

I&E Exhibit No. 1
Witness: Sunil R. Patel
NON-PROPRIETARY VERSION

PENNSYLVANIA PUBLIC UTILITY COMMISSION

v.

UGI PENN NATURAL GAS, INC.

Docket No. P-2016-2537594

UGI CENTRAL PENN GAS, INC.

Docket No. P-2016-2537609

Exhibit to Accompany

the

Direct Testimony

of

Sunil R. Patel

Bureau of Investigation & Enforcement – Gas Safety

Concerning:

DISTRIBUTION SYSTEM IMPROVEMENT CHARGE

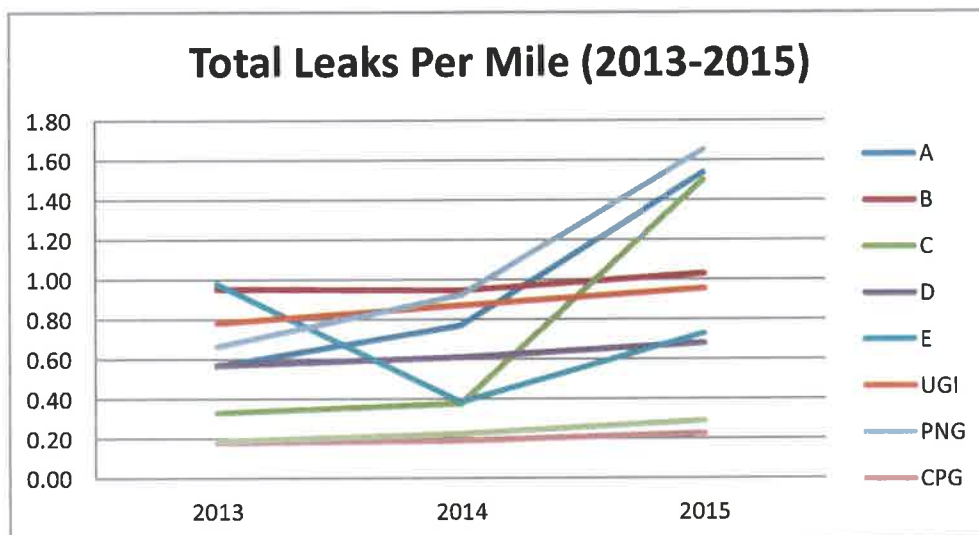
I&E Exhibit No. 1
Schedule 1
NON-PROPRIETARY

| Inside Meters | | | |
|----------------------|-------------|-------------|-------------|
| Company | 2012 | 2013 | 2014 |
| A | 84,268 | 73,650 | 67,860 |
| B | 513,630 | 511,410 | 501,500 |
| C | 85,771 | 81,863 | 77,157 |
| D | 45,855 | 44,997 | 44,514 |
| E | N/A | 47,864 | 47,411 |
| F | 59,964 | 52,514 | 48,018 |
| UGI | 163,760 | 157,662 | 137,071 |
| H | 2,088 | 2,019 | 2,133 |
| PNG | 13,733 | 16,429 | 14,782 |
| CPG | 3,881 | 2,853 | 3,848 |

DS: FL-1

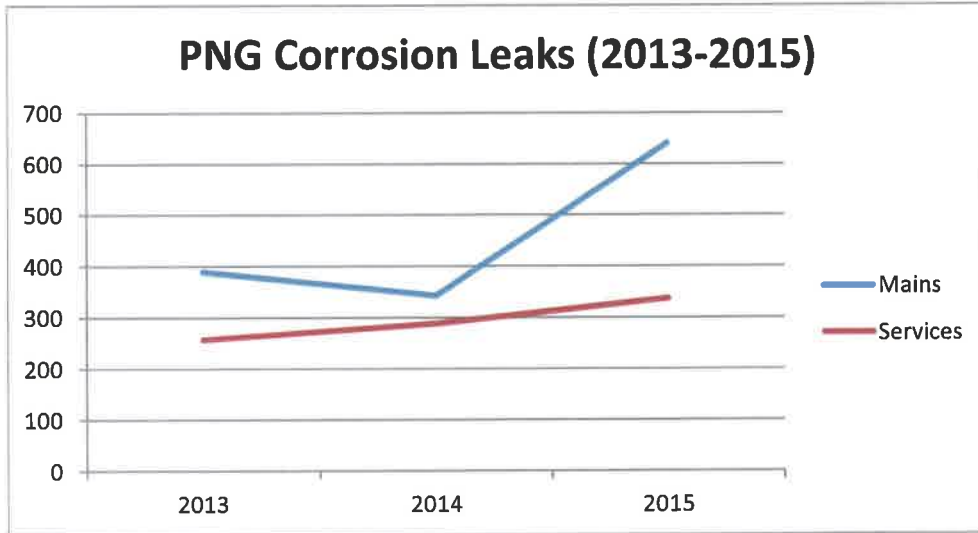
| Total Leaks Per Mile | | | |
|----------------------|-------------|-------------|---------------|
| Company | 2013 | 2014 | 2015 |
| A | 0.57 | 0.77 | 1.5377 |
| B | 0.95 | 0.94 | 1.0287 |
| C | 0.33 | 0.38 | 1.4993 |
| D | 0.57 | 0.61 | 0.6792 |
| E | 0.98 | 0.38 | 0.7272 |
| UGI | 0.78 | 0.87 | 0.9527 |
| PNG | 0.66 | 0.92 | 1.6522 |
| CPG | 0.18 | 0.19 | 0.2245 |
| I | 0.19 | 0.22 | 0.2872 |
| Average | 0.58 | 0.59 | 0.95 |


