

UGI UTILITIES, INC. – GAS 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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DOCKET NO. R-2018-3006814

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STATEMENT OF REASONS

UGI UTILITIES, INC. – GAS DIVISION
2019 Base Rate Case
Docket No. R-2018-3006814

STATEMENT OF REASONS

I. INTRODUCTION

UGI Utilities, Inc. – Gas Division (“UGI Gas” or “the Company”) is filing Tariff Gas – Pa. P.U.C. Nos. 7 and 7S, with a proposed effective date of March 29, 2019. The rates set forth in Tariff Nos. 7 and 7S, if approved by the Pennsylvania Public Utility Commission (“PUC” or the “Commission”), would increase UGI Gas’s annual jurisdictional revenues by \$71.1 million, or by 8.9%. The Company has also proposed to create uniform rates by rate class, including base rates, purchased gas cost (“PGC”) charges, and other rider charges, for the UGI Gas South, North and Central Rate Districts, and establish uniform choice and non-choice transportation programs applicable to all customers and natural gas suppliers. Tariff Nos. 7 and 7S also propose changes to a variety of general tariff rules and regulations as well as certain provisions of gas transportation and Gas Choice services.

The following rate impact analysis applies to customers that are located in the **UGI Gas – South, North, and Central Rate Districts** and assumes that the full amount of the proposed rate increase is granted and that our proposal to create uniform rates is adopted:

Average Residential Heating Customer Bill Impact

<u>Rate District</u>	<u>Average Usage</u>	<u>Total Monthly Bill Impact</u>			<u>Rate Impact</u>		
		<u>Current</u>	<u>Proposed</u>	<u>Increase (Decrease)</u>	<u>Total</u>	<u>Distribution Rate</u>	<u>PGC Rate</u>
South	62.3 Ccf	\$ 62.45	\$ 72.93	\$ 10.48	16.8%	20.2%	-3.4%
North	90.6 Ccf	\$ 89.72	\$ 97.37	\$ 7.65	8.5%	5.2%	3.3%
Central	77.3 Ccf	\$ 93.68	\$ 85.91	\$ (7.77)	-8.3%	-11.5%	3.2%

Average Commercial Heating Customer Bill Impact

<u>Rate District</u>	<u>Average Usage</u>	<u>Total Monthly Bill Impact</u>			<u>Rate Impact</u>		
		<u>Current</u>	<u>Proposed</u>	<u>Increase (Decrease)</u>	<u>Total</u>	<u>Distribution Rate</u>	<u>PGC Rate</u>
South	27.1 Mcf	\$ 246.63	\$ 250.24	\$ 3.61	1.5%	5.2%	-3.7%
North	31.2 Mcf	\$ 241.11	\$ 283.01	\$ 41.90	17.4%	13.1%	4.3%
Central	28.2 Mcf	\$ 235.90	\$ 259.50	\$ 23.60	10.0%	5.3%	4.7%

Average Industrial Customer Bill Impact

<u>Rate District</u>	<u>Average Usage</u>	<u>Total Monthly Bill Impact</u>			<u>Rate Impact</u>		
		<u>Current</u>	<u>Proposed</u>	<u>Increase (Decrease)</u>	<u>Total</u>	<u>Distribution Rate</u>	<u>PGC Rate</u>
South	58.5 Mcf	\$ 514.50	\$ 497.69	\$ (16.81)	-3.3%	0.6%	-3.8%
North	88.1 Mcf	\$ 619.90	\$ 731.35	\$ 111.45	18.0%	13.3%	4.7%
Central	214.7 Mcf	\$ 1,591.52	\$ 1,728.90	\$ 137.38	8.6%	3.3%	5.3%

In addition to the changes to the distribution rates and the purchased gas cost rates, the Company is proposing to extend the existing temporary federal tax credit for a 12-month period following the effective date of new rates. As proposed, this credit will reduce the distribution rate portion of customer bills from those stated above by 4.50% over the course of the 12-month period.

The principal reasons for UGI Gas’s request for rate relief are: (1) to establish rates which provide the Company a reasonable opportunity to earn a fair return on its investment used to serve the public; (2) to establish uniform rates, rules and regulations for UGI’s three current rate districts, which will reduce costs, improve administrative efficiency and promote retail competition; (3) to support a continuation of accelerated capital investment in key technology system replacements and to maintain and improve system safety and reliability by replacing

aging infrastructure; (4) to update certain terms and conditions of service and address program commitments established in other Commission proceedings; (5) to report on the Company's GET Gas pilot main extension program and extend the pilot for another five years; and (6) to incorporate new investments related to distribution infrastructure for growth and replacement of essential facilities.

Each of these issues is discussed in more detail below and in the Company's testimony. As explained, the requested revenue increase is essential to the Company's continued ability to provide safe and reliable service to customers and to attract capital on reasonable terms. Section II addresses the factors driving the Company's need for a rate increase. Section III identifies the benefits of unifying the three rate districts. Section IV addresses UGI Gas's management effectiveness and describes its various efforts to control increasing costs and improve service to customers. Section V provides a more detailed overview of this rate filing.

II. REASONS FOR THE REQUESTED REVENUE INCREASE AND OTHER TARIFF CHANGES

A variety of operating circumstances will prevent UGI Gas from earning a fair rate of return at present rate levels. As reflected in UGI Gas Exhibit A (Fully Projected), Schedule A-1, the Company's operations are projected to produce an overall return on rate base of 6.20%, which equates to a return on common equity of only 7.41% for the fully projected future test year (12 months ending September 30, 2020). As explained by UGI Gas witness Paul R. Moul (UGI Gas Statement No. 5), those returns are not adequate based on applicable financial analysis and the risks confronted by UGI Gas. Unless UGI Gas receives the requested rate relief, those returns will continue to decline 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.

One primary contributor to the need for rate relief is UGI Gas's continued significant capital investment in its aging distribution system. In the past five years, on a combined basis, the Company has invested over \$600 million dollars in repairing and replacing its aging infrastructure. This amount reflects a significant acceleration in spending in accordance with its current Long Term Infrastructure Improvement Plan ("LTIIP"), which was approved by the Pennsylvania Public Utility Commission ("PUC") in 2014. The Company will be filing its second LTIIP during the pendency of this rate case to establish its capital replacement and betterment program through 2024. Through its LTIIP programs, UGI Gas will continue accelerated investment in the repair, replacement and improvement of aged and aging distribution infrastructure. UGI Gas's focus on upgrading and modernizing its distribution system and facilities will support the Company's efforts to continue to provide safe and reliable gas distribution service and high-quality customer service.

In addition to modernizing its facilities, UGI Gas also actively seeks to improve its technology and employee training. The Company continues to implement UGI-1, an initiative designed to align UGI Gas's people, processes and tools across its system. UGI-1 will allow UGI Gas to become more efficient and effective in all aspects of its business, including handling calls from customers, performing billing and related activities, constructing new distribution facilities, operating and maintaining its gas distribution and transmission systems, and responding to emergencies. Similarly, since early 2017, UGI Gas has been developing plans to construct a new state-of-the-art centralized training center for its employees and local emergency personnel. This new training center will be opened mid-year in 2020. Finally, UGI Gas

continues to pursue the UGI Next Information Technology Enterprise (“UNITE”) Initiative to develop and implement next generation technology solutions to improve the service experience of its customers. As part of UNITE, UGI Gas has recently transitioned to a new customer information system (UNITE Phase I) and is actively working on a replacement of its Enterprise Resource Planning financial and supply chain systems (UNITE Phase II).

UGI Gas also has adopted modest annual wage and salary increases over the years since each of the rate district’s most recent rate cases in order to maintain and promote a highly qualified work force and will continue to do so, where reasonable. Similarly, over the same time frame, UGI Gas has also experienced other general price increases for necessary products and services. Although UGI Gas has made major strides toward integrating its operations and has seen stable customer growth over time, the growth in operating and capital costs, along with experienced and anticipated changes in per customer usage, will prevent UGI Gas from earning a fair rate of return on its investment at present rate levels.

Through this filing, UGI Gas also proposes to modify various other provisions of its tariff. The purpose of these proposed changes is to unify existing rate district tariffs, reflect best practices, and improve the clarity of the tariff provisions. In particular, UGI Gas seeks to renew its successful Growth Extension Tariff (“GET Gas”) pilot program for an additional five-year term. In addition, the Company is proposing to extend its Technology and Economic Development (“TED”) Rider and its Energy Efficiency and Conservation (“EE&C”) Plan, which currently apply in the North and South Rate Districts, to the Central Rate District. These tariff changes are necessary to update and modernize the Company’s rate schedules, riders, and terms and conditions of service. The Company is also proposing the creation of a new Extension and

Expansion Fund (“EEF”) to assist in natural gas expansion to unserved and underserved areas in the Company’s service territory, and is also proposing an incentive sharing mechanism.

III. PROPOSAL FOR UNIFORM RATES, RULES AND REGULATIONS

With the October 1, 2018 merger of UGI Central Penn Gas, Inc. (“UGI CPG”), and UGI Penn Natural Gas, Inc. (“UGI PNG”) into UGI Utilities, Inc.,¹ UGI Gas currently operates under a three rate district structure, where the former UGI Gas is now the South Rate District, the former UGI PNG is the North Rate District, and the former UGI CPG is the Central Rate District. As a result, UGI Gas currently maintains: (a) three sets of base rates; (b) three gas supply portfolios; (c) three PGC rates; (d) three sets of rules for natural gas suppliers (“NGS”) serving core market customers for which UGI Gas has supplier-of-last resort (“SOLR”) obligations (“Choice Suppliers”); (e) three sets of delivery requirements applicable to suppliers serving larger volume transportation customers (“Non-Choice Suppliers”); and (f) three separate rate district tariffs. The current tariff rates, rules and regulations result from (1) the historic determination in pre-merger rate cases of the revenue requirement and purchased gas cost for each rate district as they stood prior to the merger, and (2) differences among rules and regulations that have lessened over time through alignment efforts in individual rate cases. In this case, the Company is proposing to eliminate these remaining differences to properly reflect the fact that the rate districts are operated under common management, common practices and procedures, common financing, and common systems.

Specifically, UGI Gas is proposing in this proceeding to: (a) establish uniform distribution rates and PGC rates under a unified tariff in lieu of its current three rate district

¹ The Commission approved the merger by approving, with certain revisions not opposed by any party, a Joint Petition for Approval of Settlement of All Issues (“Merger Settlement”) in an Opinion and Order entered on September 20, 2018, at Docket Nos. A-2018-3000381, A-2018-3000382 and A-2018-3000383 (“Merger Order”).

tariffs, including transportation service rates; (b) establish uniform tariff rules under a unified tariff in lieu of its current three rate district tariffs, including uniform Choice and non-Choice transportation program rules; (c) establish an expanded and unified EE&C Plan, designed to promote efficient use of natural gas across the entire UGI Gas service territory; (d) implement a second phase of the GET Gas pilot program; (e) convert the TED Rider from a pilot to a permanent program and expand its applicability to the current Central Rate District; (f) return certain additional benefits associated with the 2017 Tax Cut and Job Act (“TCJA”) through the extension of the existing TCJA credit mechanism for an additional 12 month period; (g) establish an EEF through the targeted utilization of a portion of interruptible revenues; and (h) establish an incentive sharing mechanism which incentivizes the Company to maximize interruptible revenues.

The impact of these changes is discussed in the testimony of UGI Gas witnesses Paul J. Szykman and David E. Lahoff (UGI Gas Statements No. 1 and No. 8, respectively). As discussed in the testimony, the overall goal is to achieve uniform class rates for distribution service while also creating a uniform purchased gas cost rate applicable throughout the service territory. The proposed revenue allocation moves each non-negotiated rate class an equal percentage (41%) towards the system average return. The Company also considered the rate impacts of its proposal both on a rate district and a rate class basis, and has proposed rate increases which, on average, do not exceed two times the system average on a rate district basis and, for rate districts with proposed increases, do not exceed two times the rate district average on a rate class basis.

The Company’s proposal to unify the rates, rules and regulations for its three rate districts will eliminate the existing historic rate disparity and provide numerous prospective benefits. The

Company's service representatives will now require training on only one uniform set of rates and one tariff, improving service efficiency. Also, a unified price-to-compare across the UGI Gas territory should cause customers to experience less confusion about applicable rates when shopping for natural gas supply service. This change will bring the benefits of expanded offerings by NGSs who will now have the ready capability to expand their service offerings in uniform fashion across the entire UGI Gas territory. This benefit will also be enhanced by the Company's proposed expansion of its purchase of receivables program to the UGI Gas North and Central rate districts. Customers will also ultimately benefit from the operating efficiencies resulting from consolidation and the increased options available to UGI Gas in developing a unified natural gas supply portfolio. Eliminating separate rate districts also should simplify and improve customer communications.

From the perspective of UGI Gas's Choice Suppliers, the establishment of a single gas supply portfolio will enable Choice Suppliers to market their products across a larger potential customer base with a single price to compare, thereby improving their marketing efficiency. Choice Suppliers will benefit from UGI Gas's already proposed expansion of its purchase of receivables program to encompass its entire service territory. The Company's proposal for a single supply portfolio will simplify the process of purchasing and accounting for natural gas supply. Since most Non-Choice Transportation customers receive service through NGS-operated pools that comply with nomination, delivery and balancing requirements on a pool-wide basis, the elimination of disparate delivery service rules will reduce the number of pools that need to be separately managed and balanced by NGSs.

Unifying the three rate districts also will provide benefits to the Commission and the public parties in the form of administrative efficiency. Currently, all tariff and a few other non-

rate filings with the Commission are done by rate district, as permitted by the Commission in its order approving the Company's merger. Under the proposed unified approach, only one filing will be necessary in these situations. On an annual basis, this will save many hours of time by the public advocates, their witnesses, and the Commission in reviewing and preparing filings in triplicate. The Company's proposal will ease resource constraints, and improve administrative efficiency.

A unified approach will be particularly useful for the Company's next LTIP filing. UGI Gas plans to submit and seek approval for a unified LTIP no later than Summer of 2019, and has proposed the adoption of a unified Distribution System Improvement Charge ("DSIC") in this proceeding. Establishing a unified LTIP and DSIC will enable UGI Gas to better allocate resources to projects based on assessments of relative risk on a system-wide basis, rather than separate assessments of risk in three service territories. Without a unified approach, the Company would continue to track capital investments separately across the three rate districts, utilize three different DSIC mechanisms to apply different DSIC rates to similarly situated customers, and separately reconcile those charges. The Company's proposal will significantly reduce the administrative burden to all parties involved, avoid customer confusion and permit the Company to better allocate its capital resources.

The Company's proposal to unify the rates, rules and regulations for its three rate districts benefits all parties and is an important component of the Company's filing in this proceeding.

IV. MANAGEMENT EFFECTIVENESS

UGI Gas has focused on a number of areas to enhance and improve the quality and effectiveness of its management performance. These efforts include:

- An accelerated infrastructure improvement plan to replace all remaining cast-iron and bare steel mains. UGI Gas currently has the highest percentage of contemporary mains in the Commonwealth. The Company projects that it will eliminate all cast-iron mains by February 2027 and all bare steel mains by September 2041.
- Since early 2017, developing plans to construct a new state-of-the-art centralized training center.
- Developing and implementing an innovative expansion and extension program (GET Gas). The pilot GET Gas program has been highlighted nationwide at American Gas Association events and has been identified as a model program.
- Developing and implementing a TED Rider to facilitate the cost-effective expansion of its natural gas service to smaller Commercial and Industrial customers.
- Managing growth with an increase in overall customer counts of nearly 15%.
- Finishing in first or second in the J.D. Power award for customer satisfaction among utilities in each of the last six years, and winning the J.D. Power #1 in Customer Satisfaction award a total of seven times (2003, 2004, 2005, 2006, 2007, 2013 and 2014) since UGI was first included in the survey in 2003 by J.D. Power.
- Developing and implementing numerous safety improvement initiatives to reduce injuries and motor vehicle accidents. These initiatives include pursuing OSHA verification of a Voluntary Protection Program (“VPP”), a First Move Forward policy, a “Making a Difference” safety program, use of dash-cams to record and review incidents or close-calls, Smith Driving School training, an annual Safety Summit involving all employees, establishing safety committees for root cause analysis and review, a Company-wide education and appropriate employee coaching and engagement tracks and UGI’s newest initiative working in conjunction with the globally recognized DuPont safety group focused on the core issue of safety culture across the Company.
- Increasing spend with Minority, Women and Disabled Owned Businesses (“Diversity Spend”). Internal initiatives to increase focus on Diversity Spend now include a requirement for each member of the Purchasing Department to complete 10 Continuing Education Hours of ISM Diversity Training and a requirement that UGI Gas’s Purchasing Supervisor must be a Certified Professional in Supplier Diversity (C.P.S.D.). Total Diversity Spend by the Company has increased in the past two years by over 17% annually and over 10% annually for 2017 and 2018, respectively, and represents over \$42 million of expenditures annually.
- Launching UGI-1, a Company-wide initiative to align UGI Gas’s people, processes and tools to drive additional efficiencies and effectiveness across the organization, including the implementation of new state-of-the-art customer information, work management and other supportive systems.

- Undertaking the UNITE Project to further improve customer service and other functions. The UNITE Project is an information system modernization project. Phase I of the Project developed and implemented a new Customer Information System to replace two legacy mainframe systems, harmonizing the two systems, increasing functionality and improving customer service. Phase II related to Enterprise Resource Planning systems replacement is currently underway and will, in particular, modernize key financial and business management systems.
- Implementing an EE&C Plan with a comprehensive portfolio of energy efficiency and conservation programs designed to assist customers in saving energy through various cost-effective measures and, in this case, the Company proposes to expand the program, with some modifications, to customers located throughout the service territory rather than just the North and South Rate Districts.
- Fostering clean fuel adoption. UGI Gas will have over 100 compressed natural gas fueled vehicles (“NGVs”) as part of its fleet by October 2019. These vehicles provide significant reductions in carbon emissions and serve to demonstrate the benefits existing today for NGVs to both produce favorable operating costs as well as improve the environment.

The identified initiatives and efforts, as well as those described by the Company’s witnesses, demonstrate UGI Gas’s commitment to provide safe, reliable and quality distribution services to its customers. The Company believes that the management efforts described above and the other improvements described by the UGI Gas witnesses in this proceeding, as well as the Company’s provision of safe and reliable service at reasonable rates, support an upward adjustment to the Company’s rate of return. This upward adjustment is included in the 11.25% return on common equity requested by the Company, and is discussed in the Direct Testimony of Paul R. Moul (UGI Gas Statement No. 5).

V. OVERVIEW OF FILING

Included with UGI Gas’s filing are all of the supporting data required by the Commission’s regulations. This information provides data for an historic test year ended September 30, 2018, a future test year ending September 30, 2019, and a fully projected future test year ending September 30, 2020. Because of the adverse impact of regulatory lag when rates

are established using an historic or future test year, the Company has elected to use the fully projected future test year as the basis for its proposed revenue requirement.

UGI Gas has followed Commission ratemaking practice in preparing its claims for rate base, operating revenues and operating expenses.

Rate Base. 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. Those values include more than \$700 million of plant to be placed into service between the end of the historic year and the end of the fully projected future test year. 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 claim is shown in summary form in Schedule C-1 to Exhibit A-1 (Fully Projected) and is principally supported by the Direct Testimony of Megan Mattern (UGI Gas Statement No. 4).

Operating Revenues. UGI Gas's *pro forma* test year operating revenues were derived from its fiscal year 2020 operating budget. As explained in the testimony of David E. Lahoff (UGI Gas Statement No. 8) and other witnesses, operating revenues were annualized, normalized, and otherwise adjusted in accordance with standard ratemaking practice, as detailed in Schedules D-5 and D-5A of Exhibit A (Fully Projected) and the Exhibits attached to Mr. Lahoff's testimony. These adjustments also include a sharing mechanism associated with revenues obtained from interruptible customers that will benefit the Company's growth programs as well as incentivize the Company to maximize interruptible revenues, as is discussed in the Direct Testimony of Paul J. Szykman (UGI Gas Statement No. 1).

Operating Expenses. UGI Gas's *pro forma* test year operating expenses were derived from its fiscal year 2020 operating budget. As explained in the testimony of Stephen F. Anzaldo (UGI Gas Statement No. 3) and other witnesses, 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). UGI Gas's claim for depreciation and amortization expense is supported by Exhibit C (Fully Projected) to the filing, and exhibits developed and supported by John F. Wiedmayer of Gannett Fleming Valuation & Rate Consultants, LLC (UGI Gas Statement No. 7). Mr. Wiedmayer's calculations are based on the straight-line, remaining life method previously approved for UGI Gas's operations by the Commission.

Income Taxes. UGI Gas's income tax expense was calculated using procedures previously accepted by the Commission. The Company's filing reflects the normalization of book-tax timing differences related to the use of accelerated depreciation for tax purposes and for the Company's repairs allowance deductions. Other appropriate book-tax timing differences were flowed through for ratemaking purposes. The Company's tax claims are described and supported in the Direct Testimony of Nicole M. McKinney (UGI Gas Statement No. 11). Ms. McKinney's testimony also addresses the impact of the TCJA. These impacts include reflecting a lower federal corporate income tax rate, the recording of a regulatory liability associated with Excess Deferred Income Taxes, and the extension of an existing federal tax credit surcharge mechanism to refund to customers the regulatory liability representing the January through June 2018 benefits of the reduced federal income tax rate.

Revenue Allocation and Class Cost of Service. UGI Gas is proposing to allocate the revenue requirement to all customer classes based on the results of a consolidated class cost of service study. The Company also is proposing to establish uniform rates for all customer classes,

e.g., all residential customers would pay the same rate regardless of their current rate district. The proposed revenue allocation will move all rate classes substantially toward the overall system average rate of return. For comparison purposes and in accordance with the requirements of the Merger Settlement, the Company also has included, for informational purposes only, individual rate district class cost of service studies. Additional details regarding the Company's cost of service study and revenue allocation are provided in the Direct Testimonies of Paul R. Herbert (UGI Gas Statement No. 6) and David E. Lahoff (UGI Gas Statement No. 8).

Rate Design. In prior base rate proceedings, the Company has established a largely uniform rate structure and rate design across rate districts. As discussed above, UGI Gas is proposing to adopt a single gas supply portfolio and to combine its three existing PGC rates and associated prices to compare into a single PGC rate and associated price to compare. UGI Gas is also proposing to unify all of its rate riders. In addition, UGI Gas is proposing to establish a single system-wide DSIC, which upon approval by the Commission will enable the Company to file a single LTIP on a consolidated basis that will cover the Company's entire service territory. The Company's plans for its upcoming LTIP filing are described in further detail in the testimony of UGI Gas witness Hans G. Bell (UGI Gas Statement No. 2).

Other Tariff Changes. Mr. Lahoff (UGI Gas Statement No. 8) provides a summary of the proposed changes to the tariff rules, regulations, and rate schedules included in UGI Gas's Tariff Nos. 7 and 7S. Changes to the Choice Supplier Tariff are discussed by Ms. Borelli (UGI Gas Statement No. 12), and are incorporated into Tariff Nos. 7 and 7S. UGI Gas is proposing adjustments to its Rate NNS (No Notice Service), balancing tolerances and cash-in/cash-out rules. In accordance with the terms of the Merger Settlement, UGI Gas proposes uniform Choice and Non-Choice Transportation rules. These changes are described in the testimony of UGI Gas

witness Angelina M. Borelli (UGI Gas Statement No. 12). The Company is also proposing to expand the availability of its pilot TED Rider and EE&C program. Both of these programs were previously approved in the most recent former UGI PNG and UGI Gas (*i.e.*, UGI North and South Rate District) base rate cases, and the Company seeks to apply them to the UGI Central Rate District.

VI. CONCLUSION

The proposed revenue increase is the minimum increase necessary for UGI Gas to continue providing safe and reliable service, to maintain the integrity of its financial ratings, to attract additional capital on reasonable terms, and to have a reasonable opportunity to earn a fair rate of return on its property used and useful in providing natural gas service to the public within its service territory. The proposals contained in this filing will allow UGI Gas to unify the rates, rules and regulations across its three rate districts, which will provide significant benefits to all stakeholders. Moreover, the Company's proposed revenue allocation and rate design are just and reasonable and non-discriminatory, as are the proposed changes made to the Company's general terms and conditions of service. Therefore, the rates, rules, and terms and conditions of service set forth in UGI Gas's Tariff Nos. 7 and 7S should be permitted to become effective as filed.

PLAIN LANGUAGE - STATEMENT OF REASONS

UGI UTILITIES, INC. – GAS DIVISION
2019 Base Rate Case
Docket No. R-2018-3006814

PLAIN LANGUAGE
STATEMENT OF REASONS

UGI Utilities, Inc. – Gas Division (“UGI Gas”) has asked the Pennsylvania Public Utility Commission (“PUC” or the “Commission”) to increase UGI Gas’s annual jurisdictional revenues by \$71.1 million, or by 8.9%, create uniform rates by rate class, including base rates, purchase gas costs charges, and other rider charges for the UGI Gas North, South, and Central Rate Districts, and establish uniform choice and non-choice transportation programs applicable to all customers and natural gas suppliers. The percentage rate increase will vary by rate class and by rate district. UGI Gas also proposes to extend a federal tax credit that will reduce the proposed distribution rates by 4.5% for the 12-month period beginning with the effective date of the new rates. The main reasons for this proceeding are:

- UGI Gas continues to invest in gas plant needed to provide continued safe and reliable service. In the past five years, on a combined basis, the Company has invested more than \$600 million dollars in repairing and replacing its aging infrastructure.
- As a result of the recently approved merger between UGI Gas and its affiliated subsidiaries, UGI Gas seeks to establish uniform rates, rules and regulations for UGI Gas’s three current rate districts, which will reduce costs, improve administrative efficiency and promote retail competition.
- UGI Gas seeks to renew its highly successful Growth Extension Tariff pilot program for an additional five-year term, and to extend its Technology and Economic Development Rider and its Energy Efficiency and Conservation Plan to its entire service territory.
- Without substantial rate relief, UGI Gas 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 provide safe and reliable service to its customers.

UGI Gas designed the proposed rates for each customer class to recover its total required revenue. In allocating the revenue increase to the residential and non-residential customer

classes, UGI Gas was guided by detailed studies of each rate class's cost of service. UGI Gas also considered and balanced other principles of rate design consistent with the Commission's approach to ratemaking.

Along with its rate increase, UGI Gas has filed all of the supporting data required by the Commission's regulations, as well as the written statements of thirteen witnesses and numerous exhibits prepared by those witnesses. The data, testimony, and exhibits submitted by UGI Gas comply with the Commission's filing requirements. The proposed distribution revenue increase is the minimum increase necessary for UGI Gas to continue providing safe and reliable service to the public within its service territory.

SECTION 53.52 - FILING REQUIREMENTS

UGI UTILITIES, INC. – GAS DIVISION

Proposed Changes to South District Gas Tariff Nos. 6 and 6S, North District Gas Tariff Nos. 9 and 9S, and Central District Gas Tariff Nos. 4 and 4S, through UGI Utilities, Inc. – Gas Division - Original Tariff Nos. 7 and 7S.

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.

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.

663,069

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

R/RT	592,467
N/NT	68,144
DS	1,554
LFD	470
XD-F	54
IS	380

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

The specific effect by class is shown in UGI Gas Exhibit E.

(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 Gas 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 Paul J Szykman (UGI Gas 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.**

The Company has provided a Statement of Reasons describing the various studies and other underlying support for the proposed changes to its tariff. Please also see the Direct Testimony of Paul J Szykman (UGI Gas Statement No. 1) for a summary of those studies and other underlying support.

- (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; however, the Company has held a collaborative with natural gas suppliers and other interested parties in an effort to develop the Uniform Choice and Non-Choice transportation rules contained in this filing. Please see the Direct Testimony of Angelina M. Borelli, UGI Gas Statement No. 12.

- (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 a bill insert using the form of notices specified by the Commission at 52 Pa. Code 53.45. A copy of the notice will be provided together with an affidavit of compliance with the notice requirements. In addition, the Company will communicate directly with commercial and industrial customers who will experience significant changes in rate designation and/or changes in rate class as a result of this filing to explain the impact, if any, on the customers.

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

No F.C.C., FERC or Commission orders or rulings apply to this filing.

(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

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

Refer to UGI Gas Exhibit A (Historic), Schedule B-2. For future test year and fully projected future test year operating income statements, refer to UGI Gas Exhibit A (Future), Schedule B-2, and UGI Gas 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/RT	520,933
N/NT	68,144
DS	753
LFD	109
XD-F	46
IS	33

Additionally, for the period of 12-months beginning with the effective date of rates established in this filing, the distribution rate portion of each customer's bill experiencing an increase (excluding all riders) will be reduced by a negative surcharge to credit federal tax benefits experienced by the Company over the period January through June of 2018, inclusive of applicable interest.

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

Please refer to UGI Gas Exhibit E.

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

<u>Tariff Rate</u>	<u>Customers</u>
R/RT	71,534
N/NT	0
DS	801
LFD	361
XD-F	8
IS	347

Additionally, for the period of 12-months beginning with the effective date of rates established in this filing, the distribution rate portion of each customer's bill experiencing a decrease (excluding all riders) will be further reduced by a negative surcharge to credit federal tax benefits experienced by the Company over the period January through June of 2018, inclusive of applicable interest.

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

Please refer to UGI Gas Exhibit E.

(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.

Refer to UGI Gas Exhibit A (Historic), Schedule A-1, UGI Gas Exhibit A (Future), Schedule A-1, and UGI Gas 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, refer to UGI Gas 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.

Refer to UGI Gas 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.

Refer to UGI Gas Exhibit A (Historic), Schedule C-3, for the historic year depreciation reserve as of year-end.

Refer to UGI Gas Exhibit A (Future), Schedule C-3, for the future test year depreciation reserve as of year-end.

Refer to UGI Gas 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.

Refer to UGI Gas 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.

SECTION 53.62 - FILING REQUIREMENTS

UGI UTILITIES, INC. – GAS DIVISION
Proposed Gas Service Tariff Nos. 7 and 7S

Information furnished pursuant to 52 Pa. Code, Section 53.62

§ 53.62 Additional information to be filed by gas utilities with gross annual intrastate operating revenue in excess of \$40 Million seeking a change in base rates.

In addition to information otherwise required to be filed by a jurisdictional natural gas distributor with gross intrastate annual operating revenues in excess of \$40 Million seeking a change in its base rates, each gas utility shall also file updates to the information required by § 53.64(c) (relating to filing requirements for natural gas distributors with gross intrastate annual operating revenues in excess of \$40 Million). In the case of a gas utility purchasing gas as defined at § 53.61(a) (relating to purpose) from an affiliated interest, it shall also file updates to the information required at § 53.65 (relating to special provisions relating to natural gas distributors with gross intrastate annual operating revenues in excess of \$40 Million with affiliated interests). These updates shall be made at the time the base rate case under 66 Pa.C.S. § 1308 (relating to voluntary changes in rates) is originally filed. Deficiencies in filing will be treated as set forth at § 53.51(c) (relating to general).

RESPONSE:

Please see the response to III-E-30.

SECTION 53.53 - VALUATION

UGI Utilities, Inc. - Gas Division
Docket No. R-2018-3006814
UGI GAS 2019 BASE RATE CASE
Responses to Section 53.53 - I-A - Valuation - All Utilities
Delivered on January 28, 2019

I-A-1

Request:

Provide a corporate history (include the dates of original incorporation, subsequent mergers and/or acquisitions). Indicate all counties and cities and other governmental subdivisions to which service is provided (including service areas outside the state), and the total population in the area served.

Response:

In accordance with authority granted in a Commission Opinion and Order entered on September 20, 2018 at Docket Nos. A-2018-3000381 et seq., UGI Penn Natural Gas, Inc. (“UGI PNG”) and UGI Central Penn Gas, Inc. (“UGI CPG”) merged into UGI Utilities, Inc. – Gas Division (“UGI Gas”) effective October 1, 2018. The former service territories of UGI PNG, UGI Gas and UGI CPG now comprise the North, South and Central Service and Rate Districts of UGI Gas, respectively. UGI Gas also provides natural gas service to approximately 500 customers in one Maryland County under authority granted by the Maryland Public Service Commission.

UGI Utilities, Inc. began its modern corporate existence as part of a consolidation of a number of predecessor natural gas and electric public utilities into The United Gas Improvement Company, as approved by the Commission on June 16, 1952 at Docket No. A.78264. In 1968 The United Gas Improvement Company changed its name to UGI Corporation. In 1971, UGI Corporation’s gas operations were consolidated into a gas division (“UGI Gas”) headquartered in Reading, Pennsylvania. UGI Corporation’s electric operations (“UGI Electric”) operated in a separate electric division headquartered in northeastern Pennsylvania. In 1992, as part of a further corporate restructuring, UGI Corporation changed its name to UGI Utilities, and became a wholly-owned subsidiary of a new holding company which adopted the name UGI Corporation.

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 Harney’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 UGI Electric’s current service territory.

UGI Utilities, Inc. - Gas Division
Docket No. R-2018-3006814
UGI GAS 2019 BASE RATE CASE
Responses to Section 53.53 - I-A - Valuation - All Utilities
Delivered on January 28, 2019

I-A-1 (Continued)

The former UGI PNG began its operations following the close, on August 24, 2006, of UGI Corporation's purchase of the natural gas distribution assets from the former PG Energy Division of Southern Union Company, as authorized by a Commission Order entered on August 18, 2006, at Docket No. A-120011F200.

The former UGI CPG, formerly PPL Gas Utilities Corporation ("PPL Gas"), was acquired by UGI Utilities effective October 1, 2008, as authorized by a Commission Order entered on August 21, 2008, at Docket Nos. A-2008-2034045 et al. Prior to that acquisition, PPL Gas itself was the result of several mergers and acquisitions authorized by the PUC. See, e.g., Joint application of PPL Gas Utilities Corp., North Penn Gas Company, and PFG Gas, Inc., Docket Nos. A-125127, et al., 2004 Pa. PUC LEXIS 757 (Order entered July 12, 2004); Application of Allied Gas Company et al., Docket No. A-120650F002 (order approving merger and restructuring entered January 27, 1995).

The list of communities served by the North, Central and South Service and Rate Districts of UGI Gas are set forth in their respective tariffs which have been provided in this rate filing and which are available on the Commission's website at:
http://www.puc.state.pa.us/utility_industry.aspx.

UGI Gas provides natural gas distribution service to approximately 639,000 residential, commercial and industrial natural gas customers located in 45 of Pennsylvania's total 67 counties and spanning more than 700 municipalities. The populations for each of the municipalities served, based on U.S. census data, can be accessed at the Penn State Pennsylvania State Data Center website at:
<https://pasdc.hbg.psu.edu/Data/Census2010/tabid/1489/Default.aspx>.

Prepared by or under the supervision of: Paul J. Szykman

UGI Utilities, Inc. - Gas Division
Docket No. R-2018-3006814
UGI GAS 2019 BASE RATE CASE
Responses to Section 53.53 - I-A - Valuation - All Utilities
Delivered on January 28, 2019

I-A-2

Request:

Provide a schedule showing the measures of value and the rates of return at the original cost and trended original cost measures of value at the spot, three-year and five-year average price levels. All claims made on this exhibit should be cross-referenced to appropriate exhibits. Provide a schedule similar to the one listed above, reflecting respondent's final claim in its previous rate case.

Response:

The Company's claim is based on original cost measures of value. Since Pennsylvania state law mandates the use of original cost for ratemaking, a trended cost study was not prepared.

Refer to UGI Gas Exhibit A (Historic), UGI Gas Exhibit A (Future), and UGI Gas Exhibit A (Fully Projected), Schedule A-1.

Refer to Attachment I-A-2 for similar schedules from the previous rate cases.

Prepared by or under the supervision of: Megan Mattern

UGI Utilities, Inc. - Gas Division
Before the Pennsylvania Public Utility Commission
Historic Year - 12 Months Ended September 30, 2015
(\$ in Thousands)

Schedule A-1
Witness: A. P. Kelly
Page 1 of 1

Summary of Measure of Value and Revenue Increase

Line #	Description	[1]	[2]	[3]	[4]	[5]	[6]
		Function	Reference Section	Schedule	Pro Forma Test Year Ended September 30, 2015 At Present Rates	Increase	Proposed Rates
RATE BASE							
1	Utility Plant		C-2		\$ 1,375,700		\$ 1,375,700
2	Accumulated Depreciation		C-3		(427,660)		(427,660)
3	Net Plant in service	L 1 + L 2			948,040	-	948,040
4	Working Capital		C-4		18,074		18,074
5	Gas Inventory		C-5		21,730		21,730
6	Accumulated Deferred Income Taxes		C-6		(241,772)		(241,772)
7	Customer Deposits		C-7		(14,517)		(14,517)
8	Materials & Supplies		C-8		4,212		4,212
9	TOTAL RATE BASE	Sum L 3 to L 8			\$ 735,767	\$ -	\$ 735,767
OPERATING REVENUES AND EXPENSES							
<u>Operating Revenues</u>							
10	Base Customer Charges		D-5		\$ 208,467	\$ 15,903	\$ 224,370
11	Gas Cost Revenue		D-5		135,023		135,023
12	Other Operating Revenues		D-5		7,151		7,151
13	Total Revenues	Sum L 10 to L 12			350,641	15,903	366,544
14	Operating Expenses		D		(274,575)	(265)	(274,840)
15	OIBIT	L 13 + L 14			76,066	15,638	91,704
16	Pro Forma Income Tax at Present Rates		D-33		(21,644)		
17	Pro Forma Income Tax on Revenue Increase		D-33			(6,488)	(28,132)
18	NET OPERATING INCOME	Sum L 15 to L 17			\$ 54,422	\$ 9,149	\$ 63,571
19	RATE OF RETURN	L 18 / L 9			7.3966%		8.640%
REVENUE INCREASE REQUIRED							
20	Rate of Return at Present Rates	L 19, Col 4			7.3966%		
21	Rate of Return Required		B-7		8.6400%		
22	Change in ROR	L 21 - L 20			1.24341%		
23	Change in Operating Income	L 22 * L 9			\$ 9,149		
24	Gross Revenue Conversion Factor		D-35		1.738224		
25	Change in Revenues	L 23 * L 24			\$ 15,903		
26	Percent Increase -- Delivery Revenues	L 25 / L 10, C 4				7.63%	
27	Percent Increase -- Total Revenues	L 25 / L 13, C 4				4.54%	

UGI Utilities, Inc. - Gas Division
Before the Pennsylvania Public Utility Commission
Future Period - 12 Months Ended September 30, 2017
(\$ in Thousands)

Schedule A-1
Witness: A. P. Kelly
Page 1 of 1

Summary of Measure of Value and Revenue Increase

Line #	Description	[1]	[2]	[3]	[4]	[5]	[6]
		Function	Section	Schedule	Present Rates	Increase	Proposed Rates
RATE BASE							
1	Utility Plant		C-2		\$ 1,649,567		\$ 1,649,567
2	Accumulated Depreciation		C-3		(448,737)		(448,737)
3	Net Plant in service	L 1 + L 2			1,200,830	-	1,200,830
4	Working Capital		C-4		18,648		18,648
5	Gas Inventory		C-5		21,730		21,730
6	Accumulated Deferred Income Taxes		C-6		(307,196)		(307,196)
7	Customer Deposits		C-7		(14,517)		(14,517)
8	Materials & Supplies		C-8		4,212		4,212
9	TOTAL RATE BASE	Sum L 3 to L 8			\$ 923,707	\$ -	\$ 923,707
OPERATING REVENUES AND EXPENSES							
<u>Operating Revenues</u>							
10	Base Customer Charges		D-5		\$ 216,065	\$ 58,564	\$ 274,629
11	Gas Cost Revenue		D-5		114,125		114,125
12	Other Operating Revenues		D-5		4,480		4,480
13	Total Revenues	Sum L 10 to L 12			334,670	58,564	393,234
14	Operating Expenses		D		(278,933)	(977)	(279,910)
15	OIBIT	L 13 + L 14			55,737	57,587	113,324
16	Pro Forma Income Tax at Present Rates		D-33		(13,962)		(13,962)
17	Pro Forma Income Tax on Revenue Increase		D-33			(23,895)	(37,857)
18	NET OPERATING INCOME	Sum L 15 to L 17			\$ 41,775	\$ 33,692	\$ 75,467
19	RATE OF RETURN	L 18 / L 9			4.5226%		8.170%
REVENUE INCREASE REQUIRED							
20	Rate of Return at Present Rates	L 19, Col 4			4.5226%		
21	Rate of Return Required		B-7		8.1700%		
22	Change in ROR	L 21 - L 20			3.64743%		
23	Change in Operating Income	L 22 * L 9			\$ 33,692		
24	Gross Revenue Conversion Factor		D-35		1.738224		
25	Change in Revenues	L 23 * L 24			\$ 58,564		
26	Percent Increase -- Delivery Revenues	L 25 / L 10, C 4				27.10%	
27	Percent Increase -- Total Revenues	L 25 / L 13, C 4				17.50%	

UGI Penn Natural Gas, Inc
Before the Pennsylvania Public Utility Commission
Historic Period - 12 Months Ended September 30, 2016
(\$ in Thousands)

Schedule A-1
Witness: M. Mattern
Page 1 of 1

Summary of Measure of Value and Revenue Increase

Line #	Description	[1]	[2]	[3]	[4]	[5]	[6]
		Function	Reference Section	Schedule	Pro Forma Test Year Present Rates	Pro Forma Test Year Increase	Pro Forma Test Year Proposed Rates
<u>RATE BASE</u>							
1	Utility Plant		C-2		\$ 780,156		\$ 780,156
2	Accumulated Depreciation		C-3		(280,303)		(280,303)
3	Net Plant in service	L 1 + L 2			499,853	-	499,853
4	Working Capital		C-4		7,701		7,701
5	Gas Inventory		C-5		5,522		5,522
6	Accumulated Deferred Income Taxes		C-6		(83,374)		(83,374)
7	Customer Deposits		C-7		(4,975)		(4,975)
8	Materials & Supplies		C-8		-		-
9	TOTAL RATE BASE	Sum L 3 to L 8			\$ 424,727	\$ -	\$ 424,727
<u>OPERATING REVENUES AND EXPENSES</u>							
<u>Operating Revenues</u>							
10	Base Customer Charges		D-5	\$ 182,696	\$ 103,444	\$ 21,725	\$ 125,169
11	Gas Cost Revenue		D-5		79,252		79,252
12	Other Operating Revenues		D-5		2,184		2,184
13	Total Revenues	Sum L 10 to L 12			184,880	21,725	206,605
14	Operating Expenses		D		(155,582)	(275)	(155,856)
15	OIBIT	L 13 + L 14			29,299	21,450	50,749
16	Pro Forma Income Tax at Present Rates		D-33		(7,106)		(7,106)
17	Pro Forma Income Tax on Revenue Increase		D-33			(8,901)	(16,006)
18	NET OPERATING INCOME	Sum L 15 to L 17			\$ 22,193	\$ 12,550	\$ 34,743
19	RATE OF RETURN	L 18 / L 9			5.225%		8.180%
<u>REVENUE INCREASE REQUIRED</u>							
20	Rate of Return at Present Rates	L 19, Col 4			5.225%		
21	Rate of Return Required		B-7		8.1800%		
22	Change in ROR	L 21 - L 20			2.95472%		
23	Change in Operating Income	L 22 * L 9			\$ 12,550		
24	Gross Revenue Conversion Factor		D-35		1.731092		
25	Change in Revenues	L 23 * L 24			\$ 21,725		
26	Percent Increase -- Delivery Revenues	L 25 / L 10, C 4				21.00%	
27	Percent Increase -- Total Revenues	L 25 / L 13, C 4				11.75%	

UGI Penn Natural Gas, Inc.
Before the Pennsylvania Public Utility Commission
Future Period - 12 Months Ended September 30, 2018
(\$ in Thousands)

Schedule A-1
Witness: K. S. Walker
Page 1 of 1

Summary of Measure of Value and Revenue Increase

Line #	Description	[1] Function	[2] Reference Section	[3] Pro Forma Test Year Ended September 30, 2018 At Present Rates	[4] Increase	[5] Proposed Rates
<u>RATE BASE</u>						
1	Utility Plant		C-2	\$ 957,753		\$ 957,753
2	Accumulated Depreciation		C-3	(295,124)		(295,124)
3	Net Plant in service	L 1 + L 2		662,629	-	662,629
4	Working Capital		C-4	7,404		7,404
5	Gas Inventory		C-5	4,729		4,729
6	Accumulated Deferred Income Taxes		C-6	(118,433)		(118,433)
7	Customer Deposits		C-7	(4,975)		(4,975)
8	Materials & Supplies		C-8	4,621		4,621
9	TOTAL RATE BASE	Sum L 3 to L 8		\$ 555,975	\$ -	\$ 555,975
<u>OPERATING REVENUES AND EXPENSES</u>						
<u>Operating Revenues</u>						
10	Base Customer Charges		D-5	\$ 142,729	\$ 21,661	\$ 164,390
11	Gas Cost Revenue		D-5	63,562		63,562
12	Other Operating Revenues		D-5	2,278		2,278
13	Total Revenues	Sum L 10 to L 12		208,568	21,661	230,229
14	Operating Expenses		D	(161,671)	(274)	(161,944)
15	OIBIT	L 13 + L 14		46,898	21,387	68,285
16	Pro Forma Income Tax at Present Rates		D-33	(12,709)		(12,709)
17	Pro Forma Income Tax on Revenue Increase		D-33		(8,875)	(21,584)
18	NET OPERATING INCOME	Sum L 15 to L 17		\$ 34,188	\$ 12,513	\$ 46,701
19	RATE OF RETURN	L 18 / L 9		6.1493%		8.400%
<u>REVENUE INCREASE REQUIRED</u>						
20	Rate of Return at Present Rates	L 19, Col 4		6.1493%		
21	Rate of Return Required		B-7	8.4000%		
22	Change in ROR	L 21 - L 20		2.25073%		
23	Change in Operating Income	L 22 * L 9		\$ 12,513		
24	Gross Revenue Conversion Factor		D-35	1.731092		
25	Change in Revenues	L 23 * L 24		\$ 21,661		
26	Percent Increase -- Delivery Revenues	L 25 / L 10, C 4			15.18%	
27	Percent Increase -- Total Revenues	L 25 / L 13, C 4			10.39%	

UGI Central Penn Gas, Inc.
 Before the Pennsylvania Public Utility Commission
 Historic Year - 12 Months Ended September 30, 2010
 (\$ in Thousands)

Schedule A-1
 Witness: D. E. Brown
 Page 1 of 1

Summary of Measure of Value and Revenue Increase

Line #	Description	Reference			Pro Forma Test Year Ended September 30, 2010 At		
		[1] Function	[2] Section	[3] Schedule	[4] Present Rates	[5] Increase	[6] Proposed Rates
RATE BASE							
1	Utility Plant		C-2	\$ 332,647		\$ 332,647	
2	Accumulated Depreciation		C-3	(105,781)		(105,781)	
3	Net Plant in service	L 1 + L 2		226,866	-	226,866	
4	Working Capital		C-4	2,180		2,180	
5	Gas Inventory		C-5	14,344		14,344	
6	Accumulated Deferred Income Taxes		C-6	(10,387)		(10,387)	
7	Customer Deposits		C-7	(2,148)		(2,148)	
8	Customer Advances		C-8	(661)		(661)	
9	Materials & Supplies		C-9	2,720		2,720	
10							
11	TOTAL RATE BASE	Sum L 3 to L 10		\$ 232,914	\$ -	\$ 232,914	
OPERATING REVENUES AND EXPENSES							
<u>Operating Revenues</u>							
12	Base Customer Charges		D-5	\$ 48,032	\$ 10,532	\$ 58,564	
13	Gas Cost Revenue		D-5	46,881		46,881	
14	Other Operating Revenues		D-5	20,279		20,279	
15	Total Revenues	Sum L 12 to L 14		115,192	10,532	125,724	
16	Operating Expenses		D	(94,787)	(142)	(94,930)	
17	OIBIT	L 15 + L 16		20,405	10,390	30,794	
18	Pro Forma Income Tax at Present Rates		D-33	(5,265)			
19	Pro Forma Income Tax on Revenue Increase		D-33		(4,311)	(9,576)	
20	NET OPERATING INCOME	Sum L 17 to L 19		\$ 15,140	\$ 6,079	\$ 21,218	
21	RATE OF RETURN	L 20 / L 11		6.5001%		9.110%	
REVENUE INCREASE REQUIRED							
22	Rate of Return at Present Rates	L 21, Col 4		6.5001%			
23	Rate of Return Required		B-7	9.1100%			
24	Change in ROR	L 23 - L 22		2.60992%			
25	Change in Operating Income	L 24 * L 11		\$ 6,079			
26	Gross Revenue Conversion Factor		D-35	1.732601			
27	Change in Revenues	L 25 * L 26		\$ 10,532			
28	Percent Increase -- Delivery Revenues	L 27 / L 12, C 4			21.93%		
29	Percent Increase -- Total Revenues	L 27 / L 15, C 4			9.14%		

UGI Central Penn Gas, Inc.
Before the Pennsylvania Public Utility Commission
Future Period - 12 Months Ended September 30, 2011
(\$ in Thousands)

Schedule
Witness: A-1
 Page 1 of 1
D. E. Brown

Summary of Measure of Value and Revenue Increase

Line #	Description	[1]	[2]	[3]	[4]	[5]	[6]
		Function	Section	Schedule	Present Rates	Increase	Proposed Rates
RATE BASE							
1	Utility Plant		C-2		\$ 347,164		\$ 347,164
2	Accumulated Depreciation		C-3		(113,025)		(113,025)
3	Net Plant in service	L 1 + L 2			234,139	-	234,139
4	Working Capital		C-4		1,979		1,979
5	Gas Inventory		C-5		14,344		14,344
6	Accumulated Deferred Income Taxes		C-6		(18,241)		(18,241)
7	Customer Deposits		C-7		(2,148)		(2,148)
8	Customer Advances		C-8		(661)		(661)
9	Materials & Supplies		C-9		2,720		2,720
10							
11	TOTAL RATE BASE	Sum L 3 to L 10			\$ 232,132	\$ -	\$ 232,132
OPERATING REVENUES AND EXPENSES							
<u>Operating Revenues</u>							
12	Base Customer Charges		D-5		\$ 45,317	\$ 16,460	\$ 61,777
13	Gas Cost Revenue		D-5		43,343		43,343
14	Other Operating Revenues		D-5		18,192		18,192
15	Total Revenues	Sum L 12 to L 14			106,852	16,460	123,312
16	Operating Expenses		D		(92,358)	(222)	(92,580)
17	OIBIT	L 15 + L 16			14,494	16,238	30,732
18	Pro Forma Income Tax at Present Rates		D-33		(2,846)		
19	Pro Forma Income Tax on Revenue Increase		D-33			(6,737)	(9,584)
20	NET OPERATING INCOME	Sum L 17 to L 19			\$ 11,647	\$ 9,501	\$ 21,148
21	RATE OF RETURN	L 20 L 11			5.0176%		9.110%
REVENUE INCREASE REQUIRED							
22	Rate of Return at Present Rates	L 21, Col 4			5.0176%		
23	Rate of Return Required		B-7		9.1100%		
24	Change in ROR	L 23 - L 22			4.09238%		
25	Change in Operating Income	L 24 * L 11			\$ 9,500		
26	Gross Revenue Conversion Factor		D-35		1.732601		
27	Change in Revenues	L 25 * L 26			\$ 16,460		
28	Percent Increase -- Delivery Revenues	L 27 / L 12, C 4				36.32%	
29	Percent Increase -- Total Revenues	L 27 / L 15, C 4				15.40%	

UGI Utilities, Inc. - Gas Division
Docket No. R-2018-3006814
UGI GAS 2019 BASE RATE CASE
Responses to Section 53.53 - I-A - Valuation - All Utilities
Delivered on January 28, 2019

I-A-3

Request:

Provide a description of the depreciation methods utilized in calculating annual depreciation amounts and depreciation reserves, together with a discussion of all factors which were considered in arriving at estimates of service life and dispersion by account. Provide dates of all field inspections and facilities visited.

Response:

The depreciation methods used in calculating annual and accrued depreciation and the factors considered in service life estimation are discussed in UGI Gas Exhibit C (Future) in "Part II. Methods Used in the Determination of Annual and Accrued Depreciation" and "Part III. Service Life Considerations."

Field trips and facilities visited are presented in UGI Gas Exhibit C (Future) in Part III in the section titled "Field Trips" beginning on page III-2.

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

UGI Utilities, Inc. - Gas Division
Docket No. R-2018-3006814
UGI GAS 2019 BASE RATE CASE
Responses to Section 53.53 - I-A - Valuation - All Utilities
Delivered on January 28, 2019

I-A-4

Request:

Set forth, in exhibit form, charts depicting the original and estimated survivor curves and a tabular presentation of the original life table plotted on the chart for each account where the retirement rate method of analysis is utilized.

- a. If any utility plant was excluded from the measures of value because it was deemed not to be “used and useful” in the public service, supply a detailed description of each item of property.
- b. Provide the surviving original cost at test year end by vintage by account and include applicable depreciation reserves and annuities.
 - (i) 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 any construction work in progress claims (if applicable).

Response:

Charts depicting the original and estimated survivor curves and a tabular presentation of the original life table plotted on the chart for each account where the retirement rate method of analysis was utilized is presented in UGI Gas Exhibit C (Future) in Part VI of the report.

- a. No utility plant recorded in Account 101, Gas Plant in Service, was excluded from the measures of value because it was deemed not to be “used and useful” in the public service. However, gas plant owned by former UGI Central Penn Gas Company (UGI CPG) that serve approximately 500 Maryland customers in Frederick County were excluded from this filing. The depreciation reserve and depreciation associated with the Maryland gas plant also were excluded from this filing.
- b. The surviving original cost at the end of the historical year September 30, 2018, by vintage by account and the applicable depreciation reserve for gas plant are presented in UGI Gas Exhibit C (Historic). The tabulations are presented in Part III of the report in the section titled “Depreciation Calculations.”

UGI Utilities, Inc. - Gas Division
Docket No. R-2018-3006814
UGI GAS 2019 BASE RATE CASE
Responses to Section 53.53 - I-A - Valuation - All Utilities
Delivered on January 28, 2019

I-A-4 (Continued)

The surviving original cost at the end of the future test year September 30, 2019, by vintage by account and the applicable depreciation reserve for gas plant are presented in UGI Gas Exhibit C (Future). The tabulations are presented in Part VII of the report in the section titled “Depreciation Calculations.”

The surviving original cost at the end of the fully projected test year September 30, 2020, by vintage by account and the applicable depreciation reserve for gas plant are presented in UGI Gas Exhibit C (Fully Projected). The tabulations are presented in Part III of the report in the section titled “Depreciation Calculations.”

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

UGI Utilities, Inc. - Gas Division
Docket No. R-2018-3006814
UGI GAS 2019 BASE RATE CASE
Responses to Section 53.53 - I-A - Valuation - All Utilities
Delivered on January 28, 2019

I-A-5

Request:

Provide a comparison of respondent's calculated depreciation reserve v. book reserve by account at the end of the test year.

Response:

Please see Attachment I-A-5 which contains comparisons of the calculated accrued depreciation v. the book reserve.

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

UGI UTILITIES, INC. - GAS DIVISION
COMPARISON OF CALCULATED ACCRUED DEPRECIATION
AND BOOK RESERVE AS OF SEPTEMBER 30, 2018

ACCOUNT	CALCULATED ACCRUED DEPRECIATION	BOOK RESERVE
(1)	(2)	(3)
<u>GAS PLANT</u>		
PRODUCTION PLANT		
305 MANUFACTURED GAS PLANT SITE REMEDIATION	-	(421,459)
325.2 PRODUCING LEASEHOLDS	151,689	161,970
325.4 RIGHTS-OF-WAY	22,615	29,620
328 FIELD MEASURING AND REGULATING STATION STRUCTURES	1,263	1,263
329 OTHER STRUCTURES	44,784	44,783
330 PRODUCING GAS WELLS - WELL CONSTRUCTION	18,208	168,016
331 PRODUCING GAS WELLS - WELL EQUIPMENT	24,442	74,381
332 FIELD LINES	411,341	721,575
334 FIELD MEASURING AND REGULATING STATION EQUIPMENT	34,663	54,360
335 DRILLING AND CLEANING EQUIPMENT	43,656	49,401
337 OTHER EQUIPMENT	11,062	11,062
TOTAL PRODUCTION PLANT	763,723	894,972
STORAGE PLANT		
352.01 WELL CONSTRUCTION	-	(294,874)
TOTAL STORAGE PLANT	-	(294,874)
TRANSMISSION PLANT		
365.2 RIGHTS-OF-WAY	484,219	488,127
366 STRUCTURES AND IMPROVEMENTS	110,754	136,602
367 MAINS	16,678,928	20,045,606
369 MEASURING AND REGULATING STATION EQUIPMENT	2,873,755	3,572,615
370 COMMUNICATION EQUIPMENT	1,291,956	1,622,665
371 OTHER EQUIPMENT	103,714	124,095
371.1 TESTING EQUIPMENT	124,836	128,852
TOTAL TRANSMISSION PLANT	21,668,162	26,118,562
DISTRIBUTION PLANT		
374.2 RIGHTS-OF-WAY	1,136,722	1,188,253
375 STRUCTURES AND IMPROVEMENTS	2,243,567	2,903,161
376.1 MAINS - PRIMARILY STEEL	153,625,509	155,015,332
376.2 MAINS - CAST IRON	2,347,346	446,668
376.3 MAINS - PLASTIC	209,017,624	226,650,691
376.5 MAINS - PRIMARILY WROUGHT IRON	256,753	267,142
378 MEASURING AND REGULATING STATION EQUIPMENT - GENERAL	18,787,826	18,240,968
379 MEASURING AND REGULATING STATION EQUIPMENT - CITY GATE	6,758,982	6,297,606
380 SERVICES	300,456,592	309,538,962
381 METERS	44,450,074	45,309,747
381.1 METERS - ERTS	13,467,035	16,154,598
382 METER INSTALLATIONS	26,837,552	27,801,543
383 HOUSE REGULATORS	4,659,520	1,059,979
384 HOUSE REGULATOR INSTALLATIONS	6,473,736	7,748,304
385 INDUSTRIAL MEASURING AND REGULATING STATION EQUIPMENT	12,608,704	14,405,376
386 OTHER PROPERTY ON CUSTOMERS PREMISES	124,933	140,068
386.1 OTHER PROPERTY ON CUSTOMERS PREMISES - FARM TAPS	492,817	600,400
386.2 OTHER PROPERTY ON CUSTOMERS PREMISES - GAS LIGHTS	21,586	23,894
386.3 OTHER PROPERTY ON CUSTOMER PREMISES - CNG REFUELING STATION	-	1,553
387 OTHER EQUIPMENT	2,052,701	2,529,057
387.1 OTHER EQUIPMENT - GRAPHIC DATA BASE	1,446,155	1,451,010
TOTAL DISTRIBUTION PLANT	807,265,734	837,774,312

UGI UTILITIES, INC. - GAS DIVISION

COMPARISON OF CALCULATED ACCRUED DEPRECIATION
AND BOOK RESERVE AS OF SEPTEMBER 30, 2018

ACCOUNT (1)	CALCULATED ACCRUED DEPRECIATION (2)	BOOK RESERVE (3)
GENERAL PLANT		
390.1 STRUCTURES AND IMPROVEMENTS	29,104,010	31,613,950
390.2 STRUCTURES AND IMPROVEMENTS - LEASED PROPERTY	47,029	44,455
391.1 OFFICE FURNITURE AND EQUIPMENT - FURNITURE	1,330,822	1,335,235
391.2 OFFICE FURNITURE AND EQUIPMENT - EQUIPMENT	156,881	175,305
391.3 OFFICE FURNITURE AND EQUIPMENT - COMPUTER EQUIPMENT	285,481	525,830
391.4 OFFICE FURNITURE AND EQUIPMENT - SOFTWARE	7,425,038	7,584,925
392.1 TRANSPORTATION EQUIPMENT - SEDANS AND SUV'S	55,575	45,692
392.2 TRANSPORTATION EQUIPMENT - SMALL PICK-UPS AND CARGO VANS	887,744	770,049
392.3 TRANSPORTATION EQUIPMENT - LARGE PICK-UPS AND UTILITY VEHICLES	456,430	420,093
392.4 TRANSPORTATION EQUIPMENT - LARGE TRUCKS AND DUMP TRUCKS	459,339	428,493
392.5 TRANSPORTATION EQUIPMENT - TRAILERS	526,350	463,866
393 STORES EQUIPMENT	6,237	6,372
394 TOOLS, SHOP AND GARAGE EQUIPMENT	9,333,347	9,158,421
395 LABORATORY EQUIPMENT	27,474	23,786
396 POWER OPERATED EQUIPMENT	812,672	643,508
397 COMMUNICATION EQUIPMENT	1,466,426	1,386,527
398 MISCELLANEOUS EQUIPMENT	1,018,146	1,006,468
399 OTHER TANGIBLE PROPERTY	16,032	16,032
TOTAL GENERAL PLANT	53,415,033	55,649,007
TOTAL DEPRECIABLE GAS PLANT	883,112,652	920,141,979
OTHER UTILITY PLANT*		
COMMON PLANT		
390.2 STRUCTURES AND IMPROVEMENTS - LEASED PROPERTY	154,739	131,040
391 OFFICE FURNITURE AND EQUIPMENT - FURNITURE	385,572	247,301
391.1 OFFICE FURNITURE AND EQUIPMENT - EQUIPMENT	36,598	384
392.1 TRANSPORTATION EQUIPMENT - CARS	59,445	66,532
TOTAL COMMON PLANT	636,354	445,257
INFORMATION SERVICES (IS)		
391 OFFICE FURNITURE AND EQUIPMENT - FURNITURE	37,549	37,316
391.1 OFFICE FURNITURE AND EQUIPMENT - EQUIPMENT	4,537,850	4,551,047
391.3 OFFICE FURNITURE AND EQUIPMENT - SYSTEM DEV. COSTS - 10 YEARS	14,919,028	14,817,940
391.4 OFFICE FURNITURE AND EQUIPMENT - SYSTEM DEV. COSTS - 15 YEARS	15,225,498	13,437,013
TOTAL INFORMATION SERVICES	34,719,925	32,843,316
READING SERVICE CENTER		
390.1 STRUCTURES AND IMPROVEMENTS	1,194,728	1,268,608
TOTAL OTHER UTILITY PLANT	36,551,007	34,557,181

* AMOUNTS SHOWN FOR OTHER UTILITY PLANT ARE PRIOR TO ALLOCATION

** ACCOUNT 392.6 CAPITAL LEASES ARE EXCLUDED.

UGI UTILITIES, INC. - GAS DIVISION
COMPARISON OF CALCULATED ACCRUED DEPRECIATION
AND BOOK RESERVE AS OF SEPTEMBER 30, 2019

ACCOUNT	CALCULATED ACCRUED DEPRECIATION	BOOK RESERVE
(1)	(2)	(3)
<u>GAS PLANT</u>		
PRODUCTION PLANT		
305 MANUFACTURED GAS PLANT SITE REMEDIATION	-	(325,728)
325.2 PRODUCING LEASEHOLDS	152,293	162,003
325.4 RIGHTS-OF-WAY	22,903	29,638
328 FIELD MEASURING AND REGULATING STATION STRUCTURES	1,263	1,263
329 OTHER STRUCTURES	44,784	44,783
330 PRODUCING GAS WELLS - WELL CONSTRUCTION	18,208	97,241
331 PRODUCING GAS WELLS - WELL EQUIPMENT	24,442	74,381
332 FIELD LINES	417,095	722,701
334 FIELD MEASURING AND REGULATING STATION EQUIPMENT	47,024	66,443
335 DRILLING AND CLEANING EQUIPMENT	44,748	49,421
337 OTHER EQUIPMENT	11,062	11,062
TOTAL PRODUCTION PLANT	783,822	933,208
STORAGE PLANT		
352.01 WELL CONSTRUCTION	-	(278,904)
TOTAL STORAGE PLANT	-	(278,904)
TRANSMISSION PLANT		
365.2 RIGHTS-OF-WAY	500,134	500,281
366 STRUCTURES AND IMPROVEMENTS	123,538	137,852
367 MAINS	17,502,885	20,500,119
369 MEASURING AND REGULATING STATION EQUIPMENT	3,103,582	3,671,615
370 COMMUNICATION EQUIPMENT	1,426,661	1,760,716
371 OTHER EQUIPMENT	110,070	125,501
371.1 TESTING EQUIPMENT	131,650	134,984
TOTAL TRANSMISSION PLANT	22,898,520	26,831,068
DISTRIBUTION PLANT		
374.2 RIGHTS-OF-WAY	1,075,047	1,239,710
375 STRUCTURES AND IMPROVEMENTS	2,494,418	2,990,113
376.1 MAINS - PRIMARILY STEEL	158,184,919	163,339,369
376.2 MAINS - CAST IRON	2,104,616	410,211
376.3 MAINS - PLASTIC	222,738,200	240,968,195
376.5 MAINS - PRIMARILY WROUGHT IRON	246,470	242,289
378 MEASURING AND REGULATING STATION EQUIPMENT - GENERAL	20,162,916	18,283,796
379 MEASURING AND REGULATING STATION EQUIPMENT - CITY GATE	6,614,110	6,898,663
380 SERVICES	320,878,319	326,507,922
381 METERS	47,431,905	47,565,956
381.1 METERS - ERTS	15,957,012	16,745,746
382 METER INSTALLATIONS	29,488,578	30,034,006
383 HOUSE REGULATORS	4,650,793	2,326,989
384 HOUSE REGULATOR INSTALLATIONS	6,736,510	8,079,743
385 INDUSTRIAL MEASURING AND REGULATING STATION EQUIPMENT	13,028,716	15,139,299
386 OTHER PROPERTY ON CUSTOMERS PREMISES	132,284	147,807
386.1 OTHER PROPERTY ON CUSTOMERS PREMISES - FARM TAPS	535,411	615,822
386.2 OTHER PROPERTY ON CUSTOMERS PREMISES - GAS LIGHTS	21,903	24,092
386.3 OTHER PROPERTY ON CUSTOMER PREMISES - CNG REFUELING STATION	-	2,071
387 OTHER EQUIPMENT	2,266,728	2,610,108
387.1 OTHER EQUIPMENT - GRAPHIC DATA BASE	1,451,352	1,455,482
TOTAL DISTRIBUTION PLANT	856,200,207	885,627,389

UGI UTILITIES, INC. - GAS DIVISION

COMPARISON OF CALCULATED ACCRUED DEPRECIATION
AND BOOK RESERVE AS OF SEPTEMBER 30, 2019

ACCOUNT (1)	CALCULATED ACCRUED DEPRECIATION (2)	BOOK RESERVE (3)
GENERAL PLANT		
390.1 STRUCTURES AND IMPROVEMENTS	31,909,624	32,739,149
390.2 STRUCTURES AND IMPROVEMENTS - LEASED PROPERTY	63,932	62,650
391.1 OFFICE FURNITURE AND EQUIPMENT - FURNITURE	1,086,528	1,077,469
391.2 OFFICE FURNITURE AND EQUIPMENT - EQUIPMENT	79,805	105,433
391.3 OFFICE FURNITURE AND EQUIPMENT - COMPUTER EQUIPMENT	408,134	571,432
391.4 OFFICE FURNITURE AND EQUIPMENT - SOFTWARE	286,146	254,875
392.1 TRANSPORTATION EQUIPMENT - SEDANS AND SUV'S	99,123	47,666
392.2 TRANSPORTATION EQUIPMENT - SMALL PICK-UPS AND CARGO VANS	829,161	230,948
392.3 TRANSPORTATION EQUIPMENT - LARGE PICK-UPS AND UTILITY VEHICLES	378,702	261,313
392.4 TRANSPORTATION EQUIPMENT - LARGE TRUCKS AND DUMP TRUCKS	409,456	167,732
392.5 TRANSPORTATION EQUIPMENT - TRAILERS	547,817	680,395
393 STORES EQUIPMENT	6,538	6,582
394 TOOLS, SHOP AND GARAGE EQUIPMENT	9,965,852	9,015,251
395 LABORATORY EQUIPMENT	48,996	45,524
396 POWER OPERATED EQUIPMENT	645,176	398,512
397 COMMUNICATION EQUIPMENT	324,531	220,357
398 MISCELLANEOUS EQUIPMENT	1,169,373	1,393,761
399 OTHER TANGIBLE PROPERTY	-	-
TOTAL GENERAL PLANT	48,258,894	47,279,049
TOTAL DEPRECIABLE GAS PLANT	928,141,443	960,391,810
OTHER UTILITY PLANT*		
COMMON PLANT		
390.1 STRUCTURES AND IMPROVEMENTS	562,950	580,151
390.2 STRUCTURES AND IMPROVEMENTS - LEASED PROPERTY		(16,137)
391 OFFICE FURNITURE AND EQUIPMENT - FURNITURE	475,715	371,340
391.1 OFFICE FURNITURE AND EQUIPMENT - EQUIPMENT	232,213	593,560
392.1 TRANSPORTATION EQUIPMENT - CARS	61,915	68,502
TOTAL COMMON PLANT	1,332,793	1,597,416
INFORMATION SERVICES (IS)		
391 OFFICE FURNITURE AND EQUIPMENT - FURNITURE	33,574	33,276
391.1 OFFICE FURNITURE AND EQUIPMENT - EQUIPMENT	5,675,803	5,585,392
391.2 OFFICE FURNITURE AND EQUIPMENT - SYSTEM DEV. COSTS - 5 YEARS	840,000	840,000
391.3 OFFICE FURNITURE AND EQUIPMENT - SYSTEM DEV. COSTS - 10 YEARS	5,525,850	5,438,414
391.4 OFFICE FURNITURE AND EQUIPMENT - SYSTEM DEV. COSTS - 15 YEARS	22,976,773	21,633,923
TOTAL INFORMATION SERVICES	35,052,000	33,531,005
READING SERVICE CENTER		
390.1 STRUCTURES AND IMPROVEMENTS	1,264,734	1,334,263
TOTAL OTHER UTILITY PLANT	37,649,527	36,462,684

* AMOUNTS SHOWN FOR OTHER UTILITY PLANT ARE PRIOR TO ALLOCATION

** ACCOUNT 392.6 CAPITAL LEASES ARE EXCLUDED.

UGI UTILITIES, INC. - GAS DIVISION

COMPARISON OF CALCULATED ACCRUED DEPRECIATION
AND BOOK RESERVE AS OF SEPTEMBER 30, 2020

ACCOUNT (1)	CALCULATED ACCRUED DEPRECIATION (2)	BOOK RESERVE (3)
<u>GAS PLANT</u>		
PRODUCTION PLANT		
305 MANUFACTURED GAS PLANT SITE REMEDIATION	-	(240,717)
325.2 PRODUCING LEASEHOLDS	152,851	162,036
325.4 RIGHTS-OF-WAY	23,109	29,659
328 FIELD MEASURING AND REGULATING STATION STRUCTURES	1,263	1,263
329 OTHER STRUCTURES	44,784	44,783
330 PRODUCING GAS WELLS - WELL CONSTRUCTION	18,208	(1,602)
331 PRODUCING GAS WELLS - WELL EQUIPMENT	24,442	74,381
332 FIELD LINES	421,213	723,752
334 FIELD MEASURING AND REGULATING STATION EQUIPMENT	47,987	78,122
335 DRILLING AND CLEANING EQUIPMENT	45,170	49,446
337 OTHER EQUIPMENT	11,062	11,062
TOTAL PRODUCTION PLANT	790,089	932,185
STORAGE PLANT		
352.01 WELL CONSTRUCTION	-	(262,934)
TOTAL STORAGE PLANT	-	(262,934)
TRANSMISSION PLANT		
365.2 RIGHTS-OF-WAY	510,398	512,783
366 STRUCTURES AND IMPROVEMENTS	125,221	139,193
367 MAINS	17,982,393	20,966,187
369 MEASURING AND REGULATING STATION EQUIPMENT	3,199,004	3,771,845
370 COMMUNICATION EQUIPMENT	1,530,775	1,887,960
371 OTHER EQUIPMENT	111,937	126,950
371.1 TESTING EQUIPMENT	136,097	140,780
TOTAL TRANSMISSION PLANT	23,595,825	27,545,698
DISTRIBUTION PLANT		
374.2 RIGHTS-OF-WAY	1,117,543	1,282,105
375 STRUCTURES AND IMPROVEMENTS	2,572,870	3,083,647
376.1 MAINS - PRIMARILY STEEL	165,100,500	171,293,019
376.2 MAINS - CAST IRON	1,863,279	371,824
376.3 MAINS - PLASTIC	240,689,858	256,745,340
376.5 MAINS - PRIMARILY WROUGHT IRON	236,721	221,535
378 MEASURING AND REGULATING STATION EQUIPMENT - GENERAL	22,180,647	19,012,244
379 MEASURING AND REGULATING STATION EQUIPMENT - CITY GATE	7,030,470	7,396,546
380 SERVICES	341,211,916	350,636,661
381 METERS	49,281,581	49,532,325
381.1 METERS - ERTS	16,551,689	17,631,820
382 METER INSTALLATIONS	31,278,662	32,385,827
383 HOUSE REGULATORS	4,755,472	3,577,883
384 HOUSE REGULATOR INSTALLATIONS	7,056,586	8,404,342
385 INDUSTRIAL MEASURING AND REGULATING STATION EQUIPMENT	13,655,932	15,825,179
386 OTHER PROPERTY ON CUSTOMERS PREMISES	138,676	155,377
386.1 OTHER PROPERTY ON CUSTOMERS PREMISES - FARM TAPS	549,902	631,815
386.2 OTHER PROPERTY ON CUSTOMERS PREMISES - GAS LIGHTS	22,214	24,253
386.3 OTHER PROPERTY ON CUSTOMER PREMISES - CNG REFUELING STATION	-	2,589
387 OTHER EQUIPMENT	2,350,645	2,694,904
387.1 OTHER EQUIPMENT - GRAPHIC DATA BASE	1,456,469	1,459,954
TOTAL DISTRIBUTION PLANT	909,101,632	942,369,189

UGI UTILITIES, INC. - GAS DIVISION

COMPARISON OF CALCULATED ACCRUED DEPRECIATION
AND BOOK RESERVE AS OF SEPTEMBER 30, 2020

ACCOUNT (1)	CALCULATED ACCRUED DEPRECIATION (2)	BOOK RESERVE (3)
GENERAL PLANT		
390.1 STRUCTURES AND IMPROVEMENTS	34,779,685	35,195,642
390.2 STRUCTURES AND IMPROVEMENTS - LEASED PROPERTY	78,052	77,707
391.1 OFFICE FURNITURE AND EQUIPMENT - FURNITURE	1,277,317	1,263,514
391.2 OFFICE FURNITURE AND EQUIPMENT - EQUIPMENT	61,294	80,279
391.3 OFFICE FURNITURE AND EQUIPMENT - COMPUTER EQUIPMENT	359,187	438,565
391.4 OFFICE FURNITURE AND EQUIPMENT - SOFTWARE	-	(23,760)
392.1 TRANSPORTATION EQUIPMENT - SEDANS AND SUV'S	177,869	108,029
392.2 TRANSPORTATION EQUIPMENT - SMALL PICK-UPS AND CARGO VANS	1,448,430	94,455
392.3 TRANSPORTATION EQUIPMENT - LARGE PICK-UPS AND UTILITY VEHICLES	485,763	224,108
392.4 TRANSPORTATION EQUIPMENT - LARGE TRUCKS AND DUMP TRUCKS	526,102	98,793
392.5 TRANSPORTATION EQUIPMENT - TRAILERS	684,190	795,031
393 STORES EQUIPMENT	7,574	7,602
394 TOOLS, SHOP AND GARAGE EQUIPMENT	10,774,725	10,017,919
395 LABORATORY EQUIPMENT	70,519	67,262
396 POWER OPERATED EQUIPMENT	516,821	181,545
397 COMMUNICATION EQUIPMENT	373,895	285,833
398 MISCELLANEOUS EQUIPMENT	1,754,132	1,962,058
399 OTHER TANGIBLE PROPERTY	-	-
TOTAL GENERAL PLANT	53,375,555	50,874,582
TOTAL DEPRECIABLE GAS PLANT	986,863,101	1,021,458,720
<u>OTHER UTILITY PLANT*</u>		
COMMON PLANT		
390.1 STRUCTURES AND IMPROVEMENTS	1,469,925	1,709,179
390.2 STRUCTURES AND IMPROVEMENTS - LEASED PROPERTY		(16,137)
391 OFFICE FURNITURE AND EQUIPMENT - FURNITURE	613,985	523,160
391.1 OFFICE FURNITURE AND EQUIPMENT - EQUIPMENT	626,327	901,526
392.1 TRANSPORTATION EQUIPMENT - CARS	63,758	69,892
TOTAL COMMON PLANT	2,773,995	3,187,620
INFORMATION SERVICES (IS)		
391 OFFICE FURNITURE AND EQUIPMENT - FURNITURE	35,605	35,408
391.1 OFFICE FURNITURE AND EQUIPMENT - EQUIPMENT	6,370,823	6,203,777
391.2 OFFICE FURNITURE AND EQUIPMENT - SYSTEM DEV. COSTS - 5 YEARS	2,520,000	2,520,000
391.3 OFFICE FURNITURE AND EQUIPMENT - SYSTEM DEV. COSTS - 10 YEARS	7,995,127	7,872,647
391.4 OFFICE FURNITURE AND EQUIPMENT - SYSTEM DEV. COSTS - 15 YEARS	31,928,452	30,817,424
TOTAL INFORMATION SERVICES	48,850,007	47,449,256
READING SERVICE CENTER		
390.1 STRUCTURES AND IMPROVEMENTS	1,333,952	1,399,314
TOTAL OTHER UTILITY PLANT	52,957,954	52,036,190

* AMOUNTS SHOWN FOR OTHER UTILITY PLANT ARE PRIOR TO ALLOCATION

** ACCOUNT 392.6 CAPITAL LEASES ARE EXCLUDED.

UGI Utilities, Inc. - Gas Division
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Delivered on January 28, 2019

I-A-6

Request:

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

- a. For the purposes of this filing.
- b. For the purposes of the most recent rate increase filing prior to the current proceedings.
 - (i) Supply a comprehensive statement of any changes made in method of depreciation and in the selection of average service lives and dispersion.

Response:

- a. Refer to Table 1 in UGI Gas Exhibit C (Historic), Table 1 in UGI Gas Exhibit C (Future) and Table 1 in UGI Gas Exhibit C (Fully Projected) for schedules showing the estimated survivor curves and accrual rates by account and depreciable group.
- b. Refer to Attachment I-A-6.1, Attachment I-A-6.2 and Attachment I-A-6.3 that follow for the survivor curves and annual accrual rates estimated to be appropriate in the most recent prior rate filing. UGI CPG's most recent prior base rate case was filed in January 2011 at Docket No. R-2010-2214415. UGI PNG's most recent prior base rate case was filed in January 2017 at Docket No. R-2016-2580030. UGI Gas's most recent prior base rate case was filed in January 2016 at Docket No. R-2015-2518438.
 - (i). The depreciation methods and procedures used in this filing are the same as those used in the previous filings.

The survivor curve estimates for the consolidated gas company are based on an updated service life study as described in Part II of UGI Gas Exhibit C (Future). The service life study was updated to include company data through 2017. The updated service lives and survivor curves were used to calculate depreciation rates as of September 30, 2019 and September 30, 2020. The charts and tables supporting the updated service life study are presented in Part IV of UGI Gas Exhibit C (Future). The existing approved service lives and survivor curves were

UGI Utilities, Inc. - Gas Division
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I-A-6 (Continued)

used to calculate depreciation rates as of September 30, 2018 and are set forth in Table 1 of UGI Gas Exhibit C (Historic).

The previous rate filing for UGI CPG was submitted in January 2011 using a future test year ending September 30, 2011. The service life study in the 2011 filing was based on data through December 31, 2007. The Company updates its service life study every five years and submits a report to the Pennsylvania Public Utility Commission (PA PUC) in accordance with 52 Pa. Code Chapter 73.5 and 73.6. There has been one update to the service life study report submitted in the prior CPG rate filing. The updated service life study report for UGI CPG was submitted to the PUC in March 2013. UGI PNG's most recent service life study report was submitted to the PUC in March 2016 based on data through September 30, 2015. UGI Gas's most recent service life study report was submitted to the PUC in March 2017 based on data through September 30, 2016. Additionally, UGI submits Annual Depreciation Reports for each company each year in accordance with 52 Pa. Code Chapter 73.3 and 73.4.

The purpose of the regulations set forth in 52 Pa. Code Chapter 73 are to establish uniform and industry-wide reporting requirements designed to improve the Commission's ability to monitor on a regular basis the depreciation and capital planning of utilities subject to Commission jurisdiction.

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

UGI UTILITIES, INC. - GAS DIVISION

TABLE 1. ESTIMATED SURVIVOR CURVES, ORIGINAL COST, BOOK RESERVE AND
CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO GAS PLANT AT SEPTEMBER 30, 2017

ACCOUNT (1)	SURVIVOR CURVE (2)	ORIGINAL COST (3)	BOOK RESERVE (4)	FUTURE ACCRUALS (5)	CALCULATED ANNUAL ACCRUAL		
					RATE (6)	AMOUNT (7)	
GAS PLANT							
DISTRIBUTION PLANT							
375	STRUCTURES AND IMPROVEMENTS	55 - S0.5	2,185,833	1,446,653	739,180	1.26	27,612
376.1	MAINS - PRIMARILY STEEL	72 - R2.5	231,294,934	78,311,541	152,983,393	1.52	3,515,475
376.2	MAINS - CAST IRON	70 - R1	2,733,094	788,879	1,944,215	3.40	93,032
376.3	MAINS - PLASTIC	65 - R3	515,422,589	112,315,208	403,107,381	1.68	8,676,463
376.5	MAINS - PRIMARILY WROUGHT IRON	70 - R1	294,940	254,942	39,998	1.07	3,154
378	MEASURING AND REGULATING STATION EQUIPMENT - GENERAL	50 - S0.5	34,124,579	5,149,506	28,975,073	2.71	924,573
378.1	MEASURING AND REGULATING STATION EQUIPMENT - SCADA	13 - S2	1,316,613	660,294	656,319	8.14	107,140
379	MEASURING AND REGULATING STATION EQUIPMENT - CITY GATE	40 - R3	4,794,310	3,093,712	1,700,598	1.60	76,603
380	SERVICES	47 - R2	592,758,055	159,613,547	433,144,508	2.53	14,976,767
381	METERS	36 - R1.5	48,498,754	17,159,112	31,339,642	3.20	1,552,798
381.2	ELECTRONIC METERS	20 - S2	11,046,136	6,264,387	4,781,749	4.03	445,646
382	METER INSTALLATIONS	47 - R2	65,196,088	23,154,952	42,041,136	2.27	1,482,092
383	HOUSE REGULATORS	47 - R2	7,404,361	1,667,308	5,737,053	2.87	212,542
384	HOUSE REGULATOR INSTALLATIONS	47 - R2	11,149,494	4,220,552	6,928,942	2.17	241,651
385	INDUSTRIAL MEASURING AND REGULATING STATION EQUIPMENT	42 - R2	6,163,336	3,586,364	2,576,972	1.80	110,869
386	OTHER PROPERTY ON CUSTOMERS PREMISES	47 - R2	337,967	131,585	206,382	2.14	7,217
386.1	OTHER PROPERTY ON CUSTOMERS PREMISES - FARM TAPS	47 - R2	946,896	583,957	362,939	1.63	15,431
386.2	OTHER PROPERTY ON CUSTOMERS PREMISES - GAS LIGHTS	25 - R3	24,705	23,592	1,113	1.00	248
386.3	OTHER PROPERTY ON CUSTOMER PREMISES - CNG REFUELING STATION			1,036	(1,036)		
387	OTHER EQUIPMENT	32 - L2	2,178,778	848,337	1,330,441	3.57	77,851
387.1	OTHER EQUIPMENT - GRAPHIC DATA BASE	25 - SQ	1,490,664	1,446,389	44,275	0.30	4,539
TOTAL DISTRIBUTION PLANT			1,539,362,126	420,721,853	1,118,640,273	2.11	32,551,703
GENERAL PLANT							
390.1	STRUCTURES AND IMPROVEMENTS	VARIOUS*	32,047,414	15,682,103	16,365,311	3.25	1,042,799
390.2	STRUCTURES AND IMPROVEMENTS - LEASED PROPERTY	SQUARE	11,241	5,878	5,363	19.71	2,216
391	OFFICE FURNITURE AND EQUIPMENT - FURNITURE	20 - SQ	2,255,193	998,122	1,257,071	4.85	109,370
391.1	OFFICE FURNITURE AND EQUIPMENT - EQUIPMENT	5 - SQ	109,246	138,845	(29,599)	0.00	0
392.1	TRANSPORTATION EQUIPMENT - CARS	7 - L2.5	40,643	40,635	8	0.02	7
392.2	TRANSPORTATION EQUIPMENT - TRUCKS	11 - L3	809,748	89,061	720,687	10.34	83,715
392.4	TRANSPORTATION EQUIPMENT - HEAVY TRUCKS	14 - L4	12,549	12,549	0	0.00	0
394	TOOLS, SHOP AND GARAGE EQUIPMENT	20 - SQ	9,958,664	3,331,267	6,627,397	5.04	501,958
396	POWER OPERATED EQUIPMENT	14 - L2.5	1,370,792	1,315,394	55,398	0.81	11,139
397	COMMUNICATION EQUIPMENT	10 - SQ	506,885	416,447	90,438	7.92	40,154
398	MISCELLANEOUS EQUIPMENT	10 - SQ	854,715	339,529	515,186	10.01	85,585
TOTAL GENERAL PLANT			47,977,090	22,369,830	25,607,260	3.91	1,876,943
TOTAL DEPRECIABLE GAS PLANT			1,587,339,216	443,091,683	1,144,247,533	2.17	34,428,646
NONDEPRECIABLE PLANT							
302.1	FRANCHISES AND CONSENTS - PERPETUAL		20,149				
302.2	FRANCHISES AND CONSENTS - LIMITED TERM		8,107				
304.1	LAND AND LAND RIGHTS - LAND		375,198				
304.2	LAND AND LAND RIGHTS - LAND RIGHTS		6,454				
374.1	LAND AND LAND RIGHTS - LAND		232,579				

UGI UTILITIES, INC. - GAS DIVISION

TABLE 1. ESTIMATED SURVIVOR CURVES, ORIGINAL COST, BOOK RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO GAS PLANT AT SEPTEMBER 30, 2017

ACCOUNT (1)	SURVIVOR CURVE (2)	ORIGINAL COST (3)	BOOK RESERVE (4)	FUTURE ACCRUALS (5)	CALCULATED ANNUAL ACCRUAL	
					RATE (6)	AMOUNT (7)
374.2	LAND AND LAND RIGHTS - LAND RIGHTS	2,040,764				
389.1	LAND AND LAND RIGHTS - LAND	1,491,454				
389.2	LAND AND LAND RIGHTS - LAND RIGHTS	1,313				
TOTAL NONDEPRECIABLE PLANT		4,176,018				
TOTAL GAS PLANT		1,591,515,234				
OTHER UTILITY PLANT ALLOCATED TO GAS DIVISION						
COMMON PLANT						
301	ORGANIZATION (NONDEPRECIABLE)	138,964				
390.2	STRUCTURES AND IMPROVEMENTS - LEASED PROPERTY	159,895	139,250	20,645	8.61	13,764
391	OFFICE FURNITURE AND EQUIPMENT - FURNITURE	840,391	164,240	676,151	7.13	59,936
391.1	OFFICE FURNITURE AND EQUIPMENT - EQUIPMENT	155,038	112,023	43,015	23.42	36,314
392.1	TRANSPORTATION EQUIPMENT - CARS	71,637	61,742	9,895	4.84	3,468
TOTAL COMMON PLANT		1,365,925	477,255	749,706	9.25	113,482
TOTAL COMMON PLANT ALLOCATED TO GAS DIVISION - 15.36%		209,806	73,306	115,155		17,431
INFORMATION SERVICES (IS)						
391	OFFICE FURNITURE AND EQUIPMENT - FURNITURE	71,395	59,106	12,289	4.23	3,021
391.1	OFFICE FURNITURE AND EQUIPMENT - EQUIPMENT	2,868,843	1,746,659	1,122,184	21.16	606,990
391.3	OFFICE FURNITURE AND EQUIPMENT - SYSTEM DEV. COSTS - 10 YEARS **	18,937,625	4,843,763	14,093,862	9.83	1,862,341
391.4	OFFICE FURNITURE & EQUIPMENT - SYSTEM DEV. COSTS - 15 YEARS **	98,801,617	6,654,743	92,146,874	6.66	6,586,242
TOTAL INFORMATION SERVICES		120,679,480	13,304,271	107,375,209	7.51	9,058,594
TOTAL INFORMATION SERVICES ALLOCATED TO GAS DIVISION - 48.83%		58,927,790	6,496,476	52,431,315		4,423,311
LESS READING SERVICE CENTER ALLOCATED TO OTHER DIVISIONS						
390.1	STRUCTURES AND IMPROVEMENTS	2,097,073	1,176,645	920,428	3.59	75,268
TOTAL READING SERVICE CENTER ALLOCATED TO OTHER DIVISIONS - 51.74%		1,085,026	608,796	476,229		38,944
TOTAL OTHER UTILITY PLANT ALLOCATED TO GAS DIVISION		58,052,570	5,960,986	52,070,241	7.58	4,401,798
TOTAL PLANT IN SERVICE		1,649,567,804	449,052,669	1,196,317,774	2.35	38,830,444
ENVIRONMENTAL EXPENDITURES FOR SITE REMEDIATION - ACCOUNT 305			(316,923)			
AMORTIZATION OF NEGATIVE NET SALVAGE						4,995,504
GRAND TOTAL		1,649,567,804	448,735,746	1,196,317,774		43,825,948

* SURVIVOR CURVES FOR ACCOUNT 390.1 ARE INTERIM SURVIVOR CURVES. INDIVIDUAL BUILDINGS ARE LIFE SPANNED.

