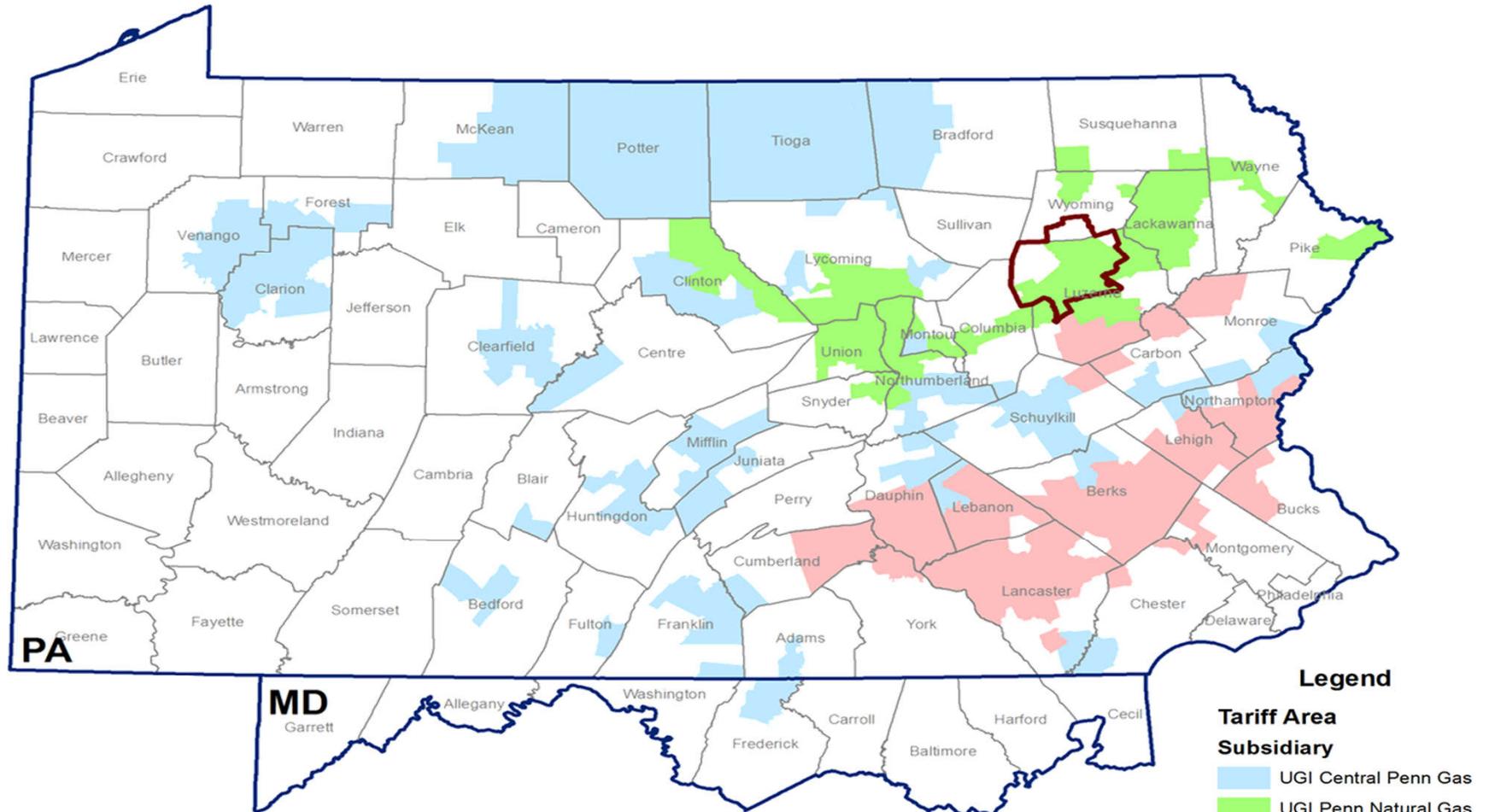




Energy to do more[®]

Growth Capital &
Recovery Mechanisms

UGI Utilities Service Territory



*Larger markets include the following: Allentown, Bethlehem, Easton, Reading, Lancaster, Lebanon, Harrisburg, Hazleton. Approximately 700,000 customers in entire service territory.

Investment Creating Value

Favorable PA rate making mechanisms reduce regulatory lag...

