

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition of UGI Utilities, Inc. - Gas :
Division for Approval of its Phase II : M-2024-3048418
Energy Efficiency and Conservation Plan :

RECOMMENDED DECISION

Before
Steven K. Haas
Administrative Law Judge

INTRODUCTION

A natural gas utility filed a voluntary petition for approval of its Phase II Energy Efficiency and Conservation Plan ("EE&C Plan" or "the Plan"). This decision recommends that a Joint Petition for Approval of Settlement of All Issues filed by the parties ("Joint Petition" or "Settlement") be approved without modification. The settlement is supported by substantial evidence and is in the public interest.

HISTORY OF THE PROCEEDING

On April 15, 2024, UGI Utilities, Inc. – Gas Division ("UGI Gas" or "the Company") filed the above-captioned Petition with the Commission, which included the Company's supporting written direct testimony and exhibits. This filing was made pursuant to the Commission's December 23, 2009 Secretarial Letter at Docket No. M-2009-2142851 ("*December 23, 2009 Secretarial Letter*"), which provided guidance on voluntary Energy Efficiency and Conservation Plans submitted by electric distribution

companies that are not subject to Act 129 of 2008, P.L. 1592, 66 Pa.C.S §§ 2806.1 and 2806.2 (“Act 129”). UGI Gas, as a natural gas distribution company, is not mandated to enact an EE&C Plan under Act 129. However, UGI Gas’s EE&C Plan was developed using the guiding principles of Act 129 and the *December 23, 2009 Secretarial Letter*.

In its Petition, UGI Gas requested Commission approval of the Company’s voluntary Phase II EE&C Plan. The voluntary Phase II EE&C Plan includes a portfolio of energy efficiency programs, conservation practices, and energy education initiatives for the time period beginning October 1, 2025, through September 30, 2030.

On May 3, 2024, the Office of Small Business Advocate (“OSBA”) filed a Notice of Appearance, Answer, Notice of Intervention, and Public Statement. On May 6, 2024, the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (“CAUSE-PA”) filed a Petition to Intervene and Answer. Also on May 6, 2024, the Office of Consumer Advocate (“OCA”) filed a Notice of Appearance, Answer, Notice of Intervention, and Public Statement.

On September 12, 2024, a Telephonic Prehearing Conference Notice was issued, which scheduled a prehearing conference for September 26, 2024, at 10:00 a.m. and assigned the matter to me. By email dated September 24, 2024, I asked whether the parties would like time to discuss settlement before establishing a litigation schedule. The parties requested time to pursue settlement prior to setting a litigation schedule. On September 25, 2024, the Commission issued a Cancellation Notice, which canceled the prehearing conference.

By email sent to me on November 22, 2024, the parties requested that a prehearing conference be scheduled, and a litigation schedule be established in order to avoid a compressed litigation schedule should ongoing settlement negotiations be unsuccessful. On January 14, 2025, a second Telephonic Prehearing Conference Notice

was issued, which rescheduled the prehearing conference for January 17, 2025, at 10:00 a.m.

On January 17, 2025, the prehearing conference was held, during which the Parties, among other things, agreed to a procedural schedule and certain modifications to the Commission's discovery rules.

On January 21, 2025, a Scheduling Order was issued that, among other things, granted the Petition to Intervene of CAUSE-PA, adopted the procedural schedule agreed to by the Parties at the prehearing conference, and established modified discovery rules.

On February 11, 2025, OCA, OSBA, and CAUSE-PA served their written direct testimony and exhibits. On March 4, 2025, UGI Gas served its written rebuttal testimony and exhibits.

On March 20, 2025, a hearing notice was issued scheduling a telephonic evidentiary hearing for March 27, 2025.

On March 25, 2025, OCA, OSBA, and CAUSE-PA served their written surrebuttal testimony and exhibits.

On March 26, 2025, the Joint Petitioners advised me that they had reached a settlement in principle. In light of the settlement in principle reached, the Joint Petitioners requested that the hearing be canceled and that the evidence be admitted into the record via a joint stipulation for admission of evidence. I granted this request.

On March 26, 2025, a Cancellation Notice was issued, which canceled the evidentiary hearing scheduled for March 27, 2025.

On April 8, 2025, I granted the Joint Petitioners' request to file a joint petition for settlement and statements in support of the settlement by the scheduled reply brief due date of May 1, 2025. This deadline was subsequently extended to May 6, 2025.

On May 6, 2025, The Joint Petitioners submitted a Joint Petition for Approval of Settlement of All Issues along with Statements in Support and requested that the settlement be approved by the Commission without modification. Also on this date, the Joint Petitioners submitted a Joint Stipulation for Admission of Evidence, including written verifications.

Joint Stipulation for Admission of Evidence

As noted above, the parties requested during the prehearing conference that evidence in this proceeding be admitted by joint stipulation. I approved that request. Subsequently, on May 6, 2025, the parties submitted their Joint Stipulation for Admission of Evidence, including written verifications. The parties requested that the following statements and exhibits be admitted by stipulation:

1. Testimony and Exhibits of UGI Gas

UGI Gas Exhibit 1 – UGI Gas's Phase II EE&C Plan.

UGI Gas Exhibit 2 – Pro forma tariff pages for the Phase II Energy Efficiency and Conservation Rider.

UGI Gas Exhibit 3 - Petition for Approval of UGI Gas's Phase II EE&C Plan.

UGI Gas Statement No. 1 – Direct Testimony of Theodore M. Love, including UGI Gas Exhibit TML-1.

UGI Gas Statement No. 1-R – Rebuttal Testimony of Theodore M. Love, including UGI Gas Exhibits TML-1R through TML-6R, **CONFIDENTIAL** Exhibit TML-7R, and Exhibit TML-8R.

UGI Gas Statement No. 2 – Direct Testimony of Tracy A. Hazenstab, including UGI Gas Exhibits TAH-1 and TAH-2.

UGI Gas Statement No. 2-R – Rebuttal Testimony of Tracy A. Hazenstab.

2. Testimony and Exhibits of OCA

OCA Statement No. 1 – Direct Testimony of Stacy L. Sherwood, including Attachment A, and a signed verification.

OCA Statement No. 1-SR – Surrebuttal Testimony of Stacy L. Sherwood and a signed verification.

3. Testimony and Exhibits of OSBA

OSBA Statement No. 1 – Direct Testimony of Angela Vitulli, including Exhibits IEC-1 and IEC-2, and a signed verification.

