



550 EAST KING STREET • POST OFFICE BOX 946 • YORK, PENNSYLVANIA 17405  
717-848-4100 • 800-839-1849

December 27, 2000

ORIGINAL

A-125015

Secretary James J. McNulty  
Commonwealth of Pennsylvania  
Pennsylvania Public Utility Commission  
P.O. Box 3265  
Harrisburg, PA 17105-3265

**RE: CHANGE OF CONTACT NAME**

Dear Secretary McNulty:

Shibley Energy Company is a licensed Electric Generation Supplier (Docket A-110069) and a licensed Natural Gas Supplier (Docket A-125015). The purpose of this letter is to notify the Commission of a change in contact persons for all PUC mailings in relation to Shibley Energy Company's status as an EGS and a NGS.

Effective January 1, 2001, the new contact name for all mailings to Shibley Energy Company will be as follows:

**Ms. Lori Horn**  
**Manager of Supply & Distribution**  
**Shibley Energy Company**  
**P.O. Box 946**  
**York, PA 17405**  
**Phone: (717)771-1869**  
**Fax: (717)771-1937**  
**E-mail: lhorn@shibleyenergy.com**

If you have any questions or require additional information regarding this change of contact persons, please contact Lori Horn at the phone number listed above.

Sincerely,

Jeffrey Simpson  
Energy Sales Coordinator

Cc: L. Horn, D. Wilson

**DOCKETED**  
JAN 10 2001

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DEC 26 AM 8:54

DOCUMENT  
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Sales, Service and Installation of:

Natural Gas • Electricity • Fuel Oil • Diesel • Propane • Central Air Conditioning

**DOCKETED**

MAR 10 2004

**Hawke**

**McKeon**

**Sniscak &**

**Kennard LLP**

ATTORNEYS AT LAW

William T. Hawke  
Kevin J. McKeon  
Thomas J. Sniscak  
Norman James Kennard  
Lillian Smith Harris  
Scott T. Wyland

Todd S. Stewart  
Craig R. Burgraff  
Janet L. Miller  
Steven K. Haas  
William E. Lehman  
Rikardo J. Hull

100 North Tenth Street, Harrisburg, PA 17101 Phone: 717.236.1300 Fax: 717.236.4841 www.hmsk-law.com

November 26, 2003

VIA HAND DELIVERY

James J. McNulty, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street  
P.O. Box 3265  
Harrisburg, PA 17105-3265

**DOCUMENT**

2003 NOV 26 PM 1:31  
PA 17101  
SECRETARY'S BUREAU

RECEIVED

Re Shipley Energy Company; Docket No. A-125015; **NOTIFICATION OF CHANGE IN ORGANIZATIONAL STRUCTURE**

Dear Secretary McNulty:

The purpose of this letter is to notify the Commission of a change in the organizational structure of Shipley Energy Company, pursuant to 52 Pa. Code § 62.105.

Specifically, as of January 1, 2004, Shipley intends to transfer responsibility for the Natural Gas Supply Services currently provided by Shipley Energy Company, to a newly created entity in the Shipley family of companies, named Shipley Fuels Marketing, LLC. The services to be transferred will include service to "Choice" customers in both the UGI and Columbia service territories as well as gas transportation customers in the same NGDC service territories. The same personnel within Shipley's organization will continue to serve these customers, and the same contractual terms and obligations will continue to apply. In short, no other aspect of the services provided to these customers is expected to change as a result of this reorganization. Shipley is providing notice of this change to all affected customers, either by bill inserts or by separate mailings. Shipley Fuels Marketing LLC will use the fictitious name of Shipley Energy to provide service to these customers for the foreseeable future and will continue to be backed by the financial strength of the Shipley organization.

