

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

1-800-276-2722

April 7, 2015

VIA FEDERAL EXPRESS

Ms. Rosemary Chiavetta, Sccretary Pennsylvania Public Utility Commission Commonwealth Keystone Building 400 North Street, 2nd Floor North Harrisburg, PA 17105-3265

Re: UGI Utilities, Inc. – Electric Division;

Supplement No. 147 to Electric - Pa. PUC No. 5

Dear Secretary Chiavetta:

Enclosed for filing on behalf of UGI Utilities, Inc. – Electric Division is Supplement No. 147 to Tariff Electric – Pa. PUC No. 5, along with the statements required under 52 Pa. Code §§ 53.52(a)-(b) in support thereof. In accordance with 52 Pa. Code § 53.31, Supplement No. 147 is proposed to become effective upon 60 days' notice.

Copies of this filing have been provided per the attached service list. In addition, the proposed tariff supplement will be posted to the Company's website for general viewing.

Should you have any questions related to this filing, please contact Melanie J. El Atieh, Manager, Rates & Regulatory Planning, via e-mail at melatieh@ugi.com or via phone at (610) 796-3528.

Respectfully yours,

Paul J. Szykman

Vice President – Rates & Government Relations

Vice President & General Manager – Electric Utilities

Enclosure: Supplement No. 147 to Electric – Pa. PUC No. 5

Supporting Statements per 52 Pa. Code §§ 53.52(a)-(b)

cc: Certificate of Service (As Indicated)

Participants at Company's EE&C Stakeholder Meetings held in March 2015 (Via E-mail)

Paul Diskin, Director, Bureau of Technical Utility Services (Via E-mail)

CERTIFICATE OF SERVICE

UGI Utilities, Inc. – Electric Division

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).

VIA FIRST-CLASS MAIL

Tanya J. McCloskey, Acting Consumer Advocate Erin L. Gannon Brandon J. Pierce Office of Consumer Advocate 555 Walnut Street Forum Place, 5th Floor Harrisburg, PA 17101-1923

John R. Evans, Small Business Advocate Steven C. Grav Office of Small Business Advocate Commerce Building 300 North Second Street Suite 202 Harrisburg, PA 17101

Johnnie E. Simms, Director & Chief Prosecutor Bureau of Investigation & Enforcement Pennsylvania Public Utility Commission Commonwealth Keystone Building 400 North Street 2nd Floor West P.O. Box 3265 Harrisburg, PA 17105-3265

Dennis Hosler, Director **Bureau of Audits** Commonwealth Keystone Building 400 North Street 3rd Floor, F East P. O. Box 3265 Harrisburg, PA 17105-3265

Paul Diskin, Director Bureau of Technical Utility Services Commonwealth Keystone Building 400 North Second Street 3rd Floor P. O. Box 3265 Harrisburg, PA 17105-3265

Date: April 7, 2015

UGI UTILITIES, INC. **ELECTRIC DIVISION ELECTRIC SERVICE TARIFF**

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 Conyngham, Dallas, Fairmount, Franklin, Hunlock, Huntington, Jackson, Kingston, Lake, Lehman, Plymouth, Ross and Union.

WYOMING COUNTY

Townships of Monroe and Noxen

Issued: April 7, 2015 Effective: June 6, 2015

BY: Paul J. Szykman

> Vice President - Rates & Government Relations Vice President & General Manager – Electric Utilities 2525 North 12th Street, Suite 360

Post Office Box 12677

Reading, Pennsylvania 19612-2677

NOTICE

THIS TARIFF MAKES CHANGES TO EXISTING RATES (PAGE 2)

LIST OF CHANGES MADE BY THIS TARIFF

Table of Contents, Page 5

The table of contents has been updated to reflect the new LED rate offerings that have been added to the Tariff, as described below.

Rule 29-b - Generation Supply Service Rate, Page 43A

The list of Rate Schedules to which the GSR-1 rate shall apply has been updated to reflect the Rate Schedules LED-OL, LED-SL and LED-CO added under this tariff supplement.

Addition: Rate Schedule LED-OL - Light-Emitting Diode Outdoor Lighting Service, Pages 53D & 53E

A new rate schedule for LED outdoor lighting has been added to the Tariff. This Rate is available to Customers in the Company's service territory, where contracted for by a Customer for private area lighting.

Addition: Rate Schedule LED-SL - Light-Emitting Diode Street Lighting Service, Pages, 83D & 83E

A new rate schedule for LED lighting has been added to the Tariff. The Rate is available to municipalities or other public authorities within the Company's service territory for street, bridge, parks and outdoor public lighting.

