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November 6, 2020

**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 Fifth 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 4<sup>th</sup> 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 4<sup>th</sup> 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 4<sup>th</sup> 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.

Please find enclosed the GET Gas Report for program year six, UGI Gas FY2020.

Very truly yours,

DocuSigned by:

*Danielle Jouenne*

Danielle Jouenne  
Counsel for UGI

Enclosure

cc: Certificate of Service

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

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

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

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**CERTIFICATE OF SERVICE**

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I hereby certify that I have, this 6th day of November 2020, 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 ELECTRONIC MAIL:**

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DocuSigned by:

*Danielle Jouenne*

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Danielle Jouenne

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## ANNUAL GET GAS REPORT

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I. Introduction:

Since approval by the Commission, the UGI Gas GET Gas Pilot program has installed gas main in 172 GET Gas projects and connected 1,106 new customers on an actual basis through September 30, 2020 (FY 2020). Full projected buildout saturation for these 172 GET Gas projects (through year 12 of each project) is anticipated to connect 7,820 customers.

UGI Gas currently projects the initiation of 43 GET Gas projects in FY2021 with related GET Gas investment amounts of over \$14 million.

The Company anticipates a continued focus on GET Gas project development and GET Gas customer saturation attainment throughout the 5-year program extension authorized at Docket R-2018-3006814.

II. Report<sup>1</sup>:

**Program spending and customers connected**

Please see Exhibit 1, Columns O, P, T and Z.

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

Total investment for projects completed for FY 2020 was \$7,118,264. Please see Exhibit 1, Columns T and Z for by project investment as well as underserved and unserved classification.

**b. Total distance of GET Gas main installed**

Approximately 140,086 feet of main was installed for FY 2020 completed projects bringing the total GET Gas main installed to 785,467 feet installed since program inception. Please see Exhibit 1, Column K.

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

A total of 54 customers were connected to mains installed in FY 2020 with 1,052 customers connecting to mains installed in FY 2015 through FY 2019 for a total of 1,106 customers since program inception. Full projected buildout saturation for these GET Gas projects (through year 12 of each project) is anticipated to connect 7,820 customers. Nine commercial customers have been added since program inception and are included in the aforementioned counts. Please see Exhibit 1 for the number of customers connected by project with associated underserved and unserved classification.

**d. Current saturation by project underserved and unserved classification**

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<sup>1</sup> All information provided on a fiscal year basis.

Since program inception, the current market share for completed projects is 9% (1,106 customers/12,836 parcels) and the projected saturation through full buildout is 61% (7,820 customers /12,836 parcels). Please see Exhibit 1, Columns M and N 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 revenues received have been \$2,192,793. Of this total, \$1,891,638 is the principal GET Gas surcharge component and \$301,155 is the GET Gas surcharge interest/adder component. Please see Exhibit 2.

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

The average annual usage for residential GET customers with 12 months of available usage data is 727 ccf. Average annual usage for the commercial GET customers that had at least 12 months of available usage was 1684 ccf.

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

The average projected GET principal investment cost per customer is \$7,326 though the life of all completed GET projects based upon projected total GET investment amounts of \$57,290,040 and projected total attained customers of 7,820. Actual investment through September 30, 2020 in all GET facilities is \$41,983,000 with an attained customer count of 1,106. The difference in cost investment between residential and the nine commercial customers is negligible. Please see Exhibit 1, Columns T and Z.

**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 2020 projects is 12,836. Projected GET customers through full buildout of these projects, based on market share model, is 7,820, thus the Company's estimate is that 6,714 have not yet connected.

**i. Direct program expenses**

Direct program expenses since inception are \$455,660. \$85,451 was spent in FY 2020.

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

As of 10/8/20, 115 customers have an overdue balance of \$13,765.36 related to all billed charges (both GET and non-GET). Of this total, \$8,447.53 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 4 GET customer enrolled in CAP at this time.

