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July 13, 2016

## 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: Centre Park Historic District v. UGI Utilities, Inc. Docket No. C-2015-2516051

City of Reading v. UGI Utilities, Inc. Docket No. C-2016-2530475

Dear Secretary Chiavetta:

Enclosed for filing is the Prehearing Conference Memorandum of UGI Utilities, Inc. for the above-referenced proceedings. Copies will be provided as indicated on the Certificate of Service.

Respectfully submitted,

Devin Ryan

DTR/jl Enclosures

cc: Honorable Mary D. Long Certificate of Service

## CERTIFICATE OF SERVICE (Docket Nos. C-2015-2516051 and C-2016-2530475)

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 E-MAIL & FIRST CLASS MAIL

Michael J. Savona, Esquire Michael E. Peters, Esquire Zachary A. Sivertsen, Esquire Eastburn and Gray, P.C. PO Box 1389 Doylestown, PA 18901 msavona@eastburngray.com mpeters@eastburngray.com zsivertsen@eastburngray.com

Date: July 13, 2016

Devin T. Ryan

## BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Centre Park Historic District	:	
V.	•	Docket No. C-2015-2516051
UGI Utilities, Inc.	:	
City of Reading	:	
ν.	:	Docket No. C-2016-2530475
۷.	•	Docket No. C-2010-2550475
UGI Utilities, Inc.	:	

# PREHEARING CONFERENCE MEMORANDUM OF UGI UTILITIES, INC.

## TO ADMINISTRATIVE LAW JUDGE MARY D. LONG:

Pursuant to 52 Pa. Code § 5.222(d), UGI Utilities, Inc. ("UGI" or the "Company") hereby submits this Prehearing Conference Memorandum.

## I. <u>BACKGROUND</u>

On November 25, 2015, the Centre Park Historic District, Inc. ("CPHD") filed a Formal Complaint at Docket No. C-2015-2516051 alleging that UGI's meter location practices in the historic districts of Reading, PA violated the Commission's regulations.

On December 15, 2015, UGI filed an Answer to CPHD's Complaint denying that the Company committed any regulatory violation.

On February 11, 2016, a prehearing conference was held before the Honorable Mary D. Long (the "ALJ") regarding CPHD's Complaint and three other customer complaints about UGI's meter placement decisions. At the prehearing conference, counsel for CPHD indicated that he would also be filing a complaint on behalf of the City of Reading ("City") about UGI's meter location practices in Reading, PA and requested that CPHD's Complaint be consolidated with the City's forthcoming Complaint.

On February 16, 2016, the ALJ issued the First Prehearing Order that, among other things, scheduled a further telephonic prehearing conference for March 30, 2016.

On February 23, 2016, UGI received e-service of the City's Complaint. In its Complaint, the City generally alleged that UGI violated 52 Pa. Code § 59.18(d)(1) by failing to "consider" inside meter locations for historic buildings and for buildings in historic districts in Reading, PA. Moreover, the City contended that UGI's exterior meter location practices have created unsafe conditions.

On March 1, 2016, a Notice was issued scheduling the further telephonic prehearing conference for March 30, 2016.

On March 14, 2016, UGI filed an Answer denying the material allegations in the City's Complaint and averring that its meter location practices have been consistent with the Commission's regulations. Additionally, the Company filed Preliminary Objections, which argued that the City's Complaint should be dismissed in its entirety due to the legal insufficiency of the City's requested relief.

On March 24, 2016, the City filed an Answer to UGI's Preliminary Objections.

On March 29, 2016, the ALJ issued an Interim Order Dismissing Preliminary Objections.

On March 30, 2016, the prehearing conference was held, during which the parties agreed to attempt to settle the Complaints and hold a further prehearing conference in 60 days.

On April 5, 2016, a Notice was issued scheduling the further telephonic prehearing conference for June 30, 2016. Ultimately, the prehearing conference was rescheduled for July 14, 2016.