<u>Addition: Rate Schedule LED-CO - Customer-Owned Light-Emitting Diode Street Lighting Service,</u> Pages 83F - 83H

A new rate schedule for LED lighting has been added to the Tariff. This Rate is available to non-residential Customers and municipalities or other public authorities in the Company's service territory for the operation of LED street lighting systems on private or public areas where the Customer wholly owns and installs the street lighting system.

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Rate Schedule BLR - Borderline Resale Service		
Rate Schedule IH - Institutional Heating Service (R)		

(C) Indicates Change

(R) Indicates Restricted Rate

(C)

RULES AND REGULATIONS (continued)

29. GENERATION SUPPLY SERVICE ON AND AFTER JUNE 1, 2014

- 29-a Pursuant to applicable Pennsylvania Public Utility Commission rules and regulations, the Company will supply Default Generation Supply Service (GSS) to customers in the Company's service territory not receiving service from an EGS. The rules and rates contained herein apply to service provided on and after June 1, 2014.
- 29-b For customers served through the Company's GSS, a Generation Supply Rate (GSR) shall be applied to each kilowatt hour of energy used by the customer. Separate GSRs shall be calculated and apply to the rate schedules listed below.

GSR-1 shall apply to Rate Schedules R, RWT, RTU, CWH, GS-1, GS-5, FCP, BLR, OL, SOL, MHOL, LED-OL, SL, SSL, MHSL, LED-SL and LED-CO. GSR-1 shall also apply to Rate Schedules GS-4, TE, GLP, LP and IH where the customer's annual peak load is less than 100 kW.

GSR-2 shall apply to Rate Schedules GS-4, TE, GLP, LP, IH and HTP where the customer's annual peak load is greater than or equal to 100 kW.

- 29-c Customer's highest billing demand in the twelve month period ending September 30, 2013 shall be the annual peak load determinant for purposes of applying the GSR. For new customers without a twelve month billing history, the billing demand shall be based on the Company's estimate using factors such as, but not limited to, similarly equipped buildings, similarly utilized buildings and square footage.
- GSR-1 rate shall be calculated every three months beginning June 1, 2014. The GSR-1 rate shall be filed with the Commission with at least thirty days notice prior to each three month period and shall be posted on the Company's website. If the GSR-1 calculation results in a change in rate that is less than 2%, the Company, in its sole discretion, may file with the Commission a GSR-1 rate that is unchanged from the prior period.

$$\frac{\text{GSR-1}}{\text{SEC}} = \frac{\text{EC}}{\text{SECA}} + \frac{\text{ECA}}{\text{Int}} + \frac{\text{Int}}{\text{X}} = \frac{1}{\text{X}} + \frac{1}{\text{Where}}$$

EC = Projected direct and indirect purchased power costs incurred by the Company to acquire electric supply for the GSR-1 group for the next three month period including, a load following service, wholesale energy costs, alternative energy credits, capacity costs, transmission costs, and all other PJM bill line item expenses/credits excluding network transmission service credits and firm point-to-point transmission service credits/expenses. EC also includes administrative costs, legal costs, taxes, and any other applicable costs of providing default service for the GSR-1 group. The estimated EC shall be reduced by the estimated transmission revenues to be collected in accordance with the applicable rate schedules included in the GSR-1 group.

(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

	Resid	lential	Commercial		
Nominal Lamp Wattage Range	Customer Charge (Per Lamp)	Distribution (¢/KWH)	Customer Charge (Per Lamp)	Distribution (¢/KWH)	
85-100	\$15.42	3.165	\$15.42	4.035	
170-210	\$22.64	3.165	\$22.64	4.035	
250-280	\$26.08	3.165	\$26.08	4.035	

Street Lighting Luminaire

	Resid	lential	Commercial		
Nominal Lamp Wattage Range	Customer Charge (Per Lamp)	Distribution (¢/KWH)	Customer Charge (Per Lamp)	Distribution (¢/KWH)	
50-60	\$10.29	3.165	\$10.29	4.035	
100-110	\$12.16	3.165	\$12.16	4.035	
140-160	\$14.00	3.165	\$14.00	4.035	
250-280	\$21.25	3.165	\$21.25	4.035	

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.

GENERATION SUPPLY RATE

The GSR rate stated in Section 29 in this Tariff is applicable to all customers served under this rate schedule and taking Default Service from the Company.

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.

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

- (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.
- (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.

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.

TAX ADJUSTMENT SURCHARGE

The Tax Adjustment Surcharge included in this Tariff is applied to charges under this Rate.

ENERGY EFFICIENCY AND CONSERVATION RIDER

The rates as set forth under the Energy Efficiency and Conservation Rider included in this Tariff shall apply to the estimated kilowatt-hour of energy used each month under this Rate.

