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Devin Ryan

dryan@postschell.com  
717-612-6052 Direct  
717-731-1985 Direct Fax  
File #: 172359

February 6, 2026

***VIA ELECTRONIC FILING***

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

**Re: Pa. PUC v. UGI Utilities, Inc. – Gas Division  
Docket Nos. R-2018-3006814, et al.**

Dear Secretary Homsher:

Enclosed for filing on behalf of UGI Utilities, Inc. – Gas Division (“UGI Gas” or “the Company”) is the Annual Report for the period October 1, 2024 through September 30, 2025, which is Program Year 6 of Phase I of the Energy Efficiency and Conservation Plan (“EE&C”) for UGI Gas. Copies of this Annual Report were originally served on the individuals listed on the Certificate of Service on January 30, 2026. However, due to an administrative oversight, the Annual Report was inadvertently not filed with the Commission on that date. The original filing letter and certificate of service evidencing the original service are attached hereto.

The Phase I EE&C Plan was approved as part of the settlement of the Company’s 2019 base rate proceeding at Docket No. R-2018-3006814. As such, the Annual Report is being served on the parties in the 2019 base rate proceeding, per the enclosed Certificate of Service.

Respectfully submitted,



Devin Ryan

DR/bfc  
Enclosures

Rosemary Chiavetta, Secretary  
February 6, 2026  
Page 2

cc: Certificate of Service  
Amy E. McMullen, Bureau of Technical Utility Services (*via email, w/ attachment*)

## CERTIFICATE OF SERVICE

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 E-MAIL & FIRST-CLASS MAIL

Scott B. Granger, Esquire  
Erika L. McLain, Esquire  
Carrie B. Wright, Esquire  
Bureau of Investigation & Enforcement  
Commonwealth Keystone Building  
400 North Street, 2<sup>nd</sup> Floor West  
PO Box 3265  
Harrisburg, PA 17105-3265

Steven C. Gray, Esquire  
Office of Small Business Advocate  
555 Walnut Street  
Forum Place, 1<sup>st</sup> Floor  
Harrisburg, PA 17101

Christy M. Appleby, Esquire  
Office of Consumer Advocate  
555 Walnut Street  
Forum Place, 5<sup>th</sup> Floor  
Harrisburg, PA 17101-1923

Joseph L. Vullo, Esquire  
Burke Vullo Reilly Roberts  
1460 Wyoming Avenue  
Forty Fort, PA 18704  
*Commission on Economic Opportunity*

Elizabeth R. Marx, Esquire  
John W. Sweet, Esquire  
Pennsylvania Utility Law Project  
118 Locust Street  
Harrisburg, PA 17101  
*CAUSE-PA*

Todd S. Stewart, Esquire  
Hawke McKeon & Sniscak, LLP  
100 North Tenth Street  
Harrisburg, PA 17101  
*NGS/RESA*

Daniel Clearfield, Esquire  
Kristine E. Marsilio, Esquire  
Eckert Seamans Cherin & Mellott, LLC  
213 Market Street, 8<sup>th</sup> Floor  
Harrisburg, PA 17101  
*Direct Energy*

Ira H. Weinstock, Esquire  
Ira H. Weinstock, P.C.  
800 North 2<sup>nd</sup> Street  
Harrisburg, PA 17102  
*Laborers' District Council of Eastern PA*

Frank H. Markle, Esquire  
UGI Corporation  
460 North Gulph Road  
King of Prussia, PA 19406  
*UGIES*

**VIA FIRST CLASS MAIL**

Keith P. Dolon  
501 Carleton Avenue  
Hazleton, PA 18201

Ruth E. Neely  
254 N. Main Street  
Seneca, PA 16346

Gail L. Hoffer & Bernadette Margel  
594 Royer Drive  
Lancaster, PA 17601-5186

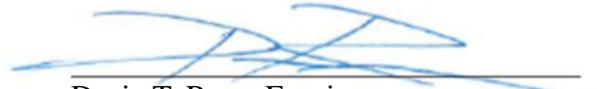
Sam Galdieri  
1162 Division Street  
Scranton, PA 18504

James L. Knowlton  
2614 Cumberland Avenue  
Mt. Penn, PA 19606

Billie Sue Atkinson  
35 Pleasant Street  
Blossburg, PA 16912

Christopher Visco  
916 Harrison Avenue  
Scranton, PA 18510

Date: February 6, 2026



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Devin T. Ryan, Esquire

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January 30, 2026

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The Phase I EE&C Plan was approved as part of the settlement of the Company’s 2019 base rate proceeding at Docket No. R-2018-3006814. As such, the Annual Report is being served on the parties in the 2019 base rate proceeding, per the enclosed Certificate of Service.

Respectfully submitted,



Devin Ryan

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Bureau of Technical Utility Services

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35 Pleasant Street  
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Christopher Visco  
916 Harrison Avenue  
Scranton, PA 18510

Date: January 30, 2026



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Devin T. Ryan, Esquire

# **Report to the Pennsylvania Public Utility Commission**

UGI Utilities, Inc. – Gas Division  
Energy Efficiency and Conservation Plan  
Phase I Program Year 6 (FY2025)  
October 1, 2024 - September 30, 2025

Prepared by UGI Utilities, Inc. - Gas Division  
Filing Date: 01/31/26

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# 1 EXECUTIVE SUMMARY

This Annual Report covers the sixth year of Phase I of the UGI Utilities, Inc.– Gas Division’s (UGI Gas or the Company) Energy Efficiency and Conservation (EE&C) Plan, which was approved as part of UGI Gas’s 2019 Rate Case (Docket No. R-2018-3006814). On February 7, 2024, UGI Gas filed a petition requesting a one-year extension of the Phase I EE&C Plan. This petition was approved by the Pennsylvania Public Utility Commission (Commission) on March 14, 2024, creating a sixth year in Phase I that replicates the budgets and goals for FY2024. On April 15, 2024, UGI Gas filed its petition for approval of its Phase II EE&C Plan covering the time period of October 1, 2025-September 30, 2030, was approved on July 24, 2025, at Docket No. M-2024-3048418. Phase I Program Year 6 (FY2025) covers the period of October 1, 2024, through September 30, 2025. As highlighted below, the EE&C Plan continues to deliver cost-effective savings on a portfolio-wide basis:

- Costs for the EE&C Portfolio (including Combined Heat and Power (CHP)) were \$10.4 million, or 75% of budgeted annual costs. Excluding CHP, the Energy Efficiency (EE) programs spent \$10.4 million, or 80% of budgeted annual costs.
- Savings for the EE programs (excluding CHP) were 241,250 MMBtus, or 85% of projections.
- The EE programs (excluding CHP) provided \$24 million in present value of net benefits to customers with a benefit-to-cost ratio (BCR) of 2.81 as calculated under the Total Resource Cost (TRC) Test, including Demand Reduction Induced Price Effect (DRIPE) and the market price for CO<sub>2</sub>. Under the TRC Test without DRIPE and CO<sub>2</sub>, the EE programs provided \$13.5 million in present value of net benefits to customers with a BCR of 2.02.
- The Nonresidential Custom (NC) Program spent 100% of budget and achieved 206% of projected annual MMBtu savings, with a BCR of 2.89 (including DRIPE and CO<sub>2</sub>). Electricity savings were also high, with MWh savings at 462% of projections.
- The Residential Prescriptive (RP) Program achieved 78% of projected savings and a BCR of 2.32 while spending 80% of budget.
- Phase-to-date performance, which represents the entirety of the original Phase I EE&C Plan plus the one-year extension, includes savings of 1,463,281 MMBtus, or 94% of plan projections, direct utility costs of \$62.5 million, or 81% of projections, and customer incentives of \$47.7 million, or 84% of projections.

## 2 PORTFOLIO OVERVIEW

### 2.1 Background

In January 2016, UGI Gas proposed a voluntary, five-year EE&C Plan as part of its 2016 base rate case (Docket No. R-2015-2518438). By its Order entered October 14, 2016, the Commission approved the EE&C Plan, as modified by the settlement reached in the proceeding. On October 4, 2019, the Commission entered an Order at Docket No. R-2018-3006814 approving the settlement of UGI Gas's 2019 base rate proceeding and approving a new unified five-year UGI Gas EE&C Plan for UGI Gas's fiscal years 2020-2024. The new EE&C Plan launched on November 1, 2019. Eligible rate classes for commercial customers were expanded to include Rates DS and LFD.

UGI Gas respectfully submits this report documenting the FY2025 EE&C Plan results. The results set forth below represent a portfolio of cost-effective EE&C programs that benefit the customer through decreased energy costs while maintaining cost-effectiveness under the TRC Test.

In FY2025, UGI Gas had six natural gas programs in its EE&C Portfolio, including one program focused on CHP. These programs were:

- Residential Prescriptive (RP) Program
- Nonresidential Prescriptive (NP) Program
- Residential New Construction (RNC) Program
- Nonresidential Custom (NC) Program
- Residential Retrofit (RR) Program
- Combined Heat and Power (CHP) Program

These programs followed the designs and goals established in UGI Gas's 2019 Rate Case. All the EE&C programs were voluntary and offered UGI Gas customers in the Company's service territory in Pennsylvania a wide range of efficiency measures to decrease natural gas consumption and annual customer energy costs.

### 2.2 Summary of Activity

EE Program spending was \$10.4 million or 75% of budget, while annual savings of 241,250 MMBtus were 85% of FY2025 projections. The savings were primarily driven by the strong performance of the Nonresidential Custom program. The EE programs provided \$24.0 million in present value of net benefits, with a BCR of 2.81 where the market price of CO<sub>2</sub> and DRIPE were counted. Where DRIPE and CO<sub>2</sub> were excluded from the calculation, the EE programs provided \$13.5 million in present

value of net benefits, with a BCR of 2.02. The following tables provide a high-level overview of the EE&C Portfolio’s spending and savings for FY2025.

<b>Table 1. EE&amp;C PORTFOLIO SUMMARY - FY2025</b>			
<b>Component (Nominal \$)</b>	<b>Actual</b>	<b>Budget</b>	<b>%</b>
<b>Portfolio Spending</b>	<b>\$10,387,378</b>	<b>\$13,903,600</b>	<b>75%</b>
EE Program	\$10,374,836	\$13,001,100	80%
CHP Program	\$12,543	\$902,500	1%
<b>EE Program Natural Gas Savings</b>			
Annual (MMBtus)	241,250	284,865	85%
Lifetime (MMBtus)	4,814,357	5,685,105	85%
<b>CHP Net Primary Energy Savings</b>			
Annual (MMBtus)	0	396,905	0%
Lifetime (MMBtus)	0	5,953,578	0%

<b>Table 2. EE&amp;C PORTFOLIO SUMMARY - PHASE</b>			
<b>Component (Nominal \$)</b>	<b>Actual</b>	<b>Budget</b>	<b>%</b>
<b>Portfolio Spending</b>	<b>\$62,516,825</b>	<b>\$77,273,200</b>	<b>81%</b>
EE Program	\$61,922,054	\$72,928,200	85%
CHP Program	\$ 594,771	\$4,345,000	14%
<b>EE Program Natural Gas Savings</b>			
Annual (MMBtus)	1,463,281	1,564,412	94%
Lifetime (MMBtus)	29,316,244	31,142,900	94%
<b>CHP Net Primary Energy Savings</b>			
Annual (MMBtus)	140,246	2,152,652	7%
Lifetime (MMBtus)	2,804,915	32,289,781	9%

### 2.2.1 Summary of Program Costs

<b>Table 3. EE&amp;C PORTFOLIO COSTS AND PARTICIPATION BY PROGRAM - FY2025</b>				
<b>Program</b>	<b>Total</b>	<b>Incentive</b>	<b>Non-Incentive</b>	<b>Customers*</b>
Residential Prescriptive (RP)	\$5,191,708	\$4,744,328	\$447,380	7,512
Nonresidential Prescriptive (NP)	\$170,744	\$156,453	\$14,291	41
Residential Retrofit (RR)	\$481,836	\$191,117	\$290,718	351
Residential New Construction (RNC)	\$1,851,518	\$1,143,253	\$708,265	1,361
Nonresidential Custom (NC)	\$1,863,588	\$1,427,400	\$436,188	43
Portfolio Wide (PW)	\$815,441	\$0	\$815,441	0
<b>Energy Efficiency Total</b>	<b>\$10,374,836</b>	<b>\$7,662,552</b>	<b>\$2,712,284</b>	<b>9,308</b>
Combined Heat and Power (CHP)	\$12,543	\$0	\$12,543	0
<b>Portfolio Total</b>	<b>\$10,387,378</b>	<b>\$7,662,552</b>	<b>\$2,724,827</b>	<b>9,308</b>

\*Represents unique customers who have received a rebate.

