Ohio | Public Utilities Commission

DIS Case Number: 02-1968-GA-CRS

Section A: Application Information

A-1. Provider type:

☐ Retail Natural Gas Broker ☐ Retail Natural Gas Aggregator ☒ Retail Natural Gas Marketer

A-2. Applicant's legal name and contact information.

Legal Name: UGI Energy Services LLC
Phone: 6103737999 **Extension (if applicable):**
Website (if any): https://ugies.com/

Country: United States
Street: 835 Knitting Mills Way
City: Wyomissing **Province/State:** PA
Postal Code: 19610

A-3. Names and contact information under which the applicant will do business in Ohio

Provide the names and contact information the business entity will use for business in Ohio. This does not have to be an Ohio address and may be the same contact information given in A-2.

Name	Type	Address	Active?	Proof
UGI Energy Services, LLC	Official Name	835 Knitting Mills Way Wyomissing, PA 19610	Yes	Link

A-4. Names under which the applicant does business in North America

Provide all business names the applicant uses in North America, including the names provided in A-2 and A-3.

Name	Type	Address	Active?	Proof
Gasmark	Official Name	835 Knitting Mills Way Wyomissing, PA 19610	Yes	Link
Powermark	Official Name	835 Knitting Mills Way Wyomissing, PA 19610	Yes	Link

UGI EnergyLink	DBA	835 Knitting Mills Way Wyomissing, PA 19610	Yes	Link

A-5. Contact person for regulatory matters

PATRICK ASARE
835 Knitting Mills Way
Wyomissing, PA 19610
US
pasare@oneugi.com
4842696130

A-6. Contact person for PUCO Staff use in investigating consumer complaints

Angela DeLong
835 Knitting Mills Way
Wyomissing, PA 19610
US
adelong@oneugi.com
8004278545

A-7. Applicant's address and toll-free number for customer service and complaints

Phone: 18004278545 **Extension (if applicable):** **Country:** United States
Fax: **Extension (if applicable):** **Street:** 835 Knitting Mills Way
Email: adelong@ugies.com **City:** Wyomissing **Province/State:** PA
Postal Code: 19610

A-8. Applicant's federal employer identification number

46-2506629

A-9. Applicant's form of ownership

Form of ownership: Limited Liability Company (LLC)

A-10. Identify current or proposed service areas

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Identify each service area in which the applicant is currently providing service or intends to provide service and identify each customer class that the applicant is currently serving or intends to serve.

Service area selection

Columbia Gas of Ohio
Dominion Energy Ohio

Class of customer selection

Industrial
Small Commercial
Large Commercial

A-11. Start date

Indicate the approximate start date the applicant began/will begin offering services: 11-18-2002

A-12. Principal officers, directors, and partners

Please provide all contacts that should be listed as an officer, director or partner.

Name	**Email**	Title	Address
David Brearly	dbrearly@oneugi.com	Controller	835 Knitting Mills Way Wyomissing, PA 19610 US
Shaun Hart	shart@oneugi.com	Vice President, Commodity Marketing, Growth & Retention	835 Knitting Mills Way Wyomissiong, PA 19610 US
Joseph Hartz	jhartz@oneugi.com	Manager	835 KNITTING MILLS WAY WYOMISSING, PA 19610 US
Monica Gaudiosi	gaudiosim@ugicorp.com	Manager	460 North Gulph Road King of Prussia, PA 19406 US
Robert Beard	rbeard@ugi.com	Manager	1 UGI Drive Denver, PA 17517 US
Ted Jastrzebski	jastrzebskit@ugicorp.com	Manager	460 North Gulph Road King of Prussia, PA 19406 US

Marie-Dominique Ortiz-Landazabal	ortiz-landazabalm@ugicorp.com	Vice President and Chief Financial Officer	835 Knitting Mills Way Wyomissing, PA 19610 US
Kelly Beaver	kbeaver@oneugi.com	Vice President, Energy Marketing & Supply	835 Knitting Mills Way Wyomissing, PA 19610 US
Judy Zagorski	zagorskij@ugicorp.com	Chief Human Resources Officer	460 North Gulph Road King of Prussia, PA 19406 US
Bryn Michaels	michaelsb@ugicorp.com	Assistant Secretary	460 North Gulph Road King of Prussia, PA 19406 US
Anthony Cox	acox@oneugi.com	Vice President, Business Development	835 Knitting Mills Way Wyomissing, PA 19610 US

A-13. Company history

UGI Energy Services, LLC, by way of its predecessor, UGI Energy Services, Inc., d/b/a UGI EnergyLink ('UGIES'), began operation in 1985. UGIES was originally formed as a retail natural gas and electricity marketer with its operations confined to Pennsylvania but has grown substantially, both geographically and in its product offerings in the 37 years of continuous business operations since. UGIES is now an integrated energy marketing and asset-based company operating throughout the Northeast and Mid-Atlantic region. UGIES sells electricity, gas, LNG and propane to both wholesale and retail customers and operates electric generation and pipeline and storage assets in support of its commodity business. From, time to time, UGIES has conducted its retail commodity sales business under its registered trade names of GASMARK, POWERMARK, and UGI EnergyLink.
Through a conservative operating approach and strong financial backing, UGIES has grown its operations steadily and profitably. It is now one of the largest gas marketers in the Mid-Atlantic region. UGIES currently has over 400 employees, with its headquarters in Wyomissing, Pennsylvania, and regional offices in the following locations:

- York, Pennsylvania,
- Pittsburgh, Pennsylvania,
- Albany, New York,
- Rochester, New York.

A-14. Secretary of State

Secretary of State Link:

A-15. Proof of Ohio Employee and Office

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Provide proof of an Ohio Office and Employee in accordance with Section 4929.22of the Ohio Revised Code. List the designated Ohio employee's name, Ohio office address, telephone number and web site address

Employee Name: Chip Powers
23 Roslyn Avenue
Hudson, OH 44236
US
cpowers@oneugi.com
3306503788

Section B: Applicant Managerial Capability and Experience

B-1. Jurisdiction of operations

List all jurisdictions in which the applicant or any affiliated interest of the applicant is certified, licensed, registered or otherwise authorized to provide retail natural gas service or retail/wholesale electric service as of the date of filing the application..

File Attached

B-2. Experience and plans

Describe the applicant's experience in providing the service(s) for which it is applying (e.g., number and type of customers served, utility service areas, amount of load, etc.). Include the plan for contracting with customers, providing contracted services, providing billing statements and responding to customer inquiries and complaints in accordance with Commission rules adopted pursuant to Sections 4928.10 and/or 4929.22 of the Ohio Revised Code.

File(s) attached

B-3. Disclosure of liabilities and investigations

For the applicant, affiliate, predecessor of the applicant, or any principal officer of the applicant, describe all existing, pending or past rulings, judgments, findings, contingent liabilities, revocation of authority, regulatory investigations, judicial actions, or other formal or informal notices of violations, or any other matter related to competitive services in Ohio or equivalent services in another jurisdiction..

File Attached

B-4. Disclosure of consumer protection violations

Has the applicant, affiliate, predecessor of the applicant, or any principal officer of the applicant been convicted orheld liable for fraud or for violation of any consumer protection or antitrust laws within the past five years?

No

B-5. Disclosure of certification, denial, curtailment, suspension or revocation

Has the applicant, affiliate, or a predecessor of the applicant had any certification, license, or application to provide retail natural gas or retail/wholesale electric service denied, curtailed, suspended, revoked, or cancelled or been terminated or suspended from any of Ohio's Natural Gas or Electric Utility's Choice programs within the past two years?

No

Section C: Applicant Financial Capability and Experience

C-1. Financial reporting

Provide a current link to the most recent Form 10-K filed with the Securities and Exchange Commission (SEC) or upload the form. If the applicant does not have a Form 10-K, submit the parent company's Form 10-K. If neither the applicant nor its parent is required to file Form 10-K, state that the applicant is not required to make such filings with the SEC and provide an explanation as to why it is not required.

Financial Reports Link(s): https://www.ugicorp.com/sec-filings/sec-filing/10-k/0000884614-21-000065

C-2. Financial statements

Provide copies of the applicant's two most recent years of audited financial statements, including a balance sheet, income statement, and cash flow statement. If audited financial statements are not available, provide officer certified financial statements. If the applicant has not been in business long enough to satisfy this requirement, provide audited or officer certified financial statements covering the life of the business. If the applicant does not have a balance sheet, income statement, and cash flow statement, the applicant may provide a copy of its two most recent years of tax returns with **social security numbers and bank account numbers redacted.**

If the applicant is unable to meet the requirement for two years of financial statements, the Staff reviewer may request additional financial information.

File(s) attached

C-3. Forecasted financial statements

Provide two years of forecasted income statements **based solely on the applicant's anticipated business activities in the state of Ohio.**

Include the following information with the forecast: a list of assumptions used to generate the forecast; a statement indicating that the forecast is based solely on Ohio business activities only; and the name, address, email address, and telephone number of the preparer of the forecast.

The forecast may be in one of two acceptable formats: 1) an annual format that includes the current year and the two years succeeding the current year; or 2) a monthly format showing 24 consecutive months following the month of filing this application broken down into two 12-month periods with totals for revenues, expenses, and projected net incomes for both periods. Please show revenues, expenses, and net income (revenues minus total expenses) that is expected to be earned and incurred in **business activities only in the state of Ohio** for those periods.

If the applicant is filing for both an electric certificate and a natural gas certificate, please provide a separate and distinct forecast for revenues and expenses representing Ohio electric business activities in the application for the electric certificate and another forecast representing Ohio natural gas business activities in the application for the natural gas certificate.

File(s) attached

C-4. Credit rating

Provide a credit opinion disclosing the applicant's credit rating as reported by at least one of the following ratings agencies: Moody's Investors Service, Standard & Poor's Financial Services, Fitch Ratings or the National Association of Insurance Commissioners. If the applicant does not have its own credit ratings, substitute the credit ratings of a parent or an affiliate organization and submit a statement signed by a principal officer of the applicant's parent or affiliate organization that guarantees the obligations of the applicant. If an applicant or its parent does not have such a credit rating, enter 'Not Rated'.

File(s) attached

C-5. Credit report

Provide a copy of the applicant's credit report from Experian, Equifax, TransUnion, Dun and Bradstreet or a similar credit reporting organization. If the applicant is a newly formed entity with no credit report, then provide a personal credit report for the principal owner of the entity seeking certification. At a minimum, the credit report must show summary information and an overall credit score. **Bank/credit account numbers and highly sensitive identification information must be redacted.** If the applicant provides an acceptable credit rating(s) in response to C-4, then the applicant may select 'This does not apply' and provide a response in the box below stating that a credit rating(s) was provided in response to C-4.

File(s) attached

C-6. Bankruptcy information

Within the previous 24 months, have any of the following filed for reorganization, protection from creditors or any other form of bankruptcy?

- Applicant
- Parent company of the applicant
- Affiliate company that guarantees the financial obligations of the applicant
- Any owner or officer of the applicant

No

C-7. Merger information

Is the applicant currently involved in any dissolution, merger or acquisition activity, or otherwise participated in such activities within the previous 24 months?

No

C-8. Corporate structure

Provide a graphical depiction of the applicant's corporate structure. Do not provide an internal organizational chart. The graphical depiction should include all parent holding companies, subsidiaries and affiliates as well as a list of all affiliate and subsidiary companies that supply retail or wholesale electricity or natural gas to customers in North America. If the applicant is a stand-alone entity, then no graphical depiction is required, and the applicant may respond by stating that it is a stand-alone entity with no affiliate or subsidiary companies.

File(s) attached

C-9. Financial arrangements

Provide copies of the applicant's financial arrangements to satisfy collateral requirements to conduct retail electric/natural gas business activities (e.g., parental guarantees, letters of credit, contractual arrangements, etc., as described below).

Renewal applicants may provide a current statement from an Ohio local distribution utility (LDU) that shows that the applicant meets the LDU's collateral requirements. The statement or letter must be on the utility's letterhead and dated within a 30-day period of the date the applicant files its renewal application.

First-time applicants or applicants whose certificate has expired must meet the requirements of C-9 in one of the following ways:

1. The applicant itself states that it is investment grade rated by Moody's Investors Service, Standard & Poor's Financial Services, or Fitch Ratings and provides evidence of rating from the rating agencies. If you provided a credit rating in C-4, reference the credit rating in the statement.
2. The applicant's parent company is investment grade rated (by Moody's, Standard & Poor's, or Fitch) and guarantees the financial obligations of the applicant to the LDU(s). Provide a copy of the most recent credit opinion from Moody's, Standard & Poor's or Fitch.
3. The applicant's parent company is not investment grade rated by Moody's, Standard & Poor's or Fitch but has substantial financial wherewithal i**n the opinion of the Staff reviewer** to guarantee the financial obligations of the applicant to the LDU(s). The parent company's financials and a copy of the parental guarantee must be included in the application if the applicant is relying on this option.
4. The applicant can provide evidence of posting a letter of credit with the LDU(s) listed as the beneficiary, in an amount sufficient to satisfy the collateral requirements of the LDU(s).

File(s) attached

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Section D: Applicant Technical Capacity

D-1. Operations

Gas Marketers: Describe the operational nature of the applicant's business, specifying whether operations will include the contracting of natural gas purchases for retail sales, the nomination and scheduling of retail natural gas for delivery, and/or the provision of retail ancillary services, as well as other services used to supply natural gas to the natural gas company city gate for retail customers.

File(s) attached

D-2. Operations Expertise & Key Technical Personnel

Given the operational nature of the applicant's business, provide evidence of the applicant's experience and technical expertise in performing such operations. Include the names, titles, e-mail addresses, and background of key personnel involved in the operations of the applicant's business.

File(s) attached

Ohio | Public Utilities Commission

Application Attachments

UNITED STATES OF AMERICA
STATE OF OHIO
OFFICE OF THE SECRETARY OF STATE

I, Jon Husted, do hereby certify that I am the duly elected, qualified and present acting Secretary of State for the State of Ohio, and as such have custody of the records of Ohio and Foreign business entities; that said records show UGI ENERGY SERVICES, LLC, a Pennsylvania For Profit Limited Liability Company, Registration Number 2238435, filed on October 17, 2013, is currently in FULL FORCE AND EFFECT upon the records of this office.

Witness my hand and the seal of the Secretary of State at Columbus, Ohio this 23rd day of September, A.D. 2014.

Ohio Secretary of State

Validation Number: 201426601132

EXHIBIT B-1
JURISDICTIONS OF OPERATION
OF UGI ENERGY SERVICES, LLC

UGI Energy Services, LLC is currently certified, licensed, registered or otherwise authorized to provide retail natural gas service and/or retail or wholesale electric service in the following jurisdictions:

	State	Natural Gas	Electric
1.	Pennsylvania	√	√
2.	Delaware	√	√
3.	Maryland	√	√
4.	New Jersey	√	√
5.	New York	√	√
6.	District of Columbia	√	√
7.	Massachusetts*	√	√
8.	Virginia	√	
9.	North Carolina	√	
10.	New Hampshire	√	
11.	Ohio	√	
12.	Rhode Island	√	

*UGIES is approved in the State of Massachusetts as an electric broker only.

EXHIBIT B-2
EXPERIENCE AND PLANS
OF UGI ENERGY SERVICES, LLC

As outlined in Exhibit B-3, UGI Energy Services, LLC ("UGIES") has contractual relationships with thousands of commercial and industrial customers. UGIES meets the delivery requirements for its Ohio retail customers by contracting with multiple wholesale gas suppliers, interstate pipelines and storage providers, with firm city gate delivery points on Columbia Gas Ohio, Dominion East Ohio, and Dominion West Ohio. UGIES uses a standard natural gas purchase and sales agreement for its retail customer activity. UGIES issues bills on a monthly basis to all customers. UGIES is fully staffed to respond to any customer inquiries and complaints concerning services or billing.

EXHIBIT B-3
SUMMARY OF EXPERIENCE
FOR UGI ENERGY SERVICES, LLC

UGI Energy Services, LLC ("UGIES") is a regional energy marketer, selling natural gas and petroleum products to solely commercial and industrial customers. UGIES, by way of its predecessor, UGI Energy Services, Inc., began operation in 1985, as one of the first marketers to sell natural gas supplies in a newly deregulated energy environment. Annual natural gas sales have grown to over 150 Bcf in the current fiscal year. UGIES now serves over 40,000 customer accounts behind 43 local distribution companies ("LDCs") across 11 states in the Northeast and Mid-Atlantic regions of the U.S.

UGIES currently supplies natural gas to customers on the following LDC systems:

Ohio

- Columbia Gas Ohio
- Dominion East Ohio
- Dominion West Ohio

Delaware

- Chesapeake Utilities/ Eastern Shore Natural Gas
- Connectiv

Maryland/Washington, D.C.

- Baltimore Gas and Electric
- Columbia Gas of Maryland
- Washington Gas Light

Massachusetts

- Boston Gas, Colonial and Essex
- Eversource Gas Company of Massachusetts
- NSTAR

New Jersey

- Elizabethtown Gas
- New Jersey Natural Gas
- Public Service Electric & Gas
- South Jersey Gas

New Hampshire

- Liberty
- Unitil

New York

- Central Hudson
- Consolidated Edison
- Corning Natural Gas

- KeySpan Energy East
- KeySpan Energy NY
- National Fuel Distribution
- National Grid (Nimo)
- New York State Electric & Gas
- Orange & Rockland
- Rochester Gas & Electric

Pennsylvania

- Columbia Gas of Pennsylvania
- Equitable Gas
- PECO Energy Company
- Peoples Natural Gas
- Philadelphia Gas Works
- UGI Utilities
- Valley Cities

Virginia

- Columbia Gas of Virginia
- Washington Gas Light

North Carolina

- PSNC
- Piedmont
- Frontier

Rhode Island

- National Grid Rhode Island

EXHIBIT B-4
DISCLOSURE OF LIABILITIES AND INVESTIGATIONS
FOR UGI ENERGY SERVICES, LLC

UGI Energy Services, LLC has not had any rulings, judgments, contingent liabilities, revocations of authority, regulatory investigations or any other matters that could adversely impact its financial or operational status or limits its ability to provide services.

UGI ENERGY SERVICES, LLC
AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS
and MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
for the years ended September 30, 2021 and 2020

UGI ENERGY SERVICES, LLC AND SUBSIDIARIES

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UGI ENERGY SERVICES, LLC AND SUBSIDIARIES

GLOSSARY OF TERMS AND ABBREVIATIONS

Terms and abbreviations used in this document are defined below:

UGI Energy Services and Related Entities

AmeriGas - AmeriGas Propane, L.P., an indirect wholly-owned subsidiary of UGI

Company - UGI Energy Services, LLC and its consolidated subsidiaries collectively

Energy Services - UGI Energy Services, LLC, a wholly-owned subsidiary of Enterprises, or collectively, UGI Energy Services, LLC and its consolidated subsidiaries

Enterprises - UGI Enterprises, LLC, a wholly-owned subsidiary of UGI

ESFC - Energy Services Funding Corporation, a wholly-owned subsidiary of Energy Services

GHI - GHI Energy, LLC, a Houston-based renewable natural gas company and indirect wholly owned subsidiary of Energy Services

Pennant - Pennant Midstream, LLC, a Delaware limited liability company

PennEast - PennEast Pipeline Company, LLC

Pine Run - Pine Run Gathering, LLC

UGI - UGI Corporation

UGI PennEast, LLC - A wholly-owned subsidiary of Energy Services that holds a 20% membership interest in PennEast

UGI Pine Run, LLC - A wholly owned subsidiary of Energy Services that holds a 49% membership interest in Pine Run

UGI Utilities - UGI Utilities, Inc., a wholly-owned subsidiary of UGI

UGID - UGI Development Company, a wholly-owned subsidiary of Energy Services

Other Terms and Abbreviations

AFUDC - Allowance for Funds Used During Construction

AOCI - Accumulated Other Comprehensive Income (Loss)

ARO - Asset Retirement Obligation

ASC - Accounting Standards Codification

ASC 606 - ASC 606, “Revenue from Contracts with Customers”

ASC 740 - ASC 740, "Income Taxes"

ASC 820 - ASC 820, "Fair Value Measurement"

ASC 980 - ASC 980, "Regulated Operations"

ASU - Accounting Standards Update

CARES Act - Coronavirus Aid, Relief, and Economic Security Act

CDC - Centers for Disease Control and Prevention

CMG - Columbia Midstream Group, LLC

CMG Acquisition - Acquisition of CMG and Columbia Pennant, LLC on August 1, 2019 pursuant to the CMG Acquisition Agreements

CMG Acquisition Agreements - Agreements related to the CMG Acquisition comprising (1) a purchase and sale agreement related to the CMG acquisition, dated July 2, 2019, by and among Columbia Midstream & Minerals Group, LLC, Energy Services, UGI and TransCanada PipeLine USA Ltd., and (2) a purchase and sale agreement related to the Colombia Pennant, LLC acquisition, dated July 2, 2019, by and among Columbia Midstream & Minerals Group, LLC, Energy Services, and TransCanada PipeLine USA Ltd.

Conemaugh - Conemaugh generation station, a 1,711-megawatt, coal-fired electricity generation station located near Johnstown, Pennsylvania

COVID-19 - A novel strain of coronavirus disease discovered in 2019

Energy Services Credit Agreement - Third Amended and Restated Credit Agreement entered into on March 6, 2020 by Energy Services, as borrower, providing for borrowings up to $260 million, including a letter of credit subfacility of up to $50 million, scheduled to expire in March 2025

Energy Services Term Loan - A seven-year $700 million senior secured term loan agreement entered into on August 13, 2019, with a group of lenders

FASB - Financial Accounting Standards Board

FERC - Federal Energy Regulatory Commission

Fiscal 2015 - The fiscal year ended September 30, 2015

Fiscal 2016 - The fiscal year ended September 30, 2016

Fiscal 2020 - The fiscal year ended September 30, 2020

Fiscal 2021 - The fiscal year ended September 30, 2021

Fiscal 2022 - The fiscal year ending September 30, 2022

Fiscal 2023 - The fiscal year ending September 30, 2023

Fiscal 2024 - The fiscal year ending September 30, 2024

Fiscal 2025 - The fiscal year ending September 30, 2025

Fiscal 2026 - The fiscal year ending September 30, 2026

GAAP - U.S. generally accepted accounting principles

Hunlock - Hunlock station, a 130-megawatt natural gas-fueled electricity generating station located near Wilkes-Barre, Pennsylvania

ICE - Intercontinental Exchange

LNG - Liquefied natural gas

NOL - Net operating loss

NPNS - Normal purchase and normal sale

NYMEX - New York Mercantile Exchange

PennEnergy - PennEnergy Resources, LLC

PJM - PJM Interconnection, LLC

Receivables Facility - A receivables purchase facility of Energy Services with an issuer of receivables-backed commercial paper

ROU - Right-of-use

RNG - Renewable natural gas

SCAA - Storage Contract Administrative Agreements

USD - U.S. Dollar

VIE - Variable Interest Entity

WHO - World Health Organization

Building a better working world

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Fax: +1 215 448 4069
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, 2021 and 2020, and the related consolidated statements of comprehensive income, cash flows, and changes in member's 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 of America. 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, 2021 and 2020, 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 15, 2021

UGI ENERGY SERVICES, LLC AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

(Millions of dollars)

	September 30,	
	2021	2020
ASSETS		
Current assets:		
Cash and cash equivalents	$ 197	$ 23
Restricted cash	21	9
Accounts receivable (less allowances for doubtful accounts of $4 and $2, respectively)	119	90
Accounts receivable - related parties	11	9
Inventories	36	25
Derivative instruments	50	18
Prepaid expenses and other current assets	51	40
Total current assets	485	214
Property, plant and equipment:		
Gross property, plant and equipment	1,988	1,960
Accumulated depreciation	(310)	(256)
Net property, plant and equipment	1,678	1,704
Goodwill	337	336
Intangible assets, net	262	280
Derivative instruments	34	7
Investments in equity method investees	163	190
Other assets	42	35
Total assets	$ 3,001	$ 2,766
LIABILITIES AND MEMBER'S EQUITY		
Current liabilities:		
Current maturities of long-term debt	$ 10	$ 10
Short-term borrowings	—	19
Accounts payable	127	81
Accounts payable - related parties	13	13
Derivative instruments	23	21
Other current liabilities	41	42
Total current liabilities	214	186
Long-term debt	706	711
Deferred income taxes	290	199
Derivative instruments	21	29
Other noncurrent liabilities	13	14
Total liabilities	1,244	1,139
Member's equity	1,757	1,627
Total liabilities and member's equity	$ 3,001	$ 2,766

See accompanying notes to consolidated financial statements.

UGI ENERGY SERVICES, LLC AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Millions of dollars)

	Year Ended September 30,	
	2021	2020
Revenues	$ 1,391	$ 1,210
Costs and expenses:		
Cost of sales (excluding depreciation and amortization shown below)	860	831
Operating and administrative expenses	128	121
Loss on disposal of Conemaugh	—	52
Depreciation and amortization	76	74
Other operating expense, net	9	—
	1,073	1,078
Operating income	318	132
(Loss) income from equity method investees	(62)	27
Interest expense	(42)	(42)
Income before income taxes	214	117
Income tax expense	(69)	(12)
Net income	$ 145	$ 105
Other comprehensive income (loss):		
Net gains (losses) on derivative instruments (net of tax of $(1) and $9, respectively)	3	(23)
Reclassifications of net losses on derivative instruments (net of tax of $(3) and $(1), respectively)	7	3
Other comprehensive income (loss)	10	(20)
Comprehensive income	$ 155	$ 85

See accompanying notes to consolidated financial statements.

UGI ENERGY SERVICES, LLC AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Millions of dollars)

	Year Ended September 30,	
	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 145	$ 105
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	76	74
Deferred income tax expense, net	92	57
Changes in unrealized gains and losses on derivative instruments	(158)	(45)
Loss (income) from equity method investees	62	(27)
Distributions received from equity method investees	22	17
Loss on disposal of Conemaugh	—	52
Other, net	11	8
Net change in:		
Accounts receivable	(12)	(12)
Inventories	(11)	(2)
Accounts payable	57	12
Derivative instruments collateral received	79	—
Other current assets	(11)	(22)
Other current liabilities	(1)	(5)
Net cash provided by operating activities	351	212
CASH FLOWS FROM INVESTING ACTIVITIES:		
Expenditures for property, plant and equipment	(54)	(92)
Acquisitions of businesses and assets, net of cash acquired	—	(16)
Investments in equity method investments	(65)	(2)
Other, net	5	(1)
Net cash used by investing activities	(114)	(111)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Distributions	(25)	(50)
Receivables Facility net repayments	(19)	(27)
Repayments of debt	(7)	(7)
Decrease in short-term borrowings	—	(45)
Net cash used by financing activities	(51)	(129)
Cash, cash equivalents and restricted cash increase (decrease)	$ 186	$ (28)
CASH, CASH EQUIVALENTS AND RESTRICTED CASH:		
End of year	$ 218	$ 32
Beginning of year	32	60
Cash, cash equivalents and restricted cash increase (decrease)	$ 186	$ (28)
SUPPLEMENTAL CASH FLOW INFORMATION:		
Cash paid (received) for:		
Interest	$ 40	$ 40
Income taxes	$ (6)	$ (9)

See accompanying notes to consolidated financial statements.

UGI ENERGY SERVICES, LLC AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN MEMBER'S EQUITY

(Millions of dollars)

	Member's Equity
Balance at September 30, 2019	$ 1,592
Net income	105
Cash distributions	(50)
Changes in AOCI balance (Note 13)	(20)
Balance at September 30, 2020	$ 1,627
Net income	145
Cash distributions	(25)
Changes in AOCI balance (Note 13)	10
Balance at September 30, 2021	$ 1,757

See accompanying notes to consolidated financial statements.

Note 1 — Nature of Operations

Energy Services is a Pennsylvania limited liability company and a wholly-owned subsidiary of Enterprises. Enterprises is a wholly-owned subsidiary of UGI. Energy Services is a sole member limited liability company with Enterprises owning 100% of the membership interest.

Energy Services conducts, directly and through subsidiaries and affiliates, energy marketing, including RNG, midstream transmission, LNG storage, natural gas gathering and processing, natural gas and RNG production, electricity generation and energy services businesses primarily in the eastern region of the U.S., eastern Ohio, the panhandle of West Virginia and California. UGID owns electricity generation facilities principally located in Pennsylvania. Energy Services and its subsidiaries' storage, LNG and portions of its midstream transmission operations are subject to regulation by the FERC.

Note 2 — Summary of Significant Accounting Policies

Basis of Presentation

Our consolidated financial statements are prepared in accordance with GAAP. The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, expenses and costs. These estimates are based on management's knowledge of current events, historical experience and various other assumptions that are believed to be reasonable under the circumstances. Accordingly, actual results may be different from these estimates and assumptions.

For purposes of comparability, certain prior-year amounts have been reclassified to conform to the current-year presentation.

Principles of Consolidation

The consolidated financial statements include all the accounts of Energy Services, its majority-owned subsidiaries and VIEs, if any, where it has concluded that it is the primary beneficiary. A VIE is defined as a legal entity that has equity investors that do not have sufficient equity at risk for the entity to support its activities without additional subordinated financial support or, as a group, the holders of the equity at risk lack (i) the power to direct the entity's activities or (ii) the obligation to absorb the expected losses or the right to receive the expected residual returns of the entity. A VIE is required to be consolidated by a company if that company is the primary beneficiary. The primary beneficiary is the entity that has a controlling financial interest in the VIE such that it has the power to direct the activities of the VIE that most significantly impact the VIE's financial performance.

We eliminate intercompany accounts and transactions when we consolidate. We account for privately held equity securities of entities without readily determinable fair values in which we do not have control, but have significant influence over operating and financial policies, under the equity method. Distributions received from equity method investees are included in cash flows from operating activities on the Consolidated Statements of Cash Flows. For a more detailed description of our equity method investees, see Note 15. Energy Services' wholly-owned, special purpose subsidiary, ESFC, is consolidated for financial statement purposes (see Note 6).

Effects of Regulation

A subsidiary of the Company accounts for the financial effects of regulation in accordance with the ASC 980. In accordance with this guidance, incurred costs that would otherwise be charged to expense are capitalized and recorded as regulatory assets when it is probable that the incurred costs will be recovered through rates in the future. Similarly, we recognize regulatory liabilities when it is probable that regulators will require customer refunds through future rates or when revenue is collected from customers for expenditures that have not yet been incurred. Generally, regulatory assets and liabilities are amortized into expense and income over the periods authorized by the respective regulatory body. At both September 30, 2021 and 2020, regulatory assets of $2 were included in "Other assets" on the Consolidated Balance Sheets. There were no regulatory liabilities recorded at September 30, 2021 and 2020.

Fair Value Measurements

The Company applies fair value measurements on a recurring and, as otherwise required under ASC 820, on a nonrecurring basis. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (an exit price) in an orderly transaction between market participants at the measurement date. Fair value measurements performed on a recurring basis principally relate to derivative instruments.

ASC 820 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three levels. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). A level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

We use the following fair value hierarchy, which prioritizes the inputs to valuation techniques used to measure fair value into three broad levels:

- Level 1 — Quoted prices (unadjusted) in active markets for identical assets and liabilities that we have the ability to access at the measurement date.

- Level 2 — Inputs other than quoted prices included within Level 1 that are either directly or indirectly observable for the asset or liability, including quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and inputs that are derived from observable market data by correlation or other means.

- Level 3 — Unobservable inputs for the asset or liability including situations where there is little, if any, market activity for the asset or liability.

