

April 24, 2023

VIA E-FILE

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

Re: Petition of the Office of Consumer Advocate, the Office of Small Business Advocate and the Pennsylvania Utility Law Project Requestion Initiation of a Proceeding on Federal Funding Opportunities Under the Infrastructure Investment and Jobs Act

Docket No. P-2022-3032929

The Energy Innovation Center Institute, Inc. (a Pennsylvania 501C3 organization) and its Infrastructure Academy initiative ("EICI/IA")
Amicus Letter in Support of UGI's Petition

Dear Secretary Chiavetta:

On April 5, 2023, UGI Utilities, Inc. filed a Petition for Clarification of the March 21, 2023, Order of the Public Utility Commission (Petition for Clarification). In response thereto, the Energy Innovation Center Institute/Infrastructure Academy (EICI/IA) files this amicus Letter in support of UGI Utilities, Inc. – Gas and Electric Divisions ("UGI" or the "Company") petition for clarification of the Commission's Order entered on March 21, 2023, at Docket No. P-2022-3032929.

The EICI/IA files this amicus letter pursuant to 52 PA. Code §5.502(e). The EICI/IA requests the Commission to grant UGI's Petition for Clarification.

Within UGI's Petition for Clarification, the Company respectfully requests that the Commission clarify: (1) whether the costs incurred by utilities to prepare, apply, administer and otherwise execute on opportunities for federal programs will qualify for regulatory asset accounting treatment, along with related offsetting funding receipts; and (2) that the Commission will engage Pennsylvania utilities to the extent it seeks federal funding as an eligible entity, so utilities may plan for any related impact those additional funds may have on their operations. Clarification of these items will aid utilities in seeking and managing federal

funding opportunities in a manner which best benefits all interested parties, including customers.

The EICI/IA respectfully submits that all utilities performing their due diligence in both creating an effective clean energy strategy, as contemplated under the IIJA, as well as implementing plans to apply for and administer grants and federal funding awards, will necessarily require outside consultants to facilitate the strategic planning and federal grant process. The federal government's basic procurement or acquisition process often involves an agency helping companies develop a clean energy strategy architecture that is then used to identifying the goods and services it needs (also known as the agency's "requirements"), determining the most appropriate method for purchasing these items, and carrying out the acquisition. Although this process is simple in theory, any given procurement can be complex, involving a multitude of decisions and actions. A contracting officer may need to determine, for example, whether to use a federal supply schedule (see below), what type of contract to use, whether simplified acquisition procedures may be used, or whether the procurement should be set aside for small businesses.

As such, Pennsylvania Public Utility Commission's regulated utilities may incur uncertain costs associated with the federal funding process. The EICI/IA agrees with UGI's Petition for Clarification regarding rate-making treatment/deferred recovery of a regulatory asset. Therefore, the EICI/IA requests that the Commission clarify its Order to find that that costs incurred by utilities in order to prepare, apply, administer, and otherwise execute on opportunities for federal funding may be deferred and recorded as a regulatory asset for accounting purposes, along with related offsetting funding receipts. The EICI/IA believes that the acquisition of federal funding related to the Infrastructure Investment and Jobs Act will benefit Pennsylvania regulated utilities and ratepayers.

Sincerely,

R. A. DiClaudio

Rich DiClaudio

President and CEO

**The Energy Innovation Center Institute, Inc.
& the Infrastructure Academy™**