### 2.2.2 Summary of Program Savings

<b>Table 4. ENERGY EFFICIENCY PROGRAM SAVINGS - FY2025</b>							
<b>Program</b>	<b>Natural Gas (MMBtu)</b>		<b>Electric Energy (MWh)</b>		<b>Capacity</b>	<b>Water Savings (Gal)</b>	
	<b>Annual</b>	<b>Lifetime</b>	<b>Annual</b>	<b>Lifetime</b>	<b>MW-yr.</b>	<b>Annual</b>	<b>Lifetime</b>
Residential Prescriptive	108,620	2,102,196	402.7	4,429.20	0.090	0	0
Nonresidential Prescriptive	5,354	91,925	2.3	27.1	0.000	453,144	6,617,740
Residential Retrofit	3,211	89,220	37.0	1,134.6	0.021	929,888	9,638,358
Residential New Construction	34,634	796,591.9	4,187.6	96,315.1	1.013	1,431,892	32,933,516
Nonresidential Custom	89,430	1,734,424	210.5	3,752.8	0.096	0	0
UGI Internal Staff, Program Setup & Development	0	0	0.0	0.0	0.000	0	0
<b>Energy Efficiency Total</b>	<b>241,250</b>	<b>4,814,357</b>	<b>4,840.1</b>	<b>105,658.9</b>	<b>1.221</b>	<b>2,814,924</b>	<b>49,189,614</b>

**Table 5. CHP PROGRAM SAVINGS**

Savings	FY2025		Phase	
	Annual	Lifetime	Annual	Lifetime
Net Primary Fuel Savings (MMBtus)	0	0	140,246	2,804,915

### 2.2.3 Summary of Program Cost Effectiveness

**Table 6. EE&C PORTFOLIO COST-EFFECTIVENESS BY PROGRAM - FY2025 - PV Year (2018)**

Program	TRC Test - Base Case				TRC Test - Base Case + DRIPE & CO2			
	NPV Benefits	NPV Costs	NPV Net	BCR	NPV Benefits	NPV Costs	NPV Net	BCR
Residential Prescriptive	\$11,334,739	\$6,467,530	\$4,867,209	1.75	\$14,993,069	\$6,467,530	\$8,525,539	2.32
Nonresidential Prescriptive	\$463,375	\$179,871	\$283,504	2.58	\$610,399	\$179,871	\$430,528	3.39
Residential Retrofit	\$474,364	\$520,067	(\$45,704)	0.91	\$622,398	\$520,067	\$102,331	1.20
Residential New Construction	\$8,341,736	\$2,593,011	\$5,748,725	3.22	\$12,309,437	\$2,593,011	\$9,716,426	4.75
Nonresidential Custom	\$6,184,701	\$3,045,747	\$3,138,954	2.03	\$8,792,606	\$3,045,747	\$5,746,859	2.89
UGI Internal Staff, Program Setup & Development	\$0	\$490,233	(490,233)	0.00	\$0	\$490,233	(\$490,233)	0.00
<b>Energy Efficiency Total</b>	<b>\$26,798,914</b>	<b>\$13,296,460</b>	<b>\$13,502,455</b>	<b>2.02</b>	<b>\$37,327,909</b>	<b>\$13,296,460</b>	<b>\$24,031,449</b>	<b>2.81</b>
Combined Heat and Power	\$0	\$7,662	(\$7,662)	0.00	\$0	\$7,662	(\$7,662)	0.00
<b>Portfolio Total</b>	<b>\$26,798,914</b>	<b>\$13,304,122</b>	<b>\$13,494,793</b>	<b>2.01</b>	<b>\$37,327,909</b>	<b>\$13,304,122</b>	<b>\$24,023,787</b>	<b>2.81</b>

### 2.3 Progress in Support of Commitments

UGI Gas made significant progress toward its savings goals, achieving 85% of its FY2025 annual MMBtu projections, while keeping administration costs to only 86% of projections. The success of FY2025 can be largely attributed to the continued performance of the NC Program, for which savings were 206% of projections. Overall, UGI Gas has spent \$62.5 million phase-to-date, or approximately 81% of the approved six-year budget of \$77.3 million.

UGI Gas kept the commitments it made in the settlement of its 2016 Base Rate Case. One of the settlement provisions requires the Company to limit the percentage of costs spent by the utility on the NP and NC Programs to 55% or less of the total cost to the utility and customer over the five-year life of the plan. The following table shows that this value is 44% for the phase to date, which encompasses the entire original Plan phase plus the one-year extension.

<b>Program</b>	<b>Utility Cost</b>	<b>Incremental Participant Cost</b>	<b>Total Cost</b>	<b>%Utility</b>
Nonresidential Prescriptive (NP)	\$1,599,189	\$909,276	\$2,508,465	64%
Nonresidential Custom (NC)	\$7,979,135	\$11,210,889	\$19,190,023	42%
<b>Total</b>	<b>\$9,578,323</b>	<b>\$12,120,165</b>	<b>\$21,698,488</b>	<b>44%</b>

Additionally, the Company agreed to: (1) develop targeted marketing materials for existing residential multi-family customers and new multi-family residential construction, including master-metered multi-family residences; (2) coordinate with the Housing Alliance of Pennsylvania and the Pennsylvania Housing Finance Authority (PHFA); and (3) track participation for buildings with more than one unit.

UGI Gas developed an email marketing campaign to focus on multi-family stakeholders. The email was sent in July 2025. UGI Gas also maintained regular communications with the Housing Alliance of Pennsylvania throughout the fiscal year and made plans to attend the Homes Within Reach conference in December 2025.

In FY2025, UGI Gas identified 497 rebates in the RP, RNC, NC and NP programs that were tied to buildings with more than one unit, which represented \$382,018 in total rebates.

Finally, UGI Gas continued to comply with settlement provisions which required the Company to: (1) inform customers who contact UGI Gas or its Conservation Service Providers (CSPs) with interest in participating in the EE&C Plan that they might qualify for the Company’s Low Income Usage Reduction Program (LIURP), if they are income qualified; (2) refer such customers to LIURP; and (3)

refer confirmed low-income customers to LIURP. In FY2025, UGI’s Gas EE&C team did not receive any inquiries for the Company’s LIURP Program.

