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**VIA FEDERAL EXPRESS**

April 30, 2014

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

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PA PUBLIC UTILITY COMMISSION  
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**RE: Annual Electric System Reliability Report  
3 Years Ending December 31, 2013**

Dear Secretary Chiavetta:

Pursuant to the Commission's May 7, 2004 Final Rulemaking Order amending Electric Service Reliability Regulations (52 Pa. Code §§57.191 - 57.197) at Docket Nos. L-00030161 and M-00991220, UGI Utilities, Inc. - Electric Division ("UGI") hereby files its Annual System Reliability Report. This report contains SAIDI, SAIFI, and CAIDI results on a 3-year rolling basis for the period ending December 31, 2013 along with the raw data from the same period. Also included are the Inspection & Maintenance Goals, Operations & Maintenance Expense, and Capital Budget data.

The Office of Consumer Advocate, the Office of Small Business Advocate, the Bureau of Audits, and the Bureau of Conservation, Economics and Energy Planning have each been served with copies of this filing.

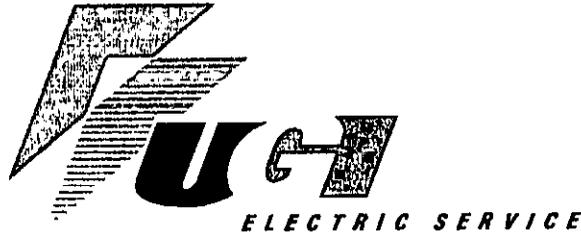
Questions related to the attached report should be directed to Ms. Abigail J. Hemmerich at (610) 796-3431 or email [ahemmerich@ugi.com](mailto:ahemmerich@ugi.com).

Sincerely,

A handwritten signature in cursive script that reads "Richard E. Gill".

Richard E. Gill  
Electric Division, Director - Engineering & Operations

Attachment



UGI Utilities, Inc. – Electric Division  
Annual System Reliability Report  
2013

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April 30, 2014

**UGI Utilities, Inc. – Electric Division**  
**2013 Electric Service Reliability Annual Report**

**§ 57.195(b)(1) – An overall current assessment of the state of the system reliability in the EDC’s service territory including a discussion of the EDC’s current programs and procedures for providing reliable electric service.**

For the twelve month period ending December 2013, UGI Utilities, Inc. – Electric Division’s (“UGI” or “Company”) SAIDI was 85 minutes. This is below both its 12 month benchmark of 140 minutes and standard of 256 minutes. UGI’s SAIFI for the 12 month period was .77 occurrences, and, while higher than 2012, remained well below its 12 month benchmark of .83 and 12 month standard of 1.12. UGI’s CAIDI was 110 minutes for the most recent 12 month period. This is also below its 12 month benchmark of 169 minutes and 12 month standard of 228 minutes.

UGI’s objective is to provide its customers with safe, reliable electric service. Providing reliable service is not a program unto itself, but rather it is an inherent part of every element of the service delivery process. Each segment of service delivery, including system design, construction, and operation and maintenance, has service reliability as its main objective.

**System Design**

System design is fundamental to providing reliable electric service. To that end, UGI has incorporated service reliability into all aspects of its system design. Planning standards, construction standards, component selection, engineering, engineering training, engineering instructions and System Control and Data Acquisition (“SCADA”) integration programs all have service reliability as a fundamental consideration.

**Construction**

No matter how well an electrical system is designed, the components making it up must be properly assembled in order for it to function as intended. UGI construction personnel possess the knowledge and skills necessary to effectively perform their duties. Post construction inspection programs assure that additions and improvements to the system are completed properly.

**Operation**

A continuously staffed operations center is in place to assure quick response to interruptions on the delivery system. The center is staffed by system operators who diagnose system problems and mount a rapid and appropriate response to trouble on the system.

There are service personnel on duty eight hours a day during weekdays and on Saturdays. An evening shift service person is scheduled during weekdays to provide quick response to service interruption calls. Call-out rosters are in place to mobilize staff when service personnel are not on duty or when additional resources are required.

**UGI Utilities, Inc. – Electric Division**  
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UGI has a trouble reporting system in place, which allows it to gather information on system interruptions. The information accumulated in this system is analyzed to spot equipment failure trends and outage clusters. This information is also used to spot weaknesses in the system and to make decisions on allocation of resources for maintenance and/or system upgrades.

**Maintenance**

UGI has inspection and maintenance programs in place to monitor all equipment on its system and to address any problems identified through these programs. UGI implemented the 2012 – 2013 Bi-annual I&M Plan filed with the Commission and has found no significant system equipment issues during performance of the I&M Plan initiatives in 2013.

