



July 6, 2026

Via Email Only

Honorable F. Joseph Brady and
Honorable Alphonso Arnold III
c/o Pamela McNeal & Eric Ball, Legal Assistants
Pennsylvania Public Utility Commission
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**Re: Pennsylvania Public Utility Commission v. UGI Utilities, Inc. – Gas Division
Docket No. R-2025-3059523**

CAUSE-PA Letter Indicating Non-Opposition to Settlement

Greetings, Your Honors,

The Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (CAUSE-PA) files this Letter to convey its position of non-opposition to the Joint Petition for Settlement of All Issues (Settlement) in the above-noted 2026 UGI Utilities, Inc. – Gas Division’s (UGI or the Company) base rate proceeding.

CAUSE-PA is unable to affirmatively support the \$65 million rate increase or various rate design and tariff rules contemplated in the proposed Settlement. Nevertheless, CAUSE-PA recognizes that the proposed Settlement provides meaningful benefits to UGI’s low and moderate income customers. Thus, while CAUSE-PA stands by its litigated positions, it has decided to take a position of non-opposition to the proposed Settlement.

As gas rates rise precipitously across UGI’s service territory, low income families are increasingly priced out of the market for basic service.¹ By filing a formal Complaint against UGI’s rate proposal, CAUSE-PA sought to ensure that UGI’s proposed rates and terms and conditions of service are appropriately designed and implemented to preserve access to safe and affordable service for the estimated 143,000 low income consumers in UGI’s service territory.² Throughout the proceeding, CAUSE-PA presented extensive evidence that UGI’s rates, as currently structured

¹ CAUSE-PA St. 1 at 17-20 and 25-31

² CAUSE-PA St. 1 at 9, 21, 78-80; CAUSE-PA St. 1-SR at 4-5, 13-14

and as proposed, are categorically unaffordable and, as such, are not just, reasonable, or in the public interest.³ As documented in the record, UGI's low income customers struggle profoundly to maintain services to their home and regularly forgo basic necessities like food and medicine or reduce temperatures to an unhealthy temperature to keep up with rising home energy costs.

CAUSE-PA continues to be concerned about the size of the residential increase, the high return on equity⁴, the equity-heavy capital structure, the continuation of UGI's lop-sided WNA, and the failure to standardize tariff requirements for large load customers.⁵ Nonetheless, the Settlement provides meaningful benefits to low and moderate income consumers. These benefits include a requirement that UGI not file another base rate case before January 15, 2029, as well as a two-year phase in of the overall revenue increase.⁶ CAUSE-PA also recognizes that several provisions within the proposed Settlement attempt to respond to its affordability concerns, including UGI's commitments to provide information about its assistance programs on non-emergency calls⁷, its Expanded Arrearage Forgiveness Pilot, and its commitment to both preserve and increase shareholder contributions to hardship fund grants.⁸ While these improvements do not fully address the unaffordability of UGI's rates, they will help blunt the impact of the most severe hardships created by the rate increase.

Considering the relative support for the proposed Settlement among the active parties, as well as recent Commission precedent that has awarded utilities returns on equity higher than the overall revenue increase agreed to in this case, CAUSE-PA does not believe that further litigation would constitute a reasonable expenditure of its limited resources. Thus, as a matter of prudence, CAUSE-PA has elected to take a position of non-opposition to the proposed Settlement.

Ultimately, while CAUSE-PA does not affirmatively support the proposed Settlement, it has concluded that the Settlement's relative benefits warrant a position of non-opposition.

Respectfully Submitted,



John W. Sweet, Esq.
Counsel for CAUSE-PA

CC: *Secretary Matthew L. Homsher (via e-file only)*
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³ See generally CAUSE-PA St. 1; CAUSE-PA St. 1-SR.

⁴ CAUSE-PA estimates that, based on the agreed upon revenue requirement in the proposed Settlement, assuming the Company's proposed capital structure, and all other things being equal, the imputed ROE authorized by the Settlement would be approximately 9.7%.

⁵ CAUSE-PA St. 1 at 35-48, 55-67, 86-91.

⁶ Joint Pet. for Settlement at ¶¶ 35, 36.

⁷ Joint Pet. for Settlement at ¶ 50

⁸ Joint Pet. for Settlement at ¶¶ 43, 46.

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
	:	
v.	:	Docket No. R-2025-3059523
	:	
UGI Utilities, Inc. - Gas Division	:	

Certificate of Service

I hereby certify that I have this day served copies of **the Letter indicating CAUSE-PA's position of non-opposition to the Joint Petition for Settlement of All Issues** upon the parties of record in the above captioned proceeding in accordance with the requirements of 52 Pa. Code § 1.54.

Via Email

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Respectfully Submitted,
PENNSYLVANIA UTILITY LAW PROJECT
Counsel for CAUSE-PA

A handwritten signature in blue ink that reads "John Sweet". The signature is stylized, with the first name "John" written above the last name "Sweet", and a large, sweeping flourish underneath.

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July 6, 2026