

UGI Fall 2018 Supplier Collaborative

September 19, 2018

Agenda

- Choice Program Updates
 - UGI Utilities
 - Penn Natural Gas
 - Central Penn Gas
- Process Improvement Initiatives
 - Supplier Feedback & Survey Results
 - Enhanced Confirmation & After-Hours Procedures
 - Email Notifications of Operational Notices

Choice Program Updates

Choice Overview

- Portfolio includes:
 - Pipeline Capacity (FT) & Delivered Service (Call Option)
 - Storage (Bundled Sale) - *winter only*
 - Peaking - *winter only*
- Portfolio is based on final settlement of Section 1307(f) Purchase Gas Cost filings
 - UGI - Docket No. R-2018-3001633, C-2018-3001806, C-2018-3001825
 - PNG - Docket No. R-2018-3001632, C-2018-3001822, C-2018-3001827
 - CPG - Docket No. R-2018-3001631, C-2018-3001820, C-2018-3001826

UGI Utilities

Daily Delivery Requirement (DDR) (no changes)

Peak Day DDR	Pipeline Capacity FT		Storage Max Daily Bundled Sale		Peaking*	
100.0%	27.6%		24.9%		47.5%	
	Texas Eastern	15.6%	Nov	7.5%	Nov	47.5%
	Columbia	7.8%	Dec	24.9%	Dec	47.5%
	Transco	4.3%	Jan	24.9%	Jan	47.5%
			Feb 1-15	24.9%	Feb 1-15	47.5%
			Feb 16-28	22.4%	Feb 16-28	47.5%
			Mar	18.7%	Mar	47.5%

*peaking is system generated

UGI Utilities DDR Example (DTH)

Peak Day DDR	Pipeline Capacity FT		Storage Max Daily Bundled Sale		Peaking*	
1,000	276		249		475	
	Texas Eastern	156	Nov	75	Nov	475
	Columbia	78	Dec	249	Dec	475
	Transco	43	Jan	249	Jan	475
			Feb 1-15	249	Feb 1-15	475
			Feb 16-28	224	Feb 16-28	475
			Mar	187	Mar	475

*peaking is system generated

UGI Utilities

Storage - Monthly Bundled Sale

	Monthly Must-Take % Pre-Month DDR	Example: Avg Pre-month DDR 500 DTH
Nov	10.98%	1,647
Dec	33.64%	5,214
Jan	30.48%	4,725
Feb	35.30%	4,942
Mar	30.85%	4,782

Avg Pre-month DDR x Number of Days in the Month x Must-Take %

- UGI's Columbia FSS storage
- Pricing based on Apr-Oct avg IFERC TCO Pool + transportation costs into and out of storage field
- Prices are posted on UGI's Energy Management Website
<http://gasmngmt.ugi.com/> → under UGI Home → Supplier Activities → Bundled Sale Pricing
- Monthly must-take quantities not nominated during the month will be bought back at 90% Gas Daily Low Tetco M2

Penn Natural Gas Updated DDR

	Peak Day DDR	Pipeline Capacity FT & Delivered Supplies	Storage Max Daily Bundled Sale		Peaking	
Total	100%	52.4%	27.9%		19.7%	
			Nov	0.0%	Nov	19.7%
			Dec	27.9%	Dec	19.7%
			Jan	27.9%	Jan	19.7%
			Feb 1-15	27.9%	Feb 1-15	19.7%
			Feb 16-28	26.5%	Feb 16-28	19.7%
			Mar	20.9%	Mar	19.7%

*peaking is system generated

PNG FT & Delivered By Region

PNG Regions	Allocation
Honesdale	100% Tennessee
North	56% Tennessee/44% Transco
Central & South	100% Transco

FT/Delivered Asset	Pricing	Percentage
Transco FT		15.2%
Transco Gulf Delivered	GDA St 85 + variables	32.7%
Transco Leidy Delivered	GDA Leidy + variables	29.6%
Transco Winter-Only Delivered	GDA Leidy + 0.10 + vars	22.6%
Total Transco		100.0%
Tennessee FT		57.0%
Tennessee Delivered	GDA Z4 300 Leg + vars	2.7%
Tennessee Winter-Only Delivered	GDA Z4 300 Leg + vars	40.3%
Total Tennessee		100.0%

Penn Natural Gas - North Region DDR Example (DTH)

Peak Day DDR	Pipeline Capacity FT & Delivered Supplies		Storage Max Daily Bundled Sale		Peaking*	
1,000	524		279		197	
	Transco FT	35	Nov	0	Nov	197
	Transco Gulf Delivered	75	Dec	279	Dec	197
	Transco Leidy Delivered	68	Jan	279	Jan	197
	Transco Winter-Only Delivered	82	Feb 1-15	279	Feb 1-15	197
	Tennessee FT	167	Feb 16-28	265	Feb 16-28	197
	Tennessee Delivered	8	Mar	209	Mar	197
	Tennessee Winter-Only Delivered	118				