Fair value is based upon assumptions that market participants would use when pricing an asset or liability, including assumptions about risk and risks inherent in valuation techniques and inputs to valuations. This includes not only the credit standing of counterparties and credit enhancements but also the impact of our own nonperformance risk on our liabilities. We evaluate the need for credit adjustments to our derivative instrument fair values. These credit adjustments were not material to the fair values of our derivative instruments.

Derivative Instruments

Derivative instruments are reported on the Consolidated Balance Sheets at their fair values, unless the NPNS exception is elected. The accounting for changes in fair value depends upon the purpose of the derivative instrument or if it qualifies and is designated as a hedge for accounting purposes.

Certain of our derivative instruments qualify and are designated as cash flow hedges. For cash flow hedges, changes in the fair values of the derivative instruments are recorded in AOCI, to the extent effective at offsetting changes in the hedged item, until earnings are affected by the hedged item. We discontinue cash flow hedge accounting if occurrence of the forecasted transaction is determined to be no longer probable. Hedge accounting is also discontinued for derivatives that cease to be highly effective. We do not designate our commodity derivative instruments as hedges under GAAP. Changes in the fair values of these derivative instruments are reflected in net income. Cash flows from derivative instruments are included in cash flows from operating activities on the Consolidated Statements of Cash Flows.

For a more detailed description of the derivative instruments we use, our accounting for derivatives, our objectives for using them and other information see Note 12.

Revenue Recognition

In accordance with ASC 606, the Company recognizes revenue when control of promised goods or services is transferred to customers in an amount that reflects the consideration to which we expect to be entitled in exchange for those goods or services. Certain revenues such as revenue from leases, financial instruments and other revenues are not within the scope of ASC 606 because they are not from contracts with customers. Such revenues are accounted for in accordance with other GAAP.

Revenue-related taxes collected on behalf of customers and remitted to taxing authorities, principally sales and use taxes, are not included in revenues. Gross receipts taxes are presented on a gross basis. The Company has elected to use the practical expedient to expense the costs to obtain contracts when incurred for contracts that have a term less than one year. The costs incurred to obtain contracts that have durations of longer than one year are not material. See Note 4 for additional disclosures regarding the Company's revenue from contracts with customers.

Accounts Receivable

Accounts receivable are reported on the Consolidated Balance Sheets at the gross outstanding amount adjusted for an allowance for doubtful accounts. Accounts receivable that are acquired are initially recorded at fair value on the date of acquisition. Provisions for uncollectible accounts are established based upon our collection experience, the assessment of the collectability of specific amounts and the Company's best estimate of current expected credit losses. Accounts receivable are written off in the period in which the receivable is deemed uncollectible.

Income Taxes

We join with UGI and its subsidiaries in filing a consolidated federal income tax return. In all periods presented, we joined with UGI as disregarded entities in filing state tax returns. We are charged or credited for our share of current taxes resulting from the effects of our transactions in the UGI consolidated federal income tax return and combined state income tax returns including giving effect to intercompany transactions. The result of this allocation is consistent with income taxes calculated on a separate return basis. Accordingly, income tax-related payments and accrued income tax balances principally reflect transactions with UGI resulting from this allocation. We record interest on tax deficiencies and income tax penalties, if any, in "Income tax expense" on the Consolidated Statements of Comprehensive Income. Interest income or expense recognized in "Income tax expense" on the Consolidated Statements of Comprehensive Income was not material for all periods presented.

See Note 7 for information regarding the March 27, 2020 enactment of the CARES Act.

Cash, Cash Equivalents and Restricted Cash

Cash and cash equivalents include cash on hand, cash in banks and highly liquid investments with maturities of three months or less when purchased. Restricted cash principally represents those cash balances in our commodity futures brokerage accounts that are restricted from withdrawal.

The following table provides a reconciliation of the total cash, cash equivalents and restricted cash reported on the Consolidated Balance Sheets to the corresponding amounts reported on the Consolidated Statements of Cash Flows.

	2021	2020
Cash and cash equivalents	$ 197	$ 23
Restricted cash	21	9
Cash, cash equivalents and restricted cash	$ 218	$ 32

Inventories

Inventories principally comprise natural gas, liquefied natural gas and, to a lesser extent, propane. Our inventories are stated at the lower of cost or net realizable value. We determine cost using an average cost method.

Property, Plant and Equipment and Related Depreciation

We record property, plant and equipment at the lower of original cost or fair value, if impaired. Capitalized costs include labor, materials and other direct and indirect costs, and for certain operations subject to cost-of-service rate regulation, AFUDC. We also include in property, plant and equipment costs associated with computer software we develop or obtain for use in our business. The amounts assigned to property, plant and equipment of acquired businesses are based upon estimated fair value at date of acquisition. When we retire or otherwise dispose of plant and equipment, we eliminate the associated cost and accumulated depreciation and recognize any resulting gain or loss in "Other operating expense, net" on the Consolidated Statements of Comprehensive Income.

We record depreciation expense on plant and equipment on a straight-line basis over estimated economic useful lives. Our natural gas production assets are depreciated on the units of production method. We classify amortization of computer software and related IT system installation costs included in property, plant and equipment as depreciation expense. No depreciation expense is included in "Cost of sales" on the Consolidated Statements of Comprehensive Income.

Goodwill and Intangible Assets.

Intangible Assets. We amortize intangible assets over their estimated useful lives unless we determine their lives to be indefinite. Estimated useful lives of definite-lived intangible assets, primarily consisting of customer relationships (other than customer relationships acquired in the CMG Acquisition), generally do not exceed 15 years. The estimated useful lives of customer relationships acquired in the CMG Acquisition are 35 years.

We test definite-lived intangible assets for impairment whenever events or changes in circumstances indicate that the associated carrying amounts may be impaired. Determining whether an impairment loss occurred requires comparing the carrying amount to the estimated fair value of the asset in accordance with ASC 820. There were no such indicators identified in Fiscal 2021 or Fiscal 2020.

Goodwill. We do not amortize goodwill, but test it at least annually for impairment at the reporting unit level. A reporting unit is an operating segment, or one level below an operating segment (a component) if it constitutes a business for which discrete financial information is available and regularly reviewed by segment management. Components are aggregated into a single reporting unit if they have similar economic characteristics. A reporting unit with goodwill is required to perform an impairment test annually or whenever events or circumstances indicate that the value of goodwill may be impaired.

We are required to recognize an impairment charge under GAAP if the carrying amount of a reporting unit exceeds its fair value. From time to time, we may assess qualitative factors to determine whether it is more likely than not that the fair value of such reporting unit is less than its carrying amount. We may bypass the qualitative assessment and perform the quantitative assessment by comparing the fair values of the reporting units with their carrying amounts, including goodwill. If the carrying amount of a reporting unit exceeds its fair value, an impairment loss is recognized in an amount equal to such excess but not to exceed the total amount of the goodwill of the reporting unit. There were no accumulated goodwill impairment losses at September 30, 2021 and 2020. For further information on our goodwill and intangible assets, see Note 9.

Impairment of Long-Lived Assets

Impairment testing for long-lived assets or an asset group is required when circumstances indicate that such assets may be impaired. If it is determined that a triggering event has occurred, we perform a recoverability test based upon estimated undiscounted cash flow projections expected to be realized over the remaining useful life of the long-lived asset. If the undiscounted cash flows used in the recoverability test are less than the long-lived asset's carrying amount, we determine its fair value. If the fair value is determined to be less than its carrying amount, the long-lived asset is reduced to its estimated fair value and an impairment loss is recognized in an amount equal to such shortfall. When determining whether a long-lived asset has been impaired, management groups assets at the lowest level that has identifiable cash flows.

During the fourth quarter of Fiscal 2021, the Company identified impairment indicators associated with certain natural gas gathering system asset groups having a carrying value of approximately $100 at September 30, 2021. The impairment indicators resulted from the bankruptcy of a significant customer, as well as payment delinquencies resulting from the deterioration in the financial condition of an additional customer. These events resulted in a significant decline in the current forecasted operating cash flows associated with the related asset groups. The Company performed a recoverability test as a result of these triggering events utilizing an estimate of undiscounted cash flows related to the asset groups. While this analysis currently indicates that such carrying amounts are expected to be recovered, events and/or changes in circumstances may occur in the near term resulting in a change in management's estimates of undiscounted cash flows. Any such events or changes could ultimately impact recoverability and result in an impairment loss equal to the difference between the calculated fair value of such asset groups and their estimated carrying value.

No provisions for impairments of long-lived assets were recorded during Fiscal 2021. See Note 5 for further information on the loss associated with the disposition of Conemaugh during Fiscal 2020.

Asset Retirement Obligation

The Company accounts for AROs in accordance with GAAP which requires that an ARO be recorded when a legal obligation to retire an asset exists, and such obligation can be reasonably estimated. The Company has determined that it has legal obligations associated with certain of its property, plant and equipment primarily those associated with its natural gas gathering assets.

The obligations associated with its natural gas gathering assets relate primarily to purging and sealing pipelines if abandoned and, in certain instances, the removal of such facilities. With respect to the Company's natural gas gathering and certain of its other assets, AROs were not recorded because the Company plans to operate and maintain these natural gas gathering and other facilities as long as supply and demand for natural gas and natural gas liquids exists, which the Company expects for the foreseeable future. Therefore, the Company believes that these assets have indeterminate lives, and no ARO was recorded at September 30, 2021 and 2020. The Company continues to evaluate its AROs and future developments that could impact its AROs.

Subsequent Events. Management has evaluated the impact of subsequent events through December 15, 2021, the date these financial statements were issued, and the effects of such evaluation have been reflected in the financial statements and related disclosures.

Note 3 — Accounting Changes

New Accounting Standard Adopted in Fiscal 2021

Credit Losses. Effective October 1, 2020, the Company adopted ASU 2016-13, "Measurement of Credit Losses on Financial Instruments," including subsequent amendments, using the modified retrospective approach. This ASU, as subsequently amended, requires entities to estimate lifetime expected credit losses for financial instruments not measured at fair value through net income, including trade and other receivables, net investments in leases, financial receivables, debt securities, and other financial instruments, which may result in earlier recognition of credit losses. Further, the new current expected credit loss model may affect how entities estimate their allowance for losses related to receivables that are current with respect to their payment terms. The adoption of the new guidance did not have a material impact on our consolidated financial statements.

New Accounting Standard Adopted Effective October 1, 2021

Income Taxes. In December 2019, the FASB issued ASU 2019-12, "Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes." This ASU simplifies the accounting for income taxes by eliminating certain exceptions within the existing guidance for recognizing deferred taxes for equity method investments, performing intraperiod allocations and calculating income taxes in interim periods. Further, this ASU clarifies existing guidance related to, among other things, recognizing deferred taxes for goodwill and allocated taxes to members of a consolidated group. Effective October 1, 2021, the Company adopted this ASU, as updated, using a prospective approach. The adoption of the new guidance did not have a material impact on our consolidated financial statements.

Note 4 — Revenue from Contracts with Customers

Energy Services recognizes revenue when control of promised goods or services is transferred to customers in an amount that reflects the consideration to which we expect to be entitled in exchange for those goods or services. Energy Services generally has the right to consideration from a customer in an amount that corresponds directly with the value to the customer for performance completed to date. As such, we have elected to recognize revenue in the amount to which we have a right to invoice except in the case of certain of our peaking contracts for which we recognize revenue on a straight-line basis over the term of the contract, consistent with when the performance obligations are satisfied by Energy Services.

We do not have a significant financing component in our contracts because we receive payment shortly before, at, or shortly after the transfer of control of the good or service. Because the period between the time the performance obligation is satisfied and payment is received is generally one year or less, Energy Services has elected to apply the significant financing component practical expedient and no amount of consideration has been allocated as a financing component.

Energy Services revenues from contracts with customers are discussed below.

Energy Marketing. Energy Services operates energy marketing businesses that sell energy commodities, principally natural gas, including RNG, and electricity, to residential, commercial, industrial and wholesale customers.

Energy Services markets natural gas and electricity on full-requirements or agreed-upon volume bases under contracts with varying length terms and at fixed or floating prices that are based on market indices adjusted for differences in price between the market location and delivery locations. Performance obligations associated with these contracts primarily comprise the delivery of the natural gas and electricity over a contractual period of time. Performance obligations also include other energy-related ancillary services provided to customers such as capacity. For performance obligations that are satisfied at a point in time such as the delivery of natural gas, revenue is recorded when customers take control of the natural gas. Revenue is recorded for performance obligations that qualify as a series, when customers consume the natural gas or electricity is delivered, which corresponds to the amount invoiced to the customer. For transactions where the price or volume is not fixed, the transaction price is not determined until delivery occurs. The billed amount, and the revenue recorded, is based upon consumption by the customer.

Midstream. Energy Services provides natural gas pipeline transportation, natural gas gathering, natural gas processing and natural gas underground storage services, which generally contain a performance obligation for Energy Services to have availability to transport or store a product. Additionally, Energy Services provides stand-ready services to sell supplemental energy products and related services, primarily LNG and propane-air mixtures during periods of high demand that typically result from cold weather. Energy Services also sells LNG to end-user customers for use by trucks, drilling rigs and other motor vehicles and equipment, and facilities that are located off the natural gas grid.

Contracts for natural gas transportation and gathering services are typically long-term contracts with terms of up to 30 years, while contracts for storage are typically for one-year or multiple storage season periods. Contracts to provide natural gas during periods of high demand have terms of up to 15 years. Contracts to sell LNG for trucks, drilling rigs and other motor vehicles and equipment are typically short-term (less than one year). Depending on the type of services provided or goods sold, midstream revenues may consist of demand rates, commodity rates, and transportation rates and may include other fees for ancillary services. Pipeline transportation, natural gas gathering and storage services provided and services to stand ready to sell supplemental energy products and services each are considered to have a single performance obligation satisfied through the passage of time ratably based upon providing a stand-ready service generally on a monthly basis. Contracts to sell LNG to end-user customers contain performance obligations to deliver LNG over the term of the contract and revenue is recognized at a point in time when the control of the energy products is transferred to the customer. The price in the contract corresponds to our efforts to satisfy the performance obligation and reflects the consideration we expect to receive for the satisfied performance obligation, and, therefore, the revenue is recognized based on the volume delivered and the price within the contract. In cases where shipping and handling occurs prior to the LNG being delivered to the customer's storage vessel, we have elected to treat this as a cost of fulfillment and not a separate performance obligation. Revenues are typically billed and payment received monthly. Advance fees received from customers for stand-ready services are deferred as contract liabilities and revenue is recognized ratably over time as the performance obligation is satisfied over a period less than one year.

A subsidiary of Energy Services provides natural gas transportation services to customers who are generally billed at standard regulated tariff rates approved by FERC through a ratemaking process. Tariff rates include a component that provides for a reasonable opportunity to recover operating costs and expenses and to earn a return on net investment.

Electricity Generation. UGID sells power generated from electricity generation assets in the wholesale electricity markets administered by PJM regional transmission organization. Power contracts with PJM consist of the sale of power, capacity and ancillary services, all of which are considered a bundle of various services. Performance obligations are satisfied over time, generally on a daily basis, as electricity is delivered to and simultaneously consumed by the customer. As such, UGID has elected to recognize revenue in the amount to which we have a right to invoice which is based on market prices at the time of the delivery of the electricity to the customers.

Revenue Disaggregation

The following table presents our disaggregated revenues during Fiscal 2021 and Fiscal 2020 :

	2021	2020
Revenues from contracts with customers:		
Energy Marketing	$ 1,085	$ 878
Midstream:		
Pipeline	181	168
Peaking	114	106
Other	8	7
Electricity Generation	13	34
Total revenues from contracts with customers	1,401	1,193
Other revenues (a)	(10)	17
Total revenues	$ 1,391	$ 1,210

(a) Represents revenues from certain gathering assets and gains and losses on commodity derivative instruments not associated with current-period transactions that are not within the scope of ASC 606 and are accounted for in accordance with other GAAP.

Contract Balances

The timing of revenue recognition may differ from the timing of invoicing to customers or cash receipts. Contract assets represent our right to consideration after the performance obligations have been satisfied when such right is conditioned on something other than the passage of time. There were no contract assets at September 30, 2021 and 2020. Substantially all of our receivables are unconditional rights to consideration and are included in "Accounts receivable." Amounts billed are generally due within the following month.

Contract liabilities arise when payment from a customer is received before the performance obligations have been satisfied and represent the Company's obligations to transfer goods or services to a customer for which we have received consideration. The balances of contract liabilities were $5 and $2 at September 30, 2021 and 2020, respectively, and are included in "Other current liabilities" on the Consolidated Balance Sheets.

Note 5 — Acquisitions and Disposition

GHI Acquisition

In July 2020, Energy Services acquired GHI, a Houston, Texas-based renewable natural gas company currently doing business in California, in a business combination for total consideration of $23 including cash of $16. This acquisition was accounted for under the acquisition method and the assets acquired and liabilities assumed were recognized and measured at the acquisition date at fair value.

The total consideration for the acquisition of GHI included the recognition of a contingent consideration liability, which is payable in quarterly installments through November 2022. As of September 30, 2021 and 2020, the contingent consideration liability was $10 and $8, respectively, and was included in "Other current liabilities" and "Other noncurrent liabilities" on the Consolidated Balance Sheets. During Fiscal 2021, changes in the fair value of the contingent consideration resulted in a loss of $9, which is included in "Other operating expense, net" on the 2021 Consolidated Statements of Comprehensive Income.

Disposal of Conemaugh

Conemaugh. In July 2020, Energy Services, through a wholly-owned subsidiary, entered into an agreement to sell its approximate 5.97% ownership interest in Conemaugh. As a result the Company reduced the carrying amount of these assets to their fair values during the third quarter of Fiscal 2020 and recognized a non-cash, pre-tax impairment charge of $52 which amount is reflected in "Loss on disposal of Conemaugh" on the 2020 Consolidated Statement of Comprehensive Income. The

fair value of such assets was based upon the agreed upon sales price, and was determined to be a Level 2 measurement within the fair value hierarchy. The sale was completed on September 30, 2020.

Note 6 — Debt

Credit Facilities and Short-term Borrowings

Energy Services has a revolving credit facility under the Energy Services Credit Agreement, which expires in March 2025 and includes a $50 sublimit for letters of credit. Borrowings outstanding under this agreement, if any, are classified as "Short-term borrowings" on the Consolidated Balance Sheets. There were no borrowings outstanding under this facility as of September 30, 2021 and 2020.

Accounts Receivable Securitization Facility. Energy Services has a Receivables Facility with an issuer of receivables-backed commercial paper currently scheduled to expire in October 2022. The Receivables Facility, as amended, provides Energy Services with the ability to borrow up to $150 of eligible receivables during the period November to April, and up to $75 of eligible receivables during the period May to October. Energy Services uses the Receivables Facility to fund working capital, margin calls under commodity futures contracts, capital expenditures, dividends and for general corporate purposes.

Under the Receivables Facility, Energy Services transfers, on an ongoing basis and without recourse, its trade accounts receivable to its wholly-owned, special purpose subsidiary, ESFC, which is a consolidated VIE for financial statement purposes. ESFC, in turn, has sold and, subject to certain conditions, may from time to time sell, an undivided interest in some or all of the receivables to a major bank. Amounts sold to the bank are reflected as "Short-term borrowings" on the Consolidated Balance Sheets. ESFC was created and has been structured to isolate its assets from creditors of Energy Services and its affiliates, including UGI. Trade receivables sold to the bank remain on the Company's balance sheet and the Company reflects a liability equal to the amount advanced by the bank. ESFC's accounts are primarily comprised of the trade accounts receivable transferred from Energy Services and the related liability, if any, for amounts sold to the bank. The Company records interest expense on amounts owed to the bank. Energy Services continues to service, administer and collect trade receivables on behalf of the bank, as applicable.

Information regarding the amounts of trade receivables transferred to ESFC and the amounts sold to the bank are as follows:

	2021	2020
Trade receivables transferred to ESFC during the year	$ 1,353	$ 1,046
ESFC trade receivables sold to the bank during the year	$ 308	$ 182
ESFC trade receivables - end of year (a)	$ 61	$ 50

(a) At September 30, 2021 there were no ESFC trade receivables sold to the bank. At September 30, 2020, the amounts of ESFC trade receivables sold to the bank were $19.

Long Term Debt

Long-term debt comprises the following at September 30:

	2021	2020
Variable-rate term loan due through August 2026 (a)	$ 684	$ 691
Other (b)	42	42
Total long-term debt	726	733
Less: unamortized debt issuance costs	(10)	(12)
Less: current maturities	(10)	(10)
Total long-term debt due after one year	$ 706	$ 711

(a) At September 30, 2021 and 2020, the effective interest rate on the term loan was 5.23% and 5.30%, respectively. We have entered into a pay-fixed, receive variable interest rate swap to effectively fix the underlying variable rate on these borrowings. Term loan borrowings are due in equal quarterly installments of $2, with the balance of the principal being due in full at maturity. Under certain circumstances, Energy Services is required to make additional principal payments if the consolidated total leverage ratio, as defined, is greater than defined thresholds. This term loan is collateralized by

substantially all of the assets of Energy Services, subject to certain exceptions and carveouts including, but not limited to, accounts receivable and certain real property.

(b) Amounts consist of a finance lease liability with a weighted average remaining lease term of approximately 29 years as of September 30, 2021. The weighted average discount rate on this lease liability was 6.4% for both periods presented. The associated ROU asset as of September 30, 2021 and 2020 was $45 and $47, respectively, and is included within the "Buildings and improvements" category of property, plant and equipment disclosed in Note 8.

Scheduled principal repayments of long-term debt and finance leases for each of the next five fiscal years ending September 30 are as follows: Fiscal 2022 - $10; Fiscal 2023 - $7; Fiscal 2024 - $7; Fiscal 2025 - $7; Fiscal 2026 - $656.

Restrictive Covenants. Our long-term debt and the Energy Services Credit Agreement generally contain customary covenants and default provisions which may include, among other things, restrictions on the incurrence of additional indebtedness and also restrict liens, guarantees, investments, loans and advances, payments, mergers, consolidations, asset transfers, transactions with affiliates, sales of assets, acquisitions and other transactions. The agreement contains standard provisions which require compliance with certain financial ratios. Energy Services was in compliance with all debt covenants as of September 30, 2021.

Note 7 — Income Taxes

The provisions for income taxes consist of the following:

	2021	2020
Current benefit:		
Federal	$ (20)	$ (44)
State	(3)	(1)
Total current benefit	(23)	(45)
Deferred expense:		
Federal	62	44
State	30	13
Total deferred expense	92	57
Total income tax expense	$ 69	$ 12

A reconciliation from the statutory federal tax rate to our effective tax rate is as follows:

	2021	2020
Statutory federal tax rate	21.0 %	21.0 %
Difference in tax rate due to:		
Effect of U.S. tax legislation	(7.7)	(18.0)
State income taxes, net of federal benefit	7.2	7.5
Allowance for funds used during construction	(0.3)	(0.8)
Tax impacts of PennEast impairment	11.4	—
Other, net	0.4	0.4
Effective tax rate	32.0 %	10.1 %

On March 27, 2020, the CARES Act was enacted into law. The primary tax impact of the legislation was the change in federal net operating loss carryback rules which allowed the Company's U.S. federal tax losses generated in Fiscal 2021 and Fiscal 2020 to be carried back to Fiscal 2016 and Fiscal 2015. The carryback of the Fiscal 2021 and Fiscal 2020 U.S. federal tax losses from a 21% rate environment to offset taxable income in Fiscal 2016 and Fiscal 2015 in a 35% rate environment generated incremental benefits of $16 and $21, respectively.

Deferred tax liabilities (assets) comprise the following at September 30:

	2021	2020
Gross deferred tax liabilities:		
Excess book basis over tax basis of property, plant and equipment	$ 228	$ 192
Investments in equity method investees	—	20
Derivative financial instruments	41	—
Goodwill and other intangible assets	15	10
ROU assets	11	11
Total gross deferred tax liabilities	295	233
Gross deferred tax assets:		
State net operating loss carryforwards	(7)	(6)
Inventory capitalization	(6)	(5)
Investments in equity method investees	(2)	—
Derivative financial instruments	—	(8)
Lease liabilities	(12)	(11)
Other	(9)	(7)
Total gross deferred tax assets	(36)	(37)
Deferred tax assets valuation allowance	27	—
Net deferred tax liabilities	$ 286	$ 196

We join with UGI and its subsidiaries in filing a consolidated federal income tax return. We are charged or credited for our share of current taxes resulting from the effects of our transactions in the UGI consolidated federal income tax return including giving effect to intercompany transactions. UGI's federal income tax returns are settled through the tax year 2017.

In Fiscal 2021 and Fiscal 2020, we joined with UGI as disregarded entities in filing state tax returns. We are charged or credited for our share of current taxes resulting from the effects of our transactions in the UGI combined state income tax returns including giving effect to intercompany transactions. We file separate company income tax returns in a number of states but are subject to state income tax principally in Pennsylvania. Pennsylvania income tax returns are generally subject to examination for a period of three years after the filing of the respective returns.

Valuation allowances against deferred tax assets increased in Fiscal 2021 due to capital losses from the PennEast investment.

At September 30, 2021 and 2020, unrecognized income tax benefits were not material.

Note 8 — Property, Plant and Equipment

Property, plant and equipment comprise the following at September 30:

	2021	2020	Estimated Useful Life
Land	$ 18	$ 20	
Buildings and improvements	69	65	30 - 40 years
Storage and distribution facilities, pipelines and related assets	1,649	1,505	15 - 40 years
Electricity generation assets	211	211	22 - 40 years
Other	32	49	3 - 13 years
Construction in process	9	110	
Gross property, plant and equipment	$ 1,988	$ 1,960	

Depreciation expense totaled $64 and $63 for Fiscal 2021 and Fiscal 2020, respectively.

Note 9 — Goodwill and Intangible Assets

Changes in the carrying amount of goodwill are as follows:

Balance at September 30, 2019	$ 336
Balance at September 30, 2020	$ 336
Purchase accounting adjustments	1
Balance at September 30, 2021	$ 337

Intangible assets comprise the following at September 30:

	2021	2020
Customer relationships	$ 299	$ 299
Land development rights and other	26	26
Accumulated amortization	(63)	(45)
Intangible assets, net	$ 262	$ 280

Amortization expense of intangible assets was $18 and $14 for Fiscal 2021 and Fiscal 2020, respectively. Estimated amortization expense of intangible assets during the next five fiscal years is as follows: Fiscal 2022 — $13; Fiscal 2023 — $10; Fiscal 2024 — $10; Fiscal 2025 — $10; Fiscal 2026 — $10.

Note 10 — Commitments and Contingencies

There are currently no pending claims or legal actions that could have a material adverse effect on our financial position or results of operations.

Note 11 — Fair Value Measurements

Derivative Instruments

The following table presents on a gross basis, our financial assets and liabilities including both current and noncurrent portions, that are measured at fair value on a recurring basis within the fair value hierarchy as described in Note 2.

	Asset (Liability)			
	Level 1	Level 2	Level 3	Total
September 30, 2021				
Derivative instruments:				
Assets:				
Commodity contracts	$ 314	$ 31	$ —	$ 345
Liabilities:				
Commodity contracts	$ (196)	$ (12)	$ —	$ (208)
Interest rate contracts	$ —	$ (18)	$ —	$ (18)
September 30, 2020				
Derivative instruments:				
Assets:				
Commodity contracts	$ 54	$ 7	$ —	$ 61
Liabilities:				
Commodity contracts	$ (47)	$ (7)	$ —	$ (54)
Interest rate contracts	$ —	$ (32)	$ —	$ (32)

The fair values of our Level 1 exchange-traded commodity futures and non exchange-traded commodity futures and forward contracts are based upon actively-quoted market prices for identical assets and liabilities. The remainder of our derivative instruments are designated as Level 2. The fair values of certain non-exchange traded commodity derivatives designated as Level 2 are based upon indicative price quotations available through brokers, industry price publications or recent market transactions and related market indicators. The fair values of our Level 2 interest rate contracts are based upon third party quotes or indicative values based on recent market transactions.

Note 12 — Derivative Instruments & Hedging Activities

We are exposed to certain market risks related to our ongoing business operations. Management uses derivative financial and commodity instruments, among other things, to manage: (1) commodity price risk; and (2) interest rate risk. Although we use derivative financial and commodity instruments to reduce market risk associated with forecasted transactions, we do not use derivative financial and commodity instruments for speculative or trading purposes. The use of derivative instruments is controlled by our risk management and credit policies, which govern, among other things, the derivative instruments we can use, counterparty credit limits and contract authorization limits. Although our commodity derivative instruments extend over a number of years, a significant portion of our commodity derivative instruments economically hedge commodity price risk during the next twelve months. For information on the accounting for our derivative instruments, see Note 2.

The following summarizes the types of derivative instruments used by the Company to manage certain market risks:

Commodity Price Risk

In order to manage market price risk relating to fixed-price sales contracts for natural gas and electricity, the Company enters into NYMEX and over-the-counter natural gas futures and options contracts, ICE natural gas basis swap contracts, and electricity futures and forward physical contracts. The Company also uses NYMEX and over the counter electricity futures contracts to economically hedge the price of a portion of its anticipated future sales of electricity from its electric generation facilities. Also, Midstream & Marketing, from time to time, uses NYMEX futures contracts to economically hedge the gross margin associated with the purchase and anticipated later near-term sale of propane. At September 30, 2021 and 2020, volumes associated with these propane contracts were not material.

Interest Rate Risk

Energy Services has a variable-rate term loan that is indexed to a short-term market interest rate. In order to fix the underlying short-term market interest rate, Energy Services has entered into a pay-fixed, receive-variable interest rate swap to effectively fix the underlying variable rate on a significant portion of the loan's tenor through July 2024. We have designated this interest rate swap as a cash flow hedge.

Quantitative Disclosures Related to Derivative Instruments

The following table summarizes by derivative type the gross notional amounts related to open derivative contracts at September 30, 2021 and 2020 and the final settlement dates of the Company's open derivative contracts as of September 30, 2021, excluding those derivatives that qualified for the NPNS exception:

			Notional Amounts (in millions)	
			September 30,	
Type	Units	Settlements Extending Through	2021	2020
Commodity Price Risk:				
Natural gas futures, forward, basis swap, options and pipeline contracts	Dekatherms	December 2024	310	303
Electricity forward and futures contracts	Kilowatt hours	December 2023	879	1,270
Interest Rate Risk:				
Interest rate swaps	USD	July 2024	$ 649	$ 691

Derivative Instrument Credit Risk

We are exposed to risk of loss in the event of nonperformance by our derivative instrument counterparties. Our derivative instrument counterparties principally comprise large energy companies and major U.S. and international financial institutions. We maintain credit policies with regard to our counterparties that we believe reduce overall credit risk. These policies include evaluating and monitoring our counterparties' financial condition, including their credit ratings, and entering into agreements with counterparties that govern credit limits or entering into netting agreements that allow for offsetting counterparty receivable and payable balances for certain financial transactions, as deemed appropriate.

We have concentrations of credit risk associated with derivative instruments and we evaluate the creditworthiness of our derivative counterparties on an ongoing basis. As of September 30, 2021, the maximum amount of loss, based upon the gross fair values of the derivative instruments, we would incur if these counterparties failed to perform according to the terms of their contracts was $345. In general, many of our over-the-counter derivative instruments and all exchange contracts call for the posting of collateral by the counterparty or by the Company in the forms of letters of credit, parental guarantees or cash. At September 30, 2021, we had received cash collateral from derivative instrument counterparties totaling $79. In addition, we may have offsetting derivative liabilities and certain accounts payable balances with certain of these counterparties, which further mitigates the previously mentioned maximum amount of losses. We generally do not have credit-risk-related contingent features in our derivative contracts.

