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March 16, 2017

VIA ELECTRONIC FILING

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: Centre Park Historic District v. UGI Utilities, Inc.
Docket No. C-2015-2516051**

**City of Reading v. UGI Utilities, Inc.
Docket No. C-2016-2530475**

Dear Secretary Chiavetta:

Enclosed for filing is the Addendum to the Prehearing Conference Memorandum of UGI Utilities, Inc., in the above-referenced proceeding. Copies will be provided as indicated on the Certificate of Service.

Respectfully submitted,



Devin Ryan

DTR/jl
Enclosures

cc: Certificate of Service
Honorable Mary D. Long

CERTIFICATE OF SERVICE
(Docket Nos. C-2015-2516051 and C-2016-2530475)

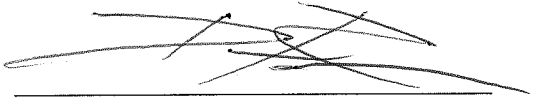
I hereby certify that a true and correct copy of the foregoing has been served upon the following persons, in the manner indicated, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

VIA E-MAIL & FIRST CLASS MAIL

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Date: March 16, 2017



Devin T. Ryan

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Centre Park Historic District	:	
	:	
v.	:	Docket No. C-2015-2516051
	:	
UGI Utilities, Inc.	:	
	:	
City of Reading	:	
	:	
v.	:	Docket No. C-2016-2530475
	:	
UGI Utilities, Inc.	:	

**ADDENDUM TO PREHEARING CONFERENCE
MEMORANDUM OF UGI UTILITIES, INC.**

TO ADMINISTRATIVE LAW JUDGE MARY D. LONG:

Pursuant to 52 Pa. Code § 5.222(d) and Administrative Law Judge Mary D. Long’s (the “ALJ”) e-mail correspondence dated March 13, 2017, UGI Utilities, Inc. (“UGI” or the “Company”) hereby submits this Addendum to its Prehearing Conference Memorandum to update the status of the discovery requests at issue in UGI’s pending Motion to Compel and the City of Reading (“City”) and Centre Park Historic District’s (“CPHD”) (collectively, “Complainants”) pending Motion to Compel.

I. STATUS OF DISCOVERY

In an e-mail correspondence dated March 13, 2017, the ALJ directed the parties to provide an addendum to their Prehearing Conference Memoranda updating the status of any outstanding discovery requests that require ruling and have not been withdrawn or otherwise resolved. The parties have continued to work together in an effort to resolve the remaining outstanding discovery disputes. As explained below, although the parties have been able to

resolve many of their disputes regarding those discovery requests, they have been unable to reach an agreement on a few remaining discovery requests that may require discussion at the prehearing conference. Each of the remaining unresolved discovery requests are identified below:

A. UGI TO CITY & CPHD SET I

UGI to City & CPHD Set I was served on July 22, 2016. No objections were served by the Complainants. Rather, the Complainants raised untimely objections in certain answers to UGI to City & CPHD Set I, failed to provide complete answers to certain requests, and failed to provide timely answers to other requests. As explained in UGI's Prehearing Conference Memorandum, the Company was more than patient with Complainants and made extensive efforts to resolve the discovery disputes and to avoid the need for a motion to compel.

On March 8, 2017, UGI filed a Motion to Dismiss Objections and Compel Responses to its first set of discovery.¹ Specifically, the Company requested that the ALJ dismiss Complainants' objections to UGI to City & CPHD Set I, 12, 15, and 20 because they were untimely and lack merit. Further, UGI requested that the ALJ direct the Complainants to fully answer UGI to City & CPHD Set I, Questions 5, 16, and 17 because the answers provided were non-responsive.

On March 12, 2017, the Complainants served revised and supplemental responses to UGI's discovery, including the interrogatories subject to the Company's Motion to Compel (*i.e.*, City & CPHD Set I, Questions 5, 12, 15, 16, 17, and 20).²

¹ Because no objections were formally served by the Complainants, and UGI tried to accommodate the Complainants' continued assurances that supplemental and complete discovery responses would be provided in the near future, UGI did not immediately file a motion to compel.

² In its Response to UGI's Motion to Dismiss Objections and Compel Responses, the Complainants allege that their supplemental responses were ready to be served as early as September 2, 2016. It appears, however, that the Complainants contend that these responses were not provided because the litigation schedule was suspended by

Although UGI's review of these revised and supplemental responses is still ongoing, the Company acknowledges that the Complainants have updated their responses to the discovery requests that are the subject of UGI's Motion to Compel. As a result, UGI is willing to withdraw its Motion to Compel. However, UGI reserves the right to ask follow-up and additional discovery questions once its review of the responses served on March 12, 2017, has been completed.

B. THE CITY'S FIRST SETS OF INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS

On August 17, 2016, the City and CPHD served their first sets of interrogatories and requests for production of documents. On August 29, 2016, UGI timely served objections thereto.

On September 8, 2016, the City and CPHD filed a Motion to Compel Discovery Responses, concerning UGI's objections to Interrogatories 3, 5, 11, 12, 14, 16, 25, 26, 30, 34, and 36 and Requests for Production of Documents 3, 5, 7, 10, 11, 15, 17, 19, 21, 23, 29, 31, and 33. On September 13, 2016, UGI filed its Answer to the Complainants' Motion to Compel.

