

**UGI UTILITIES, INC. – ELECTRIC DIVISION**

**BEFORE**

**THE PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**Information Submitted Pursuant to**

**Section 53.51 et seq of the Commission’s Regulations**

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**UGI UTILITIES, INC. – ELECTRIC DIVISION**

**PA P.U.C. NO. 6, SUPPLEMENT NO. 51**

**PA P.U.C. NO. 2S, SUPPLEMENT NO. 7**

**DOCKET NO. R-2022-3037368**

**Issued: January 27, 2023**

**Effective: March 28, 2023**

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**UGI UTILITIES, INC. – ELECTRIC DIVISION**  
**2023 BASE RATE CASE**  
**DOCKET NO. R-2022-3037368**

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2023 BASE RATE CASE  
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**STATEMENT OF REASONS**

**UGI UTILITIES, INC. – ELECTRIC DIVISION**  
**2023 Base Rate Case**  
**Docket No. R-2022-3037368**

**STATEMENT OF REASONS**

**I. INTRODUCTION**

UGI Utilities, Inc. – Electric Division (“UGI Electric” or “the Company”) is filing Proposed Supplement No. 51 to UGI Electric Tariff Pa. P.U.C. No. 6 and Proposed Supplement No. 7 to UGI Electric Tariff Pa. P.U.C. No. 2S, with a proposed effective date of March 28, 2023. The proposed rates will not become effective, however, until October 2023, assuming that the Pennsylvania Public Utility Commission (“PUC” or the “Commission”) suspends the effective date for a period of seven months pursuant to its standard practice. The rates set forth therein, if approved by the Commission, would increase UGI Electric’s annual jurisdictional distribution operating revenues by \$11.4 million based on a fully projected future test year ending September 30, 2024, and would produce an increase in total revenues (distribution and generation charges) of approximately 7.5%.

The following rate impact analysis applies to UGI Electric’s customers. It assumes that the Company’s proposals for full rate relief are accepted.

**Table 1. Average Monthly Bill Impact**

<b>Average Electric Customer Bill Impact</b>					
	Average Usage	Total Monthly Bill Impact			
		<u>Current</u>	<u>Proposed</u>	<u>Increase (Decrease)</u>	<u>Total</u>
Residential	1,000 kWh	\$192.73	\$209.96	\$17.23	8.9%
Small Commercial	1,000 kWh	\$199.06	\$220.49	\$21.43	10.8%
Industrial	50,000 kWh	\$6,455.07	\$6,475.18	\$20.11	0.3%

UGI Electric principally makes this tariff filing to: (1) allow it to earn a fair return on investments that are used and useful to serve the public safely and reliably; (2) obtain additional financial support for ongoing Commission-approved infrastructure replacement programs that are designed to enhance safety and reliability and for enhanced information technology (“IT”) systems; and (3) recover higher levels of operating expenses that are necessary for the provision of safe and reliable electric distribution service. Without the requested rate relief, the Company’s returns on investment will continue to decline and jeopardize the Company’s ability to attract the lower cost capital needed to make the system investments necessary to support and ensure continued system reliability, safety, and customer service performance.

Each of these subjects is discussed in more detail in Section II. Section III addresses UGI Electric’s management effectiveness and describes the Company’s various efforts to control increasing costs and improve service to customers. Section IV provides a more detailed overview of the major components of this rate filing.

## **II. REASONS FOR THE REQUESTED RATE INCREASE**

UGI Electric last received a general rate increase in 2021. Since then, UGI Electric has increased its planned plant investment by \$70.5 million in the distribution system to ensure a well-maintained and reliable system that meets the current and future expectations of the Company’s customers. UGI Electric intends to invest significant additional capital in the distribution system through 2027 under its Commission-approved Second Long-Term Infrastructure Improvement Plan (“LTIIIP”). Through its LTIIIP programs, UGI Electric has accelerated and will continue to accelerate investments in the repair, replacement, and improvement of aged and aging distribution infrastructure by over 100% compared to historic baseline levels immediately prior to the Initial LTIIIP. Together, UGI Electric’s focus on

upgrading and modernizing the distribution system, technologies, and facilities supports the Company's efforts to continue providing safe and reliable distribution service and high-quality customer service. Additionally, UGI Electric made reasonable efforts to help control expenses and increase efficiencies to reduce the proposed revenue requirement otherwise needed.

The growth in operating and capital costs, along with relatively stagnant customer usage and growth trends, do not allow UGI Electric to earn a fair rate of return on its investments at present rate levels.

As reflected in UGI Electric Exhibit A (Fully Projected Future), Schedule A-1, the Company's operations are projected to produce an overall return on rate base of 3.77%, which equates to a return on common equity of only 3.28% for the 12 months ending September 30, 2024. As explained by UGI Electric witness Paul R. Moul (UGI Electric Statement No. 9), these returns are not adequate based on applicable financial data and the risks confronted by UGI Electric. Unless UGI Electric receives the requested rate relief, those returns will continue declining, deny the Company an opportunity to earn a fair and reasonable rate of return, and jeopardize the Company's ability to attract the capital needed to make the system investments necessary to support and ensure continued system reliability, safety, and customer service performance.

Through this filing, UGI Electric also proposes to update the terms and conditions of its tariff. Specifically, UGI Electric proposes to keep its Flood Control Power ("FCP") Rate as a separately-identified tariffed rate. This is discussed further in the direct testimony of UGI Electric witness John D. Taylor of Atrium Economics, LLC (UGI Electric Statement No. 6). UGI Electric witness, Eric W. Sorber, supports tariff modifications regarding the market phase out of certain outdoor bulb types and the addition of provisions for customers interested in decorative lighting.

Additionally, UGI Electric witness, Sherry A. Epler, explains other proposed tariff changes that are necessary to update the Company's rate schedules, riders, and terms and conditions of service.

### **III. MANAGEMENT EFFECTIVENESS**

UGI Electric has focused on a number of areas to enhance and improve the quality and effectiveness of its management performance, to reduce expenses, or both. These management efforts include:

- High standards for electric reliability – UGI Electric has had strong reliability performance as measured by the Commission-established Benchmark levels for service reliability. The Company has met or performed better than the PUC Benchmark levels in two of the three categories in 2021 and 2022, with SAIFI being the only outlier.
- Meeting long-term infrastructure improvement targets – Through its recently-approved Second LTIP, UGI Electric expects to expend significant capital (approximately \$50.6 million) and complete numerous projects to enhance distribution system safety and reliability.
- Energy Efficiency and Conservation Plan – UGI Electric's voluntary Energy Efficiency and Conservation ("EE&C") Plan provides education and incentives to UGI Electric's customers to encourage the efficient use of electricity and incents smart appliance purchase decisions. During the most recent EE&C program year, UGI Electric issued \$377,870 in rebates to residential and commercial customers and achieved savings of 3,935,000 kWh, resulting in the greenhouse gas benefit of avoiding the release of 2,964 metric tons of CO<sub>2</sub>.<sup>1</sup>

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<sup>1</sup> This figure was derived from the EPA Greenhouse Gas Equivalencies calculator <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>

- Enhanced customer-service offerings and continued IT system replacements – The Company’s investments in IT through the UNITE initiative have promoted customer self-service through the Company’s web portal, increased electronic payments, and improved the customer experience. Additionally, in 2022, UGI Electric provided more than \$1.25 million in support to customers in need through Low Income Home Energy Assistant Program (“LIHEAP”), Operation Share, and Low Income Usage Reduction Program (“LIURP”) grants.
- Safety focus – Safety is a fundamental imperative at UGI Electric. The Company continues to foster a robust safety culture that ensures the safety of its employees, customers, and communities, such as providing electric safety awareness training to local first responders. UGI Electric also provides electrical safety tips, as well as safety and conservation education, through many mediums to the public.
- Community support – UGI Electric supports many projects that benefit communities throughout its service territory. In addition, UGI invests more than \$1.5 million annually to support education improvement programs, including \$270,000 in the overlapping UGI Electric and UGI Gas service territories.

The identified initiatives, as described by the Company’s witnesses, demonstrate UGI Electric’s commitment to providing and improving its provision of safe, reliable, and quality distribution services to its customers. The Company believes that its management efforts, system investments, and continued provision of safe and reliable service at reasonable rates, as detailed by the witnesses in this proceeding, all support an additional upward adjustment to the Company’s rate of return. This upward adjustment is included in the 11.30% return on common equity requested by the Company and discussed in the direct testimony of Paul R. Moul (UGI Electric Statement No. 9).



#### **IV. OVERVIEW OF FILING**

Included with UGI Electric's filing are all of the supporting data required by the Commission's regulations. This information provides data for a historic test year ended September 30, 2022, a future test year ending September 30, 2023, and the fully projected future test year ending September 30, 2024. Because of the adverse impact of regulatory lag when rates are established using a historic test year, the Company has elected to use the fully projected future test year as the basis for its proposed revenue requirement.

UGI Electric has followed Commission ratemaking practice and precedent in preparing its claims for rate base, operating revenues, and operating expenses. Rate base was determined based on depreciated original cost values for projected plant in service at the end of the fully projected future test year ending September 30, 2024, inclusive of the Company's LTIP accelerated replacement capital, IT investments, and other used and useful infrastructure to support growth and service reliability as detailed in the direct testimony of Vicky A. Schappell (UGI Electric Statement No. 5). The Company's rate base claim also includes reasonable estimates for materials and supplies inventory and cash working capital, as well as standard deductions for accumulated depreciation, accumulated deferred income taxes, and customer deposits. The Company's rate base claims are shown in summary form in Schedule C-1 to Exhibit A-1 (Fully Projected Future) and are supported by the direct testimony of Vivian K. Ressler (UGI Electric Statement No. 3).

UGI Electric's *pro forma* test year operating expenses were derived from its fiscal year 2024 operating budget. Based on the analysis of Company witness Tracy A. Hazenstab (UGI Electric Statement No. 2), certain operating expenses were annualized, normalized, and otherwise adjusted in accordance with standard ratemaking practice, as detailed in Section D of Exhibit A (Fully Projected Future). UGI Electric's claim for depreciation and amortization expense is

supported by Exhibit C (Fully Projected Future) to the filing, and exhibits developed and supported by John F. Wiedmayer of Gannett Fleming Valuation and Rate Consultants, LLC (UGI Electric Statement No. 7). Mr. Wiedmayer's calculations are based on the straight-line, remaining life method previously approved for UGI Electric's operations by the Commission. Company witnesses Christopher R. Brown (UGI Electric Statement No. 1) and Eric W. Sorber (UGI Electric Statement No. 4) also discuss the Company's efforts to contain costs and obtain efficiencies.

UGI Electric's income tax expense also was calculated using procedures previously accepted by the Commission. The Company's filing reflects, for federal income tax purposes, the normalization of book-tax timing differences related to UGI Electric's use of accelerated depreciation for tax purposes. Other appropriate book-tax timing differences were flowed-through for ratemaking purposes. The Company's tax claims are supported in the direct testimony of Darin T. Espigh (UGI Electric Statement No. 8).

Through this filing, UGI Electric is proposing to allocate the proposed revenue requirement to all customer classes based on the results of a class cost of service study. The proposed revenue allocation moves each rate class closer to the system average rate of return. Details regarding the rate of return are provided in the direct testimony of Paul R. Moul (UGI Electric Statement No. 9). Additional details regarding the Company's cost of service study and revenue allocation are provided in the direct testimony of UGI Electric witness John D. Taylor of Atrium Economics, LLC (UGI Electric Statement No. 6).

With respect to rate design, UGI Electric is proposing to increase the customer charges for Rate R and Rate GS-1. Otherwise, the rates and rate design for the Company's customers will essentially remain the same. Company witness Mr. Taylor sponsors the tariff changes related to the Rate FCP. Mr. Sorber discusses tariff changes regarding the provision of decorative lighting

features and the market phase out of certain outdoor lighting bulb types. UGI Electric witness Sherry A. Epler (UGI Electric Statement No. 10) discusses the tariff changes and clarifications included in UGI Electric's Tariff No. 6, Supplement 51, and the minor changes to the Choice Supplier Tariff, which is incorporated into UGI Electric's Tariff No. 2S, Supplement No. 7.

**V. CONCLUSION**

As set forth in UGI Electric's filing, the proposed revenue increase is the minimum increase necessary for UGI Electric to continue providing safe and reliable service, to maintain the integrity of its existing capital, to attract additional capital at reasonable rates, and to have a reasonable opportunity to earn a fair rate of return on its property used and useful in rendering electric service to the public within its service territory. Moreover, the Company's proposed revenue allocation and rate design and proposed tariff changes are just and reasonable and non-discriminatory. Therefore, the rates, rules, and terms and conditions of service set forth in UGI Electric's Proposed Supplements to Tariff Nos. 6 and 2S should be permitted to become effective as filed.

**PLAIN LANGUAGE - STATEMENT OF REASONS**

**UGI UTILITIES, INC. – ELECTRIC DIVISION**  
**2023 Base Rate Case**  
**Docket No. R-2022-3037368**

**PLAIN LANGUAGE**  
**STATEMENT OF REASONS**

UGI Utilities, Inc. – Electric Division (“UGI Electric”) has asked the Pennsylvania Public Utility Commission (“Commission”) to approve new rates that would increase annual revenues for its electric distribution service by \$11.4 million, or an increase in total revenues of approximately 7.5%.

The main reasons for the rate increase are:

- UGI Electric continues to invest in electric plant needed to provide continued safe and reliable service. From 2022 through 2024, UGI Electric will invest approximately \$70.5 million in repair, replacement, and modernization of its aging infrastructure and other necessary improvements. These investments are needed to ensure a well-maintained and reliable system that can meet the current and future expectations of UGI Electric’s customers.
- Despite reasonable efforts to help control expenses and increase efficiencies, UGI Electric’s costs continue to increase in several areas, including salaries and wages for field and administrative employees and the cost of products and services.
- Without substantial rate relief, UGI Electric will not be able to earn a fair return on its investment used to serve the public and, if not addressed, this could adversely affect the integrity of its financial ratings and its ability to attract the capital needed to make the system investments necessary to support and ensure continued system reliability, safety, and customer service performance.

UGI Electric designed the proposed rates for each customer class to recover its total required revenue. In allocating the revenue increase, UGI Electric was guided by detailed studies of each rate class’s cost of service. UGI Electric also considered and balanced other principles of rate design consistent with practice before the Commission.

In support of its rate increase, UGI Electric has filed all of the supporting data required by the Commission’s regulations, as well as the written statements of 10 witnesses and numerous

exhibits prepared by those witnesses. The data, testimony, and exhibits submitted by UGI Electric comply with the Commission's filing requirements. The proposed distribution revenue increase is the minimum increase necessary for UGI Electric to earn a fair rate of return on used and useful property employed to provide safe and reliable service to the public within its service territory.

**SECTION 53.52 - FILING REQUIREMENTS**

**UGI UTILITIES, INC. – ELECTRIC DIVISION**

**Proposed Changes to UGI Utilities, Inc. – Electric Division  
Supplement No. 51 to UGI Electric Pa. P.U.C. No. 6 and  
Supplement No. 7 to UGI Electric Pa. P.U.C. No. 2S**

Information furnished with the filing of rate changes under  
52 Pa. Code, Section 53.52

**(a) Applicable to changes in terms and conditions of service.**

**(a)(1) The specific reason for each change.**

UGI Utilities, Inc. – Electric Division (“UGI Electric” or the “Company”) has provided a Statement of Reasons describing the necessity for the changes proposed in this filing.

**(a)(2) The total number of customers served by the utility.**

62,877 customers and 9,120 lighting fixtures as of September 30, 2024.

**(a)(3) A calculation of the number of customers, by tariff subdivision, whose bills will be affected by the change.**

<u>Tariff Rate</u>	<u>Customers</u>
R	54,996
BLR	3
GS-1	5,275
GS-4	2,329
GS-5	56
FCP	7
LP	211
Lighting	9,120 (fixtures)

**(a)(4) The effect of the change on the utility’s customers.**

The specific effect by class is shown in UGI Electric Exhibit E – Proof of Revenue.

**(a)(5) The effect, whether direct or indirect, of the proposed change on the utility’s revenue and expenses.**

The Company’s proposal will change revenue and expenses, as shown on UGI Electric Exhibit A (Fully Projected), Schedule A-1. Individual adjustments to



revenues and expenses are described in testimony and exhibits supporting the filing.

**(a)(6) The effect of the change on the service rendered by the utility.**

The filing will allow the Company to continue to provide safe and reliable service to its customers while maintaining high levels of customer satisfaction.

**(a)(7) A list of factors considered by the utility in its determination to make the change. The list shall include a comprehensive statement as to why these factors were chosen and the relative importance of each. This subsection does not apply to a portion of the tariff change seeking a general rate increase as defined in 66 Pa.C.S. Section 1308 (relating to voluntary changes in rates).**

The Company has provided a Statement of Reasons describing the numerous factors considered in its determination to make the filing. Please also see the Direct Testimony of Christopher R. Brown (UGI Electric Statement No. 1) for a summary of those factors.

**(a)(8) Studies undertaken by the utility in order to draft its proposed change. This paragraph does not apply to a portion of the tariff change seeking a general rate increase as defined in 66 Pa.C.S. Section 1308.**

Not applicable.

**(a)(9) Customer polls taken and other documents, which indicate customer acceptance and desire for the proposed change.**

The Company has not undertaken any polls.

**(a)(10) Plans the utility has for introducing or implementing the change with respect to its customers.**

The Company will notify customers of the proposed changes by direct mailing a printed notice to all customers using the form of notices specified by the Commission at 52 Pa. Code § 53.45. In addition, the Company will issue a press release and paid advertisements on the date of filing as well as posting notices at the Company's headquarters and website at <https://www.ugi.com/notices/>.

**(a)(11) F.C.C. or FERC or Commission orders or rulings applicable to the filings.**

Schedule D-11 of UGI Electric Exhibit A (Fully Projected) includes claims related to uncollectible accounts expense in accordance with the Commission's May 13, 2020 Secretarial Letter regarding COVID-19 Cost Tracking and Creation of Regulatory Asset at Docket No. M-2020-3019775, as discussed in the Direct Testimony of Vivian K. Ressler (UGI Electric Statement No. 3).

**(b) Applicable to changes in rates.**

**(b)(1) Specific reason for each change.**

The Company has provided a Statement of Reasons describing the necessity of this filing. In addition, please see the Direct Testimony of Christopher R. Brown, UGI Electric Statement No. 1, John D. Taylor, UGI Electric Statement No. 6, and Sherry A. Epler, UGI Electric Statement No. 10.

**(b)(2) Utility's operating income statement ending not more than 120 days prior to filing date – historic year.**

Please refer to UGI Electric Exhibit A (Historic), Schedule B-2. For future test year and fully projected future test year operating income statements, please refer to UGI Electric Exhibit A (Future), Schedule B-2, and UGI Electric Exhibit A (Fully Projected), Schedule B-2.

**(b)(3) Number of customers, by tariff subdivision, whose bills will be increased.**

<u>Tariff Rate</u>	<u>Customers</u>
R	54,996
BLR	3
GS-1	5,275
GS-4	2,329
GS-5	56
FCP	7
LP	211
Lighting*	6,826 (Fixtures)

\*Partial

**(b)(4) Total increases, in dollars, by tariff subdivision, projected to an annual basis.**

Please refer to UGI Electric Exhibit E – Proof of Revenue.

**(b)(5) Number of customers, by tariff subdivision, whose bills will be decreased.**

<u>Tariff Rate</u>	<u>Customers</u>
Lighting*	2,294 (Fixtures)

\*Partial

**(b)(6) Total decreases, in dollars, by tariff subdivision, projected to an annual basis.**

Please refer to UGI Electric Exhibit E – Proof of Revenue.

**(c) Applicable to changes where increase for any tariff subdivision exceeds 3% of utility’s operating revenue OR bills of more than 5% of customers will increase.**

**(c)(1) Rate of return for historic year and anticipated for future year.**

Please refer to UGI Electric Exhibit A (Historic), Schedule A-1, UGI Electric Exhibit A (Future), Schedule A-1, and UGI Electric Exhibit A (Fully Projected), Schedule A-1.

**(c)(2) Detailed balance sheet at the end of the historic year.**

For the end of the historic year balance sheet, please refer to UGI Electric Exhibit A (Historic), Schedule B-1.

**(c)(3) Summary, by detailed plant accounts, of book value of property of utility at end of historic year.**

Please refer to UGI Electric Exhibit A (Historic), Schedule C-2, for the original cost book value of the property of the utility for the historic year.

**(c)(4) Respective amount of the depreciation reserve applicable to each detailed plant account.**

Please refer to UGI Electric Exhibit A (Historic), Schedule C-3, for the historic year depreciation reserve as of year-end, UGI Electric Exhibit A (Future), Schedule C-3, for the future test year depreciation reserve as of year-end, and UGI Electric Exhibit A (Fully Projected), Schedule C-3, for the fully projected future test year depreciation reserve as of year-end.

**(c)(5) Statement of operating income, setting forth the operating revenues and expenses by detailed accounts – historic year.**

Please refer to UGI Electric Exhibit A (Historic), Schedule B-2, for the historic year operating revenue and expenses.

**(c)(6) Description of any major changes in the operating or financial condition of the utility occurring between the date of the balance sheet at end of the historic year and filing date.**

None.

**I. GENERAL FILING INFORMATION**

UGI Utilities, Inc. - Electric Division  
Docket No. R-2022-3037368  
UGI Electric 2023 Base Rate Case  
Responses to Section 53.53 - I-A - Summary of Filing  
Delivered on January 27, 2023

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I-A-1

Request:

Provide a summary discussion of the rate change request, including specific reasons for each increase or decrease. Also provide a breakdown which identifies the revenue requirement value of the major items generating the requested rate change.

Response:

Please refer to UGI Electric Exhibit A (Historic), UGI Electric Exhibit A (Future), and UGI Electric Exhibit A (Fully Projected), Schedules A-1. Also, please see the Direct Testimony of Christopher R. Brown, UGI Electric Statement No. 1.

Prepared by or under the supervision of: Christopher R. Brown

UGI Utilities, Inc. - Electric Division  
Docket No. R-2022-3037368  
UGI Electric 2023 Base Rate Case  
Responses to Section 53.53 - I-A - Summary of Filing  
Delivered on January 27, 2023

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I-A-2

Request:

Identify the proposed witnesses for all statements and schedules of revenues, expenses, taxes, property, valuation and the like.

Response:

Please see the Direct Testimony of Christopher R. Brown, UGI Electric Statement No. 1, for a complete list of witnesses and areas of responsibility. The primary witness for each statement and schedule is identified on the specific document.

Prepared by or under the supervision of: Christopher R. Brown

UGI Utilities, Inc. - Electric Division  
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Responses to Section 53.53 - I-A - Summary of Filing  
Delivered on January 27, 2023

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I-A-3

Request:

Provide a single page summary table showing, at present and at proposed rates, together with references to the filing information, the following as claimed for the fully adjusted test year:

Revenues  
Operating Expenses  
Operating Income  
Rate Base  
Rate of Return (produced)

Response:

Please see Attachment I-A-3.

Prepared by or under the supervision of: Tracy A. Hazenstab

**UGI Utilities, Inc. - Electric Division**  
**PUC Jurisdictional**  
**Test Year Ended September 30, 2024**  
**(Thousands of Dollars)**

	AT PRESENT RATES		AT PROPOSED RATES	
	Amount	Exhibit A - Fully Projected Future Reference	Amount	Exhibit A - Fully Projected Future Reference
Revenue	152,691	Schedule A-1, Col. [3], Line 12	164,116	Schedule A-1, Col. [5], Line 12
Operating Expenses	(145,378)	Schedule A-1, Col. [3], Line 13	(146,304)	Schedule A-1, Col. [5], Line 13
Operating Income	6,490	Schedule A-1, Col. [3], Line 17	14,038	Schedule A-1, Col. [5], Line 17
Rate Base	172,242	Schedule A-1, Col. [3], Line 8	172,242	Schedule A-1, Col. [5], Line 8
Rate of Return	3.768%	Schedule A-1, Col. [3], Line 18	8.150%	Schedule A-1, Col. [5], Line 18



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Docket No. R-2022-3037368  
UGI Electric 2023 Base Rate Case  
Responses to Section 53.53 - I-A - Summary of Filing  
Delivered on January 27, 2023

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I-A-4

Request:

Whenever a major generating plant is placed in operating service or removed from operating service the utility shall separately indicate the effect of the plant addition or removal from service upon rate base, revenue, expense, tax, income and revenue requirement as it affects the test year.

Response:

As UGI Electric does not own any generation plants, this filing requirement is not applicable to this rate filing.

Prepared by or under the supervision of: Eric W. Sorber

UGI Utilities, Inc. - Electric Division  
Docket No. R-2022-3037368  
UGI Electric 2023 Base Rate Case  
Responses to Section 53.53 - I-B - General Description of Utility Operations  
Delivered on January 27, 2023

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I-B-1

Request:

Provide a corporate history including the dates of original incorporation, subsequent mergers and acquisitions. Indicate all counties, cities and other governmental subdivisions to which service is provided, including service areas outside this Commonwealth, and the total number of customers or billed units in the areas served.

Response:

UGI Utilities, Inc. (“UGI”) was organized in 1882 under the name “The United Gas Improvement Company” and changed its name to “UGI Corporation” in 1968. In 1992, UGI adopted its current name when it became, as it remains today, a wholly-owned subsidiary of a newly-formed holding company that adopted the name UGI Corporation.

UGI’s electric and gas operations are separated into two operating divisions. UGI’s gas operations (“UGI Gas”) are headquartered in Denver, Pennsylvania; while UGI’s electric operations (“UGI Electric”) are headquartered in Wilkes-Barre, Pennsylvania.

UGI Electric can trace its origins to the 1925 acquisition by UGI of the American Gas Co., which owned the Luzerne County Gas and Electric corporation. In 1953, as authorized by a Certificate of Public Convenience issued by the Commission on June 16, 1952, at Docket No. A.78264, all of UGI’s Pennsylvania public utility subsidiaries, including the Luzerne County Gas and Electric Company, were merged into UGI.

In 1967, UGI acquired the Harvey’s Lake Light Company, whose 113 square mile service territory, along with the electric service territory of the former Luzerne County Gas and Electric Corporation, comprise the current service territory of UGI Electric. That service territory is identified in the list of communities served in UGI Electric's tariff. See UGI Electric Exhibit F. UGI Electric currently provides electric distribution service to approximately 60,000 residential, commercial and industrial electric customers in Luzerne and Wyoming Counties and 35 municipalities.

UGI Utilities, Inc. - Electric Division  
Docket No. R-2022-3037368  
UGI Electric 2023 Base Rate Case  
Responses to Section 53.53 - I-B - General Description of Utility Operations  
Delivered on January 27, 2023

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I-B-2

Request:

Provide a description of the property of the utility and an explanation of the system's operation, and supply the following, using available projections if actual data is unavailable:

- a. A schedule of generating capability showing for the test year, and for the two consecutive 12-month periods prior to the test year, net dependable capacity in KW by unit, plant capacity factor by unit, and total fuel consumption by type and cost for each unit, if available, or for each station, and operation and maintenance expenses by station.
- b. A schedule showing for the test year and for the 12-month period immediately prior to the test year the scheduled and unscheduled outages—in excess of 48 hours—for each station, the equipment or unit involved, the date the outage occurred, duration of the outage, maintenance expenses incurred for each outage, if available, and amounts reimbursable from suppliers or insurance companies.
- c. A schedule for each unit retired during the test year or subsequent to the end of the test year, which shows the unit's KW capacity, hours of operation during the test year, net output generated, cents/KWH of maintenance and fuel expenses, and date of retirement.
- d. A schedule showing latest projections of capacity additions and retirements—costs and KW— and reserve capacity at the time of peak for at least 10 years beyond the test year, including the inservice dates—actual or expected—and AFDC cutoff dates—if different from inservice dates— for all new generating units coming on line during or subsequent to the test year, if claimed.

Response:

As UGI Electric does not own any generation plants, this filing requirement is not applicable to this rate filing.

UGI Utilities, Inc. - Electric Division  
Docket No. R-2022-3037368  
UGI Electric 2023 Base Rate Case  
Responses to Section 53.53 - I-B - General Description of Utility Operations  
Delivered on January 27, 2023

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I-B-3

Request:

Provide an overall system map, including and labeling all generating plants, transmission substations—indicate voltage, transmission system lines—indicate voltage, and all interconnection points with other electric utilities, power pools, and other like systems.

Response:

UGI Electric's overall system map includes Critical Energy Infrastructure Information and is, therefore, not included herein.

Prepared by or under the supervision of: Eric W. Sorber

**II. PRIMARY STATEMENT OF RATE BASE  
& OPERATING INCOME**

UGI Utilities, Inc. - Electric Division  
Docket No. R-2022-3037368  
UGI Electric 2023 Base Rate Case  
Responses to Section 53.53 - II-A - Rate Base - Unadjusted to Adjusted Basis  
Delivered on January 27, 2023

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II-A-1

Request:

Provide a schedule showing the test year rate base and rates of return at original cost less accrued depreciation under present rates and under proposed rates. Claims made on this schedule should be cross-referenced to appropriate supporting schedules.

Response:

Please refer to UGI Electric Exhibit A (Historic), UGI Electric Exhibit A (Future), and UGI Electric Exhibit A (Fully Projected), Schedules A-1.

Prepared by or under the supervision of: Tracy A. Hazenstab

UGI Utilities, Inc. - Electric Division  
Docket No. R-2022-3037368  
UGI Electric 2023 Base Rate Case  
Responses to Section 53.53 - II-A - Rate Base - Unadjusted to Adjusted Basis  
Delivered on January 27, 2023

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II-A-2

Request:

If the schedule provided in response to item 1, is based upon a future test year, provide a similar schedule which is based upon actual data for the 12-month period immediately prior to the test year.

Response:

Please refer to UGI Electric Exhibit A (Historic), Schedule A-1.

Prepared by or under the supervision of: Tracy A. Hazenstab

UGI Utilities, Inc. - Electric Division  
Docket No. R-2022-3037368  
UGI Electric 2023 Base Rate Case  
Responses to Section 53.53 - II-A - Rate Base - Unadjusted to Adjusted Basis  
Delivered on January 27, 2023

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II-A-3

Request:

When a utility files a tariff stating a new rate based in whole or in part on the cost of construction, as defined in 66 Pa.C.S. § 1308(f) (relating to voluntary changes in rates), of an electric generating unit, the utility shall identify:

- (a) The total cost of the generating unit.
- (b) The following costs:
  - (1) The cost and quantity of each category of major equipment, such as switchgear, pumps or diesel generators and the like.
  - (2) The cost and quantity of each category of bulk materials, such as concrete, cable and structural steel and the like.
  - (3) Manual labor.
  - (4) Direct and indirect costs of architect/engineering services.
  - (5) Direct and indirect costs of subcontracts or other contracts involving major components or systems such as turbines, generators, nuclear steam supply systems, major structures and the like.
  - (6) Distributed costs.
- (c) A cost increase of \$5 million or more, including AFUDC, over the original utility estimates provided under 66 Pa.C.S. § 515(a) (relating to construction cost of electric generating units) and its causes.
- (d) Compliance with subsections (a) and (b) will be identical in format and substance as that provided under 52 Pa. Code § 57.103 (relating to estimate of construction costs) for original cost estimates submitted under 66 Pa.C.S. § 515(a).



UGI Utilities, Inc. - Electric Division  
Docket No. R-2022-3037368  
UGI Electric 2023 Base Rate Case  
Responses to Section 53.53 - II-A - Rate Base - Unadjusted to Adjusted Basis  
Delivered on January 27, 2023

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II-A-3 (Continued)

Response:

As UGI Electric does not own any generation plants, this filing requirement is not applicable to this rate filing.

Prepared by or under the supervision of: Eric W. Sorber

UGI Utilities, Inc. - Electric Division  
Docket No. R-2022-3037368  
UGI Electric 2023 Base Rate Case  
Responses to Section 53.53 - II-B - Rate Base Supporting Schedules  
Delivered on January 27, 2023

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II-B-1

Request:

If a claim is made for plant held for future use, supply the following:

- a. A description of the plant or land site and its cost and any accumulated depreciation.
- b. The expected date of use for each item claimed.
- c. An explanation as to why it is necessary to acquire each item in advance of its date of use.
- d. The date when each item was acquired.
- e. The date when each item was placed in plant held for future use.

Response:

No claim is being made for plant held for future use.

Prepared by or under the supervision of: Vivian K. Ressler

UGI Utilities, Inc. - Electric Division  
Docket No. R-2022-3037368  
UGI Electric 2023 Base Rate Case  
Responses to Section 53.53 - II-B - Rate Base Supporting Schedules  
Delivered on January 27, 2023

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II-B-2

Request:

If a claim is made for construction work in progress, provide a supporting schedule which sets forth separately, revenue-producing and nonrevenue producing amounts, and include, for each category a summary of all work orders, amounts expended at the end of the test year and anticipated inservice dates. Indicate if the construction work in progress will result in insurance recoveries, reimbursements, or retirements of existing facilities. Describe in exact detail the necessity of each project claimed if not detailed on the summary page from the work order. Include final completion dates and estimated total amounts to be spent on each project.

Response:

No claim is being made for construction work in progress.

Prepared by or under the supervision of: Vivian K. Ressler

UGI Utilities, Inc. - Electric Division  
Docket No. R-2022-3037368  
UGI Electric 2023 Base Rate Case  
Responses to Section 53.53 - II-B - Rate Base Supporting Schedules  
Delivered on January 27, 2023

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II-B-3

Request:

If a claim is made for materials and supplies or fuel inventory provide a supporting schedule for each claim showing the latest actual 13 monthly balances and showing in the case of fuel inventory claims, the type of fuel, and location, as in station, and the quantity and price claimed.

Response:

Please refer to UGI Electric Exhibit A (Historic), UGI Electric Exhibit A (Future), UGI Electric Exhibit A (Fully Projected), Schedule C-8. There is no claim being made for fuel inventory.

Prepared by or under the supervision of: Vivian K. Ressler

UGI Utilities, Inc. - Electric Division  
Docket No. R-2022-3037368  
UGI Electric 2023 Base Rate Case  
Responses to Section 53.53 - II-B - Rate Base Supporting Schedules  
Delivered on January 27, 2023

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II-B-4

Request:

If a claim is made for cash working capital provide a supporting schedule setting forth the method and all detailed data utilized to determine the cash working capital requirement. If not provided in the support data provide a lead-lag study of working capital, completed no more than 6 months prior to the rate increase filing.

Response:

Please refer to UGI Electric Exhibit A (Historic), UGI Electric Exhibit A (Future), UGI Electric Exhibit A (Fully Projected), Schedule C-4 for the working capital lead-lag study and the Direct Testimony of Vivian K. Ressler, UGI Electric Statement No. 3.

Prepared by or under the supervision of: Vivian K. Ressler

UGI Utilities, Inc. - Electric Division  
Docket No. R-2022-3037368  
UGI Electric 2023 Base Rate Case  
Responses to Section 53.53 - II-B - Rate Base Supporting Schedules  
Delivered on January 27, 2023

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II-B-5

Request:

If a claim is made for compensating bank balances, provide the following information:

- a. Name and address of each bank.
- b. Types of accounts with each bank—checking, savings, escrow, other services, and the like.
- c. Average daily balance in each account.
- d. Amount and percentage requirements for compensating bank balance at each bank.
- e. Average daily compensating bank balance at each bank.
- f. Documents from each bank explaining compensating bank balance requirements.
- g. Interest earned on each type of account.
- h. A calculation showing the average daily float for each bank.

