

# Philadelphia Gas Works

Gregory J. Stunder  
Senior Attorney



800 W. Montgomery Avenue, Philadelphia, PA 19122  
Telephone: (215) 684-6878 – Fax (215) 684-6798  
Email: greg.stunder@pgworks.com

February 28, 2013

**VIA EXPRESS MAIL**

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

**RECEIVED**

FEB 28 2013

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

Re: Pa. PUC v. Philadelphia Gas Works; R-2012-2286447,  
March 1, 2013 Second 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.)

**MARCH 1, 2013**

**2ND QUARTER GCR FILING**

**TABLE OF CONTENTS**

**RECEIVED**

FEB 28 2013

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

<b>Levelized Gas Cost Rate.....</b>	<b>Schedule 1</b>
<b>Sales &amp; Volumes .....</b>	<b>Schedule 2</b>
<b>Projected Applicable Fuel Expense.....</b>	<b>Schedule 3</b>
<b>Fiscal Year 2013 Actual Data – September 2012 Through December 2012.....</b>	<b>Schedule 4(a)</b>
<b>C-Factor Reconciliation – September 2012 Through December 2012.....</b>	<b>Schedule 4(b)</b>
<b>E-Factor Reconciliation – Fiscal Year 2013.....</b>	<b>Schedule 4(c)</b>
<b>IRC-Factor Revenue Billed – September 2012 Through December 2012.....</b>	<b>Schedule 4(d)</b>
<b>Reconciliation of Demand Charges – September 2012 Through December 2012</b>	<b>Schedule 4(e)</b>
<b>Interruptible Revenue Credit – March 1, 2013.....</b>	<b>Schedule 5(a)</b>
<b>Interruptible Revenue Margin – March 2013 Through February 2014.....</b>	<b>Schedule 5(b)</b>
<b>Calculation of Recovered Charges.....</b>	<b>Schedule 6</b>
<b>Changes in Rates.....</b>	<b>Schedule 7</b>
<b>Universal Service &amp; Energy Conservation Surcharge (USC) .....</b>	<b>Schedule 8</b>
<b>Statement of Reconciliation – USC Surcharge – Sept. 2012 To February 2013...</b>	<b>Schedule 9</b>
<b>Efficiency Cost Recovery (ECR) Surcharge.....</b>	<b>Schedule 10(a)</b>
<b>Efficiency Cost Recovery (ECR) Surcharge- Statement of Reconciliation.....</b>	<b>Schedule 10(b)</b>
<b>Natural Gas Prices.....</b>	<b>Schedule 11</b>
<b>Actual Natural Gas Billed.....</b>	<b>Schedule 12</b>
<b>Summary of Fuels Purchased .....</b>	<b>Schedule 13</b>

**Philadelphia Gas Works**  
**Levelized Gas Cost Rate**  
**2nd Quarter Filing - March 1, 2013**

Formula:  
**GCR = SSC + GAC - IRC**

where:

	<u>Demand</u>	<u>Commodity</u>	<u>Total</u>	
<b>S = Firm Sales (Mcf)</b>			<b>48,058,869</b>	Schedule 2
<hr/>				
<b>Net Natural Gas Expense</b>	\$ 66,005,269	\$ 209,701,850	\$ 275,707,118	
<b>Purchased Electric &amp; Misc Expen</b>	\$ -	\$ 983,515	\$ 983,515	
<b>Total Natural Gas Expense</b>	\$ 66,005,269	\$ 210,685,364	\$ 276,690,633	Schedule 3
<b>C-Factor Reconciliation</b>	\$ 6,061,835	\$ 14,224,969	\$ 20,286,803	Schedule 4 (b)
<b>C = Total Applicable GCR Expense</b>	\$ 72,067,103	\$ 224,910,333	\$ 296,977,436	
<hr/>				
<b>SSC = C / S</b>	\$ 1.4996	\$ 4.6799	\$ 6.1795	
<hr/>				
<b>Adjustment For:</b>				
<b>E-Factor Volumes (Mcf)</b>			17,061,678	Schedule 4 (c)
<b>E-Factor Reconciliation</b>	\$ 8,524,790	\$ (6,483,511)	\$ 2,041,279	Schedule 4 (c)
<b>E = E-Factor</b>	\$ 0.4996	\$ (0.3800)	\$ 0.1196	
<hr/>				
<b>Interruptible Revenue Credit</b>			\$ (3,399,757)	Schedule 5 (a)
<b>IRC = Interruptible Revenue Credit / S</b>			\$ (0.0707)	
<hr/>				
<b>Net Applicable GCR Expenses = C + E - Interruptible Revenue Credit</b>			\$ 302,418,472	
<b><u>GCR = SSC + GAC - IRC</u></b>			\$ 6.3699	
<hr/>				
<b>SSC in effect 03/01/13</b>	\$ 1.5029	\$ 4.6902	\$ 6.1931	
<b>GAC in effect 03/01/13</b>	\$ 0.5191	\$ (0.3948)	\$ 0.1243	
<b>IRC in effect 03/01/13</b>			\$ 0.0817	
<b>GCR in effect 03/01/13</b>			\$ 6.3991	Schedule 6
<hr/>				
<b>Recovery Test on:</b>				
<b>Firm Sales (Mcf)</b>			48,058,869	
<b>= Total Projected Recovery</b>			\$ 301,466,678	
<b>= Load Balancing Revenue</b>			\$ 952,329	
			\$ 302,419,007	Schedule 6
<hr/>				
<b>Compared To</b>				
<b>Net Applicable GCR Expenses</b>			\$ 302,418,472	
<b>= Net Over/(Under) Recovery</b>			\$ 535	
<hr/>				
<b>Degree Days</b>			4,268	

## SALES & VOLUMES

### MARCH 2013 THROUGH FEBRUARY 2014

MONTH	TOTAL VOLUMES	FIRM	BILLED	INTERRUPTIBLE	AIR	GCR FIRM	SENIOR	APPLICABLE
		TRANSPORT	SALES	SALES	CONDITIONING	SALES	CITIZEN	VOLUMES
	1	2	3 = (1 - 2)	4	4A	5 = (3 - 4 - 4A)	6	7 = (5 - 6 + 2)
MARCH 2013	7,082,960	437,728	6,645,233	7,015	-	6,638,217	65,638	7,010,307
APRIL	4,944,311	306,501	4,637,810	3,906	-	4,633,903	45,134	4,895,271
MAY	2,475,502	193,617	2,281,885	3,014	577	2,278,294	20,148	2,451,764
JUNE	1,397,689	158,529	1,239,160	2,224	1,809	1,235,127	8,612	1,385,044
JULY	1,261,714	151,092	1,110,622	2,493	2,067	1,106,063	7,364	1,249,790
AUGUST	1,123,614	135,452	988,162	2,604	1,748	983,809	6,512	1,112,749
SEPTEMBER	1,112,118	137,015	975,103	2,386	1,026	971,691	6,239	1,102,467
OCTOBER	1,804,999	199,085	1,605,915	2,344	1	1,603,569	11,601	1,791,053
NOVEMBER	3,885,810	325,736	3,560,073	2,962	-	3,557,111	29,989	3,852,859
DECEMBER	6,768,071	502,536	6,265,535	3,820	-	6,261,715	54,593	6,709,658
JANUARY 2014	10,725,818	668,264	10,057,554	4,143	-	10,053,411	90,616	10,631,059
FEBRUARY	9,310,743	571,228	8,739,515	3,558	-	8,735,957	77,974	9,229,211
<b>TOTAL</b>	<b>51,893,349</b>	<b>3,786,782</b>	<b>48,106,568</b>	<b>40,471</b>	<b>7,228</b>	<b>48,058,869</b>	<b>424,420</b>	<b>51,421,231</b>