** ASSETS IN ACCOUNTS 391.3 AND 391.4 ARE INDIVIDUALLY DEPRECIATED BASED ON THE SERVICE LIVES SHOWN IN THIS REPORT. ALSO, UGI PLANS TO REPLACE THEIR CUSTOMER INFORMATION SYSTEM (CIS) IN ACCOUNT 391.3 IN 2017. UGI PLANS TO AMORTIZE THE UNRECOVERED COSTS RELATED TO CIS PROJECTS OVER THEIR ESTIMATED REMAINING LIVES. CIS IS EXPECTED TO BE RETIRED IN SEPTEMBER 2017.

UGI PENN NATURAL GAS, INC.

TABLE 1. ESTIMATED SURVIVOR CURVES, ORIGINAL COST, BOOK RESERVE AND
CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO GAS PLANT AT SEPTEMBER 30, 2018

ACCOUNT	SURVIVOR CURVE	ORIGINAL COST	BOOK RESERVE	FUTURE BOOK ACCRUALS	CALCULATED ANNUAL ACCRUAL		
					RATE	AMOUNT	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	
GAS PLANT							
DISTRIBUTION PLANT							
375	STRUCTURES AND IMPROVEMENTS	50 - S0.5	2,887,762	1,208,860	1,678,902	1.91	55,165
376.1	MAINS - PLASTIC	65 - R3	226,664,417	62,831,952	163,832,465	1.59	3,601,185
376.2	MAINS - OTHER	72 - R2.5	252,955,021	48,691,859	204,263,162	1.69	4,285,436
378	MEASURING AND REGULATING EQUIPMENT - GENERAL	42 - S0	21,788,819	7,567,925	14,220,894	2.78	606,629
379	MEASURING AND REGULATING EQUIPMENT - CITY GATE	40 - R2	18,827,394	4,619,173	14,208,221	2.98	560,579
380.1	SERVICES - PLASTIC	47 - R3	253,161,300	95,879,449	157,281,851	2.02	5,105,092
380.2	SERVICES - OTHER	48 - R1	20,095,433	9,497,021	10,598,412	2.35	473,123
381	METERS	36 - R2.5	50,742,005	25,772,298	24,969,707	2.53	1,284,252
381.1	METERS - AMR	20 - S2	11,020,188	8,832,398	2,187,790	2.57	282,998
383	HOUSE REGULATORS	47 - R3	2,815,101	1,831,870	983,231	1.36	38,337
384	HOUSE REGULATOR INSTALLATIONS	47 - R3	3,622,774	2,253,078	1,369,696	1.31	47,345
385	INDUSTRIAL MEASURING AND REGULATING EQUIPMENT	45 - R2.5	11,151,619	4,720,075	6,431,544	1.87	208,789
387	OTHER DISTRIBUTION EQUIPMENT	26 - L2	117,316	74,593	42,723	3.04	3,569
TOTAL DISTRIBUTION PLANT			875,849,149	273,780,551	602,068,598	1.89	16,552,499
GENERAL PLANT							
390	STRUCTURES AND IMPROVEMENTS	VARIOUS*	24,601,110	9,603,980	14,997,130	3.05	751,192
391.1	OFFICE FURNITURE	20 - SQ	654,779	192,875	461,904	5.69	37,243
391.2	OFFICE EQUIPMENT	10 - SQ	83,138	38,453	44,685	13.18	10,955
391.3	COMPUTER EQUIPMENT	5 - SQ	174,291	117,056	57,235	21.55	37,562
391.41	COMPUTER SOFTWARE - GENERAL	5 - SQ	235,819	47,805	188,014	19.78	46,650
392	TRANSPORTATION EQUIPMENT	10 - L3	6,988,675	1,536,912	5,451,763	10.75	751,317
393	STORES EQUIPMENT	20 - SQ	1,768	1,298	470	4.81	85
394	TOOLS, SHOP AND GARAGE EQUIPMENT	20 - SQ	7,095,794	2,488,188	4,607,606	5.18	367,316
396	POWER OPERATED EQUIPMENT	14 - L3	1,518,009	1,462,952	55,057	0.94	14,239
397	COMMUNICATION EQUIPMENT	10 - SQ	10,967	9,827	1,140	4.60	504
397.1	TELEPHONE SYSTEMS	10 - SQ	155,862	148,545	7,317	4.69	7,317
398	MISCELLANEOUS EQUIPMENT	15 - SQ	842,120	415,670	426,450	6.89	58,062
TOTAL GENERAL PLANT			42,362,332	16,063,561	26,298,771	4.92	2,082,442
TOTAL DEPRECIABLE GAS PLANT			918,211,481	289,844,112	628,367,369	2.03	18,634,941
NONDEPRECIABLE PLANT							
301	ORGANIZATION		86,238				
302	FRANCHISE AND CONSENTS		9,422				
374.1	LAND		276,467				
374.2	LAND RIGHTS		3,109,045				
389.1	LAND		770,030				
TOTAL NONDEPRECIABLE PLANT			4,251,202				
TOTAL GAS PLANT			922,462,683				

UGI PENN NATURAL GAS, INC.

TABLE 1. ESTIMATED SURVIVOR CURVES, ORIGINAL COST, BOOK RESERVE AND
CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO GAS PLANT AT SEPTEMBER 30, 2018

ACCOUNT (1)	SURVIVOR CURVE (2)	ORIGINAL COST (3)	BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	CALCULATED ANNUAL ACCRUAL	
					RATE (6)	AMOUNT (7)
OTHER UTILITY PLANT ALLOCATED TO PNG						
COMMON PLANT						
301	ORGANIZATION (NONDEPRECIABLE)	138,964				
389.1	LAND (NONDEPRECIABLE)	4,950,000				
390.1	STRUCTURES AND IMPROVEMENTS	27,074,300	0	27,074,300	3.71	1,004,612
390.2	STRUCTURES AND IMPROVEMENTS - LEASED PROPERTY	163,268	138,345	24,923	15.27	24,923
391	OFFICE FURNITURE AND EQUIPMENT - FURNITURE	2,765,391	226,623	2,538,768	5.66	156,390
391.1	OFFICE FURNITURE AND EQUIPMENT - EQUIPMENT	44,548	17,965	26,583	38.54	17,168
392.1	TRANSPORTATION EQUIPMENT - CARS	71,637	65,515	6,122	3.30	2,364
TOTAL COMMON PLANT		35,208,108	448,448	29,670,696	4.00	1,205,457
TOTAL COMMON PLANT ALLOCATED TO PNG - 14.89%		5,242,487	66,774	4,417,967		179,493
INFORMATION SERVICES (IS)						
391	OFFICE FURNITURE AND EQUIPMENT - FURNITURE	46,765	36,994	9,771	5.10	2,387
391.1	OFFICE FURNITURE AND EQUIPMENT - EQUIPMENT	5,039,460	2,234,700	2,804,760	19.20	967,391
391.3	OFFICE FURNITURE AND EQUIPMENT - SYSTEM DEV. COSTS - 10 YEARS	7,258,788	4,459,793	2,798,995	7.95	576,721
391.4	OFFICE FURNITURE AND EQUIPMENT - SYSTEM DEV. COSTS - 15 YEARS	98,914,058	13,253,998	85,660,060	6.67	6,598,544
TOTAL INFORMATION SERVICES		111,259,071	19,985,485	91,273,586	7.32	8,145,043
TOTAL INFORMATION SERVICES ALLOCATED TO PNG - 28.17%		31,341,680	5,629,911	25,711,769		2,294,459
READING SERVICE CENTER						
390	STRUCTURES AND IMPROVEMENTS	1,960,014	1,176,178	783,836	3.51	68,783
TOTAL READING SERVICE CENTER ALLOCATED TO PNG - 27.49%		538,808	323,331	215,477		18,908
LESS EMPIRE BUILDING ALLOCATED TO ELECTRIC DIVISION						
390	STRUCTURES AND IMPROVEMENTS	14,052,252	5,672,522	8,379,730	2.66	373,399
TOTAL EMPIRE BUILDING ALLOCATED TO ELECTRIC DIVISION - 13.04%		1,832,414	739,697	1,092,717		48,691
TOTAL OTHER PLANT ALLOCATED TO PNG		35,290,561	5,280,319	29,252,496	6.93	2,444,169
TOTAL PLANT IN SERVICE		957,753,244	295,124,431	657,619,865		21,079,110
AMORTIZATION OF NEGATIVE NET SALVAGE						2,714,822
GRAND TOTAL		957,753,244	295,124,431	657,619,865		23,793,932

* SURVIVOR CURVES FOR ACCOUNT 390 ARE INTERIM SURVIVOR CURVES. INDIVIDUAL BUILDINGS ARE LIFE SPANNED.

UGI CENTRAL PENN GAS, INC.

TABLE 1. SUMMARY OF SERVICE LIFE ESTIMATES AND CALCULATED REMAINING LIFE ACCRUALS
RELATED TO ORIGINAL COST OF GAS PLANT AT SEPTEMBER 30, 2011

Account (1)	Survivor Curve (2)	Original Cost at September 30, 2011 (3)	Book Reserve (4)	Future Accruals (5)	Calculated Annual Accrual		
					Rate (6)	Amount (7)	
GAS PLANT							
DEPRECIABLE PLANT							
Production Plant							
325.2	Producing Leaseholds	55 - L2.5	163,100	161,643	1,457	0.03	41
325.4	Rights-of-Way	60 - R1	30,190	29,493	697	0.05	16
328	Field Measuring and Regulating Station Structures	Fully Accrued	1,263	1,263	-	0.00	-
329	Other Structures	Fully Accrued	44,785	44,783	2	0.00	-
330	Producing Gas Wells - Well Construction	(a)	18,209	(2,130,118)	2,148,327	0.00	-
331	Producing Gas Wells - Well Equipment	(a)	24,441	(18,755)	43,196	0.00	-
332	Field Lines	45 - L0	750,689	712,370	38,319	0.19	1,454
334	Field Measuring and Regulating Station Equipment	21 - O3	92,088	60,814	31,274	2.12	1,952
335	Drilling and Cleaning Equipment	28 - R2	49,604	49,208	396	0.08	38
337	Other Equipment	Fully Accrued	11,062	11,062	-	0.00	-
Total Production Plant			1,185,431	(1,078,237)	2,263,668	0.30	3,501
Storage Plant							
352.01	Wells - Well Construction	(a)	-	(131,702)	131,702	0.00	-
Total Storage Plant			-	(131,702)	131,702		-
Transmission Plant							
365.2	Rights-of-Way	70 - R4	985,582	389,109	596,473	1.71	16,869
366	Structures and Improvements	28 - R2.5	150,662	125,840	24,822	1.74	2,617
367	Mains	65 - R2.5	38,853,423	17,565,388	21,288,035	1.36	528,007
369	Measuring and Regulating Station Equipment	45 - R1.5	6,192,642	2,872,997	3,319,645	1.99	123,481
370	Communication Equipment	22 - R0.5	1,167,726	420,753	746,973	5.39	62,922
371	Other Equipment	33 - R2.5	140,637	111,972	28,665	1.43	2,012
371.1	Other Equipment - Testing Equipment	20 - R3	109,622	103,033	6,589	1.37	1,505
Total Transmission Plant			47,600,294	21,589,092	26,011,202	1.55	737,413
Distribution Plant							
374.2	Rights-of-Way	65 - L0	3,008,706	815,551	2,193,155	1.91	57,510
375.1	Structures and Improvements - Large Structures	65 - L0 (b)	415,152	282,706	132,446	1.56	6,473
375.2	Structures and Improvements - Small Structures	36 - S0	306,371	166,293	140,078	2.11	6,477
376	Mains	60 - R2.5	161,154,495	42,288,438	118,866,057	1.80	2,902,138
378	Measuring and Regulating Station Equipment	43 - R1.5	8,115,729	2,232,793	5,882,936	2.84	230,549
379	Measuring and Regulating Station Eq. - City Gate	43 - R1.5	46,275	37,563	8,712	0.99	458
380	Services	43 - R1.5	66,831,474	26,901,079	39,930,395	2.31	1,546,618
381	Meters	40 - R3	5,169,866	2,285,267	2,884,599	2.60	134,435
381.1	Meters - AMR	15 - S3	401,573	14,356	387,217	7.15	28,704
382	Meter Installations	60 - R2.5	8,415,997	1,573,870	6,842,127	1.97	165,941
383	House Regulators	37 - R4	1,183,752	586,849	596,903	2.58	30,505
384	House Regulator Installations	41 - R3	1,404,677	468,757	935,920	2.56	35,967
385	Industrial Measuring and Regulating Equipment	41 - R1.5	12,573,224	3,603,810	8,969,414	2.89	363,043
387	Other Equipment	35 - R2	1,536,798	993,484	543,314	1.93	29,710
Total Distribution Plant			270,564,089	82,250,816	188,313,273	2.05	5,538,528

UGI CENTRAL PENN GAS, INC.

TABLE 1. SUMMARY OF SERVICE LIFE ESTIMATES AND CALCULATED REMAINING LIFE ACCRUALS
RELATED TO ORIGINAL COST OF GAS PLANT AT SEPTEMBER 30, 2011

Account (1)	Survivor Curve (2)	Original Cost at September 30, 2011 (3)	Book Reserve (4)	Future Accruals (5)	Calculated Annual Accrual		
					Rate (6)	Amount (7)	
General Plant							
	Structures and Improvements						
390.1	Large Structures	65 - L0 (b)	6,500,491	2,476,740	4,023,751	3.19	207,412
390.2	Small Structures	36 - S0	1,094,067	455,611	638,456	2.81	30,742
	<i>Total Account 390</i>		<u>7,594,558</u>	<u>2,932,351</u>	<u>4,662,207</u>	<u>3.14</u>	<u>238,154</u>
391.1	Office Furniture and Equipment - Furniture	20 - SQ	297,694	151,906	145,788	8.22	24,457
391.2	Office Furniture and Equipment - Equipment	20 - SQ	11,181	6,436	4,745	2.29	256
391.3	Office Furniture and Equipment - Computer	5 - SQ	692,716	284,827	407,889	23.35	161,731
391.9	Computer Software - Oracle	10 - SQ	4,378,298	1,071,280	3,307,018	10.07	440,936
392	Transportation Equipment	15 - SQ	32,522	12,447	20,075	7.00	2,276
392.1	Transportation Equipment - 5 Years	5 - SQ	298,697	239,190	59,507	7.29	21,773
392.2	Transportation Equipment - 8 Years	8 - SQ	3,828,638	2,351,882	1,476,756	16.29	623,669
392.3	Transportation Equipment - 10 Years	10 - SQ	1,447,005	788,573	658,432	15.57	225,244
392.5	Transportation Equipment - 15 Years	15 - SQ	151,131	47,359	103,772	7.32	11,069
392.6	Transportation Equipment - 20 Years	20 - SQ	366,371	89,302	277,069	5.93	21,714
393	Stores Equipment	20 - SQ	4,494	(1,666)	6,160	17.45	784
394	Tools, Shop and Garage Equipment	25 - SQ	4,889,867	1,240,378	3,649,489	4.39	214,446
395	Laboratory Equipment	20 - SQ	76,166	65,346	10,820	4.37	3,326
396	Power Operated Equipment	15 - R2	1,976,290	962,173	1,014,117	7.78	153,661
397	Communication Equipment	10 - SQ	358,182	132,773	225,409	11.73	42,024
398	Miscellaneous Equipment	15 - SQ	180,912	19,792	161,120	7.17	12,971
	Total General Plant		<u>26,584,722</u>	<u>10,394,349</u>	<u>16,190,373</u>	<u>8.27</u>	<u>2,198,491</u>
	TOTAL DEPRECIABLE PLANT IN SERVICE		<u>345,934,536</u>	<u>113,024,318</u>	<u>232,910,218</u>	<u>2.45</u>	<u>8,477,933</u>
NONDEPRECIABLE PLANT							
301	Organization		80,239				
302	Franchises and Consents		154,852				
303	Miscellaneous Intangible Plant		289,868				
325.1	Producing Lands		13,029				
325.5	Other Land		1,134				
365.1	Land		47,323				
374.1	Land		313,688				
389.1	Land Rights		328,811				
	TOTAL NONDEPRECIABLE PLANT		<u>1,228,944</u>				
	TOTAL GAS PLANT		<u>347,163,480</u>	<u>113,024,318</u>	<u>232,910,218</u>		<u>8,477,933</u>
	AMORTIZATION OF NEGATIVE NET SALVAGE						<u>1,077,190</u>
	GRAND TOTAL		<u>347,163,480</u>	<u>113,024,318</u>	<u>232,910,218</u>	<u>2.75</u>	<u>9,555,123</u>

(a) Accounts 330, 331 and 352.01 have no remaining depreciation accruals. The future accruals shown are related to the amortization of negative net salvage.

(b) Survivor Curves for Accounts 375.1 and 390.1 are interim survivor curves. Individual buildings are life spanned.

UGI Utilities, Inc. - Gas Division
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I-A-7

Request:

Provide a table, showing the cumulative depreciated original cost by year of installation for utility plant in service at the end of the test year (depreciable plant only) as claimed in the measures of value, in the following form:

- a. Year installed.
- b. Original cost--the total surviving cost associated with each installation year from all plant accounts.
- c. Calculated depreciation reserve--the calculated depreciation reserve associated with each installation year from all plant accounts.
- d. Depreciated original cost--(Column B minus Column C).
- e. Total--cumulation year by year of the figures from Column D.
- f. Column E divided by the total of the figure in Column D.

Response:

The information is provided in UGI Gas Exhibit C (Fully Projected) in Part III for the fully projected test year ended September 30, 2020; in UGI Gas Exhibit C (Future) in Part V for the future test year ended September 30, 2019; and in UGI Gas Exhibit C (Historic) in Part III for the historic test year ended September 30, 2018. The information is set forth in the section titled "Cumulative Depreciated Original Cost."

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

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I-A-8

Request:

Provide a description of the trending methodology which was utilized. Identify all indexes which were used (include all backup workpapers) and the reasons particular indexes were chosen. If indexes were spliced, indicate which years were utilized in any splices. If indexes were composited, show all supporting calculations. Include any analysis made to “test” the applicability of any indexes.

- a. Supply a comprehensive statement of any changes made in the selection of trend factors or in the methodology used in the current rate filing compared to the most recent previous rate filing.

Response:

Trended original cost is omitted in accordance with 52 Pa. Code Section 53.51(c).

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

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I-A-9

Request:

Provide an exhibit indicating the spot trended original cost at test year end by vintage by account and include applicable depreciation reserves. Include totals by account for all other trended measures of value.

Response:

Trended original cost is omitted in accordance with 52 Pa. Code Section 53.51(c).

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

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I-A-10

Request:

Supply an exhibit indicating the percentages of undepreciated original cost which were trended with the following indexes:

- a. Boeckh
- b. Handy-Whitman
- c. Indexes developed from suppliers' prices.
- d. Indexes developed from company records and company price histories.
- e. Construction equipment.
- f. Government statistical releases.

Response:

Trended original cost is omitted in accordance with 52 Pa. Code Section 53.51(c).

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

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I-A-11

Request:

Provide a table, showing the cumulative trended depreciated original cost (at the spot price level) by year of installation for utility plant in service at the end of the test year (depreciable plant only) as claimed in the measures of value, in the following form:

- a. Year installed.
- b. Trended original cost (at the spot price level)--the total surviving cost associated with each installation year from all plant accounts.
- c. Trended calculated depreciation reserve--the calculated depreciation reserve associated with each installation year from all plant accounts.
- d. Depreciated trended original cost--(Column B minus Column C).
- e. Total--cumulation year by year of the figures from Column D.
- f. Column E divided by the total of the figures in Column D.

Response:

Trended original cost is omitted in accordance with 52 Pa. Code Section 53.51(c).

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

UGI Utilities, Inc. - Gas Division
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I-A-12

Request:

If a claim is made for construction work in progress, include, in the form of an exhibit, the summary page from all work orders, amount expended at the end of the test year and anticipated in-service dates. Indicate if any of 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 date and estimated total amounts to be spent on each project.

[These exhibits should be updated at the conclusion of these proceedings.]

Response:

No claim is being made for construction work in progress.

Prepared by or under the supervision of: Megan Mattern

UGI Utilities, Inc. - Gas Division
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I-A-13

Request:

If a claim is made for non-revenue producing construction work in progress, include, in the form of an exhibit, the summary page from all work orders, amount expended at the end of the test year and anticipated in-service dates. Indicate if any of 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 date and estimated total amounts to be spent on each project.

[These exhibits should be updated at the conclusion of these proceedings.]

Response:

No claim is being made for non-revenue producing construction work in progress.

Prepared by or under the supervision of: Megan Mattern

UGI Utilities, Inc. - Gas Division
Docket No. R-2018-3006814
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I-A-14

Request:

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

- a. A brief description of the plant or land site and its cost.
- b. Expected date of use for each item claimed.
- c. Explanation as to why it is necessary to acquire each item in advance of its date of use.
- d. Date when each item was acquired.
- e. 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: Megan Mattern

UGI Utilities, Inc. - Gas Division
Docket No. R-2018-3006814
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I-A-15

Request:

If materials and supplies comprise part of the cash working capital claim, attach an exhibit showing the actual book balances for materials and supplies by month for the thirteen months prior to the end of the test year. Explain any abrupt changes in monthly balances.

[Explain method of determining claim if other than that described above.]

Response:

Please refer to UGI Gas Exhibit A (Historic), UGI Gas Exhibit A (Future) and UGI Gas Exhibit A (Fully Projected), Schedule C-8.

Prepared by or under the supervision of: Megan Mattern

UGI Utilities, Inc. - Gas Division
Docket No. R-2018-3006814
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I-A-16

Request:

If fuel stocks comprise part of the cash working capital claim, provide an exhibit showing the actual book balances (quantity and price) for the fuel inventories by type of fuel for the thirteen months prior to the end of the test year by location, station, etc.

[Explain the method of determining claim if other than that described above.]

Response:

No claim is being made for fuel stocks.

Prepared by or under the supervision of: Megan Mattern

UGI Utilities, Inc. - Gas Division
Docket No. R-2018-3006814
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Responses to Section 53.53 - I-A - Valuation - All Utilities
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I-A-17

Request:

Regardless of whether a claim for net negative or positive salvage is made, attach an exhibit showing gross salvage, cost of removal, and net salvage for the test year and four previous years by account.

Response:

The information related to the historic test year is presented in Part IV of UGI Gas 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 Gas 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 Gas Exhibit C (Fully Projected) in the section titled "Experienced and Estimated Net Salvage."

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

UGI Utilities, Inc. - Gas Division
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I-A-18

Request:

Explain in detail by statement or exhibit the appropriateness of claiming any additional items, not previously mentioned, in the measures of value.

Response:

All measures of value have been fully disclosed in UGI Gas Exhibit A (Historic), UGI Gas Exhibit A (Future) and UGI Gas Exhibit A (Fully Projected), Schedules A-1 and C-1 through C-8, as well as the Direct Testimony of Megan Mattern, UGI Gas Statement No. 4.

Prepared by or under the supervision of: Megan Mattern

UGI Utilities, Inc. - Gas Division
Docket No. R-2018-3006814
UGI GAS 2019 BASE RATE CASE
Responses to Section 53.53 - I-C - Valuation - Gas Utilities
Delivered on January 28, 2019

I-C-1

Request:

Provide, with respect to the scope of operations of the utility, a description of all property, including an explanation of the system's operation, and all plans for any significant future expansion, modification, or other alteration of facilities.

This description should include, but not be limited to the following:

- a. If respondent has various gas service areas, indicate if they are integrated, such that the gas supply is available to all customers.
- b. Provide all pertinent data regarding company policy related to the addition of new consumers in the company's service area.
- c. Explain how respondent obtains its gas supply, as follows:
 - (i) Explain how respondent stores or manufactures gas; if applicable.
 - (ii) State whether the company has peak shaving facilities.
 - (iii) Provide details of coal-gasification programs, if any.
 - (iv) Describe the potential for emergency purchases of gas.
 - (v) Provide the amount of gas in MCF supplied by various suppliers in the test year (include a copy of all contracts).
 - (vi) Provide the amount of gas in MCF supplied from company-owned wells during the test year.
- d. Provide plans for future gas supply, as follows:
 - (i) Supply details of anticipated gas supply from respondent's near-term development of gas wells, if any.
 - (ii) Provide gas supply agreements and well development ventures and identify the parties thereto.

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Responses to Section 53.53 - I-C - Valuation - Gas Utilities
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I-C-1 (Continued)

- e. Indicate any anticipated curtailments and explain the reasons for the curtailments.
- f. Provide current data on any Federal Power Commission action or programs that may affect, or tend to affect, the natural gas supply to the gas utility.

Response:

- a. UGI's gas system consists of approximately 12,022 miles of distribution main and 305.54 miles of transmission lines served primarily from 84 city gate stations or interconnections with interstate pipelines and one gathering system. The distribution system served approximately 642,550 customers as of September 30, 2018. Ninety percent of the customers are residential.

UGI Gas distributes natural gas to areas across Pennsylvania lying within the Counties of Adams, Armstrong, Bedford, Berks, Blair, Bradford, Bucks, Carbon, Centre, Chester, Clarion, Clearfield, Clinton, Columbia, Cumberland, Dauphin, Forest, Franklin, Fulton, Huntingdon, Jefferson, Juniata, Lackawanna, Lancaster, Lebanon, Lehigh, Luzerne, Lycoming, McKean, Mifflin, Monroe, Montour, Montgomery, Northampton, Northumberland, Pike, Potter, Schuylkill, Snyder, Susquehanna, Tioga, Union, Vernango, Wayne, Wyoming, and York.

UGI Gas distribution systems are fed directly by seven interstate pipelines, Tennessee Gas Pipeline Company ("Tennessee"), Columbia Gas Transmission ("Columbia"), Transcontinental Gas Pipe Line Company, LLC. ("Transco"), Texas Eastern Transmission, LP ("Texas Eastern"), Sunbury Pipeline, LLC ("Sunbury"), UGI Mt. Bethel Pipeline Company, LLC ("Mt. Bethel"), and UGI Storage Company ("UGI Storage"). Some distribution systems are fed by multiple pipelines and others are isolated feeds.

- b. UGI Gas pursues the addition of new and expanded load in the residential, commercial, and industrial market areas. UGI Gas follows its tariff guidelines in obtaining these additions.

UGI Gas' tariff guidelines define the rate schedule the customer can utilize, the investment UGI Gas makes to obtain the customer and all other aspects of the Company's business.

Beyond the tariff provisions, the other controlling factors in obtaining new load would be the availability of interstate pipeline capacity, gas supply and UGI Gas' distribution system.

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I-C-1 (Continued)

All customer additions are administered through the Marketing Department. All new customer requests are in the form of a gas application. Once the application has been reviewed for distribution system adequacy, credit and cost, an approval letter is sent to the customer. If a new meter, service or main is required, the work is also scheduled at the time of approval.

- c.
 - (i) UGI Gas does not manufacture gas. UGI Gas has no gas storage facilities.
 - (ii) UGI Gas has no peak shaving facilities.
 - (iii) UGI Gas has no coal gasification programs.
 - (iv) UGI Gas does not anticipate the purchase of emergency gas.
 - (v) Please see Attachment III-E-36 which provides the purchases made from various producers from October 2017 through September 2018. The producer names have been replaced with alphabetic letters for confidentiality reasons. The purchases are typically made under the provision of a standard GISB or NAESB contract. Most contracts have special provisions adding language that may not have been contemplated when the GISB or NAESB contracts were first deployed.
 - (vi) There was no production from UGI-owned wells during the test year.
- d.
 - (i) UGI Gas does not anticipate any development of company-owned gas wells.
 - (ii) UGI Gas does not have well development ventures. UGI Gas' gas supply arrangements are detailed in its annual Purchased Gas Cost filings, the most recent of which were docketed at R-2018-3001633 (UGI-South), R-2018-3001632 (UGI-North) and R-2018-3001631 (UGI-Central).
- e. UGI Gas does not anticipate curtailments for the system.

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I-C-1 (Continued)

- f. UGI Gas monitors FERC activity and evaluates pending impacts to rate payers. The FERC proceedings in which UGI Gas intervened are provided in the 1307(f) Purchased Gas Cost filings for 2018 in Book 1, Section 3 as follows:

UGI Utilities, Inc. – Gas Division at Docket No. R-2018-3001633
UGI Penn Natural Gas, Inc. at Docket No. R-2018-3001632
UGI Central Penn Gas, Inc. at Docket No. R-2018-3001631

Prepared by or under the supervision of: Hans G. Bell

UGI Utilities, Inc. - Gas Division
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I-C-2

Request:

Provide an overall system map, including and labeling all measuring and regulating stations, storage facilities, production facilities, transmission and distribution mains, by size, and all interconnections with other utilities and pipelines.

Response:

In light of the security concerns reflected in the Commission's Workplace Security Survey at Docket No. M-00021590, UGI Gas has not included system maps in this filing. Any party to the proceeding requiring access to system maps will be afforded the opportunity upon request, subject to the provisions of a Confidentiality Agreement to be entered into between such party and the Company pursuant to a Protective Order entered in this proceeding by the presiding Administrative Law Judge.

Prepared by or under the supervision of: Hans G. Bell

SECTION 53.53 – RATE OF RETURN

UGI Utilities, Inc. - Gas Division
Docket No. R-2018-3006814
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Responses to Section 53.53 - II-A - Rate of Return - All Utilities
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II-A-1

Request:

Provide capitalization and capitalization ratios for the last five-year period and projected through the next two years. (With short-term debt and without short-term debt.) (Company, Parent and System (consolidated)).

- a. Provide year-end interest coverages before and after taxes for the last three years and at latest date. (Indenture and SEC Bases.) (Company, Parent and System (consolidated)).
- b. Provide year-end preferred stock dividend coverages for last three years and at latest date (Charter and SEC bases).

Response:

Please refer to Attachment II-A-1 for the requested capitalization and interest coverage ratios. UGI Utilities, Inc. has not issued preferred stock.

Prepared by or under the supervision of: Stephen F. Anzaldo

UGI Utilities, Inc.
CAPITALIZATION RATIOS (Millions)

Consolidated - UGI Corporation - With Short-Term Debt

	<u>9/30/2014</u>		<u>9/30/2015</u>		<u>9/30/2016</u>		<u>9/30/2017</u>		<u>9/30/2018</u>		<u>9/30/2019</u>		<u>9/30/2020</u>	
	<u>Actual</u>	<u>%</u>	<u>Actual</u>	<u>%</u>	<u>Actual</u>	<u>%</u>	<u>Actual</u>	<u>%</u>	<u>Actual</u>	<u>%</u>	<u>Budget</u>	<u>%</u>	<u>Budget</u>	<u>%</u>
Common Equity	\$2,659.1	36.2	\$2,685.2	36.2	\$2,844.1	37.0	\$3,163.3	38.2	\$3,681.4	42.4				
Preferred Stock	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0				
Minority Interests	1,004.1	13.7	880.4	11.9	750.9	9.8	577.6	7.0	418.6	4.8				
Short-Term Debt	210.8	2.9	189.9	2.6	291.7	3.8	366.9	4.4	424.9	4.9				
Long-Term Debt	3,480.5	47.3	3,667.4	49.4	3,795.5	49.4	4,172.1	50.4	4,165.3	47.9				
Total Capitalization	\$7,354.5	100.1	\$7,422.9	100.1	\$7,682.2	100.0	\$8,279.9	100.0	\$8,690.2	100.0				

Consolidated - UGI Corporation - Without Short-Term Debt

	<u>9/30/2014</u>		<u>9/30/2015</u>		<u>9/30/2016</u>		<u>9/30/2017</u>		<u>9/30/2018</u>		<u>9/30/2019</u>		<u>9/30/2020</u>	
	<u>Actual</u>	<u>%</u>	<u>Actual</u>	<u>%</u>	<u>Actual</u>	<u>%</u>	<u>Actual</u>	<u>%</u>	<u>Actual</u>	<u>%</u>	<u>Budget</u>	<u>%</u>	<u>Budget</u>	<u>%</u>
Common Equity	\$2,659.1	37.2	\$2,685.2	37.1	\$2,844.1	38.5	\$3,163.3	40.0	\$3,681.4	44.5				
Preferred Stock	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0				
Minority Interests	1,004.1	14.1	880.4	12.2	750.9	10.2	577.6	7.3	418.6	5.1				
Long-Term Debt	3,480.5	48.7	3,667.4	50.7	3,795.5	51.4	4,172.1	52.7	4,165.3	50.4				
Total Capitalization	\$7,143.7	100.0	\$7,233.0	100.0	\$7,390.5	100.1	\$7,913.0	100.0	\$8,265.3	100.0				

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

	<u>9/30/2014</u>		<u>9/30/2015</u>		<u>9/30/2016</u>		<u>9/30/2017</u>		<u>9/30/2018</u>		<u>9/30/2019</u>		<u>9/30/2020</u>	
	<u>Actual</u>	<u>%</u>	<u>Actual</u>	<u>%</u>	<u>Actual</u>	<u>%</u>	<u>Actual</u>	<u>%</u>	<u>Actual</u>	<u>%</u>	<u>Budget</u>	<u>%</u>	<u>Budget</u>	<u>%</u>
Common Equity	\$ 848.0	55.5	\$ 904.3	56.9	\$ 956.4	55.8	\$ 1,014.7	57.5	\$ 1,113.6	55.9	\$ 1,231.7	54.9	\$ 1,360.9	54.8
Preferred Stock	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Short-Term Debt	36.8	2.4	63.6	4.0	85.2	5.0	0.0	0.0	47.3	2.4	31.6	1.4	0.0	0.0
Long-Term Debt	642.0	42.0	622.0	39.1	671.4	39.2	751.1	42.5	831.2	41.7	979.1	43.7	1,122.8	45.2
Total Capitalization	\$ 1,526.8	99.9	\$ 1,589.9	100.0	\$ 1,713.0	100.0	\$ 1,765.8	100.0	\$ 1,992.1	100.0	\$ 2,242.4	100.0	\$ 2,483.7	100.0

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

	<u>9/30/2014</u>		<u>9/30/2015</u>		<u>9/30/2016</u>		<u>9/30/2017</u>		<u>9/30/2018</u>		<u>9/30/2019</u>		<u>9/30/2020</u>	
	<u>Actual</u>	<u>%</u>	<u>Actual</u>	<u>%</u>	<u>Actual</u>	<u>%</u>	<u>Actual</u>	<u>%</u>	<u>Actual</u>	<u>%</u>	<u>Budget</u>	<u>%</u>	<u>Budget</u>	<u>%</u>
Common Equity	\$ 848.0	56.9	\$ 904.3	59.2	\$ 956.4	58.8	\$ 1,014.7	57.5	\$ 1,113.6	57.3	\$ 1,231.7	55.7	\$ 1,360.9	54.8
Preferred Stock	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Long-Term Debt	642.0	43.1	622.0	40.8	671.4	41.2	751.1	42.5	831.2	42.7	979.1	44.3	1,122.8	45.2
Total Capitalization	\$ 1,490.0	100.0	\$ 1,526.3	100.0	\$ 1,627.8	100.0	\$ 1,765.8	100.0	\$ 1,944.8	100.0	\$ 2,210.8	100.0	\$ 2,483.7	100.0

UGI Utilities, Inc.
INTEREST COVERAGE RATIO

	<u>Consolidated - UGI Corporation</u>			
	<u>9/30/2015</u>	<u>9/30/2016</u>	<u>9/30/2017</u>	<u>9/30/2018</u>
Pre-tax interest coverage	3.45	4.10	4.14	4.71
Post-tax interest coverage	3.01	3.45	3.60	4.61

	<u>Consolidated - UGI Utilities, Inc.</u>			
	<u>9/30/2015</u>	<u>9/30/2016</u>	<u>9/30/2017</u>	<u>9/30/2018</u>
Pre-tax interest coverage	5.88	5.34	5.68	5.54
Post-tax interest coverage	4.34	3.99	4.27	4.71

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UGI GAS 2019 BASE RATE CASE
Responses to Section 53.53 - II-A - Rate of Return - All Utilities
Delivered on January 28, 2019

II-A-2

Request:

Provide latest quarterly financial report (Company and Parent).

Response:

Please refer to II-A-3 for the latest quarterly financial report.

Prepared by or under the supervision of: Megan Mattern

UGI Utilities, Inc. - Gas Division
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UGI GAS 2019 BASE RATE CASE
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II-A-3

Request:

Provide latest Stockholder's Report (Company and Parent).

Response:

Please refer to the SEC website for a copy of the latest Stockholder's Report on our 10-K. This can be found at

<https://www.sec.gov/Archives/edgar/data/100548/000010054818000021/ugiutilitiesinc10-k2018.htm>.

Prepared by or under the supervision of: Megan Mattern

UGI Utilities, Inc. - Gas Division
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II-A-4

Request:

Provide latest Prospectus (Company and Parent).

Response:

Please see the following link for the Prospectus Supplement from UGI Utilities Senior Notes Offering dated 9/24/08 for the latest Parent Company Prospectus:

<https://www.sec.gov/Archives/edgar/data/100548/000119312508201953/d424b2.htm>.

Prepared by or under the supervision of: Megan Mattern

UGI Utilities, Inc. - Gas Division
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II-A-5

Request:

Supply projected capital requirements and sources of Company, Parent and System (consolidated) for each of future three years.

Response:

See Attachment II-A-5 for projected capital requirements. The sources of funds will be from both internally generated funds and outside financing as needed.

Prepared by or under the supervision of: Megan Mattern

UGI Utilities, Inc. - Gas Division
Projected Capital Expenditures
Twelve Months Ending September 30,
(Millions of Dollars)

	2019	2020	2021
Consolidated UGI Utilities, Inc. (including Electric Division)	\$ 386.0	\$ 384.0	\$ 400.3
UGI Utilities, Inc. - Gas Division	\$ 354.2	\$ 366.2	\$ 381.9

UGI Utilities, Inc. - Gas Division
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II-A-6

Request:

Provide a schedule of debt and preferred stock of Company, Parent and System (consolidated) as of test year-end and latest date, detailing for each issue (if applicable):

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

Response:

Subparagraphs (e), (f), (g), (l) and (n) are not applicable.

For the remaining subparagraphs, please see the Direct Testimony of Paul R. Moul, UGI Gas Statement No. 5, Exhibit B, Schedule 6.

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

UGI Utilities, Inc. - Gas Division
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II-A-7

Request:

Supply financial data of Company and/or Parent for last five years:

- a. Earnings-price ratio (average)
- b. Earnings-book value ratio (per share basis) (avg. book value)
- c. Dividend yield (average)
- d. Earnings per share (dollars)
- e. Dividends per share (dollars)
- f. Average book value per share yearly
- g. Average yearly market price per share (monthly high-low basis)
- h. Pre-tax funded debt interest coverage
- i. Post-tax funded debt interest coverage
- j. Market price-book value ratio

Response:

Please refer to Attachment II-A-7 for the requested financial data of UGI Corporation. UGI Utilities, Inc. has no publicly traded shares outstanding.

Prepared by or under the supervision of: Megan Mattern

UGI Corporation
Select Financial Data
For the Year Ended September 30,

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
<u>Income Statement Data (millions) :</u>					
Revenues	\$ 8,277.3	\$ 6,691.1	\$ 5,685.7	\$ 6,120.7	\$ 7,651.2
Operating Income	\$ 1,005.6	\$ 834.9	\$ 988.0	\$ 1,004.2	\$ 1,064.1
Net Income attributable to UGI Corporation	\$ 337.2	\$ 281.0	\$ 364.7	\$ 436.6	\$ 718.7
<u>Common Stock data:</u>					
Market price at year end	\$ 37.69	\$ 36.67	\$ 46.29	\$ 47.86	\$ 53.06
Average yearly market price per share	\$ 31.10	\$ 35.65	\$ 40.25	\$ 47.87	\$ 49.43
Book value per share (at year end)	\$ 21.08	\$ 20.55	\$ 20.71	\$ 18.18	\$ 21.14
Earnings per share (diluted)	\$ 1.92	\$ 1.60	\$ 2.08	\$ 2.46	\$ 4.06
Dividends declared per share	\$ 0.79	\$ 0.89	\$ 0.93	\$ 0.98	\$ 1.02
Dividend rate per share (at year end)	\$ 0.78	\$ 0.88	\$ 0.92	\$ 0.97	\$ 1.02
<u>Ratios:</u>					
Earnings-price ratio	19.6	22.9	22.3	19.5	13.1
Earnings-book value ratio	11.0	12.8	10.0	7.4	5.2
Dividend yield - average	2.5%	2.5%	2.3%	2.0%	2.1%
Pre-tax funded debt interest coverage	4.2	3.4	4.1	4.1	4.7
Post-tax funded debt interest coverage	3.5	3.0	3.4	3.6	4.6
Market price / Book value ratio	1.8	1.8	2.2	2.6	2.5

UGI Utilities, Inc. - Gas Division
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II-A-8

Request:

State amount of debt interest utilized for income tax calculations, and details of debt interest computations, under each of the following rate case bases:

- a. Actual test year
- b. Annualized test year-end
- c. Proposed test year-end

Response:

Please refer to UGI Gas Exhibit A (Historic), UGI Gas Exhibit A (Future), and UGI Gas Exhibit A (Fully Projected), Schedule D-33. All external debt is held at the UGI Utilities, Inc. level. For ratemaking purposes, interest expense is synchronized to the Measure of Value funded at the claimed capital structure and cost of debt.

Prepared by or under the supervision of: Nicole M. McKinney

UGI Utilities, Inc. - Gas Division
Docket No. R-2018-3006814
UGI GAS 2019 BASE RATE CASE
Responses to Section 53.53 - II-A - Rate of Return - All Utilities
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II-A-9

Request:

State amount of debt interest utilized for income tax calculations which has been allocated from the debt interest of an affiliate, and details of the allocation, under each of the following rate case bases:

- a. Actual test year
- b. Annualized test year-end
- c. Proposed test year-end

Response:

Please refer to UGI Gas Exhibit A (Historic), UGI Gas Exhibit A (Future), and UGI Gas Exhibit A (Fully Projected), Schedule D-33. All debt is held at the UGI Utilities, Inc. level. For ratemaking purposes, interest expense is synchronized to the Measure of Value funded at the claimed capital structure and cost of debt.

Prepared by or under the supervision of: Nicole M. McKinney

UGI Utilities, Inc. - Gas Division
Docket No. R-2018-3006814
UGI GAS 2019 BASE RATE CASE
Responses to Section 53.53 - II-A - Rate of Return - All Utilities
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II-A-10

Request:

Under Section 1552 of the Internal Revenue Code and Regulations 1.1552-1 thereunder, if applicable, 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.
- 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 annual income tax return for group, and if income tax return shows net operating loss, provide details of amount of net operating loss allocated to the income tax returns of each of the members of the consolidated group.

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. & c. See Attachment II-A-10.

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II-A-10 (Continued)

- d. See SDR-RR-55 for copies of certain pages of the 9/30/17 UGI Consolidated Federal Income Tax Return.

The tax results for the year ended 9/30/17 do not show a net operating loss.

Prepared by or under the supervision of: Nicole M. McKinney

UGI Utilities, Inc. - Gas Division
Allocation of UGI Corporation Consolidated Federal Income Tax Liability
For the Year Ended September 30, 2017
In Thousands

<u>Name of Company</u>	(a)	(b)	(c)	(d)	(e)
	Federal Taxable Income	Federal Income Tax @ 35% Allocated	Foreign Tax Credit	General Business Credit	Col (b) - Col (c) - Col (d) = Net Federal Income Tax Liability
AmeriGas Inc	(32)	(11)			(11)
AmeriGas Propane Inc.	50,831	17,791			17,791
Amerigas Technology Group Inc.	0	0			0
Ashtola Production Company	(1)	(0)			(0)
Eastfield International Holdings Inc	0	0			0
Energy Service Funding	3,730	1,306			1,306
EuroGas Holdings Inc.	0	0			0
Four Flags Drilling Company	0	0			0
Hellertown Pipeline	0	0			0
Homestead Holding	(199)	(70)			(70)
Newberry Holding	1,450	507			507
UGI Asset Management	0	0			0
UGI Black Sea Enterprises	0	0			0
UGI Central Penn Gas	13,958	4,885			4,885
UGI China Inc	967	338			338
UGI Corporation	(8,138)	(2,848)			(2,848)
UGI Development Company	259	91		25	66
UGI Energy Ventures, Inc.	0	0			0
UGI Ethanol Development Company	0	0			0
UGI Enterprises Inc	(18,583)	(6,504)			(6,504)
UGI Europe Inc	101,813	35,634	39,236		(3,602)
UGI Hunlock Dev	0	0			0
UGI HVAC Enterprises	(541)	(189)			(189)
UGI International China. Inc	(199)	(70)			(70)
UGI International (Romania)	0	0			0
UGI LNG	4,941	1,729			1,729
UGI Penn HVAC Services	(226)	(79)			(79)
UGI Penn Natural Gas, Inc.	(10,532)	(3,686)			(3,686)
UGI Petroleum Products of DE	0	0			0
UGI Properties, Inc.	347	121			121
UGI Romania, Inc.	0	0			0
UGI Storage Company	5,646	1,976			1,976
UGI Utilities, Inc.	(35,938)	(12,578)			(12,578)
UGID Holding Company	(8)	(3)			(3)
United Valley Insurance	2,415	845			845
Eliminations	213	75			75
Total Taxable	112,174	39,261	39,236	25	(0)

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II-A-11

Request:

Provide AFUDC charged by company at test year-end and latest date, and explain method by which rate was calculated.

Response:

AFUDC totaling \$2,562,439 was recorded during the historic test year. The calculated rate for the historic test year of 2.59% was based on average construction work in process compared to short-term borrowings on a monthly basis and on an aggregated annual basis. UGI Gas is currently using the short-term debt rate for AFUDC because the average short-term borrowing balances exceeded the average construction work in process balance. The projected short-term debt rate for the future test year and fully projected future test year ending September 30, 2019 and September 30, 2020 is 3.39% and 3.67%, respectively.

Prepared by or under the supervision of: Megan Mattern

UGI Utilities, Inc. - Gas Division
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II-A-12

Request:

Set forth provisions of Company's and Parent's charter and indentures (if applicable) which describe coverage requirements, limits on proportions of types of capital outstanding, and restrictions on dividend payouts.

Response:

UGI Gas has an unsecured revolving credit agreement ("Revolving Credit Agreement") with a group of banks that provide for a loan commitment of up to \$450 million. The initial loan commitment was for up to \$300 million, but in 2018, the amount was increased to the Revolving Credit Agreement's maximum of \$450 million. Under the Revolving Credit Agreement, UGI Gas may borrow at various prevailing interest rates, including LIBOR and the banks' prime rate, plus a margin. The margin on such borrowing ranges from 0.0% to 1.75% and is based on the credit ratings of certain indebtedness of UGI Gas. In a Final Order entered on August 20, 2015 at Docket No. S-2015-2490378, the Commission approved the registration of the Revolving Credit Agreement as a securities certificate, permitting the incurrence of indebtedness through and until March 26, 2020.

UGI Gas has \$175 million of a 4.98% Senior Note due March 2044, \$100 million of a 2.95% Senior Note due June 2026, \$200 million of a 4.12% Senior Note due September 2046, and \$100 million of a 4.12% Senior Note due October 2046 ("Senior Notes"). The \$175 million Note was approved by the Commission in a Final Order entered on August 15, 2013 at Docket No. S-2013-2370504. The \$100, \$200, and \$100 million Notes were approved by the Commission in a Final Order entered on March 17, 2016 at Docket No. S-2016-2528293. The Senior Notes are unsecured and rank equally with UGI Gas' existing outstanding senior debt. UGI Gas has a \$125 million Medium Term Note, with principal payments of \$1,562,500 due quarterly and the remaining principal due October 2022. Under this Note, UGI Gas may borrow at various prevailing market interest rates, plus an applicable margin. The Note was approved by the Commission in a Final Order entered on April 19, 2018 at Docket No. S-2018-3000209.

The Revolving Credit Agreement, the Senior Notes, and Medium-Term Note require UGI Gas not to exceed a ratio of Consolidated Debt to Consolidated Total Capital, as defined, of 0.65 to 1.00. The Senior Notes require that Consolidated Priority Debt not exceed 10% of Consolidated Total Assets.

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II-A-12 (Continued)

Please refer to UGI Gas Exhibit B for a description of all other Notes, which do not have defined coverage requirements, limits on types of capital outstanding, or restrictions on dividend payouts.

Prepared by or under the supervision of: Megan Mattern

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II-A-13

Request:

Attach copies of the summaries of the projected 2 year's Company's budgets (revenue, expense and capital).

Response:

Please refer to Attachment II-A-13 for the Company's 2019 and 2020 operating budget and plan. For capital budgets, please refer to the response to SDR-ROR-14.

Prepared by or under the supervision of: Stephen F. Anzaldo

UGI Utilities, Inc. - Gas Division
Projected Company Budget
Twelve Months Ending September 30,
(Thousands of Dollars)

	<u>2019</u>	<u>2020</u>
Operating Revenues:		
Operating Revenues	\$ 851,979	\$ 873,481
Other Operating Revenues	5,880	5,880
	<u>857,859</u>	<u>879,361</u>
Operating Expenses:		
Gas Production	3,960	3,985
Gas Supply Production	313,882	320,409
Distribution	75,196	76,390
Customer Accounts	45,786	45,293
Customer Service and Information	9,558	9,446
Sales	2,432	2,522
Administrative and General	101,360	107,570
Depreciation and Amortization	86,678	95,826
Taxes, Other than Income Taxes	10,439	10,872
	<u>649,291</u>	<u>672,313</u>
Operating Income	<u>\$ 208,568</u>	<u>\$ 207,048</u>

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II-A-14

Request:

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

- a. Reacquisitions by issue by year.
- b. Total gain on reacquisitions by issue by year.
- c. Accounting of gain for income tax and book purposes.

Response:

UGI Utilities, Inc. has not reacquired any debt.

Prepared by or under the supervision of: Megan Mattern

UGI Utilities, Inc. - Gas Division
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II-A-15

Request:

Set forth amount of compensating bank balances required under each of the following rate base bases:

- a. Annualized test year operations.
- b. Operations under proposed rates.

Response:

Not Applicable. UGI Gas has no compensating bank balance requirements.

Prepared by or under the supervision of: Megan Mattern

UGI Utilities, Inc. - Gas Division
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II-A-16

Request:

Provide the following information concerning compensating bank balance requirements for actual test year:

- a. Name of each bank.
- b. Address of each bank.
- c. Types of accounts with each bank (checking, savings, escrow, other services, etc.).
- d. Average Daily Balance in each account.
- e. Amount and percentage requirements for compensating bank balance at each bank.
- f. Average daily compensating bank balance at each bank.
- g. Documents from each bank explaining compensating bank balance requirements.
- h. Interest earned on each type of account.

Response:

UGI Gas has no compensating bank balance requirements.

Prepared by or under the supervision of: Megan Mattern

UGI Utilities, Inc. - Gas Division
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II-A-17

Request:

Provide the following information concerning bank notes payable for actual test year:

- a. Line of Credit at each bank.
- b. Average daily balances of notes payable 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 (e.g., construction, fuel storage, working capital, debt retirement).
- e. Prospective future need for this type of financing.

Response:

- a. The Company has a five-year \$450 million revolving credit facility with a consortium of banks ("RCF"). The RCF matures in March 2020. Please see Attachment II-A-17 for the commitment from each bank.
- 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 Company's RCF was \$150,422,000 for fiscal year 2018.
- c. The interest rates for the majority of borrowings under the Company's RCF are under the LIBOR + Applicable Margin formula. The Applicable Margin is based on public credit ratings as specified on Attachment II-A-17. The Company has two public debt ratings (Moody's, Fitch). When there is a split rating, the Moody's rating applies unless such ratings differ by two or more levels. If ratings differ by two or more levels, the applicable level will be deemed to be one level below the higher of such levels. Based on current ratings of the Company, the applicable margin is 0.875%.
- d. The borrowings under the \$450 million RCF are for working capital needs, CWIP and general corporate purposes.

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II-A-17 (Continued)

- e. The RCF provides adequate liquidity for working capital needs, CWIP and general corporate purposes and does not mature until March 2020.

Prepared by or under the supervision of: Megan Mattern

UGI UTILITIES, INC. - GAS DIVISION
Line of Credit Bank Commitments and Applicable margin
As of September 30, 2018

Lender Commitments of the UGI Gas five year, \$450 million revolving credit facility:

Lender	Commitment
PNC Bank, National Association	\$82,500,000
Citizens Bank of Pennsylvania	\$82,500,000
Citibank, N.A.	\$48,000,000
Credit Suisse AG, Cayman Islands Branch	\$48,000,000
JPMorgan Chase Bank, N.A.	\$48,000,000
Wells Fargo Bank, National Association	\$48,000,000
The Bank of New York Mellon	\$45,000,000
Bank of America, N.A.	\$48,000,000
	\$450,000,000

Applicable Margin of the UGI Gas five year, \$450 million revolving credit facility:

S&P/Moody's/Fitch	Margin
A/A2/A or above	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+ or lower	1.75%

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II-A-18

Request:

Set forth amount of total cash (all cash accounts) on hand from balance sheets for last 24-calendar months preceding test year-end.

Response:

The average balance sheet cash (measured at the end of each month) for the past 24 calendar months (10/31/16 - 9/30/18) was \$37.7 million.

Please see Attachment II-A-18.

Prepared by or under the supervision of: Megan Mattern

UGI UTILITIES, INC. - GAS DIVISION
MONTH-END CASH BALANCES

Fiscal Year 2017	Balance Sheet Cash
October	\$ 47,056,679
November	\$ 2,700,096
December	\$ 7,614,253
January	\$ 21,750,195
February	\$ 19,154,983
March	\$ 2,395,555
April	\$ 13,192,888
May	\$ 8,935,313
June	\$ 2,743,626
July	\$ 5,066,454
August	\$ 5,849,893
September	\$ 9,891,872

Fiscal Year 2018	Balance Sheet Cash
October	\$ 46,706,572
November	\$ 36,018,315
December	\$ 39,528,807
January	\$ 77,322,628
February	\$ 91,678,411
March	\$ 102,638,520
April	\$ 136,540,761
May	\$ 165,918,037
June	\$ 21,146,788
July	\$ 16,061,592
August	\$ 16,395,409
September	\$ 8,455,075

Two-Year Average	\$ 37,698,447
-------------------------	----------------------

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II-A-19

Request:

Submit details on Company or Parent common 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 number of days
- e. Amount and number of shares of offering
- f. Offering ratio (if rights offering)
- g. Per cent 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:

Not applicable.

Prepared by or under the supervision of: Megan Mattern

UGI Utilities, Inc. - Gas Division
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II-A-20

Request:

Provide latest available balance sheet and income statement for Company, Parent and System (consolidated).

Response:

Please refer to UGI Gas Exhibit A (Historic), Schedules B-1 and B-2.

Also, please see UGI Utilities Inc. Report on Form 10-K for the year ended 9/30/18 at <https://www.sec.gov/Archives/edgar/data/100548/000010054818000021/ugiutilitiesinc10-k2018.htm> for Parent Company financial statements.

Prepared by or under the supervision of: Megan Mattern

UGI Utilities, Inc. - Gas Division
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II-A-21

Request:

Provide Original Cost, Trended Original Cost and Fair Value rate base claims.

Response:

The Company's claim is based on original cost measure of value. As Pennsylvania law requires use of original cost measure of value for ratemaking, trended original cost and fair value rate base claims were not prepared.

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

Prepared by or under the supervision of: Megan Mattern

UGI Utilities, Inc. - Gas Division
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II-A-22

Request:

- a. Provide Operating Income claims under:
 - (i) Present rates
 - (ii) Pro forma present rates (annualized & normalized)
 - (iii) Proposed rates (annualized & normalized)

- b. Provide Rate of Return on Original Cost and Fair Value claims under:
 - (i) Present rates
 - (ii) Pro forma present rates
 - (iii) Proposed rates

Response:

Please refer to UGI Gas Exhibit A (Historic), UGI Gas Exhibit A (Future), and UGI Gas Exhibit A (Fully Projected), Schedules A-1, D-1, and D-2.

Prepared by or under the supervision of: Stephen F. Anzaldo

UGI Utilities, Inc. - Gas Division
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II-A-23

Request:

List details and sources of “Other Property and Investment,” “Temporary Cash Investments” and “Working Funds” on test year-end balance sheet.

Response:

Please refer to the responses to III-A-2 and III-A-3.

Prepared by or under the supervision of: Megan Mattern

UGI Utilities, Inc. - Gas Division
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II-A-24

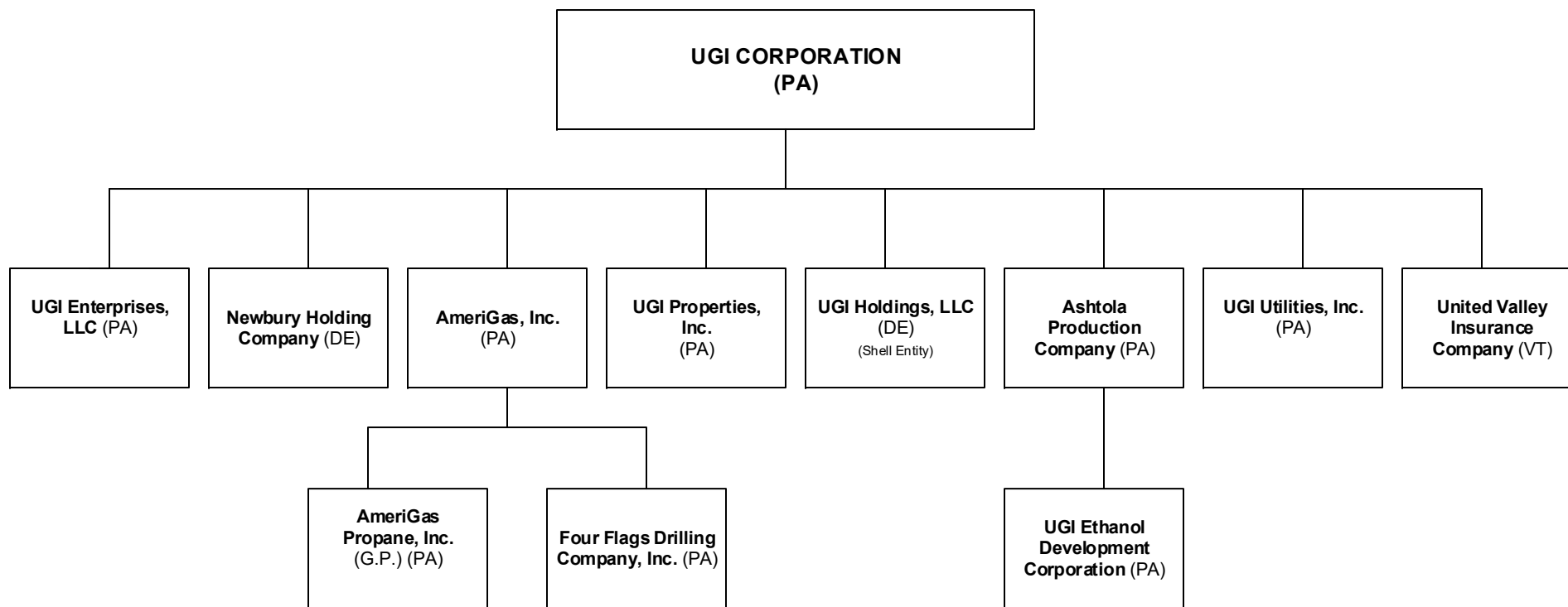
Request:

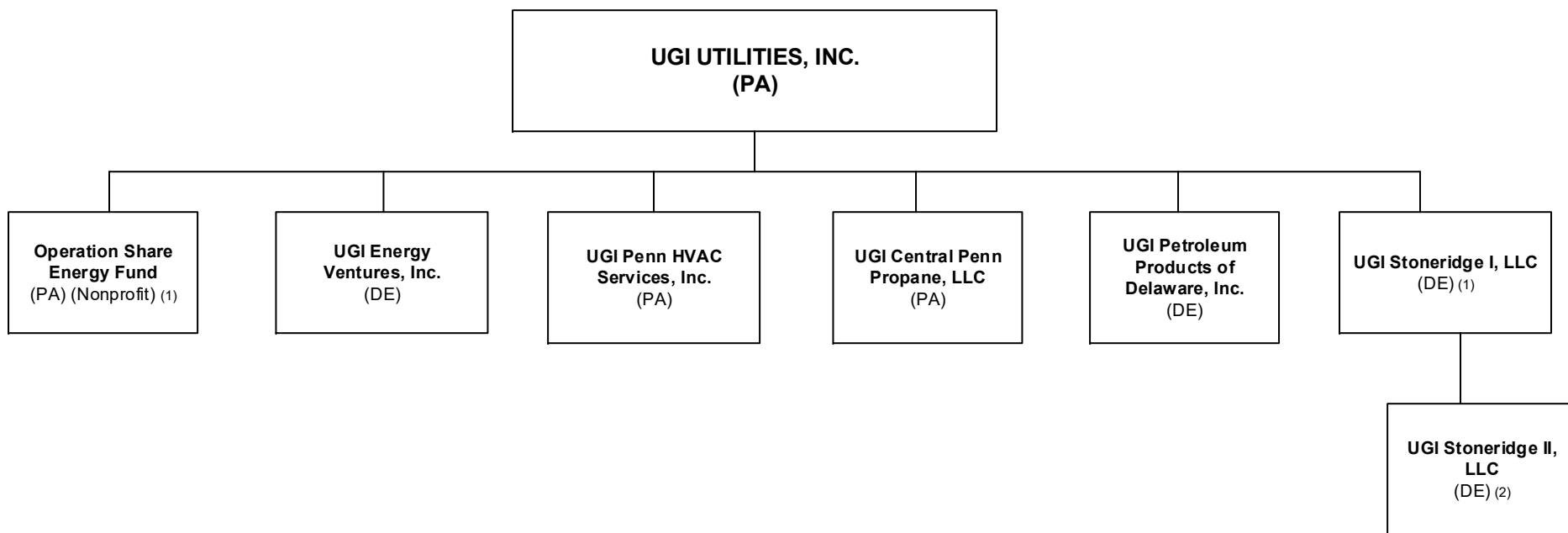
Attach chart explaining Company's corporate relationship to its affiliates (System Structure).

Response:

Please see Attachment II-A-24.

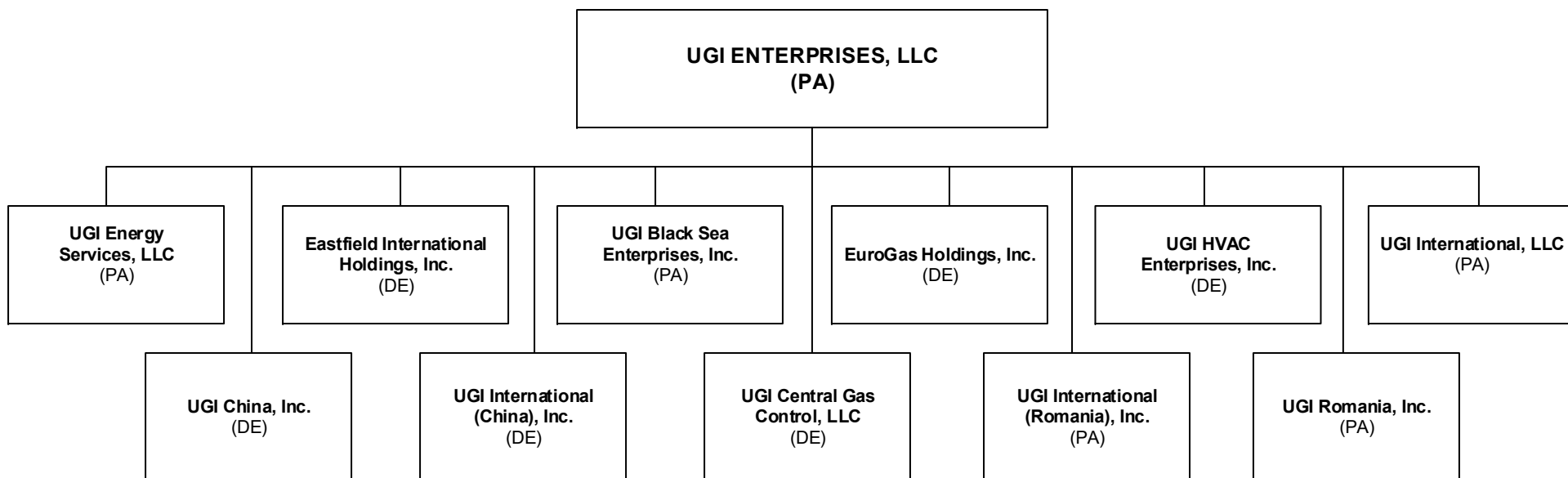
Prepared by or under the supervision of: Megan Mattern

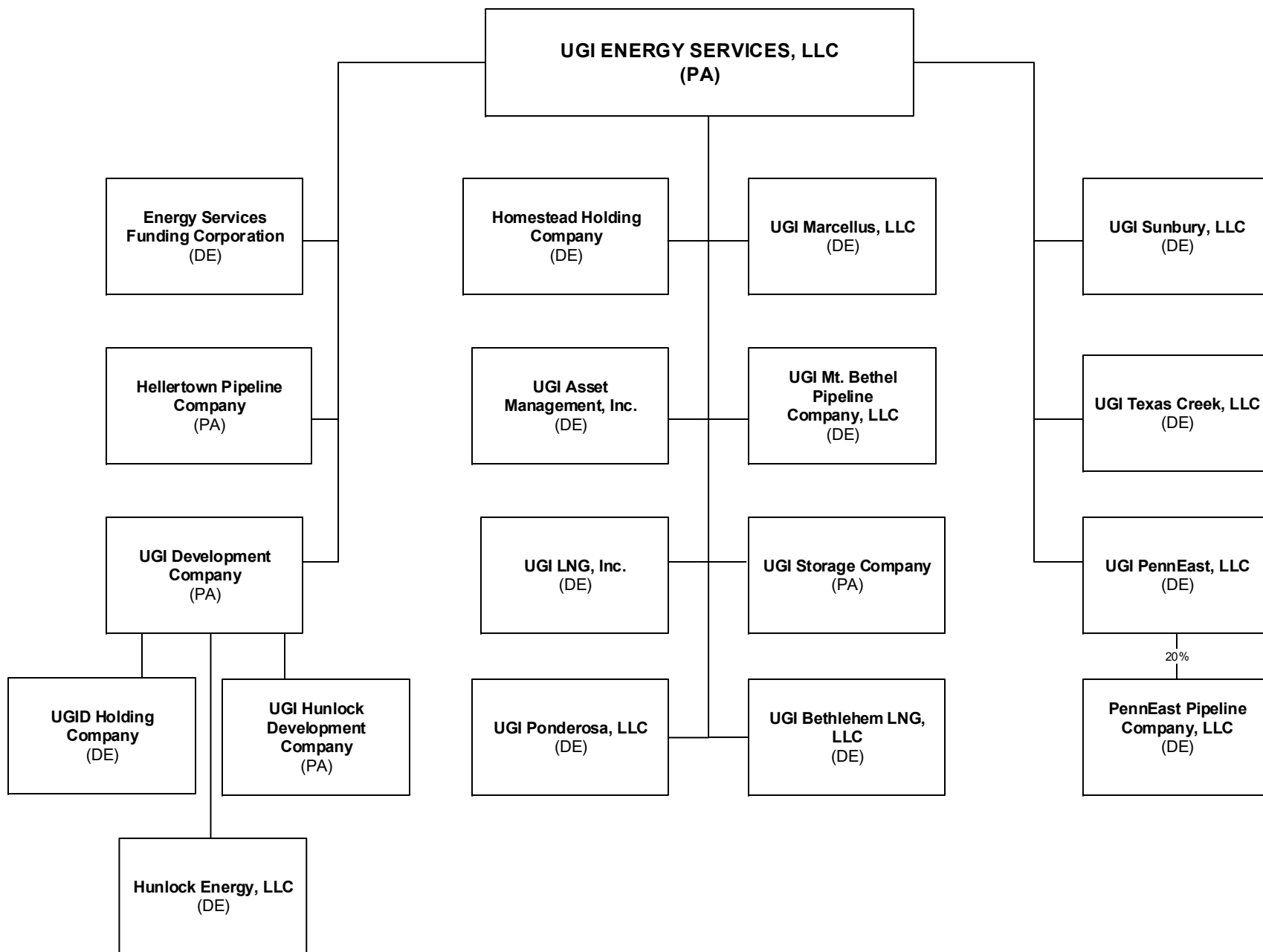




(1) UGI Utilities, Inc. is sole member

(2) UGI Stoneridge I, LLC is sole member





UGI Utilities, Inc. - Gas Division
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II-A-25

Request:

If the utility plans to make a formal claim for a specific allowable rate of return, provide the following data in statement or exhibit form:

- a. Claimed capitalization and capitalization ratios with supporting data.
- b. Claimed cost of long-term debt with supporting data.
- c. Claimed cost of short-term debt with supporting data.
- d. Claimed cost of total debt with supporting data.
- e. Claimed cost of preferred stock with supporting data.
- f. Claimed cost of common equity with supporting data.

Response:

No claim is being made for short-term debt requested in subparagraph (c).

Subparagraph (e) is not applicable as the Company does not have preferred stock.

For information pertaining to subparagraphs (a), (b), (d) and (f), please see the Direct Testimony of Paul R. Moul, UGI Gas Statement No. 5, Exhibit B, Schedule 1.

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

UGI Utilities, Inc. - Gas Division
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II-A-26

Request:

Provide the following income tax data:

- a. Consolidated income tax adjustments, if applicable.
- b. Interest for tax purposes (basis).

Response:

Please see Attachment II-A-26 for a calculation of a consolidated tax adjustment.

A consolidated tax adjustment has not been flowed through as a ratemaking deduction in the calculation of UGI Gas' federal income tax expense. This adjustment has only been included to demonstrate that UGI Gas has fulfilled the requirements of Section 1301.1(b) of Act 40. Please see the Direct Testimony of Stephen F. Anzaldo, UGI Gas Statement No. 3, for a discussion on how the Company has satisfied these requirements.

Prepared by or under the supervision of: Nicole M. McKinney

<u>Tax Loss Entities</u>	<u>Taxable Income</u> <u>2016</u>	<u>Adjustments</u>	<u>Adjusted</u> <u>Taxable Income</u>
UGI Corporation	(20,139)	8,652 (1)	(11,488)
AmeriGas Inc	(20)		(20)
Amerigas Technology Group Inc.	-		0
Ashtola Production Company	(1)		(1)
Eastfield International Holdings Inc	-		0
EuroGas Holdings Inc.	-		0
Four Flags Drilling Company	-		0
Hellertown Pipeline	(2)		(2)
Homestead Holding	(126)		(126)
UGI Asset Management	-		0
UGI Black Sea Enterprises	-		0
UGI China Inc	(3,868)	3,868 (2)	0
UGI Energy Ventures, Inc.	-		0
UGI Ethanol Development Company	-		0
UGI Hunlock Dev	-		0
UGI HVAC Enterprises	(350)		(350)
UGI International China. Inc	(252)		(252)
UGI International (Romania)	-		0
UGI LNG	(706)		(706)
UGI Penn HVAC Services	(170)		(170)
UGI Petroleum Products of DE	(0)		(0)
UGI Romania, Inc.	-		0
UGID Holding Company	(8)		(8)
United Valley Insurance	(3,295)		(3,295)
Total Tax Loss	<u>(28,937)</u>	<u>12,520</u>	<u>(16,417)</u>

Notes:

(1) Adjust to remove impact of expense due to above normal exercise of stock options.

(2) Adjust to remove discontinued operations

UGI Utilities, Inc. - Gas Division
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II-C-1

Request:

Provide test year monthly balances for “Current Gas Storage” and notes financing such storage.

Response:

Refer to UGI Gas Exhibit A (Historic), Schedule C-5, UGI Gas Exhibit A (Future), Schedule C-5, and UGI Gas Exhibit A (Fully Projected Future), Schedule C-5.

All of our notes can be used to finance gas storage.

Prepared by or under the supervision of: Stephen F. Anzaldo

**SECTION 53.53 – BALANCE SHEET AND
OPERATING STATEMENT**

UGI Utilities, Inc. - Gas Division
Docket No. R-2018-3006814
UGI GAS 2019 BASE RATE CASE
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III-A-1

Request:

Provide a comparative balance sheet for the test year and the preceding year which corresponds with the test year date.

Response:

Please refer to UGI Gas Exhibit A (Historic), UGI Gas Exhibit A (Future) and UGI Gas Exhibit A (Fully Projected), Schedule B-1 for a comparative balance sheet for each of the test years. For the preceding year which corresponds with the test year date, please refer to the response to SDR-ROR-2.

Prepared by or under the supervision of: Stephen F. Anzaldo

UGI Utilities, Inc. - Gas Division
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III-A-2

Request:

Set forth the major items of Other Physical Property, Investments in Affiliated Companies and Other Investments.

Response:

Please see Attachment III-A-2.

Prepared by or under the supervision of: Megan Mattern

UGI UTILITIES, INC. - GAS DIVISION
Other Physical Property, Investments in Affiliated Companies and Other Investments

	<u>09/30/2018 balance</u>	
Account 121 Non-Utility Property	\$	238,681
Account 123 Investment in Subsidiaries	\$	1,091,055
Account 124 Other Investments	\$	75,487

The balance in Account 123 primarily represents a residual equity investment in UGI Gas' inactive heating, ventilation and air conditioning service business ("HVAC").

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III-A-3

Request:

Supply the amounts and purpose of Special Cash Accounts of all types, such as:

- a. Interest and Dividend Special Deposits.
- b. Working Funds other than general operating cash accounts.
- c. Other special cash accounts and amounts (Temporary cash investments).

Response:

September 30, 2018 balances are:

- a. None.
- b. None.
- c. Please see Attachment III-A-3.

Prepared by or under the supervision of: Megan Mattern

UGI UTILITIES, INC. - GAS DIVISION
FERC Account 136 - Temporary Cash Investments

<u>Investment Account Description</u>	(000's) 9/30/18 Balances
1 Rosenthal Collins Group	\$ 1,190
2 RJ O'Brien	45
Total Temporary Cash Investments	<u>\$ 1,235</u>

Purpose:

- 1 To purchase natural gas futures, and to cover maintenance margin requirements for natural gas futures.
- 2 To purchase natural gas options and gasoline futures, and to cover maintenance margin requirements for gasoline futures.

UGI Utilities, Inc. - Gas Division
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III-A-4

Request:

Describe the nature and/or origin and amounts of notes receivable, accounts receivable from associated companies, and any other significant receivables, other than customer accounts, which appear on balance sheet.

Response:

Please see Attachment III-A-4.

Prepared by or under the supervision of: Megan Mattern

UGI UTILITIES, INC. - GAS DIVISION
Schedule of Accounts Receivable

<u>FERC Account Description</u>	(000's) 9/30/18 Balances
Accounts Receivable from Associated Companies – consisting primarily of sales of gas and administrative services provided to UGI Energy Services, Inc.	\$ 3,234
Claims Reimbursements	2,084
Service Relocation, and Above Ground Damage Repair	1,214
Off System Sales & Delivery Service Fees	586
Substructure (Below Ground) Damages	567
Employee Merchandise & Tuition Reimbursement	191

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III-A-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 last three years.

Response:

Please see Attachment III-A-5 for the amount of accumulated reserve for uncollectible accounts, method and rate of accrual, amounts accrued, and amounts written-off in each of the last three years.

Prepared by or under the supervision of: Megan Mattern

UGI Utilities, Inc. – Gas Division
Schedule of Reserve for Uncollectible Accounts

(\$ in 000's except for rate of accrual)	<u>9/30/16</u>	<u>9/30/17</u>	<u>9/30/18</u>
Account 144 - Accumulated Provision for Uncollectible Accounts	\$2,820	\$3,131	\$7,746
Method	Allowance	Allowance	Allowance
Rate of Accrual	1.07%	1.02%	1.81%
Amounts Accrued – Uncollectible Expense	\$7,460	\$8,700	\$16,343
Amounts Written Off (net of recoveries)	\$9,015	\$7,288	\$11,728

UGI Utilities, Inc. - Gas Division
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III-A-6

Request:

Provide a list of prepayments and give an explanation of special prepayments.

Response:

Please see Attachment III-A-6.

Prepared by or under the supervision of: Megan Mattern

UGI UTILITIES, INC. - GAS DIVISION
Schedule of Prepayments

<u>FERC Account 165</u>	(000's)
	<u>9/30/18 Balances</u>
Insurance	\$ 3,317
IS Maintenance & Services	3,289
Miscellaneous	552
Property Taxes	408
Total Prepayments	<u>\$ 7,565</u>

UGI Utilities, Inc. - Gas Division
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III-A-7

Request:

Explain in detail any other significant (in amount) current assets listed on balance sheet.

Response:

Refer to UGI Gas Exhibit A (Historic), UGI Gas Exhibit A (Future), and UGI Gas Exhibit A (Fully Projected), Schedule B-1.

Prepared by or under the supervision of: Stephen F. Anzaldo

UGI Utilities, Inc. - Gas Division
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III-A-8

Request:

Explain in detail, including the amount and purpose, the deferred asset accounts that currently operate to effect or will at a later date effect the operating account supplying:

- a. Origin of these accounts.
- b. Probable changes to this account in the near future.
- c. Amortization of these accounts currently charged to operations or to be charged in the near future.
- d. Method of determining yearly amortization for the following accounts:
 - Temporary Facilities
 - Miscellaneous Deferred Debits
 - Research and Development
 - Property Losses
 - Any other deferred accounts that effect operating results.

Response:

Please see Attachment III-A-8.

Prepared by or under the supervision of: Megan Mattern

**UGI UTILITIES, INC. - GAS DIVISION
SCHEDULE OF DEFERRED ASSET ACCOUNTS**

Account Description	(000's) 9/30/18 Balances	Footnote
Deferred Recoverable Income Taxes	\$ 103,382	1
Pension and OPEB Benefit	79,379	2
Environmental Costs	58,837	3
Cost of Removal	30,388	4
Tax Cuts and Jobs Act Over/Under Regulatory Asset	5,586	5
Debt Issuance Costs	4,468	6
Information Technology Program Costs (UNITE)	2,997	7
DSIC Over/Under	1,482	8
Postretirement Benefits	553	9
Gas Delivery Enhancement (GDE)	403	8
Rate Case	307	10
UNITE Phase 1 Call Center Costs	136	11
Energy Efficiency and Conservation (EEC)	3	8
Total Deferred Assets	\$ 287,921	

Footnotes for Amortization Schedule

- (1) Amortized over a period of 1-65 years dependent upon the nature of the cost.
- (2) Amortized over the average remaining future service lives of plan participants.
- (3) Amortized annually at an amount of \$3,889.
- (4) Amortized over a period of five years.
- (5) To be amortized over a one year period.
- (6) Amortized over the term of the debt instruments.
- (7) Currently not amortizing.
- (8) Recovery of Over/Under collection subject to annual reconciliation.
- (9) Amortized annually at an amount of \$195 through July 2021.
- (10) Portions currently not amortizing and others amortizing over three year period.
- (11) Amortized over three year period.

UGI Utilities, Inc. - Gas Division
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III-A-9

Request:

Explain the nature of accounts payable to associated companies, and note amounts of significant items.

Response:

Please see Attachment III-A-9.

Prepared by or under the supervision of: Megan Mattern

UGI UTILITIES, INC. - GAS DIVISION
SCHEDULE OF ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES

Affiliate Name	Balance in (000's) 9/30/2018	Nature of Payable Activity
UGI Energy Services	20,831	Gas purchase activity
UGI Corporation	1,176	Administrative services
	<u>\$ 22,007</u>	

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III-A-10

Request:

Provide details of other deferred credits as to their origin and disposition policy (e.g.-- amortization).

Response:

Please see Attachment III-A-10 for a detailed schedule of Deferred Credits.

Prepared by or under the supervision of: Megan Mattern

UGI Utilities, Inc. - Gas Division
Schedule of FERC 253 – Other Deferred Credits
(Thousands)

FERC Account Description	Balance at 9/30/18	Footnote
Deferred Revenue	\$ 439	1
Executive Retirement Plan	4,046	2
Executive Supplemental Savings Plan	24	2
Restricted Share Awards	680	3
Short Term Disability & COBRA - Non Current	879	4
Long Term Disability - Non Current	225	5
Deferred CIAC	3,917	6
Uncertain Tax Position	660	7
	\$ 10,870	

Footnotes for Amortization Schedule

- (1) Amortized over term of agreement, which is 5 years.
- (2) Amortized over the average remaining future service lives of plan participants.
- (3) Payout awarded at the end of the performance period.
- (4) The valuation reflects the costs associated with all future disability payments, and will be relieved as disability payments are made.
- (5) Adjusted quarterly based on the present value of the benefit costs to be paid over the disability term for an employee.
- (6) Will be applied to projects as they are placed in service.
- (7) FIN48 liabilities are released when a tax year has been audited and settled or the tax year is closed under the statute of limitations.

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III-A-11

Request:

Supply basis for Injury and Damages reserve and amortization thereof.

Response:

The accrual for injuries and damages expense is designed to maintain the reserve at the proper level with respect to existing and potential claims, taking into account the insurance coverage available to UGI Gas, which currently covers personal injuries and property damage in excess of \$500,000 per claim. Actual disbursements are charged against the reserve as expenditures are made.