Response:

UGI Electric has no requirements for compensating bank balances with its banks and has not made a claim for this item.

Prepared by or under the supervision of: Vivian K. Ressler

UGI Utilities, Inc. - Electric Division  
Docket No. R-2022-3037368  
UGI Electric 2023 Base Rate Case  
Responses to Section 53.53 - II-B - Rate Base Supporting Schedules  
Delivered on January 27, 2023

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II-B-6

Request:

Explain in detail by statement or exhibit the appropriateness of additional claims or the use of a method not previously mentioned, in the claimed rate base.

Response:

Please see UGI Electric Exhibit A (Fully Projected) Schedule C, the Direct Testimony of Eric W. Sorber, UGI Electric Statement No. 4, and the Direct Testimony of Vivian K. Ressler, UGI Electric Statement No. 3, for an explanation and detail of UGI Electric's claim for additional rate base items.

Prepared by or under the supervision of: Eric W. Sorber

UGI Utilities, Inc. - Electric Division  
Docket No. R-2022-3037368  
UGI Electric 2023 Base Rate Case  
Responses to Section 53.53 - II-C - Operating Income Statement  
Delivered on January 27, 2023

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II-C-1

Request:

Prepare a Statement of Income including:

- a. The book, or budgeted, statement for the test year.
- b. Adjustments to annualize and normalize under present rates, including an elimination of the effects on income of the energy cost rate and state tax adjustment surcharge.
- c. The income statement under present rates after adjustment.
- d. The adjustment for the revenue requested.
- e. The income statement under requested rates after adjustment.

Each adjustment, including those relating to adjustment clauses, shall contain an explanation in sufficient clarifying detail to allow a reasonably informed person to understand the method and rationale of the adjustment.

Response:

The information requested in items a. through e. is set forth in UGI Electric Exhibit A (Future), and UGI Electric Exhibit A (Fully Projected). Please see the Direct Testimony of Tracy A. Hazenstab, UGI Electric Statement No. 2, and the Direct Testimony of Sherry A. Epler, UGI Electric Statement No. 10.

Prepared by or under the supervision of: Tracy A. Hazenstab



UGI Utilities, Inc. - Electric Division  
Docket No. R-2022-3037368  
UGI Electric 2023 Base Rate Case  
Responses to Section 53.53 - II-C - Operating Income Statement  
Delivered on January 27, 2023

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II-C-2

Request:

If the schedule provided in item 1 is based upon budgeted data for a future test year, provide a similar schedule which is based upon actual data for the 12-month period immediately prior to the test year.

Response:

The information requested is set forth in UGI Electric Exhibit A (Historic). Please see the Direct Testimony of Tracy A. Hazenstab, UGI Electric Statement No. 2, and the Direct Testimony of Sherry A. Epler, UGI Electric Statement No. 10.

Prepared by or under the supervision of: Tracy A. Hazenstab

UGI Utilities, Inc. - Electric Division  
Docket No. R-2022-3037368  
UGI Electric 2023 Base Rate Case  
Responses to Section 53.53 - II-D - Income Statement Supporting Schedules  
Delivered on January 27, 2023

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II-D-1

Request:

Provide a schedule showing all revenues and expenses for the test year and for the 12-month period immediately prior to the test year, together with an explanation for major variances between test year revenues and expenses and those for the previous 12-month period. Revenues and expenses shall be summarized by the major account categories listed below. If budgeted data for a future test year is not readily available by these categories, an analysis of the data for the 12-month period immediately prior to the future test year or for the most recent available calendar year may serve as the basis for ratably allocating the budgeted data into the account categories 400 through 432.

Response:

Please see Attachment II-D-1.

Prepared by or under the supervision of: Vivian K. Ressler

**UGI UTILITIES, INC. - ELECTRIC DIVISION**  
**SCHEDULE OF REVENUES AND EXPENSES**  
**FUTURE TEST YEAR AND FULLY PROJECTED FUTURE TEST YEAR**  
*(Dollars in Thousands)*

	FTY 2023	FPFTY 2024	Increase/ (Decrease)
<b><u>OPERATING REVENUES</u></b>			
<b>400 Electric Revenue:</b>			
Residential Sales	110,334	111,379	1,045
Commercial	29,030	32,053	3,023 <b>A</b>
Public Street and Highway Lighting	734	748	15
Public Authorities	18	19	1
Sales for Resale	-	-	-
<b>Total Sales Revenue</b>	<b>140,115</b>	<b>144,199</b>	<b>4,084</b>
<b>Other Electric Revenue:</b>			
Forfeited Discounts	520	520	-
Misc Service Revenues	16	16	-
Rent from Electric Property	567	567	-
Other Electric Revenues	10,517	10,323	(194)
<b>Total Other Electric Revenue</b>	<b>11,620</b>	<b>11,426</b>	<b>(194)</b>
<b>Total Operating Revenue</b>	<b>151,736</b>	<b>155,625</b>	<b>3,890</b>
<b><u>OPERATING EXPENSE</u></b>			
<b>401-402 Operation and Maintenance Expense:</b>			
Power Purchases	85,651	87,774	2,123
Transmission Expenses	8,011	8,254	243
Distribution Expenses	12,438	13,259	821 <b>B</b>
Customer Accounts Expenses	5,245	5,479	234 <b>C</b>
Customer Service & Information Expenses	32	34	2
Sales Expenses	0	0	(0)
Administrative and General Expenses	9,961	10,269	309
<b>Total Operation &amp; Maintenance Expense</b>	<b>121,338</b>	<b>125,070</b>	<b>3,732</b>
403-405 Depreciation Expense	9,947	10,751	804 <b>D</b>
408.1 Taxes Other than Income Taxes, utility operating income	9,255	9,523	267
<b>Total Operating Expenses Prior to Income Taxes</b>	<b>140,540</b>	<b>145,343</b>	<b>4,803</b>
<b><u>INCOME TAXES, UTILITY OPERATING INCOME</u></b>			
409.1 Income taxes, utility operating income	2,019	1,312	(708) <b>E</b>
410.1/411.1 Provision for deferred income taxes, utility operating income	-	-	-
<b>Total Income Taxes, Utility Operating Income</b>	<b>2,019</b>	<b>1,312</b>	<b>(708)</b>
<b>Operating Income After Income Taxes</b>	<b>9,176</b>	<b>8,970</b>	<b>(206)</b>
<b><u>OTHER INCOME AND DEDUCTIONS</u></b>			
419 Interest and dividend (income) expense	(20)	(20)	-
426 Donations and expenditures for civic, political & related	111	112	1
<b>Total Other Income &amp; Deductions Expense (Income)</b>	<b>92</b>	<b>93</b>	<b>1</b>
<b><u>INTEREST CHARGES</u></b>			
427 Interest on Long-term Debt	3,059	3,400	341 <b>F</b>
428 Amortization of Debt Discount and Expense	41	44	3
431 Other Interest Expenses	532	367	(165) <b>G</b>
432 Allowance for Borrowed Funds Used During Construction	(208)	(196)	12
<b>Total Interest Charges, net</b>	<b>3,424</b>	<b>3,615</b>	<b>191</b>
<b>Total Non-Operating Expense Prior to Income Taxes</b>	<b>3,515</b>	<b>3,707</b>	<b>192</b>

**UGI UTILITIES, INC. - ELECTRIC DIVISION**  
**SCHEDULE OF REVENUES AND EXPENSES**  
**FUTURE TEST YEAR AND FULLY PROJECTED FUTURE TEST YEAR**  
*(Dollars in Thousands)*

	FTY 2023	FPFTY 2024	Increase/ (Decrease)
<b><u>INCOME TAXES, OTHER INCOME AND DEDUCTIONS</u></b>			
409.2 Income Taxes, other income and deductions	-	-	-
410.2/411.2 Provision for deferred income taxes, other income and deductions	-	-	-
<b>Total Income Taxes, Other Income and Deductions</b>	-	-	-
<b>Non-Operating Expense After Income Taxes</b>	<b>3,515</b>	<b>3,707</b>	<b>192</b>
<b>Net Income</b>	<b>5,661</b>	<b>5,263</b>	<b>(398)</b>

- A** The increase in commercial revenue is primarily due to new customer growth.
- B** The increase in distribution expenses is due primarily to increases in overhead line maintenance expense.
- C** The increase in Customer Accounts Expenses is due primarily to salary, benefit and uncollectible expense increases.
- D** The increase in Depreciation Expense is due to additional plant placed in service during 2024, as well as a full year of depreciation in 2024 on the assets placed in service during 2023.
- E** The decrease in Income taxes, utility operating income is due to lower pre-tax income.
- F** The increase in Interest on Long-term Debt is due to additional debt outstanding in 2024.
- G** The decrease in other Interest Expenses is due to a higher short term interest rate in the FTY that is expected to decrease in the FPFTY.

UGI Utilities, Inc. - Electric Division  
Docket No. R-2022-3037368  
UGI Electric 2023 Base Rate Case  
Responses to Section 53.53 - II-D - Income Statement Supporting Schedules  
Delivered on January 27, 2023

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II-D-2

Request:

Provide a summary of test year adjustments which sets forth the effect of the adjustment upon the following: operating revenues, operating expenses, taxes other than income taxes, operating income before income taxes, State income tax, Federal income tax and income available for return. In addition, test year adjustments shall be presented on the basis of the major account categories set out at II-D-1.

Response:

Please see Section D, Schedule D-3 within UGI Electric Exhibit A (Historic), Exhibit A (Future), and Exhibit A (Fully Projected Future).

Prepared by or under the supervision of: Tracy A. Hazenstab

UGI Utilities, Inc. - Electric Division  
Docket No. R-2022-3037368  
UGI Electric 2023 Base Rate Case  
Responses to Section 53.53 - II-D - Income Statement Supporting Schedules  
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II-D-3

Request:

List and explain all nonrecurring or extraordinary expenses incurred in the test year and all expenses included in the test year which do not occur yearly but are of a nature that they do occur over an extended period of years, for example, nonyearly maintenance programs, and the like.

Response:

Test year expenses that are non-recurring, extraordinary or do not occur yearly, but over an extended period of years, are explained and adjusted in Section D of UGI Electric Exhibit A (Historic), UGI Electric Exhibit A (Future), and UGI Electric Exhibit A (Fully Projected Future).

Prepared by or under the supervision of: Tracy A. Hazenstab

UGI Utilities, Inc. - Electric Division  
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Responses to Section 53.53 - II-D - Income Statement Supporting Schedules  
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II-D-4

Request:

As a separate item, list extraordinary property losses related to property previously included in cost of service when the gain or loss on this property has occurred or is likely to occur in the future test year. The proposed ratemaking treatment of extraordinary gains and losses must also be disclosed. Sufficient supporting data must be provided.

Response:

No gain or loss was recorded for the 12-month periods ended 9/30/2020, 9/30/2021, or 9/30/2022. No gain or loss is anticipated in either the future or fully projected future test year.

Prepared by or under the supervision of: Vivian K. Ressler

UGI Utilities, Inc. - Electric Division  
Docket No. R-2022-3037368  
UGI Electric 2023 Base Rate Case  
Responses to Section 53.53 - II-D - Income Statement Supporting Schedules  
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II-D-5

Request:

Provide the amount of accumulated reserve for uncollectible accounts, method and rate of accrual, amounts accrued and amounts written off in each of the last 3 calendar years.

Response:

Please see Attachment II-D-5.

Prepared by or under the supervision of: Vivian K. Ressler



UGI Utilities, Inc. - Electric Division  
Income Statement Supporting Schedules  
Schedule of Reserve for Uncollectible Accounts

(\$ in 000's except for rate of accrual)

	<u>9/30/2020</u>	<u>9/30/2021</u>	<u>9/30/2022</u>
Account 144 - Accumulated Provision for Uncollectible Accounts	\$ 1,850	\$ 1,948	\$ 2,238
Method <sup>1</sup>	Allowance	Allowance	Allowance
Rate of Accrual <sup>2</sup>	2.41%	1.49%	1.70%
Amounts Accrued - Uncollectible Expense <sup>2</sup>	\$ 1,015	\$ 1,015	\$ 2,133
Amounts Written Off (net of recoveries)	\$ 1,259	\$ 1,232	\$ 1,843

<sup>1</sup> The allowance method recognizes that a percentage of each month's sales will eventually prove to be uncollectible. Consequently, a percentage of each month's sales is charged to uncollectible expense in that month and the reserve is increased. When specific accounts are written off, they are charged to the reserve account, thus decreasing the reserve.

<sup>2</sup> Fiscal years 2020 and 2021 excludes \$1,013 and \$315; respectively recorded as a COVID-19 regulatory asset in accordance with the May 13, 2020 Secretarial Letter at Docket No. M-2020-3019775.

UGI Utilities, Inc. - Electric Division  
Docket No. R-2022-3037368  
UGI Electric 2023 Base Rate Case  
Responses to Section 53.53 - II-D - Income Statement Supporting Schedules  
Delivered on January 27, 2023

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II-D-6

Request:

Supply detailed calculations to support the total claim for rate case expense, including supporting data for outside service rendered. Provide the items comprising the estimated rate case expense claim for the current rate case.

Response:

Schedule D-10 of UGI Electric Exhibit A (Fully Projected Future) provides the Company's claim for rate case expense. For further information, please see the Direct Testimony of Tracy A. Hazenstab, UGI Electric Statement No. 2.

Prepared by or under the supervision of: Tracy A. Hazenstab

UGI Utilities, Inc. - Electric Division  
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Responses to Section 53.53 - II-D - Income Statement Supporting Schedules  
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II-D-7

Request:

Submit schedules for the test year and for the 12-month period immediately prior to the test year showing by major components, if included in claimed test year expenses, the expenses incurred in each of the following expense categories.

- a. Miscellaneous general expenses, including account 930.
- b. Outside service expenses.
- c. Regulatory commission expenses.
- d. Advertising expenses, including advertising engaged in by trade associations whenever the utility has claimed a contribution to the trade association as a ratemaking claim—provide explanation of types and purposes of such advertising.
- e. Research and development expenses—provide a listing of major projects.
- f. Charitable and civic contributions, by recipient and amount.

Explain major variances between the test year expenses and those expenses for the prior 12-month period.

Response:

- a. Please see Attachment II-D-7(a).
- b. Please see Attachment II-D-7(b).
- c. The expenditures associated with Account 928 – Regulatory Commission Expenses are \$225,000, \$481,000 and \$446,000 for 2022, 2023 and 2024, respectively, and are related to costs associated with the most recent rate case and other professional expenses.
- d. Please see Attachment II-D-7(d).

UGI Utilities, Inc. - Electric Division  
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II-D-7 (Continued)

- e. UGI Electric did not have any research and development expenditures in the last two years and does not claim any expenditures in the historic, future, or fully projected future test years.
- f. UGI Electric does not claim any charitable or civic contributions in the historic, future, or fully projected future test years.

Prepared by or under the supervision of: Vivian K. Ressler

UGI UTILITIES, INC. - ELECTRIC DIVISION  
SCHEDULE OF ACCOUNT 930.2 – MISCELLANEOUS GENERAL EXPENSES  
FOR THE YEARS ENDING SEPTEMBER 30, 2022 THROUGH 2024

<b>Expenditure Type (in Thousands)</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
ASSOCIATION DUES	79	61	68
EMPLOYEE BUSINESS EXPENSE	23	19	21
OTHER EXPENSES	68	136	157
GRAND TOTAL	<u>170</u>	<u>216</u>	<u>246</u>
Less: 19.95% allocable to Transmission	(34)	(43)	(49)
<b>Portion claimed for Distribution</b>	<u><u>136</u></u>	<u><u>173</u></u>	<u><u>197</u></u>

UGI UTILITIES, INC. - ELECTRIC DIVISION  
SCHEDULE OF ACCOUNT 923 – OUTSIDE SERVICES EMPLOYED  
FOR THE YEARS ENDING SEPTEMBER 30, 2022 THROUGH 2024

<b>Expenditure Type (in Thousands)</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
CORPORATE ALLOCATION	622	745	760
INFORMATION TECHNOLOGY	283	458	488
LEGAL SERVICES	324	108	116
PROFESSIONAL FEES	222	287	301
INSURANCE	474	734	693
MATERIALS, MAINTENANCE AND EQUIPMENT	18	2	2
OTHER EXPENSES	6	(3)	(3)
GRAND TOTAL	<u>1,949</u>	<u>2,329</u>	<u>2,357</u>
Less: 19.95% allocable to Transmission	(389)	(465)	(470)
<b>Portion claimed for Distribution</b>	<u>1,560</u>	<u>1,865</u>	<u>1,887</u>

UGI UTILITIES, INC. - ELECTRIC DIVISION  
ADVERTISING EXPENSE  
FOR THE YEARS ENDING SEPTEMBER 30, 2022 THROUGH 2024

<u>Expenditure Type (in Thousands)</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
<b>SUMMARY BY PURPOSE</b>			
CONSERVATION OF ENERGY	23	15	16
EXPLANATION OF BILL PRACTICES, RATES, ETC	33	83	92
PUBLIC HEALTH AND SAFETY	2	2	2
OTHER ADVERTISING PROGRAMS	20	27	30
	<u>78</u>	<u>127</u>	<u>141</u>
<b>SUMMARY BY MEDIA</b>			
PRINT	63	44	48
BILL INSERT	2	16	18
DIGITAL	8	1	1
OTHER	4	66	74
	<u>78</u>	<u>127</u>	<u>141</u>
Less: 19.95% allocable to Transmission	(15)	(25)	(28)
<b>Portion claimed for Distribution</b>	<u>62</u>	<u>102</u>	<u>113</u>

UGI Utilities, Inc. - Electric Division  
Docket No. R-2022-3037368  
UGI Electric 2023 Base Rate Case  
Responses to Section 53.53 - II-D - Income Statement Supporting Schedules  
Delivered on January 27, 2023

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II-D-8

Request:

Provide an analysis by function of charges by affiliates, for the test year and the 12-month period immediately prior to the test year, for services rendered included in the operating expenses of the filing company. Explain the nature of the service and the basis on which charges or allocations are made, including a copy of an applicable contract. Also, explain major variances between the charges for the test year and the corresponding charges for the prior 12-month period.

Response:

Please see Attachment II-D-8.1 for Charges Imposed by Affiliates. For Affiliate Interest Agreements and the applicable contracts, please see Attachment II-D-8.2.

Prepared by or under the supervision of: Vivian K. Ressler



UGI UTILITIES, INC. - ELECTRIC DIVISION  
 CHARGES IMPOSED BY AFFILIATES  
 FOR THE YEARS ENDED SEPTEMBER 30, 2023 AND 2024  
*(in Thousands of Dollars)*

<b>Charges to Electric Distribution</b>	<b>FTY 2023</b>	<b>FPFTY 2024</b>
<b><i>UGI Corporation</i></b>		
UGI Corporation Allocation		
Administrative services - Allocation	\$ 1,747	\$ 1,793
Administrative services - Shared Executive Functions	115	118
Administrative services - Shared Service Center	108	111
Insurance Expense	606	619
Other Professional Services Expense	228	232
<b><i>UGI Amerigas</i></b> - IT Support	16	16
<b><i>UGI International</i></b> - IT Support	10	10
<b><i>UGI Energy Services</i></b> - IT Support	86	86
Total	\$ 2,917	\$ 2,985

**UGI UTILITIES, INC. - ELECTRIC DIVISION**  
**List of Affiliated Interest Agreements**

<u>Affiliate</u>	<u>Effective Dates</u>	<u>Docket#</u>	<u>Details</u>
UGI Corporation	May 1992	G-00920296	This Agreement sets forth the terms by which Utilities may provide administrative services to or receive services from Holding Company and its unregulated subsidiaries. These services will be provided on a cost basis.
	November 2016	G-2016-2543527	UGI Electric received the right to purchase power through its Commission-approved POLR supply plan and RFP process from any affiliate, and to receive a guarantee from an affiliate (such as UGI Corporation) as performance assurance for any POLR supply contracts with an affiliate (such as UGI Energy Services).
United Valley Insurance Co	June 1993	G-00930344	Affiliate Interest Agreement for insurance coverage through United Valley Insurance Co. Coverage through the affiliate is not mandatory and may be purchased through other independent companies when costs or coverage are more advantageous.

UGI Corporation Affiliated Interest Agreement G-00920296



RECD MAY 22 1992  
COMMUNWEALTH OF PENNSYLVANIA  
PENNSYLVANIA PUBLIC UTILITY COMMISSION  
P.O. BOX 3265, HARRISBURG, PA 17105-3265

TMJ-600-0045

May 21, 1992

IN REPLY PLEASE  
REFER TO OUR FILE

G-00920296

▪  
RICHARD L BUNN  
UGI CORPORATION  
PO BOX 13009  
READING PA 19612-3009  
▪

Affiliated Interest Agreement Between  
UGI Corporation and UGI Utilities, Inc.

---

To Whom It May Concern:

This is to advise you that an Opinion and Order has been adopted by the Commission in Public Meeting on May 21, 1992 in the above entitled proceeding.

An Opinion and Order has been enclosed for your records.

Very truly yours,

A handwritten signature in cursive script, appearing to read "John G. Alford".

John G. Alford, Secretary

smk  
Encls.  
Cert.Mail

UGI Corporation Affiliated Interest Agreement G-00920296

BOX 858 VALLEY FORGE PA. 19482 ■ 215-337-1000

*Both Copy*

April 30, 1992

**FEDERAL EXPRESS**

The Honorable John G. Alford, Secretary  
Commonwealth of Pennsylvania  
Public Utility Commission  
North Office Bldg., Room B-18  
P.O. Box 3265  
Commonwealth and North Streets  
Harrisburg, PA 17120

Re: Administrative Services Agreement between  
UGI Utilities, Inc. and UGI Corporation,  
an Affiliated Interest

Dear Secretary Alford:

Enclosed for filing with the Pennsylvania Public Utility Commission ("Commission") pursuant to Section 2102 of the Public Utility Code, 66 Pa.C.S. §2102, are an original and two (2) conformed copies of an Administrative Services Agreement dated May 1, 1992 "(Agreement") between UGI Corporation and UGI Utilities, Inc.

As part of a corporate reorganization pursuant to a Plan of Merger approved by shareholders on April 9, 1992, the former UGI Corporation became a wholly owned subsidiary of New UGI Corporation, a holding company. The reorganization became effective on April 10, 1992. New UGI Corporation changed its name to UGI Corporation and the former UGI Corporation changed its name to UGI Utilities, Inc. In order to avoid potential confusion arising out of the name changes, "new" UGI Corporation is hereafter referred to as "Holding Company" and UGI Utilities is referred to as "Utilities."

Utilities is a public utility subject to the Commission's jurisdiction and is a wholly owned subsidiary of Holding Company. Holding Company is a Pennsylvania corporation and owns all of the outstanding common stock of Utilities. The Agreement sets forth the terms by which Utilities may provide administrative services to or receive services from Holding Company and its unregulated subsidiaries. The administrative services are essentially the same as those historically provided by Utilities to its unregulated subsidiaries prior to the formation of the current holding company structure.

ROUTE 363 AT PENNA. TURNPIKE INTERCHANGE, VALLEY FORGE

UGI Corporation Affiliated Interest Agreement G-00920296

The Honorable John G. Alford, Secretary  
April 30, 1992  
page 2

The Agreement contemplates that certain of the services formerly provided by Utilities Corporate Headquarters Group may be provided by Holding Company. The method of allocating the costs to be charged for these services is essentially the same as the method traditionally employed by Utilities. This allocation method was reviewed and approved as part of the Commission's Management and Operations Study of Utilities conducted in 1989.

To assist in the Commission's review, the following is a summary of the more significant terms of the Agreement:

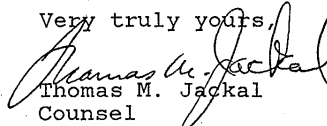
- o The administrative services to be provided by Holding Company after full implementation of the Agreement may include management, finance, pension fund management, internal audit, legal, shareholder relations, human resources, insurance, claims, legal, and similar types of services;
- o The administrative services to be provided by Utilities after full implementation of the Agreement may include information services, payroll, accounts payable, accounting and similar types of services;
- o Utilities and Holding Company will pay to each other the actual cost of the services each receives;
- o Utilities and Holding Company will bill each other for the services each provides on a monthly basis and maintain separate accountability;
- o All services provided by Utilities will be on an "as available" basis to assure that Utilities' provision of such services will not interfere with its obligation to provide gas and electric service to the public.
- o The duties, obligations and liabilities of Utilities and Holding Company are several and not joint or collective, assuring that Utilities will not be responsible for any obligation or liability of Holding Company.

UGI Corporation Affiliated Interest Agreement G-00920296

The Honorable John G. Alford, Secretary  
April 30, 1992  
page 3

I have enclosed a duplicate copy of this letter and ask that it be stamped as received by your office and returned to me in the enclosed self-addressed stamped envelope. If any additional information is required, please call.

Very truly yours,



Thomas M. Jackal  
Counsel

TMJ/klb

Enclosures

UGI Corporation Affiliated Interest Agreement G-00920296

The Honorable John G. Alford, Secretary  
April 30, 1992  
page 4

bcc: J. C. Barney  
A. S. Becker  
A. C. Bullman  
R. L. Bunn  
M. J. Cuzzolina  
R. R. Eynon  
W. M. Graff  
L. R. Greenberg  
D. N. Knipel  
C. L. Ladner  
J. A. Lubas  
S. R. Mauriello  
J. A. Sutton  
G. W. Westerman

UGI Corporation Affiliated Interest Agreement G-00920296

## ADMINISTRATIVE SERVICES AGREEMENT

THIS AGREEMENT made as of this 1st day of May, 1992, between UGI Corporation ("Holding Company"), a Pennsylvania corporation, and UGI Utilities, Inc. ("Utilities"), a Pennsylvania corporation.

## WITNESSETH:

WHEREAS, Utilities is a public utility providing natural gas and electric service subject to regulation by the Pennsylvania Public Utility Commission ("Commission") and is a wholly owned subsidiary of Holding Company; and

WHEREAS, Holding Company, under its articles, has unlimited power to engage in any lawful act concerning any lawful business for which corporations may be incorporated under the Pennsylvania Business Corporation Law and was formed for the purpose of separating Utilities' regulated and former unregulated operations; and

WHEREAS, as a part of the transactions related to formation of the holding company organization, Utilities may transfer to Holding Company certain employees of Utilities' former corporate headquarters group for the purpose of providing administrative services to Utilities and unregulated subsidiaries; and

WHEREAS, the parties wish to provide and receive the administrative services under the terms and conditions set forth herein; and



UGI Corporation Affiliated Interest Agreement G-00920296

WHEREAS, under the affiliated interest provisions of the Pennsylvania Public Utility Code ("Code") Holding Company is an affiliated interest of Utilities and any agreement between Holding Company and Utilities for the provision of administrative services must be filed with and approved by the Commission;

NOW THEREFORE, in consideration of the premises and of the mutual covenants of this Agreement and for other valuable consideration, received and acknowledged, and intending to be legally bound hereby, Holding Company and Utilities agree as follows:

1. Services.

(a) Holding Company agrees to provide such administrative services as may from time to time be requested by Utilities. These services may include but are not limited to executive management, finance, pension fund management, internal audit, legal, shareholder relations, human resources, insurance, claims, and similar types of services.

(b) Utilities agrees to provide such administrative services as may from time to time be requested by Holding Company or any of its subsidiaries on an "as available" basis. These services may include but not limited to information services, payroll, accounts payable, accounting and similar types of services.

2. Payment etc.

(a) Each party shall pay to the party providing the administrative services pursuant to Section 1, the actual cost

UGI Corporation Affiliated Interest Agreement G-00920296

of providing such services. In this regard, the party providing the services shall provide monthly to the party receiving the services an invoice and written documentation of the cost of providing the services pursuant to Section 1; the invoice shall be due and payable within 30 days after its receipt. When it is not reasonably possible or practical to determine actual costs, the parties may substitute allocation factors for actual costs.

(b) All such costs incurred by one party on behalf of the other (i) shall become the liability of the party receiving the services when incurred by the party providing the service, (ii) shall be determined in accordance with generally accepted accounting principles and (iii) shall include reasonable and appropriate indirect costs including overhead, as set forth on Attachment 1 to this Agreement.

(c) Holding Company may assume any liability of Utilities.

(d) Where Holding Company assumes any benefit, compensation, retirement or other similar plan of Utilities, Utilities may from time to time make payments to Holding Company in amounts not to exceed the payments Utilities would have been required to make at those times to beneficiaries under such plans had the plans not been assumed.

3. Agency.

(a) All services, materials, equipment and supplies purchased by Utilities at the request of Holding Company shall be purchased by Utilities on behalf of and as agent for

UGI Corporation Affiliated Interest Agreement G-00920296

Holding Company. In that regard, Holding Company hereby appoints Utilities as its agent, and Utilities agrees as its agent to negotiate, execute and enforce contracts (including purchase order contracts) providing for the purchase of services, materials, equipment and supplies. Each such contract shall be made in the name of Holding Company and shall, among other things, provide that Utilities shall be agent for Holding Company concerning the administration of the contract and that performance of the contract shall be for the account of, title to all property acquired thereunder shall vest in, and charges therefor shall be paid by Holding Company.

(b) All services, materials, equipment and supplies purchased by Holding Company at the request of Utilities shall be purchased by Holding Company on behalf of and as agent for Utilities. To the extent permitted by law and without delegating any of its public service obligations, Utilities hereby appoints Holding Company as its agent, and Holding Company agrees as Utilities' agent to negotiate, execute and enforce contracts (including purchase order contracts) providing for the purchase of services, materials, equipment and supplies. Each such contract shall be made in the name of Utilities and shall, among other things, provide that Holding Company shall be agent for Utilities concerning the administration of the contract and that performance of the contract shall be for the account of, title to all property acquired thereunder shall vest in, and charges therefor shall be paid by Utilities.

UGI Corporation Affiliated Interest Agreement G-00920296

4. Subsidiary Participation. Holding Company as used herein includes all subsidiary companies of UGI Corporation other than UGI Utilities, Inc.

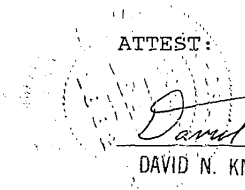
5. Obligations Several. The duties, obligations and liabilities of Holding Company and Utilities under this Agreement are intended to be several and not joint or collective, and nothing in this Agreement shall ever be construed to create an association, joint venture, trust or partnership, or to impose a trust or partnership duty, obligation or liability on or with regard to any of the parties. Each party shall be individually responsible for its own obligations as herein provided. No party shall be under the control of or shall be deemed to control the other party solely by virtue of this Agreement. No party shall have a right or power to bind another party without its express written consent, except as expressly provided in this Agreement.

6. Termination. Any party shall have the right at any time to terminate this Agreement upon ninety (90) days written notice of its election to do so.

UGI Corporation Affiliated Interest Agreement G-00920296

7. Regulatory Approval. This Agreement is subject to the approval of the Commission, and shall be immediately effective upon receipt of such approval.


ATTEST:

  
David N. Knipel  
DAVID N. KNIPEL, SECRETARY

UGI CORPORATION

By: George W. Westerman  
George W. Westerman  
Senior Vice President -  
Administration

ATTEST:

  
David N. Knipel  
DAVID N. KNIPEL, SECRETARY

UGI UTILITIES, INC.

By: Charles L. Ladner  
Charles L. Ladner  
Vice President

UGI Corporation Affiliated Interest Agreement G-00920296Attachment 1

Each party receiving the benefit of the administrative services shall pay the actual cost of the services provided. The cost of these administrative services will be allocated using a two-step process:

- o Direct Charge - If charges can reasonably be determined to benefit only one particular party they will be charged directly to that organization.
- o Allocation - If charges benefit more than one party, but a reasonable separation of the charges cannot be readily made, they will be allocated to applicable organizations based upon predetermined formulas.

**PENNSYLVANIA  
PUBLIC UTILITY COMMISSION  
Harrisburg, PA 17105-3265**

Public Meeting held November 9, 2016

Commissioners Present:

Gladys M. Brown, Chairman, Statement, Dissenting  
Andrew G. Place, Vice Chairman  
John F. Coleman, Jr.  
Robert F. Powelson  
David W. Sweet, Dissenting

Petition of UGI Utilities, Inc. – Electric	:	
Division For Approval of a Default Service	:	P-2016-2543523
Plan and Retail Market Enhancement	:	G-2016-2543527
Programs for the Period of June 1, 2017	:	
through May 31, 2021, and Associated	:	
Potential Affiliated Interest Transactions	:	

**ORDER**

BY THE COMMISSION:

We adopt as our action the Recommended Decision of Administrative Law Judges Angela T. Jones, dated October 3, 2016;

THEREFORE,

IT IS ORDERED:

1. That the Joint Petition for Settlement filed by UGI Utilities, Inc. – Electric Division, the Office of Consumer Advocate, and the Office of Small Business Advocate in the case captioned Petition of UGI Utilities, Inc. – Electric Division for Approval of a Default

Service Plan and Retail Market Enhancement Programs for the Period of June 1, 2017, through May 31, 2021, and Associated Potential Affiliated Interest Transactions, Docket Nos. P-2016-2543523 and G-2016-2543527, is approved without modification.

2. That the default service program as set forth in UGI Utilities, Inc. – Electric Division’s petition is approved as modified by the Joint Petition for Settlement.

3. That the request for affiliated interest approval for transactions with a UGI Utilities, Inc., affiliate(s) in the event such an affiliate(s) submits a winning bid under the default service program’s proposed RFP processes and that bid is accepted by the Commission, is granted.

4. That the request that the Commission grant any waivers required to implement the default service program set forth in the petition, including a waiver of the Commission’s regulation at 52 Pa.Code § 54.187 to allow UGI Utilities, Inc. – Electric Division to acquire default supplies for the GSR-1 and GSR-2 customer groups as described in the petition and modified by the Settlement Agreement is granted.

5. That UGI Utilities, Inc. – Electric Division is authorized to file tariff sheets substantially similar in the form of the pro forma tariff sheets included with the Settlement Agreement as Appendix “A” on or before May 2, 2017, to be effective June 1, 2017.

6. That UGI Utilities, Inc. – Electric Division is authorized to file tariff sheets no later than thirty days in advance of each quarter beginning June 1, 2017, specifying the applicable GSR-1 Group default service rates for the prospective quarter.

7. That UGI Utilities, Inc. – Electric Division's proposed retail choice market enhancement programs as modified by the Settlement are approved, including, to the extent required, any affiliated interest approvals necessary for UGI Utilities, Inc. – Electric Division affiliates to participate in such programs.



8. That UGI Utilities, Inc. – Electric Division’s use of Pace Global Energy Services, LLC as its independent third party evaluator and monitor of AEPS credit for procurement and supply is approved.

9. That the request for admission of testimony and exhibits listed in Attachment A of the Recommended Decision is granted.

