

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

May 31, 2013

VIA EXPRESS MAIL

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

RECEIVED

MAY 31 2013

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Re: Pa. PUC v. Philadelphia Gas Works; R-2012-2286447,
June 1, 2013 Third Quarterly GCR Filing

Dear Secretary Chiavetta:

Enclosed for filing is an original 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 the typed name. The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Gregory J. Stunder

Enclosures

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

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
5th 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 2nd 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

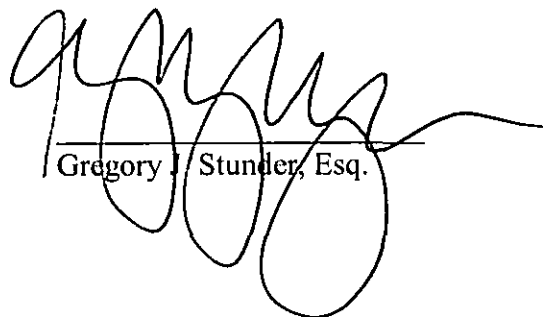
Robert Knecht
Industrial Economics, Incorporated
2067 Massachusetts Avenue
Cambridge MA 02140

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

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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU



Gregory J. Stunder, Esq.

Date: May 31, 2013

JUNE 1, 2013

3RD QUARTER GCR FILING

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Philadelphia Gas Works
Levelized Gas Cost Rate
3rd Qtr Filing - June 1, 2013

Formula:
GCR = SSC + GAC - IRC

where:

	<u>Demand</u>	<u>Commodity</u>	<u>Total</u>	
S = Firm Sales (Mcf)			46,841,793	Schedule 2
<hr/>				
Net Natural Gas Expense	\$ 63,672,993	\$ 227,086,298	\$ 290,759,291	
Purchased Electric & Misc Expenses	\$ -	\$ 521,633	\$ 521,633	
Total Natural Gas Expense	\$ 63,672,993	\$ 227,607,931	\$ 291,280,925	Schedule 3
C-Factor Reconciliation	\$ (12,402,534)	\$ (1,831,533)	\$ (14,234,068)	
C = Total Applicable GCR Expense	\$ 51,270,459	\$ 225,776,398	\$ 277,046,857	
SSC = C / S	\$ 1.0945	\$ 4.8200	\$ 5.9145	
<hr/>				
Adjustment For: E-Factor Volumes (Mcf)			3,232,344	
E-Factor Reconciliation	\$ 1,859,830	\$ (1,414,490)	\$ 445,340	Schedule 4(c)
	\$ 1,859,830	\$ (1,414,490)	\$ 445,340	
E = E-Factor	\$ 0.5754	\$ (0.4376)	\$ 0.1378	
<hr/>				
Interruptible Revenue Credit			\$ (2,709,203)	Schedule 5(a)
IRC = Interruptible Revenue Credit / S			\$ (0.0578)	
<hr/>				
Net Applicable GCR Expenses = C + E - Interruptible Revenue Credit			\$ 280,201,400	
<u>GCR = SSC + GAC - IRC</u>			\$ 6.1101	
<hr/>				
SSC in effect 06/01/13	\$ 1.0868	\$ 4.7857	\$ 5.8725	
GAC in effect 06/01/13	\$ 0.5884	\$ (0.4475)	\$ 0.1409	
IRC in effect 06/01/13			\$ 0.0575	
GCR in effect 06/01/13			\$ 6.0709	Schedule 6

Recovery Test on:

Firm Sales (Mcf)	46,841,793	
= Total Projected Recovery	\$ 278,420,038	
= Load Balancing Revenue	\$ 1,021,885	
= LNG Sales Demand Revenue	\$ 756,278	
	\$ 280,198,201	Schedule 6
Compared To		
Net Applicable GCR Expenses	\$ 280,201,400	
= Net Over/(Under) Recovery	\$ (3,200)	

Degree Days

4,268

SALES & VOLUMES

JUNE 2013 THROUGH MAY 2014

MONTH	TOTAL VOLUMES	FIRM TRANSPORT VOLUMES	BILLED SALES	INTERRUPTIBLE SALES	LNG SALES	AIR CONDITIONING SALES	GCR FIRM SALES	SENIOR CITIZEN DISCOUNT SALES	APPLICABLE VOLUMES
	1	2	3 = (1 - 2)	4	4A	4B	5 = (3 - 4 - 4A - 4B)	6	7 = (5 - 6 + 2)
JUNE 2013	1,409,001	159,208	1,249,793	3,333	69,300	848	1,176,312	8,500	1,327,020
JULY	1,249,992	148,801	1,101,191	2,887	69,440	1,280	1,027,583	7,099	1,169,285
AUGUST	1,150,663	137,447	1,013,216	3,000	69,440	1,419	939,358	6,454	1,070,350
SEPTEMBER	1,174,849	148,402	1,026,446	2,749	69,300	1,063	953,334	6,202	1,095,535
OCTOBER	1,827,239	215,076	1,612,163	2,604	51,740	-	1,557,819	11,394	1,761,500
NOVEMBER	3,869,122	348,580	3,520,542	3,063	51,600	-	3,465,879	29,438	3,785,021
DECEMBER	6,662,712	533,782	6,128,930	3,747	51,740	-	6,073,443	53,246	6,553,978
JANUARY 2014	10,537,817	699,651	9,838,166	3,998	51,740	-	9,782,428	88,541	10,393,537
FEBRUARY	9,184,932	598,079	8,586,853	3,462	51,600	-	8,531,790	76,473	9,053,397
MARCH	7,055,197	488,378	6,566,820	3,460	51,740	-	6,511,619	56,744	6,943,253
APRIL	4,963,244	339,318	4,623,926	2,818	51,600	-	4,569,508	39,171	4,869,655
MAY	<u>2,520,956</u>	<u>214,082</u>	<u>2,306,874</u>	<u>2,415</u>	<u>51,740</u>	<u>-</u>	<u>2,252,719</u>	<u>17,578</u>	<u>2,449,223</u>
TOTAL	51,605,723	4,030,803	47,574,920	37,537	690,980	4,610	46,841,793	400,840	50,471,756

