



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

Jessica R. Rogers
Vice President – Rates & Regulatory Affairs

December 16, 2025

VIA ELECTRONIC FILING

Mr. Matthew L. Homsher, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor North
Harrisburg, PA 17105-3265

**Re: UGI Utilities, Inc. – Electric Division;
Supplement No. 89 to UGI Electric – Pa. P.U.C. No.6;
Docket No. M-2025-_____;**

January 1, 2026 Quarterly Distribution System Improvement Charge (“DSIC”) Filing

Dear Secretary Homsher:

Enclosed for filing on behalf of UGI Utilities, Inc. – Electric Division (“UGI Electric”) is Supplement No. 89 to UGI Electric – Pa. P.U.C. No. 6, in compliance with the Pennsylvania Public Utility Commission’s Opinion and Order entered on September 21, 2023, at Docket No. R-2022-3037368.

Supplement No. 89 establishes an increased DSIC rate of 1.83% effective with bills rendered on and after January 1, 2026. Copies of this filing have been provided per the attached Certificate of Service. Should you have any questions related to this filing, please contact Tracy Hazenstab, Sr. Manager - Utility Rates either via e-mail at thazenstab@ugi.com or via phone at (814) 574-4168.

Respectfully yours,

Signed by:

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Jessica R. Rogers

Enclosures: Supplement No. 89 to UGI Electric – Pa. P.U.C. No. 6
Supporting Schedules

cc: Certificate of Service

CERTIFICATE OF SERVICE

UGI Utilities, Inc. – Electric Division

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).

VIA EMAIL

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Office of Consumer Advocate
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ra-oca@paoca.org

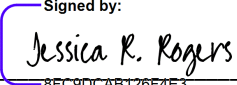
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Allison Kaster, Esquire
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lburger@pa.gov

Date: December 16, 2025

Signed by:

8FC9DCAB126F4E3...
Jessica R. Rogers

UGI UTILITIES, INC. – ELECTRIC DIVISION

ELECTRIC SERVICE TARIFF

**RULES AND RATES
FOR ELECTRIC DISTRIBUTION SERVICE AND
CHOICE AGGREGATION SERVICE**

in the following service territory:

LUZERNE COUNTY

City of Nanticoke, and Boroughs of Courtdale, Dallas, Edwardsville, Forty-Fort, Harvey's Lake, Kingston, Larksville, Luzerne, New Columbus, Plymouth, Pringle, Shickshinny, Sugar Notch, Swoyersville, Warrior Run, West Wyoming and Wyoming.

First Class Townships of Hanover and Newport, and Second Class Townships, of Lehman, Plymouth, Ross and Union.

WYOMING COUNTY

Townships of Monroe and Noxen

Issued: December 16, 2025

Effective for Bills Rendered on and after January 1, 2026. Issued in accordance with Commission Order at Docket No. R-2022-3037368 entered September 21, 2023.

Issued by:
Jessica R. Rogers
Vice President – Rates & Regulatory Affairs
1 UGI Drive
Denver, PA 17517

<https://www.ugi.com/tariffs>

NOTICE

This tariff makes an increase to existing rates (see page 2).

UGI Utilities, Inc. – Electric Division	Supplement No. 89 to UGI Electric Pa. P.U.C. No. 6 Eighty-Sixth Revised Page No. 2 Canceling Eighty-Fifth Revised Page No. 2
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LIST OF CHANGES MADE BY THIS SUPPLEMENT
(Page Numbers Refer to Official Tariff)

Cover Page

- Updated to reflect Supplement Number, Notice Language, Issue and Effective Dates.

Rider G – Distribution System Improvement Charge, Page 50.

- The Distribution System Improvement Charge rate increased to 1.83%.
- Effective date updated to January 1, 2026.

Issued: December 16, 2025	Effective for Bills Rendered on and after January 1, 2026
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UGI Utilities, Inc. – Electric Division	Supplement No. 89 to UGI Electric Pa. P.U.C. No. 6 Twenty-Fifth Revised Page No. 50 Canceling Twenty-Fourth Revised Page No. 50
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RIDER G

DSIC – DISTRIBUTION SYSTEM IMPROVEMENT CHARGE

In addition to the net charges provided for in this Tariff, a charge of 1.83% will apply. (I)

A.1 Purpose. To recover the reasonable and prudent costs incurred to repair, improve, or replace eligible property which is completed and placed in service and recorded in the individual accounts, as noted below, between base rate cases and to provide the Company with the resources to accelerate the replacement of aging infrastructure, to comply with evolving regulatory requirements and to develop and implement solutions to regional supply problems.