DS: FL-1



| PNG Corrosion Leaks | | | | |
|---------------------|------|------|------|------------|
| | 2013 | 2014 | 2015 | % Increase |
| Mains | 390 | 343 | 641 | 64% |
| Services | 257 | 288 | 337 | 31% |

DS: DOT Annual Reports



| | | |
|--|-------------------------|---|
| NOTICE: This report is required by 49 CFR Part 191. Failure to report can result in a civil penalty not to exceed 100,000 for each violation for each day that such violation persists except that the maximum civil penalty shall not exceed \$1,000,000 as provided in 49 USC 60122. | | OMB NO: 2137-0629 EXPIRATION DATE: 5/31/2018 |
|  U.S Department of Transportation Pipeline and Hazardous Materials Safety Administration | Initial Date Submitted: | 03/15/2016 |
| | Form Type: | INITIAL |
| | Date Submitted: | |

**ANNUAL REPORT FOR
CALENDAR YEAR 2015
GAS DISTRIBUTION SYSTEM**

A federal agency may not conduct or sponsor, and a person is not required to respond to, nor shall a person be subject to a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information displays a current valid OMB Control Number. The OMB Control Number for this information collection is 2137-0629. Public reporting for this collection of information is estimated to be approximately 16 hours per response, including the time for reviewing instructions, gathering the data needed, and completing and reviewing the collection of information. All responses to this collection of information are mandatory. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to: Information Collection Clearance Officer, PHMSA, Office of Pipeline Safety (PHP-30) 1200 New Jersey Avenue, SE, Washington, D.C. 20590.

Important: Please read the separate instructions for completing this form before you begin. They clarify the information requested and provide specific examples. If you do not have a copy of the instructions, you can obtain one from the PHMSA Pipeline Safety Community Web Page at <http://www.phmsa.dot.gov/pipeline/library/forms>.

| | | |
|---|------------------------------|----------------|
| PART A - OPERATOR INFORMATION | (DOT use only) | 20165811-28588 |
| 1. Name of Operator | UGI PENN NATURAL GAS | |
| 2. LOCATION OF OFFICE (WHERE ADDITIONAL INFORMATION MAY BE OBTAINED) | | |
| 2a. Street Address | 225 Morgantown Road | |
| 2b. City and County | Reading BERKS | |
| 2c. State | PA | |
| 2d. Zip Code | 19611 | |
| 3. OPERATOR'S 5 DIGIT IDENTIFICATION NUMBER | 15259 | |
| 4. HEADQUARTERS NAME & ADDRESS | | |
| 4a. Street Address | 2525 N. 12th Street, Ste 360 | |
| 4b. City and County | Reading | |
| 4c. State | PA | |
| 4d. Zip Code | 19612-2677 | |
| 5. STATE IN WHICH SYSTEM OPERATES | PA | |
| 6. THIS REPORT PERTAINS TO THE FOLLOWING COMMODITY GROUP (Select Commodity Group based on the predominant gas carried and complete the report for that Commodity Group. File a separate report for each Commodity Group included in this OPID.) | | |
| Natural Gas | | |
| 7. THIS REPORT PERTAINS TO THE FOLLOWING TYPE OF OPERATOR (Select Type of Operator based on the structure of the company included in this OPID for which this report is being submitted): | | |
| Investor Owned | | |

