



January 28, 2019

VIA FEDERAL EXPRESS

Brinda Westbrook-Sedgwick
Commission Secretary
Public Service Commission of the District of Columbia
1333 H Street, NW
Suite 200, West Tower
Washington, DC 20005

RECEIVED
DISTRICT OF COLUMBIA
ENERGY & ENVIRONMENT
2019 JAN 31 AM 10:19
OFFICE OF THE
COMMISSION SECRETARY

**Re: UGI Energy Services, LLC, Information Update to Competitive Natural Gas
Suppliers License No. GA04-1 and Competitive Electricity Suppliers License No. EA09-3**

Dear Secretary Westbrook-Sedgwick,

Enclosed please find updated information contained in the Natural Gas Supplier application of UGI Energy Services, LLC. Please return a time-stamped copy to me in the enclosed postage-paid, return envelope.

Should you have any questions concerning this filing, please feel free to contact me at (610) 373-7999 x1123 or pasare@ugies.com.

Respectfully yours,

A handwritten signature in black ink, appearing to read "Patrick Asare".

Patrick Asare
Principal Analyst

BEFORE THE DISTRICT OF COLUMBIA PUBLIC SERVICE COMMISSION
NATURAL GAS SUPPLIER APPLICATION UPDATE

Application Docket No. GA04-1

Application of UGI Energy Services, LLC

BUSINESS INFORMATION

1. IDENTITY OF THE APPLICATION

a. Legal Name: UGI Energy Services, LLC

Current Mailing Address: One Meridian Boulevard
Suite 2C01
Wyomissing, PA 19610

Street Address (if different): Same as above

Website URL (if available): <http://www.ugies.com>

b. Other States including the District of Columbia, in which the Applicant is now or has been engaged in the retail sale of electricity or natural gas and the names under which the Applicant is engaged or has been engaged in such business(es):

See Attachment 1.

c. Other States in which the Applicant has applied to provide retail electric or natural gas service but has been rejected. Applicant may limit response to the last (2) years.

None.

d. Trade Name: UGI Energy Services, LLC

2. a. CONTACT PERSON - REGULATORY CONTACT

Name and Title: **Patrick Asare, Principal Analyst**

Address: **One Meridian Boulevard**
Suite 2C01
Wyomissing, PA 19610

Telephone: **(610) 373-7999 x 1123**

Fax: **(610) 374-4288**

E-mail: **pasare@ugies.com**

Contact Person – Customer Service Manager for direct Commission inquiries (this information will not be posted on the Commission Website)

Name and Title: **Julia Hager – Customer Experience Manager**

Address: **One Meridian Boulevard**
Suite 2C01
Wyomissing, PA 19610

Telephone: **(610) 373-7999 x1119**

Fax: **(610) 373-8386**

E-mail: **jhager@ugies.com**

b. CONTACT PERSON - CUSTOMER SERVICE (this information will be posted on the Commission website):

Name and Title: **Julia Hager – Customer Experience Manager**

Address: **One Meridian Boulevard**
Suite 2C01
Wyomissing, PA 19610

Telephone: **(800) 427-8545**

Fax: **(610) 373-8386**

E-mail: **jhager@ugies.com**

c. CONTACT PERSON – RESIDENTIAL SALES/CONTACT PERSON (this information will be posted on the Commission website): **N/A – UGIES does not service residential customers in the District of Columbia.**

- d. CONTACT PERSON - NON-RESIDENTIAL SALES/CONTACT PERSON (this information will be posted on the Commission website):

Name and Title: **Albert Palsa, Regional Director of Sales**

Address: **UGI Energy Services, LLC**
209 West Street, Suite 301
Annapolis, MD 21401

Telephone: **(410) 625-0259**

(Please provide toll-free number if available)

Fax: **(410) 625-0236**

3. RESIDENT AGENT:

Name and Title: **CSC**

Address: **1090 Vermont Avenue N.W.**
Washington, D.C. 20005

4. PRIMARY CORPORATE OFFICERS/GENERAL PARTNERS:

See Attachment 4 for a current list of corporate officers.

