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April 8, 2019

VIA ELECTRONIC FILING

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

Re: Energy Affordability for Low-Income Customers, Docket No. M-2017-2587711

Dear Secretary Chiavetta:

On January 1, 2019 the Pennsylvania Public Utility Commission (“Commission”) released the joint report of the Commission’s Bureau of Consumer Services (“BCS”) and Law Bureau entitled “Home Energy Affordability for Low-Income Customers in Pennsylvania” (“Report”) and entered an Order on the provision of supplemental information from Natural Gas and Electric Distribution Companies (“Order”). The Order was subsequently clarified by a March 7, 2019 Secretarial Letter.

UGI Utilities, Inc. hereby submits its supplemental information in accordance with the Order.

Very truly yours,

A handwritten signature in blue ink, appearing to read 'Danielle Jouenne', is written over a light blue horizontal line.

Danielle Jouenne
Counsel for UGI Utilities, Inc.

Enclosure

cc: Certificate of Service
Sara Dewey, Bureau of Consumer Services, *via email*, sdewey@pa.gov
Joseph Magee, Bureau of Consumer Services, *via email*, jmagee@pa.gov
Louise Fink Smith, Law Bureau, *via email*, finksmith@pa.gov

UGI's Responses to the Supplemental Information and Data Requests of
The Pennsylvania Public Utility Commission
Docket No. M-2017-2587711

Dated April 8, 2019

Supplemental Information Request No. 1:

Review the 10% energy burden projections in the Report. If the utilities have corrected or updated data for 2012 to 2016 relative to these projections, the revised data should be provided as part of its supplemental information filing.

Response:

No revisions are necessary.

UGI's Responses to the Supplemental Information and Data Requests of
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Docket No. M-2017-2587711

Dated April 8, 2019

Supplemental Information Request No. 2:

Provide a cost forecast based on a 10% maximum energy burden for the years 2016 through 2021. (Cost Estimate No. 1)

Method 1: The first cost estimate should be based only on charging all CAP customers the lesser of an average bill or 4, 6, or 10% ¹ of the household's income for the yearly periods **from 2016 through 2021**. This estimate should not take into consideration system change costs, additional CAP charges, CAP credit limits, minimum payment/bill requirements, or other costs not related to charging the CAP customer the lesser of an average bill or the designated percent of income.

Method 2: The second cost estimate should also be based on the average bill or the PIP CAP model **from 2016 through 2021** but include all other costs/savings related to this change. This includes utility CAP charges, minimum payment restrictions, CAP credit limits, and other CAP costs/savings described in the January 2019 Order. NGDCs and EDCs should identify all costs/savings related to this estimate separately.

Response:

As discussed with Commission staff at the February 6, 2019 Collaborative, UGI is providing cost forecasts based on calendar year 2016 only, as UGI changed its customer information system in 2017. Please see **Attachment A**.

UGI's Responses to the Supplemental Information and Data Requests of
The Pennsylvania Public Utility Commission
Docket No. M-2017-2587711

Dated April 8, 2019

Supplemental Information Request No. 3:

Provide estimates of the impact on enrollments and to customer assistance program costs if restrictions other than "low income" are eliminated for the years 2017 through 2021. These will be separate enrollment and cost forecasts from the 10% projections for the years 2017 through 2021 requested above.

Response:

UGI does not require a customer who is confirmed low income to be payment troubled to participate in CAP. Therefore UGI does not anticipate any impact on enrollment.

UGI's Responses to the Supplemental Information and Data Requests of
The Pennsylvania Public Utility Commission
Docket No. M-2017-2587711

Dated April 8, 2019

Supplemental Information Request No. 4:

Provide monthly customer tallies for all CAP customers claiming zero income in 2016 and 2017, broken out by heating type, if possible.

