

Philadelphia Gas Works

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November 30, 2012

VIA EXPRESS MAIL

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

RECEIVED

NOV 30 2012

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Re: Pa. PUC v. Philadelphia Gas Works; R-2012-2286447,
December 1, 2012 First Quarterly GCR Filing

Dear Secretary Chiavetta:

Enclosed for filing are an original and three (3) copies of PGW's Quarterly Gas Cost Rate ("GCR") filing. If you have any questions, please contact me.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Gregory J. Stunder", is written over a printed name. The signature is stylized and cursive.

Gregory J. Stunder

Enclosures

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

1ST QUARTER FILING - DECEMBER 1, 2012

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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Philadelphia Gas Works
Levelized Gas Cost Rate
1st Quarter Filing - December 1, 2012

Formula:
GCR = SSC + GAC - IRC

where:

	<u>Demand</u>	<u>Commodity</u>	<u>Total</u>	
S = Firm Sales (Mcf)			49,295,386	Schedule 2
Net Natural Gas Expense	\$ 62,170,778	\$ 208,152,732	\$ 270,323,510	
Purchased Electric & Misc Expenses	\$ -	\$ 1,023,623	\$ 1,023,623	
Total Natural Gas Expense	\$ 62,170,778	\$ 209,176,355	\$ 271,347,133	Schedule 3
C-Factor Reconciliation	\$ 8,382,140	\$ 862,641	\$ 9,244,781	Schedule 7b
C = Total Applicable GCR Expense	\$ 70,552,918	\$ 210,038,996	\$ 280,591,914	
SSC = C / S	\$ 1.4312	\$ 4.2609	\$ 5.6921	

Adjustment For:

E-Factor Volumes (Mcf)			43,399,482	Schedule 7c
E-Factor Reconciliation	\$ 18,586,028	\$ (14,135,564)	\$ 4,450,464	Schedule 7c
E = E-Factor	\$ 0.4283	\$ (0.3257)	\$ 0.1025	

Interruptible Revenue Credit			\$ 3,791,910	Schedule 4
IRC = Interruptible Revenue Credit / S			\$ 0.0769	

Net Applicable GCR Expenses = C + E - Interruptible Revenue Credit			\$ 281,250,469	
<u>GCR = SSC + GAC - IRC</u>			\$ 5.7177	

SSC in effect 12/01/12	\$ 1.4354	\$ 4.2733	\$ 5.7087	
GAC in effect 12/01/12	\$ 0.4201	\$ (0.3195)	\$ 0.1006	
IRC in effect 12/01/12			\$ (0.0770)	
GCR in effect 12/01/12			\$ 5.7323	

Recovery Test on:

Firm Sales (Mcf)		49,295,386	
= Total Projected Recovery	\$	280,354,341	
= Load Balancing Revenue	\$	892,701	
	\$	281,247,042	Schedule 8
Compared To			
Net Applicable GCR Expenses	\$	281,250,469	
= Net Over/(Under) Recovery	\$	(3,427)	

Degree Days 4,332

SALES & VOLUMES

DECEMBER 2012 THROUGH NOVEMBER 2013

<u>MONTH</u>	<u>TOTAL VOLUMES</u>	<u>FIRM TRANSPORT VOLUMES</u>	<u>BILLED SALES</u>	<u>INTERRUPTIBLE SALES</u>	<u>AIR CONDITIONING SALES</u>	<u>GCR FIRM SALES</u>	<u>SENIOR CITIZEN DISCOUNT SALES</u>	<u>APPLICABLE VOLUMES</u>
	1	2	3 = (1 - 2)	4	4A	5 = (3 - 4 - 4A)	6	7 = (5 - 6 + 2)
DECEMBER 2012	6,891,008	464,922	6,426,086	6,597	-	6,419,489	61,918	6,822,493
JANUARY 2013	10,922,137	610,766	10,311,372	5,020	-	10,306,351	102,668	10,814,449
FEBRUARY	9,399,671	516,079	8,883,592	4,131	-	8,879,461	87,616	9,307,924
MARCH	7,317,571	425,343	6,892,228	3,807	-	6,888,421	66,160	7,247,604
APRIL	5,093,221	292,465	4,800,755	2,794	-	4,797,961	45,382	5,045,044
MAY	2,520,483	182,226	2,338,257	2,228	577	2,335,452	20,056	2,497,622
JUNE	1,412,140	148,248	1,263,892	2,222	1,809	1,259,862	8,536	1,399,574
JULY	1,272,126	140,892	1,131,234	2,490	2,067	1,126,677	7,276	1,260,293
AUGUST	1,133,152	125,963	1,007,189	2,601	1,748	1,002,840	6,433	1,122,370
SEPTEMBER	1,113,382	128,008	985,374	2,386	1,026	981,961	6,159	1,103,811
OCTOBER	1,835,834	188,948	1,646,885	2,353	1	1,644,531	11,640	1,821,840
NOVEMBER	<u>3,964,915</u>	<u>309,558</u>	<u>3,655,357</u>	<u>2,978</u>	<u>-</u>	<u>3,652,379</u>	<u>29,973</u>	<u>3,931,963</u>
TOTAL	52,875,640	3,533,419	49,342,221	39,607	7,228	49,295,386	453,818	52,374,987

**Projected Applicable Fuel Expense
SUMMARY**

FY 2012-2013 1st Qtr Filing

	DECEMBER 2012	JANUARY 2013	FEBRUARY 2013	MARCH 2013	APRIL 2013	MAY 2013	JUNE 2013	JULY 2013	AUGUST 2013	SEPTEMBER 2013	OCTOBER 2013	NOVEMBER 2013	TOTAL
NATURAL GAS BILLED													
DEMAND CHARGE	\$5,003,064	\$5,002,863	\$5,033,303	\$5,806,073	\$5,183,664	\$5,159,295	\$5,183,249	\$5,168,880	\$5,168,689	\$5,180,961	\$5,155,369	\$5,345,378	\$62,170,778
COMMODITY CHARGE	\$27,694,954	\$29,763,485	\$26,397,050	\$25,186,735	\$18,876,851	\$12,991,067	\$8,802,490	\$8,587,088	\$8,639,816	\$9,668,214	\$16,830,687	\$14,927,822	\$208,365,259
TOTAL NATURAL GAS BILLED	\$32,698,018	\$34,766,348	\$31,430,353	\$30,792,808	\$24,059,515	\$18,150,363	\$13,985,739	\$13,745,968	\$13,798,505	\$14,849,165	\$21,986,056	\$20,273,200	\$270,536,037
INTERRUPTIBLE CREDIT	\$26,960	\$21,098	\$17,354	\$15,864	\$11,506	\$9,195	\$9,254	\$10,562	\$11,158	\$10,212	\$10,161	\$13,197	\$166,522
SENDOUT VOLUME IN MCF	6,857	5,219	4,295	3,958	2,904	2,316	2,310	2,589	2,710	2,480	2,445	3,096	41,177
DKT CONVERSION FACTOR	1.021	1.021	1.021	1.021	1.021	1.021	1.021	1.021	1.021	1.021	1.021	1.021	
PRICE \$/DKT	\$3.8508	\$3.9596	\$3.9579	\$3.9260	\$3.8799	\$3.8894	\$3.9243	\$3.9960	\$4.0331	\$4.0333	\$4.0700	\$4.1753	
GAS USED FOR UTILITY	\$276,567	\$487,516	\$458,343	\$319,431	\$106,140	\$34,891	\$6,898	\$20,095	\$16,905	\$35,587	\$57,732	\$159,726	\$1,979,832
NATURAL GAS TO STORAGE FROM STORAGE PGW	\$0	\$0	\$0	\$0	(\$3,725,761)	(\$4,695,066)	(\$4,248,374)	(\$4,449,553)	(\$4,472,441)	(\$4,320,150)	(\$4,399,156)	\$0	(\$30,310,500)
NET NATURAL GAS STORAGE	\$6,590,488	\$9,760,256	\$6,555,932	\$2,332,632	(\$3,180,870)	(\$4,695,066)	(\$4,248,374)	(\$4,449,553)	(\$4,472,441)	(\$4,320,150)	(\$4,381,307)	\$8,464,795	\$3,956,342
LNG TO STORAGE FROM LNG PGW FT FROM LNG	(\$773,980)	\$0	\$0	(\$796,951)	(\$1,445,265)	(\$1,082,577)	(\$627,437)	\$0	\$0	(\$342,581)	(\$1,262,472)	(\$1,271,791)	(\$7,603,055)
	\$531,879	\$1,268,973	\$1,048,030	\$309,672	\$297,465	\$305,502	\$294,693	\$304,207	\$304,207	\$294,339	\$328,293	\$293,280	\$5,580,541
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
NET LNG STORAGE	(\$242,101)	\$1,268,973	\$1,048,030	(\$487,279)	(\$1,147,800)	(\$777,075)	(\$332,744)	\$304,207	\$304,207	(\$48,242)	(\$934,179)	(\$978,512)	(\$2,022,516)
NET NATURAL GAS EXPENSE	\$38,742,877	\$45,286,962	\$38,558,619	\$32,302,865	\$19,613,200	\$12,634,135	\$9,388,469	\$9,569,965	\$9,602,209	\$10,434,973	\$16,602,676	\$27,586,561	\$270,323,510
APPLICABLE GCR EXPENSE													
NET NATURAL GAS EXPENSE	\$38,742,877	\$45,286,962	\$38,558,619	\$32,302,865	\$19,613,200	\$12,634,135	\$9,388,469	\$9,569,965	\$9,602,209	\$10,434,973	\$16,602,676	\$27,586,561	\$270,323,510
PURCHASED ELECTRIC & MISC	\$81,675	\$298,879	\$87,736	\$74,331	\$66,091	\$59,775	\$57,941	\$60,123	\$55,743	\$52,435	\$60,713	\$68,183	\$1,023,623
TOTAL APPLICABLE EXPENSES	\$38,824,552	\$45,585,841	\$38,646,354	\$32,377,195	\$19,679,291	\$12,693,910	\$9,446,410	\$9,630,088	\$9,657,951	\$10,487,407	\$16,663,389	\$27,654,744	\$271,347,133
TOTAL GCR FIRM SALES	6,419,489	10,306,351	8,879,461	6,888,421	4,797,961	2,335,452	1,259,862	1,126,677	1,002,840	981,961	1,644,531	3,652,379	49,295,386

INTERRUPTIBLE REVENUE CREDIT
FISCAL YEAR 2013

Fiscal Year 2011 Reconciliation \$ 2,426,292

<u>MONTH</u>		<u>MARGIN</u>
September-11	Actual	\$ 102,769
October	Actual	\$ 165,032
November	Actual	\$ 322,791
December	Actual	\$ 409,028
January-12	Actual	\$ 419,128
February	Actual	\$ 363,823
March	Actual	\$ 292,825
April	Actual	\$ 135,021
May	Actual	\$ 110,649
June	Actual	\$ 42,312
July	Actual	\$ 33,335
August	Actual	\$ <u>22,159</u>
Fiscal Year 2012 Margin		\$ 2,418,871

FY 2012 Act/Est Margin and FY 2011 Reconciliation	\$ 4,845,163	
Fiscal Year 2012 IRC Credit	\$ <u>6,941,248</u>	Schedule 6
Reconciliation as of August 2012	\$ (2,096,085)	

Fiscal Year 2010 Actual Margin	\$ 6,175,661
Fiscal Year 2011 Actual Margin	\$ 9,069,451
Fiscal Year 2012 Actual Margin	\$ <u>2,418,871</u>
3 Year Average - FY 2012 Margin	\$ 5,887,994
Reconciliation as of August 2012	\$ <u>(2,096,085)</u>
Fiscal Year 2013 Interruptible Revenue Credit	\$ 3,791,910
2013 Firm Sales	49,295,386

