

UGI Utilities, Inc. 2525 North 12th Street Suite 360 Post Office Box 12677 Reading, PA 19612-2677

(610) 796-3400 Telephone

June 30, 2014

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JUN 3 0 2014

PA PUBLIC UTILITY COMMISSION SECRETARY'S BUREAU

VIA FEDERAL EXPRESS

Ms. Rosemary Chiavetta, Secretary Pennsylvania Public Utility Commission Commonwealth Keystone Building 400 North St. Harrisburg, PA 17120

Re: Joint Petition of UGI Utilities, Inc. - Gas Division, UGI Penn Natural Gas, Inc. and UGI Central Penn Gas, Inc. For Approval To Implement Growth Extension Tariff Pilot Programs To Facilitate The Extension of Gas Service To Unserved and Underserved Areas Within The Companies' Service Territories; Docket No. P-2013-2356232;

Tariff Supplement Filing To Be Effective on One Day's Notice

Dear Secretary Chiavetta:

In accordance with the Commission's Order entered February 20, 2014, at Docket No. P-2013-2356232, UGI Central Penn Gas, Inc. hereby files tariff Supplement No. 20 to CPG Gas – Pa. P.U.C. No. 4 to become effective for service rendered on and after July 1, 2014.

Should you have any questions, please contact Melanie J. El Atieh, Manager, Rates & Regulatory Planning, via phone at (610) 796-3528 or via email at melatich@ugi.com.

Copies of this document are being provided to those individuals indicated on the attached Certificate of Service.

Sincerely,

Paul J. Szykman Vice President - Rates

Enclosures: Supplement No. 20 to CPG Gas - Pa. P.U.C. No. 4

cc: Service List

UGI CENTRAL PENN GAS, INC.

GAS TARIFF

INCLUDING THE GAS SERVICE TARIFF

AND

THE CHOICE SUPPLIER TARIFF

Rates and Rules Governing the Furnishing of

Natural Gas Service

In

The Territory Described Herein

Issued: June 30, 2014

Effective for service rendered on and after July 1, 2014, in accordance with the Commission's Order entered February 20, 2014, at Docket No. P-2013-2356232.

Issued By:

Paul J. Szykman Vice President - Rates 2525 N. 12th Street, Suite 360 Post Office Box 12677 Reading, PA 19612-2677

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http://www.ugi.com/CPG/

NOTICE

This tariff makes changes in existing rates (See Page 2).

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

Table of Contents, Page 3

The Growth Extension Tariff pages have been added.

Section 5.9, Growth Extension Tariff, Pages 27(a) - 27(b)

This section has been added to implement the Growth Extension Tariff.

Section 14. Rider E - Universal Service Program, Page 42

Language added to CALCULATION OF RATE section to exclude Get Gas charges from the calculation of CAP Shortfall.

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Indicates Change		

RULES AND REGULATION

EXTENSION REGULATION - Continued

(C)

- 5.9 Pilot Growth Extension Tariff ("GET Gas") Rider
- 5.9.1 Availability and Purpose. In lieu of the extension rules set forth in Rules 5.1-5.8, the following GET Gas tariff rules may apply. These GET Gas tariff rules will be applied to eligible customers as part of a 5 year pilot program, unless suspended or terminated earlier pursuant to Rule 5.9.4 or Commission order.

The GET Gas pilot program is designed to test new tariff rules to facilitate the extension of natural gas service to the general class of residential homes and non-residential buildings, not currently receiving natural gas distribution service, which:

- (a) are in an Unserved Area (a small group or pocket of customers in a neighborhood location in close proximity to an existing main) or an Underserved Area (a significant portion of a general community or town location or municipality where the Company has identified significant potential for natural gas service demand and existing natural gas facilities are located within a reasonable distance):
- (b) are reasonably expected over time to reach target customer saturation levels which will produce revenues, including GET Gas Rider charges, that will support required investments and not unduly burden existing customers; and
 - (c) otherwise meet the applicable requirement conditions of the GET Gas program.

Under the GET Gas Program, the Company may designate Company facilities extended to an applicant or applicants, as "GET Gas Facilities" and will assess an incremental GET Gas Rider charge amount related to the recovery of GET Gas amounts, as determined on a general class basis, from the class of customers who may connect to these GET Gas facilities during an initial twelve year period.

