

Philadelphia Gas Works

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February 25, 2010

VIA EXPRESS MAIL

James McNulty, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
2nd Floor, 1 North
400 North Street
Harrisburg, PA 17120

RECEIVED

FEB 26 2010

**PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU**

RE: Philadelphia Gas Works 2010– 2011 Gas Cost Rate Filing
Docket No. R-2010-20157062

Dear Secretary McNulty,

Enclosed for filing are an original and eight (8) copies of Philadelphia Gas Works (“PGW”) March 1, 2010 Section 1307(f) filing containing the testimony of PGW witnesses Dybalski (PGW St. 1) and Moser (PGW St. 2).

Please contact me if you have any questions regarding this filing.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Gregory J. Stunder". The signature is fluid and cursive, with the first and last names being most prominent.

Gregory J. Stunder

Enclosures

cc: All Parties of Record
Karen Moury, Esq., Director of Operations (w/enc.)
Robert F. Wilson, Bureau of Fixed Utility Services (w/enc.)

Philadelphia Gas Works
Before The
Pennsylvania Public Utility Commission

**Computation of Annual Purchased Gas Costs
For Twelve Months Ending August 31, 2011**

66 Pa.C.S. § 1307(f)

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SECRETARY'S BUREAU

Information Submitted Pursuant To:

**66 Pa.C.S. §§ 1307(f), 1317, 1318 and
52 Pa. Code § 53.61, et seq.**

March 1, 2010

**Philadelphia Gas Works
66 Pa.C.S. § 1307(f) – 2010**

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PHILADELPHIA GAS WORKS

GAS SERVICE TARIFF

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SECRETARY'S BUREAU



Issued by: Thomas Knudsen
President and CEO

PHILADELPHIA GAS WORKS
800 West Montgomery Avenue
Philadelphia, PA 19122

List of Changes Made by this Tariff Supplement

GAS COST RATE (GCR) – SECTION 1307f, II DEFINITIONS (PAGE No. 67)

In the definition of "GAC," the "GAC" value effective September 1, 2010 decreases from \$(0.01800) per Ccf to \$(0.02732) per Ccf.

In the definition of "IRC," the "IRC" value effective September 1, 2010 increases from \$0.01140 to \$0.01190 per Ccf.

In the definition of "SSC," the "SSC" value effective September 1, 2010 increases from \$0.75437 per Ccf to \$0.77216 per Ccf.

GAS COST RATE (GCR) – SECTION 1307f, III COMPUTATION OF GAS COST RATE (Page No. 68)

The Gas Cost Rate (GCR) effective September 1, 2010 increases from \$0.72497 per Ccf to \$0.73294 per Ccf.

RESTRUCTURING AND CONSUMER EDUCATION SURCHARGE (PAGE No. 79)

The Restructuring and Consumer Education Surcharge effective September 1, 2010 increases from \$0.00230 per Ccf to \$0.00240 per Ccf.

UNIVERSAL SERVICE CHARGE (PAGE No. 81)

The Universal Services Charge effective September 1, 2010 decreases from \$0.20117 per Ccf to \$0.19391 per Ccf.

GENERAL SERVICE – RATE GS (Page No. 83)

The GCR for Residential, Commercial, and Industrial Services increases from \$0.72497 per Ccf to \$0.73294 per Ccf, effective September 1, 2010.

MUNICIPAL SERVICE – RATE MS (Page No. 87)

The GCR for Municipal Service increases from \$0.72497 per Ccf to \$0.73294 per Ccf, effective September 1, 2010.

PHILADELPHIA HOUSING AUTHORITY SERVICE – RATE PHA (Page No. 90)

The GCR for Philadelphia Housing Authority Service increases from from \$0.72497 per Ccf to \$0.73294 per Ccf, effective September 1, 2010.

**DEVELOPMENTAL NATURAL GAS VEHICLE SERVICE - RATE NGVS
FIRM SERVICE (Pages 135-136)**

The GCR for NGVS Firm increases from \$0.72497 per Ccf to \$0.73294 per Ccf, effective September 1, 2010.

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GAS COST RATE (GCR) -- SECTION 1307(f)

I. PROVISION FOR ADJUSTMENT

The Gas Cost Rate shall be applied to each Mcf (1,000 cubic feet) for Firm Retail Sales Service Gas supplied under Rates Schedules GS, MS, PHA, and NGVS-Firm, except for Gas usage under the Special Provisions – Air Conditioning of those rates calculated in a manner set forth below, pursuant to 66 Pa.C.S. §1307(f). Such rates for Firm Sales Service Gas may be increased or decreased from time to time under the procedures set forth in Section II.B. below to reflect changes in the level of Gas costs incurred or projected to be incurred by PGW related to Sales Service.

II. DEFINITIONS

C - The current cost of Natural Gas and other raw materials determined as follows: (a) for all types of Gas, project the cost for each purchase (adjusted for net current Gas stored) for the computation year plus (b) the of (1) the projected book value of non-current Gas at the beginning of the computation year minus (2) the projected book value of non-current Gas at the end of the computation year. In addition to any cost authorized by the Commission, the cost of Natural Gas may include any item included in the definition of Natural Gas costs set forth in 66 Pa.C.S. § 1307(h) ("Definition"). The Factor "C" includes two components -- Commodity Costs and Demand Costs which are defined as follows: Commodity Costs - the actual cost of natural gas and purchased electric for firm customers that does not include the fixed costs associated with the transportation and storage of natural gas; and Demand Costs - the fixed costs associated with the transportation and storage of natural gas for firm customers.

Computation Year - The 12-month forecast period as identified in the Company's annual 1307 (f) filing and each quarterly GCR filing.

E - Experienced net over billing (or under billing) of the cost of Natural Gas and other raw materials applicable to the GCR reported in the most recent Section 1307(f) proceeding. Such over billings (or under billings) will be made with interest at the rate and method set forth by the Pennsylvania Public Utility Commission. Additionally, supplier refunds received prior to the end of the August billing period will be included in the Factor "E." The Factor "E" includes two components -- Commodity Costs and Demand Costs which are defined above in the Factor "C" definition.

Firm Sales Service - The service provided to Customers who receive firm supply service from PGW. The term does not include the service provided to Customers who receive interruptible supply service from PGW.

GAC - The "E" factor component of the GCR, representing the net overcollection or undercollection of Natural Gas and other raw materials costs. The currently effective GAC is \$(0.00671) per Ccf for Commodity Costs and \$(0.02061) per Ccf for Demand Costs, for service on or after September 1, 2010. The total Gac is \$(0.02732) per Ccf. (D)

GCR - Gas Cost Rate determined to the nearest one-hundredth cent (\$0.0001) to be applied to each Mcf of Gas supplied under Rates GS, MS, PHA, and NGVS-Firm, except for Gas usage under the Special Provisions – Air Conditioning of those rates and is equal to the SSC plus the GAC minus the IRC.

IRC - Interruptible Revenue Credit - The credit defined in Subsection VI below. The currently effective IRC is \$0.01190 per Ccf for service on or after September 1, 2010. (I)

Natural Gas or Gas - The volumes of gas purchased or manufactured by the Company that is delivered to the Company's Customers, plus such portion of the Company-used and unaccounted-for gas as the Commission permits, including, but not limited to, natural gas, liquefied natural gas, synthetic gas,

(D) – Decrease; (I) – Increase

PHILADELPHIA GAS WORKS

liquefied propane and naphtha.

S - Projected applicable Mcf of Gas to be billed to Customers during the computation year.

SSC-Sales Service Charge - The purchased Gas costs determined to the nearest $\frac{1}{100}$ of a cent (\$0.0001). The currently effective SSC is \$0.63478 per Ccf for Commodity Costs and \$0.13738 per Ccf for Demand Costs, for service on or after September 1, 2010. The total SSC is \$0.77216 per Ccf.

(I)

(I) – Increase

III. COMPUTATION OF GAS COST RATE

A. The GCR shall be computed to the nearest one-thousandth cent (\$0.00001) in accordance with the formula set forth below as the terms are defined in Section II:

$$\begin{aligned} \text{SSC} &= \text{C/S} \\ \text{GAC} &= \text{E/S} \\ \text{GCR} &= \text{SSC} + \text{GAC} - \text{IRC} \end{aligned}$$

B. Each Gas Cost Rate so computed shall be applied to Customers' bills for twelve monthly billing periods commencing with September.

The currently effective Gas Cost Rate is \$0.73294 per Ccf, for service on or after September 1, 2010. (I)

IV. REPORTING REQUIREMENTS

A. The Company's rates are subject to quarterly adjustments for recovery of the Gas Cost Rate under procedures set forth in Section 1307 (f) of the Public Utility Code.

B. The filing of the Company's annual Section 1307(f) filing, annual Gas Cost Rate, effective during the billing period of September through August, shall be submitted to the Commission by March 1 of each year, with a February 1 pre-filing date.

C. The application of the Gas Cost Rate shall be subject to review and audit by the Commission at such intervals as the Commission shall determine.

D. If it shall be determined, from audit by the Commission, or by final order entered after notice and hearing, that the application of this clause has resulted in the overcollection or undercollection of revenues, then the Company shall apply such over/undercollection as a credit or debit against future Gas Cost Rates.

V. PROVISION FOR INCLUSION OF SPECIFIC NON-GAS EXPENSES

The computation of the Gas Cost Rate may include such Non-Gas expenses as may be authorized by this tariff and annually authorized by the Commission.

VI. INTERRUPTIBLE REVENUE CREDIT (IRC)

A. The GCR rate shall be credited with an Interruptible Revenue Credit (IRC) equal to the margin realized from interruptible sales under PGW's Interruptible Sales Tariff Rates: BPS, LBS; and CG (Total Margin Revenue).

B. The IRC shall be set each year in the Company's 1307(f) proceeding to reflect the Total Margin Revenue. The rate per Mcf shall be calculated by dividing the Total Margin Revenue by total applicable firm sales. For the period September 1, 2003 through August 31, 2004 the IRC shall be initially set to reflect the Total Margin Revenue authorized by the Commission in its final order at M-00021612 (entered March 31, 2003).

(I) - Increase

RESTRUCTURING AND CONSUMER EDUCATION SURCHARGE

Non-Gas restructuring and consumer education costs will be recovered by a Restructuring and Consumer Education Surcharge applicable to all volumes of Gas delivered.

1. Computation of the Restructuring and Consumer Education Surcharge factors will be in accordance with the automatic adjustment procedures utilized under Section 1307 of the Public Utility Code and will be filed and approved in conjunction with the Company's annual Section 1307(f)-GCR filing.
2. Restructuring and Consumer Education costs recovered through the Surcharge mechanism are the Commission approved costs which the Company has or will incur to meet the requirements of the Natural Choice and Competition Act and applicable Commission regulations, orders and other regulatory requirements, other than those costs pertaining to universal service and energy conservation programs.
3. *Once the surcharge is in place, PGW shall file reconciliation statements quarterly and shall submit a claim for over/under recovery on an annual basis, at the same time it submits its projected Restructuring costs and Restructuring Surcharge claim for the next year; provided however, that if a project for which costs were included in the Restructuring Surcharge is cancelled or delayed beyond the year in which the cost was originally scheduled to be incurred, the Company will withdraw the projected costs of that project from the Restructuring Surcharge in its next quarterly update. No interest will be included in such surcharge computations. The basic component of the surcharge will be determined by dividing the restructuring and consumer education costs approved for annual recovery by the estimated applicable throughput in Mcf.*
4. The Restructuring and Consumer Education Surcharge shall remain in effect until restructuring and consumer education costs have been collected or as otherwise directed by the Commission.
5. The Restructuring and Consumer Education Surcharge is effective on and after September 1, 2008.

Current Restructuring and Consumer Education Surcharge = \$0.00240/Ccf

(I)

(I) – Increase

UNIVERSAL SERVICE AND ENERGY CONSERVATION SURCHARGE

Universal service and energy conservation program and related costs will be recovered by a Universal Service and Energy Conservation Surcharge applicable to all volumes of Gas delivered.

1. The Surcharge will recover: 1) the discounts provided to Customers pursuant to the Customer Responsibility Program (CRP); 2) the discounts provided to Customers pursuant to the Senior Citizen Discount; 3) the costs of the Conservation Works Program (CWP); and, 4) for Customers entering the CRP program on or after September 1, 2003, past due arrearages forgiven pursuant to paragraph A (6) of the CRP/CAP Program Design Stipulation approved by the Commission by its order at M-00021612 (entered March 31, 2003).
2. Computation of the Universal Service and Energy Conservation Surcharge factors will be in accordance with the automatic adjustment procedures utilized under Section 1307(f) of the Public Utility Code and will be filed and approved in conjunction with the Company's annual Section 1307(f)-GCR filing.
3. Once the surcharge is in place it will be automatically adjusted effective March 1, June 1, September 1, and December 1 of each year in accordance with Section 1307(f) quarterly adjustment procedures. No interest will be included in such surcharge computations. The basic component of the surcharge will be determined by dividing the total universal service and energy conservation program costs approved for annual recovery by the estimated applicable throughput in Mcfs.
4. The Universal Service and Energy Conservation Surcharge shall take effect upon the effective date of this Tariff.

Current Universal Service and Energy Conservation Surcharge = \$ 0.19391/Ccf.

(D)

(D) - Decrease

GENERAL SERVICE - RATE GS

Rate: Applicable to all Retail Sales Service or Transportation Service rendered pursuant to this
Rate Schedule on or after September 1, 2010

AVAILABILITY

Available for any purpose where the Company's distribution mains adjacent to the proposed Gas Service location are, or can economically be made, suitable to supply the quantities of Gas or Transportation Services required.

RATES

CUSTOMER CHARGE (per Meter (except parallel meters)):

\$ 12.00 per month for Residential and Public Housing Authority Customers.
\$ 18.00 per month for Commercial and Municipal Customers
\$ 50.00 per month for Industrial Customers

Plus,

GCR (not applicable to GS Customers who transport gas through a qualified NGS):

\$ 0.73294 per Ccf for Residential and Public Housing (I)
\$ 0.73294 per Ccf for Commercial and Municipal Customers (I)
\$ 0.73294 per Ccf for Industrial Customers (I)

Plus,

DISTRIBUTION CHARGE (consisting of items (A) and (B), below):

(A) Delivery Charge:

\$0.61840 per Ccf for Residential
\$0.52817 per Ccf for Public Housing
\$0.52449 per Ccf for Commercial and Municipal Customers
\$0.52465 per Ccf for Industrial Customers

(B) Surcharges:

Universal Service and Energy Conservation Surcharge; and Restructuring and Consumer Education Surcharge.

(I) – Increase

MUNICIPAL SERVICE - RATE MS

Rate: Applicable to all Retail Sales Service or Transportation Service rendered pursuant to this Rate Schedule on or after September 1, 2010.

AVAILABILITY

Available to properties owned or occupied by the City of Philadelphia or the Board of Education, or any of their respective agencies or instrumentalities, for any type of Gas Service, unless purchased for resale to others, and where the Company's distribution mains adjacent to the proposed Gas Service locations are, or can economically be made, suitable to supply the quantities of Gas required; provided, however, that the rate shall not be available to Commercial Tenants of any such property.

RATES

CUSTOMER

CHARGE (per Meter (except parallel meters):

\$ 18.00 per month

Plus,

GCR (not applicable to MS Customers who transport Gas through a qualified NGS):

\$0.73294 per Ccf

(I)

Plus,

DISTRIBUTION CHARGE (consisting of items (A) and (B), below):

(A) Delivery Charge:

\$0.38178 per Ccf

(B) Surcharges:

Universal Service and Energy Conservation Surcharge; and The Restructuring and Consumer Education Surcharge.

Also,

The following Riders may apply:

(I) – Increase

PHILADELPHIA HOUSING AUTHORITY SERVICE - RATE PHA

Rate: Applicable to all Retail Sales Service or Transportation Services rendered pursuant to this Rate Schedule on or after September 1, 2010

AVAILABILITY

Available for all Gas usage in multiple dwelling Residential buildings containing 10 or more dwelling units, owned and operated by the Philadelphia Housing Authority, where cooking shall be performed exclusively with Gas and where Gas Service shall be supplied through one or more single point metering arrangements at locations where the Company's distribution mains adjacent to the proposed Gas Service locations are, or can economically be made, suitable to supply the quantities of Gas required.

This rate is also available for all Gas usage in single and multiple dwelling Residential buildings, containing less than 10 dwelling units, provided, and only so long as, Gas is used exclusively for cooking, water heating and space heating for all such Residential buildings owned and operated by the Philadelphia Housing Authority, except (a) buildings operated by the Philadelphia Housing Authority, prior to the original effective date of this rate (January 1, 1969), and (b) buildings for which, in the judgment of the Company, such Gas Service cannot be provided economically.

RATES

CUSTOMER

CHARGE (per Meter (except parallel meters);

\$18.00 per month

Plus,

GCR (not applicable to PHA customers who transport gas through a qualified NGS):

\$ 0.73294 per Ccf (I)

Plus

DISTRIBUTION CHARGE:

DISTRIBUTION CHARGE (consisting of item (A) and (B), below):

(A) Delivery Charge:

\$0.51889 per Ccf

(B) Surcharges:

Universal Service and Energy Conversation Surcharge; and The Restructuring and Consumer Education Surcharge.

(I) – Increase

**DEVELOPMENTAL NATURAL GAS VEHICLE SERVICE - RATE NGVS
FIRM SERVICE**

Rate: Applicable to all Retail Sales Service rendered pursuant to this Rate Schedule on or after
September 1, 2010

AVAILABILITY

This service is available to provide uncompressed Natural Gas to any Customer for the exclusive purpose of compressing such Gas for use as fuel for motor vehicles. The compression of the Natural Gas to the pressure required for use as a motor vehicle fuel will be conducted by the Customer, at the Customer's designated premises. Service shall only be available where the Company's distribution system is, or can economically be made available to supply the service. Each Customer will be required to execute a service agreement which will specify terms and conditions of service.

CHARACTER OF SERVICE

Service under this rate schedule is firm and shall only be interrupted in the case of operating emergencies experienced by the Company.

MONTHLY RATE

CUSTOMER CHARGE:

\$35.00 per month

Plus,

GCR (not applicable to PHA customers who transport gas through a qualified NGS):

\$ 0.73294 per Ccf

(I)

Plus

DISTRIBUTION CHARGE:

DISTRIBUTION CHARGE (consisting of item (A) and (B), below):

(A) Delivery Charge:

\$0.13212 per Ccf

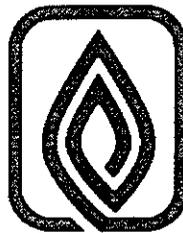
(B) Surcharges:

Universal Service and Energy Conversation Surcharge; and The Restructuring and Consumer Education Surcharge.

(I) – Increase

PHILADELPHIA GAS WORKS

GAS SUPPLIER TARIFF



Issued by: Thomas Knudsen
President and CEO
PHILADELPHIA GAS WORKS
800 West Montgomery Avenue
Philadelphia, PA 19122

List of Changes Made by this Tariff

9.14. LOAD BALANCING SURCHARGE, 9.14.A. (Page No. 39)

The load balancing charge decreases from \$42.2917 per design day Mcf to \$41.9085 per design day Mcf.

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PHILADELPHIA GAS WORKS

9.14. LOAD BALANCING CHARGE.

9.14.A. Suppliers for all gas delivered under Firm Transportation Rates, of this Suppliers Tariff shall be charged at \$ 41.9085 per design day Mcf that is fulfilled by PGW storage and peaking assets, for recovery of those costs for Balancing Service, calculated in the manner set forth in the Commission's Order at M-00021612 (entered March 31, 2003) and as set forth below. Such rate for Balancing Service shall be increased or decreased, from time to time, in accordance with applicable law and procedures. (D)

9.14.B. Computation of Balancing Service Costs per Dth.

9.14.B.1. Formula. Balancing Service Costs, per design day Mcf, that is fulfilled by PGW storage and peaking assets, shall be computed to the nearest one-hundredth cent (\$0.0001) in accordance with the formula set forth below:

$$BSC = ((C - E) / (S))$$

Projected Balancing Service Costs, so computed, shall be charged to Suppliers of Firm Transportation Rates per Customer per design day Mcf that is fulfilled by PGW storage and peaking assets, for an enrollment month. The amount of those costs, per Mcf, will vary, if appropriate, based upon annual filings by the Company pursuant to Section 1307(f) of the Public Utility Code and such supplemental filings as may be required or be appropriate under Section 1307(f) or the PUC's regulations adopted pursuant thereto.

9.14.B.2. Definitions. In computing the Balancing Service Costs, per Dth, pursuant to the formula above, the following definitions shall apply:

"BSC" - Balancing Service Costs determined to the nearest one-hundredth cent (\$0.0001) to be charged to each design day Mcf that is fulfilled by PGW storage and peaking assets, under Rate Schedule Firm.

"C" - Cost in dollars: for all types of storage and related services, the fixed and variable costs for the projected period when rates will be in effect.

"E" - the net overcollection or undercollection of Balancing Service Costs.
The net overcollection or undercollection shall be determined for the most recent period permitted under law, which shall begin with the month following the last month which was included in the previous overcollection or undercollection calculation reflected in rates. The annual filing date shall be the date specified by the PUC for the Company's Section 1307(f) Tariff filing.

Each overcollection or undercollection statement shall also provide for refund or recovery of amounts necessary to adjust for overrecovery or underrecovery of "E" factor amounts under the previous Balancing Service Costs Rate. Interest shall be computed monthly at the rate as provided for in Section 1307(f) of the Public Utility Code from the month that the overcollection or undercollection occurs to the effective month such overcollection is refunded or undercollection is recouped. Such over billings (or under billings) will be made with interest at the statutory rate.

"S" - projected Mcf of storage gas/LNG to be delivered to Customers to meet design day needs during the projected period when rates will be in effect.

(D) - Decrease

Docket R-2010-2157062
Item 53.64 (a)

Philadelphia Gas Works

Pennsylvania Public Utilities Commission
52 Pa. Code § 53.61. et seq.

Item 53.64(a) A Section 1307(f) gas utility may only voluntarily file a tariff reflecting an increase or decrease in natural gas costs once a year in accordance with the schedule established by the Commission, as published in the Pennsylvania Bulletin prior to the first day of September of each preceding year. If no new tariff is filed at that time, gas utilities under 66 Pa.C.S. § 1307(f) shall nevertheless file for the reconciliation of amounts collected and expended during prior periods as set forth in subsection (i). The tariff may reflect either an annual levelized rate, or a seasonal levelized rate pursuant to which a levelized 6-month “summer” rate period and a levelized 6-month “winter” rate period would apply. Upon good cause shown, the tariff may reflect other summer/winter rate periods as may be justified by operational considerations.

Response: Please see the attached worksheets.

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FEB 26 2010
PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

MARCH 1, 2010 GCR FILING
PA Code 53.64(a)

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Philadelphia Gas Works

Levelized Gas Cost Rate

1307F Filing - September 1, 2010

Formula:

$$GCR = SSC + GAC - IRC$$

where:

	<u>Demand</u>	<u>Commodity</u>	<u>Total</u>	
S = GCR Firm Sales (Mcf)			50,423,229	Schedule 2
Net Natural Gas Expense	\$ 69,378,594	\$ 319,558,760	\$ 388,937,353	
Purchased Electric Expense	\$ -	\$ 1,022,300	\$ 1,022,300	
C = Total Applicable GCR Expense	\$ 69,378,594	\$ 320,581,060	\$ 389,959,653	Schedule 3
SSC = C / S	\$ 1.3759	\$ 6.3578	\$ 7.7337	
Adjustment For:				
Interest	249,257	(372,118)	(122,861)	Schedule 4 (b)
Prior Reconciliation	\$ (10,659,387)	\$ (3,016,038)	\$ (13,675,425)	
E = Adjustments to GCR Expenses	\$ (10,410,129)	\$ (3,388,157)	\$ (13,798,286)	Schedule 5
GAC = E / S	\$ (0.2065)	\$ (0.0672)	\$ (0.2736)	
Interruptible Revenue Credit			\$ 6,011,991	Schedule 11(a)
IRC = Interruptible Revenue Credit / S			\$ 0.1192	
Net Applicable GCR Expenses = C + E - Interruptible Revenue Credit			\$ 370,149,376	
<u>GCR = SSC + GAC - IRC</u>			\$ 7.3408	
SSC in effect 9/01/10	\$ 1.3738	\$ 6.3478	\$ 7.7216	
GAC in effect 9/01/10	\$ (0.2061)	\$ (0.0671)	\$ (0.2732)	
IRC in effect 9/01/10			\$ (0.1190)	
GCR in effect 9/01/10			\$ 7.3294	Schedule 8
Recovery Test on:				
Firm Sales (Mcf)			50,423,229	
= Total Projected Recovery			\$ 370,149,679	Schedule 8
Compared To				
Net Applicable GCR Expenses			\$ 370,149,376	
= Net Over/(Under) Recovery			\$ 303	Schedule 5
Degree Days			4,392	

SALES & VOLUMES

September 2010 Through August 2011

<u>MONTH</u>	<u>TOTAL VOLUMES</u>	<u>FIRM TRANSPORT VOLUMES</u>	<u>TOTAL BILLED SALES</u>	<u>INTERRUPTIBLE SALES</u>	<u>TOTAL GCR FIRM SALES</u>	<u>SENIOR CITIZEN DISCOUNT SALES</u>	<u>TOTAL APPLICABLE VOLUMES</u>
	1	2	3 = 1 - 2	4	5 = 3 - 4	6	7 = 5 - 6 + 2
SEPTEMBER 2010	1,142,413	88,184	1,054,229	17,624	1,036,605	8,502	1,116,287
OCTOBER	1,779,177	112,876	1,666,302	45,959	1,620,343	14,301	1,718,917
NOVEMBER	4,048,855	209,632	3,839,223	80,973	3,758,250	38,738	3,929,144
DECEMBER	6,981,462	334,983	6,646,479	126,980	6,519,499	69,431	6,785,051
JANUARY 2011	10,996,948	520,618	10,476,329	145,547	10,330,782	113,910	10,737,491
FEBRUARY	9,640,602	466,462	9,174,141	122,054	9,052,087	98,326	9,420,222
MARCH	7,603,824	378,957	7,224,867	102,686	7,122,181	75,496	7,425,642
APRIL	5,311,149	284,832	5,026,318	57,666	4,968,652	52,081	5,201,402
MAY	2,574,174	161,571	2,412,603	26,568	2,386,035	22,812	2,524,794
JUNE	1,545,290	125,350	1,419,941	12,843	1,407,098	10,862	1,521,585
JULY	1,251,038	104,923	1,146,115	13,373	1,132,742	8,372	1,229,293
AUGUST	<u>1,204,352</u>	<u>101,973</u>	<u>1,102,379</u>	<u>13,424</u>	<u>1,088,955</u>	<u>7,747</u>	<u>1,183,181</u>
TOTAL	<u>54,079,284</u>	<u>2,890,359</u>	<u>51,188,925</u>	<u>765,696</u>	<u>50,423,229</u>	<u>520,579</u>	<u>52,793,009</u>

**PROJECTED APPLICABLE FUEL EXPENSE
SUMMARY
SEPTEMBER 2010 - AUGUST 2011**

	<u>SEPTEMBER</u>	<u>OCTOBER</u>	<u>NOVEMBER</u>	<u>DECEMBER</u>	<u>JANUARY</u>	<u>FEBRUARY</u>	<u>MARCH</u>	<u>APRIL</u>	<u>MAY</u>	<u>JUNE</u>	<u>JULY</u>	<u>AUGUST</u>	<u>TOTAL</u>
NATURAL GAS BILLED													
DEMAND CHARGE	5,224,572	5,176,022	5,666,763	5,956,394	5,955,539	6,025,650	6,248,432	5,842,976	5,815,233	5,841,092	5,813,412	5,812,510	69,378,594
COMMODITY CHARGE	17,587,773	26,126,415	30,849,504	40,035,258	42,486,692	37,682,704	36,941,749	28,692,471	26,570,240	19,873,203	20,497,276	20,381,066	347,724,353
TOTAL NATURAL GAS BILLED	22,812,345	31,302,437	36,516,268	45,991,652	48,442,231	43,708,354	43,190,181	34,535,447	32,385,473	25,714,295	26,310,688	26,193,576	417,102,946
INTERRUPTIBLE CREDIT	102,078	268,577	496,880	797,424	933,599	778,571	647,948	365,904	172,931	83,378	90,854	91,025	4,829,167
SENDOUT VOLUME IN MCF	18,339	47,824	84,259	131,996	151,296	126,875	106,742	59,944	27,618	13,350	13,901	13,954	796,098
DKT CONVERSION FACTOR	1.0320	1.0320	1.0320	1.0320	1.0320	1.0320	2.0320	3.0320	4.0320	5.0320	6.0320	7.0320	
PRICE \$/DKT	5.394	5.442	5.714	5.854	5.979	5.946	5.882	5.915	6.067	6.052	6.333	6.321	
GAS USED FOR UTILITY	59,200	116,415	292,486	614,178	857,774	902,067	739,860	434,430	219,234	41,653	53,859	13,915	4,345,073
NATURAL GAS TO STORAGE	(10,463,443)	(8,812,508)	(13,052)	-	-	-	-	(6,249,374)	(12,880,442)	(12,421,726)	(13,476,341)	(13,448,430)	(77,765,316)
FROM STORAGE PGW	-	12,384	3,510,428	14,075,962	18,826,790	13,862,969	9,020,792	2,836,315	223,705	-	-	-	62,369,345
FT FROM STORAGE	-	-	35,808	305,094	626,624	404,603	150,446	-	-	-	-	-	1,522,574
NET NATURAL GAS STORAGE	(10,463,443)	(8,800,125)	3,497,376	14,075,962	18,826,790	13,862,969	9,020,792	(3,413,059)	(12,656,737)	(12,421,726)	(13,476,341)	(13,448,430)	(15,395,971)
LNG TO STORAGE	(460,474)	(1,723,675)	(2,454,395)	(1,302,499)	-	-	(2,537,614)	(2,292,579)	(1,679,547)	(959,337)	-	-	(13,410,118)
FROM LNG PGW	498,220	507,949	481,686	1,037,671	2,364,003	1,957,767	570,570	474,206	486,443	468,804	483,708	483,708	9,814,736
FT FROM LNG	-	-	-	109,463	-	41,793	-	-	-	-	-	-	151,257
NET LNG STORAGE	37,747	(1,215,726)	(1,972,708)	(264,829)	2,364,003	1,957,767	(1,967,043)	(1,818,373)	(1,193,104)	(490,532)	483,708	483,708	(3,595,382)
NET NATURAL GAS EXPENSE	12,225,371	20,901,595	37,251,569	58,391,183	67,841,652	57,848,452	48,856,121	28,503,682	18,143,467	12,677,005	13,173,342	13,123,914	388,937,353
APPLICABLE GCR EXPENSE													
NET NATURAL GAS EXPENSE	12,225,371	20,901,595	37,251,569	58,391,183	67,841,652	57,848,452	48,856,121	28,503,682	18,143,467	12,677,005	13,173,342	13,123,914	388,937,353
PURCHASED ELECTRIC	66,500	78,200	91,300	99,900	94,600	130,100	112,000	75,000	76,200	73,500	65,900	59,100	1,022,300
TOTAL APPLICABLE EXPENSES	12,291,871	20,979,795	37,342,869	58,491,083	67,936,252	57,978,552	48,968,121	28,578,682	18,219,667	12,750,505	13,239,242	13,183,014	389,959,653
TOTAL GCR FIRM SALES	1,036,605	1,620,343	3,758,250	6,519,499	10,330,782	9,052,087	7,122,181	4,968,652	2,386,035	1,407,098	1,132,742	1,088,955	50,423,229

