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September 10, 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 Public Utility Commission, *et al.* v. UGI Utilities, Inc. – Electric Division
Docket Nos. R-2025-3059430, *et al.***

Dear Secretary Homsher:

Enclosed for filing is the Joint Petition for Non-Unanimous Settlement of All Issues ("Settlement") in the above-referenced proceeding.

Attached to the Settlement are the following appendices:

- Appendix A – Proof of Revenues
- Appendix B – Revenue Allocation
- Appendix C – Bill Impacts
- Appendix D – Proposed Findings of Fact
- Appendix E – Proposed Conclusions of Law
- Appendix F – Proposed Ordering Paragraphs
- Appendix G – *Pro Forma* Retail Tariff Supplement
- Appendix H – UGI Utilities, Inc. – Electric Division's Statement in Support
- Appendix I – Office of Small Business Advocate's Statement in Support

Per the Notice included with the Settlement, along with the direction of the Administrative Law Judges on September 4, 2026, any comments on or objections to the Settlement are due to be filed by **September 18, 2026**.

Copies of the filing are being served on all the active and inactive parties, as indicated on the Certificate of Service.

Respectfully submitted,

Devin Ryan

DR/bfc
Enclosures

cc: The Honorable Steven K. Haas (*via email w/ enclosure)*
The Honorable Chad L. Allensworth (*via email w/ enclosure)*
Certificate of Service

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).

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Carol Buchalski
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Shickshinny, PA 18655

Date: September 10, 2026

Devin Ryan

32651495v2

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	Docket Nos. R-2025-3059430
Office of Small Business Advocate	:	C-2026-3061591
Office of Consumer Advocate	:	C-2026-3061676
Kory Boothe	:	C-2026-3061698
Mary Hibbard	:	C-2026-3061790
Elizabeth Saxton	:	C-2026-3062281
Carol Buchalski	:	C-2026-3062957
	:	
v.	:	
	:	
UGI Utilities, Inc. – Electric Division	:	

NOTICE OF PROPOSED JOINT PETITION FOR APPROVAL OF NON-UNANIMOUS SETTLEMENT OF ALL ISSUES

YOU ARE HEREBY ADVISED THAT ANY INACTIVE COMPLAINANT MAY FILE COMMENTS OR OBJECTIONS TO THE ENCLOSED JOINT PETITION FOR APPROVAL OF NON-UNANIMOUS SETTLEMENT OF ALL ISSUES BY SEPTEMBER 18, 2026. YOUR COMMENTS OR OBJECTIONS SHOULD BE FILED WITH THE SECRETARY OF THE PENNSYLVANIA PUBLIC UTILITY COMMISSION, P.O. BOX 3265, HARRISBURG, PA 17105-3265. A COPY OF YOUR FILING SHOULD ALSO BE SERVED ON THE PRESIDING ADMINISTRATIVE LAW JUDGES AND COUNSEL FOR THE OTHER PARTIES IN THIS MATTER.

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	Docket Nos. R-2025-3059430
Office of Small Business Advocate	:	C-2026-3061591
Office of Consumer Advocate	:	C-2026-3061676
Kory Boothe	:	C-2026-3061698
Mary Hibbard	:	C-2026-3061790
Elizabeth Saxton	:	C-2026-3062281
Carol Buchalski	:	C-2026-3062957
	:	
v.	:	
	:	
UGI Utilities, Inc. – Electric Division	:	

JOINT PETITION FOR APPROVAL OF
NON-UNANIMOUS SETTLEMENT OF ALL ISSUES

TO THE ADMINISTRATIVE LAW JUDGES STEVEN K. HAAS AND CHAD L. ALLENSWORTH:

I. INTRODUCTION

UGI Utilities, Inc. – Electric Division ("UGI Electric" or the "Company") and the Office of Small Business Advocate ("OSBA"), both active parties in the above-captioned proceeding (hereinafter collectively referred to as the "Joint Petitioners"),[1] hereby file this Joint Petition for Approval of a Non-Unanimous Settlement of All Issues ("Settlement") and respectfully request that Administrative Law Judge Steven K. Haas ("ALJ Haas") and Administrative Law Judge Chad L. Allensworth ("ALJ Allensworth") (collectively, "ALJs") and the Commission approve this Settlement without modification.

[1] The other active parties in the case are the Pennsylvania Public Utility Commission's ("Commission") Bureau of Investigation and Enforcement ("I&E"), the Office of Consumer Advocate ("OCA"), and the Commission on Economic Opportunity ("CEO"). I&E and OCA have indicated they will be opposing this Joint Petition. As of the time filing, the Joint Petitioners do not know CEO's position on the Joint Petition, although Joint Petitioners have included CEO in settlement discussions and have provided the Joint Petition's terms to CEO.

As set forth and explained below, the Joint Petitioners have agreed to a non-unanimous resolution of all the issues in the above-captioned proceeding. The Settlement provides for increases in rates designed to produce an annual distribution rate revenue increase of $10.70 million, which is a $5.35 million reduction (i.e., 33.33%) from the Company's litigation position of $16.05 million. The Settlement provides for increases in rates, as set forth in the proof of revenues that is attached as **Appendix A**, based upon a Fully Projected Future Test Year ending September 30, 2027 ("FPFTY"). **Appendix B** provides the allocation among the customer classes of the base operating revenues provided for by this Settlement. The effect of the Settlement on representative customer rates (on both a total bill basis and a distribution only basis) is set forth in the tables provided in **Appendix C**. Proposed Findings of Fact, Conclusions of Law, and Ordering Paragraphs are attached as **Appendices D-F**, respectively. The *pro forma* tariff supplement incorporating the rates proposed under the Settlement is attached as **Appendix G**. The Joint Petitioners' Statements in Support are attached as **Appendices H-I**, respectively.

In support of the Settlement, the Joint Petitioners state the following:

II. <u>BACKGROUND</u>

1. This proceeding was initiated on March 27, 2026, when UGI Electric filed Supplement No. 92 to UGI Electric Tariff – Pa. P.U.C. No. 6 ("Supplement No. 92") with the Commission to be effective for service rendered on or after June 1, 2026. The Company proposed changes to UGI Electric's base retail distribution rates designed to produce an increase in revenues of approximately $17.283 million, based upon data for an FPFTY ending September 30, 2027. The filing was made in compliance with the Commission's regulations and contained all supporting data and testimony required to be submitted in conjunction with a tariff change seeking a general rate increase.

2. On March 31, 2026, I&E filed a Notice of Appearance.

3. On April 7, 2026, OSBA filed a Formal Complaint at C-2026-3061591.

4. On April 8, 2026, OCA filed a Formal Complaint at C-2026-3061676. Also, on April 8, 2026, CEO filed a Petition to Intervene.

5. On April 16, 2026, the Commission issued an order, pursuant to 66 Pa. C.S. § 1308(d), that suspended the filing by operation of law until January 1, 2027, unless otherwise directed by Order of the Commission.

6. On April 23, 2026, the ALJs issued a Prehearing Conference Order.

7. On May 5, 2026, in accordance with the ALJs' Prehearing Conference Order, OCA, OSBA, I&E, CEO, and UGI Electric filed prehearing memoranda.

8. The Prehearing Conference convened as scheduled on May 7, 2026. Counsel for UGI Electric, I&E, OCA, OSBA, and CEO were in attendance.

9. On May 28, 2026, the ALJs issued an In-Person & Telephonic Public Input Hearings Notice indicating the date and time of the In-Person & Telephonic Public Input Hearings.

10. On May 29, 2026, a Prehearing Order was entered consolidating the formal complaints and providing guidance on requirements for briefs and reply briefs. In addition, the Petition to Intervene filed by CEO was granted, and a litigation schedule was established. Also on May 29, 2026, UGI Electric filed a Motion for a Protective Order.

11. On June 1, 2026, UGI Electric entered the appearance of Candis Tunilo.

12. On June 10 and 11, 2026, in-person and telephonic public input hearings were held, respectively. Across all four sessions of the public input hearings, only 7 individuals testified. Also, no individuals appeared to provide testimony at the in-person public input hearing at 6 PM on June 10, 2026, or at the telephonic public input hearing at 1 PM on June 11, 2026.

13. On June 18, 2026, I&E, OCA, OSBA, and CEO served their direct testimony and exhibits.

14. On June 22, 2026, an Order was issued granting the Motion for a Protective Order.

15. On July 9, 2026, an Initial In-Person Hearing Notice was issued scheduling in-person evidentiary hearings for this matter from August 12 through 14, 2026.

16. On July 17, 2026, UGI Electric, I&E, and OSBA served their rebuttal testimony and exhibits. As set forth in UGI Electric's rebuttal testimony, the Company updated its revenue increase to $16.05 million to reflect (a) necessary updates to account for more recent and/or correct inputs to its revenue requirement, (b) the Company's agreement with certain adjustments proposed by the parties, and (c) the Company's voluntary withdrawal of certain operations and maintenance ("O&M") expense claims to limit the number of issues in dispute in this matter.[2]

17. On August 5, 2026, UGI Electric, I&E, and OCA served their surrebuttal testimony and exhibits.

18. On August 10, 2026, UGI Electric served its rejoinder testimony and exhibits.

19. Also on August 10, 2026, OCA filed a Motion to Strike in the Form of a Motion in Limine regarding the Surrebuttal Testimony of Cynthia S. Fang submitted by UGI Electric.

20. On August 12, 2026, the in-person evidentiary hearings convened as scheduled. During the hearing, the OCA Motion to Strike in the Form of a Motion in Limine was denied. Also, during the hearing, I&E objected to certain appendices attached to UGI Electric Exhibit JRR-3RJ attached to the Rejoinder Testimony for Jessica Rogers. UGI Electric did not oppose striking the appendices. Thus, those appendices were excluded from the UGI Electric Exhibit JRR-3RJ admitted into the record.

[2] *See* UGI Electric St. No. 2-R, pp. 2-3.

21. The hearing concluded on August 13, 2026, with all relevant testimony admitted. The scheduled August 14, 2026 hearing date was canceled.

22. On August 18, 2026, the parties provided an agreed-upon Common Briefing Outline.

23. On September 3, 2026, UGI Electric and OSBA informed the ALJs that the parties had reached a non-unanimous settlement of all issues.

24. On September 4, 2026, the ALJs directed the parties to file their Main Briefs by September 8, 2026, the Joint Petitioners to file their Settlement and Statements in Support by September 10, 2026, and Reply Briefs and Comments on the Settlement by September 18, 2026.

25. On September 8, 2026, UGI Electric, I&E, and OCA filed their Main Briefs.

26. The parties engaged in settlement negotiations, attempting to reach a full settlement on all issues in this proceeding.

27. The Joint Petitioners have been able to agree to a non-unanimous resolution of all issues in this matter and are in full agreement that the Settlement is reasonable and in the public interest. The Settlement is set forth in the following section.

III. SETTLEMENT

28. The Joint Petitioners agree that UGI Electric's distribution base rate increase filing should be approved, including those tariff changes included in and specifically identified in **Appendix G** attached hereto, subject to the terms and conditions of this Settlement specified below.

A. REVENUE REQUIREMENT

29. Rate Increase. Base rate revenue increase of $10,700,000 effective on one day's notice after entry of a Commission order.

B. REVENUE ALLOCATION AND RATE DESIGN

30. Billing Determinants. As per UGI Electric Exhibit E – Proof of Revenue and inclusive of detailed adjustments identified in UGI Electric Exhibit SAE-4.

31. Monthly Customer Charges. The customer charges shall be those proposed by the Company except as set forth below:

Rate R: $ 12.00

Rate GS-1: $25.00

Rate GS-5: $12.00

32. Revenue Allocation. The revenue increase shall be achieved via the allocation set forth in the spreadsheet attached hereto as **Appendix B**.

C. CUSTOMER ASSISTANCE/RELATIONS

33. Social Security Numbers. UGI Electric agrees to undertake a study that will identify the feasibility of ceasing use of customer social security numbers, any associated policy/system changes required and the cost thereof, and the timeline for implementation. UGI Electric agrees to provide the results of the study to the parties to this proceeding on or before October 1, 2027.

34. Expanded Arrearage Forgiveness Pilot Program.

a. Beginning on April 1, 2027, UGI Electric will implement an Expanded Arrearage Forgiveness Pilot Program that will remain in place through the effective date of rates established in its next base rate case. This program will be available to active customers with income levels of 151% to 300% of the Federal Poverty Income Guidelines ("FPIG"). UGI Electric will provide an eligible customer with the option of a 24-month payment plan on 50% of their current arrears. UGI Electric will require the customer to enroll in budget billing. Once enrolled, 50% of the arrears will be deferred (the "deferred balance”). For each in full payment that the customer makes on their budget bill plus their arrears payment arrangement amount, UGI Electric will forgive 1/24th of the customer’s deferred balance. Forgiveness dollars will be fully recoverable through the Company’s Rider F – Universal Service Program (“USP”). The Joint Petitioners agree that cost recovery for the expanded arrearage forgiveness program will be capped at a maximum of $0.90 on the average residential customer's monthly bill. Once the program reaches the cap, the Company will stop enrolling new customers in the Expanded Arrearage Forgiveness Pilot Program. The Company shall track the yearly balances and present a yearly accounting in the next base rate filing.

b. If a customer participating in the Expanded Arrearage Forgiveness Pilot Program defaults on their payment arrangement, they will be permitted to catch up all missed payments and earn forgiveness so long as they are a customer. UGI Electric will provide billing information consistent with the treatment of CAP customers that are past due, i.e., these customers will only see the past due amount on their arrangement/budget and not the total arrearage.

c. During the term of the Expanded Arrearage Forgiveness Pilot Program, a customer will only be able to participate in the pilot for one set of arrearages.

d. In its next base rate case, the Company will provide an analysis of the function of the Expanded Arrearage Forgiveness Pilot Program and propose whether it should continue or be terminated.

35. <u>Small Business Payment Arrangement Program</u>. UGI Electric’s Rate GS-1, GS-4, and GS-5 customers will be eligible to seek participation in the Company’s formal program for payment arrangements for Rate GS-1, GS-4, and GS-5 customers, as provided in the *pro forma*

tariff supplement attached as **Appendix G**. The formal program offers a standard six (6) month payment plan to payment-troubled Rate GS-1, GS-4, and GS-5 customers. A Rate GS-1, GS-4, and GS-5 customer with an existing payment plan shall not be eligible for a new payment plan until such time as the existing payment plan is paid in full.

36. Website Information. UGI Electric will include OSBA's and OCA's contact information and a description of their services on the Company's website. The Company will also include a link to the Pennsylvania Bar Association's free legal answers. The information should be included at a prominent location on the relevant customer service page of the website. In addition, on or before October 1, 2027, the Company will implement a more distinctive section of its website to provide a targeted set of information for electric service customers.

37. Victims of Domestic Violence. UGI Electric will update protections for victims of domestic violence to also accept a written certification from a domestic violence counselor/advocate. This information will be treated as non-public and confidential under the Company's confidentiality protocols for victims of domestic violence.

38. Security Deposit Refunds. UGI Electric will initiate a quarterly review of security deposits and refund all security deposits being held from accounts designated as income verified low income to the customer within 30 days.

a. UGI Electric will amend Tariff Rule 3.3 (f) to clarify that customers are exempt from security deposits once they "are confirmed to be eligible for the Company's Customer Assistance Program".

b. UGI Electric will modify its processes and procedures regarding the low-income exemption from deposits. UGI Electric will accept *any* information beyond information on income and household size that would "attest to" the household's eligibility for a state benefit that is consistent with CAP income requirements. The Company will meet in a collaborative within 90 days of a final order in this proceeding to discuss with interested parties how COMPASS information may be used to confirm low-income customer exemption from deposits.

39. Low Income Screening.

a. UGI Electric will inform all new and moving customers that UGI Electric has reduced billed rates for income eligible households. UGI Electric will inquire whether these customers would like to provide their income to learn if they qualify. If a customer wants more information, UGI Electric will provide additional information on the program and eligibility.

b. UGI Electric will ask all non-emergency callers at the outset of the call whether as part of the call they would like to hear information regarding customer programs that provide reduced billed rates for income eligible households.

c. UGI Electric customers identified as low income through these regular screening processes will be offered an opportunity to enroll in the Company's CAP at that time and, if they are not able to be enrolled shall be referred for enrollment in CAP and other universal service programs – as well as the Low Income Home Energy Assistance Program ("LIHEAP").

40. Reconnection Fees. Reconnection fees shall be waived for low-income customers, as provided in the *pro forma* tariff supplement attached as **Appendix G**.

41. Screening for Electric Resistance Space Heating. Within 90 days of the Commission's approval of this Settlement, UGI Electric shall conduct a territory-wide screening of residential customers to identify households with electric resistance space heating and, where

income and occupancy information is available, to identify customers with an annual electric energy burden of 6 percent or greater. The Company shall use available customer usage data, program participation data, customer surveys, home energy assessments, and other reasonably available information to identify qualifying dwellings. The Company shall not limit eligibility to customers previously enrolled in a UGI Electric universal-service program.

42. Field Conduct.

a. UGI Electric will develop a field training manual that sets forth the conditions that would require its field employees to not proceed with termination under the Commission's regulations at 52 Pa. Code § 56.94(1). UGI Electric will submit a draft of this field training manual to its USAC within 90 days of the date of entry of a final order approving this Settlement.

b. UGI Electric agrees that, beginning in the FPFTY, it will provide a dedicated reporting process for field workers to report customers identified as potentially being in distress or in need of assistance so that appropriate Company or community partners can conduct outreach. Beginning in the FPFTY and on an annual basis, UGI Electric will conduct mandatory training for all field employees to inform them of the program. The training will instruct employees on how to recognize observable indicators, including health concerns, confusion or disorientation, and unsafe home or equipment conditions, as well as the appropriate procedures for referring customers through the dedicated reporting process.

43. Targeted Customer Communications. UGI Electric will convene a collaborative of interested stakeholders, including the parties to this proceeding, to discuss the development of

customer communications regarding electric supply shopping within 60 days of the entry of an order approving the settlement.

44. Customer Service.

a. During the rate effective years UGI Electric will make efforts to maintain its call center performance at levels consistent with its average 2025-2026 (through May) performance as reported to the Commission. In working to maintain a quality level of service, UGI Electric will meet with the parties at least annually to discuss areas of challenge and the Company's plans to address the challenges.

b. UGI Electric has adopted internal performance and compliance-related performance indicators for its third party call contractors. UGI Electric will report on these performance indicators in the meetings identified in subpart (a) and will include them in the direct testimony in its next base rate proceeding.

45. Root Cause Analysis. UGI Electric shall develop and implement the findings of a Root Cause Analysis of customer complaints consistent with Paragraph 86 of the Commission-approved Settlement in the 2025 Gas Base Rate Case at Docket No. R-2024-3052716.

46. Targeted Reliability Improvements. The Company shall identify its worst-performing circuits annually and develop specific vegetation-management and other reliability-improvement plans for those circuits. In prioritizing such investments, the Company shall consider both reliability performance and the concentration of customers served by the circuit.

D. DSIC/REPORTING

47. DSIC Eligible Plant. As of the effective date of rates in this proceeding, UGI Electric will be eligible to include plant additions in the Distribution System Improvement Charge ("DSIC") at the later of (1) the end of the FPFTY, or (2) once the total Utility Plant account balance exceeds $353,968,000 as projected by UGI Electric at September 30, 2027 per UGI Electric

Exhibit A, Schedule C-1, line 1. The foregoing provision is included solely for purposes of calculating the DSIC and is not determinative for future ratemaking purposes of the projected additions to be included in rate base in a FPFTY filing.

48. DSIC Equity Return. For purposes of calculating its DSIC, UGI Electric shall use the equity return rate for electric utilities contained in the Commission's most recent Quarterly Report on the Earnings of Jurisdictional Utilities and shall update the equity return rate each quarter consistent with any changes to the equity return rate for electric utilities contained in the most recent Quarterly Earnings Report, consistent with 66 Pa. C.S. § 1357(b)(3), until such time as the DSIC is reset pursuant to the provisions of 66 Pa. C.S. § 1358(b)(1).

49. Test Year Plant Reporting. The Company shall submit an update to UGI Electric Exhibit A, Schedule C-2 no later than January 4, 2027, which will include actual capital expenditures, plant additions, and retirements by month from October 1, 2025 through September 30, 2026. An additional update for actuals from October 1, 2026 through September 30, 2027 shall be filed no later than January 3, 2028.

E. ACCOUNTING

50. ADIT/EDFIT. The Company's Accumulated Deferred Income Tax ("ADIT") and pro-rationing methodology as required by Treasury Regulation 1.167(l)-1(h)(6)(ii) is accepted. Further, the Company's method to amortize Excess Accumulated Deferred Federal Income Taxes ("EDFIT") according to the Average Rate Assumption Method ("ARAM") is accepted. Absent a change in federal or state law, regulation, judicial precedent or policy, the remaining unamortized EDFIT balance will continue as a reduction to rate base in all future proceedings until the full amount is returned to ratepayers.

51. Repairs Allowance. For purposes of determining the revenue requirement in this case, all capitalized repairs deductions claimed on a federal tax return have been normalized for

ratemaking purposes and the appropriate related amount of tax effect of those deductions has been reflected as Accumulated Deferred Income Taxes as a reduction to UGI Electric's rate base.

52. Depreciation Rates. For the Company's accounting purposes, UGI Electric's as-filed depreciation rates are accepted. The parties to this proceeding disagree about the appropriate depreciation method to be used by UGI Electric for ratemaking purposes, and this Settlement should not be construed as agreement to any party's methodology. All parties reserve their respective rights to address the depreciation methodology used for ratemaking purposes in any future base rate proceeding.

53. Rate Case Expense. The Company's revenue increase provided in this Settlement is reflective of a three-year normalization for ratemaking purposes and a three-year amortization for accounting purposes. The Company will not claim any unamortized amount in a future rate case and agrees that normalization (as opposed to amortization) is the proper treatment for ratemaking purposes.

54. IT Cost Capital Treatment. Approved as set forth in the direct testimony of Vivian K. Ressler, UGI Electric Statement No. 4, pages 9 - 10.

F. UNIVERSAL SERVICE COST RECOVERY

55. UGI Electric's proposal to assign universal service costs to Rate HTP on a negotiated basis is accepted as filed.

56. UGI Electric agrees to include a proposal for universal service and DSIC contributions each time it enters into contract negotiations with a Rate HTP customer beginning on the first day of the first month after the Commission enters an order approving the Settlement.

G. TARIFF CLEANUP

57. UGI Electric will modify its tariff language to clarify that the GS-5 class applies only to customers meeting certain specified public service criteria that have a contract for electric

service of one year or more. During FY27, UGI Electric will review all customer accounts taking service pursuant to GS-5 to determine whether customers are appropriately classified, and whether there is an executed contract for service consistent with the requirements of GS-5.

H. ARGO TRANSACTION

58. In the UGI Electric dockets at A-2026-3063610, A-2026-3063612, and A-2026-3063614, UGI Electric will not oppose a requirement that the purchaser of the Company be bound by the terms of this Settlement.

I. MISCELLANEOUS TERMS

59. Each term and condition set forth in this Settlement, whether or not set out in a numbered paragraph, shown in a table or other graphic presentation, bolded, italicized, or otherwise emphasized, or set forth in the body, a footnote, a parenthetical, an appendix, an exhibit, or otherwise, is material consideration to the entry into this Settlement by the Joint Petitioners.

60. Unless otherwise expressly indicated, all terms and conditions contained herein shall take effect upon the effective date of rates in this proceeding, without the need or requirement for additional Commission review or approval.

61. This Settlement is conditioned upon the Commission's approval of the terms and conditions contained herein without modification. If the Commission modifies the non-unanimous Settlement, then any Joint Petitioner may elect to withdraw from this Settlement and may proceed with litigation and, in such event, this Settlement shall be void and of no effect. Such election to withdraw must be made in writing, filed with the Secretary of the Commission and served upon all Joint Petitioners within five (5) business days after the entry of an order modifying the Partial Settlement. The Joint Petitioners acknowledge and agree that this Settlement, if approved, shall have the same force and effect as if the Joint Petitioners had fully litigated this proceeding and that the rates established hereunder are Commission-made, just and reasonable rates.

62. This Settlement is proposed by the Joint Petitioners to settle all the issues in the instant proceeding. If the Commission does not approve the Settlement and the proceedings continue to further hearings, the Joint Petitioners reserve their respective rights to present additional testimony and to conduct full cross-examination, briefing and argument. The Settlement is made without any admission against, or prejudice to, any position which any Joint Petitioner may adopt in the event of any subsequent litigation of this proceeding.

63. This Settlement may not be cited as precedent in any future proceeding, except to the extent required to implement this Settlement.

64. This Settlement is being presented only in the context of this proceeding in an effort to resolve the proceeding in a manner which is fair and reasonable. The Settlement is the product of compromise. This Settlement is presented without prejudice to any position which any of the Joint Petitioners may have advanced and without prejudice to the position any of the Joint Petitioners may advance in the future on the merits of the issues in future proceedings except to the extent necessary to effectuate the terms and conditions of this Settlement. This Settlement does not preclude the Joint Petitioners from taking other positions in proceedings of other public utilities under Section 1308 of the Public Utility Code, 66 Pa. C.S. § 1308, or any other proceeding, except as expressly stated in the terms of this Settlement.

65. If the ALJs adopt the Settlement without modification, the Joint Petitioners waive their rights to file Exceptions with regard to the Settlement; provided, however, that the Joint Petitioners would retain their rights to file Replies to Exceptions if any Exceptions are filed by other parties in this proceeding.

66. The Joint Petitioners' Statements in Support setting forth the bases upon which they believe the Settlement is fair, just, and reasonable and is, therefore, in the public interest are attached to this Settlement as **Appendices H-I**, respectively.

V. <u>CONCLUSION</u>

WHEREFORE, the Joint Petitioners respectfully request that Administrative Law Judge Steven K. Haas and Administrative Law Judge Chad L. Allensworth recommend approval approve of and that the Pennsylvania Public Utility Commission approve this Joint Petition for Approval of Non-Unanimous Settlement of All Issues in its entirety and without modification.

Respectfully submitted,

________________________________ Date: <u>September 10, 2026</u>

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Counsel for UGI Utilities, Inc. – Electric Division

/s/ Steven C. Gray   Date: September 10, 2026

Steven C. Gray, Esquire
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Harrisburg, PA 17101

Counsel for OSBA

Appendix A

Proof of Revenues

UGI Utilities, Inc. - Electric Division
Proof of Revenue Summary - Total Revenue as Settled

Effective on One Day's Notice after Commission Order								
Rate	Customers	Fixtures	Sales	Total Present Revenue	Proposed Revenue	Revenue Change	Percent Change from Present Revenue	Percent of Total Rate Increase
R	55,332		546,871,123	$ 109,152,238	$ 118,623,490	$ 9,471,252	8.7%	88.5%
GS-1	5,328		25,191,069	$ 5,113,776	$ 5,788,806	$ 675,030	13.2%	6.3%
GS-4	2,302		121,099,511	$ 13,972,594	$ 14,173,183	$ 200,589	1.4%	1.9%
GS-5	55		972,372	$ 144,285	$ 161,573	$ 17,287	12.0%	0.2%
FCP	7		652,506	$ 20,616	$ 22,802	$ 2,186	10.6%	0.0%
Lighting		9,255	6,645,442	$ 1,823,084	$ 1,894,356	$ 71,272	3.9%	0.7%
LP	206		275,509,381	$ 13,858,102	$ 14,124,165	$ 266,063	1.9%	2.5%
Total - Rate Class	**63,230**		**976,941,405**	**$ 144,084,694**	**$ 154,788,374**	**$ 10,703,680**	**7.4%**	
Other Operating Revenue				$ 1,305,000	$ 1,305,000	$ -		
Total Revenue				**$ 145,389,694**	**$ 156,093,374**	**$ 10,703,680**	**7.4%**	

UGI Utilities, Inc. - Electric Division
Residential Service - Rate Schedule R
Calculation of the Effect of Proposed Rates as Settled

Effective on One Day's Notice after Commission Order								
Description	Number of Bills (1)	Pro Forma Consumption kWh (2)	Current Rate (3)	Current Revenue (4)	Settled Rate (5)	Settled Revenue (6)	Settled Revenue Change (7)	% Change (8)
Customer Charge	663,984		$ 10.75	$ 7,137,828	$ 12.00	$ 7,967,808	$ 829,980	
Distribution Charge		546,871,123	$ 0.05290	$ 28,929,482	$ 0.07296	$ 39,899,717	$ 10,970,235	
State Tax Adjustment Surcharge (STAS) - Rider A			0.02%	$ 21,826	0.00%	$ -	$ (21,826)	
Generation Supply Rate (GSR) - Rider B		541,259,042	$ 0.11211	$ 60,680,551	$ 0.11211	$ 60,680,551	$ -	
Universal Service Program (USP) - Rider C		486,379,928	$ 0.01868	$ 9,085,577	$ 0.01868	$ 9,085,577	$ -	
Energy Efficiency & Conservation Rider (EEC) - Rider E		546,871,123	$ 0.00181	$ 989,837	$ 0.00181	$ 989,837	$ -	
Distribution System Improvement Charge (DSIC) - Rider G			5.00%	$ 2,307,136	0.00%	$ -	$ (2,307,136)	
Total - Rate R	**663,984**	**546,871,123**		**$ 109,152,238**		**$ 118,623,490**	**$ 9,471,252**	**8.7%**
Choice Power Supply		*5,612,081*	*$ 0.11211*	*$ 629,170*	*$ 0.11211*	*$ 629,170*	*$ -*	
Total - Rate R (including Choice Power Supply)	**663,984**	**546,871,123**		**$ 109,781,408**		**$ 119,252,661**	**$ 9,471,252**	**8.6%**

UGI Utilities, Inc. - Electric Division
General Service - Rate Schedule GS-1 - General Service Customers
Demand under 5 kW
Calculation of the Effect of Proposed Rates as Settled

Description	Number of Bills (1)	Pro Forma Consumption kWh (2)	Current Rate (3)	Current Revenue (4)	Settled Rate (5)	Settled Revenue (6)	Settled Revenue Change (7)	% Change (8)
Effective on One Day's Notice after Commission Order								
Customer Charge	63,936		$ 17.00	$ 1,086,912	$ 25.00	$ 1,598,400	$ 511,488	
Distribution Charge		25,191,069	$ 0.05987	$ 1,508,189	$ 0.07167	$ 1,805,444	$ 297,255	
State Tax Adjustment Surcharge (STAS) - Rider A			0.02%	$ 1,023	0.00%	$ -	$ (1,023)	
Generation Supply Rate (GSR) - Rider B		21,623,599	$ 0.10758	$ 2,326,267	$ 0.10758	$ 2,326,267	$ -	
Energy Efficiency & Conservation Rider (EEC) - Rider E		25,191,069	$ 0.00233	$ 58,695	$ 0.00233	$ 58,695	$ -	
Distribution System Improvement Charge (DSIC) - Rider G			5.00%	$ 132,690	0.00%	$ -	$ (132,690)	
Total - GS-1	**63,936**	**25,191,069**		**$ 5,113,776**		**$ 5,788,806**	**$ 675,030**	**13.2%**
Choice Power Supply		*3,567,471*	*$ 0.10758*	*$ 383,789*	*$ 0.10758*	*$ 383,789*	*$ -*	
Total - GS-1 (including Choice Power Supply)	**63,936**	**25,191,069**		**$ 5,497,564**		**$ 6,172,594**	**$ 675,030**	**12.3%**

UGI Utilities, Inc. - Electric Division
General Service - Rate Schedule GS-4 - General Service Customers
Demand over 5 kW
Calculation of the Effect of Proposed Rates as Settled

Effective on One Day's Notice after Commission Order									
Description		Number of Bills (1)	Pro Forma Consumption kWh (2)	Current Rate (3)	Current Revenue (4)	Settled Rate (5)	Settled Revenue (6)	Settled Revenue Change (7)	% Change (8)
Customer Charge		27,624		$ 18.00	$ 497,232	$ 45.00	$ 1,243,080	$ 745,848	
Distribution Charges	1/								
First 200 hours of demand			79,479,008	$ 0.03399	$ 2,701,491	$ 0.02531	$ 2,011,614	$ (689,878)	
Next 300 hours of demand			39,585,399	$ 0.02142	$ 847,919	$ 0.02531	$ 1,001,906	$ 153,987	
All over 500 hours of demand			2,035,105	$ 0.01785	$ 36,327	$ 0.02531	$ 51,509	$ 15,182	
Total Distribution			121,099,511		$ 3,585,737		$ 3,065,029	$ (520,709)	
Demand Charges	1/								
First 20 kW			321,235	$ 3.59000	$ 1,153,233	$ 3.75000	$ 1,204,631	$ 51,398	
Over 20 kW			140,809	$ 2.20000	$ 309,779	$ 3.75000	$ 528,032	$ 218,253	
Total Demand			462,043		$ 1,463,012		$ 1,732,663	$ 269,651	
State Tax Adjustment Surcharge (STAS) - Rider A				0.02%	$ 2,794	0.00%	$ -	$ (2,794)	
Generation Supply Rate (GSR) - Rider B			85,390,671	$ 0.09193	$ 7,850,250	$ 0.09193	$ 7,850,250	$ -	
Energy Efficiency & Conservation Rider (EEC) - Rider E			121,099,511	$ 0.00233	$ 282,162	$ 0.00233	$ 282,162	$ -	
Distribution System Improvement Charge (DSIC) - Rider G				5.00%	$ 291,407	0.00%	$ -	$ (291,407)	
Total - GS-4		**27,624**	**121,099,511**		**$ 13,972,594**		**$ 14,173,183**	**$ 200,589**	**1.4%**
Choice Power Supply			*35,708,840*	*$ 0.09193*	*$ 3,282,833*	*$ 0.09193*	*$ 3,282,833*	*$ -*	
Total - GS-4 (including Choice Power Supply)		**27,624**	**121,099,511**		**$ 17,255,427**		**$ 17,456,016**	**$ 200,589**	**1.2%**

1/ The blocked distribution and demand charges are eliminated in the settlement rate structure. However, for the purpose of continuity of the proof of revenue, the Company has maintained the existing blocks and associated consumption data.

UGI Utilities, Inc. - Electric Division
General Service - Rate Schedule GS-5 - General Service Customers
Volunteer Fire Company and Non-Profit Senior Citizen Center, Rescue Squad and Ambulance Service
Calculation of the Effect of Proposed Rates

Effective on One Day's Notice after Commission Order								
Description	Number of Bills (1)	Pro Forma Consumption kWh (2)	Current Rate (3)	Current Revenue (4)	Settled Rate (5)	Settled Revenue (6)	Settled Revenue Change (7)	% Change (8)
Customer Charge	660		$ 10.75	$ 7,095	$ 12.00	$ 7,920	$ 825	
Distribution Charges		972,372	$ 0.05290	$ 51,438	$ 0.07296	$ 70,944	$ 19,506	
State Tax Adjustment Surcharge (STAS) - Rider A			0.02%	$ 29	0.00%	$ -	$ (29)	
Generation Supply Rate (GSR) - Rider B		752,447	$ 0.10758	$ 80,948	$ 0.10758	$ 80,948	$ -	
Energy Efficiency & Conservation Rider (EEC) - Rider E		972,372	$ 0.00181	$ 1,760	$ 0.00181	$ 1,760	$ -	
Distribution System Improvement Charge (DSIC) - Rider G			5.00%	$ 3,015	0.00%	$ -	$ (3,015)	
Total - GS-5	**660**	**972,372**		**$ 144,285**		**$ 161,573**	**$ 17,287**	**12.0%**
Choice Power Supply		*219,925*	*$ 0.10758*	*$ 23,660*	*$ 0.10758*	*$ 23,660*	*$ -*	
Total - GS-5 (including Choice Power Supply)	**660**	**972,372**		**$ 167,945**		**$ 185,232**	**$ 17,287**	**10.3%**

UGI Utilities, Inc. - Electric Division
Flood Control Power Service - Rate Schedule FCP
Calculation of the Effect of Proposed Rates as Settled

Effective on One Day's Notice after Commission Order								
Description	Number of Bills (1)	Pro Forma Consumption kWh (2)	Current Rate (3)	Current Revenue (4)	Settled Rate (5)	Settled Revenue (6)	Settled Revenue Change (7)	% Change (8)
Distribution Charges								
Rate FCP								
1st 100 kWh		84	$ 6.03000	$ 507	$ 13.50000	$ 1,134	$ 627	
Over 100 kWh		644,106	$ 0.02733	$ 17,603	$ 0.03128	$ 20,148	$ 2,544	
Total Rate FCP		652,506		$ 18,110		$ 21,282	$ 3,172	
State Tax Adjustment Surcharge (STAS) - Rider A			0.02%	$ 4	0.00%	$ -	$ (4)	
Generation Supply Rate (GSR) - Rider B		-	$ 0.10758	$ -	$ 0.10758	$ -	$ -	
Energy Efficiency & Conservation Rider (EEC) - Rider E		652,506	$ 0.00233	$ 1,520	$ 0.00233	$ 1,520	$ -	
Distribution System Improvement Charge (DSIC) - Rider G			5.00%	$ 982	0.00%	$ -	$ (982)	
Total - FCP	**84**	**652,506**		**$ 20,616**		**$ 22,802**	**$ 2,186**	**10.6%**
Choice Power Supply		*652,506*	*$ 0.10758*	*$ 70,197*	*$ 0.10758*	*$ 70,197*		
Total - FCP (including Choice Power Supply)	**84**	**652,506**		**$ 90,813**		**$ 92,999**	**$ 2,186**	**2.4%**

UGI Utilities, Inc. - Electric Division
Large Power Service - Rate Schedule LP
Calculation of the Effect of Proposed Rates as Settled

Effective on One Day's Notice after Commission Order								
Description	Number of Bills (1)	Pro Forma Consumption kWh (2)	Current Rate (3)	Current Revenue (4)	Settled Rate (5)	Settled Revenue (6)	Settled Revenue Change (7)	% Change (8)
Customer Charge	2,472		$ 135.80	$ 335,698	$ 150.00	$ 370,800	$ 35,102	
Distribution Charges								
First 100 hours of demand		74,043,146	$ 0.02506	$ 1,855,521	$ 0.01101	$ 815,215	$ (1,040,306)	
Next 200 hours of demand		112,338,950	$ 0.01809	$ 2,032,212	$ 0.01101	$ 1,236,852	$ (795,360)	
Next 200 hours of demand		59,165,640	$ 0.01656	$ 979,783	$ 0.01101	$ 651,414	$ (328,369)	
All over 500 hours of demand		29,961,645	$ 0.01555	$ 465,904	$ 0.01101	$ 329,878	$ (136,026)	
Total Distribution		275,509,381		$ 5,333,419		$ 3,033,358	$ (2,300,061)	
Demand Charges								
First 100 kW		247,200	$ -	$ -	$ 2.50	$ 618,000	$ 618,000	
Next 400 kW		346,529	$ 0.94000	$ 325,737	$ 5.00	$ 1,732,644	$ 1,406,907	
Over 500 kW		190,093	$ 0.69000	$ 131,164	$ 5.00	$ 950,466	$ 819,301	
Total Demand		783,822		$ 456,901		$ 3,301,110	$ 2,844,208	
Power Factor & Secondary Service Charges				$ 43,732		$ 43,732	$ -	
State Tax Adjustment Surcharge (STAS) - Rider A			0.02%	$ 2,771	0.00%	$ -	$ (2,771)	
Generation Supply Rate (GSR) - Rider B		99,202,897	$ 0.07396	$ 7,336,593	$ 0.07396	$ 7,336,593	$ -	
Energy Efficiency & Conservation Rider (EEC) - Rider E		275,509,381	$ 0.00014	$ 38,571	$ 0.00014	$ 38,571	$ -	
Distribution System Improvement Charge (DSIC) - Rider G			5.00%	$ 310,416	0.00%	$ -	$ (310,416)	
Total - LP	**2,472**	**275,509,381**		**$ 13,858,102**		**$ 14,124,165**	**$ 266,063**	**1.9%**
Choice Power Supply		*176,306,485*	*$ 0.07396*	*$ 13,038,822*	*$ 0.07396*	*$ 13,038,822*	*$ -*	
Total - LP (including Choice Power Supply)	**2,472**	**275,509,381**		**$ 26,896,924**		**$ 27,162,987**	**$ 266,063**	**1.0%**

1/ The blocked distribution charges are eliminated in the settlement rate structure. However, for the purpose of continuity of the proof of revenue, the Company has maintained the existing blocks and associated consumption data.

