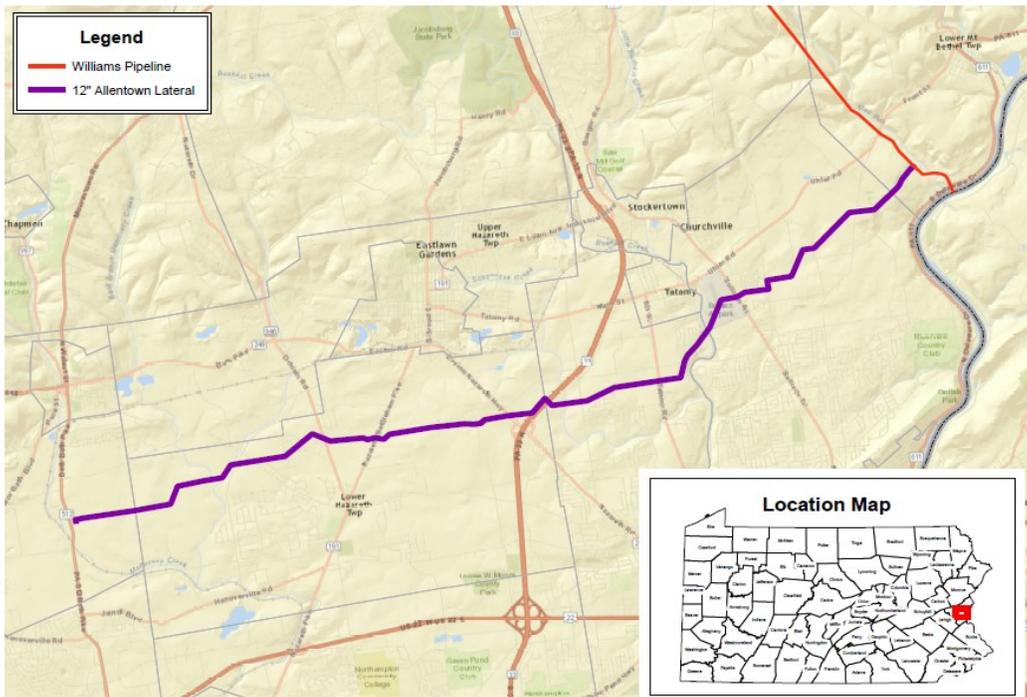




**UGI MT. BETHEL PIPELINE
COMPANY**

**Open Season Notice
for Firm Service**

**Open season begins December 14, 2015
and closes January 4, 2016.**



Convenient access to a key interstate pipeline serving high-growth markets.

Introduction

On December 9, 2015, UGI Mt. Bethel pipeline Company, LLC (“UGI Mt. Bethel”) filed an application with the Federal Energy Regulatory Commission (“FERC”) to acquire and operate a 12-mile natural gas pipeline lateral in Southeastern Pennsylvania. If approved, FERC will issue an order authorizing UGI Mt. Bethel to sell firm natural gas transportation service.

The path of transportation service will begin at the lateral’s interconnect between Transcontinental Pipeline Company (“Transco”) and UGI Mt. Bethel, near Lower Mt. Bethel Township, Pennsylvania, and connect to UGI Utilities’ distribution systems in Southeastern Pennsylvania to serve the rapidly growing areas around the Marcellus Shale region.

In an effort to facilitate a competitive natural gas retail market, UGI Mt. Bethel is offering firm transportation service subject to rates, which will take effect upon FERC’s approval of UGI Mt. Bethel’s pending

certificate application.

The lateral is currently operational and will be completely available to provide 72,000 dekatherms per day of firm transportation service to UGI Utilities, Inc. (“UGI Utilities”).

The Open Season will be used to solicit bids for firm transportation service with an initial minimum term of one (1) year.

Bids will be evaluated and capacity will be allocated based on the highest net present value, calculated based on the Reservation Rate bid (not to exceed the maximum Reservation Rate) multiplied by the proposed term of service. In the event of any ties, capacity will be allocated on a pro rata basis. All winning bidders in the current Open Season will secure an automatic Right of First Refusal, pending FERC approval.

Complete details on service options and rates are listed on page 3.

Nomination Process

The Open Season begins on Monday, December 14, 2015 at 8:00 AM E.S.T., and closes on Monday, January 4, 2016, at 5:00 PM E.S.T.. All bidders must complete the attached Service Request Form, including execution by an officer of the company. Forms must be submitted via email to **answers@ugimtbethelpipeline.com**.

Nominations executed by an authorized employee will be binding on the bidding company, subject to allocation to the bidding company by UGI Mt. Bethel. No bids shall bind UGI Mt. Bethel. UGI Mt. Bethel will only be bound upon the execution of a service agreement by both parties, once UGI Mt. Bethel receives a certificate of approval for the provision of service from FERC.

In the event of any ties, capacity will be allocated on a pro rata basis, to the extent that capacity exists at that bid level.

UGI Mt. Bethel reserves the right to reject any and all bids that do not satisfy the minimum requirements set forth in the Open Season or meet a minimum bid.

