



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

March 27, 2025

Via Electronic Filing

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

**Re: UGI Utilities, Inc. – Electric Division
Financial Report for the 12 Months Ended December 31, 2024
Docket No. M-2025-3052807**

Enclosed for filing on behalf of UGI Utilities, Inc. – Electric Division (“UGI Electric”) is the Financial Report for the 12 Months Ended December 31, 2024. This report is being filed pursuant to the Commission’s regulations at 52 Pa. Code §71.1, et. seq.

Should you have any questions concerning the enclosed report, please contact Colin Rothweiler, FP&A Manager at CRothweiler@UGI.com.

Sincerely,

DocuSigned by:

A handwritten signature in blue ink that reads 'Hans G. Bell'.

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Hans G. Bell
President – UGI Utilities, Inc.

Enclosures

cc: Kimberly Hafner – Office of Special Assistants: khafner@pa.gov
Paul Diskin – Bureau of Technical Utility Services: pdiskin@pa.gov
Allison Kaster, Esq. – Bureau of Investigation and Enforcement: akaster@pa.gov
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Company Name: UGI Utilities - Electric Division
Financial Report for Twelve Months Ended
December 31, 2024

SCHEDULE A

(Thousands of Dollars)

	Actual per <u>Books</u> (1)	Intrastate <u>Percent</u> (2)	Intrastate <u>per books</u> (3)	<u>Adjustments (a)</u> (4)	Adjusted <u>Results</u> (5)
(1) Original Cost of Plant In Service	\$278,906	1.0000	\$278,906	\$57,035	\$335,941
(2) Less: Depreciation Reserve	82,131	1.0000	82,131	29,627	111,758
(3) Net Plant in Service	196,775	1.0000	196,775	27,408	224,183
<u>Additions:</u>					
(4) Land/Plant Held for Future Use	0	1.0000	0	0	0
(5) Materials & Supplies & Fuel Stocks	3,905	1.0000	3,905	0	3,905
(6) Cash Working Capital	11,790	1.0000	11,790	962	12,753
(7) Other	0	1.0000	0	0	0
<u>Deductions:</u>					
(8) Accumulated Deferred Income Taxes	0	1.0000	0	0	0
(9) Liberalized Depreciation	27,766	1.0000	27,766	2,544	30,310
(10) Other	0	1.0000	0	0	0
(11) Customer Deposits	1,285	1.0000	1,285	0	1,285
(12) Customer Advances	0	1.0000	0	0	0
(13) Contributions in Aid of Construction	0	1.0000	0	0	0
(14) Other	0	1.0000	0	0	0
(15) RATE BASE	<u>\$183,419</u>	1.0000	<u>\$183,419</u>	<u>\$25,826</u>	<u>\$209,245</u>
(16) <u>Operating Revenues</u>	<u>\$138,102</u>	1.0000	<u>\$138,102</u>	<u>\$279</u>	<u>\$138,381</u>
<u>Operating Expenses</u>					
(17) Operation & Maintenance	107,388	1.0000	107,388	3,977	111,365
(18) Annual Depreciation	9,496	1.0000	9,496	1,192	10,688
(19) Taxes - Other than Income	8,681	1.0000	8,681	436	9,116
(20) State Income Tax - Current	1,918	1.0000	1,918	(2,264)	(346)
(21) Federal Income Tax - Current	3,327	1.0000	3,327	(4,142)	(815)
(22) Deferred Income Taxes	(2,929)	1.0000	(2,929)	4,643	1,715
(23) Investment Tax Credit (Net)	0	1.0000	0	0	0
(24) Total Operating Expenses	<u>127,880</u>	1.0000	<u>127,880</u>	<u>3,842</u>	<u>131,723</u>
(25) INCOME AVAILABLE FOR RETURN	<u>\$10,222</u>	1.0000	<u>\$10,222</u>	<u>(\$3,563)</u>	<u>\$6,659</u>
RATE OF RETURN - OVERALL	<u>5.57%</u>		<u>5.57%</u>		<u>3.18%</u>

(a) Summary of adjustments shown in Schedule B and Schedule C

Company Name: UGI Utilities - Electric Division
 Summary of Pro Forma Intrastate Adjustments

