



## COMMONWEALTH OF PENNSYLVANIA PENNSYLVANIA PUBLIC UTILITY COMMISSION P.O. BOX 3265, HARRISBURG, PA 17105-3265

December 6, 2018

Via Electronic Filing
Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

Re:

Pennsylvania Public Utility Commission, Bureau of Investigation

and Enforcement v. UGI Utilities, Inc.

Docket No. C-2018-3005151 I&E Reply to New Matter

Dear Secretary Chiavetta:

Enclosed for electronic filing please find the Reply of the Bureau of Investigation and Enforcement to the New Matter of UGI Utilities, Inc. with regard to the above-referenced proceeding.

Copies are being served on the parties of record in accordance with the attached Certificate of Service.

Should you have any questions, please do not hesitate to contact me.

Sincerely,

Stephanie M. Wimer Senior Prosecutor Attorney ID No. 207522

#### Enclosure

cc: Michael L. Swindler, Deputy Chief Prosecutor Timothy K. McHugh, Prosecutor As per Certificate of Service

# BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission,

Bureau of Investigation and Enforcement,

Complainant

v.

Docket No. C-2018-3005151

UGI Utilities, Inc.,

Respondent

# REPLY OF THE BUREAU OF INVESTIGATION AND ENFORCEMENT TO THE NEW MATTER OF UGI UTILITIES, INC.

NOW COMES, the Bureau of Investigation and Enforcement ("I&E" or "Complainant") of the Pennsylvania Public Utility Commission ("Commission") by and through its prosecuting attorneys, and files this Answer to the New Matter of UGI Utilities, Inc. ("UGI," "Company" or "Respondent"), pursuant to 52 Pa. Code § 5.63(a). In support thereof, I&E avers as follows:

1. Denied. By way of further answer, I&E's Complaint, which speaks for itself, details in a very specific manner how UGI violated Federal pipeline safety regulations as well as the Commission's regulations with respect to the Company's response to the natural gas leak that occurred in the Springdale Farms residential development on July 2, 2017. I&E's Complaint does not request UGI to perform any action beyond that which it was obligated to undertake pursuant to applicable regulations in order to protect life and property and eliminate hazards. It is also denied that I&E's Complaint requests UGI to take actions that have not been specified or are inconsistent

with applicable regulations. Moreover, UGI fails to identify the actions requested by I&E that it believes are not specific or inconsistent with applicable regulations.

- 2. Denied. By way of further answer, I&E's Complaint seeks appropriate relief from UGI based on UGI's faulty response to the July 2, 2017 natural gas leak in Millersville, PA. I&E's requested relief is designed to ensure that UGI will prioritize its response to future natural gas leaks to protect life and property and eliminate hazards. It is denied that I&E's requested relief is not predicated on compliance with existing Federal pipeline safety regulations and Commission regulations. It is also denied that I&E's Complaint constitutes improper rulemaking and deprives UGI and any other natural gas distribution company of fundamental fairness by imposing new requirements that are not already set forth in existing regulations.
- 3. The averments in Paragraph 3 set forth conclusions of law to which no response is required. To the extent a response is required, I&E denies the allegations.
- 4. The first three (3) sentences in Paragraph 4 set forth conclusions of law to which no response is required. To the extent a response is required, I&E denies the allegations. With respect to the fourth sentence in Paragraph 4, I&E denies that, by requiring UGI to take actions or modify its written plans or procedures in a manner that is consistent with the applicable regulations, it is attempting to create and apply new regulations upon UGI.
- 5. Denied. It is denied that I&E's Complaint consists of improper rulemaking and that I&E's allegations impose requirements on UGI beyond those that are already established in Federal pipeline safety regulations and Commission regulations.

WHEREFORE, for all the foregoing reasons, the Bureau of Investigation and Enforcement of the Pennsylvania Public Utility Commission respectfully requests that, after consideration of the record, the Office of Administrative Law Judge and the Commission deny UGI's New Matter and find UGI in violation of each and every count as set forth in the Complaint.

Respectfully submitted,

Stephanie M. Wimer Senior Prosecutor

St Mic

PA Attorney ID No. 207522

Timothy K. McHugh Prosecutor PA Attorney ID No. 317906

Michael L. Swindler Deputy Chief Prosecutor PA Attorney ID No. 43319

Pennsylvania Public Utility Commission Bureau of Investigation and Enforcement P.O. Box 3265 Harrisburg, PA 17105-3265 (717) 772-8839 stwimer@pa.gov

Date: December 6, 2018

Pennsylvania Public Utility

Commission, Bureau of Investigation

V.

and Enforcement,

Complainant

Docket No. C-2018-3005151

UGI Utilities, Inc.,

Respondent

### VERIFICATION

I, Sunil R. Patel, FUVE III, Safety Division, Bureau of Investigation and Enforcement, 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 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: December 6, 2018

Sunil R. Patel

FUVE III, Safety Division

PA Public Utility Commission

Bureau of Investigation and Enforcement

P.O. Box 3265

Harrisburg, PA 17105-3265

Pennsylvania Public Utility

Commission, Bureau of Investigation

and Enforcement.

Complainant

V.

Docket No. C-2018-3005151

UGI Utilities, Inc.,

Respondent

### **CERTIFICATE OF SERVICE**

I hereby certify that I have this day served a true copy of the foregoing document upon the parties, listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a party).

Service by First Class Mail and Electronic Mail:

Kent D. Murphy, Esq. UGI Utilities, Inc. 460 North Gulph Road King of Prussia, PA 19046 murphyke@ugicorp.com

Garret P. Lent, Esq. Post & Schell, P.C. 17 North Second Street, 12th Floor Harrisburg, PA 17101-1601 glent@postschell.com

David B. MacGregor, Esq.

Post & Schell, P.C. Four Penn Center

1600 John F. Kennedy Boulevard

Philadelphia, PA 19103-2808 dmacgregor@postschell.com

Counsel for UGI Utilities, Inc.

Stephanie M. Wimer Senior Prosecutor

Some

PA Attorney ID No. 207522

Pennsylvania Public Utility Commission Bureau of Investigation and Enforcement P.O. Box 3265 Harrisburg, PA 17105-3265 (717) 772.8839 stwimer@pa.gov

Dated: December 6, 2018