The costs of extending facilities to serve new Customers are not recoverable through the DSIC.

A.2 Eligible Property.

The DSIC-eligible property will consist of the following:

- Poles and Tower (Acct. 364);
- Overhead conductors (Acct. 365)
- Underground Conduit and Conductors (Accts. 366 & 367)
- Line Transformers (Acct. 368)
- Substation Equipment (Acct. 362)
- Any fixture or device related to eligible property listed above, including insulators, circuit breakers, fuses, reclosers, grounding wires, crossarms and brackets, relays, capacitors, convertors and condensers;
- Unreimbursed costs related to highway relocation projects where an electric distribution company must relocate its facilities; and
- Other related capitalized costs.

A.3 Effective Date. The DSIC will become effective for bills rendered on and after January 1, 2026. (C)

A.4 Computation of the DSIC. The DSIC will be updated on a quarterly basis to reflect eligible plant additions placed in service during the three-month periods ending one month prior to the effective date of each DSIC update.

Thus, changes in the DSIC rate will occur as follows:

Effective Date of Change	Date to which DSIC-Eligible Plant Additions Reflected
April 1	December 1 through February 28
July 1	March 1 through May 31
October 1	June 1 through August 31
January 1	September 1 through November 30

(C) Indicates Change (I) Indicates Increase

Issued: December 16, 2025	Effective for Bills Rendered on and after January 1, 2026
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UGI Utilities, Inc. - Electric Division
DSIC Computation
DSIC Quarterly Update
Effective January 1, 2026

$$\text{DSIC} = \frac{(\text{DSI} \times \text{PTRR}) + \text{STFT} + \text{Dep} + e \times 1/(1-T)}{\text{PQR}}$$

Line		Annual	Quarterly	Source
1	Distribution System Improvement Costs		\$ 11,675,136	Page 2
2	Less ADIT		\$ (1,906,103)	Page 6
3	Less Accumulated Depreciation		\$ (144,904)	Page 2
4	DSI		\$ 9,624,129	Ln 1 + Ln 2 + Ln 3
5	PTRR	Annual Pretax Rate of Return 9.60%		Page 3
6		Quarterly Pretax Rate of Return	2.40%	Ln 5 / 4
7	DSI x PTRR		\$ 230,966	Ln 4 * Ln 6
8		Annual Depreciation Expense \$ 217,402		Page 2
9	Dep		\$ 54,351	Ln 8 / 4
10	STFT		\$ (11,726)	Page 6
11	(DSI x PTRR) + STFT + Dep		\$ 273,590	Ln 7 + Ln 9 + Ln 10
12		Over/(Under) Collection	\$ -	Docket No. M-2025-3053192
13		Audit Adjustment	\$ -	
14		Interest Refundable	\$ -	
15		Prior Period "E" Factor Residual	\$ (1,471)	Docket No. M-2025-3053192
16		Misc. Adjustments Refund/(Recoup)	\$ -	
17		Net "E" Factor Amount	\$ -	
18	e		\$ (1,471)	Sum Lines 12 - 17
19	(DSI x PTRR)+STFT+Dep+e	Total DSIC Revenue Requirement (w/out GRT)	\$ 275,061	Ln 11 + - Ln 18
20	(DSI x PTRR)+STFT+Dep+e x 1/(1-T)	Total DSIC Revenue Requirement (w/GRT)	\$ 292,307	Ln 19 * 1/(1-T) 1/
21	PQR	Projected Quarterly Revenue	\$ 15,972,704	Company Records
22	DSIC	Distribution System Improvement Charge (DSIC)	1.83%	Ln 20 / Ln 21
23		DSIC Effective January 1, 2026	1.83%	

1/ The DSIC revenue requirement is adjusted for GRT using the following formula: 1/(1-T) where T = 5.9% Gross receipts tax.