### 2.3.1 Portfolio Costs

<b>Table 8. EE&amp;C PORTFOLIO COSTS BY CATEGORY - FY2025</b>			
<b>Component (Nominal \$)</b>	<b>Actual</b>	<b>Budget</b>	<b>%</b>
<b>Direct Utility Costs</b>	<b>\$10,387,378</b>	<b>\$13,903,600</b>	<b>75%</b>
Customer Incentives	\$7,662,552	\$10,560,100	73%
Administration	\$2,305,920	\$2,671,000	86%
Marketing	\$270,481	\$413,000	65%
Inspections	\$148,426	\$214,500	69%
Evaluations	\$0	\$45,000	0%
<b>Incremental Participant Costs</b>	<b>\$11,087,165</b>	<b>\$26,942,673</b>	<b>41%</b>

<b>Table 9. EE&amp;C PORTFOLIO COSTS BY CATEGORY - PHASE</b>			
<b>Component (Nominal \$)</b>	<b>Actual</b>	<b>Budget</b>	<b>%</b>
<b>Direct Utility Costs</b>	<b>\$62,516,825</b>	<b>\$77,273,200</b>	<b>81%</b>
Customer Incentives	\$47,771,652	\$56,937,200	84%
Administration	\$12,115,925	\$15,958,000	76%
Marketing	\$1,220,272	\$2,440,000	50%
Inspections	\$762,681	\$1,198,000	64%
Evaluations	\$646,296	\$740,000	87%
<b>Incremental Participant Costs</b>	<b>\$61,238,008</b>	<b>\$137,611,065</b>	<b>45%</b>

### 2.3.2 Portfolio Savings

<b>Table 10. EE&amp;C PORTFOLIO SAVINGS - FY2025</b>			
<b>Type</b>	<b>Actual</b>	<b>Projected</b>	<b>%</b>
<b>EE Programs</b>			
<b>Natural Gas (MMBtus)</b>			
Annual	241,250	284,865	98%
Lifetime	4,814,357	5,685,105	85%
<b>Electric Energy (MWh)</b>			
Annual	4,840.1	1,775.3	273%
Lifetime	105,658.9	34,240.4	309%
<b>Capacity Savings (MW)</b>	1.221	0.523	234%
<b>Water Savings (Gallons)</b>			
Annual	2,814,924	3,921,308	72%
Lifetime	49,189,614	55,614,378	88%
<b>CHP Program</b>			
<b>Net Primary Energy Savings</b>			
Annual (MMBtus)	0	396,905	0%
Lifetime (MMBtus)	0	5,953,578	0%

<b>Table 11. EE&amp;C PORTFOLIO SAVINGS - PHASE</b>			
<b>Type</b>	<b>Actual</b>	<b>Projected</b>	<b>%</b>
<b>EE Programs</b>			
<b>Natural Gas (MMBtus)</b>			
Annual	1,463,281	1,564,412	94%
Lifetime	29,316,244	31,142,900	94%
<b>Electric Energy (MWh)</b>			
Annual	27,351.2	9,299.5	294%
Lifetime	555,707.3	178,085.4	312%
<b>Capacity Savings (MW)</b>	9.313	2.884	323%
<b>Water Savings (Gallons)</b>			
Annual	22,110,172	25,853,578	86%
Lifetime	415,291,689	354,905,572	117%
<b>CHP Program</b>			
<b>Net Primary Energy Savings</b>			
Annual (MMBtus)	140,246	2,152,652	7%
Lifetime (MMBtus)	2,804,915	32,289,781	9%

### 3 PROGRAM RESULTS

#### 3.1 Residential Prescriptive Program

(Rate Classes R/RT, N/NT)

##### 3.1.1 Program Description

The Residential Prescriptive (RP) Program was designed to overcome market barriers to energy efficient space and water heating equipment in the residential sector through rebates and customer awareness. The objective of the program was to avoid lost opportunities by encouraging consumers to install the most efficient gas heating technologies available when replacing older, less efficient equipment. The program also aimed to strengthen UGI Gas’s relationship with heating, ventilation and air conditioning (HVAC) contractors, suppliers, and other trade allies.

##### 3.1.2 Program Highlights

The RP Program spent \$5,191,708 in FY2025, of which \$4,744,328 were customer incentives. The program provided first year gas savings of 108,620 MMBtus (78% of plan projections) and lifetime gas savings of 2,102,196 MMBtus (78% of plan projections). Under the TRC Test, including DRIPE and CO<sub>2</sub>, the RP Program provided \$8,525,539 in present value of net benefits (2018\$) with a BCR of 2.32. Without DRIPE or CO<sub>2</sub>, the RP Program provided \$4,867,209 in present value of net benefits (2018\$) with a BCR of 1.75.

In FY2025, 7,512 customers participated in the RP Program, with 1,390 customers receiving multiple rebates. For example, customers installing heating equipment also may have decided to install a smart thermostat. Below is a table that highlights the rebates issued by equipment type.

<b>Equipment</b>	<b>Rebates Issued</b>
Residential Furnace	4,072
Smart Thermostat	2,660
Combi Boiler	1,242
Tankless Water Heater	834
Residential Boiler	276
<b>Total</b>	<b>9,084</b>

##### 3.1.2.1 *Marketing Activity*

Due to the success of the RP Program in FY2024, much of the same marketing strategy was continued into FY2025. The strategy continued to include outreach to HVAC contractors, customer bill inserts, digital advertising on social media, email marketing, marketplace promotions, and

energy efficiency content on the UGI website. Marketing content focused on educating customers on the various energy efficiency options available, along with providing energy saving tips.

To celebrate Black Friday, a limited-time promotion was implemented to encourage the purchase of Energy Star® smart thermostats via the UGI Marketplace. During this 21-day promotion (11/13-12/3), 1,129 thermostats were purchased. Through the UGI online marketplace, customers were given an instant rebate at the point of sale, making it an easy and convenient process.

#### *3.1.2.2 Inspection and Evaluation Activity*

AM Conservation, the CSP responsible for processing rebates, was retained to provide inspections on a subset of applications. The purpose of these inspections was to confirm that the equipment on the rebate application matched the equipment that was installed in the customer's home. Payment of the rebate was withheld from applications flagged for inspection until such activity was completed. In FY2025, 602 inspections were performed, with two inspections failing.

