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December 6, 2012

VIA ELECTRONIC FILING

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

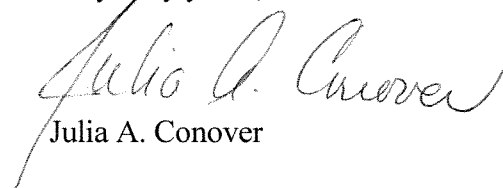
RE: Petition of PPL Electric Utilities Corporation for Approval of an Energy Efficiency and Conservation Plan; Docket No. M-2012-2334388; **INITIAL PREHEARING CONFERENCE MEMORANDUM OF UGI UTILITIES, INC. – GAS DIVISION, UGI PENN NATURAL GAS, INC. AND UGI CENTRAL PENN GAS, INC.**

Dear Secretary Chiavetta:

Enclosed for filing with the Commission is an original copy of the Initial Prehearing Conference Memorandum 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 Initial Prehearing Conference Memorandum 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/151992.1

Enclosures

cc: Administrative Law Judge Dennis J. Buckley (via email and first class mail)
Per Certificate of Service

CERTIFICATE OF SERVICE

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

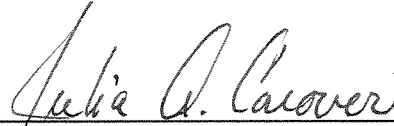
VIA EMAIL AND FIRST CLASS MAIL

Honorable Dennis J. Buckley
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Julia A. Conover
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DATED: December 6, 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 :

**INITIAL PREHEARING CONFERENCE MEMORANDUM
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 Initial Prehearing Conference Memorandum in accordance with the Prehearing Conference Order dated November 28, 2010 in the above-captioned matter pursuant to 52 Pa. Code § 5.71.

1. The UGI Distribution Companies is represented by the following counsel in this proceeding:

Kevin J. McKeon, Attorney I.D. #30428
Julia A. Conover, Attorney I.D. #27451
Hawke McKeon & Sniscak LLP
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Mark C. Morrow, Attorney I.D. #33590
Chief Regulatory Counsel
UGI Corporation
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Phone: 610-768-3628
Fax: 610-992-3258
morrowm@ugicorp.com

UGI Distribution Companies request that the above-listed counsel be included on the service list for all documents in this matter.

2. The UGI Distribution Companies anticipate that they will be requesting some limited discovery in this matter and therefore request an expedited response time in order to comply with the schedule. Specifically, UGI Distribution Companies request 1) in hand service of discovery responses within seven (7) calendar days of service; 2) oral notification of objections to discovery within three (3) calendar days of service and; 3) to the extent those objections are not resolved, in hand service of written objections within seven (7) calendar days from the date of the discovery requests. The UGI Distribution Companies will work cooperatively with counsel for PPL to facilitate the exchange of information. UGI Distribution Companies will abide by any reasonable Protective Order proposed by PPL, such as that employed in its Phase I EE&C proceeding.

3. UGI Distribution Companies do not object to the schedule attached to the Prehearing Conference Order.

4. The UGI Distribution Companies plan to present the following witness in this proceeding:

Paul H. Raab
energytools, llc
5313 Portsmouth Road
Bethesda, MD 20816
Tel.: 301.320.7549
Fax: 301.320.6369
paul@energytoolsllc.com

4. It is currently anticipated that Mr. Raab will generally be providing testimony (a) supporting the inclusion and expansion of fuel switching opportunities in PPL's Phase II EE&C Plan and (b) addressing how the Combined Heat and Power ("CHP") component within PPL's proposed Custom measure for Small and Large Commercial and Industrial customers can be improved. As part of this testimony Mr. Raab will address the significant benefits of including and expanding fuel switching and CHP measures in PPL's Phase II EE&C Plan to not only meet the load reduction mandate of Act

129, but to provide long-term sustainable benefits to consumers. Mr. Raab will offer suggested improvements to the PPL Phase II EE&C Plan including (1) the proper scope of fuel switching and CHP programs which should be contained in PPL's plan; (2) the proper funding level for these programs; (3) the proper education and awareness activities which should support these programs; (4) the proper incentive levels for these programs; (5) the more stringent cost benefit standards proposed in the plan for CHP projects, and how these standards should be modified to treat CHP projects in a nondiscriminatory manner; and (6) UGI's prior efforts to have fuel substitution and CHP programs adopted through the PPL stakeholder process and otherwise. It is also anticipated that Mr. Raab may sponsor a number of exhibits to providing supporting cost benefit and Total Resource Cost test information in support of the programs he will propose so that the Commission will have a sufficient foundation to judge the adequacy of the proposed PPL program and determine if it maximizes the potential available benefits for the customers who will be funding it.

Respectfully submitted,



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Counsel for the UGI Distribution Companies

Dated: December 6, 2012