

UGI Storage Company

Market-Based Storage in the Heart of the PA Marcellus Shale Region

Tioga: 3,739,980 Dth of MSQ with 60 day service open April 1, 2019

Meeker: 990,000 Dth of MSQ with 100 day service open April 1, 2019



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Bid Process

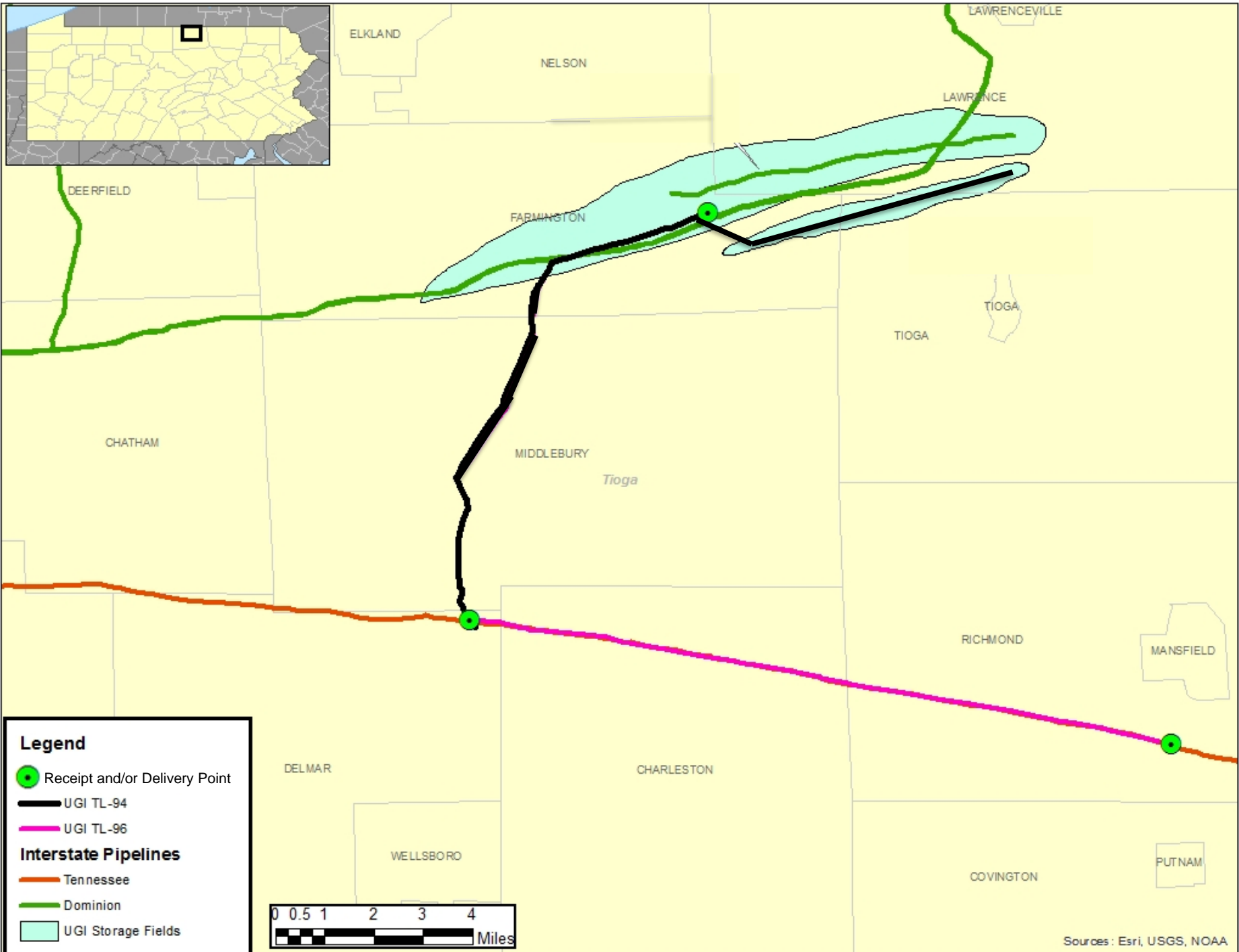
UGI Storage Company (“UGI-S”) announces that it is accepting bids for up to 4,729,980 Dth of firm storage capacity with corresponding injection and withdrawal rights under Rate Schedule FSS, with service commencing on April 1, 2019. The capacity is becoming available due to the expiration of current FSS service agreements and the award of all capacity is subject to a right of first refusal (“ROFR”) by the current contract holders.

The storage service offered is divided into two service offerings, Tioga (60-Day Withdrawal Service) and Meeker (100-Day Withdrawal Service). All services will be subject to the injection and withdrawal ratchets contained in UGI-S’ tariff, including the new withdrawal ratchets proposed in Docket No. RP19-790, if approved by FERC. A full description of the service offerings can be found at <http://ugistorage.com/OpenSeason/ServiceOfferings.aspx>.

