



May 3, 2013

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VIA FEDERAL EXPRESS

MAY 03 2013

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Re: Petition of UGI Energy Services, Inc. for Approval to Transfer the Electric Generation Supplier License of UGI Energy Services, Inc. to UGI Energy Services, LLC; Docket Nos. A-110076 and A-2013-_____

Dear Secretary Chiavetta:

Enclosed for filing on behalf of UGI Energy Services, Inc., please find the original of the above-captioned petition. An extra copy is enclosed; please time-stamp and return it to me in the postage-paid, self-addressed envelope.

As noted in the enclosed petition, UGIES seeks Commission waiver of the \$350.00 filing fee for the associated license application and any special notice requirements associated with this filing. UGIES further requests that the Commission review the petition and associated application on an expedited basis and grant approval of the petition on or before July 1, 2013.

Should you have any questions concerning this filing, please feel free to contact me at (610) 768-3625 or MarkleF@ugicorp.com.

Respectfully yours,

A handwritten signature in black ink that reads "Frank H. Markle". The signature is written in a cursive, flowing style.

Frank H. Markle
Attorney for UGI Energy Services, Inc.

Enclosures

Cc: Certificate of Service (as indicated)

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Application of UGI Energy Services, LLC, d/b/a UGI EnergyLink, for approval to offer, render, furnish, or supply electricity or electric generation services as a(n) as specified in item #4b below to the public in the Commonwealth of Pennsylvania (Pennsylvania).

To the Pennsylvania Public Utility Commission:

1. IDENTIFICATION AND CONTACT INFORMATION

- a. **IDENTITY OF THE APPLICANT:** Provide name (including any fictitious name or d/b/a), primary address, web address, and telephone number of Applicant:

UGI Energy Services, LLC d/b/a UGI EnergyLink
One Meridian Boulevard, Suite 2C01
Wyomissing, PA 19610
<http://www.ugies.com>
(610) 373-7999

- b. **PENNSYLVANIA ADDRESS / REGISTERED AGENT:** If the Applicant maintains a primary address outside of Pennsylvania, provide the name, address, telephone number, and fax number of the Applicant's secondary office within Pennsylvania. If the Applicant does not maintain a physical location within Pennsylvania, provide the name, address, telephone number, and fax number of the Applicant's Registered Agent within Pennsylvania.

Applicant is a Pennsylvania limited liability company, maintains its principal office within the Commonwealth of Pennsylvania, and therefore does not require a registered agent.

- c. **REGULATORY CONTACT:** Provide the name, title, address, telephone number, fax number, and e-mail address of the person to whom questions about this Application should be addressed.

Frank H. Markle
Senior Counsel
460 North Gulph Road
King of Prussia, PA 19406
Phone: (610) 768-3625
Fax: (610) 992-3258
Email: MarkleF@ugicorp.com

- d. **ATTORNEY:** Provide the name, address, telephone number, fax number, and e-mail address of the Applicant's attorney. If the Applicant is not using an attorney, explicitly state so.

The attorneys for the Applicant are:

Frank H. Markle, Esquire
Melanie J. El Atieh, Esquire
460 North Gulph Road
King of Prussia, PA 19406
Phone: (610) 768-3625
Phone: (610) 992-3750
Fax: (610) 992-3258
Email: MarkleF@ugicorp.com
Email: ElatiehM@ugicorp.com

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- e. **CONTACTS FOR CONSUMER SERVICE AND COMPLAINTS:** Provide the name, title, address, telephone number, FAX number, and e-mail of the person and an alternate person responsible for addressing customer complaints. These persons will ordinarily be the initial point(s) of contact for resolving complaints filed with the Applicant, the Electric Distribution Company, the Pennsylvania Public Utility Commission, or other agencies. The main contact's information will be listed on the Commission website list of licensed EGSs.

Primary Contact:

Cheryl M. Fuhs
Director of Commercial Accounts
One Meridian Boulevard, Suite 2C01
Wyomissing, PA 19610
Phone: (610) 373-7999
Fax: (610) 373-8386
cfuhs@ugies.com

Alternate Contact:

Melanie J. El Atieh, Esquire
460 North Gulph Road
King of Prussia, PA 19406
Phone: (610) 992-3750
Fax: (610) 992-3258
Email: ElatiehM@ugicorp.com

2. BUSINESS ENTITY FILINGS AND REGISTRATION

- a. **FICTITIOUS NAME:** *(Select appropriate statement and provide supporting documentation as listed.)*

X The Applicant will be using a fictitious name or doing business as ("d/b/a"): **UGI EnergyLink**

Provide a copy of the Applicant's filing with Pennsylvania's Department of State pursuant to 54 Pa. C.S. §311, Form PA-953.

The fictitious name, **UGI EnergyLink**, is currently registered to Applicant's predecessor, **UGI Energy Services, Inc.** A copy of **UGI Energy Services, Inc.'s** filing with Pennsylvania's Department of State pursuant to 54 Pa. C.S. §311 (Form PA-953) is included herewith as Attachment "A." **UGI Energy Services, Inc.** will file any necessary documents to transfer the fictitious name to Applicant.

or

The Applicant will not be using a fictitious name.

- b. **BUSINESS ENTITY AND DEPARTMENT OF STATE FILINGS:**

(Select appropriate statement and provide supporting documentation. As well, understand that Domestic means being formed within Pennsylvania and foreign means being formed outside Pennsylvania.)

The Applicant is a sole proprietor.

- If the Applicant is located outside the Commonwealth, provide proof of compliance with 15 Pa. C.S. §4124 relating to Department of State filing requirements.

or

The Applicant is a:

- domestic general partnership (*)
- domestic limited partnership (15 Pa. C.S. §8511)
- foreign general or limited partnership (15 Pa. C.S. §4124)
- domestic limited liability partnership (15 Pa. C.S. §8201)

- foreign limited liability general partnership (15 Pa. C.S. §8211)
- foreign limited liability limited partnership (15 Pa. C.S. §8211)

- Provide proof of compliance with appropriate Department of State filing requirements as indicated above.
- Give name, d/b/a, and address of partners. If any partner is not an individual, identify the business nature of the partner entity and identify its partners or officers.
- Provide the state in which the business is organized/formed and provide a copy of the Applicant's charter documentation.
- * If a corporate partner in the Applicant's domestic partnership is not domiciled in Pennsylvania, attach a copy of the Applicant's Department of State filing pursuant to 15 Pa. C.S. §4124.

OR

The Applicant is a:

- domestic corporation (15 Pa. C.S. §1308)
- foreign corporation (15 Pa. C.S. §4124)
- domestic limited liability company (15 Pa. C.S. §8913)
- foreign limited liability company (15 Pa. C.S. §8981)
- Other (Describe):

- Provide proof of compliance with appropriate Department of State filing requirements as indicated above.

A copy of Applicant's Certificate of Organization from the Department of State is included herewith as Attachment "B."

- Provide the state in which the business is incorporated/organized/formed and provide a copy of the Applicant's charter documentation.

Applicant is organized in the Commonwealth of Pennsylvania.

- Give name and address of officers.

The Applicant's officers are as follows:

Bradley C. Hall	President
Monica M. Gaudiosi	Vice President and General Counsel, Secretary
Matthew S. Dutzman	Vice President – Power and Business Development
Michael C. Gibbs	Vice President – Commodity Marketing
Joseph L. Hartz	Vice President – Supply and Operations
Amy E. Hunt	Vice President – Operations
Angela K. Rodriguez	Vice President and Chief Financial Officer
Peter G. Terranova	Vice President – Midstream Assets and Services
Jessica A. Milner	Assistant Secretary
Hugh Gallagher	Treasurer
Michael R. Pearson	Assistant Treasurer
Andrew S. Koehler	Controller

Officers Gaudiosi, Milner, Gallagher and Pearson, have the following address:

UGI Corporation
460 North Gulph Road
King of Prussia, PA 19406

Officers Hall, Dutzman, Gibbs, Hartz, Hunt, Rodriguez, Terranova and Koehler have the following address:

UGI Energy Services, Inc.
One Meridian Boulevard
Suite 2C01
Wyomissing, PA 19610

3. AFFILIATES AND PREDECESSORS

(both in state and out of state)

- a. **AFFILIATES:** Give name and address of any affiliate(s) currently doing business and state whether the affiliate(s) are jurisdictional public utilities. If the Applicant does not have any affiliates doing business, explicitly state so. Also, state whether the applicant has any affiliates that are currently applying to do business in Pennsylvania.

The Applicant is a wholly owned subsidiary of UGI Corporation, a publicly traded company, and as such, its financial and operational performance is reported in the annual SEC filings of UGI Corporation. A listing of the subsidiaries of UGI Corporation from its most recent 10-K, Exhibit 21 is included herewith as Attachment "C." Each of these subsidiaries is an affiliate of Applicant. The following affiliates are jurisdictional public utilities: UGI Utilities, Inc., UGI Central Penn Gas, Inc., and UGI Penn Natural Gas, Inc.

- b. **PREDECESSORS:** Identify the predecessor(s) of the Applicant and provide the name(s) under which the Applicant has operated within the preceding five (5) years, including address, web address, and telephone number, if applicable. If the Applicant does not have any predecessors that have done business, explicitly state so.

UGI Energy Services, Inc.
One Meridian Boulevard, Suite 2C01
Wyomissing, PA 19610
<http://www.ugies.com>
(610) 373-7999

Prior to 2009, UGI Energy Services, Inc. maintained its principal offices at 1100 Berkshire Boulevard, Suite 305, Wyomissing, PA 19610

4. OPERATIONS

a. **APPLICANT'S PRESENT OPERATIONS:** *(select and complete the appropriate statement)*

- The Applicant is presently doing business in Pennsylvania as a
- municipal electric corporation
 - electric cooperative
 - local gas distribution company
 - provider of electric generation, transmission or distribution services
 - Other; Identify the nature of service being rendered.

OR

- X The Applicant is not presently doing business in Pennsylvania.

b. **APPLICANT'S PROPOSED OPERATIONS:** The Applicant proposes to operate as a *(may check multiple)*:

- Generator of electricity
- X Supplier of electricity
- X Aggregator engaged in the business of supplying electricity
- X Broker/Marketer engaged in the business of supplying electricity services
- Electric Cooperative and supplier of electric power
- Other (Describe):

Definitions

- Supplier – an entity that sells electricity to end-use customers utilizing the jurisdictional transmission and distribution facilities of an EDC.
- Aggregator - an entity that purchases electric energy and takes title to electric energy as an intermediary for sale to retail customers.
- Broker/Marketer - an entity that acts as an intermediary in the sale and purchase of electric energy but does not take title to electric energy.

c. **PROPOSED SERVICES:** Describe in detail the electric services or the electric generation services which the Applicant proposes to offer.

Applicant will be a successor by merger to UGI Energy Services, Inc., which has been a licensed electric generation supplier in Pennsylvania for 15 years. Applicant will continue provide electric sales service to all classes of customers in Pennsylvania. Applicant will offer a variety of energy products and services to retail electric customers, including full requirements and swing services at fixed, index and fully variable pricing. In situations where customer electric usage is too large for Applicant to effectively hedge, Applicant may serve as a broker facilitating electricity sales transactions between customers and larger EGS.

d. **PROPOSED SERVICE AREA:** Provide a list of each Electric Distribution Company for which the Applicant proposes to provide service.

- Duquesne Light
- MetEd - First Energy
- PECO – Exelon
- Pennsylvania Electric Company
- PP&L Electric
- UGI Utilities, Inc.
- West Penn Power (Formerly Allegheny Power)

e. **CUSTOMERS:** Applicant proposes to provide services to:

- Residential Customers
- Small Commercial Customers - (25 kW and Under)
- Large Commercial Customers - (Over 25 kW)
- Industrial Customers
- Governmental Customers
- X All of above
- Other (Describe):

f. **PROPOSED MARKETING METHOD** (check all that apply)

- X Internal – Applicant will use its own internal resources/employees for marketing
- External EGS – Applicant will contract with a PUC **LICENSED EGS** broker/marketer
- Affiliate – Applicant will use a **NON-EGS** affiliate marketing company and or individuals.
- X External Third-Party – Applicant will contract with a **NON-EGS** third party marketing company and or individuals
- Other (Describe):

g. **DOOR TO DOOR SALES:** Will the Applicant be implementing door to door sales activities?

- Yes
- X No

If yes, will the Applicant be using a Third Party Verification procedure?

- Yes
- No

If yes, describe the Applicant's Third Party Verification procedures.

h. **START DATE:** Provide the approximate date the Applicant proposes to begin services within the Commonwealth.

The Applicant proposes to begin services within the Commonwealth upon approval of this Application. Applicant respectfully requests approval of this Application and the associated license transfer petition by July 1, 2013.

5. COMPLIANCE

- a. **CRIMINAL/CIVIL PROCEEDINGS:** State specifically whether the Applicant, an affiliate, a predecessor of either, or a person identified in this Application, has been or is currently the defendant of a criminal or civil proceeding within the last five (5) years.

Identify all such proceedings (active or closed), by name, subject and citation; whether before an administrative body or in a judicial forum. If the Applicant has no proceedings to list, explicitly state such.

Neither the Applicant, its predecessor, its affiliates, nor any person identified in this Application have been or is currently the defendant of a criminal proceeding within the last five (5) years. The Applicant has not been a defendant in a civil proceeding within in the last five (5) years. As shown in the response to question 3a, above, the Applicant is part of a corporate family that includes numerous subsidiaries. On occasion in the past five years, some of the Applicant's affiliates and its predecessor have been named as defendants in civil proceedings resulting from the ordinary course of their businesses.

- b. **SUMMARY:** If applicable; provide a statement as to the resolution or present status of any such proceedings listed above.

These proceedings were litigated or settled by Applicant's predecessor and Affiliates in the ordinary course of business.

- c. **CUSTOMER/REGULATORY/PROSECUTORY ACTIONS:** Identify all formal or escalated actions or complaints filed with or by a customer, regulatory agency, or prosecutory agency against the Applicant, an affiliate, a predecessor of either, or a person identified in this Application, for the prior five (5) years, including but not limited to customers, Utility Commissions, and Consumer Protection Agencies such as the Offices of Attorney General. If the Applicant has no actions or complaints to list, explicitly state such.

No formal or escalated actions or complaints have been filed with or by a customer, regulatory agency, or prosecutory agency against the Applicant. The Applicant's affiliates and predecessor have been periodically involved with customer complaints filed with Utility Commissions.

- d. **SUMMARY:** If applicable; provide a statement as to the resolution or present status of any actions listed above.

Customer complaints filed with Utility Commissions were litigated or settled by Applicant's predecessor and Affiliates in the ordinary course of business.

6. PROOF OF SERVICE

(Example Certificate of Service is attached at Appendix C)

- a.) **STATUTORY AGENCIES:** Pursuant to Section 5.14 of the Commission's Regulations, 52 Pa. Code §5.14, provide proof of service of a signed and verified Application with attachments on the following:

Office of Consumer Advocate
5th Floor, Forum Place
555 Walnut Street
Harrisburg, PA 17120

Office of the Attorney General
Bureau of Consumer Protection
Strawberry Square, 14th Floor
Harrisburg, PA 17120

Office of the Small Business Advocate
Commerce Building, Suite 1102
300 North Second Street
Harrisburg, PA 17101

Commonwealth of Pennsylvania
Department of Revenue
Bureau of Compliance
Harrisburg, PA 17128-0946

- b.) **EDCs:** Pursuant to Sections 1.57 and 1.58 of the Commission's Regulations, 52 Pa. Code §§1.57 and 1.58, provide Proof of Service of the Application and attachments upon each of the Electric Distribution Companies the Applicant proposed to provide service in. Upon review of the Application, further notice may be required pursuant to Section 5.14 of the Commission's Regulations, 52 Pa. Code §5.14. Contact information for each EDC is as follows.

