



Michael S. Swerling Esq.

UGI Corporation
460 North Gulph Road
King of Prussia, PA 19406

Post Office Box 858
Valley Forge, PA 19482-0858

(610) 992-3763 Telephone (direct)
(610) 992-3258 Facsimile



July 20, 2021

VIA E-FILE & E-MAIL

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

**Re: Proposed Rulemaking for Diversity Reporting of Major Jurisdictional Utilities;
Docket No. L-2020-3017284**

Dear Ms. Chiavetta:

Enclosed you will find the comments of UGI Utilities, Inc. – Gas and Electric Divisions (“UGI”) to the Notice of Proposed Rulemaking Order in the above-referenced docket.

Sincerely,

/s/ Michael S. Swerling
Michael S. Swerling

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Proposed Rulemaking for Diversity :
Reporting of Major Jurisdictional : Docket No. L-2020-3017284
Utilities :

CERTIFICATE OF SERVICE

I hereby certify that I have, this 20th day of July, 2021, served a true and correct copy of the foregoing document 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-FILE

Rosemary Chiavetta, Secretary (E-File)
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 171020

Date: July 20, 2021

/s/ Michael S. Swerling

Michael S. Swerling

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Proposed Rulemaking for Diversity :
Reporting of Major Jurisdictional : Docket No. L-2020-3017284
Utilities :

**UGI UTILITIES, INC. – ELECTRIC AND GAS DIVISIONS’
COMMENTS TO THE COMMISSION’S NOTICE OF PROPOSED RULEMAKING**

I. INTRODUCTION

On December 3, 2020, the Pennsylvania Public Utility Commission (“Commission”) entered a Final Policy Statement and Order in Docket No. M-2020-3018089¹, which updated the existing Diversity Reporting Policy Statement at 52 Pa. Code §§ 69.801-69.809 (“Policy Statement”). The updates were designed to standardize the type and level of information that utilities include in their annual diversity reports, which are filed voluntarily. These reports show how distribution companies utilize diverse employee and vendor resources to accomplish business strategies and objectives. Standardization will resolve inconsistencies in the level and type of data that major utilities were reporting voluntarily. Accordingly, the Commission adopted a standard diversity reporting form modeled after the Security and Exchange Commission’s Diversity Assessment Report. Additionally, the Commission added and updated definitions in Section 69.802 for Lesbian/Gay/Bisexual/Transgender/Questioning (“LGBTQ”),

¹ See *Amended Policy Statement on Diversity at Major Jurisdictional Utility Companies*, Docket No. M-2020-3018089 (Order entered Dec. 3, 2020).

veteran, and disabled person.² The terms in the Policy Statement are now aligned with the Commonwealth’s diverse citizenship and also with federal diversity reporting identifiers.

On December 17, 2020, the Commission issued its Notice of Proposed Rulemaking (“NOPR”) for Diversity of Major Jurisdictional Utilities at Docket No. L-2020-3017284 (NOPR entered December 17, 2020). Having finalized the updates to the Diversity Policy Statement (described above in Docket No. M-2020-3018089), the Commission now proposes to make such diversity reporting a regulatory obligation as codified in 52 Pa. Code Chapter 51. UGI Utilities Inc. – Gas Division and UGI Utilities, Inc. – Electric Division, (collectively “UGI” or the “Company”) supports the Commission’s efforts to: (1) update, improve and streamline diversity reporting; and 2) engage utilities to report their diversity efforts in a meaningful, consistent and purposeful manner. UGI hereby submits its comments to the Commission’s Tentative Order.

II. COMMENTS

A. UGI Supports mandatory diversity reporting.

A diverse and inclusive corporate strategy promotes engagement, innovation, competencies, productivity and results. Therefore, it is important to show that utilities are building and using diverse workforces, contractors and suppliers reflective of the customers and communities they serve. The Commission’s efforts in this NOPR to standardize and streamline the information that utilities include in their annual diversity report, especially related to the numbers of minority, women, disabled, LGBTQ and veteran employees and vendors, will accomplish this.

