

ATTACHMENT H-8C

UGI Utilities, Inc.

Formula Rate -- Appendix A

Notes

FERC Form 1-F Page #
Instruction

or

2010

Allocators

Wages & Salary Allocation Factor			
1	Transmission Wages Expense		Company Records 945,795
2	Total Wages Expense		Company Records 5,958,247
3	Less A&G Wages Expense		Company Records 1,179,593
4	Total		(Line 2 - 3) 4,778,653
5	Wages & Salary Allocator		(Line 1 / 4) 19.7921%
Plant Allocation Factors			
6	Electric Plant in Service	(Note B)	p207.104.g 136,694,154
7	Common Plant In Service - Electric		(Line 24) 4,600,509
8	Total Plant In Service		(Sum Lines 6 & 7) 141,294,663
9	Accumulated Depreciation (Total Electric Plant)		p219.19.c 58,214,032
10	Accumulated Intangible Amortization	(Note A)	p200.21.c 1,569,710
11	Accumulated Common Amortization - Electric	(Note A)	Company Records 0
12	Accumulated Common Plant Depreciation - Electric	(Note A)	Company Records 2,690,920
13	Total Accumulated Depreciation		(Sum Lines 9 to 12) 62,474,662
14	Net Plant		(Line 8 - Line 13) 78,820,001
15	Transmission Gross Plant		(Line 29 - Line 28) 35,389,076
16	Gross Plant Allocator		(Line 15 / Line 8) 25.0463%
17	Transmission Net Plant		(Line 39 - Line 28) 21,114,985
18	Net Plant Allocator		(Line 17 / Line 14) 26.7889%

Plant Calculations

Plant In Service			
19	Transmission Plant In Service	(Note B)	p207.58.g 29,805,459
20	For Reconciliation only - remove New Transmission Plant Additions for Current Calendar Year	For Reconciliation Only	Attachment 6
21	New Transmission Plant Additions for Current Calendar Year (weighted by months in service)		Attachment 6 3,948,754
22	Total Transmission Plant In Service		(Line 19 - Line 20 + Line 21) 33,754,213
23	General & Intangible		p205.5.g & p207.99.g 3,659,676
24	Common Plant (Electric Only)	(Notes A & B)	Attachment 5 4,600,509
25	Total General & Common		(Line 23 + Line 24) 8,260,185
26	Wage & Salary Allocation Factor		(Line 5) 19.79208%
27	General & Common Plant Allocated to Transmission		(Line 25 * Line 26) 1,634,862
28	Plant Held for Future Use (Including Land)	(Note C)	Attachment 5 0
29	TOTAL Plant In Service		(Line 22 + Line 27 + Line 28) 35,389,076
Accumulated Depreciation			
30	Transmission Accumulated Depreciation	(Note C)	Attachment 5 13,043,612
31	Accumulated General Depreciation		Attachment 5 1,956,397
32	Accumulated Intangible Amortization		(Line 10) 1,569,710
33	Accumulated Common Amortization - Electric		(Line 11) 0
34	Common Plant Accumulated Depreciation (Electric Only)		(Line 12) 2,690,920
35	Total Accumulated Depreciation		(Sum Lines 31 to 34) 6,217,027
36	Wage & Salary Allocation Factor		(Line 5) 19.79208%
37	General & Common Allocated to Transmission		(Line 35 * Line 36) 1,230,479
38	TOTAL Accumulated Depreciation		(Line 30 + Line 37) 14,274,090
39	TOTAL Net Property, Plant & Equipment		(Line 29 - Line 38) 21,114,985

Adjustment To Rate Base

Accumulated Deferred Income Taxes				
40	ADIT net of FASB 106 and 109		Attachment 1	-4,243,155
41	Accumulated Investment Tax Credit Account No. 255	(Notes A & I)	Attachment 5	0
42	Net Plant Allocation Factor		(Line 18)	26.79%
43	Accumulated Deferred Income Taxes Allocated To Transmission		(Line 41 * Line 42) + Line 40	-4,243,155
Prepayments				
44	Prepayments (Account 165)	(Note A)	Attachment 5	31,236
45	Net Plant Allocation Factor		(Line 18)	26.7889%
46	Total Prepayments Allocated to Transmission		(Line 44 * Line 45)	8,368
Materials and Supplies				
47	Undistributed Stores Exp	(Note A)	Attachment 5	129,578
48	Wage & Salary Allocation Factor		(Line 5)	19.79%
49	Total Transmission Allocated		(Line 47 * Line 48)	25,646
50	Transmission Materials & Supplies		Attachment 5	214,768
51	Total Materials & Supplies Allocated to Transmission		(Line 49 + Line 50)	240,414
Cash Working Capital				
52	Operation & Maintenance Expense		(Line 84)	3,277,571
53	1/8th Rule		x 1/8	12.5%
54	Total Cash Working Capital Allocated to Transmission		(Line 52 * Line 53)	409,696
Network Credits				
55	Outstanding Network Credits	(Note N)	From PJM	0
56	Less Accumulated Depreciation Associated with Facilities with Outstanding Network Credits	(Note N)	From PJM	0
57	Net Outstanding Credits		(Line 55 - Line 56)	0
58	TOTAL Adjustment to Rate Base		(Lines 43 + 46 + 51 + 54 - 57)	-3,584,677
59	Rate Base		(Line 39 + Line 58)	17,530,308

O&M

Transmission O&M				
60	Transmission O&M		p321.112.b	5,726,687
61	Less extraordinary property loss		Attachment 5	
62	Plus amortized extraordinary property loss		Attachment 5	
63	Less Account 565 and other excluded transmission expenses		Attachment 5	3,737,265
64	Plus Schedule 12 Charges billed to Transmission Owner and booked to Account 565	(Note O)	PJM Data	0
65	Plus Transmission Lease Payments	(Note A)	Attachment 5	0
66	Transmission O&M		(Lines 60 - 61 + 62 - 63 + 64 + 65)	1,989,422
Allocated General & Common Expenses				
67	Common Plant O&M	(Note A)	Attachment 5	0
68	Total A&G		p323.197.b	6,505,270
69	Less Property Insurance Account 924		p323.185b	23,137
70	Less Regulatory Commission Exp Account 928	(Note E)	Attachment 5	0
71	Less General Advertising Exp Account 930.1		Attachment 5	5,041
72	Less EPRI Dues	(Note D)	Attachment 5	0
73	General & Common Expenses		(Lines 67 + 68 - Sum (69 to 72))	6,477,092
74	Wage & Salary Allocation Factor		(Line 5)	19.7921%
75	General & Common Expenses Allocated to Transmission		(Line 73 * Line 74)	1,281,951
Directly Assigned A&G				
76	Regulatory Commission Exp Account 928	(Note G)	Attachment 5	0
77	General Advertising Exp Account 930.1	(Note K)	Attachment 5	0
78	Subtotal - Transmission Related		(Line 76 + Line 77)	0
79	Property Insurance Account 924		(Line 69)	23,137
80	General Advertising Exp Account 930.1	(Note F)	Attachment 5	0
81	Total		(Line 79 + Line 80)	23,137
82	Net Plant Allocation Factor		(Line 18)	26.79%
83	A&G Directly Assigned to Transmission		(Line 81 * Line 82)	6,198
84	Total Transmission O&M		(Lines 66 + 75 + 78 + 83)	3,277,571