PAYMENT TERMS

For Residential Customers, a late payment charge of 1.25% per month of the unpaid balance of all charges due on a bill will be made for failure to make payment in full by the due date. These charges are to be calculated on the overdue portions of the bill only. Such interest rate, when annualized, shall not exceed 15% simple interest per annum. For non-residential Customers, bills are net if paid on or before the last day for payment as specified on bill. Bills of non-residential Customers who defer payment beyond the specified date will be increased three percent (3%).

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 Pub	olic Authority
Nominal Lamp Wattage	Customer Charge	Distribution
Range	(Per Lamp)	(¢/KWH)
50-60	\$10.29	4.035
100-110	\$12.16	4.035
140-160	\$14.00	4.035
250-280	\$21.25	4.035

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.

GENERATION SUPPLY RATE

The GSR rate stated in Section 29 in this Tariff is applicable to all Customers served under this rate schedule and taking Default Service from the Company.

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.

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

- (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.
- (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. 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.

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.

TAX ADJUSTMENT SURCHARGE

The Tax Adjustment Surcharge included in this Tariff is applied to charges under this Rate.

ENERGY EFFICIENCY AND CONSERVATION RIDER

The rates as set forth under the Energy Efficiency and Conservation Rider included in this Tariff shall apply to the estimated kilowatt-hours of energy used each month under this Rate.

PAYMENT TERMS

A late payment charge of 1.25% per month of the unpaid balance of all charges due on a bill will be made for failure to make payment in full by the due date. These charges are to be calculated on the overdue portions of the bill only. Such interest rate, when annualized, shall not exceed 15% simple interest per annum.

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	4.035 (¢/KWH)
Customer Charge (Per Lamp)*	\$2.00 per month
* Applicable where, upon Customer election, Company provides operation and main owned street lighting system in accordance with the provisions below.	ntenance of Customer-
Additional wood pole installed for the sole	\$ 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.

GENERATION SUPPLY RATE

The GSR rate stated in Section 29 in this Tariff is applicable to all customers served under this rate schedule and taking Default Service from the Company.

STANDARD INSTALLATION AND SERVICE

purpose of supporting lighting fixtures or circuits

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.

UGI UTILITIES, INC. ELECTRIC DIVISION

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

Street Lighting Equipment on Company Wood Pole: The Customer shall own, provide, install, operate and maintain the street lighting luminaire, lamp, control, brackets, ballasts and the wire from the luminaire to the point of connection with the Company's overhead general distribution system. The Company shall provide, install, operate and maintain the wood pole and the overhead secondary wire from Company's general distribution system to the point of connection with Customer's wire. Generally, the Customer will attach its street lighting system to Company's existing poles; but the Company at its option may provide, install, operate and maintain a maximum of one wood pole and one span of secondary conductor to new locations required by the Customer at Customer's expense.

Street Lighting Equipment on Customer Pole or Support: The Customer shall provide, install, operate and maintain the street lighting luminaire, lamp, control, bracket, pole or support, foundation and wire between poles or supports. The Company provides, installs, operates and maintains one span of overhead secondary conductor to a group of street lights, as defined by Company, on Customer-owned poles or supports. The installation by Company in excess of one span of overhead secondary to a group of Customer-owned street lights is at Customer's expense.

Customer-owned street lighting equipment mounted on poles or supports on other utilities with whom Company has joint-use agreements are billed at the rates above.

GENERAL PROVISIONS

- (a) Application is limited to Light Emitting Diode (LED) street lights in systems of a minimum of 5 contiguous lamps of one Customer. Customer-owned street lights served hereunder may not be intermixed with street lights served under the Company's other street light rate schedules. The 5 lamp minimum may, at the Company's option, be waived when a Customer desires to take service for its entire street light requirements hereunder and said total requirements is less than the 5 lamp minimum.
- (b) The Customer must provide advance written notice to Company at least 90 days for initial systems and 30 days for additions to existing systems of its intentions to install Customerowned equipment and proposed installation date. In addition, for Customer-owned street lighting proposed for installation on Company's poles the Customer shall provide the construction specifications for Company's approval in advance.
- (c) Any non-municipal Customer will be required to demonstrate that it has complied with all municipal requirements pertaining to lighting before being eligible for service under this rate schedule. In addition, before street lighting facilities may be energized, the non-municipal Customer shall provide the Company and the municipality with an inspector's certification that the street lighting facilities are constructed to applicable electrical code requirements and also provide the Company and the municipality with as-built drawings certified by engineering seal of the final placement, configuration, and cut sheets for street light facilities to be energized. The non-municipal Customer shall provide certification to the municipality of continued compliance with the National Electrical Code requirements as required by the municipality.
- (d) Written notice of any change in size or type of any components of Customer street lighting system by location is furnished by Customer to Company not more than 14 days after the date of such change.