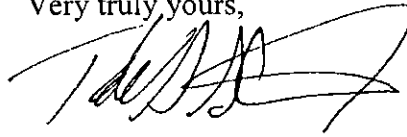
MAILING ADDRESS: P.O. BOX 1778 HARRISBURG, PA 17105

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James J. McNulty, Secretary  
November 26, 2003  
Page 2

If you have any questions concerning this change, please do not hesitate to contact me.

Very truly yours,



Todd S. Stewart  
Counsel for Shipley Energy Company

TSS/tap

cc: Mark Kempic, Esquire  
Mark Morrow, Esquire  
Richard Beamesderfer, Shipley Energy Company

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2003 NOV 26 PM 1:31  
T.S. PUBLIC  
SECRETARY'S BUREAU



UGI Utilities, Inc.  
460 North Gulph Road  
King of Prussia, PA 19406  
  
Post Office Box 858  
Valley Forge, PA 19482-0858  
  
(610) 337-1000 Telephone  
(610) 992-3259-Fax

December 9, 2003

VIA EXPRESS MAIL

DOCUMENT

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DEC 09 2003

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

James J. McNulty, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street  
Harrisburg, PA 17120

**Re: Shipley Energy Company Notification of Change in  
Organizational Structure, Docket No. A-125015**

Dear Secretary McNulty:

Enclosed for filing please find an original and three copies of the response of UGI Utilities, Inc. – Gas Division to the Notification of Change in Organizational Structure filed by Shipley Energy Company. This document is being filed with a facsimile affidavit; the original affidavit will be filed under a separate cover letter. Copies of this document have been served upon the persons shown on the attached certificate of service.

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

Very truly yours,

Mark C. Morrow

Counsel for UGI Utilities, Inc. –  
Gas Division

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DEC 09 2003

BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION  
PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

SHIPLEY ENERGY COMPANY :  
NOTIFICATION OF CHANGE IN :  
ORGANIZATIONAL STRUCTURE :

Docket No. A-125015

**RESPONSE OF UGI UTILITIES, INC. –  
GAS DIVISION TO THE NOTIFICATION OF  
CHANGE IN ORGANIZATIONAL STRUCTURE  
OF SHIPLEY ENERGY, INC.**

**DOCKETED**  
FEB 10 2004  
**DOCUMENT**

UGI Utilities, Inc. – Gas Division (“UGI”) hereby files the following response to the Notification of Change in Organizational Structure filed by Shipley Energy Company (“Shipley”) at the above docket number, and in support thereof states the following:

1. UGI is a certificated natural gas distribution company (“NGDC”) with a service territory encompassing portions of fifteen counties in eastern and central Pennsylvania.
2. Shipley is a Commission-licensed natural gas supplier (“NGS”) that provides natural gas supply service to in excess of 4,000 customers on UGI’s system.
3. On or about November 26, 2003, Shipley filed a “Notification of Change in Organizational Structure” (the “Notification”) with the Commission. A copy of this notification is attached as Appendix A hereto.
4. The Notice states, in pertinent part:

Specifically, as of January 1, 2004, Shipley intends to transfer responsibility for the Natural Gas Supply Services currently provided by Shipley Energy Company, to a newly created entity in the Shipley family of companies, namely Shipley Fuels Marketing, LLC. The services to be transferred will include service to “Choice” customers in both the UGI and Columbia service territories. (Emphasis added.)

5. Section 2208(a) of the Public Utility Code, 66 Pa.C.S. §2208, states that “[n]o entity shall engage in the business of a natural gas supplier unless it holds a license issued by the commission.”