Allegheny Power:
Legal Department
West Penn Power d/b/a Allegheny Power
800 Cabin Hill Drive
Greensburg, PA 15601-1689

PECO:
Manager Energy Acquisition
PECO Energy Company
2301 Market Street
Philadelphia, PA 19101-8699

Duquesne Light:
Regulatory Affairs
Duquesne Light Company
411 Seventh Street, MD 16-4
Pittsburgh, PA 15219

PPL:
Legal Department
Attn: Paul Russell
PPL
Two North Ninth Street
Allentown, PA 18108-1179

Met-Ed, Penelec, and Penn Power:

UGI:

Legal Department
First Energy
2800 Pottsville Pike
Reading PA, 19612

Citizens' Electric Company:
Citizens' Electric Company
Attn: EGS Coordination
1775 Industrial Boulevard
Lewisburg, PA 17837

Wellsboro Electric Company:
Wellsboro Electric Company
Attn: EGS Coordination
33 Austin Street
P. O. Box 138
Wellsboro, PA 16901

UGI Utilities, Inc.
Attn: Rates Dept. – Choice Coordinator
2525 N. 12th Street, Suite 360
Post Office Box 12677
Reading, Pa 19612-2677

Pike County Light & Power Company:
Director of Customer Energy Services
Orange and Rockland Company
390 West Route 59
Spring Valley, NY 10977-5300

7. FINANCIAL FITNESS

- a. **BONDING:** In accordance with 66 Pa. C.S. Section 2809(c)(1)(i), the Applicant is required to file a bond or other instrument to ensure its financial responsibilities and obligations as an EGS. Therefore, the Applicant is...

UGI Energy Services Inc. currently satisfies the bonding requirement of 66 Pa. C.S. Section 2809(c)(1)(i). A copy of the continuation certificate for UGI Energy Services, Inc.'s currently effective bond is included herewith as Attachment "D." Upon approval of the Petition and the resulting merger of UGI Energy Service, Inc. into UGI Energy Services, LLC, the existing bond will be transferred to UGI Energy Services, LLC.

- Furnishing the **original** (along with copies) of an initial bond, letter of credit or proof of bonding to the Commission in the amount of \$250,000.
- Furnishing the **original** (along with copies) of another initial security for Commission approval, to ensure financial responsibility.
- Filing for a modification to the \$250,000 requirement and furnishing the **original** (along with copies) of an initial bond, letter of credit or proof of bonding to the Commission in the amount of \$10,000. Applicant is required to provide information supporting an amount less than \$250,000. Such supporting information must include indication that the Applicant will not take title to electricity and will not pay electricity bills on behalf of its customers. Further details for modification may be described as well.
 - *At the conclusion of Applicant's first year of operation it is the intention of the Commission to tie security bonds to a percentage of Applicant's gross receipts resulting from the sale of generated electricity consumed in Pennsylvania. The amount of the security bond will be reviewed and adjusted on an annual basis.*
 - *Example version of a bond and letter of credit are attached at Appendix D & E, Applicant's security must follow language from these examples.*
 - *Any deviation from these examples must be identified in the application and may not be acceptable to the Commission.*

- b. **FINANCIAL RECORDS, STATEMENTS, AND RATINGS:** Applicant must provide sufficient information to demonstrate financial fitness commensurate with the service proposed to be provided. Examples of such information which may be submitted include the following:
- Actual (or proposed) organizational structure including parent, affiliated or subsidiary companies.
 - Published Applicant or parent company financial and credit information (i.e. 10Q or 10K). (SEC/EDGAR web addresses are sufficient)
 - Applicant's accounting statements, including balance sheet and income statements for the past two years.
 - Evidence of Applicant's credit rating. Applicant may provide a copy of its Dun and Bradstreet Credit Report and Robert Morris and Associates financial form, evidence of Moody's, S&P, or Fitch ratings, and/or other independent financial service reports.
 - A description of the types and amounts of insurance carried by Applicant which are specifically intended to provide for or support its financial fitness to perform its obligations as a licensee.
 - Audited financial statements exhibiting accounts over a minimum two year period.
 - Bank account statement, tax returns from the previous two years, or any other information that demonstrates Applicant's financial fitness.

Applicant will be the successor by merger of UGI Energy Services, Inc. UGI Energy Services, Inc.'s audited financial statements for fiscal years ended September 30, 2012 and September 30, 2011 are included herewith as Attachment "E." UGI Energy Services, Inc. currently demonstrates sufficient financial fitness to render electric generation supply service to customers in the Commonwealth. Upon approval of the Petition, UGI Energy Services, Inc. will merge into UGI Energy Services, LLC. Once the transfer is complete, Applicant will possess the same financial fitness as UGI Energy Services, Inc.

- c. **ACCOUNTING RECORDS CUSTODIAN:** Provide the name, title, address, telephone number, FAX number, and e-mail address of Applicant's custodian for its accounting records.

**Andrew S. Koehler
Controller
One Meridian Boulevard, Suite 2C01
Wyomissing, PA 19610
Phone: (610) 373-7999
Fax: (610) 373-8386
akoehler@ugies.com**

- d. **TAXATION:** Complete the TAX CERTIFICATION STATEMENT attached as Appendix F to this application.

All sections of the Tax Certification Statement must be completed. Absence (submitting N/A) of any of the TAX identifications numbers (items 7A through 7C) shall be accompanied by supporting documentation or an explanation validating the absence of such information.

Items 7A and 7C on the Tax Certification Statement are designated by the Pennsylvania Department of Revenue. Item 7B on the Tax Certification Statement is designated by the Internal Revenue Service.

A completed Tax Certification Statement is included herewith as Attachment "F."

8. TECHNICAL FITNESS:

To ensure that the present quality and availability of service provided by electric utilities does not deteriorate, the Applicant shall provide sufficient information to demonstrate technical fitness commensurate with the service proposed to be provided.

a.) **EXPERIENCE, PLAN, STRUCTURE:** such information may include:

- Applicant's previous experience in the electricity industry.
- Summary and proof of licenses as a supplier of electric services in other states or jurisdictions.
- Type of customers and number of customers Applicant currently serves in other jurisdictions.
- Staffing structure and numbers as well as employee training commitments.
- Business plans for operations within the Commonwealth.
- Documentation of membership in PJM, ECAR, MAAC, other regional reliability councils, or any other membership or certification that is deemed appropriate to justify competency to operate as an EGS within the Commonwealth.
- Any other information appropriate to ensure the technical capabilities of the Applicant.

Applicant will be a successor by merger to UGI Energy Services, Inc., which has been a licensed electric generation supplier in Pennsylvania for 15 years. Applicant will have over 200 employees and possesses the administrative capabilities and computer systems to supply and balance deliveries to power supply customers of varying load profiles through out the state. Applicant is fully knowledgeable with respect to PJM and EDC tariffs, pooling and aggregation rules and balancing requirements. Applicant's power supply group will hold a substantial portfolio of generation and capacity contracts that enable it to meet daily delivery obligations to PJM and the EDCs it serves.

b.) **OFFICERS:** Identify Applicant's chief officers including names and their professional resumes.

Applicant's chief officers are as follows:

<u>Name</u>	<u>Title</u>	<u>E-Mail Contact</u>
Bradley C. Hall	President	bhall@ugies.com

Experience: 31 years of industry experience. Mr. Hall currently has general managerial and strategic oversight responsibility for all aspects of UGI Energy Services, Inc.'s retail and wholesale gas and power businesses. Mr. Hall serves as president of UGI Enterprises, Inc. which controls all of UGI Corporation's foreign businesses. Mr. Hall was formerly Vice President of Marketing and Rates for UGI Utilities, where he began his energy career. Mr. Hall holds an MBA from the Tuck School, Dartmouth College and a B.S. from the U.S. Military Academy, West Point.

Joseph L. Hartz	Vice President – Supply & Operations	jhartz@ugies.com
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Experience: 27 years of industry experience. Mr. Hartz is currently responsible for procuring and hedging all gas supply for the retail and wholesale operations, customer scheduling to the various LDC city gates where retail customers are served, and operating and maintaining responsibility for intrastate pipelines and natural gas storage fields. Mr. Hartz is also responsible for the maintenance and safety of the LNG plant in Temple, PA and the six propane/air peak shaving plants and propane rail trans-shipment terminals in Pennsylvania. Mr. Hartz is also responsible for 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). Mr. Hartz formerly served as the CFO and Controller for UGI Energy Services, Inc. Prior to UGI Energy Services, Inc., Mr. Hartz served as Senior Accountant – Gas Supply at UGI Utilities, Inc., where he began his energy career. Mr. Hartz holds a B.S. from Penn State University and has completed a Certificate in Finance and Strategic Management from the Penn State University Executive Program.

Michael C. Gibbs **Vice President – Commodity Marketing** **mgibbs@ugies.com**

Experience: 26 years of industry experience. Mr. Gibbs is currently responsible for the overall strategic and tactical management of the Sales function at UGI Energy Services, Inc., the interface between the Regional Sales Directors and their reports and other Departments, the preparation of sales forecasts, budgets and sensitivity analyses, the establishment of sales goals and compensation targets, and the achievement of gross margin and profitability goals. Prior to UGI Energy Services, Inc., Mr. Gibbs was Vice President of National Sales for TXU Energy and Vice President of East Region Marketing and Sales for Enserch Energy Services of Dallas, TX. Mr. Gibbs also served as Chief Operating Officer of Direct Gas Supply Corp. of LI, NY, where he began his energy career. Mr. Gibbs is a graduate of the New York City College of Technology of the City University of NY, with additional coursework at the NY Institute of Finance during his earlier career on Wall Street.

Matthew S. Dutzman **Vice President – Power and Business Generation** **mdutzman@ugies.com**

Experience: 31 years of industry experience. Mr. Dutzman is currently responsible for power generation and marketing, as well as corporate development, including the companies' capital project development/construction and M&A activity. Mr. Dutzman has an MBA from the University of Southern California and a BS from Pennsylvania State University, and has previously held positions with Southern California Gas Company, Brentwood Resources, Arthur D. Little, and Consolidated Edison.

Amy E. Hunt **Vice President – Operations** **ahunt@ugies.com**

Experience: 24 years of experience in customer management, supply procurement, transportation services. Ms. Hunt joined UGI Energy Services, Inc. in 2003 and oversees the management of nominations and scheduling operations as well as departmental communication. She is charged with operational management of the Company's 33,000 end use accounts, which includes managing a staff of 14 gas control analysts coordinating gas flow and customer account balancing behind 36 city gates in 10 states. Prior to UGI Energy Services, Inc., she was Manager of Operations for TXU Energy Retail Company, a national energy marketing organization, where she led the Operations staff responsible for citygate nominations, allocations and balancing, pipeline dispatch, capacity purchasing, aggregation programs and storage management. Ms. Hunt attended Southern Connecticut State University and graduated from the Katharine Gibbs School of LI.

Angela K. Rodriguez **Chief Financial Officer** **arodriguez@ugies.com**

Experience: 14 years of industry experience. Ms. Rodriguez is currently responsible for financial, accounting, information systems, data network and administrative functions for UGI Energy Services, Inc. including risk management, internal controls, Sarbanes-Oxley, credit and communications with internal and external auditors. Ms. Rodriguez was formerly CFO for UGI Enterprise, Inc. Ms. Rodriguez holds an MBA from the University of Pennsylvania, and a B.S. from the University of Notre Dame.

c.) **FERC FILING:** Applicant has:

- Filed an Application with the Federal Energy Regulatory Commission to be a Power Marketer.
- X Received approval from FERC to be a Power Marketer at Docket or Case Number ER05-810.

Applicant will acquire the FERC license of UGI Energy Services, Inc. which was approved at Docket No. ER05-810.

- Not applicable

9. DISCLOSURE STATEMENT:

Disclosure Statements: If proposing to serve Residential and/or Small Commercial (under 25 kW) customers, provide a Residential and/or Small Commercial disclosure statement. A sample disclosure statement is provided as Appendix G to this Application.

- Electricity should be priced in clearly stated terms to the extent possible. Common definitions should be used. All consumer contracts or sales agreements should be written in plain language with any exclusions, exceptions, add-ons, package offers, limited time offers or other deadlines prominently communicated. Penalties and procedures for ending contracts should be clearly communicated.

Not applicable for an applicant applying for a license exclusively as a broker/marketer.

A copy of UGI Energy Services, Inc.'s Master Power Sales Agreement for residential and small commercial customers is included herewith as Attachment "G." Upon approval the Petition, UGI Energy Services, Inc. will merge into Applicant. This proposed intra-corporate merger will result in the customers of UGI Energy Services, Inc. becoming the customers of Applicant. To effectuate the transfer of customers, UGI Energy Services, Inc. will assign its existing retail customer contracts to Applicant as part of the transfer of all its assets in the intra-corporate merger. The intra-corporate merger will not result in any changes to any aspect of customers' service, including the price, terms and conditions of existing customer agreements, the format of their bills, or their current service contacts, including the toll free numbers.

10. VERIFICATIONS, ACKNOWLEDGEMENTS, AND AGREEMENTS

- a. **PJM LOAD SERVING ENTITY REQUIREMENT:** As a prospective EGS, the applicant understands that those EGSs which provide retail electric supply service (i.e. takes title to electricity) must provide either:
- proof of registration as a PJM Load Serving Entity (LSE), or
 - proof of a contractual arrangement with a registered PJM LSE that facilitates the retail electricity services of the EGS.

The Cover Page (Page 4) and Schedule 17 of the currently effective PJM Reliability Assurance Agreement ("RAA") is included herewith as Attachment "H". Each Party to the RAA is a Load Serving Entity within the PJM Region. Schedule 17 lists UGI Energy Services, Inc. as a Party to the RAA. Once UGI Energy Services, Inc. merges into UGI Energy Services, LLC, the RAA will be updated to reflect the change.

The Applicant understands that compliance with this requirement must be filed within 120 days of the Applicant receiving a license. As well, the Applicant understands that compliance with this requirement may be filed with this instant application.

(Select only one of the following)

- AGREED - Applicant has included compliance with this requirement in the instant application, labeled in correspondence with this section (10).
- X AGREED - Applicant will provide compliance with this requirement within 120 days of receiving its license
- ACKNOWLEDGED - Applicant is not proposing to provide retail electric supply service at this time, and therefore is not presently obligated to provide such information

b. **STANDARDS OF CONDUCT AND DISCLOSURE:** As a condition of receiving a license, Applicant agrees to conform to any Uniform Standards of Conduct and Disclosure as set forth by the Commission. Further, the Applicant agrees that it must comply with and ensure that its employees, agents, representatives, and independent contractors comply with the standards of conduct and disclosure set out in Commission regulations at 52 Pa. Code § 54.43.

X AGREED

c. **REPORTING REQUIREMENTS:** Applicant agrees to provide the following information to the Commission or the Department of Revenue, as appropriate:

- Retail Electricity Choice Activity Reports: The regulations at 52 Pa. Code §§ 54.201--54.204 require that all active EGSs report sales activity information. An EGS will file an annual report reporting for customer groups defined by annual usage. Reports must be filed using the appropriate report form that may be obtained from the PUC's Secretary's Bureau or the forms officer, or may be down-loaded from the PUC's internet web site.
- Reports of Gross Receipts: Applicant shall report its Pennsylvania intrastate gross receipts to the Commission on a quarterly and year to date basis no later than 30 days following the end of the quarter.
- The Treasurer or other appropriate officer of Applicant shall transmit to the Department of Revenue by March 15, an annual report, and under oath or affirmation, of the amount of gross receipts received by Applicant during the prior calendar year.
- Applicant shall report to the Commission the percentages of total electricity supplied by each fuel source on an annual basis:
- Applicant will be required to meet periodic reporting requirements as may be issued by the Commission to fulfill the Commission's duty under Chapter 28 pertaining to reliability and to inform the Governor and Legislature of the progress of the transition to a fully competitive electric market.