Depreciation & Amortization Expense

Depreciation Expense				
85	Transmission Depreciation Expense		Attachment 5	506,460
86	General Depreciation		Attachment 5	280,814
87	Intangible Amortization	(Note A)	Attachment 5	0
88	Total		(Line 86 + Line 87)	280,814
89	Wage & Salary Allocation Factor		(Line 5)	19.7921%
90	General Depreciation Allocated to Transmission		(Line 88 * Line 89)	55,579
91	Common Depreciation - Electric Only	(Note A)	Attachment 5	441,324
92	Common Amortization - Electric Only	(Note A)	Attachment 5	0
93	Total		(Line 91 + Line 92)	441,324
94	Wage & Salary Allocation Factor		(Line 5)	19.7921%
95	Common Depreciation - Electric Only Allocated to Transmission		(Line 93 * Line 94)	87,347
96	Total Transmission Depreciation & Amortization		(Line 85 + Line 90 + Line 95)	649,386

Taxes Other than Income

97	Taxes Other than Income		Attachment 2	181,778
98	Total Taxes Other than Income		(Line 97)	181,778

Return / Capitalization Calculations

Long Term Interest				
99	Long Term Interest		p117.62.c through 67.c	35,003,348
100	Less LTD Interest on Securitization Bonds	(Note P)	Attachment 8	0
101	Long Term Interest		(Line 99 - Line 100)	35,003,348
102	Preferred Dividends	enter positive	p118.29.c	0
Common Stock				
103	Proprietary Capital		p112.16.c	767,583,837
104	Less Preferred Stock	enter negative	(Line 113)	0
105	Less Account 216.1	enter negative	p112.12.c	-163,359,468
106	Common Stock		(Sum Lines 103 to 105)	604,224,369
Capitalization				
107	Long Term Debt		p112.18.c through 21.c	640,000,000
108	Less Loss on Reacquired Debt	enter negative	p111.81.c	-394,429
109	Plus Gain on Reacquired Debt	enter positive	p113.61.c	0
110	Less ADIT associated with Gain or Loss	enter negative	Attachment 1	0
111	Less LTD on Securitization Bonds	(Note P)	Attachment 8	0
112	Total Long Term Debt		(Sum Lines 107 to 111)	639,605,571
113	Preferred Stock		p112.3.c	0
114	Common Stock		(Line 106)	604,224,369
115	Total Capitalization		(Sum Lines 112 to 114)	1,243,829,940
116	Debt %	Total Long Term Debt	(Line 112 / Line 115)	51.4%
117	Preferred %	Preferred Stock	(Line 113 / Line 115)	0.0%
118	Common %	Common Stock	(Line 114 / Line 115)	48.6%
119	Debt Cost	Total Long Term Debt	(Line 101 / Line 112)	0.0547
120	Preferred Cost	Preferred Stock	(Line 102 / Line 113)	0.0000
121	Common Cost	Common Stock	(Note J) Fixed	0.1130
122	Weighted Cost of Debt	Total Long Term Debt (WCLTD)	(Line 116 * Line 119)	0.0281
123	Weighted Cost of Preferred	Preferred Stock	(Line 117 * Line 120)	0.0000
124	Weighted Cost of Common	Common Stock	(Line 118 * Line 121)	0.0549
125	Total Return (R)		(Sum Lines 122 to 124)	0.0830
126	Investment Return = Rate Base * Rate of Return		(Line 59 * Line 125)	1,455,619

Composite Income Taxes

Income Tax Rates			
127	FIT=Federal Income Tax Rate		FIT for Year 35.00%
128	SIT=State Income Tax Rate or Composite	(Note I)	SIT for Year 9.99%
129	p	(percent of federal income tax deductible for state purposes)	0.00%
130	T	$T = 1 - \frac{((1 - SIT) * (1 - FIT))}{(1 - SIT * FIT * p)}$	41.49%
131	T/(1-T)		70.92%
ITC Adjustment			
132	Amortized Investment Tax Credit	(Note I) enter negative	p115.19.g -38,460
133	1/(1-T)		1 / (1-Line 130) 170.92%
134	Net Plant Allocation Factor		(Line 18) 26.7889%
135	ITC Adjustment Allocated to Transmission		(Line 132 * Line 133 * Line 134) -17,610
136	Income Tax Component =		$CIT = (T/1-T) * Investment\ Return * (1 - (WCLTC[Line\ 131 * 126 * (1 - (122 / 125))])$ 682,466
137	Total Income Taxes		(Line 135 + Line 136) 664,856

REVENUE REQUIREMENT

Summary			
138	Net Property, Plant & Equipment		(Line 39) 21,114,985
139	Adjustment to Rate Base		(Line 58) -3,584,677
140	Rate Base		(Line 59) 17,530,308
141	O&M		(Line 84) 3,277,571
142	Depreciation & Amortization		(Line 96) 649,386
143	Taxes Other than Income		(Line 98) 181,778
144	Investment Return		(Line 126) 1,455,619
145	Income Taxes		(Line 137) 664,856
146	Gross Revenue Requirement		(Sum Lines 141 to 145) 6,229,210
Adjustment to Remove Revenue Requirements Associated with Excluded Transmission Facilities			
147	Transmission Plant In Service		(Line 19) 29,805,459
148	Excluded Transmission Facilities	(Note M)	Attachment 5 6,428,409
149	Included Transmission Facilities		(Line 147 - Line 148) 23,377,050
150	Inclusion Ratio		(Line 149 / Line 147) 78.43%
151	Gross Revenue Requirement		(Line 146) 6,229,210
152	Adjusted Gross Revenue Requirement		(Line 150 x Line 151) 4,885,701
Revenue Credits & Interest on Network Credits			
153	Revenue Credits		Attachment 3 104,977
154	Interest on Network Credits	(Note N)	PJM Data 0
155	Net Revenue Requirement		(Line 152 - Line 153 + Line 154) 4,780,724
Net Plant Carrying Charge without ROE Increment			
156	Gross Revenue Requirement		(Line 146) 6,229,210
157	Net Transmission Plant		(Line 19 - Line 30) 16,761,847
158	Net Plant Carrying Charge		(Line 156 / Line 157) 37.1630%
159	Net Plant Carrying Charge without Depreciation		(Line 156 - Line 85) / Line 157 34.1415%
160	Net Plant Carrying Charge without Depreciation, Return, nor Income Taxes		(Lines 156 - 85 - 126 - 137) / Line 157 21.4909%
Net Plant Carrying Charge with 100 Basis Point ROE Increment			
161	Gross Revenue Requirement Less Return and Taxes		(Line 146 - Line 144 - Line 145) 4,108,735
162	Increased Return and Taxes		Attachment 4 2,269,111
163	Net Revenue Requirement per 100 Basis Point increase in ROE		(Line 161 + Line 162) 6,377,846
164	Net Transmission Plant		(Line 19 - Line 30) 16,761,847
165	Net Plant Carrying Charge per 100 Basis Point increase in ROE		(Line 163 / Line 164) 38.0498%
166	Net Plant Carrying Charge per 100 Basis Point in ROE without Depreciation		(Line 162 - Line 85) / Line 164 35.0283%
167	Net Revenue Requirement		(Line 155) 4,780,724
168	Reconciliation Amount		Attachment 6 (198,440)
169	Plus any increased ROE calculated on Attachment 7 other than PJM Sch. 12 projects		Attachment 7 -
170	Facility Credits under Section 30.9 of the PJM OATT		Attachment 5 -
171	Net Zonal Revenue Requirement		(Sum Lines 167 to 170) 4,582,284
Network Zonal Service Rate			
172	1 CP Peak	(Note L)	PJM Data N/A
173	Rate (\$/MW-Year)	(Note L)	(Line 171 / Line 172) N/A
174	Network Service Rate (\$/MW/Year)	(Note L)	(Line 173) N/A