Fiscal Year 2013 IRC Credit	\$ 0.0769
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**CALENDAR YEAR 2011
PHILADELPHIA GAS WORKS
INTEREST RATE CALCULATION**

	<u>01/01/2011</u>	<u>Split Month 03/01/2011</u>	<u>04/01/2011</u>	<u>Split Month 06/01/2011</u>	<u>07/01/2011</u>	<u>Split Month 09/01/2011</u>	<u>10/01/2011</u>	<u>Split Month 12/01/2011</u>	<u>01/01/2012</u>
SSC in Effect	\$ 6.3266	\$ 6.5022	\$ 6.6778	\$ 6.6253	\$ 6.5728	\$ 6.4252	\$ 6.2776	\$ 6.2776	\$ 6.2776
GAC in Effect	\$ 0.0773	\$ 0.0344	\$ (0.0084)	\$ (0.1804)	\$ (0.352)	\$ (0.1946)	\$ (0.0368)	\$ (0.0368)	\$ (0.0368)
IRC in Effect	\$ (0.1286)	\$ (0.1290)	\$ (0.1294)	\$ (0.1284)	\$ (0.1274)	\$ (0.1544)	\$ (0.1814)	\$ (0.1814)	\$ (0.1814)
Total Effective	\$ 6.2753	\$ 6.4077	\$ 6.5400	\$ 6.3165	\$ 6.0930	\$ 6.0762	\$ 6.0594	\$ 6.0594	\$ 6.0594

<u>MONTH</u>	<u>NET COST OF FUEL (1) (\$)</u>	<u>GCR FIRM SALES (2)</u>	<u>C FACTOR RECOVERY RATE (3) (\$)</u>	<u>C FACTOR REVENUES BILLED (4)=(2)*(3) (\$)</u>	<u>ADJUSTMENT FOR ACTUAL REVENUE (5)</u>	<u>ADJUSTED</u>		<u>INTEREST RATE (8)</u>
						<u>C FACTOR REVENUES BILLED (6)=(4)*(5) (\$)</u>	<u>OVER/ (UNDER) RECOVERY (7)=(6)-(1) (\$)</u>	
						JANUARY 2011	59,489,080	
FEBRUARY	48,824,273	8,987,717	6.3266	56,861,690	1.0004	56,886,812	8,062,539	
MARCH	33,788,639	6,518,410	6.5022	42,384,006	1.0018	42,460,902	8,672,263	
APRIL	23,732,911	4,526,640	6.6778	30,227,997	1.0007	30,248,019	6,515,108	
MAY	12,978,485	2,161,051	6.6778	14,431,066	1.0015	14,452,971	1,474,486	
JUNE	11,412,316	1,273,560	6.6253	8,437,732	1.0054	8,483,522	(2,928,794)	
JULY	10,663,316	1,068,901	6.5728	7,025,697	1.0035	7,050,241	(3,613,075)	
AUGUST	11,775,307	967,635	6.5728	6,360,094	1.0029	6,378,763	(5,396,544)	
SEPTEMBER	11,704,166	1,139,762	6.4252	7,323,235	1.0015	7,334,571	(4,369,595)	
OCTOBER	14,851,015	1,390,318	6.2776	8,727,916	1.0018	8,743,221	(6,107,794)	
NOVEMBER	22,352,793	3,291,454	6.2776	20,662,564	1.0000	20,662,121	(1,690,672)	
DECEMBER	<u>34,583,287</u>	<u>4,590,093</u>	6.2776	<u>28,814,953</u>	1.0002	<u>28,820,204</u>	<u>(5,763,083)</u>	
Total	296,155,588	46,287,395		296,875,521		297,436,504	1,280,916	8%

**FISCAL YEAR 2012
PHILADELPHIA GAS WORKS
INTEREST CALCULATION**

	Split Month		Split Month		Split Month		Split Month		
	06/01/2011	09/01/2011	10/01/2011	12/01/2011	01/01/2012	03/01/2012	04/01/2012	06/01/2012	07/01/2012
SSC in Effect	\$ 6.6728	\$ 6.4252	\$ 6.2776	\$ 6.2776	\$ 6.2776	\$ 5.7380	\$ 6.1983	\$ 5.0967	4.9950
GAC in Effect	\$ (0.3624)	\$ (0.1946)	\$ (0.0368)	\$ (0.0368)	\$ (0.0368)	\$ (0.0378)	\$ (0.0387)	\$ (0.0663)	(0.0938)
IRC in Effect	\$ (0.1274)	\$ (0.1544)	\$ (0.1814)	\$ (0.1814)	\$ (0.1814)	\$ (0.1814)	\$ (0.1813)	\$ (0.1848)	(0.1883)
Total Effective	\$ 6.0930	\$ 6.0762	\$ 6.0594	\$ 6.0594	\$ 6.0594	\$ 6.5188	\$ 4.9783	\$ 4.8466	4.7129

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
						C FACTOR REVENUES BILLED (6)=(4)*(5) (\$)						12= (10 + 11) (\$)
SEPTEMBER 2011	11,704,166	1,139,762	6.4252	7,323,235	1.0015	7,334,571	(4,369,595)	8%	18/12	(524,351)	0	(524,351)
OCTOBER	14,851,015	1,390,318	6.2776	8,727,916	1.0018	8,743,221	(6,107,794)	8%	17/12	(692,217)	759	(691,458)
NOVEMBER	22,352,793	3,291,454	6.2776	20,662,564	1.0000	20,662,121	(1,690,672)	8%	16/12	(180,338)	0	(180,338)
DECEMBER	34,583,287	4,590,093	6.2776	28,814,953	1.0002	28,820,204	(5,763,083)	8%	15/12	(576,308)	0	(576,308)
JANUARY 2012	42,405,019	7,348,731	6.2776	46,132,690	1.0001	46,139,327	3,734,308	6%	14/12	261,402	0	261,402
FEBRUARY	34,697,771	7,061,400	6.2776	44,328,929	1.0002	44,335,839	9,638,068	6%	13/12	626,474	0	626,474
MARCH	20,717,284	5,164,269	5.7380	29,632,421	0.9984	29,583,652	8,866,368	6%	12/12	531,982	0	531,982
APRIL *	18,257,393	3,102,020	5.1983	16,125,231	0.9932	16,015,443	(2,241,950)	6%	11/12	(123,307)	0	(123,307)
MAY	8,624,192	2,033,795	5.1983	10,572,277	1.0051	10,625,869	2,001,677	6%	10/12	100,084	0	100,084
JUNE	8,579,301	1,232,979	5.0967	6,284,062	1.0050	6,315,747	(2,263,554)	6%	9/12	(101,860)	0	(101,860)
JULY	7,573,605	1,022,273	4.9950	5,106,254	1.0057	5,135,496	(2,438,109)	6%	8/12	(97,524)	52	(97,473)
AUGUST	7,421,514	963,053	4.9950	4,810,450	1.0126	4,870,938	(2,550,576)	6%	7/12	(89,270)	0	(89,270)
Total	231,767,340			228,520,981		228,582,428	(3,184,912)			(865,234)	810	(864,424)
Interest from Schedule 5b1												487,028
Total Interest												(377,397)

* Revised

(1) See Schedule 5a

(2) See Schedule 5c

**CALENDAR YEAR 2011
PHILADELPHIA GAS WORKS
INTEREST ADJUSTMENT CALCULATION**

	Split Month		Split Month		
	01/01/2011	03/01/2011	04/01/2011	06/01/2011	07/01/2011
SSC in Effect	\$ 6.3266	\$ 6.5022	\$ 6.6778	\$ 6.6253	\$ 6.5728
GAC in Effect	\$ 0.0773	\$ 0.0344	\$ (0.0084)	\$ (0.1804)	\$ (0.3524)
IRC in Effect	\$ (0.1286)	\$ (0.1290)	\$ (0.1294)	\$ (0.1284)	\$ (0.1274)
Total Effective	\$ 6.2753	\$ 6.4076	\$ 6.5400	\$ 6.3165	\$ 6.0930

<u>MONTH</u>	NET COST OF FUEL (1) (\$)	FIRM SALES (2)	C FACTOR RECOVERY RATE (3) (\$)	C FACTOR REVENUES BILLED (4)=(2)*(3) (\$)	ADJUSTED FOR ACTUAL REVENUE (5)	C FACTOR REVENUES BILLED (6)=(4)*(5) (\$)	OVER/ (UNDER) RECOVERY (7)=(6)-(1) (\$)	INTEREST RATE ⁽¹⁾ (8)	TIME FACTOR (9)	INTEREST EXPENSE (10)=(7)*(8)*(9) (\$)
JANUARY 2011	59,489,080	10,371,854	6.3266	65,618,572	1.0045	65,915,156	6,426,076	2%	14/12	149,942
FEBRUARY	48,824,273	8,987,717	6.3266	56,861,690	1.0004	56,886,812	8,062,539	2%	13/12	174,688
MARCH	33,788,639	6,518,410	6.5022	42,384,006	1.0018	42,460,902	8,672,263	2%	12/12	173,445
APRIL	23,732,911	4,526,640	6.6778	30,227,997	1.0007	30,248,019	6,515,108	2%	11/12	119,444
MAY	12,978,485	2,161,051	6.6778	14,431,066	1.0015	14,452,971	1,474,486	2%	10/12	24,575
JUNE	11,412,316	1,273,560	6.6253	8,437,730	1.0054	8,483,520	(2,928,796)	2%	9/12	(43,932)
JULY	10,663,316	1,068,901	6.5728	7,025,694	1.0035	7,050,238	(3,613,078)	2%	8/12	(48,174)
AUGUST	11,775,307	967,635	6.5728	6,360,091	1.0029	6,378,760	(5,396,547)	2%	7/12	(62,960)
	212,664,327	35,875,768		231,346,845		231,876,378	19,212,051			487,028

(1) Interest is calculated at 8% - see Schedule 5a. Interest was previously paid at 6%.