In FY2025, there were no evaluation costs.

#### **3.1.3 Program Updates for FY2025**

There are no program updates to report at this time.

### 3.1.4 Residential Prescriptive Program Results

Component (Nominal \$)	FY2025 - Actual	FY2025 - Budget	%
<b>Direct Utility Costs</b>	<b>\$ 5,191,708</b>	<b>\$ 6,494,900</b>	<b>80%</b>
Customer Incentives	\$4,744,328	\$ 6,078,900	78%
Administration	\$146,596	\$ 167,000	88%
Marketing	\$222,523	\$ 145,000	153%
Inspections	\$78,260	\$ 104,000	75%
Evaluations	\$0	\$ 0	0%
<b>Incremental Participant Costs</b>	<b>\$5,172,618</b>	<b>\$4,338,626</b>	<b>119%</b>

Type	FY2025 - Actual	FY2025 - Projected	%
<b>Natural Gas (MMBtus)</b>			
Annual	108,620	139,642	78%
Lifetime	2,102,196	2,703,996	78%
<b>Electric Energy (MWh)</b>			
Annual	402.7	84.0	479%
Lifetime	4,429.2	924.4	479%
<b>Capacity Savings (MW)</b>	0.090	0.000	100%
<b>Water Savings (Gallons)</b>			
<b>Annual</b>	0	0	100%
<b>Lifetime</b>	0	0	100%

Benefits/Cost Component	FY2025	Phase
TRC NPV Benefits	\$14,993,069	\$113,469,336
TRC NPV Costs	\$6,467,530	\$50,438,243
TRC Net Benefits	\$8,525,539	\$63,031,092
TRC Benefit/Cost Ratio	<b>2.32</b>	<b>2.25</b>

Benefits/Cost Component	FY2025	Phase
TRC NPV Benefits	\$11,334,739	\$86,423,084
TRC NPV Costs	\$6,467,530	\$50,438,243
TRC Net Benefits	\$4,867,209	\$35,984,840
TRC Benefit/Cost Ratio	<b>1.75</b>	<b>1.71</b>

### 3.2 Nonresidential Prescriptive Program

(Rate Classes N/NT, DS, LFD)

#### 3.2.1 Program Description

The Nonresidential Prescriptive (NP) Program was designed to overcome market barriers to energy efficient equipment in the business and commercial sector through rebates and customer outreach. The objective of the program was to encourage business owners to install the most efficient gas heating technologies available to replace older, less efficient equipment. The program also aimed to strengthen UGI Gas’s relationships with HVAC contractors, suppliers, and other trade allies.

#### 3.2.2 Program Highlights

The NP Program spent \$170,744 in FY2025 (17% of plan projections), of which \$156,453 were customer incentives (18% of projections). The program provided first year gas savings of 5,354 MMBtus (9% of projections) and lifetime gas savings of 91,925 MMBtus (7% of projections). Under the TRC Test, including DRIPE and CO<sub>2</sub>, the NP Program provided \$430,528 in present value of net benefits (2018\$) with a BCR of 3.39. Without factoring in DRIPE or CO<sub>2</sub>, the NP Program provided \$283,504 in present value of net benefits (2018\$) with a BCR of 2.58. UGI Gas utilized the services of AM Conservation to process rebates and provide customer service. Below is a chart that summarizes rebate activity for FY2025.

<b>Equipment</b>	<b>Rebates Issued</b>
Efficient Unit Heater	6
Commercial Boiler	37
Commercial Water Heater	33
Commercial Fryer	11
Commercial Fryer (Large)	5
Dishwasher (Low Temp - Stationary Single Tank Door)	4
Dishwasher (Low Temp – Undercounter)	2
Dishwasher (High Temp - Stationary Single Tank Door)	1
Dishwasher (High Temp – Undercounter)	1
Commercial Griddle	1
<b>Total</b>	<b>101</b>

#### 3.2.2.1 Marketing Activity

Marketing activity for the NP Program was conducted in conjunction with the marketing activity for the RP Program, including contractor outreach, bill inserts, and digital advertising. Emails targeting both customers and contractors were sent out regularly. A series of live breakfast events promoting the incentives to contractors were held during September and October in both 2024 and 2025. A

total of nine events were held, four of which fell within FY2025. UGI also exhibited at three distributor trade events and presented at AEE and ASHRAE events.

### 3.2.2.2 Inspection and Evaluation Activity

Inspections were performed by AM Conversation to confirm that the equipment on the rebate application matched the equipment that was installed in the customer’s business. In FY2025, three inspections were completed and all projects passed.

In FY2025, \$0 was spent on evaluation activities against an initial filed budget of \$0.

### 3.2.3 Program Updates for FY2025

There were no program updates for FY2025. However, in response to continued underperformance by this program, the NP incentives have been combined with the Nonresidential Custom rebates for the next phase of the UGI EE&C Program, and the implementation of both pathways has been awarded to Performance Systems Development. This will allow for better synergies in outreach to both contractors and customers.

### 3.2.4 Nonresidential Prescriptive Program Results

<b>Table 18. PROGRAM COSTS</b>			
<b>Component (Nominal \$)</b>	<b>FY2025 - Actual</b>	<b>FY2025 - Budget</b>	<b>%</b>
<b>Direct Utility Costs</b>	<b>\$170,744</b>	<b>\$995,700</b>	<b>17%</b>
Customer Incentives	\$156,453	\$853,700	18%
Administration	\$12,653	\$77,000	16%
Marketing	\$1,247	\$54,000	2%
Inspections	\$390	\$11,000	4%
Evaluations	\$0	\$0	0%
<b>Incremental Participant Costs</b>	<b>\$114,108</b>	<b>\$1,295,514</b>	<b>9%</b>

<b>Table 19. PROGRAM SAVINGS</b>			
<b>Type</b>	<b>FY2025 - Actual</b>	<b>FY2025 - Projected</b>	<b>%</b>
<b>Natural Gas (MMBtus)</b>			
Annual	5,354	57,209	9%
Lifetime	91,925	1,237,197	7%
<b>Electric Energy (MWh)</b>			
Annual	2.3	54.5	4%
Lifetime	27.1	700.7	4%
<b>Capacity Savings (MW)</b>	0.000	0.007	4%
<b>Water Savings (Gallons)</b>			
Annual	453,144	3,413,079	13%
Lifetime	6,617,740	50,523,665	13%