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

- (e) Any rearrangements, replacements or relocations of Company's electric distribution system required solely for the installation, operation or maintenance of Customer's street lighting equipment are at the Customer's expense.
- (f) 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.
- (g) 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.

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.

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.

TAX ADJUSTMENT SURCHARGE

The Tax Adjustment Surcharge included in this Tariff is applied to charges under this Rate.

ENERGY EFFICIENCY AND CONSERVATION RIDER

The rates as set forth under the Energy Efficiency and Conservation Rider included in this Tariff shall apply to the estimated kilowatt-hour of energy used each month under this Rate.

PAYMENT TERMS

For municipalities and public authority Customers, a late payment charge of 1.25% per month of the unpaid balance of all charges due on a bill will be made for failure to make payment in full by the due date. These charges are to be calculated on the overdue portions of the bill only. Such interest rate, when annualized, shall not exceed 15% simple interest per annum. For non-residential Customers, bills are net if paid on or before the last day for payment as specified on bill. Bills of non-residential Customers who defer payment beyond the specified date will be increased three percent (3%).

UGI Utilities, Inc. – Electric Division Supplement No. 147 to Tariff Electric – Pa. PUC No. 5 Light-Emitting Diode ("LED") Light Offerings Filed On: April 7, 2015

Supporting Information

§53.52(a)(1): The specific reasons for each change.

Response: This tariff supplement is being filed to incorporate three new lighting rates in the

UGI Utilities, Inc. – Electric Division's ("UGI-ED's" or the "Company's") Tariff Pa. PUC No. 5. The first rate is for Light-Emitting Diode Outdoor Lighting ("LED-OL"), which will be available to all non-municipal customers in the UGI-ED service territory. The second rate is for Light-Emitting Diode Street Lighting ("LED-SL"), which will be available to all municipalities and public authorities served in the UGI-ED service territory. The third rate is for Customer-Owned Light-Emitting Diode Street Lighting ("LED-CO"), which will be available to all non-residential customers in the UGI-ED service territory. The third option will allow the customer to either (i) own, install, operate and maintain its own LED street lighting system consistent with the Company's standard size LED street lighting offerings, or (ii) own and install its own LED street lighting offerings while electing for the Company to perform the ongoing operation and maintenance associated with the lighting system.

§53.52(a)(2): The total number of customers served by the utility.

Response: As of December 31, 2014, UGI-ED served approximately 62,000 end use

customers.

§53.52(a)(3): A calculation of the number of customers, by tariff subdivision, whose bills will be

affected by the change.

Response: This change will impact those customers who decide to install, or change to, the

LED lighting technology option.

§53.52(a)(4): The effect of the change on the utility's customers.

Response: The addition of these rates to the Company's tariff provides customers a wider

variety of lighting options. Customers will now be able to select from high-pressure sodium, metal halide and LED lighting. Customers who select the LED lighting

technology potentially may realize energy consumption savings.

§53.53(a)(5): The direct or indirect effect of the proposed change on the utility's revenue and

expenses.

Response:

Any effect the addition of these rates will have on the Company's revenues and expenses will be dependent on the number of customers who select this lighting option. The rates will allow UGI-ED to recover the costs incurred as a result of allowing customers the option to choose LED lighting and to remain revenue neutral in recovering distribution costs incurred in providing electric distribution service to the customer.

§53.52(a)(6): The effect of the change on the service rendered by the utility.

Response: Services currently rendered by UGI-ED will not be affected by this proposed change other than as described above.

§53.52(a)(7): A list of factors considered by the utility in its determination to make the change. The list shall include a comprehensive statement about why these factors were chosen and the relative importance of each. This subsection does not apply to a portion of a tariff change seeking a general rate increase as defined in 66 Pa.C.S. § 1308 (relating to voluntary changes in rates).

Response:

Increased customer interest for alternative energy efficient lighting offerings from local municipalities was a primary contributing factor to the development of this tariff filing. One advantage LED lighting technology offers compared to the more traditional lighting technology, such as metal halide, mercury vapor, or high-pressure sodium lamps, is higher efficiency, which translates into energy consumption savings for the customer. Significant energy savings have been achieved in a number of communities across Pennsylvania where older street and traffic lighting have been replaced with much more efficient LED counterparts. In addition to energy savings, improved lighting quality and visibility have been achieved through these lighting upgrades. Furthermore, LEDs have significant lasting power compared to the more traditional lighting technology, which reduces the frequency in which LED street and flood lights need to be replaced, which in turn achieves reduced maintenance costs associated with these lights.

