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|  | COMMONWEALTH OF PENNSYLVANIA  PENNSYLVANIA PUBLIC UTILITY COMMISSION  P.O. BOX 3265, HARRISBURG, PA 17105-3265 | **IN REPLY PLEASE REFER TO OUR FILE**  M-2018-3004144 |

May 13, 2020

Danielle Jouenne, Esq.

UGI Corporation

Post Office Box 858

Valley Forge, PA 19482-0858

Re: Petition of UGI Utilities, Inc. – Electric Division for Approval of its Phase III Energy Efficiency and Conservation Plan Amendment – Docket No. M-2018-3004144

Dear Ms. Jouenne :

At Public Meeting held March 14, 2019, the Commission approved the January 31, 2019 Joint Petition for Settlement (Settlement) at the above referenced docket. Paragraph 23(b) of the Settlement required UGI Utilities, Inc. – Electric Division (the Company) to set aside $140,000 of its Energy Efficiency and Conservation (EE&C) Plan budget for one or more residential customer programs, including a residential low-income program, by no later than June 1, 2020.

Paragraph 24 of the Settlement provided for the Company to provide written notification to the Commission’s Bureau of Technical Utility Services (TUS) and the parties to the Phase III EE&C Plan proceeding at least thirty (30) days prior to launching the programs discussed in Paragraph 23(b).

On April 22, 2020, in accordance with the Settlement, the Company filed an amendment to its Phase III EE&C Plan to include a residential low-income program, starting in program year 2. The new program provides low-income customers with an array of no-cost energy-saving equipment and/or education to help reduce their energy costs, such as the direct installation of heat pump water heaters and ENERGY STAR smart thermostats, and additional and/or different measures than those offered through the Company’s Low-Income Usage Reduction Program.

This letter is to acknowledge the receipt of the Phase III EE&C Plan Amendment, filed in accordance to the above-mentioned Settlement which required, among other things, that the residential low-income program not be limited to the measures offered under the three existing low-income programs that are being eliminated or phased out as part of the Phase III EE&C Plan.

The projected residential low-income program budget in the amount of $140,000 of this Phase III EE&C Plan Amendment filing appears to be consistent with the Settlement; however, this letter does not constitute approval of the associated costs or expenses as being reasonable or prudent for the purposes of cost recovery. These issues will be addressed by the Commission in any appropriate cost recovery proceeding.

If you have any questions in this matter, please contact TUS, Cornelia Schneck at [cschneck@pa.gov](mailto:cschneck@pa.gov).

**** Sincerely

Rosemary Chiavetta

Secretary

cc: Cornelia Schneck, TUS

Joseph Sherrick, TUS

Adam Young, LAW