

# NOTICE OF PROPOSED RATE CHANGES

## To Our Customers:

UGI Utilities, Inc. - Gas Division (UGI) has announced that its purchased gas cost rate will not change on June 1, 2023.

In addition, UGI is filing its annual request with the Pennsylvania Public Utility Commission (PUC) to establish your purchased gas cost rate as of December 1, 2023. As a result, the total bill for the typical residential heating, commercial heating, and industrial retail customer is projected to decrease 12.3%, 15.1%, and 15.9%, respectively, on December 1. For those commercial and industrial customers in the former North rate district, the bill is projected to decrease 15.2% and 16.1%, respectively.

A purchased gas cost rate is designed to recover the costs of natural gas which the Company purchases from the wholesale supply market. The rate that is determined in the annual purchased gas cost case will be recalculated to reflect actual gas costs on a quarterly basis, and may be subject to change if the recalculated rate differs from the rate that is established in this case by more than two percent.

Your bill based on the December 1, 2023 rate requested by UGI may vary based on your usage and rate schedule. The proposed December 1, 2023 rates would result in a bill for a typical residential retail heating customer using 73.1 hundred cubic feet (ccf) per month of \$100.07 per month. The bill for a typical commercial heating customer using 28.77 thousand cubic feet (Mcf) per month would be \$306.53 per month (and \$303.24 per month for customers in the former North rate district). The bill for a typical industrial retail customer using 92.39 Mcf per month would be \$922.48 per month (and \$911.92 per month for customers in the former North rate district).

Customers who purchase their natural gas from a PUC-licensed Natural Gas Supplier ("NGS") may be affected by this proceeding.

You may examine a copy of the information filed with the Commission in support of its proposed purchased gas cost rates in the Company's offices. To find out your customer class or how the requested rates may affect your bill you may contact the Company at 1-800-276-2722.

The proposed rates are subject to examination by the PUC which shall schedule hearings to determine the proper rate level to be charged. The Company will have the burden to prove that the proposed rates are reasonable. After examining the evidence, the PUC may grant all, some, or none of the request.

You can challenge the Company's request by (1) filing a formal complaint, (2) sending a letter to the PUC or (3) testifying at a public input hearing. If you want a hearing before a judge, you must file a formal complaint. By filing a formal complaint, you assure yourself the opportunity to take part in hearings about the rate request. Public input hearings may be scheduled by the Commission if a large number of customers express interest in the case. At these hearings, you will have the opportunity to present your views in person to the presiding PUC judge and Company representatives. All testimony given "under oath" becomes part of the official record. These hearings will either be held in the service area of the Company or as technology-enabled smart hearings.

Letters or requests for a formal complaint form should be addressed to the Pennsylvania Public Utility Commission, Post Office Box 3265, Harrisburg, PA 17105-3265. Your letter or formal complaint can be filed electronically with the PUC. Information regarding electronic filing is available at <https://efiling.puc.pa.gov/>.

For more information, call the PUC at 1-800-692-7380. You may leave your name and address so you can be notified of any public input hearings that may be scheduled in this case.