Response:

	UGI South		UGI North		UGI Central		UGI Electric	
	2016	2017	2016	2017	2016	2017	2016	2017
January	6	6	3	4	1	1	3	0
February	7	7	5	6	3	2	0	1
March	27	36	12	7	2	3	3	5
April	20	22	8	7	3	3	4	3
May	20	29	13	9	3	2	4	5
June	11	19	11	9	2	0	8	4
July	14	21	11	2	1	0	9	4
August	12	16	8	4	2	1	6	7
September	16	8	7	2	0	5	8	4
October	9	9	7	4	2	1	5	0
November	15	5	8	3	1	1	2	2
December	8	7	5	5	2	1	1	0
Year End Total	165	185	98	62	22	20	53	35

UGI SOUTH

Method 1

	2016	2017	2018	2019	2020	2021
Participation Level	7,725	8,867	9,675	9,897	10,392	10,912
Actual CAP Credits						
50% or Below	\$ 414,529	\$ 475,810	\$ 519,167	\$ 531,080	\$ 557,642	\$ 585,546
51% to 100%	\$ 624,418	\$ 716,727	\$ 782,038	\$ 799,983	\$ 839,994	\$ 882,026
101% to 150%	\$ 272,855	\$ 313,192	\$ 341,731	\$ 349,572	\$ 367,056	\$ 385,423
Grand Total	\$ 1,311,802	1,505,728	1,642,936	1,680,635	1,764,692	1,852,995
Method 1 Calculated CAP Credits						
50% or Below	\$ 1,237,382	\$ 1,420,306	\$ 1,549,731	\$ 1,585,291	\$ 1,664,579	\$ 1,747,872
51% to 100%	\$ 919,062	\$ 1,054,929	\$ 1,151,058	\$ 1,177,470	\$ 1,236,361	\$ 1,298,227
101% to 150%	\$ 175,874	\$ 201,874	\$ 220,269	\$ 225,324	\$ 236,593	\$ 248,432
Grand Total	\$ 2,332,318	\$ 2,677,109	\$ 2,921,058	\$ 2,988,084	\$ 3,137,534	\$ 3,294,531
Increased Costs	\$ 1,020,516	\$ 1,171,381	\$ 1,278,122	\$ 1,307,449	\$ 1,372,842	\$ 1,441,537

Method 2

	2016	2017	2018	2019	2020	2021
Participation Level	7,725	8,867	9,675	9,897	10,392	10,912
Actual CAP Credits						
50% or Below	\$ 414,529	\$ 475,810	\$ 519,167	\$ 531,080	\$ 557,642	\$ 585,546
51% to 100%	\$ 624,418	\$ 716,727	\$ 782,038	\$ 799,983	\$ 839,994	\$ 882,026
101% to 150%	\$ 272,855	\$ 313,192	\$ 341,731	\$ 349,572	\$ 367,056	\$ 385,423
Grand Total	\$ 1,311,802	1,505,728	1,642,936	1,680,635	1,764,692	1,852,995
Method 2 Calculated CAP Credits						
UGI has min bill of (\$25.00 gas)						
50% or Below	\$ 1,101,425	\$ 1,264,251	\$ 1,379,455	\$ 1,411,107	\$ 1,481,684	\$ 1,555,825
51% to 100%	\$ 920,925	\$ 1,057,067	\$ 1,153,392	\$ 1,179,857	\$ 1,238,868	\$ 1,300,859
101% to 150%	\$ (19,535)	\$ (22,423)	\$ (24,466)	\$ (25,028)	\$ (26,279)	\$ (27,594)
Grand Total	\$ 2,002,815	\$ 2,298,895	\$ 2,508,380	\$ 2,565,937	\$ 2,694,272	\$ 2,829,090
Increased Costs	\$ 691,013	\$ 793,167	\$ 865,443	\$ 885,302	\$ 929,580	\$ 976,095