PART B - SYSTEM DESCRIPTION

1.GENERAL

| | STEEL | | | | PLASTIC | CAST/ WROUGHT IRON | DUCTILE IRON | COPPER | OTHER | RECONDITION ED CAST IRON | SYSTEM TOTAL |
|-----------------|-------------|--------|---------------------------|--------|---------|--------------------------|-----------------|--------|-------|--------------------------------|-----------------|
| | UNPROTECTED | | CATHODICALLY PROTECTED | | | | | | | | |
| | BARE | COATED | BARE | COATED | | | | | | | |
| MILES OF MAIN | 97 | 160 | 37 | 743 | 1423 | 102 | 0 | 0 | 0 | 0 | 2562 |
| NO. OF SERVICES | 1238 | 19665 | 36 | 9586 | 141588 | 0 | 0 | 0 | 0 | 0 | 172113 |

| 2.MILES OF MAINS IN SYSTEM AT END OF YEAR | | | | | | | | | | | |
|--|---------|------------|-----------------|-----------------|----------------------------|-----------|---------------|-----------|-----------|-----------|-------|
| MATERIAL | UNKNOWN | 2" OR LESS | OVER 2" THRU 4" | OVER 4" THRU 8" | OVER 8" THRU 12" | OVER 12" | SYSTEM TOTALS | | | | |
| STEEL | 0 | 181 | 334 | 282 | 232 | 8 | 1037 | | | | |
| DUCTILE IRON | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | | | |
| COPPER | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | | | |
| CAST/WROUGHT IRON | 0 | 0 | 29 | 68 | 5 | 0 | 102 | | | | |
| PLASTIC PVC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | | | |
| PLASTIC PE | 0 | 840 | 386 | 169 | 9 | 19 | 1423 | | | | |
| PLASTIC ABS | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | | | |
| PLASTIC OTHER | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | | | |
| OTHER | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | | | |
| RECONDITIONED CAST IRON | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | | | |
| TOTAL | 0 | 1021 | 749 | 519 | 246 | 27 | 2562 | | | | |
| Describe Other Material: | | | | | | | | | | | |
| | | | | | | | | | | | |
| 3.NUMBER OF SERVICES IN SYSTEM AT END OF YEAR | | | | | AVERAGE SERVICE LENGTH: 52 | | | | | | |
| MATERIAL | UNKNOWN | 1" OR LESS | OVER 1" THRU 2" | OVER 2" THRU 4" | OVER 4" THRU 8" | OVER 8" | SYSTEM TOTALS | | | | |
| STEEL | 0 | 14041 | 15760 | 685 | 38 | 1 | 30525 | | | | |
| DUCTILE IRON | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | | | |
| COPPER | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | | | |
| CAST/WROUGHT IRON | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | | | |
| PLASTIC PVC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | | | |
| PLASTIC PE | 0 | 126943 | 14442 | 185 | 18 | 0 | 141588 | | | | |
| PLASTIC ABS | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | | | |
| PLASTIC OTHER | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | | | |
| OTHER | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | | | |
| RECONDITIONED CAST IRON | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | | | |
| TOTAL | 0 | 140984 | 30202 | 870 | 56 | 1 | 172113 | | | | |
| Describe Other Material: | | | | | | | | | | | |
| 4.MILES OF MAIN AND NUMBER OF SERVICES BY DECADE OF INSTALLATION | | | | | | | | | | | |
| | UNKNOWN | PRE-1940 | 1940-1949 | 1950-1959 | 1960-1969 | 1970-1979 | 1980-1989 | 1990-1999 | 2000-2009 | 2010-2019 | TOTAL |

| | | | | | | | | | | | |
|---------------------------|-------|------|------|-------|-------|------|-------|-------|-------|-------|--------|
| MILES OF MAIN | 5 | 143 | 4 | 101 | 678 | 307 | 356 | 524 | 333 | 111 | 2562 |
| NUMBER OF SERVICES | 44165 | 8740 | 1607 | 24208 | 15666 | 5033 | 12971 | 24817 | 21637 | 13269 | 172113 |

