

UGI Energy Services Marks Start of Construction for its Sunbury Pipeline

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SHAMOKIN DAM, Pa.--([BUSINESS WIRE](#))--UGI Energy Services LLC, the midstream and energy marketing subsidiary of UGI Corporation, today celebrated the start of construction of its Sunbury Pipeline with a groundbreaking ceremony near the Panda Hummel Station power plant it will serve. The event featured remarks from several public officials and community leaders who praised the Project and its benefits to the region.

UGI Energy Services President Brad Hall welcomed nearly 100 guests to the ceremony. UGI, he told the gathering, is pleased to be a part of a partnership with Panda Power Funds that will result in cleaner power generation and jobs for central Pennsylvania.

“The Sunbury Pipeline Project represents an incremental step forward for Pennsylvania natural gas infrastructure, and a major step forward for Pennsylvania’s energy future,” Hall said. “UGI is excited to continue its more than century-long tradition of putting natural gas to work for Pennsylvania by fueling the state-of-the-art Hummel Station along with enhancing local natural gas supplies.”

Gladys M. Brown, Chairman of the Pennsylvania Public Utility Commission, stressed the importance of new pipeline capacity such as the Sunbury Pipeline to transport local energy to Pennsylvania families and businesses.

“Pennsylvania continues to set new records in natural gas production, breaking 4.6 trillion cubic feet last year. Projects like the Sunbury Pipeline provide new capacity to leverage that record production,” Chairman Brown said. “The Sunbury Pipeline Project will not only help bring more local energy to local users, but also help meet our clean power goals by fueling efficient natural gas-fired electric generation.”

State Senator John Gordner, who serves Pennsylvania’s 27th Senatorial District that includes the site of Hummel Station and much of the Pipeline’s route, said the Project’s implications reach well beyond the Greater Susquehanna Valley. “As Senate Majority Whip, I’ve worked with the General Assembly to craft policies to encourage development of this natural resource. Consumers will benefit from the Sunbury Pipeline as it ensures continued reliable generation of electricity to the regional grid, as well as from economical natural gas prices thanks to the new local supply entering the market.”

State Representative Lynda Schlegel-Culver, who represents portions of Northumberland and Snyder counties, said central Pennsylvanians recognize the significance of the Sunbury Pipeline to

the area. “Aside from providing clean and affordable fuel for Hummel Station, the Sunbury Pipeline will support hundreds of jobs for people in our area. The Pipeline is another example of how Pennsylvania’s abundant natural gas reserves are positively affecting all pockets of the state,” she said.

Joe Lloyd, Vice President of Operations for Panda Power Funds, emphasized what the Sunbury Pipeline means for Panda’s mission to generate clean, natural gas-fueled electricity.

“Panda is thrilled to be constructing one of the largest coal to natural gas power replacement projects in the United States, which would not be possible without the Sunbury Pipeline,” Lloyd said. “Along with UGI, we’re pleased to be contributing to the local economy through our project’s construction and future operation, and proud of what both the Pipeline and Hummel Station mean for Pennsylvania’s long-term energy reliability and economic growth.”

Other leaders speaking at the ceremony included:

- Denise Brinley, Special Assistant to the Secretary, Pa. Department of Community and Economic Development, for Strategic Industry Initiatives
- Shamokin Dam Borough Mayor Joe McGranahan
- Ryan Barton Sr., Director, Office of U.S. Rep. Tom Marino (PA-10)
- Bob Garrett, President & CEO, Greater Susquehanna Valley Chamber of Commerce
- Dave Meehan, Sunbury Generation
- Dave Horn, LECET business development, LiUNA - Eastern PA District Council

The 35-mile-long Sunbury Pipeline is located entirely within north central Pennsylvania. When it is finished at the end of 2016, it will carry natural gas from the Transco interstate pipeline in eastern Lycoming County and travel through parts of Montour, Northumberland, Union and Snyder counties on its way to the power plant in Shamokin Dam. Additional information on the Project can be found at www.sunburypipeline.com.

About UGI Energy Services LLC

UGI Energy Services, LLC is a subsidiary of UGI Corporation (NYSE: UGI). Its midstream services division builds, owns and operates natural gas storage facilities and high-pressure transmission and gathering lines. The company also owns and operates LNG and propane peaking facilities and terminals in Pennsylvania. UGI Energy Services also owns coal, natural gas and renewable-fueled generating assets. UGI Energy Services’ retail energy marketing division sells natural gas, electricity and liquid fuels to approximately 19,000 residential, commercial, industrial, institutional and government customers at approximately 43,000 locations in nine states and Washington, D.C. The

UGI name has been known in the region for more than 130 years and is an integral part of the community.

About UGI

UGI is a distributor and marketer of energy products and services. Through subsidiaries, UGI operates natural gas and electric utilities in Pennsylvania, distributes propane both domestically and internationally, manages midstream energy and electric generation assets in Pennsylvania, and engages in energy marketing in the Mid-Atlantic region. UGI, through subsidiaries, is the sole general partner and owns 26 percent of AmeriGas Partners L.P. (NYSE:APU), the nation's largest retail propane distributor.

Comprehensive information about UGI Corporation is available at www.ugicorp.com.

About Panda Power Funds, LP

Founded in 2010, Panda Power Funds is a private equity firm headquartered in Dallas, Texas, that develops, owns, operates and manages investments in clean energy. Panda has five combined-cycle power plants in operation in Texas and Pennsylvania, and two combined-cycle power plants currently under construction in Pennsylvania and Virginia with a combined capacity of more than 5,800 megawatts. Panda Power Funds also has a 990 megawatt power project in Maryland in advanced development. The fund built a 20 megawatt solar farm in southwest New Jersey that is one of the largest solar facilities in the Northeast United States. Additional information on Panda Power Funds can be found at www.pandafunds.com.

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