

Disclosure of Customer Rights and Company Policies

May 8, 2013

Qualifications

The Company operates in the State of New Jersey (depending upon geographic area) under the name AmeriGas Propane (“AmeriGas”). AmeriGas is licensed by the State of New Jersey to perform propane delivery and service. AmeriGas’s license number is LPG-039.

Because the fees disclosed herein are subject to change, please visit www.amerigas.com to view a list of our most current fees and charges or call your local office to speak with a customer representative.

Terms of Service

1. AmeriGas **does** require a credit application.

2. AmeriGas **does** reserve the right to require payment in advance of delivery (PIA) for customers whose credit is questionable. PIA customers may pay by the following means:

Cash Certified Check Personal Check Credit Card

3. For other than PIA deliveries, AmeriGas requires payment within 30 days of receipt of its invoice. Late payments are subject to a late fee of the greater of \$36 or 1½% of the average daily balance. For propane service work, payment is subject to the same conditions.

4. AmeriGas charges a Returned Check fee of \$33.00 if customer’s personal check is declined for insufficient funds.

Delivery Policy

AmeriGas uses the following delivery methods:

- *Automatic Delivery, also known as Forecasted Delivery:* AmeriGas schedules your delivery. Deliveries are made based upon the customers prior usage, local degree days, the number and types of appliances used at the customer location and a host of other factors. In the unlikely event that AmeriGas allows your propane system to run out of gas, there is no charge for the mandatory leak check.
- *Will-Call Deliveries or customer requested delivery:* The customer calls for deliveries. AmeriGas must be notified seven days before the desired delivery date. There is no minimum delivery amount. If a customer runs out of gas, the system must be leak checked prior to resuming service. A service charge will be assessed for the mandatory leak check.

Pricing Structure

Customers have the right to a written or oral price quote upon request.

AmeriGas bases its price of propane on the following factors:

- Estimated annual usage (lower rates apply for larger users);
- The supply and demand of propane with customers usually enjoying lower rates for deliveries in the summer months;
- The procurement costs of propane to AmeriGas, including transportation to its locations;
- Propane prices will increase if AmeriGas is unable to obtain propane from its customary suppliers; if there are terminal, refinery or pipeline disruptions; if allocation programs are put into place by pipelines, refiners or other suppliers; or if there is a lack of or inadequate transportation facilities;
- The customer’s annual volume of purchases; and

- Whether you own or lease the tank or cylinder from AmeriGas.
- **Price Dispute Resolution Procedure:** Due to the potential pricing volatility in energy markets, every Customer has the right to discuss the price of propane delivered to their account, and AmeriGas will make reasonable efforts to resolve pricing disputes through a standardized process. If Customer would like to discuss the price of their propane with AmeriGas, Customer should initially contact his/her local office Customer Relations Representative. If Customer is not satisfied with the resolution after discussions with the local Customer Relations Representative, Customer may advance the issue to the local District Manager. If a resolution still does not occur, Customer may request the issue be escalated to the Area Director. Any unresolved dispute can be further escalated to the office of the Region Vice President if the Customer deems necessary. The District office can provide contact information.
- **Special Trip Fees:** This fee is incurred by customers who request immediate deliveries or customers who require non-emergency service after business hours or on weekends. **This charge can vary greatly due to the distance involved and/or the time required to service this request and will be based on local labor rates which can be obtained from your local AmeriGas office.**
- **The Fuel Recovery Fee:** This fee, which is assessed for propane deliveries and service calls, helps to offset the significant expenses incurred by AmeriGas in fueling its fleet of commercial motor vehicles. This fee fluctuates on a monthly basis as AmeriGas's cost of fuel fluctuates. **The fee as of the date of this Notice is \$ 8.01. For updated fuel recovery fee information, please contact your local AmeriGas office on a monthly basis.**
- **The Hazardous Material & Safety Compliance Fee,** which is assessed for propane deliveries and service calls, helps to offset a portion of the cost AmeriGas must incur to comply with federal, state and local government regulations, including, but not limited to, hazardous materials, homeland security, emergency preparedness and workplace safety. It is also used to fund, among other things, vital employee safety training and inspections, cylinder re-qualification, and environmental compliance. **THE FEE IS NOT GOVERNMENT IMPOSED, NOR IS ANY PORTION OF IT PAID TO ANY GOVERNMENT AGENCY. The current fee is \$9.59.**
- **Service Dispatch Charge** – This charge is to cover the costs associated with dispatching a service technician to a Customer's residence or other location to perform service work on customer-owned equipment and appliances or to pick-up an AmeriGas-owned tank or cylinder. Customers should note that upon arrival at Customer's location, additional charges may be assessed depending upon the nature of the problem. **The Service Dispatch Charge is \$39.99 and is collected at the time the service or tank/cylinder pick-up is scheduled.** This charge will not be credited toward service work performed. Please check with your local AmeriGas office regarding the availability of appliance repair service.

Pricing Policy

Customers have the right to a price quote in a format that allows for comparison shopping.

