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February 10, 2012

Rosemary Chiavetta
Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor North
P.O. Box 3265
Harrisburg, PA 17105-3265

**RE: Application of Leatherstocking Gas Company, LLC to Supply Natural Gas Service to the Public in Certain Townships and Boroughs in Northern Susquehanna County, Pennsylvania
Docket No. A-2011-2275595**

**Application of UGI Penn Natural Gas, Inc. for approval to begin to offer, render, furnish or supply gas utility service to the public in the additional territories of Bridgewater, Forest Lake, Great Bend, Harmony, New Milford and Oakland Townships, and Great Bend, Hallstead, Lanesboro, Montrose, New Milford, Oakland and Susquehanna Depot Boroughs, Susquehanna County, Pennsylvania
Docket No. A-2012-2284831**

Dear Secretary Chiavetta:

Enclosed please find the Motion to Consolidate of UGI Penn Natural Gas, Inc. in the above-referenced proceedings. Copies will be provided as indicated on the Certificate of Service.

Respectfully Submitted,

Michael W. Hassell

MWH/skr

Enclosures

cc: Certificate of Service
Honorable David A. Salapa

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document has been served upon the following persons, in the manner indicated, in accordance with the requirements of § 1.54 (relating to service by a participant).

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Date: February 10, 2012



Michael W. Hassell

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Application of Leatherstocking Gas Company, :
LLC to Supply Natural Gas Service to the : Docket No. A-2011-2275595
Public in Certain Townships and Boroughs in :
Northern Susquehanna County, Pennsylvania :

Application of UGI Penn Natural Gas, Inc. for :
approval to begin to offer, render, furnish or :
supply gas utility service to the public in the : Docket No. A-2012-2284831
additional territories of Bridgewater, Forest :
Lake, Great Bend, Harmony, New Milford and :
Oakland Townships, and Great Bend, :
Hallstead, Lanesboro, Montrose, New Milford, :
Oakland and Susquehanna Depot Boroughs, :
Susquehanna County, Pennsylvania :

**MOTION TO CONSOLIDATE OF
UGI PENN NATURAL GAS, INC.**

TO THE HONORABLE DAVID A. SALAPA:

UGI Penn Natural Gas, Inc. "PNG" hereby moves, pursuant to 52 Pa. Code § 5.81, for the consolidation of the above-captioned matters. PNG respectfully requests that the Honorable David A. Salapa and the Pennsylvania Public Utility Commission ("Commission") consolidate these proceedings for purposes of hearings and adjudication because they raise common issues of fact and law and, therefore, promote the prompt, efficient, and consistent administration of justice. In support of this Motion, PNG states as follows:

1. On November 23, 2011, Leatherstocking Gas Company, LLC (“Leatherstocking”) filed the “Application of Leatherstocking Gas Company, LLC to Supply Natural Gas Service to the Public in Certain Townships and Boroughs in Northern Susquehanna County, Pennsylvania” at Docket No. A-2011-2275595 (“Leatherstocking Application”). In its Application, Leatherstocking seeks a certificate of public convenience, pursuant to Chapter 11 of the Public Utility Code, authorizing it to begin to offer, render, furnish, or supply natural gas distribution services in certain townships and boroughs in rural parts of northern and central Susquehanna County.

2. PNG is a Pennsylvania certificated “public utility” and a “natural gas distribution company” (“NGDC”) as those terms are defined in Sections 102 and 2202 of the Code, 66 Pa.C.S. §§ 102, 2202. PNG provides natural gas transmission, distribution, and supplier of last resort services to approximately 157,000 customers throughout its certificated service territory, which includes all or a portion of the following Pennsylvania counties: Clinton, Columbia, Lackawanna, Luzerne, Lycoming, Montour, Northumberland, Pike, Snyder, Susquehanna, Union, Wayne, and Wyoming Counties. PNG currently provides natural gas services within Lackawanna, Wayne, and Wyoming Counties, which are neighboring counties to Susquehanna County. Further, PNG’s certificated service territory presently includes Forest City Borough, Uniondale Borough, Clifford Township, and Auburn Township, which are located in Susquehanna County.

3. On January 18, 2012, PNG filed with the Commission the “Application of UGI Penn Natural Gas, Inc. for approval to begin to offer, render, furnish or supply gas utility service to the public in the additional territories of Bridgewater, Forest Lake, Great Bend, Harmony, New Milford and Oakland Townships, and Great Bend, Hallstead, Lanesboro, Montrose, New

Milford, Oakland and Susquehanna Depot Boroughs, Susquehanna County, Pennsylvania,” Docket No. A-2012-2284831 (hereinafter “PNG Application”). The PNG Application seeks a certificate of public convenience to extend its service within Susquehanna County, including all of the service territory proposed in the Leatherstocking Application.

4. The Commission’s disposition of Leatherstocking’s Application will have a direct, immediate, and substantial impact on the PNG Application and the contemplated extension of PNG’s existing facilities and certificated service territory to serve additional areas within Susquehanna County.

5. The Commission has explained that “the principal criteria to be used in selecting between competing applications for a certificate of public convenience to serve the same territory are set forth in *Pittston Gas Company v. Pa. P.U.C.*, 154 A.2d 43, (Pa. Super 1959).” *Application of the Audubon Water Company; Application of Citizens Utilities Home Water Company*, Docket Nos. A-00101797, F.2, *et al.*, 69 Pa. PUC 88, 1989 Pa. PUC LEXIS 11 at *10 (January 4, 1989). The Court in Pittston stated, in pertinent part, that:

The controlling consideration in choosing one from among a number of applicants to render service by a public utility requires the selection of that applicant best fitted to carry out the duties imposed by such certificate. Consideration should be given to such matters as experience, financial resources and kindred matters.

....

The financial responsibility of the applicant should receive real consideration in a matter of this kind.

Pittston, 154 A.2d. at 515 (citing *Re Northwest Natural Gas Co.*, 6 P.U.R.3d 403, 415; *Re Edington*, 10 P.U.R.3d 145, 155; *Southwest Trans. Co. v. Commonwealth*, (Id. at 377).

6. Susquehanna County largely is comprised of rural areas that currently lack natural gas service. The prudent and carefully planned development of natural gas infrastructure in

Susquehanna County would be a significant public benefit. Consequently, it is critically important for the Commission to ensure the entity that provides such service has the requisite managerial and technical fitness. Furthermore, it is important that the Commission adopt the best overall plan to develop and provide natural gas services to serve the service territory proposed in the Leatherstocking Application, as well as other areas in Susquehanna County.

7. Pursuant to the criteria set forth in *Pittston*, the Commission needs to review the competing proposals to serve Susquehanna County and determine as between an existing public utility and a proposed public utility, which is best fitted to provide the proposed service. As a result, it is clear that the above-mentioned proceedings are interrelated and raise common issues of law and fact. Because the disposition of each of these matters is interrelated, the consolidation of these proceedings will promote the efficient use of the time and resources of the parties and the Commission.

WHEREFORE, UGI Penn Natural Gas, Inc. respectfully requests that the Honorable Judge David A. Salapa enter an order consolidating (1) the Leatherstocking Application at Docket No. A-2011-2275595 and (2) the PNG Application at Docket No. A-2012-2284831 for purposes of hearings and adjudication.

Respectfully submitted,



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Of Counsel:

Post & Schell, P.C.

Date: February 10, 2012

Attorneys for UGI Penn Natural Gas, Inc.