10. That the testimony and exhibits listed in Attachment A of the Recommended Decision are admitted.

BY THE COMMISSION  


Rosemary Chiavetta  
Secretary

(SEAL)

ORDER ADOPTED: November 9, 2016

ORDER ENTERED: November 9, 2016

AIA UGIU Insurance G-00930344



COMMONWEALTH OF PENNSYLVANIA  
PENNSYLVANIA PUBLIC UTILITY COMMISSION  
P.O. BOX 3265, HARRISBURG, PA 17105-3265

June 10, 1993

IN REPLY PLEASE  
REFER TO OUR FILE

G-00930344

THOMAS M JACKAL ESQUIRE  
UGI UTILITIES INC  
460 NORTH GULPH ROAD  
PO BOX 858  
VALLEY FORGE PA 19483-0858

T.M.J. JUN 14 1993

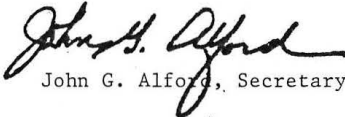
Affiliated Interest Agreement between  
UGI Utilities, Inc. and an as yet unformed  
Affiliated Insurance Company, whose primary  
purpose will be to provide insurance coverage  
to all UGI Utilities

To Whom It May Concern:

This is to advise you that an Opinion and Order has been adopted by the Commission in Public Meeting on June 10, 1993 in the above entitled proceeding.

An Opinion and Order has been enclosed for your records.

Very truly yours,

  
John G. Alford, Secretary

smk  
Encls.  
Cert.Mail

AIA UGIU Insurance G-00930344

PENNSYLVANIA  
PUBLIC UTILITY COMMISSION  
Harrisburg, PA. 17105-3265

Public Meeting held June 10, 1993

Commissioners Present:

David W. Rolka, Chairman  
Joseph Rhodes, Jr., Vice Chairman  
John M. Quain  
John Hanger

Affiliated Interest Agreement between UGI  
Utilities, Inc. and an as yet unformed  
Affiliated Insurance Company, whose  
primary purpose will be to provide  
insurance coverage to all UGI Utilities

G-00930344

OPINION AND ORDER

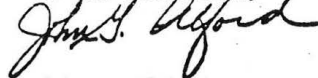
BY THE COMMISSION:

On May 17, 1993, UGI Utilities, Inc. filed a verified summary of an Agreement with an as yet unformed Affiliated Insurance Company, whose primary purpose will be to provide insurance coverage to all UGI Utilities. Upon review of the Agreement, staff found need for further information.

Section 2102 (b) of the Public Utility Code, 66 Pa. C.S. § 2102 (b), provides that the agreement shall be deemed approved if a written order is not entered at the end of thirty days after the filing of the agreement, unless the Commission extends the thirty day period. In order to adequately review the agreement, it is necessary that we extend the consideration period for an additional sixty days, or to August 15, 1993; **THEREFORE,**

**IT IS ORDERED:** That the period for consideration of the Affiliated Interest Agreement filed by UGI Utilities, Inc. on May 17, 1993, to become effective June 16, 1993, is hereby extended for an additional sixty days, or to August 15, 1993.

BY THE COMMISSION,



John G. Alford  
Secretary

(SEAL)

ORDER ADOPTED: June 10, 1993

ORDER ENTERED: June 10, 1993

AIA UGIU Insurance G-00930344



UGI Utilities, Inc.  
480 North 5th Street  
King of Prussia, PA 19406  
  
Post Office Box 856  
Valley Forge, PA 19482-0858  
  
(215) 337-1000 Telephone  
(215) 992-3258 Fax

May 17, 1993

**OVERNIGHT MAIL**

The Honorable John G. Alford, Secretary  
Pennsylvania Public Utility Commission  
North Office Bldg., Room B-18  
Commonwealth and North Streets  
Harrisburg, PA 17105-3265

Re: Insurance Arrangement between UGI Utilities, Inc. and  
an Affiliated Insurer

Dear Secretary Alford:

Pursuant to Section 2102 of the Public Utility Code (the "Code"), 66 Pa. C.S. §2102, I submit for the Commission's approval the original and two (2) copies of this letter as a verified summary of an arrangement between UGI Utilities, Inc. ("UGI Utilities") and an as yet unformed affiliated insurance company. UGI Utilities, a wholly owned subsidiary of UGI Corporation, is a public utility as defined in Section 102 of the Code, 66 Pa. C.S. §102, and as such is subject to the Commission's jurisdiction. UGI Corporation expects to form and own a corporation ("Affiliated Insurer") whose primary purpose will be to provide insurance coverage to UGI Corporation, its affiliates and subsidiaries, including UGI Utilities. As a subsidiary of a common corporate parent, Affiliated Insurer will be an affiliated interest of UGI Utilities as defined in Section 2101(a)(3) of the Code, 66 Pa. C.S. §2101(a)(3). Section 2102 of the Code provides that no contract or arrangement between a public utility and an affiliated interest shall be valid or effective until it receives written approval of the Commission, and that a public utility may seek such approval by filing a verified copy or verified summary of the contract or arrangement. Accordingly, UGI Utilities requests approval of an unwritten arrangement whereby Affiliated Insurer may provide insurance coverage to UGI Utilities.

UGI Utilities currently receives insurance management services from its parent corporation, UGI Corporation, pursuant to the provisions of an administrative services agreement approved by the Commission on May 21, 1992, Docket No. G-00920296. As part of these services the Director of Insurance of UGI Corporation analyzes the insurance needs of UGI Utilities and obtains appropriate insurance coverage through policies negotiated annually with independent insurance companies. Currently UGI Utilities is self-insured for claims up to \$500,000. For automobile, general liability and worker's compensation claims between \$500,000 and \$25,000,000, UGI Utilities has policies of insurance with Associated Electric & Gas Services Limited ("AEGIS"). UGI Utilities also has coverage through independent insurance companies for claims in excess of \$25,000,000. Under the proposed arrangement, UGI Corporation will continue to manage UGI Utilities' insurance program, but insurance coverage may be provided by Affiliated Insurer.

AIA UGIU Insurance G-00930344

The Honorable John G. Alford, Secretary  
May 17, 1993  
Page 2

UGI Corporation intends to incorporate Affiliated Insurer under the laws of the State of Vermont. Although Affiliated Insurer will be incorporated for all lawful purposes, its principal business is intended to be the provision of insurance coverage to UGI Corporation, its affiliates and subsidiaries. In its capacity as an insurance company, Affiliated Insurer will meet all capitalization and security requirements of Vermont law and will be subject to regulation by the Vermont Department of Banking, Insurance and Securities.

Subject to Commission approval, Affiliated Insurer would annually make available to UGI Utilities insurance coverage that may replace or supplement coverage now provided by independent insurance companies. To the extent possible Affiliated Insurer would write coverage on policy forms identical to the ones in effect between UGI Utilities and its independent insurance companies. UGI Utilities would then have the opportunity to choose between coverage offered by independent insurance companies and that offered by Affiliated Insurer. UGI Utilities would not be compelled to place insurance with Affiliated Insurer nor would it be compelled to renew coverage at the end of any policy year.

The following procedure will be used to assure that placing insurance with Affiliated Insurer will be in the best interests of UGI Utilities and its ratepayers. Each year, prior to the insurance renewal date of July 1, the Director of Insurance will define the level and scope of insurance coverage that can be offered by Affiliated Insurer. The Director of Insurance will then obtain quotes from independent insurance companies for this level of coverage. If the coverage can be provided by Affiliated Insurer at rates that are equal to or below the market rates, UGI Utilities would obtain policies of insurance from Affiliated Insurer. If independent insurance companies offer better rates or better coverage, UGI Utilities would choose policies from those companies. UGI Utilities will not be required to place its insurance with Affiliated Insurer but may choose independent insurance companies when costs or coverage are more advantageous.

By way of example, under the proposed arrangement UGI Utilities may choose to continue a \$500,000 self-insured retention level, cover the risk of loss between \$500,000 and \$1,000,000 through Affiliated Insurer and continue excess insurance with AEGIS (or another carrier) for losses in excess of \$1,000,000. In deciding whether to adopt this coverage UGI Utilities would obtain premium quotes from independent insurers both for coverage in excess of \$500,000 (current coverage) and for coverage in excess of \$1,000,000. The difference between these premiums would establish the maximum UGI Utilities would be required to pay Affiliated Insurer for coverage between \$500,000 and \$1,000,000 in claims. Put another way, if the sum of the premium for Affiliated Insurer's coverage plus the premium for coverage in excess of \$1,000,000 is greater than the single premium for independent coverage in excess of \$500,000, UGI Utilities would continue to cover losses in excess of \$500,000 through independent insurers and would not place insurance with Affiliated Insurers.

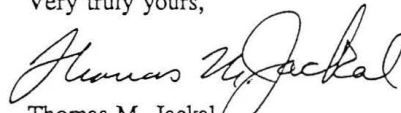
AIA UGIU Insurance G-00930344

The Honorable John G. Alford, Secretary  
May 17, 1993  
Page 3

Placing insurance with an affiliated insurance company presents several advantages to UGI Utilities and its ratepayers. The first is decreased cost by improving UGI Utilities' access to insurance and reinsurance markets. For example, reinsurance (by which one insurance company assumes all or a part of the liability of an insurance company already covering the risk) is less costly than regular insurance and can only be purchased by a bona fide insurance company. This should enable Affiliated Insurer to offer lower than market rates to UGI Utilities. Doing business with an affiliate stabilizes insurance expenses by insulating UGI Utilities from insurance market cycles unrelated to the loss experience of UGI Utilities and its affiliates. Even if Affiliated Insurer's premiums rise on the basis of this loss experience, UGI Utilities' ratepayers will not be harmed because UGI Utilities retains the option of choosing market rates if they are lower. An affiliated insurance company may also provide potentially broader coverage, as the policies may be tailor-made to fit the particular needs of UGI Utilities. Coverage that may otherwise be unavailable or prohibitively expensive in the marketplace may be provided in a cost-effective way by an affiliate. Thus, placing insurance with an affiliate will reduce UGI Utilities' overall cost of insurance and may enable UGI Utilities to protect against losses that would otherwise be uninsurable.

I have enclosed an extra copy of this letter and ask that it be stamped as received by your office and returned to me in the enclosed self-addressed stamped envelope. If any additional information is required, please call.

Very truly yours,



Thomas M. Jackal  
Group Counsel - Utilities

TMJ/klb

Enclosures

cc: Robert Bennett (w/encl.)  
Office of Special Assistants

TMJL-ALFORD.06

AIA UGIU Insurance G-00930344

The Honorable John G. Alford, Secretary

May 17, 1993

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bcc: (w/encl.)  
J. C. Barney  
T. J. Bonner  
R. L. Bunn  
M. M. Calabrese  
M. J. Cuzzolina  
J. A. Doan  
W. M. Graff  
L. R. Greenberg  
S. R. Mauriello  
G. W. Westerman

AIA UGIU Insurance G-00930344

COMMONWEALTH OF PENNSYLVANIA :  
 : SS  
COUNTY OF ~~BERKS~~ Montgomery :

**AFFIDAVIT**

JOHN C. BARNEY, being duly sworn according to law deposes and says that he is Vice President - Finance and Accounting of UGI Utilities, Inc., a Pennsylvania corporation, that he is authorized to and does make this affidavit for it; that the arrangement summarized in the foregoing letter dated May 17, 1993, accurately reflects the proposed arrangement between UGI Utilities, Inc. and an affiliated insurance company for the purpose of providing insurance coverage to UGI Utilities, Inc.

*John C. Barney*  
\_\_\_\_\_  
John C. Barney

Sworn to and subscribed  
before me this 17<sup>th</sup> day  
of May, 1993.

*Rachel M. Reck*  
\_\_\_\_\_  
Notary Public

Notarial Seal  
Rachel M. Reck, Notary Public  
Upper Merion Twp., Montgomery County  
My Commission Expires Nov. 18, 1996  
Member, Pennsylvania Association of Notaries



UGI Utilities, Inc. - Electric Division  
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II-D-9

Request:

Prepare a detailed schedule for the test year showing types of social and service organization memberships paid for, the cost thereof, the accounting treatment and whether included in claimed test year expenses.

Response:

UGI Electric does not include membership dues for social and service organizations in test year expenses.

Prepared by or under the supervision of: Vivian K. Ressler

UGI Utilities, Inc. - Electric Division  
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II-D-10

Request:

Provide the following payroll and employe benefit data—regular and overtime—separately for the test year and for the 12-month period immediately prior to the test year:

- a. The average and year-end number of employes and the unadjusted annual payroll expense and employe benefit expense associated with union personnel.
- b. The average and year-end number of employes and the unadjusted annual payroll expense and employe benefit expense associated with nonunion personnel.
- c. The average and year-end number of employes and the unadjusted annual payroll expense and employe benefit expense associated with management employes, if different than b.
- d. A summary of the wage rate, salary and employe benefit changes granted or to be granted during the year.
- e. The claimed test year payroll expense and employe benefit expense.
- f. The percentage of payroll expense and employe benefit expense applicable to operation and maintenance expenses and the basis thereof.

Response:

- a. Please see Attachment II-D-10.
- b. Please see Attachment II-D-10.
- c. Please see Attachment II-D-10.
- d. Please see Schedule D-7, page 2 of 2 in UGI Electric Exhibit A (Fully Projected Future) and UGI Electric Exhibit A (Future).
- e. Please see Attachment II-D-10.
- f. Please see Attachment II-D-10.

Prepared by or under the supervision of: Tracy A. Hazenstab

UGI Utilities, Inc. - Electric Division  
Payroll and Employee Benefit Data  
(\$000)

		Years Ending September	
		2023	2024
a.	<u>Union Personnel</u>		
	Average Number of Employees	28	28
	Year-end Number of Employees	28	28
	Payroll Expenses		
	Normal	\$ 1,096	\$ 1,154
	Overtime	\$ 168	\$ 167
	Benefit Expenses	\$ 249	\$ 266
b.	<u>Non-Union Personnel</u>		
	Average Number of Employees	55	55
	Year-end Number of Employees	55	55
	Payroll Expenses		
	Normal (A)	\$ 4,266	\$ 4,476
	Overtime (A)	\$ 400	\$ 400
	Benefit Expenses (A)	\$ 1,023	\$ 1,081
e.	<u>Claimed for Test Year</u>		
	Payroll to Expense	\$ 5,929	\$ 6,196
	Benefit to Expense	\$ 1,272	\$ 1,347
f.	<u>Percent of Total Payroll + Benefit</u>		
	<u>Applicable to O&amp;M</u>		
	Payroll	8.6%	8.9%
	Benefit	1.8%	1.9%

(A) Amounts presented include costs allocated for Utility Shared Service Personnel.

UGI Utilities, Inc. - Electric Division  
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II-D-11

Request:

Describe costs relative to leasing equipment, including computer rentals, and office space, including terms and conditions of the leases. State method for calculating monthly or annual payments.

Response:

Please see Attachment II-D-11.

Prepared by or under the supervision of: Vivian K. Ressler

UGI UTILITIES, INC. - ELECTRIC DIVISION  
COSTS RELATIVE TO LEASING EQUIPMENT, COMPUTER RENTAL AND OFFICE SPACE  
**TWELVE MONTHS ENDED SEPTEMBER 30, 2022**  
*(THOUSANDS OF DOLLARS)*

	ANNUAL COSTS	METHOD OF COMPUTING PAYMENTS	TERMS OF LEASE OR RENTAL AGREEMENT
BUILDING	38	MONTHLY PAYMENTS PER LEASE OR RENTAL AGREEMENTS. PERCENTAGE APPLIED FROM MODIFIED WISCONSIN FORMULA FOR LEASES OF SHARED PROPERTY.	THROUGH 2027
IS/ COMPUTER EQUIPMENT	37	MONTHLY PAYMENTS PER LEASE OR RENTAL AGREEMENTS. PERCENTAGE APPLIED FROM MODIFIED WISCONSIN FORMULA FOR LEASES OF SHARED PROPERTY.	THROUGH 2026
MOTOR VEHICLE	32	MONTHLY PAYMENTS FOR LEASES OR RENTAL AGREEMENTS.	THROUGH 2023
TOTAL	<u>107</u>		

UGI Utilities, Inc. - Electric Division  
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II-D-12

Request:

Submit a statement of past and anticipated changes, since the previous rate case, in major accounting procedures, explain any differences between the basis or procedure used in allocations of revenues, expenses, depreciation and taxes in the current rate case and that used in the prior rate cases, and list all internal and independent audit reports for the most recent 2 year period.

Response:

Except as indicated below, the Company will maintain its existing accounting policies, including those resulting from previous PUC approvals.

New Accounting Standard Adopted in Fiscal 2022

Income Taxes. Effective October 1, 2021, the Company adopted ASU 2019-12, “Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes” prospectively and retrospectively where deemed applicable. This ASU simplifies the accounting for income taxes by eliminating certain exceptions within the existing guidance for recognizing deferred taxes for equity method investments, performing intra-period allocations and calculating income taxes in interim periods. Further, this ASU clarifies existing guidance related to, among other things, recognizing deferred taxes for goodwill and allocated taxes to members of a consolidated group. The adoption of the new guidance did not have a material impact on our consolidated financial statements.

New Accounting Standard Adopted in Fiscal 2021

Credit Losses. Effective October 1, 2020, the Company adopted ASU 2016-13, “Measurement of Credit Losses on Financial Instruments,” including subsequent amendments, using a modified retrospective transition approach. This ASU, as subsequently amended, requires entities to estimate lifetime expected credit losses for financial instruments not measured at fair value through net income, including trade and other receivables, net investments in leases, financial receivables, debt securities, and other financial instruments, which may result in earlier recognition of credit losses. Further, the new current expected credit loss model may affect how entities estimate their allowance for losses related to receivables that are current with respect to their payment terms. The adoption of the new guidance did not have a material impact on our consolidated financial statements.

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II-D-12 (Continued)

Accounting Standard to be Adopted in Fiscal Year 2023

Debt and Derivatives and Hedging. Effective October 1, 2022, the Company adopted ASU 2020-06, “Debt - Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging – Contracts in Entity’s Own Equity (Subtopic 815-40),” using the modified retrospective approach. The amendments in this ASU affect entities that issue convertible instruments and/or contracts indexed to and potentially settled in an entity’s own equity. This ASU reduces the number of accounting models for convertible debt instruments and convertible preferred stock, expands disclosure requirements for convertible instruments, and simplifies the related earnings per share guidance. The adoption of the new guidance did not have a material impact on our consolidated financial statements.

Please see Attachment II-D-12 for a list of all internal and independent audit reports for the past two years.

Prepared by or under the supervision of: Vivian K. Ressler

**UGI Utilities, Inc. - Electric Division**  
**Listing of Audit Reports**

<b>Entity</b>	<b>Audit Report Name</b>	<b>Auditor</b>	<b>Audit year</b>	<b>Date Issued</b>
UGI Utilities, Inc.	Audited Financial Statements for UGI Utilities,Inc.	Ernst & Young, LLP	FY 2022	12/21/2022
UGI Utilities, Inc.	Audited Financial Statements for UGI Utilities,Inc.	Ernst & Young, LLP	FY 2021	12/15/2021
UGI Utilities, Inc.	UGI Natural Gas - SAP Post Implementation Review	Internal Audit	FY 2021	9/3/2021
UGI Utilities, Inc.	UGI Natural Gas - Privileged Access Management	Internal Audit	FY 2021	7/17/2021
UGI Utilities, Inc.	UGI Utilities Safety Review Final Report	Internal Audit	FY 2021	6/24/2021
UGI Utilities, Inc.	UGI Utilities Journal Entry Audit Final Report	Internal Audit	FY 2021	4/23/2021
UGI Utilities, Inc.	UGI Utilities Payroll Overtime Audit Final Report	Internal Audit	FY 2021	4/12/2021
UGI Utilities, Inc.	UGI Utilities Fixed Asset Review Audit	Internal Audit	FY 2020	12/10/2020



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II-D-13

Request:

Regardless of whether a claim for negative or positive net salvage is made, attach an exhibit showing gross salvage, cost of removal, third party reimbursements, if any, and net salvage for the test year and 4 previous years.

Response:

The information related to the historic test year is presented in Part IV of UGI Electric Exhibit C (Historic) in the section titled “Experienced Net Salvage.”

The information related to the future test year is set forth in Part VIII of UGI Electric Exhibit C (Future) in the section titled “Experienced and Estimated Net Salvage.”

The information related to the fully projected test year is set forth in Part IV of UGI Electric Exhibit C (Fully Projected Future) in the section titled “Experienced and Estimated Net Salvage.”

Prepared by or under the supervision of: John F. Wiedmayer

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II-D-14

Request:

State the amount of debt interest utilized for test year income tax calculations, including the amount so utilized which has been allocated from the debt interest of an affiliate, and provide details of debt interest and allocation computations.

Response:

See Schedule D-33 of UGI Electric Exhibit A (Historic), UGI Electric Exhibit A (Future), and UGI Electric Exhibit A (Fully Projected Future) for a calculation of the interest expense used in computing test year income tax expense. UGI Electric does not utilize any debt interest which has been allocated from the debt interest of an affiliate in the computation of taxable income.

Prepared by or under the supervision of: Darin T. Espigh

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II-D-15

Request:

Provide a schedule for the test year of Federal and Pennsylvania taxes other than income taxes, per books, pro forma at present rates, and pro forma at proposed rates, including the following tax categories:

- a. Social security.
- b. Unemployment.
- c. Capital stock.
- d. Public utility.
- e. P.U.C. assessment.
- f. Other property taxes.
- g. Any other appropriate categories.

Response:

See Schedule D-31 to UGI Electric Exhibit A (Historic), UGI Electric Exhibit A (Future), and UGI Electric Exhibit A (Fully Projected Future).

Prepared by or under the supervision of: Darin T. Espigh

UGI Utilities, Inc. - Electric Division  
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II-D-16

Request:

Submit a schedule showing the adjustments from taxable net income per books to taxable net income pro forma under existing rates and pro forma under proposed rates, together with an explanation of all normalizing adjustments. Submit detailed calculations supporting taxable income before State and Federal income taxes where the income tax is subject to allocation due to operations in another state or due to operation of other taxable utility or non-utility business, or by operating divisions or areas.

Response:

See Schedules D-33 and D-34, UGI Electric Exhibit A (Historic), UGI Electric Exhibit A (Future), and UGI Electric Exhibit A (Fully Projected Future).

Prepared by or under the supervision of: Darin T. Espigh

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II-D-17

Request:

Submit a schedule showing for the last 5 years the income tax refunds, plus interest—net of taxes, received from the Federal government due to prior years' claims.

Response:

None.

Prepared by or under the supervision of: Darin T. Espigh

UGI Utilities, Inc. - Electric Division  
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II-D-18

Request:

Furnish a breakdown of major items comprising prepaid and deferred income tax charges and other deferred income tax credits, reserves and associated reversals on liberalized depreciation.

Response:

Please see UGI Electric Exhibit A, Schedule C-6 (Historic) for deferred taxes relative to liberalized depreciation.

The net value of deferred taxes on items other than plant in service at fiscal year ended 9/30/22 is \$336,513 deferred tax asset.

Prepared by or under the supervision of: Darin T. Espigh

UGI Utilities, Inc. - Electric Division  
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II-D-19

Request:

Explain how the Federal corporate graduated tax rates have been reflected for rate case purposes. If the Pennsylvania jurisdictional utility is part of a multi-corporate system, explain how the tax savings are allocated to each member of the system.

Response:

The Federal corporate graduated tax rates do not apply to the consolidated group because taxable income exceeds the graduated income limitations.

UGI Electric is included as part of a consolidated federal income tax return with UGI Corporation. UGI Corporation allocates its consolidated income tax liability among its subsidiary members consistent with the separate return method such that each member is allocated federal income tax according to the taxable income, benefits, and burdens it contributed to the consolidated return.

Prepared by or under the supervision of: Darin T. Espigh

UGI Utilities, Inc. - Electric Division  
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II-D-20

Request:

Explain the treatment given to costs of removal in the income tax calculation and the basis for such treatment.

Response:

Cost of removal is treated as a tax deductible item as costs are incurred and/or paid pursuant to IRC Section 1.167(a)-11(d)(3) and 1.263(a)-3(g)(2).

Prepared by or under the supervision of: Darin T. Espigh



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II-D-21

Request:

Show income tax loss/gain carryovers from previous years. Show loss/gain carryovers by years of origin and amounts remaining by years at the beginning of the test year.

Response:

Not applicable.

Prepared by or under the supervision of: Darin T. Espigh

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II-D-22

Request:

State whether the company eliminates tax savings by the payment of actual interest on construction work in progress not in rate base claim.

If response is affirmative:

- a. Set forth amount of construction claimed in this tax savings reduction, and explain the basis for this amount.
- b. Explain the manner in which the debt portion of this construction is determined for purposes of the deferral calculations.
- c. State the interest rate used to calculate interest on this construction debt portion, and the manner in which it is derived.
- d. Provide details of calculation to determine tax savings reduction, and state whether State taxes are increased to reflect the construction interest elimination.

Response:

The Company does not eliminate tax savings by the payment of interest on construction work in progress.

Prepared by or under the supervision of: Darin T. Espigh

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II-D-23

Request:

Under section 1552 of the Internal Revenue Code (26 U.S.C.A. § 1552) and 26 CFR 1.1552-1 (1983), if applicable, a parent company, in filing a consolidated income tax return for the group, must choose one of four options by which it must allocate total income tax liability of the group to the participating members to determine each member's tax liability to the Federal government (if this interrogatory is not applicable, so state):

- a. State what option has been chosen by the group.
- b. Provide, in summary form, the amount of tax liability that has been allocated to each of the participating members in the consolidated income tax return for the test year and the most recent 3 years for which data is available.
- c. Provide a schedule, in summary form, of contributions, which were determined on the basis of separate tax return calculations, made by each of the participating members to the tax liability indicated in the consolidated group tax return. Provide total amounts of actual payments to the tax depository for the tax year, as computed on the basis of separate returns of members.
- d. Provide the most recent annual income tax return for the group.
- e. Provide details of the amount of the net operating losses of any member allocated to the income tax returns of each of the members of the consolidated group for the test year and the 3 most recent years for which data is available, together with a summary of the actual tax payments for those years.
- f. Provide details of the amount of net negative income taxes, after all tax credits are accounted for, of any member allocated to the income tax return of each of the members of the consolidated group for the test year and the 3 most recent years for which data is available, together with a summary of the actual tax payments for those years.

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II-D-23 (Continued)

Response:

- a. UGI Corporation has elected to allocate the tax liability of the consolidated group to the members in accordance with Regulation 1.1502-33 (d)(2)(ii). Further, the group elects to use 100 percent as the percentage specified in Regulation 1.1502-33(d)(2)(ii)(b). This method of allocation is to be applied in conjunction with the basic allocation method provided in Regulation 1.1552-1(a)(2).

UGI Corporation also elected to reflect currently the investment adjustment in earnings and profits pursuant to Regulation 1.1502-33(c)(4)(iii).

- b. Please see Attachment II-D-23.b. The federal income tax return for the historic test year, September 30, 2022, has not been prepared; therefore, information has been provided for the years ended September 30, 2019 through September 30, 2021.
- c. UGI Corporation ("UGI Corp") is the parent company of the UGI consolidated group that includes UGI Electric as a division of UGI Utilities, Inc. UGI Corp makes all necessary income tax payments to the IRS for the net tax liability that is due for its consolidated group. Further, UGI Corp collects the allocated tax liability from members of its group with positive taxable income and reimburses members of its group with a negative federal income tax allocation. The amounts UGI Corp collects or pays to each member of its group are the amounts listed on Attachment II-D-23.b.
- d. The response to this question contains confidential information and is marked as such. This information will be provided to parties upon execution of a Confidentiality Agreement, to be circulated by the Company, pursuant to the terms of that agreement.
- e. Please see Attachment II-D-23.b.
- f. Please see Attachment II-D-23.b.

**UGI Utilities, Inc. - Electric Division**  
**Allocation of UGI Corporation Consolidated Federal Income Tax Liability**  
**For the Year Ended September 30, 2021**  
**In Thousands**

<u>Name of Company</u>	(a)	(b)	(c)	(d)	(e)
	<b>Federal Taxable Income</b>	<b>Federal Income Tax @ 21% / 35% Allocated</b>	<b>Foreign Tax Credit</b>	<b>General Business Credit</b>	<b>Col (b) - Col (c) - Col (d) = Net Federal Income Tax Liability</b>
AmeriGas Inc	178	37			0
AmeriGas Propane Inc.	30,085	6,318			0
AmeriGas Propane Holdings, Inc.	(136,979)	(47,943)			0
Amerigas Technology Group Inc.		0			0
Ashtola Production Company	(1)	(0)			0
Eastfield International Holdings Inc		0			0
Energy Service Funding	4,656	978			0
EuroGas Holdings Inc.		0			0
Four Flags Drilling Company		0			0
Hellertown Pipeline		0			0
Homestead Holding	(76)	(27)			0
Mountaineer Energy Holding & Subs	(4,891)	(1,712)			0
Newberry Holding	120	25			0
UGI Asset Management		0			0
UGI Black Sea Enterprises		0			0
UGI China, Inc.		0			0
UGI Corporation	(100,191)	(14,662)			0
UGI Development Company	(4,031)	(1,411)			0
UGI Energy Ventures, Inc.		0			0
UGI Ethanol Development Company		0			0
UGI Enterprises, Inc.		0			0
UGI Europe, Inc.	42,637	8,954			0
UGI Hunlock Dev	(0)	(0)			0
UGI HVAC Enterprises	(1,556)	(544)			0
UGI International China, Inc		0			0
UGI International (Romania)		0			0
UGI LNG	(3,679)	(1,288)			0
UGI Penn HVAC Services	0	0			0
UGI Petroleum Products of DE	0	0			0
UGI Properties, Inc.	438	92			0
UGI Romania, Inc.		0			0
UGI Storage Company	4,997	1,049			0
UGI Utilities, Inc.	62,490	13,123			0
UGID Holding Company	(8)	(3)			0
United Valley Insurance	146	31			0
Eliminations		0			0
Adjustments		0			0
<b>Total Taxable</b>	<b>(105,667)</b>	<b>(36,983)</b>	<b>0</b>	<b>0</b>	<b>0</b>

Allocation of Tax Liability:

The CARES act provided for a 5-year carryback of tax losses for taxable years beginning in 2018, 2019 and 2020. Our tax loss for FYE21 (taxable year beginning 10/1/2020) was carried back to FYE16, a 35% Federal tax year. As explained in our responses to II-D-23c and II-D-19, UGI Electric as a division of UGI Utilities, Inc. is included in the consolidated federal tax return of UGI Corporation (UGI Corp). UGI Corp settles with each legal entity of the consolidated group based on the amount that entity contributed to the overall tax liability on a separate return basis. As such, legal entities with a tax loss in FYE21 were availed of a carryback of the loss to FYE16. Legal entities with taxable income paid their share of tax at the tax rate in effect for FYE21.

**UGI Utilities, Inc. - Electric Division**  
**Allocation of UGI Corporation Consolidated Federal Income Tax Liability**  
**For the Year Ended September 30, 2020**  
**In Thousands**

<u>Name of Company</u>	(a)	(b)	(c)	(d)	(e)
	<b>Federal Taxable Income</b>	<b>Federal Income Tax @ 21% / 35% Allocated</b>	<b>Foreign Tax Credit</b>	<b>General Business Credit</b>	<b>Col (b) - Col (c) - Col (d) = Net Federal Income Tax Liability</b>
AmeriGas Inc	(23)	(8)			0
AmeriGas Propane Inc.	56,320	11,827			0
AmeriGas Propane Holdings, Inc.	(207,170)	(72,510)			0
Amerigas Technology Group Inc.	0	0			0
Ashtola Production Company	(1)	(0)			0
Eastfield International Holdings Inc	0	0			0
Energy Service Funding	3,479	731			0
EuroGas Holdings Inc.	0	0			0
Four Flags Drilling Company	0	0			0
Hellertown Pipeline	0	0			0
Homestead Holding	(607)	(213)			0
Newberry Holding	955	201			0
UGI Asset Management	0	0			0
UGI Black Sea Enterprises	0	0			0
UGI China, Inc.	0	0			0
UGI Corporation	(201,320)	(46,526)			0
UGI Development Company	(16,858)	(5,900)			0
UGI Energy Ventures, Inc.	0	0			0
UGI Ethanol Development Company	0	0			0
UGI Enterprises, Inc.	0	0			0
UGI Europe, Inc.	22,795	4,787			0
UGI Hunlock Dev	0	0			0
UGI HVAC Enterprises	4,824	1,013			0
UGI International China, Inc	0	0			0
UGI International (Romania)	0	0			0
UGI LNG	2,318	487			0
UGI Penn HVAC Services	0	0			0
UGI Petroleum Products of DE	0	0			0
UGI Properties, Inc.	349	73			0
UGI Romania, Inc.	0	0			0
UGI Storage Company	4,152	872			0
UGI Utilities, Inc.	73,276	15,388			0
UGID Holding Company	(8)	(3)			0
United Valley Insurance	323	68			0
Eliminations	0	0			0
Adjustments	2,180	458			0
<b>Total Taxable</b>	<b>(255,015)</b>	<b>(89,255)</b>	<b>0</b>	<b>0</b>	<b>0</b>

Allocation of Tax Liability:

The CARES act provided for a 5-year carryback of tax losses for taxable years beginning in 2018, 2019 and 2020. Our tax loss for FYE20 (taxable year beginning 10/1/2019) was carried back to FYE15, a 35% Federal tax year. As explained in our responses to II-D-23c and II-D-19, UGI Electric as a division of UGI Utilities, Inc. is included in the consolidated federal tax return of UGI Corporation (UGI Corp). UGI Corp settles with each legal entity of the consolidated group based on the amount that entity contributed to the overall tax liability on a separate return basis. As such, legal entities with a tax loss in FYE20 were availed of a carryback of the loss to FYE15. Legal entities with taxable income paid their share of tax at the tax rate in effect for FYE20.

**UGI Utilities, Inc. - Electric Division**  
**Allocation of UGI Corporation Consolidated Federal Income Tax Liability**  
**For the Year Ended September 30, 2019**  
**In Thousands**

<u>Name of Company</u>	(a)	(b)	(c)	(d)	(e)
	<b>Federal Taxable Income</b>	<b>Federal Income Tax @ 21% Allocated</b>	<b>Foreign Tax Credit</b>	<b>General Business Credit</b>	<b>Col (b) - Col (c) - Col (d) = Net Federal Income Tax Liability</b>
AmeriGas Inc	(26)	(5)			(5)
AmeriGas Propane Inc.	93,880	19,715			19,715
AmeriGas Propane Holdings, Inc.	90	19			19
Amerigas Technology Group Inc.	0	0			0
Ashtola Production Company	(1)	0			0
Eastfield International Holdings Inc	0	0			0
Energy Service Funding	5,062	1,063			1,063
EuroGas Holdings Inc.	0	0			0
Four Flags Drilling Company	0	0			0
Hellertown Pipeline	0	0			0
Homestead Holding	(273)	(57)			(57)
Newberry Holding	3,253	683			683
Petrolane Incorporated	0	0			0
UGI Asset Management	0	0			0
UGI Black Sea Enterprises	0	0			0
UGI Central Penn Gas	0	0			0
UGI China Inc	0	0			0
UGI Corporation	37,610	7,898			7,898
UGI Development Company	(5,924)	(1,244)		158	(1,402)
UGI Energy Ventures, Inc.	0	0			0
UGI Ethanol Development Company	0	0			0
UGI Enterprises Inc	0	0			0
UGI Europe Inc	35,767	7,511	5,905		1,606
UGI Hunlock Dev	0	0			0
UGI HVAC Enterprises	(305)	(64)			(64)
UGI International China, Inc	0	0			0
UGI International (Romania)	0	0			0
UGI International Enterprises, Inc.	0	0			0
UGI LNG	5,530	1,161			1,161
UGI Penn HVAC Services	3	1			1
UGI Penn Natural Gas, Inc.	0	0			0
UGI Petroleum Products of DE	0	0			0
UGI Properties, Inc.	245	51			51
UGI Storage Company	4,465	938			938
UGI Utilities, Inc.	57,929	12,165			12,165
UGID Holding Company	(8)	(2)			(2)
United Valley Insurance	(751)	(158)			(158)
Adjustments	6,510	1,367			1,367
<b>Total</b>	<b>243,056</b>	<b>51,042</b>	<b>5,905</b>	<b>158</b>	<b>44,980</b>

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II-D-24

Request:

Provide detailed computations by vintage year showing State and Federal deferred income taxes resulting from the use of accelerated tax depreciation associated with post-1969 public utility property, ADR rates, and accelerated tax depreciation associated with post-1980 public utility property under the Accelerated Cost Recovery System (ACRS).