- Fully projected future test year
- Distribution System Improvement Charge (“DSIC”)
- Nearly 90% of FY17 investment in rates within 12 months

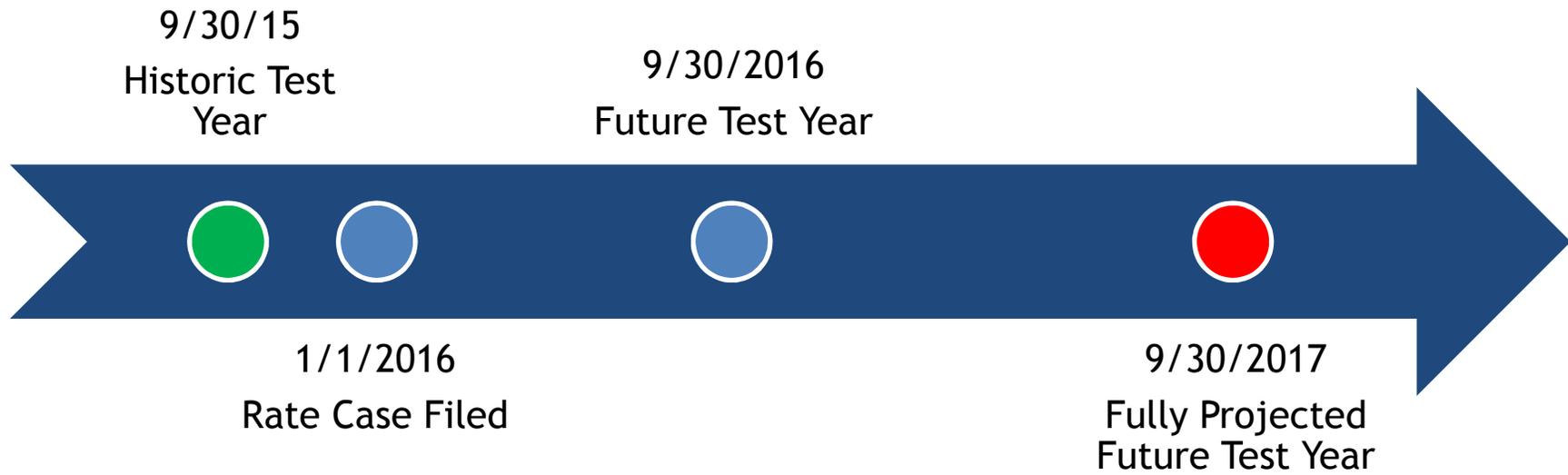
Innovative programs driving growth opportunities...

- Energy Efficiency & Conservation program (“EE&C”)
- Technology & Economic Development (“TED”)
- GET Gas program

Fully Projected Future Test Year

- Rate setting mechanism that utilizes forward look to project rate base, operating expenses and revenue
- Significantly reduces regulatory lag on capital and expense recovery

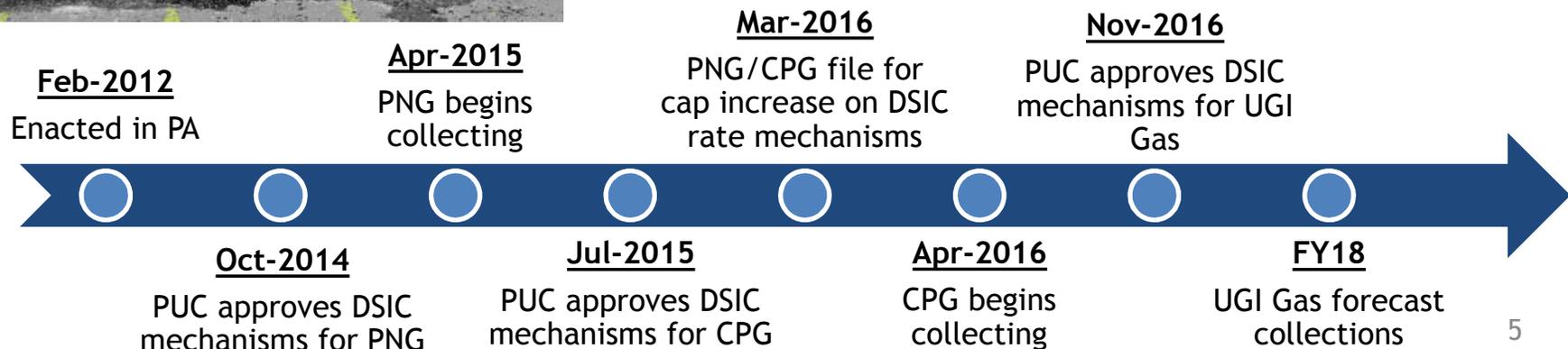
UGI-Gas Rate Case Example



Distribution System Improvement Charge



- Promotes replacement & betterment investment
- Surcharge on bill
- Currently capped at 5% of distribution cost
- Requested cap increase to 10% on PNG & CPG



Energy Efficiency & Conservation Program

- Filed with UGI Gas base rate case
- 5-year, \$27 million program (FY17 - FY21)
 - Fully recoverable investment
- Energy Efficiency Program provides rebates to new and existing customers incentivizing high-efficiency gas appliance conversions or upgrades
 - Prescriptive and retrofit incentive programs for residential and nonresidential customers
 - New construction incentives for developers
 - Behavioral and education initiatives
- Commercial & Industrial CHP Program
- Supports customer satisfaction and retention of residential and nonresidential customer base

Technology & Economic Development

- 3-year pilot program
- Provides rate flexibility for small- & mid-size C&I customers
 - Natural gas conversions
 - Expanding uses (CHP, NGV)
- Investment recovered over life of service



Growth Extension Tariff



- Extending service to unserved & underserved
- 5-year, \$75mm pilot program
- Surcharge on bills
- Over 35 projects completed or underway