**UGI NORTH
Method 1**

	2016	2017	2018	2019	2020	2021
Participation Level	5,684	5,353	6,279	6,841	7,143	7,183
50% or Below	\$ 294,380	\$ 277,237	\$ 325,196	\$ 354,302	\$ 369,943	\$ 372,015
51% to 100%	\$ 576,985	\$ 543,385	\$ 637,384	\$ 694,433	\$ 725,089	\$ 729,149
101% to 150%	\$ 306,155	\$ 288,326	\$ 338,203	\$ 368,474	\$ 384,741	\$ 386,895
Grand Total	\$ 1,177,520	\$ 1,108,949	\$ 1,300,783	\$ 1,417,209	\$ 1,479,772	\$ 1,488,059
CAP Credits						
50% or Below	\$ 886,948	\$ 835,298	\$ 979,794	\$ 1,067,490	\$ 1,114,615	\$ 1,120,856
51% to 100%	\$ 857,215	\$ 807,296	\$ 946,948	\$ 1,031,704	\$ 1,077,250	\$ 1,083,282
101% to 150%	\$ 284,023	\$ 267,483	\$ 313,754	\$ 341,837	\$ 356,928	\$ 358,926
Grand Total	\$ 2,028,186	\$ 1,910,077	\$ 2,240,496	\$ 2,441,031	\$ 2,548,792	\$ 2,563,065
Increased Costs	\$ 850,666	\$ 801,129	\$ 939,714	\$ 1,023,822	\$ 1,069,020	\$ 1,075,006

Method 2

	2016	2017	2018	2019	2020	2021
Include other Program Specifics (Min Bill)						
Participation Level	5,684	5,353	6,279	6,841	7,143	7,183
UGI has min bill of (\$25.00 gas)						
50% or Below	\$ 294,380	\$ 277,237	\$ 325,196	\$ 354,302	\$ 369,943	\$ 372,015
51% to 100%	\$ 576,985	\$ 543,385	\$ 637,384	\$ 694,433	\$ 725,089	\$ 729,149
101% to 150%	\$ 306,155	\$ 288,326	\$ 338,203	\$ 368,474	\$ 384,741	\$ 386,895
Grand Total	\$ 1,177,520	\$ 1,108,949	\$ 1,300,783	\$ 1,417,209	\$ 1,479,772	\$ 1,488,059
CAP Credits						
50% or Below	\$ 793,142	\$ 746,954	\$ 876,168	\$ 954,589	\$ 996,730	\$ 1,002,312
51% to 100%	\$ 857,621	\$ 807,679	\$ 947,397	\$ 1,032,193	\$ 1,077,760	\$ 1,083,795
101% to 150%	\$ 284,152	\$ 267,605	\$ 313,897	\$ 341,992	\$ 357,090	\$ 359,089
Grand Total	\$ 1,934,915	\$ 1,822,238	\$ 2,137,462	\$ 2,328,774	\$ 2,431,579	\$ 2,445,196
Increased Costs	\$ 757,395	\$ 713,289	\$ 836,679	\$ 911,566	\$ 951,807	\$ 957,137

**UGI CENTRAL
Method 1**

	2016	2017	2018	2019	2020	2021
Participation Level	1,861	2,041	2,328	2,427	2,548	2,675
50% or Below	\$ 107,698	\$ 118,115	\$ 134,724	\$ 140,453	\$ 147,455	\$ 154,828
51% to 100%	\$ 234,977	\$ 257,704	\$ 293,942	\$ 306,442	\$ 321,720	\$ 337,806
101% to 150%	\$ 146,860	\$ 161,065	\$ 183,713	\$ 191,526	\$ 201,074	\$ 211,128
Grand Total	\$ 489,535	\$ 536,884	\$ 612,379	\$ 638,421	\$ 670,250	\$ 703,762
CAP Credits						
50% or Below	\$ 305,234	\$ 334,757	\$ 381,830	\$ 398,067	\$ 417,913	\$ 438,809
51% to 100%	\$ 378,122	\$ 414,695	\$ 473,008	\$ 493,123	\$ 517,708	\$ 543,594
101% to 150%	\$ 188,098	\$ 206,291	\$ 235,299	\$ 245,306	\$ 257,536	\$ 270,412
Grand Total	\$ 871,454	\$ 955,743	\$ 1,090,137	\$ 1,136,496	\$ 1,193,157	\$ 1,252,815
Increased Costs	\$ 381,919	\$ 418,859	\$ 477,758	\$ 498,075	\$ 522,907	\$ 549,052

