

**PENNSYLVANIA PUBLIC UTILITY COMMISSION**  
**Harrisburg, Pennsylvania 17120**

**UGI Utilities, Inc-Gas Division**  
**Universal Service and Energy**  
**Conservation Plan for 2026-2030**

**Public Meeting of June 4, 2026**  
**3054362-BCS**  
**Docket Nos. M-2025-3054362, M-2025-**  
**3054366, P-2025-3054381**

**UGI Utilities, Inc-Electric Division**  
**Universal Service and Energy**  
**Conservation Plan for 2026-2030**

**UGI Utilities, Inc-Gas Division**  
**Petition for Limited Waiver of 52 Pa.**  
**Code § 58.10(a)(1) and 58.11(a)**

**STATEMENT OF CHAIRMAN STEPHEN M. DeFRANK**

Before the Pennsylvania Public Utility Commission (Commission) today are the Universal Service and Energy Conservation Plans (USECPs) filed by UGI Utilities, Inc.- Gas Division (UGI Gas) and UGI Utilities, Inc-Electric Division (UGI Electric) for 2026-2030. Both UGI Gas and UGI Electric propose to continue the universal service programs offered in their current USECPs, with modifications largely geared towards expanding resources and increasing customer access. Overall, I believe that each of UGI's proposed USECPs align with our regulatory purpose of ensuring that universal service programs are appropriately funded and available to residential customers.<sup>1</sup>

While I am voting to approve both USECPs, I have concerns regarding UGI Electric's proposal to continue its pilot program for opt-out CAP auto-enrollment of Low-Income Home Energy Assistance Program (LIHEAP) recipients. Recently, when opposing the opt-out auto-enrollment proposal of Peoples Natural Gas Company LLC (Peoples),<sup>2</sup> I explained that customers' participation in a CAP comes not only with benefits, but also with certain forfeitures. One significant forfeiture is customers' loss of their ability to be awarded a Commission-approved payment arrangement on CAP arrearages.<sup>3</sup> Here, UGI Electric requires customers to affirmatively opt out of CAP auto-enrollment, thereby eliminating future options for the customers, rather than making an informed decision to opt in. I am not supportive of opt-out programming that could

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<sup>1</sup> See 52 Pa. Code § 54.71; 52 Pa. Code § 62.1.

<sup>2</sup> See Statements of Chairman Stephen M. DeFrank, entered in the *Petition of Peoples Natural Gas Company LLC to Amend 2019-2024 Universal Service and Energy Conservation Plan*, Docket Nos. P-2024-3052324 et al., entered on October 9, 2025 and March 26, 2026.

<sup>3</sup> See former Section 1405 of the Public Utility Code, previously codified at 66 Pa.C.S § 1405(c); see also *Sunset of Chapter 14, Title 66 of the Pennsylvania Public Utility Code*, Docket No. M-2024-3052328 (Statement of Policy entered December 24, 2024).

impose such significant consequences upon customers.

Notwithstanding my concerns, I also recognize that UGI Electric's opt-out CAP auto-enrollment pilot is somewhat distinct from Peoples' proposed program. Most notably, UGI Electric's opt-out CAP auto-enrollment program is already in place, as it began as a consequence of the Company's approved rate case settlement in 2023. Additionally, the impact is limited because UGI Electric serves only approximately 55,000 residential customers, and only 635 customers were auto-enrolled in CAP as of August 25, 2025.<sup>4</sup> Furthermore, customers' risk of unwittingly forfeiting payment arrangement options is somewhat mitigated since UGI Electric contacts potential enrollees by letter *in advance* of their enrollment. In the letter, UGI Electric advises potential enrollees that if they do not reply by a date certain, their next bill will reflect CAP enrollment. The letter also expressly informs potential enrollees that if they are enrolled in CAP, they will be ineligible for a payment arrangement from the Commission for missed CAP payments.<sup>5</sup> Finally, I recognize that UGI Electric has already expended resources to implement opt-out CAP auto-enrollment. For the foregoing reasons, I find it imprudent to require UGI Electric to incur costs to unwind the existing program at this time.

Nevertheless, in any future USECP or related filings, I strongly urge UGI Electric to convert its opt-out CAP auto-enrollment process to align with the opt-in framework that UGI Gas is now adopting in this proceeding.<sup>6</sup> I acknowledge that on April 28, 2026, UGI Corporation publicly announced an agreement to sell its Electric Division to Argo Infrastructure Partners LP.<sup>7</sup> Without taking any position on the merits of the potential sale, I strongly suggest that UGI Electric, or any successor entity, begin making plans to cost-efficiently transition the opt-out CAP auto-enrollment process to an opt-in process.

**June 4, 2026**  
**Date**

  
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**Stephen M. DeFrank**  
**Chairman**

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<sup>4</sup> UGI Responses to Supplemental Information Requests (August 25, 2025) at 3-4.

<sup>5</sup> *Id.* at Attachment 1, p. 1.

<sup>6</sup> UGI Gas plans to implement an *opt-in* CAP enrollment process that will require eligible customers to affirmatively consent to participate in CAP as a precondition of enrollment.

<sup>7</sup> UGI Utilities and Argo Infrastructure Partners Reach Agreement on Purchase and Sale of UGI's PA Electric Utility | UGI Corporation