

Kinetrex Energy to Provide Bulk Liquefied Natural Gas for UPS Midwest Fleet *LNG Burns Cleaner Than Diesel, Provides Reliability and Lower Cost*

INDIANAPOLIS—Kinetrex Energy, a subsidiary of Citizens Energy Group, Governor Mike Pence, Mayor Greg Ballard and officials from UPS announced today that Kinetrex will supply liquefied natural gas (LNG) to fuel UPS tractor trailers in the Midwest. The announcement follows the Indiana Utility Regulatory Commission's (IURC) ruling which allows Kinetrex Energy to operate as an unregulated business, giving it the ability to compete with other fuel providers in the U.S.

"Having the opportunity to supply LNG to a global company like UPS puts Kinetrex Energy one step closer to becoming the Midwest's leading LNG provider," said Carey Lykins, President and CEO of Citizens Energy Group. "With LNG from Kinetrex, UPS will burn a significantly cleaner and less expensive fuel produced here in America."

UPS announced in early October that its enhanced LNG fuel infrastructure will support the operation of approximately 1,000 LNG tractors. Starting in March 2014, Kinetrex will provide fuel to five LNG fueling stations being constructed at UPS distribution hubs in Indiana, Illinois, Ohio and Missouri. Having stations across the Midwest gives UPS flexibility to meet delivery deadlines and ensure reliable service to customers.

"By 2017, UPS plans to reach one billion miles driven by our alternative fuels and advanced technology fleet," said Zachary Scott, President of the UPS Ohio Valley District. "LNG performs well on our high-mileage routes and is becoming a reliable alternative to traditional diesel with both environmental and economic benefits."

Not only does LNG cost about 40% less than diesel fuel, it also reduces greenhouse emissions by more than 20%. In addition, utilizing LNG in the U.S. reduces dependency on foreign oil. Indiana currently consumes \$3.8 billion worth of diesel fuel annually.

"The start-up of Kinetrex Energy showcases the role natural gas can play in our country's energy future," said Governor Pence. "Domestic energy sources like natural gas are an important part of keeping energy prices lower and providing our country with greater energy security."

"Having a company like Kinetrex Energy in Indianapolis is very exciting for the local community," said Mayor Ballard. "Indianapolis is quickly gaining international recognition as a center for new transportation fuel choices and for being a leader in the drive to strengthen our country's national security by reducing the use of foreign oil."

###

About Kinetrex

Kinetrex Energy has a vision to become the LNG transport and industrial fuel supply leader in the Midwest. Kinetrex is a wholly-owned subsidiary of Citizens Energy Group, a provider of safe and reliable utility services to about 400,000 residential, commercial and industrial customers in the Indianapolis area. Additional information about Kinetrex is available at www.KinetrexEnergy.com

Media Contact:

Dan Considine
Manager, Corporate Communications
317-407-9254
dconsidine@citizensenergygroup.com