5. AFFILIATES OR PREDECESSOR(S), ENGAGED IN THE SALE OR TRANSPORTATION /TRANSMISSION OF ELECTRICITY OR NATURAL GAS AT WHOLESALE OR RETAIL OR THE PROVISIONS OF RETAIL TELEPHONE OR CABLE SERVICES TO THE PUBLIC: (select and complete appropriate statement) (Applicant may limit response to the last two years.):

☐ The Applicant has no such Affiliate(s) or Predecessor(s).

☒ Applicant is an Affiliate of a regulated utility in Pennsylvania, Virginia, Delaware, New Jersey, or Maryland. Please provide regulated utility's name:

UGI Utilities, Inc. (d/b/a UGI South), UGI Central, and UGI North.
UGI Utilities, Inc. operates a regulated natural gas distribution business that
serves over 600,000 customers in portions of 46 eastern and central Pennsylvania
counties and parts of one Maryland county. UGI Utilities, Inc. also provides

regulated electric utility service to approximately 62,000 customers in portions of northeastern Pennsylvania. UGI Utilities, Inc. wholly owns UGI North and UGI Central. UGI North supplies natural gas distribution service to customers located in 13 counties in northeastern and central Pennsylvania. UGI Central furnishes natural gas distribution service to customers in service territories that encompass all or parts of 37 counties in northeastern, central and northwestern Pennsylvania and in one county in northwestern Maryland.

- ☒ Affiliate(s), or Predecessor(s), other than a regulated utility in Pennsylvania, Virginia, Delaware, New Jersey, or Maryland that provides, or provided, sale or transportation/transmission of electricity or natural gas at wholesale or retail or the provision of retail telephone or cable services to the public.

Name: **UGI Development Company**

Business Address: **One Meridian Boulevard
Suite 2C01
Wyomissing, PA 19610**

License #/State of Issuance: **N/A: Holds Exempt Wholesale Generator Status
from FERC, issued in Docket No. ER99-2817-000**

6. **ACTIONS AGAINST LICENSEES:** Provide the following information for the Applicant, any Predecessor(s), and any unregulated Affiliate that engages in or engaged in the sale or transportation/transmission of electricity or natural gas at wholesale or retail or the provision of retail telephone or cable services to the public (Applicant may limit responses to the last five years).

Actions such as Suspensions/Revocations/Limitations/Reprimands/Fines or other similar actions have been taken against the Applicant, Predecessor(s), or other unregulated Affiliate(s), and are described in the attached statement, including docket numbers, offense dates, and case numbers, if applicable. Formal investigations (defined as those investigations formally instituted in a public forum by way of the filing of a complaint, show cause order, or similar pleading)

- ☐ instituted by any regulatory agency or law enforcement agency relating to the Applicant, Predecessor(s), or unregulated Affiliate(s) if, as a result of the investigation, Applicant's/Predecessor's/or Affiliate's license to provide service to the public was in jeopardy are also listed. The license number, state of issuance, and name of licensee are identified below:

State(s): _____

Name(s): _____

- ☒ License Number(s) (or other applicable identification): _____
☒ No such action has been taken.

TECHNICAL FITNESS

8. See **Attachment 8** for updated information on key technical personnel.

FINANCIAL INTEGRITY

14. **REQUIRED DOCUMENTATION OF FINANCIAL INTEGRITY:** To the extent available, Applicant shall provide the most recent versions of the following documents. Check each that is attached:

Balance sheets, income statements, and statements of cash flows for the two most recent 12 month periods for which information is available. Balance sheets, income statements, and statements of cash flow must be for the Applicant and not a parent corporation, in the event one exists. Audited financial statements must be provided if they exist. Applicant should provide 10Ks and 10Qs if available.

☒

If the Applicant has not been in existence for at least two-12 month periods, it must provide balance sheets, income statements and statements of cash flow for the life of the business. Audited financial statements must be provided if they exist.