Prepared by or under the supervision of: Megan Mattern

UGI Utilities, Inc. - Gas Division
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III-A-12

Request:

Provide details of any significant reserves, other than depreciation, bad debt, injury and damages, appearing on balance sheet.

Response:

Please refer to the response to SDR-RR-54 for details of significant reserves appearing on the balance sheet.

Prepared by or under the supervision of: Megan Mattern

UGI Utilities, Inc. - Gas Division
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III-A-13

Request:

Provide an analysis of unappropriated retained earnings for the test year and three preceding calendar years.

Response:

Please refer to Attachment III-A-13.

Prepared by or under the supervision of: Megan Mattern

UGI Utilities, Inc. - Consolidated

Analysis of Unappropriated Retained Earnings
Twelve Months Ended September 30,
(Thousands of Dollars)

<u>Line No.</u>	<u>Historic 2015</u>	<u>Historic 2016</u>	<u>Historic 2017</u>	<u>HTY 2018</u>	<u>FTY 2019</u>	<u>FPFTY 2020</u>
1 Beginning Balance	\$316,688	\$372,143	\$422,516	\$480,857	\$579,778	\$697,869
2 Net Income	121,055	97,373	116,041	148,921	138,091	149,228
3 Common Stock Dividends	<u>(65,600)</u>	<u>(47,000)</u>	<u>(57,700)</u>	<u>(50,000)</u>	<u>(20,000)</u>	<u>(20,000)</u>
4 Ending Balance	<u>\$372,143</u>	<u>\$422,516</u>	<u>\$480,857</u>	<u>\$579,778</u>	<u>\$697,869</u>	<u>\$827,097</u>

UGI Utilities, Inc. - Gas Division
Docket No. R-2018-3006814
UGI GAS 2019 BASE RATE CASE
Responses to Section 53.53 - III-A - Balance Sheet
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III-A-14

Request:

Provide schedules and data in support of the following working capital items:

- a. Prepayments--List and identify all items
- b. Federal Excise Tax accrued or prepaid
- c. Federal Income Tax accrued or prepaid
- d. Pa. State Income Tax accrued or prepaid
- e. Pa. Gross Receipts Tax accrued or prepaid
- f. Pa. Capital Stock Tax accrued or prepaid
- g. Pa. Public Utility Realty Tax accrued or prepaid
- h. State sales tax accrued or prepaid
- i. Payroll taxes accrued or prepaid
- j. Any adjustment related to the above items for ratemaking purposes.

Response:

Please see UGI Gas Exhibit A (Historic), UGI Gas Exhibit A (Future) and UGI Gas Exhibit A (Fully Projected), Schedule C-4, and the response to III-A-6. In addition, please see the Direct Testimony of Stephen F. Anzaldo, UGI Gas Statement No. 3, and the Direct Testimony of Megan Mattern, UGI Gas Statement No. 4.

Prepared by or under the supervision of: Megan Mattern

UGI Utilities, Inc. - Gas Division
Docket No. R-2018-3006814
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III-A-15

Request:

Supply an exhibit supporting the claim for working capital requirement based on the lead-lag method.

- a. Pro forma expenses and revenues are to be used in lieu of book data for computing lead-lag days.
- b. Respondent must either include sales for resale and related expenses in revenues and in expenses or exclude from revenues and expenses. Explain procedures followed (exclude telephone).

Response:

Please see UGI Gas Exhibit A (Historic), UGI Gas Exhibit A (Future) and UGI Gas Exhibit A (Fully Projected), Schedule C-4 and the Direct Testimony of Megan Mattern, UGI Gas Statement No. 4.

Prepared by or under the supervision of: Megan Mattern

UGI Utilities, Inc. - Gas Division
Docket No. R-2018-3006814
UGI GAS 2019 BASE RATE CASE
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III-A-16

Request:

Provide detailed calculations showing the derivation of the tax liability offset against gross cash working capital requirements.

Response:

Please refer to UGI Gas Schedule C-4 within UGI Gas Exhibit A (Historic), UGI Gas Exhibit A (Future), and UGI Gas Exhibit A (Fully Projected).

Prepared by or under the supervision of: Nicole M. McKinney

UGI Utilities, Inc. - Gas Division
Docket No. R-2018-3006814
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III-A-17

Request:

Prepare a Statement of Income for the various time frames of the rate proceeding including:

- Col. 1--Book recorded statement for the test year.
2--Adjustments to book record to annualize and normalize under present rates.
3--Income statement under present rates after adjustment in Col. 2
4--Adjustment to Col. 3 for revenue increase requested.
5--Income statement under requested rates.

- a. Expenses may be summarized by the following expense classifications for purposes of this statement:

Operating Expenses (by category)
Depreciation
Amortization
Taxes, Other than Income Taxes
Total Operating Expense
Operating Income Before Taxes
Federal Taxes
State Taxes
Deferred Federal
Deferred State
Income Tax Credits
Other Credits
Other Credits and Charges, etc.
Total Income Taxes
Net Utility Operating Income
Other Income & Deductions
Other Income
Detailed listing of Other Income used in Tax Calculation
Other Income Deduction
Detailed Listing
Taxes Applicable to Other Income and Deductions
Listing
Income Before Interest Charges

UGI Utilities, Inc. - Gas Division
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III-A-17 (Continued)

Listing of all types of Interest Charges and all amortization of Premiums and/or Discounts and Expenses on Debt issues

Total Interest

Net Income After Interest Charges

(Footnote each adjustment to the above statements with explanation in sufficient clarifying detail.)

Response:

Please refer to UGI Gas Exhibit A (Historic), UGI Gas Exhibit A (Future), and UGI Gas Exhibit A (Fully Projected), schedules in Section D, for the Company's presentation of the requested Statements of Income and adjustments to operating revenues and expenses.

Please refer to UGI Gas Statement No. 3, the Direct Testimony of Stephen F. Anzaldo, for explanations of the Statements of Income and adjustments to operating revenues and expenses depicted in the Section D schedules of UGI Gas Exhibit A (Historic), (Future) and (Fully Projected), the underlying sources of budgeted information, and the basis for the adjustments.

Please refer to UGI Gas Statement No. 5, the Direct Testimony of Paul R. Moul, and related UGI Gas Exhibit B, Schedule 6, for the derivation of the weighted average cost of debt used in the Company's debt interest synchronization adjustment, including the treatment of debt issuance expense, premiums and discounts used in calculating the effective cost rate for each series of long-term debt.

Please refer to UGI Gas Statement No. 8, the Direct Testimony of David E. Lahoff, for explanation on the derivation of future test year and fully projected year sales and revenues.

Please refer to UGI Gas Statement No. 11, the Direct Testimony of Nicole M. McKinney, for the explanation of the Company's income tax adjustments.

UGI Utilities, Inc. - Gas Division
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III-A-18

Request:

Provide comparative operating statements for the test year and the immediately preceding 12 months showing increases and decreases between the two periods. These statements should supply detailed explanation of the causes of the major variances between the test year and preceding year by detailed account number.

Response:

Please refer to Attachment III-A-18 for the exhibit of comparative operating statements.

Explanations of major variances are shown below in (\$000's):

Revenues from Sales of Gas – Increase of \$152,028 – Accts 480, 481, 489

The increase in Revenues from Sales of Gas is due primarily to temperatures which were 10.1% colder in the most recent year, resulting in higher volume.

Other Operating Revenues – Decrease of \$17,592 – Accts 487, 488, 493, 495

The decrease in other operating revenues is due primarily to a negative surcharge associated with the Tax Cuts and Jobs Act.

Cost of Sales – Increase of \$87,613 – Accts 804, 805, 807, 808, 813

The increase in Cost of Sales is due primarily to an increase in the price of gas and an increase in usage due to colder weather in the most recent year.

Distribution – Increase of \$3,594 – Accts 850, 856, 859, 861, 863, 865, 870, 871, 874-881, 885-887, 889-894

The increase in Distribution expense is due primarily to higher outside services / contractor expenditures and higher materials expenditures related to remediation work.

Customer Accounts – Increase of \$10,041 – Accts 901-905

The increase in Customer Accounts expense is due primarily to an increase in uncollectible expense year-over-year.

Administrative and General – Increase of \$5,649 – Accts 920, 921, 923, 925, 926, 930.1, 930.2, 931, 932, 935

The increase in Administrative and General expense is due primarily to increased IT maintenance and consulting expenses related to new system implementation.

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III-A-18 (Continued)

Depreciation & Amortization – Increase of \$11,767 – Accts 403, 404

The increase in Depreciation & Amortization expense is due to higher capital expenditures resulting in higher additions, as well as a full year of depreciation expense on assets placed in service in fiscal 2017.

Taxes, Other than Income Taxes – Decrease of \$2,983 – Acct 408

The decrease in Taxes, Other than Income Taxes is due primarily to a favorable payroll tax adjustment in the most recent year related to prior periods.

Other Income – Decrease of \$6,215 – Accts 415, 416, 419, 421, 426

The decrease in Other Income is due primarily to a one-time environmental insurance settlement in the prior year.

Interest Expense – Increase of \$3,197 – Accts 427, 428, 431, 432

The increase in Interest Expense is due to higher average long-term debt balance outstanding. The increase in outstanding debt resulted in a direct increase of associated interest expense.

Income Taxes – Decrease of \$28,974 – Accts 409-411

The decrease in Income Taxes expense is due primarily to a decrease in the effective tax rate as a result of the Tax Cuts and Jobs Act.

Prepared by or under the supervision of: Megan Mattern

UGI UTILITIES, INC. - GAS DIVISION
STATEMENT OF OPERATIONS
FOR THE YEARS ENDED SEPTEMBER 30, 2017 AND 2018
(thousands of dollars)

	12 Months Ended 9/30/2017	12 Months Ended 9/30/2018	Variance
Operating Revenues:			
Revenues from Sales of Gas	\$ 733,540	\$ 885,568	\$ 152,028
(1) Other Operating Revenues	6,081	(11,511)	(17,592)
Total Operating Revenues	739,621	874,057	134,436
Operating Expenses:			
Cost of Sales	259,593	347,206	87,613
Storage, Transmission, & Other Production	3,683	4,189	506
Distribution	67,709	71,303	3,594
Customer Accounts	29,237	39,278	10,041
Customer Service and Information	2,769	2,874	105
Sales	1,594	2,462	868
Administrative and General	87,679	93,328	5,649
Depreciation & Amortization	67,357	79,124	11,767
Taxes, Other than Income Taxes	10,072	7,089	(2,983)
Total Operating Expenses	529,693	646,853	117,160
Operating Income	209,928	227,204	17,276
Other Income	8,192	1,977	(6,215)
Earnings Before Interest and Taxes	218,120	229,181	11,061
Interest Expense	38,218	41,415	3,197
Earnings Before Taxes	179,902	187,766	7,864
Income Taxes	71,334	42,360	(28,974)
Net Income	<u>\$ 108,568</u>	<u>\$ 145,406</u>	<u>\$ 36,838</u>

- (1) Other operating revenues for the 12 months ended 9/30/18 includes a surcharge associated with the Tax Cuts and Jobs Act.

UGI Utilities, Inc. - Gas Division
Docket No. R-2018-3006814
UGI GAS 2019 BASE RATE CASE
Responses to Section 53.53 - III-A - Balance Sheet
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Delivered on January 28, 2019

III-A-19

Request:

List extraordinary property losses as a separate item, not included in operating expenses or depreciation and amortization. Sufficient supporting data must be provided.

Response:

None.

Prepared by or under the supervision of: Megan Mattern

UGI Utilities, Inc. - Gas Division
Docket No. R-2018-3006814
UGI GAS 2019 BASE RATE CASE
Responses to Section 53.53 - III-A - Balance Sheet
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III-A-20

Request:

Supply detailed calculations of amortization of rate case expense, including supporting data for outside services rendered. Provide the items comprising the rate case expense claim (include the actual billings or invoices in support of each kind of rate case expense), the items comprising the actual expenses of prior rate cases and the unamortized balances.

Response:

The Company's rate case expense claim is based on the normalization of projected rate case expenditures. For details, please refer to UGI Gas Exhibit A (Historic), UGI Gas Exhibit A (Future), UGI Gas Exhibit A (Fully Projected), Schedule D-10.

Prepared by or under the supervision of: Megan Mattern

UGI Utilities, Inc. - Gas Division
Docket No. R-2018-3006814
UGI GAS 2019 BASE RATE CASE
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III-A-21

Request:

Submit detailed computation of adjustments to operating expenses for salary, wage and fringe benefit increases (union and non-union merit, progression, promotion and general) granted during the test year and six months subsequent to the test year. Supply data showing for the test year:

- a. Actual payroll expense (regular and overtime separately) by categories of operating expenses, i.e., maintenance, operating transmission, distribution, other.
- b. Date, percentage increase, and annual amount of each general payroll increase during the test year.
- c. Dates and annual amounts of merit increases or management salary adjustments.
- d. Total annual payroll increases in the test year.
- e. Proof that the actual payroll plus the increases equal the payroll expense claimed in the supporting data (by categories of expenses).
- f. Detailed list of employee benefits and cost thereof for union and non-union personnel. Any specific benefits for executives and officers should also be included, and cost thereof.
- g. Support the annualized pension cost figures.
 - (i) State whether these figures include any unfunded pension costs. Explain.
 - (ii) Provide latest actuarial study used for determining pension accrual rates.
- h. Submit a schedule showing any deferred income and consultant fee to corporate officers or employees.

Response:

- a - f. Refer to UGI Gas Exhibit A (Fully Projected), Schedules D-7 and D-14 and the Direct Testimony of Megan Mattern, UGI Gas Statement No. 4.

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III-A-21 (Continued)

- g. Refer to Attachment III-A-21 for the latest actuarial report showing pension accrual rates.
- h. There are no significant deferred income and consultant fees to corporate officers or employees.

Prepared by or under the supervision of: Megan Mattern



October 26, 2018

Ms. Heidi Whitmoyer
Senior Manager, Compensation & Benefits
UGI Utilities, Inc.
2525 N. 12th Street, Suite 360
P.O. Box 12677
Reading, PA 19612-2677

Dear Heidi:

FISCAL 2019 ASC 715-30 PENSION EXPENSE

We have calculated the fiscal 2019 ASC 715-30 pension expense for the Retirement Income Plan for Employees of UGI Utilities, Inc. (RIP) to be \$6,073,794.

ASC 715-30 PENSION EXPENSE (INCOME)

The actual fiscal 2019 pension expense (income) for the RIP is allocated amongst the business units as follows:

Utilities	\$ 3,637,212
Holding Company	562,986
Enterprises	(8,657)
UGID	(31,652)
HVAC	302,059
PNG	466,675
CPG Gas	1,066,595
CPG Propane	(19,334)
UGI Gas Control	97,910
	\$ 6,073,794

The fiscal 2019 pension expense compares to actual fiscal 2018 pension expense of \$13,019,657. There are multiple factors influencing the change in expense. Primary reasons for the change in expense are as follows:

- The change in the discount rate decreased fiscal 2019 expense by approximately \$3.0 million
- Expected changes (including cash contributions made to the plan) based on the prior valuation decreased fiscal 2019 expense by approximately \$3.3 million
- The return on the market-related value of plan assets was higher than expected, which decreased fiscal 2019 expense by \$1.1 million
- The change in the expected rate of return of assets assumption increased fiscal 2019 expense by approximately \$0.6 million
- The reflection of the January 1, 2018 census data decreased fiscal 2019 expense by approximately \$0.1 million

The pension expense is based on the projected benefit obligation (PBO) and fair asset value measured as of September 30, 2018, as reported in UGI's fiscal 2018 year-end financial disclosure. The plan's PBO as of September 30, 2018 was estimated to be \$611,191,076 and the fair value of assets were reported to be \$531,735,671.

The details of the pension expense calculations are shown in the following exhibits:

- Exhibit I contains the expense calculations in total
- Exhibit II contains the expense components by business unit

The PBO was allocated to the various business units based on the codes provided in the 2018 valuation data and confirmed through the data question process. Service cost and interest cost were allocated to each unit based on actual amounts calculated for the respective participants of each unit. The expected return on assets component and the amortization components of pension expense were allocated in proportion to the PBO's of the respective business unit.

EMPLOYEE DEMOGRAPHICS

Census data used for the determination of fiscal 2019 pension cost is as of January 1, 2018. After discussions with UGI, obligations were projected to September 30, 2018 on a no gain/loss basis, and adjusted for changes in key actuarial assumptions. There were 921 active participants as of January 1, 2018. A breakdown of the active participants by business unit is as follows:

■ UGI Utilities:	530
■ Holding Company:	23
■ Enterprises:	0
■ UGID:	0
■ UGI HVAC:	34
■ PNG:	147
■ CPG Gas:	178
■ CPG Propane:	0
■ UGI Gas Control:	9

The number of inactive participants as of January 1, 2018 is 2,754, which includes 846 terminated vested participants and 1,908 participants currently receiving benefits.

INVESTMENT EXPERIENCE

The rate of return on the fair value of assets was approximately 10.60% for the period October 1, 2017 to September 30, 2018 compared to the assumed investment return of 7.40% for that period. The rate of return on the market-related value of assets, the smoothed value used for determination of pension expense, was approximately 8.7%. The market-related value of assets phases in deviations from the assumed return on the equity portion of the portfolio. For the fixed income portion of the portfolio, the market-related value is equal to the fair value. Actual investment return during fiscal 2018 caused the fiscal 2019 pension expense to decrease.

ASSUMPTIONS

The fiscal 2018 and 2019 ASC 715-30 pension costs were determined using the following assumptions:

ECONOMIC ASSUMPTIONS:	FISCAL 2019	FISCAL 2018																				
■ Discount rate	4.40%	4.00%																				
■ Weighted-average salary increase assumption from age 40 to expected retirement	3.25%	3.25%																				
■ Expected return on assets	7.30%	7.40%																				
■ Cash contributions	2018 target normal cost prior to reflection of interest rate stabilization (\$12,933,997) based on the following schedule:	2017 target normal cost prior to reflection of interest rate stabilization (\$13,438,541) based on the following schedule:																				
	<table border="1"> <thead> <tr> <th>Date</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>12/15/2018</td> <td>1,766,500*</td> </tr> <tr> <td>3/15/2019</td> <td>3,233,500</td> </tr> <tr> <td>6/15/2019</td> <td>3,233,500</td> </tr> <tr> <td>9/15/2019</td> <td>3,233,500</td> </tr> </tbody> </table>	Date	Amount	12/15/2018	1,766,500*	3/15/2019	3,233,500	6/15/2019	3,233,500	9/15/2019	3,233,500	<table border="1"> <thead> <tr> <th>Date</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>12/15/2017</td> <td>3,359,635</td> </tr> <tr> <td>3/15/2018</td> <td>3,359,635</td> </tr> <tr> <td>6/15/2018</td> <td>3,359,635</td> </tr> <tr> <td>9/15/2018</td> <td>3,359,635</td> </tr> </tbody> </table>	Date	Amount	12/15/2017	3,359,635	3/15/2018	3,359,635	6/15/2018	3,359,635	9/15/2018	3,359,635
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12/15/2018	1,766,500*																					
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3/15/2018	3,359,635																					
6/15/2018	3,359,635																					
9/15/2018	3,359,635																					

* December contribution adjusted downward due to the \$5 million contribution made in July, leading to contributions of \$11,467,000 during fiscal 2019. Excess amount over the 9/15/2018 amount due was used to lower the December contribution amount.

All other assumptions and methods, as well as their rationale, are unchanged from those documented in the fiscal 2018 actuarial valuation report.

PLAN PROVISIONS

All plan provisions are the same as those documented in the fiscal 2018 actuarial valuation report.

PROFESSIONAL QUALIFICATIONS AND RELIANCES

The undersigned consulting actuaries are members of the Society of Actuaries and meet the “Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States” relating to pension plans. Our objectivity is not impaired by any relationship between UGI Utilities, Inc. and our employer, Towers Watson Delaware Inc., a subsidiary of Willis Towers Watson PLC.

In preparing the results presented in this report, we have relied upon information regarding plan provisions, participants, assets and plan sponsor accounting policies and methods provided by UGI. We have reviewed this information for overall reasonableness and consistency, but have neither audited nor independently verified this information. Based on discussions with and concurrence by the plan sponsor, assumptions or estimates may have been made if data were not available. We are not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations. The results presented in this report are directly dependent upon the accuracy and completeness of the underlying data and information. Any material inaccuracy in the data, assets, plan provisions or information regarding contributions or funding balance elections provided to us may have produced results that are not suitable for the purposes of this report and such inaccuracies, as corrected by UGI Utilities, Inc., may produce materially different results that could require that a revised report be issued.

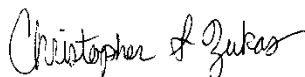
As required by U.S. GAAP, the actuarial assumptions and methods employed in the development of the pension cost have been selected by the plan sponsor. ASC 715-30-35 requires that each significant assumption “individually represent a reasonable estimate of a particular future event.”

Accumulated other comprehensive (income)/loss amounts shown in the report are shown prior to adjustment for deferred taxes. Any deferred tax effects in AOCI should be determined in consultation with UGI Utilities, Inc.’s tax advisors and auditors.

Willis Towers Watson has concurred with these assumptions and methods, with the exception of the expected return on asset assumption. UGI has selected the assumption based on another vendor’s work, and review of this assumption is outside the scope of services.

Please call us, if you have any questions or would like to discuss these results further.

Sincerely,



Christopher S. Zukas, FSA
Senior Director, Retirement

Direct Dial: 215-246-6104



Lori Wolfersberger, FSA
Director, Retirement

215-246-4942

Enclosures

cc: Richard Berger – UGI Corporation
Ben Galaska – UGI Corporation
Crystal Gurreonero – UGI Corporation
Ann Kelly – UGI Utilities, Inc.
Deanna Koppenhofer – UGI Utilities, Inc.
Doreen Kutzler – UGI Corporation
Megan Mattern – UGI Utilities, Inc.
Dan Platt – UGI Corporation
Jason Rich – UGI Corporation
Kindra Walker – UGI Utilities, Inc.
Mathieu Lussier – Willis Towers Watson/Philadelphia

RETIREMENT INCOME PLAN FOR EMPLOYEES OF UGI UTILITIES, INC.

Valuation Results

	As of 9/30/2018	As of 9/30/2017
Fair Value of Assets (FV)	\$531,735,671	\$498,080,170
Projected Benefit Obligation (PBO)	611,191,076	639,245,066
PBO Funded Percentage	87.0%	77.9%

<u>Reconciliation of Funded Status</u>		
Funded Status (FV – PBO)	(79,455,405)	(141,164,896)
AOCI	96,036,115	155,686,357
Market-Related Value of Assets	\$499,890,590	\$470,400,411

<u>Net Periodic Pension Cost (Income)</u>	FYE 2019 (Fiscal Year ending 9/30/19)	FYE 2018 (Fiscal Year ending 9/30/18)
Service Cost	\$7,425,702	\$8,469,422
Interest Cost	26,641,597	25,357,876
Expected Return on Assets	(35,845,291)	(34,208,740)
Amortization		
Prior Service Cost	246,123	275,271
Actuarial Loss (Gain)	7,605,663	13,125,828
Net Pension Cost (Income)	\$6,073,794	\$13,019,657

<u>Assumptions</u>		
Discount Rate	4.40%	4.00%
Average Salary Increases	3.25%	3.25%
Expected Return on Assets	7.30%	7.40%

**Retirement Income Plan for Employees of UGI Utilities, Inc.
Fiscal 2019 Net Periodic Pension Cost**

Fiscal Year 2019 (Fiscal Year ending September 30, 2019)										
	<u>Utilities</u>	<u>CGC</u>	<u>Holding Company</u>	<u>Enterprises</u>	<u>UGID</u>	<u>HVAC</u>	<u>PNG</u>	<u>CPG Gas</u>	<u>CPG Propane</u>	<u>Total</u>
Net Periodic Pension Cost (Income)										
Service Cost	4,447,000	94,000	660,000	-	-	301,000	709,000	1,215,000	-	7,426,000
Interest Cost	16,443,000	14,000	1,819,000	109,000	447,000	267,000	4,067,000	3,199,000	276,000	26,641,000
Expected Return on Assets	(22,092,000)	(14,000)	(2,453,000)	(151,000)	(613,000)	(341,000)	(5,517,000)	(4,286,000)	(378,000)	(35,845,000)
Net Amortization	4,839,000	3,000	537,000	33,000	134,000	75,000	1,209,000	939,000	83,000	7,852,000
Expense	3,637,000	97,000	563,000	(9,000)	(32,000)	302,000	468,000	1,067,000	(19,000)	6,074,000

Assumptions

Discount Rate: 4.40%

Expected Return on Assets: 7.30%

Other assumptions and plan provisions used in this estimate are the same as those documented in the 2018 valuation report.

Census data as of January 1, 2018

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UGI GAS 2019 BASE RATE CASE
Responses to Section 53.53 - III-A - Balance Sheet
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III-A-22

Request:

Supply an exhibit showing an analysis, by functional accounts, of the charges by affiliates (Service Corporations, etc.) for services rendered included in the operating expenses of the filing company for the test year and for the 12-month period ended prior to the test year:

- a. Supply a copy of contracts, if applicable.
- b. Explain the nature of the services provided.
- c. Explain basis on which charges are made.
- d. If charges allocated, identify allocation factors used.
- e. Supply the components and amounts comprising the expense in this account.
- f. Provide details of initial source of charge and reason thereof.

Response:

- a. Refer to Attachment III-A-22.1 for a listing of applicable gas purchase agreements and asset management agreements which have been previously authorized by the Commission. Refer to Attachment III-A-22.2 (contained on USB flash drive) for copies of the Affiliated Interest Agreements which have been previously authorized by the Commission.
- b - f. See Attachment III-A-22.3 for a listing of affiliate transactions for the years ended September 30, 2018 and 2017, respectively.

UGI Corporation provides administrative services to UGI Utilities, Inc. pursuant to affiliate interest agreements authorized by the Commission. Services provided by UGI Corporation include but are not limited to executive management, finance, pension fund management, internal audit, legal, shareholder relations, insurances, claims and similar types of services.

The allocation of charges for these common administrative services follows the methodology which the Commission has found appropriate during previous reviews including the most recent management efficiency audit.

UGI Utilities, Inc. d/b/a UGI South
List of Natural Gas Purchase Agreements and Asset Management Agreements

Affiliate Name	Contract Effective Date	Contract Termination Date
<i>UGI Utilities, Inc. d/b/a UGI Central</i>		
Natural Gas Purchase Agreement	10/21/2008	30 days written notice
Extended Large Firm Delivery Service Agreement	8/30/2011	8/29/2020
<i>UGI Utilities, Inc. d/b/a UGI North</i>		
Natural Gas Purchase Agreement	1/1/2007	30 days written notice
Natural Gas Supply & Delivery Contract 7,000 MDQ	11/1/2015	10/31/2018
<i>UGI Energy Services, LLC</i>		
Natural Gas Purchase Agreement	5/1/2017	30 days written notice
Peaking Delivery Service (UGI-P-1013) 16,303 MDQ	11/1/2017	10/31/2020
Natural Gas Supply & Delivery Contract (UGI-CO-1004) 10,000 MDQ	11/1/2013	10/31/2020
Peaking Delivery Service (UGI-P-1003) 40,000 MDQ	11/1/2012	3/31/2022
Peaking Delivery Service (UGI-P-1004) 32,700 MDQ	11/1/2012	3/31/2022
Peaking Delivery Service (UGI-P-1005) 6,012 MDQ	11/1/2013	3/31/2022
Peaking Delivery Service (UGI-P-1006) 37,685 MDQ	11/1/2014	3/31/2019
Peaking Delivery Service (UGI-P-1007) 21,697 MDQ	11/1/2014	3/31/2019
Peaking Delivery Service (UGI-P-1008) 25,000 MDQ	11/1/2009	3/31/2023
Peaking Delivery Service (UGI-P-1011) 1,800 MDQ	11/1/2016	3/31/2022
Peaking Delivery Service (UGI-P-1012) 19,000 MDQ	11/1/2016	3/31/2021
Peaking Delivery Service (UGI-P-1010) 91,297 MDQ	11/1/2015	3/31/2020
Asset Management Agreement on Columbia Pipeline	11/1/2015	10/31/2018
Asset Management Agreement on Columbia Pipeline	11/1/2018	10/31/2021
Asset Management Agreement on Dominion Pipeline	11/1/2016	10/31/2019

UGI Utilities, Inc. d/b/a UGI North
List of Natural Gas Purchase Agreements and Asset Management Agreements

Affiliate Name	Contract Effective Date	Contract Termination Date
<i>UGI Utilities, Inc. d/b/a UGI South</i>		
Natural Gas Purchase Agreement	1/1/2007	30 days written notice
Natural Gas Supply & Delivery Contract 7,000 MDQ	11/1/2015	10/31/2018
<i>UGI Utilities, Inc. d/b/a UGI Central</i>		
Natural Gas Purchase Agreement	10/21/2008	30 days written notice
Natural Gas Supply & Delivery Contract 3,838 MDQ	11/1/2017	10/31/2018
Union Dale Direct Interconnection (Winter Street) 4,049 MDQ	11/1/2015	10/31/2019
<i>UGI Energy Services, LLC</i>		
Natural Gas Purchase Agreement	11/1/2006	30 days written notice
Peaking Delivery Service (PNG-P-1001) 18,500 MDQ	11/1/2007	3/31/2022
Natural Gas Supply & Delivery Contract (PNG-CO-1007) 4,049 MDQ	11/1/2014	10/31/2019
Natural Gas Supply & Delivery Contract (PNG-CO-1005) 40,000 MDQ	8/1/2015	10/31/2020
Peaking Delivery Service (PNG-P-1002) 29,000 MDQ	12/1/2011	2/28/2022
Natural Gas Supply & Delivery Contract (PNG-CO-1006) 51,995 MDQ	11/1/2015	3/31/2022
Natural Gas Supply & Delivery Contract (PNG-CO-1009) 3,481 MDQ	11/1/2015	10/31/2020
Natural Gas Supply & Delivery Contract (PNG-CO-1010) 60,949 MDQ	11/1/2017	10/31/2018
Natural Gas Supply & Delivery Contract (PNG-CO-1011) 418 MDQ	12/1/2017	7/31/2018
Natural Gas Supply & Delivery Contract (PNG-CO-1012) 36,169 MDQ	11/1/2018	10/31/2020
Peaking Delivery Service (PNG-P-1003) 16,580 MDQ	11/1/2016	3/31/2021
Transportation Service Agreement (Carverton Road) 120,000 MDQ	12/26/2013	12/25/2033
Asset Management Agreement	11/1/2017	10/31/2019

UGI Utilities, Inc. d/b/a UGI Central
List of Natural Gas Purchase Agreements and Asset Management Agreements

Affiliate Name	Contract Effective Date	Contract Termination Date
<i>UGI Utilities, Inc. d/b/a UGI South</i>		
Natural Gas Purchase Agreement	10/21/2008	30 days written notice
Extended Large Firm Delivery Service Agreement	8/30/2011	8/29/2020
<i>UGI Utilities, Inc. d/b/a UGI North</i>		
Natural Gas Purchase Agreement	10/21/2008	30 days written notice
Natural Gas Supply & Delivery Contract 3,838 MDQ	11/1/2017	10/31/2018
Union Dale Direct Interconnection (Winter Street) 4,049 MDQ	11/1/2015	10/31/2019
<i>UGI Energy Services, LLC</i>		
Natural Gas Purchase Agreement	11/1/2008	30 days written notice
Peaking Delivery Service (CPG-P-1001) 10,965 MDQ	11/1/2012	3/31/2022
Peaking Delivery Service (CPG-CO-1001) 15,000 MDQ	11/1/2014	10/31/2022
Peaking Delivery Service (CPG-CO-1003) 11,888 MDQ	11/1/2017	10/31/2018
Peaking Delivery Service (CPG-P-1003) 2,000 MDQ	11/1/2014	3/31/2019
Peaking Delivery Service (CPG-P-1006) 3,980 MDQ	11/1/2015	3/31/2020
Peaking Delivery Service (CPG-P-1007) 5,000 MDQ	11/1/2018	3/31/2033
Peaking Delivery Service (CPG-P-1008) 2,519 MDQ	11/1/2018	3/31/2033
Peaking Delivery Service (CPG-P-1005) 9,117 MDQ	11/1/2014	3/31/2019
Asset Management Agreement	11/1/2016	10/31/2019
<i>UGI Storage Company</i>		
NNS Firm Delivery Contract 8,792 MDQ	4/1/2011	3/31/2020
FSS Firm Storage Contract 879,200 SCQ	4/1/2011	3/31/2020

UGI Utilities, Inc. - Gas Division
Charges Imposed by Parent, Affiliate and
Subsidiary Companies
(Thousands)

	<u>2017</u>	<u>2018</u>
<i>UGI Corporation</i>		
Allocated Expenses	10,971	12,830
Invoices paid by UGI Corp	5,245	6,391
Stock Compensation	887	1,269
Total	<u>17,103</u>	<u>20,491</u>
<i>UGI Energy Services, LLC</i>		
Gas Purchases	<u>178,458</u>	<u>228,390</u>
Total	178,458	228,390
<i>UGI HVAC Services, Inc.</i>		
General Maintenance and Repairs	<u>325</u>	<u>410</u>
Total	325	410

UGI Utilities, Inc. - Gas Division
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III-A-23

Request:

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

Response:

Please see Attachment III-A-23.

Prepared by or under the supervision of: Megan Mattern

UGI Utilities, Inc. - Gas Division
Costs Relative to Leasing Equipment, Computer Rental and Office Space
12 Months Ended 9/30/18
(000's)

	<u>Annual Expenses</u>	<u>Method of Computing Payment</u>	<u>Terms of Lease or Rental Agreement</u>
Building	\$ 1,001	Monthly payments per lease or rental agreements. Percentage applied from Modified Wisconsin Formula for leases of shared properties.	2009 - 2023
IS/Computer Equipment	565	Monthly payments per lease or rental agreements. Percentage applied from Modified Wisconsin Formula for leases of shared properties.	2012 - 2022
Motor Vehicle	<u>2,537</u>	Monthly payments per lease or rental agreements.	2009 - 2023
Total	<u>\$ 4,103</u>		

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III-A-24

Request:

Submit detailed calculations (or best estimates) of the cost resulting from major storm damage.

Response:

No major storm damages have been recorded in the last five fiscal years. Accordingly, no damages are included in the historic, future or fully projected future test year claims.

Prepared by or under the supervision of: Megan Mattern

UGI Utilities, Inc. - Gas Division
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III-A-25

Request:

Submit details of expenditures for advertising (National and Institutional and Local media). Provide a schedule of advertising expense by major media categories for the test year and the prior two comparable years with respect to:

- a. Public health and safety
- b. Conservation of energy
- c. Explanation of Billing Practices, Rates, etc.
- d. Provision of factual and objective data programs in educational institutions
- e. Other advertising programs
- f. Total advertising expense

Response:

Please see Attachment III-A-25.

Prepared by or under the supervision of: Shaun M. Hart

UGI UTILITIES, INC. - GAS DIVISION
ADVERTISING EXPENSES
FOR THE YEARS ENDED SEPTEMBER 30, 2017 THROUGH 2020
(in US Dollars)

	Cost Element		FY2017		FY2018		FY2019		FY2020
Public Health & Safety	Print/Digital	4550	\$ 124,724	\$	108,263	\$	-	\$	-
Public Health & Safety	Radio	4600	\$ -	\$	-	\$	-	\$	-
Public Health & Safety	TV	4650	\$ -	\$	2,021	\$	-	\$	-
Public Health & Safety	Bill Insert	4700	\$ -	\$	2,115	\$	-	\$	-
Public Health & Safety	Other*	4750	\$ 2,798	\$	2,524	\$	300	\$	300
Conservation of Energy	Print/Digital	4560	\$ 666,440	\$	1,107,460	\$	999,764	\$	1,077,333
Conservation of Energy	Radio	4610	\$ -	\$	2,915	\$	-	\$	-
Conservation of Energy	TV	4660	\$ 7,945	\$	-	\$	-	\$	-
Conservation of Energy	Bill Insert	4710	\$ 84,598	\$	28,584	\$	64,008	\$	64,008
Conservation of Energy	Other*	4760	\$ 8,976	\$	7,386	\$	6,000	\$	6,000
Explanation of Bill Practices, Rates, Etc.	Print/Digital	4570	\$ 37,154	\$	5,891	\$	16,500	\$	16,500
Explanation of Bill Practices, Rates, Etc.	Radio	4620	\$ -	\$	-	\$	-	\$	-
Explanation of Bill Practices, Rates, Etc.	TV	4670	\$ -	\$	-	\$	-	\$	-
Explanation of Bill Practices, Rates, Etc.	Bill Insert	4720	\$ 100	\$	-	\$	-	\$	-
Explanation of Bill Practices, Rates, Etc.	Other*	4770	\$ -	\$	-	\$	-	\$	-
Data Programs in Educational Institutions	Print/Digital	4580	\$ -	\$	-	\$	-	\$	-
Data Programs in Educational Institutions	Radio	4630	\$ -	\$	-	\$	-	\$	-
Data Programs in Educational Institutions	TV	4680	\$ -	\$	-	\$	-	\$	-
Data Programs in Educational Institutions	Bill Insert	4730	\$ -	\$	-	\$	-	\$	-
Data Programs in Educational Institutions	Other*	4780	\$ -	\$	480	\$	-	\$	-
Other Advertising Programs	Print/Digital	4590	\$ 118,035	\$	91,186	\$	512,058	\$	512,058
Other Advertising Programs	Radio	4640	\$ -	\$	9,876	\$	-	\$	-
Other Advertising Programs	TV	4690	\$ 43	\$	9,937	\$	-	\$	-
Other Advertising Programs	Bill Insert	4740	\$ 110	\$	89	\$	-	\$	29,221
Other Advertising Programs	Other*	4790	\$ 911,103	\$	898,484	\$	993,994	\$	1,019,538
SUMMARY BY MEDIA									
Total Advertising Expenses	Print/Digital		\$ 946,353	\$	1,312,801	\$	1,528,322	\$	1,605,891
Total Advertising Expenses	Radio		\$ -	\$	12,791	\$	-	\$	-
Total Advertising Expenses	TV		\$ 7,988	\$	11,958	\$	-	\$	-
Total Advertising Expenses	Bill Insert		\$ 84,808	\$	30,788	\$	64,008	\$	93,229
Total Advertising Expenses	Other*		\$ 922,876	\$	908,874	\$	1,000,293	\$	1,025,838
SUMMARY BY CATEGORY									
Public Health & Safety	All		\$ 127,522	\$	114,924	\$	300	\$	300
Conservation of Energy	All		\$ 767,958	\$	1,146,345	\$	1,069,772	\$	1,147,341
Explanation of Bill Practices, Rates, Etc.	All		\$ 37,254	\$	5,891	\$	16,500	\$	16,500
Data Programs in Educational Institutions	All		\$ -	\$	480	\$	-	\$	-
Other Advertising Programs	All		\$ 1,029,290	\$	1,009,573	\$	1,506,052	\$	1,560,817

* Other advertising includes other mass media, website and branded giveaways.

UGI Utilities, Inc. - Gas Division
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III-A-26

Request:

Provide a list of reports, data, or statements requested by and submitted to the Commission during and subsequent to the test year.

Response:

Please see Attachment III-A-26.

Prepared by or under the supervision of: Paul J. Szykman

UGI Utilities, Inc. – Gas Division

List of reports, data or statements requested by and submitted to the Commission during and subsequent to the test year.

- PUC Annual Report
- Universal Service Program Reconciliations
- Section 1307(f) Purchased Gas Cost Filings – Book I & II
- Annual Purchase Gas Cost Compliance Filing
- Annual Gas Rate Comparison Report
- Annual Integrated Resource Planning Report
- Quarterly Purchase Gas Cost Report
- Gas Switching Report/Choice Switching Report
- Annual Report on Unaccounted For Gas
- Residential and Commercial Price-to-Compare Report
- Quarterly Financial and Statistical Report
- P.U.C. Assessment Report
- Informal compliant replies
- 52 PA Code 56.231 – Collection Results for Residential and Small Commercial Customers
- Quality of Service – Benchmark and Standards Report - including Metrix/Matrix
- PA Code 58.15 LIURP annual program evaluation report and Spending and Budget report
- 52 PA Code 62.7 - Universal Service Reporting Requirements
- Annual Conservation Plan – Status of Existing Conservation Activities
- 52 PA Code 56.100 (4) and 56.100 (5) – Cold Weather Survey of premises where heat related service is terminated during the year and resurvey of prior year’s account not restored.
- Customer Assistance Program (CAP) Report
- Section 1410.1(4) – Medical Certificates and renewals submitted and accepted by the Company
- Section 1410.1(3) – Accounts Exceeding \$10,000 in Arrearages
- Quarterly Rate of Return Filing
- Annual Depreciation Report
- Service Life Study Report
- Gas Supply and Demand Report
- Payment Agreement Report

UGI Utilities, Inc. – Gas Division

List of reports, data or statements requested by and submitted to the Commission during and subsequent to the test year.

- Annual Statistical Report
- Natural Gas Utility Update Report
- GET Gas Annual Report
- Long Term Infrastructure Improvement Plan
- Annual Asset Optimization Plan
- Annual DOT Reports
- Meter Test Reports
- Major Construction Notices (over \$300K)
- Gas Safety Form Letter – FL-1-16 Mass Data Request 2015
- Winter Reliability Data Request
- Annual Diversity Report
- Quality of Service Transaction Survey
- Bi-Annual LIURP Report
- Annual Hardship Fund Report
- State Tax Adjustment surcharge Filing
- Universal Service Surcharge Filing
- USP Impact Evaluation
- Annual Conservation Plan - IRP - Status of Existing Conservation Activities
- LIHEAP Leveraging
- CAP Collaboratives
- Distribution System Improvement Charge (DSIC)
- Combined Heat and Power (CHP) Report
- Annual EE&C Report
- Annual Report – Natural and Other Gas Transmission and Gathering Systems
- Transmission Integrity Management Notifications
- Cast Iron and Bare Steel Status Report
- Safety Related Condition Report
- Incident Report – Gas Distribution/Transmission Systems
- Distribution System - Mechanical Fitting Failure Reports
- Supply Regulatory Inventory

UGI Utilities, Inc. - Gas Division
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III-A-27

Request:

Prepare a detailed schedule for the test year showing types of social and service organization memberships paid for by the Company and the cost thereof.

Response:

None are being claimed.

Prepared by or under the supervision of: Megan Mattern

UGI Utilities, Inc. - Gas Division
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III-A-28

Request:

Submit a schedule showing, by major components, the expenditures associated with Outside Services Employed, Regulatory Commission Expenses and Miscellaneous General Expenses, for the test year and prior two comparable years.

Response:

Please see Attachment III-A-28.1 for account 930.2 – Miscellaneous General Expenses.

Please see Attachment III-A-28.2 for account 923 – Outside Services Employed.

Please see Attachment III-A-28.3 for account 928 – Regulatory Commission Expenses.

Prepared by or under the supervision of: Megan Mattern

UGI Utilities, Inc. - Gas Division
Schedule of Account 930.2 - Miscellaneous General Expenses
For the Fiscal Years Ending September 30, 2016 through 2020

<u>Expenditure Type (in Thousands)</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
ASSOCIATION DUES	666	741	761	820	829
EMPLOYEE BENEFIT SERVICES	304	101	121	145	145
EMPLOYEE BUSINESS & OTHER EXPENSES	2,467	2,186	3,019	3,153	3,884
GRAND TOTAL	<u>3,437</u>	<u>3,029</u>	<u>3,901</u>	<u>4,118</u>	<u>4,857</u>

UGI Utilities, Inc. - Gas Division
Schedule of Account 923 - Outside Services Employed
For the Fiscal Years Ending September 30, 2016 through 2020

Expenditure Type (in Thousands)	2016	2017	2018	2019	2020
ADVERTISING/PUBLIC RELATIONS	276	277	299	338	338
AUDIT	1,373	1,345	1,417	1,337	1,099
EMPLOYMENT AGENCY FEES	342	150	99	98	98
ENVIRONMENTAL	113	108	124	168	168
IS-CONSULTING SERVICES	426	254	203	457	515
LEGAL	1,018	1,601	1,169	1,611	1,611
OTHER PROFESSIONAL SERVICES	1,427	797	1,089	1,103	913
CORPORATE ALLOCATION	10,669	10,971	12,830	14,072	15,478
EMPLOYEE BUSINESS EXPENSES	253	200	186	158	252
MISCELLANEOUS	(4,347) (a)	782	466	446	446
GRAND TOTAL	\$ 11,551	\$ 16,487	\$ 17,882	\$ 19,789	\$ 20,920

(a) Amount includes a reclassification of preliminary information technology costs associated with the UNITE project from expense to capital (\$4,834).

UGI Utilities, Inc. - Gas Division
Schedule of Account 928 - Regulatory Commission Expenses
For the Fiscal Years Ending September 30, 2016 through 2020

<u>Expenditure Type (in Thousands)</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Central Penn Gas Rate Case Amortization	282,000	94,000	-	-	-
UGI Gas Rate Case Amortization	-	582,808	647,732	-	-
Penn Natural Gas Rate Case Amortization	-	-	115,866	115,866	115,866
Other	20,000	-	-	-	-
GRAND TOTAL	<u>302,000</u>	<u>676,808</u>	<u>763,598</u>	<u>115,866</u>	<u>115,866</u>

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III-A-29

Request:

Submit details of information covering research and development expenditures, including major projects within the company and forecasted company programs.

Response:

UGI Gas did not have any research and development expenditures in the last five years and does not claim any expenditures in the historic, future, or fully projected future test years.

Prepared by or under the supervision of: Megan Mattern

UGI Utilities, Inc. - Gas Division
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III-A-30

Request:

Provide a detailed schedule of all charitable and civic contributions by recipient and amount for the test year.

Response:

Please see Attachment III-A-30 for a schedule of all charitable and civic contributions made for UGI Gas. No claim is being made for charitable and civic contributions.

Prepared by or under the supervision of: Megan Mattern

UGI Utilities, Inc. - Gas Division
Schedule of Charitable and Civic Contributions
For The Year Ended September 30, 2018

<u>Organization Name</u>	<u>2018</u>
Reading is Fundamental Inc.	\$ 166,333
United Way of Greater Phila. & Southern NJ	126,168
United Way of Berks County	121,000
The Sparks Foundation	72,500
United Way of Wyoming Valley	55,500
Thaddeus Stevens Foundation	53,000
Wilkes University	41,500
The Salvation Army	38,500
Lehigh Carbon Community College Foundation	35,000
United Way of Lackawanna & Wayne Counties	34,200
Penn State	26,352
Lancaster County Career & Tech. Foundation	25,000
Pennsylvania College of Technology Foundation	25,000
United Way of Greater Lehigh Valley	20,500
Commission on Economic Opportunity - Luzerne County	20,000
Da Vinci Discovery Center of Science & Technology	20,000
Reading Salvation Army	16,940
Scranton Salvation Army	16,720
Harrisburg Salvation Army	16,170
Bridge Educational Foundation	16,111
United Way of the Capital Region	15,500
Commission on Economic Opportunity	15,400
World Affairs Council of Phila.	15,250
Berks County Community Foundation	15,000
Communities In Schools of the Lehigh Valley	15,000
Foundation of the Columbia Montour	15,000
Junior Achievement of the NE PA	15,000
Kidspeace Corp.	15,000
Lancaster Science Factory	15,000
Community Action Partnership of Lancaster	14,630
Girl Scouts in the Heart of Pennsylvania	12,500
Allentown Salvation Army	11,550
Luzerne County Community College Foundation	10,500
United Way of Lancaster County	10,300
Camp Curtin YMCA	10,000
Cocalico Education Foundation	10,000
Harrisburg Area Community College	10,000
Misericordia University	10,000
Pennsylvania SPCA	10,000
SkillsUSA Council	10,000
Solanco Education Foundation	10,000
Spanish American Civic Association	10,000
The Challenge Program Inc.	10,000
Miscellaneous Contributions under \$10,000	305,475
Total	\$ 1,537,599

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III-A-31

Request:

Provide a detailed analysis of Special Services--Account 795.

Response:

Gas account 795001 has no activity.

Prepared by or under the supervision of: Megan Mattern

UGI Utilities, Inc. - Gas Division
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III-A-32

Request:

Provide a detailed analysis of Miscellaneous General Expense--Account No. 801.

Response:

UGI Gas does not and has not recorded activity to Account 801 for the last five fiscal years. UGI Gas does, however, capture Miscellaneous General Expense under Account 930.2. For an analysis of that account's activity, please refer to the response to III-A-28.

Prepared by or under the supervision of: Megan Mattern

UGI Utilities, Inc. - Gas Division
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III-A-33

Request:

Provide a labor productivity schedule.

Response:

Please see Attachment III-A-33.

Prepared by or under the supervision of: Stephen F. Anzaldo

	<u>Actual</u> <u>FY-2018</u>	<u>Estimate</u> <u>FY-2019</u>	<u>Estimate</u> <u>FY-2020</u>
Sales (Mcf)	263,878,020	330,408,710	332,058,750
Number of Employees	1,623	1,640	1,652
Number of Hours Paid	3,805,413	3,840,773	3,865,733
Number of Hours Worked	3,286,987	3,317,530	3,339,090
Miles of Main- Total	12,311	12,363	12,416
Miles of Main-Distribution	11,892	11,942	11,992
Miles of Main- Transmission	420	422	425
Number of Customers	642,025	653,387	663,069
Mcf Sales per Employee	162,587	201,469	201,004
Per Hours Paid	69	86	86
Per Hours Worked	80	100	99
Miles of Main per Employee-Total	8	8	8
Miles of Main per Employee-Distribution	7	7	7
Miles of Main per Employee- Transmission	0	0	0
Customers per Employee	396	398	401

UGI Utilities, Inc. - Gas Division
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III-A-34

Request:

List and explain all non-recurring abnormal or extraordinary expenses incurred in the test year which will not be present in future years.

Response:

The Company does not have any non-recurring abnormal or extraordinary expenses in its claim.

Prepared by or under the supervision of: Stephen F. Anzaldo

UGI Utilities, Inc. - Gas Division
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III-A-35

Request:

List and explain 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. (e.g.--Non-yearly maintenance programs, etc.)

[Responses shall be submitted and identified as exhibits.]

Response:

For adjustments to operating expenses, please see UGI Gas Exhibit A (Historic), UGI Gas Exhibit A (Future) and UGI Gas Exhibit A (Fully Projected), Section D and the Direct Testimony of Stephen F. Anzaldo, UGI Gas Statement No. 3, and the Direct Testimony of Megan Mattern, UGI Gas Statement No. 4.

Prepared by or under the supervision of: Stephen F. Anzaldo

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III-A-36

Request:

Using the adjusted year's expenses under present rates as a base, give detail necessary for clarification of all expense adjustments. Give clarifying detail for any such adjustments that occur due to changes in accounting procedure, such as charging a particular expense to a different account than was used previously. Explain any extraordinary declines in expense due to such change of account use.

Response:

Please see UGI Gas Exhibit A (Historic), UGI Gas Exhibit A (Future) and UGI Gas Exhibit A (Fully Projected), Section D, and the Direct Testimony of Stephen F. Anzaldo, UGI Gas Statement No. 3, and the Direct Testimony of Megan Mattern, UGI Gas Statement No. 4.

Prepared by or under the supervision of: Stephen F. Anzaldo

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III-A-37

Request:

Indicate the expenses that are recorded in the test year, which are due to the placement in operating service of major plant additions or the removal of major plant from operating service, and estimate the expense that will be incurred on a full-year's operation.

Response:

For a presentation of the major plant additions, cost of removal and plant retirements, refer to Schedules C-2 and C-3 in the UGI Gas Exhibit A (Historic), UGI Gas Exhibit A (Future) and UGI Gas Exhibit A (Fully Projected).

Prepared by or under the supervision of: Megan Mattern

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III-A-38

Request:

Submit a statement of past and anticipated changes, since the previous rate case, in major accounting procedures.

Response:

Revenue Recognition. In May 2014, the FASB issued ASU No. 2014-09, "Revenue from Contracts with Customers." The guidance provided under this ASU, as amended, supersedes the revenue recognition requirements in Accounting Standards Codification ("ASC") No. 605, "Revenue Recognition," and most industry-specific guidance included in the ASC. ASU 2014-09 requires that an entity recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. In addition, the new guidance requires enhanced disclosures to enable users of financial statements to understand the nature, amount, timing and uncertainty of revenues and cash flows arising from contracts with customer and requires, among other things, the disaggregation of revenues into categories that show how economic factors affect the nature, timing and uncertainty of revenues and cash flows. We adopted this ASU effective October 1, 2018, using the modified retrospective transition method. The Company has completed the process of analyzing the impact of the new guidance using an integrated approach which includes evaluating differences in the amount and timing of revenue recognition from applying the requirements of the new guidance, reviewing its accounting policies and practices, and assessing the need for changes to its processes, accounting systems and design of internal controls. Although the impact of the adoption of the new revenue recognition guidance will not have a material impact on our financial statements, certain performance obligations associated with the release of capacity contracts will be reflected on a gross, rather than net, basis beginning October 1, 2018 and revenues from certain other negotiated rate contracts will be reflected on a straight-line basis.

Employee Share-Based Payments. In March 2016, the FASB issued ASU No. 2016-09, "Improvements to Employee Share-Based Payment Accounting." This ASU simplifies several aspects of the accounting for employee share-based payment transactions including the accounting for income taxes, forfeitures, and statutory tax withholding requirements, as well as classification in the statement of cash flows. Among other things, excess tax benefits and tax deficiencies associated with share-based awards will be recognized as income tax benefit or expense in the income statement and the tax

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effects of exercised or vested awards will be treated as discrete items in the reporting period in which they occur. The Company adopted this guidance in the first quarter of Fiscal 2017. The amendment most likely to impact the Company, principally those requiring recognition of excess tax benefits and tax deficiencies in the income statement, will be applied prospectively. Based upon the number of share-based payment awards currently outstanding, we do not believe that the adoption of the new guidance will have a material impact on our net income.

Cloud Computing Implementation Costs. In August 2018, the FASB issued ASU No. 2018-15, "Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That is a Service Contract." The new guidance requires a customer in a cloud computing arrangement that is a service contract to capitalize certain implementation costs as if the arrangement was an internal-use software project. These deferred implementation costs are expensed over the fixed, noncancelable term of the service arrangement plus any reasonably certain renewal periods. The new guidance also requires the entity to present the expense related to the capitalized implementation costs in the same income statement line as the hosting services fees; to classify payments for capitalized implementation costs in the statement of cash flows in the same manner as payments for hosting service fees; and to present the capitalized implementation costs in the balance sheet in the same line item in which prepaid hosting services fees are presented. The new guidance can be applied either retrospectively or prospectively to all implementation costs incurred after the date of adoption. We adopted this ASU effective October 1, 2018, and applied the guidance prospectively to all implementation costs incurred in cloud computing arrangements that are service contracts after October 1, 2018.

Stranded Tax Effects in Accumulated Other Comprehensive Income. In February 2018, the FASB issued ASU No. 2018-02, "Reclassification of Certain Tax Effects from Accumulated Other Comprehensive Income." This ASU provides that the stranded tax effects in AOCI resulting from the Tax Cuts and Jobs Act ("TCJA") may be reclassified to retained earnings, at the election of the entity, in the period of adoption. We adopted this ASU effective October 1, 2018. The amount of stranded tax benefits reclassified from AOCI to retained earnings as of October 1, 2018 was not material.

Pension and Other Postretirement Benefit Costs. In March 2017, the FASB issued ASU No. 2017-07, "Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost." This ASU requires entities to disaggregate the service cost component from the other components of net periodic benefit costs and present it with compensation costs for related employees in the income statement. The other components

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are required to be presented elsewhere in the income statement and outside of income from operations. The amendments in this ASU permit only the service cost component to be eligible for capitalization, when applicable. For entities subject to rate regulation, the ASU recognized that in the event a regulator continues to require capitalization of all net periodic benefit costs prospectively, the difference would result in the recognition of a regulatory asset or liability. Upon adoption, UGI Utilities will capitalize the non-service cost components of postretirement benefit costs as a regulatory asset. The new guidance became effective for us on October 1, 2018 with a retrospective adoption for income statement presentation and a prospective adoption for capitalization. Other than the presentation of the non-service cost components on the statement of income, the adoption of this guidance will not have a material impact on our consolidated financial statements.

Statement of Cash Flows - Restricted Cash. In November 2016, the FASB issued ASU No. 2016-18, "Statement of Cash Flows: Restricted Cash." The guidance in this ASU requires that a statement of cash flows explain the change during the period in the total of cash, cash equivalents, as well as restricted cash or restricted cash equivalents. As a result, amounts generally described as restricted cash and restricted cash equivalents will be included with cash and cash equivalents when reconciling the beginning-of-period and end-of-period total amounts on the statement of cash flows. The amendments in the ASU are required to be adopted on a retrospective basis. We adopted this ASU effective October 1, 2018. Adoption of this new guidance will result in a change in presentation of restricted cash on the Consolidated Statement of Cash Flows; otherwise this guidance will not have a significant impact on our Consolidated Statement of Cash Flows and disclosures.

Pension and Other Postretirement Benefit Costs Disclosures. In August 2018, the FASB issued ASU No. 2018-14, "Changes to the Disclosure Requirements for Defined Benefit Plans." This ASU modifies the disclosure requirements for employers that sponsor defined benefit pension or other postretirement plans by removing and adding certain disclosures for these plans. The amendments in this ASU are effective for interim and annual periods ending after December 15, 2020 (Fiscal 2021). The guidance shall be adopted retrospectively for all periods presented in the financial statements. Early adoption is permitted. The Company is in the process of assessing the impact on its financial statements from the adoption of the new guidance and determining the period in which the new guidance will be adopted.

Fair Value Measurements Disclosures. In August 2018, the FASB issued ASU No. 2018-13, "Changes to the Disclosure Requirements for Fair Value Measurement." This ASU modifies the disclosure requirements for fair value measurements by removing,

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modifying, or adding certain disclosures. The amendments in this ASU are effective for annual periods beginning after December 15, 2019 (Fiscal 2021). The guidance regarding removed and modified disclosures will be adopted on a retrospective basis and the guidance regarding new disclosures will be adopted on a prospective basis. Early adoption is permitted. The Company is in the process of assessing the impact on its financial statements from the adoption of the new guidance and determining the period in which the new guidance will be adopted.

Derivatives and Hedging. In August 2017, the FASB issued ASU No. 2017-12, "Targeted Improvements to Accounting for Hedging Activities." This ASU amends and simplifies existing guidance to allow companies to more accurately present the economic effects of risk management activities in the financial statements. The amendments in this ASU are effective for the Company for interim and annual periods beginning October 1, 2019 (Fiscal 2020). Early adoption is permitted. For cash flow and net investment hedges as of the adoption date, the guidance requires a modified retrospective approach. The amended presentation and disclosure guidance is required only prospectively. The Company is in the process of assessing the impact on its financial statements from the adoption of the new guidance and determining the period in which the new guidance will be adopted.

Leases. In February 2016, the FASB issued ASU No. 2016-02, "Leases." This ASU, as subsequently updated, amends existing guidance to require entities that lease assets to recognize the assets and liabilities for the rights and obligations created by those leases on the balance sheet. The new guidance also requires additional disclosures about the amount, timing and uncertainty of cash flows from leases. The amendments in this ASU are effective for the Company for interim and annual periods beginning October 1, 2019. Early adoption is permitted. Lessees must apply a modified retrospective transition approach for leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements. In July 2018, the FASB issued ASU No. 2018-11, "Leases: Targeted Improvements." Among other things, this ASU provides entities with a transition option to recognize the cumulative-effect adjustment from the modified retrospective application to the opening balance of retained earnings in the period of adoption rather than the earliest period presented in the financial statements. We currently expect to adopt ASU No. 2016-02, as updated, effective October 1, 2019 (Fiscal 2020). The Company plans to elect the proposed transition expedient which would allow the Company to maintain historical presentation for periods before October 1, 2019. The Company has completed a preliminary assessment for evaluating the impact of the guidance and anticipates that its adoption will result in a significant amount of right-of-use assets and lease liabilities for leases in effect at the adoption date. The Company has begun implementation activities including accumulating contracts and

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lease data in formats compatible with a new lease management system that will assist with the initial adoption of the standard.

Presentation of Deferred Taxes. During the first quarter of Fiscal 2016, the Company adopted new accounting guidance regarding the classification of deferred taxes. The new guidance amends existing guidance to require that deferred income tax liabilities and assets be classified as noncurrent in a classified balance sheet, and eliminates the prior guidance which required an entity to separate deferred tax liabilities and assets into a current amount and a noncurrent amount in a classified balance sheet. As required, we applied this guidance prospectively and, accordingly, balance sheets prior to Fiscal 2016 have not been reclassified.

Debt Issuance Costs. During the fourth quarter of Fiscal 2016, the Company adopted new accounting guidance regarding the classification of debt issuance costs. This new guidance amends existing guidance to require the presentation of debt issuance costs in the balance sheet as a direct deduction from the carrying amount of the related debt liability instead of a deferred charge. As required by the new guidance, prior period amounts have been reclassified.

Tax Accounting Method Change. For the tax year ended September 30, 2015, UGI Corporation (“UGI”) made a tax accounting method change, on behalf of UGI Penn Natural Gas, Inc. and other subsidiaries, to make a partial disposition election under Treas. Reg. §§ 1.168(i)-8(d)(2)(i). Specifically, UGI made the partial disposition election for certain assets related to the infrastructure necessary for the transmission, distribution, and sale of electric energy and natural gas. As required, UGI filed a Form 3115, Application for Change in Method, with its September 30, 2015 federal income tax return.

Goodwill Impairment. In September 2011, the FASB issued guidance on testing goodwill for impairment. The new guidance permits entities to first assess qualitative factors to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount as a basis for determining whether it is necessary to perform the two-step goodwill impairment test in GAAP. Previous guidance required an entity to test goodwill for impairment at least annually by comparing the fair value of a reporting unit with its carrying amount, including goodwill. If the fair value of a reporting unit is less than the carrying amount, then the second step of the test must be performed to measure the amount of the impairment loss, if any. Under the new guidance, an entity is not required to calculate fair value of a reporting unit unless the entity determines that it is more likely than not that its fair value is less than its carrying amount. The new guidance

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does not change how goodwill is calculated or assigned to reporting units, nor does it revise the requirements to test goodwill annually for impairment. The Company adopted the new guidance for Fiscal 2012.

Presentation of Comprehensive Income. In June 2011, the FASB issued Accounting Standards Update ("ASU") 2011-05, "Presentation of Comprehensive Income," which revises the manner in which entities present comprehensive income in their financial statements. The new guidance removes the presentation options in Accounting Standards Codification ("ASC") Topic 220 and requires entities to report components of comprehensive income in either (1) a continuous statement of comprehensive income or (2) two separate but consecutive statements. ASU 2011-05 does not change the items that must be reported in other comprehensive income. Additionally, reclassification adjustments between net income and comprehensive income must be shown on the face of the financial statements. On October 21, 2011, the FASB decided to propose a deferral of the new requirement to present reclassification adjustments on the face of the income statement. The change in presentation is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2011 with full retrospective application required. The Company applied the provisions of the new guidance effective September 30, 2011 (except for the presentation of reclassification adjustments on the face of the statement of net income,) and report the components of comprehensive income in two separate but consecutive statements as permitted by the new guidance.

Prepared by or under the supervision of: Megan Mattern

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III-A-39

Request:

Identify the specific witness for all statements and schedules of revenues, expenses, taxes, property, valuation, etc.

Response:

Please see the Direct Testimony of Paul J. Szykman, UGI Gas 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: Paul J. Szykman

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III-A-40

Request:

Adjustments which are estimated shall be fully supported by basic information reasonably necessary.

Response:

Adjustments are fully supported in UGI Gas Exhibit A (Historic), UGI Gas Exhibit A (Future), and UGI Gas Exhibit A (Fully Projected), Sections C and D, as well as the Direct Testimony of UGI Gas Statement Nos. 1 through 13.

Prepared by or under the supervision of: Stephen F. Anzaldo

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III-A-41

Request:

Submit a statement explaining the derivation of the amounts used for projecting future test year level of operations and submit appropriate schedules supporting the projected test year level of operations.

Response:

The schedules shown in UGI Gas Exhibit A (Future) and UGI Gas Exhibit A (Fully Projected), Section D, reflect this information and are the supporting detail for the Fully Projected Future Test Year for the period ending September 30, 2020. Please see the Direct Testimony of Stephen F. Anzaldo, UGI Gas Statement No. 3, the Direct Testimony of Megan Mattern, UGI Gas Statement No. 4, and the Direct Testimony of David E. Lahoff, UGI Gas Statement No. 8.

Prepared by or under the supervision of: Stephen F. Anzaldo

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III-A-42

Request:

If a company has separate operating divisions, an income statement must be shown for each division, plus an income statement for company as a whole.

Response:

Please refer to Attachment III-A-42 for the requested information.

Prepared by or under the supervision of: Megan Mattern

UGI Utilities, Inc. - Gas Division
Statement of Operations - by Division
For Year Ended September 30, 2018
(thousands of dollars)

	UGI Utilities, Inc. Total	UGI Utilities, Inc. Electric	UGI Utilities, Inc. Gas	Gas Tariff Districts			
				Eliminations	North	Central	South
Operating Revenues:							
(1) Revenues from Sales of Gas / Electric	\$ 975,973	\$ 90,405	\$ 885,568	\$ (11,800)	\$ 249,917	\$ 147,702	\$ 499,749
Other Operating Revenues	(4,349)	7,162	(11,511)		(3,414)	(2,852)	(5,245)
Total Operating Revenues	971,624	97,567	874,057	(11,800)	246,502	144,850	494,505
Operating Expenses:							
Cost of Sales	407,554	60,348	347,206	(11,800)	96,862	49,065	213,079
Storage, Transmission, & Other Production	6,301	2,112	4,189		1,902	9	2,278
Distribution	79,171	7,868	71,303		22,802	12,667	35,834
Customer Accounts	44,064	4,786	39,278		11,788	7,393	20,097
Customer Service and Information	3,303	428	2,874		791	579	1,504
Sales	2,484	22	2,462		577	408	1,477
Administrative and General	102,943	9,614	93,328		25,571	16,911	50,846
Depreciation & Amortization	84,644	5,520	79,124		20,700	12,258	46,166
Taxes, Other than Income Taxes	7,147	58	7,089		1,534	1,727	3,828
Total Operating Expenses	737,609	90,756	646,853	(11,800)	182,527	101,017	375,109
Operating Income	234,015	6,811	227,204	-	63,975	43,833	119,395
Other Income	2,258	281	1,977		323	1,248	406
Earnings Before Interest and Taxes	236,273	7,092	229,181	-	64,298	45,081	119,801
Interest Expense	42,891	1,476	41,415		13,942	6,404	21,069
Earnings Before Taxes	193,382	5,617	187,766	-	50,356	38,677	98,732
Income Taxes	45,724	3,364	42,360		3,883	11,638	26,839
Net Income	\$ 147,658	\$ 2,253	\$ 145,406	\$ -	\$ 46,473	\$ 27,039	\$ 71,893

(1) Other operating revenues includes a surcharge associated with the Tax Cuts and Jobs Act.

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III-A-43

Request:

If a company's business extends into different states or jurisdictions, then statements must be shown listing Pennsylvania jurisdictional data, other state data and federal data separately and jointly (Balance sheets and operating accounts).

Response:

Please see Attachment III-A-43.1 for the Balance Sheet and Attachment III-A-43.2 for the Operating Statement. The Maryland jurisdiction is part of the Central Rate District.

Additionally, the Carverton Road gate station connects the Auburn II line to the Transco interstate pipeline. In late December 2013, a FERC 63 certificate was issued to PNG (now the North Rate District).

Amounts for the year ended September 30, 2018 are as follows:

Account No.

146404	UGI ENERGY SERVICES A/R - CARVERTON ROAD	\$ 86,324
489026	OTHER REVENUE - CARVERTON ROAD (FERC ORDER 63)	\$1,035,888

Prepared by or under the supervision of: Megan Mattern

UGI UTILITIES, INC. - GAS DIVISION
BALANCE SHEET BY STATE JURISDICTION AT
SEPTEMBER 30, 2018
(thousands of dollars)

	<u>Total Company</u>	<u>Pennsylvania Jurisdiction</u>	<u>Maryland Jurisdiction</u>
ASSETS AND OTHER DEBITS			
UTILITY PLANT	\$ 2,621,740	\$ 2,619,997	\$ 1,743
OTHER PROPERTY INVESTMENTS	314	314	-
CURRENT AND ACCRUED ASSETS	128,569	128,416	153
DEFERRED DEBITS	591,168	590,862	306
TOTAL ASSETS AND OTHER DEBITS	<u>\$ 3,341,791</u>	<u>\$ 3,339,589</u>	<u>\$ 2,202</u>
LIABILITIES & OTHER CREDITS			
PROPRIETARY CAPITAL	1,187,397	1,186,601	796
LONG TERM DEBT	777,329	776,713	616
OTHER NON-CURRENT LIABILITIES	127,507	127,430	77
CURRENT & ACCRUED LIABILITIES	173,429	173,284	145
OTHER DEFERRED CREDITS	1,076,128	1,075,560	568
TOTAL LIABILITIES & OTHER CREDITS	<u>\$ 3,341,791</u>	<u>\$ 3,339,589</u>	<u>\$ 2,202</u>

UGI Utilities, Inc. - Gas Division
Statement of Operations - by Division
For Year Ended September 30, 2018
(thousands of dollars)

	Total Company	Pennsylvania Jurisdiction	Maryland Jurisdiction
Operating Revenues:			
	\$ 885,568	\$ 884,903	\$ 665
(1) Other Operating Revenues	(11,511)	(11,498)	(13)
	874,057	873,405	652
Operating Expenses:			
Cost of Sales	347,206	346,980	226
Storage, Transmission, & Other Production	4,189	4,189	0
Distribution	71,303	71,245	58
Customer Accounts	39,278	39,244	34
Customer Service and Information	2,874	2,872	3
Sales	2,462	2,460	2
Administrative and General	93,328	93,250	78
Depreciation & Amortization	79,124	79,067	56
Taxes, Other than Income Taxes	7,089	7,081	8
	646,853	646,389	465
Operating Income	227,204	227,017	187
Other Income	1,977	1,971	6
Earnings Before Interest and Taxes	229,181	228,988	193
Interest Expense	41,415	41,386	29
Earnings Before Taxes	187,766	187,602	163
Income Taxes	42,360	42,306	54
Net Income	\$ 145,406	\$ 145,296	\$ 110

(1) Other operating revenues includes a surcharge associated with the Tax Cuts and Jobs Act.

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III-A-44

Request:

Ratios, percentages, allocations and averages used in adjustments must be fully supported and identified as to source.

Response:

Ratios, percentages, allocations and averages, where utilized, are detailed in the supporting adjustments to revenue and expenses set forth in UGI Gas Exhibit A (Historic), UGI Gas Exhibit A (Future) and UGI Gas Exhibit A (Fully Projected), Section D. Please also refer to the Direct Testimony of UGI Gas Statement Nos. 1 through 13.

Prepared by or under the supervision of: Stephen F. Anzaldo

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III-A-45

Request:

Provide an explanation of 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 case.

Response:

There have been no changes to the allocation methodology.

UGI Corporation provides administrative services to UGI Utilities, Inc. - Gas Division pursuant to affiliated interest agreements authorized by the Commission. Services provided by UGI Corporation include, but are not limited to, executive management, finance, pension fund management, internal audit, legal, shareholder relations, insurances, claims and similar types of services.

UGI Utilities, Inc. provides administrative services to UGI Utilities, Inc. - Gas Division. Services provided by UGI Utilities Inc. include, but are not limited to, pipeline engineering, construction, maintenance, information services, payroll, accounts payable, accounting, finance, human resources and similar types of services.

The allocation of charges for these common administrative services follows a methodology which the Commission has found appropriate during prior reviews, including the most recent Management Efficiency Audit.

UGI Utilities and UGI Corporation Allocation Procedures

1. Direct Assignment

All costs, which can be identified as pertaining exclusively to an operating unit, are directly billed to that unit. For example, certain employees and support staff of the law department are dedicated on a full-time basis to either utility or non-utility operations and, as a result, the associated salaries and other related costs are directly charged to the respective organizations.

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2. Indirect Allocation Method – UGI

Those costs which cannot be directly associated with the operation of an individual operating unit are allocated to operations by a formula internally referred to as the Modified Wisconsin Formula ("MWF"). The MWF achieves an equitable distribution of common expenses based on the relative activity and size of each operating unit to the total of all operating units. Activity is measured by total revenues and total operating expenses and size is measured by tangible net assets employed (excluding acquisition goodwill).

Prepared by or under the supervision of: Stephen F. Anzaldo

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III-A-46

Request:

Supply a copy of internal and independent audit reports of the test year and prior calendar year, noting any exceptions and recommendations and disposition thereof.

Response:

Please see SDR-ROR-1 for information pertaining to the independent audit reports for the test year and prior year.

Please see Attachment III-A-46 for the list of internal audit reports for the test year and prior year. The information contained in these reports is deemed confidential. Any party to the proceeding requiring access to these reports will be afforded the opportunity upon request, subject to the provisions of a Confidentiality Agreement to be entered into between such party and the Company pursuant to a Protective Order.

Prepared by or under the supervision of: Megan Mattern

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

Entity	Audit Report Name	Audit Plan Year	Date Issued
UGI Utilities, Inc.	Utilities 2018 - FERC Gas Transactions AUP	FY 2019	11/5/2018
UGI Utilities, Inc.	3rd Party Vendor	FY 2019	10/8/2018
UGI Utilities, Inc.	Safety KRI Validation - Memo	FY 2018	6/28/2018
UGI Utilities, Inc.	Supply Review	FY 2018	4/30/2018
UGI Utilities, Inc.	Qradar Cyber Security Monitoring	FY 2018	4/16/2018
UGI Utilities, Inc.	SOX Efficiency Agreed Upon Procedures Review	FY 2018	2/13/2018
UGI Utilities, Inc.	Loans to Officers & TE Testing	FY 2018	11/2/2017
UGI Utilities, Inc.	UGI Utilities - Capital Approval Policy Process Review	FY 2018	11/1/2017
UGI Utilities, Inc.	Payroll Review	FY 2017	9/5/2017
UGI Utilities, Inc.	100 Customer Data Validation Test Memo	FY 2017	9/5/2017
UGI Utilities, Inc.	Hedging Process Review	FY 2017	8/14/2017
UGI Utilities, Inc.	Information Security Remediation Review	FY 2017	4/7/2017
UGI Utilities, Inc.	Unite Governance & Business Case	FY 2017	11/7/2016
UGI Utilities, Inc.	Hedging Process Review	FY 2017	10/20/2016

UGI Utilities, Inc. - Gas Division
Docket No. R-2018-3006814
UGI GAS 2019 BASE RATE CASE
Responses to Section 53.53 - III-A - Balance Sheet
and Operating Statement - All Utilities
Delivered on January 28, 2019

III-A-47

Request:

Submit a schedule showing rate of return on facilities allocated to serve wholesale customers.

Response:

There are no facilities allocated for the provision to serve wholesale customers.

Prepared by or under the supervision of: Paul J. Szykman

UGI Utilities, Inc. - Gas Division
Docket No. R-2018-3006814
UGI GAS 2019 BASE RATE CASE
Responses to Section 53.53 - III-A - Balance Sheet
and Operating Statement - All Utilities
Delivered on January 28, 2019

III-A-48

Request:

Provide a copy of the latest capital stock tax report and the latest capital stock tax settlement.

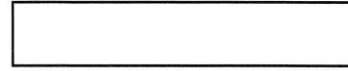
Response:

Please see Attachment III-A-48 for a copy of the most recent PA capital stock tax reports for the three UGI Gas divisions: UGI Gas - South (formerly UGI Utilities, Inc. – Gas Division), UGI Gas - Central (formerly UGI Central Penn Gas, Inc.) and UGI Gas - North (formerly UGI Penn Natural Gas, Inc.). It should be noted that these are the Company's final PA Capital Stock reports as the tax has been eliminated.

Effective for all determinations of corporate tax liability after December 31, 2007, Pennsylvania Act 119 replaced the corporate tax settlement process with an assessment and reassessment process, beginning January 1, 2008. Under this new system, the Department is no longer required to settle every tax return. Instead, corporate tax returns are considered accepted as filed unless the return is selected for review or audit. As of the date of this rate case filing, we have neither been selected for review or audit nor received correspondence from the Pennsylvania Department of Revenue indicating a change to capital stock tax.

Prepared by or under the supervision of: Nicole M. McKinney

1010015153



DEPARTMENT USE ONLY

RCT-101 (06-15) **PAGE 1 OF 6**
PA CORPORATE TAX REPORT 2015

A = 1120 B = 1120S C = 1120C D = 1120F E = 1120H F = 1065 G = 1040 H = Other

STEP A

Tax Year Beginning **XX** 10012015 Tax Year Ending **XX** 09302016

STEP B

Amended Report	XX	N	52-53 Week Filer	XX	N	First Report	XX	N
Federal Extension Granted	XX	Y	Address Change	XX	N	KOZ/EIP/SDA Credit	XX	N
Regulated Inv. Co./ Sub Paragraph 18	XX	N	Change Fed Group	XX	N	File Period Change	XX	N

STEP C

Revenue ID	XX	0176169	Parent Corporation EIN	232668356
Federal EIN	XX	231174060		
Business Activity Code	XX	221210		
Corporation Name	XX	UGI UTILITIES INC.		
Address Line 1	XX	2525 N 12TH ST PO BOX 1		
Address Line 2	XX			
City	XX	READING		
State	XX	PA		
ZIP	XX	19612-267		

USE WHOLE DOLLARS ONLY

STEP E:

STEP D

A. Tax Liability
from Tax Report
(can not be less than zero)

B. Estimated
Payments &
Credits on Deposit

C. Restricted
Credits

Payment Due/Overpayment
Calculation: A minus B minus C
See instructions.

CS/FF	213154	136000	0	77154
LOANS	0	0	0	0
CNI	1348352	1247000	850000	-748648
TOTAL	1561506	1383000	850000	-671494

STEP F: Transfer/Refund Method (See instructions.)

E-File Opt Out (See instructions.) N

671494 **Transfer:** Amount to be credited to the next tax year after offsetting all unpaid liabilities

Refund: Amount to be refunded after offsetting all unpaid liabilities

STEP G: Corporate Officer (Must Sign affirmation below)

NAME Michael Pearson
PHONE
EMAIL PEARSONM@UGICORP.COM

FORM 1062
BARCODE 0000

5Y4623 2.000

I affirm under penalties prescribed by law, this report, including any accompanying schedules and statements, has been examined by me and to the best of my knowledge and belief is a true, correct and complete report. If this report is an amended report, the taxpayer hereby consents to the extension of the assessment period for this tax year to one year from the date of filing of this amended report or three years from the filing of the original report, whichever period last expires, and agrees to retain all required records pertaining to that tax and tax period until the end of the extended assessment period, regardless of any statutory provision providing for a shorter period of retention. For purposes of this extension, an original report filed before the due date is deemed filed on the due date. I am authorized to execute this consent to the extension of the assessment period.

Corporate Officer Signature	Date
------------------------------------	-------------

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REVENUE ID 0176169
 TAX YEAR END 09302016 NAME UGI UTILITIES INC.
 RCT-101 PAGE 2 OF 6 PA CORPORATE TAX REPORT 2015

SECTION A: CS/FF

OLDEST PERIOD FIRST	TAX PERIOD BEGINNING	TAX PERIOD ENDING	BOOK INCOME			
YEAR 1	10012011	09302012	58720231	Investment in LLC	XX	N
YEAR 2	10012012	09302013	68609981	Holding Company	XX	N
YEAR 3	10012013	09302014	77071387	Family Farm	XX	N
YEAR 4	10012014	09302015	75819933			
YEAR 5						
YEAR 6						
YEAR 7						
CUR YR	10012015	09302016	70335730			

USE WHOLE DOLLARS ONLY

2. TOTAL BOOK INCOME (sum of income for all tax periods up to, but not over 5 years total)	2	350557262
3. DIVISOR (in years and in part years rounded to three decimal places) See instructions.	3	5.000
4. Divide Line 2 by Line 3.	4	70111452
5. AVERAGE BOOK INCOME - Enter Line 4, or if Line 4 is less than zero enter "0".	5	70111452
6. Divide Line 5 by 0.095.	6	738015284
7. Shareholders' equity at the END of the current period	7	924737191
8. Shareholders' equity at the BEGINNING of the current period	8	890619716
9. If Line 7 is more than twice as great or less than half as much as Line 8, add Lines 7 and 8 and divide by 2. Otherwise enter Line 7.	9	924737191
10. NET WORTH - Enter Line 9, or if Line 9 is less than zero enter "0".	10	924737191
11. Multiply Line 10 by 0.75.	11	693552893
12. Add Lines 6 and 11.	12	1431568177
13. Divide Line 12 by 2.	13	715784089
14. Valuation deduction	14	-160000
15. CAPITAL STOCK VALUE - Line 13 minus Line 14, but not less than zero. If 100% taxable, enter Line 15 on Line 17.	15	715624089
16. Proportion of taxable assets or apportionment proportion (from Schedule A-1, Line 5)	16	0.661907
17. TAXABLE VALUE - Multiply Line 15 by Line 16. If less than zero, enter "0".	17	473676594
18. CAPITAL STOCK/FOREIGN FRANCHISE TAX - Multiply Line 17 by 0.00045. (Use applicable year tax rate)	18	213154

Total Beginning of
 Taxable Year Assets 2211829429

Total End of Taxable
 Year Assets 2436290069

5Y4664 2.000



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1010015453

REVENUE ID 0176169
 TAX YEAR END 09302016 NAME UGI UTILITIES INC.
 RCT-101 PAGE 4 OF 6 PA CORPORATE TAX REPORT 2015

IMPORTANT: For tax years beginning on or after Jan. 1, 2014, do not complete Section D: Loans Tax.
SECTION D: LOANS TAX

- 1. Foreign corporations only. Did this corporation have a fiscal officer resident in Pennsylvania? XX
- 2. Did this corporation have indebtedness outstanding to individual residents and/or partnerships resident in Pennsylvania? XX
- 3. Did this corporation have indebtedness outstanding held by a trustee, agent or guardian for a resident individual taxable in its own right or by an executor or administrator of an estate wherein the decedent was a resident of Pennsylvania? XX

List outstanding indebtedness. Attach a separate schedule if additional space is needed.

Interest Amount	Interest Rate	Taxable Value	Taxable Indebtedness	
				XX
			Loans Tax	XX

SCHEDULE A-1: Apportionment Schedule For Capital Stock/Foreign Franchise Tax (Include Form RCT-102, RCT-105 or RCT-106.)

Three Factor				Single Factor		
Property - PA	1A	0	1C	Numerator	4A	1540470990
Property - Total	1B	0		Denominator	4B	2327323374
Payroll - PA	2A	0	2C			
Payroll - Total	2B	0				
Sales - PA	3A	0	3C	Apportionment	5	0.661907
Sales - Total	3B	0		Proportion		

SCHEDULE C-1: Apportionment Schedule For Corporate Net Income Tax (Include Form RCT-106.)*

Three Factor				Single Factor		
Property - PA	1A	0	1D	Numerator	4A	0
Property - Total	1B	0		Denominator	4B	0
Payroll - PA	2A	0	2D			
Payroll - Total	2B	0				
Sales - PA	3A	459807804	3D	Apportionment	5	0.994488
Sales - Total	3B	462356186		Proportion		

* Refer to the CT-1 PA Corporation Tax Instructions, REV-1200, found at www.revenue.pa.gov.

5Y4626 2.000



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REVENUE ID 0176169
TAX YEAR END 09302016 NAME UGI UTILITIES INC.
RCT-101 PAGE 5 OF 6 PA CORPORATE TAX REPORT 2015

SECTION E: CORPORATE STATUS CHANGES

	Final Report	XX	N		
PA Corporations:					
Did you ever transact business anywhere?	XX	N	If yes, enter date all business activity ceased	XX	
Did you hold assets anywhere?	XX	N	If yes, enter date of final disposition of assets*	XX	
Foreign Corporations:					
Did you ever transact business in PA?	XX	N	If yes, enter date PA business activity ceased	XX	
Did you hold assets in PA?	XX	N	If yes, enter date of final disposition of PA assets*	XX	

*Schedule of Disposition of Assets **must** be completed and filed with this report.

Has the corporation sold or transferred in bulk, 51 percent or more of any class of assets? (See instructions.) XX N
If yes, enter the following information. (Attach a separate schedule if additional space is needed.)

Purchaser Name	XX
Address Line 1	XX
Address Line 2	XX
City	XX
State	XX
ZIP	XX

SECTION F: GENERAL INFORMATION QUESTIONNAIRE

Describe corporate activity in PA	GAS & ELECTRIC UTILITY
Describe corporate activity outside PA	GAS UTILITY OFF SYSTEM SALES & INVENTORY STORAGE
Other states in which taxpayer has activity	

State of Incorporation XX PA Incorporation Date XX 06011982

- | | | |
|---|----|---|
| 1. Does any corporation, individual or other business entity hold all or a majority of the stock of this corporation? | XX | Y |
| 2. Does this corporation own all or a majority of stock in other corporations? If yes, complete REV-798, Schedule X. | XX | Y |
| 3. Is this taxpayer a partnership that elects to file federal taxes as a corporation? | XX | N |
| 4. Has the federal government changed taxable income as originally reported for any prior period for which reports of change have not been filed in PA? | XX | N |

If yes: First Period End Date: XX Last Period End Date: XX

Accounting Method - Federal Tax Return

A A = Accrual C = Cash O = Other

Other

Accounting Method - Financial Statements

A A = Accrual C = Cash O = Other

Other

5Y4663 2.000



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REVENUE ID 0176169
 TAX YEAR END 09302016 NAME UGI UTILITIES INC.
RCT-101 PAGE 6 OF 6 PA CORPORATE TAX REPORT 2015

SCHEDULE OF REAL PROPERTY IN PA (Attach a separate schedule if additional space is needed.)

