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PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

**Kenneth E. Nein  
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610 779 5823**

**May 9, 2011**

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

**Re: Kenneth Nein v. UGI Utilities, Inc.; Docket No. C-2011-2235675**

**Dear Secretary Chiavetta;**

On May 14<sup>th</sup> I received a copy of UGI's response to my complaint to the Pennsylvania Public Utility Commission dated March 31, 2011. If I may I would respectfully like to respond to that letter.

First and foremost, I am not schooled as a lawyer, and because of the way I was brought up, to be honest and up-front on issues. I would never make it as one. I do believe in what is logical and fair. This is however, a disadvantage in our modern society. At this time I feel like I am playing a street game with three cups, and maybe on ball. (The three cups I am referring to are. UGI, the PUC, and the State Legislature.)

In response to the letter from UGI's council Melanie J. Elatieh dated May 3<sup>rd</sup> 2011 I submit the following;

**I assume she has broken my letter down into paragraphs 1 to 22. I had a problem following this after paragraph 10. I am responding accordingly.**

**Paragraph 1**

***My Paragraph 1***

Around November of 2011 I decided, as per the choice program to change my Natural Gas provider, from **UGI Utilities Inc.** to **Shipley Energy Co.** I was informed, prior to 2011 by UGI (Exhibit (1) and Shipley (Exhibit (2), that my supplier of Natural Gas had been transferred from UGI to Shipley Energy Co.

***UGI's Council's response***

UGI lacks specific information upon which to affirm or deny the content information of Customer.

***My response***

UGI's Council was provided copy's of my Exhibits (1) through (3). She should have contacted UGI Reading to confirm all my exhibits. I do not understand councils statement "UGI lacks specific information upon which to affirm or deny the content information of Customer." They have obviously not done their job.

**Paragraph 2**

***My Paragraph 2***

When I received my January gas bill from UGI (Exhibit 3), I noticed for the first time that, a "**Migration Rider Surcharge**" of \$10.26 had been added to my bill by the UGI Corp. When I called UGI they stated that this added cost was because they had contracted gas from their supplier for the 2011 year for my account. And that I would see the "**Migration Rider Surcharge**" for the next twelve months.

***UGI's Councils Response***

Admitted.

***My Response***

Now they admit that they have the "**specific information**" to respond.

**Paragraph 3**

***My Paragraph 3***

I then contacted your representative who erroneously told me that I had to lodge a formal complaint with UGI. UGI would then respond in writing within a certain amount of time. If I was not satisfied with their response, I could then call the PUC again and lodge a formal complaint.

***UGI's Councils response***

Admitted.

## Paragraph 4

### *My Paragraph 4*

When I called UGI I was told that there was nothing they could do because the PUC had approved this charge, and I should call the PUC again.

I did and a "Formal Complaint Form" was sent to me.

I feel this "Migration Rate Surcharge" is unjust for the following reasons.

### *UGI's Councils response*

**Denied.** UGI is currently authorized under Section 1307(f)(6) of the Utility Code and under its currently effective, Commission-approved Tariff-Gas-Pa. P.U.C. No. 5 – to apply a Migration Rider, which may be either a charge or a credit, to a customer's bill for a period of twelve-months from the date on which the customer begins to receive natural gas supply service from an alternative supplier. The Company's tariff is available for public viewing on both its and the Commission's website and is also posted for public viewing in a designated office, as required by the Commission's regulations. The Company is under no obligation to notify the Customer of the applicability of the Migration Rider when the Customer opts to receive natural gas supply service from an alternative supplier.

### *My Response*

Although council provided me with Exhibit (1) I am not sure it is 1307(f)(6). Council also stated that the Company's tariff is available for public viewing on both its and the Commission's website.

I went to UGI's website and found nothing pertaining to this information. I also tried your website and could not find Section 1307(f)(6) or PUC #5 information. If a layperson is trying to understand what is going on, shouldn't I at least be provided the information?