UGI Utilities, Inc. - Electric Division
Outdoor Lighting Service - Rate Schedule OL - Residential
Calculation of the Effect of Proposed Rates as Settled

Effective on One Day's Notice after Commission Order								
Description	Number of Fixture Charges (1)	Pro Forma Consumption kWh (2)	Current Rate (3)	Current Revenue (4)	Settled Rate (5)	Settled Revenue (6)	Settled Revenue Change (7)	% Change (8)
Fixture Charge								
Flood Lighting								
11,000 Lumen	12		$ 7.20	$ 86	$ 7.20	$ 86	$ -	
20,000 Lumen	-		$ 8.05	$ -	$ 8.05	$ -	$ -	
60,000 Lumen	-		$ 8.24	$ -	$ 8.24	$ -	$ -	
Street Lighting								
7,000 Lumen	4,308		$ 4.54	$ 19,558	$ 4.54	$ 19,558	$ -	
11,000 Lumen	12		$ 7.20	$ 86	$ 7.20	$ 86	$ -	
20,000 Lumen	12		$ 8.05	$ 97	$ 8.05	$ 97	$ -	
60,000 Lumen	-		$ 8.24	$ -	$ 8.24	$ -	$ -	
Total Fixture Charges	4,344			$ 19,828		$ 19,828	$ -	
Distribution Charges								
Flood Lighting								
11,000 Lumen		1,160	$ 0.04812	$ 56	$ 0.06630	$ 77	$ 21	
20,000 Lumen		-	$ 0.04812	$ -	$ 0.06630	$ -	$ -	
60,000 Lumen		-	$ 0.04812	$ -	$ 0.06630	$ -	$ -	
Street Lighting		-						
7,000 Lumen		291,564	$ 0.04812	$ 14,030	$ 0.06630	$ 19,331	$ 5,301	
11,000 Lumen		1,160	$ 0.04812	$ 56	$ 0.06630	$ 77	$ 21	
20,000 Lumen		1,771	$ 0.04812	$ 85	$ 0.06630	$ 117	$ 32	
60,000 Lumen		-	$ 0.04812	$ -	$ 0.06630	$ -	$ -	
Total Distribution Charges		295,656		$ 14,227		$ 19,602	$ 5,375	
State Tax Adjustment Surcharge (STAS) - Rider A			0.02%	$ 13.80	0.00%	$ -	$ (14)	
Generation Supply Rate (GSR) - Rider B		291,595	$ 0.11211	$ 32,691	$ 0.11211	$ 32,691	$ -	
Energy Efficiency & Conservation Rider (EEC) - Rider E		295,656	$ 0.00181	$ 535	$ 0.00181	$ 535	$ -	
Distribution System Improvement Charge (DSIC) - Rider G			5.00%	$ 1,729	0.00%	$ -	$ (1,729)	
Total - OL - R	**4,344**	**295,656**		**$ 69,024**		**$ 72,656**	**$ 3,632**	**5.3%**
Choice Power Supply		*4,061*	*$ 0.11211*	*$ 455*	*$ 0.11211*	*$ 455*	*$ -*	
Total - OL - R (including Choice Power Supply)	**4,344**	**295,656**		**$ 69,479**		**$ 73,111**	**$ 3,632**	**5.2%**

UGI Utilities, Inc. - Electric Division
Outdoor Lighting Service - Rate Schedule OL - Commercial/Industrial
Calculation of the Effect of Proposed Rates as Settled

Description	Number of Fixture Charges (1)	Pro Forma Consumption kWh (2)	Current Rate (3)	Current Revenue (4)	Settled Rate (5)	Settled Revenue (6)	Settled Revenue Change (7)	% Change (8)
Effective on One Day's Notice after Commission Order								
Fixture Charge								
Flood Lighting								
11,000 Lumen	60		$ 6.79	$ 407	$ 6.79	$ 407	$ -	
20,000 Lumen	120		$ 7.43	$ 892	$ 7.43	$ 892	$ -	
60,000 Lumen	-		$ 6.69	$ -	$ 6.69	$ -	$ -	
Street Lighting								
7,000 Lumen	2,484		$ 4.26	$ 10,582	$ 4.26	$ 10,582	$ -	
11,000 Lumen	36		$ 6.79	$ 244	$ 6.79	$ 244	$ -	
20,000 Lumen	132		$ 7.43	$ 981	$ 7.43	$ 981	$ -	
60,000 Lumen	12		$ 6.69	$ 80	$ 6.69	$ 80	$ -	
Total Fixture Charges	2,844			$ 13,186		$ 13,186	$ -	
Distribution Charges								
Flood Lighting								
11,000 Lumen		5,801	$ 0.05626	$ 326	$ 0.07753	$ 450	$ 123	
20,000 Lumen		17,714	$ 0.05626	$ 997	$ 0.07753	$ 1,373	$ 377	
60,000 Lumen		-	$ 0.05626	$ -	$ 0.07753	$ -	$ -	
Street Lighting								
7,000 Lumen		168,116	$ 0.05626	$ 9,458	$ 0.07753	$ 13,034	$ 3,576	
11,000 Lumen		3,481	$ 0.05626	$ 196	$ 0.07753	$ 270	$ 74	
20,000 Lumen		19,486	$ 0.05626	$ 1,096	$ 0.07753	$ 1,511	$ 414	
60,000 Lumen		4,462	$ 0.05626	$ 251	$ 0.07753	$ 346	$ 95	
Total Distribution Charges		219,061		$ 12,324		$ 16,984	$ 4,659	
State Tax Adjustment Surcharge (STAS) - Rider A			0.02%	$ 10	0.00%	$ -	$ (10)	
Generation Supply Rate (GSR) - Rider B		203,893	$ 0.10758	$ 21,935	$ 0.10758	$ 21,935	$ -	
Energy Efficiency & Conservation Rider (EEC) - Rider E		219,061	$ 0.00233	$ 510	$ 0.00233	$ 510	$ -	
Distribution System Improvement Charge (DSIC) - Rider G			5.00%	$ 1,301	0.00%	$ -	$ (1,301)	
Total - OL - C/I	**2,844**	**219,061**		**$ 49,267**		**$ 52,615**	**$ 3,349**	**6.8%**
Choice Power Supply		*15,168*	*$ 0.10758*	*$ 1,632*	*$ 0.10758*	*$ 1,632*	*$ -*	
Total - OL - C/I (including Choice Power Supply)	**2,844**	**219,061**		**$ 50,899**		**$ 54,247**	**$ 3,349**	**6.6%**

UGI Utilities, Inc. - Electric Division
Sodium Outdoor Lighting Service - Rate Schedule SOL - Residential
Calculation of the Effect of Proposed Rates as Settled

Description	Number of Fixture Charges (1)	Pro Forma Consumption kWh (2)	Current Rate (3)	Current Revenue (4)	Settled Rate (5)	Settled Revenue (6)	Settled Revenue Change (7)	% Change (8)
Effective on One Day's Notice after Commission Order								
Fixture Charge								
Flood Lighting								
16,000 Lumen	228		$ 7.96	$ 1,815	$ 7.96	$ 1,815	$ -	
25,000 Lumen	24		$ 8.35	$ 200	$ 8.35	$ 200	$ -	
50,000 Lumen	12		$ 10.42	$ 125	$ 10.42	$ 125	$ -	
Street Lighting								
9,500 Lumen	2,124		$ 7.87	$ 16,716	$ 7.87	$ 16,716	$ -	
16,000 Lumen	156		$ 7.96	$ 1,242	$ 7.96	$ 1,242	$ -	
25,000 Lumen	-		$ 8.35	$ -	$ 8.35	$ -	$ -	
50,000 Lumen	-		$ 10.42	$ -	$ 10.42	$ -	$ -	
Total Fixture Charges	2,544			$ 20,098		$ 20,098	$ -	
Distribution Charges								
Flood Lighting								
16,000 Lumen		16,210	$ 0.04812	$ 780	$ 0.06630	$ 1,075	$ 295	
25,000 Lumen		2,616	$ 0.04812	$ 126	$ 0.06630	$ 173	$ 48	
50,000 Lumen		2,015	$ 0.04812	$ 97	$ 0.06630	$ 134	$ 37	
Street Lighting								
9,500 Lumen		106,431	$ 0.04812	$ 5,121	$ 0.06630	$ 7,056	$ 1,935	
16,000 Lumen		11,091	$ 0.04812	$ 534	$ 0.06630	$ 735	$ 202	
25,000 Lumen		-	$ 0.04812	$ -	$ 0.06630	$ -	$ -	
50,000 Lumen		-	$ 0.04812	$ -	$ 0.06630	$ -	$ -	
Total Distribution Charges		138,362		$ 6,658		$ 9,173	$ 2,515	
State Tax Adjustment Surcharge (STAS) - Rider A			0.02%	$ 9	0.00%	$ -	$ (9)	
Generation Supply Rate (GSR) - Rider B		136,908	$ 0.11211	$ 15,349	$ 0.11211	$ 15,349	$ -	
Energy Efficiency & Conservation Rider (EEC) - Rider E		138,362	$ 0.00181	$ 250	$ 0.00181	$ 250	$ -	
Distribution System Improvement Charge (DSIC) - Rider G		138,362	5.00%	$ 1,350	0.00%	$ -	$ (1,350)	
Total - SOL - R	**2,544**	**138,362**		**$ 43,714**		**$ 44,871**	**$ 1,156**	**2.6%**
Choice Power Supply		*1,454*	*$ 0.11211*	*$ 163*	*$ 0.11211*	*$ 163*	*$ -*	
Total - SOL - R (including Choice Power Supply)	**2,544**	**138,362**		**$ 43,877**		**$ 45,034**	**$ 1,156**	**2.6%**

UGI Utilities, Inc. - Electric Division
Sodium Outdoor Lighting Service - Rate Schedule SOL - Commercial/Industrial
Calculation of the Effect of Proposed Rates as Settled

Effective on One Day's Notice after Commission Order									
Description		Number of Fixture Charges (1)	Pro Forma Consumption kWh (2)	Current Rate (3)	Current Revenue (4)	Settled Rate (5)	Settled Revenue (6)	Settled Revenue Change (7)	% Change (8)
Fixture Charge									
Flood Lighting									
16,000 Lumen		1,896		$ 7.65	$ 14,504	$ 7.65	$ 14,504	$ -	
25,000 Lumen		2,664		$ 7.88	$ 20,992	$ 7.88	$ 20,992	$ -	
50,000 Lumen		2,124		$ 9.72	$ 20,645	$ 9.72	$ 20,645	$ -	
Street Lighting									
9,500 Lumen		2,460		$ 7.66	$ 18,844	$ 7.66	$ 18,844	$ -	
16,000 Lumen		816		$ 7.65	$ 6,242	$ 7.65	$ 6,242	$ -	
25,000 Lumen		396		$ 7.88	$ 3,120	$ 7.88	$ 3,120	$ -	
50,000 Lumen		108		$ 9.72	$ 1,050	$ 9.72	$ 1,050	$ -	
Total Fixture Charges		10,464			$ 85,398		$ 85,398	$ -	
Distribution Charges									
Flood Lighting									
16,000 Lumen			134,795	$ 0.05626	$ 7,584	$ 0.07753	$ 10,451	$ 2,867	
25,000 Lumen			290,360	$ 0.05626	$ 16,336	$ 0.07753	$ 22,512	$ 6,176	
50,000 Lumen			356,614	$ 0.05626	$ 20,063	$ 0.07753	$ 27,648	$ 7,585	
Street Lighting									
9,500 Lumen			123,268	$ 0.05626	$ 6,935	$ 0.07753	$ 9,557	$ 2,622	
16,000 Lumen			58,013	$ 0.05626	$ 3,264	$ 0.07753	$ 4,498	$ 1,234	
25,000 Lumen			43,162	$ 0.05626	$ 2,428	$ 0.07753	$ 3,346	$ 918	
50,000 Lumen			18,133	$ 0.05626	$ 1,020	$ 0.07753	$ 1,406	$ 386	
Total Distribution Charges			1,024,345		$ 57,630		$ 79,417	$ 21,788	
State Tax Adjustment Surcharge (STAS) - Rider A				0.02%	$ 48	0.00%	$ -	$ (48)	
Generation Supply Rate (GSR) - Rider B	1/		813,267	$ 0.10758	$ 87,491	$ 0.10758	$ 87,491	$ -	
Energy Efficiency & Conservation Rider (EEC) - Rider E	2/		1,024,345	$ 0.00233	$ 2,387	$ 0.00233	$ 2,387	$ -	
Distribution System Improvement Charge (DSIC) - Rider G	2/			5.00%	$ 7,271	0.00%	$ -	$ (7,271)	
Total - SOL - C/I		**10,464**	**1,024,345**		**$ 240,225**		**$ 254,694**	**$ 14,469**	**6.0%**
Choice Power Supply			*211,078*	*$ 0.10758*	*$ 22,708*	*$ 0.10758*	*$ 22,708*	*$ -*	
Total - SOL - C/I (including Choice Power Supply)		**10,464**	**1,024,345**		**$ 262,932**		**$ 277,401**	**$ 14,469**	**5.5%**

UGI Utilities, Inc. - Electric Division
Metal Halide Outdoor Lighting Service - Rate Schedule MHOL - Residential
Calculation of the Effect of Proposed Rates as Settled

Effective on One Day's Notice after Commission Order								
Description	Number of Fixture Charges (1)	Pro Forma Consumption kWh (2)	Current Rate (3)	Current Revenue (4)	Settled Rate (5)	Settled Revenue (6)	Settled Revenue Change (7)	% Change (8)
Fixture Charge								
Flood Lighting								
20,500 Lumen	72		$ 9.05	$ 652	$ 9.05	$ 652	$ -	
36,000 Lumen	216		$ 9.20	$ 1,987	$ 9.20	$ 1,987	$ -	
110,000 Lumen	96		$ 16.11	$ 1,547	$ 16.11	$ 1,547	$ -	
Street Lighting								
9,000 Lumen	1,080		$ 8.07	$ 8,716	$ 8.07	$ 8,716	$ -	
12,900 Lumen	48		$ 6.83	$ 328	$ 6.83	$ 328	$ -	
13,000 Lumen	-		$ 6.36	$ -	$ 6.36	$ -	$ -	
20,500 Lumen	12		$ 9.05	$ 109	$ 9.05	$ 109	$ -	
36,000 Lumen	-		$ 9.20	$ -	$ 9.20	$ -	$ -	
Total Fixture Charges	1,524			$ 13,337		$ 13,337	$ -	
Distribution Charges								
Flood Lighting								
20,500 Lumen		14,331	$ 0.04812	$ 690	$ 0.06630	$ 950	$ 261	
36,000 Lumen		25,591	$ 0.04812	$ 1,231	$ 0.06630	$ 1,697	$ 465	
110,000 Lumen		35,095	$ 0.04812	$ 1,689	$ 0.06630	$ 2,327	$ 638	
Street Lighting								
9,000 Lumen		54,091	$ 0.04812	$ 2,603	$ 0.06630	$ 3,586	$ 983	
12,900 Lumen		3,087	$ 0.04812	$ 149	$ 0.06630	$ 205	$ 56	
13,000 Lumen		-	$ 0.04812	$ -	$ 0.06630	$ -	$ -	
20,500 Lumen		1,170	$ 0.04812	$ 56	$ 0.06630	$ 78	$ 21	
36,000 Lumen		-	$ 0.04812	$ -	$ 0.06630	$ -	$ -	
Total Distribution Charges		133,365		$ 6,418		$ 8,842	$ 2,425	
State Tax Adjustment Surcharge (STAS) - Rider A			0.02%	$ 6	0.00%	$ -	$ (6)	
Generation Supply Rate (GSR) - Rider B		74,329	$ 0.11211	$ 8,333	$ 0.11211	$ 8,333	$ -	
Energy Efficiency & Conservation Rider (EEC) - Rider E		133,365	$ 0.00181	$ 241	$ 0.00181	$ 241	$ -	
Distribution System Improvement Charge (DSIC) - Rider G			5.00%	$ 1,000	0.00%	$ -	$ (1,000)	
Total - MHOL - R	**1,524**	**133,365**		**$ 29,335**		**$ 30,754**	**$ 1,419**	**4.8%**
Choice Power Supply		*59,036*	*$ 0.11211*	*$ 6,619*	*$ 0.11211*	*$ 6,619*	*$ -*	
Total - MHOL - R (including Choice Power Supply)	**1,524**	**133,365**		**$ 35,954**		**$ 37,372**	**$ 1,419**	**3.9%**

UGI Utilities, Inc. - Electric Division
Metal Halide Outdoor Lighting Service - Rate Schedule MHOL - Commercial/Industrial
Calculation of the Effect of Proposed Rates as Settled

Description	Number of Fixture Charges (1)	Pro Forma Consumption kWh (2)	Current Rate (3)	Current Revenue (4)	Settled Rate (5)	Settled Revenue (6)	Settled Revenue Change (7)	% Change (8)
Effective on One Day's Notice after Commission Order								
Fixture Charge								
Flood Lighting								
20,500 Lumen	576		$ 8.65	$ 4,982	$ 8.65	$ 4,982	$ -	
36,000 Lumen	1,968		$ 8.57	$ 16,866	$ 8.57	$ 16,866	$ -	
110,000 Lumen	288		$ 14.58	$ 4,199	$ 14.58	$ 4,199	$ -	
Street Lighting								
9,000 Lumen	456		$ 7.86	$ 3,584	$ 7.86	$ 3,584	$ -	
12,900 Lumen	108		$ 6.57	$ 710	$ 6.57	$ 710	$ -	
13,000 Lumen	432		$ 6.07	$ 2,622	$ 6.07	$ 2,622	$ -	
20,500 Lumen	120		$ 8.65	$ 1,038	$ 8.65	$ 1,038	$ -	
36,000 Lumen	276		$ 8.57	$ 2,365	$ 8.57	$ 2,365	$ -	
Total Fixture Charges	4,224			$ 36,366		$ 36,366	$ -	
Distribution Charges								
Flood Lighting								
20,500 Lumen		56,151	$ 0.05626	$ 3,159	$ 0.07753	$ 4,353	$ 1,194	
36,000 Lumen		299,125	$ 0.05626	$ 16,829	$ 0.07753	$ 23,191	$ 6,362	
110,000 Lumen		105,286	$ 0.05626	$ 5,923	$ 0.07753	$ 8,163	$ 2,239	
Street Lighting								
9,000 Lumen		22,838	$ 0.05626	$ 1,285	$ 0.07753	$ 1,771	$ 486	
12,900 Lumen		6,946	$ 0.05626	$ 391	$ 0.07753	$ 539	$ 148	
13,000 Lumen		30,124	$ 0.05626	$ 1,695	$ 0.07753	$ 2,335	$ 641	
20,500 Lumen		11,698	$ 0.05626	$ 658	$ 0.07753	$ 907	$ 249	
36,000 Lumen		42,043	$ 0.05626	$ 2,365	$ 0.07753	$ 3,260	$ 894	
Total Distribution Charges		574,210		$ 32,305		$ 44,519	$ 12,213	
State Tax Adjustment Surcharge (STAS) - Rider A			0.02%	$ 26	0.00%	$ -	$ (26)	
Generation Supply Rate (GSR) - Rider B		518,089	$ 0.10758	$ 55,736	$ 0.10758	$ 55,736	$ -	
Energy Efficiency & Conservation Rider (EEC) - Rider E		574,210	$ 0.00233	$ 1,338	$ 0.0023	$ 1,338	$ -	
Distribution System Improvement Charge (DSIC) - Rider G			5.00%	$ 3,500	0.00%	$ -	$ (3,500)	
Total - MHOL - C/I	**4,224**	**574,210**		**$ 129,272**		**$ 137,959**	**$ 8,687**	**6.7%**
Choice Power Supply		*56,121*	*$ 0.10758*	*$ 6,038*	*$ 0.10758*	*$ 6,038*	*$ -*	
Total - MHOL - C/I (including Choice Power Supply)	**4,224**	**574,210**		**$ 135,309**		**$ 143,996**	**$ 8,687**	**6.4%**

UGI Utilities, Inc. - Electric Division
Light Emitting Diode Outdoor Lighting Service - Rate Schedule LED-OL - Residential
Calculation of the Effect of Proposed Rates as Settled

Effective on One Day's Notice after Commission Order								
Description	Number of Fixture Charges (1)	Pro Forma Consumption kWh (2)	Current Rate (3)	Current Revenue (4)	Settled Rate (5)	Settled Revenue (6)	Settled Revenue Change (7)	% Change (8)
Fixture Charge								
Flood Lighting								
85-100 Watts	120		$ 15.42	$ 1,850	$ 15.42	$ 1,850	$ -	
170-210 Watts	60		$ 22.64	$ 1,358	$ 22.64	$ 1,358	$ -	
250-280 Watts	60		$ 26.08	$ 1,565	$ 26.08	$ 1,565	$ -	
Street Lighting								
50-60 Watts	3,504		$ 10.29	$ 36,056	$ 10.29	$ 36,056	$ -	
100-110 Watts	72		$ 12.16	$ 876	$ 12.16	$ 876	$ -	
140-160 Watts	24		$ 14.00	$ 336	$ 14.00	$ 336	$ -	
250-280 Watts	24		$ 21.25	$ 510	$ 21.25	$ 510	$ -	
Standard Decorative Lighting								
60-80 Watts	84		$ 11.77	$ 989	$ 11.77	$ 989	$ -	
Total Fixture Charges	3,948			$ 43,540		$ 43,540	$ -	
Distribution Charges								
Flood Lighting								
85-100 Watts		3,760	$ 0.04812	$ 181	$ 0.06630	$ 249	$ 68	
170-210 Watts		3,860	$ 0.04812	$ 186	$ 0.06630	$ 256	$ 70	
250-280 Watts		5,385	$ 0.04812	$ 259	$ 0.06630	$ 357	$ 98	
Street Lighting								
50-60 Watts		65,299	$ 0.04812	$ 3,142	$ 0.06630	$ 4,329	$ 1,187	
100-110 Watts		2,562	$ 0.04812	$ 123	$ 0.06630	$ 170	$ 47	
140-160 Watts		1,220	$ 0.04812	$ 59	$ 0.06630	$ 81	$ 22	
250-280 Watts		2,154	$ 0.04812	$ 104	$ 0.06630	$ 143	$ 39	
Standard Decorative Lighting								
60-80 Watts		1,981	$ 0.04812	$ 95	$ 0.06630	$ 131	$ 36	
Total Distribution Charges		86,222		$ 4,149		$ 5,716	$ 1,568	
State Tax Adjustment Surcharge (STAS) - Rider A			0.02%	$ 12	0.00%	$ -	$ (12)	
Generation Supply Rate (GSR) - Rider B		86,222	$ 0.11211	$ 9,666	$ 0.11211	$ 9,666	$ -	
Energy Efficiency & Conservation Rider (EEC) - Rider E		86,222	$ 0.00181	$ 156	$ 0.00181	$ 156	$ -	
Distribution System Improvement Charge (DSIC) - Rider G			5.00%	$ 2,392	0.00%	$ -	$ (2,392)	
Total - LED-OL - R	**3,948**	**86,222**		**$ 59,916**		**$ 59,079**	**$ (837)**	**-1.4%**
Choice Power Supply		*-*	*$ 0.11211*	*$ -*	*$ 0.11211*	*$ -*	*$ -*	
Total - LED-OL - R (including Choice Power Supply)	**3,948**	**86,222**		**$ 59,916**		**$ 59,079**	**$ (837)**	**-1.4%**

UGI Utilities, Inc. - Electric Division
Light Emitting Diode Outdoor Lighting Service - Rate Schedule LED-OL - Commercial/Industrial
Calculation of the Effect of Proposed Rates as Settled

Effective on One Day's Notice after Commission Order								
Description	Number of Fixture Charges (1)	Pro Forma Consumption kWh (2)	Current Rate (3)	Current Revenue (4)	Settled Rate (5)	Settled Revenue (6)	Settled Revenue Change (7)	% Change (8)
Fixture Charge								
Flood Lighting								
85-100 Watts	648		$ 15.42	$ 9,992	$ 15.42	$ 9,992	$ -	
170-210 Watts	960		$ 22.64	$ 21,734	$ 22.64	$ 21,734	$ -	
250-280 Watts	2,208		$ 26.08	$ 57,585	$ 26.08	$ 57,585	$ -	
Street Lighting								
50-60 Watts	24,360		$ 10.29	$ 250,664	$ 10.29	$ 250,664	$ -	
100-110 Watts	2,196		$ 12.16	$ 26,703	$ 12.16	$ 26,703	$ -	
140-160 Watts	2,280		$ 14.00	$ 31,920	$ 14.00	$ 31,920	$ -	
250-280 Watts	900		$ 21.25	$ 19,125	$ 21.25	$ 19,125	$ -	
Standard Decorative Lighting								
60-80 Watts	552		$ 11.77	$ 6,497	$ 11.77	$ 6,497	$ -	
Total Fixture Charges	34,104			$ 424,221		$ 424,221	$ -	
Distribution Charges								
Flood Lighting								
85-100 Watts		20,306	$ 0.05626	$ 1,142	$ 0.07753	$ 1,574	$ 432	
170-210 Watts		61,759	$ 0.05626	$ 3,475	$ 0.07753	$ 4,788	$ 1,314	
250-280 Watts		198,167	$ 0.05626	$ 11,149	$ 0.07753	$ 15,364	$ 4,215	
Street Lighting								
50-60 Watts		454,222	$ 0.05626	$ 25,555	$ 0.07753	$ 35,216	$ 9,661	
100-110 Watts		78,137	$ 0.05626	$ 4,396	$ 0.07753	$ 6,058	$ 1,662	
140-160 Watts		115,902	$ 0.05626	$ 6,521	$ 0.07753	$ 8,986	$ 2,465	
250-280 Watts		80,775	$ 0.05626	$ 4,544	$ 0.07753	$ 6,262	$ 1,718	
Standard Decorative Lighting								
60-80 Watts		13,018	$ 0.05626	$ 732	$ 0.07753	$ 1,009	$ 277	
Total Distribution Charges		1,022,285		$ 57,514		$ 79,258	$ 21,744	
State Tax Adjustment Surcharge (STAS) - Rider A			0.02%	$ 118	0.00%	$ -	$ (118)	
Generation Supply Rate (GSR) - Rider B		738,412	$ 0.10758	$ 79,438	$ 0.10758	$ 79,438	$ -	
Energy Efficiency & Conservation Rider (EEC) - Rider E		1,022,285	$ 0.00233	$ 2,382	$ 0.00233	$ 2,382	$ -	
Distribution System Improvement Charge (DSIC) - Rider G			5.00%	$ 24,206	0.00%	$ -	$ (24,206)	
Total - LED-OL - C/I	**34,104**	**1,022,285**		**$ 587,879**		**$ 585,299**	**$ (2,579)**	**-0.4%**
Choice Power Supply		*283,873*	*$ 0.10758*	*$ 30,539*	*$ 0.10758*	*$ 30,539*	*$ -*	
Total - LED-OL - C/I (including Choice Power Supply)	**34,104**	**1,022,285**		**$ 618,418**		**$ 615,838**	**$ (2,579)**	**-0.4%**

UGI Utilities, Inc. - Electric Division
Street Lighting Service - Rate Schedule SL
Calculation of the Effect of Proposed Rates as Settled

Description	Number of Fixture Charges (1)	Pro Forma Consumption kWh (2)	Current Rate (3)	Current Revenue (4)	Settled Rate (5)	Settled Revenue (6)	Settled Revenue Change (7)	% Change (8)
Effective on One Day's Notice after Commission Order								
Fixture Charge								
Street Lighting								
3,750 Lumen	2,340		$ 3.88	$ 9,079	$ 3.88	$ 9,079	$ -	
7,000 Lumen	7,932		$ 4.05	$ 32,125	$ 4.05	$ 32,125	$ -	
11,000 Lumen	12		$ 6.37	$ 76	$ 6.37	$ 76	$ -	
20,000 Lumen	36		$ 7.65	$ 275	$ 7.65	$ 275	$ -	
60,000 Lumen	-		$ 6.43	$ -	$ 6.43	$ -	$ -	
Total Fixture Charges	10,320			$ 41,556		$ 41,556	$ -	
Distribution Charges								
Street Lighting								
3,750 Lumen		98,996	$ 0.05626	$ 5,570	$ 0.07753	$ 7,675	$ 2,106	
7,000 Lumen		537,032	$ 0.05626	$ 30,213	$ 0.07753	$ 41,636	$ 11,423	
11,000 Lumen		1,158	$ 0.05626	$ 65	$ 0.07753	$ 90	$ 25	
20,000 Lumen		5,301	$ 0.05626	$ 298	$ 0.07753	$ 411	$ 113	
60,000 Lumen		-	$ 0.05626	$ -	$ 0.07753	$ -	$ -	
Total Distribution Charges		642,486		$ 36,146		$ 49,812	$ 13,666	
State Tax Adjustment Surcharge (STAS) - Rider A			0.02%	$ 19	0.00%	$ -	$ (19)	
Generation Supply Rate (GSR) - Rider B		132,886	$ 0.10758	$ 14,296	$ 0.10758	$ 14,296	$ -	
Energy Efficiency & Conservation Rider (EEC) - Rider E		642,486	$ 0.00233	$ 1,497	$ 0.0023	$ 1,497	$ -	
Distribution System Improvement Charge (DSIC) - Rider G			5.00%	$ 3,960	0.00%	$ -	$ (3,960)	
Total - SL	**10,320**	**642,486**		**$ 97,474**		**$ 107,161**	**$ 9,686**	**9.9%**
Choice Power Supply		*509,600*	*$ 0.10758*	*$ 54,823*	*$ 0.10758*	*$ 54,823*	*$ -*	
Total - SL (including Choice Power Supply)	**10,320**	**642,486**		**$ 152,297**		**$ 161,983**	**$ 9,686**	**6.4%**

UGI Utilities, Inc. - Electric Division
Sodium Street Lighting Service - Rate Schedule SSL
Calculation of the Effect of Proposed Rates as Settled

Effective on One Day's Notice after Commission Order								
Description	Number of Fixture Charges (1)	Pro Forma Consumption kWh (2)	Current Rate (3)	Current Revenue (4)	Settled Rate (5)	Settled Revenue (6)	Settled Revenue Change (7)	% Change (8)
Fixture Charge								
Street Lighting								
9,500 Lumen	19,260		$ 7.51	$ 144,643	$ 7.51	$ 144,643	$ -	
16,000 Lumen	6,072		$ 7.58	$ 46,026	$ 7.58	$ 46,026	$ -	
25,000 Lumen	5,796		$ 8.57	$ 49,672	$ 8.57	$ 49,672	$ -	
50,000 Lumen	1,512		$ 9.10	$ 13,759	$ 9.10	$ 13,759	$ -	
Total Fixture Charges	32,640			$ 254,099		$ 254,099	$ -	
Distribution Charges								
Street Lighting								
9,500 Lumen		965,098	$ 0.05626	$ 54,296	$ 0.07753	$ 74,824	$ 20,528	
16,000 Lumen		431,686	$ 0.05626	$ 24,287	$ 0.07753	$ 33,469	$ 9,182	
25,000 Lumen		631,729	$ 0.05626	$ 35,541	$ 0.07753	$ 48,978	$ 13,437	
50,000 Lumen		253,861	$ 0.05626	$ 14,282	$ 0.07753	$ 19,682	$ 5,400	
Total Distribution Charges		2,282,374		$ 128,406		$ 176,952	$ 48,546	
State Tax Adjustment Surcharge (STAS) - Rider A			0.02%	$ 94	0.00%	$ -	$ (94)	
Generation Supply Rate (GSR) - Rider B		596,308	$ 0.10758	$ 64,151	$ 0.10758	$ 64,151	$ -	
Energy Efficiency & Conservation Rider (EEC) - Rider E		2,282,374	$ 0.00233	$ 5,318	$ 0.00233	$ 5,318	$ -	
Distribution System Improvement Charge (DSIC) - Rider G			5.00%	$ 19,391	0.00%	$ -	$ (19,391)	
Total - SSL	**32,640**	**2,282,374**		**$ 471,460**		**$ 500,520**	**$ 29,061**	**6.2%**
Choice Power Supply		*1,686,066*	*$ 0.10758*	*$ 181,387*	*$ 0.10758*	*$ 181,387*	*$ -*	
Total - SSL (including Choice Power Supply)	**32,640**	**2,282,374**		**$ 652,847**		**$ 681,907**	**$ 29,061**	**4.5%**

UGI Utilities, Inc. - Electric Division
Metal Halide Street Lighting Service - Rate Schedule MHSL
Calculation of the Effect of Proposed Rates as Settled

Effective on One Day's Notice after Commission Order								
Description	Number of Fixture Charges (1)	Pro Forma Consumption kWh (2)	Current Rate (3)	Current Revenue (4)	Settled Rate (5)	Settled Revenue (6)	Settled Revenue Change (7)	% Change (8)
Fixture Charge								
Street Lighting								
9,000 Lumen	1,104		$ 6.71	$ 7,407.84	$ 6.71	$ 7,408	$ -	
12,900 Lumen	744		$ 5.42	$ 4,032.48	$ 5.42	$ 4,032		
13,000 Lumen	36		$ 4.92	$ 177.12	$ 4.92	$ 177	$ -	
20,500 Lumen	132		$ 7.29	$ 962.28	$ 7.29	$ 962	$ -	
36,000 Lumen	420		$ 6.20	$ 2,604.00	$ 6.20	$ 2,604	$ -	
Total Fixture Charges	2,436			$ 15,183.72		$ 15,184	$ -	
Distribution Charges								
Street Lighting								
9,000 Lumen		55,293	$ 0.05626	$ 3,110.77	$ 0.07753	$ 4,287	$ 1,176	
12,900 Lumen		47,850	$ 0.05626	$ 2,692.03	$ 0.07753	$ 3,710	$ 1,018	
13,000 Lumen		2,510	$ 0.05626	$ 141.23	$ 0.07753	$ 195	$ 53	
20,500 Lumen		12,868	$ 0.05626	$ 723.95	$ 0.07753	$ 998	$ 274	
36,000 Lumen		63,978	$ 0.05626	$ 3,599.40	$ 0.07753	$ 4,960	$ 1,361	
Total Distribution Charges		182,499		$ 10,267.38		$ 14,149	$ 3,882	
State Tax Adjustment Surcharge (STAS) - Rider A			0.02%	$ 7.85	0.00%	$ -	$ (8)	
Generation Supply Rate (GSR) - Rider B		112,428	$ 0.10758	$ 12,094.96	$ 0.10758	$ 12,095	$ -	
Energy Efficiency & Conservation Rider (EEC) - Rider E		182,499	$ 0.00233	$ 425.22	$ 0.0023	$ 425	$ -	
Distribution System Improvement Charge (DSIC) - Rider G			5.00%	$ 1,293.82	0.00%	$ -	$ (1,294)	
Total - MHSL	**2,436**	**182,499**		**$ 39,273**		**$ 41,853**	**$ 2,580**	**6.6%**
Choice Power Supply		*70,071*	*$ 0.10758*	*$ 7,538*	*$ 0.10758*	*$ 7,538*	*$ -*	
Total - MHSL (including Choice Power Supply)	**2,436**	**182,499**		**$ 46,811**		**$ 49,391**	**$ 2,580**	**5.5%**

UGI Utilities, Inc. - Electric Division
Light Emitting Diode Lighting Service - Rate Schedule LED-CO
Calculation of the Effect of Proposed Rates as Settled

Effective on One Day's Notice after Commission Order								
Description	Number of Fixture Charges (1)	Pro Forma Consumption kWh (2)	Current Rate (3)	Current Revenue (4)	Settled Rate (5)	Settled Revenue (6)	Settled Revenue Change (7)	% Change (8)
Fixture Charge								
Street Lighting								
50-60 Watts	960		$ 2.00	$ 1,920	$ 2.00	$ 1,920	$ -	
100-110 Watts	612		$ 2.00	$ 1,224	$ 2.00	$ 1,224	$ -	
140-160 Watts	96		$ 2.00	$ 192	$ 2.00	$ 192	$ -	
250-280 Watts	-		$ 2.00	$ -	$ 2.00	$ -	$ -	
Total Fixture Charges	1,668			$ 3,336		$ 3,336	$ -	
Distribution Charges								
Street Lighting								
50-60 Watts		17,921	$ 0.05626	$ 1,008	$ 0.07753	$ 1,389	$ 381	
100-110 Watts		21,776	$ 0.05626	$ 1,225	$ 0.07753	$ 1,688	$ 463	
140-160 Watts		4,880	$ 0.05626	$ 275	$ 0.07753	$ 378	$ 104	
250-280 Watts		-	$ 0.05626	$ -	$ 0.07753	$ -	$ -	
Total Distribution Charges		44,577		$ 2,508		$ 3,456	$ 948	
State Tax Adjustment Surcharge (STAS) - Rider A			0.02%	$ 1	0.00%	$ -	$ (1)	
Generation Supply Rate (GSR) - Rider B		-	$ 0.10758	$ -	$ 0.10758	$ -	$ -	
Energy Efficiency & Conservation Rider (EEC) - Rider E		44,577	$ 0.00233	$ 104	$ 0.00233	$ 104	$ -	
Distribution System Improvement Charge (DSIC) - Rider G			5.00%	$ 297	0.00%	$ -	$ (297)	
Total - LED-CO	**1,668**	**44,577**		**$ 6,246**		**$ 6,896**	**$ 650**	**10.4%**

Appendix B

Revenue Allocation

UGI Utilities, Inc. - Electric Division
Allocation of Settlement Revenue Increases
(revenue shown in thousands)

Rate Class	As Filed Revenue Increase	As Filed Allocations	Settled Revenue Increase	Settled Allocations
Rate R/RT	$ 15,384	89.0%	$ 9,470	88.5%
Rate GS-1	$ 1,148	6.6%	$ 675	6.3%
Rate GS-4	$ 313	1.8%	$ 200	1.9%
Rate GS-5	$ 34	0.2%	$ 17	0.2%
Rate FCP	$ 2	0.0%	$ 2	0.0%
Lighting	$ 71	0.4%	$ 71	0.7%
Rate LP	$ 332	1.9%	$ 265	2.5%
	$ 17,284		$ 10,700	

Appendix C

Bill Impacts

UGI Utilities, Inc. - Electric Division

Customer Class Rate Impact Analysis - Total Average Monthly Bill (52 Pa. Code § 53.45)

	Usage		Existing	Proposed	Proposed % Change	Litigated	Increase (Decrease)	Total % Change	Settlement	Increase (Decrease)	Total % Change
Rate R - Residential	1,000	kWh	$ 200.50	$ 226.23	12.8%	$ 224.22	$ 23.72	11.8%	$ 217.56	$ 17.06	8.5%
Rate GS-1 - Small Commercial	1,000	kWh	$ 190.78	$ 217.65	14.1%	$ 214.41	$ 23.63	12.4%	$ 206.58	$ 15.80	8.3%
Rate GS-4 - Industrial	50,000	kWh	$ 5,813.37	$ 6,132.27	5.5%	$ 6,123.27	$ 309.91	5.3%	$ 6,085.77	$ 272.41	4.7%

UGI Utilities, Inc. - Electric Division
Rate R - Residential
Calculation of the Effect of Proposed Rates as Settled

Description	Number of Bills (1)	Pro Forma Consumption kWh (2)	Existing Rate (3)	Existing Revenue (4)	Proposed Rate (5)	Proposed Revenue (6)	Proposed % Change (7)	Litigated Rate (8)	Litigated Revenue (9)	Litigated Revenue Change (10)	Litigated % Change (11)	Settlement Rate (8)	Settlement Revenue (9)	Settlement Revenue Change (10)	Settlement % Change (11)
Customer Charge	1		$ 10.75	$ 10.75	$ 22.00	$ 22.00		$ 22.00	$ 22.00	$ 11.25		$ 12.00	$ 12.00	$ 1.25	
Distribution Charges		1,000	$ 0.05290	$ 52.90	$ 0.07163	$ 71.63		$ 0.06962	$ 69.62	$ 16.72		$ 0.07296	$ 72.96	$ 20.06	
State Tax Adjustment Surcharge (STAS) - Rider A			0.02%	$ 0.04	0.00%	$ -		0.00%	$ -	$ (0.04)		0.00%	$ -	$ (0.04)	
Generation Supply Rate (GSR) - Rider B		1,000	$ 0.11211	$ 112.11	$ 0.11211	$ 112.11		$ 0.11211	$ 112.11	$ -		$ 0.11211	$ 112.11	$ -	
Universal Service Program (USP) - Rider C		1,000	$ 0.01868	$ 18.68	$ 0.01868	$ 18.68		$ 0.01868	$ 18.68	$ -		$ 0.01868	$ 18.68	$ -	
Energy Efficiency & Conservation Rider (EEC) - Rider E		1,000	$ 0.00181	$ 1.81	$ 0.00181	$ 1.81		$ 0.00181	$ 1.81	$ -		$ 0.00181	$ 1.81	$ -	
Distribution System Improvement Charge (DSIC) - Rider G			5.00%	$ 4.21	0.00%	$ -		0.00%	$ -	$ (4.21)		0.00%	$ -	$ (4.21)	
Total - Residential	**1**	**1,000**		**$ 200.50**		**$ 226.23**	**12.8%**		**$ 224.22**	**$ 23.72**	**11.8%**		**$ 217.56**	**$ 17.06**	**8.5%**
Total - Residential (Distribution only, excluding GSR)	**1**	**1,000**		**$ 88.39**		**$ 114.12**	**29.1%**		**$ 112.11**	**$ 23.72**	**26.8%**		**$ 105.45**	**$ 17.06**	**19.3%**

UGI Utilities, Inc. - Electric Division
Rate GS-1 - Small Commercial
Calculation of the Effect of Proposed Rates as Settled

			Existing		Proposed			Litigated				Settlement			
Description	Number of Bills (1)	Pro Forma Consumption kWh (2)	Rate (3)	Revenue (4)	Rate (5)	Revenue (6)	% Change (7)	Rate (8)	Revenue (9)	Revenue Change (10)	% Change (11)	Rate (8)	Revenue (9)	Revenue Change (10)	% Change (11)
Customer Charges	1		$ 17.00	$ 17.00	$ 30.00	$ 30.00		$ 30.00	$ 30.00	$ 13.00		$ 25.00	$ 25.00	$ 8.00	
Distribution Charges		1,000	$ 0.05987	$ 59.87	$ 0.0777	$ 77.74		$ 0.07450	$ 74.50	$ 14.63		$ 0.07167	$ 71.67	$ 11.80	
State Tax Adjustment Surcharge (STAS) - Rider A			0.02%	$ 0.04	0.00%	$ -		0.00%	$ -	$ (0.04)		0.00%	$ -	$ (0.04)	
Generation Supply Rate (GSR) - Rider B		1,000	$ 0.10758	$ 107.58	$ 0.10758	$ 107.58		$ 0.10758	$ 107.58	$ -		$ 0.10758	$ 107.58	$ -	
Energy Efficiency & Conservation Rider (EEC) - Rider E		1,000	$ 0.00233	$ 2.33	$ 0.00233	$ 2.33		$ 0.00233	$ 2.33	$ -		$ 0.00233	$ 2.33	$ -	
Distribution System Improvement Charge (DSIC) - Rider G			5.00%	$ 3.96	0.00%	$ -		0.00%	$ -	$ (3.96)		0.00%	$ -	$ (3.96)	
Total - Small Commercial (GS-1)	**1**	**1,000**		**$ 190.78**		**$ 217.65**	**14.1%**		**$ 214.41**	**$ 23.63**	**12.4%**		**$ 206.58**	**$ 15.80**	**8.3%**
Total - Small Commercial (GS-1) (Distribution only, excluding GSR)	**1**	**1,000**		**$ 83.20**		**$ 110.07**	**32.3%**		**$ 106.83**	**$ 23.63**	**28.4%**		**$ 99.00**	**$ 15.80**	**19.0%**

UGI Utilities, Inc. - Electric Division
Rate GS-4 - Industrial
Calculation of the Effect of Proposed Rates as Settled

Description	Number of Bills (1)	Pro Forma Consumption kWh (2)	Existing Rate (3)	Existing Revenue (4)	Proposed Rate (5)	Proposed Revenue (6)	Proposed % Change (7)	Litigated Rate (8)	Litigated Revenue (9)	Litigated Revenue Change (10)	Litigated % Change (11)	Settlement Rate (8)	Settlement Revenue (9)	Settlement Revenue Change (10)	Settlement % Change (11)
Customer Charges	1		$ 18.00	$ 18.00	$ 45.00	$ 45.00		$ 45.00	$ 45.00	$ 27.00		$ 45.00	$ 45.00	$ 27.00	
Distribution Charges															
First 200 hours of demand		3,312	$ 0.03399	$ 112.59	$ 0.02624	$ 86.92		$ 0.02606	$ 86.32	$ (26.27)		$ 0.02531	$ 83.84	$ (28.75)	
Next 300 hours of demand		4,968	$ 0.02142	$ 106.43	$ 0.02624	$ 130.37		$ 0.02606	$ 129.48	$ 23.05		$ 0.02531	$ 125.75	$ 19.33	
All over 500 hours of demand		41,719	$ 0.01785	$ 744.69	$ 0.02624	$ 1,094.71		$ 0.02606	$ 1,087.20	$ 342.51		$ 0.02531	$ 1,055.91	$ 311.23	
Total Distribution		50,000		$ 963.70		$ 1,312.00			$ 1,303.00	$ 339.30			$ 1,265.50	$ 301.80	
Demand															
First 20 kw		17	$ 3.5900	$ 59.46	$ 3.7500	$ 62.11		$ 3.7500	$ 62.11	$ 2.65		$ 3.7500	$ 62.11	$ 2.65	
Over 20 kw		-	$ 2.2000	$ -		Eliminated			Eliminated				Eliminated		
Total Demand		17		$ 59.46		$ 62.11			$ 62.11	$ 2.65			$ 62.11	$ 2.65	
State Tax Adjustment Surcharge (STAS) - Rider A			0.02%	$ 1.16	0.00%	$ -		0.00%	$ -	$ (1.16)		0.00%	$ -	$ (1.16)	
Generation Supply Rate (GSR) - Rider B		50,000	$ 0.09193	$ 4,596.67	$ 0.09193	$ 4,596.67		$ 0.09193	$ 4,596.67	$ -		$ 0.09193	$ 4,596.67	$ -	
Energy Efficiency & Conservation Rider (EEC) - Rider E		50,000	$ 0.00233	$ 116.50	$ 0.00233	$ 116.50		$ 0.00233	$ 116.50	$ -		$ 0.00233	$ 116.50	$ -	
Distribution System Improvement Charge (DSIC) - Rider G			5.00%	$ 57.88	0.00%	$ -		0.00%	$ -	$ (57.88)		0.00%	$ -	$ (57.88)	
Total - Industrial (GS-4)	**1**	**50,000**		**$ 5,813.37**		**$ 6,132.27**	**5.5%**		**$ 6,123.27**	**$ 309.91**	**5.3%**		**$ 6,085.77**	**$ 272.41**	**4.7%**
Total - Industrial (GS-4) (Distribution only, excluding GSR)	**1**	**50,000**		**$ 1,216.70**		**$ 1,535.61**	**26.2%**		**$ 1,526.61**	**$ 309.91**	**25.5%**		**$ 1,489.11**	**$ 272.41**	**22.4%**

Appendix D

Proposed Findings of Fact

APPENDIX D

PROPOSED FINDINGS OF FACT

1. UGI Utilities, Inc. ("UGI Utilities") is a corporation organized and existing under the laws of the Commonwealth of Pennsylvania and a wholly owned subsidiary of UGI Corporation.[1]

2. UGI Utilities has two divisions – the Gas Division ("UGI Gas") and the Electric Division ("UGI Electric" or the "Company").[2]

3. UGI Electric is a "public utility" and a "electric distribution company" as defined in Sections 102 and 2803 of the Pennsylvania Public Utility Code, 66 Pa. C.S. §§ 102, 2803, subject to the regulatory jurisdiction of the Pennsylvania Public Utility Commission ("Commission").

