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April 9, 2015

VIA ELECTRONIC FILING

Rosemary Chiavetta, Secretary Pennsylvania Public Utility Commission Commonwealth Keystone Building 400 North Street, 2nd Floor North P.O. Box 3265 Harrisburg, PA 17105-3265

Re: Petition of UGI Utilities, Inc. - Electric Division for Approval of its Energy

Efficiency and Conservation Plan Docket No. M-2010-2210316

Dear Secretary Chiavetta:

Enclosed for filing on behalf of UGI Utilities, Inc. – Electric Division ("UGI Electric" or the "Company") is a Petition to Continue its Phase I Energy Efficiency and Conservation Plan Until its Phase II Plan is Approved ("Phase I Continuation Petition").

The Company's Phase I EE&C Plan is set to expire on May 31, 2015. Concurrent with the Phase I Continuation Petition, UGI Electric is filing a Petition for Approval of its proposed Phase II EE&C Plan ("Phase II Petition"). UGI Electric is filing this Phase I Continuation Petition to allow for the Phase I Program to continue in case the Phase II Petition is not approved by June 1, 2015. Continuation of the Phase I Program pending approval of the Phase II Program will allow customers to continue to receive uninterrupted EE&C Programs, facilitate a smoother transition from Phase I to Phase II and promote administrative efficiencies.

As shown on the attached Certificate of Service, UGI Electric has served copies of this filing upon the Commission's Bureau of Investigation & Enforcement, the Office of Consumer Advocate, the Office of Small Business Advocate, as well as the other parties at Docket No. M-2010-2210316. Moreover, UGI Electric will send a letter via e-mail to the Conservation Service Providers in Pennsylvania advising them of this filing and directing them to the Company's website where this filing will be posted. The URL address for that website, which is available to the public, is http://eec.ugi.com.

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If you have any questions regarding the enclosed filing, please do not hesitate to contact me.

Respectfully submitted,

Anthony D. Kanagy

ADK/jl Enclosures

cc: Certificate of Service

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been served upon the following persons, in the manner indicated, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

VIA FIRST CLASS MAIL

Steven C. Gray, Esquire Sharon Webb, Esquire Office of Small Business Advocate 300 North Second Street, Suite 202 Harrisburg, PA 17101

Richard A. Kanaskie, Esquire Bureau of Investigation & Enforcement Commonwealth Keystone Building 400 North Street, 2nd Floor West PO Box 3265 Harrisburg, PA 17105-3265

Christy M. Appleby, Esquire David T. Evrard, Esquire Tanya J. McCloskey, Esquire Office of Consumer Advocate 555 Walnut Street Forum Place, 5th Floor Harrisburg, PA 17101-1923

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Kenneth L. Mickens, Esquire 316 Yorkshire Drive Harrisburg, PA 17111

Harry S. Geller, Esquire Pennsylvania Utility Law Project 118 Locust Street Harrisburg, PA 17101-1414

Date: April 9, 2015

Anthony D. Kanagy

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of UGI Utilities, Inc. – Electric

Division for Approval of its Energy Efficiency

and Conservation Plan

Docket No. M-2010-2210316

PETITION OF UGI UTILITIES, INC. – ELECTRIC DIVISION TO CONTINUE ITS PHASE I ENERGY EFFICIENCY AND CONSERVATION PLAN UNTIL ITS PHASE II PLAN IS APPROVED

Pursuant to 52 Pa. Code § 5.41, UGI Utilities, Inc. – Electric Division ("UGI Electric" or the "Company") hereby petitions the Pennsylvania Public Utility Commission ("Commission") for permission to continue its approved Energy Efficiency and Conservation ("EE&C") Plan ("Phase I EE&C Plan") until such time as the Company's Phase II EE&C Plan is approved and becomes effective. In support thereof, UGI Electric states as follows:

I. INTRODUCTION

- 1. UGI Electric is a "public utility" and an "electric distribution company" ("EDC"), as those terms are defined in Sections 102 and 2803 of the Public Utility Code, 66 Pa. C.S. §§ 102, 2803.
- 2. UGI Electric is not formally subject to the energy efficiency requirements of Act 129 of 2008, P.L. 1592, because it has fewer than 100,000 customers. 66 Pa. C.S. § 2806.1(1). However, on December 23, 2009, at Docket No. M-2009-2142851, the Commission issued a Secretarial Letter that encouraged smaller EDCs to file voluntary EE&C Plans. *See Re: Voluntary Energy Efficiency and Conservation Program*, Docket No. M-2009-2142851 (Dec. 23, 2009) ("Secretarial Letter").