OSBA Statement No. 1-SR – Surrebuttal Testimony of Angela Vitulli and a signed verification.

4. Testimony and Exhibits of CAUSE-PA

CAUSE-PA Statement 1 – Direct Testimony of Mitchell Miller, including Appendices A and B.

CAUSE-PA Statement 1-SR – Surrebuttal Testimony of Mitchell Miller.

As all parties are in agreement for the admission of their respective evidence by stipulation, the statements and exhibits identified in the Joint Stipulation for Admission of Evidence and set forth above will be admitted in the ordering paragraphs below.

Terms of the Settlement

The Joint Petition sets forth the following terms agreed to by the parties. For ease of reference, they are repeated verbatim and retain the same paragraph and section numbers as they appear in the Joint Petition, at 4-10.

II. SETTLEMENT

23. The Joint Petitioners agree as follows:

24. The Company's Phase II EE&C Plan is approved, subject to the following modifications.

25. For the Combined Heat and Power ("CHP") program, if by the end of program Year 4 there are no additional projects in the pipeline and/or significant budget remaining, then the Company will move those budgeted funds to another commercial program to generate additional savings.

26. UGI Gas will file a one-time informational letter and serve the parties to this docket if the Company begins offering a commercial gas heat pump as a measure in the Plan. The filing shall detail the level of the incentive and the forecasted number of measures to be rebated by year throughout the Plan period. Additionally, the Company should indicate any impacts to the Plan's budgets due to the inclusion of commercial gas heat pumps in the Plan.

27. Before offering any gas-fired heat pump incentives, UGI Gas will undertake a study for the hypothetical, informational analysis of a generic 20-unit multifamily building that uses a master-metered natural gas account and installs a gas fired heat pump. This analysis will include lifecycle energy savings, customer costs

(including installation, billing, and maintenance costs), and cost-effectiveness analysis. UGI Gas will provide such hypothetical, informational analysis to the parties to review before offering these incentives.

28. A formalized marketing plan will be established annually, detailing how the Company will achieve the projections in its Phase II EE&C Plan.

29. UGI Gas will file and serve the Company's program evaluations to the parties to this docket.

30. Within 180 days of approval of the Phase II EE&C Plan, UGI Gas will convene a meeting and invite representatives from EDCs with overlapping territory to discuss improved coordination with electric utilities' Act 129 programs and Low-Income Usage Reduction Programs ("LIURP") to install measures with long term bill savings.

31. Once per year, UGI Gas will attend and present at a dedicated multifamily stakeholder meeting, to the extent such a meeting is scheduled and held by CAUSE-PA, where the meeting participants will discuss the extent to which they can provide UGI Gas with information that the Company can use to identify any low-income multifamily efficiency project opportunities. If any such project opportunities are identified through this process, the Company will perform targeted EE&C outreach to those properties.

32. UGI Gas agrees to update LIURP communications to include information regarding the availability of Residential Retrofit ("RR") and Residential Prescriptive ("RP") Program rebates. Within 90 days of a final order in this proceeding, UGI Gas will provide the parties with copies of draft communications and will consider,

in good faith, incorporation of any feedback provided. However, no later than 120 days of a final order in this proceeding, UGI Gas will finalize the LIURP communications.

33. UGI Gas will track and report at its annual EE&C stakeholder meeting and in its annual report:

- a. Program participation (unique customers and total number of rebates issued) under the RP Program by rate class (R/RT, N/NT); and
- b. Program participation (unique customers and total number of rebates issued) under the Nonresidential (“NR”) Program by rate class (N/NT, DS, LFD).

34. UGI Gas also will track and report at its annual EE&C stakeholder meeting and in its annual report:

- a. The number of confirmed low income, inclusive of self-reported, customers up to 150% Federal Poverty Level (“FPL”) participating in each of the RP and RR programs;
- b. The specific measures in aggregate accessed by confirmed low income, inclusive of self-reported, participants up to 150% FPL in the RP and RR programs;
- c. The total spending in aggregate on confirmed low income, inclusive of self-reported, participants up to 150% FPL in the RP and RR programs;
- d. The net energy savings in aggregate achieved by confirmed low income, inclusive of self-reported participants up to 150% FPL in the RP and RR programs;
- e. The number of EE&C referrals made to LIURP; and
- f. The number of EE&C referrals that received LIURP services.

35. For customers with income at or below 200% of the Federal Poverty Level (“FPL”) who do not meet the LIURP minimum usage threshold and are UGI Gas heating customers (“Qualifying Customers”), UGI Gas will conduct a low-income EE&C Pilot program (“Pilot”). Specifically, starting with the effective date of the Commission’s final order approving this settlement, UGI Gas will conduct a Pilot within its Phase II EE&C Plan incorporating the following provisions for Qualifying Customers up to 200% FPL. The Pilot will end on September 30, 2030. Under the Pilot:

- a. The Company will perform targeted outreach/marketing to Qualifying Customers.
- b. For Qualifying Customers who respond to the targeted outreach/marketing identified in subpart a of this section, the Company will refer those Qualifying Customers to the RR program. At the time of referral, the Company will inform Qualifying Customers that:
 - i. They are eligible under the RR program – at no expense to the customer – for a home energy assessment; and
 - ii. If an RR program assessment occurs and if recommended by the assessment, the Qualifying Customers will be eligible for air sealing and/or insulation measures only – at no expense to the Qualifying Customers, up to \$5,000. Any assessment measure costs over the \$5,000 job cap will be the customer’s responsibility.
- c. For consenting Qualifying Customers, the Company will waive the fee for energy assessment.
- d. For consenting Qualifying Customers, the Company will cover the direct installation costs of air sealing and/or insulation up to a maximum of \$5,000 per job, if recommended as part of the free energy assessment and if the customer agrees. These measures will be directly installed

within a reasonable time after the conclusion of the energy assessment.

- e. For consenting Qualifying Customers who undergo an energy assessment where insulation and air sealing measures are not performed following the result of the free energy assessment: (1) UGI Gas's contractors will offer a free energy savings kit during the assessment on a leave-behind basis; (2) UGI Gas's contractors will leave behind the energy savings kit upon customer acceptance;¹ and (3) the consenting Qualifying Customer will be responsible for installing the kit measures.²
- f. The Company will budget \$250,000 annually to cover the costs of the provisions set forth in Paragraph 11 a-e above (i.e., targeted outreach/marketing, RR program referrals, fee waivers of energy assessments, energy efficiency kits and direct installation of energy efficiency measures for air sealing and/or insulation at a per job cap of \$5,000). The \$250,000 budget is a part of and not incremental to the RR program budget.
- g. Participation in the Pilot program will not prevent participants from accessing the RP program.
- h. The Company will report progress on spending in its annual EE&C report, including:
 - i. The number of customers receiving air sealing and/or insulation; and
 - ii. The cost per job.