**CALENDAR YEAR 2009
PHILADELPHIA GAS WORKS
INTEREST RATE CALCULATION**

	Split Month		Split Month		Split Month		Split Month		Split Month		
	09/01/2008	01/01/2009	02/01/2009	03/01/2009	04/01/2009	06/01/2009	07/01/2009	09/01/2009	10/01/2009	12/01/2009	01/01/2010
SSC in Effect	\$ 13.3798	\$ 12.1846	\$ 10.9894	\$ 10.0916	\$ 9.1937	\$ 8.5889	\$ 7.9841	\$ 7.8412	\$ 7.6982	\$ 7.6210	\$ 7.5437
GAC in Effect	\$ (0.5105)	\$ (0.2967)	\$ (0.0828)	\$ (0.3225)	\$ (0.5623)	\$ (0.5745)	\$ (0.5867)	\$ (0.5405)	\$ (0.4942)	\$ (0.3371)	\$ (0.1800)
IRC in Effect	\$ (0.2166)	\$ (0.2113)	\$ (0.2059)	\$ (0.2091)	\$ (0.2122)	\$ (0.2141)	\$ (0.2159)	\$ (0.1650)	\$ (0.1140)	\$ (0.1140)	\$ (0.1140)
Total Effective	\$ 12.6527	\$ 11.6767	\$ 10.7007	\$ 9.5599	\$ 8.4192	\$ 7.8004	\$ 7.1815	\$ 7.1358	\$ 7.0900	\$ 7.1699	\$ 7.2497

MONTH	NET COST OF FUEL (1) (\$)	GCR FIRM SALES (2)	C FACTOR RECOVERY RATE (3) (\$)	C FACTOR REVENUES BILLED (4)=(2)*(3) (\$)	ADJUSTMENT FOR ACTUAL REVENUE (5)	ADJUSTED	OVER/ (UNDER) RECOVERY (7)=(6)-(1) (\$)	INTEREST RATE (8)
						C FACTOR REVENUES BILLED (6)=(4)*(5) (\$)		
JANUARY 2009	122,281,446	9,221,074	12.1846	112,355,348	0.989	111,096,289	(11,185,157)	
FEBRUARY	78,414,407	8,874,697	10.9894	97,527,658	1.000	97,510,111	19,095,704	
MARCH	70,226,784	6,690,089	10.0916	67,513,374	0.990	66,814,329	(3,412,455)	
APRIL	24,894,113	4,373,233	9.1937	40,206,173	1.002	40,304,452	15,410,339	
MAY	13,981,288	2,186,285	9.1937	20,100,037	1.002	20,137,972	6,156,684	
JUNE	10,301,953	1,380,535	8.5889	11,857,306	0.999	11,849,629	1,547,676	
JULY	10,075,761	1,162,540	7.9841	9,281,890	1.012	9,393,797	(681,964)	
AUGUST	10,575,549	1,017,205	7.9841	8,121,515	1.011	8,214,589	(2,360,960)	
SEPTEMBER	10,815,702	1,074,087	7.8412	8,422,107	1.007	8,478,784	(2,336,918)	
OCTOBER	18,114,638	1,670,689	7.6982	12,861,315	1.003	12,898,449	(5,216,189)	
NOVEMBER	26,440,822	3,081,608	7.6982	23,722,865	1.013	24,035,031	(2,405,791)	
DECEMBER	<u>54,256,451</u>	<u>5,671,027</u>	7.6210	<u>43,218,635</u>	1.009	<u>43,607,658</u>	<u>(10,648,793)</u>	
	450,378,914	46,403,068		455,188,221		454,341,088	3,962,174	8%

**FISCAL YEAR 2010
PHILADELPHIA GAS WORKS
INTEREST CALCULATION**

	Split Month		Split Month		Split Month		
	06/01/2009	09/01/2009	10/01/2009	12/01/2009	01/01/2010	03/01/2010	04/01/2010
SSC in Effect	\$ 7.9841	\$ 7.8412	\$ 7.6982	\$ 7.6210	\$ 7.5437	\$ 7.5893	\$ 7.6350
GAC in Effect	\$ (0.5867)	\$ (0.5405)	\$ (0.4942)	\$ (0.3371)	\$ (0.1800)	\$ (0.1777)	\$ (0.1754)
IRC in Effect	\$ (0.2159)	\$ (0.1650)	\$ (0.1140)	\$ (0.1140)	\$ (0.1140)	\$ (0.1140)	\$ (0.1141)
Total Effective	\$ 7.1815	\$ 7.1358	\$ 7.0900	\$ 7.1699	\$ 7.2497	\$ 7.2976	\$ 7.3455

Month	NET COST OF FUEL (1) (\$)	FIRM SALES (2)	C FACTOR RECOVERY RATE (3) (\$)	C FACTOR REVENUES BILLED (4)=(2)*(3) (\$)	ADJUSTMENT FOR ACTUAL REVENUE (5)	ADJUSTED	OVER/ (UNDER) RECOVERY (7)=(6)-(1) (\$)	INTEREST RATE (1) (8)	TIME FACTOR (9)	INTEREST EXPENSE (10)=(7)*(8)*(9) (\$)	INTEREST ON REFUNDS (2) 11 (\$)	TOTAL INTEREST 12=(10+11) (\$)
						C FACTOR REVENUES BILLED (6)=(4)*(5) (\$)						
SEPTEMBER 2009	10,815,702	1,074,087	7.8412	8,422,107	1.0067	8,478,784	(2,336,918)	8%	18/12	(280,430)	0	(280,430)
OCTOBER	18,114,638	1,670,689	7.6982	12,861,315	1.0029	12,898,449	(5,216,189)	8%	17/12	(591,168)	0	(591,168)
NOVEMBER	26,440,822	3,081,608	7.6982	23,722,865	1.0132	24,035,031	(2,405,791)	8%	16/12	(256,618)	2,650	(253,967)
DECEMBER	54,256,451	5,671,027	7.6210	43,218,635	1.0090	43,807,658	(10,648,793)	8%	15/12	(1,064,879)	0	(1,064,879)
JANUARY 2010	68,675,066	9,679,705	7.5437	73,020,774	1.0000	73,020,774	4,345,708	6%	14/12	304,200	0	304,200
FEBRUARY	59,995,190	8,954,521	7.5437	67,550,205	1.0000	67,550,205	7,555,015	6%	13/12	491,076	0	491,076
MARCH	50,190,611	7,168,080	7.5893	54,400,992	1.0000	54,400,992	4,210,381	6%	12/12	252,623	0	252,623
APRIL	28,656,679	4,996,636	7.6350	38,149,215	1.0000	38,149,215	9,492,537	6%	11/12	522,090	0	522,090
MAY	16,361,766	2,402,054	7.6350	18,339,634	1.0000	18,339,634	1,977,868	6%	10/12	98,893	0	98,893
JUNE	11,659,575	1,414,230	7.6350	10,797,621	1.0000	10,797,621	(861,954)	6%	9/12	(38,788)	0	(38,788)
JULY	12,080,777	1,143,152	7.6350	8,727,943	1.0000	8,727,943	(3,352,833)	6%	8/12	(134,113)	0	(134,113)
AUGUST	12,109,918	1,098,553	7.6350	8,387,431	1.0000	8,387,431	(3,722,488)	6%	7/12	(130,287)	0	(130,287)
Total	369,357,195	48,354,341		367,598,737		368,393,737	(963,458)			(827,402)	2,650	(824,752)
Interest from Schedule 4 (b) 1												947,613
Total Interest												122,861

(1) See Schedule 4 (a)

(2) See Schedule 4 (c)

**CALENDAR YEAR 2009
PHILADELPHIA GAS WORKS
INTEREST ADJUSTMENT CALCULATION**

		Split Month		Split Month		Split Month	
	09/01/2008	01/01/2009	02/01/2009	03/01/2009	04/01/2009	06/01/2009	07/01/2009
SSC in Effect	\$ 13.3798	\$ 12.1846	\$ 10.9894	\$ 10.0916	\$ 9.1937	\$ 8.5889	\$ 7.9841
GAC in Effect	\$ (0.5105)	\$ (0.2967)	\$ (0.0828)	\$ (0.3225)	\$ (0.5623)	\$ (0.5745)	\$ (0.5867)
IRC in Effect	\$ (0.2166)	\$ (0.2113)	\$ (0.2059)	\$ (0.2091)	\$ (0.2122)	\$ (0.2141)	\$ (0.2159)
Total Effective	\$ 12.6527	\$ 11.6767	\$ 10.7007	\$ 9.5599	\$ 8.4192	\$ 7.8004	\$ 7.1815

<u>MONTH</u>	NET COST OF FUEL (1) (\$)	FIRM SALES (2)	C FACTOR RECOVERY RATE (3) (\$)	C FACTOR REVENUES BILLED (4)=(2)*(3) (\$)	ADJUSTMENT FOR ACTUAL REVENUE (5)	ADJUSTED	OVER/ (UNDER) RECOVERY (7)=(6)-(1) (\$)	INTEREST RATE ⁽¹⁾ (8)	TIME FACTOR (9)	INTEREST EXPENSE (10)=(7)*(8)*(9) (\$)
						C FACTOR REVENUES BILLED (6)=(4)*(5) (\$)				
JANUARY 2009	122,281,446	9,221,074	12.1846	112,355,348	0.9888	111,096,289	(11,185,157)	2%	26/12	(484,690)
FEBRUARY	78,414,407	8,874,697	10.9894	97,527,658	0.9998	97,510,111	19,095,704	2%	25/12	795,654
MARCH	70,226,784	6,690,089	10.0916	67,513,374	0.9896	66,814,329	(3,412,455)	2%	24/12	(136,498)
APRIL	24,894,113	4,373,233	9.1937	40,206,173	1.0024	40,304,452	15,410,339	2%	23/12	590,730
MAY	13,981,288	2,186,285	9.1937	20,100,037	1.0019	20,137,972	6,156,684	2%	22/12	225,745
JUNE	10,301,953	1,380,535	8.5889	11,857,306	0.9994	11,849,629	1,547,676	2%	21/12	54,169
JULY	10,075,761	1,162,540	7.9841	9,281,890	1.0121	9,393,797	(681,964)	2%	20/12	(22,732)
AUGUST	10,575,549	1,017,205	7.9841	8,121,515	1.0115	8,214,589	(2,360,960)	2%	19/12	(74,764)
	340,751,301	34,905,657		366,963,300		365,321,167	24,569,866			947,613

(1) Interest is calculated at 8% - see Schedule 4 (a). Interest was previously paid at 6%.

FISCAL YEAR 2010
PHILADELPHIA GAS WORKS
INTEREST ON NATURAL GAS REFUNDS

<u>MONTH</u>	NATURAL GAS REFUNDS	INTEREST RATE	TIME FACTOR	INTEREST ON REFUNDS
	(9)	(10)	(11)	(13)=(9)*(10)*(11)
	(\$)			(\$)
SEPTEMBER 09	0	6%	18/12	0
OCTOBER	0	6%	17/12	0
NOVEMBER	33,129	6%	16/12	2,650
DECEMBER	0	6%	15/12	0
JANUARY 10	0	6%	14/12	0
FEBRUARY	0	6%	13/12	0
MARCH	0	6%	12/12	0
APRIL	0	6%	11/12	0
MAY	0	6%	10/12	0
JUNE	0	6%	9/12	0
JULY	0	6%	8/12	0
AUGUST	0	6%	7/12	0
TOTAL	33,129			2,650

**FISCAL YEAR 2010
PHILADELPHIA GAS WORKS
DEMAND AND COMMODITY INTEREST CALCULATION**

MONTH	(1)	DEMAND CHARGE	COMMODITY CHARGE	INTEREST RATE	TIME FACTOR	DEMAND	COMMODITY	TOTAL	(2)	TOTAL INTEREST
	OVER/(UNDER) RECOVERY	OVER/(UNDER) RECOVERY	OVER/(UNDER) RECOVERY			INTEREST	INTEREST	INTEREST	INTEREST ON	
	(1)	(2)	(3)=(1)-(2)			(4)	(5)	(6)=(2)*(4)*(5)	(7)=(3)*(4)*(5)	
	(\$)	(\$)	(\$)			(\$)	(\$)	(\$)	(\$)	(\$)
SEPTEMBER 2009	(2,336,918)	(4,428,318)	2,091,400	8%	18/12	(531,398)	250,968	(280,430)	0	(280,430)
OCTOBER	(5,216,189)	(3,987,297)	(1,228,892)	8%	17/12	(451,894)	(139,274)	(591,168)	0	(591,168)
NOVEMBER	(2,405,791)	(1,702,129)	(703,662)	8%	16/12	(181,560)	(75,057)	(256,618)	2,650	(253,967)
DECEMBER	(10,648,793)	1,584,637	(12,233,430)	8%	15/12	158,464	(1,223,343)	(1,064,879)	0	(1,064,879)
JANUARY 2010	4,345,708	6,767,576	(2,421,868)	6%	14/12	473,730	(169,531)	304,200	0	304,200
FEBRUARY	7,555,015	5,733,111	1,821,904	6%	13/12	372,652	118,424	491,076	0	491,076
MARCH	4,210,381	3,510,480	699,901	6%	12/12	210,629	41,994	252,623	0	252,623
APRIL	9,492,537	1,104,663	8,387,873	6%	11/12	60,756	461,333	522,090	0	522,090
MAY	1,977,868	(2,395,726)	4,373,594	6%	10/12	(119,786)	218,680	98,893	0	98,893
JUNE	(861,954)	(3,769,262)	2,907,308	6%	9/12	(169,617)	130,829	(38,788)	0	(38,788)
JULY	(3,352,833)	(4,106,295)	753,461	6%	8/12	(164,252)	30,138	(134,113)	0	(134,113)
AUGUST	<u>(3,722,488)</u>	<u>(4,165,350)</u>	<u>442,862</u>	6%	7/12	<u>(145,787)</u>	<u>15,500</u>	<u>(130,287)</u>	<u>0</u>	<u>(130,287)</u>
TOTAL FY 2010	(963,458)	(5,853,910)	4,890,452			(488,063)	(339,339)	(827,402)	2,650	(824,752)
JANUARY 2009	(11,185,157)	5,009,893	(16,195,050)	2%	26/12	217,095	(701,786)	(484,690)	0	(484,690)
FEBRUARY	19,095,704	5,648,932	13,446,771	2%	25/12	235,372	560,282	795,654	0	795,654
MARCH	(3,412,455)	3,449,758	(6,862,213)	2%	24/12	137,990	(274,489)	(136,498)	0	(136,498)
APRIL	15,410,339	347,001	15,063,339	2%	23/12	13,302	577,428	590,730	0	590,730
MAY	6,156,684	(1,793,750)	7,950,434	2%	22/12	(65,771)	291,516	225,745	0	225,745
JUNE	1,547,676	(2,878,389)	4,426,065	2%	21/12	(100,744)	154,912	54,169	0	54,169
JULY	(681,964)	(2,970,316)	2,288,351	2%	20/12	(99,011)	76,278	(22,732)	0	(22,732)
AUGUST	(2,360,960)	(3,139,862)	778,902	2%	19/12	(99,429)	24,665	(74,764)	0	(74,764)
TOTAL 2009	24,569,866	3,673,267	20,896,599			238,806	708,808	947,613		947,613
GRAND TOTAL	23,606,408	(2,180,643)	25,787,051			(249,257)	369,468	120,211	2,650	122,861

(1) See Schedule 4 (b)

(2) See Schedule 4 (c)

GCR

STATEMENT OF RECONCILIATION

SEPTEMBER 2010 THROUGH AUGUST 2011

NET COST OF FUEL	GCR FIRM SALES	IRC FACTOR APPLIED	INTERRUPT. REVENUE CREDIT	APPLICABLE EXPENSES	GCR FACTOR APPLIED	GCR REVENUE BILLED	SSPC & MIGRATION REVENUE	MONTHLY OVER/(UNDER) RECOVERY	E FACTOR DISTRIBUTED ON GCR	CUMULATIVE OVER/(UNDER) RECOVERY
1	2	3	4= (2 * 3)	5 = (1 - 4)	6	7	8	9 = (7 - 8 - 5)	10	11
\$	MCF	\$	\$	\$	\$	\$	\$	\$	\$	\$

AUGUST 2010 OVER-COLLECTION
INTEREST 2010 INTEREST
TOTAL "E" FACTOR

13,675,425
122,861
13,798,286

2010-2011

SEPTEMBER	Estimated	12,291,871	1,036,605	0.1192	123,595	12,168,276	7.3375	7,606,039	50,357	(4,511,880)	434,934	(4,076,946)
OCTOBER	Estimated	20,979,795	1,620,343	0.1192	193,194	20,786,600	7.3294	11,876,141	50,463	(8,859,996)	742,347	(12,194,595)
NOVEMBER	Estimated	37,342,869	3,758,250	0.1192	448,098	36,894,771	7.3294	27,545,718	47,463	(9,301,589)	1,321,336	(20,174,849)
DECEMBER	Estimated	58,491,083	6,519,499	0.1192	777,324	57,713,759	7.3294	47,784,018	48,297	(9,881,444)	2,069,642	(27,986,652)
JANUARY	Estimated	67,936,252	10,330,782	0.1192	1,231,745	66,704,507	7.3294	75,718,437	39,100	9,053,030	2,403,848	(16,529,773)
FEBRUARY	Estimated	57,978,552	9,052,087	0.1192	1,079,286	56,899,266	7.3294	66,346,365	41,632	9,488,731	2,051,506	(4,989,536)
MARCH	Estimated	48,968,121	7,122,181	0.1192	849,182	48,118,940	7.3294	52,201,316	44,642	4,127,019	1,732,682	870,165
APRIL	Estimated	28,578,682	4,968,652	0.1192	592,415	27,986,266	7.3294	36,417,235	46,777	8,477,746	1,011,225	10,359,135
MAY	Estimated	18,219,667	2,386,035	0.1192	284,488	17,935,179	7.3294	17,488,203	49,167	(397,809)	644,683	10,606,009
JUNE	Estimated	12,750,505	1,407,098	0.1192	167,769	12,582,736	7.3294	10,313,181	50,096	(2,219,459)	451,162	8,837,713
JULY	Estimated	13,239,242	1,132,742	0.1192	135,057	13,104,185	7.3294	8,302,318	50,547	(4,751,320)	468,456	4,554,849
AUGUST	Estimated	<u>13,183,014</u>	<u>1,088,955</u>	0.1192	<u>129,837</u>	<u>13,053,177</u>	7.3294	<u>7,981,390</u>	<u>50,776</u>	<u>(5,021,011)</u>	<u>466,466</u>	<u>303</u>
Total		389,959,653	50,423,229		6,011,991	383,947,662		369,580,362	569,317	(13,797,983)	13,798,286	303

GCR

STATEMENT OF RECONCILIATION

SEPTEMBER 2009 THROUGH AUGUST 2010

		1	2	3 = (1 + 2)	4	5	6 = (4 * 5)	7 = (3 - 6)	8	9	10	11 = (9 + 10 - 7)	12	13
		DEMAND CHARGES	COMMODITY CHARGES	NET COST OF FUEL	GCR FIRM SALES	IRC FACTOR APPLIED	INTERRUPT. REVENUE CREDIT	APPLICABLE EXPENSES	GCR FACTOR APPLIED	GCR REVENUE BILLED	SSPC & MIGRATION REVENUE	MONTHLY OVER/(UNDER) RECOVERY	NATURAL GAS REFUNDS*	CUMULATIVE OVER/(UNDER) RECOVERY
		\$	\$	\$	MCF	\$	\$	\$	\$	\$	\$	\$	\$	\$
2008-2009 OVER-COLLECTION														\$ 24,637,712
2008-2009 INTEREST														973,740
TOTAL "E" FACTOR														\$ 25,611,453
SEPTEMBER 2009	Actual	5,935,878	4,879,824	10,815,702	1,074,087	0.1650	177,171	10,638,531	7.1358	7,715,994	13,920	(2,908,617)	0	22,702,835
OCTOBER	Actual	6,283,269	11,831,369	18,114,638	1,670,689	0.1140	190,459	17,924,179	7.0900	11,879,385	12,844	(6,031,951)	0	16,670,885
NOVEMBER	Actual	5,982,645	20,458,177	26,440,822	3,081,608	0.1140	351,303	26,089,519	7.0900	22,136,103	36,034	(3,917,382)	33,129	12,786,632
DECEMBER	Actual	6,165,442	48,091,009	54,256,451	5,671,027	0.1140	646,497	53,609,954	7.1699	41,026,407	42,880	(12,540,667)	0	245,965
JANUARY 2010	Estimated	6,217,505	62,457,561	68,675,066	9,679,705	0.1139	1,102,518	67,572,548	7.2497	70,174,957	40,301	2,642,711	0	2,888,676
FEBRUARY	Estimated	6,282,952	53,712,237	59,995,190	8,954,521	0.1138	1,019,024	58,976,165	7.2497	64,917,591	38,528	5,980,054	0	8,868,730
MARCH	Estimated	6,208,926	43,981,686	50,190,611	7,168,080	0.1140	817,161	49,373,450	7.2976	52,309,780	44,928	2,981,259	0	11,849,988
APRIL	Estimated	5,748,707	22,907,971	28,656,679	4,996,636	0.1142	570,616	28,086,063	7.3455	36,702,786	43,964	8,660,687	0	20,510,675
MAY	Estimated	5,716,544	10,645,222	16,361,766	2,402,054	0.1142	274,315	16,087,452	7.3455	17,644,286	44,949	1,601,784	0	22,112,459
JUNE	Estimated	5,745,129	5,914,446	11,659,575	1,414,230	0.1142	161,505	11,498,070	7.3455	10,388,229	46,410	(1,063,431)	0	21,049,029
JULY	Estimated	5,713,060	6,367,716	12,080,777	1,143,152	0.1142	130,548	11,950,229	7.3455	8,397,023	48,762	(3,504,444)	0	17,544,584
AUGUST	Estimated	5,711,366	6,398,552	12,109,918	1,098,553	0.1142	125,455	11,984,464	7.3455	8,069,421	45,883	(3,869,160)	0	13,675,425
Total		71,711,424	297,645,771	369,357,195	48,354,341		5,566,572	363,790,623		351,361,963	459,503	(11,969,155)	33,129	13,675,425

* Revised

RECONCILIATION OF DEMAND CHARGES

		1	2	3	4 = (2 * 3)	5	6	7 = (6 - 1)	8
		DEMAND CHARGES LESS SSPC	GCR FIRM SALES	DEMAND CHARGE IN EFFECT	DEMAND CHARGES BILLED	ADJUST- MENT FOR ACTUAL REVENUE	ADJUSTED C FACTOR REVENUES	MONTHLY DEMAND OVER/(UNDER)	CUMULATIVE DEMAND OVER/(UNDER)
		\$	\$	\$	\$	\$	\$	\$	\$
2008-09 UNDER-COLLECTION									(4,805,477)
SEPTEMBER 2009	Actual	5,908,963	1,074,087	1.3693	1,470,747	1.0067	1,480,645	(4,428,318)	(9,233,795)
OCTOBER	Actual	6,255,439	1,670,689	1.3537	2,261,612	1.0029	2,268,142	(3,987,297)	(13,221,093)
NOVEMBER	Actual	5,928,595	3,081,608	1.3537	4,171,573	1.0132	4,226,466	(1,702,129)	(14,923,222)
DECEMBER	Actual	6,111,265	5,671,027	1.3450	7,627,247	1.0090	7,695,902	1,584,637	(13,338,584)
JANUARY 2010	Estimated	6,166,446	9,679,705	1.3362	12,934,022	1.0000	12,934,022	6,767,576	(6,571,008)
FEBRUARY	Estimated	6,231,920	8,954,521	1.3362	11,965,031	1.0000	11,965,031	5,733,111	(837,898)
MARCH	Estimated	6,158,185	7,168,080	1.3489	9,668,665	1.0000	9,668,665	3,510,480	2,672,582
APRIL	Estimated	5,698,256	4,996,636	1.3615	6,802,919	1.0000	6,802,919	1,104,663	3,777,246
MAY	Estimated	5,666,122	2,402,054	1.3615	3,270,396	1.0000	3,270,396	(2,395,726)	1,381,520
JUNE	Estimated	5,694,736	1,414,230	1.3615	1,925,475	1.0000	1,925,475	(3,769,262)	(2,387,742)
JULY	Estimated	5,662,696	1,143,152	1.3615	1,556,401	1.0000	1,556,401	(4,106,295)	(6,494,036)
AUGUST	Estimated	5,661,030	1,098,553	1.3615	1,495,680	1.0000	1,495,680	(4,165,350)	(10,659,387)

GCR

STATEMENT OF RECONCILIATION

SEPTEMBER 2008 THROUGH AUGUST 2009

		DEMAND CHARGES	COMMODITY CHARGES	NET COST OF FUEL	GCR FIRM SALES	IRC FACTOR APPLIED	INTERRUPT. REVENUE CREDIT	APPLICABLE EXPENSES	GCR FACTOR APPLIED	GCR REVENUE BILLED	SSPC & MIGRATION REVENUE	MONTHLY OVER/(UNDER) RECOVERY	NATURAL GAS REFUNDS	CUMULATIVE OVER/(UNDER) RECOVERY
		1	2	3 = (1 + 2)	4	5	6 = (4 * 5)	7 = (3 - 6)	8	9	10	11 = (9 + 10 - 7)	12	13
		\$	\$	\$	MCF	\$	\$	\$	\$	\$		\$	\$	\$
2007-2008 OVER-COLLECTION														30,502,871
2007-2008 INTEREST														604,368
TOTAL "E" FACTOR														31,107,239
SEPTEMBER 2008	Actual	5,743,105	13,234,572	18,977,677	1,099,000	0.1776	195,182	18,782,495	12.8382	14,021,704	(11,895)	(4,772,685)	30,893	26,365,446
OCTOBER	Actual	5,635,443	26,862,274	32,497,717	1,406,906	0.2166	304,736	32,192,981	12.6527	17,771,264	(32,123)	(14,453,840)	0	11,911,606
NOVEMBER	Actual	6,550,561	44,262,034	50,812,595	3,398,837	0.2166	736,188	50,076,407	12.6527	42,962,363	(66,343)	(7,180,387)	0	4,731,219
DECEMBER	Actual	6,289,652	79,739,222	86,028,874	7,193,130	0.2166	1,558,032	84,470,842	12.6527	90,987,340	1,211	6,517,709	0	11,248,928
JANUARY 2009	Actual	6,435,366	115,846,080	122,281,446	9,221,074	0.2113	1,947,952	120,333,494	11.6767	106,465,137	(11,417)	(13,879,774)	0	(2,630,846)
FEBRUARY	Actual	6,111,744	72,302,663	78,414,407	8,874,697	0.2059	1,827,300	76,587,107	10.7007	94,948,381	22,064	18,383,339	0	15,752,493
MARCH	Actual	6,430,718	63,796,066	70,226,784	6,690,089	0.2091	1,398,563	68,828,221	9.5600	63,294,692	44,372	(5,489,157)	0	10,263,336
APRIL	Actual	5,946,579	18,947,534	24,894,113	4,373,233	0.2122	928,000	23,966,113	8.4192	36,909,123	(37,181)	12,905,830	0	23,169,165
MAY	Actual	5,730,009	8,251,279	13,981,288	2,186,285	0.2122	463,930	13,517,358	8.4192	18,441,508	(15,429)	4,908,721	0	28,077,886
JUNE	Actual	5,655,568	4,646,395	10,301,963	1,380,535	0.2141	295,504	10,006,449	7.8004	10,761,684	9,612	764,846	0	28,842,732
JULY	Actual	5,590,155	4,485,606	10,075,761	1,162,540	0.2159	250,992	9,824,769	7.1815	8,449,439	(19,548)	(1,394,878)	6,275	27,454,129
AUGUST	Actual	5,819,131	4,756,418	10,575,549	1,017,205	0.2159	219,615	10,355,934	7.1815	7,388,777	14,398	(2,952,760)	136,343	24,637,712
Total		71,938,021	457,130,143	529,068,164	48,003,530		10,125,993	518,942,171		512,401,413	(102,279)	(6,643,037)	173,510	24,637,712