Capacity will be awarded to bidders submitting satisfactory bids on a first-come, first served basis, subject to ROFR exercise by existing customers. Bidders are welcome to submit multiple bids for all or any portion of available capacity. Bids will need to specify if they are bidding on no-notice service. Bidders that are not current or past customers of UGI-S should submit the credit evaluation information specified in GTC Section 4.1 of UGI-S’ Tariff with or prior to its bid. Bids should be presented as the reservation rate (\$) per Dth of Maximum Storage Quantity (“MSQ”) and the requested MSQ.

All bids will be qualified by UGI-S in accordance with GT&C Section 3.1(d) of UGI-S’ Tariff. UGI-S reserves the right to reject any bid which fails to satisfy Tariff criteria. All qualified bids that meet economic requirements will be evaluated on a net present value basis. Qualifying bids will be presented to current ROFR holders, who will have 24 hours to evaluate and match the bids presented. If the ROFR is not exercised capacity will be awarded to the qualifying bidder. Notification of the capacity award (to either bidder or ROFR shipper) will occur within two business days of bid receipt. The allocation process will continue until the available capacity is fully subscribed.

Bids must be transmitted by e-mail to service@ugistorage.com using UGI-S’ “Request For Service” form, which can be found at: <http://ugistorage.com/OpenSeason/ServiceOfferings.aspx>. Interested parties should contact Keefe Long ([484-772-2877](tel:484-772-2877)) or Richard Ferrance ([484-772-2885](tel:484-772-2885)) for additional information.



Tioga Storage – 60 day storage with injection and withdrawal ratchets

Maximum Daily Withdrawal Quantity (MDWQ) – Up to 62,333 Dth

Maximum Daily Injection Quantity (MDIQ) – Up to 20,778 Dth

Maximum Storage Quantity (MSQ) – Up to 3,739,980 Dth

Receipt Points for Injection – Tioga County, Pennsylvania via

Dominion meter number 90008 (primary)

Tennessee meter number 420253 (primary)

Tennessee meter number 420213 (primary – limited capacity)

Delivery Point for Withdrawal – Tioga County, Pennsylvania via

Dominion meter number 90008 (primary)

UGI – Central Penn Gas distribution system (primary)

Tennessee meter number 420253 (primary) **TBD**

Injection Ratchets

100% of MDIQ when inventory is less than 50% of MSQ

84% of MDIQ when inventory is 50% or more of MSQ

Withdrawal Ratchets

100% of MDWQ when inventory is 50% or more of MSQ

75% of MDWQ when inventory is between 15% and 50% of MSQ

45% of MDWQ when inventory is less than 15% of MSQ

Contract Term – 1 April 2019 through 31 March 2020

Fuel Reimbursement – less than or equal to 1%, assessed on all injections and wheeling

Commodity Charge – Applicable ACA on withdrawals

Demand Charge – Expressed as \$X.XX per Dth of MSQ

Note: Any bid awarded with an MSQ less than the maximum listed above will have an MDWQ and an MDIQ proportional to the ratios of the maximums listed above.

Meeker Storage – 100 day storage with injection and withdrawal ratchets

Maximum Daily Withdrawal Quantity (MDWQ) – Up to 9,900 Dth

Maximum Daily Injection Quantity (MDIQ) – Up to 5,498 Dth

Maximum Storage Quantity (MSQ) – Up to 990,000 Dth

Receipt Points for Injection – Tioga County, Pennsylvania via

Dominion meter number 90008 (primary)

Tennessee meter number 420253 (primary)

Tennessee meter number 420213 (primary – limited capacity)

Delivery Point for Withdrawal – Tioga County, Pennsylvania via

Dominion meter number 90008 (primary)

UGI – Central Penn Gas distribution system (primary)

Tennessee meter number 420253 (primary) **TBD**

Injection Ratchets

100% of MDIQ when inventory is less than 50% of MSQ

84% of MDIQ when inventory is 50% or more of MSQ

Withdrawal Ratchets

100% of MDWQ when inventory is 50% or more of MSQ

75% of MDWQ when inventory is between 15% and 50% of MSQ

45% of MDWQ when inventory is less than 15% of MSQ

Contract Term – 1 April 2019 through 31 March 2020

Fuel Reimbursement – less than or equal to 1%, assessed on all injections and wheeling

Commodity Charge – Applicable ACA on withdrawals

Demand Charge – Expressed as \$X.XX per Dth of MSQ

Note: Any bid awarded with an MSQ less than the maximum listed above will have an MDWQ and an MDIQ proportional to the ratios of the maximums listed above.

UGI Storage Bid Form

After completing the Storage Bid Form, please sign, date, and email to: service@ugistorage.com

Shipper Information

Company: _____

Contact: _____

Title: _____

Address: _____

Phone: _____

E-mail: _____

Tioga Storage – 60 day storage with injection and withdrawal ratchets

Requested MSQ _____ Dth Bid Rate \$ _____ per Dth of MSQ per month Bid Term: 1 Year (1 April 2019 – 31 March 2020)

Meeker Storage – 100 day storage with injection and withdrawal ratchets

Requested MSQ _____ Dth Bid Rate \$ _____ per Dth of MSQ per month Bid Term: 1 Year (1 April 2019 – 31 March 2020)

By executing this Storage Bid Form, the signatory below represents and warrants that he/she has full power and authority to bind the identified Company to the terms stated herein.