4. UGI Electric provides electric distribution service to approximately 63,000 customers, located primarily in northeastern Pennsylvania.[3]

5. In its initial filing, UGI Electric proposed an increase in annual base rate operating revenues of $17.283 million, or 11.89% on a total revenue basis, based on the use of a Fully Projected Future Test Year ("FPFTY") ending September 30, 2027.[4]

6. As part of its rebuttal case, UGI Electric updated its proposed increase in annual base rate operating revenues to $16.050 million to reflect (a) necessary updates to account for more recent and/or correct inputs to its revenue requirement, (b) the Company's agreement with certain adjustments proposed by the parties, and (c) the Company's voluntary withdrawal of certain

[1] UGI Electric St. No. 1, p. 1.
[2] *Id.*
[3] UGI Electric St. No. 3, p. 2.
[4] UGI Electric St. No. 1, p. 1.

operation and maintenance ("O&M") expense claims to limit the number of issues in dispute in this matter.[5]

7. UGI Electric stated that the primary need for its proposed rate increase is the Company's continued extensive efforts to repair, replace, improve, and modernize the aging portions of its distribution system.[6]

8. Since 2018, the Company has spent almost $92 million on these efforts that support operating a safe and reliable distribution system.[7]

9. The Company anticipates that it will continue its accelerated capital programs over the coming years as reflected in its Commission-approved Second Long-Term Infrastructure Improvement Plan ("Second LTIIP").

10. Combined with non-LTIIP capital investments in areas such as Information Technology ("IT") and growth, UGI Electric anticipates spending an additional $28.6 million in the FTY and $37.3 million in the FPFTY, respectively.[8]

11. The Company stated that the growth in capital investments, along with relatively stagnant customer usage and growth trends, are the primary reasons why UGI Electric will not earn a fair rate of return on its investments at present rate levels.[9]

12. No party to this proceeding disputed any of the Company's proposed infrastructure investments in the FPFTY.

13. No party in this proceeding disputed the Company's growth or usage trends.

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[5] *See* UGI Electric St. No. 2-R, pp. 2-3; UGI Electric Exhibit A – Fully Projected (REBUTTAL).
[6] UGI Electric St. No. 1, p. 6.
[7] *Id.*
[8] *Id.*
[9] *Id.*

14. UGI Electric explained that it has effectively managed key O&M expenses from 2023 through the end of the FPFTY at a level (i.e., 2.5%) that is below the pace of inflation over that same period (i.e., 3.1%).[10]

15. The Company's claimed gross plant in service for the FPFTY is $353.96 million.[11]

16. Less its depreciation reserve (i.e., accumulated depreciation), the Company's proposed net plant in service for the FPFTY is approximately $251.64 million.[12]

17. No party proposed any adjustments to the Company's claimed gross plant in service.

18. Other parties have raised concerns about the affordability of UGI Electric's electric distribution service.[13]

19. UGI Electric explained in detail how its focus on affordability is shown in its operations and the choices it made in this case.[14]

20. This is UGI Electric's first rate case since 2024.[15]

21. The Company has fully utilized the Distribution System Improvement Charge ("DSIC").[16]

22. UGI Electric stated that it proposed a return on equity ("ROE") in this proceeding that is well below the mid-point of its peer group.[17]

23. The Company explained that it did not seek a management effectiveness adjustment to its ROE in this case, despite providing evidence regarding the effectiveness of its management

[10] UGI Electric St. No. 1-R, pp. 15, 23.
[11] UGI Electric Exhibit A – Fully Projected (REBUTTAL), Schedule A-1.
[12] *Id.*
[13] *See, e.g.*, I&E St. No. 2-SR, p. 11; OCA St. 1SR, pp. 7-8; OSBA St. No. 1, pp. 3-5; *see also* CEO St. No. 1, pp. 2-3.
[14] UGI Electric St. No. 1-R, p. 15.
[15] *Id.*
[16] *Id.*
[17] *Id.*

in its execution of safety related projects, excellent reliability metrics, strong customer service performance, and the effective management of operating costs, and despite UGI Electric's prior history of being granted a management effectiveness adjustment in Docket No. R-2017-2640058 ("2018 Rate Case").[18]

24. UGI Electric committed in testimony in this proceeding that it will increase its annual donation of shareholder dollars to Operation Share by 28% for the next three years. [19]

25. The Company maintains robust customer assistance programs that demonstrably benefit its customers[20] and continues to make significant strides in increasing the identification of customers eligible to participate in these programs and the enrollment of those customers once identified.[21]

26. Without a rate increase, UGI Electric will have a ROE of 1.95% and will not be able to use the DSIC for any plant placed in service in the FPFTY.[22]

27. Consistent with accepted ratemaking practice, the depreciation reserve is the book reserve brought forward from the book reserve approved by the Commission in the Company's last base rate proceeding.[23]

28. The allocated book depreciation reserve as of September 30, 2027, was calculated to be $102,322,767.[24]

29. The Company's claimed addition to rate base for Materials and Supplies in the amount of approximately $3.84 million is undisputed.[25]

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[18] *Id.*
[19] *Id.*
[20] *See* UGI Electric St. No. 12, pp. 3-9.
[21] *See, e.g.*, *id.*, pp. 6-7.
[22] *See* UGI Electric St. No. 1, pp. 7-8.
[23] *See* UGI Electric St. No. 6, p. 5.
[24] *See id.*, p. 12.
[25] UGI Electric Exhibit A – Fully Projected (REBUTTAL), Schedule A-1.

30. The Company claimed an allowance for Cash Working Capital ("CWC") in this proceeding of approximately $13.29 million.[26]

31. I&E proposed an adjustment based on the alleged impact of the Joint Application filed by UGI Utilities and Argo Infrastructure Partners LLC ("Argo") on June 25, 2026, at Docket Nos. A-2026-3063610, *et al.* ("Argo Transaction"). The adjustment assumes that: (1) the Commission will approve the Joint Application; (2) such approval will be in sufficient time to facilitate closing by April 1, 2027; and (3) the transaction will close by April 1, 2027.[27]

32. I&E's Argo Transaction adjustment presumes that upon divestiture, UGI Electric will stop its operations and infrastructure investment without evidence.[28]

33. The Joint Application proceeding is the appropriate forum for ensuring that ongoing investments and existing regulatory commitments will be maintained and that the rates reflected at the time of the transaction are appropriate for meeting those commitments.[29]

34. UGI Electric explained that I&E's updated Argo Transaction adjustment is mathematically incorrect because a reduction of 50% of the revenue requirement would then go through the rate design, where rates are designed to recover the revenue requirement over a 12-month period; therefore, UGI Electric would only recover 25% of those costs (i.e., from January 1, 2027, through March 31, 2027, assuming the closing takes place on April 1, 2027).[30]

35. I&E identified two cost categories of post-acquisition expenditures—corporate allocations and shared services expenses—as being uncertain due to the Argo Transaction;[31] however, the total increase reflected in the revenue requirement for this case for UGI Corp.

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[26] UGI Electric Exhibit A – Fully Projected (REBUTTAL), Schedules A-1 and C-4.
[27] *See* UGI Electric St. No. 1-R, p. 11.
[28] *Id.*
[29] *Id.*, p. 12; *see* I&E St. No. 1-SR, p. 9.
[30] UGI Electric St. No. 1-R, pp. 13-14; UGI Electric St. No. 1-RJ, p. 18.
[31] I&E St. No. 1-SR, p. 5.

allocations and shared services provided by UGI Utilities is only $2.5 million and I&E's adjustment is more than $6 million.[32]

36. UGI Electric also explained that I&E's methodology was flawed and would not produce revenues consistent with I&E's own calculation of the justified level of rates during the period that UGI Utilities would continue to own and operate UGI Electric.[33]

37. OCA proposed an approximately $1.59 million reduction to UGI Electric's depreciation expense, largely due to: (1) the conversion from the Equal Life Group ("ELG") to the Average Life Group ("ALG")[34] method for vintages after 1982; and (2) adjustments to the service lives for plant Accounts 364 – Poles, Towers, and Fixtures, 365 – Overhead Conductors and Devices, and 368.1 – Transformers.[35]

38. UGI Electric has used ELG for more than four decades.[36]

39. The Company explained that OCA's approach will create higher, and continually increasing, rate base in the future and will result in increased rates to customers over time compared to the continued use of the ELG procedure.[37]

40. UGI Electric stated that the ELG procedure provides a more precise calculation of depreciation expense, as even OCA witness Garren admitted in his testimony.[38]

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[32] UGI Electric St. No. 1-RJ, p. 15.

[33] UGI Electric St. No. 1-RJ, pp. 11-12.

[34] ALG is also known as Average Service Life or "ASL."

[35] *See* OCA St. 4, pp. 5-6; OCA St. 2, p. 14. OCA witness Garren's direct testimony showed a depreciation expense adjustment of approximately $1.8 million, whereas OCA witness Mugrace relied on a depreciation expense adjustment of $1,587,004 to develop OCA's proposed revenue requirement. *See* OCA St. 4, pp. 5-6; OCA St. 2, p. 14. In his surrebuttal testimony, Mr. Garren clarified that the $1,587,004 figure is the adjustment for the FPFTY, while his direct testimony described the amount as of the end of the FTY. *See* OCA St. 4SR, p. 9.

[36] UGI Electric St. No. 6-R, p. 20.

[37] UGI Electric St. No. 6-R, pp. 20-21.

[38] OCA St. 4SR, p. 5.

41. UGI Electric observed that ELG continues to be more precise over time because the Commission has specific requirements in place that regularly assess and reevaluate whether the life curves being used appropriately reflect the operational performance of classes of assets.[39]

42. UGI Electric witness Wiedmayer stated that OCA's proposal is "short-term gain for long-term pain."[40]

43. UGI Electric explained that OCA's proposed service lives are unrealistic expectations of the future service lives of the Company's assets.[41]

44. OCA did not conduct an independent service life study in this proceeding.[42]

45. UGI Electric voluntarily reduced its claimed O&M expense in this case by more than $1.23 million.[43]

46. The total amount of O&M expense claim that remains in dispute, excluding OCA's depreciation expense adjustment and I&E's Argo Transaction adjustment, is less than $1.2 million.[44]

47. The Company's revenue requirement increase included a rate case expense claim of $536,000.[45]

48. This amount was calculated by normalizing the Company's expected rate case expenses of approximately $1.071 million over a two-year period.[46]

49. The Company stated that it utilized a two-year normalization period because it anticipates filing another rate case in two years.[47]

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[39] UGI Electric St. No. 6-R, pp. 25-26.
[40] Tr. 206.
[41] UGI Electric St. No. 6-R, p. 30.
[42] Tr. 316.
[43] UGI Electric St. No. 1-RJ, p. 2.
[44] *Id.*, p. 6.
[45] UGI Electric St. No. 2, p. 12; UGI Electric Exhibit A – Fully Projected (REBUTTAL), Schedule D-10.
[46] UGI Electric St. No. 2, p. 12; UGI Electric Exhibit A – Fully Projected (REBUTTAL), Schedule D-10.
[47] UGI Electric St. No. 2, p. 12.

50. Although the Joint Petition for Non-Unanimous Settlement of All Issues ("Settlement") is a "black box" settlement, Paragraph 54 of the Settlement provides that the revenue increase under the Settlement "is reflective of a three-year normalization for ratemaking purposes and a three-year amortization for accounting purposes."[48]

51. The three-year normalization equals the period recommended by OCA and is longer than the 33-month period proposed by I&E.[49]

52. UGI Electric's revenue requirement reflects the costs the Company incurs to initiate and complete required collections activities conducted consistent with 52 Pa. Code § 56.93-56.100.[50]

53. The Company's credit and collections expense claim totaled $941,028.[51]

54. To the extent the revenue requirement is adjusted, the uncollectible expense should be modified to reflect that adjusted amount.[52]

55. At the Company's proposed revenue increase of $16.05 million in its rebuttal testimony, the uncollectible expenses included in the revenue requirement should be $3.485 million.[53]

56. UGI Electric included a claim for vegetation management expense of $4,141,000 for the FPFTY, which consisted of salaries and benefits, transportation, and contractor costs.[54]

[48] Settlement ¶ 54.
[49] OCA St. 2SR, p. 14; I&E St. No. 1-SR, p. 12.
[50] *See* UGI Electric St. No. 2-R, p. 10; UGI Electric St. No. 13-R, pp. 11-12.
[51] OCA St. 2, p. 55.
[52] UGI Electric St. No. 2-R, p. 11.
[53] UGI Electric Exhibit A – Fully Projected (REBUTTAL), Schedule D-1.
[54] *See* OCA St. 2, p. 33.

57. UGI Electric stated that these costs are a part of the Company's efforts to continue supporting reliable service, which include robust vegetation management practices on an accelerated, shorter trim cycle.[55]

58. The Company asserted that vegetation management is a critical tool in reducing outages on UGI Electric's system and that it consistently spends its full vegetation management budget.[56]

59. UGI Electric stated that its proposed increase in vegetation management expense accounts for known increases in contractor costs and additional crew costs due to its accelerated pace of work to reduce the trim cycle.[57]

60. The Company's initial claims for payroll expenses and payroll-related expenses reflected the Company's known or anticipated changes to its union and non-union employees at the end of the FPFTY and was developed using an assumed level of headcount based upon the Company's budget and the use of vacancy rates of 1.1% and 4.7% for electric and shared employees, respectively.[58]

61. The Company subsequently updated its claims to reflect a vacancy rate of 6.15% for shared employees, which reduced the payroll expense claim by $44,000, the employee benefits claim by $11,000, and the payroll taxes claim by $4,000.[59]

62. In addition to the fixed compensation that UGI Electric offers to its employees, the Company offers incentive (i.e., performance-related) compensation to attract and retain qualified and dedicated employees, managers and executives.[60]

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[55] *See* UGI Electric St. No. 3, p. 4.
[56] UGI Electric St. No. 3-RJ, p. 4.
[57] *See* UGI Electric St. No. 3-R, pp. 3-4, 6; UGI Electric St. No. 3-RJ, pp. 3-5; HIGHLY CONFIDENTIAL UGI Electric Exhibit VAD-1RJ.
[58] *See* I&E St. No. 1, pp. 19-21.
[59] UGI Electric St. No. 2-R, pp. 2-3.
[60] UGI Electric St. No. 4-R, p. 5.

63. UGI Electric stated that this type of compensation is standard in the utility industry, and UGI Electric offers it to ensure that: (1) the Company attracts and retains qualified individuals who possess necessary expertise in this nuanced, highly regulated field; (2) the Company's compensation is competitive with that of other public utilities; and (3) a portion of covered individuals' compensation is tied to the Company's performance in providing safe and reliable service at affordable rates to its customers.[61]

64. UGI Electric stated that it voluntarily reduced its claim for incentive compensation to "eliminate the Company's claim for the equity compensation plans and the portions of other incentive plans that are based on financial metrics."[62]

65. These voluntary adjustments by incentive plan are set forth in CONFIDENTIAL UGI Electric Exhibit VKR-2R.

66. OCA continued to recommend a disallowance tied to the Growth Metric portion of the Company's UGIU Management Incentive Plan.[63]

67. UGI Electric stated that the UGIU Management Incentive Plan applies to both UGI Gas and UGI Electric, meaning that "growth in either area would result in a beneficial spread of fixed costs."[64]

68. The Company also noted that the Growth Metric benefits customers by encouraging employees to optimize the connection process for individuals interested in becoming customers in a manner that supports good customer service experiences.[65]

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[61] *Id.*, pp. 5-6.
[62] UGI Electric St. No. 4-R, p. 6.
[63] OCA St. 2SR, p. 9; OCA Exhibit SR-DM-9.
[64] UGI Electric St. No. 4-RJ, p. 2.
[65] *Id.*, pp. 2-3.

69. UGI Electric's revenue requirement includes a claim to recover Injuries and Damages ("I&D") expenses, inclusive of both claims costs and non-claims costs.[66]

70. The non-claims costs consist of: (1) insurance premium costs; (2) payroll and vehicle expenses for the claims department; (3) professional fees, and (4) other miscellaneous costs.[67]

71. UGI Electric reduced its claim by $41,000 to normalize (based on a three-year normalization) the portion of the I&D costs directly related to claims payments.[68]

72. The Company stated that it saw an overall upward trend in these non-claims costs from 2023 to 2025.[69]

73. UGI Electric also explained that the decrease in the non-claims costs from 2023 to 2024 was "due to a reduction in the rate of allocation to UGI Electric for costs incurred at the UGI Utilities, Inc. level, these non-claims costs increased significantly, approximately 34% more, from 2024 to 2025."[70]

74. The Company's revenue requirement includes a claim to recover membership dues of $58,450 associated with various organizations that facilitate how the Company provides safe, reliable, and affordable service to its customers.[71]

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[66] UGI Electric St. No. 4-R, pp. 12-13. Further details of the expenses that make up the claims costs and non-claims costs can be found in UGI Electric Exhibit VKR-4R. The "I&D Non-Claims Expense" and "I&D Claims Expense" headings should be reversed in the exhibit, as the categories under those headings specifically relate to the claims costs and non-claims costs, respectively. *See* UGI Electric Exhibit VKR-4R.
[67] UGI Electric St. No. 4-R, p. 13.
[68] ***Id.***, pp. 12-13.
[69] ***Id.***, pp. 13-14.
[70] ***Id.***, p. 14.
[71] ***See*** OCA St. 2, p. 45.

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75. In rebuttal, UGI Electric updated its claim by reducing the portion of the claim associated with Company memberships by $2,000, as the Company identified a membership in discovery that should not have been included.[72]

76. The Company also accepted the adjustment related to the PA Chamber of Commerce membership of $3,340 to limit the number of issues in dispute, despite the Company's belief that participation in the PA Chamber of Commerce provides a benefit to customers and the communities served by UGI Electric.[73]

77. UGI Electric explained that its membership in EEI and EAP provides direct benefits to ratepayers and that the Company excluded any lobbying costs from its claims for the EEI and EAP membership dues.[74]

78. The Company's claim to recover federal and state income taxes is set forth in UGI Electric Exhibit A – Fully Projected (REBUTTAL), Schedule D-33 and was supported by UGI Electric witnesses Espigh and Kim.[75]

79. The Company's FPFTY taxes other than income taxes ("TOTI") are approximately $9.84 million.[76]

80. The Company explained in its rebuttal testimony that its claim for Pennsylvania Local Use Tax was overstated by $34,000.[77]

81. This adjustment was reflected in Line 3, Schedule D-31 of UGI Electric Exhibit A – Fully Projected (REBUTTAL), Schedule D-31 and reduces the overall revenue requirement by $36,000.[78]

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[72] UGI Electric St. No. 2-R, p. 3.
[73] UGI Electric St. No. 4-R, p. 16.
[74] ***Id.***, pp. 16-17; UGI Electric St. No. 4-RJ, pp. 3-4; UGI Electric Exhibit VKR-1RJ.
[75] UGI Electric St. No. 9, pp. 4-6; UGI Electric St. No. 9-R, p. 2.
[76] UGI Electric Exhibit A – Fully Projected (REBUTTAL), Schedule D-31.
[77] UGI Electric St. No. 2-R, p. 3.
[78] ***Id.***

82. The Company decreased payroll taxes by $4,000 and increased the forfeited discount revenue by the percentage of the rate increase, which increases gross receipts tax by $4,000.[79]

83. The Company's tax expense claims reflect amounts related to the synchronization of debt interest.[80]

84. Determining an appropriate cost of capital is based upon the economic principle of "opportunity costs" because an investment in one asset represents a foregone opportunity to invest in an alternative asset.[81]

85. A sensible investment, therefore, requires that its expected return must be at least equal to the return expected on an alternative investment with comparable risk.[82]

86. The purpose of the proxy group is to establish a set of companies with similar traits (i.e., risks) to the subject utility.[83]

87. The proxy group then allows a regulator to determine the "opportunity cost" associated with an investment in the subject utility by applying the various models used to determine the cost of equity to a set of entities comparable to the subject utility.[84]

88. The 12 companies used by UGI Electric witness D'Ascendis in the Electric Utility Proxy Group, which was also adopted by OCA,[85] are the following[86]:

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[79] *Id.*, pp. 13-14.
[80] *See* UGI Electric St. No. 2-R, pp. 14-15.
[81] UGI Electric St. No. 8, p. 8.
[82] *Id.*
[83] I&E St. No. 2, p. 7.
[84] UGI Electric St. No. 8, p. 8.
[85] OCA St. 3, p. 14.
[86] UGI Electric St. No. 8-R, p. 4.

Company	Ticker
Alliant Energy Corporation	LNT
Ameren Corporation	AEE
American Electric Power Company, Inc.	AEP
Edison International	EIX
Entergy Corporation	ETR
Evergy, Inc.	EVRG
FirstEnergy Corp.	FE
IDACORP, Inc.	IDA
OGE Energy Corp.	OGE
Pinnacle West Capital Corporation	PNW
The Southern Company	SO
Xcel Energy Inc.	XEL

89. UGI Electric utilized its actual capital structure of 54.25% common equity and 45.75% long-term debt as part of its weighted average cost of capital calculation.[87]

90. The Company stated that its proposed capital structure is within the range of typical utilities, as represented by the Electric Utility Proxy Group (utilized by both UGI Electric and OCA in this proceeding) and its operating subsidiaries, and within the range of equity ratios authorized by utility regulatory commissions.[88]

91. The Company's cost of long-term debt of 5.22%, based on its proposed capital structure, is undisputed and should be utilized.[89]

92. No party has challenged the Company's long-term debt cost rate.

93. By imputing higher debt ratios than UGI Electric's actual debt ratio under their proposed hypothetical capital structures, OCA and I&E's proposals assume more in debt than the actual debt outstanding for the Company; however, neither party priced this additional long-term debt in their proposed hypothetical capital structures.[90]

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[87] *See* UGI Electric St. No. 8, pp. 3, 14.
[88] UGI Electric St. No. 8-R, p. 8.
[89] UGI Electric Rebuttal Exhibit B, Schedule DWD-1R, p. 1; UGI Electric St. No. 2-R, p. 2.
[90] *See generally* OCA St. 3; I&E St. No. 2.

94. The Company proposed an ROE of 10.85% in its testimony, based upon an evaluation of multiple market-based cost of equity models.[91]

95. I&E's recommended ROE of 9.69% based on its giving of equal weight to its Discounted Cash Flow ("DCF") outcome, its Capital Asset Pricing Model ("CAPM") analyses, and the national historic average of authorized ROEs reported by S&P Global.[92]

96. OCA presented ROEs of 8.7% (if its hypothetical capital structure is used) and 8.0% (if the Company's actual capital structure is utilized).[93]

97. An Allocated Cost of Service Study ("ACOSS") serves two purposes: (1) providing the cost-basis for the allocation of the jurisdictional cost of electric distribution service that makes up the total base revenue requirement to the various customer classes (e.g., residential, commercial and industrial) based on their use of the Company's system; and (2) providing the cost-based reference for the development of the Company's rate design proposals.[94]

98. UGI Electric's ACOSS is contained in Exhibit D and distributes the Pennsylvania jurisdictional costs of providing retail distribution service to the various rate classes at both present and proposed rates.[95]

99. The Company explained that there are no material differences, in output and format, between the Atrium ACOSS Model used in this case and the past ACOSS models that UGI Electric presented in UGI Electric's 2021 base rate case at Docket No. R-2021-3023618 and 2018 base rate case at Docket No. R-2017-2640058.[96]

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[91] *See* UGI Electric St. No. 8, p. 5.
[92] I&E St. No. 2, p. 7.
[93] OCA St. 3, p. 61.
[94] UGI Electric St. No. 11, p. 10.
[95] *Id.*, p. 4; *see* UGI Electric Exhibit D – Allocated Cost of Service Study (Fully Projected).
[96] UGI Electric St. No. 11, p. 20.

100. The Company stated that its ACOSS was developed using a standard, widely accepted cost-based ratemaking framework that consists of functionalization, classification, and allocation.[97]

101. In UGI Electric's ACOSS, "[d]istribution costs in FERC Accounts 364 (Poles, Towers, and Fixtures), 365 (Overhead Conductors and Devices), 367 (Underground Conductors and Devices), and 368 (Transformers) were classified between customer-related and demand-related components using a Minimum System Study ('MSS')."[98]

102. The purpose of the MSS was to identify the portion of distribution plant investment that is required to provide a basic minimum level of service to each customer, regardless of load.[99]

103. That portion was classified as customer-related, while the remaining portion of plant investment, which varies with load and system capacity requirements, was classified as demand-related.[100]

104. UGI Electric stated that its proposed revenue allocation followed the results of UGI Electric witness Fang's ACOSS, UGI Electric Exhibit D – Allocated Class Cost of Service Study (Fully Projected).[101]

105. UGI Electric witness Fang stated that she proposed moderation to the revenue apportionment because moving immediately to equalized rates of return across customer classes could result in significant changes in allocated revenues for certain classes.[102]

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[97] *Id.*, p. 11.
[98] *Id.*, p. 22.
[99] *Id.*
[100] *Id.*
[101] *Id.*, pp. 30-32.
[102] *Id.*, p. 33.

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106. The principal customer classes and rate schedules addressed in this proceeding include Residential ("R"), General Service ("GS-1"), General Service-5 ("GS-5"), General Service-4 ("GS-4"), Flood Control Power ("FCP"), Large Power ("LP"), and Lighting service.[103]

107. These rate schedules establish the distribution charges applicable to customers receiving service from the Company.[104]

108. UGI Electric proposed increasing the customer charge for all rate schedules with current customer charges and establishing a customer charge for Rate LP.[105]

109. The Company's proposed increases in the customer charges and its cost-based analyses for each rate schedule's customer charge were set forth in Table 10 of UGI Electric St. No. 11, reproduced below[106]:

Rate Schedule	Current	Cost-Based	% of Cost-based	Proposed	Proposed % of Cost-based	% Change from Current
Schedule R	$10.75	$28.48	37.7%	$22.00	77.2%	105%
Schedule GS1	$17.00	$56.90	29.9%	$30.00	52.7%	76%
Schedule GS5	$10.75	$56.90	18.9%	$30.00	52.7%	179%
Schedule FCP	$6.03	$54.30	11.1%	$13.50	24.9%	124%
Schedule GS4	$18.00	$64.82	27.8%	$45.00	69.4%	150%
Schedule LP	$135.80	$147.03	92.4%	$150.00	102.0%	10%

110. I&E proposed alternative increases in the customer charges for Rates R and GS-5, GS-1, FCP, and GS-4, premised upon limiting all the customer charge increases to approximately 24%.[107]

111. OCA and CEO opposed any increase in the residential customer charge.[108]

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[103] *Id.*, p. 38.
[104] *Id.*
[105] *Id.*, pp. 39-40.
[106] *Id.*, p. 46. UGI Electric updated the proposed customer charge for Rate GS-5 to match the Rate R customer charge, as part of the Company's rebuttal testimony. *See* UGI Electric St. No. 1-R, pp. 29-30.
[107] I&E St. No. 3, pp. 10-11.
[108] OCA St. 1, p. 51; CEO St. No. 1, p. 7.

112. OCA opposed any increase in the customer charge for small general service customers.[109]

113. The customer charges reflected in the Settlement are lower than the cost-based customer charges established in the record.[110]

114. The Rate R customer charge proposed in the Settlement is lower than the customer charge recommended by I&E and reflects an increase of only $1.25 from the Company's current customer charge.[111]

115. UGI Electric witness Fang explained that if the Commission approves a lower overall revenue requirement, any necessary reduction should first be reflected through volumetric charges that currently recover costs above cost-reflective levels, while maintaining the proposed Residential and GS-1 customer charges as measured steps toward cost-based fixed-cost recovery.[112]

116. The Company proposed several modifications to its tariff, which are summarized in UGI Electric witness Epler's direct testimony.[113]

117. The Company submits customer service performance metrics on an annual basis to demonstrate compliance against a standard.[114]

118. The Company estimated the IT costs to program a Price to Compare ("PTC") alert at approximately $150,000.[115]

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[109] OCA St. 1, p. 51.

[110] *See, e.g.*, UGI Electric St. No. 11, p. 56; *see also* OCA St. 1, p. 44 (presenting OCA witness Deupree's analysis showing an estimated customer-related cost of $27.26 per month for Rate R).

[111] I&E St. No. 3, p. 10; UGI Electric St. No. 11, p. 56.

[112] UGI Electric St. No. 11-R, p. 49.

[113] *See* UGI Electric St. No. 10, pp. 8-9.

[114] UGI Electric St. No. 13-R, pp. 3-4.

[115] *Id.*, p. 6.

119. The Company explained that customers facing termination receive multiple notifications outlining their rights and available protections, including written correspondence such as the initial notice, 10-day notice, in-person contact via telephone three days prior to termination,[116] and a post-termination notice.[117]

120. Regarding the Company's website, UGI Electric witness Adamo stated that its navigation structure encompasses approximately 120 distinct pages, more than sixty percent of which apply to both natural gas and electric customers, including Billing and Payments, Customer Assistance Programs, Community Programs, News, Careers, and Company Information.[118]

121. The Company does not share Social Security Numbers with affiliates or corporate entities.[119]

122. The Company conducts a twice-annual marketing campaign focused on self-certified customers who are not enrolled in the Customer Assistance Program ("CAP").[120]

123. A marketing campaign addressing the Low Income Home Energy Assistance Program ("LIHEAP") is undertaken on a similar schedule to the marketing campaign undertaken for CAP.[121]

124. CAP enrollment is not a prerequisite to receiving a deposit exemption from UGI Electric, but the CAP application is utilized to streamline the process and have a uniform verification process for customers, allowing them to obtain the benefits of the deposit exemption and enroll in CAP if they so choose.[122]

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[116] If a telephone number is not available or is invalid, UGI Electric will attempt to provide the notice by home visit. UGI Electric St. No. 3, p. 9 n.2.
[117] UGI Electric St. No. 3, p. 9.
[118] UGI Electric St. No. 13-R, p. 9.
[119] *Id.*
[120] UGI Electric St. No. 12-R, p. 6.
[121] *Id.*, p. 13.
[122] *Id.*, p. 16.

125. Customers enrolled in autopay receive their deposit refunds by direct debit, while those not enrolled in autopay receive a check.[123]

[123] *Id.*, p. 17.

Appendix E

Proposed Conclusions of Law

APPENDIX E

PROPOSED CONCLUSIONS OF LAW

1. Settlements must be in the public interest.[124]

2. The Commission's policy permits parties to enter "partial" or "non-unanimous" settlements.[125]

3. As with full settlements, the terms and conditions of non-unanimous settlements must be reasonable and in the public interest.[126]

4. The Commission has approved non-unanimous settlements as being just and reasonable and in the public interest and has not rejected or disfavored settlements because they are non-unanimous.[127]

5. The standards for approving the terms of non-unanimous settlements are the same as those for deciding a fully contested case, *i.e.*, the parties to the non-unanimous settlement must demonstrate that the proposed settlement is supported by substantial evidence, will produce just and reasonable rates, is in the public interest, and is in conformity with the Commission's orders and regulations.[128]

6. When evaluating a non-unanimous settlement, the Commission will also consider the due process afforded to non-settling parties, such as whether non-settling parties were provided

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[124] *Pa. PUC v. Windstream Pennsylvania, LLC*, Docket No. M-2012-2227108, 2012 Pa. PUC LEXIS 1535 (Opinion and Order entered Sept. 27, 2012); *Pa. PUC v. C.S. Water and Sewer Assoc.*, Docket No. R-881147, 74 Pa. PUC 767 (Opinion entered Jul. 22, 1991).

[125] *See* 52 Pa. Code § 69.401, § 69.406, § 5.232.

[126] *Pa. PUC v. City of Bethlehem – Water Department*, Docket No. R-2020-3020256, *et al.*, 2021 Pa. PUC LEXIS 116 (April 15, 2021) ("*City of Bethlehem Water*").

[127] *City of Bethlehem Water; Pa. PUC v. Pike County Light & Power Co. – Electric*, Docket Nos. R-2020-3022135, *et al.* (Recommended Decision May 5, 2021; Order entered June 23, 2021) ("*Pike County*"); *Pa. PUC v. Pennsylvania-American Water Co.*, Docket Nos. R-2020-3019369, *et al.* (Order entered February 25, 2021); *Pa. PUC v. Peoples Natural Gas Co.*, Docket Nos. R-2023-3044549, *et al.* (Order entered Sept. 12, 2024); *Pa. PUC v. PPL Elec. Utils. Corp.*, Docket Nos. R-2025-3057164, *et al.* (Order entered June 11, 2026) ("*PPL 2026 Order*").

[128] 66 Pa C.S. § 1301; *PPL 2026 Order*, p. 196.

an opportunity to object to the settlement and to present their positions on the issues, and the range of interests represented in the non-unanimous settlement.[129]

7. The results achieved from a negotiated settlement or stipulation, or both, in which the interested parties have had an opportunity to participate are often preferable to those achieved at the conclusion of a fully litigated proceeding.[130]

8. For this reason, the Commission established guidelines and procedures designed to encourage full and partial settlements as well as stipulations in major section 1308(d) general rate increase cases.[131]

9. Under Sections 315(a), 1301, and 1304 of the Public Utility Code, a public utility's rates must be just and reasonable and cannot result in undue rate discrimination.[132]

10. Under Section 315(a) of the Public Utility Code, a public utility seeking a general rate increase has the burden of proof to establish the justness and reasonableness of every element of the rate increase request.[133]

11. "It is well-established that the evidence adduced by a utility to meet this [justness and reasonableness] burden must be substantial."[134]

12. A public utility, in proving that its proposed rates are just and reasonable, does not have the burden to affirmatively defend claims made in its filing that no other party has questioned; "[w]hile it is axiomatic that a utility has the burden of proving the justness and reasonableness of its proposed rates, it cannot be called upon to account for every action absent prior notice that such action is to be challenged."[135]

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[129] *Pa. PUC v. City of Bethlehem – Water Dep't*, 2021 Pa. PUC LEXIS 116.
[130] 52 Pa. Code § 69.401.
[131] *Id.; see also* 52 Pa. Code §§ 69.402 - 69.406.
[132] 66 Pa. C.S. §§ 315(a), 1301, 1304.
[133] 66 Pa. C.S. § 315(a).
[134] *Lower Frederick Twp. v. Pa. PUC*, 409 A.2d 505, 507 (Pa. Cmwlth. 1980).
[135] *Allegheny Center Assocs. v. Pa. PUC*, 570 A.2d 149, 153 (Pa. Cmwlth. 1990).

13. Although the ultimate burden of proof does not shift from the utility seeking a rate increase, a party proposing an adjustment to a ratemaking claim of a utility bears the burden of presenting some evidence or analysis tending to demonstrate the reasonableness of the adjustment.[136]

14. Tariff provisions previously approved by the Commission are deemed just and reasonable and, therefore, a party challenging a previously-approved tariff provision bears the burden to demonstrate that the Commission's prior approval is no longer justified.[137]

15. A party that raises an issue that is not included in a public utility's general rate case filing bears the burden of proof.[138]

16. While it is axiomatic that a utility has the burden of proving the justness and reasonableness of its proposed rates, it cannot be called upon to account for every action absent prior notice that such action is to be challenged.[139]

17. Public utilities are entitled to recover all reasonable expenses incurred to provide service to customers, and the relevant question in a base rate proceeding is whether the expense is reasonable and appropriate for the furnishing of service to customers.[140]

18. The Commission has reviewed and approved incentive compensation programs in numerous prior rate cases.[141]

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[136] *See, e.g., Pa. PUC v. PECO Energy Co.*, Docket No. R-891364, *et al.*, 1990 Pa. PUC LEXIS 155 (Order dated May 16, 1990); *Pa. PUC v. Breezewood Tel. Co.*, Docket No. R-901666, 1991 Pa. PUC LEXIS 45 (Order dated Jan. 31, 1991).

[137] *See, e.g., Pa. PUC v. Phila. Gas Works*, Docket Nos. R-00061931, *et al.*, 2007 Pa. PUC LEXIS 45, at *165-68 (Order entered Sept. 28, 2007).

[138] *See Pa. PUC v. Metropolitan Edison Co.*, et al., Docket Nos. R-00061366, et al., 2007 Pa. PUC LEXIS 5 (Order entered Jan. 11, 2007).

[139] *Allegheny Center Assocs. v. Pa. PUC*, 570 A.2d 149, 153 (Pa. Cmwlth. 1990).

[140] *Butler Township Water Co. v. Pa. PUC*, 473 A.2d 219, 221 (Pa. Cmwlth. 1984).

[141] *See e.g., Pa. PUC v. PPL Electric Utilities Corp.*, Docket No. R-2012-2290597, 2012 Pa. PUC LEXIS 1757 ("*PPL Electric 2012*"); *Pa. PUC v. Aqua Pa., Inc.*, Docket No. R-00072711, 2008 Pa. PUC LEXIS 50 (Order dated July 17, 2008) ("*Aqua 2008*"); *Pa. PUC v. Duquesne Light Co.*, 63 Pa. PUC 337, 1987 Pa. PUC LEXIS 342 (Order dated March 10, 1987); *PUC v. PPL Gas Utilities Corporation*, R-00061398, p. 40 (Order dated Feb. 9, 2007); *Pa.*

19. Although the normalization period for rate case expense recovery should take into consideration the history of prior filings, there are circumstances that require the consideration of future circumstances.[142]

20. The standards to be used by the Commission in determining what return rate is fair are well-established, having been set forth by the United States Supreme Court in *Bluefield Waterworks and Imp. Co. v. P.S.C. of West Virginia*, 262 U.S. 679, 690 (1923), over 100 years ago: Rates which are not sufficient to yield a reasonable return on the value of the property at the time it is being used to render service are unjust, unreasonable and confiscatory, and their enforcement deprives the public utility of its property in violation of the Fourteenth Amendment.

21. The rate of return should be reasonably sufficient to assure confidence in the financial soundness of the utility and should be adequate, under efficient and economical management, to maintain and support its credit and enable it to raise the money necessary for the proper discharge of its public duties.[143]

22. "One of the elements always relevant to setting the rate under *Hope* is the return investors expect given the risk of the enterprise."[144]

23. The determination of a fair rate of return requires the review of many factors, including: (1) the earnings that are necessary to assure confidence in the financial integrity of the company and to provide a reasonable credit profile to permit access to capital markets on

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PUC v. Philadelphia Gas Works, Docket No. R-2008-2073938, 2008 Pa. PUC LEXIS 32 (Order dated Dec. 19, 2008); *Pa. PUC v. UGI Utilities, Inc. – Electric Division*, Docket No. R-2017-2640058 (Order entered October 25, 2018).

[142] *See Emporium Water Co.*, Docket No. R-2014-2402324, pp. 48-49 (Order entered Jan. 18, 2015) (citing *Pa. PUC v. PPL Elec. Utils. Corp.,* Docket Nos. R-2012-2290597, *et al.* (Order entered Dec. 28, 2012)).

[143] *Bluefield Waterworks and Imp. Co. v. P.S.C. of West Virginia*, 262 U.S. 679, 693 (1923). These principles have been adopted and applied by the appellate courts of Pennsylvania in numerous cases. *See, e.g.*, *Riverton Consolidated Water Co. v. Pa. PUC*, 140 A.2d 114 (Pa. Super. 1958); *City of Pittsburgh v. Pa. PUC*, 126 A.2d 777 (Pa. Super. 1956); *Lower Paxton Twp. v. Pa. PUC*, 317 A.2d 917 (Pa. Cmwlth. 1974).

[144] *Duquesne Light Co. v. Barasch*, 488 U.S. 299, 109 S. Ct. 609, 102 L. Ed. 2d 646, 661 (1989).

reasonable terms, and (2) the amount of the investment, the size and nature of the utility and its business and financial risks, in comparison to other enterprises.[145]

24. The Commission's findings regarding rate of return must be based upon substantial and competent evidence on the record before it, not upon speculation or hypothesis.[146]

25. The Commission has determined that a utility's actual capital structure is to be used, absent circumstances where the actual capital structure is atypical for the type of utility service being offered.[147]

26. A hypothetical capital structure should only be imposed when the utility's capital structure is atypical or too heavily weighted to either debt or equity such that is outside range of reasonableness.[148]

27. In determining whether the claimed capital structure is atypical, the Commission has looked to see whether the capital structure used by the utility is outside the range of that employed by the barometer group of companies considered in the rate of return analysis.[149]

28. If a utility's capital structure is within a reasonable range of similar risk barometer group companies, the utility's capital structure should be used and not a hypothetical capital structure.[150]

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[145] *Pa. PUC v. Pa. Gas & Water Co. - Water Div.*, 233, 341 A.2d 239 (Pa. Cmwlth. 1975); *Lower Paxton Twp., supra*.

[146] *Ohio Bell Telephone Co. v. Pub. Util. Comm. of Ohio*, 301 U.S. 292 (1937); *United States Steel Corp. v. Pa. PUC*, 390 A.2d 849 (Pa. Cmwlth. 1978); *Octoraro Water Co. v. Pa. PUC*, 391 A.2d 1129 (Pa. Cmwlth. 1978).

[147] *See Pa. PUC v. City of Lancaster – Water*, Docket Nos. R-00984567, *et al.*, 1999 Pa. PUC LEXIS 39, at *17 (Order dated Sept. 22, 1999); *Pa. PUC v. City of Bethlehem*, 84 Pa. P.U.C. 275, 304 (1995); *Carnegie National Gas Co. v. Pa. PUC*, 433 A.2d 938, 940 (Pa. Cmwlth. 1981).