PART C - TOTAL LEAKS AND HAZARDOUS LEAKS ELIMINATED/REPAIRED DURING THE YEAR

| CAUSE OF LEAK | MAINS | | SERVICES | |
|-----------------------------|-------|-----------|----------|-----------|
| | TOTAL | HAZARDOUS | TOTAL | HAZARDOUS |
| CORROSION FAILURE | 641 | 134 | 337 | 138 |
| NATURAL FORCE DAMAGE | 94 | 31 | 46 | 24 |
| EXCAVATION DAMAGE | 35 | 34 | 179 | 174 |
| OTHER OUTSIDE FORCE DAMAGE | 1 | 1 | 2 | 2 |
| PIPE, WELD OR JOINT FAILURE | 243 | 72 | 296 | 84 |
| EQUIPMENT FAILURE | 105 | 33 | 206 | 54 |
| INCORRECT OPERATIONS | 16 | 5 | 5 | 1 |
| OTHER CAUSE | 4 | 0 | 0 | 0 |

NUMBER OF KNOWN SYSTEM LEAKS AT END OF YEAR SCHEDULED FOR REPAIR : 218

PART D - EXCAVATION DAMAGE

1. TOTAL NUMBER OF EXCAVATION DAMAGES BY APPARENT ROOT CAUSE: 213

- a. One-Call Notification Practices Not Sufficient: 29
- b. Locating Practices Not Sufficient: 65
- c. Excavation Practices Not Sufficient: 103
- d. Other: 16

2. NUMBER OF EXCAVATION TICKETS : 57498

PART E-EXCESS FLOW VALUE(EFV) DATA

NUMBER OF EFV'S INSTALLED THIS CALENDER YEAR ON SINGLE FAMILY RESIDENTIAL SERVICES: 1276

ESTIMATED NUMBER OF EFV'S IN THE SYSTEM AT THE END OF YEAR: 9052

PART F - LEAKS ON FEDERAL LAND

TOTAL NUMBER OF LEAKS ON FEDERAL LAND REPAIRED OR SCHEDULED TO REPAIR: 0

PART G-PERCENT OF UNACCOUNTED FOR GAS

UNACCOUNTED FOR GAS AS A PERCENT OF TOTAL INPUT FOR THE 12 MONTHS ENDING JUNE 30 OF THE REPORTING YEAR.


INPUT FOR YEAR ENDING 6/30: 0.53%

PART H - ADDITIONAL INFORMATION

59 Miles of Wrought Iron 39 Miles of Cast Iron

PART I - PREPARER

| | |
|---|--|
| | |
| Brian Shull, GIS SYSTEM SUPERVISOR (Preparer's Name and Title) | (610) 736-5543 (Area Code and Telephone Number) |
| | |
| bshull@ugi.com (Preparer's email address) | (610) 736-5805 (Area Code and Facsimile Number) |

| | | |
|--|--------------------------------|---|
| NOTICE: This report is required by 49 CFR Part 191. Failure to report can result in a civil penalty not to exceed 100,000 for each violation for each day that such violation persists except that the maximum civil penalty shall not exceed \$1,000,000 as provided in 49 USC 60122. | | OMB NO: 2137-0629 EXPIRATION DATE: 5/31/2018 |
|  U.S Department of Transportation Pipeline and Hazardous Materials Safety Administration | Initial Date Submitted: | 03/15/2016 |
| | Form Type: | INITIAL |
| | Date Submitted: | |

**ANNUAL REPORT FOR
CALENDAR YEAR 2015
GAS DISTRIBUTION SYSTEM**

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| | | | |
|---|--|-------------------------------|-----------------------|
| PART A - OPERATOR INFORMATION | | (DOT use only) | 20165799-28576 |
| 1. Name of Operator | | UGI CENTRAL PENN GAS, INC | |
| 2. LOCATION OF OFFICE (WHERE ADDITIONAL INFORMATION MAY BE OBTAINED) | | | |
| 2a. Street Address | | 225 Morgantown Road | |
| 2b. City and County | | Reading BERKS | |
| 2c. State | | PA | |
| 2d. Zip Code | | 19611 | |
| 3. OPERATOR'S 5 DIGIT IDENTIFICATION NUMBER | | 31467 | |
| 4. HEADQUARTERS NAME & ADDRESS | | | |
| 4a. Street Address | | 2525 N. 12th Street, Ste. 360 | |
| 4b. City and County | | Reading | |
| 4c. State | | PA | |
| 4d. Zip Code | | 19612-2677 | |
| 5. STATE IN WHICH SYSTEM OPERATES | | PA | |
| 6. THIS REPORT PERTAINS TO THE FOLLOWING COMMODITY GROUP (Select Commodity Group based on the predominant gas carried and complete the report for that Commodity Group. File a separate report for each Commodity Group included in this OPID.) | | | |
| Natural Gas | | | |
| 7. THIS REPORT PERTAINS TO THE FOLLOWING TYPE OF OPERATOR (Select Type of Operator based on the structure of the company included in this OPID for which this report is being submitted.): | | | |
| Investor Owned | | | |