AmeriGas charges for propane based on the number of gallons delivered. Where meters are used at locations when more than one customer is served from the same propane supply tank(s), AmeriGas will convert that pricing into a dollar per gallon equivalent for comparison purposes. The price of propane, like any commodity, changes over time and includes AmeriGas' procurement costs and may vary depending upon, among other things, the volume of propane purchased, customer classification, ownership of equipment and competitive conditions. This will affect your bill as the price fluctuates. AmeriGas pricing policies will determine how often your bill is adjusted to account for changes in the cost of propane. AmeriGas offers the following pricing options:

- **Smart Pay:** The customer's payments for the year divided into a fixed monthly amount based on projected usage over a number of months. The last month of the year is used to pay the balance. Customers enrolled in AmeriGas's Smart Pay Program receive a two-cent per gallon discount and must be on automatic (also known as forecasted) delivery. Additionally, customers enrolled in the Smart Pay Program are also eligible for participation in AmeriGas's Payment Protection Plan, which, for an annual fee of \$39.99 for single coverage and \$59.99 for joint coverage, ensures that remaining monthly payments for the current term will be covered in the event of death of the primary or joint account holder, whichever is applicable.
- **Guaranteed Price - Pre-Buy:** This program is available to customers who purchase 300 or more gallons of propane annually and enables the customer to purchase his/her annual propane gallons in advance at a guaranteed price per gallon. The customer must pre-pay 100% of his/her estimated annual usage. Currently, there is no annual

enrollment fee. Customers who select the Pre-Buy alternative want to buy a specific amount of propane that they will use during a specific period of time at a single, fixed price.

- **AmeriLock - Guaranteed Price - Pay by Delivery:** This program is available to customers who purchase 300 or more gallons of propane annually and enables the customer to pay his/her propane bill by delivery at a guaranteed price per gallon. An annual enrollment fee may apply. The current fee is \$99.00 (annually).
- **AmeriGuard - Guaranteed Price - Monthly Payments:** This program is available to customers who purchase 300 or more gallons of propane annually and enables the customer to pay his/her propane bill on a monthly basis at a guaranteed price per gallon. In other words, this program is for customers who want to enjoy a fixed price per gallon for a fixed term during which they wish to spread the cost of propane over the term. Additionally, customers enrolled in the AmeriGuard Program are also eligible for participation in AmeriGas's Payment Protection Plan, which, for an annual fee of \$39.99 for single coverage and \$59.99 for joint coverage, ensures that remaining monthly payments for the current term will be covered in the event of death of the primary or joint account holder, whichever is applicable. The current AmeriGuard fee is \$99.00 (annually).

Equipment Fees

Customers have the right to either rent equipment from AmeriGas or use their own equipment.

AmeriGas has the following equipment related fees:

- Fee for the installation of tanks associated with a new service. This fee is charged at the time that the installation occurs.
- Fee for the replacement of tanks associated with an existing service. This fee is charged at the time that the tanks are replaced.
- Rental fee for tanks and regulators when using AmeriGas's equipment. Tank rent may be affected by, among other things, the costs of ongoing maintenance, compliance with applicable laws and associated administrative expenses. This fee is charged annually.
- Fee for inspecting tanks and regulators when customer-owned equipment is used. This fee is charged at the time of every delivery into a customer-owned tank.
- Meter Service Fee is incurred by customers who receive propane through a centralized tank monitored by AmeriGas's meter. This fee defrays the costs of meter reading, meter maintenance and related administrative costs. The current fee is \$9.99 per month.
- Fee for service work on AmeriGas equipment.
- Fee for service work on customer's equipment.
- Fee for leak checking the customer's system under the following conditions:
 - When a will-call customer allows his/her propane tank/cylinder to run out of gas;
 - When a customer requests a leak check because he/she suspects a leak;
 - When an account is not in good standing and the customer allows the tank/cylinder to run out of gas or is locked-off; and
 - When a customer with a customer-owned tank initiates service with AmeriGas.

Note: Fees for service work are based on the specifics of the particular job to be done, therefore pricing is on a case-by-case basis.

Change of Supplier

Customers have the right to change suppliers if they are dissatisfied with the price or service offered.

Termination of service is subject to the terms of your contract. The following conditions apply to a discontinuance of service:

- In general, AmeriGas will remove our container within 45 days of written notification that the customer is terminating service. In some instances, primarily during the winter heating season, because of the press of business and conditions that prevent the pick-up, the time period may be extended.
- AmeriGas does not confirm the appointment for tank pick-up unless the customer has special circumstances.
- Underground Tank Removal Fee: AmeriGas will pass on the third party excavation fees incurred by it for the removal of the underground tank(s) to the customer plus \$39.99 per installation for the Service Dispatch Charge.

Installation means a tank or cylinder or group of tanks or cylinders servicing a single building. For example, two 500 gallon tanks servicing a home is a single installation. If the home has a pool using a 420 pound cylinder to fuel pool heat, that is a second installation and the 500 gallon tank servicing the in-law apartment over the garage is a third installation.