**PROJECTED APPLICABLE FUEL EXPENSE  
SUMMARY  
MARCH 2013 - FEBRUARY 2014**

	<u>MARCH</u>	<u>APRIL</u>	<u>MAY</u>	<u>JUNE</u>	<u>JULY</u>	<u>AUGUST</u>	<u>SEPTEMBER</u>	<u>OCTOBER</u>	<u>NOVEMBER</u>	<u>DECEMBER</u>	<u>JANUARY</u>	<u>FEBRUARY</u>	<u>TOTAL</u>
<b>NATURAL GAS BILLED</b>													
DEMAND CHARGE	5,927,767	5,637,060	5,519,976	5,537,060	5,519,976	5,519,976	5,085,300	5,053,157	5,390,566	5,623,957	5,623,957	5,666,516	66,005,269
COMMODITY CHARGE	23,180,006	16,455,655	13,043,628	9,227,856	9,037,034	9,097,522	10,049,253	16,633,504	21,266,181	29,210,039	31,413,447	28,092,900	216,707,025
<b>TOTAL NATURAL GAS BILLED</b>	<b>29,107,773</b>	<b>21,992,715</b>	<b>18,563,604</b>	<b>14,764,916</b>	<b>14,557,010</b>	<b>14,617,498</b>	<b>15,134,553</b>	<b>21,686,661</b>	<b>26,656,747</b>	<b>34,833,997</b>	<b>37,037,404</b>	<b>33,759,416</b>	<b>282,712,293</b>
<b>INTERRUPTIBLE CREDIT</b>	<b>27,648</b>	<b>15,325</b>	<b>12,062</b>	<b>9,057</b>	<b>10,312</b>	<b>10,879</b>	<b>9,971</b>	<b>9,830</b>	<b>12,735</b>	<b>17,205</b>	<b>18,995</b>	<b>16,353</b>	<b>170,271</b>
<b>SENDOUT VOLUME IN MCF</b>	<b>7,285</b>	<b>4,056</b>	<b>3,130</b>	<b>2,310</b>	<b>2,589</b>	<b>2,704</b>	<b>2,477</b>	<b>2,434</b>	<b>3,076</b>	<b>3,967</b>	<b>4,302</b>	<b>3,695</b>	<b>42,024</b>
<b>DKT CONVERSION FACTOR</b>	<b>1.029</b>	<b>1.029</b>	<b>1.029</b>	<b>1.029</b>	<b>1.029</b>	<b>1.029</b>	<b>1.029</b>	<b>1.029</b>	<b>1.029</b>	<b>1.029</b>	<b>1.029</b>	<b>1.029</b>	<b>1.029</b>
<b>PRICE \$/DKT</b>	<b>3.6749</b>	<b>3.6715</b>	<b>3.7454</b>	<b>3.8106</b>	<b>3.8712</b>	<b>3.9092</b>	<b>3.9115</b>	<b>3.9252</b>	<b>4.0238</b>	<b>4.2152</b>	<b>4.2909</b>	<b>4.3009</b>	
<b>GAS USED FOR UTILITY</b>	<b>301,350</b>	<b>101,225</b>	<b>33,862</b>	<b>6,751</b>	<b>19,620</b>	<b>16,514</b>	<b>34,783</b>	<b>50,948</b>	<b>152,484</b>	<b>264,550</b>	<b>484,810</b>	<b>457,233</b>	<b>1,924,130</b>
<b>NATURAL GAS TO STORAGE FROM STORAGE PGW</b>	<b>(13,687)</b> <b>2,173,345</b>	<b>(3,392,923)</b> <b>1,589,612</b>	<b>(5,126,931)</b> <b>-</b>	<b>(4,836,254)</b> <b>-</b>	<b>(5,059,024)</b> <b>-</b>	<b>(5,100,060)</b> <b>-</b>	<b>(4,942,005)</b> <b>-</b>	<b>(4,909,249)</b> <b>79,805</b>	<b>-</b> <b>700,393</b>	<b>-</b> <b>6,836,871</b>	<b>-</b> <b>10,503,065</b>	<b>-</b> <b>7,053,494</b>	<b>(33,379,134)</b> <b>28,936,586</b>
<b>NET NATURAL GAS STORAGE</b>	<b>2,159,658</b>	<b>(1,803,312)</b>	<b>(5,126,931)</b>	<b>(4,836,254)</b>	<b>(5,059,024)</b>	<b>(5,100,060)</b>	<b>(4,942,005)</b>	<b>(4,829,444)</b>	<b>700,393</b>	<b>6,836,871</b>	<b>10,503,065</b>	<b>7,053,494</b>	<b>(4,442,550)</b>
<b>LNG TO STORAGE FROM LNG PGW</b>	<b>(755,824)</b> <b>339,130</b>	<b>(1,383,858)</b> <b>322,534</b>	<b>(1,038,500)</b> <b>335,631</b>	<b>(605,185)</b> <b>315,486</b>	<b>-</b> <b>325,124</b>	<b>-</b> <b>325,124</b>	<b>(331,996)</b> <b>314,448</b>	<b>(1,221,620)</b> <b>323,149</b>	<b>(1,102,229)</b> <b>309,628</b>	<b>-</b> <b>539,907</b>	<b>-</b> <b>1,338,496</b>	<b>-</b> <b>1,182,351</b>	<b>(6,439,212)</b> <b>5,970,988</b>
<b>NET LNG STORAGE</b>	<b>(416,693)</b>	<b>(1,061,324)</b>	<b>(702,869)</b>	<b>(289,719)</b>	<b>325,124</b>	<b>325,124</b>	<b>(17,548)</b>	<b>(898,471)</b>	<b>(792,602)</b>	<b>539,907</b>	<b>1,338,496</b>	<b>1,182,351</b>	<b>(468,224)</b>
<b>NET NATURAL GAS EXPENSE</b>	<b>30,521,839</b>	<b>19,011,529</b>	<b>12,688,879</b>	<b>9,623,136</b>	<b>9,793,177</b>	<b>9,815,169</b>	<b>10,130,246</b>	<b>15,897,967</b>	<b>26,399,320</b>	<b>41,929,020</b>	<b>48,375,159</b>	<b>41,521,675</b>	<b>275,707,118</b>
<b>APPLICABLE GCR EXPENSE</b>													
NET NATURAL GAS EXPENSE	30,521,839	19,011,529	12,688,879	9,623,136	9,793,177	9,815,169	10,130,246	15,897,967	26,399,320	41,929,020	48,375,159	41,521,675	275,707,118
PURCHASED ELECTRIC & MISC	74,331	66,091	69,775	57,941	60,123	55,743	52,435	53,886	61,466	70,159	288,909	82,657	983,515
<b>TOTAL APPLICABLE EXPENSES</b>	<b>30,596,170</b>	<b>19,077,620</b>	<b>12,748,654</b>	<b>9,681,077</b>	<b>9,853,300</b>	<b>9,870,912</b>	<b>10,182,681</b>	<b>15,951,854</b>	<b>26,460,785</b>	<b>41,999,179</b>	<b>48,664,068</b>	<b>41,604,332</b>	<b>276,690,633</b>
<b>TOTAL GCR FIRM SALES (MCF)</b>	<b>6,638,217</b>	<b>4,633,903</b>	<b>2,278,294</b>	<b>1,235,127</b>	<b>1,106,063</b>	<b>983,809</b>	<b>971,691</b>	<b>1,603,569</b>	<b>3,557,111</b>	<b>6,261,715</b>	<b>10,053,411</b>	<b>8,735,957</b>	<b>48,058,869</b>

**ACTUAL DATA - FISCAL YEAR 2013  
PHILADELPHIA GAS WORKS**

Rate	07/01/2012	Split Month 09/01/2012	10/01/2012	Split Month 12/01/2012	01/01/2013	Split Month 03/01/2013	04/01/2013
	SSC in Effect	\$ 4.9950	\$ 5.0846	\$ 5.1742	\$ 5.4415	\$ 5.7087	\$ 5.9509
GAC in Effect	\$ (0.0938)	\$ 0.0164	\$ 0.1265	\$ 0.1136	\$ 0.1006	\$ 0.1125	\$ 0.1243
IRC in Effect	\$ (0.1883)	\$ (0.1322)	\$ (0.0760)	\$ (0.0765)	\$ (0.0770)	\$ 0.0024	\$ 0.0817
Total Effective	\$ 4.7129	\$ 4.9688	\$ 5.2247	\$ 5.4785	\$ 5.7323	\$ 6.0657	\$ 6.3991

Percentage of Total

C-Factor	106.0%	102.3%	99.0%	99.3%	99.6%	98.1%	96.8%
E-Factor	-2.0%	0.3%	2.4%	2.1%	1.8%	1.9%	1.9%
IRC-Factor	-4.00%	-2.66%	-1.45%	-1.40%	-1.34%	0.04%	1.28%
Total	100%	100%	100%	100%	100%	100%	100%

