
Devin Ryan

dryan@postschell.com
717-612-6052 Direct
717-731-1985 Direct Fax
File #: 198160

July 22, 2025

VIA ELECTRONIC FILING

Matthew Homsher, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor North
P.O. Box 3265
Harrisburg, PA 17105-3265

**Re: Pennsylvania Public Utility Commission Bureau of Investigation and Enforcement
v. UGI Utilities, Inc. - Gas Division
Docket No. M-2025-3032708**

Dear Secretary Homsher:

Attached for filing are the Reply Comments of UGI Utilities, Inc. – Gas Division for the above-referenced proceeding. Copies are being provided as indicated on the Certificate of Service.

Respectfully submitted,



Devin Ryan

DR/dmc
Attachment

cc: Office of Special Assistants (*via email; w/attachment*)
Certificate of Service

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been served upon the following persons, in the manner indicated, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

VIA EMAIL

Grant Rosul, Chief Prosecutor
Bureau of Investigation & Enforcement
Commonwealth Keystone Building
400 North Street, 2nd Floor West
PO Box 3265
Harrisburg, PA 17105-3265
grosul@pa.gov

Melane Joy El Atieh, Esquire
Christy Appleby, Esquire
Office of Consumer Advocate
555 Walnut Street
Forum Place, 5th Floor
Harrisburg, PA 17101-1923
melatieh@paoca.org
cappleby@paoca.org

NazArah Sabree
Office of Small Business Advocate
555 Walnut Street, 1st Floor
Harrisburg, PA 17101
ra-sba@pa.gov

Elizabeth R. Marx, Esquire
Patrick M. Cicero, Esquire
Ria M. Pereira, Esquire
John W. Sweet, Esquire
Lauren N. Berman, Esquire
Pennsylvania Utility Law Project
118 Locust Street
Harrisburg, PA 17101
pulp@pautilitylawproject.org
Counsel for CAUSE-PA

Date: July 22, 2025



Devin T. Ryan

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission	:	
Bureau of Investigation and Enforcement,	:	
	:	
Complainant,	:	
	:	Docket No. M-2025-3032708
v.	:	
	:	
UGI Utilities, Inc. – Gas Division,	:	
	:	
Respondent.	:	

**UGI UTILITIES, INC. – GAS DIVISION’S
REPLY COMMENTS**

TO THE PENNSYLVANIA PUBLIC UTILITY COMMISSION:

I. INTRODUCTION

On March 24, 2025, UGI Utilities, Inc. – Gas Division (“UGI Gas” or the “Company”) and the Pennsylvania Public Utility Commission’s (“Commission”) Bureau of Investigation and Enforcement (“I&E”) filed a Joint Petition for Approval of Settlement (“Settlement”) in the above-captioned proceeding.¹ Between June 17 and 18, 2025, the Office of Consumer Advocate (“OCA”), and the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (“CAUSE-PA”) filed Comments on the Settlement.

UGI Gas respectfully submits these Reply Comments in support of the Settlement and in response to the parties’ Comments. As noted in the Settlement and Statements in Support, this matter involves UGI Gas’s auto-dialer system failing to make personal contact phone calls to

¹ On May 8, 2025, the Commission entered an Order directing that the Settlement be published in the *Pennsylvania Bulletin* and that parties file Comments about the Settlement within 25 days of the Settlement’s publication in the *Pennsylvania Bulletin*.

customers in compliance with Chapter 56 of the Commission's regulations and, relatedly, the assessment of any reconnection fees and security deposits on customers whose service was terminated after those phone calls.