**FISCAL YEAR 2012
PHILADELPHIA GAS WORKS
INTEREST ON NATURAL GAS REFUNDS**

<u>MONTH</u>	NATURAL GAS REFUNDS (9) (\$)	INTEREST RATE (10)	TIME FACTOR (11)	INTEREST ON REFUNDS (13)=(9)*(10)*(11) (\$)
SEPTEMBER 11	0	6%	18/12	0
OCTOBER	8,924	6%	17/12	759
NOVEMBER	0	6%	16/12	0
DECEMBER	0	6%	15/12	0
JANUARY 12	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	1,288	6%	8/12	52
AUGUST	<u>0</u>	6%	7/12	<u>0</u>
TOTAL	<u>10,212</u>			<u>810</u>

**FISCAL YEAR 2012
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 2011	(4,369,595)	(4,345,833)	(23,762)	8%	18/12	(521,500)	(2,851)	(524,351)	0	(524,351)
OCTOBER	(6,107,794)	(3,495,063)	(2,612,730)	8%	17/12	(396,107)	(296,109)	(692,217)	759	(691,458)
NOVEMBER	(1,690,672)	(1,611,311)	(79,360)	8%	16/12	(171,873)	(8,465)	(180,338)	0	(180,338)
DECEMBER	(5,763,083)	483,032	(6,246,115)	8%	15/12	48,303	(624,612)	(576,308)	0	(576,308)
JANUARY 2012	3,734,308	4,020,181	(285,873)	6%	14/12	281,413	(20,011)	261,402	0	261,402
FEBRUARY	9,638,068	3,756,645	5,881,423	6%	13/12	244,182	382,293	626,474	0	626,474
MARCH	8,866,368	1,272,704	7,593,664	6%	12/12	76,362	455,620	531,982	0	531,982
APRIL *	(2,241,950)	(1,339,585)	(902,365)	8%	11/12	(73,677)	(49,630)	(123,307)	0	(123,307)
MAY	2,001,677	(2,685,752)	4,687,429	6%	10/12	(134,288)	234,371	100,084	0	100,084
JUNE	(2,263,554)	(3,434,529)	1,170,975	6%	9/12	(154,554)	52,694	(101,860)	0	(101,860)
JULY	(2,438,109)	(3,667,449)	1,229,340	6%	8/12	(146,698)	49,174	(97,524)	52	(97,473)
AUGUST	<u>(2,550,576)</u>	<u>(3,218,146)</u>	<u>667,570</u>	6%	7/12	<u>(112,635)</u>	<u>23,365</u>	<u>(89,270)</u>	<u>0</u>	<u>(89,270)</u>
TOTAL FY 2012	(3,184,912)	(14,265,107)	11,080,196			(1,061,072)	195,838	(865,234)	810	(864,424)
JANUARY 2011	6,426,076	12,226,817	(5,800,742)	2%	14/12	285,292	(135,351)	149,942	0	149,942
FEBRUARY	8,062,539	9,852,231	(1,789,692)	2%	13/12	213,465	(38,777)	174,688	0	174,688
MARCH	8,672,263	5,102,429	3,569,835	2%	12/12	102,049	71,397	173,445	0	173,445
APRIL	6,515,108	676,801	5,838,307	2%	11/12	12,408	107,036	119,444	0	119,444
MAY	1,474,486	(2,623,968)	4,098,454	2%	10/12	(43,733)	68,308	24,575	0	24,575
JUNE	(2,928,794)	(3,991,598)	1,062,805	2%	9/12	(59,874)	15,942	(43,932)	0	(43,932)
JULY	(3,613,075)	(4,336,409)	723,334	2%	8/12	(57,819)	9,644	(48,174)	0	(48,174)
AUGUST	(5,396,544)	(5,009,902)	(386,642)	2%	7/12	(58,449)	(4,511)	(62,960)	0	(62,960)
TOTAL 2011	19,212,060	11,896,402	7,315,658			393,340	93,688	487,028		487,028
GRAND TOTAL	16,027,148	(2,368,705)	18,395,853			(667,732)	289,526	(378,207)	810	(377,397)

* Revised

(1) See Schedule 5b
(2) See Schedule 5c

GCR

STATEMENT OF RECONCILIATION

SEPTEMBER 2011 THROUGH AUGUST 2012

		DEMAND CHARGES 1	COMMODITY CHARGES 2	NET COST OF FUEL 3 = (1 + 2)	GCR FIRM SALES 4	IRC FACTOR APPLIED 5	INTERRUPTIBLE REVENUE CREDIT 6 = (4 * 5)	APPLICABLE EXPENSES 7 = (3 - 6)	GCR FACTOR APPLIED 8	GCR REVENUE BILLED 9	LOAD BALANCING & MIGRATION REVENUE 10	MONTHLY OVER/(UNDER) RECOVERY 11 = (9 + 10 - 7)	NATURAL GAS REFUNDS 12	CUMULATIVE OVER/(UNDER) RECOVERY 13
		\$	\$	\$	MCF	\$	\$	\$	\$	\$	\$	\$	\$	\$
2010-2011 OVER-COLLECTION														120,014
2010-2011 INTEREST														(661,419)
	TOTAL "E" FACTOR													(541,405)
SEPTEMBER 2011	Actual	5,928,747	5,775,419	11,704,166	1,139,762	0.1644	175,979	11,528,187	6.0762	6,936,142	64,976	(4,527,069)	-	(5,068,474)
OCTOBER	Actual	5,367,300	9,483,715	14,851,015	1,390,318	0.1814	252,204	14,598,811	6.0594	8,439,266	63,197	(6,096,348)	8,924	(11,155,898)
NOVEMBER	Actual	5,955,690	16,397,103	22,352,793	3,291,454	0.1814	597,070	21,755,723	6.0594	19,943,809	62,200	(1,749,714)	-	(12,905,612)
DECEMBER	Actual	5,556,744	29,027,543	34,583,287	4,590,093	0.1814	832,643	33,750,644	6.0594	27,818,278	67,318	(5,865,048)	-	(18,770,660)
JANUARY 2012	Actual	5,604,199	36,800,820	42,405,019	7,348,731	0.1814	1,333,060	41,071,959	6.0594	44,535,307	64,251	3,527,599	-	(15,243,061)
FEBRUARY	Actual	5,494,468	29,203,303	34,697,771	7,061,400	0.1814	1,280,938	33,416,833	6.0594	42,794,517	64,828	9,442,512	-	(5,800,549)
MARCH	Actual	5,536,090	15,181,194	20,717,284	5,164,269	0.1814	936,540	19,780,744	5.5189	28,453,919	67,531	8,740,706	-	2,940,158
APRIL	Actual	5,468,397	12,788,996	18,257,393	3,102,020	0.1813	562,396	17,694,997	4.9783	15,337,645	65,267	(2,292,085)	-	648,072
MAY	Actual	5,416,680	3,207,512	8,624,192	2,033,795	0.1813	368,727	8,255,465	4.9783	10,176,166	66,204	1,986,906	-	2,634,978
JUNE	Actual	5,218,734	3,360,567	8,579,301	1,232,979	0.1848	227,855	8,351,446	4.8456	6,004,647	65,986	(2,280,813)	-	354,165
JULY	Actual	5,239,596	2,334,009	7,573,605	1,022,273	0.1883	192,494	7,381,111	4.7129	4,845,461	64,182	(2,471,468)	1,288	(2,116,015)
AUGUST	Actual	4,703,115	2,718,399	7,421,514	963,053	0.1883	181,343	7,240,171	4.7129	4,595,845	63,824	(2,580,502)	-	(4,696,517)
Total		65,488,760	166,278,580	231,767,340	38,340,147		6,941,248	224,826,092		219,881,002	779,766	(4,165,324)	10,212	

* Revised

RECONCILIATION OF DEMAND CHARGES

		DEMAND CHARGES LESS LOAD BALANCING	GCR FIRM SALES 2	DEMAND CHARGE IN EFFECT 3	DEMAND CHARGES BILLED 4 = (2 * 3)	MONTHLY DEMAND OVER/(UNDER) 5 = (4 - 1)	CUMULATIVE DEMAND OVER/(UNDER) 6
		\$	\$	\$	\$	\$	\$
2010-11 UNDER-COLLECTION							(7,592,441)
SEPTEMBER 2011	Actual	5,861,489	1,139,762	1.3298	1,515,656	(4,345,833)	(11,938,274)
OCTOBER	Actual	5,303,311	1,390,318	1.3006	1,808,248	(3,495,063)	(15,433,338)
NOVEMBER	Actual	5,892,176	3,291,454	1.3006	4,280,865	(1,611,311)	(17,044,649)
DECEMBER	Actual	5,486,843	4,590,093	1.3006	5,969,875	483,032	(16,561,617)
JANUARY 2012	Actual	5,537,579	7,348,731	1.3006	9,557,760	4,020,181	(12,541,437)
FEBRUARY	Actual	5,427,412	7,061,400	1.3006	9,184,057	3,756,645	(8,784,792)
MARCH	Actual	5,466,667	5,164,269	1.3030	6,738,371	1,272,704	(7,512,088)
APRIL	Actual	5,401,370	3,102,020	1.3094	4,061,785	(1,339,585)	(8,851,673)
MAY	Actual	5,348,803	2,033,795	1.3094	2,663,051	(2,685,752)	(11,537,425)
JUNE	Actual	5,149,849	1,232,979	1.3912	1,715,320	(3,434,529)	(14,971,953)
JULY	Actual	5,173,257	1,022,273	1.4730	1,505,808	(3,667,449)	(18,639,402)
AUGUST	Actual	4,636,723	963,053	1.4730	1,418,577	(3,218,146)	(21,857,548)

ACTUAL DATA - FISCAL YEAR 2013
PHILADELPHIA GAS WORKS

<u>Rate</u>	<u>Split Month</u>		
	<u>07/01/2012</u>	<u>09/01/2012</u>	<u>10/01/2012</u>
SSC in Effect	\$ 4.9950	\$ 5.0846	\$ 5.1742
GAC in Effect	\$ (0.0938)	\$ 0.0164	\$ 0.1265
IRC in Effect	\$ (0.1883)	\$ (0.1322)	\$ (0.0760)
Total Effective	\$ 4.7129	\$ 4.9688	\$ 5.2247

Percentage of Total

C-Factor	106.0%	102.3%	99.0%
E-Factor	-2.0%	0.3%	2.4%
IRC-Factor	<u>-4.0%</u>	<u>-2.7%</u>	<u>-1.5%</u>
Total	100%	100%	100%

C-Factor

Demand Charge in Effect	\$ 1.2448	\$ 1.2364	\$ 1.2279
Commodity in Effect	\$ 3.7502	\$ 3.8483	\$ 3.9463
	\$ 4.9950	\$ 5.0846	\$ 5.1742

Percentage of Total

Demand Charge in Effect	25%	24%	24%
Commodity in Effect	<u>75%</u>	<u>76%</u>	<u>76%</u>
	100%	100%	100%

Fiscal Year 2012 E-Factor

	<u>Total</u>		
	<u>Over/(Under) Collection</u>	<u>Demand Over/(Under)</u>	<u>Commodity Over/(Under)</u>
E-Factor Recovery	\$ (5,073,914)	\$ (21,189,816)	\$ 16,115,902
FY 2012 E-Factor Percentage	100%	418%	-318%

Actual

<u>Fiscal Year 2012-2013</u>	<u>Sep-2012</u>	<u>Oct-2012</u>
	<u>Actual</u>	<u>Actual</u>
GCR Firm Sales	1,060,288	1,453,257
Migration Rider Sales	33,154	46,390
GCR Revenue Billed	\$ 5,311,763	\$ 7,612,404
Migration Rider Revenue Billed	\$ 1,025	\$ 6,058
Load Balancing Billed	\$ 66,429	\$ 72,241
Total Revenue Billed	\$ 5,379,217	\$ 7,690,703
Natural Gas Refunds	\$ -	\$ 23,379
Demand Charges	\$ 6,161,528	\$ 5,454,623
Supply Charges	\$ 4,504,682	\$ 6,260,379
Net Cost of Fuel	\$ 10,666,210	\$ 11,715,002

**FISCAL YEAR 2013
PHILADELPHIA GAS WORKS
C-FACTOR RECONCILIATION**

MONTH	NET COST OF FUEL	TOTAL GCR REVENUE BILLED	C FACTOR % of GCR	C FACTOR % of GCR REVENUE BILLED	LOAD BALANCING REVENUE	TOTAL C FACTOR REVENUE BILLED	NATURAL GAS REFUNDS	OVER/ (UNDER) RECOVERY	CUMULATIVE OVER/(UNDER)
	1	2	3	4 = (2 * 3)	5	6 = (4 + 5)	7	8 = (6 +7- 1)	9
	(\$)	(\$)		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
SEPTEMBER 2012	10,666,210	5,311,763	102.3%	5,435,556	66,429	5,501,985		(5,164,225)	(5,164,225)
OCTOBER	11,715,002	7,612,404	99.0%	7,538,826	72,241	7,611,067	23,379	(4,080,556)	(9,244,781)

