



UGI Fall Supplier Collaborative

September 28, 2017

Agenda

- Choice Program Updates
 - Final Supply Portfolio Allocation 2017-2018
 - Supply Portfolio/Capacity Changes
- Updates From PNG Base Rate Case Filing
 - PNG Rate DS and LFD Capacity Release Program

Choice Program Updates

Peak Day Allocations

	Nov 2017 - Oct 2018		
	FT ¹	Bundled Sale ^{1,2}	Peaking ^{1,2}
UGI	34%	26%	40%
PNG	51%	29%	20%
CPG	66%	17%	17%

1. Percentages of Peak Day DDR
2. Bundled sales and peaking sales are for Nov-Mar only

Maximum Daily Bundled Sale

	Nov '17	Dec '17	Jan '18	Feb 1- 15, '18	Feb 16- 28, '18	Mar '18
UGI	30%	100%	100%	100%	90%	75%
PNG	0%	100%	100%	100%	95%	75%
CPG	25%	100%	100%	100%	80%	65%

Percentage of peak day bundled sale quantity

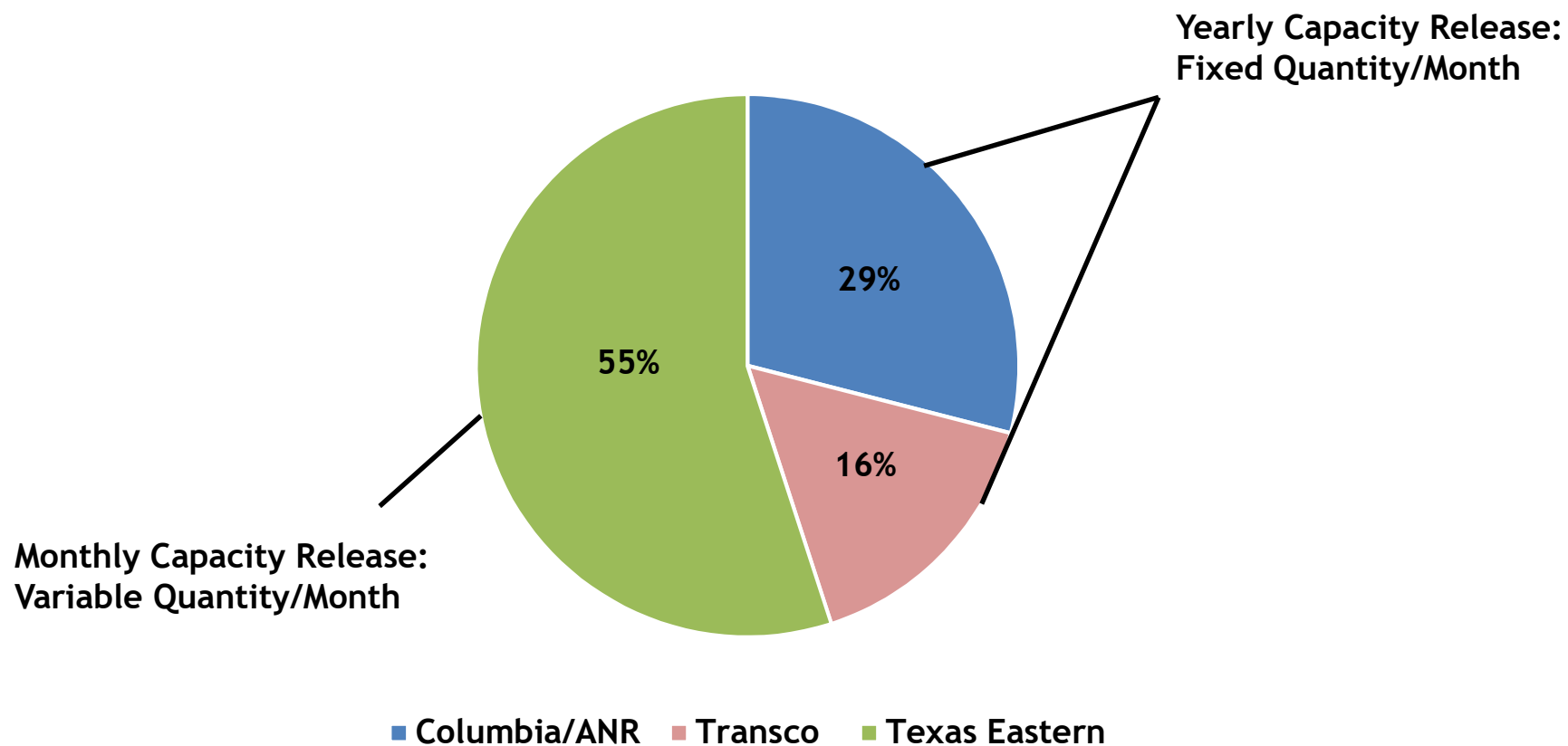
Must-Take Bundled Sale

	Nov '17	Dec '17	Jan '18	Feb '18	Mar '18
UGI	12%	34%	36%	41%	37%
PNG	0%	15%	24%	38%	49%
CPG	6%	28%	29%	39%	26%

Percentage of pre-month average DDR x number of days in month

UGI FT Allocation

(Nov 2017 - Oct 2018)