RECONCILIATION OF DEMAND CHARGES

		DEMAND CHARGES LESS SSPC	FIRM SALES	DEMAND CHARGE IN EFFECT	DEMAND CHARGES BILLED	MONTHLY DEMAND OVER/(UNDER)	CUMULATIVE DEMAND OVER/(UNDER)	
		1	2	3	4 = (2 * 3)	5 = (4 - 1)	6	
		\$		\$	\$	\$	\$	
2007-2008 UNDER-COLLECTION								(379,572)
SEPTEMBER 2008	Actual	5,750,031	1,099,000	1.4100	1,549,535	(4,200,496)	(4,580,068)	
OCTOBER	Actual	5,650,439	1,406,906	1.4168	1,993,304	(3,657,135)	(8,237,202)	
NOVEMBER	Actual	6,605,502	3,398,837	1.4168	4,815,472	(1,790,030)	(10,027,233)	
DECEMBER	Actual	6,270,947	7,193,130	1.4168	10,191,227	3,920,280	(6,106,953)	
JANUARY 2009	Actual	6,416,111	9,221,074	1.3994	12,903,509	6,487,398	380,445	
FEBRUARY	Actual	6,091,349	8,874,697	1.3819	12,263,944	6,172,595	6,553,040	
MARCH	Actual	6,408,953	6,690,089	1.4021	9,380,173	2,971,220	9,524,260	
APRIL	Actual	5,923,866	4,373,233	1.4223	6,220,049	296,184	9,820,444	
MAY	Actual	5,705,766	2,186,285	1.4223	3,109,553	(2,596,213)	7,224,231	
JUNE	Actual	5,630,763	1,380,535	1.4036	1,937,719	(3,693,045)	3,531,187	
JULY	Actual	5,563,346	1,162,540	1.3849	1,610,002	(3,953,344)	(422,157)	
AUGUST	Actual	5,792,047	1,017,205	1.3849	1,408,727	(4,383,319)	(4,805,477)	

CALCULATION OF RECOVERED CHARGES

SEPTEMBER 1, 2010 1307F FILING

SEPTEMBER 2010 - AUGUST 2011

	<u>50% of September</u>	<u>11.5 Months</u>	<u>Total</u>	
			(MCF)	(\$)
Firm Sales (Mcf)	518,303	49,904,927	50,423,229	
GCR (\$ / Mcf)	\$ 7.3455	\$ 7.3294		
Total GCR Projected Recovery	\$ 3,807,191	\$ 365,773,170		\$ 369,580,362
SSPC and Migration Revenue				\$ 569,317
Total Projected Recovery				\$ 370,149,679

Change In Rates 1307F Filing

Rates Effective September 1, 2010

Distribution Charge

	Delivery		Universal		Total
	Delivery	Restructuring	Service &	Surcharges	Distribution
	Charge	& Consumer	Ener. Cons.	Surcharges	Charge / Mcf
	Charge	Education	Ener. Cons.	Surcharges	Charge / Mcf
Residential GS	\$6.1840	\$0.0240	\$1.9391	\$1.9631	\$8.1471
Commercial GS/MUNGS	\$5.2449	\$0.0240	\$1.9391	\$1.9631	\$7.2080
Industrial GS	\$5.2465	\$0.0240	\$1.9391	\$1.9631	\$7.2096
Phila.Housing Authority (PHA)	\$5.1889	\$0.0240	\$1.9391	\$1.9631	\$7.1520
Municipal (MS)	\$3.8178	\$0.0240	\$1.9391	\$1.9631	\$5.7809
Phila.Housing Authority (GS)	\$5.2817	\$0.0240	\$1.9391	\$1.9631	\$7.2448

Proposed Rates

	<u>1st Quarter Filing</u>			<u>1307F Filing</u>			
	<u>12/01/09</u>	<u>12/01/09</u>	<u>12/01/09</u>	<u>09/01/10</u>	<u>09/01/10</u>	<u>09/01/10</u>	<u>Increase</u>
	<u>Distribution Charge</u>	<u>GCR</u>	<u>Commodity</u>	<u>Distribution Charge</u>	<u>GCR</u>	<u>Commodity</u>	<u>(7)=(6)-(3)</u>
	(4)	(2)	Rate (3)=(1)+(2)	(4)	(5)	Rate (6)=(4)+(5)	
Residential GS	\$8.2187	\$7.2497	\$15.4684	\$8.1471	\$7.3294	\$15.4765	\$0.0081
Commercial GS/MUNGS	\$7.2796	\$7.2497	\$14.5293	\$7.2080	\$7.3294	\$14.5374	\$0.0081
Industrial GS	\$7.2812	\$7.2497	\$14.5309	\$7.2096	\$7.3294	\$14.5390	\$0.0081
Phila.Housing Authority (PHA)	\$7.2236	\$7.2497	\$14.4733	\$7.1520	\$7.3294	\$14.4814	\$0.0081
Municipal (MS)	\$5.8525	\$7.2497	\$13.1022	\$5.7809	\$7.3294	\$13.1103	\$0.0081
Phila.Housing Authority (GS)	\$7.3164	\$7.2497	\$14.5661	\$7.2448	\$7.3294	\$14.5742	\$0.0081

PHILADELPHIA GAS WORKS
SEPTEMBER 1, 2010 - 1307F FILING
UNIVERSAL SERVICE & ENERGY CONSERVATION SURCHARGE

	Expenses in <u>the Surcharge</u>	
Conservation Works Program (CWP)	\$ 2,300,000	
Customer Responsibility Program (CRP) Discount	\$ 83,314,676	
Senior Citizen Discount	\$ 7,871,839	*
<u>August 2010 Under Collection</u>	<u>\$ 8,885,278</u>	
Total \$ to be Recovered	\$ 102,371,793	
Total Applicable Volumes	Mcf 52,793,009	
Universal Service & Energy Conservation Surcharge	<u><u>\$ 1.9391</u></u>	

* This is the Senior Citizen Discount on the Delivery Charge, GCR and Restructuring Surcharge which is used to calculate the Universal Services Surcharge. The total senior citizen discount is \$ 8,883,027.

STATEMENT OF RECONCILIATION
UNIVERSAL SERVICES & ENERGY CONSERVATION SURCHARGE
SEPTEMBER 2009 THROUGH AUGUST 2010

Month		Applicable Volumes	USC Charge	USC Revenue Billed	USC Expenses	Monthly Over/(Under) Recovery	Cumulative Over/(Under) Recovery (\$16,969,970)
FY 09 Reconciliation							
September 2009	Actual	1,150,818	\$ 2,1939	\$ 2,524,721	\$ (2,153,841)	\$ 4,678,563	(\$12,291,408)
October	Actual	1,767,561	\$ 1,9752	\$ 3,491,286	\$ (40,348)	\$ 3,531,634	(\$8,759,774)
November	Actual	3,219,163	\$ 1,9752	\$ 6,358,491	\$ 6,734,653	\$ (376,162)	(\$9,135,937)
December	Actual	5,912,752	\$ 1,9935	\$ 11,786,776	\$ 15,321,783	\$ (3,535,008)	(\$12,670,945)
January 2010	Estimated	9,963,431	\$ 2,0117	\$ 20,043,434	\$ 26,502,656	\$ (6,459,221)	(\$19,130,166)
February	Estimated	9,228,703	\$ 2,0117	\$ 18,565,382	\$ 24,833,990	\$ (6,268,608)	(\$25,398,774)
March	Estimated	7,403,402	\$ 2,1900	\$ 16,213,450	\$ 18,894,193	\$ (2,680,743)	(\$28,079,517)
April	Estimated	5,182,132	\$ 2,3683	\$ 12,272,842	\$ 11,825,252	\$ 447,590	(\$27,631,927)
May	Estimated	2,517,869	\$ 2,3683	\$ 5,963,069	\$ 2,398,580	\$ 3,564,489	(\$24,067,438)
June	Estimated	1,514,464	\$ 2,3683	\$ 3,586,704	\$ (1,425,806)	\$ 5,012,510	(\$19,054,927)
July	Estimated	1,228,787	\$ 2,3683	\$ 2,910,136	\$ (2,176,665)	\$ 5,086,801	(\$13,968,127)
August	Estimated	1,182,865	\$ 2,3683	\$ 2,801,379	\$ (2,281,470)	\$ 5,082,849	(\$8,885,278)

USC Expenses	Sep-09	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10
Conservation Works	\$ 4,831	\$ 6,668	\$ 189,476	\$ 226,108	\$ 250,000	\$ 250,000	\$ 250,000	\$ 200,000	\$ 200,000	\$ 250,000	\$ 250,000	\$ 250,000
CRP Discount	\$ (3,045,003)	\$ (1,064,794)	\$ 5,209,577	\$ 13,204,050	\$ 23,546,623	\$ 22,025,068	\$ 16,644,495	\$ 9,994,458	\$ 1,036,116	\$ (2,632,814)	\$ (3,340,057)	\$ (3,430,997)
CRP Forgiveness	\$ 629,746	\$ 652,062	\$ 605,458	\$ 655,452	\$ 707,542	\$ 722,725	\$ 717,645	\$ 717,645	\$ 717,645	\$ 705,200	\$ 701,052	\$ 701,052
Senior Citizen Discount	\$ 256,585	\$ 365,716	\$ 730,142	\$ 1,236,173	\$ 1,998,491	\$ 1,836,197	\$ 1,282,053	\$ 913,149	\$ 444,819	\$ 251,808	\$ 212,340	\$ 198,475
	\$ (2,153,841)	\$ (40,348)	\$ 6,734,653	\$ 15,321,783	\$ 26,502,656	\$ 24,833,990	\$ 18,894,193	\$ 11,825,252	\$ 2,398,580	\$ (1,425,806)	\$ (2,176,665)	\$ (2,281,470)

CRP Participation				
Average participation rate (Actual)	81.483	81.078	81.248	81.905
Rate case participation rate	(76.500)	(76.500)	(76.500)	(76.500)
CRP Over (Under) participation	4.983	4.578	4.748	5.405
Average Shortfall Per CRP Participant				
CRP Discount	\$ (3,045,003)	\$ (1,064,794)	\$ 5,209,577	\$ 13,204,050
Average participation rate	81.483	81.078	81.248	81.905
Average shortfall per CRP participant	\$ (37)	\$ (13)	\$ 64	\$ 161

INTERRUPTIBLE REVENUE CREDIT
FISCAL YEAR 2011

Fiscal Year 2009 Reconciliation \$ (1,698,427) Schedule 11 (b)

<u>MONTH</u>		<u>MARGIN</u>	
September - 2009	Actual	\$	150,237
October	Actual	\$	429,899
November	Actual	\$	769,600
December	Actual	\$	1,080,572
January - 2010	Estimated	\$	1,194,769
February	Estimated	\$	1,075,795
March	Estimated	\$	653,880
April	Estimated	\$	365,319
May	Estimated	\$	172,744
June	Estimated	\$	74,844
July	Estimated	\$	74,370
<u>August</u>	Estimated	\$	<u>77,348</u>
Fiscal Year 2010 Margin		\$	6,119,377
FY 2010 Actual Margin and FY 2009 Reconciliation		\$	4,420,950
Fiscal Year 2010 Actual Credit		\$	<u>5,566,572</u> Schedule 6
Reconciliation as of August 2009		\$	(1,145,621)
Fiscal Year 2008 Actual Margin		\$	10,187,353
Fiscal Year 2009 Actual Margin		\$	5,166,107 Schedule 11 (b)
<u>Fiscal Year 2010 Margin</u>		\$	<u>6,119,377</u>
3 Year Average - FY 2011 Estimated Margin		\$	7,157,613
Reconciliation as of August 2009		\$	<u>(1,145,621)</u>
Fiscal Year 2011 Interruptible Revenue Credit		\$	6,011,991
Fiscal Year 2011 GCR Firm Sales			50,423,229
Fiscal Year 2011 IRC Credit		\$	0.1192

**INTERRUPTIBLE REVENUE CREDIT
FISCAL YEAR 2009 - FINAL RECONCILIATION**

Fiscal Year 2008 Reconciliation \$ 3,261,459 Schedule 11 (b)

<u>MONTH</u>		<u>MARGIN</u>
September-08	Actual	\$ 139,560
October	Actual	\$ 488,713
November	Actual	\$ 1,084,309
December	Actual	\$ 1,083,757
January-09	Actual	\$ 590,846
February	Actual	\$ 626,037
March	Actual	\$ 381,999
April	Actual	\$ 352,072
May	Actual	\$ 72,595
June	Actual	\$ 150,458
July	Actual	\$ 83,207
<u>August</u>	Actual	\$ <u>112,554</u>
Fiscal Year 2009 Margin		\$ 5,166,107

FY 2009 Actual Margin and FY 2008 Reconciliation	\$ 8,427,566	
Fiscal Year 2009 Actual Credit	\$ <u>10,125,993</u>	Schedule 7
Reconciliation as of August 2009	\$ (1,698,427)	

**RESTRUCTURING &
CONSUMER EDUCATION SURCHARGE
FISCAL YEAR 2011**

<u>Month</u>		<u>Firm Volumes</u>	<u>Restructuring & Consumer Education Surcharge</u>	<u>Revenue Billed</u>
September 2009	Actual	1,161,714	\$0.0224	\$26,022
October	Actual	1,786,543	\$0.0230	\$41,090
November	Actual	3,259,676	\$0.0230	\$74,973
December	Actual	5,984,694	\$0.0230	\$137,648
January 2010	Estimated	10,087,318	\$0.0230	\$232,008
February	Estimated	9,342,148	\$0.0230	\$214,869
March	Estimated	7,492,366	\$0.0230	\$172,324
April	Estimated	5,243,616	\$0.0230	\$120,603
May	Estimated	2,544,850	\$0.0230	\$58,532
June	Estimated	1,527,260	\$0.0230	\$35,127
July	Estimated	1,238,729	\$0.0230	\$28,491
<u>August</u>	Estimated	<u>1,192,039</u>	\$0.0230	<u>\$27,417</u>
Total		50,860,954		\$1,169,105

Restructuring Surcharge Under-recovery	\$ 3,527,945	
FY 2009 Actual Recovery	\$ 1,079,459	[Schedule 12(b)]
FY 2010 Forecasted Recovery	\$ 1,169,105	
FY 2011 Recovery (Remaining Balance)	\$ 1,279,381	
FY 2011 Firm Volumes	53,313,588	
FY 2011 Restructuring Surcharge / Mcf	\$ 0.0240	

**RESTRUCTURING &
CONSUMER EDUCATION SURCHARGE RECONCILIATION
FISCAL YEAR 2009**

<u>Month</u>		<u>Firm Volumes</u>	<u>Restructuring & Consumer Education Surcharge</u>	<u>Revenue Billed</u>
September 2008*	Actual	580,334	\$0.0218	\$12,651
October	Actual	1,498,259	\$0.0218	\$32,662
November	Actual	3,556,865	\$0.0218	\$77,540
December	Actual	7,461,552	\$0.0218	\$162,662
January 2009	Actual	9,557,937	\$0.0218	\$208,363
February	Actual	9,193,300	\$0.0218	\$200,414
March	Actual	6,981,645	\$0.0218	\$152,200
April	Actual	4,583,245	\$0.0218	\$99,915
May	Actual	2,297,898	\$0.0218	\$50,094
June	Actual	1,471,136	\$0.0218	\$32,071
July	Actual	1,248,985	\$0.0218	\$27,228
<u>August</u>	Actual	<u>1,085,320</u>	\$0.0218	<u>\$23,660</u>
Total		49,516,475		\$1,079,459

* Recovered from 50% of September's billed sales

**PHILADELPHIA GAS WORKS
SUPPLIER AND STORAGE PEAKING CHARGE (SSPC) RECONCILIATION
CALENDAR YEAR 2009**

		<u>2008</u>	<u>2009</u>
Actual Storage and Peaking Cost		\$16,950,866	\$16,716,799
Prior Year Carryover		<u>\$ 13,472</u>	<u>\$ 5,259</u>
		\$16,964,338	\$ 16,722,058
Design Day Requirements	Annual Mcf	715,708	694,858
Fulfilled from FT Capacity	Annual Mcf	<u>291,507</u>	<u>292,637</u>
Fulfilled from Storage and Peaking Assets	Annual Mcf	424,201	402,221
Annual Storage and Peaking Cost per Excess Mcf	Annual \$ / Mcf	\$39.9912	\$41.5743
BTU Conversion		1.036	1.032
	Annual \$ / Dth	\$41.4309	\$42.9047
Monthly Charge /Dth		\$3.4526	\$3.5754
Over/(Under) Recovery		\$ (4,674)	\$ (712)
Interest		<u>\$ (585)</u>	<u>\$ (244)</u>
Carryover		\$ (5,259)	\$ (956)

ACTUAL SUPPLIER AND STORAGE PEAKING CHARGE (SSPC) EXPENSE

	<u>Jan-09</u>	<u>Feb-09</u>	<u>Mar-09</u>	<u>Apr-09</u>	<u>May-09</u>	<u>Jun-09</u>	<u>Jul-09</u>	<u>Aug-09</u>	<u>Sep-09</u>	<u>Oct-09</u>	<u>Nov-09</u>	<u>Dec-09</u>	<u>Total</u>
Transco	\$ 502,248	\$ 431,003	\$ 457,138	\$ 436,261	\$ 453,955	\$ 450,339	\$ 470,530	\$ 467,439	\$ 452,840	\$ 457,563	\$ 440,093	\$ 480,129	\$ 5,499,539
Tetco	\$ 696,609	\$ 673,818	\$ 681,117	\$ 675,815	\$ 666,029	\$ 664,975	\$ 665,767	\$ 666,089	\$ 665,172	\$ 667,962	\$ 666,258	\$ 692,834	\$ 8,082,446
Equitrans	\$ 48,468	\$ 48,596	\$ 48,028	\$ 45,375	\$ 45,768	\$ 45,375	\$ 45,768	\$ 45,768	\$ 45,375	\$ 41,756	\$ 47,699	\$ 48,665	\$ 556,642
Dominion	\$ 141,769	\$ 137,791	\$ 128,913	\$ 125,243	\$ 131,824	\$ 125,486	\$ 132,240	\$ 132,103	\$ 131,609	\$ 125,889	\$ 122,927	\$ 140,247	\$ 1,576,042
WSS & EMM trans	\$ 22,843	\$ 11,655	\$ 9,318	\$ 7,015	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 292	\$ 347	\$ 16,393	\$ 67,863
Purchased Electric	\$ 119,327	\$ 115,915	\$ 179,425	\$ 25,715	\$ 25,669	\$ 58,398	\$ 57,512	\$ 109,957	\$ 7,178	\$ 63,003	\$ 72,409	\$ 99,760	\$ 934,268
Total	\$ 1,531,265	\$ 1,418,777	\$ 1,503,940	\$ 1,315,423	\$ 1,323,246	\$ 1,344,572	\$ 1,371,817	\$ 1,421,357	\$ 1,302,174	\$ 1,356,465	\$ 1,349,734	\$ 1,478,029	\$ 16,716,799

SUPPLIER AND STORAGE PEAKING CHARGE INTEREST CALCULATION

<u>MONTH</u>	<u>SSPC VOLUME (1)</u> (DTH)	<u>RATE (2)</u> (\$)	<u>SSPC CHARGE (3)=(1)*(2)</u> (\$)	<u>CHARGES BILLED (4)</u> (\$)	<u>(UNDER) RECOVERY (5)=(4)-(3)</u> (\$)	<u>TIME FACTOR (6)</u>	<u>INTEREST RATE (1) (7)</u>	<u>INTEREST EXPENSE (8)=(5)*(6)*(7)</u> (\$)
Jan-09	5,982	3.5754	21,387	20,395	(992)	26/12	6%	(129)
Feb-09	6,384	3.5754	22,824	21,765	(1,059)	25/12	6%	(132)
Mar-09	6,667	3.5754	23,837	22,713	(1,123)	24/12	6%	(135)
Apr-09	7,116	3.5754	25,443	24,243	(1,199)	23/12	6%	(138)
May-09	7,278	3.5754	26,021	24,795	(1,226)	22/12	6%	(135)
Jun-09	7,363	3.5754	26,325	26,809	484	21/12	6%	51
Jul-09	7,439	3.5754	26,596	27,084	489	20/12	6%	49
Aug-09	7,392	3.5754	26,430	26,915	486	19/12	6%	46
Sep-09	7,520	3.5754	26,886	27,380	494	18/12	6%	44
Oct-09	14,844	3.5754	53,075	54,050	975	17/12	6%	83
Nov-09	14,879	3.5754	53,199	54,177	978	16/12	6%	78
Dec-09	14,956	3.5754	53,475	54,458	983	15/12	6%	74
Total	107,819		385,497	384,785	(712)			(244)

Natural Gas Prices Used In PGW's 1307f GCR Filing

	GLOBAL INSIGHT (GI) PRICES										Basis Differentials								NYMEX Futures 1/19/10 Close	Prices Used For Gas Cost Inputs										
	Transco			TETCO				Jan 2009 Henry Hub	Transco			TETCO				Average ELA/VETX	M-1	Transco			TETCO									
	Sta 30	Sta 45	Sta 65	ELA	WLA	ETX	STX		Sta 30	Sta 45	Sta 65	ELA	WLA	ETX	STX			Sta 30		Sta 45	Sta 65	ELA	WLA	ETX	STX	ELA/VETX	M-1			
2010:01											(0.16)	(0.06)	0.01	(0.03)	(0.05)	(0.16)	(0.14)	(0.10)	0.01	5.557	ACTUAL	5.66	5.80	5.87	5.82	5.81	5.70	5.73	5.76	5.79
2010:02	3.27	3.37	3.44	3.40	3.38	3.27	3.29	3.34	3.44	3.43	(0.16)	(0.06)	0.01	(0.03)	(0.05)	(0.16)	(0.14)	(0.10)	0.01	5.557	NYMEX	5.40	5.50	5.57	5.53	5.51	5.40	5.42	5.46	5.57
2010:03	3.15	3.26	3.33	3.30	3.27	3.15	3.17	3.23	3.33	3.33	(0.18)	(0.07)	0.00	(0.03)	(0.06)	(0.18)	(0.16)	(0.11)	0.00	5.536	NYMEX	5.36	5.47	5.54	5.51	5.48	5.36	5.38	5.43	5.54
2010:04	3.41	3.53	3.58	3.56	3.54	3.41	3.43	3.49	3.58	3.59	(0.18)	(0.06)	(0.01)	(0.03)	(0.05)	(0.18)	(0.16)	(0.11)	(0.01)	5.499	NYMEX	5.32	5.44	5.49	5.47	5.45	5.32	5.34	5.39	5.49
2010:05	3.85	3.96	4.01	3.99	3.97	3.85	3.86	3.92	4.01	4.02	(0.17)	(0.06)	(0.01)	(0.03)	(0.05)	(0.17)	(0.16)	(0.10)	(0.01)	5.546	GI-NYMEX	4.61	4.72	4.77	4.75	4.73	4.61	4.62	4.68	4.77
2010:06	3.65	3.76	3.81	3.80	3.77	3.65	3.66	3.73	3.81	3.82	(0.17)	(0.06)	(0.01)	(0.02)	(0.05)	(0.17)	(0.16)	(0.10)	(0.01)	5.611	GI-NYMEX	4.55	4.66	4.71	4.70	4.67	4.55	4.56	4.62	4.71
2010:07	4.09	4.19	4.24	4.23	4.21	4.09	4.11	4.16	4.24	4.25	(0.16)	(0.06)	(0.01)	(0.02)	(0.04)	(0.16)	(0.14)	(0.09)	(0.01)	5.694	GI-NYMEX	4.81	4.91	4.96	4.95	4.93	4.81	4.83	4.88	4.96
2010:08	4.14	4.25	4.29	4.28	4.26	4.14	4.16	4.21	4.29	4.30	(0.16)	(0.05)	(0.01)	(0.02)	(0.04)	(0.16)	(0.14)	(0.09)	(0.01)	5.762	GI-NYMEX	4.87	4.98	5.02	5.01	4.99	4.87	4.89	4.94	5.02
2010:09	4.02	4.15	4.21	4.19	4.16	4.02	4.04	4.11	4.21	4.22	(0.20)	(0.07)	(0.01)	(0.03)	(0.06)	(0.20)	(0.18)	(0.11)	(0.01)	5.791	GI-NYMEX	4.81	4.94	5.00	4.98	4.95	4.81	4.83	4.89	5.00
2010:10	4.08	4.21	4.27	4.25	4.23	4.08	4.10	4.17	4.27	4.28	(0.20)	(0.07)	(0.01)	(0.03)	(0.05)	(0.20)	(0.18)	(0.12)	(0.01)	5.889	GI-NYMEX	4.88	5.01	5.07	5.05	5.03	4.88	4.90	4.97	5.07
2010:11	4.13	4.28	4.34	4.32	4.29	4.13	4.17	4.23	4.34	4.34	(0.21)	(0.06)	0.00	(0.02)	(0.05)	(0.21)	(0.17)	(0.12)	0.00	6.199	GI-NYMEX	5.06	5.21	5.27	5.25	5.22	5.06	5.10	5.15	5.27
2010:12	3.99	4.14	4.24	4.19	4.15	3.99	4.03	4.09	4.24	4.23	(0.24)	(0.09)	0.01	(0.04)	(0.08)	(0.24)	(0.20)	(0.14)	0.01	6.534	GI-NYMEX	5.14	5.29	5.39	5.34	5.30	5.14	5.18	5.24	5.39
2011:1	4.11	4.23	4.29	4.26	4.23	4.11	4.13	4.19	4.30	4.28	(0.17)	(0.05)	0.01	(0.02)	(0.05)	(0.17)	(0.15)	(0.09)	0.02	6.754	GI-NYMEX	5.35	5.47	5.53	5.50	5.47	5.35	5.37	5.42	5.54
2011:2	4.08	4.20	4.27	4.23	4.21	4.08	4.11	4.16	4.27	4.26	(0.18)	(0.06)	0.01	(0.03)	(0.05)	(0.18)	(0.15)	(0.11)	0.01	6.714	GI-NYMEX	5.31	5.43	5.50	5.46	5.44	5.31	5.34	5.38	5.50
2011:3	4.26	4.36	4.42	4.40	4.38	4.26	4.28	4.33	4.41	4.43	(0.17)	(0.07)	(0.01)	(0.03)	(0.05)	(0.17)	(0.15)	(0.10)	(0.02)	6.524	GI-NYMEX	5.31	5.41	5.47	5.45	5.43	5.31	5.33	5.38	5.46
2011:4	4.90	4.99	5.03	5.02	5.00	4.90	4.92	4.96	5.02	5.04	(0.14)	(0.05)	(0.01)	(0.02)	(0.04)	(0.14)	(0.12)	(0.08)	(0.02)	6.004	GI-NYMEX	5.38	5.47	5.51	5.50	5.48	5.38	5.40	5.44	5.50
2011:5	5.30	5.38	5.42	5.41	5.39	5.30	5.31	5.36	5.41	5.43	(0.13)	(0.05)	(0.01)	(0.02)	(0.04)	(0.13)	(0.12)	(0.07)	(0.02)	5.974	GI-NYMEX	5.57	5.65	5.69	5.68	5.66	5.57	5.58	5.63	5.68
2011:6	5.20	5.29	5.33	5.32	5.30	5.20	5.22	5.26	5.32	5.34	(0.14)	(0.05)	(0.01)	(0.02)	(0.04)	(0.14)	(0.12)	(0.08)	(0.02)	6.024	GI-NYMEX	5.54	5.63	5.67	5.66	5.64	5.54	5.56	5.60	5.66
2011:7	5.73	5.81	5.84	5.84	5.82	5.73	5.75	5.79	5.84	5.85	(0.12)	(0.04)	(0.01)	(0.01)	(0.03)	(0.12)	(0.10)	(0.06)	(0.01)	6.084	GI-NYMEX	5.85	5.93	5.96	5.96	5.94	5.85	5.87	5.90	5.96
2011:8	5.67	5.74	5.77	5.77	5.76	5.67	5.68	5.72	5.77	5.79	(0.12)	(0.05)	(0.02)	(0.02)	(0.03)	(0.12)	(0.11)	(0.07)	(0.02)	6.139	GI-NYMEX	5.84	5.91	5.94	5.94	5.93	5.84	5.85	5.89	5.94

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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Docket R-2010-2157062

Item 53.64 (c)(1)

Philadelphia Gas Works

Item 53.64(c) Thirty days prior to the filing of a tariff reflecting an increase or decrease in natural gas costs, each Section 1307(f) gas utility seeking recovery of purchased gas costs under that section shall provide notice to the public, under § 53.68 (relating to notice requirements), and shall file the following supporting information with the Commission, with a copy to the Consumer Advocate, Small Business Advocate and to intervenors upon request:

- (1) A complete list in schedule format of each spot and each long term source of gas supply, production, transportation and storage, used in the past 12 months, which 12-month period shall end 2 months prior to the date of the tariff filing, separately setting forth on a monthly basis the quantity and price of gas delivered, produced, transported or stored, maximum daily quantity levels, maximum annual quantity levels, a detailed description of warrantee or penalty provisions, including liquidated damages, take or pay provisions or minimum bill or take provisions of the purchases, balancing provisions and copies of Federal tariffs and contract provisions relating to the purchases—including demand and commodity components. With regard to each contemplated future source of supply, production, transportation or storage, during each of the next 20 months for each source, provide the name of the source, the maximum daily quantity, the maximum annual quantity, the minimum take levels, a detailed description of warrantee or penalty provisions, including liquidated damages, take or pay provisions or minimum bill or take provisions of the purchases, balancing provisions and contractual or tariffed terms of the purchases, copies of applicable Federal tariffs, the expiration date of each contract, the date when each contract was most recently negotiated and the details of the negotiation—such as meeting held, offers made, and changes in contractual obligation—and whether current proceedings, negotiations or renegotiations are pending before the Federal Energy Regulatory Commission, and the like, to modify the price, quantity or another condition of purchase, and if so, the details of the proceedings, negotiations or renegotiations. Gas supply sources which individually represent less than 3% of the total system supply may be shown collectively, such as other local gas purchases.

Response:

The attached schedules described herein below, contain details of the requested information. Information concerning PGW's Transportation and Storage contracts are addressed in section 53.64(c)(3) in February 1, 2009 Prefiling.

Schedule 1 – Twelve (12) month actual purchased gas costs expressed in terms of volumes and dollars for the period January 1, 2009 to December 31, 2009. This schedule reflects finalized numbers through the month of December.

Schedule 2 – Actual capacity release credits by pipeline by month for the period January 1, 2009 through December 31, 2009. This schedule reflects finalized numbers through the month of December.

Schedule 3 - Twenty (20) month forecast for the period January 1, 2010 through August 31, 2011.

Schedule 4 – Twenty (20) month forecast of capacity release credits by pipeline by month for the period January 1, 2010 through August 31, 2011.