UGI Utilities, Inc. - Electric Division
 Book Depreciation on DSIC Eligible Property
 DSIC Quarterly Update
 Effective January 1, 2026

Annual Book Depreciation

Description	Depreciation Rate 1/	Beginning Balance August 31, 2025	Additions			Total	Annual Depreciation
			Actual Sep-25	Actual Oct-25	Actual Nov-25		
Structures and Improvements	3/ 2.37%	\$ (16,175)	\$ -	\$ -	\$ -	\$ (16,175)	\$ (383)
Station Equipment	3.20%	\$ 396,203	\$ 23,491	\$ 196,186	\$ -	\$ 615,880	\$ 19,708
Poles and Fixtures-Pole	3/ 1.82%	\$ (491,844)	\$ 55,924	\$ -	\$ -	\$ (435,919)	\$ (7,934)
Poles and Fixtures-Pole	4/ 1.82%	\$ 5,003,297	\$ 254,585	\$ 146,577	\$ (8,451)	\$ 5,396,009	\$ 98,207
Poles and Fixtures-Pole	3/4/ 1.82%	\$ (146,248)	\$ (1,599)	\$ 38,200	\$ 23,257	\$ (86,390)	\$ (1,572)
Poles and Fixtures-Pole	1.82%	\$ 47,194	\$ 2,322	\$ -	\$ 13,524	\$ 63,040	\$ 1,147
Poles and Fixtures-Pole	1.82%	\$ 68,384	\$ -	\$ -	\$ -	\$ 68,384	\$ 1,245
Poles and Fixtures-Other	1.82%	\$ 1,404,105	\$ 4,354	\$ 36,476	\$ 31,220	\$ 1,476,155	\$ 26,866
Overhead Conductor and Devices	4/ 2.40%	\$ 1,688,484	\$ 625,303	\$ (62,879)	\$ 109,041	\$ 2,359,949	\$ 56,639
Underground Conduit	1.56%	\$ 1,314,750	\$ 3,275	\$ 54,206	\$ 44,314	\$ 1,416,544	\$ 22,098
Underground Conductors	3/ 2.78%	\$ (2,300,514)	\$ 50,926	\$ 80,312	\$ 2,921	\$ (2,166,354)	\$ (60,225)
Line Transformers	4/ 2.15%	\$ 1,488,098	\$ 20,312	\$ 615,576	\$ (13,351)	\$ 2,110,635	\$ 45,379
Line Transformers -Installations	1.84%	\$ 349,838	\$ 19,366	\$ 35,311	\$ 37,733	\$ 442,248	\$ 8,137
Capacitor-Installations	2.15%	\$ 185,383	\$ -	\$ -	\$ -	\$ 185,383	\$ 3,986
Services	1.67%	\$ 224,943	\$ 11,922	\$ 8,653	\$ 229	\$ 245,747	\$ 4,104
Miscellaneous Equipment	10.84%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		\$ 9,215,899	\$ 1,070,183	\$ 1,148,617	\$ 240,437	\$ 11,675,136	\$ 217,402

Accumulated Book Depreciation 2/

Description	Depreciation Rate 1/	Beginning Balance August 31, 2025	Additions			Total
			Actual Sep-25	Actual Oct-25	Actual Nov-25	
Structures and Improvements	3/ 2.37%	\$ (96)	\$ -	\$ -	\$ -	\$ (96)
Station Equipment	3.20%	\$ 3,170	\$ 188	\$ 1,046	\$ -	\$ 4,404
Poles and Fixtures-Pole	3/ 1.82%	\$ (2,238)	\$ 254	\$ -	\$ -	\$ (1,984)
Poles and Fixtures-Pole	4/ 1.82%	\$ 22,765	\$ 1,158	\$ 445	\$ (13)	\$ 24,355
Poles and Fixtures-Pole	3/4/ 1.82%	\$ (665)	\$ (7)	\$ 116	\$ 35	\$ (521)
Poles and Fixtures-Pole	1.82%	\$ 215	\$ 11	\$ -	\$ 21	\$ 247
Poles and Fixtures-Pole	1.82%	\$ 311	\$ -	\$ -	\$ -	\$ 311
Poles and Fixtures-Other	1.82%	\$ 6,389	\$ 20	\$ 111	\$ 47	\$ 6,567
Overhead Conductor and Devices	4/ 2.40%	\$ 10,131	\$ 3,752	\$ (252)	\$ 218	\$ 13,849
Underground Conduit	1.56%	\$ 5,128	\$ 13	\$ 141	\$ 58	\$ 5,340
Underground Conductors	3/ 2.78%	\$ (15,989)	\$ 354	\$ 372	\$ 7	\$ (15,256)
Line Transformers	4/ 2.15%	\$ 7,999	\$ 109	\$ 2,206	\$ (24)	\$ 10,290
Line Transformers -Installations	1.84%	\$ 1,609	\$ 89	\$ 108	\$ 58	\$ 1,864
Capacitor-Installations	2.15%	\$ 996	\$ -	\$ -	\$ -	\$ 996
Services	1.67%	\$ 939	\$ 50	\$ 24	\$ -	\$ 1,013
Miscellaneous Equipment	10.84%	\$ -	\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation		\$ 40,664	\$ 5,991	\$ 4,317	\$ 407	\$ 51,379