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

Please see Exhibit 3

### Exhibit 1. GET Gas Projects Customers and Costs

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

A	B	G	H	K	M	N	O	P	Q	R	T	Z
COMPANY	PROGRAM YEAR	TYPE	PROJECT NAME	INSTALLED MAIN (FT)	PARCELS	PROJECTED GET CUSTOMERS MODEL	GET RESIDENTIAL CUSTOMERS	GET COMMERCIAL CUSTOMERS	Projected Market Share	ACTUAL MARKET SHARE	Actual Service Costs	Total Main Actuals
<b>PROJECTS COMPLETED - 2015</b>												
2015 COMPLETED PROJECTS				41,312	603	333	144	1	55%	24%	485,869	2,154,949
<b>PROJECTS COMPLETED - 2016</b>												
2016 COMPLETED PROJECTS				97,896	1,536	1,042	262	1	65%	16%	845,085	4,536,567
<b>PROJECTS COMPLETED - 2017</b>												
2017 COMPLETED PROJECTS				105,331	1,783	1,044	195	4	53%	11%	641,894	4,554,609
<b>PROJECTS COMPLETED - 2018</b>												
2018 COMPLETED PROJECTS				280,941	4,980	3,005	276	2	60%	6%	870,959	13,216,772
<b>PROJECTS COMPLETED - 2019</b>												
2019 COMPLETED PROJECTS				119,901	1,898	1,144	166	1	60%	9%	507,157	4,626,486
<b>PROJECTS COMPLETED - 2020</b>												
SOUTH	2020	UNDERSERVED	Arrow	2,450	33	22	0	0	67%	0%	\$ -	\$ 100,000
SOUTH	2020	UNDERSERVED	Dustin	1,500	25	13	0	0	50%	0%	\$ -	\$ 59,979
SOUTH	2020	UNDERSERVED	E Fulton	4,500	120	84	0	0	70%	0%	\$ -	\$ 333,600
SOUTH	2020	UNDERSERVED	Grouse	7,600	88	47	2	0	53%	2%	\$ 6,771.90	\$ 220,241
SOUTH	2020	UNDERSERVED	Kingston	5,200	72	40	8	0	56%	11%	\$ 27,087.59	\$ 291,644
SOUTH	2020	UNDERSERVED	Klein	14,627	186	95	8	0	51%	4%	\$ 27,087.59	\$ 619,991
SOUTH	2020	UNDERSERVED	Pajabon	2,600	46	28	4	0	61%	9%	\$ 13,543.79	\$ 222,161
SOUTH	2020	UNDERSERVED	Roberts	2,200	27	17	2	0	63%	7%	\$ 6,771.90	\$ 149,974
SOUTH	2020	UNDERSERVED	Schoeneck	2,600	26	19	1	0	73%	4%	\$ 3,385.95	\$ 140,621
SOUTH	2020	UNDERSERVED	Vesper	1,700	88	48	2	0	55%	2%	\$ 6,771.90	\$ 82,610
SOUTH	2020	UNDERSERVED	W Meadow	7,854	68	37	9	0	54%	13%	\$ 30,473.54	\$ 251,581
SOUTH	2020	UNDERSERVED	Wharton	860	11	8	1	0	73%	9%	\$ 3,385.95	\$ 50,479
SOUTH	2020	UNDERSERVED	Windsor	1,700	28	16	3	0	57%	11%	\$ 10,157.85	\$ 78,479
NORTH	2020	UNSERVED	Riverside 5	8,600	75	56	1	0	75%	1%	\$ 3,326.03	\$ 403,784
NORTH	2020	UNDERSERVED	Second	845	21	15	2	0	71%	10%	\$ 6,652.05	\$ 60,000
NORTH	2020	UNDERSERVED	Smith	730	21	14	2	0	67%	10%	\$ 6,652.05	\$ 24,677
NORTH	2020	UNDERSERVED	Sunrise	3,120	42	0	1	0	0%	2%	\$ 3,326.03	\$ 192,434
NORTH	2020	UNSERVED	Tunkhannock Ph	26,000	387	271	1	0	70%	0%	\$ 3,326.03	\$ 299,049
NORTH	2020	UNSERVED	Waymart	37,000	500	353	3	0	71%	1%	\$ 9,978.08	\$ 2,928,271
CENTRAL	2020	UNDERSERVED	Beverly	2,900	48	31	1	0	65%	2%	\$ 2,284.01	\$ 162,297
CENTRAL	2020	UNDERSERVED	Pleasant View	5,500	64	39	3	0	61%	5%	\$ 6,852.02	\$ 268,557
2020 COMPLETED PROJECTS				140,086	1,376	1,253	54	-	63%	3%	177,834	6,940,430
ALL COMPLETED PROJECTS				785,467	12,836	7,820	1,097	9	61%	9%	3,528,799	36,029,813
<b>PROJECTS IN PROGRESS - 2020</b>												
SOUTH	2020	UNSERVED	Revere	6,880	88	49	0	0	56%	0%	\$ -	\$ 12,500
SOUTH	2020	UNDERSERVED	S 9th St	4,800	78	48	0	0	62%	0%	\$ -	\$ 10,343
SOUTH	2020	UNDERSERVED	Bob White	8,300	154	85	0	0	55%	0%	\$ -	\$ -
NORTH	2020	UNDERSERVED	Valentine	7,000	140	84	0	0	60%	0%	\$ -	\$ 195,006
CENTRAL	2020	UNDERSERVED	Tucker	1,574	20	14	0	0	70%	0%	\$ -	\$ 5,657
2020 PROJECTS IN PROGRESS				28,554	480	280	-	-	58%	0%	-	223,506