[148] *See, e.g., Pa. PUC v. Columbia Gas of Pa., Inc.*, Docket Nos. R-2025-3053499, *et al.*, p. 213 (Order entered Dec. 9, 2025) ("*Columbia Gas 2025 Order*").

[149] *See, e.g., Pa. PUC v. Pennsylvania-American Water Co.*, Docket Nos. R-2025-3057983, *et al.*, pp. 184-85 (Order entered July 27, 2026) ("*PAWC 2026 Order*"); *Columbia Gas 2025 Order*, pp. 212-13.

[150] *See, e.g., Columbia Gas 2025 Order*, pp. 212-13.

29. The Commission has repeatedly recognized that cost of service studies is only a guide to designing rates and is only one factor, albeit an important one, to be considered in the rate setting process.[151]

30. As indicated by the Commonwealth Court in *Lloyd*, cost of service is the "polestar" of utility rates.[152]

31. Cost allocation studies require a considerable amount of judgment and are described as more of an accounting/engineering art rather than science.[153]

32. A proposed revenue allocation will be found to be reasonable where it moves distribution rates for each class closer to the full cost of providing service.[154]

33. It is well-settled that the establishment of a rate structure is an administrative function peculiarly within the expertise of the Commission.[155]

34. Courts have continually recognized that the findings of the Commission, if supported by competent evidence, will not be disturbed.[156]

35. The Joint Petition for Non-Unanimous Settlement of All Issues is, on many specific issues and in total, a better outcome for customers than any reasonable litigation outcome based on the application of precedent established by the Commission and the courts of Pennsylvania.

[151] *See, e.g., Pa. PUC v. Aqua Pa., Inc*., Docket Nos. R-00072711, *et al*., 2008 Pa. PUC LEXIS 50 (Order entered July 17, 2008); *Pa. PUC v. West Penn Power Co.*, Docket Nos. R-901609, *et al*., 1990 Pa. PUC LEXIS 142, 73 Pa. PUC 454, 119 P.U.R.4th 110 (Order dated Dec. 13, 1990); *Pa. PUC v. Pa. Power & Light Co.,* 55 PUR 4th 185, 249 (Order dated Aug. 19, 1983).

[152] *Lloyd v. Pa. PUC*, 904 A.2d 1010, 1020 (Pa. Cmwlth. Aug. 4, 2006) ("*Lloyd*").

[153] *Application of Metropolitan Edison Co*., R-00974008 (Order dated June 30, 1998); *Pa. PUC v. Pa. Power & Light Co*., 55 PUR 4th 185 (Order dated Aug. 19, 1983).

[154] *Pa. PUC v. PPL Elec. Utils. Corp.*, Docket Nos. R-00049255, *et al.*, 2007 Pa. PUC LEXIS 55 (Order on Remand entered July 25, 2007).

[155] *Pittsburgh v. Pa. PUC*, 78 A.2d 35 (Pa. Super. 1951).

[156] *United States Steel Corp. v. Pa. PUC*, 390 A.2d 865 (Pa. Cmwlth. 1978); *Philadelphia Suburban Transportation Co. v. Pa. PUC*, 281 A.2d 179, 185 (Pa. Cmwlth.1971).

36. The Joint Petition for Non-Unanimous Settlement of All Issues provides substantial public benefits in the form of commitments to additional services and modifications to programs that will benefit customers that cannot be achieved through litigation alone.

37. The Joint Petition for Non-Unanimous Settlement of All Issues is supported by substantial evidence, will produce just and reasonable rates, is in the public interest, and is in conformity with the Commission's orders and regulations.

Appendix F

Proposed Ordering Paragraphs

APPENDIX F

PROPOSED ORDERING PARAGRAPHS

1. That the Pennsylvania Public Utility Commission approve this Settlement, including all the terms and conditions thereof, without modification;

2. That the Formal Complaint of the Office of Small Business Advocate at Docket No. C-2026-3061591 be deemed satisfied and marked closed;

3. That the Formal Complaint of the Office of Consumer Advocate at Docket No. C-2026-3061676 be denied and marked closed;

4. That the *pro se* formal complaints opposing the proposed rate increase of Kory Boothe at Docket No. C-2026-3061698, Mary Hibbard at Docket No. C-2026-3061790, Elizabeth Saxton at Docket No. C-2026-3062281, and Carol Buchalski at Docket No. C-2026-3062957 be denied;

5. That the investigation into this matter be terminated and the matter marked closed; and

6. That the Commission issue an Opinion and Order terminating the proceeding and authorizing UGI Electric to file a compliance retail tariff supplement consistent with the Settlement on one day's notice.

Appendix G

Pro Forma Retail Tariff Supplement

Pro Forma Tariff Supplement
to UGI Electric Pa. P.U.C. No. 6

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: _____________

Effective for service rendered on and after ______________.

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

https://www.ugi.com/tariffs

NOTICE

This tariff makes changes, decreases, and increases to existing rates (see pages 2-2(b)).

LIST OF CHANGES MADE BY THIS SUPPLEMENT
(Page Numbers Refer to Official Tariff)

Rule 3 – Guarantee of Payment, Pages 11 - 12.
- Subsection 3-f(i) added to clarify applicability and refunding of customer deposits for low-income Residential customers who are eligible for customer assistance programs. As a result of the language addition, information presented in subsequent subsections shifted to page 12.

Rule 5 – Service and Supply System Extensions – Page 17.
- Subsections 5-l and 5-m have been deleted due to program expiration.

Rule 10 – Defects in Customer's Installation, Page 22.
- Subsection 10-c has spelling error corrected.

Rule 13 – Payment Terms, Pages 25 - 26(a).
- Clarifying language added to subsection 13-e as related to the timing of the periodic Budget Billing reviews.
- Subsection 13-g – Outdated reference to UGI Utilities, Inc. – North Rate District ("UGI North") has been replaced with UGI Utilities, Inc. – Gas Division ("UGI Gas").
- Subsection 13-j – Acceptable Forms of Payment has been added.
- Subsection 13-k – Small business payment arrangement availability has been added.

Rule 14 – Termination or Disconnection by Company, Page 27
- Subsection 14-c – references to "Department of Public Welfare" and "DPW" have been replaced with "Department of Human Services" and "DHS".
- Subsection 14-d – language added to exclude collection of reconnection fees from confirmed low-income Residential customers.

Rider A – State Tax Adjustment Surcharge, Page 38.
- The State Tax Adjustment Surcharge rate was reset to 0.00%.

Rider C – Universal Service Plan Rider, Pages 42 - 43.
- Applicability and Purpose has added language for Rate HTP customers on a negotiated basis and describes the applicability of the Rider and rate to Rate HTP customers.
- The USP rate has added language to specify the rate for Rate R customers.
- The specific number of 3,953 has been removed and applicability date as of September 30, 2026 has been added.

Rider G – Distribution System Improvement Charge, Page 50.
- The Distribution System Improvement Charge rate was reset to 0.00%.
- Language for Rate HTP customers has been added to allow for a negotiated rate.
- The DSIC effective date has been updated in subsection A.3.

Rate Schedule R – Residential Service, Page 53.
- The customer charge and distribution charge were increased.

Rate Schedule OL – Outdoor Lighting Service, Page 54.
- The distribution charge was increased.

Rate Schedule SOL – Sodium Outdoor Lighting Service, Pages 56 - 57.
- Availability has been updated to address market phase-out sodium lighting.
- The distribution charge was increased.
- Removal of Mercury Vapor has outdated language removed.

LIST OF CHANGES MADE BY THIS SUPPLEMENT – (Continued)
(Page Numbers Refer to Official Tariff)

Rate Schedule MHOL – Metal Halide Outdoor Lighting Service, Pages 58 - 59.
- The distribution charge was increased.
- Removal of Mercury Vapor & High Pressure Sodium has outdated language removed.

Rate LED-OL – Light-Emitting Diode Outdoor Lighting Service, Pages 60 - 61.
- The distribution charge was increased.
- New rates added to the Flood Lighting and Street Lighting Luminaires for 300-350 wattage range.
- Clarifying billing language added for LED with adjustable lumen.
- Removal of Mercury Vapor, High Pressure Sodium and Metal Halide has outdated language removed.

Rate Schedule GS-1 – General Service, Page 62.
- The customer charge and distribution charge were increased.

Rate Schedule GS-4 – General Service (5 kW minimum), Page 63.
- The customer charge was increased.
- The distribution charges were increased and decreased.

Rate Schedule GS-5 – General Service, Pages 64-65.
- Clarifying language was added requiring an executed contract to be eligible to take service under rate GS-5.
- The customer charge and distribution charge were increased.

Rate Schedule LP – Large Power Service, Pages 66 - 67.
- The monthly bill statement under Rate Table has been removed.
- A monthly customer charge has been added.
- The distribution charges were increased and decreased.
- The Minimum Monthly Charge statement has customer charge added.

Rate Schedule HTP – High Tension Power Service, Page 68.
- The USP and DSIC riders have been added to the Rate Table section as fully negotiated rates.
- The Surcharges and Riders section has been updated to clarify that the Company may charge Rate HTP customers Riders C and G based on the terms of individually negotiated contracts.

Rate Schedule SL – Street Lighting Service, Pages 69.
- The distribution charge was increased.

Rate Schedule SSL – Sodium Street Lighting Service, Pages 71 - 72.
- Availability has been updated to address market phase-out sodium lighting.
- The distribution charge was increased.
- Removal of Mercury Vapor has outdated language removed.

Rate Schedule MHSL – Metal Halide Street Lighting Service, Pages 73 - 74.
- The distribution charge was increased.
- Removal of Mercury Vapor and High Pressure Sodium has outdated language removed.

LIST OF CHANGES MADE BY THIS SUPPLEMENT – (Continued)
(Page Numbers Refer to Official Tariff)

Rate Schedule LED-SL – Light-Emitting Diode Street Lighting Service, Pages 75 - 76.
- The distribution charge was increased.
- New rates added for 300-350 wattage range.
- Clarifying billing language added for LED with adjustable lumen.
- Removal of Mercury Vapor, High Pressure Sodium and Metal Halide has outdated language removed.

Rate Schedule LED-CO – Customer-Owned Light-Emitting Diode Street Lighting Service, Pages 77 and 79.
- The distribution charge was increased.
- Clarifying billing language added for LED with adjustable lumen.
- Lettering duplicates removed and corrected under General Provisions.
- Removal of Company-Owned Lights has clarifying language added.

Rate Schedule FCP – Flood Control Power Service, Page 80.
- The distribution charges were increased on Page 80.

RULES AND REGULATIONS (continued)

3. GUARANTEE OF PAYMENT

(iii) Any Customer receiving service from the Company shall pay the required deposit in full on or before the due date. A Residential Customer may elect to pay the required deposit in three installments as follows: 50% of the required deposit billed upon the determination by the Company under 3-b(iii) and (iv) above that the deposit is required, with 25% to be billed by the Company 30 days after the determination and the remaining 25% billed 60 days after the determination.

3-f Deposit Hold Period for Residential Customers and Refund of Deposits. A timely payment history is established when the Residential Customer has paid in full and on time for twelve (12) consecutive months. The Company may hold a deposit on a Residential Customer's account until a timely payment history is established (the "Deposit Hold Period"). At the end of the Deposit Hold Period, Company shall credit the deposit, plus accrued interest, to the Residential Customer's Account. Deposits credited after the end of the Deposit Hold Period shall first be applied to any past due amounts. If service is terminated or discontinued before the end of the Deposit Hold Period, Company shall deduct any outstanding balance from the deposit and return any positive balance to the Residential Customer within sixty (60) days.

(i) The Company may not require a cash deposit from an applicant who is, based upon household income, confirmed to be eligible for a customer assistance program. An applicant is confirmed to be eligible for a customer assistance program by the Company if the applicant provides income documents or other information attesting to his or her eligibility for state benefits based on household income eligibility requirements that are consistent with those of the Company's Customer Assistance Program ("CAP"). For existing customers that already have monies paid against a security deposit and become enrolled in the Company's CAP, the Company will provide the customer a direct refund of the security deposit amount, along with applicable interest. The Company may apply the refund of the security deposit amount, with applicable interest, to the customer's account balance with the customer's informed consent. If checks providing a direct refund of the security deposit are returned as undeliverable, the Company will apply the amount as a bill credit, unless the customer contacts the Company with a corrected address. **(C)**

3-g Refund Provision - Non-Residential Customers. A deposit secured from a non-residential Customer shall be returned after such Customer has paid bills for service for twelve (12) consecutive months without having service terminated and without having paid the bill after the date when due on more than two (2) occasions. The non-residential Customer my elect to have the deposit applied to the account in order to reduce bills for service in lieu of a cash refund. Upon termination or discontinuance of service, the Company shall promptly apply the deposit, including accrued interest, to any outstanding balance for service and refund the remaining to the non-residential Customer.

3-h Adjustments. The amount of the deposit may be adjusted when there is a change in consumption that will significantly change the amount of the deposit as computed in Rule 3-a and 3-c.

(C) Indicates Change

RULES AND REGULATIONS (continued) **(C)**

3. GUARANTEE OF PAYMENT

3-i Interest on Deposits. Deposits from all Customers shall bear interest computed at the simple annual interest rate determined by the Secretary of Revenue for interest on underpayment of tax under Section 806 of the Act of April 19, 1929 (P.L. 343, No. 176), known as The Fiscal Code which will be credited annually to the Customer's deposit or account. The interest rate in effect when the deposit is required to be paid shall remain in effect until the later of the date the deposit is refunded or credited or December 31 of each year. On January 1 of each year, the new interest rate for that year will apply to the deposit. Deposits shall cease to bear interest upon termination or discontinuance of service.

3-j Prior Debts.

(i) Non-Residential Customers. As a condition of furnishing, transferring or reconnecting service to a Non-Residential Applicant or Non-Residential Customer, the Company may require payment of any outstanding balance on any account for which the Non-Residential Applicant or Non-Residential Customer is legally responsible.

(ii) Residential Customers. As a condition of furnishing, transferring or reconnecting service to a Residential Applicant or Residential Customer, the Company may require payment of any outstanding balance which accrued within the past four years on any account for which the Residential Applicant or Residential Customer is legally responsible. The foregoing four-year limitation shall not apply if the outstanding balance includes past due amounts that the Company was not aware of due to Unauthorized Use of Service, fraud or theft; in which case, the Company may require payment of all such past due amounts without regard to the four-year limitation. The Company may render a make-up bill to a Residential Customer for previously unbilled service which accrued within the past four (4) years resulting from billing error, meter failure, leakage that could not reasonably have been detected or loss of service. If the make-up bill exceeds the otherwise normal estimated bill for the billing period during which the make-up bill is issued by at least 50% or at least $50, whichever is greater, the Company shall, at the option of the Customer, amortize the bill at least as long as: (1) the period during which the excess amount accrued; or (2) necessary so that the quantity of service billed in any one billing period is not greater than the normal estimated quantity for that period plus 50%.

(iii) The Company may utilize all means of determining an Applicant's or Customer's liability for any outstanding balances, including, but not limited to, the following: (1) use of Company records that contain confidential information previously provided to the Company, (2) information contained on a valid mortgage, lease or deed, (3) other information contained in the Company's records that indicate that the Applicant was an adult Occupant during the time the balances accrued, (4) use of commercially available consumer credit reporting service, (5) use of commercially available skip tracing software that contains records of names and addresses, and (6) use of information contained in credit reporting data utilized by the Company.

(C) Indicates Change

RULES AND REGULATIONS (continued) **(C)**

5. SERVICE AND SUPPLY SYSTEM EXTENSIONS

(3) At Applicant's own cost, clear the ground in which the lines and related facilities are to be laid of trees, stumps and other obstructions, provide the excavating and backfilling subject to the inspection and approval of the Company, and rough grade it to within six inches of final grade, so that the Company's part of the installation shall consist only of laying of the lines and installing other service-related facilities. Excavating and backfilling performed or provided by the applicant shall follow the Company's underground construction standards and specifications set forth by the Company in written form and presented to the applicant at the time of application for service and presentation of the recorded plot plan to the Company. If the Company's specifications have not been met by the Applicant's excavating and backfilling, such excavating and backfilling shall be corrected or redone by the applicant or its authorized agent. Failure to comply with the Company's construction standards and specifications permits the Company to refuse service until such standards and specification are met.

5-j Other Extension. The Company's obligation to extend its facilities to a new point of delivery, other than as set forth above, is limited to the assumption of new investment to the extent warranted by the revenue anticipated from the service to be supplied. Where the anticipated revenue does not warrant the investment required to serve, the Company will determine for each case what guarantees of revenue, financing or term of contract shall be required of the Customer.

5-k Taxes on Contributions in Aid of Construction. For any Contribution in Aid of Construction or other like amounts received from an Applicant or Customer which constitute taxable income as defined by the Internal Revenue Service, the Company shall maintain a segregated deferred income tax account for inclusion in rate base in a future rate proceeding. Such income taxes associated with a Contribution in Aid of Construction or other like amount will not be charged to the Applicant or Customer.

(C) Indicates Change

RULES AND REGULATIONS (continued)

10. DEFECTS IN CUSTOMER'S INSTALLATION

10-a Right to Inspect. The Company shall have the right, but shall not be obligated to, examine the Customer's installation at the time service is first supplied or at any later time.

10-b Defective Installations. The Company shall operate and maintain only those electrical facilities which are installed and owned by the Company. If at any time the wiring, fixtures or appliances of the Customer are found to be defective or dangerous by the Company's employees, service may be refused or discontinued until the Customer has the condition corrected.

10-c Customer's Responsibility. The Company assumes no responsibility for any damage done by or resulting from any defect in the wiring, fixtures, or appliances of the Customer. In the event that any loss or damage to the property of the Company, or any accident or injury to persons or property is **(C)** caused by or results from the negligence or wrongful act of the Customer, his agents, or employees, the cost of the necessary repairs or replacement shall be paid by the Customer to the Company and any liability otherwise resulting shall be assumed by the Customer.

(C) Indicates Change

RULES AND REGULATIONS (continued)

13. PAYMENT TERMS

13-a Billing Period. The Company shall bill monthly. When periods are substantially greater or less than one month, bills will be computed by prorating on the basis of the actual period covered by meter readings. Failure to receive a bill will not release a Customer from payment obligation. For Residential Customers, the billing month is a period of not less than 26 or greater than 35 days. An initial bill for a new Residential Customer may be less than 26 days or greater than 35 days; provided however, if an initial bill exceeds 60 days the Residential Customer shall be given the opportunity to amortize the amount over a period equal to the period covered by the initial bill without penalty. A final bill due to the discontinuance may be less than 26 days or greater than 35 days but may never exceed 42 days. In cases involving termination, a final bill may be less than 26 days. In addition, bills for less than 26 days or more than 35 days shall be permitted if they result from rebilling initiated by the Company or Customer dispute to correct a billing problem. Bills for less than 26 days or more than 35 days shall be permitted if they result from a meter reading route change initiated by the Company.

13-b Net Payment Period. Bills are due upon presentation, and the net bills are contingent upon prompt payment. Should payment not be made within the time specified for payment of the net amount, an additional charge will be made as specified in the rate statement, subject to the right of the Company to waive this charge for any Customer once in each calendar year for reasons deemed by the Company to be good and sufficient. The due date for payment of the net amount will be shown upon each bill and will be at least 15 days for Non-residential and 20 days for Residential customers from the date of transmittal of the bill, except on bills to United States Government, Commonwealth of Pennsylvania or any of their agencies, municipal, religious, charitable and educational institutions not conducted for profit, the net payment period shall be thirty (30) days after date of presentation.

When the due date for residential service occurs from the 21st day of the month through the 5th day of the following month, the due date may be extended to the 6th day of the latter month for Customers on fixed incomes receiving Social Security or equivalent monthly checks on or about the 1st of the month. Such requests for due day extensions must be made by signed application at the Company office and must be renewed annually.

13-c Date of Payment. When Residential Customers bills are paid through the mail the date of the postmark will be considered the date of the payment. When Residential Customers' bills are paid through electronic transmission, the effective date of payment shall be the date of actual receipt of payment by the Company. When Residential Customers' bills are paid at a branch office or an Authorized Payment Agent, the effective date of payment shall be the date of actual receipt of payment at that location. For purposes of this section, an "Authorized Payment Agent" shall mean an agent expressly authorized by Company to accept payments from Customers on Company's behalf.

13-d Estimated Bills. The Company reserves the right to read meters on bimonthly or quarterly schedules and to render standard bills for the recorded use of service based upon the time interval between meter readings. At its option, when meters are read bimonthly or quarterly, the Company may render estimated bills on a monthly basis for the periods when meter readings are not obtained. Standard Company payment terms shall apply to these bills. The Company may estimate the bill of any Customer if extreme weather conditions, emergencies, equipment failures, work stoppages, failure to gain access or other circumstances prevent actual meter reading.

13-e Budget Billing – Residential Customers may elect an optional billing method which averages the estimated Company regulated service costs over a revolving twelve (12) month Budget Billing plan. **(C)**

(C) Indicates Change

RULES AND REGULATIONS (continued)

13. PAYMENT TERMS

The Company will review the Budget Billing amount on a quarterly basis and adjust the Budget Billing amount upward or downward based on actual charges to date and projected charges to the end of the twelve (12) month Budget Billing plan. The twelfth bill will include a true-up adjustment for the difference between payments made and actual charges for electric service for the prior eleven (11) months, inclusive. At the conclusion of the budget billing year, any resulting reconciliation amount exceeding $100 may be amortized over a twelve (12) month period upon Residential Customer request. **(C)**

HUD Financed Housing: Budget Billing for service, as described above, is available to master metered electrically heated multifamily dwelling units during the time that such unit is either owned by the Federal Department of Housing and Urban Development or subject to a first mortgage held or guaranteed by that agency.

13-f Late Payment Charge. Late payment charges will be applied as follows to the balance due which is not paid by the due date including amounts billed by the Company on behalf of electric suppliers other than the Company. Residential Customers will be charged a late payment charge of one and one half (1 1/2) percent per month on the balance due not paid by the due date; provided that, for a Residential Customer's payment by mail, the Company shall not impose a late payment charge unless payment is received more than 5 days after the due date. Non-Residential Customers will be charged five (5) percent per month on the balance due not paid by the due date and an additional one and one half (1 1/2) percent per month for each month thereafter.

13-g Joint Billing. Joint Billing provides Customers with one combined account and a combined invoice that displays charges for both their gas and electric service and pertains to Customers that are the same class as described below and receive both electric service from the Company and gas service from UGI Utilities, Inc. – Gas Division ("UGI Gas") at the same premises. Joint billing shall become available to eligible customers beginning with their billing cycle occurring after a scheduled upgrade to the Company's customer information system which is expected to occur in September of 2017. Eligible customers shall be Residential Customers receiving service under Rate Schedule R, who are also Residential Customers of UGI Gas receiving natural gas distribution service under UGI Gas Rate Schedules R and RT, and Commercial and Industrial Customers receiving service under Rate Schedules GS1, GS4, and GS5 who are also Commercial and Industrial Customers of UGI Gas receiving natural gas distribution service under UGI Gas Rate Schedules N and NT, unless they elect otherwise in writing or through mutual agreement with the Company. Eligible Customers shall be combined into a single customer account for service received from the Company and UGI Gas and shall receive combined bills separately listing charges from each company. The Company and UGI Gas shall, for such combined accounts, and subject to applicable statutory and applicable regulatory requirements, establish a reasonable hierarchy of categories for the posting of partial payments to such joint accounts, and within each such category payments shall first be posted, as applicable, to the Company or Electric Generation Supplier charges before being posted to UGI Gas or Natural Gas Suppler charges. **(C)**

(C) Indicates Change

RULES AND REGULATIONS (continued)

13. PAYMENT TERMS

13-h Payment of Refunds. Refunds due to customers greater than two dollars ($2) shall be mailed to the Customer. Refunds less than two dollars ($2) may be picked up at the office within sixty (60) days. After sixty (60) days, the refund shall be applied to Operation Share.

13-i Return Check Service Charge. The Company may impose a service charge of the greater of thirty-five dollars ($35.00) or maximum allowed by Commonwealth of Pennsylvania for each check received in payment of bill(s) which is dishonored and returned by the bank upon which it is drawn. The Company may require a Customer to tender non-electronic payment after the Customer tenders two (2) consecutive electronic payments that are subsequently dishonored, revoked, canceled or otherwise not authorized.

13-j Acceptable Forms of Payment. The Company accepts only the following forms of payment: a certified, cashier's, teller's or bank check; a personal check issued from an accredited financial institution; a money order from an official issuer; automatic bank drafting (AutoPay); wire transfer; Automated Clearing House (ACH); in cash at a third-party pay site; electronic by bank account, credit or debit card, or digital wallet through the Company's authenticated Online Account Center or Company website; electronic payment by phone through the Company's automated phone system or call center agent; electronic through a financial institution's banking system. **(C)**

13-k Payment Arrangements for Rates GS-1, GS-4, and GS-5. Customers in rate schedules GS-1, GS-4, and GS-5 will be eligible to seek participation in the Company's formal program for payment arrangements. The formal program offers a standard six (6) month payment plan to payment troubled customers in the aforementioned rate schedules. A customer with an existing payment plan shall not be eligible for a new payment plan until such time as the existing payment plan is paid in full. **(C)**

(C) Indicates Change

RULES AND REGULATIONS (continued)

14. TERMINATION OR DISCONNECTION BY COMPANY

14-a Termination of Service. The Company may terminate service on reasonable notice and remove its equipment in case of (i) nonpayment of an undisputed delinquent account, (ii) failure to complete payment of a deposit, provide a guarantee of payment or establish credit, (iii) failure to permit access to meters, service connections or other property for the purpose of replacement, maintenance, repair or meter reading, (iv) failure to comply with the material terms of a payment arrangement, or (v) violation of Tariff Rules and Regulations. The Company may terminate service promptly and without notice for (i) Unauthorized Use of Service delivered on or about the affected dwelling, (ii) fraud or material misrepresentation of the customer's identify for the purpose of obtaining service, (iii) abuse of or tampering with the meters, connections or other equipment of the Company, (iv) violating tariff Rules and Regulations which endanger the safety of a person or the integrity of the Company's distribution system, (v) tendering payment for reconnection of service that is subsequently dishonored, revoked, canceled or otherwise not authorized and which has not been cured or otherwise made in full payment within three business days of the Company's notice, or (vi) after receiving termination notice from the Company, tendering payment which is subsequently dishonored under 13 Pa. C.S. § 3502, or, in the case of an electronic payment, that is subsequently dishonored, revoked, canceled or otherwise not authorized and which has not been cured or otherwise made in full payment within three business days of the Company's notice.

14-b Safety Shut-Off. The Company may disconnect without notice if the Customer's installation has become dangerous or defective, or if upon examination of the Customer's installation by fire underwriters' association having jurisdiction, a certificate of approval is refused.

14-c Income Verification. For Residential Customers, the Company will accept the following as verification of household income in determining the eligibility of an account under Chapter 56 for termination during the period of December 1 through March 31: (i) recent pay stubs or W-2 forms, (ii) access card or statement from Department of Human Services ("DHS"), (iii) if a source of income is rental income, then a verified copy of rent receipt(s), (iv) if the Residential Customer receives social security payments, pension payments, disability payments, Supplemental Security Income (SSI) payments, or any other source of fixed income with direct deposit, then a copy of bank statement or benefit letter, (v) child support and/or alimony support verification letter, (vi) if the Residential Customer receives payments from unemployment benefits or workers' compensation, then a copy of the determination letter or check stub, (vii) previous year's income tax statement, (viii) a filed 1099 form showing any interest income, annuity or dividends, and (ix) a verification letter from DHS of any approved cash or crisis grant applicable to the current heating season. **(C)**

14-d Reconnection Charge. When service has been disconnected under the provisions of Rule 14-a and 14-b, the Company may require a deposit as a condition of reconnection of service as well as full payment of outstanding company charges. The Company will not condition the reconnection of services on the Customer's payment of outstanding electric generation supplier charges unless those charges are the result of services provided by the supplier of last resort. In addition, prior to reconnection, one of the following charges may apply.

Reconnection During Normal Working Hours	$28.00
Reconnection Other Times	$108.00

Effective April 1, 2027, confirmed low-income Residential customers who provide verification of household income will not be assessed reconnection fees. **(C)**

(C) Indicates Change

RIDER A

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge is applicable to the net monthly rates and minimum charges contained in this Tariff. The surcharge shown below will be recomputed when a tax rate used in the calculation changes and/or the Company implements a change in rates.

The recomputation of the surcharge will be submitted to the PUC within 10 days after the occurrence of a reason for surcharge recomputation shown above. If the recomputed surcharge is less than the one in effect the Company will, and if more may, submit a tariff or supplement to reflect such recomputed surcharge, the effective date of which shall be 10 days after the filing.

Rider A - State Tax Adjustment Surcharge is 0.00%. **(D)**

(D) Indicates Decrease

RIDER C
UNIVERSAL SERVICE PROGRAM RIDER

APPLICABILITY AND PURPOSE
This Rider shall be applicable to all Residential Customers except Customers in the Company's Customer Assistance Program ("CAP"). This Rider has been established to recover costs related to the Company's Universal Service and Conservation Programs, excluding internal administrative costs. This rider may also apply to customers receiving service under Rate HTP on a negotiated rate basis. **(C)**

RATE
In addition to the charges provided in this tariff, an amount shall be added to the otherwise applicable charge for each kWh of sales volumes or distribution volumes distributed by the Company to Customers receiving service under Rate Schedule R. The USP rate for customers receiving service under Rate HTP, if applicable, may differ from the USP rate stated below and may be applied on a volumetric, fixed charge, percentage or other basis. **(C)**

The USP rate for Rate R: 1.868 ¢/kWh **(C)**

The USP rate for Rate HTP: as negotiated, but no greater than the above rate. **(C)**

CALCULATION OF RATE
The Rider USP rate shall be calculated to recover costs for the following programs: Low Income Usage Reduction Program ("LIURP"); CAP; Hardship Funds; and any other replacement or Commission-mandated Universal Service Program or low income program that is implemented during the period that the Rider is in effect.

LIURP costs will be calculated based on the projected number of Level 1 income homes to be weatherized. Hardship Fund costs will be calculated on the projected level of an allocated share of administrative funds incurred by the UGI Operation Share Energy Fund.

CAP costs will be calculated to include:
(1) the projected CAP credit;
(2) projected CAP customer application and administrative costs paid to external agencies that would not have been incurred in the absence of CAP; and
(3) projected CAP pre-program arrearage forgiveness.

"CAP Credit" shall be defined as the difference between the total calculated Rate R bill, excluding Rider USP, and the CAP bill and an adjustment for unearned credit amounts based upon the current discounts at normalized annual volumes of the then-current CAP participants and the projected CAP Credit for projected Customer additions to CAP during the period that the CAP Rider rate will be in effect at the average discount of current CAP participants at normalized annual volumes.

QUARTERLY ADJUSTMENT
Any time that the Company makes a change in base rates or GSR rate affecting Residential Customers, the Company shall recalculate the Rider USP rate pursuant to the calculation described above to reflect the Company's current data for the components used in the USP rate calculation. The Company shall file the updated rate with the PUC to be effective one (1) day after filing. Adjustments to the USP rate for Rate HTP, if any, shall be as negotiated. **(C)**

(C) **Indicates Change**

RIDER C

UNIVERSAL SERVICE PROGRAM RIDER (Continued)

ANNUAL RECONCILIATION

On or before November 1 of each year, the Company shall file with the PUC data showing the reconciliation of actual revenues received under this Rider and actual recoverable costs incurred for the preceding twelve months ended September. The resulting over/undercollection (plus interest calculated at 6% annually) will be reflected in the CAP quarterly rate adjustment to be effective December 1. Actual recoverable costs shall reflect actual CAP costs, actual application costs, actual pre-program arrearage forgiveness, actual LIURP costs, actual Hardship Administrative costs. Actual recoverable CAP credit costs and pre-program arrearage forgiveness shall be based upon actual CAP credits granted and pre-program arrearage forgiveness granted less a 7.40% adjustment for amounts granted to participants in excess of the number of CAP enrollees as of September 30, 2026. The 7.40% adjustment related to CAP credits and pre-program arrearage forgiveness will be based on the following: **(C)**

For each reconciliation period, the average annual CAP credit per participant will be determined by dividing the total actual CAP credits granted during the reconciliation period by the average monthly number of participants receiving CAP credits during the reconciliation period. The average monthly number of participants receiving CAP credits in excess of the number of CAP enrollees as of September 30, 2026 will be multiplied by the average annual CAP credit granted per participant and then multiplied by 0.0740 in order to determine the amount of the CAP Credits recovered through Rider USP. **(C)**

For each reconciliation period, the average pre-program arrearage forgiveness per participant will be determined by dividing the total actual pre-program arrearage forgiven during the reconciliation period by the number of participants receiving pre-program arrearage forgiveness. The number of participants receiving pre-program arrearage forgiveness in excess of the number of CAP enrollees as of September 30, 2026 will be multiplied by the average pre-program arrearage forgiveness per participant and then multiplied by 0.0740 in order to determine the amount of the pre-program arrearage forgiveness which will not be recovered through Rider USP. **(C)**

(C) Indicates Change

RIDER G

DSIC – DISTRIBUTION SYSTEM IMPROVEMENT CHARGE

In addition to the net charges provided for in this Tariff, a charge of 0.00% will apply. The DSIC rate for Rate HTP, as negotiated, but no greater than the above rate. **(C, D)**

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. The DSIC rate for customers receiving service under Rate HTP, if applicable, may differ from the DSIC rate stated herein. **(C)**

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 _______________. **(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
(D) Indicates Decrease

RATE R
RESIDENTIAL SERVICE

AVAILABILITY
Available to Customers located on Company's distribution lines and desiring service for household and Non-Residential uses (where the Non-Residential use(s) is limited to less than 2 kW) in a single private dwelling, or an individual dwelling unit in a multiple dwelling structure, and its appurtenant detached buildings.

CHARACTER OF SERVICE
Alternating current, 60 cycles, single phase; 120 volts, 2 wire; 120-208 volts, 3 wire; or 120-240 volts, 3 wire.

RATE TABLE

Customer Charge: $12.00 per Month **(I)**

Distribution Charge (all usage): 7.296 ¢/kWh **(I)**

SURCHARGES AND RIDERS
Rider A - State Tax Adjustment Surcharge
Rider B - Generation Supply Service
Rider C - Universal Service Program Rider
Rider E - Energy Efficiency and Conservation Rider
Rider G - Distribution System Improvement Charge

MINIMUM MONTHLY CHARGE
The Minimum Monthly Charge shall be the Customer Charge.

PAYMENT TERMS
Late Payment Charges shall be billed in accordance with Rule 13, Payment Terms, paragraph 13-f.

(I) Indicates Increase

RATE OL
OUTDOOR LIGHTING SERVICE

AVAILABILITY
This Rate is available for outdoor lighting in the entire territory served by the Company, where contracted for by a Customer for private area lighting. Effective October 1, 2023, Rate OL is no longer available to new Customers or Applicants, or for new installations for existing Customers.

CONTRACT TERM AND BILLING
Standard contracts are on a yearly basis with monthly payments for service.

RATE TABLE
Rates per month for standard construction with monthly payments for service rendered.

Flood Lighting Luminaire – Mercury Vapor

	Residential		Commercial	
	Customer Charge (Per Lamp)	Distribution (¢/kWh)	Customer Charge (Per Lamp)	Distribution (¢/kWh)
11,000 Lumen	$7.20	6.630 **(I)**	$6.79	7.753 **(I)**
20,000 Lumen	$8.05	6.630 **(I)**	$7.43	7.753 **(I)**
60,000 Lumen	$8.24	6.630 **(I)**	$6.69	7.753 **(I)**

Street Lighting Luminaire – Mercury Vapor

	Residential		Commercial	
	Customer Charge (Per Lamp)	Distribution (¢/kWh)	Customer Charge (Per Lamp)	Distribution (¢/kWh)
7,000 Lumen	$4.54	6.630 **(I)**	$4.26	7.753 **(I)**
11,000 Lumen	$7.20	6.630 **(I)**	$6.79	7.753 **(I)**
20,000 Lumen	$8.05	6.630 **(I)**	$7.43	7.753 **(I)**
60,000 Lumen	$8.24	6.630 **(I)**	$6.69	7.753 **(I)**

Low mounted, decorative fixture and pole ....$ 7.46 per month
for underground service, provided that in addition to charge
no trenching and backfilling is required in Rate Tables above

Distribution and Generation Supply rates will be applied to per kilowatt hour of energy used each month. The number of kWh supplied is based upon the average hours' use and size of lamps.

STANDARD CONSTRUCTION
The prices specified in the Rate Table for Standard Construction cover the supply of lamps and equipment to mount floodlighting or street lighting luminaires and photo-electric switch control on Company's existing wood pole or other support approved by the Company and located within one span (150 feet) of existing 120-volt facilities. If Customer requires an additional wood pole, or poles, to be installed, a monthly charge of $5.99 per pole shall be added to the above Rates for standard installation poles. Any additional facilities other than specified herein shall be paid by the Customer in advance as a Contribution in Aid of Construction.

HOURS OF BURNING
Operation shall be from dusk until dawn, a total of approximately 4,000 hours per year. Credit shall not be allowed for lamp outages.

(I) Indicates Increase

RATE SOL
SODIUM OUTDOOR LIGHTING SERVICE

AVAILABILITY
This Rate for high pressure sodium outdoor lighting is available in the entire territory served by the Company, where contracted for by a Customer for private area lighting. Effective ________, Rate SOL is no longer available to new Customers or for new installations for existing customers. **(C)**

CONTRACT TERM
Two years and thereafter in accordance with contract provisions. The contract may be terminated with sixty (60) days' notice prior to expiration period of contract by either party.

NET MONTHLY RATE
Rates per month for standard construction with monthly payments for service rendered.

Floodlighting Luminaire – High Pressure Sodium

	Residential		Commercial	
	Customer Charge (Per Lamp)	Distribution (¢/kWh)	Customer Charge (Per Lamp)	Distribution (¢/kWh)
16,000 Lumen	$7.96	6.630 **(I)**	$7.65	7.753 **(I)**
25,000 Lumen	$8.35	6.630 **(I)**	$7.88	7.753 **(I)**
50,000 Lumen	$10.42	6.630 **(I)**	$9.72	7.753 **(I)**

Street Lighting Luminaire – High Pressure Sodium

	Residential		Commercial	
	Customer Charge (Per Lamp)	Distribution (¢/kWh)	Customer Charge (Per Lamp)	Distribution (¢/kWh)
9,500 Lumen	$7.87	6.630 **(I)**	$7.66	7.753 **(I)**
16,000 Lumen	$7.96	6.630 **(I)**	$7.65	7.753 **(I)**
25,000 Lumen	$8.35	6.630 **(I)**	$7.88	7.753 **(I)**
50,000 Lumen	$10.42	6.630 **(I)**	$9.72	7.753 **(I)**

Low mounted, decorative fixture and pole for underground service, provided that no trenching and backfilling is required .... $ 7.46 per month in addition to charge in Rate Table above

Distribution and Generation Supply rates will be applied to per kilowatt hour of energy used each month. The number of kWh supplied is based upon the average hours' use and size of lamps.

GENERAL PROVISIONS

(a) The prices specified in the Rate Table for Standard Overhead Construction cover the supply of lamps and equipment to mount flood lighting or street lighting luminaires and photo-electric switch control on Company's existing wood pole or other support approved by Company and located within 150 feet of existing 120-volt facilities.

(b) If Customer requires an additional wood pole, or poles, to be installed for mounting heights up to 25 feet, a monthly charge of $5.99 per pole shall be added to the above rates.

(c) Any additional facilities other than specified herein shall be paid by the Customer in advance as a Contribution in Aid of Construction.

(I) Indicates Increase (C) Indicates Change

RATE SOL - (Continued)
SODIUM OUTDOOR LIGHTING SERVICE

(d) Customer shall obtain proper approval for lights to be located on public thoroughfares

(e) Operation shall be from dusk to dawn, a total of approximately 4,000 hours per year. Lamp renewal service, during normal working hours, will be provided upon notice to Company for lamps burned out or broken and no credit for outages allowed. Company will supply, install, operate, and maintain necessary lighting facilities.

(f) Burned out or broken lamps will be replaced as long as the supply of sodium vapor lighting is readily available at reasonable costs to the Company. Customer will be required to move to a different available lighting service rate when lamps cannot be replaced or replaced at reasonable cost.

REMOVAL OF MERCURY VAPOR
When, at the request of the Customer, a sodium vapor light replaces a fully operational mercury vapor light that has been installed for less than 10 years, the Customer shall pay the Company for the Company's estimated cost of removal and rehabilitation. When, at the request of the Customer, a sodium vapor light replaces a failed mercury vapor light that can neither be repaired nor replaced, the installation will be completed at no charge to the Customer. **(C)**

SURCHARGES AND RIDERS
Rider A - State Tax Adjustment Surcharge
Rider B - Generation Supply Service
Rider E - Energy Efficiency and Conservation Rider
Rider G - Distribution System Improvement Charge

PAYMENT TERMS
Late Payment Charges shall be billed in accordance with Rule 13, Payment Terms, paragraph 13-f.

(C) Indicates Change

RATE MHOL
METAL HALIDE OUTDOOR LIGHTING SERVICE

AVAILABILITY
This Rate is available in the entire territory served by the Company, where contracted for by a Customer for private area lighting. Effective October 1, 2023, Rate MHOL is no longer available to new Customers or Applicants, or for new installations for existing Customers.

CONTRACT TERM
Two years and thereafter in accordance with contract provisions. The contract may be terminated with sixty (60) days' notice prior to expiration period of contract by either party.

NET MONTHLY RATE

Flood Lighting Luminaire

	Residential		Commercial	
	Customer Charge (Per Lamp)	Distribution (¢/kWh)	Customer Charge (Per Lamp)	Distribution (¢/kWh)
20,500 Lumen	$9.05	6.630 **(I)**	$8.65	7.753 **(I)**
36,000 Lumen	$9.20	6.630 **(I)**	$8.57	7.753 **(I)**
110,000 Lumen	$16.11	6.630 **(I)**	$14.58	7.753 **(I)**

Street Lighting Luminaire

	Residential		Commercial	
	Customer Charge (Per Lamp)	Distribution (¢/kWh)	Customer Charge (Per Lamp)	Distribution (¢/kWh)
9,000 Lumen	$8.07	6.630 **(I)**	$7.86	7.753 **(I)**
12,900 Lumen	$6.83	6.630 **(I)**	$6.57	7.753 **(I)**
13,000 Lumen	$6.36	6.630 **(I)**	$6.07	7.753 **(I)**
20,500 Lumen	$9.05	6.630 **(I)**	$8.65	7.753 **(I)**
36,000 Lumen	$9.20	6.630 **(I)**	$8.57	7.753 **(I)**

Low mounted, decorative fixture and pole for underground service, provided that no trenching and backfilling is required ....$ 7.46 per month in addition to charge in Rate Table above

Distribution and Generation Supply rates will be applied to per kilowatt hour of energy used each month. The number of kWh supplied is based upon the average hours' use and size of lamps.

GENERAL PROVISIONS

(a) The prices specified in the Rate Table for Standard Overhead Construction cover the supply of lamps and equipment to mount flood lighting or street lighting luminaries and photo-electric switch control on Company's existing wood pole or other support approved by Company and located within 150 feet of existing 120-volt facilities.