SCHEDULE B

(Thousands of Dollars)				
Rate Base Adjustments	Rate Base	Revenues	Expenses	Taxes
(1) Inventory	-			
(2) Net Plant in Service	27,408			
(3) Working Capital	962			
(4) Liberalized Depreciation	(2,544)			
<u>Income Statement Adjustments</u>				
(5) Depreciation Expense			1,192	
(6) Normalization of Operating Revenues		279		
(7) Payroll Expense Adjustment			59	
(8) Pension Expense Adjustment			351	
(9) Tax Expense Adjustments				(1,762)
(10) Uncollectible Expense Adjustment			(984)	
(11) Taxes Other Than Income Tax Adjustment				436
(12) Normalizing Expense Adjustments			4,551	
Totals	<u>25,826</u>	<u>279</u>	<u>5,168</u>	<u>(1,326)</u>

Company Name: UGI Utilities - Electric Division
Explanation of Adjustments

SCHEDULE C

Rate Base Adjustments

- (1) Adjustment to Inventory to reflect 12 month average
- (2) Adjustment to Book reserve to reflect increase in plant and depreciation
- (3) Adjustment to future working capital
- (4) Adjustment to reflect the change in accumulated deferred taxes due to the changes in the book/tax depreciation variance

Income Statement Adjustments

- (5) Depreciation Expense
- (6) Normalization of Operating Revenues
- (7) Payroll Expense Adjustment
- (8) Pension Expense Adjustment
- (9) Tax Expense Adjustments
- (10) Uncollectible Expense Adjustment
- (11) Taxes Other Than Income Tax Adjustment
- (12) Normalizing Expense Adjustments

Explanation of Changes to Intrastate Allocation Factors (if applicable)

Company Name: UGI Utilities - Electric Division
 Intrastate Per Books
 Calculation of Return on Common Equity
 as of December 31, 2024

SCHEDULE D-1

(Thousands of Dollars)

	Capital Ratios (a)	Rate Base (b)	Totals	Embedded Cost Rates(c)	Total Rate Base Related Cost of Debt and Preferred & Preference
	(1)	(2)	(3)	(4)	(5)
		Sch. A. Col. 3 Line 15	=	x Sch. F-1 Col. 9	=
1) Debt	48.04%	\$183,419		4.68%	\$4,127
2) Preferred	0.00%	\$183,419		0.00%	\$0
3) Common Equity	<u>51.96%</u>	\$183,419	<u>95,300</u>	0.00%	<u>\$0</u>
4) Total	<u><u>100.00%</u></u>		<u><u>\$183,419</u></u>		<u><u>\$4,127</u></u>
		<u>12 Months ended</u>	<u>12/31/24</u>		

	Intrastate Per Books
5) Income Available for Return (from Sch. A, Col. 3, Line 25)	\$10,222
6) Less: Total Rate Base Related Cost of Debt and Preferred (Col 5, Line 4)	<u>\$4,127</u>
7) Income Available for Common Equity (Line 5 Less Line 6)	<u>\$6,095</u>
8) Debt Cost (Col 5., Line 1)	\$4,127
9) Less: Interest Expense used to compute State and Federal Income Taxes	<u>4,127</u>
10) Difference (Line 8 Less Line 9)	0
11) Times: Composite State and Federal Income Tax Rate	<u>28.00%</u>
12) Net Addition or (Deduction) (Line 10 x Line 11)	<u>\$0</u>
13) Income Available for Common Equity, including Income Tax Effect of using Debt Cost (Line 7 plus Line 12)	<u>\$6,095</u>
14) Return on Common Equity (Line 7/Line 3, Col. 3)	<u>6.40%</u>
15) Return on Common Equity, including Income Tax Effect of using Debt Cost (Line 13/Line 3, Col. 3)	<u>6.40%</u>

Company Name: UGI Utilities - Electric Division
 Intrastate Pro Forma Results
 Calculation of Return on Common Equity
 as of December 31, 2026

SCHEDULE D-2

(Thousands of Dollars)