² According to ordering paragraph 3 in the December 3, 2020 Final Policy Statement and Order, the policy statement updates will become effective upon publication in the Pennsylvania Bulletin. The Final Policy Statement and Order has not yet been published in the Pennsylvania Bulletin.

In support of the Commission’s efforts to make diversity reporting mandatory, UGI states that it supports diversity and inclusion as a core value and embraces the uniqueness of individuals and cultures, including the varied perspectives they provide. The Company’s success depends upon its commitment to and acceptance of diverse employees, contractors and suppliers, who contribute in their own way to achieving common corporate goals. UGI’s diversity initiatives are driven by its parent corporation, UGI Corporation, and reinforced at the subsidiary level at each member of the UGI “Family of Companies”. Our commitment to diversity in the workplace and in procurement is therefore shared by UGI’s affiliates. UGI promotes employee diversity by way of a corporate culture that incorporates diversity into recruitment planning and provides employment and promotion opportunities to support a diverse talent pool.

To that end, UGI has a number of measures to support diverse segments of our workforce. Launched in 2020, UGI’s Belonging, Inclusion, Diversity & Equity (“BIDE”) initiative aligns UGI’s core values of safety, integrity, respect, responsibility, reliability, and excellence with its leadership team’s actions and employees’ day-to-day experiences. BIDE provides the blueprint for achieving greater diversity of thought, experience, culture, gender, race, and sexual orientation throughout UGI Corporation and its affiliated businesses.

UGI also created employee resource groups (“ERG”). These groups cultivate an inclusive environment and promote professional development. They include both individuals who identify with the particular group as well as their allies. The Women’s Impact Network (“WIN”) ERG fosters an environment for women to be recruited, retained, developed, and advanced as leaders within the UGI Family of Companies. Membership in WIN offers exposure to various professional development opportunities, including speaker series events, group engagement activities, virtual group discussions, and partnerships with local organizations.

UGI's Black Organization & Leadership Development ("BOLD") ERG focusses on inclusion, equity, education, and empowerment for black employees and will assist leadership with communication, talent recruitment and retention, and promotion for black employees. BOLD drives professional development through mentoring and sponsorship opportunities, increasing exposure through networking and career development events. It also promotes cultural transformation by influencing Company policies and procedures that can improve an employee's experience at UGI, as well as the impact these policies and procedures have on customers and partners.

The Veteran Employee Team ("VET") recruits and retains veterans and fosters goodwill towards veterans. Members include Active Duty, Reserve, and National Guard veterans of the Army, Navy, Marines, Coast Guard, and Air Force, their families, and partners committed to supporting military veteran employees.

Regarding supplier diversity efforts, UGI seeks to identify new opportunities for diverse owned firms to supply goods and services to the Company. Historically, UGI has acquired diverse supply partners through various methods. The Company has implemented employee education and training, utilized the support of relevant database tools, incorporated diverse vendors into its requests for proposals ("RFP"), and provided guidance on entering into agreements with diverse outfits.

Calendar year 2020 saw a fundamental reorganization of the UGI Corporation procurement function, with procurement for the UGI Family of Companies now centralized under one global procurement organization. This centralization will enable development of a cohesive supplier diversity policy for UGI and its affiliates that UGI is working to complete by the end of calendar year 2021 and which will incorporate supplier diversity spend goals. UGI has

taken the initial step of creating a supplier diversity team across all business units that will further this effort.

B. UGI Supports Reporting Diversity By Way of a Common Form

The Commission's *Demographics of Utility Workforce Form* ("Form") provides an opportunity to capture and provide diversity data in a standard and consistent format. The Company appreciates the Commission's understanding of the privacy issues involved with disclosing this information in the Form. Specifically regarding privacy concerns related to LGBTQ reporting, the Commission stated:

The Commission understands the privacy issues surrounding the reporting of the number of LGBTQ employees but also wants to provide the opportunity for a major jurisdictional utility to report its LGBTQ composition to the extent known but without violating the privacy of its employees.

