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December 3, 2012

VIA ELECTRONIC FILING

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

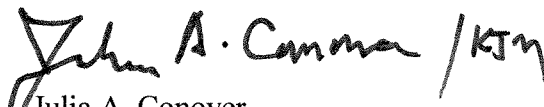
RE: Petition of PPL Electric Utilities Corporation for Proposal of Phase II Energy Efficiency and Conservation Plan, Docket No. M-2012-2334388; **PETITION TO INTERVENE**

Dear Secretary Chiavetta:

Enclosed for filing with the Commission is an original copy of the Petition to Intervene of UGI Utilities, Inc., – Gas Division, UGI Penn Natural Gas, Inc. and UGI Central Penn Gas, Inc. in the above-captioned proceeding. Copies of this Petition to Intervene have been served in accordance with the attached Certificate of Service.

Thank you for your attention to this matter. If you have any questions related to this filing, please do not hesitate to contact my office.

Very truly yours,


Julia A. Conover

JAC/jld/151926

Enclosures

cc: Administrative Law Judge Dennis J. Buckley
Per Certificate of Service

CERTIFICATE OF SERVICE

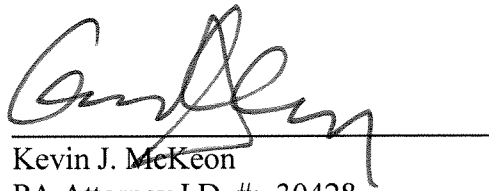
I hereby certify that I have served the foregoing Petition to Intervene upon the parties, listed below, in accordance with the requirements of §1.54 (relating to service by a party).

VIA ELECTRONIC AND FIRST CLASS MAIL

Honorable Dennis J. Buckley
Administrative Law Judge
Pennsylvania Public Utility Commission
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DATED: December 3, 2012

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of PPL Electric Utilities :
Corporation for Approval of an Energy : Docket No. M-2012-2334388
Efficiency and Conservation Plan :

**PETITION TO INTERVENE
OF UGI UTILITIES, INC. – GAS DIVISION, UGI PENN NATURAL
GAS, INC. AND UGI CENTRAL PENN GAS, INC.**

UGI Utilities, Inc. – Gas Division (“UGI”), UGI Penn Natural Gas, Inc. (“PNG”) and UGI Central Penn Gas, Inc. (“CPG”) (collectively, the “UGI Distribution Companies”), by and through their counsel, Hawke McKeon & Sniscak LLP, hereby file this Petition to Intervene in the above-captioned matter pursuant to 52 Pa. Code § 5.71. In support thereof, the UGI Distribution Companies represent as follows:

1. The UGI Distribution Companies are represented in the above-captioned matter by the following counsel:

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Please include the above-listed counsel on the service list for all documents in this matter.

2. On November 15, 2012, PPL Electric Utilities (“PPL”) filed its Act 129 Phase II Energy Efficiency and Conservation Plan (“EE&C Plan”) with the Pennsylvania Public Utility Commission (“PUC” or “Commission”).

3. UGI Utilities, Inc. – Gas Division (hereinafter “UGI Gas”) is a natural gas distributor serving approximately 328,000 customers in a service territory encompassing all or portions of 16 counties. Its service area includes the cities of Allentown, Bethlehem, Easton, Harrisburg, Lancaster, Lebanon and Reading.

4. UGI Penn Natural Gas, Inc. (“UGI Penn”), headquartered in Wilkes-Barre, Pennsylvania, provides natural gas distribution service to approximately 161,000 additional customers in 13 counties in northeastern Pennsylvania, including the cities of Scranton, Wilkes-Barre and Williamsport.

5. UGI Central Penn Gas, Inc. (“UGI Central Penn”), headquartered in Reading, Pennsylvania, provides natural gas distribution service to approximately 76,000 additional customers in 34 counties in Pennsylvania and one county in Maryland.