Potential markets for this type of lighting would include residential and commercial private area lighting, public and private parking lots, municipal street lighting, public parks and recreational areas. Several key technical characteristics of LED lights along with associated operation and maintenance expenses were analyzed as part of the rate development process. Types of fixtures, lumen outputs, energy consumption and failure rates were factored into the development of the proposed rates. Various sizes and lumen outputs were selected to conform to existing lighting capability and to meet potential customer applications. Fixtures were chosen consistent with existing installation requirements and standards.

Moreover, in developing the LED-CO or customer-owned option, the Company considered customer interest as well as other similar utility LED offerings. To encourage customer demand for this tariff offering, UGI-ED is planning in the second phase of its Energy Efficiency & Conservation ("EE&C") Program to

develop customer outreach and to offer rebates as incentives to eligible customers who decide to purchase and install LED lighting systems.

§53.52(a)(8): Studies undertaken by the utility in order to draft its proposed change. This paragraph does not apply to a portion of a tariff change seeking a general rate increase and a final in 66 Pa C S & 1208

increase as defined in 66 Pa.C.S. § 1308.

Response: No studies have been performed.

§53.52(a)(9): Customer polls taken and other documents which indicate customer acceptance and desire for the proposed change. If the poll or other documents reveal discernible public opposition, an explanation of why the change is in the public interest shall be provided.

be provided

Response: No polls have been conducted; however the Company has received customer inquiries regarding LED lighting options. In addition, the Company held two EE&C Program stakeholder meetings on March 24, 2015 and March 25, 2015, to discuss the Company's plans to seek Commission approval of the continuation and expansion of its existing EE&C programs into a second phase ("Phase II EE&C Program"), during which Company representatives discussed this proposed LED tariff filing with stakeholders and no objections were received. A list of stakeholder participants can be provided upon request.

§53.52(a)(10): Plans the utility has for introducing or implementing the changes with respect to its ratepayers.

Response: The Company will notify its customers of this tariff filing via a press release to local media outlets in the Company's service territory. Additionally, the proposed tariff supplement will be available on the Company's website for viewing by members of the general public. Furthermore, after the LED rates take effect, and in conjunction with any Commission-approved Phase II EE&C Program, the Company will develop and implement appropriate customer education outreach to inform customers most impacted by these new rate offerings of their new lighting options.

§53.52(a)(11): FCC, FERC or Commission orders or rulings applicable to the filing.

Response: None.

§52.52(b)(1): The specific reasons for each increase or decrease.

Response: See the Company's response to $\S53.52(a)(1)$.

§53.52(b)(2): The operating income statement of the utility for a 12-month period, the end of which may not be more than 120 days prior to the filing. Water and wastewater utilities with annual revenues under \$100,000 and municipal corporations subject

to Commission jurisdiction may provide operating income statements for a 12-month period, the end of which may not be more than 180 days prior to the filing.

Response: Attached is the Company's financial report for the 12-month period ending December 31, 2014.

§53.52(b)(3): A calculation of the number of customers, by tariff subdivision, whose bills will be increased.

Response: The number of customers whose bill will change as a result of these new tariff rates will depend on the number choosing to install or change to LED lighting.

§53.52(b)(4): A calculation of the total increases, in dollars, by tariff subdivision, projected to an annual basis.

Response: See the Company's response to §53.52(b)(3).

§53.52(b)(5): A calculation of the number of customers, by tariff subdivision, whose bills will be decreased.

Response: The number of customers whose bill will change as a result of these new tariff rates will depend on the number choosing to install or change to LED lighting.

§53.52(b)(6): A calculation of the total decreases, in dollars, by tariff subdivision, projected to an annual basis.

Response: See the Company's response to §53.52(b)(5).