Did you own or rent property in PA during this filing period? If yes, the below section must be completed. Y

O = Own					
R = Rent	Street Address		City	County	KOZ/KOEZ
XX 0	ALL REAL PROPERTY IN P		VARIOUS	VARIOUS	N
XX					
XX					
XX					

CORPORATE OFFICERS

(See instructions.)		SSN	Last Name	First Name	MI
Must provide requested information for all filled officer positions.					
President/Managing Partner	XX	999999999	BEARD	ROBERT	F
Vice President	XX	999999999	PLATT	DANIEL	J
Secretary	XX	999999999	GAUDIOSI	MONICA	M
Treasurer/Tax Manager	XX	999999999	PLATT	DANIEL	J

PREPARER'S INFORMATION

Mail to Preparer	XX	N
Firm Federal EIN	XX	
Firm Name	XX	
Address Line 1	XX	
Address Line 2	XX	
City	XX	
State	XX	
ZIP	XX	

I affirm under penalties prescribed by law this report, including any accompanying schedules and statements, has been prepared by me and to the best of my knowledge and belief is a true, correct and complete report.

Tax Preparer's Signature	Date

INDIVIDUAL PREPARER

PHONE
 EMAIL
 PTIN/SSN

5Y4666 2.000



1010015653

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RCT-101, Page 1, Step D, Tax Summary, Payments and Credits Detail

=====

	Cap. Stock Fran.	Loans Tax	Corp. Net Inc.
	-----	-----	-----
Tentative payments	136,000.		1,247,000.
Payments with extension Keystone Opp Zone			
Credits:			
Neighborhood Assist. Employment Incentive Educational Imp.			850,000.
Coal Waste Removal Jobs Creation Tax Pennsylvania R & D			
	-----	-----	-----
Totals	136,000.		2,097,000.
	=====	=====	=====

5Y4654 2.000

CORPORATION TAX PAYMENT VOUCHER

0176169

3274015153

PAYMENT AMOUNT

UGI Utilities Inc.

\$

NONE

2525 N 12th St P0 Box 12677

Reading
PA
19612

DEPARTMENT USE ONLY

[Empty box for Department Use Only]

Make check or money order
payable to the Pennsylvania
Department of Revenue

REV-798 CT (05-14)



SCHEDULE C-2 PA DIVIDEND DEDUCTION SCHEDULE

TAX YEAR BEGINNING 10/01/2015

TAX YEAR ENDING 09/30/2016

CORPORATION NAME UGI Utilities Inc. REVENUE ID 0176169

1	Federal Schedule C, Line (20), Total Deductions	1	10,000,000
2	Federal Schedule C, Line (15), Foreign Dividend Gross-Up (Section 78)	2	
3	Dividends from less-than-20-percent-owned foreign corporations listed on Lines (13) and (14) of federal Schedule C x 70 percent - 0.70	3	
4	Dividends from 20-percent-or-more-owned foreign corporations listed on Lines (13) and (14) of federal Schedule C x 80 percent - 0.80	4	
5	Dividends listed on Lines (13) and (14) of federal Schedule C from foreign corporations that meet the "80 percent voting and value test" of IRC § 1504(a)(2) and otherwise would qualify for 100 percent deduction under IRC § 243(a)(3) if they were a domestic corporation. Do not list any amounts included in Item 4.	5	
6	Total PA Dividend Deduction - Add Lines 1, 2, 3, 4 and 5. Enter this amount at Section C, Line (2A) on RCT-101.	6	10,000,000

SCHEDULE X

Taxpayers completing this schedule must provide beginning and ending consolidating schedules reflecting the activity of all members of the consolidated group, along with all consolidations and eliminations.

TAX YEAR BEGINNING 10/01/2015

TAX YEAR ENDING 09/30/2016

CORPORATION NAME UGI Utilities Inc. REVENUE ID 0176169

Name	File in PA	Revenue ID	EIN
UGI Central Penn Gas, Inc	Y	1028446	23-1278755
UGI Penn Natural Gas, Inc	Y	8584922	56-2557139

Name, SSN, EIN and/or Revenue ID of any individual or business entity owning all or a majority of the stock of the taxpayer.

Name	SSN or EIN	Revenue ID
UGI CORPORATION	23-2668356	3479274

REV-799 CT (09-15)

CORPORATION NAME UGI Utilities Inc.REVENUE ID 0176169TAX YEAR
BEGINNING 10/01/2015TAX YEAR
ENDING 09/30/2016

Schedule C-3 Adjustment for Bonus Depreciation
This schedule must be updated each year and submitted with RCT-101.

A	B	C	D	E	F	G	H	I
Tax Year End	Fed. Depr. Section 168(k) Property	Current Year Bonus Depreciation	Column B minus Column C	Additional PA Depreciation	Other Adj. Section 168(k) Property	Adj. for Disposition of Section 168(k) Property	Additional PA Depreciation Plus Adj. for Disposition	Balance
09-30-01								
09-30-02	11,065,088	10,005,777	1,059,311	453,990			453,990	9,551,787
09-30-03	22,090,841	19,171,401	2,919,440	1,251,189			1,251,189	27,471,999
09-30-04	25,494,754	20,906,813	4,587,941	1,966,260			1,966,260	46,412,557
09-30-05	9,748,869	4,798,403	4,950,466	2,121,628			2,121,628	49,089,327
09-30-06	4,638,773		4,638,773	1,988,046			1,988,046	47,101,281
09-30-07	4,216,130		4,216,130	1,806,913			1,806,913	45,294,368
09-30-08	16,548,271	11,957,568	4,590,703	1,967,444			1,967,444	55,284,492
09-30-09	18,354,689	13,821,894	4,532,795	1,942,626		13,788,090	15,730,716	53,375,670
09-30-10	17,004,775	11,584,268	5,420,507	2,323,074		35,923	2,358,997	62,600,941
09-30-11	9,348,519	3,286,222	6,062,297	2,598,127		123,735	2,721,862	63,165,301
09-30-12	30,456,684	24,108,029	6,348,655	2,720,852		624,606	3,345,458	83,927,872
09-30-13	43,628,869	34,938,005	8,690,864	3,724,656		559,586	4,284,242	114,581,635
09-30-14	43,926,419	32,995,360	10,931,059	4,684,740		254,388	4,939,128	142,637,867
09-30-15	58,289,325	44,946,671	13,342,654	5,718,280		1,180,009	6,898,289	180,686,249
09-30-16	57,791,518	42,016,040	15,775,478	6,760,919		517,379	7,278,298	215,423,991

 Amount of 100% Bonus Depreciation Taken in Current Year

Schedule C-4 Adjustment for Disposition of Section 168(k) Property & Recapture of Depreciation on Listed Property

A	B	C	D	E	F
Tax Year End of Purchase	Federal Accumulated Depreciation	Disallowed Bonus Depreciation	Column B minus Column C	Additional PA Depreciation	Adjustment for Disposition
09/30/2009	457,381.	228,691.	228,690.	98,010.	130,681.
09/30/2013	327,787.	163,893.	163,894.	70,240.	93,653.
09/30/2013	1,025,658.	512,829.	512,829.	219,784.	293,045.
Total	1,810,826.	905,413.	905,413.	388,034.	517,379.



TAX YEAR BEGINNING 10/01/2015

CORPORATION NAME UGI Utilities Inc. REVENUE ID 0176169 TAX YEAR ENDING 09/30/2016

SCHEDULE A-2

1. Beginning Retained Earnings (Must equal retained earnings from Column B, Line 24 of Schedule L on federal Form 1120S) _____

2. Net Income per Books from Schedule M-1 or Schedule M-3 of federal Form 1120S _____

3. Other Increases (Itemize)

- a. _____
- b. _____
- c. _____

4. Add Lines 1, 2 and 3. _____

5. Distributions (other than dividends)

- a. Distributions (other than dividends) reported on Schedule K of federal Form 1120S _____
- b. Less Beginning Distributions Payable* _____
- c. Plus Ending Distributions Payable* _____

6. Dividend distributions reported on Schedule K of federal Form 1120S _____

7. Other Decreases (Itemize)

- a. _____
- b. _____
- c. _____

8. Total Lines 5, 6 and 7. _____

9. Ending Retained Earnings, Line 4 minus Line 8. (Must equal retained earnings from Column D, Line 24 of Schedule L on federal Form 1120S) _____

* To support this adjustment, a schedule of beginning and ending liabilities reporting "Distributions Payable" must be included with federal Form 1120S.

IMPORTANT: Corporations must complete federal Schedules L, M-1 and M-2 regardless of federal requirements. Federal Schedule M-3 may be provided in lieu of federal Schedule M-1. Schedule A-2 must be filed by taxpayers filing federal Form 1120S and whose net income per books differs from change in retained earnings plus distributions.



TAX YEAR BEGINNING 10/01/2015

CORPORATION NAME UGI Utilities Inc. REVENUE ID 0176169

TAX YEAR ENDING 09/30/2016

**SCHEDULE A-3
ADJUSTMENTS TO NET INCOME PER BOOKS**

See CT-1 Instructions, REV-1200, found at www.revenue.pa.gov for requirements to complete these schedules.

PART A

1. Net Income per Books from federal Schedule M-1 or federal Schedule M-3. <u>70,335,730</u>		
Additions		Reductions
2. Dividends from subsidiary corporations not included in Line 1 _____		8. Income from subsidiary corporations included in Line 1 _____
3. Losses from subsidiary corporations deducted in arriving at Line 1 _____		9. Income from limited liability companies included in Line 1* _____
4. Losses from limited liability companies deducted in arriving at Line 1* _____		10. Distributions to materially participating member of limited liability companies** _____
5. Distributions from limited liability companies not included in Line 1* _____		11. Other (Itemize) _____
6. Other (Itemize) _____		_____
_____		_____
_____		_____
7. Total Lines 1 to 6 <u>70,335,730</u>		12. Total Lines 8 to 11 _____
		13. Revised Net Income per Books (Line 7 minus Line 12) <u>70,335,730</u>

* Any taxpayer making these adjustments must provide a copy of federal Schedule K-1 if the investee LLC files federal Form 1065, or a reconciliation of beginning and ending net worth of the investee LLC if the investee LLC is a disregarded entity.

** This reduction may only be taken by LLCs and business trusts not taxed as corporations for federal income tax purposes. Taxpayers claiming this reduction must complete Part B below.

PART B

Name of Member _____	Current-Year Distribution _____	
SSN or EIN of Member _____	Less Current-Year Distribution included in Prior-Year Reduction _____	
How does member qualify as materially participating under IRC Section 469? _____	Plus Current-Year Reduction distributed in subsequent year _____	
_____	Current-Year Reduction _____	

Name of Member _____	Current-Year Distribution _____	
SSN or EIN of Member _____	Less Current-Year Distribution included in Prior-Year Reduction _____	
How does member qualify as materially participating under IRC Section 469? _____	Plus Current-Year Reduction distributed in subsequent year _____	
_____	Current-Year Reduction _____	

Name of Member _____	Current-Year Distribution _____	
SSN or EIN of Member _____	Less Current-Year Distribution included in Prior-Year Reduction _____	
How does member qualify as materially participating under IRC Section 469? _____	Plus Current-Year Reduction distributed in subsequent year _____	
_____	Current-Year Reduction _____	

Total Reduction from Supplemental Schedule (Attach additional schedule(s) if necessary.) _____

Total Reduction for Distributions to Materially Participating Members (Carry to Part A, Line 10.) _____

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CORPORATION NAME UGI Utilities Inc. REVENUE ID 0176169 TAX YEAR BEGINNING 10/01/2015
TAX YEAR ENDING 09/30/2016

Schedules 1 and 2 of this Insert Sheet must be completed by Pennsylvania corporations claiming the exemption for tangible and intangible assets for capital stock tax purposes and foreign corporations electing to use the single-factor, exempt-asset fraction for foreign franchise tax purposes.

Tables 1, 2 and 3 of this Insert Sheet must be completed by all corporations apportioning taxable income and by foreign and Pennsylvania corporations using the three-factor formula to calculate the taxable value of capital stock.

A. AVERAGE TOTAL ASSETS [Carry to RCT-101, Schedule A-1, Line (4b)] \$ 2,327,323,374

B. Less: AVERAGE EXEMPT ASSETS - Tangibles (From Schedule 1, below) \$ 19,455,426
Intangibles (From Schedule 2, below) \$ 767,396,958
Pollution Control Devices \$ 786,852,384
(See instructions.)

C. AVERAGE ASSETS TAXABLE IN PA [Carry to RCT-101, Schedule A-1, Line (4a)] \$ 1,540,470,990

D. PROPORTION OF TAXABLE ASSETS (Calculate to six decimal places.) $\frac{\text{AVERAGE TAXABLE ASSETS}}{\text{AVERAGE TOTAL ASSETS}} = \frac{1,540,470,990}{2,327,323,374} = 0.661907$
[Carry to RCT-101, Schedule A-1, Line (5)]

EXEMPTION CLAIMED FOR TANGIBLE AND INTANGIBLE ASSETS (Use whole dollars only.)

SCHEDULE 1 EXEMPT TANGIBLE ASSETS (Attach additional schedule if necessary.)	Net Book Value - Beginning		Net Book Value - Ending		E Amount of Exemption Claimed for Average Value of Tangible Assets Located Outside of PA (Col. B + D) ÷ 2
	A Inside PA	B Outside PA	C Inside PA	D Outside PA	
1. Buildings					
2. Equipment and Fixtures . .					
3. Land	9,172,957		7,389,099		
4. Leasehold Improvements .					
5. Motor Vehicles					
6. Rolling Stock and all Other Movable Property					
7. Other Tangible Property (Attach schedule.)	1,058,829,485		1,188,251,266		
8. Inventories	7,753,862	21,240,088	7,614,258	17,670,763	19,455,426
TOTALS	1,075,756,304	21,240,088	1,203,254,623	17,670,763	19,455,426

NOTE: If there was a substantial change during the year, attach a detailed explanation.

SCHEDULE 2 EXEMPT INTANGIBLE ASSETS (Attach additional schedule if necessary.)	A Number of Shares or %	B Date Acquired	C Date Sold	D Held (Full Year or No. of Days)	E Book Value	F Exemption Claimed
1. Stocks of PA Corporations						
UGI Penn Natural Gas	100	02/10/2006		365	509,437,404	509,437,404
UGI Central Penn Gas	100	10/01/2008		365	257,959,454	257,959,454
2. Stocks of Foreign Corporations . . (More than 50 percent owned)						
UGI Energy Ventures	100	12/14/2005		365	100	100
3. Student Loan Assets						
4. U. S. Securities						
5. Exempt State and Local Securities .						
6. National Bank Shares						
7. TOTALS (For Exemption Purposes)					767,396,958	767,396,958

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TABLES SUPPORTING DETERMINATION OF APPORTIONMENT PERCENTAGE (Use whole dollars only.)

Apportionment for:

Capital Stock/Foreign Franchise and Corporate Net Income Taxes Capital Stock/Foreign Franchise Tax Only Corporate Net Income Tax Only

TAX YEAR BEGINNING 10/01/2015

CORPORATION NAME UGI Utilities Inc. REVENUE ID 0176169 TAX YEAR ENDING 09/30/2016

TABLE 1 - PROPERTY FACTOR* Description	Inside PA		Inside and Outside PA	
	Beginning of Period	End of Period	Beginning of Period	End of Period
Tangible Property Owned (original cost value)				
Inventory	7,753,861	7,614,258	28,993,949	25,285,021
Buildings and Depreciable Assets	1,582,644,350	1,736,478,730	1,582,644,350	1,736,478,730
Land	9,172,957	7,389,099	9,172,957	7,389,099
Other Real and Tangible Personal Property				
Partner's Share of Property Owned by Partnerships				
Less Construction in Progress (if included above)	()	()	()	()
Totals	1,599,571,168	1,751,482,087	1,620,811,256	1,769,152,850
Total Beginning and End of Period		3,351,053,255		3,389,964,106
Average Value (1/2 of Above)		1,675,526,628		1,694,982,053
Add: Corporate Tangible and/or Real Property Rented**		6,697,568		6,697,568
Partnership Tangible and/or Real Property Rented**				
Total Average Value	(A)	1,682,224,196	(B)	1,701,679,621

**Eight times net annual rental rate (Attach schedule.)

(C) Property Factor (Divide A by B; calculate to six decimal places.) 0.988567 Carry (A), (B) and (C) over to RCT-101, Schedule A-1, as applicable, Lines 1A, 1B and 1C.

(D) Property Factor Calculation (Multiply C by the applicable property weight factor.) 0.988567 Carry (A), (B) and (D) over to RCT-101, Schedule C-1, Lines 1A, 1B and 1D.

TABLE 2 - PAYROLL FACTOR* Description	Inside PA	Inside and Outside PA
Wages, Salaries, Commissions and Other Compensation to Employees in:		
Cost of Goods Sold		
Compensation of Officers	5,334,945	5,334,945
Salesmen's Salaries and Commissions		
Other Payroll	26,597,114	26,597,114
Partner's Share of Payroll from Partnerships		
Total Payroll	(A) 31,932,059	(B) 31,932,059

(C) Payroll Factor (Divide A by B; calculate to six decimal places.) 1.000000 Carry (A), (B) and (C) over to RCT-101, Schedule A-1, as applicable, Lines 2A, 2B and 2C.

(D) Payroll Factor Calculation (Multiply C by the applicable payroll weight factor.) 1.000000 Carry (A), (B) and (D) over to RCT-101, Schedule C-1, Lines 2A, 2B and 2D.

TABLE 3 - SALES FACTOR* Description	Inside PA	Inside and Outside PA
Sales (net of returns and allowances)	453,954,144	456,502,526
Interest, Rents, Royalties	49,435	49,435
Gross Receipts from the Sale of Other Business Assets (except securities, unless you are a securities dealer)	42,549	42,549
Other Sales (receipts only)	5,761,676	5,761,676
Partner's Share of Sales from Partnerships		
Total Sales	(A) 459,807,804	(B) 462,356,186

(C) Sales Factor (Divide A by B; calculate to six decimal places.) 0.994488 Carry (A), (B) and (C) over to RCT-101, Schedule A-1, as applicable, Lines 3A, 3B and 3C.

(D) Sales Factor Calculation (Multiply C by the applicable sales weight factor.) 0.994488 Carry (A), (B) and (D) over to RCT-101, Schedule C-1, Lines 3A, 3B and 3D.

Special apportionment to be completed only by railroad, truck, bus and airline companies; pipeline or natural gas companies; and water transportation companies. Refer to instructions.

(A) NUMERATOR (A) _____ = _____ (C)

(B) DENOMINATOR (B)

Carry (A), (B) and (C) over to RCT-101, Schedules C-1 and/or A-1, as applicable, Lines 4A, 4B and 5.

* Use applicable figures from the chart on Page 24 of the CT-1 PA Corporation Tax Instructions, REV-1200, found at www.revenue.pa.gov.

RCT-103 (06-15) NET OPERATING LOSS SCHEDULE (File with Form RCT-101.)

Tax Year Beginning 10012015 Revenue ID 0176169
 Tax Year Ending 09302016
 Corporation Name UGI UTILITIES INC.

Part A

1. Taxable income from RCT-101, Section C, Line 10 13497017
 2. Total net operating loss carryforward to current period (Total, Column C below) 0
 3. Line 1 multiplied by 0.30. (See Instructions below.) 4049105
 4. Net operating loss deduction allowed for current tax period 0

Part B

	(A) Tax Period Beginning	(B) Tax Period Ending	(C) Net Loss Carryforward to Current Period	(D) Amount Deducted (Current Period)	(E) Net Loss Carryforward to Next Period
1			0	0	0
2			0	0	0
3			0	0	0
4			0	0	0
5			0	0	0
6			0	0	0
7			0	0	0
8			0	0	0
9			0	0	0
10			0	0	0
11			0	0	0
12			0	0	0
13			0	0	0
14	10012008	09302009	0	0	0
15			0	0	0
16			0	0	0
17			0	0	0
18			0	0	0
19			0	0	0
20			0	0	0
TOTAL				0	

Use the Net Loss Limitation for the current year found on Page 24 of the CT-1 PA Corporation Tax Instructions, REV-1200, found at www.revenue.pa.gov.

If Line 3 is 5000000 or less, enter the lesser of Line 1 or Line 2 on Line 4, not to exceed 5000000.
 (use applicable year allowance) (use applicable year allowance)

If Line 3 exceeds 5000000, enter the lesser of Line 2 or Line 3 on Line 4.
 (use applicable year allowance)

5D4645 2.000



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TAX YEAR BEGINNING 10/01/2015
 TAX YEAR ENDING 09/30/2016
 CORPORATION NAME UGI Utilities Inc. REVENUE ID 0176169

C-5 Schedule of Taxes

1. PA Corporate Net Income Tax	1,348,852	
2. Philadelphia Business Privilege Tax - Net Income Portion		
3. Income Taxes - Other States	-2,114,053	
4. Local Income Taxes		
5. Other Income Taxes		
6. Total Income Taxes (Total Lines 1 to 5.)		-765,201
7. PA Capital Stock/Foreign Franchise Tax	201,379	
8. Philadelphia Business Privilege Tax - Gross Rec. Portion		
9. Payroll Taxes	3,454,697	
10. Real Estate Taxes	638,793	
11. Sales and Use Tax		
12. Business Privilege Tax - Other than Income		
13. Occupancy Tax		
14. Local Taxes - Not Based on Income		
15. Other Taxes - Not Based on Income	7,348,571	
16. Total Taxes Not Imposed on or Measured by Income (Total Lines 7 to 15.)		11,643,440
17. Total Tax Expense Reported on Federal Income Tax Return (Total Lines 6 and 16.)		10,878,239

Schedule OA - Other Additions

Description	Amount
Total Carry to RCT-101, Section C, Line 3-E	

Schedule OD - Other Deductions

Description	Amount
Federal Wages Disallowed as a Result of Tax Credits Under IRC Sec 45B or IRC Sec 51	
Total Carry to RCT-101, Section C, Line 2-D	

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DEPARTMENT USE ONLY

RCT-101 (06-15) **PAGE 1 OF 6**
PA CORPORATE TAX REPORT 2015

A = 1120 B = 1120S C = 1120C D = 1120F E = 1120H F = 1065 G = 1040 H = Other

STEP A

Tax Year Beginning **XX** 10012015 Tax Year Ending **XX** 09302016

STEP B

Amended Report	XX	N	52-53 Week Filer	XX	N	First Report	XX	N
Federal Extension Granted	XX	Y	Address Change	XX	N	KOZ/EIP/SDA Credit	XX	N
Regulated Inv. Co./ Sub Paragraph 18	XX	N	Change Fed Group	XX	N	File Period Change	XX	N

STEP C

Revenue ID	XX	1028446	Parent Corporation EIN	232668356
Federal EIN	XX	231278755		
Business Activity Code	XX	221210		
Corporation Name	XX	UGI CENTRAL PENN GAS, INC		
Address Line 1	XX	2525 N. 12TH STREET		
Address Line 2	XX			
City	XX	READING		
State	XX	PA		
ZIP	XX	19612		

USE WHOLE DOLLARS ONLY

STEP E:

STEP D	A. Tax Liability from Tax Report (can not be less than zero)	B. Estimated Payments & Credits on Deposit	C. Restricted Credits	Payment Due/Overpayment Calculation: A minus B minus C See instructions.
CS/FF	87953	100709	0	-12756
LOANS	0	0	0	0
CNI	2543190	2977248	0	-434058
TOTAL	2631143	3077957	0	-446814

STEP F: Transfer/Refund Method (See instructions.)

E-File Opt Out (See instructions.) **N**

446814 **Transfer:** Amount to be credited to the next tax year after offsetting all unpaid liabilities

Refund: Amount to be refunded after offsetting all unpaid liabilities

STEP G: Corporate Officer (Must Sign affirmation below)

NAME
PHONE
EMAIL

FORM 1062
BARCODE 0000

5Y4623 2.000

I affirm under penalties prescribed by law, this report, including any accompanying schedules and statements, has been examined by me and to the best of my knowledge and belief is a true, correct and complete report. If this report is an amended report, the taxpayer hereby consents to the extension of the assessment period for this tax year to one year from the date of filing of this amended report or three years from the filing of the original report, whichever period last expires, and agrees to retain all required records pertaining to that tax and tax period until the end of the extended assessment period, regardless of any statutory provision providing for a shorter period of retention. For purposes of this extension, an original report filed before the due date is deemed filed on the due date. I am authorized to execute this consent to the extension of the assessment period.

Corporate Officer Signature	Date
------------------------------------	-------------

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REVENUE ID 1028446
 TAX YEAR END 09302016 NAME UGI CENTRAL PENN GAS, INC
 RCT-101 PAGE 2 OF 6 PA CORPORATE TAX REPORT 2015

SECTION A: CS/FF

OLDEST PERIOD FIRST	TAX PERIOD BEGINNING	TAX PERIOD ENDING	BOOK INCOME			
YEAR 1	10012011	09302012	14513938	Investment in LLC	XX	N
YEAR 2	10012012	09302013	20690023	Holding Company	XX	N
YEAR 3	10012013	09302014	22462176	Family Farm	XX	N
YEAR 4	10012014	09302015	21019105			
YEAR 5						
YEAR 6						
YEAR 7						
CUR YR	10012015	09302016	15781001			

USE WHOLE DOLLARS ONLY

2. TOTAL BOOK INCOME (sum of income for all tax periods up to, but not over 5 years total)	2	94466243
3. DIVISOR (in years and in part years rounded to three decimal places) See instructions.	3	5.000
4. Divide Line 2 by Line 3.	4	18893249
5. AVERAGE BOOK INCOME - Enter Line 4, or if Line 4 is less than zero enter "0".	5	18893249
6. Divide Line 5 by 0.095.	6	198876305
7. Shareholders' equity at the END of the current period	7	260713981
8. Shareholders' equity at the BEGINNING of the current period	8	255039124
9. If Line 7 is more than twice as great or less than half as much as Line 8, add Lines 7 and 8 and divide by 2. Otherwise enter Line 7.	9	260713981
10. NET WORTH - Enter Line 9, or if Line 9 is less than zero enter "0".	10	260713981
11. Multiply Line 10 by 0.75.	11	195535486
12. Add Lines 6 and 11.	12	394411791
13. Divide Line 12 by 2.	13	197205896
14. Valuation deduction	14	-160000
15. CAPITAL STOCK VALUE - Line 13 minus Line 14, but not less than zero. If 100% taxable, enter Line 15 on Line 17.	15	197045896
16. Proportion of taxable assets or apportionment proportion (from Schedule A-1, Line 5)	16	0.991911
17. TAXABLE VALUE - Multiply Line 15 by Line 16. If less than zero, enter "0".	17	195451992
18. CAPITAL STOCK/FOREIGN FRANCHISE TAX - Multiply Line 17 by 0.00045. (Use applicable year tax rate)	18	87953

Total Beginning of
 Taxable Year Assets 365005610

Total End of Taxable
 Year Assets 393449409

5Y4664 2.000



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REVENUE ID 1028446
 TAX YEAR END 09302016
 RCT-101 PAGE 3 OF 6
 NAME UGI CENTRAL PENN GAS, INC
 PA CORPORATE TAX REPORT 2015

SECTION B: Bonus Depreciation

1. Current year fed. deprec. of 168k prop.	1	16666733	Business Trust	XX	N
2. Current year adj. for disp. of 168k prop.	2	22099	Solicitation Only	XX	N
3. Other adjustments	3	0	Single-Member LLC	XX	N
(Attach REV-799, Schedule C-3, if claiming bonus depreciation.)			Multi-Member LLC	XX	N
			PA S Corporation	XX	N
			Taxable Built-in Gains	XX	N

USE WHOLE DOLLARS ONLY

SECTION C: CORPORATE NET INCOME TAX

1. Income or loss from federal return on a separate-company basis	1	10387713
2. DEDUCTIONS:		
A. Corporate dividends received (from REV-798, Schedule C-2, Line 6)	2A	0
B. Interest on U.S. securities (GROSS INT less EXPENSES)	2B	0
C. Curr yr. addtl. PA deprec. plus adjust. for sale (Attach REV-799, Schedule C-3.)	2C	1450500
D. Other (Attach schedule.) See instructions.	2D	0
TOTAL DEDUCTIONS - Sum of A through D	2	1450500
3. ADDITIONS:		
A. Taxes imposed on or measured by net income (Attach REV-860, Schedule C-5.)	3A	3404380
B. Tax preference items (Attach copy of federal Form 4626.)	3B	0
C. Employment incentive payment credit adjustment (Attach Schedule W.)	3C	0
D. Current year bonus depreciation (Attach REV-799, Schedule C-3.)	3D	13333797
E. Other (Attach schedule.) See instructions.	3E	0
TOTAL ADDITIONS - Sum of A through E	3	16738177
4. Income or loss with Pennsylvania adjustments (Line 1 minus Line 2 plus Line 3)	4	25675390
5. Total nonbusiness income or loss (Attach form REV-934.)	5	0
6. Income or loss to be apportioned (Line 4 minus Line 5)	6	25675390
7. Apportionment proportion (from Schedule C-1, Line 5)	7	0.991508
8. Income or loss apportioned to PA (Line 6 times Line 7)	8	25457355
9. Nonbusiness income or loss allocated to PA	9	0
10. Taxable income or loss after apportionment (Line 8 plus Line 9)	10	25457355
11. Total net operating loss deduction (from RCT-103, Part A, Line 4)	11	0
12. PA taxable income or loss (Line 10 minus Line 11)	12	25457355
13. Corporate net income tax (Line 12 times <u>9.9%</u> ; if Line 12 is less than zero, enter "0") (Use applicable year tax rate)	13	2543190

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REVENUE ID 1028446
 TAX YEAR END 09302016 NAME UGI CENTRAL PENN GAS, INC
 RCT-101 PAGE 4 OF 6 PA CORPORATE TAX REPORT 20 15

IMPORTANT: For tax years beginning on or after Jan. 1, 2014, do not complete Section D: Loans Tax.
SECTION D: LOANS TAX

- 1. Foreign corporations only. Did this corporation have a fiscal officer resident in Pennsylvania? XX
- 2. Did this corporation have indebtedness outstanding to individual residents and/or partnerships resident in Pennsylvania? XX
- 3. Did this corporation have indebtedness outstanding held by a trustee, agent or guardian for a resident individual taxable in its own right or by an executor or administrator of an estate wherein the decedent was a resident of Pennsylvania? XX

List outstanding indebtedness. Attach a separate schedule if additional space is needed.

Interest Amount	Interest Rate	Taxable Value	Taxable Indebtedness	
				XX
			Loans Tax	XX

SCHEDULE A-1: Apportionment Schedule For Capital Stock/Foreign Franchise Tax (Include Form RCT-102, RCT-105 or RCT-106.)

Three Factor				Single Factor			
Property - PA	1A	0	1C	0.000000	Numerator	4A	378278852
Property -Total	1B	0			Denominator	4B	381363761
Payroll - PA	2A	0	2C	0.000000			
Payroll - Total	2B	0					
Sales - PA	3A	0	3C	0.000000	Apportionment	5	0.991911
Sales - Total	3B	0			Proportion		

SCHEDULE C-1: Apportionment Schedule For Corporate Net Income Tax (Include Form RCT-106.) *

Three Factor				Single Factor			
Property - PA	1A	0	1D	00.000000	Numerator	4A	0
Property -Total	1B	0			Denominator	4B	0
Payroll - PA	2A	0	2D	00.000000			
Payroll - Total	2B	0					
Sales - PA	3A	118786748	3D	00.991508	Apportionment	5	0.991508
Sales - Total	3B	119804089			Proportion		

* Refer to the CT-1 PA Corporation Tax Instructions, REV-1200, found at www.revenue.pa.gov.



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REVENUE ID 1028446
TAX YEAR END 09302016 NAME UGI CENTRAL PENN GAS, INC
RCT-101 PAGE 5 OF 6 PA CORPORATE TAX REPORT 2015

SECTION E: CORPORATE STATUS CHANGES

Final Report	XX	N		
PA Corporations:				
Did you ever transact business anywhere?	XX	N	If yes, enter date all business activity ceased	XX
Did you hold assets anywhere?	XX	N	If yes, enter date of final disposition of assets*	XX
Foreign Corporations:				
Did you ever transact business in PA?	XX	N	If yes, enter date PA business activity ceased	XX
Did you hold assets in PA?	XX	N	If yes, enter date of final disposition of PA assets*	XX

*Schedule of Disposition of Assets **must** be completed and filed with this report.

Has the corporation sold or transferred in bulk, 51 percent or more of any class of assets? (See instructions.) XX N
If yes, enter the following information. (Attach a separate schedule if additional space is needed.)

Purchaser Name	XX
Address Line 1	XX
Address Line 2	XX
City	XX
State	XX
ZIP	XX

SECTION F: GENERAL INFORMATION QUESTIONNAIRE

Describe corporate activity in PA GAS UTILITY
Describe corporate activity outside PA GAS UTILITY OFF SYSTEM SALES & INVENTORY STORAGE
Other states in which taxpayer has activity

State of Incorporation XX PA Incorporation Date XX 12051944

- 1. Does any corporation, individual or other business entity hold all or a majority of the stock of this corporation? XX Y
- 2. Does this corporation own all or a majority of stock in other corporations? If yes, complete REV-798, Schedule X. XX Y
- 3. Is this taxpayer a partnership that elects to file federal taxes as a corporation? XX N
- 4. Has the federal government changed taxable income as originally reported for any prior period for which reports of change have not been filed in PA? XX N

If yes: First Period End Date: XX Last Period End Date: XX

Accounting Method - Federal Tax Return

A A = Accrual C = Cash O = Other

Other

Accounting Method - Financial Statements

A A = Accrual C = Cash O = Other

Other

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REVENUE ID 1028446
 TAX YEAR END 09302016 NAME UGI CENTRAL PENN GAS, INC
RCT-101 PAGE 6 OF 6 PA CORPORATE TAX REPORT 20 1 5

SCHEDULE OF REAL PROPERTY IN PA (Attach a separate schedule if additional space is needed.)

Did you own or rent property in PA during this filing period? If yes, the below section must be completed. Y

O = Own					
R = Rent	Street Address	City	County	KOZ/KOEZ	
XX 0	ALL REAL PROPERTY IN P	VARIOUS	VARIOUS	N	
XX					
XX					
XX					

CORPORATE OFFICERS

(See instructions.)

Must provide requested information for all filled officer positions.

	SSN	Last Name	First Name	MI
President/Managing Partner	XX 999999999	BEARD	ROBERT	F
Vice President	XX 999999999	PLATT	DANIEL	J
Secretary	XX 999999999	GAUDIOSI	MONICA	M
Treasurer/Tax Manager	XX 999999999	PLATT	DANIEL	J

PREPARER'S INFORMATION

Mail to Preparer	XX	N
Firm Federal EIN	XX	
Firm Name	XX	
Address Line 1	XX	
Address Line 2	XX	
City	XX	
State	XX	
ZIP	XX	

I affirm under penalties prescribed by law this report, including any accompanying schedules and statements, has been prepared by me and to the best of my knowledge and belief is a true, correct and complete report.

Tax Preparer's Signature	Date

INDIVIDUAL PREPARER
PHONE
EMAIL
PTIN/SSN

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RCT-101, Page 1, Step D, Tax Summary, Payments and Credits Detail

=====

	Cap. Stock Fran.	Loans Tax	Corp. Net Inc.
	-----	-----	-----
Tentative payments	90,709.		2,877,248.
Payments with extension Keystone Opp Zone	10,000.		100,000.
Credits:			
Neighborhood Assist.			
Employment Incentive			
Educational Imp.			
Coal Waste Removal			
Jobs Creation Tax			
Pennsylvania R & D			
	-----	-----	-----
Totals	100,709.		2,977,248.
	=====	=====	=====

REV-798 CT (05-14)



SCHEDULE C-2 PA DIVIDEND DEDUCTION SCHEDULE

TAX YEAR BEGINNING _____

TAX YEAR ENDING _____

CORPORATION NAME _____ REVENUE ID _____

1	Federal Schedule C, Line (20), Total Deductions	1	
2	Federal Schedule C, Line (15), Foreign Dividend Gross-Up (Section 78)	2	
3	Dividends from less-than-20-percent-owned foreign corporations listed on Lines (13) and (14) of federal Schedule C x 70 percent - 0.70	3	
4	Dividends from 20-percent-or-more-owned foreign corporations listed on Lines (13) and (14) of federal Schedule C x 80 percent - 0.80	4	
5	Dividends listed on Lines (13) and (14) of federal Schedule C from foreign corporations that meet the "80 percent voting and value test" of IRC § 1504(a)(2) and otherwise would qualify for 100 percent deduction under IRC § 243(a)(3) if they were a domestic corporation. Do not list any amounts included in Item 4.	5	
6	Total PA Dividend Deduction - Add Lines 1, 2, 3, 4 and 5. Enter this amount at Section C, Line (2A) on RCT-101.	6	

SCHEDULE X

Taxpayers completing this schedule must provide beginning and ending consolidating schedules reflecting the activity of all members of the consolidated group, along with all consolidations and eliminations.

TAX YEAR BEGINNING 10/01/2015

TAX YEAR ENDING 09/30/2016

CORPORATION NAME UGI Central Penn Gas, Inc REVENUE ID 1028446

Name	File in PA	Revenue ID	EIN
UGI PETROLEUM PRODUCTS OF DE	N	NONE	510056772
UGI CENTRAL PENN PROPANE, LLC	Y	8007093	371498437

Name, SSN, EIN and/or Revenue ID of any individual or business entity owning all or a majority of the stock of the taxpayer.

Name	SSN or EIN	Revenue ID
UGI UTILITIES, INC	231174060	0176169



TAX YEAR BEGINNING 10/01/2015

CORPORATION NAME UGI Central Penn Gas, I REVENUE ID 1028446

TAX YEAR ENDING 09/30/2016

SCHEDULE A-2

1. Beginning Retained Earnings (Must equal retained earnings from Column B, Line 24 of Schedule L on federal Form 1120S) _____

2. Net Income per Books from Schedule M-1 or Schedule M-3 of federal Form 1120S _____

3. Other Increases (Itemize)

- a. _____
- b. _____
- c. _____

4. Add Lines 1, 2 and 3. _____

5. Distributions (other than dividends)

- a. Distributions (other than dividends) reported on Schedule K of federal Form 1120S _____
- b. Less Beginning Distributions Payable* _____
- c. Plus Ending Distributions Payable* _____

6. Dividend distributions reported on Schedule K of federal Form 1120S _____

7. Other Decreases (Itemize)

- a. _____
- b. _____
- c. _____

8. Total Lines 5, 6 and 7. _____

9. Ending Retained Earnings, Line 4 minus Line 8. (Must equal retained earnings from Column D, Line 24 of Schedule L on federal Form 1120S) _____

* To support this adjustment, a schedule of beginning and ending liabilities reporting "Distributions Payable" must be included with federal Form 1120S.

IMPORTANT: Corporations must complete federal Schedules L, M-1 and M-2 regardless of federal requirements. Federal Schedule M-3 may be provided in lieu of federal Schedule M-1. Schedule A-2 must be filed by taxpayers filing federal Form 1120S and whose net income per books differs from change in retained earnings plus distributions.



TAX YEAR BEGINNING 10/01/2015

CORPORATION NAME UGI Central Penn Gas, REVENUE ID 1028446

TAX YEAR ENDING 09/30/2016

**SCHEDULE A-3
 ADJUSTMENTS TO NET INCOME PER BOOKS**

See CT-1 Instructions, REV-1200, found at www.revenue.pa.gov for requirements to complete these schedules.

PART A

1. Net Income per Books from federal Schedule M-1 or federal Schedule M-3. <u>15,752,065</u>		
Additions		Reductions
2. Dividends from subsidiary corporations not included in Line 1 _____		8. Income from subsidiary corporations included in Line 1 _____
3. Losses from subsidiary corporations deducted in arriving at Line 1 <u>28,936</u>		9. Income from limited liability companies included in Line 1* _____
4. Losses from limited liability companies deducted in arriving at Line 1* _____		10. Distributions to materially participating member of limited liability companies** _____
5. Distributions from limited liability companies not included in Line 1* _____		11. Other (Itemize) _____
6. Other (Itemize) _____		_____
_____		_____
_____		_____
7. Total Lines 1 to 6 <u>15,781,001</u>		12. Total Lines 8 to 11 _____
		13. Revised Net Income per Books (Line 7 minus Line 12) <u>15,781,001</u>

* Any taxpayer making these adjustments must provide a copy of federal Schedule K-1 if the investee LLC files federal Form 1065, or a reconciliation of beginning and ending net worth of the investee LLC if the investee LLC is a disregarded entity.

** This reduction may only be taken by LLCs and business trusts not taxed as corporations for federal income tax purposes. Taxpayers claiming this reduction must complete Part B below.

PART B

Name of Member _____	Current-Year Distribution _____
SSN or EIN of Member _____	Less Current-Year Distribution included in Prior-Year Reduction _____
How does member qualify as materially participating under IRC Section 469? _____	Plus Current-Year Reduction distributed in subsequent year _____
_____	Current-Year Reduction _____

Name of Member _____	Current-Year Distribution _____
SSN or EIN of Member _____	Less Current-Year Distribution included in Prior-Year Reduction _____
How does member qualify as materially participating under IRC Section 469? _____	Plus Current-Year Reduction distributed in subsequent year _____
_____	Current-Year Reduction _____

Name of Member _____	Current-Year Distribution _____
SSN or EIN of Member _____	Less Current-Year Distribution included in Prior-Year Reduction _____
How does member qualify as materially participating under IRC Section 469? _____	Plus Current-Year Reduction distributed in subsequent year _____
_____	Current-Year Reduction _____

Total Reduction from Supplemental Schedule (Attach additional schedule(s) if necessary.) _____

Total Reduction for Distributions to Materially Participating Members (Carry to Part A, Line 10.) _____

1060015101

TAX YEAR BEGINNING 10/01/2015
 TAX YEAR ENDING 09/30/2016

CORPORATION NAME UGI Central Penn Gas, In REVENUE ID 1028446

Schedules 1 and 2 of this Insert Sheet must be completed by Pennsylvania corporations claiming the exemption for tangible and intangible assets for capital stock tax purposes and foreign corporations electing to use the single-factor, exempt-asset fraction for foreign franchise tax purposes.

Tables 1, 2 and 3 of this Insert Sheet must be completed by all corporations apportioning taxable income and by foreign and Pennsylvania corporations using the three-factor formula to calculate the taxable value of capital stock.

A. AVERAGE TOTAL ASSETS [Carry to RCT-101, Schedule A-1, Line (4b)]	\$	381,363,761
B. Less: AVERAGE EXEMPT ASSETS -		
Tangibles (From Schedule 1, below)	\$	2,818,740
Intangibles (From Schedule 2, below)	\$	266,169
Pollution Control Devices	\$	3,084,909
(See instructions.)		
C. AVERAGE ASSETS TAXABLE IN PA [Carry to RCT-101, Schedule A-1, Line (4a)]	\$	378,278,852
D. PROPORTION OF TAXABLE ASSETS (Calculate to six decimal places.)		
	AVERAGE TAXABLE ASSETS	9 9 1 9 1 1
	AVERAGE TOTAL ASSETS	[Carry to RCT-101, Schedule A-1, Line (5)]

EXEMPTION CLAIMED FOR TANGIBLE AND INTANGIBLE ASSETS (Use whole dollars only.)

SCHEDULE 1 EXEMPT TANGIBLE ASSETS (Attach additional schedule if necessary)	Net Book Value - Beginning		Net Book Value - Ending		E Amount of Exemption Claimed for Average Value of Tangible Assets Located Outside of PA (Col. B + D) ÷ 2
	A Inside PA	B Outside PA	C Inside PA	D Outside PA	
1. Buildings					
2. Equipment and Fixtures . .					
3. Land	1,255,490		2,142,461		
4. Leasehold Improvements . .					
5. Motor Vehicles					
6. Rolling Stock and all Other Movable Property					
7. Other Tangible Property (Attach schedule.)	279,091,159	1,494,028	306,155,486	1,460,739	1,477,384
8. Inventories	6,768,603	1,885,960	5,885,260	796,752	1,341,356
TOTALS	287,115,252	3,379,988	314,183,207	2,257,491	2,818,740

NOTE: If there was a substantial change during the year, attach a detailed explanation.

SCHEDULE 2 EXEMPT INTANGIBLE ASSETS (Attach additional schedule if necessary.)	A Number of Shares or %	B Date Acquired	C Date Sold	D Held (Full Year or No. of Days)	E Book Value	F Exemption Claimed
1. Stocks of PA Corporations						
2. Stocks of Foreign Corporations . . (More than 50 percent owned)						
UGI Petroleum Products DE	1,000	08/28/1943		365	266,169	266,169
3. Student Loan Assets						
4. U.S. Securities						
5. Exempt State and Local Securities .						
6. National Bank Shares						
7. TOTALS (For Exemption Purposes)					266,169	266,169

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TABLES SUPPORTING DETERMINATION OF APPORTIONMENT PERCENTAGE (Use whole dollars only.)

Apportionment for:

Capital Stock/Foreign Franchise and Corporate Net Income Taxes Capital Stock/Foreign Franchise Tax Only Corporate Net Income Tax Only

TAX YEAR BEGINNING 10/01/2015

CORPORATION NAME UGI Central Penn Gas, Inc REVENUE ID 1028446

TAX YEAR ENDING 09/30/2016

TABLE 1 - PROPERTY FACTOR* Description	Inside PA		Inside and Outside PA	
	Beginning of Period	End of Period	Beginning of Period	End of Period
Tangible Property Owned (original cost value)				
Inventory	6,768,603	5,885,260	8,654,563	6,682,013
Buildings and Depreciable Assets	418,609,469	453,665,772	420,787,779	455,859,040
Land	1,255,490	2,142,561	1,255,490	2,142,561
Other Real and Tangible Personal Property				
Partner's Share of Property Owned by Partnerships				
Less Construction in Progress (if included above)	()	()	()	()
Totals	426,633,562	461,693,593	430,697,832	464,683,614
Total Beginning and End of Period		888,327,155		895,381,446
Average Value (1/2 of Above)		444,163,578		447,690,723
Add: Corporate Tangible and/or Real Property Rented**		1,955,984		1,955,984
Partnership Tangible and/or Real Property Rented**				
Total Average Value	(A)	446,119,562	(B)	449,646,707

**Eight times net annual rental rate (Attach schedule.)

(C) Property Factor (Divide A by B; calculate to six decimal places.) 0.992156

Carry (A), (B) and (C) over to RCT-101, Schedule A-1, as applicable, Lines 1A, 1B and 1C.
Carry (A), (B) and (D) over to RCT-101, Schedule C-1, Lines 1A, 1B and 1D.

(D) Property Factor Calculation (Multiply C by the applicable property weight factor.)

TABLE 2 - PAYROLL FACTOR* Description	Inside PA		Inside and Outside PA	
	Beginning of Period	End of Period	Beginning of Period	End of Period
Wages, Salaries, Commissions and Other Compensation to Employees in:				
Cost of Goods Sold				
Compensation of Officers				
Salesmen's Salaries and Commissions				
Other Payroll		12,184,345		12,184,345
Partner's Share of Payroll from Partnerships				
Total Payroll	(A)	12,184,345	(B)	12,184,345

(C) Payroll Factor (Divide A by B; calculate to six decimal places.) 1.000000

Carry (A), (B) and (C) over to RCT-101, Schedule A-1, as applicable, Lines 2A, 2B and 2C.
Carry (A), (B) and (D) over to RCT-101, Schedule C-1, Lines 2A, 2B and 2D.

(D) Payroll Factor Calculation (Multiply C by the applicable payroll weight factor.)

TABLE 3 - SALES FACTOR* Description	Inside PA		Inside and Outside PA	
	Beginning of Period	End of Period	Beginning of Period	End of Period
Sales (net of returns and allowances)		115,946,477		116,963,818
Interest, Rents, Royalties				
Gross Receipts from the Sale of Other Business Assets (except securities, unless you are a securities dealer)		40,947		40,947
Other Sales (receipts only)		2,799,324		2,799,324
Partner's Share of Sales from Partnerships				
Total Sales	(A)	118,786,748	(B)	119,804,089

(C) Sales Factor (Divide A by B; calculate to six decimal places.) 0.991508

Carry (A), (B) and (C) over to RCT-101, Schedule A-1, as applicable, Lines 3A, 3B and 3C.
Carry (A), (B) and (D) over to RCT-101, Schedule C-1, Lines 3A, 3B and 3D.

(D) Sales Factor Calculation (Multiply C by the applicable sales weight factor.) 0.991508

Special apportionment to be completed only by railroad, truck, bus and airline companies; pipeline or natural gas companies; and water transportation companies. Refer to instructions.

(A) NUMERATOR (A) _____ = _____ (C)

(B) DENOMINATOR (B)

Carry (A), (B) and (C) over to RCT-101, Schedules C-1 and/or A-1, as applicable, Lines 4A, 4B and 5.

* Use applicable figures from the chart on Page 24 of the CT-1 PA Corporation Tax Instructions, REV-1200, found at www.revenue.pa.gov.

RCT-103 (06-15) **NET OPERATING LOSS SCHEDULE** (File with Form RCT-101.)

Tax Year Beginning 10012015 Revenue ID 1028446
 Tax Year Ending 09302016
 Corporation Name UGI CENTRAL PENN GAS, INC

Part A

1. Taxable income from RCT-101, Section C, Line 10 25457355
 2. Total net operating loss carryforward to current period (Total, Column C below) 0
 3. Line 1 multiplied by 0.30. (See Instructions below.) 7637207
 4. Net operating loss deduction allowed for current tax period 0

Part B

	(A) Tax Period Beginning	(B) Tax Period Ending	(C) Net Loss Carryforward to Current Period	(D) Amount Deducted (Current Period)	(E) Net Loss Carryforward to Next Period
1			0	0	0
2			0	0	0
3			0	0	0
4			0	0	0
5			0	0	0
6			0	0	0
7			0	0	0
8			0	0	0
9			0	0	0
10			0	0	0
11			0	0	0
12			0	0	0
13			0	0	0
14			0	0	0
15			0	0	0
16	10012010	09302011	0	0	0
17			0	0	0
18			0	0	0
19			0	0	0
20			0	0	0
TOTAL				0	

Use the Net Loss Limitation for the current year found on Page 24 of the CT-1 PA Corporation Tax Instructions, REV-1200, found at www.revenue.pa.gov.

If Line 3 is 5000000 or less, enter the lesser of Line 1 or Line 2 on Line 4, not to exceed 5000000.
 (use applicable year allowance) (use applicable year allowance)

If Line 3 exceeds 5000000, enter the lesser of Line 2 or Line 3 on Line 4.
 (use applicable year allowance)

5D4645 2.000



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TAX YEAR BEGINNING 10/01/2015

CORPORATION NAME UGI Central Penn Gas REVENUE ID 1028446

TAX YEAR ENDING 09/30/2016

C-5 Schedule of Taxes

1. PA Corporate Net Income Tax		
2. Philadelphia Business Privilege Tax - Net Income Portion . .		
3. Income Taxes - Other States	3,404,380	
4. Local Income Taxes		
5. Other Income Taxes		
6. Total Income Taxes (Total Lines 1 to 5.)		3,404,380
7. PA Capital Stock/Foreign Franchise Tax		
8. Philadelphia Business Privilege Tax - Gross Rec. Portion. . .		
9. Payroll Taxes		
10. Real Estate Taxes		
11. Sales and Use Tax		
12. Business Privilege Tax - Other than Income		
13. Occupancy Tax.		
14. Local Taxes - Not Based on Income.		
15. Other Taxes - Not Based on Income	1,773,943	
16. Total Taxes Not Imposed on or Measured by Income (Total Lines 7 to 15.)		1,773,943
17. Total Tax Expense Reported on Federal Income Tax Return (Total Lines 6 and 16.)		5,178,323

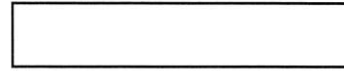
Schedule OA - Other Additions

Description	Amount
Total Carry to RCT-101, Section C, Line 3-E	

Schedule OD - Other Deductions

Description	Amount
Federal Wages Disallowed as a Result of Tax Credits Under IRC Sec 45B or IRC Sec 51	
Total Carry to RCT-101, Section C, Line 2-D	

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DEPARTMENT USE ONLY

RCT-101 (06-15) **PAGE 1 OF 6**
PA CORPORATE TAX REPORT 2015

A A = 1120 B = 1120S C = 1120C D = 1120F E = 1120H F = 1065 G = 1040 H = Other

STEP A

Tax Year Beginning **XX 10012015** Tax Year Ending **XX 09302016**

STEP B

Amended Report	XX	N	52-53 Week Filer	XX	N	First Report	XX	N
Federal Extension Granted	XX	Y	Address Change	XX	N	KOZ/EIP/SDA Credit	XX	N
Regulated Inv. Co./ Sub Paragraph 18	XX	N	Change Fed Group	XX	N	File Period Change	XX	N

STEP C

Revenue ID	XX	8584922	Parent Corporation EIN	232668356
Federal EIN	XX	562557139		
Business Activity Code	XX	221210		
Corporation Name	XX	UGI PENN NATURAL GAS, INC		
Address Line 1	XX	2525 N 12TH ST PO BOX 1		
Address Line 2	XX			
City	XX	READING		
State	XX	PA		
ZIP	XX	19612-267		

USE WHOLE DOLLARS ONLY

STEP E:

STEP D	A. Tax Liability from Tax Report (can not be less than zero)	B. Estimated Payments & Credits on Deposit	C. Restricted Credits	STEP E: Payment Due/Overpayment Calculation: A minus B minus C See instructions.
CS/FF	128641	132000	0	-3359
LOANS	0	0	0	0
CNI	1144467	2440000	50000	-1345533
TOTAL	1273108	2572000	50000	-1348892

STEP F: Transfer/Refund Method (See instructions.)

E-File Opt Out (See instructions.) N

1348892 **Transfer:** Amount to be credited to the next tax year after offsetting all unpaid liabilities

Refund: Amount to be refunded after offsetting all unpaid liabilities

STEP G: Corporate Officer (Must Sign affirmation below)

NAME Michael Pearson
PHONE
EMAIL

FORM 1062
BARCODE 0000

5Y4623 2.000

I affirm under penalties prescribed by law, this report, including any accompanying schedules and statements, has been examined by me and to the best of my knowledge and belief is a true, correct and complete report. If this report is an amended report, the taxpayer hereby consents to the extension of the assessment period for this tax year to one year from the date of filing of this amended report or three years from the filing of the original report, whichever period last expires, and agrees to retain all required records pertaining to that tax and tax period until the end of the extended assessment period, regardless of any statutory provision providing for a shorter period of retention. For purposes of this extension, an original report filed before the due date is deemed filed on the due date. I am authorized to execute this consent to the extension of the assessment period.

Corporate Officer Signature	Date
------------------------------------	-------------

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REVENUE ID 8584922
 TAX YEAR END 09302016 NAME UGI PENN NATURAL GAS, INC
 RCT-101 PAGE 2 OF 6 PA CORPORATE TAX REPORT 2015

SECTION A: CS/FF

OLDEST PERIOD FIRST	TAX PERIOD BEGINNING	TAX PERIOD ENDING	BOOK INCOME			
YEAR 1	10012011	09302012	14726170	Investment in LLC	XX	N
YEAR 2	10012012	09302013	16023071	Holding Company	XX	N
YEAR 3	10012013	09302014	24293838	Family Farm	XX	N
YEAR 4	10012014	09302015	23671571			
YEAR 5						
YEAR 6						
YEAR 7						
CUR YR	10012015	09302016	11372947			

USE WHOLE DOLLARS ONLY

2. TOTAL BOOK INCOME (sum of income for all tax periods up to, but not over 5 years total)	2	90087597
3. DIVISOR (in years and in part years rounded to three decimal places) See instructions.	3	5.000
4. Divide Line 2 by Line 3.	4	18017519
5. AVERAGE BOOK INCOME - Enter Line 4, or if Line 4 is less than zero enter "0".	5	18017519
6. Divide Line 5 by 0.095.	6	189658095
7. Shareholders' equity at the END of the current period	7	515151545
8. Shareholders' equity at the BEGINNING of the current period	8	503945388
9. If Line 7 is more than twice as great or less than half as much as Line 8, add Lines 7 and 8 and divide by 2. Otherwise enter Line 7.	9	515151545
10. NET WORTH - Enter Line 9, or if Line 9 is less than zero enter "0".	10	515151545
11. Multiply Line 10 by 0.75.	11	386363659
12. Add Lines 6 and 11.	12	576021754
13. Divide Line 12 by 2.	13	288010877
14. Valuation deduction	14	-160000
15. CAPITAL STOCK VALUE - Line 13 minus Line 14, but not less than zero. If 100% taxable, enter Line 15 on Line 17.	15	287850877
16. Proportion of taxable assets or apportionment proportion (from Schedule A-1, Line 5)	16	0.993116
17. TAXABLE VALUE - Multiply Line 15 by Line 16. If less than zero, enter "0".	17	285869312
18. CAPITAL STOCK/FOREIGN FRANCHISE TAX - Multiply Line 17 by 0.00045.	18	128641

(Use applicable year tax rate)

Total Beginning of
 Taxable Year Assets 760761824

Total End of Taxable
 Year Assets 794006011

5Y4664 2.000



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REVENUE ID
 TAX YEAR END
 RCT-101 PAGE 3 OF 6

8584922
 09302016
 NAME UGI PENN NATURAL GAS, INC
 PA CORPORATE TAX REPORT 2015

SECTION B: Bonus Depreciation

1. Current year fed. deprec. of 168k prop.	1	21552678	Business Trust	XX	N
2. Current year adj. for disp. of 168k prop.	2	75918	Solicitation Only	XX	N
3. Other adjustments	3	0	Single-Member LLC	XX	N
(Attach REV-799, Schedule C-3, if claiming bonus depreciation.)			Multi-Member LLC	XX	N
			PA S Corporation	XX	N
			Taxable Built-in Gains	XX	N

USE WHOLE DOLLARS ONLY

SECTION C: CORPORATE NET INCOME TAX

1. Income or loss from federal return on a separate-company basis	1	-5344871
2. DEDUCTIONS:		
A. Corporate dividends received (from REV-798, Schedule C-2, Line 6)	2A	0
B. Interest on U.S. securities (GROSS INT less EXPENSES)	2B	0
C. Curr yr. addtl. PA deprec. plus adjust. for sale (Attach REV-799, Schedule C-3.)	2C	2649880
D. Other (Attach schedule.) See instructions.	2D	0
TOTAL DEDUCTIONS - Sum of A through D	2	2649880
3. ADDITIONS:		
A. Taxes imposed on or measured by net income (Attach REV-860, Schedule C-5.)	3A	3953120
B. Tax preference items (Attach copy of federal Form 4626.)	3B	0
C. Employment incentive payment credit adjustment (Attach Schedule W.)	3C	0
D. Current year bonus depreciation (Attach REV-799, Schedule C-3.)	3D	15546766
E. Other (Attach schedule.) See instructions.	3E	0
TOTAL ADDITIONS - Sum of A through E	3	19499886
4. Income or loss with Pennsylvania adjustments (Line 1 minus Line 2 plus Line 3)	4	11505135
5. Total nonbusiness income or loss (Attach form REV-934.)	5	0
6. Income or loss to be apportioned (Line 4 minus Line 5)	6	11505135
7. Apportionment proportion (from Schedule C-1, Line 5)	7	0.995740
8. Income or loss apportioned to PA (Line 6 times Line 7)	8	11456123
9. Nonbusiness income or loss allocated to PA	9	0
10. Taxable income or loss after apportionment (Line 8 plus Line 9)	10	11456123
11. Total net operating loss deduction (from RCT-103, Part A, Line 4)	11	0
12. PA taxable income or loss (Line 10 minus Line 11)	12	11456123
13. Corporate net income tax (Line 12 times 9.99%; if Line 12 is less than zero, enter "0") (Use applicable year tax rate)	13	1144467

5Y4665 2.000



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REVENUE ID 8584922
 TAX YEAR END 09302016 NAME UGI PENN NATURAL GAS, INC
RCT-101 PAGE 4 OF 6 PA CORPORATE TAX REPORT 2015

IMPORTANT: For tax years beginning on or after Jan. 1, 2014, do not complete Section D: Loans Tax.

SECTION D: LOANS TAX

- 1. Foreign corporations only. Did this corporation have a fiscal officer resident in Pennsylvania? XX
- 2. Did this corporation have indebtedness outstanding to individual residents and/or partnerships resident in Pennsylvania? XX
- 3. Did this corporation have indebtedness outstanding held by a trustee, agent or guardian for a resident individual taxable in its own right or by an executor or administrator of an estate wherein the decedent was a resident of Pennsylvania? XX

List outstanding indebtedness. Attach a separate schedule if additional space is needed.

Interest Amount	Interest Rate	Taxable Value	Taxable Indebtedness	XX
			Loans Tax	XX

SCHEDULE A-1: Apportionment Schedule For Capital Stock/Foreign Franchise Tax (Include Form RCT-102, RCT-105 or RCT-106.)

Three Factor				Single Factor			
Property - PA	1A	0	1C	0.000000	Numerator	4A	776845586
Property -Total	1B	0			Denominator	4B	782230502
Payroll - PA	2A	0	2C	0.000000			
Payroll - Total	2B	0					
Sales - PA	3A	0	3C	0.000000	Apportionment	5	0.993116
Sales - Total	3B	0			Proportion		

SCHEDULE C-1: Apportionment Schedule For Corporate Net Income Tax (Include Form RCT-106.)*

Three Factor				Single Factor			
Property - PA	1A	0	1D	00.000000	Numerator	4A	0
Property -Total	1B	0			Denominator	4B	0
Payroll - PA	2A	0	2D	00.000000			
Payroll - Total	2B	0					
Sales - PA	3A	199256804	3D	00.995740	Apportionment	5	0.995740
Sales - Total	3B	200109300			Proportion		

* Refer to the CT-1 PA Corporation Tax Instructions, REV-1200, found at www.revenue.pa.gov.



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REVENUE ID 8584922
TAX YEAR END 09302016 NAME UGI PENN NATURAL GAS, INC
RCT-101 PAGE 5 OF 6 PA CORPORATE TAX REPORT 2015

SECTION E: CORPORATE STATUS CHANGES

Final Report XX N
PA Corporations:
Did you ever transact business anywhere? XX N If yes, enter date all business activity ceased XX
Did you hold assets anywhere? XX N If yes, enter date of final disposition of assets* XX
Foreign Corporations:
Did you ever transact business in PA? XX N If yes, enter date PA business activity ceased XX
Did you hold assets in PA? XX N If yes, enter date of final disposition of PA assets* XX

*Schedule of Disposition of Assets must be completed and filed with this report.

Has the corporation sold or transferred in bulk, 51 percent or more of any class of assets? (See instructions.) XX N
If yes, enter the following information. (Attach a separate schedule if additional space is needed.)

Purchaser Name XX
Address Line 1 XX
Address Line 2 XX
City XX
State XX
ZIP XX

SECTION F: GENERAL INFORMATION QUESTIONNAIRE

Describe corporate activity in PA GAS UTILITY
Describe corporate activity outside PA GAS UTILITY OFF SYSTEM SALES & INVENTORY STORAGE
Other states in which taxpayer has activity

State of Incorporation XX PA Incorporation Date XX 02102006

- 1. Does any corporation, individual or other business entity hold all or a majority of the stock of this corporation? XX Y
- 2. Does this corporation own all or a majority of stock in other corporations? If yes, complete REV-798, Schedule X. XX Y
- 3. Is this taxpayer a partnership that elects to file federal taxes as a corporation? XX N
- 4. Has the federal government changed taxable income as originally reported for any prior period for which reports of change have not been filed in PA? XX N

If yes: First Period End Date: XX Last Period End Date: XX

Accounting Method - Federal Tax Return

A A = Accrual C = Cash O = Other

Other

Accounting Method - Financial Statements

A A = Accrual C = Cash O = Other

Other

5Y4663 2.000



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REVENUE ID 8584922
TAX YEAR END 09302016 NAME UGI PENN NATURAL GAS, INC
RCT-101 PAGE 6 OF 6 PA CORPORATE TAX REPORT 2015

SCHEDULE OF REAL PROPERTY IN PA (Attach a separate schedule if additional space is needed.)

Did you own or rent property in PA during this filing period? If yes, the below section must be completed. Y

O = Own					
R = Rent	Street Address	City	County	KOZ/KOEZ	
XX 0	ALL REAL PROPERTY USED	VARIOUS	VARIOUS	N	
XX					
XX					
XX					

CORPORATE OFFICERS

(See instructions.)

	SSN	Last Name	First Name	MI
President/Managing Partner	XX 999999999	BEARD	ROBERT	F
Vice President	XX 999999999	PLATT	DANIEL	J
Secretary	XX 999999999	GAUDIOSI	MONICA	M
Treasurer/Tax Manager	XX 999999999	GARCIA	GARY	G

PREPARER'S INFORMATION

Mail to Preparer	XX	N
Firm Federal EIN	XX	
Firm Name	XX	
Address Line 1	XX	
Address Line 2	XX	
City	XX	
State	XX	
ZIP	XX	

I affirm under penalties prescribed by law this report, including any accompanying schedules and statements, has been prepared by me and to the best of my knowledge and belief is a true, correct and complete report.	
Tax Preparer's Signature	Date

INDIVIDUAL PREPARER

PHONE
EMAIL
PTIN/SSN

5Y4666 2.000



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RCT-101, Page 1, Step D, Tax Summary, Payments and Credits Detail

=====

	Cap. Stock Fran. -----	Loans Tax -----	Corp. Net Inc. -----
Tentative payments	132,000.		2,440,000.
Payments with extension Keystone Opp Zone			
Credits:			
Neighborhood Assist. Employment Incentive Educational Imp.			50,000.
Coal Waste Removal Jobs Creation Tax Pennsylvania R & D			
	-----	-----	-----
Totals	132,000.		2,490,000.
	=====	=====	=====

5Y4654 2.000

CORPORATION TAX PAYMENT VOUCHER

8584922

3274015153

PAYMENT AMOUNT

UGI Penn Natural Gas, Inc

⌘ NONE

2525 N 12th St PO BOX 12677

Reading
PA
19612

DEPARTMENT USE ONLY

[Empty box for Department Use Only]

Make check or money order
payable to the Pennsylvania
Department of Revenue

REV-798 CT (05-14)



SCHEDULE C-2 PA DIVIDEND DEDUCTION SCHEDULE

TAX YEAR BEGINNING _____

TAX YEAR ENDING _____

CORPORATION NAME _____ REVENUE ID _____

1	Federal Schedule C, Line (20), Total Deductions	1	
2	Federal Schedule C, Line (15), Foreign Dividend Gross-Up (Section 78)	2	
3	Dividends from less-than-20-percent-owned foreign corporations listed on Lines (13) and (14) of federal Schedule C x 70 percent - 0.70	3	
4	Dividends from 20-percent-or-more-owned foreign corporations listed on Lines (13) and (14) of federal Schedule C x 80 percent - 0.80	4	
5	Dividends listed on Lines (13) and (14) of federal Schedule C from foreign corporations that meet the "80 percent voting and value test" of IRC § 1504(a)(2) and otherwise would qualify for 100 percent deduction under IRC § 243(a)(3) if they were a domestic corporation. Do not list any amounts included in Item 4.	5	
6	Total PA Dividend Deduction - Add Lines 1, 2, 3, 4 and 5. Enter this amount at Section C, Line (2A) on RCT-101.	6	

SCHEDULE X

Taxpayers completing this schedule must provide beginning and ending consolidating schedules reflecting the activity of all members of the consolidated group, along with all consolidations and eliminations.

TAX YEAR BEGINNING 10/01/2015

TAX YEAR ENDING 09/30/2016

CORPORATION NAME UGI Penn Natural Gas, Inc REVENUE ID 8584922

Name	File in PA	Revenue ID	EIN
UGI Penn HVAC Services, Inc	Y	9633036	23-1946160

Name, SSN, EIN and/or Revenue ID of any individual or business entity owning all or a majority of the stock of the taxpayer.

Name	SSN or EIN	Revenue ID
UGI Utilities, Inc	23-1174060	0176169



TAX YEAR BEGINNING 10/01/2015

CORPORATION NAME UGI Penn Natural Gas, I REVENUE ID 8584922

TAX YEAR ENDING 09/30/2016

SCHEDULE A-2

1. Beginning Retained Earnings (Must equal retained earnings from Column B, Line 24 of Schedule L on federal Form 1120S) _____

2. Net Income per Books from Schedule M-1 or Schedule M-3 of federal Form 1120S _____

3. Other Increases (Itemize)

- a. _____
- b. _____
- c. _____

4. Add Lines 1, 2 and 3. _____

5. Distributions (other than dividends)

- a. Distributions (other than dividends) reported on Schedule K of federal Form 1120S _____
- b. Less Beginning Distributions Payable* _____
- c. Plus Ending Distributions Payable* _____

6. Dividend distributions reported on Schedule K of federal Form 1120S _____

7. Other Decreases (Itemize)

- a. _____
- b. _____
- c. _____

8. Total Lines 5, 6 and 7. _____

9. Ending Retained Earnings, Line 4 minus Line 8. (Must equal retained earnings from Column D, Line 24 of Schedule L on federal Form 1120S). _____

* To support this adjustment, a schedule of beginning and ending liabilities reporting "Distributions Payable" must be included with federal Form 1120S.

IMPORTANT: Corporations must complete federal Schedules L, M-1 and M-2 regardless of federal requirements. Federal Schedule M-3 may be provided in lieu of federal Schedule M-1. Schedule A-2 must be filed by taxpayers filing federal Form 1120S and whose net income per books differs from change in retained earnings plus distributions.



TAX YEAR BEGINNING 10/01/2015

CORPORATION NAME UGI Penn Natural Gas, REVENUE ID 8584922

TAX YEAR ENDING 09/30/2016

**SCHEDULE A-3
 ADJUSTMENTS TO NET INCOME PER BOOKS**

See CT-1 Instructions, REV-1200, found at www.revenue.pa.gov for requirements to complete these schedules.

PART A

1. Net Income per Books from federal Schedule M-1 or federal Schedule M-3. <u>11,372,947</u>		
Additions		Reductions
2. Dividends from subsidiary corporations not included in Line 1 _____		8. Income from subsidiary corporations included in Line 1 _____
3. Losses from subsidiary corporations deducted in arriving at Line 1 _____		9. Income from limited liability companies included in Line 1* _____
4. Losses from limited liability companies deducted in arriving at Line 1* _____		10. Distributions to materially participating member of limited liability companies** _____
5. Distributions from limited liability companies not included in Line 1* _____		11. Other (Itemize) _____
6. Other (Itemize) _____		_____
_____		_____
7. Total Lines 1 to 6 <u>11,372,947</u>		12. Total Lines 8 to 11 _____
		13. Revised Net Income per Books (Line 7 minus Line 12) <u>11,372,947</u>

* Any taxpayer making these adjustments must provide a copy of federal Schedule K-1 if the investee LLC files federal Form 1065, or a reconciliation of beginning and ending net worth of the investee LLC if the investee LLC is a disregarded entity.

** This reduction may only be taken by LLCs and business trusts not taxed as corporations for federal income tax purposes. Taxpayers claiming this reduction must complete Part B below.

PART B

Name of Member _____	Current-Year Distribution _____
SSN or EIN of Member _____	Less Current-Year Distribution included in Prior-Year Reduction _____
How does member qualify as materially participating under IRC Section 469? _____	Plus Current-Year Reduction distributed in subsequent year _____
_____	Current-Year Reduction _____

Name of Member _____	Current-Year Distribution _____
SSN or EIN of Member _____	Less Current-Year Distribution included in Prior-Year Reduction _____
How does member qualify as materially participating under IRC Section 469? _____	Plus Current-Year Reduction distributed in subsequent year _____
_____	Current-Year Reduction _____

Name of Member _____	Current-Year Distribution _____
SSN or EIN of Member _____	Less Current-Year Distribution included in Prior-Year Reduction _____
How does member qualify as materially participating under IRC Section 469? _____	Plus Current-Year Reduction distributed in subsequent year _____
_____	Current-Year Reduction _____

Total Reduction from Supplemental Schedule (Attach additional schedule(s) if necessary.) _____

Total Reduction for Distributions to Materially Participating Members (Carry to Part A, Line 10.) _____

1060015101

CORPORATION NAME UGI Penn Natural Gas, In REVENUE ID 8584922 TAX YEAR BEGINNING 10/01/2015
TAX YEAR ENDING 09/30/2016

Schedules 1 and 2 of this Insert Sheet must be completed by Pennsylvania corporations claiming the exemption for tangible and intangible assets for capital stock tax purposes and foreign corporations electing to use the single-factor, exempt-asset fraction for foreign franchise tax purposes.

Tables 1, 2 and 3 of this Insert Sheet must be completed by all corporations apportioning taxable income and by foreign and Pennsylvania corporations using the three-factor formula to calculate the taxable value of capital stock.

A. AVERAGE TOTAL ASSETS [Carry to RCT-101, Schedule A-1, Line (4b)] \$ 782,230,502

B. Less: AVERAGE EXEMPT ASSETS - Tangibles (From Schedule 1, below) \$ 4,171,506
Intangibles (From Schedule 2, below) \$ 1,213,410
Pollution Control Devices \$ _____ \$ 5,384,916
(See instructions.)

C. AVERAGE ASSETS TAXABLE IN PA [Carry to RCT-101, Schedule A-1, Line (4a)] \$ 776,845,586

D. PROPORTION OF TAXABLE ASSETS (Calculate to six decimal places.) $\frac{\text{AVERAGE TAXABLE ASSETS}}{\text{AVERAGE TOTAL ASSETS}} = \frac{776,845,586}{782,230,502} = .993116$
[Carry to RCT-101, Schedule A-1, Line (5)]

EXEMPTION CLAIMED FOR TANGIBLE AND INTANGIBLE ASSETS (Use whole dollars only.)

SCHEDULE 1 EXEMPT TANGIBLE ASSETS (Attach additional schedule if necessary.)	Net Book Value - Beginning		Net Book Value - Ending		E Amount of Exemption Claimed for Average Value of Tangible Assets Located Outside of PA (Col. B + D) ÷ 2
	A Inside PA	B Outside PA	C Inside PA	D Outside PA	
1. Buildings					
2. Equipment and Fixtures					
3. Land	4,204,933		4,180,186		
4. Leasehold Improvements					
5. Motor Vehicles					
6. Rolling Stock and all Other Movable Property					
7. Other Tangible Property (Attach schedule.)	470,320,813		513,571,284		
8. Inventories	9,031,785	4,979,258	6,979,385	3,363,753	4,171,506
TOTALS	483,557,531	4,979,258	524,730,855	3,363,753	4,171,506

NOTE: If there was a substantial change during the year, attach a detailed explanation.

SCHEDULE 2 EXEMPT INTANGIBLE ASSETS (Attach additional schedule if necessary.)	A Number of Shares or %	B Date Acquired	C Date Sold	D Held (Full Year or No. of Days)	E Book Value	F Exemption Claimed
1. Stocks of PA Corporations						
UGI Penn HVAC Services		08/24/2006			1,213,410	1,213,410
2. Stocks of Foreign Corporations (More than 50 percent owned)						
3. Student Loan Assets						
4. U. S. Securities						
5. Exempt State and Local Securities						
6. National Bank Shares						
7. TOTALS (For Exemption Purposes)					1,213,410	1,213,410

1060015101

TABLES SUPPORTING DETERMINATION OF APPORTIONMENT PERCENTAGE (Use whole dollars only.)

Apportionment for:

Capital Stock/Foreign Franchise and Corporate Net Income Taxes Capital Stock/Foreign Franchise Tax Only Corporate Net Income Tax Only

TAX YEAR BEGINNING 10/01/2015

CORPORATION NAME UGI Penn Natural Gas, Inc REVENUE ID 8584922 TAX YEAR ENDING 09/30/2016

TABLE 1 - PROPERTY FACTOR* Description	Inside PA		Inside and Outside PA	
	Beginning of Period	End of Period	Beginning of Period	End of Period
Tangible Property Owned (original cost value)				
Inventory	9,031,785	6,979,385	14,011,044	10,343,138
Buildings and Depreciable Assets	735,433,028	792,474,965	735,433,028	792,474,965
Land	4,204,933	4,108,186	4,204,933	4,108,186
Other Real and Tangible Personal Property				
Partner's Share of Property Owned by Partnerships				
Less Construction in Progress (if included above)	()	()	()	()
Totals	748,669,746	803,562,536	753,649,005	806,926,289
Total Beginning and End of Period		1,552,232,282		1,560,575,294
Average Value (1/2 of Above)		776,116,141		780,287,647
Add: Corporate Tangible and/or Real Property Rented**				
Partnership Tangible and/or Real Property Rented**				
Total Average Value	(A)	776,116,141	(B)	780,287,647

**Eight times net annual rental rate (Attach schedule.)

(C) Property Factor (Divide A by B; calculate to six decimal places.) 0.994654

Carry (A), (B) and (C) over to RCT-101, Schedule A-1, as applicable, Lines 1A, 1B and 1C.
Carry (A), (B) and (D) over to RCT-101, Schedule C-1, Lines 1A, 1B and 1D.

(D) Property Factor Calculation (Multiply C by the applicable property weight factor.)

TABLE 2 - PAYROLL FACTOR* Description	Inside PA		Inside and Outside PA	
	Beginning of Period	End of Period	Beginning of Period	End of Period
Wages, Salaries, Commissions and Other Compensation to Employees in:				
Cost of Goods Sold				
Compensation of Officers				
Salesmen's Salaries and Commissions				
Other Payroll		14,694,907		14,694,907
Partner's Share of Payroll from Partnerships				
Total Payroll	(A)	14,694,907	(B)	14,694,907

(C) Payroll Factor (Divide A by B; calculate to six decimal places.) 1.000000

Carry (A), (B) and (C) over to RCT-101, Schedule A-1, as applicable, Lines 2A, 2B and 2C.
Carry (A), (B) and (D) over to RCT-101, Schedule C-1, Lines 2A, 2B and 2D.

(D) Payroll Factor Calculation (Multiply C by the applicable payroll weight factor.)

TABLE 3 - SALES FACTOR* Description	Inside PA		Inside and Outside PA	
	Beginning of Period	End of Period	Beginning of Period	End of Period
Sales (net of returns and allowances)		196,084,046		196,936,542
Interest, Rents, Royalties		4,035		4,035
Gross Receipts from the Sale of Other Business Assets (except securities, unless you are a securities dealer)		103,259		103,259
Other Sales (receipts only)		3,065,464		3,065,464
Partner's Share of Sales from Partnerships				
Total Sales	(A)	199,256,804	(B)	200,109,300

(C) Sales Factor (Divide A by B; calculate to six decimal places.) 0.995740

Carry (A), (B) and (C) over to RCT-101, Schedule A-1, as applicable, Lines 3A, 3B and 3C.
Carry (A), (B) and (D) over to RCT-101, Schedule C-1, Lines 3A, 3B and 3D.

(D) Sales Factor Calculation (Multiply C by the applicable sales weight factor.)

Special apportionment to be completed only by railroad, truck, bus and airline companies; pipeline or natural gas companies; and water transportation companies. Refer to instructions.

(A) NUMERATOR (A) _____ = _____ (C)

(B) DENOMINATOR (B)

Carry (A), (B) and (C) over to RCT-101, Schedules C-1 and/or A-1, as applicable, Lines 4A, 4B and 5.

*Use applicable figures from the chart on Page 24 of the CT-1 PA Corporation Tax Instructions, REV-1200, found at www.revenue.pa.gov.

TAX YEAR BEGINNING 10/01/2015
 TAX YEAR ENDING 09/30/2016
 CORPORATION NAME UGI Penn Natural Gas REVENUE ID 8584922

C-5 Schedule of Taxes

1. PA Corporate Net Income Tax	1,144,467	
2. Philadelphia Business Privilege Tax - Net Income Portion		
3. Income Taxes - Other States	2,808,653	
4. Local Income Taxes		
5. Other Income Taxes		
6. Total Income Taxes (Total Lines 1 to 5.)		3,953,120
7. PA Capital Stock/Foreign Franchise Tax	133,398	
8. Philadelphia Business Privilege Tax - Gross Rec. Portion,		
9. Payroll Taxes	949,505	
10. Real Estate Taxes	120,748	
11. Sales and Use Tax		
12. Business Privilege Tax - Other than Income		
13. Occupancy Tax		
14. Local Taxes - Not Based on Income		
15. Other Taxes - Not Based on Income	1,167,764	
16. Total Taxes Not Imposed on or Measured by Income (Total Lines 7 to 15.)		2,371,415
17. Total Tax Expense Reported on Federal Income Tax Return (Total Lines 6 and 16.)		6,324,535

Schedule OA - Other Additions

Description	Amount
Total Carry to RCT-101, Section C, Line 3-E	

Schedule OD - Other Deductions

Description	Amount
Federal Wages Disallowed as a Result of Tax Credits Under IRC Sec 45B or IRC Sec 51	
Total Carry to RCT-101, Section C, Line 2-D	

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III-A-49

Request:

Submit details of calculations for Taxes, Other than Income where a company is assessed taxes for doing business in another state, or on its property located in another state.

Response:

Details of Taxes, Other Than Income where UGI Gas is assessed taxes for doing business in another state, or on its property in another state for the period ended September 30, 2018 are listed below:

1.	Treasurer of Frederick County:	\$34,185
2.	Town of Emmitsburg:	\$11,125
3.	Public Service Commission of Maryland:	\$ 926
4.	State of Maryland:	\$ 300
	Total:	\$46,536

Prepared by or under the supervision of: Nicole M. McKinney

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III-A-50

Request:

Provide a schedule of federal and Pennsylvania taxes, other than income taxes, calculated on the basis of test year per books, pro forma at present rates, and pro forma at proposed rates, to include the following categories:

- a. social security
- b. unemployment
- c. capital stock
- d. public utility realty
- e. P.U.C. assessment
- f. other property
- g. any other appropriate categories

Response:

Refer to UGI Gas Exhibit A (Historic), UGI Gas Exhibit A (Future), and UGI Gas Exhibit A (Fully Projected) Schedules D-31 and D-32.

Prepared by or under the supervision of: Nicole M. McKinney

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III-A-51

Request:

Submit a schedule showing for the last five 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: Nicole M. McKinney

UGI Utilities, Inc. - Gas Division
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III-A-52

Request:

Provide detailed computations showing the deferred income taxes derived by using accelerated tax depreciation applicable to post-1969 utility property increases productive capacity, and ADR rates on property. (Separate between state and federal; also, rate used)

- a. 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.
- b. Reconcile any difference between the deferred tax balance, as shown as a reduction to measures of value (rate base), and the deferred tax balance as shown on the balance sheet.

Response:

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

- a. 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.
- b. 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, and then pro-rated according to the normalization rules under Treasury Regulation 1.167(l)-1(h)(6)(ii). The balance sheet represents the budgeted balance.

Prepared by or under the supervision of: Nicole M. McKinney

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III-A-53

Request:

Submit a schedule showing a breakdown of the deferred income taxes by state and federal per books, pro-forma existing rates, and under proposed rates.

Response:

Refer to UGI Gas Exhibit A (Historic), UGI Gas Exhibit A (Future) and UGI Gas Exhibit A (Fully Projected), Schedule D-33.

Prepared by or under the supervision of: Nicole M. McKinney

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III-A-54

Request:

Submit a schedule showing a breakdown of accumulated investment tax credits (3 percent, 4 percent, 7 percent, 10 percent and 11 percent), together with details of methods used to write-off the unamortized balances.

Response:

As of Fiscal Year ended September 30, 2018, the amount of accumulated 3% investment tax credit was \$2,631,409.

This investment credit is amortized on a straight-line basis. The annual amortization of the credit is \$318,420.

Prepared by or under the supervision of: Nicole M. McKinney

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III-A-55

Request:

Submit a schedule showing the adjustments for taxable net income per books (including below-the-line items) and pro-forma under existing rates, together with an explanation of any difference between the adjustments. Indicate charitable donations and contributions in the tax calculation for rate making purposes.

Response:

Please refer to UGI Gas Exhibit A (Historic), UGI Gas Exhibit A (Future) and UGI Gas Exhibit A (Fully Projected), Schedules A-1, D-1, D-33 and D-34. For ratemaking purposes, charitable donations and contributions are not being claimed and are excluded from test year data.

Prepared by or under the supervision of: Nicole M. McKinney

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III-A-56

Request:

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:

Please see Attachment III-A-56. UGI Gas has established nexus for income tax purposes in other states due to having storage inventory in those states along with our Central Rate District having gas distribution operations in Maryland. Because of having nexus with those states, it files tax returns with income apportioned to those states. Attachment III-A-56 reflects that apportionment of taxable income.