**Exhibit 2. GET Principal and Interest Received**

CUSTOMER TYPE		PRINCIPAL	INTEREST AND UNCOLLECTIBLE ADDER	TOTAL REVENUE	TOTAL CUSTOMERS	REVENUE PER CUSTOMER
Residential	South	\$ 1,392,337	\$ 202,543	\$ 1,594,880	696	\$ 2,291
	North	\$ 332,213	\$ 77,410	\$ 409,623	219	\$ 1,870
	Central	\$ 157,400	\$ 20,465	\$ 177,865	182	\$ 977
Total		\$ 1,881,950	\$ 300,418	\$ 2,182,368	1,097	\$ 1,989
CUSTOMER TYPE		PRINCIPAL	INTEREST AND UNCOLLECTIBLE ADDER	TOTAL REVENUE	TOTAL CUSTOMERS	REVENUE PER CUSTOMER
Commercial	South	\$ 3,182	\$ 221	\$ 3,403	4	\$ 851
	North	\$ 2,562	\$ 517	\$ 3,079	3	\$ 1,026
	Central	\$ 3,924	\$ -	\$ 3,924	2	\$ 1,962
Total		\$ 9,668	\$ 738	\$ 10,406	9	\$ 1,156
CUSTOMER TYPE		PRINCIPAL	INTEREST AND UNCOLLECTIBLE ADDER	TOTAL REVENUE	TOTAL CUSTOMERS	REVENUE PER CUSTOMER
Total	South	\$ 1,395,519	\$ 202,763	\$ 1,598,282	700	\$ 2,283
	North	\$ 334,775	\$ 77,927	\$ 412,702	222	\$ 1,859
	Central	\$ 161,324	\$ 20,465	\$ 181,789	184	\$ 988
Total		\$ 1,891,618	\$ 301,155	\$ 2,192,773	1,106	\$ 1,983

**Exhibit 3. Quarterly Gas Oil Spread for FY 2020**



DATE	PRICE SPREAD(\$/MMBtu)
DEC 1 2019	\$ 11.08
MAR 1 2020	\$ 8.93
JUNE 1 2020	\$ 5.24
SEP 1 2020	\$ 6.04