**FISCAL YEAR 2013
PHILADELPHIA GAS WORKS
E-FACTOR RECONCILIATION**

MONTH		GCR SALES	MIGRATION RIDER SALES	TOTAL E-FACTOR VOLUMES	TOTAL GCR REVENUE BILLED	E-FACTOR % of GCR	E-FACTOR GCR REVENUE BILLED	MIGRATION RIDER REVENUES	TOTAL E-FACTOR REVENUE	OVER/(UNDER) PROJECTED RECOVERY
		1	2	3=(1 + 2)	4	5	6=(4 * 5)	7	8=(6 + 7)	(9)
		(MCF)	(MCF)	(MCF)	(\$)		(\$)	(\$)	(\$)	(\$)
PRIOR YEAR E-FACTOR										\$ (5,073,914)
SEPTEMBER 2012	Actual	1,060,288	33,154	1,093,442	\$ 5,311,763	0.3%	\$ 17,479	1,025	18,503	(5,055,411)
OCTOBER	Actual	1,453,257	46,390	1,499,647	\$ 7,612,404	2.4%	\$ 184,311	6,058	190,369	(4,865,042)
NOVEMBER	Estimate	3,238,953	38,341	3,277,294	\$ 16,922,557	2.4%	\$ 409,728	4,850	414,578	(4,450,464)
							6 = (1 *.1025)			
DECEMBER	Estimate	6,419,489	61,251	6,480,739	\$ 35,169,169		658,296	6,955	665,251	
JANUARY 2013	Estimate	10,306,351	80,465	10,386,816	\$ 59,079,098		1,056,880	8,095	1,064,975	
FEBRUARY	Estimate	8,879,461	67,990	8,947,451	\$ 50,899,733		910,557	6,840	917,397	
MARCH	Estimate	6,888,421	56,036	6,944,457	\$ 39,486,494		706,383	5,637	712,021	
APRIL	Estimate	4,797,961	38,531	4,836,492	\$ 27,503,353		492,014	3,876	495,890	
MAY	Estimate	2,335,452	24,007	2,359,460	\$ 13,387,514		239,492	2,415	241,908	
JUNE	Estimate	1,259,862	19,531	1,279,393	\$ 7,221,905		129,194	1,965	131,159	
JULY	Estimate	1,126,677	18,562	1,145,239	\$ 6,458,452		115,537	1,867	117,404	
AUGUST	Estimate	1,002,840	16,595	1,019,435	\$ 5,748,580		102,838	1,669	104,507	
TOTAL (DECEMBER THRU AUGUST)		43,016,514	382,967	43,399,482	\$ 244,954,299		4,411,192	39,320	4,450,512	
DECEMBER 1, 2012 E-FACTOR		\$ 0.1025								

**FISCAL YEAR 2012
PHILADELPHIA GAS WORKS
IRC REVENUE BILLED**

MONTH	TOTAL GCR REVENUE BILLED 1	IRC- FACTOR % of GCR 2	IRC-FACTOR REVENUE BILLED 3 = (1 * 2)
SEPTEMBER 2012	5,311,763	-2.66%	(141,271)
OCTOBER	7,612,404	-1.45%	(110,732)

RECONCILIATION OF DEMAND CHARGES

	DEMAND CHARGES LESS LOAD BALANCING REVENUE	DEMAND REVENUE BILLED	MONTHLY DEMAND OVER/(UNDER)	CUMULATIVE DEMAND OVER/(UNDER)
	1	2	3 = (2-1)	4
	\$	\$	\$	\$
MONTH				
SEPTEMBER 2012	6,095,099	1,310,887	(4,784,212)	(4,784,212)
OCTOBER	5,382,382	1,784,454	(3,597,928)	(8,382,140)

CALCULATION OF RECOVERED CHARGES

December 1, 2012

1st QUARTER FILING

	<u>50% Dec</u>	<u>11.5 Months</u>	<u>Total</u>
			<u>(MCF)</u> <u>(\$)</u>
S - Firm Sales (Mcf)	3,209,743	46,085,643	49,295,386
C-Factor	\$ <u>5.1742</u>	\$ <u>5.7087</u>	
Projected Recovery	16,607,852	263,089,110	\$ 279,696,962
S - Firm Sales (Mcf)	3,209,743	46,085,643	49,295,386
IRC-Factor	\$ <u>(0.0760)</u>	\$ <u>(0.0770)</u>	
Projected Recovery	(243,940)	(3,548,595)	\$ (3,792,535)
E-Factor Volumes (Mcf)	3,240,370	40,159,111	43,399,481
GCR (\$ / Mcf)	\$ <u>0.1265</u>	\$ <u>0.1006</u>	
Projected Recovery	409,907	4,040,007	\$ 4,449,913
<hr/>			
Projected Recovery			\$ 280,354,341
Load Balancing Revenue			\$ <u>892,701</u>
TOTAL PROJECTED RECOVERY			\$ 281,247,042

Change In Rates 1st Quarter Filing

Rates Effective December 1, 2012 Distribution Charge

	<u>Delivery</u>	<u>Surcharges</u>				<u>Total</u>	
	<u>Delivery Charge</u>	<u>Other Post Employment Benefit</u>	<u>Efficiency Cost Recovery</u>	<u>Restructuring & Consumer Education</u>	<u>Universal Service & Ener. Cons.</u>	<u>Total Surcharges</u>	<u>Distribution Charge / Mcf</u>
Residential GS	\$6.3863	\$0.3822	\$0.0765	\$0.0000	\$2.0231	\$2.4818	\$8.8681
Commercial GS	\$4.6530	\$0.3822	\$0.0618	\$0.0000	\$2.0231	\$2.4671	\$7.1201
Industrial GS	\$4.5859	\$0.3822	\$0.5644	\$0.0000	\$2.0231	\$2.9697	\$7.5556
Phila.Housing Authority (PHA)	\$4.1480	\$0.3822	\$0.0618	\$0.0000	\$2.0231	\$2.4671	\$6.6151
Municipal (MS)	\$3.4040	\$0.3822	\$0.0000	\$0.0000	\$2.0231	\$2.4053	\$5.8093
Phila.Housing Authority (GS)	\$4.9820	\$0.3822	\$0.0765	\$0.0000	\$2.0231	\$2.4818	\$7.4638

Proposed Rates

	<u>09/01/12</u> <u>Distribution Charge</u> (1)	<u>09/01/12</u> <u>GCR</u> (2)	<u>09/01/12</u> <u>Commodity Rate</u> (3)=(1)+(2)	<u>12/01/12</u> <u>Distribution Charge</u> (4)	<u>12/01/12</u> <u>GCR</u> (5)	<u>12/01/12</u> <u>Commodity Rate</u> (6)=(4)+(5)	<u>Difference</u> (7)=(6)-(3)
	Residential GS	\$8.8403	\$5.2247	\$14.0650	\$8.8681	\$5.7323	\$14.6004
Commercial GS	\$7.1116	\$5.2247	\$12.3363	\$7.1201	\$5.7323	\$12.8524	\$0.5161
Industrial GS	\$7.4252	\$5.2247	\$12.6499	\$7.5556	\$5.7323	\$13.2879	\$0.6380
Phila.Housing Authority (PHA)	\$6.6066	\$5.2247	\$11.8313	\$6.6151	\$5.7323	\$12.3474	\$0.5161
Municipal (MS)	\$5.8169	\$5.2247	\$11.0416	\$5.8093	\$5.7323	\$11.5416	\$0.5000
Phila.Housing Authority (GS)	\$7.4360	\$5.2247	\$12.6607	\$7.4638	\$5.7323	\$13.1961	\$0.5354

PHILADELPHIA GAS WORKS
DECEMBER 1, 2012 - 1st QTR FILING
UNIVERSAL SERVICE & ENERGY CONSERVATION SURCHARGE

	Expenses in the Surcharge
Enhanced Low Income Retrofit Program (ELIRP)	\$ 8,818,838
Customer Responsibility Program (CRP) Discount	\$ 88,432,039
Senior Citizen Discount *	\$ 6,396,082
<u>December 2012 Under Collection</u>	<u>\$ 2,314,370</u>
Total \$ to be Recovered	\$ 105,961,329
 Total Applicable Volumes	 Mcf 52,374,987
 Universal Service & Energy Conservation Surcharge	 <u>\$ 2.0231</u>

* This is the Senior Citizen Discount based on the Distribution Charge without the Universal Services Surcharge plus the GCR. This is used to calculate the Universal Services Surcharge. The total senior citizen discount is \$7,314,436.

**UNIVERSAL SERVICES & ENERGY CONSERVATION SURCHARGE
SEPTEMBER 2012 THROUGH NOVEMBER 2012**

<u>Month</u>		<u>Applicable Volumes</u>	<u>USC Charge</u>	<u>USC Revenue Billed</u>	<u>USC Expenses</u>	<u>Monthly Over/(Under) Recovery</u>	<u>Cumulative Over/(Under) Recovery</u> (\$12,100,465)
FY 12 Reconciliation							
September 2012	Actual	1,169,843	\$ 2.0689	\$ 2,420,289	\$ (2,095,896)	\$ 4,516,185	(\$7,584,280)
October	Actual	1,609,480	\$ 2.0307	\$ 3,268,371	\$ (87,330)	\$ 3,355,700	(\$4,228,580)
November	Estimated	3,500,546	\$ 2.0307	\$ 7,108,559	\$ 5,194,349	\$ 1,914,210	(\$2,314,370)

<u>USC Expenses</u>	<u>Sep-11</u>	<u>Oct-11</u>	<u>Nov-11</u>
ELIRP Expense	\$ 3,438	\$ 457,807	\$ 757,862
ELIRP Labor	\$ 5,331	\$ 5,489	\$ 11,643
CRP Discount	\$ (2,956,763)	\$ (1,446,565)	\$ 3,235,702
CRP Forgiveness	\$ 681,304	\$ 658,753	\$ 712,087
Senior Citizen Discount	\$ 170,794	\$ 237,187	\$ 477,055
Bad Debt Expense Offset*	\$ -	\$ -	\$ -
Total	\$ (2,095,896)	\$ (87,330)	\$ 5,194,349

<u>CRP Participation</u>		
Rate Case Participation Rate	84,000	84,000
Actual Participation Rate*	78,732	77,790
CRP Under(Over) Participation	5,268	6,210
<u>Average Shortfall Per CRP Participant</u>		
CRP Discount	\$ (2,956,763)	(1,446,565)
Actual Participation Rate	78,732	77,790
Average Shortfall per CRP Participant	\$ (38)	\$ (19)
Shortfall*	\$ -	\$ -
Bad Debt Expense Offset* 7.1%	\$ -	\$ -