Philadelphia Gas Works Summary of Total Fuels Purchased

	Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09
Williams	\$ 2,450,677	\$ 2,249,108	\$ 2,438,863	\$ 2,208,403	\$ 2,122,350	\$ 2,020,236	\$ 2,094,417	\$ 2,085,026	\$ 2,345,847	\$ 2,420,648	\$ 2,360,799	\$ 2,517,750
Texas Eastern	\$ 2,550,363	\$ 2,509,171	\$ 2,442,364	\$ 2,024,829	\$ 1,722,743	\$ 1,774,689	\$ 1,739,218	\$ 1,754,771	\$ 1,958,129	\$ 2,248,446	\$ 2,454,863	\$ 2,619,831
Dominion	\$ 141,769	\$ 137,791	\$ 128,913	\$ 125,243	\$ 131,824	\$ 125,486	\$ 132,240	\$ 132,103	\$ 131,609	\$ 125,889	\$ 122,927	\$ 140,247
Equitrans	\$ 48,468	\$ 48,596	\$ 48,028	\$ 45,375	\$ 45,768	\$ 45,375	\$ 45,768	\$ 45,768	\$ 45,375	\$ 41,756	\$ 47,699	\$ 48,665
Spot Purchases -Transco	\$ 24,083	\$ 21,319	\$ 25,938	\$ 47,126	\$ 23,075	\$ 5,658		\$ 1,276	\$ -	\$ -	\$ 1,013	\$ -
Spot Purchases -Tetco	\$ 1,998,308	\$ 670,600										
Transco Supply1												
Transco Supply2	\$ 3,587,600	\$ 2,908,765	\$ 1,319,234	\$ 5,191,880	\$ 5,241,308	\$ 4,980,814	\$ 4,214,068	\$ 3,679,441	\$ 3,540,490	\$ 4,726,022	\$ 1,518,804	\$ 3,890,500
Transco Supply3	\$ 1,416,000	\$ 1,230,600	\$ 1,284,175									
Transco Supply4												
Transco Supply5												
Transco Supply6	\$ 1,302,211			\$ 1,546,500	\$ 1,598,050	\$ 1,546,500	\$ 1,598,050	\$ 1,598,050	\$ 1,546,500	\$ 1,598,050	\$ 1,488,000	\$ 1,537,600
Transco Supply7	\$ 995,000	\$ 2,246,192	\$ 1,063,019	\$ 586,775	\$ 1,147,113	\$ 2,112,851	\$ 1,195,368	\$ 1,551,756	\$ 1,558,612	\$ 1,782,453	\$ 1,150,633	\$ 3,100,000
Transco Supply8	\$ 3,701,400	\$ 1,495,200	\$ 1,986,200	\$ 2,422,900	\$ 1,898,150	\$ 1,981,500	\$ 3,627,350	\$ 3,036,950	\$ 2,339,350	\$ 2,543,150	\$ 2,330,800	\$ 1,420,100
Transco Supply9												
Transco Supply10	\$ 4,693,385	\$ 2,650,606	\$ 2,453,635	\$ 1,050,000	\$ 1,212,100	\$ 1,142,100	\$ 1,733,841	\$ 1,057,100	\$ 1,009,500	\$ 908,300	\$ 1,453,500	\$ 1,581,775
Transco Supply11												
Transco Supply12	\$ 1,510,639	\$ 690,200		\$ 783,750	\$ 809,159	\$ 783,750	\$ 809,875	\$ 809,875	\$ 783,750	\$ 1,169,838	\$ -	\$ -
Transco Supply13										\$ -		
Transco Supply14	\$ 2,301,750	\$ 2,046,800	\$ 1,677,706							\$ 1,181,100	\$ 643,350	\$ 695,330
Transco Supply15												
Transco Supply16												
Transco Supply17												
Transco Supply18												
Transco Supply19												
Transco Supply20	\$ 2,855,100	\$ 3,411,800	\$ 2,839,600	\$ 639,000	\$ 675,800	\$ 669,000	\$ 715,325	\$ 730,050	\$ 715,500	\$ 754,850	\$ 661,500	\$ 807,550
Transco Supply21	\$ 1,932,913	\$ 1,005,200	\$ 1,102,050								\$ -	\$ -
Transco Supply22	\$ 4,223,750	\$ 3,801,000	\$ 4,127,650								\$ 1,476,600	\$ 1,746,850
Transco Supply23											\$ 639,000	\$ 695,950
Tetco Supply1	\$ 533,402	\$ 1,168,226	\$ 643,200	\$ 861,740	\$ 668,392	\$ 338,399	\$ 341,292	\$ 322,995	\$ 300,264	\$ 1,021,223	\$ 500,720	\$ 1,660,681
Tetco Supply2	\$ 4,581,200	\$ 3,900,400	\$ 4,318,300							\$ 214,457	\$ 1,278,000	\$ 1,395,000
Tetco Supply3	\$ 1,263,630										\$ 629,250	\$ 685,875
Tetco Supply4	\$ 1,280,925	\$ 1,148,000	\$ 1,249,300	\$ 657,800	\$ 628,990	\$ 582,800	\$ 609,150	\$ 614,575	\$ 554,550	\$ 590,550	\$ 641,250	\$ 698,275
Tetco Supply5											\$ 583,350	\$ 633,330
Tetco Supply6												
Tetco Supply7	\$ 957,497	\$ 633,836	\$ 631,997									
Tetco Supply8												
Tetco Supply9												
Tetco Supply10												
Tetco Supply11												
Tetco Supply12												
Tetco Supply13	\$ 12,323,925	\$ 12,481,900	\$ 12,870,325	\$ 1,155,648	\$ 372,000	\$ 360,000	\$ 372,000	\$ 372,000	\$ 360,000	\$ 868,988	\$ 6,139,184	\$ 8,273,513
Tetco Supply14	\$ 4,268,700	\$ 3,831,800	\$ 4,157,100	\$ 1,300,500	\$ 1,134,600	\$ 1,197,000	\$ 1,274,100	\$ 1,311,300	\$ 1,188,000	\$ 1,240,000	\$ 1,396,800	\$ 1,606,265
Tetco Supply15												
Tetco Supply16	\$ 4,993,664	\$ 1,693,300	\$ 2,083,848								\$ 626,250	\$ 2,707,553
Tetco Supply17	\$ 2,600,745	\$ 2,349,060	\$ 2,600,745	\$ 723,000	\$ 747,100	\$ 723,000	\$ 747,100	\$ 747,100	\$ 720,759	\$ 747,100	\$ 1,194,675	\$ 1,417,630
TOTAL COSTS	\$ 68,517,105	\$ 64,329,470	\$ 51,492,190	\$ 21,370,268	\$ 20,178,522	\$ 20,369,157	\$ 21,249,163	\$ 19,860,136	\$ 19,098,235	\$ 24,182,819	\$ 29,338,968	\$ 39,880,270
Storages												
Storage Injection	(\$98,005)	(\$965,781)	(\$1,736,872)	(\$3,559,701)	(\$8,759,957)	(\$9,576,144)	(\$11,343,928)	(\$10,350,300)	(\$8,836,636)	(\$6,733,010)	(\$2,925,099)	(\$1,759,273)
Storage Withdraw	\$45,263,518	\$26,201,147	\$18,476,497	\$7,916,049	\$47,751	\$0.00	\$0.00	\$0.00	\$0.00	\$541,294	\$2,985,420	\$18,829,797

**Philadelphia Gas Works
Cost of Fuels Purchased**

Volume	Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09
Spot Purchases -Transco	5,341	6,303	8,608	16,970	8,678	2,128		660			521	
Spot Dem-Transco												
Spot Purchases -Tetco	383,916	140,000										
Spot for Resale												
Firm Contracts												
Transco Supply1 - Dem Commodity												
Transco Supply2 - Dem Commodity	775,000	700,000	775,000	750,000	775,000	750,000	775,000	775,000	750,000	775,000	750,000	775,000
Transco Supply3 - Dem Commodity	495,000	541,670	197,933	871,058	940,054	889,601	678,680	660,076	752,203	990,288	266,621	775,000
Transco Supply4 - Dem Commodity	230,000	140,000	155,000	150,000								
Transco Supply5 - Dem Commodity												
Transco Supply6 - Dem Commodity												
Transco Supply7 - Dem Commodity	264,000			300,000	310,000	300,000	310,000	310,000	300,000	310,000	300,000	310,000
Transco Supply7 - Dem Commodity	620,000	560,000	620,000	600,000	620,000	600,000	620,000	620,000	600,000	620,000	600,000	620,000
Transco Supply8 - Dem Commodity	100,000	421,676	167,723	62,645	228,647	486,903	206,358	350,076	452,175	404,592	201,080	620,000
Transco Supply9 - Dem Commodity	620,000	360,000	520,000	620,000	495,000	500,000	895,000	840,000	710,000	690,000	560,000	330,000
Transco Supply10 - Dem Commodity	155,000	140,000	155,000									
Transco Supply10 - Dem Commodity	465,000	504,000	465,000	300,000	310,000	270,000	457,406	310,000	300,000	310,000	300,000	310,000
Transco Supply11 - Dem Commodity												
Transco Supply12 - Dem Commodity	258,831	140,000		150,000	154,863	150,000	155,000	155,000	150,000	245,000	300,000	310,000
Transco Supply13 - Dem Commodity												
Transco Supply14 - Dem Commodity										310,000	150,000	
Transco Supply15 - Dem Commodity	310,000	280,000	309,765									155,000
Transco Supply16 - Dem Commodity												
Transco Supply17 - Dem Commodity												
Transco Supply18 - Dem Commodity												
Transco Supply19 - Dem Commodity												
Transco Supply20 - Dem Commodity												
Transco Supply20 - Dem Commodity	310,000	280,000	310,000	150,000	155,000	150,000	155,000	155,000	150,000	155,000	150,000	155,000
Transco Supply21 - Dem Commodity	318,256	140,000	155,000									
Transco Supply22 - Dem Commodity	310,000	280,000	310,000									
Transco Supply23 - Dem Commodity												
Tetco Supply1 - Dem Commodity	328,078	328,078	328,078	328,017	328,017	328,017	328,017	328,017	328,017	328,017	328,017	331,059
Tetco Supply1 - Dem Commodity	54,410	228,522	114,119	196,100	146,596	36,820	33,573	33,573	32,422	224,098	80,140	337,280
Tetco Supply2 - Dem Commodity	364,920	280,000	310,000	150,000								
Tetco Supply3 - Dem Commodity	226,272											
Tetco Supply3 - Dem Commodity										52,345		
Tetco Supply4 - Dem Commodity	155,000	140,000	155,000	150,000	155,000	150,000	155,000	155,000	150,000	155,000	150,000	155,000
Tetco Supply5 - Dem Commodity												
Tetco Supply6 - Dem Commodity												
Tetco Supply7 - Dem Commodity	155,000	140,000	155,000									
Tetco Supply7 - Dem Commodity	155,000	140,000	155,000									
Tetco Supply8 - Dem Commodity												
Tetco Supply9 - Dem Commodity												
Tetco Supply10 - Dem Commodity												
Tetco Supply11 - Dem Commodity												
Tetco Supply12 - Dem Commodity												
Tetco Supply13 - Dem Commodity	620,000	560,000	620,000	600,000	620,000	600,000	620,000	620,000	600,000	620,000	600,000	620,000
Tetco Supply13 - Dem Commodity	1,185,000	1,360,000	1,185,000	222,248						135,051	900,718	1,395,000
Tetco Supply14 - Dem Commodity	310,000	280,000	310,000	300,000	310,000	300,000	310,000	310,000	300,000	310,000	300,000	310,000
Tetco Supply15 - Dem Commodity												
Tetco Supply16 - Dem Commodity	767,384	140,000	205,311									
Tetco Supply17 - Dem Commodity	263,500	238,000	263,500	150,000	155,000	150,000	155,000	155,000	149,535	155,000	255,000	263,500

Philadelphia Gas Works
Cost of Fuels Purchased

Rate - \$	Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09
Spot Purchases - Transco	\$ 4,5094	\$ 3,3826	\$ 3,0132	\$ 2,7770	\$ 2,8590	\$ 2,6587	\$ -	\$ 1,9334			\$ 1,9462	
Spot Dem-Transco												
Spot Purchases - Tetco	\$ 5,2051	\$ 4,7900										
Spot for Resale												
Firm Contracts												
Transco Supply1 - Dem Commodity												
Transco Supply2 - Dem Commodity	\$ 0,6500	\$ 0,6500	\$ 0,6500	\$ 0,6500	\$ 0,6500	\$ 0,6500	\$ 0,6500	\$ 0,6500	\$ 0,6500	\$ 0,6500	\$ 0,5000	\$ 0,5000
Transco Supply3 - Dem Commodity	\$ 6,2300	\$ 4,5300	\$ 4,1200	\$ 5,4008	\$ 5,0397	\$ 5,0509	\$ 5,4870	\$ 4,8111	\$ 4,0587	\$ 4,2637	\$ 4,2900	\$ 4,5200
Transco Supply4 - Dem Commodity	\$ 6,1565	\$ 8,7900	\$ 8,2850	\$ 4,3840								
Transco Supply5 - Dem Commodity												
Transco Supply6 - Dem Commodity	\$ 4,9326			\$ 5,1550	\$ 5,1550	\$ 5,1550	\$ 5,1550	\$ 5,1550	\$ 5,1550	\$ 5,1550	\$ 4,9600	\$ 4,9600
Transco Supply7 - Dem Commodity	\$ 0,6000	\$ 0,6000	\$ 0,6000	\$ 0,6000	\$ 0,6000	\$ 0,6000	\$ 0,6000	\$ 0,6000	\$ 0,4800	\$ 0,4800	\$ 0,4800	\$ 0,4800
Transco Supply8 - Dem Commodity	\$ 6,2300	\$ 4,5300	\$ 4,1200	\$ 3,6200	\$ 3,3900	\$ 3,6000	\$ 3,9900	\$ 3,3700	\$ 2,8100	\$ 3,6700	\$ 4,2900	\$ 4,5200
Transco Supply9 - Dem Commodity	\$ 5,9700	\$ 4,1533	\$ 3,8196	\$ 3,9079	\$ 3,8346	\$ 3,9630	\$ 4,0529	\$ 3,6154	\$ 3,2949	\$ 3,6857	\$ 4,1621	\$ 4,3033
Transco Supply10 - Dem Commodity	\$ 0,0099	\$ 0,0099	\$ 0,0099									
Transco Supply11 - Dem Commodity	\$ 10,0900	\$ 5,2564	\$ 5,2733	\$ 3,5000	\$ 3,9100	\$ 4,2300	\$ 3,7908	\$ 3,4100	\$ 3,3650	\$ 2,9300	\$ 4,8450	\$ 5,1025
Transco Supply12 - Dem Commodity	\$ 5,8139	\$ 4,9300		\$ 5,2250	\$ 5,2250	\$ 5,2250	\$ 5,2250	\$ 5,2250	\$ 5,2250	\$ 4,7748		
Transco Supply13 - Dem Commodity												
Transco Supply14 - Dem Commodity	\$ 7,4250	\$ 7,3100	\$ 5,4161							\$ 3,8100	\$ 4,2890	\$ 4,4860
Transco Supply15 - Dem Commodity												
Transco Supply16 - Dem Commodity												
Transco Supply17 - Dem Commodity												
Transco Supply18 - Dem Commodity												
Transco Supply19 - Dem Commodity												
Transco Supply20 - Dem Commodity	\$ 9,2100	\$ 12,1850	\$ 9,1600	\$ 4,2600	\$ 4,3600	\$ 4,4600	\$ 4,6150	\$ 4,7100	\$ 4,7700	\$ 4,8700	\$ 4,4100	\$ 5,2100
Transco Supply21 - Dem Commodity	\$ 6,0735	\$ 7,1800	\$ 7,1100									
Transco Supply22 - Dem Commodity	\$ 13,6250	\$ 13,5750	\$ 13,3150								\$ 4,9220	\$ 5,6350
Transco Supply23 - Dem Commodity												
Tetco Supply1 - Dem Commodity	\$ 0,6558	\$ 0,6558	\$ 0,6558	\$ 0,6500	\$ 0,8500	\$ 0,6500	\$ 0,6500	\$ 0,6500	\$ 0,6500	\$ 0,6500	\$ 0,5000	\$ 0,4999
Tetco Supply2 - Dem Commodity	\$ 5,8492	\$ 4,1706	\$ 3,7509	\$ 3,3871	\$ 3,1050	\$ 3,4000	\$ 3,8150	\$ 3,2700	\$ 2,6850	\$ 3,6056	\$ 4,2015	\$ 4,4331
Tetco Supply3 - Dem Commodity	\$ 12,5540	\$ 13,9300	\$ 13,9300									
Tetco Supply4 - Dem Commodity	\$ 5,5848									\$ 4,0970	\$ 4,1700	\$ 4,4000
Tetco Supply5 - Dem Commodity	\$ 8,1350	\$ 8,2000	\$ 8,0600	\$ 4,3840	\$ 4,0580	\$ 3,7520	\$ 3,9300	\$ 3,9650	\$ 3,6970	\$ 3,8100	\$ 4,2750	\$ 4,5050
Tetco Supply6 - Dem Commodity											\$ 3,8690	\$ 4,0860
Tetco Supply7 - Dem Commodity	\$ 0,0099	\$ 0,0099	\$ 0,0099									
Tetco Supply8 - Dem Commodity	\$ 8,1675	\$ 4,5175	\$ 4,0675									
Tetco Supply9 - Dem Commodity												
Tetco Supply10 - Dem Commodity												
Tetco Supply11 - Dem Commodity												
Tetco Supply12 - Dem Commodity												
Tetco Supply13 - Dem Commodity	\$ 0,6000	\$ 0,6000	\$ 0,6000	\$ 0,6000	\$ 0,6000	\$ 0,6000	\$ 0,6000	\$ 0,6000	\$ 0,6000	\$ 0,6000	\$ 0,5100	\$ 0,5100
Tetco Supply14 - Dem Commodity	\$ 10,0850	\$ 8,9308	\$ 10,5471	\$ 3,5800						\$ 3,6800	\$ 6,4761	\$ 5,7042
Tetco Supply15 - Dem Commodity	\$ 13,7700	\$ 13,6850	\$ 13,4100	\$ 4,3350	\$ 3,9600	\$ 3,9900	\$ 4,1100	\$ 4,2300	\$ 3,9600	\$ 4,0000	\$ 4,6560	\$ 5,1815
Tetco Supply16 - Dem Commodity	\$ 6,5074	\$ 12,0950	\$ 10,1497								\$ 4,1750	\$ 5,1648
Tetco Supply17 - Dem Commodity	\$ 9,8700	\$ 9,8700	\$ 9,8700	\$ 4,8200	\$ 4,8200	\$ 4,8200	\$ 4,8200	\$ 4,8200	\$ 4,8200	\$ 4,8200	\$ 4,6850	\$ 5,3800

Philadelphia Gas Works
Cost of Fuels Purchased

Amounts - \$	Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09
Spot Purchases -Transco	\$ 24,083	\$ 21,319	\$ 25,938	\$ 47,126	\$ 23,075	\$ 5,658		\$ 1,276			\$ 1,013	
Spot Dem-Transco												
Spot Purchases -Tetco	\$ 1,998,308	\$ 670,800										
Spot for Resale	\$ 2,022,391	\$ 691,919	\$ 25,938	\$ 47,126	\$ 23,075	\$ 5,658		\$ 1,276			\$ 1,013	
Firm Contracts												
Transco Supply1 - Dem Commodity												
Transco Supply2 - Dem Commodity	\$ 503,750	\$ 455,000	\$ 503,750	\$ 487,500	\$ 503,750	\$ 487,500	\$ 503,750	\$ 503,750	\$ 487,500	\$ 503,750	\$ 375,000	\$ 387,500
Transco Supply3 - Dem Commodity	\$ 3,083,850	\$ 2,453,765	\$ 815,484	\$ 4,704,380	\$ 4,737,558	\$ 4,493,314	\$ 3,710,318	\$ 3,175,691	\$ 3,052,990	\$ 4,222,272	\$ 1,143,804	\$ 3,503,000
Transco Supply4 - Dem Commodity	\$ 1,418,000	\$ 1,230,600	\$ 1,284,175	\$ 657,600								
Transco Supply5 - Dem Commodity												
Transco Supply6 - Dem Commodity	\$ 1,302,211			\$ 1,546,500	\$ 1,598,050	\$ 1,546,500	\$ 1,598,050	\$ 1,598,050	\$ 1,546,500	\$ 1,598,050	\$ 1,488,000	\$ 1,537,600
Transco Supply7 - Dem Commodity	\$ 372,000	\$ 336,000	\$ 372,000	\$ 360,000	\$ 372,000	\$ 360,000	\$ 372,000	\$ 372,000	\$ 288,000	\$ 297,600	\$ 288,000	\$ 297,600
Transco Supply8 - Dem Commodity	\$ 623,000	\$ 1,910,192	\$ 691,019	\$ 226,775	\$ 775,113	\$ 1,752,851	\$ 823,368	\$ 1,179,756	\$ 1,270,612	\$ 1,484,853	\$ 862,633	\$ 2,802,400
Transco Supply9 - Dem Commodity	\$ 3,701,400	\$ 1,495,200	\$ 1,986,200	\$ 2,422,800	\$ 1,898,150	\$ 1,981,500	\$ 3,627,350	\$ 3,036,950	\$ 2,339,350	\$ 2,543,150	\$ 2,330,800	\$ 1,420,100
Transco Supply10 - Dem Commodity	\$ 1,535	\$ 1,386	\$ 1,535									
Transco Supply11 - Dem Commodity	\$ 4,691,850	\$ 2,649,220	\$ 2,452,100	\$ 1,050,000	\$ 1,212,100	\$ 1,142,100	\$ 1,733,841	\$ 1,057,100	\$ 1,009,500	\$ 908,300	\$ 1,453,500	\$ 1,581,775
Transco Supply12 - Dem Commodity	\$ 1,510,639	\$ 690,200	\$ -	\$ 783,750	\$ 809,159	\$ 783,750	\$ 809,875	\$ 809,875	\$ 783,750	\$ 1,169,838	\$ -	\$ -
Transco Supply13 - Dem Commodity												
Transco Supply14 - Dem Commodity	\$ 2,301,750	\$ 2,048,800	\$ 1,677,706							\$ 1,181,100	\$ 643,350	\$ 695,330
Transco Supply15 - Dem Commodity												
Transco Supply16 - Dem Commodity												
Transco Supply17 - Dem Commodity												
Transco Supply18 - Dem Commodity												
Transco Supply19 - Dem Commodity												
Transco Supply20 - Dem Commodity	\$ 2,855,100	\$ 3,411,800	\$ 2,839,600	\$ 639,000	\$ 675,800	\$ 669,000	\$ 715,325	\$ 730,050	\$ 715,500	\$ 754,850	\$ 661,500	\$ 807,550
Transco Supply21 - Dem Commodity	\$ 1,932,913	\$ 1,005,200	\$ 1,102,050									
Transco Supply22 - Dem Commodity	\$ 4,223,750	\$ 3,801,000	\$ 4,127,650								\$ 1,476,800	\$ 1,746,850
Transco Supply23 - Dem Commodity												
Tetco Supply1 - Dem Commodity	\$ 215,149	\$ 215,149	\$ 215,149	\$ 213,211	\$ 213,211	\$ 213,211	\$ 213,211	\$ 213,211	\$ 213,211	\$ 213,211	\$ 164,008	\$ 165,498
Tetco Supply2 - Dem Commodity	\$ 318,254	\$ 953,077	\$ 428,052	\$ 648,529	\$ 455,181	\$ 125,188	\$ 128,081	\$ 109,784	\$ 87,053	\$ 808,012	\$ 336,711	\$ 1,495,182
Tetco Supply3 - Dem Commodity	\$ 4,581,200	\$ 3,900,400	\$ 4,318,300								\$ 1,278,000	\$ 1,395,000
Tetco Supply4 - Dem Commodity	\$ 1,263,630									\$ 214,457	\$ 3,750	\$ 3,875
Tetco Supply5 - Dem Commodity	\$ 1,260,925	\$ 1,148,000	\$ 1,249,300	\$ 657,600	\$ 628,990	\$ 562,800	\$ 609,150	\$ 614,575	\$ 554,550	\$ 590,550	\$ 641,250	\$ 698,275
Tetco Supply6 - Dem Commodity											\$ 583,350	\$ 633,330
Tetco Supply7 - Dem Commodity	\$ 1,535	\$ 1,386	\$ 1,535									
Tetco Supply8 - Dem Commodity	\$ 955,963	\$ 632,450	\$ 630,463									
Tetco Supply9 - Dem Commodity												
Tetco Supply10 - Dem Commodity												
Tetco Supply11 - Dem Commodity												
Tetco Supply12 - Dem Commodity												
Tetco Supply13 - Dem Commodity	\$ 372,000	\$ 336,000	\$ 372,000	\$ 360,000	\$ 372,000	\$ 360,000	\$ 372,000	\$ 372,000	\$ 360,000	\$ 372,000	\$ 306,000	\$ 316,200
Tetco Supply14 - Dem Commodity	\$ 11,851,925	\$ 12,145,900	\$ 12,498,325	\$ 785,648						\$ 496,988	\$ 5,833,184	\$ 7,957,313
Tetco Supply15 - Dem Commodity	\$ 4,268,700	\$ 3,831,800	\$ 4,157,100	\$ 1,300,500	\$ 1,134,600	\$ 1,197,000	\$ 1,274,100	\$ 1,311,300	\$ 1,188,000	\$ 1,240,000	\$ 1,396,800	\$ 1,606,265
Tetco Supply16 - Dem Commodity	\$ 4,993,664	\$ 1,693,300	\$ 2,083,848								\$ 626,250	\$ 2,707,553
Tetco Supply17 - Dem Commodity	\$ 2,600,745	\$ 2,349,060	\$ 2,600,745	\$ 723,000	\$ 747,100	\$ 723,000	\$ 747,100	\$ 747,100	\$ 720,759	\$ 747,100	\$ 1,194,675	\$ 1,417,630

**Philadelphia Gas Works
Cost of Fuels Purchased
Williams Pipeline Company**

Amount - \$	Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09
S-2 Capacity	\$ 4,594	\$ 5,086	\$ 4,922	\$ 5,087	\$ 4,922	\$ 5,086	\$ 5,086	\$ 4,922	\$ 5,086	\$ 4,922	\$ 5,086	\$ 5,086
Storage Demand	\$ 21,405	\$ 23,699	\$ 22,934	\$ 23,699	\$ 22,934	\$ 23,699	\$ 23,847	\$ 23,078	\$ 23,847	\$ 23,078	\$ 23,847	\$ 23,847
Handling fr Stg.	\$ 6,000	\$ 3,919	\$ 1,686	\$ 400						\$	\$ 78	\$ 2,738
Handling to Stg.			\$	\$ 535	\$ 1,761	\$ 1,760	\$ 1,818	\$ 1,818	\$ 1,652	\$ 1,563	\$ 642	\$ -
GSS Demand	\$ 188,586	\$ 170,336	\$ 188,586	\$ 182,337	\$ 188,415	\$ 182,337	\$ 188,415	\$ 188,415	\$ 182,337	\$ 188,415	\$ 182,189	\$ 188,262
Stg. Cap.Vol. Chg.	\$ 70,310	\$ 63,506	\$ 70,310	\$ 68,042	\$ 70,310	\$ 68,042	\$ 70,310	\$ 70,310	\$ 68,042	\$ 70,310	\$ 68,042	\$ 70,310
Handling fr Stg.	\$ 48,153	\$ 23,029	\$ 11,853	\$ 1,661					\$	\$ 158	\$ 6,271	\$ 29,487
Storage Injection		\$ 564	\$ 1,631	\$ 5,879	\$ 16,606	\$ 20,336	\$ 24,632	\$ 23,853	\$ 22,036	\$ 15,541	\$ 8,693	\$ 1,016
WSS Demand	\$ 25,148	\$ 22,714	\$ 25,148	\$ 24,336	\$ 25,148	\$ 24,336	\$ 25,148	\$ 25,148	\$ 24,336	\$ 25,148	\$ 24,336	\$ 25,148
Stg. Cap Vol Chg.	\$ 24,819	\$ 22,417	\$ 24,819	\$ 24,018	\$ 24,819	\$ 24,019	\$ 24,819	\$ 24,819	\$ 24,019	\$ 24,819	\$ 24,019	\$ 24,819
Handling fr Stg.	\$ 4,442	\$ 4,434	\$ 3,420	\$ 2,060							\$	\$ 4,692
Handling to Stg.	\$ 25	\$ 575	\$ 1,242	\$ 274	\$ 0	\$ 2,110	\$ 2,705	\$ 4,482	\$ 3,734	\$ 2,798	\$ 2,189	\$ 1,605
FT Demand/.3691	\$ 2,303,748	\$ 2,080,805	\$ 2,306,035	\$ 2,225,523	\$ 2,299,707	\$ 2,225,523	\$ 2,299,707	\$ 2,299,707	\$ 2,225,523	\$ 2,299,707	\$ 2,225,523	\$ 2,297,424
FT Commodity/.3691	\$ 151,359	\$ 118,774	\$ 98,075	\$ 98,309	\$ 98,270	\$ 93,554	\$ 94,781	\$ 91,587	\$ 94,120	\$ 119,808	\$ 86,350	\$ 130,198
PSFT Demand/5001	\$ 15,785	\$ 14,257	\$ 13,498	\$ 13,027	\$ 13,461	\$ 13,027	\$ 13,461	\$ 13,461	\$ 13,027	\$ 13,461	\$ 13,027	\$ 15,744
PSFT Commodity	\$ 1,437	\$ 380										\$ 763
Eminence Cust. Dem.												
Eminence Cust. Cap.												
Eminence Storage Dem.	\$ 21,436	\$ 19,361	\$ 21,436	\$ 20,744	\$ 21,436	\$ 20,744	\$ 21,436	\$ 21,436	\$ 20,744	\$ 21,436	\$ 20,744	\$ 21,436
Eminence Storage Cap.	\$ 21,552	\$ 19,466	\$ 21,552	\$ 20,857	\$ 21,552	\$ 20,857	\$ 21,552	\$ 21,552	\$ 20,857	\$ 21,552	\$ 20,857	\$ 21,552
Handling fr Stg.	\$ 3,885	\$ 318	\$ 480	\$ 638					\$	\$ 55	\$	\$ 1,715
Handling to Stg.	\$ 80	\$ 481	\$ 571	\$ 667	\$ 396	\$ 1,597	\$ 1,966	\$ 313	\$ 977	\$ 690	\$ 484	\$ 505
Capacity Rel. Dem.Credit #3691	\$ (508,896)	\$ (382,558)	\$ (435,882)	\$ (564,717)	\$ (743,043)	\$ (762,207)	\$ (784,061)	\$ (787,167)	\$ (439,662)	\$ (469,891)	\$ (404,194)	\$ (406,508)
Capacity Rel. Dem.Credit #5001	\$ (15,004)	\$ (13,552)	\$ -									
S2 Credit	\$ (2,924)	\$ (2,957)	\$ (2,956)	\$ (2,915)	\$ (2,909)	\$ (2,907)	\$ (2,955)	\$ (2,956)	\$ (2,956)	\$ (2,958)	\$ (2,897)	\$ (2,995)
Eminence #2 Demand	\$ 29,126	\$ 26,307	\$ 29,126	\$ 28,187	\$ 29,126	\$ 28,187	\$ 29,126	\$ 29,126	\$ 28,187	\$ 29,126	\$ 28,187	\$ 29,126
Eminence #2 Capacity	\$ 29,284	\$ 26,450	\$ 29,284	\$ 28,340	\$ 29,284	\$ 28,340	\$ 29,284	\$ 29,284	\$ 28,340	\$ 29,284	\$ 28,340	\$ 29,284
Handling to Stg.	\$ 109	\$ 653	\$ 762	\$ 672	\$ 156	\$ 1,796	\$ 3,341	\$ 1,838	\$ 1,603	\$ 1,461	\$ 725	\$ 871
Handling fr Stg.	\$ 6,218	\$ 643	\$ 532	\$ 691					\$	\$ 166	\$ 263	\$ 1,626
CashOut Minority Buy												
**GSS Inj. Adj. 03/27/09			\$	\$ 53								
TOTAL	\$ 2,450,677	\$ 2,249,108	\$ 2,438,863	\$ 2,208,403	\$ 2,122,350	\$ 2,020,236	\$ 2,094,417	\$ 2,085,026	\$ 2,345,847	\$ 2,420,648	\$ 2,360,799	\$ 2,517,750