Notes

- A Electric portion only
- B Exclude Construction Work In Progress and leases that are expensed as O&M (rather than amortized). New Transmission plant included in the PJM Regional Transmission Expansion Plan which is expected to be placed in service in the current calendar year weighted by number of months it is expected to be in-service. For the true-up, new transmission plant which was included in the PJM RTEP actually placed in service weighted by the number of months it was actually in service
- C Transmission Portion Only
- D EPRI Annual Membership Dues
- E All Regulatory Commission Expenses
- F Safety related advertising included in Account 930.1
- G Regulatory Commission Expenses directly related to transmission service, RTO filings, or transmission siting itemized at 351.h.
- I The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and $p =$ "the percentage of federal income tax deductible for state income taxes". If the utility is taxed in more than one state it must attach a work paper showing the name of each state and how the blended or composite SIT was developed. Furthermore, a utility that elected to utilize amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce rate base, must reduce its income tax expense by the amount of the Amortized Investment Tax Credit (Form 1, 266.8.f) multiplied by $(1/1-T)$. A utility must not include tax credits as a reduction to rate base and as an amortization against taxable income.
- J ROE will be supported in the original filing and no change in ROE may be made absent a filing with FERC.
- K Education and outreach expenses relating to transmission, for example siting or billing
- L The Network Zonal Rate is calculated by PJM Interconnection for the PPL Group Zone.
- M Amount of transmission plant excluded from rates, includes investment in generation step-up transformers to the extent included in Plant in Service.
- N Outstanding Network Credits is the balance of Network Facilities Upgrades Credits due Transmission Customers who have made lump-sum payments (net of accumulated depreciation) towards the construction of Network Transmission Facilities consistent with Paragraph 657 of Order 2003-A. Interest on the Network Credits as booked each year is added to the revenue requirement to make the Transmission Owner whole on Line 154.
- O Payments made under Schedule 12 of the PJM OATT are excluded in Transmission O&M on line 64 since they are already assessed under Schedule 12
- P Securitization bonds may be included in the capital structure.

END

UGI Utilities, Inc.

Attachment 1 - Accumulated Deferred Income Taxes (ADIT) Worksheet

Page 1 of 2

	Only Transmission Related	Plant Related	Labor Related	Total ADIT
1 ADIT- 282	0	(16,743,272)	0	
2 ADIT-283	0	0	553,952	
3 ADIT-190	(109,283)	7,081	(261,291)	
4 Subtotal	(109,283)	(16,736,191)	292,661	
5 Wages & Salary Allocator			19.7921%	
6 Gross Plant Allocator		25.0463%		
7 ADIT	(109,283)	(4,191,795)	57,924	(4,243,155)

	Gas, Prod Or Other Related	Only Transmission Related	Plant Related	Labor Related
17 ADIT-190				
21 RESERVE FOR BAD DEBT - FIT	321,435			
22 RESERVE FOR BAD DEBT - STATE	101,931			
23 FIXED TRANSMISSION RIGHTS (FTR) - FIT		(82,972)		
24 FIXED TRANSMISSION RIGHTS (FTR) - STATE		(26,311)		
25 FV DERIVATIVES - GAS FUTURES - FIT	(2,893)			
26 FV DERIVATIVES - GAS FUTURES - STATE	(917)			
27 INJURIES & DAMAGES - FIT				-
28 INJURIES & DAMAGES - STATE				-
29 SFAS 112 WORKERS COMPENSATION/LTD CURRENT - FIT				-
30 SFAS 112 WORKERS COMPENSATION/LTD CURRENT - STATE				-
31 SFAS 112 LTD/STD (NON CURRENT) - FIT				-
32 SFAS 112 LTD/STD (NON CURRENT) - STATE				-
33 SFAS 106 POST RETIREMENT BENEFIT (NON CURRENT) - FIT				-
34 SFAS 106 POST RETIREMENT BENEFIT (NON CURRENT) - STATE				-
35 SFAS 106 POST RETIREMENT BENEFIT (CURRENT) - FIT				-
36 SFAS 106 POST RETIREMENT BENEFIT (CURRENT) - STATE				-
37 PREPAID RETIREMENT INCOME COSTS (PRE-SFAS 158) - FIT				(310,142)
38 PREPAID RETIREMENT INCOME COSTS (PRE-SFAS 158) - STATE				(80,841)
39 EXEC RETIREMENT PLAN - FIT				-
40 EXEC RETIREMENT PLAN - STATE				-
41 ANNUAL BONUS PLAN - FIT				-
42 ANNUAL BONUS PLAN - STATE				-
43 RESTRICTED STOCK AWARDS - FIT				-
44 RESTRICTED STOCK AWARDS - STATE				-
45 VACATION ACCRUAL - FIT				129,430
46 VACATION ACCRUAL - STATE				41,043
47 TAX CUSHION - FIT	14,242			
48 TAX CUSHION - STATE	-			
49 VEBA - FIT				(30,242)
50 VEBA - STATE				(10,540)
51 FAS 143 ASSET RETIREMENT OBLIG - FIT			5,376	
52 FAS 143 ASSET RETIREMENT OBLIG - STATE			1,705	
53 CIAC RECEIPTS - NET REFUNDS - FIT	193,815			
54 CIAC RECEIPTS - NET REFUNDS - STATE	63,743			
55 IRPA - FIT	74,347			
56 IRPA - STATE	(346,147)			
57 FAS 158 - FIT				5,801,316
58 FAS 158 - STATE				1,839,641
59 MARK TO MARKET ENERGY PURCHASES- ST - FIT	1,855,508			
60 MARK TO MARKET ENERGY PURCHASES- ST - STATE	588,396			
61 NET OPERATING LOSS - FIT	(32,844)			
62 NET OPERATING LOSS - STATE	93,842			
63 UNDER/OVER RECOVERED BILLED ENERGY COSTS - FIT	(2,209,893)			
64 UNDER/OVER RECOVERED BILLED ENERGY COSTS - STATE	(700,774)			
65 UNDER/OVER RECOVERED UNBILLED ENERGY COSTS - FIT	1,102,449			
66 UNDER/OVER RECOVERED UNBILLED ENERGY COSTS - STATE	349,595			
67 Subtotal - p234	1,465,834	(109,283)	7,081	7,379,665
68 Less FASB 109 Above				
69 Less FASB 106 Above				7,640,957
70 Total	1,465,834	(109,283)	7,081	(261,291)

