



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Office of Administrative Law Judge

801 Market Street, Suite 4063

Philadelphia, PA 19107

Telephone: (215) 560-2105

Fax: (215) 560-3133

IN REPLY PLEASE
REFER TO OUR FILE

May 14, 2012

Laureto A. Farinas, Esquire
Philadelphia Gas Works
800 W. Montgomery Avenue
Philadelphia, PA 19122

Re: Rivera v PGW, C-2010-2164222

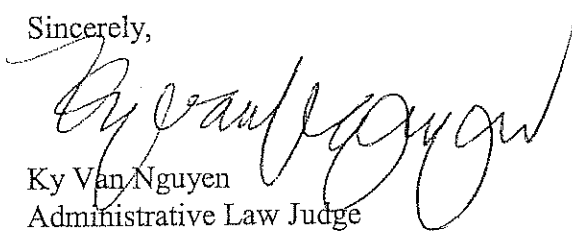
Dear Mr. Farinas:

Under Section 5.404 of the Commission's regulations, 52 Pa. Code §5.404, please have your witness testify to how she arrived at each number specified on page 3 of PGW's Exhibit 8.

Please also have her supply the average degree days for 2002, 2003, 2004, 2005 and 2006 and tell if the data published by the National Oceanic and Atmospheric Administration (NOAA) is scientifically reliable and reasonably available to the public. 52 Pa. Code §5.406.

Please send a copy of your reply to Mr. McDermott for his possible objections. I expect to receive your reply on or before May 21, 2012.

Sincerely,


Ky Van Nguyen
Administrative Law Judge

cc: Michael McDermott, Esquire

Exhibit A



PHILADELPHIA GAS WORKS

800 West Montgomery Avenue • Philadelphia, PA 19122

Laureto A. Fariñas, Senior Attorney
Legal Department
Direct Dial: 215-684-6982
FAX: 215-684-6798
E-mail: laureto.farinas@pgworks.com

May 22, 2012

Administrative Law Judge Ky Van Nguyen
Pennsylvania Public Utility Commission
Suite 4063
801 Market Street
Philadelphia, PA 19107

RE: Orlando Rivera v. Philadelphia Gas Works, C – 2010 – 2164222

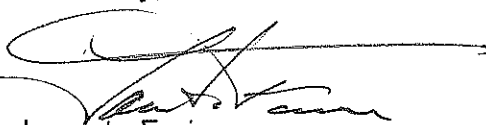
Dear Judge Nguyen:

Pursuant to your instruction in your letter dated May 14, 2012, please find attached the narrative explaining PGW Exhibit 8, page 3 and the Degree Day information from the National Oceanic and Atmospheric Administration.

PGW witness, Wendy Vacca has assembled this document to include additional explanation of its contents.

If you need additional information about this matter, please contact me at my direct-dial number above. Thank you.

Sincerely,



Laureto Farinas

cc: Service List
Anne Marie Cromley
Linda Pereira

Exhibit B'

Orlando Rivera
2938 Kensington St
Formal Docket C-2010-2164222

Explanation of the Bill Calculation

1. Section one is the total of the charges for each component for the period of 3/15/02-9/28/06.
2. Section 2 is the customer charge broken down to the proper rate for the proper period. The customer charge is a set monthly charge that covers PGW's cost to serve a customer without regard to how much gas is used.
3. Section 3 has the commodity charge broken down for the proper rate for the proper period. The commodity charge is a set charge for the amount of natural gas you use measured in units of 100 cubic feet (CCF).
4. Section 4 has the distribution charge broken down for the proper rates for the proper period. The distribution charge is the charge for delivery of natural gas from the city gate to the customer.
5. Section 5 is weather normalization adjustment broken down to the proper rate for the proper period. The weather normalization adjustment was approved by the PUC for a way to help PGW stabilize its income and give the ability to operate more efficiently within its budget during the season of October – May. It helps to reduce the need to make frequent request for rate changes.

