

**PENNSYLVANIA PUBLIC UTILITY COMMISSION  
HARRISBURG, PENNSYLVANIA 17120**

**Richard Adams  
v.  
UGI Utilities, Inc. – Gas Division**

**Public Meeting October 14, 2011  
2182016-ALJ  
Docket No. C-2010-2182016**

**MOTION OF  
VICE CHAIRMAN JOHN F. COLEMAN, JR.**

Before the Commission for disposition is an Initial Decision (“ID”) dismissing the above-captioned Formal Complaint filed by Richard Adams against UGI Utilities, Inc. – Gas Division (“UGI”) for failure to meet the burden of proof.

The Complainant is a Gas Beyond the Mains (“GBM”) customer of UGI and receives propane gas from Amerigas. The Complainant has received UGI GBM service since 1996 when he purchased his home. Tr. at 5-6. Complainant lives on a cul-de-sac with five or six other homes. Tr. at 8. According to Complainant, his home is located approximately 1,000 feet from the closest UGI distribution facilities. Tr. at 6.

Complainant filed his Complaint because his GBM propane rate was going to change. As part of a Commission-approved settlement in UGI’s 2009 Purchased Gas Cost proceeding at Docket No. R-2009-2105911 (“2009 PGC Settlement”), UGI is required to phase-out PGC rates and phase-in market-based propane rates for all remaining pre-December 1, 2004 GBM customers, including the Complainant. The phase-out/phase-in was to commence on December 1, 2010 and is to occur evenly over a 5-year period. After the 5-year transition period, UGI is at risk for recovery of 100% of Rate GBM propane supply costs to these customers. Complainant’s requested relief is for UGI to provide natural gas service to his street.

I agree, based on the record evidence before us, Complainant did not meet his burden of proof and establish that UGI agreed to provide him with natural gas distribution service. Similarly, I do not believe that UGI has any obligation under the 2009 PGC Settlement to convert Complainant to natural gas distribution service. Nevertheless, the starting point in an “obligation to serve” case is typically the utility’s tariff.<sup>1</sup> Here, the relevant UGI tariff rule is Rule 5 governing extension regulation and, specifically, Rule 5.2 governing the obligation to extend.

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<sup>1</sup> Pursuant to 52 Pa. Code § 59.27, each gas utility is required to file with the Commission, as part of its tariff, a line extension rule.

The parties in this case did not address Rule 5 as an issue, and the Rule 5.2 requirements regarding the obligation to extend are not specifically addressed in the record. In my view, UGI could have treated one of Complainant's prior service requests as a line extension request under its Tariff.<sup>2</sup> However, UGI did not do so. To address this situation and in an effort to facilitate an amicable resolution of this matter, I direct UGI to treat Complainant's service request made through his Complaint as a written application for a line extension under Rule 5 of UGI's Tariff. In treating Complainant's request as such, UGI should follow its usual line extension process, including informing whether an extension will adversely impact service reliability to existing customers and if not, providing an estimate to Complainant for the total costs to extend UGI's facilities to his home and what portion would have to be borne by the Complainant.

In closing, I agree with the decision to dismiss the Complaint but conclude that the dismissal should be without prejudice. A dismissal without prejudice clarifies that Mr. Adams is not prohibited from utilizing the Commission's Formal Complaint process, as necessary, to address any grievance that he may have regarding UGI's application of its tariff to his service request.

**THEREFORE, I move that:**

1. The Initial Decision be modified consistent with this Motion.
2. The Commission's Office of Special Assistants draft an appropriate Order consistent with this Motion.

**DATE: October 14, 2011**



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**JOHN F. COLEMAN, JR.  
VICE CHAIRMAN**

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<sup>2</sup> The record evidence is that Complainant contacted UGI several times by telephone to request natural gas distribution service, the most recent time being in 2008. Tr. at 6-7.