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File #: 159332

March 14, 2018

***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: Crescent Hotel - Plymouth Meeting, LP v. PECO Energy Company  
Docket No. C-2008-2068258**

**Crescent Hotel - Plymouth Meeting, LP v. UGI Corporation  
Docket No. C-2008-2068267**

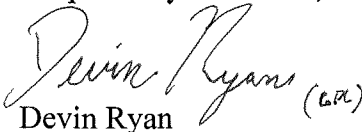
**Crescent Hotel - Plymouth Meeting, LP v. Celeren Corporation  
Docket No. C-2009-2089563**

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Dear Secretary Chiavetta:

Enclosed for filing is the Answer of UGI Energy Services, LLC to New Matter of Crescent Hotel – Plymouth Meeting, LP in the above-referenced proceeding. Copies will be provided as indicated on the Certificate of Service.

Respectfully submitted,

  
Devin Ryan (e.l.)

DTR/jl  
Enclosures

cc: Honorable Marta Guhl  
Certificate of Service

**CERTIFICATE OF SERVICE**

(Docket Nos. C-2008-2068258, C-2008-2068267 and C-2009-2089563)

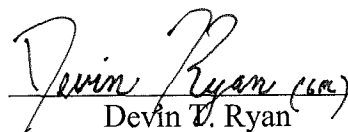
I hereby certify that a true and correct copy of the foregoing document has been served upon the following persons, in the manner indicated, in accordance with the requirements of § 1.54 (relating to service by a participant).

**VIA E-MAIL & FIRST CLASS MAIL**

Paul A. Bucco, Esquire  
William D. Oleckna, Esquire  
10 E. Sixth Avenue, Suite 100  
Conshohocken, PA 19428  
*Counsel for Crescent Hotel Plymouth Meeting, L.P.*

Ward L. Smith, Esquire  
PECO Energy Company  
2301 Market Street  
Philadelphia, PA 19101-8699  
*Counsel for PECO Energy Company*

Date: March 14, 2018

  
Devin V. Ryan

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Crescent Hotel – Plymouth Meeting, LP	:	
	:	
v.	:	Docket Nos. C-2008-2068258
	:	C-2008-2068267
PECO Energy Company,	:	C-2009-2089563
UGI Corporation, and	:	
Celeren Corporation	:	

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**ANSWER OF UGI ENERGY SERVICES, LLC TO  
NEW MATTER OF CRESCENT HOTEL – PLYMOUTH MEETING, LP**

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TO PENNSYLVANIA PUBLIC UTILITY COMMISSION:

UGI Energy Services, LLC (“UGIES” or the “Company”), by and through its attorneys, files this Answer to the New Matter of Crescent Hotel – Plymouth Meeting, LP (“Crescent Hotel”) pursuant to Sections 5.63(a) of the Pennsylvania Public Utility Commission’s (“Commission”) regulations, 52 Pa. Code § 5.63(a).

On February 23, 2018, UGIES filed a Petition for Interlocutory Review and Answer to Material Question (“Petition”), pursuant to 52 Pa. Code § 5.302. On March 5, 2018, the Company filed its Brief in Support of the Petition in accordance with the Commission’s regulations. Crescent Hotel did not file a Brief in Support or Opposition to the Petition. *See* 52 Pa. Code § 5.302(b) (setting forth requirements for briefs in support or opposition to interlocutory review petitions). Rather, on March 5, 2018, Crescent Hotel filed an “Answer and New Matter”<sup>1</sup> to the Petition.

UGIES herein responds to each of the separately-numbered paragraphs of Crescent Hotel’s New Matter as follows:

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<sup>1</sup> A copy of Crescent Hotel’s Answer and New Matter was not served on UGIES’s counsel.

1. Denied. UGIES knew of the obligations and agreements by and between Celeren Corporation (“Celeren”) and Crescent Hotel, under which Crescent Hotel designated Celeren as its billing agent. UGIES was not a party to any agreement between Crescent Hotel and Celeren. Further, at no time was there any agreement, contract or other binding obligation by and between UGIES and Celeren.

2. Denied as stated. All monthly bills for natural gas supply provided by UGIES for the time period of August 2007 through January 2008 were submitted to Celeren and paid in full. Celeren’s days to pay UGIES’s invoices for the delivery period between August 2007 and January 2008 averaged 23 days. The monthly bills for natural gas supply beginning with the February 2008 through June 2008 delivery periods were submitted to Celeren, but Celeren failed to timely pay these monthly bills. When the invoice for February 2018 remained past due for more than 30 days, UGIES initiated collection efforts against Celeren in April 2008. Celeren ultimately paid the bills due for the February 2018 and March 2018 delivery periods, and Crescent Hotel paid UGIES directly for the bills due for the April 2008 through June 2008 deliver periods.

3. Denied. On May 20, 2008, UGIES directly contacted Heidi King, the Crescent Hotel Customer Representative designated in the natural gas sales agreement by and between UGIES and Crescent Hotel, regarding the outstanding payments due for the natural gas supply provided by UGIES. There were several communications between UGIES and Crescent Hotel during June and July 2008 concerning Celeren’s non-payment of UGIES’s invoices, including e-mails from Crescent Hotel acknowledging such non-payment that are of record in this

proceeding. Celeren did not file for bankruptcy until several months later -- on September 12, 2008.