Summary of Approach

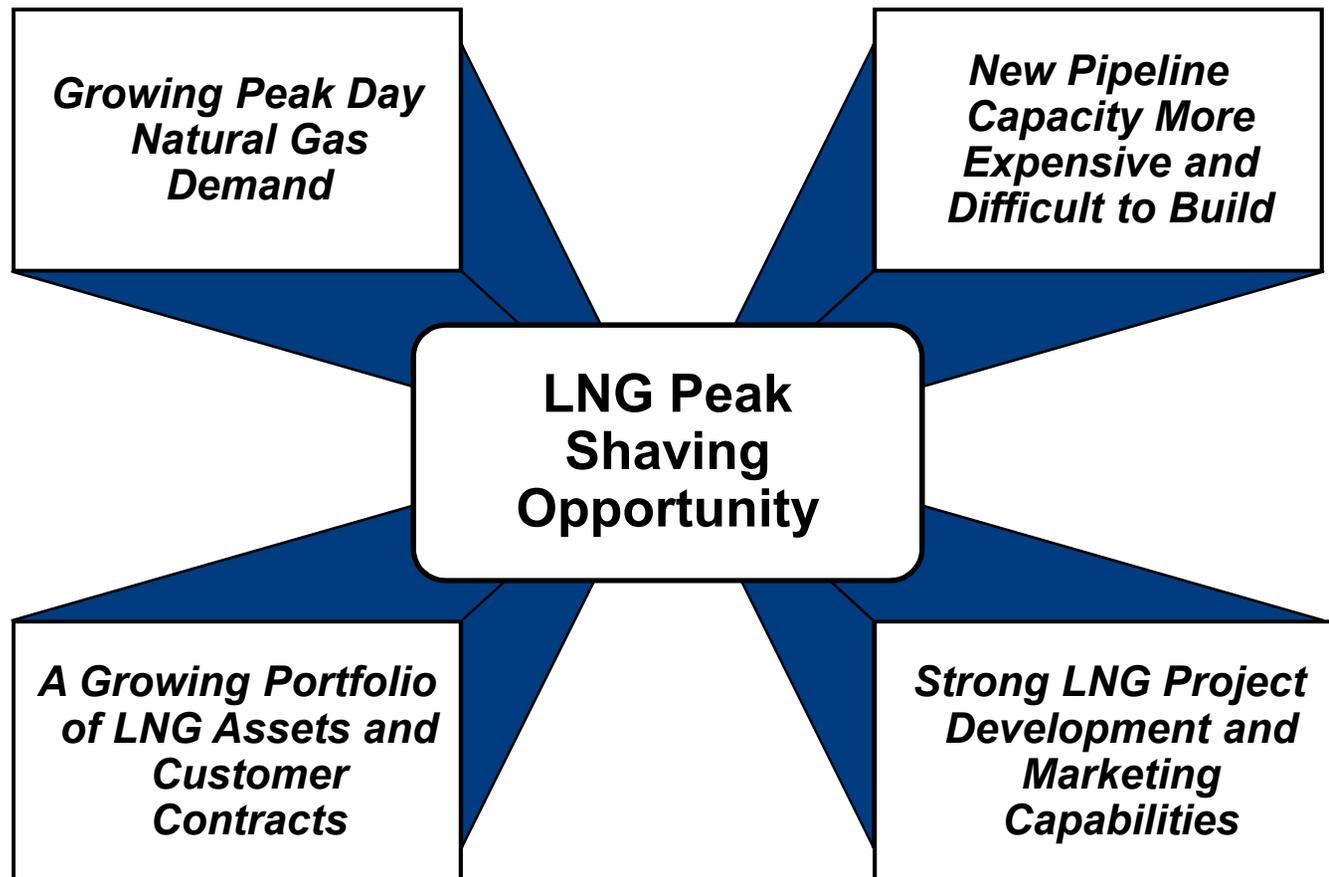
- Leverage value of Fully Projected Future Test Year and DSIC in reducing regulatory recovery lag
- Continued focus on supporting profitable growth and customer satisfaction through innovative rate offerings such as EE&C, TED and GET Gas
- Leverage continued expansion of Pennsylvania shale gas resources



LNG Strategy &
Asset Portfolio

The LNG Business Opportunity

UGI Energy Services has been active in the LNG business since 2002, growth has accelerated over the last five years and is expected to continue.



LNG Business Overview

All Aspects of Value Chain

LNG Assets

- Liquefaction capacity and access to firm, low cost natural gas
- LNG storage
- LNG trucking (utilize multiple LNG carriers)
- LNG vaporization/delivery capacity

LNG Capabilities

- Development, permitting, and construction (very specialized)
- Operations and logistics
- Natural gas procurement and sales (leverage off of natural gas marketing and asset management business)
- LNG marketing and sales (strong relationships/track record)

Specialized Skill Sets

UGIES' LNG Products and Services

LNG Liquid Sales

- Sell liquid to LDC peak shaving facilities
 - “Summer” refill, Winter re-charge (including options)
- Sell liquid to remote industrials, truck fleets, drilling rigs
 - Provides upside to the business, more dependent on oil/gas spreads

LNG “Vapor Sales”

- Storage and peaking service
 - Firm daily and seasonal quantities supported by demand charges
 - Cost effective solution to cover peaks relative to pipeline capacity
- Opportunistic peaking and asset management
 - Sell LNG during price spikes
 - Manage other companies' LNG assets

The Temple LNG facility is UGI's core LNG asset serving customers in the Middle Atlantic and New England.

