

COMMONWEALTH OF PENNSYLVANIA



OFFICE OF CONSUMER ADVOCATE

555 Walnut Street, 5th Floor, Forum Place  
Harrisburg, Pennsylvania 17101-1923  
(717) 783-5048  
800-684-6560

FAX (717) 783-7152  
consumer@paoca.org

May 4, 2015

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

RE: Petition of UGI Utilities Inc. – Electric  
Division for Approval of its Energy  
Efficiency and Conservation Plan, Phase I  
Docket No. M-2010-2210316

Dear Secretary Chiavetta:

Enclosed for filing is the Office of Consumer Advocate's Answer, in the above-referenced proceeding.

Copies have been served as indicated on the enclosed Certificate of Service.

Respectfully Submitted,

A handwritten signature in cursive script that reads "Christy M. Appleby".

Christy M. Appleby  
Assistant Consumer Advocate  
PA Attorney I.D. # 85824  
E-Mail: CAppleby@paoca.org

Enclosures

cc: Honorable Charles E. Rainey, Jr.  
Certificate of Service

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## II. ANSWER

The Office of Consumer Advocate (OCA) does not object to UGI's request for an extension of its Phase I EE&C Plan until such time as the Company's Phase II EE&C Plan is approved and becomes effective. The OCA fully supports the Company's efforts to provide cost effective energy efficiency and conservation programs and measures to its customers. The OCA fully participated in Phase I proceedings before the Commission. As a result of those proceedings, the Company has instituted a Phase I EE&C Plan that is capped at the 2% of annual jurisdictional revenue as required under mandatory Act 129 EE&C plans. Phase I Order at 38. In addition, the Companies cost recovery for EE&C costs does not include lost revenues, as initially proposed by UGI. Phase I Order at 23. The Phase I EE&C program is consistent with larger electric distribution company plans and a reasonable step for UGI customers.

UGI proposes to extend the existing Phase I EE&C Plan through the implementation of its Phase II Plan "to ensure that customers continue to receive uninterrupted EE&C program benefits." Petition at ¶10. The Company further notes that, through the Phase I EE&C Plan, customers have been able to take advantage of nine programs that offer a wide range of energy efficiency and conservation measures and education initiatives. Petition at ¶11. The Company further states that approval of its request to extend Phase I will help ensure a smoother transition from Phase I to Phase II while promoting administrative efficiencies. Petition at ¶12.

The OCA supports the continuation of cost effective programs contained in Phase I while the Company's Phase II Petition is being reviewed. The OCA would note, however, that the Company has proposed to modify its program offerings in its Phase II Petition. The OCA

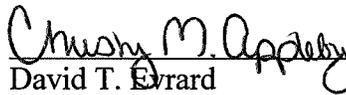
submits that the Company should not delay in terminating programs that are not cost effective until Phase II's effective date.

With regard to Plan costs, the Company proposes to count the costs of continuing Phase I EE&C programs towards the budgets established for Plan Year 1 of the Company's Phase II EE&C Plan. Petition at ¶13. The Company states that this will ensure that UGI's costs will not exceed the 2% annual revenues cap as approved in the Phase I Order. The OCA submits that this is a reasonable approach for the transition period.

III. CONCLUSION

The OCA submits that UGI's request to extend its Phase I EE&C Plan at this time is reasonable. The OCA does not object to UGI's request for an extension of its Phase I EE&C Plan until such time as the Company's Phase II EE&C Plan is approved and becomes effective. To the extent the Company has determined that Phase I programs are no longer cost effective and have proposed termination in Phase II, the OCA submits that those programs should be terminated at this time.

Respectfully Submitted,



David T. Evrard  
Assistant Consumer Advocate  
PA Attorney I.D. # 33870  
E-Mail: DEvrard@paoca.org

Christy M. Appleby  
Assistant Consumer Advocate  
PA Attorney I.D. # 85824  
E-Mail: CAppleby@paoca.org

Counsel for:  
Tanya J. McCloskey  
Acting Consumer Advocate

Office of Consumer Advocate  
555 Walnut Street  
5th Floor, Forum Place  
Harrisburg, PA 17101-1923  
Phone: (717) 783-5048  
Fax: (717) 783-7152

Dated: May 4, 2015

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CERTIFICATE OF SERVICE

Petition of UGI Utilities Inc. – Electric :  
Division for Approval of its Energy : Docket No. M-2010-2210316  
Efficiency and Conservation Plan :

I hereby certify that I have this day served a true copy of the foregoing document, the Office of Consumer Advocate’s Answer, upon parties of record in this proceeding in accordance with the requirements of 52 Pa. Code Section 1.54 (relating to service by a participant), in the manner and upon the persons listed below:

Dated this 4<sup>th</sup> day of May 2015.

SERVICE BY E-MAIL and INTEROFFICE MAIL

Richard A. Kanaskie, Esquire  
Bureau of Investigations and Enforcement  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street  
Harrisburg, PA 17120

SERVICE BY E-MAIL and FIRST CLASS MAIL

Anthony D. Kanagy, Esquire  
Devin T. Ryan, Esquire  
Post & Schell, P.C.  
17 North Second St., 12<sup>th</sup> Floor  
Harrisburg, PA 17101-1601

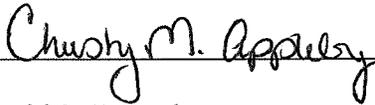
Danielle Jouenne, Esquire  
UGI Corporation  
460 North Gulph Road  
King of Prussia, PA 19406

Steven C. Gray, Esq.  
Sharon Webb, Esq.  
Office of Small Business Advocate  
Commerce Building, Suite 202  
300 North Second Street  
Harrisburg, PA 17101

Kenneth L. Mickens, Esquire  
316 Yorkshire Drive  
Harrisburg, PA 17111

Pamela C. Polacek, Esq.  
McNees Wallace & Nurick LLC  
100 Pine Street  
P.O. Box 1166  
Harrisburg, PA 17108-1166

Harry S. Geller, Esq.  
Pennsylvania Utility Law Project  
118 Locust Street  
Harrisburg, PA 17101-1414



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David T. Evrard  
Assistant Consumer Advocate  
PA Attorney I.D. # 33870  
E-Mail: DEvrard@paoca.org

Christy M. Appleby  
Assistant Consumer Advocate  
PA Attorney I.D. # 85824  
E-Mail: CAppleby@paoca.org

Counsel for  
Office of Consumer Advocate  
555 Walnut Street  
5th Floor, Forum Place  
Harrisburg, PA 17101-1923  
Phone: (717) 783-5048  
Fax: (717) 783-7152

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