Offsetting Derivative Assets and Liabilities

Derivative assets and liabilities are presented net by counterparty on the Consolidated Balance Sheets if the right of offset exists. We offset amounts recognized for the right to reclaim cash collateral or the obligation to return cash collateral against amounts recognized for derivative instruments executed with the same counterparty. Our derivative instruments include both those that are executed on an exchange through brokers and centrally cleared and over-the-counter transactions. Exchange contracts utilize a financial intermediary, exchange, or clearinghouse to enter, execute, or clear the transactions. Over-the-counter contracts are bilateral contracts that are transacted directly with a third party. Certain over-the-counter and exchange contracts contain contractual rights of offset through master netting arrangements, derivative clearing agreements, and contract default provisions. In addition, the contracts are subject to conditional rights of offset through counterparty nonperformance, insolvency or other conditions.

In general, most of our over-the-counter transactions and all exchange contracts are subject to collateral requirements. Types of collateral generally include cash or letters of credit. Cash collateral paid by us to our over-the-counter derivative counterparties, if any, is reflected in the table below to offset derivative liabilities. Cash collateral received by us from our over-the-counter derivative counterparties, if any, is reflected in the table below to offset derivative assets. Certain other accounts receivable and accounts payable balances recognized on the Consolidated Balance Sheets with our derivative counterparties are not included in the table below but could reduce our net exposure to such counterparties because such balances are subject to master netting or similar arrangements.

Fair Value of Derivative Instruments

The following table presents the Company's derivative assets and liabilities by type, as well as the effects of offsetting, as of September 30:

	2021	2020
Derivative assets:		
Derivatives not designated as hedging instruments:		
Commodity contracts	$ 345	$ 61
Total derivative assets - gross	345	61
Gross amounts offset in balance sheet	(182)	(36)
Cash collateral received	(79)	—
Total derivative assets - net	$ 84	$ 25
Derivative liabilities:		
Derivatives designated as hedging instruments:		
Interest rate contracts	$ (18)	$ (32)
Derivatives not designated as hedging instruments:		
Commodity contracts	(208)	(54)
Total derivative liabilities - gross	(226)	(86)
Gross amounts offset in balance sheet	182	36
Total derivative liabilities - net	$ (44)	$ (50)

Effect of Derivative Instruments

The following tables provide information on the effects of derivative instruments on the Consolidated Statements of Comprehensive Income for Fiscal 2021 and Fiscal 2020:

	Gain (Loss) Recognized in AOCI		Gain (Loss) Reclassified from AOCI into Income		Location of Gain (Loss) Reclassified from AOCI into Income
	2021	2020	2021	2020	
Cash Flow Hedges:					
Interest rate contracts	$ 4	$ (32)	$ (10)	$ 4	Interest expense

	Gain (Loss) Recognized in Income		Location of Gain (Loss) Recognized in Income
	2021	2020	
Derivatives Not Designated As Hedging Instruments:			
Commodity contracts	$ (17)	$ 10	Revenues
Commodity contracts	161	(35)	Cost of sales
Total	$ 144	$ (25)	

We are also a party to a number of other contracts that have elements of a derivative instrument however these contracts qualify for NPNS exception accounting under GAAP because they provide for the delivery of products or services in quantities that are expected to be used in the normal course of operating our business and the price in the contract is based on an underlying that is directly associated with the price of the product or service being purchased or sold. These contracts include, among others, binding purchase orders, contracts that provide for the purchase and delivery, or sale, of energy products, and service contracts that require the counterparty to provide commodity storage, transportation or capacity service to meet our normal sales commitments.

Note 13 — Accumulated Other Comprehensive Income

AOCI activity is related to a pay-fixed, receive variable interest rate contract used to fix the variable rate on the Energy Services variable-rate term loan (see Note 6). Changes in AOCI during Fiscal 2021 and Fiscal 2020 are as follows:

	Derivative Instruments
AOCI - September 30, 2019	$ (2)
Other comprehensive loss before reclassification adjustments	(23)
Amounts reclassified from AOCI	3
Other comprehensive loss	(20)
AOCI - September 30, 2020	$ (22)
Other comprehensive income before reclassification adjustments	3
Amounts reclassified from AOCI	7
Other comprehensive income	10
AOCI - September 30, 2021	$ (12)

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Note 14 — Related Party Transactions

Income taxes. The Company joins with UGI and its subsidiaries in filing a consolidated federal income tax return and the Company and its subsidiaries are considered disregarded entities in the filing of combined state income tax returns. For further information on income taxes, see Notes 2 and 7.

SCAA Activities. From time to time, Energy Services is a party to SCAAs with UGI Utilities which have terms of up to three years. Under the SCAAs, UGI Utilities has, among other things, released certain natural gas storage and transportation contracts (subject to recall for operational purposes) to Energy Services for the terms of the SCAAs. UGI Utilities also transferred certain associated natural gas storage inventories upon the commencement of the SCAAs, receives a transfer of storage inventories at the end of the SCAAs, and makes payments associated with refilling storage inventories during the term of the SCAAs. Energy Services receives payments from UGI Utilities for storage inventories and pipeline transportation and storage capacity charges associated with SCAAs. Energy Services, in turn, provides a firm delivery service and makes certain payments to UGI Utilities for its various obligations under the SCAAs. In conjunction with the SCAAs, Energy Services pays UGI Utilities security deposits.

Gas Supply and Delivery Services. UGI Utilities purchases natural gas and pipeline capacity from Energy Services. Additionally, UGI Utilities has gas supply and delivery service agreements with Energy Services pursuant to which Energy Services provides certain gas supply and related delivery service to UGI Utilities.

From time to time, Energy Services purchases natural gas or pipeline capacity from UGI Utilities. Also from time to time, Energy Services sells natural gas and pipeline capacity to UGI Utilities (in addition to those transactions already described above) and sells a firm storage service from a subsidiary of Energy Services, under one-year agreements.

Administrative Services. UGI provides certain financial and administrative services to the Company. UGI bills the Company monthly for all direct expenses and for an allocated share of indirect corporate expenses incurred or paid on behalf of the Company. The allocation of indirect UGI corporate expenses to the Company utilizes a weighted, three-component formula comprising revenues, operating expenses and net assets employed and considers the Company's relative percentage of such items to the total of such items for all UGI operating subsidiaries for which general and administrative services were provided. Management believes that this allocation method is reasonable and equitable to the Company.

Propane Sales. From time to time, Energy Services sells propane to AmeriGas on an as needed basis. The sales price is generally based on market prices at the time of sale. There were no sales of propane by Energy Services to AmeriGas during Fiscal 2021 and Fiscal 2020.

The following related party balances are included in our consolidated financial statements at September 30:

	2021	2020	Classification on the Consolidated Statements of Comprehensive Income
SCAA Activities:			
SCAA revenues	$ 19	$ 12	Revenues
Costs of SCAA and firm delivery service	$ 2	$ 2	Cost of sales
Gas Supply and Delivery Service:			
Gas supply and delivery service revenues	$ 205	$ 167	Revenues
Costs of natural gas and pipeline capacity purchases	$ 62	$ 45	Cost of sales
Administrative Services:			
Administrative services provided by UGI	$ 16	$ 15	Operating and administrative expenses

	2021	2020	Classification on Consolidated Balance Sheets
SCAA security deposits	$ 7	$ 8	Prepaid expenses and other current assets

Note 15 — Equity Method Investments

Our investments noted below are accounted for under the equity method of accounting as we have the ability to exercise significant influence, but not control, over these entities. These are included in "Investments in equity method investees" on the Consolidated Balance Sheets. Equity method earnings are included in "(Loss) income from equity method investees" on the Consolidated Statements of Comprehensive Income.

PennEast

UGI PennEast, LLC and four other members comprising wholly owned subsidiaries of Southern Company, New Jersey Resources, South Jersey Industries, and Enbridge, Inc., each hold a 20% membership interest in PennEast. PennEast was formed to construct an approximate 120-mile natural gas pipeline from Luzerne County, Pennsylvania to the Trenton-Woodbury interconnection in New Jersey. PennEast is accounted for as an equity method investment as we have the ability to exercise significant influence, but not control, over PennEast. In September 2019, a panel of the U.S. Court of Appeals for the Third Circuit ruled that New Jersey's Eleventh Amendment immunity barred PennEast from bringing an eminent domain lawsuit in federal court, under the Natural Gas Act, against New Jersey or its agencies. On February 3, 2021, the U.S. Supreme Court issued an order granting PennEast's petition for a writ of certiorari and the case was argued on April 28, 2021. On June 29, 2021, the U.S. Supreme Court ruled in favor of PennEast, overturning the Third Circuit's decision that blocked PennEast from exercising federal eminent domain authority over lands in which a state has property rights interests.

Following the favorable Supreme Court decision, the partners of the PennEast project re-assessed the remaining legal and regulatory contingencies which needed to be resolved before construction could commence. Based on the significant remaining legal challenges and the expected further delays in obtaining the necessary regulatory approvals, which were preventing the commencement of construction and commercial operation of the project, the Company concluded that its investment in PennEast was impaired at June 30, 2021, and that such impairment was other-than-temporary. The estimated fair value of the Company's investment in PennEast was measured using probability-weighted cash flows under an expected present value technique based on management's estimates and assumptions regarding the likelihood of certain outcomes (and the related timing) that would be used by market participants at the time. Based upon this analysis, the Company recognized an other-than-temporary pre-tax impairment charge of $93 in June 2021, which is recorded in "(Loss) income from equity method investees" in the Consolidated Statements of Income.

On September 27, 2021, PennEast ceased further development of the proposed pipeline project. Following this announcement, the estimated fair value was assessed using the liquidation value of equipment held by PennEast and did not result in a significant change compared to June 30, 2021 and no further impairment loss was recognized. The estimated fair value of the

Company's investment in PennEast was determined to be a Level 2 measurement within the fair value hierarchy. The carrying value of our investment in PennEast at September 30, 2021 was not material.

Pennant

On August 1, 2019, Energy Services completed the CMG Acquisition including CMG's approximate 47% interest in Pennant Midstream, LLC for $88 (see Note 5). Pennant operates various natural gas midstream assets in Western Pennsylvania and Eastern Ohio.

Our investment in Pennant at September 30, 2021 and 2020 totaled $93 and $94, respectively. As of September 30, 2021 and 2020, the carrying amount of our investment in Pennant exceeded our share of Pennant's underlying equity in net assets by $92 and $94, respectively. This difference is comprised of basis differences associated with property, plant and equipment of natural gas gathering and natural gas processing assets. This difference is being amortized over 25 to 40 years which represents the useful lives of the underlying assets within Pennant.

The Company assumed a Project Management Agreement with the acquisition of Pennant on August 1, 2019. Pursuant with the terms of this agreement, the Company provides services to Pennant related to management, development, administration and construction of fixed assets. The Company is paid a project management fee throughout the term of the agreement. The amount of the project management fees recognized by the Company with respect to Pennant was not material for all periods presented.

Pine Run

In February 2021, Pine Run, a company jointly owned by Stonehenge and UGI Pine Run, LLC, a wholly-owned subsidiary of Energy Services, completed the acquisition of Pine Run Midstream, LLC from an affiliate of PennEnergy and minority partners for a preliminary purchase price of $205. Pine Run Midstream, LLC operates 43 miles of dry gas gathering pipeline and compression assets in Butler and Armstrong counties in western Pennsylvania. Pine Run is accounted for as an equity method investment as we have the ability to exercise significant influence, but not control, over the entity. The carrying value of our 49% membership interest in Pine Run at September 30, 2021 was $60.

Note 16 — Impact of Global Pandemic

In March 2020, the WHO declared a global pandemic attributable to the outbreak and continued spread of COVID-19 that has had a significant impact throughout the global economy. In connection with the mitigation and containment procedures recommended by the WHO, the CDC, and as imposed by federal, state, and local governmental authorities, including shelter-in-place orders, quarantines and similar restrictions, the Company implemented a variety of procedures to protect its employees, third-party business partners, and customers worldwide. The Company continues to provide essential products and services to its customers in a safe and reliable manner, and will continue to do so in compliance with mandated restrictions presented by each of the markets it serves. The Company continues to evaluate and react to the potential effects of a prolonged disruption and the continued impact on its results of operations. These items may include, but are not limited to: the financial condition of its customers; decreased availability and demand for its products and services; realization of accounts receivable; impairment considerations related to certain current assets, long-lived assets and goodwill; delays related to current and future projects; and the effects of government stimulus efforts including tax legislation in response to COVID-19. While its operations and financial performance continue to be impacted by COVID-19, the Company cannot predict the duration or magnitude of the outbreak and the total effects on its business, financial position, results of operations, liquidity or cash flows at this time.

Recent Developments

In March 2020, the WHO declared a global pandemic attributable to the outbreak and continued spread of COVID-19 that has had a significant impact throughout the global economy. In connection with the mitigation and containment procedures recommended by the WHO, the CDC, and as imposed by federal, state, and local governmental authorities, including shelter-in-place orders, quarantines and similar restrictions, we implemented a variety of procedures to protect our employees, third-party business partners, and customers. Although our results continue to be impacted by COVID-19, we continue to provide essential products and services to our customers in a safe and reliable manner and will continue to do so in compliance with mandated restrictions presented by each of the markets we serve. We continue to evaluate and react to the potential effects of a prolonged disruption and the continued impact on our results of operations. These items may include, but are not limited to: the financial condition of our customers; decreased availability and demand for our products and services; realization of accounts receivable; impairment considerations related to certain current assets, long-lived assets and goodwill; delays related to current and future projects; and the effects of government stimulus efforts including tax legislation (see "Interest Expense and Income Taxes" below and Note 7 to the consolidated financial statements) in response to COVID-19.

We cannot predict the duration or total magnitude of the pandemic and the total effects on our business, financial position, results of operations, liquidity or cash flows at this time, but we remain focused on managing our financial condition and liquidity throughout this global crisis.

Executive Overview

Energy Services' net income was $145 million for Fiscal 2021 compared to $105 million for Fiscal 2020. Our Fiscal 2021 results reflect after-tax gains on commodity derivative instruments not associated with current-period transactions of $113 million compared to $30 million in Fiscal 2020. Fiscal 2021 results reflect a $93 million after-tax impairment loss associated with our investment in PennEast. Fiscal 2020 results reflect a $37 million after-tax loss associated with the disposal of Conemaugh and after-tax acquisition and integration expenses associated with CMG of $1 million. Although these items are reflected in our GAAP results, we have excluded these items from our non-GAAP measures. See "Non-GAAP Financial Measures" below.

Excluding the impacts of commodity derivative instruments not associated with current-period transactions, the losses related to the impairment of our investment in PennEast and the Fiscal 2020 disposal of Conemaugh, and the CMG acquisition and integration expenses, adjusted net income for Fiscal 2021 was $12 million higher than the prior year. This increase principally reflects incremental margin from capacity management and renewable energy marketing activities.

Non-GAAP Financial Measures

We present the non-GAAP measures adjusted total margin, adjusted operating income, adjusted income before income taxes and adjusted net income, in order to assist in the evaluation of our overall performance. We believe that these non-GAAP measures provide meaningful information to investors about our performance because they eliminate the impact of (1) gains and losses on commodity derivative instruments not associated with current-period transactions, principally comprising unrealized gains and losses on such derivative instruments, and (2) other significant discrete items that can affect the comparisons of period-over-period results. These financial measures are not in accordance with, or an alternative to, GAAP and should be considered in addition to, and not as a substitute for, the comparable GAAP measures.

UGI ENERGY SERVICES, LLC AND SUBSIDIARIES

The following table includes reconciliations of adjusted total margin, adjusted operating income, adjusted income before income taxes and adjusted net income to the most directly comparable financial measures calculated and presented in accordance with GAAP for the periods presented.

(Millions of dollars)	Year Ended September 30, 2021	2020
Adjusted total margin:		
Total revenues	$ 1,391	$ 1,210
Cost of sales	(860)	(831)
Total margin	531	379
Net gains on commodity derivative instruments not associated with current-period transactions	(158)	(45)
Adjusted total margin	$ 373	$ 334
Adjusted operating income:		
Operating income	$ 318	$ 132
Net gains on commodity derivative instruments not associated with current-period transactions	(158)	(45)
Loss on disposal of Conemaugh	—	52
CMG acquisition and integration expenses	—	2
Adjusted operating income	$ 160	$ 141
Adjusted income before income taxes:		
Income before income taxes	$ 214	$ 117
Net gains on commodity derivative instruments not associated with current-period transactions	(158)	(45)
Impairment of investment in PennEast	93	—
Loss on disposal of Conemaugh	—	52
CMG acquisition and integration expenses	—	2
Adjusted income before income taxes	$ 149	$ 126
Adjusted net income:		
Net income	$ 145	$ 105
Net gains on commodity derivative instruments not associated with current-period transactions	(113)	(30)
Impairment of investment in PennEast	93	—
Loss on disposal of Conemaugh	—	37
CMG acquisition and integration expenses	—	1
Adjusted net income	$ 125	$ 113

Analysis of Results of Operations

The following analysis compares Energy Services results of operations for Fiscal 2021 with Fiscal 2020.

Energy Services	2021	2020	Increase	
(Dollars in millions)				
Revenues	$ 1,391	$ 1,210	$ 181	15 %
Total margin (a)	$ 531	$ 379	$ 152	40 %
Operating and administrative expenses (b)	$ 128	$ 121	$ 7	6 %
Operating income (c)	$ 318	$ 132	$ 186	141 %
Income before income taxes (d)	$ 214	$ 117	$ 97	83 %
Non-GAAP financial measures (e):				
Adjusted total margin	$ 373	$ 334	$ 39	12 %
Adjusted operating income	$ 160	$ 141	$ 19	13 %
Adjusted income before income taxes	$ 149	$ 126	$ 23	18 %
Adjusted net income	$ 125	$ 113	$ 12	11 %

(a) Total margin represents total revenues less total cost of sales. Total margin for Fiscal 2021 and Fiscal 2020 includes net pre-tax gains of $158 million and $45 million, respectively, on commodity derivative instruments not associated with current-period transactions.
(b) Fiscal 2020 includes $2 million of acquisition and integration expenses associated with CMG.
(c) Fiscal 2020 includes a $52 million loss associated with the disposal of Conemaugh.
(d) Fiscal 2021 includes a $93 million impairment loss associated with our investment in PennEast.
(e) These financial measures are non-GAAP financial measures and are not in accordance with, or an alternative to, GAAP and should be considered in addition to, and not a substitute for, the comparable GAAP measures. See “Non-GAAP Financial Measures” above.

Average temperatures across Energy Services' energy marketing territory during Fiscal 2021 were 6.9% warmer than normal and 2.6% warmer than the prior year.

Revenues in Fiscal 2021 and Fiscal 2020 include $15 million of net unrealized losses and $3 million of net unrealized gains, respectively, on commodity derivative instruments not associated with current period transactions. Excluding the effects on revenues of these commodity derivative instruments, revenues increased $199 million compared to the prior year principally reflecting increased revenues from natural gas ($144 million) and renewable energy ($27 million) marketing activities and higher capacity management revenues ($24 million) which were impacted by the timing of certain mark-to-market contract settlements. Higher revenues associated with electricity marketing ($8 million) and natural gas gathering activities ($6 million) also contributed to the increase. These factors were partially offset by the absence of revenues attributable to Energy Services' former ownership interest in Conemaugh ($19 million). Cost of sales were $860 million in Fiscal 2021 compared to $831 million in Fiscal 2020. Cost of sales in Fiscal 2021 and Fiscal 2020 includes $173 million and $42 million, respectively, of net unrealized gains on commodity derivative instruments not associated with current-period transactions. Excluding the effects on cost of sales of these commodity derivative instruments, total cost of sales increased $160 million. This increase primarily reflects higher cost of sales related to natural gas ($138 million), renewable energy ($20 million), and electricity ($7 million) marketing activities, partially offset by the absence of costs attributable to Energy Services' former ownership interest in Conemaugh ($10 million). The increases in both natural gas revenues and cost of sales during Fiscal 2021 are largely attributable to higher average natural gas prices compared to the prior year partially offset by lower volumes attributable to weather that was warmer than the prior year.

Total margin increased $152 million in Fiscal 2021. Adjusted total margin increased $39 million principally reflecting improved capacity management margin ($24 million), higher margin from renewable energy ($7 million) and natural gas ($5 million) marketing activities, and higher margin from natural gas gathering activities ($6 million). These margin improvements include the impact of acquisitions and new assets placed into service since the fourth quarter of Fiscal 2020, and were partially offset by the absence of margins attributable to Energy Services' former ownership interest in Conemaugh ($9 million).

Operating income and income before income taxes increased $186 million and $97 million, respectively, in Fiscal 2021. Adjusted operating income and adjusted income before income taxes increased $19 million and $23 million, respectively. The increase in adjusted operating income principally reflects the increase in adjusted total margin, partially offset by higher

operating and administrative expenses attributable to an increase in employee and benefits-related costs and increases related to new assets placed into service and an adjustment to the contingent consideration related to the GHI acquisition ($9 million). The increase in adjusted income before income taxes reflects the previously mentioned increase in adjusted operating income and higher equity income ($4 million) primarily from incremental equity method earnings related to the investment in Pine Run.

Interest Expense and Income Taxes

Interest expense in Fiscal 2021 and Fiscal 2020 was $42 million in each period. Interest expense is attributable to borrowings on the Energy Services Term Loan, the Energy Services Credit Agreement and the Receivables Facility.

Income tax expense in Fiscal 2021 and Fiscal 2020 includes $16 million and $21 million, respectively, of tax benefits resulting from the carryback of an NOL under the CARES Act. Excluding this benefit, the effective income tax rate was approximately 28% in Fiscal 2021 compared to approximately 27% in the prior year.

Liquidity and Capital Resources

The Company expects to have sufficient liquidity including cash on hand and available borrowing capacity to continue to support long-term commitments and ongoing operations despite uncertainties associated with the outbreak and continued spread of COVID-19. The Company's liquidity has been positively influenced by continued low commodity prices experienced during Fiscal 2021 and overall decreased margin calls and collateral deposits associated with derivative instruments. In addition, the Company does not have any near-term term loan maturities. While the Company's operations and financial performance continue to be impacted by COVID-19, it is a rapidly evolving situation and the Company cannot predict the ultimate impact that COVID-19 will have on its liquidity, debt covenants, financial condition or the timing of capital expenditures. Energy Services was in compliance with all debt covenants as of September 30, 2021.

We depend on both internal and external sources of liquidity to provide funds for working capital and to fund capital requirements. Our short-term cash requirements not met by cash from operations are generally satisfied with borrowings under our Receivables Facility and borrowings under the Energy Services Credit Agreement. Long-term cash requirements are generally met through the issuance of long-term debt. We believe that we have sufficient liquidity in the forms of cash and cash equivalents on hand; cash expected to be generated from operations; credit facility and Receivables Facility borrowings; and the ability to obtain long-term financing to meet anticipated contractual and projected cash commitments. Issuances of debt securities in the capital markets and additional credit facilities may not, however, be available to us on acceptable terms.

Our cash and cash equivalents totaled $197 million at September 30, 2021 and $23 million at September 30, 2020. Our restricted cash balances at September 30, 2021 and 2020, principally comprising cash in brokerage accounts that are restricted from withdrawal, totaled $21 million and $9 million, respectively. Our cash and cash equivalents at September 30, 2021 includes $79 million of cash collateral received from derivative counterparties resulting from the impact of rising commodity prices and an accumulation of derivative assets associated with our commodity derivative instruments. Our debt outstanding at September 30, 2021, totaled $716 million (including current maturities of long-term debt of $10 million). Our debt outstanding at September 30, 2020, totaled $740 million (including current maturities of long-term debt of $10 million and short-term borrowings of $19 million). Total long-term debt outstanding at September 30, 2021, including current maturities, comprises $684 million of Energy Services Term Loan and $42 million of other long-term debt principally comprising a finance lease liability, and is net of $10 million of unamortized debt issuance costs.

Credit Facilities

At September 30, 2021 and 2020, there were no borrowings outstanding under the Energy Services Credit Agreement. The average daily and peak short-term borrowings outstanding under the Energy Services Credit Agreement during Fiscal 2021 were $3 million and $32 million, respectfully. The average daily and peak short-term borrowings outstanding under the Energy Services Credit Agreement during Fiscal 2020 were $18 million and $77 million, respectively.

Receivables Facility. Energy Services also has a Receivables Facility with an issuer of receivables-backed commercial paper. On October 22, 2021, the expiration date of the Receivables Facility was extended to October 21, 2022. The Receivables Facility provides Energy Services with the ability to borrow up to $150 million of eligible receivables during the period November through April, and up to $75 million of eligible receivables during the period May through October. Energy Services uses the Receivables Facility to fund working capital, margin calls under commodity futures contracts, capital expenditures, dividends and for general corporate purposes.

At September 30, 2021, the outstanding balance of trade receivables was $61 million, none of which was sold to the bank. At September 30, 2020, the outstanding balance of trade receivables was $50 million of which $19 million was sold to the bank. Amounts sold to the bank are reflected as "Short-term borrowings" on the Consolidated Balance Sheets. During Fiscal 2021 and Fiscal 2020, peak sales of receivables were $87 million and $97 million, respectively. During Fiscal 2021 and 2020, average daily amounts sold were $21 million and $45 million, respectively.

Cash Flows

Due to the seasonal nature of the Company's businesses, cash flows from operating activities are generally strongest during the first and second fiscal quarters when customers pay for natural gas, electricity and other energy products consumed during the peak heating season months. Conversely, operating cash flows are generally at their lowest levels during the third and fourth fiscal quarters when the Company's investment in working capital, principally inventories and accounts receivable, is generally greatest.

Cash flows from operating activities can be significantly affected by year-to-year variations in changes in operating working capital reflecting changes in energy commodity prices, principally changes in prices for natural gas. Cash flow from investing activity is principally affected by cash expenditures for property, plant and equipment and cash paid for acquisitions of businesses and assets. Changes in cash flow from financing activities are primarily due to issuances and repayments of long-term debt, short-term borrowings and capital contributions from, and cash distributions to, Enterprises.

Operating Activities: Cash flow from operating activities was $351 million in Fiscal 2021 compared to $212 million in Fiscal 2020. Cash flow from operating activities before changes in operating working capital was $250 million in Fiscal 2021 compared to $241 million in Fiscal 2020. Changes in operating working capital provided (used) operating cash flow of $101 million in Fiscal 2021 compared to $(29) million in Fiscal 2020. Changes in operating working capital in Fiscal 2021 principally reflect cash generated from changes in accounts payable and cash received from commodity derivative instrument collateral deposits.

Investing Activities: Cash flow used by investing activities was $114 million in Fiscal 2021 compared to $111 million in Fiscal 2020. Cash capital expenditures for property, plant and equipment totaled $54 million in Fiscal 2021 compared to $92 million in Fiscal 2020. Cash flow used by investing activities during Fiscal 2021 include contributions of $56 million to fund the acquisition of Pine Run Midstream, LLC.

Financing Activities: Cash flow used by financing activities was $51 million in Fiscal 2021 and $129 million in Fiscal 2020. Such cash flows during Fiscal 2021 included $25 million of cash distributions paid to Enterprises and $19 million of net repayments made on the Receivables Facility. During Fiscal 2020, such cash flows included $50 million of cash distributions to Enterprises and $27 million of net repayments on the Receivables Facility.

Capital Expenditures

Our capital expenditures include continued investments in midstream assets and renewable energy projects. During Fiscal 2021 and Fiscal 2020, our capital expenditures totaled $43 million and $92 million, respectively. The decrease in capital expenditures during Fiscal 2021 largely relates to use of funds to invest in Pine Run. We expect capital expenditures of approximately $130 million in Fiscal 2022 which include continued investments in midstream assets and renewable energy projects.

Contractual Obligations and Commitments

The following is a summary of our significant contractual obligations existing as of September 30, 2021:

	Payments Due by Period				
(Millions of dollars)	Total	Fiscal 2022	Fiscal 2023 - 2024	Fiscal 2025 - 2026	Thereafter
Long-term debt (a)	$ 726	$ 10	$ 14	$ 663	$ 39
Interest on long-term-fixed rate debt (a)(b)(c)	170	36	70	64	—
Operating leases	6	2	3	—	1
Supply contracts	1,202	466	252	103	381
Derivative instruments (d)	26	17	8	1	—
Total	$ 2,130	$ 531	$ 347	$ 831	$ 421

(a) Based upon stated maturity dates for debt outstanding at September 30, 2021.

(b) Based upon stated interest rates adjusted for the effects of an interest rate swap.

(c) Calculated using applicable interest rates or forward interest rate curves and leverage ratios, as of September 30, 2021.

(d) Represents the sum of amounts due if derivative instrument liabilities were settled at the September 30, 2021 amounts reflected in the Consolidated Balance Sheet (but excluding amounts associated with interest rate contracts).

Related Party Transactions

See Note 14 to Consolidated Financial Statements for a discussion of related party transactions.

Recently Issued Accounting Pronouncements

See Note 3 to Consolidated Financial Statements for a discussion of the effects of recently issued accounting guidance.

EXHIBIT C-10
CORPORATE STRUCTURE
OF UGI ENERGY SERVICES, LLC

UGI Energy Services, Inc., a Pennsylvania Corporation, was incorporated in 1995, and operated continuously as a retail marketer and supplier of natural gas for over 18 years. Effective October 1, 2013, UGI Energy Services, Inc. undertook an intra-corporate merger solely for the purpose of converting its corporate form of organization from a Pennsylvania corporation to a Pennsylvania limited liability company, changing its legal name from UGI Energy Services, Inc. to UGI Energy Services, LLC ("UGIES"). UGIES is a wholly-owned subsidiary of UGI Enterprises, LLC and a second tier subsidiary of UGI Corporation.

Founded in 1882, UGI Corporation (NYSE: UGI) is an energy company with $13.0 Billion in assets and three primary business lines, conducted through: (1) 100% ownership interest in UGI Utilities, Inc. ("UGI Utilities"); (2) indirect, 100% ownership in AmeriGas Partners, L.P. ("AmeriGas Partners"); and (3) 100% ownership interest in UGI Enterprises, LLP ("UGI Enterprises").

UGI Utilities is a natural gas and electric distribution utility, with generation, transmission and distribution facilities located in central and eastern Pennsylvania. UGI Utilities supplies natural gas distribution service to customers located in 46 counties in northeastern, central, and northwestern Pennsylvania, and in one county in northwestern Maryland.