GSR Calculation Page

Rate

Start Read	0
End Read	9397
Consumption	9397

Start Date (Inclusive)	End Date	Start Read	End Read	Consumption	Rate				
03/15/2002	09/28/2006	0	9397	9397	3				
Days	1659								
Avg consumption per day	5.664255576								
Est. Avg Rate	0.902001703								
GSR Commodity Charge	\$8,476.11								
GSR Customer Charge	\$660.00								
GSR Commodity Charge Gr	-\$17.71								
GSR Gas Cost Adjustment	-\$115.18								
GSR Distribution Charge	\$3,860.46								
GSR WNA Charge	-159.65								
GSR Usage WNA perday	-553.7774878								
Commodity Charge Credit									
Effective Date	Start	End	Rate	Days@Rate	Charge/Period				
01/01/1980									
03/01/2002	03/15/2002	08/30/2002	-0.01850	169	-\$17.71				
08/31/2002	08/31/2002	09/28/2006	0.00000	1490	\$0.00				
05/16/2012	05/16/2012	05/15/2012	0.00000	0	\$0.00				
05/16/2012									
Cost Charge Effective Date	Start	End	Rate	Months@Rate	Charge/Period	Day Calc	Month Calc	Adjusted M	
01/01/1980									
09/01/1991	06/01/1999	05/31/1999	\$4.00	0	\$0.00	0.00000	0	0	
06/01/1999	02/08/2001	02/07/2001	\$8.00	0	\$0.00	0.00000	0	0	
02/08/2001	09/11/2001	09/10/2001	\$11.66	0	\$0.00	0.00000	0	0	
09/11/2001	03/15/2002	09/28/2006	\$12.00	55	\$660.00	1659.00000	55	55	
05/16/2012	05/16/2012	05/15/2012	\$12.00	0	\$0.00	0.00000	0	0	
05/16/2012	05/16/2012	05/15/2012	\$12.00	0	\$0.00	0.00000	0	0	
05/16/2012	05/16/2012	05/15/2012	\$12.00	0	\$0.00	0.00000	0	0	
05/16/2012	05/16/2012	05/15/2012	\$12.00	0	\$0.00	0.00000	0	0	
05/16/2012									
Gas Cost Adjustment	Start	End	Rate	Months@Rate	Charge/Period				
09/01/2003				55	\$660.00		1659	55.76666667	55.00000
09/01/2003	09/01/2003	11/30/2003	0.02228	91	\$11.48				

2

1

12/01/2003	12/01/2003	02/29/2004	0.04616	91	\$23.79
03/01/2004	03/01/2004	05/31/2004	0.02923	92	\$15.23
06/01/2004	06/01/2004	08/31/2004	-0.00954	92	-\$4.97
09/01/2004	09/01/2004	11/30/2004	-0.01859	91	-\$9.58
12/01/2004	12/01/2004	02/28/2005	0.03218	90	\$16.40
03/01/2005	03/01/2005	05/31/2005	-0.04170	92	-\$21.73
06/01/2005	06/01/2005	08/31/2005	-0.05824	92	-\$30.35
09/01/2005	09/01/2005	10/06/2005	-0.05933	36	-\$12.10
10/07/2005	10/07/2005	05/31/2006	-0.05558	237	-\$74.61
06/01/2006	06/01/2006	09/28/2006	-0.04228	120	-\$28.74
12/01/2006	12/01/2006	11/30/2006	0.00912	0	\$0.00
03/01/2007	03/01/2007	02/28/2007	-0.02330	0	\$0.00
06/01/2007	06/01/2007	05/31/2007	-0.07067	0	\$0.00
09/01/2007	09/01/2007	08/31/2007	-0.06998	0	\$0.00
12/01/2007	12/01/2007	11/30/2007	-0.01909	0	\$0.00
03/01/2008	03/01/2008	02/29/2008	-0.03418	0	\$0.00
06/01/2008	06/01/2008	05/31/2008	-0.06126	0	\$0.00
09/01/2008	09/01/2008	08/31/2008	-0.07271	0	\$0.00
01/01/2009	01/01/2009	12/31/2008	-0.02887	0	\$0.00
03/01/2009	03/01/2009	02/28/2009	-0.07745	0	\$0.00
06/01/2009	06/01/2009	05/31/2009	-0.08026	0	\$0.00
09/01/2009	09/01/2009	08/31/2009	-0.06082	0	\$0.00
12/01/2009	12/01/2009	11/30/2009	-0.02940	0	\$0.00
03/01/2010	03/01/2010	02/28/2010	-0.02895	0	\$0.00
06/01/2010	06/01/2010	05/31/2010	-0.06718	0	\$0.00
09/01/2010	09/01/2010	08/31/2010	-0.03399	0	\$0.00
12/01/2010	12/01/2010	11/30/2010	-0.00513	0	\$0.00
03/01/2011	03/01/2011	02/28/2011	-0.01378	0	\$0.00
06/01/2011	06/01/2011	05/31/2011	-0.04798	0	\$0.00
09/01/2011	09/01/2011	08/31/2011	-0.02182	0	\$0.00
05/16/2012	05/16/2012	05/15/2012	-0.07745	0	\$0.00
05/16/2012	05/16/2012	05/15/2012	-0.07745	0	\$0.00
05/16/2012	05/16/2012	05/15/2012	-0.07745	0	\$0.00
05/16/2012	05/16/2012	05/15/2012	-0.07745	0	\$0.00
05/16/2012	05/16/2012	05/15/2012	-0.07745	0	\$0.00
05/16/2012	05/16/2012	05/15/2012	-0.07745	0	\$0.00
05/16/2012	05/16/2012	05/15/2012	-0.07745	0	\$0.00
05/16/2012	05/16/2012	05/15/2012	-0.07745	0	\$0.00