¹ Kits will not be provided to customers who decline the offer.

² UGI Gas's Contractors will not be responsible for the direct installation of the kit measures.

36. UGI Gas will be permitted to continue including fuel switching, and offering rebates to all of its gas customers, in its Gas EE&C program under the following conditions:³

- a. UGI Gas will include in its Annual Report the number of residential customers who converted their heating system from electric to gas and received an EE&C rebate during the Program Year.
- b. UGI Gas will continue to not specifically target electric to gas fuel switching as part of its EE&C program.

III. CONDITIONS OF SETTLEMENT

37. This Settlement is conditioned upon the Commission's approval of the terms and conditions contained herein without modification. If the Commission modifies the Settlement, then any Joint Petitioner may elect to withdraw from this Settlement and may proceed with litigation and, in such event, this Settlement shall be void and of no effect. Such election to withdraw must be made in writing, filed with the Secretary of the Commission, and served upon all Joint Petitioners within five (5) business days after the entry of an order modifying the Settlement. The Joint Petitioners acknowledge and agree that this Settlement, if approved, shall have the same force and effect as if the Joint Petitioners had fully litigated this proceeding.

38. This Settlement is proposed by the Joint Petitioners to settle all issues in the instant proceeding. If the Commission does not approve the Settlement and the proceedings continue, the Joint Petitioners reserve their respective rights to present additional testimony and to conduct full cross-examination, briefing, and argument. The

³ CAUSE-PA does not join the Settlement provisions in paragraph 36 but does not oppose their inclusion in the Settlement.

Settlement is made without any admission against, or prejudice to, any position which any Joint Petitioner may adopt in the event of any subsequent litigation of this proceeding.

39. This Settlement may not be cited as precedent in any future proceeding, except to the extent required to implement this Settlement.

40. This Settlement is being presented only in the context of this proceeding in an effort to resolve the proceeding in a manner which is fair and reasonable. The Settlement is the product of compromise. This Settlement is presented without prejudice to any position which any of the Joint Petitioners may have advanced and without prejudice to the position any of the Joint Petitioners may advance in the future on the merits of the issues in future proceedings except to the extent necessary to effectuate the terms and conditions of this Settlement. This Settlement does not preclude the Joint Petitioners from taking other positions in proceedings of other public utilities.

41. If the presiding ALJ adopts the Settlement without modification, the Joint Petitioners agree they will waive the right to file exceptions to the ALJ's decision. If the Commission adopts the Settlement without modification, the Joint Petitioners agree that they waive their right to appeal or to seek reconsideration, rehearing, reargument, or clarification of the Commission's Order approving the Settlement.

Joint Petition at 4-10.

DISCUSSION

UGI Gas has the burden of proof in this proceeding to establish that it is entitled to the relief it is seeking. 66 Pa.C.S. § 332(a). It must establish its case by a preponderance of the evidence. Samuel J. Lansberry, Inc. v. Pa. Pub. Util. Comm'n, 578 A.2d 600 (Pa. Cmwlth. 1990). To meet its burden of proof, UGI Gas must present evidence more convincing, by even the smallest amount, than that presented by any opposing party. Se-Ling Hosiery v. Margulies, 70 A.2d 854 (Pa. 1950). In this case, UGI Gas requests that the Commission approve its Phase II EE&C Plan.

Act 129 required the Commission to develop and adopt an EE&C Program by January 15, 2009. Under Act 129, the Commission's EE&C Program requires electric distribution companies (EDCs) to adopt and implement cost-effective energy efficiency and conservation plans to reduce energy demand and energy consumption within the service territory of each EDC. 66 Pa.C.S. § 2806.1(a). However, Act 129 exempted EDCs with fewer than 100,000 customers from the EE&C Program. 66 Pa.C.S. § 2806.1(l).

On December 23, 2009, the Commission issued a Secretarial Letter at M-2009-2142851, addressed to the four EDCs in Pennsylvania with less than 100,000 customers: Citizens Electric Company, Pike County Light & Power Company, UGI, and Wellsboro Electric Company. In the *Secretarial Letter*, the Commission stated that customers served by small EDCs could also benefit from EE&C measures designed to help ensure affordable and available electric service. The Commission also stated that, since the initial Act 129 process for the large EDCs had nearly run its course, the Commission was open to the filing of voluntary EE&C plans by these four smaller EDCs. The *December 23, 2009 Secretarial Letter* also provided guidance regarding the content and Commission review of voluntary EE&C plans.

The Commission directed that petitions for approval of voluntary EE&C plans should be filed in accordance with 52 Pa. Code § 5.41 and should contain the following components:

1. A detailed plan and description of the measures to be offered;
2. Sufficient supporting documentation and verified statements or testimony or both;
3. Proposed energy consumption or peak demand reduction objectives or both, with proposed dates the objectives are to be met;
4. A budget showing total planned expenditures by program and customer class;
5. Tariffs and a section 1307 cost recovery mechanism; and
6. A description of the method for monitoring and verifying plan results.

December 23, 2009 Secretarial Letter, at 1.

As a natural gas distribution company UGI Gas is not mandated to file an EE&C plan but submitted its voluntary Phase II EE&C Plan using the guiding principles in the Commission's Act 129 and the *December 23, 2009 Secretarial Letter*.

As noted above, the parties have reached a settlement. Commission policy promotes settlements. 52 Pa. Code § 5.231. Settlements lessen the time and expense the parties must expend litigating a case and at the same time conserve precious administrative hearing resources. The Commission has indicated that settlement results are often preferable to those achieved at the conclusion of a fully litigated proceeding. 52 Pa. Code § 69.401.

In order to accept a settlement, the Commission must first determine that the proposed terms and conditions are in the public interest. Pa. Pub. Util. Comm'n v. York Water Co., Docket No. R-00049165, (Order entered Oct. 4, 2004); Pa. Pub. Util. Comm'n v. C S Water and Sewer Assoc., 74 Pa.P.U.C. 767 (1991).