October 1, 2025 Quarterly DSIC Filing Accumulated Depreciation \$ 93,525

Total Accumulated Depreciation \$ 144,904

1/ See the Company's base rate proceeding at Docket No. R-2022-3037368 (Order entered September 21, 2023).

2/ The current quarter's calculated accumulated depreciation is equal to 3 months of depreciation of the beginning balance property, 3 months of depreciation of property placed into service in September, 2 months of depreciation of property placed into service in October, and 1 month of depreciation of property placed into service in November. Consistent with the Commission's Orders entered September 11, 2014 at Docket Nos. P-2013-2397056, P-2013-2398835 and the Commission's Order entered November 9, 2016 at Docket No. P-2013-2398833, the current quarter's calculated accumulated depreciation is added to the prior quarters' calculated accumulated depreciation to determine the total accumulated depreciation amount.

3/The credit beginning balance is the result of corrections in plant accounts on additions from the prior DSIC quarter when the projects were unitized.

4/ The credit additions are the result of CIAC payments and the timing of charges.

UGI Utilities, Inc. - Electric Division
 Weighted Cost of Capital
 DSIC Quarterly Update
 Effective January 1, 2026

	Capital Structure	Cost Rate	Weighted Average Cost Rates	Tax Multiplier 1/	Pre-Tax Rate of Return
Long Term Debt 2/	48.16%	5.05%	2.43%	-	2.43%
Common Equity	51.84%	10.05%	5.21%	1.3757	7.17%
	100.00%				9.60%

Note: In compliance with the Commission's December 19, 2019 Order, at Docket No. P-2017-2619834, the cost rate of debt reflects the Company's actual cost of long term debt as of December 1, 2025. Additionally, the equity cost rate is from the Bureau of Technical Utility Services' Report on the Quarterly Earnings of Jurisdictional Utilities for the period ended June 30, 2025 (2nd Quarter Report) at Docket No. M-2025-3057215.

1/ The tax multiplier is calculated as follows: $1/((1 - \text{PA Tax Rate}) \times (1 - \text{Fed. Tax Rate}))$ where the PA Tax Rate is 7.99% and the Fed. Tax Rate is 21.00%. Additionally, per the Company's December 10, 2025 response to the December 5, 2025 Secretarial Letter regarding the reduction in PA Corporate Net Income Tax ("CNIT"), the Company is a fiscal year tax payer. As a fiscal year filer, the January 1, 2026 CNIT rate reduction to 7.49% will be effective for the fiscal year beginning October 1, 2026. Accordingly, this rate reduction will be reflected in the Company's October 2026 DSIC filing.

2/ Refer to page 4 of 6 for details.

UGI Utilities, Inc. - Electric Division
 Capital Structure and Debt Components
 DSIC Quarterly Update
 Effective January 1, 2026

	Balance as of 12/1/25	% of Total Capitalization	Cost Rate	Weighted Average Cost Rates	Tax Multiplier	Pre-tax Return
Debt	1,966,562,500	48.16%	5.05%	2.43%		2.43%
Common Equity	2,117,109,001	51.84%	10.05%	5.21%	1.3757	7.17%
Total Capitalization	\$ 4,083,671,501	100.00%		7.64%		9.60%

