

UGI UTILITIES, INC. - GAS DIVISION
GAS TARIFF
INCLUDING THE GAS SERVICE TARIFF NO. 7
AND
THE CHOICE SUPPLIER TARIFF NO. 7S

Rates and Rules
Governing the
Furnishing of
Gas Service and Choice Aggregation Service
in the
Territory Described Herein

Issued: February 28, 2020

Effective for service rendered on
and after March 1, 2020 in
accordance with the Commission's
Order at Docket No. R-2019-3009647
entered on October 24, 2019.

Issued By:

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<http://www.ugi.com/tariffs>

NOTICE

This tariff makes increases and decreases to existing rates (see page 2).

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

Section 11, Rider B, Purchased Gas Costs, Page 52

- The Annual C-Factor has decreased.
- The Annual E-Factor has decreased.
- The Total Purchased Gas Cost rate has decreased.

Section 15, Price to Compare, Page 57

- The Annual C-Factor has decreased.
- The Annual E-Factor has decreased.
- The Merchant Function Charge has decreased.
- The Price to Compare has decreased.

Section 16, Rider F, Universal Service Program Rider, Page 58

- The Universal Service Program Rider rate has increased.

Rate GBM - Gas Beyond the Mains, Page 92

- The commodity rate has decreased.

RULES AND REGULATIONS

11. RIDER B - Continued

SECTION 1307(F) PURCHASED GAS COSTS

The amount retained by the Company will be an incentive to pursue additional sales and will be treated below the line for ratemaking purposes. For purposes of calculating this margin, the cost of gas will be equal to the monthly average commodity cost of gas plus variable transportation costs to deliver the gas to the off-system customer. The monthly average commodity cost of gas shall be defined as the monthly average commodity cost of gas purchases for all supplies scheduled at the beginning of the month; provided, however, that if an additional unscheduled purchase is made during the month specifically for an off-system sale, such purchase shall be considered to be the gas used to make the off-system sale and the commodity cost of such purchase will be assigned to off-system sales up to the volume of the purchase.

Filing with the PUC: Audit, Rectification

The Company's annual reconciliation statement shall be submitted to the Commission by May 1 of each year, or such other time as the PUC may prescribe.

Quarterly Adjustments

When making the December 1, March 1, June 1 and September 1 quarterly C-factor adjustments, the Company will refund or recover all actual and projected incremental over or under collections from December 1 through November 30 over either remaining PGC year sales volumes or annual PGC year sales volumes. Any quarterly PGC rate change on December 1, March 1 and June 1 will be capped at 25% of the then-current PGC rate, with any amounts above this cap being brought forward for inclusion in the calculation of subsequent quarterly C-factor adjustments. Any quarterly PGC rate change on September 1 will be capped at 15% of the then-current PGC rate, with any amounts above this cap being brought forward for inclusion in the calculation of subsequent quarterly C-factor adjustments.

Rider B - Purchased Gas Cost (Mcf)

Annual C-Factor	\$ 4.3065	(D)
Annual E-Factor	\$ 0.0566	(D)
Total Purchased Gas Cost	<u>\$ 4.3631</u>	(D)

(D) Indicates Decrease

RULES AND REGULATIONS

15. PRICE TO COMPARE

The Price to Compare ("PTC") is composed of the Annual C-Factor, Annual E-Factor, Gas Procurement Charge and Merchant Function Charge. The PTC rate will change whenever any components of the PTC change. The current PTC rate is detailed below:

Price to Compare

	Rate R (CCF)	Rate N (MCF)	
Annual C-Factor	\$ 0.43065	\$ 4.3065	(D)
Annual E-Factor	\$ 0.00566	\$ 0.0566	(D)
Gas Procurement Charge	\$ 0.00660	\$ 0.0660	
Merchant Function Charge	\$ 0.00908	\$ 0.0105	(D)
Total Rate Schedule R Price to Compare	<u>\$ 0.45199</u>	<u>\$ 4.4396</u>	(D)

(D) Indicates Decrease

RULES AND REGULATIONS

16. RIDER F

UNIVERSAL SERVICE PROGRAM

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.

RATE

In addition to the charges provided in this tariff, an amount shall be added to the otherwise applicable charge for each MCF of sales volumes or distribution volumes distributed by the Company to customers receiving service under Rate Schedules R and RT.

The USP rate: \$0.2726/Mcf

(I)

CALCULATION OF RATE

The Rider USP rate shall be calculated to recover costs for the following programs: Low Income Usage Reduction Program (LIURP); Customer Assistance Program (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; 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 CAP customer GET Gas charges, 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.

(I) **Indicates Increase**

RATE GBM

GAS BEYOND THE MAINS (Piped Propane Service)

APPLICABILITY

This Page is applicable to customers receiving Piped Propane service in accordance with the Commission's Final Order at Docket No. M-2008-2072850 entered on December 19, 2013.

AVAILABILITY

In accordance with the Commission's Final Order at Docket No. M-2008-2072850 entered on December 19, 2013, Rate GBM is available to small commercial customers until UGI obtains authority from the Commission to abandon such service no later than December 31, 2020, who are served by piped propane systems in existence as of December 19, 2013 ("Existing Propane Systems"), or through reasonable extensions of such Existing Propane Systems made consistent with the line extension provisions of this tariff.

MONTHLY RATE TABLE

Customer Charge: \$23.50 per customer

Plus

Distribution Charge: \$3.5177 per Mcf

Plus

GBM Commodity Rate: (\$4.1105) per Mcf

(D)

Plus

SURCHARGES and RIDERS

- Rider A - State Tax Adjustment Surcharge
- Rider C - Extended TCJA Temporary Surcharge
- Rider D - Merchant Function Charge
- Rider G - Energy Efficiency and Conservation
- Rider I - Distribution System Improvement Charge

The GBM Commodity Rate (a) is designed to recover the full costs of propane acquired to provide GBM service without subsidies from non-GBM service customers, (b) shall be reconciled annually with the resulting over-under collection being recovered or refunded through an E-Factor applied over the next annual period, (c) shall be subject to quarterly PGC adjustments, effective on one day's notice, effective March 1, June 1 and September 1. To the extent there is an over or under recovery of propane costs at the time Rate GBM service is ended, the balance shall be recovered or refunded from all Rate R and N customers by inclusion in the subsequent PGC Gas Cost Adjustment charge calculation.

(D) Indicates Decrease