Public Interest

The parties have reached a full settlement in this proceeding. In order to accept a settlement, the Commission must first determine that the proposed terms and conditions are in the public interest. Pa. Pub. Util. Comm'n v. York Water Co., Docket No. R-00049165 (Order entered Oct. 4, 2004); Pa. Pub. Util. Comm'n v. C S Water and Sewer Assoc., 74 Pa.P.U.C. 767 (1991). As discussed below, I find that the settlement terms are, in fact, in the public interest and recommend that the settlement be approved.

The parties submitted Statements in Support of the settlement wherein they argued for acceptance of the settlement without modification. The Statement in Support submitted by UGI Gas addresses the settlement terms in a comprehensive and organized manner under the headings Commercial Measures, Tracking and Reporting, Marketing, Low Income Pilot and Communications and Fuel Switching Measures. I will review the settlement terms following the organization set forth in the Company's Statement in Support.

A. COMMERCIAL MEASURES

In its petition, UGI Gas proposed to include commercial gas heat pumps in its Nonresidential program for Phase II of its EE&C Plan, in a continuing effort to consider other equipment for inclusion in the program and the relative market adoption of equipment already receiving incentives. (UGI Gas Exhibit. 1, p. 49). UGI Gas did not include any projection or rebate proposals for this equipment in its initial plan, noting that

it may include a rebate for the installation of this newer technology as it becomes more available in the marketplace. (UGI Gas Exhibit. 1, p. 49). UGI Gas also proposed one Combined Heat and Power (“CHP”) program, through which the company plans to invest approximately \$1.68 million over five years with the goal of returning \$8.6 million dollars in present value of total resource net benefits. (UGI Gas Exhibit 1, p. 5).

OSBA argued that it is not “typical for utility EE&C programs to incentivize customers to invest in emerging technologies like commercial gas heat pumps.” (OSBA St. No. 1, p. 8). OSBA also argued that “including gas heat pumps without specific projections ‘just in case’ the technology becomes more readily available in the future is unusual and is not an adequate substitute for a comprehensive pilot study.” (OSBA St. No. 1, p. 9). OSBA recommended that “UGI Gas conduct an energy savings and cost-effectiveness analysis before offering incentives for commercial gas heat pumps.” (OSBA St. No. 1, pp. 3, 8-9).

In rebuttal, UGI Gas argued for the continued inclusion of commercial gas heat pumps in the Phase II EE&C Plan. The company argued that the Plan “must be flexible to adapt to changing market conditions that support energy saving achievements, something that gas heat pumps can offer.” (UGI Gas St. No. 1-R, p. 9). UGI Gas witness Mr. Love stated, “the market for commercial heat pumps has existed for some time and provides significant energy savings compared to existing boiler technology,” and that he is “aware of at least 8 utilities that have programs for gas heat pumps.” (UGI Gas St. No. 1-R, p. 9; UGI Gas Exhibit TML-3R). UGI Gas argued that, given the low deployment of this technology, it was very unlikely that attendant rebates would represent any significant portion of program activity. (UGI Gas St. No. 1-R, p. 10). The Company noted that it had already screened a generic gas heat pump measure for cost-effectiveness under the TRC test and found it was not cost-effective. The Company further maintained that there is no requirement that any individual measure pass the TRC test, as the only cost-effectiveness requirement is that the overall portfolio pass the TRC test. (UGI Gas

St. No. 1-R, p. 10). Accordingly, UGI Gas committed to updating its cost-effectiveness analysis for any future gas heat pump offering and making sure that it does not bring down the overall Phase II EE&C Plan portfolio's benefit cost ratio below 1.0. (UGI Gas St. No. 1-R, p. 10).

In its surrebuttal testimony, OSBA reiterated its concerns that the Company's proposed inclusion of "emerging technology in the EE&C Plan as a placeholder measure without pre-established projections, rebate proposals, or other success metrics" is "atypical," and that "a market transformation program to test an emerging technology usually has a formal work plan and evaluation plan with clear, pre-determined measures of success." (OSBA St. No. 1-SR, pp. 1, 2).

As a resolution of these issues under the settlement, UGI Gas will undertake a study for the hypothetical, informational analysis of a generic 20-unit multifamily building that uses a master-metered natural gas account and installs a gas fired heat pump before offering any gas heat pump incentives. (Settlement ¶ 27). The study will include lifecycle energy savings, customer costs (including installation, billing, and maintenance costs), and a cost-effectiveness analysis. (Settlement ¶ 27). The company agreed to provide the analysis to the Joint Petitioners for review before offering any commercial gas heat pump incentives to customers. (Settlement ¶ 27). UGI Gas also will file a one-time informational letter and serve the Joint Petitioners if the Company begins offering a commercial gas heat pump as a measure in the Plan. (Settlement ¶ 26). The filing will detail the level of the incentive and the forecasted number of measures to be rebated by year throughout the Plan period. UGI Gas will indicate any impacts to the Plan's budgets due to the inclusion of commercial gas heat pumps in the Plan. (Settlement ¶ 26).

Finally, the Company committed to moving funds budgeted for the CHP program to another commercial program to generate additional savings if, by the end of

program Year 4, there are no additional projects in the pipeline and/or significant budget remains for the CHP program. (Settlement ¶ 25).

I find that these settlement provisions reflect a reasonable compromise of the parties' positions on the issues raised with the Plan's commercial measures. OSBA's concerns are addressed through the Company's commitment to perform a detailed analysis of any commercial gas heat pump incentives before offering them to customers under the Plan. UGI Gas will provide the Joint Petitioners with a copy of the anticipated study for their review. These efforts will ensure that, should the Company offer commercial gas heat pump measures in the Phase II EE&C Plan, the implementation will be transparent and thoroughly reviewed. Finally, the CHP provision ensures that the Company's other commercial programs will realize additional savings if the CHP program budget has funds remaining at the end of Program Year 4. I find that these settlement provisions are reasonable and in the public interest and I recommend that they be approved without modification.

