

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

UGI GAS EXHIBIT A – REVENUE REQUIREMENT - FULLY PROJECTED

UGI GAS EXHIBIT A – REVENUE REQUIREMENT - FUTURE

UGI GAS EXHIBIT A – REVENUE REQUIREMENT– HISTORIC

UGI GAS EXHIBIT B – RATE OF RETURN

UGI GAS EXHIBIT E – PROOF OF REVENUE

**UGI UTILITIES, INC. – GAS DIVISION – PA P.U.C. NOS. 7 & 7S
SUPPLEMENT NO. 6**

DOCKET NO. R-2019-3015162

Issued: January 28, 2020

Effective: March 28, 2020

UGI GAS EXHIBIT A – FULLY PROJECTED

Fully Projected Future Period - 12 Months Ended September 30, 2021
 (\$ in Thousands)
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UGI Utilities, Inc. - Gas Division
Before the Pennsylvania Public Utility Commission
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(\$ in Thousands)

Schedule A-1
Witness: S. F. Anzaldo
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Summary of Measure of Value and Revenue Increase

Line #	Description	[1] Function	[2] Reference Section	[3] Pro Forma Test Year Ended September 30, 2021 At Present Rates	[4] Year Ended September 30, 2021 At Increase	[5] Proposed Rates
<u>RATE BASE</u>						
1	Utility Plant		C-2	\$ 4,324,364		\$ 4,324,364
2	Accumulated Depreciation		C-3	(1,160,183)		(1,160,183)
3	Net Plant in service	L 1 + L 2		3,164,181	-	3,164,181
4	Working Capital		C-4	42,331		42,331
5	Gas Inventory		C-5	23,026		23,026
6	Accumulated Deferred Income Taxes		C-6	(605,130)		(605,130)
7	Customer Deposits		C-7	(22,290)		(22,290)
8	Materials & Supplies		C-8	14,601		14,601
9	TOTAL RATE BASE	Sum L 3 to L 8		<u>\$ 2,616,719</u>	<u>\$ -</u>	<u>\$ 2,616,719</u>
<u>OPERATING REVENUES AND EXPENSES</u>						
<u>Operating Revenues</u>						
10	Base Customer Charges		D-5	\$ 582,003	\$ 74,551	\$ 656,554
11	Gas Cost Revenue		D-5	287,991		287,991
12	Other Operating Revenues		D-5	6,297		6,297
13	Total Revenues	Sum L 10 to L 12		<u>876,291</u>	<u>74,551</u>	<u>950,842</u>
14	Operating Expenses		D-1	<u>(692,044)</u>	<u>(1,153)</u>	<u>(693,197)</u>
15	OIBIT	L 13 + L 14		184,247	73,398	257,645
16	Pro Forma Income Tax at Present Rates		D-33	(28,410)		(49,616)
17	Pro Forma Income Tax on Revenue Increase		D-33		(21,207)	(49,616)
18	NET OPERATING INCOME	Sum L 15 to L 17		<u>\$ 155,837</u>	<u>\$ 52,192</u>	<u>\$ 208,029</u>
19	RATE OF RETURN	L 18 / L 9		<u>5.9554%</u>		<u>7.9500%</u>
<u>REVENUE INCREASE REQUIRED</u>						
20	Rate of Return at Present Rates	L 19, Col 3		5.9554%		
21	Rate of Return Required		B-7	<u>7.9500%</u>		
22	Change in ROR	L 21 - L 20		<u>1.9946%</u>		
23	Change in Operating Income	L 22 * L 9		\$ 52,192		
24	Gross Revenue Conversion Factor		D-35	<u>1.428398</u>		
25	Change in Revenues	L 23 * L 24		<u>\$ 74,551</u>		
26	Percent Increase -- Delivery Revenues	L 25 / L 10, C 4			<u>12.81%</u>	
27	Percent Increase -- Total Revenues	L 25 / L 13, C 4			<u>8.51%</u>	

UGI Utilities, Inc. - Gas Division
Before the Pennsylvania Public Utility Commission
Fully Projected Future Period - 12 Months Ended September 30, 2021
(\$ in Thousands)

Schedule B-1
Witness: V. K. Ressler
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Balance Sheet

[1]

Line No	Description/(Account No)	Budget TYE 9-30-21
	UTILITY PLANT (101 - 106, 108)	
1	Gas Utility Plant	\$ 4,345,428
2	Other Utility Plant	-
3	Total Plant In Service	<u>4,345,428</u>
4	Construction Work In Progress (107)	-
5	Total Utility Plant	<u>4,345,428</u>
6	Accumulated Provision for Depreciation - Gas (108)	(1,229,615)
7	Utility Acquisition Adjustment (114)	165,115
8	Accumulated Provision for Depreciation - Other (119)	-
9	Net Utility Plant	<u>3,280,928</u>
	OTHER PROPERTY INVESTMENTS	
10	Non-utility Property (121)	-
11	Accumulated Depreciation on NUP (122)	-
12	Investment in Associated & Subsidiary Companies (123.1)	-
13	Other Investments (124)	<u>68</u>
14	Total Other Property and Investments	68
	CURRENT AND ACCRUED ASSETS	
15	Cash & Other Temporary Investments(131-136)	9,237
16	Unbilled Revenues	-
17	Customer Accounts Receivable (142)	68,170
18	Other Accounts Receivable (143)	4,507
19	Accum Provision for Uncollectible (144)	(6,859)
20	Receivables from Associated Companies (145)	-
21	Accounts Receivable Assoc. Comp. (146)	2,060
22	Plant Materials & Operating Supplies (154)	11,873
23	Stores Expense - Undistributed (163)	1,839
24	Gas Stored - Current (164.1)	27,391
25	Liquefied Natural Gas stored (164.2)	-
26	Prepayments (165)	8,164
27	Accrued Utility Revenues (173)	14,519
28	Miscellaneous Current & Accrued Assets (174)	1,736
29	Derivative Instrument Assets (175)	<u>839</u>
30	Total Current and Accrued Assets	143,476
	DEFERRED DEBITS	
31	Unamortized Debt Expense (181)	3,562
32	Other Regulatory Assets (182.3)	333,539
33	Other Preliminary Survey & Investigation Charges (183.2)	5,954
34	Clearing Accounts (184)	35
35	Miscellaneous Deferred Debits (186)	12,125
36	Unamortized Loss on Reacquired Debt (189)	-
37	Accumulated Deferred Income Taxes (190)	-
38	O/U Collected Gas (191.4, 191.41)	<u>7</u>
39	Total Deferred Debits	<u>355,222</u>
40	TOTAL ASSETS AND OTHER DEBITS	<u>\$ 3,779,694</u>

UGI Utilities, Inc. - Gas Division
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(\$ in Thousands)

Schedule B-1
Witness: V. K. Ressler
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Balance Sheet

[1]

Line No	Description/(Account No)	Budget TYE 9-30-21
PROPRIETARY CAPITAL		
41	Common Stock Issued (201)	\$ -
42	Preferred Stock Issued (204)	-
43	Premium on Capital Stock (207)	483,925
44	Capital Stock Expense (214)	-
45	Retained Earnings (215, 215.2, 216)	830,113
46	Accum Other Comprehensive Income (219)	<u>(17,434)</u>
47	Total Proprietary Capital	1,296,604
LONG TERM DEBT		
48	Bonds (221)	-
49	Advances from Associated Companies (223)	1,142,473
50	Other Long-Term Debt (224)	-
51	Unamortized Premium on LTD (225)	-
52	Unamortized Discount on LTD (226)	-
53	Total Long-term Debt	<u>1,142,473</u>
OTHER NON-CURRENT LIABILITIES		
54	Obligations under Capital Leases (227)	760
55	Accum. Prov for Injuries & Damages (228.2)	2,068
56	Accum. Prov for Pensions & Benefits (228.3)	98,488
57	Accum. Miscellaneous Operating Prov (228.4)	50,002
58	Asset Retirement Obligation (230)	<u>101</u>
59	Total Non-Current Liabilities	151,419
CURRENT & ACCRUED LIABILITIES		
60	Notes Payable (231)	188,758
61	Accounts Payable (232)	85,332
62	Notes Payable to Assoc. Companies (233)	-
63	Accounts Payable to Assoc. Cos (234)	14,720
64	Customer Deposits (235)	31,979
65	Taxes Accrued (236)	1,421
66	Interest Accrued (237)	19,723
67	Tax Collections Payable (241)	-
68	Accrued Interest on Other Liabilities (237)	37,922
69	Tax Collections Payable (241)	6,625
70	Misc Current & Accrued Liabilities (242)	-
71	Total Current & Accrued Liabilities	<u>386,480</u>
OTHER DEFERRED CREDITS		
72	Customer Advances for Construction (252)	-
73	Other Deferred Credits (253)	20,262
74	Other Regulatory Liabilities (254)	313,274
75	Deferred ITC (255)	2,169
76	Accumulated Deferred Income Taxes (282)	467,013
77	Accumulated Deferred Income Taxes (283)	-
78	Total Other Deferred Credits	<u>802,718</u>
79	TOTAL LIABILITIES & OTHER CREDITS	<u>\$ 3,779,694</u>

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Schedule B-2
Witness: S. F. Anzaldo
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Statement of Net Utility Operating Income

Line No	Description	Budget TYE 9-30-21	Reference
		[1]	[2]
	Total Operating Revenues		
1	Total Sales Revenues	\$ 915,293	B-3
2	Other Operating Revenues	6,297	B-3
3	Total Revenues	921,590	
	Total Operating Expenses		
4	Operation & Maintenance Expenses	596,061	B-4 & D-2
5	Depreciation & Amortization Expense	105,716	D-2
6	Taxes Other Than Income Taxes	11,368	B-5
7	Total Operating Expenses	713,145	
8	Operating Income Before Income Taxes (OIBIT)	208,445	
	Income Taxes:		
9	State	4,951	B-5
10	Federal	23,777	B-5
11	Total Income Taxes	28,728	
12	Net Utility Operating Income	\$ 179,717	

UGI Utilities, Inc. - Gas Division
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Schedule B-3
Witness: S. F. Anzaldo
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Statement of Operating Revenues

[1]

Line No	Description	Budget TYE 9-30-21
Gas Operating Revenues		
1	Residential (R/RT) (480)	\$ 561,043
2	Comm & Ind (N/NT) (481)	223,996
3	Comm & Ind (DS) (489)	33,837
4	Lg Transport/Other (489)	71,932
5	Interruptible (489)	24,485
		915,293
6	Sub-Total Gas Operating Revenues	915,293
Other Operating Revenues		
7	Forfeited Discounts (487)	5,018
8	Miscellaneous Service Revenues (488)	924
9	Rent from Gas Properties (493)	308
10	Other Revenues (495)	47
		6,297
11	Sub-Total Other Operating Revenues	6,297
12	Total Operating Revenues	\$ 921,590

UGI Utilities, Inc. - Gas Division
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 (\$ in Thousands)

Schedule B-4
 Witness: S. F. Anzaldo
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Operation and Maintenance Expenses

Line No	Description	Account No	[1] Budget TYE 9-30-21
Gas Raw Materials			
1	Liquefied Petroleum Gas Expenses	717	\$ -
2	Miscellaneous Production Expenses	735	5,845
3	Total Gas Raw Materials Expenses		<u>5,845</u>
Production and Gathering - Operations			
4	Operating Supervision and Engineering	750	-
5	Production Maps and Records	751	-
6	Gas Wells Expenses	752	-
7	Field Lines Expenses	753	-
8	Gas Well Royalties	758	-
9	Other Expenses	759	-
10	Total Production & Gathering Operation Expenses		<u>-</u>
Production and Gathering - Maintenance			
11	Maintenance of Producing Gas Wells	763	-
12	Maintenance of Field Lines	764	-
13	Maintenance of Field Measuring and Reg. Station Equip.	766	-
14	Gas Supply Operation Expenses		<u>-</u>
Other Gas Supply Expense - Operations			
15	Natural Gas City Gate Purchases	804.0	300,930
16	Other Gas Purchases	805.0	743
17	Purchases Gas Cost Adjustments	805.1	(31,931)
18	Gas Withdrawn from Storage-Debit	808.1	33,780
19	Purchased Gas Expenses	807.0	-
20	Gas Used for Other Utility Operations-Credit	812.0	(836)
21	Gas Delivered to Storage-Credit	808.2	10,942
22	Other Gas Supply Expenses	813.0	16,491
23	Gas Supply Operation Expenses		<u>330,119</u>
Underground Storage Expense - Operation			
24	Operation Supervision and Engineering	814	-
25	Maps and Records	815	-
26	Wells Expenses	816	-
27	Lines Expenses	817	-
28	Measuring and Regulating Station Expenses	820	-
29	Purification Expenses	821	-
30	Gas Losses	823	-
31	Other Expenses	824	-
32	Total Underground Storage Expenses		<u>-</u>
Underground Storage Expense - Maintenance			
33	Maintenance Supervision and Engineering	830	-
34	Maintenance of Structures and Improvements	831	-
35	Maintenance of Reservoirs and Wells	832	-
36	Maintenance of Lines	833	-
37	Maintenance of Measuring & Regulating Station Equip.	835	-
38	Total Underground Maintenance Expenses		<u>-</u>

UGI Utilities, Inc. - Gas Division
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Fully Projected Future Period - 12 Months Ended September 30, 2021
(\$ in Thousands)

Schedule B-4
Witness: S. F. Anzaldo
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Operation and Maintenance Expenses

Line No	Description	Account No	[1] Budget TYE 9-30-21
Transmission Expense - Operations			
39	Operating Supervision and Engineering	850	-
40	System Control and Load Dispatching	851	-
41	Communication System Expenses	852	-
42	Mains Expenses	856	-
43	Measuring and Regulating Station Expenses	857	-
44	Other Expenses	859	-
45	Total Transmission Operation Expenses		-
Transmission Expense - Maintenance			
46	Maintenance Supervision and Engineering	861	-
47	Maintenance of Structures and Improvements	862	-
48	Maintenance of Mains	863	-
49	Maintenance of Measuring and Regulating Station Equip.	865	-
50	Maintenance of Communication Equipment	866	-
51	Total Transmission Maintenance Expenses		-
Distribution Expense - Operations			
52	Operation Supervision and Engineering	870	13,175
53	Distribution Load Dispatching	871	2,119
54	Compressor Station Fuel and Power (Major Only)	873	-
55	Mains and Services Expenses	874	24,725
56	Measuring and Regulating Station Expenses-General	875	2,082
57	Measuring and Regulating Station Expenses-Industrial	876	266
58	Measuring and Regulating Station Expenses-City Gate	877	1,062
59	Meter and House Regulator Expenses	878	3,650
60	Customer Installations Expenses	879	3,068
61	Other Expenses	880	4,509
62	Rents	881	237
63	Total Distribution Operation Expenses		54,893
Distribution Expense - Maintenance			
64	Maintenance Supervision and Engineering	885	3,733
65	Maintenance of Structures and Improvements	886	400
66	Maintenance of Mains	887	17,570
67	Maintenance of Compressor Station Equipment	888	59
68	Maintenance of Measuring & Reg. Station Equip.-Genl.	889	1,565
69	Maintenance of Measuring & Reg. Station Equip.-Indtrl.	890	313
70	Maintenance of Measuring & Reg. Station Equip.-City G	891	774
71	Maintenance of Services	892	1,882
72	Maintenance of Meters & House Regulators	893	1,137
73	Maintenance of Other Equipment	894	597
74	Construction & Maintenance	895	-
75	Total Distribution Maintenance Expenses		28,030
Customer Accounts Expense - Operations			
76	Supervision	901	430
77	Meter Reading Expenses	902	2,712
78	Customer Records & Collection Expenses	903	28,584
79	Uncollectable Accounts	904	11,577
80	Miscellaneous Customer Accounts Expenses	905	2,031
81	Total Administrative & General		45,334

UGI Utilities, Inc. - Gas Division
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(\$ in Thousands)

Schedule B-4
Witness: S. F. Anzaldo
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Operation and Maintenance Expenses

Line No	Description	Account No	[1] Budget TYE 9-30-21
Customer Service & Information Expense			
82	Supervision	907	221
83	Customer Assistance Expenses	908	1,572
84	Informational & Instructional Advertising Expenses	909	1,143
85	Miscellaneous Customer Service & Informational Exp.	910	8,370
86	Total Cust. Service & Inform. Operations Exp		11,306
87	Description		
Sales Expense			
88	Supervision	911	114
89	Demonstrating and Selling Expenses	912	1,299
90	Advertising Expenses	913	1,097
91	Miscellaneous Sales Expenses	916	190
92	Total Operation Sales Expenses		2,700
Administrative & General - Operations			
93	Administrative and General Salaries	920.0	23,014
94	Office Supplies and Expenses	921.0	27,862
95	Outside Service Employed	923.0	20,467
96	Property Insurance	924.0	265
97	Injuries and Damages	925.0	9,389
98	Employee Pensions and Benefits	926.0	25,875
99	Regulatory Commission Expenses	928.0	600
100	General Advertising Expenses	930.1	998
101	Miscellaneous General Expenses	930.2	4,425
102	Rents	931.0	254
103	Total A & G Operation Expenses		113,149
Administrative & General - Maintenance			
104	A&G Maintenance of General Plant	932	3,533
105	A&G Maintenance of General Plant	935	1,152
106	Total A & G Maintenance Expenses		4,685
107	TOTAL OPERATION & MAINTENANCE EXPENSE		\$ 596,061
108	Total Gas Operation Expenses		\$ 563,346
109	Total Gas Maintenance Expense		32,715
110	TOTAL OPERATION & MAINTENANCE EXPENSE		\$ 596,061

UGI Utilities, Inc. - Gas Division
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Fully Projected Future Period - 12 Months Ended September 30, 2021
(\$ in Thousands)

Schedule B-5
Witness: S. F. Anzaldo
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Detail of Taxes

[1]

Line No	Description	Reference	Budget TYE 9-30-21
Taxes Other Than Income Taxes			
Non-revenue related:			
1	Pennsylvania - PURTA	D-31	\$ 756
2	Capital Stock	D-31	-
3	PA and Local Use taxes	D-31	957
4	PUC Assessment	D-31	3,540
5	Subtotal		<u>5,253</u>
Payroll Taxes			
6	FICA	D-31	5,655
7	SUTA	D-31	413
8	FUTA	D-31	47
9	Other		-
10	Subtotal		<u>6,115</u>
11	Total Taxes Other Than Income Taxes		<u>\$ 11,368</u>
Income Taxes			
12	State		\$ 4,951
13	Federal		23,777
14	Total Income Taxes		<u>\$ 28,728</u>

UGI Utilities, Inc. - Gas Division
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(\$ in Thousands)

Schedule B-6
Witness: P. R. Moul
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Composite Cost of Debt

Line No	Description	[1] Amount Outstanding	[2] Percent to Total	[3] Effective Interest Rate	[4] Average Weighted Cost Rate [2] * [3]
<u>Medium Term Notes</u>					
1	6.500% Due 8/15/2033	\$ 20,000	1.58%	6.56%	0.10%
2	6.133% Due 10/15/2034	20,000	1.58%	6.19%	0.10%
<u>Senior Unsecured Notes</u>					
3	6.206% Due 9/30/2036	100,000	7.90%	6.32%	0.50%
4	4.980% Due 3/26/2044	175,000	13.82%	5.00%	0.69%
5	2.950% Due 6/30/2026	100,000	7.90%	3.92%	0.31%
6	4.120% Due 9/30/2046	200,000	15.79%	5.01%	0.79%
7	4.120% Due 10/31/2046	100,000	7.90%	4.28%	0.34%
8	2.998% Due 10/31/2022	101,563	8.02%	3.11%	0.25%
9	4.550% Due 02/01/2049	150,000	11.84%	4.58%	0.54%
10	3.700% Due 10/31/2049	150,000	11.84%	3.73%	0.44%
11	3.730% Due 10/31/2050	150,000	11.84%	3.76%	0.45%
12	Total Long-Term Debt	\$ 1,266,563	<u>100.00%</u>		<u>4.51%</u>
13	Total Long-Term Debt	\$ 1,266,563	100.00%	4.51%	4.51%
14	Total Short-Term Debt		0.00%		0.00%
15	TOTAL	<u>\$ 1,266,563</u>	<u>100.00%</u>		
16	Weighted Cost of Debt				<u>4.51%</u>

UGI Utilities, Inc. - Gas Division
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Schedule B-7
Witness: P. R. Moul
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Rate of Return

[1] [2] [3] [4]

<u>Line No</u>	<u>Description</u>	<u>Capitalization Ratio</u>	<u>Embedded Cost</u>	<u>Statement Reference</u>	<u>Return-%</u>
1	Long-Term Debt	46.70%	4.51%	B-6	2.11%
2	Short-Term Debt	0.00%	0.00%	B-6	0.00%
3	Common Equity	<u>53.30%</u>	10.95%		<u>5.84%</u>
4	Total	<u><u>100.00%</u></u>			<u><u>7.95%</u></u>

UGI Utilities, Inc. - Gas Division
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Schedule C-1
Witness: V. K. Ressler
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Measure of Value

Line #	Description	[1]	[2]	[3]	[4]	[5]
		Reference Schedule	# of Pages	Pro Forma Test Year Ended September 30, 2021 At Present Rates	Adjustments	Proposed Rates
<u>MEASURE OF VALUE</u>						
1	Utility Plant	C-2	9	\$ 4,324,364		\$ 4,324,364
2	Accumulated Depreciation	C-3	11	(1,160,183)		(1,160,183)
3	Net Plant in service			3,164,181	-	3,164,181
4	Working Capital	C-4	9	42,331		42,331
5	Gas Inventory	C-5	1	23,026		23,026
6	Accumulated Deferred Income Taxes	C-6	1	(605,130)		(605,130)
7	Customer Deposits	C-7	1	(22,290)		(22,290)
8	Materials & Supplies	C-8	1	14,601		14,601
9	TOTAL MEASURE OF VALUE			<u>\$ 2,616,719</u>	<u>\$ -</u>	<u>\$ 2,616,719</u>

Pro Forma Gas Plant in Service

Line No	Description	[1] Account No	[2] Pro Forma FTY 9-30-21
	INTANGIBLE PLANT		
1	Organization	301	\$ 289
2	Franchise & Consent	302	194
3	Miscellaneous Intangible Plant	303	290
4	TOTAL INTANGIBLE		<u>773</u>
	NATURAL GAS PRODUCTION & GATHERING		
5	Producing Lands	325	13
6	Producing Leaseholds	325	163
7	Rights of Way	325	30
8	Other Land Rights	326	1
9	Field Measuring & Regulating Station Structures	328	1
10	Other Structures	329	45
11	Producing Gas Wells-Well Construction	330	18
12	Producing Gas Wells-Well Equipment	331	24
13	Field Lines	332	751
14	Field Measuring & Reg. Station Equipment	334	90
15	Drilling & Cleaning Equipment	335	50
16	Other Equipment	337	11
17	TOTAL PRODUCTION & GATHERING		<u>1,197</u>
	NATURAL GAS STORAGE & PROCESSING PLANT		
18	Land & Land Rights	304	382
19	Production Plant-Manufactured Gas Plants	305	-
20	Land	350	-
21	Rights of Way	350	-
22	Structures & Improvements	351	-
23	Wells	352	-
24	Lines	353	-
25	Compressor Station Equipment	354	-
26	Measuring & Regulating Equipment	355	-
27	Purification Equipment	356	-
28	Other Equipment	357	-
29	TOTAL STORAGE & PROCESSING		<u>382</u>

Pro Forma Gas Plant in Service

Line No	Description	[1] Account No	[2] Pro Forma FTY 9-30-21
TRANSMISSION PLANT			
30	Land & Land Rights	365.1	\$ 47
31	Rights of Way	365.2	868
32	Structures & Improvements	366	248
33	Mains	367	38,519
34	Measuring & Regulating Station Equipment	369	6,170
35	Communication Equipment	370	3,486
36	Other Equipment	371	351
37	TOTAL TRANSMISSION		<u>49,689</u>
DISTRIBUTION PLANT			
38	Land & Land Rights	374	11,289
39	Structures & Improvements	375	5,326
40	Mains	376	2,063,459
41	Measuring & Regulating Station Equipment	378	135,083
42	Measuring & Regulating Station Equipment	379	20,527
43	Services	380	1,210,145
44	Meters	381	160,159
45	Meter Installations	382	103,823
46	House Regulators	383	10,031
47	House Regulatory Installations	384	20,129
48	Industrial Measuring & Reg. Station Equipment	385	35,424
49	Other Property	386	1,316
50	Other Equipment	387	6,185
51	TOTAL DISTRIBUTION		<u>3,782,896</u>
GENERAL PLANT			
52	Land & Land Rights	389	9,418
53	Structures & Improvements	390	143,396
54	Office Furniture & Equipment	391	253,227
55	Transportation Equipment	392	32,527
56	Stores Equipment	393	18
57	Tools & Garage Equipment	394	33,239
58	Laboratory Equipment	395	438
59	Power Operated Equipment	396	6,616
60	Communication Equipment	397	909
61	Miscellaneous Equipment	398	9,639
62	Other Tangible Property	399	-
63	TOTAL GENERAL		<u>489,427</u>
64	Total Plant		<u>\$ 4,324,364</u>

UGI Utilities, Inc. - Gas Division
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 (\$ in Thousands)

Schedule C-2
 Witness: V. K. Ressler
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Pro Forma Plant Adjustment Summary

Line #	Description	[1] Factor Or Reference	[2] Test Year 9/30/21 Budget	[3] Adjustments	[4] Pro Forma Test Year [2] + [3]
1	Intangible Plant	Sch C-2, Pg 4	\$ 773	\$ -	\$ 773
2	Natural Gas Production & Gathering	Sch C-2, Pg 4	1,197	-	1,197
3	Natural Gas Storage & Processing Plant	Sch C-2, Pg 4	382	-	382
4	Transmission Plant	Sch C-2, Page 5	49,689	-	49,689
5	Distribution Plant	Sch C-2, Page 5	3,782,896	-	3,782,896
6	General Plant	Sch C-2, Page 5	489,427	-	489,427
7	Other Plant		-	-	-
8	Total Utility Plant		<u>\$ 4,324,364</u>	<u>\$ -</u>	<u>\$ 4,324,364</u>

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Pro Forma Year End Plant Balances

Line #	Description	[1] Account Number	[2] Year Ended September 30, 2020	[3] September 30, 2021	[4] Pro Forma Adjustment	[5] Balance
INTANGIBLE PLANT						
1	Organization	301	\$ 289	\$ 289		\$ 289
2	Franchise & Consent	302	194	194		194
3	Miscellaneous Intangible Plant	303	290	290		290
4	TOTAL INTANGIBLE		<u>773</u>	<u>773</u>	<u>-</u>	<u>773</u>
NATURAL GAS PRODUCTION & GATHERING						
5	Producing Lands	325.1	13	13	-	13
6	Producing Leaseholds	325.2	163	163	-	163
7	Rights of Way	325.4	30	30	-	30
8	Other Land Rights	325.5	1	1	-	1
9	Field Measuring & Regulating Station Structures	328	1	1	-	1
10	Other Structures	329	45	45	-	45
11	Producing Gas Wells-Well Construction	330	18	18	-	18
12	Producing Gas Wells-Well Equipment	331	24	24	-	24
13	Field Lines	332	751	751	-	751
14	Field Measuring & Reg. Station Equipment	334	90	90	-	90
15	Drilling & Cleaning Equipment	335	50	50	-	50
16	Other Equipment	337	11	11	-	11
17	TOTAL PRODUCTION & GATHERING		<u>1,197</u>	<u>1,197</u>	<u>-</u>	<u>1,197</u>
NATURAL GAS STORAGE & PROCESSING PLANT						
18	Land & Land Rights	304	382	382	-	382
19	Production Plant-Manufactured Gas Plants	305	-	-	-	-
20	Land	350.1	-	-	-	-
21	Rights of Way	350.2	-	-	-	-
22	Structures & Improvements	351	-	-	-	-
23	Wells	352	-	-	-	-
24	Lines	353	-	-	-	-
25	Compressor Station Equipment	354	-	-	-	-
26	Measuring & Regulating Equipment	355	-	-	-	-
27	Purification Equipment	356	-	-	-	-
28	Other Equipment	357	-	-	-	-
29	TOTAL STORAGE & PROCESSING		<u>382</u>	<u>382</u>	<u>-</u>	<u>382</u>

UGI Utilities, Inc. - Gas Division
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Pro Forma Year End Plant Balances

Line #	Description	[1] Account Number	[2] Year Ended September 30, 2020	[3] September 30, 2021	[4] Pro Forma Adjustment	[5] Balance
TRANSMISSION PLANT						
30	Land & Land Rights	365.1	47	47	-	47
31	Rights of Way	365.2	868	868	-	868
32	Structures & Improvements	366	248	248	-	248
33	Mains	367	38,519	38,519	-	38,519
34	Measuring & Regulating Station Equipment	369	6,170	6,170	-	6,170
35	Communication Equipment	370	3,486	3,486	-	3,486
36	Other Equipment	371	351	351	-	351
37	TOTAL TRANSMISSION		<u>49,689</u>	<u>49,689</u>	<u>-</u>	<u>49,689</u>
DISTRIBUTION PLANT						
38	Land & Land Rights	374	11,289	11,289		11,289
39	Structures & Improvements	375	5,326	5,326		5,326
40	Mains	376	1,866,968	2,063,459		2,063,459
41	Measuring & Regulating Station Equipment	378	110,410	135,083		135,083
42	Measuring & Regulating Station Equipment	379	20,527	20,527		20,527
43	Services	380	1,139,333	1,210,145		1,210,145
44	Meters	381	152,317	160,159		160,159
45	Meter Installations	382	95,716	103,823		103,823
46	House Regulators	383	10,031	10,031		10,031
47	House Regulatory Installations	384	19,087	20,129		20,129
48	Industrial Measuring & Reg. Station Equipment	385	35,149	35,424		35,424
49	Other Property	386	1,316	1,316		1,316
50	Other Equipment	387	6,185	6,185		6,185
51	TOTAL DISTRIBUTION		<u>3,473,654</u>	<u>3,782,896</u>	<u>-</u>	<u>3,782,896</u>
GENERAL PLANT						
52	Land & Land Rights	389	9,418	9,418		9,418
53	Structures & Improvements	390	131,860	143,396		143,396
54	Office Furniture & Equipment	391	209,355	253,227		253,227
55	Transportation Equipment	392	29,923	32,527		32,527
56	Stores Equipment	393	21	18		18
57	Tools & Garage Equipment	394	30,000	33,239		33,239
58	Laboratory Equipment	395	438	438		438
59	Power Operated Equipment	396	5,012	6,616		6,616
60	Communication Equipment	397	917	909		909
61	Miscellaneous Equipment	398	5,730	9,639		9,639
62	Other Tangible Property	399		-		-
63	TOTAL GENERAL		<u>422,674</u>	<u>489,427</u>	<u>-</u>	<u>489,427</u>
64	Total Plant		<u>\$ 3,948,369</u>	<u>\$ 4,324,364</u>	<u>\$ -</u>	<u>\$ 4,324,364</u>

UGI Utilities, Inc. - Gas Division
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Additions to Plant

Line #	Description	[1] Account Number	[2] Year ended September 30, 2020	[3] 2021
Plant Additions				
<u>INTANGIBLE PLANT</u>				
1	Organization	301	\$ -	\$ -
2	Franchise & Consent	302	-	-
3	Miscellaneous Intangible Plant	303	-	-
4	TOTAL INTANGIBLE		-	-
<u>NATURAL GAS PRODUCTION & GATHERING</u>				
5	Producing Lands	325.1	-	-
6	Producing Leaseholds	325.2	-	-
7	Rights of Way	325.4	-	-
8	Other Land Rights	325.5	-	-
9	Field Measuring & Regulating Station Structures	328	-	-
10	Other Structures	329	-	-
11	Producing Gas Wells-Well Construction	330	-	-
12	Producing Gas Wells-Well Equipment	331	-	-
13	Field Lines	332	-	-
14	Field Measuring & Reg. Station Equipment	334	-	-
15	Drilling & Cleaning Equipment	335	-	-
16	Other Equipment	337	-	-
17	TOTAL PRODUCTION & GATHERING		-	-
<u>NATURAL GAS STORAGE & PROCESSING PLANT</u>				
18	Land & Land Rights	304	-	-
19	Production Plant-Manufactured Gas Plants	305	-	-
20	Land	350.1	-	-
21	Rights of Way	350.2	-	-
22	Structures & Improvements	351	-	-
23	Wells	352	-	-
24	Lines	353	-	-
25	Compressor Station Equipment	354	-	-
26	Measuring & Regulating Equipment	355	-	-
27	Purification Equipment	356	-	-
28	Other Equipment	357	-	-
29	TOTAL STORAGE & PROCESSING		-	-

UGI Utilities, Inc. - Gas Division
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Additions to Plant

Line #	Description	[1]	[2]	[3]
		Account Number	Year ended September 30,	
			2020	2021
TRANSMISSION PLANT				
30	Land & Land Rights	365.1	-	-
31	Rights of Way	365.2	-	-
32	Structures & Improvements	366	-	-
33	Mains	367	-	-
34	Measuring & Regulating Station Equipment	369	-	-
35	Communication Equipment	370	-	-
36	Other Equipment	371	-	-
37	TOTAL TRANSMISSION		-	-
DISTRIBUTION PLANT				
38	Land & Land Rights	374	-	-
39	Structures & Improvements	375	-	-
40	Mains	376	198,297	203,138
41	Measuring & Regulating Station Equipment	378	17,642	26,777
42	Measuring & Regulating Station Equipment	379	-	-
43	Services	380	47,639	78,492
44	Meters	381	8,425	8,995
45	Meter Installations	382	7,723	8,270
46	House Regulators	383	-	-
47	House Regulatory Installations	384	1,050	1,155
48	Industrial Measuring & Reg. Station Equipment	385	250	275
49	Other Property	386	-	-
50	Other Equipment	387	-	-
51	TOTAL DISTRIBUTION		281,026	327,102
GENERAL PLANT				
52	Land & Land Rights	389	-	-
53	Structures & Improvements	390	37,602	12,599
54	Office Furniture & Equipment	391	32,721	47,996
55	Transportation Equipment	392	6,304	8,325
56	Stores Equipment	393	-	-
57	Tools & Garage Equipment	394	3,851	3,801
58	Laboratory Equipment	395	-	-
59	Power Operated Equipment	396	238	1,698
60	Communication Equipment	397	-	-
61	Miscellaneous Equipment	398	3,553	3,909
62	Other Tangible Property	399	-	-
63	TOTAL GENERAL		84,269	78,328
64	Total Plant		\$ 365,295	\$ 405,430

UGI Utilities, Inc. - Gas Division
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Witness: V. K. Ressler
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Retirements

Line #	Description	[1] Account Number	[2] Year Ended September 30, 2020	[3] 2021
<u>INTANGIBLE PLANT</u>				
1	Organization	301	\$ -	\$ -
2	Franchise & Consent	302	-	-
3	Miscellaneous Intangible Plant	303	-	-
4	TOTAL INTANGIBLE		-	-
<u>NATURAL GAS PRODUCTION & GATHERING</u>				
5	Producing Lands	325.1	-	-
6	Producing Leaseholds	325.2	-	-
7	Rights of Way	325.4	-	-
8	Other Land Rights	325.5	-	-
9	Field Measuring & Regulating Station Structures	328	-	-
10	Other Structures	329	-	-
11	Producing Gas Wells-Well Construction	330	-	-
12	Producing Gas Wells-Well Equipment	331	-	-
13	Field Lines	332	-	-
14	Field Measuring & Reg. Station Equipment	334	-	-
15	Drilling & Cleaning Equipment	335	-	-
16	Other Equipment	337	-	-
17	TOTAL PRODUCTION & GATHERING		-	-
<u>NATURAL GAS STORAGE & PROCESSING PLANT</u>				
18	Land & Land Rights	304	-	-
19	Production Plant-Manufactured Gas Plants	305	-	-
20	Land	350.1	-	-
21	Rights of Way	350.2	-	-
22	Structures & Improvements	351	-	-
23	Wells	352	-	-
24	Lines	353	-	-
25	Compressor Station Equipment	354	-	-
26	Measuring & Regulating Equipment	355	-	-
27	Purification Equipment	356	-	-
28	Other Equipment	357	-	-
29	TOTAL STORAGE & PROCESSING		-	-

UGI Utilities, Inc. - Gas Division
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Witness: V. K. Ressler
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Retirements

Line #	Description	[1] Account Number	[2] Year Ended September 30, 2020	[3] 2021
TRANSMISSION PLANT				
30	Land & Land Rights	365.1	-	-
31	Rights of Way	365.2	-	-
32	Structures & Improvements	366	-	-
33	Mains	367	-	-
34	Measuring & Regulating Station Equipment	369	-	-
35	Communication Equipment	370	-	-
36	Other Equipment	371	-	-
37	TOTAL TRANSMISSION		-	-
DISTRIBUTION PLANT				
38	Land & Land Rights	374	-	-
39	Structures & Improvements	375	-	-
40	Mains	376	6,532	6,646
41	Measuring & Regulating Station Equipment	378	1,386	2,104
42	Measuring & Regulating Station Equipment	379	-	-
43	Services	380	4,662	7,681
44	Meters	381	1,089	1,153
45	Meter Installations	382	152	163
46	House Regulators	383	-	-
47	House Regulatory Installations	384	103	113
48	Industrial Measuring & Reg. Station Equipment	385	-	-
49	Other Property	386	-	-
50	Other Equipment	387	-	-
51	TOTAL DISTRIBUTION		13,924	17,860
GENERAL PLANT				
52	Land & Land Rights	389	-	-
53	Structures & Improvements	390	888	1,062
54	Office Furniture & Equipment	391	17,305	4,124
55	Transportation Equipment	392	3,219	5,721
56	Stores Equipment	393	-	3
57	Tools & Garage Equipment	394	1,116	563
58	Laboratory Equipment	395	-	-
59	Power Operated Equipment	396	-	93
60	Communication Equipment	397	1,183	8
61	Miscellaneous Equipment	398	1	-
62	Other Tangible Property	399	16	-
63	TOTAL GENERAL		23,728	11,574
64	Total Plant		\$ 37,652	\$ 29,434

Accumulated Provision for Depreciation

Line No	Description	[1] Account No	[2] Pro Forma FTY 9-30-21
INTANGIBLE PLANT			
1	Organization	301	\$ -
2	Franchise & Consent	302	-
3	Miscellaneous Intangible Plant	303	-
4	TOTAL INTANGIBLE		<u>-</u>
NATURAL GAS PRODUCTION & GATHERING			
5	Producing Lands	325	-
6	Producing Leaseholds	325	162
7	Rights of Way	325	30
8	Other Land Rights	326	-
9	Field Measuring & Regulating Station Structures	328	1
10	Other Structures	329	45
11	Producing Gas Wells-Well Construction	330	18
12	Producing Gas Wells-Well Equipment	331	24
13	Field Lines	332	726
14	Field Measuring & Reg. Station Equipment	334	80
15	Drilling & Cleaning Equipment	335	49
16	Other Equipment	337	11
17	TOTAL PRODUCTION & GATHERING		<u>1,146</u>
NATURAL GAS STORAGE & PROCESSING PLANT			
18	Land & Land Rights	304	-
19	Production Plant-Manufactured Gas Plants	305	(15)
20	Land	350	-
21	Rights of Way	350	-
22	Structures & Improvements	351	-
23	Wells	352	(20)
24	Lines	353	-
25	Compressor Station Equipment	354	-
26	Measuring & Regulating Equipment	355	-
27	Purification Equipment	356	-
28	Other Equipment	357	-
29	TOTAL STORAGE & PROCESSING		<u>(35)</u>

Accumulated Provision for Depreciation

Line No	Description	[1] Account No	[2] Pro Forma FTY 9-30-21
	TRANSMISSION PLANT		
30	Land & Land Rights	365	-
31	Rights of Way	365	525
32	Structures & Improvements	366	152
33	Mains	367	21,417
34	Measuring & Regulating Station Equipment	369	3,869
35	Communication Equipment	370	2,017
36	Other Equipment	371	275
37	TOTAL TRANSMISSION		<u>28,255</u>
	DISTRIBUTION PLANT		
38	Land & Land Rights	374	1,332
39	Structures & Improvements	375	3,175
40	Mains	376	453,586
41	Measuring & Regulating Station Equipment	378	22,757
42	Measuring & Regulating Station Equipment	379	7,625
43	Services	380	375,033
44	Meters	381	72,155
45	Meter Installations	382	34,632
46	House Regulators	383	5,383
47	House Regulatory Installations	384	8,538
48	Industrial Measuring & Reg. Station Equipment	385	16,561
49	Other Property	386	838
50	Other Equipment	387	4,287
51	TOTAL DISTRIBUTION		<u>1,005,902</u>
	GENERAL PLANT		
52	Land & Land Rights	389	-
53	Structures & Improvements	390	40,521
54	Office Furniture & Equipment	391	60,600
55	Transportation Equipment	392	8,400
56	Stores Equipment	393	5
57	Tools & Garage Equipment	394	11,503
58	Laboratory Equipment	395	90
59	Power Operated Equipment	396	1,608
60	Communication Equipment	397	374
61	Miscellaneous Equipment	398	1,814
62	Other Tangible Property	399	
63	TOTAL GENERAL		<u>124,915</u>
64	Total Plant		<u>\$ 1,160,183</u>

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Summary of Accumulated Depreciation

Line #	Description	[1] Factor Or Reference	[2] Test Year Ended September 30, 2021 Amount	[3] Pro Forma Adjustment	[4] Balance
1	Intangible Plant	Sch C-3, Pg 4	\$ -	\$ -	\$ -
2	Natural Gas Production & Gathering	Sch C-3, Pg 4	1,132	14	1,146
3	Natural Gas Storage & Processing Plant	Sch C-3, Pg 4	(528)	493	(35)
4	Transmission Plant	Sch C-3, Pg 5	28,310	(55)	28,255
5	Distribution Plant	Sch C-3, Pg 5	1,031,121	(25,219)	1,005,902
6	General Plant	Sch C-3, Pg 5	162,098	(37,183)	124,915
7	Other Plant		-	-	-
8	TOTAL ACC DEPR & AMORTIZATION		<u>\$ 1,222,133</u>	<u>\$ (61,950)</u>	<u>\$ 1,160,183</u>

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Accumulated Depreciation by FERC Account

Line #	Description	[1] Account Number	[2] Year Ended September 30, 2020	[3] 2021	[4] Pro Forma Adjustment	[5] Balance
INTANGIBLE PLANT						
1	Organization	301	\$ -	\$ -	\$ -	\$ -
2	Franchise & Consent	302	-	-	-	-
3	Miscellaneous Intangible Plant	303	-	-	-	-
4	TOTAL INTANGIBLE		-	-	-	-
NATURAL GAS PRODUCTION & GATHERING						
5	Producing Lands	325.1	-	-	-	-
6	Producing Leaseholds	325.2	162	162	-	162
7	Rights of Way	325.4	30	30	-	30
8	Other Land Rights	325.5	-	-	-	-
9	Field Measuring & Regulating Station Structures	328	1	1	-	1
10	Other Structures	329	45	45	-	45
11	Producing Gas Wells-Well Construction	330	13	13	5	18
12	Producing Gas Wells-Well Equipment	331	24	24	-	24
13	Field Lines	332	724	725	1	726
14	Field Measuring & Reg. Station Equipment	334	70	72	8	80
15	Drilling & Cleaning Equipment	335	49	49	-	49
16	Other Equipment	337	11	11	-	11
17	TOTAL PRODUCTION & GATHERING		1,129	1,132	14	1,146
NATURAL GAS STORAGE & PROCESSING PLANT						
18	Land & Land Rights	304	-	-	-	-
19	Production Plant-Manufactured Gas Plants	305	(476)	(476)	461	(15)
20	Land	350.1	-	-	-	-
21	Rights of Way	350.2	-	-	-	-
22	Structures & Improvements	351	-	-	-	-
23	Wells	352	(52)	(52)	32	(20)
24	Lines	353	-	-	-	-
25	Compressor Station Equipment	354	-	-	-	-
26	Measuring & Regulating Equipment	355	-	-	-	-
27	Purification Equipment	356	-	-	-	-
28	Other Equipment	357	-	-	-	-
29	TOTAL STORAGE & PROCESSING		(528)	(528)	493	(35)

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Accumulated Depreciation by FERC Account

Line #	Description	[1] Account Number	[2] Year Ended September 30,		[4] Pro Forma Adjustment	[5] Balance
			2020	2021		
TRANSMISSION PLANT						
30	Land & Land Rights	365.1	-	-	-	-
31	Rights of Way	365.2	513	526	(1)	525
32	Structures & Improvements	366	140	141	11	152
33	Mains	367	20,974	21,444	(27)	21,417
34	Measuring & Regulating Station Equipment	369	3,774	3,876	(7)	3,869
35	Communication Equipment	370	1,909	2,046	(29)	2,017
36	Other Equipment	371	269	277	(2)	275
37	TOTAL TRANSMISSION		<u>27,579</u>	<u>28,310</u>	<u>(55)</u>	<u>28,255</u>
DISTRIBUTION PLANT						
38	Land & Land Rights	374	1,290	1,335	(3)	1,332
39	Structures & Improvements	375	3,075	3,162	13	3,175
40	Mains	376	434,208	464,433	(10,847)	453,586
41	Measuring & Regulating Station Equipment	378	23,108	26,323	(3,566)	22,757
42	Measuring & Regulating Station Equipment	379	7,136	7,653	(28)	7,625
43	Services	380	357,109	385,477	(10,444)	375,033
44	Meters	381	69,218	74,152	(1,997)	72,155
45	Meter Installations	382	32,170	34,637	(5)	34,632
46	House Regulators	383	3,032	3,396	1,987	5,383
47	House Regulatory Installations	384	8,492	8,889	(351)	8,538
48	Industrial Measuring & Reg. Station Equipment	385	15,826	16,583	(22)	16,561
49	Other Property	386	815	839	(1)	838
50	Other Equipment	387	4,154	4,242	45	4,287
51	TOTAL DISTRIBUTION		<u>959,633</u>	<u>1,031,121</u>	<u>(25,219)</u>	<u>1,005,902</u>
GENERAL PLANT						
52	Land & Land Rights	389	-	-	-	-
53	Structures & Improvements	390	36,934	41,752	(1,231)	40,521
54	Office Furniture & Equipment	391	64,918	85,810	(25,210)	60,600
55	Transportation Equipment	392	11,602	16,439	(8,039)	8,400
56	Stores Equipment	393	7	8	(3)	5
57	Tools & Garage Equipment	394	11,538	13,444	(1,941)	11,503
58	Laboratory Equipment	395	69	91	(1)	90
59	Power Operated Equipment	396	836	970	638	1,608
60	Communication Equipment	397	1,607	1,814	(1,440)	374
61	Miscellaneous Equipment	398	1,327	1,754	60	1,814
62	Other Tangible Property	399	16	16	(16)	-
63	TOTAL GENERAL		<u>128,854</u>	<u>162,098</u>	<u>(37,183)</u>	<u>124,915</u>
64	Total Plant		<u>\$ 1,116,667</u>	<u>\$ 1,222,133</u>	<u>\$ (61,950)</u>	<u>\$ 1,160,183</u>

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Cost of Removal

Line #	Description	[1]	[2]	[3]
		Account Number	Year Ended September 30,	
			2020	2021
<u>INTANGIBLE PLANT</u>				
1	Organization	301	\$ -	\$ -
2	Franchise & Consent	302	-	-
3	Miscellaneous Intangible Plant	303	-	-
4	TOTAL INTANGIBLE		<u>-</u>	<u>-</u>
<u>NATURAL GAS PRODUCTION & GATHERING</u>				
5	Producing Lands	325.1	-	-
6	Producing Leaseholds	325.2	-	-
7	Rights of Way	325.4	-	-
8	Other Land Rights	325.5	-	-
9	Field Measuring & Regulating Station Structures	328	-	-
10	Other Structures	329	-	-
11	Producing Gas Wells-Well Construction	330	-	-
12	Producing Gas Wells-Well Equipment	331	-	-
13	Field Lines	332	-	-
14	Field Measuring & Reg. Station Equipment	334	-	-
15	Drilling & Cleaning Equipment	335	-	-
16	Other Equipment	337	-	-
17	TOTAL PRODUCTION & GATHERING		<u>-</u>	<u>-</u>
<u>NATURAL GAS STORAGE & PROCESSING PLANT</u>				
18	Land & Land Rights	304	-	-
19	Production Plant-Manufactured Gas Plants	305	-	-
20	Land	350.1	-	-
21	Rights of Way	350.2	-	-
22	Structures & Improvements	351	-	-
23	Wells	352	-	-
24	Lines	353	-	-
25	Compressor Station Equipment	354	-	-
26	Measuring & Regulating Equipment	355	-	-
27	Purification Equipment	356	-	-
28	Other Equipment	357	-	-
29	TOTAL STORAGE & PROCESSING		<u>-</u>	<u>-</u>

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Cost of Removal

Line #	Description	Account Number	[1]	[2]	[3]
			Year Ended September 30,		
			2020	2021	
TRANSMISSION PLANT					
30	Land & Land Rights	365.1	-	-	-
31	Rights of Way	365.2	-	-	-
32	Structures & Improvements	366	-	-	-
33	Mains	367	-	-	-
34	Measuring & Regulating Station Equipment	369	-	-	-
35	Communication Equipment	370	-	-	-
36	Other Equipment	371	-	-	-
37	TOTAL TRANSMISSION		-	-	-
DISTRIBUTION PLANT					
38	Land & Land Rights	374	-	-	-
39	Structures & Improvements	375	-	-	-
40	Mains	376	1,205	1,220	
41	Measuring & Regulating Station Equipment	378	608	922	
42	Measuring & Regulating Station Equipment	379	-	-	
43	Services	380	3,507	5,779	
44	Meters	381	1	1	
45	Meter Installations	382	114	123	
46	House Regulators	383	-	-	
47	House Regulatory Installations	384	77	85	
48	Industrial Measuring & Reg. Station Equipment	385	-	-	
49	Other Property	386	-	-	
50	Other Equipment	387	-	-	
51	TOTAL DISTRIBUTION		5,512	8,130	
GENERAL PLANT					
52	Land & Land Rights	389	-	-	
53	Structures & Improvements	390	74	108	
54	Office Furniture & Equipment	391	-	-	
55	Transportation Equipment	392	2	1	
56	Stores Equipment	393	-	-	
57	Tools & Garage Equipment	394	-	-	
58	Laboratory Equipment	395	-	-	
59	Power Operated Equipment	396	-	-	
60	Communication Equipment	397	-	-	
61	Miscellaneous Equipment	398	-	-	
62	Other Tangible Property	399	-	-	
63	TOTAL GENERAL		76	109	
64	Total Plant		\$ 5,588	\$ 8,239	

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Negative Net Salvage Amortization

Line #	Description	[1] Account Number	[2] Year Ended September 30, 2020	[3] 2021
<u>INTANGIBLE PLANT</u>				
1	Organization	301	\$ -	\$ -
2	Franchise & Consent	302	-	-
3	Miscellaneous Intangible Plant	303	-	-
4	TOTAL INTANGIBLE		-	-
<u>NATURAL GAS PRODUCTION & GATHERING</u>				
5	Producing Lands	325.1	-	-
6	Producing Leaseholds	325.2	-	-
7	Rights of Way	325.4	-	-
8	Other Land Rights	325.5	-	-
9	Field Measuring & Regulating Station Structures	328	-	-
10	Other Structures	329	-	-
11	Producing Gas Wells-Well Construction	330	-	-
12	Producing Gas Wells-Well Equipment	331	-	-
13	Field Lines	332	-	-
14	Field Measuring & Reg. Station Equipment	334	-	-
15	Drilling & Cleaning Equipment	335	-	-
16	Other Equipment	337	-	-
17	TOTAL PRODUCTION & GATHERING		-	-
<u>NATURAL GAS STORAGE & PROCESSING PLANT</u>				
18	Land & Land Rights	304	-	-
19	Production Plant-Manufactured Gas Plants	305	210	15
20	Land	350.1	-	-
21	Rights of Way	350.2	-	-
22	Structures & Improvements	351	-	-
23	Wells	352	16	16
24	Lines	353	-	-
25	Compressor Station Equipment	354	-	-
26	Measuring & Regulating Equipment	355	-	-
27	Purification Equipment	356	-	-
28	Other Equipment	357	-	-
29	TOTAL STORAGE & PROCESSING		226	31

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Negative Net Salvage Amortization

Line #	Description	[1] Account Number	[2] Year Ended September 30, 2020	[3] 2021
TRANSMISSION PLANT				
30	Land & Land Rights	365.1	-	-
31	Rights of Way	365.2	-	-
32	Structures & Improvements	366	-	-
33	Mains	367	-	-
34	Measuring & Regulating Station Equipment	369	1	-
35	Communication Equipment	370	-	-
36	Other Equipment	371	-	-
37	TOTAL TRANSMISSION		<u>1</u>	<u>-</u>
DISTRIBUTION PLANT				
38	Land & Land Rights	374	-	-
39	Structures & Improvements	375	7	7
40	Mains	376	1,326	1,328
41	Measuring & Regulating Station Equipment	378	198	314
42	Measuring & Regulating Station Equipment	379	-	-
43	Services	380	4,883	4,828
44	Meters	381	1	2
45	Meter Installations	382	330	282
46	House Regulators	383	979	967
47	House Regulatory Installations	384	16	33
48	Industrial Measuring & Reg. Station Equipment	385	9	8
49	Other Property	386	-	-
50	Other Equipment	387	2	2
51	TOTAL DISTRIBUTION		<u>7,751</u>	<u>7,771</u>
GENERAL PLANT				
52	Land & Land Rights	389	-	-
53	Structures & Improvements	390	94	67
54	Office Furniture & Equipment	391	-	-
55	Transportation Equipment	392	(28)	(23)
56	Stores Equipment	393	-	-
57	Tools & Garage Equipment	394	-	-
58	Laboratory Equipment	395	-	-
59	Power Operated Equipment	396	(2)	(1)
60	Communication Equipment	397	-	-
61	Miscellaneous Equipment	398	6	6
62	Other Tangible Property	399	-	-
63	TOTAL GENERAL		<u>70</u>	<u>49</u>
64	Total Plant		<u>\$ 8,048</u>	<u>\$ 7,851</u>

