

UGI Utilities, Inc. – Electric Division

January 2007

**Table 1. Summary of Existing EDC Demand Side Response (DSR) Programs: Large C&I**

| EDC         | Program   | Description; Participation Levels (#Customers; MWh Enrolled); Event Responses (Participation Trends-Last Yr.)  | Eligible Participants   | Special Requirements   | Tariff (Y/N)          |
|-------------|---|--|---|--|-----------------------|
| UGI<br>2004 | --2003 Voluntary Load Reduction Program (June-August)                   | <p>-- UGI offers participating customers a monetary incentive to curtail load when a certain price threshold has been reached. The customer receives a percentage of savings achieved by UGI as determined from the difference between the lost billed revenue and the power cost savings realized by the Company which result from the customer's load reduction. The price threshold for a load reduction event is selected by the customer and uses the PJM Day Ahead Locational Marginal Price &amp; potential load reduction amount of the participant. The customer is under no obligation to reduce the load when the price threshold has been met. There are no additional charges.</p> <p>Areas where customers may be able to reduce load including: self generation; usage reductions; maintenance outages; shifting processes from peak to non-peak hours. UGI provides metering equipment at no cost to the customer and calculates corresponding settlement amounts.</p> | -- Large C&I customers capable of reducing or self-supplying at least 100 Kw of their load. | <p>-- Interval Meter; Hourly load reduction; Ability to curtail load between 9 am and 9 p.m.; Curtail load for multiple hrs. with 1 hr. notification</p> <hr/> <p>2007 Changes<br/>-- Interval Meter; Hourly load reduction; Ability to curtail load; Curtail load for multiple hrs.</p> | -- No                 |
| 2007        | <p>2007 Changes</p> <p>-- Industrial and Commercial Customer Audits</p> | <p>2007 Changes</p> <p>-- Upon a customer's request, UGI will audit a large commercial or industrial customer's facilities and provide suggestions on how to conserve energy and other load management issues.</p>   | 2007 Changes<br><br>-- Large Commercial & Industrial  | 2007 Changes<br><br>-- None  | 2007 Changes<br>-- No |

UGI Utilities, Inc. – Electric Division

January 2007

**Table 2. Summary of Existing EDC Demand Side Response (DSR) Programs: Small Commercial/Residential**

| EDC         | Program   | Description; Participation Levels (#Customers; MWh Enrolled); Event Responses (Participation Trends-Last Yr.)   | Eligible Participants                          | Special Requirements             | Tariff (Y/N)              |
|-------------|---|---|--|----------------------------------|---------------------------|
| UGI<br>2004 | -- Time of Use (Rate RTU)   | -- RTU is a time differentiated rate where residential customers pay higher prices during pre-defined on-peak hours than off-peak. Company is currently operating under a rate freeze which prevents a change in TOU rates. UGI is in the process of examining all generation rates so that when the rate freeze expires, generation rates can better reflect the cost of power.<br><br>-- UGI continually educates customers on the benefits of reducing power consumption during peak and/or high priced periods. Conservation tips in newsletter.  | -- Residential Customers                       | -- TOU Meter                     | --Yes                     |
| 2007        | 2007 Changes<br><br>-- Time of Use (Rate RTU)<br>Changes to description & added info on Periods | 2007 Changes<br>-- RTU is a time differentiated rate where residential customers pay higher prices during pre-defined on-peak hours than off-peak. 10 customers are on the rate.<br><br>-- Periods -<br>Peak Hours - M - F: The tariff says on peak hours are the 16 consecutive hours in the 17 hour period beginning 8AM - Midnight. Actual billing is based on the period 8AM to 11PM. This matches PJM's On Peak hours.<br>Off Peak - All non On peak hours M - F, and all hours on weekends and PJM Designated holidays.<br>Rates - Customer Charge - \$12.25/Mo;<br>Energy Use - On Peak - (cents per Kwh); Transmission 0.333;<br>Distribution 2.299; Generation 7.184;<br>Energy Use - Off Peak - (cents per Kwh) Transmission 0.333;<br>Distribution 1.280; Generation 4.401 | 2007 Changes<br><br>-- Residential Customers   | 2007 Changes<br><br>-- TOU Meter | 2007 Changes<br><br>--Yes |
|             | -- Conservation Information   | -- UGI has been and will continue for 2007 sending customers a booklet on how best to conserve energy. These booklets are free to customers and provide over 100 tips on the best way to reduce energy usage.   | -- Residential and small commercial customers. | -- None                          | -- No                     |
|             | - High Efficiency Heat Pump Rebate Program  | -- UGI is considering offer a program that provides rebates in return for customers installing high efficiency heat pumps for residential heating and /or water heating.  | -- Residential Customers                       | -- None                          | -- No                     |

