

STATE OF VERMONT
WASHINGTON COUNTY, SS.

IN RE:)
)
AMERIGAS PROPANE, L.P.,) WASHINGTON SUPERIOR COURT.
Respondent) DOCKET NO. 202-9-08 WNS ✓

RECEIVED
WASHINGTON COUNTY
SUPERIOR COURT
MAY 18 2022
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ASSURANCE OF DISCONTINUANCE

1. This Assurance of Voluntary Discontinuance (“Assurance”) is entered into by the Attorney General of Vermont (referred to as the “State” or “Attorney General”), acting pursuant to the Vermont Consumer Fraud Act, 9 V.S.A. Section 2451 et seq., and AmeriGas Propane, L.P. (referred to as “AmeriGas”).

2. AmeriGas is a company that markets and sells liquefied petroleum gas, also known as propane (“propane”), to Vermont consumers. As used herein, the term “AmeriGas” includes its parents, partners, affiliates, subsidiaries, predecessors and successors, including AmeriGas Eagle Propane, L.P., formerly known as Columbia Propane, L.P.

STATE’S POSITION

3. The statements contained in this section represent the position of the State. AmeriGas does not admit the truth of any of the statements contained in this section.

4. Since at least some time in 1997, AmeriGas and its affiliates have charged Vermont consumers who were not on “metered” service a “hazardous materials surcharge” or “surcharge” (“surcharge”), for each delivery of propane. “Metered” service is service obtained by a group of residences through a single propane tank, where each residence’s use is metered, or measured.

5. The “surcharge” was \$2.97, or a similar amount, per delivery. The amount of the charge did not vary with the amount of propane purchased.

6. Vermont Consumer Fraud Regulation CF 111, Liquid Petroleum Propane Gas, prohibits the collection of a delivery fee. CF 111.12 states:

A gas company shall not require a delivery fee, except when the consumer requests delivery be made outside of normal business hours or outside of a normally scheduled delivery to the consumer’s geographic area. In such case a reasonable fee may be collected if such delivery is required due to something other than the fault of the gas company.

7. 9 V.S.A. Section 2461b requires the Attorney General to promulgate rules relating to the marketing and sale of liquid propane gas in Vermont. Section 2461b(c) provides that a violation of such rules shall constitute an unfair and deceptive act in commerce in violation of the Vermont Consumer Fraud Act.

8. The Attorney General believes that AmeriGas’ practice of charging the “surcharge” violates CF 111.12.

AMERIGAS’ POSITION

9. AmeriGas’ position is that it did not violate any state or federal laws with respect its “surcharge”.

GENERAL PROVISIONS

10. This Assurance does not constitute an admission by AmeriGas of any fact or violation of any state or federal law, rule or regulation. AmeriGas enters into this Assurance without admitting any wrongdoing and for settlement purposes only. This Assurance is made without trial or adjudication of any issue of fact or law. This Assurance does not constitute evidence or admission of any issues of fact or law.

11. This Assurance shall be governed by the laws of Vermont.

12. This Assurance does not constitute an approval by the State of any of AmeriGas' standards, procedures or practices, and neither AmeriGas nor any of its agents, employees, contractors or representatives shall make any representation to the contrary.

13. AmeriGas' obligations under this Assurance shall be in addition to those imposed by the law of Vermont, including but not limited to statutes, regulations and court decisions; and nothing herein shall be deemed to excuse compliance with such law.

14. Nothing in this Assurance shall be construed as a waiver of any private rights of any person. Nothing in this Assurance shall permit any person or entity not a signatory hereto to enforce any provision of this Assurance.

15. Nothing in this Assurance shall be construed to authorize or require any action by AmeriGas in violation of applicable federal, state or other laws. AmeriGas agrees that this Assurance constitutes a legally enforceable obligation of AmeriGas in accordance with its terms.

16. This Assurance may be executed in counterparts.

ASSURANCES

17. AmeriGas shall immediately cease charging consumers a "surcharge," or any similar charge that is assessed per invoice or per delivery of propane except where authorized under CF 111.