6. Section 2208(d) of the Public Utility Code, 66 Pa.C.S. §2208(d), states that “[n]o license issued under this chapter may be transferred without prior commission approval.”
7. The Commission’s regulation at 52 Pa.Code §62.112, in turn, provide:
  - (a) A license may not be transferred without prior Commission approval. See section 2208(d) of the act (relating to requirements for natural gas suppliers). Approval for transfer shall be obtained by petition to the Commission. A license application shall be filed by the transferee at the same time that the petition for transfer is filed and demonstrate the tranferee’s financial and technical fitness to render service under the transferred license.
  - (b) A licensee may not abandon its license without providing 90 days prior written notice to the Commission, the licensee’s customers, the affected distribution utilities and suppliers of last resort. The licensee shall provide written individual notice to its customers at approximately 90 days and 60 days preceding the effective date of abandonment. (Emphasis added.)
8. Reflecting the provisions of the Public Utility Code, the Commission’s regulations, and the rules established in UGI’s gas restructuring filing, UGI’s Choice Supplier Tariff establishes a number of requirements for NGSs that wish to serve choice loads on UGI’s system. Among these requirements are the filing and processing of an application, the execution of an Aggregation Agreement and the posting of required levels of financial security.
9. To UGI’s knowledge, Shipley Fuels Marketing, LLC has not applied for or obtained a NGS license from the Commission. It is also not eligible to serve choice customers on UGI’s system since it is not a licensed NGS, has not filed an application to be a qualified choice supplier on UGI’s system, has not executed an Aggregation Agreement and has not posted the required level of financial security.
10. While the Notification states that it is being filed pursuant to the provisions of 52 Pa.Code §62.104, that section of the Commission’s NGS licensing regulations clearly does not authorize the provision of natural gas supply services by unlicensed entities, the transfer of NGS licenses without the filing of a transfer petition by the transferor and a license application by the transferee, or the provision of natural gas supply services in violation of Commission-approved tariff requirements.
11. Specifically, 52 Pa.Code §62.104 provides:

- (a) The applicant has a duty to inform the Commission of a material change in the information provided in an application during the pendency of the application, or while the licensee is operating in this Commonwealth.
- (b) A material change in the organizational structure or operation that affects an applicant's or licensee's operation in this Commonwealth shall be reported to the Commission within 30 days of the date of the change. Specifically, notification shall be given to the Commission of a change in the following:
  - (1) Affiliation with an NGDC.
  - (2) Affiliation with an entity that has a franchised service area.
  - (3) Affiliation with another NGS.
  - (4) Affiliation with a licensed electric generation supplier.
  - (5) Office location.
  - (6) Chief executive officer or operating partners.
  - (7) Customer classes served expanded to include residential and small commercial customers.
- (c) Unless directed otherwise by the Commission, the licensee does not need to file an amended application with the Commission.

12. The provisions of 52 Pa.Code §62.104 were clearly intended to keep the Commission informed of changes in the circumstances of a particular licensed NGS or applicant for a NGS license so that the Commission can fulfill its statutory duty to ensure that licensed NGSs are and remain qualified to provide natural gas supply services in the Commonwealth. They are clearly not intended to circumvent or supercede other provisions of Public Utility Code and the Commission's licensing regulations addressing abandonment and transfer of NGS licenses.

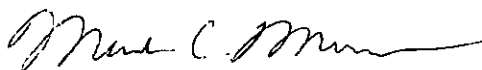
13. The Notification is not informing the Commission of changes in the circumstances of a particular licensed NGS so that the Commission can fulfill its duty of ensuring that the NGS remains qualified to provide natural gas supply services in the Commonwealth, and the identified changes do not fall within any of the categories listed in subsection (b) of 52 Pa.Code §62.104.

14. Instead, the Notification is informing the Commission of Shipley's intent to abandon its natural gas supply obligations on short notice, and of its intend to transfer those obligations to an unknown, unauthorized and unlicensed entity.

WHEREFORE, UGI Utilities, Inc. – Gas Division respectfully requests that the Commission (1) direct Shipley to continue service to choice customers until such time as it

provides notice of its intent to abandon service to all the required parties under the provisions of 52 Pa.Code §62.112(b) and facilitates the transfer of each of its choice customers to another licensed NGS or POLR service provider at the beginning of each customer's billing cycle, and (2) deny Shipley's apparent request to transfer its NGS license to a new entity until such time as that new entity files for and is issued an NGS license by the Commission in accordance with the requirements of the Public Utility Code and the Commission's regulations and establishes as part of that process its "financial and technical fitness to render service under the transferred license" in accordance with the requirements of 52 Pa.Code §62.112(b).