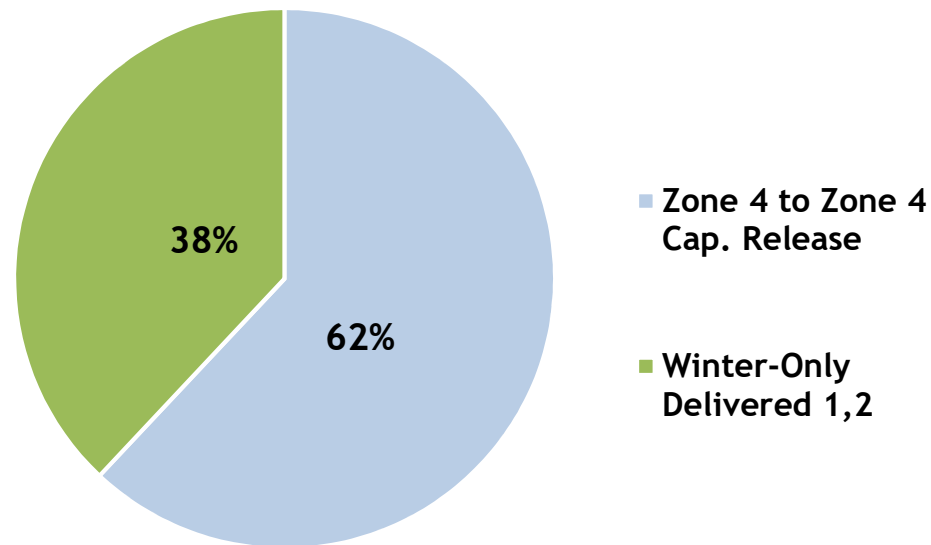


****No changes to receipt/delivery points by pipeline**

PNG FT Allocation Honesdale

Dependent on customer location

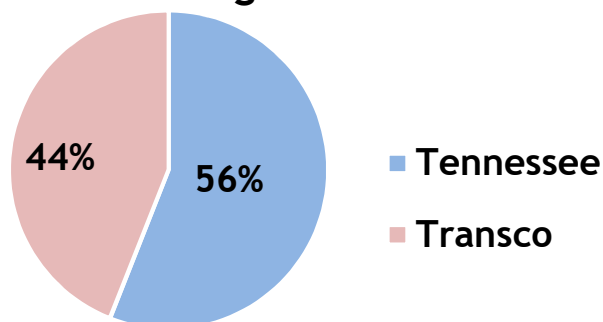
Tennessee Supply Allocation



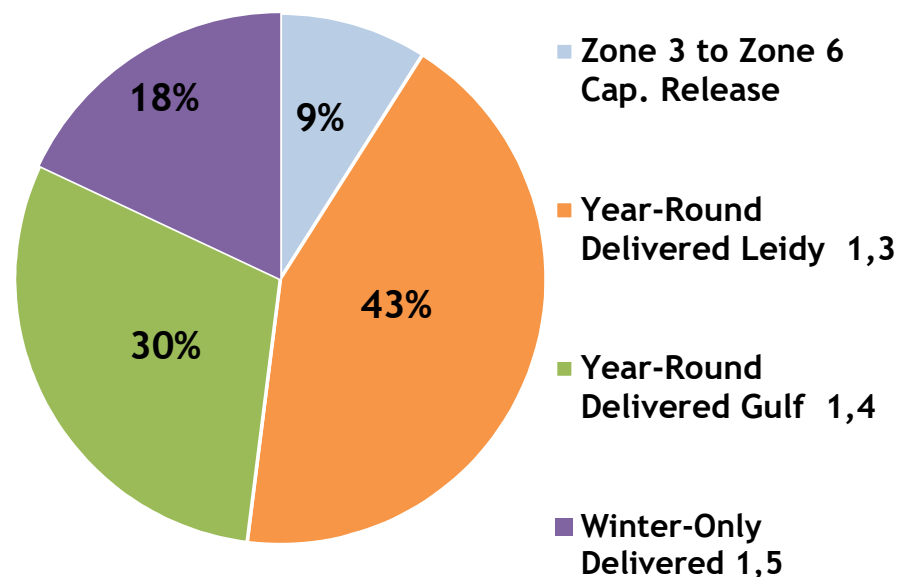
1. Delivered supply results in demand charge that is billed directly to Choice marketer by PNG each month (no capacity release)
2. Commodity charge is Tennessee Zone 4, 300 Leg, plus fuel and commodity to Zone 4

PNG FT Allocation North

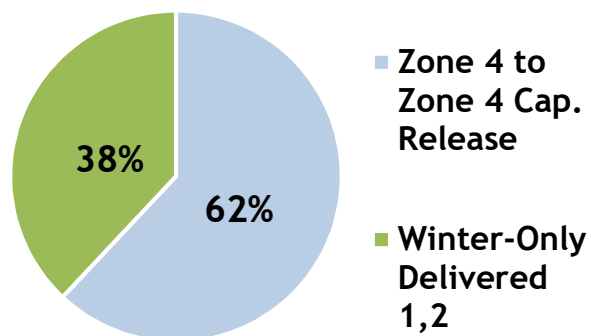
North Region