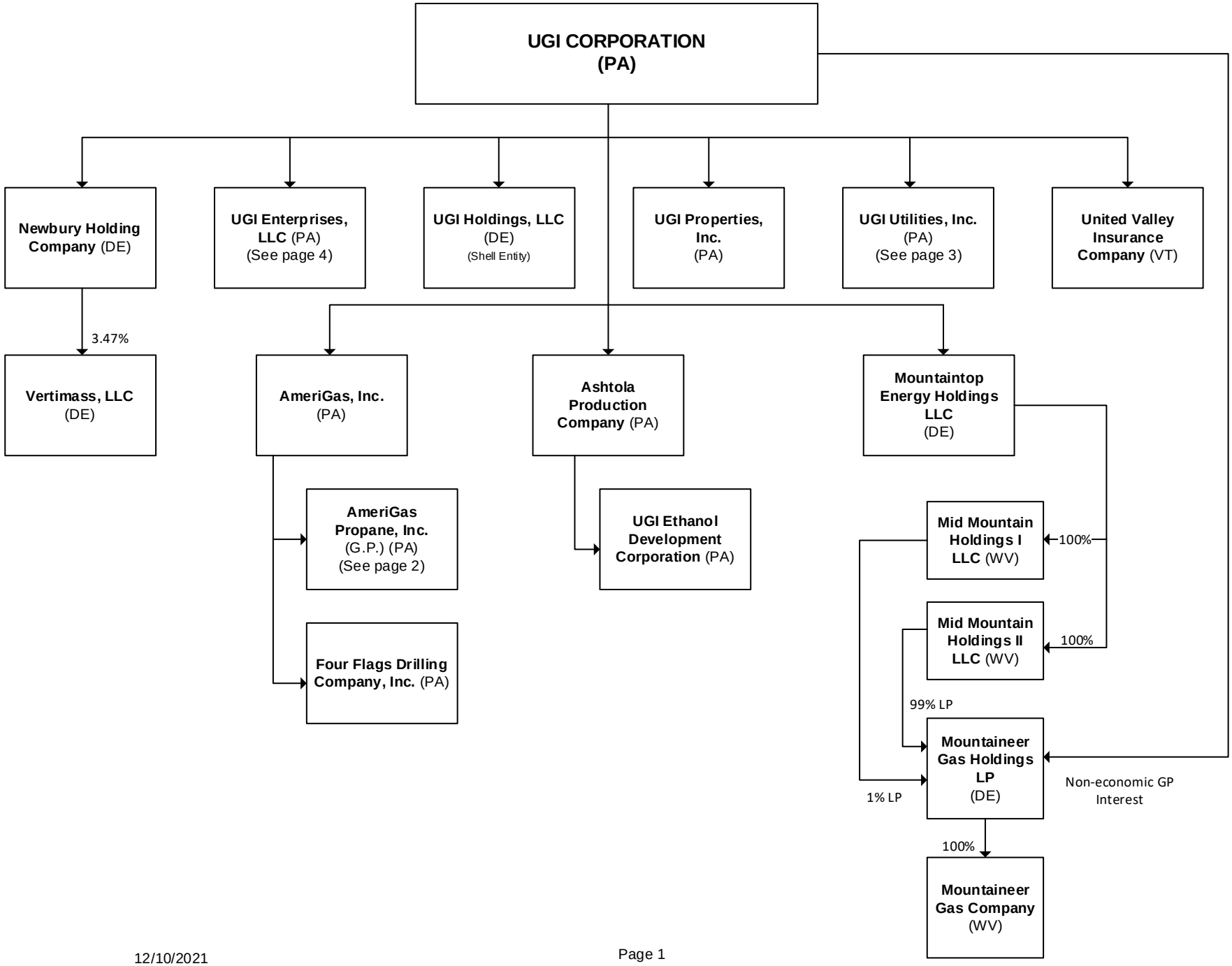
AmeriGas Partners is the nation's largest retail propane distributor with nationwide operations.

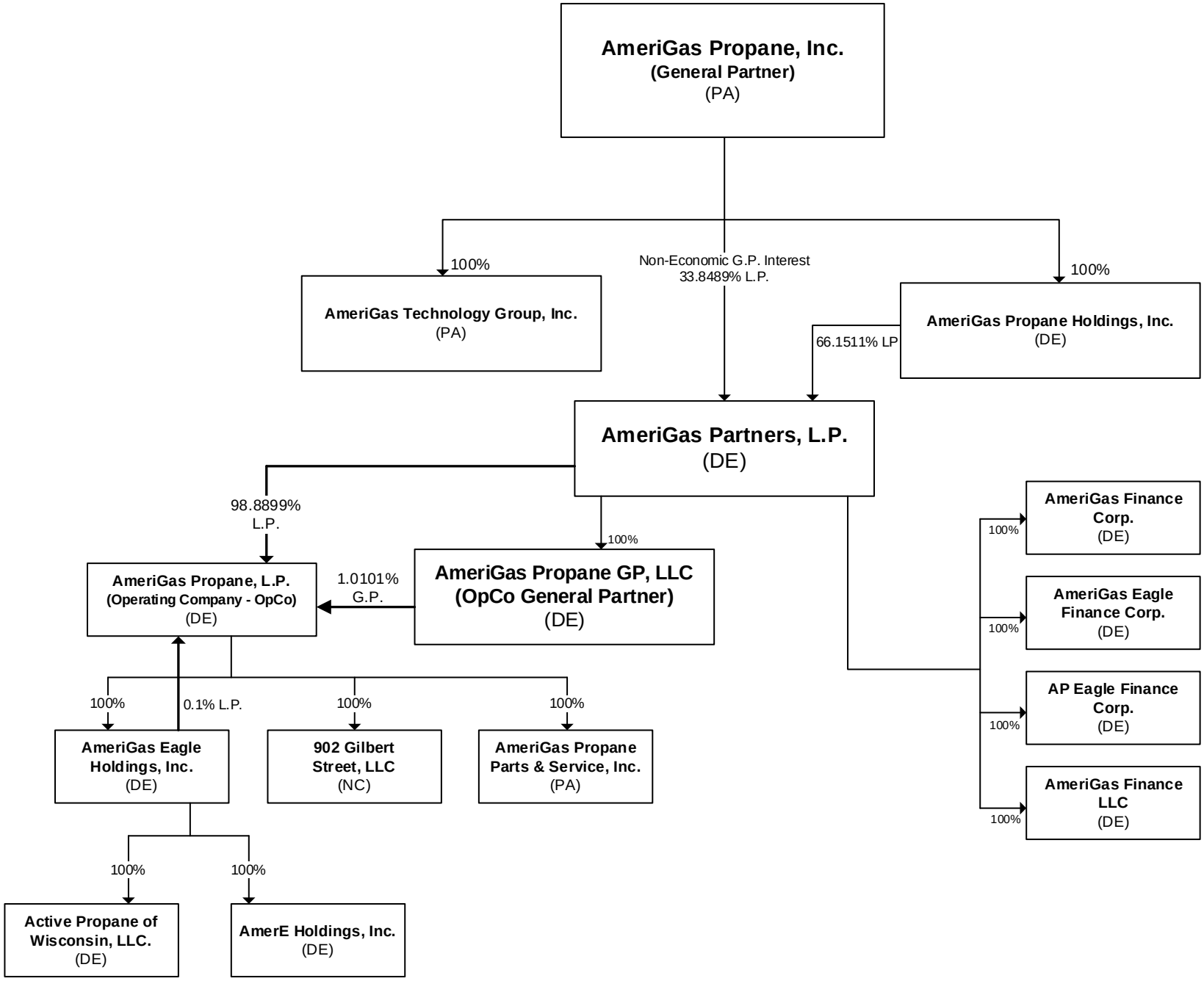
UGI Enterprises, in addition to its ownership of UGIES, through subsidiaries and affiliates, conducts (i) an LPG distribution business throughout Europe, and (ii) an energy marketing business in select countries in Europe.

UGIES operates its electric generation business and wholesale natural gas storage and pipeline businesses through these subsidiaries: (1) UGI Development Company; (2) UGI LNG, Inc.; and (3) UGI Storage Company.

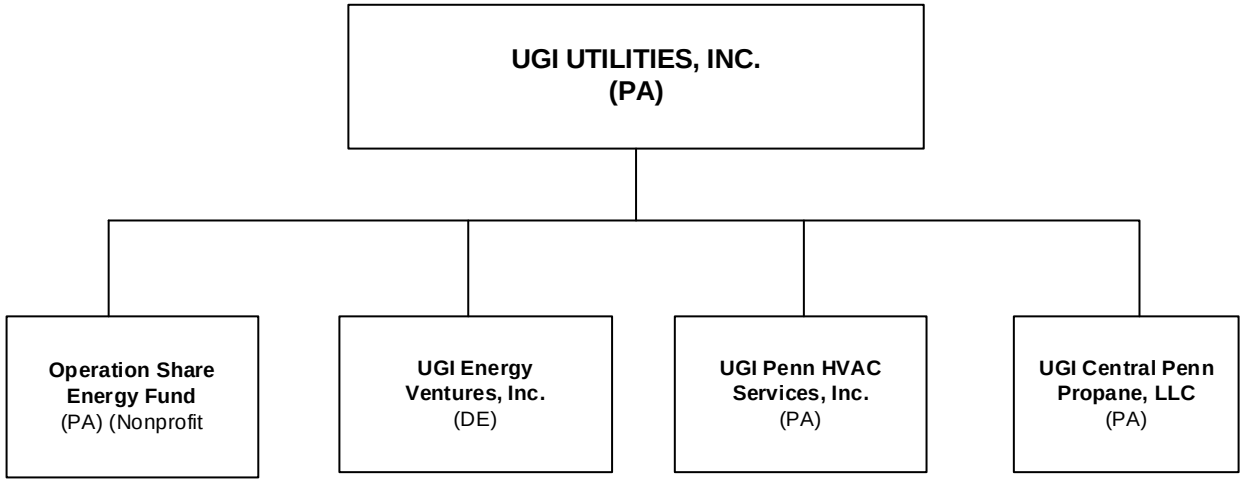
UGI Utilities is the only affiliate of UGIES that supplies wholesale or retail natural gas or electricity to customers in North America. The operations of this affiliated utility are conducted predominantly within the Commonwealth of Pennsylvania and not in Ohio.

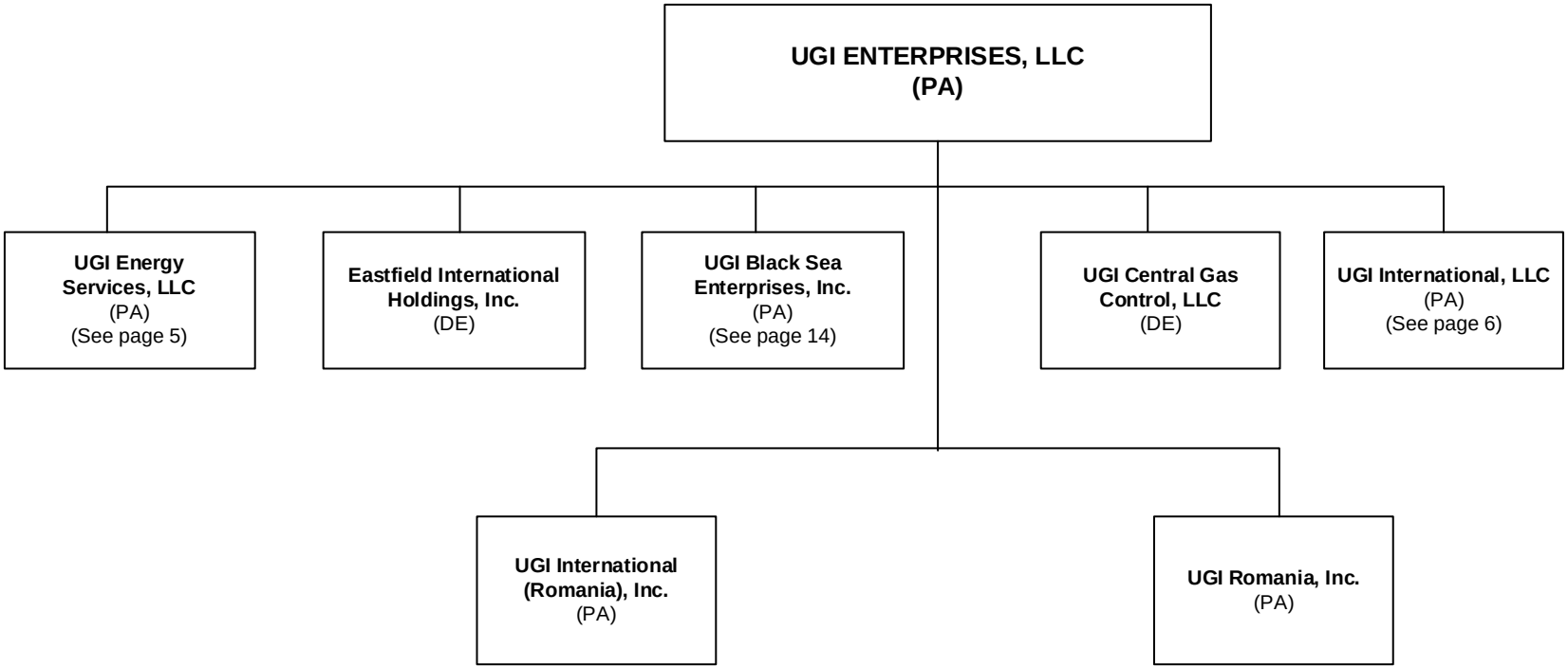
Copies of the organizational charts for UGI Corporation and UGI Enterprises are attached.

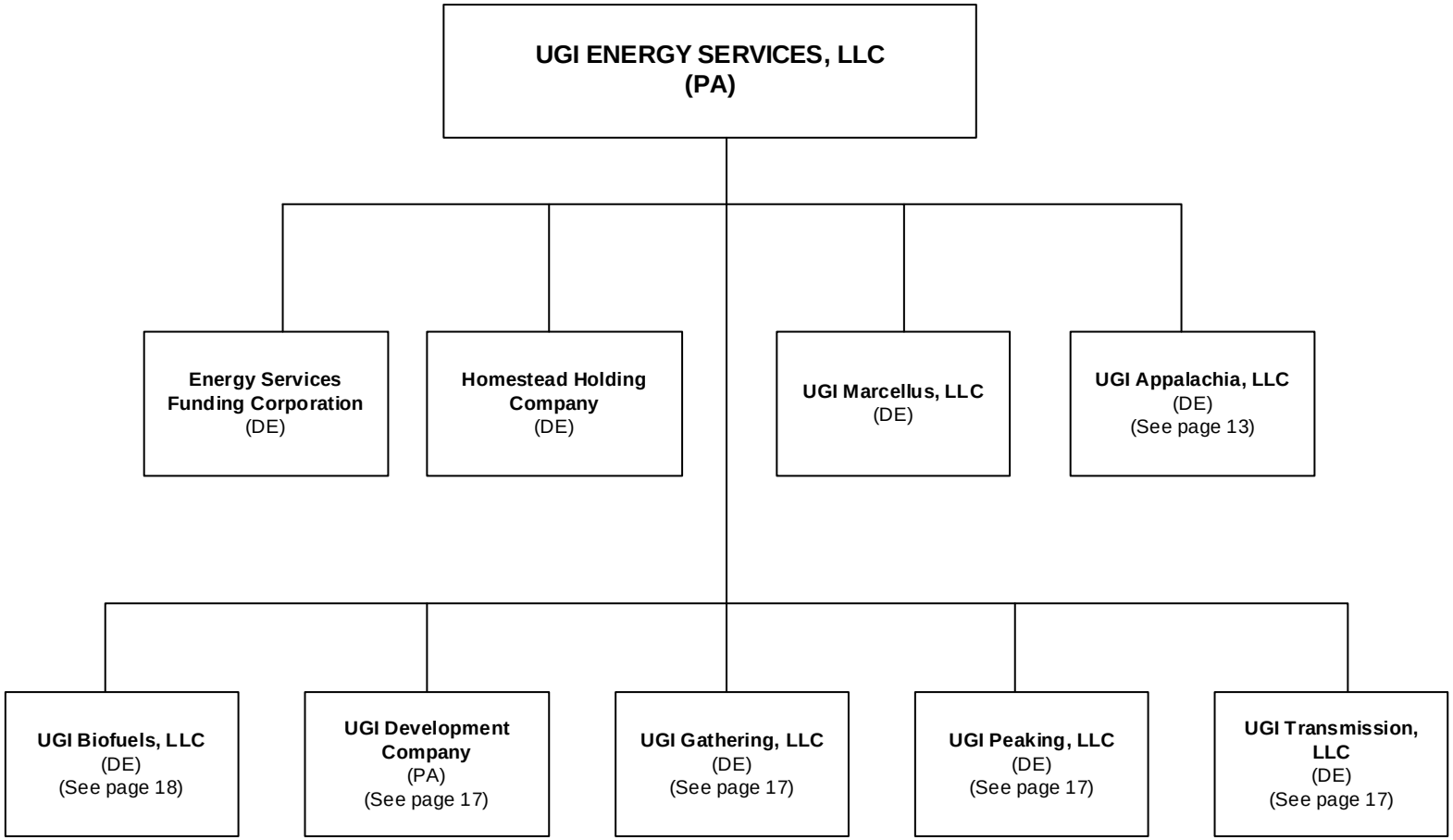

UGI CORPORATION (PA)
Newbury Holding Company (DE)
UGI Enterprises, LLC (PA) (See page 4)
UGI Holdings, LLC (DE) (Shell Entity)
UGI Properties, Inc. (PA)
UGI Utilities, Inc. (PA) (See page 3)
United Valley Insurance Company (VT)
3.47%
Vertimass, LLC (DE)
AmeriGas, Inc. (PA)
Ashtola Production Company (PA)
Mountaintop Energy Holdings LLC (DE)
AmeriGas Propane, Inc. (G.P.) (PA) (See page 2)
Four Flags Drilling Company, Inc. (PA)
UGI Ethanol Development Corporation (PA)
Mid Mountain Holdings I LLC (WV)
100%
Mid Mountain Holdings II LLC (WV)
100%
99% LP
Mountaineer Gas Holdings LP (DE)
1% LP
Non-economic GP Interest
100%
Mountaineer Gas Company (WV)

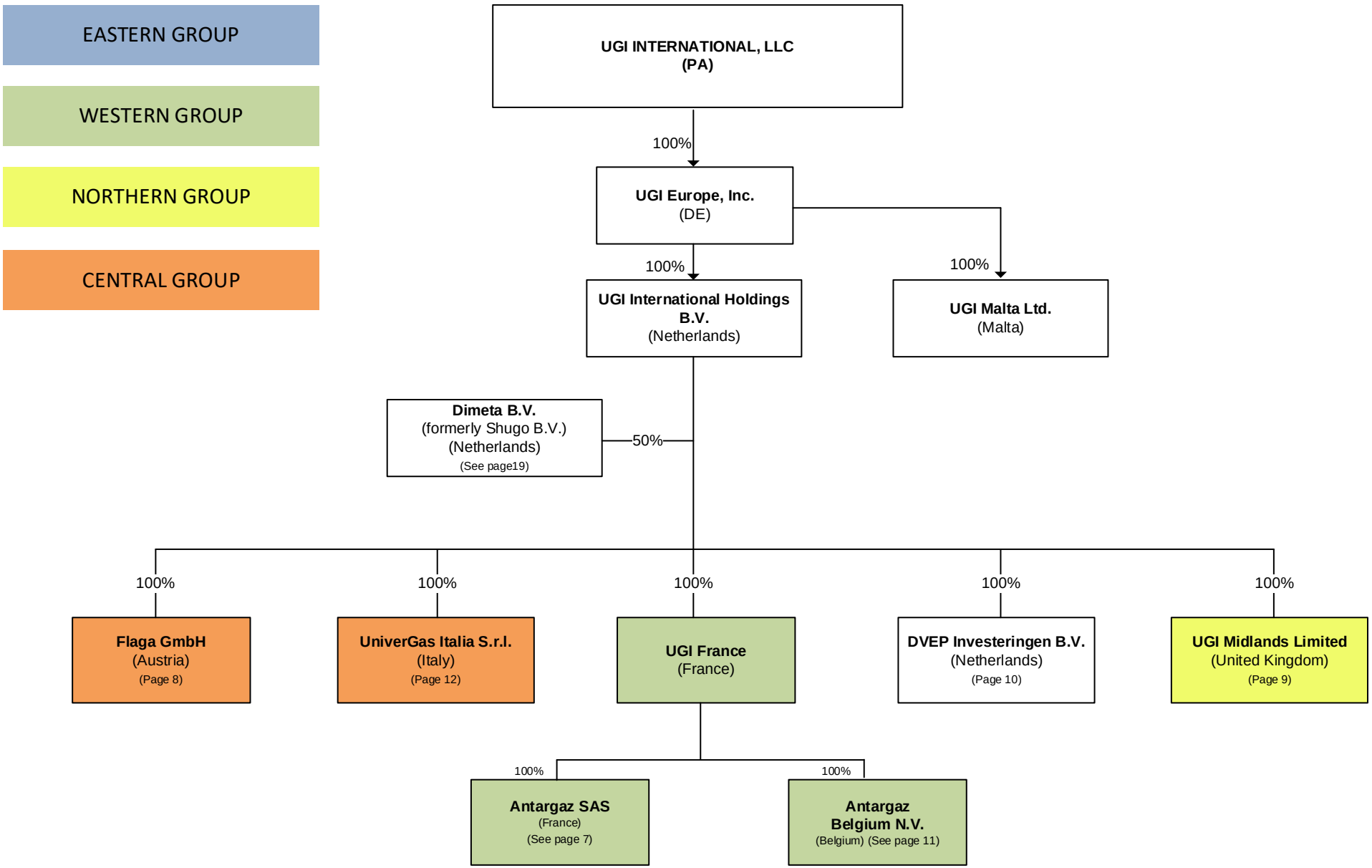


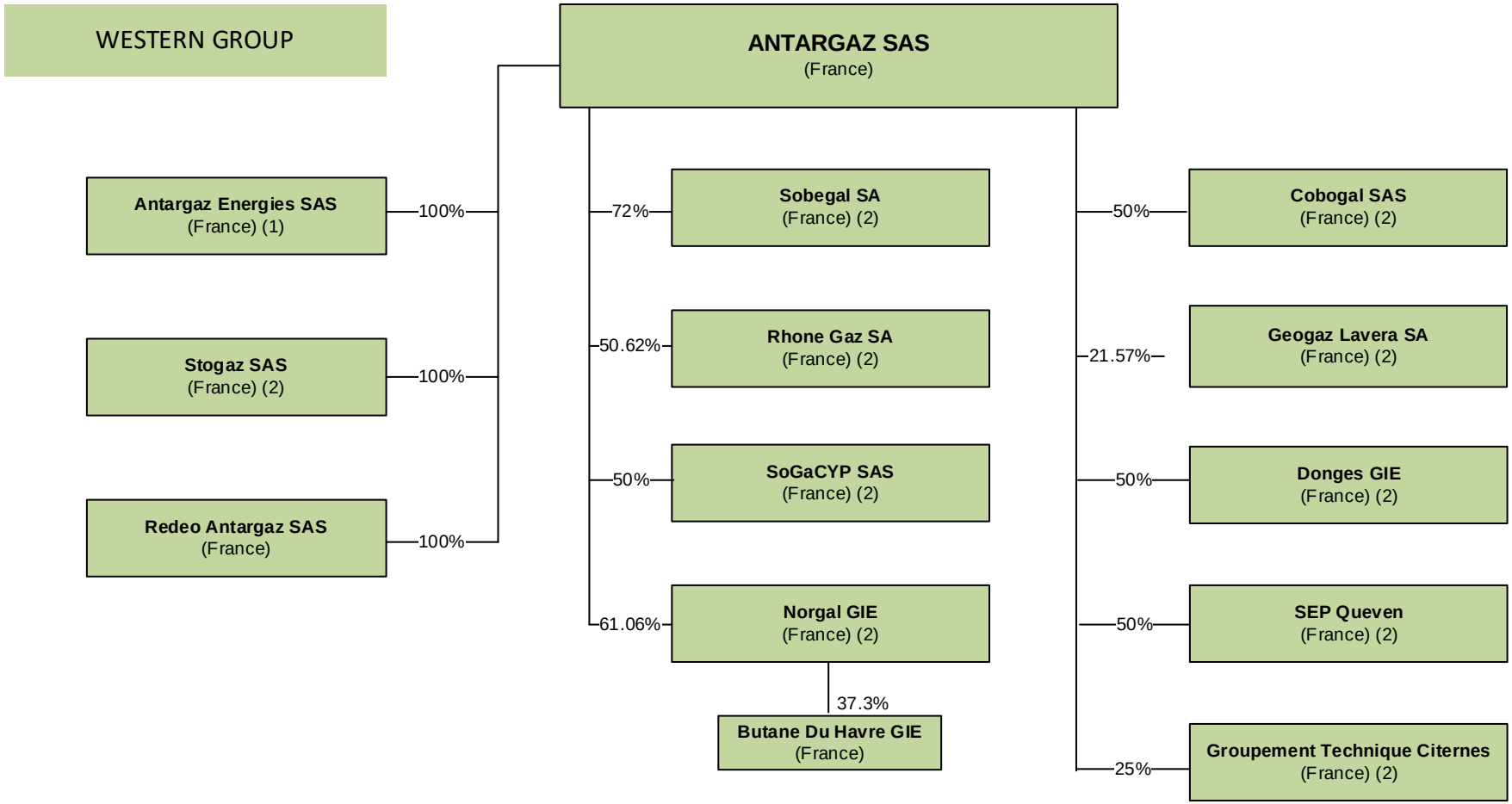
12/31/2021 (1/23/2021)


UGI UTILITIES, INC.
(PA)
Operation Share Energy Fund
(PA) (Nonprofit
UGI Energy Ventures, Inc.
(DE)
UGI Penn HVAC Services, Inc.
(PA)
UGI Central Penn Propane, LLC
(PA)

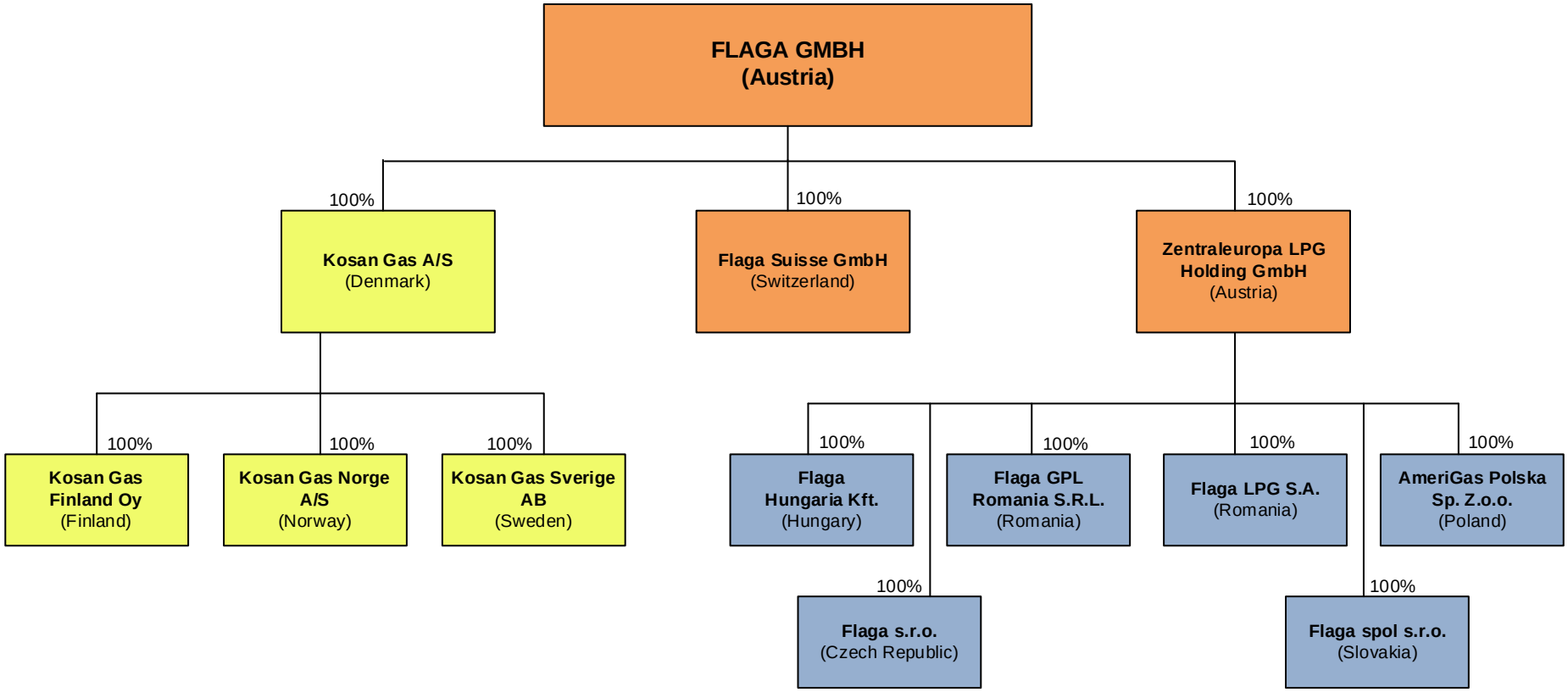

UGI ENTERPRISES, LLC
(PA)
UGI Energy Services, LLC
(PA)
(See page 5)
Eastfield International Holdings, Inc.
(DE)
UGI Black Sea Enterprises, Inc.
(PA)
(See page 14)
UGI Central Gas Control, LLC
(DE)
UGI International, LLC
(PA)
(See page 6)
UGI International (Romania), Inc.
(PA)
UGI Romania, Inc.
(PA)


UGI ENERGY SERVICES, LLC
(PA)
Energy Services Funding Corporation
(DE)
Homestead Holding Company
(DE)
UGI Marcellus, LLC
(DE)
UGI Appalachia, LLC
(DE)
(See page 13)
UGI Biofuels, LLC
(DE)
(See page 18)
UGI Development Company
(PA)
(See page 17)
UGI Gathering, LLC
(DE)
(See page 17)
UGI Peaking, LLC
(DE)
(See page 17)
UGI Transmission, LLC
(DE)
(See page 17)


EASTERN GROUP
WESTERN GROUP
NORTHERN GROUP
CENTRAL GROUP
UGI INTERNATIONAL, LLC (PA)
100%
UGI Europe, Inc. (DE)
100%
UGI International Holdings B.V. (Netherlands)
100%
UGI Malta Ltd. (Malta)
Dimeta B.V. (formerly Shugo B.V.) (Netherlands) (See page19)
50%
100%
Flaga GmbH (Austria) (Page 8)
100%
UniverGas Italia S.r.l. (Italy) (Page 12)
100%
UGI France (France)
100%
DVEP Investeringen B.V. (Netherlands) (Page 10)
100%
UGI Midlands Limited (United Kingdom) (Page 9)
100%
Antargaz SAS (France) (See page 7)
100%
Antargaz Belgium N.V. (Belgium) (See page 11)



