

DOCUMENT

Docket R-00049157

PI- Phila
5-11-04

Philadelphia Gas Works

Before The

Pennsylvania Public Utility Commission

DOCKETED

MAY 28 2004

**Computation of Annual Purchased Gas Costs
For Twelve Months Ending August 31, 2005**

66 Pa.C.S. § 1307(f)

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Information Submitted Pursuant To:

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

March 1, 2004

**Philadelphia Gas Works
66 Pa.C.S. § 1307(f) – 2004
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**Regulation Responses to
52 Pa. Code §§ 53.64(c) and 53.65**

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Philadelphia Gas Works

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

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

Response: Please see the attached worksheets.

MARCH 2004 GCR FILING
PA Code 53.64(a)

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Philadelphia Gas Works

Levelized Gas Cost Rate

1307F Filing September 1, 2004

Formula:
GCR = SSC + GAC - IRC

where:

S = Firm Sales Volume (Mcf)			Total	
			59,773,185	(Schedule 2)
		Demand	Commodity	
Net Natural Gas Expense	\$ 77,344,170	\$ 366,598,350	\$ 443,942,520	
Purchased Electric Expense	\$	\$ 1,063,000	\$ 1,063,000	
C = Total Applicable GCR Expense	\$ 77,344,170	\$ 367,661,350	\$ 445,005,520	(Schedule 3)
SSC = C / S	\$ 1.2940	\$ 6.1509	\$ 7.4449	
<hr/>				
Adjustment For:				
Interest	\$ 0	\$ 1,283,401	\$ 1,283,401	(Schedule 4a)
Prior Year Undercollection	\$ 0	\$ 974,444	\$ 974,444	(Schedule 6)
E = Adjustments to GCR Expenses	\$ 0	\$ 2,257,845	\$ 2,257,845	
GAC = E / S	\$ 0	\$ 0.0378	\$ 0.0378	
Interruptible Revenue Credit			\$ 3,336,551	(Schedule 13)
IRC = Interruptible Revenue Credit / S			\$ 0.0558	
Net Applicable GCR Expenses = C + E - Interruptible Revenue Credit			\$ 443,926,814	
<u>GCR = SSC + GAC - IRC</u>			\$ 7.4269	
SSC in effect 9/01/04	\$ 1.2930	\$ 6.1466	\$ 7.4396	
GAC in effect 9/01/04	\$ 0	\$ 0.0378	\$ 0.0378	
IRC in effect 9/01/04			\$ (0.0558)	
GCR in effect 9/01/04			\$ 7.4216	(Schedule 8)
<hr/>				
Recovery Test on:				
Firm Sales Volume (Mcf)			59,773,185	
= Total Projected Recovery			\$ 443,929,343	(Schedule 8)
Compared To				
Net Applicable GCR Expenses			\$ 443,926,814	
= Net Over/(Under) Recovery			\$ 2,529	(Schedule 5)
Degree Days			4,555	

Sales

September 2004 through August 2005

<u>MONTH</u>	<u>TOTAL BILLED SALES</u>	<u>INTERRUPTIBLES</u>	<u>TOTAL FIRM SALES</u>	<u>SENIOR CITIZEN DISCOUNT SALES</u>	<u>TOTAL APPLICABLE SALES</u>
SEPTEMBER 2004	1,540,355	283,223	1,257,132	20,215	1,236,917
OCTOBER	2,380,467	402,654	1,977,813	33,758	1,944,055
NOVEMBER	5,076,265	559,447	4,516,818	91,460	4,425,358
DECEMBER	8,442,883	752,525	7,690,358	164,261	7,526,097
JANUARY 2005	12,913,448	834,251	12,079,197	273,095	11,806,102
FEBRUARY	11,117,357	718,006	10,399,351	233,946	10,165,405
MARCH	9,412,558	642,899	8,769,659	197,215	8,572,444
APRIL	6,170,663	451,415	5,719,248	128,053	5,591,195
AMY	3,086,789	312,578	2,774,211	57,177	2,717,034
JUNE	2,044,745	249,409	1,795,336	30,407	1,764,929
JULY	1,682,812	264,310	1,418,502	23,048	1,395,453
AUGUST	<u>1,643,322</u>	<u>267,762</u>	<u>1,375,560</u>	<u>22,441</u>	<u>1,353,119</u>
TOTAL	<u>65,511,665</u>	<u>5,738,479</u>	<u>59,773,185</u>	<u>1,275,076</u>	<u>58,498,108</u>

PROJECTED APPLICABLE FUEL EXPENSE
SUMMARY
SEPTEMBER 2004 - AUGUST 2005

	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	TOTAL
DEMAND CHARGES	6,130,136	6,132,992	6,400,219	6,733,539	6,919,502	6,879,498	6,919,502	6,324,547	6,269,309	6,176,468	6,178,233	6,164,225	77,344,170
COMMODITY CHARGES	25,488,550	27,292,660	30,459,606	39,620,940	43,102,915	34,713,214	44,476,114	34,153,336	29,718,763	26,558,340	27,024,350	25,889,060	398,505,854
TOTAL NATURAL GAS BILLED	31,618,686	33,445,652	44,947,825	46,362,480	50,022,416	43,592,713	51,395,615	40,477,883	35,988,072	32,734,807	33,202,584	32,053,285	475,850,024
INTERRUPTIBLE CREDIT	(1,594,650)	(2,512,057)	(3,104,747)	(4,719,338)	(5,272,513)	(4,406,301)	(3,879,279)	(2,432,501)	(1,608,775)	(1,231,248)	(1,334,386)	(1,359,089)	(33,615,911)
SENDOUT VOLUME IN MCF	394,073	410,161	501,114	781,754	866,793	746,006	467,941	468,943	324,718	259,079	274,570	278,162	5,961,316
DIST CONVERSION FACTOR	1.0380	1.0380	1.0380	1.0380	1.0380	1.0380	1.0380	1.0380	1.0380	1.0380	1.0380	1.0380	
PRICE \$/MCF	\$ 2.24	\$ 3.29	\$ 5.78	\$ 8.41	\$ 8.40	\$ 7.94	\$ 5.95	\$ 4.97	\$ 4.77	\$ 4.57	\$ 4.62	\$ 4.70	
GAS USED FOR UTILITY	(22,004)	(29,911)	(86,160)	(114,013)	(131,655)	(114,517)	(78,567)	(42,102)	(20,106)	(25,716)	(26,297)	(26,438)	(718,308)
NATURAL GAS TO STORAGE	12,102,035	9,901,744	931,666	23,222,212	24,944,155	21,666,205	3,894,650	8,055,541	14,786,486	14,192,130	14,599,125	13,064,431	81,103,756
FROM STORAGE			5,468,042					149,242	79,340				81,436,446
NET NATURAL GAS STORAGE	(12,102,035)	(9,901,744)	4,536,376	23,222,212	24,944,155	21,666,205	3,894,650	(7,006,299)	(14,707,146)	(14,192,130)	(14,599,125)	(13,064,431)	332,689
LNG TO STORAGE	3,304,000	3,062,605	2,491,770					2,498,386	2,181,325	4,463,438	4,100,355	4,478,165	26,580,939
FROM STORAGE	619,643	612,211	862,747	3,611,806	9,287,072	8,028,643	3,009,564	1,537,837	357,685	353,293	382,924	391,538	28,674,965
NET LNG STORAGE	(2,684,643)	(2,630,474)	(1,629,011)	3,611,806	9,287,072	8,028,643	3,009,564	(940,549)	(1,823,640)	(4,110,144)	(3,717,430)	(4,086,627)	2,094,026
NET NATURAL GAS EXPENSE	14,942,024	25,178,453	44,406,045	60,342,347	60,049,675	68,606,743	54,341,983	29,156,430	17,828,405	13,175,549	13,525,347	13,516,701	443,942,520
APPLICABLE O&M EXPENSE	14,942,024	25,178,453	44,406,045	60,342,347	60,049,675	68,606,743	54,341,983	29,156,430	17,828,405	13,175,549	13,525,347	13,516,701	443,942,520
NET NATURAL GAS EXPENSE	00,583	00,583	00,583	00,583	00,583	00,583	00,583	00,583	00,584	00,584	00,584	00,584	1,063,000
TOTAL APPLICABLE EXPENSES	15,038,608	25,359,036	44,495,640	60,430,930	60,938,258	68,775,326	54,430,566	29,245,013	17,916,989	13,264,133	13,613,930	13,605,285	445,005,520
TOTAL FIRM SALES	1,257,132	1,977,813	4,516,810	7,690,358	12,079,197	10,399,351	8,769,659	5,719,247	2,774,211	1,795,336	1,418,501	1,375,560	59,773,185