- Located near Reading, PA
- Storage Capacity: 15 million gallons of LNG or about 1.25 Bcf
- Liquefaction Capacity: up to 10,000 Dth/day (120,000 gallons per day)
- Vaporization Capacity: 205,000 Dth/day (capable of delivering into TETCO)
- Equipped with LNG tanker truck loading capability
- Receives natural gas via Texas Eastern Pipeline (TETCO)
- Regulated by the Federal Energy Regulatory Commission
- Owned and operated by UGI LNG, Inc.
- 100% of the capacity is contracted by UGI Energy Services



Over the last five years, about \$130 million has been invested in expanding and improving the Temple facility

Energy Services has built a successful peak shaving business using Temple LNG and a series of six propane air peak shaving plants to serve load on various UGI Utility systems.

Eastern Pennsylvania



In the process, Energy Services has been able to free up interstate pipeline capacity for more valuable markets and has helped close the infrastructure gap in the region.

LNG Business Strategy

- Continue peaking capacity build out to serve growing UGI demand and contractual obligations
- Focus further business expansion in high cost capacity market areas in the Middle Atlantic and New England
 - Sell LNG liquid for existing peak shaving plants
 - Sell bundled peaking service to LDCs
 - Manage LDC LNG assets
 - Build new LNG storage and vaporization facilities
- Continue to secure customers in the alternative fuel market: trucks, remote industrial, and future rail and marine

UGIES is currently making large investments in various LNG assets to grow and strengthen the business

Liquefaction

Manning LNG -- Adding 10,000 Dth/d of liquefaction capacity in the heart of the low cost Marcellus Region to serve New England and Mid Atlantic

