



UGI Utilities, Inc.
1 UGI Drive
Denver, PA 17517

Christopher R. Brown
Vice President and General Manager of Rates and Supply

January 10, 2023

VIA ELECTRONIC FILING

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

Re: State Tax Adjustment Surcharge ("STAS"); UGI Utilities, Inc. – Gas Division

Dear Secretary Chiavetta:

In accordance with the Commission's State Tax Adjustment Procedure Order dated March 10, 1970, as amended, enclosed for filing on behalf of UGI Utilities, Inc. – Gas Division ("Company") is its STAS recalculation. As shown in the supporting schedules, UGI will not be changing its currently effective STAS rate. Accordingly, no tariff supplement is included with this filing.

Additionally, per the Company's January 6, 2023 response to the November 9, 2022 and December 15, 2022 Secretarial Letters regarding the reduction in PA Corporate Net Income Tax ("CNIT") (at Docket No. M-2022-3037158), the Company is a fiscal year tax payer. As a fiscal year filer, the January 1, 2023 CNIT rate reduction to 8.99% will be effective for the fiscal year beginning October 1, 2023. Accordingly, this rate reduction will be reflected in the Company's October 2023 STAS Filing.

If you need any further information, please contact Stephen Anzaldo, Director – Rates & Regulatory Planning, by phone at 484-256-9115 or by email at sanzaldo@ugi.com.

Sincerely,

DocuSigned by:

A handwritten signature in blue ink that reads "Christopher R. Brown".

4417AE245B4B4C0
Christopher R. Brown

Enclosures: Supporting Documentation
Certificate of Service

CERTIFICATE OF SERVICE

I hereby certify that I have, this 10th day of January 2023, served a true and correct copy of the foregoing document in the manner and upon the persons listed below in accordance with requirements of 52 Pa. Code §1.54 (relating to service by a participant):

VIA E-MAIL:

Patrick M. Cicero, Esquire
Consumer Advocate
Office of Consumer Advocate
555 Walnut Street
5th Floor, Forum Place
Harrisburg, PA 17101-1921
ra-oca@paoca.org

Richard A. Kanaskie, Esquire
Director and Chief Prosecutor
Bureau of Investigation and Enforcement
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
2nd Floor West
Harrisburg, PA 17120
rkanaskie@pa.gov

NazAarah Sabree, Esquire
Small Business Advocate
Office of Small Business Advocate
555 Walnut Street
1st Floor, Forum Place
Harrisburg, PA 17101-1921
ra-sba@pa.gov
tereswagne@pa.gov

Paul Diskin, Director
Erin Laudenslager, Manager
Bureau of Technical Utility Services
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
3rd Floor West
Harrisburg, PA 17120
pdiskin@pa.gov
elaudensla@pa.gov

DocuSigned by:



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Christopher R. Brown

UGI Utilities, Inc. - Gas Division
Computation of State Tax Adjustment Surcharge
Based Upon 12 Months Ended September 30, 2022

	<u>Amount</u>	<u>Reference</u>
1. PURTA Tax Liability	\$855,285	Exhibit 1, Line 5
1a. Base Level	<u>\$822,000</u>	Docket No. R-2021-3030218
1b. Net PURTA Tax Change	\$33,285	(1) - (1a)
2. PA CNIT Rate Reduction	\$0	Note A
3. Change in State Taxes	\$33,285	(1b) + (2)
4. Gross Operating Revenue	\$1,221,456,656	Exhibit 2, Line 3
5. STAS Rate	<u>0.00%</u>	(3)/(4)

Note A: Per the Company's January 6, 2023 response to the November 9, 2022 and December 15, 2022 Secretarial Letters regarding the reduction in PA Corporate Net Income Tax ("CNIT") (at Docket No. M-2022-3037158), the Company is a fiscal year tax payer. As a fiscal year filer, the January 1, 2023 CNIT rate reduction to 8.99% will be effective for the fiscal year beginning October 1, 2023. Accordingly, this rate reduction will be reflected in the Company's October 2023 STAS filing.