FISCAL YEAR 2004
PHILADELPHIA GAS WORKS
INTEREST CALCULATION

	9/1/03	Split Month	9/1/03	Split Month	12/1/03	Split Month	3/1/04
SSC In Effect	\$ 8.8950	\$ 8.1696	\$ 7.6442	\$ 7.4070	\$ 7.1697	\$ 7.4014	\$ 7.6331
GAC In Effect	\$ (0.2637)	\$ 0.2022	\$ 0.3107	\$ 0.4302	\$ 0.5496	\$ 0.4656	\$ 0.3814
IRC In Effect	\$ -	\$ (0.0440)	\$ (0.0679)	\$ (0.0880)	\$ (0.0880)	\$ (0.0886)	\$ (0.0891)
Total Effective	\$ 8.6413	\$ 8.4079	\$ 7.8870	\$ 7.7492	\$ 7.6313	\$ 7.7784	\$ 7.9254

MONTH	NET COST OF FUEL (1) (\$)	FIRM SALES (2)	C FACTOR RECOVERY RATE (3) (\$)	C FACTOR REVENUES BILLED (4)=(2)*(3) (\$)	ADJUSTMENT FOR ACTUAL REVENUE (5)	ADJUSTED	OVER/ (UNDER) RECOVERY (7)=(6)-(1) (\$)	INTEREST RATE (8)	TIME FACTOR (9)	INTEREST EXPENSE (10)=(7)*(8)*(9) (\$)	(1)	TOTAL INTEREST 12=(10+11) (\$)
						C FACTOR REVENUES BILLED (6)=(4)*(5) (\$)					INTEREST ON REFUNDS 11 (\$)	
Sep-03	13,607,595	1,470,918	8.1696	12,017,302	0.9911	11,909,955		18/12	(152,788)	\$	3,900	\$ (148,887)
Oct-03	22,345,181	2,027,591	7.6442	15,499,311	0.9785	14,081,443		17/12	(702,418)	\$	1,562	\$ (700,855)
Nov-03	36,774,551	3,971,517	7.6442	27,301,543	1.0493	28,648,253		16/12	(650,104)	\$	-	\$ (650,104)
Dec-03	64,001,995	7,477,425	7.4070	55,384,913	0.9987	55,311,538		15/12	(651,784)	\$	-	\$ (651,784)
Jan-04	88,959,276	11,756,295	7.1697	84,288,464	1.0000	84,288,464		14/12	(326,957)	\$	-	\$ (326,957)
Feb-04	72,864,144	10,913,502	7.1697	78,248,539	1.0000	78,248,540		13/12	362,856	\$	-	\$ 362,856
Mar-04	58,843,935	8,806,361	7.4014	65,919,540	1.0000	65,919,539		12/12	424,536	\$	-	\$ 424,536
Apr-04	32,453,961	5,515,180	7.6131	42,097,920	1.0000	42,097,922		11/12	530,418	\$	-	\$ 530,418
May-04	18,558,820	2,722,210	7.6331	20,778,901	1.0000	20,778,900		10/12	111,004	\$	-	\$ 111,004
Jun-04	13,506,732	1,772,488	7.6331	13,529,578	1.0000	13,529,577		9/12	1,028	\$	-	\$ 1,028
Jul-04	13,787,479	1,422,390	7.6331	10,857,245	1.0000	10,857,242		8/12	(117,209)	\$	-	\$ (117,209)
Aug-04	13,894,195	1,379,335	7.6331	10,528,602	1.0000	10,528,605		7/12	(117,446)	\$	-	\$ (117,446)
	449,387,864	58,935,203		436,449,859		436,197,977			(13,189,887)		5,463	(1,283,401)

(1) See Schedule 4 (b)

**FISCAL YEAR 2004
PHILADELPHIA GAS WORKS
INTEREST ON NATURAL GAS REFUNDS**

MONTH	NATURAL GAS REFUNDS (9)	INTEREST RATE (10)	TIME FACTOR (11)	INTEREST ON REFUNDS (13)=(9)*(10)*(11) (\$)
Sep-03	43,337	6%	18/12	3,900
Oct-03	18,382	6%	17/12	1,562
Nov-03	0	6%	16/12	0.00
Dec-03	0	6%	15/12	0.00
Jan-04	0	6%	14/12	0.00
Feb-04	0	6%	13/12	0.00
Mar-04	0	6%	12/12	0.00
Apr-04	0	6%	11/12	0.00
May-04	0	6%	10/12	0.00
Jun-04	0	6%	9/12	0.00
Jul-04	0	6%	8/12	0.00
Aug-04	<u>0</u>	6%	7/12	<u>0.00</u>
	<u>61,719</u>			<u>5,463</u>

GCR

STATEMENT OF RECONCILIATION

SEPTEMBER 2003 THROUGH AUGUST 2004

	NET COST OF FUEL 1	FIRM SALES 2	IRC FACTOR APPLIED 3	INTERRUPTIBLE REVENUE CREDIT 4 = (2 * 3)	APPLICABLE EXPENSES 5 = (1 - 4)	GCR FACTOR APPLIED 6	GCR REVENUE BILLED 7	OVER/(UNDER) RECOVERY 8 = (7 - 5)	NATURAL GAS REFUNDS 9	CARRYOVER DISTRIBUTED ON GCR 10	OVER/(UNDER) RECOVERY 11 = (8 + 9 + 10)
	\$	MCF	\$	\$	\$	\$	\$	\$	\$	\$	\$
2002-2003 FINALIZED UNDERCOLLECTION										12,303,355	
2002-2003 INTEREST CREDIT ON COMMODITY UNDERCOLLECTION										<u>2,269,119</u>	
TOTAL "E" FACTOR										14,572,474	
2001-2004											
SEPTEMBER Actual	13,607,996	1,470,978	0.0879	63,107	13,544,889	8.3210	12,130,671	(1,413,817)	43,337	(363,718)	(1,734,197)
OCTOBER Actual	22,348,181	2,027,991	0.0879	179,225	22,168,956	7.8670	14,491,864	(7,675,091)	18,382	(501,348)	(8,158,057)
NOVEMBER Actual	36,774,551	3,871,837	0.0879	313,938	36,460,613	7.8670	29,483,243	(6,977,369)		(883,108)	(7,860,477)
DECEMBER Actual	64,061,996	7,477,426	0.0880	657,640	63,344,355	7.7492	57,867,298	(5,477,059)		(1,848,888)	(7,325,947)
JANUARY Estimated	88,999,276	11,784,206	0.0880	1,014,546	87,924,730	7.6313	89,715,128	1,790,398		(2,906,870)	(1,116,472)
FEBRUARY Estimated	72,844,144	10,913,902	0.0880	960,388	71,703,756	7.6313	83,284,212	11,580,457		(2,698,501)	8,881,955
MARCH Estimated	60,843,936	8,906,361	0.0880	791,494	58,052,439	7.7784	69,276,791	11,224,352		(2,202,210)	9,022,142
APRIL Estimated	37,453,961	5,515,180	0.0880	490,126	31,963,835	7.9254	43,710,009	11,746,175		(1,363,698)	10,382,477
MAY Estimated	18,558,820	2,722,210	0.0880	241,919	18,316,901	7.9254	21,574,602	3,257,700		(673,101)	2,584,600
JUNE Estimated	13,506,733	1,772,488	0.0880	157,518	13,349,214	7.9254	14,047,678	898,462		(438,270)	260,192
JULY Estimated	13,787,479	1,422,390	0.0880	126,406	13,661,073	7.9254	11,273,007	(2,388,067)		(351,704)	(2,739,771)
AUGUST Estimated	13,884,196	1,379,336	0.0880	122,580	13,761,615	7.9254	10,931,785	(2,829,831)		(341,058)	(3,170,889)
TOTAL	449,387,864	68,935,203		8,137,889	444,249,975		457,786,285	13,536,310	61,719	(14,572,474)	(974,444)