C-Factor

Demand Charge in Effect	\$ 1.2448	\$ 1.2364	\$ 1.2279	\$ 1.3317	\$ 1.4354	\$ 1.4691	\$ 1.5029
Commodity in Effect	\$ 3.7502	\$ 3.8483	\$ 3.9463	\$ 4.1098	\$ 4.2733	\$ 4.4818	\$ 4.6902
	\$ 4.9950	\$ 5.0846	\$ 5.1742	\$ 5.4415	\$ 5.7087	\$ 5.9509	\$ 6.1931

Percentage of Total

Demand Charge in Effect	24.9%	24.3%	23.7%	24.5%	25.1%	24.7%	24.3%
Commodity in Effect	75.1%	75.7%	76.3%	75.5%	74.9%	75.3%	75.7%
	100%	100%	100%	100%	100%	100%	100%

Fiscal Year 2012 E-Factor

	Total		
	Over/(Under) Collection	Demand Over/(Under)	Commodity Over/(Under)
E-Factor Recovery	\$ (5,073,914)	\$ (21,189,816)	\$ 16,115,902
FY 2012 E-Factor Percentage	100%	417.62%	-318%

Actual

Fiscal Year 2012-2013	Sep-2012 Actual	Oct-2012 Actual	Nov-2012 Actual	Dec-2012 Actual
GCR Firm Sales	1,060,288	1,453,257	3,686,918	5,720,689
Migration Rider Sales	33,154	46,390	76,634	102,802
GCR Revenue Billed	\$ 5,311,763	\$ 7,612,404	\$ 19,262,859	\$ 31,516,827
Migration Rider Revenue Billed	\$ 1,025	\$ 6,058	\$ 9,690	\$ 11,012
Load Balancing Billed	\$ 66,429	\$ 72,241	\$ 84,333	\$ 86,082
Total Revenue Billed	\$ 5,379,217	\$ 7,690,703	\$ 19,356,882	\$ 31,613,921
Natural Gas Refunds	\$ -	\$ 23,379	\$ -	\$ -
Demand Charges	\$ 6,161,528	\$ 5,454,623	\$ 4,386,825	\$ 5,608,407
Supply Charges	\$ 4,504,682	\$ 6,260,379	\$ 23,791,163	\$ 27,806,399
Net Cost of Fuel	\$ 10,666,210	\$ 11,715,002	\$ 28,177,988	\$ 33,414,806

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

<u>MONTH</u>	NET COST	TOTAL	C-FACTOR	C-FACTOR	LOAD BALANCING	TOTAL	NATURAL GAS	OVER/	CUMULATIVE
	OF FUEL	GCR	% of GCR	% of GCR	REVENUE	C-FACTOR	REFUNDS	(UNDER)	OVER/(UNDER)
	1	REVENUE	3	4 = ( 2 * 3 )	5	6 = ( 4 + 5 )	7	8 = ( 6 + 7 - 1 )	9
	(\$)	BILLED		BILLED	REVENUE	BILLED	(\$)	(\$)	(\$)
SEPTEMBER 2012	10,666,210	5,311,763	102.3%	5,435,556	66,429	5,501,985	0	(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)
NOVEMBER	28,177,988	19,262,859	99.0%	19,076,671	84,333	19,161,004	0	(9,016,984)	(18,261,765)
DECEMBER	33,414,806	31,516,827	99.3%	31,303,685	86,082	31,389,767	0	(2,025,039)	(20,286,803)

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

MONTH		GCR SALES 1	MIGRATION RIDER SALES 2	TOTAL E-FACTOR VOLUMES 3=(1+2)	TOTAL GCR REVENUE BILLED 4	E-FACTOR % of GCR 5	E-FACTOR GCR REVENUE BILLED 6=(4*5)	MIGRATION RIDER REVENUES 7	TOTAL E-FACTOR REVENUE 8=(6+7)	OVER/(UNDER) PROJECTED RECOVERY (9)
		(MCF)	(MCF)	(MCF)	(\$)		(\$)	(\$)	(\$)	(\$)
<b>PRIOR YEAR E-FACTOR</b>										
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	Actual	3,686,918	76,634	3,763,552	\$ 19,262,859	2.4%	\$ 466,391	\$ 9,690	\$ 476,081	\$ (4,388,961)
DECEMBER	Actual	5,720,689	102,802	5,823,491	\$ 31,516,827	2.1%	\$ 653,233	\$ 11,012	\$ 664,245	\$ (3,724,716)
JANUARY 2013	Estimate	6,980,704	67,243	7,047,947	\$ 40,015,490	1.8%	\$ 702,259	\$ 6,765	\$ 709,024	\$ (3,015,692)
FEBRUARY	Estimate	9,609,184	76,833	9,686,017	\$ 55,082,726	1.8%	\$ 966,684	\$ 7,729	\$ 974,413	\$ (2,041,279)
							<b>6 = (1 * .1196)</b>			
MARCH	Estimate	6,638,217	58,957	6,697,174	\$ 40,265,436	1.9%	\$ 794,204	\$ 6,491	\$ 800,695	
APRIL	Estimate	4,633,903	41,282	4,675,186	\$ 29,652,811	1.9%	\$ 554,406	\$ 4,937	\$ 559,343	
MAY	Estimate	2,278,294	26,078	2,304,372	\$ 14,579,033	1.9%	\$ 272,578	\$ 3,119	\$ 275,697	
JUNE	Estimate	1,235,127	21,352	1,256,479	\$ 7,903,703	1.9%	\$ 147,772	\$ 2,554	\$ 150,326	
JULY	Estimate	1,106,063	20,350	1,126,413	\$ 7,077,805	1.9%	\$ 132,331	\$ 2,434	\$ 134,765	
AUGUST	Estimate	983,809	18,244	1,002,053	\$ 6,295,495	1.9%	\$ 117,704	\$ 2,182	\$ 119,886	
<b>TOTAL (MARCH THRU AUGUST)</b>		<b>16,875,414</b>	<b>186,263</b>	<b>17,061,678</b>	<b>\$ 105,774,283</b>		<b>\$ 2,018,994</b>	<b>\$ 21,717</b>	<b>\$ 2,040,711</b>	
<b>MARCH 1, 2013 E-FACTOR</b>		<b>\$ 0.1196</b>								

**FISCAL YEAR 2013  
PHILADELPHIA GAS WORKS  
IRC REVENUE BILLED**

<b>MONTH</b>	<b>TOTAL GCR REVENUE BILLED 1 \$</b>	<b>IRC- FACTOR % of GCR 2</b>	<b>IRC-FACTOR REVENUE BILLED 3 = ( 1 * 2 ) \$</b>
<b>SEPTEMBER 2012</b>	5,311,763	-2.66%	(141,271)
<b>OCTOBER</b>	7,612,404	-1.45%	(110,732)
<b>NOVEMBER</b>	19,262,859	-1.45%	(280,203)
<b>DECEMBER</b>	31,516,827	-1.40%	(440,091)

**FISCAL YEAR 2013  
PHILADELPHIA GAS WORKS  
RECONCILIATION OF DEMAND CHARGES**

<b>MONTH</b>	<b>DEMAND CHARGES LESS LOAD BALANCING REVENUE 1</b>	<b>DEMAND REVENUE BILLED 2</b>	<b>MONTHLY DEMAND OVER/(UNDER) 3 = (2-1)</b>	<b>CUMULATIVE DEMAND OVER/(UNDER) 4</b>
	\$	\$	\$	\$
<b>SEPTEMBER 2012</b>	6,095,099	1,310,887	(4,784,212)	(4,784,212)
<b>OCTOBER</b>	5,382,382	1,784,454	(3,597,928)	(8,382,140)
<b>NOVEMBER</b>	4,302,492	4,527,167	224,675	(8,157,465)
<b>DECEMBER</b>	5,522,325	7,617,956	2,095,631	(6,061,835)

**INTERRUPTIBLE REVENUE CREDIT**  
**March 1, 2013**

Fiscal Year 2012 Reconciliation (i.e. as of 8/31/12) \$ (2,096,085)

<u>MONTH</u>	<u>IRC CREDIT</u>	<u>MARGIN</u>
September-12	Actual \$ (141,271)	\$ 157,118
October	Actual \$ (110,732)	\$ 156,242
November	Actual \$ (280,203)	\$ 98,274
December	Actual \$ (440,091)	\$ 73,415
January-13	Estimated \$ (537,514)	\$ 103,758
February	Estimated \$ <u>(739,907)</u>	\$ <u>91,495</u>
Act/Est IRC Credit September 2012 to February 2013	<u>\$ (2,249,718)</u>	
Act/Est Margin September 2012 to February 2013		<u>\$ 680,302</u> <u>\$ 680,302</u>
<b>FY 2012 Reconciliation PLUS Act/Est Margin September 2012 to February 2013</b>		<b><u>\$ (1,415,783)</u></b>

