

# Growth Opportunities: Converting Customers To Natural Gas\*

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**UGI**  
CORPORATION



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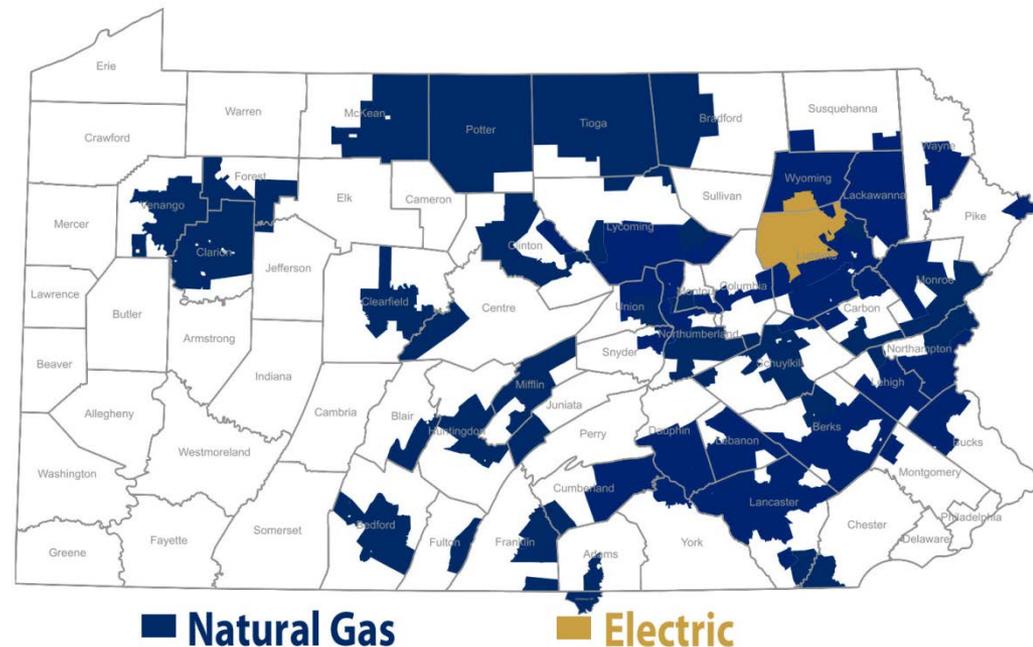
## Pennsylvania's largest gas utility

- ~600,000 gas customers
- 45 of the 67 PA counties served
- Approximately 12,000 miles of main