**UGI Utilities, Inc. – Electric Division**  
**2013 Electric Service Reliability Annual Report**

**§ 57.195(b)(2) – A description of each major event that occurred during the year being reported on, including the time and duration of the event, the number of customers affected, the cause of the event and any modified procedures adopted to avoid or minimize the impact of similar events in the future.**

- (i) Under Title 52, Pa. Code §57.192, a major event is defined as either:
  - a) An interruption of electric service resulting from conditions beyond the control of the electric distribution company which affects at least 10% of the customers in the EDC’s service territory during the course of the event for a duration of 5 minutes each or greater. The event begins when notification of the first interruption is received and ends when service to all customers affected by the event is restored.
  - b) An unscheduled interruption of electric service resulting from an action taken by an electric distribution company to maintain the adequacy and security of the electrical system, including emergency load control, emergency switching and energy conservation procedures, as described in §57.52 (relating to emergency load control and energy conservation by electric utilities), which affects at least one customer.
- (ii) A major event does not include scheduled outages in the normal course of business or an electric distribution company’s actions to interrupt customers served under interruptible rate tariffs.

**Major Events**

No major events occurred during the 2013 reporting year. Major events occurring in 2011 and 2012 have been discussed in previous reports.

**Modified Procedures**

UGI completed implementation of an automated Outage Management System (OMS), going live on September 3, 2013. The OMS includes an interface to an Interactive Voice Response (IVR) system and a web-based outage map. These new features assure efficient processing of customer outage calls and provide the public with up-to-date outage counts by political sub-division.

**UGI Utilities, Inc. – Electric Division  
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**§ 57.195(b)(3) – A table showing the actual values of each of the reliability indices (SAIFI, CAIDI, SAIDI, and if available, MAIFI) for the EDC’s service territory for each of the preceding 3 calendar years. The report shall include the data used in calculating the indices, namely the average number of customers served, the number of sustained customer minutes interruptions, the number of customers affected and the minutes of interruption.**

The reliability results for UGI’s service area over the last three years are as follows:

**2011 – 2013 Reliability Statistics**

	SAIDI	SAIFI	CAIDI
<b>3-Year Avg. Standard</b>	<b>170</b>	<b>0.91</b>	<b>186</b>
UGI 3-Yr. Rolling Avg.	87	0.72	120

	SAIDI	SAIFI	CAIDI
<b>12-Month Standard</b>	<b>256</b>	<b>1.12</b>	<b>228</b>
<b>12-Month Benchmark</b>	<b>140</b>	<b>0.83</b>	<b>169</b>
2013 UGI Results	85	0.77	110
2012 UGI Results	54	0.44	122
2011 UGI Results	121	0.95	128

The 3-year rolling averages for SAIFI, SAIDI and CAIDI are performing within the standards established by Commission Order at Docket No. M-00991220 on May 7, 2004. It is important to note that with the exception of the two major events, the moderate weather during 2012 favorably impacted UGI’s reliability results.

Data necessary to calculate a Momentary Average Interruption Frequency Index (MAIFI) is not available for UGI’s service area. As previously discussed with the Commission, UGI currently has no plan to install the equipment required to track momentary interruptions on the hundreds of operating distribution devices located throughout its territory. The basis for this decision is the high cost associated with the purchase and installation of these devices with little commensurate benefit.

**UGI Utilities, Inc. – Electric Division**  
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	Raw Data				Reported Indices		
	SI	TCI	TCB	TMCI	SAIDI	SAIFI	CAIDI
January-2013	22	5,504	62,162	137,647	2	0.09	25
February-2013	13	4,917	62,120	616,741	10	0.08	125
March-2013	7	182	61,958	19,158	0	0.00	105
April-2013	48	3,935	61,767	672,419	11	0.06	171
May-2013	23	629	61,714	64,732	1	0.01	103
June-2013	42	3,146	61,908	444,316	7	0.05	141
July-2013	53	13,058	61,815	869,458	14	0.21	67
August-2013	26	4,299	61,828	887,559	14	0.07	206
September-2013	41	2,609	61,770	387,971	6	0.04	149
October-2013	12	1,487	61,760	320,989	5	0.02	216
November-2013	37	6,489	61,813	737,874	12	0.10	114
December-2013	16	1,644	61,831	116,023	2	0.03	71
<i>2013 Total</i>	<b>340</b>	<b>47,899</b>	<b>61,871</b>	<b>5,274,887</b>	<b>85</b>	<b>0.77</b>	<b>110</b>
January-2012	21	2,028	62,165	217,850	4	0.03	107
February-2012	13	491	62,250	69,350	1	0.01	141
March-2012	17	1,390	62,453	157,891	3	0.02	114
April-2012	21	391	62,137	82,741	1	0.01	212
May-2012	33	4,832	62,100	353,481	6	0.08	73
June-2012	35	2,988	62,027	317,213	5	0.05	106
July-2012	71	2,866	61,994	539,896	9	0.05	188
August-2012	36	1,341	62,044	119,814	2	0.02	89
September-2012	31	1,009	62,033	199,231	3	0.02	197
October-2012	32	4,368	62,013	649,659	10	0.07	149
November-2012	26	823	62,068	86,775	1	0.01	105
December-2012	18	4,890	62,118	540,319	9	0.08	110
<i>2012 Total</i>	<b>354</b>	<b>27,417</b>	<b>62,117</b>	<b>3,334,220</b>	<b>54</b>	<b>0.44</b>	<b>122</b>
January-2011	19	232	62,315	32,556	1	0.00	140
February-2011	27	1,852	62,344	259,124	4	0.03	140
March-2011	44	2,091	62,339	810,734	13	0.03	388
April-2011	54	9,026	62,219	1,398,878	22	0.15	155
May-2011	39	1,445	62,121	175,408	3	0.02	121
June-2011	49	14,923	62,095	1,527,657	25	0.24	102
July-2011	70	4,848	62,045	1,029,478	17	0.08	212
August-2011	34	6,011	62,033	698,334	11	0.10	116
September-2011	50	11,746	61,911	950,395	15	0.19	81
October-2011	28	2,278	61,870	142,418	2	0.04	63
November-2011	27	4,170	62,040	454,154	7	0.07	109
December-2011	16	199	62,103	23,329	0	0.00	117
<i>2011 Total</i>	<b>457</b>	<b>58,821</b>	<b>62,120</b>	<b>7,502,465</b>	<b>121</b>	<b>0.95</b>	<b>128</b>
<b>3-YEAR AVERAGE</b>	<b>384</b>	<b>44,712</b>	<b>62,036 *</b>	<b>5,370,524</b>	<b>87</b>	<b>0.72</b>	<b>120</b>