Method 2

	2016	2017	2018	2019	2020	2021
Participation Level	1,861	2,041	2,328	2,427	2,548	2,675
Include other Program Specifics (Min Bill)	\$ 2,016					
UGI has min bill of (\$25.00 gas)						
50% or Below	\$ 107,698	\$ 118,115	\$ 134,724	\$ 140,453	\$ 147,455	\$ 154,828
51% to 100%	\$ 234,977	\$ 257,704	\$ 293,942	\$ 306,442	\$ 321,720	\$ 337,806
101% to 150%	\$ 146,860	\$ 161,065	\$ 183,713	\$ 191,526	\$ 201,074	\$ 211,128
Grand Total	\$ 489,535	\$ 536,884	\$ 612,379	\$ 638,421	\$ 670,250	\$ 703,762
CAP Credits						
50% or Below	\$ 282,333	\$ 309,641	\$ 353,182	\$ 368,201	\$ 386,558	\$ 405,886
51% to 100%	\$ 378,131	\$ 414,705	\$ 473,019	\$ 493,135	\$ 517,720	\$ 543,606
101% to 150%	\$ 188,098	\$ 206,291	\$ 235,299	\$ 245,306	\$ 257,536	\$ 270,412
Grand Total	\$ 848,562	\$ 930,637	\$ 1,061,500	\$ 1,106,642	\$ 1,161,814	\$ 1,219,905
Increased Costs	\$ 359,027	\$ 393,753	\$ 449,121	\$ 468,221	\$ 491,564	\$ 516,142

UGI ELECTRIC

Method 1

	2016	2017	2018	2019	2020	2021
Participation Level	2,322	2,428	2,521	2,582	2,649	2,781
Percentage at 10% vs Average						
50% or Below	\$ 449,612	\$ 470,137	\$ 488,145	\$ 499,956	\$ 512,929	\$ 538,576
51% to 100%	\$ 626,733	\$ 655,344	\$ 680,445	\$ 696,910	\$ 714,994	\$ 750,744
101% to 150%	\$ 286,117	\$ 299,178	\$ 310,638	\$ 318,154	\$ 326,410	\$ 342,730
Grand Total	\$ 1,362,462	\$ 1,424,659	\$ 1,479,228	\$ 1,515,020	\$ 1,554,333	\$ 1,632,050
CAP Credits						
50% or Below	\$ 780,744	\$ 816,385	\$ 847,655	\$ 868,166	\$ 890,694	\$ 935,228
51% to 100%	\$ 404,669	\$ 423,142	\$ 439,350	\$ 449,981	\$ 461,657	\$ 484,740
101% to 150%	\$ 104,847	\$ 109,633	\$ 113,833	\$ 116,587	\$ 119,612	\$ 125,593
Grand Total	\$ 1,290,260	\$ 1,349,161	\$ 1,400,838	\$ 1,434,734	\$ 1,471,963	\$ 1,545,561
Increased Costs	\$ (72,202)	\$ (75,498)	\$ (78,390)	\$ (80,287)	\$ (82,370)	\$ (86,488)

Method 2

	2016	2017	2018	2019	2020	2021
Participation Level	2,322	2,428	2,521	2,582	2,649	2,781
Include other Program Specifics (Min Bill)						
UGI has min bill of (\$15.00 ELE)						
50% or Below	\$ 449,612	\$ 470,137	\$ 488,145	\$ 499,956	\$ 512,929	\$ 538,576
51% to 100%	\$ 626,733	\$ 655,344	\$ 680,445	\$ 696,910	\$ 714,994	\$ 750,744
101% to 150%	\$ 286,117	\$ 299,178	\$ 310,638	\$ 318,154	\$ 326,410	\$ 342,730
Grand Total	\$ 1,362,462	\$ 1,424,659	\$ 1,479,228	\$ 1,515,020	\$ 1,554,333	\$ 1,632,050
CAP Credits						
50% or Below	\$ 734,570	\$ 768,103	\$ 797,524	\$ 816,822	\$ 838,017	\$ 879,918
51% to 100%	\$ 406,251	\$ 424,796	\$ 441,068	\$ 451,740	\$ 463,462	\$ 486,635
101% to 150%	\$ 105,247	\$ 110,052	\$ 114,267	\$ 117,032	\$ 120,069	\$ 126,072
Grand Total	\$ 1,246,068	\$ 1,302,951	\$ 1,352,858	\$ 1,385,593	\$ 1,421,548	\$ 1,492,625
Increased Costs	\$ (116,394)	\$ (121,707)	\$ (126,369)	\$ (129,427)	\$ (132,785)	\$ (139,425)