



March 1, 2022

The Honorable Joel H. Cheskis  
Office of Administrative Law Judge  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street  
Harrisburg, PA 17120  
[jcheskis@pa.gov](mailto:jcheskis@pa.gov)

The Honorable Gail M. Chiodo  
Office of Administrative Law Judge  
Pennsylvania Public Utility Commission  
801 Market Street, Suite 4063  
Philadelphia, PA 19107  
[gchiodo@pa.gov](mailto:gchiodo@pa.gov)

**Re: Pennsylvania Public Utility Commission v. UGI Utilities, Inc. – Gas Division  
Docket No. R-2021-3030218**

***Prehearing Memorandum of CAUSE-PA***

Dear Judges Cheskis and Chiodo:

Please find the attached **Prehearing Memorandum of the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (CAUSE-PA)** in the above noted proceeding.

As indicated on the attached Certificate of Service, service on the parties was accomplished by email only.

Respectfully Submitted,

John W. Sweet, Esq.  
*Counsel for CAUSE-PA*

CC: Secretary Rosemary Chiavetta (via E-file)  
Certificate of Service

**BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission :  
 :  
 v. : Docket No. R-2021-3030218  
 :  
 UGI Utilities, Inc. - Gas Division :

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**PREHEARING MEMORANDUM  
OF THE COALITION FOR AFFORDABLE UTILITY SERVICES  
AND ENERGY EFFICIENCY IN PENNSYLVANIA**

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**PENNSYLVANIA UTILITY LAW PROJECT**

*Counsel for CAUSE-PA*

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**March 1, 2022**

On February 24, 2022, a Prehearing Conference Order was issued by Deputy Chief Administrative Law Judge Joel H. Cheskis and Administrative Law Judge Gail M. Chiodo setting a telephonic prehearing conference for Wednesday, March 2, 2022 at 10:00 a.m., and requiring parties to file a Prehearing Memorandum no later than Tuesday, March 1, 2022. In response, the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (“CAUSE-PA”), through its counsel at the Pennsylvania Utility Law Project, hereby files this Prehearing Conference Memorandum.

**I. Background**

On January 28, 2022, UGI Utilities, Inc. – Gas Division (“UGI” or the “Company”) submitted a rate filing, Supplement No. 32 to UGI Gas Tariff – PA P.U.C. Nos. 7 and 7S, which proposes to increase overall rates by approximately \$82.7 million per year, or by 7.8% on a total revenue basis. At the most recently effective gas cost rates, the total bill for the average residential heating customer purchasing gas from UGI would increase from \$98.62 to \$108.01 per month, or by 9.5%. (UGI St. 1 at 7).

On February 15, 2022, CAUSE-PA filed a Petition to Intervene, requesting full intervenor status as an active party to the proceeding.

On February 24, 2022, the Commission entered a Suspension and Investigation Order suspending the UGI tariff by operation of law, and opening an investigation to determine the lawfulness, justness, and reasonableness of the rates, rules, and regulations contained therein. (S&I Order).

## **II. Issues to be Presented**

In addition to compliance with sound rate making principles, including the requirement that rates be just and reasonable, UGI must also ensure that its rates and tariff comply with universal service requirements. See 66 Pa. C.S. § 2203(8). In determining whether rates are just and reasonable, the Commission must examine whether rates are affordable and accessible to those served.

If the Commission approves any natural gas distribution rate increase, the Commission should condition approval on UGI's agreement to perform such actions as are necessary to ensure compliance with applicable sections of the Public Utility Code, Commission regulations and guidelines, and settlement agreements.

CAUSE-PA has conducted an initial review of UGI's proposed tariff changes and testimony and opposes UGI's request on the grounds that the proposed rate increase and tariff changes may result in unjust and unreasonable rates that would impose severe hardship on low and moderate income residential customers. CAUSE-PA identifies the following specific issues of concern, which must be addressed in this proceeding, though it reserves the right to raise additional issues which may arise through the course of this proceeding:

- i. The conformity to law and the effect of UGI's rate filing and proposed rate increase on low income households.
- ii. The effect of UGI's proposed \$19.95 fixed residential customer charge on low income households, and the ability to achieve appreciable bill savings through adoption of energy efficiency measures.
- iii. The effect of UGI's rate filing and proposed rate increase on low income households enrolled in or eligible for UGI's Universal Service Programs, and the continued adequacy of those programs in delivering universally accessible natural gas service.

- iv. The impact of UGI’s proposed Weather Normalization Adjustment, as currently proposed, on the low income household heating bills.

**III. Witnesses and Testimony**

CAUSE-PA intends to present the following witness to testify in this matter, but reserves the right to call additional or substitute witnesses as may be warranted upon proper notice to Your Honor and the parties:

Harry Geller, Esq.  
118 Locust Street  
Harrisburg, PA 17101  
[hgeller@pautilitylawproject.org](mailto:hgeller@pautilitylawproject.org)

Mr. Geller will address the issues identified above, as well as other issues that may arise throughout this proceeding.

**IV. Discovery**

CAUSE-PA supports the discovery modifications requested by the Office of Consumer Advocate (OCA) in its Prehearing Memorandum.

**V. Settlement**

CAUSE-PA is willing and ready to engage in settlement discussions in an attempt to resolve or narrow the issues in this proceeding, with any and all parties, and encourages the parties to engage in settlement discussions early in the process.

**VI. Service on CAUSE-PA**

CAUSE-PA is represented by the attorneys at the Pennsylvania Utility Law Project. All documents should be served on CAUSE-PA as follows:

John W. Sweet, Esq.  
Lauren N. Berman, Esq.  
Ria M. Pereira, Esq.  
Elizabeth R. Marx, Esq.  
**PENNSYLVANIA UTILITY LAW PROJECT**  
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CAUSE-PA requests that parties agree to electronic service in this proceeding due to the ongoing logistical complications of Covid-19.

**VII. Representation of CAUSE-PA at Prehearing Conference**

At the Prehearing Conference, CAUSE-PA will be represented by John W. Sweet, Esq.

**VIII. Litigation Schedule**

CAUSE-PA is currently involved in discussions with UGI and other parties to reach a mutually agreeable litigation schedule.

WHEREFORE, CAUSE-PA respectfully submits this Prehearing Conference Memorandum.

Respectfully submitted,  
**PENNSYLVANIA UTILITY LAW PROJECT**  
*Counsel for CAUSE-PA*



John W. Sweet, Esq., PA ID: 320182  
Lauren N. Berman, Esq., PA ID: 310116  
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March 1, 2022

**BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission	:	
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v.	:	Docket No. R-2021-3030218
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UGI Utilities, Inc. – Gas Division	:	

**Certificate of Service**

I hereby certify that I have this day served copies of the **Prehearing Memorandum of the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania** upon the parties of record in the above captioned proceeding in accordance with the requirements of 52 Pa. Code § 1.54 and consistent with the Commission’s Emergency Orders at Docket M-2020-3019262.

**VIA Email**

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