UGI Mt. Bethel reserves the right to reject bids for service if UGI Mt. Bethel determines that the bidding company does not meet the applicable credit requirements. Without limiting the foregoing, UGI Mt. Bethel may, but is not required to, reject any bid in which the Service Request Form is incomplete or inconsistent with the terms and conditions outlined in the Open Season.

Transportation Service Offerings

Firm Transportation Service Offerings

MDQ—up to 72,000 Dth/day

Receipt Point—Interconnection between Transco and UGI Mt. Bethel, near Lower Mt. Bethel Township, Pennsylvania

Delivery Points—UGI Utilities Distribution System, via the following UGI Mt. Bethel Meters (with corresponding MDQ at each Delivery Point):

<u>Meter</u>	<u>MDQ</u>
MB-1000001 (near Mt. Bethel Township, PA)	120 Dth/day
MB-1000294 (near Tatamy, PA)	12,000 Dth/day
MB-1000652 (near Easton, PA)	23,000 Dth/day
MB-1000969 (near Nazareth, PA)	360 Dth/day
MB-1001250 (near Allentown, PA)	36,520 Dth/day

Contract term—Minimum initial term of one year, to be effective upon FERC’s approval of UGI Mt. Bethel’s pending certificate application, with an automatic Right of First Refusal (pending FERC approval)

Commodity charge—\$0.0008 per Dth (plus applicable ACA charge of \$0.0014 per Dth)

Demand charge—\$0.5498 per Dth per month of MDQ

Annual demand costs—Demand Charge times MDQ times 12

UGI Mt. Bethel Nomination Form

Shipper Information

Company: _____

Contact: _____

Title: _____

Address: _____

City: _____ State: _____ Zip: _____

Telephone: _____

Email: _____

Firm Transportation Service Offering

<u>Delivery Point</u>	<u>Requested MDQ</u>	<u>Delivery Point MDQ</u>
MB-1000001 (near Mt. Bethel Township, PA)	____ Dth/day	120 Dth/day
MB-1000294 (near Tatamy, PA)	____ Dth/day	12,000 Dth/day
MB-1000652 (near Easton, PA)	____ Dth/day	23,000 Dth/day
MB-1000969 (near Nazareth, PA)	____ Dth/day	360 Dth/day
MB-1001250 (near Allentown, PA)	____ Dth/day	36,520 Dth/day

Term: Shipper requests a primary contract term of ____ years, ____ months, ____ days. The requested primary contract term must be for at least one (1) year.

By executing this Nomination Form, the signatory below represents and warrants that s/he has full power and authority to bind the identified Company to the terms stated herein.

Officer's Signature: _____ Date: _____

Signatory's Printed Name: _____

Signatory's Title: _____

The above nomination and confirming signature binds the identified Company to execute UGI Mt. Bethel's standard service agreement and accepting firm transportation service up to and including the requested bid quantity from UGI Mt. Bethel. The identified Company has full power and authority, and has taken all action necessary, to execute and deliver this Nomination Form and any and all other documents required or permitted to be executed or delivered by it in connection with this Nomination form and to fill its obligations under, and to consummate the transactions contemplated by, this Nomination Form. Customers will become subject to FERC-approved rates on the date that UGI Mt. Bethel places such FERC-approved rates into effect.

Corporate Summary

UGI Mt. Bethel Pipeline Company is a wholly owned subsidiary of UGI Energy Services, LLC, a wholly owned subsidiary of UGI Corporation.

UGI Corporation (NYSE: UGI), through its subsidiaries, distributes and markets energy products and related services in the United States and internationally. Based in King of Prussia, Pennsylvania, UGI was founded in 1882, bringing more than 130 years of trusted energy-related experience to millions of customers. In the 2014 fiscal year, UGI had over \$10 billion in assets, \$8.3 billion in revenue, and \$532.6 million in net income.

UGI Corporation is comprised of business segments that are well-diversified in their expertise, holdings, and offerings. The company's AmeriGas Propane segment distributes and retails propane, serving approximately 2 million residential, commercial, industrial, motor fuel, agricultural, and wholesale users. The International Propane segment engages in the retail and distribution liquid petroleum gas (LPG) and provides logistic and storage services to third-party LPG distributors.



UGI Utilities' gas utility segment operates a regulated natural gas distribution business that serves over 600,000 customers in portions of 46 Pennsylvania counties and parts of one Maryland county through its distribution system of approximately 12,000 miles of gas mains. Its electric utility segment supplies electricity to approximately 62,000 customers in northeastern Pennsylvania.

UGI Energy Services markets natural gas, electricity, and liquid fuels to approximately 19,000 commercial and industrial customers in nine eastern states and the District of

Columbia and conducts UGI's midstream natural gas business through its ownership of underground natural gas storage, gas peaking plants, and pipeline assets in Pennsylvania. UGI Energy Services also conducts electric generation business in Pennsylvania.

UGI Corporation also operates and owns heating, ventilation, air conditioning, refrigeration, and electrical contract service businesses serving customers in the Mid-Atlantic region.

Contact Information

Any questions concerning the Open Season should be directed to:

Vice President
UGI Mt. Bethel Pipeline Company, LLC
answers@ugimtbethelpipeline.com

**UGI MT. BETHEL PIPELINE
COMPANY**