☐

In the event that a parent or other corporation or company has undertaken to guarantee the financial integrity of the Applicant, Applicant must submit such parent's, other corporation's, or company's balance sheets, income statements, and statements of cash flow, together with documentation of such undertaking to insure the financial integrity of the Applicant.

☐

☒ Evidence that the Applicant is a licensed supplier in good standing or has engaged in the retail supply of electricity or electricity supply services in and/or other jurisdictions.

☐ Credit reports or ratings prepared by established credit bureaus or agencies regarding the Applicant's payment and credit history.

- ☐ A current long-term bond rating, or other senior debt rating, if available.
- ☒ Organizational structure of Applicant. Include Applicant's parent, affiliate(s), and subsidiary(ies) if applicable.
- ☐ Evidence of general liability insurance.
- ☐ Other evidence of financial integrity (please attach additional information to application).
- ☒ Applicant will not accept prepayments or deposits from customers.
- ☐ Applicant intends to accept prepayments and/or deposits from customers.

Please refer to Attachment 14 for updated Documentation of Financial Integrity.

18. **FURTHER DEVELOPMENTS:** Applicant is under a continuing obligation to amend its application if substantial changes occur in the information upon which the Commission relied in approving the original filing.

VERIFICATION

State of Pennsylvania :
: ss.
County of Berks :

Anthony C. Cox, Affiant, being duly (sworn/affirmed) according to law, deposes and says that:
He is the Vice President of Supply & Customer Operations;

He is authorized to and does make this affidavit for said corporation;

The Applicant understands that the making of false statement(s) herein may be grounds for denying the Application or, if later discovered, for revoking any authority granted pursuant to the Application. This Application is subject to all applicable sections of the District of Columbia Code as may be amended from time to time relating to perjury and falsification in official matters; and

That the facts above set forth are true and correct to the best of his/her present knowledge, information, and belief and that he/she expects said Applicant to be able to prove the same at any hearing here after due inquiry, and that he/she expects said Applicant to be able to prove the same of any hearing hereof.



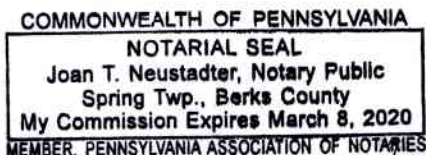
Signature of Affiant

Sworn and subscribed before me this 28th day of January, 2019.



Signature of official administering oath

My commission expires: March 8, 2020

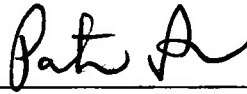


Certificate of Service

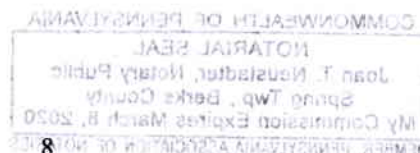
I hereby certify that I have this day served the foregoing document by regular mail, U.S postage prepaid, upon the following interested party in accordance with Commission's Regulations.

Washington Gas Light Company
Attention: Andrea Mills
6801 Industrial Road
Springfield, Virginia 22151

Dated at Wyomissing, Pennsylvania (County of Berks), this 28th day of January, 2019.



Patrick Asare
Principal Analyst



Natural Gas Supplier License Renewal Application

Exhibits Index

<u>Name of Document</u>	<u>Attachment Number</u>	<u>Tab</u>
• Summary of states in which UGI Energy Services is engaged in the retail sale of natural gas and/or electricity	1	1
• Current list of corporate officers	4	2
• Biographies of key technical personnel	8	3
• Documentation of financial integrity	14	4
○ Audited Financial Statements (2017-2018)	14-A	5
○ Evidence of good standing as a natural gas supplier	14-B	6
○ Corporate organizational structure chart	14-C	7