Signature of Officer: _____

Date: _____

Name of Signatory: _____

Title of Signatory: _____

The above bid and confirming signature binds the identified Company to executing UGI Storage's standard service agreement and accepting storage service up to and including the requested bid quantity from UGI Storage beginning in the 2019-2020 storage season in accordance with UGI Storage's FERC Gas Tariff. The identified Company has full power and authority, and has taken all action necessary, to execute and deliver this Storage Bid Form and any and all other documents required or permitted to be executed or delivered by it in connection with this Storage Bid Form and to fulfill its obligations under, and to consummate the transactions contemplated by, the Storage Bid Form.

Corporate Summary

UGI Storage Company is a wholly owned subsidiary of UGI Energy Services, LLC, a wholly owned subsidiary of UGI Corporation.

UGI Corporation (the “Company”) is a holding company that, through subsidiaries and affiliates, distributes, stores, transports and markets energy products and related services. In the United States, we (1) are the general partner and own limited partner interests in a retail propane marketing and distribution business, (2) own and operate natural gas and electric distribution utilities, and (3) own and operate an energy marketing, midstream infrastructure, storage, natural gas gathering, natural gas production, electricity generation and energy services business. Internationally, we distribute LPG and market other energy products and services in Europe. Our subsidiaries and affiliates operate principally in the following four business segments:

Midstream & Marketing

UGI Utilities

AmeriGas Propane

UGI International

The Midstream & Marketing segment consists of energy-related businesses conducted by our wholly-owned subsidiary, UGI Energy Services, LLC (“Energy Services”), a subsidiary of UGI Enterprises, LLC (“Enterprises”). These businesses (i) conduct energy marketing in the Mid-Atlantic region of the United States, (ii) operate and own a natural gas liquefaction, storage and vaporization facility and propane-air mixing assets, (iii) manage natural gas pipeline and storage contracts, and (iv) develop, own and operate pipelines, gathering infrastructure and gas storage facilities primarily in the Marcellus Shale region of Pennsylvania and own all or a portion of an electricity generation facility. The Midstream & Marketing segment also includes a subsidiary of Enterprises that conducts a heating, ventilation, air conditioning, refrigeration, mechanical and electrical contracting, and project management service business in portions of eastern and central Pennsylvania.

The UGI Utilities segment consists of the regulated natural gas distribution businesses (“Gas Utility”) of our subsidiary, UGI Utilities, Inc. (“UGI Utilities”), UGI Utilities’ subsidiaries, UGI Penn Natural Gas, Inc. (“PNG”) and UGI Central Penn Gas, Inc. (“CPG”), and UGI Utilities’ regulated electric distribution business in Pennsylvania (“Electric Utility”). Gas Utility serves over 635,000 customers in eastern and central Pennsylvania and more than 500 customers in portions of one Maryland county. UGI Utilities’ natural gas distribution utility is referred to as “UGI Gas.” Electric Utility serves approximately 62,000 customers in portions of Luzerne and Wyoming counties in northeastern Pennsylvania. Gas Utility is regulated by the Pennsylvania Public Utility Commission (“PUC”) and, with respect to its several hundred customers in Maryland, the Maryland Public Service Commission. Electric Utility is regulated by the PUC.

The AmeriGas Propane segment consists of the propane distribution business of AmeriGas Partners, L.P. (“AmeriGas Partners” or the “Partnership”). In addition to distributing propane, the Partnership also sells, installs, and services propane appliances, including heating systems, and operates a residential heating, ventilation, air conditioning, plumbing, and related services business in certain counties of Pennsylvania, Delaware, and Maryland. The Partnership conducts its propane distribution business through its principal operating subsidiary, AmeriGas Propane, L.P., and is the nation’s largest retail propane distributor. The Partnership’s sole general partner is our subsidiary, AmeriGas Propane, Inc. (“AmeriGas Propane” or the “General Partner”). The common units of AmeriGas Partners represent limited partner interests in a Delaware limited partnership and trade on the New York Stock Exchange under the symbol “APU.” We have an effective 26% ownership interest in the Partnership and the remaining interest is publicly held. See Note 1 to Consolidated Financial Statements.

The UGI International segment consists of LPG distribution businesses conducted by our subsidiaries and affiliates in France, Poland, Austria, Hungary, the Czech Republic, Slovakia, Switzerland, Romania, Belgium, the Netherlands, Luxembourg, the United Kingdom, Italy, Finland, Denmark, Norway and Sweden. In addition, UGI International conducts an energy marketing business in France, Belgium, the Netherlands and the United Kingdom. UGI International is the largest distributor of LPG in France, Austria, Belgium, Denmark, Luxembourg and Hungary and one of the largest distributors of LPG in Poland, the Czech Republic, Slovakia, Norway, the Netherlands and Sweden. These businesses are conducted principally through our subsidiaries, UGI France SAS, Flaga GmbH, and AvantiGas Limited.

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