Weather Normal / Adjust	Start	End	Rate	WNA Days	Total Days	Months	OT Charge/Period
	10/29/2002	05/31/2003	0.42984	215	215		
	06/01/2003	08/31/2003	0.00000	92	92		-\$35.76 need to check formulas here if adding lines
	09/01/2003	05/31/2004	0.42124	274	274		-\$44.67
	06/01/2004	09/30/2004	0.00000	122	122		\$0.00 Colder
	10/01/2004	05/31/2005	0.42124	243	243		-\$39.61
	06/01/2005	09/30/2005	0.00000	122	122		\$0.00
	10/01/2005	05/31/2006	0.42124	243	243		-\$39.61
	06/01/2006	09/28/2006	0.00000	120	120		\$0.00
	10/01/2006	09/30/2006	0.42124	0	0		\$0.00
				1124	\$3,860.46		
03/01/2008	03/01/2008	02/29/2008	0.74878	0	\$0.00		
06/01/2008	06/01/2008	05/31/2008	0.82180	0	\$0.00		
09/01/2008	09/01/2008	08/31/2008	0.79292	0	\$0.00		
01/01/2009	01/01/2009	12/31/2008	0.84648	0	\$0.00		
03/01/2009	03/01/2009	02/28/2009	0.86320	0	\$0.00		
06/01/2009	06/01/2009	05/31/2009	0.86183	0	\$0.00		
09/01/2009	09/01/2009	08/31/2009	0.81822	0	\$0.00		
12/01/2009	12/01/2009	11/30/2009	0.82187	0	\$0.00		
03/01/2010	03/01/2010	02/28/2010	0.85753	0	\$0.00		
06/01/2010	06/01/2010	05/31/2010	0.84102	0	\$0.00		
09/01/2010	09/01/2010	08/31/2010	0.90797	0	\$0.00		
12/01/2010	12/01/2010	11/30/2010	0.87015	0	\$0.00		
03/01/2011	03/01/2011	02/28/2011	0.93755	0	\$0.00		
06/01/2011	06/01/2011	05/31/2011	0.95270	0	\$0.00		
09/01/2011	09/01/2011	08/31/2011	0.91822	0	\$0.00		
12/01/2011	12/01/2011	11/30/2011	0.89955	0	\$0.00		
05/16/2012	05/16/2012	05/15/2012	0.95270	0	\$0.00		
05/16/2012	05/16/2012	05/15/2012	0.95270	0	\$0.00		
05/16/2012	05/16/2012	05/15/2012	0.95270	0	\$0.00		
05/16/2012	05/16/2012	05/15/2012	0.95270	0	\$0.00		
05/16/2012	05/16/2012	05/15/2012	0.95270	0	\$0.00		
05/16/2012	05/16/2012	05/15/2012	0.95270	0	\$0.00		
05/16/2012	05/16/2012	05/15/2012	0.95270	0	\$0.00		
05/16/2012	05/16/2012	05/15/2012	0.95270	0	\$0.00		

5

06/01/2007	06/01/2007	05/31/2007	0.00000	0	0	\$0.00
10/01/2007	10/01/2007	09/30/2007	0.49894	0	0	\$0.00
06/01/2008	06/01/2008	05/31/2008	0.00000	0	0	\$0.00
10/01/2008	10/01/2008	09/30/2008	0.49894	0	0	\$0.00
01/01/2009	01/01/2009	12/31/2008	0.61840	0	0	\$0.00
06/01/2009	06/01/2009	05/31/2009	0.00000	0	0	\$0.00
10/01/2009	10/01/2009	09/30/2009	0.61840	0	0	\$0.00
06/01/2010	06/01/2010	05/31/2010	0.00000	0	0	\$0.00
10/01/2010	10/01/2010	09/30/2010	0.63863	0	0	\$0.00
06/01/2011	06/01/2011	05/31/2011	0.00000	0	0	\$0.00
10/01/2011	10/01/2011	09/30/2011	0.63863	0	0	\$0.00
06/01/2012	06/01/2012	05/31/2012	0.00000	0	0	\$0.00
10/01/2012	10/01/2012	09/30/2012	0.63863	0	0	\$0.00
06/01/2013	06/01/2013	05/31/2013	0.00000	0	0	\$0.00
10/01/2013	10/01/2013	09/30/2013	0.63863	0	0	\$0.00
06/01/2014	06/01/2014	05/31/2014	0.00000	0	0	\$0.00
10/01/2014	10/01/2014	09/30/2014	0.63863	0	0	\$0.00
06/01/2015	06/01/2015	05/31/2015	0.00000	0	0	\$0.00
10/01/2015	10/01/2015	09/30/2015	0.63863	0	0	\$0.00
06/01/2016	06/01/2016	05/31/2016	0.00000	0	0	\$0.00
10/01/2016	10/01/2016	09/30/2016	0.63863	0	0	\$0.00
06/01/2017	06/01/2017	05/31/2017	0.00000	0	0	\$0.00
10/01/2017	10/01/2017	09/30/2017	0.63863	0	0	\$0.00
06/01/2018	06/01/2018	05/31/2018	0.00000	0	0	\$0.00
05/16/2012						
					1431	-159.65
						-159.65