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Salvage

Line #	Description	[1]	[2]	[3]
		Account Number	Year Ended September 30,	
			2020	2021
<u>INTANGIBLE PLANT</u>				
1	Organization	301	\$ -	\$ -
2	Franchise & Consent	302	-	-
3	Miscellaneous Intangible Plant	303	-	-
4	TOTAL INTANGIBLE		<u>-</u>	<u>-</u>
<u>NATURAL GAS PRODUCTION & GATHERING</u>				
5	Producing Lands	325.1	-	-
6	Producing Leaseholds	325.2	-	-
7	Rights of Way	325.4	-	-
8	Other Land Rights	325.5	-	-
9	Field Measuring & Regulating Station Structures	328	-	-
10	Other Structures	329	-	-
11	Producing Gas Wells-Well Construction	330	-	-
12	Producing Gas Wells-Well Equipment	331	-	-
13	Field Lines	332	-	-
14	Field Measuring & Reg. Station Equipment	334	-	-
15	Drilling & Cleaning Equipment	335	-	-
16	Other Equipment	337	-	-
17	TOTAL PRODUCTION & GATHERING		<u>-</u>	<u>-</u>
<u>NATURAL GAS STORAGE & PROCESSING PLANT</u>				
18	Land & Land Rights	304	-	-
19	Production Plant-Manufactured Gas Plants	305	-	-
20	Land	350.1	-	-
21	Rights of Way	350.2	-	-
22	Structures & Improvements	351	-	-
23	Wells	352	-	-
24	Lines	353	-	-
25	Compressor Station Equipment	354	-	-
26	Measuring & Regulating Equipment	355	-	-
27	Purification Equipment	356	-	-
28	Other Equipment	357	-	-
29	TOTAL STORAGE & PROCESSING		<u>-</u>	<u>-</u>

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Salvage

Line #	Description	[1]	[2]	[3]
		Account Number	Year Ended September 30,	
			2020	2021
TRANSMISSION PLANT				
30	Land & Land Rights	365.1	-	-
31	Rights of Way	365.2	-	-
32	Structures & Improvements	366	-	-
33	Mains	367	-	-
34	Measuring & Regulating Station Equipment	369	-	-
35	Communication Equipment	370	-	-
36	Other Equipment	371	-	-
37	TOTAL TRANSMISSION		-	-
DISTRIBUTION PLANT				
38	Land & Land Rights	374	-	-
39	Structures & Improvements	375	-	-
40	Mains	376	-	-
41	Measuring & Regulating Station Equipment	378	(169)	(257)
42	Measuring & Regulating Station Equipment	379	-	-
43	Services	380	-	-
44	Meters	381	-	-
45	Meter Installations	382	-	-
46	House Regulators	383	-	-
47	House Regulatory Installations	384	-	-
48	Industrial Measuring & Reg. Station Equipment	385	-	-
49	Other Property	386	-	-
50	Other Equipment	387	-	-
51	TOTAL DISTRIBUTION		(169)	(257)
GENERAL PLANT				
52	Land & Land Rights	389	-	-
53	Structures & Improvements	390	-	-
54	Office Furniture & Equipment	391	-	-
55	Transportation Equipment	392	(21)	(17)
56	Stores Equipment	393	-	-
57	Tools & Garage Equipment	394	-	-
58	Laboratory Equipment	395	-	-
59	Power Operated Equipment	396	-	-
60	Communication Equipment	397	-	-
61	Miscellaneous Equipment	398	-	-
62	Other Tangible Property	399	-	-
63	TOTAL GENERAL		(21)	(17)
64	Total Plant		\$ (190)	\$ (274)

Working Capital

Line No	Description	[1]	[2]
		Fully Projected FTY 9-30-21	Reference
1	Working Capital for O & M Expense	\$ 37,958	C-4, Page 2
2	Interest Payments	(5,073)	C-4, Page 7
3	Tax Payment Lag Calculations	3,261	C-4, Page 8
4	Prepaid Expenses	6,185	C-4, Page 9
5	Total Cash Working Capital Requirements	<u>\$ 42,331</u>	

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Summary of Working Capital

Line #	Description	[1] Reference	[2] Test Year Expenses	[3] Factor	[4] Number of (Lead) / Lag Days [2] * [3]	[5] Totals
<u>WORKING CAPITAL REQUIREMENT</u>						
1	REVENUE LAG DAYS	Page 3				57.65
2	EXPENSE LAG DAYS	Page 4				
3	Payroll	Sch D-7	\$ 85,569	12.00	\$ 1,026,833	
4	Purchased Gas Costs	Sch D-6	287,991	39.39	11,345,319	
5	Other Expenses	L 19 - L 2 to L 4	181,891	31.87	5,796,862	
6	Total	Sum (L 3 to L 5)	<u>\$ 555,451</u>		<u>\$ 18,169,014</u>	
7	O & M Expense Lag Days	L6, C 4 / C 2				32.71
8	Net (Lead) Lag Days	L 1 - L 7				24.94
9	Operating Expenses Per Day	L 6, C 2 / 365				<u>\$ 1,522</u>
10	Working Capital for O & M Expense	L 8 * L 9				\$ 37,958
11	Interest Payments	Page 7				(5,073)
12	Tax Payment Lag Calculations	Page 8				3,261
13	Prepaid Expenses	Page 9				6,185
14	Total Working Capital Requirement	Sum (L 10 to L 13)				<u>\$ 42,331</u>
15	Pro Forma O & M Expense		\$ 567,953			
16	Less: Uncollectible Expense		<u>12,502</u>			
17	Sub-Total		<u>12,502</u>			
18	Pro Forma Cash O&M Expense		<u>\$ 555,451</u>			

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Revenue Lag									
Line No.	Description	[1] Reference Or Factor	[2] Accounts Receivable Balance End of Month	[3] Total Monthly Sales Page 2	[4] A/R Turnover [3] / [2]	[5] Days Lag 365 / [4]			
1	Annual Number of Days					<u>365</u>			
2	September, 2018		\$ 54,818						
3	October		\$ 50,851	\$ 37,060					
4	November		\$ 67,356	\$ 66,782					
5	December, 2018		\$ 102,438	\$ 106,595					
6	January, 2019		\$ 126,614	\$ 124,492					
7	February		\$ 149,404	\$ 124,943					
8	March		\$ 151,771	\$ 120,895					
9	April		\$ 128,876	\$ 80,577					
10	May		\$ 104,482	\$ 46,376					
11	June		\$ 90,487	\$ 32,369					
12	July		\$ 75,718	\$ 30,124					
13	August		\$ 62,054	\$ 28,504					
14	September, 2019		\$ 52,950	\$ 29,663					
15	Total	Sum L 2 to L 14	<u>\$1,217,820</u>						
16	Number of Months	<u>13</u>							
17	Average Acct Rec Balance	L 15 / L 16	<u>\$93,678</u>						
18	Total Sales for Year	Sum L 2 to L 14		<u>\$ 828,380</u>					
19	Acct Rec Turnover Ratio	L 18 / L 17			<u>8.84</u>				
20	Collection Lag Day Factor	L 1 / L 19				41.29			
21	Meter Read Lag Factor					1.15			
22	Midpoint Lag Factor		365	/	12	/	2	=	<u>15.21</u>
23	Total Revenue Lag Days	Sum L 20 to L 22					<u>57.65</u>		

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Summary of Expense Lag Calculations

Line No.	Description	[1] Reference Or Factor	[2] Amount	[3] (Lead) / Lag Days	[4] Weighted Dollar Value [2] * [3]	[5] (Lead) / Lag Days [4] / [2]
<u>PAYROLL</u>						
1	Union Payrolls	Bi-Weekly	\$ 32,903	12.00		
2	Exempt & Non-Exempt	Bi-Weekly	52,666	12.00		
3	Weighted for Union	L1, C2 * C3			\$ 394,840	
4	Weighted for Other	L2, C2 * C3			<u>631,996</u>	
5	Payroll Lag	L 3 + L 4	<u>\$ 85,570</u>		<u>\$ 1,026,836</u>	
6	Payroll Lag Days	C 4 / C 2				<u>12.00</u>
<u>PURCHASE GAS COSTS</u>						
7	Payment Lag	Page 6	<u>\$ 403,880</u>		<u>\$ 15,910,729</u>	
8	Gas Cost Lag Days	C 4 / C 2				<u>39.39</u>
<u>OTHER O & M EXPENSES</u>						
9	OCTOBER 2018	Page 5	\$ 16,119		\$ 483,986	
10	NOVEMBER 2018	Page 5	11,111		320,467	
11	DECEMBER 2018	Page 5	9,266		301,037	
12	JANUARY 2019	Page 5	11,621		429,026	
13	FEBRUARY 2019	Page 5	9,593		315,905	
14	MARCH 2019	Page 5	10,054		319,499	
15	APRIL 2019	Page 5	11,617		336,969	
16	MAY 2019	Page 5	12,054		355,587	
17	JUNE 2019	Page 5	12,161		387,460	
18	JULY 2019	Page 5	2,464		118,190	
19	AUGUST 2019	Page 5	10,996		316,382	
20	SEPTEMBER 2019	Page 5	11,235		403,821	
21	TOTAL		<u>\$ 128,292</u>		<u>\$ 4,088,329</u>	
22	Other O&M Expense Lag Days	L21, C 4 / C 2				<u>31.87</u>

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General Disbursements Payment Lag Summary

Line #	Description	[1] Number of CDs	[2] Cash Disbursements	[3] Dollar-Days	[4] Expense Lag-Days [3] / [2]
OCTOBER 2018					
1	Total Disbursements for Month	4,594	\$ 45,632		
2	Total Disbursements for Expenses	3,758	\$ 16,119	\$ 483,986	30.03
NOVEMBER 2018					
3	Total Disbursements for Month	4,157	\$ 41,475		
4	Total Disbursements for Expenses	3,446	\$ 11,111	\$ 320,467	28.84
DECEMBER 2018					
5	Total Disbursements for Month	3,900	\$ 37,366		
6	Total Disbursements for Expenses	3,238	\$ 9,266	\$ 301,037	32.49
JANUARY 2019					
7	Total Disbursements for Month	4,321	\$ 44,189		
8	Total Disbursements for Expenses	3,609	\$ 11,621	\$ 429,026	36.92
FEBRUARY 2019					
9	Total Disbursements for Month	3,547	\$ 36,284		
10	Total Disbursements for Expenses	3,065	\$ 9,593	\$ 315,905	32.93
MARCH 2019					
11	Total Disbursements for Month	3,935	\$ 34,358		
12	Total Disbursements for Expenses	3,417	\$ 10,054	\$ 319,499	31.78
APRIL 2019					
13	Total Disbursements for Month	4,102	\$ 31,993		
14	Total Disbursements for Expenses	3,468	\$ 11,617	\$ 336,969	29.01
MAY 2019					
15	Total Disbursements for Month	3,956	\$ 44,396		
16	Total Disbursements for Expenses	3,312	\$ 12,054	\$ 355,587	29.50
JUNE 2019					
17	Total Disbursements for Month	4,767	\$ 37,212		
18	Total Disbursements for Expenses	3,955	\$ 12,161	\$ 387,460	31.86
JULY 2019					
19	Total Disbursements for Month	1,414	\$ 33,729		
20	Total Disbursements for Expenses	716	\$ 2,464	\$ 118,190	47.96
AUGUST 2019					
21	Total Disbursements for Month	5,554	\$ 53,447		
22	Total Disbursements for Expenses	2,458	\$ 10,996	\$ 316,382	28.77
SEPTEMBER 2019					
23	Total Disbursements for Month	8,725	\$ 69,116		
24	Total Disbursements for Expenses	3,190	\$ 11,235	\$ 403,821	35.94
25	Total Test Month Expense Disbursement	37,632	\$ 128,292	\$ 4,088,329	31.87

UGI Utilities, Inc. - Gas Division
Before the Pennsylvania Public Utility Commission
Fully Projected Future Period - 12 Months Ended September 30, 2021

Schedule C-4
 Witness: V. K. Ressler
 Page 6 of 9

Purchase Gas Cost Payment Lag Summary

Line #	Description	[1] Number of Invoices	[2] Amount of Invoice	[3] Dollar Days	[4] Total Payment Lag-Days
1	October 2018	63	\$ 18,799	\$ 749,543	39.87
2	November	72	41,476	1,382,105	33.32
3	December	80	62,866	2,685,336	42.72
4	January 2019	74	57,118	2,395,508	41.94
5	February	81	61,075	2,506,816	41.04
6	March	78	46,512	1,848,536	39.74
7	April	71	28,599	1,230,302	43.02
8	May	67	19,825	744,228	37.54
9	June	67	21,149	733,429	34.68
10	July	56	16,864	612,800	36.34
11	August	57	15,964	539,935	33.82
12	September 2019	55	<u>13,633</u>	<u>482,191</u>	35.37
13	Total		<u>\$ 403,880</u>	<u>\$ 15,910,729</u>	
14	Purchase Gas Lag Days				<u>39.39</u>

UGI Utilities, Inc. - Gas Division
Before the Pennsylvania Public Utility Commission
Fully Projected Future Period - 12 Months Ended September 30, 2021

Schedule C-4
 Witness: V. K. Ressler
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Interest Payments

Line No.	Description	[1] Reference Or Factor	[2] # of Days	[3] # of Days	[4] Total
1	Measure of Value at September 30, 2021	Sch C-1			\$ 2,616,719
2	Long-term Debt Ratio	Sch B-6			46.70%
3	Embedded Cost of Long-term Debt	Sch B-6			4.51%
4	Pro forma Interest Expense	L 1 * L 2 * L 3			<u>\$ 55,113</u>
5	Daily Amount	L 4 / L 5 [2]	365		\$ 151
6	Days to mid-point of interest payments			91.25	
7	Less: Revenue Lag Days	Page 3		57.65	
8	Interest Payment lag days	L 7 - L 6			(33.6)
9	Total Interest for Working Capital	L 5 * L 8			<u>\$ (5,073)</u>

UGI Utilities, Inc. - Gas Division
Before the Pennsylvania Public Utility Commission
Fully Projected Future Period - 12 Months Ended September 30, 2021

Schedule C-4
 Witness: V. K. Ressler
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Tax Lag Day Calculations

Line #	Description	[1] Payment Dates	[2] Mid-Point of Service Period	[3] Lead (Lag) Payment Days [1] - [2]	[4] Payment Amount	[5] Weighted Lead (Lag) Dollars [3] * [4]	[6] Payment Lead (Lag) Days [5] / [4]	[7] Revenue (Lag) Days	[8] Net Payment Lead (Lag) Days [6] - [7]	[9] Total Dollar Days	[10] Working Capital Amount
											365
1	FEDERAL INCOME TAX				<u>\$ 37,333</u>						
2	First Payment	01/05/21	04/01/21	86.00	\$ 9,333	802,660					
3	Second Payment	03/15/21	04/01/21	17.00	9,333	158,665					
4	Third Payment	06/15/21	04/01/21	(75.00)	9,333	(699,994)					
5	Fourth Payment	09/15/21	04/01/21	(167.00)	9,333	(1,558,653)					
6	Total				<u>\$ 37,333</u>	<u>\$ (1,297,322)</u>	<u>(34.75)</u>	<u>(57.65)</u>	<u>22.90</u>	<u>\$ 854,926</u>	\$ 2,342
7	STATE INCOME TAX				<u>\$ 12,283</u>						
8	First Payment	12/15/20	04/01/21	107.00	\$ 3,071	328,580					
9	Second Payment	03/15/21	04/01/21	17.00	3,071	52,204					
10	Third Payment	06/15/21	04/01/21	(75.00)	3,071	(230,313)					
11	Fourth Payment	09/15/21	04/01/21	(167.00)	3,071	(512,831)					
12	Total				<u>\$ 12,283</u>	<u>(362,360)</u>	<u>(29.50)</u>	<u>(57.65)</u>	<u>28.15</u>	<u>\$ 345,777</u>	\$ 947
13	PA PROPERTY TAX				<u>\$ 957</u>						
14	First Payment	03/31/21	04/01/21	1.00	\$ 479	479					
15	Second Payment	09/30/21	04/01/21	(182.00)	479	(87,087)					
16	Total				<u>\$ 957</u>	<u>(86,609)</u>	<u>(90.50)</u>	<u>(57.65)</u>	<u>(32.85)</u>	<u>\$ (31,437)</u>	\$ (86)
17	PURTA				<u>\$ 756</u>						
18	Payment	05/01/21	04/01/21	(30.00)	\$ 756	(22,680)	(30.00)	(57.65)	27.65	\$ 20,903	\$ 57
19	Total Working Capital For Other Taxes										<u>\$ 3,261</u>

UGI Utilities, Inc. - Gas Division
Before the Pennsylvania Public Utility Commission
Fully Projected Future Period - 12 Months Ended September 30, 2021

Schedule C-4
 Witness: V. K. Ressler
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Prepaid Expenses

Line #	Description	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]
#	Description	TOTAL	Insurance	PUC Assessment	Property Taxes	Subscriptions	Postage	Rent	Maintenance & Services	
1	September, 2018	7,390	3,007	-	408	34	7	27	3,907	
2	October	8,759	2,643	2,178	354	102	5	27	3,450	
3	November	7,873	2,391	1,906	305	51	12	27	3,181	
4	December, 2018	6,645	2,034	1,634	253	-	15	27	2,682	
5	January, 2019	6,083	1,684	1,361	193	133	13	27	2,672	
6	February	5,683	1,333	1,089	302	203	11	28	2,717	
7	March	4,563	984	817	313	137	11	28	2,273	
8	April	3,930	861	545	262	205	8	28	2,021	
9	May	3,711	905	272	243	149	8	28	2,106	
10	June	4,029	701	-	191	92	6	13	3,026	
11	July	7,321	4,752	(272)	145	38	11	32	2,615	
12	August	6,853	4,309	(545)	329	113	8	32	2,607	
13	September, 2019	7,568	3,873	-	453	51	12	32	3,147	
14	TOTAL	<u>\$ 80,408</u>	<u>\$ 29,477</u>	<u>\$ 8,985</u>	<u>\$ 3,751</u>	<u>\$ 1,308</u>	<u>\$ 127</u>	<u>\$ 356</u>	<u>\$ 36,404</u>	
15	Percent to Gas		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	
16	Amount to Gas		<u>\$ 29,477</u>	<u>\$ 8,985</u>	<u>\$ 3,751</u>	<u>\$ 1,308</u>	<u>\$ 127</u>	<u>\$ 356</u>	<u>\$ 36,404</u>	
17	Monthly Average	13	<u>\$ 2,267</u>	<u>\$ 691</u>	<u>\$ 289</u>	<u>\$ 101</u>	<u>\$ 10</u>	<u>\$ 27</u>	<u>\$ 2,800</u>	
18	Rate Case Amount		<u>\$ 6,185</u>							

UGI Utilities, Inc. - Gas Division
Before the Pennsylvania Public Utility Commission
Fully Projected Future Period - 12 Months Ended September 30, 2021
(\$ in Thousands)

Schedule C-5
Witness: V. K. Ressler
Page 1 of 1

Gas Inventory

[1]

Line No.	Description	Stored Underground
1	September, 2018	\$ 37,287
2	October	44,101
3	November	42,218
4	December, 2018	34,918
5	January, 2019	23,037
6	February	11,898
7	March	3,396
8	April	6,547
9	May	10,709
10	June	15,464
11	July	19,818
12	August	23,340
13	September, 2019	26,607
14	Total	<u>\$ 299,340</u>
15	Number of Months	<u>13</u>
16	Average Monthly Balance	<u>\$ 23,026</u>

UGI Utilities, Inc. - Gas Division
Before the Pennsylvania Public Utility Commission
Fully Projected Future Period - 12 Months Ended September 30, 2021
(\$ in Thousands)

Schedule C-6
Witness: N. M. McKinney
 Page 1 of 1

Accumulated Deferred Income Taxes

[1]

[2]

Line #	Description	Amount	Total
<u>Accumulated Deferred Income Tax</u>			
1	Gas Utility Plant - a/c # 282	\$ (612,068)	
2	Sub-total		(612,068)
3	ADIT on CIAC	23,574	
4	Sub-total		<u>23,574</u>
5	Federal ADIT		(588,494)
6	State Repair Regulatory Liability	(34,243)	(34,243)
7	Pro-Rata Adjustment	17,607	<u>17,607</u>
8	Balance At September 30, 2021		<u><u>\$ (605,130)</u></u>

UGI Utilities, Inc. - Gas Division
Before the Pennsylvania Public Utility Commission
Fully Projected Future Period - 12 Months Ended September 30, 2021
(\$ in Thousands)

Schedule C-7
Witness: V. K. Ressler
Page 1 of 1

Customer Deposits

[1]

Line #	Description	Balance At End Of Month
1	Balance as of September 30, 2019	<u>\$ 22,290</u>

UGI Utilities, Inc. - Gas Division
Before the Pennsylvania Public Utility Commission
Fully Projected Future Period - 12 Months Ended September 30, 2021
(\$ in Thousands)

Schedule C-8
Witness: V. K. Ressler
 Page 1 of 1

Materials & Supplies

Line #	Month	[1] Materials & Supplies
1	September, 2018	\$ 13,715
2	October	14,077
3	November	14,635
4	December, 2018	14,372
5	January, 2019	14,355
6	February	14,566
7	March	15,104
8	April	15,411
9	May	14,806
10	June	14,986
11	July	15,285
12	August	14,542
13	September, 2019	13,961
14	Total	<u><u>\$ 189,815</u></u>
15	Number of Months	<u><u>13</u></u>
16	Average Monthly Balance	<u><u>\$ 14,601</u></u>

UGI Utilities, Inc. - Gas Division
Before the Pennsylvania Public Utility Commission
Fully Projected Future Period - 12 Months Ended September 30, 2021
(\$ in Thousands)

Schedule D-1
Witness: S. F. Anzaldo
Page 1 of 1

Summary of Revenue and Expenses
Pro Forma with Proposed Revenue Increase

[1] [2] [3]

Line #	Description	Factor Or Reference	Pro Forma Test Year		
			At Present Rates	Rate Increase	At Proposed Rates
OPERATING REVENUES					
1	Customer & Distribution Revenue		\$ 556,335	\$ -	\$ 556,335
2	Gas Supply & Cost Adjustment Revenue		313,659	-	313,659
3	Other Revenues		6,297	-	6,297
4	Revenue Increase			74,551	74,551
5	Total operating revenues		<u>876,291</u>	<u>74,551</u>	<u>950,842</u>
OPERATING EXPENSES					
6	Manufactured Gas		6,811	-	6,811
7	Gas Supply Production		287,991	-	287,991
8	Transmission		-	-	-
9	Distribution		84,553	-	84,553
10	Customer Accounts		37,894	-	37,894
11	Uncollectible Expense	1.546%	12,502	1,153	13,654
12	Customer Information & Services		12,511	-	12,511
13	Sales		2,682	-	2,682
14	Administrative & General		123,010	-	123,010
15	Depreciation & Amortization		112,511	-	112,511
16	Taxes other than income taxes		11,580	-	11,580
17	Total operating expenses		<u>692,044</u>	<u>1,153</u>	<u>693,197</u>
18	Net operating income Before Income Tax		184,247	73,398	257,645
<u>Income Taxes</u>					
19	Pro Forma Income Tax At Present Rates		28,410		28,410
20	Pro Forma Income Tax on Revenue Increase			21,207	21,207
21	Net Income (loss)		<u>\$ 155,837</u>	<u>\$ 52,192</u>	<u>\$ 208,029</u>

UGI Utilities, Inc. - Gas Division
Before the Pennsylvania Public Utility Commission
Fully Projected Future Period - 12 Months Ended September 30, 2021
(\$ in Thousands)

Schedule D-2
Witness: S. F. Anzaldo
Page 1 of 1

Summary of Pro Forma Revenue and Expense
Adjustments with Proposed Revenue Increase

Line #	Description	[1]	[2]	[3]	[4]	[5]	[6]
		Factor Or Reference	Budget For Year End 09/30/21	Adjustments Sch D-3 Increase (Decrease)	Pro Forma Adjusted For Test Year 9/30/21	Proposed Increase	Pro Forma Test Year With Proposed Increase
<u>OPERATING REVENUES</u>				Test Year At Present Rates			
					[2] + [3]		[4] + [5]
1	Residential (R/RT)	480	\$ 561,043	\$ (28,739)	\$ 532,304		\$ 532,304
2	Comm & Ind (N/NT)	481	223,996	(11,854)	212,142		212,142
3	Comm & Ind (DS)	489	33,837	62	33,899		33,899
4	Lg Transport/Other	489	71,932	(3,725)	68,207		68,207
5	Interruptible	489	24,485	(1,043)	23,442		23,442
6	Forfeited Discounts		5,018	-	5,018		5,018
7	Miscellaneous Service Revenues		971	-	971		971
8	Rent from Gas Properties		308	-	308		308
9	Rate Increase			-	-	74,551	74,551
10	Total operating revenues		<u>921,590</u>	<u>(45,299)</u>	<u>876,291</u>	<u>74,551</u>	<u>950,842</u>
<u>OPERATING EXPENSES</u>							
11	Gas Production		5,845	966	6,811		6,811
12	Gas Supply Production		330,119	(42,128)	287,991		287,991
13	Transmission		-	-	-		-
14	Distribution		82,923	1,630	84,553		84,553
15	Customer Accounts		33,757	4,137	37,894		37,894
16	Uncollectible Expense	1.546%	11,577	925	12,502	1,153	13,654
17	Customer Information & Services		11,306	1,205	12,511		12,511
18	Sales		2,700	(18)	2,682		2,682
19	Administrative & General		117,834	5,176	123,010		123,010
20	Depreciation & Amortization		105,716	6,795	112,511		112,511
21	Taxes other than income taxes		11,368	212	11,580		11,580
22	Total operating expenses		<u>713,145</u>	<u>(21,101)</u>	<u>692,044</u>	<u>1,153</u>	<u>693,197</u>
23	Net Operating Income - BIT		<u>\$ 208,445</u>	<u>\$ (24,198)</u>	<u>\$ 184,247</u>	<u>\$ 73,398</u>	<u>\$ 257,645</u>

UGI Utilities, Inc. - Gas Division
 Before the Pennsylvania Public Utility Commission
 Fully Projected Future Period - 12 Months Ended September 30, 2021
 (\$ in Thousands)

Schedule D-3
 Witness: S. F. Anzaldo
 Page 1 of 2

Summary of Pro Forma Adjustments

Line #	Description	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]	[13]
		As Budgeted And Allocated	D-4	Revenues D-5	Gas Costs D-6	Salaries & Wages D-7	Environmental Expense D-8	Other S&W Costs D-9	Rate Case D-10	Uncollectibles Expense D-11	D-12	D-13	Sub-Total Adjustments	Total Proforma
OPERATING REVENUES														
Customer & Distribution Revenue														
1	Residential (R/RT)	480	\$ 309,789	\$ (6,313)									\$ (6,313)	\$ 303,476
2	Comm & Ind (N/NT)	481	128,122	(196)									(196)	127,926
3	Comm & Ind (DS)	489	33,773	-									-	33,773
4	Lg Transport/Other	489	71,788	(4,070)									(4,070)	67,718
5	Interruptible	489	24,485	(1,043)									(1,043)	23,442
Revenue for Cost of Gas														
6	Residential (R/RT)	480	251,254	(22,426)									(22,426)	228,828
7	Comm & Ind (N/NT)	481	95,874	(11,658)									(11,658)	84,216
8	Comm & Ind (DS)	489	64	62									62	126
9	Lg Transport/Other	489	144	345									345	489
10	Interruptible Transport	489	-	-									-	-
11	Forfeited Discounts		5,018	-									-	5,018
12	Miscellaneous Service Revenues		-	971									-	971
13	Rent from Gas Properties		-	308									-	308
14	Rate Increase		-	-									-	-
15	Total operating revenues		<u>921,590</u>	<u>(45,299)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(45,299)</u>	<u>876,291</u>
OPERATING EXPENSES														
16	Gas Production		5,845				966						966	6,811
17	Gas Supply Production		330,119	(42,128)									(42,128)	287,991
18	Transmission		-											-
19	Distribution		82,923	-		532		1,098					1,630	84,553
20	Customer Accounts		33,757			213							213	33,970
21	Uncollectible Expense		11,577							925			925	12,502
22	Customer Information & Services		11,306			24							24	11,330
23	Sales		2,700			10							10	2,710
24	Administrative & General		117,834	-		329	1,219		1,077				2,625	120,459
25	Depreciation & Amortization		105,716										-	105,716
26	Taxes other than income taxes		11,368										-	11,368
27	Total operating expenses		<u>\$ 713,145</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (42,128)</u>	<u>\$ 1,107</u>	<u>\$ 2,185</u>	<u>\$ 1,098</u>	<u>\$ 1,077</u>	<u>\$ 925</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (35,736)</u>
28	Net operating income Before Income Tax		<u>\$ 208,445</u>	<u>\$ -</u>	<u>\$ (45,299)</u>	<u>\$ 42,128</u>	<u>\$ (1,107)</u>	<u>\$ (2,185)</u>	<u>\$ (1,098)</u>	<u>\$ (1,077)</u>	<u>\$ (925)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (9,563)</u>

UGI Utilities, Inc. - Gas Division
 Before the Pennsylvania Public Utility Commission
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 (\$ in Thousands)

Schedule D-3
 Witness: S. F. Anzaldo
 Page 2 of 2

Summary of Pro Forma Adjustments

Line #	Description	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]	[13]
		From Page 1 Sub-total		Benefits Adjustments D-14	Other Adjustments D-15	Universal Service D-16	Mngt Eff Audit D-17	D-18	EE&C Program D-19	D-19	Depreciation D-21	Taxes Other Than Income D-31		TOTAL Adjusted
OPERATING REVENUES														
29	Customer & Distribution Revenue													
30	Residential (R/RT)	\$ 303,476												\$ 303,476
31	Comm & Ind (N/NT)	127,926												127,926
32	Comm & Ind (DS)	33,773												33,773
33	Lg Transport/Other	67,718												67,718
34	Interruptible	23,442												23,442
Revenue for Cost of Gas														
35	Residential (R/RT)	228,828												228,828
36	Comm & Ind (N/NT)	84,216												84,216
37	Comm & Ind (DS)	126												126
38	Lg Transport/Other	489												489
39	Interruptible Transport	-												-
40	Forfeited Discounts	5,018												5,018
41	Miscellaneous Service Revenues	971												971
42	Rent from Gas Properties	308												308
43	Rate Increase	-												-
44	Total operating revenues	876,291	-	-	-	-	-	-	-	-	-	-	-	876,291
OPERATING EXPENSES														
45	Gas Production	6,811												6,811
46	Gas Supply Production	287,991												287,991
47	Transmission	-												-
48	Distribution	84,553			-									84,553
49	Customer Accounts	33,970			1,003	2,921								37,894
50	Uncollectible Expense	12,502												12,502
51	Customer Information & Services	11,330												12,511
52	Sales	2,710			(28)		440		741					2,682
53	Administrative & General	120,459		1,718	(86)		920							123,010
54	Depreciation & Amortization	105,716								6,795				112,511
55	Taxes other than income taxes	11,368										212		11,580
56	Total operating expenses	\$ 677,409	\$ -	\$ 1,718	\$ 889	\$ 2,921	\$ 1,360	\$ -	\$ 741	\$ -	\$ 6,795	\$ 212	\$ -	\$ 692,044
57	Net operating income Before Income Tax	\$ 198,882	\$ -	\$ (1,718)	\$ (889)	\$ (2,921)	\$ (1,360)	\$ -	\$ (741)	\$ -	\$ (6,795)	\$ (212)	\$ -	\$ 184,247

UGI Utilities, Inc. - Gas Division
Before the Pennsylvania Public Utility Commission
Fully Projected Future Period - 12 Months Ended September 30, 2021
(\$ in Thousands)

Schedule D-5
Witness: C. R. Brown
Page 1 of 1

Adjustment - Revenue Adjustments

[1]	[2]	[3]	[4]	[5]	[6]	
Line #	Reference Or Account Number	2021 Budget	Other Adjustments	Rev/PGC Adj Annualization	Total Proforma Adjustments D-5A	Proforma Adjusted At Present Rates
PRO FORMA ADJUSTMENTS						
Customer & Distribution Revenue						
1	Residential (R/RT)	\$ 309,789	\$ (6,313)		\$ (6,313)	\$ 303,476
2	Comm & Ind (N/NT)	128,122	(196)		(196)	127,926
3	Comm & Ind (DS)	33,773	0		-	33,773
4	Lg Transport/Other	71,788	(4,070)		(4,070)	67,718
5	Interruptible	24,485	(1,043)		(1,043)	23,442
6	Cust Chg & Distrib Revenue	567,957	(11,622)	-	(11,622)	556,335
Revenue for Cost of Gas						
7	Residential (R/RT)	251,254	8,435	(30,861)	(22,426)	228,828
8	Comm & Ind (N/NT)	95,874	(391)	(11,267)	(11,658)	84,216
9	Comm & Ind (DS)	64	62		62	126
10	Lg Transport/Other	144	345		345	489
11	Interruptible Transport	-	-		-	-
12	Revenue for Cost of Gas	347,336	8,451	(42,128)	(33,677)	313,659
13	Total Customer Revenue	915,293	(3,171)	(42,128)	(45,299)	869,994
14	Forfeited Discounts	5,018		-	-	5,018
15	Miscellaneous Service Revenues	924		-	-	924
16	Rent from Gas Properties	308		-	-	308
17	Other Revenues	47			-	47
18	TOTAL REVENUES	\$ 921,590	\$ (3,171)	\$ (42,128)	\$ (45,299)	\$ 876,291

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Schedule D-5A
Witness: C. R. Brown
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Adjustment - Test Year Revenue Changes

Line #	Description	[1] Factor Or Reference	[2] Budgeted Jurisdictional	[3] Revised Jurisdictional	[4] Adjustment [3] - [2]	[5] Total Adjustment
TOTAL REVENUE						
1	Residential (R/RT)		\$ 561,043	\$ 532,304	\$ (28,739)	
2	Comm & Ind (N/NT)		223,996	212,142	(11,854)	
3	Comm & Ind (DS)		33,837	33,899	62	
4	Lg Transport/Other		71,932	68,207	(3,725)	
5	Interruptible		24,485	23,442	(1,043)	
6	Total		<u>\$ 915,293</u>	<u>\$ 869,994</u>	<u>\$ (45,299)</u>	<u>\$ (45,299)</u>
COST OF COMMODITY						
7	Residential (R/RT)		\$ 251,254	228,828	\$ (22,426)	
8	Comm & Ind (N/NT)		95,874	84,216	(11,658)	
9	Comm & Ind (DS)		64	126	62	
10	Lg Transport/Other		144	489	345	
11	Interruptible		0	0	0	
12	Total		<u>\$ 347,336</u>	<u>\$ 313,659</u>	<u>\$ (33,677)</u>	<u>\$ (33,677)</u>
NET CUSTOMER & DISTRIBUTION						
13	Residential (R/RT)		\$ 309,789	\$ 303,476	\$ (6,313)	
14	Comm & Ind (N/NT)		128,122	127,926	(196)	
15	Comm & Ind (DS)		33,773	33,773	0	
16	Lg Transport/Other		71,788	67,718	(4,070)	
17	Interruptible		24,485	23,442	(1,043)	
18	Total		<u>\$ 567,957</u>	<u>\$ 556,335</u>	<u>\$ (11,622)</u>	<u>\$ (11,622)</u>

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Witness: C. R. Brown
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Adjustment - Gas Costs

Line #	Description	[1]	[2]	[3]	[4]	[5]
		Budgeted Gas Costs	PRO FORMA ADJUSTMENTS			Pro Forma Gas Costs At Present Rates
			D-5A Gas Costs		Gas Cost Pro Forma Adjustments	
1	Budgeted Gas Costs	\$ 330,119			\$ -	\$ 330,119
2	Residential (R/RT)		(30,861)		(30,861)	(30,861)
3	Comm & Ind (N/NT)		(11,267)		(11,267)	(11,267)
4	Comm & Ind (DS)		-		-	-
5	Lg Transport/Other		-		-	-
6	Interruptible		-		-	-
7	Total Gas Costs	<u>\$ 330,119</u>	<u>\$ (42,128)</u>	<u>\$ -</u>	<u>\$ (42,128)</u>	<u>\$ 287,991</u>

UGI Utilities, Inc. - Gas Division
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Schedule D-7
Witness: S. F. Anzaldo
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Adjustment - Salaries & Wages

Line #	Description	[1] Budgeted Year 09/30/21	[2] Adjustment	[3] Payroll As Distributed	[4] Annualization Adjustment	[5] Total Pro Forma Payroll
<u>OPERATIONS</u>						
1	Total Natural Gas Production Expenses	\$ -	\$ -	\$ -	\$ -	\$ -
2	Total Underground Storage Expenses	-	-	-	-	-
3	Total Transmission Operation Expenses	-	-	-	-	-
4	Total Distribution Operation Expenses	30,399	1,098	31,497	407	31,904
5	Customer Account Operations Expenses	15,881	-	15,881	213	16,094
6	Total Cust. Service & Inform. Operations Exp	1,784	-	1,784	24	1,808
7	Total Operation Sales Expenses	771	-	771	10	781
8	Total A & G Operation Expenses	23,955	659	24,614	321	24,935
9	Total Operations	<u>72,790</u>	<u>1,757</u>	<u>74,547</u>	<u>975</u>	<u>75,522</u>
<u>MAINTENANCE</u>						
10	Total Underground Maintenance Expenses	-	-	-	-	-
11	Storage Maintenance Expenses	-	-	-	-	-
12	Total Transmission Maintenance Expenses	-	-	-	-	-
13	Total Distribution Maintenance Expenses	9,301	-	9,301	125	9,426
14	Total A&G Maintenance	614	-	614	8	622
15	Total Maintenance	<u>9,915</u>	<u>-</u>	<u>9,915</u>	<u>133</u>	<u>10,048</u>
16	Total Payroll to Expense	<u>\$ 82,705</u>	<u>\$ 1,757</u>	<u>\$ 84,462</u>	<u>\$ 1,107</u>	<u>\$ 85,569</u>
17	Percent Increase					<u>1.311%</u>

UGI Utilities, Inc. - Gas Division
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Schedule D-7
Witness: S. F. Anzaldo
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Adjustment - Salaries & Wages

Line #	Description	[1] Reference Or Function	[2] Union At 6-1	[3] Non- Exempt	[4] Exempt	[5] Pro Forma Total Payroll
1	Budgeted Payroll For TY 9-30-21		\$ 32,255	\$ 20,676	\$ 29,774	<u>\$ 82,705</u>
<u>Annualize for Wage Increase to 9-30-21</u>						
2	Percent Increase		3.00%	3.00%	3.00%	
3	Union Increase At 6/1 Annualization Factor	6/1/21	67%			
4	Non-Exempt Annualization Factor	4/1/21		50%		
5	Exempt Annualization Factor	12/1/20			17%	
6	Increase for wage rate changes	L 1 * L 2 * Ls 3 to 5	<u>648</u>	<u>310</u>	<u>149</u>	\$ 1,108
7	Annualized Salaries & Wages at 9-30-21 Rates	L 1 + L 6	\$ 32,903	\$ 20,986	\$ 29,923	
8	Adjustments from Schedules D-9 & D-17				\$ 1,757	
9	Pro Forma Salaries & Wages for TY		<u>\$ 32,903</u>	<u>\$ 20,986</u>	<u>\$ 31,680</u>	
10	Pro Forma Adjustment to S&W					<u>\$ 1,108</u>
11	Annualization Factor	L 11 / L 1				<u>1.339%</u>

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Schedule D-8
Witness: V. K. Ressler
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Adjustment - Environmental

[1] [2]

Line #	Description	Amount	Total
Environmental Adjustment - #1			
1	2017 Environmental expenditures	\$ 6,134	
2	2018 Environmental expenditures	4,219	
3	2019 Environmental expenditures	<u>5,108</u>	
4	Three year average of Environmental expenditures	5,154	
5	Budgeted Environmental Expense	\$ 4,188	
6	Pro Forma Adjustment		<u>\$ 966</u>
Environmental Adjustment - #2 (Docket No. R-2018-3006814)			
7	Environmental expenditures (through 9/30/18)	\$ 8,103	
8	Less: Total recovery since last rate case	<u>1,621</u>	
9	Unrecovered expenditures	\$ 6,482	
10	Amortized over remaining amortization period	<u>4</u>	\$ 1,621
11	Recovery of current deferred Environmental expenditures included in the budget		<u>1,621</u>
12	Pro Forma Adjustment		<u>\$ -</u>
Environmental Adjustment - #3			
13	Environmental expenditures for Fiscal Year 2019	\$ 5,108	
14	Less: Total recovery since last rate case	<u>3,889</u>	
15	Unrecovered expenditures	\$ 1,219	
16	Amortization Period - 1 year	<u>1</u>	
17	Pro Forma Adjustment		<u>\$ 1,219</u>

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Schedule D-9
 Witness: C. R. Brown
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Adjustment - Salaries & Wages not included in Budget

[1] [2]

Line #	Description	Amount	Total
1	Emergency Response Supervisor Compensation	\$ 314	
2	Adjustment to reflect amendment to 2021 Incentive Bonus Plan	784	
3	Pro Forma Adjustment		<u>\$ 1,098</u>

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Schedule D-10
Witness: S. F. Anzaldo
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Adjustment - Rate Case Expense

[1] [2] [3]

Line #	Description	Reference	Amount	Total
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Rate Case Expenditures

1	External Consultants		\$ 327	
2	External Legal		750	
3	Sub-Total	L 1 to L 2		1,077

Total Expenditures for Rate Case Filing

4	TOTAL COSTS	L 3		<u>\$ 1,077</u>
5	Normalized over 1 year (Line 4 / 3)		<u>1</u>	\$ 1,077
6	Rate Case Expense included in Budget			<u>-</u>
7	Pro Forma Adjustment	L 5 - L 6		<u>\$ 1,077</u>

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Schedule D-11
Witness: V. K. Ressler
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Adjustment - Uncollectibles

Line #	Description	[1] Reference Or Factor	[2] Uncollectible Expense	[3] Tariff Revenue	[4] Percent [2]/[3]	[5] Total [2]/[3]
1	2017		<u>\$ 7,598</u>	<u>\$ 741,789</u>	<u>1.02%</u>	
2	2018		<u>\$ 16,343</u>	<u>\$ 902,250</u>	<u>1.81%</u>	
3	2019		<u>\$ 14,400</u>	<u>\$ 836,206</u>	<u>1.72%</u>	
4	Three Year Average Sum (Line 1 to Line 3) / 3	<u>3</u>	<u>\$ 12,780</u>	<u>\$ 826,748</u>		<u>1.546%</u>
5	<u>2021 Budget</u> Pro Forma Adjustment				\$ 12,603	
6	Adjusted Revenues	<u>1.546%</u>		<u>\$ 875,012</u>		
7	Pro Forma at Present Rate Revenue	[1] * [3]			<u>13,528</u>	
8	Total for Test Year					<u>\$ 925</u>

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Schedule D-14
Witness: V. K. Ressler
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Adjustment - Benefits Adjustments

Line #	Description	[1] Amount	[2] Subtotal	[3] Pro Forma Adjustment
<u>Pension Expense Adjustment</u>				
1	Total budgeted pension expense		\$ 4,759	
2	Total cash contributions per revised estimate	12,606		
3	Estimated Cash Contributions attributable to UGI Gas	9,964		
4	Less: estimated capitalized portion (35%)	<u>(3,487)</u>		
5	Pension cash contributions per updated estimates		<u>6,477</u>	
6	Pro Forma Adjustment - Pension			<u><u>\$ 1,718</u></u>

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Schedule D-15
Witness: V. K. Ressler
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Adjustment - Other Adjustments

		[1]	[2]
Line #	Description	Sub-Total	Total
Injuries & Damages Reserve Adjustment			
1	2017 Injuries & Damages Expense	\$ 241	
2	2018 Injuries & Damages Expense	360	
3	2019 Injuries & Damages Expense	<u>619</u>	
4	Three Year Average of Injuries and Damages Expense	407	
5	Budgeted Injuries and Damanges Expense	<u>\$ 493</u>	
6	Pro Forma Adjustment		<u><u>\$ (86)</u></u>
Membership Dues Adjustment			
7	Budgeted American Gas Association Membership Dues Attributable to Lobbying	\$ (19)	
8	Budgeted Energy Association of Pennsylvania Membership Dues Attributable to Lobbying	(9)	
9	Pro Forma Adjustment		<u><u>\$ (28)</u></u>
Customer Accounts Expense Adjustment			
10	Unrecovered Interest on Customer Deposits		<u><u>\$ 1,003</u></u>

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Witness: C. R. Brown
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Adjustment - Universal Service

[1]

Line #	Description	Amount
	<u>Decrease for Pro Forma TY Universal Service Expense</u>	Pro Forma
	Budget	
1	Customer Assistance Plan Credit	\$ 3,360
2	Administration Costs	686
3	LIURP	3,539
4	Hardship Program (Project Share)	15
5	Customer Assistance Plan Pre-program Arrearage	<u>1,794</u>
6	TOTAL	<u><u>\$ 9,394</u></u>
7	Adjusted Budget	<u><u>\$ 12,315</u></u>
8	Adjustment	<u><u>\$ 2,921</u></u>

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Adjustment - Management Efficiency Audit Implementation

Line #	Description	[1] Number of Employees	[2] Amount	[3] Total
<u>Employee Additions</u>				
1	Additional Headcount for Management Efficiency Audit Implementation Support	7	\$ 620	
2	Additional Salary & Wages for revised incentive comp program	7	<u>39</u>	
3	Total Salary and Wages			\$ 659
4	Employee Benefits (Line 1 x 38%)	7		236
<u>Operating Expenses</u>				
5	To cover cost to increase 3 rd party Call Center FCS representatives to enable UGI Call Center Agents to run Outreach events in the field (Boots on the Ground efforts)		250	
6	For transportation and marketing/advertising for planned events to reach customers and promote low income programs		65	
7	Additional resources to help with increasing our CAP program enrollments.		125	
8	Consultant to assist with documenting physical security standards, revising Physical Security Plan, and conducting external vulnerability assessments.		25	<u>465</u>
9	Total Adjustment - Management Efficiency Audit Implementation			<u>\$ 1,360</u>

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 Witness: C. R. Brown
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Adjustment - Energy Efficiency and Conservation Programs

Line #	Description	[1] Amount	[2] Sub-Total
<u>Energy Efficiency and Conservation Programs</u>			
1	2021 Original Program Costs	\$ 12,190	
2	Updated 2021 Program Costs	<u>11,883</u>	
3	Program Cost Adjustment		\$ (307)
4	Adjusted Budget	\$ 12,931	
5	Additional Expense Adjustment (Line 4 - Line 2)		<u>1,048</u>
6	Total Adjustment		<u><u>\$ 741</u></u>

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Schedule D-21
Witness: J.F. Weidmayer
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Adjustment - Depreciation expense

Line #	Description	[1] Account Number	[2] Budgeted 9/30/21 Depreciation Expense	[3] Adjustment To Annualize At New Depre Study Rates	[4] Pro Forma Test Year Depreciation
INTANGIBLE PLANT					
1	Organization	301	\$ -	\$ -	\$ -
2	Franchise & Consent	302	-	-	-
3	Miscellaneous Intangible Plant	303	-	-	-
4	TOTAL INTANGIBLE		-	-	-
NATURAL GAS PRODUCTION & GATHERING					
5	Producing Lands	325.1	-	-	-
6	Producing Leaseholds	325.2	-	-	-
7	Rights of Way	325.4	-	-	-
8	Other Land Rights	325.5	-	-	-
9	Field Measuring & Regulating Station Structures	328	-	-	-
10	Other Structures	329	-	-	-
11	Producing Gas Wells-Well Construction	330	-	-	-
12	Producing Gas Wells-Well Equipment	331	-	-	-
13	Field Lines	332	1	-	1
14	Field Measuring & Reg. Station Equipment	334	2	(1)	1
15	Drilling & Cleaning Equipment	335	-	-	-
16	Other Equipment	337	-	-	-
17	TOTAL PRODUCTION & GATHERING		3	(1)	2
NATURAL GAS STORAGE & PROCESSING PLANT					
18	Land & Land Rights	304	-	-	-
19	Production Plant-Manufactured Gas Plants	305	-	-	-
20	Land	350.1	-	-	-
21	Rights of Way	350.2	-	-	-
22	Structures & Improvements	351	-	-	-
23	Wells	352	-	-	-
24	Lines	353	-	-	-
25	Compressor Station Equipment	354	-	-	-
26	Measuring & Regulating Equipment	355	-	-	-
27	Purification Equipment	356	-	-	-
28	Other Equipment	357	-	-	-
29	TOTAL STORAGE & PROCESSING		-	-	-

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Schedule D-21
Witness: J.F. Weidmayer
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Adjustment - Depreciation expense

Line #	Description	[1] Account Number	[2] Budgeted 9/30/21 Depreciation Expense	[3] Adjustment To Annualize At New Depre Study Rates	[4] Pro Forma Test Year Depreciation
TRANSMISSION PLANT					
30	Land & Land Rights	365.1	-	-	-
31	Rights of Way	365.2	13	(1)	12
32	Structures & Improvements	366	2	4	6
33	Mains	367	470	(20)	450
34	Measuring & Regulating Station Equipment	369	101	(8)	93
35	Communication Equipment	370	137	(25)	112
36	Other Equipment	371	8	(1)	7
37	TOTAL TRANSMISSION		731	(51)	680
DISTRIBUTION PLANT					
38	Land & Land Rights	374	45	(2)	43
39	Structures & Improvements	375	87	(3)	82
40	Mains	376	30,225	3,129	33,354
41	Measuring & Regulating Station Equipment	378	3,215	835	4,050
42	Measuring & Regulating Station Equipment	379	516	(37)	479
43	Services	380	28,369	1,318	29,687
44	Meters	381	4,935	52	4,987
45	Meter Installations	382	2,466	25	2,491
46	House Regulators	383	364	(157)	207
47	House Regulatory Installations	384	396	28	424
48	Industrial Measuring & Reg. Station Equipment	385	758	(42)	716
49	Other Property	386	24	(2)	22
50	Other Equipment	387	88	16	104
51	TOTAL DISTRIBUTION		71,488	5,160	76,646
GENERAL PLANT					
52	Land & Land Rights	389	-	-	-
53	Structures & Improvements	390	4,817	736	5,553
54	Office Furniture & Equipment	391	20,892	234	21,126
55	Transportation Equipment	392	4,837	(96)	4,741
56	Stores Equipment	393	1	-	1
57	Tools & Garage Equipment	394	1,907	(112)	1,795
58	Laboratory Equipment	395	23	(1)	22
59	Power Operated Equipment	396	134	394	528
60	Communication Equipment	397	207	(105)	102
61	Miscellaneous Equipment	398	427	203	630
62	Other Tangible Property	399	-	-	-
63	TOTAL GENERAL		33,245	1,253	34,498
64	TOTAL DEPRECIATION		\$ 105,467	\$ 6,361	\$ 111,826
65	CHARGED TO CLEARING ACCOUNTS		\$ (7,085)	\$ (81)	\$ (7,166)
66	NET SALVAGE AMORTIZATION		\$ 7,829	\$ 22	\$ 7,851

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Schedule D-31
Witness: S. F. Anzaldo
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Adjustment - Taxes Other Than Income Taxes

Line #	Description	[1] Account Number	[2] Factor or Reference	[3] Budget Amounts 9/30/21	[4] Pro Forma Adjustments	[5] Pro Forma Tax Expense 9/30/21
1	PURTA Taxes	408.1		\$ 756	\$ -	\$ 756
2	Capital Stock	408.1		-		-
3	PA & Local Use taxes	408.1		957	-	957
4	Social Security	408.1	D-32	5,655	196	5,851
5	FUTA	408.1	D-32	47	2	49
6	SUTA	408.1	D-32	413	14	427
7	PUC Assessment	408.1		3,540	-	3,540
8	Total			<u>\$ 11,368</u>	<u>\$ 212</u>	<u>\$ 11,580</u>

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Schedule D-32
Witness: S. F. Anzaldo
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Adjustment - Payroll Taxes

Line #	Description	[1] Account Number	[2] Test Year 9/30/21 Present Rates	[3] Pro Forma Adjustments	[4] Increase in Payroll Taxes
1	Total Payroll Charged to Expense		<u>\$ 82,705</u>	<u>\$ 2,864</u>	
2	FICA Expense		<u>5,655</u>		
3	FICA Expense - Percent	L 2 / L 1	<u>6.84%</u>	<u>6.84%</u>	
4	Pro Forma FICA Expense on Pro Forma S&W	[4] L 1 * L 3			\$ 196
5	FUTA Expense		<u>47</u>		
6	FUTA Expense - Percent	L 5 / L 1	<u>0.06%</u>	<u>0.06%</u>	
7	Pro Forma FUTA Expense on Pro Forma S&W	[4] L 1 * L 6			2
8	SUTA Expense		<u>413</u>		
9	SUTA Expense - Percent	L 8 / L 1	<u>0.50%</u>	<u>0.50%</u>	
10	Pro Forma SUTA Expense on Pro Forma S&W	[4] L 1 * L 9			14
11	Pro Forma Adjustment	Sum L 4 to L 10			<u>\$ 212</u>

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Schedule D-33
Witness: N. McKinney
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Line #	Description	[1] Factor Or Reference	[2] Element Or Amount	[3] Pro Forma Test Year At Present Rates	[4] Revenue Increase	[5] Pro Forma Test Year At Proposed Rates [3] + [4]
1	Revenue			\$ 876,291	\$ 74,551	\$ 950,842
2	Operating Expenses			<u>(692,044)</u>	<u>(1,153)</u>	<u>(693,197)</u>
3	OIBIT	L 1 + L 2		184,247	73,398	257,645
Interest Expense						
4	Rate Base	Sch A-1	2,616,719			
5	Weighted Cost of Debt	Sch B-7	<u>0.02110</u>			
6	Synchronized Interest Expense	L 4 * L 5		<u>(55,213)</u>	-	<u>(55,213)</u>
7	Base Taxable Income	L 3 + L 6		<u>129,034</u>	<u>73,398</u>	<u>202,432</u>
8	Total Tax Depreciation	Sch D-34	\$ 266,379			
9	Pro Forma Book Depreciation	Sch D-34	<u>117,384</u>			
10	State Tax Depreciation (Over) Under Book	L 9 - L 8		<u>(148,995)</u>		<u>(148,995)</u>
11	Other				-	-
12	State Taxable Income	Sum L 7 to L 11		<u>\$ (19,961)</u>	<u>\$ 73,398</u>	<u>\$ 53,437</u>
13	State Income Tax (Expense)/Refund	L 12 * Rate [2]	9.99%	\$ 1,994	\$ (7,333)	\$ (5,338)
14	Total Tax Depreciation	Sch D-34	\$ 237,435			
15	Pro Forma Book Depreciation	Sch D-34	<u>117,384</u>			
16	Federal Tax Deducts (Over) Under Book	L 14 - L 13		<u>(120,051)</u>	-	<u>(120,051)</u>
17	Other				-	-
18	Federal Taxable Income	L 7 + sum L 13 to L 17		<u>10,977</u>	<u>66,066</u>	<u>77,043</u>
19	Federal Income Tax (Expense)/Refund	-L 18 * Rate [2]	21.00%	<u>(2,305)</u>	<u>(13,874)</u>	<u>(16,179)</u>
20	Total Tax Expense before Deferred Income Tax	L 13 + L 19		<u>(311)</u>	<u>(21,207)</u>	<u>(21,517)</u>
Deferred Federal Income Taxes						
21	Total Straight Line Tax Depreciation	Sch D-34	\$ 111,826			
22	Total Tax Depreciation	Sch D-34	<u>229,212</u>			
23	Federal Tax Deducts (Over) Under Book	L 22 - L 21		<u>117,386</u>	-	<u>117,386</u>
24	Deferred Federal Taxable Income	L 23		<u>\$ 117,386</u>	<u>\$ -</u>	<u>\$ 117,386</u>
25	Federal Income Tax (Expense)/Refund	-L 24 * Rate [2]	Blended Rate ¹	<u>(21,472)</u>	-	<u>(21,472)</u>
Deferred State Income Taxes						
26	Repairs			(6,721)		(6,721)
27	CIAC			<u>(224)</u>		<u>(224)</u>
28	State Deferred Income Tax (Expense)/Refund			(6,945)	-	(6,945)
29	Net Income Tax Expense	L20 + L 25 + L28		<u>(28,728)</u>	<u>(21,207)</u>	<u>(49,934)</u>
Other Tax Adjustments						
30	ITC			318		318
31	Combined Income Tax Expense	L 29 + L 30		<u>\$ (28,410)</u>	<u>\$ (21,207)</u>	<u>\$ (49,616)</u>
32	Federal Income Tax Expense	L 19 + L 25 + L 30		\$ (23,459)	\$ (13,874)	\$ (37,333)
33	State Income Tax Expense	L 13 + L 28		<u>(4,951)</u>	<u>(7,333)</u>	<u>(12,283)</u>
34	Total Income Tax Expense	L 32 + L 33		<u>\$ (28,410)</u>	<u>\$ (21,207)</u>	<u>\$ (49,616)</u>

¹ Due to the 2018 Tax Cuts and Jobs Act, excess deferred income tax is now being flowed back to customers which results in a deferred tax rate other than 21%.