SCHEDULE A

Company Name: UGI Utilities, Inc. - Electric Division (EDC)

Financial Report for Twelve Months Ended

December 31, 2014

	Actual				
	per	Intrastate	Intrastate		Adjusted
	<u>Books</u>	<u>Percent</u>	per books	Adjustments (a)	<u>Results</u>
	(1)	(2)	(3)	(4)	(5)
(1) Original Cost of Plant In Service	\$164,151.28	1.0000	\$164,151	\$24,137	\$188,288
(2) Less: Depreciation Reserve	\$66,984.32	1.0000	66,984	\$8,815	75,799
(3) Net Plant in Service	\$97,166.97	1.0000	97,167	\$15,322	112,489
Additions:					
(4) Land/Plant Held for Future Use	\$0.00	1.0000	0	\$0	O
(5) Materials & Supplies & Fuel Stocks	\$1,390.90	1.0000	1,391	(\$99)	1,292
(6) Cash Working Capital	\$5,682.37	1.0000	5,682	\$0	5,682
(7) Other	\$0.00	1.0000	0	\$0	0
Deductions:					
(8) Accumulated Deferred Income Taxes	\$0.00	1.0000	0	\$0	O
(9) Liberalized Depreciation	\$24,024.41	1.0000	24,024	\$952	24,977
(10) Investment Tax Credit	\$23.63	1.0000	24	\$0	24
(11) Other	\$0.00	1.0000	0	\$0	0
(12) Customer Deposits	\$2,233.56	1.0000	2,234	(\$84)	2,149
(13) Customer Advances	\$293.28	1.0000	293	\$0	293
(14) Contributions in Aid of Construction	\$0.00	1.0000	0	\$0	0
(15) Other	\$0.00	1.0000	0	\$0	0
(16) RATE BASE	\$77,665.36	1.0000	\$77,665	\$14,355	\$92,020
(17) Operating Revenues	\$107,533.93	1.0000	107,534	\$227	\$107,761
Operating Expenses					
(18) Operation & Maintenance	\$86,818.85	1.0000	86,819	(\$1,422)	85,396
(19) Annual Depreciation	\$4,482.45	1.0000	4,482	\$270	4,752
(20) Taxes - Other than Income	\$6,787.20	1.0000	6,787	\$325	7,112
(21) State Income Tax - Current	(\$121.10)	1.0000	(121)		914
(22) Federal Income Tax - Current	\$412.24	1.0000	412	\$2,554	2,966
(23) Deferred Income Taxes	\$3,376.46	1.0000	3,376	(\$3,724)	(347)
(24) Investment Tax Credit (Net)	(\$17.33)	1.0000	(17)		(17)
(25) Total Operating Expenses	\$101,738.77	1.0000	101,739	(\$962)	100,776
(26) INCOME AVAILABLE FOR RETURN	\$5,795.16	1.0000	\$5,795	\$1,189	\$6,984
RATE OF RETURN - OVERALL	7.46%	,	7.46%	· ·	7.59%

⁽a) Summary of adjustments shown in Schedule B and Schedule C

COMPANY NAME:

UGI Utilities, Inc. - Electric Division (EDC)

Summary of Pro Forma Intrastate Adjustments

Rate BaseAdjustments	Rate Base	Revenues	Expenses	Taxes*
(1) Inventory	(99)			
(2) Net Plant in Service	15,322			
(3) Customer Deposits	B4			
(4) Liberalized Depreciation	(952)			
Income Statement Adjustments				
(5) Depreciation Expense]		270	
(6) Payroll Expense Adjustment]		(269)	
(7) Normalization of Operating Revenues		227		:
(8) Pension Contribution Adjustment			132	
(9) Uncollectible Expense Adjustment	<u></u>		(293)	
0) Tax Expense Adjustments	ב			(135
1) Medical & Other Benefits Expense Adjustment	כ		89	
2) Post Retirement Benefits			(1,263)	
3) Taxes Other Than Income Tax' Adjustment				317
4) Customer Deposit Interest Adjustment			129	
5) Normalizing Expense Adjustments (Note A)]		(66)	
Totals	14,355	227	(1,271)	190

^{*}Includes gross-receipts tax (GRT), where applicable

SCHEDULE C

COMPANY NAME:

UGI Utilities, Inc. - Electric Division (EDC)

Explanation of Adjustments

Rate Base Adjustments
(1) Adjustment to inventory to reflect 12 month average
(2) Adjustment to Book reserve to reflect increase in plant and depreciation
(3) Adjustment to Customer Deposits to reflect 12 month average
(4) Adjustment to reflect the change in accumulated deferred taxes due to the changes in the book/tax depreciation variance
Income Statement Adjustments
Incomite Statement Augustinems
(5) Depreciation Expense
(6) Payroll Expense Adjustment
(7) Normalization of Operating Revenues
(8) Pension Contribution Adjustment
(9) Uncollectible Expense Adjustment
(10) Tax Expense Adjustments
(11) Medical & Other Benefits Expense Adjustment
(12) Post Retirement Benefits
(13) Taxes Other Than Income Tax' Adjustment
(14) Customer Deposit Interest Adjustment
(15) Normalizing Expense Adjustments

Explanation of Changes to Intrastate Allocation Factors (if applicable)

COMPANY NAME: UGI Utilities, Inc. - Electric Division (EDC)