18. AmeriGas shall not charge consumers "unbundled" fees, or separate fees for services that are part of the direct costs of delivering propane to consumers. Such prohibited "unbundled" fees are: (a) the cost of labor associated with the delivery of

propane to consumers; (b) the cost of training labor and obtaining equipment to comply with environmental, transportation and other regulations associated with delivery of propane to consumers; and (c) other costs associated with complying with environmental, transportation and other regulations associated with delivery of propane to consumers.

19. AmeriGas shall institute supervisory procedures reasonably designed to achieve compliance with this Assurance. Such supervisory procedures shall include, at a minimum, the designation of personnel to ensure compliance with this Assurance. The in-house counsel for AmeriGas who is signatory to this Assurance is designated as the person who will ensure such compliance.

20. For a period of three (3) years after the date this Assurance is executed, AmeriGas shall maintain and upon request make available to the Attorney General for inspection and copying a print or electronic copy capable of being printed of all documents relating to compliance with this Assurance, including:

a. A sample copy of each different print, broadcast, cable, or Internet advertisement, promotion, information collection form, Web page, screen, e-mail message to consumers, or other document used in the State of Vermont containing a reference to a fee that is part of the costs of delivering propane. Each Web page copy shall be dated and contain the full URL of the Web page where the material was posted online. Electronic copies shall include all text and graphics files, audio scripts, and other computer files used in presenting the information on the Web. Provided, however, that after creation of any Web page or screen in compliance with

this order, AmeriGas shall not be required to retain a print or electronic copy of any amended Web page or screen to the extent that the amendment does not affect AmeriGas' compliance obligations under this order.

21. AmeriGas shall deliver a copy of this Assurance to all current and future officers and managers responsible for operations in the State of Vermont, and to all current and future employees, agents, representatives, and contractors employed in or responsible for business operations in the State of Vermont having any responsibility with respect to the subject matter of this Assurance. AmeriGas shall deliver a copy of this Assurance to such current individuals and entities no later than thirty (30) days after the date as of which this Assurance is executed, and to such future individuals and entities no later than thirty (30) days after such individual or entity assumes such position or responsibility.

22. The State and AmeriGas agree that, in the event of a change in the regulatory environment not presently contemplated by the parties, either party may request in writing a modification of this Assurance. In the event that such a modification is requested, the parties shall meet within thirty (30) days, and shall negotiate in good faith with respect to such requested modification. The meeting described in this Paragraph 22 may occur by telephone. In the event that CF 111.12 is repealed in its entirety, then AmeriGas shall no longer be bound by the terms of Paragraphs 17, 18, 19, 20 and 21 of this Assurance.

23. AmeriGas agrees to pay \$100,000 to the State, within thirty (30) business days after the date this Assurance is executed.

24. In the event that a state or federal law or regulation (a "Law or Regulation"), imposes requirement(s) that are inconsistent with any provision of this Assurance, AmeriGas may comply with such inconsistent requirement(s) of the Law or Regulation, and such action shall constitute compliance with the counterpart provision(s) of this Assurance. AmeriGas shall provide written notice to the Attorney General's Office of the inconsistent provision(s) of such Law or Regulation with which AmeriGas intends to comply and of the counterpart provision(s) of this Assurance which are inconsistent with such Law or Regulation. A requirement of a Law or Regulation shall be deemed to be inconsistent with counterpart provision(s) of this Assurance if AmeriGas cannot comply with the Law or Regulation without violating counterpart provision(s) of this Assurance.

STATE OF VERMONT

WILLIAM H. SORRELL
ATTORNEY GENERAL

Dated: 4/16, 2003

By: Julie Brill
Julie Brill
Assistant Attorney General


AMERIGAS PROPANE, L.P.

Dated: Feb. 13, 2003

By: Jean S. Konowalczyk
Jean S. Konowalczyk, Esq.
Counsel
AmeriGas Propane L.P.

By: R. Paul Grady isk
Name: R. Paul Grady
Title: Senior Vice President
of Operations, and Chief
Executing Officer

Approved as to form:



Robert M. Langer, Esq.
Attorney for AmeriGas Propane, L.P.