- 71
- 72 Instructions for Account 190:
- 73 1. ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column A
- 74 2. ADIT items related only to Transmission are directly assigned to Column B
- 75 3. ADIT items related Plant and not in Columns A & B are directly assigned to Column C
- 76 4. ADIT items related to labor and not in Columns A & B are directly assigned to Column D
- 77
- 78 5. Since deferred income taxes arise when items are included in taxable income in different periods than they are included in rates - therefore, if the item giving rise to the
- 79 ADIT is not included in the formula, the associated ADIT amount shall be excluded
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ADIT- 282

	(A) Gas, Prod Or Other Related	(B) Only Transmission Related	(C) Plant Related	(D) Labor Related
SFAS 109 RECOVERABLE UTILITY COSTS - FIT	(1,867,952)			
SFAS 109 RECOVERABLE UTILITY COSTS - STATE	(5,793,013)			
LIB. TAX DEPRECIATION ADR - FIT			514,772	
LIB. TAX DEPRECIATION ADR - STATE			191,352	
LIB. TAX DEPRECIATION - FIT - ACRS/MACRS			(17,449,397)	
LIB. TAX DEPRECIATION - STATE - ACRS/MACRS			-	
Subtotal - p275 (Form 1-F filer: see note 6 below)	(7,660,966)	0	(16,743,272)	0
Less FASB 109 Above	(7,660,966)			
Less FASB 106 Above			0	
Total	0	0	(16,743,272)	0

Instructions for Account 282:

- ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column A
- ADIT items related only to Transmission are directly assigned to Column B
- ADIT items related Plant and not in Columns A & B are directly assigned to Column C
- ADIT items related to labor and not in Columns A & B are directly assigned to Column D
- Since deferred income taxes arise when items are included in taxable income in different periods than they are included in rates - therefore, if the item giving rise to the ADIT is not included in the formula, the associated ADIT amount shall be excluded
- Re: Form 1-F filer: Sum of subtotals for Accounts 282 and 283 should tie to Form No. 1-F, p.113.57.c

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ADIT-283

	Gas, Prod Or Other Related	Only Transmission Related	Plant Related	Labor Related
LOSS OF REACQUIRED DEBT - FIT	(22,367)			
LOSS OF REACQUIRED DEBT - STATE	(7,093)			
HEDGE EFFECTS ON PURCHASES - FIT	-			
HEDGE EFFECTS ON PURCHASES - STATE	-			
SFAS 112 WORKERS COMPENSATION/LTD CURRENT - FIT				117,922
SFAS 112 WORKERS COMPENSATION/LTD CURRENT - STATE				37,394
SFAS 112 LTD/STD (NON CURRENT) - FIT				62,943
SFAS 112 LTD/STD (NON CURRENT) - STATE				19,960
SFAS 106 POST RETIREMENT BENEFIT (NON CURRENT) - FIT				1,342,544
SFAS 106 POST RETIREMENT BENEFIT (NON CURRENT) - STATE				425,543
SFAS 106 POST RETIREMENT BENEFIT (CURRENT) - FIT				(114,444)
SFAS 106 POST RETIREMENT BENEFIT (CURRENT) - STATE				(36,291)
EXEC RETIREMENT PLAN - FIT				169,032
EXEC RETIREMENT PLAN - STATE				53,601
ANNUAL BONUS PLAN - FIT				5,408
ANNUAL BONUS PLAN - STATE				1,715
RESTRICTED STOCK AWARDS - FIT				65,278
RESTRICTED STOCK AWARDS - STATE				20,700
CAP PROGRAM OVER/UNDER - FIT	127,787			
CAP PROGRAM OVER/UNDER - STATE	40,522			
REGULATORY ASSET - PENSION - FIT	(4,482,253)			
REGULATORY ASSET - PENSION - FIT	(1,421,357)			
Subtotal - p277 (Form 1-F filer: see note 6, below)	(5,764,760)	-	-	2,171,304
Less FASB 109 Above				
Less FASB 106 Above				1,617,352
Total	(5,764,760)	-	-	553,952

Instructions for Account 283:

- ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column A
- ADIT items related only to Transmission are directly assigned to Column B
- ADIT items related Plant and not in Columns A & B are directly assigned to Column C
- ADIT items related to labor and not in Columns A & B are directly assigned to Column D
- Since deferred income taxes arise when items are included in taxable income in different periods than they are included in rates - therefore, if the item giving rise to the ADIT is not included in the formula, the associated ADIT amount shall be excluded
- Re: Form 1-F filer: Sum of subtotals for Accounts 282 and 283 should tie to Form No. 1-F, p.113.57.c

UGI Utilities, Inc.

Attachment 2 - Taxes Other Than Income Worksheet

Other Taxes	Source: Company Records	Allocator	Allocated Amount
Plant Related			
	Gross Plant Allocator		
1 Real property (State, Municipal or Local)	81,273		
2 Personal property			
3 Capital Stock Tax	143,822		
4 Gross Premium (insurance) Tax			
5 PURTA	133,156		
6 Corp License			
7			
8			
9 Total Plant Related	358,251	25.0463%	89,729
10			
11			
12 Labor Related	Wages & Salary Allocator		
13			
14			
15 Federal FICA & Unemployment	452,725		
16 Unemployment	12,356		
17			
18			
19			
20 Total Labor Related	465,081	19.7921%	92,049
21			
22			
23 Other Included	Gross Plant Allocator		
24			
25 Miscellaneous			
26			
27			
28			
29 Total Other Included	0	25.0463%	0
30			
31 Total Included	Sum lines 9+20+29	823,331	181,778
32			
33			
34 Currently Excluded			
35			
36 Gross Receipts	6,386,679		
37 Utility Regulatory Assessment	214,074		
38			
39			
40			
41 Total Excluded	<u>6,600,753</u>		
42			
43 Grand Total = Included + Excluded (line 31 + 41)	<u><u>7,424,084</u></u>		
44			
45 Total "Taxes Other Than Income Taxes" Acct. 408.1 (p115.14.g)	7,424,084		
46			
47 Difference	-		

UGI Utilities, Inc.

