

Julia A. Conover (717) 236-1300 x223 jaconover@hmslegal.com

100 North Tenth Street, Harrisburg, PA 17101 Phone: 717.236.1300 Fax: 717.236.4841 www.hmslegal.com

December 18, 2012

VIA HAND DELIVERY

Rosemary Chiavetta, Secretary Pennsylvania Public Utility Commission Commonwealth Keystone Building 400 North Street, 2nd Floor (filing room) PO Box 3265 Harrisburg, PA 17105-3265

RE: Petition of Metropolitan Edison Company, Petition of Pennsylvania Electric Company, and Petition of West Penn Power Company; Docket Nos. M-20212-23343387, M-2012-2334392, and M-2012-2334398; 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 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 have been served on the parties pursuant to the Certificate of Service.

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

Very truly yours,

Mdis A. Cononer kny

JAC/jld Enclosure

cc: Administrative Law Judge Elizabeth H. Barnes (via hand delivery)

Mark C. Morrow, Esquire Per Certificate of Service

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of Metropolitan Edison Company : Docket Nos. M-2012-2334387
Petition of Pennsylvania Electric Company : M-2012-2334392
Petition of West Penn Power Company : M-2012-2334398

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, 2012 in the above-captioned matter pursuant to 52 Pa. Code § 5.71.

- 1. The UGI Distribution Companies have intervened in three of the Act 129 Petitions filed by the FirstEnergy Companies ("FirstEnergy"). Specifically, all three UGI Distribution Companies have intervened in the Petition filed by Metropolitan Edison Company ("Met-Ed"); CPG has intervened in the Petition filed by West Penn Power Company ("West Penn"); and PNG and CPG have intervened in the Petition filed by Pennsylvania Electric Company ("Penelec").
- 2. The UGI Distribution Companies are represented by the following counsel in this proceeding:

Kevin J. McKeon (Attorney I.D. #30428) Julia A. Conover (Attorney I.D. #27451) Christopher M. Arfaa (Attorney I.D. #57047) Hawke McKeon & Sniscak LLP P.O. Box 1778 100 North Tenth Street Harrisburg, PA 17101 Phone: 717-236-1300

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Phone: 717-236-130 Fax: 717-236-4841

jaconover@hmslegal.com kjmckeon@hmslegal.com cmarfaa@hmslegal.com

Mark C. Morrow, Esquire (Attorney I.D. #33590) Chief Regulatory Counsel UGI Corporation 460 North Gulph Road King of Prussia, PA 19406

Phone: 610-768-3628 Fax: 610-992-3258 morrowm@ugicorp.com

Ms. Conover should be listed on the official service list. UGI Distribution Companies request that Ms. Conover and Mr. Morrow of the above-listed counsel be included on the email service list for all documents in this matter.

3. The UGI Distribution Companies have already served limited discovery in this matter and have requested in hand service of responses on an expedited basis in order to comply with the compressed schedule. UGI Distribution Companies would request that the discovery rules be modified for this proceeding to provide for: 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, 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 FirstEnergy to facilitate the exchange of information.

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4. UGI Distribution Companies do not object to the schedule attached to the Prehearing Conference Order, with two (2) clarifications/concerns. First, the date set for filing Main Briefs (January 27) is a Sunday and should be changed to January 28. In addition, the dates set for hearings, January 16-17, overlap in part with hearings set in the PPL Act 128 filing (Docket M-2012-2334388) pending before ALJ Buckley. UGI Distribution Companies' witness will be testifying in both proceedings. We request that counsel for FirstEnergy work cooperatively with us with regard to scheduling for the hearings to avoid any conflict.

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

Paul H. Raab Energy Tools, LLC 5313 Portsmouth Road Bethesda, MD 20816 Tel.: 301.320.7549

Fax: 301.320.6369

paul@energytoolsllc.com

It is currently anticipated that Mr. Raab will generally be providing testimony: (a) supporting the inclusion of fuel switching opportunities in the FirstEnergy Companies' Phase II EE&C Plans; and (b) supporting the inclusion of a Combined Heat and Power ("CHP") component within FirstEnergy's proposed Custom measure for Small and Large Commercial and Industrial customers. As part of this testimony Mr. Raab will address the significant benefits of including fuel switching and CHP measures in FirstEnergy's Phase II EE&C Plans to not only meet the load reduction mandate of Act 129, but to provide long-term sustainable benefits to consumers. Mr. Raab will also offer suggested improvements to the FirstEnergy Plans to account for fuel switching and CHP.

Respectfully submitted,

Kevin J. McKeon
Julia A. Conover
Christopher M. Arfaa
HAWKE MCKEON & SNISCAK LLP
HARRISBURG ENERGY CENTER
P.O. BOX 1778
Harrisburg, PA 17105-1778
(717) 236-1300

Mark C. Morrow, Esquire Chief Regulatory Counsel UGI Corporation 460 North Gulph Road King of Prussia, PA 19406 (610) 768-3628

Counsel for the UGI Distribution Companies

Dated: December 18, 2012

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CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing document upon the parties, listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a party).

VIA E-MAIL AND FIRST CLASS MAIL

Kathy J. Kolich, Esquire FirstEnergy Service Company 76 South Main Street Akron, OH 44309 kolichk@firstenergycorp.com

Christy M. Appleby
Assistant Consumer Advocate
Office of Consumer Advocate
555 Walnut Street
5th Floor, Forum Place
Harrisburg, PA 17101-1923
CAppleby@paoca.org

Candis A. Tunilo
Assistant Consumer Advocate
Office of Consumer Advocate
555 Walnut Street
5th Floor, Forum Place
Harrisburg, PA 17101-1923
CTunilo@paoca.org

John F. Povilaitis, Esquire Buchanan, Ingersoll & Rooney, P.C. 409 Second Street, Suite 500 Harrisburg, PA 17101-1357 john.povilaitis@bipc.com

Mark C. Morrow, Esquire Chief Regulatory Counsel UGI Corporation 460 North Gulph Road King of Prussia, PA 19406 morrowm@ugicorp.com Lauren M. Lepkoski, Esquire FirstEnergy Service Company 2800 Pottsville Pike P.O. Box 16001 Reading, PA 19612-6001 Lepkoskil@firstenergycorp.com

Johnnie Simms, Esquire
Bureau of Investigation & Enforcement
PA Public Utility Commission
Commonwealth Keystone Building
400 North Street, PO Box 3265
Harrisburg, PA 17105-3265
jsimms@pa.gov

Steven C. Gray, Esquire
Acting Small Business Advocate
Office of Small Business Advocate
Commerce Building, Suite 1102
300 North Second Street
Harrisburg, PA 17101
sgray@state.pa.us

Tanya J. McCloskey
Acting Consumer Advocate
Office of Consumer Advocate
55 Walnut Street
5th Floor, Forum Place
Harrisburg, PA 17101-1923
tmccloskey@paoca.org

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Keyin J. McKeon, Attorney I.D. #30428 Julia A. Conover, Attorney I.D. #27451 Chris M. Arfaa, Attorney I.D. #57047

Dated: December 18, 2012

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