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File #: 162080

March 22, 2017

***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**

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Dear Secretary Chiavetta:

Enclosed for filing is the Petition of UGI Utilities – Electric Division to Extend its Phase II Energy Efficiency and Conservation Plan by One Year. Copies will be provided as indicated on the Certificate of Service.

Respectfully submitted,



Devin Ryan

DTR/jl  
Enclosures

cc: Certificate of Service

**CERTIFICATE OF SERVICE**

**(Docket No. M-2015-2477174)**

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  
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Date: March 22, 2017



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 :

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**PETITION OF UGI UTILITIES, INC. – ELECTRIC DIVISION  
TO EXTEND ITS PHASE II ENERGY EFFICIENCY AND  
CONSERVATION PLAN BY ONE YEAR**

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**TO THE PENNSYLVANIA PUBLIC UTILITY COMMISSION:**

Pursuant to 52 Pa. Code §§ 5.41 and 5.572(d), UGI Utilities, Inc. – Electric Division (“UGI Electric” or the “Company”) hereby petitions the Pennsylvania Public Utility Commission (“Commission”) to extend the Company’s Phase II Energy Efficiency and Conservation (“EE&C”) Plan (“Phase II EE&C Plan”) for a period of one year, *i.e.*, until May 31, 2019. As explained herein, UGI Electric’s one-year extension would produce several benefits while not affecting the Phase II EE&C Plan’s overall budget cap, the Phase II EE&C Plan’s projected overall budget, or any individual customer class’s budget. Moreover, UGI Electric has discussed its proposal with all other parties in this proceeding: the Office of Consumer Advocate (“OCA”) and Office of Small Business Advocate (“OSBA”). UGI Electric’s understanding is that the OCA and OSBA do not oppose the one-year extension. For these reasons and as explained in more detail below, UGI Electric’s Petition should be granted.

In support of the instant Petition, UGI Electric states as follows:

## **I. INTRODUCTION**

1. UGI Electric is a “public utility” and an “electric distribution company” (“EDC”), as those terms are defined in Sections 102 and 2803 of the Public Utility Code, 66 Pa. C.S. §§ 102, 2803.

2. UGI Electric is not subject to the energy efficiency requirements of Act 129 of 2008, P.L. 1592, because it has fewer than 100,000 customers. 66 Pa. C.S. § 2806.1(1). However, on December 23, 2009, at Docket No. M-2009-2142851, the Commission issued a Secretarial Letter that encouraged smaller EDCs to file voluntary EE&C Plans. *See Re: Voluntary Energy Efficiency and Conservation Program*, Docket No. M-2009-2142851 (Dec. 23, 2009) (“Secretarial Letter”).

3. On November 9, 2010, the Company filed a Petition at Docket No. M-2010-2210316 requesting approval of its voluntary Phase I EE&C Plan pursuant to the Commission’s Secretarial Letter. The Commission ultimately approved UGI Electric’s Phase I EE&C Plan, with modification, and the Company began implementing its voluntary Phase I EE&C Plan on June 1, 2012.

4. On April 9, 2015, UGI Electric filed a Petition at Docket No. M-2010-2210316 to extend its Phase I EE&C Plan until its Phase II EE&C Plan was approved. The Commission approved UGI Electric’s Petition by its Order entered May 19, 2015.

5. On April 16, 2015, UGI Electric filed a Petition at Docket No. M-2015-2477174 seeking Commission approval of its Phase II EE&C Plan. The parties were able to reach a settlement of all issues and, thereafter, filed a Joint Petition for Settlement on April 21, 2016.

6. On April 26, 2016, Administrative Law Judge David A. Salapa (the “ALJ”) issued a Recommended Decision recommending the approval of UGI Electric’s Phase II EE&C Plan, as modified by the Joint Petition for Settlement.

7. On June 9, 2016, the Commission entered an Order adopting the Recommended Decision without modification and approving UGI Electric’s Phase II EE&C Plan. *See Petition of UGI Utilities, Inc. – Electric Division for Approval of Phase II of its Energy Efficiency and Conservation Plan*, Docket No. M-2015-2477174 (Order Entered June 9, 2016) (“*Phase II Order*”). As currently approved by the *Phase II Order*, UGI Electric’s Phase II EE&C Plan is set to expire on May 31, 2018.

