



COMMONWEALTH OF PENNSYLVANIA

June 25, 2024

E-FILED

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

Re: Petition of UGI Utilities, Inc. – Electric Division for Approval of a Default Service Plan (DSP V) for the Period of June 1, 2025 through May 31, 2029 / Docket Nos. P-2024-3049343, G-2024-3049351

Dear Secretary Chiavetta:

Enclosed please find the Prehearing Memorandum, on behalf of the Office of Small Business Advocate (“OSBA”), in the above-captioned proceedings.

Copies will be served on all known parties in these proceedings, 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: Parties of Record

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission	:	
	:	
v.	:	Docket Nos. P-2024-3049343
	:	G-2024-3049351
Petition of UGI Utilities, Inc. – Electric	:	
Division for Approval of a Default Service	:	
Plan (DSP V) for the Period of June 1, 2025	:	
through May 31, 2029	:	

**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 customers 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 these proceedings. Representing the OSBA in the above-referenced matter is Assistant Small Business Advocate Steven Gray. Please address all correspondence in this matter as follows:

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

II. FILING BACKGROUND

On May 31, 2024, UGI Utilities, Inc. – Electric Division (“UGI-E” or the “Company”) filed a Petition for Approval of a Default Service Plan for the Period of June 1, 2025 through May 31, 2029 (“Petition”) with the Pennsylvania Public Utility Commission (“Commission”).

The OSBA filed an Answer and Notice of Intervention on June 20, 2024.

III. IDENTIFICATION OF WITNESS AND TENTATIVE ISSUES

At the time of this writing, the OSBA is working to hire an expert witness for this proceeding.

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

After an initial review of the materials submitted by UGI-E, the OSBA has identified the following list of issues that it will evaluate in this proceeding:

- 1) Whether the Company’s analysis showing that the standalone cost for procuring electric supplies for small commercial customers is substantially lower than that for residential customers is reasonable and accurate;
- 2) Whether the Company’s proposal to continue combined procurement of residential and small commercial GSR-1 supplies is reasonable in light of the Company’s load research analysis;
- 3) If combined procurement of GSR-1 supplies remains reasonable, the OSBA will evaluate whether an alternative cost allocation methodology should be applied to GSR-1 procurement costs in order to reflect the substantial standalone procurement cost differences estimated by the Company;

- 4) The OSBA will review shopping trends, for residential, small commercial, and larger customer groups;
- 5) Evaluate whether a four-year plan is reasonable;
- 6) Evaluate whether the 100 kW demarcation between GSR-1 and GSR-2 remains reasonable;
- 7) Evaluate whether the proposed approach to procurement remains reasonable, including a review of the approaches used in DSP II, DSP III, and DSP IV;
- 8) Evaluate whether the timing and duration of the various procurements remains reasonable;
- 9) Review historical and proposed AEPSA procurement practices;
- 10) Evaluate whether the claimed administrative costs associated with the default service program are reasonable; and
- 11) Evaluate the impact of net metering policies on default service costs.

The OSBA reserves the right to pursue additional issues that may arise throughout this 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 date¹ 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.

¹ In accordance with 52 Pa. Code § 1.56(a)(5), documents must be received by 4:30 pm.

V. **DISCOVERY**

The OSBA does not propose any discovery modifications.

VI. **SETTLEMENT**

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

VII. **HEARING AND BRIEFING SCHEDULE**

At the time of this writing, the parties are discussing a proposed procedural schedule. Given the excess of cases presently before the Commission, the OSBA requests that any Hearings in this proceeding be held 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 25, 2024

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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
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DATE: June 25, 2024

/s/ Steven C. Gray
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