UGI Utilities, Inc. - Gas Division
Before the Pennsylvania Public Utility Commission
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(\$ in Thousands)

Schedule D-34
Witness: N. McKinney
Page 1 of 1

Tax Depreciation

Line #	Description	[1] Amount	[2] Amount	[3] Total
<u>Accelerated Tax Depreciation</u>				
1	Gas Plant		\$ 130,425	
2	Cost of Removal		8,223	
3	Repairs Tax Deduction		102,493	
4	Other Tax Basis Adjustments		<u>(3,706)</u>	
5	Total Federal Accelerated Tax Depreciation			<u>\$ 237,435</u>
6	Adjustment for PA Tax Depreciation - Bonus Decoupling		<u>28,944</u>	
7	Total State Accelerated Tax Depreciation			<u><u>\$266,379</u></u>
<u>Straight Line Tax Depreciation</u>				
8	Gas Plant		<u>\$ 111,826</u>	
9	Total Tax Depreciation			<u><u>\$ 111,826</u></u>
<u>Book Depreciation</u>				
10	Pro Forma Book Depreciation		\$ 111,826	
11	Net Salvage Amortization		7,851	
12	Depreciation Charged to Clearing Accounts	(7,166)		
13	Estimated Percent of Clearing Charged to CWIP	<u>32%</u>		
14	Depreciation Charged to CWIP		(2,293)	
15	Book Depreciation for Tax Calculation			<u><u>\$ 117,384</u></u>

UGI Utilities, Inc. - Gas Division
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Schedule D-35
Witness: S. F. Anzaldo
Page 1 of 1

Gross Revenue Conversion Factor

Line #	Description	[1] Reference Or Factor	[2] Tax Rate	[3] Factor
<u>GROSS REVENUE CONVERSION FACTOR</u>				
1	GROSS REVENUE FACTOR			1.000000
2	UNCOLLECTIBLE EXPENSES			<u>(0.015460)</u>
3	NET REVENUES	Sum L 1 to L 2		0.984540
4	STATE INCOME TAXES	[3] L 3 * Rate [2]	9.9900%	<u>(0.098356)</u>
5	FACTOR AFTER STATE TAXES	L 3 + L 4		0.886184
6	FEDERAL INCOME TAXES	[3] L 5 * Rate [2]	21.00%	<u>(0.186099)</u>
7	NET OPERATING INCOME FACTOR	L 5 + L 6		<u>0.700085</u>
8	GROSS REVENUE CONVERSION FACTOR	1 / L 7		<u>1.428398</u>
9	Combined Income Tax Factor On Gross Revenues	-L 4 - L 6		<u>28.446%</u>

INCOME TAX FACTOR

10	GROSS REVENUE FACTOR			1.000000
11	STATE INCOME TAXES	[3] L 10 * Rate [2]	9.9900%	<u>(0.099900)</u>
12	FACTOR AFTER STATE TAXES	L 10 + L 11		0.900100
13	FEDERAL INCOME TAXES	[3] L 12 * Rate [2]	21.00%	<u>(0.189021)</u>
14	NET OPERATING INCOME FACTOR	L 12 + L 13		0.711079
15	GROSS REVENUE CONVERSION FACTOR	1 / L 14		<u>1.406314</u>
16	Combined Income Tax Factor On Taxable Income	-L 11 - L 13		<u>28.892%</u>

UGI GAS EXHIBIT A – FUTURE

Future Period - 12 Months Ended September 30, 2020
(\$ in Thousands)
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	Description	Witness:
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<u>Schedule</u>		
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<u>Schedule</u>		
B-1	<u>Balance Sheet</u>	V. K. Ressler
B-2	<u>Statement of Net Utility Operating Income</u>	S. F. Anzaldo
B-3	<u>Statement of Operating Revenues</u>	S. F. Anzaldo
B-4	<u>Operation and Maintenance Expenses</u>	S. F. Anzaldo
B-5	<u>Detail of Taxes</u>	S. F. Anzaldo
B-6	<u>Composite Cost of Debt</u>	P. R. Moul
B-7	<u>Rate of Return</u>	P. R. Moul
	<u>SECTION C</u>	
<u>Schedule</u>		
C-1	<u>Measure of Value</u>	V. K. Ressler
C-2	<u>Pro Forma Gas Plant in Service</u> <u>Pro Forma Plant Adjustment Summary</u> <u>Pro Forma Year End Plant Balances</u> <u>Additions to Plant</u> <u>Retirements</u>	V. K. Ressler V. K. Ressler V. K. Ressler V. K. Ressler V. K. Ressler
C-3	<u>Accumulated Provision for Depreciation</u> <u>Summary of Accumulated Depreciation</u> <u>Accumulated Depreciation by FERC Account</u> <u>Cost of Removal</u> <u>Negative Net Salvage Amortization</u> <u>Salvage</u>	V. K. Ressler V. K. Ressler V. K. Ressler V. K. Ressler V. K. Ressler V. K. Ressler
C-4	<u>Working Capital</u> <u>Summary of Working Capital</u> <u>Revenue Lag</u> <u>Summary of Expense Lag Calculations</u> <u>General Disbursements Payment Lag Summary</u> <u>Commodity Purchases Payment Lag Summary</u> <u>Interest Payments</u> <u>Tax Payment Lag Calculations</u> <u>Prepaid Expenses</u>	V. K. Ressler V. K. Ressler V. K. Ressler V. K. Ressler V. K. Ressler V. K. Ressler V. K. Ressler V. K. Ressler V. K. Ressler
C-5	<u>Gas Inventory</u>	V. K. Ressler
C-6	<u>Accumulated Deferred Income Taxes</u>	N. M. McKinney
C-7	<u>Customer Deposits</u>	V. K. Ressler
C-8	<u>Materials & Supplies</u>	V. K. Ressler
C-9	<u>SCHEDULE NOT USED</u>	N/A

Future Period - 12 Months Ended September 30, 2020

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<u>Schedule</u>	<u>Description</u>	<u>Witness:</u>
<u>SECTION D</u>		
D-1	<u>Summary of Revenue and Expenses</u> Pro Forma with Proposed Revenue Increase	S. F. Anzaldo
D-2	<u>Summary of Pro Forma Revenue and Expense</u> Adjustments with Proposed Revenue Increase	S. F. Anzaldo
D-3	<u>Summary of Pro Forma Adjustments</u>	S. F. Anzaldo
D-4	<u>SCHEDULE NOT USED</u>	N/A
D-5	<u>Adjustment - Revenue Adjustments</u>	C. R. Brown
D-5A	<u>Adjustment - Test Year Revenue Changes</u>	C. R. Brown
D-5B	<u>SCHEDULE NOT USED</u>	N/A
D-6	<u>Adjustment - Gas Costs</u>	C. R. Brown
D-7	<u>Adjustment - Salaries & Wages</u>	S. F. Anzaldo
D-8	<u>SCHEDULE NOT USED</u>	N/A
D-9	<u>Adjustment - Salaries & Wages not included in Budget</u>	C. R. Brown
D-10	<u>SCHEDULE NOT USED</u>	N/A
D-11	<u>Adjustment - Uncollectibles</u>	V. K. Ressler
D-12	<u>SCHEDULE NOT USED</u>	N/A
D-13	<u>SCHEDULE NOT USED</u>	N/A
D-14	<u>SCHEDULE NOT USED</u>	N/A
D-15	<u>SCHEDULE NOT USED</u>	N/A
D-16	<u>Adjustment - Universal Service</u>	C. R. Brown
D-17	<u>SCHEDULE NOT USED</u>	N/A
D-18	<u>SCHEDULE NOT USED</u>	N/A
D-19	<u>Adjustment - Energy Efficiency and Conservation Programs</u>	C. R. Brown
D-21	<u>Adjustment - Depreciation expense</u>	J.F. Weidmayer
D-31	<u>Adjustment - Taxes Other Than Income Taxes</u>	S. F. Anzaldo
D-32	<u>Adjustment - Payroll Taxes</u>	S. F. Anzaldo
D-33	<u>Income Tax Calculation</u>	N. McKinney
D-34	<u>Tax Depreciation</u>	N. McKinney
D-35	<u>Gross Revenue Conversion Factor</u>	S. F. Anzaldo

UGI Utilities, Inc. - Gas Division
Before the Pennsylvania Public Utility Commission
Future Period - 12 Months Ended September 30, 2020
(\$ in Thousands)

Schedule A-1
Witness: S. F. Anzaldo
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, 2020 At Present Rates	[4] Increase	[5] Proposed Rates
<u>RATE BASE</u>						
1	Utility Plant		C-2	\$ 3,948,368		\$ 3,948,368
2	Accumulated Depreciation		C-3	(1,085,297)		(1,085,297)
3	Net Plant in service	L 1 + L 2		2,863,071	-	2,863,071
4	Working Capital		C-4	40,988		40,988
5	Gas Inventory		C-5	23,026		23,026
6	Accumulated Deferred Income Taxes		C-6	(594,320)		(594,320)
7	Customer Deposits		C-7	(22,290)		(22,290)
8	Materials & Supplies		C-8	14,601		14,601
9	TOTAL RATE BASE	Sum L 3 to L 8		\$ 2,325,076	\$ -	\$ 2,325,076
<u>OPERATING REVENUES AND EXPENSES</u>						
<u>Operating Revenues</u>						
10	Base Customer Charges		D-5	\$ 574,694	\$ 29,255	\$ 603,949
11	Gas Cost Revenue		D-5	283,086		283,086
12	Other Operating Revenues		D-5	6,297		6,297
13	Total Revenues	Sum L 10 to L 12		864,077	29,255	893,332
14	Operating Expenses		D	(664,040)	(452)	(664,492)
15	OIBIT	L 13 + L 14		200,037	28,803	228,840
16	Pro Forma Income Tax at Present Rates		D-33	(33,582)		(41,903)
17	Pro Forma Income Tax on Revenue Increase		D-33		(8,321)	(41,903)
18	NET OPERATING INCOME	Sum L 15 to L 17		\$ 166,455	\$ 20,481	\$ 186,937
19	RATE OF RETURN	L 18 / L 9		7.1591%		8.0400%
<u>REVENUE INCREASE REQUIRED</u>						
20	Rate of Return at Present Rates	L 19, Col 3		7.1591%		
21	Rate of Return Required		B-7	8.0400%		
22	Change in ROR	L 21 - L 20		0.8809%		
23	Change in Operating Income	L 22 * L 9		\$ 20,481		
24	Gross Revenue Conversion Factor		D-35	1.428398		
25	Change in Revenues	L 23 * L 24		\$ 29,255		
26	Percent Increase -- Delivery Revenues	L 25 / L 10, C 4			5.09%	
27	Percent Increase -- Total Revenues	L 25 / L 13, C 4			3.39%	

UGI Utilities, Inc. - Gas Division
Before the Pennsylvania Public Utility Commission
Future Period - 12 Months Ended September 30, 2020
(\$ in Thousands)

Schedule B-1
Witness: V. K. Ressler
Page 1 of 2

Balance Sheet

[1]

Line No	Description/(Account No)	Budget TYE 9-30-20
	UTILITY PLANT (101 - 106, 108)	
1	Gas Utility Plant	\$ 3,970,588
2	Other Utility Plant	-
3	Total Plant In Service	<u>3,970,588</u>
4	Construction Work In Progress (107)	-
5	Total Utility Plant	<u>3,970,588</u>
6	Accumulated Provision for Depreciation - Gas (108)	(1,126,815)
7	Utility Acquisition Adjustment (114)	165,115
8	Accumulated Provision for Depreciation - Other (119)	-
9	Net Utility Plant	<u>3,008,888</u>
	OTHER PROPERTY INVESTMENTS	
10	Non-utility Property (121)	-
11	Accumulated Depreciation on NUP (122)	-
12	Investment in Associated & Subsidiary Companies (123.1)	-
13	Other Investments (124)	<u>68</u>
14	Total Other Property and Investments	68
	CURRENT AND ACCRUED ASSETS	
15	Cash & Other Temporary Investments(131-136)	9,237
16	Unbilled Revenues	-
17	Customer Accounts Receivable (142)	65,701
18	Other Accounts Receivable (143)	4,503
19	Accum Provision for Uncollectible (144)	(6,610)
20	Receivables from Associated Companies (145)	-
21	Accounts Receivable Assoc. Comp. (146)	2,060
22	Plant Materials & Operating Supplies (154)	11,873
23	Stores Expense - Undistributed (163)	1,839
24	Gas Stored - Current (164.1)	27,600
25	Liquefied Natural Gas stored (164.2)	-
26	Prepayments (165)	8,164
27	Accrued Utility Revenues (173)	13,903
28	Miscellaneous Current & Accrued Assets (174)	1,736
29	Derivative Instrument Assets (175)	<u>839</u>
30	Total Current and Accrued Assets	140,845
	DEFERRED DEBITS	
31	Unamortized Debt Expense (181)	3,859
32	Other Regulatory Assets (182.3)	340,270
33	Other Preliminary Survey & Investigation Charges (183.2)	5,954
34	Clearing Accounts (184)	35
35	Miscellaneous Deferred Debits (186)	12,125
36	Unamortized Loss on Reacquired Debt (189)	-
37	Accumulated Deferred Income Taxes (190)	-
38	O/U Collected Gas (191.4, 191.41)	(290)
39	Total Deferred Debits	<u>361,953</u>
40	TOTAL ASSETS AND OTHER DEBITS	<u>\$ 3,511,754</u>

UGI Utilities, Inc. - Gas Division
Before the Pennsylvania Public Utility Commission
Future Period - 12 Months Ended September 30, 2020
(\$ in Thousands)

Schedule **B-1**
Witness: **V. K. Ressler**
Page 2 of 2

Balance Sheet

[1]

Line No	Description/(Account No)	Budget TYE 9-30-20
	PROPRIETARY CAPITAL	
41	Common Stock Issued (201)	\$ -
42	Preferred Stock Issued (204)	-
43	Premium on Capital Stock (207)	483,925
44	Capital Stock Expense (214)	-
45	Retained Earnings (215, 215.2, 216)	725,307
46	Accum Other Comprehensive Income (219)	<u>(20,378)</u>
47	Total Proprietary Capital	1,188,854
	LONG TERM DEBT	
48	Bonds (221)	-
49	Advances from Associated Companies (223)	-
50	Other Long-Term Debt (224)	1,012,164
51	Unamortized Premium on LTD (225)	-
52	Unamortized Discount on LTD (226)	-
53	Total Long-term Debt	<u>1,012,164</u>
	OTHER NON-CURRENT LIABILITIES	
54	Obligations under Capital Leases (227)	2,342
55	Accum. Prov for Injuries & Damages (228.2)	2,068
56	Accum. Prov for Pensions & Benefits (228.3)	110,092
57	Accum. Miscellaneous Operating Prov (228.4)	52,372
58	Asset Retirement Obligation (230)	100
59	Total Non-Current Liabilities	<u>166,974</u>
	CURRENT & ACCRUED LIABILITIES	
60	Notes Payable (231)	187,991
61	Accounts Payable (232)	84,037
62	Notes Payable to Assoc. Companies (233)	-
63	Accounts Payable to Assoc. Cos (234)	14,720
64	Customer Deposits (235)	31,980
65	Taxes Accrued (236)	1,421
66	Interest Accrued (237)	17,457
67	Tax Collections Payable (241)	-
68	Accrued Interest on Other Liabilities (237)	-
69	Misc Current & Accrued Liabilities (242)	37,921
70	Derivative Instrument Liabilities (244)	6,625
71	Total Current & Accrued Liabilities	<u>382,152</u>
	OTHER DEFERRED CREDITS	
72	Customer Advances for Construction (252)	-
73	Other Deferred Credits (253)	18,661
74	Other Regulatory Liabilities (254)	312,821
75	Deferred ITC (255)	2,169
76	Accumulated Deferred Income Taxes (282)	427,959
77	Accumulated Deferred Income Taxes (283)	-
78	Total Other Deferred Credits	<u>761,610</u>
79	TOTAL LIABILITIES & OTHER CREDITS	<u>\$ 3,511,754</u>

UGI Utilities, Inc. - Gas Division
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(\$ in Thousands)

Schedule B-2
Witness: S. F. Anzaldo
Page 1 of 1

Statement of Net Utility Operating Income

Line No	Description	Budget TYE 9-30-20	Reference
		[1]	[2]
	Total Operating Revenues		
1	Total Sales Revenues	\$ 909,411	B-3
2	Other Operating Revenues	6,297	B-3
3	Total Revenues	915,708	
	Total Operating Expenses		
4	Operation & Maintenance Expenses	586,085	B-4 & D-2
5	Depreciation & Amortization Expense	96,193	D-2
6	Taxes Other Than Income Taxes	10,873	B-5
7	Total Operating Expenses	693,151	
8	Operating Income Before Income Taxes (OIBIT)	222,557	
	Income Taxes:		
9	State	5,077	B-5
10	Federal	28,823	B-5
11	Total Income Taxes	33,900	
12	Net Utility Operating Income	\$ 188,657	

UGI Utilities, Inc. - Gas Division
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Schedule B-3
Witness: S. F. Anzaldo
Page 1 of 1

Statement of Operating Revenues

[1]

Line No	Description	Budget TYE 9-30-20
Gas Operating Revenues		
1	Residential (R/RT) (480)	\$ 556,594
2	Comm & Ind (N/NT) (481)	222,860
3	Comm & Ind (DS) (489)	33,842
4	Lg Transport/Other (489)	71,712
5	Interruptible (489)	<u>24,403</u>
6	Sub-Total Gas Operating Revenues	909,411
Other Operating Revenues		
7	Forfeited Discounts (487)	5,018
8	Miscellaneous Service Revenues (488)	924
9	Rent from Gas Properties (493)	308
10	Other Revenues (495)	<u>47</u>
11	Sub-Total Other Operating Revenues	<u>6,297</u>
12	Total Operating Revenues	<u><u>\$ 915,708</u></u>

UGI Utilities, Inc. - Gas Division
 Before the Pennsylvania Public Utility Commission
 Future Period - 12 Months Ended September 30, 2020
 (\$ in Thousands)

Schedule B-4
 Witness: S. F. Anzaldo
 Page 1 of 3

Operation and Maintenance Expenses

Line No	Description	Account No	[1] Budget TYE 9-30-20
Gas Raw Materials			
1	Liquefied Petroleum Gas Expenses	717	\$ -
2	Miscellaneous Production Expenses	735	5,844
3	Total Gas Raw Materials Expenses		<u>5,844</u>
Production and Gathering - Operations			
4	Operating Supervision and Engineering	750	-
5	Production Maps and Records	751	-
6	Gas Wells Expenses	752	-
7	Field Lines Expenses	753	-
8	Gas Well Royalties	758	-
9	Other Expenses	759	-
10	Total Production & Gathering Operation Expenses		<u>-</u>
Production and Gathering - Maintenance			
11	Maintenance of Producing Gas Wells	763	-
12	Maintenance of Field Lines	764	-
13	Maintenance of Field Measuring and Reg. Station Equip.	766	-
14	Gas Supply Operation Expenses		<u>-</u>
Other Gas Supply Expense - Operations			
15	Natural Gas City Gate Purchases	804.0	300,855
16	Other Gas Purchases	805.0	743
17	Purchases Gas Cost Adjustments	805.1	(34,713)
18	Gas Withdrawn from Storage-Debit	808.1	33,780
19	Purchased Gas Expenses	807.0	-
20	Gas Used for Other Utility Operations-Credit	812.0	(836)
21	Gas Delivered to Storage-Credit	808.2	10,942
22	Other Gas Supply Expenses	813.0	16,491
23	Gas Supply Operation Expenses		<u>327,262</u>
Underground Storage Expense - Operation			
24	Operation Supervision and Engineering	814	-
25	Maps and Records	815	-
26	Wells Expenses	816	-
27	Lines Expenses	817	-
28	Measuring and Regulating Station Expenses	820	-
29	Purification Expenses	821	-
30	Gas Losses	823	-
31	Other Expenses	824	-
32	Total Underground Storage Expenses		<u>-</u>
Underground Storage Expense - Maintenance			
33	Maintenance Supervision and Engineering	830	-
34	Maintenance of Structures and Improvements	831	-
35	Maintenance of Reservoirs and Wells	832	-
36	Maintenance of Lines	833	-
37	Maintenance of Measuring & Regulating Station Equip.	835	-
38	Total Underground Maintenance Expenses		<u>-</u>

UGI Utilities, Inc. - Gas Division
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(\$ in Thousands)

Schedule B-4
Witness: S. F. Anzaldo
Page 2 of 3

Operation and Maintenance Expenses

Line No	Description	Account No	[1] Budget TYE 9-30-20
Transmission Expense - Operations			
39	Operating Supervision and Engineering	850	-
40	System Control and Load Dispatching	851	-
41	Communication System Expenses	852	-
42	Mains Expenses	856	-
43	Measuring and Regulating Station Expenses	857	-
44	Other Expenses	859	-
45	Total Transmission Operation Expenses		-
Transmission Expense - Maintenance			
46	Maintenance Supervision and Engineering	861	-
47	Maintenance of Structures and Improvements	862	-
48	Maintenance of Mains	863	-
49	Maintenance of Measuring and Regulating Station Equip.	865	-
50	Maintenance of Communication Equipment	866	-
51	Total Transmission Maintenance Expenses		-
Distribution Expense - Operations			
52	Operation Supervision and Engineering	870	12,719
53	Distribution Load Dispatching	871	2,084
54	Compressor Station Fuel and Power (Major Only)	873	-
55	Mains and Services Expenses	874	24,716
56	Measuring and Regulating Station Expenses-General	875	2,059
57	Measuring and Regulating Station Expenses-Industrial	876	266
58	Measuring and Regulating Station Expenses-City Gate	877	1,045
59	Meter and House Regulator Expenses	878	3,582
60	Customer Installations Expenses	879	2,574
61	Other Expenses	880	4,441
62	Rents	881	237
63	Total Distribution Operation Expenses		53,723
Distribution Expense - Maintenance			
64	Maintenance Supervision and Engineering	885	3,681
65	Maintenance of Structures and Improvements	886	396
66	Maintenance of Mains	887	16,099
67	Maintenance of Compressor Station Equipment	888	59
68	Maintenance of Measuring & Reg. Station Equip.-Genl.	889	1,545
69	Maintenance of Measuring & Reg. Station Equip.-Indtrl.	890	311
70	Maintenance of Measuring & Reg. Station Equip.-City G	891	770
71	Maintenance of Services	892	2,069
72	Maintenance of Meters & House Regulators	893	1,124
73	Maintenance of Other Equipment	894	565
74	Construction & Maintenance	895	-
75	Total Distribution Maintenance Expenses		26,619
Customer Accounts Expense - Operations			
76	Supervision	901	383
77	Meter Reading Expenses	902	2,675
78	Customer Records & Collection Expenses	903	28,758
79	Uncollectable Accounts	904	10,231
80	Miscellaneous Customer Accounts Expenses	905	2,013
81	Total Administrative & General		44,060

UGI Utilities, Inc. - Gas Division
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Schedule B-4
Witness: S. F. Anzaldo
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Operation and Maintenance Expenses

Line No	Description	Account No	[1] Budget TYE 9-30-20
Customer Service & Information Expense			
82	Supervision	907	216
83	Customer Assistance Expenses	908	1,527
84	Informational & Instructional Advertising Expenses	909	1,296
85	Miscellaneous Customer Service & Informational Exp.	910	8,348
86	Total Cust. Service & Inform. Operations Exp		11,387
87	Description		
Sales Expense			
88	Supervision	911	113
89	Demonstrating and Selling Expenses	912	1,948
90	Advertising Expenses	913	968
91	Miscellaneous Sales Expenses	916	205
92	Total Operation Sales Expenses		3,234
Administrative & General - Operations			
93	Administrative and General Salaries	920.0	21,521
94	Office Supplies and Expenses	921.0	25,414
95	Outside Service Employed	923.0	21,053
96	Property Insurance	924.0	265
97	Injuries and Damages	925.0	10,142
98	Employee Pensions and Benefits	926.0	24,839
99	Regulatory Commission Expenses	928.0	600
100	General Advertising Expenses	930.1	866
101	Miscellaneous General Expenses	930.2	4,687
102	Rents	931.0	254
103	Total A & G Operation Expenses		109,641
Administrative & General - Maintenance			
104	A&G Maintenance of General Plant	932	3,113
105	A&G Maintenance of General Plant	935	1,206
106	Total A & G Maintenance Expenses		4,319
107	TOTAL OPERATION & MAINTENANCE EXPENSE		\$ 586,089
108	Total Gas Operation Expenses		555,151
109	Total Gas Maintenance Expense		30,938
110	TOTAL OPERATION & MAINTENANCE EXPENSE		\$ 586,089

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Schedule B-5
Witness: S. F. Anzaldo
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Detail of Taxes

[1]

Line No	Description	Reference	Budget TYE 9-30-20
Taxes Other Than Income Taxes			
Non-revenue related:			
1	Pennsylvania - PURTA	D-31	\$ 755
2	Capital Stock	D-31	-
3	PA and Local Use taxes	D-31	741
4	PUC Assessment	D-31	3,540
5	Subtotal		<u>5,036</u>
Payroll Taxes			
6	FICA	D-31	5,380
7	SUTA	D-31	410
8	FUTA	D-31	47
9	Other		-
10	Subtotal		<u>5,837</u>
11	Total Taxes Other Than Income Taxes		<u>\$ 10,873</u>
Income Taxes			
12	State		\$ 5,077
13	Federal		28,823
14	Total Income Taxes		<u>\$ 33,900</u>

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Schedule B-6
Witness: P. R. Moul
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Composite Cost of Debt

Line No	Description	[1] Amount Outstanding	[2] Percent to Total	[3] Effective Interest Rate	[4] Average Weighted Cost Rate [2] * [3]
Medium Term Notes					
1	6.500% Due 8/15/2033	\$ 20,000	1.78%	6.56%	0.12%
2	6.133% Due 10/15/2034	20,000	1.78%	6.19%	0.11%
Senior Unsecured Notes					
3	6.206% Due 9/30/2036	100,000	8.91%	6.32%	0.56%
4	4.980% Due 3/26/2044	175,000	15.59%	5.00%	0.78%
5	2.950% Due 6/30/2026	100,000	8.91%	3.92%	0.35%
6	4.120% Due 9/30/2046	200,000	17.81%	5.01%	0.89%
7	4.120% Due 10/31/2046	100,000	8.91%	4.28%	0.38%
8	2.998% Due 10/31/2022	107,813	9.60%	3.11%	0.30%
9	4.550% Due 02/01/2049	150,000	13.36%	4.58%	0.61%
10	3.770% Due 10/31/2049	150,000	13.36%	3.73%	0.50%
11	Total Long-Term Debt	\$ 1,122,813	<u>100.00%</u>		<u>4.60%</u>
12	Total Long-Term Debt	\$ 1,122,813	100.00%	4.60%	4.60%
13	Total Short-Term Debt		0.00%		0.00%
14	TOTAL	<u>\$ 1,122,813</u>	<u>100.00%</u>		
15	Weighted Cost of Debt				<u>4.60%</u>

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Schedule B-7
Witness: P. R. Moul
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Rate of Return

[1] [2] [3] [4]

<u>Line No</u>	<u>Description</u>	<u>Capitalization Ratio</u>	<u>Embedded Cost</u>	<u>Statement Reference</u>	<u>Return-%</u>
1	Long-Term Debt	45.80%	4.60%	B-6	2.11%
2	Short-Term Debt	0.00%	0.00%	B-6	0.00%
3	Common Equity	<u>54.20%</u>	10.95%		<u>5.93%</u>
4	Total	<u><u>100.00%</u></u>			<u><u>8.04%</u></u>

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Schedule C-1
Witness: V. K. Ressler
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Measure of Value

Line #	Description	[1]	[2]	[3]	[4]	[5]
		Reference Schedule	# of Pages	Pro Forma Test Year Ended September 30, 2020 At Present Rates	Adjustments	Proposed Rates
<u>MEASURE OF VALUE</u>						
1	Utility Plant	C-2	9	\$ 3,948,368		\$ 3,948,368
2	Accumulated Depreciation	C-3	11	(1,085,297)		(1,085,297)
3	Net Plant in service			2,863,071	-	2,863,071
4	Working Capital	C-4	9	40,988		40,988
5	Gas Inventory	C-5	1	23,026		23,026
6	Accumulated Deferred Income Taxes	C-6	1	(594,320)		(594,320)
7	Customer Deposits	C-7	1	(22,290)		(22,290)
8	Materials & Supplies	C-8	1	14,601		14,601
9	TOTAL MEASURE OF VALUE			<u>\$ 2,325,076</u>	<u>\$ -</u>	<u>\$ 2,325,076</u>

Pro Forma Gas Plant in Service

Line No	Description	[1] Account No	[2] Pro Forma FTY 9-30-20
INTANGIBLE PLANT			
1	Organization	301	\$ 289
2	Franchise & Consent	302	194
3	Miscellaneous Intangible Plant	303	290
4	TOTAL INTANGIBLE		<u>773</u>
NATURAL GAS PRODUCTION & GATHERING			
5	Producing Lands	325	13
6	Producing Leaseholds	325	163
7	Rights of Way	325	30
8	Other Land Rights	326	1
9	Field Measuring & Regulating Station Structures	328	1
10	Other Structures	329	45
11	Producing Gas Wells-Well Construction	330	18
12	Producing Gas Wells-Well Equipment	331	24
13	Field Lines	332	751
14	Field Measuring & Reg. Station Equipment	334	90
15	Drilling & Cleaning Equipment	335	50
16	Other Equipment	337	11
17	TOTAL PRODUCTION & GATHERING		<u>1,197</u>
NATURAL GAS STORAGE & PROCESSING PLANT			
18	Land & Land Rights	304	382
19	Production Plant-Manufactured Gas Plants	305	-
20	Land	350	-
21	Rights of Way	350	-
22	Structures & Improvements	351	-
23	Wells	352	-
24	Lines	353	-
25	Compressor Station Equipment	354	-
26	Measuring & Regulating Equipment	355	-
27	Purification Equipment	356	-
28	Other Equipment	357	-
29	TOTAL STORAGE & PROCESSING		<u>382</u>

Pro Forma Gas Plant in Service

Line No	Description	[1] Account No	[2] Pro Forma FTY 9-30-20
TRANSMISSION PLANT			
30	Land & Land Rights	365.1	\$ 47
31	Rights of Way	365.2	868
32	Structures & Improvements	366	248
33	Mains	367	38,518
34	Measuring & Regulating Station Equipment	369	6,170
35	Communication Equipment	370	3,486
36	Other Equipment	371	351
37	TOTAL TRANSMISSION		<u>49,688</u>
DISTRIBUTION PLANT			
38	Land & Land Rights	374	11,289
39	Structures & Improvements	375	5,326
40	Mains	376	1,866,968
41	Measuring & Regulating Station Equipment	378	110,410
42	Measuring & Regulating Station Equipment	379	20,527
43	Services	380	1,139,333
44	Meters	381	152,317
45	Meter Installations	382	95,716
46	House Regulators	383	10,031
47	House Regulatory Installations	384	19,087
48	Industrial Measuring & Reg. Station Equipment	385	35,149
49	Other Property	386	1,316
50	Other Equipment	387	6,185
51	TOTAL DISTRIBUTION		<u>3,473,654</u>
GENERAL PLANT			
52	Land & Land Rights	389	9,418
53	Structures & Improvements	390	131,860
54	Office Furniture & Equipment	391	209,355
55	Transportation Equipment	392	29,923
56	Stores Equipment	393	21
57	Tools & Garage Equipment	394	30,000
58	Laboratory Equipment	395	438
59	Power Operated Equipment	396	5,012
60	Communication Equipment	397	917
61	Miscellaneous Equipment	398	5,730
62	Other Tangible Property	399	-
63	TOTAL GENERAL		<u>422,674</u>
64	Total Plant		<u>\$ 3,948,368</u>

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Schedule C-2
 Witness: V. K. Ressler
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Pro Forma Plant Adjustment Summary

Line #	Description	[1] Factor Or Reference	[2] Test Year 9/30/20 Budget	[3] Adjustments	[4] Pro Forma Test Year [2] + [3]
1	Intangible Plant	Sch C-2, Pg 4	\$ 773	\$ -	\$ 773
2	Natural Gas Production & Gathering	Sch C-2, Pg 4	1,197	-	1,197
3	Natural Gas Storage & Processing Plant	Sch C-2, Pg 4	382	-	382
4	Transmission Plant	Sch C-2, Page 5	49,688	-	49,688
5	Distribution Plant	Sch C-2, Page 5	3,473,654	-	3,473,654
6	General Plant	Sch C-2, Page 5	422,674	-	422,674
7	Other Plant		-	-	-
8	Total Utility Plant		<u>\$ 3,948,368</u>	<u>\$ -</u>	<u>\$ 3,948,368</u>

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Pro Forma Year End Plant Balances

Line #	Description	[1] Account Number	[2] Year Ended September 30, 2019	[3] September 30, 2020	[4] Pro Forma Adjustment	[5] Balance
INTANGIBLE PLANT						
1	Organization	301	\$ 289	\$ 289		\$ 289
2	Franchise & Consent	302	194	194		194
3	Miscellaneous Intangible Plant	303	290	290		290
4	TOTAL INTANGIBLE		<u>773</u>	<u>773</u>	<u>-</u>	<u>773</u>
NATURAL GAS PRODUCTION & GATHERING						
5	Producing Lands	325.1	13	13	-	13
6	Producing Leaseholds	325.2	163	163	-	163
7	Rights of Way	325.4	30	30	-	30
8	Other Land Rights	325.5	1	1	-	1
9	Field Measuring & Regulating Station Structures	328	1	1	-	1
10	Other Structures	329	45	45	-	45
11	Producing Gas Wells-Well Construction	330	18	18	-	18
12	Producing Gas Wells-Well Equipment	331	24	24	-	24
13	Field Lines	332	751	751	-	751
14	Field Measuring & Reg. Station Equipment	334	90	90	-	90
15	Drilling & Cleaning Equipment	335	50	50	-	50
16	Other Equipment	337	11	11	-	11
17	TOTAL PRODUCTION & GATHERING		<u>1,197</u>	<u>1,197</u>	<u>-</u>	<u>1,197</u>
NATURAL GAS STORAGE & PROCESSING PLANT						
18	Land & Land Rights	304	382	382	-	382
19	Production Plant-Manufactured Gas Plants	305	-	-	-	-
20	Land	350.1	-	-	-	-
21	Rights of Way	350.2	-	-	-	-
22	Structures & Improvements	351	-	-	-	-
23	Wells	352	-	-	-	-
24	Lines	353	-	-	-	-
25	Compressor Station Equipment	354	-	-	-	-
26	Measuring & Regulating Equipment	355	-	-	-	-
27	Purification Equipment	356	-	-	-	-
28	Other Equipment	357	-	-	-	-
29	TOTAL STORAGE & PROCESSING		<u>382</u>	<u>382</u>	<u>-</u>	<u>382</u>

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Pro Forma Year End Plant Balances

Line #	Description	[1] Account Number	[2] Year Ended September 30, 2019	[3] 2020	[4] Pro Forma Adjustment	[5] Balance
TRANSMISSION PLANT						
30	Land & Land Rights	365.1	47	47	-	47
31	Rights of Way	365.2	868	868	-	868
32	Structures & Improvements	366	248	248	-	248
33	Mains	367	38,518	38,518	-	38,518
34	Measuring & Regulating Station Equipment	369	6,170	6,170	-	6,170
35	Communication Equipment	370	3,486	3,486	-	3,486
36	Other Equipment	371	351	351	-	351
37	TOTAL TRANSMISSION		<u>49,688</u>	<u>49,688</u>	<u>-</u>	<u>49,688</u>
DISTRIBUTION PLANT						
38	Land & Land Rights	374	11,289	11,289		11,289
39	Structures & Improvements	375	5,326	5,326		5,326
40	Mains	376	1,675,202	1,866,968		1,866,968
41	Measuring & Regulating Station Equipment	378	94,154	110,410		110,410
42	Measuring & Regulating Station Equipment	379	20,527	20,527		20,527
43	Services	380	1,096,356	1,139,333		1,139,333
44	Meters	381	144,981	152,317		152,317
45	Meter Installations	382	88,145	95,716		95,716
46	House Regulators	383	10,031	10,031		10,031
47	House Regulatory Installations	384	18,140	19,087		19,087
48	Industrial Measuring & Reg. Station Equipment	385	34,899	35,149		35,149
49	Other Property	386	1,316	1,316		1,316
50	Other Equipment	387	6,185	6,185		6,185
51	TOTAL DISTRIBUTION		<u>3,206,551</u>	<u>3,473,654</u>	<u>-</u>	<u>3,473,654</u>
GENERAL PLANT						
52	Land & Land Rights	389	9,418	9,418		9,418
53	Structures & Improvements	390	95,146	131,860		131,860
54	Office Furniture & Equipment	391	193,939	209,355		209,355
55	Transportation Equipment	392	28,185	29,923		29,923
56	Stores Equipment	393	21	21		21
57	Tools & Garage Equipment	394	27,265	30,000		30,000
58	Laboratory Equipment	395	438	438		438
59	Power Operated Equipment	396	3,426	5,012		5,012
60	Communication Equipment	397	2,100	917		917
61	Miscellaneous Equipment	398	2,178	5,730		5,730
62	Other Tangible Property	399	16	-		-
63	TOTAL GENERAL		<u>362,132</u>	<u>422,674</u>	<u>-</u>	<u>422,674</u>
64	Total Plant		<u>\$ 3,620,723</u>	<u>\$ 3,948,368</u>	<u>\$ -</u>	<u>\$ 3,948,368</u>

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Additions to Plant

Line #	Description	[1] Account Number	[2] Year ended September 30, 2019	[3] 2020
Plant Additions				
<u>INTANGIBLE PLANT</u>				
1	Organization	301	\$ -	\$ -
2	Franchise & Consent	302	-	-
3	Miscellaneous Intangible Plant	303	-	-
4	TOTAL INTANGIBLE		-	-
<u>NATURAL GAS PRODUCTION & GATHERING</u>				
5	Producing Lands	325.1	-	-
6	Producing Leaseholds	325.2	-	-
7	Rights of Way	325.4	-	-
8	Other Land Rights	325.5	-	-
9	Field Measuring & Regulating Station Structures	328	-	-
10	Other Structures	329	-	-
11	Producing Gas Wells-Well Construction	330	-	-
12	Producing Gas Wells-Well Equipment	331	-	-
13	Field Lines	332	-	-
14	Field Measuring & Reg. Station Equipment	334	-	-
15	Drilling & Cleaning Equipment	335	-	-
16	Other Equipment	337	-	-
17	TOTAL PRODUCTION & GATHERING		-	-
<u>NATURAL GAS STORAGE & PROCESSING PLANT</u>				
18	Land & Land Rights	304	-	-
19	Production Plant-Manufactured Gas Plants	305	-	-
20	Land	350.1	-	-
21	Rights of Way	350.2	-	-
22	Structures & Improvements	351	-	-
23	Wells	352	-	-
24	Lines	353	-	-
25	Compressor Station Equipment	354	-	-
26	Measuring & Regulating Equipment	355	-	-
27	Purification Equipment	356	-	-
28	Other Equipment	357	31	-
29	TOTAL STORAGE & PROCESSING		31	-

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Additions to Plant

Line #	Description	[1] Account Number	[2] Year ended September 30, 2019	[3] 2020
TRANSMISSION PLANT				
30	Land & Land Rights	365.1	-	-
31	Rights of Way	365.2	-	-
32	Structures & Improvements	366	97	-
33	Mains	367	-	-
34	Measuring & Regulating Station Equipment	369	22	-
35	Communication Equipment	370	-	-
36	Other Equipment	371	-	-
37	TOTAL TRANSMISSION		<u>119</u>	<u>-</u>
DISTRIBUTION PLANT				
38	Land & Land Rights	374	853	-
39	Structures & Improvements	375	27	-
40	Mains	376	134,861	198,297
41	Measuring & Regulating Station Equipment	378	10,634	17,642
42	Measuring & Regulating Station Equipment	379	301	-
43	Services	380	91,720	47,639
44	Meters	381	11,320	8,425
45	Meter Installations	382	4,138	7,723
46	House Regulators	383	145	-
47	House Regulatory Installations	384	724	1,050
48	Industrial Measuring & Reg. Station Equipment	385	1,801	250
49	Other Property	386	1	-
50	Other Equipment	387	628	-
51	TOTAL DISTRIBUTION		<u>257,153</u>	<u>281,026</u>
GENERAL PLANT				
52	Land & Land Rights	389	-	-
53	Structures & Improvements	390	32,170	37,602
54	Office Furniture & Equipment	391	68,473	32,721
55	Transportation Equipment	392	12,151	6,304
56	Stores Equipment	393	-	-
57	Tools & Garage Equipment	394	2,745	3,851
58	Laboratory Equipment	395	7	-
59	Power Operated Equipment	396	134	238
60	Communication Equipment	397	34	-
61	Miscellaneous Equipment	398	33	3,553
62	Other Tangible Property	399	-	-
63	TOTAL GENERAL		<u>115,747</u>	<u>84,269</u>
64	Total Plant		<u>\$ 373,050</u>	<u>\$ 365,295</u>

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Retirements

Line #	Description	[1] Account Number	[2] Year Ended September 30, 2019	[3] 2020
<u>INTANGIBLE PLANT</u>				
1	Organization	301	\$ -	\$ -
2	Franchise & Consent	302	-	-
3	Miscellaneous Intangible Plant	303	-	-
4	TOTAL INTANGIBLE		-	-
<u>NATURAL GAS PRODUCTION & GATHERING</u>				
5	Producing Lands	325.1	-	-
6	Producing Leaseholds	325.2	-	-
7	Rights of Way	325.4	-	-
8	Other Land Rights	325.5	-	-
9	Field Measuring & Regulating Station Structures	328	-	-
10	Other Structures	329	-	-
11	Producing Gas Wells-Well Construction	330	-	-
12	Producing Gas Wells-Well Equipment	331	-	-
13	Field Lines	332	-	-
14	Field Measuring & Reg. Station Equipment	334	-	-
15	Drilling & Cleaning Equipment	335	-	-
16	Other Equipment	337	-	-
17	TOTAL PRODUCTION & GATHERING		-	-
<u>NATURAL GAS STORAGE & PROCESSING PLANT</u>				
18	Land & Land Rights	304	-	-
19	Production Plant-Manufactured Gas Plants	305	-	-
20	Land	350.1	-	-
21	Rights of Way	350.2	-	-
22	Structures & Improvements	351	-	-
23	Wells	352	-	-
24	Lines	353	-	-
25	Compressor Station Equipment	354	-	-
26	Measuring & Regulating Equipment	355	-	-
27	Purification Equipment	356	-	-
28	Other Equipment	357	-	-
29	TOTAL STORAGE & PROCESSING		-	-

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Retirements

Line #	Description	[1] Account Number	[2] Year Ended September 30, 2019	[3] 2020
TRANSMISSION PLANT				
30	Land & Land Rights	365.1	-	-
31	Rights of Way	365.2	-	-
32	Structures & Improvements	366	-	-
33	Mains	367	-	-
34	Measuring & Regulating Station Equipment	369	-	-
35	Communication Equipment	370	-	-
36	Other Equipment	371	-	-
37	TOTAL TRANSMISSION		-	-
DISTRIBUTION PLANT				
38	Land & Land Rights	374	-	-
39	Structures & Improvements	375	-	-
40	Mains	376	2,599	6,532
41	Measuring & Regulating Station Equipment	378	159	1,386
42	Measuring & Regulating Station Equipment	379	232	-
43	Services	380	8,211	4,662
44	Meters	381	1,091	1,089
45	Meter Installations	382	73	152
46	House Regulators	383	-	-
47	House Regulatory Installations	384	-	103
48	Industrial Measuring & Reg. Station Equipment	385	-	-
49	Other Property	386	-	-
50	Other Equipment	387	-	-
51	TOTAL DISTRIBUTION		12,365	13,924
GENERAL PLANT				
52	Land & Land Rights	389	-	-
53	Structures & Improvements	390	-	888
54	Office Furniture & Equipment	391	4,793	17,305
55	Transportation Equipment	392	7,979	3,219
56	Stores Equipment	393	1	-
57	Tools & Garage Equipment	394	610	1,116
58	Laboratory Equipment	395	-	-
59	Power Operated Equipment	396	-	-
60	Communication Equipment	397	112	1,183
61	Miscellaneous Equipment	398	76	1
62	Other Tangible Property	399	-	16
63	TOTAL GENERAL		13,571	23,728
64	Total Plant		\$ 25,936	\$ 37,652

UGI Utilities, Inc. - Gas Division
Before the Pennsylvania Public Utility Commission
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Accumulated Provision for Depreciation

Line No	Description	[1] Account No	[2] Pro Forma FTY 9-30-20
INTANGIBLE PLANT			
1	Organization	301	\$ -
2	Franchise & Consent	302	-
3	Miscellaneous Intangible Plant	303	-
4	TOTAL INTANGIBLE		-
NATURAL GAS PRODUCTION & GATHERING			
5	Producing Lands	325	-
6	Producing Leaseholds	325	162
7	Rights of Way	325	30
8	Other Land Rights	326	-
9	Field Measuring & Regulating Station Structures	328	1
10	Other Structures	329	45
11	Producing Gas Wells-Well Construction	330	18
12	Producing Gas Wells-Well Equipment	331	24
13	Field Lines	332	725
14	Field Measuring & Reg. Station Equipment	334	79
15	Drilling & Cleaning Equipment	335	49
16	Other Equipment	337	11
17	TOTAL PRODUCTION & GATHERING		1,144
NATURAL GAS STORAGE & PROCESSING PLANT			
18	Land & Land Rights	304	-
19	Production Plant-Manufactured Gas Plants	305	(225)
20	Land	350	-
21	Rights of Way	350	-
22	Structures & Improvements	351	-
23	Wells	352	(36)
24	Lines	353	-
25	Compressor Station Equipment	354	-
26	Measuring & Regulating Equipment	355	-
27	Purification Equipment	356	-
28	Other Equipment	357	-
29	TOTAL STORAGE & PROCESSING		(261)

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Accumulated Provision for Depreciation

Line No	Description	[1] Account No	[2] Pro Forma FTY 9-30-20
	TRANSMISSION PLANT		
30	Land & Land Rights	365	-
31	Rights of Way	365	513
32	Structures & Improvements	366	146
33	Mains	367	20,961
34	Measuring & Regulating Station Equipment	369	3,772
35	Communication Equipment	370	1,899
36	Other Equipment	371	269
37	TOTAL TRANSMISSION		<u>27,560</u>
	DISTRIBUTION PLANT		
38	Land & Land Rights	374	1,288
39	Structures & Improvements	375	3,083
40	Mains	376	428,699
41	Measuring & Regulating Station Equipment	378	21,782
42	Measuring & Regulating Station Equipment	379	7,135
43	Services	380	354,901
44	Meters	381	68,332
45	Meter Installations	382	32,193
46	House Regulators	383	4,139
47	House Regulatory Installations	384	8,316
48	Industrial Measuring & Reg. Station Equipment	385	15,825
49	Other Property	386	815
50	Other Equipment	387	4,178
51	TOTAL DISTRIBUTION		<u>950,686</u>
	GENERAL PLANT		
52	Land & Land Rights	389	-
53	Structures & Improvements	390	36,297
54	Office Furniture & Equipment	391	46,741
55	Transportation Equipment	392	9,883
56	Stores Equipment	393	8
57	Tools & Garage Equipment	394	10,331
58	Laboratory Equipment	395	68
59	Power Operated Equipment	396	1,237
60	Communication Equipment	397	274
61	Miscellaneous Equipment	398	1,329
62	Other Tangible Property	399	
63	TOTAL GENERAL		<u>106,168</u>
64	Total Plant		<u>\$ 1,085,297</u>

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Summary of Accumulated Depreciation

Line #	Description	[1]	[2]	[3]	[4]
		Factor Or Reference	Test Year Ended September 30, 2020 Amount	Test Year Ended September 30, 2020 Pro Forma Adjustment	Balance
1	Intangible Plant	Sch C-3, Pg 4	\$ -	\$ -	\$ -
2	Natural Gas Production & Gathering	Sch C-3, Pg 4	1,129	15	1,144
3	Natural Gas Storage & Processing Plant	Sch C-3, Pg 4	(528)	267	(261)
4	Transmission Plant	Sch C-3, Pg 5	27,579	(19)	27,560
5	Distribution Plant	Sch C-3, Pg 5	959,633	(8,947)	950,686
6	General Plant	Sch C-3, Pg 5	130,809	(24,641)	106,168
7	Other Plant		-	-	-
8	TOTAL ACC DEPR & AMORTIZATION		<u>\$ 1,118,622</u>	<u>\$ (33,325)</u>	<u>\$ 1,085,297</u>

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Accumulated Depreciation by FERC Account

Line #	Description	[1] Account Number	[2] Year Ended September 30, 2019	[3] September 30, 2020	[4] Pro Forma Adjustment	[5] Balance
INTANGIBLE PLANT						
1	Organization	301	\$ -	\$ -	\$ -	\$ -
2	Franchise & Consent	302	-	-	-	-
3	Miscellaneous Intangible Plant	303	-	-	-	-
4	TOTAL INTANGIBLE		-	-	-	-
NATURAL GAS PRODUCTION & GATHERING						
5	Producing Lands	325.1	-	-	-	-
6	Producing Leaseholds	325.2	162	162	-	162
7	Rights of Way	325.4	30	30	-	30
8	Other Land Rights	325.5	-	-	-	-
9	Field Measuring & Regulating Station Structures	328	1	1	-	1
10	Other Structures	329	45	45	-	45
11	Producing Gas Wells-Well Construction	330	13	13	5	18
12	Producing Gas Wells-Well Equipment	331	24	24	-	24
13	Field Lines	332	723	724	1	725
14	Field Measuring & Reg. Station Equipment	334	67	70	9	79
15	Drilling & Cleaning Equipment	335	49	49	-	49
16	Other Equipment	337	11	11	-	11
17	TOTAL PRODUCTION & GATHERING		1,125	1,129	15	1,144
NATURAL GAS STORAGE & PROCESSING PLANT						
18	Land & Land Rights	304	-	-	-	-
19	Production Plant-Manufactured Gas Plants	305	(476)	(476)	251	(225)
20	Land	350.1	-	-	-	-
21	Rights of Way	350.2	-	-	-	-
22	Structures & Improvements	351	-	-	-	-
23	Wells	352	(52)	(52)	16	(36)
24	Lines	353	-	-	-	-
25	Compressor Station Equipment	354	-	-	-	-
26	Measuring & Regulating Equipment	355	-	-	-	-
27	Purification Equipment	356	-	-	-	-
28	Other Equipment	357	-	-	-	-
29	TOTAL STORAGE & PROCESSING		(528)	(528)	267	(261)

