UGI Invests in Renewable Energy Producer Ag-Grid Energy

April 21, 2022

WYOMISSING, Pa.--(BUSINESS WIRE)--Apr. 21, 2022-- UGI Corporation (NYSE: UGI) announced today that its subsidiary, UGI Energy Services, LLC, acquired a 33% equity interest in Ag-Grid Energy LLC ("Ag-Grid"), a renewable energy producer with projects in the United States. Ag-Grid currently develops and operates small scale renewable power projects that support local energy demands while lowering emissions.

Ag-Grid is currently engaged in the production of renewable power with four operational projects, in Connecticut and Massachusetts, and two under construction with a target completion date in December 2022. These six projects include the conversion of dairy waste and roughly 16 million gallons of food waste annually from nearby food manufacturers to renewable power. Ag-Grid also has food waste de-packaging services at selected sites. The renewable power, currently produced annually through the use of anaerobic digesters, is sold through long-term net metering contracts to local utility and industrial customers. Approximately 1,300 kilowatts of power generation capacity is now in-service with the four existing projects, and an additional 1,500 kilowatts is expected after the completion of the two projects under construction in Connecticut and New York.

Ag-Grid also has a strong pipeline of dairy and food waste digester projects that are expected to produce additional renewable power and renewable natural gas ("RNG") in the U.S. GHI Energy, LLC, a wholly owned subsidiary of UGI, will be the exclusive off-taker and marketer of RNG for Ag-Grid.

"We are pleased with the opportunity to increase our supply of safe, reliable, affordable and environmentally friendly energy," said Robert F. Beard, Executive Vice President – Natural Gas, Global Engineering, Construction & Procurement, UGI. "This investment provides a platform for growth and additional diversification as we expand our renewables footprint into new geographies. We look forward to a long, productive relationship with Ag-Grid."

"We are very excited to partner with UGI and look forward to creating a reliable supply of renewable energy for UGI and achieve our common goals of environmental stewardship and long-term sustainability of the communities that we serve and operate in," said Rashi Akki, Founder and CEO of Ag-Grid Energy. "Ag-Grid has a robust pipeline of projects in both renewable electricity and RNG and, with this partnership, we will be able to effectively execute and accelerate these projects to provide enhanced financial and environmental sustainability benefits to all stakeholders including our dairy farm partners as well as our food waste partners."

About UGI Corporation

UGI Corporation is a distributor and marketer of energy products and services. Through subsidiaries, UGI operates natural gas and electric utilities in Pennsylvania, natural gas utilities in West Virginia, distributes LPG both domestically (through AmeriGas) and internationally (through UGI International), manages midstream energy assets in Pennsylvania, Ohio, and West Virginia and electric generation assets in Pennsylvania, and engages in energy marketing, including renewable natural gas, in the Mid-Atlantic region of the United States and California, and internationally in France, Belgium, the Netherlands and the UK.

Comprehensive information about UGI Corporation is available on the Internet at https://www.ugicorp.com.

About Ag-Grid Energy

Ag-Grid Energy is a developer, owner and operator of waste to energy facilities on dairy farms in the United States. Ag-Grid Energy has a vision to convert agricultural and organic waste into renewable energy and byproducts to support local area practices that leads towards a sustainable environment.

Comprehensive information about Ag-Grid Energy is available on the Internet at https://www.aggridenergy.com.

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