*Bad Debt Expense Offset Applicable When Actual CRP Participation Exceeds 84,000

STATEMENT OF RECONCILIATION
UNIVERSAL SERVICES & ENERGY CONSERVATION SURCHARGE
SEPTEMBER 2011 THROUGH AUGUST 2012

Month	Applicable Volumes	USC Charge	USC Revenue Billed	USC Expenses	Monthly Over/(Under) Recovery	Cumulative Over/(Under) Recovery
FY 11 Reconciliation						
September 2011	Actual	1,243,318	\$ 2,6303	\$ 3,270,298	\$ (1,776,432)	\$ 5,046,730
October	Actual	1,499,912	\$ 2,4645	\$ 3,898,534	\$ (479,526)	\$ 4,178,080
November	Actual	3,467,643	\$ 2,4645	\$ 8,546,006	\$ 7,859,442	\$ 686,564
December	Actual	4,807,618	\$ 2,3581	\$ 11,336,845	\$ 12,360,614	\$ (1,023,769)
January 2012	Actual	7,635,779	\$ 2,2517	\$ 17,193,483	\$ 23,480,623	\$ (6,287,140)
February	Actual	7,349,262	\$ 2,2517	\$ 16,548,332	\$ 21,967,214	\$ (5,418,882)
March	Actual	5,390,044	\$ 2,2341	\$ 12,041,898	\$ 16,124,260	\$ (4,082,362)
April	Actual	3,274,281	\$ 2,2165	\$ 7,257,444	\$ 7,867,859	\$ (610,415)
May	Actual	2,203,045	\$ 2,2165	\$ 4,883,049	\$ 2,287,506	\$ 2,595,543
June	Actual	1,356,436	\$ 2,1618	\$ 2,932,344	\$ (135,191)	\$ 3,067,535
July	Actual	1,134,465	\$ 2,1071	\$ 2,390,432	\$ (2,227,455)	\$ 4,617,886
August	Actual	1,080,620	\$ 2,1071	\$ 2,276,974	\$ (2,311,644)	\$ 4,588,618

USC Expenses	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Total
CWP/ELIRP Expense	\$ 3,921	\$ 4,084	\$ 1,142,166	\$ 35,823	\$ 1,870,894	\$ 1,131,932	\$ 466,719	\$ 592,217	\$ 2,983	\$ 854,096	\$ 123,492	\$ 200,257	\$ 6,428,584
CWP/ELIRP Labor	\$ 10,394	\$ 6,916	\$ 6,313	\$ 8,765	\$ 10,114	\$ 6,312	\$ 7,890	\$ 6,312	\$ 6,322	\$ 11,289	\$ 10,091	\$ 7,896	\$ 98,614
CRP Discount	\$ (2,800,522)	\$ (1,491,657)	\$ 5,408,379	\$ 10,821,473	\$ 19,679,942	\$ 18,919,974	\$ 13,961,195	\$ 6,047,343	\$ 1,131,502	\$ (1,907,831)	\$ (3,173,984)	\$ (3,364,973)	\$ 63,230,841
CRP Forgiveness	\$ 803,980	\$ 742,602	\$ 684,391	\$ 613,413	\$ 609,441	\$ 638,500	\$ 731,545	\$ 655,411	\$ 799,351	\$ 693,787	\$ 648,269	\$ 688,237	\$ 8,308,927
Senior Citizen Discount	\$ 205,795	\$ 258,529	\$ 618,193	\$ 881,140	\$ 1,310,232	\$ 1,270,496	\$ 956,911	\$ 566,576	\$ 347,348	\$ 213,468	\$ 164,677	\$ 156,939	\$ 6,950,305
Bad Debt Expense Offset*	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ (1,776,432)	\$ (479,526)	\$ 7,859,442	\$ 12,360,614	\$ 23,480,623	\$ 21,967,214	\$ 16,124,260	\$ 7,867,859	\$ 2,287,506	\$ (135,191)	\$ (2,227,455)	\$ (2,311,644)	\$ 85,017,271

CRP Participation													
Rate Case Participation Rate	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000
Actual Participation Rate*	82,679	82,023	80,752	80,298	80,686	81,921	82,853	83,750	83,348	82,685	81,055	79,718	
CRP Under(Over) Participation	1,321	1,977	3,248	3,702	3,314	2,079	1,147	250	652	1,315	2,945	4,282	
Average Shortfall Per CRP Participant													
CRP Discount	\$ (2,800,522)	\$ (1,491,657)	\$ 5,408,379	\$ 10,821,473	\$ 19,679,942	\$ 18,919,974	\$ 13,961,195	\$ 6,047,343	\$ 1,131,502	\$ (1,907,831)	\$ (3,173,984)	\$ (3,364,973)	
Actual Participation Rate	82,679	82,023	80,752	80,298	80,686	81,921	82,853	83,750	83,348	82,685	81,055	79,718	
Average Shortfall per CRP Participant	\$ (34)	\$ (18)	\$ 67	\$ 135	\$ 244	\$ 231	\$ 169	\$ 72	\$ 14	\$ (23)	\$ (39)	\$ (42)	
Shortfall*	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Bad Debt Expense Offset* 7.1%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	

*Bad Debt Expense Offset Applicable When Actual CRP Participation Exceeds 84,000

**RESTRUCTURING &
CONSUMER EDUCATION SURCHARGE
FISCAL YEAR 2012**

<u>Month</u>		<u>(Mcf's)</u>	<u>Surcharge</u>	<u>Revenue Billed</u>
September 2011	Actual	1,252,065	\$0.0134	\$16,778
October	Actual	1,511,890	\$0.0009	\$1,361
November	Actual	3,502,934	\$0.0009	\$3,153
December	Actual	4,856,042	\$0.0008	\$3,885
January 2012	Actual	7,713,007	\$0.0007	\$5,399
February	Actual	7,422,450	\$0.0007	\$5,196
March	Actual	5,443,356	\$0.0008	\$4,355
April	Actual	3,304,749	\$0.0009	\$2,974
May	Actual	2,221,954	\$0.0009	\$2,000
June	Actual	1,365,711	\$0.0018	\$2,458
July	Actual	1,141,852	\$0.0027	\$3,083
<u>August</u>	Actual	<u>1,087,428</u>	\$0.0027	<u>\$2,936</u>
FY 2012 Total		40,823,438		\$53,577

FY 2008 Under Recovery	\$ 3,527,945
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FY 2009 Actual Recovery	\$ 1,079,459
FY 2010 Actual Recovery	\$ 1,082,106
FY 2011 Actual Recovery	\$ 1,311,917
Total Recovered	\$ 3,473,482

FY 2012 to be Recovered	\$ 54,463
FY Actual Recovery	\$ 53,577
Remaining Balance 08/31/2012	\$ 886

EFFICIENCY COST RECOVERY (ECR) SURCHARGE
December 1, 2012

<u>Program</u>	<u>Residential & PHA GS</u>	<u>Commercial & PHA</u>	<u>Industrial</u>	<u>Total</u>
Residential Heating Equipment Rebate (RHER)				
Program Expense	\$2,506,722	\$122,605	\$0	\$2,629,327
Labor Expense	\$40,867	\$1,999	\$0	\$42,866
Commercial & Industrial Retrofit Incentive (CIRI)				
Program Expense	\$0	\$322,450	\$322,450	\$644,900
Labor Expense	\$0	\$4,742	\$4,742	\$9,484
Commercial & Industrial Equipment Rebate (CIER)				
Program Expense	\$0	\$284,150	\$284,150	\$568,300
Labor Expense	\$0	\$4,497	\$4,497	\$8,994
High-Efficiency Construction Incentive (HECI)				
Program Expense	\$142,508	\$142,508	\$0	\$285,016
Labor Expense	\$2,326	\$2,326	\$0	\$4,652
Comprehensive Residential Retrofit Incentive (CRRRI)				
Program Expense	\$1,237,564	\$0	\$0	\$1,237,564
Labor Expense	<u>\$21,851</u>	<u>\$0</u>	<u>\$0</u>	<u>\$21,851</u>
Total Expense	\$3,951,838	\$885,277	\$615,839	\$5,452,954
Prior Period Reconciliation (11/30/12)	\$ (948,157)	\$ (177,852)	\$ (98,477)	(\$1,224,486)
Total	3,003,681	707,425	517,362	4,228,468
Volumes - Mcf (GCR Firm & Firm Transportation)	39,249,172	11,447,107	916,639	

Efficiency Cost Recovery Surcharge / Mcf	\$0.0765	\$0.0618	\$0.5644
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EFFICIENCY COST RECOVERY (ECR) SURCHARGE

STATEMENT OF RECONCILIATION

1ST QUARTER FILING

		Actual <u>Sep-12</u>	Actual <u>Oct-12</u>	Estimated <u>Nov-12</u>	
RESIDENTIAL & PHA GS					
FY 2012 Over-Collection					
					\$ 1,104,360
Volume Billed		776,091	1,060,326	2,466,048	
ECR Surcharge		\$ 0.0399	\$ 0.0411	\$ 0.0411	
Revenue Billed		\$ 30,927	\$ 43,579	\$ 101,355	
RHER	Expense	\$ 21,577	\$ 46,918	\$ 178,756	
RHER	Labor	\$ 1,438	\$ 1,481	\$ 3,141	
HECI	Expense	\$ 52	\$ 500	\$ 10,167	
HECI	Labor	\$ 81	\$ 84	\$ 178	
CRRJ	Expense	\$ 401	\$ 3,828	\$ 60,840	
CRRJ	Labor	\$ 622	\$ 641	\$ 1,359	
Total		\$ 24,172	\$ 53,452	\$ 254,440	
Monthly Over/(Under)		\$ 6,755	\$ (9,872)	\$ (153,086)	
Cumulative Over/(Under)		\$ 1,111,115	\$ 1,101,243	\$ 948,167	
COMMERCIAL & PHA					
FY 2012 Over-Collection					
					\$ 178,734
Volume Billed		357,003	481,676	901,183	
ECR Surcharge		\$ 0.0421	\$ 0.0457	\$ 0.0457	
Revenue Billed		\$ 15,030	\$ 22,013	\$ 41,184	
RHER	Expense	\$ 1,055	\$ 2,295	\$ 8,743	
RHER	Labor	\$ 70	\$ 72	\$ 154	
CIRI	Expense	\$ 118	\$ 3,299	\$ 26,232	
CIRI	Labor	\$ 183	\$ 188	\$ 399	
CIER	Expense	\$ 105	\$ 3,151	\$ 21,297	
CIER	Labor	\$ 163	\$ 168	\$ 355	
HECI	Expense	\$ 52	\$ 500	\$ 10,167	
HECI	Labor	\$ 81	\$ 84	\$ 178	
Total		\$ 1,828	\$ 9,757	\$ 67,524	
Monthly Over/(Under)		\$ 13,202	\$ 12,256	\$ (26,340)	
Cumulative Over/(Under)		\$ 191,936	\$ 204,192	\$ 177,852	
INDUSTRIAL					
FY 2012 Over-Collection					
					\$ 90,954
Volume Billed		28,544	45,781	79,415	
ECR Surcharge		\$ 0.3432	\$ 0.4264	\$ 0.4264	
Revenue Billed		\$ 9,796	\$ 19,521	\$ 33,863	
CIRI	Expense	\$ 118	\$ 3,299	\$ 26,232	
CIRI	Labor	\$ 183	\$ 188	\$ 399	
CIER	Expense	\$ 105	\$ 3,151	\$ 21,297	
CIER	Labor	\$ 163	\$ 168	\$ 355	
Total		\$ 568	\$ 6,806	\$ 48,283	
Monthly Over/(Under)		\$ 9,228	\$ 12,715	\$ (14,421)	
Cumulative Over/(Under)		\$ 100,182	\$ 112,897	\$ 98,477	