| PART B - SYSTEM DESCRIPTION | | | | | | | | | | | |
|------------------------------------|-------------|--------|---------------------------|--------|---------|--------------------------|-----------------|--------|-------|--------------------------------|-----------------|
| 1.GENERAL | | | | | | | | | | | |
| | STEEL | | | | PLASTIC | CAST/ WROUGHT IRON | DUCTILE IRON | COPPER | OTHER | RECONDITION ED CAST IRON | SYSTEM TOTAL |
| | UNPROTECTED | | CATHODICALLY PROTECTED | | | | | | | | |
| | BARE | COATED | BARE | COATED | | | | | | | |
| MILES OF MAIN | 498 | 83 | 50 | 717 | 2340 | 7 | 0 | 0 | 0 | 0 | 3695 |
| NO. OF SERVICES | 28 | 0 | 0 | 6531 | 76202 | 0 | 0 | 15 | 0 | 0 | 82776 |

| | | | | | | | | | | | |
|---------------------------|-----|------|-----|-----|------|------|-------|-------|-------|------|-------|
| MILES OF MAIN | 636 | 41 | 27 | 118 | 429 | 446 | 612 | 840 | 404 | 142 | 3695 |
| NUMBER OF SERVICES | 0 | 1164 | 322 | 121 | 3424 | 9466 | 14930 | 26542 | 17758 | 9039 | 82766 |

PART C - TOTAL LEAKS AND HAZARDOUS LEAKS ELIMINATED/REPAIRED DURING THE YEAR

| CAUSE OF LEAK | MAINS | | SERVICES | |
|-----------------------------|-------|-----------|----------|-----------|
| | TOTAL | HAZARDOUS | TOTAL | HAZARDOUS |
| CORROSION FAILURE | 341 | 23 | 57 | 16 |
| NATURAL FORCE DAMAGE | 51 | 10 | 11 | 4 |
| EXCAVATION DAMAGE | 30 | 26 | 49 | 43 |
| OTHER OUTSIDE FORCE DAMAGE | 2 | 1 | 1 | 1 |
| PIPE, WELD OR JOINT FAILURE | 39 | 8 | 21 | 7 |
| EQUIPMENT FAILURE | 8 | 0 | 4 | 1 |
| INCORRECT OPERATIONS | 4 | 1 | 5 | 2 |
| OTHER CAUSE | 0 | 0 | 0 | 0 |

NUMBER OF KNOWN SYSTEM LEAKS AT END OF YEAR SCHEDULED FOR REPAIR : 58

PART D - EXCAVATION DAMAGE

PART E-EXCESS FLOW VALUE(EFV) DATA

1. TOTAL NUMBER OF EXCAVATION DAMAGES BY APPARENT ROOT CAUSE: 88

NUMBER OF EFV'S INSTALLED THIS CALENDER YEAR ON SINGLE FAMILY RESIDENTIAL SERVICES: 1460

- a. One-Call Notification Practices Not Sufficient: 20
- b. Locating Practices Not Sufficient: 28
- c. Excavation Practices Not Sufficient: 27
- d. Other: 13

ESTIMATED NUMBER OF EFV'S IN THE SYSTEM AT THE END OF YEAR: 19354

2. NUMBER OF EXCAVATION TICKETS : 59484

PART F - LEAKS ON FEDERAL LAND

PART G-PERCENT OF UNACCOUNTED FOR GAS

TOTAL NUMBER OF LEAKS ON FEDERAL LAND REPAIRED OR SCHEDULED TO REPAIR: 0

UNACCOUNTED FOR GAS AS A PERCENT OF TOTAL INPUT FOR THE 12 MONTHS ENDING JUNE 30 OF THE REPORTING YEAR.

INPUT FOR YEAR ENDING 6/30: 1.45%

PART H - ADDITIONAL INFORMATION

4 Miles of Cast Iron 3 Miles of Wrought Iron

PART I - PREPARER

| | |
|---|--|
| | |
| Brian Shull, GIS SYSTEM SUPERVISOR (Preparer's Name and Title) | (610) 736-5543 (Area Code and Telephone Number) |
| | |
| bshull@ugi.com (Preparer's email address) | (610) 736-5805 (Area Code and Facsimile Number) |