

NOTICE OF PROPOSED RATE CHANGE

To Our Customers:

UGI Utilities – Gas Division (UGI or company) is filing a request with the Pennsylvania Public Utility Commission (PUC) to increase your natural gas rates as of March 29, 2026. This notice describes the company's rate request, the PUC's role, and what actions you can take.

UGI Utilities – Gas Division has requested an overall rate increase of \$99.4 million per year. This filing also includes a request for approval of a modification and extension of UGI's existing alternative rate mechanism in accordance with 66 Pa. C.S. § 1330: a Weather Normalization Adjustment pilot mechanism, that would be effective with the November 2027 billing cycle.

If the company's entire request is approved, the total bill for a typical residential heating customer using 68.7 ccf per month would increase from \$113.64 to \$123.55 per month or by 8.7%.

The total bill for a typical commercial heating customer using 26.8 mcf per month would increase from \$336.74 to \$358.17 per month or by 6.4%.

The total bill for a typical industrial customer using 54.6 mcf per month would increase from \$647.57 to \$688.65 per month or by 6.3%.

To find out your customer class or how the requested increase may affect your gas bill, contact UGI Utilities – Gas Division at: 1-800-276-2722. The rates requested by the company may be found in proposed Supplement No. 63 to UGI Gas Tariff Numbers 7 & 7S. You may examine the material filed with the PUC which explains the requested increase and the reasons for it. A copy of this material is kept at UGI's office. Upon request, the company will send you the Statement of Reasons for proposed Supplement No. 63 to UGI Gas Tariff Numbers 7 & 7S, explaining why the rate increase has been requested.

The state agency which approves rates for public utilities is the PUC. The PUC will examine the requested rate increase and can prevent existing rates from changing until it investigates and/or holds hearings on the request. The company must prove that the requested rates are reasonable. After examining the evidence, the PUC may grant all, some, or none of the request or may reduce existing rates.

The PUC may change the amount of the rate increase requested by the utility for each customer class. As a result, the rate charged to you may be different than the rate requested by the company and shown above.

There are ways to challenge a company's request to change its rates:

1. You can file a formal complaint. 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 increase request. All complaints should be filed with the PUC before March 29, 2026. If no formal complaints are filed, the Commission may grant all, some, or none of the request without holding a hearing before a judge. You can send the PUC a letter telling them why you object to the requested rate increase. Sometimes there is information in these letters that makes us aware of problems with the company's service or management. This information can be helpful when we investigate the rate request. Send your letter or request for a formal complaint form to The Pennsylvania Public Utility Commission, Post Office Box 3265, Harrisburg, PA 17105-3265. Forms may also be downloaded at: <https://www.puc.pa.gov/filing-resources/forms/complaint-forms/>

2. You can be a witness at a public input hearing. Public input hearings are held if the Commission opens an investigation of the company's rate increase requested and if there is a large number of customers interested in the case. At these hearings you have the opportunity to present your views in person to the PUC judge hearing the case and the company representatives. All testimony given "under oath" becomes part of the official rate case record. These hearings are held in the service area of the company.

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.