EFFICIENCY COST RECOVERY (ECR) SURCHARGE

STATEMENT OF RECONCILIATION

SEPTEMBER 2011 - AUGUST 2012

	Actual Sep-11	Actual Oct-11	Actual Nov-11	Actual Dec-11	Actual Jan-12	Actual Feb-12	Actual Mar-12	Actual Apr-12	Actual May-12	Actual Jun-12	Actual Jul-12	Actual Aug-12	
RESIDENTIAL & PHA GS													
FY 2011 Over-Collection													\$ 405,038
Volume Billed	815,328	1,000,881	2,519,255	3,580,810	5,873,552	5,663,270	4,200,454	2,442,871	1,610,077	924,224	759,990	695,882	
ECR Surcharge	\$ 0.0174	\$ 0.0158	\$ 0.0158	\$ 0.0290	\$ 0.0421	\$ 0.0421	\$ 0.0491	\$ 0.0560	\$ 0.0560	\$ 0.0473	\$ 0.0386	\$ 0.0386	
Revenue Billed	\$ 14,187	\$ 15,814	\$ 39,804	\$ 103,664	\$ 247,277	\$ 238,424	\$ 206,032	\$ 136,801	\$ 90,164	\$ 43,716	\$ 29,336	\$ 26,860	
RHER Expense	\$ 19,403	\$ 14,453	\$ 38,570	\$ 20,187	\$ 25,197	\$ 29,162	\$ 23,809	\$ 37,580	\$ 18,436	\$ 65,819	\$ 29,247	\$ 114,725	
RHER Labor	\$ 1,833	\$ 1,220	\$ 1,113	\$ 1,546	\$ 1,784	\$ 1,113	\$ 1,391	\$ 1,113	\$ 1,115	\$ 1,991	\$ 1,780	\$ 1,392	
HECI Expense	\$ 32	\$ 33	\$ 170	\$ 249	\$ 32	\$ 523	\$ 24	\$ 307	\$ 24	\$ 906	\$ 73	\$ 481	
HECI Labor	\$ 84	\$ 56	\$ 51	\$ 71	\$ 82	\$ 51	\$ 64	\$ 51	\$ 51	\$ 92	\$ 82	\$ 64	
CRRI Expense	\$ 306	\$ 319	\$ 1,630	\$ 2,396	\$ 307	\$ 5,026	\$ 233	\$ 2,947	\$ 233	\$ 8,709	\$ 701	\$ 4,625	
CRRI Labor	\$ 811	\$ 540	\$ 492	\$ 684	\$ 789	\$ 492	\$ 616	\$ 492	\$ 493	\$ 881	\$ 787	\$ 616	
Total	\$ 22,469	\$ 16,620	\$ 42,027	\$ 25,133	\$ 28,190	\$ 36,368	\$ 26,137	\$ 42,490	\$ 20,352	\$ 78,397	\$ 32,669	\$ 121,903	
Monthly Over/(Under)	\$ (8,282)	\$ (806)	\$ (2,222)	\$ 78,531	\$ 219,086	\$ 202,056	\$ 179,895	\$ 94,311	\$ 69,812	\$ (34,682)	\$ (3,334)	\$ (95,043)	
Cumulative Over/(Under)	\$ 396,756	\$ 395,950	\$ 393,728	\$ 472,259	\$ 691,345	\$ 893,401	\$ 1,073,296	\$ 1,167,607	\$ 1,237,419	\$ 1,202,737	\$ 1,199,403	\$ 1,104,360	
COMMERCIAL & PHA													
FY 2011 Over-Collection													\$ 40,738
Volume Billed	379,865	439,026	830,817	1,064,342	1,529,860	1,465,433	1,037,940	741,422	531,945	382,859	332,808	341,577	
ECR Surcharge	\$ 0.0141	\$ 0.0144	\$ 0.0144	\$ 0.0201	\$ 0.0257	\$ 0.0257	\$ 0.0280	\$ 0.0302	\$ 0.0302	\$ 0.0344	\$ 0.0385	\$ 0.0385	
Revenue Billed	\$ 5,337	\$ 6,322	\$ 11,964	\$ 21,340	\$ 39,317	\$ 37,662	\$ 29,010	\$ 22,391	\$ 16,065	\$ 13,151	\$ 12,813	\$ 13,151	
RHER Expense	\$ 196	\$ 146	\$ 390	\$ 204	\$ 255	\$ 295	\$ 5,875	\$ 1,067	\$ 4,005	\$ 199	\$ 16	\$ 7,618	
RHER Labor	\$ 19	\$ 12	\$ 11	\$ 16	\$ 18	\$ 11	\$ 14	\$ 11	\$ 11	\$ 20	\$ 18	\$ 14	
CIRI Expense	\$ 121	\$ 126	\$ 644	\$ 946	\$ 121	\$ 11,819	\$ 3,317	\$ 2,339	\$ 92	\$ 3,440	\$ 10,356	\$ 21,282	
CIRI Labor	\$ 320	\$ 213	\$ 195	\$ 270	\$ 312	\$ 195	\$ 243	\$ 195	\$ 195	\$ 348	\$ 311	\$ 243	
CIER Expense	\$ 17	\$ 18	\$ 91	\$ 134	\$ 17	\$ 282	\$ 13	\$ 165	\$ 13	\$ 489	\$ 39	\$ 7,079	
CIER Labor	\$ 46	\$ 30	\$ 28	\$ 38	\$ 44	\$ 28	\$ 35	\$ 28	\$ 28	\$ 49	\$ 44	\$ 35	
HECI Expense	\$ 32	\$ 33	\$ 170	\$ 249	\$ 32	\$ 523	\$ 24	\$ 307	\$ 24	\$ 906	\$ 73	\$ 481	
HECI Labor	\$ 84	\$ 56	\$ 51	\$ 71	\$ 82	\$ 51	\$ 64	\$ 51	\$ 51	\$ 92	\$ 82	\$ 64	
Total	\$ 834	\$ 635	\$ 1,579	\$ 1,929	\$ 881	\$ 13,203	\$ 9,586	\$ 4,163	\$ 4,420	\$ 5,542	\$ 10,939	\$ 36,816	
Monthly Over/(Under)	\$ 4,503	\$ 5,687	\$ 10,385	\$ 19,411	\$ 38,437	\$ 24,458	\$ 19,425	\$ 18,228	\$ 11,645	\$ 7,609	\$ 1,874	\$ (23,666)	
Cumulative Over/(Under)	\$ 45,241	\$ 50,928	\$ 61,313	\$ 80,723	\$ 119,160	\$ 143,618	\$ 163,043	\$ 181,271	\$ 192,917	\$ 200,525	\$ 202,399	\$ 178,734	
INDUSTRIAL													
FY 2011 Over-Collection													\$ 27,064
Volume Billed	42,818	43,580	72,363	91,294	124,564	119,367	86,012	53,109	45,539	40,521	36,572	37,864	
ECR Surcharge	\$ (0.0077)	\$ (0.0222)	\$ (0.0222)	\$ 0.0293	\$ 0.0807	\$ 0.0807	\$ 0.1224	\$ 0.1641	\$ 0.1641	\$ 0.2121	\$ 0.2600	\$ 0.2600	
Revenue Billed	\$ (328)	\$ (967)	\$ (1,606)	\$ 2,670	\$ 10,052	\$ 9,633	\$ 10,528	\$ 8,715	\$ 7,473	\$ 8,592	\$ 9,509	\$ 9,845	
CIRI Expense	\$ 12	\$ 13	\$ 67	\$ 98	\$ 13	\$ 205	\$ 10	\$ 120	\$ 10	\$ 356	\$ 29	\$ 189	
CIRI Labor	\$ 33	\$ 22	\$ 20	\$ 28	\$ 32	\$ 20	\$ 25	\$ 20	\$ 20	\$ 36	\$ 32	\$ 25	
CIER Expense	\$ 17	\$ 18	\$ 91	\$ 134	\$ 17	\$ 282	\$ 13	\$ 165	\$ 13	\$ 489	\$ 39	\$ 7,079	
CIER Labor	\$ 46	\$ 30	\$ 28	\$ 38	\$ 44	\$ 28	\$ 35	\$ 28	\$ 28	\$ 49	\$ 44	\$ 35	
Total	\$ 108	\$ 83	\$ 206	\$ 299	\$ 106	\$ 535	\$ 82	\$ 334	\$ 546	\$ 454	\$ 144	\$ 7,328	
Monthly Over/(Under)	\$ (436)	\$ (1,051)	\$ (1,812)	\$ 2,372	\$ 9,946	\$ 9,098	\$ 10,446	\$ 8,382	\$ 6,927	\$ 8,138	\$ 9,364	\$ 2,517	
Cumulative Over/(Under)	\$ 26,628	\$ 25,577	\$ 23,765	\$ 26,137	\$ 36,083	\$ 45,181	\$ 55,626	\$ 64,008	\$ 70,935	\$ 79,073	\$ 88,438	\$ 90,954	

Projected Unaccounted For Factor (UAF)
1st Quarter Filing
December 1, 2012

<u>Fiscal Year</u>	<u>Firm Sendout (Mcf)</u>	<u>Accounted For Gas (Mcf)</u>	<u>Unaccounted For (Mcf)</u>	<u>3 Year Average</u>
2009-10	49,695,218	47,727,470	1,967,748	
2010-11	53,518,984	51,148,606	2,370,378	
2011-12	<u>42,263,151</u>	<u>41,223,069</u>	<u>1,040,082</u>	
Total	145,477,353	140,099,145	5,378,208	3.7%

Natural Gas Prices - December 1, 2012 GCR Filing

NYMEX

Basis Differentials

Prices Used For Gas Cost Inputs

	NYMEX	TRANSCO			TETCO					TRANSCO			TETCO				
	11/02/12	Sta 30	Sta 45	Sta 65	ELA	WLA	ETX	STX	M-1	Sta 30	Sta 45	Sta 65	ELA	WLA	ETX	STX	M-1
	Close																
2012:11										3.39	3.41	3.47	3.43	3.43	3.39	3.37	3.32
2012:12	3.554	(0.05)	(0.02)	0.04	(0.04)	(0.05)	(0.14)	(0.10)	0.08	3.50	3.53	3.59	3.51	3.50	3.41	3.45	3.63
2013:01	3.680	(0.05)	(0.02)	0.04	(0.04)	(0.05)	(0.14)	(0.10)	0.08	3.63	3.66	3.72	3.64	3.63	3.54	3.58	3.76
2013:02	3.687	(0.05)	(0.02)	0.04	(0.04)	(0.05)	(0.14)	(0.10)	0.08	3.64	3.67	3.73	3.65	3.64	3.55	3.59	3.77
2013:03	3.663	(0.05)	(0.02)	0.04	(0.04)	(0.05)	(0.14)	(0.10)	0.08	3.61	3.64	3.70	3.62	3.61	3.52	3.56	3.74
2013:04	3.646	(0.05)	(0.02)	0.04	(0.04)	(0.05)	(0.14)	(0.10)	0.08	3.60	3.63	3.69	3.61	3.60	3.51	3.55	3.73
2013:05	3.681	(0.05)	(0.02)	0.04	(0.04)	(0.05)	(0.14)	(0.10)	0.08	3.63	3.66	3.72	3.64	3.63	3.54	3.58	3.76
2012:06	3.723	(0.05)	(0.02)	0.04	(0.04)	(0.05)	(0.14)	(0.10)	0.08	3.67	3.70	3.76	3.68	3.67	3.58	3.62	3.80
2013:07	3.765	(0.05)	(0.02)	0.04	(0.04)	(0.05)	(0.14)	(0.10)	0.08	3.72	3.75	3.81	3.73	3.72	3.63	3.67	3.85
2013:08	3.785	(0.05)	(0.02)	0.04	(0.04)	(0.05)	(0.14)	(0.10)	0.08	3.74	3.77	3.83	3.75	3.74	3.65	3.69	3.87
2013:09	3.788	(0.05)	(0.02)	0.04	(0.04)	(0.05)	(0.14)	(0.10)	0.08	3.74	3.77	3.83	3.75	3.74	3.65	3.69	3.87
2013:10	3.825	(0.05)	(0.02)	0.04	(0.04)	(0.05)	(0.14)	(0.10)	0.08	3.78	3.81	3.87	3.79	3.78	3.69	3.73	3.91
2013:11	3.938	(0.05)	(0.02)	0.04	(0.04)	(0.05)	(0.14)	(0.10)	0.08	3.89	3.92	3.98	3.90	3.89	3.80	3.84	4.02