**Projected Applicable Fuel Expense
FY 2012-2013 3rd Quarter Filing**

	JUNE 2013	JULY 2013	AUGUST 2013	SEPTEMBER 2013	OCTOBER 2013	NOVEMBER 2013	DECEMBER 2013	JANUARY 2014	FEBRUARY 2014	MARCH 2014	APRIL 2014	MAY 2014	TOTAL
NATURAL GAS BILLED													
DEMAND CHARGE	\$5,399,782	\$5,383,953	\$5,383,953	\$5,039,665	\$5,011,831	\$5,308,149	\$5,518,874	\$5,518,874	\$5,554,995	\$5,501,421	\$5,039,665	\$5,011,831	\$63,672,993
COMMODITY CHARGE	\$12,597,528	\$11,785,573	\$11,900,368	\$12,899,873	\$20,202,560	\$23,562,688	\$33,252,344	\$21,932,933	\$27,923,542	\$29,172,355	\$19,914,639	\$16,575,100	\$241,719,503
TOTAL NATURAL GAS BILLED	\$17,997,311	\$17,169,526	\$17,284,321	\$17,939,538	\$25,214,391	\$28,870,838	\$38,771,219	\$27,451,807	\$33,478,537	\$34,673,775	\$24,954,304	\$21,586,931	\$305,392,496
INTERRUPTIBLE CREDIT	\$14,818	\$13,071	\$13,868	\$12,779	\$12,167	\$14,604	\$18,441	\$19,442	\$17,126	\$16,977	\$12,997	\$11,083	\$177,373
SENDOUT VOLUME IN MCF	3,461	2,998	3,115	2,854	2,704	3,181	3,891	4,152	3,595	3,594	2,926	2,508	38,979
DKT CONVERSION FACTOR	1.029	1.029	1.029	1.029	1.029	1.029	1.029	1.029	1.029	1.029	1.029	1.029	
PRICE \$/DKT	\$4.1601	\$4.2366	\$4.3267	\$4.3510	\$4.3731	\$4.4621	\$4.6056	\$4.5509	\$4.6292	\$4.5912	\$4.3163	\$4.2951	
GAS USED FOR UTILITY	\$7,370	\$21,472	\$18,277	\$38,692	\$56,762	\$169,092	\$289,051	\$453,266	\$456,654	\$322,015	\$109,694	\$26,350	\$1,968,696
NATURAL GAS TO STORAGE FROM STORAGE PGW	(\$7,891,487)	(\$7,556,604)	(\$7,598,842)	(\$7,348,459)	(\$7,379,978)	\$0	\$0	\$0	\$0	\$0	(\$3,420,412)	(\$7,680,956)	(\$48,876,738)
	\$0	\$0	\$0	\$0	\$0	\$697,844	\$6,026,482	\$21,684,952	\$9,327,518	\$2,232,897	\$442,969	\$0	\$40,412,663
NET NATURAL GAS STORAGE	(\$7,891,487)	(\$7,556,604)	(\$7,598,842)	(\$7,348,459)	(\$7,379,978)	\$697,844	\$6,026,482	\$21,684,952	\$9,327,518	\$2,232,897	(\$2,977,443)	(\$7,680,956)	(\$8,464,075)
LNG TO STORAGE FROM LNG PGW	(\$686,725)	\$0	\$0	(\$372,672)	(\$1,278,063)	(\$1,713,418)	(\$953,558)	\$0	\$0	(\$1,717,662)	(\$1,628,124)	(\$1,188,861)	(\$9,539,082)
	\$325,493	\$335,698	\$335,698	\$325,201	\$333,303	\$321,819	\$458,527	\$1,106,698	\$983,719	\$333,065	\$323,441	\$333,360	\$5,516,021
NET LNG STORAGE	(\$361,232)	\$335,698	\$335,698	(\$47,471)	(\$944,760)	(\$1,391,599)	(\$495,031)	\$1,106,698	\$983,719	(\$1,384,597)	(\$1,304,683)	(\$855,501)	(\$4,023,061)
NET NATURAL GAS EXPENSE	\$9,722,404	\$9,914,077	\$9,989,031	\$10,492,136	\$16,820,725	\$27,993,387	\$43,995,177	\$49,770,750	\$43,315,993	\$35,183,084	\$20,549,486	\$13,013,042	\$290,759,291
APPLICABLE GCR EXPENSE													
NET NATURAL GAS EXPENSE	\$9,722,404	\$9,914,077	\$9,989,031	\$10,492,136	\$16,820,725	\$27,993,387	\$43,995,177	\$49,770,750	\$43,315,993	\$35,183,084	\$20,549,486	\$13,013,042	\$290,759,291
PURCHASED ELECTRIC & MISC	\$12,142	\$14,163	\$13,391	\$30,657	\$31,911	\$37,013	\$33,797	\$103,823	\$45,653	\$29,263	\$23,983	\$20,837	\$396,633
PLANALYTICS								\$125,000					\$125,000
TOTAL APPLICABLE EXPENSES	\$9,734,546	\$9,928,240	\$10,002,422	\$10,522,793	\$16,852,636	\$28,030,400	\$44,028,974	\$49,999,573	\$43,361,646	\$35,212,347	\$20,573,469	\$13,033,879	\$291,280,925
TOTAL GCR FIRM SALES	1,176,312	1,027,583	939,358	953,334	1,557,819	3,465,879	6,073,443	9,782,428	8,531,790	6,511,619	4,569,508	2,252,719	46,841,793

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

<u>Rate</u>	<u>07/01/2012</u>	<u>Split Month 09/01/2012</u>	<u>10/01/2012</u>	<u>Split Month 12/01/2012</u>	<u>01/01/2013</u>	<u>Split Month 03/01/2013</u>	<u>04/01/2013</u>	<u>Split Month 06/01/2013</u>	<u>07/01/2013</u>
SSC in Effect	\$ 4.9950	\$ 5.0846	\$ 5.1742	\$ 5.4415	\$ 5.7087	\$ 5.9509	\$ 6.1931	\$ 6.0328	\$ 5.8725
GAC in Effect	\$ (0.0938)	\$ 0.0164	\$ 0.1265	\$ 0.1136	\$ 0.1006	\$ 0.1125	\$ 0.1243	\$ 0.1326	\$ 0.1409
IRC in Effect	\$ (0.1883)	\$ (0.1322)	\$ (0.0760)	\$ (0.0765)	\$ (0.0770)	\$ 0.0024	\$ 0.0817	\$ 0.0696	\$ 0.0575
Total Effective	\$ 4.7129	\$ 4.9688	\$ 5.2247	\$ 5.4785	\$ 5.7323	\$ 6.0657	\$ 6.3991	\$ 6.2350	\$ 6.0709
Percentage of Total									
C-Factor	106.0%	102.3%	99.0%	99.3%	99.6%	98.1%	96.8%	96.8%	96.7%
E-Factor	-2.0%	0.3%	2.4%	2.1%	1.8%	1.9%	1.9%	2.1%	2.3%
IRC-Factor	-4.0%	-2.7%	-1.5%	-1.4%	-1.3%	0.0%	1.3%	1.1%	0.9%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%

<u>C-Factor</u>	<u>07/01/2012</u>	<u>09/01/2012</u>	<u>10/01/2012</u>	<u>12/01/2012</u>	<u>01/01/2013</u>	<u>03/01/2013</u>	<u>04/01/2013</u>	<u>06/01/2013</u>	<u>07/01/2013</u>
Demand Charge in Effect	\$ 1.2448	\$ 1.2364	\$ 1.2279	\$ 1.3317	\$ 1.4354	\$ 1.4692	\$ 1.5029	\$ 1.2949	\$ 1.0868
Commodity in Effect	\$ 3.7502	\$ 3.8483	\$ 3.9463	\$ 4.1098	\$ 4.2733	\$ 4.4818	\$ 4.6902	\$ 4.7380	\$ 4.7857
Total	\$ 4.9950	\$ 5.0846	\$ 5.1742	\$ 5.4415	\$ 5.7087	\$ 5.9509	\$ 6.1931	\$ 6.0328	\$ 5.8725
Percentage of Total									
Demand Charge in Effect	24.9%	24.3%	23.7%	24.5%	25.1%	24.7%	24.3%	21.5%	18.5%
Commodity in Effect	75.1%	75.7%	76.3%	75.5%	74.9%	75.3%	75.7%	78.5%	81.5%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%