FUEL ADJUSTMENT
STATEMENT OF RECONCILIATION
2002-2003
Finalized

	NET COST OF FUEL 1	APPLICABLE SALES 2	BASE FUEL FACTOR 3	BASE FUEL CREDIT 4=2*3	FUEL COST REMAINING TO BE RECOVERED 5=1-4	GCR FACTOR APPLIED 6	GCR REVENUE BILLED 7	2002-2003 OVER/(UNDER) RECOVERY 8=7-5	NATURAL GAS REFUNDS 9	NET OVER/(UNDER) RECOVERY 10=8+9
	\$	(mcf)	\$	\$	\$	\$	\$	\$	\$	\$
PRIOR YEAR'S CARRYOVER										(4,703,554)
2002 Commodity Charge Credit Over Refund										(59,304)
TOTAL "E" FACTOR										(4,762,858)
2002-2003										
SEPTEMBER	Actual	9,094,451	1,367,474	3.1800	4,348,574	2.9158	3,921,750	(824,127)		(5,586,985)
OCTOBER	Actual	20,444,030	1,739,418	3.1800	5,531,349	3.0385	5,258,673	(9,656,008)		(15,242,993)
NOVEMBER	Actual	34,666,390	4,609,069	3.1800	14,656,839	3.0385	14,002,840	(6,006,711)	5,873,601	(15,376,103)
DECEMBER	Actual	60,364,540	8,325,242	3.1800	26,474,270	3.3151	27,763,378	(6,126,892)		(21,502,995)
JANUARY	Actual	76,743,284	10,263,100	3.1800	32,636,658	3.5917	36,849,570	(7,257,056)		(28,760,051)
FEBRUARY	Actual	69,047,648	11,358,014	3.1800	36,118,485	3.5917	40,929,330	8,000,166		(20,759,886)
MARCH	Actual	63,670,983	9,441,571	3.1800	30,024,196	3.9133	37,090,863	3,444,076		(17,315,810)
APRIL	Actual	41,404,008	5,409,453	3.1800	17,202,061	4.3725	23,804,093	(397,855)		(17,713,665)
MAY	Actual	20,271,884	3,120,021	3.1800	9,921,667	5.0600	15,537,792	5,187,575		(12,526,090)
JUNE	Actual	17,121,247	2,028,352	3.1800	6,450,159	5.4144	10,924,133	253,045		(12,273,045)
JULY	Actual	13,046,969	1,465,587	3.1800	4,660,567	5.7687	8,384,218	(2,184)		(12,275,229)
AUGUST	Actual	11,635,554	1,305,937	3.1800	4,152,880	5.7687	7,454,549	(28,125)		(12,303,355)
TOTAL		437,512,988	60,433,241		192,177,703		245,335,285	231,921,190	(13,414,097)	(12,303,355)

CALCULATION OF RECOVERED CHARGES

1307 FILING

SEPTEMBER 2004 - AUGUST 2005

	<u>50% of September</u>	<u>11.5 Months</u>	(MCF)	<u>Total</u>
				(S)
Firm Sales (MCF)	628,566	59,144,619	59,773,185	
GCR (\$/Mcf)	\$ 7.9254	\$ 7.4216		
Total Projected Recovery	<u>\$ 4,981,637</u>	<u>\$ 438,947,706</u>		<u>\$ 443,929,343</u>

CHANGES IN RATES
1307f Filing

Distribution Charge
Effective September 1, 2004

	<u>Base Charge</u>	<u>Delivery Charge Revenue Realignment Adjustment</u>	<u>Sub-Total Delivery Charge</u>	<u>Restructuring & Consumer Education</u>	<u>Cash Receipts Reconciliation Clause</u>	<u>Universal Service & Ener. Cons.</u>	<u>Sub-Total Surcharges</u>	<u>Total Distribution Charge/Mcf</u>
Residential GS/PHAGS	\$4 1223	\$0 0901	\$4 2124	\$0.0683	\$0.7947	\$1.3030	\$2.1660	\$6.3784
Commercial GS/MUNGS	\$4 2155	\$0 0901	\$4.3056	\$0.0683	\$0.7947	\$1.3030	\$2.1660	\$6.4716
Industrial GS	\$4 2128	\$0 0901	\$4.3029	\$0.0683	\$0.7947	\$1.3030	\$2.1660	\$6.4689
Phila Housing Authority (PHA)	\$4 2051	\$0 0901	\$4.2952	\$0.0683	\$0.7947	\$1.3030	\$2.1660	\$6.4612
Municipal (MS)	\$3 0569	\$0 0901	\$3.1470	\$0.0683	\$0.7947	\$1.3030	\$2.1660	\$5.3130

PROPOSED RATES
Effective September 1, 2004 *

<u>Rate</u>	<u>12/1/03 Distribution Charge (1)</u>	<u>12/1/03 GCR (2)</u>	<u>12/1/03 Commodity Rate (3)=(1)+(2)</u>	<u>9/1/04 Distribution Charge (4)</u>	<u>9/1/04 GCR (5)</u>	<u>9/1/04 Commodity Rate (6)=(4)+(5)</u>	<u>Increase (7)=(6)-(3)</u>
Residential GS/PHAGS	\$5 3564	\$7 6313	\$12.9877	\$6.3784	\$7.4216	\$13.8000	\$0.8123
Commercial GS/MUNGS	\$5 4496	\$7 6313	\$13.0809	\$6.4716	\$7.4216	\$13.8932	\$0.8123
Industrial GS	\$5 4469	\$7 6313	\$13.0782	\$6.4689	\$7.4216	\$13.8905	\$0.8123
Phila Housing Authority (PHA)	\$5 4392	\$7 6313	\$13.0705	\$6.4612	\$7.4216	\$13.8828	\$0.8123
Municipal (MS)	\$4 2910	\$7 6313	\$11.9223	\$5.3130	\$7.4216	\$12.7346	\$0.8123

* Excludes customer charges

Philadelphia Gas Works
Fiscal Year 2003-2004 1307F Filing
UNIVERSAL SERVICE & ENERGY CONSERVATION SURCHARGE

		<u>Expenses in the Surcharge</u>
Conservation Works Program (CWP)	\$	2,000,000
Customer Responsibility Program (CRP) Discount	\$	51,887,517
Senior Citizen Discount	\$	17,854,374
August 04 under collection	\$	<u>4,480,881</u>
Total \$ to be Recovered	\$	76,222,772
Applicable Sales Volume	Mcf	58,498,108
Universal Service & Energy Conservation Surcharge	\$	1.3030

* This is the Senior Citizen Discount on the Delivery Charge, GCR and Restructuring Surcharge which is used to calculate the Universal Services Surcharge. The total Senior Citizen Discount is \$19,513,885.