Actual Natural Gas Billed

	<u>Jul-12</u>	<u>Aug-12</u>	<u>Sep-12</u>
Williams	\$ 2,330,225	\$ 2,315,901	\$ 2,480,079
Texas Eastern	\$ 2,302,252	\$ 2,317,344	\$ 2,464,840
Dominion	\$ 132,996	\$ 132,996	\$ 132,365
Equitrans	\$ 50,168	\$ 50,168	\$ 49,633
Spot Purchases -Transco	\$ 5,417	\$ 8,961	\$ 2,108
Spot Purchases -Tetco	\$ -	\$ -	\$ -
Transco Supply2	\$ 927,830	\$ 871,100	\$ 872,640
Transco Supply3	\$ 430,900	\$ 468,100	\$ 420,000
Transco Supply6	\$ -	\$ -	\$ -
Transco Supply7	\$ -	\$ 268,376	\$ -
Transco Supply8	\$ 918,724	\$ 706,679	\$ 1,873,971
Transco Supply10	\$ 554,240	\$ 921,010	\$ 834,938
Transco Supply12	\$ -	\$ -	\$ -
Transco Supply14	\$ 428,188	\$ 473,138	\$ 413,250
Transco Supply17	\$ -	\$ -	\$ -
Transco Supply20	\$ 1,347,393	\$ 1,284,645	\$ 1,218,271
Transco Supply21	\$ -	\$ -	\$ -
Transco Supply22	\$ 1,617,840	\$ 462,168	\$ -
Transco Supply23	\$ 429,350	\$ 465,000	\$ 418,500
Transco Supply24	\$ -	\$ -	\$ -
Transco Supply25	\$ -	\$ -	\$ -
Tetco Supply1	\$ -	\$ -	\$ -
Tetco Supply2	\$ -	\$ -	\$ -
Tetco Supply3	\$ 52,111	\$ 78,523	\$ 581,112
Tetco Supply4	\$ -	\$ -	\$ -
Tetco Supply5	\$ -	\$ -	\$ -
Tetco Supply7	\$ -	\$ -	\$ -
Tetco Supply13	\$ -	\$ -	\$ -
Tetco Supply14	\$ 424,700	\$ 463,450	\$ 423,000
Tetco Supply15	\$ -	\$ 244,250	\$ -
Tetco Supply16	\$ 886,251	\$ 1,499,226	\$ 1,549,091
Tetco Supply17	\$ -	\$ -	\$ -
Tetco Supply18	\$ -	\$ -	\$ -
Tetco Supply19	\$ -	\$ -	\$ -
Tetco Supply20	\$ -	\$ 243,350	\$ -
Tetco Supply21	\$ -	\$ -	\$ -
Tetco Supply22	\$ 350,300	\$ 350,300	\$ 433,555
Total Costs	\$ 13,188,884	\$ 13,624,685	\$ 14,167,351
Sharing Mechanism	\$ 257,889	\$ 254,340	\$ 159,002
Asset Management Agreement	\$ (79,344)	\$ (79,344)	\$ (79,344)
Off System Sales	\$ -	\$ -	\$ -
Gas Transportation Purchases	\$ 3,165	\$ (16,556)	\$ 26,168
Adjustment/Reconciliation	\$ (556,821)	\$ (637,972)	\$ 1,282,781
Total Natural Gas Billed	\$ 12,813,773	\$ 13,145,152	\$ 15,555,958

**Philadelphia Gas Works
Summary of Fuels Purchased
Three Months Ending September 2012**

	<u>Actual</u>			<u>Total</u>	<u>Projected 3rd Qtr Filing Jul-12</u>	<u>Projected 4th Qtr Filing Aug-12</u>	<u>Projected 4th Qtr Filing Sep-12</u>	<u>Total</u>	<u>Actual Over/Under vs Projected</u>			
	<u>Jul-12</u>	<u>Aug-12</u>	<u>Sep-12</u>						<u>Jul-12</u>	<u>Aug-12</u>	<u>Sep-12</u>	<u>Total</u>
Total Natural Gas Billed	\$ 12,813,773	\$ 13,145,152	\$ 15,555,958	\$ 41,514,883	\$ 12,646,502	\$ 12,583,587	\$ 16,213,030	\$ 41,443,118	\$ 167,271	\$ 561,565	\$ (657,072)	\$ 71,765
Less Interruptible Credit Gas Used For Utility	\$ 23,557	\$ 21,849	\$ 945,512	\$ 990,918	\$ 17,151	\$ 14,963	\$ 9,118	\$ 41,231	\$ 6,406	\$ 6,886	\$ 936,394	\$ 949,687
	\$ 8,727	\$ 12,197	\$ 20,151	\$ 41,075	\$ 14,299	\$ 19,507	\$ 35,427	\$ 69,232	\$ (5,572)	\$ (7,310)	\$ (15,276)	\$ (28,157)
	\$ 12,781,489	\$ 13,111,106	\$ 14,590,295	\$ 40,482,890	\$ 12,615,053	\$ 12,549,117	\$ 16,168,485	\$ 41,332,655	\$ 166,436	\$ 561,989	\$ (1,578,190)	\$ (849,765)
Pipeline Storages												
(To)	\$ (5,473,720)	\$ (5,773,520)	\$ (4,315,539)	\$ (15,562,779)	\$ (4,614,295)	\$ (4,317,115)	\$ (6,803,383)	\$ (15,734,793)	\$ (859,425)	\$ (1,456,405)	\$ 2,487,844	\$ 172,014
From	\$ -	\$ (292,928)	\$ 23,467	\$ (269,461)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (292,928)	\$ 23,467	\$ (269,461)
Net Pipeline Storages	\$ (5,473,720)	\$ (6,066,448)	\$ (4,292,072)	\$ (15,832,240)	\$ (4,614,295)	\$ (4,317,115)	\$ (6,803,383)	\$ (15,734,793)	\$ (859,425)	\$ (1,749,333)	\$ 2,511,311	\$ (97,447)
LNG Storage												
(To)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (278,478)	\$ (278,478)	\$ -	\$ -	\$ 278,478	\$ 278,478
From	\$ 223,346	\$ 336,685	\$ 329,518	\$ 889,549	\$ 380,290	\$ 379,183	\$ 366,396	\$ 1,125,869	\$ (156,944)	\$ (42,498)	\$ (36,878)	\$ (236,320)
Net LNG Storage	\$ 223,346	\$ 336,685	\$ 329,518	\$ 889,549	\$ 380,290	\$ 379,183	\$ 87,917	\$ 847,391	\$ (156,944)	\$ (42,498)	\$ 241,601	\$ 42,158
Net Natural Gas	\$ 7,531,115	\$ 7,381,343	\$ 10,627,741	\$ 25,540,199	\$ 8,381,048	\$ 8,611,185	\$ 9,453,020	\$ 26,445,253	\$ (849,933)	\$ (1,229,842)	\$ 1,174,721	\$ (905,054)
APPLICABLE GCR EXPENSES												
Net Natural Gas Expense	\$ 7,531,115	\$ 7,381,343	\$ 10,627,741	\$ 25,540,199	\$ 8,381,048	\$ 8,611,185	\$ 9,453,020	\$ 26,445,253	\$ (849,933)	\$ (1,229,842)	\$ 1,174,721	\$ (905,054)
Purchased Electric & Misc	\$ 42,490	\$ 40,171	\$ 38,469	\$ 121,130	\$ 65,315	\$ 60,678	\$ 60,331	\$ 186,323	\$ (22,825)	\$ (20,507)	\$ (21,862)	\$ (65,193)
Total GCR Expenses	\$ 7,573,605	\$ 7,421,514	\$ 10,666,210	\$ 25,661,329	\$ 8,446,362	\$ 8,671,863	\$ 9,513,350	\$ 26,631,575	\$ (872,757)	\$ (1,250,349)	\$ 1,152,860	\$ (970,246)

PHILADELPHIA GAS WORKS
GAS SERVICE TARIFF

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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU



Issued by: Craig White
President and CEO

PHILADELPHIA GAS WORKS
800 West Montgomery Avenue
Philadelphia, PA 19122

List of Changes Made by this Tariff Supplement

DEFINITION (PAGE NO. 13)

The Lost and Unaccounted for Gas and Retainage Rate percentage decreases from 4.0% to 3.7%.

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

In the definition of "GAC," the "GAC" value effective December 1, 2012 decreases from \$0.01265 per Ccf to \$0.01006 per Ccf; In the definition of "IRC," the "IRC" value effective December 1, 2012 increases from \$0.00760 to \$0.00770 per Ccf; In the definition of "SSC," the "SSC" value effective December 1, 2012 increases from \$0.51742 per Ccf to \$0.57087 per Ccf.

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

The Gas Cost Rate (GCR) effective December 1, 2012 increases from \$0.52247 per Ccf to \$0.57323 per Ccf.

EFFICIENCY COST RECOVERY SURCHARGE (PAGE No. 80)

The Efficiency Cost Recovery Surcharges effective December 1, 2012 are: a) \$0.00765 per Ccf for Residential and Public Housing Customers on Rate GS; b) \$0.00618 per Ccf for Commercial Customers on Rate GS; c) \$0.05644 per Ccf for Industrial Customers on Rate GS; d) \$0.00000 per Ccf for Municipal Customers on Rate MS; and e) \$0.00618 per Ccf for The Philadelphia Housing Authority on Rate PHA.

UNIVERSAL SERVICE CHARGE (PAGE No. 81)

The Universal Services Charge effective December 1, 2012 decreases from \$0.20307 per per Ccf to \$0.20231 per Ccf.

GENERAL SERVICE – RATE GS (Page No. 83)

The GCR for Residential, Commercial, and Industrial Services increases from \$0.52247 per Ccf to \$0.57323 per Ccf, effective December 1, 2012.

MUNICIPAL SERVICE – RATE MS (Page No. 87)

The GCR for Municipal Service increases from \$0.52247 per Ccf to \$0.57323 per Ccf, effective December 1, 2012.

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

The GCR for Philadelphia Housing Authority Service increases from \$0.52247 per Ccf to \$0.57323 per Ccf, effective December 1, 2012.

DEVELOPMENTAL NATURAL GAS VEHICLE SVC - RATE NGVS FIRM SERVICE (Page Nos. 135-136)

The GCR for NGVS Firm increases from \$0.52247 per Ccf to \$0.57323 per Ccf, effective December 1, 2012.

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NATURAL GAS SUPPLY SERVICES – As defined in 66 Pa.C.S. § 2202.

NON-BASIC UTILITY SERVICE – Leased or purchased merchandise, appliances or special services including but not limited to merchandise and appliance installation fees, rental and repair costs, meter testing fees, special construction charges and other nonrecurring charges that are not essential to delivery or metering of Gas Service.

"PGW" or "Company" - refers to Philadelphia Gas Works.

PGW CHARGES - The portion of the consolidated PGW bill that itemizes the charges for the Basic Utility Service provided by PGW. The PGW Charges are separate and apart from the Natural Gas Supplier charges that may be itemized on a consolidated PGW bill.

PARTICIPANT – See definition of Customer Responsibility Program Participant.

PHYSICAL METER READ (or READING) - A meter read where a PGW service person takes an actual Meter Read of a Customer's meter. A reading taken by an Automatic Meter Reading device shall be deemed a Physical Meter Read.

PUBLIC UTILITY CODE - Title 66 of Pennsylvania Consolidated Statutes which establishes the powers and duties of the PUC.