Prepared by or under the supervision of: Nicole M. McKinney

UGI Utilities, Inc. - Gas Division
Allocation of Income to Other States, Other Operating Divisions, & Non-Utility Operations
Historic Test Year - 9/30/18
In Thousands (000)

	(1) As Filed	(2) PA	(3) Non-PA
Revenue	902,789	902,249	540
Operating Expenses	(577,938)	(577,613)	(325)
Depr & Amort	(79,122)	(79,077)	(45)
Taxes Other Than Income	(7,083)	(7,077)	(6)
Total Operating Expenses	<u>(664,143)</u>	<u>(663,768)</u>	<u>(375)</u>
Interest Expense	(49,589)	(49,560)	(29)
Book/Tax Depr Adj	<u>(306,143)</u>	<u>(306,000)</u>	<u>(143)</u>
Taxable Income	(117,086)	(117,079)	(7)

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III-A-57

Request:

Submit detailed calculations showing the derivation of deferred income taxes for amortization of repair allowance if such policy is followed.

[Note: Submit additional schedules if the company has more than one accounting area.]

Response:

Please see Attachment III-A-57 for the increases to and the amortization of the repairs allowance for the Historic Test Year, Future Test Year, and Fully Projected Future Test Year. Also, see the Direct Testimony of Nicole M. McKinney, UGI Gas Statement No. 11, for an explanation of the Company's regulatory treatment of the repair allowance.

Prepared by or under the supervision of: Nicole M. McKinney

UGI Utilities, Inc. - Gas Division
Schedule of Amortization of State Repairs Tax Regulatory Liability
Amounts in '000s

	<u>Amount</u>
State Repairs Regulatory Liability @ 9/30/18	21,170
Net projected increases in FYE19 ⁽¹⁾	3,662
Projected Balance @ 9/30/19	<u>24,832</u>
Net projected increases in FYE20 ⁽¹⁾	1,891
Projected Balance @ 9/30/20	<u><u>26,723</u></u>

Notes:

(1) The net increases reflect the additional repairs tax deduction taken in the current year offset by any amortization.

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III-A-58

Request:

Furnish a breakdown of major items comprising prepaid and deferred income tax charges and other deferred income tax credits and reserves by accounting areas.

Response:

Please see UGI Gas Exhibit A, Schedule C-6 (Historic) for deferred taxes relative to plant in service. The net value of deferred taxes on items other than plant in service at fiscal year ended 9/30/2018 is \$14,935,708.

Prepared by or under the supervision of: Nicole M. McKinney

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III-A-59

Request:

Provide details of the Federal Surtax Credit allocated to the Pennsylvania jurisdictional area, if applicable.

Response:

Not applicable.

Prepared by or under the supervision of: Nicole M. McKinney

UGI Utilities, Inc. - Gas Division
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III-A-60

Request:

Explain the reason for the use of cost of removal of any retired plant figures in the income tax calculations.

Response:

For income tax purposes, cost of removal is deductible in the year incurred. For book purposes, the cost is amortized over 60 months.

Prepared by or under the supervision of: Nicole M. McKinney

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III-A-61

Request:

Submit the corresponding data applicable to Pennsylvania Corporate Income Tax deferment.

- a. Show the amounts of straight line tax depreciation and accelerated tax depreciation, the difference between which gave rise to the normalizing tax charged back to the test year operating statement.
- b. Show normalization for both Federal and State Income Taxes.
- c. Show tax rates used to calculate tax deferment amount.

Response:

- a. & b. Refer to UGI Gas Exhibit A (Historic), UGI Gas Exhibit A (Future), and UGI Gas Exhibit A (Fully Projected), Schedules D-33 and D-34, which provide details of the deferred income taxes from normalized depreciation separately for Federal and State.
- c. The Tax Cuts and Jobs Act of 2017 ("TCJA") reduced the U.S. federal income tax rate from 35% to 21%. For a 9/30 fiscal year filer, this resulted in a special federal blended tax rate for Fiscal 2018 of 22.08% (gross federal tax rate of 24.5%, net of the federal benefit for state taxes). For fiscal years after 2018, the federal tax rate used was 18.90% (gross federal tax rate of 21%, net of the federal benefit for state taxes). The state tax rate used was 9.99%.

Prepared by or under the supervision of: Nicole M. McKinney

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III-A-62

Request:

Provide the accelerated tax depreciation and the book depreciation used to calculate test year deferrals in amounts segregated as follows:

For:

- a. Property installed prior to 1970
- b. Property installed subsequent to 1969 (indicate increasing capacity additions and nonincreasing capacity additions).

Response:

- a. There is no property installed prior to 1970 for tax purposes.
- b. Tax depreciation related to accelerated cost recovery system (ACRS) and modified accelerated cost recovery system (MACRS) is calculated on the full taxable basis and income taxes are normalized on the difference between ACRS/MACRS depreciation and book depreciation. For property installed subsequent to 1969, see Section D, Schedule D-34 within UGI Gas Exhibit A (Historic), UGI Gas Exhibit A (Future), and UGI Gas Exhibit A (Fully Projected).

Prepared by or under the supervision of: Nicole M. McKinney

UGI Utilities, Inc. - Gas Division
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III-A-63

Request:

State whether all tax savings due to accelerated depreciation on property installed prior to 1970 have been passed through to income. (If not, explain).

Response:

UGI Gas has no remaining accelerated depreciation on property installed prior to 1970.

Prepared by or under the supervision of: Nicole M. McKinney

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III-A-64

Request:

Show any income tax loss/gain carryovers from previous years that may affect test year income taxes or future year income taxes. Show loss/gain carryovers by years of origin and amounts remaining by years at the end of the test year.

Response:

Not applicable.

Prepared by or under the supervision of: Nicole M. McKinney

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III-A-65

Request:

State whether the company eliminates any 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. 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 saving reduction. State whether state taxes are increased to reflect the construction interest elimination.

Response:

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

Prepared by or under the supervision of: Nicole M. McKinney

UGI Utilities, Inc. - Gas Division
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III-A-66

Request:

Provide a detailed analysis of Taxes Accrued per books as of the test year date. Also supply the basis for the accrual and the amount of taxes accrued monthly.

Response:

See Attachments III-A-66.1 (Historic), III-A-66.2 (Future), and III-A-66.3 (Fully Projected).

Prepared by or under the supervision of: Nicole M. McKinney

UGI Utilities, Inc. - Gas Division
Schedule of Taxes Accrued per Books - Historic Test Year
Twelve Months Ended September 30, 2018
(Thousands of Dollars)

<u>Description</u>	<u>Amount</u>	<u>Basis for Accrual of Tax</u>	<u>Amount of Tax Accrued Monthly</u>
PA Public Utility Realty Tax	(122)	Tax is based on assessed valuation of the company's taxable real property.	Monthly accrual is one twelfth of total estimated tax.
PA Unemployment Tax	45	Tax based on employer's unemployment rate multiplied by a maximum of \$10,000 per employee.	Accrual is computed monthly by applying the tax rate to taxable earnings.
PA Use Tax	7	Tax based on taxable purchases on which sales tax has not been charged at the rate of 6%.	Accrual computed monthly by applying the tax rate to applicable purchases.
Federal Unemployment Tax	0	Tax is based on the first \$7,000 earned by an employee at a taxable rate of 6%.	Accrual is computed monthly by applying the tax rate to taxable earnings.
FICA	64	Tax for OASDI is based on the first \$128,400 earned by an employee at a taxable rate of 6.2%. Tax for HI is based on all wages at a taxable rate of 1.45%	Accrual is computed monthly by applying the tax rate to taxable earnings.
PA Corporate Net Income Tax	4,812	Tax is based on taxable net income as defined by the Pennsylvania Department of Revenue at the current rate of 9.99%	Accrual is computed monthly by applying the rate to taxable income for the month.
Federal Income Tax	(57,457)	Tax is based on taxable net income as defined by and reported to the IRS. Current rate is 21% of taxable income. Note, the amount reflected is negative due to cash payments exceeding accrued tax expense.	Accrual is computed monthly by applying the rate to taxable income for the month.
	<u><u>\$ (52,651)</u></u>		

UGI Utilities, Inc. - Gas Division
Schedule of Taxes Accrued per Books - Future Test Year
Twelve Months Ended September 30, 2019
(Thousands of Dollars)

<u>Description</u>	<u>Amount</u>	<u>Basis for Accrual of Tax</u>	<u>Amount of Tax Accrued Monthly</u>
PA Public Utility Realty Tax	0	Tax is based on assessed valuation of the company's taxable real property.	Monthly accrual is one twelfth of total estimated tax.
PA Unemployment Tax	0	Tax based on employer's unemployment rate multiplied by a maximum of \$10,000 per employee.	Accrual is computed monthly by applying the tax rate to taxable earnings.
PA Use Tax	7	Tax based on taxable purchases on which sales tax has not been charged at the rate of 6%.	Accrual computed monthly by applying the tax rate to applicable purchases.
Federal Unemployment Tax	0	Tax is based on the first \$7,000 earned by an employee at a taxable rate of 6%.	Accrual is computed monthly by applying the tax rate to taxable earnings.
FICA	0	Tax for OASDI is based on the first \$132,900 earned by an employee at a taxable rate of 6.2%. Tax for HI is based on all wages at a taxable rate of 1.45%	Accrual is computed monthly by applying the tax rate to taxable earnings.
PA Corporate Net Income Tax	0	Tax is based on taxable net income as defined by the Pennsylvania Department of Revenue at the current rate of 9.99%	Accrual is computed monthly by applying the rate to taxable income for the month.
Federal Income Tax	0	Tax is based on taxable net income as defined by and reported to the IRS. Current rate is 21% of taxable income. Note, the amount reflected is negative due to cash payments exceeding accrued tax expense.	Accrual is computed monthly by applying the rate to taxable income for the month.

\$ 7

UGI Utilities, Inc. - Gas Division
Schedule of Taxes Accrued per Books - Fully Projected Future Test Year
Twelve Months Ended September 30, 2020
(Thousands of Dollars)

<u>Description</u>	<u>Amount</u>	<u>Basis for Accrual of Tax</u>	<u>Amount of Tax Accrued Monthly</u>
PA Public Utility Realty Tax	0	Tax is based on assessed valuation of the company's taxable real property.	Monthly accrual is one twelfth of total estimated tax.
PA Unemployment Tax	0	Tax based on employer's unemployment rate multiplied by a maximum of \$10,000 per employee.	Accrual is computed monthly by applying the tax rate to taxable earnings.
PA Use Tax	7	Tax based on taxable purchases on which sales tax has not been charged at the rate of 6%.	Accrual computed monthly by applying the tax rate to applicable purchases.
Federal Unemployment Tax	0	Tax is based on the first \$7,000 earned by an employee at a taxable rate of 6%.	Accrual is computed monthly by applying the tax rate to taxable earnings.
FICA	0	Tax for OASDI is based on the first \$132,900 earned by an employee at a taxable rate of 6.2%. Tax for HI is based on all wages at a taxable rate of 1.45%	Accrual is computed monthly by applying the tax rate to taxable earnings.
PA Corporate Net Income Tax	0	Tax is based on taxable net income as defined by the Pennsylvania Department of Revenue at the current rate of 9.99%	Accrual is computed monthly by applying the rate to taxable income for the month.
Federal Income Tax	0	Tax is based on taxable net income as defined by and reported to the IRS. Current rate is 21% of taxable income. Note, the amount reflected is negative due to cash payments exceeding accrued tax expense.	Accrual is computed monthly by applying the rate to taxable income for the month.

\$ 7

UGI Utilities, Inc. - Gas Division
Docket No. R-2018-3006814
UGI GAS 2019 BASE RATE CASE
Responses to Section 53.53 - III-A - Balance Sheet
and Operating Statement - All Utilities
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III-A-67

Request:

For the test year as recorded on test year operating statement:

- a. Supply the amount of federal income taxes actually paid.
- b. Supply the amount of the federal income tax normalizing charge to tax expense due to excess of accelerated tax depreciation over book depreciation.
- c. Supply the normalizing tax charge to federal income taxes for the 10% Job Development Credit during test year.
- d. Provide the amount of the credit of federal income taxes due to the amortization or normalizing yearly debit to the reserve for the 10% Job Development Credit.
- e. Provide the amount of the credit to federal income taxes for the normalizing of any 3% Investment Tax Credit Reserve that may remain on the utility books.

Response:

- a & b. Refer to UGI Gas Exhibit A (Historic), UGI Gas Exhibit A (Future) and UGI Gas Exhibit A (Fully Projected), Schedule D-33.
- c & d. None.
- e. \$318,420.

Prepared by or under the supervision of: Nicole M. McKinney

UGI Utilities, Inc. - Gas Division
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III-A-68

Request:

Provide the debit and credit in the test year to the Deferred Taxes due to Accelerated Depreciation for federal income tax, and provide the debit and credit for the Job Development Credits (whatever account) for test year.

Response:

The debit and credit in the test year to the Deferred Taxes due to Accelerated Depreciation for federal income tax is as follows:

A/C #	Account Description	Debit	Credit
410XXX	Deferred Tax Expense	\$XXX,XXX	
282XXX	Accumulated Deferred Taxes		\$XXX,XXX

UGI Gas has no Job Development Credits.

Refer to UGI Gas Exhibit A (Historic), UGI Gas Exhibit A (Future), and UGI Gas Exhibit A (Fully Projected), Section D, Schedules D-33 and D-34.

Prepared by or under the supervision of: Nicole M. McKinney

UGI Utilities, Inc. - Gas Division
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III-A-69

Request:

Reconcile all data given in answers to questions on income taxes charged on the test year operating statement with regard to income taxes paid, income taxes charged because of normalization and credits due to yearly write-offs of past years' income tax deferrals, and from normalization of investment tax and development credits. (Both state and federal income taxes.)

Response:

Refer to UGI Gas Exhibit A (Historic), UGI Gas Exhibit A (Future), and UGI Gas Exhibit A (Fully Projected), Section D, Schedules D-33 and D-34. UGI Gas does not have development credits.

Prepared by or under the supervision of: Nicole M. McKinney

UGI Utilities, Inc. - Gas Division
Docket No. R-2018-3006814
UGI GAS 2019 BASE RATE CASE
Responses to Section 53.53 - III-A - Balance Sheet
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Delivered on January 28, 2019

III-A-70

Request:

With respect to determination of income taxes, federal and state:

- a. Show income tax results of the annualizing and normalizing adjustments to the test year record before any rate increase.
- b. Show income taxes for the annualized and normalized test year.
- c. Show income tax effect of the rate increase requested.
- d. Show income taxes for the normalized and annualized test year after application of the full rate increase.

[It is imperative that continuity exists between the income tax calculations as recorded for the test year and the final income tax calculation under proposed rates. If the company has more than one accounting area, then additional separate worksheets must be provided in addition to those for total company.]

Response:

Please refer to UGI Gas Exhibit A (Historic), UGI Gas Exhibit A (Future), and UGI Gas Exhibit A (Fully Projected), Section D, Schedules D-33 and D-34.

Prepared by or under the supervision of: Nicole M. McKinney

UGI Utilities, Inc. - Gas Division
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Responses to Section 53.53 - III-A - Balance Sheet
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III-A-71

Request:

In adjusting the test year to an annualized year under present rates, explain any changes that may be due to book or tax depreciation change and to debits and credits to income tax expense due to accelerated depreciation, deferred taxes, job development credits, tax refunds or other items.

(The above refers only the adjustments going from recorded test year to annualized test year.)

Response:

Adjustments relative to the subject matter were made to recorded data to annualize the test years' data and are based on property balances at the end of the test year to reflect a full year's expense of deferral. See the Direct Testimony of Nicole M. McKinney, UGI Gas Statement No. 11.

Prepared by or under the supervision of: Nicole M. McKinney

UGI Utilities, Inc. - Gas Division
Docket No. R-2018-3006814
UGI GAS 2019 BASE RATE CASE
Responses to Section 53.53 - III-E - Balance Sheet
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III-E-1

Request:

If Unrecovered Fuel Cost policy is implemented, provide the following:

- a. State manner in which amount of Unrecovered Fuel Cost on balance sheet at the end of the test year was determined, and the month in test year in which such fuel expense was actually incurred. Provide amount of adjustment made on the rate case operating account for test year-end unrecovered fuel cost. (If different than balance sheet amount, explain.)
- b. Provide amount of Unrecovered Fuel Cost that appeared on the balance sheet at the opening date of the test year, and the manner in which it was determined. State whether this amount is in the test year operating account.

Response:

- a. Refer to Attachment III-E-1.
- b. The balance and source of the unrecovered fuel cost at the beginning of the Fully Projected Test Year are set forth on Attachment III-E-1. Charges and/or credits to the cost of gas associated with deferral or amortization of unrecovered fuel costs have been eliminated from the pro forma operating income statements set forth in UGI Gas Exhibit A, Section D.

Prepared by or under the supervision of: David E. Lahoff

UGI Utilities, Inc. - Gas Division
Unrecovered Fuel Costs and Revenues
For the periods ending September 30, 2019 and 2020
U.S. Dollars in Thousands

Month	Year	Fuel Costs	Revenues	Under (Over) Collection
October	2018	\$ 12,958	\$ 11,759	\$ 1,199
November	2018	32,531	24,354	8,177
December	2018	50,427	41,438	8,989
January	2019	52,699	54,178	(1,479)
February	2019	41,623	53,769	(12,145)
March	2019	36,884	41,806	(4,922)
April	2019	15,287	26,173	(10,886)
May	2019	12,053	13,333	(1,279)
June	2019	9,253	7,325	1,927
July	2019	8,801	4,718	4,083
August	2019	8,843	4,516	4,327
September	2019	9,730	6,075	3,655
October	2019	15,641	11,629	4,011
November	2019	34,905	24,096	10,809
December	2019	50,427	42,293	8,134
January	2020	52,699	55,304	(2,605)
February	2020	41,623	54,884	(13,261)
March	2020	36,884	42,660	(5,776)
April	2020	15,287	26,685	(11,399)
May	2020	12,053	13,586	(1,532)
June	2020	9,253	7,460	1,793
July	2020	8,801	4,807	3,994
August	2020	8,843	4,602	4,241
September	2020	9,730	6,187	3,543
Beginning Balance as of 9/30/2018				(31,828)
Purchased Fuel Cost Adjustment				<u>3,596</u>
Unrecovered Purchased Fuel Cost as of 9/30/2020				<u><u>\$ (28,232)</u></u>

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UGI GAS 2019 BASE RATE CASE
Responses to Section 53.53 - III-E - Balance Sheet
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III-E-2

Request:

Provide details of items and amounts comprising the accounting entries for Deferred Fuel Cost at the beginning and end of the test year.

Response:

Refer to Attachment III-E-1 for an analysis of entries made to the Deferred Fuel Cost Account during the Fully Projected Future Test Year.

Prepared by or under the supervision of: David E. Lahoff

UGI Utilities, Inc. - Gas Division
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III-E-3

Request:

Submit a schedule showing a reconciliation of test year MCF sales and line losses. List all amounts of gas purchased, manufactured and transported.

Response:

The data is provided below for the Historic Year on a consolidated basis.

Throughput -	264,177,324	Mcf
Company Use Gas -	317,203	Mcf
Line Loss -	1,388,393	Mcf
Total Sendout -	265,882,920	Mcf

Prepared by or under the supervision of: David E. Lahoff

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

Request:

Provide detailed calculations substantiating the adjustment to revenues for annualization of changes in number of customers and annualization of changes in volume sold for all customers for the test year.

- a. Break down changes in number of customers by rate schedules.
- b. If an annualization adjustment for changes in customers and changes in volume sold is not submitted, please explain.

Response:

- a. Please see the Direct Testimony of David E. Lahoff, UGI Gas Statement No. 8.
- b. Not applicable.

Prepared by or under the supervision of: David E. Lahoff

UGI Utilities, Inc. - Gas Division
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III-E-5

Request:

Submit a schedule showing the sources of gas supply associated with annualized MCF sales.

Response:

Please see the response to III-E-30.

Prepared by or under the supervision of: Angelina M. Borelli

UGI Utilities, Inc. - Gas Division
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III-E-6

Request:

Supply, by classification, Operating Revenues--Miscellaneous for test year.

Response:

Please refer to Attachment III-E-6 for a schedule of budgeted Operating Revenues – Miscellaneous for the years ended September 30, 2018-2020.

Prepared by or under the supervision of: Stephen F. Anzaldo

UGI UTILITIES, INC. - GAS DIVISION
OPERATING REVENUES - MISCELLANEOUS
FOR THE YEARS ENDED SEPTEMBER 30, 2018, 2019, AND 2020

(000's)

Account No.	Actual 12 Months 09/30/18	Budgeted 12 Months 09/30/19	Budgeted 12 Months 09/30/20
487 Forefeited Discounts	\$ 5,927	\$ 4,909	\$ 4,909
488 Miscellaneous Service Revenues	\$ 817	\$ 624	\$ 624
493 Rent from Gas Property	\$ 319	\$ 306	\$ 306
495 Other Gas Revenues	\$ 56	\$ 41	\$ 41
Total	<u>\$ 7,119</u>	<u>\$ 5,880</u>	<u>\$ 5,880</u>

UGI Utilities, Inc. - Gas Division
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III-E-7

Request:

Provide details of respondent's attempts to recover uncollectible and delinquent accounts.

Response:

UGI Gas refers bad debt placements to a collection agency for continuing collection action. When the service is closed, the customer receives a closing bill. Placements are sent to the collection agency within sixty (60) days after the service is closed. The day after the final bill is due, a Final Bill Reminder is mailed. The reminder states that their balance must be paid to avoid being turned over to a collection agency. Fourteen (14) days later the account is sent to collections.

Prepared by or under the supervision of: Daniel V. Adamo

UGI Utilities, Inc. - Gas Division
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UGI GAS 2019 BASE RATE CASE
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III-E-8

Request:

Describe how the net billing and gross billing is determined. For example, if the net billing is based on the rate blocks plus FCA and STA, and the gross billing is determined by a percentage increase (1, 3 or 5 percent), then state whether the percentage increase is being applied to all three items of revenue--rate blocks plus FCA and STA.

Response:

- A. The total net bill is the sum of:
1. Tariff Amount – calculated as the volume of usage priced through the rate schedule tables.
 2. Currently effective surcharges.
 3. Sales Tax – calculated as the product of the current sales tax percentage (6%) and the sum of the above. Sales tax is not applied to residential customers when the purchase of natural gas is solely for the purchaser's own residential use and non-residential customers are exempt from sales tax if the purchaser is entitled to claim an exemption under Chapter 61 of the Pa. Code § 32.25 subsection (d). If a tax exemption certificate is on file for these non-residential customers, the tax base is adjusted in accordance with the exemption certificate.
- B. The gross bill is the sum of:
1. Total net bill as described above.
 2. Late payment charges on any unpaid previous balance, if any, as of the billing date.
 3. Late payment charge for payment made after the due date (see III-E-9 for details on late payment charges applied).

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III-E-8 (Continued)

- C. The percentage increase (late payment charge) is applied to the base tariff rate and the State Tax Adjustment Surcharge. The late payment charge is not applied to Sales Tax or to previously applied late payment charges.

Prepared by or under the supervision of: David E. Lahoff

UGI Utilities, Inc. - Gas Division
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III-E-9

Request:

Describe the procedures involved in determining whether forfeited discounts or penalties are applied to customer billing.

Response:

Please refer to UGI Gas Exhibit F, Rules 8.7 and 8.8 of the current tariffs for UGI Gas-South Rate District, UGI Gas – North Rate District, and UGI Gas – Central Rate District.

Please refer to UGI Gas Exhibit F, Rules 8.7 and 8.8 of the proposed tariff for UGI Utilities, Inc. – Gas Division.

Prepared by or under the supervision of: Daniel V. Adamo

UGI Utilities, Inc. - Gas Division
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III-E-10

Request:

Provide annualization of revenues as a result of rate changes occurring during the test year, at the level of operations as of end of the test year.

Response:

Please see the Direct Testimony of David E. Lahoff, UGI Gas Statement No. 8, for detail on the annualization of revenues.

Prepared by or under the supervision of: David E. Lahoff

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III-E-11

Request:

Provide a detailed billing analysis supporting present and proposed rates by customer classification and/or tariff rate schedule.

Response:

Please see UGI Gas Exhibit E - Proof of Revenue.

Prepared by or under the supervision of: David E. Lahoff

UGI Utilities, Inc. - Gas Division
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III-E-12

Request:

Provide a schedule showing residential and commercial heating sales by unit (MCF) per month and degree days for the test year and three preceding twelve month periods.

Response:

Please see Attachment III-E-12.

Prepared by or under the supervision of: David E. Lahoff

UGI Utilities, Inc. - Gas Division
Residential and Commercial Heating Sales (Mcf's)

	October	November	December	January	February	March	April	May	June	July	August	September	Total	
<u>Degree Days</u>														
2016-2017		324	589	973	961	719	879	264	205	33	2	19	89	5,057
2017-2018		227	684	1,087	1,156	775	905	573	69	29	2	2	61	5,569
2018-2019		381	660	997	1,142	972	786	429	176	33	5	11	95	5,687
2019-2020		381	660	997	1,142	972	786	429	176	33	5	11	95	5,687
<u>Residential Heating Sales (Mcf's)</u>														
<u>Rate R & RT</u>														
2016-2017	2,293,593	4,506,322	7,899,836	7,644,709	6,026,668	7,574,353	2,138,869	1,841,700	1,111,027	744,308	513,888	1,467,315	43,762,587	
2017-2018	1,772,403	5,286,938	9,378,592	10,217,079	6,645,600	7,380,275	4,655,797	1,093,712	916,498	684,709	663,370	875,872	49,570,845	
2018-2019	2,690,635	5,152,077	8,261,269	9,711,700	7,771,784	6,337,002	3,470,087	1,596,517	888,567	719,907	748,179	1,187,015	48,534,740	
2019-2020	2,724,006	5,223,557	8,377,449	9,847,632	7,877,844	6,424,481	3,517,985	1,616,974	901,200	730,510	759,011	1,202,734	49,203,385	
<u>Commercial Heating Sales (Mcf's)</u>														
<u>Rate N, NT & DS</u>														
2016-2017	1,447,672	2,812,974	5,211,727	5,716,560	4,113,395	4,537,624	1,879,520	1,290,483	760,497	863,061	821,936	847,071	30,302,521	
2017-2018	1,376,141	3,702,275	5,398,299	7,007,308	4,631,039	5,086,378	3,200,655	1,217,383	918,504	739,817	777,495	962,066	35,017,360	
2018-2019	1,806,654	3,568,325	5,303,114	6,574,696	5,237,998	4,539,494	2,661,472	1,234,122	895,106	757,717	767,529	1,032,890	34,379,116	
2019-2020	1,840,831	3,627,761	5,399,155	6,686,218	5,329,579	4,612,591	2,695,424	1,251,826	906,782	768,383	778,111	1,047,212	34,943,874	

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III-E-13

Request:

Provide a schedule of present and proposed tariff rates showing dollar change and percent of change by block. Also, provide an explanation of any change in block structure and the reasons therefor.

Response:

Please see UGI Gas Exhibit E - Proof of Revenue and the Direct Testimony of David E. Lahoff, UGI Gas Statement No. 8.

Prepared by or under the supervision of: David E. Lahoff

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III-E-14

Request:

Provide the following statements and schedules. The schedules and statements for the test year portion should be reconciled with the summary operating statement.

- a. An operating revenues summary for the test year and the year preceding the test year showing the following (Gas MCF):
 - (i) For each major classification of customers
 - (a) MCF sales
 - (b) Dollar Revenues
 - (c) Forfeited Discounts (Total if not available by classification)
 - (d) Other and Miscellaneous revenues that are to be taken into the utility operating account along with their related costs and expenses.
 - (ii) A detailed explanation of all annualizing and normalizing adjustments showing method utilized and amounts and rates used in calculation to arrive at adjustment.
 - (iii) Segregate, from recorded revenues from the test year, the amount of revenues that are contained therein, by appropriate revenue categories, from:
 - (a) Fuel Adjustment Surcharge
 - (b) State Tax Surcharge
 - (c) Any other surcharge being used to collect revenues.
 - (d) Provide explanations if any of the surcharges are not applicable to respondent's operations.

[The schedule should also show number of customers and unit of sales (Mcf), and should provide number of customers by service classification at beginning and end of test year.]
- b. Provide details of sales for resale, based on periods five years before and projections for five years after the test year, and for the test year. List customers, Mcf sold, revenues received, source of Mcf sold (storage gas, pipeline gas,

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III-E-14 (Continued)

manufactured gas, natural or synthetic), contracted or spot sales, whether sales are to affiliated companies, and any other pertinent information.

Response:

- a. (i)(a) Please see Attachment III-E-19.
- (i)(b)-(d) Please see UGI Gas Exhibit A, Schedule D-5 (Historic), UGI Gas Exhibit A, Schedule D-5 (Future), and UGI Gas Exhibit A, Schedule D-5 (Fully Projected).
- (ii) Please see the Direct Testimony of David E. Lahoff, UGI Gas Statement No. 8.
- (iii) (a)-(d) Please see UGI Gas Exhibit E, Proof of Revenue.
- b. None.

Prepared by or under the supervision of: David E. Lahoff

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III-E-15

Request:

State manner in which revenues are being presented for ratemaking purposes:

- a. Accrued Revenues
- b. Billed Revenues
- c. Cash Revenues

Provide details of the method followed.

Response:

Fully Projected Test Year revenues at present and proposed rates are based upon a calculation applying present rates to projected volumes and number of customers and proposed rates to projected volumes and number of customers.

Prepared by or under the supervision of: David E. Lahoff

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III-E-16

Request:

If revenue accruing entries are made on the books at end of each fiscal period, give entries made accordingly at the end of the test year and at the beginning of the year. State whether they are reversed for ratemaking purposes.

Response:

The amount of unbilled revenue accrued at September 30, 2018 and September 30, 2017 for UGI Gas was \$9,906,088; and \$9,418,247, respectively. The Company annualizes revenue for ratemaking purposes eliminating the impacts of unbilled revenues.

Prepared by or under the supervision of: Megan Mattern

UGI Utilities, Inc. - Gas Division
Docket No. R-2018-3006814
UGI GAS 2019 BASE RATE CASE
Responses to Section 53.53 - III-E - Balance Sheet
and Operating Statement - Gas Utilities
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III-E-17

Request:

State whether any adjustments have been made to expenses in order to present such expenses on a basis comparable to the manner in which revenues are presented in this proceeding (i.e.--accrued, billed or cash).

Response:

No such adjustments have been made to expenses. Expenses are presented on a basis comparable to the manner in which revenues are presented.

Prepared by or under the supervision of: Stephen F. Anzaldo

UGI Utilities, Inc. - Gas Division
Docket No. R-2018-3006814
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Responses to Section 53.53 - III-E - Balance Sheet
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III-E-18

Request:

If the utility has a Fuel Adjustment Clause:

- a. State the base fuel cost per MCF chargeable against basic customers' rates during the test year. If there was any change in this basic fuel charge during the test year, give details and explanation thereof.
- b. State the amount in which the fuel adjustment clause cost per MCF exceeds the fuel cost per MCF charged in base rates at the end of the test year.
- c. If fuel cost deferment is used at the end of the test year, give
 - (i) The amount of deferred fuel cost contained in the operating statement that was deferred from the 12-month operating period immediately preceding the test year.
 - (ii) The amount of deferred fuel cost that was removed from the test period and deferred to the period immediately following the test year.
- d. State the amount of Fuel Adjustment Clause revenues credited to the test year operating account.
- e. State the amount of fuel cost charged to the operating expense account in the test year which is the basis of Fuel Adjustment Clause billings to customers in that year. Provide summary details of this charge.
- f. From the recorded test year operating account, remove the Fuel Adjustment Clause Revenues. Also remove from the test year recorded operating account the excess of fuel cost over base rate fuel charges, which is the basis for the Fuel Adjustment charges. Explain any difference between FAC Revenues and excess fuel costs. [The above is intended to limit the operating account to existing customers' base rate revenues and expense deductions relative thereto].

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III-E-18 (Continued)

Response:

The Company does not have a Fuel Adjustment Clause. The Company recovers its purchased gas costs through purchased gas costs rates under Section 1307(f) of the Public Utility Code.

Prepared by or under the supervision of: David E. Lahoff

UGI Utilities, Inc. - Gas Division
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III-E-19

Request:

Provide growth patterns of usage and customer numbers per rate class, using historical and projected data.

Response:

Please see Attachment III-E-19.

Prepared by or under the supervision of: David E. Lahoff

UGI Utilities, Inc. - Gas Divison
Usage and Customer Growth Patterns for Period Ending September 30

<u>Number of Customers</u> <u>September Year End</u>	September <u>2016</u>	September <u>2017</u>	September <u>2018</u>	September <u>2019</u>	September <u>2020</u>
Residential	507,202	507,332	495,751	509,675	518,377
Commercial	47,922	47,769	47,404	48,823	49,813
Industrial	722	698	676	650	633
Subtotal-Retail	<u>555,846</u>	<u>555,799</u>	<u>543,831</u>	<u>559,148</u>	<u>568,823</u>
Transportation-Other	70,850	79,870	98,194	94,239	94,246
Total	<u>626,696</u>	<u>635,669</u>	<u>642,025</u>	<u>653,387</u>	<u>663,069</u>
	September	September	September	September	September
<u>Total Fiscal Year Sales (Mcf's)</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Residential	37,801,515	40,373,901	44,103,093	42,907,696	43,410,056
Commercial	13,672,963	14,725,443	16,739,374	16,105,132	16,559,294
Industrial	783,047	759,814	911,682	714,838	700,657
Subtotal-Retail	<u>52,257,525</u>	<u>55,859,158</u>	<u>61,754,148</u>	<u>59,727,666</u>	<u>60,670,006</u>
Transportation-Other	159,936,347	186,971,519	202,123,871	270,681,045	271,388,744
Total	<u>212,193,872</u>	<u>242,830,677</u>	<u>263,878,020</u>	<u>330,408,710</u>	<u>332,058,750</u>

UGI Utilities, Inc. - Gas Division
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III-E-20

Request:

Provide, for test year only, a schedule by tariff rates and by service classifications showing proposed increase and percent of increase.

Response:

Please see UGI Gas Exhibit E - Proof of Revenue and the Direct Testimony of David E. Lahoff, UGI Gas Statement No. 8.

Prepared by or under the supervision of: David E. Lahoff

UGI Utilities, Inc. - Gas Division
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III-E-21

Request:

If a gas company is affiliated with another utility segment, such as a water or electric segment, explain the effects, if any, upon allocation factors used in the gas rate filing of current or recent rate increases allowed to the other utility segment (or segments) of the company.

Response:

Both UGI Corporation and UGI Utilities, Inc. provide services to UGI Utilities - Gas Division and UGI Utilities - Electric Division. These services are provided at cost. To the extent that these costs are allocated, the allocation process is described in the response to III-A-45.

The proposed rates of UGI Gas are not based on any increase granted to any other affiliated utility segment.

Prepared by or under the supervision of: Stephen F. Anzaldo

UGI Utilities, Inc. - Gas Division
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UGI GAS 2019 BASE RATE CASE
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III-E-22

Request:

Provide supporting data detailing curtailment adjustments, procedures and policies.

Response:

The Company did not have any curtailment adjustments during the historic test year ending September 30, 2018 and is not claiming any curtailment adjustments in its future test year or fully projected future test year. In addition, the Company follows curtailment procedures and policies as specified in its Gas Tariffs on file with the Commission. Please refer to UGI Gas Exhibit F, Section 19, Gas Emergency Planning, of the current tariffs for UGI Gas - South Rate District and UGI Gas - North Rate District; Section 15, Gas Emergency Planning, of the current tariff for UGI Gas - Central Rate District; and UGI Gas Exhibit F, Section 19, Gas Emergency Planning, of the proposed tariff for UGI Utilities, Inc. - Gas Division.

Prepared by or under the supervision of: Shaun M. Hart

UGI Utilities, Inc. - Gas Division
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UGI GAS 2019 BASE RATE CASE
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III-E-23

Request:

Submit a schedule showing fuel cost in excess of base compared to fuel cost recovery for the period two months prior to test year and the test year.

Response:

There are no fuel costs in excess of base compared to fuel cost recovery.

All of the Company's fuel costs are recovered through its annual purchased gas cost filing made pursuant to Section 1307(f) of the Public Utility Code.

Prepared by or under the supervision of: David E. Lahoff

UGI Utilities, Inc. - Gas Division
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III-E-24

Request:

Supply a detailed analysis of Purchased Gas for the test year and the twelve month period prior to the test year.

Response:

Please refer to UGI South (UGI-Gas Division) Docket No. R-2018-3001633, UGI North (PNG) Docket No. R-2018-3001632, and UGI Central (CPG) Docket No. R-2018-3001631 in the most recent Annual 1307(f) Purchased Gas Cost ("PGC") filings which can be found at URL

http://www.puc.pa.gov/about_puc/search_results.aspx?advanced=true.

Prepared by or under the supervision of: David E. Lahoff

UGI Utilities, Inc. - Gas Division
Docket No. R-2018-3006814
UGI GAS 2019 BASE RATE CASE
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III-E-25

Request:

Submit calculations supporting energy cost per MCF and operating ratio used to determine increase in costs other than production to serve additional load.

Response:

The energy cost per Mcf is developed as part of each annual and quarterly 1307(f) filing submitted to the Commission. Please refer to UGI South (UGI-Gas Division) Docket No. R-2018-3001633, UGI North (PNG) Docket No. R-2018-3001632, and UGI Central (CPG) Docket No. R-2018-3001631 in the most recent Annual 1307(f) Purchased Gas Cost ("PGC") filings which can be found at URL http://www.puc.pa.gov/about_puc/search_results.aspx?advanced=true.

Prepared by or under the supervision of: Stephen F. Anzaldo

UGI Utilities, Inc. - Gas Division
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III-E-26

Request:

Submit detailed calculations for bulk gas transmission service costs under supply and/or interconnection agreements.

Response:

UGI Gas incurs no bulk gas transmission costs under supply and/or interconnection agreements.

Prepared by or under the supervision of: Angelina M. Borelli

UGI Utilities, Inc. - Gas Division
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III-E-27

Request:

Submit a schedule for gas producing units retired or scheduled for retirement subsequent to the test year showing station, units, MCF capacity, hours of operation during test year, net output produced and cents/MCF of maintenance and fuel expenses.

Response:

UGI Gas did not have any gas producing units retired or scheduled for retirement subsequent to the test year.

Prepared by or under the supervision of: Megan Mattern

UGI Utilities, Inc. - Gas Division
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III-E-28

Request:

Provide a statement explaining the details of firm gas purchase (long-term) contracts with affiliated and nonaffiliated utilities, including determination of costs, terms of contract, and other pertinent information.

Response:

UGI Gas does not have any firm gas purchase (long-term) contracts with affiliated and nonaffiliated utilities.

Prepared by or under the supervision of: Angelina M. Borelli

UGI Utilities, Inc. - Gas Division
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III-E-29

Request:

Provide intrastate operations percentages by expense categories for two years prior to the test year.

Response:

The majority of the operations of UGI Gas are intrastate. UGI Gas has a small percentage of operations in Maryland under the jurisdiction of the Maryland Public Service Commission. The allocation factor used to assign the costs to the Maryland operation is based on plant assets. Please see Attachment III-E-29.

Prepared by or under the supervision of: Megan Mattern

**UGI Utilities, Inc. - Gas Division
Allocation Factor - UGI Gas
For The Year Ended September 30,**

<u>Allocation Factor</u>	<u>2017</u>	<u>2018</u>
Based on Plant		
Total Utility	\$2,984,621,275	\$3,269,955,338
Maryland	2,743,505	2,750,063
% Maryland	<u>0.0919%</u>	<u>0.0841%</u>

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III-E-30

Request:

Provide a schedule showing suppliers, MCF purchased, cost (small purchases from independent suppliers may be grouped); emergency purchases, listing same information; curtailments during the year; gas put into and taken out of storage; line loss, and any other gas input or output not in the ordinary course of business.

Response:

Please refer to UGI South (UGI-Gas Division) Docket No. R-2018-3001633, UGI North (PNG) Docket No. R-2018-3001632, and UGI Central (CPG) Docket No. R-2018-3001631 in the most recent Annual 1307(f) Purchased Gas Cost ("PGC") filings which can be found at URL http://www.puc.pa.gov/about_puc/search_results.aspx?advanced=true.

Prepared by or under the supervision of: Angelina M. Borelli

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III-E-31

Request:

Provide a schedule showing the determination of the fuel costs included in the base cost of fuel.

Response:

Please refer to UGI South (UGI-Gas Division) Docket No. R-2018-3001633, UGI North (PNG) Docket No. R-2018-3001632, and UGI Central (CPG) Docket No. R-2018-3001631 in the most recent Annual 1307(f) Purchased Gas Cost ("PGC") filings which can be found at URL

http://www.puc.pa.gov/about_puc/search_results.aspx?advanced=true.

Prepared by or under the supervision of: Angelina M. Borelli

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III-E-32

Request:

Provide a schedule showing the calculation of any deferred fuel costs shown in Account 174. Also, explain the accounting, with supporting detail, for any associated income taxes.

Response:

Please see Attachment III-E-32 which provides the calculation of deferred fuel costs shown in Account 174.

Prepared by or under the supervision of: Megan Mattern

UGI Utilities, Inc. - Gas Division
Statement of Total Over/Under Collections From the Present
Gas Cost Rate Adjustment Clause - 12 Months Ending September 30, 2018

	Sales Mcf (1)		PGC Revenue (2)		Cost of Fuel (3)		Over / (Under) Collections (4)
October	1,430,773	\$	7,958,148	\$	8,826,737	\$	(868,589)
November	3,564,538	\$	19,705,715	\$	37,052,085	\$	(17,346,369)
December	7,535,963	\$	39,661,255	\$	49,424,492	\$	(9,763,236)
January	14,175,525	\$	71,827,694	\$	55,434,378	\$	16,393,316
February	10,000,597	\$	49,872,041	\$	39,969,988	\$	9,902,053
March	9,119,401	\$	45,823,803	\$	41,852,487	\$	3,971,316
April	7,813,744	\$	39,163,482	\$	19,927,253	\$	19,236,229
May	3,667,646	\$	18,246,064	\$	8,514,180	\$	9,731,884
June	1,341,364	\$	6,543,079	\$	8,137,052	\$	(1,593,972)
July	1,054,860	\$	4,987,823	\$	9,042,702	\$	(4,054,879)
August	1,086,199	\$	5,143,663	\$	7,902,779	\$	(2,759,117)
September	953,744	\$	4,503,778	\$	9,146,115	\$	(4,642,337)
	<u>61,744,353</u>	<u>\$</u>	<u>313,436,546</u>	<u>\$</u>	<u>295,230,248</u>	<u>\$</u>	<u>18,206,297</u>

UGI Utilities, Inc. - Gas Division
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III-E-33

Request:

Submit a schedule showing maintenance expenses, gross plant and the relation of maintenance expenses thereto as follows:

- (i) Gas Production Maintenance Expenses per MCF production, per \$1,000 MCF production, and per \$1,000 of Gross Production Plant;
- (ii) Transmission Maintenance Expenses per MMCF mile and per \$1,000 of Gross Transmission Plant;
- (iii) Distribution Maintenance Expenses per customer and per \$1,000 of Gross Distribution Plant;
- (iv) Storage Maintenance Expenses per MMCF of Storage Capacity and \$1,000 of Gross Storage Plant. This schedule shall include three years prior to the test year, the test year and one year's projection beyond the test year.

Response:

Please see Attachment III-E-33.

Prepared by or under the supervision of: Stephen F. Anzaldo

UGI UTILITIES, INC. - GAS DIVISION
FOR THE YEARS ENDED SEPTEMBER 30, 2016 -2020

		<u>12 MONTHS ENDED</u>				
		<u>9/30/16</u>	<u>9/30/17</u>	<u>9/30/18</u>	<u>9/30/19</u>	<u>9/30/20</u>
(i)	Maintenance Exp /MCF Produced	-	-	-	-	-
	Maintenance Exp /\$1,000 MCF	-	-	-	-	-
	Maintenance Exp /\$1,000 GPP	-	-	-	-	-
(ii)	Trans. Main. Exp /MMCF	-	-	-	-	-
	Trans. Main. Exp /Transmission Mile	-	-	-	-	-
	Trans. Main. Exp /\$1,000 GTP	-	-	-	-	-
(iii)	Dist. Main. Exp /Customer	44.15	40.69	46.30	44.38	43.77
	Dist. Main. Exp /\$1,000 GDP	11.04	9.58	10.03	9.11	8.45
(iv)	Storage. Main. Exp /MMCF Capacity	-	-	-	-	-
	Storage. Main. Exp /\$1,000 GSP	-	-	-	-	-

UGI Utilities, Inc. - Gas Division
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III-E-34

Request:

Prepare a 3-column schedule of expenses, as described below for the following periods (supply sub-accounts, if significant, to clarify basic accounts):

- a. Column 1--Test Year
- b. Column 2 and 3--The two previous years

Provide the annual recorded expense by accounts. (Identify all accounts used but not specifically listed below.)

Response:

Please see Attachment III-E-34.

Prepared by or under the supervision of: Stephen F. Anzaldo

UGI Utilities, Inc. - Gas Division
Statement of Operation and Maintenance Expenses
12 Months Ended September 30, 2018, 2019 and 2020
(Thousands of Dollars)

<u>Title of Account</u>	<u>Acct. No.</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Manufactured Gas Production				
Operation Supervision and Engineering	710.0	\$ -	\$ -	\$ -
Production Labor and Expenses				
Steam Expenses	711.0	-	-	-
Other Power Expenses	712.0	-	-	-
Coke Oven Expenses	713.0	-	-	-
Producer Gas Expenses	714.0	-	-	-
Water Gas Generating Expenses	715.0	-	-	-
Oil Gas Generating Expenses	716.0	-	-	-
Liquefied Petroleum Gas Expenses	717.0	-	-	-
Other Process Production Expenses	718.0	-	-	-
Total Production Labor and Expenses		-	-	-
Gas Fuels				
Fuel Under Coke Ovens	719.0	-	-	-
Producer Gas Fuel	720.0	-	-	-
Water Gas Generator Fuel	721.0	-	-	-
Fuel for Oil Gas	722.0	-	-	-
Fuel for Liquefied Petroleum Gas Process	723.0	-	-	-
Other Gas Fuels	724.0	-	-	-
Total Gas Fuels Expenses		-	-	-
Gas Raw Materials				
Coal Carbonized in Coke Ovens	725.0	-	-	-
Oil for Water Gas	726.0	-	-	-
Oil for Oil Gas	727.0	-	-	-
Liquefied Petroleum Gas Expenses	728.0	-	-	-
Raw Materials for Other Gas Processes	729.0	-	-	-
Residuals Expenses	730.0	-	-	-
Residuals Produced-Credit	731.0	-	-	-
Purification Expenses	732.0	-	-	-
Gas Mixing Expenses	733.0	-	-	-
Duplicate Charges-Credit	734.0	-	-	-
Miscellaneous Production Expenses	735.0	-	-	-
Rents	736.0	-	-	-
Total Gas Raw Materials Expenses		-	-	-
Maintenance				
Maintenance Supervision and Engineering	740.0	-	-	-
Maintenance of Structures and Improvements	741.0	3,935	3,960	3,985
Maintenance of Production Equipment	742.0	-	-	-
Total Maintenance Expenses		3,935	3,960	3,985
Manufactured Gas Production Expenses		3,935	3,960	3,985
NATURAL GAS PRODUCTION EXPENSES				
Production and Gathering				
Operation				
Operating Supervision and Engineering	750.0	-	-	-
Production Maps and Records	751.0	-	-	-
Gas Wells Expenses	752.0	-	-	-
Field Lines Expenses	753.0	-	-	-
Field Compressor Station Expenses	754.0	-	-	-
Field Compressor Station Fuel and Power	755.0	-	-	-
Field Measuring and Regulating Station Expenses	756.0	-	-	-
Purification Expenses	757.0	-	-	-
Gas Well Royalties	758.0	-	-	-
Other Expenses	759.0	-	-	-
Rents	760.0	-	-	-
Total Production & Gathering Operation Expenses		-	-	-

UGI Utilities, Inc. - Gas Division
Statement of Operation and Maintenance Expenses
12 Months Ended September 30, 2018, 2019 and 2020
(Thousands of Dollars)

<u>Title of Account</u>	<u>Acct. No.</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Maintenance				
Maintenance Supervision and Engineering	761.0	-	-	-
Maintenance of Structures and Improvements	762.0	-	-	-
Maintenance of Producing Gas Wells	763.0	-	-	-
Maintenance of Field Lines	764.0	-	-	-
Maintenance of Field Compressor Station Equipment	765.0	-	-	-
Maintenance of Field Measuring and Reg. Station Equip.	766.0	-	-	-
Maintenance of Purification Equipment	767.0	-	-	-
Maintenance of Drilling and Cleaning Equipment	768.0	-	-	-
Maintenance of Other Equipment	769.0	-	-	-
Total Production & Gathering Maintenance Expenses		<u>-</u>	<u>-</u>	<u>-</u>
Products Extraction				
Operation				
Operation Supervision and Engineering	770.0	-	-	-
Operating Labor	771.0	-	-	-
Gas Shrinkage	772.0	-	-	-
Fuel	773.0	-	-	-
Power	774.0	-	-	-
Materials	775.0	-	-	-
Operation Supplies and Expenses	776.0	-	-	-
Gas Processed by Others	777.0	-	-	-
Royalties on Products Extracted	778.0	-	-	-
Marketing Expenses	779.0	-	-	-
Products Purchased for Resale	780.0	-	-	-
Variation in Products Inventory	781.0	-	-	-
Extracted Products Used by the Utility-Credit	782.0	-	-	-
Rents	783.0	-	-	-
Total Products Extraction Operation Expenses		<u>-</u>	<u>-</u>	<u>-</u>
Maintenance				
Maintenance Supervision and Engineering	784.0	-	-	-
Maintenance of Structures and Improvements	785.0	-	-	-
Maintenance of Extraction and Refining Equipment	786.0	-	-	-
Maintenance of Pipe Lines	787.0	-	-	-
Maintenance of Extracted Products Storage Equipment	788.0	-	-	-
Maintenance of Compressor Equipment	789.0	-	-	-
Maintenance of Gas Measuring & Regulating Equipment	790.0	-	-	-
Maintenance of Other Equipment	791.0	-	-	-
Total Products Extraction Maintenance Expenses		<u>-</u>	<u>-</u>	<u>-</u>
Total Natural Gas Production Expenses		<u>-</u>	<u>-</u>	<u>-</u>
EXPLORATION AND DEVELOPMENT EXPENSES				
Operation				
Delay Rentals	795.0	-	-	-
Nonproductive Well Drilling	796.0	-	-	-
Abandoned Leases	797.0	-	-	-
Other Exploration	798.0	-	-	-
Total Exploration and Development Operation Exp.		<u>-</u>	<u>-</u>	<u>-</u>

UGI Utilities, Inc. - Gas Division
Statement of Operation and Maintenance Expenses
12 Months Ended September 30, 2018, 2019 and 2020
(Thousands of Dollars)

<u>Title of Account</u>	<u>Acct. No.</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
OTHER GAS SUPPLY EXPENSES				
Operation				
Natural Gas Well Head Purchases	800.0	-	-	-
Natural Gas Well Head Purchases, Intercompany Trans.	801.0	-	-	-
Natural Gas Gasoline Plant Outlet Purchases	802.0	-	-	-
Natural Gas Transmission Line Purchases	803.0	-	-	-
Natural Gas City Gate Purchases	804.0	334,713	317,459	317,426
Liquefied Natural Gas Purchases	804.1	-	-	-
Other Gas Purchases	805.0	592	796	2,792
Purchases Gas Cost Adjustments	805.1	(32,164)	(34,823)	(30,256)
Exchange Gas	806.0	-	-	-
Purchased Gas Expenses	807.0	110	-	-
Gas Withdrawn from Storage-Debit	808.1	49,812	40,964	40,964
Gas Delivered to Storage-Credit	808.2	(46,253)	(27,248)	(27,248)
Withdrawals of Liquefied Nat. Gas Held for Processing	809.1	-	-	-
Deliveries of Natural Gas for Processing	809.2	-	-	-
Gas Used for Compressor Station Fuel-Credit	810.0	-	-	-
Gas Used for Products Extraction-Credit	811.0	-	-	-
Gas Used for Other Utility Operations-Credit	812.0	(841)	(919)	(921)
Other Gas Supply Expenses	813.0	34,985	17,653	17,652
		<u>340,954</u>	<u>313,882</u>	<u>320,409</u>
Gas Supply Operation Expenses				
Natural Gas Storage, Terminating & Processing Exp.				
Underground Storage Expenses				
Operation Supervision and Engineering	814.0	-	-	-
Maps and Records	815.0	-	-	-
Wells Expenses	816.0	-	-	-
Lines Expenses	817.0	-	-	-
Compressor Station Expenses	818.0	-	-	-
Compressor Station Fuel and Power	819.0	-	-	-
Measuring and Regulating Station Expenses	820.0	-	-	-
Purification Expenses	821.0	-	-	-
Exploration and Development	822.0	-	-	-
Gas Losses	823.0	-	-	-
Other Expenses	824.0	-	-	-
Storage Well Royalties	825.0	-	-	-
Rents	826.0	-	-	-
Total Underground Storage Expenses		<u>-</u>	<u>-</u>	<u>-</u>
Maintenance				
Maintenance Supervision and Engineering	830.0	-	-	-
Maintenance of Structures and Improvements	831.0	-	-	-
Maintenance of Reservoirs and Wells	832.0	-	-	-
Maintenance of Lines	833.0	-	-	-
Maintenance of Compressor Station Equipment	834.0	-	-	-
Maintenance of Measuring & Regulating Station Equip.	835.0	-	-	-
Maintenance of Purification Equipment	836.0	-	-	-
Maintenance of Other Equipment	837.0	-	-	-
Total Underground Maintenance Expenses		<u>-</u>	<u>-</u>	<u>-</u>
Other Storage Expenses				
Operation				
Operating Supervision and Engineering	840.0	-	-	-
Operation Labor and Expenses	841.0	-	-	-
Rents	842.0	-	-	-
Fuel	842.1	-	-	-
Power	842.2	-	-	-
Gas Losses	842.3	-	-	-
Storage Operation Expenses		<u>-</u>	<u>-</u>	<u>-</u>

UGI Utilities, Inc. - Gas Division
Statement of Operation and Maintenance Expenses
12 Months Ended September 30, 2018, 2019 and 2020
(Thousands of Dollars)

<u>Title of Account</u>	<u>Acct. No.</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Maintenance				
Maintenance Supervision and Engineering	843.1	-	-	-
Maintenance of Structures and Improvements	843.2	-	-	-
Maintenance of Gas Holders	843.3	-	-	-
Maintenance of Purification Equipment	843.4	-	-	-
Maintenance of Liquefaction Equipment	843.5	-	-	-
Maintenance of Vaporizing Equipment	843.6	-	-	-
Maintenance of Compressor Equipment	843.7	-	-	-
Maintenance of Measuring and Regulatory Equipment	843.8	-	-	-
Maintenance of Other Equipment	843.9	-	-	-
Storage Maintenance Expenses		<u>-</u>	<u>-</u>	<u>-</u>
LIQUEFIED NATURAL GAS TERMINATING AND PROCESSING EXPENSES				
Operation				
Operation Supervision and Engineering	844.1	-	-	-
LNG Processing Terminal Labor and Expenses	844.2	-	-	-
Liquefaction Processing Labor and Expenses	844.3	-	-	-
LNG Transportation Labor and Expenses	844.4	-	-	-
Measuring and Regulating Labor and Expenses	844.5	-	-	-
Compressor Station Labor and Expenses	844.6	-	-	-
Communication System Expenses	844.7	-	-	-
System Control and Load Dispatching	844.8	-	-	-
Fuel	845.1	-	-	-
Power	845.2	-	-	-
Rents	845.3	-	-	-
Demurrage Charges	845.4	-	-	-
Warfare Receipts-Credit	845.5	-	-	-
Processing Liquefied or Vaporized Gas by Others	845.6	-	-	-
Gas Losses	846.1	-	-	-
Other Expenses	846.2	-	-	-
Total Liq. N.G. Term & Proc. Operation Expenses		<u>-</u>	<u>-</u>	<u>-</u>
Maintenance				
Maintenance Supervision and Engineering	847.1	-	-	-
Maintenance of Structures and Improvements	847.2	-	-	-
Maintenance of LNG Processing Terminal Equipment	847.3	-	-	-
Maintenance of LNG Transportation Equipment	847.4	-	-	-
Maintenance of Measuring and Regulating Equipment	847.5	-	-	-
Maintenance of Compressor Station Equipment	847.6	-	-	-
Maintenance of Communication Equipment	847.7	-	-	-
Maintenance of Other Equipment	847.8	-	-	-
Total Liq. N.G. Term. Proc. Maintenance Expenses		<u>-</u>	<u>-</u>	<u>-</u>
TRANSMISSION EXPENSES				
Operation				
Operating Supervision and Engineering	850.0	-	-	-
System Control and Load Dispatching	851.0	-	-	-
Communication System Expenses	852.0	-	-	-
Compressor Station Labor and Expenses	853.0	-	-	-
Gas for Compressor Station Fuel	854.0	-	-	-
Other Fuel and Power for Compressor Stations	855.0	-	-	-
Mains Expenses	856.0	-	-	-
Measuring and Regulating Station Expenses	857.0	-	-	-
Transmission and Compression of gas by Others	858.0	-	-	-
Other Expenses	859.0	-	-	-
Rents	860.0	-	-	-
Total Transmission Operation Expenses		<u>-</u>	<u>-</u>	<u>-</u>

UGI Utilities, Inc. - Gas Division
Statement of Operation and Maintenance Expenses
12 Months Ended September 30, 2018, 2019 and 2020
(Thousands of Dollars)

<u>Title of Account</u>	<u>Acct. No.</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Maintenance				
Maintenance Supervision and Engineering	861.0	-	-	-
Maintenance of Structures and Improvements	862.0	-	-	-
Maintenance of Mains	863.0	-	-	-
Maintenance of Compressor Station Equipment	864.0	-	-	-
Maintenance of Measuring and Regulating Station Equip.	865.0	-	-	-
Maintenance of Communication Equipment	866.0	-	-	-
Maintenance of Other Equipment	867.0	-	-	-
Total Transmission Maintenance Expenses		<u>-</u>	<u>-</u>	<u>-</u>
DISTRIBUTION EXPENSES				
Operations Expense				
Operation Supervision and Engineering	870.0	6,847	7,530	8,038
Distribution Load Dispatching	871.0	1,235	1,831	1,859
Compressor Station Labor and Expenses	872.0	-	-	-
Compressor Station Fuel and Power (Major Only)	873.0	-	-	-
Mains and Services Expenses	874.0	19,586	20,969	21,440
Measuring and Regulating Station Expenses-General	875.0	2,024	1,955	1,995
Measuring and Regulating Station Expenses-Industrial	876.0	366	566	563
Measuring and Regulating Station Expenses-City Gate	877.0	611	1,240	1,240
Meter and House Regulator Expenses	878.0	3,261	4,470	4,556
Customer Installations Expenses	879.0	2,102	1,901	1,936
Other Expenses	880.0	5,191	5,514	5,515
Rents	881.0	363	240	240
Total Distribution Operation Expenses		<u>41,586</u>	<u>46,216</u>	<u>47,382</u>
Maintenance Expense				
Maintenance Supervision and Engineering	885.0	1,761	2,159	2,220
Maintenance of Structures and Improvements	886.0	74	26	26
Maintenance of Mains	887.0	16,832	16,712	16,550
Maintenance of Compressor Station Equipment	888.0	-	-	-
Maintenance of Measuring & Reg. Station Equip.-Genl.	889.0	1,361	1,308	1,387
Maintenance of Measuring & Reg. Station Equip.-Indtrl.	890.0	1,077	544	550
Maintenance of Measuring & Reg. Station Equip.-City G	891.0	1,361	1,067	1,058
Maintenance of Services	892.0	4,937	4,850	4,871
Maintenance of Meters & House Regulators	893.0	1,462	1,538	1,562
Maintenance of Other Equipment	894.0	847	776	784
Construction & Maintenance	895.0	-	-	-
Total Distribution Maintenance Expenses		<u>29,712</u>	<u>28,980</u>	<u>29,008</u>
CUSTOMER ACCOUNTS EXPENSES				
Operations				
Supervision	901.0	717	778	825
Meter Reading Expenses	902.0	2,262	2,510	2,574
Customer Records & Collection Expenses	903.0	31,217	28,880	28,795
Uncollectable Accounts	904.0	15,601	11,670	11,103
Miscellaneous Customer Accounts Expenses	905.0	2,181	1,948	1,996
Customer Account Operations Expenses		<u>51,978</u>	<u>45,786</u>	<u>45,293</u>
CUSTOMER SERVICE & INFORM. EXPENSES				
Operations				
Supervision	907.0	198	190	195
Customer Assistance Expenses	908.0	1,427	1,573	1,617
Informational & Instructional Advertising Expenses	909.0	1,153	1,252	1,327
Miscellaneous Customer Service & Informational Exp.	910.0	5,970	6,543	6,307
Total Cust. Service & Inform. Operations Exp		<u>8,748</u>	<u>9,558</u>	<u>9,446</u>

UGI Utilities, Inc. - Gas Division
Statement of Operation and Maintenance Expenses
12 Months Ended September 30, 2018, 2019 and 2020
(Thousands of Dollars)

<u>Title of Account</u>	<u>Acct.</u> <u>No.</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
SALES EXPENSES				
Operation				
Supervision	911.0	62	52	54
Demonstrating and Selling Expenses	912.0	1,318	1,776	1,828
Advertising Expenses	913.0	998	413	441
(Reserved)	914.0	-	-	-
(Reserved)	915.0	-	-	-
Miscellaneous Sales Expenses	916.0	42	192	199
Total Operation Sales Expenses		<u>2,420</u>	<u>2,433</u>	<u>2,522</u>
 ADMINISTRATIVE AND GENERAL EXPENSES				
Operation				
Administrative and General Salaries	920.0	18,702	18,731	20,424
Office Supplies and Expenses	921.0	19,782	24,017	26,247
Administrative Expenses Transferred-Credit	922.0	-	-	-
Outside Service Employed	923.0	17,869	19,868	20,904
Property Insurance	924.0	-	180	180
Injuries and Damages	925.0	9,376	7,158	7,437
Employee Pensions and Benefits	926.0	17,296	21,165	21,886
Franchise Requirements	927.0	-	-	-
Regulatory Commission Expenses	928.0	764	-	-
Duplicate Charges-Credit	929.0	-	-	-
General Advertising Expenses	930.1	762	660	675
Miscellaneous General Expenses	930.2	3,901	4,116	4,855
Rents	931.0	1,023	684	497
Total A & G Operation Expenses		<u>89,475</u>	<u>96,579</u>	<u>103,105</u>
Maintenance				
Maintenance of General Plant	932.0	3,704	4,765	4,449
Maintenance of General Plant	935.0	72	16	16
Total A & G Maintenance Expenses		<u>3,776</u>	<u>4,781</u>	<u>4,465</u>
 Total Gas Operation and Maintenance Expenses		 <u>\$ 572,584</u>	 <u>\$ 552,175</u>	 <u>\$ 565,615</u>
 Total Gas Operation Expenses		 \$ 539,096	 \$ 518,414	 \$ 532,142
Total Gas Maintenance Expenses		<u>33,488</u>	<u>33,761</u>	<u>33,473</u>
Total Gas Operation and Maintenance Expenses		<u>\$ 572,584</u>	<u>\$ 552,175</u>	<u>\$ 565,615</u>

UGI Utilities, Inc. - Gas Division
Docket No. R-2018-3006814
UGI GAS 2019 BASE RATE CASE
Responses to Section 53.53 - III-E - Balance Sheet
and Operating Statement - Gas Utilities
Delivered on January 28, 2019

III-E-35

Request:

Submit a schedule showing the Gross Receipts Tax Base used in computing Pennsylvania Gross Receipts Tax Adjustment.

Response:

Not applicable. UGI Gas is not subject to the Pennsylvania Gross Receipts Tax.

Prepared by or under the supervision of: Nicole M. McKinney

UGI Utilities, Inc. - Gas Division
Docket No. R-2018-3006814
UGI GAS 2019 BASE RATE CASE
Responses to Section 53.53 - III-E - Balance Sheet
and Operating Statement - Gas Utilities
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III-E-36

Request:

State the amount of gas, in mcf, obtained through various suppliers in past years.

Response:

Please see Book I, Attachment 1-A-1 of the 2017 1307(f) Purchased Gas Cost filing for UGI South (UGI-Gas Division) Docket No. R-2017-2602638, UGI North (PNG) Docket No. R-2017-2602633, and UGI Central (CPG) Docket No. R-2017-2602627 which can be found at URL http://www.puc.pa.gov/about_puc/search_results.aspx?advanced=true.

Please see Book I, Attachment 1-A-1 of the 2018 1307(f) Purchased Gas Cost filing for UGI South (UGI-Gas Division) Docket No. R-2018-3001633, UGI North (PNG) Docket No. R-2018-3001632, and UGI Central (CPG) Docket No. R-2018-3001631) which can be found at URL http://www.puc.pa.gov/about_puc/search_results.aspx?advanced=true.

Prepared by or under the supervision of: Angelina M. Borelli

UGI Utilities, Inc. - Gas Division
Docket No. R-2018-3006814
UGI GAS 2019 BASE RATE CASE
Responses to Section 53.53 - III-E - Balance Sheet
and Operating Statement - Gas Utilities
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III-E-37

Request:

In determining pro forma expense, exclude cost of gas adjustments applicable to fuel adjustment clause and exclude fuel adjustment clause revenues, so that the operating statement is on the basis of base rates only.

Response:

Please refer to UGI Gas Exhibit A (Historic), UGI Gas Exhibit A (Future), and UGI Gas Exhibit A (Fully Projected), Schedule D-6.

Prepared by or under the supervision of: Stephen F. Anzaldo

UGI Utilities, Inc. - Gas Division
Docket No. R-2018-3006814
UGI GAS 2019 BASE RATE CASE
Responses to Section 53.53 - III-E - Balance Sheet
and Operating Statement - Gas Utilities
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III-E-38

Request:

Identify company's policy with respect to replacing customers lost through attrition.

Response:

The Company actively seeks opportunities to add new customers, including new construction and conversion customers, and adds these customers to the extent they meet the requirements of the Company's Tariff.

Prepared by or under the supervision of: Shaun M. Hart

UGI Utilities, Inc. - Gas Division
Docket No. R-2018-3006814
UGI GAS 2019 BASE RATE CASE
Responses to Section 53.53 - III-E - Balance Sheet
and Operating Statement - Gas Utilities
Delivered on January 28, 2019

III-E-39

Request:

Identify procedures developed to govern relationship between the respondent and potential customers--i.e., basically expansion, alternate energy requirements, availability of supply, availability of distribution facilities, ownership of metering and related facilities.

Response:

Please refer to UGI Gas Exhibit F, Rule 5, Extension Regulation, of the current tariffs for UGI Gas - South Rate District, UGI Gas - North Rate District, and UGI Gas - Central Rate District.

Please refer to UGI Gas Exhibit F, Rule 5, Extension Regulation, of the proposed tariff for UGI Utilities, Inc. - Gas Division.

Prepared by or under the supervision of: Shaun M. Hart

SECTION 53.53 – RATE STRUCTURE

UGI Utilities, Inc. - Gas Division
Docket No. R-2018-3006814
UGI GAS 2019 BASE RATE CASE
Responses to Section 53.53 - IV-B - Rate Structure - Gas Utilities
Delivered on January 28, 2019

IV-B-1

Request:

Provide a Cost of Service Study showing the rate of return under the present and proposed tariffs for all customer classifications. The study should include a summary of the allocated measures of value, operating revenues, operating expenses and net return for each of the customer classifications at original cost and at the 5-year trended original cost.

a. (Reserved)

Response:

Please refer to UGI Gas Exhibit D, Schedules B and C.

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

UGI Utilities, Inc. - Gas Division
Docket No. R-2018-3006814
UGI GAS 2019 BASE RATE CASE
Responses to Section 53.53 - IV-B - Rate Structure - Gas Utilities
Delivered on January 28, 2019

IV-B-2

Request:

Provide a statement of testimony describing the complete methodology of the cost of service study.

Response:

Please see the Direct Testimony of Paul R. Herbert, UGI Gas Statement No. 6.

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

UGI Utilities, Inc. - Gas Division
Docket No. R-2018-3006814
UGI GAS 2019 BASE RATE CASE
Responses to Section 53.53 - IV-B - Rate Structure - Gas Utilities
Delivered on January 28, 2019

IV-B-3

Request:

Provide a complete description and back-up calculations for all allocation factors.

Response:

Please refer to UGI Gas Exhibit D, Schedule F, and the Direct Testimony of Paul R. Herbert, UGI Gas Statement No. 6.

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

UGI Utilities, Inc. - Gas Division
Docket No. R-2018-3006814
UGI GAS 2019 BASE RATE CASE
Responses to Section 53.53 - IV-B - Rate Structure - Gas Utilities
Delivered on January 28, 2019

IV-B-4

Request:

provide an exhibit for each customer classification showing the following data for the test year and the four previous years:

- a. The maximum coincident peak day demand.
- b. The maximum coincident 3-day peak day demand.
- c. The average monthly consumption in MCF during the Primary Heating Season (November-March).
- d. The average monthly consumption in MCF during the Non-heating season (April-October).
- e. The average daily consumption in MCF for each 12-month period.

Response:

Please see Attachments IV-B-4-(a)-(e).

Prepared by or under the supervision of: David E. Lahoff

**UGI Utilities, Inc. - Gas Division
Coincident Peak Day Demand**

Winter Season	Peak Day Date	Volume (Mdh)
2017-2018	1/5/2018	1,420.9
2016-2017	12/15/2016	1,407.9
2015-2016	2/13/2016	1,223.4
2014-2015	2/19/2015	1,220.5
2013-2014	1/7/2014	1,247.8

UGI Utilites, Inc. - Gas Division
Coincident 3-Day Peak Demand
Sendout By Rate Class

	2013-2014			2014-2015			2015-2016			2016-2017			2017-2018		
	JAN 6 (MDTH)	JAN 7 (MDTH)	Jan 8 (MDTH)	FEB 18 (MDTH)	FEB 19 (MDTH)	FEB 20 (MDTH)	FEB 12 (MDTH)	FEB 13 (MDTH)	FEB 14 (MDTH)	JAN 6 (MDTH)	JAN 7 (MDTH)	Jan 8 (MDTH)	JAN 4 (MDTH)	JAN 5 (MDTH)	JAN 6 (MDTH)
RG	4.8	6.3	4.8	4.0	5.6	5.2	4.8	6.1	5.6	3.4	4.0	4.4	3.3	3.8	3.9
RH	392.2	520.7	399.6	374.0	511.0	482.6	373.2	478.3	436.7	337.6	391.6	428.5	414.3	477.5	487.4
CG	4.7	6.2	4.8	4.1	5.7	5.4	5.4	6.9	6.2	4.9	5.7	6.2	5.1	5.9	6.0
CH	148.2	195.8	150.0	142.0	194.4	183.6	142.7	182.4	166.3	136.1	157.8	172.7	158.4	183.1	186.8
IG	3.1	3.9	3.0	1.8	2.4	2.4	1.6	2.0	1.8	1.7	1.8	2.0	1.7	2.2	2.2
IH	7.4	9.7	7.4	10.1	13.9	13.1	7.1	9.1	8.2	6.9	8.1	8.9	6.2	7.2	7.3
PGC FIRM	560.4	742.7	569.5	536.1	733.0	692.2	534.7	684.8	624.8	490.7	569.1	622.6	589.1	679.7	693.6
RT (CHOICE)	24.7	24.9	25.1	31.2	31.0	31.1	26.3	26.3	26.3	25.3	25.2	25.2	43.0	43.0	42.9
NT (CHOICE)	68.9	69.6	70.1	76.4	75.7	75.0	65.2	65.1	65.0	62.7	62.6	62.6	79.9	79.8	79.8
DS	72.2	93.9	73.0	72.4	93.4	85.8	83.4	101.8	95.0	77.2	87.0	97.5	89.6	97.5	100.2
LFD	94.9	102.5	94.2	98.1	103.7	95.5	89.3	86.1	87.7	87.3	81.7	90.5	108.1	106.3	97.3
XD-F/CDS-F	133.8	141.6	135.9	150.0	145.3	152.1	151.2	144.7	145.7	306.6	277.9	240.3	281.9	296.2	285.7
FIRM TRANSPORTATION	394.5	432.6	398.3	428.0	449.1	439.5	415.4	424.0	419.7	559.1	534.4	516.1	602.5	622.9	605.9
INTERRUPTIBLE	79.5	72.5	150.3	110.7	38.5	38.9	156.7	114.7	125.9	219.7	134.8	145.3	133.5	118.4	113.5
TOTAL	1,034.4	1,247.8	1,118.1	1,074.7	1,220.5	1,170.7	1,106.8	1,223.4	1,170.5	1,269.4	1,238.4	1,284.0	1,325.1	1,420.9	1,412.9

UGI Utilities, Inc. - Gas Division
Average Monthly Consumption in MCF during Primary Heating Season (November-March)

	Residential-Non Htg	Residential-Htg	RT	Commercial-Non Htg	Commercial-AC	Commercial-Htg	Industrial-Non Htg	Industrial-Htg	NT	DS	Large Transp- Other
2014	96,906	7,139,291	603,592	95,134	(143)	2,617,854	40,479	132,223	1,722,628	1,365,753	10,427,897
2015	93,666	7,339,511	664,575	95,262	(157)	2,774,583	38,099	147,703	1,705,201	1,450,669	10,348,978
2016	71,134	5,374,851	546,896	79,932	(120)	1,910,307	22,970	89,335	1,379,946	1,178,701	10,761,854
2017	56,564	6,127,398	610,795	79,748	(20)	2,142,054	23,042	104,525	1,480,102	1,363,001	14,160,748
2018	51,373	6,847,249	943,620	87,121	0	2,442,351	33,691	111,879	1,761,123	1,508,339	14,341,332

UGI Utilities, Inc. - Gas Division
Average Monthly Consumption in MCF during the Non-Heating Season (April-October)

	Residential- Non Htg	Residential-Htg	RT	Commercial-Non Htg	Commercial-AC	Commercial-Htg	Industrial-Non Htg	Industrial-Htg	NT	DS	Large Transp- Other
2014	42,614	1,356,975	118,711	54,464	1,052	489,294	5,640	19,658	437,357	402,473	9,603,180
2015	38,308	1,386,315	130,570	51,433	939	475,528	18,130	18,900	442,038	403,801	9,951,723
2016	34,123	1,436,150	141,833	49,768	1,003	472,216	9,992	15,989	458,094	443,417	12,288,497
2017	30,984	1,257,224	116,752	49,368	0	463,887	3,936	12,770	431,791	459,961	12,991,440
2018	26,451	1,455,430	216,923	51,095	0	570,574	7,057	21,233	550,230	504,751	14,945,472

UGI Utilities, Inc. - Gas Division
Average Daily Consumption in MCF for each 12-Month period

	Residential- Non Htg	Residential- Htg	RT	Commercial- Non Htg	Commercial- AC	Commercial- Htg	Industrial- Non Htg	Industrial-Htg	NT	DS	Large Transp- Other
2014	2,162	124,642	10,502	2,354	15	45,412	721	2,203	32,104	26,352	324,544
2015	2,020	125,396	11,390	2,297	17	46,913	773	2,376	31,550	27,489	334,053
2016	1,654	101,900	10,313	2,074	17	35,365	602	1,543	27,870	24,548	375,403
2017	1,352	109,250	10,820	1,983	2	38,354	391	1,691	28,690	27,516	445,168
2018	1,238	119,579	16,430	2,181	0	43,676	600	1,897	33,950	29,968	473,355

UGI Utilities, Inc. - Gas Division
Docket No. R-2018-3006814
UGI GAS 2019 BASE RATE CASE
Responses to Section 53.53 - IV-B - Rate Structure - Gas Utilities
Delivered on January 28, 2019

IV-B-5

Request:

Submit a Bill Frequency Analysis for each rate. The analysis should include the rate schedule and block interval, the number of bills at each interval, the cumulative number of bills at each interval, the Mcf or therms at each interval, the cumulative Mcf or therms at each interval, the accumulation of Mcf or therms passing through each interval, and the revenue at each interval for both the present rate and the proposed rates. The Analysis should show only those revenues collected from the basic tariff.

Response:

Please see the following attachments on the USB flash drive:

- Attachment IV-B-5 (a) - Rate Schedule DS
- Attachment IV-B-5 (b) - Rate Schedule LFD
- Attachment IV-B-5 (c) - Rate Schedules N and NT
- Attachment IV-B-5 (d) - Rate Schedules R and RT

Prepared by or under the supervision of: David E. Lahoff

UGI Utilities, Inc. - Gas Division
Docket No. R-2018-3006814
UGI GAS 2019 BASE RATE CASE
Responses to Section 53.53 - IV-B - Rate Structure - Gas Utilities
Delivered on January 28, 2019

IV-B-6

Request:

Supply copies of all present and proposed Gas Tariffs.

Response:

Please see UGI Gas Exhibit F - Current Tariff and UGI Gas Exhibit F - Proposed Tariff.

Prepared by or under the supervision of: David E. Lahoff

UGI Utilities, Inc. - Gas Division
Docket No. R-2018-3006814
UGI GAS 2019 BASE RATE CASE
Responses to Section 53.53 - IV-B - Rate Structure - Gas Utilities
Delivered on January 28, 2019

IV-B-7

Request:

Supply a graph of present and proposed base rates on hyperbolic cross section paper.

Response:

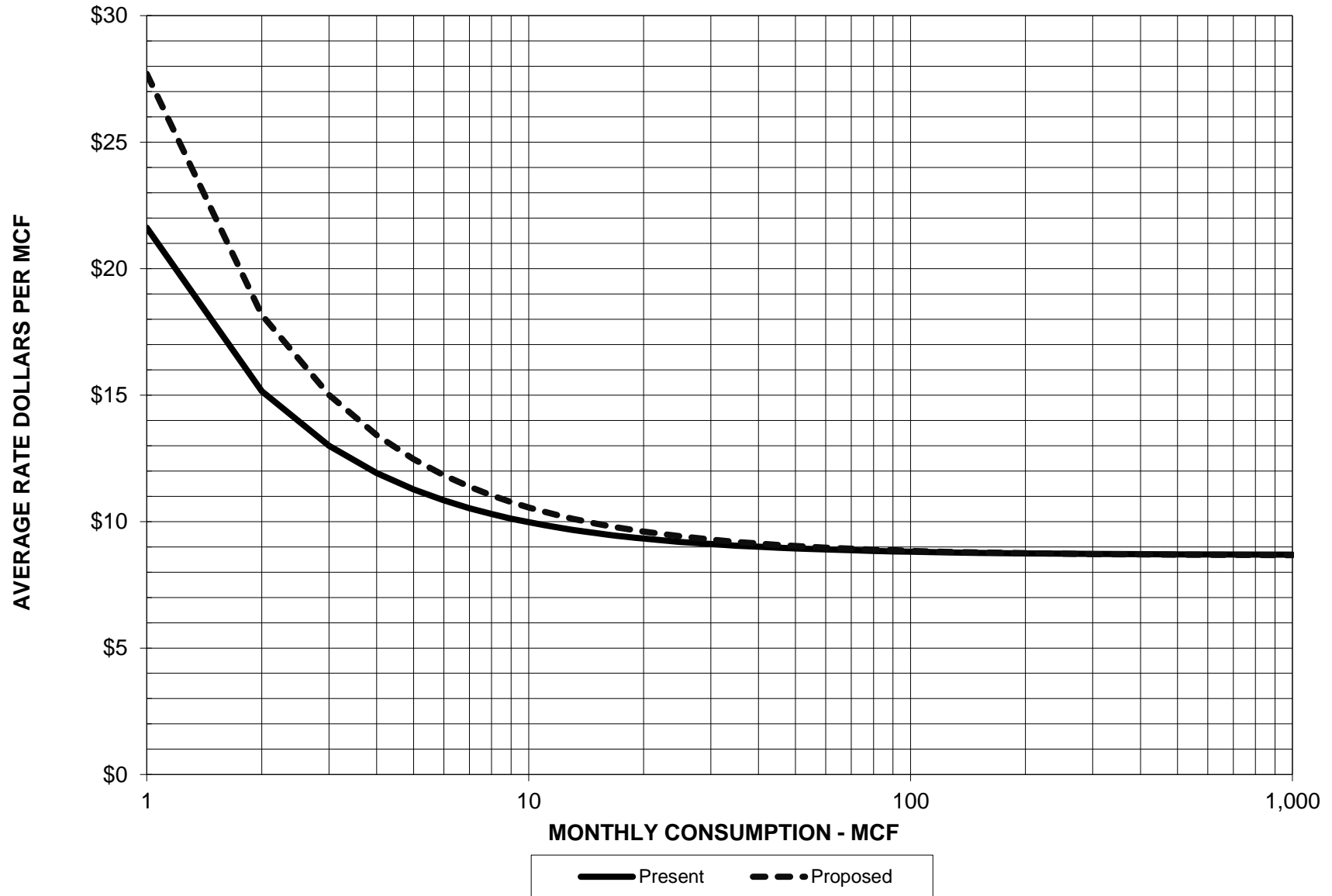
Please see Attachment IV-B-7.