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Accumulated Depreciation by FERC Account

Line #	Description	[1] Account Number	[2] Year Ended September 30, 2019	[3] 2020	[4] Pro Forma Adjustment	[5] Balance
TRANSMISSION PLANT						
30	Land & Land Rights	365.1	-	-	-	-
31	Rights of Way	365.2	500	513	-	513
32	Structures & Improvements	366	138	140	6	146
33	Mains	367	20,504	20,974	(13)	20,961
34	Measuring & Regulating Station Equipment	369	3,673	3,774	(2)	3,772
35	Communication Equipment	370	1,772	1,909	(10)	1,899
36	Other Equipment	371	262	269	-	269
37	TOTAL TRANSMISSION		<u>26,849</u>	<u>27,579</u>	<u>(19)</u>	<u>27,560</u>
DISTRIBUTION PLANT						
38	Land & Land Rights	374	1,245	1,290	(2)	1,288
39	Structures & Improvements	375	2,989	3,075	8	3,083
40	Mains	376	406,901	434,208	(5,509)	428,699
41	Measuring & Regulating Station Equipment	378	20,438	23,108	(1,326)	21,782
42	Measuring & Regulating Station Equipment	379	6,620	7,136	(1)	7,135
43	Services	380	330,099	357,109	(2,208)	354,901
44	Meters	381	64,525	69,218	(886)	68,332
45	Meter Installations	382	29,884	32,170	23	32,193
46	House Regulators	383	2,668	3,032	1,107	4,139
47	House Regulatory Installations	384	8,116	8,492	(176)	8,316
48	Industrial Measuring & Reg. Station Equipment	385	15,073	15,826	(1)	15,825
49	Other Property	386	790	815	-	815
50	Other Equipment	387	4,066	4,154	24	4,178
51	TOTAL DISTRIBUTION		<u>893,414</u>	<u>959,633</u>	<u>(8,947)</u>	<u>950,686</u>
GENERAL PLANT						
52	Land & Land Rights	389	-	-	-	-
53	Structures & Improvements	390	33,177	36,934	(637)	36,297
54	Office Furniture & Equipment	391	47,303	64,918	(18,177)	46,741
55	Transportation Equipment	392	9,271	13,557	(3,674)	9,883
56	Stores Equipment	393	6	7	1	8
57	Tools & Garage Equipment	394	9,839	11,538	(1,207)	10,331
58	Laboratory Equipment	395	46	69	(1)	68
59	Power Operated Equipment	396	702	836	401	1,237
60	Communication Equipment	397	1,378	1,607	(1,333)	274
61	Miscellaneous Equipment	398	1,114	1,327	2	1,329
62	Other Tangible Property	399	16	16	(16)	-
63	TOTAL GENERAL		<u>102,852</u>	<u>130,809</u>	<u>(24,641)</u>	<u>106,168</u>
64	Total Plant		<u>\$ 1,023,712</u>	<u>\$ 1,118,622</u>	<u>\$ (33,325)</u>	<u>\$1,085,297</u>

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Cost of Removal

Line #	Description	[1]	[2]	[3]
		Account Number	Year Ended September 30,	
			2019	2020
INTANGIBLE PLANT				
1	Organization	301	\$ -	\$ -
2	Franchise & Consent	302	-	-
3	Miscellaneous Intangible Plant	303	-	-
4	TOTAL INTANGIBLE		-	-
NATURAL GAS PRODUCTION & GATHERING				
5	Producing Lands	325.1	-	-
6	Producing Leaseholds	325.2	-	-
7	Rights of Way	325.4	-	-
8	Other Land Rights	325.5	-	-
9	Field Measuring & Regulating Station Structures	328	-	-
10	Other Structures	329	-	-
11	Producing Gas Wells-Well Construction	330	-	-
12	Producing Gas Wells-Well Equipment	331	-	-
13	Field Lines	332	-	-
14	Field Measuring & Reg. Station Equipment	334	-	-
15	Drilling & Cleaning Equipment	335	-	-
16	Other Equipment	337	-	-
17	TOTAL PRODUCTION & GATHERING		-	-
NATURAL GAS STORAGE & PROCESSING PLANT				
18	Land & Land Rights	304	-	-
19	Production Plant-Manufactured Gas Plants	305	-	-
20	Land	350.1	-	-
21	Rights of Way	350.2	-	-
22	Structures & Improvements	351	-	-
23	Wells	352	-	-
24	Lines	353	-	-
25	Compressor Station Equipment	354	-	-
26	Measuring & Regulating Equipment	355	-	-
27	Purification Equipment	356	-	-
28	Other Equipment	357	-	-
29	TOTAL STORAGE & PROCESSING		-	-

UGI Utilities, Inc. - Gas Division
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Witness: V. K. Ressler
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Cost of Removal

Line #	Description	[1] Account Number	[2] [3] Year Ended September 30,	
			2019	2020
TRANSMISSION PLANT				
30	Land & Land Rights	365.1	-	-
31	Rights of Way	365.2	-	-
32	Structures & Improvements	366	-	-
33	Mains	367	-	-
34	Measuring & Regulating Station Equipment	369	-	-
35	Communication Equipment	370	-	-
36	Other Equipment	371	-	-
37	TOTAL TRANSMISSION		-	-
DISTRIBUTION PLANT				
38	Land & Land Rights	374	-	-
39	Structures & Improvements	375	-	-
40	Mains	376	441	1,205
41	Measuring & Regulating Station Equipment	378	154	608
42	Measuring & Regulating Station Equipment	379	-	-
43	Services	380	3,425	3,507
44	Meters	381	1	1
45	Meter Installations	382	263	114
46	House Regulators	383	(54)	-
47	House Regulatory Installations	384	-	77
48	Industrial Measuring & Reg. Station Equipment	385	4	-
49	Other Property	386	-	-
50	Other Equipment	387	-	-
51	TOTAL DISTRIBUTION		4,234	5,512
GENERAL PLANT				
52	Land & Land Rights	389	-	-
53	Structures & Improvements	390	77	74
54	Office Furniture & Equipment	391	-	-
55	Transportation Equipment	392	-	2
56	Stores Equipment	393	-	-
57	Tools & Garage Equipment	394	-	-
58	Laboratory Equipment	395	-	-
59	Power Operated Equipment	396	-	-
60	Communication Equipment	397	-	-
61	Miscellaneous Equipment	398	1	-
62	Other Tangible Property	399	-	-
63	TOTAL GENERAL		78	76
64	Total Plant		\$ 4,312	\$ 5,588

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Negative Net Salvage Amortization

Line #	Description	[1] Account Number	[2] [3] Year Ended September 30,	
			2019	2020
INTANGIBLE PLANT				
1	Organization	301	\$ -	\$ -
2	Franchise & Consent	302	-	-
3	Miscellaneous Intangible Plant	303	-	-
4	TOTAL INTANGIBLE		<u>-</u>	<u>-</u>
NATURAL GAS PRODUCTION & GATHERING				
5	Producing Lands	325.1	-	-
6	Producing Leaseholds	325.2	-	-
7	Rights of Way	325.4	-	-
8	Other Land Rights	325.5	-	-
9	Field Measuring & Regulating Station Structures	328	-	-
10	Other Structures	329	-	-
11	Producing Gas Wells-Well Construction	330	5	-
12	Producing Gas Wells-Well Equipment	331	-	-
13	Field Lines	332	-	-
14	Field Measuring & Reg. Station Equipment	334	10	-
15	Drilling & Cleaning Equipment	335	-	-
16	Other Equipment	337	-	-
17	TOTAL PRODUCTION & GATHERING		<u>15</u>	<u>-</u>
NATURAL GAS STORAGE & PROCESSING PLANT				
18	Land & Land Rights	304	-	-
19	Production Plant-Manufactured Gas Plants	305	251	210
20	Land	350.1	-	-
21	Rights of Way	350.2	-	-
22	Structures & Improvements	351	-	-
23	Wells	352	16	16
24	Lines	353	-	-
25	Compressor Station Equipment	354	-	-
26	Measuring & Regulating Equipment	355	-	-
27	Purification Equipment	356	-	-
28	Other Equipment	357	-	-
29	TOTAL STORAGE & PROCESSING		<u>267</u>	<u>226</u>

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Negative Net Salvage Amortization

Line #	Description	[1] Account Number	[2] Year Ended September 30, 2019	[3] 2020
TRANSMISSION PLANT				
30	Land & Land Rights	365.1	-	-
31	Rights of Way	365.2	-	-
32	Structures & Improvements	366	-	-
33	Mains	367	-	-
34	Measuring & Regulating Station Equipment	369	1	1
35	Communication Equipment	370	-	-
36	Other Equipment	371	-	-
37	TOTAL TRANSMISSION		<u>1</u>	<u>1</u>
DISTRIBUTION PLANT				
38	Land & Land Rights	374	-	-
39	Structures & Improvements	375	7	7
40	Mains	376	1,283	1,326
41	Measuring & Regulating Station Equipment	378	239	198
42	Measuring & Regulating Station Equipment	379	10	-
43	Services	380	5,411	4,883
44	Meters	381	1	1
45	Meter Installations	382	352	330
46	House Regulators	383	1,138	979
47	House Regulatory Installations	384	3	16
48	Industrial Measuring & Reg. Station Equipment	385	12	9
49	Other Property	386	1	-
50	Other Equipment	387	2	2
51	TOTAL DISTRIBUTION		<u>8,459</u>	<u>7,751</u>
GENERAL PLANT				
52	Land & Land Rights	389	-	-
53	Structures & Improvements	390	138	94
54	Office Furniture & Equipment	391	-	-
55	Transportation Equipment	392	(46)	(28)
56	Stores Equipment	393	-	-
57	Tools & Garage Equipment	394	-	-
58	Laboratory Equipment	395	-	-
59	Power Operated Equipment	396	(2)	(2)
60	Communication Equipment	397	-	-
61	Miscellaneous Equipment	398	6	6
62	Other Tangible Property	399	-	-
63	TOTAL GENERAL		<u>96</u>	<u>70</u>
64	Total Plant		<u>\$ 8,838</u>	<u>\$ 8,048</u>

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Salvage

Line #	Description	[1]	[2]	[3]
		Account Number	Year Ended September 30,	
			2019	2020
INTANGIBLE PLANT				
1	Organization	301	\$ -	\$ -
2	Franchise & Consent	302	-	-
3	Miscellaneous Intangible Plant	303	-	-
4	TOTAL INTANGIBLE		<u>-</u>	<u>-</u>
NATURAL GAS PRODUCTION & GATHERING				
5	Producing Lands	325.1	-	-
6	Producing Leaseholds	325.2	-	-
7	Rights of Way	325.4	-	-
8	Other Land Rights	325.5	-	-
9	Field Measuring & Regulating Station Structures	328	-	-
10	Other Structures	329	-	-
11	Producing Gas Wells-Well Construction	330	-	-
12	Producing Gas Wells-Well Equipment	331	-	-
13	Field Lines	332	-	-
14	Field Measuring & Reg. Station Equipment	334	-	-
15	Drilling & Cleaning Equipment	335	-	-
16	Other Equipment	337	-	-
17	TOTAL PRODUCTION & GATHERING		<u>-</u>	<u>-</u>
NATURAL GAS STORAGE & PROCESSING PLANT				
18	Land & Land Rights	304	-	-
19	Production Plant-Manufactured Gas Plants	305	-	-
20	Land	350.1	-	-
21	Rights of Way	350.2	-	-
22	Structures & Improvements	351	-	-
23	Wells	352	-	-
24	Lines	353	-	-
25	Compressor Station Equipment	354	-	-
26	Measuring & Regulating Equipment	355	-	-
27	Purification Equipment	356	-	-
28	Other Equipment	357	-	-
29	TOTAL STORAGE & PROCESSING		<u>-</u>	<u>-</u>

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Salvage

Line #	Description	[1] Account Number	[2] [3] Year Ended September 30,	
			2019	2020
TRANSMISSION PLANT				
30	Land & Land Rights	365.1	-	-
31	Rights of Way	365.2	-	-
32	Structures & Improvements	366	-	-
33	Mains	367	-	-
34	Measuring & Regulating Station Equipment	369	-	-
35	Communication Equipment	370	-	-
36	Other Equipment	371	-	-
37	TOTAL TRANSMISSION		-	-
DISTRIBUTION PLANT				
38	Land & Land Rights	374	-	-
39	Structures & Improvements	375	-	-
40	Mains	376	(40)	-
41	Measuring & Regulating Station Equipment	378	(38)	(169)
42	Measuring & Regulating Station Equipment	379	-	-
43	Services	380	-	-
44	Meters	381	-	-
45	Meter Installations	382	-	-
46	House Regulators	383	-	-
47	House Regulatory Installations	384	-	-
48	Industrial Measuring & Reg. Station Equipment	385	-	-
49	Other Property	386	-	-
50	Other Equipment	387	-	-
51	TOTAL DISTRIBUTION		(78)	(169)
GENERAL PLANT				
52	Land & Land Rights	389	-	-
53	Structures & Improvements	390	-	-
54	Office Furniture & Equipment	391	-	-
55	Transportation Equipment	392	-	(21)
56	Stores Equipment	393	-	-
57	Tools & Garage Equipment	394	-	-
58	Laboratory Equipment	395	-	-
59	Power Operated Equipment	396	-	-
60	Communication Equipment	397	-	-
61	Miscellaneous Equipment	398	-	-
62	Other Tangible Property	399	-	-
63	TOTAL GENERAL		-	(21)
64	Total Plant		\$ (78)	\$ (190)

Working Capital

Line No	Description	[1]	[2]
		Future FTY 9-30-20	Reference
1	Working Capital for O & M Expense	\$ 36,549	C-4, Page 2
2	Interest Payments	(4,509)	C-4, Page 7
3	Tax Payment Lag Calculations	2,763	C-4, Page 8
4	Prepaid Expenses	6,185	C-4, Page 9
5	Total Cash Working Capital Requirements	<u>\$ 40,988</u>	

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Summary of Working Capital

Line #	Description	Reference	[2] Test Year Expenses	[3] Factor	[4] Number of (Lead) / Lag Days [2] * [3]	[5] Totals
<u>WORKING CAPITAL REQUIREMENT</u>						
1	REVENUE LAG DAYS	Page 3				57.65
2	EXPENSE LAG DAYS	Page 4				
3	Payroll	Sch D-7	\$ 80,073	12.00	\$ 960,876	
4	Purchased Gas Costs	Sch D-6	283,086	39.39	11,152,088	
5	Other Expenses	L 19 - L 2 to L 4	175,362	31.87	5,588,787	
6	Total	Sum (L 3 to L 5)	<u>\$ 538,521</u>		<u>\$ 17,701,751</u>	
7	O & M Expense Lag Days	L6, C 4 / C 2				32.87
8	Net (Lead) Lag Days	L 1 - L 7				24.78
9	Operating Expenses Per Day	L 6, C 2 / 365				<u>\$ 1,475</u>
10	Working Capital for O & M Expense	L 8 * L 9				\$ 36,549
11	Interest Payments	Page 7				(4,509)
12	Tax Payment Lag Calculations	Page 8				2,763
13	Prepaid Expenses	Page 9				6,185
14	Total Working Capital Requirement	Sum (L 10 to L 13)				<u>\$ 40,988</u>
15	Pro Forma O & M Expense		\$ 550,895			
16	Less: Uncollectible Expense		<u>12,374</u>			
17	Sub-Total		<u>12,374</u>			
18	Pro Forma Cash O&M Expense		<u>\$ 538,521</u>			

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(\$ in Thousands)

Revenue Lag					
[1]	[2]	[3]	[4]	[5]	
Reference Or Factor	Accounts Receivable Balance End of Month	Total Monthly Sales Page 2	A/R Turnover [3] / [2]	Days Lag 365 / [4]	
Line No.	Description				
1	Annual Number of Days				<u>365</u>
2	September, 2018	\$ 54,818			
3	October	\$ 50,851	\$ 37,060		
4	November	\$ 67,356	\$ 66,782		
5	December, 2018	\$ 102,438	\$ 106,595		
6	January, 2019	\$ 126,614	\$ 124,492		
7	February	\$ 149,404	\$ 124,943		
8	March	\$ 151,771	\$ 120,895		
9	April	\$ 128,876	\$ 80,577		
10	May	\$ 104,482	\$ 46,376		
11	June	\$ 90,487	\$ 32,369		
12	July	\$ 75,718	\$ 30,124		
13	August	\$ 62,054	\$ 28,504		
14	September, 2019	\$ 52,950	\$ 29,663		
15	Total	Sum L 2 to L 14	<u>\$1,217,820</u>		
16	Number of Months	<u>13</u>			
17	Average Acct Rec Balance	L 15 / L 16	<u>\$93,678</u>		
18	Total Sales for Year	Sum L 2 to L 14	<u>\$ 828,380</u>		
19	Acct Rec Turnover Ratio	L 18 / L 17		<u>8.84</u>	
20	Collection Lag Day Factor	L 1 / L 19			41.29
21	Meter Read Lag Factor				1.15
22	Midpoint Lag Factor		365 / 12 / 2 =		<u>15.21</u>
23	Total Revenue Lag Days	Sum L 20 to L 22			<u>57.65</u>

UGI Utilities, Inc. - Gas Division
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Schedule C-4
Witness: V. K. Ressler
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Summary of Expense Lag Calculations

Line No.	Description	[1] Reference Or Factor	[2] Amount	[3] (Lead) / Lag Days	[4] Weighted Dollar Value [2] * [3]	[5] (Lead) / Lag Days [4] / [2]
<u>PAYROLL</u>						
1	Union Payrolls	Bi-Weekly	\$ 31,415	12.00		
2	Exempt & Non-Exempt	Bi-Weekly	48,659	12.00		
3	Weighted for Union	L1, C2 * C3			\$ 376,980	
4	Weighted for Other	L2, C2 * C3			583,902	
5	Payroll Lag	L 3 + L 4	<u>\$ 80,074</u>		<u>\$ 960,882</u>	
6	Payroll Lag Days	C 4 / C 2				<u>12.00</u>
<u>PURCHASE GAS COSTS</u>						
7	Payment Lag	Page 6	<u>\$ 403,880</u>		<u>\$ 15,910,729</u>	
8	Gas Cost Lag Days	C 4 / C 2				<u>39.39</u>
<u>OTHER O & M EXPENSES</u>						
9	OCTOBER 2018	Page 5	\$ 16,119		\$ 483,986	
10	NOVEMBER 2018	Page 5	11,111		320,467	
11	DECEMBER 2018	Page 5	9,266		301,037	
12	JANUARY 2019	Page 5	11,621		429,026	
13	FEBRUARY 2019	Page 5	9,593		315,905	
14	MARCH 2019	Page 5	10,054		319,499	
15	APRIL 2019	Page 5	11,617		336,969	
16	MAY 2019	Page 5	12,054		355,587	
17	JUNE 2019	Page 5	12,161		387,460	
18	JULY 2019	Page 5	2,464		118,190	
19	AUGUST 2019	Page 5	10,996		316,382	
20	SEPTEMBER 2019	Page 5	11,235		403,821	
21	TOTAL		<u>\$ 128,292</u>		<u>\$ 4,088,329</u>	
22	Other O&M Expense Lag Days	L21, C 4 / C 2				<u>31.87</u>

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Witness: V. K. Ressler
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General Disbursements Payment Lag Summary

Line #	Description	[1] Number of CDs	[2] Cash Disbursements	[3] Dollar-Days	[4] Expense Lag-Days [3] / [2]
OCTOBER 2018					
1	Total Disbursements for Month	4,594	\$ 45,632		
2	Total Disbursements for Expenses	3,758	\$ 16,119	\$ 483,986	30.03
NOVEMBER 2018					
3	Total Disbursements for Month	4,157	\$ 41,475		
4	Total Disbursements for Expenses	3,446	\$ 11,111	\$ 320,467	28.84
DECEMBER 2018					
5	Total Disbursements for Month	3,900	\$ 37,366		
6	Total Disbursements for Expenses	3,238	\$ 9,266	\$ 301,037	32.49
JANUARY 2019					
7	Total Disbursements for Month	4,321	\$ 44,189		
8	Total Disbursements for Expenses	3,609	\$ 11,621	\$ 429,026	36.92
FEBRUARY 2019					
9	Total Disbursements for Month	3,547	\$ 36,284		
10	Total Disbursements for Expenses	3,065	\$ 9,593	\$ 315,905	32.93
MARCH 2019					
11	Total Disbursements for Month	3,935	\$ 34,358		
12	Total Disbursements for Expenses	3,417	\$ 10,054	\$ 319,499	31.78
APRIL 2019					
13	Total Disbursements for Month	4,102	\$ 31,993		
14	Total Disbursements for Expenses	3,468	\$ 11,617	\$ 336,969	29.01
MAY 2019					
15	Total Disbursements for Month	3,956	\$ 44,396		
16	Total Disbursements for Expenses	3,312	\$ 12,054	\$ 355,587	29.50
JUNE 2019					
17	Total Disbursements for Month	4,767	\$ 37,212		
18	Total Disbursements for Expenses	3,955	\$ 12,161	\$ 387,460	31.86
JULY 2019					
19	Total Disbursements for Month	1,414	\$ 33,729		
20	Total Disbursements for Expenses	716	\$ 2,464	\$ 118,190	47.96
AUGUST 2019					
21	Total Disbursements for Month	5,554	\$ 53,447		
22	Total Disbursements for Expenses	2,458	\$ 10,996	\$ 316,382	28.77
SEPTEMBER 2019					
23	Total Disbursements for Month	8,725	\$ 69,116		
24	Total Disbursements for Expenses	3,190	\$ 11,235	\$ 403,821	35.94
25	Total Test Month Expense Disbursement	37,632	\$ 128,292	\$ 4,088,329	31.87

UGI Utilities, Inc. - Gas Division
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Schedule C-4
 Witness: V. K. Ressler
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Purchase Gas Cost Payment Lag Summary

Line #	Description	[1] Number of Invoices	[2] Amount of Invoice	[3] Dollar Days	[4] Total Payment Lag-Days
1	October 2018	63	\$ 18,799	\$ 749,543	39.87
2	November	72	41,476	1,382,105	33.32
3	December	80	62,866	2,685,336	42.72
4	January 2019	74	57,118	2,395,508	41.94
5	February	81	61,075	2,506,816	41.04
6	March	78	46,512	1,848,536	39.74
7	April	71	28,599	1,230,302	43.02
8	May	67	19,825	744,228	37.54
9	June	67	21,149	733,429	34.68
10	July	56	16,864	612,800	36.34
11	August	57	15,964	539,935	33.82
12	September 2019	55	<u>13,633</u>	<u>482,191</u>	35.37
13	Total		<u>\$ 403,880</u>	<u>\$ 15,910,729</u>	
14	Purchase Gas Lag Days				<u>39.39</u>

UGI Utilities, Inc. - Gas Division
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Schedule C-4
 Witness: V. K. Ressler
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Interest Payments

Line No.	Description	[1] Reference Or Factor	[2] # of Days	[3] # of Days	[4] Total
1	Measure of Value at September 30, 2020	Sch C-1			\$ 2,325,076
2	Long-term Debt Ratio	Sch B-6			45.80%
3	Embedded Cost of Long-term Debt	Sch B-6			4.60%
4	Pro forma Interest Expense	L 1 * L 2 * L 3			<u>\$ 48,985</u>
5	Daily Amount	L 4 / L 5 [2]	365		\$ 134
6	Days to mid-point of interest payments			91.25	
7	Less: Revenue Lag Days	Page 3		57.65	
8	Interest Payment lag days	L 7 - L 6			(33.6)
9	Total Interest for Working Capital	L 5 * L 8			<u>\$ (4,509)</u>

UGI Utilities, Inc. - Gas Division
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Tax Lag Day Calculations

Line #	Description	[1] Payment Dates	[2] Mid-Point of Service Period	[3] Lead (Lag) Payment Days [1] - [2]	[4] Payment Amount	[5] Weighted Lead (Lag) Dollars [3] * [4]	[6] Payment Lead (Lag) Days [5] / [4]	[7] Revenue (Lag) Days	[8] Net Payment Lead (Lag) Days [6] - [7]	[9] Total Dollar Days	[10] Working Capital Amount
											365
1	FEDERAL INCOME TAX				\$ 33,950						
2	First Payment	01/05/20	04/01/20	87.00	\$ 8,487	738,403					
3	Second Payment	03/15/20	04/01/20	17.00	8,487	144,286					
4	Third Payment	06/15/20	04/01/20	(75.00)	8,487	(636,554)					
5	Fourth Payment	09/15/20	04/01/20	(167.00)	8,487	(1,417,394)					
6	Total				\$ 33,950	\$ (1,171,260)	(34.50)	(57.65)	23.15	\$ 785,932	\$ 2,153
7	STATE INCOME TAX				\$ 7,954						
8	First Payment	12/15/19	04/01/20	108.00	\$ 1,989	214,760					
9	Second Payment	03/15/20	04/01/20	17.00	1,989	33,805					
10	Third Payment	06/15/20	04/01/20	(75.00)	1,989	(149,139)					
11	Fourth Payment	09/15/20	04/01/20	(167.00)	1,989	(332,083)					
12	Total				\$ 7,954	(232,657)	(29.25)	(57.65)	28.40	\$ 225,896	\$ 619
13	PA PROPERTY TAX				\$ 741						
14	First Payment	03/31/20	04/01/20	1.00	\$ 371	371					
15	Second Payment	09/30/20	04/01/20	(182.00)	371	(67,431)					
16	Total				\$ 741	(67,061)	(90.50)	(57.65)	(32.85)	\$ (24,342)	\$ (67)
17	PURTA				\$ 755						
18	Payment	05/01/20	04/01/20	(30.00)	\$ 755	(22,650)	(30.00)	(57.65)	27.65	\$ 20,876	\$ 57
19	Total Working Capital For Other Taxes										\$ 2,763

UGI Utilities, Inc. - Gas Division
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Schedule C-4
 Witness: V. K. Ressler
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Prepaid Expenses

	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]
Line #	Description	TOTAL	Insurance	PUC Assessment	Property Taxes	Subscriptions	Postage	Rent	Maintenance & Services
1	September, 2018	7,390	3,007	-	408	34	7	27	3,907
2	October	8,759	2,643	2,178	354	102	5	27	3,450
3	November	7,873	2,391	1,906	305	51	12	27	3,181
4	December, 2018	6,645	2,034	1,634	253	-	15	27	2,682
5	January, 2019	6,083	1,684	1,361	193	133	13	27	2,672
6	February	5,683	1,333	1,089	302	203	11	28	2,717
7	March	4,563	984	817	313	137	11	28	2,273
8	April	3,930	861	545	262	205	8	28	2,021
9	May	3,711	905	272	243	149	8	28	2,106
10	June	4,029	701	-	191	92	6	13	3,026
11	July	7,321	4,752	(272)	145	38	11	32	2,615
12	August	6,853	4,309	(545)	329	113	8	32	2,607
13	September, 2019	7,568	3,873	-	453	51	12	32	3,147
14	TOTAL	<u>\$ 80,408</u>	<u>\$ 29,477</u>	<u>\$ 8,985</u>	<u>\$ 3,751</u>	<u>\$ 1,308</u>	<u>\$ 127</u>	<u>\$ 356</u>	<u>\$ 36,404</u>
15	Percent to Gas		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
16	Amount to Gas		<u>\$ 29,477</u>	<u>\$ 8,985</u>	<u>\$ 3,751</u>	<u>\$ 1,308</u>	<u>\$ 127</u>	<u>\$ 356</u>	<u>\$ 36,404</u>
17	Monthly Average	13	<u>\$ 2,267</u>	<u>\$ 691</u>	<u>\$ 289</u>	<u>\$ 101</u>	<u>\$ 10</u>	<u>\$ 27</u>	<u>\$ 2,800</u>
18	Rate Case Amount	<u>\$ 6,185</u>							

UGI Utilities, Inc. - Gas Division
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(\$ in Thousands)

Schedule C-5
Witness: V. K. Ressler
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Gas Inventory

[1]

Line No.	Description	Stored Underground
1	September, 2018	\$ 37,287
2	October	44,101
3	November	42,218
4	December, 2018	34,918
5	January, 2019	23,037
6	February	11,898
7	March	3,396
8	April	6,547
9	May	10,709
10	June	15,464
11	July	19,818
12	August	23,340
13	September, 2019	26,607
14	Total	<u>\$ 299,340</u>
15	Number of Months	<u>13</u>
16	Average Monthly Balance	<u>\$ 23,026</u>

UGI Utilities, Inc. - Gas Division
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(\$ in Thousands)

Schedule C-6
Witness: N. M. McKinney
Page 1 of 1

Accumulated Deferred Income Taxes

[1]

[2]

Line #	Description	Amount	Total
<u>Accumulated Deferred Income Tax</u>			
1	Gas Utility Plant - a/c # 282	\$ (590,411)	
2	Sub-total		(590,411)
3	ADIT on CIAC	24,747	
4	Sub-total		<u>24,747</u>
5	Federal ADIT		(565,664)
6	State Repair Regulatory Liability	(28,656)	(28,656)
7	Pro-Rata Adjustment		<u>-</u>
8	Balance At September 30, 2020		<u><u>\$ (594,320)</u></u>

UGI Utilities, Inc. - Gas Division
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(\$ in Thousands)

Schedule C-7
Witness: V. K. Ressler
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Customer Deposits

[1]

Line #	Description	Balance At End Of Month
1	Balance as of September 30, 2019	<u>\$ 22,290</u>

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Schedule C-8
Witness: V. K. Ressler
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Materials & Supplies

Line #	Month	[1] Materials & Supplies
1	September, 2018	\$ 13,715
2	October	14,077
3	November	14,635
4	December, 2018	14,372
5	January, 2019	14,355
6	February	14,566
7	March	15,104
8	April	15,411
9	May	14,806
10	June	14,986
11	July	15,285
12	August	14,542
13	September, 2019	13,961
14	Total	<u><u>\$ 189,815</u></u>
15	Number of Months	<u><u>13</u></u>
16	Average Monthly Balance	<u><u>\$ 14,601</u></u>

UGI Utilities, Inc. - Gas Division
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(\$ in Thousands)

Schedule D-1
Witness: S. F. Anzaldo
Page 1 of 1

Summary of Revenue and Expenses
Pro Forma with Proposed Revenue Increase

Line #	Description	Factor Or Reference	[1]	[2]	[3]
			Pro Forma Test Year		
			At Present Rates	Rate Increase	At Proposed Rates
OPERATING REVENUES					
1	Customer & Distribution Revenue		\$ 549,280	\$ -	\$ 549,280
2	Gas Supply & Cost Adjustment Revenue		308,500	-	308,500
3	Other Revenues		6,297	-	6,297
4	Revenue Increase			29,255	29,255
5	Total operating revenues		<u>864,077</u>	<u>29,255</u>	<u>893,332</u>
OPERATING EXPENSES					
6	Manufactured Gas		5,844	-	5,844
7	Gas Supply Production		283,086	-	283,086
8	Transmission		-	-	-
9	Distribution		80,901	-	80,901
10	Customer Accounts		37,410	-	37,410
11	Uncollectible Expense	1.546%	12,374	452	12,826
12	Customer Information & Services		13,765	-	13,765
13	Sales		3,244	-	3,244
14	Administrative & General		114,271	-	114,271
15	Depreciation & Amortization		102,189	-	102,189
16	Taxes other than income taxes		10,956	-	10,956
17	Total operating expenses		<u>664,040</u>	<u>452</u>	<u>664,492</u>
18	Net operating income Before Income Tax		200,037	28,803	228,840
<u>Income Taxes</u>					
19	Pro Forma Income Tax At Present Rates		33,582		33,582
20	Pro Forma Income Tax on Revenue Increase			8,321	8,321
21	Net Income (loss)		<u>\$ 166,455</u>	<u>\$ 20,481</u>	<u>\$ 186,937</u>

UGI Utilities, Inc. - Gas Division
Before the Pennsylvania Public Utility Commission
Future Period - 12 Months Ended September 30, 2020
(\$ in Thousands)

Schedule D-2
Witness: S. F. Anzaldo
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Summary of Pro Forma Revenue and Expense
Adjustments with Proposed Revenue Increase

Line #	Description	[1]	[2]	[3]	[4]	[5]	[6]
		Factor Or Reference	Budget For Year End 09/30/20	Adjustments Sch D-3 Increase (Decrease)	Pro Forma Adjusted For Test Year 9/30/20	Proposed Increase	Pro Forma Test Year With Proposed Increase
	<u>OPERATING REVENUES</u>			-	[2] + [3]		[4] + [5]
1	Residential (R/RT)	480	\$ 556,594	\$ (32,246)	\$ 524,348		\$ 524,348
2	Comm & Ind (N/NT)	481	222,860	(15,560)	207,300		207,300
3	Comm & Ind (DS)	489	33,842	57	33,899		33,899
4	Lg Transport/Other	489	71,712	(3,250)	68,462		68,462
5	Interruptible	489	24,403	(632)	23,771		23,771
6	Forfeited Discounts		5,018	-	5,018		5,018
7	Miscellaneous Service Revenues		971	-	971		971
8	Rent from Gas Properties		308	-	308		308
9	Rate Increase			-	-	29,255	29,255
10	Total operating revenues		<u>915,708</u>	<u>(51,631)</u>	<u>864,077</u>	<u>29,255</u>	<u>893,332</u>
	<u>OPERATING EXPENSES</u>						
11	Gas Production		5,844	-	5,844		5,844
12	Gas Supply Production		327,262	(44,176)	283,086		283,086
13	Transmission		-	-	-		-
14	Distribution		80,342	559	80,901		80,901
15	Customer Accounts		33,829	3,581	37,410		37,410
16	Uncollectible Expense	1.546%	10,231	2,143	12,374	452	12,826
17	Customer Information & Services		11,387	2,378	13,765		13,765
18	Sales		3,234	10	3,244		3,244
19	Administrative & General		113,960	311	114,271		114,271
20	Depreciation & Amortization		96,193	5,996	102,189		102,189
21	Taxes other than income taxes		10,873	83	10,956		10,956
22	Total operating expenses		<u>693,155</u>	<u>(29,115)</u>	<u>664,040</u>	<u>452</u>	<u>664,492</u>
23	Net Operating Income - BIT		<u>\$ 222,553</u>	<u>\$ (22,516)</u>	<u>\$ 200,037</u>	<u>\$ 28,803</u>	<u>\$ 228,840</u>

UGI Utilities, Inc. - Gas Division
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 (\$ in Thousands)

Summary of Pro Forma Adjustments

Line #	Description	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]	[13]
		As Budgeted And Allocated	D-4	Revenues D-5	Gas Costs D-6	Salaries & Wages D-7	Environmental Expense D-8	Other S&W Costs D-9	Rate Case D-10	Uncollectibles Expense D-11	D-12	D-13	Sub-Total Adjustments	Total Proforma
OPERATING REVENUES														
Customer & Distribution Revenue														
1	Residential (R/RT)	480	\$ 307,016	\$ (8,831)									\$ (8,831)	\$ 298,185
2	Comm & Ind (N/NT)	481	128,073	(2,495)										125,578
3	Comm & Ind (DS)	489	33,788	(15)									(15)	33,773
4	Lg Transport/Other	489	71,576	(3,603)									(3,603)	67,973
5	Interruptible	489	24,403	(632)									(632)	23,771
Revenue for Cost of Gas														
6	Residential (R/RT)	480	249,578	(23,415)									(23,415)	226,163
7	Comm & Ind (N/NT)	481	94,787	(13,065)									(13,065)	81,722
8	Comm & Ind (DS)	489	54	72									72	126
9	Lg Transport/Other	489	136	353									353	489
10	Interruptible Transport	489	-	-									-	-
11	Forfeited Discounts		5,018	-									-	5,018
12	Miscellaneous Service Revenues		-	971									-	971
13	Rent from Gas Properties		-	308									-	308
14	Rate Increase		-	-									-	-
15	Total operating revenues		<u>915,708</u>	<u>(51,631)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(51,631)</u>	<u>864,077</u>
OPERATING EXPENSES														
16	Gas Production		5,844											5,844
17	Gas Supply Production		327,262		(44,176)								(44,176)	283,086
18	Transmission		-											-
19	Distribution		80,342			507		52					559	80,901
20	Customer Accounts		33,829			207							207	34,036
21	Uncollectible Expense		10,231							2,143			2,143	12,374
22	Customer Information & Services		11,387			23							23	11,410
23	Sales		3,234			10							10	3,244
24	Administrative & General		113,960			311							311	114,271
25	Depreciation & Amortization		96,193											96,193
26	Taxes other than income taxes		10,873											10,873
27	Total operating expenses		<u>\$ 693,155</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (44,176)</u>	<u>\$ 1,058</u>	<u>\$ -</u>	<u>\$ 52</u>	<u>\$ -</u>	<u>\$ 2,143</u>	<u>\$ -</u>	<u>\$ (40,923)</u>	<u>\$ 652,232</u>
28	Net operating income Before Income Tax		<u>\$ 222,553</u>	<u>\$ -</u>	<u>\$ (51,631)</u>	<u>\$ 44,176</u>	<u>\$ (1,058)</u>	<u>\$ (52)</u>	<u>\$ -</u>	<u>\$ (2,143)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (10,708)</u>	<u>\$ 211,845</u>

UGI Utilities, Inc. - Gas Division
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 (\$ in Thousands)

Summary of Pro Forma Adjustments

Line #	Description	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]	[13]
		From Page 1 Sub-total		Benefits Adjustments D-14	Other Adjustments D-15	Universal Service D-16	Mngt Eff Audit D-17		EE&C Program D-19		Depreciation D-21	Taxes Other Than Income D-31		TOTAL Adjusted
OPERATING REVENUES														
29	Customer & Distribution Revenue													
30	Residential (R/RT)	\$ 298,185												\$ 298,185
31	Comm & Ind (N/NT)	125,578												125,578
32	Comm & Ind (DS)	33,773												33,773
33	Lg Transport/Other	67,973												67,973
34	Interruptible	23,771												23,771
Revenue for Cost of Gas														
35	Residential (R/RT)	226,163												226,163
36	Comm & Ind (N/NT)	81,722												81,722
37	Comm & Ind (DS)	126												126
38	Lg Transport/Other	489												489
39	Interruptible Transport	-												-
40	Forfeited Discounts	5,018												5,018
41	Miscellaneous Service Revenues	971												971
42	Rent from Gas Properties	308												308
43	Rate Increase	-												-
44	Total operating revenues	<u>864,077</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>864,077</u>
OPERATING EXPENSES														
45	Gas Production	5,844												5,844
46	Gas Supply Production	283,086												283,086
47	Transmission	-												-
48	Distribution	80,901			-									80,901
49	Customer Accounts	34,036			-	3,374								37,410
50	Uncollectible Expense	12,374												12,374
51	Customer Information & Services	11,410							2,355					13,765
52	Sales	3,244												3,244
53	Administrative & General	114,271			-									114,271
54	Depreciation & Amortization	96,193								5,996				102,189
55	Taxes other than income taxes	10,873										83		10,956
56	Total operating expenses	<u>\$ 652,232</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,374</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,355</u>	<u>\$ -</u>	<u>\$ 5,996</u>	<u>\$ 83</u>	<u>\$ -</u>	<u>\$ 664,040</u>
57	Net operating income Before Income Tax	\$ 211,845	\$ -	\$ -	\$ -	\$ (3,374)	\$ -	\$ -	\$ (2,355)	\$ -	\$ (5,996)	\$ (83)	\$ -	\$ 200,037

UGI Utilities, Inc. - Gas Division
Before the Pennsylvania Public Utility Commission
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(\$ in Thousands)

Schedule D-5
Witness: C. R. Brown
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Adjustment - Revenue Adjustments

[1]	[2]	[3]	[4]	[5]	[6]		
Line #	Description	Reference Or Account Number	2020 Budget	Other Adjustments	Rev/PGC Adj Annualization	Total Proforma Adjustments D-5A	Proforma Adjusted At Present Rates
PRO FORMA ADJUSTMENTS							
Customer & Distribution Revenue							
1	Residential (R/RT)	480	\$ 307,016	\$ (8,831)		\$ (8,831)	\$ 298,185
2	Comm & Ind (N/NT)	481	128,073	(2,495)		(2,495)	125,578
3	Comm & Ind (DS)	489	33,788	(15)		(15)	33,773
4	Lg Transport/Other	489	71,576	(3,603)		(3,603)	67,973
5	Interruptible	489	24,403	(632)		(632)	23,771
6	Cust Chg & Distrib Revenue		564,856	(15,576)	-	(15,576)	549,280
Revenue for Cost of Gas							
7	Residential (R/RT)	480	249,578	8,096	(31,511)	(23,415)	226,163
8	Comm & Ind (N/NT)	481	94,787	(400)	(12,665)	(13,065)	81,722
9	Comm & Ind (DS)	489	54	72		72	126
10	Lg Transport/Other	489	136	353		353	489
11	Interruptible Transport	489	-	-		-	-
12	Revenue for Cost of Gas		344,555	8,121	(44,176)	(36,055)	308,500
13	Total Customer Revenue		909,411	(7,455)	(44,176)	(51,631)	857,780
14	Forfeited Discounts	487	5,018		-	-	5,018
15	Miscellaneous Service Revenues	488	924		-	-	924
16	Rent from Gas Properties	493	308		-	-	308
17	Other Revenues	495	47			-	47
18	TOTAL REVENUES		\$ 915,708	\$ (7,455)	\$ (44,176)	\$ (51,631)	\$ 864,077

UGI Utilities, Inc. - Gas Division
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Schedule D-5A
Witness: C. R. Brown
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Adjustment - Test Year Revenue Changes

Line #	Description	[1] Factor Or Reference	[2] Budgeted Jurisdictional	[3] Revised Jurisdictional	[4] Adjustment [3] - [2]	[5] Total Adjustment
TOTAL REVENUE						
1	Residential (R/RT)		\$ 556,594	\$ 524,348	\$ (32,246)	
2	Comm & Ind (N/NT)		222,860	207,300	(15,560)	
3	Comm & Ind (DS)		33,842	33,899	57	
4	Lg Transport/Other		71,712	68,462	(3,250)	
5	Interruptible		24,403	23,771	(632)	
6	Total		<u>\$ 909,411</u>	<u>\$ 857,780</u>	<u>\$ (51,631)</u>	<u>\$ (51,631)</u>
COST OF COMMODITY						
7	Residential (R/RT)		\$ 249,578	\$ 226,163	\$ (23,415)	
8	Comm & Ind (N/NT)		94,787	81,722	(13,065)	
9	Comm & Ind (DS)		54	126	72	
10	Lg Transport/Other		136	489	353	
11	Interruptible		0	0	0	
12	Total		<u>\$ 344,555</u>	<u>\$ 308,500</u>	<u>\$ (36,055)</u>	<u>\$ (36,055)</u>
NET CUSTOMER & DISTRIBUTION						
13	Residential (R/RT)		\$ 307,016	\$ 298,185	\$ (8,831)	
14	Comm & Ind (N/NT)		128,073	125,578	(2,495)	
15	Comm & Ind (DS)		33,788	33,773	(15)	
16	Lg Transport/Other		71,576	67,973	(3,603)	
17	Interruptible		24,403	23,771	(632)	
18	Total		<u>\$ 564,856</u>	<u>\$ 549,280</u>	<u>\$ (15,576)</u>	<u>\$ (15,576)</u>

UGI Utilities, Inc. - Gas Division
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(\$ in Thousands)

Schedule D-6
Witness: C. R. Brown
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Adjustment - Gas Costs

Line #	Description	[1]	[2]	[3]	[4]	[5]
		Budgeted Gas Costs	PRO FORMA ADJUSTMENTS			Gas Cost Pro Forma Adjustments
			D-5A Gas Costs			
1	Budgeted Gas Costs	\$ 327,262			\$ -	\$ 327,262
2	Residential (R/RT)		(31,511)		(31,511)	(31,511)
3	Comm & Ind (N/NT)		(12,665)		(12,665)	(12,665)
4	Comm & Ind (DS)		-		-	-
5	Lg Transport/Other		-		-	-
6	Interruptible		-		-	-
7	Total Gas Costs	<u>\$ 327,262</u>	<u>\$ (44,176)</u>	<u>\$ -</u>	<u>\$ (44,176)</u>	<u>\$ 283,086</u>

UGI Utilities, Inc. - Gas Division
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(\$ in Thousands)

Schedule D-7
Witness: S. F. Anzaldo
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Adjustment - Salaries & Wages

Line #	Description	[1] Budgeted Year 09/30/20	[2] Adjustment	[3] Payroll As Distributed	[4] Annualization Adjustment	[5] Total Pro Forma Payroll
<u>OPERATIONS</u>						
1	Total Natural Gas Production Expenses	\$ -	\$ -	\$ -	\$ -	\$ -
2	Total Underground Storage Expenses	-	-	-	-	-
3	Total Transmission Operation Expenses	-	-	-	-	-
4	Total Distribution Operation Expenses	28,848	52	28,900	386	29,286
5	Customer Account Operations Expenses	15,457	-	15,457	207	15,664
6	Total Cust. Service & Inform. Operations Exp	1,740	-	1,740	23	1,763
7	Total Operation Sales Expenses	752	-	752	10	762
8	Total A & G Operation Expenses	22,597	-	22,597	303	22,900
9	Total Operations	<u>69,394</u>	<u>52</u>	<u>69,446</u>	<u>929</u>	<u>70,375</u>
<u>MAINTENANCE</u>						
10	Total Underground Maintenance Expenses	-	-	-	-	-
11	Storage Maintenance Expenses	-	-	-	-	-
12	Total Transmission Maintenance Expenses	-	-	-	-	-
13	Total Distribution Maintenance Expenses	9,007	-	9,007	121	9,128
14	Total A&G Maintenance	<u>562</u>	<u>-</u>	<u>562</u>	<u>8</u>	<u>570</u>
15	Total Maintenance	<u>9,569</u>	<u>-</u>	<u>9,569</u>	<u>129</u>	<u>9,698</u>
16	Total Payroll to Expense	<u>\$ 78,963</u>	<u>\$ 52</u>	<u>\$ 79,015</u>	<u>\$ 1,058</u>	<u>\$ 80,073</u>
17	Percent Increase					<u>1.339%</u>

UGI Utilities, Inc. - Gas Division
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(\$ in Thousands)

Schedule D-7
Witness: S. F. Anzaldo
Page 2 of 2

Adjustment - Salaries & Wages

Line #	Description	Adjustment - Salaries & Wages				Pro Forma Total Payroll
		[1] Reference Or Function	[2] Union At 6-1	[3] Non-Exempt	[4] Exempt	
1	Budgeted Payroll For TY 9-30-20		\$ 30,796	\$ 19,741	\$ 28,427	<u>\$ 78,964</u>
<u>Annualize for Wage Increase to 9-30-20</u>						
2	Percent Increase		3.00%	3.00%	3.00%	
3	Union Increase At 6/1 Annualization Factor	6/1/20	67%			
4	Non-Exempt Annualization Factor	4/1/20		50%		
5	Exempt Annualization Factor	12/1/19			17%	
6	Increase for wage rate changes	L 1 * L 2 * Ls 3 to 5	<u>619</u>	<u>296</u>	<u>142</u>	\$ 1,058
7	Annualized Salaries & Wages at 9-30-20 Rates	L 1 + L 6	\$ 31,415	\$ 20,037	\$ 28,569	
8	Annualization of D-9 changes FY2020				\$ 52	
9	Pro Forma Salaries & Wages for TY		<u>\$ 31,415</u>	<u>\$ 20,037</u>	<u>\$ 28,621</u>	
10	Pro Forma Adjustment to S&W					<u>\$ 1,058</u>
11	Annualization Factor	L 11 / L 1				<u>1.339%</u>

UGI Utilities, Inc. - Gas Division
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(\$ in Thousands)

Schedule D-9
 Witness: C. R. Brown
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Adjustment - Salaries & Wages not included in Budget

[1] [2]

Line #	Description	Amount	Total
1	Emergency Response Supervisor Compensation	\$ 52	
2	Pro Forma Adjustment		<u> \$ 52</u>

UGI Utilities, Inc. - Gas Division
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(\$ in Thousands)

Schedule D-11
Witness: V. K. Ressler
Page 1 of 1

Adjustment - Uncollectibles

Line #	Description	[1] Reference Or Factor	[2] Uncollectible Expense	[3] Tariff Revenue	[4] Percent [2]/[3]	[5] Total [2]/[3]
1	2017		<u>\$ 7,598</u>	<u>\$ 741,789</u>	<u>1.02%</u>	
2	2018		<u>\$ 16,343</u>	<u>\$ 902,250</u>	<u>1.81%</u>	
3	2019		<u>\$ 14,400</u>	<u>\$ 836,206</u>	<u>1.72%</u>	
4	Three Year Average Sum (Line 1 to Line 3) / 3	<u>3</u>	<u>\$ 12,780</u>	<u>\$ 826,748</u>		<u>1.546%</u>
5	<u>2020 Budget</u> Pro Forma Adjustment				\$ 11,196	
6	Adjusted Revenues	<u>1.546%</u>		<u>\$ 862,798</u>		
7	Pro Forma at Present Rate Revenue	[1] * [3]			<u>13,339</u>	
8	Total for Test Year					<u>\$ 2,143</u>

UGI Utilities, Inc. - Gas Division
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(\$ in Thousands)

Schedule D-16
Witness: C. R. Brown
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Adjustment - Universal Service

[1]

Line #	Description	Amount
	<u>Decrease for Pro Forma TY Universal Service Expense</u>	Pro Forma
	Budget	
1	Customer Assistance Plan Credit	\$ 2,227
2	Administration Costs	695
3	LIURP	4,132
4	Hardship Program (Project Share)	15
5	Customer Assistance Plan Pre-program Arrearage	<u>1,750</u>
6	TOTAL	<u><u>\$ 8,819</u></u>
7	Adjusted Budget	<u><u>\$ 12,193</u></u>
8	Adjustment	<u><u>\$ 3,374</u></u>

UGI Utilities, Inc. - Gas Division
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(\$ in Thousands)

Schedule D-19
Witness: C. R. Brown
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Adjustment - Energy Efficiency and Conservation Programs

Line #	Description	[1] Amount	[2] Sub-Total
<u>Energy Efficiency and Conservation Programs</u>			
1	2020 Original Program Costs	\$ 10,447	
2	Updated 2020 Program Costs	<u>10,147</u>	
3	Program Cost Adjustment		\$ (300)
4	Adjusted Budget	\$ 12,802	
5	Additional Expense Adjustment (Line 4 - Line 2)		<u>2,655</u>
6	Total Adjustment		<u><u>\$ 2,355</u></u>

UGI Utilities, Inc. - Gas Division
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(\$ in Thousands)

Schedule D-21
Witness: J.F. Weidmayer
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Adjustment - Depreciation expense

Line #	Description	[1] Account Number	[2] Budgeted 9/30/20 Depreciation Expense	[3] Adjustment To Annualize At New Depre Study Rates	[4] Pro Forma Test Year Depreciation
<u>INTANGIBLE PLANT</u>					
1	Organization	301	\$ -	\$ -	\$ -
2	Franchise & Consent	302	-	-	-
3	Miscellaneous Intangible Plant	303	-	-	-
4	TOTAL INTANGIBLE		-	-	-
<u>NATURAL GAS PRODUCTION & GATHERING</u>					
5	Producing Lands	325.1	-	-	-
6	Producing Leaseholds	325.2	-	-	-
7	Rights of Way	325.4	-	-	-
8	Other Land Rights	325.5	-	-	-
9	Field Measuring & Regulating Station Structures	328	-	-	-
10	Other Structures	329	-	-	-
11	Producing Gas Wells-Well Construction	330	-	-	-
12	Producing Gas Wells-Well Equipment	331	-	-	-
13	Field Lines	332	1	-	1
14	Field Measuring & Reg. Station Equipment	334	2	(2)	-
15	Drilling & Cleaning Equipment	335	-	-	-
16	Other Equipment	337	-	-	-
17	TOTAL PRODUCTION & GATHERING		3	(2)	1
<u>NATURAL GAS STORAGE & PROCESSING PLANT</u>					
18	Land & Land Rights	304	-	-	-
19	Production Plant-Manufactured Gas Plants	305	-	-	-
20	Land	350.1	-	-	-
21	Rights of Way	350.2	-	-	-
22	Structures & Improvements	351	-	-	-
23	Wells	352	-	-	-
24	Lines	353	-	-	-
25	Compressor Station Equipment	354	-	-	-
26	Measuring & Regulating Equipment	355	-	-	-
27	Purification Equipment	356	-	-	-
28	Other Equipment	357	-	-	-
29	TOTAL STORAGE & PROCESSING		-	-	-

UGI Utilities, Inc. - Gas Division
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(\$ in Thousands)

Schedule D-21
Witness: J.F. Weidmayer
Page 2 of 2

Adjustment - Depreciation expense

Line #	Description	[1] Account Number	[2] Budgeted 9/30/20 Depreciation Expense	[3] Adjustment To Annualize At New Depre Study Rates	[4] Pro Forma Test Year Depreciation
TRANSMISSION PLANT					
30	Land & Land Rights	365.1	-	-	-
31	Rights of Way	365.2	13	(1)	12
32	Structures & Improvements	366	2	5	7
33	Mains	367	470	(17)	453
34	Measuring & Regulating Station Equipment	369	101	(5)	96
35	Communication Equipment	370	137	(18)	119
36	Other Equipment	371	8	(1)	7
37	TOTAL TRANSMISSION		731	(37)	694
DISTRIBUTION PLANT					
38	Land & Land Rights	374	45	(2)	43
39	Structures & Improvements	375	87	(2)	85
40	Mains	376	27,307	2,686	29,993
41	Measuring & Regulating Station Equipment	378	2,670	549	3,219
42	Measuring & Regulating Station Equipment	379	516	(26)	490
43	Services	380	27,009	873	27,882
44	Meters	381	4,693	162	4,855
45	Meter Installations	382	2,286	22	2,308
46	House Regulators	383	364	(99)	265
47	House Regulatory Installations	384	376	18	394
48	Industrial Measuring & Reg. Station Equipment	385	752	(28)	724
49	Other Property	386	24	(1)	23
50	Other Equipment	387	88	19	107
51	TOTAL DISTRIBUTION		66,217	4,171	70,388
GENERAL PLANT					
52	Land & Land Rights	389	-	-	-
53	Structures & Improvements	390	3,702	1,416	5,118
54	Office Furniture & Equipment	391	17,614	(68)	17,546
55	Transportation Equipment	392	4,286	(32)	4,254
56	Stores Equipment	393	1	-	1
57	Tools & Garage Equipment	394	1,699	(38)	1,661
58	Laboratory Equipment	395	23	(1)	22
59	Power Operated Equipment	396	134	273	407
60	Communication Equipment	397	229	(121)	108
61	Miscellaneous Equipment	398	214	157	371
62	Other Tangible Property	399	-	-	-
63	TOTAL GENERAL		27,902	1,586	29,488
64	TOTAL DEPRECIATION		\$ 94,853	\$ 5,718	\$ 100,571
65	CHARGED TO CLEARING ACCOUNTS		\$ (6,349)	\$ (81)	\$ (6,430)
66	NET SALVAGE AMORTIZATION		\$ 7,601	\$ 447	\$ 8,048

UGI Utilities, Inc. - Gas Division
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(\$ in Thousands)

Schedule D-31
Witness: S. F. Anzaldo
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Adjustment - Taxes Other Than Income Taxes

Line #	Description	[1] Account Number	[2] Factor or Reference	[3] Budget Amounts 9/30/20	[4] Pro Forma Adjustments	[5] Pro Forma Tax Expense 9/30/20
1	PURTA Taxes	408.1		\$ 755	\$ -	\$ 755
2	Capital Stock	408.1		-		-
3	PA & Local Use taxes	408.1		741	-	741
4	Social Security	408.1	D-32	5,380	76	5,456
5	FUTA	408.1	D-32	47	1	48
6	SUTA	408.1	D-32	410	6	416
7	PUC Assessment	408.1		3,540	-	3,540
8	Total			<u>\$ 10,873</u>	<u>\$ 83</u>	<u>\$ 10,956</u>

UGI Utilities, Inc. - Gas Division
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Schedule D-32
Witness: S. F. Anzaldo
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Adjustment - Payroll Taxes

Line #	Description	[1] Account Number	[2] Test Year 9/30/20 Present Rates	[3] Pro Forma Adjustments	[4] Increase in Payroll Taxes
1	Total Payroll Charged to Expense		<u>\$ 78,963</u>	<u>\$ 1,110</u>	
2	FICA Expense		<u>5,380</u>		
3	FICA Expense - Percent	L 2 / L 1	<u>6.81%</u>	<u>6.81%</u>	
4	Pro Forma FICA Expense on Pro Forma S&W	[4] L 1 * L 3			\$ 76
5	FUTA Expense		<u>47</u>		
6	FUTA Expense - Percent	L 5 / L 1	<u>0.06%</u>	<u>0.06%</u>	
7	Pro Forma FUTA Expense on Pro Forma S&W	[4] L 1 * L 6			1
8	SUTA Expense		<u>410</u>		
9	SUTA Expense - Percent	L 8 / L 1	<u>0.52%</u>	<u>0.52%</u>	
10	Pro Forma SUTA Expense on Pro Forma S&W	[4] L 1 * L 9			6
11	Pro Forma Adjustment	Sum L 4 to L 10			<u>\$ 83</u>

UGI Utilities, Inc. - Gas Division
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(\$ in Thousands)

Schedule D-33
Witness: N. McKinney
Page 1 of 1

Line #	Description	[1] Factor Or Reference	[2] Element Or Amount	[3] Pro Forma Test Year At Present Rates	[4] Revenue Increase	[5] Pro Forma Test Year At Proposed Rates [3] + [4]
1	Revenue			\$ 864,077	\$ 29,255	\$ 893,332
2	Operating Expenses			<u>(664,040)</u>	<u>(452)</u>	<u>(664,492)</u>
3	OIBIT	L 1 + L 2		200,037	28,803	228,840
Interest Expense						
4	Rate Base	Sch A-1	2,325,076			
5	Weighted Cost of Debt	Sch B-7	0.02110			
6	Synchronized Interest Expense	L 4 * L 5		<u>(49,059)</u>	-	<u>(49,059)</u>
7	Base Taxable Income	L 3 + L 6		150,978	28,803	179,781
8	Total Tax Depreciation	Sch D-34	\$ 271,837			
9	Pro Forma Book Depreciation	Sch D-34	<u>106,561</u>			
10	State Tax Depreciation (Over) Under Book	L 9 - L 8		(165,276)		(165,276)
11	Other				-	-
12	State Taxable Income	Sum L 7 to L 11		<u>\$ (14,297)</u>	<u>\$ 28,803</u>	<u>\$ 14,505</u>
13	State Income Tax (Expense)/Refund	L 12 * Rate [2]	9.99%	\$ 1,428	\$ (2,877)	\$ (1,449)
14	Total Tax Depreciation	Sch D-34	\$ 213,581			
15	Pro Forma Book Depreciation	Sch D-34	<u>106,561</u>			
16	Federal Tax Deducts (Over) Under Book	L 14 - L 13		(107,020)	-	(107,020)
17	Other				-	-
18	Federal Taxable Income	L 7 + sum L 13 to L 17		<u>45,387</u>	<u>25,925</u>	<u>71,312</u>
19	Federal Income Tax (Expense)/Refund	-L 18 * Rate [2]	21.00%	<u>(9,531)</u>	<u>(5,444)</u>	<u>(14,976)</u>
20	Total Tax Expense before Deferred Income Tax	L 13 + L 19		<u>(8,103)</u>	<u>(8,321)</u>	<u>(16,425)</u>
Deferred Federal Income Taxes						
21	Total Straight Line Tax Depreciation	Sch D-34	\$ 100,571			
22	Total Tax Depreciation	Sch D-34	<u>208,184</u>			
23	Federal Tax Deducts (Over) Under Book	L 22 - L 21		107,613	-	107,613
24	Deferred Federal Taxable Income	L 23		<u>\$ 107,613</u>	<u>\$ -</u>	<u>\$ 107,613</u>
25	Federal Income Tax (Expense)/Refund	-L 24 * Rate [2]	Blended Rate ¹	<u>(19,292)</u>	-	<u>(19,292)</u>
Deferred State Income Taxes						
26	Repairs			(6,262)		(6,262)
27	CIAC			<u>(243)</u>		<u>(243)</u>
28	State Deferred Income Tax (Expense)/Refund			(6,505)	-	(6,505)
29	Net Income Tax Expense	L20 + L 25 + L28		(33,900)	(8,321)	(42,222)
Other Tax Adjustments						
30	ITC			318		318
31	Combined Income Tax Expense	L 29 + L 30		<u>\$ (33,582)</u>	<u>\$ (8,321)</u>	<u>\$ (41,904)</u>
32	Federal Income Tax Expense	L 19 + L 25 + L 30		\$ (28,505)	\$ (5,444)	\$ (33,950)
33	State Income Tax Expense	L 13 + L 28		<u>(5,077)</u>	<u>(2,877)</u>	<u>(7,954)</u>
34	Total Income Tax Expense	L 32 + L 33		<u>\$ (33,582)</u>	<u>\$ (8,321)</u>	<u>\$ (41,904)</u>

¹ Due to the 2018 Tax Cuts and Jobs Act, excess deferred income tax is now being flowed back to customers which results in a deferred tax rate other than 21%.