(b) If Customer requires an additional wood pole, or poles, to be installed for mounting heights up to 25 feet, a monthly charge of $5.99 per pole shall be added to the above rates.

(c) Any additional facilities other than specified herein shall be paid by the Customer in advance as a Contribution in Aid of Construction.

(I) Indicates Increase

RATE MHOL - (Continued)
METAL HALIDE OUTDOOR LIGHTING SERVICE

(d) Customer shall obtain proper approval for lights to be located on public thoroughfares.

(e) Operation shall be from dusk to dawn, a total of approximately 4,000 hours per year. Lamp renewal service, during normal working hours, will be provided upon notice to Company for lamps burned out or broken and no credit for outages allowed. Company will supply, install, operate, and maintain necessary lighting facilities.

(f) Burned out or broken lamps will be replaced as long as the supply of metal halide lighting is readily available at reasonable costs to the Company. Customer will be required to move to a different available lighting service rate when lamps cannot be replaced or replaced at reasonable cost.

REMOVAL OF MERCURY VAPOR & HIGH PRESSURE SODIUM
When, at the request of the Customer, a metal halide light replaces a fully operational mercury vapor or high pressure sodium light that has been installed for less than 1 or 2 years respectively, the Customer shall pay the Company for the Company's estimated cost of removal and rehabilitation. When, at the request of the Customer, a metal halide light replaces a failed mercury vapor light that can neither be repaired nor replaced, the installation will be completed at no charge to the Customer. **(C)**

TERMINATION
If Customer terminates outdoor lighting service under this schedule for any reason prior to expiration of the two-year term, Customer shall pay removal cost.

SURCHARGES AND RIDERS
Rider A - State Tax Adjustment Surcharge
Rider B - Generation Supply Service
Rider E - Energy Efficiency and Conservation Rider
Rider G - Distribution System Improvement Charge

PAYMENT TERMS
Late Payment Charges shall be billed in accordance with Rule 13, Payment Terms, paragraph 13-f.

(C) Indicates Change

RATE LED-OL
LIGHT-EMITTING DIODE OUTDOOR LIGHTING SERVICE

AVAILABILITY
This Rate is available in the entire territory served by the Company, where contracted for by a Customer for private area lighting.

CONTRACT TERM
Two years and thereafter in accordance with contract provisions, which shall be consistent with this rate schedule and shall be of a standard form provided by and satisfactory to the Company. The contract may be terminated with sixty (60) days' notice prior to expiration period of contract by either party subject to the termination provision below.

NET MONTHLY RATE

Flood Lighting Luminaire

	Residential		Commercial	
Nominal Lamp Wattage Range	Customer Charge (Per Lamp)	Distribution (¢/kWh)	Customer Charge (Per Lamp)	Distribution (¢/kWh)
85-100	$15.42	6.630 **(I)**	$15.42	7.753 **(I)**
170-210	$22.64	6.630 **(I)**	$22.64	7.753 **(I)**
250-280	$26.08	6.630 **(I)**	$26.08 **(I)**	7.753 **(I)**
300-350 **(C)**	$29.57 **(C)(I)**	6.630 **(C)(I)**	$29.57 **(C)(I)**	7.753 **(C)(I)**

Street Lighting Luminaire

	Residential		Commercial	
Nominal Lamp Wattage Range	Customer Charge (Per Lamp)	Distribution (¢/kWh)	Customer Charge (Per Lamp)	Distribution (¢/kWh)
50-60	$10.29	6.630	$10.29	7.753
100-110	$12.16	6.630 **(I)**	$12.16	7.753 **(I)**
140-160	$14.00	6.630 **(I)**	$14.00	7.753 **(I)**
250-280	$21.25	6.630 **(I)**	$21.25	7.753 **(I)**
300-350 **(C)**	$29.57 **(C)(I)**	6.630 **(C)(I)**	$29.57 **(C)(I)**	7.753 **(C)(I)**

Standard Decorative Luminaire (for installations on or after effective date of October 1, 2023)

	Residential		Commercial	
Nominal Lamp Wattage Range	Customer Charge (Per Lamp)	Distribution (¢/kWh)	Customer Charge (Per Lamp)	Distribution (¢/kWh)
60-80	$11.77	6.630 **(I)**	$11.77	7.753 **(I)**

For all lighting types, LED Lighting with adjustable lumen output will be billed at the maximum wattage range of the LED light. **(C)**

Low mounted, decorative pole ....$ 13.62 per month
for underground service, provided that in addition to charge
no trenching and backfilling is required in Rate Table above

(I) Indicates Increase (C) Indicates Change

RATE LED-OL (continued)
LIGHT-EMITTING DIODE OUTDOOR LIGHTING SERVICE

Distribution and Generation Supply rates will be applied to per kilowatt hour of energy used each month. Service hereunder is unmetered with the number of kWh billed for each size lamp calculated based on the estimated input wattage of the lamp and approximately 4,000 burning hours per year.

GENERAL PROVISIONS

(a) The prices specified in the Rate Table for Customer Charger (Per Lamp) cover the supply of lamps, fixtures, luminaries, and equipment, and installation of flood lighting or street lighting luminaries and photo-electric switch control on Company's existing wood pole or other support approved by Company and located within 150 feet of existing 120-volt facilities. Such charges include normal operation and maintenance.

(b) If Customer requires an additional wood pole, or poles, to be installed for mounting heights up to 25 feet, a monthly charge of $5.99 per pole shall be added to the above rates.

(c) Any additional facilities other than specified herein and the cost of rearranging facilities required to change mounting height shall be paid by the Customer in advance as a Contribution in Aid of Construction.

(d) Customer shall obtain proper approval for lights to be located on public thoroughfares.

(e) Operation shall be from dusk to dawn, a total of approximately 4,000 hours per year. Lamp renewal service, during normal working hours, will be provided upon notice to Company for lamps burned out or broken and with no credit for outages. Company will supply, install, operate, and maintain necessary lighting facilities.

REMOVAL OF MERCURY VAPOR, HIGH PRESSURE SODIUM AND METAL HALIDE
When, at the request of the Customer, a LED light replaces a fully operational mercury vapor, high pressure sodium or metal halide light that has been installed for less than the applicable contract term, the Customer shall pay the Company for the Company's estimated cost of removal and rehabilitation. When, at the request of the Customer, a LED light replaces a failed mercury vapor, high pressure sodium or metal halide light that can neither be repaired nor replaced, the installation will be completed at no charge to the Customer. **(C)**

TERMINATION
If Customer terminates outdoor lighting service under this schedule for any reason prior to expiration of the two-year term, Customer shall pay removal cost.

SURCHARGES AND RIDERS
Rider A - State Tax Adjustment Surcharge
Rider B - Generation Supply Service
Rider E - Energy Efficiency and Conservation Rider
Rider G - Distribution System Improvement Charge

PAYMENT TERMS
Late Payment Charges shall be billed in accordance with Rule 13, Payment Terms, paragraph 13-f.

(C) Indicates Change

RATE GS-1
GENERAL SERVICE

AVAILABILITY
Available to Customers located on Company's distribution lines desiring electric service for general lighting and/or power service outside the scope of the Residence Service Rate Schedules and whose demand at any time of the year is not in excess of five (5) kilowatts, and any building the primary use of which is public worship.

CHARACTER OF SERVICE
Alternating current, 60 cycles, single phase, 120 volts, 2 wire; or 120-240 volts, 3 wire; and 3 phase, 120-240 volts, 4 wire, except in areas where only 120/208 volts are available.

CONTRACT TERM AND BILLING
Standard contracts are on a yearly basis with monthly payments for service taken.

RATE TABLE

Customer Charge: $25.00 per Month **(I)**

Distribution Charge (all usage): 7.167 ¢/kWh **(I)**

MINIMUM MONTHLY CHARGE
The Minimum Monthly Charge is the Customer Charge.

DETERMINATION OF DEMAND
The demand will be determined at the option of the Company by estimate or by test at the time of maximum use or by demand meter measurement. Demands of Customers with monthly consumption over two thousand (2,000) kilowatt-hours on a recurring basis will be metered unless otherwise shown to be eligible for this rate.

SURCHARGES AND RIDERS
Rider A - State Tax Adjustment Surcharge
Rider B - Generation Supply Service
Rider E - Energy Efficiency and Conservation Rider
Rider G - Distribution System Improvement Charge

PAYMENT TERMS
Late Payment Charges shall be billed in accordance with Rule 13, Payment Terms, paragraph 13-f.

(I) Indicates Increase

RATE GS-4 SERVICE
(5 kW minimum)

AVAILABILITY
Available to Customers located on Company's distribution lines desiring electric service for general lighting and/or power service and whose minimum billing demand is not less than five (5) kilowatts.

CHARACTER OF SERVICE
Alternating current, 60 cycles, 3 phase, 120-240 volts, 4 wire; 120-208 volts, 4 wire; or 240 volts, 3 wire; 480 volts, 3 wire; 277-480 volts, 4 wire, may be supplied. In addition, alternating current, 60 cycles, single phase, 120-240 volts, 3 wire, and where available 120-208 volts, 3 wire, or as otherwise determined to be reasonable by the Company.

CONTRACT TERM AND BILLING
Contracts shall be for a term of not less than one (1) year with monthly payments for service taken. Contracts for a longer term may be required where new investment by Company is necessary.

RATE TABLE

Customer Charge: $45.00 per Month **(I)**

	Distribution ($/kW)	Distribution (¢/kWh)	
All kW of billing demand	$3.75		**(I)**
All hours use of demand		2.531	**(I, D)**

MINIMUM MONTHLY CHARGE
The Minimum Monthly Charge is the Customer Charge plus the charge in the Rate Table for the billing demand. The minimum billing demand will not be less than five (5) kilowatts nor less than the minimum value stated in a contract for service.

DETERMINATION OF DEMAND
The demand shall be the greatest fifteen (15) minute load in kilowatts established during the month, taken for billing purposes to the nearest kilowatt.

SURCHARGES AND RIDERS
Rider A - State Tax Adjustment Surcharge
Rider B - Generation Supply Service
Rider E - Energy Efficiency and Conservation Rider
Rider F - Power Factor Surcharge
Rider G - Distribution System Improvement Charge

PAYMENT TERMS
Late Payment Charges shall be billed in accordance with Rule 13, Payment Terms, paragraph 13-f.

POWER FACTOR
The Power Factor Charge contained in this Tariff is applied to this Rate.

(I) Indicates Increase (D) Indicates Decrease

RATE GS-5
GENERAL SERVICE
(VOLUNTEER FIRE COMPANY, NON-PROFIT SENIOR CITIZEN CENTER, NON-PROFIT RESCUE SQUAD, AND NON-PROFIT AMBULANCE SERVICE)

AVAILABILITY
Upon application, Pursuant to Act 103 of 1985 and Act 203 of 2002, Volunteer Fire Companies, Non-Profit Senior Citizen Centers, Non-Profit Rescue Squads, and Non-Profit Ambulance Services may elect to have their electric service rendered pursuant to the following charges upon execution of a contract for a minimum term of one year. Customers who do not have an executed contract will be placed on a rate schedule based upon their billing demand. **(C)**

For the purpose of this Rate only, the following terms shall have the following meanings indicated for them.

1. "Volunteer Fire Company Service" - A separately metered service location consisting of a building, sirens, a garage for housing vehicular firefighting equipment, or a facility certified by the Pennsylvania Emergency Management Agency (PEMA) for firefighting training. The use of electric service at this service location shall be to support the activities of the volunteer fire company. Any fund raising activities at this service location must be used solely to support volunteer fire fighting operations.
   The customer of record at this service location must be a predominantly volunteer fire company recognized by the local municipality or PEMA as a provider of firefighting services.

2. "Non-Profit Senior Citizen Center Service" - A separately metered service location consisting of a facility for the use of senior citizens coming together as individuals or groups and where access to a wide range of services to senior citizens is provided.
   The customer of record at this service location must be an organization recognized by the Internal Revenue Service (IRS) as non-profit and recognized by the Department of Aging as an operator of a senior citizen center.

3. “Non-Profit Rescue Squad” – A separately metered service location consisting of a building, sirens, a garage for housing vehicular rescue equipment, or a facility that is qualified by the IRS as non-profit and recognized by PEMA and the Department of Health as a provider of rescue services. The use of electric service by the customer of record at this location shall be to support the activities of the non-profit rescue squads.

4. “Non-Profit Ambulance Service” – A separately metered service location consisting of a building, sirens, a garage for housing vehicular ambulance equipment, or a facility that is qualified by the IRS as non-profit and recognized by PEMA and the Department of Health as a provider of ambulance services. The use of electric service by the customer of record at this location shall be to support the activities of the non-profit ambulance service.

CHARACTER OF SERVICE
Alternating current, 60 cycles, single phase, 120 volts, 2 wire; or 120-240 volts, 3 wire; and 3 phase, 120-240 volts, 4 wire, except in areas where only 120/208 volts is available.

CONTRACT TERM AND BILLING
Standard contracts are on a yearly basis with monthly payments for service taken. Customers who do not have an executed contract will be placed on a rate schedule based upon their billing demand. **(C)**

(C) Indicates Change

RATE GS-5 (continued)
GENERAL SERVICE
(VOLUNTEER FIRE COMPANY, NON-PROFIT SENIOR CITIZEN CENTER, NON-PROFIT RESCUE SQUAD, AND NON-PROFIT AMBULANCE SERVICE)

RATE TABLE

Customer Charge: $12.00 per Month **(I)**

Distribution Charge (all usage): 7.296 ¢/kWh **(I)**

MINIMUM MONTHLY CHARGE
The Minimum Monthly Charge shall be the Customer Charge.

SURCHARGES AND RIDERS
Rider A - State Tax Adjustment Surcharge
Rider B - Generation Supply Service
Rider E - Energy Efficiency and Conservation Rider
Rider G - Distribution System Improvement Charge

PAYMENT TERMS
Late Payment Charges shall be billed in accordance with Rule 13, Payment Terms, paragraph 13-f.

(I) Indicates Increase

RATE LP
LARGE POWER SERVICE

AVAILABILITY
Available to Customers taking general light and power service at each delivery point and whose minimum demand is not less than one hundred (100) kilowatts based on Customer's highest billing demand in the most recent twelve-month period ending September 30th.

CHARACTER OF SERVICE
Alternating current, 60 cycles, 3 phase, primary service at 13,800 volts, or one (1) transformation to a lower available standard Company voltage with metering on the primary side of transformers and substation equipment supplied by the Company.

CONTRACT TERM AND BILLING
Contracts shall be for a term of not less than one (1) year with monthly payments for service taken. Contracts for a longer term may be required where new investment by Company is necessary.

RATE TABLE

Customer Charge: $150.00 per Month **(C, I)**

	Distribution ($/kW)	Distribution (¢/kWh)	
Demand Charge:			
First 100 kW of billing demand	$2.50*		**(C,I,D)**
Over 100 kW of billing demand	$5.00		**(I)**
All hours use of billing demand		1.101	**(D)**

* ..... Charge is for the First 100 kW of billing demand or any part thereof.

(I) Indicates Increase (C) Indicates Change (D) Indicates Decrease

RATE LP - (Continued)
LARGE POWER SERVICE

DETERMINATION OF DEMAND
The demand shall be determined by meters which will, at the option of the Company, either indicate or record the demand. The billing demand shall be the highest fifteen (15) minute demand recorded during the month, provided that the Company reserves the right to use for billing purposes the single maximum demand established during a five (5) minute interval when power installation includes hoists, elevators, welding machines, electric furnaces, or other load having high intermittent peak load requirements. In no event, however, shall the billing demand be less than one hundred (100) kilowatts.

SECONDARY SERVICE
At the Company's option, service may be metered at secondary voltage of transforming equipment. When so metered energy charges will be increased two (2) percent.

POWER FACTOR
The Power Factor Charge contained in this Tariff is applied to this Rate.

MINIMUM MONTHLY CHARGE
The Minimum Monthly Charge shall be an amount equal to the customer charge, demand charge, plus the power factor charge for the month. **(C)**

SURCHARGES AND RIDERS
Rider A - State Tax Adjustment Surcharge
Rider B - Generation Supply Service
Rider E - Energy Efficiency and Conservation Rider
Rider F - Power Factor Surcharge
Rider G – Distribution System Improvement Charge

PAYMENT TERMS
Late Payment Charges shall be billed in accordance with Rule 13, Payment Terms, paragraph 13-f.

(C) Indicates Change

RATE HTP
HIGH TENSION POWER SERVICE

AVAILABILITY
This rate is available for large general service Customers taking supply from available transmission lines of 66,000 volts or higher.

CHARACTER OF SERVICE
Alternating current, 60 cycles, 3 phase, 66,000 volts (or higher) with metering on the primary side of transformers and substation equipment supplied by the Customer.

CONTRACT TERM AND BILLING
Contract shall be for a term of not less than one (1) year with monthly payments for service taken. Contracts for a longer term may be required where new investment by Company is necessary.

RATE TABLE

Customer Charge, Distribution Charge, Demand Charge, Universal Service Plan Rider, Power Factor Surcharge and Distribution System Improvement Charge are all fully negotiated rates. **(C)**

MINIMUM MONTHLY CHARGE
As determined by negotiation between Customer and Company.

SURCHARGES AND RIDERS
Rider A - State Tax Adjustment Surcharge
Rider B - Generation Supply Service **(C)**
Rider C -Universal Service Plan Rider
Rider G -Distribution System Improvement Charge **(C)**

PAYMENT TERMS
Late Payment Charges shall be billed in accordance with Rule 13, Payment Terms, paragraph 13-f.

(C) Indicates Change

RATE SL
STREET LIGHTING SERVICE

AVAILABILITY
This Rate is available for street, bridge, parks, and outdoor lighting in the entire territory served by the Company. Effective October 1, 2023, Rate SL is no longer available to new Customers or Applicants, or for new installations for existing Customers.

CONTRACT TERM
Standard contracts are for the term of five (5) years. Contracts for a longer term may be required where new investment by Company is necessary.

RATE TABLE
Rates per lamp per month for standard construction with monthly payments for service rendered.

Mercury Vapor

	Municipal or Public Authority		
	Customer Charge (Per Lamp)	Distribution (¢/kWh)	
3,750 Lumen	$3.88	7.753	**(I)**
7,000 Lumen	$4.05	7.753	**(I)**
11,000 Lumen	$6.37	7.753	**(I)**
20,000 Lumen	$7.65	7.753	**(I)**
60,000 Lumen	$6.43	7.753	**(I)**

Low mounted, decorative fixture and pole for underground service, provided that no trenching and backfilling is required .... $ 7.46 per month in addition to charge in Rate Table above

Additional wood pole installed for the sole purpose of supporting lighting fixtures or circuits .... $ 5.99 per month

The number of kWh supplied is based upon the average hours' use and size of lamps.

Distribution and Generation Supply rates will be applied to per kilowatt hour of energy used each month. The number of kWh supplied is based upon the average hours' use and size of lamps.

SURCHARGES AND RIDERS
Rider A - State Tax Adjustment Surcharge
Rider B - Generation Supply Service
Rider E - Energy Efficiency and Conservation Rider
Rider G - Distribution System Improvement Charge

STANDARD CONSTRUCTION
The prices specified in the Rate Table for Standard Construction cover the supply of lamps and equipment to mount lighting fixtures on wood poles and include electric current and maintenance for complete street lighting service when supplied from circuits, mast arms, and fixtures of overhead construction. When Customer desires an underground or ornamental system, or non-standard construction conditions exist, the additional cost shall be borne by Customer; also, if Customer desires to supply equipment such as conductors, conduit, poles and fixtures, a monthly construction credit for such equipment supplied shall be given Customer over the term of the contract.

Other special equipment such as is used for channel lighting on bridges shall be installed and maintained by Customer except lamp bulbs which shall be furnished and renewed by Company.

(I) Indicates Increase

RATE SSL
SODIUM STREET LIGHTING SERVICE

AVAILABILITY
This Rate schedule for high pressure sodium vapor lighting is available for public roadway, bridge and parks. Effective__________, Rate SSL is no longer available to new Customers or for new installations for existing Customers. **(C)**

CONTRACT TERM
Ten years and thereafter in accordance with contract provisions. The contract may be terminated with sixty (60) days' notice prior to expiration period of contract by either party.

NET MONTHLY RATE

	Municipal or Public Authority		
	Customer Charge (Per Lamp)	Distribution (¢/kWh)	
9,500 Lumen	$7.51	7.753	**(I)**
16,000 Lumen	$7.58	7.753	**(I)**
25,000 Lumen	$8.57	7.753	**(I)**
50,000 Lumen	$9.10	7.753	**(I)**

Low mounted, decorative fixture and pole for underground service, provided that no trenching and backfilling is required .... $ 7.46 per month in addition to charge in Rate Table above

Additional wood pole installed for the sole purpose of supporting lighting fixtures or circuits .... $ 5.99 per month

The number of kWh supplied is based upon the average hours' use and size of lamp.

Distribution and Generation Supply rates will be applied to per kilowatt hour of energy used each month. The number of kWh supplied is based upon the average hours' use and size of lamps.

SURCHARGES AND RIDERS
Rider A - State Tax Adjustment Surcharge
Rider B - Generation Supply Service
Rider E - Energy Efficiency and Conservation Rider
Rider G - Distribution System Improvement Charge

GENERAL PROVISIONS

(a) Necessary street lighting facilities are supplied and installed, operated and maintained by Company and are connected to Company's available general distribution system.

(b) Prices include the standard type luminaire currently being offered at the time service is contracted for and up to 150 circuit feet of overhead secondary extension.

(c) Customer shall pay the cost of any additional facilities required to extend service and the cost of rearranging facilities required to change mounting height.

(d) Burned out or broken lamps will be replaced as long as the supply of sodium vapor lighting is readily available at reasonable costs to the Company. Customer will be required to move to a different available lighting service rate when lamps cannot be replaced or replaced at reasonable cost. **(C)**

(I) Indicates Increase (C) Indicates Change

RATE SSL - (Continued)
SODIUM STREET LIGHTING

(e) Company will provide underground and decorative systems of a type being offered by the Company at the time service is contracted for when the additional cost in excess of the estimated cost of a standard overhead system for the same application is paid by Customer as a Contribution in Aid of Construction. Company shall take title to this system and shall operate and maintain the facilities. At the termination, for any reason, of the useful life of these systems or designated components, a new system or component shall be installed under similar conditions.

SPECIAL CUSTOMER EQUIPMENT
Upon request, the Company may, at its option, operate and maintain special lighting equipment of a type not being offered by Company provided Customer installs equipment and supplies any nonstandard replacement parts at no cost to Company.

REMOVAL OF MERCURY VAPOR
When, at the request of the Customer, a sodium vapor light replaces a fully operational mercury vapor light that has been installed for less than 10 years, the Customer shall pay the Company for the Company's estimated cost of removal and rehabilitation. When, at the request of the Customer, a sodium vapor light **(C)** replaces a failed mercury vapor light that can neither be repaired nor replaced, the installation will be completed at no charge to the Customer.

TERMINATION
If Customer terminates street lighting service under this schedule for any reason prior to expiration of any 10-year term, Customer shall pay removal cost plus remaining value of system.

PAYMENT TERMS
Late Payment Charges shall be billed in accordance with Rule 13, Payment Terms, paragraph 13-f.

(C) Indicates Change

RATE MHSL
METAL HALIDE STREET LIGHTING SERVICE

AVAILABILITY
This Rate is available to municipalities or other public authorities for street, bridge, parks, and outdoor lighting in the entire territory served by the Company. Effective October 1, 2023, Rate MHSL is no longer available to new Customers or Applicants, or for installations for existing Customers.

CONTRACT TERM
Ten years and thereafter in accordance with contract provisions. The contract may be terminated with sixty (60) days' notice prior to expiration period of contract by either party.

NET MONTHLY RATE

	Municipal or Public Authority		
	Customer Charge (Per Lamp)	Distribution (¢/kWh)	
9,000 Lumen	$6.71	7.753	**(I)**
12,900 Lumen	$5.42	7.753	**(I)**
13,000 Lumen	$4.92	7.753	**(I)**
20,500 Lumen	$7.29	7.753	**(I)**
36,000 Lumen	$6.20	7.753	**(I)**

(1) Low mounted, decorative fixture and pole for underground service, provided that no trenching and backfilling is required .... $ 7.46 per month in addition to charge in Rate Table above

Additional wood pole installed for the sole purpose of supporting lighting fixtures or circuits .... $ 5.99 per month

The number of kWh supplied is based upon the average hours' use and size of lamp.

Distribution and Generation Supply rates will be applied to per kilowatt hour of energy used each month. The number of kWh supplied is based upon the average hours' use and size of lamps.

SURCHARGES AND RIDERS
Rider A - State Tax Adjustment Surcharge
Rider B - Generation Supply Service
Rider E - Energy Efficiency and Conservation Rider
Rider G - Distribution System Improvement Charge

GENERAL PROVISIONS

(a) Necessary street lighting facilities are supplied and installed, operated and maintained by Company and are connected to Company's available general distribution system.
(b) Prices include the standard type luminaries currently being offered at the time service is contracted for and up to 150 circuit feet of overhead secondary extension.
(c) Customer shall pay the cost of any additional facilities required to extend service and the cost of rearranging facilities required to change mounting height.
(d) The cost of any change of location of lamps, from the original location specified by Customer, shall be borne by the Customer and paid to the Company.

(I) Indicates Increase

RATE MHSL - (Continued)
METAL HALIDE STREET LIGHTING SERVICE

(c) Company will provide underground and decorative systems of a type being offered by the Company at the time service is contracted for when the additional cost in excess of the estimated cost of a standard overhead system for the same application is paid by Customer as a Contribution in Aid of Construction. Company shall take title to this system and shall operate and maintain the facilities. At the termination, for any reason, of the useful life of these systems or designated components, a new system or component shall be installed under similar conditions.

(d) Burned out or broken lamps will be replaced as long as the supply of metal halide lighting is readily available at reasonable costs to the Company. Customer will be required to move to a different available lighting service rate when lamps cannot be replaced or replaced at reasonable cost.

SPECIAL CUSTOMER EQUIPMENT

Upon request, the Company may, at its option, operate and maintain special lighting equipment of a type not being offered by Company provided Customer installs equipment and supplies any nonstandard replacement parts at no cost to Company.

REMOVAL OF MERCURY VAPOR AND HIGH PRESSURE SODIUM

When, at the request of the Customer, a metal halide light replaces a fully operational mercury vapor or high pressure sodium light that has been installed for less than 5 or 10 years respectively, the Customer shall pay the Company for the Company's estimated cost of removal and rehabilitation. When, at the request of the Customer, a metal halide light replaces a fully operational mercury vapor light that can neither be repaired nor replaced, the installation will be completed at no charge to the customer. **(C)**

TERMINATION

If Customer terminates street lighting service under this schedule for any reason prior to expiration of any 10-year term, Customer shall pay removal cost plus the estimated remaining value of system.

PAYMENT TERMS

Late Payment Charges shall be billed in accordance with Rule 13, Payment Terms, paragraph 13-f.

(C) Indicates Change

RATE LED-SL
LIGHT-EMITTING DIODE STREET LIGHTING SERVICE

AVAILABILITY
This Rate is available to municipalities or other public authorities for street, bridge, parks, and outdoor public lighting in the entire territory served by the Company.

CONTRACT TERM
Ten years and thereafter in accordance with contract provisions, which shall be consistent with this rate schedule and shall be of a standard form provided by and satisfactory to the Company. The contract may be terminated with sixty (60) days' notice prior to expiration period of contract by either party subject to the termination provision below.

NET MONTHLY RATE

	Municipal or Public Authority	
Nominal Lamp Wattage Range	Customer Charge (Per Lamp)	Distribution (¢/kWh)
50-60	$10.29	7.753 **(I)**
100-110	$12.16	7.753 **(I)**
140-160	$14.00	7.753 **(I)**
250-280	$21.25	7.753 **(I)**
300-350 **(C)**	$29.57 **(C)(I)**	7.753 **(C)(I)**

Additional wood pole installed for the sole purpose of supporting lighting fixtures or circuits .... $ 5.99 per month

Standard Decorative Luminaire (for installations on or after effective date of October 1, 2023)

	Municipal or Public Authority	
Nominal Lamp Wattage Range	Customer Charge (Per Lamp)	Distribution (¢/kWh)
60-80	$11.77	7.753

(I)

For all lighting types, LED lighting with adjustable lumen output will be billed at the maximum wattage range of the LED light. **(C)**

Low mounted, decorative pole for underground service, provided that no trenching and backfilling is required .... $ 13.62 per month in addition to charge in Rate Table above

Distribution and Generation Supply rates will be applied to per kilowatt hour of energy used each month. Service hereunder is unmetered with the number of kWh billed for each size lamp calculated based on the estimated input wattage of the lamp and approximately 4,000 burning hours per year.

SURCHARGES AND RIDERS
Rider A - State Tax Adjustment Surcharge
Rider B - Generation Supply Service
Rider E - Energy Efficiency and Conservation Rider
Rider G - Distribution System Improvement Charge

(I) Indicates Increase (C) Indicates Change

RATE LED-SL (continued)
LIGHT-EMITTING DIODE STREET LIGHTING SERVICE

GENERAL PROVISIONS

(a) Necessary street lighting facilities are supplied and installed, operated and maintained by Company and are connected to Company's available general distribution system.

(b) Prices include the standard type luminaries currently being offered at the time service is contracted for and up to 150 circuit feet of overhead secondary extension. Prices include normal operation and maintenance.

(c) Customer shall pay the cost of any additional facilities required to extend service and the cost of rearranging facilities required to change mounting height.

(d) The cost of any change of location of lamps, from the original location specified by Customer, shall be borne by the Customer and paid to the Company as a Contribution in Aid of Construction.

(e) Company will provide underground and decorative systems of a type being offered by the Company at the time service is contracted for when the additional cost in excess of the estimated cost of a standard overhead system for the same application is paid by Customer as a Contribution in Aid of Construction. Company shall take title to this system and shall operate and maintain the facilities. At the termination, for any reason, of the useful life of these systems or designated components, a new system or component shall be installed under similar conditions.

(f) Operation shall be from dusk to dawn, a total of approximately 4,000 hours per year. Lamp renewal service, during normal working hours, will be provided upon notice to Company for lamps burned out or broken and with no credit for outages.

SPECIAL CUSTOMER EQUIPMENT
Upon request, the Company may, at its option, operate and maintain special lighting equipment of a type not being offered by Company provided Customer installs equipment and supplies any nonstandard replacement parts at no cost to Company.

REMOVAL OF MERCURY VAPOR, HIGH PRESSURE SODIUM AND METAL HALIDE
When, at the request of the Customer, a LED light replaces a fully operational mercury vapor, high pressure sodium or metal halide light that has been installed for less than the applicable contract term, the Customer shall pay the Company for the Company's estimated cost of removal and rehabilitation. When, at the **(C)**
request of the Customer, a LED light replaces a fully operational mercury vapor, high pressure sodium or metal halide light that can neither be repaired nor replaced, the installation will be completed at no charge to the Customer.

TERMINATION
If Customer terminates street lighting service under this schedule for any reason prior to expiration of any 10-year term, Customer shall pay removal cost plus the estimated remaining value of system.

PAYMENT TERMS
Late Payment Charges shall be billed in accordance with Rule 13, Payment Terms, paragraph 13-f.

(C) Indicates Change

RATE LED-CO
CUSTOMER-OWNED LIGHT-EMITTING DIODE STREET LIGHTING SERVICE

AVAILABILITY
This Rate is available to Non-Residential Customers and municipalities or other public authorities in the entire territory served by the Company for the operation of Light-Emitting Diode (“LED”) street lighting systems on private or public areas where the Customer wholly owns and installs the street lighting system.

CONTRACT TERM
Ten years and thereafter in accordance with contract provisions, which shall be consistent with this rate schedule and shall be of a standard form provided by and satisfactory to the Company. The contract may be terminated with sixty (60) days’ notice prior to expiration period of contract by either party subject to the termination provision below.

NET MONTHLY RATE

Distribution Charge……………………………………………………………………………………7.753 (¢/kWh) **(I)**

Customer Charge (Per Lamp)*……………………………………………………………………$2.00 per month

* Applicable where, upon Customer election, Company provides operation and maintenance of Customer-owned street lighting system in accordance with the provisions below.

Additional wood pole installed for the sole purpose of supporting lighting fixtures or circuits ……………………$ 5.99 per month

Distribution and Generation Supply rates will be applied to per kilowatt hour of energy used each month. Service hereunder is unmetered with the number of kWh billed for each size lamp calculated based on the estimated input wattage of the lamp and approximately 4,000 burning hours per year. Rate offering applicable to Customer-owned street lights sized within the standard nominal lamp wattage ranges offered by the Company under Rate Schedule LED-SL, not to exceed 280 nominal lamp wattage. If the Customer-owned street light is of a size outside of the Company’s standard size offerings under Rate Schedule LED-SL, but in no event not to exceed 280 nominal lamp wattage, the Customer’s kWh billed will be determined based on the next higher nominal lamp wattage range set forth under Rate Schedule LED-SL.

LED lighting with adjustable lumen output will be billed at the maximum wattage range of the LED light. **(C)**

SURCHARGES AND RIDERS
Rider A - State Tax Adjustment Surcharge
Rider B - Generation Supply Service
Rider E - Energy Efficiency and Conservation Rider
Rider G - Distribution System Improvement Charge

STANDARD INSTALLATION AND SERVICE
Upon Customer election, the Company shall operate and maintain the Customer-owned street lighting system subject to Customer payment of the monthly Customer charge (per lamp) above.

Customer-owned street lighting equipment shall be installed in accordance with company and industry safety codes and, where installed on Company poles, in accordance with general Company specifications for similar equipment.

Company shall make all connections of Customer’s street lighting system to the Company’s available general distribution system.

(I) Indicates Increase (C) Indicates Change

RATE LED-CO (continued)
CUSTOMER-OWNED LIGHT-EMITTING DIODE STREET LIGHTING SERVICE

(e) All luminaires served hereunder are operated at alternating current, 60 hertz, single phase and are controlled by photo control for dusk to dawn operation every night, approximately 4,000 hours per year. **(C)**

(f) The Attachment Agreement for the Customer-owned lighting system on Company's poles shall include indemnification of Company by Customer and provide for purchase of public liability and property damage insurance by Customer. **(C)**

REMOVAL OF COMPANY-OWNED LIGHTS
When, at the request of the Customer, a Customer-owned lighting system replaces a fully operational Company-owned mercury vapor, high pressure sodium, metal halide or LED light that has been installed for less than the applicable contract term, the Customer shall pay the Company for the Company's estimated cost of removal and rehabilitation plus the estimated remaining value of the system (for LED lights only). **(C)**

AUDITING
The Company has the right to periodically audit the number and size of lamps of Customer's street lighting system. The Customer agrees to cooperate with Company during such audits.

TERMINATION
If Customer terminates street lighting service under this schedule for any reason prior to expiration of any 10-year term, Customer shall pay removal cost plus the estimated remaining value of system.

PAYMENT TERMS
Late Payment Charges shall be billed in accordance with Rule 13, Payment Terms, paragraph 13-f.

(C) Indicates Change

RATE FCP
FLOOD CONTROL POWER SERVICE

AVAILABILITY
This Rate is available to municipalities and townships in Company's territory requiring power service for the operation of flood pumping stations during periods of public emergency, and for periodic testing of same as hereinafter provided.

CHARACTER OF SERVICE
Alternating current, 60 cycles, three phase, 13,800 volts.

CONTRACT TERM AND BILLING
Term of contract shall be not less than one (1) year, with monthly payments for service taken.

RATE TABLE

	Distribution ($/Month)	Distribution (¢/kWh)	
First 100 kWh or less per month for each electrically driven pump installed	$13.50		**(I)**
All additional kWh		3.128	**(I)**

SURCHARGES AND RIDERS
Rider A - State Tax Adjustment Surcharge
Rider B - Generation Supply Service
Rider E - Energy Efficiency and Conservation Rider
Rider G - Distribution System Improvement Charge

PAYMENT TERMS
Late Payment Charges shall be billed in accordance with Rule 13, Payment Terms, paragraph 13-f.

SPECIAL PROVISIONS

(1) The Customer shall own, install, operate and maintain the lines necessary to connect its pumping stations to the Company's existing facilities, and the transforming equipment and auxiliary apparatus necessary to secure voltages less than the supply voltage specified above.
(2) Periodic testing shall be prearranged between the Customer and Company upon at least twenty-four (24) hours' notice to the Company and shall occur on weekdays during the hours between 12 midnight and 6 A.M. unless otherwise justified by load conditions on Company's system, of which conditions the Company's judgment shall be final.
(3) Supply lines at each pumping station shall normally be disconnected and shall be connected only when necessary during periods of public emergency and for periodic testing.

(I) Indicates Increase

Pro Forma Tariff Supplement
to UGI Electric Pa. P.U.C. No. 6

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: _____________

Effective for service rendered on and after ______________.

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

https://www.ugi.com/tariffs

NOTICE

This tariff makes changes, decreases, and increases to existing rates (see pages 2-2(b)).

LIST OF CHANGES MADE BY THIS SUPPLEMENT
(Page Numbers Refer to Official Tariff)

Rule 3 – Guarantee of Payment, Pages 11 - 12.
- Subsection 3-f(i) added to clarify applicability and refunding of customer deposits for low-income Residential customers who are eligible for customer assistance programs. As a result of the language addition, information presented in subsequent subsections shifted to page 12.

Rule 5 – Service and Supply System Extensions – Page 17.
- Subsections 5-l and 5-m have been deleted due to program expiration.

Rule 10 – Defects in Customer's Installation, Page 22.
- Subsection 10-c has spelling error corrected.

Rule 13 – Payment Terms, Pages 25 - 26(a).
- Clarifying language added to subsection 13-e as related to the timing of the periodic Budget Billing reviews.
- Subsection 13-g – Outdated reference to UGI Utilities, Inc. – North Rate District ("UGI North") has been replaced with UGI Utilities, Inc. – Gas Division ("UGI Gas").
- Subsection 13-j – Acceptable Forms of Payment has been added.
- Subsection 13-k – Small business payment arrangement availability has been added.

Rule 14 – Termination or Disconnection by Company, Page 27
- Subsection 14-c – references to "Department of Public Welfare" and "DPW" have been replaced with "Department of Human Services" and "DHS".
- Subsection 14-d – language added to exclude collection of reconnection fees from confirmed low-income Residential customers.

Rider A – State Tax Adjustment Surcharge, Page 38.
- The State Tax Adjustment Surcharge rate was reset to 0.00%.

Rider C – Universal Service Plan Rider, Pages 42 - 43.
- Applicability and Purpose has added language for Rate HTP customers on a negotiated basis and describes the applicability of the Rider and rate to Rate HTP customers.
- The USP rate has added language to specify the rate for Rate R customers.
- The specific number of 3,953 has been removed and applicability date as of September 30, 2026 has been added.

Rider G – Distribution System Improvement Charge, Page 50.
- The Distribution System Improvement Charge rate was reset to 0.00%.
- Language for Rate HTP customers has been added to allow for a negotiated rate.
- The DSIC effective date has been updated in subsection A.3.

Rate Schedule R – Residential Service, Page 53.
- The customer charge and distribution charge were increased.

Rate Schedule OL – Outdoor Lighting Service, Page 54.
- The distribution charge was increased.

Rate Schedule SOL – Sodium Outdoor Lighting Service, Pages 56 - 57.
- Availability has been updated to address market phase-out sodium lighting.
- The distribution charge was increased.
- Removal of Mercury Vapor has outdated language removed.

LIST OF CHANGES MADE BY THIS SUPPLEMENT – (Continued)
(Page Numbers Refer to Official Tariff)

Rate Schedule MHOL – Metal Halide Outdoor Lighting Service, Pages 58 - 59.
- The distribution charge was increased.
- Removal of Mercury Vapor & High Pressure Sodium has outdated language removed.

Rate LED-OL – Light-Emitting Diode Outdoor Lighting Service, Pages 60 - 61.
- The distribution charge was increased.
- New rates added to the Flood Lighting and Street Lighting Luminaires for 300-350 wattage range.
- Clarifying billing language added for LED with adjustable lumen.
- Removal of Mercury Vapor, High Pressure Sodium and Metal Halide has outdated language removed.

Rate Schedule GS-1 – General Service, Page 62.
- The customer charge and distribution charge were increased.

Rate Schedule GS-4 – General Service (5 kW minimum), Page 63.
- The customer charge was increased.
- The distribution charges were increased and decreased.

Rate Schedule GS-5 – General Service, Pages 64-65.
- Clarifying language was added requiring an executed contract to be eligible to take service under rate GS-5.
- The customer charge and distribution charge were increased.

Rate Schedule LP – Large Power Service, Pages 66 - 67.
- The monthly bill statement under Rate Table has been removed.
- A monthly customer charge has been added.
- The distribution charges were increased and decreased.
- The Minimum Monthly Charge statement has customer charge added.

Rate Schedule HTP – High Tension Power Service, Page 68.
- The USP and DSIC riders have been added to the Rate Table section as fully negotiated rates.
- The Surcharges and Riders section has been updated to clarify that the Company may charge Rate HTP customers Riders C and G based on the terms of individually negotiated contracts.

Rate Schedule SL – Street Lighting Service, Pages 69.
- The distribution charge was increased.

Rate Schedule SSL – Sodium Street Lighting Service, Pages 71 - 72.
- Availability has been updated to address market phase-out sodium lighting.
- The distribution charge was increased.
- Removal of Mercury Vapor has outdated language removed.

Rate Schedule MHSL – Metal Halide Street Lighting Service, Pages 73 - 74.
- The distribution charge was increased.
- Removal of Mercury Vapor and High Pressure Sodium has outdated language removed.

LIST OF CHANGES MADE BY THIS SUPPLEMENT – (Continued)
(Page Numbers Refer to Official Tariff)

Rate Schedule LED-SL – Light-Emitting Diode Street Lighting Service, Pages 75 - 76.

- The distribution charge was increased.
- New rates added for 300-350 wattage range.
- Clarifying billing language added for LED with adjustable lumen.
- Removal of Mercury Vapor, High Pressure Sodium and Metal Halide has outdated language removed.

Rate Schedule LED-CO – Customer-Owned Light-Emitting Diode Street Lighting Service, Pages 77 and 79.

- The distribution charge was increased.
- Clarifying billing language added for LED with adjustable lumen.
- Lettering duplicates removed and corrected under General Provisions.
- Removal of Company-Owned Lights has clarifying language added.

Rate Schedule FCP – Flood Control Power Service, Page 80.

- The distribution charges were increased on Page 80.

RULES AND REGULATIONS (continued)

3. GUARANTEE OF PAYMENT

(iii) Any Customer receiving service from the Company shall pay the required deposit in full on or before the due date. A Residential Customer may elect to pay the required deposit in three installments as follows: 50% of the required deposit billed upon the determination by the Company under 3-b(iii) and (iv) above that the deposit is required, with 25% to be billed by the Company 30 days after the determination and the remaining 25% billed 60 days after the determination.

3-f Deposit Hold Period for Residential Customers and Refund of Deposits. A timely payment history is established when the Residential Customer has paid in full and on time for twelve (12) consecutive months. The Company may hold a deposit on a Residential Customer's account until a timely payment history is established (the "Deposit Hold Period"). At the end of the Deposit Hold Period, Company shall credit the deposit, plus accrued interest, to the Residential Customer's Account. Deposits credited after the end of the Deposit Hold Period shall first be applied to any past due amounts. If service is terminated or discontinued before the end of the Deposit Hold Period, Company shall deduct any outstanding balance from the deposit and return any positive balance to the Residential Customer within sixty (60) days.

