

Congress of the United States  
House of Representatives  
Washington, DC 20515-3808

March 13, 2025

Pennsylvania Public Utility Commission  
P.O. Box 3265  
Harrisburg, PA 17105-3265

VIA EMAIL to [ra-pcwebmaster@pa.gov](mailto:ra-pcwebmaster@pa.gov)

RE: Docket R-2024-3052716

To the Members of the Pennsylvania Public Utility Commission:

I write to express my absolute opposition to the proposed 10.8% rate hike which UGI Utilities (UGI) is seeking to impose on my constituents in Pennsylvania's Eighth Congressional District, which is home to more than 764,000 residents. This proposed rate hike will severely hurt a population still feeling the impacts of record inflation. It is reckless in nature and should immediately be withdrawn.

On Monday, January 27, 2025, UGI, which serves all or portions of Lackawanna, Luzerne, Monroe, Pike, and Wayne counties, submitted a petition to the Pennsylvania Public Utility Commission (PUC) requesting a rate hike for residential, commercial, and industrial customers<sup>1</sup>. These increases range from 7.5% for industrial customers to 10.8% for residential customers (which equates to roughly \$10 per billing cycle for residential customers). This proposed rate increase would raise \$110.4 Million annually for UGI, which they claim will be used to cover system improvement and operations costs, as part of a larger \$786 Million in investments to its natural gas distribution, facilities, and information technology systems<sup>2</sup>. This would increase current rates of return from 6.45% to 8.42%, and returns on equity from 7.56% to 11.20%.

UGI most recently increased rates on residential customers by 8.7% in December 2024<sup>3</sup>, just a month before their January 27 request. This new rate hike will impact 690,000 customers across 46 Pennsylvania counties, many of whom live in Northeastern Pennsylvania.

Pennsylvania's Eighth Congressional District has the second lowest median income of all Congressional districts in Pennsylvania. The median household income of my district is \$61,140, ranking 353<sup>rd</sup> of all Congressional districts. My district ranks in the bottom quartile of lowest

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<sup>1</sup> The Citizens' Voice, "UGI seeking to raise natural gas rates 10.8% for residential customers," January 27, 2025 <https://www.citizensvoice.com/2025/01/27/ugi-seeking-to-raise-natural-gas-rates-10-8-for-residential-customers/>

<sup>2</sup> ABC 27 WHTM, "Changes proposed to UGI gas rates in Pennsylvania," January 27, 2025 <https://www.abc27.com/pennsylvania/changes-proposed-to-ugi-gas-rates-in-pennsylvania/>

<sup>3</sup> BCTV, "UGI Utilities' Natural Gas Rates to Increase December 1," December 4, 2024 <https://www.bctv.org/2024/12/04/ugis-natural-gas-rates-to-increase-dec-1/>

median income districts nationwide. While the price of natural gas commodities has decreased, our corner of Pennsylvania still reels from the loss of coal and textile jobs. Recent food and energy inflation still hurts my constituents, who I hear from on a daily basis.

This proposed rate increase came on the same day that UGI Energy Services, a subsidiary of UGI Corporation – the parent company of UGI Utilities – announced a \$120 Million acquisition of Superior Midstream Appalachian, LLC, through a joint venture with Stonehenge Energy Resources.

On February 20, 2025, the Pennsylvania PUC voted 5-0 to suspend and investigate this proposed rate increase. The case has been referred to the PUC’s Office of Administrative Law Judge for a final decision due by October 28, 2025. I am grateful for this intervention, and I invite the PUC to hold a public field meeting in Northeastern Pennsylvania, so residents can voice their concerns about how this proposed hike will cause immediate financial agony.

Rather than focus on delivering relief to consumers and ensuring residents don’t have to choose between food, medicine, and heat during a historically cold winter, UGI Corporation is choosing to invest in a bloated leadership regime. In Fiscal Year (FY) 2024, UGI reported record earnings before interest and taxes (EBIT), a \$75 Million reduction in operating and administrative expenses, a \$460 Million reduction in debt, and \$318 Million in dividend payments to shareholders<sup>4</sup>. UGI also touts in FY24 that their utilities subsidiary drove a “higher margin from increased base rates and DSIC revenues,” and UGI Corporation projects a 9% rate base growth in FY25. Additionally, their executive compensation packages can range up to a \$1.15 Million base salary, \$300,000 signing bonus, annual bonus plan (125% of his annual base salary), relocation reimbursement, and equity plan (valued at \$5.11 Million)<sup>5</sup> for certain high-level executives. While an additional \$10 per billing cycle may not be much to multi-million-dollar executives, it is a lot to the working families, single parents, and seniors in Northeastern Pennsylvania.

The people of Northeastern Pennsylvania deserve better than this. I strongly urge the PUC to reject this proposed rate hike, hold a public field hearing in my district, and protect our most vulnerable residents. This is an opportunity for the PUC to protect the public interest and ensure our communities and neighbors can continue to grow without undue rate hikes on this essential service.

Sincerely,

A handwritten signature in black ink, appearing to read "Rob P. Bresnahan, Jr." with a stylized flourish at the end.

Rob Bresnahan, Jr.  
Member of Congress

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<sup>4</sup> UGI Corporation, “Fiscal 2024 Results,” <https://www.ugicorp.com/static-files/9c43ebce-b634-48d4-9792-82167735cca2>

<sup>5</sup> UGI Corporation, Form 8-K Filing with the U.S. Securities and Exchange Commission, filed October 15, 2024, <https://www.ugicorp.com/static-files/2b511305-98d9-4024-a620-987a131f28eb>