<b>FY 2012 Reconciliation PLUS Act/Est Margin September 2012 to February 2013</b>	<b>\$ (1,415,783)</b>
<b>Act/Est IRC Credit September 2012 to February 2013</b>	<b><u>\$ (2,249,718)</u></b>
<b>Reconciliation as of February 28, 2013</b>	<b>\$ (3,665,501)</b>
<b>Margin - March 2013 through February 2014</b>	<b>Schedule 5 (b) <u>\$ 265,743</u></b>
<b>March 1, 2013 Interruptible Revenue Credit</b>	<b><u>\$ (3,399,757)</u></b>

GCR Firm Sales Schedule 2      **48,058,869**

March 1, 2013 IRC/Mcf \$ (0.0707)

Until this quarterly filing, PGW projected the next GCR year's Interruptible Revenue Credit ("IRC") based on a three year average of historical IRC's. The IRC equals the margin that PGW bills to interruptible customers (interruptible customers receive interruptible gas supply from PGW). PGW does not retain the margin billed to interruptible customers, rather the Company credits the GCR for the entire amount of the billed margin. Since PGW's restructuring proceeding (when the IRC was established), the number of interruptible customers has decreased substantially. As a result, the historical three year average no longer accurately projects the prospective year's IRC. Instead of using the historical three year average, PGW will now project the IRC based upon the most recent sales projection for current interruptible customers.

As of February 28, 2013, the GCR has been over-credited in the amount of \$3,665,501. As set forth above, PGW is netting this over-credit with the projected interruptible margin for the period of March 2013 to February 2014.

**INTERRUPTIBLE REVENUE MARGIN**  
**MARCH 2013 - FEBRUARY 2014**

<b><u>MONTH</u></b>			<b><u>MARGIN</u></b>
<b>March-13</b>	Estimated	\$	80,659
<b>April</b>	Estimated	\$	36,702
<b>May</b>	Estimated	\$	16,737
<b>June</b>	Estimated	\$	1,382
<b>July</b>	Estimated	\$	1,514
<b>August</b>	Estimated	\$	1,565
<b>September</b>	Estimated	\$	2,539
<b>October</b>	Estimated	\$	13,296
<b>November</b>	Estimated	\$	20,724
<b>December</b>	Estimated	\$	29,396
<b>January-14</b>	Estimated	\$	33,360
<b>February</b>	Estimated	\$	27,868
<b>Total</b>		\$	<u>265,743</u>

## CALCULATION OF RECOVERED CHARGES

MARCH 1, 2013

2ND QUARTER FILING

	<u>50% March</u>	<u>11.5 Months</u>	<u>Total</u>
			(MCF) (\$)
S - Firm Sales (Mcf)	3,319,109	44,739,761	48,058,869
C-Factor	\$ 5.7087	\$ 6.1931	
Projected Recovery	18,947,795	277,077,811	\$ 296,025,606
S - Firm Sales (Mcf)	3,319,109	44,739,761	48,058,869
IRC-Factor	\$ (0.0770)	\$ 0.0817	
Projected Recovery	(255,571)	3,655,238	\$ 3,399,667
E-Factor Volumes (Mcf)	3,348,587	13,713,091	17,061,678
GCR (\$ / Mcf)	\$ 0.1006	\$ 0.1243	
Projected Recovery	336,868	1,704,537	\$ 2,041,405
<hr/>			
Projected Recovery			\$ 301,466,678
Load Balancing Revenue			\$ 952,329
<b>TOTAL PROJECTED RECOVERY</b>			<b>\$ 302,419,007</b>

**Change In Rates  
2nd Quarter Filing  
Rates Effective March 1, 2013**

**Distribution Charge**

	<b>Delivery</b>	<b>Surcharges</b>					<b>Total</b>
	<b>Delivery Charge</b>	<b>Other Post Employment Benefit</b>	<b>Efficiency Cost Recovery</b>	<b>Restructuring &amp; Consumer Education</b>	<b>Universal Service &amp; Ener. Cons.</b>	<b>Total Surcharges</b>	<b>Distribution Charge / Mcf</b>
Residential GS	\$6.3863	\$0.3822	\$0.0875	\$0.0000	\$2.1239	\$2.5936	\$8.9799
Commercial GS	\$4.6530	\$0.3822	\$0.0941	\$0.0000	\$2.1239	\$2.6002	\$7.2532
Industrial GS	\$4.5859	\$0.3822	\$0.1427	\$0.0000	\$2.1239	\$2.6488	\$7.2347
Phila.Housing Authority (PHA)	\$4.1480	\$0.3822	\$0.0941	\$0.0000	\$2.1239	\$2.6002	\$6.7482
Municipal (MS)	\$3.4040	\$0.3822	\$0.0000	\$0.0000	\$2.1239	\$2.5061	\$5.9101
Phila.Housing Authority (GS)	\$4.9820	\$0.3822	\$0.0875	\$0.0000	\$2.1239	\$2.5936	\$7.5756

**Proposed Rates**

	<b>12/01/12 Distribution Charge</b>	<b>12/01/12 GCR</b>	<b>12/01/12 Commodity Rate</b>	<b>03/01/13 Distribution Charge</b>	<b>03/01/13 GCR</b>	<b>03/01/13 Commodity Rate</b>	<b>Difference</b>
	(1)	(2)	(3)=(1)+(2)	(4)	(5)	(6)=(4)+(5)	(7)=(6)-(3)
Residential GS	\$8.8681	\$5.7323	\$14.6004	\$8.9799	\$6.3991	\$15.3790	\$0.7786
Commercial GS	\$7.1201	\$5.7323	\$12.8524	\$7.2532	\$6.3991	\$13.6523	\$0.7999
Industrial GS	\$7.5556	\$5.7323	\$13.2879	\$7.2347	\$6.3991	\$13.6338	\$0.3459
Phila.Housing Authority (PHA)	\$6.6151	\$5.7323	\$12.3474	\$6.7482	\$6.3991	\$13.1473	\$0.7999
Municipal (MS)	\$5.8093	\$5.7323	\$11.5416	\$5.9101	\$6.3991	\$12.3092	\$0.7676
Phila.Housing Authority (GS)	\$7.4638	\$5.7323	\$13.1961	\$7.5756	\$6.3991	\$13.9747	\$0.7786

**PHILADELPHIA GAS WORKS**  
**MARCH 1, 2013 - 2nd QTR FILING**  
**UNIVERSAL SERVICE & ENERGY CONSERVATION SURCHARGE**

	<b>Expenses in the Surcharge</b>
Enhanced Low Income Retrofit Program (ELIRP)	\$ 9,163,639
Customer Responsibility Program (CRP)	\$ 80,730,567
Senior Citizen Discount *	\$ 6,266,766
<u>February 2013 Under Collection</u>	<u>\$ 13,054,860</u>
Total \$ to be Recovered	\$ 109,215,832
 Total Applicable Volumes	 Mcf 51,421,231
 Universal Service & Energy Conservation Surcharge	 <u><b>\$ 2.1239</b></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 \$7,164,882.