6. The Commission’s regulations provide that a petition to intervene may be filed by a person claiming a right to intervene or an interest of such nature that intervention is necessary or appropriate to the administration of the statute under which the proceeding is brought.¹ In

¹ 52 Pa. Code § 5.72 (a).

order to successfully demonstrate that intervention is appropriate, at least one of the eligibility requirements of 52 Pa. Code § 5.72 must be met.²

7. The UGI Distribution Companies are eligible to intervene in this proceeding under both § 5.72(a) (2) and (a) (3). The UGI Distribution Companies have interests which are directly affected and are not adequately represented by existing participants in the proceeding as to which the UGI Distribution Companies may be bound by the action of the Commission in the proceeding. In light of these interests, the UGI Distribution Companies were permitted to intervene in the proceeding considering PPL's Phase I EE&C Plan, and participated in the PPL stakeholder process for the development of its current plan.³ Given the broad requirements and clear intent of Act 129 for the EDCs' employment of energy efficiency and conservation measures such as "energy efficient heating and cooling equipment or systems and energy efficient appliances and other technologies," the UGI Distribution Companies – which advocate the inclusion of fuel substitution technologies in the EE&C plans – have interests that are of such a nature that their participation in this proceeding is in the public interest.

(a) Act 129 and the Commission's Orders implementing it clearly contemplate that fuel substitution programs are eligible to meet the EDCs' Act 129 load reduction targets⁴ and that the statute requires procedures to be established "through which

² The right or interest may be one of the following: (1) a right conferred by statute of the United States or of the Commonwealth; (2) an interest which may be directly affected and which is not adequately represented by existing participants, and as to which the petitioner may be bound by the action of the Commission in the proceeding; or (3) another interest of such nature that participation of the petitioner may be in the public interest. *Id.*

³ *Petition of PPL Electric Utilities Corporation for Approval of its Energy Efficiency and Conservation Plan*, Docket No. M-2009-2093216.

⁴ *See e.g.*, 66 Pa. C.S. §2806.1 (a), (b)(1)(i)(A), and (m); *2012 Total Resource Cost Test*, Order entered Aug. 30, 2012 in Dkt. No. M-2012-230653, at 41-43 (fuel switching included as part of the PA TRC test); *Act 129 Fuel Switching Working Group Staff Report*, Dkt. No. M-00051865, Secretarial Letter dated May 21, 2010, at 2 (adopting the Fuel Switching Working Group Report's recommendations, which expressly endorsed the use of fuel switching measures in Act 129 EE&C plans); *Implementation Order -- Energy Efficiency and Conservation Program*, ("Phase I Implementation Order"), Order entered January 16, 2009 in Docket No. M-2008-2069887 at 14 (Act requires an

recommendations can be made as to additional measures that will enable an EDC to improve its plan.”⁵ In fact, PPL has already included a very modest fuel substitution measure in its EE&C Plan.

(b) The UGI Distribution Companies should also be granted intervention in this proceeding because the use of natural gas resources as an electric usage reduction measure has the potential to significantly affect the total costs that PPL customers may ultimately pay for their total energy consumption once an approved EE&C plan is fully implemented. In addition, once approved, the EE&C plans will be in place for an extended timeframe with limited opportunities for plan review and adjustment. Thus, the Commission must gather and consider a broad spectrum of industry and consumer input on the sufficiency of the EDCs’ EE&C plans now so that the goals of Act 129 are achieved in a cost-effective manner for the long term.

(c) The UGI Distribution Companies seek to intervene in this proceeding for the purpose of providing input regarding the significant benefits of including additional fuel substitution measures in PPL’s EE&C Plan to not only meet the load reduction mandate of Act 129, but to provide long-term sustainable benefits to consumers such as downward pressure on wholesale electric and natural gas prices resulting from the more efficient use of natural gas on a source-to-end-use basis and a reduction in greenhouse gas emissions. The UGI Distribution Companies are uniquely positioned to provide valuable input to the Commission on fuel substitution measures because they provide natural gas service to a large number of customers in PPL’s territory. The UGI Distribution Companies’ interest is not adequately represented by any other party or participant in this proceeding.

EDC to demonstrate that its plan is cost-effective using the TRC test, and that it provides a diverse cross section of alternatives for all rate classes).

⁵ Phase I Implementation Order at 23-24.

(d) UGI Distribution Companies also have standing to intervene in this action as customers and ratepayers of PPL.

WHEREFORE, the UGI Distribution Companies respectfully request that the Commission grant them leave to intervene and admit them as parties to this proceeding.

Respectfully submitted,



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Dated: December 3, 2012