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September 14, 2018

VIA E-FILING

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

Re: Randal Stewart v. UGI Utilities Inc.
Docket No. C-2018-2642778

Dear Secretary Chiavetta,

Enclosed please find UGI Utilities, Inc.'s Reply to Exceptions of Complainant for the above-referenced proceeding. Copies will be provided as indicated on the Certificate of Service.

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

Very truly yours,


Jorge Pereira
Counsel for UGI Utilities Inc.

Commonwealth of Pennsylvania

Before the Pennsylvania Public Utility Commission

In the Matter of:

Randal Stewart,
Complainant,

Docket No. C-2018-2642778

VS.

UGI Utilities, Inc. – Gas Division,
Respondent.

**UGI UTILITIES, INC.’S REPLY TO COMPLAINANT’S EXCEPTIONS TO
RECOMMENDED DECISION FINDING THAT UGI’S TAKING 70 DAYS TO SWITCH
NGS’S CONSTITUTES REASONABLE SERVICE.**

AND NOW comes Respondent, UGI Utilities, Inc. - Gas Division, (UGI), pursuant to 52 Pa. Code, Section 5.535, and files the following Reply to Complainant’s Exceptions to Recommended Decision Finding That UGI’s Taking 70 Days To Switch NGSs Constitutes Reasonable Service.

On August 9, 2018, Administrative Law Judge Conrad A. Johnson (“ALJ”) rendered an Initial Decision (“ID”) dismissing the Formal Complaint of Randall Stewart v. UGI Utilities, Inc. – Gas Division at docket no. C-2018-2642778 for Complainant’s failure to carry his burden of proof. On September 6, 2018, Complainant filed exceptions to the ALJ’s finding in the ID that “UGI”’s taking 70 days to switch NGS’s constitutes reasonable service”.

52 Pa. Code § 5.533 provides, in pertinent part, that “[e]ach exception must be numbered and identify the finding of fact or conclusion of law to which exception is taken and cite relevant pages of the decision. Supporting reasons for the exceptions shall follow each specific exception.”

Complainant's exception consists of an unnumbered two and half page narrative that fails to identify any specific finding of fact or conclusion of law to which exception is taken.

Complainant's exception commences with a critique of the procedural process, in particular, the amount of time that passed before the hearing was held after the filing of the informal and formal complaint. Complainant concludes his exception by stating he generally disagrees with the ALJ's decision but fails to offer any support for his personal opinion that the amount of time to switch NGS is unreasonable.

The ALJ set forth 12 Findings of Facts in the ID as follows:

1. Complainant Randy Stewart resides at 526 Pine Street, Denver Pennsylvania (service address). Tr. 5.
2. Respondent UGI Utilities, Inc. is a jurisdictional public utility providing gas service to Pennsylvania customers.
3. On December 21, 2017, Complainant contacted Dominion Energy Solutions (Dominion) to switch from his NGS, Shipley Energy Company, to Dominion, and he understood that Dominion in turn would notify UGI about his NGS choice. Tr. 9, 13-15.
4. On December 22, 2017, UGI received, through its electronic data interchange system, a request to change Complainant's NGS to Dominion. Tr. 23-24, 47.
5. On December 25, 2017, Respondent mailed a letter to Complainant stating if he did not contact Respondent within 5 days of receiving the letter, his NGS would be switched to Dominion on the second month after the next meter reading date, which would be February 28, 2018. Tr. 16, 25, 46.
6. Complainant did not contact Respondent within 5 days of receiving a letter from Respondent concerning switching his natural gas supplier. Tr. 16.
7. Complainant's meter reading date is the 28th of the month. Tr. 41.
8. On February 28, 2018, Respondent switched Complainant to his new NGS, i.e., Dominion. Tr. 25, 40.
9. Respondent's Commission-approved tariff provides that if a customer makes a request to switch to a new NGS before the 15th of the month, the

customer is switched to the new supplier starting with the next billing cycling following the customer's request to switch suppliers. Tr. 24.

10. When Respondent receives a request to switch a customer's NGS after the 15th of the month, Respondent switches the customer to the new supplier of choice starting on the second month following the request, in accordance with Respondent's Commission-approved tariff. Id.

11. Respondent's Gas Service Tariff Number 6 and Gas Choice Supplier Tariff Number 6-S concerning the Respondent's policies for switching a customer's NGS were approved by the Commission on September 1, 2016. Tr. 26.