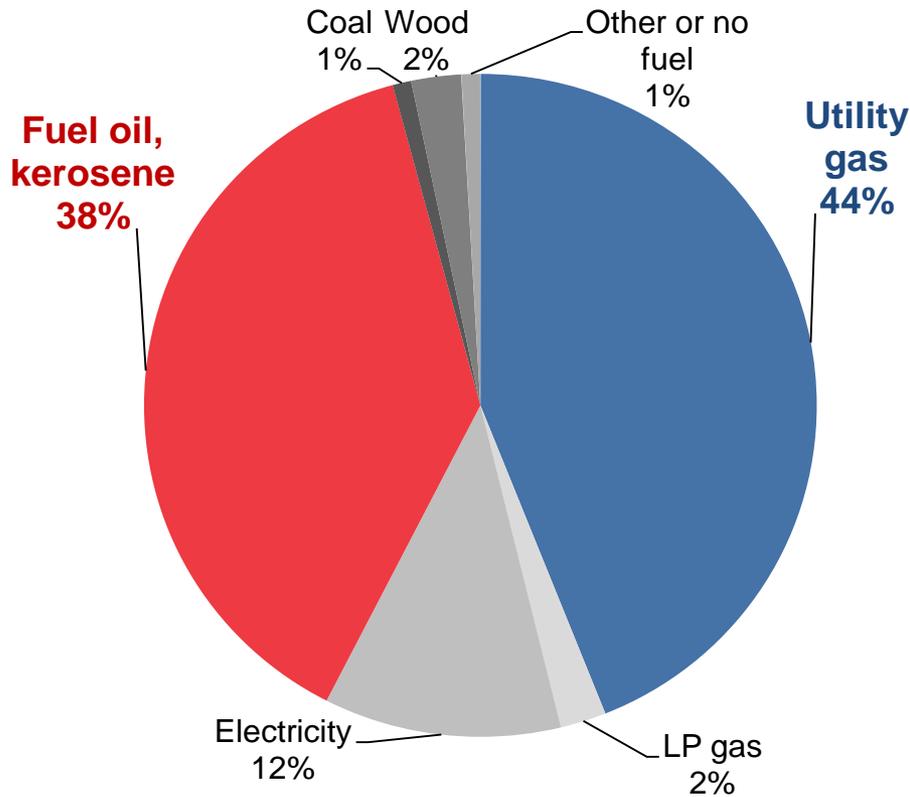
## Major fuel oil conversion program

- Fuel oil still prevalent in PA
- Conversion program for 20+ years
- >40,000 residential conversions since 2000
- Those customers will save approximately \$63 million in 2013