X AGREED

d. **TRANSFER OF LICENSE:** The Applicant understands that if it plans to transfer its license to another entity, it is required to request authority from the Commission for permission prior to transferring the license. See 66 Pa. C.S. Section 2809(D). Transferee will be required to file the appropriate licensing application.

X AGREED

e. **ASSESSMENT:** The Commission does not presently assess Electric Generation Suppliers for the purposes of recovery of regulatory expenses; see *PPL Energyplus, LLC v. Commonwealth*, 800 A.2d 360 (Pa. Cmwlth. 2002).

X ACKNOWLEDGED

- f. **FURTHER DEVELOPMENTS:** Applicant is under a continuing obligation to amend its application if substantial changes occur to the information upon which the Commission relied in approving the original filing. See 52 Pa. Code § 54.34.

X AGREED

- g. **FALSIFICATION:** The Applicant understands that the making of false statement(s) herein may be grounds for denying the Application or, if later discovered, for revoking any authority granted pursuant to the Application. This Application is subject to 18 Pa. C.S. §§4903 and 4904, relating to perjury and falsification in official matters.

X AGREED

- h. **NOTIFICATION OF CHANGE:** If your answer to any of these items changes during the pendency of your application or if the information relative to any item herein changes while you are operating within the Commonwealth of Pennsylvania, you are under a duty to so inform the Commission, within twenty (20) days, as to the specifics of any changes which have a significant impact on the conduct of business in Pennsylvania. See 52 Pa. Code § 54.34.

X AGREED

- i. **CEASING OF OPERATIONS:** Applicant is also required to officially notify the Commission if it plans to cease doing business in Pennsylvania, 90 days prior to ceasing operations.

X AGREED

- j. **Electronic Data Interchange:** The Applicant acknowledges the Electronic Data Interchange (EDI) requirements and the relevant contacts for each EDC, as listed at appendix J.

X AGREED

- k. **FEE:** The Applicant has enclosed or paid the required initial licensing fee of \$350.00 payable to the Commonwealth of Pennsylvania.

 PAYMENT ENCLOSED

Applicant has requested, by Petition, that the Commission waive the initial licensing fee of \$350.00.

11. AFFIDAVITS

- a.) **APPLICATION AFFIDAVIT:** Complete and submit with your filing an officially notarized Application Affidavit stating that all the information submitted in this application is truthful and correct. An example copy of this Affidavit can be found at Appendix A.

b.) **OPERATIONS AFFIDAVIT:** Provide an officially notarized affidavit stating that you will adhere to the reliability protocols of the North American Electric Reliability Council, the appropriate regional reliability council(s), and the Commission, and that you agree to comply with the operational requirements of the control area(s) within which you provide retail service. An example copy of this Affidavit can be found at Appendix B.

12. NEWSPAPER PUBLICATIONS

Notice of filing of this Application must be published in newspapers of general circulation covering each county in which the applicant intends to provide service. Below is a list of newspapers which cover the publication requirements for Electric Generation Suppliers looking to do business in Pennsylvania.

The newspapers in which proof of publication is required is dependent on the service territories the applicant is proposing to serve. The chart below dictates which newspapers are necessary for each EDC. If the applicant is proposing to serve the entire Commonwealth, please file proof of publication in all seven newspapers.

Please file with the Commission the Certification of Publication, along with a photostatic copy of the notice to complete the notice requirements.

Proof of newspaper publications must be filed with the initial application. Applicants **do not** need a docket number in their publication. Docket numbers will be issued when all criteria on the item 14 checklist (see below) are satisfied.

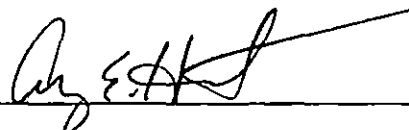
Applicant has requested, by Petition, that the Commission waive the public notice requirement in Section 54.35 of the Commission's regulations.

	<u>Duquesne</u>	<u>Met Ed</u>	<u>PECO</u>	<u>Penelec</u>	<u>Penn Power</u>	<u>PPL</u>	<u>UGI</u>	<u>West Penn</u>	<u>Entire Commonwealth</u>
Philadelphia Daily News		X	X			X			X
Harrisburg Patriot-News		X		X		X		X	X
Scranton Times Tribune		X		X		X	X		X
Williamsport Sun Gazette				X		X		X	X
Johnstown Tribune Democrat				X				X	X
Erie Times-News				X	X				X
Pittsburgh Post-Gazette	X				X			X	X

(Example Publication is provided at Appendix H)

13. SIGNATURE

Applicant: **UGI ENERGY SERVICES, LLC**

By: 

Name: Amy E. Hunt

Title: Vice President - Operations

14. CHECKLIST

For the applicant's convenience, please use the following checklist to ensure all relevant sections are complete. The Commission Secretary's Bureau will not accept an application unless each of the following sections are complete.

Applicant: UGI ENERGY SERVICES, LLC

Applicant's Use	X	Signature	
		Filing Fee (WAIVER REQUESTED)	
	X	Application Affidavit	
	X	Operations Affidavit	
		Proof of Publication (WAIVER REQUESTED)	
	X	Bond or Letter of Credit	
	X	Tax Certification Statement	
	X	Commonwealth Department of State Verification	
	X	Certificate of Service	

PUC Secretary's Bureau Use

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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

APPLICATION AFFIDAVIT

Commonwealth of Pennsylvania :
: ss.
County of Berks :

Bradley C. Hall, Affiant, being duly sworn according to law, deposes and says that:

He is the President of UGI Energy Services, LLC;

That he is authorized to and does make this affidavit for said Applicant;

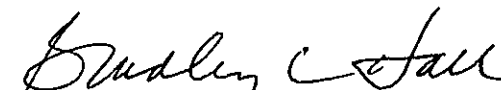
That the Applicant herein UGI Energy Services, LLC has the burden of producing information and supporting documentation demonstrating its technical and financial fitness to be licensed as an electric generation supplier pursuant to 66 Pa. C.S. § 2809 (B).

That the Applicant herein UGI Energy Services, LLC has answered the questions on the application correctly, truthfully, and completely and provided supporting documentation as required.

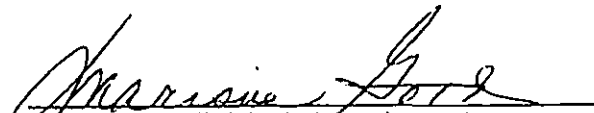
That the Applicant herein UGI Energy Services, LLC acknowledges that it is under a duty to update information provided in answer to questions on this application and contained in supporting documents.

That the Applicant herein UGI Energy Services, LLC acknowledges that it is under a duty to supplement information provided in answer to questions on this application and contained in supporting documents as requested by the Commission.

That the facts above set forth are true and correct to the best of his knowledge, information, and belief, and that he expects said Applicant to be able to prove the same at hearing.


Bradley C. Hall,
President

Sworn and subscribed before me this 1st day of May, 2013.


Signature of official administering oath

My commission expires March 7, 2016.

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Marisue Good, Notary Public
Spring Twp., Berks County
My Commission Expires March 7, 2016
MEMBER, PENNSYLVANIA ASSOCIATION OF NOTARIES

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SECRETARY'S BUREAU

OPERATIONS AFFIDAVIT

Commonwealth of Pennsylvania :
: ss.
County of Berks :

Amy E. Hunt, Affiant, being duly sworn according to law, deposes and says that:

She is the Vice President – Operations of UGI Energy Services, LLC;

That she is authorized to and does make this affidavit for said Applicant;

That UGI Energy Services, LLC, the Applicant herein, acknowledges that UGI Energy Services, LLC may have obligations pursuant to this Application consistent with the Public Utility Code of the Commonwealth of Pennsylvania, Title 66 of the Pennsylvania Consolidated Statutes; or with other applicable statutes or regulations including Emergency Orders which may be issued verbally or in writing during any emergency situations that may unexpectedly develop from time to time in the course of doing business in Pennsylvania.

That UGI Energy Services, LLC, the Applicant herein, asserts that it possesses the requisite technical, managerial, and financial fitness to render electric service within the Commonwealth of Pennsylvania and that the Applicant will abide by all applicable federal and state laws and regulations and by the decisions of the Pennsylvania Public Utility Commission.

That UGI Energy Services, LLC, the Applicant herein, certifies to the Commission that it is subject to, will pay, and in the past has paid, the full amount of taxes imposed by Articles II and XI of the Act of March 4, 1971 (P.L. 6, No. 2), known as the Tax Reform Act of 1971 and any tax imposed by Chapter 28 of Title 66. The Applicant acknowledges that failure to pay such taxes or otherwise comply with the taxation requirements of Chapter 28, shall be cause for the Commission to revoke the license of the Applicant. The Applicant acknowledges that it shall report to the Commission its jurisdictional Gross Receipts and power sales for ultimate consumption, for the previous year or as otherwise required by the Commission. The Applicant also acknowledges that it is subject to 66 Pa. C.S. §506 (relating to the inspection of facilities and records).

As provided by 66 Pa. C.S. §2810 (C)(6)(iv), Applicant, by filing of this application waives confidentiality with respect to its state tax information in the possession of the Department of Revenue, regardless of the source of the information, and shall consent to the Department of Revenue providing that information to the Pennsylvania Public Utility Commission.

That UGI Energy Services, LLC, the Applicant herein, acknowledges that it has a statutory obligation to conform with 66 Pa. C.S. §506, §2807 (C), §2807(D)(2), §2809(B) and the standards and billing practices of 52 PA. Code Chapter 56.

That the Applicant agrees to provide all consumer education materials and information in a timely manner as requested by the Bureau of Public Liaison or other Commission bureaus. Materials and information requested may be analyzed by the Commission to meet obligations under applicable sections of the law.

That the facts above set forth are true and correct/true and correct to the best of his/her knowledge, information, and belief.

Amy E. Hunt
Vice President – Operations

Sworn and subscribed before me this 1ST day of May, 2013.

Signature of official administering oath

My commission expires MARCH 8, 2016.

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Joan T. Neustadter, Notary Public
Wyomissing Boro, Berks County
My Commission Expires March 8, 2016
MEMBER, PENNSYLVANIA ASSOCIATION OF NOTARIES



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**PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU**

ATTACHMENT "A"
**APPLICATION FOR REGISTRATION OF
FICTITIOUS NAME**

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**PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU**

PENNSYLVANIA DEPARTMENT OF STATE
CORPORATION BUREAU

Application for Registration of Fictitious Name
54 Pa.C.S. § 311

Corporation Service Company
981516-5 *JAS*

Document will be returned to the name and address you enter to the left.
←

Commonwealth of Pennsylvania
FICTITIOUS NAME 3 Page(s)



Fee: \$70

In compliance with the requirements of 54 Pa.C.S. § 311 (relating to registration), the undersigned entity(ies) desiring to register a fictitious name under 54 Pa.C.S. Ch. 3 (relating to fictitious names), hereby state(s) that:

1. The fictitious name is:
UGI EnergyLink

2. A brief statement of the character or nature of the business or other activity to be carried on under or through the fictitious name is:
See Exhibit A Attached.

3. The address, including number and street, if any, of the principal place of business (P.O. Box alone is not acceptable):
460 North Gulph Road King of Prussia, PA 19406
Number and street City State Zip *Montgomery* County

4. The name and address, including number and street, if any, of each individual interested in the business is:
Name Number and Street City State
None.

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SECRETARY'S BUREAU

2011 NOV 16 PM 12:33
PA DEPT OF STATE

5. Each entity, other than an individual, interested in such business is (are):

UGI Energy Services, Inc.	Corporation	Pennsylvania
Name	Form of Organization	Organizing Jurisdiction
460 North Gulph Road King of Prussia, PA 19406		
Principal Office Address		
460 North Gulph Road, King of Prussia, PA 19406, Montgomery County		
PA Registered Office, if any		
Name	Form of Organization	Organizing Jurisdiction
Principal Office Address		
PA Registered Office, if any		

6. The applicant is familiar with the provisions of 54 Pa.C.S. § 332 (relating to effect of registration) and understands that filing under the Fictitious Names Act does not create any exclusive or other right in the fictitious name.

7. Optional: The name(s) of the agent(s), if any, any one of whom is authorized to execute amendments to, withdrawals from or cancellation of this registration in behalf of all then existing parties to the registration, is (are):

IN TESTIMONY WHEREOF, the undersigned have caused this Application for Registration of Fictitious Name to be executed this

15th day of Nov. 2011

Individual Signature	Individual Signature
Individual Signature	Individual Signature
UGI Energy Services, Inc.	
Entity Name	Entity Name
<i>By: Margaret M. Calabrese</i>	Signature
Signature	Signature
Secretary	Title
Title	Title

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Exhibit A

UGI Energy Services, Inc. ("UGIES") intends to use the fictitious name "UGI EnergyLink" in connection with its marketing and sales activities to end-use customers of electricity, natural gas or related services utilizing the transmission or distribution facilities of a public utility. UGIES is licensed by the Pennsylvania Public Utility Commission as an electric generation supplier and as a natural gas supplier to provide the aforementioned services.

ATTACHMENT "B"
CERTIFICATE OF ORGANIZATION

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**PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU**

PENNSYLVANIA DEPARTMENT OF STATE
BUREAU OF CORPORATIONS AND CHARITABLE ORGANIZATIONS

Entity #: 4175358
Date Filed: 03/22/2013
Carol Aichele
Secretary of the Commonwealth

Certificate of Organization
Domestic Limited Liability Company
(15 Pa.C.S. § 8913)

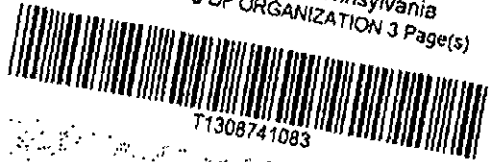
Corporation Service Company
578790-5

Document will be returned to the
name and address you enter to
the left.

JS

Fee: \$125

Commonwealth of Pennsylvania
CERTIFICATE OF ORGANIZATION 3 Page(s)



In compliance with the requirements of 15 Pa.C.S. § 8913 (relating to certificate of organization), the undersigned
desiring to organize a limited liability company, hereby certifies that:

1. The name of the limited liability company (designator is required, i.e., "company", "limited" or "limited
liability company" or abbreviation):
UGI Newco, LLC

2. The (a) address of the limited liability company's initial registered office in this Commonwealth or (b) name of
its commercial registered office provider and the county of venue is:

(a) Number and Street	City	State	Zip	County
				Dauphin

(b) Name of Commercial Registered Office Provider:
c/o: Corporation Service Company

3. The name and address, including street and number, if any, of each organizer is (all organizers must sign on
page 2):

Name	Address
Monica M. Gaudiosi	460 North Gulph Road, King of Prussia, PA 19406

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SECRETARY'S BUREAU

2013 MAR 24 PM 12:35
PA DEPT OF STATE

4. ~~Strike out if inapplicable term:~~
A member's interest in the company is to be evidenced by a certificate of membership interest.

5. ~~Strike out if inapplicable:~~
Management of the company is vested in a manager or managers.

6. The specified effective date, if any is 03 / 22 / 2013
month date year hour, if any

7. ~~Strike out if inapplicable:~~ The company is a restricted professional company organized to render the following restricted professional service(s):

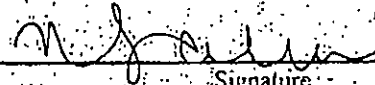
8. For additional provisions of the certificate, if any, attach an 8 1/2 x 11 sheet.

