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File #: 126894

September 26, 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: Petition of UGI Utilities, Inc. - Gas Division to Establish a Schedule for the Installation of Daily Metering Facilities on All Rate IS (Interruptible Service) and Rate DS (Delivery Service) Accounts; to Thereafter Transfer All Rate IS and DS Customer Accounts from Intra-Month to Calendar Month Billing and Balancing Pools; and to Recover Associated Costs Pursuant to 66 Pa.C.S. § 2205(c)(7) Docket No. P-2017-2607269

Dear Secretary Chiavetta:

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

Respectfully submitted,



Christopher T. Wright

CTW/jl
Enclosures

cc: Honorable Elizabeth Barnes
Certificate of Service

CERTIFICATE OF SERVICE

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

Darryl Lawrence, Esquire
Lauren M. Burge, Esquire
Office of Consumer Advocate
555 Walnut Street
Forum Place, 5th Floor
Harrisburg, PA 17101-1923

Scott B. Granger, Esquire
Bureau of Investigation & Enforcement
Commonwealth Keystone Building
400 North Street, 2nd Floor West
PO Box 3265
Harrisburg, PA 17105-3265

Steven C. Gray, Esquire
Office of Small Business Advocate
300 North Second Street, Suite 202
Harrisburg, PA 17101

Date: September 26, 2017



Christopher T. Wright

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition of UGI Utilities, Inc. – Gas Division to :
Establish a Schedule for the Installation of :
Daily Metering Facilities on All Rate IS : Docket No. P-2017-2607269
(Interruptible Service) and Rate DS (Delivery :
Service) Accounts; to Thereafter Transfer All :
Rate IS and DS Customer Accounts from Intra- :
Month to Calendar Month Billing and :
Balancing Pools; and to Recover Associated :
Costs Pursuant to 66 Pa. C.S. § 2205(c)(7) :

**PREHEARING CONFERENCE MEMORANDUM OF
UGI UTILITIES, INC. – GAS DIVISION**

TO ADMINISTRATIVE LAW JUDGE ELIZABETH H. BARNES:

Pursuant to 52 Pa. Code § 5.224(c) and the Prehearing Conference Order dated August 30, 2017, UGI Utilities, Inc. – Gas Division (“UGI” or the “Company”) hereby submit this Prehearing Conference Memorandum in the above-captioned matters, and states as follows:

I. BACKGROUND

On May 31, 2017, UGI filed the above-captioned Petition seeking: (1) to establish a schedule for the installation of daily metering facilities on all Rate IS (Interruptible Service) and Rate DS (Delivery Service) accounts; (2) to thereafter transfer all Rate IS and DS customer accounts from intra-month to calendar month billing and balancing pools; and (3) to recover the associated costs through a proposed Section 1307 surcharge mechanism, termed the “Retail Markets Rider,” pursuant to 66 Pa. C.S. § 2205(c)(7).

The Petition was filed pursuant to the Commission-approved settlement in UGI’s 2016 base rate case proceeding (“2016 Base Rate Case Settlement”). Under the 2016 Base Rate Case Settlement, the parties agreed, among other things that: (1) the Company would make a filing by

June 1, 2017, with the Commission that proposes all Rate DS and IS customers to have installed daily metering equipment by a certain date; and (2) UGI's filing would include an estimated cost of the installed equipment, a proposed means of recovering those costs, and a provision to transfer all Rate DS and IS customers to calendar month billing and balancing pools when all of those customers have the daily metering equipment installed. *See Pa. PUC v. UGI Utilities, Inc. – Gas Division*, Docket No. R-2015-2518438, *et al*, pp. 22-23, 43 (Order entered Oct. 14, 2016).

On June 2, 2017, the Company filed an Amended Petition to primarily clarify the rate schedules to which the Retail Markets Rider would apply. On June 15, 2017, UGI filed its proposed pro forma tariff language along with a pro forma rate calculation for the Retail Markets Rider.

On June 22, 2017, the Office of Consumer Advocate (“OCA”) filed an Answer to the Amended Petition.

On June 29, 2017, the Office of Small Business Advocate (“OSBA”) filed a Notice of Intervention, Public Statement, and Verification.

On August 24, 2017, the Commission’s Bureau of Investigation and Enforcement (“I&E”) filed a Notice of Appearance.

On August 28, 2017, the Commission issued a Prehearing Conference Notice scheduling a prehearing conference for September 28, 2017, before Administrative Law Judge Elizabeth H. Barnes (the “ALJ”).

On August 30, 2017, a Prehearing Conference Order was issued by the ALJ setting forth certain rules and requirements for the prehearing conference and the proceeding generally. The Prehearing Conference Order also directed the parties to submit prehearing memoranda on or before September 26, 2017.

UGI hereby files this Prehearing Memorandum pursuant to the Prehearing Conference Order.

II. SERVICE OF DOCUMENTS

UGI requests that Christopher T. Wright, Esquire, and Devin T. Ryan, Esquire, be listed on the service list on behalf of the Company. Their contact information is provided below:

Christopher T. Wright (ID # 203412)
Devin T. Ryan (ID # 316602)
Post & Schell, P.C.
17 North Second Street, 12th Floor
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Phone: 717-731-1970
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UGI agrees to receive service of documents electronically in this proceeding. Further, to the extent that materials are available electronically, it is requested that copies be served upon David B. MacGregor, Esquire, at dmacgregor@postschell.com, and Mark C. Morrow, Esquire, at morrowm@ugicorp.com.

III. DISCOVERY

UGI does not believe that any change or modification in the standard timelines for discovery set forth in the Commission's regulations is necessary or appropriate. The Company is willing to work with the parties, through informal discovery, to expedite discovery.

IV. PROPOSED SCHEDULE

UGI is prepared to discuss the litigation schedule with the parties at the Prehearing Conference. To the extent that the parties are unable to agree on a schedule, UGI proposes that the following schedule be adopted for resolution of this proceeding:

UGI Direct Testimony	November 14, 2017
Other Parties' Rebuttal Testimony	December 19, 2017
UGI Surrebuttal Testimony	January 23, 2018
Evidentiary Hearing	February 6, 2018
Main Briefs	March 8, 2018
Reply Briefs	March 28, 2018

V. **WITNESSES AND ISSUES**

Witness	Issues and Evidence
Shaun M. Hart Senior Manager Major Accounts UGI Utilities, Inc. 2525 North 12th Street Suite 360 Reading, PA 19612-2677 Tel: [610-796-3522	Description of daily metering program and customer pooling practices.
David E. Lahoff Senior Manager Tariff & Supplier Administration UGI Utilities, Inc. 2525 North 12th Street Suite 360 Reading, PA 19612-2677 Tel: 610-796-3520	Description of 2016 base rate case settlement; support for Retail Markets Rider, including the tariff language, the rate calculation, the rate schedules subject to the rider, and the costs to be recovered by the rider.


UGI PNG also reserves the right to call and present additional witnesses to address any issues that may arise during the course of the proceeding.

VI. SETTLEMENT

UGI is willing to work with the other parties in an effort to fully resolve the matter through settlement, to reach a partial settlement, or to reduce the facts at issue in this case through stipulation. UGI does not perceive any need to include specific dates for settlement conferences in the procedural schedule

Respectfully submitted,

Mark C. Morrow (ID # 33590)
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Dated: September 26, 2017

Attorneys for UGI Utilities, Inc. – Gas Division