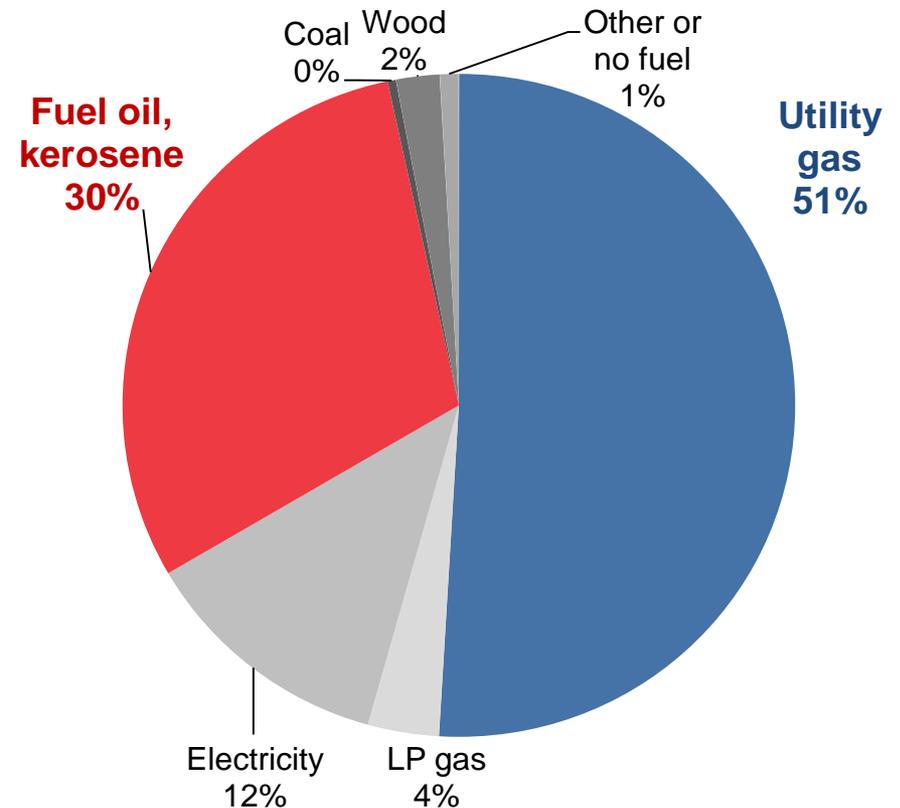


# Oil is Losing Share in the Northeast

## Northeast Heating Fuel, 1990

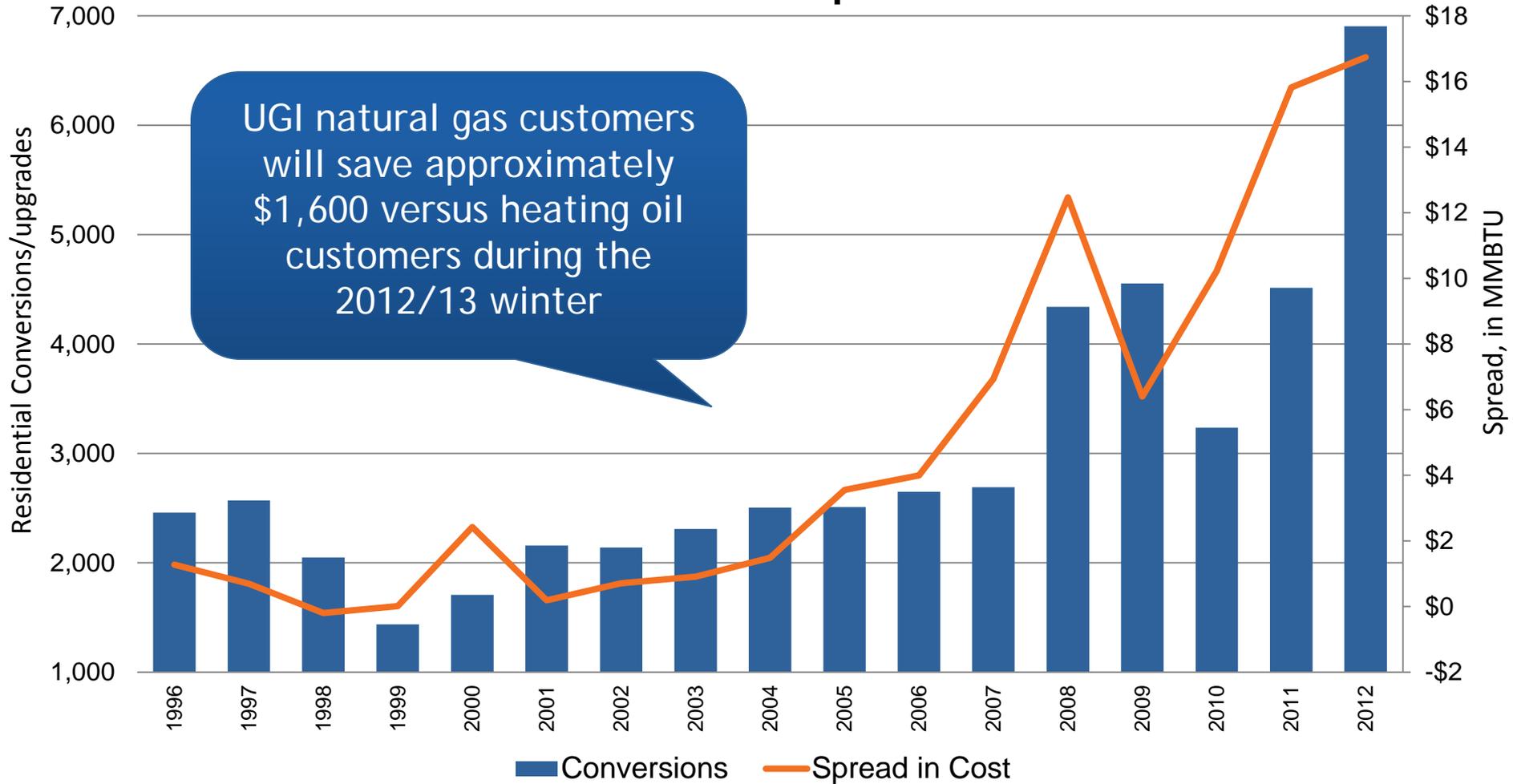