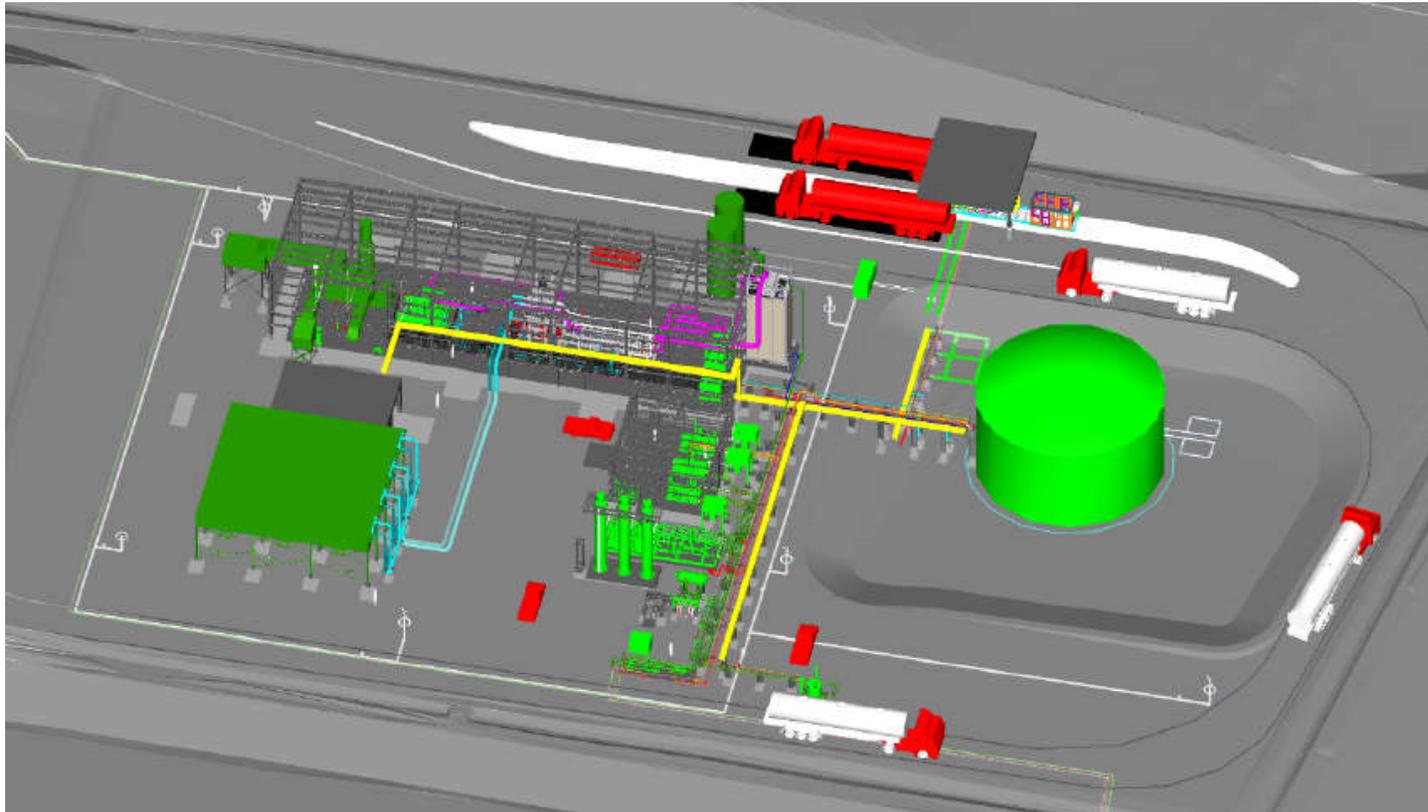
Large Scale LNG Peak Shaving & Storage

Steelton LNG Peak Shaving -- Adding 75,000 Dth/d of LNG vaporization and 2 MM gallons of LNG storage at a cost lower than incremental pipeline expansions

Portable LNG Peak Shaving

UGIES is entering the portable LNG peak shaving business with two new projects providing a total of 15,000 Dth/d of capacity

Manning Liquefaction Plant

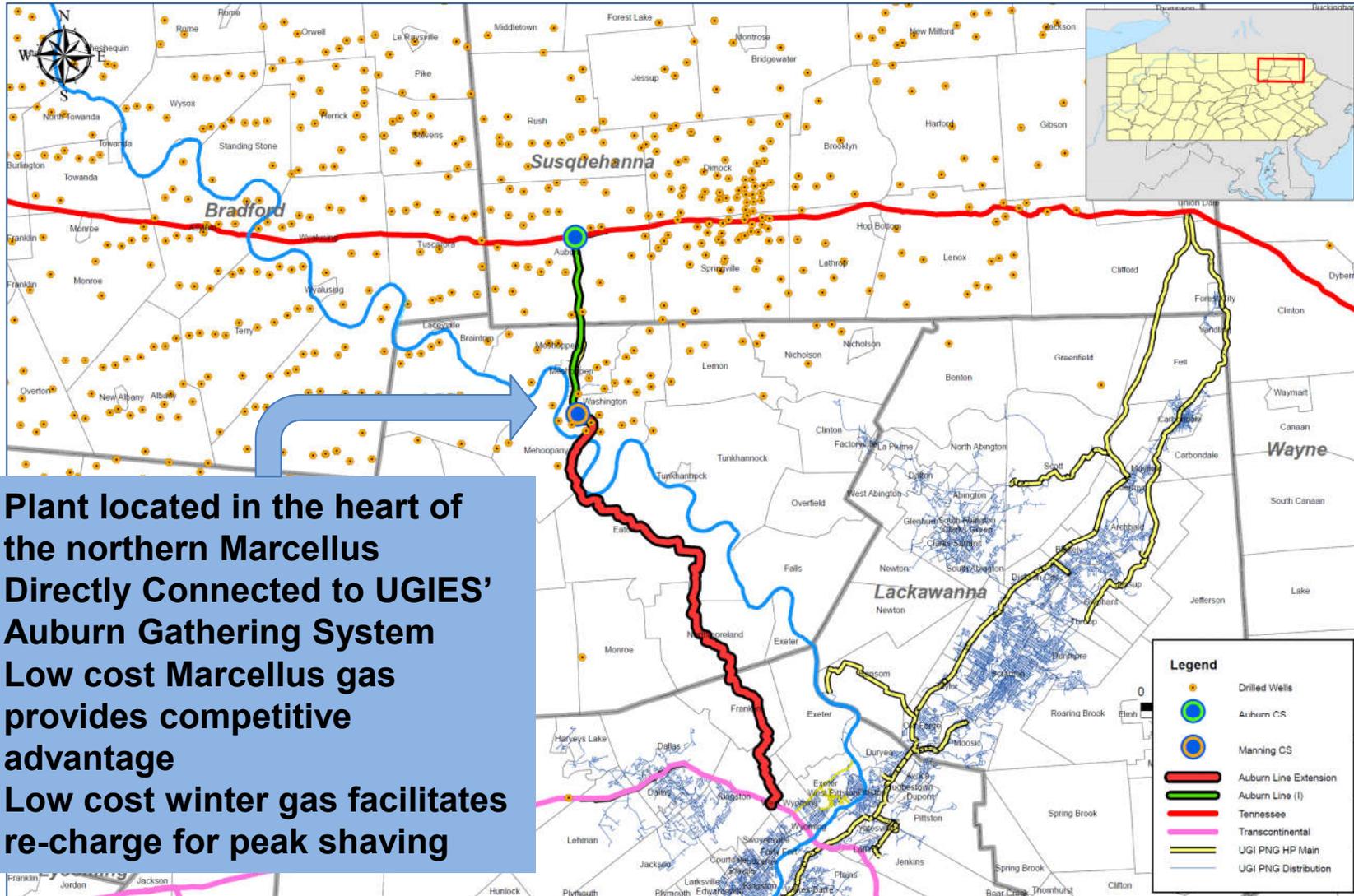


Location: Mehoopany, PA,

Scope: New 10,000 Dth/day natural gas driven, nitrogen cycle LNG plant with 0.5 million gallons of LNG storage

