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January 2, 2008

VIA EXPRESS MAIL

James J. McNulty, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

Re: Retail Electricity Choice Activity Reports, Docket No. L-00070184

Dear Secretary McNulty:

Enclosed for filing, please find an original and fifteen copies of the Comments of UGI Utilities, Inc. – Electric Division (“UGI”). Copies of this filing have also been served upon Charles Covage at ccovage@state.pa.us, Patrica Krise Burket at pburket@state.pa.us and Cyndi Page at cypage@state.pa.us.

Should you have any comments concerning this filing, please feel free to contact me.

Very truly yours,

A handwritten signature in black ink, appearing to read "Mark C. Morrow", with a long horizontal flourish extending to the right.

Mark C. Morrow

Counsel for UGI Utilities, Inc. –
Electric Division

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

RETAIL ELECTRICITY CHOICE :
ACTIVITY REPORTS : Docket No. L-00070184

**COMMENTS OF UGI UTILITIES, INC. -
ELECTRIC DIVISION**

UGI Utilities, Inc. – Electric Division (“UGI”) appreciates this opportunity to submit comments in response to the Commission’s Proposed Rulemaking Order entered on April 17, 2007, and published in the Pennsylvania Bulletin on November 3, 2007. UGI comments are meant to supplement the comments filed by the Energy Association of Pennsylvania (“EAP”) at this docket. The Commission has proposed to adopt reporting requirements regarding electric generation market activity. The proposed regulations would be applicable to both electric distribution companies (EDCs) and electric generation suppliers (EGSs), and are designed to provide the Commission with information that will permit it to monitor retail sales activity.

**I. THE DUE DATE FOR EDC QUARTERLY REPORTS
SHOULD BE EXTENDED TO AT LEAST 30 DAYS FOLLOWING
THE END OF THE QUARTER**

The Commission has proposed that EDCs file quarterly sales activity reports with the Commission Secretary no later than fifteen days following the end of the previous quarter. UGI submits the fifteen day window to prepare the quarterly reports is not sufficient time and requests a minimum of thirty days before the quarterly reports are due. UGI completes its monthly financial close for a particular month on the seventh

workday of the immediately succeeding month. Until the books are closed, the prior month's sales are not final. Depending on how the work days fall in a particular month, UGI could have as few as three days to compile the data and file the quarterly report. Given other work load associated with the month end close process and the potential for unusual circumstances that could delay the closing process, UGI submits the time for filing the quarterly reports should be extended. UGI therefore requests the quarterly reports not be due until at least thirty days after the end of the quarter.

II. THE COMMISSION SHOULD PERMIT REPORTING BY RATE SCHEDULE OR ALTERNATIVELY EXTEND THE DATE FOR SUBMITTING PEAK LOAD INFORMATION

The Commission has proposed that customers be grouped into the following categories for reporting purposes:

Residential customers;

Small Commercial and Industrial customers with a peak load contribution of less than 25 Kw ;

Medium Commercial and Industrial customers with a peak load contribution from 25 Kw up to and including 500 Kw; and

Large Commercial and Industrial customers with a peak load contribution greater than 500 Kw.

UGI's information system does not currently have the capability of generating the peak load information that would be used to categorize commercial and industrial customers, and only accumulates customer sales data by customer class and rate schedule. These customer classes and rate schedules, in turn, may include customers with peak loads in more than one of the proposed groupings. For example, UGI's GS-4

rate schedule allows loads between 5 Kw and 100 Kw, and UGI's LP rate schedule covers loads greater than 100Kw.

While UGI's information system could be modified at significant cost to provide peak load data for the proposed customer groupings, UGI believes this action would not be in the public interest since reporting customer sales data by rate schedule would provide the Commission and market participants with appropriate information to gage the state of retail markets without requiring the incurrence of extraordinary programming expenses. Accordingly, UGI requests the Commission change the proposed regulations to allow the data to be reported by rate schedule, as is currently done in numerous other reports submitted to the Commission. Specifically, UGI proposes that the Commission (1) add the phrase "or, where PLC data is not readily available, customers served under rate schedules designed for larger commercial and industrial customers" at the end of the proposed definition of "Large C&I Customers" in 52 Pa.Code §54.202, (2) add the phrase "or, where PLC data is not readily available, customers served under rate schedules designed for medium sized commercial and industrial customers" at the end of the proposed definition of "Medium C&I Customers" in 52 Pa.Code §54.202 and (3) add the phrase "or, where PLC data is not readily available, customers served under rate schedules designed for small commercial and industrial customers" at the end of the proposed definition of "Small C&I Customer" in 52 Pa.Code §54.202.

While UGI recognizes that the Commission has established similar customer groupings in its Default Service regulations and other dockets addressing provider-of-last-resort programs, the Commission's default service regulations do not yet apply to all EDCs in Pennsylvania. Accordingly, customer information systems may not yet have

been modified to accommodate these regulations, and it is possible waivers from the regulations may be requested in the future.

Alternatively, should the Commission nonetheless decide to proceed with the proposed groupings of customers by peak load, it should allow for a twelve month implementation period after these regulations become effective to allow UGI, and perhaps others, to make the required changes to customer information systems to provide the requested data. UGI is currently involved in a major redesign of its information system, and a twelve month delay would reflect the estimated time that would be required for UGI to compile and report the proposed information using the proposed customer groupings.

III. CONCLUSION

In summary, the Commission should consider making the proposed EDC quarterly reports due no sooner than thirty days following the end of each calendar quarter to allow sufficient time to collect, compile and file the requested data. The Commission should also permit EDCs to file data by rate schedule where peak load data is not readily available. Finally, if the Commission does not change the requirement to report commercial and industrial data based on the peak load groupings, it should allow for a twelve month implementation period following the effective date of these regulations to allow information system changes necessary to compile and report the data

in the manner proposed.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Mark C. Morrow". The signature is fluid and cursive, with a long horizontal stroke at the end.

Mark C. Morrow

Counsel for UGI Utilities, Inc. –
Electric Division

Dated January 2, 2008