*peaking is system generated

Penn Natural Gas Storage - Monthly Bundled Sale

	Monthly Must-Take % Pre-Month DDR	Example: Avg Pre-month DDR 500 DTH
Nov	0.00%	0
Dec	13.84%	2,145
Jan	22.05%	3,418
Feb	36.23%	5,072
Mar	44.60%	6,913

Avg Pre-month DDR x Number of Days in the Month x Must-Take %

- PNG's Transco GSS
- Pricing based on Apr-Oct avg IFERC Transco Z4 + transportation costs into and out of storage field
- Prices are posted on UGI's Energy Management Website
<http://gasmngmt.ugi.com/> → under PNG Home → Supplier Activities → Bundled Sale Pricing
- Monthly must-take quantities not nominated during the month will be bought back at 90% Gas Daily Low Transco Leidy Line Receipts

Central Penn Gas Updated DDR

Peak Day DDR	Pipeline Capacity FT & Delivered Supplies		Storage Max Daily Bundled Sale		Peaking*	
100.0%	61.7%		16.2%		22.1%	
Central	Texas Eastern Delivered	61.7%	Nov	4.1%	Nov	22.1%
Southeast & West	Columbia FT	61.7%	Dec	16.2%	Dec	22.1%
North East	Transco FT	61.7%	Jan	16.2%	Jan	22.1%
North Penn East & North Penn West	Tennessee Delivered Tenn Z4 300 Leg	5.5%	Feb 1-15	16.2%	Feb 1-15	22.1%
	Tennessee Delivered Tenn Z4 300 Leg + 0.10	17.3%	Feb 16-28	13.0%	Feb 16-28	22.1%
	Tennessee Delivered Tenn Z4 300 Pool + 0.05	38.9%	Mar	10.6%	Mar	22.1%

*peaking is system generated

CPG FT & Delivered By Region

CPG Regions	Allocation
Central	100% Texas Eastern
Southeast & West	100% Columbia
North East	100% Transco
North Penn East & North Penn West	100% Tennessee

FT/Delivered Asset	Pricing
Texas Eastern Delivered	GDA M2 + variables
Tennessee Delivered Z4 300 Leg	GDA Z4 300 Leg
Tennessee Delivered Z4 300 Leg + 0.10	GDA Z4 300 Leg + 0.10
Tennessee Delivered Z4 300 Leg + 0.05	GDA Z4 300 Leg + 0.05

Central Penn Gas DDR Example (DTH)

Peak Day DDR	Regions	Pipeline Capacity FT & Delivered Supplies		Storage Max Daily Bundled Sale		Peaking*	
1,000		617		162		221	
200	Central	Texas Eastern Delivered	123	Nov	41	Nov	221
300	Southeast & West	Columbia FT	185	Dec	162	Dec	221
400	North East	Transco FT	247	Jan	162	Jan	221
100	North Penn East & North Penn West	Tennessee Delivered Tenn Z4 300 Leg	5	Feb 1-15	162	Feb 1-15	221
		Tennessee Delivered Tenn Z4 300 Leg + Max Rates	17	Feb 16-28	130	Feb 16-28	221
		Tennessee Delivered Tenn Z4 313 Pool + Max Rates	39	Mar	106	Mar	221

*peaking is system generated

Central Penn Gas Storage - Monthly Bundled Sale

	Monthly Must-Take % Pre-Month DDR	Example: Avg Pre-month DDR 500 DTH
Nov	7.34%	1,101
Dec	23.82%	3,692
Jan	32.11%	4,978
Feb	35.95%	5,033
Mar	28.21%	4,372

Avg Pre-month DDR x Number of Days in the Month x Must-Take %

- CPG’s Texas Eastern SS-1 storage
- Pricing based on Apr-Oct avg IFERC Tetco M2 + transportation costs into and out of storage field
- Prices are posted on UGI’s Energy Management Website
<http://gasmngmt.ugi.com/> → under CPG Home → Supplier Activities → Bundled Sale Pricing
- Monthly must-take quantities not nominated during the month will be bought back at 90% Gas Daily Low Tetco M2