## Northeast Heating Fuel, 2010



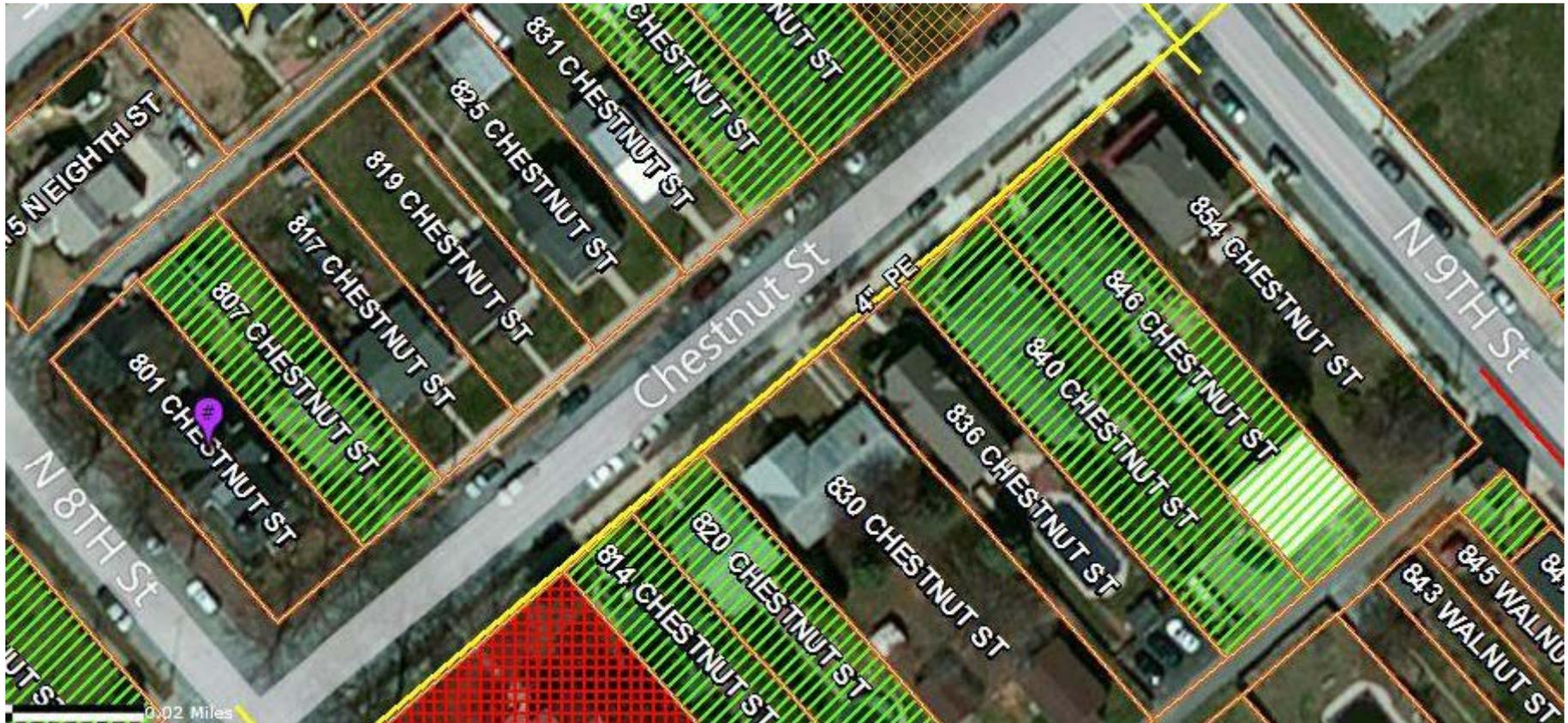
Source: US Census Data, House Heating Fuel  
Northeast includes PA, NJ, NY, CT, NH, VT, RI, MA, ME

