



# Gas Technical Conference

## Virtual Access

Angelina Borelli, Director Energy  
Supply and Planning  
March 29, 2018

## Types of Customers

Customer Type	Core Market	Commodity Supplier	Size	Type of Service
1. Purchased Gas Cost ("PGC")	Yes	Utility	Residential & small commercial	Firm
2. Choice	Yes	Marketer	Residential & small commercial	Firm
3. Transportation	No	Marketer	Large commercial & industrial	Firm or Interruptible

## Supplier of Last Resort (“SOLR”)

### SOLR Obligation

Must meet Core Market Customers’ firm peak-day demand requirements at least cost  
PGC & Choice Customers

### UGI Strategy

Maintain a portfolio of primary firm delivery assets  
Reduce exposure to price volatility

# Supply Assets- UGI

## Firm Transportation Capacity

Provides UGI ability to transport gas from production meters to UGI's distribution system

Available 365 days per year

## Storage

Provides UGI ability to purchase inventory in summer for use in winter

Provides daily balancing for daily demand variations

Withdrawal availability ~ 30 - 120 days per year

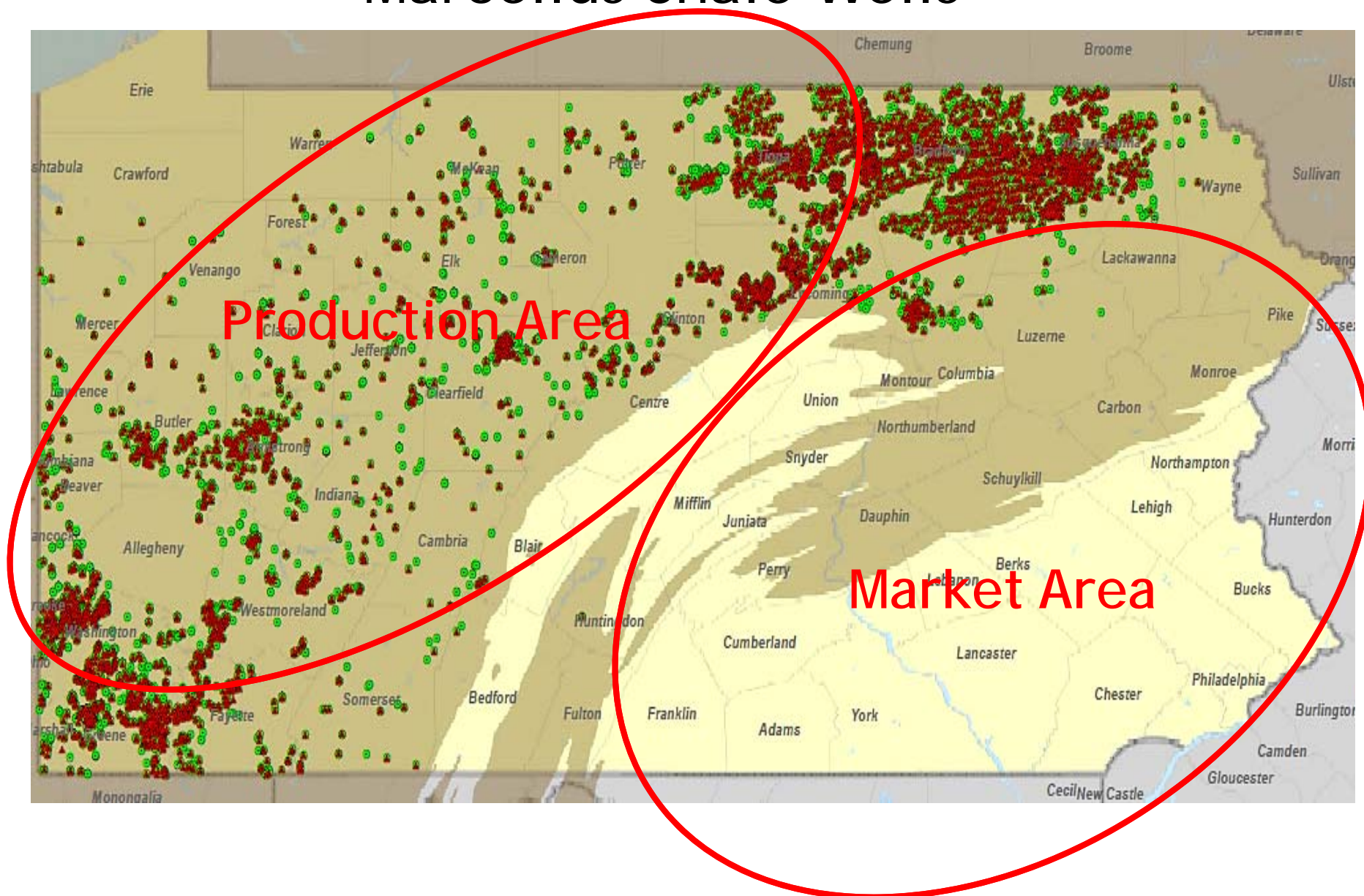
## Peaking Services

Deliveries via interstate pipelines & on-system peaking facilities

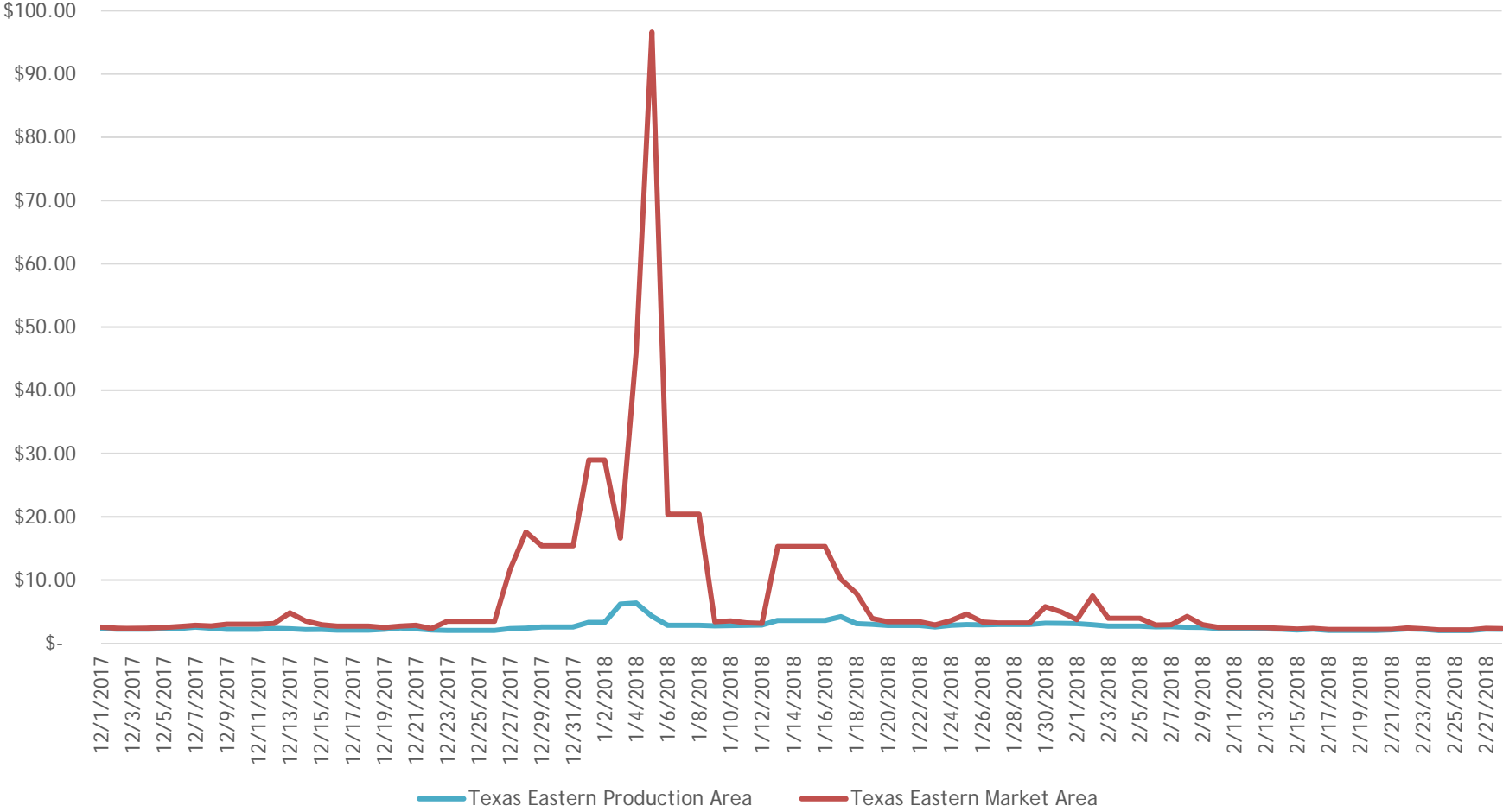
May provide hourly entitlements

Available 5-15 days per year

# Marcellus Shale Wells



# Spot Prices - Winter 2017-18



# Choice Program

- Capacity Planning
  - UGI forecasts design requirements for core market customers
  - UGI acquires assets to meet these requirements
- Access to Assets
  - Capacity Release of Firm Transportation
  - Virtual Access to Storage / Bundled Sale
  - Peaking Sale

# Storage Access

- Risks to releasing storage assets
  - Non releasable assets
    - FERC certificated 7c contracts
  - Bankruptcy/default by NGS
    - Storage inventory balance depleted
- UGI Solution/ Virtual Access
  - Winter bundled sale
  - Based upon summer prices
  - Daily flexibility to adjust quantities