Process Improvement Initiatives

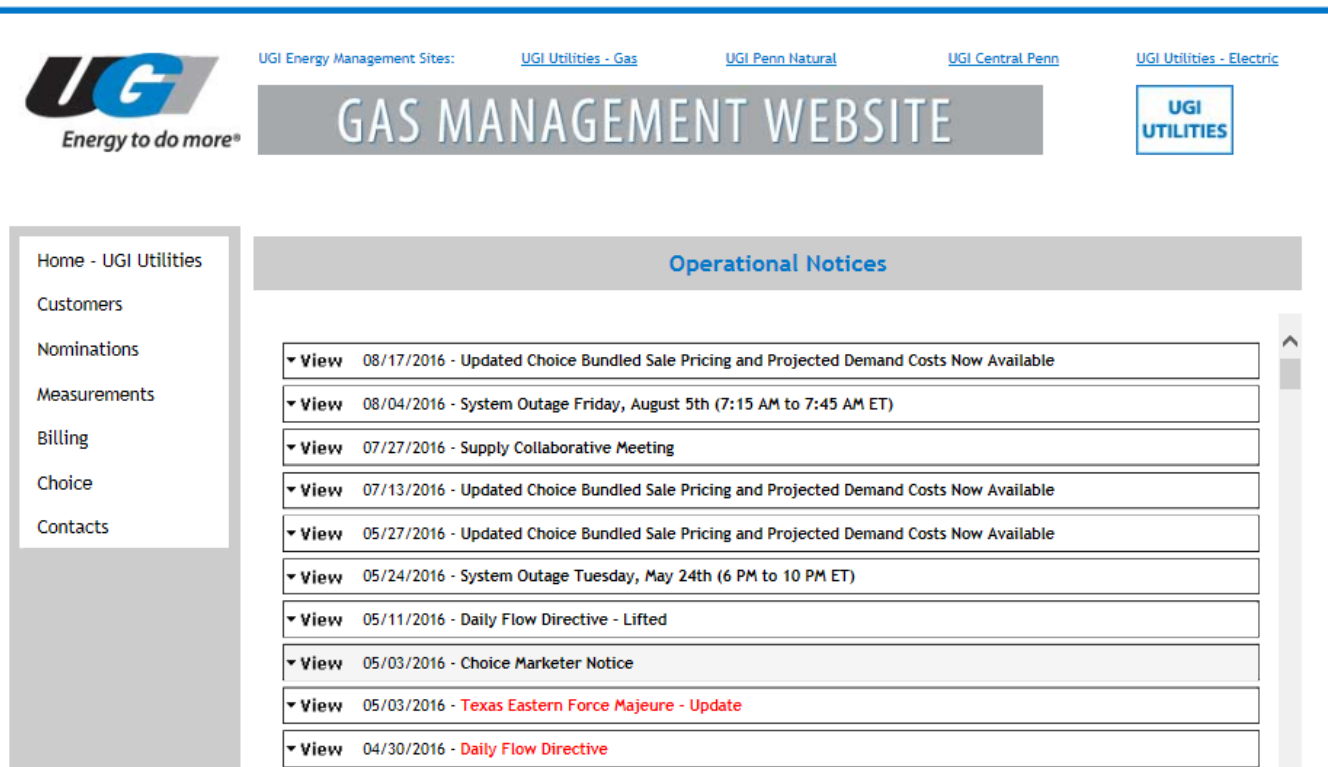
Improvements Completed Since Spring Collaborative

- ICE IM Status Messages are used to indicate the pipeline that schedulers are covering.
- The website now has the on-call schedule, refreshed UGI contact information, peaking pricing, historical demand rates, and prior supply collaborative presentations.
- Enhanced Confirmation and After-Hours Procedures have been established and implemented.
 - Supply Nomination Confirmation Procedure and Change Request Forms are available to improve timely updates to the Energy Management System.
 - Conference calls were held to communicate the procedures to NGSs.
- Non-critical operational notices are posted to communicate IT issues.

Collaborative Presentation Improvements

- Future in-person presentations will be scheduled for Mondays/Thursdays to allow others to attend in-person
- Outlook calendar invites will be sent in advance of the meetings

Email Notifications of Operational Notices



The screenshot shows the UGI Gas Management Website. At the top left is the UGI logo with the tagline "Energy to do more®". To the right of the logo are links for "UGI Energy Management Sites:", "UGI Utilities - Gas", "UGI Penn Natural", "UGI Central Penn", and "UGI Utilities - Electric". A large grey banner in the center reads "GAS MANAGEMENT WEBSITE". To the right of this banner is a blue button that says "UGI UTILITIES". Below the banner is a grey bar with the text "Operational Notices". On the left side, there is a vertical navigation menu with links for "Home - UGI Utilities", "Customers", "Nominations", "Measurements", "Billing", "Choice", and "Contacts". The main content area displays a list of operational notices, each with a "View" link, a date, and a brief description. The notices are as follows:

View	08/17/2016	Updated Choice Bundled Sale Pricing and Projected Demand Costs Now Available
View	08/04/2016	System Outage Friday, August 5th (7:15 AM to 7:45 AM ET)
View	07/27/2016	Supply Collaborative Meeting
View	07/13/2016	Updated Choice Bundled Sale Pricing and Projected Demand Costs Now Available
View	05/27/2016	Updated Choice Bundled Sale Pricing and Projected Demand Costs Now Available
View	05/24/2016	System Outage Tuesday, May 24th (6 PM to 10 PM ET)
View	05/11/2016	Daily Flow Directive - Lifted
View	05/03/2016	Choice Marketer Notice
View	05/03/2016	Texas Eastern Force Majeure - Update
View	04/30/2016	Daily Flow Directive

- Subscribe to email notifications by sending a request to GasMgmtGasTraders@ugi.com (group emails are preferred)

Questions?

Please direct supply questions to GasMgmtGasTraders@ugi.com