- AmeriGas will credit the customer for any propane remaining in the container at the time of removal at the price that the customer paid for the propane. (You are permitted to be present when the remaining volume is removed.)
- Pump-Out or Re-Stocking Fee: This charge defrays the cost associated with pumping out a tank that contains in excess of five percent, and returning the tank to AmeriGas's inventory. Customers can avoid this charge by continuing service with AmeriGas until the supply of propane in the tank is less than five percent. **The current charge is 35¢ per gallon of propane that is pumped out of the tank.**

Note: At one- or two-family residential properties, the new marketer may disconnect and move containers owned by others; however the new marketer may not fill a container owned by another marketer. At other properties, the new marketer cannot remove, connect, disconnect, fill or refill any propane container without written permission from the owner of the container.

Disconnection

Customers have the right to be notified seven days prior to the disconnection of service for non-payment.

Complaints

In New Jersey, the Liquefied Petroleum Gas Board regulates the licensing of marketers as well as enforces safety regulations on propane systems. The LP-Gas Board does NOT regulate pricing. If you are dissatisfied with the price your marketer is charging, you have the right to change marketers in accordance with the terms of your contract with your current marketer.

1. Complaints or questions should first be brought to the attention of your marketer.
2. If you are not satisfied with your marketer's response and wish to pursue a complaint, contact the Department of Community Affairs at (609) 633-6835 or by email at LPGas@dca.state.nj.us. Complaints by phone should be made Monday through Friday from 8:30 to 4:30.

Because rates and policies differ among marketers, first time customers or customers considering moving to a new marketer should be informed enough to ask a few key questions.

Key Questions Consumers Should Ask When Changing Marketers

- Does the marketer have a current, valid license issued by the New Jersey Department of Community Affairs? The list of licensed marketers is available on the Department's website at www.state.nj.us/dca/codes/lp_gas/pdf/licensees.pdf or by calling (609) 633-6835.
- Is there a written description of services that will be provided?
- Is there a charge to install the container and/or related equipment necessary to establish service?
- What is the most economical method for purchasing propane?
- Do you have to call when you need gas or will they schedule your deliveries?
- How often will you receive a delivery? What days are delivery days? Are deliveries made on weekends?
- How much will it cost to receive a delivery outside of your normal schedule?
- Is the price based on your annual usage, the area you live in, the quantity per delivery or other criteria?
- How long after delivery do you have to pay your bill?
- Is there a penalty for a late payment?
- What is the marketer's policy if you need fuel in the winter, but you still have an outstanding bill?
- Does the marketer offer any discounts that apply to you?
- Does the marketer have an equal payment plan?
- Does the marketer install and/or service LP-Gas appliances?
- Does the marketer have a website address?

Be sure to address any other concerns you may have that are not listed above.

Energy Assistance

The following agency has programs available to assist low-income households with their energy bills. For more information, please contact directly:

Low-income Home Energy Assistance Program (LIHEAP) 1(800) 510-3102

Safety Recommendations

- When handled properly, LP-Gas is a safe and efficient fuel source.
- Ask your marketer what procedures they have in place to ensure safety and integrity of the system which serves you. One such safety program is the GAS check Program, a voluntary program developed by the National Propane Gas Association. Information on this program is available from your marketer or on the National Propane Gas Association website at www.npga.org or by calling (202) 466-7200.
- Follow all manufacturers' instructions for the proper use and care of your LP-Gas appliances.
- NEVER attempt to repair or alter an LP-Gas appliance. Contact your marketer or a licensed service representative for assistance.
- Keep areas around LP-Gas appliances clean and clear of combustibles.
- You, as the customer, are required to maintain clear access to your LP-Gas container at all times.
- An odorant has been added to your LP-Gas so you can detect if your system develops a leak. Learn what LP-Gas smells like. Your marketer has scratch-and-sniff pamphlets to help your family recognize its distinctive odor.
- Learn how to turn off your gas supply. Some gas valves require the use of a wrench to operate them. Ask your marketer for assistance if you do not know how to turn off your gas supply.
- Check www.propanesafety.com, www.npga.org, the propane marketer's website or call your marketer for additional safety information.
- Ask your marketer whether all installations and services provided are in conformance with New Jersey Department of Community Affairs regulations.
- If you find an underground container dome or any other LP-Gas container completely submerged in water, turn off the container supply valve and notify your marketer.
- Keep underground container domes clear when it snows in case a delivery is needed.
- Notify your marketer prior to the installation of air conditioning or making any modifications to your home that are within ten feet of the container.

If You Smell Gas

1. Exit the building, without using the telephone or cell phone, operating any electrical switches or lighting any matches or smoking materials.
2. If possible, turn off the gas at the container or meter valve.
3. Call 911 from a neighbor's home.
4. Do not re-enter the building until the emergency responder tells you it is safe to do so.

Your marketer is required to respond to your request for assistance in an emergency.