ATTACHMENT 1

STATES IN WHICH UGI ENERGY SERVICES IS ENGAGED IN THE RETAIL SALE OF NATURAL GAS AND/OR ELECTRICITY

UGI Energy Services, LLC (“UGIES”), is currently certified, licensed, registered, or otherwise authorized to provide retail natural gas service and/or retail or wholesale electricity service in the following Local Distribution Company (“LDC”) territories:

<u>STATE</u>	<u>ELECTRIC, GAS, or BOTH</u>	<u>LICENSE/DOCKET NO.</u>	<u>LDC TERRITORIES</u>
DE	Both	<u>Electric:</u> Docket No. 06-11 <u>Gas:</u> N/A	<u>Electric</u> <ul style="list-style-type: none"> • Delmarva Power & Light <u>Gas</u> <ul style="list-style-type: none"> • Chesapeake Gas – Eastern Shore • Connectiv
DC	Both	<u>Electric:</u> Case No. EA-09-3 <u>Gas:</u> Case No. GA-04-1	<u>Electric</u> <ul style="list-style-type: none"> • Potomac Electric Power Co. <u>Gas</u> <ul style="list-style-type: none"> • Washington Gas Light
IL	Gas	Docket No. 09-0392	<ul style="list-style-type: none"> • Northern Illinois Gas Company d/b/a Nicor Gas Company • The Peoples Gas Light and Coke Company • North Shore Gas Company
MD	Both	<u>Electric:</u> IR-237 <u>Gas:</u> IR-319	<u>Electric</u> <ul style="list-style-type: none"> • Baltimore Gas & Electric • Delmarva Power & Light • Potomac Edison • Potomac Electric Power Co. <u>Gas</u> <ul style="list-style-type: none"> • Baltimore Gas & Electric • Columbia Gas of Maryland • Washington Gas Light
MA	Both	<u>Electric:</u> EB-208 <u>Gas:</u> GS-043	<u>Electric</u> <ul style="list-style-type: none"> • National Grid • NSTAR <u>Gas</u> <ul style="list-style-type: none"> • Boston Gas, Colonial & Essex • Columbia of Mass. • NSTAR
NJ	Both	<u>Electric:</u> ESL-0028 <u>Gas:</u> GSL-0025	<u>Electric</u> <ul style="list-style-type: none"> • Atlantic City Electric • Jersey Central Power & Light • Public Service Electric & Gas Co. <u>Gas:</u> <ul style="list-style-type: none"> • Elizabethtown Gas • New Jersey Natural • Public Service Electric & Gas • South Jersey Gas

<u>STATE</u>	<u>ELECTRIC, GAS, or BOTH</u>	<u>LICENSE/DOCKET NO.</u>	<u>LDC TERRITORIES</u>
NY	Both	<u>Electric & Gas:</u> N/A	<u>Electric</u> <ul style="list-style-type: none"> • National Grid (Niagara Mohawk) • NY State Electric & Gas • Rochester Gas & Electric <u>Gas:</u> <ul style="list-style-type: none"> • Central Hudson Gas & Electric • Consolidated Edison • Corning Natural Gas • Keyspan Energy East (LILCO) • Keyspan Energy NY • National Fuel Distribution • National Grid (NIMO) • NY State Electric & Gas • Orange and Rockland • Rochester Gas & Electric
NC	Gas	N/A	<ul style="list-style-type: none"> • Piedmont Natural Gas Company • Public Service of North Carolina • Frontier City of Monroe
SC	Gas	N/A	<ul style="list-style-type: none"> • Piedmont Natural Gas Company • South Carolina Electric & Gas
OH	Gas	02-035G	<ul style="list-style-type: none"> • Columbia of Ohio • Dominion East Ohio
PA	Both	<u>Electric:</u> A-2013-2369288 <u>Gas:</u> A-2013-2369286	<u>Electric</u> <ul style="list-style-type: none"> • Duquesne Light • MetEd – First Energy • PECO – Exelon • PA Electric Co. • PP&L Electric • UGI Utilities • West Penn Power <u>Gas:</u> <ul style="list-style-type: none"> • Columbia of PA • PECO Energy • Peoples Natural Gas • Philadelphia Gas Works • UGI CPG • UGI PNG • UGI Utilities • Peoples TWP • Valley Cities
VA	Gas	G-16	<ul style="list-style-type: none"> • Columbia of Virginia • Washington Gas Light • Shenandoah Gas (a division of Washington Gas)
WV	Gas	N/A	UGIES is not currently serving any local distribution companies in WV
RI	Gas	2-0935-0998	Rhode Island Gas