Accordingly, the Commission strikes the appropriate balance here between privacy and disclosure as "the form would include the number of LGBTQ employees that a major jurisdictional utility employs with the caveat that only employees who agree to be counted in LGBTQ diversity reporting may be included in the report." (NOPR at 7).

UGI documents all of the Race and Ethnicity identifiers in the Form except for LGBTQ, which will be reported for the first time in the 2021 Form. UGI is in the process of revising its HR system capabilities and methods to request and capture this information from employees interested in self-identifying as LGBTQ in the annual diversity reports. UGI also is adding a step in its onboarding process where new hires are asked to self-identify in an electronic form similar to the way UGI currently captures this information for fields like race, gender, veteran and disability.³ Accordingly, UGI's employees are provided opportunities to self-identify by race,

³ By entering into business contracts with the Federal Government, UGI is subject to Section 503 of the Rehabilitation Act of 1973 (29 USC § 793). This provision requires UGI to survey its workforce requesting employees to self-identify as disabled every five years, and to remind employees at least once in the interim that

gender, veteran and disability status at time of hire, and the opportunity to identify as LGBTQ will be available for new hires by October 1, 2021. This information is protected as confidential. Moreover, employees can update their identification choice confidentially at any time through the Company's internal Human Resource Information Systems ("HRIS").

Regarding diverse owned and operated suppliers, UGI documents spend by: Service-Disabled Veteran, Veteran, Woman, LGBTQ, Disabled, and Minority, including Asian-Pacific, Black, Hispanic/Latino, Native American and Other. Diversity spending is reviewed and tracked quarterly in order to keep the focus on diversity throughout the year.

That being said, UGI has two questions about the Commission's Form. The *Demographics of Utility Workforce Form* is similar to the U.S. Equal Employment Opportunity Commission's annual EEO-1 report, specifically with regard to Job Categories. The EEO1 includes a separate Job Category for Sales Workers, Craft Workers, Operatives, Laborers and Helpers, and Service Workers to report the number of diverse employees filling these roles. Since the Commission's Form does not have these categories, clarification is sought on the inclusion of these categories in the Form's "All Others" category. Specifically, the Company seeks clarification as to whether it should include Sales Workers in the Form's "Professional" category or in the "All Others" category to ensure data reporting is consistent and meets Commission expectations. Additionally, the provisions that remain relevant to the Policy Statement are those guidelines and recommendations for utilities to follow in creating and advancing their diversity programs (i.e., Sections 69.803, 69.804, 69.805, 69.806 69.807 and 69.808). Does the Commission expect utilities to report out on activities related to these sections

they may self-identify as disabled. During this process, the Company provides instructions on how to self-identify as disabled and explains the Commission's diversity and reporting efforts.

of the Policy Statement when filing their annual Forms (by way of a written update included with the Form)?

C. Timing

Proposed Section 51.15 states that major jurisdictional utilities shall file annual diversity reports by March 1 documenting diversity activity from the prior year. UGI requests that the Commission clarify the term for the prior year that it expects utilities to include in their report. Specifically, will the reporting year be done on a calendar year or a fiscal year basis? What date is to be used to capture/complete the *Demographics of Utility Workforce Form* data? For a point of reference, similar data for Affirmative Action plans are reported as of December 31 for employers with calendar year plans and EEO1 reporting must include employment data from a "workforce snapshot period," which is any pay period from October through December.

III. CONCLUSION

The Company appreciates the opportunity to provide comments on the Notice of Proposed Rulemaking Order and asks that the Commission favorably consider its comments to this inquiry and provide clarification on UGI's questions raised herein.

Respectfully submitted,

/s/ Michael S. Swerling

Michael S. Swerling (ID # 94748)
UGI Corporation
460 North Gulph Road
King of Prussia, PA 19406
Phone: 610-992-3763
Fax: 610-992-3258
E-mail: SwerlingM@ugicorp.com

July 20, 2021