Prepared by or under the supervision of: David E. Lahoff

**UGI Utilities, Inc. - Gas Division
Residential Service - Rate Schedule R
Calculation of the Effect of Proposed Rates**

<u>MCF</u>	<u>Bills Under Present Rates</u>	<u>Bills Under Proposed Rates</u>	<u>Increase Amount</u>	<u>Increase Percent</u>
-	\$ 12.94	\$ 19.05	\$ 6.11	47.2%
1	\$ 21.62	\$ 27.70	\$ 6.08	28.1%
2	\$ 30.30	\$ 36.35	\$ 6.06	20.0%
3	\$ 38.98	\$ 45.01	\$ 6.03	15.5%
4	\$ 47.66	\$ 53.66	\$ 6.00	12.6%
5	\$ 56.33	\$ 62.31	\$ 5.98	10.6%
6	\$ 65.01	\$ 70.96	\$ 5.95	9.2%
7	\$ 73.69	\$ 79.61	\$ 5.92	8.0%
8	\$ 82.37	\$ 88.27	\$ 5.90	7.2%
9	\$ 91.05	\$ 96.92	\$ 5.87	6.4%
10	\$ 99.73	\$ 105.57	\$ 5.84	5.9%
11	\$ 108.41	\$ 114.22	\$ 5.82	5.4%
12	\$ 117.08	\$ 122.87	\$ 5.79	4.9%
13	\$ 125.76	\$ 131.53	\$ 5.76	4.6%
14	\$ 134.44	\$ 140.18	\$ 5.74	4.3%
15	\$ 143.12	\$ 148.83	\$ 5.71	4.0%
16	\$ 151.80	\$ 157.48	\$ 5.68	3.7%
17	\$ 160.48	\$ 166.13	\$ 5.66	3.5%
18	\$ 169.16	\$ 174.78	\$ 5.63	3.3%
19	\$ 177.83	\$ 183.44	\$ 5.60	3.2%
20	\$ 186.51	\$ 192.09	\$ 5.58	3.0%
25	\$ 229.91	\$ 235.35	\$ 5.44	2.4%
30	\$ 273.30	\$ 278.61	\$ 5.31	1.9%
35	\$ 316.69	\$ 321.87	\$ 5.18	1.6%
40	\$ 360.08	\$ 365.13	\$ 5.04	1.4%
45	\$ 403.48	\$ 408.39	\$ 4.91	1.2%
50	\$ 446.87	\$ 451.65	\$ 4.78	1.1%
60	\$ 533.66	\$ 538.17	\$ 4.51	0.8%
70	\$ 620.44	\$ 624.68	\$ 4.24	0.7%
80	\$ 707.23	\$ 711.20	\$ 3.97	0.6%
90	\$ 794.02	\$ 797.72	\$ 3.71	0.5%
100	\$ 880.80	\$ 884.24	\$ 3.44	0.4%
125	\$ 1,097.77	\$ 1,100.54	\$ 2.77	0.3%
150	\$ 1,314.73	\$ 1,316.84	\$ 2.11	0.2%
200	\$ 1,748.66	\$ 1,749.43	\$ 0.77	0.0%
250	\$ 2,182.59	\$ 2,182.03	\$ (0.56)	0.0%
300	\$ 2,616.52	\$ 2,614.62	\$ (1.90)	-0.1%
400	\$ 3,484.38	\$ 3,479.82	\$ (4.57)	-0.1%
500	\$ 4,352.24	\$ 4,345.01	\$ (7.24)	-0.2%
1,000	\$ 8,691.54	\$ 8,670.96	\$ (20.58)	-0.2%

UGI Utilities, Inc.- Gas Division
Comparison of Present and Proposed Rates
Rate Schedule R

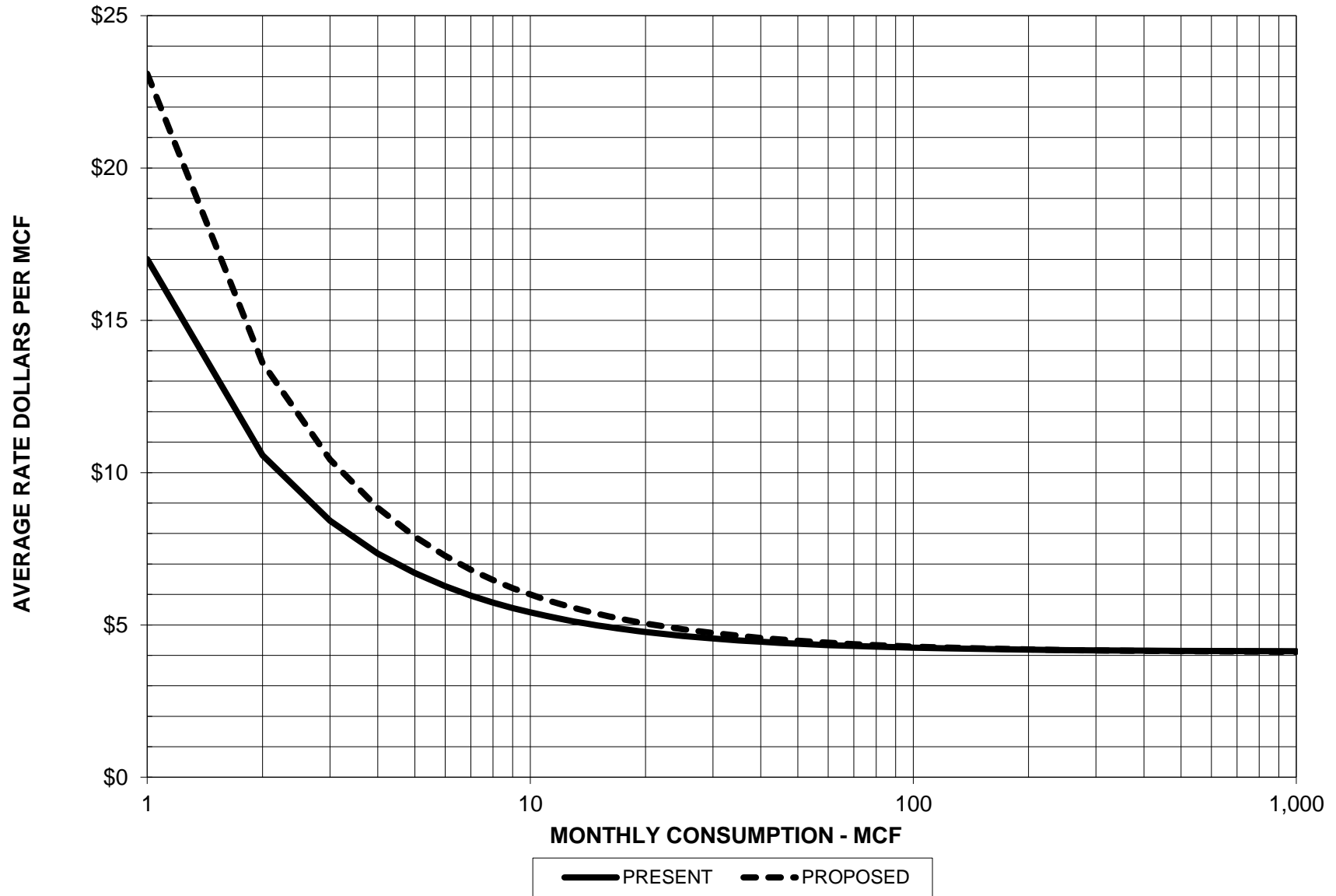


UGI Utilities, Inc. - Gas Division
Residential Transportation Service - Rate Schedule RT
Calculation of the Effect of Proposed Rates

MCF	Bills Under Present Rates	Bills Under Proposed Rates	Increase Amount	Increase Percent
-	\$ 12.89	\$ 19.00	\$ 6.11	47.4%
1	\$ 17.01	\$ 23.10	\$ 6.09	35.8%
2	\$ 21.13	\$ 27.20	\$ 6.06	28.7%
3	\$ 25.26	\$ 31.29	\$ 6.04	23.9%
4	\$ 29.38	\$ 35.39	\$ 6.01	20.5%
5	\$ 33.50	\$ 39.49	\$ 5.99	17.9%
6	\$ 37.63	\$ 43.59	\$ 5.96	15.8%
7	\$ 41.75	\$ 47.68	\$ 5.94	14.2%
8	\$ 45.87	\$ 51.78	\$ 5.91	12.9%
9	\$ 49.99	\$ 55.88	\$ 5.89	11.8%
10	\$ 54.12	\$ 59.98	\$ 5.86	10.8%
11	\$ 58.24	\$ 64.08	\$ 5.84	10.0%
12	\$ 62.36	\$ 68.17	\$ 5.81	9.3%
13	\$ 66.49	\$ 72.27	\$ 5.79	8.7%
14	\$ 70.61	\$ 76.37	\$ 5.76	8.2%
15	\$ 74.73	\$ 80.47	\$ 5.74	7.7%
16	\$ 78.85	\$ 84.56	\$ 5.71	7.2%
17	\$ 82.98	\$ 88.66	\$ 5.69	6.9%
18	\$ 87.10	\$ 92.76	\$ 5.66	6.5%
19	\$ 91.22	\$ 96.86	\$ 5.63	6.2%
20	\$ 95.35	\$ 100.96	\$ 5.61	5.9%
25	\$ 115.96	\$ 121.45	\$ 5.48	4.7%
30	\$ 136.57	\$ 141.93	\$ 5.36	3.9%
35	\$ 157.19	\$ 162.42	\$ 5.23	3.3%
40	\$ 177.80	\$ 182.91	\$ 5.11	2.9%
45	\$ 198.42	\$ 203.40	\$ 4.98	2.5%
50	\$ 219.03	\$ 223.89	\$ 4.86	2.2%
60	\$ 260.26	\$ 264.87	\$ 4.61	1.8%
70	\$ 301.49	\$ 305.85	\$ 4.36	1.4%
80	\$ 342.72	\$ 346.82	\$ 4.11	1.2%
90	\$ 383.95	\$ 387.80	\$ 3.86	1.0%
100	\$ 425.18	\$ 428.78	\$ 3.60	0.8%
125	\$ 528.25	\$ 531.23	\$ 2.98	0.6%
150	\$ 631.32	\$ 633.67	\$ 2.35	0.4%
200	\$ 837.46	\$ 838.56	\$ 1.10	0.1%
250	\$ 1,043.60	\$ 1,043.45	\$ (0.15)	0.0%
300	\$ 1,249.75	\$ 1,248.34	\$ (1.41)	-0.1%
400	\$ 1,662.03	\$ 1,658.12	\$ (3.91)	-0.2%
500	\$ 2,074.32	\$ 2,067.90	\$ (6.42)	-0.3%
1,000	\$ 4,135.75	\$ 4,116.80	\$ (18.95)	-0.5%

UGI Utilities, Inc. - Gas Division
Comparison of Present and Proposed Rates
Rate Schedule RT

Attachment IV-B-7
D. E. Lahoff
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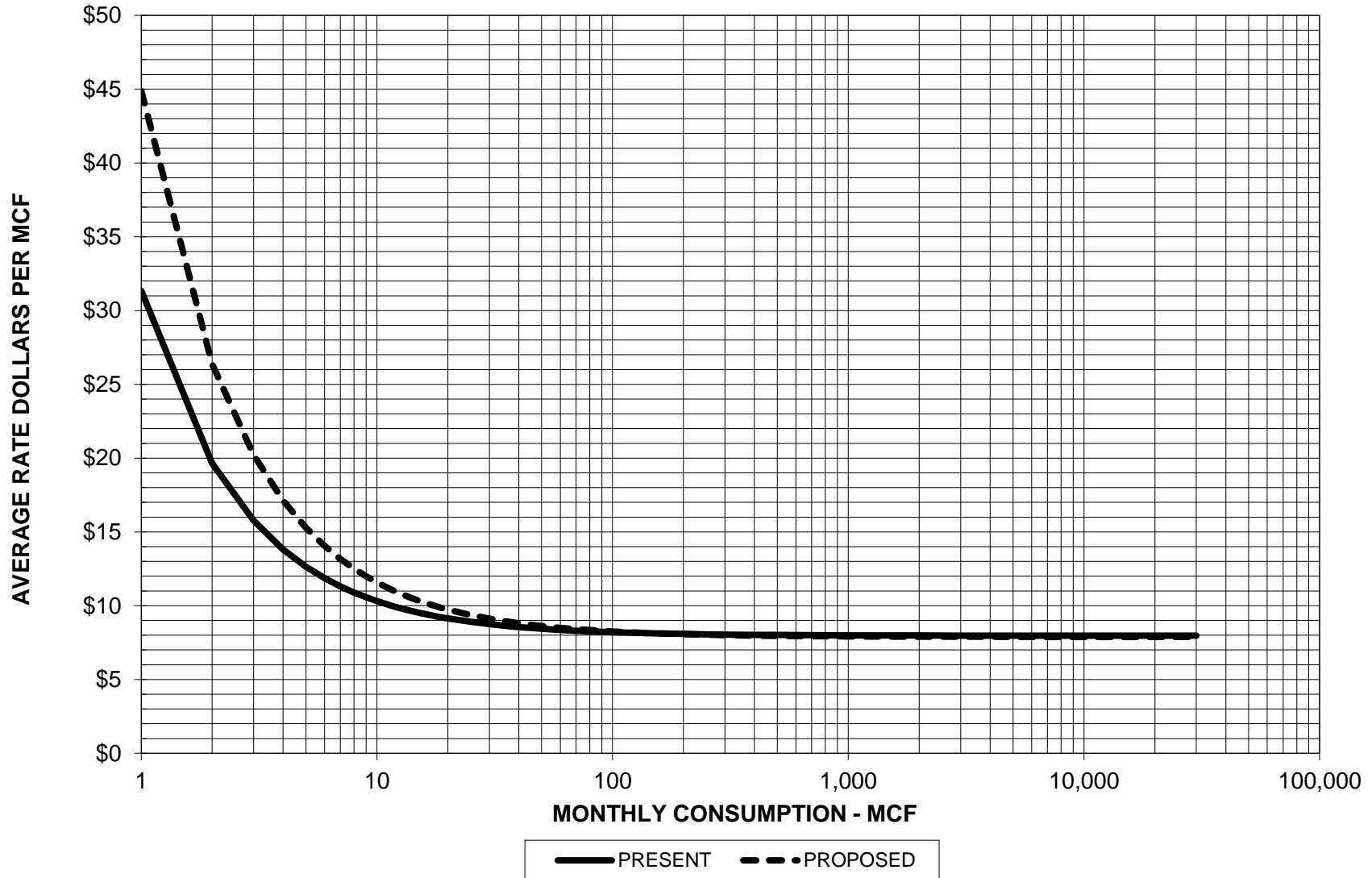


UGI Utilities, Inc. - Gas Division
Non-Residential Service - Rate Schedule N
Calculation of the Effect of Proposed Rates

MCF	Bills Under Present Rates	Bills Under Proposed Rates	Increase Amount	Increase Percent
-	\$ 23.37	\$ 37.00	\$ 13.63	58.3%
1	\$ 31.34	\$ 44.88	\$ 13.54	43.2%
2	\$ 39.31	\$ 52.76	\$ 13.46	34.2%
3	\$ 47.27	\$ 60.64	\$ 13.37	28.3%
4	\$ 55.24	\$ 68.52	\$ 13.28	24.0%
5	\$ 63.21	\$ 76.40	\$ 13.19	20.9%
6	\$ 71.18	\$ 84.28	\$ 13.11	18.4%
7	\$ 79.14	\$ 92.16	\$ 13.02	16.5%
8	\$ 87.11	\$ 100.04	\$ 12.93	14.8%
9	\$ 95.08	\$ 107.93	\$ 12.85	13.5%
10	\$ 103.05	\$ 115.81	\$ 12.76	12.4%
11	\$ 111.01	\$ 123.69	\$ 12.67	11.4%
12	\$ 118.98	\$ 131.57	\$ 12.59	10.6%
13	\$ 126.95	\$ 139.45	\$ 12.50	9.8%
14	\$ 134.92	\$ 147.33	\$ 12.41	9.2%
15	\$ 142.88	\$ 155.21	\$ 12.32	8.6%
16	\$ 150.85	\$ 163.09	\$ 12.24	8.1%
17	\$ 158.82	\$ 170.97	\$ 12.15	7.7%
18	\$ 166.79	\$ 178.85	\$ 12.06	7.2%
19	\$ 174.76	\$ 186.73	\$ 11.98	6.9%
20	\$ 182.72	\$ 194.61	\$ 11.89	6.5%
25	\$ 222.56	\$ 234.02	\$ 11.45	5.1%
30	\$ 262.40	\$ 273.42	\$ 11.02	4.2%
35	\$ 302.24	\$ 312.82	\$ 10.58	3.5%
40	\$ 342.08	\$ 352.22	\$ 10.15	3.0%
45	\$ 381.91	\$ 391.63	\$ 9.71	2.5%
50	\$ 421.75	\$ 431.03	\$ 9.28	2.2%
60	\$ 501.43	\$ 509.84	\$ 8.41	1.7%
70	\$ 581.11	\$ 588.64	\$ 7.54	1.3%
80	\$ 660.78	\$ 667.45	\$ 6.67	1.0%
90	\$ 740.46	\$ 746.26	\$ 5.80	0.8%
100	\$ 820.13	\$ 825.06	\$ 4.93	0.6%
125	\$ 1,019.33	\$ 1,022.08	\$ 2.75	0.3%
150	\$ 1,218.52	\$ 1,219.09	\$ 0.57	0.0%
200	\$ 1,616.90	\$ 1,613.12	\$ (3.78)	-0.2%
250	\$ 2,015.28	\$ 2,007.15	\$ (8.13)	-0.4%
300	\$ 2,413.66	\$ 2,401.18	\$ (12.48)	-0.5%
400	\$ 3,210.43	\$ 3,189.24	\$ (21.18)	-0.7%
500	\$ 4,007.19	\$ 3,977.31	\$ (29.89)	-0.7%
1,000	\$ 7,991.02	\$ 7,917.61	\$ (73.40)	-0.9%
2,000	\$ 15,958.66	\$ 15,798.22	\$ (160.44)	-1.0%
3,000	\$ 23,926.31	\$ 23,678.84	\$ (247.47)	-1.0%
4,000	\$ 31,893.95	\$ 31,559.45	\$ (334.50)	-1.0%
5,000	\$ 39,861.60	\$ 39,440.06	\$ (421.54)	-1.1%
6,000	\$ 47,829.24	\$ 47,320.67	\$ (508.57)	-1.1%
7,000	\$ 55,796.89	\$ 55,201.28	\$ (595.61)	-1.1%
8,000	\$ 63,764.54	\$ 63,081.90	\$ (682.64)	-1.1%
9,000	\$ 71,732.18	\$ 70,962.51	\$ (769.67)	-1.1%
10,000	\$ 79,699.83	\$ 78,843.12	\$ (856.71)	-1.1%
20,000	\$ 159,376.29	\$ 157,649.24	\$ (1,727.04)	-1.1%
30,000	\$ 239,052.74	\$ 236,455.36	\$ (2,597.38)	-1.1%

**UGI Utilities, Inc.- Gas Division
Comparison of Present and Proposed Rates
Rate Schedule N**

Attachment IV-B-7
D. E. Lahoff
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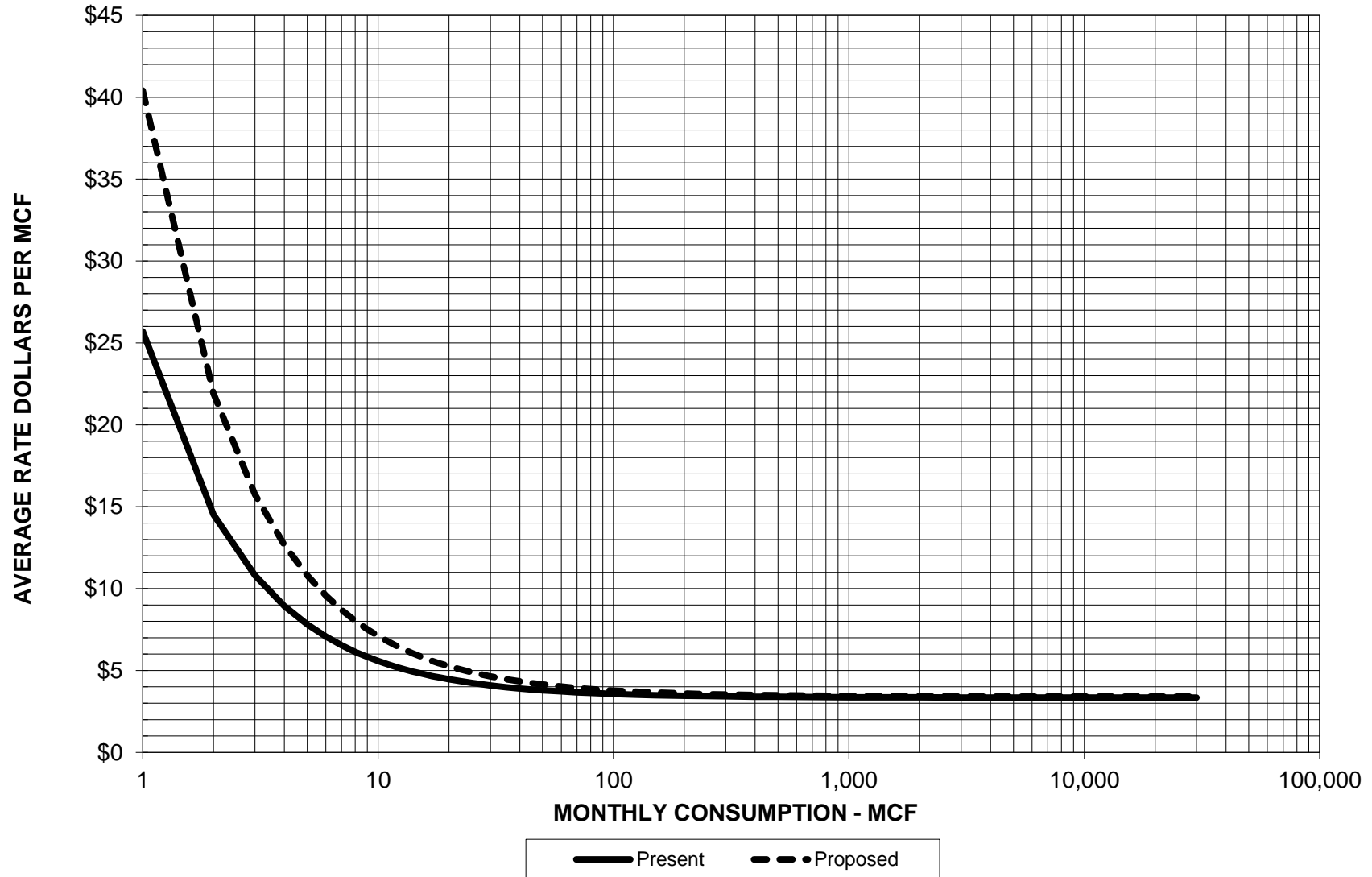


**UGI Utilities, Inc. - Gas Division
Non-Residential Transportation Service - Rate Schedule NT
Calculation of the Effect of Proposed Rates**

MCF	Bills Under Present Rates	Bills Under Proposed Rates	Increase Amount	Increase Percent
-	\$ 22.36	\$ 37.00	\$ 14.64	65.5%
1	\$ 25.70	\$ 40.41	\$ 14.70	57.2%
2	\$ 29.05	\$ 43.81	\$ 14.77	50.8%
3	\$ 32.39	\$ 47.22	\$ 14.83	45.8%
4	\$ 35.74	\$ 50.63	\$ 14.89	41.7%
5	\$ 39.08	\$ 54.04	\$ 14.96	38.3%
6	\$ 42.42	\$ 57.44	\$ 15.02	35.4%
7	\$ 45.77	\$ 60.85	\$ 15.08	33.0%
8	\$ 49.11	\$ 64.26	\$ 15.15	30.8%
9	\$ 52.46	\$ 67.67	\$ 15.21	29.0%
10	\$ 55.80	\$ 71.07	\$ 15.27	27.4%
11	\$ 59.14	\$ 74.48	\$ 15.34	25.9%
12	\$ 62.49	\$ 77.89	\$ 15.40	24.6%
13	\$ 65.83	\$ 81.30	\$ 15.46	23.5%
14	\$ 69.18	\$ 84.70	\$ 15.53	22.4%
15	\$ 72.52	\$ 88.11	\$ 15.59	21.5%
16	\$ 75.86	\$ 91.52	\$ 15.65	20.6%
17	\$ 79.21	\$ 94.93	\$ 15.72	19.8%
18	\$ 82.55	\$ 98.33	\$ 15.78	19.1%
19	\$ 85.90	\$ 101.74	\$ 15.84	18.4%
20	\$ 89.24	\$ 105.15	\$ 15.91	17.8%
25	\$ 105.96	\$ 122.18	\$ 16.22	15.3%
30	\$ 122.68	\$ 139.22	\$ 16.54	13.5%
35	\$ 139.40	\$ 156.26	\$ 16.86	12.1%
40	\$ 156.12	\$ 173.29	\$ 17.17	11.0%
45	\$ 172.84	\$ 190.33	\$ 17.49	10.1%
50	\$ 189.56	\$ 207.37	\$ 17.81	9.4%
60	\$ 223.00	\$ 241.44	\$ 18.44	8.3%
70	\$ 256.44	\$ 275.52	\$ 19.07	7.4%
80	\$ 289.88	\$ 309.59	\$ 19.71	6.8%
90	\$ 323.32	\$ 343.66	\$ 20.34	6.3%
100	\$ 356.76	\$ 377.74	\$ 20.97	5.9%
125	\$ 440.36	\$ 462.92	\$ 22.56	5.1%
150	\$ 523.96	\$ 548.10	\$ 24.14	4.6%
200	\$ 691.17	\$ 718.47	\$ 27.31	4.0%
250	\$ 858.37	\$ 888.84	\$ 30.47	3.6%
300	\$ 1,025.57	\$ 1,059.21	\$ 33.64	3.3%
400	\$ 1,359.97	\$ 1,399.94	\$ 39.97	2.9%
500	\$ 1,694.37	\$ 1,740.68	\$ 46.31	2.7%
1,000	\$ 3,366.39	\$ 3,444.36	\$ 77.97	2.3%
2,000	\$ 6,710.42	\$ 6,851.72	\$ 141.30	2.1%
3,000	\$ 10,054.45	\$ 10,259.08	\$ 204.63	2.0%
4,000	\$ 13,398.47	\$ 13,666.44	\$ 267.97	2.0%
5,000	\$ 16,742.50	\$ 17,073.80	\$ 331.30	2.0%
6,000	\$ 20,086.53	\$ 20,481.16	\$ 394.63	2.0%
7,000	\$ 23,430.56	\$ 23,888.52	\$ 457.96	2.0%
8,000	\$ 26,774.59	\$ 27,295.88	\$ 521.29	1.9%
9,000	\$ 30,118.62	\$ 30,703.24	\$ 584.62	1.9%
10,000	\$ 33,462.65	\$ 34,110.60	\$ 647.95	1.9%
20,000	\$ 66,902.93	\$ 68,184.20	\$ 1,281.27	1.9%
30,000	\$ 100,343.22	\$ 102,257.80	\$ 1,914.58	1.9%

**UGI Utilities, Inc. - Gas Division
Comparison of Present and Proposed Rates
Rate Schedule NT**

Attachment IV-B-7
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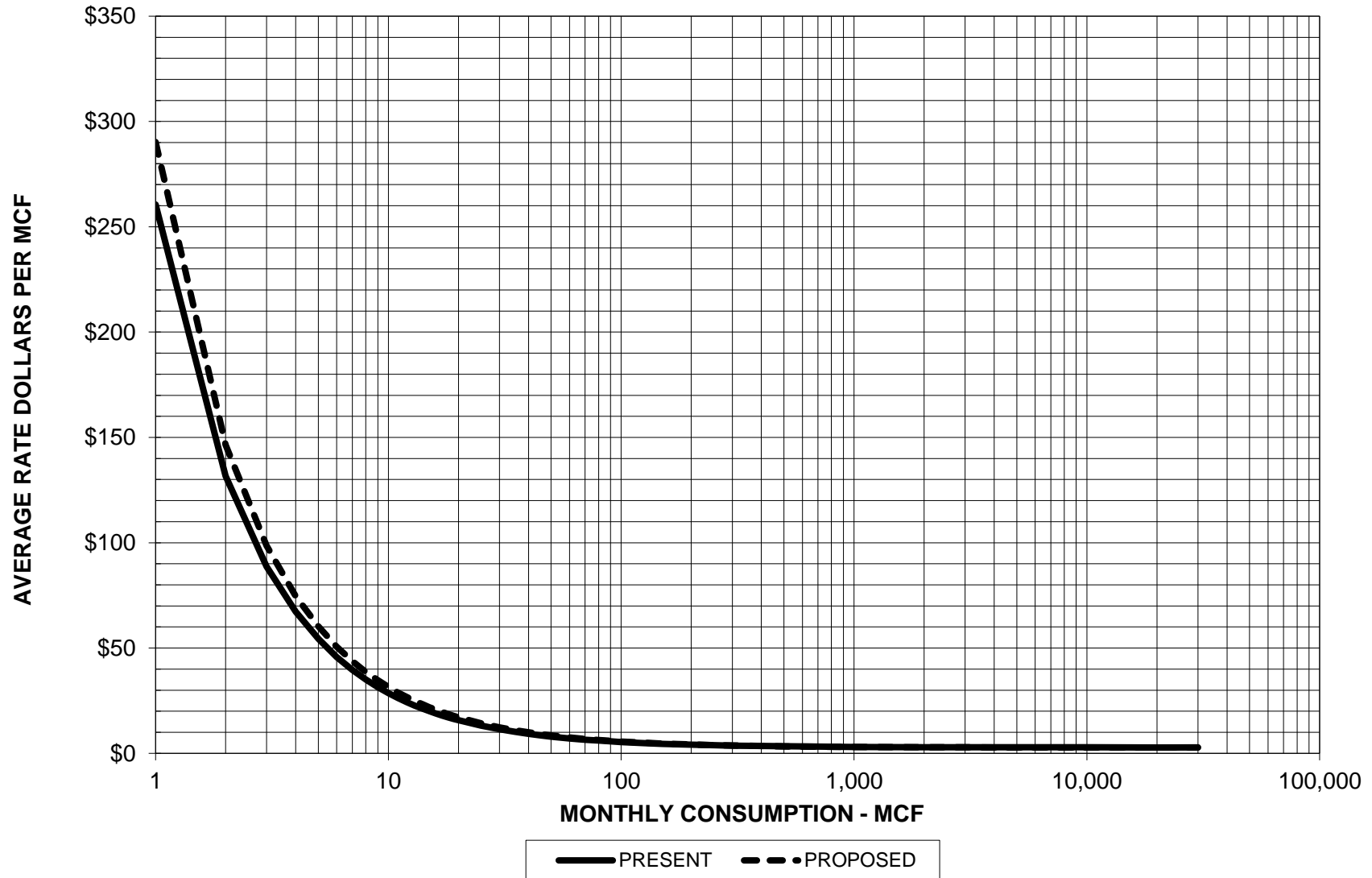


**UGI Utilities, Inc. - Gas Division
Delivery Service - Rate Schedule DS
Calculation of the Effect of Proposed Rates**

MCF	Bills Under Present Rates	Bills Under Proposed Rates	Increase Amount	Increase Percent
-	\$ 257.77	\$ 287.49	\$ 29.72	11.5%
1	\$ 260.59	\$ 290.24	\$ 29.65	11.4%
2	\$ 263.41	\$ 292.99	\$ 29.58	11.2%
3	\$ 266.24	\$ 295.75	\$ 29.51	11.1%
4	\$ 269.06	\$ 298.50	\$ 29.44	10.9%
5	\$ 271.88	\$ 301.25	\$ 29.37	10.8%
6	\$ 274.71	\$ 304.01	\$ 29.30	10.7%
7	\$ 277.53	\$ 306.76	\$ 29.23	10.5%
8	\$ 280.35	\$ 309.51	\$ 29.16	10.4%
9	\$ 283.18	\$ 312.27	\$ 29.09	10.3%
10	\$ 286.00	\$ 315.02	\$ 29.02	10.1%
11	\$ 288.82	\$ 317.77	\$ 28.95	10.0%
12	\$ 291.64	\$ 320.53	\$ 28.88	9.9%
13	\$ 294.47	\$ 323.28	\$ 28.81	9.8%
14	\$ 297.29	\$ 326.03	\$ 28.74	9.7%
15	\$ 300.11	\$ 328.79	\$ 28.68	9.6%
16	\$ 302.94	\$ 331.54	\$ 28.61	9.4%
17	\$ 305.76	\$ 334.30	\$ 28.54	9.3%
18	\$ 308.58	\$ 337.05	\$ 28.47	9.2%
19	\$ 311.41	\$ 339.80	\$ 28.40	9.1%
20	\$ 314.23	\$ 342.56	\$ 28.33	9.0%
25	\$ 328.34	\$ 356.32	\$ 27.98	8.5%
30	\$ 342.46	\$ 370.09	\$ 27.63	8.1%
35	\$ 356.57	\$ 383.86	\$ 27.29	7.7%
40	\$ 370.69	\$ 397.63	\$ 26.94	7.3%
45	\$ 384.80	\$ 411.39	\$ 26.59	6.9%
50	\$ 398.92	\$ 425.16	\$ 26.24	6.6%
60	\$ 427.15	\$ 452.70	\$ 25.55	6.0%
70	\$ 455.38	\$ 480.23	\$ 24.85	5.5%
80	\$ 483.61	\$ 507.77	\$ 24.16	5.0%
90	\$ 511.84	\$ 535.30	\$ 23.46	4.6%
100	\$ 540.07	\$ 562.84	\$ 22.77	4.2%
125	\$ 610.64	\$ 631.67	\$ 21.03	3.4%
150	\$ 681.22	\$ 700.51	\$ 19.29	2.8%
200	\$ 822.37	\$ 838.19	\$ 15.82	1.9%
250	\$ 963.52	\$ 975.86	\$ 12.34	1.3%
300	\$ 1,104.67	\$ 1,113.54	\$ 8.87	0.8%
400	\$ 1,386.97	\$ 1,388.89	\$ 1.92	0.1%
500	\$ 1,669.27	\$ 1,664.24	\$ (5.03)	-0.3%
1,000	\$ 3,080.77	\$ 3,040.99	\$ (39.78)	-1.3%
2,000	\$ 5,903.76	\$ 5,794.49	\$ (109.28)	-1.9%
3,000	\$ 8,726.76	\$ 8,547.99	\$ (178.77)	-2.0%
4,000	\$ 11,549.76	\$ 11,301.49	\$ (248.27)	-2.1%
5,000	\$ 14,372.75	\$ 14,054.99	\$ (317.77)	-2.2%
6,000	\$ 17,195.75	\$ 16,808.49	\$ (387.27)	-2.3%
7,000	\$ 20,018.75	\$ 19,561.99	\$ (456.76)	-2.3%
8,000	\$ 22,841.75	\$ 22,315.49	\$ (526.26)	-2.3%
9,000	\$ 25,664.74	\$ 25,068.99	\$ (595.76)	-2.3%
10,000	\$ 28,487.74	\$ 27,822.49	\$ (665.25)	-2.3%
20,000	\$ 56,717.71	\$ 55,357.49	\$ (1,360.23)	-2.4%
30,000	\$ 84,947.69	\$ 82,892.49	\$ (2,055.20)	-2.4%

**UGI Utilities, Inc. - Gas Division
Comparison of Present and Proposed Rates
Rate Schedule DS**

Attachment IV-B-7
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**UGI Utilities, Inc. - Gas Division
Large Firm Delivery Service - Rate Schedule LFD
Calculation of the Effect of Proposed Rates**

MCF	Bills Under Present Rates	Bills Under Proposed Rates	Increase Amount	Increase Percent
-	\$ 2,045.46	\$ 2,312.47	\$ 267.01	13.1%
1	\$ 2,046.58	\$ 2,313.61	\$ 267.03	13.0%
2	\$ 2,047.70	\$ 2,314.74	\$ 267.04	13.0%
3	\$ 2,048.82	\$ 2,315.88	\$ 267.06	13.0%
4	\$ 2,049.93	\$ 2,317.01	\$ 267.08	13.0%
5	\$ 2,051.05	\$ 2,318.15	\$ 267.10	13.0%
6	\$ 2,052.17	\$ 2,319.29	\$ 267.11	13.0%
7	\$ 2,053.29	\$ 2,320.42	\$ 267.13	13.0%
8	\$ 2,054.41	\$ 2,321.56	\$ 267.15	13.0%
9	\$ 2,055.53	\$ 2,322.69	\$ 267.17	13.0%
10	\$ 2,056.65	\$ 2,323.83	\$ 267.18	13.0%
11	\$ 2,057.76	\$ 2,324.97	\$ 267.20	13.0%
12	\$ 2,058.88	\$ 2,326.10	\$ 267.22	13.0%
13	\$ 2,060.00	\$ 2,327.24	\$ 267.24	13.0%
14	\$ 2,061.12	\$ 2,328.37	\$ 267.25	13.0%
15	\$ 2,062.24	\$ 2,329.51	\$ 267.27	13.0%
16	\$ 2,063.36	\$ 2,330.65	\$ 267.29	13.0%
17	\$ 2,064.47	\$ 2,331.78	\$ 267.31	12.9%
18	\$ 2,065.59	\$ 2,332.92	\$ 267.33	12.9%
19	\$ 2,066.71	\$ 2,334.05	\$ 267.34	12.9%
20	\$ 2,067.83	\$ 2,335.19	\$ 267.36	12.9%
25	\$ 2,073.42	\$ 2,340.87	\$ 267.45	12.9%
30	\$ 2,079.01	\$ 2,346.55	\$ 267.54	12.9%
35	\$ 2,084.61	\$ 2,352.23	\$ 267.62	12.8%
40	\$ 2,090.20	\$ 2,357.91	\$ 267.71	12.8%
45	\$ 2,095.79	\$ 2,363.59	\$ 267.80	12.8%
50	\$ 2,101.38	\$ 2,369.27	\$ 267.89	12.7%
60	\$ 2,112.57	\$ 2,380.63	\$ 268.06	12.7%
70	\$ 2,123.75	\$ 2,391.99	\$ 268.24	12.6%
80	\$ 2,134.93	\$ 2,403.35	\$ 268.42	12.6%
90	\$ 2,146.12	\$ 2,414.71	\$ 268.59	12.5%
100	\$ 2,157.30	\$ 2,426.07	\$ 268.77	12.5%
125	\$ 2,185.26	\$ 2,454.47	\$ 269.21	12.3%
150	\$ 2,213.22	\$ 2,482.87	\$ 269.65	12.2%
200	\$ 2,269.14	\$ 2,539.67	\$ 270.52	11.9%
250	\$ 2,325.06	\$ 2,596.47	\$ 271.40	11.7%
300	\$ 2,380.99	\$ 2,653.27	\$ 272.28	11.4%
400	\$ 2,492.83	\$ 2,766.87	\$ 274.04	11.0%
500	\$ 2,604.67	\$ 2,880.46	\$ 275.80	10.6%
1,000	\$ 3,163.87	\$ 3,448.46	\$ 284.59	9.0%
2,000	\$ 4,282.29	\$ 4,584.45	\$ 302.16	7.1%
3,000	\$ 5,400.70	\$ 5,720.44	\$ 319.74	5.9%
4,000	\$ 6,519.12	\$ 6,856.43	\$ 337.31	5.2%
5,000	\$ 7,637.53	\$ 7,992.42	\$ 354.89	4.6%
6,000	\$ 8,755.94	\$ 9,128.41	\$ 372.47	4.3%
7,000	\$ 9,874.36	\$ 10,264.40	\$ 390.04	4.0%
8,000	\$ 10,992.77	\$ 11,400.39	\$ 407.62	3.7%
9,000	\$ 12,111.19	\$ 12,536.38	\$ 425.19	3.5%
10,000	\$ 13,229.60	\$ 13,672.37	\$ 442.77	3.3%
20,000	\$ 24,413.74	\$ 25,032.27	\$ 618.53	2.5%
30,000	\$ 35,597.87	\$ 36,392.17	\$ 794.30	2.2%

**UGI Utilities, Inc. - Gas Division
Comparison of Present and Proposed Rates
Rate Schedule LFD**

Attachment IV-B-7
D. E. Lahoff
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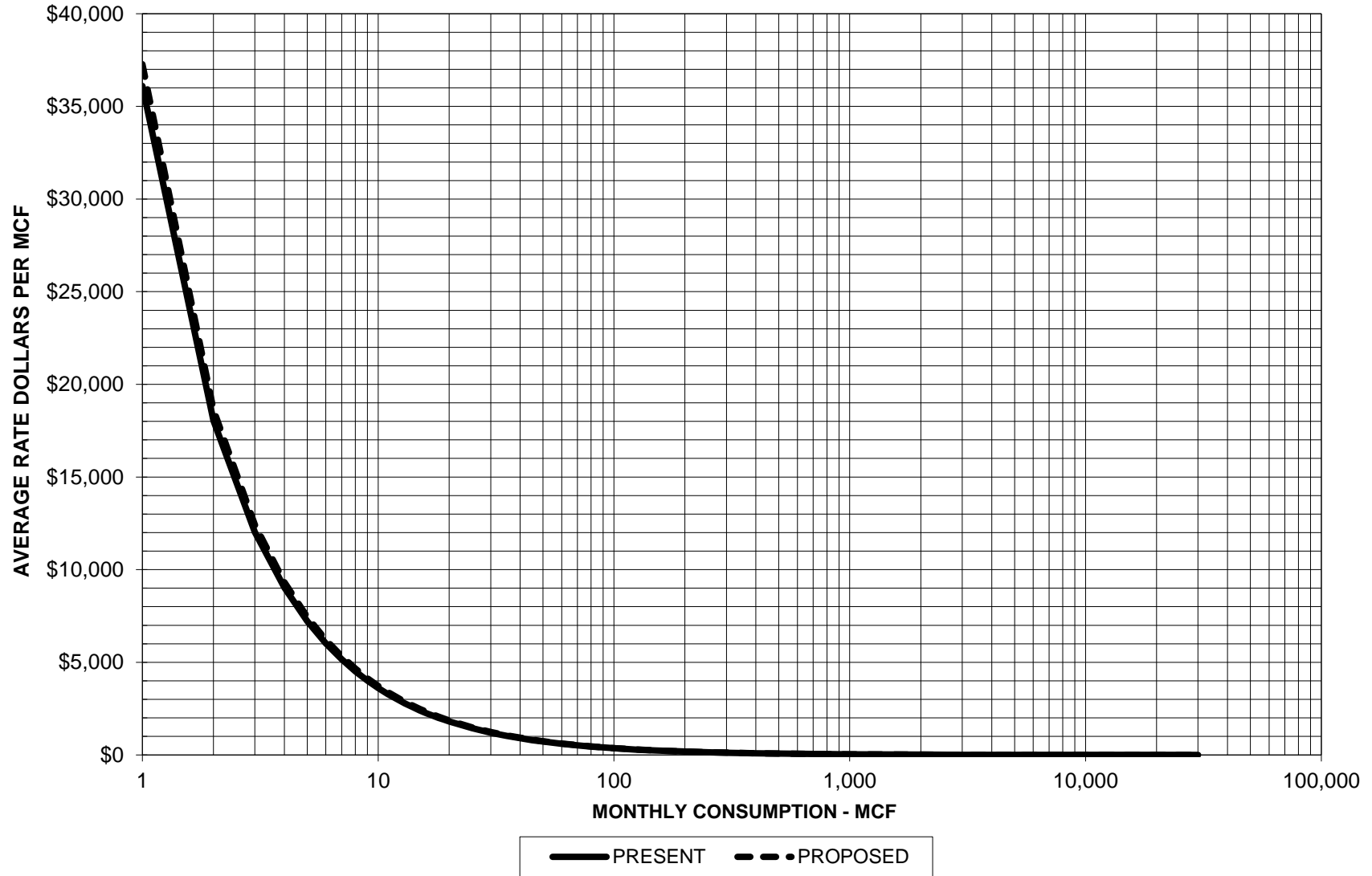


UGI Utilities, Inc. - Gas Division
Extended Large Firm Delivery Service - Rate Schedule XD
Calculation of the Effect of Proposed Rates

MCF	Bills Under Present Rates	Bills Under Proposed Rates	Increase Amount	Increase Percent
-	\$ 36,102.20	\$ 37,276.06	\$ 1,173.86	3.3%
1	\$ 36,102.26	\$ 37,276.12	\$ 1,173.86	3.3%
2	\$ 36,102.32	\$ 37,276.18	\$ 1,173.86	3.3%
3	\$ 36,102.38	\$ 37,276.24	\$ 1,173.87	3.3%
4	\$ 36,102.44	\$ 37,276.30	\$ 1,173.87	3.3%
5	\$ 36,102.50	\$ 37,276.37	\$ 1,173.87	3.3%
6	\$ 36,102.56	\$ 37,276.43	\$ 1,173.87	3.3%
7	\$ 36,102.62	\$ 37,276.49	\$ 1,173.87	3.3%
8	\$ 36,102.68	\$ 37,276.55	\$ 1,173.88	3.3%
9	\$ 36,102.74	\$ 37,276.62	\$ 1,173.88	3.3%
10	\$ 36,102.80	\$ 37,276.68	\$ 1,173.88	3.3%
11	\$ 36,102.86	\$ 37,276.74	\$ 1,173.88	3.3%
12	\$ 36,102.92	\$ 37,276.80	\$ 1,173.88	3.3%
13	\$ 36,102.98	\$ 37,276.87	\$ 1,173.89	3.3%
14	\$ 36,103.04	\$ 37,276.93	\$ 1,173.89	3.3%
15	\$ 36,103.10	\$ 37,276.99	\$ 1,173.89	3.3%
16	\$ 36,103.16	\$ 37,277.05	\$ 1,173.89	3.3%
17	\$ 36,103.22	\$ 37,277.11	\$ 1,173.89	3.3%
18	\$ 36,103.28	\$ 37,277.18	\$ 1,173.89	3.3%
19	\$ 36,103.34	\$ 37,277.24	\$ 1,173.90	3.3%
20	\$ 36,103.40	\$ 37,277.30	\$ 1,173.90	3.3%
25	\$ 36,103.70	\$ 37,277.61	\$ 1,173.91	3.3%
30	\$ 36,104.01	\$ 37,277.92	\$ 1,173.92	3.3%
35	\$ 36,104.31	\$ 37,278.24	\$ 1,173.93	3.3%
40	\$ 36,104.61	\$ 37,278.55	\$ 1,173.94	3.3%
45	\$ 36,104.91	\$ 37,278.86	\$ 1,173.95	3.3%
50	\$ 36,105.21	\$ 37,279.17	\$ 1,173.96	3.3%
60	\$ 36,105.81	\$ 37,279.79	\$ 1,173.98	3.3%
70	\$ 36,106.42	\$ 37,280.41	\$ 1,174.00	3.3%
80	\$ 36,107.02	\$ 37,281.04	\$ 1,174.02	3.3%
90	\$ 36,107.62	\$ 37,281.66	\$ 1,174.04	3.3%
100	\$ 36,108.23	\$ 37,282.28	\$ 1,174.06	3.3%
125	\$ 36,109.73	\$ 37,283.84	\$ 1,174.10	3.3%
150	\$ 36,111.24	\$ 37,285.40	\$ 1,174.15	3.3%
200	\$ 36,114.26	\$ 37,288.51	\$ 1,174.25	3.3%
250	\$ 36,117.27	\$ 37,291.62	\$ 1,174.35	3.3%
300	\$ 36,120.29	\$ 37,294.74	\$ 1,174.45	3.3%
400	\$ 36,126.32	\$ 37,300.96	\$ 1,174.64	3.3%
500	\$ 36,132.35	\$ 37,307.19	\$ 1,174.84	3.3%
1,000	\$ 36,162.51	\$ 37,338.33	\$ 1,175.82	3.3%
2,000	\$ 36,222.82	\$ 37,400.60	\$ 1,177.78	3.3%
3,000	\$ 36,283.13	\$ 37,462.87	\$ 1,179.74	3.3%
4,000	\$ 36,343.44	\$ 37,525.14	\$ 1,181.71	3.3%
5,000	\$ 36,403.75	\$ 37,587.41	\$ 1,183.67	3.3%
6,000	\$ 36,464.06	\$ 37,649.69	\$ 1,185.63	3.3%
7,000	\$ 36,524.37	\$ 37,711.96	\$ 1,187.59	3.3%
8,000	\$ 36,584.68	\$ 37,774.23	\$ 1,189.55	3.3%
9,000	\$ 36,644.99	\$ 37,836.50	\$ 1,191.51	3.3%
10,000	\$ 36,705.30	\$ 37,898.77	\$ 1,193.47	3.3%
20,000	\$ 37,308.40	\$ 38,521.49	\$ 1,213.09	3.3%
30,000	\$ 37,911.51	\$ 39,144.21	\$ 1,232.70	3.3%

**UGI Utilities, Inc. - Gas Division
Comparison of Present and Proposed Rates
Rate Schedule XD**

Attachment IV-B-7
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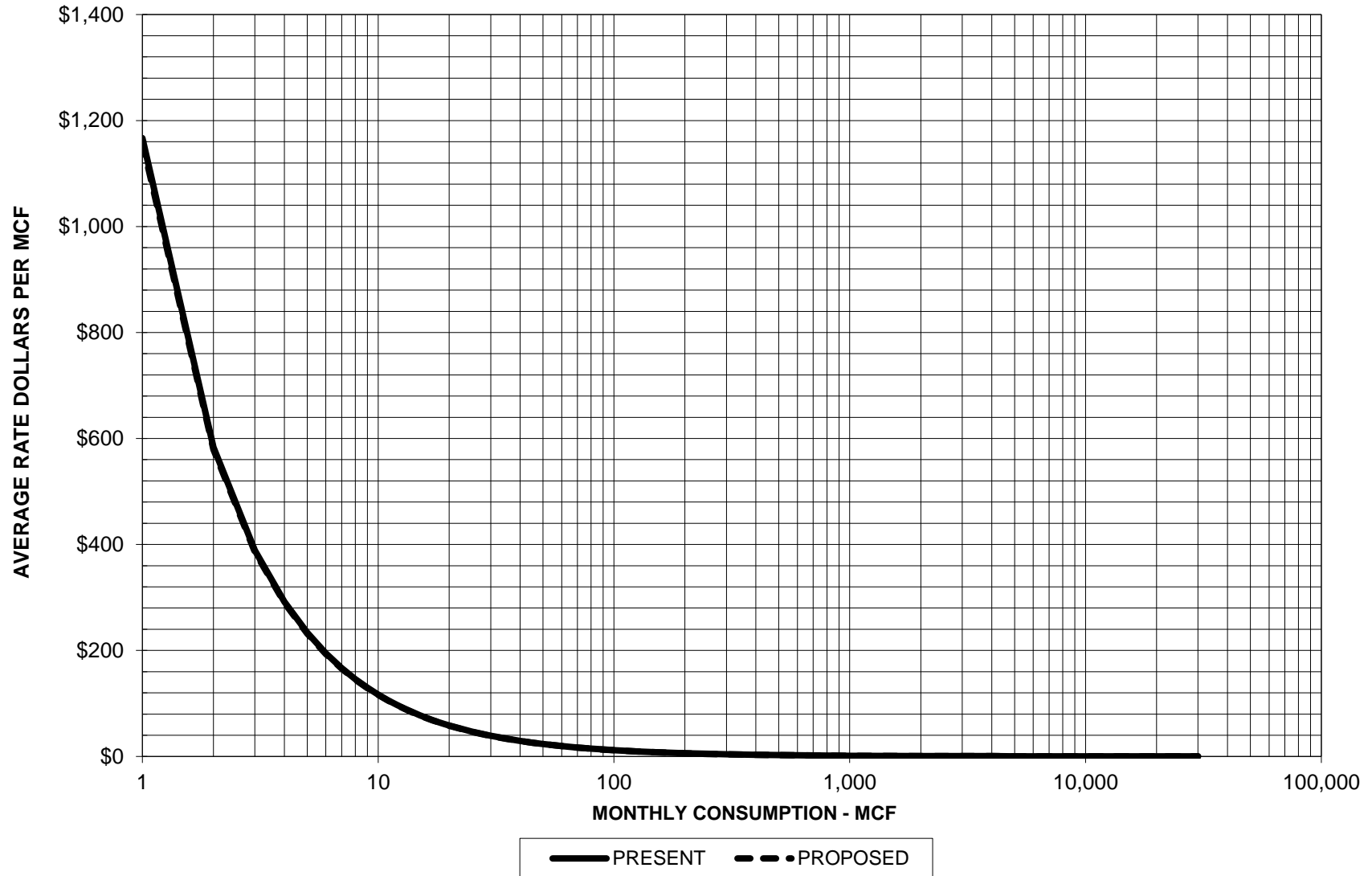


**UGI Utilities, Inc. - Gas Division
Interruptible Service - Rate Schedule IS
Calculation of the Effect of Proposed Rates**

<u>MCF</u>	<u>Bills Under Present Rates</u>	<u>Bills Under Proposed Rates</u>	<u>Increase Amount</u>	<u>Increase Percent</u>
-	\$ 1,166.69	\$ 1,158.24	\$ (8.45)	-0.7%
1	\$ 1,166.87	\$ 1,158.42	\$ (8.45)	-0.7%
2	\$ 1,167.04	\$ 1,158.59	\$ (8.45)	-0.7%
3	\$ 1,167.21	\$ 1,158.76	\$ (8.45)	-0.7%
4	\$ 1,167.38	\$ 1,158.93	\$ (8.45)	-0.7%
5	\$ 1,167.56	\$ 1,159.10	\$ (8.46)	-0.7%
6	\$ 1,167.73	\$ 1,159.27	\$ (8.46)	-0.7%
7	\$ 1,167.90	\$ 1,159.45	\$ (8.46)	-0.7%
8	\$ 1,168.08	\$ 1,159.62	\$ (8.46)	-0.7%
9	\$ 1,168.25	\$ 1,159.79	\$ (8.46)	-0.7%
10	\$ 1,168.42	\$ 1,159.96	\$ (8.46)	-0.7%
11	\$ 1,168.59	\$ 1,160.13	\$ (8.46)	-0.7%
12	\$ 1,168.77	\$ 1,160.30	\$ (8.46)	-0.7%
13	\$ 1,168.94	\$ 1,160.48	\$ (8.47)	-0.7%
14	\$ 1,169.11	\$ 1,160.65	\$ (8.47)	-0.7%
15	\$ 1,169.29	\$ 1,160.82	\$ (8.47)	-0.7%
16	\$ 1,169.46	\$ 1,160.99	\$ (8.47)	-0.7%
17	\$ 1,169.63	\$ 1,161.16	\$ (8.47)	-0.7%
18	\$ 1,169.80	\$ 1,161.33	\$ (8.47)	-0.7%
19	\$ 1,169.98	\$ 1,161.50	\$ (8.47)	-0.7%
20	\$ 1,170.15	\$ 1,161.68	\$ (8.47)	-0.7%
25	\$ 1,171.01	\$ 1,162.53	\$ (8.48)	-0.7%
30	\$ 1,171.88	\$ 1,163.39	\$ (8.49)	-0.7%
35	\$ 1,172.74	\$ 1,164.25	\$ (8.49)	-0.7%
40	\$ 1,173.61	\$ 1,165.11	\$ (8.50)	-0.7%
45	\$ 1,174.47	\$ 1,165.97	\$ (8.51)	-0.7%
50	\$ 1,175.34	\$ 1,166.82	\$ (8.51)	-0.7%
60	\$ 1,177.06	\$ 1,168.54	\$ (8.52)	-0.7%
70	\$ 1,178.79	\$ 1,170.26	\$ (8.54)	-0.7%
80	\$ 1,180.52	\$ 1,171.97	\$ (8.55)	-0.7%
90	\$ 1,182.25	\$ 1,173.69	\$ (8.56)	-0.7%
100	\$ 1,183.98	\$ 1,175.41	\$ (8.57)	-0.7%
125	\$ 1,188.30	\$ 1,179.70	\$ (8.61)	-0.7%
150	\$ 1,192.62	\$ 1,183.99	\$ (8.64)	-0.7%
200	\$ 1,201.27	\$ 1,192.57	\$ (8.70)	-0.7%
250	\$ 1,209.91	\$ 1,201.15	\$ (8.76)	-0.7%
300	\$ 1,218.55	\$ 1,209.73	\$ (8.82)	-0.7%
400	\$ 1,235.84	\$ 1,226.89	\$ (8.95)	-0.7%
500	\$ 1,253.13	\$ 1,244.05	\$ (9.07)	-0.7%
1,000	\$ 1,339.56	\$ 1,329.86	\$ (9.70)	-0.7%
2,000	\$ 1,512.42	\$ 1,501.48	\$ (10.95)	-0.7%
3,000	\$ 1,685.29	\$ 1,673.09	\$ (12.19)	-0.7%
4,000	\$ 1,858.15	\$ 1,844.71	\$ (13.44)	-0.7%
5,000	\$ 2,031.02	\$ 2,016.33	\$ (14.69)	-0.7%
6,000	\$ 2,203.88	\$ 2,187.94	\$ (15.94)	-0.7%
7,000	\$ 2,376.74	\$ 2,359.56	\$ (17.19)	-0.7%
8,000	\$ 2,549.61	\$ 2,531.17	\$ (18.43)	-0.7%
9,000	\$ 2,722.47	\$ 2,702.79	\$ (19.68)	-0.7%
10,000	\$ 2,895.34	\$ 2,874.41	\$ (20.93)	-0.7%
20,000	\$ 4,623.98	\$ 4,590.57	\$ (33.41)	-0.7%
30,000	\$ 6,352.63	\$ 6,306.73	\$ (45.89)	-0.7%

**UGI Utilities, Inc. - Gas Division
Comparison of Present and Proposed Rates
Rate Schedule IS**

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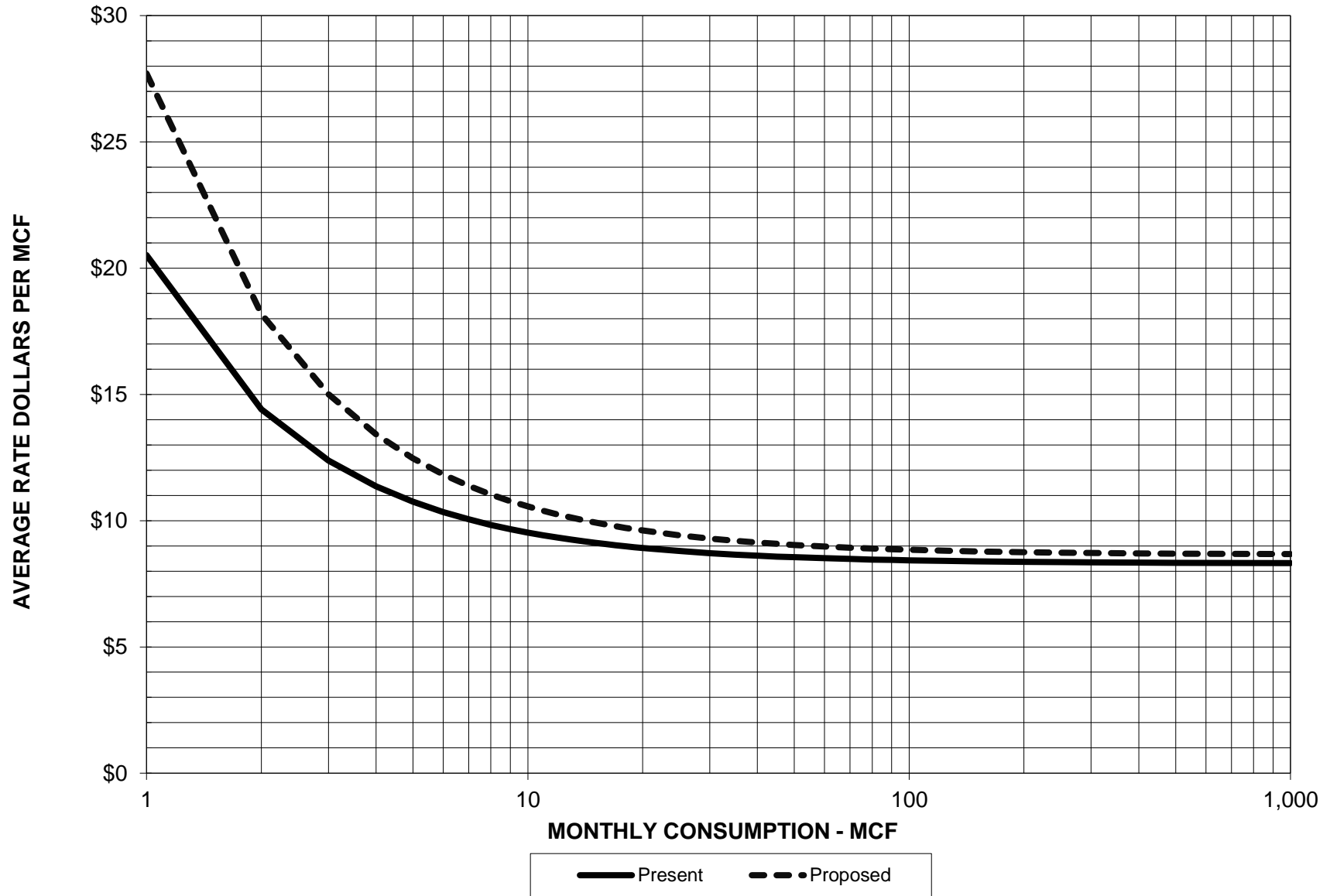


**UGI Utilities, Inc. - Gas Division, South Rate District
Residential Service - Rate Schedule R
Calculation of the Effect of Proposed Rates**

MCF	Bills Under Present Rates	Bills Under Proposed Rates	Increase Amount	Increase Percent
-	\$ 12.21	\$ 19.05	\$ 6.85	56.1%
1	\$ 20.51	\$ 27.71	\$ 7.20	35.1%
2	\$ 28.82	\$ 36.37	\$ 7.55	26.2%
3	\$ 37.13	\$ 45.02	\$ 7.90	21.3%
4	\$ 45.44	\$ 53.68	\$ 8.25	18.1%
5	\$ 53.74	\$ 62.34	\$ 8.60	16.0%
6	\$ 62.05	\$ 70.99	\$ 8.95	14.4%
7	\$ 70.36	\$ 79.65	\$ 9.30	13.2%
8	\$ 78.66	\$ 88.31	\$ 9.64	12.3%
9	\$ 86.97	\$ 96.96	\$ 9.99	11.5%
10	\$ 95.28	\$ 105.62	\$ 10.34	10.9%
11	\$ 103.58	\$ 114.28	\$ 10.69	10.3%
12	\$ 111.89	\$ 122.94	\$ 11.04	9.9%
13	\$ 120.20	\$ 131.59	\$ 11.39	9.5%
14	\$ 128.50	\$ 140.25	\$ 11.74	9.1%
15	\$ 136.81	\$ 148.91	\$ 12.09	8.8%
16	\$ 145.12	\$ 157.56	\$ 12.44	8.6%
17	\$ 153.43	\$ 166.22	\$ 12.79	8.3%
18	\$ 161.73	\$ 174.88	\$ 13.14	8.1%
19	\$ 170.04	\$ 183.53	\$ 13.49	7.9%
20	\$ 178.35	\$ 192.19	\$ 13.84	7.8%
25	\$ 219.88	\$ 235.47	\$ 15.59	7.1%
30	\$ 261.42	\$ 278.76	\$ 17.34	6.6%
35	\$ 302.95	\$ 322.04	\$ 19.09	6.3%
40	\$ 344.49	\$ 365.33	\$ 20.84	6.0%
45	\$ 386.02	\$ 408.61	\$ 22.59	5.9%
50	\$ 427.55	\$ 451.89	\$ 24.34	5.7%
60	\$ 510.62	\$ 538.46	\$ 27.84	5.5%
70	\$ 593.69	\$ 625.03	\$ 31.34	5.3%
80	\$ 676.76	\$ 711.60	\$ 34.83	5.1%
90	\$ 759.83	\$ 798.16	\$ 38.33	5.0%
100	\$ 842.90	\$ 884.73	\$ 41.83	5.0%
125	\$ 1,050.58	\$ 1,101.15	\$ 50.58	4.8%
150	\$ 1,258.25	\$ 1,317.57	\$ 59.32	4.7%
200	\$ 1,673.60	\$ 1,750.41	\$ 76.81	4.6%
250	\$ 2,088.94	\$ 2,183.25	\$ 94.31	4.5%
300	\$ 2,504.29	\$ 2,616.09	\$ 111.80	4.5%
400	\$ 3,334.99	\$ 3,481.77	\$ 146.78	4.4%
500	\$ 4,165.68	\$ 4,347.45	\$ 181.77	4.4%
1,000	\$ 8,319.16	\$ 8,675.84	\$ 356.69	4.3%

UGI Utilities, Inc.- Gas Division, South Rate District
Comparison of Present and Proposed Rates
Rate Schedule R

Attachment IV-B-7
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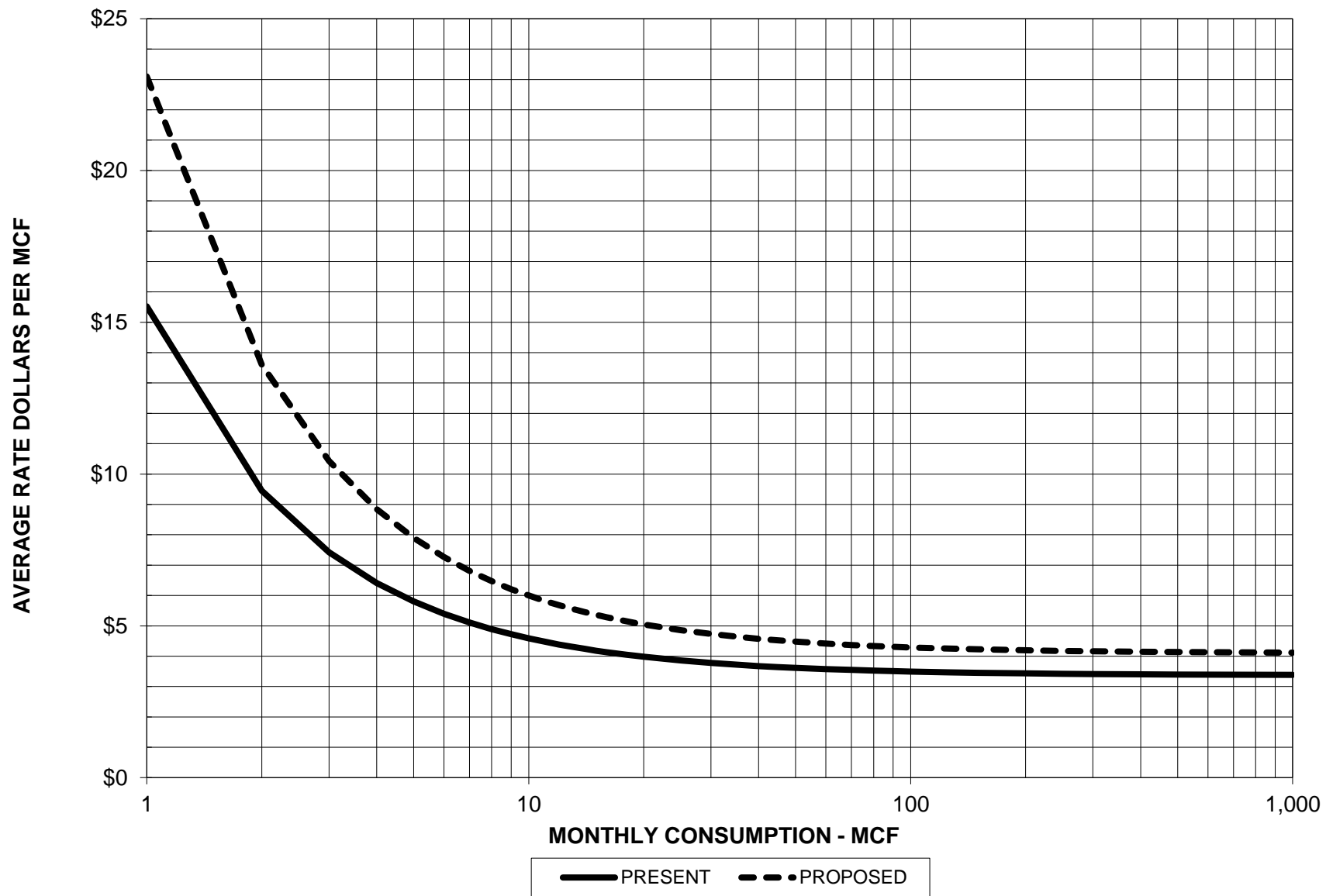


**UGI Utilities, Inc. - Gas Division, South Rate District
Residential Transportation Service - Rate Schedule RT
Calculation of the Effect of Proposed Rates**

MCF	Bills Under Present Rates	Bills Under Proposed Rates	Increase Amount	Increase Percent
-	\$ 12.15	\$ 19.00	\$ 6.85	56.4%
1	\$ 15.52	\$ 23.10	\$ 7.57	48.8%
2	\$ 18.90	\$ 27.20	\$ 8.30	43.9%
3	\$ 22.27	\$ 31.29	\$ 9.02	40.5%
4	\$ 25.64	\$ 35.39	\$ 9.75	38.0%
5	\$ 29.02	\$ 39.49	\$ 10.47	36.1%
6	\$ 32.39	\$ 43.59	\$ 11.20	34.6%
7	\$ 35.76	\$ 47.68	\$ 11.92	33.3%
8	\$ 39.13	\$ 51.78	\$ 12.65	32.3%
9	\$ 42.51	\$ 55.88	\$ 13.37	31.5%
10	\$ 45.88	\$ 59.98	\$ 14.10	30.7%
11	\$ 49.25	\$ 64.08	\$ 14.82	30.1%
12	\$ 52.62	\$ 68.17	\$ 15.55	29.5%
13	\$ 56.00	\$ 72.27	\$ 16.28	29.1%
14	\$ 59.37	\$ 76.37	\$ 17.00	28.6%
15	\$ 62.74	\$ 80.47	\$ 17.73	28.3%
16	\$ 66.11	\$ 84.56	\$ 18.45	27.9%
17	\$ 69.49	\$ 88.66	\$ 19.18	27.6%
18	\$ 72.86	\$ 92.76	\$ 19.90	27.3%
19	\$ 76.23	\$ 96.86	\$ 20.63	27.1%
20	\$ 79.60	\$ 100.96	\$ 21.35	26.8%
25	\$ 96.47	\$ 121.45	\$ 24.98	25.9%
30	\$ 113.33	\$ 141.93	\$ 28.60	25.2%
35	\$ 130.19	\$ 162.42	\$ 32.23	24.8%
40	\$ 147.06	\$ 182.91	\$ 35.85	24.4%
45	\$ 163.92	\$ 203.40	\$ 39.48	24.1%
50	\$ 180.78	\$ 223.89	\$ 43.11	23.8%
60	\$ 214.51	\$ 264.87	\$ 50.36	23.5%
70	\$ 248.24	\$ 305.85	\$ 57.61	23.2%
80	\$ 281.96	\$ 346.82	\$ 64.86	23.0%
90	\$ 315.69	\$ 387.80	\$ 72.11	22.8%
100	\$ 349.42	\$ 428.78	\$ 79.36	22.7%
125	\$ 433.73	\$ 531.23	\$ 97.49	22.5%
150	\$ 518.05	\$ 633.67	\$ 115.62	22.3%
200	\$ 686.68	\$ 838.56	\$ 151.88	22.1%
250	\$ 855.31	\$ 1,043.45	\$ 188.14	22.0%
300	\$ 1,023.94	\$ 1,248.34	\$ 224.40	21.9%
400	\$ 1,361.21	\$ 1,658.12	\$ 296.91	21.8%
500	\$ 1,698.47	\$ 2,067.90	\$ 369.43	21.8%
1,000	\$ 3,384.79	\$ 4,116.80	\$ 732.01	21.6%

UGI Utilities, Inc. - Gas Division, South Rate District
Comparison of Present and Proposed Rates
Rate Schedule RT

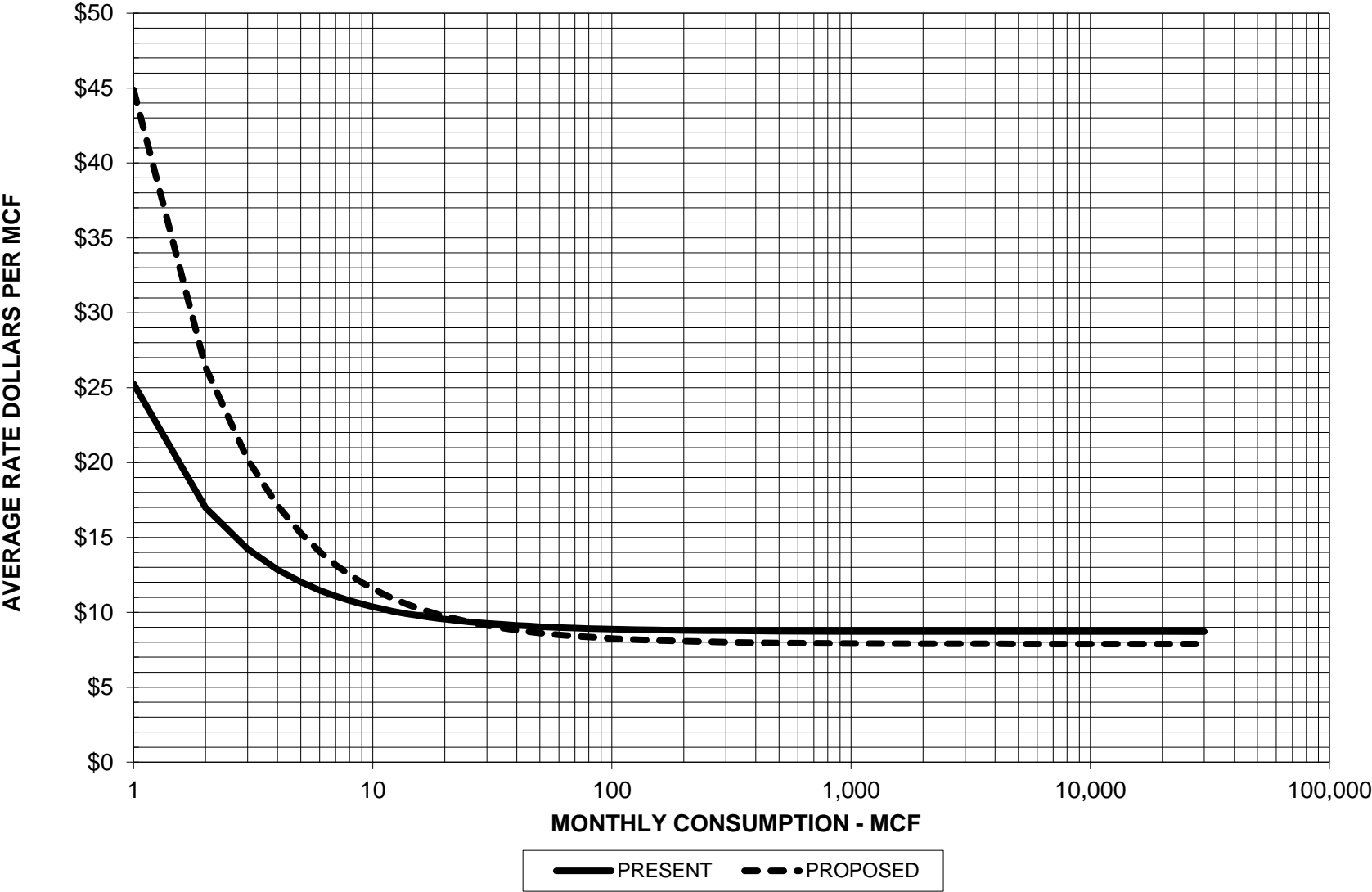
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**UGI Utilities, Inc. - Gas Division, South Rate District
Non-Residential Service - Rate Schedule N
Calculation of the Effect of Proposed Rates**

MCF	Bills Under Present Rates	Bills Under Proposed Rates	Increase Amount	Increase Percent
-	\$ 16.55	\$ 37.00	\$ 20.45	123.6%
1	\$ 25.26	\$ 44.88	\$ 19.62	77.7%
2	\$ 33.97	\$ 52.76	\$ 18.79	55.3%
3	\$ 42.68	\$ 60.64	\$ 17.97	42.1%
4	\$ 51.39	\$ 68.52	\$ 17.14	33.3%
5	\$ 60.10	\$ 76.40	\$ 16.31	27.1%
6	\$ 68.81	\$ 84.28	\$ 15.48	22.5%
7	\$ 77.52	\$ 92.16	\$ 14.65	18.9%
8	\$ 86.22	\$ 100.04	\$ 13.82	16.0%
9	\$ 94.93	\$ 107.93	\$ 12.99	13.7%
10	\$ 103.64	\$ 115.81	\$ 12.16	11.7%
11	\$ 112.35	\$ 123.69	\$ 11.33	10.1%
12	\$ 121.06	\$ 131.57	\$ 10.50	8.7%
13	\$ 129.77	\$ 139.45	\$ 9.67	7.5%
14	\$ 138.48	\$ 147.33	\$ 8.85	6.4%
15	\$ 147.19	\$ 155.21	\$ 8.02	5.4%
16	\$ 155.90	\$ 163.09	\$ 7.19	4.6%
17	\$ 164.61	\$ 170.97	\$ 6.36	3.9%
18	\$ 173.32	\$ 178.85	\$ 5.53	3.2%
19	\$ 182.03	\$ 186.73	\$ 4.70	2.6%
20	\$ 190.74	\$ 194.61	\$ 3.87	2.0%
25	\$ 234.29	\$ 234.02	\$ (0.27)	-0.1%
30	\$ 277.84	\$ 273.42	\$ (4.42)	-1.6%
35	\$ 321.39	\$ 312.82	\$ (8.57)	-2.7%
40	\$ 364.94	\$ 352.22	\$ (12.71)	-3.5%
45	\$ 408.48	\$ 391.63	\$ (16.86)	-4.1%
50	\$ 452.03	\$ 431.03	\$ (21.00)	-4.6%
60	\$ 539.13	\$ 509.84	\$ (29.29)	-5.4%
70	\$ 626.23	\$ 588.64	\$ (37.58)	-6.0%
80	\$ 713.32	\$ 667.45	\$ (45.88)	-6.4%
90	\$ 800.42	\$ 746.26	\$ (54.17)	-6.8%
100	\$ 887.52	\$ 825.06	\$ (62.46)	-7.0%
125	\$ 1,105.26	\$ 1,022.08	\$ (83.18)	-7.5%
150	\$ 1,323.00	\$ 1,219.09	\$ (103.91)	-7.9%
200	\$ 1,758.49	\$ 1,613.12	\$ (145.37)	-8.3%
250	\$ 2,193.98	\$ 2,007.15	\$ (186.82)	-8.5%
300	\$ 2,629.46	\$ 2,401.18	\$ (228.28)	-8.7%
400	\$ 3,500.43	\$ 3,189.24	\$ (311.19)	-8.9%
500	\$ 4,371.40	\$ 3,977.31	\$ (394.10)	-9.0%
1,000	\$ 8,726.26	\$ 7,917.61	\$ (808.65)	-9.3%
2,000	\$ 17,435.98	\$ 15,798.22	\$ (1,637.75)	-9.4%
3,000	\$ 26,145.69	\$ 23,678.84	\$ (2,466.85)	-9.4%
4,000	\$ 34,855.40	\$ 31,559.45	\$ (3,295.95)	-9.5%
5,000	\$ 43,565.12	\$ 39,440.06	\$ (4,125.06)	-9.5%
6,000	\$ 52,274.83	\$ 47,320.67	\$ (4,954.16)	-9.5%
7,000	\$ 60,984.54	\$ 55,201.28	\$ (5,783.26)	-9.5%
8,000	\$ 69,694.26	\$ 63,081.90	\$ (6,612.36)	-9.5%
9,000	\$ 78,403.97	\$ 70,962.51	\$ (7,441.46)	-9.5%
10,000	\$ 87,113.69	\$ 78,843.12	\$ (8,270.57)	-9.5%
20,000	\$ 174,210.83	\$ 157,649.24	\$ (16,561.58)	-9.5%
30,000	\$ 261,307.96	\$ 236,455.36	\$ (24,852.60)	-9.5%

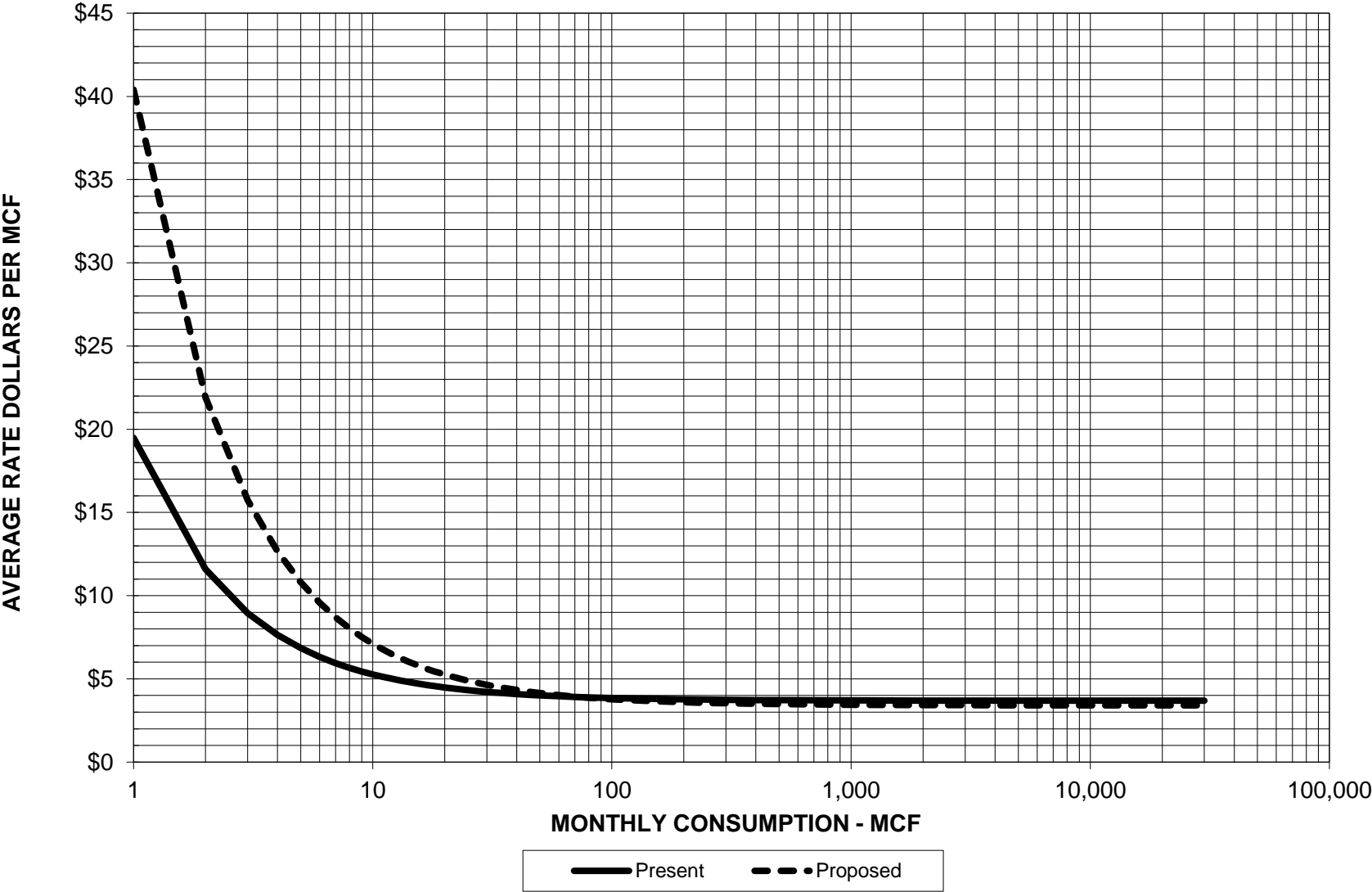
UGI Utilities, Inc.- Gas Division, South Rate District
Comparison of Present and Proposed Rates
Rate Schedule N



**UGI Utilities, Inc. - Gas Division, South Rate District
Non-Residential Transportation Service - Rate Schedule NT
Calculation of the Effect of Proposed Rates**

MCF	Bills Under Present Rates	Bills Under Proposed Rates	Increase Amount	Increase Percent
-	\$ 15.79	\$ 37.00	\$ 21.21	134.3%
1	\$ 19.49	\$ 40.41	\$ 20.92	107.4%
2	\$ 23.18	\$ 43.81	\$ 20.64	89.0%
3	\$ 26.87	\$ 47.22	\$ 20.35	75.8%
4	\$ 30.56	\$ 50.63	\$ 20.07	65.7%
5	\$ 34.25	\$ 54.04	\$ 19.79	57.8%
6	\$ 37.94	\$ 57.44	\$ 19.50	51.4%
7	\$ 41.63	\$ 60.85	\$ 19.22	46.2%
8	\$ 45.32	\$ 64.26	\$ 18.93	41.8%
9	\$ 49.02	\$ 67.67	\$ 18.65	38.0%
10	\$ 52.71	\$ 71.07	\$ 18.37	34.8%
11	\$ 56.40	\$ 74.48	\$ 18.08	32.1%
12	\$ 60.09	\$ 77.89	\$ 17.80	29.6%
13	\$ 63.78	\$ 81.30	\$ 17.51	27.5%
14	\$ 67.47	\$ 84.70	\$ 17.23	25.5%
15	\$ 71.16	\$ 88.11	\$ 16.95	23.8%
16	\$ 74.86	\$ 91.52	\$ 16.66	22.3%
17	\$ 78.55	\$ 94.93	\$ 16.38	20.9%
18	\$ 82.24	\$ 98.33	\$ 16.09	19.6%
19	\$ 85.93	\$ 101.74	\$ 15.81	18.4%
20	\$ 89.62	\$ 105.15	\$ 15.53	17.3%
25	\$ 108.08	\$ 122.18	\$ 14.11	13.1%
30	\$ 126.54	\$ 139.22	\$ 12.69	10.0%
35	\$ 144.99	\$ 156.26	\$ 11.27	7.8%
40	\$ 163.45	\$ 173.29	\$ 9.85	6.0%
45	\$ 181.91	\$ 190.33	\$ 8.43	4.6%
50	\$ 200.36	\$ 207.37	\$ 7.01	3.5%
60	\$ 237.28	\$ 241.44	\$ 4.17	1.8%
70	\$ 274.19	\$ 275.52	\$ 1.32	0.5%
80	\$ 311.10	\$ 309.59	\$ (1.52)	-0.5%
90	\$ 348.02	\$ 343.66	\$ (4.36)	-1.3%
100	\$ 384.93	\$ 377.74	\$ (7.20)	-1.9%
125	\$ 477.22	\$ 462.92	\$ (14.30)	-3.0%
150	\$ 569.50	\$ 548.10	\$ (21.40)	-3.8%
200	\$ 754.07	\$ 718.47	\$ (35.60)	-4.7%
250	\$ 938.64	\$ 888.84	\$ (49.80)	-5.3%
300	\$ 1,123.21	\$ 1,059.21	\$ (64.00)	-5.7%
400	\$ 1,492.35	\$ 1,399.94	\$ (92.40)	-6.2%
500	\$ 1,861.48	\$ 1,740.68	\$ (120.80)	-6.5%
1,000	\$ 3,707.18	\$ 3,444.36	\$ (262.82)	-7.1%
2,000	\$ 7,398.56	\$ 6,851.72	\$ (546.84)	-7.4%
3,000	\$ 11,089.94	\$ 10,259.08	\$ (830.86)	-7.5%
4,000	\$ 14,781.32	\$ 13,666.44	\$ (1,114.88)	-7.5%
5,000	\$ 18,472.70	\$ 17,073.80	\$ (1,398.90)	-7.6%
6,000	\$ 22,164.09	\$ 20,481.16	\$ (1,682.93)	-7.6%
7,000	\$ 25,855.47	\$ 23,888.52	\$ (1,966.95)	-7.6%
8,000	\$ 29,546.85	\$ 27,295.88	\$ (2,250.97)	-7.6%
9,000	\$ 33,238.23	\$ 30,703.24	\$ (2,534.99)	-7.6%
10,000	\$ 36,929.61	\$ 34,110.60	\$ (2,819.01)	-7.6%
20,000	\$ 73,843.44	\$ 68,184.20	\$ (5,659.24)	-7.7%
30,000	\$ 110,757.26	\$ 102,257.80	\$ (8,499.46)	-7.7%