**II. UGI ELECTRIC’S REQUEST FOR A ONE-YEAR EXTENSION IS IN THE PUBLIC INTEREST AND SHOULD BE GRANTED**

8. UGI Electric seeks Commission approval to amend the *Phase II Order* and extend the Company’s Phase II EE&C Plan by one year. Specifically, the Company proposes the following:

- a. A one-year extension of the Phase II EE&C Plan, with Phase II ending May 31, 2019;
- b. No change to the overall budget cap of \$7.5 million for the Phase II EE&C Plan;
- c. No change to the projected overall budget of \$6.76 million for the Phase II EE&C Plan;
- d. No change to the projected Residential and Commercial & Industrial (“C&I”) class budgets of \$3.01 million and \$2.77 million, respectively; and
- e. UGI Electric may move funding between programs within the same customer class based on customer participation.

9. The one-year extension is necessary and beneficial for several reasons. First, the Phase II EE&C Plan began in earnest much later than originally anticipated. Phase II was

anticipated to begin on June 1, 2015, but the Phase II EE&C Plan was not finally approved until June 9, 2016. This effectively reduced the Phase II EE&C Plan's term from three years to about two years. As a result, the Phase II EE&C programs have only ramped up in recent months. A one-year extension would restore the Phase II EE&C Plan's three-year term and allow these programs to ramp up fully.

10. Second, the one-year extension would have no effect on the overall budget of the Phase II EE&C Plan or the Residential and C&I class budgets. Since the beginning of Phase II was delayed, UGI Electric's spending to date is approximately \$1.75 million under budget. Specifically, Residential spending is \$554,227 under budget, C&I spending is \$1,060,626 under budget, and administrative expenses are \$140,635 under budget. Therefore, UGI Electric will be able to accommodate another year of Phase II without exceeding the overall Plan budget or individual customer class budgets.

11. Third, if the one-year extension is granted, UGI Electric will have better data on the Phase II programs' performance. Such data will greatly help UGI Electric in the design and development of its Phase III EE&C Plan as well as the parties' evaluation of Phase II and recommendations for Phase III.

12. Fourth, as part of this Petition, UGI Electric is requesting the ability to move funding between programs within the same customer class based on customer participation. This request will be beneficial to UGI Electric's customers because it expands the customers' ability to participate in the Phase II EE&C programs while ensuring that available program funds are not shifted between customer classes. Moreover, UGI Electric will be able to gather better information on what programs are the most popular with customers, which will be valuable in the Company's design and development of its Phase III EE&C Plan.

13. Finally, UGI Electric previously discussed its proposal with representatives of the OCA and OSBA. The Company's understanding is that the OCA and OSBA do not oppose UGI Electric's proposal as set forth in this Petition. Thus, no parties in this proceeding oppose the instant Petition, which further demonstrates that it is the public interest and should be approved.

14. Based on the foregoing, a one-year extension of UGI Electric's Phase II EE&C Plan, as set forth in this Petition, is in the public interest and should be granted.

**III. CONCLUSION**

For the foregoing reasons, UGI Utilities, Inc. – Electric Division respectfully requests that the Pennsylvania Public Utility Commission amend its Order entered June 9, 2016, at Docket No. M-2015-2477174 and authorize UGI Electric to extend its Phase II EE&C Plan for a period of one year, with Phase II ending May 31, 2019, as set forth in this Petition.

Respectfully submitted:

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Dated: March 22, 2017

Counsel for UGI Utilities, Inc. – Electric Division

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

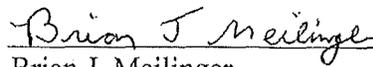
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**VERIFICATION**

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I, Brian J. Meilinger, hereby state that I am the Manager of Energy Efficiency Programs for UGI Utilities, Inc. – Electric Division, that I am duly authorized to and do make this Verification on behalf of UGI Utilities, Inc. – Electric Division, that the facts above set forth are true and correct to the best of my knowledge, information and belief, and that I expect UGI Utilities, Inc. – Electric Division to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

  
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Brian J. Meilinger

Date: 03/21/17