PUBLIC UTILITY COMMISSION (PUC or Commission) - The agency that is empowered by the Public Utility Code to regulate public utilities and Natural Gas Suppliers.

RESIDENT - An owner, Tenant, or occupant who makes the dwelling unit his/her residence.

RESIDENTIAL BUILDING - A building containing one or more dwelling units occupied by one or more Tenants, but excluding nursing homes, hotels and motels.

RETAIL SALES SERVICE - Service to a Customer whereby the Customer receives firm or interruptible gas supply as well as transportation from the Company.

SUPPLIER OF LAST RESORT (SOLR) - The Company in its role of providing Natural Gas Supply Services to Customers that do not elect another Supplier or choose to be served by the Supplier of Last Resort, Customers that are refused service from another Natural Gas Supplier, or Customers whose Natural Gas Supplier fails to deliver the required gas supplies, in accordance with this Tariff. Each Customer may only have one Supplier of Last Resort.

TENANT - Any person or group of persons whose dwelling unit in a Residential Building is provided gas pursuant to an oral or written rental arrangement for such dwelling unit, but who is not the Customer of record of PGW for such Gas Service.

TRANSPORTATION SERVICE - Service to a Customer whereby the Customer receives transportation, but not firm or interruptible gas supply from the Company.

UNACCOUNTED FOR GAS – Unaccounted for gas is the difference in the amount of gas delivered to the Company's distribution system and the amount billed to customers. The current Lost and Unaccounted for Gas and Retainage Rate percentage is 3.7%. The percentage changes annually on December 1st and is based upon actual data for the preceding 12 months ending August 31st.

(D)

(D) - Decrease

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.

Effective 9/1/08, 75% of off system sales margin and capacity release credits will be allocated to the Factor "C" and 25% to the Company. Effective 9/1/09, 75% of storage asset management fees will be allocated to the Factor "C" and 25% to the Company.

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 (Gas Adjustment Charge) - 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 \$(0.03195) per Ccf for Commodity Costs and \$0.04201 per Ccf for Demand Costs, for service on or after December 1, 2012. The total Gac is \$0.01006 per Ccf.

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.

(I) – Increase

IRC - Interruptible Revenue Credit - The credit defined in Subsection VI below. The currently effective IRC is \$0.00770 per Ccf for service on or after December 1, 2012. (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, 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 \$0.42733 per Ccf for Commodity Costs and \$0.14354 per Ccf for Demand Costs, for service on or after December 1, 2012. The total SSC is \$0.57087 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:

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

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 \$0.57323 per Ccf, for service on or after December 1, 2012. (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

EFFICIENCY COST RECOVERY SURCHARGE

The cost of the energy efficiency programs (i.e. the demand side management programs) for the firm customer rate classes listed below will be recovered by an Efficiency Cost Recovery Surcharge applicable to all volumes of Gas delivered.

- 1) The Surcharge will recover the program costs and the administrative costs of the energy efficiency program.
- 2) Computation of the Efficiency Cost Recovery 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 energy efficiency program costs approved for annual recovery plus (or minus) any over (or under) recovery from the prior period by the estimated applicable throughput in Mcfs. The costs related to customers other than low income residential customers are tracked and will be recovered separately from each of the following firm customer rate classes if the customer class is served by the energy efficiency program:
 - a) Residential and Public Housing Customers on Rate GS;
 - b) Commercial Customers on Rate GS;
 - c) Industrial Customers on Rate GS;
 - d) Municipal Customers on Rate MS; and
 - e) The Philadelphia Housing Authority on Rate PHA.

The surcharge shall be a cents per Ccf charge calculated to the nearest one-thousandth of a cent (0.00001) which shall be added to the distribution rates for billing purposes for all customers in each of the above rate classes. The rate shall be calculated separately for each rate class as follows:

- | | |
|---|------|
| a) \$0.00765 per Ccf for Residential and Public Housing Customers on Rate GS; | (I) |
| b) \$0.00618 per Ccf for Commercial Customers on Rate GS; | (I) |
| c) \$0.05644 per Ccf for Industrial Customers on Rate GS; | (I) |
| d) \$0.00000 per Ccf for Municipal Customers on Rate MS; and | (NC) |
| e) \$0.00618 per Ccf for The Philadelphia Housing Authority on Rate PHA. | (I) |

The Enhanced Low Income Retrofit Program costs shall be recovered through the Universal Services Surcharge beginning on September 1, 2010.

(I) – Increase; (NC) – No Change

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 the Enhanced Low Income Retrofit Program (ELIRP); 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 = \$ 0.20231/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 December 1, 2012

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 Customers
\$ 50.00 per month for Industrial Customers

Plus,

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

\$ 0.57323	per Ccf for Residential and Public Housing	(I)
\$ 0.57323	per Ccf for Commercial Customers	(I)
\$ 0.57323	per Ccf for Industrial Customers	(I)

Plus,

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

(A) Delivery Charge:

\$0.63863	per Ccf for Residential
\$0.49820	per Ccf for Public Housing
\$0.46530	per Ccf for Commercial and Municipal Customers
\$0.45859	per Ccf for Industrial Customers

(B) Surcharges:

Universal Service and Energy Conservation Surcharge; Restructuring and Consumer Education Surcharge; Efficiency Cost Recovery Surcharge; and Other Post Employment Benefit 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 December 1, 2012.

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):

\$0.57323 per Ccf

(I)

Plus,

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

(A) Delivery Charge:

\$0.34040 per Ccf

(B) Surcharges:

Universal Service and Energy Conservation Surcharge; and The Restructuring and Consumer Education Surcharge; the Efficiency Cost Recovery Surcharge; and Other Post Employment Benefit 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 December 1, 2012

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):

\$ 0.57323 per Ccf

(I)

Plus

DISTRIBUTION CHARGE:

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

(A) Delivery Charge:

\$0.41480 per Ccf

(B) Surcharges:

Universal Service and Energy Conversation Surcharge; The Restructuring and Consumer Education Surcharge; the Efficiency Cost Recovery Surcharge; and Other Post Employment Benefit 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
December 1, 2012

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):

\$ 0.57323 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: Craig White
President and CEO
PHILADELPHIA GAS WORKS
800 West Montgomery Avenue
Philadelphia, PA 19122

List of Changes Made by this Tariff

DEFINITIONS (Page No. 11)

The Lost and Unaccounted for Gas and Retainage Rate percentage decreases from 4.0% to 3.7%.

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

The load balancing charge increases from \$41.3996 per design day Mcf to \$43.8185 per design day Mcf.

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METER READ DATE - The date on which the Company schedules a meter to be read for purposes of producing a Customer bill in accordance with the regularly scheduled billing cycles of the Company.

NATURAL GAS SUPPLY SERVICE – Services provided by a Natural Gas Supplier as defined in section 2202 of the Gas Choice Act, 66 Pa. C.S. sec 2202.

OPERATIONAL FLOW ORDER ("OFO") - A directive issued by Company to Supplier, which is reasonably necessary to alleviate conditions that threaten the operational integrity of the Company's system on a critical day.

UNACCOUNTED FOR GAS – Unaccounted for gas is the difference in the amount of gas delivered to the Company's distribution system and the amount billed to customers. The current Lost and Unaccounted for Gas and Retainage Rate percentage is 3.7%. The percentage changes annually on December 1st and is based upon actual data for the preceding 12 months ending August 31st.

(D)

UPSTREAM CAPACITY ASSIGNMENT, RELEASE OR TRANSFER – The process to provide access to interstate pipeline capacity and storage contracts owned by Company to Supplier pursuant to Company's tariff and any applicable regulatory rules.

(D) - Decrease

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 \$ 43.8185 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. (I)

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.

(I) - Increase

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).

VIA REGULAR MAIL

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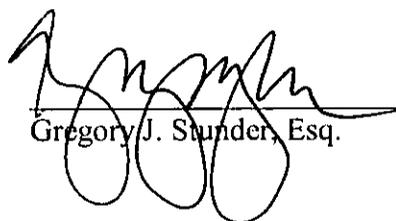
Robert Knecht
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Philadelphia, PA 19102

RECEIVED

NOV 30 2012

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU


Gregory J. Stunder, Esq.

Date: November 30, 2012

FedEx NEW Package
Express US Airbill

FedEx
Tracking
Number

8996 7489 9768

SHIP

Form
ID No. 0215

Recipient's Copy

1 From This portion can be removed for Recipient's records.

Date 11 30 10 FedEx Tracking Number 899674899768

Sender's Name Gregory Stinson, Inc Phone 215 681-6978

Company PHILADELPHIA GAS WORKS

Address 800 W. MONTGOMERY AVE Dept./Floor/Suite/Room

City PHILADELPHIA State PA ZIP 19122 3870

2 Your Internal Billing Reference

3 To
Recipient's Name Rosemary Charlotte, Inc Phone

Company PA PDC

Address 4100 1st North Street Dept./Floor/Suite/Room
We cannot deliver to PO boxes or PO ZIP codes.

Address 210 Clark 1 North
Use this line for the HOLD location address or for combination of your shipping address.

City Harrisburg State PA ZIP 17120

HOLD Weekday
FedEx location address
REQUIRED. NOT available for
FedEx First Overnight.

HOLD Saturday
FedEx location address
REQUIRED. Available ONLY for
FedEx Priority Overnight and
FedEx 2Day to select locations.

0449216286



8996 7489 9768

4 Express Package Service

NOTE: Service order has changed. Please select carefully.

Packages up to 150 lbs.
For packages over 150 lbs., use the new
FedEx Express Freight US Airbill.

Next Business Day

FedEx First Overnight
Earliest next business morning delivery to select
locations. Friday shipments will be delivered on
Monday unless SATURDAY Delivery is selected.

FedEx Priority Overnight
Next business morning. Friday shipments will be
delivered on Monday unless SATURDAY Delivery
is selected.

FedEx Standard Overnight
Next business afternoon.
Saturday Delivery. NOT available.

2 or 3 Business Days

NEW FedEx 2Day A.M.
Second business morning.
Saturday Delivery. NOT available.

FedEx 2Day
Second business afternoon. Thursday shipments
will be delivered on Monday unless SATURDAY
Delivery is selected.

FedEx Express Saver
Third business day.
Saturday Delivery. NOT available.

5 Packaging *Declared value limit \$500.

FedEx Envelope* FedEx Pak* FedEx Box FedEx Tube Other

6 Special Handling and Delivery Signature Options

SATURDAY Delivery
NOT available for FedEx Standard Overnight, FedEx 2Day A.M., or FedEx Express Saver.

No Signature Required
Package may be left without
obtaining a signature for delivery.

Direct Signature
Someone at recipient's address
may sign for delivery. Fee applies.

Indirect Signature
If no one is available at recipient's
address, someone at a neighboring
address may sign for delivery. For
residential deliveries only. Fee applies.

Does this shipment contain dangerous goods?

One box must be checked.

No Yes As per attached Shipper's Declaration. Yes Shipper's Declaration not required. Dry Ice Dry ice, 2 UN 1845 _____ kg

Dangerous goods (including dry ice) cannot be shipped in FedEx packaging or placed in a FedEx Express Drop Box.

Cargo Aircraft Only

7 Payment Bill to:

Enter FedEx Acct. No. or Credit Card No. below.

Obtain recip. Acct. No.

Sender Acct. No. in Section 1 will be billed. Recipient Third Party Credit Card Cash/Check

Total Packages Total Weight Credit Card Acct. No.

*Our liability is limited to \$100 unless you declare a higher value. See the current FedEx Service Guide for details.



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RECIPIENT: PEEL HERE