On March 7, 2017, counsel for UGI and counsel for the City and CPHD discussed the outstanding discovery requests and responses in an effort to resolve their disputes about the City and CPHD's discovery. Following this discussion, the parties exchanged correspondence and were able to resolve many of the Company's objections. However, the parties were unable to resolve or are still in the process of trying to resolve UGI's objections to the limited number of

the ALJ on September 2, 2016. Although the litigation schedule was suspended, there was nothing issued by the ALJ that stayed discovery or otherwise modified the discovery due dates and/or Commission's discovery regulations. Further, the fact that the Complainants filed a Motion to Compel on September 8, 2016, *i.e.*, after the ALJ suspended the litigation schedule, is entirely inconsistent with Complainants' position that discovery had been stayed. Even if discovery was stayed, which it was not, UGI attempted contacted the Complainants as early as February 14, 2017, *i.e.*, after the Commission denied the Petition for Interlocutory Review, to inquire about the status of the outstanding discovery responses. However, the Complainants still waited almost one month, March 12, 2017, before serving their supplemental responses.

discovery requests set forth below. For the convenience of Your Honor and the parties, UGI has provided a complete copy of the outstanding discovery requests and identified UGI's objections thereto.

1. City Interrogatories 11 and 12; City Requests for Production of Documents 10 and 11

City's Set I of Interrogatories, Questions 11 and 12 requested the following:

11. Identify the total number of permit applications submitted by UGI to the City related to the "betterment projects" UGI alleges it has performed, is performing, or intends to perform to comply with amended Section 59.18 of the PUC's regulations, and state specifically the nature of each permit application, the date such permits were applied for, whether such applications were granted or denied, and, if denied, the date of such denial. Please also consider this a request to produce all such applications and any documents, notes, memoranda, correspondence, writings, etc. related to the same.
12. Identify the total number of permits issued to UGI by the City related to the "betterment projects" UGI alleges it has performed, is performing, or intends to perform to comply with amended Section 59.18 of the PUC's regulations, and state specifically the date such permits were applied for, the date such permits were issued, and the nature of each permit. Please also consider this a request to produce all such permits and any documents, notes, memoranda, correspondence, writings, etc. related to the same. Please also consider this a request to produce such citations/notices and any documents, notes, memoranda, correspondence, writings, etc. related to the same.

Similarly, City's Set I of Requests for Production of Documents Nos. 10 and 11 requested the following:

10. All permit applications submitted by UGI to the City related to the "betterment projects" UGI alleges it has performed, is performing, or intends to perform to comply with amended Section 59.18 of the PUC's regulations, and any documents, notes, memoranda, correspondence, writings, etc. related to the same.

11. All permits issued to UGI by the City related to the “betterment projects” UGI alleges it has performed, is performing, or intends to perform to comply with amended Section 59.18 of the PUC’s regulations, and any documents, notes, memoranda, correspondence, writings, etc. related to the same.

UGI objected to these discovery requests to the extent that the City sought information that is already in its possession, specifically the permit applications submitted by UGI and the permits issued by the City to UGI. The Company otherwise responded to the discovery requests.

In their discussion to try to resolve this objection, the City noted a concern that subcontractors may be submitting the permit applications and receiving permits from the City. However, UGI confirmed that only the Company submits permit applications and receives permits for the betterment projects. Although the City represented that it would discuss the matter internally, UGI’s objection to these discovery requests remains unresolved at this time.

2. City Request for Production of Documents 7

City’s Set I of Requests for Production of Documents No. 7 requests the following:

7. All notes, reports, or other documents that were prepared during, or as a result of, any investigation conducted in relation to the Formal Complaint and/or Answer.

UGI objected to this request to the extent that it sought to discover the mental impressions of the Company’s representatives or attorneys respecting the value or merit of UGI’s claims or defenses or respecting strategy, tactics, or preliminary drafts of exhibits. Notwithstanding, in their Motion to Compel, the Complainants clarified that they are not seeking any documents that are not discoverable under 52 Pa. Code § 5.323(a). Accordingly, UGI responded to the request omitting any such documents.

Now, the City has requested a privilege log for any documents that were withheld. UGI maintains that it has answered the question that was asked and avers that privilege logs generally

are not provided or used in Commission proceedings. However, the parties can address this issue at the prehearing conference.

3. City Interrogatory 34; City Request for Production of Documents 31

City's Set I of Interrogatories, Question 34 requests the following:

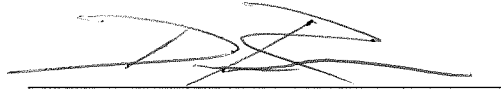
34. Describe in detail the procedure UGI followed in formulating, drafting, and adopting the Meter and Regulator Placement Guidelines, including, but not limited to, identifying all individuals who participated in the drafting and editing of the guidelines, and the information used to produce the guidelines. Please also consider this a request to produce any documents, notes, memoranda, correspondence, writings, etc. related to the same, including, but not limited to, the final adopted version of the Meter and Regulator Placement Guidelines and all drafts.

Likewise, City's Set I of Requests for Production of Documents No. 31 sought the following:

31. The final adopted Meter and Regulator Placement Guidelines and all drafts created prior to adoption.

UGI objected to the extent that the Complainants' sought drafts of its meter policies, as being protected by 52 Pa. Code § 5.323(a). Although the parties attempted to resolve UGI's objections to these discovery requests, they were unable to do so. The Company maintains that since it plans to introduce its meter policies into evidence in this proceeding, the preliminary drafts of the policies are not discoverable. Indeed, UGI's meter placement guidelines were revised in an effort to resolve the concerns raised by the City and CPHD in their Complaints. Moreover, preliminary drafts of the guidelines are not relevant as to whether UGI violated the Commission's regulations or orders because they were not ever applied. Rather, only UGI's final guidelines, which will be provided as exhibits in this case, were actually effective when the Company relocated the meters in question. The issues in this case concern UGI's actual actions, not what it did or did not contemplate in developing its meter placement guidelines.

Respectfully submitted,



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Date: March 16, 2017

Attorneys for UGI Utilities, Inc.