- a. Reconcile and explain any differences in the base used to calculate State and Federal deferred income taxes.
- b. State whether tax depreciation is based on all rate base items claimed as of the end of the test year, and whether it is the annual tax depreciation at the end of the test year.
- c. Reconcile differences between the deferred tax balance, as shown as a reduction to rate base, and the deferred tax balance as shown on the balance sheet.

Response:

See Schedules D-33 and D-34 in UGI Electric Exhibit A (Historic), UGI Electric Exhibit A (Future), and UGI Electric Exhibit A (Fully Projected Future) for the computation of federal and state deferred income taxes.

- a. Not applicable.
- b. Tax depreciation subject to normalization is based on depreciable property as of the end of the test year. Further, tax depreciation is annualized as of the end of the test year period.
- c. The accumulated deferred tax balance, as shown as a reduction to measures of value, represents the annualized balance based on the plant in service included in the measures of value. The balance sheet represents the budgeted balance.



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II-D-25

Request:

Submit a schedule showing a breakdown of accumulated and unamortized investment tax credits, by vintage year and percentage rate, together with calculations supporting the amortized amount claimed as a reduction to pro forma income taxes. Provide details of methods used to write-off the unamortized balances.

Response:

Not applicable.

Prepared by or under the supervision of: Darin T. Espigh

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II-D-26

Request:

Explain in detail by statement or exhibit the appropriateness of claiming any additional items, not otherwise specifically explained and supported in the statement of operating income.

Response:

Please see Section D of UGI Electric Exhibit A (Historic), UGI Electric Exhibit A (Future), UGI Electric Exhibit A (Fully Projected Future), and the Direct Testimony of Tracy A. Hazenstab, UGI Electric Statement No. 2, for an explanation and detail of the Company's claim for additional operating income items.

Prepared by or under the supervision of: Tracy A. Hazenstab

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II-D-27

Request:

If the utility's operations include non-jurisdictional activities, provide a schedule which demonstrates the manner in which rate base and operating income date have been adjusted to develop the jurisdictional test year claim.

Response:

This rate filing is presented on a PUC jurisdictional basis only. Total system rate base and components of operating income have been assigned and/or allocated between FERC and PUC jurisdictions and the proposed revenue increase has been determined on a PUC jurisdictional basis only. Please also see the Direct Testimony of Tracy A. Hazenstab, UGI Electric Statement No. 2, UGI Electric Exhibit TAH-2, and the Direct Testimony of John D. Taylor, UGI Electric Statement No. 6.

Prepared by or under the supervision of: Tracy A. Hazenstab

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II-E-1

Request:

Supply a copy of any budget utilized as a basis for any test year claim, and explain the utility's budgeting process.

Response:

Please refer to the Direct Testimony of Tracy A. Hazenstab, UGI Electric Statement No. 2, for an explanation of the Company's budgeting process, as well as UGI Electric Exhibit TAH-2, pages 1 through 3 which provide a summary of the operating budgets utilized as the basis for UGI Electric's Fully Projected Future Test Year, Future Test Year and Historic Test Year claims on a Pennsylvania jurisdictional basis.

Prepared by or under the supervision of: Tracy A. Hazenstab

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II-E-2

Request:

Supply summaries of the utility's projected operating and capital budgets for the 2 calendar years following the end of the test year.

Response:

UGI Electric does not prepare projected operating and capital budgets for the two calendar years following the end of the Fully Projected Future Test Year.

Prepared by or under the supervision of: Eric W. Sorber

### **III. RATE OF RETURN**

UGI Utilities, Inc. - Electric Division  
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III-A-1

Request:

Provide a schedule showing the major components of claimed capitalization, and the derivation of the weighted costs of capital for the rate case claim. This schedule shall include a descriptive statement concerning the major elements of changes in claimed capitalization, cost rates and overall return from comparable historical data.

Response:

Please refer to UGI Electric Exhibit B, Schedule 1 page 1, Schedule 5 page 1, and Schedule 6 pages 1, 2, 3 and 4, and the Direct Testimony of Paul R. Moul, UGI Electric Statement No. 9.

Prepared by or under the supervision of: Paul R. Moul

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III-A-2

Request:

Provide a schedule in the same format as Schedule 1, except for the omission of the descriptive statement, for the most immediate comparable annual historical period prior to the test year and the two calendar years most immediately preceding the rate of return claim period. Irrespective of whether the capitalization claimed on Schedule 1 includes short-term debt, Schedule 2 should reflect capital ratios with and without short-term debt.

Response:

Please see Attachment III-A-2.

Prepared by or under the supervision of: Paul R. Moul



**UGI UTILITIES, INC.**  
**CAPITALIZATION SCHEDULE (Millions)**  
**FOR THE HISTORIC YEARS ENDED SEPTEMBER 30, 2020 THROUGH 2022**

Company Only - UGI Utilities, Inc. - With Short-Term Debt

	<u>9/30/2020</u>		<u>9/30/2021</u>		<u>9/30/2022</u>	
	<u>Actual</u>	<u>%</u>	<u>Actual</u>	<u>%</u>	<u>Actual</u>	<u>%</u>
Common Equity	\$ 1,314.0	52.5	\$ 1,424.9	50.8	\$ 1,654.8	52.1
Preferred Stock	0.0	0.0	0.0	0.0	0.0	0.0
Short-Term Debt (Average less CWIP)	69.2	2.8	93.2	3.3	63.0	2.0
Long-Term Debt (excl. Capital Lease Obligations)	<u>1,117.8</u>	<u>44.7</u>	<u>1,285.9</u>	<u>45.9</u>	<u>1,460.3</u>	<u>45.9</u>
Total Capitalization	<u>\$ 2,500.9</u>	<u>100.0</u>	<u>\$ 2,804.0</u>	<u>100.0</u>	<u>\$ 3,178.1</u>	<u>100.0</u>

Company Only - UGI Utilities, Inc. - Without Short-Term Debt

	<u>9/30/2020</u>		<u>9/30/2021</u>		<u>9/30/2022</u>	
	<u>Actual</u>	<u>%</u>	<u>Actual</u>	<u>%</u>	<u>Actual</u>	<u>%</u>
Common Equity	\$ 1,314.0	54.0	\$ 1,424.9	52.6	\$ 1,654.8	53.1
Preferred Stock	0.0	0.0	0.0	0.0	0.0	0.0
Long-Term Debt	<u>1,117.8</u>	<u>46.0</u>	<u>1,285.9</u>	<u>47.4</u>	<u>1,460.3</u>	<u>46.9</u>
Total Capitalization	<u>\$ 2,431.8</u>	<u>100.0</u>	<u>\$ 2,710.8</u>	<u>100.0</u>	<u>\$ 3,115.1</u>	<u>100.0</u>

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III-B-1

Request:

Provide a schedule showing the calculation of embedded cost of long-term debt by issue, supporting the related rate case claim. The schedule shall contain the following information:

- a. Date of issue.
- b. Date of maturity.
- c. Amount issued.
- d. Amount outstanding.
- e. Amount retired.
- f. Amount reacquired.
- g. Gain or loss on reacquisition.
- h. Coupon rate.
- i. Discount or premium at issuance.
- j. Issuance expense.
- k. Net proceeds.
- l. Sinking fund requirements.
- m. Effective cost rate.
- n. Total average weighted effective cost rate.

Projected new issues, retirements and other major changes from the comparable historic data should be clearly noted.

Response:

Please refer to UGI Electric Exhibit B, Schedule 6, pages 1, 2, 3 and 4, and the Direct Testimony of Paul R. Moul, UGI Electric Statement No. 9.

Prepared by or under the supervision of: Paul R. Moul

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III-B-2

Request:

In the event that a claim made for a true or economic cost of debt exceeds that shown in the preceding nominal cost schedule because of convertible features, sale with warrants or for any other reason, a full statement of the basis for such a claim should be provided.

Response:

No claim is made for a cost of debt that differs from the embedded cost noted in the response to III-B-1.

Prepared by or under the supervision of: Paul R. Moul

UGI Utilities, Inc. - Electric Division  
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III-B-3

Request:

Provide the following information concerning bank notes payable for test year and for latest comparable annual historical period prior to the test year:

- a. Line of credit at each bank.
- b. Average daily balances of notes to each bank, by name of bank.
- c. Interest rate charged on each bank note (Prime rate, formula rate, or other).
- d. Purpose of each bank note (for example, construction, fuel storage, working capital, debt retirement).
- e. Prospective future need for this type of financing.

Response:

- a. As of September 30, 2022, UGI Utilities, Inc. had a five-year \$350 million revolving credit facility ("RCF") with a consortium of banks. On December 13, 2022, the RCF was amended to increase its capacity by \$75 million (to \$425 million). The RCF matures in June 2024. Please see Attachment III-B-3 for the commitment from each bank (before and after the amendment).
- b. The RCF is predominantly used to meet working capital needs and is more heavily utilized in the fall and winter months when inventory and receivable balances peak. The borrowings from each bank are pro rata as per their respective commitments. The average daily borrowing under the UGI Utilities, Inc. RCF was \$163,389,041 for fiscal year 2022.
- c. The interest rates for the majority of borrowings under the UGI Utilities, Inc. RCF are under the Term SOFR + Applicable Margin formula (this index rate was LIBOR, rather than Term SOFR, prior to the December 13, 2022 amendment). The Applicable Margin is based on public credit ratings as specified on Attachment III-B-3. UGI Utilities, Inc. has two public debt ratings (Moody's, Fitch). When there is a split rating, the highest rating applies unless such ratings differ by two or more levels. If ratings differ by two or more levels, the applicable

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III-B-3 (Continued)

level will be deemed to be one level below the higher of such levels. Based on current ratings of UGI Utilities, Inc., the applicable margin is 1.00%.

- d. The borrowings under the RCF are for working capital needs, CWIP and general corporate purposes.
- e. The RCF provides adequate liquidity for working capital and CWIP needs and does not mature until June 2024.

Prepared by or under the supervision of: Vivian K. Ressler

**UGI UTILITIES, INC. - ELECTRIC DIVISION**  
**Line of Credit Bank Commitments and Applicable Margin**

**Lender Commitments of the UGI Utilities five year, \$350 million (amended to \$425 million) revolving credit facility:**

Lender	Commitment at 9/30/22 (before amendment)	Commitment at 12/13/22 (after amendment)
PNC Bank, National Association	\$75,000,000	\$90,000,000
Citizens Bank, N.A.	\$75,000,000	\$90,000,000
Credit Suisse AG, Cayman Islands Branch	\$40,000,000	\$49,000,000
JPMorgan Chase Bank, N.A.	\$40,000,000	\$49,000,000
Wells Fargo Bank, National Association	\$40,000,000	\$49,000,000
Bank of America, N.A.	\$40,000,000	\$49,000,000
The Bank of New York Mellon	\$40,000,000	\$49,000,000
	<b>\$350,000,000</b>	<b>\$425,000,000</b>

**Applicable Margin of the UGI Utilities five year, \$350 million (amended to \$425 million) revolving credit facility:**

Debt Rating	Margin
A/A2/A	0.875%
A-/A3/A-	1.00%
BBB+/Baa1/BBB+	1.125%
BBB/Baa2/BBB	1.25%
BBB-/Baa3/BBB-	1.50%
BB+/Ba1/BB+	1.75%

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III-B-4

Request:

Provide detailed information concerning all other short-term debt outstanding.

Response:

The Company had no other short-term debt outstanding other than that identified in III-B-3.

Prepared by or under the supervision of: Paul R. Moul

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III-B-5

Request:

Describe long-term debt reacquisition by issue by Company and Parent as follows:

- a. Reacquisition by issue by year.
- b. Total gain or loss on reacquisitions by issue by year.
- c. Accounting for gain or loss for income tax and book purposes.
- d. Proposed treatment of gain or loss on such reacquisition for ratemaking purposes.

Response:

The Company and its Parent have not reacquired any debt in more than twenty years.

Prepared by or under the supervision of: Paul R. Moul



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III-C-1

Request:

Provide a schedule showing the calculation of the embedded cost of preferred stock equity by issue, supporting the related rate case claim. The schedule shall contain the following information:

- a. Date of issue.
- b. Date of maturity.
- c. Amount issued.
- d. Amount outstanding.
- e. Amount retired.
- f. Amount reacquired.
- g. Gain or loss on reacquisition.
- h. Dividend rate.
- i. Discount or premium at issuance.
- j. Issuance expenses.
- k. Net proceeds.
- l. Sinking fund requirements.
- m. Effective cost rate.
- n. Total average weighted effective cost rate.

Projected new issues, retirement and other major changes from the comparable historical data should be clearly noted.

Response:

The Company does not have preferred stock outstanding.

Prepared by or under the supervision of: Paul R. Moul

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III-D-1

Request:

Provide complete support for claimed common equity rate of return.

Response:

Please refer to the Direct Testimony of Paul R. Moul, UGI Electric Statement No. 9.

Prepared by or under the supervision of: Paul R. Moul

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III-D-2

Request:

Provide a summary statement of all stock dividends, splits or par value changes during the 2 calendar year period preceding the rate case filing.

Response:

The Company has not had any stock dividends, splits or par value changes during the past two calendar years preceding the rate case filing.

Prepared by or under the supervision of: Paul R. Moul

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III-D-3

Request:

Provide a schedule of all issuances of common stock, whether or not underwriters are used, for the most immediately available annual historical period and the 2 calendar years most immediately preceding the test year.

Response:

There were no new issuances of common stock for the Company during the historical period or the two years preceding the test year.

Prepared by or under the supervision of: Paul R. Moul

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III-D-4

Request:

Submit details on the utility and parent company stock offerings - past 5 years to present - as follows:

- a. Date of prospectus.
- b. Date of offering.
- c. Record date.
- d. Offering period - dates and numbers of days.
- e. Amount and number of shares offered.
- f. Offering ratio, if rights offering.
- g. Percent subscribed.
- h. Offering price.
- i. Gross proceeds per share.
- j. Expenses per share.
- k. Net proceeds per share (i - j).
- l. Market price per share.
  1. At record date.
  2. At offering date.
  3. One month after close of offering.
- m. Average market price during offering.
  1. Price per share.
  2. Rights per share - average value of rights.
- n. Latest reported earnings per share at time of offering.
- o. Latest reported dividends at time of offering.

Response:

The Company has not issued stock in the last five years.

The Parent has issued stock related to the below transaction. The below is an excerpt from the UGI Corporation ("UGI") 10-K filed 11/26/2019. The Common Units discussed in this excerpt represent AmeriGas partnership units.

"On August 21, 2019, the AmeriGas Merger was completed in accordance with the terms of the Merger Agreement entered into on April 1, 2019. Under the terms of the Merger Agreement, the Partnership was merged with and into Merger Sub, with the Partnership surviving as an indirect wholly owned subsidiary of UGI. Each outstanding Common

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III-D-4 (Continued)

Unit other than the Common Units owned by UGI was automatically converted at the effective time of the AmeriGas Merger into the right to receive, at the election of each holder of such Common Units, one of the following forms of merger consideration (subject to proration designed to ensure the number of shares of UGI Common Stock issued would equal approximately 34.6 million):

- (i) 0.6378 shares of UGI Common Stock (the "Share Multiplier");
- (ii) \$7.63 in cash, without interest, and 0.500 shares of UGI Common Stock; or
- (iii) \$35.325 in cash, without interest.

Pursuant to the terms of the Merger Agreement, effective on August 21, 2019, we issued 34,612,847 shares of UGI Common Stock and paid \$528.9 million in cash to the holders of Common Units other than UGI, for a total implied consideration of \$2,227.7 million. In addition, the incentive distribution rights in the Partnership previously owned by the General Partner were canceled. After-tax transaction costs directly attributable to the transaction that were incurred by UGI totaling \$7.7 million were recorded as a reduction to UGI stockholders' equity. Transaction costs incurred by the Partnership totaling \$6.3 million are reflected in "Operating and administrative expenses" on the 2019 Consolidated Statement of Income. The tax effects of the AmeriGas Merger resulting from the step-up in tax bases of the underlying assets resulted in the recording of a deferred tax asset in the amount of \$512.3 million. This deferred tax asset is included in 'Deferred income taxes' on the September 30, 2019 Consolidated Balance Sheet.

Effective upon completion of the AmeriGas Merger, Common Units are no longer publicly traded."

Based on the above transaction, please see below:

- a. Date of Prospectus: 7/12/2019
- b. Date of offering: 8/21/2019
- c. Record date: 8/21/2019
- d. Offering period--dates and number of days: 40
- e. Amount and number of shares of offering: 34,612,847
- f. Offering ratio (if rights offering): N/A
- g. Per cent subscribed: N/A
- h. Offering price: N/A
- i. Gross proceeds per share: N/A
- j. Expenses per share: N/A

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III-D-4 (Continued)

- k. Net proceeds per share (i-j): N/A
- l. Market price per share
  - 1. At record date: \$49.08
  - 2. At offering date: \$49.08
  - 3. One month after close of offering: \$50.29
- m. Average market price during offering
  - 1. Price per share: \$49.80
  - 2. Rights per share--average value of rights: N/A
- n. Latest reported earnings per share at time of offering: \$1.90  
Basic EPS / GAAP / Twelve Months Ended June 30, 2019
- o. Latest reported dividends at time of offering: \$0.325 per share

On May 25, 2021, the Company's parent issued 2.2 million Equity Units with a total notional value of \$220 million. The Equity Units are equity-linked securities and not common stock. Therefore, the Company has determined not to include the Equity Units in the answer to this request.

Prepared by or under the supervision of: Paul R. Moul

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UGI Electric 2023 Base Rate Case  
Responses to Section 53.53 - III-E - Parent - Subsidiary Relationship  
Delivered on January 27, 2023

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III-E-1

Request:

If a claim of the filing utility is based on utilization of the capital structure or capital costs of the parent company and system—consolidated—the reasons for this claim must be fully stated and supported.

Response:

The Company is claiming its own capital structure and capital cost rates in this case. No claim is being made for the parent company or system consolidated capital structure.

Prepared by or under the supervision of: Paul R. Moul



UGI Utilities, Inc. - Electric Division  
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III-E-2

Request:

Regardless of the claim made, provide the capitalization data requested at Item III.A.2. for the parent company and for the system—consolidated.

Response:

Please see Attachment III-E-2 for the requested capitalization data.

Prepared by or under the supervision of: Vivian K. Ressler

**UGI UTILITIES, INC. - ELECTRIC DIVISION**  
**CAPITALIZATION SCHEDULE (Millions)**  
**FOR THE HISTORIC YEARS ENDED SEPTEMBER 30, 2022**  
**AND FOR THE FORECASTED YEARS ENDING SEPTEMBER 30, 2023 AND 2024**

Company Only - UGI Utilities, Inc. - With Short-Term Debt

	<u>9/30/2022</u>		<u>9/30/2023</u>		<u>9/30/2024</u>	
	<u>Actual</u>	<u>%</u>	<u>Budget</u>	<u>%</u>	<u>Budget</u>	<u>%</u>
Common Equity	\$ 1,654.8	52.1	\$ 1,853.2	54.6	\$ 2,011.3	54.6
Preferred Stock	0.0	0.0	0.0	0.0	0.0	0.0
Short-Term Debt (Average less CWIP)	63.0	2.0	84.7	2.5	0.0	0.0
Long-Term Debt (excl. Capital Lease Obligations)	<u>1,460.3</u>	<u>45.9</u>	<u>1,454.1</u>	<u>42.9</u>	<u>1,672.8</u>	<u>45.4</u>
Total Capitalization	<u>\$ 3,178.1</u>	<u>100.0</u>	<u>\$ 3,392.0</u>	<u>100.0</u>	<u>\$ 3,684.1</u>	<u>100.0</u>

Company Only - UGI Utilities, Inc. - Without Short-Term Debt

	<u>9/30/2022</u>		<u>9/30/2023</u>		<u>9/30/2024</u>	
	<u>Actual</u>	<u>%</u>	<u>Budget</u>	<u>%</u>	<u>Budget</u>	<u>%</u>
Common Equity	\$ 1,654.8	53.1	\$ 1,853.2	56.0	\$ 2,011.3	54.6
Preferred Stock	0.0	0.0	0.0	0.0	0.0	0.0
Long-Term Debt	<u>1,460.3</u>	<u>46.9</u>	<u>1,454.1</u>	<u>44.0</u>	<u>1,672.8</u>	<u>45.4</u>
Total Capitalization	<u>\$ 3,115.1</u>	<u>100.0</u>	<u>\$ 3,307.3</u>	<u>100.0</u>	<u>\$ 3,684.1</u>	<u>100.0</u>

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III-E-3

Request:

Provide the latest available balance sheet and income statement for the parent company and system—consolidated.

Response:

Please see the response to III-F-1.

Prepared by or under the supervision of: Vivian K. Ressler

UGI Utilities, Inc. - Electric Division  
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III-E-4

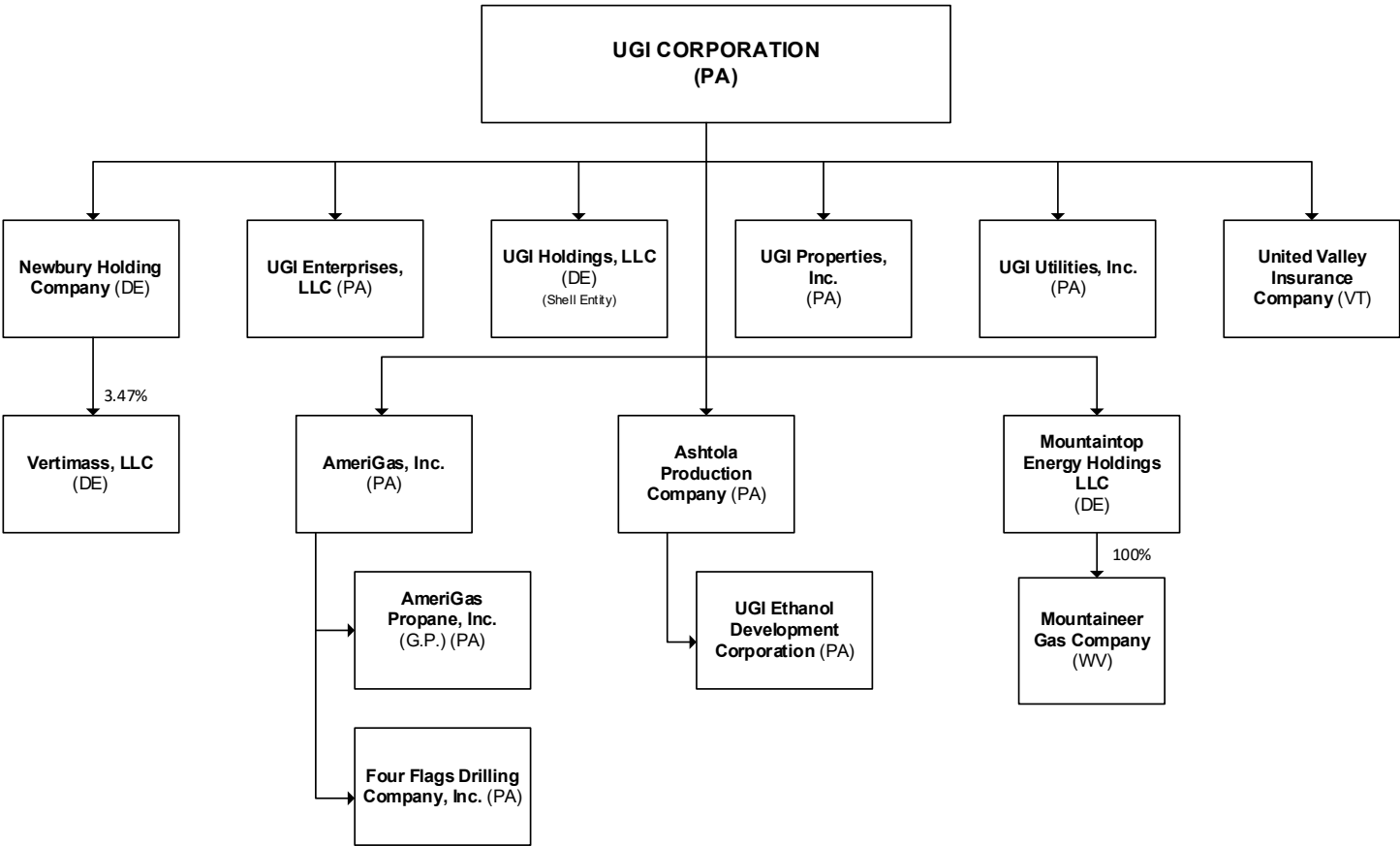
Request:

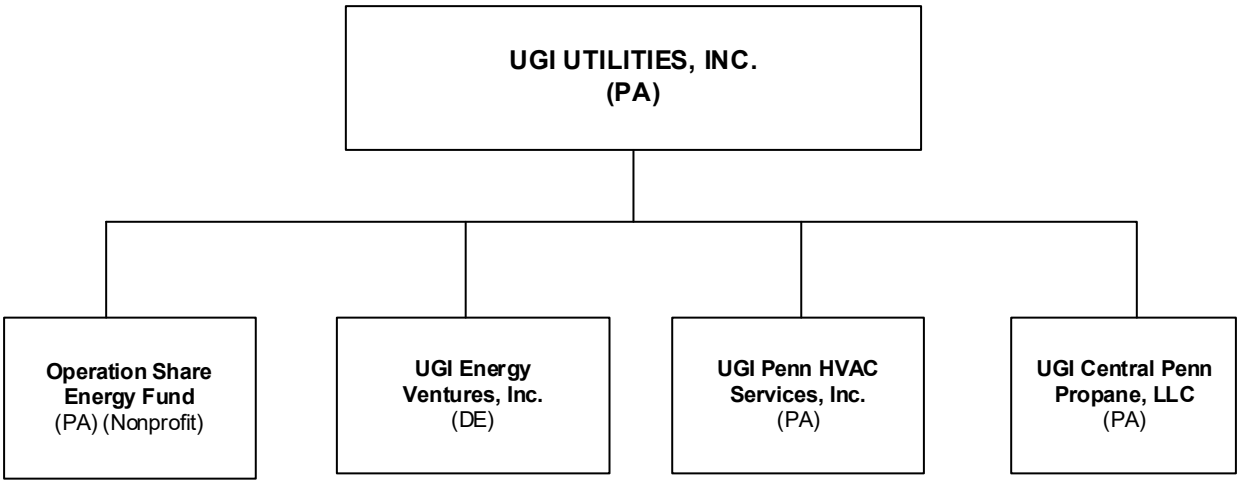
Provide an organizational chart explaining the filing utility's corporate relationship to its affiliates—system structure.

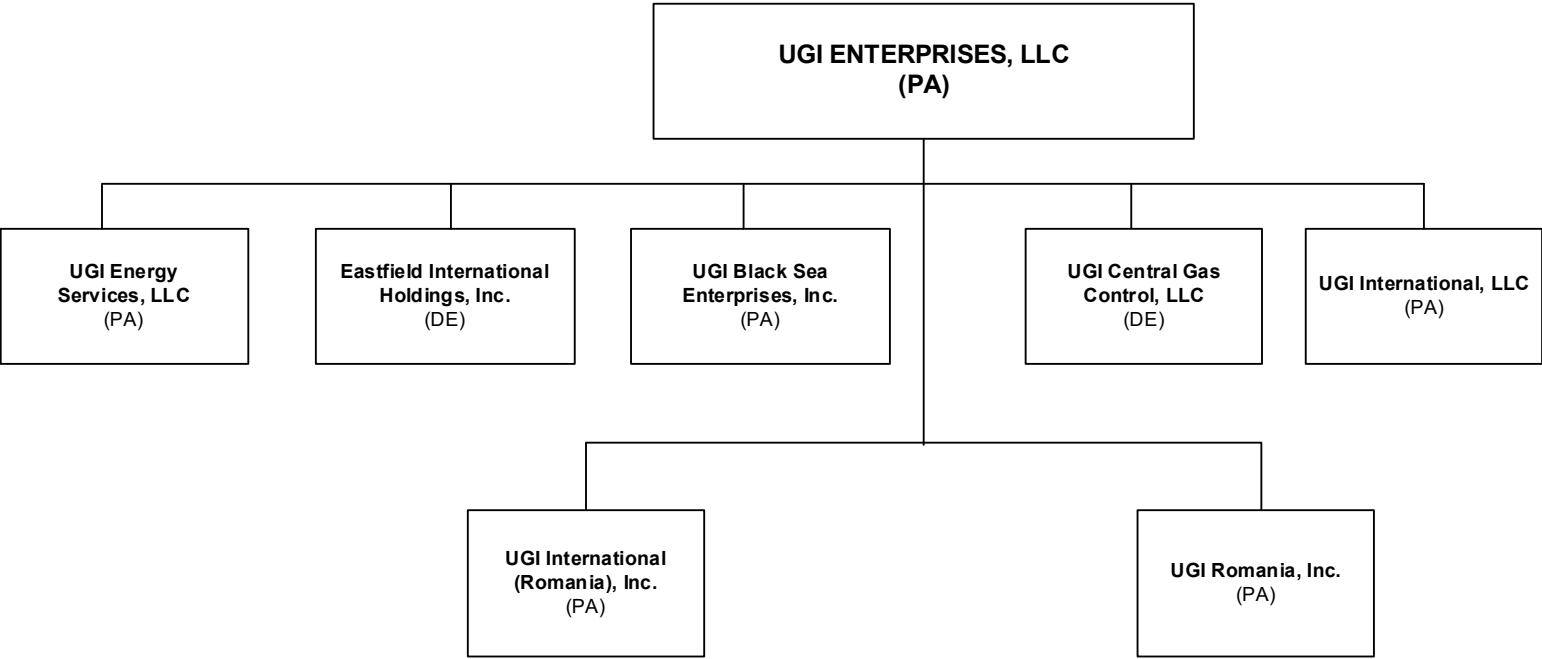
Response:

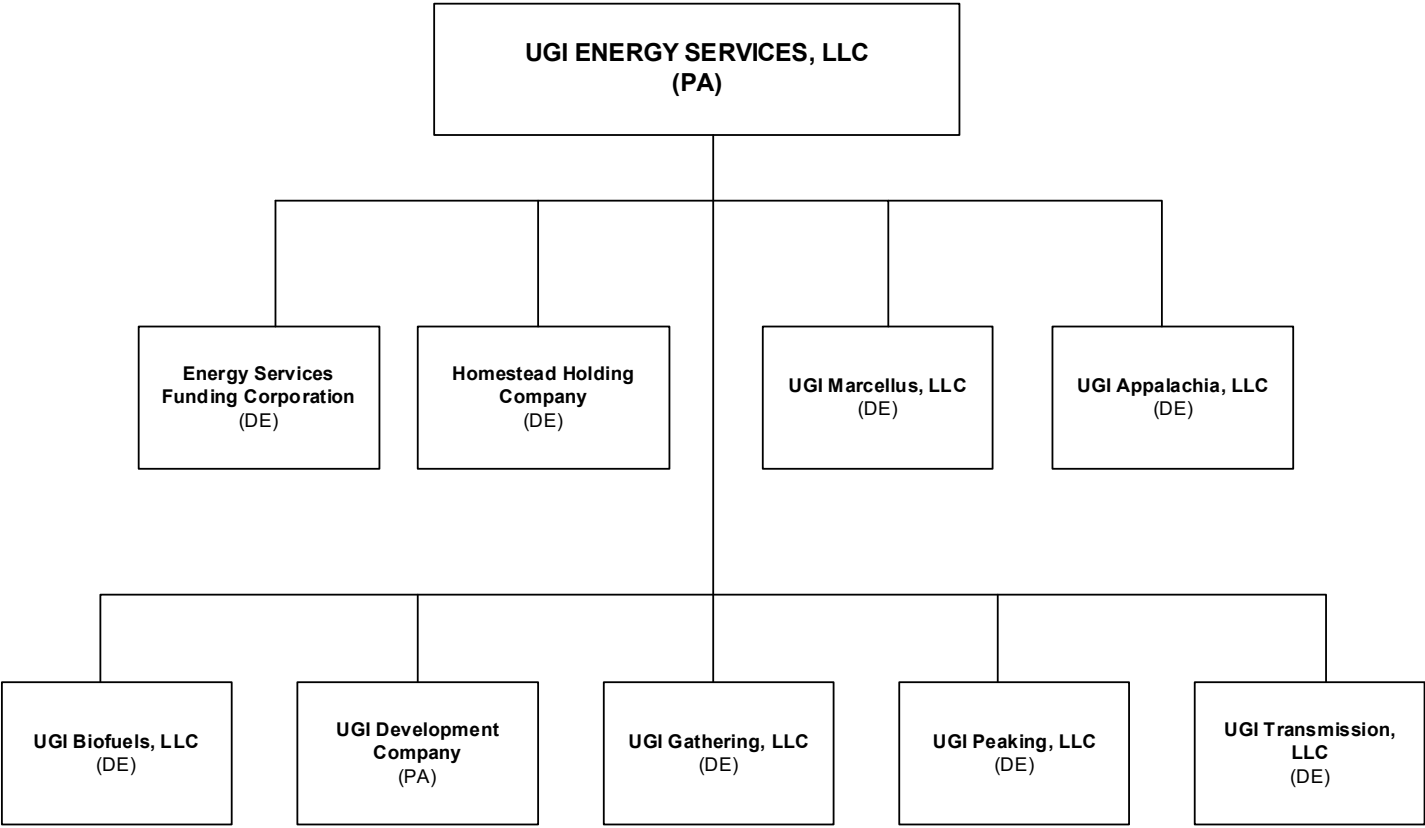
Please see Attachment III-E-4.

Prepared by or under the supervision of: Vivian K. Ressler











UGI Utilities, Inc. - Electric Division  
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III-F-1

Request:

The latest available quarterly operating and financial report, annual report to the stockholders and prospectus shall be supplied for the utility and for the utility's parent, if the relationship exists.