<u>Actual</u>	<u>Sep-2012</u>	<u>Oct-2012</u>	<u>Nov-2012</u>	<u>Dec-2012</u>	<u>Jan-2013</u>	<u>Feb-2013</u>	<u>Mar-2013</u>	<u>Apr-2013</u>
Fiscal Year 2012-2013	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>
GCR Firm Sales	1,060,288	1,453,257	3,686,918	5,720,689	7,573,048	8,259,877	6,926,530	4,696,993
Migration Rider Sales	33,154	46,390	76,634	102,802	141,619	148,683	123,140	78,930
GCR Revenue Billed	\$ 5,311,763	\$ 7,612,404	\$ 19,262,859	\$ 31,516,827	\$ 43,400,372	\$ 47,360,251	\$ 42,383,521	\$ 30,030,863
Migration Rider Revenue Billed	\$ 1,025	\$ 6,058	\$ 9,690	\$ 11,012	\$ 14,266	\$ 15,073	\$ 14,683	\$ 9,799
Load Balancing Billed	\$ 66,429	\$ 72,241	\$ 84,333	\$ 86,082	\$ 89,367	\$ 90,760	\$ 93,455	\$ 60,054
Lng Sales Demand Charge Credit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenue Billed	\$ 5,379,217	\$ 7,690,703	\$ 19,356,882	\$ 31,613,921	\$ 43,504,005	\$ 47,466,083	\$ 42,491,659	\$ 30,100,716
Natural Gas Refunds	\$ -	\$ 23,379	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Demand Charges	\$ 6,161,528	\$ 5,454,623	\$ 4,386,825	\$ 5,608,407	\$ 5,342,838	\$ 5,010,058	\$ 5,778,426	\$ 5,699,748
Supply Charges	\$ 4,504,682	\$ 6,260,379	\$ 23,791,163	\$ 27,806,399	\$ 35,781,294	\$ 30,250,172	\$ 27,728,554	\$ 11,254,109
Net Cost of Fuel	\$ 10,666,210	\$ 11,715,002	\$ 28,177,988	\$ 33,414,806	\$ 41,124,132	\$ 35,260,230	\$ 33,506,980	\$ 16,953,857

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

MONTH	NET COST OF FUEL	TOTAL GCR REVENUE BILLED	C FACTOR % of GCR	C FACTOR 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	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)
JANUARY 2013	41,124,132	43,400,372	99.6%	43,221,692	89,367	43,311,059	0	2,186,927	(18,099,877)
FEBRUARY	35,260,230	47,360,251	99.6%	47,165,267	90,760	47,256,027	0	11,995,797	(6,104,079)
MARCH	33,506,980	42,383,521	98.1%	41,581,367	93,455	41,674,822	0	8,167,842	2,063,762
APRIL	16,953,857	30,030,863	96.8%	29,064,108	60,054	29,124,162	0	12,170,305	14,234,068

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

		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)	(\$)		(\$)	(\$)	(\$)	(\$)
PRIOR YEAR E-FACTOR										\$ (5,073,914)
MONTH										
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	Actual	7,573,048	141,619	7,714,667	\$ 43,400,372	1.8%	\$ 761,662	\$ 14,266	\$ 775,928	\$ (2,948,788)
FEBRUARY	Actual	8,259,877	148,683	8,408,560	\$ 47,360,251	1.8%	\$ 831,157	\$ 15,073	\$ 846,230	\$ (2,102,558)
MARCH	Actual	6,926,530	123,140	7,049,670	\$ 42,383,521	1.9%	\$ 785,734	\$ 14,683	\$ 800,417	\$ (1,302,141)
APRIL	Actual	4,696,993	78,930	4,775,923	\$ 30,030,863	1.9%	\$ 583,338	\$ 9,799	\$ 593,137	\$ (709,004)
MAY	Estimate	2,082,809	38,380	2,121,189	\$ 13,328,101	1.9%	\$ 258,893	\$ 4,771	\$ 263,664	\$ (445,340)
							6 = (Col 1 * .1378)	7 = (Col 2 * .1378)		
JUNE	Estimate	1,176,312	31,842	1,208,154	\$ 7,334,306		\$ 162,068	\$ 4,387	\$ 166,455	
JULY	Estimate	1,027,583	29,760	1,057,343	\$ 6,238,354		\$ 141,577	\$ 4,100	\$ 145,677	
AUGUST	Estimate	939,358	27,489	966,847	\$ 5,702,746		\$ 129,421	\$ 3,787	\$ 133,209	
TOTAL		3,143,253	89,091	3,232,344	\$ 19,275,405		\$ 433,066	\$ 12,275	\$ 445,340	

JUNE 1, 2013 E-FACTOR \$ 0.1378

**FISCAL YEAR 2013
PHILADELPHIA GAS WORKS
IRC FACTOR 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)
NOVEMBER	19,262,859	-1.45%	(280,203)
DECEMBER	31,516,827	-1.40%	(440,091)
JANUARY 2013	43,400,372	-1.34%	(582,982)
FEBRUARY	47,360,251	-1.34%	(636,174)
MARCH	42,383,521	0.04%	16,420
APRIL	30,030,863	1.28%	383,417

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

<u>MONTH</u>	DEMAND CHARGES LESS LOAD BALANCING CHARGE REVENUE 1	DEMAND REVENUE BILLED 2	MONTHLY DEMAND OVER/(UNDER) 3 = (2-1)	CUMULATIVE DEMAND OVER/(UNDER) 4
	\$	\$	\$	\$
	<hr/>			
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)
NOVEMBER	4,302,492	4,527,167	224,675	(8,157,465)
DECEMBER	5,522,325	7,617,956	2,095,631	(6,061,835)
JANUARY 2013	5,253,471	10,870,353	5,616,882	(444,952)
FEBRUARY	4,919,298	11,856,227	6,936,929	6,491,977
MARCH	5,684,971	10,176,112	4,491,141	10,983,118
APRIL	5,639,694	7,059,111	1,419,417	12,402,534

INTERRUPTIBLE REVENUE CREDIT
June 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	Actual \$ (582,982)	115,104
February	Actual \$ (636,174)	96,601
March	Actual \$ 16,420	76,913
April	Actual \$ 383,417	50,924
May	Estimated \$ 170,165	18,794
Act/Est IRC Credit September 2012 to May 2013	<u>\$ (1,621,451)</u>	
Act/Est Margin September 2012 to May 2013		<u>\$ 843,385</u> <u>\$ 843,385</u>
FY 2012 Reconciliation PLUS Act/Est Margin September 2012 to May 2013		<u>\$ (1,252,699)</u>

FY 2012 Reconciliation PLUS Act/Est Margin September 2012 to May 2013		\$ (1,252,699)
Act/Est IRC Credit September 2012 to May 2013		\$ (1,621,451)
Reconciliation as of May 31, 2013		\$ (2,874,150)
Margin - June 2013 through May 2014	Sch 5(b)	\$ 164,947
June 1, 2013 Interruptible Revenue Credit		\$ (2,709,203)