Attachment 3 - Revenue Credit Workpaper

Account 454 - Rent from Electric Property		
1	Rent from Electric Property - Transmission Related (Note 3)	45,376
2	Total Rent Revenues (Line 1)	45,376
 Account 456 - Other Electric Revenues (Note 1)		
3	Schedule 1A	
4	Net revenues associated with Network Integration Transmission Service (NITS) for which the load is not included in the divisor (difference between NITS credits from PJM and PJM NITS charges paid by Transmission Owner) (Note 4)	-
5	Point to Point Service revenues received by the Transmission Owner for which the load is not included in the divisor	82,290
6	PJM Transitional Revenue Neutrality (Note 1)	
7	PJM Transitional Market Expansion (Note 1)	
8	Professional Services (Note 3)	
9	Revenues from Directly Assigned Transmission Facility Charges (Note 2)	
10	Rent or Attachment Fees associated with Transmission Facilities (Note 3)	
11	Gross Revenue Credits (Sum Lines 2 through 10)	127,665
12	Line 17g	22,688
13	Total Revenue Credits (Line 11 - Line 12)	104,977
 Revenue Adjustment to determine Revenue Credit		
14	Note 1: All revenues related to transmission that are received as a transmission owner (i.e., not received as a LSE), for which the cost of the service is recovered under this formula, except as specifically provided for elsewhere in this Attachment or elsewhere in the formula will be included as a revenue credit or the associated load will be included in the peak on line 173 of Appendix A.	
15	Note 2: If the costs associated with the Directly Assigned Transmission Facility Charges are included in the Rates, the associated revenues are included in the Rates. If the costs associated with the Directly Assigned Transmission Facility Charges are not included in the Rates, the associated revenues are not included in the Rates.	
16	Note 3: Ratemaking treatment for the following specified secondary uses of transmission assets: (1) right-of-way leases and leases for space on transmission facilities for telecommunications; (2) transmission tower licenses for wireless antennas; (3) right-of-way property leases for farming, grazing or nurseries; (4) licenses of intellectual property (including a portable oil degasification process and scheduling software); and (5) transmission maintenance and consulting services (including energized circuit maintenance, high-voltage substation maintenance, safety training, transformer oil testing, and circuit breaker testing) to other utilities and large customers (collectively, products). Company will retain 50% of net revenues consistent with Pacific Gas and Electric Company, 90 FERC ¶ 61,314. Note: in order to use lines 17a - 17g, the utility must track in separate subaccounts the revenues and costs associated with each secondary use (except for the cost of the associated income taxes).	
17a	Revenues included in lines 1-11 which are subject to 50/50 sharing.	45,376
17b	Costs associated with revenues in line 17a	
17c	Net Revenues (17a - 17b)	45,376
17d	50% Share of Net Revenues (17c / 2)	22,688
17e	Costs associated with revenues in line 17a that are included in FERC accounts recovered through the formula times the allocator used to functionalize the amounts in the FERC account to the transmission service at issue.	
17f	Net Revenue Credit (17d + 17e)	22,688
17g	Line 17a less line 17f	22,688
18	Note 4: If the facilities associated with the revenues are not included in the formula, the revenue is shown here but not included in the total above and is explained in the Cost Support; for example, revenues associated with distribution facilities. In addition, Revenues from Schedule 12 are not included in the total above to the extent they are credited under Schedule 12.	
19	Amount offset in line 4 above	
20	Total Account 454 and 456 (Lines 11+ 18 + 19)	127,665

UGI Utilities, Inc.

Attachment 4 - Calculation of 100 Basis Point Increase in ROE

A	Return and Taxes with 100 Basis Point Increase in ROE		
	100 Basis Point increase in ROE and Income Taxes	(Line 126 + Line 138)	2,269,111
B	100 Basis Point increase in ROE		1.00%

Return Calculation

59	Rate Base		(Line 39 + Line 58)	17,530,308
	Long Term Interest			
99	Long Term Interest		p117.62.c through 67.c	35,003,348
100	Less LTD Interest on Securitization Bonds		Attachment 8	0
101	Long Term Interest		(Line 99 - Line 100)	35,003,348
102	Preferred Dividends	enter positive	p118.29.c	0
	Common Stock			
103	Proprietary Capital		p112.16.c	767,583,837
104	Less Preferred Stock	enter negative	(Line 113)	0
105	Less Account 216.1	enter negative	p112.12.c	-163,359,468
106	Common Stock		(Sum Lines 103 to 105)	604,224,369
	Capitalization			
107	Long Term Debt		p112.18.c through 21.c	640,000,000
108	Less Loss on Reacquired Debt	enter negative	p111.81.c	-394,429
109	Plus Gain on Reacquired Debt	enter positive	p113.61.c	0
112	Total Long Term Debt		(Sum Lines 107 to 111)	639,605,571
113	Preferred Stock		p112.3.c	0
114	Common Stock		(Line 106)	604,224,369
115	Total Capitalization		(Sum Lines 112 to 114)	1,243,829,940
116	Debt %	Total Long Term Debt	(Line 112 / Line 115)	51.4%
117	Preferred %	Preferred Stock	(Line 113 / Line 115)	0.0%
118	Common %	Common Stock	(Line 114 / Line 115)	48.6%
119	Debt Cost	Total Long Term Debt	(Line 101 / Line 112)	0.0547
120	Preferred Cost	Preferred Stock	(Line 102 / Line 113)	0.0000
121	Common Cost	(Note J) Common Stock	Fixed plus 100 Basis Pts	0.1230
122	Weighted Cost of Debt	Total Long Term Debt (WCLTD)	(Line 116 * Line 119)	0.0281
123	Weighted Cost of Preferred	Preferred Stock	(Line 117 * Line 120)	0.0000
124	Weighted Cost of Common	Common Stock	(Line 118 * Line 121)	0.0598
125	Total Return (R)		(Sum Lines 122 to 124)	0.0879
126	Investment Return = Rate Base * Rate of Return		(Line 59 * Line 125)	1,540,777

Composite Income Taxes

	Income Tax Rates		
127	FIT=Federal Income Tax Rate		35.00%
128	SIT=State Income Tax Rate or Composite		9.99%
129	p = percent of federal income tax deductible for state purposes		0.00%
130	T	$T=1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\} =$	41.49%
131	T/ (1-T)		70.92%
	ITC Adjustment		
132	Amortized Investment Tax Credit	enter negative	-38,460
133	T/(1-T)		70.92%
134	Net Plant Allocation Factor		26.7889%
135	ITC Adjustment Allocated to Transmission	(Note I)	-14,527
137	Income Tax Component =	$CIT=(T/1-T) * Investment Return * (1-(WCLTD/R)) =$	742,861
138	Total Income Taxes		728,334

Cost Support

UGI Utilities, Inc.