## Paragraph 5

### *My Paragraph 5*

#### Not Informed by UGI Corporation

*(1) Please look at Exhibit "2" from Shipley Energy. It clearly provides the following for my 2011 contract with them;*

- (a) The length of the contract (one year)*
- (b) The locked-in rate of Shipley for the length of the contract (.6950 CCF).*
- (c) The fee for canceling the contract prior to the one year period. (\$75.00)*

Shipley clearly represented the terms of the contract. I signed with shipley for a one year period.

### *UGI'S Councils response*

Paragraph 5 of the Complaint is a prayer for relief to which no response is required.

### *My response*

This sounds like more legal Bull. I am not making a prayer, I am simply a customer wanting everyone to play by the same rules. If you are going to charge me a "Migration Rider Charge" be up front and let me know before I switch my gas suppliers. This may not be legally required by UGI, but it is the honest way a company should operate.

## Paragraph 6

### *My Paragraph 6*

UGI knew for some time that the choice program was coming and when it would take effect. At no time did UGI, the PUC, or the State Legislature notify the consumers that there would be a "Migration Rider Surcharge" if we switched Natural Gas Suppliers.

### *UGI's Councils response*

Paragraph 6 contains no statements for which a response is required.

### ***My Response***

Go back to my street game with the three cups and maybe a ball. One of the cups, (UGI, the PUC, or the State Legislature) should have informed the gas customers of Pennsylvania the “Gas Choice Program” was rigged against the consumer. Legally the way this was set up UGI has all the shells and the ball. Morally as far as I am concerned, they look bad. But in the times we live in, company’s don’t seem to care. It’s the profits that come first. But this is not about the profits, it’s about UGI, the PUC, and the State Legislature being honest with the Gas Customers of Pennsylvania.

If Gas Customers knew that they would pay three times what they were going to save under the “Choice Program” no one in their right mind would switch.

### **Paragraph 7**

#### ***My Paragraph 7***

UGI, the PUC, or the Legislature, should have notified all gas customers that could be affected by the “Migration Rider Surcharge” prior to allowing customers to sign up with other natural gas suppliers.

#### ***UGI’s Councils Response***

Paragraph 7 contains no statements for which a response is required.

#### ***My Response***

This goes to the heart of my complaint. As I have stated, someone made the “Migration Rider” legal. There is probably a rational explanation as to why this was done. I am not arguing that point, my point is the Gas Consumers of Pennsylvania should have been informed as to what the cost would be. And possibly had a date that they could opt out before being charged this fee.

And someone should have the courage to stand up and take responsibility for not informing the Gas Customers of Pennsylvania who made the switch in Gas Suppliers to save money. After all, it was advertised as being a great thing for consumers.

### **Paragraph 8**

#### ***My Paragraph 8***

Under the Choice Program UGI knew that customers had the option to switch gas suppliers prior to the 2011 season. Why didn't UGI notify their customers that they were going to purchase gas for their customers for the upcoming season? And if the customers didn't want UGI as their supplier they could switch natural gas suppliers.

#### ***UGI's Councils Response***

Paragraph 8 contains no statements for which a response is required.

#### ***My Response***

Just answer the question honestly.

### **Paragraph 9**

#### ***My Paragraph 9***

If customers knew, that they would be handing over a \$100.00 penalty, for gas that they would not be getting. They would clearly see that there would be no savings in switching suppliers, and in fact it would cost them more, even though they may have gotten a better rate from another supplier.

#### ***UGI's Councils Response***

Paragraph 9 is a statement for which no response is required.

#### ***My Response***

Someone at least be up front and honest.

### **Paragraph 10**

I am not sure what they are responding to for paragraph 10 as UGI's council seems to have completely ignored my page (3).

## New Matter

### ***UGI's Councils 11***

The Company incorporates its responses to paragraphs 1 through 10 above as if fully set forth herein.

### ***My Response to 11***

I do not Understand

### ***UGI's Councils 12***

UGI, being a natural gas distribution company ("NGDC), is the Supplier of Last Resort (:SOLR") that must stand ready to serve all shopping and non-shopping residential and small commercial/industrial natural gas customers within its service territory. See 66 Pa. C.S. 2207.