**STATEMENT OF RECONCILIATION  
UNIVERSAL SERVICES & ENERGY CONSERVATION SURCHARGE  
SEPTEMBER 2012 THROUGH FEBRUARY 2013**

Month		Applicable Volumes	USC Charge	USC Revenue Billed	USC Expenses	Monthly Over/(Under) Recovery	Cumulative Over/(Under) Recovery (\$12,100,465)
<b>FY 12 Reconciliation</b>							
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	Actual	3,948,947	\$ 2.0307	\$ 8,019,127	\$ 6,832,776	\$ 1,186,351	(\$3,042,229)
December	Actual	6,043,512	\$ 2.0269	\$ 12,249,595	\$ 13,512,866	\$ (1,263,271)	(\$4,305,500)
January 2013	Estimated	7,410,799	\$ 2.0231	\$ 14,992,787	\$ 17,369,936	\$ (2,377,150)	(\$6,682,650)
February	Estimated	10,081,098	\$ 2.0231	\$ 20,395,070	\$ 26,767,280	\$ (6,372,210)	(\$13,054,860)

<u>USC Expenses</u>	<u>Sep-12</u>	<u>Oct-12</u>	<u>Nov-12</u>	<u>Dec-12</u>	<u>Jan-13</u>	<u>Feb-13</u>
ELIRP Expense	\$ 3,438	\$ 457,807	\$ 499,011	\$ 3,347	\$ 884,534	\$ 884,534
ELIRP Labor	\$ 5,331	\$ 5,489	\$ 9,190	\$ 7,826	\$ 11,643	\$ 11,643
CRP Discount	\$ (2,956,763)	\$ (1,446,565)	\$ 5,210,746	\$ 12,093,600	\$ 14,831,627	\$ 23,796,952
CRP Forgiveness	\$ 681,304	\$ 658,753	\$ 533,301	\$ 472,759	\$ 570,000	\$ 573,750
Senior Citizen Discount	\$ 170,794	\$ 237,187	\$ 580,528	\$ 935,334	\$ 1,072,133	\$ 1,500,401
Bad Debt Expense Offset*	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$ (2,095,896)</b>	<b>\$ (87,330)</b>	<b>\$ 6,832,776</b>	<b>\$ 13,512,866</b>	<b>\$ 17,369,936</b>	<b>\$ 26,767,280</b>

<b>CRP Participation</b>					
Rate Case Participation Rate		84,000	84,000	84,000	84,000
Actual Participation Rate*		78,732	77,790	76,177	75,224
CRP Under(Over) Participation		5,268	6,210	7,823	8,776
<b>Average Shortfall Per CRP Participant</b>					
CRP Discount	\$ (2,956,763)	\$ (1,446,565)	\$ 5,210,746	\$ 12,093,600	
Actual Participation Rate		78,732	77,790	76,177	75,224
Average Shortfall per CRP Participant	\$ (38)	\$ (19)	\$ 68	\$ 161	
Shortfall*	\$ -	\$ -	\$ -	\$ -	
Bad Debt Expense Offset* 7.1%	\$ -	\$ -	\$ -	\$ -	

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

**EFFICIENCY COST RECOVERY (ECR) SURCHARGE**  
**MARCH 1, 2013**

<u>Program</u>	<u>Residential &amp; PHA GS</u>	<u>Commercial &amp; PHA</u>	<u>Industrial</u>	<u>Total</u>
<b>Residential Heating Equipment Rebate (RHER)</b>				
Program Expense	\$3,062,832	\$149,804	\$0	\$3,212,636
Labor Expense	\$44,041	\$2,154	\$0	\$46,195
<b>Commercial &amp; Industrial Retrofit Incentive (CIRI)</b>				
Program Expense	\$0	\$505,350	\$231,418	\$736,768
Labor Expense	\$0	\$6,373	\$3,022	\$9,395
<b>Commercial &amp; Industrial Equipment Rebate (CIER)</b>				
Program Expense	\$0	\$480,398	\$203,818	\$684,216
Labor Expense	\$0	\$6,606	\$2,853	\$9,459
<b>High-Efficiency Construction Incentive (HECI)</b>				
Program Expense	\$166,569	\$166,569	\$0	\$333,138
Labor Expense	\$2,523	\$2,523	\$0	\$5,046
<b>Comprehensive Residential Retrofit Incentive (CRR)</b>				
Program Expense	\$1,832,642	\$0	\$0	\$1,832,642
Labor Expense	<u>\$27,395</u>	<u>\$0</u>	<u>\$0</u>	<u>\$27,395</u>
<b>Total Expense</b>	<b>\$5,136,002</b>	<b>\$1,319,777</b>	<b>\$441,111</b>	<b>\$6,896,890</b>
<b>Prior Period Reconciliation (2/28/13)</b>	<b><u>\$ (1,788,670)</u></b>	<b><u>\$ (239,927)</u></b>	<b><u>\$ (312,958)</u></b>	<b><u>(\$2,341,555)</u></b>
<b>Total</b>	<b>3,347,332</b>	<b>1,079,850</b>	<b>128,153</b>	<b>4,555,335</b>
<b>Volumes - Mcf (GCR Firm &amp; Firm Transportation)</b>	<b>38,266,552</b>	<b>11,472,808</b>	<b>898,053</b>	

<b>Efficiency Cost Recovery Surcharge / Mcf</b>	<b>\$0.0875</b>	<b>\$0.0941</b>	<b>\$0.1427</b>
---	-----------------	-----------------	-----------------

**EFFICIENCY COST RECOVERY (ECR) SURCHARGE  
STATEMENT OF RECONCILIATION  
2nd QUARTER FILING**

		* Actual <u>Sep-12</u>	* Actual <u>Oct-12</u>	Actual <u>Nov-12</u>	Actual <u>Dec-12</u>	Estimated <u>Jan-13</u>	Estimated <u>Feb-13</u>	
<b>RESIDENTIAL &amp; PHA GS</b>								
FY 2012 Over-Collection								\$ 1,104,360
Volume Billed		776,091	1,060,326	2,860,862	4,639,892	5,542,889	7,877,416	
ECR Surcharge		\$ 0.0399	\$ 0.0411	\$ 0.0411	\$ 0.0588	\$ 0.0765	\$ 0.0765	
Revenue Billed		\$ 30,927	\$ 43,579	\$ 117,581	\$ 272,826	\$ 424,031	\$ 602,622	
RHER	Expense	\$ 21,577	\$ 46,918	\$ 97,327	\$ 903	\$ 211,166	\$ 211,166	
RHER	Labor	\$ 1,438	\$ 1,481	\$ 2,479	\$ 2,112	\$ 3,141	\$ 3,141	
HECI	Expense	\$ 52	\$ 500	\$ 11,279	\$ 4,314	\$ 10,759	\$ 10,759	
HECI	Labor	\$ 81	\$ 84	\$ 140	\$ 119	\$ 178	\$ 178	
CRRI	Expense	\$ 401	\$ 3,828	\$ 4,501	\$ 391	\$ 75,438	\$ 75,438	
CRRI	Labor	\$ 622	\$ 641	\$ 1,073	\$ 913	\$ 1,359	\$ 1,359	
<b>Total</b>		\$ 24,172	\$ 53,452	\$ 116,799	\$ 8,751	\$ 302,042	\$ 302,042	
Monthly Over/(Under)		\$ 6,755	\$ (9,872)	\$ 783	\$ 264,074	\$ 121,989	\$ 300,581	
Cumulative Over/(Under)		\$ 1,111,115	\$ 1,101,243	\$ 1,102,026	\$ 1,366,100	\$ 1,488,089	\$ 1,788,670	
<b>COMMERCIAL &amp; PHA</b>								
FY 2012 Over-Collection								\$ 178,734
Volume Billed		357,003	481,856	970,072	1,243,320	1,623,211	1,888,259	
ECR Surcharge		\$ 0.0421	\$ 0.0457	\$ 0.0457	\$ 0.0538	\$ 0.0618	\$ 0.0618	
Revenue Billed		\$ 15,030	\$ 22,021	\$ 44,332	\$ 66,828	\$ 100,314	\$ 116,694	
RHER	Expense	\$ 1,055	\$ 2,295	\$ 4,760	\$ 44	\$ 10,328	\$ 10,328	
RHER	Labor	\$ 70	\$ 72	\$ 121	\$ 103	\$ 154	\$ 154	
CIRI	Expense	\$ 200	\$ 5,609	\$ 2,246	\$ 195	\$ 55,438	\$ 55,438	
CIRI	Labor	\$ 311	\$ 320	\$ 535	\$ 456	\$ 678	\$ 678	
CIER	Expense	\$ 197	\$ 5,924	\$ 6,267	\$ 192	\$ 49,240	\$ 49,240	
CIER	Labor	\$ 306	\$ 315	\$ 527	\$ 449	\$ 668	\$ 668	
HECI	Expense	\$ 52	\$ 500	\$ 11,279	\$ 4,314	\$ 10,759	\$ 10,759	
HECI	Labor	\$ 81	\$ 84	\$ 140	\$ 119	\$ 178	\$ 178	
<b>Total</b>		\$ 2,273	\$ 15,119	\$ 25,877	\$ 5,872	\$ 127,443	\$ 127,443	
Monthly Over/(Under)		\$ 12,756	\$ 6,902	\$ 18,456	\$ 60,956	\$ (27,129)	\$ (10,749)	
Cumulative Over/(Under)		\$ 191,490	\$ 198,393	\$ 216,848	\$ 277,804	\$ 250,675	\$ 239,927	
<b>INDUSTRIAL</b>								
FY 2012 Over-Collection								\$ 90,954
Volume Billed		28,544	45,781	67,683	89,048	128,871	134,304	
ECR Surcharge		\$ 0.3432	\$ 0.4264	\$ 0.4264	\$ 0.4954	\$ 0.5644	\$ 0.5644	
Revenue Billed		\$ 9,796	\$ 19,521	\$ 28,860	\$ 44,114	\$ 72,735	\$ 75,801	
CIRI	Expense	\$ 35	\$ 990	\$ 396	\$ 34	\$ 9,783	\$ 9,783	
CIRI	Labor	\$ 55	\$ 56	\$ 94	\$ 80	\$ 120	\$ 120	
CIER	Expense	\$ 13	\$ 378	\$ 400	\$ 12	\$ 3,143	\$ 3,143	
CIER	Labor	\$ 20	\$ 20	\$ 34	\$ 29	\$ 43	\$ 43	
<b>Total</b>		\$ 122	\$ 1,444	\$ 925	\$ 156	\$ 13,089	\$ 13,089	
Monthly Over/(Under)		\$ 9,674	\$ 18,077	\$ 27,935	\$ 43,959	\$ 59,646	\$ 62,713	
Cumulative Over/(Under)		\$ 100,628	\$ 118,705	\$ 146,640	\$ 190,599	\$ 250,245	\$ 312,958	

