



COMMONWEALTH OF PENNSYLVANIA

June 13, 2024

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 /
Docket No. R-2024-3048828**

Dear Secretary Chiavetta:

Enclosed for filing please find the Prehearing Memorandum, 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 Attorney
Assistant Small Business Advocate
Attorney ID No. 77538

Enclosures

cc: Mark Ewen
Parties of Record

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission	:	
	:	
v.	:	Docket No. R-2024-3048828
	:	
UGI Utilities, Inc. – Gas Division	:	

**PREHEARING MEMORANDUM
OF THE OFFICE OF SMALL BUSINESS ADVOCATE**

I. INTRODUCTION

The Office of Small Business Advocate (“OSBA”) is authorized to represent the interests of small business consumers of utility services before the Pennsylvania Public Utility Commission (“Commission”) pursuant to the provisions of the Small Business Advocate Act, Act 181 of 1988, 73 P.S. §§ 399.41 - 399.50 (“the Act”). In order to discharge this statutory duty, the Small Business Advocate deems it necessary to participate as a party to this proceeding. Representing the OSBA in this matter is Assistant Small Business Advocate Steven C. Gray.

Please address all correspondence as follows:

Steven C. Gray, Esq.
Senior Attorney
Assistant Small Business Advocate
Office of Small Business Advocate
Forum Place
555 Walnut Street, 1st Floor
Harrisburg, PA 17101
(717) 783-2525
sgray@pa.gov

II. FILING BACKGROUND

Pursuant to Section 1307(f) of the Public Utility Code, 66 Pa. C.S. § 1307(f), UGI Utilities, Inc. – Gas Division (“UGI Gas” or the “Company”) made its 2024 Section 1307(f) Purchased Gas Cost (“PGC”) rate filing on May 31, 2024. The OSBA filed a Complaint in this matter on June 10, 2024.

III. IDENTIFICATION OF WITNESSES AND TENTATIVE ISSUES

Assisting in the development and presentation of the OSBA’s case in this proceeding will be:

Mr. Mark Ewen
Industrial Economics Incorporated
2067 Massachusetts Ave.
Cambridge, MA 02140
(617) 354-0074 9461
mewen@indecon.com

The OSBA will participate in the case to assure that the interests of small business customers of UGI Gas are adequately represented and protected.

At the time of this writing, the OSBA is still reviewing the materials submitted by UGI Gas. Nevertheless, the OSBA has identified the following list of issues that it will evaluate in this proceeding:

1. Whether the Company’s actual and forecast lost and unaccounted-for gas rates, and the associated retainage rates for transportation customers, are reasonable.
2. Whether the Company’s design day demand forecasting and peak day capacity requirements are reasonable.

3. Whether the Company's gas supply procurement and hedging strategy is reasonable.
4. Whether the Company's gas supply mix and strategy for basin diversification are reasonable.
5. Whether the Company's strategy for capacity release, off-system sales, asset management arrangements and storage fill agreements is reasonable and serves to minimize costs incurred by PGC customers

The OSBA reserves the right to pursue additional issues as they arise throughout the proceeding.

IV. SERVICE OF DOCUMENTS

In accordance with 52 Pa. Code § 1.54(b)(3)(i), the OSBA agrees to accept electronic mail delivery of documents on the due date^a as satisfying the in-hand requirement. At the time of this writing, hard copy delivery of documents to the OSBA is not possible. The OSBA requests that email delivery of documents also be provided to its witnesses identified above.

In addition to email copies of pleadings, briefs, and exceptions, the OSBA requests email copies of responses to discovery propounded by the OSBA or any other party.

V. SETTLEMENT

The OSBA notes its willingness to enter into settlement discussions at the appropriate phase of this proceeding.

^a In accordance with 52 Pa. Code § 1.56(a)(5), documents must be received by 4:30 pm.

VI. HEARING AND BRIEFING SCHEDULE

At the time of this writing, the parties are working to develop a proposed procedural schedule. Due to the already busy and fully scheduled summer months this year, and the physical unavailability of the OSBA witness, the OSBA requests that any hearings take place telephonically.

Respectfully submitted,

/s/ Steven C. Gray

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

Commonwealth of Pennsylvania
Office of Small Business Advocate
Forum Place
555 Walnut Street, 1st Floor
Harrisburg, PA 17101

Dated: June 13, 2024

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PENNSYLVANIA PUBLIC UTILITY COMMISSION**

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CERTIFICATE OF SERVICE

I hereby certify that true and correct copies of the foregoing have been served via email (*unless otherwise 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 Dennis J. Buckley
Administrative Law Judge
Pennsylvania Public Utility Commission
400 North Street
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Harrisburg, PA 17120
debuckley@pa.gov

The Honorable Alphonso Arnold III
Administrative Law Judge
Pennsylvania Public Utility Commission
400 North Street
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Prosecutor
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Emily A. Farren, Esquire
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UGI Corporation
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SwerlingM@ugicorp.com

DATE: June 13, 2024

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