UGI Utilities, Inc. - Gas Division
Before the Pennsylvania Public Utility Commission
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(\$ in Thousands)

Schedule D-34
Witness: N. McKinney
Page 1 of 1

Tax Depreciation

Line #	Description	[1] Amount	[2] Amount	[3] Total
<u>Accelerated Tax Depreciation</u>				
1	Gas Plant		\$ 118,666	
2	Cost of Removal		5,398	
3	Repairs Tax Deduction		93,223	
4	Other Tax Basis Adjustments		<u>(3,706)</u>	
5	Total Federal Accelerated Tax Depreciation			<u>\$ 213,581</u>
6	Adjustment for PA Tax Depreciation - Bonus Decoupling		<u>58,256</u>	
7	Total State Accelerated Tax Depreciation			<u><u>\$271,837</u></u>
<u>Straight Line Tax Depreciation</u>				
8	Gas Plant		<u>\$ 100,571</u>	
9	Total Tax Depreciation			<u><u>\$ 100,571</u></u>
<u>Book Depreciation</u>				
10	Pro Forma Book Depreciation		\$ 100,571	
11	Net Salvage Amortization		8,048	
12	Depreciation Charged to Clearing Accounts	(6,430)		
13	Estimated Percent of Clearing Charged to CWIP	<u>32%</u>		
14	Depreciation Charged to CWIP		(2,058)	
15	Book Depreciation for Tax Calculation			<u><u>\$ 106,561</u></u>

UGI Utilities, Inc. - Gas Division
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Schedule D-35
Witness: S. F. Anzaldo
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Gross Revenue Conversion Factor

Line #	Description	[1] Reference Or Factor	[2] Tax Rate	[3] Factor
<u>GROSS REVENUE CONVERSION FACTOR</u>				
1	GROSS REVENUE FACTOR			1.000000
2	UNCOLLECTIBLE EXPENSES			<u>(0.015460)</u>
3	NET REVENUES	Sum L 1 to L 2		0.984540
4	STATE INCOME TAXES	[3] L 3 * Rate [2]	9.9900%	<u>(0.098356)</u>
5	FACTOR AFTER STATE TAXES	L 3 + L 4		0.886184
6	FEDERAL INCOME TAXES	[3] L 5 * Rate [2]	21.00%	<u>(0.186099)</u>
7	NET OPERATING INCOME FACTOR	L 5 + L 6		<u>0.700085</u>
8	GROSS REVENUE CONVERSION FACTOR	1 / L 7		<u>1.428398</u>
9	Combined Income Tax Factor On Gross Revenues	-L 4 - L 6		<u>28.446%</u>

INCOME TAX FACTOR

10	GROSS REVENUE FACTOR			1.000000
11	STATE INCOME TAXES	[3] L 10 * Rate [2]	9.9900%	<u>(0.099900)</u>
12	FACTOR AFTER STATE TAXES	L 10 + L 11		0.900100
13	FEDERAL INCOME TAXES	[3] L 12 * Rate [2]	21.00%	<u>(0.189021)</u>
14	NET OPERATING INCOME FACTOR	L 12 + L 13		0.711079
15	GROSS REVENUE CONVERSION FACTOR	1 / L 14		<u>1.406314</u>
16	Combined Income Tax Factor On Taxable Income	-L 11 - L 13		<u>28.892%</u>

UGI GAS EXHIBIT A – HISTORIC

Historic Period - 12 Months Ended September 30, 2019
 (\$ in Thousands)
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<u>Schedule</u>	<u>Description</u>	<u>Witness:</u>
<u>SECTION A</u>		
A-1	<u>Summary of Measure of Value and Revenue Increase</u>	S. F. Anzaldo
<u>SECTION B</u>		
B-1	<u>Balance Sheet</u>	V. K. Ressler
B-2	<u>Statement of Net Utility Operating Income</u>	S. F. Anzaldo
B-3	<u>Statement of Operating Revenues</u>	S. F. Anzaldo
B-4	<u>Operation and Maintenance Expenses</u>	S. F. Anzaldo
B-5	<u>Detail of Taxes</u>	S. F. Anzaldo
B-6	<u>Composite Cost of Debt</u>	P. R. Moul
B-7	<u>Rate of Return</u>	P. R. Moul
<u>SECTION C</u>		
C-1	<u>Measure of Value</u>	V. K. Ressler
C-2	<u>Pro Forma Gas Plant in Service</u> <u>Pro Forma Plant Adjustment Summary</u> <u>Pro Forma Year End Plant Balances</u> <u>Additions to Plant</u> <u>Retirements</u>	V. K. Ressler V. K. Ressler V. K. Ressler V. K. Ressler V. K. Ressler
C-3	<u>Accumulated Provision for Depreciation</u> <u>Summary of Accumulated Depreciation</u> <u>Accumulated Depreciation by FERC Account</u> <u>Cost of Removal</u> <u>Negative Net Salvage Amortization</u> <u>Salvage</u>	V. K. Ressler V. K. Ressler V. K. Ressler V. K. Ressler V. K. Ressler V. K. Ressler
C-4	<u>Working Capital</u> <u>Summary of Working Capital</u> <u>Revenue Lag</u> <u>Summary of Expense Lag Calculations</u> <u>General Disbursements Payment Lag Summary</u> <u>Commodity Purchases Payment Lag Summary</u> <u>Interest Payments</u> <u>Tax Payment Lag Calculations</u> <u>Prepaid Expenses</u>	V. K. Ressler V. K. Ressler V. K. Ressler V. K. Ressler V. K. Ressler V. K. Ressler V. K. Ressler V. K. Ressler V. K. Ressler V. K. Ressler
C-5	<u>Gas Inventory</u>	V. K. Ressler
C-6	<u>Accumulated Deferred Income Taxes</u>	N. M. McKinney
C-7	<u>Customer Deposits</u>	V. K. Ressler
C-8	<u>Materials & Supplies</u>	V. K. Ressler
C-9	<u>SCHEDULE NOT USED</u>	N/A

Historic Period - 12 Months Ended September 30, 2019

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<u>Schedule</u>	<u>Description</u>	<u>Witness:</u>
<u>SECTION D</u>		
D-1	<u>Summary of Revenue and Expenses</u> Pro Forma with Proposed Revenue Increase	S. F. Anzaldo
D-2	<u>Summary of Pro Forma Revenue and Expense</u> Adjustments with Proposed Revenue Increase	S. F. Anzaldo
D-3	<u>Summary of Pro Forma Adjustments</u>	S. F. Anzaldo
D-4	<u>SCHEDULE NOT USED</u>	N/A
D-5	<u>Adjustment - Revenue Adjustments</u>	C. R. Brown
D-5A	<u>Adjustment - Test Year Revenue Changes</u>	C. R. Brown
D-5B	<u>SCHEDULE NOT USED</u>	N/A
D-6	<u>Adjustment - Gas Costs</u>	C. R. Brown
D-7	<u>Adjustment - Salaries & Wages</u>	S. F. Anzaldo
D-8	<u>SCHEDULE NOT USED</u>	N/A
D-9	<u>SCHEDULE NOT USED</u>	N/A
D-10	<u>SCHEDULE NOT USED</u>	N/A
D-11	<u>Adjustment - Uncollectibles</u>	V. K. Ressler
D-12	<u>SCHEDULE NOT USED</u>	N/A
D-13	<u>SCHEDULE NOT USED</u>	N/A
D-14	<u>SCHEDULE NOT USED</u>	N/A
D-15	<u>SCHEDULE NOT USED</u>	N/A
D-16	<u>SCHEDULE NOT USED</u>	N/A
D-17	<u>SCHEDULE NOT USED</u>	N/A
D-18	<u>SCHEDULE NOT USED</u>	N/A
D-19	<u>SCHEDULE NOT USED</u>	N/A
D-21	<u>Adjustment - Depreciation expense</u>	J.F. Weidmayer
D-31	<u>Adjustment - Taxes Other Than Income Taxes</u>	S. F. Anzaldo
D-32	<u>Adjustment - Payroll Taxes</u>	S. F. Anzaldo
D-33	<u>Income Tax Calculation</u>	N. McKinney
D-34	<u>Tax Depreciation</u>	N. McKinney
D-35	<u>Gross Revenue Conversion Factor</u>	S. F. Anzaldo

UGI Utilities, Inc. - Gas Division
Before the Pennsylvania Public Utility Commission
Historic Period - 12 Months Ended September 30, 2019
(\$ in Thousands)

Schedule A-1
Witness: S. F. Anzaldo
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, 2019 At Present Rates	[4] Year Ended September 30, 2019 At Increase	[5] Proposed Rates
<u>RATE BASE</u>						
1	Utility Plant		C-2	\$ 3,620,724		\$ 3,620,724
2	Accumulated Depreciation		C-3	(1,023,715)		(1,023,715)
3	Net Plant in service	L 1 + L 2		2,597,009	-	2,597,009
4	Working Capital		C-4	39,364		39,364
5	Gas Inventory		C-5	23,026		23,026
6	Accumulated Deferred Income Taxes		C-6	(569,005)		(569,005)
7	Customer Deposits		C-7	(22,290)		(22,290)
8	Materials & Supplies		C-8	14,601		14,601
9	TOTAL RATE BASE	Sum L 3 to L 8		<u>\$ 2,082,705</u>	<u>\$ -</u>	<u>\$ 2,082,705</u>
<u>OPERATING REVENUES AND EXPENSES</u>						
<u>Operating Revenues</u>						
10	Base Customer Charges		D-5	\$ 540,891	\$ 587	\$ 541,478
11	Gas Cost Revenue		D-5	299,508		299,508
12	Other Operating Revenues		D-5	9,180		9,180
13	Total Revenues	Sum L 10 to L 12		<u>849,579</u>	<u>587</u>	<u>850,166</u>
14	Operating Expenses		D	<u>(632,429)</u>	<u>(9)</u>	<u>(632,438)</u>
15	OIBIT	L 13 + L 14		217,150	578	217,728
16	Pro Forma Income Tax at Present Rates		D-33	(46,780)		(46,946)
17	Pro Forma Income Tax on Revenue Increase		D-33		(167)	(46,946)
18	NET OPERATING INCOME	Sum L 15 to L 17		<u>\$ 170,371</u>	<u>\$ 411</u>	<u>\$ 170,782</u>
19	RATE OF RETURN	L 18 / L 9		<u>8.1803%</u>		<u>8.2000%</u>
<u>REVENUE INCREASE REQUIRED</u>						
20	Rate of Return at Present Rates	L 19, Col 3		8.1803%		
21	Rate of Return Required		B-7	<u>8.2000%</u>		
22	Change in ROR	L 21 - L 20		<u>0.0197%</u>		
23	Change in Operating Income	L 22 * L 9		\$ 411		
24	Gross Revenue Conversion Factor		D-35	<u>1.428398</u>		
25	Change in Revenues	L 23 * L 24		<u>\$ 587</u>		
26	Percent Increase -- Delivery Revenues	L 25 / L 10, C 4			<u>0.11%</u>	
27	Percent Increase -- Total Revenues	L 25 / L 13, C 4			<u>0.07%</u>	

UGI Utilities, Inc. - Gas Division
Before the Pennsylvania Public Utility Commission
Historic Period - 12 Months Ended September 30, 2019
(\$ in Thousands)

Schedule B-1
Witness: V. K. Ressler
Page 1 of 2

Balance Sheet

[1]

Line No	Description/(Account No)	Actual TYE 9-30-19
	UTILITY PLANT (101 - 106, 108)	
1	Gas Utility Plant	\$ 3,604,962
2	Other Utility Plant	-
3	Total Plant In Service	<u>3,604,962</u>
4	Construction Work In Progress (107)	70,377
5	Total Utility Plant	<u>3,675,339</u>
6	Accumulated Provision for Depreciation - Gas (108)	(1,016,126)
7	Utility Acquisition Adjustment (114)	182,145
8	Accumulated Provision for Depreciation - Other (119)	-
9	Net Utility Plant	<u>2,841,358</u>
	OTHER PROPERTY INVESTMENTS	
10	Non-utility Property (121)	239
11	Accumulated Depreciation on NUP (122)	-
12	Investment in Associated & Subsidiary Companies (123.1)	-
13	Other Investments (124)	<u>75</u>
14	Total Other Property and Investments	314
	CURRENT AND ACCRUED ASSETS	
15	Cash & Other Temporary Investments(131-136)	7,399
16	Unbilled Revenues	-
17	Customer Accounts Receivable (142)	67,876
18	Other Accounts Receivable (143)	6,546
19	Accum Provision for Uncollectible (144)	(7,181)
20	Receivables from Associated Companies (145)	-
21	Accounts Receivable Assoc. Comp. (146)	-
22	Plant Materials & Operating Supplies (154)	14,294
23	Stores Expense - Undistributed (163)	(333)
24	Gas Stored - Current (164.1)	26,607
25	Liquefied Natural Gas stored (164.2)	-
26	Prepayments (165)	8,276
27	Accrued Utility Revenues (173)	11,857
28	Miscellaneous Current & Accrued Assets (174)	1,680
29	Derivative Instrument Assets (175)	<u>-</u>
30	Total Current and Accrued Assets	137,021
	DEFERRED DEBITS	
31	Unamortized Debt Expense (181)	5,024
32	Other Regulatory Assets (182.3)	351,466
33	Other Preliminary Survey & Investigation Charges (183.2)	2,357
34	Clearing Accounts (184)	-
35	Miscellaneous Deferred Debits (186)	6,439
36	Deferred Losses from Disposition of Utility Plant (187)	2,072
37	Unamortized Loss on Reacquired Debt (189)	-
38	Accumulated Deferred Income Taxes (190)	290,043
39	Unrecovered Purchase Gas Costs (191)	<u>3,924</u>
40	Total Deferred Debits	<u>661,325</u>
41	TOTAL ASSETS AND OTHER DEBITS	<u>\$ 3,640,018</u>

UGI Utilities, Inc. - Gas Division
Before the Pennsylvania Public Utility Commission
Historic Period - 12 Months Ended September 30, 2019
(\$ in Thousands)

Schedule **B-1**
Witness: **V. K. Ressler**
Page 2 of 2

Balance Sheet

[1]

Line No	Description/(Account No)	Actual TYE 9-30-19
PROPRIETARY CAPITAL		
42	Common Stock Issued (201)	\$ 60,258
43	Preferred Stock Issued (204)	-
44	Premium on Capital Stock (207)	1,396,976
45	Capital Stock Expense (214)	-
46	Retained Earnings (215, 215.2, 216)	(417,164)
47	Accum Other Comprehensive Income (219)	<u>(36,298)</u>
48	Total Proprietary Capital	1,003,772
LONG TERM DEBT		
49	Bonds (221)	-
50	Advances from Associated Companies (223)	-
51	Other Long-Term Debt (224)	972,813
52	Unamortized Premium on LTD (225)	-
53	Unamortized Discount on LTD (226)	-
54	Total Long-term Debt	<u>972,813</u>
OTHER NON-CURRENT LIABILITIES		
55	Obligations under Capital Leases (227)	2,403
56	Accum. Prov for Injuries & Damages (228.2)	1,858
57	Accum. Prov for Pensions & Benefits (228.3)	149,260
58	Accum. Miscellaneous Operating Prov (228.4)	46,555
59	Asset Retirement Obligation (230)	<u>111</u>
60	Total Non-Current Liabilities	200,187
CURRENT & ACCRUED LIABILITIES		
61	Notes Payable (231)	172,250
62	Accounts Payable (232)	63,765
63	Notes Payable to Assoc. Companies (233)	-
64	Accounts Payable to Assoc. Cos (234)	90,525
65	Customer Deposits (235)	22,290
66	Taxes Accrued (236)	(4,935)
67	Interest Accrued (237)	9,459
68	Tax Collections Payable (241)	(293)
69	Misc Current & Accrued Liabilities (242)	52,764
70	Obligations Under Capital Leases (243)	1,955
71	Derivative Instrument Liabilities (244)	<u>8,180</u>
72	Total Current & Accrued Liabilities	415,960
OTHER DEFERRED CREDITS		
73	Customer Advances for Construction (252)	-
74	Other Deferred Credits (253)	16,931
75	Other Regulatory Liabilities (254)	330,619
76	Deferred ITC (255)	2,314
77	Accumulated Deferred Income Taxes (282)	680,060
78	Accumulated Deferred Income Taxes (283)	<u>17,362</u>
79	Total Other Deferred Credits	<u>1,047,286</u>
80	TOTAL LIABILITIES & OTHER CREDITS	<u><u>\$ 3,640,018</u></u>

UGI Utilities, Inc. - Gas Division
Before the Pennsylvania Public Utility Commission
Historic Period - 12 Months Ended September 30, 2019
(\$ in Thousands)

Schedule B-2
Witness: S. F. Anzaldo
Page 1 of 1

Statement of Net Utility Operating Income

Line No	Description	[1] Actual TYE 9-30-19	[2] Reference
	Total Operating Revenues		
1	Total Sales Revenues	\$ 829,535	B-3
2	Other Operating Revenues	9,180	B-3
3	Total Revenues	838,715	
	Total Operating Expenses		
4	Operation & Maintenance Expenses	527,431	B-4 & D-2
5	Depreciation & Amortization Expense	87,711	D-21
6	Taxes Other Than Income Taxes	10,753	B-5
7	Total Operating Expenses	625,895	
8	Operating Income Before Income Taxes (OIBIT)	212,820	
	Income Taxes:		
9	State	11,771	B-5
10	Federal	35,327	B-5
11	Total Income Taxes	47,098	
12	Net Utility Operating Income	\$ 165,722	

UGI Utilities, Inc. - Gas Division
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(\$ in Thousands)

Schedule B-3
Witness: S. F. Anzaldo
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Statement of Operating Revenues

[1]

Line No	Description	Actual TYE 9-30-19
Gas Operating Revenues		
1	Residential (R/RT) (480)	\$ 491,374
2	Comm & Ind (N/NT) (481)	199,462
3	Comm & Ind (DS) (489)	43,578
4	Lg Transport/Other (489)	69,216
5	Interruptible (489)	<u>25,905</u>
6	Sub-Total Gas Operating Revenues	829,535
Other Operating Revenues		
7	Forfeited Discounts (487)	5,635
8	Miscellaneous Service Revenues (488)	1,121
9	Rent from Gas Properties (493)	2,358
10	Other Revenues (495)	<u>66</u>
11	Sub-Total Other Operating Revenues	<u>9,180</u>
12	Total Operating Revenues	<u><u>\$ 838,715</u></u>

UGI Utilities, Inc. - Gas Division
 Before the Pennsylvania Public Utility Commission
 Historic Period - 12 Months Ended September 30, 2019
 (\$ in Thousands)

Schedule B-4
 Witness: S. F. Anzaldo
 Page 1 of 3

Operation and Maintenance Expenses

Line No	Description	Account No	[1] Actual TYE 9-30-19
Gas Raw Materials			
1	Liquefied Petroleum Gas Expenses	717	\$ -
2	Miscellaneous Production Expenses	735	2,953
3	Total Gas Raw Materials Expenses		<u>2,953</u>
Production and Gathering - Operations			
4	Operating Supervision and Engineering	750	-
5	Production Maps and Records	751	-
6	Gas Wells Expenses	752	-
7	Field Lines Expenses	753	-
8	Gas Well Royalties	758	-
9	Other Expenses	759	-
10	Total Production & Gathering Operation Expenses		<u>-</u>
Production and Gathering - Maintenance			
11	Maintenance of Producing Gas Wells	763	-
12	Maintenance of Field Lines	764	-
13	Maintenance of Field Measuring and Reg. Station Equip.	766	-
14	Gas Supply Operation Expenses		<u>-</u>
Other Gas Supply Expense - Operations			
15	Natural Gas City Gate Purchases	804.0	346,529
16	Liquefied Natural Gas Purchases	804.1	550
17	Other Gas Purchases	805.0	609
18	Purchases Gas Cost Adjustments	805.1	(90,765)
19	Gas Withdrawn from Storage-Debit	808.1	47,802
20	Purchased Gas Expenses	807.0	-
21	Gas Used for Other Utility Operations-Credit	812.0	(921)
22	Gas Delivered to Storage-Credit	808.2	(35,944)
23	Other Gas Supply Expenses	813.0	31,648
24	Gas Supply Operation Expenses		<u>299,508</u>
Underground Storage Expense - Operation			
25	Operation Supervision and Engineering	814	-
26	Maps and Records	815	-
27	Wells Expenses	816	-
28	Lines Expenses	817	-
29	Measuring and Regulating Station Expenses	820	-
30	Purification Expenses	821	-
31	Gas Losses	823	-
32	Other Expenses	824	-
33	Total Underground Storage Expenses		<u>-</u>
Underground Storage Expense - Maintenance			
34	Maintenance Supervision and Engineering	830	-
35	Maintenance of Structures and Improvements	831	-
36	Maintenance of Reservoirs and Wells	832	-
37	Maintenance of Lines	833	-
38	Maintenance of Measuring & Regulating Station Equip.	835	-
39	Total Underground Maintenance Expenses		<u>-</u>

UGI Utilities, Inc. - Gas Division
Before the Pennsylvania Public Utility Commission
Historic Period - 12 Months Ended September 30, 2019
(\$ in Thousands)

Schedule B-4
Witness: S. F. Anzaldo
Page 2 of 3

Operation and Maintenance Expenses

Line No	Description	Account No	[1] Actual TYE 9-30-19
Transmission Expense - Operations			
40	Operating Supervision and Engineering	850	-
41	System Control and Load Dispatching	851	-
42	Communication System Expenses	852	-
43	Mains Expenses	856	-
44	Measuring and Regulating Station Expenses	857	-
45	Other Expenses	859	-
46	Total Transmission Operation Expenses		<u>-</u>
Transmission Expense - Maintenance			
47	Maintenance Supervision and Engineering	861	-
48	Maintenance of Structures and Improvements	862	-
49	Maintenance of Mains	863	-
50	Maintenance of Measuring and Regulating Station Equip.	865	-
51	Maintenance of Communication Equipment	866	-
52	Total Transmission Maintenance Expenses		<u>-</u>
Distribution Expense - Operations			
53	Operation Supervision and Engineering	870	6,732
54	Distribution Load Dispatching	871	1,015
55	Compressor Station Fuel and Power (Major Only)	873	-
56	Mains and Services Expenses	874	19,675
57	Measuring and Regulating Station Expenses-General	875	1,767
58	Measuring and Regulating Station Expenses-Industrial	876	378
59	Measuring and Regulating Station Expenses-City Gate	877	531
60	Meter and House Regulator Expenses	878	3,286
61	Customer Installations Expenses	879	2,349
62	Other Expenses	880	4,697
63	Rents	881	438
64	Total Distribution Operation Expenses		<u>40,868</u>
Distribution Expense - Maintenance			
65	Maintenance Supervision and Engineering	885	1,890
66	Maintenance of Structures and Improvements	886	73
67	Maintenance of Mains	887	15,152
68	Maintenance of Compressor Station Equipment	888	-
69	Maintenance of Measuring & Reg. Station Equip.-Genl.	889	1,309
70	Maintenance of Measuring & Reg. Station Equip.-Indtrl.	890	4,085
71	Maintenance of Measuring & Reg. Station Equip.-City G	891	1,223
72	Maintenance of Services	892	4,187
73	Maintenance of Meters & House Regulators	893	1,079
74	Maintenance of Other Equipment	894	698
75	Construction & Maintenance	895	-
76	Total Distribution Maintenance Expenses		<u>29,696</u>
Customer Accounts Expense - Operations			
77	Supervision	901	699
78	Meter Reading Expenses	902	2,470
79	Customer Records & Collection Expenses	903	28,663
80	Uncollectable Accounts	904	13,617
81	Miscellaneous Customer Accounts Expenses	905	2,021
82	Total Administrative & General		<u>47,470</u>

UGI Utilities, Inc. - Gas Division
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 (\$ in Thousands)

Schedule B-4
 Witness: S. F. Anzaldo
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Operation and Maintenance Expenses

Line No	Description	Account No	[1] Actual TYE 9-30-19
Customer Service & Information Expense			
83	Supervision	907	194
84	Customer Assistance Expenses	908	1,187
85	Informational & Instructional Advertising Expenses	909	696
86	Miscellaneous Customer Service & Informational Exp.	910	5,225
87	Total Cust. Service & Inform. Operations Exp		7,302
88	Description		
Sales Expense			
89	Supervision	911	98
90	Demonstrating and Selling Expenses	912	1,184
91	Advertising Expenses	913	481
92	Miscellaneous Sales Expenses	916	63
93	Total Operation Sales Expenses		1,826
Administrative & General - Operations			
94	Administrative and General Salaries	920.0	18,269
95	Office Supplies and Expenses	921.0	20,640
96	Outside Service Employed	923.0	21,104
97	Property Insurance	924.0	-
98	Injuries and Damages	925.0	7,380
99	Employee Pensions and Benefits	926.0	17,588
100	Regulatory Commission Expenses	928.0	371
101	General Advertising Expenses	930.1	611
102	Miscellaneous General Expenses	930.2	4,308
103	Rents	931.0	1,362
104	Total A & G Operation Expenses		91,633
Administrative & General - Maintenance			
105	A&G Maintenance of General Plant	932	6,130
106	A&G Maintenance of General Plant	935	49
107	Total A & G Maintenance Expenses		6,179
108	TOTAL OPERATION & MAINTENANCE EXPENSE		\$ 527,435
109	Total Gas Operation Expenses		491,560
110	Total Gas Maintenance Expense		35,875
111	TOTAL OPERATION & MAINTENANCE EXPENSE		\$ 527,435

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Schedule B-5
Witness: S. F. Anzaldo
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Detail of Taxes

[1]

Line No	Description	Reference	Actual TYE 9-30-19
Taxes Other Than Income Taxes			
Non-revenue related:			
1	Pennsylvania - PURTA	D-31	\$ 746
2	Capital Stock	D-31	-
3	PA and Local Use taxes	D-31	617
4	PUC Assessment	D-31	3,111
5	Subtotal		<u>4,474</u>
Payroll Taxes			
6	FICA	D-31	5,917
7	SUTA	D-31	313
8	FUTA	D-31	49
9	Other		-
10	Subtotal		<u>6,279</u>
11	Total Taxes Other Than Income Taxes		<u>\$ 10,753</u>
Income Taxes			
12	State		\$ 11,771
13	Federal		35,327
14	Total Income Taxes		<u>\$ 47,098</u>

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Schedule B-6
Witness: P. R. Moul
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Composite Cost of Debt

Line No	Description	[1] Amount Outstanding	[2] Percent to Total	[3] Effective Interest Rate	[4] Average Weighted Cost Rate [2] * [3]
<u>Medium Term Notes</u>					
1	6.500% Due 8/15/2033	\$ 20,000	2.04%	6.56%	0.13%
2	6.133% Due 10/15/2034	20,000	2.04%	6.19%	0.13%
<u>Senior Unsecured Notes</u>					
3	6.206% Due 9/30/2036	100,000	10.21%	6.32%	0.65%
4	4.980% Due 3/26/2044	175,000	17.87%	5.00%	0.89%
5	2.950% Due 6/30/2026	100,000	10.21%	3.92%	0.40%
6	4.120% Due 9/30/2046	200,000	20.43%	5.01%	1.02%
7	4.120% Due 10/31/2046	100,000	10.21%	4.28%	0.44%
8	2.998% Due 10/31/2022	114,063	11.65%	3.11%	0.36%
9	4.550% Due 02/01/2049	150,000	15.32%	4.58%	0.70%
10	Total Long-Term Debt	\$ 979,063	<u>100.00%</u>		<u>4.72%</u>
11	Total Long-Term Debt	\$ 979,063	100.00%	4.72%	4.72%
12	Total Short-Term Debt		0.00%		0.00%
13	TOTAL	<u>\$ 979,063</u>	<u>100.00%</u>		
14	Weighted Cost of Debt				<u>4.72%</u>

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Schedule B-7
Witness: P. R. Moul
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Rate of Return

[1] [2] [3] [4]

<u>Line No</u>	<u>Description</u>	<u>Capitalization Ratio</u>	<u>Embedded Cost</u>	<u>Statement Reference</u>	<u>Return-%</u>
1	Long-Term Debt	44.20%	4.72%	B-6	2.09%
2	Short-Term Debt	0.00%	0.00%	B-6	0.00%
3	Common Equity	<u>55.80%</u>	10.95%		<u>6.11%</u>
4	Total	<u><u>100.00%</u></u>			<u><u>8.20%</u></u>

UGI Utilities, Inc. - Gas Division
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Schedule C-1
Witness: V. K. Ressler
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Measure of Value

Line #	Description	[1]	[2]	[3]	[4]	[5]
		Reference Schedule	# of Pages	Pro Forma Test Year Ended September 30, 2019 At Present Rates	Adjustments	Proposed Rates
<u>MEASURE OF VALUE</u>						
1	Utility Plant	C-2	9	\$ 3,620,724		\$ 3,620,724
2	Accumulated Depreciation	C-3	11	(1,023,715)		(1,023,715)
3	Net Plant in service			2,597,009	-	2,597,009
4	Working Capital	C-4	9	39,364		39,364
5	Gas Inventory	C-5	1	23,026		23,026
6	Accumulated Deferred Income Taxes	C-6	1	(569,005)		(569,005)
7	Customer Deposits	C-7	1	(22,290)		(22,290)
8	Materials & Supplies	C-8	1	14,601		14,601
9	TOTAL MEASURE OF VALUE			<u>\$ 2,082,705</u>	<u>\$ -</u>	<u>\$ 2,082,705</u>

Pro Forma Gas Plant in Service

Line No	Description	[1] Account No	[2] HTY 9-30-19
INTANGIBLE PLANT			
1	Organization	301	\$ 289
2	Franchise & Consent	302	194
3	Miscellaneous Intangible Plant	303	290
4	TOTAL INTANGIBLE		<u>773</u>
NATURAL GAS PRODUCTION & GATHERING			
5	Producing Lands	325	13
6	Producing Leaseholds	325	163
7	Rights of Way	325	30
8	Other Land Rights	326	1
9	Field Measuring & Regulating Station Structures	328	1
10	Other Structures	329	45
11	Producing Gas Wells-Well Construction	330	18
12	Producing Gas Wells-Well Equipment	331	24
13	Field Lines	332	751
14	Field Measuring & Reg. Station Equipment	334	90
15	Drilling & Cleaning Equipment	335	50
16	Other Equipment	337	11
17	TOTAL PRODUCTION & GATHERING		<u>1,197</u>
NATURAL GAS STORAGE & PROCESSING PLANT			
18	Land & Land Rights	304	382
19	Production Plant-Manufactured Gas Plants	305	-
20	Land	350	-
21	Rights of Way	350	-
22	Structures & Improvements	351	-
23	Wells	352	-
24	Lines	353	-
25	Compressor Station Equipment	354	-
26	Measuring & Regulating Equipment	355	-
27	Purification Equipment	356	-
28	Other Equipment	357	-
29	TOTAL STORAGE & PROCESSING		<u>382</u>

Pro Forma Gas Plant in Service

Line No	Description	[1] Account No	[2] HTY 9-30-19
TRANSMISSION PLANT			
30	Land & Land Rights	365.1	\$ 47
31	Rights of Way	365.2	868
32	Structures & Improvements	366	248
33	Mains	367	38,519
34	Measuring & Regulating Station Equipment	369	6,170
35	Communication Equipment	370	3,486
36	Other Equipment	371	351
37	TOTAL TRANSMISSION		<u>49,689</u>
DISTRIBUTION PLANT			
38	Land & Land Rights	374	11,289
39	Structures & Improvements	375	5,326
40	Mains	376	1,675,202
41	Measuring & Regulating Station Equipment	378	94,154
42	Measuring & Regulating Station Equipment	379	20,527
43	Services	380	1,096,356
44	Meters	381	144,981
45	Meter Installations	382	88,145
46	House Regulators	383	10,031
47	House Regulatory Installations	384	18,140
48	Industrial Measuring & Reg. Station Equipment	385	34,899
49	Other Property	386	1,316
50	Other Equipment	387	6,185
51	TOTAL DISTRIBUTION		<u>3,206,551</u>
GENERAL PLANT			
52	Land & Land Rights	389	9,418
53	Structures & Improvements	390	95,146
54	Office Furniture & Equipment	391	193,939
55	Transportation Equipment	392	28,185
56	Stores Equipment	393	21
57	Tools & Garage Equipment	394	27,265
58	Laboratory Equipment	395	438
59	Power Operated Equipment	396	3,426
60	Communication Equipment	397	2,100
61	Miscellaneous Equipment	398	2,178
62	Other Tangible Property	399	16
63	TOTAL GENERAL		<u>362,132</u>
64	Total Plant		<u>\$ 3,620,724</u>

Pro Forma Plant Adjustment Summary

Line #	Description	[1] Factor Or Reference	[2] Historic Test Year 09/30/19	[3] Adjustments	[4] Pro Forma Test Year [2] + [3]
1	Intangible Plant	Sch C-2, Pg 4	\$ 773	\$ -	\$ 773
2	Natural Gas Production & Gathering	Sch C-2, Pg 4	1,197	-	1,197
3	Natural Gas Storage & Processing Plant	Sch C-2, Pg 4	382	-	382
4	Transmission Plant	Sch C-2, Page 5	49,689	-	49,689
5	Distribution Plant	Sch C-2, Page 5	3,206,551	-	3,206,551
6	General Plant	Sch C-2, Page 5	362,132	-	362,132
7	Other Plant		-	-	-
8	Total Utility Plant		<u>\$ 3,620,724</u>	<u>\$ -</u>	<u>\$ 3,620,724</u>

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Schedule C-2
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Pro Forma Year End Plant Balances

Line #	Description	[1] Account Number	[2] Historic Test Year 2019	[3] Pro Forma Adjustment	[4] Balance
INTANGIBLE PLANT					
1	Organization	301	\$ 289	\$ -	\$ 289
2	Franchise & Consent	302	194	-	194
3	Miscellaneous Intangible Plant	303	290	-	290
4	TOTAL INTANGIBLE		<u>773</u>	<u>-</u>	<u>773</u>
NATURAL GAS PRODUCTION & GATHERING					
5	Producing Lands	325.1	13	-	13
6	Producing Leaseholds	325.2	163	-	163
7	Rights of Way	325.4	30	-	30
8	Other Land Rights	325.5	1	-	1
9	Field Measuring & Regulating Station Structures	328	1	-	1
10	Other Structures	329	45	-	45
11	Producing Gas Wells-Well Construction	330	18	-	18
12	Producing Gas Wells-Well Equipment	331	24	-	24
13	Field Lines	332	751	-	751
14	Field Measuring & Reg. Station Equipment	334	90	-	90
15	Drilling & Cleaning Equipment	335	50	-	50
16	Other Equipment	337	11	-	11
17	TOTAL PRODUCTION & GATHERING		<u>1,197</u>	<u>-</u>	<u>1,197</u>
NATURAL GAS STORAGE & PROCESSING PLANT					
18	Land & Land Rights	304	382	-	382
19	Production Plant-Manufactured Gas Plants	305	-	-	-
20	Land	350.1	-	-	-
21	Rights of Way	350.2	-	-	-
22	Structures & Improvements	351	-	-	-
23	Wells	352	-	-	-
24	Lines	353	-	-	-
25	Compressor Station Equipment	354	-	-	-
26	Measuring & Regulating Equipment	355	-	-	-
27	Purification Equipment	356	-	-	-
28	Other Equipment	357	-	-	-
29	TOTAL STORAGE & PROCESSING		<u>382</u>	<u>-</u>	<u>382</u>

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Pro Forma Year End Plant Balances

Line #	Description	[1] Account Number	[2] Historic Test Year 2019	[3] Pro Forma Adjustment	[4] Balance
TRANSMISSION PLANT					
30	Land & Land Rights	365.1	47	-	47
31	Rights of Way	365.2	868	-	868
32	Structures & Improvements	366	248	-	248
33	Mains	367	38,519	-	38,519
34	Measuring & Regulating Station Equipment	369	6,170	-	6,170
35	Communication Equipment	370	3,486	-	3,486
36	Other Equipment	371	351	-	351
37	TOTAL TRANSMISSION		<u>49,689</u>	<u>-</u>	<u>49,689</u>
DISTRIBUTION PLANT					
38	Land & Land Rights	374	11,289	-	11,289
39	Structures & Improvements	375	5,326	-	5,326
40	Mains	376	1,675,202	-	1,675,202
41	Measuring & Regulating Station Equipment	378	94,154	-	94,154
42	Measuring & Regulating Station Equipment	379	20,527	-	20,527
43	Services	380	1,096,356	-	1,096,356
44	Meters	381	144,981	-	144,981
45	Meter Installations	382	88,145	-	88,145
46	House Regulators	383	10,031	-	10,031
47	House Regulatory Installations	384	18,140	-	18,140
48	Industrial Measuring & Reg. Station Equipment	385	34,899	-	34,899
49	Other Property	386	1,316	-	1,316
50	Other Equipment	387	6,185	-	6,185
51	TOTAL DISTRIBUTION		<u>3,206,551</u>	<u>-</u>	<u>3,206,551</u>
GENERAL PLANT					
52	Land & Land Rights	389	9,418	-	9,418
53	Structures & Improvements	390	95,146	-	95,146
54	Office Furniture & Equipment	391	193,939	-	193,939
55	Transportation Equipment	392	28,185	-	28,185
56	Stores Equipment	393	21	-	21
57	Tools & Garage Equipment	394	27,265	-	27,265
58	Laboratory Equipment	395	438	-	438
59	Power Operated Equipment	396	3,426	-	3,426
60	Communication Equipment	397	2,100	-	2,100
61	Miscellaneous Equipment	398	2,178	-	2,178
62	Other Tangible Property	399	16	-	16
63	TOTAL GENERAL		<u>362,132</u>	<u>-</u>	<u>362,132</u>
64	Total Plant		<u>\$ 3,620,724</u>	<u>\$ -</u>	<u>\$ 3,620,724</u>

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Additions to Plant

Line #	Description	[1] Account Number	[2] Historic Test Year 2019
Plant Additions			
<u>INTANGIBLE PLANT</u>			
1	Organization	301	\$ -
2	Franchise & Consent	302	-
3	Miscellaneous Intangible Plant	303	-
4	TOTAL INTANGIBLE		-
<u>NATURAL GAS PRODUCTION & GATHERING</u>			
5	Producing Lands	325.1	-
6	Producing Leaseholds	325.2	-
7	Rights of Way	325.4	-
8	Other Land Rights	325.5	-
9	Field Measuring & Regulating Station Structures	328	-
10	Other Structures	329	-
11	Producing Gas Wells-Well Construction	330	-
12	Producing Gas Wells-Well Equipment	331	-
13	Field Lines	332	-
14	Field Measuring & Reg. Station Equipment	334	-
15	Drilling & Cleaning Equipment	335	-
16	Other Equipment	337	-
17	TOTAL PRODUCTION & GATHERING		-
<u>NATURAL GAS STORAGE & PROCESSING PLANT</u>			
18	Land & Land Rights	304	-
19	Production Plant-Manufactured Gas Plants	305	-
20	Land	350.1	-
21	Rights of Way	350.2	-
22	Structures & Improvements	351	-
23	Wells	352	-
24	Lines	353	-
25	Compressor Station Equipment	354	-
26	Measuring & Regulating Equipment	355	-
27	Purification Equipment	356	-
28	Other Equipment	357	31
29	TOTAL STORAGE & PROCESSING		31

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Additions to Plant

Line #	Description	[1] Account Number	[2] Historic Test Year 2019
TRANSMISSION PLANT			
30	Land & Land Rights	365.1	-
31	Rights of Way	365.2	-
32	Structures & Improvements	366	97
33	Mains	367	-
34	Measuring & Regulating Station Equipment	369	22
35	Communication Equipment	370	-
36	Other Equipment	371	-
37	TOTAL TRANSMISSION		<u>119</u>
DISTRIBUTION PLANT			
38	Land & Land Rights	374	853
39	Structures & Improvements	375	27
40	Mains	376	134,861
41	Measuring & Regulating Station Equipment	378	10,634
42	Measuring & Regulating Station Equipment	379	301
43	Services	380	91,720
44	Meters	381	11,320
45	Meter Installations	382	4,138
46	House Regulators	383	145
47	House Regulatory Installations	384	724
48	Industrial Measuring & Reg. Station Equipment	385	1,801
49	Other Property	386	1
50	Other Equipment	387	628
51	TOTAL DISTRIBUTION		<u>257,153</u>
GENERAL PLANT			
52	Land & Land Rights	389	-
53	Structures & Improvements	390	32,170
54	Office Furniture & Equipment	391	68,473
55	Transportation Equipment	392	12,151
56	Stores Equipment	393	-
57	Tools & Garage Equipment	394	2,745
58	Laboratory Equipment	395	7
59	Power Operated Equipment	396	134
60	Communication Equipment	397	34
61	Miscellaneous Equipment	398	33
62	Other Tangible Property	399	-
63	TOTAL GENERAL		<u>115,747</u>
64	Total Plant		<u>\$ 373,050</u>

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Retirements

Line #	Description	[1] Account Number	[2] Historic Test Year 2019
<u>INTANGIBLE PLANT</u>			
1	Organization	301	\$ -
2	Franchise & Consent	302	-
3	Miscellaneous Intangible Plant	303	-
4	TOTAL INTANGIBLE		-
<u>NATURAL GAS PRODUCTION & GATHERING</u>			
5	Producing Lands	325.1	-
6	Producing Leaseholds	325.2	-
7	Rights of Way	325.4	-
8	Other Land Rights	325.5	-
9	Field Measuring & Regulating Station Structures	328	-
10	Other Structures	329	-
11	Producing Gas Wells-Well Construction	330	-
12	Producing Gas Wells-Well Equipment	331	-
13	Field Lines	332	-
14	Field Measuring & Reg. Station Equipment	334	-
15	Drilling & Cleaning Equipment	335	-
16	Other Equipment	337	-
17	TOTAL PRODUCTION & GATHERING		-
<u>NATURAL GAS STORAGE & PROCESSING PLANT</u>			
18	Land & Land Rights	304	-
19	Production Plant-Manufactured Gas Plants	305	-
20	Land	350.1	-
21	Rights of Way	350.2	-
22	Structures & Improvements	351	-
23	Wells	352	-
24	Lines	353	-
25	Compressor Station Equipment	354	-
26	Measuring & Regulating Equipment	355	-
27	Purification Equipment	356	-
28	Other Equipment	357	-
29	TOTAL STORAGE & PROCESSING		-

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Retirements

Line #	Description	[1] Account Number	[2] Historic Test Year 2019
TRANSMISSION PLANT			
30	Land & Land Rights	365.1	-
31	Rights of Way	365.2	-
32	Structures & Improvements	366	-
33	Mains	367	-
34	Measuring & Regulating Station Equipment	369	-
35	Communication Equipment	370	-
36	Other Equipment	371	-
37	TOTAL TRANSMISSION		<u>-</u>
DISTRIBUTION PLANT			
38	Land & Land Rights	374	-
39	Structures & Improvements	375	-
40	Mains	376	2,599
41	Measuring & Regulating Station Equipment	378	159
42	Measuring & Regulating Station Equipment	379	232
43	Services	380	8,211
44	Meters	381	1,091
45	Meter Installations	382	73
46	House Regulators	383	-
47	House Regulatory Installations	384	-
48	Industrial Measuring & Reg. Station Equipment	385	-
49	Other Property	386	-
50	Other Equipment	387	-
51	TOTAL DISTRIBUTION		<u>12,365</u>
GENERAL PLANT			
52	Land & Land Rights	389	-
53	Structures & Improvements	390	-
54	Office Furniture & Equipment	391	4,793
55	Transportation Equipment	392	7,979
56	Stores Equipment	393	1
57	Tools & Garage Equipment	394	610
58	Laboratory Equipment	395	-
59	Power Operated Equipment	396	-
60	Communication Equipment	397	112
61	Miscellaneous Equipment	398	76
62	Other Tangible Property	399	-
63	TOTAL GENERAL		<u>13,571</u>
64	Total Plant		<u>\$ 25,936</u>

Accumulated Provision for Depreciation

Line No	Description	Account No	HTY 9-30-19
		[1]	[2]
	INTANGIBLE PLANT		
1	Organization	301	\$ -
2	Franchise & Consent	302	-
3	Miscellaneous Intangible Plant	303	-
4	TOTAL INTANGIBLE		<u>-</u>
	NATURAL GAS PRODUCTION & GATHERING		
5	Producing Lands	325	-
6	Producing Leaseholds	325	162
7	Rights of Way	325	30
8	Other Land Rights	326	-
9	Field Measuring & Regulating Station Structures	328	1
10	Other Structures	329	45
11	Producing Gas Wells-Well Construction	330	13
12	Producing Gas Wells-Well Equipment	331	24
13	Field Lines	332	724
14	Field Measuring & Reg. Station Equipment	334	67
15	Drilling & Cleaning Equipment	335	49
16	Other Equipment	337	11
17	TOTAL PRODUCTION & GATHERING		<u>1,126</u>
	NATURAL GAS STORAGE & PROCESSING PLANT		
18	Land & Land Rights	304	-
19	Production Plant-Manufactured Gas Plants	305	(476)
20	Land	350	-
21	Rights of Way	350	-
22	Structures & Improvements	351	-
23	Wells	352	(52)
24	Lines	353	-
25	Compressor Station Equipment	354	-
26	Measuring & Regulating Equipment	355	-
27	Purification Equipment	356	-
28	Other Equipment	357	-
29	TOTAL STORAGE & PROCESSING		<u>(528)</u>

Accumulated Provision for Depreciation

Line No	Description	[1] Account No	[2] HTY 9-30-19
	TRANSMISSION PLANT		
30	Land & Land Rights	365	-
31	Rights of Way	365	500
32	Structures & Improvements	366	138
33	Mains	367	20,504
34	Measuring & Regulating Station Equipment	369	3,673
35	Communication Equipment	370	1,772
36	Other Equipment	371	262
37	TOTAL TRANSMISSION		<u>26,849</u>
	DISTRIBUTION PLANT		
38	Land & Land Rights	374	1,245
39	Structures & Improvements	375	2,989
40	Mains	376	406,902
41	Measuring & Regulating Station Equipment	378	20,438
42	Measuring & Regulating Station Equipment	379	6,620
43	Services	380	330,100
44	Meters	381	64,525
45	Meter Installations	382	29,884
46	House Regulators	383	2,668
47	House Regulatory Installations	384	8,116
48	Industrial Measuring & Reg. Station Equipment	385	15,073
49	Other Property	386	790
50	Other Equipment	387	4,066
51	TOTAL DISTRIBUTION		<u>893,416</u>
	GENERAL PLANT		
52	Land & Land Rights	389	-
53	Structures & Improvements	390	33,177
54	Office Furniture & Equipment	391	47,303
55	Transportation Equipment	392	9,271
56	Stores Equipment	393	6
57	Tools & Garage Equipment	394	9,839
58	Laboratory Equipment	395	46
59	Power Operated Equipment	396	702
60	Communication Equipment	397	1,378
61	Miscellaneous Equipment	398	1,114
62	Other Tangible Property	399	16
63	TOTAL GENERAL		<u>102,852</u>
64	Total Plant		<u>\$ 1,023,715</u>