**Table 20. PROGRAM COST-EFFECTIVENESS (BASE CASE + DRIPE & CO2) PV Year (2018)**

<b>Benefits/Cost Component</b>	<b>FY2025</b>	<b>Phase</b>
TRC NPV Benefits	\$610,399	\$12,488,190
TRC NPV Costs	\$179,871	\$1,890,264
TRC Net Benefits	\$430,528	\$10,597,926
TRC Benefit/Cost Ratio	<b>3.39</b>	<b>6.61</b>

**Table 21. PROGRAM COST-EFFECTIVENESS (BASE CASE) PV Year (2018)**

<b>Benefits/Cost Component</b>	<b>FY2025</b>	<b>Phase</b>
TRC NPV Benefits	\$463,375	\$9,702,475
TRC NPV Costs	\$179,871	\$1,890,264
TRC Net Benefits	\$283,504	\$7,812,211
TRC Benefit/Cost Ratio	<b>2.58</b>	<b>5.13</b>

### 3.3 Residential New Construction Program

(Rate Classes R/RT)

#### 3.3.1 Program Description

The Residential New Construction (RNC) Program was designed to overcome market barriers to energy efficient space and water heating equipment, as well as high efficiency thermal envelopes, in the residential new construction sector. This was accomplished through rebates offered to builders and developers. The objective of the program was to avoid lost opportunities by encouraging builders and developers to install the most efficient gas heating technologies available instead of less efficient baseline equipment, as well as promote thermal envelope best practices. The program also aimed to strengthen UGI Gas’s relationship with builders, HVAC contractors, suppliers, and other trade allies.

For the residential new construction track, the program required builders to work with a Home Energy Rating System (HERS) rater on their home. An incentive of \$30 per annual MMBtu saved was paid to a new home, heated with natural gas, that achieved savings of 15% over 2015 IECC or greater. A \$40 per annual MMBtu incentive was paid to homes that achieved savings of 15% over code and achieved Energy Star® certification. The higher incentive was designed to move the market towards more homes being Energy Star® certified and to leverage the HERS rating approach taken by the electric distribution companies (EDCs) under their Act 129 new construction programs.

#### 3.3.2 Program Highlights

The RNC Program spent \$1,851,518, of which \$1,143,253 was customer incentives. The program provided first year gas savings of 34,634 MMBtus, 88% of plan projections. Under the TRC Test, including DRIPE and CO<sub>2</sub>, the RNC Program provided \$9,716,426 in present value of net benefits (2018\$) with a BCR of 4.75. Without DRIPE or CO<sub>2</sub>, the RNC Program provided \$5,748,725 in present value of net benefits (2018\$) with a BCR of 3.22.

UGI Gas utilized the services of Performance Systems Development (PSD) as the program implementer for the RNC Program. Below is a chart of participation by rebate type in the RNC program:

<b>Rebate Level</b>	<b>Rebate Count</b>
15% Above Code	884
15% Above Code + Energy STAR	477
<b>Total</b>	<b>1,361</b>

### 3.3.2.1 Marketing Activity

In 2025, marketing was conducted through established builders and HERS raters who have been participants in the programs mandated for large EDCs by Act 129 of 2008, P.L. 1592 (Act 129). Also, emails and/or newsletters with program updates were periodically distributed to all participating builders and raters that participated in the program.

### 3.3.2.2 Inspection and Evaluation Activity

There were a total of 68 HERS ratings reviewed by PSD. All reviewed ratings passed inspection.

### 3.3.3 Program Updates for FY2024

There are no program updates to report at this time.

### 3.3.4 Residential New Construction Program Results

<b>Component (Nominal \$)</b>	<b>FY2025 - Actual</b>	<b>FY2025 - Budget</b>	<b>%</b>
<b>Direct Utility Costs</b>	<b>\$1,851,518</b>	<b>\$2,083,700</b>	<b>89%</b>
Customer Incentives	\$1,143,253	\$1,356,700	84%
Administration	\$663,324	\$631,000	105%
Marketing	\$916	\$50,000	2%
Inspections	\$44,025	\$46,000	96%
Evaluations	\$0	\$0	0%
<b>Incremental Participant Costs</b>	<b>\$2,332,433</b>	<b>\$1,194,371</b>	<b>195%</b>

Type	FY2025 - Actual	FY2025 - Projected	%
<b>Natural Gas (MMBtus)</b>			
Annual	34,634	39,185	88%
Lifetime	796,592	783,703	102%
<b>Electric Energy (MWh)</b>			
Annual	4,187.6	1,573.7	266%
Lifetime	96,315.1	31,473.1	306%
<b>Capacity Savings (MW)</b>	1.013	0.460	220%
<b>Water Savings (Gallons)</b>			
Annual	1,431,892	0	100%
Lifetime	32,933,516	0	100%

Benefits/Cost Component	FY2025	Phase
TRC NPV Benefits	\$12,309,437	\$64,321,533
TRC NPV Costs	\$2,593,011	\$15,832,674
TRC Net Benefits	\$9,716,426	\$48,488,859
TRC Benefit/Cost Ratio	<b>4.75</b>	<b>4.06</b>

Benefits/Cost Component	FY2025	Phase
TRC NPV Benefits	\$8,341,736	\$46,138,812
TRC NPV Costs	\$2,593,011	\$15,832,674
TRC Net Benefits	\$5,748,725	\$30,306,138
TRC Benefit/Cost Ratio	<b>3.22</b>	<b>2.91</b>

### 3.4 Residential Retrofit Program

(Rate Class R/RT)

#### 3.4.1 Program Description

The Residential Retrofit (RR) Program was designed to overcome market barriers to energy efficiency in the existing residential sector through rebates offered either to customers undergoing a retrofit project or to their installation contractor(s). The program encouraged improvements to the thermal envelope of the structure, particularly reductions in building air leakage and increases in insulation levels, as well as installation of the most efficient gas heating technologies. The program also aimed to strengthen UGI Gas’s relationship with HVAC contractors, suppliers, and other trade allies.

The RR Program incentivized customers to have an in-home energy evaluation performed by a Building Performance Institute, Inc. (BPI) certified auditor. The contractor charged the customer \$50 for the evaluation. In addition to the \$50 from the customer, the contractor received a \$150 payment from UGI Gas for each evaluation completed. The customer fee could be waived for confirmed low-income customers that are not eligible for LIURP services due to usage levels. The evaluation includes a visual inspection of the thermal envelope and HVAC equipment in the home as well as an optional leave behind kit. The evaluation kit measures included an Energy Star® smart thermostat, low-flow devices, Carbon Monoxide Detector, and other energy-saving measures.