(i) The Company may not require a cash deposit from an applicant who is, based upon household income, confirmed to be eligible for a customer assistance program. An applicant is confirmed to be eligible for a customer assistance program by the Company if the applicant provides income documents or other information attesting to his or her eligibility for state benefits based on household income eligibility requirements that are consistent with those of the Company's Customer Assistance Program ("CAP"). For existing customers that already have monies paid against a security deposit and become enrolled in the Company's CAP, the Company will provide the customer a direct refund of the security deposit amount, along with applicable interest. The Company may apply the refund of the security deposit amount, with applicable interest, to the customer's account balance with the customer's informed consent. If checks providing a direct refund of the security deposit are returned as undeliverable, the Company will apply the amount as a bill credit, unless the customer contacts the Company with a corrected address. **(C)**

3-g Refund Provision - Non-Residential Customers. A deposit secured from a non-residential Customer shall be returned after such Customer has paid bills for service for twelve (12) consecutive months without having service terminated and without having paid the bill after the date when due on more than two (2) occasions. The non-residential Customer my elect to have the deposit applied to the account in order to reduce bills for service in lieu of a cash refund. Upon termination or discontinuance of service, the Company shall promptly apply the deposit, including accrued interest, to any outstanding balance for service and refund the remaining to the non-residential Customer.

3-h Adjustments. The amount of the deposit may be adjusted when there is a change in consumption that will significantly change the amount of the deposit as computed in Rule 3-a and 3-c.

(C) Indicates Change

RULES AND REGULATIONS (continued) **(C)**

3. GUARANTEE OF PAYMENT

3-i Interest on Deposits. Deposits from all Customers shall bear interest computed at the simple annual interest rate determined by the Secretary of Revenue for interest on underpayment of tax under Section 806 of the Act of April 19, 1929 (P.L. 343, No. 176), known as The Fiscal Code which will be credited annually to the Customer's deposit or account. The interest rate in effect when the deposit is required to be paid shall remain in effect until the later of the date the deposit is refunded or credited or December 31 of each year. On January 1 of each year, the new interest rate for that year will apply to the deposit. Deposits shall cease to bear interest upon termination or discontinuance of service.

3-j Prior Debts.

(i) Non-Residential Customers. As a condition of furnishing, transferring or reconnecting service to a Non-Residential Applicant or Non-Residential Customer, the Company may require payment of any outstanding balance on any account for which the Non-Residential Applicant or Non-Residential Customer is legally responsible.

(ii) Residential Customers. As a condition of furnishing, transferring or reconnecting service to a Residential Applicant or Residential Customer, the Company may require payment of any outstanding balance which accrued within the past four years on any account for which the Residential Applicant or Residential Customer is legally responsible. The foregoing four-year limitation shall not apply if the outstanding balance includes past due amounts that the Company was not aware of due to Unauthorized Use of Service, fraud or theft; in which case, the Company may require payment of all such past due amounts without regard to the four-year limitation. The Company may render a make-up bill to a Residential Customer for previously unbilled service which accrued within the past four (4) years resulting from billing error, meter failure, leakage that could not reasonably have been detected or loss of service. If the make-up bill exceeds the otherwise normal estimated bill for the billing period during which the make-up bill is issued by at least 50% or at least $50, whichever is greater, the Company shall, at the option of the Customer, amortize the bill at least as long as: (1) the period during which the excess amount accrued; or (2) necessary so that the quantity of service billed in any one billing period is not greater than the normal estimated quantity for that period plus 50%.

(iii) The Company may utilize all means of determining an Applicant's or Customer's liability for any outstanding balances, including, but not limited to, the following: (1) use of Company records that contain confidential information previously provided to the Company, (2) information contained on a valid mortgage, lease or deed, (3) other information contained in the Company's records that indicate that the Applicant was an adult Occupant during the time the balances accrued, (4) use of commercially available consumer credit reporting service, (5) use of commercially available skip tracing software that contains records of names and addresses, and (6) use of information contained in credit reporting data utilized by the Company.

(C) Indicates Change

RULES AND REGULATIONS (continued) **(C)**

5. SERVICE AND SUPPLY SYSTEM EXTENSIONS

(3) At Applicant's own cost, clear the ground in which the lines and related facilities are to be laid of trees, stumps and other obstructions, provide the excavating and backfilling subject to the inspection and approval of the Company, and rough grade it to within six inches of final grade, so that the Company's part of the installation shall consist only of laying of the lines and installing other service-related facilities. Excavating and backfilling performed or provided by the applicant shall follow the Company's underground construction standards and specifications set forth by the Company in written form and presented to the applicant at the time of application for service and presentation of the recorded plot plan to the Company. If the Company's specifications have not been met by the Applicant's excavating and backfilling, such excavating and backfilling shall be corrected or redone by the applicant or its authorized agent. Failure to comply with the Company's construction standards and specifications permits the Company to refuse service until such standards and specification are met.

5-j Other Extension. The Company's obligation to extend its facilities to a new point of delivery, other than as set forth above, is limited to the assumption of new investment to the extent warranted by the revenue anticipated from the service to be supplied. Where the anticipated revenue does not warrant the investment required to serve, the Company will determine for each case what guarantees of revenue, financing or term of contract shall be required of the Customer.

5-k Taxes on Contributions in Aid of Construction. For any Contribution in Aid of Construction or other like amounts received from an Applicant or Customer which constitute taxable income as defined by the Internal Revenue Service, the Company shall maintain a segregated deferred income tax account for inclusion in rate base in a future rate proceeding. Such income taxes associated with a Contribution in Aid of Construction or other like amount will not be charged to the Applicant or Customer.

~~5-l Service to Electric Vehicle Supply Equipment. Where Company provides service to Qualified Electric Vehicle Charging Stations ("Qualified EV Charging Stations") which will be accessible to the public for charging access, the Company shall provide all required investment without Contribution in Aid of Construction and will design and install the required infrastructure facilities necessary for operation of such Qualified EV Charging Stations (including any new conductor replacement, transformers, services, and meters; inclusive of any make ready work). Such facilities shall be provided at no required Contribution in Aid of Construction to the customer as part of an EV infrastructure pilot which will end September 30, 2026. Qualified EV Charging Stations may be supplied electricity by an EGS.~~

~~5-m Qualified EV Charging Stations shall be defined as one (1) to four (4) DC Fast Charge ("DCFC") stations of 50kW or greater, or at least four (4) Level 2 charging stations, which are compatible with the Company's distribution system and are located within 400 feet of a Company 3-phase primary distribution circuit line, or in another location where the Company, in its sole discretion, anticipates that adequate public availability and access is being provided. DCFC installation locations may also be inclusive of one or more adjacent Level 2 charging stations. All qualifying chargers must have smart or network capabilities and be tested for safety by a national testing laboratory such as UL. Qualifying Level 2 chargers must be ENERGY STAR certified.~~

(C) Indicates Change

RULES AND REGULATIONS (continued)

10. DEFECTS IN CUSTOMER'S INSTALLATION

10-a Right to Inspect. The Company shall have the right, but shall not be obligated to, examine the Customer's installation at the time service is first supplied or at any later time.

10-b Defective Installations. The Company shall operate and maintain only those electrical facilities which are installed and owned by the Company. If at any time the wiring, fixtures or appliances of the Customer are found to be defective or dangerous by the Company's employees, service may be refused or discontinued until the Customer has the condition corrected.

10-c Customer's Responsibility. The Company assumes no responsibility for any damage done by or resulting from any defect in the wiring, fixtures, or appliances of the Customer. In the event that any loss or damage ~~ot~~ to the property of the Company, or any accident or injury to persons or property is **(C)** caused by or results from the negligence or wrongful act of the Customer, his agents, or employees, the cost of the necessary repairs or replacement shall be paid by the Customer to the Company and any liability otherwise resulting shall be assumed by the Customer.

(C) Indicates Change

RULES AND REGULATIONS (continued)

13. PAYMENT TERMS

13-a Billing Period. The Company shall bill monthly. When periods are substantially greater or less than one month, bills will be computed by prorating on the basis of the actual period covered by meter readings. Failure to receive a bill will not release a Customer from payment obligation. For Residential Customers, the billing month is a period of not less than 26 or greater than 35 days. An initial bill for a new Residential Customer may be less than 26 days or greater than 35 days; provided however, if an initial bill exceeds 60 days the Residential Customer shall be given the opportunity to amortize the amount over a period equal to the period covered by the initial bill without penalty. A final bill due to the discontinuance may be less than 26 days or greater than 35 days but may never exceed 42 days. In cases involving termination, a final bill may be less than 26 days. In addition, bills for less than 26 days or more than 35 days shall be permitted if they result from rebilling initiated by the Company or Customer dispute to correct a billing problem. Bills for less than 26 days or more than 35 days shall be permitted if they result from a meter reading route change initiated by the Company.

13-b Net Payment Period. Bills are due upon presentation, and the net bills are contingent upon prompt payment. Should payment not be made within the time specified for payment of the net amount, an additional charge will be made as specified in the rate statement, subject to the right of the Company to waive this charge for any Customer once in each calendar year for reasons deemed by the Company to be good and sufficient. The due date for payment of the net amount will be shown upon each bill and will be at least 15 days for Non-residential and 20 days for Residential customers from the date of transmittal of the bill, except on bills to United States Government, Commonwealth of Pennsylvania or any of their agencies, municipal, religious, charitable and educational institutions not conducted for profit, the net payment period shall be thirty (30) days after date of presentation.

When the due date for residential service occurs from the 21st day of the month through the 5th day of the following month, the due date may be extended to the 6th day of the latter month for Customers on fixed incomes receiving Social Security or equivalent monthly checks on or about the 1st of the month. Such requests for due day extensions must be made by signed application at the Company office and must be renewed annually.

13-c Date of Payment. When Residential Customers bills are paid through the mail the date of the postmark will be considered the date of the payment. When Residential Customers' bills are paid through electronic transmission, the effective date of payment shall be the date of actual receipt of payment by the Company. When Residential Customers' bills are paid at a branch office or an Authorized Payment Agent, the effective date of payment shall be the date of actual receipt of payment at that location. For purposes of this section, an "Authorized Payment Agent" shall mean an agent expressly authorized by Company to accept payments from Customers on Company's behalf.

13-d Estimated Bills. The Company reserves the right to read meters on bimonthly or quarterly schedules and to render standard bills for the recorded use of service based upon the time interval between meter readings. At its option, when meters are read bimonthly or quarterly, the Company may render estimated bills on a monthly basis for the periods when meter readings are not obtained. Standard Company payment terms shall apply to these bills. The Company may estimate the bill of any Customer if extreme weather conditions, emergencies, equipment failures, work stoppages, failure to gain access or other circumstances prevent actual meter reading.

13-e Budget Billing – Residential Customers may elect an optional billing ~~procedure~~ method which averages the estimated Company regulated service costs over a revolving twelve (12) month Budget Billing plan. ~~These Customers will be billed for the use of electric service during the next eleven (11) months~~ **(C)**

(C) Indicates Change

RULES AND REGULATIONS (continued)

13. PAYMENT TERMS

~~beginning with whatever month that they select.~~ The Company will review the Budget Billing amount on a quarterly basis and ~~the fourth (4th), seventh (7th) and tenth (10th) months annually~~ adjust the Budget Billing amounting upward or downward ~~the Budget Billing amount~~ based on actual charges to date and projected charges to the end of the twelve (12) month Budget Billing plan. The twelfth bill will ~~be for usage for the month, with an~~include a true-up adjustment for the difference between payments made and actual charges for electric service for the prior eleven (11) months, inclusive. At the conclusion of the budget billing year, any resulting reconciliation amount exceeding $100 may be amortized over a twelve (12) month period upon Residential Customer request. **(C)**

HUD Financed Housing: Budget Billing for service, as described above, is available to master metered electrically heated multifamily dwelling units during the time that such unit is either owned by the Federal Department of Housing and Urban Development or subject to a first mortgage held or guaranteed by that agency.

13-f Late Payment Charge. Late payment charges will be applied as follows to the balance due which is not paid by the due date including amounts billed by the Company on behalf of electric suppliers other than the Company. Residential Customers will be charged a late payment charge of one and one half (1 1/2) percent per month on the balance due not paid by the due date; provided that, for a Residential Customer's payment by mail, the Company shall not impose a late payment charge unless payment is received more than 5 days after the due date. Non-Residential Customers will be charged five (5) percent per month on the balance due not paid by the due date and an additional one and one half (1 1/2) percent per month for each month thereafter.

13-g Joint Billing. Joint Billing provides Customers with one combined account and a combined invoice that displays charges for both their gas and electric service and pertains to Customers that are the same class as described below and receive both electric service from the Company and gas service from UGI Utilities, Inc. – ~~North Rate District ("UGI North")~~ Gas Division ("UGI Gas") at the same premises. **(C)** Joint billing shall become available to eligible customers beginning with their billing cycle occurring after a scheduled upgrade to the Company's customer information system which is expected to occur in September of 2017. Eligible customers shall be Residential Customers receiving service under Rate Schedule R, who are also Residential Customers of UGI ~~North~~ Gas receiving natural gas distribution service under UGI ~~North~~ Gas Rate Schedules R and RT, and Commercial and Industrial Customers receiving service under Rate Schedules GS1, GS4, and GS5 who are also Commercial and Industrial Customers of UGI ~~North~~ Gas receiving natural gas distribution service under UGI ~~North~~ Gas Rate Schedules N and NT, unless they elect otherwise in writing or through mutual agreement with the Company. Eligible Customers shall be combined into a single customer account for service received from the Company and UGI ~~North~~ Gas and shall receive combined bills separately listing charges from each company. The Company and UGI ~~North~~ Gas shall, for such combined accounts, and subject to applicable statutory and applicable regulatory requirements, establish a reasonable hierarchy of categories for the posting of partial payments to such joint accounts, and within each such category payments shall first be posted, as applicable, to the Company or Electric Generation Supplier charges before being posted to UGI ~~North~~ Gas or Natural Gas Suppler charges.

(C) Indicates Change

RULES AND REGULATIONS (continued)

13. PAYMENT TERMS

13-h Payment of Refunds. Refunds due to customers greater than two dollars ($2) shall be mailed to the Customer. Refunds less than two dollars ($2) may be picked up at the office within sixty (60) days. After sixty (60) days, the refund shall be applied to Operation Share.

13-i Return Check Service Charge. The Company may impose a service charge of the greater of thirty-five dollars ($35.00) or maximum allowed by Commonwealth of Pennsylvania for each check received in payment of bill(s) which is dishonored and returned by the bank upon which it is drawn. The Company may require a Customer to tender non-electronic payment after the Customer tenders two (2) consecutive electronic payments that are subsequently dishonored, revoked, canceled or otherwise not authorized.

13-j Acceptable Forms of Payment. The Company accepts only the following forms of payment: a certified, cashier's, teller's or bank check; a personal check issued from an accredited financial institution; a money order from an official issuer; automatic bank drafting (AutoPay); wire transfer; Automated Clearing House (ACH); in cash at a third-party pay site; electronic by bank account, credit or debit card, or digital wallet through the Company's authenticated Online Account Center or Company website; electronic payment by phone through the Company's automated phone system or call center agent; electronic through a financial institution's banking system. **(C)**

13-k Payment Arrangements for Rates GS-1, GS-4, and GS-5. Customers in rate schedules GS-1, GS-4, and GS-5 will be eligible to seek participation in the Company's formal program for payment arrangements. The formal program offers a standard six (6) month payment plan to payment troubled customers in the aforementioned rate schedules. A customer with an existing payment plan shall not be eligible for a new payment plan until such time as the existing payment plan is paid in full. **(C)**

(C) Indicates Change

RULES AND REGULATIONS (continued)

14. TERMINATION OR DISCONNECTION BY COMPANY

14-a Termination of Service. The Company may terminate service on reasonable notice and remove its equipment in case of (i) nonpayment of an undisputed delinquent account, (ii) failure to complete payment of a deposit, provide a guarantee of payment or establish credit, (iii) failure to permit access to meters, service connections or other property for the purpose of replacement, maintenance, repair or meter reading, (iv) failure to comply with the material terms of a payment arrangement, or (v) violation of Tariff Rules and Regulations. The Company may terminate service promptly and without notice for (i) Unauthorized Use of Service delivered on or about the affected dwelling, (ii) fraud or material misrepresentation of the customer's identify for the purpose of obtaining service, (iii) abuse of or tampering with the meters, connections or other equipment of the Company, (iv) violating tariff Rules and Regulations which endanger the safety of a person or the integrity of the Company's distribution system, (v) tendering payment for reconnection of service that is subsequently dishonored, revoked, canceled or otherwise not authorized and which has not been cured or otherwise made in full payment within three business days of the Company's notice, or (vi) after receiving termination notice from the Company, tendering payment which is subsequently dishonored under 13 Pa. C.S. § 3502, or, in the case of an electronic payment, that is subsequently dishonored, revoked, canceled or otherwise not authorized and which has not been cured or otherwise made in full payment within three business days of the Company's notice.

14-b Safety Shut-Off. The Company may disconnect without notice if the Customer's installation has become dangerous or defective, or if upon examination of the Customer's installation by fire underwriters' association having jurisdiction, a certificate of approval is refused.

14-c Income Verification. For Residential Customers, the Company will accept the following as verification of household income in determining the eligibility of an account under Chapter 56 for termination during the period of December 1 through March 31: (i) recent pay stubs or W-2 forms, (ii) access card or statement from Department of ~~Public Welfare~~ Human Services **(C)** ("~~DPW~~DHS"), (iii) if a source of income is rental income, then a verified copy of rent receipt(s), (iv) if the Residential Customer receives social security payments, pension payments, disability payments, Supplemental Security Income (SSI) payments, or any other source of fixed income with direct deposit, then a copy of bank statement or benefit letter, (v) child support and/or alimony support verification letter, (vi) if the Residential Customer receives payments from unemployment benefits or workers' compensation, then a copy of the determination letter or check stub, (vii) previous year's income tax statement, (viii) a filed 1099 form showing any interest income, annuity or dividends, and (ix) a verification letter from ~~DPW~~ DHS of any approved cash or crisis grant applicable to the current heating season.

14-d Reconnection Charge. When service has been disconnected under the provisions of Rule 14-a and 14-b, the Company may require a deposit as a condition of reconnection of service as well as full payment of outstanding company charges. The Company will not condition the reconnection of services on the Customer's payment of outstanding electric generation supplier charges unless those charges are the result of services provided by the supplier of last resort. In addition, prior to reconnection, one of the following charges may apply.

Reconnection During Normal Working Hours	$28.00
Reconnection Other Times	$108.00

Effective April 1, 2027, confirmed low-income Residential customers who provide verification of household income will not be assessed reconnection fees. **(C)**

(C) Indicates Change

RIDER A

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge is applicable to the net monthly rates and minimum charges contained in this Tariff. The surcharge shown below will be recomputed when a tax rate used in the calculation changes and/or the Company implements a change in rates.

The recomputation of the surcharge will be submitted to the PUC within 10 days after the occurrence of a reason for surcharge recomputation shown above. If the recomputed surcharge is less than the one in effect the Company will, and if more may, submit a tariff or supplement to reflect such recomputed surcharge, the effective date of which shall be 10 days after the filing.

Rider A - State Tax Adjustment Surcharge is 0.~~01~~00%. **(D)**

(D) Indicates Decrease

RIDER C
UNIVERSAL SERVICE PROGRAM RIDER

APPLICABILITY AND PURPOSE
This Rider shall be applicable to all Residential Customers except Customers in the Company's Customer Assistance Program ("CAP"). This Rider has been established to recover costs related to the Company's Universal Service and Conservation Programs, excluding internal administrative costs. This rider may also apply to customers receiving service under Rate HTP on a negotiated rate basis. **(C)**

RATE
In addition to the charges provided in this tariff, an amount shall be added to the otherwise applicable charge for each kWh of sales volumes or distribution volumes distributed by the Company to Customers receiving service under Rate Schedule R. The USP rate for customers receiving service under Rate HTP, if applicable, may differ from the USP rate stated below and may be applied on a volumetric, fixed charge, percentage or other basis. **(C)**

The USP rate for Rate R: 1.868 ¢/kWh **(C)**

The USP rate for Rate HTP: as negotiated, but no greater than the above rate. **(C)**

CALCULATION OF RATE
The Rider USP rate shall be calculated to recover costs for the following programs: Low Income Usage Reduction Program ("LIURP"); CAP; Hardship Funds; and any other replacement or Commission-mandated Universal Service Program or low income program that is implemented during the period that the Rider is in effect.

LIURP costs will be calculated based on the projected number of Level 1 income homes to be weatherized. Hardship Fund costs will be calculated on the projected level of an allocated share of administrative funds incurred by the UGI Operation Share Energy Fund.

CAP costs will be calculated to include:
(1) the projected CAP credit;
(2) projected CAP customer application and administrative costs paid to external agencies that would not have been incurred in the absence of CAP; and
(3) projected CAP pre-program arrearage forgiveness.

"CAP Credit" shall be defined as the difference between the total calculated Rate R bill, excluding Rider USP, and the CAP bill and an adjustment for unearned credit amounts based upon the current discounts at normalized annual volumes of the then-current CAP participants and the projected CAP Credit for projected Customer additions to CAP during the period that the CAP Rider rate will be in effect at the average discount of current CAP participants at normalized annual volumes.

QUARTERLY ADJUSTMENT
Any time that the Company makes a change in base rates or GSR rate affecting Residential Customers, the Company shall recalculate the Rider USP rate pursuant to the calculation described above to reflect the Company's current data for the components used in the USP rate calculation. The Company shall file the updated rate with the PUC to be effective one (1) day after filing. Adjustments to the USP rate for Rate HTP, if any, shall be as negotiated. **(C)**

(C) Indicates Change

RIDER C

UNIVERSAL SERVICE PROGRAM RIDER (Continued)

<u>ANNUAL RECONCILIATION</u>

On or before November 1 of each year, the Company shall file with the PUC data showing the reconciliation of actual revenues received under this Rider and actual recoverable costs incurred for the preceding twelve months ended September. The resulting over/undercollection (plus interest calculated at 6% annually) will be reflected in the CAP quarterly rate adjustment to be effective December 1. Actual recoverable costs shall reflect actual CAP costs, actual application costs, actual pre-program arrearage forgiveness, actual LIURP costs, actual Hardship Administrative costs. Actual recoverable CAP credit costs and pre-program arrearage forgiveness shall be based upon actual CAP credits granted and pre-program arrearage forgiveness granted less a 7.40% adjustment for amounts granted to participants in excess of ~~3,953 enrollees~~the number of CAP enrollees as of September 30, 2026. The 7.40% adjustment related to CAP credits and pre-program arrearage forgiveness will be based on the following: **(C)**

For each reconciliation period, the average annual CAP credit per participant will be determined by dividing the total actual CAP credits granted during the reconciliation period by the average monthly number of participants receiving CAP credits during the reconciliation period. The average monthly number of participants receiving CAP credits ~~exceeding 3,953~~in excess of the number of CAP enrollees as of September 30, 2026 will be multiplied by the average annual CAP credit granted per participant and then multiplied by 0.0740 in order to determine the amount of the CAP Credits recovered through Rider USP. **(C)**

For each reconciliation period, the average pre-program arrearage forgiveness per participant will be determined by dividing the total actual pre-program arrearage forgiven during the reconciliation period by the number of participants receiving pre-program arrearage forgiveness. The number of participants receiving pre-program arrearage forgiveness ~~exceeding 3,953~~in excess of the number of CAP enrollees as of September 30, 2026 will be multiplied by the average pre-program arrearage forgiveness per participant and then multiplied by 0.0740 in order to determine the amount of the pre-program arrearage forgiveness which will not be recovered through Rider USP. **(C)**

(C) Indicates Change

RIDER G

DSIC – DISTRIBUTION SYSTEM IMPROVEMENT CHARGE

In addition to the net charges provided for in this Tariff, a charge of ~~1.83~~0.00% will apply. The DSIC rate for Rate HTP, as negotiated, but no greater than the above rate. **(C, D)**

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. The DSIC rate for customers receiving service under Rate HTP, if applicable, may differ from the DSIC rate stated herein. **(C)**

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 ________________. **(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
(D) Indicates Decrease

RATE R
RESIDENTIAL SERVICE

AVAILABILITY
Available to Customers located on Company's distribution lines and desiring service for household and Non-Residential uses (where the Non-Residential use(s) is limited to less than 2 kW) in a single private dwelling, or an individual dwelling unit in a multiple dwelling structure, and its appurtenant detached buildings.

CHARACTER OF SERVICE
Alternating current, 60 cycles, single phase; 120 volts, 2 wire; 120-208 volts, 3 wire; or 120-240 volts, 3 wire.

RATE TABLE

Customer Charge: $~~10.75~~12.00 per Month **(I)**

Distribution Charge (all usage): ~~5.290~~7.296 ¢/kWh **(I)**

SURCHARGES AND RIDERS
Rider A - State Tax Adjustment Surcharge
Rider B - Generation Supply Service
Rider C - Universal Service Program Rider
Rider E - Energy Efficiency and Conservation Rider
Rider G - Distribution System Improvement Charge

MINIMUM MONTHLY CHARGE
The Minimum Monthly Charge shall be the Customer Charge.

PAYMENT TERMS
Late Payment Charges shall be billed in accordance with Rule 13, Payment Terms, paragraph 13-f.

(I) Indicates Increase

RATE OL
OUTDOOR LIGHTING SERVICE

AVAILABILITY
This Rate is available for outdoor lighting in the entire territory served by the Company, where contracted for by a Customer for private area lighting. Effective October 1, 2023, Rate OL is no longer available to new Customers or Applicants, or for new installations for existing Customers.

CONTRACT TERM AND BILLING
Standard contracts are on a yearly basis with monthly payments for service.

RATE TABLE
Rates per month for standard construction with monthly payments for service rendered.

Flood Lighting Luminaire – Mercury Vapor

	Residential		Commercial	
	Customer Charge (Per Lamp)	Distribution (¢/kWh)	Customer Charge (Per Lamp)	Distribution (¢/kWh)
11,000 Lumen	$7.20	~~4.812~~6.630**(I)**	$6.79	~~5.626~~7.753**(I)**
20,000 Lumen	$8.05	~~4.812~~6.630**(I)**	$7.43	~~5.626~~7.753**(I)**
60,000 Lumen	$8.24	~~4.812~~6.630**(I)**	$6.69	~~5.626~~7.753**(I)**

Street Lighting Luminaire – Mercury Vapor

	Residential		Commercial	
	Customer Charge (Per Lamp)	Distribution (¢/kWh)	Customer Charge (Per Lamp)	Distribution (¢/kWh)
7,000 Lumen	$4.54	~~4.812~~6.630**(I)**	$4.26	~~5.626~~7.753**(I)**
11,000 Lumen	$7.20	~~4.812~~6.630**(I)**	$6.79	~~5.626~~7.753**(I)**
20,000 Lumen	$8.05	~~4.812~~6.630**(I)**	$7.43	~~5.626~~7.753**(I)**
60,000 Lumen	$8.24	~~4.812~~6.630**(I)**	$6.69	~~5.626~~7.753**(I)**

Low mounted, decorative fixture and pole ....$ 7.46 per month
for underground service, provided that in addition to charge
no trenching and backfilling is required in Rate Tables above

Distribution and Generation Supply rates will be applied to per kilowatt hour of energy used each month. The number of kWh supplied is based upon the average hours' use and size of lamps.

STANDARD CONSTRUCTION
The prices specified in the Rate Table for Standard Construction cover the supply of lamps and equipment to mount floodlighting or street lighting luminaires and photo-electric switch control on Company's existing wood pole or other support approved by the Company and located within one span (150 feet) of existing 120-volt facilities. If Customer requires an additional wood pole, or poles, to be installed, a monthly charge of $5.99 per pole shall be added to the above Rates for standard installation poles. Any additional facilities other than specified herein shall be paid by the Customer in advance as a Contribution in Aid of Construction.

HOURS OF BURNING
Operation shall be from dusk until dawn, a total of approximately 4,000 hours per year. Credit shall not be allowed for lamp outages.

(I) Indicates Increase

RATE SOL
SODIUM OUTDOOR LIGHTING SERVICE

AVAILABILITY
This Rate for high pressure sodium outdoor lighting is available in the entire territory served by the Company, where contracted for by a Customer for private area lighting. Effective ________, Rate SOL is no longer available to new Customers or for new installations for existing customers. **(C)**

CONTRACT TERM
Two years and thereafter in accordance with contract provisions. The contract may be terminated with sixty (60) days' notice prior to expiration period of contract by either party.

NET MONTHLY RATE
Rates per month for standard construction with monthly payments for service rendered.

Floodlighting Luminaire – High Pressure Sodium

	Residential		Commercial	
	Customer Charge (Per Lamp)	Distribution (¢/kWh)	Customer Charge (Per Lamp)	Distribution (¢/kWh)
16,000 Lumen	$7.96	~~4.812~~6.630 **(I)**	$7.65	~~5.626~~7.753 **(I)**
25,000 Lumen	$8.35	~~4.812~~6.630 **(I)**	$7.88	~~5.626~~7.753 **(I)**
50,000 Lumen	$10.42	~~4.812~~6.630 **(I)**	$9.72	~~5.626~~7.753 **(I)**

Street Lighting Luminaire – High Pressure Sodium

	Residential		Commercial	
	Customer Charge (Per Lamp)	Distribution (¢/kWh)	Customer Charge (Per Lamp)	Distribution (¢/kWh)
9,500 Lumen	$7.87	~~4.812~~6.630 **(I)**	$7.66	~~5.626~~7.753 **(I)**
16,000 Lumen	$7.96	~~4.812~~6.630 **(I)**	$7.65	~~5.626~~7.753 **(I)**
25,000 Lumen	$8.35	~~4.812~~6.630 **(I)**	$7.88	~~5.626~~7.753 **(I)**
50,000 Lumen	$10.42	~~4.812~~6.630 **(I)**	$9.72	~~5.626~~7.753 **(I)**

Low mounted, decorative fixture and pole ....$ 7.46 per month
for underground service, provided that in addition to charge
no trenching and backfilling is required in Rate Table above

Distribution and Generation Supply rates will be applied to per kilowatt hour of energy used each month. The number of kWh supplied is based upon the average hours' use and size of lamps.

GENERAL PROVISIONS

(a) The prices specified in the Rate Table for Standard Overhead Construction cover the supply of lamps and equipment to mount flood lighting or street lighting luminaires and photo-electric switch control on Company's existing wood pole or other support approved by Company and located within 150 feet of existing 120-volt facilities.

(b) If Customer requires an additional wood pole, or poles, to be installed for mounting heights up to 25 feet, a monthly charge of $5.99 per pole shall be added to the above rates.

(c) Any additional facilities other than specified herein shall be paid by the Customer in advance as a Contribution in Aid of Construction.

(I) Indicates Increase (C) Indicates Change

RATE SOL - (Continued)
SODIUM OUTDOOR LIGHTING SERVICE

(d) Customer shall obtain proper approval for lights to be located on public thoroughfares

(e) Operation shall be from dusk to dawn, a total of approximately 4,000 hours per year. Lamp renewal service, during normal working hours, will be provided upon notice to Company for lamps burned out or broken and no credit for outages allowed. Company will supply, install, operate, and maintain necessary lighting facilities.

(f) Burned out or broken lamps will be replaced as long as the supply of sodium vapor lighting is readily available at reasonable costs to the Company. Customer will be required to move to a different available lighting service rate when lamps cannot be replaced or replaced at reasonable cost.

<u>REMOVAL OF MERCURY VAPOR</u>
When, at the request of the Customer, a sodium vapor light replaces a fully operational mercury vapor light that has been installed for less than 10 years, the Customer shall pay the Company for the Company's estimated cost of removal and rehabilitation ~~plus the estimated remaining value of the system~~. When, at the request of the Customer, a sodium vapor light replaces a failed mercury vapor light that can neither be repaired nor replaced, the installation will be completed at no charge to the Customer. **(C)**

<u>SURCHARGES AND RIDERS</u>
Rider A - State Tax Adjustment Surcharge
Rider B - Generation Supply Service
Rider E - Energy Efficiency and Conservation Rider
Rider G - Distribution System Improvement Charge

<u>PAYMENT TERMS</u>
Late Payment Charges shall be billed in accordance with Rule 13, Payment Terms, paragraph 13-f.

(C) Indicates Change

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RATE MHOL
METAL HALIDE OUTDOOR LIGHTING SERVICE

AVAILABILITY
This Rate is available in the entire territory served by the Company, where contracted for by a Customer for private area lighting. Effective October 1, 2023, Rate MHOL is no longer available to new Customers or Applicants, or for new installations for existing Customers.

CONTRACT TERM
Two years and thereafter in accordance with contract provisions. The contract may be terminated with sixty (60) days' notice prior to expiration period of contract by either party.

NET MONTHLY RATE

Flood Lighting Luminaire

	Residential		Commercial	
	Customer Charge (Per Lamp)	Distribution (¢/kWh)	Customer Charge (Per Lamp)	Distribution (¢/kWh)
20,500 Lumen	$9.05	~~4.812~~6.630 (I)	$8.65	~~5.626~~7.753(I)
36,000 Lumen	$9.20	~~4.812~~6.630 (I)	$8.57	~~5.626~~7.753(I)
110,000 Lumen	$16.11	~~4.812~~6.630 (I)	$14.58	~~5.626~~7.753(I)

Street Lighting Luminaire

	Residential		Commercial	
	Customer Charge (Per Lamp)	Distribution (¢/kWh)	Customer Charge (Per Lamp)	Distribution (¢/kWh)
9,000 Lumen	$8.07	~~4.812~~6.630 (I)	$7.86	~~5.626~~7.753(I)
12,900 Lumen	$6.83	~~4.812~~6.630 (I)	$6.57	~~5.626~~7.753(I)
13,000 Lumen	$6.36	~~4.812~~6.630 (I)	$6.07	~~5.626~~7.753(I)
20,500 Lumen	$9.05	~~4.812~~6.630 (I)	$8.65	~~5.626~~7.753(I)
36,000 Lumen	$9.20	~~4.812~~6.630 (I)	$8.57	~~5.626~~7.753(I)

Low mounted, decorative fixture and pole ....$ 7.46 per month
for underground service, provided that in addition to charge
no trenching and backfilling is required in Rate Table above

Distribution and Generation Supply rates will be applied to per kilowatt hour of energy used each month. The number of kWh supplied is based upon the average hours' use and size of lamps.

GENERAL PROVISIONS

(a) The prices specified in the Rate Table for Standard Overhead Construction cover the supply of lamps and equipment to mount flood lighting or street lighting luminaries and photo-electric switch control on Company's existing wood pole or other support approved by Company and located within 150 feet of existing 120-volt facilities.

(b) If Customer requires an additional wood pole, or poles, to be installed for mounting heights up to 25 feet, a monthly charge of $5.99 per pole shall be added to the above rates.

(c) Any additional facilities other than specified herein shall be paid by the Customer in advance as a Contribution in Aid of Construction.

(I) Indicates Increase

Issued:	Effective for Service Rendered on and after

RATE MHOL - (Continued)
METAL HALIDE OUTDOOR LIGHTING SERVICE

(d) Customer shall obtain proper approval for lights to be located on public thoroughfares.

(e) Operation shall be from dusk to dawn, a total of approximately 4,000 hours per year. Lamp renewal service, during normal working hours, will be provided upon notice to Company for lamps burned out or broken and no credit for outages allowed. Company will supply, install, operate, and maintain necessary lighting facilities.

(f) Burned out or broken lamps will be replaced as long as the supply of metal halide lighting is readily available at reasonable costs to the Company. Customer will be required to move to a different available lighting service rate when lamps cannot be replaced or replaced at reasonable cost.

REMOVAL OF MERCURY VAPOR & HIGH PRESSURE SODIUM
When, at the request of the Customer, a metal halide light replaces a fully operational mercury vapor or high pressure sodium light that has been installed for less than 1 or 2 years respectively, the Customer shall pay the Company for the Company's estimated cost of removal and rehabilitation ~~plus the estimated remaining value of the system.~~ When, at the request of the Customer, a metal halide light replaces a failed mercury vapor light that can neither be repaired nor replaced, the installation will be completed at no charge to the Customer. **(C)**

TERMINATION
If Customer terminates outdoor lighting service under this schedule for any reason prior to expiration of the two-year term, Customer shall pay removal cost.

SURCHARGES AND RIDERS
Rider A - State Tax Adjustment Surcharge
Rider B - Generation Supply Service
Rider E - Energy Efficiency and Conservation Rider
Rider G - Distribution System Improvement Charge

PAYMENT TERMS
Late Payment Charges shall be billed in accordance with Rule 13, Payment Terms, paragraph 13-f.

(C) Indicates Change

RATE LED-OL
LIGHT-EMITTING DIODE OUTDOOR LIGHTING SERVICE

AVAILABILITY
This Rate is available in the entire territory served by the Company, where contracted for by a Customer for private area lighting.

CONTRACT TERM
Two years and thereafter in accordance with contract provisions, which shall be consistent with this rate schedule and shall be of a standard form provided by and satisfactory to the Company. The contract may be terminated with sixty (60) days' notice prior to expiration period of contract by either party subject to the termination provision below.

NET MONTHLY RATE

Flood Lighting Luminaire

	Residential		Commercial	
Nominal Lamp Wattage Range	Customer Charge (Per Lamp)	Distribution (¢/kWh)	Customer Charge (Per Lamp)	Distribution (¢/kWh)
85-100	$15.42	~~4.812~~6.630 **(I)**	$15.42	~~5.626~~7.753**(I)**
170-210	$22.64	~~4.812~~6.630 **(I)**	$22.64	~~5.626~~7.753**(I)**
250-280	$26.08	~~4.812~~6.630 **(I)**	$26.08 **(I)**	~~5.626~~7.753**(I)**
300-350 **(C)**	$29.57 **(C)(I)**	6.630**(C)(I)**	$29.57 **(C)(I)**	7.753**(C)(I)**

Street Lighting Luminaire

	Residential		Commercial	
Nominal Lamp Wattage Range	Customer Charge (Per Lamp)	Distribution (¢/kWh)	Customer Charge (Per Lamp)	Distribution (¢/kWh)
50-60	$10.29	~~4.812~~6.630 **(I)**	$10.29	~~5.626~~7.753**(I)**
100-110	$12.16	~~4.812~~6.630 **(I)**	$12.16	~~5.626~~7.753**(I)**
140-160	$14.00	~~4.812~~6.630 **(I)**	$14.00	~~5.626~~7.753**(I)**
250-280	$21.25	~~4.812~~6.630 **(I)**	$21.25	~~5.626~~7.753**(I)**
300-350 **(C)**	$29.57 **(C)(I)**	6.630**(C)(I)**	$29.57 **(C)(I)**	7.753**(C)(I)**

Standard Decorative Luminaire (for installations on or after effective date of October 1, 2023)

	Residential		Commercial	
Nominal Lamp Wattage Range	Customer Charge (Per Lamp)	Distribution (¢/kWh)	Customer Charge (Per Lamp)	Distribution (¢/kWh)
60-80	$11.77	~~4.812~~6.630 **(I)**	$11.77	~~5.626~~7.753 **(I)**

For all lighting types, LED Lighting with adjustable lumen output will be billed at the maximum wattage range of the LED light. **(C)**

Low mounted, decorative pole ....$ 13.62 per month
for underground service, provided that no trenching and backfilling is required — in addition to charge in Rate Table above

(I) Indicates Increase (C) Indicates Change

RATE LED-OL (continued)
LIGHT-EMITTING DIODE OUTDOOR LIGHTING SERVICE

Distribution and Generation Supply rates will be applied to per kilowatt hour of energy used each month. Service hereunder is unmetered with the number of kWh billed for each size lamp calculated based on the estimated input wattage of the lamp and approximately 4,000 burning hours per year.

GENERAL PROVISIONS

(a) The prices specified in the Rate Table for Customer Charger (Per Lamp) cover the supply of lamps, fixtures, luminaries, and equipment, and installation of flood lighting or street lighting luminaries and photo-electric switch control on Company's existing wood pole or other support approved by Company and located within 150 feet of existing 120-volt facilities. Such charges include normal operation and maintenance.

(b) If Customer requires an additional wood pole, or poles, to be installed for mounting heights up to 25 feet, a monthly charge of $5.99 per pole shall be added to the above rates.

(c) Any additional facilities other than specified herein and the cost of rearranging facilities required to change mounting height shall be paid by the Customer in advance as a Contribution in Aid of Construction.

(d) Customer shall obtain proper approval for lights to be located on public thoroughfares.

(e) Operation shall be from dusk to dawn, a total of approximately 4,000 hours per year. Lamp renewal service, during normal working hours, will be provided upon notice to Company for lamps burned out or broken and with no credit for outages. Company will supply, install, operate, and maintain necessary lighting facilities.

REMOVAL OF MERCURY VAPOR, HIGH PRESSURE SODIUM AND METAL HALIDE
When, at the request of the Customer, a LED light replaces a fully operational mercury vapor, high pressure sodium or metal halide light that has been installed for less than the applicable contract term, the Customer shall pay the Company for the Company's estimated cost of removal and rehabilitation~~ plus the estimated remaining value of the system. ~~When, at the request of the Customer, a LED light replaces a failed mercury vapor, high pressure sodium or metal halide light that can neither be repaired nor replaced, the installation will be completed at no charge to the Customer. **(C)**

TERMINATION
If Customer terminates outdoor lighting service under this schedule for any reason prior to expiration of the two-year term, Customer shall pay removal cost.

SURCHARGES AND RIDERS
Rider A - State Tax Adjustment Surcharge
Rider B - Generation Supply Service
Rider E - Energy Efficiency and Conservation Rider
Rider G - Distribution System Improvement Charge

PAYMENT TERMS
Late Payment Charges shall be billed in accordance with Rule 13, Payment Terms, paragraph 13-f.

(C) Indicates Change

RATE GS-1
GENERAL SERVICE

AVAILABILITY
Available to Customers located on Company's distribution lines desiring electric service for general lighting and/or power service outside the scope of the Residence Service Rate Schedules and whose demand at any time of the year is not in excess of five (5) kilowatts, and any building the primary use of which is public worship.

CHARACTER OF SERVICE
Alternating current, 60 cycles, single phase, 120 volts, 2 wire; or 120-240 volts, 3 wire; and 3 phase, 120-240 volts, 4 wire, except in areas where only 120/208 volts are available.

CONTRACT TERM AND BILLING
Standard contracts are on a yearly basis with monthly payments for service taken.

RATE TABLE

Customer Charge: $~~17~~25.00 per Month **(I)**

Distribution Charge (all usage): ~~5.98~~7.167 ¢/kWh **(I)**

MINIMUM MONTHLY CHARGE
The Minimum Monthly Charge is the Customer Charge.

DETERMINATION OF DEMAND
The demand will be determined at the option of the Company by estimate or by test at the time of maximum use or by demand meter measurement. Demands of Customers with monthly consumption over two thousand (2,000) kilowatt-hours on a recurring basis will be metered unless otherwise shown to be eligible for this rate.