Response:

Please see the following links:

1. UGI Corporation latest quarterly financial report:  
<https://www.ugicorp.com/node/25156/html>
2. UGI Utilities latest quarterly financial report:  
<https://www.ugicorp.com/static-files/addae737-6a22-4e58-befa-041dd254ef84>
3. UGI Corporation latest annual report:  
<https://www.ugicorp.com/node/25286/html>
4. UGI Utilities latest annual report:  
<https://www.ugicorp.com/static-files/6deda4a5-cb76-406e-8b14-1285efb15a43>
5. UGI Corporation latest prospectus:  
<https://d18rn0p25nwr6d.cloudfront.net/CIK-0000884614/55fea8d6-6284-4055-80ed-7a89504926ad.pdf>

Prepared by or under the supervision of: Vivian K. Ressler

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III-F-2

Request:

Supply projected capital requirements and sources of the filing utility, its parent and system— consolidated—for the test year and each of 3 comparable future years.

Response:

The capital spend requirements for UGI Utilities, Inc. are as follows:

FY 2022 = \$ 500,363,000  
FY 2023 = \$ 499,005,000  
FY 2024 = \$ 500,304,000

Projected information beyond the Fully Projected Future Test Year is not available.

The sources of funds will be from both internally generated funds and required external financing.

Prepared by or under the supervision of: Vivian K. Ressler

UGI Utilities, Inc. - Electric Division  
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III-F-3

Request:

State what coverage requirements or capital structure ratios are required in the most restrictive of applicable indentures/charter tests and how these measures have been computed.

Response:

Certain of UGI Utilities Senior Notes contain the following restrictions:

1. Leverage Ratio - The Company will maintain a ratio of Consolidated Indebtedness to Consolidated Total Capital of not greater than 0.65 to 1.00.
2. Priority Debt Ratio -The Company will not at any time permit Consolidated Priority Debt to exceed 10% of Consolidated Total Assets.

Definitions:

Consolidated Indebtedness means at any time the Indebtedness (other than Non-Recourse Debt) of the Company and its Subsidiaries calculated on a consolidated basis as of such time.

Consolidated Priority Debt means at any time the sum of:

- (a) Indebtedness of the Company or any Subsidiaries secured by Liens permitted by Section 10.5(m) of the agreement, plus (but without duplication);
- (b) Indebtedness of Subsidiaries other than:
  - (i) Indebtedness of Subsidiaries existing as of the issuance date and described on Schedule 5.15 (and any renewals, extension, or replacement thereof without increase in the principal amount thereof);
  - (ii) Indebtedness of Subsidiaries owing to the Company or any Subsidiary;

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III-F-3 (Continued)

- (iii) Acquired Subsidiary Indebtedness (and any renewal, extension or replacement thereof without increase in the principal amount thereof), provided that immediately after such acquired Subsidiary becomes a Subsidiary, no Default or Event of Default shall exist;
- (iv) Indebtedness arising under any derivatives transaction protecting against or benefiting from fluctuations in any rate or price entered into in the ordinary course of business and not for investment or speculative purposes;
- (v) Indebtedness comprising a netting or set-off arrangement entered into by the Company or any Subsidiary in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances;
- (vi) Indebtedness of Subsidiary Guarantors;
- (vii) Indebtedness of Subsidiaries secured by Liens permitted by Section 10.5(a) through (l), inclusive.

"Consolidated Total Assets" means the sum of the assets of the Company and its Subsidiaries determined on a consolidated basis in accordance with GAAP, as shown in the most recent consolidated financial statements published by the Company and its Subsidiaries.

"Consolidated Total Capital" means at any time with respect to the Company, the sum of (x) Consolidated Indebtedness plus (y) consolidated stockholders' equity of the Company and its consolidated Subsidiaries, in each case determined at such date; provided that any accumulated other comprehensive income and loss and, without duplication, any non-cash effects resulting from the application of Accounting Standards Codification 715 and any non-recurring non-cash charges and any non-recurring non-cash gains will be excluded.

Indebtedness with respect to any Person means, at any time, without duplication, (a) all indebtedness of such Person for borrowed money, (b) all obligations of such Person for the deferred purchase price of property or services (other than trade payables incurred in the ordinary course of such Person's business), (c) all obligations of such Person evidenced by notes, bonds, debentures or other similar instruments, (d) all obligations of such Person created or arising under any conditional sale or other title retention agreement with respect to property acquired by such Person (even though the rights and

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III-F-3 (Continued)

remedies of the seller or lender under such agreement in the event of default are limited to repossession or sale of such property), (e) all obligations of such Person as lessee under leases that have been or should be, in accordance with GAAP, recorded as capital leases, (f) all non-contingent obligations of such Person in respect of acceptances, letters of credit or similar extensions of credit, (g) all Indebtedness of others referred to in clauses (a) through (f) above or clause (h) below (collectively, "Guaranteed Debt") guaranteed directly or indirectly in any manner by such Person, or in effect guaranteed directly or indirectly by such Person through an agreement (1) to pay or purchase such Guaranteed Debt or to advance or supply funds for the payment or purchase of such Guaranteed Debt, (2) to purchase, sell or lease (as lessee or lessor) property, or to purchase or sell services, primarily for the purpose of enabling the debtor to make payment of such Guaranteed Debt or to assure the holder of such Guaranteed Debt against loss, (3) to supply funds to or in any other manner invest in the debtor (including any agreement to pay for property or services irrespective of whether such property is received or such services are rendered) or (4) otherwise to assure a creditor against loss, and (h) all Indebtedness referred to in clauses (a) through (g) above (including Guaranteed Debt) secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) any Lien on property (including, without limitation, accounts and contract rights) owned by such Person, even though such Person has not assumed or become liable for the payment of such Indebtedness.

The Company's revolving credit agreement and term loan also contain a covenant requiring the Company to maintain a ratio of Consolidated Debt to Consolidated Total Capital of not greater than 0.65 to 1.00 as of the end of any fiscal quarter.

"Consolidated Debt" means, with respect to the Borrower, at any date, the Debt (other than Non-recourse Debt) of the Borrower and its Consolidated Subsidiaries, determined on a consolidated basis as of such date.

"Consolidated Total Capital" means, with respect to the Borrower, at any date, the sum of (x) Consolidated Debt plus (y) consolidated stockholders' equity of the Borrower and its Consolidated Subsidiaries, in each case determined at such date; provided that any accumulated other comprehensive income and loss and, without duplication, any non-cash effects resulting from the application of Accounting Standards Codification 715 will be excluded.

Please see Attachment III-F-3 for a copy of the covenant calculations for the period ended September 30, 2022.

Prepared by or under the supervision of: Vivian K. Ressler

**UGI UTILITIES, INC.**  
**NOTE PURCHASE AGREEMENT**  
**Dated as of June 30, 2022**  
**Computations pursuant to Section 10.6**  
**as of September 30, 2022**  
**(Dollar amounts in thousands)**

## Section

10.6(a):Leverage Ratio. The Company will maintain a ratio of Consolidated Indebtedness to Consolidated Total Capital of not greater than 0.65 to 1.00

## Consolidated Debt

Current maturities of long term debt	6,250	
Capital lease obligations	415	
Bank loans	151,000	
Long term debt	1,447,719	1,605,384

## Consolidated Total Capital

Consolidated debt	1,605,384	
Consolidated stockholder's equity	1,638,172	
Less: Accumulated other comprehensive income (loss)	(16,648)	3,260,204

Consolidated Debt / Consolidated Total Capital 49%

Maximum Allowable ratio of Consolidated Debt to Consolidated Total Capital 65%

Below Covenant Threshold 16%

## Section

10.6(b):Priority Debt Ratio. The Company will not at any time permit Consolidated Priority Debt to exceed 10% of Consolidated Total Assets.

Consolidated Priority Debt	-
Consolidated Total Assets	4,471,000

Consolidated Priority Debt / Consolidated Total Assets 0%

Maximum Allowable ratio of Consolidated Debt to Consolidated Total Capital 10%

Below Covenant Threshold 10%

**UGI UTILITIES, INC.**  
**PNC BANK, N. A.**  
**CREDIT AGREEMENT**  
**Dated as of June 27, 2019**  
**Computations pursuant to Section 5.03**  
**as of September 30, 2022**  
**(Dollar amounts in thousands)**

## Section

5.03 Financial Covenant. So long as any Advance shall remain unpaid, any Letter of Credit shall remain outstanding, any other amount shall remain unpaid hereunder or under any Note or any Lender shall have any Commitment hereunder, the Borrower will maintain a ratio of Consolidated Debt to the Consolidated Total Capital of not greater than 0.65:1.00 as of the end of any fiscal quarter.

Consolidated Debt			
Current maturities of long term debt		6,250	
Capital lease obligations		415	
Bank loans		151,000	
Long term debt		1,447,719	1,605,384
Consolidated Total Capital			
Consolidated debt		1,605,384	
Consolidated stockholder's equity		1,638,172	
Less: Accumulated other comprehensive income (loss)		(16,648)	3,260,204
Consolidated Debt / Consolidated Total Capital			49%
Maximum Allowable ratio of Consolidated Debt to Consolidated Total Capital			65%
Below Covenant Threshold			16%

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III-F-4

Request:

A schedule of comparative financial data shall be supplied for the test year, the most immediately available annual historical period, prior to the test year, and the 2 calendar years most immediately preceding the test year. Changes in Moody's/S&P ratings, noted on this schedule, shall be accompanied by the Moody's/S&P writeup of such change, if available. The following financial data and ratios shall be supplied for the utility's parent, where applicable, if not available for the utility.

- a. Times interest earned ratio—pre-tax and post-tax basis.
- b. Preferred stock dividend coverage ratio—post-tax basis.
- c. Times fixed charges earned ratio—pre-tax basis.
- d. Earnings per share.
- e. Dividend per share.
- f. Average dividend yield (52-week high/low common stock price).
- g. Average book value per share.
- h. Average market price per share.
- i. Market price-book value ratio.
- j. Earnings-book value ratio (per share basis, average book value).
- k. Dividend payout ratio.
- l. AFUDC as a % of earnings available for common equity.
- m. Construction work in progress as a % of net utility plant.
- n. Effective income tax rate.
- o. Internal cash generations as a % of total capital requirements.

Response:

Please see Attachment III-F-4.1 for financial data responses related to a-o above.

There were no changes in UGI Utilities Inc.'s ratings from credit rating agencies from 2020 – November 2022. In December 2022, Moody's changed the credit rating for UGI Utilities, Inc.'s senior unsecured debt from A2 to A3. See the writeup of this change at Attachment III-F-4.2.



**UGI Utilities, Inc. - Electric Division**  
**Select Financial Data for UGI Utilities, Inc. - Consolidated**  
**For the Years Ended September 30,**

<u>Description/Purpose</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
a. Times interest earned ratio - pre-tax	4.20	4.42	5.26	4.72	4.74
Times interest earned ratio - post-tax	3.50	3.64	4.37	3.82	3.87
b. Preferred stock dividend coverage ratio - post tax basis	N/A	N/A	N/A	N/A	N/A
c. Times fixed charges earned ratio - pre-tax basis	4.17	4.38	5.21	4.68	4.69
d. Earnings per share - diluted	(a) 2.54	6.92	(d) 4.97	(b)	(b)
e. Dividend per share	(a) 1.310	1.350	1.410	(b)	(b)
f. Average dividend yield (52 week high/low common stock price)	(a) 3.63%	5.61%	3.56%	(c)	(c)
g. Average book value per share	(a) 20.37	22.91	27.12	(c)	(c)
h. Average market price per share	(a) 36.83	41.09	40.72	(c)	(c)
i. Market price-book value ratio	(a) 1.81	1.79	1.50	(c)	(c)
j. Earnings -book value ratio (per share basis, average book value)	(a) 0.125	0.302	(d) 0.183	(c)	(c)
k. Dividend payout ratio	(a) 51.6%	19.5%	28.4%	(b)	(b)
l. AFUDC as a % of earnings available for common equity	0.9%	0.6%	1.1%	2.1%	1.9%
m. Construction work in progress as a % of net utility plant	3.4%	2.5%	3.2%	3.6%	3.3%
n. Effective income tax rate	22.1%	22.8%	21.0%	24.1%	23.1%
o. Internal cash generations as a % of total capital requirements	80.2%	70.1%	57.6%	75.8%	77.6%

(a) Information presented for UGI Corporation, as it is not applicable to UGI Utilities.

(b) Requested data for 2023 and 2024 is confidential since it deals with the release of projected financial information. This information will be provided to the PUC upon the issuance of an appropriate protective order concerning the confidentiality of such information and will be provided to any party to the rate proceeding upon the execution of an agreement with UGI Utilities to hold such information in strict confidence and not disclose it to any person, whether or not a party to the proceeding, who has not executed a similar confidentiality agreement with UGI Utilities.

(c) Requested data for 2023 and 2024 is either unavailable or unpredictable.

(d) UGI Corporation's 2021 EPS included an unusual gain of \$4.72 per share from commodity derivatives (unrelated to UGI Utilities, Inc.), which distorts the comparability of earnings per share and earnings-book value ratio from year to year. UGI Corporation's 10-K presents an "Adjusted EPS" amount which excludes these commodity gains / losses as well as other unusual adjustments. Adjusted earnings per share and the related adjusted earnings-book value ratio for 2020 - 2022 is shown below. See further details in the 10-K filing of UGI Corporation.

	<u>2020</u>	<u>2021</u>	<u>2022</u>
Adjusted earnings per share	2.67	2.96	2.90
Revised earnings-book value ratio (based on adjusted earnings per share)	0.131	0.129	0.107



## Rating Action: **Moody's downgrades UGI Utilities to A3, outlook stable**

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13 Dec 2022

### **Approximately \$140 million of debt securities affected**

New York, December 13, 2022 – Moody's Investors Service ("Moody's") downgraded UGI Utilities, Inc.'s ("UGI Utilities") senior unsecured rating to A3 from A2 and changed its outlook to stable from negative.

#### RATINGS RATIONALE

"The downgrade reflects Moody's expectation that UGI Utilities' financial metrics will be constrained by higher debt to fund elevated capital expenditures and considers higher UGI Corporation (UGI, not rated) family credit risk" stated Nana Hamilton, VP-Senior Analyst. "This additional credit risk emanates from its lower rated non-utility businesses and approximately \$1 billion of parent debt incurred to support acquisitions in recent years," added Hamilton.

UGI Utilities' ratio of operating cash flow excluding changes in working capital (CFO pre-WC) to debt over the last three years has been at the very low end of the expectations Moody's has articulated for it to maintain its previous A2 rating. Averaging 20.4% from 2019 through 2021, the ratio was below that of most A2 rated LDC peers and significantly below the company's historical, pre-tax reform three-year average of 26.3%. Despite a strong financial performance in 2022, we see the utility's CFO pre-WC to debt ratio remaining around 20% in 2023 and beyond as debt increases to finance an elevated capital expenditure program. We expect capital expenditures to be around \$500 million annually over the next three years, compared to an annual average of about \$370 million from 2019 to 2021.

In addition, parent company UGI's propane retailing, energy services, and midstream and marketing businesses have a significantly higher risk profile than UGI Utilities and some have been facing recent headwinds. While financial challenges at UGI subsidiary UGI International, LLC's (Ba2 stable) European energy marketing business have thus far had no direct negative impact on the utility, they highlight the potential for contagion risk in the event of financial distress at UGI or one of its other subsidiaries.

Furthermore, parent UGI has introduced parent company debt into the organization's capital structure over the last few years. While it had no parent level debt prior to 2019, this has risen to about 15% of total consolidated company debt by the end of its fiscal 2022. This debt was incurred to finance acquisitions in both 2019 and 2021. With no ringfencing provisions in place to protect the utility should the parent change its financial policies, make additional acquisitions, or continue to add debt, the utility's credit quality could be adversely affected going forward. We note that over the last year, the overall credit quality of the UGI family has declined with the downgrades of AmeriGas Partners, L.P. (Ba3 stable) in January 2022 and UGI International on 12 December 2022.

The A3 rating and stable outlook of UGI Utilities are based on our expectation that management

will continue to insulate the utility from UGI's other businesses, that there will be no further credit deterioration at these businesses and that no additional debt will be added at the parent company level. They also consider the attractive organic growth opportunities in the utility's service territory, which is in Pennsylvania's Marcellus shale region, and a credit supportive regulatory environment in Pennsylvania as demonstrated by UGI Utilities' recent rate case outcome.

On 15 September, the Pennsylvania Public Utility Commission (PAPUC) approved UGI Utilities' gas distribution rate case settlement to implement a \$49.5 million, two-step rate increase, relative to the \$82.7 million rate increase sought by the utility. The company was authorized to implement a \$38 million rate increase, effective 29 October 2022, and an incremental \$11.5 million increase to effective 1 October 2023. Positively, the settlement included a weather normalization adjustment rider under a 5-year pilot program, which should help to reduce revenue volatility.

Our credit rating on UGI Utilities continues to be predicated on the high degree of separation between it and its riskier affiliates, both in terms of legal organization, financing arrangements and by the additional layer of protection provided by PAPUC regulatory oversight. UGI Utilities has historically paid a conservative level of dividends to UGI and we expect the utility to continue to pay little to no dividends to UGI while it executes its significant capital program.

## Outlook

UGI Utilities' stable outlook reflects our expectation that the company will maintain a CFO pre-WC to debt ratio above 19%. The outlook further assumes that the company will continue to maintain a constructive relationship with the PAPUC and benefit from credit supportive regulation, that a high degree of operational and financial separation will be maintained between the utility and its riskier affiliates, that the credit quality of UGI's other businesses will not deteriorate further and that UGI's growth and financing plans will not lead to higher holding company level debt.

## FACTORS THAT COULD LEAD TO AN UPGRADE OR DOWNGRADE OF THE RATINGS

### Factors that could lead to an upgrade

UGI Utilities' rating could be upgraded if the company produces stronger financial metrics, including CFO pre-WC to debt consistently above 22%, if there is a material reduction in debt at the UGI level and if the credit quality of UGI's other subsidiaries improves.

### Factors that could lead to a downgrade

A downgrade could be considered if we expect the utility to maintain a ratio of CFO pre-WC to debt below 19%, if dividends from the utility to the parent increase materially, if UGI's growth and financing plans result in higher holding company debt or otherwise elevated credit risk, if the credit quality of UGI's non-utility subsidiaries deteriorate further or if the Pennsylvania regulatory environment becomes less credit supportive.

### Downgrades:

..Issuer: UGI Utilities, Inc.

....Senior Unsecured Medium-Term Note Program, Downgraded to (P)A3 from (P)A2

....Senior Unsecured Regular Bond/Debenture, Downgraded to A3 from A2

## Outlook Actions:

..Issuer: UGI Utilities, Inc.

....Outlook, Changed To Stable From Negative

UGI Utilities, Inc. is a rate regulated natural gas and electric utility serving over 678,000 gas customers throughout Pennsylvania (as well as several hundred customers in one county in Maryland) and about 62,600 electric customers in northeastern Pennsylvania. UGI Utilities' gas operations under UGI Gas account for substantially all the utility's operating income. UGI Utilities also has an electric utility (UGI Electric) which accounts for only about 3% of operating income.

The principal methodology used in these ratings was Regulated Electric and Gas Utilities published in June 2017 and available at <https://ratings.moodys.com/api/rmc-documents/68547>. Alternatively, please see the Rating Methodologies page on <https://ratings.moodys.com> for a copy of this methodology.

## REGULATORY DISCLOSURES

For further specification of Moody's key rating assumptions and sensitivity analysis, see the sections Methodology Assumptions and Sensitivity to Assumptions in the disclosure form. Moody's Rating Symbols and Definitions can be found on <https://ratings.moodys.com/rating-definitions>.

For ratings issued on a program, series, category/class of debt or security this announcement provides certain regulatory disclosures in relation to each rating of a subsequently issued bond or note of the same series, category/class of debt, security or pursuant to a program for which the ratings are derived exclusively from existing ratings in accordance with Moody's rating practices. For ratings issued on a support provider, this announcement provides certain regulatory disclosures in relation to the credit rating action on the support provider and in relation to each particular credit rating action for securities that derive their credit ratings from the support provider's credit rating. For provisional ratings, this announcement provides certain regulatory disclosures in relation to the provisional rating assigned, and in relation to a definitive rating that may be assigned subsequent to the final issuance of the debt, in each case where the transaction structure and terms have not changed prior to the assignment of the definitive rating in a manner that would have affected the rating. For further information please see the issuer/ deal page for the respective issuer on <https://ratings.moodys.com>.

For any affected securities or rated entities receiving direct credit support from the primary entity(ies) of this credit rating action, and whose ratings may change as a result of this credit rating action, the associated regulatory disclosures will be those of the guarantor entity. Exceptions to this approach exist for the following disclosures, if applicable to jurisdiction: Ancillary Services, Disclosure to rated entity, Disclosure from rated entity.

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## **IV. RATE STRUCTURE & COST ALLOCATION**

UGI Utilities, Inc. - Electric Division  
Docket No. R-2022-3037368  
UGI Electric 2023 Base Rate Case  
Responses to Section 53.53 - IV-A - Summary of Individual Rate Effects  
Delivered on January 27, 2023

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IV-A-1

Request:

Provide a summary schedule of the individual rate effects. For each state jurisdictional rate, show the following information for the test period elected:

1. Rate schedule designation.
2. For existing rates:
  - a. Customers served as of end of period.
  - b. Annual Kwh sales.
  - c. Base rate revenues adjusted for any changes in base rate application that may have occurred during the test period.
  - d. Tax surcharge revenues.
  - e. Energy Cost adjustment clause revenues.
  - f. Revenues received from other clauses or riders separately accounted for.
  - g. Total of all revenues.
3. For proposed rates:
  - a. Estimated number of customers whose charges for electric service will be increased Or decreased as a result of this filing.
  - b. Base rate revenues:
    1. Annual dollar amount of increase or decrease.
    2. Percentage change.
  - c. Estimated tax surcharge revenues based on the assumption that the base rate changes proposed were in place.
  - d. Estimated Energy cost adjustment clause revenues.
  - e. Revenues received from other clauses or riders separately accounted for.
  - f. Total of all revenues:
    1. Amount of total annual dollar change.
    2. Percentage change.
4. Supplement the revenue summary to obtain a complete revenue statement of the electric business, that is, show delayed payments, other electric revenues, FERC jurisdictional sales and revenues and all other appropriate revenue items and adjustments.

UGI Utilities, Inc. - Electric Division  
Docket No. R-2022-3037368  
UGI Electric 2023 Base Rate Case  
Responses to Section 53.53 - IV-A - Summary of Individual Rate Effects  
Delivered on January 27, 2023

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IV-A-1 (Continued)

5. Develop the grand total showing total sales and revenues as adjusted and the various increases and decreases and percent effects as described above.

Response:

Please see UGI Electric Exhibit E - Proof of Revenue and the Direct Testimony of Sherry A. Epler, UGI Electric Statement No. 10.

Prepared by or under the supervision of: Christopher R. Brown

UGI Utilities, Inc. - Electric Division  
Docket No. R-2022-3037368  
UGI Electric 2023 Base Rate Case  
Responses to Section 53.53 - IV-B - Description of Proposed Rate Changes  
Delivered on January 27, 2023

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IV-B-1

Request:

Provide a description of changes proposed for the new tariff:

1. For each rate schedule proposed to be modified.
2. For each rate schedule proposed to be deleted.
3. For each new rate schedule proposed to be added.

Response:

Please see UGI Electric Exhibit F - Current Tariff, UGI Electric Exhibit F - Proposed Supplement No. 51 to UGI Electric Tariff - Pa P.U.C. No. 6 and Proposed Supplement No. 7 to UGI Electric Tariff - Pa P.U.C. No. 2S, as well as the Direct Testimony of Eric W. Sorber, UGI Electric Statement No. 4, the Direct Testimony of John D. Taylor, UGI Electric Statement No. 6, and the Direct Testimony of Sherry A. Epler, UGI Electric Statement No. 10.

Prepared by or under the supervision of: Christopher R. Brown

UGI Utilities, Inc. - Electric Division  
Docket No. R-2022-3037368  
UGI Electric 2023 Base Rate Case  
Responses to Section 53.53 - IV-C - Revenue Effects and Billing  
Analyses for Changed Rates  
Delivered on January 27, 2023

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IV-C-1

Request:

The annual revenue effect of any proposed change to any rate must be supported by a billing analysis. This may consist of the use of bill frequency distributions or individual customer billing records for the most recent annual periods available. All billing determinants should be displayed. The blocking and corresponding prices of the existing rate and the proposed rate should be applied to the determinants to derive the base rate revenues under both present and proposed rates. The derived base rate revenues should form the basis for measuring the annual base rate effect of the rates in question for the test periods.

Response:

Please see Attachment IV-C-1 on USB flash drive for the calculation of the revenue effect of the rate change on the various rate classes.

Prepared by or under the supervision of: Sherry A. Epler

UGI Utilities, Inc. - Electric Division  
Docket No. R-2022-3037368  
UGI Electric 2023 Base Rate Case  
Responses to Section 53.53 - IV-D - Monthly Billing Effect Charts and Data  
Delivered on January 27, 2023

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IV-D-1

Request:

The effects of the proposed rates on monthly billing conditions should be provided as follows:

1. Residential Bill Comparisons

For each rate applicable to residential service provide a chart or tabulation which shows the dollar and percentage effect of the proposed base rate on monthly bills ranging from the use of zero kWh to 5,000 kWh at appropriate intervals.

2. General Bill Comparisons

For each rate that requires both a billing demand (kW) and kWh's as the billing determinants, provide a tabulation or graphical comparison showing the percentage effect of the proposed base rate on monthly bills using several representative demand (kW) levels, the monthly kWh for each demand selected to be in load factor increments of 10% starting at 0% and ending at 100% (730H) or by hours' use increments that covers approximately 95% of the bills.

Response:

Please see Attachment IV-D-1.

Prepared by or under the supervision of: Christopher R. Brown

UGI Utilities, Inc. - Electric Division  
 Monthly Bill Comparison  
 Rate R

kWh	Current Rates	Proposed Rates	\$	%
	Monthly Bill	Monthly Bill	Change	Change
-	\$ 9.98	\$ 13.50	\$ 3.52	35.3%
50	\$ 19.11	\$ 23.32	\$ 4.21	22.0%
100	\$ 28.25	\$ 33.15	\$ 4.89	17.3%
150	\$ 37.39	\$ 42.97	\$ 5.58	14.9%
200	\$ 46.53	\$ 52.79	\$ 6.26	13.5%
250	\$ 55.67	\$ 62.62	\$ 6.95	12.5%
300	\$ 64.80	\$ 72.44	\$ 7.64	11.8%
350	\$ 73.94	\$ 82.26	\$ 8.32	11.3%
400	\$ 83.08	\$ 92.08	\$ 9.01	10.8%
450	\$ 92.22	\$ 101.91	\$ 9.69	10.5%
500	\$ 101.35	\$ 111.73	\$ 10.38	10.2%
550	\$ 110.49	\$ 121.55	\$ 11.06	10.0%
600	\$ 119.63	\$ 131.38	\$ 11.75	9.8%
650	\$ 128.77	\$ 141.20	\$ 12.43	9.7%
700	\$ 137.91	\$ 151.02	\$ 13.12	9.5%
750	\$ 147.04	\$ 160.85	\$ 13.80	9.4%
800	\$ 156.18	\$ 170.67	\$ 14.49	9.3%
850	\$ 165.32	\$ 180.49	\$ 15.17	9.2%
900	\$ 174.46	\$ 190.31	\$ 15.86	9.1%
950	\$ 183.59	\$ 200.14	\$ 16.54	9.0%
1,000	\$ 192.73	\$ 209.96	\$ 17.23	8.9%
1,050	\$ 201.87	\$ 219.78	\$ 17.91	8.9%
1,100	\$ 211.01	\$ 229.61	\$ 18.60	8.8%
1,150	\$ 220.15	\$ 239.43	\$ 19.28	8.8%
1,200	\$ 229.28	\$ 249.25	\$ 19.97	8.7%
1,250	\$ 238.42	\$ 259.08	\$ 20.65	8.7%
1,300	\$ 247.56	\$ 268.90	\$ 21.34	8.6%
1,350	\$ 256.70	\$ 278.72	\$ 22.02	8.6%
1,400	\$ 265.83	\$ 288.54	\$ 22.71	8.5%
1,450	\$ 274.97	\$ 298.37	\$ 23.39	8.5%
1,500	\$ 284.11	\$ 308.19	\$ 24.08	8.5%
1,550	\$ 293.25	\$ 318.01	\$ 24.76	8.4%
1,600	\$ 302.39	\$ 327.84	\$ 25.45	8.4%
1,650	\$ 311.52	\$ 337.66	\$ 26.14	8.4%
1,700	\$ 320.66	\$ 347.48	\$ 26.82	8.4%
1,750	\$ 329.80	\$ 357.31	\$ 27.51	8.3%
1,800	\$ 338.94	\$ 367.13	\$ 28.19	8.3%
1,850	\$ 348.08	\$ 376.95	\$ 28.88	8.3%
1,900	\$ 357.21	\$ 386.77	\$ 29.56	8.3%
1,950	\$ 366.35	\$ 396.60	\$ 30.25	8.3%
2,000	\$ 375.49	\$ 406.42	\$ 30.93	8.2%

UGI Utilities, Inc. - Electric Division  
 Monthly Bill Comparison  
 Rate R

kWh	Current Rates	Proposed Rates	\$	%
	Monthly Bill	Monthly Bill	Change	Change
2,050	\$ 384.63	\$ 416.24	\$ 31.62	8.2%
2,100	\$ 393.76	\$ 426.07	\$ 32.30	8.2%
2,150	\$ 402.90	\$ 435.89	\$ 32.99	8.2%
2,200	\$ 412.04	\$ 445.71	\$ 33.67	8.2%
2,250	\$ 421.18	\$ 455.54	\$ 34.36	8.2%
2,300	\$ 430.32	\$ 465.36	\$ 35.04	8.1%
2,350	\$ 439.45	\$ 475.18	\$ 35.73	8.1%
2,400	\$ 448.59	\$ 485.00	\$ 36.41	8.1%
2,450	\$ 457.73	\$ 494.83	\$ 37.10	8.1%
2,500	\$ 466.87	\$ 504.65	\$ 37.78	8.1%
2,550	\$ 476.00	\$ 514.47	\$ 38.47	8.1%
2,600	\$ 485.14	\$ 524.30	\$ 39.15	8.1%
2,650	\$ 494.28	\$ 534.12	\$ 39.84	8.1%
2,700	\$ 503.42	\$ 543.94	\$ 40.52	8.0%
2,750	\$ 512.56	\$ 553.77	\$ 41.21	8.0%
2,800	\$ 521.69	\$ 563.59	\$ 41.89	8.0%
2,850	\$ 530.83	\$ 573.41	\$ 42.58	8.0%
2,900	\$ 539.97	\$ 583.23	\$ 43.26	8.0%
2,950	\$ 549.11	\$ 593.06	\$ 43.95	8.0%
3,000	\$ 558.24	\$ 602.88	\$ 44.64	8.0%
3,050	\$ 567.38	\$ 612.70	\$ 45.32	8.0%
3,100	\$ 576.52	\$ 622.53	\$ 46.01	8.0%
3,150	\$ 585.66	\$ 632.35	\$ 46.69	8.0%
3,200	\$ 594.80	\$ 642.17	\$ 47.38	8.0%
3,250	\$ 603.93	\$ 652.00	\$ 48.06	8.0%
3,300	\$ 613.07	\$ 661.82	\$ 48.75	8.0%
3,350	\$ 622.21	\$ 671.64	\$ 49.43	7.9%
3,400	\$ 631.35	\$ 681.46	\$ 50.12	7.9%
3,450	\$ 640.49	\$ 691.29	\$ 50.80	7.9%
3,500	\$ 649.62	\$ 701.11	\$ 51.49	7.9%
3,550	\$ 658.76	\$ 710.93	\$ 52.17	7.9%
3,600	\$ 667.90	\$ 720.76	\$ 52.86	7.9%
3,650	\$ 677.04	\$ 730.58	\$ 53.54	7.9%
3,700	\$ 686.17	\$ 740.40	\$ 54.23	7.9%
3,750	\$ 695.31	\$ 750.23	\$ 54.91	7.9%
3,800	\$ 704.45	\$ 760.05	\$ 55.60	7.9%
3,850	\$ 713.59	\$ 769.87	\$ 56.28	7.9%
3,900	\$ 722.73	\$ 779.69	\$ 56.97	7.9%
3,950	\$ 731.86	\$ 789.52	\$ 57.65	7.9%
4,000	\$ 741.00	\$ 799.34	\$ 58.34	7.9%
4,050	\$ 750.14	\$ 809.16	\$ 59.02	7.9%



UGI Utilities, Inc. - Electric Division  
 Monthly Bill Comparison  
 Rate R

kWh	Current Rates Monthly Bill	Proposed Rates Monthly Bill	\$ Change	% Change
4,100	\$ 759.28	\$ 818.99	\$ 59.71	7.9%
4,150	\$ 768.41	\$ 828.81	\$ 60.39	7.9%
4,200	\$ 777.55	\$ 838.63	\$ 61.08	7.9%
4,250	\$ 786.69	\$ 848.46	\$ 61.76	7.9%
4,300	\$ 795.83	\$ 858.28	\$ 62.45	7.8%
4,350	\$ 804.97	\$ 868.10	\$ 63.14	7.8%
4,400	\$ 814.10	\$ 877.92	\$ 63.82	7.8%
4,450	\$ 823.24	\$ 887.75	\$ 64.51	7.8%
4,500	\$ 832.38	\$ 897.57	\$ 65.19	7.8%
4,550	\$ 841.52	\$ 907.39	\$ 65.88	7.8%
4,600	\$ 850.65	\$ 917.22	\$ 66.56	7.8%
4,650	\$ 859.79	\$ 927.04	\$ 67.25	7.8%
4,700	\$ 868.93	\$ 936.86	\$ 67.93	7.8%
4,750	\$ 878.07	\$ 946.69	\$ 68.62	7.8%
4,800	\$ 887.21	\$ 956.51	\$ 69.30	7.8%
4,850	\$ 896.34	\$ 966.33	\$ 69.99	7.8%
4,900	\$ 905.48	\$ 976.15	\$ 70.67	7.8%
4,950	\$ 914.62	\$ 985.98	\$ 71.36	7.8%
5,000	\$ 923.76	\$ 995.80	\$ 72.04	7.8%