Transco Supply Allocation



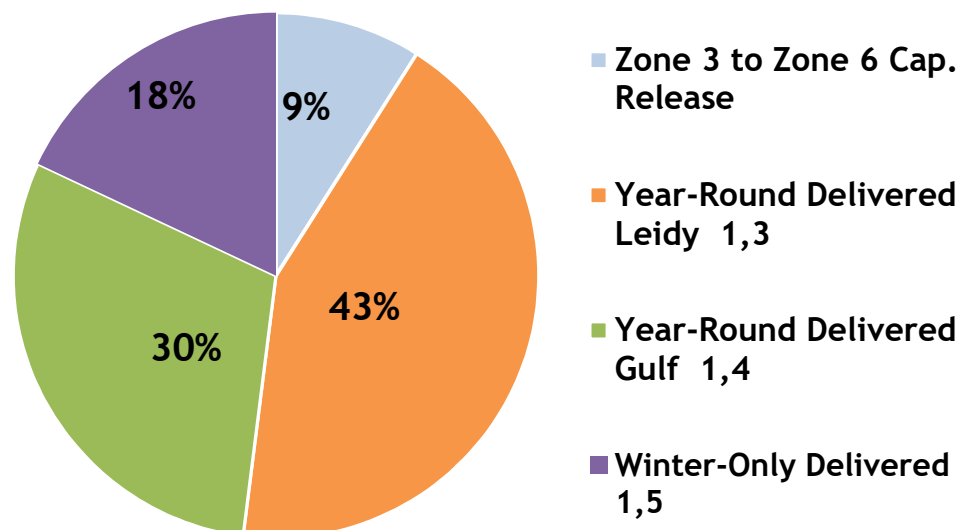
Tennessee Supply Allocation



1. Delivered supply results in demand charge that is billed directly to Choice marketer by PNG each month (no capacity release)
2. Commodity charge is Tennessee Zone 4, 300 Leg, plus fuel and commodity to Zone 4
3. Commodity charge is Transco Leidy Line Receipts, plus fuel and commodity to Zone 6
4. Commodity charge is Transco Zone 4, plus fuel and commodity to Zone 6
5. Commodity charge is Transco Leidy Line Receipts plus \$0.10, plus fuel and commodity to Zone 6