\* Revised

## Natural Gas Prices - March 1, 2013 GCR Filing

### NYMEX

### Basis Differentials

### Prices Used For Gas Cost Inputs

	NYMEX	TRANSCO			TETCO					TRANSCO			TETCO				
	01/16/13	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																
2013:01										3.33	3.35	3.41	3.31	3.41	3.32	3.36	3.20
2013:02	3.435	(0.05)	(0.02)	0.04	(0.04)	(0.05)	(0.14)	(0.10)	0.08	3.39	3.42	3.48	3.40	3.39	3.30	3.34	3.52
2013:03	3.437	(0.05)	(0.02)	0.04	(0.04)	(0.05)	(0.14)	(0.10)	0.08	3.39	3.42	3.48	3.40	3.39	3.30	3.34	3.52
2013:04	3.466	(0.05)	(0.02)	0.04	(0.04)	(0.05)	(0.14)	(0.10)	0.08	3.42	3.45	3.51	3.43	3.42	3.33	3.37	3.55
2013:05	3.513	(0.05)	(0.02)	0.04	(0.04)	(0.05)	(0.14)	(0.10)	0.08	3.46	3.49	3.55	3.47	3.46	3.37	3.41	3.59
2013:06	3.565	(0.05)	(0.02)	0.04	(0.04)	(0.05)	(0.14)	(0.10)	0.08	3.52	3.55	3.61	3.53	3.52	3.43	3.47	3.65
2013:07	3.613	(0.05)	(0.02)	0.04	(0.04)	(0.05)	(0.14)	(0.10)	0.08	3.56	3.59	3.65	3.57	3.56	3.47	3.51	3.69
2013:08	3.638	(0.05)	(0.02)	0.04	(0.04)	(0.05)	(0.14)	(0.10)	0.08	3.59	3.62	3.68	3.60	3.59	3.50	3.54	3.72
2013:09	3.647	(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
2013:10	3.679	(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
2013:11	3.783	(0.05)	(0.02)	0.04	(0.04)	(0.05)	(0.14)	(0.10)	0.08	3.73	3.76	3.82	3.74	3.73	3.64	3.68	3.86
2013:12	3.983	(0.05)	(0.02)	0.04	(0.04)	(0.05)	(0.14)	(0.10)	0.08	3.93	3.96	4.02	3.94	3.93	3.84	3.88	4.06
2014:01	4.086	(0.05)	(0.02)	0.04	(0.04)	(0.05)	(0.14)	(0.10)	0.08	4.04	4.07	4.13	4.05	4.04	3.95	3.99	4.17
2014:02	4.085	(0.05)	(0.02)	0.04	(0.04)	(0.05)	(0.14)	(0.10)	0.08	4.04	4.07	4.13	4.05	4.04	3.95	3.99	4.17

**Actual Natural Gas Billed**

	<u>Oct-12</u>	<u>Nov-12</u>	<u>Dec-12</u>
Williams	\$ 2,565,001	\$ 2,611,866	\$ 2,724,542
Texas Eastern	\$ 2,562,497	\$ 2,742,863	\$ 2,807,379
Dominion	\$ 124,428	\$ 132,955	\$ 132,954
Equitrans	\$ 42,766	\$ 48,286	\$ 48,631
Spot Purchases -Transco	\$ 5,825	\$ 8,241	\$ 1,940
Spot Purchases -Tetco	\$ -	\$ -	\$ -
Transco Supply2	\$ 864,900	\$ 2,541,893	\$ 2,450,498
Transco Supply3	\$ 442,525	\$ -	\$ -
Transco Supply6	\$ -	\$ 1,054,500	\$ 1,146,225
Transco Supply7	\$ -	\$ 2,062,800	\$ 2,077,700
Transco Supply8	\$ 2,543,886	\$ 1,323,300	\$ 2,263,000
Transco Supply10	\$ 877,881	\$ -	\$ -
Transco Supply12	\$ -	\$ -	\$ -
Transco Supply14	\$ 427,025	\$ -	\$ -
Transco Supply17	\$ -	\$ -	\$ -
Transco Supply20	\$ 1,175,140	\$ -	\$ -
Transco Supply21	\$ -	\$ 517,500	\$ 574,663
Transco Supply22	\$ 881,913	\$ 1,054,500	\$ 1,171,800
Transco Supply23	\$ 443,300	\$ 527,250	\$ 565,750
Transco Supply24	\$ -	\$ -	\$ -
Transco Supply25	\$ -	\$ -	\$ -
Transco Supply26	\$ -	\$ 504,000	\$ 565,750
Transco Supply27	\$ -	\$ 517,875	\$ 589,000
Transco Supply28	\$ -	\$ 504,000	\$ 570,400
Tetco Supply1	\$ -	\$ 1,123,438	\$ 968,281
Tetco Supply2	\$ -	\$ -	\$ -
Tetco Supply3	\$ 799,782	\$ 66,375	\$ 50,325
Tetco Supply4	\$ -	\$ -	\$ -
Tetco Supply5	\$ -	\$ 72,030	\$ -
Tetco Supply7	\$ -	\$ -	\$ -
Tetco Supply13	\$ -	\$ 4,128,005	\$ 4,062,096
Tetco Supply14	\$ 441,750	\$ 1,026,000	\$ 1,129,175
Tetco Supply15	\$ -	\$ -	\$ -
Tetco Supply16	\$ 1,534,373	\$ 728,861	\$ 725,999
Tetco Supply17	\$ -	\$ 1,031,862	\$ 1,156,300
Tetco Supply18	\$ -	\$ -	\$ -
Tetco Supply19	\$ -	\$ -	\$ -
Tetco Supply20	\$ -	\$ -	\$ -
Tetco Supply21	\$ -	\$ -	\$ -
Tetco Supply22	\$ 437,100	\$ 498,000	\$ 568,850
Tetco Supply23	\$ -	\$ 519,750	\$ 568,075
<b>Total Costs</b>	<b>\$ 16,170,093</b>	<b>\$ 25,346,150</b>	<b>\$ 26,919,333</b>
Sharing Mechanism	\$ 141,988	\$ 105,610	\$ 109,338
Asset Management Agreement	\$ (79,344)	\$ (79,344)	\$ (79,344)
Off System Sales	\$ -	\$ -	\$ -
Gas Transportation Purchases	\$ (807)	\$ 6,901	\$ -
Adjustment/Reconciliation	\$ (153,787)	\$ 46,333	\$ 535,945
<b>Total Natural Gas Billed</b>	<b>\$ 16,078,143</b>	<b>\$ 25,425,650</b>	<b>\$ 27,485,272</b>