Cost Support

Electric / Non-electric Cost Support

PJM Formula Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1-F or Company Records Amount	Electric Portion	Non-electric Portion	Details
Plant Allocation Factors							
2	Total Wage Expense		Company Records		5,958,247		Form 1-F Filer. Not in Form 1-F. Analysis of Company Records
3	Administrative and General Wage Expense		Company Records		1,179,593		Form 1-F Filer. Not in Form 1-F. Analysis of Company Records
10	Accumulated Intangible Amortization	(Note A)		0	0	0	
11	Accumulated Common Amortization - Electric	(Note A)	Company Records	0	0	0	
	Accumulated General Depreciation - Electric	(Note A)	Company Records		1,956,397		
12	Accumulated Common Plant Depreciation - Electric	(Note A)	Company Records	18,078,374	2,690,920	15,387,454	Form 1-F Filer. Not in Form 1-F. Analysis of Company Records
Plant In Service							
24	Common Plant (Electric Only)	(Notes A & B)	p201.3.h	35,344,565	4,600,509	30,744,056	Form 1-F Filer. Not in Form 1-F. Analysis of Company Records
Accumulated Deferred Income Taxes							
41	Accumulated Investment Tax Credit Account No. 255	(Notes A & I)	Company Records	0	0	0	
Prepayments							
44	Prepayments (Account 165)	(Note A)	p111.57(d)	3,901,264	31,236	3,870,028	Form 1-F Filer. Not in Form 1-F. Analysis of Company Records
Materials and Supplies							
47	Undistributed Stores Exp	(Note A)	Company Records	129,578	129,578	0	Form 1-F Filer. Not in Form 1-F. Analysis of Company Records
Allocated General & Common Expenses							
65	Plus Transmission Lease Payments	(Note A)	p200.4.c				
67	Common Plant O&M	(Note A)	Attachment 5	0	0	0	
Depreciation Expense							
85	Depreciation		p219.10.c	3,822,344	506,460	3,315,884	Form 1-F Filer. Not in Form 1-F. Analysis of Company Records
86	General Depreciation				280,814		Form 1-F Filer. Not in Form 1-F. Analysis of Company Records
87	Intangible Amortization	(Note A)	Attachment 5	0	0	0	
91	Common Depreciation - Electric Only	(Note A)	Attachment 5	3,147,739	441,324	2,706,415	Form 1-F Filer. Not in Form 1-F. Analysis of Company Records
92	Common Amortization - Electric Only	(Note A)	Attachment 5	0	0	0	

Transmission / Non-transmission Cost Support

PJM Formula Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1-F or Company Records Amount	Transmission Related	Non-transmission Related	Details
15	Transmission Gross Plant		p207.58.g	29,805,459	23,377,050	6,428,409	Direct assignment to Transmission based upon plant records.
28	Plant Held for Future Use (Including Land)	(Note C)	Attachment 5	0	0	0	Specific identification based on plant records: The following plant investments are included:
30	Transmission Accumulated Depreciation	0	p200.14.c	58,604,034	13,043,612	45,560,422	Direct assignment to Transmission based upon plant records.
50	Materials and Supplies		p110.48(c)	2,803,108	214,768	2,588,340	Direct assignment to Transmission based upon plant records.
83	Transmission Depreciation Expense		p219.10.c	3,822,344	506,460	3,315,884	Direct assignment to Transmission based upon plant records.

Excluded Transmission O&M Expenses

PJM Formula Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Excluded TOM	Details
	Acct 565		p321.96.b	3,500,862	
	Portions of Acct 561		Company Records	236,403	Acct 561 expenses not recovered in OATT: 561002 (Scheduling and Dispatch), 561005 (RTO Scheduling and Dispatch), 561007 (Market Expansion) and 561008 (NERC & RFC Reliability)
	Other Excluded Expenses		Company Records		Description -- other expenses not recovered in OATT
63	Less Account 565 and other excluded expenses		Total	3,737,265	

Cost Support

CWIP & Expensed Lease Worksheet

PJM Formula Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1-F or Company Records Amount	CWIP In Form 1 Amount	Expensed Lease in Form 1 Amount	Details
Plant Allocation Factors							
6	Electric Plant in Service	(Note B)	p207.104.g	136,694,154	0	0	See Form 1
7	Common Plant In Service - Electric	0	(Line 24)	4,600,509	0	0	See Line 7
Plant In Service							
19	Transmission Plant In Service	(Note B)	p207.58.g	29,805,459			See Line 15
24	Common Plant (Electric Only)	(Notes A & B)	Attachment 5	4,600,509	0	0	See Line 24
Accumulated Depreciation							
30	Transmission Accumulated Depreciation	(Note C)	Attachment 5	13,043,612	0	0	See Form 1

EPRI Dues Cost Support

PJM Formula Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 or Company Records Amount	EPRI Dues	Details	
Allocated General & Common Expenses							
72	Less EPRI Dues	(Note D)	Attachment 5	0	0	UGI is not a member of EPRI	

Regulatory Expense Related to Transmission Cost Support

PJM Formula Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 or Company Records Amount	Transmission Related	Non-transmission Related	Details
Allocated General & Common Expenses							
70	Less Regulatory Commission Exp Account 928	(Note E)	Attachment 5	0			
Directly Assigned A&G							
76	Regulatory Commission Exp Account 928	(Note G)		0	0		

Safety Related Advertising Cost Support

PJM Formula Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 or Company Records Amount	Safety Related	Non-safety Related	Details
Directly Assigned A&G							
80	General Advertising Exp Account 930.1	(Note F)	p323.162.b	5,041	-	-	None

MultiState Workpaper

PJM Formula Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				State 1	State 2	State 3	State 4	State 5	Details
Income Tax Rates									
128	SIT=State Income Tax Rate or Composite	(Note I)	SIT for Year	Pennsylvania 9.99%	Enter State Enter %	Enter State Enter %	Enter State Enter %	Enter State Enter %	Enter Calculation Pennsylvania Only

Education and Out Reach Cost Support

PJM Formula Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 or Company Records Amount	Education & Outreach	Other	Details
Directly Assigned A&G							
77	General Advertising Exp Account 930.1	(Note K)	p323.162.b	5,041	0	0	None

Cost Support

Excluded Plant Cost Support

PJM Formula Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Excluded Transmission Facilities	Description of the Facilities
Adjustment to Remove Revenue Requirements Associated with Excluded Transmission Facilities					
148	Excluded Transmission Facilities	(Note M)	Attachment 5	6,428,409	
				Enter \$	None
Add more lines if necessary					

Outstanding Network Credits Cost Support

PJM Formula Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Outstanding Network Credits	Description of the Credits
Network Credits					
55	Outstanding Network Credits	(Note N)	From PJM	0	General Description of the Credits
				Enter \$	None
56	Less Accumulated Depreciation Associated with Facilities with Outstanding Network Credits (Note N)		From PJM	0	
Add more lines if necessary					

Interest on Outstanding Network Credits Cost Support

PJM Formula Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Interest on Network Credits	Description of the Interest on the Credits
Revenue Credits & Interest on Network Credits					
154	Interest on Network Credits	(Note N)	PJM Data	0	General Description of the Credits
				Enter \$	None
Add more lines if necessary					

PJM Load Cost Support

PJM Formula Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				1 CP Peak	Description & PJM Documentation
Network Zonal Service Rate					
172	1 CP Peak	(Note L)	PJM Data		PJM Interconnection Calculates the Rate

Statements BG/BH (Present and Proposed Revenues)

Customer	Billing Determinants		Current Rate	Proposed Rate	Current Revenues	Proposed Revenues	Change in Revenues
Add more lines if necessary							
Total					-	-	-

UGI Utilities, Inc.