Philadelphia Gas Works
Cost of Fuels Purchased
Texas Eastern

Volumes - Dth	Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09
CDS Access Area Demand	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000
CDS Market Area Demand	97,573	97,573	97,573	97,573	97,573	97,573	97,573	97,573	97,573	97,573	97,573	97,573
CDS Commodity	2,228,373	1,506,043	1,147,730	947,195	712,445	592,420	608,034	608,034	587,928	960,362	959,920	1,987,978
CDS ACA Charge	2,228,373	1,506,043	1,147,730	947,195	712,445	592,420	608,034	608,034	587,928	960,362	959,920	1,987,978
FT1 Access Area Demand	23,822	23,822	23,822	23,822	23,822	23,822	23,822	23,822	23,822	23,822	23,822	23,822
FT1 Market Area Demand	54,878	54,878	54,878	54,878	54,878	54,878	54,878	54,878	54,878	54,878	54,878	54,878
FT1 Commodity	244,714	221,032	244,714	0							243,420	251,534
FT1 ACA Charge	244,714	221,032	244,714	0							243,420	251,534
SS1 Demand 400121	44,118	44,118	44,118	44,118	44,118	44,118	44,118	44,118	44,118	44,118	44,118	44,118
Space Charge	220,590	220,590	220,590	220,590	220,590	220,590	220,590	220,590	220,590	220,590	220,590	220,590
Handling fr Storage	603,343	319,076	351,937	211,080						2,991	91,995	276,223
Excess Withdrawal												
Storage Injection	0	36	13,606	98,576	247,651	407,988	231,296	421,786	158,556	265,999	86,709	49,440
Excess Injection			3,618	63							16,583	7,894
Storage Surcharge Credit												
SS1 Demand 400209	20,847	20,847	20,847	20,847	20,847	20,847	20,847	20,847	20,847	20,847	20,847	20,847
Space Charge	205,117	205,177	205,177	205,177	205,177	205,177	205,177	205,177	205,176	205,176	205,176	205,176
Handling fr Storage	526,304	254,092	344,317	254,743	4,411					60,121	89,686	351,392
Excess Withdrawal												
Storage Injection	0	12,656	29,885	131,187	356,425	186,966	392,336	198,104	379,680	129,500	117,657	86,042
Excess Injection										20,413		
Storage Surcharge Credit												
FTS-2 Demand	5,394	5,394	5,394	5,394	5,394	5,394	5,394	5,394	5,394	5,394	5,394	5,394
FTS-7 Demand	7,788	7,788	7,788	7,788	7,788	7,788	7,788	7,788	7,788	7,788	7,788	7,788
FTS-8 Demand	25,709	25,709	25,709	25,709	25,709	25,709	25,709	25,709	25,709	25,709	23,364	25,709
FT-1 Acc.Area Dem. 800514	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000
FT-1 Market Area Demand	11,474	11,474	11,474	11,474	11,474	11,474	11,474	11,474	11,474	11,474	11,474	11,474
FT Commodity	558,000	504,000	558,000								540,000	558,000
FT-1 ACA Charge	558,000	504,000	558,000								540,000	558,000
FT1-3 Cap.Rel. demand credit 800514				(540,000)	(614,858)	(595,020)	(614,854)	(614,854)	(595,020)	(558,000)	0	0
FT-1 Acc.Area Dem. 800515	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000
FT-1 Market Area Demand	11,474	11,474	11,474	11,474	11,474	11,474	11,474	11,474	11,474	11,474	11,474	11,474
FT Commodity	558,000	504,000	558,000								540,000	558,000
FT-1 ACA Charge	558,000	504,000	558,000								540,000	558,000
FT1-3 Cap.Rel. demand credit 800515				(540,000)	(614,758)	(595,020)	(614,854)	(614,854)	(595,020)	(558,000)	0	0
CDS 800232 M1-M2 Cap. Rel.	(119,815)	(86,604)	(124,155)	(122,070)	(418,433)	(365,400)	(454,006)	(509,111)	(368,730)	(331,018)	(256,120)	(175,832)
FT1-800233 M1-M3 Cap. Rel.	(2,437,251)	(2,201,388)	(2,146,316)	(2,592,060)	(2,685,251)	(2,927,640)	(3,025,228)	(3,032,017)	(2,317,080)	(986,482)	(2,077,080)	(738,482)
FTS-2,7,8 ACA	1,060,241	863,077	395,979								100,488	1,036,827

Philadelphia Gas Works

Cost of Fuels Purchased

Texas Eastern

Volumes - Dth	Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09
CDS Access Area Demand	11,0230	11,0360	11,0360	11,0360	11,0360	11,0360	11,0360	11,1420	11,1420	11,1420	11,1420	11,1420
CDS Market Area Demand	3,3853	3,3846	3,3846	3,3846	3,3846	3,3846	3,3846	3,3866	3,3866	3,3866	3,3866	3,3866
CDS Commodity	0,0572	0,0607	0,0606	0,0595	0,0592	0,0587	0,0587	0,0675	0,0675	0,0689	0,0701	0,0911
CDS ACA Charge	0,0017	0,0017	0,0017	0,0017	0,0017	0,0017	0,0017	0,0017	0,0017	0,0019	0,0019	0,0019
FT1 Access Area Demand	10,8000	10,8130	10,8130	10,8130	10,8130	10,8130	10,8130	10,9190	10,9190	10,9190	10,9190	10,9190
FT1 Market Area Demand	3,5485	3,5476	3,5476	3,5476	3,5476	3,5476	3,5476	3,5502	3,5502	3,5502	3,5502	3,5502
FT1 Commodity	0,0585	0,0619	0,0619	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0706	0,0946
FT1 ACA Charge	0,0017	0,0017	0,0017	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0019	0,0019
SS1 Demand 400121	5,5340	5,5370	5,5370	5,5370	5,5370	5,5370	5,5370	5,5650	5,5650	5,5650	5,5650	5,5650
Space Charge	0,1293	0,1293	0,1293	0,1293	0,1293	0,1293	0,1293	0,1293	0,1293	0,1293	0,1293	0,1293
Handling fr Storage	0,0428	0,0436	0,0436	0,0436	0,0000	0,0000	0,0000	0,0000	0,0000	0,0461	0,0461	0,0589
Excess Withdrawal	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000
Storage Injection	0,0000	0,0281	0,0280	0,0280	0,0280	0,0280	0,0280	0,0280	0,0280	0,0280	0,0280	0,0339
Excess Injection	0,0000	0,0000	0,1527	0,1527	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,1527	0,1586
Storage Surcharge Credit	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000
SS1 Demand 400209	5,5340	5,5370	5,5370	5,5370	5,5370	5,5370	5,5370	5,5650	5,5650	5,5650	5,5650	5,5650
Space Charge	0,1293	0,1293	0,1293	0,1293	0,1293	0,1293	0,1293	0,1293	0,1293	0,1293	0,1293	0,1293
Handling fr Storage	0,0428	0,0436	0,0436	0,0436	0,0436	0,0000	0,0000	0,0000	0,0000	0,0461	0,0461	0,0589
Excess Withdrawal	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000
Storage Injection	0,0000	0,0280	0,0280	0,0280	0,0280	0,0280	0,0280	0,0280	0,0280	0,0280	0,0280	0,0339
Excess Injection	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,1527	0,0000	0,0000
Storage Surcharge Credit	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000
FTS-2 Demand	7,9590	7,9590	7,9590	7,9590	7,9590	7,9590	7,9590	7,9590	7,9590	7,9590	7,9590	7,9590
FTS-7 Demand	6,5760	6,5760	6,5760	6,5760	6,5760	6,5760	6,5760	6,5760	6,5760	6,5760	6,5760	6,5760
FTS-8 Demand	6,8640	6,8640	6,8640	6,8640	6,8640	6,8640	6,8640	6,8640	6,8640	6,8640	7,5529	6,8640
FT-1 Acc.Area Dem. 800514	10,8000	10,8130	10,8130	10,8130	10,8130	10,8130	10,8130	10,9190	10,9190	10,9190	10,9190	10,9190
FT-1 Market Area Demand	2,2387	2,2385	2,2385	2,2385	2,2385	2,2385	2,2385	2,2391	2,2391	2,2391	2,2391	2,2391
FT Commodity	0,0560	0,0594	0,0594	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0684	0,0868
FT-1 ACA Charge	0,0017	0,0017	0,0017	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0019	0,0019
FT1-3 Cap.Rel. demand credit 800514	0,0000	0,0000	0,0000	0,1850	0,2402	0,2402	0,2402	0,2423	0,2423	0,0350	0,0000	0,0000
FT-1 Acc.Area Dem. 800515	10,8000	10,8130	10,8130	10,8130	10,8130	10,8130	10,8130	10,9190	10,9190	10,9190	10,9190	10,9190
FT-1 Market Area Demand	2,2387	2,2385	2,2385	2,2385	2,2385	2,2385	2,2385	2,2391	2,2391	2,2391	2,2391	2,2391
FT Commodity	0,0560	0,0594	0,0594	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0684	0,0868
FT-1 ACA Charge	0,0017	0,0017	0,0017	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0019	0,0019
FT1-3 Cap.Rel. demand credit 800515	0,0000	0,0000	0,0000	0,1460	0,2403	0,2402	0,2402	0,2423	0,2423	0,0360	0,0000	0,0000
CDS 800232 M1-M2 Cap. Rel.	0,3239	0,6156	0,6156	0,6156	0,5241	0,5065	0,4314	0,3813	0,3834	0,3540	0,4336	0,6191
FT1-800233 M1-M3 Cap. Rel.	0,1513	0,1514	0,1720	0,1952	0,1947	0,1728	0,1728	0,1737	0,1655	0,4017	0,1583	0,4600
FTS-2,7,8 ACA	0,0017	0,0017	0,0017	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0019	0,0019

**Philadelphia Gas Works
Cost of Fuels Purchased
Texas Eastern**

Amount - \$	Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09
CDS Access Area Demand	\$ 826,725	\$ 827,700	\$ 827,700	\$ 827,700	\$ 827,700	\$ 827,700	\$ 827,700	\$ 835,650	\$ 835,650	\$ 835,650	\$ 835,650	\$ 835,650
CDS Market Area Demand	\$ 330,313	\$ 330,249	\$ 330,249	\$ 330,249	\$ 330,249	\$ 330,249	\$ 330,249	\$ 330,441	\$ 330,441	\$ 330,441	\$ 330,441	\$ 330,441
CDS Commodity	\$ 127,468	\$ 91,485	\$ 69,510	\$ 56,396	\$ 42,169	\$ 34,763	\$ 35,664	\$ 41,023	\$ 39,664	\$ 66,214	\$ 67,306	\$ 181,052
CDS ACA Charge	\$ 3,788	\$ 2,560	\$ 1,951	\$ 1,610	\$ 1,211	\$ 1,007	\$ 1,034	\$ 1,034	\$ 999	\$ 1,825	\$ 1,824	\$ 3,777
FT1 Access Area Demand	\$ 257,278	\$ 257,587	\$ 257,587	\$ 257,587	\$ 257,587	\$ 257,587	\$ 257,587	\$ 260,112	\$ 260,112	\$ 260,112	\$ 260,112	\$ 260,112
FT1 Market Area Demand	\$ 194,733	\$ 194,687	\$ 194,687	\$ 194,687	\$ 194,687	\$ 194,687	\$ 194,687	\$ 194,826	\$ 194,826	\$ 194,826	\$ 194,826	\$ 194,826
FT1 Commodity	\$ 14,325	\$ 13,690	\$ 15,157							\$	\$ 17,195	\$ 23,806
FT1 ACA Charge	\$ 416	\$ 376	\$ 416							\$	\$ 463	\$ 478
SS1 Demand 400121	\$ 244,149	\$ 244,281	\$ 244,281	\$ 244,281	\$ 244,281	\$ 244,281	\$ 244,281	\$ 245,517	\$ 245,517	\$ 245,517	\$ 245,517	\$ 245,517
Space Charge	\$ 28,522	\$ 28,522	\$ 28,522	\$ 28,522	\$ 28,522	\$ 28,522	\$ 28,522	\$ 28,522	\$ 28,522	\$ 28,522	\$ 28,522	\$ 28,522
Handling fr Storage	\$ 25,823	\$ 13,912	\$ 15,344	\$ 9,203					\$	\$ 138	\$ 4,241	\$ 16,270
Excess Withdrawal												
Storage Injection	\$	\$ 1	\$ 381	\$ 2,760	\$ 6,934	\$ 11,424	\$ 6,476	\$ 11,810	\$ 4,440	\$ 7,448	\$ 2,428	\$ 1,676
Excess Injection		\$	\$ 552	\$ 10						\$	\$ 2,532	\$ 1,252
Storage Surcharge Credit	\$ (25,069)	\$ (25,057)	\$ (24,705)	\$ (24,656)	\$ (24,749)	\$ (25,161)	\$ (25,168)	\$ (26,113)	\$ (25,183)	\$ (24,667)	\$ (25,505)	\$ (25,237)
SS1 Demand 400209	\$ 115,367	\$ 115,430	\$ 115,430	\$ 115,430	\$ 115,430	\$ 115,430	\$ 115,430	\$ 116,014	\$ 116,014	\$ 116,014	\$ 116,014	\$ 116,014
Space Charge	\$ 26,529	\$ 26,529	\$ 26,529	\$ 26,529	\$ 26,529	\$ 26,529	\$ 26,529	\$ 26,529	\$ 26,529	\$ 26,529	\$ 26,529	\$ 26,529
Handling fr Storage	\$ 22,526	\$ 11,078	\$ 15,012	\$ 11,107	\$ 192				\$	\$ 2,772	\$ 4,135	\$ 20,697
Excess Withdrawal												
Storage Injection	\$	\$ 354	\$ 837	\$ 3,673	\$ 9,980	\$ 5,235	\$ 10,985	\$ 5,547	\$ 10,631	\$ 3,626	\$ 3,294	\$ 2,917
Excess Injection								\$	\$ 3,117	\$	\$	\$
Storage Surcharge Credit	\$ (11,851)	\$ (11,845)	\$ (11,679)	\$ (11,656)	\$ (11,703)	\$ (11,897)	\$ (11,901)	\$ (12,348)	\$ (11,908)	\$ (11,864)	\$ (12,060)	\$ (11,933)
FTS-2 Demand	\$ 42,931	\$ 42,931	\$ 42,931	\$ 42,931	\$ 42,931	\$ 42,931	\$ 42,931	\$ 42,931	\$ 42,931	\$ 42,931	\$ 42,931	\$ 42,931
FTS-7 Demand	\$ 51,214	\$ 51,214	\$ 51,214	\$ 51,214	\$ 51,214	\$ 51,214	\$ 51,214	\$ 51,214	\$ 51,214	\$ 51,214	\$ 51,214	\$ 51,214
FTS-8 Demand	\$ 176,467	\$ 176,467	\$ 176,467	\$ 176,467	\$ 176,467	\$ 176,467	\$ 176,467	\$ 176,467	\$ 176,467	\$ 176,467	\$ 176,467	\$ 176,467
FT-1 Acc.Area Dem. 800514	\$ 194,400	\$ 194,634	\$ 194,634	\$ 194,634	\$ 194,634	\$ 194,634	\$ 194,634	\$ 196,542	\$ 196,542	\$ 196,542	\$ 196,542	\$ 196,542
FT-1 Market Area Demand	\$ 25,687	\$ 25,685	\$ 25,685	\$ 25,685	\$ 25,685	\$ 25,685	\$ 25,685	\$ 25,691	\$ 25,691	\$ 25,691	\$ 25,691	\$ 25,691
FT Commodity	\$ 31,245	\$ 29,935	\$ 33,142							\$	\$ 36,940	\$ 48,429
FT-1 ACA Charge	\$ 949	\$ 857	\$ 949							\$	\$ 1,026	\$ 1,060
FT1-3 Cap.Rel. demand credit 800514			\$	\$ (99,900)	\$ (147,706)	\$ (142,941)	\$ (147,706)	\$ (148,982)	\$ (144,176)	\$ (19,530)	\$	\$
FT-1 Acc.Area Dem. 800515	\$ 194,400	\$ 194,634	\$ 194,634	\$ 194,634	\$ 194,634	\$ 194,634	\$ 194,634	\$ 196,542	\$ 196,542	\$ 196,542	\$ 196,542	\$ 196,542
FT-1 Market Area Demand	\$ 25,687	\$ 25,685	\$ 25,685	\$ 25,685	\$ 25,685	\$ 25,685	\$ 25,685	\$ 25,691	\$ 25,691	\$ 25,691	\$ 25,691	\$ 25,691
FT Commodity	\$ 31,245	\$ 29,935	\$ 33,142							\$	\$ 36,940	\$ 48,429
FT-1 ACA Charge	\$ 949	\$ 857	\$ 949							\$	\$ 1,026	\$ 1,060
FT1-3 Cap.Rel. demand credit 800515			\$	\$ (78,840)	\$ (147,706)	\$ (142,941)	\$ (147,706)	\$ (148,982)	\$ (144,176)	\$ (20,088)	\$	\$
CDS 800232 M1-M2 Cap. Rel.	\$ (38,804)	\$ (53,313)	\$ (76,430)	\$ (75,146)	\$ (219,282)	\$ (185,067)	\$ (195,864)	\$ (194,130)	\$ (141,388)	\$ (117,188)	\$ (111,057)	\$ (108,858)
FT1-800233 M1-M3 Cap. Rel.	\$ (368,852)	\$ (333,356)	\$ (369,072)	\$ (505,967)	\$ (522,832)	\$ (505,967)	\$ (522,832)	\$ (526,778)	\$ (383,464)	\$ (396,246)	\$ (328,744)	\$ (339,702)
FTS-2,7,8 ACA	\$ 1,802	\$ 1,467	\$ 673						\$	\$	\$ 191	\$ 1,970
TOTAL	\$ 2,550,363	\$ 2,509,171	\$ 2,442,364	\$ 2,024,829	\$ 1,722,743	\$ 1,774,689	\$ 1,739,218	\$ 1,754,771	\$ 1,958,129	\$ 2,248,446	\$ 2,454,863	\$ 2,619,831

**Philadelphia Gas Works
Cost of Fuels Purchased
Equitrans**

<u>Volumes</u>	<u>Jan-09</u>	<u>Feb-09</u>	<u>Mar-09</u>	<u>Apr-09</u>	<u>May-09</u>	<u>Jun-09</u>	<u>Jul-09</u>	<u>Aug-09</u>	<u>Sep-09</u>	<u>Oct-09</u>	<u>Nov-09</u>	<u>Dec-09</u>
STS-1 Cap. Res. Chge.	4,998	4,998	4,998	2,613	2,613	2,613	2,613	2,613	2,613	2,613	4,998	4,998
STS-1 Commodity Inj.				78,360	80,972	78,360	80,972	80,972	78,360	54,286		
SS-3 Demand	4,998	4,998	4,998	4,998	4,998	4,998	4,998	4,998	4,998	4,998	4,998	4,998
SS-3 Space Charge	522,500	522,500	522,500	522,500	522,500	522,500	522,500	522,500	522,500	522,500	522,500	522,500
SS-3 Storage Withdrawal	154,938	129,952	47,686									139,944
SS-3 Storage Injection				76,920	79,484	76,920	79,484	79,484	76,920	53,288	-	
ACA STS-1				78,360	80,972	78,360	80,972	80,972	78,360	54,286	-	
Pipeline Safety Cost Tracker				78,360	80,972	78,360	80,972	80,972	78,360	54,286	-	
Rates - \$												
STS-1 Cap. Res. Chge.	5.3098	5.3098	5.3098	4.7451	4.7451	4.7451	4.7451	4.7451	4.7451	4.7451	5.3098	5.3098
STS-1 Commodity Inj.	0.0094	0.0094	0.0094	0.0094	0.0094	0.0094	0.0094	0.0094	0.0094	0.0094	0.0094	0.0094
SS-3 Demand	1.4949	1.4949	1.4949	1.4949	1.4949	1.4949	1.4949	1.4949	1.4949	1.4949	1.4949	1.4949
SS-3 Space Charge	0.0262	0.0262	0.0262	0.0262	0.0262	0.0262	0.0262	0.0262	0.0262	0.0262	0.0262	0.0262
SS-3 Storage Withdrawal	0.0069	0.0069	0.0069	0.0069	0.0069	0.0069	0.0069	0.0069	0.0069	0.0069	0.0069	0.0069
SS-3 Storage Injection	0.0069	0.0069	0.0069	0.0069	0.0069	0.0069	0.0069	0.0069	0.0069	0.0069	0.0069	0.0069
ACA STS-1	0.0017	0.0017	0.0017	0.0017	0.0017	0.0017	0.0017	0.0017	0.0017	0.0019	0.0019	0.0019
Pipeline Safety Cost Tracker	0.0865	0.0865	0.0865	0.1329	0.1329	0.1329	0.1329	0.1329	0.1329	0.1329	0.1329	0.1329
Total Amount - \$												
STS-1 Transp. Demand	\$ 26,538	\$ 26,538	\$ 26,538	\$ 12,399	\$ 12,399	\$ 12,399	\$ 12,399	\$ 12,399	\$ 12,399	\$ 12,399	\$ 26,538	\$ 26,538
STS-1 Commodity Inj.	\$ -	\$ -	\$ -	\$ 737	\$ 761	\$ 737	\$ 761	\$ 761	\$ 737	\$ 510	\$ -	\$ -
SS-3 Demand	\$ 7,472	\$ 7,472	\$ 7,472	\$ 7,472	\$ 7,472	\$ 7,472	\$ 7,472	\$ 7,472	\$ 7,472	\$ 7,472	\$ 7,472	\$ 7,472
SS-3 Space Charge	\$ 13,690	\$ 13,690	\$ 13,690	\$ 13,690	\$ 13,690	\$ 13,690	\$ 13,690	\$ 13,690	\$ 13,690	\$ 13,690	\$ 13,690	\$ 13,690
SS-3 Storage Withdrawal	\$ 1,069	\$ 897	\$ 329	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 966
SS-3 Storage Injection				\$ 531	\$ 548	\$ 531	\$ 548	\$ 548	\$ 531	\$ 368	\$ -	\$ -
ACA STS-1				\$ 133	\$ 138	\$ 133	\$ 138	\$ 138	\$ 133	\$ 103	\$ -	\$ -
Pipeline Safety Cost Tracker				\$ 10,414	\$ 10,761	\$ 10,414	\$ 10,761	\$ 10,761	\$ 10,414	\$ 7,215	\$ -	\$ -
*Adjustment for Overpayment	\$ (300)											
TOTAL	\$ 48,468	\$ 48,596	\$ 48,028	\$ 45,375	\$ 45,768	\$ 45,375	\$ 45,768	\$ 45,768	\$ 45,375	\$ 41,756	\$ 47,699	\$ 48,665

**Philadelphia Gas Works
Cost of Fuels Purchased
Dominion**

Volumes	Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09
GSS Storage Demand	34,047	34,047	34,047	34,047	34,047	34,047	34,047	34,047	34,047	34,047	34,047	34,047
GSS Storage Capacity	3,918,971	3,918,971	3,918,971	3,918,971	3,918,971	3,918,971	3,918,971	3,918,971	3,918,971	3,918,971	3,918,971	3,918,971
GSS Storage Injection	-	-	-	189,481	475,644	475,545	493,701	487,767	466,290	217,602	-	-
GSS Handling from Storage	920,004	744,775	353,699	-	-	-	-	-	-	-	102,141	911,493
GSS-TE Surcharge	920,004	744,775	353,699	-	-	-	-	-	-	-	102,141	911,493
GSS-TE Excess Injection	-	-	-	-	-	-	-	-	-	-	-	-

Rates - \$

GSS Storage Demand	\$ 1.8815	\$ 1.8815	\$ 1.8815	\$ 1.8815	\$ 1.8815	\$ 1.8815	\$ 1.8815	\$ 1.8815	\$ 1.8815	\$ 1.8815	\$ 1.8815	\$ 1.8773	\$ 1.8773
GSS Storage Capacity	\$ 0.0145	\$ 0.0145	\$ 0.0145	\$ 0.0145	\$ 0.0145	\$ 0.0145	\$ 0.0145	\$ 0.0145	\$ 0.0145	\$ 0.0145	\$ 0.0145	\$ 0.0145	\$ 0.0145
GSS Storage Injection	\$ 0.0230	\$ 0.0230	\$ 0.0230	\$ 0.0230	\$ 0.0230	\$ 0.0230	\$ 0.0230	\$ 0.0230	\$ 0.0230	\$ 0.0230	\$ 0.0230	\$ 0.0230	\$ 0.0230
GSS Handling from Storage	\$ 0.0177	\$ 0.0177	\$ 0.0177	\$ 0.0177	\$ 0.0177	\$ 0.0177	\$ 0.0177	\$ 0.0177	\$ 0.0177	\$ 0.0177	\$ 0.0177	\$ 0.0163	\$ 0.0163
GSS-TE Surcharge	\$ 0.0050	\$ 0.0050	\$ 0.0050	\$ 0.0050	\$ 0.0050	\$ 0.0050	\$ 0.0050	\$ 0.0050	\$ 0.0050	\$ 0.0050	\$ 0.0050	\$ 0.0051	\$ 0.0051
GSS-TE Excess Injection	\$ 0.6363	\$ 0.6363	\$ 0.6363	\$ 0.6363	\$ 0.6363	\$ 0.6363	\$ 0.6363	\$ 0.6363	\$ 0.6363	\$ 0.6363	\$ 0.6363	\$ 0.6363	\$ 0.6363

Total Amount - \$

GSS Storage Demand	\$ 64,059	\$ 64,059	\$ 64,059	\$ 64,059	\$ 64,059	\$ 64,059	\$ 64,059	\$ 64,059	\$ 64,059	\$ 64,059	\$ 64,059	\$ 63,916	\$ 63,916
GSS Storage Capacity	\$ 56,825	\$ 56,825	\$ 56,825	\$ 56,825	\$ 56,825	\$ 56,825	\$ 56,825	\$ 56,825	\$ 56,825	\$ 56,825	\$ 56,825	\$ 56,825	\$ 56,825
GSS Storage Injection	-	-	-	\$ 4,358	\$ 10,940	\$ 10,938	\$ 11,355	\$ 11,219	\$ 10,725	\$ 5,005	\$ -	\$ -	\$ -
GSS Handling from Storage	\$ 16,284	\$ 13,183	\$ 6,260	-	-	-	-	\$ -	-	-	\$ 1,665	\$ 14,857	
GSS-TE Surcharge	\$ 4,600	\$ 3,724	\$ 1,768	-	-	-	-	\$ -	-	-	\$ 521	\$ 4,649	
GSS-TE Excess Injection	-	-	-	-	-	-	-	-	-	-	-	-	-
Overrun/Penalty Distribution	-	-	-	-	\$ (6,336)	-	-	-	-	-	-	-	-
TOTAL	\$ 141,769	\$ 137,791	\$ 128,913	\$ 125,243	\$ 131,824	\$ 125,486	\$ 132,240	\$ 132,103	\$ 131,609	\$ 125,889	\$ 122,927	\$ 140,247	

Philadelphia Gas Works
 Pennsylvania Public Utilities Commission
 52 Pa. Code §53.61, et seq.