INTERRUPTIBLE REVENUE MARGIN
3rd Qtr FILING

<u>MONTH</u>		<u>MARGIN</u>
June-13	Estimated	\$ 11,121
July	Estimated	\$ 1,848
August	Estimated	\$ 1,911
September	Estimated	\$ 2,677
October	Estimated	\$ 11,620
November	Estimated	\$ 17,701
December	Estimated	\$ 24,890
January-14	Estimated	\$ 28,404
February	Estimated	\$ 23,604
March	Estimated	\$ 21,762
April	Estimated	\$ 15,128
<u>May</u>	Estimated	\$ <u>4,283</u>
Total		\$ 164,947

CALCULATION OF RECOVERED CHARGES

3rd Qtr Filing

June 1, 2013

	<u>50% June</u>	<u>11.5 Months</u>	<u>Total</u>
			(MCF) (\$)
S - Firm Sales (Mcf)	588,156	46,253,637	46,841,793
C-Factor	\$ 6.1931	\$ 5.8725	
Projected Recovery	3,642,509	271,624,483	\$ 275,266,992
S - Firm Sales (Mcf)	588,156	46,253,637	46,841,793
IRC-Factor	\$ 0.0817	\$ 0.0575	
Projected Recovery	48,052	2,659,584	\$ 2,707,636
E-Factor Volumes (Mcf)	604,077	2,628,267	3,232,344
E-Factor	\$ 0.1243	\$ 0.1409	
Projected Recovery	75,087	370,323	\$ 445,410
GCR (\$ / Mcf)	\$ 6.3991	\$ 6.0709	
<hr/>			
Projected Recovery			\$ 278,420,038
Load Balancing Revenue			\$ 1,021,885
LNG Sales Demand Revenue			<u>\$ 756,278</u>
TOTAL PROJECTED RECOVERY			\$ 280,198,201

**Change In Rates
3rd Quarter Filing
Rates Effective June 1, 2013**

Distribution Charge

	Delivery	Surcharges				Total	
	Delivery Charge	Other Post Employment Benefit	Efficiency Cost Recovery	Restructuring & Consumer Education	Universal Service & Ener. Cons.	Total Surcharges	Distribution Charge / Mcf
Residential GS	\$6.3863	\$0.3822	\$0.0776	\$0.0000	\$2.0192	\$2.4790	\$8.8653
Commercial GS	\$4.6530	\$0.3822	\$0.0804	\$0.0000	\$2.0192	\$2.4818	\$7.1348
Industrial GS	\$4.5859	\$0.3822	(\$0.2609)	\$0.0000	\$2.0192	\$2.1405	\$6.7264
Phila.Housing Authority (PHA)	\$4.1480	\$0.3822	\$0.0804	\$0.0000	\$2.0192	\$2.4818	\$6.6298
Municipal (MS)	\$3.4040	\$0.3822	\$0.0000	\$0.0000	\$2.0192	\$2.4014	\$5.8054
Phila.Housing Authority (GS)	\$4.9820	\$0.3822	\$0.0776	\$0.0000	\$2.0192	\$2.4790	\$7.4610

Proposed Rates

	03/01/13 Distribution Charge	03/01/13 GCR	03/01/13 Commodity Rate	06/01/13 Distribution Charge	06/01/13 GCR	06/01/13 Commodity Rate	Difference
	(4)	(5)	(3)=(1)+(2)	(4)	(5)	(6)=(4)+(5)	(7)=(6)-(3)
Residential GS	\$8.9799	\$6.3991	\$15.3790	\$8.8653	\$6.0709	\$14.9362	(\$0.4429)
Commercial GS	\$7.2532	\$6.3991	\$13.6523	\$7.1348	\$6.0709	\$13.2057	(\$0.4467)
Industrial GS	\$7.2347	\$6.3991	\$13.6338	\$6.7264	\$6.0709	\$12.7973	(\$0.8366)
Phila.Housing Authority (PHA)	\$6.7482	\$6.3991	\$13.1473	\$6.6298	\$6.0709	\$12.7007	(\$0.4467)
Municipal (MS)	\$5.9101	\$6.3991	\$12.3092	\$5.8054	\$6.0709	\$11.8763	(\$0.4330)
Phila.Housing Authority (GS)	\$7.5756	\$6.3991	\$13.9747	\$7.4610	\$6.0709	\$13.5319	(\$0.4429)

PHILADELPHIA GAS WORKS
JUNE 1, 2013 - 3rd Qtr FILING
UNIVERSAL SERVICE & ENERGY CONSERVATION SURCHARGE

	Expenses in the Surcharge
Enhanced Low Income Retrofit Program (ELIRP)	\$ 8,547,770
Customer Responsibility Program (CRP)	\$ 73,064,726
Senior Citizen Discount *	\$ 5,802,057
<u>May 2013 Under Collection</u>	<u>\$ 14,496,083</u>
Total \$ to be Recovered	\$ 101,910,635
 Total Applicable Volumes	 Mcf 50,471,756
 Universal Service & Energy Conservation Surcharge	 <u>\$ 2.0192</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 \$6,611,877.

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

<u>Month</u>		<u>Applicable</u>	<u>USC</u>	<u>USC</u>	<u>USC</u>	<u>Monthly</u>	<u>Cumulative</u>
<u>FY 12 Reconciliation</u>		<u>Volumes</u>	<u>Charge</u>	<u>Revenue</u>	<u>Expenses</u>	<u>Over/(Under)</u>	<u>Over/(Under)</u>
				<u>Billed</u>		<u>Recovery</u>	<u>Recovery</u>
							(\$12,100,465)
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)	\$ 3,355,701	(\$4,228,579)
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	Actual	8,011,065	\$ 2.0231	\$ 16,207,185	\$ 20,806,264	\$ (4,599,079)	(\$8,904,579)
February	Actual	8,733,933	\$ 2.0231	\$ 17,669,619	\$ 21,468,788	\$ (3,799,170)	(\$12,703,748)
March	Actual	7,334,853	\$ 2.0735	\$ 15,208,817	\$ 18,309,930	\$ (3,101,113)	(\$15,804,862)
April	Actual	4,990,006	\$ 2.1239	\$ 10,598,274	\$ 11,471,064	\$ (872,790)	(\$16,677,652)
May	Estimated	2,255,928	\$ 2.1239	\$ 4,791,366	\$ 2,609,798	\$ 2,181,569	(\$14,496,083)

<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>	<u>Mar-13</u>	<u>Apr-13</u>	<u>May-13</u>
ELIRP Expense	\$ 3,438	\$ 457,807	\$ 499,011	\$ 3,347	\$ 1,075,076	\$ 872,125	\$ 647,361	\$ 40,240	\$ 947,315
ELIRP Labor	\$ 5,331	\$ 5,489	\$ 9,190	\$ 7,826	\$ 7,834	\$ 7,951	\$ 10,454	\$ 8,188	\$ 8,651
CRP Discount	\$ (2,956,763)	\$ (1,446,565)	\$ 5,210,746	\$ 12,093,600	\$ 17,968,024	\$ 18,835,842	\$ 15,997,508	\$ 10,110,894	\$ 716,022
CRP Forgiveness	\$ 681,304	\$ 658,753	\$ 533,301	\$ 472,759	\$ 547,865	\$ 497,360	\$ 587,261	\$ 580,488	\$ 588,750
Senior Citizen Discount	\$ 170,794	\$ 237,187	\$ 580,528	\$ 935,334	\$ 1,207,464	\$ 1,255,510	\$ 1,067,346	\$ 731,254	\$ 349,060
Bad Debt Expense Offset*	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ (2,095,896)	\$ (87,330)	\$ 6,832,776	\$ 13,512,866	\$ 20,806,264	\$ 21,468,788	\$ 18,309,930	\$ 11,471,064	\$ 2,609,798

