



March 4, 2020

Via Electronic Filing

Secretary Rosemary Chiavetta
Pennsylvania Public Utility Commission
Commonwealth Keystone Building, Second Floor
400 North Street
Harrisburg, PA 17120

Re: Pa. PUC v. UGI Gas of Pennsylvania Inc., Docket No. R-2019-3015162

Dear Secretary Chiavetta,

Enclosed for electronic filing, please find a *Prehearing Memorandum of the Coalition for Affordable Utility Service and Energy Efficiency in Pennsylvania (CAUSE-PA)* in the above referenced matter.

Copies of this petition will be circulated in accordance with the attached Certificate of Service.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "John W. Sweet", with a stylized flourish above the name.

John W. Sweet, Esq.
Counsel for CAUSE-PA

CC: *Certificate of Service*

Encl.

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission, et al. :
 :
 v. : Docket No. R-2019-3015162
 :
 UGI Gas of Pennsylvania, Inc. :

Certificate of Service

I hereby certify that I have this day served copies of the **Prehearing Memorandum of the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania** upon the parties of record in the above captioned proceeding in accordance with the requirements of 52 Pa. Code § 1.54 in the manner and upon the persons listed below.

VIA First Class Mail and Email

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Respectfully Submitted,
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March 4, 2020

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission, et al.	:	
	:	
v.	:	Docket No. R-2019-3015162
	:	
UGI Gas of Pennsylvania, Inc.	:	

Prehearing Memorandum

On February 27, 2020, a Prehearing Conference Order was issued by Deputy Chief Administrative Law Judge Christopher P. Pell setting a telephonic prehearing conference for Monday, March 9, 2020 at 10:00 a.m., and requiring parties to file a Prehearing Memorandum no later than 12:00 pm on Thursday, March 5, 2020. In response, the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (“CAUSE-PA”), through its counsel at the Pennsylvania Utility Law Project, hereby files this Prehearing Conference Memorandum.

I. Background

On January 28, 2020, UGI Gas of Pennsylvania, Inc. (UGI) submitted a rate filing, Supplement No. 6 to UGI Gas Tariff – Pa. P.U.C. Nos. 7 and 7S, proposing to increase rates by approximately \$74.6 million per year, or 8.5%, to become effective March 28, 2020. (UGI St.1 at 6). A residential customer with an average usage of 73.5 Ccf of gas per month would increase from \$81.54 to \$90.22 per month, or 10.6 percent. (UGI St. 1 at 7).

On February 14, 2020, CAUSE-PA filed a Petition to Intervene, requesting full intervenor status as an active party to the proceeding.

On February 27, 2020, the Commission entered a Suspension and Investigation Order suspending the UGI tariff by operation of law, and opening an investigation to determine the

lawfulness, justness, and reasonableness of the rates, rules, and regulations contained therein. (S&I Order).

II. Issues to be Presented

In addition to compliance with sound rate making principles, including the requirement that rates be just and reasonable, UGI must also ensure that its rates and tariff comply with universal service requirements. See 66 Pa. C.S. § 2203(8). In determining whether rates are just and reasonable, the Commission must examine whether rates are affordable and accessible those served.

In the event that the Commission approves any natural gas distribution rate increase, the Commission should condition approval on UGI's agreement to perform such actions as are necessary to assure compliance with applicable sections of the Public Utility Code, Commission regulations and guidelines, and settlement agreements.

CAUSE-PA has conducted an initial review of UGI's proposed tariff changes and testimony, and opposes UGI's request on the grounds that the proposed rate increase and tariff changes may result in unjust and unreasonable rates that would impose severe hardship on low and moderate income residential customers. CAUSE-PA identifies the following specific issues of concern, which must be addressed in this proceeding, though it reserves the right to raise additional issues which may arise through the course of this proceeding:

- i. The conformity to law and the effect of UGI's rate filing and proposed rate increase on low income households.

- ii. The effect of UGI's proposed \$19.95 fixed residential customer charge on low income households, and the ability to achieve appreciable bill savings through adoption of energy efficiency measures.
- iii. The effect of UGI's rate filing and proposed rate increase on low income households enrolled in or eligible for UGI's Universal Service Programs, and the continued adequacy of those programs in delivering universally accessible natural gas service.

III. Witnesses and Testimony

CAUSE-PA intends to present the following witness to testify in this matter, and reserves the right to call additional witnesses as may be warranted upon proper notice to Your Honor and the parties:

Mitchell Miller
Mitch Miller Consulting LLC
60 Geisel Road
Harrisburg, PA 17112
717-903-2196
Mitchmiller77@hotmail.com

Mr. Miller will address the issues identified above, as well as other issues that may arise in the course of this proceeding.

IV. Discovery

CAUSE-PA supports the discovery modifications requested by the Office of Consumer Advocate (OCA) in its Prehearing Memorandum.

V. Settlement

CAUSE-PA is willing and ready to engage in settlement discussions in an attempt to resolve or narrow the issues in this proceeding, with any and all parties, and encourages the parties to engage in settlement early in the process.

VI. Service on CAUSE-PA

CAUSE-PA is represented by the attorneys at the Pennsylvania Utility Law Project. All documents should be served on CAUSE-PA as follows:

John W. Sweet, Esq.
Elizabeth R. Marx, Esq.
Ria M. Pereira, Esq.
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118 Locust Street
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E-mail: pulp@palegalaid.net

We request that parties serve one hard copy in addition to an electronic copy of all documents served in this proceeding.

VII. Representation of CAUSE-PA at Prehearing Conference

For the purposes of the Prehearing Conference, CAUSE-PA will be represented by John W. Sweet, Esq.

VIII. Litigation Schedule

CAUSE-PA is actively involved in discussions with UGI and other parties to reach a mutually agreeable litigation schedule.

WHEREFORE, CAUSE-PA respectfully submits this Prehearing Conference Memorandum.

Respectfully submitted,
PENNSYLVANIA UTILITY LAW PROJECT
Counsel for CAUSE-PA

A handwritten signature in black ink, appearing to read "John W. Sweet", with a stylized flourish above the name.

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