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December 7, 2012

VIA ELECTRONIC FILING

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

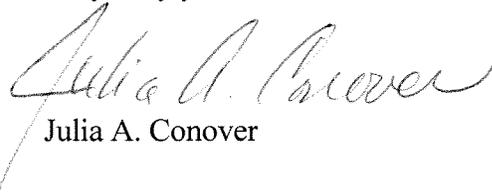
RE: Joint Petition for Consolidation of Proceedings And Approval Of Energy Efficiency and Conservation Plans Phase II of Metropolitan Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company, and West Penn Power Company; Docket No. M-2012-2334392; **PETITION TO INTERVENE**

Dear Secretary Chiavetta:

Enclosed for filing with the Commission is an original of the Petition to Intervene of UGI Penn Natural Gas, Inc. and UGI Central Penn Gas, Inc. in the above-captioned proceeding. Copies of this Petition to Intervene have been served in accordance with the attached Certificate of Service.

Thank you for your attention to this matter. If you have any questions related to this filing, please do not hesitate to contact my office.

Very truly yours,



Julia A. Conover

JAC/jld/152010.1

Enclosures

cc: Administrative Law Judge Elizabeth H. Barnes
Per Certificate of Service

CERTIFICATE OF SERVICE

I hereby certify that I have served the foregoing Petition to Intervene upon the parties, listed below, in accordance with the requirements of §1.54 (relating to service by a party).

VIA ELECTRONIC AND FIRST CLASS MAIL

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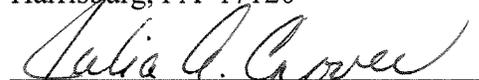
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Kevin J. McKeon
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DATED: December 7, 2012

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Joint Petition for Consolidation of Proceedings :
And Approval Of Energy Efficiency and : Docket No. M-2012-2334392
Conservation Plans Phase II of Metropolitan : (Pennsylvania Electric Company)
Edison Company, Pennsylvania Electric :
Company, Pennsylvania Power Company, and :
West Penn Power Company.

**PETITION TO INTERVENE
OF UGI PENN NATURAL GAS, INC. AND
UGI CENTRAL PENN GAS, INC.**

UGI Penn Natural Gas, Inc. (“UGI PNG”) and UGI Central Penn Gas, Inc. (“UGI CPG”) (collectively, the “UGI Distribution Companies”), by and through their counsel, Hawke McKeon & Sniscak LLP, hereby file this Petition to Intervene in the above-captioned matter pursuant to 52 Pa. Code § 5.71. In support thereof, the UGI Distribution Companies represent as follows:

1. The UGI Distribution Companies are represented in the above-captioned matter by the following counsel:

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Please include the above-listed counsel on the service list for all documents in this matter.

2. On November 13, 2012, Metropolitan Edison Company (“Met-Ed”), Pennsylvania Electric Company (“Penelec”), Pennsylvania Power Company (“Penn Power”) and West Penn Power (“West Penn”) filed a Joint Petition requesting approval of their respective Act 129 Phase II Energy Efficiency and Conservation Plans (“EE&C Plans”) with the Pennsylvania Public Utility Commission (“PUC” or “Commission”).

3. UGI Penn Natural Gas, Inc. (“UGI Penn”), headquartered in Wilkes-Barre, Pennsylvania, provides natural gas distribution service to approximately 161,000 additional customers in 13 counties in northeastern Pennsylvania, including the cities of Scranton, Wilkes-Barre and Williamsport.

4. UGI Central Penn Gas, Inc. (“UGI CPG”), headquartered in Reading, Pennsylvania, provides natural gas distribution service to approximately 76,000 additional customers in 34 counties in Pennsylvania and one county in Maryland.