<u>CRP Participation</u>										
Rate Case Participation Rate		84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000	
Actual Participation Rate*		78,732	77,790	76,177	75,224	75,387	75,671	76,151	76,942	
CRP Under(Over) Participation		5,268	6,210	7,823	8,776	8,613	8,329	7,849	7,058	
<u>Average Shortfall Per CRP Participant</u>										
CRP Discount		\$ (2,956,763)	\$ (1,446,565)	\$ 5,210,746	\$ 12,093,600	\$ 17,968,024	\$ 18,835,842	\$ 15,997,508	\$ 10,110,894	
Actual Participation Rate		78,732	77,790	76,177	75,224	75,387	75,671	76,151	76,942	
Average Shortfall per CRP Participant		\$ (38)	\$ (19)	\$ 68	\$ 161	\$ 238	\$ 249	\$ 210	\$ 131	
Shortfall*		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Bad Debt Expense Offset* 7.1%		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	

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

EFFICIENCY COST RECOVERY (ECR) SURCHARGE

June 1, 2013

<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	\$2,950,605	\$144,315	\$0	\$3,094,920
Labor Expense	\$44,794	\$2,191	\$0	\$46,985
Commercial & Industrial Retrofit Incentive (CIRI)				
Program Expense	\$0	\$589,229	\$103,981	\$693,210
Labor Expense	\$0	\$7,386	\$1,303	\$8,689
Commercial & Industrial Equipment Rebate (CIER)				
Program Expense	\$0	\$561,239	\$35,824	\$597,063
Labor Expense	\$0	\$8,813	\$563	\$9,376
High-Efficiency Construction Incentive (HECI)				
Program Expense	\$161,315	\$161,315	\$0	\$322,630
Labor Expense	\$2,582	\$2,582	\$0	\$5,164
Comprehensive Residential Retrofit Incentive (CRRRI)				
Program Expense	\$2,444,089	\$0	\$0	\$2,444,089
Labor Expense	<u>\$31,891</u>	<u>\$0</u>	<u>\$0</u>	<u>\$31,891</u>
Total Expense	\$5,635,276	\$1,477,070	\$141,671	\$7,254,017
Prior Period Reconciliation (5/31/13)	<u>\$ (2,724,350)</u>	<u>\$ (565,895)</u>	<u>\$ (377,339)</u>	<u>(\$3,667,584)</u>
Total	2,910,926	911,175	(235,668)	3,586,433
Volumes - Mcf (GCR Firm & Firm Transportation)	37,502,207	11,334,025	903,185	

Efficiency Cost Recovery Surcharge / Mcf	\$0.0776	\$0.0804	(\$0.2609)
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**EFFICIENCY COST RECOVERY (ECR) SURCHARGE
STATEMENT OF RECONCILIATION
3RD QUARTER FILING**

	Actual * Sep-12	Actual * Oct-12	Actual Nov-12	Actual Dec-12	Actual Jan-13	Actual Feb-13	Actual Mar-13	Actual Apr-13	Estimated May-13	
RESIDENTIAL & PHA GS										\$ 1,104,360
FY 2012 Over-Collection										
Volume Billed	776,091	1,060,326	2,860,862	4,639,892	6,128,404	6,752,192	5,651,374	3,830,140	1,637,979	
ECR Surcharge	\$ 0.0399	\$ 0.0411	\$ 0.0411	\$ 0.0588	\$ 0.0765	\$ 0.0765	\$ 0.0820	\$ 0.0875	\$ 0.0875	
Revenue Billed	\$ 30,927	\$ 43,579	\$ 117,581	\$ 272,826	\$ 468,823	\$ 516,543	\$ 463,413	\$ 335,137	\$ 143,323	
RHER Expense	\$ 21,577	\$ 46,918	\$ 97,327	\$ 903	\$ 117,724	\$ 57,524	\$ 41,731	\$ 31,138	\$ 86,666	
RHER Labor	\$ 1,438	\$ 1,481	\$ 2,479	\$ 2,112	\$ 2,114	\$ 2,145	\$ 2,820	\$ 2,209	\$ 2,334	
HECI Expense	\$ 52	\$ 500	\$ 11,279	\$ 4,314	\$ 926	\$ 5,988	\$ 758	\$ 1,284	\$ 2,765	
HECI Labor	\$ 81	\$ 84	\$ 140	\$ 119	\$ 119	\$ 121	\$ 159	\$ 125	\$ 132	
CRRRI Expense	\$ 401	\$ 3,828	\$ 4,501	\$ 391	\$ 7,089	\$ 499	\$ 5,800	\$ 67,099	\$ 124,691	
CRRRI Labor	\$ 622	\$ 641	\$ 1,073	\$ 913	\$ 914	\$ 928	\$ 1,220	\$ 956	\$ 1,010	
Total	\$ 24,172	\$ 53,452	\$ 116,799	\$ 8,751	\$ 128,886	\$ 67,205	\$ 52,489	\$ 102,811	\$ 217,598	
Monthly Over/(Under)	\$ 6,755	\$ (9,872)	\$ 783	\$ 264,074	\$ 339,937	\$ 449,338	\$ 410,924	\$ 232,326	\$ (74,275)	
Cumulative Over/(Under)	\$ 1,111,115	\$ 1,101,243	\$ 1,102,026	\$ 1,366,100	\$ 1,706,037	\$ 2,155,375	\$ 2,566,299	\$ 2,798,625	\$ 2,724,350	
COMMERCIAL & PHA										\$ 178,734
FY 2012 Over-Collection										
Volume Billed	357,003	481,856	970,072	1,243,320	1,653,469	1,693,783	1,478,614	1,013,398	550,264	
ECR Surcharge	\$ 0.0421	\$ 0.0457	\$ 0.0457	\$ 0.0538	\$ 0.0618	\$ 0.0618	\$ 0.0780	\$ 0.0941	\$ 0.0941	
Revenue Billed	\$ 15,030	\$ 22,021	\$ 44,332	\$ 66,828	\$ 102,184	\$ 104,676	\$ 115,258	\$ 95,361	\$ 51,780	
RHER Expense	\$ 1,055	\$ 2,295	\$ 4,760	\$ 44	\$ 5,758	\$ 2,814	\$ 2,041	\$ 1,523	\$ 4,239	
RHER Labor	\$ 70	\$ 72	\$ 121	\$ 103	\$ 103	\$ 105	\$ 138	\$ 108	\$ 108	
CIRI Expense	\$ 200	\$ 5,609	\$ 2,246	\$ 195	\$ 4,231	\$ 8,770	\$ 5,789	\$ 1,936	\$ 34,469	
CIRI Labor	\$ 311	\$ 320	\$ 535	\$ 456	\$ 456	\$ 463	\$ 609	\$ 477	\$ 504	
CIER Expense	\$ 197	\$ 5,924	\$ 6,267	\$ 192	\$ 19,656	\$ 9,247	\$ 49,217	\$ 1,907	\$ 11,650	
CIER Labor	\$ 306	\$ 315	\$ 527	\$ 449	\$ 450	\$ 456	\$ 600	\$ 470	\$ 496	
HECI Expense	\$ 52	\$ 500	\$ 11,279	\$ 4,314	\$ 926	\$ 5,988	\$ 758	\$ 1,284	\$ 2,765	
HECI Labor	\$ 81	\$ 84	\$ 140	\$ 119	\$ 119	\$ 121	\$ 159	\$ 125	\$ 132	
Total	\$ 2,273	\$ 15,119	\$ 25,877	\$ 5,872	\$ 31,700	\$ 27,964	\$ 59,311	\$ 7,830	\$ 54,364	
Monthly Over/(Under)	\$ 12,756	\$ 6,902	\$ 18,456	\$ 60,956	\$ 70,485	\$ 76,712	\$ 55,947	\$ 87,531	\$ (2,584)	
Cumulative Over/(Under)	\$ 191,490	\$ 198,393	\$ 216,848	\$ 277,804	\$ 348,289	\$ 425,001	\$ 480,948	\$ 568,479	\$ 565,895	
INDUSTRIAL										\$ 90,954
FY 2012 Over-Collection										
Volume Billed	28,544	45,781	67,683	89,048	129,969	132,282	108,370	70,347	46,010	
ECR Surcharge	\$ 0.3432	\$ 0.4264	\$ 0.4264	\$ 0.4954	\$ 0.5644	\$ 0.5644	\$ 0.3536	\$ 0.1427	\$ 0.1427	
Revenue Billed	\$ 9,796	\$ 19,521	\$ 28,860	\$ 44,114	\$ 73,355	\$ 74,660	\$ 38,314	\$ 10,039	\$ 6,566	
CIRI Expense	\$ 35	\$ 990	\$ 396	\$ 34	\$ 747	\$ 1,548	\$ 1,022	\$ 342	\$ 6,083	
CIRI Labor	\$ 55	\$ 56	\$ 94	\$ 80	\$ 81	\$ 82	\$ 107	\$ 84	\$ 89	
CIER Expense	\$ 13	\$ 378	\$ 400	\$ 12	\$ 1,255	\$ 590	\$ 3,142	\$ 122	\$ 744	
CIER Labor	\$ 20	\$ 20	\$ 34	\$ 29	\$ 29	\$ 29	\$ 38	\$ 30	\$ 32	
Total	\$ 122	\$ 1,444	\$ 925	\$ 156	\$ 2,110	\$ 2,249	\$ 4,309	\$ 578	\$ 6,947	
Monthly Over/(Under)	\$ 9,674	\$ 18,077	\$ 27,935	\$ 43,959	\$ 71,244	\$ 72,411	\$ 34,005	\$ 9,461	\$ (381)	
Cumulative Over/(Under)	\$ 100,628	\$ 118,705	\$ 146,640	\$ 190,599	\$ 261,843	\$ 334,254	\$ 368,259	\$ 377,720	\$ 377,339	

