



UGI Commits Funding for Largest Renewable Natural Gas Project to Date

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WYOMISSING, Pa.--(BUSINESS WIRE)--May 16, 2022-- UGI Energy Services, LLC ("UGIES"), a subsidiary of UGI Corporation (NYSE: [UGI](#)), today announced an agreement with MBL Bioenergy to fully fund the first set of renewable natural gas ("RNG") projects currently under development in South Dakota. In total, the project will represent over \$70 million of investment by MBL Bioenergy, of which 100% of the funds will be provided by UGIES. MBL Bioenergy is a joint venture partnership between UGIES, Sevana Bioenergy and a subsidiary of California Bioenergy ("CalBio") with the sole purpose of developing RNG projects in South Dakota.

The first set of projects, known as a cluster, will be built at three farms located north of Sioux Falls, SD, and is expected to generate approximately 300 million cubic feet of RNG annually once completed in calendar year 2024. Dairy waste from the farms will be anaerobically digested and then piped to a central upgrading facility before it is delivered into the interstate natural gas system near Dell Rapids, SD. UGIES, through its wholly-owned subsidiary, GHI Energy, will be the exclusive marketer for MBL Bioenergy.

"This project sets a new standard for UGI in terms of scope and size and represents a huge milestone in UGI's investments in, and expected earnings contribution from, RNG projects," said Robert F. Beard, Executive Vice President - Natural Gas, Global Engineering, Construction & Procurement, UGI. "We are pleased to be partnering with industry-leading developers on this project that will substantially reduce greenhouse gas emissions, using dairy RNG as a vehicle fuel. We look forward to making additional investments in our MBL partnership as we advance the use of RNG as an environmentally responsible and clean energy solution."

"This partnership with UGI is another positive step forward in expanding our carbon negative renewable natural gas business," said N. Ross Buckenham, CEO of CalBio. "Our dairy methane capture and refining projects are delivering significant environmental benefits, improving economics for dairy farm partners and supplying a clean burning diesel replacement fuel. Through our subsidiary, Midwest Bioenergy LLC, this joint venture with UGIES, a new, powerful and committed strategic partner, anchors our dairy RNG expansion into the Midwest and will significantly expand our fuel production."

"Sevana brought together exceptional partners to build this industry-leading RNG project. We are excited to strengthen our existing relationship with UGI to decarbonize transportation fuels through this and other projects. Sevana's team of biogas experts is deploying state-of-the-art renewable energy technology in multiple RNG projects to form value-adding partnerships in agricultural communities," said Steve Compton, President of Sevana. "We appreciate the opportunity to work closely with our partners and South Dakota farmers and communities to benefit the local economy and environment."

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, California, and the District of Columbia 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 CalBio

CalBio is a leading developer of dairy digesters for generating renewable vehicle fuel and electricity. Founded in 2006, CalBio works closely with local and state agencies, the California Air Resources Board, USDA, the dairy industry and individual dairy farmers to achieve methane reductions, protect local air and water quality, create jobs, and generate a new revenue stream for the dairy family. CalBio is currently operating and/or developing over 100 dairy digester projects in California and now through its affiliates: Midwest Bio, Northwest Bio, and Southwest Bio, is developing projects across the country. For more information call CalBio or visit: www.calbioenergy.com.

About Sevana

Sevana Bioenergy develops, designs, owns and operates large-scale anaerobic digestion projects which produce renewable natural gas and organic based soil amendments. Using state-of-the-art technology, engineering, and design, we are advancing the future of biogas energy production in the United States. Biogas projects reduce waste, increase the use of renewable energy and reduce long-term greenhouse gas emissions. Our mission is to be a market leader in accelerating the production of renewable natural gas derived from anaerobic digestion facilities in North America. With an experienced team of national and international experts, we build value-add partnerships in agricultural communities by creating new markets for existing agricultural businesses. Our goal is to ensure that communities benefit and thrive through these partnerships while building renewable solutions to local waste and energy challenges. More information is available at www.sevanabioenergy.com.

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