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SECRETARY'S BUREAU

IN TESTIMONY WHEREOF, the organizer(s) has (have)
signed this Certificate of Organization this
20 day of March, 2013



Signature

Signature

Signature

ATTACHMENT "C"

NAMES OF SUBSIDIARIES AND AFFILIATES

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**PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU**

SUBSIDIARIES OF UGI CORPORATION

<u>SUBSIDIARY</u>	<u>OWNERSHIP</u>	<u>STATE OF INCORPORATION</u>
AMERIGAS, INC.	100%	PA
AMERIGAS PROPANE, INC.	100%	PA
AmeriGas Partners, L.P.	(1)	DE
AmeriGas Finance Corp.		DE
AmeriGas Eagle Finance Corp.		DE
AP Eagle Finance Corp.		DE
AmeriGas Finance LLC		DE
AmeriGas Propane, L.P.	(2)	DE
AmeriGas Propane Parts & Service, Inc.	100%	PA
AmeriGas Eagle Holdings, Inc. (CP Holdings, Inc.)	100%	DE
AmerE Holdings, Inc.	100%	DE
Active Propane of Wisconsin, LLC	100%	DE
Heritage Operating GP, LLC	100%	DE
Heritage Operating, L.P.	(3)	DE
Heritage Service Corporation	100%	DE
Heritage Energy Resources, LLC	100%	OK
M-P Oils, Ltd.	100%	CANADA
902 Gilbert Street, LLC	100%	NC
Metro Lawn, LLC	100%	DE
AmeriGas Technology Group, Inc.	100%	PA
Petrolane Incorporated	100%	PA
FOUR FLAGS DRILLING COMPANY, INC.	100%	PA
ASHTOLA PRODUCTION COMPANY	100%	PA
UGI ETHANOL DEVELOPMENT CORPORATION	100%	PA
NEWBURY HOLDING COMPANY	100%	DE
UGI ENTERPRISES, INC.	100%	PA
EASTFIELD INTERNATIONAL HOLDINGS, INC.	100%	DE
EUROGAS HOLDINGS, INC.	100%	DE
UGI BLACK SEA ENTERPRISES, INC.	100%	PA
UGI CHINA, INC.	100%	DE
UGI ENERGY SERVICES, INC. (d/b/a GASMARK [®] and d/b/a POWERMARK)	100%	PA
Energy Services Funding Corporation	100%	DE
Hellertown Pipeline Company	100%	PA
Homestead Holding Company	100%	DE
UGI Asset Management, Inc.	100%	DE
UGI Development Company	100%	PA
UGID Holding Company	100%	DE
UGI Hunlock Development Company	100%	PA
UGI LNG, Inc.	100%	DE

<u>SUBSIDIARY</u>	<u>OWNERSHIP</u>	<u>STATE OF INCORPORATION</u>
UGI Storage Company	100%	PA
UGI HVAC ENTERPRISES, INC.	100%	DE
UGI INTERNATIONAL (CHINA), INC.	100%	DE
UGI INTERNATIONAL (ROMANIA), INC.	100%	PA
UGI INTERNATIONAL ENTERPRISES, INC.	100%	PA
UGI Europe, Inc.	100%	DE
UGI International Holdings BV	100%	NETHERLANDS
Flaga GmbH (4)	100%	AUSTRIA
ECO Energietechnik GmbH	100%	AUSTRIA
Kosan Gas A/S	100%	DENMARK
Kosan Gas Sverige AB	100%	SWEDEN
Kosan Gas Norge A/S	100%	NORWAY
Kosan Gas Finland Oy	100%	FINLAND
Kosan Gas Denmark A/S	100%	DENMARK
Flaga Suisse GmbH	100%	SWITZERLAND
Zentraleuropa LPG Holding GmbH	100%	AUSTRIA
AmeriGas Polska Sp. z.o.o.	100%	POLAND
Gaz Centrum Sp. z.o.o.	100%	POLAND
Flaga GPL Romania S.r.l.	100%	ROMANIA
Flaga LPG SA	77.99%	ROMANIA
Flaga s.r.o.	100%	CZECH REPUBLIC
LPG Technik spol s.r.o.	100%	CZECH REPUBLIC
Propantrans s.r.o.	50%	CZECH REPUBLIC
Flaga spol s.r.o.	100%	SLOVAKIA
ECO Energy Service spol s.r.o.	100%	SLOVAKIA
Flaga Gaz Magyarorszag Kft.	100%	HUNGARY
AmeriGas Polska Sp. z.o.o.	100%	POLAND
Gaz Centrum Sp. z.o.o.	100%	POLAND
UGI Bordeaux Holding	100%	FRANCE
Antargaz Belgium N.V.	(5)	BELGIUM
Antargaz Nederland B.V.	100%	NETHERLANDS
Antargaz Luxembourg S.A.	100%	LUXEMBOURG
Gasbottling N.V.	(6)	BELGIUM
Energy Sud S.A.	(7)	BELGIUM
AGZ Holding	100%	FRANCE
Antargaz (8)	100%	FRANCE
Aquitaine Rhone Gaz	100%	FRANCE
Gaz Energie Distribution	100%	FRANCE
Norgal Gie	52.66%	FRANCE
Rhone Gaz	50.62%	FRANCE
Sigap Ouest	66%	FRANCE
Sobegal	72%	FRANCE
United Gas Belgium (9)	99%	BELGIUM
UGI Midlands Limited	100%	UNITED KINGDOM

<u>SUBSIDIARY</u>	<u>OWNERSHIP</u>	<u>STATE OF INCORPORATION</u>
AvantiGas Limited	100%	UNITED KINGDOM
Amazon Gas Limited	100%	UNITED KINGDOM
UGI ROMANIA, INC.	100%	PA
UGI PROPERTIES, INC.	100%	PA
UGI UTILITIES, INC.	100%	PA
UGI ENERGY VENTURES, INC.	100%	DE
UGI PENN NATURAL GAS, INC.	100%	PA
UGI Penn HVAC Services, Inc.	100%	PA
UGI CENTRAL PENN GAS, INC.	100%	PA
UGI Central Penn Propane, LLC	100%	PA
UGI Petroleum Products of Delaware, Inc.	100%	DE
UGI STONERIDGE I, LLC	100%	DE
UGI Stoneridge II, LLC	100%	DE
UNITED VALLEY INSURANCE COMPANY	100%	VT

- (1) AmeriGas Propane, Inc. and its subsidiary, Petrolane Incorporated, hold a combined 26% (approx.) interest in AmeriGas Partners, L.P.
- (2) 1.0101% owned by AmeriGas Propane, Inc. the General Partner; and 98.9899% owned by AmeriGas Partners, L.P., the Limited Partner.
- (3) 99.999% owned by AmeriGas Propane, L.P. and .001% owned by Heritage Operating GP, LLC.
- (4) A nominal share is held by Reinhard Schoödlbauer.
- (5) .01% owned by UGI Bordeaux Holding and 99.99% owned by AGZ Holding.
- (6) 99.5% owned by Antargaz Belgium N.V. and .5% owned by Antargaz Luxembourg S.A.
- (7) 90% owned by Antargaz Belgium N.V. and 10% owned by Antargaz Luxembourg S.A.
- (8) A nominal share is held by each of Lon R. Greenberg, Donald J. Groth, Matthew A. Woodward, Eric Naddeo and HC Conseil EURL (Mr. Hervé Couffin).
- (9) The remaining 1% is owned by UGI Bordeaux Holdings, Inc.

ATTACHMENT "D"
BONDING CERTIFICATE

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**PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU**

ATTACHMENT "E"
AUDITED FINANCIAL STATEMENTS

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**PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU**

**UGI ENERGY SERVICES, INC.
AND SUBSIDIARIES**

CONSOLIDATED FINANCIAL STATEMENTS
for the years ended September 30, 2012 and 2011

UGI ENERGY SERVICES, INC. AND SUBSIDIARIES

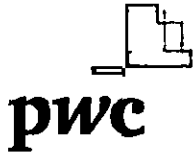
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**PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU**



Report of Independent Auditors

To the Board of Directors and Stockholder of
UGI Energy Services, Inc.:

In our opinion, the accompanying consolidated balance sheets and the related consolidated statements of income, comprehensive income, stockholder's equity, and cash flows present fairly, in all material respects, the financial position of UGI Energy Services, Inc. and its subsidiaries at September 30, 2012 and 2011, and the results of their operations and their cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America. These financial statements and financial statement schedules are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements and the financial statement schedules based on our audits. We conducted our audits of these statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

PriceWaterhouseCoopers LLP

December 14, 2012

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SECRETARY'S BUREAU

UGI ENERGY SERVICES, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
(Thousands of dollars)

	September 30,	
	2012	2011
<u>ASSETS</u>		
Current assets:		
Cash and cash equivalents	\$ 12,968	\$ 4,279
Restricted cash	2,969	12,889
Accounts receivable (less allowances for doubtful accounts of \$1,737 and \$1,422, respectively)	62,634	70,999
Accounts receivable - related parties	25,115	22,801
Inventories	36,318	40,847
Income taxes recoverable	17,516	215
Deferred income taxes	6,797	10,941
Derivative financial instruments	3,297	5,887
Prepaid and other current assets	2,696	2,901
Total current assets	170,310	171,759
Property, plant and equipment:		
Gross property, plant and equipment	475,715	416,506
Accumulated depreciation and amortization	(50,754)	(40,157)
Net property, plant and equipment	424,961	376,349
Goodwill	2,751	2,751
Intangible assets (less accumulated amortization of \$3,125 and \$2,288, respectively)	10,276	11,113
Other assets	18,382	18,720
Total assets	\$ 626,680	\$ 580,692
<u>LIABILITIES AND STOCKHOLDER'S EQUITY</u>		
Current liabilities:		
Current maturities of long-term debt	\$ 45	\$ 42
Bank loans	85,000	24,300
Accounts payable	36,712	55,648
Accounts payable - related parties	7,934	9,979
Employee compensation and benefits accrued	3,631	6,084
Derivative financial instruments	10,483	21,616
Other current liabilities	6,689	10,286
Total current liabilities	150,494	127,955
Long-term debt	44	89
Deferred income taxes	73,697	37,688
Derivative financial instruments	1,044	3,594
Other noncurrent liabilities	2,452	3,052
Total liabilities	227,731	172,378
Commitments and contingencies (note 9)		
Common stockholder's equity:		
Additional paid-in capital	246,236	246,138
Retained earnings	161,650	180,264
Accumulated other comprehensive loss	(8,937)	(18,088)
Total common stockholder's equity	398,949	408,314
Total liabilities and stockholder's equity	\$ 626,680	\$ 580,692

See accompanying notes to consolidated financial statements.

UGI ENERGY SERVICES, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME

(Thousands of dollars)

	Year Ended	
	September 30,	
	<u>2012</u>	<u>2011</u>
Revenues	\$ 852,958	\$ 1,059,655
Costs and expenses:		
Cost of sales	724,468	920,010
Operating and administrative expenses	53,886	48,803
Depreciation	11,815	7,147
Amortization	933	901
Other income, net	<u>(608)</u>	<u>(124)</u>
	790,494	976,737
Operating income	62,464	82,918
Interest expense	<u>(4,760)</u>	<u>(2,735)</u>
Income before income taxes	57,704	80,183
Income tax expense	<u>(21,318)</u>	<u>(27,639)</u>
Net income	<u>\$ 36,386</u>	<u>\$ 52,544</u>

See accompanying notes to consolidated financial statements.

UGI ENERGY SERVICES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Thousands of dollars)

	Year Ended September 30,	
	2012	2011
Net income	\$ 36,386	\$ 52,544
Net losses on derivative instruments (net of taxes of \$21,959 and \$8,423, respectively)	(30,962)	(11,876)
Reclassifications of net losses on derivative instruments (net of taxes of \$(28,449) and \$(21,978), respectively)	40,113	30,990
Comprehensive income	\$ 45,537	\$ 71,658

See accompanying notes to consolidated financial statements.

UGI ENERGY SERVICES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Thousands of dollars)

	Year Ended September 30,	
	2012	2011
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	\$ 36,386	\$ 52,544
Adjustments to reconcile to net cash provided by operating activities:		
Depreciation and amortization	12,748	8,048
Deferred income taxes, net	33,616	30,137
Net change in realized gains and losses deferred as cash flow hedges	3,444	6,564
Provision for uncollectible accounts	1,022	162
Other, net	1,331	2,487
Net change in:		
Accounts receivable	5,029	(11,267)
Inventories	4,529	(14,298)
Accounts payable	(20,981)	5,985
Income taxes recoverable or accrued	(17,301)	(272)
Other current assets	205	1,485
Other current liabilities	(6,050)	3,702
Net cash provided by operating activities	53,978	85,277
CASH FLOWS FROM INVESTING ACTIVITIES		
Expenditures for property, plant and equipment	(60,390)	(117,893)
Net costs from disposals of assets	(519)	(154)
Decrease in restricted cash	9,920	17,253
Net cash used by investing activities	(50,989)	(100,794)
CASH FLOWS FROM FINANCING ACTIVITIES		
Capital contributions	-	34,130
Increase in bank loans	75,000	10,000
Receivables Facility net (repayments) borrowings	(14,300)	2,200
Dividends paid	(55,000)	(30,000)
Net cash provided by financing activities	5,700	16,330
Cash and cash equivalents increase	\$ 8,689	\$ 813
Cash and cash equivalents:		
End of year	\$ 12,968	\$ 4,279
Beginning of year	4,279	3,466
Increase	\$ 8,689	\$ 813
SUPPLEMENTAL CASH FLOW INFORMATION:		
Cash paid (refunded) for:		
Income taxes	\$ 5,634	\$ (3,629)
Interest	\$ 4,825	\$ 1,985

See accompanying notes to consolidated financial statements.

UGI ENERGY SERVICES, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF STOCKHOLDER'S EQUITY
(Thousands of dollars)

	Common Stock		Additional paid-in capital	Retained earnings	Accumulated other comprehensive income (loss)	Total
	Shares	Amount				
Balance September 30, 2010	100	\$ -	\$ 200,447	\$ 157,720	\$ (37,202)	\$ 320,965
Net income				52,544		52,544
Net losses on derivative instruments					(11,876)	(11,876)
Reclassification of net losses on derivative instruments					30,990	30,990
Capital contributions - cash			34,130			34,130
Capital contributions - net assets			11,561			11,561
Cash dividends				(30,000)		(30,000)
Balance September 30, 2011	100	-	246,138	180,264	(18,088)	408,314
Net income				36,386		36,386
Net losses on derivative instruments					(30,962)	(30,962)
Reclassification of net losses on derivative instruments					40,113	40,113
Other			98			98
Cash dividends				(55,000)		(55,000)
Balance September 30, 2012	100	\$ -	\$ 246,236	\$ 161,650	\$ (8,937)	\$ 398,949

See accompanying notes to consolidated financial statements.

UGI ENERGY SERVICES, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

(Thousands of dollars, except where indicated otherwise)

Note 1 – NATURE OF OPERATIONS

UGI Energy Services, Inc. (“Energy Services”), a Pennsylvania corporation, is a wholly owned subsidiary of UGI Enterprises, Inc. (“Enterprises”), and is a second-tier subsidiary of UGI Corporation (“UGI”). Energy Services and its subsidiaries conduct an energy marketing, midstream infrastructure, storage, natural gas gathering and energy services business primarily in the Mid-Atlantic region of the United States. In addition, Energy Services’ wholly owned subsidiary, UGI Development Company (“UGID”), owns all or a portion of electric generation facilities located in Pennsylvania.

Note 2 – SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

Our consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (“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, revenue, 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.

Principles of Consolidation

The consolidated financial statements include the accounts of Energy Services and its majority-owned subsidiaries. Energy Services and its subsidiaries are collectively referred to herein as “the Company” or “we.” We eliminate all significant intercompany accounts and transactions when we consolidate. Energy Services’ wholly owned, special purpose subsidiary, Energy Services Funding Corporation (“ESFC”), is consolidated for financial statement purposes (see Note 12).