UGI Utilities, Inc. - Electric Division  
 Monthly Bill Comparison  
 Rate GS1

kWh	Current Rates	Proposed Rates	\$	%
	Monthly Bill	Monthly Bill	Change	Change
-	\$ 13.65	\$ 14.00	\$ 0.35	2.6%
50	\$ 22.92	\$ 24.32	\$ 1.40	6.1%
100	\$ 32.19	\$ 34.65	\$ 2.46	7.6%
150	\$ 41.46	\$ 44.97	\$ 3.51	8.5%
200	\$ 50.73	\$ 55.30	\$ 4.56	9.0%
250	\$ 60.00	\$ 65.62	\$ 5.62	9.4%
300	\$ 69.28	\$ 75.95	\$ 6.67	9.6%
350	\$ 78.55	\$ 86.27	\$ 7.73	9.8%
400	\$ 87.82	\$ 96.60	\$ 8.78	10.0%
450	\$ 97.09	\$ 106.92	\$ 9.83	10.1%
500	\$ 106.36	\$ 117.25	\$ 10.89	10.2%
550	\$ 115.63	\$ 127.57	\$ 11.94	10.3%
600	\$ 124.90	\$ 137.89	\$ 12.99	10.4%
650	\$ 134.17	\$ 148.22	\$ 14.05	10.5%
700	\$ 143.44	\$ 158.54	\$ 15.10	10.5%
750	\$ 152.71	\$ 168.87	\$ 16.16	10.6%
800	\$ 161.98	\$ 179.19	\$ 17.21	10.6%
850	\$ 171.25	\$ 189.52	\$ 18.26	10.7%
900	\$ 180.52	\$ 199.84	\$ 19.32	10.7%
950	\$ 189.79	\$ 210.17	\$ 20.37	10.7%
1,000	\$ 199.06	\$ 220.49	\$ 21.43	10.8%
1,050	\$ 208.34	\$ 230.81	\$ 22.48	10.8%
1,100	\$ 217.61	\$ 241.14	\$ 23.53	10.8%
1,150	\$ 226.88	\$ 251.46	\$ 24.59	10.8%
1,200	\$ 236.15	\$ 261.79	\$ 25.64	10.9%
1,250	\$ 245.42	\$ 272.11	\$ 26.69	10.9%
1,300	\$ 254.69	\$ 282.44	\$ 27.75	10.9%
1,350	\$ 263.96	\$ 292.76	\$ 28.80	10.9%
1,400	\$ 273.23	\$ 303.09	\$ 29.86	10.9%
1,450	\$ 282.50	\$ 313.41	\$ 30.91	10.9%
1,500	\$ 291.77	\$ 323.74	\$ 31.96	11.0%
1,550	\$ 301.04	\$ 334.06	\$ 33.02	11.0%
1,600	\$ 310.31	\$ 344.38	\$ 34.07	11.0%
1,650	\$ 319.58	\$ 354.71	\$ 35.13	11.0%
1,700	\$ 328.85	\$ 365.03	\$ 36.18	11.0%
1,750	\$ 338.12	\$ 375.36	\$ 37.23	11.0%
1,800	\$ 347.39	\$ 385.68	\$ 38.29	11.0%
1,850	\$ 356.67	\$ 396.01	\$ 39.34	11.0%
1,900	\$ 365.94	\$ 406.33	\$ 40.39	11.0%
1,950	\$ 375.21	\$ 416.66	\$ 41.45	11.0%
2,000	\$ 384.48	\$ 426.98	\$ 42.50	11.1%

UGI Utilities, Inc. - Electric Division  
 Monthly Bill Comparison  
 Rate GS1

kWh	Current Rates	Proposed Rates	\$	%
	Monthly Bill	Monthly Bill	Change	Change
2,050	\$ 393.75	\$ 437.30	\$ 43.56	11.1%
2,100	\$ 403.02	\$ 447.63	\$ 44.61	11.1%
2,150	\$ 412.29	\$ 457.95	\$ 45.66	11.1%
2,200	\$ 421.56	\$ 468.28	\$ 46.72	11.1%
2,250	\$ 430.83	\$ 478.60	\$ 47.77	11.1%
2,300	\$ 440.10	\$ 488.93	\$ 48.83	11.1%
2,350	\$ 449.37	\$ 499.25	\$ 49.88	11.1%
2,400	\$ 458.64	\$ 509.58	\$ 50.93	11.1%
2,450	\$ 467.91	\$ 519.90	\$ 51.99	11.1%
2,500	\$ 477.18	\$ 530.23	\$ 53.04	11.1%
2,550	\$ 486.45	\$ 540.55	\$ 54.09	11.1%
2,600	\$ 495.73	\$ 550.87	\$ 55.15	11.1%
2,650	\$ 505.00	\$ 561.20	\$ 56.20	11.1%
2,700	\$ 514.27	\$ 571.52	\$ 57.26	11.1%
2,750	\$ 523.54	\$ 581.85	\$ 58.31	11.1%
2,800	\$ 532.81	\$ 592.17	\$ 59.36	11.1%
2,850	\$ 542.08	\$ 602.50	\$ 60.42	11.1%
2,900	\$ 551.35	\$ 612.82	\$ 61.47	11.1%
2,950	\$ 560.62	\$ 623.15	\$ 62.53	11.2%
3,000	\$ 569.89	\$ 633.47	\$ 63.58	11.2%
3,050	\$ 579.16	\$ 643.79	\$ 64.63	11.2%
3,100	\$ 588.43	\$ 654.12	\$ 65.69	11.2%
3,150	\$ 597.70	\$ 664.44	\$ 66.74	11.2%
3,200	\$ 606.97	\$ 674.77	\$ 67.79	11.2%
3,250	\$ 616.24	\$ 685.09	\$ 68.85	11.2%
3,300	\$ 625.51	\$ 695.42	\$ 69.90	11.2%
3,350	\$ 634.79	\$ 705.74	\$ 70.96	11.2%
3,400	\$ 644.06	\$ 716.07	\$ 72.01	11.2%
3,450	\$ 653.33	\$ 726.39	\$ 73.06	11.2%
3,500	\$ 662.60	\$ 736.72	\$ 74.12	11.2%
3,550	\$ 671.87	\$ 747.04	\$ 75.17	11.2%
3,600	\$ 681.14	\$ 757.36	\$ 76.23	11.2%
3,650	\$ 690.41	\$ 767.69	\$ 77.28	11.2%
3,700	\$ 699.68	\$ 778.01	\$ 78.33	11.2%
3,750	\$ 708.95	\$ 788.34	\$ 79.39	11.2%
3,800	\$ 718.22	\$ 798.66	\$ 80.44	11.2%
3,850	\$ 727.49	\$ 808.99	\$ 81.49	11.2%
3,900	\$ 736.76	\$ 819.31	\$ 82.55	11.2%
3,950	\$ 746.03	\$ 829.64	\$ 83.60	11.2%
4,000	\$ 755.30	\$ 839.96	\$ 84.66	11.2%
4,050	\$ 764.57	\$ 850.28	\$ 85.71	11.2%

UGI Utilities, Inc. - Electric Division  
 Monthly Bill Comparison  
 Rate GS1

kWh	Current Rates Monthly Bill	Proposed Rates Monthly Bill	\$ Change	% Change
4,100	\$ 773.84	\$ 860.61	\$ 86.76	11.2%
4,150	\$ 783.12	\$ 870.93	\$ 87.82	11.2%
4,200	\$ 792.39	\$ 881.26	\$ 88.87	11.2%
4,250	\$ 801.66	\$ 891.58	\$ 89.93	11.2%
4,300	\$ 810.93	\$ 901.91	\$ 90.98	11.2%
4,350	\$ 820.20	\$ 912.23	\$ 92.03	11.2%
4,400	\$ 829.47	\$ 922.56	\$ 93.09	11.2%
4,450	\$ 838.74	\$ 932.88	\$ 94.14	11.2%
4,500	\$ 848.01	\$ 943.21	\$ 95.19	11.2%
4,550	\$ 857.28	\$ 953.53	\$ 96.25	11.2%
4,600	\$ 866.55	\$ 963.85	\$ 97.30	11.2%
4,650	\$ 875.82	\$ 974.18	\$ 98.36	11.2%
4,700	\$ 885.09	\$ 984.50	\$ 99.41	11.2%
4,750	\$ 894.36	\$ 994.83	\$ 100.46	11.2%
4,800	\$ 903.63	\$ 1,005.15	\$ 101.52	11.2%
4,850	\$ 912.90	\$ 1,015.48	\$ 102.57	11.2%
4,900	\$ 922.18	\$ 1,025.80	\$ 103.63	11.2%
4,950	\$ 931.45	\$ 1,036.13	\$ 104.68	11.2%
5,000	\$ 940.72	\$ 1,046.45	\$ 105.73	11.2%

UGI Utilities, Inc. - Electric Division  
 Monthly Bill Comparison  
 Rate GS5

kWh	Current Rates	Proposed Rates	\$	%
	Monthly Bill	Monthly Bill	Change	Change
-	\$ 9.98	\$ 13.50	\$ 3.52	35.3%
50	\$ 18.51	\$ 22.75	\$ 4.24	22.9%
100	\$ 27.04	\$ 32.00	\$ 4.95	18.3%
150	\$ 35.58	\$ 41.24	\$ 5.67	15.9%
200	\$ 44.11	\$ 50.49	\$ 6.38	14.5%
250	\$ 52.65	\$ 59.74	\$ 7.09	13.5%
300	\$ 61.18	\$ 68.99	\$ 7.81	12.8%
350	\$ 69.71	\$ 78.24	\$ 8.52	12.2%
400	\$ 78.25	\$ 87.48	\$ 9.24	11.8%
450	\$ 86.78	\$ 96.73	\$ 9.95	11.5%
500	\$ 95.32	\$ 105.98	\$ 10.66	11.2%
550	\$ 103.85	\$ 115.23	\$ 11.38	11.0%
600	\$ 112.38	\$ 124.48	\$ 12.09	10.8%
650	\$ 120.92	\$ 133.72	\$ 12.81	10.6%
700	\$ 129.45	\$ 142.97	\$ 13.52	10.4%
750	\$ 137.99	\$ 152.22	\$ 14.23	10.3%
800	\$ 146.52	\$ 161.47	\$ 14.95	10.2%
850	\$ 155.05	\$ 170.72	\$ 15.66	10.1%
900	\$ 163.59	\$ 179.96	\$ 16.38	10.0%
950	\$ 172.12	\$ 189.21	\$ 17.09	9.9%
1,000	\$ 180.66	\$ 198.46	\$ 17.80	9.9%
1,050	\$ 189.19	\$ 207.71	\$ 18.52	9.8%
1,100	\$ 197.72	\$ 216.96	\$ 19.23	9.7%
1,150	\$ 206.26	\$ 226.20	\$ 19.95	9.7%
1,200	\$ 214.79	\$ 235.45	\$ 20.66	9.6%
1,250	\$ 223.33	\$ 244.70	\$ 21.37	9.6%
1,300	\$ 231.86	\$ 253.95	\$ 22.09	9.5%
1,350	\$ 240.39	\$ 263.20	\$ 22.80	9.5%
1,400	\$ 248.93	\$ 272.44	\$ 23.52	9.4%
1,450	\$ 257.46	\$ 281.69	\$ 24.23	9.4%
1,500	\$ 266.00	\$ 290.94	\$ 24.94	9.4%
1,550	\$ 274.53	\$ 300.19	\$ 25.66	9.3%
1,600	\$ 283.06	\$ 309.44	\$ 26.37	9.3%
1,650	\$ 291.60	\$ 318.68	\$ 27.09	9.3%
1,700	\$ 300.13	\$ 327.93	\$ 27.80	9.3%
1,750	\$ 308.67	\$ 337.18	\$ 28.51	9.2%
1,800	\$ 317.20	\$ 346.43	\$ 29.23	9.2%
1,850	\$ 325.73	\$ 355.68	\$ 29.94	9.2%
1,900	\$ 334.27	\$ 364.92	\$ 30.66	9.2%
1,950	\$ 342.80	\$ 374.17	\$ 31.37	9.2%
2,000	\$ 351.34	\$ 383.42	\$ 32.08	9.1%

UGI Utilities, Inc. - Electric Division  
 Monthly Bill Comparison  
 Rate GS5

kWh	Current Rates	Proposed Rates	\$	%
	Monthly Bill	Monthly Bill	Change	Change
2,050	\$ 359.87	\$ 392.67	\$ 32.80	9.1%
2,100	\$ 368.40	\$ 401.92	\$ 33.51	9.1%
2,150	\$ 376.94	\$ 411.16	\$ 34.23	9.1%
2,200	\$ 385.47	\$ 420.41	\$ 34.94	9.1%
2,250	\$ 394.01	\$ 429.66	\$ 35.65	9.0%
2,300	\$ 402.54	\$ 438.91	\$ 36.37	9.0%
2,350	\$ 411.07	\$ 448.16	\$ 37.08	9.0%
2,400	\$ 419.61	\$ 457.40	\$ 37.80	9.0%
2,450	\$ 428.14	\$ 466.65	\$ 38.51	9.0%
2,500	\$ 436.68	\$ 475.90	\$ 39.22	9.0%
2,550	\$ 445.21	\$ 485.15	\$ 39.94	9.0%
2,600	\$ 453.74	\$ 494.40	\$ 40.65	9.0%
2,650	\$ 462.28	\$ 503.64	\$ 41.37	8.9%
2,700	\$ 470.81	\$ 512.89	\$ 42.08	8.9%
2,750	\$ 479.35	\$ 522.14	\$ 42.79	8.9%
2,800	\$ 487.88	\$ 531.39	\$ 43.51	8.9%
2,850	\$ 496.41	\$ 540.64	\$ 44.22	8.9%
2,900	\$ 504.95	\$ 549.88	\$ 44.94	8.9%
2,950	\$ 513.48	\$ 559.13	\$ 45.65	8.9%
3,000	\$ 522.02	\$ 568.38	\$ 46.36	8.9%
3,050	\$ 530.55	\$ 577.63	\$ 47.08	8.9%
3,100	\$ 539.08	\$ 586.88	\$ 47.79	8.9%
3,150	\$ 547.62	\$ 596.12	\$ 48.51	8.9%
3,200	\$ 556.15	\$ 605.37	\$ 49.22	8.9%
3,250	\$ 564.69	\$ 614.62	\$ 49.93	8.8%
3,300	\$ 573.22	\$ 623.87	\$ 50.65	8.8%
3,350	\$ 581.75	\$ 633.12	\$ 51.36	8.8%
3,400	\$ 590.29	\$ 642.36	\$ 52.08	8.8%
3,450	\$ 598.82	\$ 651.61	\$ 52.79	8.8%
3,500	\$ 607.36	\$ 660.86	\$ 53.50	8.8%
3,550	\$ 615.89	\$ 670.11	\$ 54.22	8.8%
3,600	\$ 624.42	\$ 679.36	\$ 54.93	8.8%
3,650	\$ 632.96	\$ 688.60	\$ 55.65	8.8%
3,700	\$ 641.49	\$ 697.85	\$ 56.36	8.8%
3,750	\$ 650.03	\$ 707.10	\$ 57.07	8.8%
3,800	\$ 658.56	\$ 716.35	\$ 57.79	8.8%
3,850	\$ 667.09	\$ 725.60	\$ 58.50	8.8%
3,900	\$ 675.63	\$ 734.84	\$ 59.22	8.8%
3,950	\$ 684.16	\$ 744.09	\$ 59.93	8.8%
4,000	\$ 692.70	\$ 753.34	\$ 60.64	8.8%
4,050	\$ 701.23	\$ 762.59	\$ 61.36	8.8%

UGI Utilities, Inc. - Electric Division  
 Monthly Bill Comparison  
 Rate GS5

kWh	Current Rates	Proposed Rates	\$	%
	Monthly Bill	Monthly Bill	Change	Change
4,100	\$ 709.76	\$ 771.84	\$ 62.07	8.7%
4,150	\$ 718.30	\$ 781.08	\$ 62.79	8.7%
4,200	\$ 726.83	\$ 790.33	\$ 63.50	8.7%
4,250	\$ 735.37	\$ 799.58	\$ 64.21	8.7%
4,300	\$ 743.90	\$ 808.83	\$ 64.93	8.7%
4,350	\$ 752.43	\$ 818.08	\$ 65.64	8.7%
4,400	\$ 760.97	\$ 827.32	\$ 66.36	8.7%
4,450	\$ 769.50	\$ 836.57	\$ 67.07	8.7%
4,500	\$ 778.04	\$ 845.82	\$ 67.78	8.7%
4,550	\$ 786.57	\$ 855.07	\$ 68.50	8.7%
4,600	\$ 795.10	\$ 864.32	\$ 69.21	8.7%
4,650	\$ 803.64	\$ 873.56	\$ 69.93	8.7%
4,700	\$ 812.17	\$ 882.81	\$ 70.64	8.7%
4,750	\$ 820.71	\$ 892.06	\$ 71.35	8.7%
4,800	\$ 829.24	\$ 901.31	\$ 72.07	8.7%
4,850	\$ 837.77	\$ 910.56	\$ 72.78	8.7%
4,900	\$ 846.31	\$ 919.80	\$ 73.50	8.7%
4,950	\$ 854.84	\$ 929.05	\$ 74.21	8.7%
5,000	\$ 863.38	\$ 938.30	\$ 74.92	8.7%

UGI Utilities, Inc. - Electric Division  
 Monthly Bill Comparison  
 Rate GS4

Average Demand of 5 kW

Hours Use	Load Factor	kWh	Current Rates Monthly Bill	Proposed Rates Monthly Bill	\$ Change	% Change
-	0.0%	-	\$ 34.60	\$ 32.95	\$ (1.65)	-4.8%
73	10.0%	365	\$ 85.93	\$ 84.62	\$ (1.32)	-1.5%
146	20.0%	730	\$ 137.27	\$ 136.29	\$ (0.98)	-0.7%
219	30.0%	1,095	\$ 187.54	\$ 186.86	\$ (0.68)	-0.4%
292	40.0%	1,460	\$ 234.79	\$ 234.30	\$ (0.49)	-0.2%
365	50.0%	1,825	\$ 282.04	\$ 281.74	\$ (0.29)	-0.1%
438	60.0%	2,190	\$ 329.28	\$ 329.19	\$ (0.10)	0.0%
511	70.0%	2,555	\$ 376.36	\$ 376.45	\$ 0.09	0.0%
584	80.0%	2,920	\$ 422.44	\$ 422.69	\$ 0.25	0.1%
657	90.0%	3,285	\$ 468.53	\$ 468.94	\$ 0.41	0.1%
730	100.0%	3,650	\$ 514.62	\$ 515.19	\$ 0.57	0.1%



UGI Utilities, Inc. - Electric Division  
 Monthly Bill Comparison  
 Rate GS4

Average Demand of 15 kW

Hours Use	Load Factor	kWh	Current Rates Monthly Bill	Proposed Rates Monthly Bill	\$ Change	% Change
-	0.0%	-	\$ 72.30	\$ 68.85	\$ (3.45)	-4.8%
73	10.0%	1,095	\$ 226.30	\$ 223.86	\$ (2.44)	-1.1%
146	20.0%	2,190	\$ 380.30	\$ 378.87	\$ (1.44)	-0.4%
219	30.0%	3,285	\$ 531.12	\$ 530.57	\$ (0.54)	-0.1%
292	40.0%	4,380	\$ 672.86	\$ 672.90	\$ 0.04	0.0%
365	50.0%	5,475	\$ 814.60	\$ 815.23	\$ 0.63	0.1%
438	60.0%	6,570	\$ 956.35	\$ 957.56	\$ 1.21	0.1%
511	70.0%	7,665	\$ 1,097.57	\$ 1,099.35	\$ 1.78	0.2%
584	80.0%	8,760	\$ 1,235.83	\$ 1,238.08	\$ 2.25	0.2%
657	90.0%	9,855	\$ 1,374.09	\$ 1,376.82	\$ 2.73	0.2%
730	100.0%	10,950	\$ 1,512.35	\$ 1,515.56	\$ 3.21	0.2%

UGI Utilities, Inc. - Electric Division  
 Monthly Bill Comparison  
 Rate GS4

Average Demand of 25 kW

Hours Use	Load Factor	kWh	Current Rates Monthly Bill	Proposed Rates Monthly Bill	\$ Change	% Change
-	0.0%	-	\$ 102.70	\$ 97.80	\$ (4.90)	-4.8%
73	10.0%	1,825	\$ 359.37	\$ 356.15	\$ (3.22)	-0.9%
146	20.0%	3,650	\$ 616.04	\$ 614.49	\$ (1.55)	-0.3%
219	30.0%	5,475	\$ 867.39	\$ 867.34	\$ (0.05)	0.0%
292	40.0%	7,300	\$ 1,103.63	\$ 1,104.55	\$ 0.92	0.1%
365	50.0%	9,125	\$ 1,339.87	\$ 1,341.77	\$ 1.89	0.1%
438	60.0%	10,950	\$ 1,576.11	\$ 1,578.98	\$ 2.87	0.2%
511	70.0%	12,775	\$ 1,811.48	\$ 1,815.29	\$ 3.81	0.2%
584	80.0%	14,600	\$ 2,041.91	\$ 2,046.52	\$ 4.61	0.2%
657	90.0%	16,425	\$ 2,272.35	\$ 2,277.75	\$ 5.40	0.2%
730	100.0%	18,250	\$ 2,502.78	\$ 2,508.98	\$ 6.19	0.2%

UGI Utilities, Inc. - Electric Division  
 Monthly Bill Comparison  
 Rate LP

Average Demand of 100 kW

Hours Use	Load Factor	kWh	Current Rates Monthly Bill	Proposed Rates Monthly Bill	\$ Change	% Change
-	0.0%	-	\$ 142.60	\$ 135.80	\$ (6.80)	-4.8%
73	10.0%	7,300	\$ 795.73	\$ 790.46	\$ (5.27)	-0.7%
146	20.0%	14,600	\$ 1,419.35	\$ 1,415.23	\$ (4.12)	-0.3%
219	30.0%	21,900	\$ 2,025.64	\$ 2,022.44	\$ (3.20)	-0.2%
292	40.0%	29,200	\$ 2,631.94	\$ 2,629.66	\$ (2.28)	-0.1%
365	50.0%	36,500	\$ 3,229.01	\$ 3,227.51	\$ (1.50)	0.0%
438	60.0%	43,800	\$ 3,824.96	\$ 3,824.21	\$ (0.75)	0.0%
511	70.0%	51,100	\$ 4,419.89	\$ 4,419.90	\$ 0.02	0.0%
584	80.0%	58,400	\$ 5,009.08	\$ 5,009.89	\$ 0.80	0.0%
657	90.0%	65,700	\$ 5,598.28	\$ 5,599.87	\$ 1.59	0.0%
730	100.0%	73,000	\$ 6,187.48	\$ 6,189.86	\$ 2.38	0.0%

UGI Utilities, Inc. - Electric Division  
 Monthly Bill Comparison  
 Rate LP

Average Demand of 250 kW

Hours Use	Load Factor	kWh	Current Rates Monthly Bill	Proposed Rates Monthly Bill	\$ Change	% Change
-	0.0%	-	\$ 290.67	\$ 276.80	\$ (13.87)	-4.8%
73	10.0%	18,250	\$ 1,923.50	\$ 1,913.46	\$ (10.04)	-0.5%
146	20.0%	36,500	\$ 3,482.54	\$ 3,475.37	\$ (7.17)	-0.2%
219	30.0%	54,750	\$ 4,998.27	\$ 4,993.41	\$ (4.86)	-0.1%
292	40.0%	73,000	\$ 6,514.00	\$ 6,511.44	\$ (2.56)	0.0%
365	50.0%	91,250	\$ 8,006.70	\$ 8,006.08	\$ (0.62)	0.0%
438	60.0%	109,500	\$ 9,496.56	\$ 9,497.83	\$ 1.27	0.0%
511	70.0%	127,750	\$ 10,983.87	\$ 10,987.06	\$ 3.18	0.0%
584	80.0%	146,000	\$ 12,456.87	\$ 12,462.02	\$ 5.15	0.0%
657	90.0%	164,250	\$ 13,929.86	\$ 13,936.99	\$ 7.12	0.1%
730	100.0%	182,500	\$ 15,402.86	\$ 15,411.95	\$ 9.09	0.1%

UGI Utilities, Inc. - Electric Division  
 Monthly Bill Comparison  
 Rate LP

Average Demand of 500 kW

Hours Use	Load Factor	kWh	Current Rates Monthly Bill	Proposed Rates Monthly Bill	\$ Change	% Change
-	0.0%	-	\$ 537.44	\$ 511.80	\$ (25.64)	-4.8%
73	10.0%	36,500	\$ 3,803.10	\$ 3,785.12	\$ (17.98)	-0.5%
146	20.0%	73,000	\$ 6,921.18	\$ 6,908.94	\$ (12.24)	-0.2%
219	30.0%	109,500	\$ 9,952.64	\$ 9,945.01	\$ (7.63)	-0.1%
292	40.0%	146,000	\$ 12,984.11	\$ 12,981.08	\$ (3.03)	0.0%
365	50.0%	182,500	\$ 15,969.50	\$ 15,970.35	\$ 0.85	0.0%
438	60.0%	219,000	\$ 18,949.22	\$ 18,953.86	\$ 4.64	0.0%
511	70.0%	255,500	\$ 21,923.85	\$ 21,932.31	\$ 8.46	0.0%
584	80.0%	292,000	\$ 24,869.84	\$ 24,882.24	\$ 12.40	0.0%
657	90.0%	328,500	\$ 27,815.84	\$ 27,832.17	\$ 16.33	0.1%
730	100.0%	365,000	\$ 30,761.83	\$ 30,782.10	\$ 20.27	0.1%

UGI Utilities, Inc. - Electric Division  
 Monthly Bill Comparison  
 Rate LP

Average Demand of 1,000 kW

Hours Use	Load Factor	kWh	Current Rates Monthly Bill	Proposed Rates Monthly Bill	\$ Change	% Change
-	0.0%	-	\$ 899.73	\$ 856.80	\$ (42.93)	-4.8%
73	10.0%	73,000	\$ 7,431.04	\$ 7,403.44	\$ (27.60)	-0.4%
146	20.0%	146,000	\$ 13,667.20	\$ 13,651.08	\$ (16.12)	-0.1%
219	30.0%	219,000	\$ 19,730.13	\$ 19,723.22	\$ (6.91)	0.0%
292	40.0%	292,000	\$ 25,793.06	\$ 25,795.36	\$ 2.30	0.0%
365	50.0%	365,000	\$ 31,763.84	\$ 31,773.90	\$ 10.06	0.0%
438	60.0%	438,000	\$ 37,723.28	\$ 37,740.92	\$ 17.64	0.0%
511	70.0%	511,000	\$ 43,672.55	\$ 43,697.82	\$ 25.27	0.1%
584	80.0%	584,000	\$ 49,564.53	\$ 49,597.68	\$ 33.15	0.1%
657	90.0%	657,000	\$ 55,456.51	\$ 55,497.54	\$ 41.03	0.1%
730	100.0%	730,000	\$ 61,348.49	\$ 61,397.40	\$ 48.91	0.1%

UGI Utilities, Inc. - Electric Division  
 Monthly Bill Comparison  
 Rate FCP

kWh	Current Rates	Proposed Rates	\$	%
	Monthly Bill	Monthly Bill	Change	Change
-	\$ 4.92	\$ 6.31	\$ 1.39	28.1%
350	\$ 11.19	\$ 14.17	\$ 2.99	26.7%
700	\$ 19.76	\$ 25.00	\$ 5.24	26.5%
1,050	\$ 28.33	\$ 35.83	\$ 7.50	26.5%
1,400	\$ 36.90	\$ 46.65	\$ 9.75	26.4%
1,750	\$ 45.47	\$ 57.48	\$ 12.01	26.4%
2,100	\$ 54.04	\$ 68.30	\$ 14.26	26.4%
2,450	\$ 62.61	\$ 79.13	\$ 16.52	26.4%
2,800	\$ 71.18	\$ 89.95	\$ 18.77	26.4%
3,150	\$ 79.75	\$ 100.78	\$ 21.03	26.4%
3,500	\$ 88.32	\$ 111.60	\$ 23.28	26.4%
3,850	\$ 96.90	\$ 122.43	\$ 25.53	26.4%
4,200	\$ 105.47	\$ 133.26	\$ 27.79	26.3%
4,550	\$ 114.04	\$ 144.08	\$ 30.04	26.3%
4,900	\$ 122.61	\$ 154.91	\$ 32.30	26.3%
5,250	\$ 131.18	\$ 165.73	\$ 34.55	26.3%
5,600	\$ 139.75	\$ 176.56	\$ 36.81	26.3%
5,950	\$ 148.32	\$ 187.38	\$ 39.06	26.3%
6,300	\$ 156.89	\$ 198.21	\$ 41.32	26.3%
6,650	\$ 165.46	\$ 209.03	\$ 43.57	26.3%
7,000	\$ 174.03	\$ 219.86	\$ 45.83	26.3%
7,350	\$ 182.60	\$ 230.68	\$ 48.08	26.3%
7,700	\$ 191.18	\$ 241.51	\$ 50.33	26.3%
8,050	\$ 199.75	\$ 252.34	\$ 52.59	26.3%
8,400	\$ 208.32	\$ 263.16	\$ 54.84	26.3%
8,750	\$ 216.89	\$ 273.99	\$ 57.10	26.3%
9,100	\$ 225.46	\$ 284.81	\$ 59.35	26.3%
9,450	\$ 234.03	\$ 295.64	\$ 61.61	26.3%
9,800	\$ 242.60	\$ 306.46	\$ 63.86	26.3%
10,150	\$ 251.17	\$ 317.29	\$ 66.12	26.3%
10,500	\$ 259.74	\$ 328.11	\$ 68.37	26.3%
10,850	\$ 268.31	\$ 338.94	\$ 70.63	26.3%
11,200	\$ 276.89	\$ 349.77	\$ 72.88	26.3%
11,550	\$ 285.46	\$ 360.59	\$ 75.13	26.3%
11,900	\$ 294.03	\$ 371.42	\$ 77.39	26.3%
12,250	\$ 302.60	\$ 382.24	\$ 79.64	26.3%
12,600	\$ 311.17	\$ 393.07	\$ 81.90	26.3%
12,950	\$ 319.74	\$ 403.89	\$ 84.15	26.3%
13,300	\$ 328.31	\$ 414.72	\$ 86.41	26.3%
13,650	\$ 336.88	\$ 425.54	\$ 88.66	26.3%
14,000	\$ 345.45	\$ 436.37	\$ 90.92	26.3%

UGI Utilities, Inc. - Electric Division  
 Monthly Bill Comparison  
 Rate FCP

kWh	Current Rates Monthly Bill	Proposed Rates Monthly Bill	\$ Change	% Change
14,350	\$ 354.02	\$ 447.19	\$ 93.17	26.3%
14,700	\$ 362.59	\$ 458.02	\$ 95.43	26.3%
15,050	\$ 371.17	\$ 468.85	\$ 97.68	26.3%
15,400	\$ 379.74	\$ 479.67	\$ 99.93	26.3%
15,750	\$ 388.31	\$ 490.50	\$ 102.19	26.3%
16,100	\$ 396.88	\$ 501.32	\$ 104.44	26.3%
16,450	\$ 405.45	\$ 512.15	\$ 106.70	26.3%
16,800	\$ 414.02	\$ 522.97	\$ 108.95	26.3%
17,150	\$ 422.59	\$ 533.80	\$ 111.21	26.3%
17,500	\$ 431.16	\$ 544.62	\$ 113.46	26.3%
17,850	\$ 439.73	\$ 555.45	\$ 115.72	26.3%
18,200	\$ 448.30	\$ 566.28	\$ 117.97	26.3%
18,550	\$ 456.88	\$ 577.10	\$ 120.23	26.3%
18,900	\$ 465.45	\$ 587.93	\$ 122.48	26.3%
19,250	\$ 474.02	\$ 598.75	\$ 124.73	26.3%
19,600	\$ 482.59	\$ 609.58	\$ 126.99	26.3%
19,950	\$ 491.16	\$ 620.40	\$ 129.24	26.3%
20,300	\$ 499.73	\$ 631.23	\$ 131.50	26.3%
20,650	\$ 508.30	\$ 642.05	\$ 133.75	26.3%
21,000	\$ 516.87	\$ 652.88	\$ 136.01	26.3%
21,500	\$ 529.12	\$ 668.34	\$ 139.23	26.3%
22,000	\$ 541.36	\$ 683.81	\$ 142.45	26.3%
22,500	\$ 553.60	\$ 699.27	\$ 145.67	26.3%
23,000	\$ 565.85	\$ 714.74	\$ 148.89	26.3%
23,500	\$ 578.09	\$ 730.20	\$ 152.11	26.3%
24,000	\$ 590.34	\$ 745.67	\$ 155.33	26.3%
24,500	\$ 602.58	\$ 761.13	\$ 158.55	26.3%
25,000	\$ 614.83	\$ 776.60	\$ 161.77	26.3%
25,500	\$ 627.07	\$ 792.06	\$ 164.99	26.3%
26,000	\$ 639.31	\$ 807.53	\$ 168.21	26.3%
26,500	\$ 651.56	\$ 822.99	\$ 171.44	26.3%
27,000	\$ 663.80	\$ 838.46	\$ 174.66	26.3%
27,500	\$ 676.05	\$ 853.92	\$ 177.88	26.3%
28,000	\$ 688.29	\$ 869.39	\$ 181.10	26.3%
28,500	\$ 700.54	\$ 884.85	\$ 184.32	26.3%
29,000	\$ 712.78	\$ 900.32	\$ 187.54	26.3%
29,500	\$ 725.02	\$ 915.78	\$ 190.76	26.3%
30,000	\$ 737.27	\$ 931.25	\$ 193.98	26.3%
30,500	\$ 749.51	\$ 946.71	\$ 197.20	26.3%
31,000	\$ 761.76	\$ 962.18	\$ 200.42	26.3%
31,500	\$ 774.00	\$ 977.64	\$ 203.64	26.3%



UGI Utilities, Inc. - Electric Division  
 Monthly Bill Comparison  
 Rate FCP

kWh	Current Rates Monthly Bill	Proposed Rates Monthly Bill	\$ Change	% Change
32,000	\$ 786.25	\$ 993.11	\$ 206.86	26.3%
32,500	\$ 798.49	\$ 1,008.57	\$ 210.08	26.3%
33,000	\$ 810.73	\$ 1,024.04	\$ 213.31	26.3%
33,500	\$ 822.98	\$ 1,039.50	\$ 216.53	26.3%
34,000	\$ 835.22	\$ 1,054.97	\$ 219.75	26.3%
34,500	\$ 847.47	\$ 1,070.43	\$ 222.97	26.3%
35,000	\$ 859.71	\$ 1,085.90	\$ 226.19	26.3%
35,500	\$ 871.95	\$ 1,101.36	\$ 229.41	26.3%
36,000	\$ 884.20	\$ 1,116.83	\$ 232.63	26.3%
36,500	\$ 896.44	\$ 1,132.29	\$ 235.85	26.3%
37,000	\$ 908.69	\$ 1,147.76	\$ 239.07	26.3%
37,500	\$ 920.93	\$ 1,163.22	\$ 242.29	26.3%
38,000	\$ 933.18	\$ 1,178.69	\$ 245.51	26.3%
38,500	\$ 945.42	\$ 1,194.15	\$ 248.73	26.3%
39,000	\$ 957.66	\$ 1,209.62	\$ 251.95	26.3%
39,500	\$ 969.91	\$ 1,225.08	\$ 255.18	26.3%
40,000	\$ 982.15	\$ 1,240.55	\$ 258.40	26.3%
40,500	\$ 994.40	\$ 1,256.01	\$ 261.62	26.3%
41,000	\$ 1,006.64	\$ 1,271.48	\$ 264.84	26.3%
41,500	\$ 1,018.89	\$ 1,286.94	\$ 268.06	26.3%
42,000	\$ 1,031.13	\$ 1,302.41	\$ 271.28	26.3%
42,500	\$ 1,043.37	\$ 1,317.87	\$ 274.50	26.3%
43,000	\$ 1,055.62	\$ 1,333.34	\$ 277.72	26.3%
43,500	\$ 1,067.86	\$ 1,348.80	\$ 280.94	26.3%
44,000	\$ 1,080.11	\$ 1,364.27	\$ 284.16	26.3%
44,500	\$ 1,092.35	\$ 1,379.73	\$ 287.38	26.3%
45,000	\$ 1,104.59	\$ 1,395.20	\$ 290.60	26.3%
45,500	\$ 1,116.84	\$ 1,410.66	\$ 293.82	26.3%
46,000	\$ 1,129.08	\$ 1,426.13	\$ 297.05	26.3%
46,500	\$ 1,141.33	\$ 1,441.59	\$ 300.27	26.3%
47,000	\$ 1,153.57	\$ 1,457.06	\$ 303.49	26.3%
47,500	\$ 1,165.82	\$ 1,472.52	\$ 306.71	26.3%
48,000	\$ 1,178.06	\$ 1,487.99	\$ 309.93	26.3%
48,500	\$ 1,190.30	\$ 1,503.45	\$ 313.15	26.3%
49,000	\$ 1,202.55	\$ 1,518.92	\$ 316.37	26.3%
49,500	\$ 1,214.79	\$ 1,534.38	\$ 319.59	26.3%

UGI Utilities, Inc. - Electric Division  
Docket No. R-2022-3037368  
UGI Electric 2023 Base Rate Case  
Responses to Section 53.53 - IV-E - Cost of Service Study, Allocations  
to Each Tariff Rate Schedule  
Delivered on January 27, 2023

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IV-E-1

Request:

Provide a cost study which allocates the total cost of service to each proposed tariff rate schedule. Tariff rates schedules may be combined for this purpose provided that they are of a similar supply or end use nature. A statement describing which rates were combined and the reasons therefor should be submitted.