UGI Gas appreciates the Comments of OCA and CAUSE-PA and this opportunity to respond to their concerns. As explained herein, UGI Gas fully recognizes the impact that these issues had on its customers, including low-income customers. However, the Settlement appropriately reflects that impact as well as UGI Gas's actions in response, including, but not limited to, restoring service to affected customers, refunding reconnection fees and security deposits, and implementing additional procedural steps, including standing audits, to help ensure compliance with Chapter 56 of the Commission's regulations and help prevent the issues from happening in the future. Moreover, the proposed civil penalty amount \$90,000 is just and reasonable considering, among other things, the Company's conduct and remedial actions as well as the Commission's actions in similar proceedings. Lastly, nothing supports OCA's request to expand the scope of I&E's investigation. I&E performed a complete investigation of the conduct at issue. Throughout that process, UGI Gas has been transparent and responsive to all inquiries from I&E. Also, several of the questions asked by OCA in its Comments, which purportedly justify the reopening of the investigation, are addressed in the Settlement, Statements in Support, or these Reply Comments.

For these reasons, and as explained further in these Reply Comments, the Settlement, and the Company's Statement in Support, the Settlement is just and reasonable and should be approved without modification.

II. REPLY COMMENTS

UGI Gas fully recognizes the impact that these issues had on its customers, including low-income customers. Since discovering these issues, UGI Gas has committed to: (1) resolving the

problems with its auto-dialer system; (2) restoring service and refunding reconnection fees and security deposits to the affected customers; and (3) implementing additional procedural steps to help ensure compliance and help prevent these issues from happening again. Notably, one of those procedural steps is performing daily manual review of the dialer log files, which began on April 4, 2022. By performing those manual audits of the auto-dialer system UGI Gas discovered all of the terminations at issue and began reporting them to the Bureau of Consumer Services (“BCS”) in June 2022, after the Company had completed its initial review.

On or about May 2, 2023, UGI Gas also discovered auto-dialer phone calls made to 612 customers that were erroneously noted as successful customer contacts, which resulted in 184 service terminations. (Settlement ¶ 35.) Starting on May 3, 2023, UGI Gas began reviewing all calls manually and canceled shut off orders of incorrectly dispositioned calls until the issue was resolved on June 9, 2023. On July 20, 2023, the Company reported those additional instances to I&E during its investigation. (Settlement ¶¶ 34-35.)

Indeed, UGI Gas’s auto-dialer system vendor now performs audits/tests of its programming before releasing updates to the system, and UGI Gas continues to perform manual audits of the dialer system file logs reviewing the call windows for the sent messages. (Settlement ¶ 40.) UGI Gas also performs: (1) a weekly call recording screening on a sample of calls received during that two-week period; (2) a daily analysis of the call data to see if any calls were made outside of the Commission-specified calling window; and (3) a bi-annual collaboration with its auto-dialer system vendor to conduct an end-to-end test of the credit and collection campaign to ensure calls have been dialed as expected. For nearly two years, no additional issues with the auto-dialer system have been found. (Settlement ¶ 40.)

In addition, the Company undertook an investigation of the problems with the auto-dialer system, which consisted of technical analysis and employee interviews. Through that investigation, UGI Gas was able to identify problems and implemented internal practices and protocols designed to ensure compliance with the Commission's regulations. In fact, as explained in Paragraphs 44 and 45 of the Settlement, UGI Gas worked with its auto-dialer system vendor to: (1) fix the Daylight Saving Time issue that led to calls being made after 9:00 PM; (2) address the issue with calls being made on different days but not at various times by instituting a programmatic change to verify the vendor-dialer's input file and halt the dunning process until a specific set of call disposition codes are received from the vendor file for appropriate times; and (3) prevent the issue with the Spanish voicemails unrelated to service terminations from being played for customers facing termination of service, by ensuring that no recording automatically defaults with a campaign upon an update to any setting. (Settlement ¶¶ 44-45.)

Furthermore, the Company engaged in a substantial campaign to communicate with the affected customers, restore their service, and refund them any reconnection fees and security deposits obtained as well as provide Operation Share grants to those customers who qualified. Efforts performed by the Company included multiple field visits with door hangers left, as needed, with instructions to call UGI Gas to have service restored, letters sent by mail, outbound dialer calls, emails, and multiple personal outbound calls. The total customers impacted by the terminations are set forth below by relevant category.