B. TRACKING AND REPORTING

The other parties to this proceeding made certain recommendations about tracking and reporting the progress of the Phase II programs in the Company's annual reports and stakeholder meetings. By way of example, OSBA recommended that "UGI Gas should break down program participation by rate class in its annual reports to increase transparency, enable the Company and its stakeholders to assess how program costs and benefits are distributed across rate classes, and identify opportunities for improvement," and that "UGI Gas should also track and report program participation by other customer categories including but not limited to small business and low-income." (OSBA St. No. 1, p. 7). CAUSE-PA made recommendations for reporting Program metrics for low-income participants, including developing an Evaluation, Measurement, and Verification ("EM&V") Plan that "contain[s] specific metrics that would allow the

Commission and stakeholders to evaluate how many low-income customers participate in the program, the specific measures they receive, and how much money was spent on low-income customers.” (CAUSE-PA St. 1, pp. 26, 37). CAUSE-PA also recommended that UGI Gas hold a dedicated Multifamily stakeholder meeting “to improve UGI’s ability to reach low-income housing projects.” (CAUSE-PA St. 1, pp. 31-32). OCA recommended that UGI Gas “file its completed evaluations” and “all EM&V reports for transparency” at the Phase II docket. (OCA St. 1, pp. 8, 15).

In its rebuttal testimony, UGI Gas agreed with OCA’s recommendation to file any completed evaluations as part of its annual reporting process. The Company noted that this action is consistent with the settlement reached with stakeholders for UGI Electric’s voluntary EE&C Plan. (UGI Gas St. No. 1-SR, p. 35). In response to OSBA’s recommendations, the Company explained that it already provides reporting on costs by rate class for cost recovery purposes. (UGI Gas St. No. 1-SR, p. 40). In response to CAUSE-PA’s recommendations, UGI Gas indicated its intent to provide details on low-income participation in its Phase II annual reports, including specific metrics that allow the Commission and stakeholders to identify how many low-income customers have participated in EE&C programs. (UGI Gas St. No. 1-R, p. 36).

In response to CAUSE-PA’s request for a Multifamily stakeholder meeting, UGI Gas argued that in accordance with the Phase I EE&C Plan settlement the Company already offers multiple channels for Multifamily projects to participate in EE&C measures, including through the Residential Prescriptive (“RP”), Nonresidential Prescriptive, and Nonresidential Custom Programs. (UGI Gas St. No. 1-SR, p. 31). The Company argued that it was unnecessary to hold a dedicated Multifamily stakeholder meeting with the parties listed, as UGI Gas already attends the annual Pennsylvania Housing Alliance (“PHA”) conference to reach these stakeholders. (UGI Gas St. No. 1-SR, pp. 31-32). Finally, UGI Gas stated that it would continue to coordinate efforts with the PHA and the Pennsylvania Housing Finance Agency in line with the Phase I

settlement terms, and, where appropriate, collaborate with neighboring electric distribution companies at conferences, such as the Keystone Energy Efficiency Alliance (“KEEA”) conference. (UGI Gas St. No. 1-SR, p. 32).

In addressing the recommendations of the various parties, UGI Gas will track and report at its annual EE&C stakeholder meeting program participation by rate class under both the RP program and the Nonresidential program. (Settlement ¶ 33). The Settlement also memorializes the Company’s commitment to file and serve its program evaluations to the Joint Petitioners. (Settlement ¶ 29). The Company also agrees to track and report specific data related to confirmed low-income customers⁴ at its annual EE&C stakeholder meeting, including: (1) the number of confirmed low income customers participating in each of the RP and Residential Retrofit (“RR”) programs; (2) the specific measures in aggregate accessed by confirmed low income customers in the RP and RR programs; (3) the total spending in aggregate on confirmed low-income customers in the RP and RR programs; and (4) the net energy savings in aggregate achieved by confirmed low-income customers in the RP and RR programs. (Settlement ¶ 34). UGI Gas further agrees to track the number of EE&C referrals made to the Low-Income Usage Reduction Program (“LIURP”) and the number of EE&C referrals that received LIURP services. (Settlement ¶ 34.)

With respect to the issue of Multifamily opportunities, UGI Gas agrees to attend and present at a dedicated multifamily stakeholder meeting, to the extent such a meeting is scheduled and held by CAUSE-PA, where the meeting participants will discuss the extent to which they can provide UGI Gas with information that the Company can use to identify any low-income multifamily efficiency project opportunities. If any

⁴ The Settlement specifies that the term “confirmed low-income customers” includes self-reporting customers up to 150% FPL.

such project opportunities are identified through this process, the Company will perform targeted EE&C outreach to those properties. (Settlement ¶ 31).

I find that these settlement terms constitute a reasonable compromise of the parties' positions and address the tracking and reporting concerns raised by OCA, OSBA, and CAUSE-PA. The Settlement addresses the OCA's evaluation concerns by adopting the recommendation to file program evaluations at the Phase II EE&C docket, consistent with EDCs subject to the requirement of Act 129. *See* 66 Pa.C.S. § 2806.1(i). The OSBA's concerns are addressed through the reporting of Program participation by rate class. CAUSE-PA's request to track information specific to low-income customers has also been fully addressed in the Settlement. UGI Gas has also committed to exploring opportunities to better serve Multifamily dwellings by participating in stakeholder meetings with CAUSE-PA. I find that these settlement provisions are reasonable and in the public interest and I recommend that they be approved without modification.

C. MARKETING

OCA raised concerns in its testimony that the Company did not provide sufficient support for its proposed marketing efforts for the Phase II EE&C Plan. (OCA St. 1, p. 13). OCA witness Ms. Sherwood argued that the Company's descriptions of its proposed marketing efforts were "quite vague," and that the "annual reports on Phase I do not have significant details on [evaluation and marketing] as it relates to the plan." (OCA St. 1, p. 13). OCA recommended that the Company be required "to file within the docket its annual marketing plan, detailing its planned marketing activity on each program." (OCA St. 1, p. 15).

UGI Gas argued in response that it had, in fact, detailed the marketing efforts for each offering in the Plan, noting that "Section 1.9.2 of the proposed Phase II EE&C Plan provides a multi-page overview of the portfolio's marketing plans and

efforts, and then each program plan has its own section dedicated to the marketing strategy for that specific offering.” (UGI Gas St. 1-R, p. 38). UGI Gas witness Mr. Love stated he was “not aware of any other voluntary plans that are required to provide” annual marketing plans to the Commission. (UGI Gas St. 1-R, p. 38). Mr. Love further explained that “[i]f any interested stakeholders have questions about the marketing activity overviews shared by the Company, they have multiple chances to engage with the Company through the filing of the EE&C Plan’s annual report and the annual stakeholder engagement meeting.” (UGI Gas St. 1-R, p. 38).