4. Denied. UGIES denies it had any knowledge or information regarding whether Crescent Hotel was making payments to Celeren or of any other agreements or contractual obligations by and between Crescent Hotel and Celeren and, therefore, UGIES denies the same.

5. Denied. It is expressly denied that UGIES “coerced and/or compelled Crescent to make duplicative payments.” UGIES had no knowledge whatsoever of the payment arrangements between Crescent Hotel and Celeren. Indeed, the Company has not received duplicative payments for the February 2008 through June 2008 delivery periods at issue. In further response, UGIES incorporates Paragraphs 2 and 4, *supra*, herein by reference.

6. Denied. UGIES has not received duplicative payments for the February 2008 through June 2008 delivery periods at issue. UGIES was paid one time only for each bill -- by either Celeren or Crescent Hotel but never by both -- in the precise amount due for the natural gas supply delivered to Crescent Hotel’s account during this period. Moreover, UGIES’s natural gas supply agreement was by and between the Company and Crescent Hotel. Crescent Hotel then designated Celeren to be Crescent Hotel’s billing agent. UGIES never had any type of contract with Celeren. In further response, UGIES incorporates Paragraphs 2, 4, and 5, *supra*, herein by reference.

7. Denied. UGIES expressly denies that it “entered [into] an assignor and assignee relationship” with Celeren. Crescent Hotel designated Celeren to be Crescent Hotel’s billing agent and handle the payments of the bills owed to UGIES for natural gas supply. UGIES only communicated with Celeren regarding payment for Crescent Hotel’s account, in accordance with the documented instructions of Crescent Hotel. The Company never assigned any rights,

obligations, or duties to Celereen. Indeed, there was no contract by and between UGIES and Celereen. The remaining averment in Paragraph 7 is a conclusion of law, to which no response is required. To the extent a response is deemed necessary, UGIES denies the same.

8. Denied. Paragraph 8 is a request for relief, to which no response is required. To the extent a response is deemed necessary, UGIES denies the same. In further response, as explained in UGIES's Brief in Support of the Petition, the Company is not a public utility by the express language of the Public Utility Code. *See* 66 Pa. C.S. § 102, 2202; *Indep. Oil & Gas Ass'n v. Pa. PUC*, 804 A.2d 693, 702 (Pa. Cmwlth. 2002); *Rama Constr., Inc. v. Hess Corp.*, 2008 Pa. PUC LEXIS 958, at \*1, 16-17 (Oct. 16, 2008) (Initial Decision), *became final*, 2009 Pa. PUC LEXIS 957 (Order entered Feb. 19, 2009). Therefore, Crescent Hotel's requested relief cannot be granted.

9. Denied. Paragraph 9 is a request for relief, to which a response is not required. To the extent a response is deemed necessary, UGIES denies the same. By way of further response, the only remaining allegation against UGIES is that it violated Section 1501 of the Public Utility Code. As explained in UGIES's Brief in Support, Section 1501 only applies to public utilities, not natural gas suppliers like UGIES. (*See* UGIES Brief in Support, pp. 8-12) Consequently, the Commission's determination that UGIES is not a public utility and, therefore, owed no public utility duty to Crescent Hotel under Section 1501 should result in the dismissal the Second Amended Complaint against UGIES.

Moreover, as explained in Paragraph 7, *supra*, the Company never assigned any rights, obligations, or duties to Celereen.<sup>2</sup> Even assuming *arguendo* that UGIES was an assignor,

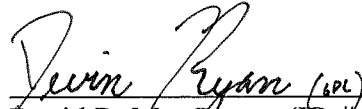
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<sup>2</sup> UGIES observes that Crescent Hotel is raising this new legal theory for the first time in its New Matter in response to the Company's Petition for Interlocutory Review and Answer to Material Question. This brand new theory of liability is asserted almost 10 years after Crescent Hotel first filed a complaint initiating this proceeding. This baseless argument is nothing more than an attempt to derail and delay a judgment in UGIES's favor.

the Company still could not be held to violate Section 1501 of the Public Utility Code because UGIES is not a public utility. Thus, there is no need to stay the proceeding for a court of common pleas to determine that UGIES was an assignor.

WHEREFORE, for all the foregoing reasons, as well as those more fully explained in its Brief in Support, UGI Energy Services, LLC respectfully requests that the Pennsylvania Public Utility Commission grant the Petition for Interlocutory Review and Answer to Material Question, answer the material question in the affirmative, find that Section 1501 of the Public Utility Code does not grant it subject matter jurisdiction over the Company's non-utility service, and dismiss Count II of the Complaint against UGIES in its entirety and with prejudice.

Respectfully submitted,



David B. MacGregor (ID # 28804)

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Date: March 14, 2018

*Counsel for UGI Energy Services, LLC*

**VERIFICATION**

I, Cedric A. Haywood, being the Director of Collections at UGI Energy Services, LLC, hereby state that the facts above set forth are true and correct to the best of my knowledge, information and belief and that I expect UGI Energy Services, LLC to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 relating to unsworn falsification to authorities.

Date:

3/14/18

Cedric A. Haywood