5. The Commission’s regulations provide that a petition to intervene may be filed by a person claiming a right to intervene or an interest of such nature that intervention is necessary or appropriate to the administration of the statute under which the proceeding is brought.¹ In

¹ 52 Pa. Code § 5.72 (a).

order to successfully demonstrate that intervention is appropriate, at least one of the eligibility requirements of 52 Pa. Code § 5.72 must be met.²

6. The UGI Distribution Companies seek to intervene in Docket No. M-2012-2334392 addressing the EE&C Plan submitted by Penelec. The UGI Distribution Companies are eligible to intervene in this proceeding under both § 5.72(a)(2) and (a)(3). The UGI Distribution Companies have interests which are directly affected and are not adequately represented by existing participants in the proceeding as to which the UGI Distribution Companies may be bound by the action of the Commission in the proceeding. In light of these interests, the UGI Distribution Companies participated in the proceeding to consider Penelec's Phase I EE&C Plan and have participated in Penelec's stakeholder process for the development of its current plan. Given the broad requirements and clear intent of Act 129 for the EDCs' employment of energy efficiency and conservation measures such as "energy efficient heating and cooling equipment or systems and energy efficient appliances and other technologies," the UGI Distribution Companies – which advocate the inclusion of fuel switching technologies in the EE&C plans – have interests that are of such a nature that their participation in this proceeding is in the public interest.

(a) Act 129 and the Commission's Orders implementing it clearly contemplate that fuel substitution programs are eligible to meet the EDCs' Act 129 load reduction targets³ and that the statute requires procedures to be established "through which

² The right or interest may be one of the following: (1) a right conferred by statute of the United States or of the Commonwealth; (2) an interest which may be directly affected and which is not adequately represented by existing participants, and as to which the petitioner may be bound by the action of the Commission in the proceeding; or (3) another interest of such nature that participation of the petitioner may be in the public interest. *Id.*

³ See e.g., 66 Pa. C.S. §2806.1 (a), (b)(1)(i)(A), and (m); *2012 Total Resource Cost Test*, Order entered Aug. 30, 2012 in Docket No. M-2012-230653, at 41-43 (fuel switching included as part of the PA TRC test); *Act 129 Fuel Switching Working Group Staff Report*, Docket No. M-00051865, Secretarial Letter dated May 21, 2010, at 2

recommendations can be made as to additional measures that will enable an EDC to improve its plan.”⁴

(b) The UGI Distribution Companies should also be granted intervention in this proceeding because the use of natural gas resources as an electric usage reduction measure has the potential to significantly affect the total costs that Penelec customers may ultimately pay for their total energy consumption once an approved EE&C plan is fully implemented. In addition, once approved, the EE&C plans will be in place for an extended timeframe with limited opportunities for plan review and adjustment. Thus, the Commission must gather and consider a broad spectrum of industry and consumer input on the sufficiency of the EDCs’ EE&C plans now so that the goals of Act 129 are achieved in a cost-effective manner for the long term.

(c) The UGI Distribution Companies seek to intervene in this proceeding for the purpose of providing input regarding the significant benefits of including additional fuel switching measures in Penelec’s EE&C Plan to not only meet the load reduction mandate of Act 129, but to provide long-term sustainable benefits to consumers such as downward pressure on wholesale electric and natural gas prices resulting from the more efficient use of natural gas on a source-to-end-use basis and a reduction in greenhouse gas emissions. The UGI Distribution Companies are uniquely positioned to provide valuable input to the Commission on fuel switching measures because they provide natural gas service to customers in Penelec’s territory. The UGI Distribution Companies’ interest is not adequately represented by any other party or participant in this proceeding.

(adopting the Fuel Switching Working Group Report’s recommendations, which expressly endorsed the use of fuel switching measures in Act 129 EE&C plans); *Implementation Order -- Energy Efficiency and Conservation Program*, (“ Phase I Implementation Order”), Order entered January 16, 2009 in Docket No. M-2008-2069887 at 14 (Act requires an EDC to demonstrate that its plan is cost-effective using the TRC test, and that it provides a diverse cross section of alternatives for all rate classes).

⁴ Phase I Implementation Order at 23-24.

(d) UGI Distribution Companies also have standing to intervene in this action as customers and ratepayers of Penelec.

WHEREFORE, the UGI Distribution Companies respectfully request that the Commission grant them leave to intervene and admit them as parties to this proceeding.

Respectfully submitted,



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Dated: December 7, 2012