### ***My Response***

This sounds like legal Mombo Jumbo. It has nothing to do with my complaint and was probably copied from another document to make the lawyer look good and run up the bill.

### ***UGI's Council 13***

UGI, being a NGDC with gross intrastate annual operating revenues in excess of \$40,000,000, is subject to the provisions of Section 1307(f) of the Public Utility Commission ("Commission") gas cost recovery regulations at 52 Pa. Code 5361 – 53.68, pertaining to the Company's recovery of annual purchase gas costs ("PGC").

### ***My Response***

More Smoke and mirrors that have nothing to do with my case that someone should have informed the Gas Consumers about the Migration rate.

And wouldn't it be polite to give me a copy of what they are quoting?

### ***UGI's Council's 14***

Section 1307(f)(5) of the Public Utility Code provides that a NGDC's PGC rate is subject to adjustment based in the over – or under – collections, with interest, of the purchased gas costs incurred for providing natural gas supply services to its customers compared to the natural gas revenues collected over a historical period. Under this provision, a NGDC may recover from its customers over an annual period any variations between

purchased gas costs incurred and PGC revenues collected during a prior annual period. This adjustment is commonly referred to as the “E-factor.”

*My Response*

It sounds like they are stating the obvious to the PUC, but again this is not what my case is about.

What does the “E” in “E-factor” stand for? Extortion?

*UGI's 15 to 21*

The Lawyer is quoting law. She has done an excellent job of impressing someone a corporate and running up the bill.

**AGAIN THIS IS NOT MY CASE. MY CASE IS UNDER FULL DISCLOSURE, THE GAS CONSUMERS IN PENNSYLVANIA SHOULD HAVE BEEN INFORMED OF THE MIGRATION CHARGE PRIOR TO BEING ALLOWED TO SWITCH NATURAL GAS SUPPLIERS.**

*UGI's 22*

The Customer's supplier-of-record is knowledgeable of the Migration Rider and was able to inform Customer of all costs Customer would incur as a result of switching to the supplier for natural gas supply service. Any rationale UGI could offer as to why the supplier failed to inform Customer of this charge at the time Customer was shopping would be speculation.

*My Response to 22*

This is the “Piesta de Restance” of modern American Industry. When UGI, the PUC, and the legislature, declines to be honest and tell the Gas Consumers of Pennsylvania about the Migration charge they will get when they switch gas suppliers, they blame it on the new supplier.

Remember #1 answer that the UGI attorney gave? “UGI lacks specific information upon which to affirm or deny the contact information of the customer”.

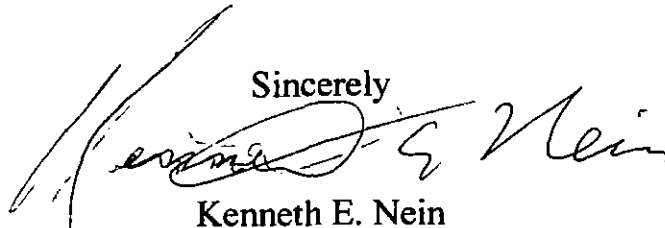
But now they know for certain that my new gas supplier had knowledge that UGI was going to hit me with a migration charge.

UGI under #21 stated "Except if the company were to propose a change to the Migration Rider, **the Company is subject to no further notice obligations pertaining to the migration Rider.**

And now the UGI attorney suggests that my new supplier is somehow obligated to inform me of the migration rider. Does anyone other than myself see how **ridiculous** that statement is?

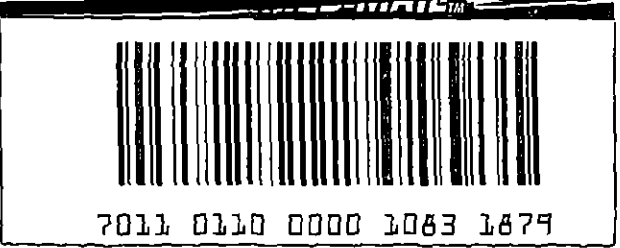
Could you please supply me with the information I requested on page 4 of my letter dated March 31,2011?

Sincerely



Kenneth E. Nein

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