UGI Utilities, Inc. – Electric Division

January 2007

**Table 3. Summary of UGI DSR Program Evaluations: Current & Past Programs**

| Program            | Summary of Evaluations: Current & Past Programs   | Reports Available for Review? Yes/No   |
|--------------------|---|--|
| <p><b>2007</b></p> | <p>Voluntary Load Reduction Program – During 2006, there were 4 days where customers reduced load.</p> <p>The first day was July 18, 2006 and resulted in 12,447 Kwh of reduced load/usage.<br/>                     The second day was August 1, 2006 and resulted in 9,327 Kwh of reduced load/usage.<br/>                     The third day was August 2, 2006 and resulted in 20,366 Kwh of reduced load/usage.<br/>                     The final event occurred on August 3, 2006. There were 8,997Kwh of reduced load/usage.</p> | <p>There are no official reports. UGI maintains the day / hours of occurrences and the reduced load.</p> |

UGI Utilities, Inc. – Electric Division

January 2007

**Table 4. Summary of UGI Meter Steps Needed to Make Hourly Pricing Available to ALL Its Customers**

| Current Status:<br>Availability/Capabilities of<br>Advanced Metering System<br>Infrastructure | Overview of Infrastructure Requirements (Include every aspect from<br>operations center, software to customer location) to Permit All Customers<br>the Ability to Use Hourly Pricing   | Costs Associated with Giving All Customers<br>the Ability to Access Hourly Pricing  | Future Plans:<br>Approximate<br>Deployment<br>Timeframe   |
|---|--|---|---|
| <p>-- Interval Meters<br/><b>2004</b></p> <hr/> <p>2007</p>                                   | <ul style="list-style-type: none"> <li>■ Two way communication system(s) in order to transmit pricing as well as receive hourly usage information</li> <li>■ New billing systems (hardware and software) to accommodate hourly billing</li> <li>■ Consumer Education</li> <li>■ Metering Equipment</li> </ul> <hr/> <p>2007- No Changes to Description</p> | <p>N/A: These costs are not developed at this time</p> <hr/> <p>2007 Changes</p> <p>-- The costs of implementing either a system wide or limited hourly pricing program have not been developed. Roughly, a new billing system will be required to offer a system wide hourly pricing program. Additionally, the ability to meter all customer loads hourly would have to be developed. Total cost would exceed \$20 million.</p> | <hr/> <p>2007 Changes</p> <p>-- UGI has no current plan for the deployment of hourly pricing. Further, experience with other distribution companies that require hourly pricing is that the vast majority of customers opt to secure their generation supplies from parties that provide a fixed price. Even if the assumption that hourly pricing provides benefits, if most customers secure a fixed price service, there would be no actual benefits associated with the capital expenditure. Therefore, UGI sees no benefit from making this capital expenditure only to see customers move to suppliers for fixed price.</p> |

UGI Utilities, Inc. – Electric Division

January 2007

|  |  |  |  |
|--|--|--|--|
|  |  |  |  |
|--|--|--|--|