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Devin Ryan  
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File #: 192362

March 17, 2022

***VIA ELECTRONIC FILING***

Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street, 2nd Floor North  
P.O. Box 3265  
Harrisburg, PA 17105-3265

**Re: Pennsylvania Public Utility Commission v. UGI Utilities, Inc. - Gas Division  
Docket Nos. R-2021-3030218, et al.**

Dear Secretary Chiavetta:

Attached for filing in the above-referenced proceeding is Corrected Response III-A-22 in relation to the Responses to Section 53.53-III-A-Balance Sheet and Operating Statement on behalf of UGI Utilities, Inc. – Gas Division.

Copies will be provided per the Certificate of Service.

Respectfully submitted,



Devin Ryan  
Principal

DR/kl  
Enclosures

cc: Honorable Joel H. Cheskis (*via email; w/att.*)  
Honorable Gail M. Chiodo (*via email; w/att.*)  
Certificate of Service

## CERTIFICATE OF SERVICE

(Docket Nos. R-2021-3030218, et al.)

I hereby certify that a true and correct copy of the foregoing has been served upon the following persons, in the manner indicated, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

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Date: March 17, 2022



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Devin T. Ryan

UGI Utilities, Inc. - Gas Division  
Docket No. R-2021-3030218  
UGI Gas 2022 Base Rate Case  
Responses to Section 53.53 - III-A - Balance Sheet and  
Operating Statement (Corrected Responses)  
Delivered on March 16, 2022

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III-A-22 (Corrected Response)

Request:

Supply an exhibit showing an analysis, by functional accounts, of the charges by affiliates (Service Corporations, etc.) for services rendered included in the operating expenses of the filing company for the test year and for the 12-month period ended prior to the test year:

- a. Supply a copy of contracts, if applicable.
- b. Explain the nature of the services provided.
- c. Explain basis on which charges are made.
- d. If charges allocated, identify allocation factors used.
- e. Supply the components and amounts comprising the expense in this account.
- f. Provide details of initial source of charge and reason thereof.

Response:

As part of this original response, the Company included Attachment III-A-22.3. Since the original filing, the Company identified errors in the amounts for Gas Control Services, Insurance Coverage, and Administrative Services for certain years. These errors are being corrected.

See Corrected Response Attachment III-A-22.3.

Prepared by or under the supervision of: Vivian K. Ressler

UGI Utilities, Inc. - Gas Division  
Charges by Affiliates - Services Rendered  
For the Fiscal Years Ended September 30, 2019 through 2023  
\$s in Thousands

	2019	2020	2021	2022	2023	FERC Functional Account	Allocation Factor
1) UGI Central Gas Control Gas Control Services	\$ 1,781	\$ 1,807	\$ 1,807	\$ 1,828	\$ 1,882	910, 923	N/A
2) UGI HVAC Services, Inc. (a) Natural Gas Operations Services & HVAC Services	\$ 565	\$ 831	N/A	N/A	N/A	887, 932	N/A
3) United Valley Insurance Company Insurance coverage	\$ 4,982	\$ 5,495	\$ 5,570	\$ 5,789	\$ 6,080	925	By policy
4) UGI Energy Services, LLC Natural Gas Purchases	\$ 231,000	\$ 179,000	\$ 224,000	\$ 224,000	\$ 224,000	804	N/A (e)
Building sub-lease (b)	N/A	N/A	N/A	\$ 327	\$ 495	107, 101	Lease agreement
Auburn Capacity Lease	N/A	N/A	N/A	\$ 141	\$ 565	881	Lease agreement
5) UGI Corporation Administrative Services	\$ 12,452	\$ 14,055	\$ 19,423	\$ 24,569	\$ 25,028	(c) 920, 926, 923, 925, 408.1 (d)	

N/A Not Applicable

- (a) UGI HVAC was sold to an unaffiliated company effective 9/30/2020. Therefore, there are no affiliate transactions for 2021 or future.
- (b) UGI Utilities, Inc. subleases building space from UGI Energy Services, LLC, as explained at Attachment III-A-22.2. This building space is used exclusively for the UNITE It development project team and is therefore capitalized as part of the project costs within 107 (while in progress) and 101 (when complete).
- (c) For 2019 - 2021, all Corporate allocation amounts were allocated to FERC 923 (Outside Services). For 2022 and 2023, the amounts are assigned to various FERC accounts, based on the nature of the underlying cost.
- (d) Allocation factor used for administrative services is MWF or time spent as applicable based on nature of the service.
- (e) 2022 and 2023 natural gas purchases from UGI Energy Services, LLC are estimated based on 2021 actuals.