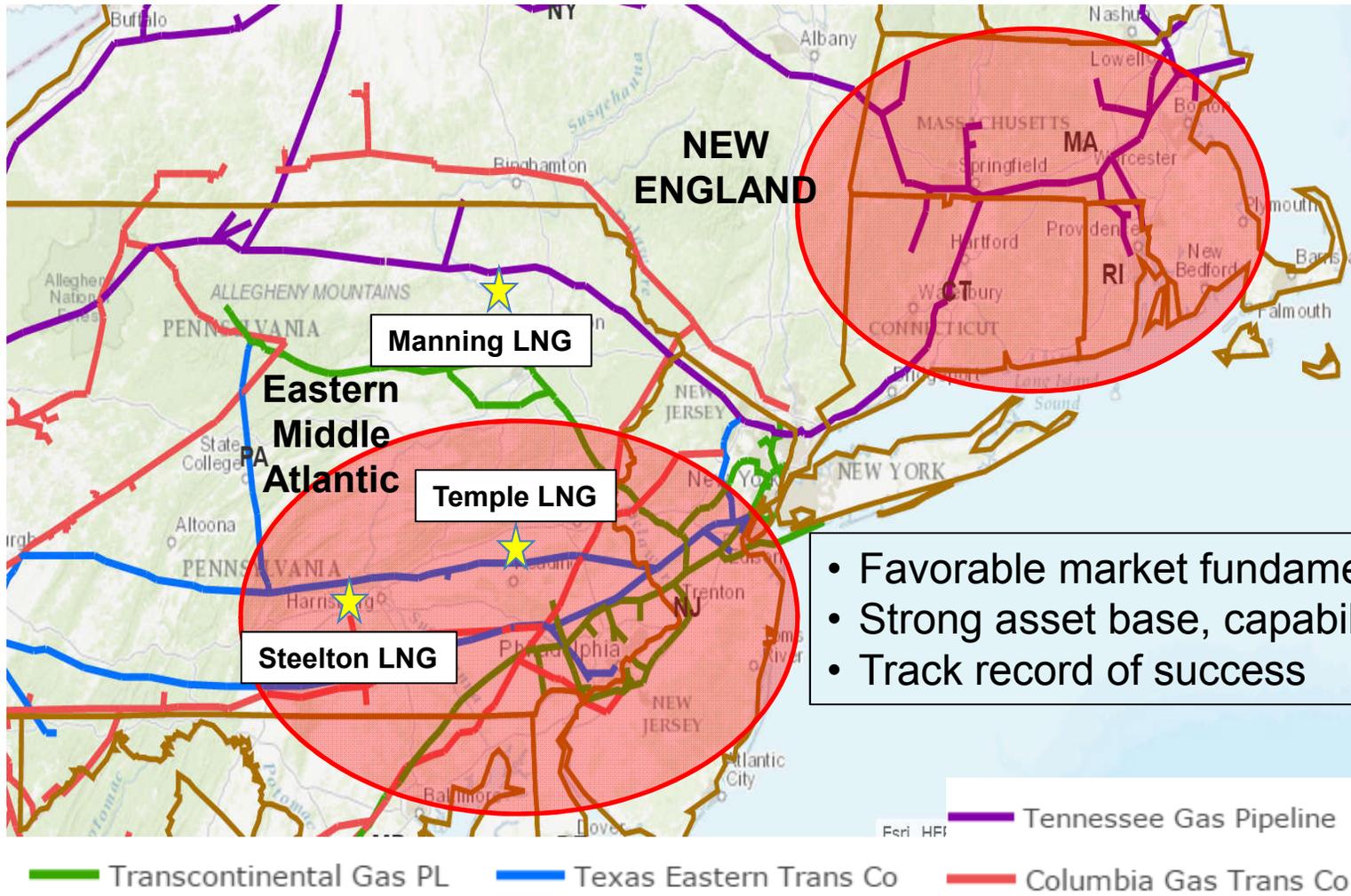
Cost and Schedule: \$60 MM; Under construction; Target COD 1Q Cal 2017

Manning LNG Plant Location



- Plant located in the heart of the northern Marcellus
- Directly Connected to UGIES' Auburn Gathering System
- Low cost Marcellus gas provides competitive advantage
- Low cost winter gas facilitates re-charge for peak shaving

UGI's LNG business is well positioned for further growth



- Favorable market fundamentals
- Strong asset base, capabilities
- Track record of success

A dark blue horizontal bar containing the word "Appendix" in white, bold, sans-serif font.