Fair Value Measurement

We apply fair value measurements to certain assets and liabilities, principally our commodity derivative instruments. Fair value in GAAP 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 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. Fair value measurements require that we assume that the transaction occurs in the principal market for the asset or liability or, in the absence of a principal market, the most advantageous market for the asset or liability (the market for which the reporting entity would be able to maximize the amount received or minimize the amount paid). We evaluate the need for credit adjustments to our derivative instrument fair values in

UGI ENERGY SERVICES, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

(Thousands of dollars, except where indicated otherwise)

accordance with the requirements noted above. Such adjustments were not material to the fair values of our derivative instruments.

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. Instruments categorized in Level 1 consist of our exchange-traded commodity futures contracts and non exchange-traded commodity futures contracts whose underlying is identical to an exchange-traded contract.

- 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 inactive markets, 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. Instruments categorized in Level 2 include non-exchange traded derivatives such as over the counter commodity price swap contracts and financial transmission rights (“FTRs”).

- Level 3 — Unobservable inputs for the asset or liability including situations where there is little, if any, market activity for the asset or liability. We did not have any derivative financial instruments categorized as Level 3 at September 30, 2012 or 2011.

The fair value hierarchy gives the highest priority to quoted prices in active markets (Level 1) and the lowest priority to unobservable data (Level 3). In some cases, the inputs to measure fair value might fall into different levels of the fair value hierarchy. The lowest level input that is significant to a fair value measurement in its entirety determines the applicable level in the fair value hierarchy. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the asset or liability. See Note 10 for additional information on fair value measurements.

Derivative Instruments

We account for derivative instruments and hedging activities in accordance with guidance provided by the Financial Accounting Standards Board (“FASB”) which requires that all derivative instruments be recognized as either assets or liabilities and measured at fair value. The accounting for changes in fair value depends upon the purpose of the derivative instrument and whether it is designated and qualifies for hedge accounting.

A substantial portion of our derivative financial instruments are designated and qualify as cash flow hedges. For cash flow hedges, changes in the fair value of the derivative financial instruments are recorded in accumulated other comprehensive income (“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 the occurrence of the forecasted transaction is determined to be no longer probable.

UGI ENERGY SERVICES, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

(Thousands of dollars, except where indicated otherwise)

Certain of our commodity derivative instruments, although generally effective as economic hedges, do not qualify for hedge accounting treatment. Changes in the fair values of these derivative instruments are reflected in net income. Cash flows from derivative financial instruments are included in cash flows from operating activities.

For a more detailed description of the derivative instruments we use, our accounting for derivatives, our objectives for using them and related supplemental information required by GAAP, see Note 11.

Revenue Recognition

We recognize revenues primarily when energy products are delivered or services are provided to customers.

Income Taxes

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. The result of this allocation is generally consistent with income taxes calculated on a separate return basis.

Investment tax credits associated with solar energy property under the Emergency Economic Stabilization Act of 2008 are reflected in income tax expense when such property is placed in service.

It is our policy to record interest on tax deficiencies and income tax penalties in income taxes.

Comprehensive Income

Comprehensive income comprises net income and other comprehensive income. Other comprehensive income results from gains and losses on commodity derivative contracts qualifying as cash flow hedges, net of reclassifications to net income.

Cash and Cash Equivalents

All highly liquid investments with maturities of three months or less when purchased are classified as cash equivalents.

Restricted Cash

Restricted cash represents those cash balances in our commodity futures brokerage accounts which are restricted from withdrawal.

Inventories

Inventories normally consist of natural gas, liquefied natural gas, propane and coal. We state our inventories at the lower of cost or market. We determine cost using an average cost method.

UGI ENERGY SERVICES, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

(Thousands of dollars, except where indicated otherwise)

Property, Plant and Equipment and Related Depreciation

We record property, plant, and equipment at original cost. 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 (income) expense, net, in the Consolidated Statements of Income.

We record depreciation expense on plant and equipment associated with UGID's electricity generation assets on a straight-line basis over 25 to 35 years. We compute depreciation expense on our other assets using the straight-line method over estimated service lives generally ranging from 15 to 40 years for buildings and improvements; 7 to 40 years for natural gas and propane storage and distribution equipment; and 2 to 12 years for office furniture and fixtures.

No depreciation expense is included in cost of sales in the Consolidated Statements of Income.

Goodwill and Intangible Assets

In accordance with GAAP relating to intangible assets, we amortize intangible assets over their estimated useful lives unless we determine their lives to be indefinite. We review identifiable intangible assets subject to amortization for impairment whenever events or changes in circumstances indicate that the associated carrying amounts may not be recoverable. Determining whether an impairment loss occurred requires comparing the carrying amount to the sum of undiscounted cash flows expected to be generated by the asset.

We do not amortize goodwill, but test it at least annually for impairment at the reporting unit level. A reporting unit is the operating segment, or a business one level below the operating segment (a component) if discrete financial information is prepared and regularly reviewed by segment management. Components are aggregated as a single reporting unit if they have similar economic characteristics. We are required to recognize an impairment charge under GAAP if the carrying amount of a reporting unit exceeds its fair value and the carrying amount of the reporting unit's goodwill exceeds the implied fair value of that goodwill. We determine fair values for each of our reporting units generally using discounted cash flows to establish fair values unless market values are available. The Company adopted new accounting guidance regarding goodwill impairment during Fiscal 2012 which permits us, in certain circumstances, to perform a qualitative approach to determine if it is more likely than not that the carrying value of a reporting unit is greater than its fair value (see Note 3).

No provisions for goodwill or other intangible asset impairments were recorded during Fiscal 2012 or Fiscal 2011. No amortization expense is included in cost of sales in the Consolidated Statements of Income (see Note 8).

UGI ENERGY SERVICES, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

(Thousands of dollars, except where indicated otherwise)

Impairment of Long-Lived Assets

We evaluate the impairment of long-lived assets whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. We evaluate recoverability based upon undiscounted future cash flows expected to be generated by such assets. No material provisions for impairments were recorded during Fiscal 2012 or Fiscal 2011.

Equity-Based Compensation

Under the UGI Corporation 2004 Omnibus Equity Compensation Plan, Amended and Restated on December 5, 2006 (the "UGI OECP"), certain key employees of Energy Services may be granted stock options to acquire shares of UGI Common Stock, stock appreciation rights, UGI Units (comprising "Stock Units" or "Performance Units") and other equity-based amounts. Under the UGI OECP, the exercise price for options may not be less than the fair market value on the grant date. Awards granted under the UGI OECP may vest immediately or ratably over a period of years (generally three-year periods), and stock options for UGI Common Stock can be exercised no later than ten years from the grant date. In addition, the UGI OECP provides that the awards of UGI Units may also provide for the crediting of UGI Common Stock dividend equivalents to participants' accounts. Except in the event of retirement, death or disability, each grant, unless paid, will terminate when the participant ceases to be employed. There are certain change of control and retirement eligibility conditions that, if met, generally result in accelerated vesting or elimination of further service requirements.

UGI Stock and UGI Performance Unit awards entitle the grantee to shares of UGI Common Stock or cash once the service condition is met and, with respect to UGI Performance Unit awards, subject to UGI market performance conditions. With respect to UGI Performance Unit awards, the actual number of shares (or their cash equivalent) ultimately issued, and the actual amount of dividend equivalents paid, is generally dependent upon the achievement of market performance and service conditions. UGI Performance Unit grant recipients are awarded a target number of Performance Units. The number of Performance Units ultimately paid at the end of the performance period (generally three years) may range from 0% to 200% of the target based upon UGI's Total Shareholder Return percentile rank relative to companies in the Standard & Poor's Utilities Index for grants prior to January 1, 2011, and the Russell Midcap Utility Index (excluding telecommunications companies) for grants on or after January 1, 2011.

Equity-based compensation provided under the UGI OECP to employees of the Company did not have a material impact on our Fiscal 2012 and 2011 financial statements.

Subsequent Events

Management has evaluated the impact of subsequent events through December 14, 2012, the date these financial statements were issued and the effects of such evaluation have been reflected in the financial statements and related disclosures.

UGI ENERGY SERVICES, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

(Thousands of dollars, except where indicated otherwise)

Note 3 – ACCOUNTING CHANGES

Adoption of New Accounting Standards

Goodwill Impairment. In September 2011, the FASB issued guidance on testing goodwill for impairment. The new guidance permits entities to first assess qualitative factors to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount as a basis for determining whether it is necessary to perform the two-step goodwill impairment test in GAAP. Previous guidance required an entity to test goodwill for impairment at least annually by comparing the fair value of a reporting unit with its carrying amount, including goodwill. If the fair value of a reporting unit is less than the carrying amount, then the second step of the test must be performed to measure the amount of the impairment loss, if any. Under the new guidance, an entity is not required to calculate fair value of a reporting unit unless the entity determines that it is more likely than not that its fair value is less than its carrying amount. The new guidance does not change how goodwill is calculated or assigned to reporting units, nor does it revise the requirements to test goodwill annually for impairment. We adopted the new guidance for Fiscal 2012.

Fair Value Measurements. In May 2011, the FASB issued new guidance on fair value measurements and related disclosure requirements. The new guidance results in common fair value measurement and disclosure requirements in GAAP and International Financial Reporting Standards (“IFRS”). The new guidance applies to all reporting entities that are required or permitted to measure or disclose the fair value of an asset, liability or an instrument classified in shareholders’ equity. Among other things, the new guidance requires quantitative information about unobservable inputs, valuation processes and sensitivity analysis associated with fair value measurements categorized within Level 3 of the fair value hierarchy. The new guidance became effective for our interim period ending March 31, 2012, and is required to be applied prospectively. The adoption of this accounting guidance did not have a material impact on our financial statements.

New Accounting Standard Not Yet Adopted

Disclosures about Offsetting Assets and Liabilities. In December 2011, the FASB issued new accounting guidance regarding disclosures about offsetting assets and liabilities. The new guidance requires an entity to disclose information about offsetting and related arrangements to enable users of financial statements to understand the effect of those arrangements on its financial position. The amendments will enhance disclosures by requiring improved information about financial instruments and derivative instruments that are either (1) offset in accordance with other GAAP or (2) subject to an enforceable master netting arrangement or similar agreement, irrespective of whether they are offset in the balance sheet. The new guidance is effective for annual reporting periods beginning on or after January 1, 2013 (Fiscal 2014), and interim periods within those annual periods. We are currently evaluating the impact of the new guidance on our future disclosures.

UGI ENERGY SERVICES, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

(Thousands of dollars, except where indicated otherwise)

Note 4 – DEBT

Energy Services has an unsecured credit agreement (“Energy Services Credit Agreement”) with a group of lenders providing for borrowings of up to \$170,000 (including a \$50,000 sublimit for letters of credit) which expires in August 2013. The Energy Services Credit Agreement can be used for general corporate purposes of Energy Services and its subsidiaries. In addition, Energy Services may not pay a dividend unless, after giving effect to such dividend payment, the ratio of Consolidated Total Indebtedness to EBITDA, each as defined in the Energy Services Credit Agreement, does not exceed 2.00 to 1.00. There were \$85,000 and \$10,000 of borrowings outstanding under the Energy Services Credit Agreement at September 30, 2012 and 2011, respectively. These amounts are reflected as bank loans on the Consolidated Balance Sheets.

Borrowings under the Energy Services Credit Agreement bear interest at either (i) a rate derived from LIBOR (the “LIBO Rate”) plus 3.0% for each Eurodollar Revolving Loan (as defined in the Energy Services Credit Agreement) or (ii) the Alternate Base Rate plus 2.0%. The Alternate Base Rate (as defined in the Energy Services Credit Agreement) is generally the greater of (a) the Agent Bank’s prime rate, (b) the federal funds rate plus 0.50% and (c) the one-month LIBO Rate plus 1.0%. The weighted-average interest rate on Energy Services Credit Agreement borrowings at September 30, 2012 and 2011, was 3.25%. The Energy Services Credit Agreement is guaranteed by certain subsidiaries of Energy Services.

The Energy Services Credit Agreement restricts the ability of Energy Services to dispose of assets, effect certain consolidations or mergers, incur indebtedness and guaranty obligations, create liens, make acquisitions or investments, make certain dividend or other distributions and make any material changes to the nature of its businesses. In addition, the Energy Services Credit Agreement requires Energy Services to not exceed a ratio of Consolidated Total Indebtedness, as defined, to Consolidated EBITDA, as defined; a minimum ratio of Consolidated EBITDA to Consolidated Interest Expense, as defined; a maximum ratio of Consolidated Total Indebtedness to Consolidated Total Capitalization, as defined, at any time when Consolidated Total Indebtedness is greater than \$250,000; and a minimum Consolidated Net Worth, as defined, of \$150,000.

Energy Services also has a \$200,000 receivables securitization facility (see Note 12).

UGI ENERGY SERVICES, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

(Thousands of dollars, except where indicated otherwise)

Note 5 – INCOME TAXES

The provisions for income taxes consist of the following:

	2012	2011
Current expense (benefit):		
Federal	\$(13,969)	\$ (3,794)
State	4,578	7,134
Investment tax credit	(2,907)	(5,838)
Total current (benefit)	(12,298)	(2,498)
Deferred expense:		
Federal	32,608	29,702
State	1,008	435
Total deferred expense	33,616	30,137
Total income tax expense	\$ 21,318	\$27,639

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

	2012	2011
Statutory federal tax rate	35.0%	35.0%
Difference in tax rate due to :		
State income taxes, net of federal benefit	4.4	5.7
Investment tax credits	(3.1)	(5.8)
Other, net	0.6	(0.5)
Effective tax rate	36.9%	34.4%

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

	2012	2011
Excess book basis over tax basis of property, plant and equipment	\$ 80,330	\$ 44,258
Other	-	1,021
Gross deferred tax liabilities	80,330	45,279
Employee-related benefits	(741)	(1,376)
State net operating loss carryforwards	(2,538)	(1,281)
Allowance for doubtful accounts	(813)	(536)
Derivative financial instruments	(6,340)	(12,830)
Other	(2,998)	(2,509)
Gross deferred tax assets	(13,430)	(18,532)
Net deferred tax liabilities	\$ 66,900	\$ 26,747

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 2009.

UGI ENERGY SERVICES, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

(Thousands of dollars, except where indicated otherwise)

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.

For Fiscal 2012, \$93 of interest and penalties was recorded in income taxes in the Consolidated Statement of Income. There were no such amounts recorded in Fiscal 2011.

As of September 30, 2012, we have unrecognized income tax benefits totaling \$207 including related accrued interest and penalties of \$93 which were recorded in Fiscal 2012 and relate to tax positions of prior years. If these unrecognized tax benefits were subsequently recognized, \$206 would be recorded as a benefit to income taxes on the Consolidated Statement of Income and, therefore, would impact the reported effective tax rate. Generally, a net reduction in unrecognized tax benefits would occur because of the expiration of the statute of limitations in certain jurisdictions or as a result of settlements with tax authorities. There are no significant changes expected in unrecognized tax benefits and related interest in the next twelve months.

Note 6 – EMPLOYEE RETIREMENT PLANS

Defined Contribution Plan. UGI Utilities, Inc. (“UGI Utilities”), a wholly owned subsidiary of UGI, sponsors a 401(k) savings plan for eligible employees of UGI and certain of UGI’s domestic subsidiaries including Energy Services and subsidiaries. Generally, participants in the plan may contribute a portion of their compensation on either a before-tax basis, or on both a before-tax and after-tax basis. The savings plan also provides for employer matching contributions at various rates. The cost of benefits under the savings plan during Fiscal 2012 and Fiscal 2011 totaled \$754 and \$844, respectively.

Defined Benefit Pension Plan. Certain employees of the Company participate in a defined benefit pension plan sponsored by UGI Utilities. Benefits are generally based upon final average pay and years of service. Total costs associated with benefits under this plan were not material in Fiscal 2012 or Fiscal 2011.

