convenience for the merger of UGI Penn Natural Gas, Inc. and UGI Central Penn Gas, Inc. into UGI Utilities, Inc. and for all other approvals related to the transaction (“Joint Application”).

2. By public notices published in the Pennsylvania Bulletin on March 24, 2018, the Commission established a deadline of April 9, 2018 for formal protests and petitions to intervene.

3. On April 3, 2018, Shipley Choice, LLC d/b/a Shipley Energy, Dominion Energy Solutions, Inc., Interstate Gas Supply, Inc. d/b/a. IGS Energy and Rhoads Energy (collectively, “NGS Parties”) filed a Petition to Intervene.

4. Direct Energy is a natural gas supplier (“NGS”) licensed by the Commission to provide natural gas and related services to retail customers in the UGI PNG service territory.¹ Direct Energy is one of the largest competitive retail providers of electricity, natural gas, and home

¹ See PUC Docket Nos. A-125072 (Direct Energy Business, LLC), A-125135 (Direct Energy Services, LLC) and A-2013-2365792 (Direct Energy Business Marketing, LLC).

services in North America, with over 4 million customer relationships, multiple brands and roughly 5,000 employees. Direct Energy is a North American affiliate of Centrica plc, a leading international provider of energy and other energy-related services with over 28 million customer relationships worldwide. Direct Energy has a unique business model, and extensive experience in providing innovative gas and electricity products and services to residential, small and large commercial and industrial customers, utilities, and government entities.

5. Direct Energy's attorneys in this matter are:

Dan Clearfield, Esquire
Kristine Marsilio, Esquire
Eckert Seamans Cherin &
Mellott, LLC
213 Market St., 8th Floor
Harrisburg, PA 17101
717.237.6000
Fax 717.237.6019
dclearfield@eckertseamans.com
kmarsilio@eckertseamans.com

6. The Commission's regulations allow intervention where a person has an interest in the proceeding which may be directly affected and which is not adequately represented by existing parties, and as to which the person may be bound by the action of the Commission in the proceeding. 52 Pa. Code § 5.72(a)(2). Intervention is also permitted where participation of the person may be in the public interest. 52 Pa. Code § 5.72(a)(3). A "person" includes a corporation and an association. 52 Pa. Code § 1.8.

7. Direct Energy meets the standards for intervention set forth in 52 Pa. Code § 5.72(a). As an NGSs in the Companies' service territories and in the Commonwealth, Direct Energy satisfies the standard for intervention because Direct Energy possesses an "interest which may be directly affected and which is not adequately represented by existing participants, and as

to which the petitioner may be bound by the action of the Commission in the proceeding.” 52 Pa. Code § 5.72(a)(1).

8. In the Joint Application, the Companies propose that upon completion of the merger, UGI Utilities will be the surviving entity. Joint Application at ¶ 32. Upon closing, all of the assets of PNG and CPG will be owned by UGI Utilities, and the UGI Gas Division of UGI Utilities will have three rate districts: UGI South (formally UGI Gas), UGI North (formerly PNG) and UGI Central (formerly CPG). *Id.* UGI Utilities will acquire all the service rights and certificates of public convenience of UGI CPG and UGI PNG and ownership interests in their properties. *Id.* Additionally, pursuant to the Joint Application, UGI Utilities shall adopt and apply the existing tariffs of UGI Gas, PNG, and CPG. Joint Application at ¶ 39.

9. Direct Energy has a substantial and direct interest in the outcome of this proceeding. Specifically, as an NGS licensed to serve customers in the UGI service territories, Direct Energy has a substantial and direct interest insofar as the UGI and PNG tariffs may be transferred to UGI Utilities pending the outcome of this proceeding. Any changes to the UGI supplier tariffs, or the services provided thereunder, may affect Direct Energy’s operations and impact its ability to compete for and service customers in the UGI service territories. Further, any changes to UGI rates, or the operation or structure of any UGI programs, will have a significant effect on the level of retail competition in the Companies’ service territories and, thus, on the ability of Direct Energy to continue to operate as an EGS in those territories.

10. While Direct Energy acknowledges that UGI has not proposed any changes to the existing tariffs at this time, Direct Energy has an interest in ensuring that the proposals of other parties that are advanced through testimony, legal arguments, or settlement discussions do not

adversely impact Direct Energy's ability to effectively operate as an EGS in the UGI service territories.

11. Direct Energy's interests in this proceeding are unique from and not adequately represented by other parties that may seek to intervene, including the NGS Parties, individual NGSs, or other organizations interested in natural gas competition in Pennsylvania in general and in these service territories in particular. Direct Energy has a unique business model and its interests and perspective are unique. In view of Direct Energy's unique business model, Direct Energy's interests in this proceeding cannot be adequately represented by other NGSs with different business models and different customer target markets.

12. Direct Energy will be bound by the action of the Commission in this proceeding, as well as the terms and conditions related to UGI's tariffs. Thus, the Commission's actions regarding the Companies' proposals may have a substantial impact on Direct Energy's future involvement in the market.

13. Direct Energy's intervention is in the public interest. As a member of the Centrica group of companies providing energy and energy related services through over 28 million customer relationships worldwide, Direct Energy has the experience and resources to aid the Commission in establishing reasonable modifications, if any are proposed, to the UGI tariffs. Accordingly, Direct Energy's participation in this proceeding is clearly in the public interest. See 52 Pa. Code § 5.72(a)(3).

14. Direct Energy has not presently identified specific issues in the Joint Application. Direct Energy reserves the right to raise and address issues identified through its review and analysis of the Joint Application (and related information), or other issues raised by other parties (such as any proposed modifications to the Companies' Tariffs).

WHEREFORE, Direct Energy respectfully requests that the Commission grant Direct Energy's Petition to Intervene and that Direct Energy be granted full party status in this matter.

Respectfully submitted,



Daniel Clearfield, Esquire

Attorney ID 26183

Kristine Marsilio, Esquire

Attorney ID 316479

Eckert Seamans Cherin & Mellott, LLC

213 Market St., 8th Floor

Harrisburg, PA 17101

717.237.6000

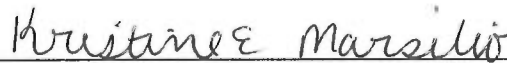
Date: April 9, 2018

Attorneys for

Direct Energy Services, LLC

Verification

I, Kristine E. Marsilio, state that I am an Attorney of Record for Direct Energy Business, LLC, Direct Energy Services, LLC, and Direct Energy Business Marketing, LLC (“Direct Energy”) and that I am authorized to make this verification on its behalf. I hereby state that the facts set forth in the foregoing Petition to Intervene are true and correct to the best of my knowledge, information and belief and that I expect Direct Energy to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to sworn falsification to authorities).



Kristine E. Marsilio, Esquire