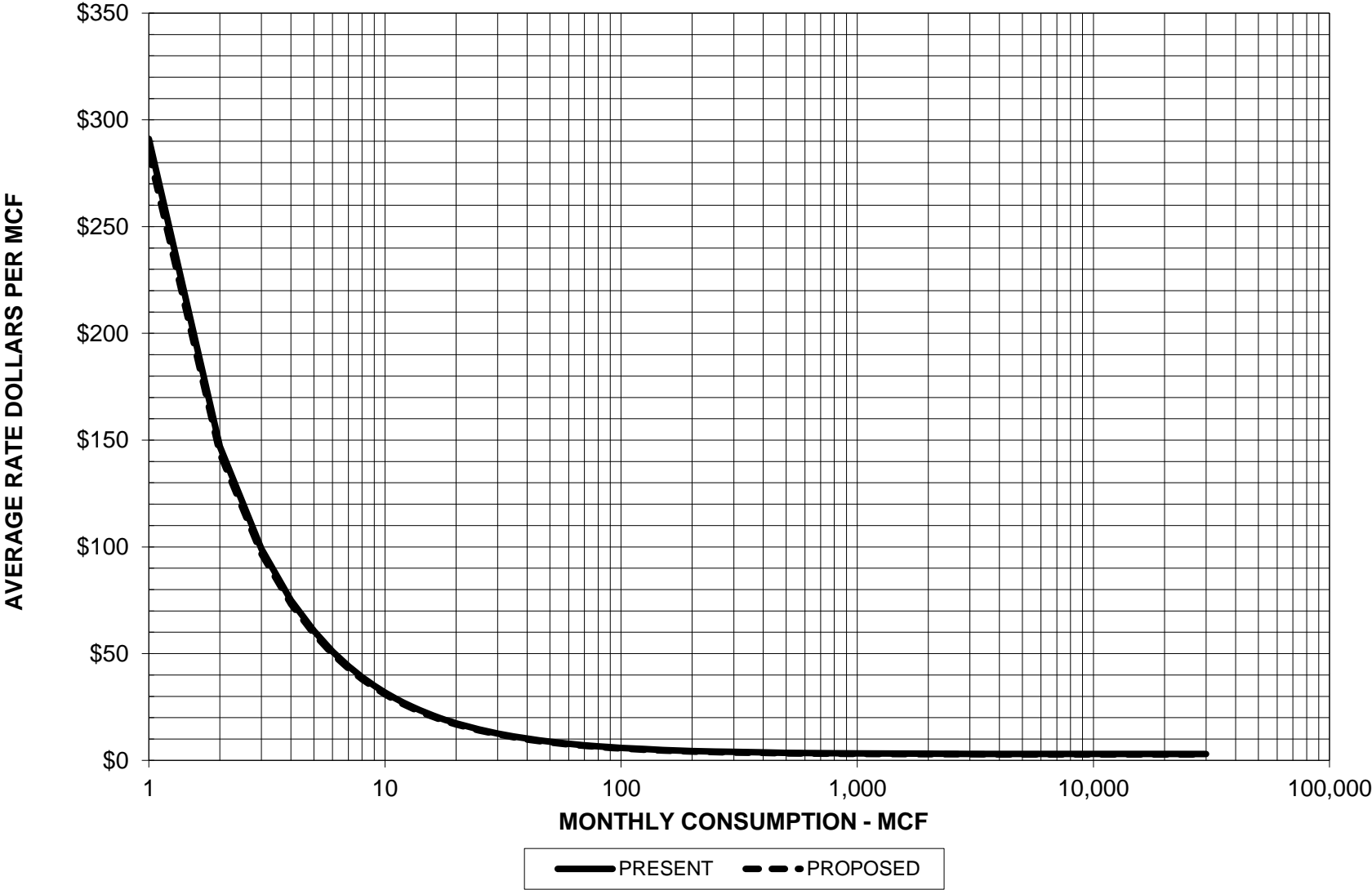
**UGI Utilities, Inc. - Gas Division, South Rate District
Comparison of Present and Proposed Rates
Rate Schedule NT**



**UGI Utilities, Inc. - Gas Division, South Rate District
Delivery Service - Rate Schedule DS
Calculation of the Effect of Proposed Rates**

MCF	Bills Under Present Rates	Bills Under Proposed Rates	Increase Amount	Increase Percent
-	\$ 288.15	\$ 281.99	\$ (6.17)	-2.1%
1	\$ 291.13	\$ 284.74	\$ (6.39)	-2.2%
2	\$ 294.12	\$ 287.49	\$ (6.62)	-2.3%
3	\$ 297.10	\$ 290.25	\$ (6.85)	-2.3%
4	\$ 300.08	\$ 293.00	\$ (7.08)	-2.4%
5	\$ 303.06	\$ 295.75	\$ (7.31)	-2.4%
6	\$ 306.05	\$ 298.51	\$ (7.54)	-2.5%
7	\$ 309.03	\$ 301.26	\$ (7.77)	-2.5%
8	\$ 312.01	\$ 304.01	\$ (8.00)	-2.6%
9	\$ 314.99	\$ 306.77	\$ (8.23)	-2.6%
10	\$ 317.98	\$ 309.52	\$ (8.46)	-2.7%
11	\$ 320.96	\$ 312.27	\$ (8.68)	-2.7%
12	\$ 323.94	\$ 315.03	\$ (8.91)	-2.8%
13	\$ 326.92	\$ 317.78	\$ (9.14)	-2.8%
14	\$ 329.91	\$ 320.53	\$ (9.37)	-2.8%
15	\$ 332.89	\$ 323.29	\$ (9.60)	-2.9%
16	\$ 335.87	\$ 326.04	\$ (9.83)	-2.9%
17	\$ 338.85	\$ 328.79	\$ (10.06)	-3.0%
18	\$ 341.84	\$ 331.55	\$ (10.29)	-3.0%
19	\$ 344.82	\$ 334.30	\$ (10.52)	-3.0%
20	\$ 347.80	\$ 337.06	\$ (10.75)	-3.1%
25	\$ 362.71	\$ 350.82	\$ (11.89)	-3.3%
30	\$ 377.63	\$ 364.59	\$ (13.04)	-3.5%
35	\$ 392.54	\$ 378.36	\$ (14.18)	-3.6%
40	\$ 407.45	\$ 392.13	\$ (15.32)	-3.8%
45	\$ 422.36	\$ 405.89	\$ (16.47)	-3.9%
50	\$ 437.27	\$ 419.66	\$ (17.61)	-4.0%
60	\$ 467.10	\$ 447.20	\$ (19.90)	-4.3%
70	\$ 496.92	\$ 474.73	\$ (22.19)	-4.5%
80	\$ 526.75	\$ 502.27	\$ (24.48)	-4.6%
90	\$ 556.57	\$ 529.80	\$ (26.77)	-4.8%
100	\$ 586.40	\$ 557.34	\$ (29.06)	-5.0%
125	\$ 660.96	\$ 626.17	\$ (34.79)	-5.3%
150	\$ 735.52	\$ 695.01	\$ (40.51)	-5.5%
200	\$ 884.64	\$ 832.69	\$ (51.96)	-5.9%
250	\$ 1,033.77	\$ 970.36	\$ (63.41)	-6.1%
300	\$ 1,182.89	\$ 1,108.04	\$ (74.86)	-6.3%
400	\$ 1,481.14	\$ 1,383.39	\$ (97.75)	-6.6%
500	\$ 1,779.38	\$ 1,658.74	\$ (120.65)	-6.8%
1,000	\$ 3,270.62	\$ 3,035.49	\$ (235.13)	-7.2%
2,000	\$ 6,253.09	\$ 5,788.99	\$ (464.10)	-7.4%
3,000	\$ 9,235.55	\$ 8,542.49	\$ (693.07)	-7.5%
4,000	\$ 12,218.02	\$ 11,295.99	\$ (922.03)	-7.5%
5,000	\$ 15,200.49	\$ 14,049.49	\$ (1,151.00)	-7.6%
6,000	\$ 18,182.95	\$ 16,802.99	\$ (1,379.97)	-7.6%
7,000	\$ 21,165.42	\$ 19,556.49	\$ (1,608.93)	-7.6%
8,000	\$ 24,147.89	\$ 22,309.99	\$ (1,837.90)	-7.6%
9,000	\$ 27,130.35	\$ 25,063.49	\$ (2,066.87)	-7.6%
10,000	\$ 30,112.82	\$ 27,816.99	\$ (2,295.84)	-7.6%
20,000	\$ 59,937.49	\$ 55,351.99	\$ (4,585.51)	-7.7%
30,000	\$ 89,762.16	\$ 82,886.99	\$ (6,875.17)	-7.7%

**UGI Utilities, Inc. - Gas Division, South Rate District
Comparison of Present and Proposed Rates
Rate Schedule DS**

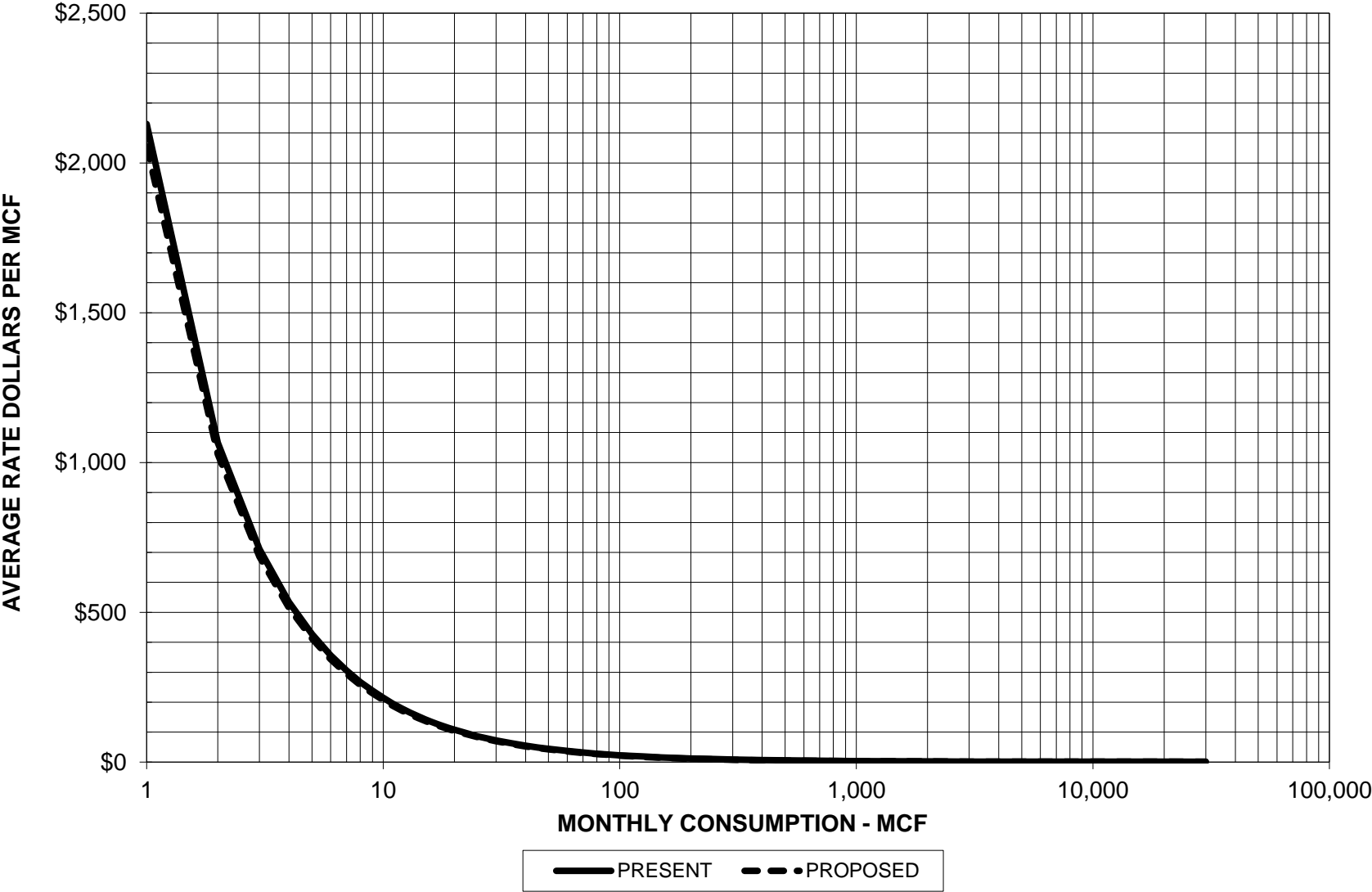


**UGI Utilities, Inc. - Gas Division, South Rate District
Large Firm Delivery Service - Rate Schedule LFD
Calculation of the Effect of Proposed Rates**

MCF	Bills Under Present Rates	Bills Under Proposed Rates	Increase Amount	Increase Percent
-	\$ 2,128.54	\$ 2,054.03	\$ (74.52)	-3.5%
1	\$ 2,130.07	\$ 2,055.16	\$ (74.91)	-3.5%
2	\$ 2,131.60	\$ 2,056.30	\$ (75.30)	-3.5%
3	\$ 2,133.13	\$ 2,057.43	\$ (75.70)	-3.5%
4	\$ 2,134.66	\$ 2,058.57	\$ (76.09)	-3.6%
5	\$ 2,136.18	\$ 2,059.70	\$ (76.48)	-3.6%
6	\$ 2,137.71	\$ 2,060.84	\$ (76.87)	-3.6%
7	\$ 2,139.24	\$ 2,061.98	\$ (77.26)	-3.6%
8	\$ 2,140.77	\$ 2,063.11	\$ (77.65)	-3.6%
9	\$ 2,142.30	\$ 2,064.25	\$ (78.05)	-3.6%
10	\$ 2,143.82	\$ 2,065.38	\$ (78.44)	-3.7%
11	\$ 2,145.35	\$ 2,066.52	\$ (78.83)	-3.7%
12	\$ 2,146.88	\$ 2,067.66	\$ (79.22)	-3.7%
13	\$ 2,148.41	\$ 2,068.79	\$ (79.61)	-3.7%
14	\$ 2,149.93	\$ 2,069.93	\$ (80.01)	-3.7%
15	\$ 2,151.46	\$ 2,071.06	\$ (80.40)	-3.7%
16	\$ 2,152.99	\$ 2,072.20	\$ (80.79)	-3.8%
17	\$ 2,154.52	\$ 2,073.34	\$ (81.18)	-3.8%
18	\$ 2,156.05	\$ 2,074.47	\$ (81.57)	-3.8%
19	\$ 2,157.57	\$ 2,075.61	\$ (81.97)	-3.8%
20	\$ 2,159.10	\$ 2,076.74	\$ (82.36)	-3.8%
25	\$ 2,166.74	\$ 2,082.42	\$ (84.32)	-3.9%
30	\$ 2,174.38	\$ 2,088.10	\$ (86.28)	-4.0%
35	\$ 2,182.02	\$ 2,093.78	\$ (88.24)	-4.0%
40	\$ 2,189.66	\$ 2,099.46	\$ (90.19)	-4.1%
45	\$ 2,197.30	\$ 2,105.14	\$ (92.15)	-4.2%
50	\$ 2,204.94	\$ 2,110.82	\$ (94.11)	-4.3%
60	\$ 2,220.22	\$ 2,122.18	\$ (98.03)	-4.4%
70	\$ 2,235.50	\$ 2,133.54	\$ (101.95)	-4.6%
80	\$ 2,250.77	\$ 2,144.90	\$ (105.87)	-4.7%
90	\$ 2,266.05	\$ 2,156.26	\$ (109.79)	-4.8%
100	\$ 2,281.33	\$ 2,167.62	\$ (113.71)	-5.0%
125	\$ 2,319.53	\$ 2,196.02	\$ (123.51)	-5.3%
150	\$ 2,357.73	\$ 2,224.42	\$ (133.30)	-5.7%
200	\$ 2,434.12	\$ 2,281.22	\$ (152.90)	-6.3%
250	\$ 2,510.51	\$ 2,338.02	\$ (172.49)	-6.9%
300	\$ 2,586.91	\$ 2,394.82	\$ (192.09)	-7.4%
400	\$ 2,739.70	\$ 2,508.42	\$ (231.27)	-8.4%
500	\$ 2,892.48	\$ 2,622.02	\$ (270.46)	-9.4%
1,000	\$ 3,656.42	\$ 3,190.02	\$ (466.41)	-12.8%
2,000	\$ 4,690.25	\$ 4,326.01	\$ (364.25)	-7.8%
3,000	\$ 5,724.08	\$ 5,462.00	\$ (262.09)	-4.6%
4,000	\$ 6,757.92	\$ 6,597.99	\$ (159.93)	-2.4%
5,000	\$ 7,791.75	\$ 7,733.98	\$ (57.77)	-0.7%
6,000	\$ 8,825.58	\$ 8,869.97	\$ 44.39	0.5%
7,000	\$ 9,859.41	\$ 10,005.96	\$ 146.54	1.5%
8,000	\$ 10,893.24	\$ 11,141.95	\$ 248.70	2.3%
9,000	\$ 11,927.07	\$ 12,277.94	\$ 350.86	2.9%
10,000	\$ 12,960.90	\$ 13,413.93	\$ 453.02	3.5%
20,000	\$ 23,299.22	\$ 24,773.83	\$ 1,474.61	6.3%
30,000	\$ 33,637.53	\$ 36,133.73	\$ 2,496.19	7.4%

**UGI Utilities, Inc. - Gas Division, South Rate District
Comparison of Present and Proposed Rates
Rate Schedule LFD**

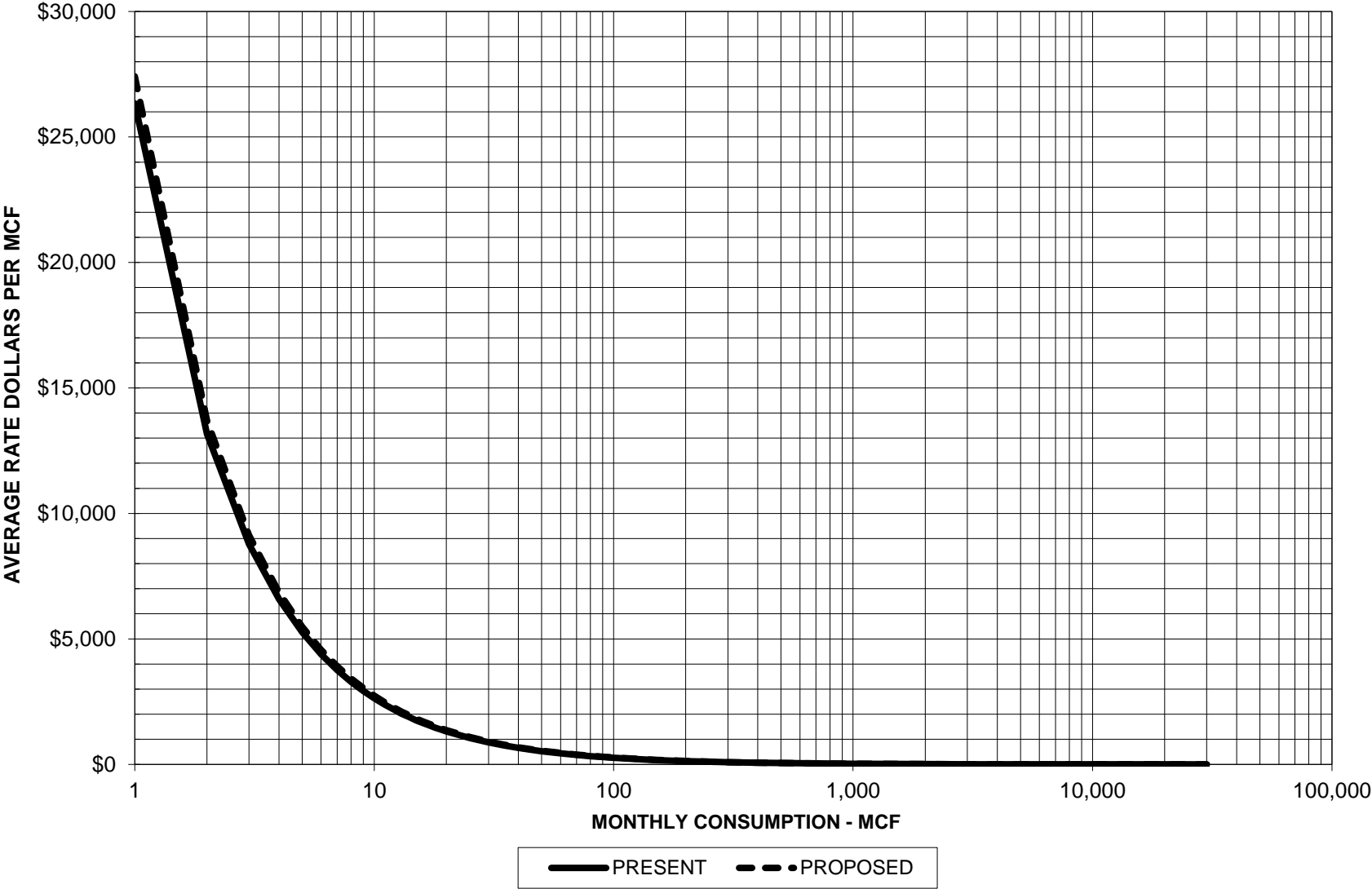
Attachment IV-B-7
D. E. Lahoff
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**UGI Utilities, Inc. - Gas Division, South Rate District
Extended Large Firm Delivery Service - Rate Schedule XD
Calculation of the Effect of Proposed Rates**

<u>MCF</u>	<u>Bills Under Present Rates</u>	<u>Bills Under Proposed Rates</u>	<u>Increase Amount</u>	<u>Increase Percent</u>
-	\$ 26,339.07	\$ 27,416.32	\$ 1,077.25	4.1%
1	\$ 26,339.25	\$ 27,416.50	\$ 1,077.26	4.1%
2	\$ 26,339.42	\$ 27,416.69	\$ 1,077.26	4.1%
3	\$ 26,339.60	\$ 27,416.87	\$ 1,077.27	4.1%
4	\$ 26,339.78	\$ 27,417.06	\$ 1,077.28	4.1%
5	\$ 26,339.95	\$ 27,417.24	\$ 1,077.29	4.1%
6	\$ 26,340.13	\$ 27,417.42	\$ 1,077.29	4.1%
7	\$ 26,340.31	\$ 27,417.61	\$ 1,077.30	4.1%
8	\$ 26,340.48	\$ 27,417.79	\$ 1,077.31	4.1%
9	\$ 26,340.66	\$ 27,417.98	\$ 1,077.31	4.1%
10	\$ 26,340.84	\$ 27,418.16	\$ 1,077.32	4.1%
11	\$ 26,341.02	\$ 27,418.34	\$ 1,077.33	4.1%
12	\$ 26,341.19	\$ 27,418.53	\$ 1,077.34	4.1%
13	\$ 26,341.37	\$ 27,418.71	\$ 1,077.34	4.1%
14	\$ 26,341.55	\$ 27,418.90	\$ 1,077.35	4.1%
15	\$ 26,341.72	\$ 27,419.08	\$ 1,077.36	4.1%
16	\$ 26,341.90	\$ 27,419.27	\$ 1,077.37	4.1%
17	\$ 26,342.08	\$ 27,419.45	\$ 1,077.37	4.1%
18	\$ 26,342.25	\$ 27,419.63	\$ 1,077.38	4.1%
19	\$ 26,342.43	\$ 27,419.82	\$ 1,077.39	4.1%
20	\$ 26,342.61	\$ 27,420.00	\$ 1,077.39	4.1%
25	\$ 26,343.49	\$ 27,420.92	\$ 1,077.43	4.1%
30	\$ 26,344.38	\$ 27,421.84	\$ 1,077.47	4.1%
35	\$ 26,345.26	\$ 27,422.76	\$ 1,077.50	4.1%
40	\$ 26,346.15	\$ 27,423.68	\$ 1,077.54	4.1%
45	\$ 26,347.03	\$ 27,424.60	\$ 1,077.58	4.1%
50	\$ 26,347.91	\$ 27,425.53	\$ 1,077.61	4.1%
60	\$ 26,349.68	\$ 27,427.37	\$ 1,077.68	4.1%
70	\$ 26,351.45	\$ 27,429.21	\$ 1,077.76	4.1%
80	\$ 26,353.22	\$ 27,431.05	\$ 1,077.83	4.1%
90	\$ 26,354.99	\$ 27,432.89	\$ 1,077.90	4.1%
100	\$ 26,356.76	\$ 27,434.73	\$ 1,077.97	4.1%
125	\$ 26,361.18	\$ 27,439.33	\$ 1,078.15	4.1%
150	\$ 26,365.60	\$ 27,443.94	\$ 1,078.33	4.1%
200	\$ 26,374.45	\$ 27,453.14	\$ 1,078.70	4.1%
250	\$ 26,383.29	\$ 27,462.35	\$ 1,079.06	4.1%
300	\$ 26,392.14	\$ 27,471.56	\$ 1,079.42	4.1%
400	\$ 26,409.82	\$ 27,489.97	\$ 1,080.14	4.1%
500	\$ 26,427.51	\$ 27,508.38	\$ 1,080.87	4.1%
1,000	\$ 26,515.96	\$ 27,600.44	\$ 1,084.48	4.1%
2,000	\$ 26,692.84	\$ 27,784.56	\$ 1,091.72	4.1%
3,000	\$ 26,869.73	\$ 27,968.68	\$ 1,098.95	4.1%
4,000	\$ 27,046.61	\$ 28,152.80	\$ 1,106.19	4.1%
5,000	\$ 27,223.50	\$ 28,336.92	\$ 1,113.42	4.1%
6,000	\$ 27,400.38	\$ 28,521.04	\$ 1,120.66	4.1%
7,000	\$ 27,577.27	\$ 28,705.16	\$ 1,127.89	4.1%
8,000	\$ 27,754.16	\$ 28,889.28	\$ 1,135.13	4.1%
9,000	\$ 27,931.04	\$ 29,073.40	\$ 1,142.36	4.1%
10,000	\$ 28,107.93	\$ 29,257.52	\$ 1,149.59	4.1%
20,000	\$ 29,876.78	\$ 31,098.72	\$ 1,221.94	4.1%
30,000	\$ 31,645.64	\$ 32,939.93	\$ 1,294.28	4.1%

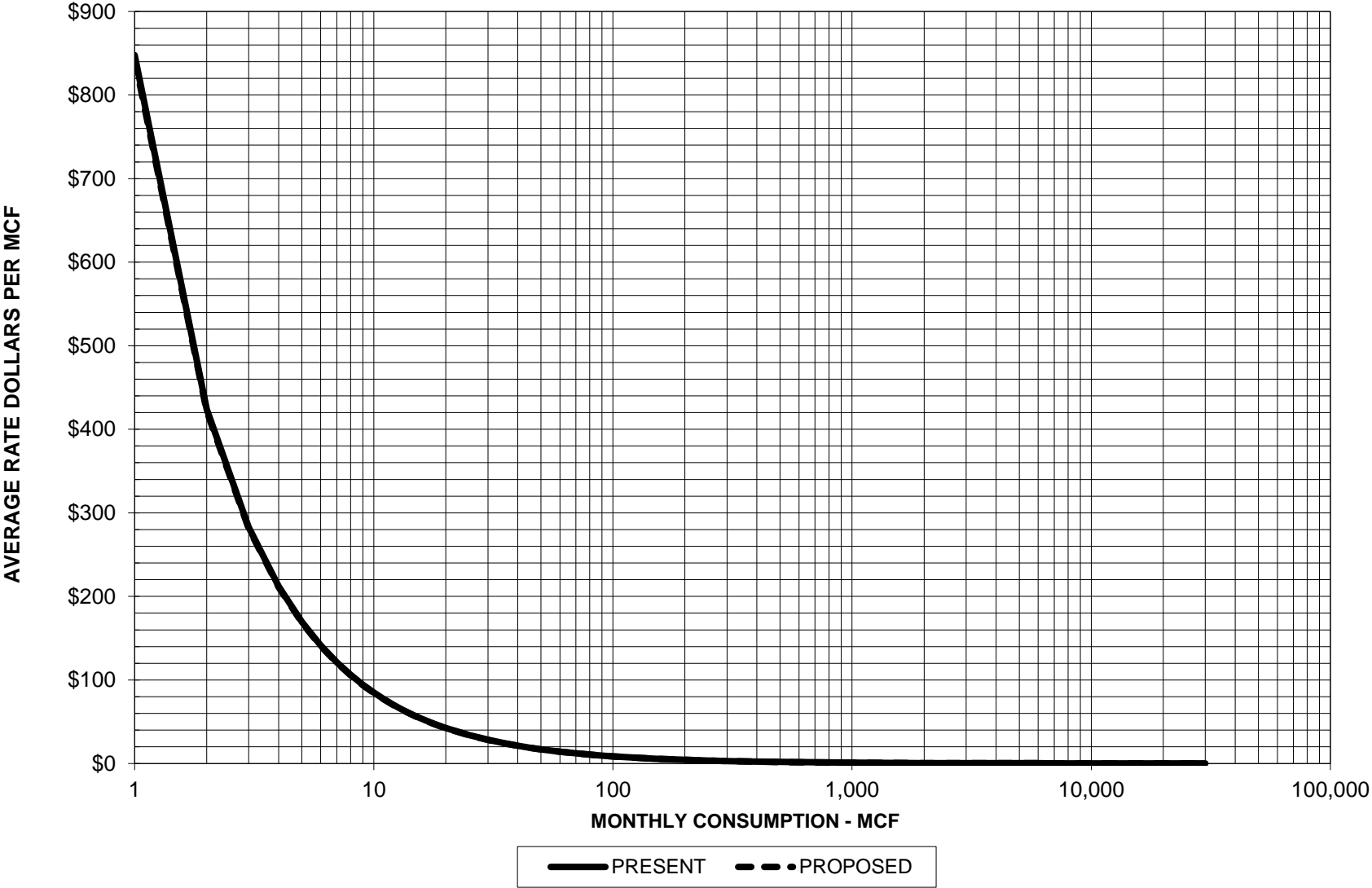
**UGI Utilities, Inc. - Gas Division, South Rate District
Comparison of Present and Proposed Rates
Rate Schedule XD**



**UGI Utilities, Inc. - Gas Division, South Rate District
Interruptible Service - Rate Schedule IS
Calculation of the Effect of Proposed Rates**

MCF	Bills Under Present Rates	Bills Under Proposed Rates	Increase Amount	Increase Percent
-	\$ 847.62	\$ 842.90	\$ (4.72)	-0.6%
1	\$ 847.77	\$ 843.05	\$ (4.72)	-0.6%
2	\$ 847.93	\$ 843.21	\$ (4.72)	-0.6%
3	\$ 848.09	\$ 843.36	\$ (4.72)	-0.6%
4	\$ 848.24	\$ 843.52	\$ (4.72)	-0.6%
5	\$ 848.40	\$ 843.67	\$ (4.72)	-0.6%
6	\$ 848.56	\$ 843.83	\$ (4.73)	-0.6%
7	\$ 848.71	\$ 843.99	\$ (4.73)	-0.6%
8	\$ 848.87	\$ 844.14	\$ (4.73)	-0.6%
9	\$ 849.03	\$ 844.30	\$ (4.73)	-0.6%
10	\$ 849.18	\$ 844.45	\$ (4.73)	-0.6%
11	\$ 849.34	\$ 844.61	\$ (4.73)	-0.6%
12	\$ 849.50	\$ 844.77	\$ (4.73)	-0.6%
13	\$ 849.65	\$ 844.92	\$ (4.73)	-0.6%
14	\$ 849.81	\$ 845.08	\$ (4.73)	-0.6%
15	\$ 849.97	\$ 845.23	\$ (4.73)	-0.6%
16	\$ 850.12	\$ 845.39	\$ (4.73)	-0.6%
17	\$ 850.28	\$ 845.54	\$ (4.74)	-0.6%
18	\$ 850.44	\$ 845.70	\$ (4.74)	-0.6%
19	\$ 850.59	\$ 845.86	\$ (4.74)	-0.6%
20	\$ 850.75	\$ 846.01	\$ (4.74)	-0.6%
25	\$ 851.53	\$ 846.79	\$ (4.74)	-0.6%
30	\$ 852.32	\$ 847.57	\$ (4.75)	-0.6%
35	\$ 853.10	\$ 848.35	\$ (4.75)	-0.6%
40	\$ 853.88	\$ 849.13	\$ (4.76)	-0.6%
45	\$ 854.67	\$ 849.91	\$ (4.76)	-0.6%
50	\$ 855.45	\$ 850.69	\$ (4.76)	-0.6%
60	\$ 857.02	\$ 852.24	\$ (4.77)	-0.6%
70	\$ 858.58	\$ 853.80	\$ (4.78)	-0.6%
80	\$ 860.15	\$ 855.36	\$ (4.79)	-0.6%
90	\$ 861.72	\$ 856.92	\$ (4.80)	-0.6%
100	\$ 863.28	\$ 858.48	\$ (4.81)	-0.6%
125	\$ 867.20	\$ 862.37	\$ (4.83)	-0.6%
150	\$ 871.12	\$ 866.27	\$ (4.85)	-0.6%
200	\$ 878.95	\$ 874.06	\$ (4.89)	-0.6%
250	\$ 886.79	\$ 881.85	\$ (4.94)	-0.6%
300	\$ 894.62	\$ 889.64	\$ (4.98)	-0.6%
400	\$ 910.29	\$ 905.22	\$ (5.07)	-0.6%
500	\$ 925.96	\$ 920.80	\$ (5.16)	-0.6%
1,000	\$ 1,004.30	\$ 998.70	\$ (5.59)	-0.6%
2,000	\$ 1,160.98	\$ 1,154.51	\$ (6.47)	-0.6%
3,000	\$ 1,317.66	\$ 1,310.32	\$ (7.34)	-0.6%
4,000	\$ 1,474.34	\$ 1,466.13	\$ (8.21)	-0.6%
5,000	\$ 1,631.02	\$ 1,621.93	\$ (9.08)	-0.6%
6,000	\$ 1,787.69	\$ 1,777.74	\$ (9.96)	-0.6%
7,000	\$ 1,944.37	\$ 1,933.55	\$ (10.83)	-0.6%
8,000	\$ 2,101.05	\$ 2,089.35	\$ (11.70)	-0.6%
9,000	\$ 2,257.73	\$ 2,245.16	\$ (12.57)	-0.6%
10,000	\$ 2,414.41	\$ 2,400.97	\$ (13.45)	-0.6%
20,000	\$ 3,981.21	\$ 3,959.04	\$ (22.17)	-0.6%
30,000	\$ 5,548.01	\$ 5,517.11	\$ (30.90)	-0.6%

**UGI Utilities, Inc. - Gas Division, South Rate District
Comparison of Present and Proposed Rates
Rate Schedule IS**

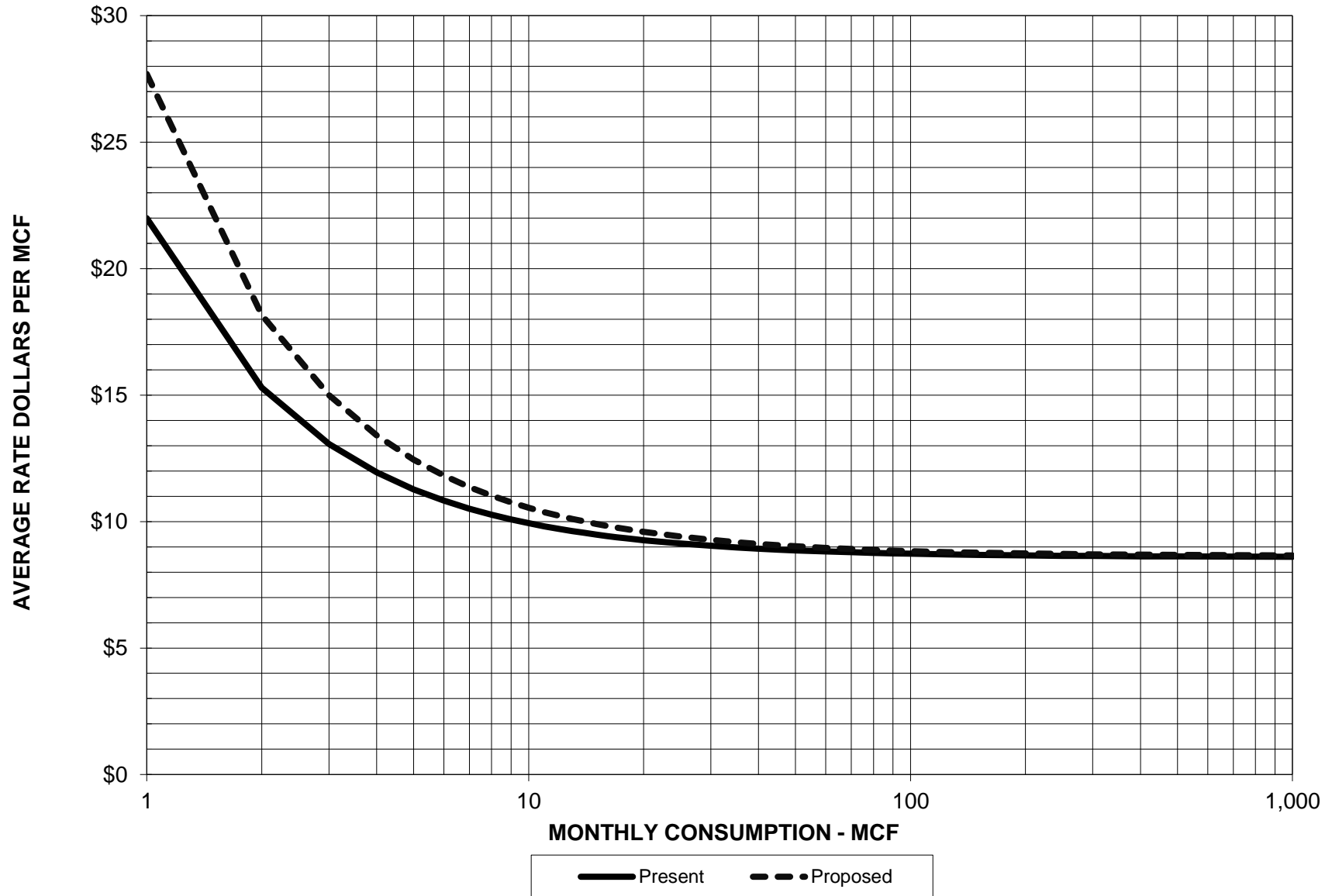


**UGI Utilities, Inc. - Gas Division, North Rate District
Residential Service - Rate Schedule R
Calculation of the Effect of Proposed Rates**

MCF	Bills Under Present Rates	Bills Under Proposed Rates	Increase Amount	Increase Percent
-	\$ 13.40	\$ 19.05	\$ 5.65	42.2%
1	\$ 21.99	\$ 27.69	\$ 5.70	25.9%
2	\$ 30.59	\$ 36.33	\$ 5.75	18.8%
3	\$ 39.18	\$ 44.98	\$ 5.80	14.8%
4	\$ 47.77	\$ 53.62	\$ 5.84	12.2%
5	\$ 56.37	\$ 62.26	\$ 5.89	10.4%
6	\$ 64.96	\$ 70.90	\$ 5.94	9.1%
7	\$ 73.55	\$ 79.54	\$ 5.98	8.1%
8	\$ 82.15	\$ 88.18	\$ 6.03	7.3%
9	\$ 90.74	\$ 96.82	\$ 6.08	6.7%
10	\$ 99.34	\$ 105.46	\$ 6.13	6.2%
11	\$ 107.93	\$ 114.10	\$ 6.17	5.7%
12	\$ 116.52	\$ 122.74	\$ 6.22	5.3%
13	\$ 125.12	\$ 131.39	\$ 6.27	5.0%
14	\$ 133.71	\$ 140.03	\$ 6.31	4.7%
15	\$ 142.31	\$ 148.67	\$ 6.36	4.5%
16	\$ 150.90	\$ 157.31	\$ 6.41	4.2%
17	\$ 159.49	\$ 165.95	\$ 6.46	4.0%
18	\$ 168.09	\$ 174.59	\$ 6.50	3.9%
19	\$ 176.68	\$ 183.23	\$ 6.55	3.7%
20	\$ 185.27	\$ 191.87	\$ 6.60	3.6%
25	\$ 228.24	\$ 235.08	\$ 6.83	3.0%
30	\$ 271.21	\$ 278.28	\$ 7.07	2.6%
35	\$ 314.18	\$ 321.49	\$ 7.30	2.3%
40	\$ 357.15	\$ 364.69	\$ 7.54	2.1%
45	\$ 400.12	\$ 407.90	\$ 7.78	1.9%
50	\$ 443.09	\$ 451.10	\$ 8.01	1.8%
60	\$ 529.03	\$ 537.51	\$ 8.48	1.6%
70	\$ 614.96	\$ 623.92	\$ 8.96	1.5%
80	\$ 700.90	\$ 710.33	\$ 9.43	1.3%
90	\$ 786.84	\$ 796.74	\$ 9.90	1.3%
100	\$ 872.78	\$ 883.15	\$ 10.37	1.2%
125	\$ 1,087.62	\$ 1,099.17	\$ 11.55	1.1%
150	\$ 1,302.47	\$ 1,315.20	\$ 12.73	1.0%
200	\$ 1,732.16	\$ 1,747.24	\$ 15.09	0.9%
250	\$ 2,161.85	\$ 2,179.29	\$ 17.45	0.8%
300	\$ 2,591.54	\$ 2,611.34	\$ 19.80	0.8%
400	\$ 3,450.92	\$ 3,475.44	\$ 24.52	0.7%
500	\$ 4,310.30	\$ 4,339.53	\$ 29.24	0.7%
1,000	\$ 8,607.19	\$ 8,660.01	\$ 52.82	0.6%

UGI Utilities, Inc.- Gas Division, North Rate District
Comparison of Present and Proposed Rates
Rate Schedule R

Attachment IV-B-7
D. E. Lahoff
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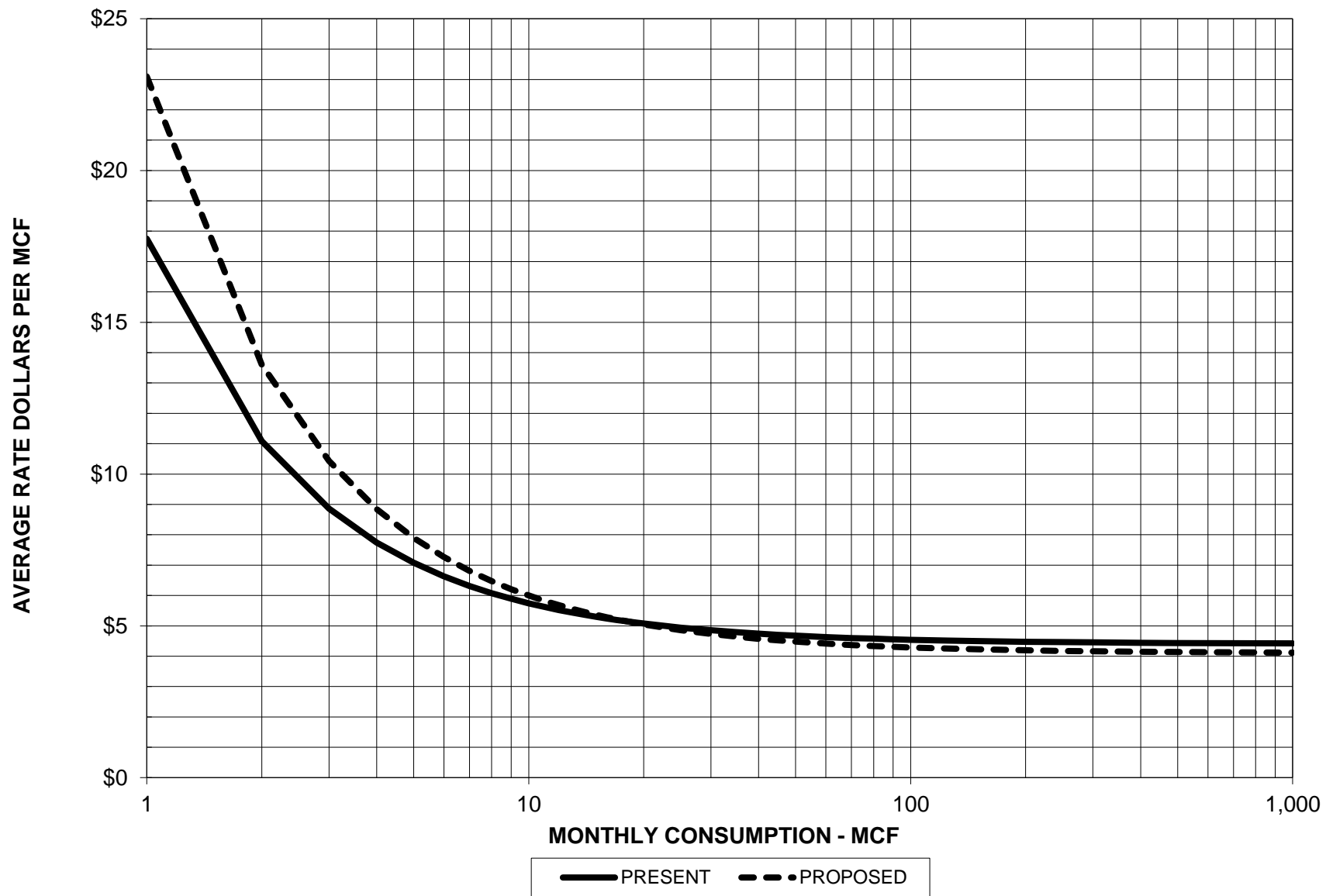


**UGI Utilities, Inc. - Gas Division, North Rate District
Residential Transportation Service - Rate Schedule RT
Calculation of the Effect of Proposed Rates**

MCF	Bills Under Present Rates	Bills Under Proposed Rates	Increase Amount	Increase Percent
-	\$ 13.35	\$ 19.00	\$ 5.65	42.4%
1	\$ 17.75	\$ 23.10	\$ 5.34	30.1%
2	\$ 22.16	\$ 27.20	\$ 5.03	22.7%
3	\$ 26.57	\$ 31.29	\$ 4.72	17.8%
4	\$ 30.98	\$ 35.39	\$ 4.41	14.2%
5	\$ 35.39	\$ 39.49	\$ 4.10	11.6%
6	\$ 39.80	\$ 43.59	\$ 3.79	9.5%
7	\$ 44.21	\$ 47.68	\$ 3.48	7.9%
8	\$ 48.62	\$ 51.78	\$ 3.17	6.5%
9	\$ 53.02	\$ 55.88	\$ 2.86	5.4%
10	\$ 57.43	\$ 59.98	\$ 2.55	4.4%
11	\$ 61.84	\$ 64.08	\$ 2.23	3.6%
12	\$ 66.25	\$ 68.17	\$ 1.92	2.9%
13	\$ 70.66	\$ 72.27	\$ 1.61	2.3%
14	\$ 75.07	\$ 76.37	\$ 1.30	1.7%
15	\$ 79.48	\$ 80.47	\$ 0.99	1.2%
16	\$ 83.88	\$ 84.56	\$ 0.68	0.8%
17	\$ 88.29	\$ 88.66	\$ 0.37	0.4%
18	\$ 92.70	\$ 92.76	\$ 0.06	0.1%
19	\$ 97.11	\$ 96.86	\$ (0.25)	-0.3%
20	\$ 101.52	\$ 100.96	\$ (0.56)	-0.6%
25	\$ 123.56	\$ 121.45	\$ (2.12)	-1.7%
30	\$ 145.61	\$ 141.93	\$ (3.67)	-2.5%
35	\$ 167.65	\$ 162.42	\$ (5.23)	-3.1%
40	\$ 189.69	\$ 182.91	\$ (6.78)	-3.6%
45	\$ 211.74	\$ 203.40	\$ (8.34)	-3.9%
50	\$ 233.78	\$ 223.89	\$ (9.89)	-4.2%
60	\$ 277.87	\$ 264.87	\$ (13.00)	-4.7%
70	\$ 321.96	\$ 305.85	\$ (16.11)	-5.0%
80	\$ 366.04	\$ 346.82	\$ (19.22)	-5.3%
90	\$ 410.13	\$ 387.80	\$ (22.33)	-5.4%
100	\$ 454.22	\$ 428.78	\$ (25.44)	-5.6%
125	\$ 564.43	\$ 531.23	\$ (33.21)	-5.9%
150	\$ 674.65	\$ 633.67	\$ (40.98)	-6.1%
200	\$ 895.09	\$ 838.56	\$ (56.53)	-6.3%
250	\$ 1,115.52	\$ 1,043.45	\$ (72.07)	-6.5%
300	\$ 1,335.96	\$ 1,248.34	\$ (87.62)	-6.6%
400	\$ 1,776.83	\$ 1,658.12	\$ (118.71)	-6.7%
500	\$ 2,217.70	\$ 2,067.90	\$ (149.80)	-6.8%
1,000	\$ 4,422.06	\$ 4,116.80	\$ (305.26)	-6.9%

UGI Utilities, Inc. - Gas Division, North Rate District
Comparison of Present and Proposed Rates
Rate Schedule RT

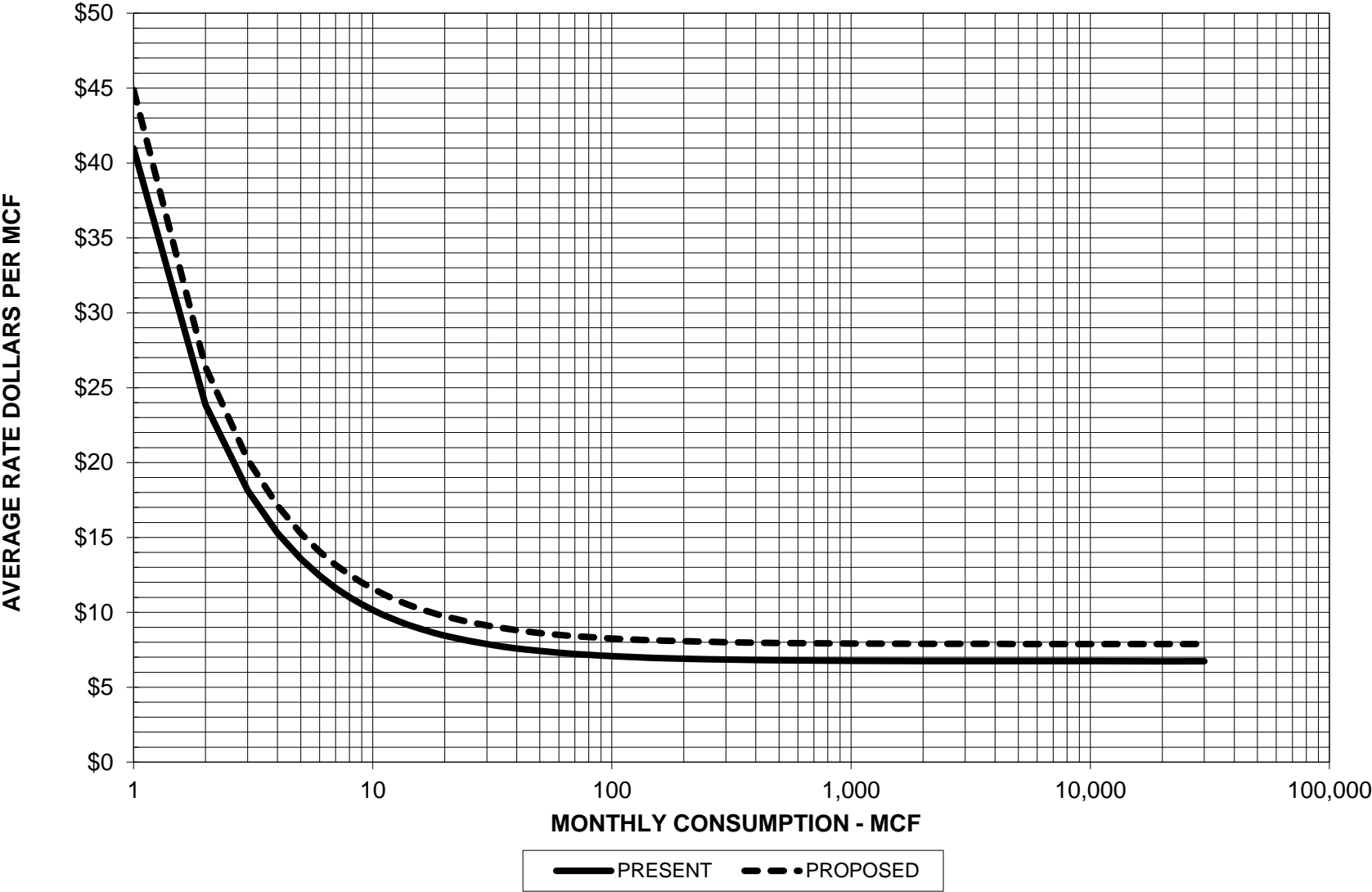
Attachment IV-B-7
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**UGI Utilities, Inc. - Gas Division, North Rate District
Non-Residential Service - Rate Schedule N
Calculation of the Effect of Proposed Rates**

MCF	Bills Under Present Rates	Bills Under Proposed Rates	Increase Amount	Increase Percent
-	\$ 34.24	\$ 37.00	\$ 2.76	8.0%
1	\$ 40.98	\$ 44.88	\$ 3.90	9.5%
2	\$ 47.71	\$ 52.76	\$ 5.05	10.6%
3	\$ 54.44	\$ 60.64	\$ 6.20	11.4%
4	\$ 61.17	\$ 68.52	\$ 7.35	12.0%
5	\$ 67.91	\$ 76.40	\$ 8.50	12.5%
6	\$ 74.64	\$ 84.28	\$ 9.64	12.9%
7	\$ 81.37	\$ 92.16	\$ 10.79	13.3%
8	\$ 88.10	\$ 100.04	\$ 11.94	13.6%
9	\$ 94.84	\$ 107.93	\$ 13.09	13.8%
10	\$ 101.57	\$ 115.81	\$ 14.24	14.0%
11	\$ 108.30	\$ 123.69	\$ 15.39	14.2%
12	\$ 115.03	\$ 131.57	\$ 16.53	14.4%
13	\$ 121.77	\$ 139.45	\$ 17.68	14.5%
14	\$ 128.50	\$ 147.33	\$ 18.83	14.7%
15	\$ 135.23	\$ 155.21	\$ 19.98	14.8%
16	\$ 141.96	\$ 163.09	\$ 21.13	14.9%
17	\$ 148.70	\$ 170.97	\$ 22.27	15.0%
18	\$ 155.43	\$ 178.85	\$ 23.42	15.1%
19	\$ 162.16	\$ 186.73	\$ 24.57	15.2%
20	\$ 168.89	\$ 194.61	\$ 25.72	15.2%
25	\$ 202.56	\$ 234.02	\$ 31.46	15.5%
30	\$ 236.22	\$ 273.42	\$ 37.20	15.7%
35	\$ 269.88	\$ 312.82	\$ 42.94	15.9%
40	\$ 303.54	\$ 352.22	\$ 48.68	16.0%
45	\$ 337.20	\$ 391.63	\$ 54.42	16.1%
50	\$ 370.87	\$ 431.03	\$ 60.16	16.2%
60	\$ 438.19	\$ 509.84	\$ 71.65	16.4%
70	\$ 505.51	\$ 588.64	\$ 83.13	16.4%
80	\$ 572.84	\$ 667.45	\$ 94.61	16.5%
90	\$ 640.16	\$ 746.26	\$ 106.09	16.6%
100	\$ 707.49	\$ 825.06	\$ 117.57	16.6%
125	\$ 875.80	\$ 1,022.08	\$ 146.28	16.7%
150	\$ 1,044.11	\$ 1,219.09	\$ 174.98	16.8%
200	\$ 1,380.73	\$ 1,613.12	\$ 232.39	16.8%
250	\$ 1,717.35	\$ 2,007.15	\$ 289.80	16.9%
300	\$ 2,053.97	\$ 2,401.18	\$ 347.21	16.9%
400	\$ 2,727.21	\$ 3,189.24	\$ 462.03	16.9%
500	\$ 3,400.45	\$ 3,977.31	\$ 576.85	17.0%
1,000	\$ 6,766.66	\$ 7,917.61	\$ 1,150.95	17.0%
2,000	\$ 13,499.08	\$ 15,798.22	\$ 2,299.14	17.0%
3,000	\$ 20,231.50	\$ 23,678.84	\$ 3,447.34	17.0%
4,000	\$ 26,963.92	\$ 31,559.45	\$ 4,595.53	17.0%
5,000	\$ 33,696.33	\$ 39,440.06	\$ 5,743.73	17.0%
6,000	\$ 40,428.75	\$ 47,320.67	\$ 6,891.92	17.0%
7,000	\$ 47,161.17	\$ 55,201.28	\$ 8,040.12	17.0%
8,000	\$ 53,893.59	\$ 63,081.90	\$ 9,188.31	17.0%
9,000	\$ 60,626.00	\$ 70,962.51	\$ 10,336.51	17.0%
10,000	\$ 67,358.42	\$ 78,843.12	\$ 11,484.70	17.1%
20,000	\$ 134,682.60	\$ 157,649.24	\$ 22,966.64	17.1%
30,000	\$ 202,006.77	\$ 236,455.36	\$ 34,448.59	17.1%

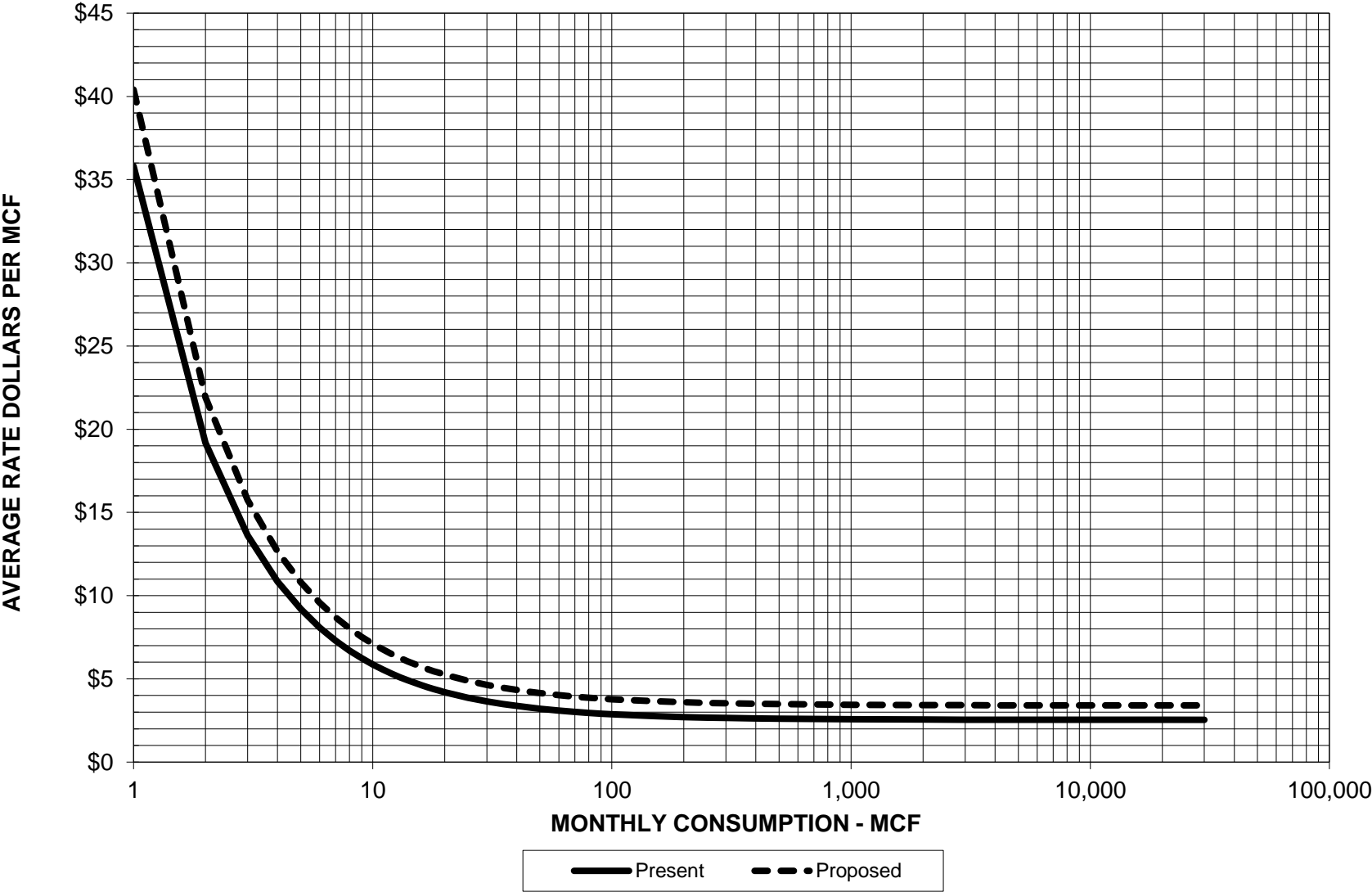
UGI Utilities, Inc.- Gas Division, North Rate District
Comparison of Present and Proposed Rates
Rate Schedule N



**UGI Utilities, Inc. - Gas Division, North Rate District
Non-Residential Transportation Service - Rate Schedule NT
Calculation of the Effect of Proposed Rates**

MCF	Bills Under Present Rates	Bills Under Proposed Rates	Increase Amount	Increase Percent
-	\$ 33.27	\$ 37.00	\$ 3.73	11.2%
1	\$ 35.81	\$ 40.41	\$ 4.60	12.8%
2	\$ 38.35	\$ 43.81	\$ 5.47	14.3%
3	\$ 40.89	\$ 47.22	\$ 6.34	15.5%
4	\$ 43.43	\$ 50.63	\$ 7.20	16.6%
5	\$ 45.97	\$ 54.04	\$ 8.07	17.6%
6	\$ 48.50	\$ 57.44	\$ 8.94	18.4%
7	\$ 51.04	\$ 60.85	\$ 9.81	19.2%
8	\$ 53.58	\$ 64.26	\$ 10.68	19.9%
9	\$ 56.12	\$ 67.67	\$ 11.54	20.6%
10	\$ 58.66	\$ 71.07	\$ 12.41	21.2%
11	\$ 61.20	\$ 74.48	\$ 13.28	21.7%
12	\$ 63.74	\$ 77.89	\$ 14.15	22.2%
13	\$ 66.28	\$ 81.30	\$ 15.02	22.7%
14	\$ 68.82	\$ 84.70	\$ 15.88	23.1%
15	\$ 71.36	\$ 88.11	\$ 16.75	23.5%
16	\$ 73.90	\$ 91.52	\$ 17.62	23.8%
17	\$ 76.44	\$ 94.93	\$ 18.49	24.2%
18	\$ 78.98	\$ 98.33	\$ 19.36	24.5%
19	\$ 81.52	\$ 101.74	\$ 20.22	24.8%
20	\$ 84.05	\$ 105.15	\$ 21.09	25.1%
25	\$ 96.75	\$ 122.18	\$ 25.43	26.3%
30	\$ 109.45	\$ 139.22	\$ 29.77	27.2%
35	\$ 122.14	\$ 156.26	\$ 34.11	27.9%
40	\$ 134.84	\$ 173.29	\$ 38.45	28.5%
45	\$ 147.54	\$ 190.33	\$ 42.80	29.0%
50	\$ 160.23	\$ 207.37	\$ 47.14	29.4%
60	\$ 185.62	\$ 241.44	\$ 55.82	30.1%
70	\$ 211.02	\$ 275.52	\$ 64.50	30.6%
80	\$ 236.41	\$ 309.59	\$ 73.18	31.0%
90	\$ 261.80	\$ 343.66	\$ 81.86	31.3%
100	\$ 287.20	\$ 377.74	\$ 90.54	31.5%
125	\$ 350.68	\$ 462.92	\$ 112.24	32.0%
150	\$ 414.16	\$ 548.10	\$ 133.95	32.3%
200	\$ 541.12	\$ 718.47	\$ 177.35	32.8%
250	\$ 668.09	\$ 888.84	\$ 220.75	33.0%
300	\$ 795.05	\$ 1,059.21	\$ 264.16	33.2%
400	\$ 1,048.98	\$ 1,399.94	\$ 350.97	33.5%
500	\$ 1,302.90	\$ 1,740.68	\$ 437.78	33.6%
1,000	\$ 2,572.54	\$ 3,444.36	\$ 871.82	33.9%
2,000	\$ 5,111.80	\$ 6,851.72	\$ 1,739.92	34.0%
3,000	\$ 7,651.07	\$ 10,259.08	\$ 2,608.01	34.1%
4,000	\$ 10,190.33	\$ 13,666.44	\$ 3,476.11	34.1%
5,000	\$ 12,729.60	\$ 17,073.80	\$ 4,344.20	34.1%
6,000	\$ 15,268.87	\$ 20,481.16	\$ 5,212.29	34.1%
7,000	\$ 17,808.13	\$ 23,888.52	\$ 6,080.39	34.1%
8,000	\$ 20,347.40	\$ 27,295.88	\$ 6,948.48	34.1%
9,000	\$ 22,886.67	\$ 30,703.24	\$ 7,816.57	34.2%
10,000	\$ 25,425.93	\$ 34,110.60	\$ 8,684.67	34.2%
20,000	\$ 50,818.60	\$ 68,184.20	\$ 17,365.60	34.2%
30,000	\$ 76,211.26	\$ 102,257.80	\$ 26,046.54	34.2%

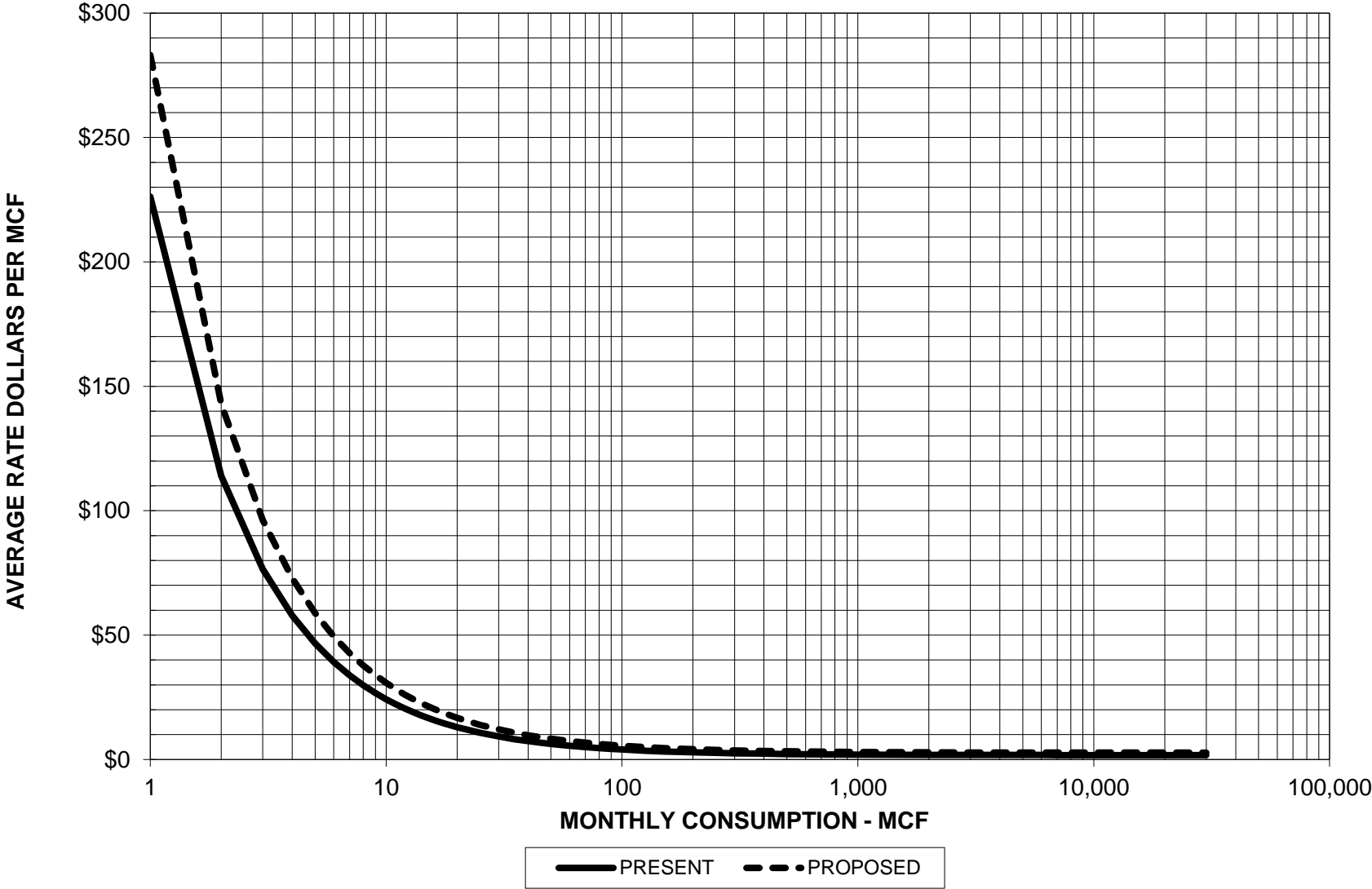
UGI Utilities, Inc. - Gas Division, North Rate District
Comparison of Present and Proposed Rates
Rate Schedule NT



**UGI Utilities, Inc. - Gas Division, North Rate District
Delivery Service - Rate Schedule DS
Calculation of the Effect of Proposed Rates**

MCF	Bills Under Present Rates	Bills Under Proposed Rates	Increase Amount	Increase Percent
-	\$ 224.47	\$ 280.41	\$ 55.94	24.9%
1	\$ 226.25	\$ 283.16	\$ 56.92	25.2%
2	\$ 228.02	\$ 285.92	\$ 57.90	25.4%
3	\$ 229.79	\$ 288.67	\$ 58.88	25.6%
4	\$ 231.56	\$ 291.42	\$ 59.87	25.9%
5	\$ 233.33	\$ 294.18	\$ 60.85	26.1%
6	\$ 235.10	\$ 296.93	\$ 61.83	26.3%
7	\$ 236.87	\$ 299.68	\$ 62.82	26.5%
8	\$ 238.64	\$ 302.44	\$ 63.80	26.7%
9	\$ 240.41	\$ 305.19	\$ 64.78	26.9%
10	\$ 242.18	\$ 307.95	\$ 65.77	27.2%
11	\$ 243.95	\$ 310.70	\$ 66.75	27.4%
12	\$ 245.72	\$ 313.45	\$ 67.73	27.6%
13	\$ 247.49	\$ 316.21	\$ 68.72	27.8%
14	\$ 249.26	\$ 318.96	\$ 69.70	28.0%
15	\$ 251.03	\$ 321.71	\$ 70.68	28.2%
16	\$ 252.80	\$ 324.47	\$ 71.67	28.3%
17	\$ 254.57	\$ 327.22	\$ 72.65	28.5%
18	\$ 256.34	\$ 329.97	\$ 73.63	28.7%
19	\$ 258.11	\$ 332.73	\$ 74.62	28.9%
20	\$ 259.88	\$ 335.48	\$ 75.60	29.1%
25	\$ 268.73	\$ 349.25	\$ 80.52	30.0%
30	\$ 277.58	\$ 363.02	\$ 85.43	30.8%
35	\$ 286.43	\$ 376.78	\$ 90.35	31.5%
40	\$ 295.29	\$ 390.55	\$ 95.26	32.3%
45	\$ 304.14	\$ 404.32	\$ 100.18	32.9%
50	\$ 312.99	\$ 418.09	\$ 105.10	33.6%
60	\$ 330.69	\$ 445.62	\$ 114.93	34.8%
70	\$ 348.39	\$ 473.16	\$ 124.76	35.8%
80	\$ 366.10	\$ 500.69	\$ 134.59	36.8%
90	\$ 383.80	\$ 528.23	\$ 144.43	37.6%
100	\$ 401.50	\$ 555.76	\$ 154.26	38.4%
125	\$ 445.76	\$ 624.60	\$ 178.84	40.1%
150	\$ 490.02	\$ 693.44	\$ 203.42	41.5%
200	\$ 578.53	\$ 831.11	\$ 252.58	43.7%
250	\$ 667.04	\$ 968.79	\$ 301.74	45.2%
300	\$ 755.56	\$ 1,106.46	\$ 350.90	46.4%
400	\$ 932.58	\$ 1,381.81	\$ 449.23	48.2%
500	\$ 1,109.61	\$ 1,657.16	\$ 547.55	49.3%
1,000	\$ 1,994.74	\$ 3,033.91	\$ 1,039.17	52.1%
2,000	\$ 3,765.01	\$ 5,787.41	\$ 2,022.40	53.7%
3,000	\$ 5,535.28	\$ 8,540.91	\$ 3,005.63	54.3%
4,000	\$ 7,305.55	\$ 11,294.41	\$ 3,988.86	54.6%
5,000	\$ 9,075.82	\$ 14,047.91	\$ 4,972.09	54.8%
6,000	\$ 10,846.09	\$ 16,801.41	\$ 5,955.32	54.9%
7,000	\$ 12,616.36	\$ 19,554.91	\$ 6,938.55	55.0%
8,000	\$ 14,386.63	\$ 22,308.41	\$ 7,921.78	55.1%
9,000	\$ 16,156.90	\$ 25,061.91	\$ 8,905.01	55.1%
10,000	\$ 17,927.17	\$ 27,815.41	\$ 9,888.24	55.2%
20,000	\$ 35,629.86	\$ 55,350.41	\$ 19,720.55	55.3%
30,000	\$ 53,332.55	\$ 82,885.41	\$ 29,552.86	55.4%

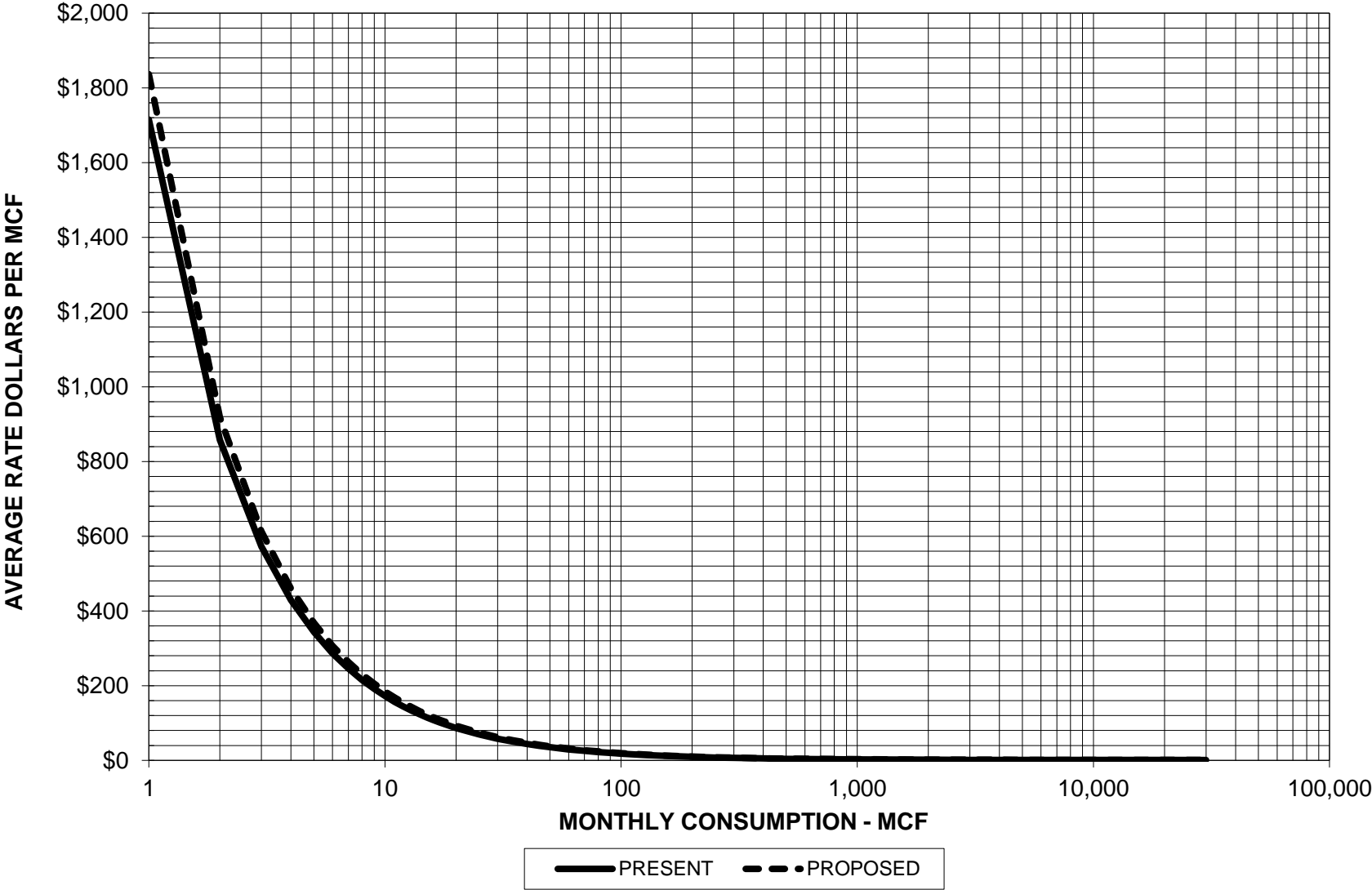
**UGI Utilities, Inc. - Gas Division, North Rate District
Comparison of Present and Proposed Rates
Rate Schedule DS**



**UGI Utilities, Inc. - Gas Division, North Rate District
Large Firm Delivery Service - Rate Schedule LFD
Calculation of the Effect of Proposed Rates**

MCF	Bills Under Present Rates	Bills Under Proposed Rates	Increase Amount	Increase Percent
-	\$ 1,714.17	\$ 1,835.60	\$ 121.43	7.1%
1	\$ 1,715.05	\$ 1,836.74	\$ 121.68	7.1%
2	\$ 1,715.93	\$ 1,837.87	\$ 121.94	7.1%
3	\$ 1,716.81	\$ 1,839.01	\$ 122.20	7.1%
4	\$ 1,717.69	\$ 1,840.14	\$ 122.46	7.1%
5	\$ 1,718.57	\$ 1,841.28	\$ 122.71	7.1%
6	\$ 1,719.45	\$ 1,842.42	\$ 122.97	7.2%
7	\$ 1,720.33	\$ 1,843.55	\$ 123.23	7.2%
8	\$ 1,721.20	\$ 1,844.69	\$ 123.48	7.2%
9	\$ 1,722.08	\$ 1,845.82	\$ 123.74	7.2%
10	\$ 1,722.96	\$ 1,846.96	\$ 124.00	7.2%
11	\$ 1,723.84	\$ 1,848.10	\$ 124.25	7.2%
12	\$ 1,724.72	\$ 1,849.23	\$ 124.51	7.2%
13	\$ 1,725.60	\$ 1,850.37	\$ 124.77	7.2%
14	\$ 1,726.48	\$ 1,851.50	\$ 125.02	7.2%
15	\$ 1,727.36	\$ 1,852.64	\$ 125.28	7.3%
16	\$ 1,728.24	\$ 1,853.78	\$ 125.54	7.3%
17	\$ 1,729.12	\$ 1,854.91	\$ 125.79	7.3%
18	\$ 1,730.00	\$ 1,856.05	\$ 126.05	7.3%
19	\$ 1,730.88	\$ 1,857.18	\$ 126.31	7.3%
20	\$ 1,731.75	\$ 1,858.32	\$ 126.56	7.3%
25	\$ 1,736.15	\$ 1,864.00	\$ 127.85	7.4%
30	\$ 1,740.55	\$ 1,869.68	\$ 129.13	7.4%
35	\$ 1,744.94	\$ 1,875.36	\$ 130.42	7.5%
40	\$ 1,749.34	\$ 1,881.04	\$ 131.70	7.5%
45	\$ 1,753.73	\$ 1,886.72	\$ 132.99	7.6%
50	\$ 1,758.13	\$ 1,892.40	\$ 134.27	7.6%
60	\$ 1,766.92	\$ 1,903.76	\$ 136.84	7.7%
70	\$ 1,775.71	\$ 1,915.12	\$ 139.41	7.9%
80	\$ 1,784.50	\$ 1,926.48	\$ 141.97	8.0%
90	\$ 1,793.30	\$ 1,937.84	\$ 144.54	8.1%
100	\$ 1,802.09	\$ 1,949.20	\$ 147.11	8.2%
125	\$ 1,824.07	\$ 1,977.60	\$ 153.53	8.4%
150	\$ 1,846.05	\$ 2,006.00	\$ 159.95	8.7%
200	\$ 1,890.00	\$ 2,062.80	\$ 172.79	9.1%
250	\$ 1,933.96	\$ 2,119.60	\$ 185.64	9.6%
300	\$ 1,977.92	\$ 2,176.40	\$ 198.48	10.0%
400	\$ 2,065.84	\$ 2,290.00	\$ 224.16	10.9%
500	\$ 2,153.75	\$ 2,403.59	\$ 249.84	11.6%
1,000	\$ 2,593.33	\$ 2,971.59	\$ 378.26	14.6%
2,000	\$ 3,472.49	\$ 4,107.58	\$ 635.09	18.3%
3,000	\$ 4,351.65	\$ 5,243.57	\$ 891.92	20.5%
4,000	\$ 5,230.81	\$ 6,379.56	\$ 1,148.75	22.0%
5,000	\$ 6,109.97	\$ 7,515.55	\$ 1,405.58	23.0%
6,000	\$ 6,989.13	\$ 8,651.54	\$ 1,662.41	23.8%
7,000	\$ 7,868.29	\$ 9,787.53	\$ 1,919.24	24.4%
8,000	\$ 8,747.45	\$ 10,923.52	\$ 2,176.07	24.9%
9,000	\$ 9,626.60	\$ 12,059.51	\$ 2,432.91	25.3%
10,000	\$ 10,505.76	\$ 13,195.50	\$ 2,689.74	25.6%
20,000	\$ 19,297.36	\$ 24,555.40	\$ 5,258.04	27.2%
30,000	\$ 28,088.95	\$ 35,915.30	\$ 7,826.35	27.9%

**UGI Utilities, Inc. - Gas Division, North Rate District
Comparison of Present and Proposed Rates
Rate Schedule LFD**

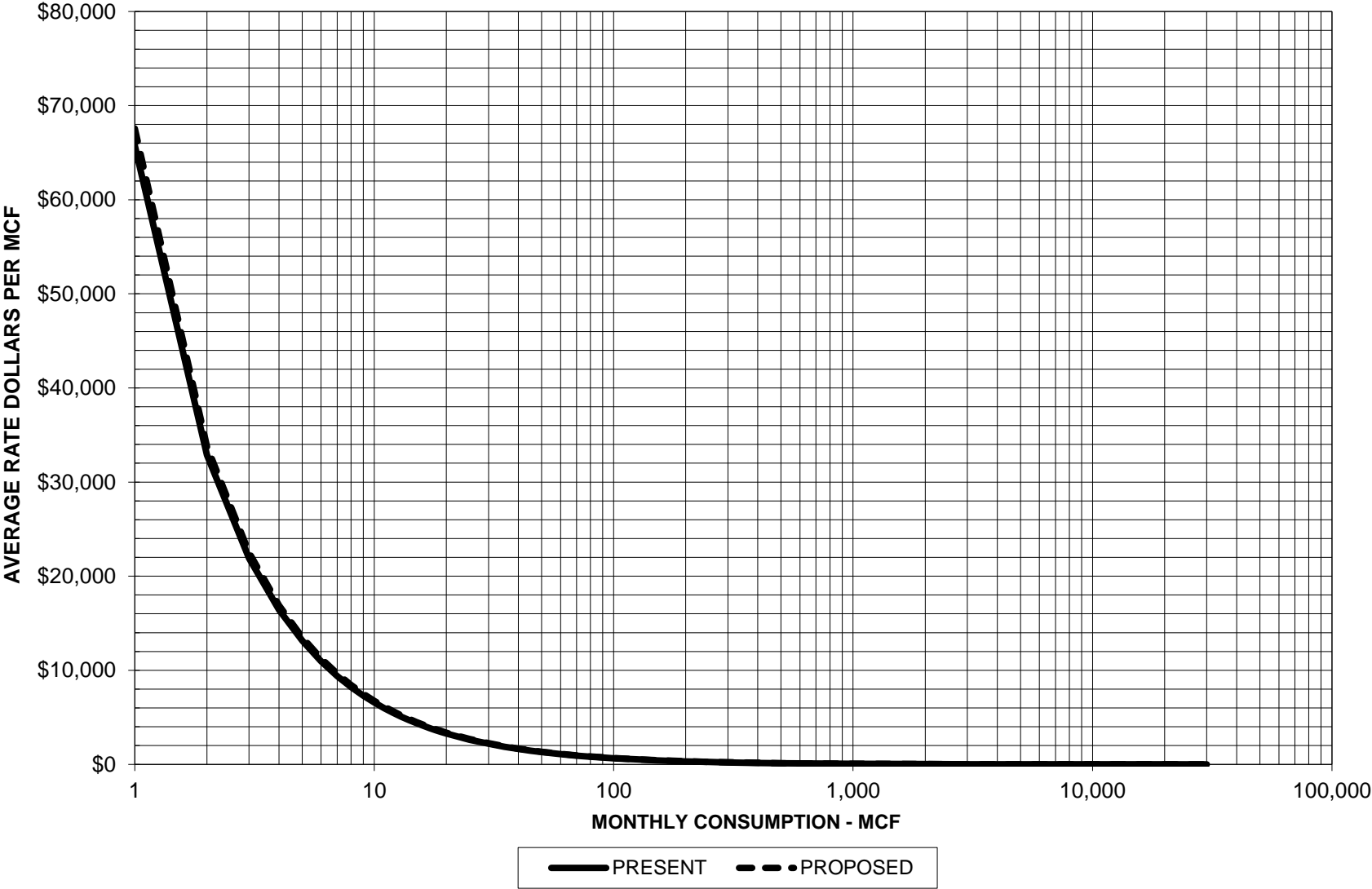


**UGI Utilities, Inc. - Gas Division, North Rate District
Extended Large Firm Delivery Service - Rate Schedule XD
Calculation of the Effect of Proposed Rates**

