



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
COMMONWEALTH KEYSTONE BUILDING
400 NORTH STREET
HARRISBURG, PENNSYLVANIA 17120
September 16, 2024

Docket Nos. G-2023-3045143
G-2024-3050728

MICHAEL S SWERLING
UGI CORPORATION
500 NORTH GULPH ROAD
KING OF PRUSSIA, PA 19406-2807

Re: Affiliated Interest Agreement – UGI Utilities, Inc. – Services Agreement with UGI Corporation together with its affiliates Mountaineer Gas Company, UGI Energy Services, LLC, UGI Enterprises, LLC, UGI Development Company and AmeriGas Propane, Inc.

Dear Mr. Swerling:

On December 22, 2023, UGI Utilities, Inc. – Electric Division, Utility Code 111100 and Gas Division, Utility Code 123100 (collectively, UGI Utilities) filed with the Pennsylvania Public Utility Commission (Commission), pursuant to 66 Pa. C.S. §§ 2102, *et seq.*, the above-referenced Affiliated Interest Agreement (Agreement or AIA). By Secretarial Letter dated December 27, 2023, the Commission extended the statutory consideration period for this Agreement until further action of the Commission. On August 2, 2024, UGI Utilities provided a revised Agreement updating the parties of the AIA.

UGI Utilities filed the proposed Agreement between UGI Utilities and UGI Corporation (UGI Corp.) together with its affiliates Mountaineer Gas Company, UGI Energy Services, LLC (UGIES), UGI Enterprises, LLC, UGI Development Company, and AmeriGas Propane, Inc. (collectively, UGI Affiliates). This AIA was filed in response to a recommendation from the Commission’s Bureau of Audits that the existing Administrative Services Agreement from May 1992 was outdated and did not accurately reflect the current business structure and practices.

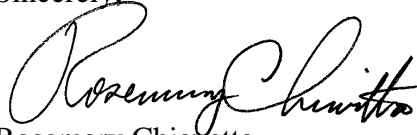
Per the AIA, the UGI Utilities’ departments administering shared services include finance and accounting, executive offices, human resources, information technology, board of directors, legal, environmental compliance, procurement, operations, and external affairs. All services are clearly identified in the Agreement, Exhibit 2 and Appendix A. The services will be billed through the direct assignment of costs or by a fully allocated cost method that is based on an average rate applied to the number of departmental employees, or according to the Modified Wisconsin Formula or other reasonable allocation methodology as described in Appendix B of the AIA.

This Agreement will become effective upon final approval by the Commission. This Agreement will continue indefinitely, unless earlier terminated in whole or part by the parties per the relevant sections of the Agreement. Any party may terminate its respective interest by providing sixty (60) days written notice of such termination to the other parties.

Upon review of the filing, it does not appear that this Agreement is unreasonable or contrary to the public interest. Therefore, this filing is hereby approved. This approval will apply only to the agreement, services, matters and parties specifically and clearly defined under this instant proceeding as well as under any associated and previously filed filings. However, approval of this filing does not constitute a determination that the associated costs or expenses are reasonable or prudent for the purposes of determining just and reasonable rates. Furthermore, the Commission's approval is contingent upon the possibility that subsequent audits, reviews and inquiries in any Commission proceeding may be conducted, pursuant to 66 Pa. C.S. §§ 2102, *et seq.*

The Commission reiterates that the Companies must abide by all applicable competitive safeguards, including the code of conduct at § 54.122 (for Electric Distribution Companies) and the standards of conduct at § 62.142 (for Natural Gas Distribution Companies) when handling any potentially competitively sensitive information while performing any services under this Agreement. Specifically, UGIES must ensure that, while operating in its capacity as a licensed Electric Generation Supplier (EGS) at Docket No. A-110076 or as a licensed Natural Gas Supplier (NGS) at Docket No. A-2013-2369286, it does not misuse customer information or other data from UGI Utilities that it obtained through shared personnel rather than through Commission approved information sharing mechanisms available to all other EGSs and NGSs.

Sincerely,

A handwritten signature in black ink, appearing to read "Rosemary Chiavetta". The signature is fluid and cursive, with the first name being the most prominent.

Rosemary Chiavetta
Secretary