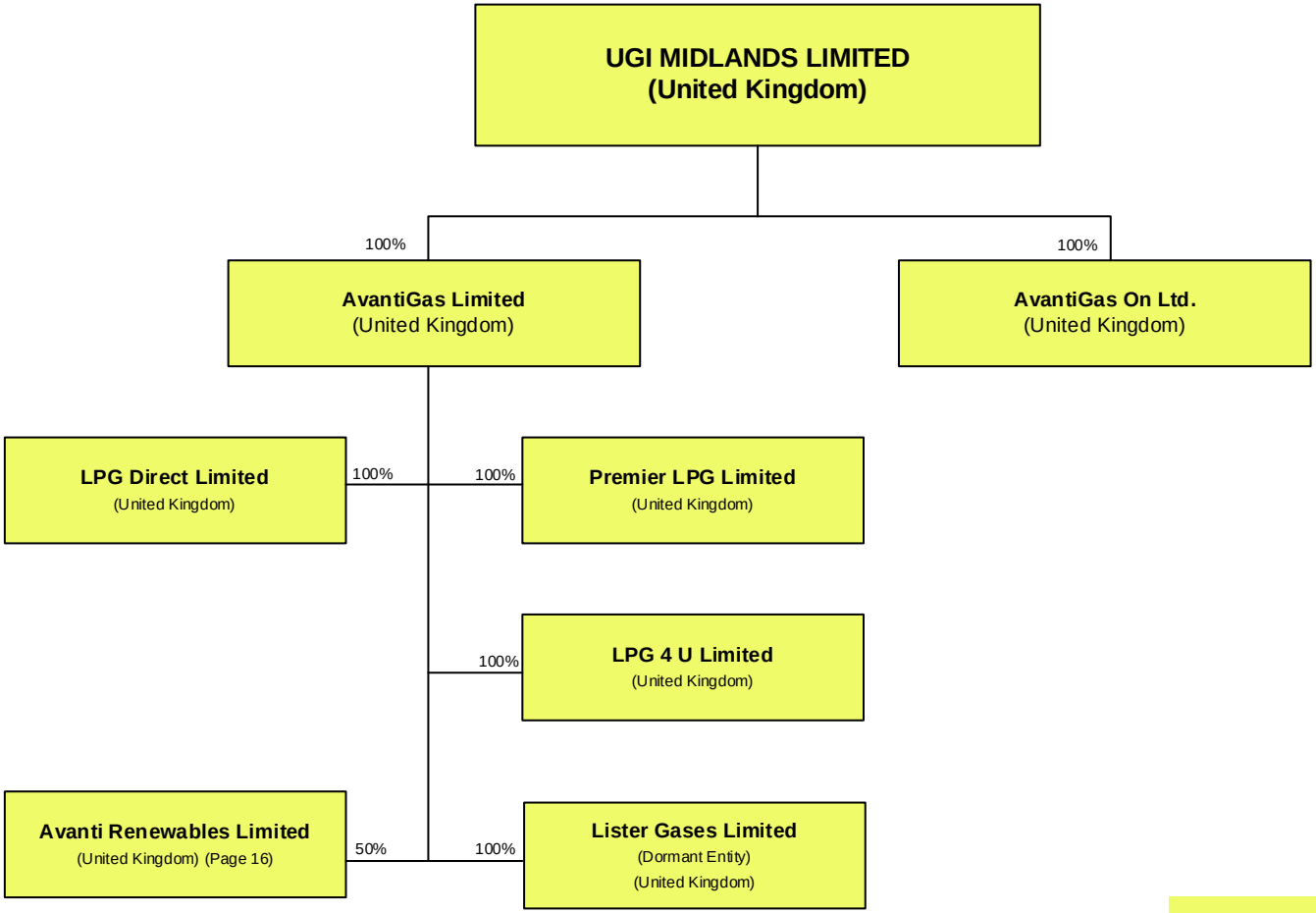
(1) Commercial subsidiary (Filiales Commerciales)
(2) Logistics, Storage or other subsidiary (Filiales Logistiques)



EASTERN GROUP

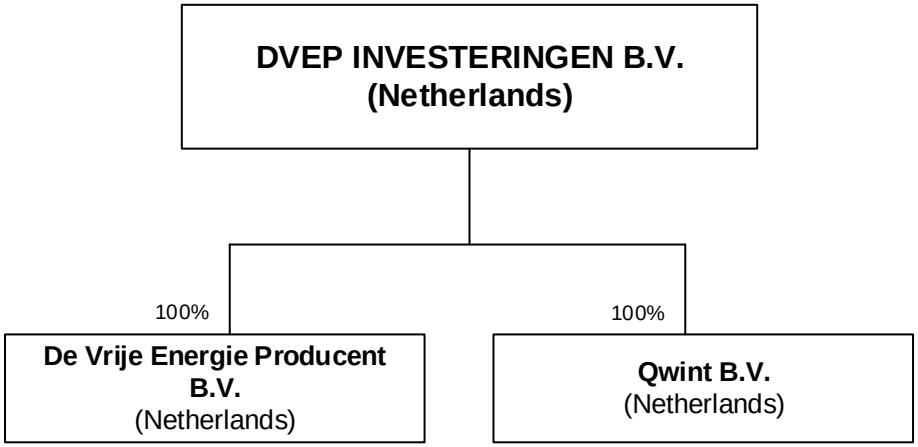
NORTHERN GROUP

CENTRAL GROUP

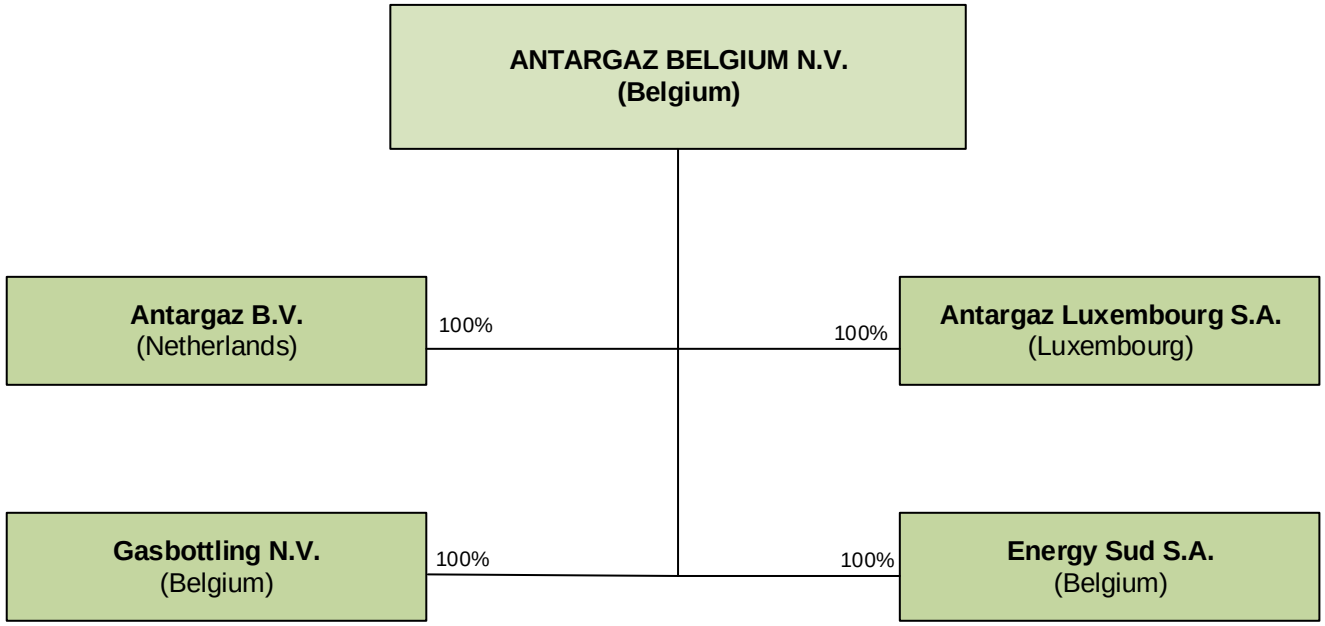


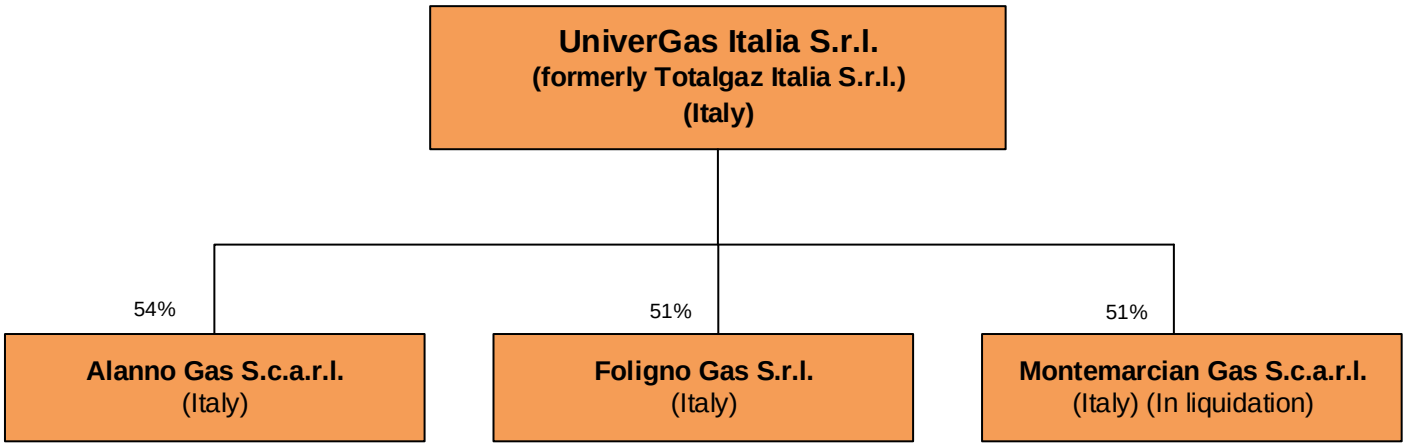
NORTHERN GROUP

ENERGY MARKETING GROUP

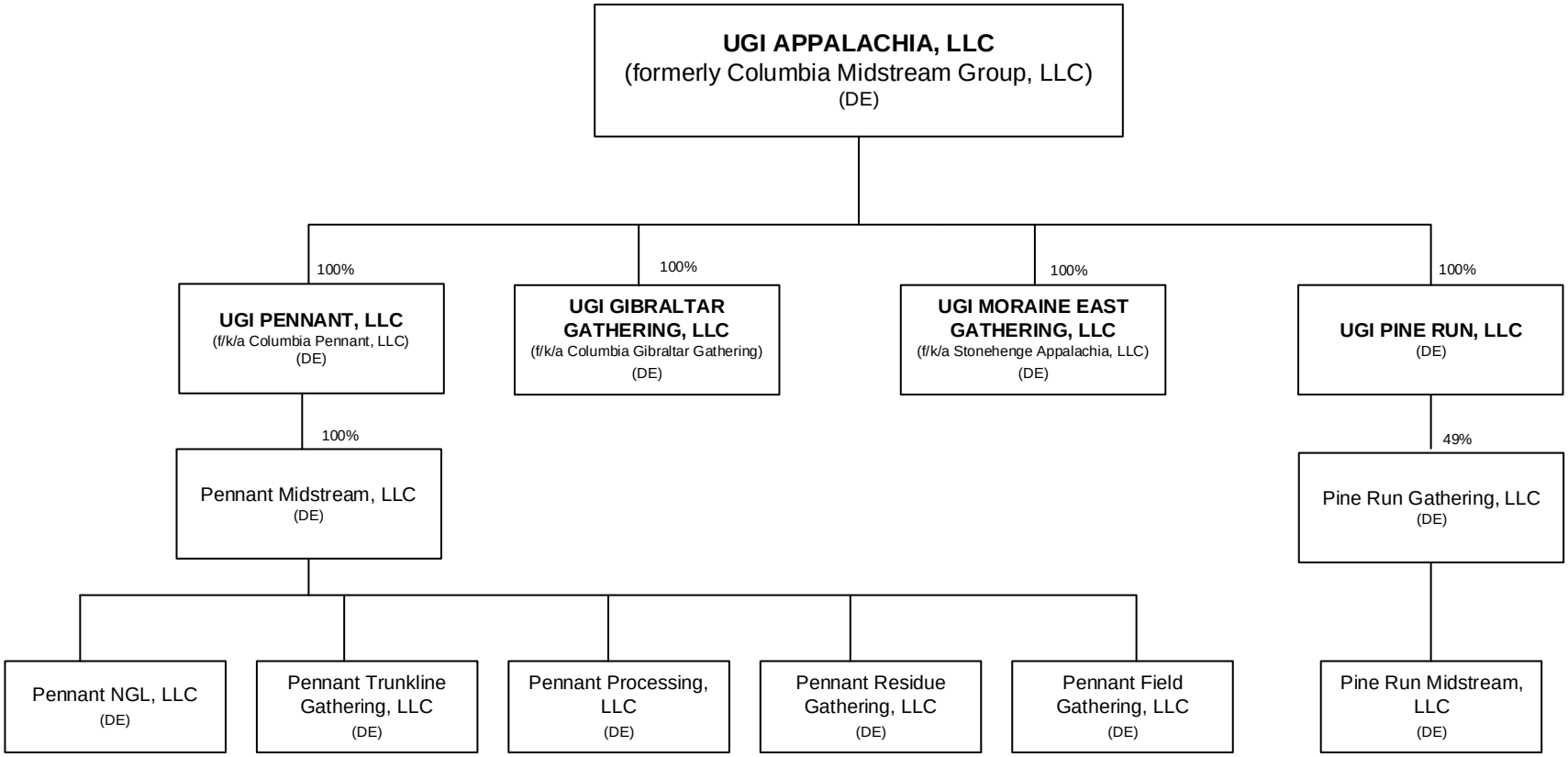


WESTERN GROUP

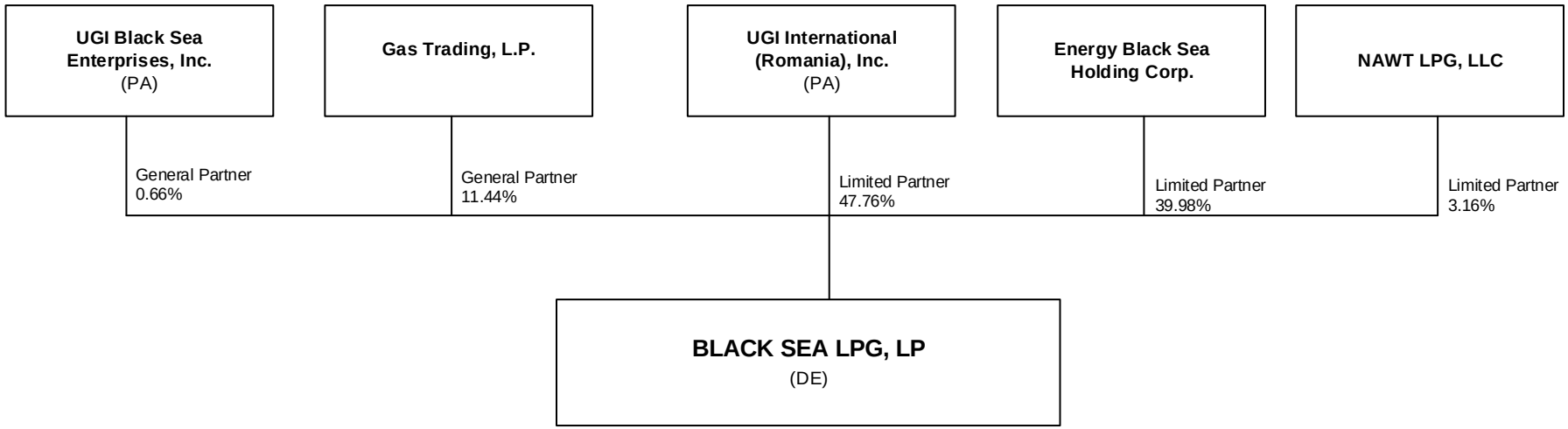




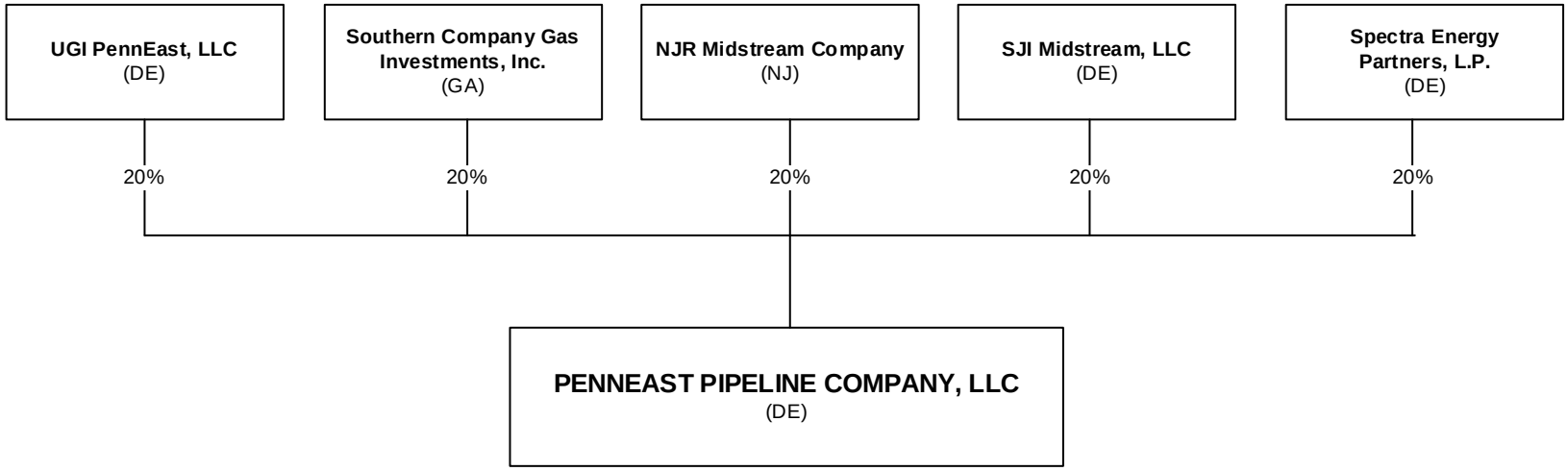
CENTRAL GROUP


UGI APPALACHIA, LLC
(formerly Columbia Midstream Group, LLC)
(DE)
100%
100%
100%
100%
UGI PENNANT, LLC
(f/k/a Columbia Pennant, LLC)
(DE)
UGI GIBRALTAR GATHERING, LLC
(f/k/a Columbia Gibraltar Gathering)
(DE)
UGI MORAINE EAST GATHERING, LLC
(f/k/a Stonehenge Appalachia, LLC)
(DE)
UGI PINE RUN, LLC
(DE)
100%
49%
Pennant Midstream, LLC
(DE)
Pine Run Gathering, LLC
(DE)
Pennant NGL, LLC
(DE)
Pennant Trunkline Gathering, LLC
(DE)
Pennant Processing, LLC
(DE)
Pennant Residue Gathering, LLC
(DE)
Pennant Field Gathering, LLC
(DE)
Pine Run Midstream, LLC
(DE)

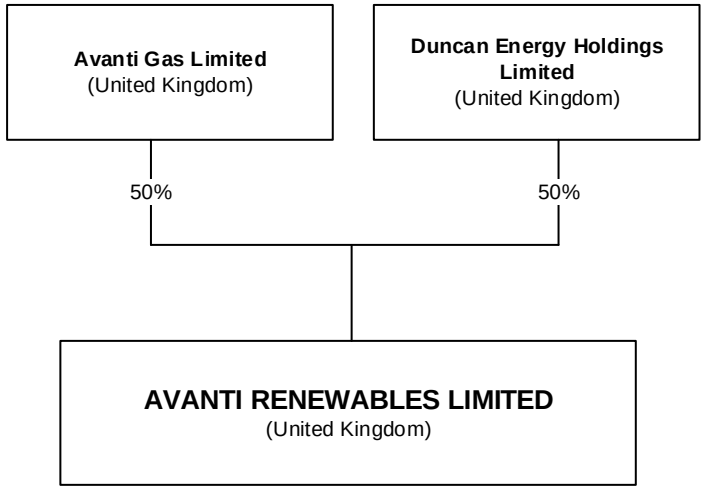
ROMANIAN PARTNERSHIP

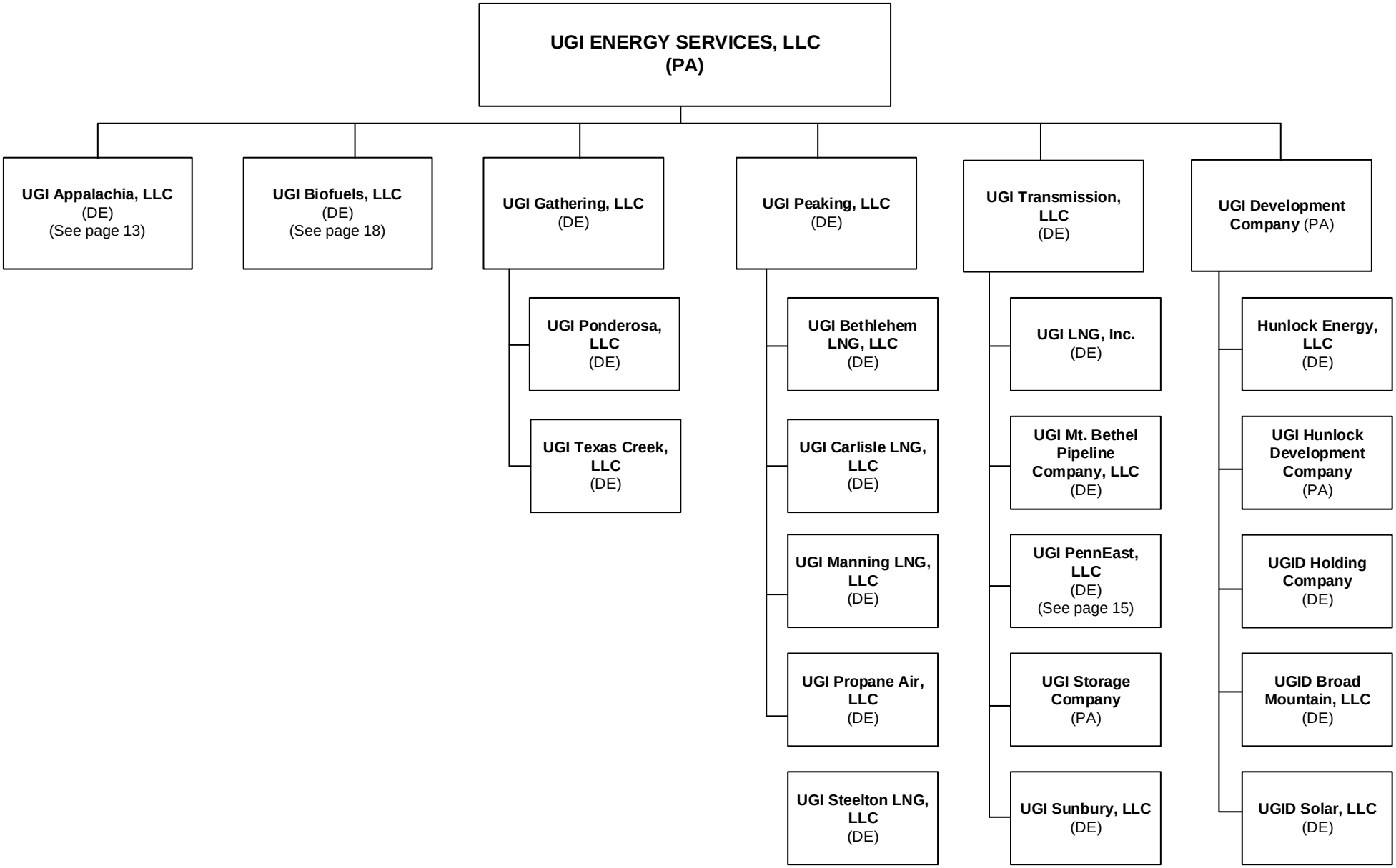


PENNEAST PIPELINE JOINT VENTURE

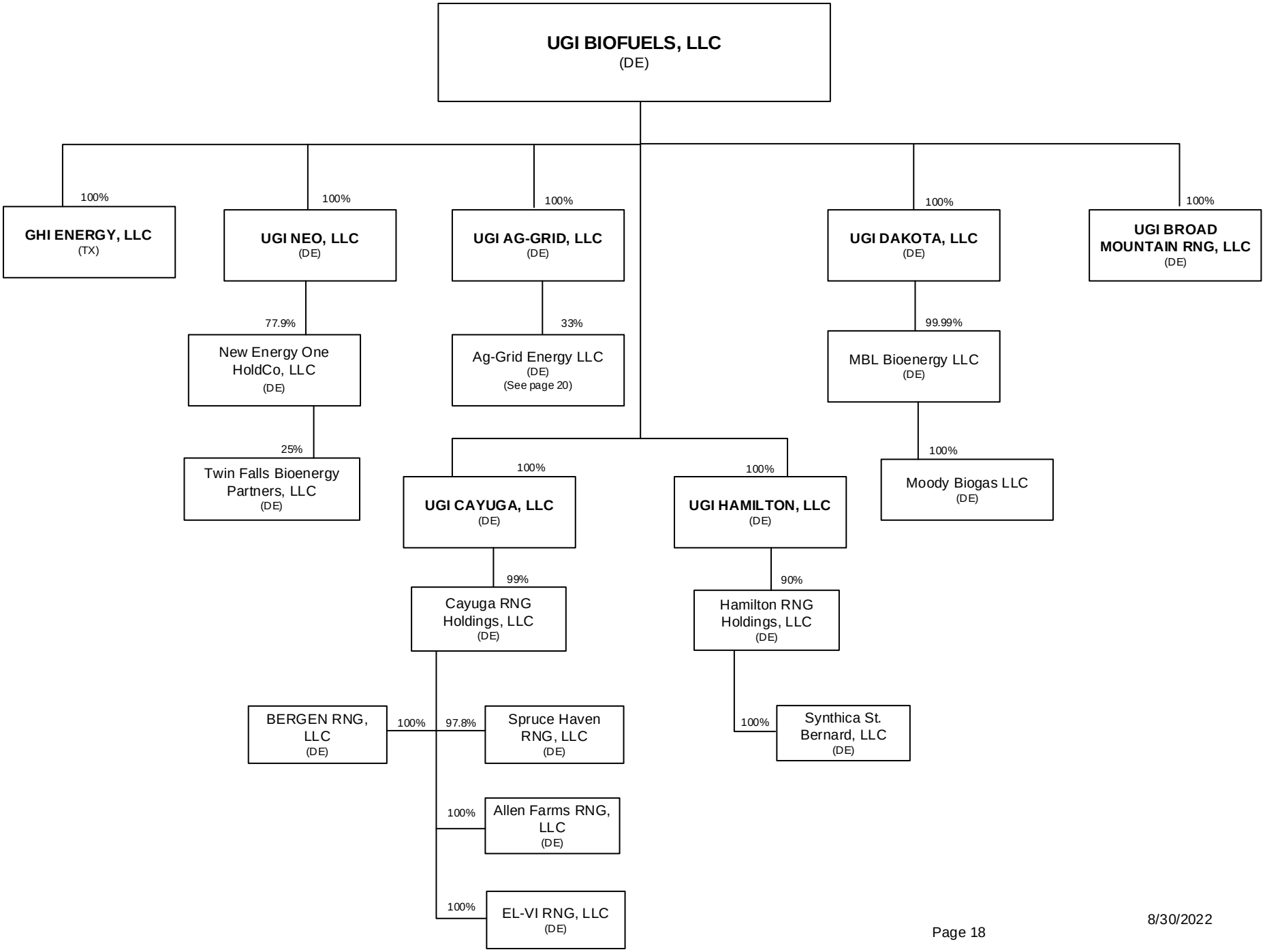


AVANTI GAS LIMITED JOINT VENTURE



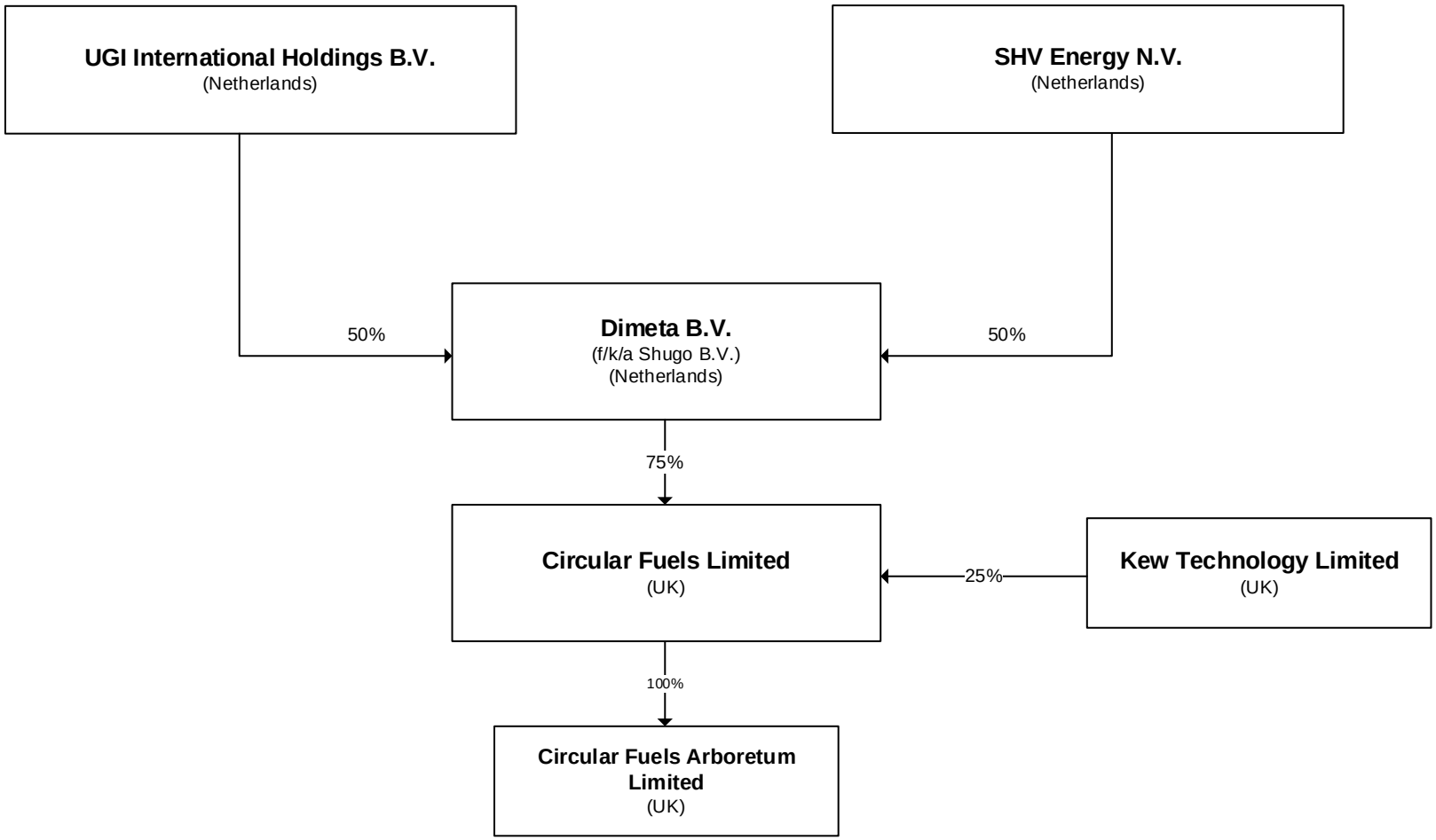


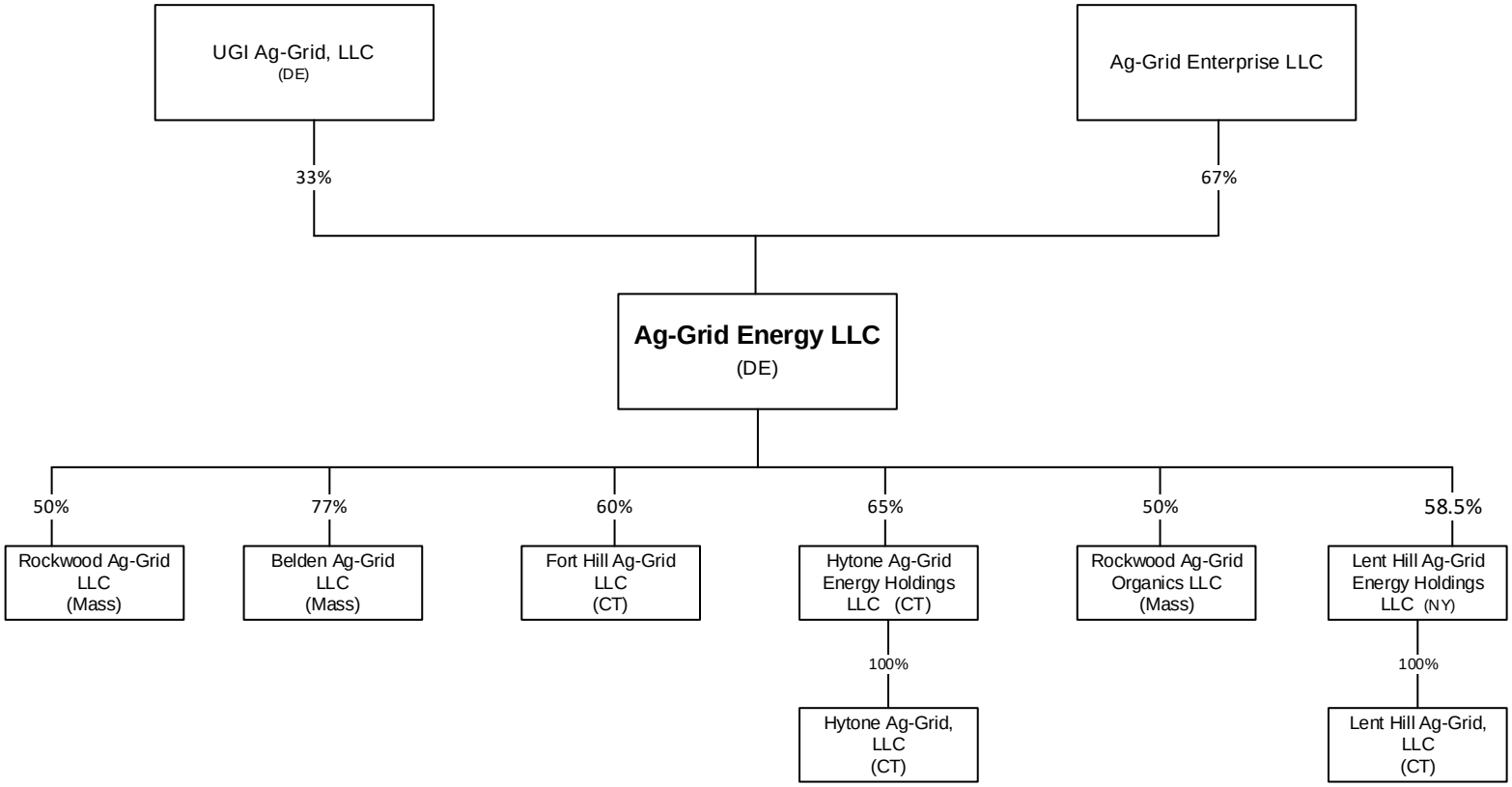
Ownership is 100% unless otherwise noted.