SURCHARGES AND RIDERS
Rider A - State Tax Adjustment Surcharge
Rider B - Generation Supply Service
Rider E - Energy Efficiency and Conservation Rider
Rider G - Distribution System Improvement Charge

PAYMENT TERMS
Late Payment Charges shall be billed in accordance with Rule 13, Payment Terms, paragraph 13-f.

(I) Indicates Increase

RATE GS-4 SERVICE
(5 kW minimum)

AVAILABILITY
Available to Customers located on Company's distribution lines desiring electric service for general lighting and/or power service and whose minimum billing demand is not less than five (5) kilowatts.

CHARACTER OF SERVICE
Alternating current, 60 cycles, 3 phase, 120-240 volts, 4 wire; 120-208 volts, 4 wire; or 240 volts, 3 wire; 480 volts, 3 wire; 277-480 volts, 4 wire, may be supplied. In addition, alternating current, 60 cycles, single phase, 120-240 volts, 3 wire, and where available 120-208 volts, 3 wire, or as otherwise determined to be reasonable by the Company.

CONTRACT TERM AND BILLING
Contracts shall be for a term of not less than one (1) year with monthly payments for service taken. Contracts for a longer term may be required where new investment by Company is necessary.

RATE TABLE

Customer Charge: $~~18~~45.00 per Month **(I)**

	Distribution ($/kW)	Distribution (¢/kWh)	
~~First 20~~All kW of billing demand	$3.~~59~~75		**(I)**
~~Over 20 kW of billing demand~~	~~$2.20~~		
~~First 200~~All hours use of demand		~~3.399~~2.531	**(I, D)**
~~Next 300 hours use of demand~~		~~2.142~~	
~~All over 500 hours use of demand~~		~~1.785~~	

MINIMUM MONTHLY CHARGE
The Minimum Monthly Charge is the Customer Charge plus the charge in the Rate Table for the billing demand. The minimum billing demand will not be less than five (5) kilowatts nor less than the minimum value stated in a contract for service.

DETERMINATION OF DEMAND
The demand shall be the greatest fifteen (15) minute load in kilowatts established during the month, taken for billing purposes to the nearest kilowatt.

SURCHARGES AND RIDERS
Rider A - State Tax Adjustment Surcharge
Rider B - Generation Supply Service
Rider E - Energy Efficiency and Conservation Rider
Rider F - Power Factor Surcharge
Rider G - Distribution System Improvement Charge

PAYMENT TERMS
Late Payment Charges shall be billed in accordance with Rule 13, Payment Terms, paragraph 13-f.

POWER FACTOR
The Power Factor Charge contained in this Tariff is applied to this Rate.

(I) Indicates Increase (D) Indicates Decrease

RATE GS-5
GENERAL SERVICE
(VOLUNTEER FIRE COMPANY, NON-PROFIT SENIOR CITIZEN CENTER, NON-PROFIT RESCUE SQUAD, AND NON-PROFIT AMBULANCE SERVICE)

AVAILABILITY
Upon application, Pursuant to Act 103 of 1985 and Act 203 of 2002, Volunteer Fire Companies, Non-Profit Senior Citizen Centers, Non-Profit Rescue Squads, and Non-Profit Ambulance Services may elect to have their electric service rendered pursuant to the following charges upon execution of a contract for a minimum term of one year. Customers who do not have an executed contract will be placed on a rate schedule based upon their billing demand. **(C)**

For the purpose of this Rate only, the following terms shall have the following meanings indicated for them.

1. "Volunteer Fire Company Service" - A separately metered service location consisting of a building, sirens, a garage for housing vehicular firefighting equipment, or a facility certified by the Pennsylvania Emergency Management Agency (PEMA) for firefighting training. The use of electric service at this service location shall be to support the activities of the volunteer fire company. Any fund raising activities at this service location must be used solely to support volunteer fire fighting operations.
   The customer of record at this service location must be a predominantly volunteer fire company recognized by the local municipality or PEMA as a provider of firefighting services.

2. "Non-Profit Senior Citizen Center Service" - A separately metered service location consisting of a facility for the use of senior citizens coming together as individuals or groups and where access to a wide range of services to senior citizens is provided.
   The customer of record at this service location must be an organization recognized by the Internal Revenue Service (IRS) as non-profit and recognized by the Department of Aging as an operator of a senior citizen center.

3. "Non-Profit Rescue Squad" – A separately metered service location consisting of a building, sirens, a garage for housing vehicular rescue equipment, or a facility that is qualified by the IRS as non-profit and recognized by PEMA and the Department of Health as a provider of rescue services. The use of electric service by the customer of record at this location shall be to support the activities of the non-profit rescue squads.

4. "Non-Profit Ambulance Service" – A separately metered service location consisting of a building, sirens, a garage for housing vehicular ambulance equipment, or a facility that is qualified by the IRS as non-profit and recognized by PEMA and the Department of Health as a provider of ambulance services. The use of electric service by the customer of record at this location shall be to support the activities of the non-profit ambulance service.

CHARACTER OF SERVICE
Alternating current, 60 cycles, single phase, 120 volts, 2 wire; or 120-240 volts, 3 wire; and 3 phase, 120-240 volts, 4 wire, except in areas where only 120/208 volts is available.

CONTRACT TERM AND BILLING
Standard contracts are on a yearly basis with monthly payments for service taken. Customers who do not have an executed contract will be placed on a rate schedule based upon their billing demand. **(C)**

(C) Indicates Change

RATE GS-5 (continued)
GENERAL SERVICE
(VOLUNTEER FIRE COMPANY, NON-PROFIT SENIOR CITIZEN CENTER, NON-PROFIT RESCUE SQUAD, AND NON-PROFIT AMBULANCE SERVICE)

RATE TABLE

Customer Charge: $~~10.75~~12.00 per Month **(I)**

Distribution Charge (all usage): ~~5.290~~7.296 ¢/kWh **(I)**

MINIMUM MONTHLY CHARGE
The Minimum Monthly Charge shall be the Customer Charge.

SURCHARGES AND RIDERS
Rider A - State Tax Adjustment Surcharge
Rider B - Generation Supply Service
Rider E - Energy Efficiency and Conservation Rider
Rider G - Distribution System Improvement Charge

PAYMENT TERMS
Late Payment Charges shall be billed in accordance with Rule 13, Payment Terms, paragraph 13-f.

(I) Indicates Increase

RATE LP
LARGE POWER SERVICE

AVAILABILITY
Available to Customers taking general light and power service at each delivery point and whose minimum demand is not less than one hundred (100) kilowatts based on Customer's highest billing demand in the most recent twelve-month period ending September 30th.

CHARACTER OF SERVICE
Alternating current, 60 cycles, 3 phase, primary service at 13,800 volts, or one (1) transformation to a lower available standard Company voltage with metering on the primary side of transformers and substation equipment supplied by the Company.

CONTRACT TERM AND BILLING
Contracts shall be for a term of not less than one (1) year with monthly payments for service taken. Contracts for a longer term may be required where new investment by Company is necessary.

RATE TABLE
~~The Customer's monthly bill shall be the sum of the demand and energy charges.~~ **(C, I)**
Customer Charge: $150.00 per Month

	Distribution ($/kW)	Distribution (¢/kWh)	
Demand Charge:			
First 100 kW of billing demand	$~~135.80~~2.50*		**(C,I,D)**
~~Next 400~~Over 100 kW of billing demand	$~~0.94~~5.00		**(I)**
~~Over 500 kW of billing demand~~	$~~0.69~~		
~~First 100~~All hours use of billing demand		~~2.506~~1.101	**(D)**
~~Next 200 hours use of billing demand but not more than 200,000 kWh~~		~~1.809~~	
~~Next 200 hours use of billing demand but not more than 200,000 kWh~~		~~1.656~~	
~~Excess~~		~~1.555~~	

* ..... Charge is for the First 100 kW of billing demand or any part thereof.

(I) Indicates Increase (C) Indicates Change (D) Indicates Decrease

RATE LP - (Continued)
LARGE POWER SERVICE

DETERMINATION OF DEMAND
The demand shall be determined by meters which will, at the option of the Company, either indicate or record the demand. The billing demand shall be the highest fifteen (15) minute demand recorded during the month, provided that the Company reserves the right to use for billing purposes the single maximum demand established during a five (5) minute interval when power installation includes hoists, elevators, welding machines, electric furnaces, or other load having high intermittent peak load requirements. In no event, however, shall the billing demand be less than one hundred (100) kilowatts.

SECONDARY SERVICE
At the Company's option, service may be metered at secondary voltage of transforming equipment. When so metered energy charges will be increased two (2) percent.

POWER FACTOR
The Power Factor Charge contained in this Tariff is applied to this Rate.

MINIMUM MONTHLY CHARGE
The Minimum Monthly Charge shall be an amount equal to the customer charge, demand charge, plus the power factor charge for the month. **(C)**

SURCHARGES AND RIDERS
Rider A - State Tax Adjustment Surcharge
Rider B - Generation Supply Service
Rider E - Energy Efficiency and Conservation Rider
Rider F - Power Factor Surcharge
Rider G – Distribution System Improvement Charge

PAYMENT TERMS
Late Payment Charges shall be billed in accordance with Rule 13, Payment Terms, paragraph 13-f.

(C) Indicates Change

RATE HTP
HIGH TENSION POWER SERVICE

AVAILABILITY
This rate is available for large general service Customers taking supply from available transmission lines of 66,000 volts or higher.

CHARACTER OF SERVICE
Alternating current, 60 cycles, 3 phase, 66,000 volts (or higher) with metering on the primary side of transformers and substation equipment supplied by the Customer.

CONTRACT TERM AND BILLING
Contract shall be for a term of not less than one (1) year with monthly payments for service taken. Contracts for a longer term may be required where new investment by Company is necessary.

RATE TABLE

Customer Charge, Distribution Charge, Demand Charge, Universal Service Plan Rider, ~~and~~ Power Factor Surcharge and Distribution System Improvement Charge are all fully negotiated rates. **(C)**

MINIMUM MONTHLY CHARGE
As determined by negotiation between Customer and Company.

SURCHARGES AND RIDERS
Rider A - State Tax Adjustment Surcharge
Rider B - Generation Supply Service
Rider C -Universal Service Plan Rider **(C)**
Rider G -Distribution System Improvement Charge **(C)**

PAYMENT TERMS
Late Payment Charges shall be billed in accordance with Rule 13, Payment Terms, paragraph 13-f.

(C) Indicates Change

RATE SL
STREET LIGHTING SERVICE

AVAILABILITY
This Rate is available for street, bridge, parks, and outdoor lighting in the entire territory served by the Company. Effective October 1, 2023, Rate SL is no longer available to new Customers or Applicants, or for new installations for existing Customers.

CONTRACT TERM
Standard contracts are for the term of five (5) years. Contracts for a longer term may be required where new investment by Company is necessary.

RATE TABLE
Rates per lamp per month for standard construction with monthly payments for service rendered.

Mercury Vapor

	Municipal or Public Authority		
	Customer Charge (Per Lamp)	Distribution (¢/kWh)	
3,750 Lumen	$3.88	~~5.626~~7.753	**(I)**
7,000 Lumen	$4.05	~~5.626~~7.753	**(I)**
11,000 Lumen	$6.37	~~5.626~~7.753	**(I)**
20,000 Lumen	$7.65	~~5.626~~7.753	**(I)**
60,000 Lumen	$6.43	~~5.626~~7.753	**(I)**

Low mounted, decorative fixture and pole for underground service, provided that no trenching and backfilling is required .... $ 7.46 per month in addition to charge in Rate Table above

Additional wood pole installed for the sole purpose of supporting lighting fixtures or circuits .... $ 5.99 per month

The number of kWh supplied is based upon the average hours' use and size of lamps.

Distribution and Generation Supply rates will be applied to per kilowatt hour of energy used each month. The number of kWh supplied is based upon the average hours' use and size of lamps.

SURCHARGES AND RIDERS
Rider A - State Tax Adjustment Surcharge
Rider B - Generation Supply Service
Rider E - Energy Efficiency and Conservation Rider
Rider G - Distribution System Improvement Charge

STANDARD CONSTRUCTION
The prices specified in the Rate Table for Standard Construction cover the supply of lamps and equipment to mount lighting fixtures on wood poles and include electric current and maintenance for complete street lighting service when supplied from circuits, mast arms, and fixtures of overhead construction. When Customer desires an underground or ornamental system, or non-standard construction conditions exist, the additional cost shall be borne by Customer; also, if Customer desires to supply equipment such as conductors, conduit, poles and fixtures, a monthly construction credit for such equipment supplied shall be given Customer over the term of the contract.

Other special equipment such as is used for channel lighting on bridges shall be installed and maintained by Customer except lamp bulbs which shall be furnished and renewed by Company.

(I) Indicates Increase

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RATE SSL
SODIUM STREET LIGHTING SERVICE

AVAILABILITY
This Rate schedule for high pressure sodium vapor lighting is available for public roadway, bridge and parks. Effective___________, Rate SSL is no longer available to new Customers or for new installations for existing Customers. **(C)**

CONTRACT TERM
Ten years and thereafter in accordance with contract provisions. The contract may be terminated with sixty (60) days' notice prior to expiration period of contract by either party.

NET MONTHLY RATE

	Municipal or Public Authority		
	Customer Charge (Per Lamp)	Distribution (¢/kWh)	
9,500 Lumen	$7.51	~~5.626~~7.753	**(I)**
16,000 Lumen	$7.58	~~5.626~~7.753	**(I)**
25,000 Lumen	$8.57	~~5.626~~7.753	**(I)**
50,000 Lumen	$9.10	~~5.626~~7.753	**(I)**

Low mounted, decorative fixture and pole for underground service, provided that no trenching and backfilling is required .... $ 7.46 per month in addition to charge in Rate Table above

Additional wood pole installed for the sole purpose of supporting lighting fixtures or circuits .... $ 5.99 per month

The number of kWh supplied is based upon the average hours' use and size of lamp.

Distribution and Generation Supply rates will be applied to per kilowatt hour of energy used each month. The number of kWh supplied is based upon the average hours' use and size of lamps.

SURCHARGES AND RIDERS
Rider A - State Tax Adjustment Surcharge
Rider B - Generation Supply Service
Rider E - Energy Efficiency and Conservation Rider
Rider G - Distribution System Improvement Charge

GENERAL PROVISIONS

(a) Necessary street lighting facilities are supplied and installed, operated and maintained by Company and are connected to Company's available general distribution system.

(b) Prices include the standard type luminaire currently being offered at the time service is contracted for and up to 150 circuit feet of overhead secondary extension.

(c) Customer shall pay the cost of any additional facilities required to extend service and the cost of rearranging facilities required to change mounting height.

(d) Burned out or broken lamps will be replaced as long as the supply of sodium vapor lighting is readily available at reasonable costs to the Company. Customer will be required to move to a different available lighting service rate when lamps cannot be replaced or replaced at reasonable cost. **(C)**

(I) Indicates Increase (C) Indicates Change

Issued:	Effective for Service Rendered on and after

RATE SSL - (Continued)
SODIUM STREET LIGHTING

(e) Company will provide underground and decorative systems of a type being offered by the Company at the time service is contracted for when the additional cost in excess of the estimated cost of a standard overhead system for the same application is paid by Customer as a Contribution in Aid of Construction. Company shall take title to this system and shall operate and maintain the facilities. At the termination, for any reason, of the useful life of these systems or designated components, a new system or component shall be installed under similar conditions.

SPECIAL CUSTOMER EQUIPMENT
Upon request, the Company may, at its option, operate and maintain special lighting equipment of a type not being offered by Company provided Customer installs equipment and supplies any nonstandard replacement parts at no cost to Company.

REMOVAL OF MERCURY VAPOR
When, at the request of the Customer, a sodium vapor light replaces a fully operational mercury vapor light that has been installed for less than 10 years, the Customer shall pay the Company for the Company's estimated cost of removal and rehabilitation~~ plus the estimated remaining value of the system~~. When, at the **(C)** request of the Customer, a sodium vapor light replaces a failed mercury vapor light that can neither be repaired nor replaced, the installation will be completed at no charge to the Customer.

TERMINATION
If Customer terminates street lighting service under this schedule for any reason prior to expiration of any 10-year term, Customer shall pay removal cost plus remaining value of system.

PAYMENT TERMS
Late Payment Charges shall be billed in accordance with Rule 13, Payment Terms, paragraph 13-f.

(C) Indicates Change

RATE MHSL
METAL HALIDE STREET LIGHTING SERVICE

AVAILABILITY
This Rate is available to municipalities or other public authorities for street, bridge, parks, and outdoor lighting in the entire territory served by the Company. Effective October 1, 2023, Rate MHSL is no longer available to new Customers or Applicants, or for installations for existing Customers.

CONTRACT TERM
Ten years and thereafter in accordance with contract provisions. The contract may be terminated with sixty (60) days' notice prior to expiration period of contract by either party.

NET MONTHLY RATE

	Municipal or Public Authority		
	Customer Charge (Per Lamp)	Distribution (¢/kWh)	
9,000 Lumen	$6.71	~~5.626~~7.753	**(I)**
12,900 Lumen	$5.42	~~5.626~~7.753	**(I)**
13,000 Lumen	$4.92	~~5.626~~7.753	**(I)**
20,500 Lumen	$7.29	~~5.626~~7.753	**(I)**
36,000 Lumen	$6.20	~~5.626~~7.753	**(I)**

(1) Low mounted, decorative fixture and pole .... $ 7.46 per month
for underground service, provided that in addition to charge
no trenching and backfilling is required in Rate Table above

Additional wood pole installed for the sole .... $ 5.99 per month
purpose of supporting lighting fixtures or circuits

The number of kWh supplied is based upon the average hours' use and size of lamp.

Distribution and Generation Supply rates will be applied to per kilowatt hour of energy used each month. The number of kWh supplied is based upon the average hours' use and size of lamps.

SURCHARGES AND RIDERS
Rider A - State Tax Adjustment Surcharge
Rider B - Generation Supply Service
Rider E - Energy Efficiency and Conservation Rider
Rider G - Distribution System Improvement Charge

GENERAL PROVISIONS

(a) Necessary street lighting facilities are supplied and installed, operated and maintained by Company and are connected to Company's available general distribution system.
(b) Prices include the standard type luminaries currently being offered at the time service is contracted for and up to 150 circuit feet of overhead secondary extension.
(c) Customer shall pay the cost of any additional facilities required to extend service and the cost of rearranging facilities required to change mounting height.
(d) The cost of any change of location of lamps, from the original location specified by Customer, shall be borne by the Customer and paid to the Company.

(I) Indicates Increase

RATE MHSL - (Continued)
METAL HALIDE STREET LIGHTING SERVICE

(c) Company will provide underground and decorative systems of a type being offered by the Company at the time service is contracted for when the additional cost in excess of the estimated cost of a standard overhead system for the same application is paid by Customer as a Contribution in Aid of Construction. Company shall take title to this system and shall operate and maintain the facilities. At the termination, for any reason, of the useful life of these systems or designated components, a new system or component shall be installed under similar conditions.

(d) Burned out or broken lamps will be replaced as long as the supply of metal halide lighting is readily available at reasonable costs to the Company. Customer will be required to move to a different available lighting service rate when lamps cannot be replaced or replaced at reasonable cost.

SPECIAL CUSTOMER EQUIPMENT
Upon request, the Company may, at its option, operate and maintain special lighting equipment of a type not being offered by Company provided Customer installs equipment and supplies any nonstandard replacement parts at no cost to Company.

REMOVAL OF MERCURY VAPOR AND HIGH PRESSURE SODIUM
When, at the request of the Customer, a metal halide light replaces a fully operational mercury vapor or high pressure sodium light that has been installed for less than 5 or 10 years respectively, the Customer shall pay the Company for the Company's estimated cost of removal and rehabilitation. ~~plus the estimated remaining value of the system.~~ When, at the request of the Customer, a metal halide light replaces a fully operational mercury vapor light that can neither be repaired nor replaced, the installation will be completed at no charge to the customer. **(C)**

TERMINATION
If Customer terminates street lighting service under this schedule for any reason prior to expiration of any 10-year term, Customer shall pay removal cost plus the estimated remaining value of system.

PAYMENT TERMS
Late Payment Charges shall be billed in accordance with Rule 13, Payment Terms, paragraph 13-f.

(C) Indicates Change

RATE LED-SL
LIGHT-EMITTING DIODE STREET LIGHTING SERVICE

AVAILABILITY
This Rate is available to municipalities or other public authorities for street, bridge, parks, and outdoor public lighting in the entire territory served by the Company.

CONTRACT TERM
Ten years and thereafter in accordance with contract provisions, which shall be consistent with this rate schedule and shall be of a standard form provided by and satisfactory to the Company. The contract may be terminated with sixty (60) days' notice prior to expiration period of contract by either party subject to the termination provision below.

NET MONTHLY RATE

	Municipal or Public Authority	
Nominal Lamp Wattage Range	Customer Charge (Per Lamp)	Distribution (¢/kWh)
50-60	$10.29	~~5.6267~~7.753 **(I)**
100-110	$12.16	~~5.6267~~7.753 **(I)**
140-160	$14.00	~~5.6267~~7.753 **(I)**
250-280	$21.25	~~5.6267~~7.753 **(I)**
300-350 **(C)**	$29.57 **(C)(I)**	7.753 **(C)(I)**

Additional wood pole installed for the sole purpose of supporting lighting fixtures or circuits .... $ 5.99 per month

Standard Decorative Luminaire (for installations on or after effective date of October 1, 2023)

	Municipal or Public Authority	
Nominal Lamp Wattage Range	Customer Charge (Per Lamp)	Distribution (¢/kWh)
60-80	$11.77	~~5.6267~~7.753 **(I)**

For all lighting types, LED lighting with adjustable lumen output will be billed at the maximum wattage range of the LED light. **(C)**

Low mounted, decorative pole for underground service, provided that no trenching and backfilling is required .... $ 13.62 per month in addition to charge in Rate Table above

Distribution and Generation Supply rates will be applied to per kilowatt hour of energy used each month. Service hereunder is unmetered with the number of kWh billed for each size lamp calculated based on the estimated input wattage of the lamp and approximately 4,000 burning hours per year.

SURCHARGES AND RIDERS
Rider A - State Tax Adjustment Surcharge
Rider B - Generation Supply Service
Rider E - Energy Efficiency and Conservation Rider
Rider G - Distribution System Improvement Charge

(I) Indicates Increase (C) Indicates Change

RATE LED-SL (continued)
LIGHT-EMITTING DIODE STREET LIGHTING SERVICE

GENERAL PROVISIONS

(a) Necessary street lighting facilities are supplied and installed, operated and maintained by Company and are connected to Company's available general distribution system.

(b) Prices include the standard type luminaries currently being offered at the time service is contracted for and up to 150 circuit feet of overhead secondary extension. Prices include normal operation and maintenance.

(c) Customer shall pay the cost of any additional facilities required to extend service and the cost of rearranging facilities required to change mounting height.

(d) The cost of any change of location of lamps, from the original location specified by Customer, shall be borne by the Customer and paid to the Company as a Contribution in Aid of Construction.

(e) Company will provide underground and decorative systems of a type being offered by the Company at the time service is contracted for when the additional cost in excess of the estimated cost of a standard overhead system for the same application is paid by Customer as a Contribution in Aid of Construction. Company shall take title to this system and shall operate and maintain the facilities. At the termination, for any reason, of the useful life of these systems or designated components, a new system or component shall be installed under similar conditions.

(f) Operation shall be from dusk to dawn, a total of approximately 4,000 hours per year. Lamp renewal service, during normal working hours, will be provided upon notice to Company for lamps burned out or broken and with no credit for outages.

SPECIAL CUSTOMER EQUIPMENT
Upon request, the Company may, at its option, operate and maintain special lighting equipment of a type not being offered by Company provided Customer installs equipment and supplies any nonstandard replacement parts at no cost to Company.

REMOVAL OF MERCURY VAPOR, HIGH PRESSURE SODIUM AND METAL HALIDE
When, at the request of the Customer, a LED light replaces a fully operational mercury vapor, high pressure sodium or metal halide light that has been installed for less than the applicable contract term, the Customer shall pay the Company for the Company's estimated cost of removal and rehabilitation~~ plus the estimated remaining value of the system~~. When, at the request of the Customer, a LED light replaces a fully operational mercury vapor, high pressure sodium or metal halide light that can neither be repaired nor replaced, the installation will be completed at no charge to the Customer. **(C)**

TERMINATION
If Customer terminates street lighting service under this schedule for any reason prior to expiration of any 10-year term, Customer shall pay removal cost plus the estimated remaining value of system.

PAYMENT TERMS
Late Payment Charges shall be billed in accordance with Rule 13, Payment Terms, paragraph 13-f.

(C) Indicates Change

RATE LED-CO
CUSTOMER-OWNED LIGHT-EMITTING DIODE STREET LIGHTING SERVICE

AVAILABILITY
This Rate is available to Non-Residential Customers and municipalities or other public authorities in the entire territory served by the Company for the operation of Light-Emitting Diode (“LED”) street lighting systems on private or public areas where the Customer wholly owns and installs the street lighting system.

CONTRACT TERM
Ten years and thereafter in accordance with contract provisions, which shall be consistent with this rate schedule and shall be of a standard form provided by and satisfactory to the Company. The contract may be terminated with sixty (60) days’ notice prior to expiration period of contract by either party subject to the termination provision below.

NET MONTHLY RATE

Distribution Charge………………………………………………………………………………~~5.626~~7.753 **(I)**
(¢/kWh)

Customer Charge (Per Lamp)*……………………………………………………………..……$2.00 per month

* Applicable where, upon Customer election, Company provides operation and maintenance of Customer-owned street lighting system in accordance with the provisions below.

Additional wood pole installed for the sole ....…..$ 5.99 per month
purpose of supporting lighting fixtures or circuits

Distribution and Generation Supply rates will be applied to per kilowatt hour of energy used each month. Service hereunder is unmetered with the number of kWh billed for each size lamp calculated based on the estimated input wattage of the lamp and approximately 4,000 burning hours per year. Rate offering applicable to Customer-owned street lights sized within the standard nominal lamp wattage ranges offered by the Company under Rate Schedule LED-SL, not to exceed 280 nominal lamp wattage. If the Customer-owned street light is of a size outside of the Company’s standard size offerings under Rate Schedule LED-SL, but in no event not to exceed 280 nominal lamp wattage, the Customer’s kWh billed will be determined based on the next higher nominal lamp wattage range set forth under Rate Schedule LED-SL.

LED lighting with adjustable lumen output will be billed at the maximum wattage range of the LED light. **(C)**

SURCHARGES AND RIDERS
Rider A - State Tax Adjustment Surcharge
Rider B - Generation Supply Service
Rider E - Energy Efficiency and Conservation Rider
Rider G - Distribution System Improvement Charge

STANDARD INSTALLATION AND SERVICE
Upon Customer election, the Company shall operate and maintain the Customer-owned street lighting system subject to Customer payment of the monthly Customer charge (per lamp) above.

Customer-owned street lighting equipment shall be installed in accordance with company and industry safety codes and, where installed on Company poles, in accordance with general Company specifications for similar equipment.

Company shall make all connections of Customer’s street lighting system to the Company’s available general distribution system.
(I) Indicates Increase (C) Indicates Change

RATE LED-CO (continued)
CUSTOMER-OWNED LIGHT-EMITTING DIODE STREET LIGHTING SERVICE

(e) All luminaires served hereunder are operated at alternating current, 60 hertz, single phase and are controlled by photo control for dusk to dawn operation every night, approximately 4,000 hours per year. **(C)**

(f) The Attachment Agreement for the Customer-owned lighting system on Company's poles shall include indemnification of Company by Customer and provide for purchase of public liability and property damage insurance by Customer. **(C)**

REMOVAL OF COMPANY-OWNED LIGHTS
When, at the request of the Customer, a Customer-owned lighting system replaces a fully operational Company-owned mercury vapor, high pressure sodium, metal halide or LED light that has been installed for less than the applicable contract term, the Customer shall pay the Company for the Company's estimated cost of removal and rehabilitation plus the estimated remaining value of the system (for LED lights only). **(C)**

AUDITING
The Company has the right to periodically audit the number and size of lamps of Customer's street lighting system. The Customer agrees to cooperate with Company during such audits.

TERMINATION
If Customer terminates street lighting service under this schedule for any reason prior to expiration of any 10-year term, Customer shall pay removal cost plus the estimated remaining value of system.

PAYMENT TERMS
Late Payment Charges shall be billed in accordance with Rule 13, Payment Terms, paragraph 13-f.

(C) Indicates Change

RATE FCP
FLOOD CONTROL POWER SERVICE

AVAILABILITY
This Rate is available to municipalities and townships in Company's territory requiring power service for the operation of flood pumping stations during periods of public emergency, and for periodic testing of same as hereinafter provided.

CHARACTER OF SERVICE
Alternating current, 60 cycles, three phase, 13,800 volts.

CONTRACT TERM AND BILLING
Term of contract shall be not less than one (1) year, with monthly payments for service taken.

RATE TABLE

	Distribution ($/Month)	Distribution (¢/kWh)	
First 100 kWh or less per month for each electrically driven pump installed	$~~6.03~~13.50		**(I)**
All additional kWh		~~2.733~~3.128	**(I)**

SURCHARGES AND RIDERS
Rider A - State Tax Adjustment Surcharge
Rider B - Generation Supply Service
Rider E - Energy Efficiency and Conservation Rider
Rider G - Distribution System Improvement Charge

PAYMENT TERMS
Late Payment Charges shall be billed in accordance with Rule 13, Payment Terms, paragraph 13-f.

SPECIAL PROVISIONS

(1) The Customer shall own, install, operate and maintain the lines necessary to connect its pumping stations to the Company's existing facilities, and the transforming equipment and auxiliary apparatus necessary to secure voltages less than the supply voltage specified above.
(2) Periodic testing shall be prearranged between the Customer and Company upon at least twenty-four (24) hours' notice to the Company and shall occur on weekdays during the hours between 12 midnight and 6 A.M. unless otherwise justified by load conditions on Company's system, of which conditions the Company's judgment shall be final.
(3) Supply lines at each pumping station shall normally be disconnected and shall be connected only when necessary during periods of public emergency and for periodic testing.

(I) Indicates Increase

Appendix H

UGI Electric's Statement in Support

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	Docket Nos. R-2025-3059430
Office of Small Business Advocate	:	C-2026-3061591
Office of Consumer Advocate	:	C-2026-3061676
Kory Boothe	:	C-2026-3061698
Mary Hibbard	:	C-2026-3061790
Elizabeth Saxton	:	C-2026-3062281
Carol Buchalski	:	C-2026-3062957
	:	
v.	:	
	:	
UGI Utilities, Inc. – Electric Division	:	

UGI UTILITIES, INC. – ELECTRIC DIVISION'S STATEMENT IN SUPPORT OF JOINT PETITION FOR APPROVAL OF NON-UNANIMOUS SETTLEMENT OF ALL ISSUES

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Dated: September 10, 2026

Counsel for UGI Utilities, Inc. – Electric Division

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I. **INTRODUCTION**

UGI Utilities, Inc. – Electric Division ("UGI Electric" or the "Company") hereby submits this Statement in Support of the Joint Petition for Approval of Non-Unanimous Settlement of All Issues ("Settlement"), which, if approved, would resolve all the issues in the Company's base rate case. The Settlement was achieved only after a comprehensive investigation of UGI Electric's operations and finances, which included:

1. Parties conducting a detailed examination of the Company's rate case filing and proposals;
2. Parties collectively submitting **thousands** of pages of direct, rebuttal, surrebuttal, and rejoinder testimony and exhibits covering a wide range of issues;
3. Parties engaging in extensive formal discovery;
4. Parties engaging in informal discovery throughout the proceeding;
5. The Commission holding two in-person public input hearings and two telephonic public input hearings; and
6. The Administrative Law Judges ("ALJs") holding in person hearings where witnesses were cross examined.

UGI Electric and the Office of Small Business Advocate ("OSBA") (collectively, "Joint Petitioners") agree that the Settlement is reasonable and in the public interest.[1] The Joint Petitioners, as well as the other parties to this proceeding, undertook a significant effort to attempt to reach settlement of all issues. To reach an agreement on all issues in this matter, the Joint Petitioners collectively agreed to accept or reject a certain party's litigation position or to meet somewhere in between competing litigation positions. For example, UGI Electric compromised

[1] Settlement ¶ 27.

on the overall revenue requirement, as the Company's litigation position is an increase in annual operating revenues of $16.05 million, while the Settlement provides for an increase of $10.7 million. The Joint Petitioners also included provisions that are responsive to issues raised by parties that are not signatories to the Settlement, as a means of presenting a just and reasonable result for the entire proceeding, with a particular focus on addressing parties' affordability concerns. Therefore, the Settlement's provisions cannot and should not be viewed in isolation. Rather, when determining whether the Settlement is reasonable and in the public interest, the ALJs and Commission should view the Settlement as a whole and, as set forth in this Statement in Support, find that its terms and conditions are reasonable and in the public interest and would produce just and reasonable rates.

Additionally, the Settlement reflects a carefully balanced compromise of the Joint Petitioners' interests based on their thorough and detailed consideration of the evidence adduced in this case. The Joint Petitioners, their counsel, and their expert consultants have considerable experience in base rate proceedings. Their knowledge, experience, and ability to evaluate the strengths and weaknesses of their litigation positions provided a strong foundation upon which to build a consensus in this proceeding. The Settlement is the product of many negotiations required to achieve this Settlement.

Significantly, OSBA is charged with specific legal obligations to scrutinize a utility's request to increase rates. OSBA represents the interests of small businesses.[2] As evidenced by its active and extensive participation in all aspects of this case, OSBA has seriously and rigorously discharged its statutory obligations. OSBA's joining in and fully supporting the Settlement is

[2] *See* 73 P.S. §§ 399.41, *et seq.*

strong evidence that the Settlement's terms and conditions are just and reasonable and in the public interest.[3]

The Joint Petitioners have agreed that UGI Electric's electric distribution base rate increase filing should be approved subject to the terms and conditions of the Settlement. Moreover, the Settlement reflects a carefully balanced compromise of the Joint Petitioners' positions and interests, as well as the positions of other parties to this proceeding. Indeed, as explained in UGI Electric's Main Brief and will be discussed in the Company's Reply Brief, UGI Electric's litigation positions are fully supported by substantial evidence in the evidentiary record. As set forth herein, the provisions of the Settlement are supported and reflect significant concessions by UGI Electric that are in the public interest and that cannot be achieved through litigation alone. Thus, the terms and conditions of the Settlement, as detailed and supported in the following sections and in OSBA's Statement in Support, should be approved without modification.

II. SETTLEMENT TERMS

A. REVENUE REQUIREMENT

In this proceeding, the Company proposed changes to UGI Electric's base retail distribution rates designed to produce an increase in revenues of approximately $17.283 million, based upon data for a Fully Projected Future Test Year ("FPFTY") ending September 30, 2027.[4] The $17.283 million increase reflects tens of millions of dollars of capital investments focused on the replacement of aging infrastructure and the provision of safe and reliable service, as well as updating its Operation and Maintenance ("O&M) expenses, as it has been three years since they Company's last base rate case. UGI Electric subsequently updated its proposal to an increase in

[3] *See Pa. PUC v. T.W. Phillips Gas and Oil Co.*, Docket Nos. R-2010-2167797, *et al.*, 2010 Pa. PUC LEXIS 1598, at *80-85 (Recommended Decision issued October 5, 2010). Administrative Law Judge Dunderdale's Recommended Decision was approved and adopted by the Commission in its Final Order entered November 4, 2010.

[4] UGI Electric St. No. 1, p. 6.

its annual base rate operating revenues of $16.05 million as part of the Company's rebuttal testimony.[5] The Company made this adjustment to reflect (a) necessary updates to account for more recent and/or correct inputs to its revenue requirement, (b) the Company's agreement with certain adjustments proposed by the parties, and (c) the Company's voluntary withdrawal of certain O&M expense claims to limit the number of issues in dispute in this matter.[6]

In the Company's Main Brief, UGI Electric explained in detail how its positions supporting the increase in its revenue requirement by $16.05 million is fully supported by substantial evidence and would produce just and reasonable rates, along with how the positions of other parties are flawed on critical components making up the revenue requirement, including accumulated depreciation, O&M expense claims, capital structure, and return on equity ("ROE").[7] Those sections of the Company's Main Brief concerning the revenue requirement components at issue are incorporated herein by reference.[8]

Notwithstanding, under the Settlement, UGI Electric has agreed to a proposed increase in annual operating revenues of $10.7 million to become effective on one day's notice after entry of a Commission order.[9] That amount is $5.35 million (or 33.33%) less than the Company's litigation position of $16.05 million. By way of further comparison, the $10.7 million increase is approximately <u>$1.46 million less than I&E's calculated base rate revenue increase of $12.164 million</u>, before I&E's baseless, erroneous, and unprecedented adjustment related to the Argo

[5] UGI Electric St. No. 1-R, p. 5; UGI Electric St. No. 2-R, p. 2.
[6] *See* UGI Electric St. No. 2-R, pp. 2-3.
[7] *See, e.g.*, UGI Electric MB, pp. 10-23, 26-104.
[8] *See, e.g.*, *id.*
[9] Settlement ¶ 29. UGI Electric has agreed to a proposed revenue increase to become effective on one day's notice because its FPFTY is based on the 12 months ended September 30, 2027. As such, by the time the Commission enters its Final Order in this proceeding, UGI Electric will already be operating in the FPFTY. Thus, the Company should be permitted to implement the revenue increase effective on one day's notice so that it can begin to recover the reasonable and prudent costs of its expenditures in the FPFTY and limit unnecessary regulatory lag.

Transaction.[10] The Commission also must consider that the $12.164 million revenue increase calculated by I&E included I&E's improper application of a 50/50 hypothetical capital structure and a 9.69% ROE based on I&E's use of a biased Discounted Cash Flow ("DCF") analysis and an otherwise flawed approach to calculating a return. Thus, the proposed revenue increase of $10.7 million should be viewed as a just and reasonable outcome based on the record established by the parties in this proceeding.

In addition, parties raised affordability concerns in this proceeding, as addressed in the Company's Main Brief. This reduced increase in the revenue requirement, when coupled with other provisions in this Settlement, are designed to address those concerns, while still affording the Company a fair opportunity to earn a just and reasonable return on its investments to provide electric distribution service to its customers.

Finally, the Company notes that to the extent any credence is given to other parties' positions affecting the revenue requirement, the $10.7 million increase should not be adjusted downward unless the total amount of adjustments accepted by the presiding ALJs or Commission would cause UGI Electric's proposed revenue increase to decrease from $16.05 million to an amount equal to or below $10.7 million. For the reasons described in UGI Electric's Main Brief, a revenue requirement below the amount reflected in the Settlement is not possible without: (1) the rejection of longstanding precedent that has been affirmed more than once in the last 12 months; (2) the adoption of deeply factually and legally flawed proposals advanced by OCA and I&E; or (3) both.

[10] I&E St. No. 1-SR, pp. 3-4, 10.

B. REVENUE ALLOCATION AND RATE DESIGN

UGI Electric addressed the issue of revenue allocation and rate design in its Main Brief, established that its Allocated Cost of Service Study ("ACOSS"), revenue allocation, and rate design were completely supported by substantial evidence in the record and by Commission precedent, and pointed out the flaws in opposing parties' positions.[11] The relevant sections of its Main Brief are incorporated herein by reference.

1. Billing Determinants

Under the Settlement, the Joint Petitioners reached a resolution on the issues of revenue allocation and rate design. For starters, the Settlement prescribes that "[a]s per UGI Electric Exhibit E – Proof of Revenue and inclusive of detailed adjustments identified in UGI Electric Exhibit SAE-4."[12] No party challenged the Company's billing determinants. Therefore, the Company's billing determinants were not at issue in this proceeding, and the Settlement's inclusion of this provision is reasonable and in the public interest.

2. Monthly Customer Charges

Further, Paragraph 31 of the Settlement states that the customer charges shall be those proposed by the Company except as set forth below:

Rate R: $ 12.00

Rate GS-1: $25.00

Rate GS-5: $12.00[13]

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[11] *See* UGI Electric MB, pp. 104-29.
[12] Settlement ¶ 30.
[13] Settlement ¶ 31.

These customer charges reflect a reasonable compromise of the parties' litigation positions and are supported by substantial evidence in the record. Indeed, the Rate R customer charge of $12.00[14] is:

1. Only $1.25 higher than the existing charge of $10.75 supported by OCA and the Commission on Economic Opportunity ("CEO")[15];
2. $1.30 less than the customer charge of $13.30 advocated by I&E[16]; and
3. $10 less than the Company's proposed charge of $22.00 supported by UGI Electric's evidence.[17]

Furthermore, the Rate GS-1 customer charge under the Settlement is a reduction from the Company's proposed charge of $30.00 and an increase of $8.00 from the current charge of $17.00.[18] The proposed charge of $25.00 represents a reasonable compromise of the parties' positions. UGI Electric proposed a Rate GS-1 customer charge of $30.00 based on its customer cost analysis supporting a charge of $56.90.[19] I&E recommended limiting the customer charge increases for the customer classes to approximately 24%, which would result in a $21.10 charge for small general service customers.[20] Meanwhile, OCA opposed any increase in the small general service customer charges.[21]

It is worth noting that the Company's customer cost analysis supported customer charges of more than $28.00 for both Rate R and Rate GS-1. I&E did not challenge the Company's analysis, and the Settlement provides a Rate R customer charge that is below I&E's litigation

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[14] The Rate GS-5 customer charge mut equal the Rate R customer charge. *See* UGI Electric St. No. 1-R, pp. 29-30.

[15] OCA St. 1, p. 51; CEO St. No. 1, p. 7.

[16] I&E St. No. 3, p. 10.

[17] *See, e.g.*, UGI Electric St. No. 11, pp. 43-47.

[18] *See* UGI Electric St. No. 11, p. 46.

[19] *Id.*, p. 43-44.

[20] I&E St. No. 3, p. 10.

[21] OCA St. 1, p. 5.

position. Even OCA's analysis supported a residential customer charge above $27.10. As such, the Rate R and Rate GS-1 charges proposed in UGI Electric's testimony are cost-justified. However, the customer charges in the Settlement reflect a significant compromise by UGI Electric, in light of the concerns raised in this proceeding.

Thus, although UGI Electric's testimony and exhibits on rate design, as well as recent Commission precedent,[22] justified the Company's proposed increases to all the customer charges, including Rate GS-1, the Settlement presents a reasonable compromise of the competing positions, is designed to help address affordability concerns, and is fully supported by substantial evidence in the record. Accordingly, the rate design provisions of the Settlement are reasonable and in the public interest and should be approved without modification.

3. Revenue Allocation

As for revenue allocation, the Settlement provides that the revenue increase shall be achieved via the allocation set forth in the spreadsheet attached to the Settlement as **Appendix B**.[23] That revenue allocation represents a reasonable compromise of the parties' positions and will produce just and reasonable rates based on the substantial evidence in the record. As the Company noted in its direct testimony, Rate R and Rate GS-1 customers were contributing significantly less than their cost of service, while reflecting the largest proportion of customers on the UGI Electric system. Similarly, GS-4 and LP customers were substantially overcontributing to their cost of service. As such, any outcome that moves all customers towards their cost of service would require the largest proportion of the revenue increase to be allocated to Rate R and Rate GS-1. Indeed, under the agreed-upon revenue allocation, 88.5% of the revenue increase would be allocated to

[22] *See Pa. PUC v. Columbia Gas of Pa., Inc.*, Docket Nos. R-2025-3053499 *et al.*, pp. 278-83 (Order entered Dec. 9, 2025).

