

PENNSYLVANIA PUBLIC UTILITY COMMISSION
Harrisburg, Pennsylvania 17105-3265

**Pennsylvania Public Utility
Commission, Law Bureau Prosecutory
Staff v. UGI Utilities, Inc.**

**Public Meeting – August 18, 2010
2138591-OSA
Docket No. M-2010-2138591**

STATEMENT OF VICE CHAIRMAN TYRONE J. CHRISTY

Consistently I have advocated that, in lieu of imposing civil penalties on utilities involving violations, or alleged violations, of the Public Utility Code or the Commission's Regulations, the greater public good is served by applying these dollar amounts elsewhere. These monies should be directed toward deserving utility related social agencies and programs, thereby positively affecting those truly in need. I will continue to advocate for applying these monies to well run programs such as the Dollar Energy Fund and other related programs.

During my tenure at the Commission, we have approved and directed over \$4.5 million to various Low-Income Universal Service programs, including Hardship Funds, Low Income Usage Reduction Programs, Customer Assistance Programs, and the Dollar Energy Fund. The source of these funds includes civil penalties from jurisdictional energy utilities that otherwise would have gone to the General Fund, as well refunds to jurisdictional natural gas distribution utilities from interstate pipelines. Assuming an average contribution to customers of \$300, these past Commission actions have provided assistance to approximately 15,000 needy low-income households, have minimized customer hardship by making customer bills more affordable and have helped customers maintain essential utility service. Unfortunately, during this same time frame, \$261,500 in civil penalties associated with the provision of less than acceptable service to energy customers has been paid to the General Fund. Had this money been directed to Low-Income Universal Service programs instead of the General Fund, over 700 additional need households could have received assistance.

Today, the Commission is seeking comments from interested parties regarding the Settlement Agreement (Settlement) filed on July 7, 2010, by UGI Utilities, Inc. (Company) and the Commission's Law Bureau Prosecutory Staff and the Bureau of Consumer Services. The investigation involves a gas service outage caused by the propane tanks serving the Farmington Way residential subdivision having insufficient supply to pressurize the system. The Settlement, among other things, provides for the imposition of a civil penalty of \$17,500.¹

I request that interested parties who submit comments on this Settlement address the appropriateness of directing \$17,500 to the Company's Operation Share program in lieu of

¹ In addition, the Company, will revise its internal operating procedures, has converted the Farmington Way subdivision from propane to natural gas as of June 30, 2010 and will verify that an emergency telephone number on a fence placard has been corrected to display a working telephone number for reaching the Company in the event of an emergency.

imposing a \$17,500 civil penalty. This action would benefit numerous low-income customers. I believe that providing additional assistance to low-income customers is an important consideration, particularly during these tough economic times in which many individuals are being forced to choose between paying for utility service and buying food for their families.

DATE

TYRONE J. CHRISTY, VICE CHAIRMAN