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(\$ in Thousands)

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Summary of Accumulated Depreciation

Line #	Description	[1]	[2]	[3]	[4]
		Factor Or Reference	Amount	Test Year Ended September 30, 2019 Pro Forma Adjustment	Balance
1	Intangible Plant	Sch C-3, Pg 4	\$ -	-	\$ -
2	Natural Gas Production & Gathering	Sch C-3, Pg 4	1,126	-	1,126
3	Natural Gas Storage & Processing Plant	Sch C-3, Pg 4	(528)	-	(528)
4	Transmission Plant	Sch C-3, Pg 5	26,849	-	26,849
5	Distribution Plant	Sch C-3, Pg 5	893,416	-	893,416
6	General Plant	Sch C-3, Pg 5	102,852	-	102,852
7	Other Plant		-		-
8	TOTAL ACC DEPR & AMORTIZATION		<u>\$ 1,023,715</u>	<u>\$ -</u>	<u>\$ 1,023,715</u>

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Accumulated Depreciation by FERC Account

Line #	Description	[1] Account Number	[2] Historic Test Year 2019	[3] Pro Forma Adjustment	[4] Balance
<u>INTANGIBLE PLANT</u>					
1	Organization	301	\$ -	\$ -	\$ -
2	Franchise & Consent	302	-	-	-
3	Miscellaneous Intangible Plant	303	-	-	-
4	TOTAL INTANGIBLE		-	-	-
<u>NATURAL GAS PRODUCTION & GATHERING</u>					
5	Producing Lands	325.1	-	-	-
6	Producing Leaseholds	325.2	162	-	162
7	Rights of Way	325.4	30	-	30
8	Other Land Rights	325.5	-	-	-
9	Field Measuring & Regulating Station Structures	328	1	-	1
10	Other Structures	329	45	-	45
11	Producing Gas Wells-Well Construction	330	13	-	13
12	Producing Gas Wells-Well Equipment	331	24	-	24
13	Field Lines	332	724	-	724
14	Field Measuring & Reg. Station Equipment	334	67	-	67
15	Drilling & Cleaning Equipment	335	49	-	49
16	Other Equipment	337	11	-	11
17	TOTAL PRODUCTION & GATHERING		1,126	-	1,126
<u>NATURAL GAS STORAGE & PROCESSING PLANT</u>					
18	Land & Land Rights	304	-	-	-
19	Production Plant-Manufactured Gas Plants	305	(476)	-	(476)
20	Land	350.1	-	-	-
21	Rights of Way	350.2	-	-	-
22	Structures & Improvements	351	-	-	-
23	Wells	352	(52)	-	(52)
24	Lines	353	-	-	-
25	Compressor Station Equipment	354	-	-	-
26	Measuring & Regulating Equipment	355	-	-	-
27	Purification Equipment	356	-	-	-
28	Other Equipment	357	-	-	-
29	TOTAL STORAGE & PROCESSING		(528)	-	(528)

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Accumulated Depreciation by FERC Account

Line #	Description	[1] Account Number	[2] Historic Test Year 2019	[3] Pro Forma Adjustment	[4] Balance
TRANSMISSION PLANT					
30	Land & Land Rights	365.1	-	-	-
31	Rights of Way	365.2	500	-	500
32	Structures & Improvements	366	138	-	138
33	Mains	367	20,504	-	20,504
34	Measuring & Regulating Station Equipment	369	3,673	-	3,673
35	Communication Equipment	370	1,772	-	1,772
36	Other Equipment	371	262	-	262
37	TOTAL TRANSMISSION		26,849	-	26,849
DISTRIBUTION PLANT					
38	Land & Land Rights	374	1,245	-	1,245
39	Structures & Improvements	375	2,989	-	2,989
40	Mains	376	406,902	-	406,902
41	Measuring & Regulating Station Equipment	378	20,438	-	20,438
42	Measuring & Regulating Station Equipment	379	6,620	-	6,620
43	Services	380	330,100	-	330,100
44	Meters	381	64,525	-	64,525
45	Meter Installations	382	29,884	-	29,884
46	House Regulators	383	2,668	-	2,668
47	House Regulatory Installations	384	8,116	-	8,116
48	Industrial Measuring & Reg. Station Equipment	385	15,073	-	15,073
49	Other Property	386	790	-	790
50	Other Equipment	387	4,066	-	4,066
51	TOTAL DISTRIBUTION		893,416	-	893,416
GENERAL PLANT					
52	Land & Land Rights	389	-	-	-
53	Structures & Improvements	390	33,177	-	33,177
54	Office Furniture & Equipment	391	47,303	-	47,303
55	Transportation Equipment	392	9,271	-	9,271
56	Stores Equipment	393	6	-	6
57	Tools & Garage Equipment	394	9,839	-	9,839
58	Laboratory Equipment	395	46	-	46
59	Power Operated Equipment	396	702	-	702
60	Communication Equipment	397	1,378	-	1,378
61	Miscellaneous Equipment	398	1,114	-	1,114
62	Other Tangible Property	399	16	-	16
63	TOTAL GENERAL		102,852	-	102,852
64	Total Plant		\$ 1,023,715	\$ -	\$ 1,023,715

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Cost of Removal

Line #	Description	[1] Account Number	[2] Historic Test Year 2019
<u>INTANGIBLE PLANT</u>			
1	Organization	301	\$ -
2	Franchise & Consent	302	-
3	Miscellaneous Intangible Plant	303	-
4	TOTAL INTANGIBLE		-
<u>NATURAL GAS PRODUCTION & GATHERING</u>			
5	Producing Lands	325.1	-
6	Producing Leaseholds	325.2	-
7	Rights of Way	325.4	-
8	Other Land Rights	325.5	-
9	Field Measuring & Regulating Station Structures	328	-
10	Other Structures	329	-
11	Producing Gas Wells-Well Construction	330	-
12	Producing Gas Wells-Well Equipment	331	-
13	Field Lines	332	-
14	Field Measuring & Reg. Station Equipment	334	-
15	Drilling & Cleaning Equipment	335	-
16	Other Equipment	337	-
17	TOTAL PRODUCTION & GATHERING		-
<u>NATURAL GAS STORAGE & PROCESSING PLANT</u>			
18	Land & Land Rights	304	-
19	Production Plant-Manufactured Gas Plants	305	-
20	Land	350.1	-
21	Rights of Way	350.2	-
22	Structures & Improvements	351	-
23	Wells	352	-
24	Lines	353	-
25	Compressor Station Equipment	354	-
26	Measuring & Regulating Equipment	355	-
27	Purification Equipment	356	-
28	Other Equipment	357	-
29	TOTAL STORAGE & PROCESSING		-

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Cost of Removal

Line #	Description	[1] Account Number	[2] Historic Test Year 2019
TRANSMISSION PLANT			
30	Land & Land Rights	365.1	-
31	Rights of Way	365.2	-
32	Structures & Improvements	366	-
33	Mains	367	-
34	Measuring & Regulating Station Equipment	369	-
35	Communication Equipment	370	-
36	Other Equipment	371	-
37	TOTAL TRANSMISSION		-
DISTRIBUTION PLANT			
38	Land & Land Rights	374	-
39	Structures & Improvements	375	-
40	Mains	376	441
41	Measuring & Regulating Station Equipment	378	154
42	Measuring & Regulating Station Equipment	379	-
43	Services	380	3,425
44	Meters	381	1
45	Meter Installations	382	263
46	House Regulators	383	(54)
47	House Regulatory Installations	384	-
48	Industrial Measuring & Reg. Station Equipment	385	4
49	Other Property	386	-
50	Other Equipment	387	-
51	TOTAL DISTRIBUTION		4,234
GENERAL PLANT			
52	Land & Land Rights	389	-
53	Structures & Improvements	390	77
54	Office Furniture & Equipment	391	-
55	Transportation Equipment	392	-
56	Stores Equipment	393	-
57	Tools & Garage Equipment	394	-
58	Laboratory Equipment	395	-
59	Power Operated Equipment	396	-
60	Communication Equipment	397	-
61	Miscellaneous Equipment	398	1
62	Other Tangible Property	399	-
63	TOTAL GENERAL		78
64	Total Plant		\$ 4,312

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Negative Net Salvage Amortization

Line #	Description	[1] Account Number	[2] Historic Test Year 2019
<u>INTANGIBLE PLANT</u>			
1	Organization	301	\$ -
2	Franchise & Consent	302	-
3	Miscellaneous Intangible Plant	303	-
4	TOTAL INTANGIBLE		<u>-</u>
<u>NATURAL GAS PRODUCTION & GATHERING</u>			
5	Producing Lands	325.1	-
6	Producing Leaseholds	325.2	-
7	Rights of Way	325.4	-
8	Other Land Rights	325.5	-
9	Field Measuring & Regulating Station Structures	328	-
10	Other Structures	329	-
11	Producing Gas Wells-Well Construction	330	5
12	Producing Gas Wells-Well Equipment	331	-
13	Field Lines	332	-
14	Field Measuring & Reg. Station Equipment	334	10
15	Drilling & Cleaning Equipment	335	-
16	Other Equipment	337	-
17	TOTAL PRODUCTION & GATHERING		<u>15</u>
<u>NATURAL GAS STORAGE & PROCESSING PLANT</u>			
18	Land & Land Rights	304	-
19	Production Plant-Manufactured Gas Plants	305	251
20	Land	350.1	-
21	Rights of Way	350.2	-
22	Structures & Improvements	351	-
23	Wells	352	16
24	Lines	353	-
25	Compressor Station Equipment	354	-
26	Measuring & Regulating Equipment	355	-
27	Purification Equipment	356	-
28	Other Equipment	357	-
29	TOTAL STORAGE & PROCESSING		<u>267</u>

UGI Utilities, Inc. - Gas Division
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(\$ in Thousands)

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Negative Net Salvage Amortization

Line #	Description	[1] Account Number	[2] Historic Test Year 2019
TRANSMISSION PLANT			
30	Land & Land Rights	365.1	-
31	Rights of Way	365.2	-
32	Structures & Improvements	366	-
33	Mains	367	-
34	Measuring & Regulating Station Equipment	369	1
35	Communication Equipment	370	-
36	Other Equipment	371	-
37	TOTAL TRANSMISSION		<u>1</u>
DISTRIBUTION PLANT			
38	Land & Land Rights	374	-
39	Structures & Improvements	375	7
40	Mains	376	1,280
41	Measuring & Regulating Station Equipment	378	243
42	Measuring & Regulating Station Equipment	379	10
43	Services	380	5,411
44	Meters	381	1
45	Meter Installations	382	352
46	House Regulators	383	1,138
47	House Regulatory Installations	384	3
48	Industrial Measuring & Reg. Station Equipment	385	12
49	Other Property	386	1
50	Other Equipment	387	2
51	TOTAL DISTRIBUTION		<u>8,460</u>
GENERAL PLANT			
52	Land & Land Rights	389	-
53	Structures & Improvements	390	138
54	Office Furniture & Equipment	391	-
55	Transportation Equipment	392	(46)
56	Stores Equipment	393	-
57	Tools & Garage Equipment	394	-
58	Laboratory Equipment	395	-
59	Power Operated Equipment	396	(2)
60	Communication Equipment	397	-
61	Miscellaneous Equipment	398	6
62	Other Tangible Property	399	-
63	TOTAL GENERAL		<u>96</u>
64	Total Plant		<u>\$ 8,839</u>

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Salvage

Line #	Description	[1] Account Number	[2] Historic Test Year 2019
<u>INTANGIBLE PLANT</u>			
1	Organization	301	\$ -
2	Franchise & Consent	302	-
3	Miscellaneous Intangible Plant	303	-
4	TOTAL INTANGIBLE		<u>-</u>
<u>NATURAL GAS PRODUCTION & GATHERING</u>			
5	Producing Lands	325.1	-
6	Producing Leaseholds	325.2	-
7	Rights of Way	325.4	-
8	Other Land Rights	325.5	-
9	Field Measuring & Regulating Station Structures	328	-
10	Other Structures	329	-
11	Producing Gas Wells-Well Construction	330	-
12	Producing Gas Wells-Well Equipment	331	-
13	Field Lines	332	-
14	Field Measuring & Reg. Station Equipment	334	-
15	Drilling & Cleaning Equipment	335	-
16	Other Equipment	337	-
17	TOTAL PRODUCTION & GATHERING		<u>-</u>
<u>NATURAL GAS STORAGE & PROCESSING PLANT</u>			
18	Land & Land Rights	304	-
19	Production Plant-Manufactured Gas Plants	305	-
20	Land	350.1	-
21	Rights of Way	350.2	-
22	Structures & Improvements	351	-
23	Wells	352	-
24	Lines	353	-
25	Compressor Station Equipment	354	-
26	Measuring & Regulating Equipment	355	-
27	Purification Equipment	356	-
28	Other Equipment	357	-
29	TOTAL STORAGE & PROCESSING		<u>-</u>

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Salvage

Line #	Description	[1] Account Number	[2] Historic Test Year 2019
TRANSMISSION PLANT			
30	Land & Land Rights	365.1	-
31	Rights of Way	365.2	-
32	Structures & Improvements	366	-
33	Mains	367	-
34	Measuring & Regulating Station Equipment	369	-
35	Communication Equipment	370	-
36	Other Equipment	371	-
37	TOTAL TRANSMISSION		-
DISTRIBUTION PLANT			
38	Land & Land Rights	374	-
39	Structures & Improvements	375	-
40	Mains	376	(40)
41	Measuring & Regulating Station Equipment	378	(38)
42	Measuring & Regulating Station Equipment	379	-
43	Services	380	-
44	Meters	381	-
45	Meter Installations	382	-
46	House Regulators	383	-
47	House Regulatory Installations	384	-
48	Industrial Measuring & Reg. Station Equipment	385	-
49	Other Property	386	-
50	Other Equipment	387	-
51	TOTAL DISTRIBUTION		(78)
GENERAL PLANT			
52	Land & Land Rights	389	-
53	Structures & Improvements	390	-
54	Office Furniture & Equipment	391	-
55	Transportation Equipment	392	-
56	Stores Equipment	393	-
57	Tools & Garage Equipment	394	-
58	Laboratory Equipment	395	-
59	Power Operated Equipment	396	-
60	Communication Equipment	397	-
61	Miscellaneous Equipment	398	-
62	Other Tangible Property	399	-
63	TOTAL GENERAL		-
64	Total Plant		\$ (78)

Working Capital

Line No	Description	[1]	[2]
		Historic Year 9/30/2019	Reference
1	Working Capital for O & M Expense	\$ 34,062	C-4, Page 2
2	Interest Payments	(4,000)	C-4, Page 7
3	Tax Payment Lag Calculations	3,117	C-4, Page 8
4	Prepaid Expenses	6,185	C-4, Page 9
5	Total Cash Working Capital Requirements	<u>\$ 39,364</u>	

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Summary of Working Capital

Line #	Description	[1] Reference	[2] Historic Test Year Expenses	[3] Factor	[4] Number of (Lead) / Lag Days [2] * [3]	[5] Totals
<u>WORKING CAPITAL REQUIREMENT</u>						
1	REVENUE LAG DAYS	Page 3				57.65
2	EXPENSE LAG DAYS	Page 4				
3	Payroll	Sch D-7	\$ 71,396	12.00	\$ 856,751	
4	Purchased Gas Costs	Sch D-6	299,508	39.39	11,799,028	
5	Other Expenses	L 19 - L 2 to L 4	143,858	31.87	4,584,754	
6	Total	Sum (L 3 to L 5)	<u>\$ 514,762</u>		<u>\$ 17,240,533</u>	
7	O & M Expense Lag Days	L6, C 4 / C 2				33.49
8	Net (Lead) Lag Days	L 1 - L 7				24.16
9	Operating Expenses Per Day	L 6, C 2 / 365				<u>\$ 1,410</u>
10	Working Capital for O & M Expense	L 8 * L 9				\$ 34,062
11	Interest Payments	Page 7				(4,000)
12	Tax Payment Lag Calculations	Page 8				3,117
13	Prepaid Expenses	Page 9				6,185
14	Total Working Capital Requirement	Sum (L 10 to L 13)				<u>\$ 39,364</u>
15	Pro Forma O & M Expense		\$ 527,059			
16	Less: Uncollectible Expense		<u>12,297</u>			
17	Sub-Total		<u>12,297</u>			
18	Pro Forma Cash O&M Expense		<u>\$ 514,762</u>			

UGI Utilities, Inc. - Gas Division
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Revenue Lag									
Line No.	Description	[1] Reference Or Factor	[2] Accounts Receivable Balance End of Month	[3] Total Monthly Sales Page 2	[4] A/R Turnover [3] / [2]	[5] Days Lag 365 / [4]			
1	Annual Number of Days					<u>365</u>			
2	September, 2018		\$ 54,818						
3	October		\$ 50,851	\$ 37,060					
4	November		\$ 67,356	\$ 66,782					
5	December, 2018		\$ 102,438	\$ 106,595					
6	January, 2019		\$ 126,614	\$ 124,492					
7	February		\$ 149,404	\$ 124,943					
8	March		\$ 151,771	\$ 120,895					
9	April		\$ 128,876	\$ 80,577					
10	May		\$ 104,482	\$ 46,376					
11	June		\$ 90,487	\$ 32,369					
12	July		\$ 75,718	\$ 30,124					
13	August		\$ 62,054	\$ 28,504					
14	September, 2019		\$ 52,950	\$ 29,663					
15	Total	Sum L 2 to L 14	<u>\$1,217,820</u>						
16	Number of Months	<u>13</u>							
17	Average Acct Rec Balance	L 15 / L 16	<u>\$93,678</u>						
18	Total Sales for Year	Sum L 2 to L 14		<u>\$ 828,380</u>					
19	Acct Rec Turnover Ratio	L 18 / L 17			<u>8.84</u>				
20	Collection Lag Day Factor	L 1 / L 19				41.29			
21	Meter Read Lag Factor					1.15			
22	Midpoint Lag Factor		365	/	12	/	2	=	<u>15.21</u>
23	Total Revenue Lag Days	Sum L 20 to L 22					<u>57.65</u>		

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Summary of Expense Lag Calculations

Line No.	Description	[1] Reference Or Factor	[2] Historic Test Year Amount	[3] (Lead) / Lag Days	[4] Weighted Dollar Value [2] * [3]	[5] (Lead) / Lag Days [4] / [2]
<u>PAYROLL</u>						
1	Union Payrolls	Bi-Weekly	\$ 28,028	12.00		
2	Exempt & Non-Exempt	Bi-Weekly	43,367	12.00		
3	Weighted for Union	L1, C2 * C3			\$ 336,339	
4	Weighted for Other	L2, C2 * C3			<u>520,407</u>	
5	Payroll Lag	L 3 + L 4	<u>\$ 71,396</u>		<u>\$ 856,746</u>	
6	Payroll Lag Days	C 4 / C 2				<u>12.00</u>
<u>PURCHASE GAS COSTS</u>						
7	Payment Lag	Page 6	<u>\$ 403,880</u>		<u>\$ 15,910,729</u>	
8	Gas Cost Lag Days	C 4 / C 2				<u>39.39</u>
<u>OTHER O & M EXPENSES</u>						
9	OCTOBER 2018	Page 5	\$ 16,119		\$ 483,986	
10	NOVEMBER 2018	Page 5	11,111		320,467	
11	DECEMBER 2018	Page 5	9,266		301,037	
12	JANUARY 2019	Page 5	11,621		429,026	
13	FEBRUARY 2019	Page 5	9,593		315,905	
14	MARCH 2019	Page 5	10,054		319,499	
15	APRIL 2019	Page 5	11,617		336,969	
16	MAY 2019	Page 5	12,054		355,587	
17	JUNE 2019	Page 5	12,161		387,460	
18	JULY 2019	Page 5	2,464		118,190	
19	AUGUST 2019	Page 5	10,996		316,382	
20	SEPTEMBER 2019	Page 5	11,235		403,821	
21	TOTAL		<u>\$ 128,292</u>		<u>\$ 4,088,329</u>	
22	Other O&M Expense Lag Days	L21, C 4 / C 2				<u>31.87</u>

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General Disbursements Payment Lag Summary

Line #	Description	[1] Number of CDs	[2] Cash Disbursements	[3] Dollar-Days	[4] Expense Lag-Days [3] / [2]
OCTOBER 2018					
1	Total Disbursements for Month	4,594	\$ 45,632		
2	Total Disbursements for Expenses	3,758	\$ 16,119	\$ 483,986	30.03
NOVEMBER 2018					
3	Total Disbursements for Month	4,157	\$ 41,475		
4	Total Disbursements for Expenses	3,446	\$ 11,111	\$ 320,467	28.84
DECEMBER 2018					
5	Total Disbursements for Month	3,900	\$ 37,366		
6	Total Disbursements for Expenses	3,238	\$ 9,266	\$ 301,037	32.49
JANUARY 2019					
7	Total Disbursements for Month	4,321	\$ 44,189		
8	Total Disbursements for Expenses	3,609	\$ 11,621	\$ 429,026	36.92
FEBRUARY 2019					
9	Total Disbursements for Month	3,547	\$ 36,284		
10	Total Disbursements for Expenses	3,065	\$ 9,593	\$ 315,905	32.93
MARCH 2019					
11	Total Disbursements for Month	3,935	\$ 34,358		
12	Total Disbursements for Expenses	3,417	\$ 10,054	\$ 319,499	31.78
APRIL 2019					
13	Total Disbursements for Month	4,102	\$ 31,993		
14	Total Disbursements for Expenses	3,468	\$ 11,617	\$ 336,969	29.01
MAY 2019					
15	Total Disbursements for Month	3,956	\$ 44,396		
16	Total Disbursements for Expenses	3,312	\$ 12,054	\$ 355,587	29.50
JUNE 2019					
17	Total Disbursements for Month	4,767	\$ 37,212		
18	Total Disbursements for Expenses	3,955	\$ 12,161	\$ 387,460	31.86
JULY 2019					
19	Total Disbursements for Month	1,414	\$ 33,729		
20	Total Disbursements for Expenses	716	\$ 2,464	\$ 118,190	47.96
AUGUST 2019					
21	Total Disbursements for Month	5,554	\$ 53,447		
22	Total Disbursements for Expenses	2,458	\$ 10,996	\$ 316,382	28.77
SEPTEMBER 2019					
23	Total Disbursements for Month	8,725	\$ 69,116		
24	Total Disbursements for Expenses	3,190	\$ 11,235	\$ 403,821	35.94
25	Total Test Month Expense Disbursement	37,632	\$ 128,292	\$ 4,088,329	31.87

UGI Utilities, Inc. - Gas Division
 Before the Pennsylvania Public Utility Commission
 Historic Period - 12 Months Ended September 30, 2019

Schedule C-4
 Witness: V. K. Ressler
 Page 6 of 9

Purchase Gas Cost Payment Lag Summary

Line #	Description	[1] Number of Invoices	[2] Amount of Invoice	[3] Dollar Days	[4] Total Payment Lag-Days
1	October 2018	63	\$ 18,799	\$ 749,543	39.87
2	November	72	41,476	1,382,105	33.32
3	December	80	62,866	2,685,336	42.72
4	January 2019	74	57,118	2,395,508	41.94
5	February	81	61,075	2,506,816	41.04
6	March	78	46,512	1,848,536	39.74
7	April	71	28,599	1,230,302	43.02
8	May	67	19,825	744,228	37.54
9	June	67	21,149	733,429	34.68
10	July	56	16,864	612,800	36.34
11	August	57	15,964	539,935	33.82
12	September 2019	55	<u>13,633</u>	<u>482,191</u>	35.37
13	Total		<u>\$ 403,880</u>	<u>\$ 15,910,729</u>	
14	Purchase Gas Lag Days				<u>39.39</u>

UGI Utilities, Inc. - Gas Division
Before the Pennsylvania Public Utility Commission
Historic Period - 12 Months Ended September 30, 2019

Schedule C-4
 Witness: V. K. Ressler
 Page 7 of 9

Interest Payments

Line No.	Description	[1] Reference Or Factor	[2] # of Days	[3] # of Days	[4] Total
1	Measure of Value at September 30, 2019	Sch C-1			\$ 2,082,705
2	Long-term Debt Ratio	Sch B-6			44.20%
3	Embedded Cost of Long-term Debt	Sch B-6			4.72%
4	Pro forma Interest Expense	L 1 * L 2 * L 3			<u>\$ 43,450</u>
5	Daily Amount	L 4 / L 5 [2]	365		\$ 119
6	Days to mid-point of interest payments			91.25	
7	Less: Revenue Lag Days	Page 3		57.65	
8	Interest Payment lag days	L 7 - L 6			(33.6)
9	Total Interest for Working Capital	L 5 * L 8			<u>\$ (4,000)</u>

UGI Utilities, Inc. - Gas Division
Before the Pennsylvania Public Utility Commission
Historic Period - 12 Months Ended September 30, 2019

Schedule C-4
 Witness: V. K. Ressler
 Page 8 of 9

Tax Lag Day Calculations

Line #	Description	[1] Payment Dates	[2] Mid-Point of Service Period	[3] Lead (Lag) Payment Days [1] - [2]	[4] Payment Amount	[5] Weighted Lead (Lag) Dollars [3] * [4]	[6] Payment Lead (Lag) Days [5] / [4]	[7] Revenue (Lag) Days	[8] Net Payment Lead (Lag) Days [6] - [7]	[9] Total Dollar Days	[10] Working Capital Amount
											365
1	FEDERAL INCOME TAX				<u>\$ 35,119</u>						
2	First Payment	01/05/19	04/01/19	86.00	\$ 8,780	755,053					
3	Second Payment	03/15/19	04/01/19	17.00	8,780	149,255					
4	Third Payment	06/15/19	04/01/19	(75.00)	8,780	(658,476)					
5	Fourth Payment	09/15/19	04/01/19	(167.00)	8,780	(1,466,207)					
6	Total				<u>\$ 35,119</u>	<u>\$ (1,220,376)</u>	<u>(34.75)</u>	<u>(57.65)</u>	<u>22.90</u>	<u>\$ 804,219</u>	\$ 2,203
7	STATE INCOME TAX				<u>\$ 11,828</u>						
8	First Payment	12/15/18	04/01/19	107.00	\$ 2,957	316,409					
9	Second Payment	03/15/19	04/01/19	17.00	2,957	50,271					
10	Third Payment	06/15/19	04/01/19	(75.00)	2,957	(221,782)					
11	Fourth Payment	09/15/19	04/01/19	(167.00)	2,957	(493,835)					
12	Total				<u>\$ 11,828</u>	<u>(348,937)</u>	<u>(29.50)</u>	<u>(57.65)</u>	<u>28.15</u>	<u>\$ 332,969</u>	\$ 912
13	PA PROPERTY TAX				<u>\$ 617</u>						
14	First Payment	03/31/19	04/01/19	1.00	\$ 309	309					
15	Second Payment	09/30/19	04/01/19	(182.00)	309	(56,147)					
16	Total				<u>\$ 617</u>	<u>(55,839)</u>	<u>(90.50)</u>	<u>(57.65)</u>	<u>(32.85)</u>	<u>\$ (20,268)</u>	\$ (56)
17	PURTA				<u>\$ 746</u>						
18	Payment	05/01/19	04/01/19	(30.00)	\$ 746	(22,380)	(30.00)	(57.65)	27.65	<u>\$ 20,627</u>	\$ 57
19	Total Working Capital For Other Taxes										<u>\$ 3,117</u>

UGI Utilities, Inc. - Gas Division
Before the Pennsylvania Public Utility Commission
Historic Period - 12 Months Ended September 30, 2019

Schedule C-4
 Witness: V. K. Ressler
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Prepaid Expenses

Line #	Description	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]
#	Description	TOTAL	Insurance	PUC Assessment	Property Taxes	Subscriptions	Postage	Rent	Maintenance & Services	
1	September, 2018	7,390	3,007	-	408	34	7	27	3,907	
2	October	8,759	2,643	2,178	354	102	5	27	3,450	
3	November	7,873	2,391	1,906	305	51	12	27	3,181	
4	December, 2018	6,645	2,034	1,634	253	-	15	27	2,682	
5	January, 2019	6,083	1,684	1,361	193	133	13	27	2,672	
6	February	5,683	1,333	1,089	302	203	11	28	2,717	
7	March	4,563	984	817	313	137	11	28	2,273	
8	April	3,930	861	545	262	205	8	28	2,021	
9	May	3,711	905	272	243	149	8	28	2,106	
10	June	4,029	701	-	191	92	6	13	3,026	
11	July	7,321	4,752	(272)	145	38	11	32	2,615	
12	August	6,853	4,309	(545)	329	113	8	32	2,607	
13	September, 2019	7,568	3,873	-	453	51	12	32	3,147	
14	TOTAL	<u>\$ 80,408</u>	<u>\$ 29,477</u>	<u>\$ 8,985</u>	<u>\$ 3,751</u>	<u>\$ 1,308</u>	<u>\$ 127</u>	<u>\$ 356</u>	<u>\$ 36,404</u>	
15	Percent to Gas		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	
16	Amount to Gas		<u>\$ 29,477</u>	<u>\$ 8,985</u>	<u>\$ 3,751</u>	<u>\$ 1,308</u>	<u>\$ 127</u>	<u>\$ 356</u>	<u>\$ 36,404</u>	
17	Monthly Average	13	<u>\$ 2,267</u>	<u>\$ 691</u>	<u>\$ 289</u>	<u>\$ 101</u>	<u>\$ 10</u>	<u>\$ 27</u>	<u>\$ 2,800</u>	
18	Rate Case Amount		<u>\$ 6,185</u>							

UGI Utilities, Inc. - Gas Division
Before the Pennsylvania Public Utility Commission
Historic Period - 12 Months Ended September 30, 2019
(\$ in Thousands)

Gas Inventory

[1]

<u>Line No.</u>	<u>Description</u>	<u>Stored Underground</u>
1	September, 2018	\$ 37,287
2	October	44,101
3	November	42,218
4	December, 2018	34,918
5	January, 2019	23,037
6	February	11,898
7	March	3,396
8	April	6,547
9	May	10,709
10	June	15,464
11	July	19,818
12	August	23,340
13	September, 2019	26,607
		<hr/>
14	Total	<u>\$ 299,340</u>
15	Number of Months	<u>13</u>
16	Average Monthly Balance	<u>\$ 23,026</u>

UGI Utilities, Inc. - Gas Division
Before the Pennsylvania Public Utility Commission
Historic Period - 12 Months Ended September 30, 2019
(\$ in Thousands)

Schedule C-6
Witness: N. M. McKinney
Page 1 of 1

Accumulated Deferred Income Taxes

[1]

[2]

Line #	Description	Amount	Total
<u>Accumulated Deferred Income Tax</u>			
1	Gas Utility Plant - a/c # 282	\$ (483,318)	
2	Sub-total		(483,318)
3	ADIT on CIAC	26,013	
4	ADIT for Repairs Tax Deduction	(88,293)	
5	Sub-total		<u>(62,280)</u>
6	Federal ADIT		(545,598)
7	State Repair Regulatory Liability	(23,407)	(23,407)
8	Pro-Rata Adjustment		<u>-</u>
9	Balance At September 30, 2019		<u><u>\$ (569,005)</u></u>

UGI Utilities, Inc. - Gas Division
Before the Pennsylvania Public Utility Commission
Historic Period - 12 Months Ended September 30, 2019
(\$ in Thousands)

Schedule C-7
Witness: V. K. Ressler
Page 1 of 1

Customer Deposits

[1]

Line #	Description	Balance At End Of Month
1	Balance as of September 30, 2019	<u>\$ 22,290</u>

UGI Utilities, Inc. - Gas Division
Before the Pennsylvania Public Utility Commission
Historic Period - 12 Months Ended September 30, 2019
(\$ in Thousands)

Schedule C-8
Witness: V. K. Ressler
Page 1 of 1

Materials & Supplies

Line #	Month	[1] Materials & Supplies
1	September, 2018	\$ 13,715
2	October	14,077
3	November	14,635
4	December, 2018	14,372
5	January, 2019	14,355
6	February	14,566
7	March	15,104
8	April	15,411
9	May	14,806
10	June	14,986
11	July	15,285
12	August	14,542
13	September, 2019	13,961
14	Total	<u>\$ 189,815</u>
15	Number of Months	<u>13</u>
16	Average Monthly Balance	<u>\$ 14,601</u>

UGI Utilities, Inc. - Gas Division
Before the Pennsylvania Public Utility Commission
Historic Period - 12 Months Ended September 30, 2019
(\$ in Thousands)

Schedule D-1
Witness: S. F. Anzaldo
Page 1 of 1

Summary of Revenue and Expenses
Pro Forma with Proposed Revenue Increase

[1] [2] [3]

Line #	Description	Factor Or Reference	Pro Forma Test Year		
			At Present Rates	Rate Increase	At Proposed Rates
OPERATING REVENUES					
1	Customer & Distribution Revenue		\$ 514,116	\$ -	\$ 514,116
2	Gas Supply & Cost Adjustment Revenue		326,283	-	326,283
3	Other Revenues		9,180	-	9,180
4	Revenue Increase			587	587
5	Total operating revenues		<u>849,579</u>	<u>587</u>	<u>850,166</u>
OPERATING EXPENSES					
6	Manufactured Gas		2,953	-	2,953
7	Gas Supply Production		299,508	-	299,508
8	Transmission		-	-	-
9	Distribution		70,986	-	70,986
10	Customer Accounts		34,043	-	34,043
11	Uncollectible Expense	1.546%	12,297	9	12,306
12	Customer Information & Services		7,323	-	7,323
13	Sales		1,835	-	1,835
14	Administrative & General		98,113	-	98,113
15	Depreciation & Amortization		94,533	-	94,533
16	Taxes other than income taxes		10,837	-	10,837
17	Total operating expenses		<u>632,429</u>	<u>9</u>	<u>632,438</u>
18	Net operating income Before Income Tax		217,150	578	217,728
<u>Income Taxes</u>					
19	Pro Forma Income Tax At Present Rates		46,780		46,780
20	Pro Forma Income Tax on Revenue Increase			167	167
21	Net Income (loss)		<u>\$ 170,371</u>	<u>\$ 411</u>	<u>\$ 170,782</u>

UGI Utilities, Inc. - Gas Division
Before the Pennsylvania Public Utility Commission
Historic Period - 12 Months Ended September 30, 2019
(\$ in Thousands)

Schedule D-2
Witness: S. F. Anzaldo
Page 1 of 1

Summary of Pro Forma Revenue and Expense
Adjustments with Proposed Revenue Increase

Line #	Description	[1] Factor Or Reference	Test Year At Present Rates			[5] Proposed Increase	[6] Pro Forma Test Year With Proposed Increase [4] + [5]
			[2] Actual For Year End 09/30/19	[3] Adjustments Sch D-3 Increase (Decrease)	[4] Pro Forma Adjusted For Test Year 9/30/19		
	<u>OPERATING REVENUES</u>			-	[2] + [3]		
1	Residential (R/RT)	480	\$ 491,374	\$ 10,892	\$ 502,266		\$ 502,266
2	Comm & Ind (N/NT)	481	199,462	816	200,278		200,278
3	Comm & Ind (DS)	489	43,578	270	43,848		43,848
4	Lg Transport/Other	489	69,216	(1,149)	68,067		68,067
5	Interruptible	489	25,905	35	25,940		25,940
6	Forfeited Discounts		5,635	-	5,635		5,635
7	Miscellaneous Service Revenues		1,187	-	1,187		1,187
8	Rent from Gas Properties		2,358	-	2,358		2,358
9	Rate Increase			-	-	587	587
10	Total operating revenues		<u>838,715</u>	<u>10,864</u>	<u>849,579</u>	<u>587</u>	<u>850,166</u>
	<u>OPERATING EXPENSES</u>						
11	Gas Production		2,953	-	2,953		2,953
12	Gas Supply Production		299,508	-	299,508		299,508
13	Transmission		-	-	-		-
14	Distribution		70,564	422	70,986		70,986
15	Customer Accounts		33,853	190	34,043		34,043
16	Uncollectible Expense	1.546%	13,617	(1,320)	12,297	9	12,306
17	Customer Information & Services		7,302	21	7,323		7,323
18	Sales		1,826	9	1,835		1,835
19	Administrative & General		97,812	301	98,113		98,113
20	Depreciation & Amortization		86,641	7,892	94,533		94,533
21	Taxes other than income taxes		10,753	84	10,837		10,837
22	Total operating expenses		<u>624,829</u>	<u>7,600</u>	<u>632,429</u>	<u>9</u>	<u>632,438</u>
23	Net Operating Income - BIT		<u>\$ 213,886</u>	<u>\$ 3,264</u>	<u>\$ 217,150</u>	<u>\$ 578</u>	<u>\$ 217,728</u>

UGI Utilities, Inc. - Gas Division
 Before the Pennsylvania Public Utility Commission
 Historic Period - 12 Months Ended September 30, 2019
 (\$ in Thousands)

Schedule D-3
 Witness: S. F. Anzaldo
 Page 1 of 2

Summary of Pro Forma Adjustments

Line #	Description	[1]	[2]	[3]	[4]	[5]	[6] Adjustments					[7]	[8]	[9]	[10]	[11]	[12]	[13]
		As Actual And Allocated		Revenues	Gas Costs	Salaries & Wages		D-8	D-9	D-10	D-11	D-12	D-13	Uncollectibles Expense			Sub-Total Adjustments	Total Proforma
OPERATING REVENUES			D-4	D-5	D-6	D-7	D-8	D-9	D-10	D-11	D-12	D-13						
Customer & Distribution Revenue																		
1	Residential (R/RT)	480	\$ 272,891	\$ (251)													\$ (251)	\$ 272,640
2	Comm & Ind (N/NT)	481	117,183	(767)													(767)	116,416
3	Comm & Ind (DS)	489	32,976	390													390	33,366
4	Lg Transport/Other	489	67,735	(1,149)													(1,149)	66,586
5	Interruptible	489	25,073	35													35	25,108
Revenue for Cost of Gas																		
6	Residential (R/RT)	480	218,483	11,143													11,143	229,626
7	Comm & Ind (N/NT)	481	82,279	1,583													1,583	83,862
8	Comm & Ind (DS)	489	10,602	(120)													(120)	10,482
9	Lg Transport/Other	489	1,481	-													-	1,481
10	Interruptible Transport	489	832	-													-	832
11	Forfeited Discounts		5,635	-													-	5,635
12	Miscellaneous Service Revenues		1,187	-													-	1,187
13	Rent from Gas Properties		2,358	-													-	2,358
14	Rate Increase		-	-													-	-
15	Total operating revenues		<u>838,715</u>	<u>10,864</u>	-	-	-	-	-	-	-	-	-	-	-	-	<u>10,864</u>	<u>849,579</u>
OPERATING EXPENSES																		
16	Gas Production		2,953														-	2,953
17	Gas Supply Production		299,508														-	299,508
18	Transmission		-															-
19	Distribution		70,564			422											422	70,986
20	Customer Accounts		33,853			190											190	34,043
21	Uncollectible Expense		13,617							(1,320)							(1,320)	12,297
22	Customer Information & Services		7,302			21											21	7,323
23	Sales		1,826			9											9	1,835
24	Administrative & General		97,812			301											301	98,113
25	Depreciation & Amortization		86,641														-	86,641
26	Taxes other than income taxes		10,753														-	10,753
27	Total operating expenses		<u>\$ 624,829</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 944</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,320)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (376)</u>	<u>\$ 624,453</u>
28	Net operating income Before Income Tax		\$ 213,886	\$ -	\$ 10,864	\$ -	\$ (944)	\$ -	\$ -	\$ -	\$ 1,320	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,240	\$ 225,126

UGI Utilities, Inc. - Gas Division
 Before the Pennsylvania Public Utility Commission
 Historic Period - 12 Months Ended September 30, 2019
 (\$ in Thousands)

Summary of Pro Forma Adjustments

Line #	Description	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]	[13]
		From Page 1 Sub-total			D-14	D-15	D-16	D-17	D-18	D-19		Depreciation D-21	Taxes Other Than Income D-31		TOTAL Adjusted
OPERATING REVENUES														
29	Customer & Distribution Revenue													
30	Residential (R/RT)	\$ 272,640												\$ 272,640
31	Comm & Ind (N/NT)	116,416												116,416
32	Comm & Ind (DS)	33,366												33,366
33	Lg Transport/Other	66,586												66,586
34	Interruptible	25,108												25,108
Revenue for Cost of Gas														
35	Residential (R/RT)	229,626												229,626
36	Comm & Ind (N/NT)	83,862												83,862
37	Comm & Ind (DS)	10,482												10,482
38	Lg Transport/Other	1,481												1,481
39	Interruptible Transport	832												832
40	Forfeited Discounts	5,635												5,635
41	Miscellaneous Service Revenues	1,187												1,187
42	Rent from Gas Properties	2,358												2,358
43	Rate Increase	-												-
44	Total operating revenues	<u>849,579</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>849,579</u>
OPERATING EXPENSES														
45	Gas Production	2,953												2,953
46	Gas Supply Production	299,508												299,508
47	Transmission	-												-
48	Distribution	70,986												70,986
49	Customer Accounts	34,043												34,043
50	Uncollectible Expense	12,297												12,297
51	Customer Information & Services	7,323												7,323
52	Sales	1,835												1,835
53	Administrative & General	98,113												98,113
54	Depreciation & Amortization	86,641									7,892			94,533
55	Taxes other than income taxes	10,753										84		10,837
56	Total operating expenses	<u>\$ 624,453</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,892</u>	<u>\$ 84</u>	<u>\$ -</u>	<u>\$ 632,429</u>
57	Net operating income Before Income Tax	\$ 225,126	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (7,892)	\$ (84)	\$ -	\$ 217,150

UGI Utilities, Inc. - Gas Division
Before the Pennsylvania Public Utility Commission
Historic Period - 12 Months Ended September 30, 2019
(\$ in Thousands)

Schedule D-5
Witness: C. R. Brown
Page 1 of 1

Adjustment - Revenue Adjustments

[1]	[2]	[3]	[4]	[5]	[6]		
Line #	Description	Reference Or Account Number	2019 Actual	Other Adjustments	Rev/PGC Adj Annualization	Total Proforma Adjustments D-5A	Proforma Adjusted At Present Rates
PRO FORMA ADJUSTMENTS							
Customer & Distribution Revenue							
1	Residential (R/RT)	480	\$ 272,891	\$ (251)		\$ (251)	\$ 272,640
2	Comm & Ind (N/NT)	481	117,183	(767)		(767)	116,416
3	Comm & Ind (DS)	489	32,976	390		390	33,366
4	Lg Transport/Other	489	67,735	(1,149)		(1,149)	66,586
5	Interruptible	489	25,073	35		35	25,108
6	Cust Chg & Distrib Revenue		515,858	(1,742)	-	(1,742)	514,116
Revenue for Cost of Gas							
7	Residential (R/RT)	480	218,483	(718)	11,861	11,143	229,626
8	Comm & Ind (N/NT)	481	82,279	(2,867)	4,450	1,583	83,862
9	Comm & Ind (DS)	489	10,602	(120)		(120)	10,482
10	Lg Transport/Other	489	1,481	-		-	1,481
11	Interruptible Transport	489	832	-		-	832
12	Revenue for Cost of Gas		313,677	(3,705)	16,311	12,606	326,283
13	Total Customer Revenue		829,535	(5,447)	16,311	10,864	840,399
14	Forfeited Discounts	487	5,635		-	-	5,635
15	Miscellaneous Service Revenues	488	1,121		-	-	1,121
16	Rent from Gas Properties	493	2,358		-	-	2,358
17	Other Revenues	495	66			-	66
18	TOTAL REVENUES		\$ 838,715	\$ (5,447)	\$ 16,311	\$ 10,864	\$ 849,579

UGI Utilities, Inc. - Gas Division
Before the Pennsylvania Public Utility Commission
Historic Period - 12 Months Ended September 30, 2019
(\$ in Thousands)

Schedule D-5A
Witness: C. R. Brown
Page 1 of 1

Adjustment - Test Year Revenue Changes

Line #	Description	[1] Factor Or Reference	[2] 2019 Actual	[3] Revised Actual	[4] Adjustment [3] - [2]	[5] Total Adjustment
TOTAL REVENUE						
1	Residential (R/RT)		\$ 491,374	\$ 502,266	\$ 10,892	
2	Comm & Ind (N/NT)		199,463	200,279	816	
3	Comm & Ind (DS)		43,577	43,847	270	
4	Lg Transport/Other		69,216	68,067	(1,149)	
5	Interruptible		25,905	25,940	35	
6	Total		<u>\$ 829,535</u>	<u>\$ 840,399</u>	<u>\$ 10,864</u>	<u>\$ 10,864</u>
COST OF COMMODITY						
7	Residential (R/RT)		\$ 218,483	\$ 229,626	\$ 11,143	
8	Comm & Ind (N/NT)		82,280	83,863	1,583	
9	Comm & Ind (DS)		10,601	10,481	(120)	
10	Lg Transport/Other		1,481	1,481	0	
11	Interruptible		832	832	0	
12	Total		<u>\$ 313,677</u>	<u>\$ 326,283</u>	<u>\$ 12,606</u>	<u>\$ 12,606</u>
NET CUSTOMER & DISTRIBUTION						
13	Residential (R/RT)		\$ 272,891	\$ 272,640	\$ (251)	
14	Comm & Ind (N/NT)		117,183	116,416	(767)	
15	Comm & Ind (DS)		32,976	33,366	390	
16	Lg Transport/Other		67,735	66,586	(1,149)	
17	Interruptible		25,073	25,108	35	
18	Total		<u>\$ 515,858</u>	<u>\$ 514,116</u>	<u>\$ (1,742)</u>	<u>\$ (1,742)</u>

UGI Utilities, Inc. - Gas Division
Before the Pennsylvania Public Utility Commission
Historic Period - 12 Months Ended September 30, 2019
(\$ in Thousands)

Schedule D-6
Witness: C. R. Brown
Page 1 of 1

Adjustment - Gas Costs

Line #	Description	[1]	[2]	[3]	[4]	[5]
		Actual Gas Costs	PRO FORMA ADJUSTMENTS			Pro Forma Gas Costs At Present Rates
			D-5A Gas Costs		Gas Cost Pro Forma Adjustments	
1	Budgeted Gas Costs	\$ 299,508			\$ -	\$ 299,508
2	Residential (R/RT)		11,861		11,861	11,861
3	Comm & Ind (N/NT)		4,450		4,450	4,450
4	Comm & Ind (DS)		-		-	-
5	Lg Transport/Other		-		-	-
6	Interruptible		-		-	-
7	Total Gas Costs	<u>\$ 299,508</u>	<u>\$ 16,311</u>	<u>\$ -</u>	<u>\$ 16,311</u>	<u>\$ 315,819</u>

UGI Utilities, Inc. - Gas Division
Before the Pennsylvania Public Utility Commission
Historic Period - 12 Months Ended September 30, 2019
(\$ in Thousands)

Schedule D-7
Witness: S. F. Anzaldo
Page 1 of 2

Adjustment - Salaries & Wages

Line #	Description	[1] Recorded Year 09/30/19	[2] Adjustment	[3] Payroll As Distributed	[4] Annualization Adjustment	[5] Total Pro Forma Payroll
<u>OPERATIONS</u>						
1	Total Natural Gas Production Expenses	\$ -	\$ -	\$ -	\$ -	\$ -
2	Total Underground Storage Expenses	-	-	-	-	-
3	Total Transmission Operation Expenses	-	-	-	-	-
4	Total Distribution Operation Expenses	23,648	-	23,648	317	23,965
5	Customer Account Operations Expenses	14,222	-	14,222	190	14,412
6	Total Cust. Service & Inform. Operations Exp	1,572	-	1,572	21	1,593
7	Total Operation Sales Expenses	691	-	691	9	700
8	Total A & G Operation Expenses	20,688	-	20,688	277	20,965
9	Total Operations	<u>60,821</u>	<u>-</u>	<u>60,821</u>	<u>815</u>	<u>61,636</u>
<u>MAINTENANCE</u>						
10	Total Underground Maintenance Expenses	-	-	-	-	-
11	Storage Maintenance Expenses	-	-	-	-	-
12	Total Transmission Maintenance Expenses	-	-	-	-	-
13	Total Distribution Maintenance Expenses	7,868	-	7,868	105	7,973
14	Total A&G Maintenance	1,763	-	1,763	24	1,787
15	Total Maintenance	<u>9,631</u>	<u>-</u>	<u>9,631</u>	<u>129</u>	<u>9,760</u>
16	Total Payroll to Expense	<u>\$ 70,452</u>	<u>\$ -</u>	<u>\$ 70,452</u>	<u>\$ 944</u>	<u>\$ 71,396</u>
17	Percent Increase					<u>1,340%</u>

UGI Utilities, Inc. - Gas Division
Before the Pennsylvania Public Utility Commission
Historic Period - 12 Months Ended September 30, 2019
(\$ in Thousands)

Schedule D-7
Witness: S. F. Anzaldo
Page 2 of 2

		Adjustment - Salaries & Wages				
		[1]	[2]	[3]	[4]	[5]
Line #	Description	Reference Or Function	Union At 6-1	Non-Exempt	Exempt	Pro Forma Total Payroll
1	Actual Payroll For TY 9-30-19		\$ 27,476	\$ 17,613	\$ 25,363	<u>\$ 70,452</u>
<u>Annualize for Wage Increase to 9-30-19</u>						
2	Percent Increase		3.00%	3.00%	3.00%	
3	Union Increase At 6/1 Annualization Factor	6/1/19	67%			
4	Non-Exempt Annualization Factor	4/1/19		50%		
5	Exempt Annualization Factor	12/1/18			17%	
6	Increase for wage rate changes	L 1 * L 2 * Ls 3 to 5	<u>552</u>	<u>264</u>	<u>127</u>	\$ 944
7	Annualized Salaries & Wages at 9-30-19 Rates	L 1 + L 6	\$ 28,028	\$ 17,877	\$ 25,490	
8	Annualization of D-9 changes FY2019					
9	Pro Forma Salaries & Wages for TY		<u>\$ 28,028</u>	<u>\$ 17,877</u>	<u>\$ 25,490</u>	
10	Pro Forma Adjustment to S&W					<u>\$ 944</u>
11	Annualization Factor	L 11 / L 1				<u>1.339%</u>

UGI Utilities, Inc. - Gas Division
Before the Pennsylvania Public Utility Commission
Historic Period - 12 Months Ended September 30, 2019
(\$ in Thousands)

Schedule D-11
Witness: V. K. Ressler
Page 1 of 1

Adjustment - Uncollectibles

Line #	Description	[1] Reference Or Factor	[2] Uncollectible Expense	[3] Tariff Revenue	[4] Percent [2]/[3]	[5] Total [2]/[3]
1	2017		<u>\$ 7,598</u>	<u>\$ 741,789</u>	<u>1.02%</u>	
2	2018		<u>\$ 16,343</u>	<u>\$ 902,250</u>	<u>1.81%</u>	
3	2019		<u>\$ 14,400</u>	<u>\$ 836,206</u>	<u>1.72%</u>	
4	Three Year Average Sum (Line 1 to Line 3) / 3	<u>3</u>	<u>\$ 12,780</u>	<u>\$ 826,748</u>		<u>1.546%</u>
5	<u>2019 Recorded</u> Pro Forma Adjustment				\$ 14,400	
6	Adjusted Revenues	<u>1.546%</u>		<u>\$ 846,034</u>		
7	Pro Forma at Present Rate Revenue	[1] * [3]			<u>13,080</u>	
8	Total for Test Year					<u>\$ (1,320)</u>

UGI Utilities, Inc. - Gas Division
Before the Pennsylvania Public Utility Commission
Historic Period - 12 Months Ended September 30, 2019
(\$ in Thousands)

Schedule D-21
Witness: J.F. Weidmayer
Page 1 of 2

Adjustment - Depreciation expense

Line #	Description	[1] Account Number	[2] Actual 9/30/19 Depreciation Expense	[3] Adjustment To Annualize At New Depre Study Rates	[4] Pro Forma Test Year Depreciation
INTANGIBLE PLANT					
1	Organization	301	\$ -	\$ -	\$ -
2	Franchise & Consent	302	-	-	-
3	Miscellaneous Intangible Plant	303	-	-	-
4	TOTAL INTANGIBLE		-	-	-
NATURAL GAS PRODUCTION & GATHERING					
5	Producing Lands	325.1	-	-	-
6	Producing Leaseholds	325.2	-	-	-
7	Rights of Way	325.4	-	-	-
8	Other Land Rights	325.5	-	-	-
9	Field Measuring & Regulating Station Structures	328	-	-	-
10	Other Structures	329	-	-	-
11	Producing Gas Wells-Well Construction	330	(209)	209	-
12	Producing Gas Wells-Well Equipment	331	(50)	50	-
13	Field Lines	332	1	-	1
14	Field Measuring & Reg. Station Equipment	334	3	(1)	2
15	Drilling & Cleaning Equipment	335	-	-	-
16	Other Equipment	337	-	-	-
17	TOTAL PRODUCTION & GATHERING		(255)	258	3
NATURAL GAS STORAGE & PROCESSING PLANT					
18	Land & Land Rights	304	-	-	-
19	Production Plant-Manufactured Gas Plants	305	(350)	350	-
20	Land	350.1	-	-	-
21	Rights of Way	350.2	-	-	-
22	Structures & Improvements	351	-	-	-
23	Wells	352	231	(231)	-
24	Lines	353	-	-	-
25	Compressor Station Equipment	354	-	-	-
26	Measuring & Regulating Equipment	355	-	-	-
27	Purification Equipment	356	-	-	-
28	Other Equipment	357	-	-	-
29	TOTAL STORAGE & PROCESSING		(119)	119	-

UGI Utilities, Inc. - Gas Division
Before the Pennsylvania Public Utility Commission
Historic Period - 12 Months Ended September 30, 2019
(\$ in Thousands)