Natural Gas 72 Hour Notice	Terminations	Timeframe	Restorations (as of 8/1/2022)	Restorations (as of 2/22/2023)	Restorations (as of 6/1/2023)	Customers Remaining Off (as of 7/15/2025)
72 Hour Notice After 9 PM	116	Mar-22	94	16	1	1
72 Hour Notice Different Days (Not Different Times)	79	Mar-22	59	18	1	4
72 Hour Notice Not on Different Days	6	Mar-22	5	1	0	0
72 Hour Notice Attempts with Spanish Voicemail	3,144	Apr-22	2470	500	15	69
72 Hour Calls Erroneously Dispositioned as Successful	184	Apr-23	NA	NA	152*	3
TOTAL	3529		2628	535	169	77

* The 152 restorations for these customers extended through the middle of July 2023.

In March 2022, the total number of terminations related to 72-hour notice issues, not including the Spanish dialer terminations, was 201. In April 2022, the total number of terminations related to the Spanish dialer termination was 3,144. When UGI Gas became aware of these issues, it began investigating and took the following actions.

- **March Terminations:** On April 4, 2022, UGI Gas performed manual updates of the call-window acceptable times within the auto-dialer tool to prevent any future calls after 9:00 pm. At this time, UGI Gas began identifying account details for the affected accounts, which involved significant data mining. UGI Gas also began retrieving current status of the associated shut-off orders, and subsequently cancelled any outstanding orders.
- **March Terminations:** On May 3, 2022, UGI Gas mailed reconnection letters to 154 affected customers whose service remained off. The letter explained that service was shut off in error and asked each customer to contact UGI Gas to schedule service reconnections.
- **Spanish Terminations:** On May 4, 2022, the Company identified the Spanish dialer issue, through manual call audits, and began investigating with its dialer vendor.
- **March Terminations:** On May 17, 2022, UGI Gas continued remediation efforts for the customers impacted by the March 2022 terminations, including manual efforts, where a UGI Gas representative personally made calls to the 135 remaining customers without service. If customers did not answer, voicemails were left. Accordingly, between May 3, 2022, and May 17, 2022, UGI Gas restored service to 19 additional affected customers.

- Spanish Terminations: On May 27, 2022, UGI Gas performed or began performing the following actions for the customers impacted by the Spanish dialer terminations:
 - Issued a dialer message and sent letters explaining that service was shut off in error and asked each customer to contact UGI Gas to schedule service reconnections.
 - Issued a similar email to 576 impacted accounts where UGI Gas had an email on file.
 - Updated affected accounts with a note to restore at no charge due to shut-off in error.
 - Created reconnect orders for accounts, impacted by the Spanish dialer message, whose service remained off.
 - Notified Operations and Dispatch to work overtime to reconnect the accounts.
 - Retroactively waived all the security deposits and reconnect fees charged for impacted accounts that were already reconnected.
 - Instituted a process to cancel deposits and reconnect fees for the remaining customers.

- Spanish Terminations: On May 31, 2022, UGI Gas began restoring service to the remaining customers impacted by the Spanish dialer issue. This involved proactively rolling trucks to attempt service connections regardless of whether customers had contacted the Company regarding restoration.

- Spanish Terminations: On June 6, 2022, UGI Gas informed BCS about the Spanish dialer terminations and began providing weekly status updates through August 2022.

- Spanish Terminations: As of June 16, 2022, UGI Gas had determined that out of the 3,144 Spanish dialer terminations, 195 of the impacted customers were low income. Moreover, 167 Operations Share grants issued to these customers for a total amount of \$50,108.12.

- Spanish Terminations: By July 5, 2022, UGI Gas completed restoration to 2,397 customers impacted by the Spanish dialer issue.

- Spanish Terminations: As of August 4, 2022, UGI Gas was able to restore service to an additional 49 customers impacted by the Spanish dialer terminations. Restoration efforts continued, including personal or auto-dialed calls to schedule reconnections, a similar email for those with an address on file, as well as proactive field visits to reestablish service, consisting of up to 2 proactive attempts. Two customers requested that their service remain off. A door hanger was left at any property where the Company was unable to gain access to restore service. The door hanger provided contact information for customers to seek reconnection.

