



BOX 858 VALLEY FORGE, PA 19482 • 610-337-1000

August 9, 2012

VIA E-FILING AND FIRST CLASS MAIL

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

**Re: Generic Investigation on Gas-on-Gas Competition Issues,
Docket No. P-2011-2277868**

Dear Secretary Chiavetta:

Enclosed, please find an e-filing copy of the Petition to Intervene of the UGI Distribution Companies.

Should you have any questions concerning this filing, please feel free to contact me.

Very truly yours,

A handwritten signature in black ink, appearing to read "Mark C. Morrow". The signature is fluid and cursive, with a long horizontal stroke at the end.

Mark C. Morrow

Counsel for the UGI Distribution Companies

cc: Certificate of Service

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Generic Investigation of :
Gas-on-Gas Competition : Docket No. P-2011-2277868
Issues :

**PETITION TO INTERVENE OF THE
UGI DISTRIBUTION COMPANIES**

Pursuant to 52 Pa. Code §5.71, the UGI Distribution Companies, comprised for the purposes of this filing of UGI Utilities, Inc., and its wholly-owned subsidiaries UGI Central Penn Gas, Inc. and UGI Penn Natural Gas, Inc., hereby petition to intervene in the above-captioned proceeding, and in support thereof state as follows:

1. The UGI Distribution Companies are certificated natural gas distribution companies (“NGDC”) providing natural gas distribution service to in excess of 585,000 customers in all or portions of 46 counties in Pennsylvania through a distribution system encompassing approximately 12,200 miles of gas mains.

2. By way of a Secretarial Letter dated July 25, 2012, the UGI Distribution Companies were informed the Commission had decided, in response to a December 8, 2011, joint petition filed by the Bureau of Investigations and Enforcement, the Office of Consumer Advocate, the Office of Small Business Advocate, Peoples TWP LLC and Peoples Natural Gas Company, to assign to the Office of Administrative Law Judge the task of addressing, on a generic basis, “issues related to a NGDC’s flexing of distribution rates to meet the lower rates from other NGDCs and the treatment of flexed revenues for ratemaking purposes in future ratemaking proceedings[,]” and that “[o]ther interested parties are invited to file interventions in order to participate in these proceedings.”

3. Each of the UGI Distribution Companies has service territories which partially overlap the service territories of other UGI Distribution Companies or other un-affiliated NGDCs.

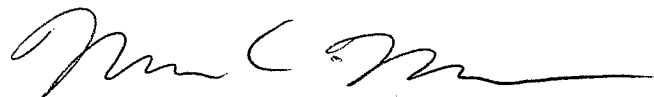
4. Each of the UGI Distribution Companies also has interruptible rates which can be flexed for customers with a documented installed capacity to consume an alternate fuel, and certain firm rates for larger volume customers that can be flexed below certain rate caps to meet competitive alternatives that might be available to such customers.

5. The UGI Distribution Companies are not aware of any instance where they have flexed interruptible rates or negotiated firm rates for larger customers to compete with another NGDC, but such instance could occur in the future.

6. The UGI Distribution Companies accordingly believe that they have a direct interest in the issues that will or may be addressed in the generic investigation, and that their interests are not adequately represented by any party.

WHEREFORE, the UGI Distribution Companies respectfully request that the Commission grant their petition to intervene in the above-captioned proceeding.

Respectfully submitted,

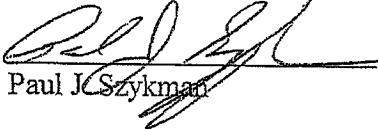


Mark C. Morrow (Attorney I.D. #33590)
Chief Regulatory Counsel
UGI Corporation
460 North Gulph Road
King of Prussia, PA 19406
Tel.: 610-768-3628
e-mail: morrow@ugicorp.com

Counsel for the UGI Distribution Companies

VERIFICATION

Paul J. Szykman, deposes and says that he is Vice President - Rates for UGI Utilities, Inc., that he is duly authorized to and does make this Verification on behalf of the UGI Distribution Companies; that the facts set forth in the foregoing Petition to Intervene are true and correct to the best of his knowledge information and belief; and that this verification is made subject to the penalties of 18 Pa.C.S. §4904 (relating to unsworn falsification to authorities).


Paul J. Szykman

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Generic Investigation of :
Gas-on-Gas Competition : Docket No. P-2011-2277868
Issues :

CERTIFICATE OF SERVICE

I hereby certify that I have, this 9th day of August, 2012, served a true and correct copy of the foregoing document in the manner and upon the persons listed below in accordance with requirements of 52 Pa. Code §1.54 (relating to service by a participant):

VIA ELECTRONIC AND FIRST CLASS MAIL:

Tanya J. McCloskey
Shaun A. Sparks
James A. Mullins
Office Of Consumer Advocate
555 Walnut Street
5th Floor, Forum Place
Harrisburg, PA 17101-1921
tmccloskey@paoca.org
ssparks@paoca.org
jmullins@paoca.org

Steven C. Gray
Office of Small Business Advocate
Suite 1102, Commerce Building
300 North Second Street
Harrisburg, PA 17101
sgray@pa.gov

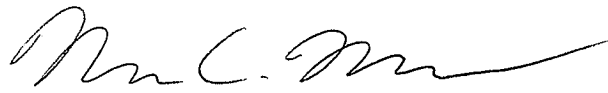
Allison C. Kaster
Bureau of Investigations and Enforcement
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265
akaster@pa.gov

Pamela C. Polacek
Teresa K. Schmittberger
McNees, Wallace & Nurick
100 Pine Street
P.O. Box 1166
Harrisburg, PA 17108-1166
ppolacek@mwn.com
tschmittberger@mwn.com

Jay W. Dawson
Vice President and Secretary
Peoples TWP LLC
205 N. Main Street
Butler, PA 16001
Jay.Dawson@peopleswp.com

William Roberts II
Senior Counsel
Peoples Natural Gas Company LLC
375 North Shore Drive, Suite 600
Pittsburgh, PA 15212
William.H.Roberts@Peoples-Gas.com

Theodore J. Gallagher
Senior Counsel
Nisource Corporate Services Company
121 Champion Way, Suite 100
Cannonsburg, PA 15317
tjgallagher@nisource.com

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Mark C. Morrow