PNG FT Allocation Central & South

Transco Supply Allocation



1. Delivered supply results in demand charge that is billed directly to Choice marketer by PNG each month (no capacity release)

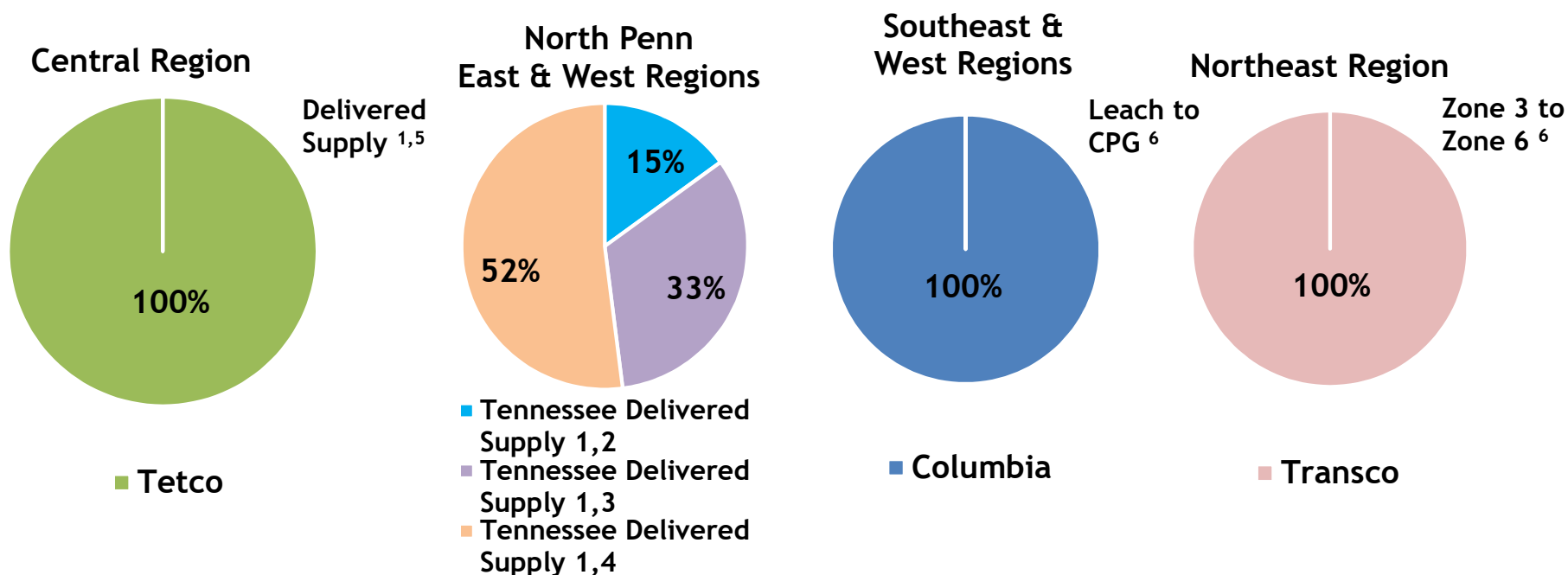
3. Commodity charge is Transco Leidy Line Receipts, plus fuel and commodity to Zone 6

4. Commodity charge is Transco Zone 4, plus fuel and commodity to Zone 6

5. Commodity charge is Transco Leidy Line Receipts plus \$0.10, plus fuel and commodity to Zone 6

CPG FT Allocation

Dependent on customer location



1. Delivered supply results in demand charge that is billed directly to Choice marketer by CPG each month (no capacity release)
2. Commodity charge is Tennessee Zone 4, 300 Leg
3. Commodity charge is Tennessee Zone 4, 300 Leg, plus fuel and commodity to Z4
4. Commodity charge is Tennessee Zone 4 313 Pool, plus fuel and commodity to Z4
5. Commodity charge is TETCO M2 plus fuel and commodity to M3
6. Monthly Capacity Release