	Capital Ratios(a)		Rate Base(b)		Totals		Embedded Cost Rates(c)		Total Rate Base Related Cost of Debt and Preferred & Preference
	(1)	x	(2)	=	(3)	x	(4)	=	(5)
	Sch. E-2 Col. 2		Sch. A. Col. 5 Line 15				Sch. F-2 Col. 9		
1) Debt	47.84%		\$209,245		\$100,093		5.12%		\$5,122
2) Preferred	0.00%		\$209,245		0		0.00%		\$0
3) Common Equity	52.16%		\$209,245		109,152		0.00%		\$0
4) Total	100.00%				\$209,245				\$5,122

12 Months ended 12/31/26

	Intrastate Adjusted
5) Income Available for Return (from Sch. A, Col. 5, Line 25)	\$6,659
6) Less: Total Rate Base Related Cost of Debt and Preferred (Col 5, Line 4)	\$5,122
7) Income Available for Common Equity (Line 5 Less Line 6)	\$1,536
8) Debt Cost (Col 5., Line 1)	\$5,122
9) Less: Interest Expense used to compute State and Federal Income Taxes	5,122
10) Difference (Line 8 Less Line 9)	0
11) Times: Composite State and Federal Income Tax Rate	27.21%
12) Net Addition or (Deduction) (Line 10 x Line 11)	\$0
13) Income Available for Common Equity, including Income Tax Effect of using Debt Cost (Line 7 plus Line 12)	\$1,536
14) Return on Common Equity (Line 7/Line 3, Col. 3)	1.41%
15) Return on Common Equity, including Income Tax Effect of using Debt Cost (Line 13/Line 3, Col. 3)	1.41%

Company Name: UGI Utilities - Electric Division
 Calculation of Capital Structure and Related Ratios
 as of December 31, 2024

SCHEDULE E-1

(Thousands of Dollars)

	Total Company Actual Amount Outstanding <u>(1)</u>	<u>Ratios</u> (2)
Total Debt (Sch. F-1., Col. 4)	\$1,871,250	48.04%
Total Preferred & Preference Stock Stock (Sch. F-1., Col. 4)	\$0	0.00%
<u>Common Equity</u>		
Common Stock	\$60,259	
Premium on Common Stock	\$508,580	
Capital Surplus	\$0	
Capital Stock	\$0	
Retained Earnings	\$1,454,882	
Other		
Total Common Equity	<u>\$2,023,721</u>	<u>51.96%</u>
Total Capital	<u><u>\$3,894,971</u></u>	<u><u>100.00%</u></u>

Company Name: UGI Utilities - Electric Division
 Calculation of Capital Structure and Related Ratios
 as of December 31, 2026

SCHEDULE E-2

(Thousands of Dollars)

	Total Company Actual Amount Outstanding (1)	Ratios (2)
Total Debt (Sch. F-2., Col. 4)	\$2,158,750	47.84%
Total Preferred & Preference Stock Stock (Sch. F-2., Col. 4)	\$0	0.00%
<u>Common Equity</u>		
Common Stock	\$60,259	
Premium on Common Stock	\$508,580	
Capital Surplus	\$0	
Capital Stock	\$0	
Retained Earnings	\$1,785,295	
Other	_____	
Total Common Equity	2,354,134	52.16%
Total Capital	\$4,512,884	100.00%

Company Name: UGI Utilities - Electric Division
 Cost of Debt and Preferred Stock as Adjusted
 as of December 31, 2024

SCHEDULE F-1

(Thousands of Dollars)