UGI BIOFUELS, LLC
(DE)
100%
GHI ENERGY, LLC
(TX)
100%
UGI NEO, LLC
(DE)
100%
UGI AG-GRID, LLC
(DE)
100%
UGI DAKOTA, LLC
(DE)
100%
UGI BROAD MOUNTAIN RNG, LLC
(DE)
77.9%
New Energy One HoldCo, LLC
(DE)
33%
Ag-Grid Energy LLC
(DE)
(See page 20)
99.99%
MBL Bioenergy LLC
(DE)
25%
Twin Falls Bioenergy Partners, LLC
(DE)
100%
UGI CAYUGA, LLC
(DE)
100%
UGI HAMILTON, LLC
(DE)
100%
Moody Biogas LLC
(DE)
99%
Cayuga RNG Holdings, LLC
(DE)
90%
Hamilton RNG Holdings, LLC
(DE)
BERGEN RNG, LLC
(DE)
100%
97.8%
Spruce Haven RNG, LLC
(DE)
100%
Synthica St. Bernard, LLC
(DE)
100%
Allen Farms RNG, LLC
(DE)
100%
EL-VI RNG, LLC
(DE)

8/30/2022

Dutch Joint Venture




UGI Ag-Grid, LLC
(DE)
Ag-Grid Enterprise LLC
33%
67%
Ag-Grid Energy LLC
(DE)
50%
77%
60%
65%
50%
58.5%
Rockwood Ag-Grid LLC (Mass)
Belden Ag-Grid LLC (Mass)
Fort Hill Ag-Grid LLC (CT)
Hytone Ag-Grid Energy Holdings LLC (CT)
Rockwood Ag-Grid Organics LLC (Mass)
Lent Hill Ag-Grid Energy Holdings LLC (NY)
100%
100%
Hytone Ag-Grid, LLC (CT)
Lent Hill Ag-Grid, LLC (CT)

4/20/2022

EXHIBIT D-1
OPERATIONS
OF UGI ENERGY SERVICES, LLC

UGI Energy Services, LLC ("UGIES"), *inter alia*, is a full service retail natural gas marketer and supplier. UGIES purchases gas from reputable wholesale marketers and producers under a portfolio of gas purchase contracts. Purchases occur at both LDC city gates and upstream points and utilizes its own pipeline transportation contracts as well as released pipeline capacity to transport and deliver gas to commercial and industrial customers at the city gates of their respective local distribution companies. UGIES performs all nominations and scheduling of gas on pipelines and LDCs through its operation group in Wyomissing, Pennsylvania.

EXHIBIT D-2
OPERATIONS EXPERTISE
OF UGI ENERGY SERVICES, LLC

With 37 years of experience in retail natural gas marketing, UGI Energy Services, LLC ("UGIES") has established expertise in handling all facets of retail supply. UGIES currently has over 40,000 customers, and has the personnel and information systems necessary to efficiently administer customer contracts, nominations, balancing and billing. UGIES' gas supply group holds a substantial portfolio of gas supply and pipeline transportation contracts that enable it to access natural gas throughout the U.S., route the gas across multiple paths to avoid transportation constraints, and meet daily delivery obligations at local distribution company ("LDC") city-gates throughout the Northeast and Mid-Atlantic regions. UGIES nominates substantial quantities of daily transportation on both Columbia Gas Transmission and Texas Eastern Transmission -- two of the primary interstate pipelines serving Ohio retail markets. UGIES serves customers behind forty-three (43) separate LDC systems, and is fully knowledgeable with respect to LDC tariffs, pooling and aggregation rules and balancing requirements.

BIOGRAPHIES OF KEY TECHNICAL PERSONNEL

Joseph L. Hartz **President**

Experience: 33 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.

Kelly A. Beaver **Vice President – Energy Marketing & Supply**

Experience: 19 years of industry experience. Ms. Beaver currently oversees sales, marketing, procurement, and hedging of all gas and electric 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. She 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). Most recently, Ms. Beaver served as Vice President of Engineering and Operations Support at UGI Utilities (UGIU). Ms. Beaver is an Industrial Engineering graduate of Lehigh University, and holds an MBA from St. Joseph's University.

Shaun M. Hart **Vice President – Commodity Marketing, Growth & Retention**

Experience: 19 years of industry experience. Mr. Hart is currently responsible for setting the strategy for UGIES' commodity sales, marketing, and customer service teams, including the preparation of sales forecasts, budgets and sensitivity analyses, and the establishment and achievement of sales, growth, and retention goals. Mr. Hart began his career at UGIES in 2003 in the IT department before transferring to the Gas Supply department in 2005 where he held positions of increasing responsibility before transferring to UGI Utilities, Inc. in 2010. Mr. Hart spent nearly ten years at UGI Utilities as Manager – Gas Supply and Director – Major Accounts. Mr. Hart transferred back to UGIES in 2020 as Director – Sales & Marketing before being

promoted to his current position of Vice President – Commodity Marketing, Growth & Retention in 2022. Mr. Hart has a Computer Science degree from Penn State University and an M.B.A from Villanova University.

Marie-Dominique Ortiz-Landazabal **Vice President/Chief Financial Officer**

Experience: Ms. Ortiz-Landazabal, MBA, CPA (inactive) is Vice President and Chief Financial Officer at UGI Energy Services. She recently transferred to UGI Energy Services after 4 and ½ years abroad serving as Vice President and Chief Financial Officer at UGI International. Prior to partnering with our business units, Ms. Ortiz-Landazabal served as UGI Corporation Chief Accounting Officer for over 2 years and started in 2012 as the UGI Corporation Group General Auditor. She has led teams of professionals responsible for financial, planning and analysis, accounting and reporting functions including risk management, internal controls, Sarbanes-Oxley program, credit and cash management, treasury activities, and communications with internal and external auditors. Prior to joining UGI, Ms. Ortiz-Landazabal worked at Air Products for over a year and at PwC for over 15 years, serving public corporations in the US and Internationally in a number of auditing and consulting positions of increasing responsibility.

David Brearly **Controller**

Experience: 15 years of accounting and audit experience, including ten years within the energy industry. In his position as Controller, Mr. Brearly oversees the monthly, quarterly and annual financial reporting close process and related preparation of financial reports. He manages the general accounting, middle office, technical accounting and revenue & supply accounting teams. Mr. Brearly previously worked for UGI Corporation (parent company of UGI Energy Services) as a Director – Accounting Policies & Controls, Audit Leader – Risk, Planning & Quality, and Audit Manager. Before his tenure at UGI, Mr. Brearly worked in the public accounting sector for seven years with KPMG's Audit practice. He received his B.S. in Accounting from Grove City College and has been licensed as a Certified Public Accountant (CPA) since 2010 and a Certified Information Systems Auditor (CISA) since 2021.

Anthony C. Cox **Vice President – Business Development**

Experience: Mr. Cox is currently responsible for corporate development, including the company's capital project development/construction and M&A activity. He also oversees the 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. Mr. Cox previously served as Vice President, Supply and Customer Operations, overseeing procurement and hedging of all gas supply for the retail and

wholesale operations, among others. 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.

Dante L. D'Alessandro **Vice President – Engineering and Operations**

Experience: 24 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.

Frank Markle **Senior Counsel**

Experience: 31 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.

EXHIBIT C-9
FINANCIAL ARRANGEMENTS
OF UGI ENERGY SERVICES, LLC

UGI Energy Services, LLC ("UGIES") depends on both internal and external sources of liquidity to provide funds for working capital and to fund capital requirements.

Our short-term cash requirements not met by cash from operations are generally satisfied with borrowings under our Receivables Facility and our Energy Services Credit Agreement. Long-term cash requirements are generally met through the issuance of long-term debt and capital contributions. We believe that we have sufficient liquidity in the forms of cash and cash equivalents on hand; cash expected to be generated from operations; credit facility and Receivables Facility borrowing capacity; and the ability to obtain long-term financing to meet anticipated contractual and projected cash commitments.

Our cash and cash equivalents totaled $147 million at June 30, 2022 compared to $197 million at September 30, 2021. Our restricted cash balances was $11 million at June 30, 2022 and $21 million at September 30, 2021, principally comprising cash in brokerage accounts that are restricted from withdrawal. Our debt outstanding at June 30, 2022, totaled $712 million (including current maturities of long-term debt of $10 million). Our debt outstanding at September 30, 2021, totaled $716 million (including current maturities of long-term debt of $10 million). Total long-term debt outstanding at June 30, 2022, including current maturities, comprises $679 million of term loan borrowings and $41 million of other long-term debt comprising a finance lease liability, and is net of $8 million of unamortized debt issuance costs.

During the 2022 nine-month period and at June 30, 2022, there were no borrowings outstanding under the Energy Services Credit Agreement and the available borrowing capacity was $260 million. Energy Services also has a Receivables Facility with an issuer of receivables-backed commercial paper currently scheduled to expire on October 21, 2022. Amounts sold to the bank are reflected as "Short-term borrowings" on our Condensed Consolidated Balance Sheets. During the six months ended June 30, 2022 and 2021, peak sales of receivables were $98 million and $87 million, respectively, and average daily amounts sold were $2 million and $27 million, respectively.

See attached statement from Dominion East Ohio verifying that UGI Energy Services meets the LDU's collateral obligation.

Exhibit C-5
Forecasted Financial Statements
of UGI Energy Services, LLC

SALES FORECAST Calendar Year 2023				SALES FORECAST Calendar Year 2024			
LDC	**Billable Volume (DTH)**		**Billable Revenue**	**LDC**	**Billable Volume (DTH)**		**Billable Revenue**
Col. of Ohio	476,239	$	3,438,016	Col. of Ohio	470,836	$	2,845,390
Dom. East Ohio	907,667	$	5,411,556	Dom. East Ohio	906,463	$	4,459,795
Dom. West Ohio	91,642	$	658,091	Dom. West Ohio	91,466	$	549,140
TOTAL	**1,475,548**	**$**	**9,507,663**	**TOTAL**	**1,468,765**	**$**	**7,854,325**
Gross Margin		$	351,897	**Gross Margin**		$	384,507
Expenses		$	158,354	**Expenses**		$	173,028
Net Income		**$**	**193,543**	**Net Income**		**$**	**211,479**

FitchRatings

RATING ACTION COMMENTARY

Fitch Affirms UGI Energy Services, LLC at 'BB'; Outlook Stable

Mon 07 Mar, 2022 - 4:48 PM ET

Fitch Ratings - New York - 07 Mar 2022: Fitch Ratings has affirmed UGI Energy Services, LLC's (ES) Long-Term Issuer Default Rating (IDR) at 'BB'. Fitch has also affirmed the senior secured rating at 'BB+'/'RR2' for the term loan B. The Rating Outlook is Stable.

The rating reflects the favorable long-term counterparty risk with affiliate, UGI Utilities, Inc. (UGIU; A-/Stable) through long-term take-or-pay contracts, low leverage, and an integrated model using the company's long-life assets to support an energy marketing business. Concerns include volume risk in the gathering and processing segment, smaller scale with single basin concentration, and assets that are exposed to market demand, including gas storage, electric power plants and contract rights on third-party pipelines.

KEY RATING DRIVERS

Segment Diversity Supports Stable Leverage: As of Dec. 31, 2021, Fitch calculated ES's LTM leverage (Total debt with equity credit/ Operating EBITDA) to be 2.4x. The midstream segment recovered in FY21 driven by stronger producer activities in the Marcellus and Utica. Other segments such as LNG/ Peak Shaving, Power and commodity posted solid but slightly weaker margins than Fitch's prior expectations. Fitch forecasts ES to maintain leverage of 3.2x-3.4x through FY24 and that parent UGI Corp (NR) will continue to maintain a supportive dividend policy.

Stonehenge Acquisition: Stonehenge will be immediately accretive to FY22 earnings, providing long-term contracts with minimum volume commitments (MVCs). Pro forma the acquisition approximately 88% of ES's margin is from fee-based activities.

Improving Midstream Production: Midstream volumes in FY21 were stronger than Fitch's expectations due to increased producer activity driven by higher commodity prices. Production is returning on the Appalachia system as commodity prices recover. The Legacy UGI ES footprint is not seeing volumes come back, but they are also not being scaled back. The trend of larger public producers maintaining disciplined growth as commodity prices increase compared to more accelerated growth from private producers is occurring across ES's systems.

ES continued to receive deficiency payments during FY21 and 1Q22 from some oil and gas producers within the Marcellus and Utica basins in the Appalachia region. The counterparty credit risk includes a variety of Appalachia basin-focused producers and one electric power plant customer. Fitch expects volumes to grow modestly in the near term as producers ramp up activities under the current Fitch price deck and commodity price environment.

Capital Spending Expected to Increase: Fitch believes management will continue to look for incremental midstream investments, such as the recent acquisition of Stonehenge in January 2022 to supplement organic growth. Future growth capex may be directed towards renewables to support UGI Corp's (NR) stated goal of 55% reduction in corporate wide Scope 1 carbon emissions by 2025 and plan to spend more than $1 billion on renewable energy solutions. While spending is likely to increase in 2022 from recent levels, Fitch does not expect leverage to be outside of the range of a 'BB' category midstream company.

Affiliate UGIU Provides Highly Assured Revenue: UGIU contributes a material amount to ES's gross margin. Most of the services provided by ES to UGIU, which are subject to regulatory review and approval, have been provided for many years. Almost all the gross margin from UGIU is under take-or-pay contracts. Fitch expects these take-or-pay contracts to be renewed on expiry, though the price may change, given past renewals. The contracts are subject to a least cost procurement review by UGIU's regulator. Fitch believes the take-or-pay payments from UGIU create a strong cash flow for ES to, among other things, withstand sector pressure and pursue opportunities.

Marketing Segment Has Higher Risk: Fitch believes the energy marketing platform has a strong foundation. However, a group of marketing businesses have occasionally caused severe shocks at other companies, demonstrating the higher business risk. The segment requires tight execution and risk monitoring. Should execution fall short of past standards, the businesses may be vulnerable to a loss of market confidence, resulting in a fall in customers and collateral calls. In the absence of such problems, the marketing segment is complementary and provides ES with a competitive advantage.

ES's commercial and industrial customers have more predictable load profiles than retail customers. ES procures two energy types for these customers and has contracts for delivery services. Energy purchases and sales are well-matched as to payment types, variable or fixed price, and contract duration.

Parent Subsidiary Linkage: Fitch assesses UGI Corp and ES to be in a 'Strong Parent/Weak Subsidiary' relationship under its Parent Subsidiary Rating Linkage methodology. Fitch rates ES on a standalone basis. Legal incentives are weak as there are no guarantees or cross default provisions. Strategic and Operational factors are also weak as ES has its own finance team and liquidity access.

DERIVATION SUMMARY

ES's scale is an important indicator of credit quality, with EBITDA well below the $500 million Fitch commonly uses as a boundary for IDRs of 'BBB-' and above for midstream producers. NuStar Energy LP (BB-/Stable) is comparable with ES, as both companies have diverse business lines. NuStar is involved in the transportation, terminalling, storage, and marketing of petroleum products, and is geographically more diversified with operations throughout the U.S. In terms of size, NuStar is larger and consistently generates EBITDA of over $500 million, compared with ES's below $300 million. Leverage is a key driver to the difference in the ratings. For NuStar, Fitch expects leverage between 5.4x-5.6x in 2022, two full turns higher than ES.

Blue Racer Midstream, LLC (B+/Stable) is comparable with ES on the basis of a similar geographical position in the Appalachia basin, as well as having gathering and processing assets. However, ES has greater business-line diversity due to its marketing, storage and power-generation assets. Fitch expects ES's leverage to be 3.2x-3.4x through fiscal year 2024, considerably lower than that of Blue Racer at around 4.5x in 2022. The leverage accounts partially for Fitch's higher IDR for ES in comparison to Blue Racer. Blue Racer's weaker counterparty exposure further differences it and informs ES's stronger credit profile.

KEY ASSUMPTIONS

Fitch's Key Assumptions Within Our Rating Case for the Issuer
--A Fitch price deck of Henry Hub natural gas prices of $3.25 per thousand cubic feet (mcf) in 2022, $2.75 in 2023, $2.50 in 2024 and over the long term and West Texas Intermediate (WTI) oil prices of $67 per barrel (bbl) in 2022, $57/bbl in 2023, and $50/bbl in 2024 and over the long term;
--Contract counterparties with minimum volume commitments or take-or-pay commitments perform under their obligations;
--Modest growth in gross margin from the Midstream and RNG segments with expected incremental investment projects;
--Dividend growth in FY22.

RATING SENSITIVITIES

Factors that could, individually or collectively, lead to positive rating action/upgrade:

-Annual EBITDA above $400 million and the sanctioning of growth plans that Fitch expects will lead to EBITDA exceeding $500 million a year.

-Diversification outside of the Marcellus/Utica basins.

Factors that could, individually or collectively, lead to negative rating action/downgrade:

-A decline in the credit quality of UGIU or sector-wide weakening in the credit quality for an array of non-affiliated shippers that provide long-term minimum volume commitments (or take-or-pay commitments).

-Total debt/adjusted EBITDA expected to be above 4.5x for a sustained period.

-ES's energy marketing segment becoming unprofitable due to a failure to adhere to risk management policies.

-Higher business risk due to increased gathering and processing; for example, ES begins taking title to commodities (receives a percentage of proceeds from natural gas processing) or if there is a significant increase in contracts without revenue assurance features, such as contracts that lack acreage dedication or minimum volume commitments.

-A significant reduction in the demand for natural gas and its products driven by ESG concerns and policy.

BEST/WORST CASE RATING SCENARIO

International scale credit ratings of Non-Financial Corporate issuers have a best-case rating upgrade scenario (defined as the 99th percentile of rating transitions, measured in a positive direction) of three notches over a three-year rating horizon; and a worst-case rating downgrade scenario (defined as the 99th percentile of rating transitions, measured in a negative direction) of four notches over three years. The complete span of best- and worst-case scenario credit ratings for all rating categories ranges from 'AAA' to 'D'. Best- and worst-case scenario credit ratings are based on historical performance. For more information about the methodology used to determine sector-specific best- and worst-case scenario credit ratings, visit https://www.fitchratings.com/site/re/10111579.

LIQUIDITY AND DEBT STRUCTURE

Adequate Liquidity: ES had approximately $109 million in cash and cash equivalents on hand and no borrowings and no letters of credit on its $260 million revolving credit facility (RCF) as of Dec. 31, 2021. ES has the option to utilize an accordion feature to upsize the RCF up to $325 million, which may be used for acquisitions, investments and general corporate purposes. The facility matures in March 2025. ES utilizes its $75 million-$150 million (amount varies seasonally) accounts receivable securitization facility for working capital needs. There were no outstanding trade receivables as of Dec. 31, 2021.

Maturities are manageable. Its senior secured term loan has $683 million outstanding and matures in 2026.

ISSUER PROFILE

UGI Energy Services, LLC (ES) is a diversified energy services company, involved in midstream transmission, LNG, storage, natural gas gathering and production, electricity (wholesale and retail), and renewable natural gas. The company is wholly owned by UGI Corporation.

SUMMARY OF FINANCIAL ADJUSTMENTS

Fitch typically adjusts midstream energy companies' EBITDA to exclude equity in earnings of unconsolidated affiliates and includes cash distributions from unconsolidated affiliates. Fitch removes distributions to non-controlling interests from ES's EBITDA.

REFERENCES FOR SUBSTANTIALLY MATERIAL SOURCE CITED AS KEY DRIVER OF RATING

The principal sources of information used in the analysis are described in the Applicable Criteria.

ESG CONSIDERATIONS

Unless otherwise disclosed in this section, the highest level of ESG credit relevance is a score of '3'. This means ESG issues are credit-neutral or have only a minimal credit impact on the entity, either due to their nature or the way in which they are being managed by the entity. For more information on Fitch's ESG Relevance Scores, visit www.fitchratings.com/esg

RATING ACTIONS

ENTITY / DEBT	RATING	RECOVERY	PRIOR
UGI Energy Services, LLC	LT IDR BB Rating Outlook Stable Affirmed		BB Rating Outlook Stable
senior secured	LT BB+ Affirmed	RR2	BB+

VIEW ADDITIONAL RATING DETAILS

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APPLICABLE CRITERIA

Corporates Recovery Ratings and Instrument Ratings Criteria (pub. 09 Apr 2021) (including rating assumption sensitivity)

Corporate Rating Criteria (pub. 15 Oct 2021) (including rating assumption sensitivity)

Sector Navigators - Addendum to the Corporate Rating Criteria - Effective from 15 October 2021 to 15 July 2022 (pub. 15 Oct 2021)

Parent and Subsidiary Linkage Rating Criteria (pub. 01 Dec 2021)

APPLICABLE MODELS

Numbers in parentheses accompanying applicable model(s) contain hyperlinks to criteria providing description of model(s).

Corporate Monitoring & Forecasting Model (COMFORT Model), v7.9.0 (1)

ADDITIONAL DISCLOSURES

Dodd-Frank Rating Information Disclosure Form

Solicitation Status

Endorsement Policy

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UGI Energy Services, LLC	EU Endorsed, UK Endorsed

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Corporate Finance: Middle Markets Corporate Finance Utilities and Power

Corporate Finance: Leveraged Finance North America United States

MOODY'S
INVESTORS SERVICE

Announcement of Periodic Review: Moody's announces completion of a periodic review of ratings of UGI Energy Services, LLC

01 Jul 2021

New York, July 01, 2021 -- Moody's Investors Service ("Moody's") has completed a periodic review of the ratings of UGI Energy Services, LLC and other ratings that are associated with the same analytical unit. The review was conducted through a portfolio review discussion held on 29 June 2021 in which Moody's reassessed the appropriateness of the ratings in the context of the relevant principal methodology(ies), recent developments, and a comparison of the financial and operating profile to similarly rated peers. The review did not involve a rating committee. Since 1 January 2019, Moody's practice has been to issue a press release following each periodic review to announce its completion.

This publication does not announce a credit rating action and is not an indication of whether or not a credit rating action is likely in the near future. Credit ratings and outlook/review status cannot be changed in a portfolio review and hence are not impacted by this announcement. For any credit ratings referenced in this publication, please see the ratings tab on the issuer/entity page on www.moodys.com for the most updated credit rating action information and rating history.

Key rating considerations are summarized below.

UGI Energy Services, LLC's (UGIES) Ba3 Corporate Family Rating (CFR) reflects moderate leverage and good interest coverage offset by relatively small size. UGIES' midstream business is geographically concentrated but the company provides a diversified service offering. The company derives significant fixed fee revenue in its midstream business from long-term contracts for midstream activities including many that are take-or-pay or that have acreage dedications with minimum volume commitments. Also, providing UGIES a source of fixed fee revenue are contracts where utilities reserve capacity to support periods of high demand. The company's services also include power generation and commodity marketing (natural gas, liquid fuels and electricity). The company is undertaking several expansion projects which have associated execution risks and carry considerable spending needs.

This document summarizes Moody's view as of the publication date and will not be updated until the next periodic review announcement, which will incorporate material changes in credit circumstances (if any) during the intervening period.

The principal methodology used for this review was Midstream Energy published in December 2018. Please see the Rating Methodologies page on www.moodys.com for a copy of this methodology.

This announcement applies only to EU rated, UK rated, EU endorsed and UK endorsed ratings. Non EU rated, non UK rated, non EU endorsed and non UK endorsed ratings may be referenced above to the extent necessary, if they are part of the same analytical unit.

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MOODY'S
INVESTORS SERVICE

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D&B Finance Analytics

Printed By: Stephen Mengel

Date Printed: 09/15/2022

APPLICATION

UGI ENERGY SERVICES, LLC

Tradestyle(s): (SUBSIDIARY OF UGI CORPORATION, KING OF PRUSSIA, PA) 2

ACTIVE HEADQUARTERS

D-U-N-S Number: 88-350-4581
Phone: +1 484 663 5824

Address: 835 Knitting Mills Way, Wyomissing, PA, 19610, United States Of America
Web: www.ugies.com
Endorsement: smengel@ugies.com

APPLICATION: **UGI ENERGY SERVICES, LLC**

Application #: FCKDFN5X
Address: 835 KNITTING MILLS WAY, WYOMISSING, PA, United States Of America - 19610
Phone: +1 484 663 5824

Submitted Date: 09/07/2022
Endorsement: smengel@ugies.com
Assigned to: CREDIT DEPARTMENT

Summary

Data in this Application is a snapshot as of 09/07/2022

APPLICATION DECISION REASONS

Status:
Approved

Approved :
An automated decision resulted in a Approved outcome on 09/07/2022.
D&B was your source of business information to make this decision.

Based on the "Approved" rule the credit terms recommended are :

Credit Limit:	US$ 200,000
Payment Terms:	Net 30
Early Payment Discount:	Not Set
Analyst Instructions:	No instructions provided for this Decision.

The recommended credit terms were based on the following:

Condition	Value
Application Decision Rule:	Approved Rule
Using Credit Limit Methodology Table	'C I Credit Limits' (UGI DNBi Scorecard, C and I Scorecard)
Requested Amount:	100,000.00

The "C and I Auto Approval" rule triggered this review because of the following conditions:

Condition:	Maximum Credit Recommendation Is Not Equal To -1

Value:	US$ 120,000
Condition:	C and I Scorecard Is Greater Than or Equal To 4
Value:	6.1
Condition:	Trade Experiences in File Is Not Equal To -1
Value:	98
Condition:	PAYDEX® Is Not Equal To -1
Value:	71
Condition:	SIC Code - 4 Digit Is Not Equal To -1
Value:	4924
Condition:	High Credit Is Not Equal To -1
Value:	US$ 200,000
Condition:	Bankruptcy Found Is False
Value:	False
Condition:	High Credit - Average Is Not Equal To -1
Value:	US$ 21,544
Condition:	Employees Is Not Equal To -1
Value:	200
Condition:	D&B Rating Is Not Equal To -1
Value:	1R3
Condition:	Failure Score (Raw) Is Not Equal To -1
Value:	1,484
Condition:	Years In Business Is Not Equal To -1
Value:	27
Condition:	Trade Experiences with Slow or Negative Payments (%) Is Not Equal To -1
Value:	25.51%
Condition:	Delinquency Score (Raw) Is Not Equal To -1
Value:	566

KEY DATA ELEMENTS (Formerly: SCORE BAR)

KDE Name	Current Status	Details

PAYDEX®	71	14 days beyond terms
Delinquency Score	86	Low to Moderate Risk of severe payment delinquency.
Failure Score	55	Moderate Risk of severe financial stress.
D&B Viability Rating	4 6 B Z	View More Details
Bankruptcy Found	N	
D&B Rating	1R3	1R indicates 10 or more Employees, Credit appraisal of 3 is fair

APPROVED CREDIT TERMS

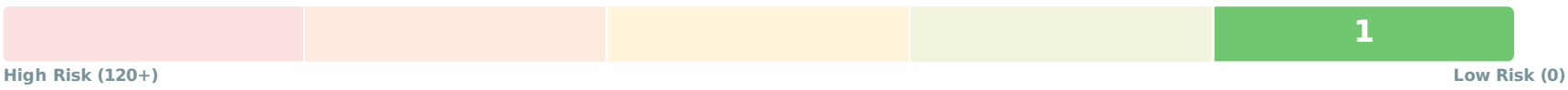
APPLICATION: **UGI ENERGY SERVICES, LLC**

Approved Credit Limit	200,000
Approved Payment Terms	Net 30
Approved Early Payment Discount	Not Set
Approved Term Status	Active

DETAILED TRADE RISK INSIGHT™

Days Beyond Terms
1 Days

3 Months
From Jul-22 to Sep-22



Days Beyond Terms Past 3 months : 1

Low Risk:0 ; High Risk:120+

Dollar-weighted average of **28** payment experiences reported from **18** companies.

PAYDEX® TREND CHART

This Company Industry Benchmark

ALERTS

There are no alerts for this D-U-N-S Number.

OWNERSHIP

Subsidiaries	Branches	Total Members

11	1	865

This company is a Headquarters, Parent, Subsidiary.