Schedule 2
 Item 53.64(C)(1)

MONTH	TGPL		TETCO		Combined Total	
	Total	Volume	Total	Volume	Total	Volume
	Credits	DTH'S	Credits	DTH'S	Credits	DTH'S
Jan-09	\$ 523,900	1,588,103	\$ 407,657	1,429,867	\$ 931,556	3,017,970
Feb-09	\$ 396,110	1,035,020	\$ 386,669	1,010,278	\$ 782,779	2,045,298
Mar-09	\$ 435,882	1,054,217	\$ 445,502	1,146,783	\$ 881,384	2,201,000
Apr-09	\$ 564,717	1,922,130	\$ 759,853	2,430,910	\$ 1,324,570	4,353,040
May-09	\$ 743,043	3,298,433	\$ 1,037,527	2,898,061	\$ 1,780,570	6,196,494
Jun-09	\$ 762,207	3,345,460	\$ 979,101	2,835,040	\$ 1,741,307	6,180,500
Jul-09	\$ 784,061	3,461,068	\$ 871,348	2,804,488	\$ 1,655,410	6,265,556
Aug-09	\$ 787,167	3,471,440	\$ 1,018,872	2,944,037	\$ 1,806,039	6,415,477
Sep-09	\$ 439,662	2,068,760	\$ 813,203	2,553,390	\$ 1,252,866	4,622,150
Oct-09	\$ 469,891	2,036,049	\$ 553,051	2,433,500	\$ 1,022,942	4,469,549
Nov-09	\$ 404,194	856,180	\$ 439,801	970,780	\$ 843,995	1,826,960
Dec-09	\$ 406,508	795,863	\$ 448,559	915,034	\$ 855,067	1,710,897
TOTAL	\$ 6,717,343	24,932,723	\$ 8,161,143	24,372,168	\$ 14,878,486	49,304,891

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2010-August 2011

Schedule 3
 Item 53.64(c)(1)

Volumes (Dth)

	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10
Spot Purchases - Transco	728,713	2,135,051	2,856,237	2,478,736	2,872,095	2,013,305	2,016,429	2,023,939	2,131,207	3,167,375
Spot Purchases - Tetco	399,505	1,507,634	1,338,970	1,076,836	401,931	81,874	35,089	93,571	93,571	389,773
Transco Supply 1	-	-	-	-	-	-	-	-	-	-
Transco Supply 2	607,543	250,000	-	965,000	527,000	480,000	434,000	372,000	480,000	503,000
Transco Supply 3	-	-	-	-	-	-	-	-	-	-
Transco Supply 4	-	-	-	-	-	-	-	-	-	-
Transco Supply 5	-	-	-	-	-	-	-	-	-	-
Transco Supply 6	465,000	280,000	310,000	-	-	-	-	-	-	-
Transco Supply 7	290,507	320,000	-	560,000	460,000	460,000	460,000	480,000	460,000	600,000
Transco Supply 8	620,000	-	-	-	-	-	-	-	-	-
Transco Supply 9	-	-	-	-	-	-	-	-	-	-
Transco Supply 10	310,000	280,000	310,000	-	-	-	-	-	-	-
Transco Supply 11	-	-	-	-	-	-	-	-	-	-
Transco Supply 12	-	-	-	-	-	-	-	-	-	-
Transco Supply 13	-	-	-	-	-	-	-	-	-	-
Transco Supply 14	155,000	-	-	-	-	-	-	-	-	-
Transco Supply 15	-	-	-	-	-	-	-	-	-	-
Transco Supply 16	-	-	-	-	-	-	-	-	-	-
Transco Supply 17	-	-	-	-	-	-	-	-	-	-
Transco Supply 18	-	-	-	-	-	-	-	-	-	-
Transco Supply 19	-	-	-	-	-	-	-	-	-	-
Transco Supply 20	155,000	140,000	-	-	-	-	-	-	-	-
Transco Supply 21	-	-	-	-	-	-	-	-	-	-
Transco Supply 22	310,000	280,000	310,000	-	-	-	-	-	-	-
Transco Supply 23	155,000	-	-	-	-	-	-	-	-	-
Tetco Supply 1	1,986	10,923	21,846	5,317	2,955	-	-	-	-	4,925
Tetco Supply 2	310,000	140,000	-	-	-	-	-	-	-	-
Tetco Supply 3	310,000	-	-	-	-	-	-	-	-	-
Tetco Supply 4	155,000	-	-	-	-	-	-	-	-	-
Tetco Supply 5	155,000	140,000	-	-	-	-	-	-	-	-
Tetco Supply 6	-	-	-	-	-	-	-	-	-	-
Tetco Supply 7	-	-	-	-	-	-	-	-	-	-
Tetco Supply 8	-	-	-	-	-	-	-	-	-	-
Tetco Supply 9	-	-	-	-	-	-	-	-	-	-
Tetco Supply 10	-	-	-	-	-	-	-	-	-	-
Tetco Supply 11	-	-	-	-	-	-	-	-	-	-
Tetco Supply 12	-	-	-	-	-	-	-	-	-	-
Tetco Supply 13	847,301	700,000	997,554	124,062	219,064	269,015	327,497	269,015	257,319	390,650
Tetco Supply 14	310,000	280,000	186,000	-	-	-	-	-	-	-
Tetco Supply 15	-	-	-	-	-	-	-	-	-	-
Tetco Supply 16	155,000	140,000	155,000	-	-	-	-	-	-	-
Tetco Supply 17	263,500	238,000	263,500	-	-	-	-	-	-	-
Total Volumes	6,704,056	6,841,608	6,749,108	5,209,950	4,483,045	3,304,195	3,273,015	3,238,525	3,422,097	5,055,723

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Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2010-August 2011

Schedule 3
 item 53.64(c)(1)

Volumes (Dth)

	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11
Spot Purchases - Transco	3,765,234	3,559,225	3,483,357	2,726,307	3,917,086	3,817,425	3,461,831	2,822,249	2,706,878	2,484,563
Spot Purchases - Tetco	1,618,301	2,942,156	3,291,658	2,527,075	2,392,235	944,580	297,422	40,432	26,954	121,295
Transco Supply 1	-	-	-	-	-	-	-	-	-	-
Transco Supply 2	-	500,000	600,000	500,000	-	25,000	125,000	-	-	150,000
Transco Supply 3	-	-	-	-	-	-	-	-	-	-
Transco Supply 4	-	-	-	-	-	-	-	-	-	-
Transco Supply 5	-	-	-	-	-	-	-	-	-	-
Transco Supply 6	-	-	-	-	-	-	-	-	-	-
Transco Supply 7	-	-	-	460,000	-	140,000	340,000	240,000	280,000	340,000
Transco Supply 8	-	-	-	-	-	-	-	-	-	-
Transco Supply 9	-	-	-	-	-	-	-	-	-	-
Transco Supply 10	-	-	-	-	-	-	-	-	-	-
Transco Supply 11	-	-	-	-	-	-	-	-	-	-
Transco Supply 12	-	-	-	-	-	-	-	-	-	-
Transco Supply 13	-	-	-	-	-	-	-	-	-	-
Transco Supply 14	-	-	-	-	-	-	-	-	-	-
Transco Supply 15	-	-	-	-	-	-	-	-	-	-
Transco Supply 16	-	-	-	-	-	-	-	-	-	-
Transco Supply 17	-	-	-	-	-	-	-	-	-	-
Transco Supply 18	-	-	-	-	-	-	-	-	-	-
Transco Supply 19	-	-	-	-	-	-	-	-	-	-
Transco Supply 20	-	-	-	-	-	-	-	-	-	-
Transco Supply 21	-	-	-	-	-	-	-	-	-	-
Transco Supply 22	-	-	-	-	-	-	-	-	-	-
Transco Supply 23	-	-	-	-	-	-	-	-	-	-
Tetco Supply 1	19,700	25,818	28,797	31,743	25,477	2,955	-	-	-	-
Tetco Supply 2	-	-	-	-	-	-	-	-	-	-
Tetco Supply 3	-	-	-	-	-	-	-	-	-	-
Tetco Supply 4	-	-	-	-	-	-	-	-	-	-
Tetco Supply 5	-	-	-	-	-	-	-	-	-	-
Tetco Supply 6	-	-	-	-	-	-	-	-	-	-
Tetco Supply 7	-	-	-	-	-	-	-	-	-	-
Tetco Supply 8	-	-	-	-	-	-	-	-	-	-
Tetco Supply 9	-	-	-	-	-	-	-	-	-	-
Tetco Supply 10	-	-	-	-	-	-	-	-	-	-
Tetco Supply 11	-	-	-	-	-	-	-	-	-	-
Tetco Supply 12	-	-	-	-	-	-	-	-	-	-
Tetco Supply 13	330,000	288,411	177,065	540,000	349,606	219,998	396,498	363,884	390,839	296,498
Tetco Supply 14	-	-	-	-	-	-	-	-	-	-
Tetco Supply 15	-	-	-	-	-	-	-	-	-	-
Tetco Supply 16	-	-	-	-	-	-	-	-	-	-
Tetco Supply 17	-	-	-	-	-	-	-	-	-	-
Total Volumes	5,733,235	7,315,610	7,580,877	6,785,125	6,684,403	5,149,958	4,620,751	3,466,565	3,404,671	3,392,356

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2010-August 2011

Schedule 3
 Item 53.64(c)(1)

	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10
Williams	\$ 2,854,289	\$ 2,852,346	\$ 2,789,728	\$ 2,786,264	\$ 2,770,030	\$ 2,743,897	\$ 2,734,463	\$ 2,733,020	\$ 2,604,159	\$ 2,631,327
Texas Eastern	\$ 2,585,007	\$ 2,619,038	\$ 2,560,389	\$ 1,949,396	\$ 1,875,508	\$ 1,870,887	\$ 1,848,824	\$ 1,847,130	\$ 1,494,330	\$ 1,495,938
Dominion	\$ 135,727	\$ 129,032	\$ 125,524	\$ 126,590	\$ 130,946	\$ 130,783	\$ 131,800	\$ 131,445	\$ 131,176	\$ 129,359
Equitrans	\$ 48,767	\$ 48,314	\$ 48,220	\$ 56,272	\$ 57,165	\$ 52,754	\$ 53,393	\$ 53,393	\$ 52,754	\$ 49,875
Spot Purchases - Transco	\$ 4,277,548	\$ 11,885,830	\$ 15,812,130	\$ 13,605,779	\$ 13,708,511	\$ 9,473,606	\$ 10,005,522	\$ 10,162,196	\$ 10,646,444	\$ 16,072,843
Spot Purchases - Tecto	\$ 2,323,124	\$ 8,332,693	\$ 7,372,370	\$ 5,889,214	\$ 1,910,377	\$ 384,441	\$ 173,761	\$ 468,882	\$ 465,560	\$ 1,970,109
Transco Supply 1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 2	\$ 3,946,487	\$ 1,771,958	\$ 380,208	\$ 5,750,857	\$ 3,348,167	\$ 3,081,696	\$ 2,795,852	\$ 2,447,896	\$ 3,073,776	\$ 3,142,927
Transco Supply 3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 5	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 6	\$ 2,311,050	\$ 1,388,800	\$ 1,537,600	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 7	\$ 1,997,275	\$ 2,073,440	\$ 292,000	\$ 3,365,840	\$ 2,487,580	\$ 2,456,530	\$ 2,574,520	\$ 2,702,080	\$ 2,589,930	\$ 3,336,700
Transco Supply 8	\$ 3,565,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 9	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 10	\$ 1,662,995	\$ 1,477,000	\$ 1,618,820	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 11	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 12	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 13	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 14	\$ 901,945	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 15	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 17	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 18	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 19	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 20	\$ 702,615	\$ 639,100	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 21	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 22	\$ 1,846,050	\$ 1,679,160	\$ 1,842,020	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 23	\$ 905,200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 1	\$ 177,022	\$ 225,845	\$ 285,758	\$ 192,755	\$ 177,721	\$ 163,676	\$ 163,676	\$ 163,676	\$ 163,676	\$ 188,569
Tetco Supply 2	\$ 1,499,625	\$ 683,900	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 3	\$ 1,796,295	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 4	\$ 904,425	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 5	\$ 672,700	\$ 719,600	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 6	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 7	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 8	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 9	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 10	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 11	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 12	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 13	\$ 5,644,570	\$ 4,572,900	\$ 6,144,945	\$ 988,743	\$ 1,351,463	\$ 1,573,412	\$ 1,932,015	\$ 1,658,286	\$ 1,590,541	\$ 2,284,792
Tetco Supply 14	\$ 1,635,095	\$ 1,473,780	\$ 1,042,065	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 15	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 16	\$ 734,700	\$ 673,400	\$ 744,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 17	\$ 1,500,632	\$ 1,364,930	\$ 1,496,680	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 18	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FT PAYBACK ADJUSTMENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 155,379	\$ 163,849	\$ 165,797	\$ 164,955	\$ 167,564
Total Costs	\$ 44,628,144	\$ 44,611,066	\$ 44,092,457	\$ 34,711,711	\$ 27,817,467	\$ 21,776,302	\$ 22,249,977	\$ 22,202,206	\$ 22,647,390	\$ 31,134,873

Philadelphia Gas Works
Forecasted Summary of Total Fuel Purchased
January 2010-August 2011

Schedule 3
Item 53.64(c)(1)

	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11
Williams	\$ 2,627,609	\$ 2,690,553	\$ 2,705,200	\$ 2,714,961	\$ 2,822,870	\$ 2,816,762	\$ 2,807,867	\$ 2,781,917	\$ 2,772,445	\$ 2,772,001
Texas Eastern	\$ 2,056,381	\$ 2,474,999	\$ 2,514,306	\$ 2,495,472	\$ 2,558,484	\$ 2,018,694	\$ 1,952,280	\$ 1,944,099	\$ 1,925,666	\$ 1,924,764
Dominion	\$ 123,143	\$ 129,718	\$ 132,990	\$ 129,195	\$ 125,800	\$ 125,611	\$ 130,805	\$ 130,480	\$ 130,805	\$ 130,805
Equitrans	\$ 48,010	\$ 48,452	\$ 48,562	\$ 48,286	\$ 48,133	\$ 53,353	\$ 54,013	\$ 53,353	\$ 54,013	\$ 54,013
Spot Purchases - Transco	\$ 19,840,902	\$ 19,191,344	\$ 19,252,516	\$ 14,986,510	\$ 21,414,707	\$ 21,041,646	\$ 19,704,738	\$ 16,007,796	\$ 16,124,871	\$ 14,769,483
Spot Purchases - Tecto	\$ 8,495,271	\$ 15,716,996	\$ 18,094,245	\$ 13,790,248	\$ 13,030,505	\$ 5,197,080	\$ 1,689,952	\$ 228,924	\$ 160,567	\$ 721,037
Transco Supply 1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 2	\$ 380,208	\$ 3,076,208	\$ 3,696,408	\$ 3,128,708	\$ 380,208	\$ 518,008	\$ 1,091,708	\$ 380,208	\$ 380,208	\$ 1,271,883
Transco Supply 3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 5	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 6	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 7	\$ 292,000	\$ 292,000	\$ 292,000	\$ 2,820,620	\$ 292,000	\$ 1,063,680	\$ 2,227,280	\$ 1,653,280	\$ 1,959,960	\$ 2,313,130
Transco Supply 8	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 9	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 10	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 11	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 12	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 13	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 14	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 15	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 17	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 18	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 19	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 20	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 21	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 22	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 23	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 1	\$ 267,091	\$ 302,263	\$ 322,641	\$ 337,325	\$ 302,922	\$ 179,934	\$ 163,676	\$ 163,676	\$ 163,676	\$ 163,676
Tetco Supply 2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 5	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 6	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 7	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 8	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 9	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 10	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 11	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 12	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 13	\$ 2,385,653	\$ 2,069,119	\$ 1,383,364	\$ 3,257,030	\$ 2,214,551	\$ 1,520,679	\$ 2,563,153	\$ 2,370,563	\$ 2,638,476	\$ 2,072,784
Tetco Supply 14	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 15	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 17	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 18	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FT PAYBACK ADJUSTMENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 330,801	\$ 347,423	\$ 346,694
Total Costs	\$ 36,516,268	\$ 45,991,652	\$ 48,442,231	\$ 43,708,354	\$ 43,190,181	\$ 34,535,448	\$ 32,385,473	\$ 25,383,494	\$ 25,963,265	\$ 25,846,882

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2010-August 2011

Schedule 3
 item 53.64(c)(1)

TRANSCONTINENTAL

Cost of Natural Gas

<u>Suppliers</u>	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10
TR Spot	\$ 4,277,548	\$ 11,885,830	\$ 15,812,130	\$ 13,605,779	\$ 13,708,511	\$ 9,473,606	\$ 10,005,522	\$ 10,162,196	\$ 10,646,444	\$ 16,072,843
Supplier 1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 2	\$ 3,946,487	\$ 1,771,958	\$ 380,208	\$ 5,750,857	\$ 3,348,167	\$ 3,081,696	\$ 2,795,852	\$ 2,447,896	\$ 3,073,776	\$ 3,142,927
Supplier 3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 5	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 6	\$ 2,311,050	\$ 1,388,800	\$ 1,537,600	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 7	\$ 1,997,275	\$ 2,073,440	\$ 292,000	\$ 3,365,840	\$ 2,487,580	\$ 2,456,530	\$ 2,574,520	\$ 2,702,080	\$ 2,589,930	\$ 3,336,700
Supplier 8	\$ 3,565,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 9	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 10	\$ 1,662,995	\$ 1,477,000	\$ 1,618,820	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 11	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 12	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 13	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 14	\$ 901,945	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 15	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 17	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 18	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 19	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 20	\$ 702,615	\$ 639,100	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 21	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 22	\$ 1,846,050	\$ 1,679,160	\$ 1,842,020	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 23	\$ 905,200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<u>Total Suppliers</u>	\$ 22,116,165	\$ 20,915,288	\$ 21,482,778	\$ 22,722,477	\$ 19,544,258	\$ 15,011,833	\$ 15,375,895	\$ 15,312,172	\$ 16,310,151	\$ 22,552,470

Transportation Costs

Tr Spot -Sup 22	\$ 160,670	\$ 150,616	\$ 155,416	\$ 147,672	\$ 129,459	\$ 97,199	\$ 95,339	\$ 94,095	\$ 101,453	\$ 146,279
Williams Total	\$ 160,670	\$ 150,616	\$ 155,416	\$ 147,672	\$ 129,459	\$ 97,199	\$ 95,339	\$ 94,095	\$ 101,453	\$ 146,279
Total Costs	\$ 22,276,835	\$ 21,065,905	\$ 21,638,194	\$ 22,870,148	\$ 19,673,716	\$ 15,109,031	\$ 15,471,234	\$ 15,406,267	\$ 16,411,604	\$ 22,698,748

Philadelphia Gas Works
Forecasted Summary of Total Fuel Purchased
January 2010-August 2011

Schedule 3
Item 53.64(c)(1)

TRANSCONTINENTAL

Cost of Natural Gas

Suppliers	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11
TR Spot	\$ 19,840,902	\$ 19,191,344	\$ 19,252,516	\$ 14,986,510	\$ 21,414,707	\$ 21,041,646	\$ 19,704,738	\$ 16,007,796	\$ 16,124,871	\$ 14,769,483
Supplier 1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 2	\$ 380,208	\$ 3,076,208	\$ 3,696,408	\$ 3,128,708	\$ 380,208	\$ 518,008	\$ 1,091,708	\$ 380,208	\$ 380,208	\$ 1,271,883
Supplier 3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 5	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 6	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 7	\$ 292,000	\$ 292,000	\$ 292,000	\$ 2,820,620	\$ 292,000	\$ 1,063,680	\$ 2,227,280	\$ 1,653,280	\$ 1,959,960	\$ 2,313,130
Supplier 8	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 9	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 10	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 11	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 12	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 13	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 14	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 15	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 17	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 18	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 19	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 20	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 21	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 22	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 23	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Suppliers	\$ 20,513,111	\$ 22,559,552	\$ 23,240,924	\$ 20,935,838	\$ 22,086,915	\$ 22,623,335	\$ 23,023,727	\$ 18,041,284	\$ 18,465,039	\$ 18,354,497

Transportation Costs

Tr Spot -Sup 22	\$ 143,798	\$ 162,873	\$ 163,743	\$ 147,829	\$ 157,744	\$ 147,040	\$ 132,196	\$ 101,306	\$ 98,280	\$ 97,836
Williams Total	\$ 143,798	\$ 162,873	\$ 163,743	\$ 147,829	\$ 157,744	\$ 147,040	\$ 132,196	\$ 101,306	\$ 98,280	\$ 97,836
Total Costs	\$ 20,656,909	\$ 22,722,425	\$ 23,404,667	\$ 21,083,667	\$ 22,244,659	\$ 22,770,375	\$ 23,155,923	\$ 18,142,590	\$ 18,563,319	\$ 18,452,332

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2010-August 2011

Schedule 3
 item 53.64(c)(1)

TRANSCONTINENTAL

Volumes (Dth)

<u>Suppliers</u>	<u>Jan-10</u>	<u>Feb-10</u>	<u>Mar-10</u>	<u>Apr-10</u>	<u>May-10</u>	<u>Jun-10</u>	<u>Jul-10</u>	<u>Aug-10</u>	<u>Sep-10</u>	<u>Oct-10</u>
TR Spot	728,713	2,135,051	2,856,237	2,478,736	2,872,095	2,013,305	2,016,429	2,023,939	2,131,207	3,167,375
Supplier 1	-	-	-	-	-	-	-	-	-	-
Supplier 2	607,543	250,000	-	965,000	527,000	480,000	434,000	372,000	480,000	503,000
Supplier 3	-	-	-	-	-	-	-	-	-	-
Supplier 4	-	-	-	-	-	-	-	-	-	-
Supplier 5	-	-	-	-	-	-	-	-	-	-
Supplier 6	465,000	280,000	310,000	-	-	-	-	-	-	-
Supplier 7	290,507	320,000	-	560,000	460,000	460,000	460,000	480,000	460,000	600,000
Supplier 8	620,000	-	-	-	-	-	-	-	-	-
Supplier 9	-	-	-	-	-	-	-	-	-	-
Supplier 10	310,000	280,000	310,000	-	-	-	-	-	-	-
Supplier 11	-	-	-	-	-	-	-	-	-	-
Supplier 12	-	-	-	-	-	-	-	-	-	-
Supplier 13	-	-	-	-	-	-	-	-	-	-
Supplier 14	155,000	-	-	-	-	-	-	-	-	-
Supplier 15	-	-	-	-	-	-	-	-	-	-
Supplier 16	-	-	-	-	-	-	-	-	-	-
Supplier 17	-	-	-	-	-	-	-	-	-	-
Supplier 18	-	-	-	-	-	-	-	-	-	-
Supplier 19	-	-	-	-	-	-	-	-	-	-
Supplier 20	155,000	140,000	-	-	-	-	-	-	-	-
Supplier 21	-	-	-	-	-	-	-	-	-	-
Supplier 22	310,000	280,000	310,000	-	-	-	-	-	-	-
Supplier 23	155,000	-	-	-	-	-	-	-	-	-
Total Volumes	3,796,764	3,685,051	3,786,237	4,003,736	3,859,095	2,953,305	2,910,429	2,875,939	3,071,207	4,270,375

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2010-August 2011

Schedule 3
 Item 53.64(c)(1)

TRANSCONTINENTAL

Volumes (Dth)

<u>Suppliers</u>	<u>Nov-10</u>	<u>Dec-10</u>	<u>Jan-11</u>	<u>Feb-11</u>	<u>Mar-11</u>	<u>Apr-11</u>	<u>May-11</u>	<u>Jun-11</u>	<u>Jul-11</u>	<u>Aug-11</u>
TR Spot	3,765,234	3,559,225	3,483,357	2,726,307	3,917,086	3,817,425	3,461,831	2,822,249	2,706,878	2,484,563
Supplier 1	-	-	-	-	-	-	-	-	-	-
Supplier 2	-	500,000	600,000	500,000	-	25,000	125,000	-	-	150,000
Supplier 3	-	-	-	-	-	-	-	-	-	-
Supplier 4	-	-	-	-	-	-	-	-	-	-
Supplier 5	-	-	-	-	-	-	-	-	-	-
Supplier 6	-	-	-	-	-	-	-	-	-	-
Supplier 7	-	-	-	460,000	-	140,000	340,000	240,000	280,000	340,000
Supplier 8	-	-	-	-	-	-	-	-	-	-
Supplier 9	-	-	-	-	-	-	-	-	-	-
Supplier 10	-	-	-	-	-	-	-	-	-	-
Supplier 11	-	-	-	-	-	-	-	-	-	-
Supplier 12	-	-	-	-	-	-	-	-	-	-
Supplier 13	-	-	-	-	-	-	-	-	-	-
Supplier 14	-	-	-	-	-	-	-	-	-	-
Supplier 15	-	-	-	-	-	-	-	-	-	-
Supplier 16	-	-	-	-	-	-	-	-	-	-
Supplier 17	-	-	-	-	-	-	-	-	-	-
Supplier 18	-	-	-	-	-	-	-	-	-	-
Supplier 19	-	-	-	-	-	-	-	-	-	-
Supplier 20	-	-	-	-	-	-	-	-	-	-
Supplier 21	-	-	-	-	-	-	-	-	-	-
Supplier 22	-	-	-	-	-	-	-	-	-	-
Supplier 23	-	-	-	-	-	-	-	-	-	-
Total Volumes	3,765,234	4,059,225	4,083,357	3,686,307	3,917,086	3,982,425	3,926,831	3,062,249	2,986,878	2,974,563

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2010-August 2011

Schedule 3
 item 53.64(c)(1)

TRANSCONTINENTAL

	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10
WSS										
Injection	\$ 1,224	\$ -	\$ -	\$ 1,568	\$ 3,245	\$ 3,096	\$ 3,199	\$ 3,199	\$ 3,096	\$ 2,580
Withdrawal	\$ 6,402	\$ 3,626	\$ 3,885	\$ 1,942	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Demand Charges	\$ 49,026	\$ 49,026	\$ 49,026	\$ 49,026	\$ 49,026	\$ 49,026	\$ 49,026	\$ 49,026	\$ 49,026	\$ 49,026
FT Transpotation	#REF!									
Total Charges	#REF!									
S2										
Injection	\$ -	\$ -	\$ -	\$ 871	\$ 2,196	\$ 1,718	\$ 1,776	\$ 1,776	\$ 1,718	\$ 1,432
Withdrawal	\$ 4,713	\$ 4,845	\$ 3,705	\$ 889	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Demand Charges	\$ 25,489	\$ 25,680	\$ 25,680	\$ 25,680	\$ 25,680	\$ 25,680	\$ 25,680	\$ 25,680	\$ 25,680	\$ 25,680
Total Charges	\$ 30,201	\$ 30,525	\$ 29,385	\$ 27,439	\$ 27,876	\$ 27,398	\$ 27,455	\$ 27,455	\$ 27,398	\$ 27,112
GSS										
Injection	\$ 133	\$ -	\$ -	\$ 9,464	\$ 19,559	\$ 19,118	\$ 19,757	\$ 19,559	\$ 19,126	\$ 15,971
Withdrawal	\$ 36,899	\$ 25,570	\$ 10,849	\$ 304	\$ 1,179	\$ -	\$ -	\$ -	\$ -	\$ 84
Demand Charges	\$ 253,710	\$ 253,710	\$ 253,710	\$ 253,710	\$ 253,710	\$ 253,710	\$ 253,710	\$ 253,710	\$ 253,710	\$ 253,710
Total Charges	\$ 290,742	\$ 279,280	\$ 264,558	\$ 263,477	\$ 274,448	\$ 272,828	\$ 273,466	\$ 273,268	\$ 272,835	\$ 269,765
EMINENCE										
Injection	\$ 948	\$ -	\$ -	\$ 1,610	\$ 3,177	\$ 3,075	\$ 3,177	\$ 3,177	\$ 3,075	\$ 2,566
Withdrawal	\$ 5,439	\$ 4,208	\$ 4,659	\$ 2,254	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Demand Charges	\$ 99,490	\$ 99,490	\$ 99,490	\$ 99,490	\$ 99,490	\$ 99,490	\$ 99,490	\$ 99,490	\$ 99,490	\$ 99,490
Total Charges	\$ 105,877	\$ 103,698	\$ 104,149	\$ 103,354	\$ 102,667	\$ 102,565	\$ 102,667	\$ 102,667	\$ 102,565	\$ 102,055
Total Injection Charges	\$ 2,305	\$ -	\$ -	\$ 13,513	\$ 28,177	\$ 27,008	\$ 27,909	\$ 27,711	\$ 27,015	\$ 22,549
Total Withdrawal Charges	\$ 53,452	\$ 38,250	\$ 23,098	\$ 5,389	\$ 1,179	\$ -	\$ -	\$ -	\$ -	\$ 84
Total Demand Charges	\$ 427,714	\$ 427,905	\$ 427,905	\$ 427,905	\$ 427,905	\$ 427,905	\$ 427,905	\$ 427,905	\$ 427,905	\$ 427,905
Total Storage	\$ 483,472	\$ 466,155	\$ 451,003	\$ 446,807	\$ 457,262	\$ 454,913	\$ 455,815	\$ 455,616	\$ 454,921	\$ 450,539

Forecasted Summary of Firm Transportation

Demand Charges	\$ 2,472,903	\$ 2,472,903	\$ 2,446,065	\$ 2,446,065	\$ 2,446,065	\$ 2,446,065	\$ 2,446,065	\$ 2,446,065	\$ 2,446,065	\$ 2,446,065
Capacity Release Credit	\$ (262,756)	\$ (237,328)	\$ (262,756)	\$ (254,280)	\$ (262,756)	\$ (254,280)	\$ (262,756)	\$ (262,756)	\$ (398,280)	\$ (411,556)
Net Demand Charge	\$ 2,210,147	\$ 2,235,575	\$ 2,183,309	\$ 2,191,785	\$ 2,183,309	\$ 2,191,785	\$ 2,183,309	\$ 2,183,309	\$ 2,047,785	\$ 2,034,509

Philadelphia Gas Works
Forecasted Summary of Total Fuel Purchased
January 2010-August 2011

Schedule 3
Item 53.64(c)(1)