- March Terminations: As of August 26, 2022, service remained off for 43 of the original 201 customers impacted by the Mach 2022 terminations.
- Spanish Terminations: As of August 29, 2022, UGI Gas was able to restore service to an additional 24 customers impacted by the Spanish dialer terminations. Accordingly, service remained off for 674 of the original 3,144 Spanish dialer terminations.
- March Terminations: On August 22, 2022, UGI Gas made additional personal outbound phone calls targeted at 33 customers whose service remained off. Proactive field visits continued in an attempt to reestablish service for the remaining customers. Door hangers with instructions on contacting UGI Gas to have service restored were left at the properties.
- March Terminations: As of July 15, 2025, service to 5 out of the total 201 impacted customers remains off. Based on field visits, UGI Gas understands that these locations do not currently require service.
- Spanish Terminations: As of July 15, 2025, service to 69 of the total 3,144 impacted customers remains off. Based on field visits, UGI Gas understands these locations do not currently require service.

Additionally, on May 2, 2023, UGI Gas discovered, through its weekly call recording audits, that 612 dialer calls were erroneously dispositioned as successful customer contacts. Of the 612 calls, service was terminated to 184 accounts. Upon identification and in response, UGI Gas refunded any associated reconnection fees and corresponding security deposits. UGI Gas also made proactive phone calls to the affected customers on June 28, 2023, as well as two field attempts (on June 29, 2023 and July 12, 2023) to restore service to the customers whose service remained off. At that time, 4 customers asked that service remain off and one customer was in a condemned building where service could not be safely restored. UGI Gas reported the issue to I&E on July 20, 2023, at which time the Company had restored service to 152 of the 184 impacted customer accounts. As of July 15, 2025, three customers out of the original 184 customer accounts remained without service, and UGI Gas understands that these customer accounts no longer require gas service.

Due to its quick and resolute efforts, the Company has:

- 1) Restored service to 3,452 of the total 3,529 customers (or 98%) affected by all of these terminations;
- 2) Refunded all reconnections fees in the amount of \$160,898 for the March-April 2022 terminations.
- 3) Refunded all security deposits in the amount of \$238,462 for the March-April 2022 terminations.
- 4) Refunded all reconnection fees in the amount of \$5,722 for the April 2023 terminations.
- 5) Refunded all security deposits in the amount of \$17,500 collected from customers impacted by the April 2023 terminations.

The Company's remedial actions were properly reflected in the agreed-upon \$90,000 civil penalty.

Nevertheless, OCA and CAUSE-PA raise certain issues and questions regarding the proposed Settlement. (*See* OCA Comments at 1-4; CAUSE-PA Comments at 2-15.) As such, UGI Gas responds to those issues and questions in the following sections.

A. OCA'S COMMENTS

In its Comments, OCA "suggests" that there are "underlying concerns" that are not addressed by the Settlement and that there are various "questions [that] seem relevant and crucial to the final resolution of the failure of the auto-dialer system." (OCA Comments at 2-3.) Among other questions, OCA queries: (1) why the Company did "not identify the non-compliance and failure of the auto-dialer system as a result of its own review of the volume of customer complaints either before or at the time of [its] review of the complaint records to BCS"; and (2) what "internal practices exist to track and evaluate customer disputes and complaints prior to relying on BCS's review of complaint resolutions and the BCS's analysis of the content of complaint records."

(OCA Comments at 3.) OCA also asks questions about the Company’s management structure, including whether the Company’s management “conduct[s] proactive audits and evaluation of call center resolution of customer calls to ensure compliance with Chapter 56.” (OCA Comments at 3.) OCA avers that the questions in its Comments are “intended to determine whether UGI’s failure to find and fix the non-compliance with the auto dialer a [sic] system was an indication of UGI’s lack of management oversight of compliance with Chapter 56.” (OCA Comments at 3.) Lastly, OCA alleges that the “reason for the additional lapses in April 2023 was not identified.” (OCA Comments at 2.)

