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November 1, 2023

VIA ELECTRONIC FILING

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

**Re: UGI Utilities, Inc. – Gas Division: Ninth Annual GET Gas Report
Docket Nos. P-2013-2356232 and R-2018-3006814**

Dear Secretary Chiavetta:

By the Opinion and Order in the base rate proceeding of UGI Utilities, Inc. – Gas Division (“UGI Gas” or “the Company”) entered October 4, 2019 at Docket No. R-2018-3006814 (“October 4th Order”), the Pennsylvania Public Utility Commission (“the Commission”) approved the continuation of the Company’s Growth Extension Tariff (“GET Gas”) Pilot initially approved at Docket No. P-2013-2356232 (Order entered February 20, 2014). The Commission’s October 4th Order authorized GET Gas to continue for an additional five years subject to the initial pilot’s annual reporting requirements as follows:

- (a) *Investment per project broken out by Underserved and Unserved classification;*
- (b) *Total distance of GET Gas main installed;*
- (c) *Number of customers connected by project Underserved and Unserved classification;*
- (d) *Current saturation by project Underserved and Unserved classification;*
- (e) *GET revenues received by principal and interest;*
- (f) *Annual GET participant average use per customer by residential and commercial sectors;*
- (g) *Average GET participant investment cost per customer by residential and commercial sectors;*
- (h) *The number of customers along GET facilities who have not yet connected and, to the extent available, why;*

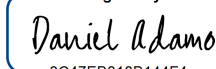
- (i) *Direct program expenses;*
- (j) *Data on collections, including efforts for unpaid surcharge amounts;*
- (k) *The number of applicants turned down for insufficient credit;*
- (l) *The number of GET Gas participants also participating in CAP; and*
- (m) *The quarterly gas/oil spread differential pursuant to ... tariff sections 5.8.4 Limitations (UGI)[.]*

The October 4th Order also required the Company to annually conduct, and report on, an economic evaluation inclusive of cost, saturation and revenue projections in accordance with Paragraph 27 of the base rate proceeding Settlement.

On October 1, 2018, the Commission approved the merger of UGI Gas and its wholly-owned subsidiaries UGI Central Penn Gas, Inc. (“CPG”) and UGI Penn Natural Gas, Inc. (“PNG”). During FY2019, UGI Gas operated through the former South, Central and North Rate Districts corresponding to the legacy geographic footprint of UGI Gas, CPG, and PNG. While FY2019 reporting provides information on a former Rate District basis, subsequent reporting is provided on a consolidated basis for UGI Gas.

Please find enclosed the GET Gas Report for program year nine, UGI Gas FY2023.

Very truly yours,


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Daniel Adamo

Vice President - Customer Relations

Enclosure

cc: Certificate of Service

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**UGI Utilities, Inc. – Gas Division
Ninth Annual GET Gas Report**

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**Docket Nos. P-2013-2356232
R-2018-3006814**

CERTIFICATE OF SERVICE

I hereby certify that I have, this 1st day of November 2023, served a true and correct copy of the foregoing document in the manner and upon the persons listed below in accordance with requirements of 52 Pa. Code § 1.54 (relating to service by a participant):

VIA E-MAIL:

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Consumer Advocate
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Director and Chief Prosecutor
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DocuSigned by:
Daniel Adamo
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Daniel Adamo

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**UGI Utilities, Inc. – Gas Division
Ninth Annual GET Gas Report**

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**Docket Nos. P-2013-235623
R-2018-3006814**

ANNUAL GET GAS REPORT

I. Introduction:

Since approval by the Commission, UGI Gas through its GET Gas Pilot program has installed gas main in 254 GET Gas projects and connected 2,372 customers on an actual basis through September 30, 2023 (FY 2023). Of those 2,372 customers, 394 were connected during FY 2023. Full projected buildout saturation for the 254 cumulative GET Gas projects (through year 12 of each project) is anticipated to connect 10,942 customers.

II. Report¹:

Program spending and customers connected

Please see Exhibit 1, Columns G, H, K and L.

a. Investment per project broken out by underserved and unserved classification

Total investment for projects completed for FY 2023 was \$2,327,217. Please see Exhibit 1, Columns K and L for by project investments as well as underserved and unserved classifications.

b. Total distance of GET Gas main installed

Approximately 49,825 feet of main was installed for FY 2023 projects, bringing the total GET Gas main installed to 1,107,682 feet since the program’s inception. Please see Exhibit 1, Column D for the installed main lengths for each project.