[23] Settlement ¶ 32.

Rate R/RT (down from 89.0% under the Company's as-filed revenue allocation), while Rate GS-1 would be allocated 6.3% of the revenue increase (down from 6.6% under UGI Electric's as-filed revenue allocation). Ultimately, the agreed-upon revenue allocation moves all customer classes closer to their cost of service (i.e., class rates of return all move closer to 1.0) while, at the same time, adopting sensible mitigation measures to avoid imposing inappropriately large increases on any class.

Based on the foregoing, the revenue allocation provisions of the Settlement are reasonable and in the public interest, would produce just and reasonable rates, and should be approved.

C. CUSTOMER ASSISTANCE/RELATIONS

1. Social Security Numbers

In the Company's Main Brief, UGI Electric responded to OCA's issues regarding the Company's collection and use of Social Security Numbers ("SSNs") and explained why OCA's related recommendations should be rejected.[24] The Company incorporates that section of its Main Brief by reference.

Under the Settlement, UGI Electric has agreed to undertake a study that will identify the feasibility of ceasing use of customer social security numbers, any associated policy/system changes required and the cost thereof, and the timeline for implementation.[25] UGI Electric will provide the results of the study to the parties to this proceeding on or before October 1, 2027.[26] The Settlement represents a reasonable compromise of the parties' litigation positions, especially given that OCA failed to present an alternative method that the Company should use besides SSNs.[27] Because of that failure, the record also lacks an analysis of the costs, policy and system

[24] *See* UGI Electric MB, pp. 135-36.
[25] Settlement ¶ 33.
[26] Settlement ¶ 33.
[27] UGI Electric St. No. 13-R, p. 8.

changes, and timeline for implementing OCA's recommendation. The Settlement, however, will enable UGI Electric to conduct a feasibility study on these issues and present the study's results to the parties by October 1, 2027. This is a measured, well-designed approach to addressing the concerns raised by OCA in this proceeding. Thus, the provision is reasonable and in the public interest and should be adopted without modification.

2. Expanded Arrearage Forgiveness Program

In this proceeding, other parties have raised concerns about the affordability of UGI Electric's electric distribution service.[28] UGI Electric addressed those concerns in its Main Brief and incorporates those sections of its Main Brief by reference.[29]

The Settlement sets forth an Expanded Arrearage Forgiveness Program that mirrors the program proposed under the UGI Utilities, Inc. – Gas Division ("UGI Gas") 2026 Rate Case Settlement that is pending before the Commission at Docket Nos. R-2025-3059523, *et al.* ("UGI Gas 2026 Settlement") and has been supported by I&E, OCA and OSBA in that proceeding.

Under the Settlement in this proceeding, UGI Electric will implement the Expanded Arrearage Forgiveness Pilot Program beginning on April 1, 2027, and that program will remain in place through the effective date of rates established in its next base rate case. This program will be available to active customers with income levels of 151% to 300% of the Federal Poverty Income Guidelines ("FPIG"). UGI Electric will provide an eligible customer with the option of a 24-month payment plan on 50% of their current arrears. UGI Electric will require the customer to enroll in budget billing. Once enrolled, 50% of the arrears will be deferred (the "deferred balance"). For each in full payment that the customer makes on their budget bill plus their arrears payment

[28] *See, e.g.*, I&E St. No. 2-SR, p. 11; OCA St. 1SR, pp. 7-8; OSBA St. No. 1, pp. 3-5; *see also* CEO St. No. 1, pp. 2-3.

[29] *See, e.g.*, UGI Electric MB, pp. 13-15.

arrangement amount, UGI Electric will forgive 1/24th of the customer's deferred balance. Forgiveness dollars will be fully recoverable through the Company's Rider F – Universal Service Program ("USP"). Cost recovery for the expanded arrearage forgiveness program will be capped at a maximum of $0.90 on the average residential customer's monthly bill. Once the program reaches the cap, the Company will stop enrolling new customers in the Expanded Arrearage Forgiveness Pilot Program. The Company shall track the yearly balances and present a yearly accounting in the next base rate filing.[30] Further, OCA supported this provision in the UGI Gas 2026 Settlement as being in the public interest because it, *inter alia*, addresses an affordability gap created by lack of adequate household resources and incentivizes responsible customer payment behavior.[31]

In addition, if a customer participating in the Expanded Arrearage Forgiveness Pilot Program defaults on their payment arrangement, they will be permitted to catch up on all missed payments and earn forgiveness so long as they are a customer. UGI Electric will provide billing information consistent with the treatment of Customer Assistance Program ("CAP") customers that are past due, i.e., these customers will only see the past due amount on their arrangement/budget and not the total arrearage.[32]

The Settlement also provides that during the term of the Expanded Arrearage Forgiveness Pilot Program, a customer will only be able to participate in the pilot for one set of arrearages.[33] Also, in its next base rate case, the Company will provide an analysis of the function of the

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[30] Settlement ¶ 34(a).

[31] *See Pa. PUC v. UGI Utils., Inc. – Gas Div.*, Docket Nos. R-2025-3059523 *et al.*, Joint Petition for Approval of Settlement of All Issues, Appx. I, pp. 27-31. (July 6, 2026).

[32] Settlement ¶ 34(b).

[33] Settlement ¶ 34(c).

Expanded Arrearage Forgiveness Pilot Program and propose whether it should continue or be terminated.[34]

UGI Electric currently offers arrearage forgiveness to customers at or below 150% of the FPIG through its CAP.[35] The proposed Pilot Program will expand that benefit to payment troubled customers with incomes between 150% and 300% of FPIG, who currently are ineligible to receive arrearage forgiveness under CAP. The record in this proceeding demonstrated that customers that fall behind on payments – often due to high summer cooling or winter heating bills – then struggle to catch up on past due amounts.[36] Therefore, this program is narrowly tailored and targeted to customers that may experience hardship but currently lack repayment assistance.

To protect non-participating customers from excessive costs, the Pilot Program includes a program cap of $0.90 on the average customer's monthly bill. The Company will collect data on the impact of this Pilot Program on factors such as the rates of successful completion and termination, and the impact on bad debt and will present a recommendation on the continuation of the Pilot Program in its next base rate case. Collectively, the Pilot Program is well-designed to address concerns about affordability, while establishing prudent measures to limit the program's impact on non-participating customers' rates and to inform future continuation or design of the program. Accordingly, these Settlement provisions address affordability concerns raised by the parties, are reasonable and in the public interest, and should be approved without modification.

3. Small Business Payment Arrangement Program

To help address affordability for small business customers specifically, the Settlement provides that UGI Electric's Rate GS-1, GS-4, and GS-5 customers will be eligible to seek

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[34] Settlement ¶ 34(d).
[35] UGI Electric St. No. 12, p. 4.
[36] UGI Electric St. No. 11-R, pp. 34-37 (discussing Figures 5R and 6R).

participation in the Company's formal program for payment arrangements for Rate GS-1, GS-4, and GS-5 customers, as provided in the *pro forma* tariff supplement attached to the Settlement as **Appendix G**. The formal program offers a standard six (6) month payment plan to payment-troubled Rate GS-1, GS-4, and GS-5 customers. A Rate GS-1, GS-4, and GS-5 customer with an existing payment plan shall not be eligible for a new payment plan until such time as the existing payment plan is paid in full.[37]

These provisions will help address affordability concerns for small business customers, by memorializing a standard 6-month payment plan for payment-troubled Rate GS-1, GS-4, and GS-5 customers, while appropriately recognizing the payment plans that existing customers may already have in place. Therefore, the provisions are reasonable and in the public interest and should be approved without modification.

4. Website Information

In its Main Brief, UGI Electric rebutted OCA's arguments and recommendations concerning the information presented on the Company's website.[38] That section of the Company's Main Brief is incorporated by reference.

The Settlement represents a reasonable compromise of the parties' positions. Specifically, the Settlement provides that UGI Electric will include OSBA's and OCA's contact information and a description of their services on the Company's website. The Company will also include a link to the Pennsylvania Bar Association's free legal answers. The information should be included at a prominent location on the relevant customer service page of the website. In addition, and despite the substantial evidence that the existing Company website provides robust and easily accessibly electric customer information, on or before October 1, 2027, the Company will

[37] Settlement ¶ 35.
[38] *See* UGI Electric MB, p. 134.

implement a more distinctive section of its website to provide a targeted set of information for electric service customers.[39] In total, these provisions enhance the information available to residential and small business customers regarding resources that are available to them to answer questions or concerns regarding their utility service. As such, the provisions are reasonable and in the public interest and should be approved without modification.

5. Victims of Dometic Violence

As noted in UGI Electric's Main Brief, OCA witness Alexander suggested that the Company develop "agent training and compliance related documents" that reflect a written manual and include:

> [A] complete description of the obligation to knock on the customer's door prior to termination of service and require that the field agents are familiar with and can properly react to all the rights that a customer has to avoid termination of service, including a declaration of a medical emergency, a statement that payment has been made, a request for a payment plan and access to low income affordability programs, and indication of a protection from abuse order or other evidence of domestic violence.[40]

UGI Electric responded to this recommendation in its Main Brief and explained why it should be rejected.[41] The Company incorporates that section of the Main Brief by reference.

Under the Settlement, UGI Electric will update its protections for victims of domestic violence to also accept a written certification from a domestic violence counselor/advocate. This information will be treated as non-public and confidential under the Company's confidentiality protocols for victims of domestic violence.[42] OCA supported this same provision in the UGI Gas 2026 Settlement as in the public interest.[43] Because this Settlement provision further enhances

[39] Settlement ¶ 36.
[40] OCA St. 5, pp. 17-18.
[41] UGI Electric MB, pp. 132-34.
[42] Settlement ¶ 37.
[43] *See Pa. PUC v. UGI Utils., Inc. – Gas Div.*, Docket Nos. R-2025-3059523 *et al.*, Joint Petition for Approval of Settlement of All Issues, Appx. I, pp. 32-33 (July 6, 2026).

UGI Electric's existing protections for victims of domestic violence, it is reasonable and in the public interest and should be approved without modification.

6. Security Deposit Refunds

In its Main Brief, UGI Electric responded to OCA's concerns and recommendations regarding the Company's application of security deposit exemptions.[44] The Company also responded to OCA's recommendation about exploring the use of the COMPASS app to verify confirmed low-income status.[45] UGI Electric incorporates those sections of its Main Brief by reference.

Under the Settlement, UGI Electric will initiate a quarterly review of security deposits and refund all security deposits being held from accounts designated as income verified low income to the customer within 30 days. The Company also will amend Tariff Rule 3.3 (f) to clarify that customers are exempt from security deposits once they "<u>are confirmed to be eligible</u> for the Company's Customer Assistance Program". Moreover, UGI Electric will modify its processes and procedures regarding the low-income exemption from deposits. In particular, UGI Electric will accept <u>*any*</u> information beyond information on income and household size that would "attest to" the household's eligibility for a state benefit that is consistent with CAP income requirements. The Company also will meet in a collaborative within 90 days of a final order in this proceeding to discuss with interested parties how COMPASS information may be used to confirm low-income customer exemption from deposits.[46]

These provisions are a reasonable compromise of the litigation positions of UGI Electric and OCA, as they mirror provisions in the UGI Gas 2026 Settlement that is supported by OCA as

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[44] *See* UGI Electric MB, pp. 139-41.
[45] *See* UGI Electric MB, pp. 136-39.
[46] Settlement ¶ 38.

in the public interest.[47] OCA failed to provide sufficient evidence in this proceeding that would allow the Commission to immediately adopt the use of the COMPASS application. OCA did not identify what specific information would be used for income verification purposes, nor did OCA identify how such an approach would comply with the Company's existing USECP. Therefore, the further evaluation of this issue through a stakeholder collaborative will continue to progress the issue. In addition, the Settlement will ensure that any applicable income verified low-income customers are refunded their security deposits on a quarterly basis, provide clarity to the Company's existing processes and procedures regarding exemption from security deposits. Thus, these provisions of the Settlement are reasonable and in the public interest and should be approved without modification.

7. Low-Income Screening

In the Company's Main Brief, UGI Electric addressed OCA's arguments regarding the identification of low-income customers.[48] The Company incorporates that section of its Main Brief by reference.

The Settlement provides that UGI Electric will inform all new and moving customers that UGI Electric has reduced billed rates for income eligible households. UGI Electric will inquire whether these customers would like to provide their income to learn if they qualify. If a customer wants more information, UGI Electric will provide additional information on the program and eligibility.[49] Additionally, UGI Electric will ask all non-emergency callers at the outset of the call whether as part of the call they would like to hear information regarding customer programs that

[47] *See Pa. PUC v. UGI Utils., Inc. – Gas Div.*, Docket Nos. R-2025-3059523 *et al.*, Joint Petition for Approval of Settlement of All Issues, ¶ 50, Appx. I, pp. 33-35 (July 6, 2026).
[48] *See* UGI Electric MB, pp. 136-39.
[49] Settlement ¶ 39(a).

provide reduced billed rates for income eligible households.[50] Further, UGI Electric customers identified as low income through these regular screening processes will be offered an opportunity to enroll in the Company's CAP at that time and, if they are not able to be enrolled shall be referred for enrollment in CAP and other universal service programs – as well as the Low Income Home Energy Assistance Program ("LIHEAP").[51] These Settlement provisions also mirror those provided in the UGI Gas 2026 Settlement.[52] These provisions reasonably balance UGI Electric's concerns with those expressed by OCA in this proceeding and supported by OCA in the UGI Gas 2026 Settlement.[53] Thus, they are reasonable and in the public interest and should be approved without modification.

8. Reconnection Fees

UGI Electric explained in discovery that a customer looking to have a reconnection fee waived must have their household income verified by completing the assistance application form.[54] Although OCA did not raise a specific concern about reconnection fees, the Settlement provides that reconnection fees shall be waived for low-income customers, as provided in the *pro forma* tariff supplement attached to the Settlement as **Appendix G**. That revision to the tariff states that "[e]ffective April 1, 2027, confirmed low-income Residential customers who provide verification of household income will not be assessed reconnection fees."[55] By bringing more clarity into the protections for confirmed low-income customers, this Settlement provision is reasonable and in the public interest and should be approved without modification.

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[50] Settlement ¶ 39(b).

[51] Settlement ¶ 39©.

[52] *See Pa. PUC v. UGI Utils., Inc. – Gas Div.*, Docket Nos. R-2025-3059523 *et al.*, Joint Petition for Approval of Settlement of All Issues, ¶ 51 (July 6, 2026).

[53] *See Pa. PUC v. UGI Utils., Inc. – Gas Div.*, Docket Nos. R-2025-3059523 *et al.*, Joint Petition for Approval of Settlement of All Issues, Appx. I, pp. 36-37 (July 6, 2026).

[54] OCA St. 6, pp. 66-67.

[55] Settlement, Appx. G (revising Rule 14-d).

9. Screening for Electric Resistance Space Heating

The Settlement also is designed to respond to affordability concerns by conducting a territory-wide screening of residential households that rely on electric resistance space heating. Specifically, Paragraph 41 of the Settlement provides that within 90 days of the Commission's approval of this Settlement, UGI Electric shall conduct a territory-wide screening of residential customers to identify households with electric resistance space heating and, where income and occupancy information is available, to identify customers with an annual electric energy burden of 6 percent or greater. The Company shall use available customer usage data, program participation data, customer surveys, home energy assessments, and other reasonably available information to identify qualifying dwellings. The Company shall not limit eligibility to customers previously enrolled in a UGI Electric universal-service program.[56]

These provisions are reasonable and in the public interest because they will enable the Company to gather important data about its customers' use of electric residential space heating, which can better inform UGI Electric's analyses about, among other things, electric energy burden. This data may allow the Company to better facilitate programs targeting customers struggling with high use and energy affordability concerns. As such, these provisions should be approved without modification.

10. Field Conduct

In its Main Brief, UGI Electric fully addressed OCA's issues regarding field agent training and established why OCA's related recommendations should be rejected.[57] UGI Electric incorporates that section of its Main Brief by reference.

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[56] Settlement ¶ 45.
[57] *See* UGI Electric MB, pp. 133-34.

Nevertheless, the Settlement contains provisions that represent a reasonable compromise of the parties' competing positions on this subject matter. OCA supported this same provision in the UGI Gas 2026 Settlement.[58] Under the Settlement in this proceeding, UGI Electric will develop a field training manual that sets forth the conditions that would require its field employees to not proceed with termination under the Commission's regulations at 52 Pa. Code § 56.94(1). UGI Electric will submit a draft of this field training manual to its Universal Service Advisory Committee ("USAC") within 90 days of the date of entry of a final order approving this Settlement.[59]

In addition, UGI Electric has agreed that, beginning in the FPFTY, the Company will provide a dedicated reporting process for field workers to report customers identified as potentially being in distress or in need of assistance so that appropriate Company or community partners can conduct outreach. Beginning in the FPFTY and on an annual basis, UGI Electric will conduct mandatory training for all field employees to inform them of the program. The training will instruct employees on how to recognize observable indicators, including health concerns, confusion or disorientation, and unsafe home or equipment conditions, as well as the appropriate procedures for referring customers through the dedicated reporting process.[60] The Company emphasizes that this program was not offered as part of UGI Electric's filed case, is a benefit of settlement, and cannot be achieved through litigation.

Based on the foregoing, the Settlement contains a refined set of provisions designed to address OCA's concerns about the training of UGI Electric's field agents, including, but not

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[58] *See Pa. PUC v. UGI Utils., Inc. – Gas Div.*, Docket Nos. R-2025-3059523 *et al.*, Joint Petition for Approval of Settlement of All Issues, Appx. I, pp. 38-40 (July 6, 2026).

[59] Settlement ¶ 42(a).

[60] Settlement ¶ 42(b).

limited to, the Commission's termination procedures. Thus, these provisions are reasonable and in the public interest and should be approved without modification.

11. Targeted Customer Communications

UGI Electric, in its Main Brief, rebutted OCA's recommendations regarding additional and more targeted customer communications about shopping for electric generation supply service.[61] UGI Electric incorporates that section of its Main Brief by reference.

Under the Settlement, UGI Electric will convene a collaborative of interested stakeholders, including the parties to this proceeding, to discuss the development of customer communications regarding electric supply shopping within 60 days of the entry of an order approving the settlement.[62] This part of the Settlement provides a reasonable process to address the concerns raised by OCA about shopping. Further, OCA supported this same provision in the UGI Gas 2026 Settlement as in the public interest.[63] Also, given that the Company identified flaws with OCA's specific recommended changes to the Company's bill presentation, a collaborative process would be better positioned to discuss potential changes that can provide useful information to customers about shopping. Thus, this provision is reasonable and in the public interest and should be approved without modification.

12. Customer Service

Issues were raised in this proceeding about the Company's customer service, which UGI Electric addressed in its Main Brief.[64] UGI Electric incorporates those parts of its Main Brief by reference.

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[61] *See* UGI Electric MB, pp. 131-32.
[62] Settlement ¶ 43.
[63] *See Pa. PUC v. UGI Utils., Inc. – Gas Div.*, Docket Nos. R-2025-3059523 *et al.*, Joint Petition for Approval of Settlement of All Issues, Appx. I, pp. 40-43 (July 6, 2026).
[64] *See, e.g.*, UGI Electric MB, p. 130.

The Settlement states that during the rate effective years UGI Electric will make efforts to maintain its call center performance at levels consistent with its average 2025-2026 (through May) performance as reported to the Commission. In working to maintain a quality level of service, UGI Electric will meet with the parties at least annually to discuss areas of challenge and the Company's plans to address the challenges.[65]

Further, the Settlement recognizes that UGI Electric has adopted internal performance and compliance-related performance indicators for its third party call contractors. UGI Electric will report on these performance indicators in the meetings identified in subpart (a) of Paragraph 44 and will include them in the direct testimony in its next base rate proceeding.[66]

These commitments provide assurance that UGI Electric will maintain an appropriate quality of service to its customers while the rates established in this proceeding are in effect. Also, the Settlement provisions provide a reasonable method by which parties can track and receive information on the performance of the Company's third-party call contractors. Therefore, these provisions are reasonable and in the public interest and should be approved without modification.

13. Root Cause Analysis

UGI Electric responded to OCA's recommendation regarding the performance of a root cause analysis.[67] The Company incorporates that section of its Main Brief by reference.

The Settlement memorializes the Company's support of OCA's recommendation, by committing UGI Electric to develop and implement the findings of a Root Cause Analysis of customer complaints consistent with Paragraph 86 of the Commission-approved Settlement in the 2025 Gas Base Rate Case at Docket No. R-2024-3052716, in which the OCA joined and

[65] Settlement ¶ 44(a).
[66] Settlement ¶ 44(b).
[67] *See* UGI Electric MB, pp. 134-35.

supported.[68] The Root Cause Analysis will assist in a focused evaluation of the Company's customer service activities, allowing for an improved experience for customers. Therefore, this provision is reasonable and in the public interest and should be approved without modification.

14. Targeted Reliability Improvements

UGI Electric addressed issues related to its vegetation management work and other reliability improvements in its Main Brief.[69] The Company incorporates that section of its Main Brief by reference.

Under the Settlement, the Company shall identify its worst-performing circuits annually and develop specific vegetation-management and other reliability-improvement plans for those circuits. In prioritizing such investments, the Company shall consider both reliability performance and the concentration of customers served by the circuit.[70] Although the Company has established that its reliability performance as been very strong in recent years,[71] these provisions are designed to help the Company continue or improve upon that strong performance. Thus, these provisions are reasonable and in the public interest and should be approved without modification.

D. DSIC/REPORTING

The Settlement provides that as of the effective date of rates in this proceeding, UGI Electric will be eligible to include plant additions in the Distribution System Improvement Charge ("DSIC") at the later of (1) the end of the FPFTY, or (2) once the total Utility Plant account balance exceeds $353,968,000 as projected by UGI Electric at September 30, 2027 per UGI Electric Exhibit A, Schedule C-1, line 1. The Settlement clarifies that the foregoing provision is included

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[68] Settlement ¶ 45.
[69] *See, e.g.*, UGI Electric MB, pp. 57-62, 146-47.
[70] Settlement ¶ 46.
[71] *See* UGI Electric MB, pp. 146-47.

solely for purposes of calculating the DSIC and is not determinative for future ratemaking purposes of the projected additions to be included in rate base in a FPFTY filing.[72]

In addition, for purposes of calculating its DSIC, the Settlement states that UGI Electric shall use the equity return rate for electric utilities contained in the Commission's most recent Quarterly Report on the Earnings of Jurisdictional Utilities and shall update the equity return rate each quarter consistent with any changes to the equity return rate for electric utilities contained in the most recent Quarterly Earnings Report, consistent with 66 Pa. C.S. § 1357(b)(3), until such time as the DSIC is reset pursuant to the provisions of 66 Pa. C.S. § 1358(b)(1).[73]

Further, under the Settlement, the Company shall submit an update to UGI Electric Exhibit A, Schedule C-2 no later than January 4, 2027, which will include actual capital expenditures, plant additions, and retirements by month from October 1, 2025 through September 30, 2026. An additional update for actuals from October 1, 2026 through September 30, 2027 shall be filed no later than January 3, 2028.[74]

All these DSIC-related provisions help resolve any ambiguity as to the base rate case's impact on and the calculation of the DSIC. UGI Electric successfully utilized its DSIC since its last base rate proceeding, allowing the Company to continue modernizing its system without the need for a base rate case. The continued availability of the DSIC is critical to UGI Electric's ongoing replacement activities. Accordingly, these provisions of the Settlement are reasonable and in the public interest and should be approved without modification.

[72] Settlement ¶ 47.
[73] Settlement ¶ 48.
[74] Settlement ¶ 49.

E. ACCOUNTING

1. ADIT/EDFIT

The Company's claim to recover federal and state income taxes is set forth in UGI Electric Exhibit A – Fully Projected (REBUTTAL), Schedule D-33 and was fully supported by UGI Electric witnesses Espigh and Kim.[75] The Company's income tax expense was calculated using the procedures normally followed by the Commission, including the use of debt interest synchronization (discussed below), the normalization method for accelerated depreciation used in the calculation of federal income taxes, and the flow-through of accelerated depreciation benefits for state income tax purposes.[76] No party challenged the Company's proposals regarding the calculation and treatment of Accumulated Deferred Income Tax ("ADIT") and the amortization of Excess Accumulated Deferred Federal Income Taxes ("EDFIT").

Under the Settlement, The Company's ADIT and pro-rationing methodology as required by Treasury Regulation 1.167(l)-1(h)(6)(ii) is accepted. Further, the Company's method to amortize EDFIT according to the Average Rate Assumption Method ("ARAM") is accepted. Absent a change in federal or state law, regulation, judicial precedent or policy, the remaining unamortized EDFIT balance will continue as a reduction to rate base in all future proceedings until the full amount is returned to ratepayers.[77] Thus, these provisions are reasonable and in the public interest and should be approved.

2. Repairs Allowance

In its tax return for the year ended September 30, 2009, UGI Electric adopted a tax accounting method to expense as repairs certain items capitalized for book purposes in accordance

[75] UGI Electric St. No. 9, pp. 4-6; UGI Electric St. No. 9-R, p. 2.
[76] UGI Electric St. No. 9, p. 4.
[77] Settlement ¶ 50.

with federal tax regulations.[78] As it did in the Company's previous base rate case at Docket No. R-2022-3037368, UGI Electric chose to normalize its federal income tax expense claim, inclusive of the repairs tax deduction.[79] This difference between accelerated tax depreciation and book depreciation in the calculation of federal tax expense creates ADIT.[80] For state income tax purposes, solely with respect to the repairs tax deduction, UGI Electric chose to flow-through the repairs tax benefit over the tax useful lives of the assets generating the tax deduction.[81] The state ADIT balance associated with the repairs tax deduction is classified as a regulatory liability, as it represents the repairs tax benefit that ratepayers have not yet received.[82] In both the federal and state instances, the ADIT balance amortizes or unwinds over the remaining life of the asset.[83]

The Settlement provides that for purposes of determining the revenue requirement in this case, all capitalized repairs deductions claimed on a federal tax return have been normalized for ratemaking purposes and the appropriate related amount of tax effect of those deductions has been reflected as ADIT as a reduction to UGI Electric's rate base.[84] The Settlement continues the practice that UGI Electric has followed since its adoption of the current methodology used for calculating the repairs allowance. Normalization benefits customers by ensuring that they receive a fair portion of the benefit of the repairs allowance deduction through a rate base reduction, over the life of the plant giving rise to the deductions, regardless of when UGI Electric files a rate case. Moreover, normalizing the repairs allowance deduction provides an important source of cash flow to UGI Electric that can be used to support its large, related capital spending program and reduce

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[78] UGI Electric St. No. 9, p. 8.
[79] *Id.*
[80] *Id.*
[81] *Id.*
[82] *Id.*
[83] *Id.*
[84] Settlement ¶ 51.

outside borrowing. Therefore, these provisions are reasonable and in the public interest and should be approved without modification.

3. Depreciation Rates

In its Main Brief UGI Electric fully addressed OCA's proposals that: (1) the Company switch from the Equal Life Group ("ELG") to the Average Life Group ("ALG")[85] method for vintages after 1982; and (2) adjustments be made to the service lives for plant Accounts 364 – Poles, Towers, and Fixtures, 365 – Overhead Conductors and Devices, and 368.1 – Transformers.[86] The Company incorporates those sections of its Main Brief by reference.

The Settlement provides that for the Company's accounting purposes, UGI Electric's as-filed depreciation rates are accepted. The parties to this proceeding disagree about the appropriate depreciation method to be used by UGI Electric for ratemaking purposes, and this Settlement should not be construed as agreement to any party's methodology. All parties reserve their respective rights to address the depreciation methodology used for ratemaking purposes in any future base rate proceeding.[87]

Although OCA has repeatedly lost on its proposals to force utilities to switch to the ALG method in recent base rate cases (as noted in UGI Electric's Main Brief), the Settlement would obviate the need for the ALJs and Commission to, yet again, adjudicate this contentious issue. Indeed, the Settlement would preserve both UGI Electric's and OCA's rights to litigate the appropriate depreciation methodology that should be utilized by the Company, while enabling the Company to adopt its proposed, as-filed depreciation rates for accounting purposes. As such, these

[85] ALG is also known as Average Service Life or "ASL."
[86] *See, e.g.*, UGI Electric MB, pp. 19, 22-23, 41-52.
[87] Settlement ¶ 52.

provisions represent a reasonable compromise of the parties' positions, are reasonable and in the public interest, and should be approved without modification.

4. Rate Case Expense

UGI Electric supported its claim for rate case expense and responded to OCA's and I&E's proposed adjustments in its Main Brief.[88] The Company incorporates that section of its Main Brief by reference.

Under the Settlement, the Company's revenue increase provided in this Settlement is reflective of a three-year normalization for ratemaking purposes and a three-year amortization for accounting purposes. The Company will not claim any unamortized amount in a future rate case and agrees that normalization (as opposed to amortization) is the proper treatment for ratemaking purposes.[89] This three-year normalization period matches OCA's updated position from its surrebuttal testimony and is longer than the 33-month normalization period recommended by I&E.[90] Thus, these provisions are reasonable and in the public interest and should be approved without modification.

5. IT Cost Capital Treatment

Since 2016, the Company has capitalized certain IT costs associated with software implementation projects.[91] These IT costs consist of internal labor, external consulting expenses, and other expenses related to the preparation of the vendor and system integrator requests for proposals.[92] IT costs also include current-state assessments, reengineering business processes to adapt to the new system, data conversion, cleansing and migration (including field verification and digitization of asset attributes required for accurate data and facility capture), and implementation

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[88] *See* UGI Electric MB, pp. 52-54.
[89] Settlement ¶ 53.
[90] OCA St. 2SR, p. 14; I&E St. No. 1-SR, p. 12.
[91] UGI Electric St. No. 4, p. 9.
[92] *Id.*

training costs.[93] Additionally, the Company capitalizes the above-mentioned cost items for cloud computing software implementation projects.[94] Further, beginning in 2019, the Company began capitalizing Hypercare costs associated with large software implementation projects.[95] Hypercare is a term for post-implementation support following the deployment of an IT project to ensure that the newly implemented system operates as planned.[96] The Company continues to capitalize such costs in line with the authorizations received previously, and all such costs which are claimed in the current case are included within the Company's budgeted capital as laid out in Exhibit A (Future) and Exhibit A (Fully Projected).[97] No party opposed the Company's as-filed accounting treatment of certain IT costs.

The Settlement states that the Company's IT cost capital treatment is approved as set forth in the direct testimony of Vivian K. Ressler, UGI Electric Statement No. 4, pages 9 - 10.[98] As no party opposed this accounting treatment, the provision is reasonable and in the public interest and should be approved without modification.

F. UNIVERSAL SERVICE COST RECOVERY

UGI Electric addressed the issue of universal service cost allocation and recovery in its Main Brief, including the Company's proposed tariff modifications related to Rate HTP, which would apply the DSIC and Universal Service Program riders to those large customers and enable the Company to negotiate the application of those riders.[99] The Company incorporates those sections of its Main Brief by reference.

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[93] *Id.*
[94] *Id.*, pp. 9-10.
[95] *Id.*, p. 10.
[96] *Id.*
[97] *Id.*
[98] Settlement ¶ 54.
[99] UGI Electric MB, pp. 117-18, 120-21.

Under the Settlement, UGI Electric's proposal to assign universal service costs to Rate HTP on a negotiated basis is accepted as filed.[100] Also, UGI Electric has agreed to include a proposal for universal service and DSIC contributions each time it enters into contract negotiations with a Rate HTP customer beginning on the first day of the first month after the Commission enters an order approving the Settlement.[101] UGI Electric's proposed changes to Rate HTP were unopposed, and the Settlement further commits the Company to include a DSIC and universal service cost contribution proposal every time it enters into negotiations with a Rate HTP customer. Although the Company currently has no customers that take service under Rate HTP, UGI Electric believes that it is prudent to establish the appropriate framework that would allow large load customers to contribute to the overall health of the system and the affordability of distribution service.[102] Thus, these provisions are reasonable and in the public interest and should be approved without modification.

G. TARIFF CLEANUP

Under the Settlement, UGI Electric will modify its tariff language to clarify that the GS-5 class applies only to customers meeting certain specified public service criteria that have a contract for electric service of one year or more. During Fiscal Year 2027, UGI Electric will review all customer accounts taking service pursuant to GS-5 to determine whether customers are appropriately classified, and whether there is an executed contract for service consistent with the requirements of GS-5. [103] These provisions comport with the Company's testimony regarding the

[100] Settlement ¶ 55.
[101] Settlement ¶ 56.
[102] UGI Electric St. No. 1, p. 10.
[103] Settlement ¶ 57.

updates to Rate GS-5.[104] As no party opposed the Company's testimony on this point, these provisions are reasonable and in the public interest and should be approved without modification.

H. ARGO TRANSACTION

UGI Electric fully rebutted I&E's recommended adjustment related to the Argo Transaction in the Company's Main Brief.[105] The Company incorporates those sections of its Main Brief by reference.

Notwithstanding that I&E's proposed adjustment is unprecedented and baseless, the Settlement states that in the Joint Application proceeding at Docket Nos. A-2026-3063610, A-2026-3063612, and A-2026-3063614, UGI Electric will not oppose a requirement that the purchaser of the Company be bound by the terms of this Settlement.[106] This provision directly responds to a concern raised by I&E that if the Joint Application is approved, the new owner may not be bound by UGI Electric's existing commitments and obligations, including the substantial capital investment commitments reflected in the FPFTY.[107] Therefore, this provision is reasonable and in the public interest and should be approved without modification.

I. MISCELLANEOUS

The Settlement also includes several boilerplate provisions that clarify interpretation of the Settlement's terms, address certain procedural and precedential aspects of the Settlement, preserve parties' rights with respect to taking positions on issues resolved through the Settlement in other proceedings, and the impact of subsequent rulings by the ALJs and Commission on the Settlement.[108] (Settlement ¶¶ 125-132.) These provisions are necessary to ensure the proper interpretation and effect of the Settlement, particularly if any part of the Settlement is modified by

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[104] *See* UGI Electric St. No. 1-R, pp. 29-30.
[105] *See* UGI Electric MB, pp. 15-17, 27-32.
[106] Settlement ¶ 58.
[107] *See, e.g.*, I&E St. No. 1, p. 7; UGI Electric St. No. 1, p. 6.
[108] Settlement ¶¶ 59-66.

the ALJs or the Commission. Specifically, UGI Electric has made substantial concessions from its litigation position in this case despite the robust record supporting its $16.05 million revenue requirement, including commitments that could not be achieved through litigation based on the record established in this proceeding. This package of provisions reflects an interconnected and delicate nexus of costs, revenues, and customer benefits where the disturbance of one provision may have cascading consequences that make the entire structure unworkable. Therefore, these provisions are reasonable and in the public interest and should be approved.

III. CONCLUSION

The Settlement is the result of a detailed examination of UGI Electric's proposals, substantial discovery requests, multiple rounds of testimony, numerous settlement discussions, and compromises by the Joint Petitioners. UGI Electric believes that fair and reasonable compromises have been achieved on all issues in this case. UGI Electric fully supports this Settlement and respectfully requests that Administrative Law Judge Steven K. Haas and Administrative Law Judge Chad L. Allensworth and the Pennsylvania Public Utility Commission:

(i) Approve the Joint Petition for Approval of Non-Unanimous Settlement of All Issues without modification;

(ii) Approve the proposals set forth in UGI Electric's above-captioned electric distribution base rate increase filing subject to the terms and conditions of the Joint Petition for Approval of Non-Unanimous Settlement of All Issues;

(iii) Approve the proof of revenues attached to the Joint Petition for Approval of Settlement of All Issues as **Appendix A**;

(iv) Authorize the Company to file a compliance retail tariff supplement consistent with **Appendix G** attached to the Joint Petition for Approval of Non-Unanimous Settlement of All Issues to become effective on one day's notice;

(v) Mark the Formal Complaint filed by OSBA as satisfied and closed;

(vi) Mark the Formal Complaints filed by OCA and the inactive complainants as denied and closed; and

(vii) Mark the investigation at Docket No. R-2025-3059430 closed.

Respectfully submitted,

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Dated: September 10, 2026

Counsel for UGI Utilities, Inc. – Electric Division

Appendix I

OSBA's Statement in Support

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
	:	**Docket No. R-2025-3059430**
v.	:	
	:	
UGI Utilities, Inc – Electric Division	:	

STATEMENT OF
THE OFFICE OF SMALL BUSINESS ADVOCATE
IN SUPPORT OF THE
JOINT PETITION FOR APPROVAL OF
NON-UNANIMOUS SETTLEMENT OF ALL ISSUES

I. Introduction

The Small Business Advocate is authorized and directed to represent the interests of the small business consumers of utility services in the Commonwealth of Pennsylvania under the provisions of the Small Business Advocate Act, Act 181 of 1988, 73 P.S. §§ 399.41 - 399.50. Pursuant to that statutory authority, the Office of Small Business Advocate ("OSBA") filed a complaint in response to Supplement No. 92 to UGI Electric Tariff – Pa. P.U.C. No. 6, which was filed by UGI Utilities, Inc. – Electric Division ("UGI Electric" or the "Company") with the Pennsylvania Public Utility Commission ("Commission") on March 27, 2026.

The OSBA actively participated in the negotiations that led to the proposed settlement and is a signatory to the Joint Petition for Approval of Non-Unanimous Settlement of All Issues ("*Joint Petition*"). The *Joint Petition* resolves the issues raised by this office in this proceeding. Therefore, the OSBA submits this statement in support of the *Joint Petition*.

II. Standards for Approval of Settlements

Section 5.231(a) of the Commission's regulations, 52 Pa. Code § 5.231(a) (Formal Proceedings; Hearings; Settlement and Stipulations; Offers of Settlement) states, as follows:

> It is the policy of the Commission to encourage settlements.

Similarly, Section 69.401 of the Commission's regulations, 52 Pa. Code § 69.104 (Settlement Guidelines and Procedures for Major Rate Cases – Statement of Policy; General) states, as follows:

> In the Commission's judgment, the results achieved from a negotiated settlement or stipulation, or both, in which the interested parties have had an opportunity to participate are often preferable to those achieved at the conclusion of a fully litigated proceeding.

III. Specific Settlement Terms

A. Revenue Increase

In its original filing, UGI Electric requested an annual increase in distribution revenue of $17.283 million. UGI Electric also requested a Return on Equity ("ROE") of 10.85%.[1] OSBA witness Mark D. Ewen testified that a reduction of the Company's ROE request from 10.85% to 9.0% would reduce UGI Electric's revenue request by $3.6 million.[2]

In this proceeding, UGI Electric adjusted its requested revenue increase down to $16.05 million.[3]

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[1] OSBA Statement No. 1, at 2.

[2] OSBA Statement No. 1, at 4.

[3] *Joint Petition*, Paragraph 16.

The *Joint Petition* proposes that UGI Electric would increase its annual distribution revenue by $10.7 million.[4] The OSBA calculates that would result in an ROE of approximately 9.5-10%.

The OSBA respectfully submits that an annual distribution revenue increase of $10.7 million is just, reasonable, and based upon the record evidence in this proceeding. Furthermore, this is a significant reduction from the Company's original proposal of a $17.283 million increase and is consistent with the testimony of Mr. Ewen.

B. Revenue Allocation

In his Direct Testimony, Mr. Ewen observed that UGI Electric filed a class cost of service study ("COSS") that employed a minimum system analysis to classify distribution plant costs as either customer related or demand related.[5] UGI Electric's COSS resulted in Rate R (residential) receiving a 14.1% distribution cost-based rate increase while GS-1 (small commercial and industrial) would be receiving a 22.5% cost-based rate increase. These rate increases are in comparison to a system average increase of 12.0%, as originally filed by the Company.[6]

Mr. Ewen, after reviewing the Company's COSS methodology, concluded that the methodology employed by UGI Electric was reasonable and consistent with methods the Commission has previously accepted in UGI Electric's 2018, 2021, and 2022 rate cases.[7]

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[4] *Joint Petition*, Paragraph 29.

[5] OSBA Statement No. 1, at 6.

[6] OSBA Statement No. 1, at 8.

[7] OSBA Statement No. 1, at 6.

Mr. Ewen generally agreed with UGI Electric's proposed revenue allocation, although he advocated for a cap on rate increases of 1.50 times the system average increase, rather than the Company's 1.87 times proposal.[8]

The *Joint Petition* proposes a compromise revenue allocation in response to Mr. Ewen's testimony. As set forth in Appendix A, the system average increase is 7.4%.[9] To be consistent with the results of UGI Electric's COSS, Rate R will be receiving an above system average increase of 8.7%, and Rate GS-1 will receive a 13.2% increase.

The OSBA supports the revenue allocation set forth in the *Joint Petition*. Consequently, the OSBA respectfully submits that the proposed revenue allocation is a just and reasonable outcome in this proceeding for UGI Electric's small business customers.

C. Rate Design

The *Joint Petition's* proposed rate design for the GS-1 small business customer class customer charge, going from $17 to $25, is reasonable based upon the proposed revenue allocation. UGI Electric originally proposed increasing the GS-1 customer charge to $30.

D. Consumer Assistance / Relations

Currently, UGI Electric offers payment plans for commercial customers, up to six months for a customer that is in arrears.[10] In addition, UGI Electric states that it tries to work with commercial customers experiencing financial difficulties but does not track such interactions.[11]

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[8] OSBA Statement No. 1, at 9.

[9] This percentage corresponds to the settlement overall distribution revenue increase of $10,703,680.

[10] OSBA Statement No. 1, at 4.

[11] OSBA Statement No 1, at 4.

As set forth in the *Joint Petition*, UGI Electric agrees to place the small business payment arrangement program into the Company's Tariff.[12] The OSBA appreciates UGI Electric's agreement in this regard, as it provides greater certainty and flexibility for small businesses experiencing financial difficulties.

In response to Mr. Ewen's testimony on this subject, the *Joint Petition* also proposes that the Company's website will provide contact information for the OSBA, as well as a description of the services offered by the OSBA.[13]

E. Allocation of Universal Service Costs

The Office of Consumer Advocate ("OCA") recommended that Customer Assistance Program ("CAP") costs be allocated to all customer classes. The OSBA and UGI Electric rejected this proposal because it was unfair and unreasonable to burden small businesses with the costs of a residential-only universal service program.

The COVID-19 pandemic did a great deal of damage to small businesses across the Commonwealth, including putting many completely out of business. Inflation over the last few years has also taken a toll on the Commonwealth's small businesses.

To address universal service cost allocation, the *Joint Petition* proposes to assign universal service costs to Rate HTP on a negotiated basis.[14] This is a just and reasonable solution to help fund the residential-only universal service costs. This is also a much better solution than putting additional charges onto the Commonwealth's small businesses.

[12] *Joint Petition,* Paragraph 35.

[13] *Joint Petition*, Paragraph 36.

[14] *Joint Petition*, Paragraph 55.

IV. **Conclusion**

Therefore, for the reasons set forth in the *Joint Petition*, as well as the factors that are enumerated in this statement, the OSBA supports the proposed *Joint Petition* and respectfully requests that the ALJs and the Commission approve the *Joint Petition* in its entirety.

Respectfully submitted,

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Dated: September 10, 2026