Intrastate Per Books

Calculation of Return on Common Equity

as of 12/31/2014

		Capital Ratios (a) (1)	Rate Base (b) (2) Sch. A. Col. 3 Line 16	<u>Totals</u> (3)	Embedded Cost Rates(c) (4) x Sch. F-1 = Col. 7	Total Rate Base Related Cost of Debt and Preferred & Preference (5)
1)	Debt	44.67%	\$77,665	\$34,696	5.55%	\$1,925
2)	Preferred	0.00%	\$77,665	0	0.00%	\$0
3)	Common Equity	55.33%	\$77,665	42,970	0.00%	\$0
4)	Total	100.00%		\$77,665		\$1,925
			12 Months ended	12/31/14		
					Intrastate Per Books	
5)	Income Available for (from Sch. A, Col. 3,				\$ 5,795	
6)	Less: Total Rate Ba		Debt and		\$1,925	
7)	Income Available for	Common Equity			\$3,870	
	(Line 5 Less Line 6)					
8)	Debt Cost (Col 5., Lin	ne 1)			\$1,925	
9)	Less: Interest Exper and Federal In	•	e State		1,925	
10)	Difference (Line 8 Le	ss Line 9)			0	
11)	Times: Composite S	tate and Federal Inc	come Tax Rate		41.49%	
12)	Net Addition or (Dedi	uction) (Line 10 x Lin	ne 11)		<u>\$0</u>	
13)	Income Available for	Common Equity, in	cluding Income		\$3,870	
	Tax Effect of using D	ebt Cost (Line 7 plu	s Line 12)			
14)	Return on Common 6	Equity (Line 7/Line 3	, Col. 3)		9,01%	
15)	Return on Common 6	Equity, including Inc	ome Tax Effect		9.01%	
	of using Debt Cost (L	ine 13/Line 3, Col. :	3)			

COMPANY NAME: UGI Utilities, Inc. - Electric Division (EDC) Intrastate Pro Forma Results

Calculation of Return on Common Equity

as of 12/31/2014

(Thousands of Dollars)

		Capital Ratios(a) (1) Sch. E-2 Col. 2	×	Rate Base(b) (2) Sch. A. Col. 5 Line 16	<u>Tota</u> (3)	Embedded Cost Rates(c) (4) Sch. F-2 == Col. 7	Total Rate Base Related Cost of Debt and Preferred & Preference (5)
1)	Debt	46.93%		\$92,02	0 \$	43,188	4.87%	\$2,103
2)	Preferred	0.00%		\$92,02		0	0.00%	\$0
3)	Common Equity	53.07%		\$92,02	o	48,833_	0.00%	\$0
4)	Total	100.00%				92,020		\$2,103
				12 Months ender	12/31/201	14		
							Intrastate Adjusted	
5)	Income Available for						\$6,984	
6)	Less: Total Rate B Preferred (C		of D	ebt and			\$2,103	
7)	Income Available for		,				\$4,881	
8)	Debt Cost (Col 5., I	•					\$2,103	
9)	Less: Interest Exp	•	pute	State			2,103	
10)	Difference (Line 8 t	ess Line 9)					(0)	
11)	Times: Composite	State and Federa	Inc	ome Tax Rate			41.49%	
12)	Net Addition or (De	duction) (Line 10	k Lin	e 11)			(\$0)	
13)	Income Available fo	or Common Equity	, inc	luding Income			\$4,881	
	Tax Effect of using	Debt Cost (Line 7	plus	Line 12)				
14)	Return on Commor	Equity (Line 7/Line)	ıe 3,	Col. 3)			10.00%	
15)	Return on Commor	Equity, including	Inco	me Tax Effect			10.00%	

of using Debt Cost (Line 13/Line 3, Col. 3)

COMPANY NAME: UGI Utilities, Inc. - Electric Division (EDC) Calculation of Capital Structure and Related Ratios

as of 12/31/2014

	Total Company	
	Actual Amount	
	Outstanding	Ratios
	(1)	(2)
Total Debt	\$356,709	44.67%
(Sch. F-1., Col. 4)		
Total Preferred & Preference Stock	\$0	0.00%
Stock (Sch. F-1., Co., 4)		
Common Equity		
Common Stock	\$59,541	
Premium on Common Stock	(\$138,620)	
Capital Surplus	\$0	
Capital Stock	\$0	
Retained Earnings	\$520,855	
Other		
Total Common Equity	441,776	55.33%
Total Capital	\$798,484	100.00%