TRANSCONTINENTAL

	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11
WSS										
Injection	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,512	\$ 3,125	\$ 3,024	\$ 3,125	\$ 3,125
Withdrawal	\$ 1,942	\$ 4,015	\$ 4,015	\$ 3,626	\$ 4,015	\$ 1,942	\$ -	\$ -	\$ -	\$ -
Demand Charges	\$ 49,026	\$ 49,026	\$ 49,026	\$ 49,026	\$ 49,026	\$ 49,026	\$ 49,026	\$ 49,026	\$ 49,026	\$ 49,026
FT Transpotation	#REF!									
Total Charges	#REF!									
S2										
Injection	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,273	\$ 2,630	\$ 2,545	\$ 2,630	\$ 2,630
Withdrawal	\$ 2,432	\$ 5,985	\$ 7,125	\$ 5,130	\$ 3,640	\$ 194	\$ -	\$ -	\$ -	\$ -
Demand Charges	\$ 25,680	\$ 25,680	\$ 25,680	\$ 25,680	\$ 25,680	\$ 25,680	\$ 25,680	\$ 25,680	\$ 25,680	\$ 25,680
Total Charges	\$ 28,112	\$ 31,664	\$ 32,804	\$ 30,810	\$ 29,320	\$ 27,147	\$ 28,310	\$ 28,225	\$ 28,310	\$ 28,310
GSS										
Injection	\$ 94	\$ -	\$ -	\$ -	\$ -	\$ 10,795	\$ 22,309	\$ 21,589	\$ 22,309	\$ 22,309
Withdrawal	\$ 1,397	\$ 23,769	\$ 36,406	\$ 25,087	\$ 10,226	\$ -	\$ 1,506	\$ -	\$ -	\$ -
Demand Charges	\$ 253,710	\$ 253,710	\$ 253,710	\$ 253,710	\$ 253,710	\$ 253,710	\$ 253,710	\$ 253,710	\$ 253,710	\$ 253,710
Total Charges	\$ 255,201	\$ 277,479	\$ 290,115	\$ 278,797	\$ 263,935	\$ 264,504	\$ 277,524	\$ 275,299	\$ 276,019	\$ 276,019
EMINENCE										
Injection	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,701	\$ 3,515	\$ 3,402	\$ 3,515	\$ 3,515
Withdrawal	\$ 2,254	\$ 4,659	\$ 4,659	\$ 4,208	\$ 4,659	\$ 2,254	\$ -	\$ -	\$ -	\$ -
Demand Charges	\$ 99,490	\$ 99,490	\$ 99,490	\$ 99,490	\$ 99,490	\$ 99,490	\$ 99,490	\$ 99,490	\$ 99,490	\$ 99,490
Total Charges	\$ 101,744	\$ 104,149	\$ 104,149	\$ 103,698	\$ 104,149	\$ 103,445	\$ 103,004	\$ 102,891	\$ 103,004	\$ 103,004
Total Injection Charges	\$ 94	\$ -	\$ -	\$ -	\$ -	\$ 15,280	\$ 31,579	\$ 30,560	\$ 31,579	\$ 31,579
Total Withdrawal Charges	\$ 8,027	\$ 38,428	\$ 52,204	\$ 38,051	\$ 22,540	\$ 4,391	\$ 1,506	\$ -	\$ -	\$ -
Total Demand Charges	\$ 427,905	\$ 427,905	\$ 427,905	\$ 427,905	\$ 427,905	\$ 427,905	\$ 427,905	\$ 427,905	\$ 427,905	\$ 427,905
Total Storage	\$ 436,026	\$ 466,333	\$ 480,110	\$ 465,956	\$ 450,445	\$ 447,577	\$ 460,990	\$ 458,466	\$ 459,484	\$ 459,484

Forecasted Summary of Firm Transportation

Demand Charges	\$ 2,446,065	\$ 2,472,903	\$ 2,472,903	\$ 2,472,903	\$ 2,446,065	\$ 2,446,065	\$ 2,446,065	\$ 2,446,065	\$ 2,446,065	\$ 2,446,065
Capacity Release Credit	\$ (398,280)	\$ (411,556)	\$ (411,556)	\$ (371,728)	\$ (231,384)	\$ (223,920)	\$ (231,384)	\$ (223,920)	\$ (231,384)	\$ (231,384)
Net Demand Charge	\$ 2,047,785	\$ 2,061,347	\$ 2,061,347	\$ 2,101,175	\$ 2,214,681	\$ 2,222,145	\$ 2,214,681	\$ 2,222,145	\$ 2,214,681	\$ 2,214,681

Philadelphia Gas Works
Forecasted Summary of Total Fuel Purchased
January 2010-August 2011

Schedule 3
Item 53.64(c)(1)

**Texas Eastern
Cost of Natural Gas**

<u>Suppliers</u>	<u>Jan-10</u>	<u>Feb-10</u>	<u>Mar-10</u>	<u>Apr-10</u>	<u>May-10</u>	<u>Jun-10</u>	<u>Jul-10</u>	<u>Aug-10</u>	<u>Sep-10</u>	<u>Oct-10</u>
TE Spot	\$ 2,323,124	\$ 8,332,693	\$ 7,372,370	\$ 5,889,214	\$ 1,910,377	\$ 384,441	\$ 173,761	\$ 468,882	\$ 465,560	\$ 1,970,109
Supplier 1	\$ 177,022	\$ 225,845	\$ 285,758	\$ 192,755	\$ 177,721	\$ 163,676	\$ 163,676	\$ 163,676	\$ 163,676	\$ 188,569
Supplier 2	\$ 1,499,625	\$ 683,900	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 3	\$ 1,796,295	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 4	\$ 904,425	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 5	\$ 672,700	\$ 719,600	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 6	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 7	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 8	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 9	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 10	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 11	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 12	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 13	\$ 5,644,570	\$ 4,572,900	\$ 6,144,945	\$ 988,743	\$ 1,351,463	\$ 1,573,412	\$ 1,932,015	\$ 1,658,286	\$ 1,590,541	\$ 2,284,792
Supplier 14	\$ 1,635,095	\$ 1,473,780	\$ 1,042,065	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 15	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 16	\$ 734,700	\$ 673,400	\$ 744,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 17	\$ 1,500,632	\$ 1,364,930	\$ 1,496,680	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub Total	\$ 16,888,189	\$ 18,047,048	\$ 17,085,818	\$ 7,070,712	\$ 3,439,561	\$ 2,121,528	\$ 2,269,451	\$ 2,290,844	\$ 2,219,777	\$ 4,443,469
<u>Transportation Costs</u>										
TE Spot-Sup10	\$ 253,364	\$ 277,525	\$ 259,044	\$ 106,698	\$ 54,354	\$ 30,148	\$ 31,153	\$ 31,153	\$ 30,148	\$ 69,361
Total TE	\$ 253,364	\$ 277,525	\$ 259,044	\$ 106,698	\$ 54,354	\$ 30,148	\$ 31,153	\$ 31,153	\$ 30,148	\$ 69,361
ANR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Equitrans	\$ -	\$ -	\$ -	\$ 22,201	\$ 23,073	\$ 18,761	\$ 19,387	\$ 19,387	\$ 18,761	\$ 15,947
Total Costs	\$ 17,141,553	\$ 18,324,572	\$ 17,344,862	\$ 7,199,610	\$ 3,516,988	\$ 2,170,437	\$ 2,319,991	\$ 2,341,384	\$ 2,268,686	\$ 4,528,778

Philadelphia Gas Works
Forecasted Summary of Total Fuel Purchased
January 2010-August 2011

Schedule 3
item 53.64(c)(1)

**Texas Eastern
Cost of Natural Gas**

<u>Suppliers</u>	<u>Nov-10</u>	<u>Dec-10</u>	<u>Jan-11</u>	<u>Feb-11</u>	<u>Mar-11</u>	<u>Apr-11</u>	<u>May-11</u>	<u>Jun-11</u>	<u>Jul-11</u>	<u>Aug-11</u>
TE Spot	\$ 8,495,271	\$ 15,716,996	\$ 18,094,245	\$ 13,790,248	\$ 13,030,505	\$ 5,197,080	\$ 1,689,952	\$ 228,924	\$ 160,567	\$ 721,037
Supplier 1	\$ 267,091	\$ 302,263	\$ 322,641	\$ 337,325	\$ 302,922	\$ 179,934	\$ 163,676	\$ 163,676	\$ 163,676	\$ 163,676
Supplier 2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 5	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 6	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 7	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 8	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 9	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 10	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 11	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 12	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 13	\$ 2,385,653	\$ 2,069,119	\$ 1,383,364	\$ 3,257,030	\$ 2,214,551	\$ 1,520,679	\$ 2,563,153	\$ 2,370,563	\$ 2,638,476	\$ 2,072,784
Supplier 14	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 15	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 17	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub Total	\$ 11,148,014	\$ 18,088,378	\$ 19,800,250	\$ 17,384,603	\$ 15,547,978	\$ 6,897,692	\$ 4,416,781	\$ 2,763,162	\$ 2,962,719	\$ 2,957,496
<u>Transportation Cost:</u>										
TE Spot-Sup10	\$ 174,352	\$ 288,520	\$ 310,633	\$ 275,813	\$ 246,306	\$ 103,431	\$ 60,859	\$ 34,903	\$ 36,066	\$ 36,066
Total TE	\$ 174,352	\$ 288,520	\$ 310,633	\$ 275,813	\$ 246,306	\$ 103,431	\$ 60,859	\$ 34,903	\$ 36,066	\$ 36,066
ANR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Equitrans	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,348	\$ 19,993	\$ 19,348	\$ 19,993	\$ 19,993
Total Costs	\$ 11,322,366	\$ 18,376,898	\$ 20,110,883	\$ 17,660,415	\$ 15,794,285	\$ 7,020,471	\$ 4,497,633	\$ 2,817,412	\$ 3,018,778	\$ 3,013,555

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2010-August 2011

Schedule 3
 item 53.64(c)(1)

Texas Eastern
 Volumes

Suppliers

	<u>Jan-10</u>	<u>Feb-10</u>	<u>Mar-10</u>	<u>Apr-10</u>	<u>May-10</u>	<u>Jun-10</u>	<u>Jul-10</u>	<u>Aug-10</u>	<u>Sep-10</u>	<u>Oct-10</u>
TE Spot	-	-	-	-	-	-	-	-	-	-
Supplier 1	399,505	1,507,634	1,338,970	1,076,836	401,931	81,874	35,089	93,571	93,571	389,773
Supplier 2	1,986	10,923	21,846	5,317	2,955	-	-	-	-	4,925
Supplier 3	310,000	140,000	-	-	-	-	-	-	-	-
Supplier 4	310,000	-	-	-	-	-	-	-	-	-
Supplier 5	155,000	-	-	-	-	-	-	-	-	-
Supplier 6	155,000	140,000	-	-	-	-	-	-	-	-
Supplier 7	-	-	-	-	-	-	-	-	-	-
Supplier 8	-	-	-	-	-	-	-	-	-	-
Supplier 9	-	-	-	-	-	-	-	-	-	-
Supplier 10	-	-	-	-	-	-	-	-	-	-
Supplier 11	-	-	-	-	-	-	-	-	-	-
Supplier 12	-	-	-	-	-	-	-	-	-	-
Supplier 13	847,301	700,000	997,554	124,062	219,064	269,015	327,497	269,015	257,319	390,650
Supplier 14	310,000	280,000	186,000	-	-	-	-	-	-	-
Supplier 15	-	-	-	-	-	-	-	-	-	-
Supplier 16	155,000	140,000	155,000	-	-	-	-	-	-	-
Supplier 17	263,500	238,000	263,500	-	-	-	-	-	-	-
Total	2,907,293	3,156,557	2,962,870	1,206,214	623,950	350,890	362,586	362,586	350,890	785,348

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2010-August 2011

Schedule 3
 item 53.64(c)(1)

Texas Eastern
 Volumes

Suppliers

	<u>Nov-10</u>	<u>Dec-10</u>	<u>Jan-11</u>	<u>Feb-11</u>	<u>Mar-11</u>	<u>Apr-11</u>	<u>May-11</u>	<u>Jun-11</u>	<u>Jul-11</u>	<u>Aug-11</u>
TE Spot	-	-	-	-	-	-	-	-	-	-
Supplier 1	1,618,301	2,942,156	3,291,658	2,527,075	2,392,235	944,580	297,422	40,432	26,954	121,295
Supplier 2	19,700	25,818	28,797	31,743	25,477	2,955	-	-	-	-
Supplier 3	-	-	-	-	-	-	-	-	-	-
Supplier 4	-	-	-	-	-	-	-	-	-	-
Supplier 5	-	-	-	-	-	-	-	-	-	-
Supplier 6	-	-	-	-	-	-	-	-	-	-
Supplier 7	-	-	-	-	-	-	-	-	-	-
Supplier 8	-	-	-	-	-	-	-	-	-	-
Supplier 9	-	-	-	-	-	-	-	-	-	-
Supplier 10	-	-	-	-	-	-	-	-	-	-
Supplier 11	-	-	-	-	-	-	-	-	-	-
Supplier 12	-	-	-	-	-	-	-	-	-	-
Supplier 13	330,000	288,411	177,065	540,000	349,606	219,998	396,498	363,884	390,839	296,498
Supplier 14	-	-	-	-	-	-	-	-	-	-
Supplier 15	-	-	-	-	-	-	-	-	-	-
Supplier 16	-	-	-	-	-	-	-	-	-	-
Supplier 17	-	-	-	-	-	-	-	-	-	-
Total	1,968,001	3,256,385	3,497,520	3,098,817	2,767,317	1,167,533	693,920	404,316	417,793	417,793

Philadelphia Gas Works
Forecasted Summary of Total Fuel Purchased
January 2010-August 2011

Schedule 3
Item 53.64(c)(1)

Texas Eastern
Storages

	<u>Jan-10</u>	<u>Feb-10</u>	<u>Mar-10</u>	<u>Apr-10</u>	<u>May-10</u>	<u>Jun-10</u>	<u>Jul-10</u>	<u>Aug-10</u>	<u>Sep-10</u>	<u>Oct-10</u>
SS1A										
Injections	\$ 339	\$ -	\$ -	\$ 4,428	\$ 7,149	\$ 6,919	\$ 7,149	\$ 7,149	\$ 6,919	\$ 5,766
Withdrawal	\$ 38,176	\$ 14,214	\$ 3,528	\$ 162	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capacity	\$ 28,522	\$ 28,522	\$ 28,522	\$ 28,522	\$ 28,522	\$ 28,522	\$ 28,522	\$ 28,522	\$ 28,522	\$ 28,522
Demand	\$ 220,729	\$ 223,156	\$ 223,156	\$ 223,156	\$ 223,156	\$ 223,156	\$ 223,156	\$ 223,156	\$ 223,156	\$ 223,156
Total Charges	\$ 287,766	\$ 265,892	\$ 255,206	\$ 256,268	\$ 258,827	\$ 258,597	\$ 258,827	\$ 258,827	\$ 258,597	\$ 257,444
SS1B										
Injections	\$ 1,142	\$ -	\$ -	\$ 4,596	\$ 9,111	\$ 8,817	\$ 9,111	\$ 9,111	\$ 8,817	\$ 7,639
Withdrawal	\$ 28,716	\$ 24,200	\$ 16,478	\$ 4,930	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capacity	\$ 26,529	\$ 26,529	\$ 26,529	\$ 26,529	\$ 26,529	\$ 26,529	\$ 26,529	\$ 26,529	\$ 26,529	\$ 26,529
Demand	\$ 104,301	\$ 105,447	\$ 105,447	\$ 105,447	\$ 105,447	\$ 105,447	\$ 105,447	\$ 105,447	\$ 105,447	\$ 105,447
Total Charges	\$ 160,688	\$ 156,177	\$ 148,455	\$ 141,503	\$ 141,087	\$ 140,794	\$ 141,087	\$ 141,087	\$ 140,794	\$ 139,616
GSSTE										
Injections	\$ -	\$ -	\$ -	\$ 4,938	\$ 10,205	\$ 10,042	\$ 11,059	\$ 10,703	\$ 10,434	\$ 8,617
Injections/Retention Fuel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Withdrawal	\$ 14,985	\$ 8,291	\$ 4,782	\$ 911	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capacity	\$ 56,825	\$ 56,825	\$ 56,825	\$ 56,825	\$ 56,825	\$ 56,825	\$ 56,825	\$ 56,825	\$ 56,825	\$ 56,825
Demand	\$ 63,916	\$ 63,916	\$ 63,916	\$ 63,916	\$ 63,916	\$ 63,916	\$ 63,916	\$ 63,916	\$ 63,916	\$ 63,916
Total Charges	\$ 135,727	\$ 129,032	\$ 125,524	\$ 126,590	\$ 130,946	\$ 130,783	\$ 131,800	\$ 131,445	\$ 131,176	\$ 129,359
EQUITRANS										
Injections	\$ -	\$ -	\$ -	\$ 511	\$ 532	\$ 432	\$ 447	\$ 447	\$ 432	\$ 367
Withdrawal	\$ 1,068	\$ 614	\$ 521	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capacity	\$ 13,689	\$ 13,689	\$ 13,689	\$ 13,689	\$ 13,689	\$ 13,689	\$ 13,689	\$ 13,689	\$ 13,689	\$ 13,689
Demand	\$ 7,472	\$ 7,472	\$ 7,472	\$ 7,472	\$ 7,472	\$ 7,472	\$ 7,472	\$ 7,472	\$ 7,472	\$ 7,472
Total Charges	\$ 22,229	\$ 21,775	\$ 21,682	\$ 21,672	\$ 21,693	\$ 21,593	\$ 21,608	\$ 21,608	\$ 21,593	\$ 21,528
Total Injection Charges	\$ 1,481	\$ -	\$ -	\$ 14,474	\$ 26,996	\$ 26,209	\$ 27,765	\$ 27,410	\$ 26,602	\$ 22,389
Total Injections/Retention Fuel	\$ -									
Total Withdrawal Charges	\$ 82,944	\$ 47,319	\$ 25,309	\$ 6,003	\$ -					
Total Capacity Charges	\$ 125,566									
Total Demand Charges	\$ 396,418	\$ 399,991								
Total Transportation Charge	\$ -									
Total	\$ 606,409	\$ 572,876	\$ 550,866	\$ 546,034	\$ 552,554	\$ 551,767	\$ 553,323	\$ 552,967	\$ 552,159	\$ 547,947

Forecasted Summary of Firm Transportation

Texas Eastern Demand	\$ 2,089,558	\$ 2,105,842	\$ 2,104,053	\$ 2,102,343	\$ 2,100,569	\$ 2,098,764	\$ 2,097,085	\$ 2,095,391	\$ 2,094,504	\$ 2,093,554
Capacity Release Credits	\$ (206,369)	\$ (186,397)	\$ (206,369)	\$ (657,416)	\$ (679,329)	\$ (657,416)	\$ (679,329)	\$ (679,329)	\$ (1,029,713)	\$ (1,064,037)
Net Total	\$ 1,883,189	\$ 1,919,445	\$ 1,897,684	\$ 1,444,927	\$ 1,421,240	\$ 1,441,348	\$ 1,417,756	\$ 1,416,062	\$ 1,064,791	\$ 1,029,517
Equitrans	\$ 26,538	\$ 26,538	\$ 26,538	\$ 12,399	\$ 12,399	\$ 12,399	\$ 12,399	\$ 12,399	\$ 12,399	\$ 12,399
Total Demand Charges	\$ 1,909,728	\$ 1,945,983	\$ 1,924,222	\$ 1,457,326	\$ 1,433,639	\$ 1,453,747	\$ 1,430,155	\$ 1,428,461	\$ 1,077,190	\$ 1,041,916

Texas Eastern Storages

	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11
SS1A										
Injections	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,082	\$ 8,436	\$ 8,164	\$ 8,436
Withdrawal	\$ -	\$ 12,125	\$ 21,537	\$ 14,266	\$ 4,098	\$ 11,813	\$ -	\$ -	\$ -	\$ -
Capacity	\$ 28,522	\$ 28,522	\$ 28,522	\$ 28,522	\$ 28,522	\$ 28,522	\$ 28,522	\$ 28,522	\$ 28,522	\$ 28,522
Demand	\$ 223,156	\$ 223,156	\$ 223,156	\$ 223,156	\$ 223,156	\$ 223,156	\$ 223,156	\$ 223,156	\$ 223,156	\$ 223,156
Total Charges	\$ 251,678	\$ 263,803	\$ 273,215	\$ 265,944	\$ 253,776	\$ 267,573	\$ 260,114	\$ 259,842	\$ 260,114	\$ 260,114
SS1B										
Injections	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,213	\$ 10,773	\$ 10,426	\$ 10,773
Withdrawal	\$ 5,531	\$ 22,455	\$ 31,092	\$ 17,477	\$ 1,664	\$ 1,664	\$ -	\$ -	\$ -	\$ -
Capacity	\$ 26,529	\$ 26,529	\$ 26,529	\$ 26,529	\$ 26,529	\$ 26,529	\$ 26,529	\$ 26,529	\$ 26,529	\$ 26,529
Demand	\$ 105,447	\$ 105,447	\$ 105,447	\$ 105,447	\$ 105,447	\$ 105,447	\$ 105,447	\$ 105,447	\$ 105,447	\$ 105,447
Total Charges	\$ 137,508	\$ 154,432	\$ 163,068	\$ 156,044	\$ 149,454	\$ 138,854	\$ 142,750	\$ 142,750	\$ 142,750	\$ 142,750
GSSTE										
Injections	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,869	\$ 10,063	\$ 9,739	\$ 10,063
Retention Fuel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Withdrawal	\$ 2,401	\$ 8,976	\$ 12,248	\$ 8,453	\$ 5,058	\$ -	\$ -	\$ -	\$ -	\$ -
Capacity	\$ 56,825	\$ 56,825	\$ 56,825	\$ 56,825	\$ 56,825	\$ 56,825	\$ 56,825	\$ 56,825	\$ 56,825	\$ 56,825
Demand	\$ 63,916	\$ 63,916	\$ 63,916	\$ 63,916	\$ 63,916	\$ 63,916	\$ 63,916	\$ 63,916	\$ 63,916	\$ 63,916
Total Charges	\$ 123,143	\$ 129,718	\$ 132,990	\$ 129,195	\$ 125,800	\$ 125,611	\$ 130,805	\$ 130,805	\$ 130,805	\$ 130,805
EQUITRANS										
Injections	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 446	\$ 461	\$ 446	\$ 461
Withdrawal	\$ 310	\$ 753	\$ 862	\$ 586	\$ 434	\$ -	\$ -	\$ -	\$ -	\$ -
Capacity	\$ 13,689	\$ 13,689	\$ 13,689	\$ 13,689	\$ 13,689	\$ 13,689	\$ 13,689	\$ 13,689	\$ 13,689	\$ 13,689
Demand	\$ 7,472	\$ 7,472	\$ 7,472	\$ 7,472	\$ 7,472	\$ 7,472	\$ 7,472	\$ 7,472	\$ 7,472	\$ 7,472
Total Charges	\$ 21,471	\$ 21,914	\$ 22,023	\$ 21,747	\$ 21,595	\$ 21,607	\$ 21,622	\$ 21,622	\$ 21,622	\$ 21,622
Total Injection Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,610	\$ 29,733	\$ 28,774	\$ 29,733
Total Injections/Retention Fuel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Withdrawal Charges	\$ 8,243	\$ 44,309	\$ 65,739	\$ 47,372	\$ 27,067	\$ 13,477	\$ -	\$ -	\$ -	\$ -
Total Capacity Charges	\$ 125,566	\$ 125,566	\$ 125,566	\$ 125,566	\$ 125,566	\$ 125,566	\$ 125,566	\$ 125,566	\$ 125,566	\$ 125,566
Total Demand Charges	\$ 399,991	\$ 399,991	\$ 399,991	\$ 399,991	\$ 399,991	\$ 399,991	\$ 399,991	\$ 399,991	\$ 399,991	\$ 399,991
Total Transportation Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Charges	\$ 533,800	\$ 569,867	\$ 591,297	\$ 572,930	\$ 552,624	\$ 553,644	\$ 555,291	\$ 555,291	\$ 555,291	\$ 555,291

Forecasted Summary of Firm Transportation

Texas Eastern Demand	\$ 2,092,414	\$ 2,091,480	\$ 2,090,625	\$ 2,089,627	\$ 2,088,677	\$ 2,087,759	\$ 2,086,777	\$ 2,085,874	\$ 2,084,956	\$ 2,084,053
Capacity Release Credits	\$ (599,571)	\$ (323,236)	\$ (323,236)	\$ (291,955)	\$ (181,729)	\$ (578,923)	\$ (598,220)	\$ (598,220)	\$ (598,220)	\$ (598,220)
Net Total	\$ 1,492,843	\$ 1,768,244	\$ 1,767,389	\$ 1,797,672	\$ 1,906,948	\$ 1,508,836	\$ 1,488,557	\$ 1,506,952	\$ 1,486,736	\$ 1,485,833
Equitrans	\$ 26,538	\$ 26,538	\$ 26,538	\$ 26,538	\$ 26,538	\$ 26,538	\$ 26,538	\$ 26,538	\$ 26,538	\$ 26,538
Total Demand Charges	\$ 1,519,382	\$ 1,794,782	\$ 1,793,927	\$ 1,824,210	\$ 1,933,487	\$ 1,521,235	\$ 1,500,956	\$ 1,519,351	\$ 1,499,135	\$ 1,498,232

CAPACITY RELEASE
(Dth)

	TRANSCO		TETCO		TETCO		TOTAL DOLLARS		TOTAL VOLUMES	
	Contract 3691		Contract 800232		Contract 800515-514		TRANSCO	TETCO	TRANSCO	TETCO
	VOLUMES	DOLLARS	VOLUMES	DOLLARS	VOLUMES	DOLLARS				
					Paid					
Sep-09	-	\$ -	-	\$ -	-	\$ -	\$ -	\$ -	-	-
Oct-09	-	\$ -	-	\$ -	-	\$ -	\$ -	\$ -	-	-
Nov-09	-	\$ -	-	\$ -	-	\$ -	\$ -	\$ -	-	-
Dec-09	-	\$ -	-	\$ -	-	\$ -	\$ -	\$ -	-	-
Jan-10	620,000	\$ 262,756	486,948	\$ 206,369	-	\$ -	\$ 262,756	\$ 206,369	620,000	486,948
Feb-10	560,000	\$ 237,328	439,824	\$ 186,397	-	\$ -	\$ 237,328	\$ 186,397	560,000	439,824
Mar-10	620,000	\$ 262,756	486,948	\$ 206,369	-	\$ -	\$ 262,756	\$ 206,369	620,000	486,948
Apr-10	600,000	\$ 254,280	471,240	\$ 199,712	1,080,000	\$ 457,704	\$ 254,280	\$ 657,416	600,000	1,551,240
May-10	620,000	\$ 262,756	486,948	\$ 206,369	1,116,000	\$ 472,961	\$ 262,756	\$ 679,329	620,000	1,602,948
Jun-10	600,000	\$ 254,280	471,240	\$ 199,712	1,080,000	\$ 457,704	\$ 254,280	\$ 657,416	600,000	1,551,240
Jul-10	620,000	\$ 262,756	486,948	\$ 206,369	1,116,000	\$ 472,961	\$ 262,756	\$ 679,329	620,000	1,602,948
Aug-10	620,000	\$ 262,755	486,948	\$ 206,369	1,116,000	\$ 472,961	\$ 262,755	\$ 679,329	620,000	1,602,948
TOTAL September 09 - August 10	4,860,000	\$ 2,059,667	3,817,044	\$ 1,617,663	5,508,000	\$ 2,334,290	\$ 2,059,667	\$ 3,951,954	4,860,000	9,325,044

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

DIRECT TESTIMONY OF

KENNETH DYBALSKI

ON BEHALF OF
PHILADELPHIA GAS WORKS

Docket No. R-2010-20157062

Philadelphia Gas Works
Proposed 2010 Annual GCR Adjustment

March 1, 2010

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1 **Q. PLEASE STATE YOUR NAME AND POSITION WITH THE COMPANY.**

2

3 A. My name is Kenneth Dybalski. My position is Director, Gas Planning & Rates at
4 the Philadelphia Gas Works.

5

6 **Q. HOW LONG HAVE YOU HELD THIS POSITION?**

7

8 A. I assumed the position of Director, Gas Planning & Rates in 2006. Prior to this
9 position, I was the Manager of Gas Planning from 2001 to 2006.

10

11 **Q. WHAT ARE YOUR VARIOUS JOB RESPONSIBILITIES?**

12

13 A. In my present position, I am responsible for developing and coordinating short
14 and long term planning of gas demand, gas supply, raw material expense and
15 revenue; overseeing the preparation of sales, sendout, revenue and fuel expense
16 projections; developing peak day/hour load projections; overseeing the
17 development of the various filings before the Pennsylvania Public Utility
18 Commission (PUC) and Philadelphia Gas Commission (PGC), including the
19 quarterly and annual Gas Cost Rate (GCR) filings; preparing the Integrated
20 Resource Planning Report; and providing supporting documentation for gas costs
21 related to PGW's Operating Budget before the PGC.

22

23 **Q. PLEASE SUMMARIZE YOUR EDUCATIONAL BACKGROUND.**

24

25 A. I have received a BS and MBA from Temple University in Philadelphia,
26 Pennsylvania.

27

1 **Q. HAVE YOU EVER PROVIDED TESTIMONY BEFORE THIS**
2 **COMMISSION?**

3

4 A. Yes. I submitted testimony for the PGW 1307f Annual GCR Filings in Docket
5 Nos. R-2009-2088076, R-2008-2021348 and R-00072110. I have also submitted
6 testimony in PGW's current base rate proceeding (Docket No. R-2009- 2139884)
7 and PGW's 2008 Extraordinary Rate Request (Docket No. R-2008-2073938).

8

9 **Q. HOW IS YOUR TESTIMONY STRUCTURED**

10

11 A. First, I describe PGW's rate design and Gas Cost Rate (GCR) calculation
12 methodology. Second, I describe the level of heating degree-days utilized in this
13 filing. Third, I identify the methodology for determining the number of customers
14 and calculating firm sales. Fourth, I discuss the calculation for the Unaccounted
15 for Adjustment Factor (UAF). Fifth, I discuss Off System Sales and Capacity
16 Release credits. Sixth, I discuss the methodology for projecting soft-off volumes.
17 Lastly, I will discuss the reasonableness of PGW's gas costs.

18

19 **Q. PLEASE DESCRIBE THE IMPACT OF THE PROPOSED CHANGE IN**
20 **PGW's GCR IN THIS PROCEEDING.**

21

22 A. PGW's GCR on September 1, 2009 was \$7.0900 and this rate was increased to
23 \$7.2497 in the Company's first quarterly GCR filing on December 1, 2009.
24 PGW's second quarter GCR filing, also submitted to the PUC concurrently with
25 this filing increases the GCR to \$7.3455 effective March 1, 2010. The proposed
26 rate to be effective September 1, 2010 is \$7.3294.

27

28 **Q. PLEASE SUMMARIZE THE EVIDENCE THAT PGW IS SUBMITTING**
29 **IN SUPPORT OF ITS PROPOSED GCR ADJUSTMENT.**

30

1 A. Tab 2 of this filing contains the sheets supporting the filing requirements of
2 Section 53.64 (a) for the proposed GCR for the period September 1, 2010 through
3 August 31, 2011.