	Effective Cost Rate	Balance as of 12/1/25	Cost of Debt as of 12/1/25
Long Term Note, Tranche 1	6.56%	20,000,000	1,312,000
Long Term Note, Tranche 2	6.19%	20,000,000	1,238,000
Long Term Note, Tranche 3	6.32%	100,000,000	6,320,000
Long Term Note, Tranche 4	5.00%	175,000,000	8,750,000
Long Term Note, Tranche 5	3.92%	100,000,000	3,920,000
Long Term Note, Tranche 6	5.01%	200,000,000	10,020,000
Long Term Note, Tranche 7	4.28%	100,000,000	4,280,000
Long Term Note, Tranche 8	3.97%	76,562,500	3,039,531
Long Term Note, Tranche 9	4.58%	150,000,000	6,870,000
Long Term Note, Tranche 10	3.15%	150,000,000	4,725,000
Long Term Note, Tranche 11	4.82%	90,000,000	4,338,000
Long Term Note, Tranche 12	5.03%	85,000,000	4,275,500
Long Term Note, Tranche 13	6.11%	25,000,000	1,527,500
Long Term Note, Tranche 14	6.17%	150,000,000	9,255,000
Long Term Note, Tranche 15	6.43%	75,000,000	4,822,500
Long Term Note, Tranche 16	5.37%	50,000,000	2,685,000
Long Term Note, Tranche 17	5.59%	125,000,000	6,987,500
Long Term Note, Tranche 18	5.16%	150,000,000	7,740,000
Long Term Note, Tranche 19	5.75%	125,000,000	7,187,500

Revolver Facility	-	-
	\$ 1,966,562,500	\$ 99,293,031

Weighted Cost of L/T Debt	<u>5.05%</u>
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UGI Utilities, Inc. - Electric Division
Tax Depreciation on DSIC Eligible Property
DSIC Quarterly Update
Effective January 1, 2026

Annual Tax Depreciation

Description	Tax Depreciation Rate 1/	Beginning Balance August 31, 2025	Additions												Total	Annual Depreciation		
			Actual Sep-25	Actual Oct-25	Actual Nov-25	Actual Dec-25	Actual Jan-26	Actual Feb-26	Actual Mar-26	Actual Apr-26	Actual May-26	Actual Jun-26	Actual Jul-26	Actual Aug-26				
Structures and Improvements	3.75%	\$ (16,175)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (16,175)	\$ (1,168)
Station Equipment	3.75%	\$ 396,203	\$ 23,491	\$ 196,186	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 615,880	\$ 36,840
Poles and Fixtures-Pole	3.75%	\$ (491,844)	\$ 55,924	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (435,919)	\$ (33,409)
Poles and Fixtures-Pole	3.75%	\$ 5,003,297	\$ 254,585	\$ 146,577	\$ (8,451)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,396,009	\$ 375,915
Poles and Fixtures-Pole	3.75%	\$ (146,248)	\$ (1,599)	\$ 38,200	\$ 23,257	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (86,390)	\$ (8,313)
Poles and Fixtures-Pole	3.75%	\$ 47,194	\$ 2,322	\$ -	\$ 13,524	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 63,040	\$ 4,001
Poles and Fixtures-Pole	3.75%	\$ 68,384	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 68,384	\$ 4,937
Poles and Fixtures-Other	3.75%	\$ 1,404,105	\$ 4,354	\$ 36,476	\$ 31,220	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,476,155	\$ 104,064
Overhead Conductor and Devices	3.75%	\$ 1,688,484	\$ 625,303	\$ (62,879)	\$ 109,041	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,359,949	\$ 147,072
Underground Conduit	3.75%	\$ 1,314,750	\$ 3,275	\$ 54,206	\$ 44,314	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,416,544	\$ 98,729
Underground Conductors	3.75%	\$ (2,300,514)	\$ 50,926	\$ 80,312	\$ 2,921	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2,166,354)	\$ (161,043)
Line Transformers	3.75%	\$ 1,488,098	\$ 20,312	\$ 615,576	\$ (13,351)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,110,635	\$ 130,771
Line Transformers -Installations	3.75%	\$ 349,838	\$ 19,366	\$ 35,311	\$ 37,733	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 442,248	\$ 28,720
Capacitor-Installations	3.75%	\$ 185,383	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 185,383	\$ 13,383
Services	3.75%	\$ 224,943	\$ 11,922	\$ 8,653	\$ 229	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 245,747	\$ 17,019
Miscellaneous Equipment	3.75%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		\$ 9,215,899	\$ 1,070,183	\$ 1,148,617	\$ 240,437	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,675,136	\$ 757,517
Quarterly Tax Depreciation \$																	189,379	