Schedule D-21
Witness: J.F. Weidmayer
Page 2 of 2

Adjustment - Depreciation expense

Line #	Description	[1] Account Number	[2] Actual 9/30/19 Depreciation Expense	[3] Adjustment To Annualize At New Depre Study Rates	[4] Pro Forma Test Year Depreciation
TRANSMISSION PLANT					
30	Land & Land Rights	365.1	-	-	-
31	Rights of Way	365.2	12	-	12
32	Structures & Improvements	366	1	6	7
33	Mains	367	458	(1)	457
34	Measuring & Regulating Station Equipment	369	100	(1)	99
35	Communication Equipment	370	150	(23)	127
36	Other Equipment	371	9	(2)	7
37	TOTAL TRANSMISSION		730	(21)	709
DISTRIBUTION PLANT					
38	Land & Land Rights	374	57	(13)	44
39	Structures & Improvements	375	79	6	88
40	Mains	376	26,207	464	26,677
41	Measuring & Regulating Station Equipment	378	2,227	463	2,693
42	Measuring & Regulating Station Equipment	379	542	(29)	504
43	Services	380	26,336	732	27,051
44	Meters	381	4,151	632	4,773
45	Meter Installations	382	2,061	89	2,139
46	House Regulators	383	608	(270)	333
47	House Regulatory Installations	384	361	7	367
48	Industrial Measuring & Reg. Station Equipment	385	461	283	737
49	Other Property	386	24	-	24
50	Other Equipment	387	84	26	111
51	TOTAL DISTRIBUTION		63,198	2,390	65,541
GENERAL PLANT					
52	Land & Land Rights	389	-	-	-
53	Structures & Improvements	390	2,401	1,340	3,824
54	Office Furniture & Equipment	391	12,138	3,305	15,466
55	Transportation Equipment	392	4,130	421	4,565
56	Stores Equipment	393	1	-	1
57	Tools & Garage Equipment	394	1,290	225	1,540
58	Laboratory Equipment	395	22	-	22
59	Power Operated Equipment	396	60	238	299
60	Communication Equipment	397	103	44	105
61	Miscellaneous Equipment	398	178	(57)	128
62	Other Tangible Property	399	-	-	-
63	TOTAL GENERAL		20,323	5,516	25,950
64	TOTAL DEPRECIATION		\$ 83,877	\$ 8,262	\$ 92,203
65	CHARGED TO CLEARING ACCOUNTS		\$ (5,583)	\$ (926)	\$ (6,509)
66	NET SALVAGE AMORTIZATION		\$ 9,417	\$ (578)	\$ 8,839

UGI Utilities, Inc. - Gas Division
Before the Pennsylvania Public Utility Commission
Historic Period - 12 Months Ended September 30, 2019
(\$ in Thousands)

Schedule D-31
Witness: S. F. Anzaldo
Page 1 of 1

Adjustment - Taxes Other Than Income Taxes

Line #	Description	[1] Account Number	[2] Factor or Reference	[3] Actual Amounts 9/30/19	[4] Pro Forma Adjustments	[5] Pro Forma Tax Expense 9/30/19
1	PURTA Taxes	408.1		\$ 746	\$ -	\$ 746
2	Capital Stock	408.1		-		-
3	PA & Local Use taxes	408.1		617	-	617
4	Social Security	408.1	D-32	5,917	79	5,996
5	FUTA	408.1	D-32	49	1	50
6	SUTA	408.1	D-32	313	4	317
7	PUC Assessment	408.1		3,111	-	3,111
8	Total			<u>\$ 10,753</u>	<u>\$ 84</u>	<u>\$ 10,837</u>

UGI Utilities, Inc. - Gas Division
Before the Pennsylvania Public Utility Commission
Historic Period - 12 Months Ended September 30, 2019
(\$ in Thousands)

Schedule D-32
Witness: S. F. Anzaldo
Page 1 of 1

Adjustment - Payroll Taxes

Line #	Description	[1] Account Number	[2] Actual 9/30/19 Present Rates	[3] Pro Forma Adjustments	[4] Increase in Payroll Taxes
1	Total Payroll Charged to Expense		<u>\$ 70,452</u>	<u>\$ 944</u>	
2	FICA Expense		<u>5,917</u>		
3	FICA Expense - Percent	L 2 / L 1	<u>8.40%</u>	<u>8.40%</u>	
4	Pro Forma FICA Expense on Pro Forma S&W	[4] L 1 * L 3			\$ 79
5	FUTA Expense		<u>49</u>		
6	FUTA Expense - Percent	L 5 / L 1	<u>0.07%</u>	<u>0.07%</u>	
7	Pro Forma FUTA Expense on Pro Forma S&W	[4] L 1 * L 6			1
8	SUTA Expense		<u>313</u>		
9	SUTA Expense - Percent	L 8 / L 1	<u>0.44%</u>	<u>0.44%</u>	
10	Pro Forma SUTA Expense on Pro Forma S&W	[4] L 1 * L 9			4
11	Pro Forma Adjustment	Sum L 4 to L 10			<u>\$ 84</u>

UGI Utilities, Inc. - Gas Division
Before the Pennsylvania Public Utility Commission
Historic Period - 12 Months Ended September 30, 2019
(\$ in Thousands)

Schedule D-33
Witness: N. McKinney
Page 1 of 1

Line #	Description	[1] Factor Or Reference	[2] Element Or Amount	[3] Pro Forma Test Year At Present Rates	[4] Revenue Increase	[5] Pro Forma Test Year At Proposed Rates [3] + [4]
1	Revenue			\$ 849,579	\$ 587	\$ 850,166
2	Operating Expenses			<u>(632,429)</u>	<u>(9)</u>	<u>(632,438)</u>
3	OIBIT	L 1 + L 2		217,150	578	217,728
Interest Expense						
4	Rate Base	Sch A-1	2,082,705			
5	Weighted Cost of Debt	Sch B-7	<u>0.02090</u>			
6	Synchronized Interest Expense	L 4 * L 5		<u>(43,529)</u>	<u>-</u>	<u>(43,529)</u>
7	Base Taxable Income	L 3 + L 6		173,621	578	174,199
8	Total Tax Depreciation	Sch D-34	\$ 193,505			
9	Pro Forma Book Depreciation	Sch D-34	<u>99,089</u>			
10	State Tax Depreciation (Over) Under Book	L 9 - L 8		(94,416)		(94,416)
11	Other				-	-
12	State Taxable Income	Sum L 7 to L 11		<u>\$ 79,206</u>	<u>\$ 578</u>	<u>\$ 79,784</u>
13	State Income Tax (Expense)/Refund	L 12 * Rate [2]	9.99%	\$ (7,913)	\$ (58)	\$ (7,970)
14	Total Tax Depreciation	Sch D-34	\$ 153,229			
15	Pro Forma Book Depreciation	Sch D-34	<u>99,089</u>			
16	Federal Tax Deducts (Over) Under Book	L 14 - L 13		(54,140)	-	(54,140)
17	Other				-	-
18	Federal Taxable Income	L 7 + sum L 13 to L 17		<u>111,569</u>	<u>520</u>	<u>112,089</u>
19	Federal Income Tax (Expense)/Refund	-L 18 * Rate [2]	21.00%	<u>(23,429)</u>	<u>(109)</u>	<u>(23,539)</u>
20	Total Tax Expense before Deferred Income Tax	L 13 + L 19		<u>(31,342)</u>	<u>(167)</u>	<u>(31,509)</u>
Deferred Federal Income Taxes						
21	Total Straight Line Tax Depreciation	Sch D-34	\$ 92,203			
22	Total Tax Depreciation	Sch D-34	<u>148,992</u>			
23	Federal Tax Deducts (Over) Under Book	L 22 - L 21		56,789	-	56,789
24	Deferred Federal Taxable Income	L 23		<u>\$ 56,789</u>	<u>\$ -</u>	<u>\$ 56,789</u>
25	Federal Income Tax (Expense)/Refund	-L 24 * Rate [2]	Blended Rate ¹	<u>(11,898)</u>	<u>-</u>	<u>(11,898)</u>
Deferred State Income Taxes						
26	Repairs			(3,591)		(3,591)
27	CIAC			<u>(267)</u>		<u>(267)</u>
28	State Deferred Income Tax (Expense)/Refund			(3,858)	-	(3,858)
29	Net Income Tax Expense	L20 + L 25 + L28		(47,098)	(167)	(47,265)
Other Tax Adjustments						
30	ITC			318		318
31	Combined Income Tax Expense	L 29 + L 30		<u>\$ (46,780)</u>	<u>\$ (167)</u>	<u>\$ (46,947)</u>
32	Federal Income Tax Expense	L 19 + L 25 + L 30		\$ (35,009)	\$ (109)	\$ (35,119)
33	State Income Tax Expense	L 13 + L 28		<u>(11,771)</u>	<u>(58)</u>	<u>(11,828)</u>
34	Total Income Tax Expense	L 32 + L 33		<u>\$ (46,780)</u>	<u>\$ (167)</u>	<u>\$ (46,947)</u>

¹ Due to the 2018 Tax Cuts and Jobs Act, excess deferred income tax is now being flowed back to customers which results in a deferred tax rate other than 21%.

UGI Utilities, Inc. - Gas Division
Before the Pennsylvania Public Utility Commission
Historic Period - 12 Months Ended September 30, 2019
(\$ in Thousands)

Schedule D-34
Witness: N. McKinney
Page 1 of 1

Tax Depreciation

Line #	Description	[1] Amount	[2] Amount	[3] Total
<u>Accelerated Tax Depreciation</u>				
1	Gas Plant		\$ 87,476	
2	Cost of Removal		4,237	
3	Repairs Tax Deduction		65,222	
4	Other Tax Basis Adjustments		<u>(3,706)</u>	
5	Total Federal Accelerated Tax Depreciation			<u>\$ 153,229</u>
6	Adjustment for PA Tax Depreciation - Bonus Decoupling		<u>40,276</u>	
7	Total State Accelerated Tax Depreciation			<u><u>\$193,505</u></u>
<u>Straight Line Tax Depreciation</u>				
8	Gas Plant		<u>\$ 92,203</u>	
9	Total Tax Depreciation			<u><u>\$ 92,203</u></u>
<u>Book Depreciation</u>				
10	Pro Forma Book Depreciation		\$ 92,203	
11	Net Salvage Amortization		8,839	
12	Depreciation Charged to Clearing Accounts	(6,509)		
13	Estimated Percent of Clearing Charged to CWIP	<u>30%</u>		
14	Depreciation Charged to CWIP		(1,953)	
15	Book Depreciation for Tax Calculation			<u><u>\$ 99,089</u></u>

UGI Utilities, Inc. - Gas Division
Before the Pennsylvania Public Utility Commission
Historic Period - 12 Months Ended September 30, 2019
(\$ in Thousands)

Schedule D-35
Witness: S. F. Anzaldo
Page 1 of 1

Gross Revenue Conversion Factor

Line #	Description	[1] Reference Or Factor	[2] Tax Rate	[3] Factor
<u>GROSS REVENUE CONVERSION FACTOR</u>				
1	GROSS REVENUE FACTOR			1.000000
2	UNCOLLECTIBLE EXPENSES			<u>(0.015460)</u>
3	NET REVENUES	Sum L 1 to L 2		0.984540
4	STATE INCOME TAXES	[3] L 3 * Rate [2]	9.9900%	<u>(0.098356)</u>
5	FACTOR AFTER STATE TAXES	L 3 + L 4		0.886184
6	FEDERAL INCOME TAXES	[3] L 5 * Rate [2]	21.00%	<u>(0.186099)</u>
7	NET OPERATING INCOME FACTOR	L 5 + L 6		<u>0.700085</u>
8	GROSS REVENUE CONVERSION FACTOR	1 / L 7		<u>1.428398</u>
9	Combined Income Tax Factor On Gross Revenues	-L 4 - L 6		<u>28.446%</u>

INCOME TAX FACTOR

10	GROSS REVENUE FACTOR			1.000000
11	STATE INCOME TAXES	[3] L 10 * Rate [2]	9.9900%	<u>(0.099900)</u>
12	FACTOR AFTER STATE TAXES	L 10 + L 11		0.900100
13	FEDERAL INCOME TAXES	[3] L 12 * Rate [2]	21.00%	<u>(0.189021)</u>
14	NET OPERATING INCOME FACTOR	L 12 + L 13		0.711079
15	GROSS REVENUE CONVERSION FACTOR	1 / L 14		<u>1.406314</u>
16	Combined Income Tax Factor On Taxable Income	-L 11 - L 13		<u>28.892%</u>

UGI GAS EXHIBIT B – RATE OF RETURN

UGI Utilities, Inc. – Gas Division

Exhibit to Accompany the

Direct Testimony

of

Paul R. Moul, Managing Consultant
P. Moul & Associates, Inc.

Concerning

Fair Rate of Return

UGI Utilities, Inc. – Gas Division
Index of Schedules

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UGI Utilities, Inc.
Proposed Rate of Return
Estimated at September 30, 2021

<u>Type of Capital</u>	<u>Ratios</u>	<u>Cost Rate</u>	<u>Weighted Cost Rate</u>
Long-Term Debt	46.70%	4.51%	2.11%
Common Equity	<u>53.30%</u>	10.95%	<u>5.84%</u>
Total	<u>100.00%</u>		<u>7.95%</u>

Indicated levels of fixed charge coverage assuming that the Company could actually achieve its proposed rate of return:

Pre-tax coverage of interest expense based upon a 28.8921% composite federal and state income tax rate (10.32% ÷ 2.11%)	4.89 x
Post-tax coverage of interest expense (7.95% ÷ 2.11%)	3.77 x

UGI Utilities, Inc.

Cost of Equity
as of October 31, 2019

Discounted Cash Flow (DCF)	D_1/P_0	+	g	+	$lev.$	=	k		
Gas Group	2.64%	+	7.50%	+	1.67%	=	11.81%		
Risk Premium (RP)			I	+	RP	=	k		
Gas Group			3.75%	+	6.50%	=	10.25%		
Capital Asset Pricing Model (CAPM)	Rf	+	β	x	$(Rm-Rf)$	+	$size$	=	k
Gas Group	2.50%	+	0.83	x	(9.03%)	+	1.02%	=	11.01%
Comparable Earnings (CE) ⁽¹¹⁾					Historical	Forecast	Average		
Comparable Earnings Group					11.5%	13.0%	12.25%		

- References: (1) Schedule 07
(2) Schedule 09
(3) Schedule 10
(4) Schedule 11
(5) A-rated public utility bond yield comprised of a 2.50% risk-free rate of return (Schedule 14 page 2) and a yield spread of 1.25% (Schedule 12 page 3)
(6) Schedule 13 page 1
(7) Schedule 14 page 2
(8) Schedule 10
(9) Schedule 14 page 2
(10) Schedule 14 page 3
(11) Schedule 15 page 2

UGI UTILITIES INC
Capitalization and Financial Statistics
2014-2018, Inclusive

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	
			(Millions of Dollars)			
Amount of Capital Employed						
Permanent Capital	\$ 1,951.6	\$ 1,765.8	\$ 1,627.8	\$ 1,526.3	\$ 1,490.0	
Short-Term Debt	<u>\$ 189.5</u>	<u>\$ 170.0</u>	<u>\$ 112.5</u>	<u>\$ 71.7</u>	<u>\$ 86.3</u>	
Total Capital	<u>\$ 2,141.1</u>	<u>\$ 1,935.8</u>	<u>\$ 1,740.3</u>	<u>\$ 1,598.0</u>	<u>\$ 1,576.3</u>	
Capital Structure Ratios						
Based on Permanent Capital:						<u>Average</u>
Long-Term Debt	42.9%	42.5%	41.2%	40.8%	43.1%	42.1%
Common Equity ⁽¹⁾	57.1%	57.5%	58.8%	59.2%	56.9%	57.9%
	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>
Based on Total Capital:						
Total Debt incl. Short Term	48.0%	47.6%	45.0%	43.4%	46.2%	46.0%
Common Equity ⁽¹⁾	52.0%	52.4%	55.0%	56.6%	53.8%	54.0%
	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>
Rate of Return on Book Common Equity ⁽¹⁾	14.0%	11.8%	10.5%	13.8%	15.1%	13.0%
Operating Ratio ⁽²⁾	78.5%	75.2%	73.6%	77.6%	77.7%	76.5%
Coverage incl. AFUDC ⁽³⁾						
Pre-tax: All Interest Charges	5.54 x	5.68 x	5.34 x	5.88 x	6.40 x	5.77 x
Post-tax: All Interest Charges	4.47 x	3.89 x	3.59 x	3.94 x	4.23 x	4.02 x
Coverage excl. AFUDC ⁽³⁾						
Pre-tax: All Interest Charges	5.54 x	5.68 x	5.34 x	5.88 x	6.40 x	5.77 x
Post-tax: All Interest Charges	4.47 x	3.89 x	3.59 x	3.94 x	4.23 x	4.02 x
Quality of Earnings & Cash Flow						
AFC/Income Avail. for Common Equity	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Effective Income Tax Rate	23.5%	38.3%	40.4%	39.6%	40.3%	36.4%
Internal Cash Generation/Construction ⁽⁴⁾	86.8%	75.6%	63.0%	80.6%	89.7%	79.1%
Gross Cash Flow/ Avg. Total Debt ⁽⁵⁾	33.9%	33.9%	27.7%	32.3%	32.4%	32.0%
Gross Cash Flow Interest Coverage ⁽⁶⁾	8.70 x	7.91 x	6.41 x	6.51 x	6.74 x	7.25 x
Common Dividend Coverage ⁽⁷⁾	6.61 x	5.00 x	4.36 x	3.50 x	2.90 x	4.47 x

See Page 2 for Notes.

UGI Utilities, Inc.
Capitalization and Financial Statistics
2014-2018, Inclusive

Notes:

- (1) Excluding Accumulated Other Comprehensive Income ("OCI") from the equity account..
- (2) Total operating expenses, maintenance, depreciation and taxes other than income as a percentage of operating revenues.
- (3) Coverage calculations represent the number of times available earnings, both including and excluding AFUDC (allowance for funds used during construction) as reported in its entirety, cover fixed charges.
- (4) Internal cash generation/gross construction is the percentage of gross construction expenditures provided by internally-generated funds from operations after payment of all cash dividends divided by gross construction expenditures.
- (5) Gross Cash Flow (sum of net income, depreciation, amortization, net deferred income taxes and investment tax credits, less AFUDC) as a percentage of average total debt.
- (6) Gross Cash Flow (sum of net income, depreciation, amortization, net deferred income taxes and investment tax credits, less total AFUDC) plus interest charges, divided by interest charges.
- (7) Common dividend coverage is the relationship of internally generated funds from operations after payment of preferred stock dividends to common dividends paid.

Source of Information: Utility COMPUSTAT

Gas Group
Capitalization and Financial Statistics ⁽¹⁾
2014-2018, Inclusive

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	
	(Millions of Dollars)					
Amount of Capital Employed						
Permanent Capital	\$ 4,698.4	\$ 4,133.8	\$ 3,746.8	\$ 3,522.8	\$ 3,920.8	
Short-Term Debt	\$ 499.2	\$ 402.2	\$ 393.6	\$ 259.5	\$ 330.8	
Total Capital	<u>\$ 5,197.6</u>	<u>\$ 4,536.0</u>	<u>\$ 4,140.4</u>	<u>\$ 3,782.3</u>	<u>\$ 4,251.6</u>	
Market-Based Financial Ratios						<u>Average</u>
Price-Earnings Multiple	20 x	22 x	22 x	19 x	19 x	20 x
Market/Book Ratio	217.6%	224.2%	201.9%	187.7%	187.0%	203.7%
Dividend Yield	2.8%	2.6%	2.8%	3.0%	3.0%	2.8%
Dividend Payout Ratio	52.4%	71.1%	60.7%	67.7%	58.2%	62.0%
Capital Structure Ratios						
Based on Permanent Capital:						
Long-Term Debt	47.9%	47.1%	45.0%	45.9%	46.8%	46.6%
Preferred Stock	1.0%	0.0%	0.1%	0.0%	0.0%	0.2%
Common Equity ⁽²⁾	51.1%	52.9%	54.9%	54.0%	53.2%	53.2%
	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>
Based on Total Capital:						
Total Debt incl. Short Term	53.4%	53.0%	50.5%	51.3%	51.6%	52.0%
Preferred Stock	0.9%	0.0%	0.1%	0.0%	0.0%	0.2%
Common Equity ⁽²⁾	45.7%	47.0%	49.5%	48.7%	48.4%	47.9%
	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>
Rate of Return on Book Common Equity ⁽²⁾	10.0%	8.0%	9.2%	9.4%	9.8%	9.3%
Operating Ratio ⁽³⁾	84.6%	84.1%	83.0%	85.0%	86.6%	84.7%
Coverage incl. AFUDC ⁽⁴⁾						
Pre-tax: All Interest Charges	3.65 x	4.22 x	4.88 x	4.85 x	4.71 x	4.46 x
Post-tax: All Interest Charges	3.47 x	3.31 x	3.58 x	3.62 x	3.51 x	3.50 x
Overall Coverage: All Int. & Pfd. Div.	3.47 x	3.31 x	3.58 x	3.62 x	3.51 x	3.50 x
Coverage excl. AFUDC ⁽⁴⁾						
Pre-tax: All Interest Charges	3.60 x	4.19 x	4.82 x	4.79 x	4.67 x	4.41 x
Post-tax: All Interest Charges	3.42 x	3.27 x	3.52 x	3.57 x	3.47 x	3.45 x
Overall Coverage: All Int. & Pfd. Div.	3.42 x	3.27 x	3.52 x	3.57 x	3.47 x	3.45 x
Quality of Earnings & Cash Flow						
AFC/Income Avail. for Common Equity	3.2%	-4.7%	2.3%	2.4%	1.7%	1.0%
Effective Income Tax Rate	15.6%	39.7%	33.6%	32.6%	32.3%	30.8%
Internal Cash Generation/Construction ⁽⁵⁾	46.7%	59.5%	71.6%	71.0%	84.0%	66.6%
Gross Cash Flow/ Avg. Total Debt ⁽⁶⁾	18.4%	21.4%	23.7%	22.8%	23.9%	22.0%
Gross Cash Flow Interest Coverage ⁽⁷⁾	6.05 x	6.69 x	7.35 x	6.96 x	7.03 x	6.82 x
Common Dividend Coverage ⁽⁸⁾	3.63 x	4.21 x	4.60 x	4.48 x	5.00 x	4.38 x

See Page 2 for Notes.

Gas Group
Capitalization and Financial Statistics
2014-2018, Inclusive

Notes:

- (1) All capitalization and financial statistics for the group are the arithmetic average of the achieved results for each individual company in the group.
- (2) Excluding Accumulated Other Comprehensive Income ("OCI") from the equity account.
- (3) Total operating expenses, maintenance, depreciation and taxes other than income taxes as a percent of operating revenues.
- (4) Coverage calculations represent the number of times available earnings, both including and excluding AFUDC (allowance for funds used during construction) as reported in its entirety, cover fixed charges.
- (5) Internal cash generation/gross construction is the percentage of gross construction expenditures provided by internally-generated funds from operations after payment of all cash dividends divided by gross construction expenditures.
- (6) Gross Cash Flow (sum of net income, depreciation, amortization, net deferred income taxes and investment tax credits, less total AFUDC) plus interest charges, divided by interest charges.
- (7) Gross Cash Flow plus interest charges divided by interest charges.
- (8) Common dividend coverage is the relationship of internally-generated funds from operations after payment of preferred stock dividends to common dividends paid.

Basis of Selection:

The Gas Group includes companies that are contained in The Value Line Investment Survey within the industry group "Natural Gas Utility," they are not currently the target of a publicly-announced merger or acquisition, and after eliminating UGI Corp. due to its highly diversified businesses.

Ticker	Company	Corporate Credit Ratings		Stock Traded	Value Line Beta
		Moody's	S&P		
ATO	Atmos Energy Corp.	A2	A	NYSE	0.60
CPK	Chesapeake Utilities Corp.	NAIC "1"		NYSE	0.65
NJR	New Jersey Resources Corp.	Aa2	BBB+	NYSE	0.70
NI	NiSource Inc.	Baa2	BBB+	NYSE	0.55
NWN	Northwest Natural Holding Comp:	A3	A+	NYSE	0.60
OGS	ONE Gas, Inc.	A2	A	NYSE	0.65
SJI	South Jersey Industries, Inc.	A2	BBB	NYSE	0.80
SWX	Southwest Gas Holdings, Inc.	A3	BBB+	NYSE	0.70
SR	Spire, Inc.	A1	A-	NYSE	0.65
	Average	<u>A2</u>	<u>A-</u>		<u>0.66</u>

Note: Ratings are those of utility subsidiaries

Source of Information: Utility COMPUSTAT
Moody's Investors Service
Standard & Poor's Corporation

Standard & Poor's Public Utilities
Capitalization and Financial Statistics ⁽¹⁾
2014-2018, Inclusive

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	
	(Millions of Dollars)					
Amount of Capital Employed						
Permanent Capital	\$ 32,871.6	\$ 30,827.6	\$ 29,173.1	\$ 26,655.9	\$ 25,754.2	
Short-Term Debt	<u>\$ 1,420.3</u>	<u>\$ 1,076.1</u>	<u>\$ 1,032.2</u>	<u>\$ 875.5</u>	<u>\$ 899.8</u>	
Total Capital	<u>\$ 34,291.9</u>	<u>\$ 31,903.7</u>	<u>\$ 30,205.3</u>	<u>\$ 27,531.4</u>	<u>\$ 26,654.0</u>	
Market-Based Financial Ratios						<u>Average</u>
Price-Earnings Multiple	21 x	21 x	21 x	18 x	20 x	20 x
Market/Book Ratio	204.7%	214.4%	196.0%	181.1%	180.9%	195.4%
Dividend Yield	3.5%	3.3%	3.5%	3.6%	3.5%	3.5%
Dividend Payout Ratio	71.7%	74.4%	74.6%	68.8%	72.4%	72.4%
Capital Structure Ratios						
Based on Permanent Capital:						
Long-Term Debt	55.0%	56.8%	56.6%	54.7%	53.3%	55.3%
Preferred Stock	2.5%	1.4%	1.9%	1.6%	1.3%	1.7%
Common Equity ⁽²⁾	<u>42.5%</u>	<u>41.8%</u>	<u>41.6%</u>	<u>43.8%</u>	<u>45.3%</u>	<u>43.0%</u>
	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>
Based on Total Capital:						
Total Debt incl. Short Term	57.0%	58.4%	58.2%	56.1%	55.0%	56.9%
Preferred Stock	2.4%	1.4%	1.8%	1.5%	1.3%	1.7%
Common Equity ⁽²⁾	<u>40.7%</u>	<u>40.3%</u>	<u>40.1%</u>	<u>42.4%</u>	<u>43.7%</u>	<u>41.4%</u>
	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>
Rate of Return on Book Common Equity ⁽²⁾	10.3%	10.8%	9.7%	9.7%	9.6%	10.0%
Operating Ratio ⁽³⁾	79.8%	77.0%	78.2%	79.7%	80.5%	79.0%
Coverage incl. AFUDC ⁽⁴⁾						
Pre-tax: All Interest Charges	2.94 x	3.42 x	3.38 x	3.80 x	3.55 x	3.42 x
Post-tax: All Interest Charges	2.59 x	2.86 x	2.55 x	2.79 x	2.71 x	2.70 x
Overall Coverage: All Int. & Pfd. Div.	2.55 x	2.84 x	2.52 x	2.75 x	2.67 x	2.67 x
Coverage excl. AFUDC ⁽⁴⁾						
Pre-tax: All Interest Charges	2.84 x	3.31 x	3.28 x	3.70 x	3.46 x	3.32 x
Post-tax: All Interest Charges	2.49 x	2.75 x	2.44 x	2.69 x	2.62 x	2.60 x
Overall Coverage: All Int. & Pfd. Div.	2.44 x	2.73 x	2.41 x	2.65 x	2.58 x	2.56 x
Quality of Earnings & Cash Flow						
AFC/Income Avail. for Common Equity	7.0%	7.3%	6.5%	5.5%	7.1%	6.7%
Effective Income Tax Rate	19.0%	28.2%	29.0%	32.5%	28.7%	27.5%
Internal Cash Generation/Construction ⁽⁵⁾	76.0%	78.3%	78.0%	71.9%	88.8%	78.6%
Gross Cash Flow/ Avg. Total Debt ⁽⁶⁾	17.5%	19.8%	20.5%	20.0%	22.5%	20.1%
Gross Cash Flow Interest Coverage ⁽⁷⁾	5.00 x	5.55 x	5.54 x	5.41 x	5.62 x	5.42 x
Common Dividend Coverage ⁽⁸⁾	4.82 x	4.31 x	4.31 x	4.24 x	4.79 x	4.49 x

See Page 2 for Notes.

Standard & Poor's Public Utilities
Capitalization and Financial Statistics
2014-2018, Inclusive

Notes:

- (1) All capitalization and financial statistics for the group are the arithmetic average of the achieved results for each individual company in the group.
- (2) Excluding Accumulated Other Comprehensive Income ("OCI") from the equity account
- (3) Total operating expenses, maintenance, depreciation and taxes other than income taxes as a percent of operating revenues.
- (4) Coverage calculations represent the number of times available earnings, both including and excluding AFUDC (allowance for funds used during construction) as reported in its entirety, cover fixed charges.
- (5) Internal cash generation/gross construction is the percentage of gross construction expenditures provided by internally-generated funds from operations after payment of all cash dividends divided by gross construction expenditures.
- (6) Gross Cash Flow (sum of net income, depreciation, amortization, net deferred income taxes and investment tax credits, less total AFUDC) as a percentage of average total debt.
- (7) Gross Cash Flow (sum of net income, depreciation, amortization, net deferred income taxes and investment tax credits, less total AFUDC) plus interest charges, divided by interest charges.
- (8) Common dividend coverage is the relationship of internally-generated funds from operations after payment of preferred stock dividends to common dividends paid.

Source of Information: Annual Reports to Shareholders
Utility COMPUSTAT

Standard & Poor's Public Utilities
Company Identities

	Ticker	Credit Rating ⁽¹⁾		Common Stock Traded	Value Line Beta
		Moody's	S&P		
Alliant Energy Corporation	LNT	Baa1	A-	NYSE	0.65
Ameren Corporation	AEE	Baa1	BBB+	NYSE	0.60
American Electric Power	AEP	Baa1	BBB	NYSE	0.55
American Water Works	AWK	A3	A	NYSE	0.60
CenterPoint Energy	CNP	A3	A-	NYSE	0.80
CMS Energy	CMS	A3	BBB	NYSE	0.55
Consolidated Edison	ED	A2	A-	NYSE	0.45
Dominion Resources	D	A2	A-	NYSE	0.55
DTE Energy Co.	DTE	A2	BBB+	NYSE	0.55
Duke Energy	DUK	A1	BBB+	NYSE	0.50
Edison Int'l	EIX	A2	BBB+	NYSE	0.55
Entergy Corp.	ETR	Baa1	BBB	NYSE	0.60
Evergy, Inc.	EVERG	Baa1	A-	NYSE	NMF
Eversource	NU	Baa1	A-	NYSE	0.60
Exelon Corp.	EXC	A2	BBB	NYSE	0.70
FirstEnergy Corp.	FE	Baa2	BBB-	NYSE	0.65
NextEra Energy Inc.	NEE	A1	A-	NYSE	0.60
NiSource Inc.	NI	Baa2	BBB+	NYSE	0.55
NRG Energy Inc.	NRG	Ba3	BB-	NYSE	1.30
Pinnacle West Capital	PNW	A3	A-	NYSE	0.55
PPL Corp.	PPL	Baa1	BBB	NYSE	0.70
Public Serv. Enterprise Inc.	PEG	A2	BBB+	NYSE	0.65
Sempra Energy	SRE	A1	A	NYSE	0.75
Southern Co.	SO	A3	A	NYSE	0.50
WEC Energy Corp.	WEC	A1	A-	NYSE	0.55
Xcel Energy Inc	XEL	A2	A-	NYSE	0.50
Average for S&P Utilities		<u>A3</u>	<u>BBB+</u>		<u>0.62</u>

Note: ⁽¹⁾ Ratings are those of utility subsidiaries

Source of Information: SNL Financial LLC
Standard & Poor's Stock Guide
Value Line Investment Survey for Windows

UGI Utilities, Inc.
Capitalization and Related Capital Structure Ratios
Actual at September 30, 2019 and Estimated at September 30, 2020 and September 30, 2021

	Actual at September 30, 2019			Estimated at September 30, 2020			Estimated at September 30, 2021		
	Amount Outstanding (\$000)	Capital Structure Ratios		Amount Outstanding (\$000)	Capital Structure Ratios		Amount Outstanding (\$000)	Capital Structure Ratios	
		Incl. S-T Debt	Excl. S-T Debt		Incl. S-T Debt	Excl. S-T Debt		Incl. S-T Debt	Excl. S-T Debt
Long-Term Debt ⁽¹⁾	\$ 979,063	44.00%	44.35%	\$ 1,122,813 ⁽²⁾	45.76%	45.76%	\$ 1,266,563 ⁽²⁾	46.71%	46.70%
Common Equity									
Common Stock	60,259			60,259			60,259		
Other Paid-In Capital	473,580			473,580			473,580		
Retained Earnings ⁽³⁾	694,481			796,781 ⁽⁴⁾			910,881 ⁽⁴⁾		
Total Common Equity	<u>1,228,320</u>	<u>55.20%</u>	<u>55.65%</u>	<u>1,330,620</u>	<u>54.24%</u>	<u>54.24%</u>	<u>1,444,720</u>	<u>53.28%</u>	<u>53.30%</u>
Total Permanent Capital	2,207,383	99.20%	<u>100.00%</u>	2,453,433	100.00%	<u>100.00%</u>	2,711,283	99.99%	<u>100.00%</u>
Avg. Net Short-Term Debt ⁽⁴⁾	<u>17,636</u>	<u>0.79%</u>		-	<u>0.00%</u>		<u>272</u>	<u>0.01%</u>	
Total Capital Employed	<u>\$ 2,225,019</u>	<u>99.99%</u>		<u>\$ 2,453,433</u>	<u>100.00%</u>		<u>\$ 2,711,555</u>	<u>100.00%</u>	

Notes:

⁽¹⁾ Includes current portion of long-term debt.

⁽²⁾ Reflects change in long-term debt consisting of:

 Principal payments

\$ (6,250)

\$ (6,250)

 New issues

\$ 150,000

\$ 150,000

⁽³⁾ Excludes Accumulated Other Comprehensive Income of:

\$ (34,462)

\$ (34,462)

\$ (34,462)

⁽⁴⁾ Reflects change in retained earnings consisting of:

 Net income

\$ 152,300

\$ 164,100

 Common Dividends

\$ (50,000)

\$ (50,000)

⁽⁴⁾ Average Short-Term Debt

 Balance

\$ 159,583

\$ 130,657

\$ 138,977

 Less: CWIP

(133,503)

(133,503)

(133,503)

 Less:

 Unrecovered

 Environmental

(8,444)

(6,823)

(5,202)

 Net

\$ 17,636

\$ (9,669)

\$ 272

Source of Information: Company provided data

UGI Utilities, Inc.
Calculation of the Embedded Cost of Long-Term Debt
Actual at September 30, 2019

Series	Date of Maturity	Principal Amount Outstanding <small>(\$000)</small>	Percent to Total	Effective Cost Rate ⁽¹⁾	Weighted Cost Rate
<u>Medium Term Notes</u>					
6.500%	08/15/33	\$ 20,000	2.04%	6.56%	0.13%
6.133%	10/15/34	20,000	2.04%	6.19%	0.13%
<u>Senior Notes</u>					
6.206%	09/30/36	100,000	10.21%	6.32%	0.65%
4.980%	03/26/44	175,000	17.87%	5.00%	0.89%
2.950%	06/30/26	100,000	10.21%	3.92%	0.40%
4.120%	09/30/46	200,000	20.43%	5.01%	1.02%
4.120%	10/31/46	100,000	10.21%	4.28%	0.44%
2.998%	10/31/22	114,063	11.65%	3.12%	0.36%
4.550%	02/01/49	150,000	15.32%	4.58%	0.70%
Total Long-Term Debt		<u>\$ 979,063</u>	<u>100.00%</u>		<u>4.72%</u>

Notes: ⁽¹⁾ As calculated on page 4 of this schedule.

Source of Information: Company provided data

UGI Utilities, Inc.
Calculation of the Embedded Cost of Long-Term Debt
Estimated at September 30, 2020

<u>Series</u>	<u>Date of Maturity</u>	<u>Principal Amount Outstanding</u> <small>(\$000)</small>	<u>Percent to Total</u>	<u>Effective Cost Rate</u> ⁽¹⁾	<u>Weighted Cost Rate</u>
<u>Medium Term Notes</u>					
6.500%	08/15/33	\$ 20,000	1.78%	6.56%	0.12%
6.133%	10/15/34	20,000	1.78%	6.19%	0.11%
<u>Senior Notes</u>					
6.206%	09/30/36	100,000	8.91%	6.32%	0.56%
4.980%	03/26/44	175,000	15.59%	5.00%	0.78%
2.950%	06/30/26	100,000	8.91%	3.92%	0.35%
4.120%	09/30/46	200,000	17.81%	5.01%	0.89%
4.120%	10/31/46	100,000	8.91%	4.28%	0.38%
2.998%	10/31/22	107,813	9.60%	3.12%	0.30%
4.550%	02/01/49	150,000	13.36%	4.58%	0.61%
3.700%	10/31/49	150,000	13.36%	3.73%	0.50%
Total Long-Term Debt		<u>\$ 1,122,813</u>	<u>100.00%</u>		<u>4.60%</u>

Notes: ⁽¹⁾ As calculated on page 4 of this schedule.

Source of Information: Company provided data

UGI Utilities, Inc.
Calculation of the Embedded Cost of Long-Term Debt
Estimated at September 30, 2021

<u>Series</u>	<u>Date of Maturity</u>	<u>Principal Amount Outstanding</u> <small>(\$000)</small>	<u>Percent to Total</u>	<u>Effective Cost Rate</u> ⁽¹⁾	<u>Weighted Cost Rate</u>
<u>Medium Term Notes</u>					
6.500%	08/15/33	\$ 20,000	1.58%	6.56%	0.10%
6.133%	10/15/34	20,000	1.58%	6.19%	0.10%
<u>Senior Notes</u>					
6.206%	09/30/36	100,000	7.90%	6.32%	0.50%
4.980%	03/26/44	175,000	13.82%	5.00%	0.69%
2.950%	06/30/26	100,000	7.90%	3.92%	0.31%
4.120%	09/30/46	200,000	15.79%	5.01%	0.79%
4.120%	10/31/46	100,000	7.90%	4.28%	0.34%
2.998%	10/31/22	101,563	8.02%	3.12%	0.25%
4.550%	02/01/49	150,000	11.84%	4.58%	0.54%
3.700%	10/31/49	150,000	11.84%	3.73%	0.44%
3.730%	10/31/50	150,000	11.84%	3.76%	0.45%
Total Long-Term Debt		<u>\$ 1,266,563</u>	<u>100.00%</u>		<u>4.51%</u>

Notes: ⁽¹⁾ As calculated on page 4 of this schedule.

Source of Information: Company provided data

UGI Utilities, Inc.
Calculation of the Effective Cost of Long-Term Debt by Series

Series	Date of Issue	Date of Maturity	Average Term in Years ⁽¹⁾	Principal Amount Issued	Premium/Discount & Expense ⁽⁵⁰⁰⁰⁾	Net Proceeds	Net Proceeds Ratio	Effective Cost Rate ⁽²⁾
<u>Medium Term Notes</u>								
6.500%	08/14/03	08/15/33	30	\$ 20,000	\$ 150	\$ 19,850	99.25%	6.56%
6.133%	10/14/04	10/15/34	30	20,000	150	19,850	99.25%	6.19%
<u>Senior Notes</u>								
6.206%	11/14/06	09/30/36	30	100,000	1,485	98,515	98.52%	6.32%
4.980%	03/26/14	03/26/44	30	175,000	642	174,358	99.63%	5.00%
2.950%	06/30/16	06/30/26	10	100,000	7,949	92,051	92.05%	3.92%
4.120%	09/30/16	09/30/46	30	200,000	27,366	172,634	86.32%	5.01%
4.120%	10/31/16	10/31/46	30	100,000	2,710	97,290	97.29%	4.28%
2.998%	10/31/17	10/31/22	4.6875	125,000	674	124,326	99.46%	3.12%
4.550%	02/28/19	02/01/49	30	150,000	713	149,288	99.53%	4.58%
3.700%	10/31/19	10/31/49	30	150,000	750	149,250	99.50%	3.73%
3.730%	10/31/20	10/31/50	30	150,000	750	149,250	99.50%	3.76%

Notes: ⁽¹⁾ Determined by taking into account the effect of the annual sinking fund requirements which are met by the retirement of principal which reduce the term of each issue.

⁽²⁾ The effective cost for each issue is the yield to maturity using as inputs the average term of issue, coupon rate, and net proceeds ratio.

Source of Information: Company provided data

**Monthly Dividend Yields for
Natural Gas Group
for the Twelve Months Ending October 2019**

<u>Company</u>	<u>Nov-18</u>	<u>Dec-18</u>	<u>Jan-19</u>	<u>Feb-19</u>	<u>Mar-19</u>	<u>Apr-19</u>	<u>May-19</u>	<u>Jun-19</u>	<u>Jul-19</u>	<u>Aug-19</u>	<u>Sep-19</u>	<u>Oct-19</u>	<u>12-Month Average</u>	<u>6-Month Average</u>	<u>3-Month Average</u>
Atmos Energy Corp (ATO)	2.20%	2.27%	2.16%	2.13%	2.04%	2.06%	2.06%	1.99%	1.93%	1.91%	1.85%	2.05%			
Chesapeake Utilities Corp (CPK)	1.73%	1.82%	1.64%	1.65%	1.62%	1.75%	1.79%	1.71%	1.74%	1.72%	1.70%	1.71%			
New Jersey Resources Corporation (NJR)	2.42%	2.57%	2.42%	2.43%	2.35%	2.34%	2.48%	2.35%	2.51%	2.75%	2.77%	2.88%			
NiSource Inc (NI)	2.96%	3.09%	2.95%	2.97%	2.80%	2.88%	2.88%	2.79%	2.69%	2.71%	2.69%	2.85%			
Northwest Natural Holding Company (NWN)	2.87%	3.16%	3.04%	2.97%	2.91%	2.84%	2.77%	2.75%	2.66%	2.67%	2.68%	2.75%			
ONE Gas Inc (OGS)	2.17%	2.32%	2.45%	2.31%	2.25%	2.27%	2.29%	2.22%	2.20%	2.19%	2.09%	2.16%			
South Jersey Industries Inc (SJI)	3.72%	4.15%	3.88%	4.01%	3.59%	3.60%	3.67%	3.42%	3.39%	3.59%	3.50%	3.69%			
Southwest Gas Holdings Inc (SWX)	2.64%	2.73%	2.67%	2.54%	2.54%	2.66%	2.59%	2.46%	2.49%	2.41%	2.42%	2.51%			
Spire Inc. (SR)	<u>3.02%</u>	<u>3.21%</u>	<u>3.00%</u>	<u>3.01%</u>	<u>2.89%</u>	<u>2.83%</u>	<u>2.86%</u>	<u>2.83%</u>	<u>2.89%</u>	<u>2.81%</u>	<u>2.72%</u>	<u>2.97%</u>			
Average	<u>2.64%</u>	<u>2.81%</u>	<u>2.69%</u>	<u>2.67%</u>	<u>2.55%</u>	<u>2.58%</u>	<u>2.60%</u>	<u>2.50%</u>	<u>2.50%</u>	<u>2.53%</u>	<u>2.49%</u>	<u>2.62%</u>	<u>2.60%</u>	<u>2.54%</u>	<u>2.55%</u>

Note: Monthly dividend yields are calculated by dividing the annualized quarterly dividend by the month-end closing stock price adjusted by the fraction of the ex-dividend.

Source of Information: <http://performance.morningstar.com/stock/performance-return>
<http://www.snl.com/interactivex/dividends>

Forward-looking Dividend Yield	1/2 Growth	D_0/P_0	(.5g)	D_1/P_0	$K = \frac{D_0(1+g)^0 + D_0(1+g)^1 + D_0(1+g)^2 + D_0(1+g)^3}{P_0} + g$
		2.54%	1.037500	2.64%	
	Discrete	D_0/P_0	Adj.	D_1/P_0	
		2.54%	1.046451	2.66%	
	Quarterly	D_0/P_0	Adj.	D_1/P_0	
		0.6350%	1.018245	<u>2.61%</u>	
	Average			<u>2.64%</u>	
	Growth rate			<u>7.50%</u>	
	K			<u>10.14%</u>	

Historical Growth Rates
Earnings Per Share, Dividends Per Share,
Book Value Per Share, and Cash Flow Per Share

Gas Group	Earnings per Share		Dividends per Share		Book Value per Share		Cash Flow per Share	
	Value Line		Value Line		Value Line		Value Line	
	5 Year	10 Year	5 Year	10 Year	5 Year	10 Year	5 Year	10 Year
Atmos Energy Corp (ATO)	10.00%	6.50%	5.50%	3.50%	7.00%	5.50%	6.50%	5.00%
Chesapeake Utilities Corp (CPK)	8.00%	9.00%	6.00%	5.00%	10.50%	10.00%	7.50%	9.00%
New Jersey Resources Corporation (NJR)	5.50%	7.00%	6.50%	7.50%	8.00%	7.00%	8.00%	7.00%
NiSource Inc (NI)	-7.50%	-3.00%	-5.50%	-2.50%	-6.50%	-3.50%	-4.50%	-2.50%
Northwest Natural Holding Company (NWN)	-18.00%	-10.50%	1.00%	2.50%	-	2.00%	-5.50%	-3.00%
ONE Gas Inc (OGS)	-	-	-	-	-	-	-	-
South Jersey Industries Inc (SJI)	-2.50%	1.50%	6.00%	8.00%	6.00%	6.50%	3.50%	5.00%
Southwest Gas Holdings Inc (SWX)	4.50%	7.00%	10.50%	8.50%	6.00%	5.50%	3.00%	4.00%
Spire Inc. (SR)	7.50%	4.00%	5.00%	4.00%	8.00%	7.50%	10.50%	5.50%
Average	<u>0.94%</u>	<u>2.69%</u>	<u>4.38%</u>	<u>4.56%</u>	<u>5.57%</u>	<u>5.06%</u>	<u>3.63%</u>	<u>3.75%</u>

Source of Information: Value Line Investment Survey, August 30, 2019

Analysts' Five-Year Projected Growth Rates
Earnings Per Share, Dividends Per Share,
Book Value Per Share, and Cash Flow Per Share

<u>Gas Group</u>	<u>I/B/E/S First Call</u>	<u>Zacks</u>	<u>Morningstar</u>	<u>Value Line</u>				
				<u>Earnings Per Share</u>	<u>Dividends Per Share</u>	<u>Book Value Per Share</u>	<u>Cash Flow Per Share</u>	<u>Percent Retained to Common Equity</u>
Atmos Energy Corp (ATO)	7.00%	7.00%	8.00%	7.50%	7.00%	7.00%	5.50%	5.00%
Chesapeake Utilities Corp (CPK)	6.00%	7.00%	-	9.00%	9.00%	9.00%	8.00%	6.00%
New Jersey Resources Corporation	6.00%	8.00%	6.80%	3.50%	4.00%	6.50%	4.00%	5.00%
NiSource Inc (NI)	4.66%	5.30%	5.00%	12.50%	9.00%	7.50%	6.50%	3.00%
Northwest Natural Holding Compan	4.00%	5.00%	-	27.00%	2.50%	1.00%	9.00%	4.50%
ONE Gas Inc (OGS)	5.00%	6.10%	-	8.00%	8.50%	4.50%	7.50%	4.50%
South Jersey Industries Inc (SJI)	4.60%	8.50%	12.40%	10.50%	4.00%	4.50%	5.00%	5.00%
Southwest Gas Holdings Inc (SWX)	8.20%	7.30%	-	9.00%	5.00%	7.50%	7.50%	5.50%
Spire Inc. (SR)	3.23%	5.50%	-	5.50%	4.00%	4.50%	6.00%	4.50%
Average	5.41%	6.63%	8.05%	10.28%	5.89%	5.78%	6.56%	4.78%

Source of Information :
Yahoo Finance, October 30, 2019
Zacks, October 30, 2019
Morningstar, October 30, 2019
Value Line Investment Survey, August 30, 2019

Gas Group
Financial Risk Adjustment

	ATMOS Energy (NYSE:ATO)	Chesapeake Utilities (NYSE:CPK)	New Jersey Resources (NYSE:NJR)	NiSource, Inc (NYSE:NI)	Northwest Natural Gas (NYSE:NWN)	ONE Gas Inc (NYSE:OGS)	South Jersey Industries (NYSE:SJI)	Southwest Gas (SWX)	Spire Inc. (NYSE:SR)	Average
Fiscal Year	09/30/18	12/31/18	09/30/18	12/31/18	12/31/18	12/31/18	12/31/18	12/31/18	09/30/18	
Capitalization at Fair Values										
Debt(D)	3,161,679	323,800	1,158,051	7,228,300	760,222	1,400,000	2,910,000	2,203,256	2,074,000	2,357,701
Preferred(P)	0	0	0	0	0	0	0	0	0	0
Equity(E)	<u>10,449,712</u>	<u>1,331,576</u>	<u>3,969,576</u>	<u>9,439,419</u>	<u>1,746,085</u>	<u>4,184,166</u>	<u>2,377,073</u>	<u>4,056,554</u>	<u>3,726,918</u>	<u>4,586,786</u>
Total	<u>13,611,391</u>	<u>1,655,376</u>	<u>5,127,627</u>	<u>16,667,719</u>	<u>2,506,307</u>	<u>5,584,166</u>	<u>5,287,073</u>	<u>6,259,810</u>	<u>5,800,918</u>	<u>6,944,487</u>
Capital Structure Ratios										
Debt(D)	23.23%	19.56%	22.58%	43.37%	30.33%	25.07%	55.04%	35.20%	35.75%	32.24%
Preferred(P)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Equity(E)	<u>76.77%</u>	<u>80.44%</u>	<u>77.42%</u>	<u>56.63%</u>	<u>69.67%</u>	<u>74.93%</u>	<u>44.96%</u>	<u>64.80%</u>	<u>64.25%</u>	<u>67.76%</u>
Total	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>
Common Stock										
Issued	111,273.683	16,378.545	88,292.956	372,363.656	28,880.000	52,598.005	85,506.218	53,026.848	50,671.903	
Treasury	0.000	0.000	2,185.013	0.000	0.000	33.103	0.000	0.000	0.000	
Outstanding	111,273.683	16,378.545	86,107.943	372,363.656	28,880.000	52,564.902	85,506.218	53,026.848	50,671.903	
Market Price	\$93.91	\$81.30	\$46.10	\$25.35	\$60.46	\$79.60	\$27.80	\$76.50	\$73.55	
Capitalization at Carrying Amounts										
Debt(D)	3,085,000	327,200	1,172,045	7,155,400	734,123	1,300,000	2,840,000	2,140,318	2,075,600	2,314,410
Preferred(P)	0	0	0	0	0	0	0	0	0	0
Equity(E)	<u>4,769,951</u>	<u>518,439</u>	<u>1,418,978</u>	<u>5,750,900</u>	<u>762,634</u>	<u>2,042,656</u>	<u>1,267,022</u>	<u>2,333,421</u>	<u>2,263,300</u>	<u>2,347,478</u>
Total	<u>7,854,951</u>	<u>845,639</u>	<u>2,591,023</u>	<u>12,906,300</u>	<u>1,496,757</u>	<u>3,342,656</u>	<u>4,107,022</u>	<u>4,473,739</u>	<u>4,338,900</u>	<u>4,661,887</u>
Capital Structure Ratios										
Debt(D)	39.27%	38.69%	45.23%	55.44%	49.05%	38.89%	69.15%	47.84%	47.84%	47.93%
Preferred(P)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Equity(E)	<u>60.73%</u>	<u>61.31%</u>	<u>54.77%</u>	<u>44.56%</u>	<u>50.95%</u>	<u>61.11%</u>	<u>30.85%</u>	<u>52.16%</u>	<u>52.16%</u>	<u>52.07%</u>
Total	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>
Betas	Value Line	0.60	0.65	0.70	0.55	0.60	0.65	0.80	0.70	0.65
Hamada	BI =	Bu	[1+ (1 - t)	D/E	+	P/E]			
	0.66 =	Bu	[1+ (1-0.21)	0.4758	+	0.0000]			
	0.66 =	Bu	[1+ 0.79	0.4758	+	0.0000]			
	0.66 =	Bu	1.3759							
	0.48 =	Bu								
Hamada	BI =	0.48	[1+ (1 - t)	D/E	+	P/E]			
	BI =	0.48	[1+ 0.79	0.9206	+	0.0000]			
	BI =	0.48	1.7273							
	BI =	0.83								
M&M	ku =	ke	- (((	ku	-	i	)	1-t	)	D / E - (ku - d) P / E
	8.35% =	10.14%	- (((	8.35%	-	3.59%	)	0.79	)	32.24% / 67.76% - 8.35% - 5.68%) 0.00% / 67.76%
	8.35% =	10.14%	- (((	4.76%	-		)	0.79	)	0.4758 - 2.67%) 0.0000
	8.35% =	10.14%	- ((	3.76%	-		)		)	0.4758 - 2.67%) 0
	8.35% =	10.14%	-	1.79%	-					- 0.00%
M&M	ke =	ku	+ (((	ku	-	i	)	1-t	)	D / E + (ku - d) P / E
	11.81% =	8.35%	+ (((	8.35%	-	3.59%	)	0.79	)	47.93% / 52.07% + 8.35% - 5.68%) 0.00% / 52.07%
	11.81% =	8.35%	+ (((	4.76%	-		)	0.79	)	0.9206 + 2.67%) 0.0000
	11.81% =	8.35%	+ ((	3.76%	-		)		)	0.9206 + 2.67%) 0
	11.81% =	8.35%	+	3.46%	-					+ 0.00%

**Interest Rates for Investment Grade Public Utility Bonds
Yearly for 2014-2018
and the Twelve Months Ended October 2019**