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#### II. <u>SERVICE OF DOCUMENTS</u>

UGI's attorneys in this proceeding are Mark C. Morrow, Esquire, Danielle Jouenne, Esquire, David B. MacGregor, Esquire, and Devin T. Ryan, Esquire. UGI requests that Devin T. Ryan be listed as the recipient for service. Mr. Ryan's contact information is provided below:

Devin T. Ryan (ID # 316602) Post & Schell, P.C. 17 North Second Street, 12th Floor Harrisburg, PA 17101-1601 Phone: 717-612-6052 Fax: 717-731-1985 E-mail: dryan@postschell.com

UGI also requests that Mr. Morrow, Ms. Jouenne, and Mr. MacGregor be added to any informal e-mail distribution lists in this proceeding. Mr. Morrow's e-mail address is morrowm@ugicorp.com, Ms. Jouenne's e-mail address is jouenned@ugicorp.com, and Mr. MacGregor's e-mail address is dmacgregor@postschell.com. In addition, UGI agrees to receive service of documents electronically in this proceeding.

# III. <u>ISSUES</u>

UGI believes the presently identified issues are:

- 1. Whether UGI has failed to "consider" inside meter locations for historic buildings and for buildings in historic districts in violation of 52 Pa. Code 59.18(d)(1).
- 2. When selecting outside meter locations, whether the Company "consider[ed] potential damage by outside forces," located gas meters in "protected location[s] adjacent to the building served," and protected those meters from "vehicular damage that may be anticipated." *See* 52 Pa. Code § 59.18(a)(5),(b)(1); 49 C.F.R. § 192.353 (adopted by the Commission in 52 Pa. Code § 59.33(b)).

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3. Whether the City's requested relief is beyond the scope of this proceeding and, if not, whether it is reasonable.

#### IV. WITNESS AND AREA OF TESTIMONY

UGI believes it is necessary for the parties and the ALJ to clarify the scope of the Complaints and the evidentiary record that will need to be developed in this case. It is unclear whether the City and CPHD will contest every exterior meter placement in the City's historic districts or specific exterior meter placements. If the City and CPHD seek to contest each exterior meter placement, multiple days of hearings will need to be held, and the evidentiary record will be voluminous. In such a scenario, the Company believes that written testimony would lessen the burden on the parties and the ALJ and would produce a clearer, more concise record. If the City and CPHD only want to contest specific meter placements, UGI would request that they identify those particular locations so that the Company can gain a better understanding of how many days need to be scheduled for hearings and whether written testimony may be appropriate.

Notwithstanding, UGI's intended witness and a description of his testimony is provided below:

#### **Witness**

Hans G. Bell Vice President – Engineering & Operations Support UGI Utilities, Inc. 2525 N. 12<sup>th</sup> Street, Suite 360 Reading, PA 19612 610-796-3450

#### **General Subject Matter**

Meter Location Decisions in Reading, PA; Safety Considerations in UGI's Meter Location Practices

Mr. Bell's testimony will fully support the Company's meter location decisions in Reading, PA and demonstrate that UGI has complied with the Commission's regulations. UGI

reserves the right to call additional witnesses, as necessary, to address other issues that may arise during the course of this proceeding.

#### V. <u>PROCEDURAL SCHEDULE</u>

As stated in Section IV, *supra*, depending on the scope and size of this case, UGI maintains that written testimony would be beneficial and appropriate. However, if written testimony is not used in this case, the Company will need sufficient time to conduct discovery and depositions of the City and CPHD's witnesses. To that end, while reserving the right to request additional hearing days based on discovery and depositions, UGI proposes the following procedural schedule:

December 6-9, 2016 Evidentiary Hearings

#### VI. <u>DISCOVERY</u>

UGI proposes no modifications to the Commission's discovery rules. The Company is willing to work with the parties, through informal discovery, to expedite any additional discovery.

## VII. PROTECTION OF CONFIDENTIAL INFORMATION

If necessary and should the case proceed to hearing, UGI will timely submit an appropriate Motion for Protective Order.

#### VIII. <u>SETTLEMENT</u>

UGI is willing to work with the parties to resolve this proceeding through settlement. Further, UGI would be willing to enter into a partial settlement, stipulate to certain facts, or both, in order to narrow the issues in this proceeding.

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Respectfully submitted,

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Attorneys for UGI Utilities, Inc.

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Date: July 13, 2016