

On Monday, June 27, 2011, UGI Utilities, Inc. ("UGI") will be holding a meeting to review the customer choice programs for UGI, UGI Penn Natural Gas, Inc. ("PNG"), and UGI Central Penn Gas, Inc. ("CPG"). The primary purpose of this meeting is to review the tariff addendum filed by CPG in the Purchased Gas Cost ("PGC") proceeding at Docket No. R-2011-2238949 consistent with the terms of CPG's 2010 settlement agreement.

As part of the Commission-approved comprehensive settlement of CPG's 2010 PGC proceeding last year, CPG agreed to propose modifications to the existing mandatory capacity release rules in its 2011 PGC proceeding that retain its current methodology through October 31, 2012 and are consistent with PNG's rules, with appropriate modifications for CPG's capacity portfolio, for annual periods beginning November 1, 2012 and thereafter.

In addition to reviewing the proposed changes to CPG's choice program, we will also review the UGI and PNG choice programs, including details such as capacity release options and projected costs associated with the released capacity for each company. As a reminder, the projected costs are based on the current portfolio of assets held for the core market needed to meet each company's obligation as supplier of last resort.

As always, we are receptive to proposals to lower the costs associated with the supply and capacity portfolio while maintaining system reliability. However, your input is not limited to collaborative meetings or PGC cases and we would welcome the opportunity to discuss your ideas at any time during the year.

If you are interested in participating in the meeting, you may do so in person or via conference call. The meeting will be held at the Crowne Plaza Hotel in Wyomissing, PA, starting at 1:00 PM in the Wine Room. Interested participants are required to register for this meeting by sending an email to Shaun Hart at [SHart@ugi.com](mailto:SHart@ugi.com). Dial-in information will be distributed prior to the meeting for those individuals who register, but are unable to attend in person.

Should you have any questions concerning this meeting, the choice programs, or other supply matters, please feel free to contact Shaun Hart at 610-796-3522.