CASH RECEIPTS RECONCILIATION CLAUSE SURCHARGE

		<u>50% of September</u>	<u>11.5 Months</u>	<u>Total</u>
Firm Sales	Mcf	628,566	59,144,619	59,773,185
CASH RECEIPTS RECOVERY CLAUSE SURCHARGE		-	\$ 0.7947	
Total Projected Recovery	\$	-	\$ 47,000,000	\$ 47,000,000

STATEMENT OF RECONCILIATION
UNIVERSAL SERVICES & ENERGY CONSERVATION SURCHARGE
SEPTEMBER 2003 THROUGH AUGUST 2004

Month		Applicable Sales	USC Charge	USC Revenue Collected	USC Expenses	Over/(Under) Recovery
September 2003 *	Actual	706,355	\$ 1,2564	\$ 887,464	\$ (335,878)	\$ 1,223,342
October	Actual	1,987,537	\$ 1,2564	\$ 2,497,141	\$ 401,979	\$ 2,095,162
November	Actual	3,486,423	\$ 1,2564	\$ 4,380,342	\$ 4,256,640	\$ 123,502
December	Actual	7,301,035	\$ 1,1665	\$ 8,516,292	\$ 9,398,535	\$ (880,243)
		13,481,350		\$16,281,240	\$ 13,719,476	\$ 2,561,764
January 2004	Est	11,495,488	\$ 1,0785	\$12,374,891	\$ 17,913,942	\$ (5,539,051)
February	Est	10,667,919	\$ 1,0785	\$11,484,015	\$ 15,538,665	\$ (4,054,650)
March	Est	8,708,128	\$ 1,0951	\$ 9,533,643	\$ 14,071,298	\$ (4,537,653)
April	Est	5,392,752	\$ 1,1136	\$ 6,005,369	\$ 7,398,595	\$ (1,393,226)
May	Est	2,666,506	\$ 1,1136	\$ 2,969,421	\$ 1,754,270	\$ 1,215,151
June	Est	1,742,817	\$ 1,1136	\$ 1,940,801	\$ (370,766)	\$ 2,311,567
July	Est	1,399,340	\$ 1,1136	\$ 1,558,305	\$ (929,749)	\$ 2,488,054
August	Est	1,358,893	\$ 1,1136	\$ 1,511,038	\$ (956,128)	\$ 2,467,164
Total	A/E	56,909,189		63,658,721	68,139,601	(4,480,881)

USC Expenses	Sep-03	Oct-03	Nov-03	Dec-03	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Total
Conservation Works	\$ 2,860	\$ 120,644	\$ 5,362	\$ 125,670	\$ 166,666	\$ 166,666	\$ 166,666	\$ 166,666	\$ 166,666	\$ 166,666	\$ 166,666	\$ 166,666	\$ 1,587,864
CRP Discount	\$ (668,789)	\$ (491,831)	\$ 2,759,826	\$ 6,800,803	\$ 14,200,910	\$ 12,022,212	\$ 11,110,653	\$ 5,441,102	\$ 685,468	\$ (1,092,832)	\$ (1,563,637)	\$ (1,581,922)	\$ 47,421,963
CRP Forgiveness	\$ -	\$ 84,577	\$ 130,083	\$ 188,570									\$ 381,230
Senior Citizen Discount	\$ 330,051	\$ 688,589	\$ 1,361,569	\$ 2,503,492	\$ 3,546,366	\$ 3,349,787	\$ 2,793,977	\$ 1,790,827	\$ 902,136	\$ 555,400	\$ 467,222	\$ 459,128	\$ 18,748,544
	\$ (335,878)	\$ 401,979	\$ 4,256,640	\$ 9,398,535	\$ 17,913,942	\$ 15,538,665	\$ 14,071,296	\$ 7,398,595	\$ 1,754,270	\$ (370,766)	\$ (929,749)	\$ (956,128)	\$ 68,139,601

*September's applicable sales includes only the portion of applicable sales billed in September that were charged the USC Surcharge.
USC Expenses represent the USC expenses applicable to those sales.

**INTERRUPTIBLE REVENUE CREDIT RECONCILIATION
FISCAL YEAR 2004**

Fiscal Year 2004 Actual/Estimated Credit	\$	5,137,889	(See Schedule 6)
Fiscal Year 2004 Actual/Estimated Margin	\$	4,237,220	
Fiscal Year 2004 Excess Credit	\$	900,669	
Fiscal Year 2004 Actual/Estimated Margin	\$	4,237,220	
Fiscal Year 2004 Excess Credit	\$	(900,669)	
Fiscal 2005 IRC Credit	\$	3,336,551	

<u>MONTH</u>			<u>MARGIN</u>
September-03	Actual	\$	193,737
October	Actual	\$	497,030
November	Actual	\$	689,418
December	Actual	\$	680,764
January-04	Estimated	\$	337,762
February	Estimated	\$	264,908
March	Estimated	\$	500,223
April	Estimated	\$	350,253
May	Estimated	\$	220,428
June	Estimated	\$	160,086
July	Estimated	\$	166,503
August	Estimated	\$	176,108
TOTAL MARGIN	Ac/Est	\$	4,237,220