<b>Kit Measure</b>	<b>Quantity</b>
ENERGY STAR® certified Nest Thermostat	1
Handheld Low-Flow Showerhead	1
Kitchen Sink Aerator	1
Bathroom Sink Aerator	2
Plug-in Carbon Monoxide Detector	1
Light-Switch Gaskets	10
Power Outlet Gaskets	10

After the evaluation, the customer received a report that included a list of recommended cost-effective measures with corresponding incentive levels. After the completion of a retrofit job, the customer was required to have a test-out evaluation performed by the contractor, and a rebate was issued for the measures that were installed. Efficiency measures and incentives are listed below.

<b>Improvement Type</b>	<b>Incentive to Customer</b>
Air Infiltration Reduction	25% of the total cost of all Air Sealing and Insulation (maximum of \$2,500)
Attic/Ceiling Insulation	
Wall Insulation	
Heating Pipe Insulation	\$5 - \$15 per ft.
Water Heater Pipe Insulation	\$15 per ft.
Tank Temperature Turn-Down	\$5

**3.4.2 Program Highlights**

UGI Gas utilized the services of PSD as the program implementer for the RR Program. The RR Program spent \$481,836 in FY2025, of which \$191,117 were customer incentives. The program provided first-year gas savings of 3,211 MMBtus (59% of plan projections). The program provided lifetime gas savings of 89,220 MMBtus (97% of plan projections.) Under the TRC Test, including DRIPE and CO<sub>2</sub>, the RR Program provided \$102,331 in present value of net benefits (2018\$) with a BCR of 1.20. Without DRIPE or CO<sub>2</sub>, the RR Program provided (\$45,704) in present value of net benefits (2018\$) with a BCR of 0.91. Below is a chart of participation by rebate type in the RR program:

<b>Measure</b>	<b>Rebates Issued</b>
<b>Home Energy – Assessments</b>	<b>346</b>
<b>Home Energy – Jobs</b>	<b>104</b>
Residential Retrofit Kit	179
Air Sealing	105
Insulation	104

*3.4.2.1 Marketing Activity*

Marketing for this program was designed to drive traffic to the program website [www.ugisavesmart.com](http://www.ugisavesmart.com). The website outlined the customer participation process, the potential rebates, benefits to customer participation, and a list of participating contractors. UGI Gas continued to market the program through bill inserts, social media and email, and focused on simple messaging that highlighted program benefits for customers. UGI Gas provided contractors with marketing collateral and yard signs to place in their customers’ yards as they were working on projects.

*3.4.2.2 Inspection and Evaluation Activity*

Twelve field inspections were conducted in FY2025 for the RR Program. All 12 inspections passed.

### 3.4.3 Program Updates for FY2025

There are no program updates to report at this time.

### 3.4.4 Residential Retrofit Program Results

<b>Component (Nominal \$)</b>	<b>FY2025 - Actual</b>	<b>FY2025 - Budget</b>	<b>%</b>
<b>Direct Utility Costs</b>	<b>\$481,836</b>	<b>\$604,000</b>	<b>80%</b>
Customer Incentives	\$191,117	\$143,000	134%
Administration	\$238,628	\$380,000	63%
Marketing	\$44,768	\$67,000	67%
Inspections	\$7,323	\$14,000	52%
Evaluations	\$0	\$0	0%
<b>Incremental Participant Costs</b>	<b>\$367,776</b>	<b>\$162,714</b>	<b>226%</b>

Type	FY2025 - Actual	FY2025 - Projected	%
<b>Natural Gas (MMBtus)</b>			
Annual	3,211	5,423	59%
Lifetime	89,220	92,113	97%
<b>Electric Energy (MWh)</b>			
Annual	37.0	17.5	211%
Lifetime	1,134.6	231.7	490%
<b>Capacity Savings (MW)</b>	0.021	0.004	537%
<b>Water Savings (Gallons)</b>			
Annual	929,888	508,229	183%
Lifetime	9,638,358	5,090,713	189%

Benefits/Cost Component	FY2025	Phase
TRC NPV Benefits	\$622,398	\$2,774,672
TRC NPV Costs	\$520,067	\$3,185,477
TRC Net Benefits	\$102,331	(410,805)
TRC Benefit/Cost Ratio	<b>1.20</b>	<b>0.87</b>

Benefits/Cost Component	FY2025	Phase
TRC NPV Benefits	\$474,364	\$2,125,278
TRC NPV Costs	\$520,067	\$3,185,477
TRC Net Benefits	(45,704)	(1,060,200)
TRC Benefit/Cost Ratio	<b>0.91</b>	<b>0.67</b>

## **3.5 Nonresidential Custom Program**

(Rate Classes N/NT, DS, LFD)

### **3.5.1 Program Description**

The Nonresidential Custom (NC) Program was designed to overcome market barriers for customers to install natural gas efficiency measures in existing commercial, industrial, and master-metered multi-family buildings. Projects may include replacement of equipment not covered in the NP program, retrofit of existing buildings, or exceeding baseline efficiency in new construction.

### **3.5.2 Program Highlights**

UGI Gas utilized PSD to implement all aspects of the NC Program. The program spent \$1,863,588 in FY2025 (100% of budget), of which \$1,427,400 were customer incentives (104% of budget). The program provided first year gas savings of 89,430 MMBtus (206% of budget) and lifetime gas savings of 1,734,424 MMBtus (200% of budget). Under the TRC Test, including DRIPE and CO<sub>2</sub>, the NC Program provided \$5,746,859 in present value of net benefits (2018\$) with a BCR of 2.89. Without DRIPE or CO<sub>2</sub>, the program provided \$3,138,954 in present value of net benefits (2018\$) with a BCR of 2.03.

The NC Program provided incentives to 45 projects in FY2025. The projects were completed at colleges, schools, commercial/industrial facilities, religious organizations, government buildings, multi-family buildings, medical facilities, and hotels. These projects provided cost-effective incentives to help overcome the large incremental cost of installing high-efficiency measures versus low or baseline-efficiency equipment. The rebates were issued for custom space, water and process heating measures, as well as building envelope upgrades.