	2/	1/	1/	1/	1/	1/	1/	1/	1/	1/	1/	1/	1/	1/
Tax Depreciation Rate	7.219%	3.750%	3.750%	3.750%	3.750%	3.750%	3.750%	3.750%	3.750%	3.750%	3.750%	3.750%	3.750%	3.750%
Total Months in the Year	12	12	11	10	9	8	7	6	5	4	3	2	1	
Months Remaining in the Year	3	3	2	1										

Accumulated Tax Depreciation 4/

Description	Tax Depreciation Rate 3/	Beginning Balance August 31, 2025	Additions												Total		
			Actual Sep-25	Actual Oct-25	Actual Nov-25	Actual Dec-25	Actual Jan-26	Actual Feb-26	Actual Mar-26	Actual Apr-26	Actual May-26	Actual Jun-26	Actual Jul-26	Actual Aug-26			
Structures and Improvements	3.75%	\$ (292)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (292)
Station Equipment	3.75%	\$ 7,150	\$ 220	\$ 1,338	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,708
Poles and Fixtures-Pole	3.75%	\$ (8,877)	\$ 524	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (8,353)
Poles and Fixtures-Pole	3.75%	\$ 90,297	\$ 2,387	\$ 999	\$ (32)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 93,651
Poles and Fixtures-Pole	3.75%	\$ (2,639)	\$ (15)	\$ 260	\$ 87	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2,307)
Poles and Fixtures-Pole	3.75%	\$ 852	\$ 22	\$ -	\$ 51	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 925
Poles and Fixtures-Pole	3.75%	\$ 1,234	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,234
Poles and Fixtures-Other	3.75%	\$ 25,341	\$ 41	\$ 249	\$ 117	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,748
Overhead Conductor and Devices	3.75%	\$ 30,473	\$ 5,862	\$ (429)	\$ 409	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 36,315
Underground Conduit	3.75%	\$ 23,728	\$ 31	\$ 370	\$ 166	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 24,295
Underground Conductors	3.75%	\$ (41,519)	\$ 477	\$ 548	\$ 11	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (40,483)
Line Transformers	3.75%	\$ 26,856	\$ 190	\$ 4,196	\$ (49)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31,193
Line Transformers -Installations	3.75%	\$ 6,314	\$ 182	\$ 241	\$ 141	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,878
Capacitor-Installations	3.75%	\$ 3,346	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,346
Services	3.75%	\$ 4,060	\$ 112	\$ 59	\$ 1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,232
Miscellaneous Equipment	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation		\$ 166,324	\$ 10,033	\$ 7,831	\$ 902	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 185,090
Prior Year Accumulated Tax Depr																	\$ 345,596
Total Accumulated Tax Depreciation																	\$ 530,686

1/ This is the Year 1 Tax Depreciation Rate on Plant Placed in Service (PIS) since the DSIC filed in Sep-2025 (DSIC Year 2). Taking the Tax Rate times the PIS gives an Annualized Tax Depr that = Spt Sched 2.

2/ This is the Year 2 Tax Depreciation Rate on the Year 2 PIS as reported on the DSIC filed in Sep-2025. Since these assets are in service prior to the start of year 2, depreciation is based on the # of months since the Sep-2025 filing (ie - 3 mos in the Dec-2025 filing and so on).

3/ Tax Depreciation rates are based on guidance prescribed by the Internal Revenue Service and are consistent with the rates used in our tax returns.

4/ The current quarter's calculated accumulated tax depreciation is equal to 3 months of tax depreciation of the beginning balance property, 3 months of tax depreciation of property placed into service in Quarter Period 1, 2 months of tax depreciation of property placed into service in Quarter Period 2, and 1 month of tax depreciation of property placed into service in Quarter Period 3. Annual tax depreciation is generally not dependent on when the asset is placed in service during a 12 month year. As a result, determining the monthly depreciation for assets placed in service period 1 of 12, requires allocating it over 12 periods. Assets placed in service in period 2 of 12 requires allocating it over the remaining 11 periods in the year, and so on. This method applied consistently over a 12 month period results in arriving at the actual accumulated tax depreciation each year.

