

NOTICE OF PROPOSED RATE CHANGE

To Our Customers:

UGI Utilities, Inc. - Gas Division (UGI) has announced that its purchased gas cost rate will not change on June 1, 2026.

In addition, UGI has filed a request with the Pennsylvania Public Utility Commission (PUC) to increase purchased gas cost rates for those customers who purchase their natural gas supply from the company as of December 1, 2026. This notice describes the company's rate request, the PUC's role, and what actions you can take.

A purchased gas cost rate is designed to recover the costs of natural gas supplies which the company purchases from the wholesale supply market on behalf of those customers who purchase supply from the company. UGI passes the cost of these activities on to the customer at the price UGI pays. 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 currently in effect by more than two percent.

If the company's entire request is approved, the total bill for a residential customer using 68.7 hundred cubic feet (ccf), and purchasing supply from UGI, would increase from \$118.53 to \$120.99 per month or by 2.1%. The total bill for a commercial customer using 26.8 thousand cubic feet (Mcf), and purchasing supply from UGI, would increase from \$354.51 to \$363.93 per month or by 2.7%. The total bill for an industrial customer using 54.6 thousand cubic feet (Mcf), and purchasing supply from UGI, would increase from \$683.84 to \$703.01 per month or by 2.8%.

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

To find out how the requested rates may affect your bill you may contact the Company at 1-800-276-2722. 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.

The state agency which approves rates for public utilities is the PUC. 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.

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 as soon as possible.

2. You can send the PUC a letter telling why you object to the requested rate increase. Sometimes there is information in these letters that makes the Commission aware of problems with the company's service or management. This information can be helpful when the PUC investigates 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/>

3. You can be a witness at a public input hearing. Public input hearings may be held 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 case record. These hearings are held in the service area of the company or as technology-enabled smart hearings.

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.