OCA’s request for the Commission to require that I&E expand its investigation should be rejected. This request is largely based on a fundamental misunderstanding of the facts. Namely, OCA believes that BCS discovered the issues with the auto-dialer system through informal complaints submitted by customers and brought those issues to UGI Gas’s attention. That is not the case. As explained in I&E’s Reply Comments, UGI Gas was aware of the auto-dialer system issues tied to the March 2022 incident before the Company was contacted by BCS. (I&E Reply Comments at 10.) Also, UGI Gas self-reported the auto-dialer system issues concerning the April 2023 incident to I&E. (Settlement ¶ 35.) The Company identified those issues while conducting a manual audit of its auto-dialer system. (Settlement ¶ 35.) Thus, it is indisputable that UGI Gas was aware of the issues and reported them to the BCS.

Moreover, UGI Gas has been and will continue to be committed to complying with Chapter 56 of the Commission’s regulations. The Company takes its responsibility to do so seriously, which is why UGI Gas self-reported issues to the Commission and implemented a daily manual review for the auto-dialer system’s log files among other mitigating activities. Because of the auto-dialer system’s issues, UGI Gas put a back-up process in place to ensure that the auto-dialer

system was functioning correctly and, if not, to take actions to remedy any incorrectly placed calls. Due to those actions, UGI Gas identified the April 2023 incident, self-reported those issues to I&E, and took remedial actions.

Finally, OCA incorrectly alleges that “reason for the additional lapses in April 2023 was not identified.” (OCA Comments at 2.) The Settlement specifically states that the auto-dialer system “erroneously noted” personal contact phone calls to 612 customer accounts “as successful customer contacts” and that on June 9, 2023, “UGI’s auto-dialer vendor corrected the programming of the auto-dialer to fix this error, thus resolving the issue.” (Settlement ¶¶ 35, 39.)

B. CAUSE-PA’S COMMENTS

CAUSE-PA advocates for the civil penalty amount to be increased to no less than \$250,000 and that the entirety of the penalty be directed to Operation Share, which is UGI Gas’s Hardship Fund. (CAUSE-PA Comments at 5.) CAUSE-PA also recommends that the Commission “require UGI to conduct affirmative outreach to all impacted customers that remain without service to inform them of their options to reconnect service and the availability of universal service programming to assist.” (CAUSE-PA Comments at 6.) As alleged support for its recommendations, CAUSE-PA contends that “[t]he proposed \$90,000 does not adequately reflect the seriousness of the violation or the resulting financial harm to impacted families.” (CAUSE-PA Comments at 6.) Also, CAUSE-PA argues that “the penalty assessed on UGI should be directed” to Operation Share because that program “is designed to provide financial relief to help remediate an acute financial hardship for households at risk of termination – the very households who were directly impacted by UGI’s failure to provide required notice of termination.” (CAUSE-PA Comments at 6.) Further, according to CAUSE-PA, the Commission’s factors for evaluating civil penalties weighs in favor of a higher civil penalty of \$250,000, albeit one transformed into a donation to Operation Share. (CAUSE-PA Comments at 6-14.) CAUSE-PA also believes that the

Company's actions may have also violated the federal Fair Debt Collections Practices Act ("FDCPA"), which prohibits debt collectors from contacting consumers after 9:00 PM. (CAUSE-PA Comments at 8.) Although CAUSE-PA recognizes that the Commission lacks jurisdiction over that federal law, CAUSE-PA nonetheless avers that the Commission should consider an alleged violation of that law in evaluating the proposed civil penalty. (CAUSE-PA Comments at 8.)