Attachment 6 - Estimate and Reconciliation Worksheet

Step Month Year Action

Exec Summary

- 1 April Year 2 TO populates the formula with Year 1 data from Form 1 for Year 1 (e.g. 2005 data) (no Cap Adds)
- 2 April Year 2 TO estimates all transmission Cap Adds for Year 2 weighted based on Months expected to be in service in Year 2 (e.g. 2006)
- 3 April Year 2 TO adds weighted Cap Adds to plant in service in Formula
- 4 May Year 2 Post results of Step 3 on PJM web site
- 5 June Year 2 Results of Step 3 go into effect for the Rate Year 1 (e.g. June 1, 2005 - May 31, 2006)

- 6 April Year 3 TO populates the formula with Year 2 data from FERC Form 1 for Year 2 (e.g., 2006)
- 7 April Year 3 TO estimates Cap Adds during Year 3 weighted based on Months expected to be in service in Year 3 (e.g., 2007)
- 8 April Year 3 Reconciliation - TO calculates Reconciliation by removing from Year 2 data - the total Cap Adds placed in service in Year 2 and adding weighted average in Year 2 actual Cap Adds in Reconciliation
(adjusted to include any Reconciliation amount from prior year)
- 9 April Year 3 Reconciliation - TO adds the difference between the Reconciliation in Step 8 and the forecast in Line 5 with interest to the result of Step 7 (this difference is also added to Step 8 in the subsequent year)
- 10 May Year 3 Post results of Step 9 on PJM web site
- 11 June Year 3 Results of Step 9 go into effect for the Rate Year 2 (e.g., June 1, 2007 - May 31, 2008)

Detailed Example

- 1 April Year 2 TO populates the formula with Year 1 data from Form 1 for Year 1 (e.g. 2005 data) (no Cap Adds)

	\$ 4,112,346	Rev Req based on Year 1 data	Must run Appendix A to get this number (without any Cap Adds in line 21 of Appendix A)
--	---------------------	------------------------------	--

- 2 April Year 2 TO estimates all transmission Cap Adds for Year 2 weighted based on Months expected to be in service in Year 2 (e.g. 2006)

	Est. In Service Date	Weighting	Amount	One 12th
Jan	-	11.5	-	-
Feb	-	10.5	-	-
Mar	-	9.5	-	-
Apr	-	8.5	-	-
May	-	7.5	-	-
Jun	-	6.5	-	-
Jul	-	5.5	-	-
Aug	-	4.5	-	-
Sep	-	3.5	-	-
Oct	-	2.5	-	-
Nov	-	1.5	-	-
Dec	-	0.5	-	-
Total	-		-	-

New Transmission Plant Additions for Year 2 (weighted by months in service)

- 3 April Year 2 TO adds weighted Cap Adds to plant in service in Formula

	\$ -	Input to Formula Line 21	
--	------	--------------------------	--

- 4 May Year 2 Post results of Step 3 on PJM web site

	\$ 4,461,409		Must run Appendix A to get this number (with prospective weighted cap adds in line 21)
--	---------------------	--	--

- 5 June Year 2 Results of Step 3 go into effect for the Rate Year 1 (e.g. June 1, 2005 - May 31, 2006)

	\$ 4,461,409		
--	--------------	--	--

- 6 April Year 3 TO populates the formula with Year 2 data from FERC Form 1 for Year 2 (e.g., 2006)

	\$ 4,423,468	Rev Req based on Prior Year data	Must run Appendix A to get this number (without any Cap Adds in line 21 of Appendix A)
--	---------------------	----------------------------------	--

- 7 April Year 3 TO estimates Cap Adds during Year 3 weighted based on Months expected to be in service in Year 3 (e.g., 2007)

	Est. In Service Date	Weighting	Amount	One 12th
Jan	-	11.5	-	-
Feb	49,993	10.5	524,927	43,744
Mar	-	9.5	-	-
Apr	1,260,738	8.5	10,716,273	893,023
May	100,000	7.5	750,000	62,500
Jun	5,080,000	6.5	33,020,000	2,751,667
Jul	356,074	5.5	1,958,407	163,201
Aug	40,000	4.5	180,000	15,000
Sep	67,270	3.5	235,445	19,620
Oct	-	2.5	-	-
Nov	-	1.5	-	-
Dec	-	0.5	-	-
Total	6,954,075		47,385,052	3,948,754

New Transmission Plant Additions for Year 3 (weighted by months in service)

			<2011 Cap Ads Estimates
			3,948,754 Input to Formula Line 21

8 April Year 3 Reconciliation - TO calculates Reconciliation by removing from Year 2 data - the total estimated Cap Adds placed in service in Year 2 and adding weighted average in Year 2 actual Cap Adds in Reconciliation
(adjusted to include any Reconciliation amount from prior year)

Remove all Cap Adds placed in service in Year 2
For Reconciliation only - remove actual New Transmission Plant Additions for Year 2 - Input to Formula Line 20

Add weighted Cap Adds actually placed in service in Year 2

	Actual In Service Date	Weighting	Amount	One 12th
Jan	-	11.5	-	-
Feb		10.5	-	-
Mar		9.5	-	-
Apr		8.5	-	-
May		7.5	-	-
Jun		6.5	-	-
Jul		5.5	-	-
Aug		4.5	-	-
Sep		3.5	-	-
Oct		2.5	-	-
Nov		1.5	-	-
Dec	-	0.5	-	-
Total	-	-	-	-

New Transmission Plant Additions for Year 2 (weighted by months in service) - Input to Formula Line 21

4,439,635 Result of Formula for Reconciliation <From Reconciliation Run Must run Appendix A with cap adds in line 21 and line 20

9 April Year 4 Reconciliation -- TO adds the difference between the Reconciliation in Step 8 and the forecast in Line 5 with interest to the result of Step 7 (this difference is also added to Step 8 in the subsequent year)

The Reconciliation in Step 8 4,439,635 - The forecast in Prior Year 4,631,290 = (191,655)

