



COMMONWEALTH OF PENNSYLVANIA

May 19, 2022

**E-FILED**

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

**Re: Pennsylvania Public Utility Commission v. UGI Utilities, Inc. – Gas Division  
1307(f) Proceeding / Docket No. R-2022-3032242**

Dear Secretary Chiavetta:

Enclosed please find the Complaint, Public Statement, and Verification, on behalf of the Office of Small Business Advocate (“OSBA”), in the above-captioned proceeding.

Copies will be served on all known parties in this proceeding, as indicated on the attached Certificate of Service.

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

Sincerely,

/s/ Steven C. Gray

Steven C. Gray  
Senior Supervising  
Assistant Small Business Advocate  
Attorney I.D. No. 77538

*Enclosures*

cc: Robert D. Knecht  
Parties of Record



4. The Complainant is authorized and directed by the Small Business Advocate Act, Act 181 of 1988, 73 P.S. §§ 399.41 - 399.50, to represent the interests of small business consumers of utility services in matters before the Pennsylvania Public Utility Commission (“Commission”).

5. On April 29, 2022, UGI Utilities, Inc. – Gas Division (“UGI” or the “Company”) submitted its pre-filing in support of the Company’s upcoming annual Purchased Gas Cost (“PGC”) Rate filing. That PGC Rate filing is required by Section 1307(f) of the Public Utility Code.

6. Section 1318 of the Public Utility Code, 66 Pa. C.S. § 1318, provides that no rates of a natural gas distribution utility shall be deemed just and reasonable unless the Commission finds that the utility is pursuing a least cost fuel procurement policy, consistent with the obligation to provide safe, adequate and reliable service. The Commission must find, among other things, that the utility has (1) fully and vigorously represented ratepayer interests before the Federal Energy Regulatory Commission; (2) taken all prudent steps to negotiate favorable gas supply contracts and to relieve its obligations under contracts that may be adverse to ratepayer interests; (3) taken all reasonable steps to obtain lower cost gas supplies; and (4) not withheld or caused to be withheld gas supplies that should have been utilized as part of a least cost fuel procurement policy. 66 Pa. C.S. § 1318(a).

7. The OSBA files this Formal Complaint to ensure that UGI’s purchased gas cost rates are consistent with a least cost fuel procurement policy and do not result in rates and charges that are excessive, unjust or unreasonable, discriminatory or otherwise contrary to Commission regulation or policy.

8. In view of the foregoing, the Small Business Advocate respectfully requests that the Pennsylvania Public Utility Commission:

- a. Hold evidentiary hearings in accordance with Section 1307(f) of the Public Utility Code;
- b. Deny any proposed rate changes which are not the result of a least cost fuel procurement policy as defined by the standards set forth in Section 1318 of the Public Utility Code, and as defined by other applicable ratemaking standards;
- c. Ensure that UGI's small business customers are not allocated any costs that should not be borne by them;
- d. Deny any rate change that is unjust, unreasonable, unduly discriminatory or contrary to sound ratemaking principles; and
- e. Grant such other relief as may be necessary or appropriate.

Respectfully submitted,

/s/ Steven C. Gray

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Steven C. Gray  
Senior Supervising  
Assistant Small Business Advocate  
Attorney ID No. 77538

For:  
The Small Business Advocate

Office of Small Business Advocate  
555 Walnut Street  
Forum Place 1<sup>st</sup> Floor  
Harrisburg, PA 17101  
(717) 783-2525  
(717) 783-2831 (fax)

Dated: May 19, 2022

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

<b>Pennsylvania Public Utility Commission</b>	:	
	:	
v.	:	<b>Docket No. R-2022-3032242</b>
	:	
<b>UGI Utilities, Inc. – Gas Division 1307(f)</b>	:	