Note 7 – PROPERTY, PLANT AND EQUIPMENT

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

	2012	2011
Land	\$ 2,084	\$ 2,234
Buildings and improvements	6,564	1,462
Natural gas and propane storage and distribution facilities	189,931	44,778
Electric generation assets	254,257	230,865
Other, including work in process	22,879	137,167
Gross property, plant and equipment	475,715	416,506
Less accumulated depreciation and amortization	(50,754)	(40,157)
Net property, plant and equipment	\$ 424,961	\$ 376,349

UGI ENERGY SERVICES, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

(Thousands of dollars, except where indicated otherwise)

The item "Other, including work in process" in the table above at September 30, 2011, principally comprises work in process related to natural gas storage projects which were placed in service during Fiscal 2012.

Note 8 – GOODWILL AND INTANGIBLE ASSETS

	2012	2011
Subject to amortization:		
Land development rights	\$ 13,401	\$ 13,401
Accumulated amortization	(3,125)	(2,288)
	\$ 10,276	\$ 11,113
Not subject to amortization:		
Goodwill	\$ 2,751	\$ 2,751

We are amortizing land development rights associated with our landfill gas electricity generation facility over a period of approximately 16 years. Amortization expense of intangible assets was \$836 for both Fiscal 2012 and Fiscal 2011. Estimated amortization of intangible assets during each of the next five fiscal years is \$836.

Note 9 – COMMITMENTS AND CONTINGENCIES

We lease various buildings and computer and office equipment under operating leases. Certain of our leases contain renewal and purchase options and also contain escalation clauses. Our aggregate rental expense for such leases was \$716 and \$612 during Fiscal 2012 and Fiscal 2011, respectively.

Minimum future payments under operating leases that have initial or remaining noncancelable terms in excess of one year are as follows: Fiscal 2013 - \$726; Fiscal 2014 - \$637; Fiscal 2015 - \$599; Fiscal 2016 - \$585; Fiscal 2017 - \$146; no amounts after Fiscal 2017.

The Company enters into fixed-price contracts with suppliers to purchase natural gas and electricity to meet its sales commitments. Generally, these contracts have terms of less than two years. The Company's contractual obligations under these fixed-price supply contracts existing at September 30, 2012, are as follows: Fiscal 2013 - \$171,090; Fiscal 2014 - \$51,435; Fiscal 2015 - \$4,739.

We believe, after consultation with counsel, that there are currently no pending claims or legal actions that could have a material adverse effect on our financial position or results of operations.

UGI ENERGY SERVICES, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

(Thousands of dollars, except where indicated otherwise)

Note 10 – FAIR VALUE MEASUREMENTS

Derivative Financial Instruments

The following table presents our financial assets and financial liabilities that are measured at fair value on a recurring basis for each of the fair value hierarchy levels, including both current and noncurrent portions, as of September 30, 2012 and 2011.

	Asset (Liability)			Total
	Quoted Prices in Active Markets for Identical Assets and Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	
September 30, 2012:				
Assets:				
Derivative financial instruments:				
Commodity contracts	\$ 2,038	\$ 2,393	\$ -	\$ 4,431
Liabilities:				
Derivative financial instruments:				
Commodity contracts	\$ (7,134)	\$ (4,393)	\$ -	\$ (11,527)
September 30, 2011:				
Assets:				
Derivative financial instruments:				
Commodity contracts	\$ 3,522	\$ 2,395	\$ -	\$ 5,917
Liabilities:				
Derivative financial instruments:				
Commodity contracts	\$ (24,040)	\$ (1,170)	\$ -	\$ (25,210)

The fair values of our Level 1 exchange-traded commodity futures contracts and non exchange-traded commodity futures contracts are based upon actively-quoted market prices for identical assets and liabilities. The remainder of our derivative financial instruments are designated as Level 2. The fair values of these derivatives are based upon recent market transactions and related market indicators.

Other Financial Instruments

The carrying amounts of financial instruments included in current assets and current liabilities (excluding current maturities of long-term debt) approximate their fair values because of their short-term nature. At September 30, 2012 and 2011, the carrying amounts of our long-term debt (including current maturities) approximate their fair values. We estimate the fair value of long-term debt by discounting associated future cash flows using rates available for similar type debt (Level 2).

UGI ENERGY SERVICES, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

(Thousands of dollars, except where indicated otherwise)

We have trade accounts receivable which could expose us to concentrations of credit risk. The credit risk from trade accounts receivable is limited because we have no single customer that accounts for more than 10% of revenues.

Note 11 – DISCLOSURES ABOUT DERIVATIVE INSTRUMENTS & HEDGING ACTIVITIES

We are exposed to certain market risks related to our ongoing business operations. Management uses derivative commodity instruments, among other things, to manage commodity price risk. Although we use derivative commodity instruments to reduce market risk associated with forecasted transactions, we do not use derivative 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.

Because a substantial portion of our derivative instruments generally qualify as hedges under GAAP, we expect that changes in the fair value of derivative instruments used to manage commodity risk would be substantially offset by gains or losses on the associated anticipated transactions.

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 and electricity futures contracts. The Company also uses NYMEX and over the counter electricity futures contracts to hedge the price of a portion of its anticipated future sales of electricity from its electric generation facilities. In addition, beginning April 1, 2011, the Company uses NYMEX futures contracts to economically hedge the gross margin associated with the purchase and anticipated later sale of natural gas or propane. Because the contracts associated with the anticipated sale of stored natural gas or propane do not qualify for hedge accounting treatment, any gains or losses on the derivative contracts are recognized in earnings prior to gains or losses from the sale of the stored natural gas or propane.

At September 30, 2012 and 2011, there were 23.6 million dekatherms and 26.1 million dekatherms of natural gas hedged with NYMEX and over-the-counter futures contracts, respectively. At September 30, 2012, the maximum period over which we are currently hedging our exposure to the variability in cash flows associated with natural gas commodity price risk is 39 months with a weighted average of 11 months. At September 30, 2012 and 2011, there were 1,415.7 million kilowatt hours and 1,219.8 million kilowatt hours of electricity hedged with over-the-counter and NYMEX futures contracts, respectively. At September 30, 2012, there also were 135.3 million kilowatt hours of electricity hedged with over-the-counter and NYMEX futures put contracts. At September 30, 2012, the maximum period over which we are hedging forecasted purchases of electricity is 36 months with a weighted average of 10 months, and the maximum period over which we are hedging forecasted sales of electricity was 16 months with a weighted average of 8 months. At September 30, 2012, the volumes associated with the Company's natural gas and propane storage NYMEX contracts totaled 4.3 million dekatherms and 3.2 million gallons, respectively.

From time to time Energy Services uses price swap and option contracts to manage market risk associated with forecasted purchases of propane it sells under firm commitments. At September 30, 2012 and 2011, there were no forecasted purchases of propane hedged with over-the-counter price swap and option contracts.

UGI ENERGY SERVICES, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

(Thousands of dollars, except where indicated otherwise)

In order to reduce volatility associated with a substantial portion of its electricity transmission congestion costs, the Company purchases FTRs to economically hedge electricity transmission congestion costs associated with its fixed-price electricity sales contracts. FTRs are derivative financial instruments that entitle the holder to receive compensation for electricity transmission congestion charges that result when there is insufficient electricity transmission capacity on the electric transmission grid. Because these FTRs do not qualify for hedge accounting, FTRs are currently recorded at fair value with changes in fair value reflected in cost of sales. At September 30, 2012 and 2011, the volumes associated with the Company's FTRs totaled 921.9 million kilowatt hours and 1,418.6 million kilowatt hours, respectively. At September 30, 2012, the maximum period over which we are economically hedging electricity congestion with FTRs is 8 months.

We account for commodity price risk contracts (other than those contracts that are not eligible for hedge accounting) as cash flow hedges. Changes in the fair values of contracts qualifying for cash flow hedge accounting are recorded in AOCI to the extent effective in offsetting changes in the underlying commodity price risk. When earnings are affected by the hedged commodity, gains or losses are recorded in cost of sales on the Consolidated Statements of Income. At September 30, 2012, the amount of net losses associated with commodity price risk hedges expected to be reclassified into earnings during the next twelve months based upon current fair values is \$9,255.

Derivative Financial Instrument Credit Risk

We are exposed to risk of loss in the event of nonperformance by our derivative financial instrument counterparties. Our derivative financial instrument counterparties principally comprise major 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. Certain of these agreements call for the posting of collateral by the counterparty or by the Company in the forms of letters of credit, parental guarantees or cash. Additionally, our natural gas and electricity exchange-traded futures contracts generally require cash deposits in margin accounts. At September 30, 2012 and 2011, restricted cash in brokerage accounts totaled \$2,969 and \$12,889, respectively. Although we have concentrations of credit risk associated with derivative financial instruments, the maximum amount of loss, based upon the gross fair values of the derivative financial instruments, we would incur if these counterparties failed to perform according to the terms of their contracts was not material at September 30, 2012. We generally do not have credit-risk-related contingent features in our derivative contracts.

UGI ENERGY SERVICES, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

(Thousands of dollars, except where indicated otherwise)

The following table provides information regarding the balance sheet location and fair values of derivative assets and liabilities existing as of September 30, 2012 and 2011:

	Derivative Assets			Derivative (Liabilities)		
	Balance Sheet Location	Fair Value		Balance Sheet Location	Fair Value	
		2012	2011		2012	2011
Derivatives Designated as Hedging Instruments:						
Natural gas contracts	Derivative financial instruments and Other assets	\$ 2,116	\$ 128	Derivative financial instruments	\$ (6,165)	\$ (22,768)
Electricity contracts	Derivative financial instruments and Other assets	1,055	30	Derivative financial instruments	(4,393)	(2,433)
Total Derivatives Designated as Hedging Instruments		\$ 3,171	\$ 158		\$ (10,558)	\$ (25,201)
Derivatives Not Designated as Hedging Instruments:						
Natural gas	Derivative financial instruments	\$ -	\$ 3,364	Derivative financial instruments	\$ (969)	\$ -
Propane	Derivative financial instruments	516	-	Derivative financial instruments	-	(9)
FTRs	Derivative financial instruments	744	2,395		-	-
Total Derivatives Not Designated as Hedging Instruments		\$ 1,260	\$ 5,759		\$ (969)	\$ (9)
Total Derivatives		\$ 4,431	\$ 5,917		\$ (11,527)	\$ (25,210)

The following table provides information on the effects of derivative instruments on the Consolidated Statements of Income and changes in AOCI for Fiscal 2012 and 2011.

	Gain (Loss) Recognized in AOCI		Gain (Loss) Reclassified from AOCI into Income		Location of Gain (Loss) Reclassified from AOCI into Income
	2012	2011	2012	2011	
	Cash Flow Hedges:				
Natural gas contracts	\$ (35,945)	\$ (24,810)	\$ (52,521)	\$ (52,206)	Cost of sales
Electricity contracts	(16,976)	3,878	(16,041)	(941)	Cost of sales
Propane contracts	-	634	-	155	Cost of sales
Total	\$ (52,921)	\$ (20,298)	\$ (68,562)	\$ (52,992)	
Derivatives Not Designated as Hedging Instruments:					
Natural gas contracts	\$ (4,334)	\$ 3,364			Cost of sales
Propane contracts	1,516	(9)			Cost of sales
FTRs	940	(1,256)			Cost of sales
Total	\$ (1,878)	\$ 2,099			

The amounts of derivative gains or losses representing ineffectiveness and the amounts of gains or losses recognized in income as a result of excluding derivatives from ineffectiveness testing were not material in Fiscal 2012 or Fiscal 2011.

UGI ENERGY SERVICES, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

(Thousands of dollars, except where indicated otherwise)

We are also a party to a number of other contracts that have elements of a derivative instrument. These contracts include, among others, binding purchase orders, contracts which provide for the purchase and delivery, or sale, of natural gas, propane and electricity, and service contracts that require the counterparty to provide commodity storage, transportation or capacity service to meet our normal sales commitments. Although many of these contracts have the requisite elements of a derivative instrument, these contracts qualify for normal purchases and normal sales 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.

Note 12 – ACCOUNTS RECEIVABLE SECURITIZATION FACILITY

Energy Services has a \$200,000 receivables purchase facility (“Receivables Facility”) with an issuer of receivables-backed commercial paper currently scheduled to expire in April 2013, although the Receivables Facility may terminate prior to such date due to the termination of commitments of the Receivables Facility’s back-up purchasers.

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, Energy Services Funding Corporation (“ESFC”), which is consolidated for financial statement purposes. ESFC, in turn, has sold, and subject to certain conditions, may from time to time sell, an undivided interest in the receivables to a commercial paper conduit of a major bank. ESFC was created and has been structured to isolate its assets from creditors of Energy Services and its affiliates, including UGI. This two-step transaction is accounted for as a sale of receivables following the FASB’s guidance for accounting for transfers of financial assets and extinguishments of liabilities. Energy Services continues to service, administer and collect trade receivables on behalf of the commercial paper issuer and ESFC. Trade receivables sold to the commercial paper conduit remain on the Company’s balance sheet; the Company records a liability equal to the amount advanced by the commercial paper conduit; and the Company records interest expense on amounts sold to the commercial paper conduit.

During Fiscal 2012 and Fiscal 2011, Energy Services sold trade receivables totaling \$836,035 and \$1,134,855, respectively, to ESFC. During Fiscal 2012 and Fiscal 2011, ESFC sold an aggregate \$286,000 and \$88,000, respectively, of undivided interests in its trade receivables to the commercial paper conduit. At September 30, 2012, the outstanding balance of ESFC trade receivables was \$43,497 and there were no amounts sold to the commercial paper conduit and reflected on the balance sheet as bank loans. At September 30, 2011, the outstanding balance of ESFC trade receivables was \$52,051 and there was \$14,300 sold to the commercial paper conduit and reflected on the balance sheet as bank loans. Losses on sales of receivables to the commercial paper conduit during Fiscal 2012 and Fiscal 2011, which amounts are included in interest expense, totaled \$1,017 and \$1,222, respectively.

Note 13 – RELATED PARTY TRANSACTIONS

Enterprises allocates a portion of its payroll and related benefit costs to Energy Services for employee services provided to the Company. Such allocated expenses totaled \$421 and \$497 during Fiscal 2012 and Fiscal 2011, respectively.

UGI ENERGY SERVICES, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

(Thousands of dollars, except where indicated otherwise)

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. During Fiscal 2012 and Fiscal 2011, such corporate expenses totaled \$2,963 and \$2,992, respectively.

From time to time, Energy Services is a party to Storage Contract Administrative Agreements ("SCAAs") with UGI Utilities, Inc. ("UGI Utilities, Inc."), a wholly owned subsidiary of UGI. At September 30, 2012, UGI Utilities was a party to two three-year SCAAs with Energy Services expiring October 31, 2012 and October 31, 2013 and, during the periods covered by the financial statements, was a party to other SCAAs with Energy Services. Under the SCAAs, UGI Utilities has, among other things, and subject to recall for operational purposes, released certain storage and transportation contracts to Energy Services for the terms of the SCAAs. UGI Utilities also transferred certain associated 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, in turn, provides a firm delivery service and makes certain payments to UGI Utilities for its various obligations under the SCAAs. During Fiscal 2012 and Fiscal 2011, Energy Services received payments from UGI Utilities for storage inventories and pipeline transportation and storage capacity charges associated with the SCAAs totaling \$24,344 and \$35,231, respectively. In conjunction with the SCAAs, Energy Services paid UGI Utilities security deposits. The amounts of such security deposits, which are included in accounts receivable - related parties on the Consolidated Balance Sheets, were \$15,000 at September 30, 2012 and 2011. Effective November 1, 2012, UGI Utilities and Energy Services entered into two new SCAAs having terms of three years.