Respectfully submitted,



Mark C. Morrow

Counsel for UGI Utilities, Inc. –  
Gas Division

Dated: December 9, 2003



**APPENDIX A**

Hawke

McKeon

Sniscak & MCM

Kennard LLP  
ATTORNEYS AT LAW

Received

DEC - 1 2003

William T. Hawke  
Kevin J. McKeon  
Thomas J. Sniscak  
Norman James Kennard  
Lillian Smith Harris  
Scott T. Wyland

Todd S. Stewart  
Craig R. Burgraff  
Janet L. Miller  
Steven K. Haas  
William E. Lehman  
Rikardo J. Hull

100 North Tenth Street, Harrisburg, PA 17101 Phone: 717.236.1300 Fax: 717.236.4841 www.hmsk-law.com

November 26, 2003

**VIA HAND DELIVERY**

James J. McNulty, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street  
P.O. Box 3265  
Harrisburg, PA 17105-3265

Re Shipley Energy Company; Docket No. A-125015; **NOTIFICATION OF CHANGE IN ORGANIZATIONAL STRUCTURE**

Dear Secretary McNulty:

The purpose of this letter is to notify the Commission of a change in the organizational structure of Shipley Energy Company, pursuant to 52 Pa. Code § 62.105.

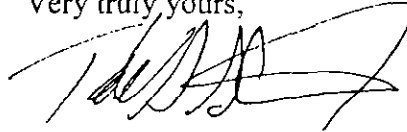
Specifically, as of January 1, 2004, Shipley intends to transfer responsibility for the Natural Gas Supply Services currently provided by Shipley Energy Company, to a newly created entity in the Shipley family of companies, named Shipley Fuels Marketing, LLC. The services to be transferred will include service to "Choice" customers in both the UGI and Columbia service territories as well as gas transportation customers in the same NGDC service territories. The same personnel within Shipley's organization will continue to serve these customers, and the same contractual terms and obligations will continue to apply. In short, no other aspect of the services provided to these customers is expected to change as a result of this reorganization. Shipley is providing notice of this change to all affected customers, either by bill inserts or by separate mailings. Shipley Fuels Marketing LLC will use the fictitious name of Shipley Energy to provide service to these customers for the foreseeable future and will continue to be backed by the financial strength of the Shipley organization.

**MAILING ADDRESS: P.O. BOX 1778 HARRISBURG, PA 17105**

James J. McNulty, Secretary  
November 26, 2003  
Page 2

If you have any questions concerning this change, please do not hesitate to contact me.

Very truly yours,

A handwritten signature in black ink, appearing to read "Todd S. Stewart". The signature is fluid and cursive, with a large, sweeping flourish at the end.

Todd S. Stewart  
Counsel for Shipley Energy Company

TSS/tap

cc: Mark Kempic, Esquire  
Mark Morrow, Esquire  
Richard Beamesderfer, Shipley Energy Company

AFFIDAVIT

---

VICKI O. EBNER, deposes and says that she is Vice President Marketing & Gas Supply for UGI Utilities, Inc. - Gas Division; that she is duly authorized to and does make this Affidavit on its behalf; that the facts set forth in the foregoing document are true and correct to the best of her knowledge information and belief, and that this Affidavit is made subject to the penalties of 18 Pa.C.S. §4904 (relating to unsworn falsification to authorities).