MCF	Bills Under Present Rates	Bills Under Proposed Rates	Increase Amount	Increase Percent
-	\$ 65,753.95	\$ 67,567.46	\$ 1,813.52	2.8%
1	\$ 65,753.98	\$ 67,567.49	\$ 1,813.52	2.8%
2	\$ 65,754.00	\$ 67,567.52	\$ 1,813.52	2.8%
3	\$ 65,754.03	\$ 67,567.55	\$ 1,813.52	2.8%
4	\$ 65,754.06	\$ 67,567.58	\$ 1,813.52	2.8%
5	\$ 65,754.09	\$ 67,567.61	\$ 1,813.52	2.8%
6	\$ 65,754.12	\$ 67,567.64	\$ 1,813.52	2.8%
7	\$ 65,754.15	\$ 67,567.67	\$ 1,813.52	2.8%
8	\$ 65,754.17	\$ 67,567.70	\$ 1,813.52	2.8%
9	\$ 65,754.20	\$ 67,567.72	\$ 1,813.52	2.8%
10	\$ 65,754.23	\$ 67,567.75	\$ 1,813.52	2.8%
11	\$ 65,754.26	\$ 67,567.78	\$ 1,813.52	2.8%
12	\$ 65,754.29	\$ 67,567.81	\$ 1,813.53	2.8%
13	\$ 65,754.31	\$ 67,567.84	\$ 1,813.53	2.8%
14	\$ 65,754.34	\$ 67,567.87	\$ 1,813.53	2.8%
15	\$ 65,754.37	\$ 67,567.90	\$ 1,813.53	2.8%
16	\$ 65,754.40	\$ 67,567.93	\$ 1,813.53	2.8%
17	\$ 65,754.43	\$ 67,567.96	\$ 1,813.53	2.8%
18	\$ 65,754.46	\$ 67,567.99	\$ 1,813.53	2.8%
19	\$ 65,754.48	\$ 67,568.02	\$ 1,813.53	2.8%
20	\$ 65,754.51	\$ 67,568.04	\$ 1,813.53	2.8%
25	\$ 65,754.65	\$ 67,568.19	\$ 1,813.54	2.8%
30	\$ 65,754.80	\$ 67,568.33	\$ 1,813.54	2.8%
35	\$ 65,754.94	\$ 67,568.48	\$ 1,813.54	2.8%
40	\$ 65,755.08	\$ 67,568.62	\$ 1,813.55	2.8%
45	\$ 65,755.22	\$ 67,568.77	\$ 1,813.55	2.8%
50	\$ 65,755.36	\$ 67,568.92	\$ 1,813.56	2.8%
60	\$ 65,755.64	\$ 67,569.21	\$ 1,813.56	2.8%
70	\$ 65,755.93	\$ 67,569.50	\$ 1,813.57	2.8%
80	\$ 65,756.21	\$ 67,569.79	\$ 1,813.58	2.8%
90	\$ 65,756.49	\$ 67,570.08	\$ 1,813.59	2.8%
100	\$ 65,756.77	\$ 67,570.37	\$ 1,813.59	2.8%
125	\$ 65,757.48	\$ 67,571.09	\$ 1,813.61	2.8%
150	\$ 65,758.19	\$ 67,571.82	\$ 1,813.63	2.8%
200	\$ 65,759.60	\$ 67,573.27	\$ 1,813.67	2.8%
250	\$ 65,761.01	\$ 67,574.72	\$ 1,813.71	2.8%
300	\$ 65,762.42	\$ 67,576.17	\$ 1,813.75	2.8%
400	\$ 65,765.25	\$ 67,579.08	\$ 1,813.83	2.8%
500	\$ 65,768.07	\$ 67,581.98	\$ 1,813.91	2.8%
1,000	\$ 65,782.20	\$ 67,596.50	\$ 1,814.30	2.8%
2,000	\$ 65,810.45	\$ 67,625.53	\$ 1,815.07	2.8%
3,000	\$ 65,838.71	\$ 67,654.56	\$ 1,815.85	2.8%
4,000	\$ 65,866.96	\$ 67,683.59	\$ 1,816.63	2.8%
5,000	\$ 65,895.21	\$ 67,712.63	\$ 1,817.41	2.8%
6,000	\$ 65,923.47	\$ 67,741.66	\$ 1,818.19	2.8%
7,000	\$ 65,951.72	\$ 67,770.69	\$ 1,818.97	2.8%
8,000	\$ 65,979.97	\$ 67,799.72	\$ 1,819.75	2.8%
9,000	\$ 66,008.23	\$ 67,828.76	\$ 1,820.53	2.8%
10,000	\$ 66,036.48	\$ 67,857.79	\$ 1,821.31	2.8%
20,000	\$ 66,319.01	\$ 68,148.11	\$ 1,829.10	2.8%
30,000	\$ 66,601.55	\$ 68,438.44	\$ 1,836.89	2.8%

**UGI Utilities, Inc. - Gas Division, North Rate District
Comparison of Present and Proposed Rates
Rate Schedule XD**

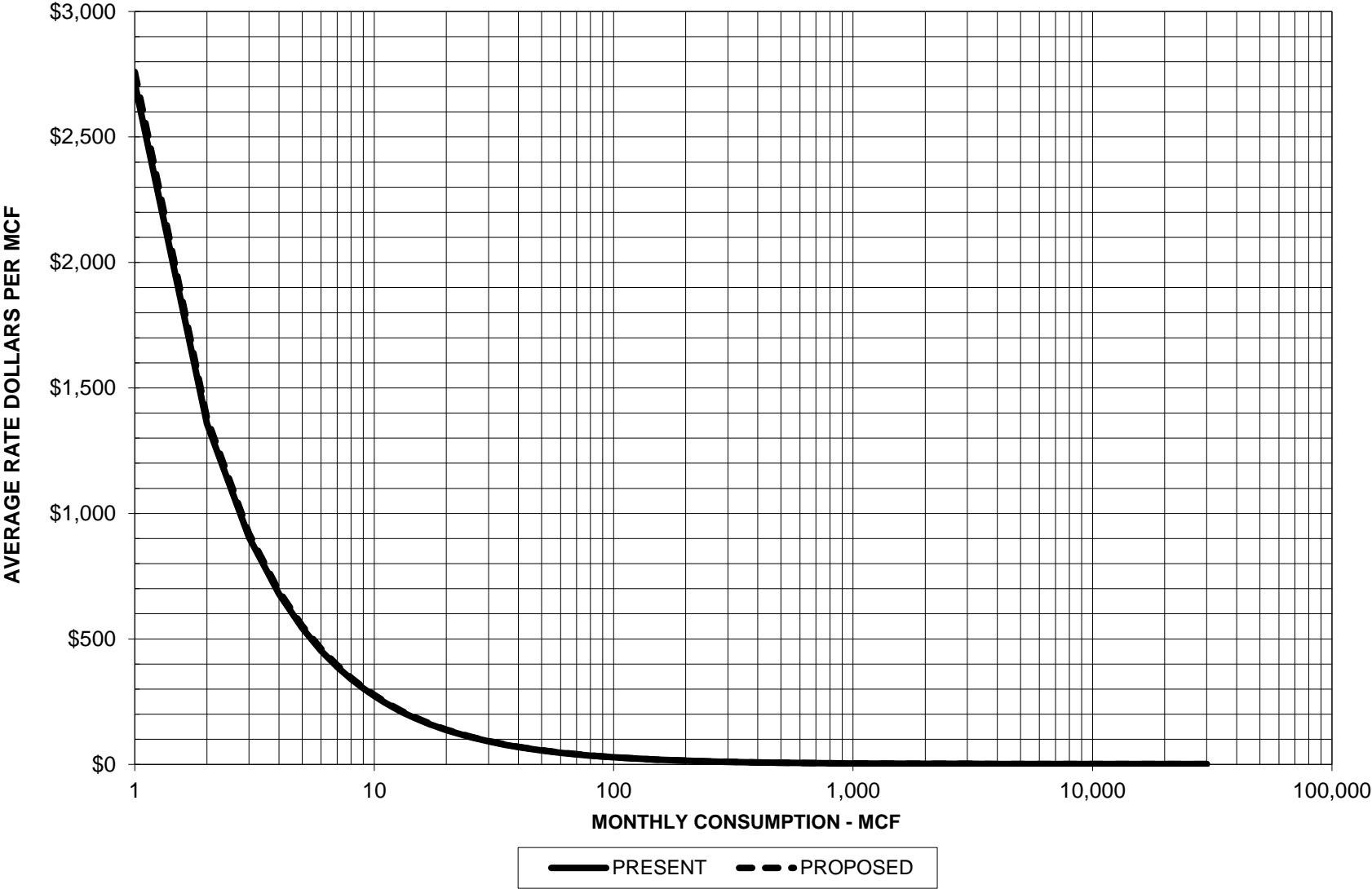
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**UGI Utilities, Inc. - Gas Division, North Rate District
Interruptible Service - Rate Schedule IS
Calculation of the Effect of Proposed Rates**

MCF	Bills Under Present Rates	Bills Under Proposed Rates	Increase Amount	Increase Percent
-	\$ 2,712.19	\$ 2,758.09	\$ 45.90	1.7%
1	\$ 2,713.43	\$ 2,759.35	\$ 45.92	1.7%
2	\$ 2,714.67	\$ 2,760.61	\$ 45.94	1.7%
3	\$ 2,715.91	\$ 2,761.87	\$ 45.96	1.7%
4	\$ 2,717.15	\$ 2,763.13	\$ 45.98	1.7%
5	\$ 2,718.39	\$ 2,764.39	\$ 46.00	1.7%
6	\$ 2,719.64	\$ 2,765.66	\$ 46.02	1.7%
7	\$ 2,720.88	\$ 2,766.92	\$ 46.04	1.7%
8	\$ 2,722.12	\$ 2,768.18	\$ 46.06	1.7%
9	\$ 2,723.36	\$ 2,769.44	\$ 46.08	1.7%
10	\$ 2,724.60	\$ 2,770.70	\$ 46.11	1.7%
11	\$ 2,725.84	\$ 2,771.96	\$ 46.13	1.7%
12	\$ 2,727.08	\$ 2,773.22	\$ 46.15	1.7%
13	\$ 2,728.32	\$ 2,774.49	\$ 46.17	1.7%
14	\$ 2,729.56	\$ 2,775.75	\$ 46.19	1.7%
15	\$ 2,730.80	\$ 2,777.01	\$ 46.21	1.7%
16	\$ 2,732.04	\$ 2,778.27	\$ 46.23	1.7%
17	\$ 2,733.28	\$ 2,779.53	\$ 46.25	1.7%
18	\$ 2,734.52	\$ 2,780.79	\$ 46.27	1.7%
19	\$ 2,735.76	\$ 2,782.05	\$ 46.29	1.7%
20	\$ 2,737.00	\$ 2,783.31	\$ 46.32	1.7%
25	\$ 2,743.20	\$ 2,789.62	\$ 46.42	1.7%
30	\$ 2,749.40	\$ 2,795.93	\$ 46.52	1.7%
35	\$ 2,755.60	\$ 2,802.23	\$ 46.63	1.7%
40	\$ 2,761.81	\$ 2,808.54	\$ 46.73	1.7%
45	\$ 2,768.01	\$ 2,814.85	\$ 46.84	1.7%
50	\$ 2,774.21	\$ 2,821.15	\$ 46.94	1.7%
60	\$ 2,786.61	\$ 2,833.77	\$ 47.15	1.7%
70	\$ 2,799.01	\$ 2,846.38	\$ 47.36	1.7%
80	\$ 2,811.42	\$ 2,858.99	\$ 47.57	1.7%
90	\$ 2,823.82	\$ 2,871.61	\$ 47.78	1.7%
100	\$ 2,836.22	\$ 2,884.22	\$ 47.99	1.7%
125	\$ 2,867.23	\$ 2,915.75	\$ 48.52	1.7%
150	\$ 2,898.24	\$ 2,947.28	\$ 49.04	1.7%
200	\$ 2,960.26	\$ 3,010.35	\$ 50.09	1.7%
250	\$ 3,022.27	\$ 3,073.41	\$ 51.14	1.7%
300	\$ 3,084.29	\$ 3,136.48	\$ 52.19	1.7%
400	\$ 3,208.32	\$ 3,262.61	\$ 54.29	1.7%
500	\$ 3,332.35	\$ 3,388.74	\$ 56.39	1.7%
1,000	\$ 3,952.50	\$ 4,019.39	\$ 66.88	1.7%
2,000	\$ 5,192.82	\$ 5,280.69	\$ 87.87	1.7%
3,000	\$ 6,433.13	\$ 6,541.99	\$ 108.86	1.7%
4,000	\$ 7,673.44	\$ 7,803.29	\$ 129.85	1.7%
5,000	\$ 8,913.75	\$ 9,064.59	\$ 150.84	1.7%
6,000	\$ 10,154.06	\$ 10,325.89	\$ 171.83	1.7%
7,000	\$ 11,394.37	\$ 11,587.19	\$ 192.81	1.7%
8,000	\$ 12,634.69	\$ 12,848.49	\$ 213.80	1.7%
9,000	\$ 13,875.00	\$ 14,109.79	\$ 234.79	1.7%
10,000	\$ 15,115.31	\$ 15,371.09	\$ 255.78	1.7%
20,000	\$ 27,518.43	\$ 27,984.09	\$ 465.66	1.7%
30,000	\$ 39,921.54	\$ 40,597.09	\$ 675.55	1.7%

**UGI Utilities, Inc. - Gas Division, North Rate District
Comparison of Present and Proposed Rates
Rate Schedule IS**

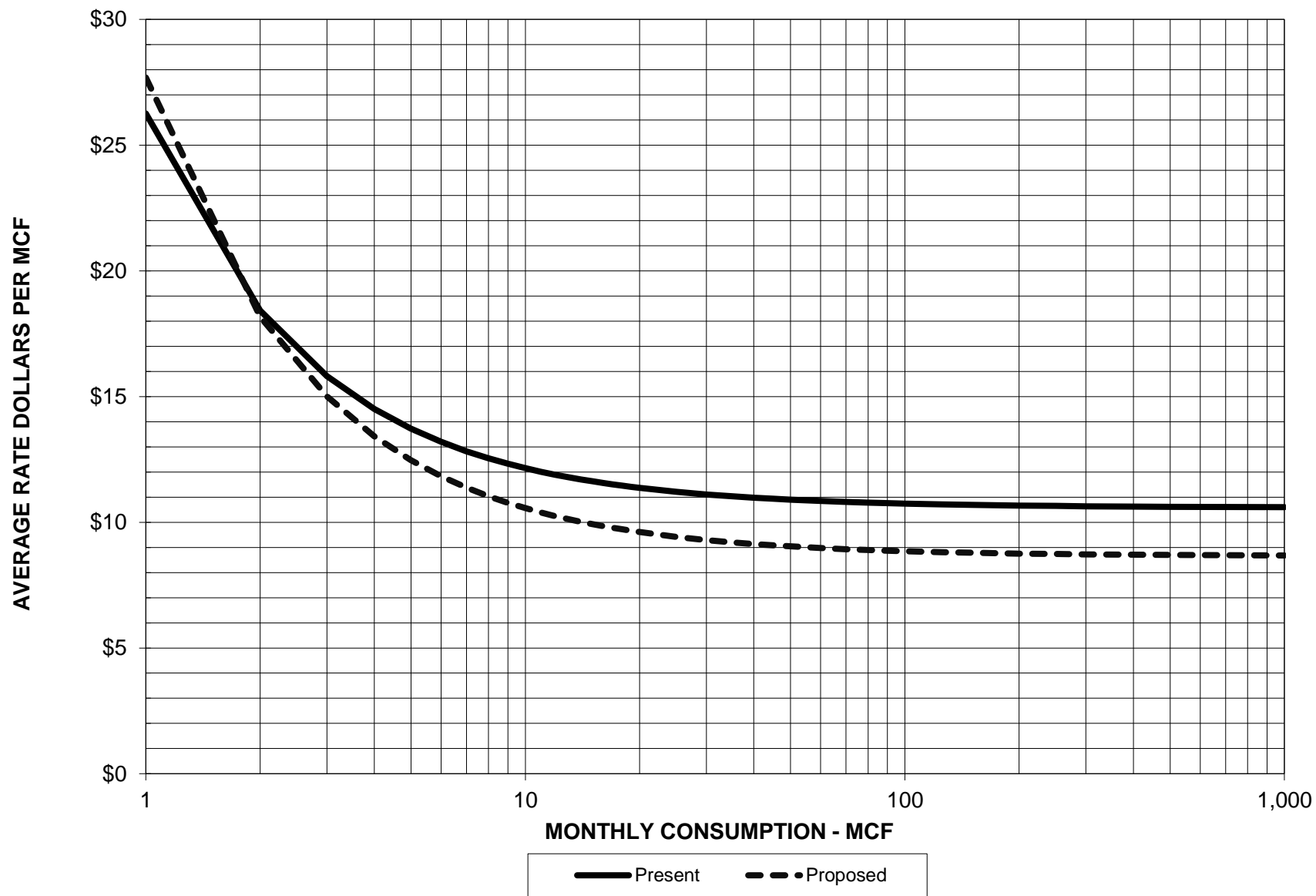


**UGI Utilities, Inc. - Gas Division, Central Rate District
Residential Service - Rate Schedule R
Calculation of the Effect of Proposed Rates**

MCF	Bills Under Present Rates	Bills Under Proposed Rates	Increase Amount	Increase Percent
-	\$ 15.67	\$ 19.03	\$ 3.36	21.4%
1	\$ 26.26	\$ 27.69	\$ 1.43	5.4%
2	\$ 36.84	\$ 36.35	\$ (0.49)	-1.3%
3	\$ 47.43	\$ 45.01	\$ (2.42)	-5.1%
4	\$ 58.01	\$ 53.67	\$ (4.34)	-7.5%
5	\$ 68.60	\$ 62.33	\$ (6.27)	-9.1%
6	\$ 79.18	\$ 70.99	\$ (8.20)	-10.3%
7	\$ 89.77	\$ 79.65	\$ (10.12)	-11.3%
8	\$ 100.35	\$ 88.31	\$ (12.05)	-12.0%
9	\$ 110.94	\$ 96.97	\$ (13.97)	-12.6%
10	\$ 121.52	\$ 105.63	\$ (15.90)	-13.1%
11	\$ 132.11	\$ 114.29	\$ (17.82)	-13.5%
12	\$ 142.69	\$ 122.95	\$ (19.75)	-13.8%
13	\$ 153.28	\$ 131.61	\$ (21.67)	-14.1%
14	\$ 163.86	\$ 140.27	\$ (23.60)	-14.4%
15	\$ 174.45	\$ 148.93	\$ (25.52)	-14.6%
16	\$ 185.03	\$ 157.59	\$ (27.45)	-14.8%
17	\$ 195.62	\$ 166.25	\$ (29.37)	-15.0%
18	\$ 206.20	\$ 174.91	\$ (31.30)	-15.2%
19	\$ 216.79	\$ 183.57	\$ (33.22)	-15.3%
20	\$ 227.37	\$ 192.23	\$ (35.15)	-15.5%
25	\$ 280.30	\$ 235.53	\$ (44.77)	-16.0%
30	\$ 333.23	\$ 278.82	\$ (54.40)	-16.3%
35	\$ 386.15	\$ 322.12	\$ (64.03)	-16.6%
40	\$ 439.08	\$ 365.42	\$ (73.65)	-16.8%
45	\$ 492.00	\$ 408.72	\$ (83.28)	-16.9%
50	\$ 544.93	\$ 452.02	\$ (92.91)	-17.0%
60	\$ 650.78	\$ 538.62	\$ (112.16)	-17.2%
70	\$ 756.63	\$ 625.22	\$ (131.41)	-17.4%
80	\$ 862.48	\$ 711.82	\$ (150.66)	-17.5%
90	\$ 968.33	\$ 798.42	\$ (169.92)	-17.5%
100	\$ 1,074.18	\$ 885.01	\$ (189.17)	-17.6%
125	\$ 1,338.81	\$ 1,101.51	\$ (237.30)	-17.7%
150	\$ 1,603.44	\$ 1,318.01	\$ (285.43)	-17.8%
200	\$ 2,132.69	\$ 1,751.00	\$ (381.69)	-17.9%
250	\$ 2,661.95	\$ 2,183.99	\$ (477.95)	-18.0%
300	\$ 3,191.20	\$ 2,616.99	\$ (574.21)	-18.0%
400	\$ 4,249.71	\$ 3,482.97	\$ (766.74)	-18.0%
500	\$ 5,308.22	\$ 4,348.96	\$ (959.26)	-18.1%
1,000	\$ 10,600.77	\$ 8,678.89	\$ (1,921.88)	-18.1%

UGI Utilities, Inc.- Gas Division, Central Rate District
Comparison of Present and Proposed Rates
Rate Schedule R

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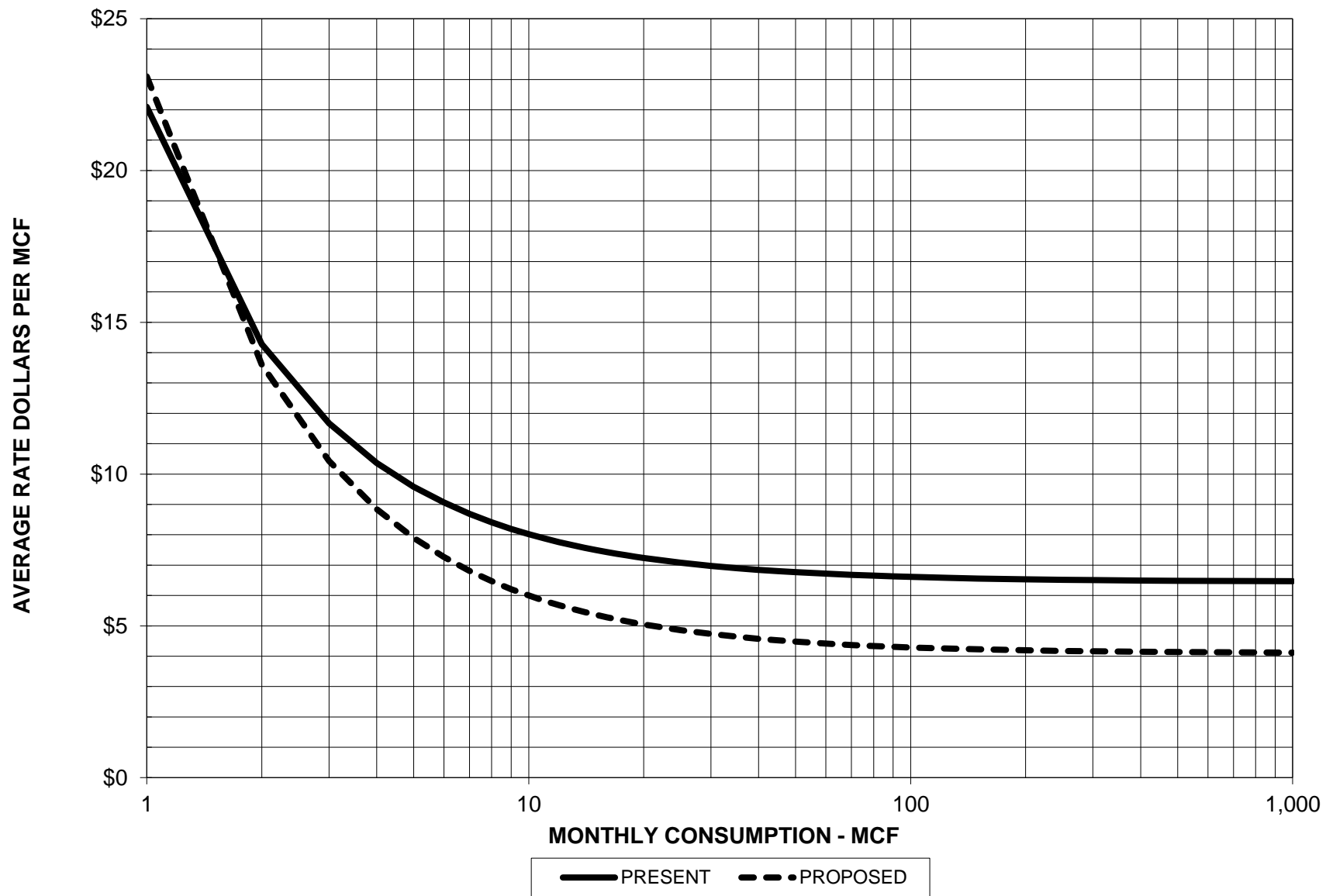


**UGI Utilities, Inc. - Gas Division, Central Rate District
Residential Transportation Service - Rate Schedule RT
Calculation of the Effect of Proposed Rates**

MCF	Bills Under Present Rates	Bills Under Proposed Rates	Increase Amount	Increase Percent
-	\$ 15.64	\$ 19.00	\$ 3.36	21.5%
1	\$ 22.10	\$ 23.10	\$ 1.00	4.5%
2	\$ 28.55	\$ 27.20	\$ (1.36)	-4.8%
3	\$ 35.01	\$ 31.29	\$ (3.71)	-10.6%
4	\$ 41.46	\$ 35.39	\$ (6.07)	-14.6%
5	\$ 47.92	\$ 39.49	\$ (8.43)	-17.6%
6	\$ 54.37	\$ 43.59	\$ (10.79)	-19.8%
7	\$ 60.83	\$ 47.68	\$ (13.15)	-21.6%
8	\$ 67.29	\$ 51.78	\$ (15.50)	-23.0%
9	\$ 73.74	\$ 55.88	\$ (17.86)	-24.2%
10	\$ 80.20	\$ 59.98	\$ (20.22)	-25.2%
11	\$ 86.65	\$ 64.08	\$ (22.58)	-26.1%
12	\$ 93.11	\$ 68.17	\$ (24.93)	-26.8%
13	\$ 99.56	\$ 72.27	\$ (27.29)	-27.4%
14	\$ 106.02	\$ 76.37	\$ (29.65)	-28.0%
15	\$ 112.47	\$ 80.47	\$ (32.01)	-28.5%
16	\$ 118.93	\$ 84.56	\$ (34.36)	-28.9%
17	\$ 125.38	\$ 88.66	\$ (36.72)	-29.3%
18	\$ 131.84	\$ 92.76	\$ (39.08)	-29.6%
19	\$ 138.29	\$ 96.86	\$ (41.44)	-30.0%
20	\$ 144.75	\$ 100.96	\$ (43.79)	-30.3%
25	\$ 177.03	\$ 121.45	\$ (55.58)	-31.4%
30	\$ 209.30	\$ 141.93	\$ (67.37)	-32.2%
35	\$ 241.58	\$ 162.42	\$ (79.16)	-32.8%
40	\$ 273.86	\$ 182.91	\$ (90.95)	-33.2%
45	\$ 306.14	\$ 203.40	\$ (102.73)	-33.6%
50	\$ 338.41	\$ 223.89	\$ (114.52)	-33.8%
60	\$ 402.97	\$ 264.87	\$ (138.10)	-34.3%
70	\$ 467.52	\$ 305.85	\$ (161.67)	-34.6%
80	\$ 532.07	\$ 346.82	\$ (185.25)	-34.8%
90	\$ 596.63	\$ 387.80	\$ (208.83)	-35.0%
100	\$ 661.18	\$ 428.78	\$ (232.40)	-35.1%
125	\$ 822.57	\$ 531.23	\$ (291.34)	-35.4%
150	\$ 983.95	\$ 633.67	\$ (350.28)	-35.6%
200	\$ 1,306.72	\$ 838.56	\$ (468.16)	-35.8%
250	\$ 1,629.49	\$ 1,043.45	\$ (586.04)	-36.0%
300	\$ 1,952.26	\$ 1,248.34	\$ (703.92)	-36.1%
400	\$ 2,597.80	\$ 1,658.12	\$ (939.68)	-36.2%
500	\$ 3,243.35	\$ 2,067.90	\$ (1,175.45)	-36.2%
1,000	\$ 6,471.05	\$ 4,116.80	\$ (2,354.25)	-36.4%

UGI Utilities, Inc. - Gas Division, Central Rate District
Comparison of Present and Proposed Rates
Rate Schedule RT

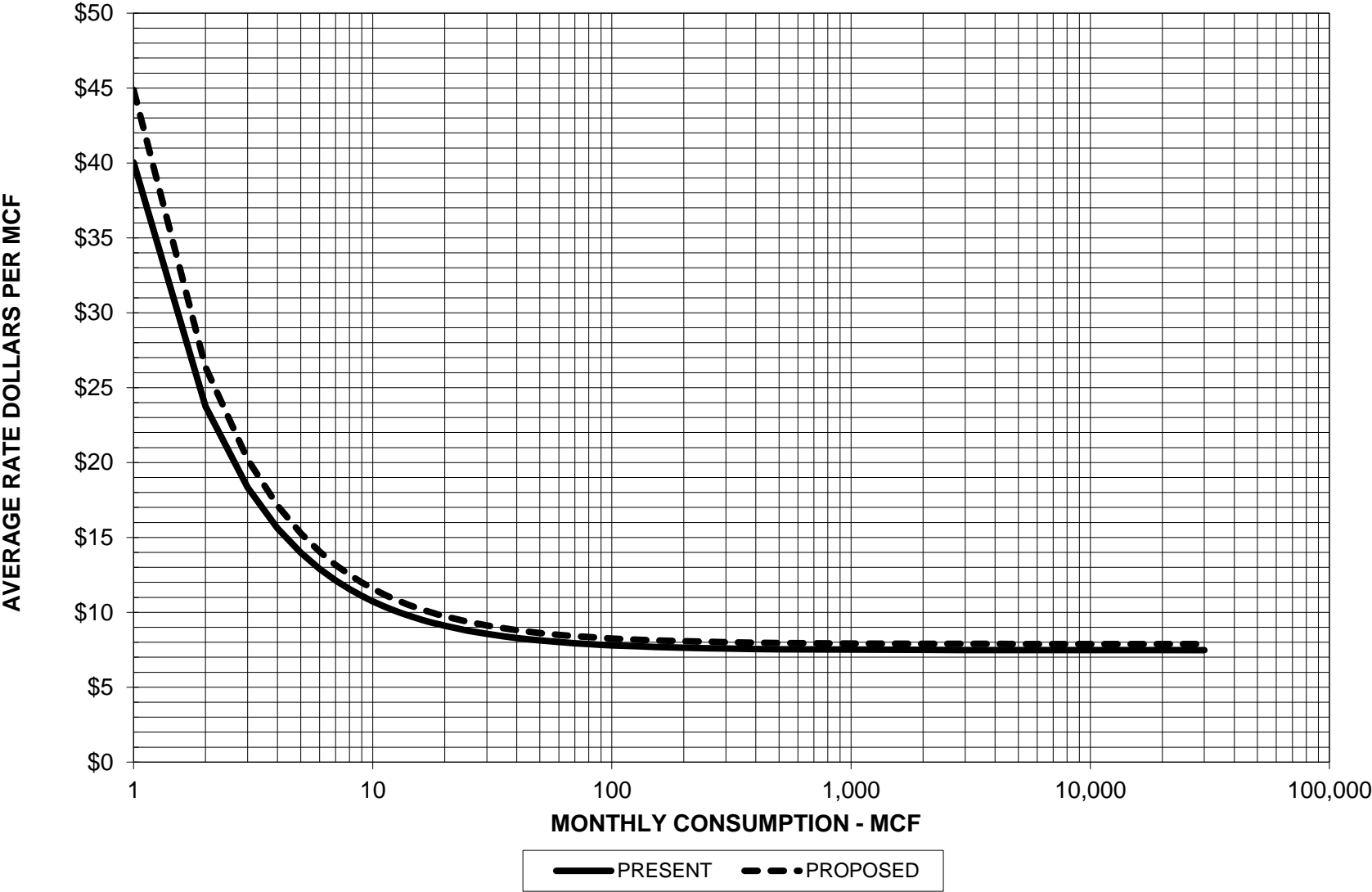
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**UGI Utilities, Inc. - Gas Division, Central Rate District
Non-Residential Service - Rate Schedule N
Calculation of the Effect of Proposed Rates**

MCF	Bills Under Present Rates	Bills Under Proposed Rates	Increase Amount	Increase Percent
-	\$ 32.57	\$ 37.00	\$ 4.43	13.6%
1	\$ 40.04	\$ 44.88	\$ 4.84	12.1%
2	\$ 47.51	\$ 52.76	\$ 5.25	11.0%
3	\$ 54.98	\$ 60.64	\$ 5.66	10.3%
4	\$ 62.46	\$ 68.52	\$ 6.07	9.7%
5	\$ 69.93	\$ 76.40	\$ 6.48	9.3%
6	\$ 77.40	\$ 84.28	\$ 6.89	8.9%
7	\$ 84.87	\$ 92.16	\$ 7.29	8.6%
8	\$ 92.34	\$ 100.04	\$ 7.70	8.3%
9	\$ 99.81	\$ 107.93	\$ 8.11	8.1%
10	\$ 107.28	\$ 115.81	\$ 8.52	7.9%
11	\$ 114.76	\$ 123.69	\$ 8.93	7.8%
12	\$ 122.23	\$ 131.57	\$ 9.34	7.6%
13	\$ 129.70	\$ 139.45	\$ 9.75	7.5%
14	\$ 137.17	\$ 147.33	\$ 10.16	7.4%
15	\$ 144.64	\$ 155.21	\$ 10.57	7.3%
16	\$ 152.11	\$ 163.09	\$ 10.98	7.2%
17	\$ 159.58	\$ 170.97	\$ 11.39	7.1%
18	\$ 167.06	\$ 178.85	\$ 11.80	7.1%
19	\$ 174.53	\$ 186.73	\$ 12.20	7.0%
20	\$ 182.00	\$ 194.61	\$ 12.61	6.9%
25	\$ 219.36	\$ 234.02	\$ 14.66	6.7%
30	\$ 256.71	\$ 273.42	\$ 16.70	6.5%
35	\$ 294.07	\$ 312.82	\$ 18.75	6.4%
40	\$ 331.43	\$ 352.22	\$ 20.80	6.3%
45	\$ 368.79	\$ 391.63	\$ 22.84	6.2%
50	\$ 406.14	\$ 431.03	\$ 24.89	6.1%
60	\$ 480.86	\$ 509.84	\$ 28.98	6.0%
70	\$ 555.57	\$ 588.64	\$ 33.07	6.0%
80	\$ 630.29	\$ 667.45	\$ 37.16	5.9%
90	\$ 705.00	\$ 746.26	\$ 41.25	5.9%
100	\$ 779.72	\$ 825.06	\$ 45.34	5.8%
125	\$ 966.50	\$ 1,022.08	\$ 55.57	5.7%
150	\$ 1,153.29	\$ 1,219.09	\$ 65.80	5.7%
200	\$ 1,526.86	\$ 1,613.12	\$ 86.26	5.6%
250	\$ 1,900.44	\$ 2,007.15	\$ 106.71	5.6%
300	\$ 2,274.01	\$ 2,401.18	\$ 127.17	5.6%
400	\$ 3,021.16	\$ 3,189.24	\$ 168.08	5.6%
500	\$ 3,768.31	\$ 3,977.31	\$ 209.00	5.5%
1,000	\$ 7,504.05	\$ 7,917.61	\$ 413.57	5.5%
2,000	\$ 14,975.52	\$ 15,798.22	\$ 822.70	5.5%
3,000	\$ 22,447.00	\$ 23,678.84	\$ 1,231.83	5.5%
4,000	\$ 29,918.48	\$ 31,559.45	\$ 1,640.97	5.5%
5,000	\$ 37,389.96	\$ 39,440.06	\$ 2,050.10	5.5%
6,000	\$ 44,861.43	\$ 47,320.67	\$ 2,459.24	5.5%
7,000	\$ 52,332.91	\$ 55,201.28	\$ 2,868.37	5.5%
8,000	\$ 59,804.39	\$ 63,081.90	\$ 3,277.51	5.5%
9,000	\$ 67,275.87	\$ 70,962.51	\$ 3,686.64	5.5%
10,000	\$ 74,747.34	\$ 78,843.12	\$ 4,095.78	5.5%
20,000	\$ 149,462.12	\$ 157,649.24	\$ 8,187.12	5.5%
30,000	\$ 224,176.89	\$ 236,455.36	\$ 12,278.47	5.5%

UGI Utilities, Inc.- Gas Division, Central Rate District
Comparison of Present and Proposed Rates
Rate Schedule N

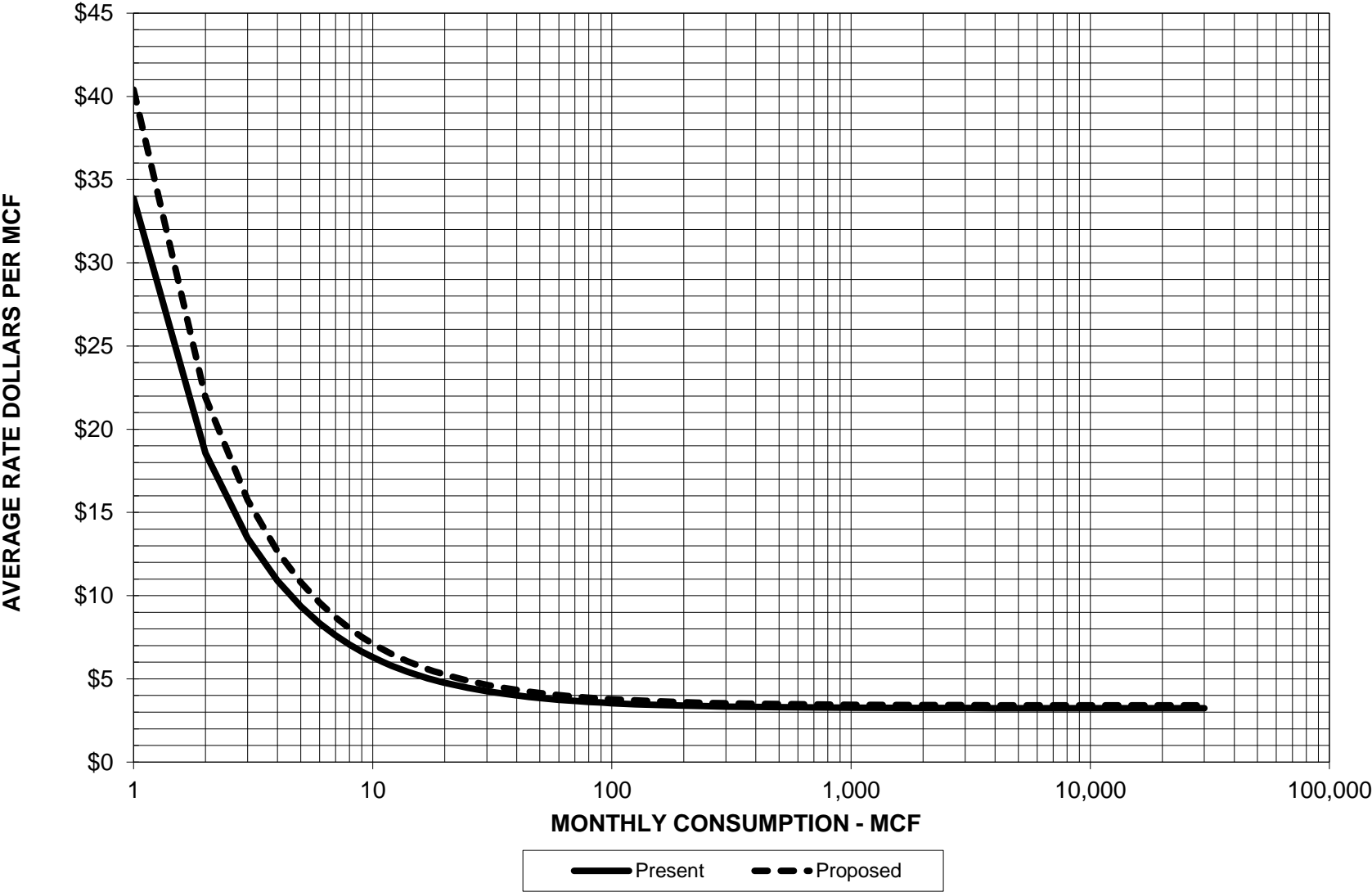


**UGI Utilities, Inc. - Gas Division, Central Rate District
Non-Residential Transportation Service - Rate Schedule NT
Calculation of the Effect of Proposed Rates**

MCF	Bills Under Present Rates	Bills Under Proposed Rates	Increase Amount	Increase Percent
-	\$ 30.64	\$ 37.00	\$ 6.36	20.7%
1	\$ 33.88	\$ 40.41	\$ 6.53	19.3%
2	\$ 37.11	\$ 43.81	\$ 6.70	18.1%
3	\$ 40.35	\$ 47.22	\$ 6.87	17.0%
4	\$ 43.58	\$ 50.63	\$ 7.05	16.2%
5	\$ 46.82	\$ 54.04	\$ 7.22	15.4%
6	\$ 50.05	\$ 57.44	\$ 7.39	14.8%
7	\$ 53.29	\$ 60.85	\$ 7.56	14.2%
8	\$ 56.52	\$ 64.26	\$ 7.74	13.7%
9	\$ 59.76	\$ 67.67	\$ 7.91	13.2%
10	\$ 62.99	\$ 71.07	\$ 8.08	12.8%
11	\$ 66.23	\$ 74.48	\$ 8.25	12.5%
12	\$ 69.46	\$ 77.89	\$ 8.42	12.1%
13	\$ 72.70	\$ 81.30	\$ 8.60	11.8%
14	\$ 75.94	\$ 84.70	\$ 8.77	11.5%
15	\$ 79.17	\$ 88.11	\$ 8.94	11.3%
16	\$ 82.41	\$ 91.52	\$ 9.11	11.1%
17	\$ 85.64	\$ 94.93	\$ 9.28	10.8%
18	\$ 88.88	\$ 98.33	\$ 9.46	10.6%
19	\$ 92.11	\$ 101.74	\$ 9.63	10.5%
20	\$ 95.35	\$ 105.15	\$ 9.80	10.3%
25	\$ 111.52	\$ 122.18	\$ 10.66	9.6%
30	\$ 127.70	\$ 139.22	\$ 11.52	9.0%
35	\$ 143.88	\$ 156.26	\$ 12.38	8.6%
40	\$ 160.05	\$ 173.29	\$ 13.24	8.3%
45	\$ 176.23	\$ 190.33	\$ 14.10	8.0%
50	\$ 192.40	\$ 207.37	\$ 14.96	7.8%
60	\$ 224.76	\$ 241.44	\$ 16.69	7.4%
70	\$ 257.11	\$ 275.52	\$ 18.41	7.2%
80	\$ 289.46	\$ 309.59	\$ 20.13	7.0%
90	\$ 321.81	\$ 343.66	\$ 21.85	6.8%
100	\$ 354.17	\$ 377.74	\$ 23.57	6.7%
125	\$ 435.05	\$ 462.92	\$ 27.87	6.4%
150	\$ 515.93	\$ 548.10	\$ 32.18	6.2%
200	\$ 677.69	\$ 718.47	\$ 40.78	6.0%
250	\$ 839.45	\$ 888.84	\$ 49.39	5.9%
300	\$ 1,001.21	\$ 1,059.21	\$ 57.99	5.8%
400	\$ 1,324.74	\$ 1,399.94	\$ 75.20	5.7%
500	\$ 1,648.26	\$ 1,740.68	\$ 92.42	5.6%
1,000	\$ 3,265.89	\$ 3,444.36	\$ 178.47	5.5%
2,000	\$ 6,501.13	\$ 6,851.72	\$ 350.59	5.4%
3,000	\$ 9,736.37	\$ 10,259.08	\$ 522.71	5.4%
4,000	\$ 12,971.62	\$ 13,666.44	\$ 694.82	5.4%
5,000	\$ 16,206.86	\$ 17,073.80	\$ 866.94	5.3%
6,000	\$ 19,442.10	\$ 20,481.16	\$ 1,039.06	5.3%
7,000	\$ 22,677.35	\$ 23,888.52	\$ 1,211.17	5.3%
8,000	\$ 25,912.59	\$ 27,295.88	\$ 1,383.29	5.3%
9,000	\$ 29,147.83	\$ 30,703.24	\$ 1,555.41	5.3%
10,000	\$ 32,383.08	\$ 34,110.60	\$ 1,727.52	5.3%
20,000	\$ 64,735.51	\$ 68,184.20	\$ 3,448.69	5.3%
30,000	\$ 97,087.95	\$ 102,257.80	\$ 5,169.85	5.3%

**UGI Utilities, Inc. - Gas Division, Central Rate District
Comparison of Present and Proposed Rates
Rate Schedule NT**

Attachment IV-B-7
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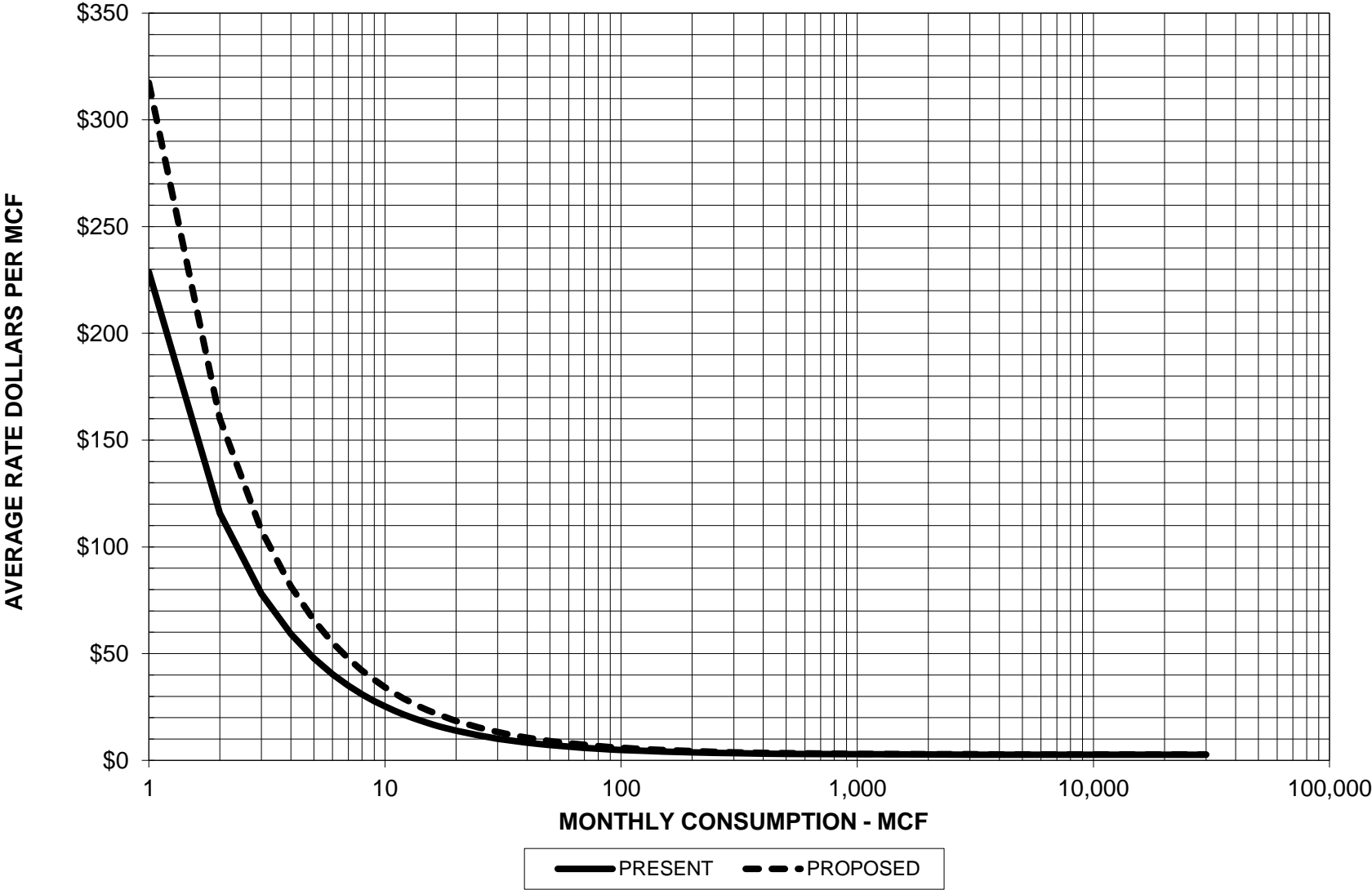


**UGI Utilities, Inc. - Gas Division, Central Rate District
Delivery Service - Rate Schedule DS
Calculation of the Effect of Proposed Rates**

MCF	Bills Under Present Rates	Bills Under Proposed Rates	Increase Amount	Increase Percent
-	\$ 226.17	\$ 314.68	\$ 88.52	39.1%
1	\$ 228.79	\$ 317.44	\$ 88.64	38.7%
2	\$ 231.42	\$ 320.19	\$ 88.77	38.4%
3	\$ 234.04	\$ 322.95	\$ 88.90	38.0%
4	\$ 236.67	\$ 325.70	\$ 89.03	37.6%
5	\$ 239.30	\$ 328.45	\$ 89.16	37.3%
6	\$ 241.92	\$ 331.21	\$ 89.28	36.9%
7	\$ 244.55	\$ 333.96	\$ 89.41	36.6%
8	\$ 247.17	\$ 336.71	\$ 89.54	36.2%
9	\$ 249.80	\$ 339.47	\$ 89.67	35.9%
10	\$ 252.42	\$ 342.22	\$ 89.80	35.6%
11	\$ 255.05	\$ 344.97	\$ 89.93	35.3%
12	\$ 257.67	\$ 347.73	\$ 90.05	34.9%
13	\$ 260.30	\$ 350.48	\$ 90.18	34.6%
14	\$ 262.92	\$ 353.23	\$ 90.31	34.3%
15	\$ 265.55	\$ 355.99	\$ 90.44	34.1%
16	\$ 268.17	\$ 358.74	\$ 90.57	33.8%
17	\$ 270.80	\$ 361.49	\$ 90.70	33.5%
18	\$ 273.42	\$ 364.25	\$ 90.82	33.2%
19	\$ 276.05	\$ 367.00	\$ 90.95	32.9%
20	\$ 278.67	\$ 369.75	\$ 91.08	32.7%
25	\$ 291.80	\$ 383.52	\$ 91.72	31.4%
30	\$ 304.93	\$ 397.29	\$ 92.36	30.3%
35	\$ 318.05	\$ 411.06	\$ 93.00	29.2%
40	\$ 331.18	\$ 424.82	\$ 93.64	28.3%
45	\$ 344.31	\$ 438.59	\$ 94.28	27.4%
50	\$ 357.43	\$ 452.36	\$ 94.93	26.6%
60	\$ 383.69	\$ 479.89	\$ 96.21	25.1%
70	\$ 409.94	\$ 507.43	\$ 97.49	23.8%
80	\$ 436.19	\$ 534.96	\$ 98.77	22.6%
90	\$ 462.45	\$ 562.50	\$ 100.05	21.6%
100	\$ 488.70	\$ 590.03	\$ 101.33	20.7%
125	\$ 554.33	\$ 658.87	\$ 104.54	18.9%
150	\$ 619.97	\$ 727.71	\$ 107.74	17.4%
200	\$ 751.23	\$ 865.38	\$ 114.15	15.2%
250	\$ 882.50	\$ 1,003.06	\$ 120.56	13.7%
300	\$ 1,013.76	\$ 1,140.73	\$ 126.97	12.5%
400	\$ 1,276.29	\$ 1,416.08	\$ 139.79	11.0%
500	\$ 1,538.82	\$ 1,691.43	\$ 152.61	9.9%
1,000	\$ 2,851.48	\$ 3,068.18	\$ 216.71	7.6%
2,000	\$ 5,476.79	\$ 5,821.68	\$ 344.90	6.3%
3,000	\$ 8,102.10	\$ 8,575.18	\$ 473.09	5.8%
4,000	\$ 10,727.41	\$ 11,328.68	\$ 601.27	5.6%
5,000	\$ 13,352.72	\$ 14,082.18	\$ 729.46	5.5%
6,000	\$ 15,978.03	\$ 16,835.68	\$ 857.65	5.4%
7,000	\$ 18,603.34	\$ 19,589.18	\$ 985.84	5.3%
8,000	\$ 21,228.65	\$ 22,342.68	\$ 1,114.03	5.2%
9,000	\$ 23,853.96	\$ 25,096.18	\$ 1,242.22	5.2%
10,000	\$ 26,479.27	\$ 27,849.68	\$ 1,370.41	5.2%
20,000	\$ 52,732.37	\$ 55,384.68	\$ 2,652.31	5.0%
30,000	\$ 78,985.48	\$ 82,919.68	\$ 3,934.21	5.0%

**UGI Utilities, Inc. - Gas Division, Central Rate District
Comparison of Present and Proposed Rates
Rate Schedule DS**

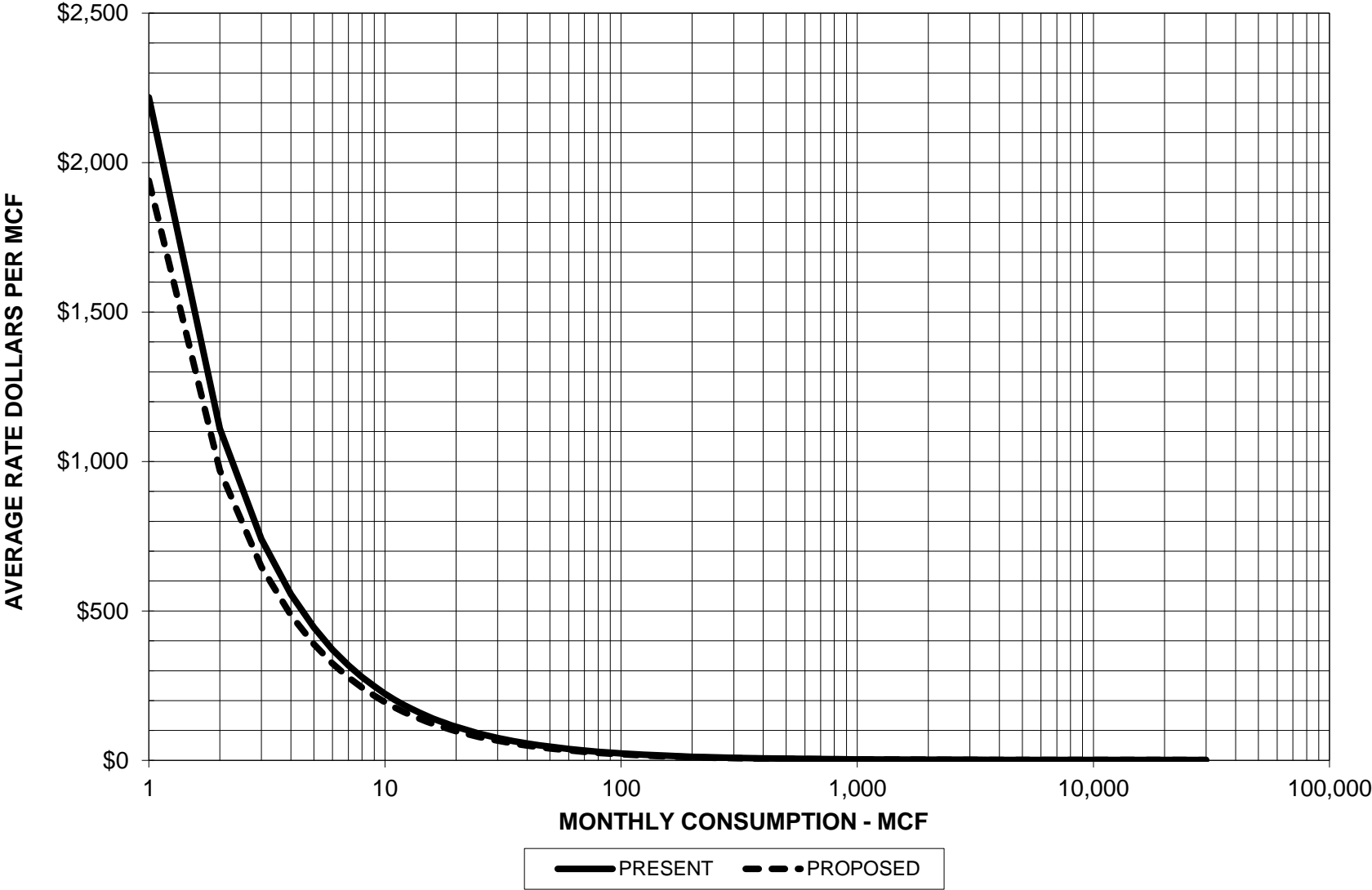
Attachment IV-B-7
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**UGI Utilities, Inc. - Gas Division, Central Rate District
Large Firm Delivery Service - Rate Schedule LFD
Calculation of the Effect of Proposed Rates**

MCF	Bills Under Present Rates	Bills Under Proposed Rates	Increase Amount	Increase Percent
-	\$ 2,217.12	\$ 1,938.66	\$ (278.46)	-12.6%
1	\$ 2,218.41	\$ 1,939.80	\$ (278.62)	-12.6%
2	\$ 2,219.71	\$ 1,940.93	\$ (278.77)	-12.6%
3	\$ 2,221.00	\$ 1,942.07	\$ (278.93)	-12.6%
4	\$ 2,222.29	\$ 1,943.21	\$ (279.09)	-12.6%
5	\$ 2,223.59	\$ 1,944.34	\$ (279.25)	-12.6%
6	\$ 2,224.88	\$ 1,945.48	\$ (279.40)	-12.6%
7	\$ 2,226.18	\$ 1,946.61	\$ (279.56)	-12.6%
8	\$ 2,227.47	\$ 1,947.75	\$ (279.72)	-12.6%
9	\$ 2,228.76	\$ 1,948.89	\$ (279.88)	-12.6%
10	\$ 2,230.06	\$ 1,950.02	\$ (280.04)	-12.6%
11	\$ 2,231.35	\$ 1,951.16	\$ (280.19)	-12.6%
12	\$ 2,232.65	\$ 1,952.29	\$ (280.35)	-12.6%
13	\$ 2,233.94	\$ 1,953.43	\$ (280.51)	-12.6%
14	\$ 2,235.23	\$ 1,954.56	\$ (280.67)	-12.6%
15	\$ 2,236.53	\$ 1,955.70	\$ (280.83)	-12.6%
16	\$ 2,237.82	\$ 1,956.84	\$ (280.98)	-12.6%
17	\$ 2,239.11	\$ 1,957.97	\$ (281.14)	-12.6%
18	\$ 2,240.41	\$ 1,959.11	\$ (281.30)	-12.6%
19	\$ 2,241.70	\$ 1,960.24	\$ (281.46)	-12.6%
20	\$ 2,243.00	\$ 1,961.38	\$ (281.62)	-12.6%
25	\$ 2,249.47	\$ 1,967.06	\$ (282.41)	-12.6%
30	\$ 2,255.94	\$ 1,972.74	\$ (283.19)	-12.6%
35	\$ 2,262.40	\$ 1,978.42	\$ (283.98)	-12.6%
40	\$ 2,268.87	\$ 1,984.10	\$ (284.77)	-12.6%
45	\$ 2,275.34	\$ 1,989.78	\$ (285.56)	-12.6%
50	\$ 2,281.81	\$ 1,995.46	\$ (286.35)	-12.5%
60	\$ 2,294.75	\$ 2,006.82	\$ (287.93)	-12.5%
70	\$ 2,307.69	\$ 2,018.18	\$ (289.51)	-12.5%
80	\$ 2,320.63	\$ 2,029.54	\$ (291.09)	-12.5%
90	\$ 2,333.57	\$ 2,040.90	\$ (292.67)	-12.5%
100	\$ 2,346.51	\$ 2,052.26	\$ (294.25)	-12.5%
125	\$ 2,378.86	\$ 2,080.66	\$ (298.20)	-12.5%
150	\$ 2,411.20	\$ 2,109.06	\$ (302.14)	-12.5%
200	\$ 2,475.90	\$ 2,165.86	\$ (310.04)	-12.5%
250	\$ 2,540.59	\$ 2,222.66	\$ (317.93)	-12.5%
300	\$ 2,605.29	\$ 2,279.46	\$ (325.83)	-12.5%
400	\$ 2,734.68	\$ 2,393.06	\$ (341.62)	-12.5%
500	\$ 2,864.07	\$ 2,506.66	\$ (357.41)	-12.5%
1,000	\$ 3,511.02	\$ 3,074.65	\$ (436.36)	-12.4%
2,000	\$ 4,804.91	\$ 4,210.64	\$ (594.27)	-12.4%
3,000	\$ 6,098.81	\$ 5,346.63	\$ (752.18)	-12.3%
4,000	\$ 7,392.71	\$ 6,482.62	\$ (910.09)	-12.3%
5,000	\$ 8,686.60	\$ 7,618.61	\$ (1,067.99)	-12.3%
6,000	\$ 9,980.50	\$ 8,754.60	\$ (1,225.90)	-12.3%
7,000	\$ 11,274.40	\$ 9,890.59	\$ (1,383.81)	-12.3%
8,000	\$ 12,568.30	\$ 11,026.58	\$ (1,541.71)	-12.3%
9,000	\$ 13,862.19	\$ 12,162.57	\$ (1,699.62)	-12.3%
10,000	\$ 15,156.09	\$ 13,298.56	\$ (1,857.53)	-12.3%
20,000	\$ 28,095.06	\$ 24,658.46	\$ (3,436.60)	-12.2%
30,000	\$ 41,034.03	\$ 36,018.36	\$ (5,015.67)	-12.2%

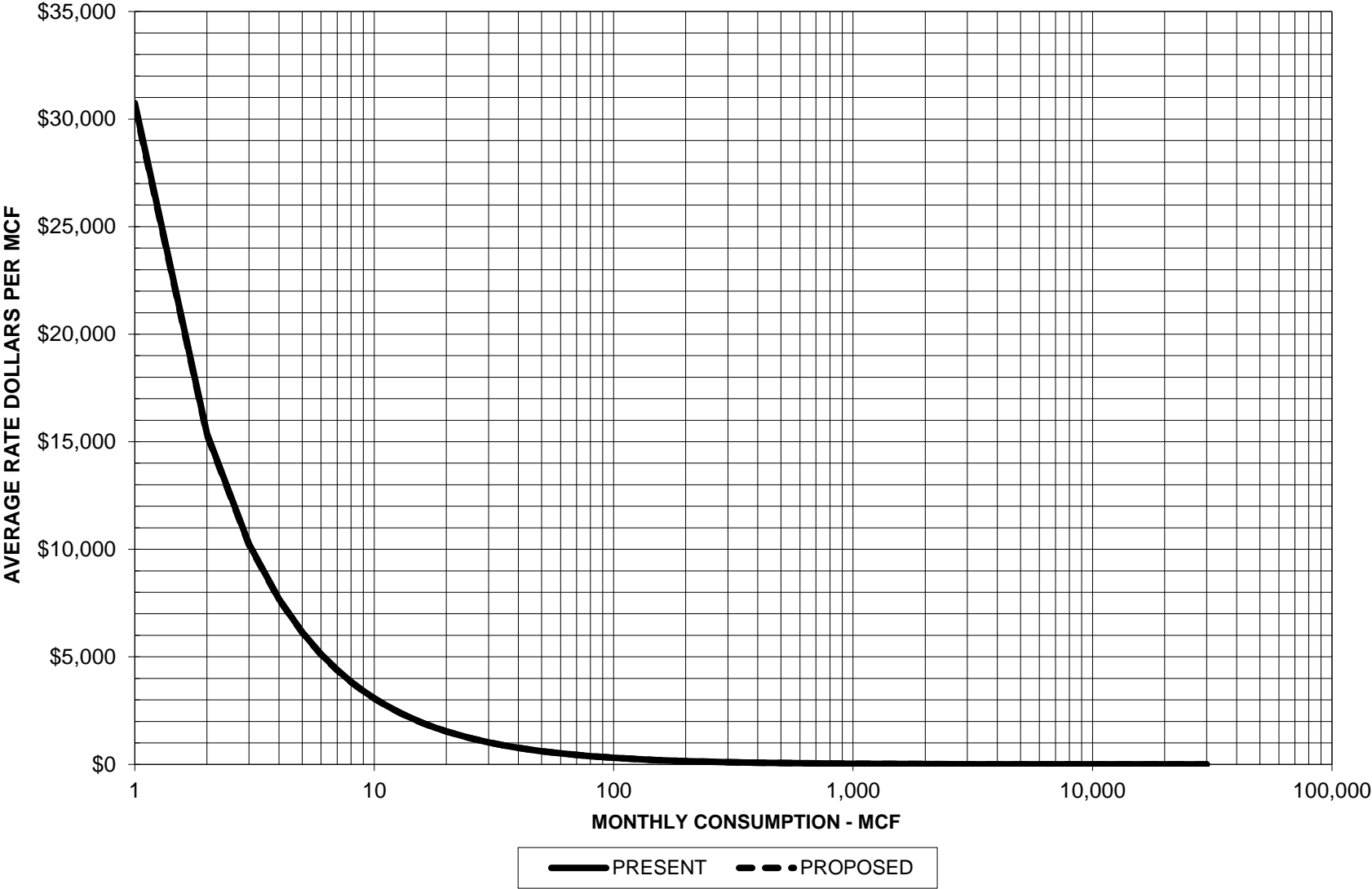
**UGI Utilities, Inc. - Gas Division, Central Rate District
Comparison of Present and Proposed Rates
Rate Schedule LFD**



**UGI Utilities, Inc. - Gas Division, Central Rate District
Extended Large Firm Delivery Service - Rate Schedule XD
Calculation of the Effect of Proposed Rates**

<u>MCF</u>	<u>Bills Under Present Rates</u>	<u>Bills Under Proposed Rates</u>	<u>Increase Amount</u>	<u>Increase Percent</u>
-	\$ 30,744.40	\$ 30,635.83	\$ (108.57)	-0.4%
1	\$ 30,744.81	\$ 30,636.24	\$ (108.57)	-0.4%
2	\$ 30,745.22	\$ 30,636.65	\$ (108.57)	-0.4%
3	\$ 30,745.63	\$ 30,637.06	\$ (108.57)	-0.4%
4	\$ 30,746.04	\$ 30,637.46	\$ (108.57)	-0.4%
5	\$ 30,746.45	\$ 30,637.87	\$ (108.57)	-0.4%
6	\$ 30,746.85	\$ 30,638.28	\$ (108.57)	-0.4%
7	\$ 30,747.26	\$ 30,638.69	\$ (108.58)	-0.4%
8	\$ 30,747.67	\$ 30,639.10	\$ (108.58)	-0.4%
9	\$ 30,748.08	\$ 30,639.50	\$ (108.58)	-0.4%
10	\$ 30,748.49	\$ 30,639.91	\$ (108.58)	-0.4%
11	\$ 30,748.90	\$ 30,640.32	\$ (108.58)	-0.4%
12	\$ 30,749.31	\$ 30,640.73	\$ (108.58)	-0.4%
13	\$ 30,749.72	\$ 30,641.13	\$ (108.59)	-0.4%
14	\$ 30,750.13	\$ 30,641.54	\$ (108.59)	-0.4%
15	\$ 30,750.54	\$ 30,641.95	\$ (108.59)	-0.4%
16	\$ 30,750.95	\$ 30,642.36	\$ (108.59)	-0.4%
17	\$ 30,751.36	\$ 30,642.76	\$ (108.59)	-0.4%
18	\$ 30,751.76	\$ 30,643.17	\$ (108.59)	-0.4%
19	\$ 30,752.17	\$ 30,643.58	\$ (108.59)	-0.4%
20	\$ 30,752.58	\$ 30,643.99	\$ (108.60)	-0.4%
25	\$ 30,754.63	\$ 30,646.03	\$ (108.60)	-0.4%
30	\$ 30,756.67	\$ 30,648.07	\$ (108.61)	-0.4%
35	\$ 30,758.72	\$ 30,650.10	\$ (108.62)	-0.4%
40	\$ 30,760.77	\$ 30,652.14	\$ (108.62)	-0.4%
45	\$ 30,762.81	\$ 30,654.18	\$ (108.63)	-0.4%
50	\$ 30,764.86	\$ 30,656.22	\$ (108.64)	-0.4%
60	\$ 30,768.95	\$ 30,660.30	\$ (108.65)	-0.4%
70	\$ 30,773.04	\$ 30,664.37	\$ (108.67)	-0.4%
80	\$ 30,777.13	\$ 30,668.45	\$ (108.68)	-0.4%
90	\$ 30,781.23	\$ 30,672.53	\$ (108.70)	-0.4%
100	\$ 30,785.32	\$ 30,676.61	\$ (108.71)	-0.4%
125	\$ 30,795.55	\$ 30,686.80	\$ (108.75)	-0.4%
150	\$ 30,805.78	\$ 30,696.99	\$ (108.78)	-0.4%
200	\$ 30,826.23	\$ 30,717.38	\$ (108.86)	-0.4%
250	\$ 30,846.69	\$ 30,737.77	\$ (108.93)	-0.4%
300	\$ 30,867.15	\$ 30,758.15	\$ (109.00)	-0.4%
400	\$ 30,908.07	\$ 30,798.93	\$ (109.14)	-0.4%
500	\$ 30,948.99	\$ 30,839.70	\$ (109.29)	-0.4%
1,000	\$ 31,153.58	\$ 31,043.56	\$ (110.01)	-0.4%
2,000	\$ 31,562.75	\$ 31,451.30	\$ (111.46)	-0.4%
3,000	\$ 31,971.93	\$ 31,859.03	\$ (112.90)	-0.4%
4,000	\$ 32,381.11	\$ 32,266.76	\$ (114.35)	-0.4%
5,000	\$ 32,790.28	\$ 32,674.49	\$ (115.79)	-0.4%
6,000	\$ 33,199.46	\$ 33,082.22	\$ (117.24)	-0.4%
7,000	\$ 33,608.63	\$ 33,489.95	\$ (118.68)	-0.4%
8,000	\$ 34,017.81	\$ 33,897.69	\$ (120.13)	-0.4%
9,000	\$ 34,426.99	\$ 34,305.42	\$ (121.57)	-0.4%
10,000	\$ 34,836.16	\$ 34,713.15	\$ (123.02)	-0.4%
20,000	\$ 38,927.93	\$ 38,790.46	\$ (137.46)	-0.4%
30,000	\$ 43,019.69	\$ 42,867.78	\$ (151.91)	-0.4%

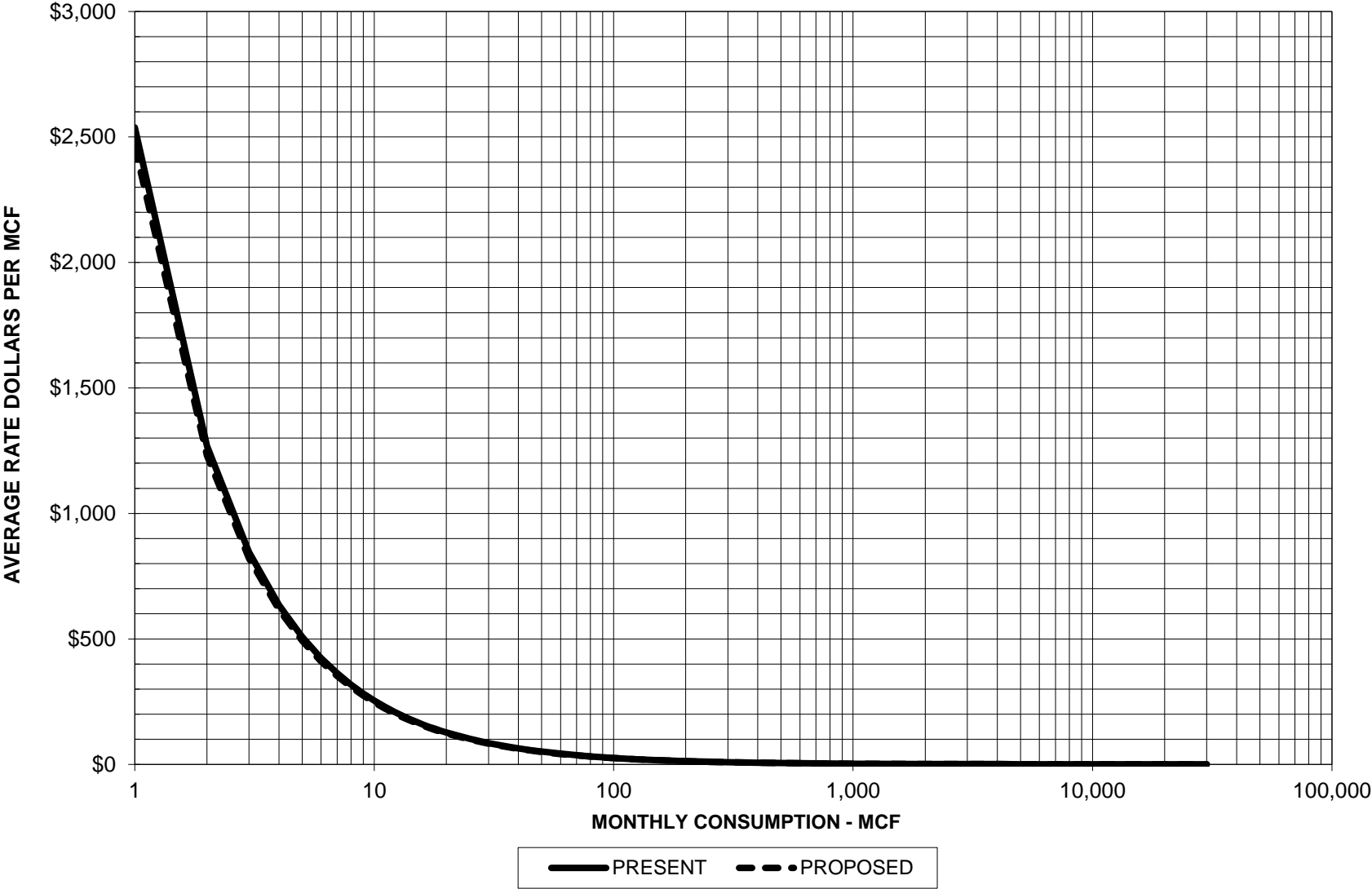
**UGI Utilities, Inc. - Gas Division, Central Rate District
Comparison of Present and Proposed Rates
Rate Schedule XD**



**UGI Utilities, Inc. - Gas Division, Central Rate District
Interruptible Service - Rate Schedule IS
Calculation of the Effect of Proposed Rates**

MCF	Bills Under Present Rates	Bills Under Proposed Rates	Increase Amount	Increase Percent
-	\$ 2,537.67	\$ 2,460.92	\$ (76.75)	-3.0%
1	\$ 2,538.06	\$ 2,461.30	\$ (76.76)	-3.0%
2	\$ 2,538.44	\$ 2,461.67	\$ (76.77)	-3.0%
3	\$ 2,538.82	\$ 2,462.04	\$ (76.78)	-3.0%
4	\$ 2,539.20	\$ 2,462.41	\$ (76.80)	-3.0%
5	\$ 2,539.59	\$ 2,462.78	\$ (76.81)	-3.0%
6	\$ 2,539.97	\$ 2,463.15	\$ (76.82)	-3.0%
7	\$ 2,540.35	\$ 2,463.52	\$ (76.83)	-3.0%
8	\$ 2,540.74	\$ 2,463.89	\$ (76.84)	-3.0%
9	\$ 2,541.12	\$ 2,464.26	\$ (76.85)	-3.0%
10	\$ 2,541.50	\$ 2,464.64	\$ (76.86)	-3.0%
11	\$ 2,541.88	\$ 2,465.01	\$ (76.88)	-3.0%
12	\$ 2,542.27	\$ 2,465.38	\$ (76.89)	-3.0%
13	\$ 2,542.65	\$ 2,465.75	\$ (76.90)	-3.0%
14	\$ 2,543.03	\$ 2,466.12	\$ (76.91)	-3.0%
15	\$ 2,543.41	\$ 2,466.49	\$ (76.92)	-3.0%
16	\$ 2,543.80	\$ 2,466.86	\$ (76.93)	-3.0%
17	\$ 2,544.18	\$ 2,467.23	\$ (76.95)	-3.0%
18	\$ 2,544.56	\$ 2,467.61	\$ (76.96)	-3.0%
19	\$ 2,544.95	\$ 2,467.98	\$ (76.97)	-3.0%
20	\$ 2,545.33	\$ 2,468.35	\$ (76.98)	-3.0%
25	\$ 2,547.24	\$ 2,470.20	\$ (77.04)	-3.0%
30	\$ 2,549.16	\$ 2,472.06	\$ (77.10)	-3.0%
35	\$ 2,551.07	\$ 2,473.92	\$ (77.15)	-3.0%
40	\$ 2,552.98	\$ 2,475.77	\$ (77.21)	-3.0%
45	\$ 2,554.90	\$ 2,477.63	\$ (77.27)	-3.0%
50	\$ 2,556.81	\$ 2,479.48	\$ (77.33)	-3.0%
60	\$ 2,560.64	\$ 2,483.20	\$ (77.44)	-3.0%
70	\$ 2,564.46	\$ 2,486.91	\$ (77.56)	-3.0%
80	\$ 2,568.29	\$ 2,490.62	\$ (77.67)	-3.0%
90	\$ 2,572.12	\$ 2,494.33	\$ (77.79)	-3.0%
100	\$ 2,575.95	\$ 2,498.05	\$ (77.90)	-3.0%
125	\$ 2,585.52	\$ 2,507.33	\$ (78.19)	-3.0%
150	\$ 2,595.08	\$ 2,516.61	\$ (78.48)	-3.0%
200	\$ 2,614.22	\$ 2,535.17	\$ (79.05)	-3.0%
250	\$ 2,633.36	\$ 2,553.73	\$ (79.63)	-3.0%
300	\$ 2,652.49	\$ 2,572.29	\$ (80.21)	-3.0%
400	\$ 2,690.77	\$ 2,609.41	\$ (81.36)	-3.0%
500	\$ 2,729.04	\$ 2,646.53	\$ (82.51)	-3.0%
1,000	\$ 2,920.41	\$ 2,832.14	\$ (88.27)	-3.0%
2,000	\$ 3,303.14	\$ 3,203.35	\$ (99.79)	-3.0%
3,000	\$ 3,685.87	\$ 3,574.57	\$ (111.30)	-3.0%
4,000	\$ 4,068.61	\$ 3,945.78	\$ (122.82)	-3.0%
5,000	\$ 4,451.34	\$ 4,317.00	\$ (134.34)	-3.0%
6,000	\$ 4,834.07	\$ 4,688.21	\$ (145.86)	-3.0%
7,000	\$ 5,216.81	\$ 5,059.43	\$ (157.38)	-3.0%
8,000	\$ 5,599.54	\$ 5,430.64	\$ (168.90)	-3.0%
9,000	\$ 5,982.27	\$ 5,801.86	\$ (180.41)	-3.0%
10,000	\$ 6,365.00	\$ 6,173.07	\$ (191.93)	-3.0%
20,000	\$ 10,192.34	\$ 9,885.22	\$ (307.11)	-3.0%
30,000	\$ 14,019.67	\$ 13,597.37	\$ (422.29)	-3.0%

**UGI Utilities, Inc. - Gas Division, Central Rate District
Comparison of Present and Proposed Rates
Rate Schedule IS**



UGI Utilities, Inc. - Gas Division
Docket No. R-2018-3006814
UGI GAS 2019 BASE RATE CASE
Responses to Section 53.53 - IV-B - Rate Structure - Gas Utilities
Delivered on January 28, 2019

IV-B-8

Request:

Supply a map showing the Gas System Facilities and Gas Service Areas. The map should include transmission lines, distribution lines, other companies' lines interconnecting with the interconnecting points clearly designated, major compressor stations, gas storage areas and gas storage lines. The normal direction of gas flow within the transmission system should be indicated by arrows. Separate service areas within the system should be clearly designated.

Response:

Please see the response to I-C-2.

Prepared by or under the supervision of: Hans G. Bell

UGI Utilities, Inc. - Gas Division
Docket No. R-2018-3006814
UGI GAS 2019 BASE RATE CASE
Responses to Section 53.53 - IV-B - Rate Structure - Gas Utilities
Delivered on January 28, 2019

IV-B-9

Request:

Supply a cost analysis supporting minimum charges for all rate schedules.

Response:

Please refer to UGI Gas Exhibit D, Schedule G.

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

UGI Utilities, Inc. - Gas Division
Docket No. R-2018-3006814
UGI GAS 2019 BASE RATE CASE
Responses to Section 53.53 - IV-B - Rate Structure - Gas Utilities
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IV-B-10

Request:

Supply a cost analysis supporting demand charges for all tariffs which contain demand charges.

Response:

Please refer to UGI Gas Exhibit D, Schedule H.

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

UGI Utilities, Inc. - Gas Division
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IV-B-11

Request:

Supply the net fuel clause adjustment by month for the test year.

Response:

The Company does not have a net fuel clause adjustment.

Prepared by or under the supervision of: David E. Lahoff

UGI Utilities, Inc. - Gas Division
Docket No. R-2018-3006814
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IV-B-12

Request:

Supply a tabulation of base rate bills for each rate schedule comparing the existing rates to proposed rates. The tabulation should show the dollar difference and the per cent increase or decrease.

Response:

Please see the Direct Testimony of David E. Lahoff, UGI Gas Statement No. 8, and the responses to IV-B-5 and IV-B-7.

Prepared by or under the supervision of: David E. Lahoff

UGI Utilities, Inc. - Gas Division
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IV-B-13

Request:

Submit the projected demands for all customer classes for both purchased and produced gas for the three years following the test year filing.

Response:

Please reference Attachment 4-1 of UGI South Docket No. R-2018-3001633, UGI North Docket No. R-2018-3001632, and UGI Central Docket No. R-2018-3001631 in the most recent Annual 1307(f) Purchased Gas Cost ("PGC") filings which can be found at URL http://www.puc.pa.gov/about_puc/search_results.aspx?advanced=true.

Prepared by or under the supervision of: Angelina M. Borelli

UGI Utilities, Inc. - Gas Division
Docket No. R-2018-3006814
UGI GAS 2019 BASE RATE CASE
Responses to Section 53.53 - IV-B - Rate Structure - Gas Utilities
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IV-B-14

Request:

Supply an exhibit showing the gas deliveries to each customer class for the most recent 24 month period. The exhibit should identify the source of the gas, such as “purchased” (pipeline), “production” (includes purchases from local producers), “storage withdrawal,” “propane/air,” and “unaccounted for.”

Response:

Please see Attachment IV-B-14 for pipeline deliveries to each customer class and unaccounted for gas.

Please see Attachment III-E-36 for detail of the source of gas.

Prepared by or under the supervision of: David E. Lahoff

UGI Utilities, Inc. - Gas Division
Deliveries by Rate Class (MCF)

	Residential- Non Htg	Residential-Htg	RT	Commercial- Non Htg	Commercial- AC	Commercial- Htg	Industrial-Non Htg	Industrial-Htg	NT	DS	Large Transp- Other	Co Use	Unaccounted for Gas
October 2016	37,170	2,097,813	200,756	48,353	765	585,670	7,911	20,257	558,135	579,988	13,020,735	11,037	154,792
November 2016	42,344	4,140,979	371,378	63,364	(98)	1,308,442	12,205	53,546	955,496	942,477	13,194,851	18,451	625,203
December 2016	61,043	7,224,771	683,161	93,377	0	2,559,230	24,411	118,872	1,659,013	1,535,592	13,967,169	34,726	690,867
January 2017	69,145	6,894,354	760,050	97,590	0	2,763,508	32,983	139,461	1,899,881	1,653,597	14,770,680	40,864	(639,789)
February 2017	54,235	5,452,783	581,451	75,660	0	1,924,484	20,399	101,939	1,406,566	1,266,455	13,390,642	38,057	(385,962)
March 2017	56,051	6,924,101	657,933	68,750	0	2,154,605	25,211	108,808	1,479,553	1,416,883	15,480,401	59,442	537,687
April 2017	40,695	1,898,559	246,174	81,696	0	818,278	3,673	32,897	746,789	638,120	11,931,647	27,852	(878,524)
May 2017	31,778	1,681,563	164,905	40,125	0	523,488	4,914	13,335	495,295	509,588	12,874,644	21,767	361,343
June 2017	26,852	1,036,219	78,844	49,196	0	238,179	(1,590)	8,483	363,528	357,863	11,518,766	13,159	395,715
July 2017	27,695	667,332	80,731	42,118	0	391,218	6,703	7,626	315,175	334,620	13,705,204	10,363	143,116
August 2017	25,919	438,278	78,987	38,073	0	265,998	1,847	7,260	355,643	402,648	15,108,064	9,872	(222,613)
September 2017	20,516	1,423,703	45,465	25,569	0	467,805	4,016	4,648	237,850	406,674	13,541,453	12,708	56,930
October 2017	43,433	1,654,916	122,154	68,798	0	542,244	7,993	15,138	508,257	570,215	12,260,301	12,692	103,701
November 2017	32,915	4,598,178	698,117	79,908	0	1,720,609	21,300	80,866	1,434,494	982,505	14,090,299	23,533	3,669,245
December 2017	63,200	8,300,111	1,088,193	81,808	0	2,417,045	46,375	111,462	1,778,968	1,827,029	13,917,865	37,172	(384,596)
January 2018	71,738	8,998,587	1,230,173	107,887	0	3,439,522	38,532	135,384	2,287,592	1,951,576	13,943,021	54,712	(1,065,787)
February 2018	46,203	5,850,884	802,347	85,912	0	2,176,847	19,180	126,218	1,585,047	1,345,249	13,317,291	42,964	(295,906)
March 2018	42,809	6,488,483	899,268	80,091	0	2,457,730	43,069	105,468	1,719,513	1,435,336	16,438,187	45,847	(427,290)
April 2018	38,284	4,091,118	571,348	62,301	0	1,436,974	7,525	60,299	1,153,085	1,089,905	14,406,139	36,775	62,241
May 2018	25,368	956,034	142,232	48,085	0	543,641	14,156	23,157	420,399	354,872	11,303,388	19,487	(300,832)
June 2018	25,628	789,451	131,800	47,771	0	342,970	3,807	14,259	409,351	340,534	14,784,052	13,534	267,638
July 2018	18,880	596,259	93,359	40,369	0	270,504	3,117	1,741	339,522	286,633	16,031,688	9,418	(82,660)
August 2018	19,389	576,465	88,702	45,359	0	293,496	13,210	10,355	353,019	303,774	16,519,100	10,788	(74,594)
September 2018	24,054	750,706	129,925	47,729	0	301,774	777	8,296	403,975	452,034	15,782,039	10,281	(82,767)

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**UGI UTILITIES, INC. – GAS DIVISION
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USB FLASH DRIVE