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File #: 162080

January 19, 2016

VIA ELECTRONIC FILING

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

Re: Petition of UGI Utilities, Inc. - Electric Division for Approval of Phase II of its Energy Efficiency and Conservation Plan - Docket No. M-2015-2477174

Dear Secretary Chiavetta:

Enclosed for filing is the Prehearing Conference Memorandum of UGI Utilities, Inc. – Electric Division for the above-referenced proceeding. Copies will be provided as indicated on the Certificate of Service.

Respectfully submitted,



Devin Ryan

DTR/jl
Enclosures

cc: Honorable David A. Salapa
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 E-MAIL & FIRST CLASS MAIL

Steven C. Gray, Esquire
Office of Small Business Advocate
300 North Second Street, Suite 202
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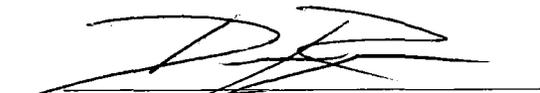
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Harry S. Geller, Esquire
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118 Locust Street
Harrisburg, PA 17101-1414

Date: January 19, 2016



Devin T. Ryan

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition of UGI Utilities, Inc. – Electric :
Division for Approval of Phase II of its : Docket No. M-2015-2477174
Energy Efficiency and Conservation Plan :

**PREHEARING CONFERENCE MEMORANDUM OF
UGI UTILITIES, INC. – ELECTRIC DIVISION**

TO ADMINISTRATIVE LAW JUDGE DAVID A. SALAPA:

Pursuant to 52 Pa. Code § 5.222(d) and the Prehearing Conference Order dated January 4, 2016, UGI Utilities, Inc. – Electric Division (“UGI Electric” or “Company”) hereby submits this Prehearing Conference Memorandum.

I. BACKGROUND

On April 9, 2015, UGI Electric filed the above-captioned Petition with the Pennsylvania Public Utility Commission (“Commission”). This filing was made pursuant to the Commission’s December 23, 2009 Secretarial Letter at Docket No. M-2009-2142851 (“*December 23, 2009 Secretarial Letter*”), which provided guidance on voluntary Energy Efficiency and Conservation Plans (“EE&C Plans”) submitted by electric distribution companies that are not subject to Act 129 of 2008, P.L. 1592, 66 Pa.C.S §§ 2806.1 and 2806.2 (“Act 129”).

In its Petition, UGI Electric requested Commission approval of UGI Electric’s voluntary Phase II Energy Efficiency and Conservation Plan (“Phase II EE&C Plan”). The voluntary Phase II EE&C Plan includes a portfolio of energy efficiency programs and conservation practices, fuel switching measures and energy education initiatives that are designed to encourage energy efficiency.

On April 29, 2015, the Office of Small Business Advocate (“OSBA”) filed a Notice of Appearance, Notice of Intervention, Public Statement, Answer, and Verification. OSBA requested evidentiary hearings in its Answer and Public Statement.

On May 1, 2015, UGI Electric served its written direct testimony in support of its voluntary Phase II EE&C Plan.

On May 4, 2015, the Office of Consumer Advocate (“OCA”) filed a Notice of Intervention, Public Statement, and Answer. The OCA did not request evidentiary hearings.

On May 8, 2015, UGI Electric served supplemental direct testimony.

On September 3, 2015, OSBA served its first set of interrogatories on UGI Electric.

On September 23, 2015, UGI Electric served answers to OSBA’s first set of interrogatories.

On October 1, 2015, UGI Electric served further supplemental direct testimony and filed redline and clean versions of its Amended Phase II EE&C Plan to address issues identified by OSBA in its interrogatories.

On October 7, 2015, OSBA served its second set of interrogatories on UGI Electric.

On October 27, 2015, UGI Electric served answers to OSBA’s second set of interrogatories.

On December 21, 2015, a Notice was issued scheduling the prehearing conference in this proceeding for January 21, 2016.

II. SERVICE OF DOCUMENTS

UGI Electric’s attorneys in this proceeding are Danielle Jouenne, Esquire, Anthony D. Kanagy, Esquire, and Devin T. Ryan, Esquire. UGI Electric requests that Devin T. Ryan be listed as the recipient for service. Mr. Ryan’s contact information is provided below:

Devin T. Ryan (ID # 316602)
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UGI Electric also requests that Ms. Jouenne and Mr. Kanagy be added to any informal e-mail distribution lists in this proceeding. Ms. Jouenne's e-mail address is jouenned@ugicorp.com, and Mr. Kanagy's email address is akanagy@postschell.com. In addition, UGI Electric agrees to receive service of documents electronically in this proceeding.

