

PENNSYLVANIA PUBLIC UTILITY COMMISSION
Harrisburg, Pennsylvania 17105-3265

Joint Petition of UGI Utilities, Inc.-Gas Division, UGI Penn Natural Gas and UGI Central Penn Gas for Expedited approval to Contribute a Portion of Tennessee Gas Pipeline Co. Settlement Proceeds to Operation Share **Public Meeting held January 28, 2010 2149107-LAW P-2009-2149107**

Motion of Commissioner Wayne E. Gardner

Under a Settlement Agreement approved by FERC Orders dated November 29, 1995, and February 20, 1996, Tennessee Gas Pipeline Company will pay shippers such as the UGI Companies \$156.4 million, for the over-collection of certain environmental remediation costs.¹ Those costs had been passed through to the UGI Companies' retail customers through Purchased Gas Cost (PGC) rates. The UGI Companies will receive approximately \$3.8 million in refunds over a three-year period. The UGI Companies have calculated the residential share to be approximately \$2.4 million.

The UGI Companies believe that the residential portion of the Refund Settlement would have a greater impact if it were used to supplement Operation Share Fuel Fund instead of flowing the money back through PGC rates over three years.² The Companies request that the Commission permit them to: (1) raise the maximum Operation Share grant allowance from the current level of \$300 for UGI and CPG, and \$200 for PNG, to \$400 for UGI and \$800 for CPG and PNG, respectively, and (2) to modify Operation Share rules temporarily so that the grants can be applied to inactive accounts in order to restore service.

¹ The UGI Companies are UGI Utilities, Inc.-Gas Division, UGI Penn Natural Gas, Inc. (PNG), and UGI Central Penn Gas, Inc. (CPG),

² This program helps customers who have trouble paying their winter heating bills due to problems such as low or fixed income, unemployment, disability, sudden death or serious injury/illness of the household's main income provider.

I do not agree that allowing the UGI Companies to change their Operation Share eligibility rules to permit grants to be applied to inactive accounts is prudent. There would be administrative and financial costs to track which inactive accounts should receive grants. The money would be better spent assisting current customers who are struggling to meet their bills to keep their natural gas service intact.

Therefore, I move that:

1. The Law Bureau prepare an Order consistent with this Motion.

January 28, 2010

Date

Commissioner Wayne E. Gardner