UGI Utilities, Inc. - Gas Division
PURTA Breakout
Based Upon 12 Months Ended September 30, 2022

	<u>Gas</u>	<u>Electric</u>	<u>Total</u>	<u>Reference</u>
1. PURTA Liability - Tax Year 9/30/2021			\$ 957,873	See Attached Document
2. Allocated to Operations %	89.29%	10.71%	100%	Allocation
3. Amount	\$ 855,285	\$ 102,588	\$ 957,873	(1) x (2)
4. Allocated to Distribution Operations %	100.0000%	74.3753%		
5. Amount	\$855,285	\$76,300	\$931,585	(3) x (4)

UGI Utilities, Inc. - Gas Division
Development of Gross Operating Revenue
to Which State Tax Adjustment Surcharge is Applied
Based Upon 12 Months Ended September 30, 2022

	<u>Amount</u>	<u>Reference</u>
1. Billed Base Revenue	\$ 1,215,435,665	Company Records adjusted for current rates.
2. ADD: Late Payment Charges	<u>6,020,991</u>	Company Record
3. STAS Revenue Base	<u><u>\$1,221,456,656</u></u>	(1) + (2)

BUREAU OF TAXATION SUPPORT
PO BOX 280704
HARRISBURG PA 17128-0704



August 1, 2022

UGI UTILITIES, INC.
1 UGI DRIVE
DENVER, PA 17517

Re: 2021 Pennsylvania Public Utility Realty Tax
Notice of Determination

Dear Taxpayer:

Pursuant to the Public Utility Realty Tax Act, the Department of Revenue herein provides notice of the state taxable values of PURTA realty and the millage rate for tax year 2021. This notice is based on information provided by County Tax Assessor offices. Any discrepancies must be addressed with that agency and not with the Pennsylvania Department of Revenue. Please note, any net liabilities resulting from prior years' adjustments are due and payable along with the current year liability.

Payment of tax is required within 45 days of the mailing date of this notice. Previous payments, adjustments and credits should be taken into consideration. Payments and correspondence relevant to the PURTA tax or this notice should be mailed directly to the above address.

All payments of \$1,000 or more must be made electronically or by certified or cashier's check remitted in person or by express mail courier. For information on electronic filing options, visit www.etides.state.pa.us.

If you do not agree with this Notice of Determination, you may file a Petition with the Board of Finance and Revenue pursuant to Section 1109-A of the Tax Reform Code of 1971. The petition must be postmarked by the U.S. Postal Service or received by the Board of Finance and Revenue within 30 days of the mailing date of this notice.

Important update: Beginning in 2023, utilities must file and pay electronically at mypath.pa.gov. More information about the transition to myPATH will be available soon and can be found at www.revenue.pa.gov/mypathinformation.

Tax Year	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
1) Total Realty Tax Equivalent (RTE):	\$29,971,978	\$30,289,428	\$29,192,135	\$28,862,295	\$28,069,503
2) Total State Taxable Value (STV) for all utilities:	\$1,530,348,789	\$1,485,072,289	\$1,389,010,454	\$1,278,147,745	\$1,234,849,928
3) PURTA Millage Rate, including PTA (7.6 mills)	27.1851 mills	27.9959 mills	28.6165 mills	30.1813 mills	30.3311 mills
4) Utility STV:	\$23,067,570	\$21,470,909	\$19,990,362	\$18,426,346	\$17,698,720
5) Liability (Line 3 x Line 4):	\$627,094	\$601,097	\$572,054	\$556,131	\$536,822
6) Utility Transition Credit:	N/A	N/A	N/A	N/A	N/A
7) Utility Liability Adjustment:	N/A	(\$35)	(\$6)	(\$22)	\$6
8) Utility Transition Credit Adjustment:	N/A	N/A	N/A	N/A	N/A

Account ID: 3501671

BUREAU OF TAXATION SUPPORT
PO BOX 280704
HARRISBURG PA 17128-0704



August 1, 2022

UGI PENN NATURAL GAS INC
1 UGI DRIVE
DENVER, PA 17517

Re: 2021 Pennsylvania Public Utility Realty Tax
Notice of Determination

Dear Taxpayer:

Pursuant to the Public Utility Realty Tax Act, the Department of Revenue herein provides notice of the state taxable values of PURTA realty and the millage rate for tax year 2021. This notice is based on information provided by County Tax Assessor offices. Any discrepancies must be addressed with that agency and not with the Pennsylvania Department of Revenue. Please note, any net liabilities resulting from prior years' adjustments are due and payable along with the current year liability.