Degree Days for the years 2002 through 2006 are attached.

National Oceanic and Atmospheric Administration is a division of the United States Department of Commerce. Its mission is:

NOAA's Mission:

Science, Service, and Stewardship.

To understand and predict changes in climate, weather, oceans, and coasts,

To share that knowledge and information with others, and

To conserve and manage coastal and marine ecosystems and resources.

Among the records NOAA maintains is to track of the Degree Days for each region (City) of the country.

A Degree Day is obtained by comparing an average of the high and low temperatures of any given day in a region (City) to 65 degrees Fahrenheit. To the extent that the average temperature for that day is below 65 degrees Fahrenheit, that day and accumulated that number of Degree Days.

Hypothetical example:

Philadelphia, PA January 20, 2013 High 27 degrees Fahrenheit.

Low 13 degrees Fahrenheit.

Average = 20

$65 - 20 = 45$ Degree Days for 1/20/2012

The accumulation of Degree Days allows for the comparison of the severity of cold weather in any given area region for any given periods. Such an analysis allows the utility usage of a particular customer to be compared throughout several different periods as the severity of cold weather varies from period to period.

The high and low temperatures as tracked by NOAA for any region/City may be obtained from the NOAA website: www.noaa.com

This information is reliable as it is an official report of published scientific data by NOAA of the United States Department of Commerce, it is available to the public with the use of the internet and is consistent with the reliability standards elaborated in 52 Pa. Code §5.406

Yearly Degree Days from 2002 – 2006

Degree Days Calculator [-] [□] [X]

Help

Criteria

Current Year
 30 Years Average

	Month	Day	Year
Start Date:	1	1	2002
End Date:	12	31	2002

Calculate

Degree Days

Number of Days: 364

Total Degree Days: 4025.00

Degree Days Calculator [-] [□] [X]

Help

Criteria

Current Year
 30 Years Average

	Month	Day	Year
Start Date:	1	1	2003
End Date:	12	31	2003

Calculate

Degree Days

Number of Days: 364

Total Degree Days: 4025.00

Degree Days Calculator [Min] [Max] [Close]

Help

Criteria

Current Year
 30 Years Average

	Month	Day	Year
Start Date:	<input type="text" value="1"/>	<input type="text" value="1"/>	<input type="text" value="2004"/>
End Date:	<input type="text" value="12"/>	<input type="text" value="31"/>	<input type="text" value="2004"/>

Degree Days

Number of Days:

Total Degree Days:

Degree Days Calculator [Min] [Max] [Close]

Help

Criteria

Current Year
 30 Years Average

	Month	Day	Year
Start Date:	<input type="text" value="1"/>	<input type="text" value="1"/>	<input type="text" value="2005"/>
End Date:	<input type="text" value="12"/>	<input type="text" value="31"/>	<input type="text" value="2005"/>

Degree Days

Number of Days:

Total Degree Days:

Degree Days Calculator [min] [max] [close]

Help

Criteria

Current Year
 30 Years Average

	Month	Day	Year
Start Date:	<input type="text" value="1"/>	<input type="text" value="1"/>	<input type="text" value="2006"/>
End Date:	<input type="text" value="12"/>	<input type="text" value="31"/>	<input type="text" value="2006"/>

Degree Days

Number of Days:	<input type="text" value="364"/>
Total Degree Days:	<input type="text" value="3837.00"/>

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 52 PA CODE §1.54 (RELATING TO SERVICE BY A PARTICIPANT).

Service List:

For Complainant:

Michael I. McDermott, Esq.
1026 Winter Street, Suite 200
Philadelphia, PA 19107

May 22, 2012

A handwritten signature in black ink, appearing to read 'Laureto A. Farinas', is written over a horizontal line. The signature is stylized with a large, sweeping initial 'L' and 'F'.

Laureto A. Farinas, Esq.
Philadelphia Gas Works
800 W. Montgomery Avenue
Philadelphia, PA 19122