COMPANY NAME: UGI Utilities, Inc. - Electric Division (EDC) Calculation of Capital Structure and Related Ratios

as of 12/31/2016

(Thousands of Dollars)	
Total Company	
Actual Amount	
Outstanding	Ratios
(1)	(2)
\$900,000	46.93%
\$0	0.00%
\$60,259	
\$473,903	
\$0	
\$0	
\$483,474	
\$1,017,636	53.07%
\$1,917,636	100.00%
	Total Company Actual Amount Outstanding (1) \$900,000 \$0 \$60,259 \$473,903 \$0 \$0 \$0 \$483,474

COMPANY NAME:

UGI Utilities, Inc. - Electric Division (EDC)

Cost of Debt and Preferred Stock as Adjusted

as of 12/31/2014

Item/Description	Issue Date (1)	Maturity Date (2)	Interest Rate (3)	Outstanding Balance (4)	Effective Cost Rate (5)	Percent to Capital (6)	Weighted Cost Capital (7)	Percent to Debt (8)	Weighted Cost Debt (9)
Long Term Debt		2033 2043	6.50% 4.98%	10,160 88,900	6.54% 5.06%	1.27% 11.13%	0.08% 0.56%	2.85%	0.19%
		2043	7.37%	11,176	7.43%	1.40%	0.36%	24.92% 3.13%	1.26% 0.23%
		2015	5.16%	10,160	5.36%	1.27%	0.07%	2.85%	0,15%
		2017	6.17%	10,160	5.89%	1,27%	0.07%	2.85%	0.17%
		2017	7.25%	10,160	7.30%	1.27%	0.09%	2.85%	0.21%
		2015	5.64%	25,400	6.19%	3.18%	0.20%	7.12%	0.44%
		2034	6.13%	10,160	6.18%	1.27%	0.08%	2.85%	0.18%
		2016	5.75%	88,900	6.22%	11.13%	0.69%	24.92%	1.55%
		2036	6.21%	50,800	6.26%	6.36%	0.40%	14.24%	0.89%
		2018	5.67%	10,160	5.73%	1.27%	0.07%	2.85%	0.16%
Short Term Debt (If Applicable)									
			0.91%	30,573	1.40%	3.83%	0.05%	8.57%	0.12%
Total				356,709			2,48%		5.55%
Preferred Stock				-					
Total				356,709			2.48%		5.55%

COMPANY NAME:

UGI Utilities, Inc. - Electric Division (EDC)

Cost of Debt and Preferred Stock as Adjusted

as of 12/31/2016

Item/Description	Issue Dale (1)	Maturity Date (2)	Interest Rate (3)	Outstanding Balance (4)	Effective Cost Rate (5)	Percent to Capital (6)	Weighted Cost Capital (7)	Percent to Debt (8)	Weighted Cost Debt (9)
	2043	4,98%	175,000	5.06%	9.13%	0.46%	19,44%	0.98%	
	2015	7.37%	22,000	7.43%	1.15%	0.09%	2.44%	0.18%	
	2015	5.16%	20,000	5.36%	1.04%	0.06%	2.22%	0.12%	
	2017	5.10% 6.17%	20,000	5.89%	1.04%	0.06%	2.22%	0.12%	
	2017	7.25%	20,000	7,30%	1.04%	0.08%	2.22%	0.16%	
	2015	5.64%	50,000	6.19%	2.61%	0.16%	5.56%	0.34%	
	2034	6.13%	20,000	6.18%	1,04%	0.06%	2.22%	0.14%	
	2016	5.75%	175,000	6.22%	9.13%	0.57%	19.44%	1.21%	
	2036	6,21%	100,000	6.26%	5.21%	0.33%	11.11%	0.70%	
	2018	5.67%	20,000	5.73%	1.04%	0.06%	2.22%	0.13%	
	2010	5.00%	58,000	5.00%	3.02%	0.15%	6.44%	0.13%	
Short Term Debt (If Applicable)			5.00%	56,000	3,00%	3,02,76	0.1374	0.4476	0.3276
, ,			0.91%	200,000	1,40%	10.43%	0.15%	22.22%	0.31%
Total				900,000			2.29%		4.87%
Preferred Stock									
Total				000,000			2.29%		4.87%

From: (610) 796-3401 Ronda Sekela UGI Utilities, Inc. 2525 N. 12th Street Suite 360 Reading, PA 19805

Origin ID: RDGA



Ship Date: 07APR15 ActWgt: 0.5 LB CAD: 105240455/(NET3610

Delivery Address Bar Code

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

HARRISBURG, PA 17120

Ref #

UGI Electric - LED Lighting

Invoice# PO# Dept#

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7733 1167 8633

EN MDTA

17120 PA-US MDT



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