The Commission should reject CAUSE-PA's recommendations. First, UGI Gas already undertook substantial affirmative outreach to the affected customers. As explained previously, the Company conducted multiple field visits with door hangers left with instructions to call UGI Gas to have service restored, sent letters by mail, made outbound dialer calls, sent emails, and made multiple personal outbound calls. At this point, UGI Gas is confident that the remaining 77 customers whose service remains off do not want to reestablish service. Accordingly, this recommendation is unnecessary. Moreover, the Company refunded applicable late fees and deposits and also provided Operation Share grants to impacted customers.

Second, there is no need to increase the penalty amount from \$90,000 to \$250,000, as suggested by CAUSE-PA. In its Statement in Support, UGI Gas laid out, in detail, how the Commission's factors for evaluating proposed civil penalties supports a civil penalty of \$90,000. (Settlement, Appx. B at 3-5.) UGI Gas fully cooperated with I&E's investigation and in responding to I&E's requests for information and documentation, the Company took many corrective measures to address the issues with its auto-dialer system and help prevent them from recurring in the future, and the alleged violations stemmed from technical issues with UGI Gas's auto-dialer system, which have been permanently resolved. (Settlement, Appx. B at 3-5.)

Moreover, UGI Gas explained how past Commission decisions in similar situations support the agreed-upon civil penalty. (Settlement, Appx. B at 5.) In particular, in *Pa. PUC v. PECO Energy Co.*, the Commission approved, as modified by the Commission, a settlement reached by I&E and PECO Energy Company (“PECO”). *Pa. PUC v. PECO Energy Co.*, Docket No. M-2021-3014286 (Order entered Dec. 8, 2022). That settlement resolved I&E’s informal investigation of “an incident that occurred on June 25, 2018, after PECO’s call center third-party vendor made a dialer platform change involving software changes that caused two separate computer errors to occur that ultimately resulted in the improper service termination for approximately 48,728 premises serviced by PECO.” *Id.*, p. 5. “Additionally, PECO subsequently discovered, with respect to the reconnection of PECO customers, that those customers never received proper notices of termination.” *Id.* The Commission ultimately imposed a civil penalty of \$200,000 and required PECO to contribute \$100,000 to its Matching Energy Assistance Fund (“MEAF”) agencies. *Id.*, p. 42. Although CAUSE-PA critiques the proposed civil penalty of \$90,000 in this case as being insufficient, at no point in its Comments does CAUSE-PA address the Commission’s prior decision in *PECO*. That is critical because although the dollar amounts in *PECO* are higher than the \$90,000 civil penalty under the Settlement in this proceeding, there were approximately 45,200 more customers affected in the *PECO* case than in the case at bar. Thus, the Commission’s past decision in *PECO*, along with the other factors for evaluating proposed civil penalties, supports the agreed-upon \$90,000 civil penalty in this proceeding.

Third, CAUSE-PA’s suggestion that the Commission should consider an alleged violation of the FDCPA has no merit. As CAUSE-PA concedes, the Commission lacks jurisdiction over the FDCPA. (CAUSE-PA Comments at 8.) As such, the Commission cannot interpret or enforce that law, let alone declare whether such a violation may have occurred. If the Commission were

to even consider an alleged violation of the FDCPA in its decision-making, the Commission would be acting beyond its jurisdiction.

For these reasons, the Commission should reject the recommendations of OCA and CAUSE-PA and approve the Settlement without modification.

III. CONCLUSION

WHEREFORE, for the reasons explained above, and those set forth in the Settlement, the Statements in Support, and I&E's Reply Comments, the terms of the Settlement are just and reasonable and in the public interest, and the Pennsylvania Public Utility Commission should approve the Settlement without modification.

Respectfully submitted,



Michael S. Swerling (ID # 94748)
UGI Corporation
500 North Gulph Road
King of Prussia, PA 19406
Phone: (610) 993-3763
E-mail: swerlingm@ugicorp.com

Devin T. Ryan (ID # 316602)
Post & Schell, P.C.
One Oxford Centre
301 Grant Street, Suite 3010
Pittsburgh, PA 15219
Phone: 717-612-6052
E-mail: dryan@postschell.com

Dated: July 22, 2025

Attorneys for UGI Utilities, Inc. – Gas Division