- 5.9.2 Designation. Subject to the funding limitations set forth in Rule 5.9.5, Company may apply the GET Gas program tariff rules to service extension requests which exceed a cost of \$15,000 from an Underserved Area or an Unserved Area reasonably designated by Company, where:
- (a) there is, in the Company's sole discretion, a reasonable prospect that (i) fifty percent (50%) or more of existing residential homes along the GET Gas project facility extension route or area will convert their primary heating source to natural gas and directly connect to the GET Gas facilities within 12 years ("GET Gas Customers"); and
- (b) the estimated total investment for each GET Gas Customer to be connected does not exceed \$10,000 (inclusive of any projected commercial customers).

RULES AND REGULATION

EXTENSION REGULATION - Continued

(C)

5.9.3 Get Gas Rider. Customers receiving service by connections to Company facilities designated by Company as GET Gas pursuant to Rule 5.9.2 within an initial twelve years following installation, and which receive service under Rate Schedules R, RT, N or NT, shall be required to pay GET Gas Rider charges listed below as part of distribution service for a period of ten years, beginning from the first date the meter is set. GET Gas Rider charges will not be considered Basic Natural Gas Service Charges during the Pilot Period. Non-residential customers subject to the GET Gas Rider charge, as determined by the Company in its sole discretion, may not avoid the charge by electing an alternate rate schedule. In lieu of paying the monthly GET Gas Rider charges, Customers may elect at any time to pay a lump sum upfront payment equal to the remaining principal portion of the GET Gas surcharge. upfront payment made by Non-Residential Customers shall be based on anticipated annual customer usage, as determined by the Company in its sole discretion.

GET Gas Rider Rate:

Rate Schedules R and RT: \$21.75 monthly charge Rate Schedules N and NT: \$13.08 monthly charge plus \$1.07 per Mcf for all usage.

5.9.4 Limitations. If the differential between Average Residential Annual Natural Gas Costs per MMBtu and Average Residential Annual Heating Oil Costs per MMBtu drops and remains below \$10.00 per MMBtu for two consecutive quarters (with such calculations performed for the quarters ending March, June, September and December), the Company will evaluate whether to continue to invest in new GET Gas facilities based on market specifics at that time, except that the Company will continue to invest in (a) service connections to GET Gas Facilities that are already installed or (b) GET Gas projects that are currently underway or have been committed to by the Company.

For purpose of the above limitation:

Average Residential Annual Heating Oil Costs per MMBtu = (12 month future period average of NYMEX "HO" Contract) plus (delivery variable); and

Average Residential Annual Natural Gas Costs per MMBtu = (All applicable Rate R volumetric rates and riders) plus (All applicable Rate R monthly charges, excluding the monthly GET Gas Rider, divided by the current average annual residential volumes).

Company also reserves the right to temporarily close or to terminate the program at its discretion for good cause.

5.9.5 Funding. Funding for this pilot GET Gas tariff program shall be limited to an annual average level of \$5 million for the duration of the 5 year pilot term, with total funding not to exceed \$25 million, absent Commission approval to exceed these amounts.

(C) Indicates Change

Issued: June 30, 2014

Canceling Sixth Revised Page 42

RULES AND REGULATIONS

14. RIDER E

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.

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: \$0.4178/Mcf

The USP rate is not applicable to Customers enrolled in the Company's CAP.

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); and Hardship Funds.

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 Shortfall
- 2) projected CAP customer application costs; and
- 3) projected CAP pre-program arrearage forgiveness.

CAP Shortfall shall be defined as the difference between the total calculated Rate R (C) bill, excluding Rider USP and CAP customer GET Gas charges, and the CAP bill and an adjustment for unearned shortfall amounts based upon the current discounts at normalized annual volumes of the then-current CAP participants and the projected CAP Shortfall 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. A credit shall be applied to CAP costs for projected LIHEAP energy assistance that may be credited to CAP Shortfall and CAP pre-program arrearage forgiveness in accordance with applicable law.

QUARTERLY ADJUSTMENT

Each quarter, and at any time that the Company makes a change in base rates or PGC 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.

(C) Indicates Change

CERTIFICATE OF SERVICE

I hereby certify that on this 30th day of June, 2014, I served a true and correct copy of the foregoing documents 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).

VIA E-MAIL AND FIRST-CLASS MAIL

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PA PUBLIC UTILITY COMMISSION SECRETARY'S BUREAU

Paul J. Szykman

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Origin ID: RDGA



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SHIP TO: (717) 783-1740 BILL SENDER Ms. Rosemary Chiavetta, Secretary **PA Public Utility Commission 400 NORTH ST COMMONWEALTH KEYSTONE BUILDING** HARRISBURG, PA 17120

CPG GET Gas Tariff PO# Dept#

TRK# 0291 7704 6330 3421

TUE - 01 JUL AA STANDARD OVERNIGHT

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