## UGI Utilities Residential Gas Conversions/Upgrades and Gas/Oil Spread



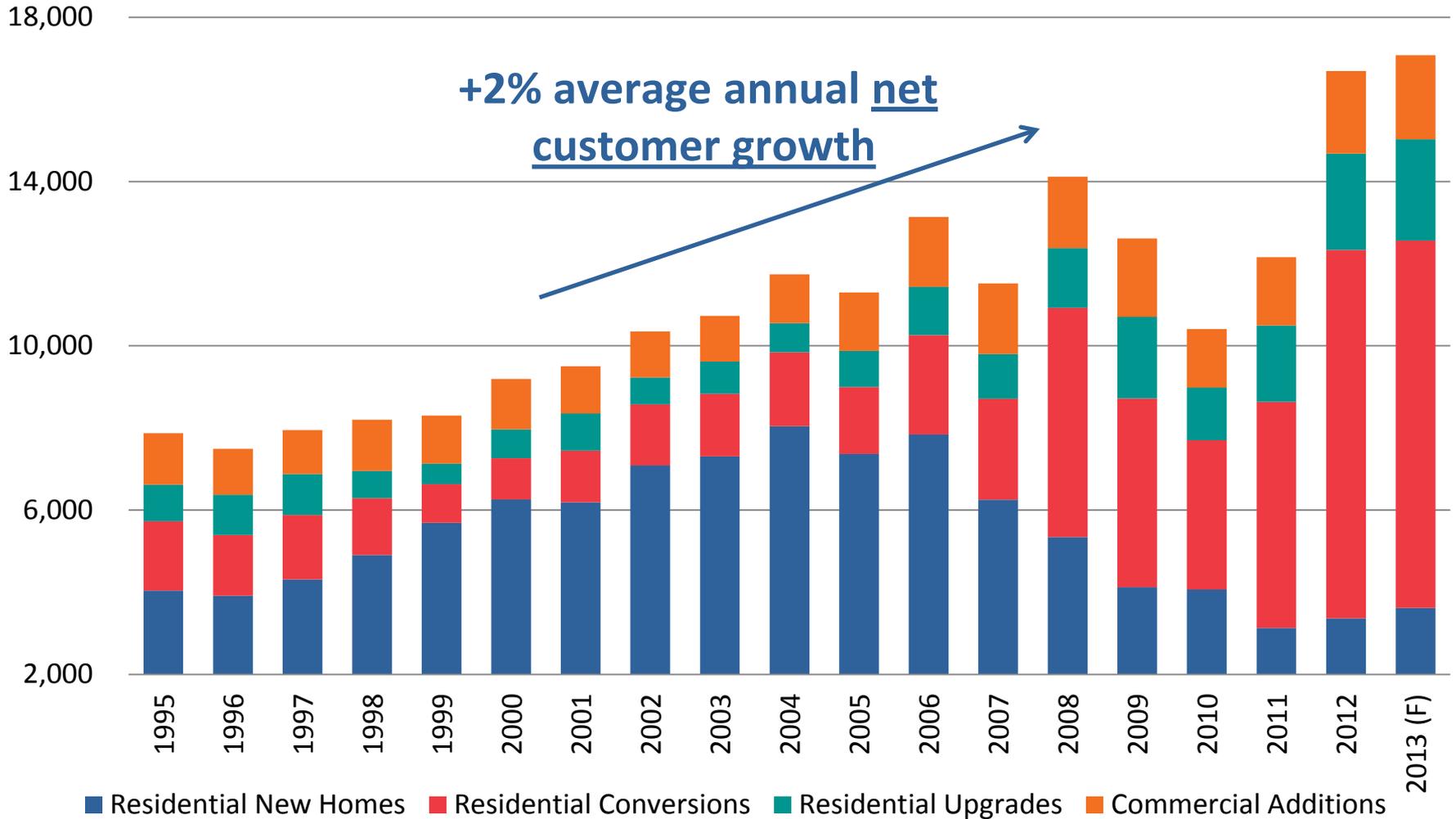
**Goal: Increase gas market share via conversions while significantly reducing energy costs to PA families and businesses**

- Estimated 480,000 non-customers along the main (within 80 ft.), mainly using oil



## Total Customer Additionals

+2% average annual net customer growth



## **Understand/address key needs of conversion customers**

- Web-based tools to help them assess the savings opportunity
- Direct contact with customers to review our project plan
- Timely execution and clear scope of responsibilities

## **UGI recently filed its Growth Extension Tariff for Gas (GET GAS)**

- Enables access to gas in unserved and underserved areas
- 10-year surcharge to new customers in lieu of upfront investment
- Five-year pilot program: \$15 MM annual commitment
- Potential to reach an additional 300,000 homes and businesses

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