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

	<u>Actual</u>				<u>Projected 4th Qtr Filing Oct-12</u>	<u>Projected 1st Qtr Filing Nov-12</u>	<u>Projected 1st Qtr Filing Dec-12</u>	<u>Total</u>	<u>Actual Over/Under vs Projected</u>			
	<u>Oct-12</u>	<u>Nov-12</u>	<u>Dec-12</u>	<u>Total</u>					<u>Oct-12</u>	<u>Nov-12</u>	<u>Dec-12</u>	<u>Total</u>
<b>Total Natural Gas Billed</b>	\$ 16,078,143	\$ 25,425,650	\$ 27,485,272	\$ 68,989,065	\$ 19,387,948	\$ 25,603,016	\$ 32,698,018	\$ 77,688,982	\$ (3,309,805)	\$ (177,366)	\$ (5,212,746)	\$ (8,699,917)
<b>Less Interruptible Credit Gas Used For Utility</b>	\$ 989,295	\$ 39,537	\$ 28,079	\$ 1,056,911	\$ 11,157	\$ 25,266	\$ 26,960	\$ 63,383	\$ 978,138	\$ 14,271	\$ 1,119	\$ 993,528
	\$ 37,027	\$ 168,159	\$ 265,105	\$ 470,291	\$ 50,313	\$ 154,503	\$ 276,567	\$ 481,384	\$ (13,286)	\$ 13,656	\$ (11,462)	\$ (11,093)
	\$ 15,051,821	\$ 25,217,954	\$ 27,192,088	\$ 67,461,863	\$ 19,326,478	\$ 25,423,247	\$ 32,394,490	\$ 77,144,215	\$ (4,274,657)	\$ (205,293)	\$ (5,202,402)	\$ (9,682,352)
<b>Pipeline Storages</b>												
(To)	\$ (3,411,604)	\$ (1,433,924)	\$ (736,368)	\$ (5,581,896)	\$ (4,487,233)	\$ (704,535)	\$ -	\$ (5,191,769)	\$ 1,075,629	\$ (729,389)	\$ (736,368)	\$ (390,127)
From	\$ 283,657	\$ 5,185,539	\$ 7,559,079	\$ 13,028,275	\$ 31,812	\$ 1,111,859	\$ 6,590,488	\$ 7,734,158	\$ 251,845	\$ 4,073,680	\$ 968,591	\$ 5,294,117
<b>Net Pipeline Storages</b>	\$ (3,127,947)	\$ 3,751,615	\$ 6,822,711	\$ 7,446,379	\$ (4,455,422)	\$ 407,323	\$ 6,590,488	\$ 2,542,389	\$ 1,327,475	\$ 3,344,292	\$ 232,223	\$ 4,903,990
<b>LNG Storage</b>												
(To)	\$ (609,093)	\$ (1,299,912)	\$ (1,145,403)	\$ (3,054,408)	\$ (1,049,699)	\$ (1,514,902)	\$ (773,980)	\$ (3,338,581)	\$ 440,606	\$ 214,990	\$ (371,423)	\$ 284,173
From	\$ 359,414	\$ 459,243	\$ 480,200	\$ 1,298,857	\$ 373,514	\$ 304,088	\$ 531,879	\$ 1,209,481	\$ (14,100)	\$ 155,155	\$ (51,679)	\$ 89,376
<b>Net LNG Storage</b>	\$ (249,679)	\$ (840,669)	\$ (665,203)	\$ (1,755,551)	\$ (676,185)	\$ (1,210,814)	\$ (242,101)	\$ (2,129,100)	\$ 426,506	\$ 370,145	\$ (423,102)	\$ 373,549
<b>Net Natural Gas</b>	\$ 11,674,195	\$ 28,128,900	\$ 33,349,596	\$ 73,152,691	\$ 14,194,871	\$ 24,619,756	\$ 38,742,877	\$ 77,557,504	\$ (2,520,676)	\$ 3,509,144	\$ (5,393,281)	\$ (4,404,813)
<b>APPLICABLE GCR EXPENSES</b>												
<b>Net Natural Gas Expense</b>	\$ 11,674,195	\$ 28,128,900	\$ 33,349,596	\$ 73,152,691	\$ 14,194,871	\$ 24,619,756	\$ 38,742,877	\$ 77,557,504	\$ (2,520,676)	\$ 3,509,144	\$ (5,393,281)	\$ (4,404,813)
<b>Purchased Electric &amp; Misc</b>	\$ 40,807	\$ 49,088	\$ 65,210	\$ 155,105	\$ 61,285	\$ 69,239	\$ 81,675	\$ 212,200	\$ (20,478)	\$ (20,151)	\$ (16,485)	\$ (57,095)
<b>Total GCR Expenses</b>	\$ 11,715,002	\$ 28,177,988	\$ 33,414,806	\$ 73,307,796	\$ 14,256,156	\$ 24,688,996	\$ 38,824,552	\$ 77,769,704	\$ (2,541,154)	\$ 3,488,992	\$ (5,409,766)	\$ (4,461,908)

**PHILADELPHIA GAS WORKS**  
**GAS SERVICE 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 Supplement

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

In the definition of "GAC," the "GAC" value effective March 1, 2013 increases from \$0.01006 per Ccf to \$0.01243 per Ccf; In the definition of "IRC," the "IRC" value effective March 1, 2013 decreases from \$0.00770 to \$(0.00817) per Ccf; In the definition of "SSC," the "SSC" value effective March 1, 2013 increases from \$0.57087 per Ccf to \$0.61931 per Ccf.

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

The Gas Cost Rate (GCR) effective March 1, 2013 increases from \$0.57323 per Ccf to \$0.63991 per Ccf.

EFFICIENCY COST RECOVERY SURCHARGE (PAGE No. 80)

The Efficiency Cost Recovery Surcharges effective March 1, 2013 are: a) \$0.00875 per Ccf for Residential and Public Housing Customers on Rate GS; b) \$0.00941 per Ccf for Commercial Customers on Rate GS; c) \$0.01427 per Ccf for Industrial Customers on Rate GS; d) \$0.00000 per Ccf for Municipal Customers on Rate MS; and e) \$0.00941 per Ccf for The Philadelphia Housing Authority on Rate PHA.

UNIVERSAL SERVICE CHARGE (PAGE No. 81)

The Universal Services Charge effective March 1, 2013 increases from \$0.20231 per per Ccf to \$0.21239 per Ccf.

GENERAL SERVICE – RATE GS (Page No. 83)

The GCR for Residential, Commercial, and Industrial Services increases from \$0.57323 per Ccf to \$0.63991 per Ccf, effective March 1, 2013.

MUNICIPAL SERVICE – RATE MS (Page No. 87)

The GCR for Municipal Service increases from \$0.57323 per Ccf to \$0.63991 per Ccf, effective March 1, 2013.

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

The GCR for Philadelphia Housing Authority Service increases from \$0.57323 per Ccf to \$0.63991 per Ccf, effective March 1, 2013.

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

The GCR for NGVS Firm increases from \$0.57323 per Ccf to \$0.63991 per Ccf, effective March 1, 2013.

**TABLE OF CONTENTS**

	<u>Page Number</u>
<b>List of Changes Made By This Tariff</b> _____	<b>Fifty Ninth Revised 2</b>
<b>Description of Territory Served</b> _____	<b>5</b>
<b>Table of Contents</b> _____	<b>Fifty Ninth Revised 6</b>
<b>Definitions</b> _____	<b>10</b>
<b><u>RULES and REGULATIONS:</u></b>	
<b>1. The Gas Service Tariff</b> _____	<b>First Revised 15</b>
<b>2. Application and Contract for Gas Service</b> _____	<b>Fifth Revised 17</b>
<b>3. Credit and Deposit</b> _____	<b>Second Revised 21</b>
<b>4. Billing and Payment</b> _____	<b>First Revised 26</b>
<b>5. Termination and/or Discontinuance of Gas Service</b> _____	<b>First Revised 30</b>
<b>6. Termination of Service for Safety Reasons and Curtailment of Service/ Service Continuity</b> _____	<b>First Revised 38</b>
<b>7. Inquiry, Review, Dispute, and Appeals Process</b> _____	<b>First Revised 41</b>
<b>8. Customer's Responsibility for Company's Property</b> _____	<b>First Revised 44</b>
<b>9. Conditions of Service, Point of Delivery, and Application of Rates</b> _____	<b>Third Revised 47</b>
<b>10. Extensions And Rights-Of-Way</b> _____	<b>First Revised 50</b>
<b>11. Meters: Measurements, Readings, Errors, and Tests</b> _____	<b>First Revised 53</b>
<b>12. Service Charges and Miscellaneous Fees and Provisions</b> _____	<b>First Revised 57</b>
<b>13. Universal Service And Energy Conservation Programs</b> _____	<b>Second Revised 59</b>
<b>14. Gas Choice Enrollment and Switching</b> _____	<b>63</b>
<b>15. Supplier of Last Resort</b> _____	<b>First Revised 65</b>