Appendix

Steelton Satellite LNG Plant

Location: Steelton (Harrisburg), Pennsylvania

Scope:

- Large scale peak shaving facility
- 75,000 Dth/day of LNG vaporization capacity
- Two million gallons of full containment LNG storage
- Two truck unloading/loading bays

Schedule: Under construction;
Target commercial operation date
4Q Cal 2017



Portable LNG Peak Shaving

- Portable LNG Peak Shaving consists of small scale, trailer mounted, storage and vaporization units
- Portable peak shaving facilities require less land, are easier to site, and faster to deploy than permanent facilities
- Portable peak shaving facilities can be located at critical areas on the LDC distribution system where peaking is needed the most
- Equipment can be re-deployed in the non-peak shaving months
 - LNG trailers can be used to haul LNG in the off-peak months reducing trucking costs
 - Portable equipment can be redeployed to serve seasonal customers like remote asphalt plants or LDCs doing pipeline repair work





Use of Technology to Improve
Customer Experience & Drive Efficiency

AmeriMobile R.O.A.D

Route Optimization And Dispatch

AmeriGas

**DRIVING
EVERY DAY**

Tony Rosback - COO
Jim Maguire - CIO

Distribution: Size of the Prize (Retail)



People Costs per Year \approx \$460 MILLION!



Vehicle Fuel per Year \approx \$47 MILLION!



Vehicle R&M per Year \approx \$52 MILLION!

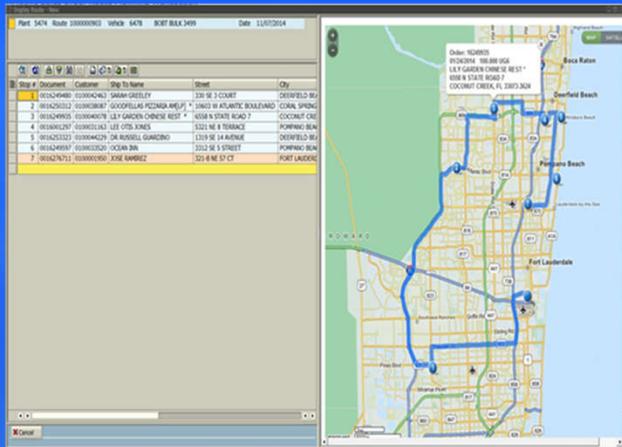


Vehicle Miles per Year \approx 137 MILLION!

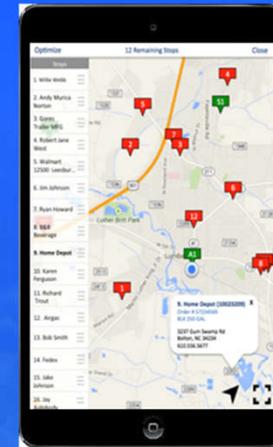
Using internal efficiencies to offset inflation

AmeriMobile ROAD

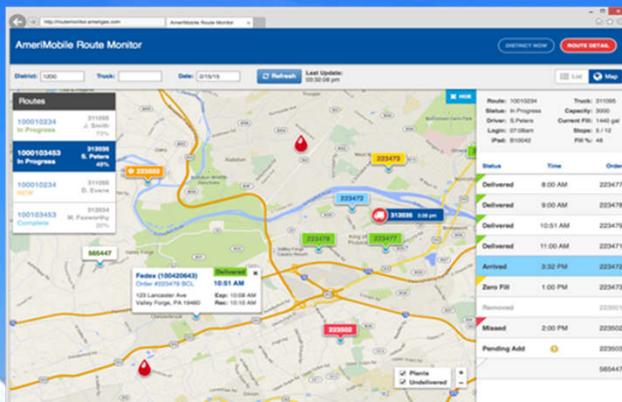
Route Planning/Visualization (SAP)