¹ All information provided on a fiscal year basis.

c. Number of customers connected by project underserved and unserved classification

During FY 2023, a total of 36 customers were connected to mains installed in FY 2023 and an additional 358 customers were connected to mains installed prior to FY 2023, for a total of 2,372 customers since program inception. Full projected buildout saturation for these GET Gas projects (through year 12 of each project) is anticipated to connect 10,942 customers. Forty-four commercial customers have been added since program inception and are included in the aforementioned counts. Please see Exhibit 1, Columns G and H, for the number of customers connected by project with associated underserved and unserved classification.

d. Current saturation by project underserved and unserved classification

Since program inception, the current market share for completed projects is 13% (2,372 customers/17,940 parcels) and the projected saturation through full buildout is 61% (10,942 customers /17,940 parcels). Please see Exhibit 1, Columns I and J for both current and projected saturation levels by project for both underserved and unserved classifications.

e. GET Revenues received by principal and interest

Since program inception, total GET Gas revenues received have been \$4,450,797. Of this total, \$3,790,041 is attributed to principal GET Gas payments and \$660,757 is attributed to the GET Gas surcharge interest/adder component. Please see Exhibit 2 for the total revenue and interest received.

f. Annual GET participant average use per customer by residential and commercial sectors

The average annual usage for residential GET Gas customers with 12 months of available usage data is 667 ccf. Average annual usage for the commercial GET Gas customers that had at least 12 months of available usage was 2,167 ccf.

g. Average GET principal investment cost per customer by residential and commercial sectors

The average projected GET Gas principal investment cost per customer is \$10,361 though the life of all completed projects based upon projected total GET Gas investment amounts of \$113,375,294 and projected total attained customers of 10,942. Actual investment through September 30, 2023 in all GET Gas facilities is \$89,593,544 with an attained customer count of 2,372. The difference in cost investment between residential and commercial customers is negligible.

h. The number of customers along GET facilities who have not yet connected and, to the extent available, why

Total parcels for all the completed FY 2015 through FY 2023 projects is 17,940. Projected GET customers through full buildout of these projects, based on market share model, is 10,942, thus the Company's estimate is that 8,570 have not yet connected.

i. Direct program expenses

Direct program expenses since inception are \$515,187.

j. Data on collections, including efforts for unpaid surcharge amounts

As of 10/6/2023, 195 customers have an overdue balance of \$37,458 related to all billed charges (both GET and non-GET). Of this total, \$19,032 is related to uncollected GET surcharges.

In accordance with the Settlement of the GET Gas Petition at Docket No. P-2013-2356232, the Company may not terminate natural gas service due to non-payment of the GET Gas surcharge. All other due amounts will be pursued in accordance with normal collection efforts and policies.

k. The number of applicants turned down for insufficient credit

No applicants were turned down for insufficient credit.

l. The number of GET Gas participants also participating in CAP

There are currently 6 GET customers enrolled in CAP.

m. The quarterly gas/oil spread differential pursuant to tariff section 5.8.4 Limitations

Please see Exhibit 3 for the gas/oil differential for FY 2023.

Exhibit 1. GET Gas Projects Customers and Costs

Note: All projects will incur costs as services are added toward the life of GET projects (12 years)