Supply Allocation/Capacity Changes

- Beginning in the 2017-2018 season, ANR capacity releases will no longer be part of our program
 - TCO capacity receipt points have changed from Lebanon to Leach
- If you are still interested in receiving ANR capacity, we will release it upon request

Updates From PNG Base Rate Case Filing

PNG Capacity Release Program

- Final Order received August 30th
- Program effective November 1st
 - DS Customers:
 - Required participation
 - Capacity Release up to MDQ
 - Capacity charge on customer bill, capacity release rate \$0
 - LFD Customers:
 - Optional participation
 - Capacity release up to DFR
 - Rate charged on capacity release
- Capacity releases based on region, which will mimic delivery rules

PNG Capacity Release Program

- Effective November 1, 2017
- Rate DS: A form will be posted on PNG's Gas Management Website that must be submitted by 10:30 AM 5 days prior to the beginning of each month
 - Marketers will submit capacity requests by region, as noted below

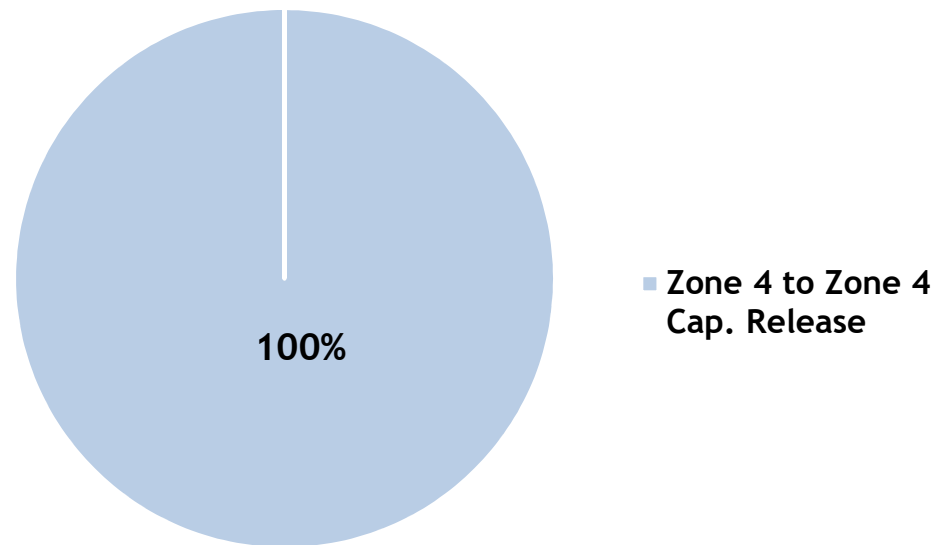
Marketer	Rate Group	Central Region PNG DS FT/Delivered Supply Request (dth)	Honesdale Region PNG FT/Delivered Supply Request (dth)	North Region PNG FT/Delivered Supply Request (dth)	South Region PNG FT/Delivered Supply Request (dth)
	N-DS				