#### **3.5.2.1 *Marketing Activity***

UGI Gas utilized PSD to market the NC Program in FY2025. The strategy focused primarily on development and expansion of trade ally relationships, including engineering firms, contractors, and manufacturers. Additional marketing efforts included email outreach to commercial accounts and direct collaboration with UGI Gas's relationship managers to identify project opportunities at larger managed accounts.

### 3.5.2.2 Inspection and Evaluation Activity

In FY2025, 28 of the 45 completed projects were inspected by PSD, and all of them passed prior to being paid incentives.

The program spent \$0 for evaluation activity against an original budget of \$0.

### 3.5.3 Program Updates for FY2025

There are no program updates to report at this time.

### 3.5.4 Nonresidential Custom Program Results

<b>Component (Nominal \$)</b>	<b>FY2025 - Actual</b>	<b>FY2025 - Budget</b>	<b>%</b>
<b>Direct Utility Costs</b>	<b>\$1,863,588</b>	<b>\$1,872,800</b>	<b>100%</b>
Customer Incentives	\$1,427,400	\$1,377,800	104%
Administration	\$416,735	\$406,000	103%
Marketing	\$1,025	\$57,000	2%
Inspections	\$18,428	\$32,000	58%
Evaluations	\$0	\$0	0%
<b>Incremental Participant Costs</b>	<b>\$3,100,229</b>	<b>\$2,970,459</b>	<b>104%</b>

<b>Type</b>	<b>FY2025 - Actual</b>	<b>FY2025 - Projected</b>	<b>%</b>
<b>Natural Gas (MMBtus)</b>			
Annual	89,430	43,406	206%
Lifetime	1,734,424	868,126	200%
<b>Electric Energy (MWh)</b>			
Annual	210.5	45.5	462%
Lifetime	3,752.8	910.5	412%
<b>Capacity Savings (MW)</b>	0.096	0.052	185%
<b>Water Savings (Gallons)</b>			
Annual	0	0	100%
Lifetime	0	0	100%

**Table 36. PROGRAM COST-EFFECTIVENESS (BASE CASE + DRIPE & CO2) PV Year (2018)**

<b>Benefits/Cost Component</b>	<b>FY2025</b>	<b>Phase</b>
TRC NPV Benefits	\$8,792,606	\$42,425,660
TRC NPV Costs	\$3,045,747	\$13,449,972
TRC Net Benefits	\$5,746,859	\$28,975,688
TRC Benefit/Cost Ratio	<b>2.89</b>	<b>3.15</b>

**Table 37. PROGRAM COST-EFFECTIVENESS (BASE CASE) PV Year (2018)**

<b>Benefits/Cost Component</b>	<b>FY2025</b>	<b>Phase</b>
TRC NPV Benefits	\$6,184,701	\$30,183,608
TRC NPV Costs	\$3,045,747	\$13,449,972
TRC Net Benefits	\$3,138,954	\$16,733,636
TRC Benefit/Cost Ratio	<b>2.03</b>	<b>2.24</b>

## **3.6 Combined Heat and Power**

(Rate Classes DS, LFD)

### **3.6.1 Program Description**

The Combined Heat and Power (CHP) Program sought to promote the installation of cost-effective and net-primary-energy-saving CHP projects and provide meaningful CO<sub>2</sub> emission reductions. A CHP plant produces electricity at a commercial or industrial site while at the same time using the waste heat from the production of the electricity to serve a thermal load. Net efficiencies come from the recovered heat that is typically wasted in grid electricity production. Efficiencies also stem from avoided transmission and distribution losses from delivering the electricity from the generator to the customer site.

### **3.6.2 Program Highlights**

The CHP Program did not issue any incentives in FY2025. Three projects initially expected to close in FY2025 were delayed and will be re-evaluated in FY2026. Administrative costs in FY2025 totaled \$12,543. Under the TRC Test, including DRIPE and CO<sub>2</sub>, the program provided (\$7,662) in present value of net benefits, with a BCR of 0. These values were the same without DRIPE and CO<sub>2</sub>.

#### *3.6.2.1 Marketing Activity*

UGI Gas leveraged customer outreach via relationship managers, who educate customers on the potential benefits of CHP installations. Maintaining relationships with engineering firms and project managers also provides project leads.

#### *3.6.2.2 Inspection and Evaluation Activity*

There were no costs directly attributed to inspections or program evaluations; however, the \$12,543 administrative costs included preliminary evaluation of the three projects that did not complete before the end of the fiscal year.

### **3.6.3 Program Updates for FY2025**

There are no program updates to report at this time.

### 3.6.4 Combined Heat and Power Program Results

<b>Component (Nominal \$)</b>	<b>FY2025 - Actual</b>	<b>FY2025 - Budget</b>	<b>%</b>
<b>Direct Utility Costs</b>	<b>\$12,543</b>	<b>\$902,500</b>	<b>1%</b>
Customer Incentives	\$0	\$750,000	0%
Administration	\$12,543	\$60,000	12%
Marketing	\$0	\$40,000	0%
Inspections	\$0	\$7,500	0%
Evaluations	\$0	\$45,000	0%
<b>Incremental Participant Costs</b>	<b>\$0</b>	<b>\$16,980,989</b>	<b>0%</b>

<b>Equipment</b>	<b>FY2025</b>		<b>Phase</b>	
	<b>Annual</b>	<b>Lifetime</b>	<b>Annual</b>	<b>Lifetime</b>
Net Primary Fuel Savings (MMBtus)	0	0	140,246	2,804,915

<b>Benefits/Cost Component</b>	<b>FY2025</b>	<b>Phase</b>
TRC NPV Benefits	\$0	\$18,431,443
TRC NPV Costs	\$7,662	\$3,999,139
TRC Net Benefits	(7,662)	14,432,305
TRC Benefit/Cost Ratio	<b>0.00</b>	<b>4.61</b>

<b>Benefits/Cost Component</b>	<b>FY2025</b>	<b>Phase</b>
TRC NPV Benefits	\$0	\$7,350,146
TRC NPV Costs	\$7,662	\$3,999,139
TRC Net Benefits	(7,662)	3,351,007
TRC Benefit/Cost Ratio	<b>0.00</b>	<b>1.84</b>

## **4 Attachments**

### **4.1 Technical Reference Manual**

There were no updates to the Technical Reference Manual (TRM) in FY25.