ATTACHMENT 4

CURRENT UGIES CORPORATE OFFICERS

Name	Title	Title Role
Gaudiosi, Monica M.	Manager	Manager
Hartz, Joseph L.	Manager	Manager
Jastrzebski, Ted	Manager	Manager
Hartz, Joseph L.	President	Officer
Koehler, Andrew S.	Controller	Officer
Doerries, Ann C.	Vice President and Chief Financial Officer	Officer
Gaudiosi, Monica M.	Vice President and General Counsel, Secretary	Officer
Dutzman, Matthew S.	Vice President - Power and Business Development	Officer
Cox, Anthony C.	Vice President - Supply and Customer Operations	Officer
Gibbs, Michael C.	Vice President - Commodity Marketing	Officer
Hunt, Amy E.	Vice President - IT and Administration	Officer
D'Alessandro, Dante L.	Vice President - Engineering and Operations	Officer
Jastrzebski, Ted	Vice President - Financial Strategy	Officer
Garcia, G. Gary	Treasurer	Officer
Kelly, Ann P.	Assistant Treasurer	Officer
Pearson, Michael R.	Assistant Treasurer	Officer
Meredith, Pamela A.	Assistant Secretary	Officer

ATTACHMENT 8
BIOGRAPHIES OF KEY TECHNICAL PERSONNEL

Joseph L. Hartz

President

Experience: 31 years of industry experience. Mr. Hartz currently has general managerial and strategic oversight responsibility for all aspects of UGIES's retail and wholesale gas and power businesses. He previously served as the Chief Operating Officer, overseeing the day-to-day operations of UGIES including, Human Resources, Sales & Marketing, Gas Supply, Customer Scheduling, Information Technology, Plant Operations, Construction and Engineering. Plant operations include electric generation, propane-air peak shaving, LNG (liquefaction, vaporization and storage), propane rail terminals and truck filling, compressor stations, natural gas pipelines and underground natural gas storage fields. He spent ten years at UGI Utilities before moving to UGI Energy Services as Controller and CFO. Mr. Hartz became the Vice President of Gas Supply at UGIES in 2008. Mr. Hartz holds a B.S. from the Pennsylvania State University and has completed a Certificate in Finance and Strategic Management from the Penn State University Executive Program.

Ann Doerries

Vice President/Chief Financial Officer

Experience: Ms. Doerries joined UGI Energy Services in 2015 following her tenure as the controller of the terminals subsidiary of Kinder Morgan. Ms. Doerries' responsibilities include financial accounting, data network and performing administrative functions for UGIES including risk management, internal controls, Sarbanes-Oxley, and credit and communications with internal and external auditors. Prior to UGIES, Ms. Doerries worked at Reliant Energy, LyondellBassell Industries, and Baker Hughes. She is a CPA with six years of consulting experience at a Big Four accounting firm. Ms. Doerries earned a BBA degree in Marketing and Accounting from the University of Texas.

Andrew Koehler

Controller

Experience: 19 years of industry experience. In his position as Controller, Mr. Koehler manages the Credit, Collections, Tax, General Ledger, Gas Supply, Derivatives, and Payables departments. He has excelled in formalizing teams, acting upon credit and collections issues, and maintaining Sarbanes-Oxley compliance. Mr. Koehler previously worked for UGIES as a Financial Analyst and as a Financial Analysis Manager. He also served as the Director – Financial Planning & Analysis for UGI Corporation's affiliate, AmeriGas. Before his tenure at UGIES, Mr. Koehler served as a Controller for the Exide Corporation and as a senior auditor for Ernst & Young. Mr. Koehler received his B.A. in Accounting from the Pennsylvania State University, an MBA in Finance from St. Joseph's University, and he maintains his CPA license.