A	B	C	D	E	F	G	H	I	J	K	L
PROGRAM YEAR	TYPE	PROJECT NAME	INSTALLED MAIN (gT)	PARCELS	PROJECTED GET CUSTOMERS MODEL	GET RESIDENTIAL CUSTOMERS	GET COMMERCIAL CUSTOMERS	Projected Market Share	ACTUAL MARKET SHARE	Actual Service Costs	Total Main Actuals
PROJECTS COMPLETED - 2015											
2015	COMPLETED	PROJECTS	39,008	603	333	191	1	55%	32%	\$ 602,770	\$ 2,154,949
PROJECTS COMPLETED - 2016											
2016	COMPLETED	PROJECTS	95,596	1,596	1,042	356	1	65%	22%	\$ 1,098,664	\$ 4,536,567
PROJECTS COMPLETED - 2017											
2017	COMPLETED	PROJECTS	105,331	1,783	1,044	293	5	59%	17%	\$ 913,947	\$ 4,554,609
PROJECTS COMPLETED - 2018											
2018	COMPLETED	PROJECTS	267,016	4,796	2,902	490	16	61%	11%	\$ 1,475,577	\$ 16,679,261
PROJECTS COMPLETED - 2019											
2019	COMPLETED	PROJECTS	128,481	2,080	1,255	325	8	60%	16%	\$ 940,140	\$ 7,200,866
PROJECTS COMPLETED - 2020											
2020	COMPLETED	PROJECTS	162,185	2,333	1,500	252	7	64%	11%	\$ 718,725	\$ 17,212,654
PROJECTS COMPLETED - 2021											
2021	COMPLETED	PROJECTS	136,301	1,951	1,189	195	4	61%	10%	\$ 552,225	\$ 15,391,279
PROJECTS COMPLETED - 2022											
2022	COMPLETED	PROJECTS	123,939	1,957	1,190	190	2	61%	10%	\$ 532,800	\$ 11,068,171
PROJECTS COMPLETED - 2023											
2023	UNDERSERVED	Old Reliance	2,933	44	26	2	0	59%	5%	\$ 5,550	\$ 184,234
2023	UNDERSERVED	N Houcks	1,500	27	15	5	0	56%	19%	\$ 13,875	\$ 76,013
2023	UNDERSERVED	Kreider	1,170	23	14	1	0	61%	4%	\$ 2,775	\$ 72,206
2023	UNDERSERVED	Rutgers	9,719	138	70	2	0	51%	1%	\$ 5,550	\$ 622,011
2023	UNDERSERVED	Nicholas	2,000	34	19	2	0	56%	6%	\$ 5,550	\$ 128,490
2023	UNDERSERVED	Halsey	2,800	48	31	3	0	65%	6%	\$ 8,325	\$ 134,885
2023	UNDERSERVED	Northeast	1,170	23	14	3	0	61%	13%	\$ 8,325	\$ 88,350
2023	UNDERSERVED	Anderson	2,300	49	32	1	0	65%	2%	\$ 2,775	\$ 209,048
2023	UNDERSERVED	High	580	10	7	1	0	70%	10%	\$ 2,775	\$ 108,719
2023	UNDERSERVED	Hill	1,909	37	24	0	0	65%	0%	\$ -	\$ 127,736
2023	UNDERSERVED	Elwood	4,700	91	57	8	0	63%	9%	\$ 22,200	\$ 433,787
2023	UNDERSERVED	Pebblewood	1,600	27	17	2	0	63%	7%	\$ 5,550	\$ 141,738
2023	COMPLETED	PROJECTS	32,381	551	326	30	0	59%	5%	\$ 83,250	\$ 2,327,217
PROJECTS IN PROGRESS - 2023											
2023	UNDERSERVED	Horizon	12,000	192	96	6	0	50%	3%	\$ 16,650	\$ 1,310,815
2023	UNDERSERVED	Hospital	5,444	98	65	0	0	66%	0%	\$ -	\$ 222,407
2023	IN PROGRESS	PROJECTS	17,444	290	161	6	0	56%	2%	\$ 16,650	\$ 1,533,222
ALL COMPLETED PROJECTS			1,107,682	17,940	10,942	2,328	44	61%	13%	\$ 6,934,748	\$ 82,658,796

Exhibit 2. GET Principal and Interest Received

CUSTOMER TYPE	PRINCIPAL	INTEREST & UNCOLLECTIBLE ADDER	TOTAL REVENUE	TOTAL CUSTOMERS	REVENUE PER CUSTOMER
Residential	\$ 3,714,739	\$ 655,474	\$ 4,370,213	2,328	\$ 1,877
Commercial	\$ 75,302	\$ 5,283	\$ 80,584	44	\$ 1,831
Total	\$ 3,790,041	\$ 660,757	\$ 4,450,797	2,372	\$ 1,876

Exhibit 3. Quarterly Gas Oil Spread for FY 2023

DATE	PRICE SPREAD(\$/MMBtu)	
DEC 1 2022	\$	17.53
MAR 1 2023	\$	17.89
JUNE 1 2023	\$	14.11
SEP 1 2023	\$	20.10