- Rate LFD: Contact your marketing representative

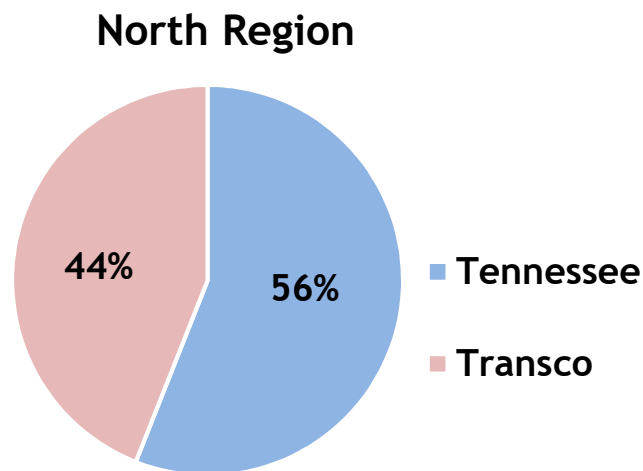
PNG DS and LFD FT Allocation Honesdale

Dependent on customer location

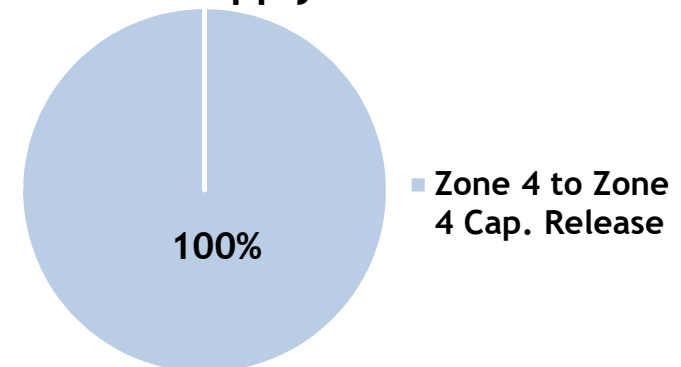
Tennessee Supply Allocation



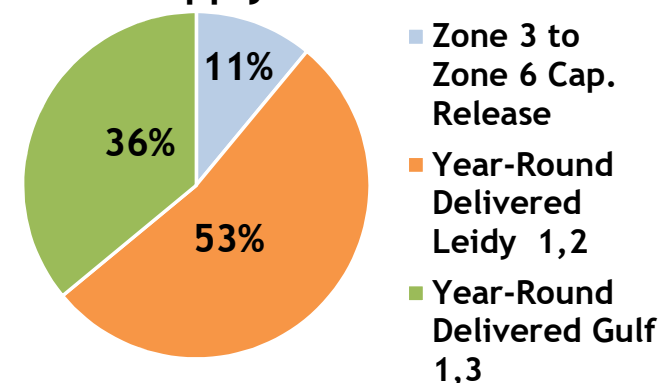
PNG DS and LFD FT Allocation North



Tennessee Supply Allocation



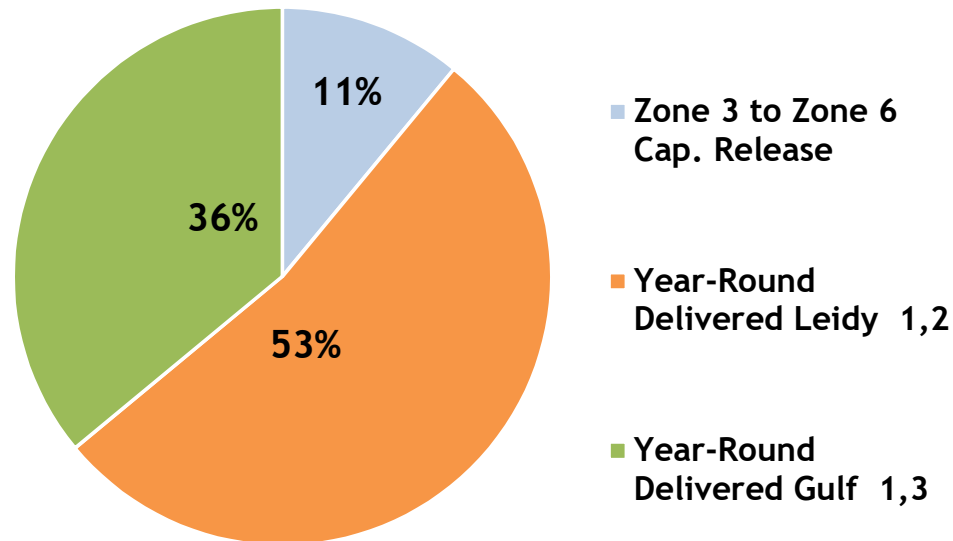
Transco Supply Allocation



1. Delivered supply results in demand charge that is billed directly to Choice marketer by PNG each month (no capacity release)
2. Commodity charge is Transco Leidy Line Receipts, plus fuel and commodity to Zone 6
3. Commodity charge is Transco Zone 4 plus fuel and commodity to Zone 6

PNG DS and LFD FT Allocation Central & South

Transco Supply Allocation



1. Delivered supply results in demand charge that is billed directly to Choice marketer by PNG each month (no capacity release)
2. Commodity charge is Transco Leidy Line Receipts, plus fuel and commodity to Zone 6
3. Commodity charge is Transco Zone 4 plus fuel and commodity to Zone 6

Nomination Procedures - PNG DS and LFD Capacity Release Program

- Marketers submit request form by monthly deadline
- FT and delivered supply allocations will be determined by region and communicated to each marketer
- Marketers will be able to nominate Year-Round Delivered Leidy and/or Year-Round Delivered Gulf daily
 - 9 a.m. deadline
- Nomination instructions to be posted on website by COB on October 20th

Questions?