* Revised

Natural Gas Prices Used for PGW's - FY 2013-2014 - 3rd Quarter GCR Filing

Basis Differentials Prices Used For Gas Cost Inputs

	NYMEX	TRANSCO			TETCO						TRANSCO			TETCO					
	Futures																		
	05/03/13																		
	Close	Sta 30	Sta 45	Sta 65	ELA	WLA	ETX	STX	M-1	M-2	Sta 30	Sta 45	Sta 65	ELA	WLA	ETX	STX	M-1	M-2
2013:05											4.12	4.15	4.21	4.10	4.11	4.05	4.09	4.10	4.10
2013:06	4.041	(0.05)	(0.02)	0.04	(0.04)	(0.05)	(0.14)	(0.10)	0.08	(0.07)	3.99	4.02	4.08	4.00	3.99	3.90	3.94	4.12	3.97
2013:07	4.093	(0.05)	(0.02)	0.04	(0.04)	(0.05)	(0.14)	(0.10)	0.08	(0.07)	4.04	4.07	4.13	4.05	4.04	3.95	3.99	4.17	4.02
2013:08	4.120	(0.05)	(0.02)	0.04	(0.04)	(0.05)	(0.14)	(0.10)	0.08	(0.07)	4.07	4.10	4.16	4.08	4.07	3.98	4.02	4.20	4.05
2013:09	4.117	(0.05)	(0.02)	0.04	(0.04)	(0.05)	(0.14)	(0.10)	0.08	(0.07)	4.07	4.10	4.16	4.08	4.07	3.98	4.02	4.20	4.05
2013:10	4.135	(0.05)	(0.02)	0.04	(0.04)	(0.05)	(0.14)	(0.10)	0.08	(0.07)	4.09	4.12	4.18	4.10	4.09	4.00	4.04	4.22	4.07
2013:11	4.216	(0.05)	(0.02)	0.04	(0.04)	(0.05)	(0.14)	(0.10)	0.08	(0.07)	4.17	4.20	4.26	4.18	4.17	4.08	4.12	4.30	4.15
2013:12	4.383	(0.05)	(0.02)	0.04	(0.04)	(0.05)	(0.14)	(0.10)	0.08	(0.07)	4.33	4.36	4.42	4.34	4.33	4.24	4.28	4.46	4.31
2014:01	4.465	(0.05)	(0.02)	0.04	(0.04)	(0.05)	(0.14)	(0.10)	0.08	(0.07)	4.42	4.45	4.51	4.43	4.42	4.33	4.37	4.55	4.40
2014:02	4.430	(0.05)	(0.02)	0.04	(0.04)	(0.05)	(0.14)	(0.10)	0.08	(0.07)	4.38	4.41	4.47	4.39	4.38	4.29	4.33	4.51	4.36
2014:03	4.360	(0.05)	(0.02)	0.04	(0.04)	(0.05)	(0.14)	(0.10)	0.08	(0.07)	4.31	4.34	4.40	4.32	4.31	4.22	4.26	4.44	4.29
2014:04	4.107	(0.05)	(0.02)	0.04	(0.04)	(0.05)	(0.14)	(0.10)	0.08	(0.07)	4.06	4.09	4.15	4.07	4.06	3.97	4.01	4.19	4.04
2014:05	4.100	(0.05)	(0.02)	0.04	(0.04)	(0.05)	(0.14)	(0.10)	0.08	(0.07)	4.05	4.08	4.14	4.06	4.05	3.96	4.00	4.18	4.03