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Tax Year	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
1) Total Realty Tax Equivalent (RTE):	\$29,971,978	\$30,289,428	\$29,192,135	\$28,862,295	\$28,069,503
2) Total State Taxable Value (STV) for all utilities:	\$1,530,348,789	\$1,485,072,289	\$1,389,010,454	\$1,278,147,745	\$1,234,849,928
3) PURTA Millage Rate, including PTA (7.6 mills)	27.1851 mills	27.9959 mills	28.6165 mills	30.1813 mills	30.3311 mills
4) Utility STV:	\$5,663,108	\$5,257,865	\$4,688,212	\$4,166,423	\$4,126,769
5) Liability (Line 3 x Line 4):	\$153,952	\$147,199	\$134,160	\$125,748	\$125,169
6) Utility Transition Credit:	N/A	N/A	N/A	N/A	N/A
7) Utility Liability Adjustment:	N/A	(\$8)	(\$2)	(\$5)	\$1
8) Utility Transition Credit Adjustment:	N/A	N/A	N/A	N/A	N/A

Account ID: 3513835

BUREAU OF TAXATION SUPPORT
PO BOX 280704
HARRISBURG PA 17128-0704



August 1, 2022

UGI CENTRAL PENN GAS INC
1 UGI DRIVE
DENVER, PA 17517

Re: 2021 Pennsylvania Public Utility Realty Tax
Notice of Determination

Dear Taxpayer:

Pursuant to the Public Utility Realty Tax Act, the Department of Revenue herein provides notice of the state taxable values of PURTA realty and the millage rate for tax year 2021. This notice is based on information provided by County Tax Assessor offices. Any discrepancies must be addressed with that agency and not with the Pennsylvania Department of Revenue. Please note, any net liabilities resulting from prior years' adjustments are due and payable along with the current year liability.

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1) Total Realty Tax Equivalent (RTE):	\$29,971,978	\$30,289,428	\$29,192,135	\$28,862,295	\$28,069,503
2) Total State Taxable Value (STV) for all utilities:	\$1,530,348,789	\$1,485,072,289	\$1,389,010,454	\$1,278,147,745	\$1,234,849,928
3) PURTA Millage Rate, including PTA (7.6 mills)	27.1851 mills	27.9959 mills	28.6165 mills	30.1813 mills	30.3311 mills
4) Utility STV:	\$6,427,113	\$6,080,152	\$5,839,663	\$5,288,055	\$4,985,561
5) Liability (Line 3 x Line 4):	\$174,722	\$170,219	\$167,111	\$159,600	\$151,218
6) Utility Transition Credit:	N/A	N/A	N/A	N/A	N/A
7) Utility Liability Adjustment:	N/A	(\$10)	(\$1)	(\$7)	\$2
8) Utility Transition Credit Adjustment:	N/A	N/A	N/A	N/A	N/A

Account ID: 3513766

BUREAU OF TAXATION SUPPORT
PO BOX 280704
HARRISBURG PA 17128-0704



August 1, 2022

UNITED GAS IMP. CO
2525 N 12TH STREET
PO BOX 12677
READING, PA 19612

Re: 2021 Pennsylvania Public Utility Realty Tax
Notice of Determination

Dear Taxpayer:

Pursuant to the Public Utility Realty Tax Act, the Department of Revenue herein provides notice of the state taxable values of PURTA realty and the millage rate for tax year 2021. This notice is based on information provided by County Tax Assessor offices. Any discrepancies must be addressed with that agency and not with the Pennsylvania Department of Revenue. Please note, any net liabilities resulting from prior years' adjustments are due and payable along with the current year liability.

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2) Total State Taxable Value (STV) for all utilities:	\$1,530,348,789	\$1,485,072,289	\$1,389,010,454	\$1,278,147,745	\$1,234,849,928
3) PURTA Millage Rate, including PTA (7.6 mills)	27.1851 mills	27.9959 mills	28.6165 mills	30.1813 mills	30.3311 mills
4) Utility STV:	\$80,640	\$75,600	\$72,450	\$63,000	\$73,440
5) Liability (Line 3 x Line 4):	\$2,192	\$2,116	\$2,073	\$1,901	\$2,228
6) Utility Transition Credit:	N/A	N/A	N/A	N/A	N/A
7) Utility Liability Adjustment:	N/A	(\$1)	\$0	\$0	\$1
8) Utility Transition Credit Adjustment:	N/A	N/A	N/A	N/A	N/A

Account ID: 3512389