The rates of return for each tariff rate schedule as defined above should be determined at both the present and proposed rate levels. Base rate revenues should be used for this purpose unless there are good and sufficient reasons to include revenues derived from other sources. Should the latter be the case, an explanation of other revenue sources included and reasons therefor should accompany the cost allocation study.

The methods selected for use in allocating costs to rate classes should include cost analyses based on:

- a. Peak responsibility.
- b. Average and excess, on a non-coincident demand basis.
- c. Company preferred method if different from the above-referenced methods, with rationale behind the selection.

This study should include a statement of the source and age of the load data used in the determination of demand responsibilities, a description of any special studies used to prepare the cost study, and the most recent overall system line loss study. The cost data used in the allocation study may be based on the test year.

Response:

Please see UGI Electric Book VIII, Exhibit D – Cost of Service Study and the Direct Testimony of John D. Taylor, UGI Electric Statement No. 6. Also, for further clarification of rate classes, please see the Direct Testimony of Sherry A. Epler, UGI Electric Statement No. 10.

Prepared by or under the supervision of: John D. Taylor

UGI Utilities, Inc. - Electric Division  
Docket No. R-2022-3037368  
UGI Electric 2023 Base Rate Case  
Responses to Section 53.53 - IV-E - Cost of Service Study, Allocations  
to Each Tariff Rate Schedule  
Delivered on January 27, 2023

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IV-E-2

Request:

Provide comparisons in either graphical or tabular form showing cost, as defined in the cost of service study, and proposed base rate revenues and usage for all residential and demand/energy rate schedules. Demand shall be for representative loads for each demand/energy rate schedule.

Response:

Please see the Direct Testimony of John D. Taylor, UGI Electric Statement No. 6, for the requested information.

Prepared by or under the supervision of: John D. Taylor

**V. PLANT & DEPRECIATION SUPPORTING DATA**

UGI Utilities, Inc. - Electric Division  
Docket No. R-2022-3037368  
UGI Electric 2023 Base Rate Case  
Responses to Section 53.53 - V-A - Adjusted Original Cost Plant with  
Accum Book & Calc Deprn at Test Year-End  
Delivered on January 27, 2023

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V-A-1

Request:

Provide schedules supporting claimed amounts for Electric Plant in Service by function and by account if available.

Response:

Supporting schedules for Electric Plant in Service at September 30, 2022 are contained on pages II-3 through II-5 and pages III-15 through III-79 of UGI Electric Exhibit C (Historic).

Supporting schedules for Electric Plant in Service at September 30, 2023 are contained on pages V-4 through V-6 and pages VII-15 through VII-81 of UGI Electric Exhibit C (Future).

Supporting schedules for Electric Plant in Service at September 30, 2024 are contained on pages II-3 through II-5 and pages III-15 through III-82 of UGI Electric Exhibit C (Fully Projected).

Prepared by or under the supervision of: John F. Wiedmayer

UGI Utilities, Inc. - Electric Division  
Docket No. R-2022-3037368  
UGI Electric 2023 Base Rate Case  
Responses to Section 53.53 - V-A - Adjusted Original Cost Plant with  
Accum Book & Calc Deprn at Test Year-End  
Delivered on January 27, 2023

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V-A-2

Request:

Provide a comparison of calculated depreciation reserve versus book reserve at the end of the test year. Provide this comparison by functional group and by account if available.

Response:

The comparisons are set forth on the pages which follow. Attachment V-A-2 presents the comparison of calculated and book reserves as of the end of the respective test year-end periods.

Prepared by or under the supervision of: John F. Wiedmayer

UGI UTILITIES, INC. - ELECTRIC DIVISION

COMPARISON OF CALCULATED ACCRUED DEPRECIATION  
AND BOOK RESERVE AS OF SEPTEMBER 30, 2022

ACCOUNT (1)	CALCULATED ACCRUED DEPRECIATION (2)	BOOK RESERVE (3)
<b><u>ELECTRIC PLANT</u></b>		
<b>DISTRIBUTION PLANT</b>		
361 STRUCTURES AND IMPROVEMENTS	56,051	36,400
362 STATION EQUIPMENT	1,080,019	796,511
364 POLES, TOWERS AND FIXTURES	15,288,380	15,594,836
365 OVERHEAD CONDUCTORS AND DEVICES	12,615,250	14,111,095
365.7 REG AFUDC	(26,694)	(83,047)
366 UNDERGROUND CONDUIT	2,012,591	2,409,512
367 UNDERGROUND CONDUCTORS AND DEVICES	4,186,700	4,071,859
368.1 TRANSFORMERS	6,808,537	8,046,476
368.2 TRANSFORMER INSTALLATIONS	4,971,712	6,195,958
369 SERVICES	6,109,134	7,527,834
370.1 METERS	1,743,238	2,073,283
370.2 METER INSTALLATIONS	708,270	778,252
370.3 ELECTRONIC METERS	3,530,112	4,010,096
371 INSTALLATIONS ON CUSTOMER PREMISES	1,020,840	873,689
371.5 INSTALLATIONS ON CUSTOMER PREMISES - DUSK TO DAWN LIGHTS	278,976	334,801
373 STREET LIGHTING AND SIGNAL SYSTEMS	1,085,263	980,610
<b>TOTAL DISTRIBUTION PLANT</b>	<b>61,468,379</b>	<b>67,758,165</b>
<b>GENERAL PLANT</b>		
390.1 STRUCTURES AND IMPROVEMENTS	1,279,307	1,193,834
391 OFFICE FURNITURE AND EQUIPMENT - FURNITURE	26,546	15,334
391.1 OFFICE FURNITURE AND EQUIPMENT - EQUIPMENT	252,556	130,617
391.9 OFFICE FURNITURE AND EQUIPMENT - OUTAGE MANAGEMENT SOFTWARE	1,002,218	660,150
392.1 TRANSPORTATION EQUIPMENT - AUTOMOBILES	99,390	123,694
392.2 TRANSPORTATION EQUIPMENT - LIGHT TRUCKS	240,660	140,850
392.4 TRANSPORTATION EQUIPMENT - HEAVY TRUCKS	58,435	35,877
393 STORES EQUIPMENT	5,263	4,135
394 TOOLS, SHOP AND GARAGE EQUIPMENT	631,960	615,343
395 LABORATORY EQUIPMENT	73,685	83,568
396 POWER OPERATED EQUIPMENT	14,770	6,317
397 COMMUNICATION EQUIPMENT	362,460	152,259
398 MISCELLANEOUS EQUIPMENT	112,640	51,910
<b>TOTAL GENERAL PLANT</b>	<b>4,159,890</b>	<b>3,213,888</b>
<b>TOTAL DEPRECIABLE PLANT</b>	<b>65,628,269</b>	<b>70,972,053</b>
<b><u>OTHER UTILITY PLANT ALLOCATED TO ELECTRIC DIVISION*</u></b>		
<b>COMMON PLANT</b>		
390.1 STRUCTURES AND IMPROVEMENTS	3,182,800	3,018,983
390.2 STRUCTURES AND IMPROVEMENTS - LEASED PROPERTY	0	10,628
391 OFFICE FURNITURE AND EQUIPMENT - FURNITURE	1,166,301	1,011,569
391.1 OFFICE FURNITURE AND EQUIPMENT - EQUIPMENT	596,708	272,031
392.1 TRANSPORTATION EQUIPMENT - AUTOMOBILES	66,459	71,637
<b>TOTAL COMMON PLANT</b>	<b>5,012,268</b>	<b>4,384,848</b>
<b>INFORMATION SERVICES (IS)</b>		
391 OFFICE FURNITURE AND EQUIPMENT - FURNITURE	28,766	28,853
391.1 OFFICE FURNITURE AND EQUIPMENT - EQUIPMENT	13,167,442	13,083,477
391.2 OFFICE FURNITURE AND EQUIPMENT - SOFTWARE	3,821,483	2,929,907
391.3 OFFICE FURNITURE AND EQUIPMENT - SYSTEM DEV. COSTS - 10 YEARS	23,320,192	22,617,829
391.4 OFFICE FURNITURE AND EQUIPMENT - SYSTEM DEV. COSTS - 15 YEARS	48,970,896	48,592,264
<b>TOTAL INFORMATION SERVICES</b>	<b>89,308,779</b>	<b>87,252,330</b>
<b>EMPIRE YARD BUILDING</b>		
390.1 STRUCTURES AND IMPROVEMENTS	7,941,904	8,535,610
<b>TOTAL OTHER UTILITY PLANT</b>	<b>102,262,951</b>	<b>100,172,788</b>
<b>TOTAL ELECTRIC AND OTHER PLANT</b>	<b>167,891,220</b>	<b>171,144,841</b>

\* AMOUNTS SHOWN FOR OTHER UTILITY PLANT ARE PRIOR TO ALLOCATION TO ELECTRIC DIVISION.

UGI UTILITIES, INC. - ELECTRIC DIVISION

COMPARISON OF CALCULATED ACCRUED DEPRECIATION  
AND BOOK RESERVE AS OF SEPTEMBER 30, 2023

ACCOUNT (1)	CALCULATED ACCRUED DEPRECIATION (2)	BOOK RESERVE (3)
<b><u>ELECTRIC PLANT</u></b>		
<b>DISTRIBUTION PLANT</b>		
361 STRUCTURES AND IMPROVEMENTS	69,798	51,995
362 STATION EQUIPMENT	1,412,134	1,177,222
364 POLES, TOWERS AND FIXTURES	16,177,211	16,932,371
365 OVERHEAD CONDUCTORS AND DEVICES	13,392,029	13,966,110
365.7 REG AFUDC	(44,489)	(99,348)
366 UNDERGROUND CONDUIT	2,153,276	2,551,835
367 UNDERGROUND CONDUCTORS AND DEVICES	4,527,440	4,511,139
368.1 TRANSFORMERS	6,977,538	8,139,253
368.2 TRANSFORMER INSTALLATIONS	5,202,664	6,450,987
369 SERVICES	6,361,262	7,799,373
370.1 METERS	1,747,305	2,054,528
370.2 METER INSTALLATIONS	731,062	801,991
370.3 ELECTRONIC METERS	3,675,979	4,148,090
371 INSTALLATIONS ON CUSTOMER PREMISES	1,069,306	987,794
371.5 INSTALLATIONS ON CUSTOMER PREMISES - DUSK TO DAWN LIGHTS	284,177	336,331
373 STREET LIGHTING AND SIGNAL SYSTEMS	1,127,188	1,058,359
<b>TOTAL DISTRIBUTION PLANT</b>	<b>64,863,880</b>	<b>70,868,030</b>
<b>GENERAL PLANT</b>		
390.1 STRUCTURES AND IMPROVEMENTS	1,457,016	1,275,204
391 OFFICE FURNITURE AND EQUIPMENT - FURNITURE	29,849	20,137
391.1 OFFICE FURNITURE AND EQUIPMENT - EQUIPMENT	326,400	285,540
391.92 OFFICE FURNITURE AND EQUIPMENT - OUTAGE MANAGEMENT SOFTWARE	1,025,925	697,801
392.1 TRANSPORTATION EQUIPMENT - AUTOMOBILES	145,372	167,889
392.2 TRANSPORTATION EQUIPMENT - LIGHT TRUCKS	391,790	307,336
392.4 TRANSPORTATION EQUIPMENT - HEAVY TRUCKS	95,993	75,520
393 STORES EQUIPMENT	6,724	5,885
394 TOOLS, SHOP AND GARAGE EQUIPMENT	632,785	622,707
395 LABORATORY EQUIPMENT	58,416	62,234
396 POWER OPERATED EQUIPMENT	51,000	45,151
397 COMMUNICATION EQUIPMENT	368,047	297,890
398 MISCELLANEOUS EQUIPMENT	162,731	126,923
<b>TOTAL GENERAL PLANT</b>	<b>4,752,048</b>	<b>3,990,217</b>
<b>TOTAL DEPRECIABLE PLANT</b>	<b>69,615,928</b>	<b>74,858,247</b>
<b><u>OTHER UTILITY PLANT ALLOCATED TO ELECTRIC DIVISION*</u></b>		
<b>COMMON PLANT</b>		
390.1 STRUCTURES AND IMPROVEMENTS	4,067,543	4,076,856
391 OFFICE FURNITURE AND EQUIPMENT - FURNITURE	1,418,936	1,282,392
391.1 OFFICE FURNITURE AND EQUIPMENT - EQUIPMENT	787,668	664,008
392.1 TRANSPORTATION EQUIPMENT - AUTOMOBILES	67,474	71,637
398 MISCELLANEOUS EQUIPMENT	9,789	3,864
<b>TOTAL COMMON PLANT</b>	<b>6,351,410</b>	<b>6,098,757</b>
<b>INFORMATION SERVICES (IS)</b>		
391 OFFICE FURNITURE AND EQUIPMENT - FURNITURE	7,050	7,045
391.1 OFFICE FURNITURE AND EQUIPMENT - EQUIPMENT	11,092,865	11,091,382
391.2 OFFICE FURNITURE AND EQUIPMENT - SOFTWARE	5,095,346	4,442,076
391.3 OFFICE FURNITURE AND EQUIPMENT - SYSTEM DEV. COSTS - 10 YEARS	15,352,958	14,683,389
391.4 OFFICE FURNITURE AND EQUIPMENT - SYSTEM DEV. COSTS - 15 YEARS	49,488,753	49,003,505
<b>TOTAL INFORMATION SERVICES</b>	<b>81,036,972</b>	<b>79,227,397</b>
<b>EMPIRE YARD BUILDING</b>		
390.1 STRUCTURES AND IMPROVEMENTS	8,213,654	8,781,870
<b>TOTAL OTHER UTILITY PLANT</b>	<b>95,602,036</b>	<b>94,108,024</b>
<b>TOTAL ELECTRIC AND OTHER PLANT</b>	<b>165,217,964</b>	<b>168,966,271</b>

\* AMOUNTS SHOWN FOR OTHER UTILITY PLANT ARE PRIOR TO ALLOCATION TO ELECTRIC DIVISION.



UGI UTILITIES, INC. - ELECTRIC DIVISION

COMPARISON OF CALCULATED ACCRUED DEPRECIATION  
AND BOOK RESERVE AS OF SEPTEMBER 30, 2024

ACCOUNT (1)	CALCULATED ACCRUED DEPRECIATION (2)	BOOK RESERVE (3)
<b>ELECTRIC PLANT</b>		
<b>DISTRIBUTION PLANT</b>		
361 STRUCTURES AND IMPROVEMENTS	83,359	67,339
362 STATION EQUIPMENT	1,749,259	1,555,321
364 POLES, TOWERS AND FIXTURES	17,060,768	18,154,021
365 OVERHEAD CONDUCTORS AND DEVICES	14,623,789	14,475,964
365.7 REG AFUDC	(62,285)	(115,649)
366 UNDERGROUND CONDUIT	2,290,748	2,692,439
367 UNDERGROUND CONDUCTORS AND DEVICES	4,866,345	4,927,497
368.1 TRANSFORMERS	7,192,304	8,266,630
368.2 TRANSFORMER INSTALLATIONS	5,426,933	6,688,323
369 SERVICES	6,618,654	8,069,605
370.1 METERS	1,587,761	1,938,784
370.2 METER INSTALLATIONS	753,778	825,222
370.3 ELECTRONIC METERS	3,811,434	4,274,497
371 INSTALLATIONS ON CUSTOMER PREMISES	1,114,892	1,087,883
371.5 INSTALLATIONS ON CUSTOMER PREMISES - DUSK TO DAWN LIGHTS	289,068	337,722
373 STREET LIGHTING AND SIGNAL SYSTEMS	1,173,782	1,138,619
<b>TOTAL DISTRIBUTION PLANT</b>	<b>68,580,589</b>	<b>74,384,217</b>
<b>GENERAL PLANT</b>		
390.1 STRUCTURES AND IMPROVEMENTS	1,879,766	1,653,166
391 OFFICE FURNITURE AND EQUIPMENT - FURNITURE	33,152	24,980
391.1 OFFICE FURNITURE AND EQUIPMENT - EQUIPMENT	4,912	(613)
391.92 OFFICE FURNITURE AND EQUIPMENT - OUTAGE MANAGEMENT SOFTWARE	1,725,132	1,490,702
392.1 TRANSPORTATION EQUIPMENT - CARS	190,849	213,285
392.2 TRANSPORTATION EQUIPMENT - LIGHT TRUCKS	609,626	487,745
392.4 TRANSPORTATION EQUIPMENT - HEAVY TRUCKS	133,441	115,114
393 STORES EQUIPMENT	8,187	7,651
394 TOOLS, SHOP AND GARAGE EQUIPMENT	677,140	669,762
395 LABORATORY EQUIPMENT	27,771	28,138
396 POWER OPERATED EQUIPMENT	115,714	117,248
397 COMMUNICATION EQUIPMENT	405,150	368,166
398 MISCELLANEOUS EQUIPMENT	230,198	210,964
<b>TOTAL GENERAL PLANT</b>	<b>6,041,038</b>	<b>5,386,308</b>
<b>TOTAL DEPRECIABLE PLANT</b>	<b>74,621,627</b>	<b>79,770,525</b>
<b>OTHER UTILITY PLANT ALLOCATED TO ELECTRIC DIVISION*</b>		
<b>COMMON PLANT</b>		
390.1 STRUCTURES AND IMPROVEMENTS	4,926,372	5,076,206
391 OFFICE FURNITURE AND EQUIPMENT - FURNITURE	1,668,883	1,549,592
391.1 OFFICE FURNITURE AND EQUIPMENT - EQUIPMENT	753,469	727,143
392.1 TRANSPORTATION EQUIPMENT - AUTOMOBILES	68,346	71,637
398 MISCELLANEOUS EQUIPMENT	12,585	7,572
<b>TOTAL COMMON PLANT</b>	<b>7,429,655</b>	<b>7,432,150</b>
<b>INFORMATION SERVICES (IS)</b>		
390 STRUCTURES AND IMPROVEMENTS - NEW READING DATA CENTER	304,950	494,527
391 OFFICE FURNITURE AND EQUIPMENT - FURNITURE	1,610	1,598
391.1 OFFICE FURNITURE AND EQUIPMENT - EQUIPMENT	3,586,279	3,507,489
391.2 OFFICE FURNITURE AND EQUIPMENT - SOFTWARE	6,369,102	5,954,199
391.3 OFFICE FURNITURE AND EQUIPMENT - SYSTEM DEV. COSTS - 10 YEARS	20,590,501	19,812,785
391.4 OFFICE FURNITURE AND EQUIPMENT - SYSTEM DEV. COSTS - 15 YEARS	58,454,299	58,027,420
<b>TOTAL INFORMATION SERVICES</b>	<b>89,306,741</b>	<b>87,798,018</b>
<b>EMPIRE YARD BUILDING</b>		
390.1 STRUCTURES AND IMPROVEMENTS	8,415,240	8,845,824
<b>TOTAL OTHER UTILITY PLANT</b>	<b>105,151,636</b>	<b>104,075,992</b>
<b>TOTAL ELECTRIC AND OTHER PLANT</b>	<b>179,773,263</b>	<b>183,846,517</b>

\* AMOUNTS SHOWN FOR OTHER UTILITY PLANT ARE PRIOR TO ALLOCATION TO ELECTRIC DIVISION.

UGI Utilities, Inc. - Electric Division  
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Responses to Section 53.53 - V-A - Adjusted Original Cost Plant with  
Accum Book & Calc Deprn at Test Year-End  
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V-A-3

Request:

Provide supporting schedules which indicate the procedures and calculations employed to develop the original cost plant and applicable reserves to the test year end as submitted in the current proceeding.

Response:

Supporting schedules developing original cost plant are listed on Table 3 of UGI Electric Exhibit C (Future) and UGI Electric Exhibit C (Fully Projected Future).

The development of book reserve is set forth on Table 2 of UGI Electric Exhibit C (Future) and Table 2 UGI Electric Exhibit C (Fully Projected Future).

Prepared by or under the supervision of: John F. Wiedmayer

UGI Utilities, Inc. - Electric Division  
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V-A-4

Request:

Provide a schedule showing details of rate case adjustments.

Response:

Please see Section D of UGI Electric Exhibit A (Historic), UGI Electric Exhibit A (Future), UGI Electric Exhibit A (Fully Projected Future).

Prepared by or under the supervision of: Tracy A. Hazenstab

UGI Utilities, Inc. - Electric Division  
Docket No. R-2022-3037368  
UGI Electric 2023 Base Rate Case  
Responses to Section 53.53 - V-B - Adjusted Original Cost Annual  
Book & Calculated Depreciation Accruals  
Delivered on January 27, 2023

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V-B-1

Request:

Provide a comparison of calculated depreciation accruals versus book accruals by function and by account if available.

Response:

The comparison of the calculated depreciation accruals versus book accruals by function and by account are presented on the following pages as Attachment V-B-1. Attachment V-B-1 presents the comparison of the calculated depreciation accruals versus book accruals by function and by account as of September 30, 2023 and September 30, 2024, respectively.

The book accruals for the future test year period were determined using the calculated annual accrual rates as of September 30, 2022 and the average annual plant balances for the future test year period. The calculated annual accrual rates as of September 30, 2023, and average monthly plant balances are the bases for book accruals during the period October 1, 2023 through September 30, 2024.

Prepared by or under the supervision of: John F. Wiedmayer

**UGI UTILITIES, INC. - ELECTRIC DIVISION**  
**COMPARISON OF CALCULATED AND BOOK**  
**DEPRECIATION ACCRUALS AS OF SEPTEMBER 30, 2023**

ACCOUNT (1)	CALCULATED DEPRECIATION ACCRUALS (2)	BOOK DEPRECIATION ACCRUALS (3)
<b><u>ELECTRIC PLANT</u></b>		
<b>DISTRIBUTION PLANT</b>		
361 STRUCTURES AND IMPROVEMENTS	15,093	15,374
362 STATION EQUIPMENT	366,341	369,258
364 POLES, TOWERS AND FIXTURES	1,018,082	1,036,683
365 OVERHEAD CONDUCTORS AND DEVICES	1,625,571	1,322,228
365.7 REG AFUDC	(16,333)	(16,301)
366 UNDERGROUND CONDUIT	137,656	138,723
367 UNDERGROUND CONDUCTORS AND DEVICES	428,554	444,047
368.1 TRANSFORMERS	379,659	347,494
368.2 TRANSFORMER INSTALLATIONS	213,344	221,917
369 SERVICES	271,960	268,618
370.1 METERS	55,146	51,868
370.2 METER INSTALLATIONS	24,969	24,902
370.3 ELECTRONIC METERS	126,120	137,534
371 INSTALLATIONS ON CUSTOMER PREMISES	82,731	95,866
371.5 INSTALLATIONS ON CUSTOMER PREMISES - DUSK TO DAWN LIGHTS	1,391	1,530
373 STREET LIGHTING AND SIGNAL SYSTEMS	106,847	105,892
<b>TOTAL DISTRIBUTION PLANT</b>	<b>4,837,131</b>	<b>4,565,633</b>
<b>GENERAL PLANT</b>		
390.1 STRUCTURES AND IMPROVEMENTS	460,120	331,729
391 OFFICE FURNITURE AND EQUIPMENT - FURNITURE	4,841	4,803
391.1 OFFICE FURNITURE AND EQUIPMENT - EQUIPMENT	78,500	154,923
391.92 OFFICE FURNITURE AND EQUIPMENT - OUTAGE MANAGEMENT SOFTWARE	793,049	699,707
392.1 TRANSPORTATION EQUIPMENT - CARS	45,201	44,195
392.2 TRANSPORTATION EQUIPMENT - LIGHT TRUCKS	177,627	169,027
392.4 TRANSPORTATION EQUIPMENT - HEAVY TRUCKS	39,603	39,643
393 STORES EQUIPMENT	1,766	1,750
394 TOOLS, SHOP AND GARAGE EQUIPMENT	79,266	86,277
395 LABORATORY EQUIPMENT	2,910	2,525
396 POWER OPERATED EQUIPMENT	62,236	38,834
397 COMMUNICATION EQUIPMENT	115,248	237,758
398 MISCELLANEOUS EQUIPMENT	68,984	67,123
<b>TOTAL GENERAL PLANT</b>	<b>1,929,351</b>	<b>1,878,294</b>
<b>TOTAL DEPRECIABLE PLANT</b>	<b>6,766,482</b>	<b>6,443,927</b>
<b><u>OTHER UTILITY PLANT ALLOCATED TO ELECTRIC DIVISION*</u></b>		
<b>COMMON PLANT</b>		
390.1 STRUCTURES AND IMPROVEMENTS	999,640	1,047,245
391 OFFICE FURNITURE AND EQUIPMENT - FURNITURE	278,239	278,006
391.1 OFFICE FURNITURE AND EQUIPMENT - EQUIPMENT	315,961	480,595
392.1 TRANSPORTATION EQUIPMENT - AUTOMOBILES	0	0
398 MISCELLANEOUS EQUIPMENT	3,708	0
<b>TOTAL COMMON PLANT</b>	<b>1,597,548</b>	<b>1,805,846</b>
<b>INFORMATION SERVICES (IS)</b>		
391 OFFICE FURNITURE AND EQUIPMENT - FURNITURE	263	877
391.1 OFFICE FURNITURE AND EQUIPMENT - EQUIPMENT	2,002,004	3,592,336
391.2 OFFICE FURNITURE AND EQUIPMENT - SOFTWARE	1,511,599	1,512,169
391.3 OFFICE FURNITURE AND EQUIPMENT - SYSTEM DEV. COSTS - 10 YEARS	5,345,423	4,747,149
391.4 OFFICE FURNITURE AND EQUIPMENT - SYSTEM DEV. COSTS - 15 YEARS	9,020,360	8,891,579
<b>TOTAL INFORMATION SERVICES</b>	<b>17,879,649</b>	<b>18,744,110</b>
<b>EMPIRE YARD BUILDING</b>		
390.1 STRUCTURES AND IMPROVEMENTS	279,560	273,175
<b>TOTAL OTHER UTILITY PLANT</b>	<b>19,756,757</b>	<b>20,823,131</b>
<b>TOTAL ELECTRIC AND OTHER PLANT</b>	<b>26,523,239</b>	<b>27,267,058</b>

\* AMOUNTS SHOWN FOR OTHER UTILITY PLANT ARE PRIOR TO ALLOCATION TO ELECTRIC DIVISION.

UGI UTILITIES, INC. - ELECTRIC DIVISION  
COMPARISON OF CALCULATED AND BOOK  
DEPRECIATION ACCRUALS AS OF SEPTEMBER 30, 2024

ACCOUNT (1)	CALCULATED DEPRECIATION ACCRUALS (2)	BOOK DEPRECIATION ACCRUALS (3)
<b><u>ELECTRIC PLANT</u></b>		
<b>DISTRIBUTION PLANT</b>		
361 STRUCTURES AND IMPROVEMENTS	14,856	15,123
362 STATION EQUIPMENT	370,323	371,828
364 POLES, TOWERS AND FIXTURES	1,029,131	1,024,283
365 OVERHEAD CONDUCTORS AND DEVICES	2,000,748	1,723,959
365.7 REG AFUDC	(16,334)	(16,301)
366 UNDERGROUND CONDUIT	136,759	137,845
367 UNDERGROUND CONDUCTORS AND DEVICES	432,991	434,336
368.1 TRANSFORMERS	427,778	381,335
368.2 TRANSFORMER INSTALLATIONS	206,924	213,291
369 SERVICES	279,667	275,473
370.1 METERS	65,979	55,618
370.2 METER INSTALLATIONS	25,015	24,990
370.3 ELECTRONIC METERS	114,671	125,947
371 INSTALLATIONS ON CUSTOMER PREMISES	73,861	83,883
371.5 INSTALLATIONS ON CUSTOMER PREMISES - DUSK TO DAWN LIGHTS	1,260	1,391
373 STREET LIGHTING AND SIGNAL SYSTEMS	110,861	108,934
<b>TOTAL DISTRIBUTION PLANT</b>	<b>5,274,490</b>	<b>4,961,935</b>
<b>GENERAL PLANT</b>		
390.1 STRUCTURES AND IMPROVEMENTS	527,705	463,526
391 OFFICE FURNITURE AND EQUIPMENT - FURNITURE	4,943	4,843
391.1 OFFICE FURNITURE AND EQUIPMENT - EQUIPMENT	4,175	73,239
391.92 OFFICE FURNITURE AND EQUIPMENT - OUTAGE MANAGEMENT SOFTWARE	792,861	792,901
392.1 TRANSPORTATION EQUIPMENT - CARS	47,058	45,396
392.2 TRANSPORTATION EQUIPMENT - LIGHT TRUCKS	302,797	182,950
392.4 TRANSPORTATION EQUIPMENT - HEAVY TRUCKS	39,534	39,594
393 STORES EQUIPMENT	1,562	1,766
394 TOOLS, SHOP AND GARAGE EQUIPMENT	76,247	79,650
395 LABORATORY EQUIPMENT	3,126	2,136
396 POWER OPERATED EQUIPMENT	78,325	72,097
397 COMMUNICATION EQUIPMENT	100,692	123,609
398 MISCELLANEOUS EQUIPMENT	82,154	76,151
<b>TOTAL GENERAL PLANT</b>	<b>2,061,179</b>	<b>1,957,858</b>
<b>TOTAL DEPRECIABLE PLANT</b>	<b>7,335,669</b>	<b>6,919,793</b>
<b><u>OTHER UTILITY PLANT ALLOCATED TO ELECTRIC DIVISION*</u></b>		
<b>COMMON PLANT</b>		
390.1 STRUCTURES AND IMPROVEMENTS	964,749	999,350
391 OFFICE FURNITURE AND EQUIPMENT - FURNITURE	275,805	279,096
391.1 OFFICE FURNITURE AND EQUIPMENT - EQUIPMENT	232,828	340,331
392.1 TRANSPORTATION EQUIPMENT - AUTOMOBILES	0	0
398.0 MISCELLANEOUS EQUIPMENT	3,708	3,708
<b>TOTAL COMMON PLANT</b>	<b>1,477,090</b>	<b>1,622,485</b>
<b>INFORMATION SERVICES (IS)</b>		
390 STRUCTURES AND IMPROVEMENTS - NEW READING DATA CENTER	606,218	494,527
391 OFFICE FURNITURE AND EQUIPMENT - FURNITURE	120	252
391.1 OFFICE FURNITURE AND EQUIPMENT - EQUIPMENT	910,442	1,923,378
391.2 OFFICE FURNITURE AND EQUIPMENT - SOFTWARE	754,548	1,512,123
391.3 OFFICE FURNITURE AND EQUIPMENT - SYSTEM DEV. COSTS - 10 YEARS	7,262,526	6,064,627
391.4 OFFICE FURNITURE AND EQUIPMENT - SYSTEM DEV. COSTS - 15 YEARS	9,020,177	9,023,915
<b>TOTAL INFORMATION SERVICES</b>	<b>18,554,031</b>	<b>19,018,822</b>
<b>EMPIRE YARD BUILDING</b>		
390.1 STRUCTURES AND IMPROVEMENTS	385,936	281,419
<b>TOTAL OTHER UTILITY PLANT</b>	<b>20,417,057</b>	<b>20,922,727</b>
<b>TOTAL ELECTRIC AND OTHER PLANT</b>	<b>27,752,726</b>	<b>27,842,520</b>

\* AMOUNTS SHOWN FOR OTHER UTILITY PLANT ARE PRIOR TO ALLOCATION TO ELECTRIC DIVISION.

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V-B-2

Request:

Supply a schedule by account or by depreciable group showing the survivor curve or interim survivor curve and annual accrual rate estimated to be appropriate:

- a. For the purpose of this filing.
- b. For the purpose of the most recent rate filing prior to the current proceeding.
- c. Supply an explanation for any major change in annual accrual rate by account or by depreciable group.
- d. Supply a comprehensive statement of major changes made in depreciation methods, procedures and techniques and the effect of the changes upon accumulated and annual depreciation, if any.

Response:

- a. The survivor curves and associated accrual annual rates calculated as of September 30, 2024 are set forth on Table 1 of UGI Electric Exhibit C (Fully Projected Future). The survivor curves and associated annual accrual rates calculated as of September 30, 2023 are set forth on Table 1 of UGI Electric Exhibit C (Future). The survivor curves and associated annual accrual rates calculated as of September 30, 2022 are set forth on Table 1 of UGI Electric Exhibit C (Historic).
- b. The survivor curves and associated annual accrual rates calculated as of September 30, 2022, the FPFTY in the prior filing, are presented on the following pages as Attachment V-B-2(b).
- c. The Company prepares and submits service life studies to the Pennsylvania Public Utility Commission (Commission) every five years pursuant to the regulations set forth in 52 Pa. Code Chapter 73.5. The Company has submitted on May 31, 2022, a revised service life study to the Commission for their review and approval. The changes are identified and described in the prior service life study report. In general, the service lives for the major distribution plant accounts have trended longer since the prior electric rate filing. This is due to improvements in

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V-B-2 (Continued)

materials used and improved maintenance practices. The service lives are longer, in part, due to capital budget constraints which requires some plant to remain in service longer. Also, the composite annual depreciation rate for distribution plant in the prior rate filing based on plant in service as of September 30, 2022 was 2.37 percent. The composite depreciation rate for distribution plant in the current filing based on plant in service as of September 30, 2024 is 2.21 percent. The lower composite depreciation rate for distribution plant is an indication that the service lives are trending longer, all else being equal.

- d. The annual depreciation accrual rates used in the filing for most plant accounts are based on the straight line method using the average service life procedure for plant installed prior to 1982 and the equal life group procedure for 1982 and subsequent installations. These are the same methods and procedures as were used in the most recent filing.

