

**PENNSYLVANIA PUBLIC UTILITY COMMISSION**  
**Harrisburg, Pennsylvania 17120**

**Pennsylvania Public Utility Commission**  
v.  
**UGI Utilities, Inc. – Electric Division**

**Public Meeting of April 16, 2026**  
**3059430-TUS**  
**Docket No. R-2025-3059430**

**STATEMENT OF VICE CHAIR KIMBERLY BARROW**

Before us for consideration is the proposed rate increase request by UGI Utilities, Inc. – Electric Division (UGI or Company). UGI proposes an increase of \$17.283 million (11.89%) in additional annual revenues to become effective June 1, 2026. The proposal will result in an increase in a residential customer’s bill using 1,000 kWh per month from \$200.50 to \$226.23, a 12.8% increase.

I vote to approve the suspension and investigation of this filing, pursuant to 66 Pa.C.S. § 1308(d). However, I urge the Parties to take a critical look at the Company’s requested rate of return and return on equity (ROE) as well as the capital structure (common equity ratio and debt capital) to ensure reasonableness. Deviations in each of these items translate into millions of dollars charged to customers of all rate classes. Too often, the relationship between debt and ROE to cost of debt and capital is asserted as a general matter from basic economic principle alone. However, those relationships are not established empirically and left for the Commission to assume the relationship without any supporting data. Therefore, I believe a careful and detailed review of UGI’s claimed capital structure and ROE is warranted.

Additionally, UGI has stated that it is requesting the instant rate increase to, *inter alia*, support ongoing Commission-approved replacement programs designed to enhance safety and reliability. UGI noted that, compared to current plant and base rate levels reflected in existing rates, it projects an increase of approximately \$83.6 million in gross plant through the fully projected future year (FPFTY) ending September 30, 2027. According to UGI, this reflects \$17.7 million of capital investment that was placed in service since the end of the FPFTY in the Company’s last base rate case (i.e., September 30, 2024), as well as \$28.6 million in the future test year and \$37.3 million in the FPFTY.

Section 315 of the Code, 66 Pa.C.S. § 315(e), states that whenever a utility utilizes an FPFTY as the basis for its rate increase, the utility shall provide appropriate data evidencing the accuracy of the estimates of its FPFTY. Thus, it is incumbent upon UGI and the Parties challenging the filing to ensure that UGI’s estimates in its last and current rate filing comply with Section 315 of the Code. Specifically, UGI should provide documentation/information showing estimates of its FPFTY in its last rate case were accurate or met expectations. If not, the Company should provide an explanation for the deviation and the appropriate adjustments made to account for such deviations in the instant rate filing.

April 16, 2026



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Kimberly Barrow, Vice Chair