*Please direct any future choice supply questions to
GasMgmtGasTraders@ugi.com*

Appendix

Bundled Sale Pricing 2017-18

- No change to the process from last year
- Pricing based on April-October average monthly index PLUS transportation costs into and out of storage
- Posted on UGI Gas Management Website

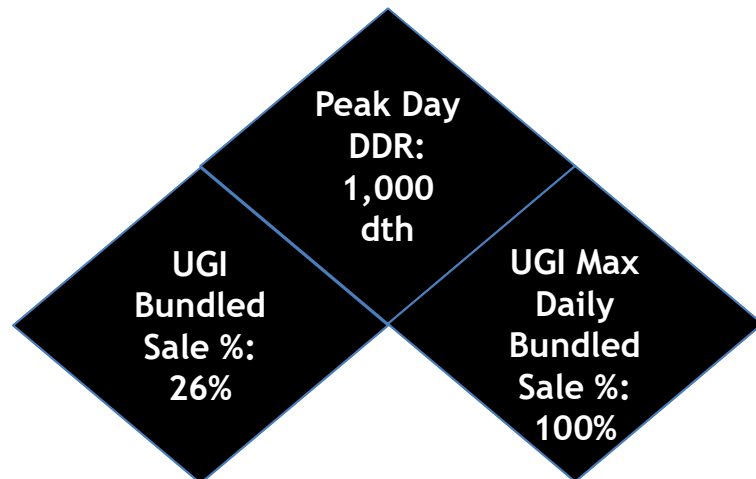
Company	Inside FERC Index	Storage Field
UGI	TCO Pool	TCO FSS
PNG	Transco Z4	Transco GSS
CPG	TETCO M2	TETCO SS-1

Bundled Sale Cash-in Indices

- Charged when marketer does not use Must-Take Bundled Sale monthly volume
- Calculated using 90% of the lowest Gas Daily Low for the month in question

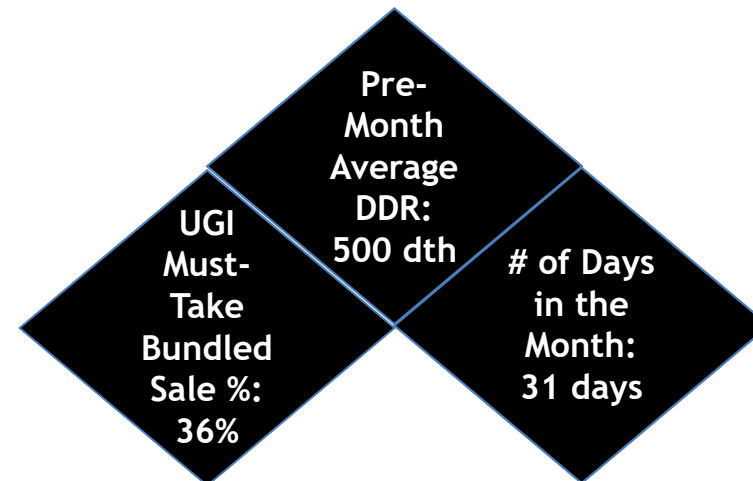
Company	Gas Daily Low Index
UGI	TETCO M2
PNG	Transco Leidy Line Receipts
CPG	TETCO M2

Bundled Sale Examples January 2018 Data



Maximum Daily Bundled Sale

$$1,000 \text{ dth} \times 26\% \times 100\% = 260 \text{ dth}$$



Monthly Must-Take Bundled Sale

$$500 \text{ dth} \times 36\% \times 31 \text{ days} = 5,580 \text{ dth}$$