Prepared by or under the supervision of: John F. Wiedmayer



UGI UTILITIES, INC. - ELECTRIC DIVISION

CURRENT SURVIVOR CURVES AND ANNUAL ACCRUAL RATES  
 AS OF SEPTEMBER 30, 2022

ACCOUNT (1)	SURVIVOR CURVE (2)	ANNUAL ACCRUAL RATE (3)
<b><u>ELECTRIC PLANT</u></b>		
<b>DISTRIBUTION PLANT</b>		
361 STRUCTURES AND IMPROVEMENTS	50-R3	3.16
362 STATION EQUIPMENT	40-S1	3.31
364 POLES, TOWERS AND FIXTURES	56-R2.5	1.90
365 OVERHEAD CONDUCTORS AND DEVICES	55-R1	2.52
366 UNDERGROUND CONDUIT	65-R3	1.55
367 UNDERGROUND CONDUCTORS AND DEVICES	40-R2	3.04
368.1 TRANSFORMERS	43-S1	2.26
368.2 TRANSFORMER INSTALLATIONS	35-R2	2.58
369 SERVICES	50-R2	1.80
370.1 METERS	33-R1.5	1.95
370.2 METER INSTALLATIONS	70-R5	1.34
370.3 ELECTRONIC METERS	20-S3	3.38
371 INSTALLATIONS ON CUSTOMER PREMISES	30-O1	3.06
371.5 INSTALLATIONS ON CUSTOMER PREMISES - DUSK TO DAWN LIGHTS	20-R1.5	0.76
373 STREET LIGHTING AND SIGNAL SYSTEMS	34-L0	2.90
<b>GENERAL PLANT</b>		
390.1 STRUCTURES AND IMPROVEMENTS	100-R1	4.52
391 OFFICE FURNITURE AND EQUIPMENT - FURNITURE	20-SQ	5.53
391.1 OFFICE FURNITURE AND EQUIPMENT - EQUIPMENT	5-SQ	21.69
391.92 OFFICE FURNITURE AND EQUIPMENT - OUTAGE MANAGEMENT SOFTWARE	5-SQ	20.00
392.1 TRANSPORTATION EQUIPMENT - AUTOMOBILES	7-L4	15.67
392.2 TRANSPORTATION EQUIPMENT - LIGHT TRUCKS	10-L2.5	11.82
392.4 TRANSPORTATION EQUIPMENT - HEAVY TRUCKS	14-S3	7.71
393 STORES EQUIPMENT	10-SQ	10.72
394 TOOLS, SHOP AND GARAGE EQUIPMENT	20-SQ	5.04
395 LABORATORY EQUIPMENT	10-SQ	11.16
396 POWER OPERATED EQUIPMENT	20-S0	7.44
397 COMMUNICATION EQUIPMENT	10-SQ	9.58
398 MISCELLANEOUS EQUIPMENT	10-SQ	10.13
<b><u>OTHER UTILITY PLANT ALLOCATED TO ELECTRIC DIVISION</u></b>		
<b>COMMON PLANT</b>		
390.1 STRUCTURES AND IMPROVEMENTS	70-R1	2.90
391 OFFICE FURNITURE AND EQUIPMENT - FURNITURE	20-SQ	5.32
391.1 OFFICE FURNITURE AND EQUIPMENT - EQUIPMENT	5-SQ	18.15
392.1 TRANSPORTATION EQUIPMENT - AUTOMOBILES	7-L2.5	0.17
<b>INFORMATION SERVICES (IS)</b>		
391 OFFICE FURNITURE AND EQUIPMENT - FURNITURE	20-SQ	3.78
391.1 OFFICE FURNITURE AND EQUIPMENT - EQUIPMENT	5-SQ	19.57
391.2 OFFICE FURNITURE AND EQUIPMENT - SOFTWARE	SQUARE	10.85
391.3 OFFICE FURNITURE AND EQUIPMENT - SYSTEM DEV. COSTS - 10 YEARS	10-SQ	10.29
391.4 OFFICE FURNITURE AND EQUIPMENT - SYSTEM DEV. COSTS - 15 YEARS	15-SQ	6.74

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Responses to Section 53.53 - V-C - Use of Retirement Rate Actuarial Method  
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V-C-1

Request:

Where the retirement rate actuarial method of mortality analysis is utilized, set forth representative examples including charts depicting the observed and estimated survivor curves and a tabular presentation of the observed and estimated life tables plotted on the chart. Other analysis results shall be subject to request.

Response:

The charts and life tables for the accounts analyzed by the retirement rate method are set forth in Part VI of UGI Electric Exhibit C (Future).

Prepared by or under the supervision of: John F. Wiedmayer

UGI Utilities, Inc. - Electric Division  
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UGI Electric 2023 Base Rate Case  
Responses to Section 53.53 - V-D - Example Tabulations of Original  
Cost Claimed Estimates of Accrued Depreciation  
Delivered on January 27, 2023

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V-D-1

Request:

Provide the surviving original cost plant at the appropriate test year date or dates by account or functional property group and include claimed depreciation reserves. Provide annual depreciation accruals where appropriate. These calculations should be provided for plant in service as well as other categories of plant, including but not limited to, contributions in aid of construction, customers' advances for construction, and anticipated retirements associated with construction work in progress claims, if applicable.

Response:

A summary of the original cost, depreciation reserve and annual depreciation accrual as of September 30, 2024, is presented on Table 1, pages II-3 through II-5 of UGI Electric Exhibit C (Fully Projected Future).

A summary of the original cost, depreciation reserve and annual depreciation accrual as of September 30, 2023, is presented on Table 1, pages V-4 through V-6 of UGI Electric Exhibit C (Future).

A summary of the original cost, depreciation reserve and annual depreciation accrual as of September 30, 2022, is presented on Table 1, pages II-3 through II-5 of UGI Electric Exhibit C (Historic).

Prepared by or under the supervision of: John F. Wiedmayer

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Responses to Section 53.53 - V-D - Example Tabulations of Original  
Cost Claimed Estimates of Accrued Depreciation  
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V-D-2

Request:

Provide representative examples of detail calculations by vintage at account or at a more detailed level, as performed for these purposes. Other vintage detail calculations shall be subject to request.

Response:

The detailed calculations of depreciation by installation year as of September 30, 2024 are set forth in Part III of UGI Electric Exhibit C (Fully Projected Future).

The detailed calculations of depreciation by installation year as of September 30, 2023 are set forth in Part VII of UGI Electric Exhibit C (Future).

The detailed calculations of depreciation by installation year as of September 30, 2022 are set forth in Part III of UGI Electric Exhibit C (Historic).

Prepared by or under the supervision of: John F. Wiedmayer

UGI Utilities, Inc. - Electric Division  
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Responses to Section 53.53 - V-E - Description of Depreciation Methods  
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V-E-1

Request:

Provide a description of the depreciation methods utilized in calculating annual depreciation amounts and depreciation reserves, together with a discussion of the significant factors which were considered in arriving at estimates of service life and forecast retirements by facilities, accounts or sub-accounts, as applicable.

Response:

A description of the depreciation methods used in the calculation of annual and accrued depreciation and the factors considered in the service life estimation are discussed in UGI Electric Exhibit C (Future) in Parts II and III under the sections titled "Part II. Estimation of Survivor Curves" and "Part III. Service Life Considerations".

Prepared by or under the supervision of: John F. Wiedmayer

**VI. UNADJUSTED COMPARATIVE BALANCE SHEETS  
& OPERATING INCOME STATEMENTS**

UGI Utilities, Inc. - Electric Division  
Docket No. R-2022-3037368  
UGI Electric 2023 Base Rate Case  
Responses to Section 53.53 - VI - Unadjusted Comparative Balance  
Sheets and Operating Income Statements  
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VI-A-1

Request:

Provide the following unadjusted detailed schedules by function and by FERC account for the claimed test year and for each of the 3 preceding comparable years:

A. Balance sheet, in the form available.

Response:

Please see Attachment VI-A-1.

Prepared by or under the supervision of: Vivian K. Ressler

UGI Utilities, Inc. - Electric Division  
Unadjusted Comparative Balance Sheets  
For the Years Ended September 30, 2021-2024  
(\$ in Thousands)

	2021	2022	2023	2024
UTILITY PLANT (101 - 106, 108)				
Electric Utility Plant	\$ 265,511	\$ 314,688	\$ 339,863	\$ 367,052
Other Utility Plant	-	-	-	-
Total Plant In Service	\$ 265,511	\$ 314,688	\$ 339,863	\$ 367,052
Construction Work In Progress (107)	\$ 11,054	\$ 8,024	\$ 8,000	\$ 8,000
Total Utility Plant	\$ 276,564	\$ 322,712	\$ 347,863	\$ 375,052
Accumulated Provision for Depreciation - Electric (108)	\$ (93,773)	\$ (100,697)	\$ (110,643)	\$ (121,394)
Utility Acquisition Adjustment (114)	390	390	390	390
Accumulated Provision for Depreciation - Other (119)	-	-	-	-
Net Utility Plant	\$ 183,181	\$ 222,405	\$ 237,610	\$ 254,048
OTHER PROPERTY INVESTMENTS				
Non-utility Property (121)	\$ 15	\$ 15	\$ 15	\$ 15
Accumulated Depreciation on NUP (122)	-	-	-	-
Investment in Associated & Subsidiary Companies (123.1)	-	-	-	-
Other Investments (124)	-	-	-	-
Total Other Property and Investments	\$ 15	\$ 15	\$ 15	\$ 15
CURRENT AND ACCRUED ASSETS				
Cash & Other Temporary Investments(131-136)	\$ 107	\$ 2,265	\$ 566	\$ 566
Unbilled Revenues	-	-	-	-
Customer Accounts Receivable (142)	12,243	18,883	20,984	19,496
Other Accounts Receivable (143)	215	859	570	570
Accum Provision for Uncollectible (144)	(1,948)	(2,238)	(2,518)	(2,340)
Receivables from Associated Companies (145)	-	-	-	-
Accounts Receivable Assoc. Comp. (146)	369	477	404	404
Plant Materials & Operating Supplies (154)	1,472	2,627	2,621	3,100
Allowance Inventory (158.1)	487	345	682	682
Stores Expense - Undistributed (163)	106	127	181	183
Prepayments (165)	1,775	1,953	2,182	2,182
Accrued Utility Revenues (173)	3,223	4,326	3,500	4,000
Miscellaneous Current & Accrued Assets (174)	1,424	1,433	1,400	1,400
Derivative Instrument Assets (175)	-	-	-	-
Total Current and Accrued Assets	\$ 19,473	\$ 31,058	\$ 30,572	\$ 30,243
DEFERRED DEBITS				
Unamortized Debt Expense (181)	\$ 23	\$ 13	\$ 20	\$ 20
Other Regulatory Assets (182.3)	32,284	29,955	33,421	33,146
Other Preliminary Survey & Investigation Charges (183.2)	-	-	-	-
Clearing Accounts (184)	-	-	-	-
Miscellaneous Deferred Debits (186)	938	1,388	1,166	1,166
Deferred Loss from Disposition of Utility Plant (187)	-	-	-	-
Accumulated Deferred Income Taxes (190)	16,204	16,153	16,000	16,000
Total Deferred Debits	\$ 49,449	\$ 47,509	\$ 50,606	\$ 50,332
TOTAL ASSETS AND OTHER DEBITS	\$ 252,118	\$ 300,987	\$ 318,803	\$ 334,638



**UGI Utilities, Inc. - Electric Division**  
**Unadjusted Comparative Balance Sheets**  
**For the Years Ended September 30, 2021-2024**  
(\$ in Thousands )

Attachment VI-A-1  
V. K. Ressler  
Page 2 of 2

	2021	2022	2023	2024
<b>PROPRIETARY CAPITAL</b>				
Common Stock Issued (201)	\$ 5,465	\$ 6,026	\$ 6,453	\$ 6,453
Preferred Stock Issued (204)	-	-	-	-
Premium on Capital Stock (207)	42,949	50,858	50,720	50,720
Capital Stock Expense (214)	-	-	-	-
Retained Earnings (215, 215.2, 216)	33,807	71,682	76,516	82,897
Accum Other Comprehensive Income (219)	(1,268)	(814)	(1,586)	(1,235)
<b>Total Proprietary Capital</b>	<b>\$ 80,953</b>	<b>\$ 127,752</b>	<b>\$ 132,104</b>	<b>\$ 138,836</b>
<b>LONG TERM DEBT</b>				
Bonds (221)	\$ -	\$ -	\$ -	\$ -
Advances from Associated Companies (223)	-	-	-	-
Other Long-Term Debt (224)	72,302	70,788	78,906	90,828
Unamortized Premium on LTD (225)	-	-	-	-
Unamortized Discount on LTD (226)	-	-	-	-
<b>Total Long-term Debt</b>	<b>\$ 72,302</b>	<b>\$ 70,788</b>	<b>\$ 78,906</b>	<b>\$ 90,828</b>
<b>OTHER NON-CURRENT LIABILITIES</b>				
Obligations under Capital Leases (227)	\$ -	\$ -	\$ -	\$ -
Advances from Associated Companies (223)	-	-	-	-
Other Long-Term Debt (224)	-	-	-	-
Accum. Prov for Injuries & Damages (228.2)	-	-	-	-
Accum. Miscellaneous Operating Prov (228.4)	-	-	-	-
Accumulated Provision for Pension & Benefits (228.3)	8,802	8,593	8,592	8,592
<b>Total Non-Current Liabilities</b>	<b>\$ 8,802</b>	<b>\$ 8,593</b>	<b>\$ 8,592</b>	<b>\$ 8,592</b>
<b>CURRENT &amp; ACCRUED LIABILITIES</b>				
Notes Payable (231)	\$ 7,698	\$ 7,690	\$ 13,881	\$ 11,062
Accounts Payable (232)	8,174	11,083	11,000	11,000
Notes Payable to Assoc. Companies (233)	-	-	-	-
Accounts Payable to Assoc. Cos (234)	1,131	978	1,000	1,000
Customer Deposits (235)	922	984	947	947
Taxes Accrued (236)	470	780	219	219
Interest Accrued (237)	594	599	705	705
Tax Collections Payable (241)	63	148	-	-
Misc Current & Accrued Liabilities (242)	2,244	2,606	2,600	2,600
Obligations under Capital Leases - Current (243)	29	-	-	-
Derivative Instrument Liabilities (244)	-	-	-	-
<b>Total Current &amp; Accrued Liabilities</b>	<b>\$ 21,325</b>	<b>\$ 24,867</b>	<b>\$ 30,351</b>	<b>\$ 27,532</b>
<b>OTHER DEFERRED CREDITS</b>				
Customer Advances for Construction (252)	\$ -	\$ -	\$ -	\$ -
Other Deferred Credits (253)	485	422	450	450
Other Regulatory Liabilities (254)	25,631	28,084	28,000	28,000
Deferred ITC (255)	-	-	-	-
Accumulated Deferred Income Taxes (282)	42,620	40,481	40,400	40,400
Accumulated Deferred Income Taxes (283)	-	-	-	-
<b>Total Other Deferred Credits</b>	<b>\$ 68,736</b>	<b>\$ 68,987</b>	<b>\$ 68,850</b>	<b>\$ 68,850</b>
<b>TOTAL LIABILITIES &amp; OTHER CREDITS</b>	<b>\$ 252,118</b>	<b>\$ 300,987</b>	<b>\$ 318,803</b>	<b>\$ 334,638</b>

UGI Utilities, Inc. - Electric Division  
Docket No. R-2022-3037368  
UGI Electric 2023 Base Rate Case  
Responses to Section 53.53 - VI - Unadjusted Comparative Balance  
Sheets and Operating Income Statements  
Delivered on January 27, 2023

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VI-B-1

Request:

Provide the following unadjusted detailed schedules by function and by FERC account for the claimed test year and for each of the 3 preceding comparable years:

B. Statement of income.

Response:

Please see Attachment VI-B-1.

Prepared by or under the supervision of: Vivian K. Ressler

UGI UTILITIES, INC. - ELECTRIC DIVISION  
INCOME STATEMENT SUPPORTING SCHEDULES  
FOR THE YEARS ENDED SEPTEMBER 30, 2021 - 2024  
(Thousands)

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
<b><u>OPERATING REVENUES</u></b>	155,625	151,736	136,640	98,512
<b><u>OPERATING EXPENSES</u></b>				
401-402 Total Operation & Maintenance Expense	125,070	121,338	105,358	76,471
403-405 Depreciation Expense and Amortization	10,751	9,947	9,308	8,146
408.1 Taxes Other Than Income Taxes	9,523	9,255	8,469	6,455
Total operating Expenses Prior to Federal and State Income Taxes	<u>145,343</u>	<u>140,540</u>	<u>123,135</u>	<u>91,072</u>
Operating Income Prior to Federal and State Income Taxes	<u>10,282</u>	<u>11,195</u>	<u>13,505</u>	<u>7,440</u>
<b><u>FEDERAL AND STATE INCOME TAXES</u></b>				
409.1-411.4 Total Federal and State Income Taxes	<u>1,312</u>	<u>2,019</u>	<u>2,920</u>	<u>761</u>
Operating Income After Federal and State Income Taxes	<u>8,970</u>	<u>9,176</u>	<u>10,585</u>	<u>6,679</u>
<b><u>OTHER INCOME AND DEDUCTIONS</u></b>				
415.0 Revenues From Merchandising, Jobbing And Contract Work	-	-	-	-
418.0 Non-Utility Operating Income (Loss)	-	-	-	-
419.0 Interest and Dividend Income	20	20	(213)	11
419.1 Allowance for Other Funds Used During Construction	-	-	105	-
421.0 Other Misc Non-Operating Income	(112)	(111)	(184)	(161)
Total Other Income	<u>(93)</u>	<u>(92)</u>	<u>(291)</u>	<u>(151)</u>
Other Income Deductions				
421.2 Loss on Disposition of Property	-	-	-	-
426.0 Miscellaneous	-	-	-	-
Total Other Income Deductions	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Taxes Applicable to Other Income Deductions				
408.2 Taxes Other than Income Taxes	-	-	-	-
409.2 Federal Income Tax	-	-	(502)	(417)
410.1 Deferred Federal Income Taxes - Net	-	-	-	-
411.2 Deferred State Income Taxes - Net	-	-	-	-
Total Taxes Applicable to Other Income Deduction	<u>-</u>	<u>-</u>	<u>(502)</u>	<u>(417)</u>
Income Before Interest Charges	<u>8,878</u>	<u>9,084</u>	<u>10,795</u>	<u>6,945</u>
<b><u>INTEREST CHARGES</u></b>				
427.0 Interest on Long-term Debt	3,400	3,059	3,032	2,881
428.0 Amortization of Debt Discount & Expense	44	41	42	31
431.0 Other Interest Expense	367	532	167	148
432.0 Allowance for Borrowed Funds Used During Construction	(196)	(208)	(247)	910
Net Interest Charges	<u>3,615</u>	<u>3,424</u>	<u>2,994</u>	<u>3,970</u>
Net Income	<u>5,263</u>	<u>5,661</u>	<u>7,800</u>	<u>2,975</u>

UGI Utilities, Inc. - Electric Division  
Docket No. R-2022-3037368  
UGI Electric 2023 Base Rate Case  
Responses to Section 53.53 - VI - Unadjusted Comparative Balance  
Sheets and Operating Income Statements  
Delivered on January 27, 2023

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VI-C-1

Request:

Provide the following unadjusted detailed schedules by function and by FERC account for the claimed test year and for each of the 3 preceding comparable years:

C. Plant in service.

Response:

Please reference Attachment VI-C-1.

Prepared by or under the supervision of: Vivian K. Ressler

**UGI UTILITIES, INC. - ELECTRIC DIVISION  
UNADJUSTED PLANT IN SERVICE  
FOR THE YEARS ENDED SEPTEMBER 30, 2021, 2022, 2023 AND 2024**

ACCOUNT	2021	2022	2023	2024
<b><u>ELECTRIC PLANT</u></b>				
<b>DISTRIBUTION PLANT</b>				
361 STRUCTURES AND IMPROVEMENTS	\$ 507,004	\$ 627,496	\$ 627,496	\$ 627,496
362 STATION EQUIPMENT	7,468,502	10,981,236	11,263,245	11,568,188
364 POLES, TOWERS AND FIXTURES	50,833,070	54,077,226	55,047,300	56,561,695
365 OVERHEAD CONDUCTORS AND DEVICES	49,407,548	54,595,611	69,557,228	83,518,448
365.7 REG AFUDC	(711,827)	(711,827)	(711,827)	(711,827)
366 UNDERGROUND CONDUIT	8,649,717	8,779,918	8,779,918	8,779,918
367 UNDERGROUND CONDUCTORS AND DEVICES	13,430,716	14,750,367	15,051,435	15,566,131
368.1 TRANSFORMERS	16,080,484	16,660,208	18,263,782	19,861,657
368.2 TRANSFORMER INSTALLATIONS	11,003,763	11,197,561	11,218,276	11,239,609
369 SERVICES	15,218,863	15,753,385	16,224,921	16,710,606
370.1 METERS	2,978,384	2,949,899	2,977,856	3,093,268
370.2 METER INSTALLATIONS	1,950,454	1,972,304	1,980,373	1,988,715
370.3 ELECTRONIC METERS	4,829,400	5,037,891	5,037,891	5,037,891
371 INSTALLATIONS ON CUSTOMER PREMISES	2,154,327	2,219,114	2,219,114	2,219,114
371.5 INSTALLATIONS ON CUSTOMER PREMISES - DUSK TO DAWN LIGHTS	347,706	347,706	347,706	347,706
373 STREET LIGHTING AND SIGNAL SYSTEMS	2,256,734	2,331,583	2,470,771	2,614,126
<b>TOTAL DISTRIBUTION PLANT</b>	<b>\$ 186,404,845</b>	<b>\$ 201,569,678</b>	<b>\$ 220,355,485</b>	<b>\$ 239,022,741</b>
<b>GENERAL PLANT</b>				
390.1 STRUCTURES AND IMPROVEMENTS				
FORTY FORT	\$ 1,263,625	\$ 2,773,772	\$ 4,192,673	\$ 4,677,729
PLYMOUTH	15,111	15,111	15,111	15,111
IDETOWN	49,926	49,926	49,926	49,926
NANTICOKE	76,179	76,179	76,179	76,179
EMPIRE YARD	19,895	19,895	19,895	19,895
SYSTEM CONTROL CENTER	1,879,416	1,891,888	1,891,888	1,891,888
<i>SUBTOTAL ACCOUNT 390.1</i>	<i>\$ 3,304,152</i>	<i>\$ 4,826,771</i>	<i>\$ 6,245,672</i>	<i>\$ 6,730,728</i>
391 OFFICE FURNITURE AND EQUIPMENT - FURNITURE	\$ 68,648	\$ 66,068	\$ 66,068	\$ 66,068
391.1 OFFICE FURNITURE AND EQUIPMENT - EQUIPMENT	427,636	369,215	369,215	9,824
391.92 OFFICE FURNITURE AND EQUIPMENT - OUTAGE MANAGEMENT SOFTWARE	682,064	4,023,657	3,496,035	3,496,035
393 STORES EQUIPMENT	14,618	14,618	14,618	14,618
394 TOOLS, SHOP AND GARAGE EQUIPMENT	1,574,159	1,634,223	1,555,310	1,522,715
395 LABORATORY EQUIPMENT	182,141	97,830	73,971	37,739
397 COMMUNICATION EQUIPMENT	776,460	1,023,287	931,152	877,809
398 MISCELLANEOUS EQUIPMENT	225,085	410,294	591,542	757,799

**UGI UTILITIES, INC. - ELECTRIC DIVISION**  
**UNADJUSTED PLANT IN SERVICE**  
**FOR THE YEARS ENDED SEPTEMBER 30, 2021, 2022, 2023 AND 2024**

ACCOUNT	2021	2022	2023	2024
<b>TOTAL GENERAL PLANT</b>	<b>\$ 7,254,963</b>	<b>\$ 12,465,963</b>	<b>\$ 13,343,583</b>	<b>\$ 13,513,335</b>
<b>SPECIAL DEPRECIABLE PLANT</b>				
392.1 TRANSPORTATION EQUIPMENT - AUTOMOBILES	\$ 375,979	\$ 302,097	\$ 336,097	\$ 370,097
392.2 TRANSPORTATION EQUIPMENT - LIGHT TRUCKS	328,396	1,394,971	1,620,671	2,786,671
392.4 TRANSPORTATION EQUIPMENT - HEAVY TRUCKS	136,684	490,636	490,636	490,636
396 POWER OPERATED EQUIPMENT	95,952	176,632	804,018	1,071,351
<b>TOTAL SPECIAL DEPRECIABLE PLANT</b>	<b>\$ 937,011</b>	<b>\$ 2,364,336</b>	<b>\$ 3,251,422</b>	<b>\$ 4,718,755</b>
<b>TOTAL DEPRECIABLE PLANT</b>	<b>\$ 194,596,819</b>	<b>\$ 216,399,977</b>	<b>\$ 236,950,490</b>	<b>\$ 257,254,831</b>
<b>NONDEPRECIABLE PLANT</b>				
301.1 ORGANIZATION	\$ 1,602	\$ 1,602	\$ 1,602	\$ 1,602
302.1 FRANCHISES AND CONSENTS - PERPETUAL	6,436	6,436	6,436	6,436
360.1 LAND AND LAND RIGHTS - LAND	294,162	294,162	299,162	299,162
360.2 LAND AND LAND RIGHTS - LAND RIGHTS	14,336	14,336	14,336	14,336
389.1 LAND AND LAND RIGHTS - LAND	202,584	202,584	202,584	202,584
<b>TOTAL NONDEPRECIABLE PLANT</b>	<b>\$ 519,120</b>	<b>\$ 519,120</b>	<b>\$ 524,120</b>	<b>\$ 524,120</b>
<b>LESS GENERAL PLANT ALLOCATED TO TRANSMISSION - 25.6247%</b>	<b>\$ (2,153,140)</b>	<b>\$ (3,854,191)</b>	<b>\$ (4,306,392)</b>	<b>\$ (4,725,890)</b>
<b>TOTAL ELECTRIC PLANT</b>	<b>\$ 192,962,799</b>	<b>\$ 213,064,906</b>	<b>\$ 233,168,218</b>	<b>\$ 253,053,061</b>
<b>SUMMARY</b>				
DISTRIBUTION	186,404,845	201,569,678	220,355,485	239,022,741
GENERAL PLANT	6,557,954	11,495,228	12,812,733	14,030,320
<b>TOTAL PLANT</b>	<b>\$ 192,962,799</b>	<b>\$ 213,064,906</b>	<b>\$ 233,168,218</b>	<b>\$ 253,053,061</b>

Note: Common asset allocations are excluded from these plant in service amounts. Please refer to the UGI Electric Exhibit A (Fully Projected), UGI Electric Exhibit A (Future) and UGI Electric Exhibit A (Historic) for the common asset allocations.

UGI Utilities, Inc. - Electric Division  
Docket No. R-2022-3037368  
UGI Electric 2023 Base Rate Case  
Responses to Section 53.53 - VI - Unadjusted Comparative Balance  
Sheets and Operating Income Statements  
Delivered on January 27, 2023

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VI-D-1

Request:

Provide the following unadjusted detailed schedules by function and by FERC account for the claimed test year and for each of the 3 preceding comparable years:

D. Accumulated depreciation.

Response:

Please reference Attachment VI-D-1.

Prepared by or under the supervision of: Vivian K. Ressler

**UGI UTILITIES, INC. - ELECTRIC DIVISION**  
**UNADJUSTED ACCUMULATED DEPRECIATION EXPENSE**  
**FOR THE YEARS ENDED SEPTEMBER 30, 2021, 2022, 2023 AND 2024**

ACCOUNT	2021	2022	2023	2024
<b>ELECTRIC PLANT</b>				
<b>DISTRIBUTION PLANT</b>				
361 STRUCTURES AND IMPROVEMENTS	\$ 19,543	\$ 36,400	\$ 51,995	\$ 67,339
362 STATION EQUIPMENT	516,513	796,511	1,177,222	1,555,321
364 POLES, TOWERS AND FIXTURES	14,856,683	15,594,836	16,932,371	18,154,021
365 OVERHEAD CONDUCTORS AND DEVICES	13,065,503	14,111,095	13,966,110	14,475,964
365.7 REG AFUDC	(68,810)	(83,047)	(99,348)	(115,649)
366 UNDERGROUND CONDUIT	2,269,301	2,409,512	2,551,835	2,692,439
367 UNDERGROUND CONDUCTORS AND DEVICES	3,669,796	4,071,859	4,511,139	4,927,497
368.1 TRANSFORMERS	8,249,294	8,046,476	8,139,253	8,266,630
368.2 TRANSFORMER INSTALLATIONS	5,979,297	6,195,958	6,450,987	6,688,323
369 SERVICES	7,208,602	7,527,834	7,799,373	8,069,605
370.1 METERS	1,985,392	2,073,283	2,054,528	1,938,784
370.2 METER INSTALLATIONS	753,939	778,252	801,991	825,222
370.3 ELECTRONIC METERS	3,890,307	4,010,096	4,148,090	4,274,497
371 INSTALLATIONS ON CUSTOMER PREMISES	850,251	873,689	987,794	1,087,883
371.5 INSTALLATIONS ON CUSTOMER PREMISES - DUSK TO DAWN LIGHTS	331,219	334,801	336,331	337,722
373 STREET LIGHTING AND SIGNAL SYSTEMS	986,733	980,610	1,058,359	1,138,619
<b>TOTAL DISTRIBUTION PLANT</b>	<b>\$ 64,563,564</b>	<b>\$ 67,758,165</b>	<b>\$ 70,868,030</b>	<b>\$ 74,384,217</b>
<b>GENERAL PLANT</b>				
390.1 STRUCTURES AND IMPROVEMENTS				
FORTY FORT	\$ 671,748	\$ 745,320	\$ 809,231	\$ 1,141,047
PLYMOUTH	15,111	15,111	15,111	15,111
IDETOWN	10,390	11,035	11,815	13,389
NANTICOKE	76,179	76,179	76,179	76,179
EMPIRE YARD	19,895	19,895	19,895	19,895
SYSTEM CONTROL CENTER	318,561	326,294	342,973	387,545
SUBTOTAL ACCOUNT 390.1	\$ 1,111,884	\$ 1,193,834	\$ 1,275,204	\$ 1,653,166
391 OFFICE FURNITURE AND EQUIPMENT - FURNITURE	12,354	15,334	20,137	24,980
391.1 OFFICE FURNITURE AND EQUIPMENT - EQUIPMENT	38,869	130,617	285,540	(613)
391.92 OFFICE FURNITURE AND EQUIPMENT - OUTAGE MANAGEMENT SOFTWARE	635,694	660,150	697,801	1,490,702
393 STORES EQUIPMENT	2,568	4,135	5,885	7,651
394 TOOLS, SHOP AND GARAGE EQUIPMENT	533,742	615,343	622,707	669,762
395 LABORATORY EQUIPMENT	86,831	83,568	62,234	28,138
397 COMMUNICATION EQUIPMENT	261,885	152,259	297,890	368,166
398 MISCELLANEOUS EQUIPMENT	56,124	51,910	126,923	210,964
<b>TOTAL GENERAL PLANT</b>	<b>\$ 2,739,951</b>	<b>\$ 2,907,150</b>	<b>\$ 3,394,321</b>	<b>\$ 4,452,916</b>



**UGI UTILITIES, INC. - ELECTRIC DIVISION  
UNADJUSTED ACCUMULATED DEPRECIATION EXPENSE  
FOR THE YEARS ENDED SEPTEMBER 30, 2021, 2022, 2023 AND 2024**

ACCOUNT	2021	2022	2023	2024
<b>SPECIAL DEPRECIABLE PLANT</b>				
392.1 TRANSPORTATION EQUIPMENT - AUTOMOBILES	35,766	\$ 123,694	\$ 167,889	\$ 213,285
392.2 TRANSPORTATION EQUIPMENT - LIGHT TRUCKS	65,443	140,850	307,336	487,745
392.4 TRANSPORTATION EQUIPMENT - HEAVY TRUCKS	17,854	35,877	75,520	115,114
396 POWER OPERATED EQUIPMENT	<u>(2,384)</u>	<u>6,317</u>	<u>45,151</u>	<u>117,248</u>
<b>TOTAL SPECIAL DEPRECIABLE PLANT</b>	<b>\$ 116,679</b>	<b>\$ 306,738</b>	<b>\$ 595,896</b>	<b>\$ 933,392</b>
<b>TOTAL DEPRECIABLE PLANT</b>	<b>\$ 67,420,194</b>	<b>\$ 70,972,053</b>	<b>\$ 74,858,247</b>	<b>\$ 79,770,525</b>
<b>LESS GENERAL PLANT ALLOCATED TO TRANSMISSION - 25.6247%</b>	<b>\$ (732,003)</b>	<b>\$ (823,549)</b>	<b>\$ (1,022,481)</b>	<b>\$ (1,380,225)</b>
<b>TOTAL ELECTRIC PLANT</b>	<b>\$ 66,688,191</b>	<b>\$ 70,148,504</b>	<b>\$ 73,835,766</b>	<b>\$ 78,390,300</b>
<b>SUMMARY</b>				
DISTRIBUTION	64,563,564	67,758,165	70,868,030	74,384,217
GENERAL PLANT	<u>2,124,627</u>	<u>2,390,339</u>	<u>2,967,736</u>	<u>4,006,083</u>
<b>TOTAL PLANT</b>	<b>\$ 66,688,191</b>	<b>\$ 70,148,504</b>	<b>\$ 73,835,766</b>	<b>\$ 78,390,300</b>

Note: Common asset allocations are excluded from these accumulated depreciation amounts. Please refer to the UGI Electric Exhibit A (Fully Projected), UGI Electric Exhibit A (Future) and UGI Electric Exhibit A (Historic) for the common asset allocations.

**INDEX OF CONTENTS ON  
USB FLASH DRIVE**

**UGI UTILITIES, INC. – ELECTRIC DIVISION  
2023 BASE RATE CASE  
DOCKET NO. R-2022-3037368**

**INDEX OF CONTENTS ON USB FLASH DRIVE**

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<b>BOOK II</b>	UGI Electric Statement No. 1 – Christopher R. Brown UGI Electric Statement No. 2 – Tracy A. Hazenstab UGI Electric Statement No. 3 – Vivian K. Ressler UGI Electric Statement No. 4 – Eric W. Sorber UGI Electric Statement No. 5 – Vicky A. Schappell
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<b>BOOK IV</b>	UGI Electric Exhibit A – Fully Projected Future UGI Electric Exhibit A – Future UGI Electric Exhibit A – Historic UGI Electric Exhibit B – Rate of Return UGI Electric Exhibit E – Proof of Revenue
<b>BOOK V</b>	UGI Electric Exhibit C – Depreciation Study – Fully Projected Future
<b>BOOK VI</b>	UGI Electric Exhibit C – Depreciation Study – Future
<b>BOOK VII</b>	UGI Electric Exhibit C – Depreciation Study – Historic
<b>BOOK VIII</b>	UGI Electric Exhibit D – Allocated Cost of Service Study
<b>BOOK IX</b>	UGI Electric Exhibit F – Current Tariffs
<b>BOOK X</b>	UGI Electric Exhibit F – Proposed Supplement Nos. 51 and 7

**USB FLASH DRIVE**