4
5 Schedule 1 identifies the Levelized Gas Cost Rate. Specifically, this schedule
6 identifies the GCR Firm Sales Volumes in Mcfs (“S”), Total Applicable GCR
7 Expense (“C”), and adjustments for Prior Year Reconciliation and Interest (“E”).
8 An adjustment is also included for the Interruptible Revenue Credit (IRC).
9 Additionally, this schedule calculates the company’s total projected recovery of
10 the net GCR applicable expenses by multiplying the Firm Sales Volume times the
11 proposed GCR to determine if these rates adequately cover the Net Applicable
12 GCR Expense (a Net Over/Under Recovery amount is displayed to prove the
13 calculation).

14
15 Schedule 2 identifies the calculation of Total Firm Sales Volumes in Mcfs (“S”)
16 and the Total Applicable Volumes. The company utilizes Total Volumes and
17 subtracts the volumes associated with Firm Transportation and the Interruptible
18 Sales to arrive at GCR Firm Sales (“S”). Also included in Schedule 2 are the
19 Total Applicable Volumes which is comprised of GCR Firm Sales less 20% of the
20 sales attributable to Senior Citizens (Senior Citizen Discount Sales) plus the Firm
21 Transportation Volumes.

22
23 Schedule 3 identifies the Projected Applicable Fuel Expense. Specifically, this
24 schedule identifies PGW’s Net Natural Gas Expense and Total Applicable
25 Expenses. To arrive at the Net Natural Gas Expense, the total cost of commodity
26 and pipeline charges for firm sales are calculated per month. Two credits are then
27 applied for the portion of gas costs recovered from PGW’s Interruptible Sales
28 customers (i.e. the “Interruptible Credit”) and for gas used by PGW (i.e. “Gas
29 Used by Utility”). Next, the Company calculates the net effect of gas supplies
30 being transferred into and out of storage and LNG. The result is the Net Natural

1 Gas Expense. To arrive at the Total Applicable Expenses in Schedule 3, the fuel
2 expenses for Purchased Electric are added to the Net Natural Gas Expenses to
3 arrive at Total Applicable Expenses.

4
5 Schedule 4a (“Interest Rate Calculation”) provides the interest rate for the
6 over/under recovery and is calculated on the over/under recovery in calendar year
7 2009. Schedule 4b (“Interest Calculation”) provides the calculation of the interest
8 expense or credit for the period of September 2008 through August 2009 for the
9 under/over recovery of fuel costs and the interest for the natural gas refunds.
10 Schedule 4b1 (“Interest Adjustment Calculation”) provides the calculation of the
11 adjusted interest expense for the January – August 2009 period which PGW
12 previously refunded at an interest rate of 6% and now has been determined to be
13 refunded at an interest rate of 8%. Schedule 4c (“Interest on Natural Gas
14 Refunds”) provides information on historic refunds that have been received by the
15 Company resulting from various cases before the Federal Energy Regulatory
16 Commission and the interest on these refunds. Schedule 4d provides the
17 calculation of the interest for the demand and commodity charges.

18
19 Schedule 5 presents the Statement of Reconciliation for the forecast period of
20 September 2010 to August 2011.

21
22 Schedule 6 presents the Statement of Reconciliation for the actual / estimated
23 period of September 2009 to August 2010.

24
25 Schedule 7 presents the finalized Statement of Reconciliation for the historic
26 period of September 2008 to August 2009.

27
28 Schedule 8 calculates total projected recovery with the proposed GCR.
29

1 Schedule 9 shows the changes in rates identifying the proposed changes to the
2 GCR and distribution charge and the impact on the proposed total commodity
3 rate.

4
5 Schedule 10(a) shows the calculation of the Universal Service & Energy
6 Conservation Surcharge to be effective September 1, 2010. Schedule 10(b) is the
7 reconciliation of the Universal Service & Energy Conservation Surcharge for
8 period of September 2009 to August 2010.

9
10 Schedule 11(a) shows the calculation of the Interruptible Revenue Credit to be
11 effective September 1, 2010. Schedule 11(b) is the reconciliation of the
12 Interruptible Revenue Credit for Fiscal Year 2009.

13
14 Schedule 12(a) and 12(b) are the Restructuring and Consumer Education
15 Surcharge and the Reconciliation for FY 2009.

16
17 Schedule 13 is the Reconciliation of the Supplier and Storage Peaking Charge
18 (SSPC).

19
20 Schedule 14 identifies the natural gas prices that were used in the preparation of
21 this filing.

22
23 **Q. WHAT IS THE TIME PERIOD FOR FORECASTING PGW'S FUTURE**
24 **GAS COSTS?**

25
26 **A.** PGW's forecast period is a twenty (20) month period that commences on January
27 1, 2010 (two months before this filing) and eight months before the effective date
28 of the tariff on September 1, 2010. The 2010-10 GCR year is from September 1,
29 2010 to August 31, 2011, however, since the required forecast covers 20 months,
30 it must begin eight months earlier, consistent with Commission regulations.

1
2 **Q. PLEASE PROVIDE A GENERAL DESCRIPTION OF PGW'S RATE**
3 **DESIGN AND GCR CALCULATION METHODOLOGY.**

4
5 A. The volumetric rates charged to PGW's customers are the distribution charge and
6 the Gas Cost Rate. The distribution charge consists of: the Delivery Charge; the
7 Universal Service and Energy Conservation Surcharge; and the Restructuring and
8 Consumer Education Surcharge. The Universal Service and Energy Conservation
9 Surcharge provides for the recovery of: Customer Responsibility Program (CRP)
10 discounts; Senior Citizen Discounts; Conservation Works Program costs; and
11 CRP arrearage forgiveness. The Restructuring and Consumer Education
12 Surcharge recovers Commission approved costs which the Company had incurred
13 to meet the requirements of the Natural Choice and Competition Act and
14 applicable Commission regulations, orders and other regulatory requirements.

15
16 The second element of the rate is the Gas Cost Rate or GCR factor. This charge is
17 a mechanism used to flow through the costs of natural gas costs and other raw
18 materials in a timely and equitable manner. The specific elements of PGW's
19 GCR are set forth in PGW's Tariff.

20
21 The cost of gas purchased to serve the requirements of PGW's customers
22 constitutes the largest single item in the delivered price of gas. In the past, all
23 natural gas costs were recovered through base rates (distribution charge).
24 However, in the early 1970's, the price of gas lost its stability and underwent rapid
25 escalation during and after a worldwide oil crisis. To combat this instability and
26 prevent the economic harm to all parties caused by regulatory lag in reflecting
27 these price fluctuations in base rates, the concept of a fuel adjustment surcharge
28 mechanism was introduced by PGW. This mechanism provides the flexibility to
29 rapidly reflect current conditions without the time delay inherent in a full-scale
30 base rate alteration. The intent is to achieve an annual balance of the costs

1 incurred for fuel and its pass-through to customers. The costs for pipeline
2 transportation, storage capacity and related fuel prices charged by the interstate
3 pipeline suppliers are largely outside of distributor control. The State Public
4 Utility Commission oversees the pass-through of these charges and the balancing
5 activity. The Gas Cost Rate Section in PGW's Tariff identifies the appropriate
6 formula for such a balance and the charges that may be recovered through this
7 mechanism. Charges for natural gas and other raw materials are included in the
8 GCR. In addition, the interest expense for the over or under recovery of gas costs
9 and natural gas refunds are also included in the GCR. No labor, storage, or profit
10 component is added by PGW. The GCR represents the direct pass-through of
11 actual costs incurred.

12
13 Only costs related to meeting customer sendout requirements, including
14 associated plant fuel, may be included as a fuel expense for GCR purposes.
15 *Purchases diverted into storage and/or LNG become an expense only when*
16 *withdrawn for customer delivery.* Costs associated with purchases made to supply
17 interruptible customers are excluded from the Total Applicable GCR Expenses
18 used to calculate the GCR. Also, demand costs for pipeline transportation for the
19 firm transportation customers are excluded from the GCR.

20
21 Various adjustments are then made to the total applicable expenses eligible for the
22 GCR. Natural gas refunds and interest on the refunds are credited in the
23 calculation of the GCR in the fiscal year received. An adjustment is made to
24 correct for any over or under recovery during the previous period resulting from
25 differences between rates used to project the prior GCR and those actually
26 experienced. The interest expense or credit on the over or under recovery is
27 applied to calculate the total adjustment. An additional adjustment is also made
28 for the Interruptible Revenue Credit which is a credit that firm sales customers
29 receive for interruptible sales margin.

1 To determine the unit level of the GCR, the remaining total expenses must be
2 divided by the sum of the volumes over which they can be effectively distributed
3 which is the firm sales volume.
4
5
6

7 **Q. WHAT IS THE BASIS FOR THE PRICES USED IN DETERMINING THE**
8 **GAS COSTS USED IN THIS FILING?**
9

10 A. The projected natural gas prices were derived from forecasted pricing data
11 produced specifically for PGW by Global Insight in January 2010. Global Insight
12 and its predecessors are the same forecasting service used by PGW for the past
13 several years. Additionally, PGW used the NYMEX Futures close data as of
14 January 19, 2010.
15

16 The pricing methodology utilized by the Company is similar to the methodology
17 in the last annual filing and in quarterly filings with the inclusion of the additional
18 months in the 20-month forecast. Specifically, the company has utilized actual
19 prices for January, 2010; the NYMEX Futures prices for the 3 forecast months of
20 February through April 2010; and an average of the NYMEX Futures prices and
21 Global Insight prices for the remaining months (i.e. May 2010 through August
22 2011).
23

24 **Q. HOW DOES THE PROJECTED LEVEL OF GAS COSTS FOR THE**
25 **FORECAST PERIOD COMPARE WITH THE LEVEL OF GAS COSTS**
26 **FORECASTED IN THE COMPANY'S LAST ANNUAL GCR FILING?**
27

28 A. The level of gas costs forecasted for 2010-2011 is lower than the level PGW had
29 forecasted for the 2009-2010 GCR. The level of costs in the 2010-2011 period

1 are being influenced by the decrease in prices for natural gas compared to the
2 prior year.

3
4 **Q. DESCRIBE THE LEVEL OF HEATING DEGREE-DAYS THAT WERE**
5 **USED IN YOUR ANALYSIS.**

6
7 A. The Company utilizes the temperatures recorded at the PGW Richmond Plant to
8 calculate the average temperature for a given day. The Company subtracts the
9 average temperature from 65 degrees to calculate the number of degree-days for
10 the day. The degree-days for all of the days in the year are aggregated to arrive at
11 the total number of degree-days for the year. Next, the Company calculates the
12 average heating degree-days for the past 30 years to arrive at the forecasted
13 heating degree-days in a normal year and in this filing PGW is using the 30 year
14 average of 4,392 degree days.

15
16 **Q. HOW HAS THE COMPANY DETERMINED THE NUMBER OF**
17 **CUSTOMERS IN EACH RATE CLASS?**

18
19 A. PGW started with the actual number of customer billings on December 31, 2009
20 (from the PGW Gas Sales and Revenue Report). Next, the Marketing Department
21 load forecast was used to factor in the addition and loss of customers. Finally, the
22 customer numbers were adjusted for the loss of customers due to non-payment
23 terminations.

24
25 **Q. WHAT IS THE METHODOLOGY FOR CALCULATING THE WEATHER**
26 **NORMALIZED BILLED SALES?**

27
28 A. PGW used a two step process to arrive at the appropriate level of usage
29 per customer. First, a trial domestic factor is developed by customer
30 class from sales reported for the summer months (July-September).

1 This average factor was then utilized in the sendout formula with the
2 customer counts for the months of July, August, and September 2008. A
3 comparison between what the formula calculates and the actual
4 experienced for those three months is ascertained and the trial domestic
5 factors are finalized to replicate the total sendout experienced. The
6 finalized domestic factors (DOMS) are then utilized in conjunction with
7 the actual sales and customer counts for the months of December 2008
8 through February 2009 to determine the average Mcf per degree day for
9 each of the individual months for the remaining temperature sensitive
10 load. The results are weighted by degree-days to give an average value
11 that is utilized as a trial value for the heating factor.

12
13 The finalized domestic factor and the trial heating factor developed, as
14 such, are then applied in the sendout calculations, together with
15 customer counts for the months of December 2008 through February
16 2009 (the peak winter heating period) to project an estimated sendout
17 for each of these months. The projected sendout is then compared with
18 the actual sendout. Any variation between the projected and actual is
19 adjusted to force the replication of the actual sendout resulting in the
20 determination of a finalized heating factor. The finalized heating factor
21 is used to forecast the heating load and monthly adjustments are made
22 based on monthly historic usage.

23
24 Utilizing these domestic and heating factors, billed sales are then
25 forecasted using 4,392 degree days and the number of customers.

26
27 **Q. WHAT IS THE UNACCOUNTED FOR GAS PERCENTAGE USED IN**
28 **THIS FILING?**

29
30 **A.** The level of unaccounted for gas used in this filing is 3.8 %.

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25

Q. WHAT IS THE TOTAL AMOUNT OF OFF SYSTEM SALES AND CAPACITY RELEASE THAT ARE CREDITED TO THE GCR?

A. PGW has projected that the amount of off system sales and capacity release credits within the GCR period of 2010-11 will amount to \$14,056,170. Of that amount, \$10,542,127 (75%) was credited to the GCR.

Q. HOW HAS PGW PROJECTED SOFT-OFF VOLUMES?

A. As agreed in the Joint Petition for Settlement of PGW's 2009-2010 GCR Proceeding (Docket Nos. R-2009-2088076) which was approved by the PUC, PGW is using a 3-year average for the projected amount of soft-off volumes.

Q. BASED UPON THE ABOVE SUPPORTING DATA, DO YOU BELIEVE THAT PGW'S GAS COSTS ARE REASONABLE?

A. Yes, PGW's GCR only contains the direct pass-through of actual costs incurred and projections of the same (for both gas costs and certain non-gas costs that were previously approved by the PUC). As stated by Mr. Moser in his testimony, PGW follows a least cost gas procurement strategy.

Q. DOES THIS CONCLUDE YOUR TESTIMONY?

A. Yes.

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

DIRECT TESTIMONY OF

DOUGLAS A. MOSER

ON BEHALF OF
PHILADELPHIA GAS WORKS

RECEIVED
FEB 26 2010
PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Docket No. R-2010-20157062

Philadelphia Gas Works
Proposed 2010 Annual GCR Adjustment

March 1, 2010

1 **I. INTRODUCTION**

2 **Q. PLEASE STATE YOUR NAME AND CURRENT POSITION WITH PGW.**

3 A. My name is Douglas A. Moser. My position with PGW is the Senior Vice
4 President of Gas Management.

5 **Q. PLEASE SUMMARIZE YOUR BACKGROUND AND EXPERIENCE.**

6 A. I received a Bachelor of Science degree in Chemical Engineering from
7 Pennsylvania State University in 1979. I have also received a Masters in Business
8 Administration from Widener University in 1990.

9 I have held the following positions at PGW: Engineering Assistant; Production
10 Engineer; Supervisor – Gas Conditioning; Operations Engineer – Gas Processing
11 Department; Manager – Gas Control; Manager – Gas Acquisition; and Senior Project
12 Manager – Strategic Planning Department.

13 **Q. HAVE YOU EVER PROVIDED TESTIMONY BEFORE THIS COMMISSION?**

14 A. Yes. I submitted testimony for the PGW 1307f Annual GCR Filings in Docket Nos. R-
15 2009-2088076, R-2008-2021348 and R-00072110.

16 **Q. WHAT IS THE FOCUS OF YOUR TESTIMONY IN THIS PROCEEDING?**

17 A. My testimony discusses:

- 18 • PGW's gas purchasing policies and strategies applicable to the current filing
19 period (i.e. FY 2011 – September 1, 2010 to August 31, 2011) and the prior GCR
20 period (i.e. FY 2010 – September 1, 2009 – August 31, 2010);
- 21 • PGW's design day requirement;
- 22 • Capacity release and off-system sales;
- 23 • Capacity resources;
- 24 • Price Analysis and Buying Advisory Service; and

- Asset Management.

Q. PLEASE PROVIDE A GENERAL DESCRIPTION OF PGW'S GAS DISTRIBUTION SYSTEM.

A. PGW's gas distribution system is located in Southeastern Pennsylvania in the County and City of Philadelphia. Since this is not a gas-producing area, PGW and its natural gas customers are dependent upon the interstate natural gas pipeline system to deliver natural gas into the PGW gas distribution system. PGW relies on the interstate pipeline for all natural gas supply, storage, and transportation services, except for PGW's own on-system peak shaving facilities. PGW owns and operates a LNG facility that is used both to meet intraday, daily and seasonal supply needs as well as to meet peak day requirement.

Q. PLEASE IDENTIFY PGW'S CURRENT INTERSTATE SUPPLIERS.

A. Spectra Energy's Texas Eastern Transmission pipeline and Williams' Transco Gas Pipeline comprise the two interstate natural gas pipelines that deliver gas to PGW's city gates. In addition, Dominion Transmission Inc. (DTI) and Equitrans, Inc. (Equitrans) provide natural gas storage services that PGW uses to meet winter peak requirements. These storage services require intermediate transportation services from Spectra Energy to deliver storage withdrawals to the PGW gas distribution system.

II. GAS PURCHASING POLICIES AND SUPPLY STRATEGY

Q. DOES PGW INCORPORATE A LEAST-COST PROCUREMENT POLICY IN ITS GAS PURCHASING POLICIES AND SUPPLY STRATEGY?

A. Yes.

Q. PLEASE DESCRIBE PGW'S SUPPLY STRATEGY.

1 A. PGW's supply strategy¹ (which is currently being used during the FY 2010 GCR
2 period and which the Company intends to use during the FY 2011 GCR period) is a
3 portfolio approach in both contract structure and pricing. The portfolio approach of
4 purchasing gas supply allows PGW to remove some of the volatility in purchasing natural
5 gas supplies for its ratepayers. Without the use of the portfolio approach, the firm
6 ratepayer would be totally at the mercy of market volatility.

7 The Company's gas supply portfolio is divided into four distinct categories: (1)
8 "first of the month index pricing"; (2) physical forward purchased contracts; (3) storage;
9 and (4) winter only supply contracts.

10 (1) The advantage of a first of the month index arrangement is that the operational
11 flexibility of these contracts allows the company to increase or decrease the volume in
12 response to changes in sendout requirements at a known price.

13 (2) The Company uses a purchasing strategy to fix the price for a portion of the
14 gas supply each month for each of the succeeding 12 months. This "dollar cost
15 averaging" type strategy has the effect of stabilizing the purchase price while removing
16 the speculative aspect of when to purchase the supply.

17 (3) The Company utilizes three pipeline storage fields which act as additional
18 sources of supply. These contracts do not include bundled transportation and, therefore,
19 move to PGW City gates within PGW's firm interstate pipeline capacity. The gas
20 procured under these contracts also act as a physical fixed price counter to market
21 conditions.

¹ All natural gas supply strategies are presented to the Company's Supply Committee for review and approval. The Supply Committee is comprised of senior corporate management as well as Gas Acquisition, Gas Planning, Gas Control, Gas Supply and Regulatory departmental management. The Supply Committee meets monthly.

1 (4) Last and most significantly, the Company enters into winter-only supply
2 contracts. This arrangement provides additional benefit by relieving the firm ratepayer
3 from paying supply demand charges any longer than is necessary.

4 Spectra Energy and Williams Gas Pipeline represent the only interstate pipeline
5 facilities with physical connections to the PGW service territory. As a result, all of
6 PGW's supply contracts utilize these pipelines and the contracts also recognize pipeline
7 receipt and delivery rights. These contracts contain the ability to "lock up" the price for
8 upcoming months or to have the pricing default to an agreed upon market index if there is
9 no market advantage in fixing a price before the month begins. As a result, PGW not
10 only ensures security of supply from the pipelines but also can take advantage of varying
11 basis differentiated pricing in the market. This differentiated pricing results from the fact
12 that all shippers of natural gas receive their gas at varying locations along the pipeline.
13 Generally, gas located nearest to the market area is more expensive than gas obtained in
14 the production area because shippers incur lower transportation costs for short haul
15 compared to long haul transactions. PGW uses a city-gate delivered price in comparing
16 the various alternatives available. The city gate delivered price is computed considering
17 the "into the pipe price of gas" plus all incremental charges levied by the transporting
18 pipeline to deliver the gas to the city gate. These prices include, but are not limited to,
19 fuel shrinkage, transportation charges and ACA charges.

20 **Q. ARE THERE ANY OTHER GAS PROCUREMENT AND PURCHASING**
21 **STRATEGIES THAT THE COMPANY USES TO MEET OPERATIONAL**
22 **REQUIREMENTS AND TO REDUCE COSTS OTHER THAN WINTER-ONLY**
23 **SUPPLY CONTRACTS, "FIRST OF THE MONTH INDEX" PRICED**
24 **CONTRACTS, PHYSICAL FORWARD PURCHASED CONTRACTS AND**
25 **PIPELINE STORAGE CONTRACT?**
26

1 A. Yes. PGW utilizes LNG and bundled storage to meet operational requirements.
2 Once operational requirements are met, these assets are then used in the overall cost
3 saving strategies. For example, once design winter sendout requirements are ensured, the
4 Company may utilize bundled storage and LNG as a substitute for higher priced gases.
5 PGW's summer policy uses a similar approach to address system supply and storage
6 refill. The Gas Supply department also uses forecasted prices as a benchmark to
7 purchase gas volumes for both system supply and storage refill below the projected cost
8 (when possible) on a proportional basis, while leaving a portion of its needs to default to
9 "first of the month" pricing.

10 **Q. DOES PGW PURCHASE GAS FROM ANY AFFILIATED INTEREST?**

11 A. No.

12 **Q. WHILE PGW IS ENSURING THE LEAST COST PROCUREMENT, HOW DOES**
13 **IT PROVIDE FOR SYSTEM RELIABILITY?**

14
15 A. PGW physically sources the gas in accordance with its firm pipeline paths. The
16 pipelines give PGW firm entitlements on their systems for the sourcing of gas for which
17 PGW pays a demand charge. By sourcing supply this way, PGW ensures its sole
18 entitlement to this space on the pipeline and can not be accused of infringement.
19 Transporting gas from different locations also mitigates the impact of potential regional
20 disruptions because not all of the supply enters the pipe at the same location. As a result,
21 *if there is a disruption at one location, not all of PGW's supply will be affected.*

22 PGW's Gas Planning Department also runs a supply status model during the
23 winter operating season which recognizes normal and design winter conditions and the
24 latest actual balance of gas in all storage facilities. Gas Management utilizes the output
25 of this model to make recommendations or changes in its supply operating strategy to

1 ensure that peak day needs and design winter conditions can be met from that point
2 forward.

3 **Q. DOES PGW PERIODICALLY REVIEW ITS EXISTING CONTRACTS TO**
4 **DETERMINE IF THEY ARE APPROPRIATE?**

5
6 A. Yes, PGW reviews each of its existing contracts on a regular basis to ensure that
7 none of the contracts are adverse to its customers' interests. Whenever appropriate, PGW
8 initiates renegotiations (if the contract permits) to change the terms.

9 **Q. IN YOUR OPINION, ARE THE GAS COSTS INCURRED BY PGW DURING**
10 **THE 2009-10 GCR PERIOD REASONABLE?**

11
12 A. Yes. The 2009-2010 gas costs are the result of the least cost gas procurement
13 strategy outlined in my testimony.

14
15 **III. DESIGN DAY REQUIREMENT**

16 **Q. PLEASE PROVIDE AN OVERVIEW OF THE DESIGN DAY REQUIREMENT.**

17 A. Details of PGW's design day methodology and an account of the 2009/2010
18 winter design day requirement can be found in the response to item 53.64 (c)(13) and
19 item 53.64(c)(14) in the information provided in PGW's February 2010 GCR Filing.

20
21 **IV. CAPACITY RELEASE AND OFF-SYSTEM SALES**

22 **Q. HAS PGW BEEN RETAINING A PORTION OF NET PROCEEDS FROM**
23 **OFF-SYSTEM SALES AND/OR CAPACITY RELEASE CREDITS?**

24
25 A. Yes. During the 2008-2009 GCR proceeding (Docket No. R-2008-2021348), the
26 parties agreed that PGW will retain 25% of all off-system sales margins and capacity
27 release credits with the remaining 75% applied as an offset to purchased gas costs. The

1 retention began on September 1, 2008, for all off-system sales margins and capacity
2 release credits booked on or after that date, and shall end on August 31, 2011 unless the
3 Commission approves continuation. The Company also agreed to include in its March 1,
4 2011 annual 1307(f) filing:

5 (a) A report containing:

6 i. the actual off-system sales margin and capacity release credit data
7 for the two year period of September 1, 2008 to August 31, 2010 and the retained
8 portions thereof; and

9 ii. confirmation that the retained funds were segregated in a capital
10 fund to be used for infrastructure repair and replacement.

11 (b) An off-system sales margin and capacity release credit retention
12 proposal for the Purchased Gas Cost period(s) beginning on September 1,
13 2011.

14 PGW will be submitting the information in its March 2011 GCR as it
15 previously agreed.

16 **V. CAPACITY RESOURCES**

17 **Q. HAS PGW CONTINUED TO EVALUATE THE APPROPRIATENESS OF ITS**
18 **CAPACITY RESOURCES, THE ANTICIPATED OVERALL SYSTEM DEMAND**
19 **AND ANY INITIATIVES RELATIVE TO THIRD PARTY SUPPLIERS?**

20
21 A. Yes, PGW agreed to continue to evaluate the appropriateness of its capacity
22 resources, the anticipated overall system demand and any initiatives relative to third
23 party suppliers in last year's 1307(f) proceeding settlement.² PGW continually

² Paragraph III.7. of last year's settlement agreement provides:

1 evaluates these issues on an informal basis and the following is a summary of the
2 capacity and demand issues which the Company has evaluated during the last year.

3 PGW's informal evaluation begins with the level of capacity resources needed
4 to provide security of supply under all weather conditions. PGW determines this
5 level by preparing yearly, monthly and daily design models.³ After determining the
6 design conditions that must be met, PGW seeks to utilize its capacity resources in
7 order to provide the best economic benefit for its customers. This includes releasing
8 firm transportation capacity on a recallable basis, utilizing flowing gas versus storage
9 gas and assessing opportunities for off-system sales.

10 PGW must also factor into its continuing evaluation the increased demand for
11 capacity on the lateral pipelines that serve Philadelphia. This increased demand has
12 resulted in the lateral pipelines only permitting firm transportation to flow, therefore, if
13 PGW reduced its lateral pipeline capacity, it would need to rely on interruptible
14 transportation to meet unanticipated needs. However, interruptible transportation will not
15 be available to PGW when needed. Additionally, the Company may never be able to re-
16 acquire this capacity or may only be able to re-acquire it at significantly higher rates.

17 Other factors considered in the Company's continuing evaluation include PGW's
18 ability to supply its customers in the event of an upstream supply interruption, an
19 interruption of critical supply components on system, and planning for possible demand
20 in the future.

PGW agrees that it will continue to evaluate the appropriateness of its capacity resources, the anticipated overall system demand and any initiatives relative to third party suppliers. The Company will file the details of its evaluation in its next annual PGC filing on March 1, 2010.

³ As mentioned above, supporting information is provided in PGW's February 1, 2010 pre-filing.

1 After consideration of the foregoing factors, the Company has determined that it
2 is maintaining the appropriate level of capacity resources in order to provide safe,
3 adequate and reliable service to its customers.

4 **VI. PRICE ANALYSIS AND BUYING ADVISORY SERVICE**

5 **Q. DURING THE LAST PROCEEDING PGW PROPOSED EVALUATING THE**
6 **USE OF A PRICE ANALYSIS AND BUYING ADVISORY SERVICE, WHAT IS**
7 **THE STATUS OF THIS EVALUATION?**

8 **A. PGW issued an RFP (Request for Proposal) for price analysis and buying advisory**
9 **services and finalized an agreement for these services with Planalytics in December**
10 **2009. PGW is in the initial stages of training, familiarizing and utilizing the system that**
11 **will assist the Company in its buying decisions.**

12
13 **VII. ASSET MANAGEMENT**

14 **Q. DURING THE LAST PROCEEDING PGW AGREED TO ISSUE AN RFP FOR**
15 **ASSET MANAGEMENT OF A PORTION OF ITS UPSTREAM STORAGE,**
16 **WHAT IS THE CURRENT STATUS?**
17

18 **A. PGW issued the RFP for the upstream storage assets currently under contract.**
19 **The RFP was sent to all of the suppliers with whom PGW has current NAESB**
20 **agreements (as well as posting the opportunity on PGW's website). PGW**
21 **received six (6) proposals. PGW also received three (3) other responses which**
22 **indicated that the respondents received the RFP but were opting not to provide a**
23 **proposal.**

24 **Q. WHAT EVALUATION PROCESS IS PGW USING TO DETERMINE WHETHER**
25 **TO ENTER INTO AN ASSET MANAGEMENT ARRANGEMENT?**
26

1 A. The overarching principle will be to provide an economic benefit for the
2 consumer while maintaining the safety and reliability of the system. The factors
3 which will be evaluated are: volume/capacity of storage; pricing structure of
4 injected and/or withdrawn quantities; firm transportation required as part of the
5 agreement; constraints and/or flexibility within the arrangement; ability to modify
6 quantities daily, weekly, monthly; and creditworthiness/reliability of the third
7 party.

8 **Q. WHEN WILL THIS PROCESS BE COMPLETED?**

9 A. PGW anticipates completing the evaluation process prior to April 1, 2010 and the
10 Company will provide the results of the evaluation process to the parties involved
11 in this proceeding.

12
13 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

14 A. Yes.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing document upon the participants listed below in accordance with the requirements of §1.54 (relating to service by a participant).

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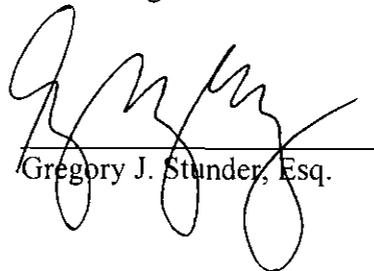
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Date: February 25, 2010

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