Actual Natural Gas Billed

	<u>Jan-13</u>	<u>Feb-13</u>	<u>Mar-13</u>
Williams	\$ 2,696,244	\$ 2,470,077	\$ 3,219,476
Texas Eastern	\$ 2,814,187	\$ 2,635,062	\$ 2,618,570
Dominion	\$ 138,100	\$ 135,077	\$ 130,566
Equitrans	\$ 48,769	\$ 48,612	\$ 47,806
Spot Purchases -Transco	\$ 14,712	\$ 32,365	\$ 58,076
Spot Purchases -Tetco	\$ -	\$ -	\$ -
Transco Supply2	\$ 1,845,663	\$ 2,371,250	\$ 2,788,063
Transco Supply3	\$ -	\$ -	\$ -
Transco Supply6	\$ 1,081,900	\$ 909,870	\$ 1,071,825
Transco Supply7	\$ 2,033,271	\$ 1,651,327	\$ 2,365,200
Transco Supply8	\$ 1,571,700	\$ 1,207,000	\$ 1,041,600
Transco Supply10	\$ -	\$ -	\$ -
Transco Supply12	\$ -	\$ -	\$ -
Transco Supply14	\$ -	\$ 763,150	\$ 106,950
Transco Supply17	\$ -	\$ -	\$ -
Transco Supply20	\$ -	\$ -	\$ -
Transco Supply21	\$ 540,950	\$ 488,600	\$ 540,950
Transco Supply22	\$ 1,559,700	\$ 967,400	\$ 988,900
Transco Supply23	\$ 520,800	\$ 470,400	\$ 520,692
Transco Supply24	\$ -	\$ -	\$ -
Transco Supply25	\$ -	\$ -	\$ -
Transco Supply26	\$ 533,200	\$ 481,600	\$ 533,200
Transco Supply27	\$ 544,825	\$ 492,100	\$ 542,291
Transco Supply28	\$ 536,300	\$ 484,400	\$ 536,300
Tetco Supply1	\$ 1,004,906	\$ 1,161,125	\$ 1,363,031
Tetco Supply2	\$ -	\$ -	\$ -
Tetco Supply3	\$ 1,298,558	\$ 1,632,193	\$ 244,575
Tetco Supply4	\$ -	\$ -	\$ -
Tetco Supply5	\$ 84,975	\$ -	\$ -
Tetco Supply7	\$ -	\$ -	\$ -
Tetco Supply13	\$ 4,428,524	\$ 3,854,113	\$ 4,325,738
Tetco Supply14	\$ 1,023,000	\$ 948,500	\$ 1,005,950
Tetco Supply15	\$ -	\$ -	\$ -
Tetco Supply16	\$ 533,200	\$ 439,600	\$ 489,025
Tetco Supply17	\$ 1,091,200	\$ 907,900	\$ 1,005,175
Tetco Supply18	\$ -	\$ -	\$ -
Tetco Supply19	\$ -	\$ -	\$ -
Tetco Supply20	\$ -	\$ -	\$ -
Tetco Supply21	\$ -	\$ -	\$ -
Tetco Supply22	\$ 541,725	\$ 486,500	\$ 506,850
Tetco Supply23	\$ 503,750	\$ 459,480	\$ 508,710
Total Costs	\$ 26,990,158	\$ 25,497,701	\$ 26,559,519
Sharing Mechanism	\$ 113,749	\$ 109,236	\$ 113,679
Asset Management Agreement	\$ (79,344)	\$ (79,344)	\$ (79,344)
Off System Sales	\$ -	\$ -	\$ -
Gas Transportation Purchases	\$ 7,476	\$ 988	\$ 1,953
Adjustment/Reconciliation	\$ 539,999	\$ (22,139)	\$ (363,646)
Total Natural Gas Billed	\$ 27,572,038	\$ 25,506,442	\$ 26,232,161

**Philadelphia Gas Works
Summary of Fuels Purchased
Three Months Ending March 2013**

	<u>Actual</u>				<u>Projected 2nd Qtr Filing Jan-13</u>	<u>Projected 2nd Qtr Filing Feb-13</u>	<u>Projected 2nd Qtr Filing Mar-13</u>	<u>Total</u>	<u>Actual Over/Under vs Projected</u>			
	<u>Jan-13</u>	<u>Feb-13</u>	<u>Mar-13</u>	<u>Total</u>					<u>Jan-13</u>	<u>Feb-13</u>	<u>Mar-13</u>	<u>Total</u>
Total Natural Gas Billed	\$ 27,572,038	\$ 25,506,442	\$ 26,232,161	\$ 79,310,641	\$ 26,780,267	\$ 29,488,983	\$ 29,107,773	\$ 85,377,022	\$ 791,771	\$ (3,982,541)	\$ (2,875,612)	\$ (6,066,381)
Less Interruptible Credit Gas Used For Utility	\$ 38,008	\$ 31,121	\$ 27,427	\$ 96,556	\$ 34,554	\$ 30,970	\$ 27,548	\$ 93,071	\$ 3,454	\$ 151	\$ (121)	\$ 3,485
	\$ 332,231	\$ 362,520	\$ 264,828	\$ 959,579	\$ 474,724	\$ 438,407	\$ 301,350	\$ 1,214,481	\$ (142,493)	\$ (75,887)	\$ (36,522)	\$ (254,902)
	\$ 27,201,799	\$ 25,112,801	\$ 25,939,906	\$ 78,254,506	\$ 26,270,989	\$ 29,019,606	\$ 28,778,875	\$ 84,069,470	\$ 930,810	\$ (3,906,805)	\$ (2,838,969)	\$ (5,814,964)
Pipeline Storages												
(To)	\$ (33,573)	\$ (426,585)	\$ (506,963)	\$ (967,121)	\$ -	\$ -	\$ (13,687)	\$ (13,687)	\$ (33,573)	\$ (426,585)	\$ (493,276)	\$ (953,434)
From	\$ 12,062,945	\$ 10,450,082	\$ 8,890,413	\$ 31,403,440	\$ 12,672,583	\$ 6,702,566	\$ 2,173,345	\$ 21,548,494	\$ (609,638)	\$ 3,747,516	\$ 6,717,068	\$ 9,854,946
Net Pipeline Storages	\$ 12,029,372	\$ 10,023,497	\$ 8,383,450	\$ 30,436,319	\$ 12,672,583	\$ 6,702,566	\$ 2,159,658	\$ 21,534,807	\$ (643,211)	\$ 3,320,931	\$ 6,223,792	\$ 8,901,512
LNG Storage												
(To)	\$ (418,680)	\$ (459,787)	\$ (1,213,863)	\$ (2,092,330)	\$ (428,755)	\$ -	\$ (755,824)	\$ (1,184,579)	\$ 10,075	\$ (459,787)	\$ (458,039)	\$ (907,751)
From	\$ 2,112,650	\$ 511,648	\$ 339,272	\$ 2,963,570	\$ 1,529,948	\$ 1,169,282	\$ 339,130	\$ 3,038,361	\$ 582,702	\$ (657,634)	\$ 142	\$ (74,791)
Net LNG Storage	\$ 1,693,970	\$ 51,861	\$ (874,591)	\$ 871,240	\$ 1,101,193	\$ 1,169,282	\$ (416,693)	\$ 1,853,782	\$ 592,777	\$ (1,117,421)	\$ (457,898)	\$ (982,542)
Net Natural Gas	\$ 40,925,141	\$ 35,188,159	\$ 33,448,765	\$ 109,562,065	\$ 40,044,765	\$ 36,891,455	\$ 30,521,839	\$ 107,458,059	\$ 880,376	\$ (1,703,296)	\$ 2,926,926	\$ 2,104,006
APPLICABLE GCR EXPENSES												
Net Natural Gas Expense	\$ 40,925,141	\$ 35,188,159	\$ 33,448,765	\$ 109,562,065	\$ 40,044,765	\$ 36,891,455	\$ 30,521,839	\$ 107,458,059	\$ 880,376	\$ (1,703,296)	\$ 2,926,926	\$ 2,104,006
Purchased Electric & Misc	\$ 198,991	\$ 72,071	\$ 58,215	\$ 329,277	\$ 287,031	\$ 87,736	\$ 74,331	\$ 449,097	\$ (88,040)	\$ (15,665)	\$ (16,116)	\$ (119,820)
Total GCR Expenses	\$ 41,124,132	\$ 35,260,230	\$ 33,506,980	\$ 109,891,342	\$ 40,331,795	\$ 36,979,190	\$ 30,596,170	\$ 107,907,156	\$ 792,337	\$ (1,718,960)	\$ 2,910,810	\$ 1,984,186

