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February 17, 2026

VIA ELECTRONIC FILING

Matthew L. Homsher, Secretary
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105

**Re: Ex Parte Petition for Emergency Order of UGI Utilities, Inc. – Gas
Division.;
Docket No. P-2026-**

Dear Secretary Homsher:

UGI Utilities, Inc. – Gas Division (“UGI Gas” or the “Company”) hereby submits this Ex Parte Petition for Emergency Relief to temporarily reduce the Company’s Purchased Gas Adjustment (“PGC”) Quarterly Adjustment Mechanism (“QAM”) rate change cap from 25% to 10% for the March 1, 2026 quarterly C-factor adjustment. UGI Gas requests that the Commission grant its Petition for Ex Parte Emergency Order and ratify it by the next Public Meeting date scheduled to occur on February 19, 2026.

Should you have any questions concerning this filing, please feel free to contact me.

Cc: David Screvin, Chief Counsel Law Bureau
Paul Diskin, Director TUS
Matthew A. Wurst, Executive Policy Manager - Chairmen Stephen M. DeFrank

Respectfully submitted,

/s/ Michael S. Swerling
Michael S. Swerling (ID # 94748)
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Counsel for UGI Utilities, Inc.

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of UGI Utilities, Inc. -	:	
Gas Division Requesting An Ex Parte	:	
Emergency Order To Temporarily	:	Docket Nos. P-2026-
Lower its Quarterly Adjustment	:	
Mechanism for its March 1, 2026	:	
PGC Quarterly Adjustment	:	

EX PARTE PETITION FOR EMERGENCY ORDER

Pursuant to 52 Pa. Code §§ 3.2 and 3.3, UGI Utilities, Inc. – Gas Division (“UGI Gas” or the “Company”) hereby submits this Ex Parte Petition for Emergency Relief (“Petition”) and seeks to temporarily reduce the Company’s Purchased Gas Adjustment (“PGC”) Quarterly Adjustment Mechanism (“QAM”) rate change cap from 25% to 10% for the March 1, 2026 quarterly C-factor adjustment. The Company has notified the Office of Consumer Advocate, the Bureau of Investigation and Enforcement, and the Office of Small Business Advocate about this filing. The Office of Consumer Advocate has indicated that it does not oppose it. In support thereof states as follows:

I. INTRODUCTION

1. UGI Gas is engaged in the business of selling and distributing natural gas to retail customers within the Commonwealth, and is therefore a “public utility” within the meaning of Section 102 of the Public Utility Code, 66 Pa. C.S. § 102, subject to the regulatory jurisdiction of the Commission. UGI Gas provides natural gas distribution service to approximately 706,000 customers in all or parts of forty-five Pennsylvania counties and in excess of 500 customers in one Maryland county.

2. The name, address and telephone number of UGI's attorney for purposes of this filing are as follows:

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II. BACKGROUND

3. In Paragraph 21 of the 2023 PGC Settlement at Docket No. R-2023-3040290, the Company agreed to cap quarterly PGC rate changes at 25% of the current PGC rate and to bring forward amounts over this cap for inclusion in subsequent quarterly adjustments. The Company agreed to continue this approach in Paragraph 30 of its 2025 PGC Settlement at Docket No. R-2025-3054938.

4. During this current winter period, UGI Gas has experienced natural gas commodity prices that are above the amount forecasted in its December 1 PGC rate, including significant price increases due to Winter Storm Fern.

5. If UGI Gas utilizes the currently-approved QAM method for its March 1, 2026 adjustment, the PGC rate will increase by 25%. Even at the 25% cap, UGI Gas will not be able to fully reflect the gas costs incurred since December 1, 2025.

III. PETITION

6. In light of the very cold winter, UGI Gas customers have received winter heating bills that are larger than in recent winters, due to larger gas consumption. Increasing the PGC rate by 25% would further challenge affordability during a very cold winter.

7. UGI Gas seeks a temporary modification to its QAM for March 1, 2026 to support PGC customer affordability during the peak winter heating season. Specifically, UGI Gas requests permission to lower the 25% PGC rate cap to 10% for the QAM effective June 1, 2026. The total bill impacts on an average residential customer bill are as follows:

	Current	10% Increase	25% Increase
PGC Rate (\$/Mcf)	\$6.7486	\$7.4235	\$8.4358
Average Residential Bill	\$119.67	\$124.72	\$132.29
Average Residential Bill Increase (%)		4.2%	10.5%

8. 52 Pa. Code § 3.3 authorizes a single Commissioner, the Commission, or the Commissioner’s Director of Operations or the Secretary to issue an ex parte order in response to an emergency. This petition satisfies the requirements for the issuance of an ex parte emergency order under the specific circumstances that have been experienced by customers this winter.

9. The Company must file its next quarterly adjustment on February 27, 2026. Commission action is required by the next Public Meeting scheduled for February 19, 2026 for UGI Gas to reduce its QAM cap to 10% for the rates that will be effective on March 1, 2026.

10. Granting authority to lower the QAM cap to 10% serves the public interest because it will protect customers from financial hardship during the winter heating season and following a very cold winter. It will also allow the costs to be recovered over a longer period of time with a lower bill impact. The Company notes that it is not proposing any modification to the previously utilized process for the recovery of costs over the cap at this time; those costs may be addressed in the Company’s upcoming PGC proceeding. Critically, the temporary 10% cap will help avoid clear and present dangers to life and property by enabling customers, including non low-income customers, to reduce affordability challenges that could limit access to essential natural gas heating service.

11. Accordingly, UGI Gas requests that the Commission approve and ratify this emergency order request at the next schedule Public Meeting on February 19, 2026 pursuant to 52 Pa. Code § 3.3(c).

WHEREFORE, for the foregoing reasons, UGI Gas requests that the Commission grant its Petition for Ex Parte Emergency Order and ratify it by the next Public Meeting date scheduled to occur on February 19, 2026.

Respectfully submitted,

/s/ Michael S. Swerling
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Counsel for UGI Utilities, Inc.

Dated: February 17, 2026

CERTIFICATE OF SERVICE

I hereby certify that I have, this 30th day of April, 2021, served a true and correct copy of the foregoing document in the manner and upon the persons listed below in accordance with the requirements of 52 Pa. Code §1.54 (relating to service by a participant):

Electronic Mail:

Darryl A. Lawrence
Office of Consumer Advocate
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Steven C. Gray
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Allison Kaster
Bureau of Investigation and Enforcement
Commonwealth Keystone Building
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akaster@pa.gov

/s/ Michael S. Swerling
Michael S. Swerling

Dated: February 17, 2026

VERIFICATION

I, Michael S. Swerling, hereby state that the facts above set forth are true and correct to the best of my knowledge, information, and belief, and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

/s/ Michael S. Swerling
Michael S. Swerling
Sr. Counsel, Energy & Regulation

Dated: February 17, 2026