12. "The main reason for the cutoff of the 15th of the month [for switching a customer's NGS] is that because on the 16th of the month UGI determines the amount of capacity for a functionally equivalent gas sale that it will provide to each NGS based on the expected peak day demand of the NGS's customers at the end of the calendar month." This process permits NGSs to know what their gas assets need to be for the upcoming month. Tr. 27-28.

(See ID, pages 4-5.)

Complainant argues that the ID fails because UGI's witness, David Lahoff, "offered no proof that a switch 70 days out was the first feasible switch date" as required by 52 PA. Code § 59.94. During the hearing, Complainant argued that the two-month delay for switching NGSs was unreasonable and suggest that it should only be one billing cycle. (See ID, pages 9-10). He states that is the way he would do business. (See ID, page 10).

UGI's witness, David Lahoff, provided detailed testimony explaining that if a customer requests changing his NGS after the 15th of the day of the calendar month, UGI needs two months to effectuate the change. (See ID, page 10). The time period is directly related to forecasting the amount of gas supply needed for its customers. (See ID, page 10).

Based on the testimony of Complainant and the extensive testimony of Mr. Lahoff, the ALJ concluded that:

Complainant admits he called NGS Dominion on December 21, 2017 to switch from Shipley to Dominion. Tr. 9, 13-15. Since Complainant requested a change

in his NGS after the 15th of the month, UGI sent him a letter on December 25, 2017, informing him that his NGS would be changed on February 28, 2018, his scheduled meter reading date. The procedure UGI employed to switch Complainant's NGS complied with the provisions of the Company's Commission-approved tariff. The rationale for UGI's procedure to switch a customer's NGS, as explained by Mr. Lahoff, is reasonable. In other words, the process enables UGI and NGSs to forecast the amount of monthly gas supply needs for customers and permits an NGS to lock in gas purchases by factoring in the number of customers it is required to supply with gas for the upcoming month. Tr. 30-31, 49. Considering Mr. Lahoff's rationale, February 28, 2018 was the beginning of the first feasible billing period by which UGI could change Complainant's NGS.

(See ID, page 11).

The ALJ found that the Complainant failed to present any facts or circumstances to warrant a finding that the tariff provisions have become unreasonable since the Commission approved the tariff in 2016. (See ID, page 11). The only support Complainant offered for his personal opinion that a two-month delay in switching a customer's NGS was unreasonable was his statement that he wouldn't do business that way. (See ID, pages 10 - 11). In light of Complainant's failure to provide any evidence, the ALJ determined that the Complainant failed to meet his heavy burden. Specifically, that a complainant seeking to evade the effect of an existing tariff provision carries the very heavy burden to prove that the facts and circumstances have changed so drastically as to render the application of the tariff provision unreasonable. (See ID, pages 9 & 11).

The ALJ set forth the following Conclusions of Law:

1. The Commission has jurisdiction over the Parties and the subject matter in this proceeding.
2. Pursuant to 66 Pa.C.S. § 332(a), the burden of proof in this proceeding is upon Complainant.
3. A public utility's tariff provisions approved by the Commission are prima facie reasonable. Zucker v. Pa. Pub. Util. Comm'n, 401 A.2d 1377 (Pa.Cmwlt. 1979), Shenango Township Board of Supervisors v. Pa. Pub. Util. Comm'n, 686 A.2d

910, 914 (Pa.Cmwth. 1996), Kossman v. Pa. Pub. Util. Comm'n, 694 A.2d 1147, 1151 (Pa.Cmwth. 1997).

4. Complainant presented no evidence that Respondent's tariff relevant to switching a customer to a new natural gas supplier as approved by the Commission is unreasonable.

5. Complainant failed to meet his burden of proof that Respondent violated any applicable law, regulation or order of the Commission.

(See ID, page 12).

Complainant's Exception fails to present any new relevant or material matters of fact or law that contradicts the Findings of Facts or Conclusions of Law set forth in the ID by the ALJ. To the contrary, the Complainant again asserts in his Exception nothing more than his unsupported personal opinion.

Respectfully submitted,

UGI Utilities, Inc.

A handwritten signature in blue ink that reads "Jorge M. Pereira". The signature is written in a cursive style with a large initial "J" and "P".

By: _____
Jorge M. Pereira, Esq.

Commonwealth of Pennsylvania

Before the Pennsylvania Public Utility Commission

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Randal Stewart,
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CERTIFICATE OF SERVICE

I hereby certify that I have, this 14th day of September 2018, served a true and correct copy of the foregoing document in the manner and upon the persons listed below in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant):

VIA FIRST CLASS MAIL

Randal Stewart
526 Pine Street
Denver, PA 17517-1432



Jorge Pereira
Counsel for UGI Utilities, Inc. – Gas
Division