In its surrebuttal testimony, OCA restated its position that “[t]he Company should publicly file its marketing plan on an annual basis and include documentation of marketing efforts as part of its annual report.” (OCA St. 1SR, p. 10). OCA continued to recommend that, to increase transparency, the Company should be required to “file within the docket its annual marketing plan, detailing its planned marketing activity on each program” (OCA St. 1SR, p. 12).

The parties agree under the Settlement that a formalized marketing plan will be established annually, detailing how the Company will achieve the projections in its Phase II EE&C Plan. (Settlement ¶ 28). I find that this settlement provision reflects a reasonable compromise of the parties’ positions by requiring the Company to support its projected participation and savings goals through a detailed marketing plan that will help facilitate the achievement of these goals. The provision also increases transparency by providing the parties with the results of the Company’s program evaluations. Accordingly, I find that these settlement provisions are reasonable and in the public interest and I recommend that they be approved without modification.

D. LOW-INCOME PILOT AND COMMUNICATIONS

CAUSE-PA argued in its direct testimony that UGI Gas' plan should be rejected "unless the Plan is amended to include dedicated low-income efficiency programming specifically designed to achieve meaningful energy savings and corresponding bill reductions for low-income households." (CAUSE-PA St. 1, p. 7). CAUSE-PA witness Mr. Miller, pointing to Act 129's requirements to provide dedicated low-income programming that is accessible to low-income households, argued that it was "unjust and unreasonable to use ratepayer funds to pay for an EE&C program that does not include specific energy efficiency programming for low-income customers." (CAUSE-PA. St. 1, pp. 19-20). CAUSE-PA recommended that the Company implement a number of low-income measures for the Phase II Plan, including: (1) "establish a \$650,000 budget within its RR program to support free energy assessments and direct installation of efficiency measures identified through those assessments for low income customers who are ineligible for services through LIURP"; (2) "be required to roll the remaining \$244,250 from its Phase I budget for low income assessment fee waiver and direct measure installation"; (3) use "these dedicated low income funds . . . to cover the full cost of efficiency measures identified in an energy assessment, with a special focus on weatherization measures such as insulation and air sealing"; and (4) "promote the availability of the low-income assessment waiver program by informing all customers rejected from the LIURP program about the availability of the assessment waivers and accompanying direct install benefits." (CAUSE-PA St. 1, p. 25).

In rebuttal, UGI Gas responded by detailing the ways in which it has already achieved meaningful low-income customer savings using its existing program design. By way of example, the Company provided an analysis demonstrating that UGI Gas achieved savings attributable to low-income customers that were near the levels

required for the Act 129 Phase IV EE&C Plan,⁵ with 5.8% of total portfolio savings coming from the low-income customer sector. (UGI Gas St. No. 1-R, p. 20). It argued that this level of savings demonstrates that its low-income customers can access and participate in its efficiency programs. (UGI Gas St. No. 1-R, p. 20). The Company argued that its analysis showed that at least 4,896 low-income customers were served through the Phase I EE&C Plan and that 5.1% of all gas savings are attributable to low-income customers. (UGI Gas St. No. 1-R, p. 22; Exh. TML-5R). UGI Gas argued, therefore, that it has provided a proportionate number of low-income measures and provided a proportionate level of low-income savings, despite not being requirements for voluntary EE&C Plans. (UGI Gas St. No. 1-R, p. 22).

Responding to CAUSE-PA’s recommendation that the Company use \$650,000 to support free energy assessments and direct installs for low income customers who are ineligible for services through LIURP, the Company argued that under the submitted Plan, it already proposed to spend up to \$1,250,000 on free energy assessments and the direct installation of energy saving kits, which amount greatly exceeds Mr. Miller’s proposed \$650,000 budget. (UGI Gas St. No. 1-R, p. 26). Regarding the proposed rollover from the Phase I budget, the Company again pointed out that its proposed fee waiver budget exceeded that proposed by CAUSE-PA witness Mr. Miller under the proposed rollover and, accordingly, was unnecessary. (UGI Gas St. No. 1-R, p. 27). UGI Gas stated it would continue to refer customers who meet the LIURP income requirement but do not meet the LIURP minimum usage threshold to the low-income assessment fee waiver measure in order receive a free assessment and free energy

⁵ In Act 129 Phase IV, the Commission required EDCs to obtain a minimum of 5.8% of total energy savings for customers whose income is equal to or less than 150% FPL and explained that these savings must be derived from, “programs solely directed at low income customers or low income-verified participants in multifamily housing programs.” *Implementation of Act 129 of 2008—Phase IV Energy Efficiency and Conservation Plan Template*, Docket No. M-2020-3015228, Docket No. M-2020-3015228 Final Implementation Order, 24-27 (Order entered June 18, 2020).

assessment kit. (UGI Gas St. No. 1-R, p. 27). Finally, UGI Gas again argued that voluntary EE&C Plans are not required to comply with Act 129 and have never been required to meet the same low-income savings targets as Act 129 EE&C Plan portfolios, making Mr. Miller’s reliance on Act 129’s requirement for low-income measures inappropriate. (UGI Gas St. 1-R, p. 20).

In its surrebuttal testimony, CAUSE-PA maintained its position that the Commission should reject the Plan “absent a substantial revision to include dedicated low income programming,” arguing, as noted, “it is unjust and unreasonable to use ratepayer funds collected from all customers to pay for an EE&C Plan that does not include specific energy efficiency programming directed at low income customers.” (CAUSE-PA St. 1-SR, p. 5). CAUSE-PA proposed, in the alternative, that low-income customers be exempt from UGI’s EE&C Rider. (CAUSE-PA St. 1-SR, p. 6).

In addressing these recommendations, UGI Gas agreed to conduct a low-income EE&C Pilot program (“Pilot”) that will run from the effective date of the Commission’s Final Order approving this Settlement until September 30, 2030. (Settlement ¶ 35). The Pilot is designed to reach UGI Gas heating customers (“Qualifying Customers”) with incomes at or below 200% FPL who do not meet the LIURP minimum usage threshold. (Settlement ¶ 35). Under the Pilot, the Company will perform targeted outreach to Qualifying Customers that includes notification that they are eligible for a home energy assessment and that, if recommended, they could be eligible for air sealing and/or insulation measures up to \$5,000. (Settlement ¶ 35(a)-(b)). The settlement provides that, if air sealing and/or insulation measures are not recommended, Qualifying Customers will be offered a free energy savings kit. (Settlement ¶ 35(e)). Qualifying Customers will have the fee for energy assessments waived and participation in the Pilot will not prevent participants from accessing the RP Program. (Settlement ¶¶ 35(c), (g)). Further, the RR budget will include \$250,000 annually to cover the costs of

the Pilot Program and the Company will report progress on spending for the Pilot in its annual EE&C report. (Settlement ¶¶ 35(f), (h)).