Pursuant to gas supply and delivery service agreements with UGI Utilities, the Company provides certain gas supply and related delivery services to UGI Utilities during the heating season months of November through March. During Fiscal 2012 and Fiscal 2011, the aggregate amount of these transactions (exclusive of transactions pursuant to SCAAs) totaled \$30,752 and \$30,093, respectively.

In addition, from time to time, the Company purchases natural gas or pipeline capacity from UGI Utilities. During Fiscal 2012 and Fiscal 2011, purchases from UGI Utilities totaled \$65,705 and \$85,655, respectively. Also from time to time, the Company sells natural gas, storage services, electricity or pipeline capacity to UGI Utilities (in addition to those transactions already described above). During Fiscal 2012 and Fiscal 2011, such sales totaled \$53,435 and \$53,617, respectively. These transactions did not have a material effect on the Company's financial position, results of operations or cash flows.

From time to time, Energy Services sells propane on an as needed basis to AmeriGas Propane, L.P. ("AmeriGas"), an affiliate of UGI. The sales price is generally based on market prices at the time of sale. Sales of propane by Energy Services to AmeriGas totaled \$359 and \$4,073 during Fiscal 2012 and 2011, respectively.

UGI ENERGY SERVICES, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

(Thousands of dollars, except where indicated otherwise)

During Fiscal 2012 and Fiscal 2011, UGID collaborated with UGI HVAC Enterprises, Inc., a second-tier wholly owned subsidiary of UGI, in jointly developing customer-sited, solar electricity projects in Pennsylvania. Under the cooperative arrangement, UGI HVAC Enterprises, Inc. served as the construction contractor for the projects, while UGID owns the solar facilities and has entered into long-term power sales agreements with the host customers, who receive electricity generated from these assets. UGID's investment in these projects, totaling \$9,026 and \$5,038 at September 30, 2012 and 2011, is included in property, plant and equipment on the Consolidated Balance Sheets.

On April 1, 2011, UGI contributed to the Company, through UGI Enterprises, certain natural gas storage facilities located in northern Pennsylvania previously owned by a subsidiary of UGI Utilities. The net book value of the natural gas storage facility assets transferred was \$10,949 which amount, net of related deferred taxes of \$308, is reflected as a contribution of net assets on the Fiscal 2011 Consolidated Statement of Stockholder's Equity.

In September 2011, UGI contributed to the Company, through UGI Enterprises, a 9.0 mile natural gas pipeline, related facilities and rights of way located in Mehoopany, Pennsylvania (the "Auburn Line") previously owned by a subsidiary of UGI Utilities. The net book value of the Auburn Line was \$1,109 which amount, net of related deferred taxes of \$180, is reflected as a contribution of net assets on the Fiscal 2011 Consolidated Statement of Stockholder's Equity.

Note 14 – PROVISIONS FOR EXIT COSTS - HUNLOCK GENERATING STATION

In conjunction with the Company's decision to construct a natural gas-fired electricity production facility at the site of its coal-fired electricity generation facility located near Wilkes Barre, Pennsylvania, during 2010 the Company committed to cease operations of its Hunlock Creek coal-fired electricity generation facility and recorded accruals associated with the shut-down activities. During Fiscal 2012 and Fiscal 2011, the Company increased asset retirement obligation accruals associated with the Hunlock Creek coal-fired generation facility in the amounts of \$1,500 and \$1,929, respectively, which amounts are included in operating and administrative expenses. The remaining accrued liability for shut down of the Hunlock Creek facility, principally comprising asset retirement obligations, was \$893 at September 30, 2012.

ATTACHMENT "F"
TAX CERTIFICATION STATEMENT

RECEIVED

MAY 03 2013

**PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU**

ATTACHMENT “G”

MASTER POWER SALES AGREEMENT

Thank you for your Business!

Welcome to UGI EnergyLink. We would like to thank you for selecting us as your Electric Supplier.

We plan to start supplying electricity to your account for the Service Period specified in your confirmation, in accordance with the terms and conditions of the attached contract. UGI EnergyLink will now supply the actual electricity you use while your Local Utility will continue to deliver that power to your business and read your meter. **If you have an Electric emergency, please contact your Local Utility immediately.**

This is a "Consolidated Bill" program. This means you will continue to receive only one bill from your Local Utility. It will contain the standard utility distribution and customer charges you normally receive, plus UGI EnergyLink's electric supply charges you agreed to pay.

- The Rate Plan you selected (Fixed, Variable, or Mixed) is shown on the enclosed copy of the contract terms and conditions you accepted during the online enrollment process.

You will receive renewal information from us approximately three months prior to contract end date. Should you have any questions, please contact us Monday - Friday 8:00 am – 5:00 pm.

(877) 729-0784 or (610) 743-7014

We at UGI EnergyLink look forward to building a strong, long-term relationship with you, and we will work hard to offer you the best in service and price. Thank you again for choosing UGI EnergyLink!

UGI Energy Services, Inc. Master Power Sales Agreement

This Master Power Sales Agreement ("Contract") is made effective _____, by and between UGI Energy Services, Inc. dba UGI EnergyLink ("UGIES") and _____ ("Customer") also referenced herein as a "Party" or collectively as the "Parties". This Contract incorporates all transaction-specific Confirmation Agreements executed by the Parties in the future, which shall take the form substantially set forth in the associated Confirmation or Welcome agreements.

- Nature of Transaction:** Customer and UGIES respectively agree to purchase and sell the full electric power requirements ("Power") for the accounts listed on the confirmation or welcome agreements. UGIES will serve as agent for Customer in accordance with the policies and procedures of Customer's electric distribution company ("EDC") in order to provide supply coordination functions, including, but not limited to, nominating, scheduling, and balancing. Customer will utilize UGIES as its sole Power supplier during the term of the Contract.
- Contract Term and Sales Period(s):** The effective term of this Contract shall commence with the date stated on the confirmation or welcome letter, or such date thereafter as service is authorized by Customer's EDC, and shall continue until a Party receives written notice of termination from the other Party specifying a termination date that is no earlier than 30 days after the date of the written notice. Termination shall be effective on the next earliest date permitted by Customer's EDC after notice is given. Notwithstanding such notice, however, this Contract shall remain effective for the duration of any and all Sales Period(s) specified in the Confirmation or Welcome Agreements.
- Quantity:** UGIES shall tender for delivery to Customer, and Customer must accept for receipt from UGIES, the Customer's full Power usage requirements for the accounts listed on the confirmation or welcome agreement.
- Contract Price:** For each kWh of Power tendered for delivery, Customer shall pay UGIES the Contract Price specified. The billed price shall include all charges, fees and taxes that are imposed on the Power prior to its delivery to Customer's EDC. Unless otherwise specified, all taxes applicable to such Power for which the taxable incident arises upon or after the Delivery Point (defined below), including but not limited to sales, use, transfer, gross receipts, or energy taxes (but excluding taxes on the income of UGIES), as well as any taxes assessed by the EDC, will be billed separately to Customer. If Customer is exempt from such taxes, Customer is responsible for identifying and requesting any exemption from the collection of taxes by filing appropriate documentation with UGIES. In the absence of agreement regarding pricing for any extension of service beyond the Pricing Period specified in the most recent Confirmation Agreement, Power delivered for Customer's account shall be billed by UGIES at the prevailing market rate.

5. **Price Adjustment:** In the event that the EDC or PJM: (i) implements a mandatory service for suppliers; (ii) changes transmission or capacity charges; or (iii) adopts any other changes in its tariff requirements or changes in Customer's capacity and/or transmission obligations, and such occurrence results in a material change in costs (upward or downward) to UGIES in providing service to Customer, UGIES may adjust the Contract Price (upward or downward, as appropriate) to Customer to reflect Customer's proportional share of such material change in costs (without markup). Customer acknowledges that the Contract Price stated above may be adjusted from time to time in accordance with this provision and agrees to be responsible for paying such revised level of the Contract Price.
6. **Title, Possession and Control:** UGIES shall deliver Customer's Power requirements to a "Delivery Point". The Delivery Point shall be on the EDC transmission system and will be determined by UGIES at the time of scheduling. Title and risk of loss to all Power purchased and sold under this Contract shall pass to Customer at the Delivery Point, and Customer shall be responsible for contracting with its EDC for delivery of Power to its facility from the Delivery Point. Customer is responsible for all distribution and service charges imposed by Customer's EDC applicable to the delivery of Power on the EDC's system to Customer's facility. Customer shall be responsible for (and shall cooperate with UGIES in) obtaining from its EDC metering and historical load information reasonably necessary to record values of consumed kW and kWh on a continuous basis necessary to allow for proper billing. UGIES shall not be responsible for any variation in the quality, including zero voltage, of the service provided by the EDC to Customer.
7. **Transmission Balancing and Overruns:** UGIES will be responsible for any and all charges or penalties imposed by Customer's EDC for failing to deliver Customer's Power usage requirements at the Delivery Point; provided, however, that Customer shall promptly notify UGIES of any known circumstances or conditions, other than variations in weather, that may cause significant or abrupt changes in Power usage at its facilities, and Customer agrees to pay directly, or reimburse UGIES for, any charge or penalty imposed by a Customer's EDC that results from Customer's failure to provide such information.
8. **Billing and Payment:** This is a consolidated bill program. Customer shall receive 1 bill from their EDC for UGIES charges. During the term of this Contract, UGIES shall bill Customer on a monthly basis based on the prior month's delivery of Power. The monthly billing periods shall correspond to the meter read dates of Customer's EDC. All amounts due hereunder shall be paid within ten (10) days of the date of receipt of the invoice. Any unpaid amounts shall accrue interest from the due date at the rate that is the lesser of 1½ % per month or the maximum lawful rate. If an amount due is not received from Customer when due, UGIES may upon five (5) business days prior written notice to Customer suspend deliveries, terminate this Contract and all associated transactions, and liquidate any Power purchased for delivery to Customer in future periods. Deliveries may not be curtailed and interest may not be accrued if Customer promptly provides written evidence of a good faith billing dispute and pays the undisputed amount. Customer agrees to reimburse UGIES for all reasonable cost that UGIES incurs, including reasonable attorney's fees, in any attempt to collect past due amounts from Customer.
9. **Credit:** If at any time, Customer does not meet UGIES' commercially reasonable creditworthiness standards, UGIES may require Customer to provide performance assurance in a form and amount reasonably acceptable to UGIES such as a letter of credit, third-party guarantee, deposit or prepayment. If Customer fails to provide such assurance within five (5) business days after notice from UGIES, then UGIES shall have no obligation to supply Customer with Power and may suspend deliveries, terminate this agreement and all associated transactions, and liquidate any Power purchased for delivery to Customer during future periods.
10. **Force Majeure:** Except for Customer's payment obligation, neither Party shall be liable for failure of performance due to causes beyond its reasonable control (force majeure), such as: failure of transmission facilities; acts of God; fire; civil disturbances; terroristic acts or threats; labor dispute; labor or material shortage; sabotage; action or restraint by court order or public or governmental authority (so long as the Claiming Party has not applied for or assisted in the application of such government action). A Party claiming inability due to force majeure must provide the other Party with prompt notice stating the reason for its inability, and must make reasonable efforts to promptly resolve such inability to perform. Financial inability to perform alone shall not relieve a Party of its obligation to perform. The Party claiming the force majeure shall not be required to buy Power (if UGIES) or sell Power (if Customer) to avoid the adverse impacts of a Force Majeure event. No Force Majeure event shall extend the term of the Contract or the Sales Period under any Confirmation Agreement.
11. **Failure to Deliver/Accept - Exclusive Remedy:** If for an unexcused reason either Party fails to perform its obligation hereunder to tender Power for delivery (in the case of UGIES) or accept Power tendered for delivery (in the case of Customer), the other Party's exclusive remedy shall be a) in the case of UGIES' failure, the positive difference, if any, between then price Customer paid for replacement Power and the Contract Price, multiplied by the quantity of Power UGIES failed to deliver; or b) in the case of Customer's failure, the positive difference, if any, between the Contract Price and the price UGIES obtained selling Power in a replacement market, multiplied by the quantity of Power not accepted by Customer. A Party shall act reasonably to minimize its damages, which shall include but not be limited to making reasonable efforts to obtain replacement supplies or a replacement market, where applicable. In the event that such reasonable efforts are unsuccessful or only partly successful, the Party failing to perform shall be responsible for an amount calculated by multiplying the Contract Price times the quantity of Power for which the other Party failed to obtain a replacement supply or replacement market, whichever applicable, in addition to any amounts calculated with respect to replacement supplies or replacement market(s). In calculating damages owed under this Section, UGIES shall net or aggregate, as appropriate: (i) any and all amounts owing between the parties under the Contract; (ii) any amount owed to Customer against any performance assurance provided by Customer and held by UGIES relating to the Contract; and (iii) any amount payable to Customer against any amount(s) payable by the Customer to UGIES under any other agreement between the Parties, so that all such amounts are netted or aggregated to a single liquidated amount payable by one Party or the other.

LIMITATION OF DAMAGES: IN NO INSTANCE AND FOR NO PURPOSE SHALL EITHER PARTY BE LIABLE TO THE OTHER FOR ANY SPECIAL, CONSEQUENTIAL, OR INCIDENTAL DAMAGES, REGARDLESS OF WHETHER A CLAIM IS MADE OR REMEDY IS SOUGHT IN CONTRACT, TORT, OR OTHERWISE.

12. **Notices:** Notice(s) required hereunder shall be deemed properly made if faxed, delivered personally or sent by nationally recognized overnight delivery service to the following addresses or facsimile number,
13. **Termination:** In addition to other termination rights either Party may have, UGIES may terminate this Contract if changes in law or regulation or the tariff rules of the Local Utility render performance hereunder unlawful or otherwise commercially unprofitable and makes reasonable efforts to find Customer another supplier. If service under this Contract for any designated account is terminated early for any reason, UGIES will be authorized to sell all power purchased for Customer's account for delivery after the termination date. Should that sale result in a loss, UGIES will charge \$50.00/month for each month of terminated service.

UGIES Representative: Adalix Rodriguez
Customer Care Representative
 UGI Energy Services, Inc.
 One Meridian Blvd., Suite 2C01
 Wyomissing, PA 19610

Telephone: 610/373-7999
877/729-0784
Facsimile: 610/374-4288

14. **Bankruptcy:** The parties specifically agree that this Contract and all transactions pursuant hereto are "Forward Contracts" as such term is defined in the United States Bankruptcy Code, 11 U.S.C., Section 101(25). If either Party becomes subject to Bankruptcy Code proceedings, it is understood and agreed that the other Party shall be entitled to exercise its right to liquidate this Contract as a "Forward Contract Merchant" under Section 556 of the U.S. Bankruptcy Code.
15. **Miscellaneous:** This Contract shall be construed in accordance with the laws of the Commonwealth of Pennsylvania, without recourse to provisions governing choice of law. No assignment of this Contract, in whole or in part, will be made without the prior written consent of the non-assigning Party, which consent will not be unreasonably withheld or delayed; provided, however, that (i) UGIES may, without the consent of Customer, transfer, sell, pledge, encumber or assign this Contract or the accounts, revenues, or proceeds hereof in connection with any financing or other financial arrangements, and (ii) either Party may, upon notice to the other, transfer or assign this Contract to an affiliate, which affiliate's creditworthiness is comparable to or higher than that of such Party, or transfer or assign this Contract to any person or entity succeeding to all or substantially all of the assets of such Party.

ATTACHMENT "H"

**PROOF OF REGISTRATION AS A
PJM LOAD SERVING ENTITY**

RECEIVED

MAY 03 2013

**PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU**

PJM Interconnection, L.L.C.
Rate Schedule FERC No. 44

RELIABILITY ASSURANCE AGREEMENT

Among

LOAD SERVING ENTITIES

in the

PJM REGION

RECEIVED

MAY 03 2013

**PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU**

Effective Date: 1/4/2013

RELIABILITY ASSURANCE AGREEMENT

RELIABILITY ASSURANCE AGREEMENT, dated as of this 1st day of June, 2007 by and among the entities set forth in Schedule 17 hereto, hereinafter referred to collectively as the "Parties" and individually as a "Party."