**PHILADELPHIA GAS WORKS
RESTRUCTURING COSTS**

General Start-Up Operating Costs	ACTUAL Through 8/31/03	General Start-Up Capital Costs	ESTIMATE Through 8/31/04	FOI Integrated Solution Start-Up Operating Costs	ESTIMATE 8/31/04	ESTIMATE 8/31/05	ESTIMATE 8/31/06	ESTIMATE 8/31/07	ESTIMATE 8/31/08
Legal		# 792082 - \$1.0 M		Leak Survey Labor	\$ 355,000.00	\$ 355,000.00	\$ -	\$ -	\$ -
Wolf Block	\$ 342,170.47	Web Site Design / FRB	\$ 1,068,096.00	Costs To Replace Class C Meters With Rotary Meters	515,500.00	515,500.00	-	-	-
Consulting		# 787101 - \$1.3 M		Renovation of Meter Shop	21,000.00	-	-	-	-
RJ Ryznar	113,897.28	BCCS Phase 1 Gas Choice / Enhancements	1,810,940.00	Release 1 External Costs	33,000.00	-	-	-	-
Purshott	151,897.24	# 787102 - \$2.3 M		Total	\$ 924,500.00	\$ 870,500.00	\$ -	\$ -	\$ -
GI Peckh	136,200.00	BCCS Phase 2 Gas Choice / Enhancements	2,332,502.00	3 Year Amortization	\$ 308,166.67	\$ 290,166.67	\$ -	\$ -	\$ -
Electra Consulting	28,171.36	# 787103 - \$ 5 M		FOI Integrated Solution Start-Up Capital Costs	ESTIMATE 8/31/04	ESTIMATE 8/31/05	ESTIMATE 8/31/06	ESTIMATE 8/31/07	ESTIMATE 8/31/08
New Energy	194,851.20	BCCS PUC Compliance Consolidated Bill	500,000.00	Release 1 External Costs	\$ 450,000.00	\$ -	\$ -	\$ -	\$ -
Architecture	1,854,156.00			Release 1 Infrastructure Costs	582,000.00	-	-	-	-
EPUS Corp	23,600.00			Desktop Computers	-	\$ 7,000.00	-	-	-
Total	2,514,740.08			Total	\$1,032,000.00	\$ 7,000.00	\$ -	\$ -	\$ -
Advertising	64,132.35			5 Year Amortization	\$ 206,400.00	\$ 1,400.00	\$ -	\$ -	\$ -
PGW Training				FOI Integrated Solution General Capital Costs	ESTIMATE 8/31/04	ESTIMATE 8/31/05	ESTIMATE 8/31/06	ESTIMATE 8/31/07	ESTIMATE 8/31/08
Incremental Labor	169,440.20			Purch Repl Rotary Meters	\$1,226,000.00	\$1,226,000.00	\$ -	\$ -	\$ -
Customer Education & Postage	139,333.97			Renovation of Meter Shop	670,000.00	-	-	-	-
Miscellaneous	503.80			Total	\$1,896,000.00	\$1,226,000.00	\$ -	\$ -	\$ -
Safety Training/Operator Qualification Costs 1st Yr	610,311.42			10 Year Amortization	\$ 189,600.00	\$ 122,800.00	\$ -	\$ -	\$ -
Total	\$ 4,080,842.44	Total	\$ 5,711,538.00	Ongoing Costs	ESTIMATE 8/31/04	ESTIMATE 8/31/05	ESTIMATE 8/31/06	ESTIMATE 8/31/07	ESTIMATE 8/31/08
3 Year Amortization	\$ 1,360,214.18	3 Year Amortization	\$ 1,142,307.80	Office Based Infrastructure Costs	\$ -	\$ -	\$ 71,000.00	\$ 71,000.00	\$ 71,000.00
				Payroll Office Based Workers	-	-	366,000.00	366,000.00	366,000.00
				Shop Based Infrastructure Costs	-	-	144,000.00	144,000.00	144,000.00
				Safety Trng / Operator Qualification	462,000.00	469,000.00	477,000.00	487,000.00	497,000.00
				Total	\$ 462,000.00	\$ 469,000.00	\$1,058,000.00	\$1,068,000.00	\$ 1,078,000.00
				Same Year Cost Recovery	\$ 462,000.00	\$ 469,000.00	\$1,058,000.00	\$1,068,000.00	\$ 1,078,000.00
FY 2004 Restructuring Surcharge Costs @ \$9,773,189 Mcf									
Operating Start Up	\$ 1,350,214.15	0.022756 per Mcf							
Capital Start Up	1,142,307.80	0.019111 per Mcf							
FOI Integrated Solution Start-Up Operating Costs	308,166.67	0.005156 per Mcf							
FOI Integrated Solution Start-Up Capital Costs	206,400.00	0.003453 per Mcf							
General Capital Costs	189,900.00	0.003172 per Mcf							
Ongoing Costs/Safety Trng	462,000.00	0.007729 per Mcf							
Total FY 2004 Surcharge	\$ 3,368,888.41	0.061377 per Mcf							
Restructuring Surcharge Costs @ \$9,773,189 Mcf									
FY 2005	\$ 4,082,858.08	0.068306 per Mcf							
FY 2006	\$ 4,540,858.08	0.075968 per Mcf							
FY 2007	\$ 2,872,474.27	0.048056 per Mcf							
FY 2008	\$ 2,582,307.80	0.043202 per Mcf							

Philadelphia Gas Works

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

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

Response:

The attached schedules described herein below, contain details of the requested information. Information concerning PGW's Transportation and Storage contracts are addressed in section 53.64(c)(3) in February 1, 2004 Prefiling.

Schedule 1 – Twelve (12) month actual purchased gas costs expressed in terms of volumes and dollars for the period January 1, 2003 to December 31, 2003. This schedule reflects finalized numbers through the month of December.

Schedule 2 – Actual capacity release credits by pipeline by month for the period January 1, 2003 through December 31, 2003. This schedule reflects finalized numbers through the month of December.

Schedule 3 - Twenty (20) month forecast for the period January 1, 2004 through August 31, 2005.

Schedule 4 – Twenty (20) month forecast of capacity release credits by pipeline by month for the period January 1, 2004 through August 31, 2005.

SUMMARY OF TOTAL FUELS PURCHASED

	Jan-83	Feb-83	Mar-83	Apr-83	May-83	Jun-83	Jul-83	Aug-83	Sep-83	Oct-83	Nov-83	Dec-83
Williams	\$2,580,298	\$2,544,029	\$2,530,741	\$2,442,756	\$2,454,434	\$2,270,974	\$2,232,481	\$2,302,943	\$2,354,717	\$2,563,634	\$2,481,385	\$2,915,898.83
Tepe & Adams	\$3,084,872	\$3,002,427	\$2,980,745	\$2,829,551	\$2,816,059	\$2,789,901	\$1,899,907	\$2,898,157	\$2,578,864	\$2,824,460	\$2,926,384	\$3,080,060
Combscon	\$142,555	\$140,768	\$133,872	\$131,267	\$128,814	\$135,678	\$121,130	\$133,704	\$132,729	\$128,468	\$131,590	\$135,910
Equitrans	\$42,704	\$41,998	\$41,064	\$33,799	\$33,825	\$33,799	\$33,825	\$33,825	\$34,491	\$33,582	\$41,081	\$41,793
AMR	\$142,988	\$141,733	\$134,414	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Spot Purchases - Franco	\$312,582	\$158,737	\$116,980	\$15,060	\$802,900	\$904,508	\$989,681	\$838,874	\$3,810,609	\$511	\$0	\$0
Spot Purchases - Tepe	\$0	\$1,178	\$124,734	\$1,078,847	\$988,970	\$813	\$1,328	\$529	\$0	\$0	\$887	\$875
Franco Supply 1	\$7,717,548	\$8,668,408	\$4,288,485	\$7,085,868	\$9,042,358	\$5,196,651	\$2,114,085	\$5,449,252	\$4,324,237	\$4,284,038	\$3,813,286	\$4,143,738
Franco Supply 2	\$2,286,250	\$3,086,000	\$5,128,900	\$2,489,225	\$3,261,200.00	\$2,688,750.00	\$2,806,275.00	\$2,292,450.00	\$2,250,000.00	\$3,038,450.00	\$18,000.00	\$4,299,700.00
Franco Supply 3	\$908,748	\$580,650	\$3,481,375	\$3,867,022	\$3,537,875	\$948,188	\$0	\$185,400	\$0	\$2,382,049	\$4,573	\$0
Franco Supply 4	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Franco Supply 5	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Franco Supply 6	\$48,752	\$0	\$447,500	\$2,133,122	\$2,528,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Franco Supply 7	\$1,878,847	\$3,174,444	\$5,867,871	\$769,500	\$795,150	\$872,250	\$0	\$0	\$2,957,700.00	\$0	\$747,000.00	\$838,182.50
Franco Supply 8	\$1,868,517	\$1,895,050	\$1,878,883	\$1,454,851	\$888,750	\$2,878,098	\$2,890,330	\$2,185,345.00	\$2,212,500.00	\$3,889,000.00	\$5,315,850.00	\$5,692,241.88
Franco Supply 9	\$214,288	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Franco Supply 10	\$878,575	\$811,100	\$818,575	\$813,125	\$812,563	\$3,952,500	\$1,981,830	\$1,913,010	\$1,885,700	\$1,942,770	\$3,878,000	\$4,154,000
Franco Supply 11	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Franco Supply 12	\$1,881,740	\$1,751,700	\$1,857,875	\$1,572,300	\$1,717,400	\$2,893,250	\$0	\$2,294,775	\$2,220,750	\$2,424,975	\$1,501,500	\$1,748,850
Franco Supply 13	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Franco Supply 14	\$0	\$0	\$0	\$1,108,350	\$2,438,850	\$1,455,600	\$1,508,600	\$1,232,580	\$1,207,200	\$1,282,320	\$1,291,200	\$1,334,240
Franco Supply 15	\$0	\$0	\$0	\$811,980	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Franco Supply 16	\$1,814,250.00	\$1,898,800.00	\$1,798,225.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Franco Supply 17	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Tepe Supply 1	\$5,183,015	\$5,373,001.18	\$4,543,571.21	\$2,488,817	\$1,998,798	\$4,168,898	\$49,955	\$2,489,457	\$2,242,580	\$3,105,384.72	\$739,500.00	\$823,050.00
Tepe Supply 2	\$0	\$0	\$0	\$883,500	\$912,950	\$0	\$0	\$0	\$0	\$0	\$7,098,540	\$8,422,327
Tepe Supply 3	\$1,897,827	\$1,875,359	\$3,137,742	\$821,250	\$847,375	\$0	\$0	\$0	\$0	\$0	\$3,207,583	\$8,535,321
Tepe Supply 4	\$2,497,040	\$2,008,575	\$7,140,818	\$890,784	\$0	\$0	\$0	\$0	\$0	\$95,572	\$0	\$0
Tepe Supply 5	\$0	\$0	\$302,807	\$1,018,308	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Tepe Supply 6	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Tepe Supply 7	\$2,772,575	\$2,582,740.57	\$3,245,451.00	\$1,539,581	\$2,854,403	\$4,379,400	\$0	\$3,882,135	\$3,783,350	\$3,918,385	\$2,999,100	\$3,475,852
Tepe Supply 8	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,212,500	\$0	\$0	\$1,293,212	\$1,398,240
Tepe Supply 9	\$182,884	\$198,735	\$0	\$785,900	\$0	\$0	\$918,825.00	\$778,100.00	\$757,500.00	\$780,500.00	\$782,056.40	\$1,001,873.42
Tepe Supply 10	\$0	\$0	\$0	\$0	\$787,865.00	\$891,000.00	\$0	\$0	\$0	\$0	\$0	\$0
Tepe Supply 11	\$7,759,184	\$3,014,871	\$1,498,888	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Tepe Supply 12	\$1,408,047	\$1,293,182.80	\$1,551,430.80	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Tepe Supply 13	\$1,895,580.40	\$1,888,178.40	\$1,158,144.29	\$808,875	\$1,899,844.70	\$903,750.00	\$0	\$0	\$0	\$1,880,975.00	\$0	\$0
Tepe Supply 14	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$788,087.00	\$898,913.70
Total Costs	\$44,822,148	\$48,116,478	\$89,273,288	\$37,788,238	\$41,422,678	\$36,963,784	\$17,644,260.78	\$30,902,816.43	\$32,510,924.56	\$38,858,432.00	\$41,359,873.48	\$55,787,619.51
Storage												
Storage - Warren	\$0	(\$884,345)	(\$4,859,998)	(\$9,292,932)	(\$15,867,300)	(\$15,858,547)	(\$1,004,557)	(\$12,701,289)	(\$14,894,810)	(\$9,876,083)	(\$5,800,650)	(\$871,120)
Storage - Whitlow	\$21,087,829	\$18,038,481	\$8,090,857	\$8,322,841	\$37,072	\$0	\$1,494,518	\$0	\$0	\$445,754	\$3,828,788	\$18,481,588