Item/Description	Issue Date	Maturity Date	Interest Rate	Outstanding Balance	Effective Cost Rate	Percent to Capital	Weighted Cost Capital	Percent to Debt	Weighted Cost Debt
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Long Term Debt		2033	6.50%	20,000	6.56%	0.51%	0.03%	1.07%	0.07%
		2044	4.98%	175,000	5.00%	4.49%	0.22%	9.35%	0.47%
		2027	3.92%	81,250	3.97%	2.09%	0.08%	4.34%	0.17%
		2034	6.13%	20,000	6.19%	0.51%	0.03%	1.07%	0.07%
		2036	6.21%	100,000	6.32%	2.57%	0.16%	5.34%	0.34%
		2026	2.95%	100,000	3.92%	2.57%	0.10%	5.34%	0.21%
		2046	4.12%	200,000	5.01%	5.13%	0.26%	10.69%	0.54%
		2046	4.12%	100,000	4.28%	2.57%	0.11%	5.34%	0.23%
		2049	4.55%	150,000	4.58%	3.85%	0.18%	8.02%	0.37%
		2050	3.12%	150,000	3.15%	3.85%	0.12%	8.02%	0.25%
		2026	1.59%	100,000	1.73%	2.57%	0.04%	5.34%	0.09%
		2026	1.64%	75,000	1.75%	1.93%	0.03%	4.01%	0.07%
		2032	4.75%	90,000	4.82%	2.31%	0.11%	4.81%	0.23%
		2052	4.99%	85,000	5.03%	2.18%	0.11%	4.54%	0.23%
		2030	6.02%	25,000	6.11%	0.64%	0.04%	1.34%	0.08%
		2033	6.10%	150,000	6.17%	3.85%	0.24%	8.02%	0.49%
		2053	6.40%	75,000	6.43%	1.93%	0.12%	4.01%	0.26%
		2029	5.24%	50,000	5.39%	1.28%	0.07%	2.67%	0.14%
		2034	5.52%	125,000	5.61%	3.21%	0.18%	6.68%	0.37%
Short Term Debt (If Applicable)			5.31%	-	5.31%	0.00%	0.00%	0.00%	0.00%
Total				1,871,250			2.25%		4.68%
Preferred Stock				-					
Total				1,871,250			2.25%		4.68%

Company Name: UGI Utilities - Electric Division
 Cost of Debt and Preferred Stock as Adjusted
 as of December 31, 2026

SCHEDULE F-2

(Thousands of Dollars)

Item/Description	Issue Date (1)	Maturity Date (2)	Interest Rate (3)	Outstanding Balance (4)	Effective Cost Rate (5)	Percent to Capital (6)	Weighted Cost Capital (7)	Percent to Debt (8)	Weighted Cost Debt (9)
Long Term Debt		2033	6.50%	20,000	6.56%	0.44%	0.03%	0.93%	0.06%
		2044	4.98%	175,000	5.00%	3.88%	0.19%	8.11%	0.41%
		2027	3.92%	68,750	3.97%	1.52%	0.06%	3.18%	0.13%
		2034	6.13%	20,000	6.19%	0.44%	0.03%	0.93%	0.06%
		2036	6.21%	100,000	6.32%	2.22%	0.14%	4.63%	0.29%
		2036	5.52%	100,000	5.59%	2.22%	0.12%	4.63%	0.26%
		2046	4.12%	200,000	5.01%	4.43%	0.22%	9.26%	0.46%
		2046	4.12%	100,000	4.28%	2.22%	0.09%	4.63%	0.20%
		2049	4.55%	150,000	4.58%	3.32%	0.15%	6.95%	0.32%
		2050	3.12%	150,000	3.15%	3.32%	0.10%	6.95%	0.22%
		2036	5.52%	100,000	5.59%	2.22%	0.12%	4.63%	0.26%
		2026	5.52%	75,000	5.59%	1.66%	0.09%	3.47%	0.19%
		2032	4.75%	90,000	4.82%	1.99%	0.10%	4.17%	0.20%
		2052	4.99%	85,000	5.03%	1.88%	0.09%	3.94%	0.20%
	Nov-23	2030	6.02%	25,000	6.07%	0.55%	0.03%	1.16%	0.07%
	Nov-23	2033	6.10%	150,000	6.15%	3.32%	0.20%	6.95%	0.43%
	Nov-23	2053	6.40%	75,000	6.45%	1.66%	0.11%	3.47%	0.22%
	Nov-24	2029	5.24%	50,000	5.39%	1.11%	0.06%	2.32%	0.12%
	Nov-24	2034	5.52%	125,000	5.61%	2.77%	0.16%	5.79%	0.32%
	Oct-25	2035	5.52%	75,000	5.59%	1.66%	0.09%	3.47%	0.19%
	Nov-26	2036	4.73%	225,000	4.79%	4.99%	0.24%	10.42%	0.50%
Short Term Debt (If Applicable)			4.36%	-	4.36%	0.00%	0.00%	0.00%	0.00%
Total				2,158,750			2.45%		5.12%
Preferred Stock				-					
Total				2,158,750			2.45%		5.12%