WITNESSETH:

WHEREAS, each Party to this Agreement is a Load Serving Entity within the PJM Region;

WHEREAS, each Party is committing to share its Capacity Resources with the other Parties to reduce the overall reserve requirements for the Parties while maintaining reliable service; and

WHEREAS, each Party is committing to provide mutual assistance to the other Parties during Emergencies;

WHEREAS, each Party is committing to coordinate its planning of Capacity Resources to satisfy the Reliability Principles and Standards; and

NOW THEREFORE, for and in consideration of the covenants and mutual agreements set forth herein and intending to be legally bound hereby, the Parties agree as follows:

Effective Date: 7/18/2012 - Docket #: ER12-1784-000

SCHEDULE 17

PARTIES TO THE RELIABILITY ASSURANCE AGREEMENT

This Schedule sets forth the Parties to the Agreement:

AEP Energy, Inc.
AEP Retail Energy Partners LLC
Agway Energy Services, LLC
Algonquin Energy Services Inc.
Allegheny Electric Cooperative, Inc.
Allegheny Energy Supply Company, L.L.C.
Alpha Gas and Electric LLC
Ambit Northeast, LLC
Ameren Energy Marketing Company
American Electric Power Service Corporation on behalf of its affiliates:
 Appalachian Power Company
 Indiana Michigan Power Company
 Kentucky Power Company
 Kingsport Power Company
 Ohio Power Company
 Wheeling Power Company.
American Illuminating Company, LLC
American Municipal Power, Inc.
American Power Partners LLC
American PowerNet Management, L.P.
American Transmission Systems, Inc.
AP Gas and Electric (PA), LLC
APN Starfirst, LP
ArcelorMittal USA LLC
Atlantic City Electric Company
Baltimore Gas and Electric Company
Bank of America, N.A.
Barclays Bank PLC
Barclays Capital Services, Inc
Bativa, IL (City of)
BBPC LLC d/b/a Great Eastern Energy
Blackstone Wind Farm, LLC
Blue Ridge Power Agency, Inc.
Border Energy Electric Services, Inc.
Borough of Butler, Butler Electric Division
Borough of Chambersburg
Borough of Lavallette, New Jersey
Borough of Milltown
Borough of Mont Alto, PA
Borough of Park Ridge, New Jersey
Borough of Pemberton
Borough of Pitcairn, Pennsylvania

Borough of Seaside Heights, New Jersey
Borough of South River, New Jersey
BP Energy Company
Brighten Energy LLC
Cargill Power Markets LLC
Castlebridge Energy Group, LLC
CCES LLC
Central Virginia Electric Cooperative
Centre Lane Trading Limited
Champion Energy Marketing LLC
Champion Energy, LLC
Choice Energy, LLC dba 4 Choice Energy, LLC
Cincinnati Bell Energy, LLC
Citizens' Electric Company of Lewisburg, PA
City of Cleveland, Department of Public Utilities, Division of Cleveland Public Power
City of Dover, Delaware
City of Naperville
City of New Martinsville - WV
City of Philippi - West VA
City of Rochelle
Clearview Electric, Inc.
Cleveland Electric Illuminating Company (The)
Commerce Energy, Inc.
Commonwealth Edison Company
Conectiv Energy Supply, Inc.
ConEdison Energy, Inc.
ConocoPhillips Company
Consolidated Edison Solutions, Inc.
Constellation Energy Commodities Group, Inc.
Constellation NewEnergy, Inc.
Constellation Power Source Generation, Inc.
Corporate Services Support Corp
Credit Suisse (USA), Inc.
Dayton Power & Light Company (The)
DC Energy LLC
Delaware Municipal Electric Corporation
Delmarva Power & Light Company
Denver Energy, LLC
Devonshire Energy LLC
Direct Energy Business, LLC
Direct Energy Services, LLC
Discount Energy Group, LLC
Discount Energy, LLC
Dominion Retail, Inc.
Downes Associates, Inc.
DPL Energy Resources, Inc.
DTE Energy Supply, Inc.
DTE Energy Trading, Inc.

Duke Energy Commercial Asset Management, Inc.
Duke Energy Kentucky, Inc.
Duke Energy Ohio, Inc.
Duke Energy Retail Sales, LLC
Duquesne Light Company
Duquesne Light Energy, LLC
Dynergy Energy Services, Inc.
Dynergy Kendall Energy, LLC
Eagle Energy, LLC
Easton Utilities Commission
EDF Industrial Power Services (IL), LLC
EDF Trading North America, LLC
Edison Mission Marketing and Trading, Inc.
Employers' Energy Alliance of Pennsylvania, Inc.
Energetix, Inc.
Energy America, LLC
Energy Cooperative Association of Pennsylvania (The)
Energy Cooperative of America, Inc.
Energy International Power Marketing Corporation
energy.me Midwest llc d/b/a energy.me
Energy Plus Holdings LLC
Energy Services Providers, Inc.
EnerPenn USA, LLC
ERA MA, LLC
Evraz Claymont Steel
Exelon Energy Company
Exelon Generation Co., LLC
FirstEnergy Solutions Corp.
First Point Power, LLC
Front Royal (Town of)
Galt Power Inc.
Gateway Energy Services Corporation
GenOn Power Midwest, LP
Gerdau Ameristeel Energy, Inc.
GDF Suez Retail Energy Solutions, LLC
Glacial Energy of New Jersey, Inc.
Great American Power, LLC
Green Mountain Energy Company
Hagerstown Light Department
Harrison REA, Inc. - Clarksburg, WV
Hess Corporation
HIKO Energy, LLC
Hoosier Energy REC, Inc.
HOP Energy, LLC
HSBC Technology & Services (USA), Inc.
Hudson Energy Services, LLC
IDT Energy, Inc.
Illinois Municipal Electric Agency

Iron Energy LLC
J. Aron & Company
J.P. Morgan Ventures Energy Corporation
Jack Rich, Inc. d/b/a Anthracite Power & Light Company
Jersey Central Power & Light Company
Keil and Sons, Inc. dba Systrum Energy
Kuehne Chemical Company, Inc.
L & P Electric Inc., d/b/a Leggett & Platt Electric Inc.
Liberty Power Corp., L.L.C.
Liberty Power Delaware LLC
Liberty Power Holdings LLC
Linde Energy Services, Inc.
Lower Electric, LLC
Macquarie Cook Energy LLC
Major Energy Electric Services LLC
Marathon Power, LLC
MC Squared Energy Services, LLC
Meadow Lake Wind Farm II LLC
Meadow Lake Wind Farm III LLC
Meadow Lake Wind Farm IV LLC
Meadow Lake Wind Farm LLC
MeadWestvaco Corporation
Metropolitan Edison Company
MidAmerican Energy Company
Mint Energy, LLC
Morgan Stanley Capital Group, Inc.
MP2 Energy NE, LLC
MXenergy Electric, Inc.
Natgasco, Inc.
Nextera Energy Services New Jersey, LLC
Nextera Energy Services, Illinois, LLC
Noble Americas Energy Solutions LLC
Noble Americas Gas & Power Corp.
Nordic Energy Services LLC
North American Power and Gas LLC.
North Carolina Electric Membership Corporation
North Carolina Municipal Power Agency Number 1
Northern Virginia Electric Cooperative – NOVEC
Northeastern REMC
NRG Power Marketing, L.L.C.
NYSEG Solutions, Inc.
Oasis Power, LLC dba Oasis Energy
Occidental Power Services, Inc.
Ohio Edison Company
Ohms Energy Company, LLC
Old Dominion Electric Cooperative
Palmco Power DC, LLC
Palmco Power IL, LLC

Palmco Power MD, LLC
Palmco Power NJ, LLC
Palmco Power OH, LLC
Palmco Power PA, LLC
Panda Power Corporation
Parma Energy, LLC
PBF Power Marketing LLC
PECO Energy Company
Pennsylvania Electric Company
Pennsylvania Power Company
People's Power & Gas, LLC
PEPCO Energy Services, Inc.
Planet Energy (Maryland) Corp.
Planet Energy (Pennsylvania) Corp.
Planet Energy (USA) Corp.
Plymouth Rock Energy, LLC
Potomac Electric Power Company
PPL Electric Utilities Corporation d/b/a PPL Utilities
PPL Energy Plus, LLC
Prairieland Energy, Inc.
PSEG Energy Resources and Trade LLC
Public Power, LLC
Public Service Electric & Gas Company
Realgy, LLC
Red Oak Power, LLC
ResCom Energy, LLC
Respond Power LLC
RG Steel Sparrows Point, LLC
Riverside Generating, LLC
Rolling Hills Generating, LLC
S.J. Energy Partners, Inc.
Santanna Energy Services
SMART Papers Holdings, LLC
Solios Power Mid-Atlantic Trading LLC
South Jersey Energy Company
South Jersey Energy Solutions, L.L.C.
Southeastern Power Administration
Southern Indiana Gas & Electric
Southern Maryland Electric Cooperative, Inc.
Spark Energy, L.P.
Sperian Energy Corp
Starion Energy PA Inc.
Stream Energy Columbia, LLC
Stream Energy Maryland, LLC
Stream Energy Pennsylvania, LLC
Superior Plus Energy Services Inc.
Sustainable Star, LLC
TC Energy Trading, LLC

Tenaska Power Services Co.
TERM Power & Gas, LLC
Texas Retail Energy, LLC
The Trustees of the University of Pennsylvania
Thurmont Municipal Light Company
Titan Gas and Power
Toledo Edison Company (The)
Town of Berlin, Maryland
Town of Williamsport
TransAlta Energy Marketing (U.S.) Inc.
TransCanada Power Marketing Ltd.
Tri-County Rural Electric Cooperative, Inc.
TriEagle Energy, LP
Trinity Powerworks, Inc.
U.S. Energy Partners dba PAETEC Energy Marketing
UBS AG, acting through its London Branch
UGI Energy Services, Inc.
UGI Utilities, Inc. - Electric Division
Valero Power Marketing, LLC
VCharge, Inc.
Verde Energy USA, Inc.
Verde Energy USA Illinois, LLC
Verde Energy USA Maryland, LLC
Verde Energy USA Ohio, LLC
Vineland Municipal Electric Utility (City of Vineland)
Virginia Electric & Power Company
Viridian Energy PA LLC
Wabash Valley Power Association, Inc.
Washington Gas Energy Services, Inc.
Wellsboro Electric Company
West Penn Power Company d/b/a Allegheny Power
Xoom Energy, LLC
Xoom Energy Maryland, LLC
Xoom Energy New Jersey, LLC
York Generation Company, LLC

Effective Date: 09/30/2012 - Docket #: ER13-396-000

CERTIFICATE OF SERVICE

On this the 3rd day of May, 2013, I certify that a true and correct copy of the foregoing application form for licensing within the Commonwealth of Pennsylvania as an Electric Generation Supplier and all attachments have been served upon the following:

Office of Consumer Advocate
5th Floor, Forum Place
555 Walnut Street
Harrisburg, PA 17120

Small Business Advocate
Commerce Building, Suite 1102
300 North Second Street
Harrisburg, PA 17101

Legal Department
West Penn Power d/b/a Allegheny Power
800 Cabin Hill Drive
Greensburg, PA 15601-1689

Regulatory Affairs
Duquesne Light Company
411 Seventh Street, MD 16-4
Pittsburgh, PA 15219

Legal Department
First Energy
2800 Pottsville Pike
Reading PA, 19612

Office of the Attorney General
Bureau of Consumer Protection
Strawberry Square, 14th Floor
Harrisburg, PA 17120

Commonwealth of Pennsylvania
Department of Revenue
Bureau of Compliance
Harrisburg, PA 17128-0946

Manager Energy Acquisition
PECO Energy Company
2301 Market Street
Philadelphia, PA 19101-8699

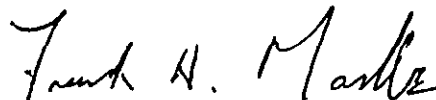
Legal Department
Attn: Paul Russell
PPL
Two North Ninth Street
Allentown, PA 18108-1179

UGI Utilities, Inc.
Attn: Rates Dept. – Choice Coordinator
2525 N. 12th Street, Suite 360
Post Office Box 12677
Reading, Pa 19612-2677

RECEIVED

MAY 03 2013

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU



Frank H. Markle, Esquire

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition of UGI Energy Services, Inc. for :
Approval to Transfer the Electric : **Docket Nos. A-125018 &**
Generation Supplier License of UGI : **A-2013- _____**
Energy Services, Inc. to UGI Energy :
Services, LLC

RECEIVED

MAY 03 2013

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

CERTIFICATE OF SERVICE

I hereby certify that I have, this 3rd day of May, 2013, served a true and correct copy of the foregoing document in the manner and upon the persons listed below in accordance with requirements of 52 Pa. Code §1.54 (relating to service by a party):

VIA FIRST-CLASS MAIL:

Office of Consumer Advocate
5th Floor, Forum Place
555 Walnut Street
Harrisburg, PA 17120

Office of the Attorney General
Bureau of Consumer Protection
Strawberry Square, 14th Floor
Harrisburg, PA 17120

Office of the Small Business Advocate
Commerce Building, Suite 1102
300 North Second Street
Harrisburg, PA 17101

Commonwealth of Pennsylvania
Department of Revenue
Bureau of Compliance
Harrisburg, PA 17128-0946

Legal Department
West Penn Power d/b/a Allegheny Power
800 Cabin Hill Drive
Greensburg, PA 15601-1689

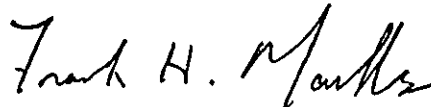
Manager Energy Acquisition
PECO Energy Company
2301 Market Street
Philadelphia, PA 19101-8699

Regulatory Affairs
Duquesne Light Company
411 Seventh Street, MD 16-4
Pittsburgh, PA 15219

Legal Department
Attn: Paul Russell
PPL
Two North Ninth Street
Allentown, PA 18108-1179

Legal Department
First Energy
2800 Pottsville Pike
Reading PA, 19612

UGI Utilities, Inc.
Attn: Rates Dept. – Choice Coordinator
2525 N. 12th Street, Suite 360
Post Office Box 12677
Reading, Pa 19612-2677



Frank H. Markle
Attorney for UGI Energy Services, Inc.

Dated: May 3, 2013

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MAY 03 2013

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

From: (610) 882-3209
Frank Markle
UCI Corporation
460 N. Gulph Road

Origin ID: KPDA



Ship Date: 03MAY13
ActWgt: 2.0 LB
CAD: 100325250ANET13370

King of Prussia, PA 19406

Delivery Address Bar Code



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SHIP TO: (717) 783-1740

BILL SENDER

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Comm.
400 NORTH ST
COMMONWEALTH KEYSTONE BLDG.
HARRISBURG, PA 17120

Rel # 0411
Invoice #
PO #
Dept #

MAY 03 2013

PA PUBLIC UTILITY COMMISSION
MON - 06 MAY 2013
SECRETARY'S BUREAU
STANDARD OVERNIGHT

TRK# 7996 5648 3078

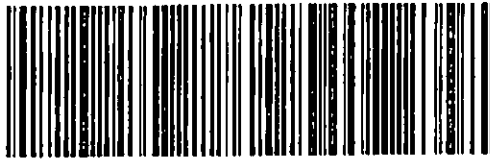
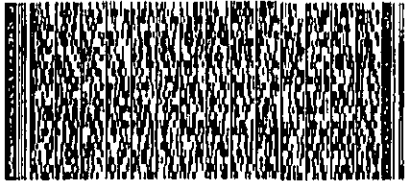
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