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 June 1, 2013 increases from \$0.01243 per Ccf to \$0.01409 per Ccf; In the definition of "IRC," the "IRC" value effective June 1, 2013 increases from \$(0.00817) to \$(0.00575) per Ccf; In the definition of "SSC," the "SSC" value effective June 1, 2013 decreases from \$0.61931 per Ccf to \$0.58725 per Ccf.

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

The Gas Cost Rate (GCR) effective June 1, 2013 decreases from \$0.63991 per Ccf to \$0.60709 per Ccf.

EFFICIENCY COST RECOVERY SURCHARGE (PAGE No. 80)

The Efficiency Cost Recovery Surcharges effective June 1, 2013 are: a) \$0.00776 per Ccf for Residential and Public Housing Customers on Rate GS; b) \$0.00804 per Ccf for Commercial Customers on Rate GS; c) \$(0.02609) per Ccf for Industrial Customers on Rate GS; d) \$0.00000 per Ccf for Municipal Customers on Rate MS; and e) \$0.00804 per Ccf for The Philadelphia Housing Authority on Rate PHA.

UNIVERSAL SERVICE CHARGE (PAGE No. 81)

The Universal Services Charge effective June 1, 2013 decreases from \$0.21239 per per Ccf to \$0.20192 per Ccf.

GENERAL SERVICE – RATE GS (Page No. 83)

The GCR for Residential, Commercial, and Industrial Services decreases from \$0.63991 per Ccf to \$0.60709 per Ccf, effective June 1, 2013.

MUNICIPAL SERVICE – RATE MS (Page No. 87)

The GCR for Municipal Service decreases from \$0.63991 per Ccf to \$0.60709 per Ccf, effective June 1, 2013.

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

The GCR for Philadelphia Housing Authority Service decreases from \$0.63991 per Ccf to \$0.60709 per Ccf, effective June 1, 2013.

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

The GCR for NGVS Firm decreases from \$0.63991 per Ccf to \$0.60709 per Ccf, effective June 1, 2013.

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PHILADELPHIA GAS WORKS

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

I. PROVISION FOR ADJUSTMENT

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

II. DEFINITIONS

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

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 \$(0.04475) per Ccf for Commodity Costs and \$0.05884 per Ccf for Demand Costs, for service on or after June 1, 2013. The total Gac is \$0.01409 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 \$(0.00575) per Ccf for service on or after June 1, 2013. (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 \$0.47857 per Ccf for Commodity Costs and \$0.10868 per Ccf for Demand Costs, for service on or after June 1, 2013. The total SSC is \$0.58725 per Ccf. (D)

(I) – Increase; (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 \$0.60709 per Ccf, for service on or after June 1, 2013.

(D)

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).

(D) – Decrease

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) \$0.00776 per Ccf for Residential and Public Housing Customers on Rate GS; (D)
- b) \$0.00804 per Ccf for Commercial Customers on Rate GS; (D)
- c) \$(0.02609) per Ccf for Industrial Customers on Rate GS; (D)
- d) \$0.00000 per Ccf for Municipal Customers on Rate MS; and (NC)
- e) \$0.00804 per Ccf for The Philadelphia Housing Authority on Rate PHA. (D)

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

(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 = \$ 0.20192/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 June 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

Surcharge: Distribution System Improvement Charge.

Plus,

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

\$ 0.60709	per Ccf for Residential and Public Housing	(D)
\$ 0.60709	per Ccf for Commercial Customers	(D)
\$ 0.60709	per Ccf for Industrial Customers	(D)

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; Other Post Employment Benefit Surcharge; and Distribution System Improvement Charge.

(D) – Decrease

MUNICIPAL SERVICE - RATE MS

Rate: Applicable to all Retail Sales Service or Transportation Service rendered pursuant to this Rate Schedule on or after June 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

Surcharge: Distribution System Improvement Charge.

Plus,

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

\$ 0.60709 per Ccf

(D)

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; Other Post Employment Benefit Surcharge; and Distribution System Improvement Charge.

Also,

The following Riders may apply:

(D) – Decrease

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 June 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

Surcharge: Distribution System Improvement Charge.

Plus,

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

\$ 0.60709 per Ccf

(D)

Plus

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

(A) Delivery Charge:

\$0.41480 per Ccf

(B) Surcharges:

Universal Service and Energy Conservation Surcharge; and The Restructuring and Consumer Education Surcharge; the Efficiency Cost Recovery Surcharge; Other Post Employment Benefit Surcharge; and Distribution System Improvement Charge.

(D) – Decrease

PHILADELPHIA GAS WORKS

GAS SUPPLIER TARIFF

RECEIVED

MAY 31 2013

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

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

The load balancing charge increases from \$42.2471 per design day Mcf to \$43.8835 per design day Mcf.

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PHILADELPHIA GAS WORKS

9.14. LOAD BALANCING CHARGE.

9.14.A. Suppliers for all gas delivered under Firm Transportation Rates, of this Suppliers Tariff shall be charged at \$43.8835 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

00252

FedEx Package
Express **US Airbill**

FedEx
Tracking
Number

8026 9840 5301

Form
ID No.

0215

SPH1

Recipient's Copy

1 From

Date 5-31-13

Sender's Name Gregory Stunder, Esq. Phone 215 684-6798

Company PHILADELPHIA GAS WORKS

Address 800 W MONTGOMERY AVE

City PHILADELPHIA State PA ZIP 19122-2898

2 Your Internal Billing Reference

3 To

Recipient's Name Sec. Rosemary Chuavetta Phone _____

Company PA PUC

Address 4100 North Street
We cannot deliver to P.O. boxes or P.O. ZIP codes. Dept./Floor/Suite/Room _____

Address _____
Use this line for the HOLD location address or for continuation of your shipping address.

City Harrisburg State PA ZIP 17120

0104714559



8026 9840 5301

4 Express Package Service

* To most locations.
NOTE: Service order has changed. Please select carefully.

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

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.

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

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, 9, UN 1845 _____ x _____ 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.

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

Total Packages

Total Weight

Credit Card Amt

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

611

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