PHILADELPHIA GAS WORKS

	Page Number
<b>RATES (Cover Page)</b> _____	66
<b>Gas Cost Rate</b> _____	Forty Sixth Revised 67
<b>Revenue Reconciliation Adjustment (RRA) Rider</b> _____	70
<b>Senior Citizen Discount</b> _____	72
<b>Migration/Reverse Migration Rider</b> _____	75
<b>Exit Fee Rider</b> _____	77
<b>Restructuring and Consumer Education Surcharge</b> _____	Twentieth Revised 79
<b>Efficiency Cost Recovery Mechanism</b> _____	Fifteenth Revised 80
<b>Universal Services Surcharge</b> _____	40 Forty Seventh Revised 81
<b>Other Post Employment Benefit Surcharge</b> _____	Fourth Revised Page 82
<b>General Service - Rate GS</b> _____	Fifty Second Revised 83
<b>Municipal Service - Rate MS</b> _____	Fifty Second Revised 87
<b>Philadelphia Housing Authority Service –Rate PHA</b> _____	Fifty Second Revised 90
<b>Boiler and Power Plant Service – Rate BPS</b> _____	Second Revised 93
<b>Load Balancing Service – RATE LBS</b> _____	Second Revised 97
<b>Daily Balancing Service – Rate DB</b> _____	101
<b>Interruptible Transportation Service – Rate IT</b> _____	111
<b>Gas Transportation Service - Rate GTS - Firm Service</b> _____	118
<b>Gas Transportation Service - Rate GTS - Interruptible</b> _____	124
<b>Cogeneration Service - Rate CG</b> _____	Second Revised 131
<b>Developmental Natural Gas Vehicle Service - Rate NGVS Firm Service</b> _____	Twenty Fifth Revised 135
<b>Developmental Natural Gas Vehicle Service - Rate NGVS Interruptible Service</b> _____	139
<b>Liquefied Natural Gas Service – Rate LNG</b> _____	Third Revised 142
<b>SPECIAL PROVISION – Air Conditioning Rider</b> _____	143
<b>SPECIAL PROVISION – Compressed Natural Gas Rider</b> _____	145
<b>SPECIAL PROVISION – Emergency/Unauthorized Use Gas Rider</b> _____	147
<b>WEATHER NORMALIZATION ADJUSTMENT CLAUSE</b> _____	Third Revised 149

**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 \$(0.03948) per Ccf for Commodity Costs and \$0.05191 per Ccf for Demand Costs, for service on or after March 1, 2013. The total Gac is \$0.01243 per Ccf. (I)

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 \$(0.00817) per Ccf for service on or after March 1, 2013.

(D)

*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 \$0.46902 per Ccf for Commodity Costs and \$0.15029 per Ccf for Demand Costs, for service on or after March 1, 2013. The total SSC is \$0.61931 per Ccf.

(I)

**(D) – Decrease**

### 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 \$0.63991 per Ccf, for service on or after March 1, 2013.

(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) \$0.00875 per Ccf for Residential and Public Housing Customers on Rate GS; (I)
- b) \$0.00941 per Ccf for Commercial Customers on Rate GS; (I)
- c) \$0.01427 per Ccf for Industrial Customers on Rate GS; (D)
- d) \$0.00000 per Ccf for Municipal Customers on Rate MS; and (NC)
- e) \$0.00875 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; (D) – Decrease; (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 = \$ 0.21239/Ccf.

(I)

(I) - Increase

**GENERAL SERVICE - RATE GS**

Rate: Applicable to all Retail Sales Service or Transportation Service rendered pursuant to this Rate Schedule on or after March 1, 2013

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):

\$ 0.63991 per Ccf for Residential and Public Housing (I)  
\$ 0.63991 per Ccf for Commercial Customers (I)  
\$ 0.63991 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 March 1, 2013.

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):

\$ 0.63991 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 March 1, 2013

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):

\$ 0.63991 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  
March 1, 2013

**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):

\$ 0.63991 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

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

The load balancing charge decreases from \$43.8185 per design day Mcf to \$42.2471 per design day Mcf.

**TABLE OF CONTENTS**

	<u>Page Number</u>
List of Changes Made By This Tariff _____	Forty Ninth Revised 2
Checksheet _____	3
Description of Territory Served _____	5
Table of Contents _____	6
Table of Contents (continued) _____	7
Definitions _____	10
<b><u>RULES and REGULATIONS:</u></b>	
1. The Supplier Tariff _____	14
2. Availability _____	16
3. Character of Service _____	18
4. Supplier Qualification _____	20
5. Customer List _____	23
6. Supplier Selection Procedures _____	25
7. Supplier Obligations _____	29
8. Operational Requirements _____	33
9. Special Provisions _____	37
10. Nomination Procedure _____	44
11. Financial Security _____	46
12. Supplier Billing and Payment _____	48
13. Supplier Exit Procedures _____	54
14. Breach of Obligations _____	57
15. Standards of Conduct _____	60

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 \$42.2471 per design day Mcf that is fulfilled by PGW storage and peaking assets, for recovery of those costs for Balancing Service, calculated in the manner set forth in the Commission's Order at M-00021612 (entered March 31, 2003) and as set forth below. Such rate for Balancing Service shall be increased or decreased, from time to time, in accordance with applicable law and procedures.

(D)

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

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

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

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

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

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

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

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

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

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

**(D) - Decrease**

**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**

Aron Beatty, Esq.  
Office of Consumer Advocate  
5<sup>th</sup> Floor, Forum Place Bldg.  
555 Walnut Street  
Harrisburg, PA 17101-1921

Adeolu Bakare, Esq.  
McNEES, WALLACE, NURICK  
100 Pine Street  
Harrisburg, PA 17108-1166

Sharon Webb, Esq.  
Office of Small Business Advocate  
Commerce Building, Suite 1102  
300 North 2<sup>nd</sup> Street  
Harrisburg, PA 17101

Jerome D. Mierzwa  
Exeter Associates, Inc.  
10480 Little Patuxent Parkway  
Columbia, MD 21044

Richard Kanaskie, Esq.  
Investigation and Enforcement  
PA Public Utility Commission  
Commonwealth Keystone Building  
400 North Street, 2nd Floor  
Harrisburg, PA 17120

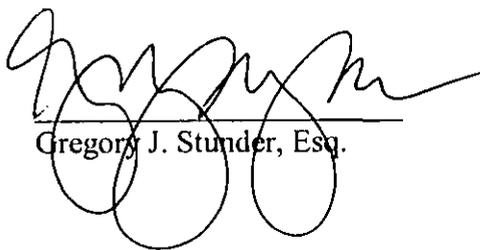
Robert Knecht  
Industrial Economics, Incorporated  
2067 Massachusetts Avenue  
Cambridge MA 02140

**RECEIVED**

FEB 28 2013

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

Robert Ballenger, Esq.  
Community Legal Services  
1424 Chestnut Street  
Philadelphia, PA 19102



Gregory J. Stunder, Esq.

Date: March 1, 2013

00252

**FedEx** *NEW Package*  
Express *US Airbill*

FedEx  
Tracking  
Number

8996 7489 8901

SPHI  
Recipient's Copy

Form  
10 No. 0215

RECIPIENT: PEEL HERE

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

Date: February 28, 2013 FedEx Tracking Number 899674898901

Sender's Name Gregory Stunder, Esq. Phone 215 684-6878

Company PHI ADELPHIA GAS WORKS

Address 800 W MONTGOMERY AVE

RECEIVED

City PHI ADELPHIA State PA ZIP 19122-2800

2 Your Internal Billing Reference

FEB 28 2013

3 To

Recipient's Name Rosemary Chlavetta, Secretary PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

Company PA PUC

Address Commonwealth Keystone Bldg. Dept./Floor/Suite/Room

Address 400 North Street, 2nd Floor, 1 North

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 8901

4 Express Package Service \* To most locations.

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 \$200

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 3.0 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 I will be billed.  Recipient  Third Party  Credit Card  Cash/Check

Total Packages Total Weight Credit Card Acct.

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

611

fedex.com 1800.GoFedEx 1800.463.3339

fedex.com 1800.GoFedEx 1800.463.3339