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Schedule 1

Philadelphia Gas Works
Cost of Fuel Purchased
Williams Pipeline Company

	Jan-03	Feb-03	Mar-03	Apr-03	May-03	Jun-03	Jul-03	Aug-03	Sep-03	Oct-03	Nov-03	Dec-03
Volumes-DTH												
S-2 Storage Capacity	38,879	38,879	38,879	1,205,249	1,168,370	1,205,249	1,205,249	1,166,370	1,205,249	1,186,370	1,205,249	1,205,249
S-2 Demand	5,191	5,191	5,191	160,921	155,730	160,921	160,921	155,730	160,921	155,730	160,921	160,921
Handling fr Stg.	163,885	139,115	47,035	14,140								117,392
Handling to Stg.				25,586	60,000	114,030		120,900	78,200	32,900	22,550	
GSS Demand	61,567	61,567	61,567	1,847,010	1,908,577	1,847,010	1,908,577	1,808,577	1,847,010	1,908,577	1,847,010	1,908,577
Stg. Cap. Vol. Chg.	4,123,733	4,123,733	4,123,733	123,711,990	127,835,723	123,711,990	127,835,723	127,835,723	123,711,990	127,835,723	123,711,990	127,835,723
Handling fr Stg.	1,189,140	53,104	303,572	518,013	7,718					37,521	77,642	527,861
Storage Injection		792,764	102,575	305,615	576,923	571,239		597,370	576,100	284,256	156,948	47,125
WSS Demand	39,248	39,248	39,248	1,177,380	1,216,628	1,177,380	1,216,628	1,216,628	1,177,380	1,216,628	1,177,380	1,216,628
Stg. Cap Vol Chg.	3,335,909	3,335,909	3,335,909	100,077,270	103,413,179	100,077,270	103,413,179	103,413,179	100,077,270	103,413,179	100,077,270	103,413,179
Handling fr Stg.	638,139	456,594	76,567	87,027		3,325	261,217				110,346	346,222
Handling to Stg.		59,618	241,021	139,363	270,269	109,156	19,093	146,061	555,890	405,237	236,953	3,354
FT Demand/3691	165,979	165,979	165,979	4,679,370	4,525,349	3,779,370	4,525,349	4,525,349	3,779,370	4,525,349	4,979,370	5,121,572
FT Commodity/3691	3,568,108	3,363,983	3,978,302	3,401,443	3,463,450	3,146,896	1,983,007	2,151,001	3,185,160	3,437,238	2,716,440	3,648,147
PSFT Demand/5001	1,736	1,736	969	29,070	30,039	29,070	30,039	30,039	29,070	30,039	29,070	53,816
PSFT Commodity/5001	57,043											40,360
Eminence Cust. Dem.	16,893	16,893	16,893	506,790	523,683	506,790	523,683	523,683	506,790	523,683	506,790	523,683
Eminence Cust. Cap	169,966	169,966	169,966	5,098,980	5,268,946	5,098,980	5,268,946	5,268,946	5,098,980	5,268,946	5,098,980	5,268,946
Eminence Storage Dem.	31,092	31,092	31,092	932,760	963,852	932,760	963,852	963,852	932,760	963,852	932,760	963,852
Eminence Storage Cap.	312,827	312,827	312,827	9,384,810	9,697,637	9,384,810	9,697,637	9,697,637	9,384,810	9,697,637	9,384,810	9,697,637
Handling fr Stg.	59,218		31,140									41,817
Handling to Stg.			14,638	18,016	34,906	11,260		24,772		19,142	16,890	
Capacity Rel. Dem Credit				300,000	620,000	1,200,000						
Capacity Rel. GRI Credit												
S2 Credit												(2,837,43)
GSS Credit												
Cash In/CashOut												
Eminence #2 Demand	85,201	85,201	85,201	1,956,030	2,021,231	1,956,030	2,021,231	2,021,231	1,956,030	2,021,231	1,956,030	2,021,231
Eminence #2 Capacity	656,013	656,013	656,013	19,680,390	20,336,403	19,680,390	20,336,403	20,336,403	19,680,390	20,336,403	19,680,390	20,336,403
Handling to Stg			56,498	68,424	131,723	43,460		95,612		73,682	100,917	
Handling fr Stg	347,881		114,099	4,209			25,954					119,967
Adjustment from July 01												(955,00)
Adjustment from June 01												
Adjustment from Oct 01												1,815
LGS Del. Commodity												(19,454)
LGS Del. Com. Adj. 1/02												
CashOut												

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Philadelphia Gas Works
Cost of Fuel Purchased
Williams Pipeline Company