	Global Ultimate	Domestic Ultimate
Name	UGI CORPORATION	UGI CORPORATION
Country	UNITED STATES	UNITED STATES
D-U-N-S	00-791-5069	00-791-5069
Others	-	-

VIABILITY RATING SUMMARY

Viability Score

4

High Risk (9) — Low Risk (1)

Data Depth Indicator

B

Descriptive (G) — Predictive (A)

Portfolio Comparison

6

High Risk (9) — Low Risk (1)

Financial Data	Unavailable
Trade Payments	
Company Size	
Years in Business	-

COMPANY PROFILE

D-U-N-S
88-350-4581

Mailing Address
UNITED STATES

Employees
200 (33 here)

Legal Form
Corporation (US)

Telephone
+1 484 663 5824

Age (Year Started)
27 Years (1995)

History Record
Clear

Website
www.ugies.com

Named Principal
Bradley Hall, PRES

Date Incorporated
03/22/2013

Present Control Succeeded
1995

Line of Business
Natural gas distribution

State of Incorporation
PENNSYLVANIA

SIC
49240000

Ownership
Not publicly traded

NAICS
221210

Street Address:
835 Knitting Mills Way,
Wyomissing, PA, 19610,
United States Of America

STOCK PERFORMANCE

History

Daily High

52-Week High

Performance

P/E:

EPS:

Div/Yield

WEB & SOCIAL POWERED BY FIRSTRAIN

- UGI announces investment in a new renewable natural gas project in upstate New York Us Gas Vehicles 14-Sep-2022
- UGI Announces Investment in a New Renewable Natural Gas Project in Upstate New York Business Wire, Inc. 06-Sep-2022
- Energy Marketing Conferences Announces the New Wholesale Energy Trading Zone At Its Fall New York Conference EIN Presswire 12-Jul-2022
- Energy Marketing Conferences Announce Kevin Greiner, CEO of Gas South as its Keynote Speaker at EMC18 in New York City EIN Presswire 14-Jun-2022
- Leadership Berks returns under United Way guidance Reading Eagle 07-Jun-2022
- UGI commits funding for largest RNG project to date developed by Sevana Bioenergy and CalBio Us Gas Vehicles 25-May-2022
- UGI Energy Services Provides $200,000 in Scholarships to Pennsylvania Schools Business Wire, Inc. 19-May-2022
- UGI to fully fund USD-70m RNG cluster in South Dakota Renewables Now 17-May-2022
- UGI Commits Funding for Largest Renewable Natural Gas Project to Date Business Wire, Inc. 16-May-2022
- UGI invests in renewable energy producer Ag-Grid Energy Us Gas Vehicles 28-Apr-2022

Load More

LEGAL EVENTS

Events	Occurrences	Last Filed
Bankruptcies	0	-
Judgements	0	-
Liens	1	07/22/2015
Suits	4	11/25/2020
UCC	49	07/22/2022

The scores and ratings included in this report are designed as a tool to assist the user in making their own credit related decisions, and should be used as part of a balanced and complete assessment relying on the knowledge and expertise of the reader, and where appropriate on other information sources. The score and rating models are developed using statistical analysis in order to generate a prediction of future events. Dun & Bradstreet monitors the performance of thousands of businesses in order to identify characteristics common to specific business events. These characteristics are weighted by significance to form rules within its models that identify other businesses with similar characteristics in order to provide a score or rating.

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Small Business Risk Insight

SBRI ORIGINATION LEASE SCORE

SBRI Origination Lease Score : 866

SBRI ORIGINATION CARD SCORE

SBRI Origination Lease Score : 827

SBRI ORIGINATION LOAN SCORE

SBRI Origination Loan Score : 804

KEY SBRI ATTRIBUTES

Total Balance
194,287.00

Credit Card Total Balance	42,435.00
Lease Agreement Total Balance	151,852.00
Loan Total Balance	NA

Total Open SBRI Accounts
18

Total Exposure	213,601.00
Maximum Age of All Open Accounts	233.00 Months
Total Available Credit - Credit Card	NA
Total Available Credit - Lines of Credit	NA

Number Of Total Accounts Ever Cycle 2+
9

Time since most recent Cycle 2 on all accounts	1 Months
Worst Delinquent All Accounts	
Past 1-3 Months	Cycle 2
Past 1-12 Months	Cycle 2

ACCOUNT SUMMARIES

Total Current Balance	
Total Past Due	
Total Past Due Cycle 1	
Total Past Due Cycle 2	
Total Past Due Cycle 3	
Total Past Due Cycle 4	
Total Past Due Cycle 5	
Total Charge Off Amount	

Type	Lender	Date Reported	Open Date	Closed Date	Total Payments	Original Amount/Current Credit Line	Current Balance	Total Current Balance	Total Past Due	Past Due Cycle 1	Past Due Cycle 2	Past Due Cycle 3	Past Due Cycle 4	Past Due Cycle 5	Charge-Off Amount
No data found															

Detailed Trade Risk Insight™

Detailed Trade Risk Insight provides detailed updates on over 1.5 billion commercial trade experiences collected from more than 260 million unique supplier/purchaser relationships.

DAYS BEYOND TERMS - PAST 3 & 12 MONTHS

3 Monthsof Jul-22 to Sep-22
Days Beyond Terms :1 Days

Days Beyond Terms : 1
High Risk:150+ ; Low Risk:0

Dollar-weighted average of**28**
payment experiences reported from**18**companies.

12 monthsof Oct-21 to Sep-22
Days Beyond Terms :5 Days

Days Beyond Terms : 5
High Risk:150+ ; Low Risk:0

Dollar-weighted average of**90**
payment experiences reported from**40**companies.

DEROGATORY EVENTS LAST 12 MONTHS FROM SEP-21 TO AUG-22

No Derogatory trade Event has been reported on this company for the past 13 Months

TOTAL AMOUNT CURRENT AND PAST DUE - 12 MONTH TREND FROM SEP-21 TO AUG-22

Status	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22
Total	517,107	375,661	207,878	311,756	445,174	565,209	463,183	286,842	183,270	450,384	296,194	296,194
Current	480,164	371,992	199,855	270,396	405,708	379,792	204,806	273,994	168,335	441,985	292,454	292,454
1-30 Days Past Due	36,943	3,660	8,023	41,239	24,578	181,949	169,050	11,753	13,860	5,321	791	791
31-60 Days Past Due	0	9	0	121	14,767	2,952	88,811	579	559	2,544	1,638	1,638
61-90 Days Past Due	0	0	0	0	121	516	0	0	0	18	777	777
91+ Days Past Due	0	0	0	0	0	0	516	516	516	516	534	534

Credit Application For the Application : UGI ENERGY SERVICES, LLC

Application Name :Your Credit Application

Company Identification

Business Name
UGI ENERGY SERVICES, LLC

Country or Region
United States Of America

Address - Primary Street (No P.O. Boxes)
835 KNITTING MILLS WAY

Secondary Street Address

City
WYOMISSING

County

State/Province
Pennsylvania

Zip/Postal Code
19610

Company Phone
4846635824

D-U-N-S Number
883504581

Contact Information

Contact First Name

Contact Last Name

Request

Requested Amount
100000.00

Risk Assessment

D&B RISK ASSESSMENT

OVERALL BUSINESS RISK

HIGH	MODERATE-HIGH	MODERATE	LOW-MODERATE	LOW

Dun & Bradstreet thinks...

- Overall assessment of this organization over the next 12 months: **STABILITY CONCERNS**
- Based on the predicted risk of business discontinuation: **AVERAGE-RISK-OF-DISCONTINUED-OPERATIONS-OR-BUSINESS-INACTIVITY**
- Based on the predicted risk of severely delinquent payments: **LOW POTENTIAL FOR SEVERELY DELINQUENT PAYMENTS**

MAXIMUM CREDIT RECOMMENDATION

US$ 120,000

The recommended limit is based on a low probability of severe delinquency.

D&B VIABILITY RATING SUMMARY

The D&B Viability Rating uses D&B's proprietary analytics to compare the most predictive business risk indicators and deliver a highly reliable assessment of the probability that a company will go out of business, become dormant/inactive, or file for bankruptcy/insolvency within the next 12 months. The D&B Viability Rating is made up of 4 components:

Viability Score
Compared to All US Businesses within the D&B Database:

- Level of Risk:**Low Risk**
- Businesses ranked **4** have a probability of becoming no longer viable: **5** %
- Percentage of businesses ranked **4: 14** %
- Across all US businesses, the average probability of becoming no longer viable:**14** %

Portfolio Comparison
Compared to All US Businesses within the same MODEL SEGMENT:

- Model Segment :**Established Trade Payments**
- Level of Risk:**Moderate Risk**
- Businesses ranked **6** within this model segment have a probability of becoming no longer viable: **5** %
- Percentage of businesses ranked **6** with this model segment: **9** %
- Within this model segment, the average probability of becoming no longer viable:**5** %

Data Depth Indicator
Data Depth Indicator:

- ✓ Rich Firmographics
- ✓ Extensive Commercial Trading Activity
- ✓ Basic Financial Attributes

Greater data depth can increase the precision of the D&B Viability Rating assessment.

To help improve the current data depth of this company, you can ask D&B to make a personalized request to this company on your behalf to obtain its latest financial information. To make the request, click the link below. Note, the company must be saved to a folder before the request can be made.

Request Financial Statements

Reference the FINANCIALS tab for this company to monitor the status of your request.

Company Profile:
Company Profile Details:

- Financial Data: **False**
- Trade Payments:
- Company Size:
- Years in Business:

Z

Subsidiary

FAILURE SCORE FORMERLY FINANCIAL STRESS SCORE

- Composite credit appraisal is rated fair
- UCC Filings reported
- Low proportion of satisfactory payment experiences to total payment experiences
- Evidence of open liens
- High proportion of past due balances to total amount owing

Level of Risk	Raw Score	Probability of Failure	Average Probability of Failure for Businesses in D&B Database	Class
Moderate	1484	0.21 %	0.48	3

Business and Industry Trends

△ FAILURE SCORE ⬚ Industry Median Quartile

BUSINESS AND INDUSTRY COMPARISON

Selected Segments of Business Attributes

Norms	National %
This Business	55

Norms	National %
Region:(MIDDLE ATLANTIC)	25
Industry:INFRASTRUCTURE	17
Employee range:(100-499)	69
Years in Business:(26+)	81

DELINQUENCY SCORE FORMERLY COMMERCIAL CREDIT SCORE

86

High Risk (1) — Low Risk (100)

- Proportion of past due balances to total amount owing
- Evidence of open suits and liens
- Higher risk industry based on delinquency rates for this industry
- Proportion of slow payments in recent months

Level of Risk	Raw Score	Probability of Delinquency	Compared to Businesses in D&B Database	Class
Low-Moderate	566	1.93 %	10.2 %	2

Business and Industry Trends

DELINQUENCY SCORE — Industry Median Quartile

BUSINESS AND INDUSTRY COMPARISON

Selected Segments of Business Attributes

Norms	National %
This Business	86
Region:(MIDDLE ATLANTIC)	32
Industry:INFRASTRUCTURE	32
Employee range:(100-499)	86
Years in Business:(26+)	69

D&B PAYDEX

71

High Risk (1) — Low Risk (100)

When weighted by amount, Payments to suppliers average 14 days beyond terms

- High risk of late payment (Average 30 to 120 days beyond terms)
- Medium risk of late payment (Average 30 days or less beyond terms)
- Low risk of late payment (Average prompt to 30+ days sooner)

Industry Median 73
Equals 11 Days Beyond Terms

D&B 3 MONTH PAYDEX

72

High Risk (1) — Low Risk (100)

Based on payments collected 3 months ago.
When weighted by amount, Payments to suppliers average 12 days beyond terms

- High risk of late payment (Average 30 to 120 days beyond terms)
- Medium risk of late payment (Average 30 days or less beyond terms)
- Low risk of late payment (Average prompt to 30+ days sooner)

Industry Median 73
Equals 11 Days Beyond Terms

Business and Industry Trends

4924 - Natural gas distribution

PAYDEX — Industry Lower Quartile — Industry Median Quartile — Industry Upper Quartile

Equals

D&B RATING

Current Rating as of 11/08/2016

Employee Size
1R : 10 employees and over

Risk Indicator
3 : Moderate Risk

Previous Rating

History since 05/26/1995

Date Applied	D&B Rating
08/24/2015	1R2
01/02/2015	--

Employee Size

1R : 10 employees and over

Risk Indicator

2 : Low Risk

07/20/2009	1R3
05/11/2005	--
07/29/2004	1R3

Trade Payments

TRADE PAYMENTS SUMMARY (Based on 24 months of data)

Overall Payment Behaviour

14

Days Beyond Terms

Highest Now Owing:

US$ 90,000

% of Trade Within Terms

82%

Total Trade Experiences:

98

Largest High Credit:
US$ 200,000

Average High Credit:
US$ 21,544

Highest Past Due

US$ 30,000

Total Unfavorable Comments :

1

Largest High Credit:
US$ 500

Total Placed in Collections:

0

Largest High Credit:
US$ 0

D&B PAYDEX

71

High Risk (1) — Low Risk (100)

When weighted by amount, Payments to suppliers average 14 days beyond terms

- High risk of late payment (Average 30 to 120 days beyond terms)
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72

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Industry Median 73

Equals 11 Days Beyond Terms

BUSINESS AND INDUSTRY TRENDS

Based on 24 months of data

4924 - Natural gas distribution

PAYDEX — Industry Lower Quartile — Industry Median Quartile — Industry Upper Quartile

	10/20	11/20	12/20	1/21	2/21	3/21	4/21	5/21	6/21	7/21	8/21	9/21	10/21	11/21	12/21	1/22	2/22	3/22	4/22	5/22	6/22	7/22	8/22	Current 2022
This Business	69	69	71	69	68	68	68	70	70	70	71	71	75	75	72	75	75	75	72	71	72	72	72	71
Industry Quartile																								
Upper	-	-	78	-	-	78	-	-	78	-	-	78	-	-	78	-	-	78	-	-	78	-	-	-
Median	-	-	74	-	-	73	-	-	73	-	-	73	-	-	73	-	-	73	-	-	73	-	-	-
Lower	-	-	67	-	-	67	-	-	67	-	-	67	-	-	67	-	-	67	-	-	67	-	-	-

TRADE PAYMENTS BY CREDIT EXTENDED (Based on 12 months of data)

Range of Credit Extended (US$)	Number of Payment Experiences	Total Value	% Within Terms
100,000 & over	5	US$ 800,000	62
50,000 - 99,999	5	US$ 345,000	72
15,000 - 49,999	15	US$ 370,000	76
5,000 - 14,999	15	US$ 105,000	80
1,000 - 4,999	16	US$ 31,000	79
Less than 1,000	21	US$ 7,900	91

TRADE PAYMENTS BY INDUSTRY (BASED ON 24 MONTHS OF DATA)

Collapse All | Expand All

Industry Category	Number of Payment Experiences	Largest High Credit (US$)	% Within Terms (Expand to View)	1 - 30 Days Late (%)	31 - 60 Days Late (%)	61 - 90 Days Late (%)	91 + Days Late (%)
13 - Oil and Gas Extraction	1	15,000	100	0	0	0	0
1389 - Oil/gas field service	1	15,000	100	0	0	0	0
15 - Building Construction - General Contractors and Operative Builders	1	5,000	50	0	0	50	0
1531 - Operative builders	1	5,000	50	0	0	50	0
17 - Construction - Special Trade Contractors	1	100,000	100	0	0	0	0
1711 - Mechanical contractor	1	100,000	100	0	0	0	0
27 - Printing, Publishing and Allied Industries	1	5,000	0	100	0	0	0
2711 - Newspaper-print/publ	1	5,000	0	100	0	0	0
28 - Chemicals and Allied Products	1	95,000	0	100	0	0	0
2813 - Mfg industrial gases	1	95,000	0	100	0	0	0
33 - Primary Metal Industries	1	7,500	100	0	0	0	0
3351 - Copper roll/drawing	1	7,500	100	0	0	0	0
35 - Industrial and Commercial Machinery and Computer Equipment	2	60,000	100	0	0	0	0
3572 - Mfg computer storage	1	60,000	100	0	0	0	0
3579 - Mfg misc office eqpt	1	100	100	0	0	0	0
36 - Electronic and other electrical equipment and components except computer equipment	1	100,000	100	0	0	0	0
3648 - Mfg misc light equip	1	100,000	100	0	0	0	0
38 - Measuring Analyzing and Controlling Instruments; Photographic Medical and Optical Goods; Watches and Clocks	5	30,000	65	0	35	0	0

3823 - Mfg process controls	4	30,000	80	0	20	0	0
3824 - Mfg fluid meters	1	10,000	50	0	50	0	0
45 - Transportation by Air	2	2,500	50	1	49	0	0
4513 - Air courier service	2	2,500	50	1	49	0	0
47 - Transportation Services	1	1,000	50	50	0	0	0
4731 - Arrange cargo transpt	1	1,000	50	50	0	0	0
48 - Communications	14	35,000	95	2	4	0	0
4813 - Telephone communictns	10	35,000	96	4	0	0	0
4812 - Radiotelephone commun	4	30,000	93	0	7	0	0
49 - Electric, Gas and Sanitary Services	5	20,000	100	0	0	0	0
4911 - Electric services	5	20,000	100	0	0	0	0
50 - Wholesale Trade - Durable Goods	11	200,000	81	12	7	0	0
5084 - Whol industrial equip	3	2,500	50	42	8	0	0
5063 - Whol electrical equip	2	40,000	100	0	0	0	0
5051 - Whol metal	1	200,000	50	0	50	0	0
5045 - Whol computers/softwr	1	200,000	50	50	0	0	0
5046 - Whol misc coml equip	1	10,000	100	0	0	0	0
5074 - Whol plumb/hydronics	1	2,500	100	0	0	0	0
5049 - Whol misc profsn eqpt	1	1,000	100	0	0	0	0
5085 - Whol industrial suppl	1	750	100	0	0	0	0
51 - Wholesale Trade - Nondurable Goods	5	50,000	51	49	0	0	0
5169 - Whol chemicals	3	50,000	100	0	0	0	0
5172 - Whol petroleum prdts	2	25,000	2	98	0	0	0
57 - Home Furniture Furnishings and Equipment Stores	5	200,000	75	25	0	0	0
5712 - Ret furniture	4	2,500	100	0	0	0	0

5734 - Ret computer/software	1	200,000	50	50	0	0	0
59 - Miscellaneous Retail	2	2,500	52	48	0	0	0
5999 - Ret misc merchandise	2	2,500	52	48	0	0	0
61 - Nondepository Credit Institutions	6	5,000	89	4	7	0	0
6159 - Misc business credit	6	5,000	89	4	7	0	0
73 - Business Services	5	50,000	83	17	0	0	0
7389 - Misc business service	3	25,000	50	50	0	0	0
7374 - Data processing svcs	1	50,000	100	0	0	0	0
7359 - Misc equipment rental	1	7,500	100	0	0	0	0
83 - Social Services	1	750	100	0	0	0	0
8322 - Family social service	1	750	100	0	0	0	0
87 - Engineering Accounting Research Management and Related Services	3	90,000	74	26	0	0	0
8748 - Business consulting	3	90,000	74	26	0	0	0
99 - Nonclassifiable Establishments	4	35,000	99	0	0	1	0
9999 - Nonclassified	4	35,000	99	0	0	1	0

TRADE LINES

Date of Experience	Payment Status	Selling Terms	High Credit (US$)	Now Owes (US$)	Past Due (US$)	Months Since Last Sale
08/22	Pays Promptly	-	20,000	10,000	0	-
08/22	Pays Promptly	-	10,000	0	0	Between 6 and 12 Months
08/22	Pays Promptly	N30	7,500	0	0	Between 4 and 5 Months
08/22	Pays Promptly	Lease Agreemnt	5,000	2,500	0	1
08/22	Pays Promptly	N30	2,500	0	0	Between 6 and 12 Months
08/22	Pays Promptly	-	1,000	0	0	Between 2 and 3 Months
08/22	Pays Promptly	-	750	100	0	-
08/22	Pays Promptly	Lease Agreemnt	500	250	0	1
08/22	Pays Promptly	-	250	100	0	-
08/22	Pays Promptly	-	100	0	0	Between 4 and 5 Months
08/22	Pays Promptly	-	100	100	50	-
08/22	Pays Promptly	Lease Agreemnt	50	50	0	1
08/22	Pays Promptly	Lease Agreemnt	50	50	0	1

Date of Experience	Payment Status	Selling Terms	High Credit (US$)	Now Owes (US$)	Past Due (US$)	Months Since Last Sale
08/22	Pays Prompt to Slow 15+	-	25,000	25,000	0	1
08/22	Pays Prompt to Slow 30+	-	2,500	750	250	1
08/22	Pays Prompt to Slow 60+	-	200,000	35,000	500	1
08/22	Pays Prompt to Slow 60+	Lease Agreemnt	1,000	1,000	1,000	1
07/22	Pays Promptly	-	0	0	0	Between 6 and 12 Months
07/22	Pays Promptly	-	100,000	0	0	Between 6 and 12 Months
07/22	Pays Promptly	-	100,000	0	0	1
07/22	Pays Promptly	-	60,000	40,000	0	1
07/22	Pays Promptly	-	50,000	45,000	0	1
07/22	Pays Promptly	-	50,000	7,500	0	1
07/22	Pays Promptly	-	35,000	5,000	0	1
07/22	Pays Promptly	N30	30,000	0	0	Between 6 and 12 Months
07/22	Pays Promptly	-	30,000	15,000	0	1
07/22	Pays Promptly	-	20,000	0	0	Between 2 and 3 Months
07/22	Pays Promptly	-	15,000	0	0	Between 6 and 12 Months
07/22	Pays Promptly	-	15,000	0	0	Between 6 and 12 Months
07/22	Pays Promptly	-	15,000	10,000	0	1
07/22	Pays Promptly	-	10,000	0	0	Between 6 and 12 Months
07/22	Pays Promptly	-	5,000	0	0	Between 6 and 12 Months
07/22	Pays Promptly	-	5,000	1,000	0	1
07/22	Pays Promptly	-	2,500	0	0	Between 6 and 12 Months
07/22	Pays Promptly	-	2,500	0	0	1
07/22	Pays Promptly	-	2,500	2,500	0	1
07/22	Pays Promptly	-	750	0	0	Between 2 and 3 Months
07/22	Pays Promptly	-	100	0	0	Between 2 and 3 Months
07/22	Pays Prompt to Slow 30+	-	0	5,000	0	1
07/22	Pays Prompt to Slow 30+	-	200,000	30,000	750	1
07/22	Pays Prompt to Slow 30+	-	5,000	2,500	0	1
07/22	Pays Prompt to Slow 30+	-	1,000	500	0	1
07/22	Pays Prompt to Slow 60+	-	10,000	10,000	0	1
07/22	Pays Prompt to Slow 60+	-	1,000	1,000	1,000	Between 2 and 3 Months
07/22	Pays Slow 30+	-	2,500	0	0	Between 6 and 12 Months
07/22	-	Cash account	0	0	0	1
07/22	-	Cash account	0	0	0	Between 4 and 5 Months
07/22	-	Cash account	0	0	0	1
06/22	Pays Promptly	-	7,500	0	0	Between 6 and 12 Months
06/22	Pays Promptly	-	2,500	1,000	0	1
06/22	Pays Promptly	-	2,500	2,500	0	1
06/22	Pays Promptly	-	500	0	0	1
06/22	Pays Promptly	-	100	100	0	1
06/22	-	Cash account	50	0	0	Between 6 and 12 Months

Date of Experience	Payment Status	Selling Terms	High Credit (US$)	Now Owes (US$)	Past Due (US$)	Months Since Last Sale
04/22	-	Cash account	1,000	0	0	Between 2 and 3 Months
04/22	-	Cash account	500	0	0	Between 6 and 12 Months
04/22	-	Cash account	500	0	0	Between 6 and 12 Months
04/22	-	Cash account	250	0	0	1
04/22	-	Cash account	50	0	0	1
03/22	Pays Promptly	-	7,500	0	0	1
03/22	Pays Slow 30+	N30	5,000	0	0	Between 6 and 12 Months
01/22	Pays Promptly	-	10,000	0	0	Between 6 and 12 Months
01/22	Pays Slow 30+	-	35,000	0	0	Between 2 and 3 Months
12/21	Pays Promptly	-	100	0	0	Between 6 and 12 Months
11/21	Pays Promptly	-	500	0	0	Between 6 and 12 Months
09/21	Pays Promptly	N30	2,500	0	0	Between 6 and 12 Months
09/21	Pays Promptly	N30	1,000	0	0	Between 6 and 12 Months
09/21	Pays Promptly	N30	750	0	0	Between 6 and 12 Months
09/21	Pays Promptly	N30	500	0	0	Between 6 and 12 Months
09/21	Pays Slow 60+	-	15,000	0	0	Between 6 and 12 Months
03/21	Pays Prompt to Slow 90+	-	5,000	0	0	Between 6 and 12 Months
02/21	Pays Prompt to Slow 30+	-	50	50	0	1
02/21	Pays Prompt to Slow 60+	-	2,500	1,000	0	1
02/21	Pays Slow 90+	-	250	0	0	Between 6 and 12 Months
01/21	Pays Slow 15+	-	95,000	30,000	30,000	Between 2 and 3 Months
12/20	Pays Promptly	-	40,000	0	0	Between 6 and 12 Months
12/20	Pays Prompt to Slow 30+	-	0	500	250	1
12/20	Credit refused	-	500	500	500	1
09/20	Pays Promptly	-	1,000	0	0	Between 6 and 12 Months
08/20	Pays Promptly	-	750	0	0	Between 6 and 12 Months

OTHER PAYMENT CATEGORIES

Other Payment Categories	Experience	Total Amount
Cash experiences	16	US$ 3,450
Payment record unknown	3	US$ 21,000
Unfavorable comments	1	US$ 500
Placed for collections	0	US$ 0
Total in D&B's file	98	US$ 1,683,850

Accounts are sometimes placed for collection even though the existence or amount of the debt is disputed. Payment experiences reflect how bills are met in relation to the terms granted. In some instances payment beyond terms can be the result of disputes over merchandise, skipped invoices etc. Each experience shown represents a separate account reported by a supplier. Updated trade experiences replace those previously reported.

Corporate Linkage

Increase your understanding of the links and risks between your customers and suppliers with D&B's Interactive Global Family Tree

PARENT

Company	City , State	D-U-N-S® NUMBER
UGI CORPORATION	KING OF PRUSSIA , Pennsylvania	00-791-5069

SUBSIDIARIES (DOMESTIC)

Company	City , State	D-U-N-S® NUMBER
UGI DEVELOPMENT HOLDING CO	READING , Pennsylvania	82-860-2339
UGI DEVELOPMENT COMPANY	HUNLOCK CREEK , Pennsylvania	01-709-0066
UGI STORAGE COMPANY	WYOMISSING , Pennsylvania	96-739-1181
UGI LNG, INC.	WYOMISSING , Pennsylvania	00-888-8578
UGI MT. BETHEL PIPELINE COMPANY, LLC	READING , Pennsylvania	08-017-6339
UGI CENTRAL GAS CONTROL, LLC	READING , Pennsylvania	08-023-3642
UGI SUNBURY, LLC	READING , Pennsylvania	08-024-1225
UGI TEXAS CREEK, LLC	WYOMISSING , Pennsylvania	08-098-2774
UGI PONDEROSA, LLC	WYOMISSING , Pennsylvania	08-126-8843
GHI ENERGY, LLC	HOUSTON , Texas	07-852-3794
UGI APPALACHIA, LLC	WYOMISSING , Pennsylvania	07-990-7681

BRANCHES (DOMESTIC)

Company	City , State	D-U-N-S® NUMBER
UGI ENERGY SERVICES, LLC	MESHOPPEN , Pennsylvania	11-804-6160

AFFILIATES (DOMESTIC)

Company	City , State	D-U-N-S® NUMBER
AMERIGAS, INC.	KING OF PRUSSIA , Pennsylvania	01-435-4518
UGI UTILITIES, INC.	DENVER , Pennsylvania	79-937-6595
AMERIGAS PARTNERS, L.P.	KING OF PRUSSIA , Pennsylvania	83-540-6448
UNITED VALLEY INSURANCE CO	KING OF PRUSSIA , Pennsylvania	84-922-8069
UGI ENTERPRISES, LLC	VALLEY FORGE , Pennsylvania	88-336-7518
ENERGY SERVICES FUNDING	KING OF PRUSSIA , Pennsylvania	11-731-0437

CORPORATION		
EUROGAS HOLDINGS, INC.	KING OF PRUSSIA , Pennsylvania	11-731-0587
UGI	CLEONA , Pennsylvania	03-791-1466
NEWBURY HOLDING COMPANY	KING OF PRUSSIA , Pennsylvania	07-959-2412
UGI PROPERTIES, INC.	KING OF PRUSSIA , Pennsylvania	07-963-5404
EASTFIELD INTERNATIONAL HOLDINGS, INC.	KING OF PRUSSIA , Pennsylvania	03-909-7112
AMERIGAS FINANCE CORP.	KING OF PRUSSIA , Pennsylvania	07-882-5352
ASHTOLA PRODUCTION COMPANY	VALLEY FORGE , Pennsylvania	83-533-9198
OPERATION SHARE ENERGY FUND	READING , Pennsylvania	02-293-6944
FOUR FLAGS DRILLING COMPANY, INC.	VALLEY FORGE , Pennsylvania	03-866-6106
UGI CHINA, INC.	KING OF PRUSSIA , Pennsylvania	11-728-8248
UGI PENNEAST, LLC	KING OF PRUSSIA , Pennsylvania	11-728-8252
UGI BLACK SEA ENTERPRISES, INC.	KING OF PRUSSIA , Pennsylvania	11-728-8249
UGI BETHLEHEM LNG, LLC	KING OF PRUSSIA , Pennsylvania	11-728-8247
UGI STONERIDGE I, LLC	KING OF PRUSSIA , Pennsylvania	11-728-8255
UGI HUNLOCK DEVELOPMENT COMPANY	KING OF PRUSSIA , Pennsylvania	11-728-8250
HUNLOCK ENERGY, LLC	EAST BRUNSWICK , New Jersey	08-110-6533
UGI ASSET MANAGEMENT, INC.	KING OF PRUSSIA , Pennsylvania	11-731-7969
UNITED VALLEY INSURANCE COMPANY	KING OF PRUSSIA , Pennsylvania	11-731-8047
HOMESTEAD HOLDING COMPANY	KING OF PRUSSIA , Pennsylvania	11-731-1926

This list is limited to the first 25 affiliates.

AFFILIATES (INTERNATIONAL)

Company	City , Country or Region	D-U-N-S® NUMBER
UGI FRANCE	COURBEVOIE , FRANCE	27-236-2174

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Legal Events

The following Public Filing data is for information purposes only and is not the official record. Certified copies can only be obtained from the official source.