Matthew S. Dutzman**Vice President – Power and Business Generation**

Experience: 33 years of industry experience. Mr. Dutzman is responsible for power generation and marketing, and certain corporate development activities. He previously held positions with Southern California Gas Company, Brentwood Resources, Arthur D. Little, and Consolidated Edison. Mr. Dutzman has an MBA from the University of Southern California and a B.S. from Pennsylvania State University.

Anthony C. Cox**Vice President – Gas Supply and Customer Operations**

Experience: Mr. Cox is responsible for procuring and hedging all gas supply for the retail and wholesale operations, customer scheduling on the various LDCs, and operating and maintaining responsibility for intrastate pipelines and natural gas storage fields. Mr. Cox is also responsible for the management and optimization of natural gas storage and associated pipeline transportation, sale of peaking and related services, and purchase and delivery of liquid fuels (oil and propane). He previously served as Vice President of Midstream Services for UGI Energy Services, LLC. UGI's midstream group develops and operates natural gas gathering, transmission and storage systems across Pennsylvania for Marcellus and Utica Shale gas producers and demand markets. Prior to joining UGI Energy Services in 2011, Mr. Cox spent nearly 15 years at UGI Utilities, Inc. in a variety of positions, serving most recently as Director of Marketing. He earned undergraduate degrees in Finance and Economics from Millersville University of Pennsylvania and an MBA from the Erivan K. Haub School of Business at Saint Joseph's University in Philadelphia.

Michael C. Gibbs**Vice President – Commodity Marketing**

Experience: 31 years of industry experience. Mr. Gibbs is responsible for the overall strategic and tactical management of the commodity Sales & Marketing function at UGIES; interfacing between the Regional Sales Directors and their reports and other departments; overseeing the Company's marketing/sales promotion and advertising functions, preparing sales forecasts, budgets, and sensitivity analyses; establishing sales goals and compensation targets; and achieving gross margin and profitability goals. Prior to UGIES, Mr. Gibbs was Vice President of National Sales for TXU Energy and Vice President of East Region Marketing and Sales for Enserch Energy Services of Dallas, TX. Mr. Gibbs also served as Chief Operating Officer of Direct Gas Supply Corp. of LI, NY, where he began his energy career. Mr. Gibbs is a graduate of the New York City College of Technology of the City University of NY, and earned additional coursework at the NY Institute of Finance during his earlier career on Wall Street.

Amy E. Hunt**Vice President – IT and Administration**

Experience: 29 years of experience in customer management, supply procurement, transportation

services. Ms. Hunt joined UGI Energy Services in 2003 and oversaw the management of nominations and scheduling operations as well as departmental communication. She served as the operational manager of the Company's 33,000 end-use accounts, which included managing a staff of 14 gas control analysts coordinating gas flow and customer account balancing behind 36 city gates in 10 states. Ms. Hunt has served as the Vice President IT and Administration since 2014. Prior to UGIES, she was the Manager of Operations for TXU Energy Retail Company, a national energy marketing organization. Ms. Hunt attended Southern Connecticut State University and graduated from the Katharine Gibbs School.

Dante L. D'Alessandro

Vice President – Engineering and Operations

Experience: 22 years of industry experience. Mr. D'Alessandro is currently responsible for the build out and ongoing operations of all operating assets at UGI Energy Services. Mr. D'Alessandro's oversees the development of all new infrastructure projects through their entire life cycle which includes engineering and design, land acquisition, permitting, procurement and construction. Once placed into service, Mr. D'Alessandro is also responsible for ensuring the safe, compliant and reliable operations of these assets. Current operating asset responsibilities include gathering and transmission pipelines, compressor stations, dehydrations facilities, LNG and gas processing facilities, propane air peaking facilities and LPG terminals as well as combine cycle and landfill power generation facilities. Mr. D'Alessandro holds a Bachelor of Science degree in Mechanical Engineering from the Pennsylvania State University and is a licensed Professional Engineer in the State of Pennsylvania.