<u>Years</u>	<u>Aa Rated</u>	<u>A Rated</u>	<u>Baa Rated</u>	<u>Average</u>
2014	4.19%	4.28%	4.80%	4.42%
2015	4.00%	4.12%	5.03%	4.38%
2016	3.73%	3.93%	4.68%	4.11%
2017	3.82%	4.00%	4.38%	4.07%
2018	4.09%	4.25%	4.67%	4.34%
Five-Year Average	<u>3.97%</u>	<u>4.12%</u>	<u>4.71%</u>	<u>4.26%</u>
<u>Months</u>				
Nov-18	4.40%	4.52%	5.03%	4.65%
Dec-18	4.24%	4.37%	4.92%	4.51%
Jan-19	4.18%	4.35%	4.91%	4.48%
Feb-19	4.05%	4.25%	4.76%	4.35%
Mar-19	3.98%	4.16%	4.65%	4.26%
Apr-19	3.91%	4.08%	4.55%	4.18%
May-19	3.84%	3.98%	4.47%	4.10%
Jun-19	3.65%	3.82%	4.31%	3.93%
Jul-19	3.53%	3.69%	4.13%	3.79%
Aug-19	3.17%	3.29%	3.63%	3.36%
Sep-19	3.24%	3.37%	3.71%	3.44%
Oct-19	3.24%	3.39%	3.72%	3.45%
Twelve-Month Average	<u>3.79%</u>	<u>3.94%</u>	<u>4.40%</u>	<u>4.04%</u>
Six-Month Average	<u>3.45%</u>	<u>3.59%</u>	<u>4.00%</u>	<u>3.68%</u>
Three-Month Average	<u>3.22%</u>	<u>3.35%</u>	<u>3.69%</u>	<u>3.42%</u>

Yields on A-rated Public Utility Bonds and Spreads over 30-Year Treasuries



	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
— A-rated Public Utility	8.31	7.89	7.75	7.60	7.04	7.62	8.24	7.76	7.37	6.58	6.16	5.65	6.07	6.07	6.53	6.04	5.46	5.04	4.13	4.48	4.28	4.12	3.93	4.00	4.25
- - Spread vs. 30-year	0.94	1.01	1.04	0.99	1.46	1.75	2.30	2.27					1.16	1.23	2.25	1.96	1.21	1.13	1.21	1.03	0.94	1.28	1.34	1.10	1.14

A rated Public Utility Bonds over 30-Year Treasuries

Year	A-rated	30-Year Treasuries		Year	A-rated	30-Year Treasuries		Year	A-rated	30-Year Treasuries		Year	A-rated	30-Year Treasuries		Year	A-rated	30-Year Treasuries	
	Public Utility	Yield	Spread		Public Utility	Yield	Spread		Public Utility	Yield	Spread		Public Utility	Yield	Spread		Public Utility	Yield	Spread
Jan-99	6.97%	5.16%	1.81%	Jan-04	6.15%			Jan-08	6.02%	4.33%	1.69%	Jan-12	4.34%	3.03%	1.31%	Jan-16	4.27%	2.86%	1.41%
Feb-99	7.09%	5.37%	1.72%	Feb-04	6.15%			Feb-08	6.21%	4.52%	1.69%	Feb-12	4.36%	3.11%	1.25%	Feb-16	4.11%	2.62%	1.49%
Mar-99	7.26%	5.58%	1.68%	Mar-04	5.97%			Mar-08	6.21%	4.39%	1.82%	Mar-12	4.48%	3.28%	1.20%	Mar-16	4.16%	2.68%	1.48%
Apr-99	7.22%	5.55%	1.67%	Apr-04	6.35%			Apr-08	6.29%	4.44%	1.85%	Apr-12	4.40%	3.18%	1.22%	Apr-16	4.00%	2.62%	1.38%
May-99	7.47%	5.81%	1.66%	May-04	6.62%			May-08	6.28%	4.60%	1.68%	May-12	4.20%	2.93%	1.27%	May-16	3.93%	2.63%	1.30%
Jun-99	7.74%	6.04%	1.70%	Jun-04	6.46%			Jun-08	6.38%	4.69%	1.69%	Jun-12	4.08%	2.70%	1.38%	Jun-16	3.78%	2.45%	1.33%
Jul-99	7.71%	5.98%	1.73%	Jul-04	6.27%			Jul-08	6.40%	4.57%	1.83%	Jul-12	3.93%	2.59%	1.34%	Jul-16	3.57%	2.23%	1.34%
Aug-99	7.91%	6.07%	1.84%	Aug-04	6.14%			Aug-08	6.37%	4.50%	1.87%	Aug-12	4.00%	2.77%	1.23%	Aug-16	3.59%	2.26%	1.33%
Sep-99	7.93%	6.07%	1.86%	Sep-04	5.98%			Sep-08	6.49%	4.27%	2.22%	Sep-12	4.02%	2.88%	1.14%	Sep-16	3.66%	2.35%	1.31%
Oct-99	8.06%	6.26%	1.80%	Oct-04	5.94%			Oct-08	7.56%	4.17%	3.39%	Oct-12	3.91%	2.90%	1.01%	Oct-16	3.77%	2.50%	1.27%
Nov-99	7.94%	6.15%	1.79%	Nov-04	5.97%			Nov-08	7.60%	4.00%	3.60%	Nov-12	3.84%	2.80%	1.04%	Nov-16	4.08%	2.86%	1.22%
Dec-99	8.14%	6.35%	1.79%	Dec-04	5.92%			Dec-08	6.52%	2.87%	3.65%	Dec-12	4.00%	2.88%	1.12%	Dec-16	4.27%	3.11%	1.16%
Jan-00	8.35%	6.63%	1.72%	Jan-05	5.78%			Jan-09	6.39%	3.13%	3.26%	Jan-13	4.15%	3.08%	1.07%	Jan-17	4.14%	3.02%	1.12%
Feb-00	8.25%	6.23%	2.02%	Feb-05	5.61%			Feb-09	6.30%	3.59%	2.71%	Feb-13	4.18%	3.17%	1.01%	Feb-17	4.18%	3.03%	1.15%
Mar-00	8.28%	6.05%	2.23%	Mar-05	5.83%			Mar-09	6.42%	3.64%	2.78%	Mar-13	4.20%	3.16%	1.04%	Mar-17	4.23%	3.08%	1.15%
Apr-00	8.29%	5.85%	2.44%	Apr-05	5.64%			Apr-09	6.48%	3.76%	2.72%	Apr-13	4.00%	2.93%	1.07%	Apr-17	4.12%	2.94%	1.18%
May-00	8.70%	6.15%	2.55%	May-05	5.53%			May-09	6.49%	4.23%	2.26%	May-13	4.17%	3.11%	1.06%	May-17	4.12%	2.96%	1.16%
Jun-00	8.36%	5.93%	2.43%	Jun-05	5.40%			Jun-09	6.20%	4.52%	1.68%	Jun-13	4.53%	3.40%	1.13%	Jun-17	3.94%	2.80%	1.14%
Jul-00	8.25%	5.85%	2.40%	Jul-05	5.51%			Jul-09	5.97%	4.41%	1.56%	Jul-13	4.68%	3.61%	1.07%	Jul-17	3.99%	2.88%	1.11%
Aug-00	8.13%	5.72%	2.41%	Aug-05	5.50%			Aug-09	5.71%	4.37%	1.34%	Aug-13	4.73%	3.76%	0.97%	Aug-17	3.86%	2.80%	1.06%
Sep-00	8.23%	5.83%	2.40%	Sep-05	5.52%			Sep-09	5.53%	4.19%	1.34%	Sep-13	4.80%	3.79%	1.01%	Sep-17	3.87%	2.78%	1.09%
Oct-00	8.14%	5.80%	2.34%	Oct-05	5.79%			Oct-09	5.55%	4.19%	1.36%	Oct-13	4.70%	3.68%	1.02%	Oct-17	3.91%	2.88%	1.03%
Nov-00	8.11%	5.78%	2.33%	Nov-05	5.88%			Nov-09	5.64%	4.31%	1.33%	Nov-13	4.77%	3.80%	0.97%	Nov-17	3.83%	2.80%	1.03%
Dec-00	7.84%	5.49%	2.35%	Dec-05	5.80%			Dec-09	5.79%	4.49%	1.30%	Dec-13	4.81%	3.89%	0.92%	Dec-17	3.79%	2.77%	1.02%
Jan-01	7.80%	5.54%	2.26%	Jan-06	5.75%			Jan-10	5.77%	4.60%	1.17%	Jan-14	4.63%	3.77%	0.86%	Jan-18	4.37%	3.10%	1.27%
Feb-01	7.74%	5.45%	2.29%	Feb-06	5.82%	4.54%	1.28%	Feb-10	5.87%	4.62%	1.25%	Feb-14	4.53%	3.66%	0.87%	Feb-18	4.09%	3.13%	0.96%
Mar-01	7.68%	5.34%	2.34%	Mar-06	5.98%	4.73%	1.25%	Mar-10	5.84%	4.64%	1.20%	Mar-14	4.51%	3.62%	0.89%	Mar-18	4.13%	3.09%	1.04%
Apr-01	7.94%	5.65%	2.29%	Apr-06	6.29%	5.06%	1.23%	Apr-10	5.81%	4.69%	1.12%	Apr-14	4.41%	3.52%	0.89%	Apr-18	4.17%	3.07%	1.10%
May-01	7.99%	5.78%	2.21%	May-06	6.42%	5.20%	1.22%	May-10	5.50%	4.29%	1.21%	May-14	4.26%	3.39%	0.87%	May-18	4.28%	3.13%	1.15%
Jun-01	7.85%	5.67%	2.18%	Jun-06	6.40%	5.15%	1.25%	Jun-10	5.46%	4.13%	1.33%	Jun-14	4.29%	3.42%	0.87%	Jun-18	4.27%	3.05%	1.22%
Jul-01	7.78%	5.61%	2.17%	Jul-06	6.37%	5.13%	1.24%	Jul-10	5.26%	3.99%	1.27%	Jul-14	4.23%	3.33%	0.90%	Jul-18	4.27%	3.01%	1.26%
Aug-01	7.59%	5.48%	2.11%	Aug-06	6.20%	5.00%	1.20%	Aug-10	5.01%	3.80%	1.21%	Aug-14	4.13%	3.20%	0.93%	Aug-18	4.26%	3.04%	1.22%
Sep-01	7.75%	5.48%	2.27%	Sep-06	6.00%	4.85%	1.15%	Sep-10	5.01%	3.77%	1.24%	Sep-14	4.24%	3.26%	0.98%	Sep-18	4.32%	3.15%	1.17%
Oct-01	7.63%	5.32%	2.31%	Oct-06	5.98%	4.85%	1.13%	Oct-10	5.10%	3.87%	1.23%	Oct-14	4.06%	3.04%	1.02%	Oct-18	4.45%	3.34%	1.11%
Nov-01	7.57%	5.12%	2.45%	Nov-06	5.80%	4.69%	1.11%	Nov-10	5.37%	4.19%	1.18%	Nov-14	4.09%	3.04%	1.05%	Nov-18	4.52%	3.36%	1.16%
Dec-01	7.83%	5.48%	2.35%	Dec-06	5.81%	4.68%	1.13%	Dec-10	5.56%	4.42%	1.14%	Dec-14	3.95%	2.83%	1.12%	Dec-18	4.37%	3.10%	1.27%
Jan-02	7.66%	5.45%	2.21%	Jan-06	5.75%			Jan-10	5.77%	4.60%	1.17%	Jan-14	4.63%	3.77%	0.86%	Jan-19	4.35%	3.04%	1.31%
Feb-02	7.54%	5.40%	2.14%	Feb-06	5.82%	4.54%	1.28%	Feb-10	5.87%	4.62%	1.25%	Feb-14	4.53%	3.66%	0.87%	Feb-19	4.25%	3.02%	1.23%
Mar-02	7.76%	5.34%	2.42%	Mar-06	5.98%	4.73%	1.25%	Mar-10	5.84%	4.64%	1.20%	Mar-14	4.51%	3.62%	0.89%	Mar-19	4.16%	2.98%	1.18%
Apr-02	7.57%	5.29%	2.28%	Apr-06	6.29%	5.06%	1.23%	Apr-10	5.81%	4.69%	1.12%	Apr-14	4.41%	3.52%	0.89%	Apr-19	4.08%	2.94%	1.14%
May-02	7.52%	5.22%	2.30%	May-06	6.42%	5.20%	1.22%	May-10	5.50%	4.29%	1.21%	May-14	4.26%	3.39%	0.87%	May-19	3.98%	2.82%	1.16%
Jun-02	7.42%	5.17%	2.25%	Jun-06	6.40%	5.15%	1.25%	Jun-10	5.46%	4.13%	1.33%	Jun-14	4.29%	3.42%	0.87%	Jun-19	3.82%	2.57%	1.25%
Jul-02	7.31%	5.13%	2.18%	Jul-06	6.37%	5.13%	1.24%	Jul-10	5.26%	3.99%	1.27%	Jul-14	4.23%	3.33%	0.90%	Jul-19	3.69%	2.57%	1.12%
Aug-02	7.17%	5.08%	2.09%	Aug-06	6.20%	5.00%	1.20%	Aug-10	5.01%	3.80%	1.21%	Aug-14	4.13%	3.20%	0.93%	Aug-19	3.29%	2.12%	1.17%
Sep-02	7.08%	5.03%	2.05%	Sep-06	6.00%	4.85%	1.15%	Sep-10	5.01%	3.77%	1.24%	Sep-14	4.24%	3.26%	0.98%	Sep-19	3.37%	2.16%	1.21%
Oct-02	7.23%	5.32%	2.31%	Oct-06	5.98%	4.85%	1.13%	Oct-10	5.10%	3.87%	1.23%	Oct-14	4.06%	3.04%	1.02%	Oct-19	3.39%	2.19%	1.20%
Nov-02	7.14%	5.12%	2.45%	Nov-06	5.80%	4.69%	1.11%	Nov-10	5.37%	4.19%	1.18%	Nov-14	4.09%	3.04%	1.05%				
Dec-02	7.07%	5.07%	2.40%	Dec-06	5.81%	4.68%	1.13%	Dec-10	5.56%	4.42%	1.14%	Dec-14	3.95%	2.83%	1.12%				
Jan-03	7.07%			Jan-07	5.96%	4.85%	1.11%	Jan-11	5.57%	4.52%	1.05%	Jan-15	3.58%	2.46%	1.12%	Average:	12-months		1.20%
Feb-03	6.93%			Feb-07	5.90%	4.82%	1.08%	Feb-11	5.68%	4.65%	1.03%	Feb-15	3.67%	2.57%	1.10%		6-months		1.19%
Mar-03	6.79%			Mar-07	5.85%	4.72%	1.13%	Mar-11	5.56%	4.51%	1.05%	Mar-15	3.74%	2.63%	1.11%		3-months		1.19%
Apr-03	6.64%			Apr-07	5.97%	4.87%	1.10%	Apr-11	5.55%	4.50%	1.05%	Apr-15	3.75%	2.59%	1.16%				
May-03	6.36%			May-07	5.99%	4.90%	1.09%	May-11	5.32%	4.29%	1.03%	May-15	4.17%	2.96%	1.21%				
Jun-03	6.21%			Jun-07	6.30%	5.20%	1.10%	Jun-11	5.26%	4.23%	1.03%	Jun-15	4.39%	3.11%	1.28%				
Jul-03	6.57%			Jul-07	6.25%	5.11%	1.14%	Jul-11	5.27%	4.27%	1.00%	Jul-15	4.40%	3.07%	1.33%				
Aug-03	6.78%			Aug-07	6.24%	4.93%	1.31%	Aug-11	4.69%	3.65%	1.04%	Aug-15	4.25%	2.86%	1.39%				
Sep-03	6.56%			Sep-07	6.18%	4.79%	1.39%	Sep-11	4.48%	3.18%	1.30%	Sep-15	4.39%	2.95%	1.44%				
Oct-03	6.43%			Oct-07	6.11%	4.77%	1.34%	Oct-11	4.52%	3.13%	1.39%	Oct-15	4.29%	2.89%	1.40%				
Nov-03	6.37%			Nov-07	5.97%	4.52%	1.45%	Nov-11	4.25%	3.02%	1.23%	Nov-15	4.40%	3.03%	1.37%				
Dec-03	6.27%			Dec-07	6.16%	4.53%	1.63%	Dec-11	4.33%	2.98%	1.35%	Dec-15	4.35%	2.97%	1.38%				

Common Equity Risk Premiums
Years 1926-2018

	<u>Large Common Stocks</u>	<u>Long- Term Corp. Bonds</u>	<u>Equity Risk Premium</u>	<u>Long- Term Govt. Bonds Yields</u>
Low Interest Rates	11.74%	4.84%	6.90%	2.92%
Average Across All Interest Rates	11.88%	6.25%	5.63%	5.02%
High Interest Rates	12.03%	7.69%	4.34%	7.15%

Source of Information: 2019 SBBI Yearbook Stocks, Bonds, Bills, and Inflation

Basic Series
Annual Total Returns (except yields)

Year	Large Common Stocks	Long- Term Corp. Bonds	Long- Term Govt. Bonds Yields
1940	-9.78%	3.39%	1.94%
1945	36.44%	4.08%	1.99%
1941	-11.59%	2.73%	2.04%
1949	18.79%	3.31%	2.09%
1946	-8.07%	1.72%	2.12%
1950	31.71%	2.12%	2.24%
1939	-0.41%	3.97%	2.26%
1948	5.50%	4.14%	2.37%
1947	5.71%	-2.34%	2.43%
1942	20.34%	2.60%	2.46%
1944	19.75%	4.73%	2.46%
2012	16.00%	10.68%	2.46%
2014	13.69%	17.28%	2.46%
1943	25.90%	2.83%	2.48%
1938	31.12%	6.13%	2.52%
2017	21.83%	12.25%	2.54%
1936	33.92%	6.74%	2.55%
2011	2.11%	17.95%	2.55%
2015	1.38%	-1.02%	2.68%
1951	24.02%	-2.69%	2.69%
1954	52.62%	5.39%	2.72%
2016	11.96%	6.70%	2.72%
1937	-35.03%	2.75%	2.73%
1953	-0.99%	3.41%	2.74%
1935	47.67%	9.61%	2.76%
1952	18.37%	3.52%	2.79%
2018	-4.38%	-4.73%	2.84%
1934	-1.44%	13.84%	2.93%
1955	31.56%	0.48%	2.95%
2008	-37.00%	8.78%	3.03%
1932	-8.19%	10.82%	3.15%
1927	37.49%	7.44%	3.17%
1957	-10.78%	8.71%	3.23%
1930	-24.90%	7.98%	3.30%
1933	53.99%	10.38%	3.36%
1928	43.61%	2.84%	3.40%
1929	-8.42%	3.27%	3.40%
1956	6.56%	-6.81%	3.45%
1926	11.62%	7.37%	3.54%
2013	32.39%	-7.07%	3.78%
1960	0.47%	9.07%	3.80%
1958	43.36%	-2.22%	3.82%
1962	-8.73%	7.95%	3.95%
1931	-43.34%	-1.85%	4.07%
2010	15.06%	12.44%	4.14%
1961	26.89%	4.82%	4.15%
1963	22.80%	2.19%	4.17%
1964	16.48%	4.77%	4.23%
1959	11.96%	-0.97%	4.47%
1965	12.45%	-0.46%	4.50%
2007	5.49%	2.60%	4.50%
1966	-10.06%	0.20%	4.55%
2009	26.46%	3.02%	4.58%
2005	4.91%	5.87%	4.61%
2002	-22.10%	16.33%	4.84%
2004	10.88%	8.72%	4.84%
2006	15.79%	3.24%	4.91%
2003	28.68%	5.27%	5.11%
1998	28.58%	10.76%	5.42%
1967	23.98%	-4.95%	5.56%
2000	-9.10%	12.87%	5.58%
2001	-11.89%	10.65%	5.75%
1971	14.30%	11.01%	5.97%
1968	11.06%	2.57%	5.98%
1972	18.99%	7.26%	5.99%
1997	33.36%	12.95%	6.02%
1995	37.58%	27.20%	6.03%
1970	3.86%	18.37%	6.48%
1993	10.08%	13.19%	6.54%
1996	22.96%	1.40%	6.73%
1999	21.04%	-7.45%	6.82%
1969	-8.50%	-8.09%	6.87%
1976	23.93%	18.65%	7.21%
1973	-14.69%	1.14%	7.26%
1992	7.62%	9.39%	7.26%
1991	30.47%	19.89%	7.30%
1974	-26.47%	-3.06%	7.60%
1986	18.67%	19.85%	7.89%
1994	1.32%	-5.76%	7.99%
1977	-7.16%	1.71%	8.03%
1975	37.23%	14.64%	8.05%
1989	31.69%	16.23%	8.16%
1990	-3.10%	6.78%	8.44%
1978	6.57%	-0.07%	8.98%
1988	16.61%	10.70%	9.19%
1987	5.25%	-0.27%	9.20%
1985	31.73%	30.09%	9.56%
1979	18.61%	-4.18%	10.12%
1982	21.55%	42.56%	10.95%
1984	6.27%	16.86%	11.70%
1983	22.56%	6.26%	11.97%
1980	32.50%	-2.76%	11.99%
1981	-4.92%	-1.24%	13.34%

**Yields for Treasury Constant Maturities
Yearly for 2014-2018
and the Twelve Months Ended October 2019**

<u>Years</u>	<u>1-Year</u>	<u>2-Year</u>	<u>3-Year</u>	<u>5-Year</u>	<u>7-Year</u>	<u>10-Year</u>	<u>20-Year</u>	<u>30-Year</u>
2014	0.12%	0.46%	0.90%	1.64%	2.14%	2.54%	3.07%	3.34%
2015	0.32%	0.69%	1.03%	1.53%	1.89%	2.14%	2.55%	2.84%
2016	0.61%	0.84%	1.01%	1.34%	1.64%	1.84%	2.23%	2.60%
2017	1.20%	1.40%	1.58%	1.91%	2.16%	2.33%	2.65%	2.90%
2018	2.33%	2.53%	2.63%	2.75%	2.85%	2.91%	3.02%	3.11%
Five-Year Average	<u>0.92%</u>	<u>1.18%</u>	<u>1.43%</u>	<u>1.83%</u>	<u>2.14%</u>	<u>2.35%</u>	<u>2.70%</u>	<u>2.96%</u>
<u>Months</u>								
Nov-18	2.70%	2.86%	2.91%	2.95%	3.04%	3.12%	3.27%	3.36%
Dec-18	2.66%	2.68%	2.67%	2.68%	2.75%	2.83%	2.98%	3.10%
Jan-19	2.58%	2.54%	2.52%	2.54%	2.61%	2.71%	2.89%	3.04%
Feb-19	2.55%	2.50%	2.48%	2.49%	2.57%	2.68%	2.87%	3.02%
Mar-19	2.49%	2.41%	2.37%	2.37%	2.47%	2.57%	2.80%	2.98%
Apr-19	2.42%	2.34%	2.31%	2.33%	2.43%	2.53%	2.76%	2.94%
May-19	2.34%	2.21%	2.16%	2.19%	2.29%	2.40%	2.63%	2.82%
Jun-19	2.00%	1.81%	1.78%	1.83%	1.95%	2.07%	2.36%	2.57%
Jul-19	1.96%	1.84%	1.80%	1.83%	1.93%	2.06%	2.36%	2.57%
Aug-19	1.77%	1.57%	1.51%	1.49%	1.55%	1.63%	1.91%	2.12%
Sep-19	1.80%	1.65%	1.59%	1.57%	1.64%	1.70%	1.97%	2.16%
Oct-19	1.61%	1.55%	1.53%	1.53%	1.62%	1.71%	2.00%	2.19%
Twelve-Month Average	<u>2.24%</u>	<u>2.16%</u>	<u>2.14%</u>	<u>2.15%</u>	<u>2.24%</u>	<u>2.33%</u>	<u>2.57%</u>	<u>2.74%</u>
Six-Month Average	<u>1.91%</u>	<u>1.77%</u>	<u>1.73%</u>	<u>1.74%</u>	<u>1.83%</u>	<u>1.93%</u>	<u>2.21%</u>	<u>2.41%</u>
Three-Month Average	<u>1.73%</u>	<u>1.59%</u>	<u>1.54%</u>	<u>1.53%</u>	<u>1.60%</u>	<u>1.68%</u>	<u>1.96%</u>	<u>2.16%</u>

Measures of the Risk-Free Rate & Corporate Bond Yields

The forecast of Treasury and Corporate yields
per the consensus of nearly 50 economists
reported in the Blue Chip Financial Forecasts dated November 1, 2019

Year	Quarter	Treasury					Corporate	
		1-Year Bill	2-Year Note	5-Year Note	10-Year Note	30-Year Bond	Aaa Bond	Baa Bond
2019	Fourth	1.6%	1.5%	1.5%	1.7%	2.1%	3.1%	4.0%
2020	First	1.6%	1.5%	1.5%	1.7%	2.2%	3.1%	4.0%
2020	Second	1.5%	1.5%	1.6%	1.7%	2.2%	3.2%	4.1%
2020	Third	1.5%	1.5%	1.6%	1.8%	2.3%	3.3%	4.2%
2020	Fourth	1.5%	1.6%	1.7%	1.9%	2.4%	3.4%	4.3%
2021	First	1.6%	1.7%	1.8%	2.0%	2.5%	3.4%	4.4%

Measures of the Market Premium

Value Line Return			
As of:	Dividend Yield	Median Appreciation Potential	Median Total Return
25-Oct-19	2.2%	+ 11.58%	= 13.78%

DCF Result for the S&P 500 Composite			
D/P	(1+.5g)	+	g = k
1.96%	(1.0480)	+	9.60% = 11.65%

Summary			
Value Line			13.78%
S&P 500			11.65%
Average			12.72%
Risk-free Rate of Return (Rf)			2.50%
Forecast Market Premium			10.22%
Historical Market Premium (Rm)		(Rf)	
1926-2018 Arith. mean	11.81%	3.97%	7.84%
Average - Forecast/Historical			9.03%

Exhibit 7.8: Size-Decile Portfolios of the NYSE/NYSE MKT/NASDAQ Long-Term Returns in Excess of CAPM
1926–2016

<u>Size Grouping</u>	<u>OLS Beta</u>	<u>Arithmetic Mean</u>	<u>Return in Excess of Risk-free Rate (actual)</u>	<u>Return in Excess of Risk-free Rate (as predicted by CAPM)</u>	<u>Size Premium</u>
Mid-Cap (3–5)	1.12	13.82%	8.80%	7.79%	1.02%
Low-Cap (6–8)	1.22	15.26%	10.24%	8.49%	1.75%
Micro-Cap (9–10)	1.35	18.04%	13.02%	9.35%	3.67%
Breakdown of Deciles 1–10					
1-Largest	0.92	11.05%	6.04%	6.38%	-0.35%
2	1.04	12.82%	7.81%	7.19%	0.61%
3	1.11	13.57%	8.55%	7.66%	0.89%
4	1.13	13.80%	8.78%	7.80%	0.98%
5	1.17	14.62%	9.60%	8.09%	1.51%
6	1.17	14.81%	9.79%	8.14%	1.66%
7	1.25	15.41%	10.39%	8.67%	1.72%
8	1.30	16.14%	11.12%	9.04%	2.08%
9	1.34	16.97%	11.96%	9.28%	2.68%
10-Smallest	1.39	20.27%	15.25%	9.66%	5.59%

Betas are estimated from monthly returns in excess of the 30-day U.S. Treasury bill total return, January 1926–December 2016. Historical riskless rate measured by the 91-year arithmetic mean income return component of 20-year government bonds (5.02%). Calculated in the context of the CAPM by multiplying the equity risk premium by beta. The equity risk premium is estimated by the arithmetic mean total return of the S&P 500 (11.95%) minus the arithmetic mean income return component of 20-year government bonds (5.02%) from 1926–2016. Source: Morningstar *Direct* and CRSP. Calculated based on data from CRSP US Stock Database and CRSP US Indices Database ©2017 Center for Research. Used with permission. All calculations performed by Duff & Phelps, LLC.

Comparable Earnings Approach

Using Non-Utility Companies with
Timeliness of 2 & 3; Safety Rank of 1, 2 & 3; Financial Strength of B+, B++, A & A+;
Price Stability of 75 to 100; Betas of .55 to .80; and Technical Rank of 1, 2 & 3

<u>Company</u>	<u>Industry</u>	<u>Timeliness Rank</u>	<u>Safety Rank</u>	<u>Financial Strength</u>	<u>Price Stability</u>	<u>Beta</u>	<u>Technical Rank</u>
Allstate Corporation	Insurance (Prop/Cas.)	2	1	A+	100	0.80	2
Brown Forman Corp (Class B)	Beverage	3	1	A	90	0.80	2
Campbell Soup Co	Food Processing	3	2	B++	80	0.65	2
Capitol Federal Financial Inc	Thrift	3	2	B+	100	0.80	3
Cboe Global Markets	Brokers & Exchanges	3	2	A	85	0.65	2
Church and Dwight Co Inc	Household Products	2	1	A+	90	0.65	2
Clorox Co	Household Products	3	2	B++	95	0.70	2
CME Group Inc	Brokers & Exchanges	2	2	A	95	0.65	1
Colgate Palmolive Co	Household Products	3	1	A+	100	0.75	1
Cracker Barrel Old Country Store Inc	Restaurant	3	2	A	75	0.75	2
Darden Restaurants Inc	Restaurant	2	3	B++	75	0.80	2
Dunkin Brands Group Inc	Restaurant	2	3	B+	85	0.70	1
Erie Indemnity Company	Insurance (Prop/Cas.)	2	2	B++	85	0.80	2
General Mills Inc	Food Processing	3	1	A	90	0.70	1
Hormel Foods Corporation	Food Processing	3	2	A	85	0.65	2
JM Smucker Company	Food Processing	3	1	A	85	0.70	3
Kellogg Company	Food Processing	3	1	A	95	0.60	3
Kimberly Clark Corp	Household Products	2	1	A+	95	0.70	1
Lancaster Colony Corporation	Food Processing	2	2	A	90	0.70	3
McCormick and Co	Food Processing	3	1	A+	90	0.70	3
Republic Services Inc	Environmental	2	2	B++	100	0.75	3
Sysco Corp	Retail/Wholesale Food	2	1	A+	95	0.70	3
Tootsie Roll	Food Processing	2	1	A+	90	0.70	1
Waste Management	Environmental	2	1	A	100	0.75	3
WD 40 Co	Household Products	3	2	A	95	0.70	3
Yum Brands Inc	Restaurant	3	2	B+	100	0.65	2
Average		<u>3</u>	<u>2</u>	<u>A</u>	<u>91</u>	<u>0.71</u>	<u>2</u>
Gas Group	Average	<u>3</u>	<u>2</u>	<u>A</u>	<u>90</u>	<u>0.66</u>	<u>2</u>

Source of Information: Value Line Investment Survey for Windows, November 2019

Comparable Earnings Approach

Five -Year Average Historical Earned Returns
for Years 2014-2018 and
Projected 3-5 Year Returns

Company	2014	2015	2016	2017	2018	Average	Projected 2022-24
Allstate Corporation	10.7%	10.6%	9.0%	11.0%	13.9%	11.0%	13.0%
Brown Forman Corp (Class B)	35.9%	45.3%	48.8%	56.7%	50.7%	47.5%	50.0%
Campbell Soup Co	49.5%	60.2%	59.9%	56.9%	63.6%	58.0%	32.0%
Capitol Federal Financial Inc	5.2%	5.5%	6.0%	6.1%	6.6%	5.9%	7.5%
Cboe Global Markets	75.9%	79.0%	58.4%	12.9%	13.1%	47.9%	12.0%
Church and Dwight Co Inc	19.7%	21.4%	23.5%	22.4%	23.2%	22.0%	20.0%
Clorox Co	NMF	NMF	NMF	NMF	NMF	-	80.5%
CME Group Inc	5.4%	6.1%	7.5%	18.1%	7.6%	8.9%	9.0%
Colgate Palmolive Co	NMF	-	-	NMF	NMF	-	71.0%
Cracker Barrel Old Country Store Inc	25.6%	30.5%	36.0%	37.1%	38.2%	33.5%	32.5%
Darden Restaurants Inc	8.5%	14.7%	23.4%	24.0%	27.6%	19.6%	28.0%
Dunkin Brands Group Inc	50.7%	-	-	NMF	NMF	50.7%	NMF
Erie Indemnity Company	23.8%	22.7%	25.8%	22.3%	29.6%	24.8%	26.0%
General Mills Inc	27.9%	35.3%	36.3%	42.6%	29.6%	34.3%	22.0%
Hormel Foods Corporation	16.7%	17.9%	20.0%	17.2%	18.1%	18.0%	19.0%
JM Smucker Company	7.8%	10.0%	11.0%	10.1%	9.5%	9.7%	10.0%
Kellogg Company	50.1%	59.1%	69.0%	64.0%	58.1%	60.1%	35.0%
Kimberly Clark Corp	NMF	-	-	NMF	NMF	-	85.5%
Lancaster Colony Corporation	19.1%	17.5%	23.7%	20.0%	20.7%	20.2%	17.5%
McCormick and Co	24.4%	26.9%	29.7%	21.4%	20.9%	24.7%	17.5%
Republic Services Inc	9.0%	9.3%	9.9%	10.3%	12.8%	10.3%	15.0%
Sysco Corp	17.7%	20.9%	34.9%	57.1%	63.6%	38.8%	NMF
Tootsie Roll	9.2%	9.5%	9.5%	8.3%	7.6%	8.8%	9.5%
Waste Management	19.7%	21.6%	24.5%	23.7%	28.9%	23.7%	30.0%
WD 40 Co	25.8%	28.4%	37.5%	37.0%	41.9%	34.1%	32.0%
Yum Brands Inc	90.5%	NMF	-	-	-	90.5%	NMF
Average						<u>30.6%</u>	<u>29.3%</u>
Average (excluding companies with values >20%)						<u>11.5%</u>	<u>13.0%</u>

Comparable Earnings Approach
Screening Parameters

Timeliness Rank

The rank for a stock's probable relative market performance in the year ahead. Stocks ranked 1 (Highest) or 2 (Above Average) are likely to outpace the year-ahead market. Those ranked 4 (Below Average) or 5 (Lowest) are not expected to outperform most stocks over the next 12 months. Stocks ranked 3 (Average) will probably advance or decline with the market in the year ahead. Investors should try to limit purchases to stocks ranked 1 (Highest) or 2 (Above Average) for Timeliness.

Safety Rank

A measure of potential risk associated with individual common stocks rather than large diversified portfolios (for which Beta is good risk measure). Safety is based on the stability of price, which includes sensitivity to the market (see Beta) as well as the stock's inherent volatility, adjusted for trend and other factors including company size, the penetration of its markets, product market volatility, the degree of financial leverage, the earnings quality, and the overall condition of the balance sheet. Safety Ranks range from 1 (Highest) to 5 (Lowest). Conservative investors should try to limit purchases to equities ranked 1 (Highest) or 2 (Above Average) for Safety.

Financial Strength

The financial strength of each of the more than 1,600 companies in the VS II data base is rated relative to all the others. The ratings range from A++ to C in nine steps. (For screening purposes, think of an A rating as "greater than" a B). Companies that have the best relative financial strength are given an A++ rating, indicating ability to weather hard times better than the vast majority of other companies. Those who don't quite merit the top rating are given an A+ grade, and so on. A rating as low as C++ is considered satisfactory. A rating of C+ is well below average, and C is reserved for companies with very serious financial problems. The ratings are based upon a computer analysis of a number of key variables that determine (a) financial leverage, (b) business risk, and (c) company size, plus the judgment of Value Line's analysts and senior editors regarding factors that cannot be quantified across-the-board for companies. The primary variables that are indexed and studied include equity coverage of debt, equity coverage of intangibles, "quick ratio", accounting methods, variability of return, fixed charge coverage, stock price stability, and company size.

Price Stability Index

An index based upon a ranking of the weekly percent changes in the price of the stock over the last five years. The lower the standard deviation of the changes, the more stable the stock. Stocks ranking in the top 5% (lowest standard deviations) carry a Price Stability Index of 100; the next 5%, 95; and so on down to 5. One standard deviation is the range around the average weekly percent change in the price that encompasses about two thirds of all the weekly percent change figures over the last five years. When the range is wide, the standard deviation is high and the stock's Price Stability Index is low.

Beta

A measure of the sensitivity of the stock's price to overall fluctuations in the New York Stock Exchange Composite Average. A Beta of 1.50 indicates that a stock tends to rise (or fall) 50% more than the New York Stock Exchange Composite Average. Use Beta to measure the stock market risk inherent in any diversified portfolio of, say, 15 or more companies. Otherwise, use the Safety Rank, which measures total risk inherent in an equity, including that portion attributable to market fluctuations. Beta is derived from a least squares regression analysis between weekly percent changes in the price of a stock and weekly percent changes in the NYSE Average over a period of five years. In the case of shorter price histories, a smaller time period is used, but two years is the minimum. The Betas are periodically adjusted for their long-term tendency to regress toward 1.00.

Technical Rank

A prediction of relative price movement, primarily over the next three to six months. It is a function of price action relative to all stocks followed by Value Line. Stocks ranked 1 (Highest) or 2 (Above Average) are likely to outpace the market. Those ranked 4 (Below Average) or 5 (Lowest) are not expected to outperform most stocks over the next six months. Stocks ranked 3 (Average) will probably advance or decline with the market. Investors should use the Technical and Timeliness Ranks as complements to one another.

UGI GAS EXHIBIT E – PROOF OF REVENUE

UGI Utilities, Inc. - Gas Division
Proof of Revenue Summary - Total Revenue
for the 12-Months Ending September 30, 2021

Rate Class	Customers	Sales	Present Revenue	Proposed Revenue	Revenue Change	Percent Change from Present Revenue	Percent of Total Rate Increase
R/RT	598,337	50,532,745	\$ 532,304,333	\$ 593,530,783	\$ 61,226,450	11.5%	82.1%
N/NT	69,452	31,127,993	\$ 212,141,844	\$ 224,769,405	\$ 12,627,561	6.0%	16.9%
DS	1,510	10,402,430	\$ 33,898,607	\$ 34,595,077	\$ 696,470	2.1%	0.9%
LFD	508	22,225,309	\$ 38,351,109	\$ 38,351,109	\$ -	0.0%	0.0%
XD - Firm	54	165,597,260	\$ 29,856,105	\$ 29,856,105	\$ -	0.0%	0.0%
Interruptible	374	55,674,914	\$ 23,442,353	\$ 23,442,353	\$ -	0.0%	0.0%
Total	670,235	335,560,651	\$ 869,994,351	\$ 944,544,832	\$ 74,550,482	8.6%	
Other Operating Revenue			\$ 6,297,000	\$ 6,297,000	\$ -		
Total	670,235	335,560,651	\$ 876,291,351	\$ 950,841,832	\$ 74,550,482	8.5%	

UGI Utilities, Inc. - Gas Division
Residential Service - Rate Schedules R & RT
Calculation of the Effect of Proposed Rates
12-Months Ending September 30, 2021

UGI Gas Exhibit E
C. R. Brown
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Description	Number of Bills (1)	Pro Forma Consumption Mcf (2)	Current Rate (3)	Current Revenue (4)	Proposed Rate (5)	Proposed Revenue (6)	Proposed Revenue Change (7)	% Change (8)
Customer Charge	7,180,044		\$ 14.60	\$ 104,828,642	\$ 19.95	\$ 143,241,878	\$ 38,413,235	
GET Gas Customer Charge	10,596		\$ 15.53	\$ 164,522	\$ 15.53	\$ 164,522	\$ -	
Distribution Charges		50,532,745	\$ 3.7861	\$ 191,322,026	\$ 4.2339	\$ 213,950,589	\$ 22,628,563	
State Tax Adjustment Surcharge (STAS) - Rider A			0.00%	\$ -	0.00%	\$ -	\$ -	
Purchased Gas Costs (PGC) - Rider B		43,838,425	\$ 4.6801	\$ 205,168,215	\$ 4.6801	\$ 205,168,215	\$ -	
TCJA Temporary Surcharge - Rider C			0.00%	\$ -	0.00%	\$ -	\$ -	
Merchant Function Charge (MFC) - Rider D		43,838,425	2.08%	\$ 4,267,499	2.17%	\$ 4,452,150	\$ 184,651	
Gas Procurement Charge (GPC) - Rider E		43,838,425	\$ 0.0660	\$ 2,893,336	\$ 0.0660	\$ 2,893,336	\$ -	
Universal Service Program (USP) - Rider F		48,467,110	\$ 0.2541	\$ 12,315,493	\$ 0.2541	\$ 12,315,493	\$ -	
Energy Efficiency & Conservation Rider (EEC) - Rider G		50,532,745	\$ 0.2245	\$ 11,344,601	\$ 0.2245	\$ 11,344,601	\$ -	
Distribution System Improvement Charge (DSIC) - Rider I			0.00%	\$ -	0.00%	\$ -	\$ -	
Total - Rates R/RT	7,180,044	50,532,745		\$ 532,304,333		\$ 593,530,783	\$ 61,226,450	11.5%

UGI Utilities, Inc. - Gas Division
Non-Residential Service - Rate Schedules N & NT
Calculation of the Effect of Proposed Rates
12-Months Ending September 30, 2021

Description	Number of Bills (1)	Pro Forma Consumption Mcf (2)	Current Rate (3)	Current Revenue (4)	Proposed Rate (5)	Proposed Revenue (6)	Proposed Revenue Change (7)	% Change (8)
Customer Charges								
Rate N/NT - Rate N/NT	833,424		\$ 23.50	\$ 19,585,464	\$ 30.00	\$ 25,002,720	\$ 5,417,256	
Rate DS - Rate NT	-		\$ 260.00	\$ -	\$ 30.00	\$ -	\$ -	
Total Customer Charges	833,424			\$ 19,585,464		\$ 25,002,720	\$ 5,417,256	
Distribution Charges								
Rate N/NT - Rate N/NT (Former South & Central Districts)		24,144,506	\$ 3.5177	\$ 84,933,128	\$ 3.6671	\$ 88,540,317	\$ 3,607,189	
Rate N/NT - Rate N/NT (Former North District)		6,983,487	\$ 3.1559	\$ 22,039,188	\$ 3.6671	\$ 25,609,147	\$ 3,569,959	
Rate DS - Rate NT (Former South & Central Districts)			\$ 2.9550	\$ -	\$ 3.6671	\$ -	\$ -	
Rate DS - Rate NT (Former North District)			\$ 2.1335	\$ -	\$ 3.6671	\$ -	\$ -	
Total Distribution Charges		31,127,993		\$ 106,972,316		\$ 114,149,464	\$ 7,177,148	
State Tax Adjustment Surcharge (STAS) - Rider A			0.00%	\$ -	0.00%	\$ -	\$ -	
Purchased Gas Costs (PGC) - Rider B		17,711,844	\$ 4.6801	\$ 82,893,199	\$ 4.6801	\$ 82,893,199	\$ -	
TCJA Temporary Surcharge - Rider C			0.00%	\$ -	0.00%	\$ -	\$ -	
Merchant Function Charge (MFC) - Rider D		17,711,844	0.24%	\$ 198,944	0.28%	\$ 232,101	\$ 33,157	
Gas Procurement Charge (GPC) - Rider E		17,711,844	\$ 0.0660	\$ 1,168,982	\$ 0.0660	\$ 1,168,982	\$ -	
Energy Efficiency & Conservation Rider (EEC) - Rider G								
Rate N/NT - Rate N/NT		31,127,993	\$ 0.0425	\$ 1,322,940	\$ 0.0425	\$ 1,322,940	\$ -	
Rate DS - Rate NT		-	\$ 0.0004	\$ -	\$ 0.0425	\$ -	\$ -	
Total EEC Charges		31,127,993		\$ 1,322,940		\$ 1,322,940	\$ -	
Distribution System Improvement Charge (DSIC) - Rider I			0.00%	\$ -	0.00%	\$ -	\$ -	
Gas Delivery Enhancement Rider (GDE) - Rider J (Rate DS - Rate N)		-	\$ 0.0058	\$ -	\$ -	\$ -	\$ -	
Total - Rates N/NT	833,424	31,127,993		\$ 212,141,844		\$ 224,769,405	\$ 12,627,561	6.0%

UGI Utilities, Inc. - Gas Division
Delivery Service - Rate Schedule DS
Calculation of the Effect of Proposed Rates
12-Months Ending September 30, 2021

UGI Gas Exhibit E
C. R. Brown
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Description	Number of Bills (1)	Pro Forma Consumption Mcf (2)	Current Rate (3)	Current Revenue (4)	Proposed Rate (5)	Proposed Revenue (6)	Proposed Revenue Change (7)	% Change (8)
Customer Charges								
Rate DS - Rate DS	18,120		\$ 260.00	\$ 4,711,200	\$ 260.00	\$ 4,711,200	\$ -	
Rate N/NT - Rate DS	-		\$ 23.50	\$ -	\$ 260.00	\$ -	\$ -	
Total Customer Charges	18,120			\$ 4,711,200		\$ 4,711,200	\$ -	
Distribution Charges								
Rate DS - Rate DS (Former South & Central Districts)		7,633,691	\$ 2.9550	\$ 22,557,557	\$ 2.8033	\$ 21,399,526	\$ (1,158,031)	
Rate DS - Rate DS (Former North District)		2,768,739	\$ 2.1335	\$ 5,907,105	\$ 2.8033	\$ 7,761,606	\$ 1,854,501	
Rate N/NT - Rate DS (Former South & Central Districts)		-	\$ 3.5177	\$ -	\$ 2.8033	\$ -	\$ -	
Rate N/NT - Rate DS (Former North District)		-	\$ 3.1559	\$ -	\$ 2.8033	\$ -	\$ -	
Total Distribution Charges		10,402,430		\$ 28,464,661		\$ 29,161,132	\$ 696,470	
State Tax Adjustment Surcharge (STAS) - Rider A								
			0.00%	\$ -	0.00%	\$ -	\$ -	
Purchased Gas Costs (PGC) - Rider B (Rate N - Rate DS)								
		-	\$ 4.6801	\$ -	\$ 4.6801	\$ -	\$ -	
TCJA Temporary Surcharge - Rider C								
			0.00%	\$ -	0.00%	\$ -	\$ -	
Merchant Function Charge (MFC) - Rider D (Rate N - Rate DS)								
		-	0.24%	\$ -	0.00%	\$ -	\$ -	
Gas Procurement Charge (GPC) - Rider E (Rate N - Rate DS)								
		-	\$ 0.0660	\$ -	\$ -	\$ -	\$ -	
Energy Efficiency & Conservation Rider (EEC) - Rider G								
Rate DS - Rate DS		10,402,430	\$ 0.0004	\$ 4,161	\$ 0.0004	\$ 4,161	\$ -	
Rate N/NT - Rate DS		-	\$ 0.0425	\$ -	\$ 0.0004	\$ -	\$ -	
Total EEC		10,402,430		\$ 4,161		\$ 4,161	\$ -	
Technology and Economic Development Rider (TED) - Rider H								
				\$ 534,162		\$ 534,162	\$ -	
Distribution System Improvement Charge (DSIC) - Rider I								
			0.00%	\$ -	0.00%	\$ -	\$ -	
Gas Delivery Enhancement Rider (GDE) - Rider J								
Rate DS - Rate DS		10,402,430	\$ 0.0117	\$ 121,708	\$ 0.0117	\$ 121,708	\$ -	
Rate N/NT - Rate DS		-	\$ -	\$ -	\$ 0.0117	\$ -	\$ -	
Total GDE		10,402,430		\$ 121,708		\$ 121,708	\$ -	
Minimum Charges								
				\$ 62,714		\$ 62,714	\$ -	
Total - Rate DS	18,120	10,402,430		\$ 33,898,607		\$ 34,595,077	\$ 696,470	2.1%

UGI Utilities, Inc. - Gas Division
Large Firm Delivery Service - Rate Schedule LFD
Calculation of the Effect of Proposed Rates
12-Months Ending September 30, 2021

Description	Number of Bills (1)	Pro Forma Consumption Mcf (2)	Current Rate (3)	Current Revenue (4)	Proposed Rate (5)	Proposed Revenue (6)	Proposed Revenue Change (7)	% Change (8)
Customer Charge								
LFD - LFD	6,096		\$ 670.00	\$ 4,084,320	\$ 670.00	\$ 4,084,320	\$ -	
DS - LFD	-		\$ 260.00	\$ -	\$ 670.00	\$ -	\$ -	
N/NT - LFD	-		\$ 23.50	\$ -	\$ 670.00	\$ -	\$ -	
Total Customer Charge	6,096			\$ 4,084,320		\$ 4,084,320	\$ -	
Distribution Charge								
LFD - LFD		22,225,309	\$ 1.1380	\$ 25,292,401	\$ 1.1380	\$ 25,292,401	\$ -	
DS - LFD (Former South & Central Districts)		-	\$ 2.9550	\$ -	\$ 1.1380	\$ -	\$ -	
DS - LFD (Former North District)		-	\$ 2.1335	\$ -	\$ 1.1380	\$ -	\$ -	
N/NT - LFD (Former South & Central Districts)		-	\$ 3.5177	\$ -	\$ 1.1380	\$ -	\$ -	
N/NT - LFD (Former North District)		-	\$ 3.1559	\$ -	\$ 1.1380	\$ -	\$ -	
Total Distribution Charges		22,225,309		\$ 25,292,401		\$ 25,292,401	\$ -	
Demand Charge								
LFD - LFD		1,261,920	\$ 5.0706	\$ 6,398,692	\$ 5.0706	\$ 6,398,692	\$ -	
DS - LFD		-	\$ 5.0706	\$ -	\$ 5.0706	\$ -	\$ -	
N/NT - LFD		-	\$ 5.0706	\$ -	\$ 5.0706	\$ -	\$ -	
Total Demand Charges		1,261,920		\$ 6,398,692		\$ 6,398,692	\$ -	
State Tax Adjustment Surcharge (STAS) - Rider A			0.00%	\$ -	0.00%	\$ -	\$ -	
Purchased Gas Costs (PGC) - Rider B (Rate N - Rate LFD)		-	\$ 4.6801	\$ -	\$ 4.6801	\$ -	\$ -	
TCJA Temporary Surcharge - Rider C			0.00%	\$ -	0.00%	\$ -	\$ -	
Merchant Function Charge (MFC) - Rider D (Rate N - Rate LFD)		-	0.24%	\$ -	0.00%	\$ -	\$ -	
Gas Procurement Charge (GPC) - Rider E (Rate N - Rate LFD)		-	\$ 0.0660	\$ -	\$ -	\$ -	\$ -	
Energy Efficiency & Conservation Rider (EEC) - Rider G								
LFD - LFD		22,225,309	\$ 0.0103	\$ 228,921	\$ 0.0103	\$ 228,921	\$ -	
DS - LFD		-	\$ 0.0004	\$ -	\$ 0.0103	\$ -	\$ -	
N/NT - LFD		-	\$ 0.0425	\$ -	\$ 0.0103	\$ -	\$ -	
Total EEC		22,225,309		\$ 228,921		\$ 228,921	\$ -	
Technology and Economic Development Rider (TED) - Rider H								
Minimum Bills				\$ 78,345		\$ 78,345	\$ -	
Excess Requirement Option				\$ 1,388,436		\$ 1,388,436	\$ -	
Excess Take				\$ 619,958		\$ 619,958	\$ -	
Distribution System Improvement Charge (DSIC) - Rider I			0.00%	\$ -	0.00%	\$ -	\$ -	
Gas Delivery Enhancement Rider (GDE) - Rider J								
LFD - LFD		22,225,309	\$ 0.0117	\$ 260,036	\$ 0.0117	\$ 260,036	\$ -	
DS - LFD		-	\$ 0.0117	\$ -	\$ 0.0117	\$ -	\$ -	
N/NT - LFD		-	\$ -	\$ -	\$ 0.0117	\$ -	\$ -	
Total GDE		22,225,309		\$ 260,036		\$ 260,036	\$ -	
Total - Rate LFD	6,096	22,225,309		\$ 38,351,109		\$ 38,351,109	\$ -	0.0%

UGI Utilities, Inc. - Gas Division
Extended Large Firm Delivery Service - Rate Schedule XD
Calculation of the Effect of Proposed Rates
12-Months Ending September 30, 2021

Description	Number of Bills (1)	Pro Forma Consumption Mcf (2)	Current Rate (3)	Current Revenue (4)	Proposed Rate (5)	Proposed Revenue (6)	Proposed Revenue Change (7)	% Change (8)
Customer Charge	648		\$ 29,579.90	\$ 19,167,774	\$ 29,579.90	\$ 19,167,774	\$ -	
Distribution Charge		165,597,260	\$ 0.0562	\$ 9,301,540	\$ 0.0562	\$ 9,301,540	\$ -	
Excess Requirement Option				\$ 1,204,364		\$ 1,204,364	\$ -	
Minimum Charges				\$ 182,427		\$ 182,427	\$ -	
TCJA Temporary Surcharge - Rider C			0.00%	\$ -	0.00%	\$ -	\$ -	
Distribution System Improvement Charge (DSIC) - Rider I				\$ -		\$ -	\$ -	
Total - Rate XD	648	165,597,260		\$ 29,856,105		\$ 29,856,105	\$ -	0.0%

UGI Utilities, Inc. - Gas Division
Interruptible Service - Rate Schedule IS
Calculation of the Effect of Proposed Rates
12-Months Ending September 30, 2021

Description	Number of Bills (1)	Pro Forma Consumption Mcf (2)	Current Rate (3)	Current Revenue (4)	Proposed Rate (5)	Proposed Revenue (6)	Proposed Revenue Change (7)	% Change (8)
Customer Charge	4,488		\$ 461.81	\$ 2,072,594	\$ 461.81	\$ 2,072,594	\$ -	
Distribution Charge		55,674,914	\$ 0.3808	\$ 21,198,465	\$ 0.3808	\$ 21,198,465	\$ -	
Minimum Charges				\$ 171,294		\$ 171,294	\$ -	
TCJA Temporary Surcharge - Rider C			0.00%	\$ -	0.00%	\$ -	\$ -	
Distribution System Improvement Charge (DSIC) - Rider I			0.00%	\$ -	0.00%	\$ -	\$ -	
Total - Rate IS	4,488	55,674,914		\$ 23,442,353		\$ 23,442,353	\$ -	0.0%