- 3. On November 9, 2010, the Company filed a petition requesting approval of its voluntary Phase I EE&C Plan pursuant to the Commission's Secretarial Letter.
- 4. On October 19, 2011, the Commission entered an order granting in part and denying in part the Company's Phase I EE&C petition. The Commission further directed UGI Electric to file a revised black-lined Phase I EE&C Plan consistent with the Commission's order.
- 5. On December 19, 2011, UGI Electric filed its revised black-lined Phase I EE&C Plan in accordance with the Commission's October 19, 2011 order.
- 6. On March 16, 2012, the Commission entered an order approving the revised black-lined Phase I EE&C Plan, subject to further modification. The Commission's order also directed UGI Electric to file an additional revised black-lined Phase I EE&C Plan consistent with the terms of the March 16, 2012 order. The order further instructed UGI Electric to begin implementing its Phase I EE&C Plan within three months of the notification from the Commission's Bureau of Technical Utility Services ("TUS") that the revised black-lined Phase I EE&C Plan was in compliance with the March 16, 2012 order.
- 7. On March 23, 2012, UGI Electric filed its revised black-lined Phase I EE&C Plan in accordance with the Commission's March 16, 2012 order.
- 8. By Secretarial Letter dated April 10, 2012, TUS found that the revised black-lined Phase I EE&C Plan was in compliance with the March 16, 2012 order. UGI Electric began implementing its voluntary Phase I EE&C Plan on June 1, 2012.

II. UGI ELECTRIC REQUESTS COMMISSION APPROVAL TO CONTINUE ITS PHASE I EE&C PLAN UNTIL ITS PHASE II EE&C PLAN IS APPROVED

9. Through this Petition, UGI Electric seeks approval to continue its Phase I EE&C Plan until its Phase II EE&C Plan is approved and becomes effective.

- 10. The Company's Phase I EE&C Plan is set to expire on May 31, 2015. Concurrent with the instant Petition, the Company is filing a petition for approval of its proposed Phase II EE&C Plan. In the event that the Company's proposed Phase II EE&C Plan is not approved by June 1, 2015, continuation of Phase I is necessary to ensure that customers continue to receive uninterrupted EE&C program benefits.
- 11. UGI Electric's customers have experienced substantial benefits from participating in the Phase I EE&C Plan. The Phase I EE&C Plan has enabled customers to take advantage of nine programs that offer a wide range of energy efficiency and conservation measures and education initiatives. UGI Electrics seeks to continue to allow customers to take advantage of the Company's Phase I EE&C programs, pending approval of the Phase II EE&C Plan, so that customers can continue to benefit from reduced electric consumption. If the Commission does not grant the instant Petition, the Phase I EE&C Plan, as approved by the Commission, will terminate, and customers will not be able to receive additional EE&C program measures until the proposed Phase II EE&C Plan becomes effective.
- 12. Moreover, this continuance would facilitate a smoother transition from Phase I to Phase II and promote administrative efficiencies. For instance, the Company would not have to cease EE&C operations only to pick them back up again when the proposed Phase II EE&C Plan begins. Furthermore, the Company's customers and trade allies could continue their plans to participate in these programs, instead of waiting until the proposed Phase II begins, the date of which is currently unclear. Such an outcome could be detrimental and confusing to UGI Electric's customers and trade allies who take advantage of the Company's EE&C programs or were planning on participating in these programs after May 31, 2015. Instead, their participation in these programs could seamlessly transition into Phase II.

- 13. UGI Electric proposes to count the costs of continuing the Phase I EE&C programs toward the budgets established for Plan Year 1 of the Company's Phase II EE&C Plan. UGI Electric also proposes that the continuation costs will not exceed the program or customer class budgets established for Plan Year 1 of Phase II. This will ensure that UGI Electric's EE&C program costs will not exceed 2% of annual revenues as explained further in the Company's petition for approval of its Phase II EE&C Plan.
- 14. UGI Electric further proposes to recover the continuation costs through the proposed Phase II EE&C Section 1307 Rider, 66 Pa. C.S. § 1307 ("Phase II EEC Rider"). The pro forma tariff supplement pages for the Phase II EEC Rider are attached as UGI Electric Exhibit 2 to the petition for approval of the Phase II EE&C Plan. Like the Phase I EEC Rider, the Phase II EEC Rider will be subject to an annual review and reconciliation. Thus, any underrecovery or over-recovery of these costs will be reconciled accordingly.

III. **CONCLUSION**

For the foregoing reasons, UGI Utilities, Inc. - Electric Division respectfully requests that the Pennsylvania Public Utility Commission authorize UGI Electric to: (1) continue its approved Phase I Energy Efficiency and Conservation Plan until its Phase II Energy Efficiency and Conservation Plan is approved and becomes effective; and (2) recover the costs to continue the Phase I EE&C Plan until the Phase II EE&C Plan is approved through the proposed Phase II EEC Rider.

Danielle Jouenne (ID # 306839)

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Respectfully submitted:

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Counsel for UGI Utilities, Inc. – Electric Division Dated: April 9, 2015

VERIFICATION

I, Brian Fitzpatrick, Manager – Growth and Energy Efficiency Programs of UGI Utilities, Inc. – Electric Division, hereby state that the facts above set forth are true and correct to the best of my knowledge, information and belief and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

Date: 4/8/15

Sum J. Fitzpatrick
Brian Fitzpatrick