**PUBLIC STATEMENT OF  
THE OFFICE OF SMALL BUSINESS ADVOCATE**

The Small Business Advocate is authorized and directed to represent the interest of small business consumers of utility services in Pennsylvania under the provisions of the Small Business Advocate Act, Act 181 of 1988, 73 P.S. §§ 399.41 - 399.50 (the “Act”). The Act further provides that the Small Business Advocate is to issue publicly a written statement stating concisely the specific interest of small business consumers to be protected by his initiation of or intervention in any proceeding involving those interests before the Public Utility Commission or any other agency or court. This public statement relates to the filing today by the Small Business Advocate of a complaint against the 2022 Purchased Gas Cost (“PGC”) Rate filing of UGI Utilities, Inc. – Gas Division (“UGI” or the “Company”)

The Small Business Advocate files this formal complaint against the Company’s proposed gas cost rate in order to protect the interests of the Company’s small business customers. A thorough inquiry by the Public Utility Commission into all of the elements of the Company’s gas cost rate is necessary to ensure that the utility is pursuing a least cost fuel procurement policy, consistent with the obligation to provide safe, adequate and reliable service.

In view of the foregoing, the Small Business Advocate will participate in proceedings before the Public Utility Commission to investigate the reasonableness of the proposed rates in UGI’s 2022 PGC Rate filing. The Small Business Advocate will ask the Commission to deny

any proposed rate increase or other changes in the Company's present tariffs that apply to small business customers that are not proven by UGI to be lawful, just, reasonable, and non-discriminatory.

Dated: May 19, 2022

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

<b>Pennsylvania Public Utility Commission</b>	:	
	:	
v.	:	<b>Docket No. R-2022-3032242</b>
	:	
<b>UGI Utilities, Inc. – Gas Division 1307(f)</b>	:	

**VERIFICATION**

I, Steven C. Gray, hereby state that the facts set forth herein above 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: May 19, 2022

/s/ Steven C. Gray

\_\_\_\_\_ (Signature)

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

<b>Pennsylvania Public Utility Commission</b>	:	
	:	
v.	:	<b>Docket No. R-2022-3032242</b>
	:	
<b>UGI Utilities, Inc. – Gas Division 1307(f)</b>	:	

**CERTIFICATE OF SERVICE**

I hereby certify that true and correct copies of the foregoing have been served via email (*unless other noted below*) upon the following persons, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

The Honorable Charles E. Rainey Jr.  
Chief Administrative Law Judge  
Pennsylvania Public Utility Commission  
400 North Street  
Commonwealth Keystone Building  
Harrisburg, PA 17120  
[crainey@pa.gov](mailto:crainey@pa.gov)

Richard Kanaskie, Esquire  
Bureau of Investigation & Enforcement  
400 North Street  
Commonwealth Keystone Building  
Harrisburg, PA 17120  
[rkanaskie@pa.gov](mailto:rkanaskie@pa.gov)  
(*Counsel for BIE*)

Lauren E. Guerra, Esquire  
Aron J. Beatty, Esquire  
Office of Consumer Advocate  
555 Walnut Street, 5th Floor  
Harrisburg, PA 17101  
[lguerra@paoca.org](mailto:lguerra@paoca.org)  
[abeatty@paoca.org](mailto:abeatty@paoca.org)  
(*Counsel for OCA*)

Lindsay A. Berkstresser, Esquire  
Post & Schell, P.C.  
17 North Second Street  
12th Floor  
Harrisburg, PA 17101-1601  
[lberkstresser@postschell.com](mailto:lberkstresser@postschell.com)

Christopher R. Brown, VP  
UGI Utilities, Inc.  
1 UGI Drive  
Denver, PA 17517  
[cbrown@ugi.com](mailto:cbrown@ugi.com)

Timothy K. McHugh, Esquire  
UGI Corporation  
460 North Gulph Road  
King of Prussia, PA 19406  
[mchught@ugicorp.com](mailto:mchught@ugicorp.com)

/s/ Steven C. Gray

DATE: May 19, 2022

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Steven C. Gray  
Senior Supervising  
Assistant Small Business Advocate  
Attorney ID No. 77538