Pamela A. Jocsak

Vice President and General Manager, UGI HVAC

Experience: More than 17 years of industry experience. Ms. Jocsak oversees the daily operations of UGI Heating, Cooling and Plumbing, UGI Performance Solutions, Berkshire Mechanical and Denny's Electric. These businesses provide HVAC, plumbing and electrical services to residential and commercial customers as well as designing, developing and installing combined heat and power (CHP) projects. Before assuming her current role, Ms. Jocsak was general manager for UGI Heating, Cooling and Plumbing from 2009 through 2016. She managed more than 200 employees and a 24/7 call center. Ms. Jocsak has a Bachelor of Science in mechanical engineering from Lafayette College and a Master of Business Administration from Lehigh University.

Frank Markle

Senior Counsel

Experience: 29 years of industry experience. Mr. Markle is responsible for a broad spectrum of legal work for UGI Energy Services and its subsidiaries. His legal representation for UGIES focuses primarily on Federal Energy Regulatory Commission and public utility regulatory matters, energy contracting and corporate governance. Mr. Markle began his career as an attorney with FERC in 1988. He worked in

private energy practice for two years before becoming an in-house attorney with Equitable Resources in 1991. At Equitable, he held positions of increasing legal responsibility, including vice president and general counsel for the Equitrans interstate pipeline company. He moved to UGI Corp. in 2000. Mr. Markle is a graduate of Georgetown University and holds a Juris Doctor from the University of Denver with a certificate in environmental and natural resources law.

ATTACHMENT 14

DOCUMENTATION OF FINANCIAL INTEGRITY

Attached herein are the following documents, which demonstrate the financial integrity of UGIES:

Attachment 14-A: Audited Financial Statements for the years 2017 and 2018;

Attachment 14-B: Evidence of good standing as a natural gas supplier, through copies of UGIES's licenses, in the following jurisdictions:

- Illinois;
- Maryland;
- Massachusetts;
- New Jersey;
- New York;
- Ohio;
- Pennsylvania; and
- Virginia.

Attachment 14-C: Corporate organizational structure chart for UGIES.

**UGI ENERGY SERVICES, LLC
AND SUBSIDIARIES**

**CONSOLIDATED FINANCIAL STATEMENTS
for the years ended September 30, 2018 and 2017**

UGI ENERGY SERVICES, LLC AND SUBSIDIARIES

TABLE OF CONTENTS

	<u>Pages</u>
Report of Independent Auditors	3
Financial Statements:	
Consolidated Balance Sheets as of September 30, 2018 and 2017	5
Consolidated Statements of Income and Comprehensive Income for the years ended September 30, 2018 and 2017	6
Consolidated Statements of Cash Flows for the years ended September 30, 2018 and 2017	7
Consolidated Statements of Changes in Equity for the years ended September 30, 2018 and 2017	8
Notes to Consolidated Financial Statements	9



Ernst & Young LLP
One Commerce Square
Suite 700
2005 Market Street
Philadelphia, PA 19103

Tel: +1 215 448 5000
Fax: +1 215 448 5500
ey.com

Report of Independent Auditors

To the Member and Management of UGI Energy Services, LLC:

We have audited the accompanying consolidated financial statements of UGI Energy Services, LLC and subsidiaries, which comprise the consolidated balance sheets as of September 30, 2018 and 2017, and the related consolidated statements of income and comprehensive income, cash flows and changes in equity for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in conformity with U.S. generally accepted accounting principles; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of UGI Energy Services, LLC and subsidiaries at September 30, 2018 and 2017, and the consolidated results of their operations and their cash flows for the years then ended in conformity with U.S. generally accepted accounting principles.

Ernst + Young LLP

December 19, 2018