\* annual arithmetic average

**SI: System Interruptions**  
**TCI: Total Customers Interrupted**  
**TCB: Total Customer Base**  
**TMCI: Total Minutes Customer Interrupted**

**UGI Utilities, Inc. – Electric Division  
2013 Electric Service Reliability Annual Report**

**§ 57.195(b)(4) - A breakdown and analysis of outage causes during the year being reported on, including the number and percentage of service outages, the number of customers interrupted, and customer interruption minutes categorized by outage cause such as equipment failure, animal contact, tree related, and so forth. Proposed solutions to identified service problems shall be reported.**

**Outage by Cause - January 2013 through December 2013**

<b>OUTAGE CAUSE</b>	<b>% OF TOTAL INCIDENTS</b>	<b>NUMBER OF INTERRUPTIONS</b>	<b>CUSTOMERS INTERRUPTED</b>	<b>MINUTES INTERRUPTED</b>
Animal	17.06%	58	846	66,597
Company Agent	0.29%	1	1,184	49,582
Construction Error	0.29%	1	17	850
Customer Problem	0.59%	2	2	353
Equipment Failure	32.65%	111	16,917	1,526,734
Lightning	5.00%	17	4,742	471,940
Motor Vehicle	5.59%	19	5,671	964,074
Other	0.88%	3	268	22,419
Public	4.71%	16	1,576	109,879
Structure Fire	1.18%	4	38	6,616
Trees	25.00%	85	12,813	1,411,644
Unknown	1.76%	6	1,329	231,332
Weather Related	0.59%	2	55	14,734
Weather/Snow	0.00%	0	0	0
Weather/Ice	0.00%	0	0	0
Weather/Wind	4.41%	15	2,441	398,133
<b>TOTAL</b>	<b>100.00%</b>	<b>340</b>	<b>47,899</b>	<b>5,274,887</b>

**Proposed Solutions to Identified Problems:**

UGI has not identified any particular source of outage as problematic. As a small system, UGI is subject to a high level of variability in system damage due to weather.

**UGI Utilities, Inc. – Electric Division  
2013 Electric Service Reliability Annual Report**

**§ 57.195(b)(12) – Significant changes, if any, to the transmission and distribution inspection and maintenance programs previously submitted to the Commission.**

There have not been any significant changes during 2013 to the transmission and distribution inspection and maintenance programs outlined in previous reports submitted to the Commission. Starting January 1, 2011 all of the Electric Division's distribution system equipment is being inspected and maintained consistent with its Bi-Annual Inspection and Maintenance Plan as filed with the Commission. The Plan's requirements do not significantly alter UGI's prior inspection and maintenance programs.

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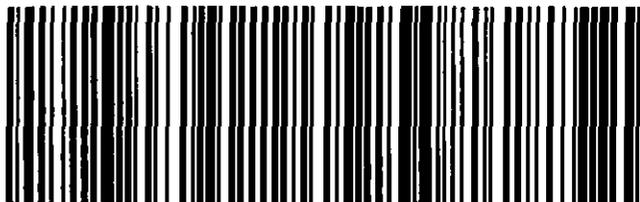
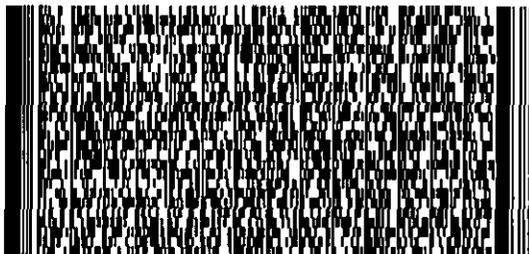
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