III. WITNESSES AND ISSUES

A list of witnesses and a description of testimony is provided below. The testimony and related exhibits fully support UGI Electric's voluntary Phase II EE&C Plan and demonstrate that the Plan, including the proposed cost-recovery mechanism, is just and reasonable, complies with the guidance provided in the *December 23, 2009 Secretarial Letter*, and should be approved by the Commission. UGI Electric reserves the right to call additional witnesses, as necessary, to address other issues that may arise during the course of this proceeding. Moreover, the Company avers that all issues in this proceeding should be limited to UGI Electric's Phase II EE&C Plan.

<u>Witness</u>	<u>Statement</u>	<u>General Subject Matter</u>
Brian J. Meilinger Manager-Energy Efficiency & Conservation Program UGI Utilities, Inc. – Electric Division 2525 N. 12 th Street, Suite 360 Reading, PA 19612 610-796-3624	UGI Electric Statement Nos. 1 and 1-S ¹	Overview of Filing; Summary of Phase II EE&C Plan and Objectives; Conservation Service Provider Contracts; Development of the Phase II EE&C Plan; Plan Implementation; Evaluation, Reporting, and Updating of the Plan
Paul H. Raab energytools, llc 5313 Portsmouth Road Bethesda, MD 20816 301-320-7549	UGI Electric Statement Nos. 2 and 2-S	Calculation of Savings Targets and Expenditures; Meeting the Savings Targets and Expenditures; Cost-effectiveness; Construction of the Portfolio's Programs; Budget for the Plan; Evaluation, Measurement, and Verification Procedures
William J. McAllister Principal Analyst UGI Utilities, Inc. 2525 N. 12 th Street, Suite 360 Reading, PA 19605 610-796-3471	UGI Electric Statement Nos. 3, 3-S, and 3-S2	Projection of EE&C Plan Costs; Expenditure Target; Cost Allocation; Cost Recovery

IV. PROCEDURAL SCHEDULE

UGI Electric proposes the following procedural schedule:

February 16, 2016	Other Parties' Direct Testimony
March 1, 2016	Rebuttal Testimony
March 15, 2016	Evidentiary Hearing
April 5, 2016	Main Briefs
April 19, 2016	Reply Briefs

¹ UGI Electric Statement No. 1 was the direct testimony of Brian Fitzpatrick. However, Mr. Fitzpatrick has since left the Company, and Mr. Meilinger has adopted his direct testimony, as seen in UGI Electric Statement No. 1-S.

UGI Electric observes that the Commission anticipates that voluntary EE&C Plan proceedings should conclude with a recommended decision within 12 months of the petition filing date. *See December 23, 2009 Secretarial Letter*, p. 1. The Company avers that its proposed litigation schedule will help facilitate a recommended decision within approximately 12 months of filing the Petition. UGI Electric further notes that there is no need for a due date for the Company's direct testimony (as set forth in OSBA's Prehearing Memo) because the Company has already served its written direct testimony and supplemental direct testimony.

V. DISCOVERY

UGI Electric received discovery from OSBA in September and October of 2015 and has answered all discovery requests. UGI Electric is not aware of any outstanding discovery disputes. The Company is willing to work with the parties, through informal discovery, to expedite any additional discovery.

VI. PUBLIC INPUT HEARINGS

UGI Electric is not aware of any substantial consumer interest with respect to this proceeding. UGI Electric does not propose that any public input hearings be held absent substantial public interest in this proceeding and specific requests for such hearings.

VII. PROTECTION OF CONFIDENTIAL INFORMATION

If necessary and should the case proceed to hearing, UGI Electric will timely submit an appropriate Motion for Protective Order.

VIII. SETTLEMENT

UGI Electric has attempted, in good faith, to resolve this proceeding through settlement discussions. These discussions have reached an impasse. Notwithstanding, UGI Electric

remains willing to work with the parties to resolve this proceeding through settlement, as it has since it filed its Phase II EE&C Plan on April 9, 2015. Further, UGI Electric would be willing to enter into a partial settlement, stipulate to certain facts, or both, in order to narrow the issues in this proceeding.

Respectfully submitted,



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Dated: January 19, 2016

Counsel for UGI Utilities, Inc. – Electric
Division