Amount - \$	Jan-03	Feb-03	Mar-03	Apr-03	May-03	Jun-03	Jul-03	Aug-03	Sep-03	Oct-03	Nov-03	Dec-03
S-2 Capacity	\$ 5,027.05	\$ 5,027.05	\$ 5,027.05	\$ 5,182.58	\$ 5,015.40	\$ 5,182.58	\$ 5,182.58	\$ 5,015.40	\$ 5,182.58	\$ 5,015.40	\$ 5,182.58	\$ 5,182.58
Storage Demand	\$ 24,678.01	\$ 24,709.16	\$ 24,709.16	\$ 25,184.09	\$ 24,371.70	\$ 25,184.09	\$ 25,184.09	\$ 24,480.90	\$ 25,296.92	\$ 24,480.90	\$ 25,296.93	\$ 25,296.93
Handling fr Stg.	\$ 9,161.17	\$ 7,609.59	\$ 2,572.81	\$ 773.50	\$ 2,316.00							\$ 6,902.62
Handling to Stg.				\$ 987.62		\$ 4,401.60		\$ 4,666.74	\$ 2,941.32	\$ 1,269.94	\$ 870.43	
GSS Demand	\$ 167,505.34	\$ 167,505.34	\$ 167,505.34	\$ 165,677.10	\$ 171,199.67	\$ 165,677.10	\$ 171,199.67	\$ 171,199.67	\$ 165,677.10	\$ 171,199.67	\$ 165,677.10	\$ 171,199.67
Stg. Cap.Vol. Chg.	\$ 65,154.98	\$ 65,154.98	\$ 65,154.98	\$ 61,856.10	\$ 63,917.97	\$ 61,856.10	\$ 63,917.97	\$ 63,917.97	\$ 61,856.10	\$ 63,917.97	\$ 61,856.10	\$ 63,917.97
Handling fr Stg.	\$ 33,771.58	\$ 22,514.50	\$ 8,621.44	\$ 15,125.99	\$ 225.36					\$ 1,095.63	\$ 2,267.16	\$ 15,624.68
Storage Injection		\$ 1,635.60	\$ 3,159.31	\$ 9,657.46	\$ 18,230.80	\$ 18,051.13		\$ 18,876.83	\$ 18,267.90	\$ 8,982.48	\$ 4,959.49	\$ 1,517.43
WSS Demand	\$ 22,256.41	\$ 22,256.41	\$ 22,256.41	\$ 21,899.40	\$ 22,629.38	\$ 21,899.40	\$ 22,629.38	\$ 22,629.38	\$ 21,899.40	\$ 22,629.38	\$ 21,899.40	\$ 22,629.38
Stg. Cap Vol Chg.	\$ 22,350.59	\$ 22,350.59	\$ 22,350.59	\$ 20,015.40	\$ 20,682.58	\$ 20,015.40	\$ 20,682.58	\$ 20,682.58	\$ 20,015.40	\$ 20,682.58	\$ 20,015.40	\$ 20,682.58
Handling fr Stg.	\$ 4,084.09	\$ 2,922.20	\$ 490.03	\$ 428.97	\$ 15.29	\$ 21.28	\$ 1,671.78				\$ 706.23	\$ 2,215.79
Handling to Stg.		\$ 381.54	\$ 1,542.53	\$ 891.92	\$ 1,697.63	\$ 698.61	\$ 122.21	\$ 934.83	\$ 3,558.30	\$ 2,593.48	\$ 1,516.48	\$ 21.45
FT Demand/3691	\$ 1,985,044.45	\$ 1,985,044.45	\$ 1,986,834.17	\$ 1,961,927.40	\$ 1,902,332.98	\$ 1,961,927.40	\$ 2,027,324.98	\$ 2,027,324.98	\$ 1,961,927.40	\$ 2,027,324.98	\$ 1,961,927.40	\$ 2,025,498.77
FT Commodity/3691	\$ 133,942.49	\$ 111,015.40	\$ 116,115.99	\$ 112,392.49	\$ 113,394.19	\$ 109,002.73	\$ 81,282.56	\$ 72,646.71	\$ 90,778.18	\$ 109,733.45	\$ 87,605.57	\$ 129,213.38
PSFT Demand/5001	\$ 13,432.59	\$ 13,412.59	\$ 11,642.87	\$ 11,496.60	\$ 11,879.82	\$ 11,496.60	\$ 11,879.82	\$ 11,879.82	\$ 11,496.60	\$ 11,879.82	\$ 11,496.60	\$ 13,706.03
PSFT Commodity	\$ 2,059.25	\$ 1,860.20										\$ 1,380.28
Eminence Cust. Dem.	\$ 7,934.84	\$ 7,934.84	\$ 7,934.84	\$ 7,804.50	\$ 8,064.65	\$ 7,804.50	\$ 8,064.65	\$ 8,064.65	\$ 7,804.50	\$ 8,064.65	\$ 7,804.50	\$ 8,064.65
Eminence Cust. Cap.	\$ 7,937.41	\$ 7,937.41	\$ 7,937.41	\$ 7,648.50	\$ 7,903.45	\$ 7,648.50	\$ 7,903.45	\$ 7,903.45	\$ 7,648.50	\$ 7,903.45	\$ 7,648.50	\$ 7,903.45
Eminence Storage Dem.	\$ 14,603.91	\$ 14,603.91	\$ 14,603.91	\$ 14,364.60	\$ 14,843.42	\$ 14,364.60	\$ 14,843.42	\$ 14,843.42	\$ 14,364.60	\$ 14,843.42	\$ 14,364.60	\$ 14,843.42
Eminence Storage Cap.	\$ 14,609.02	\$ 14,609.02	\$ 14,609.02	\$ 14,077.20	\$ 14,546.44	\$ 14,077.20	\$ 14,546.44	\$ 14,546.44	\$ 14,077.20	\$ 14,546.44	\$ 14,077.20	\$ 14,546.44
Handling fr Stg.	\$ 536.88		\$ 283.37									\$ 380.62
Handling to Stg.			\$ 133.21	\$ 164.00	\$ 317.75	\$ 102.50			\$ 225.50	\$ 174.25	\$ 153.75	
Capacity Rel. Dem.CredH				\$ (60,480.00)		\$ (223,920.00)	\$ (290,780.00)	\$ (231,384.00)	\$ (120,960.00)			
Capacity Rel. GRI CredH												
S2 Credit	\$ (5,649.01)	\$ (2,926.87)	\$ (2,946.75)	\$ (2,971.58)		\$ (2,882.22)	\$ (3,004.45)	\$ (2,856.71)	\$ (2,985.98)	\$ (2,966.56)	\$ (2,869.93)	\$ (2,837.43)
GSS Credit												
Cash In/CashOut												
Eminence #2 Demand	\$ 24,313.45	\$ 24,313.45	\$ 24,313.45	\$ 23,980.80	\$ 24,780.16	\$ 23,980.80	\$ 24,780.16	\$ 24,780.16	\$ 23,980.80	\$ 24,780.16	\$ 23,980.80	\$ 24,780.16
Eminence #2 Capacity	\$ 24,338.08	\$ 24,338.08	\$ 24,338.08	\$ 24,010.20	\$ 24,810.54	\$ 24,010.20	\$ 24,810.54	\$ 24,810.54	\$ 24,010.20	\$ 24,810.54	\$ 24,010.20	\$ 24,810.54
Handling to Stg.			\$ 514.13	\$ 622.68	\$ 1,198.66	\$ 395.50		\$ 870.10		\$ 672.35	\$ 918.36	
Handling fr Stg.	\$ 3,163.90		\$ 1,038.26	\$ 38.30			\$ 236.19					\$ 1,091.70
Adjustment from April 03					\$ 59.98	\$ (21.72)	\$ 2.53		\$ (2,861.15)			\$ 64.05
Adjustment from June 01												\$ 31.05
Adjustment from Oct 01												\$ 16.52
Adjustment from Nov 01												\$ (124.50)
Adjustment from Jan 01												
Adjustment from Feb 02												
LGS Del. Commodity												
LGS Del. Com. Adj./02												
Cashout								\$ (2,021.54)	\$ (355.49)			
Total	\$ 2,580,298.28	\$ 2,944,029.25	\$ 2,530,741.41	\$ 2,442,755.82	\$ 2,454,433.82	\$ 2,270,973.88	\$ 2,232,480.55	\$ 2,302,943.22	\$ 2,354,716.97	\$ 2,563,634.38	\$ 2,461,364.84	\$ 2,598,560.19