Bankruptcies	Judgements	Liens	Suits	UCCs

No	0	1	4	49
	Latest Filing: -	Latest Filing: 07/22/2015	Latest Filing: 11/25/2020	Latest Filing: 07/22/2022

EVENTS

Lien - Tax Lien

Filing Date	07/22/2015
Filing Number	DJ 122118 15
Status	Open
Date Status Attained	07/22/2015
Received Date	07/27/2015
Amount	US$ 18,038
Debtors	UGI ENERGY SERVICES LLC
Creditors	DIV OF EMPLOYER ACCOUNTS
Court	SUPERIOR COURT OF NEW JERSEY, TRENTON, NJ

Suit

Filing Date	11/25/2020
Filing Number	202000006174
Status	Pending
Date Status Attained	11/25/2020
Received Date	11/27/2020
Plaintiffs	EUREKA STONE QUARRY INC, CHALFONT, PA
Defendant	UGI ENERGY SERVICES LLC
Court	BUCKS COUNTY PROTHONOTARY, DOYLESTOWN, PA

Suit

Filing Date	11/13/2020
Filing Number	202000019071
Status	Pending
Date Status Attained	11/13/2020
Received Date	11/20/2020
Cause	Breach Of Contract
Plaintiffs	KNAAK, KARL, LANSDALE, PA
Plaintiffs	LIBERTY ASSOCIATES, ROARING BRANCH, PA
Defendant	UGI ENERGY SERVICES
Defendant	AND OTHERS
Court	MONTGOMERY COUNTY PROTHONOTARY, NORRISTOWN, PA

Suit

Filing Date	10/14/2011
Filing Number	201100023302
Status	Pending
Date Status Attained	10/14/2011
Received Date	10/18/2011
Plaintiffs	NUPRO INDUSTRIES CORPORATION
Plaintiffs	NEATSFOOT OIL REFINERIES, PHILADELPHIA, PA
Defendant	UGI ENERGY SERVICES INC T/A
Defendant	GASMARK
Court	BERKS COUNTY PROTHONOTARY, READING, PA

Suit

Filing Date	10/14/2011
Filing Number	201100023302
Status	Pending
Date Status Attained	10/14/2011
Received Date	10/18/2011
Plaintiffs	NUPRO INDUSTRIES CORPORATION
Plaintiffs	NEATSFOOT OIL REFINERIES, PHILADELPHIA, PA
Defendant	UGI ENERGY SERVICES INC T/A
Defendant	GASMARK
Court	BERKS COUNTY PROTHONOTARY, READING, PA

UCC Filing - Amendment

Filing Date	06/07/2021
Filing Number	2021061000084
Received Date	06/15/2021
Original Filing Date	07/18/2018
Original Filing Number	2018071801617
Secured Party	ICE NGX CANADA INC., CALGARY
Secured Party	ICE NGX CANADA INC., CALGARY
Debtors	UGI ENERGY SERVICES, LLC
Filing Office	SECRETARY OF STATE/UCC DIVISION, HARRISBURG, PA

UCC Filing - Original

Filing Date	08/13/2019
Filing Number	2019081301268
Received Date	08/27/2019

Collateral	All Assets including proceeds and products
Secured Party	JPMORGAN CHASE BANK, N.A., AS COLLATERAL AGENT, CHICAGO, IL
Debtors	UGI ENERGY SERVICES, LLC
Filing Office	SECRETARY OF STATE/UCC DIVISION, HARRISBURG, PA

UCC Filing - Original

Filing Date	07/18/2018
Filing Number	2018071801617
Received Date	07/31/2018
Collateral	Inventory and proceeds - Account(s) and proceeds - Chattel paper and proceeds
Secured Party	ICE NGX CANADA INC., CALGARY
Debtors	UGI ENERGY SERVICES, LLC
Filing Office	SECRETARY OF STATE/UCC DIVISION, HARRISBURG, PA

UCC Filing - Continuation

Filing Date	12/22/2017
Filing Number	2017122600026
Received Date	01/08/2018
Original Filing Date	03/08/2013
Original Filing Number	2013031102076
Secured Party	THE BROOKLYN UNION GAS COMPANY D/B/A NATIONAL GRID NY, BROOKLYN, NY
Debtors	UGI ENERGY SERVICES, INC.
Filing Office	SECRETARY OF STATE/UCC DIVISION, HARRISBURG, PA

UCC Filing - Continuation

Filing Date	12/22/2017
Filing Number	2017122600027
Received Date	01/08/2018
Original Filing Date	03/08/2013
Original Filing Number	2013031102064
Secured Party	KEYSPAN GAS EAST CORPORATION D/B/A NATIONAL GRID, HICKSVILLE, NY
Debtors	UGI ENERGY SERVICES, INC.
Filing Office	SECRETARY OF STATE/UCC DIVISION, HARRISBURG, PA

UCC Filing - Original

Filing Date	11/20/2017
Filing Number	2017112001115
Received Date	12/05/2017

Collateral	Inventory
Secured Party	UGI UTILITIES, INC., READING, PA
Debtors	UGI ENERGY SERVICES LLC
Filing Office	SECRETARY OF STATE/UCC DIVISION, HARRISBURG, PA

UCC Filing - Original

Filing Date	11/20/2017
Filing Number	2017112001112
Received Date	12/05/2017
Collateral	Inventory
Secured Party	UGI UTILITIES, INC., READING, PA
Debtors	UGI ENERGY SERVICES LLC
Filing Office	SECRETARY OF STATE/UCC DIVISION, HARRISBURG, PA

UCC Filing - Original

Filing Date	11/20/2017
Filing Number	2017112001110
Received Date	12/05/2017
Collateral	Inventory
Secured Party	UGI PENN NATURAL GAS, INC., READING, PA
Debtors	UGI ENERGY SERVICES LLC
Filing Office	SECRETARY OF STATE/UCC DIVISION, HARRISBURG, PA

UCC Filing - Original

Filing Date	11/20/2017
Filing Number	2017112001099
Received Date	12/05/2017
Collateral	Inventory
Secured Party	UGI CENTRAL PENN GAS, INC., READING, PA
Debtors	UGI ENERGY SERVICES LLC
Filing Office	SECRETARY OF STATE/UCC DIVISION, HARRISBURG, PA

UCC Filing - Original

Filing Date	03/08/2013
Filing Number	2013031102076
Received Date	03/19/2013
Collateral	Negotiable instruments and proceeds - Accounts receivable and proceeds - Account(s) and proceeds - General intangibles(s) and proceeds - Contract rights and proceeds
Secured Party	THE BROOKLYN UNION GAS COMPANY D/B/A NATIONAL GRID NY, BROOKLYN, NY

Debtors	UGI ENERGY SERVICES, INC.
Filing Office	SECRETARY OF STATE/UCC DIVISION, HARRISBURG, PA

UCC Filing - Original

Filing Date	03/08/2013
Filing Number	2013031102064
Received Date	03/19/2013
Collateral	Negotiable instruments and proceeds - Accounts receivable and proceeds - General intangibles(s) and proceeds - Contract rights and proceeds
Secured Party	KEYSPAN GAS EAST CORPORATION D/B/A NATIONAL GRID, HICKSVILLE, NY
Debtors	UGI ENERGY SERVICES, INC.
Filing Office	SECRETARY OF STATE/UCC DIVISION, HARRISBURG, PA

UCC Filing - Original

Filing Date	03/08/2013
Filing Number	2013031102090
Received Date	03/19/2013
Collateral	Accounts receivable including proceeds and products
Secured Party	NIAGARA MOHAWK POWER CORPORATION D/B/A NATIONAL GRID, SYRACUSE, NY
Debtors	UGI ENERGY SERVICES, INC.
Filing Office	SECRETARY OF STATE/UCC DIVISION, HARRISBURG, PA

UCC Filing - Original

Filing Date	03/08/2013
Filing Number	2013031102088
Received Date	03/19/2013
Collateral	Accounts receivable including proceeds and products
Secured Party	NIAGARA MOHAWK POWER CORPORATION D/B/A NATIONAL GRID, SYRACUSE, NY
Debtors	UGI ENERGY SERVICES, INC.
Filing Office	SECRETARY OF STATE/UCC DIVISION, HARRISBURG, PA

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There may be additional suits, liens, or judgments in D&B's file on this company available in the U.S. Public Records Database, also covered under your contract. If you would like more information on this database, please contact the Customer Resource Center at 1-800-234-3867.

If it is indicated that there are defendants other than the report subject, the lawsuit may be an action to clear title to property and does not necessarily imply a claim for money against the subject.

A lien holder can file the same lien in more than one filing location. The appearance of multiple liens filed by the same lien holder against a debtor may be indicative of such an occurrence.

Special Events

SPECIAL EVENTS

Date	Event Description
10/06/2020	SALE OF ASSET: According to published reports, UGI Energy Services, LLC, DUNS 883504581, (Wyomissing, PA), a subsidiary of UGI Corporation, DUNS 007915069, (King of Prussia, PA), announced that it has sold its ownership stake in the Conemaugh coal-fired power generation station to Montour, LLC, DUNS 144973083, (Allentown, PA).
07/15/2020	MERGER/ACQUISITION: According to published reports, UGI Energy Service LLC, DUNS 883504581, (Wyomissing, PA), a subsidiary of UGI Corp., DUNS 007915069, (King Prussia, PA) announced that it has acquired GHI Energy, DUNS 078523794, (Houston, TX).
07/13/2020	MERGER/ACQUISITION: According to published reports, UGI Corporation, DUNS 007915069, (King of Prussia, PA) announced that its subsidiary, UGI Energy Services, DUNS 883504581, (Wyomissing, PA) announced that it has acquired GHI Energy, DUNS 078523794, (Houston, TX).
08/19/2019	This business is correctly captioned.
08/13/2019	LINE OF CREDIT: According to published reports, UGI Corporation announced that its subsidiary, UGI Energy Services, LLC, closed a new seven-year $700 million secured Term Loan B facility. The new Term Loan B facility priced at LIBOR + 3.75%. Proceeds from the facility, along with corporate liquidity, will be used for the long-term financing of the acquisition of the equity interests of Columbia Midstream Group, LLC from a subsidiary of TC Energy Corporation for approximately $1.275 billion, which closed on August 1, 2019.

Financial Ratios

Source: D&B | Currency: All figures shown in USD unless otherwise stated

KEY BUSINESS RATIOS

Statement date	Based on Number of Establishments
09/30/2003	38

	Ratio for the business	Industry Median	Industry Quartile
Profitability			
Return On Assets	6.6	4.2	1
Return on Net Worth	11.7	11.7	2
Return on Sales	1.6	5.4	4
Short Term Solvency			
Current Liabilities to Inventory	917.2	779.3	1
Current Liabilities Over Net Worth	71.8	71.8	1
Current Ratio	1.3	1.0	1
Quick Ratio (excl. Short Term Investments)	1.2	0.4	1
Efficiency			
Accounts Payable to Sales	8.1	9.0	1
Assets Over Sale	23.6	167.1	4
Collection Period	29.8	50.6	1
Sales to Inventory	95.6	13.3	1
Sales Over Net Working Capital	31.0	16.5	1
Utilization			
Total Liabilities Over Net Worth	76.9	203.2	4

A detailed financial statement is not available from this company for publication.

Financials - D&B

A detailed financial statement is not available from this company for publication.

Company Profile

COMPANY OVERVIEW

D-U-N-S
88-350-4581

Legal Form
Corporation (US)

History Record
Clear

Date Incorporated
03/22/2013

Business Commenced On
1995

State of Incorporation
PENNSYLVANIA

Ownership
Not publicly traded

Mailing Address
UNITED STATES

Telephone
+1 484 663 5824

Website
www.ugies.com

Present Control Succeeded
1995

SIC
49240000

NAICS
221210

Employees
200 (33 here)

Age (Year Started)
27 Years (1995)

Named Principal
Bradley Hall, PRES

Line of Business
Natural gas distribution

Street Address:
835 Knitting Mills Way,
Wyomissing, PA, 19610,
United States Of America

BUSINESS REGISTRATION

Corporate and business registrations reported by the secretary of state or other official source as of: 2022-08-27
This data is for informational purposes only, certification can only be obtained through the Office of the Secretary of State.

Registered Name	UGI Energy Services, LLC
Corporation Type	Corporation (US)
State of Incorporation	PENNSYLVANIA
Registration ID	4175358
Registration Status	ACTIVE
Filing Date	03/22/2013
Where Filed	SECRETARY OF STATE/CORPORATIONS DIVISION

PRINCIPALS

Officers

BRADLEY HALL, PRES
ANGELA K RODRIGUEZ, V PRES
MONICA GAUDIOSI, SEC
HUGH J GALLAGHER, TREAS
ROBERT W KRICK, TREAS
SAMUEL R MAURIELLO, ASST TREAS

Directors

DIRECTOR(S): THE OFFICER(S) and Bradley C Hall, Anthony Mendecino and Lon R Greenberg.

COMPANY EVENTS

The following information was reported on: 03/22/2021

The Pennsylvania Secretary of State's business registrations file showed that UGI Energy Services, LLC was registered as a Limited Liability Company on March 22, 2013, under file registration number 4175358.

This business was originally formed as in the state of Pennsylvania on March 17, 1995 as a Corporation under the legal name UGI Energy Services, Inc. with file registration number 2627451. On October 1, 2013, the charter for UGI Energy Services, Inc. has merged into UGI Newco, LLC, a Pennsylvania Limited Liability Company with file registration number 4175358.

The name was changed from UGI Newco, LLC to UGI Energy Services, LLC by charter amendment on October 1, 2013.

Business started 1995.

Although this company operates as a Limited Liability Company, the members have elected to use officer titles to denote areas of responsibility.

RECENT EVENTS:.

On October 15, 2020, sources stated that Montour, LLC, Allentown, PA, has acquired the 6% shares in Conemaugh coal-fired power generation station from UGI Energy Services, LLC, Wyomissing, PA, on October 1, 2020. Terms of the transaction were undisclosed. Further details are unavailable.

On July 28, 2020, sources stated that UGI Energy Services, LLC, Wyomissing, PA, a wholly-owned subsidiary of UGI Corporation, King of Prussia, PA, has completed the acquisition of GHI Energy, LLC, Houston, TX, on July 9, 2020. With the acquisition, GHI Energy, LLC will now operate as a subsidiary of UGI Energy Services, LLC. Employees and management were retained. Terms of the deal were not disclosed. Further details are unavailable.

On August 19, 2019, UGI Energy Services, LLC, Wyomissing, PA, a wholly-owned subsidiary of UGI Corporation, King of Prussia, PA, has completed the acquisition of Columbia Midstream Group, LLC, Canonsburg, PA, on August 1, 2019. With the acquisition, Columbia Midstream Group, LLC will now operate as a wholly-owned subsidiary of UGI Energy Services, LLC. Employees and management were retained. The purchase price of the transaction was $1.187 billion in cash. Further details are unavailable.

BRADLEY HALL born 1953. 1982-present active here and with the parent company and the affiliates.

ANGELA K RODRIGUEZ. 2002 - present active here.

MONICA GAUDIOSI. Antecedents not available.

HUGH J GALLAGHER. Antecedents not available.

ROBERT W KRICK. Antecedents not available.

SAMUEL R MAURIELLO. Antecedents not available.

Business address has changed from 1 Meridian Blvd Ste 2c01, Reading, PA, 19610 to 835 Knitting Mill Way, Wyomissing, PA, 19610.

BUSINESS ACTIVITIES AND EMPLOYEES

The following information was reported on: 03/22/2021

Business Information

Trade Names	(SUBSIDIARY OF UGI CORPORATION, KING OF PRUSSIA, PA); UGI ENERGY LINK; GASMARK
Description	Subsidiary of UGI Corporation, King Of Prussia, PA started 1991 which operates as distributors of natural gas, liquid fuels and electricity. Parent company owns 100% of capital stock. As noted, this company is a wholly-owned subsidiary of UGI Corporation, D-U-N-S Number 00-791-5069, and reference is made to that report for background information on the parent company and its management. Provides natural gas distribution (100%). All sales cash. Terms vary by client. Sells to Commercial. Territory : Regional.
Employees	200 which includes officer(s). 33 employed here.
Financing Status	Secured
Seasonality	Nonseasonal.
Facilities	Occupies premises in a building.

Related Concerns

SIC/NAICS Information

Industry Code	Description	Percentage of Business

Industry Code	Description	Percentage of Business
4924	Natural gas distribution	-
49240000	Natural gas distribution	-

NAICS Codes	NAICS Description
221210	Natural Gas Distribution

GOVERNMENT ACTIVITY

Activity Summary	
Borrower(Dir/Guar)	No
Administrative Debt	No
Contractor	Yes
Grantee	No
Party excluded from federal program(s)	No

Associations

Originating Credit File

All Credit Files with Same D-U-N-S® Number as this Application

All Accounts

All Applications

ORIGINATING CREDIT FILE

Business Name UGI Energy Services, LLC

Type D&B LiveReport
D-U-N-S Number 88-350-4581

Status Tracked

Date Created 10/27/2008

ALL CREDIT FILES WITH SAME D-U-N-S® NUMBER AS THIS APPLICATION

Company Name	Type	Status	Date Created
UGI Energy Services, LLC	D&B LiveReport D-U-N-S Number 88-350-4581	Tracked	10/27/2008
UGI Energy Services, LLC	Snapshot D-U-N-S Number 88-350-4581	Saved	10/27/2008
UGI Energy Services, LLC	Snapshot D-U-N-S Number 88-350-4581	Saved	07/24/2009
UGI Energy Services, LLC	Application - #FCRC8DAWG	Approved	07/24/2009
UGI Energy Services, LLC	Snapshot D-U-N-S Number 88-350-4581	Saved	08/19/2009
UGI Energy Services, LLC	Application - #FCLF8TNHH	Approved	10/19/2010
UGI Energy Services, LLC	Application - #FC4WWBJ6L	Approved	09/07/2011
UGI Energy Services, LLC	Application - #FC5FBX84J	Approved	11/27/2012
UGI Energy Services, LLC	Application - #FC6XW6BYK	Approved	09/25/2014

Company Name	Type	Status	Date Created
UGI Energy Services, LLC	Application - #FCT4XELW	Approved-Additional Credit Requested	01/22/2015
UGI Energy Services, LLC	Application - #FCT65NLWC	Approved	03/01/2015
UGI Energy Services, LLC	Application - #FCPGTF8H	Approved-Additional Credit Requested	08/27/2015
UGI Energy Services, LLC	Application - #FCPLTFVVL	Approved-Additional Credit Requested	08/27/2015
UGI Energy Services, LLC	Application - #FCPFBF8DJ	Approved	09/09/2015
UGI Energy Services, LLC	Application - #FCP5BF8PH	Approved	09/09/2015
UGI Energy Services, LLC	Application - #FCPJ98JW	Approved-Additional Credit Requested	09/14/2015
UGI Energy Services, LLC	Application - #FC9CCK3XG	Approved	02/29/2016
UGI Energy Services, LLC	Application - #FC9CCEDD	Approved	02/29/2016
UGI Energy Services, LLC	Application - #FC9JCVDX	Approved	02/29/2016
UGI Energy Services, LLC	Application - #FC9MCVHB	Approved	02/29/2016
UGI Energy Services, LLC	Application - #FC9XCG68D	Approved	02/29/2016
UGI Energy Services, LLC	Application - #FC9VC4K5X	Approved	02/29/2016
UGI Energy Services, LLC	Application - #FC9HC4MA9	Approved	02/29/2016
UGI Energy Services, LLC	Application - #FC9CCYXK	Approved	02/29/2016
UGI Energy Services, LLC	Application - #FCFBTPXTX	Approved-Additional Credit Requested	09/13/2016
UGI Energy Services, LLC	ACCOUNT - #34828	No Action Recommended	10/06/2016
UGI Energy Services, LLC	ACCOUNT - #35191	No Action Recommended	10/06/2016
UGI Energy Services, LLC	ACCOUNT - #2679	No Action Recommended	10/06/2016
UGI Energy Services, LLC	ACCOUNT - #37164	No Action Recommended	10/06/2016
UGI Energy Services, LLC	ACCOUNT - #35181	No Action Recommended	10/06/2016
UGI Energy Services, LLC	ACCOUNT - #35152	No Action Recommended	10/06/2016
UGI Energy Services, LLC	ACCOUNT - #35630	No Action Recommended	10/06/2016
UGI Energy Services, LLC	ACCOUNT - #34859	No Action Recommended	10/06/2016
UGI Energy Services, LLC	ACCOUNT - #54850	No Action Recommended	10/06/2016
UGI Energy Services, LLC	Application - #FCNVLGPFGX	Approved	09/25/2018
UGI Energy Services, LLC	Application - #FCNP4XKLDY	Approved	04/16/2019
UGI Energy Services, LLC	Application - #FCN44XKWWG	Approved	04/16/2019
UGI Energy Services, LLC	Application - #FCNY4V9AHG	Approved	05/13/2019
UGI Energy Services, LLC	Application - #FCNXJEVGWG	Approved	11/21/2019
UGI Energy Services, LLC	Application - #FCNXJEVXNQ	Approved	11/21/2019
UGI Energy Services, LLC	Application - #FCN43CE4D6	Approved	12/09/2019

Company Name	Type	Status	Date Created
UGI Energy Services, LLC	Application - #FCNE38LGXB	Approved-Additional Credit Requested	01/08/2020
UGI Energy Services, LLC	Application - #FCN386AB53	Approved	04/15/2020
UGI Energy Services, LLC	Application - #FCNFTBDC48	Approved	09/04/2020
UGI Energy Services, LLC	Application - #FCNAP5JJDE	Approved-Additional Credit Requested	09/29/2020
UGI Energy Services, LLC	Application - #FCNHFTJCMY	Approved	01/18/2021
UGI Energy Services, LLC	Application - #FCCWL4HQDB	Approved	06/25/2021
UGI Energy Services, LLC	Application - #FCC86AYT6Q	Approved-Additional Credit Requested	01/12/2022
UGI Energy Services, LLC	Application - #FCK8K3D88B	Approved	07/05/2022

ALL ACCOUNTS

Total Outstanding	US$ 1,660.21
Credit Limit	US$ 0.00
Total Credit Limit Utilization	
Total Past Due	US$ 339.09
Total > 150+ Days Past Due	US$ 0.00

Company Name	Type	Status	Date Created	UGI ACCT SCORECARD	Total Outstanding	Credit Limit	Credit Limit Utilization	Total Past Due	Total > 150+ Days Past Due
UGI Energy Services, LLC	Account - #35191	No Action Recommended	10/06/2016		0.00	0.00	0%	0.00	0.00
UGI Energy Services, LLC	Account - #34859	No Action Recommended	10/06/2016		52.31	0.00	%	52.31	0.00
UGI Energy Services, LLC	Account - #54850	No Action Recommended	10/06/2016		0.00	0.00	0%	0.00	0.00
UGI Energy Services, LLC	Account - #35152	No Action Recommended	10/06/2016		0.00	0.00	0%	0.00	0.00
UGI Energy Services, LLC	Account - #35181	No Action Recommended	10/06/2016		238.37	0.00	%	108.64	0.00
UGI Energy Services, LLC	Account - #35630	No Action Recommended	10/06/2016		0.00	0.00	0%	0.00	0.00
UGI Energy Services, LLC	Account - #34828	No Action Recommended	10/06/2016		91.60	0.00	%	91.60	0.00
UGI Energy Services, LLC	Account - #37164	No Action Recommended	10/06/2016		0.00	0.00	0%	0.00	0.00
UGI Energy Services, LLC	Account - #2679	No Action Recommended	10/06/2016		1,277.93	0.00	%	86.54	0.00

ALL APPLICATIONS

Total Requested Amount	US$ 5,972,226.00
Total Credit Limit	US$ 6,322,500.00

Company Name	Type	Status	Date Created	C and I Scorecard	Mass Marketing Scorecard	UGI DNBi Scorecard	Date Decisioned	Requested Amount	Credit
UGI Energy Services, LLC	Application - #FCKDFN5X	Approved	09/07/2022	6.1	7.5		09/07/2022	100,000.00	200,00
UGI Energy Services, LLC	Application - #FCK8K3D88B	Approved	07/05/2022	6.1	7.5		07/05/2022	100,000.00	200,00

Company Name	Type	Status	Date Created	C and I Scorecard	Mass Marketing Scorecard	UGI DNBi Scorecard	Date Decisioned	Requested Amount	Credit
UGI Energy Services, LLC	Application - #FCC86AYT6Q	Approved-Additional Credit Requested	01/12/2022	7.9	8.5		01/12/2022	1,000,000.00	100,00
UGI Energy Services, LLC	Application - #FCCWL4HQDB	Approved	06/25/2021	5.3	5.5			0.00	425,00
UGI Energy Services, LLC	Application - #FCNHFTJCMY	Approved	01/18/2021	4.8	5.5		01/18/2021	100,000.00	425,00
UGI Energy Services, LLC	Application - #FCNAP5JJDE	Approved-Additional Credit Requested	09/29/2020	4.8	3.5		09/29/2020	1,000,000.00	340,00
UGI Energy Services, LLC	Application - #FCNFTBDC48	Approved	09/04/2020	4.8	3.5		09/04/2020	200,000.00	340,00
UGI Energy Services, LLC	Application - #FCN386AB53	Approved	04/15/2020	5.8	6.5			0.00	340,00
UGI Energy Services, LLC	Application - #FCNE38LGXB	Approved-Additional Credit Requested	01/08/2020	5.8	5.5		01/08/2020	2,000,000.00	340,00
UGI Energy Services, LLC	Application - #FCN43CE4D6	Saved	12/09/2019	5.8	5.5		12/09/2019	10,000.00	340,00
UGI Energy Services, LLC	Application - #FCNXJEVXNQ	Approved	11/21/2019	5.8	5.5			0.00	340,00
UGI Energy Services, LLC	Application - #FCNXJEVGWG	Approved	11/21/2019	5.8	5.5			0.00	340,00
UGI Energy Services, LLC	Application - #FCNY4V9AHG	Approved	05/13/2019	6.3	8.5			2,105.00	200,00
UGI Energy Services, LLC	Application - #FCN44XKWWG	Approved	04/16/2019	6.6	7.5			10,000.00	200,00
UGI Energy Services, LLC	Application - #FCNP4XKLDY	Approved	04/16/2019	6.6	7.5			0.00	200,00
UGI Energy Services, LLC	Application - #FCNVLGPFGX	Approved	09/25/2018	5.8	7.5		09/25/2018	10,000.00	170,00
UGI Energy Services, LLC	Application - #FCFBTPXTX	Approved-Additional Credit Requested	09/13/2016	6.9	7.5		09/13/2016	100,000.00	95,000
UGI Energy Services, LLC	Application - #FC9CCYXK	Approved	02/29/2016	7.7	8.5			154.00	95,000
UGI Energy Services, LLC	Application - #FC9HC4MA9	Approved	02/29/2016	7.7	8.5			66.00	95,000
UGI Energy Services, LLC	Application - #FC9VC4K5X	Approved	02/29/2016	7.7	8.5			90.00	95,000
UGI Energy Services, LLC	Application - #FC9XCG68D	Approved	02/29/2016	7.7	8.5			102.00	95,000
UGI Energy Services, LLC	Application - #FC9MCVHB	Approved	02/29/2016	7.7	8.5			84.00	95,000
UGI Energy Services, LLC	Application - #FC9JCVDX	Approved	02/29/2016	7.7	8.5			126.00	95,000
UGI Energy Services, LLC	Application - #FC9CCEDD	Approved	02/29/2016	7.7	8.5			96.00	95,000
UGI Energy Services, LLC	Application - #FC9CCK3XG	Approved	02/29/2016	7.7	8.5			195.00	95,000
UGI Energy Services, LLC	Application - #FCPJ98JW	Approved-Additional Credit Requested	09/14/2015	6.9	8.5		09/14/2015	100,000.00	95,000
UGI Energy Services, LLC	Application - #FCP5BF8PH	Approved	09/09/2015	6.9	8.5			1,508.00	95,000
UGI Energy Services, LLC	Application - #FCPFBF8DJ	Approved	09/09/2015	6.9	8.5			10,000.00	95,000
UGI Energy Services, LLC	Application - #FCPLTFVVL	Approved-Additional Credit Requested	08/27/2015	6.9	8.5		08/27/2015	100,000.00	95,000
UGI Energy Services, LLC	Application - #FCPGTF8H	Approved-Additional Credit Requested	08/27/2015	6.9	8.5		08/27/2015	100,000.00	95,000

Company Name	Type	Status	Date Created	C and I Scorecard	Mass Marketing Scorecard	UGI DNBi Scorecard	Date Decisioned	Requested Amount	Credit
UGI Energy Services, LLC	Application - #FCT65NLWC	Approved	03/01/2015	7.2	8.5			20,000.00	95,000
UGI Energy Services, LLC	Application - #FCT4XELW	Approved-Additional Credit Requested	01/22/2015	6.8	7.5		01/22/2015	1,000,000.00	100,00
UGI Energy Services, LLC	Application - #FC6XW6BYK	Approved	09/25/2014	7.4	8.5			0.00	100,00
UGI Energy Services, LLC	Application - #FC5FBX84J	Approved	11/27/2012				11/27/2012	0.00	40,000
UGI Energy Services, LLC	Application - #FC4WWBJ6L	Approved	09/07/2011					500.00	40,000
UGI Energy Services, LLC	Application - #FCLF8TNHH	Approved	10/19/2010	7.5				7,200.00	40,000
UGI Energy Services, LLC	Application - #FCRC8DAWG	Approved	07/24/2009				07/24/2009	0.00	77,500

Custom Score For the Application : UGI ENERGY SERVICES, LLC

SCORE SUMMARY

Score Name	Score Date	Score Value	Range
UGI DNBi Scorecard	09/07/2022	7.5	-10 to 10
C and I Scorecard	09/07/2022	6.1	-10 to 10

Audit Trail For the Application : UGI ENERGY SERVICES, LLC

Text | Timeline

From : To :

Date/Time of the Event	Event Name	Triggered By	Message	More Info
09/07/2022 04:24 PM	Application Decisioned	Stephen Mengel	The credit application was reviewed and resulted in the status of Approved.	
09/07/2022 04:24 PM	D&B Report Found	Stephen Mengel	D&B Report was found for UGI Energy Services, LLC , D-U-N-S Number 88-350-4581.	
09/07/2022 04:24 PM	Application Created	Stephen Mengel	The credit application was created.	

Last Login : 09/15/2022 11:22:51 AM

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Dominion Energy Ohio
1201 East 55th Street
Cleveland, OH 44103

September 13, 2022

To date, UGI Energy Services has met the natural gas obligations to be an approved supplier on The East Ohio Gas Company dba Dominion Energy Ohio.

Thank you,

Dina M Longo

Dina M. Longo
Transportation Services Program Manager

Competitive Retail Natural Gas Service Affidavit

County of Berks:

State of Pennsylvania:

Kelly A. Beaver, Affiant, being duly sworn/affirmed, hereby states that:

1. The information provided within the certification or certification renewal application and supporting information is complete, true, and accurate to the best knowledge of affiant, and that it will amend its application while it is pending if any substantial changes occur regarding the information provided.

2. The applicant will timely file an annual report of its intrastate gross receipts and sales of hundred cubic feet of natural gas pursuant to Sections 4905.10(A), 4911.18(A), and 4929.23(B), Ohio Revised Code.

3. The applicant will timely pay any assessment made pursuant to Sections 4905.10 and 4911.18(A), Ohio Revised Code.

4. Applicant will comply with all applicable rules and orders adopted by the Public Utilities Commission of Ohio pursuant to Title 49, Ohio Revised Code.

5. Applicant will cooperate fully with the Public Utilities Commission of Ohio and its staff on any utility matter including the investigation of any consumer complaint regarding any service offered or provided by the applicant.

6. Applicant will comply with Section 4929.21, Ohio Revised Code, regarding consent to the jurisdiction of the Ohio courts and the service of process.

7. Applicant will comply with all state and/or federal rules and regulations concerning consumer protection, the environment, and advertising/promotions.

8. Applicant will inform the Public Utilities Commission of Ohio of any material change to the information supplied in the application within 30 days of such material change, including any change in contact person for regulatory purposes or contact person for Staff use in investigating consumer complaints.

9. The facts set forth above are true and accurate to the best of his/her knowledge, information, and belief and that he/she expects said applicant to be able to prove the same at any hearing hereof.

10. Affiant further sayeth naught.

Kelly Beaver Vice President – Energy Marketing & Supply
Signature of Affiant & Title

Sworn and subscribed before me this 5th day of October, 2022
Month Year

Beth A. Miller
Signature of official administering oath

BETH A MILLER
Print Name and Title

My commission expires on 8-2-2026

Commonwealth of Pennsylvania - Notary Seal
Beth A. Miller, Notary Public
Berks County
My commission expires August 2, 2026
Commission number 1111837
Member, Pennsylvania Association of Notaries

This foregoing document was electronically filed with the Public Utilities Commission of Ohio Docketing Information System on

10/7/2022 9:45:45 AM

in

Case No(s). 02-1968-GA-CRS

Summary: In the Matter of the Application of UGI Energy Services LLC