AmeriMobile Handheld



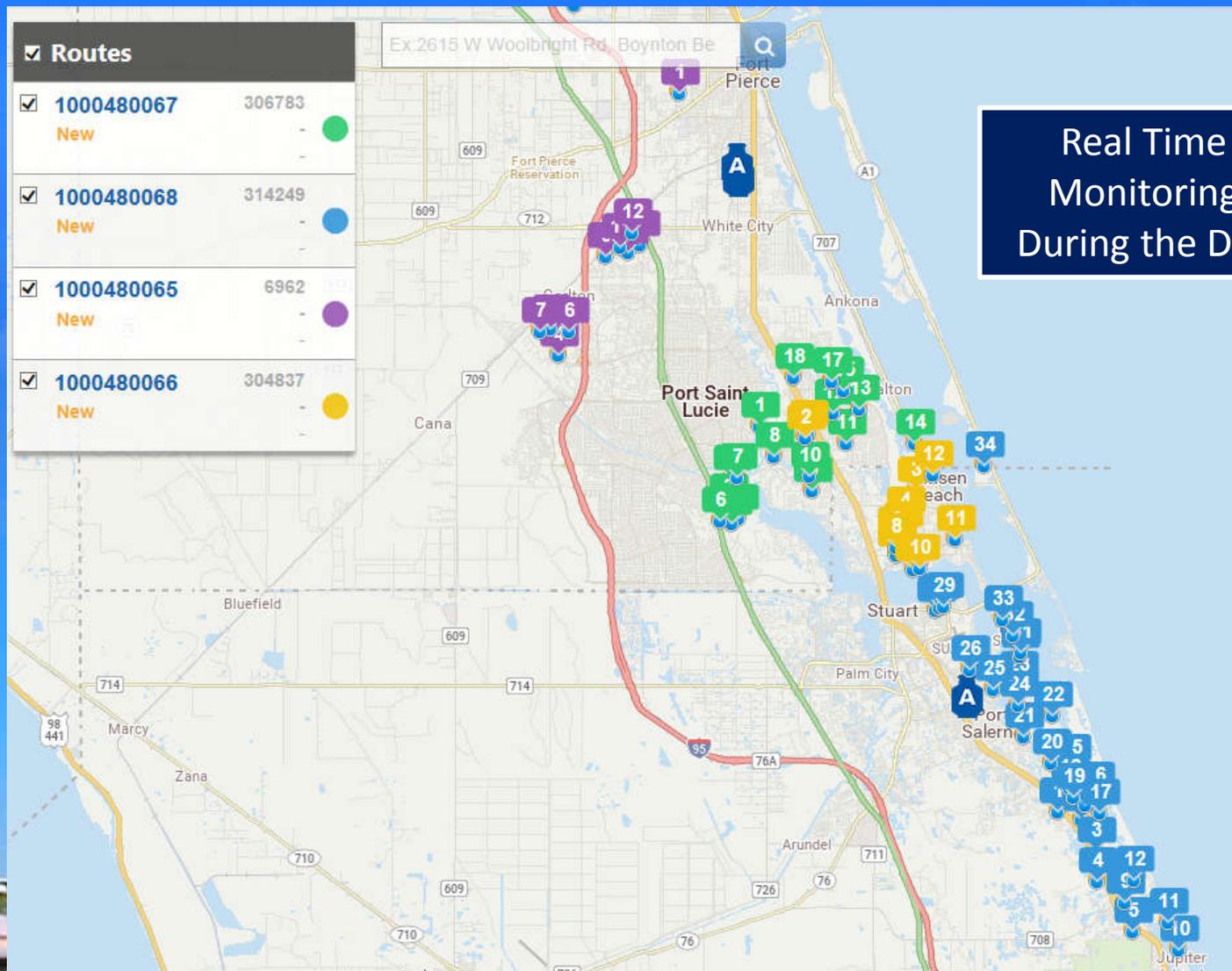
Route Monitor



Distribution Health Check



Creating Effective Routes Coaching/Training Opportunities



Real Time
Monitoring
During the Day



Efficient Delivery – Driver’s Device – Key Functions



Route/Order Detail

Stops Messages Completed Stops

Current : ** Rt: 1000479161 :Truck# 306263

STP #	Type	SI	Customer	Order	Street
1	BGL	*	CONSOLIDATED SUPPLY CO PACI...	76223618	703 VALET
2	BCL		OZBURN-HESSEY - SUMNER WA	76225501	1607 136T
3	BLK		MARY MCKAY	76060523	16808 36T
4	BLK	*	RON CRAWFORD	76060533	1917 217T
5	BLK		GARY GROSSE	76189844	18222 SE
6	TST		1400 OWN USE ESV 306263	76317617	19244 E V
7	BGL		LIFTING GEAR HIRE CORPORATION	76258286	18601 72H
8	BGL	*	ESTES TRANSPORTATION	76217675	2102 W V
9	BLK		CLINT VENEKAMP	76058878	2299 7TH

View Map

Options

Customer Detail

Route Enter an address Close

4. Ron Crawford
BLK Order # 76060533
Quantity: 53 GAL
ShipTo: 100908593
Capacity: 120 GAL
1917 217Th Ave Ct E
Lake Tapps,Wa,98391-8324
2538458829

Clear Line

Re-Route/Optimize

Route Enter an address Close

Select Stops Include All

Start Kalamazoo
End Kalamazoo

Optimize Stop Sequence

Avoid Tolls: ON, Avoid Traffic: ON

5. Scott Miller
70483775

6. Scamehorn,
William
70483779

7. Thompson,
Herbert
70483778

8. Tolls-Bucklin,
Carol
70483781

9. David And
Sharon Gr...
70400027

10. Home Depot
Store 2785
70252254

11. Heartland
Health Care
70483786

12. Tractor
Supply #255 ...
70252376

Clear Line

Safety Checks

Bulk Delivery

Delivery Type: BLK
Ship To: 100887851
CL
225
MIL
255
Dal
Wa

Warning!
The PFI will be due for:

Serial #:196884
Due: 08/10/2016

Please make every effort to complete the PFI for the tank(s) now.

No Yes

Options Summary





European LPG
Business Highlights

UGI International's footprint in Europe



West

- Developing leading position through innovation and responsiveness
- Looking for efficiency and performance thanks to our industrial, logistics and sales footprints
- Maintaining our highly skilled teams

East

- Developing Bulk business with diversified base of domestic, commercial and agricultural customers
- Leading Cylinder business with long-term growth opportunities in the retail segment

North

- The Aerosol fleet covers 1.7 million miles and wheels are turning 22.5 hours per day, 365 days
- Aerosol does not use any of the heating or burning properties and is non-seasonal