---

Vicki O. Ebner

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DEC 09 2003

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

**CERTIFICATE OF SERVICE**

I hereby certify that I have, this 9th day of December, 2003, 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 EXPRESS MAIL:**

Irwin A. Popowsky  
Consumer Advocate  
Office Of Consumer Advocate  
555 Walnut Street  
5<sup>th</sup> Floor, Forum Place  
Harrisburg, PA 17101-1921

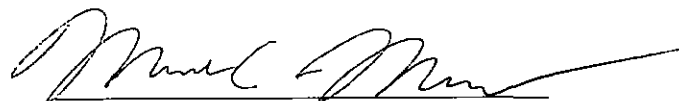
William R. Lloyd  
Small Business Advocate  
Office of Small Business Advocate  
Suite 1102, Commerce Building  
300 North Second Street  
Harrisburg, PA 17101

Robert A. Rosenthal, Director  
Bureau of Fixed Utility Services  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street  
Harrisburg, PA 17120

Todd S. Stewart, Esquire  
Malatesta, Hawke & McKeon LLP  
100 North Tenth Street  
Harrisburg, PA 17101

The Honorable Susan D. Colwell  
Administrative Law Judge  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street  
Harrisburg, PA 17120

Mark Kempic, Esquire  
Columbia Gas  
650 Washington Road  
Pittsburgh, PA 15228



Mark C. Morrow

Hawke

McKeon

Sniscak &

Kennard LLP

ATTORNEYS AT LAW

ORIGINAL

William T. Hawke  
Kevin J. McKeon  
Thomas J. Sniscak  
Norman James Kennard  
Lillian Smith Harris  
Scott T. Wyland

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William E. Lehman  
Rikardo J. Hull

100 North Tenth Street, Harrisburg, PA 17101 Phone: 717.236.1300 Fax: 717.236.4841 www.hmsk-law.com

December 12, 2003

James J. McNulty, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street  
Harrisburg, PA

DOCUMENT

SECRETARY'S BUREAU

2003 DEC 12 PM 4: 14

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Re: Shipley Energy Company; Docket No. A-125015; **WITHDRAWAL OF NOTIFICATION OF CHANGE IN ORGANIZATIONAL STRUCTURE**

Dear Secretary McNulty:

The purpose of this letter is to withdraw the notification provided to the Commission on November 26, 2003, pursuant to 52 Pa. Code § 62.105. Shipley's November 26, 2003 Notification informed the Commission that it intended to internally reorganize so that the provision of natural gas supply services would be provided by an entity other than Shipley Energy Company, namely Shipley Fuels Marketing, a corporate affiliate, but that the name under which service was to be provided would remain unchanged. Shipley Energy intends to complete this reorganization at some point in the future. However, because it is involved in ongoing litigation with UGI Utilities Inc. ("UGI"), and UGI has raised issues regarding the notification that would undoubtedly delay that proceeding, Shipley Energy will delay its implementation of these changes until a more appropriate time.

By its withdrawal, Shipley Energy expressly reserves the right to make an appropriate filing with the Commission in order to effectuate these changes at a later date. If any such filing potentially might impact the ongoing litigation with UGI, Shipley Energy will address those implications as appropriate; that is, when they are ripe. Similarly, Shipley Energy's withdrawal of its notification should not be considered any agreement whatsoever, with the legal opinions expressed by UGI in its opposition to Shipley Energy's notification with regard to the manner in which Shipley Energy notified the Commission.

DOCKETED

MAILING ADDRESS: P.O. BOX 1778 HARRISBURG, PA 17105

MAR 10 2004

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James J. McNulty, Secretary  
December 12, 2003  
Page 2

In short, Shipley Energy has no intention of modifying the manner or means by which it provides service to its customers and it specifically will not make any changes to that service without first making an appropriate filing with this Commission. The notification of the change that was intended to take place on January 1, 2004, no longer is of any force or effect.

Thank you for your consideration in this matter. If you have any questions, please do not hesitate to contact me.

Very truly yours,

  
Todd S. Stewart

TSS/tap

cc: Honorable Susan D. Colwell (via hand delivery)  
Mark Morrow, Esq.  
Mark Kempic, Esq.