The Settlement also includes two additional provisions designed to benefit low-income customers. First, the Settlement provides that within 180 days of approval of Phase II, UGI Gas will convene a meeting and invite representatives from EDCs with overlapping territory to discuss improved coordination with electric utilities' Act 129 programs and LIURPs to install measures with long term bill savings. (Settlement ¶ 30). Second, the Settlement provides that UGI Gas will update LIURP communications to include information regarding the availability of RR and RP Program rebates. (Settlement ¶ 32). Within 90 days of a final order in this proceeding, UGI Gas will provide the parties with copies of draft communications and will consider, in good faith, incorporation of any feedback provided. UGI Gas will finalize the LIURP communications no later than 120 days after a final order in this proceeding. (Settlement ¶ 32).

I find that the Settlement reflects a reasonable compromise of the parties' positions regarding the availability of EE&C measures for low-income customers. UGI Gas commits to establishing a new Pilot program that targets customers who are low-income but do not qualify for LIURP. This will ensure those customers continue to have access to additional energy saving measures under the Plan. Additionally, by requiring UGI Gas to coordinate with EDCs with overlapping service territories, the Company will be better able to find and serve customers that qualify for LIURP or other measures. Finally, by requiring UGI Gas to target LIURP-eligible customers with additional outreach, the Settlement addresses CAUSE-PA's recommendation to provide customers with notice of the availability and eligibility for rebates. I find that these settlement provisions are reasonable and in the public interest and I recommend that they be approved without modification.

E. FUEL SWITCHING MEASURES

In its EE&C Plan as originally filed, the Company's customers are eligible to receive rebates for installing new high-efficiency natural gas equipment regardless of their existing fuel type through the RP Program. (UGI Gas St. No. 1-R, p. 10). The RP Program offers rebates for qualifying residential-sized space and water heating equipment for all UGI Gas customers. (UGI Gas Exhibit No. 1, p. 25). The Company designed the messaging, savings calculations, and incentives for the RP Program to intervene at the time of natural replacement of equipment and provide an incentive to customers considering purchasing baseline efficiency gas equipment to consider high efficiency gas equipment instead. (UGI Gas St. No. 1-R, p. 11).

In their direct testimony, both OCA and CAUSE-PA claimed that these RP Program rebate offerings constitute fuel switching measures, and both opposed the inclusion of such measures in the Plan. (OCA St. 1, pp. 7-9, 11-12; CAUSE-PA St. 1, pp. 34-36). More specifically, Ms. Sherwood argued that UGI Gas is promoting fuel switching since customers are eligible to receive rebates for installing new, high efficiency natural gas equipment regardless of their existing fuel type under the RP Program. Ms. Sherwood asserted that fuel switching should be prohibited under the Phase II EE&C Plan because the Plan should not be used to increase natural gas consumption. (OCA St. 1, pp. 11-12). CAUSE-PA witness Mr. Miller similarly argued that he “do[es] not believe that it would be good use of ratepayer-funded program dollars for the Commission to allow UGI to continue to convert electric heating customers to gas combustion equipment rebate measures.” (CAUSE-PA St. 1, p. 36).

In its rebuttal testimony, the Company explained that in its proposed Phase II EE&C Plan, the Company does not offer fuel switching measures as claimed by OCA and CAUSE-PA. Rather, as Mr. Love explained, “the incentive design [of the RP Program] is meant to overcome a portion of the cost of going from baseline equipment to

high efficiency equipment, not the much greater cost of switching from one fuel to another.” (UGI Gas St. No. 1-R, p. 11). UGI Gas further noted that “[w]hile it may be true that a customer can receive an incentive as part of their switch from electric to gas, it is important to separate the decision to switch from electric to gas, from the decision to buy a high efficiency piece of gas equipment.” (UGI Gas St. No. 1-R, p. 11). Mr. Love stated:

[i]t is reasonable to assume that a customer switching from electric heating and looking at both baseline gas equipment and efficient gas equipment would understand that the incentive offered by UGI Gas is not there to incentivize the switch from electric heating but is instead there to push them towards a more efficient gas option that would reduce their gas consumption.

(UGI Gas St. No. 1-R, p. 12).

In their surrebuttal testimony, both OCA and CAUSE-PA continued to characterize certain Plan measures as “fuel switching.” CAUSE-PA stated “UGI should not be allowed to continue to use its EE&C Plan funding to convert electric heating customers to gas combustion equipment rebate measures.” (CAUSE-PA St. 1-SR, p. 16). OCA, while acknowledging that the Company had addressed some of its concerns regarding fuel switching in rebuttal, including establishing an efficiency baseline standard and not actively marketing fuel switching, recommended that the Company should “track and report both increases in consumption and decreases in electric use as the result of fuel switching measures in the Company’s annual report and as part of its future plan modeling.” (OCA St. 1-SR, pp. 7-8). OCA further argued that, consistent with the Commission’s recent LIURP final-form rulemaking order at Docket No. L-2016-2557886, UGI Gas should limit fuel switching measures for low-income households to those customers that receive both electric and natural gas utility service from UGI. (OCA St. 1-SR, pp. 8-9).

Under the Settlement, the parties agree that UGI Gas will be permitted to continue including fuel switching measures and offering rebates to all gas customers during Phase II of its EE&C plan. (Settlement ¶ 36). The Company committed to include in its Annual Report the number of residential customers who converted their heating system from electric to gas and received an EE&C rebate during the Program Year. The Company further agreed to continue to not specifically target electric to gas fuel switching as part of the Plan. (Settlement ¶ 36).⁶

I find that these settlement terms reflect a reasonable compromise of the parties' positions. The Company can still offer rebates to all customers without specifically targeting electric to gas fuel switching, while tracking and reporting on the number of customers who converted their heating system from electric to gas and received an EE&C rebate. This information will help the Joint Petitioners track data related to fuel switching and savings during the period of the Phase II EE&C Plan and will not interfere with customers' ability to receive rebates. I find that these settlement provisions are reasonable and in the public interest and recommend that they be approved without modification.