UGI Utilities, Inc. - Electric Division
Calculation of ADIT and STFT
DSIC Quarterly Update
Effective January 1, 2026

ADIT Calculation

	Repairs	Non-Repairs	Totals
Tax Depreciation		\$ 52,824	\$ 52,824
Repairs Deduction	\$ 331,750		\$ 331,750
Repairs Reversal	\$ (132,266)	\$ 132,266	\$ -
Annualized Tax Depr	\$ 199,484	\$ 185,090	\$ 384,574
Tax A/D - Current Quarter	\$ 199,484	\$ 185,090	\$ 384,574
Book A/D	\$ -	\$ (51,379)	\$ (51,379)
	\$ 199,484	\$ 133,711	\$ 333,195
Tax Rates	27.31%	21.00%	
ADIT on DSIC Placed in Service (Cur Year)	54,483	28,079	82,563
ADIT on DSIC Placed in Service (BoY)	1,770,605	52,935	1,823,540
ADIT on DSIC Placed in Service (Total)	1,825,089	81,014	1,906,103

STFT Calculation

Quarterly Tax Depreciation	\$ (189,379)	State Tax Rate 1/	7.99%
Quarterly Book Depreciation	\$ 54,351	Federal Tax Rate	21.00%
Net	\$ (135,029)	State Tax Net of Fed Benefit	6.31%
State Tax FT Rate	6.31%		<u>27.31%</u>
Quarterly FT Benefit	\$ (8,523)	Revenue Requirement Gross Up	137.57%
Gross Up	137.57%		
Revenue Reduction for State Tax Benefit	\$ (11,726)		

DSIC Property Qualifying for Tax Repairs Deduction

	BoY Balances	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Totals
PIS - Repairs	6,639,418	\$ 709,259	\$ 743,708	\$ 192,155	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	1,645,122
PIS - Non-Repairs	2,576,481	\$ 360,925	\$ 404,909	\$ 48,282	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	814,115
Totals	9,215,898	\$ 1,070,183	\$ 1,148,617	\$ 240,437	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	2,459,237
MACRS - Year 1	7.2190%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	
	Year 2	Year 1												
Annualized Tax Depreciation:														
PIS - Repairs	\$ 479,300	\$ 26,597	\$ 27,889	\$ 7,206	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	540,992
PIS - Non-Repairs	\$ 185,996	\$ 13,535	\$ 15,184	\$ 1,811	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	216,525
Totals	\$ 665,296	\$ 40,132	\$ 43,073	\$ 9,016	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	757,517
Cumulative Tax Depreciation: 2/														
PIS - Repairs	\$ 119,825	\$ 6,649	\$ 5,071	\$ 721	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	132,266
PIS - Non-Repairs	\$ 46,499	\$ 3,384	\$ 2,761	\$ 181	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	52,824
Totals	\$ 166,324	\$ 10,033	\$ 7,831	\$ 902	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	185,090
Total Months in the Year		12	11	10										
Months Remaining in the Year		3	2	1										
Cumulative Repairs Deduction: 2/														
PIS - Repairs	\$ 177,315	\$ 135,220	\$ 19,216	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	331,750

1/ Per the Company's December 10, 2025 response to the December 5, 2025 Secretarial Letter 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, 2026 CNIT rate reduction to 7.49% will be effective for the fiscal year beginning October 1, 2026. Accordingly, this rate reduction will be reflected in the Company's January 2026 DSIC filing for assets placed in service on and after October 1, 2026.

2/ The current quarter's calculated accumulated tax depreciation is equal to 3 months of tax depreciation of the beginning balance property, 3 months of tax depreciation of property placed into service in Quarter Period 1, 2 months of tax depreciation of property placed into service in Quarter Period 2, and 1 month of tax depreciation of property placed into service in Quarter Period 3. Annual tax depreciation is generally not dependent on when the asset is placed in service during a 12 month year. As a result, determining the monthly depreciation for assets placed in service period 1 of 12, requires allocating it over 12 periods. Assets placed in service in period 2 of 12 requires allocating it over the remaining 11 periods in the year, and so on. This method applied consistently over a 12 month period results in arriving at the actual accumulated tax depreciation each year.