Interest on Amount of Refunds or Surcharges

Interest 35.19a for March Current Yr		0.2800% <March 2011		Surcharge (Refund)		
Month	Yr	1/12 of Step 9	Interest Rate for March of Current Year	Months	Interest Owed	
Jun	Year 1	(15,971)	0.2800%	11.5	(514)	(16,486)
Jul	Year 1	(15,971)	0.2800%	10.5	(470)	(16,441)
Aug	Year 1	(15,971)	0.2800%	9.5	(425)	(16,396)
Sep	Year 1	(15,971)	0.2800%	8.5	(380)	(16,351)
Oct	Year 1	(15,971)	0.2800%	7.5	(335)	(16,307)
Nov	Year 1	(15,971)	0.2800%	6.5	(291)	(16,262)
Dec	Year 1	(15,971)	0.2800%	5.5	(246)	(16,217)
Jan	Year 2	(15,971)	0.2800%	4.5	(201)	(16,172)
Feb	Year 2	(15,971)	0.2800%	3.5	(157)	(16,128)
Mar	Year 2	(15,971)	0.2800%	2.5	(112)	(16,083)
Apr	Year 2	(15,971)	0.2800%	1.5	(67)	(16,038)
May	Year 2	(15,971)	0.2800%	0.5	(22)	(15,994)
Total		(191,655)				(194,875)

		Balance	Interest	Amortization over Rate Year	Balance
Jun	Year 2	(194,875)	0.2800%	(16,537)	(178,884)
Jul	Year 2	(178,884)	0.2800%	(16,537)	(162,848)
Aug	Year 2	(162,848)	0.2800%	(16,537)	(146,767)
Sep	Year 2	(146,767)	0.2800%	(16,537)	(130,642)
Oct	Year 2	(130,642)	0.2800%	(16,537)	(114,471)
Nov	Year 2	(114,471)	0.2800%	(16,537)	(98,255)
Dec	Year 2	(98,255)	0.2800%	(16,537)	(81,993)
Jan	Year 3	(81,993)	0.2800%	(16,537)	(65,686)
Feb	Year 3	(65,686)	0.2800%	(16,537)	(49,333)
Mar	Year 3	(49,333)	0.2800%	(16,537)	(32,935)
Apr	Year 3	(32,935)	0.2800%	(16,537)	(16,490)
May	Year 3	(16,490)	0.2800%	(16,537)	0
Total with interest				(198,440)	

The difference between the Reconciliation in Step 8 and the forecast in Prior Year with interest (198,440)
Rev Req based on Year 3 data with estimated Cap Adds for Year 4 \$ 4,780,724
Revenue Requirement for Year 3 4,582,284

10 May Year 4 Post results of Sept 9 on PJM web site
\$ 4,582,284 Post results of Step 3 on PJM web site

11 June Year 4 Results of Step 9 go into effect for the Rate Year 2 (e.g., June 1, 2009 - May 31, 2010)
\$ 4,582,284

Attachment 7 - Transmission Enhancement Charge Worksheet

Fixed Charge Rate (FCR) if not a CIAC

Formula Line	Description	Value
A 159	Net Plant Carrying Charge without Depreciation	34.1415%
B 166	Net Plant Carrying Charge per 100 Basis Point in ROE without Depreciation	35.0283%
C	Line B less Line A	0.8868%

FCR if a CIAC

D 160	Net Plant Carrying Charge without Depreciation, Return, nor Income Taxes	21.4909%
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The FCR resulting from Formula in a given year is used for that year only.
Therefore actual revenues collected in a year do not change based on cost data for subsequent years

Details		Project A				Project B						
Schedule 12	(Yes or No)											
Life	(Yes or No)											
CIAC	(Yes or No)											
Increased ROE (Basis Points)												
FCR @ 11.3 ROE		0.341415259										
(FCR @ 11.3 ROE + FCR @ 11.3 ROE x Increased ROE/100 bp)		0.341415259										
FCR for This Project Investment												
Annual Depreciation Exp												
In Service Month (1-12)												
		may be weighted average of small projects										
FCR @ 11.3 ROE	Invest Yr	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Total	Incentive Charged	Revenue Credit
W Increased ROE	2006	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
FCR @ 11.3 ROE	2007	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
W Increased ROE	2007	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
FCR @ 11.3 ROE	2008	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
W Increased ROE	2008	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
FCR @ 11.3 ROE	2009	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
W Increased ROE	2009	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
FCR @ 11.3 ROE	2010	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
W Increased ROE	2010	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
FCR @ 11.3 ROE	2011	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
W Increased ROE	2011	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
FCR @ 11.3 ROE	2012	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
W Increased ROE	2012	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
FCR @ 11.3 ROE	2013	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
W Increased ROE	2013	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
FCR @ 11.3 ROE	2014	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
W Increased ROE	2014	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
FCR @ 11.3 ROE	2015	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
W Increased ROE	2015	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
FCR @ 11.3 ROE	2016	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
W Increased ROE	2016	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
FCR @ 11.3 ROE	2017	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
W Increased ROE	2017	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
FCR @ 11.3 ROE	2018	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
W Increased ROE	2018	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
FCR @ 11.3 ROE	2019	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
W Increased ROE	2019	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
FCR @ 11.3 ROE	2020	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
W Increased ROE	2020	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
FCR @ 11.3 ROE	2021	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
W Increased ROE	2021	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
FCR @ 11.3 ROE	2022	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
W Increased ROE	2022	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
FCR @ 11.3 ROE	2023	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
W Increased ROE	2023	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
FCR @ 11.3 ROE	2024	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
W Increased ROE	2024	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
FCR @ 11.3 ROE	2025	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
W Increased ROE	2025	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
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.....		\$ -	\$ -	\$ -

UGI Utilities, Inc.

Attachment 8 - Company Exhibit - Securitization Workpaper

Line #

	Long Term Interest		
100	Less LTD Interest on Securitization Bonds		0
	Capitalization		
111	Less LTD on Securitization Bonds		0

Calculation of the above Securitization Adjustments



PPL GROUP ZONE OF PJM

**Summary of Transmission Service Charges
Resulting from UGI Utilities' Annual Update**

UGI Utilities, Inc.

Contribution to Charges for Transmission Service in PPL Group Zone

	2010-2011	2011-2012
Network Integration Transmission Service	\$ 724	\$ 695
Annual Point-to-Point Transmission Service (\$/MW-Year)	0.855	0.821
Monthly Point-to-Point Transmission Service (\$/kW-Month)	0.071	0.068
Weekly Point-to-Point Transmission Service (\$/kW-Week)	0.0164	0.0158
Daily On-Peak Point-to-Point Transmission Service (\$/kW)	0.0033	0.0032
Daily Off-Peak Point-to-Point Transmission Service (\$/kW)	0.0023	0.0023
Hourly On-Peak Point-to-Point Transmission Service (\$/MWh)	0.21	0.20
Hourly Off-Peak Point-to-Point Transmission Service (\$/MWh)	0.10	0.09