Conditions of Settlement

The Joint Petition is conditioned upon the Commission's approval of the terms and conditions contained in the joint petition for settlement without modification. If the Commission modifies the Joint Petition, any party may elect to withdraw from the settlement and may proceed with litigation and, in such event, the Joint Petition shall be void and of no effect.

⁶ CAUSE-PA does not join the Settlement provisions in Paragraph 36 but does not oppose their inclusion in the Settlement.

The Joint Petition is proposed by the parties to settle all of the issues in this proceeding. If the Commission does not approve the Joint Petition and the proceedings continue, the parties reserve their respective procedural rights to evidentiary hearings, submission of additional testimony and exhibits, cross-examination of witnesses, briefing, and argument of their respective positions. The Joint Petition is made without any admission against, or prejudice to, any position that any party may adopt in the event of any subsequent litigation of these proceedings, or in any other proceeding.

These standard settlement provisions are reasonable and in the public interest because they help clarify the Settlement, the parties' commitments thereunder, and the procedures that would apply under the various scenarios that may occur prior to the conclusion of this proceeding.

CONCLUSION

All of the Joint Petitioners agree that the settlement, reached after extensive negotiations, represents a fair and balanced compromise of the various issues and recommendations that arose during the course of this proceeding. For example, UGI Gas explains:

Given the diverse interests of the Joint Petitioners and the active role they have taken in this proceeding, the fact that they have resolved their respective issues in this proceeding, in and of itself, provides strong evidence that the Settlement is reasonable and in the public interest. The settlement was achieved after a thorough review of UGI Gas's proposal in this proceeding. The Company responded to many interrogatories and there were multiple rounds of testimony. The Joint Petitioners participated in a number of settlement discussions that ultimately led to the Settlement.

....

The Settlement reflects a carefully balanced compromise of the interests of the Joint Petitioners in this proceeding. Therefore . . . UGI Gas believes that the Settlement is just, reasonable, and in the public interest and, therefore, should be approved without modification.

(UGI Gas Statement in Support, pp. 2-4).

The OCA stated:

The OCA submits that the terms and conditions of the Settlement are in the public interest and should be approved without modification. Based on the OCA's analysis of the Petition, discovery responses received, and testimony by all parties, the proposed Phase II EE&C Plan, as modified by the Settlement, represents a result that would be within the range of likely outcomes in the event of full litigation of the case and is in the public interest, particularly when accompanied by other important conditions contained in the Settlement.

....

The OCA submits that this Settlement, taken as a whole, is a reasonable compromise in consideration of likely litigation outcomes before the Commission. While the Settlement does not reach all the recommendations proposed by the OCA, the OCA recognizes that the Settlement is a product of compromise. As such, the OCA submits that the Settlement is in the public interest and should be approved by the Commission without modification.

(OCA Statement in Support, p. 5).

For the reasons set forth above, I find that the proposed settlement is in the public interest and consistent with the requirements for voluntary EE&C programs

pursuant to the *December 23, 2009 Secretarial Letter*. Accordingly, I recommend that the Commission approve the Joint Petition without modifications.

CONCLUSIONS OF LAW

1. The Commission has jurisdiction over the subject matter of and the parties to this proceeding. 66 Pa.C.S. § 501.

2. EDCs with fewer than 100,000 customers are exempt from Act 129's provisions. 66 Pa.C.S. § 2806.1(l); *December 23, 2009 Secretarial letter*.

3. Petitions for approval of voluntary EE&C plans must be filed in accordance with 52 Pa. Code § 5.41 and must contain the following components:

- A detailed plan and description of the measures to be offered;
- Sufficient supporting documentation and verified statements or testimony or both;
- Proposed energy consumption or peak demand reduction objectives or both, with proposed dates the objectives are to be met;
- A budget showing total planned expenditures by program and customer class;
- Tariffs and a section 1307 cost recovery mechanism; and
- A description of the method for monitoring and verifying plan results.

December 23, 2009 Secretarial Letter at 1; 66 Pa.C.S. § 1307.

4. Commission policy promotes settlements. 52 Pa. Code § 5.231. Settlements lessen the time and expense the parties must expend litigating a case and at the same time conserve administrative resources.

5. To accept a settlement, the Commission must determine that the proposed terms and conditions are in the public interest. Pa. Pub. Util. Comm'n v. York Water Co., Docket No. R-00049165, (Order entered Oct. 4, 2004); Pa. Pub. Util. Comm'n v. C S Water and Sewer Assoc., 74 Pa.P.U.C. 767 (1991).

6. The settlement terms set forth in the Joint Petition for Settlement filed on May 6, 2025, are in the public interest and should be approved by the Commission. Pa. Pub. Util. Comm'n v. York Water Co., Docket No. R-00049165, (Order entered Oct. 4, 2004).

7. UGI Gas has met its burden of proof that it is entitled to the relief it is seeking. 66 Pa.C.S. § 332(a). *December 23, 2009 Secretarial Letter.*

8. UGI Gas has satisfied the requirements for voluntary EE&C programs. *December 23, 2009 Secretarial Letter.*

ORDER

THEREFORE,

IT IS RECOMMENDED:

1. That the Joint Stipulation for Admission of Evidence filed at Docket No. M-2024-3048418 and dated May 6, 2025, is granted, and the testimony and exhibits listed in said Joint Stipulation are hereby admitted into the record.

2. The Parties are directed to file copies of the admitted testimony and exhibits, including the accompanying verifications, electronically with the Commission pursuant to Section 5.412a of the Commission’s regulations, 52 Pa. Code § 5.412a.

3. That the Joint Petition for Approval of Settlement of All Issues filed at Docket No. M-2024-3048418 and dated May 6, 2025, is approved in its entirety and without modification.

4. That the *Petition of UGI Utilities, Inc. – Gas Division for Approval of Phase II of its Energy Efficiency and Conservation Plan* for the period of October 1, 2025, through September 30, 2030, is approved, as modified by the terms and conditions of the Joint Petition for Approval of Settlement of All Issues.

5. That UGI Utilities, Inc. – Gas Division is permitted to file the Pro Forma Tariff Supplement attached as Appendix A to the Joint Petition for Approval of Settlement of All Issues to become effective on one day’s advance notice coincident with the effective date of the first quarterly default service rate filing following Pennsylvania Public Utility Commission approval of the Phase II EE&C Plan.

6. That the petition at M-2024-3048418 be terminated and marked closed.

Date: June 20, 2025

/s/
Steven K. Haas
Administrative Law Judge