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Philadelphia Gas Works
Summary of Fuels Purchased

Volume	Jan-03	Feb-03	Mar-03	Apr-03	May-03	Jun-03	Jul-03	Aug-03	Sep-03	Oct-03	Nov-03	Dec-03
Spot Purchases - Transco	75,744	78,498	80,500	3,000	155,000	150,001	155,001	178,700	734,402	-	882	-
Spot Purchases - Tetco	-	264	18,587	206,782	198,600	75	355	140	-	-	227	180
Spot for Resale	-	-	-	-	-	-	-	-	-	-	-	-
Firm Contracts												
Transco Supply1 - Dem	55,212	55,212	55,212	55,200	55,211	55,200	55,211	55,211	55,200	55,211	55,200	55,211
Commodity	1,391,497	1,412,759	421,457	1,268,125	1,838,723	772,998	311,995	1,036,010	784,610	874,233	785,882	868,692
Transco Supply2 - Dem	820,000	560,000	820,000	-	-	-	-	-	-	-	800,000	-
Commodity	485,000	560,000	820,000	440,000	820,000	450,000	465,000	465,000	450,000	820,000	-	820,000
Transco Supply3 - Dem	-	-	485,000	-	-	-	-	-	-	-	-	-
Commodity	210,540	140,000	485,000	892,506	820,000	174,770	-	40,000	-	459,590	-	-
Transco Supply4 - Dem	-	-	-	-	-	-	-	-	-	-	-	-
Commodity	-	-	-	-	-	-	-	-	-	-	-	-
Transco Supply5 - Dem	-	-	-	-	-	-	-	-	-	-	-	-
Commodity	-	-	-	-	-	-	-	-	-	-	-	-
Transco Supply6 - Dem	-	-	-	-	-	-	-	-	-	-	-	-
Commodity	10,248	-	70,000	404,120	465,000	-	-	-	-	-	-	-
Transco Supply7 - Dem	-	588,000	851,000	-	-	-	-	-	-	-	-	-
Commodity	358,000	588,000	851,000	150,000	155,000	150,000	-	800,000	-	-	150,000	155,000
Transco Supply8 - Dem	-	-	-	-	-	-	-	-	-	-	-	-
Commodity	483,900	420,000	465,000	285,794	155,000	450,029	460,385	465,000	450,000	775,031	1,050,000	1,044,552
Transco Supply9 - Dem	-	-	-	-	-	-	-	-	-	-	-	-
Commodity	-	-	-	-	-	-	-	-	-	-	-	-
Transco Supply10 - Dem	-	-	-	-	-	-	-	-	-	-	-	-
Commodity	155,000	140,000	155,000	150,000	155,000	660,000	372,000	372,000	360,000	372,000	750,000	775,000
Transco Supply11 - Dem	-	-	-	0	0	0	-	-	-	-	-	-
Commodity	-	-	-	-	-	-	-	-	-	-	-	-
Transco Supply12 - Dem	-	-	-	-	-	-	-	-	-	-	-	-
Commodity	465,000	420,000	465,000	300,000	310,000	450,000	-	465,000	450,000	465,000	300,000	310,000
Transco Supply13 - Dem	-	-	-	-	-	-	-	-	-	-	-	-
Commodity	-	-	-	-	-	-	-	-	-	-	-	-
Transco Supply14 - Dem	-	-	-	180,000	434,000	240,000	248,000	248,000	240,000	248,000	240,000	248,000
Commodity	-	-	-	156,000	-	-	-	-	-	-	-	-
Transco Supply15 - Dem	-	-	-	-	-	-	-	-	-	-	-	-
Commodity	465,000	420,000	465,000	-	-	-	-	-	-	-	-	-
Transco Supply17 - Dem	-	-	-	-	-	-	-	-	-	-	-	-
Commodity	-	-	-	-	-	-	-	-	-	-	-	-
Tetco Supply1 - Dem	1,029,433	847,780	478,082	333,936	333,936	336,036	336,036	336,036	336,036	819,992	150,000	155,000
Commodity	1,029,433	847,780	478,082	459,327	388,078	700,712	-	509,985	450,000	-	1,325,755	927,696
Tetco Supply2 - Dem	-	-	-	150,000	155,000	-	-	-	-	-	1,441,620	1,518,179
Commodity	-	-	-	-	-	-	-	-	-	-	42,825	1,198,746
Tetco Supply3 - Dem	342,829	309,652	-	150,000	155,000	-	-	-	-	-	-	-
Commodity	342,829	309,652	342,829	150,000	155,000	-	-	-	-	-	1,050,202	-
Tetco Supply4 - Dem	804,283	487,878	1,050,001	-	-	-	-	-	-	-	-	-
Commodity	604,283	487,878	1,109,967	196,967	-	-	-	-	-	21,758	-	-
Tetco Supply5 - Dem	-	-	49,905	195,071	-	-	-	-	-	-	-	-
Commodity	-	-	-	-	-	-	-	-	-	-	-	-
Tetco Supply6 - Dem	-	-	-	-	-	-	-	-	-	-	-	-
Commodity	668,236	803,568	668,236	-	-	-	-	-	-	-	-	-
Tetco Supply7 - Dem	668,236	803,568	668,236	272,545	527,000	750,000	-	775,000	750,000	775,000	634,880	870,344
Commodity	-	-	-	-	-	-	-	-	-	-	-	-
Tetco Supply8 - Dem	-	-	-	-	-	-	-	-	-	-	245,250	257,145
Commodity	-	-	-	-	-	-	-	-	-	-	-	-
Tetco Supply9 - Dem	-	-	-	150,000	155,000	150,000	155,000	155,000	150,000	155,000	163,680	178,219
Commodity	33,174	35,540	-	-	-	-	-	-	-	-	-	-
Tetco Supply10 - Dem	-	-	-	-	-	-	-	-	-	-	-	-
Commodity	-	-	-	-	-	-	-	-	-	-	-	-
Tetco Supply11 - Dem	827,514	747,432	827,544	-	-	-	-	-	-	-	-	-
Commodity	827,514	747,432	827,544	-	-	-	-	-	-	-	-	-
Tetco Supply12 - Dem	-	-	-	-	-	-	-	-	-	-	-	-
Commodity	344,255	310,940	344,255	-	-	-	-	-	-	-	-	-
Tetco Supply13 - Dem	342,798	309,624	342,798	-	-	-	-	-	-	-	-	-
Commodity	342,798	309,624	342,798	150,000	327,019	150,000	-	-	-	310,000	-	-
Tetco Supply14 - Dem	-	-	-	-	-	-	-	-	-	-	-	-
Commodity	-	-	-	-	-	-	-	-	-	-	163,680	172,670

Philadelphia Gas Works
 Summary of Fuels Purchased

Rate - \$	Jan-03	Feb-03	Mar-03	Apr-03	May-03	Jun-03	Jul-03	Aug-03	Sep-03	Oct-03	Nov-03	Dec-03
Spot Purchases - Transco	\$ 4,1600	\$ 5,5701	\$ 8,5451	\$ 5,2200	\$ 5,1800	\$ 6,0300	\$ 6,3850	\$ 4,7463	\$ 4,9164	\$ -	\$ -	\$ -
Spot Purchases - Tcelco	\$ -	\$ -	\$ 7,5200	\$ 5,2227	\$ 4,9787	\$ 8,1744	\$ 3,7365	\$ 3,7764	\$ -	\$ -	\$ 3,8204	\$ 5,3770
Spot for Resale	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Miscel. Purchases	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Firm Contracts												
Transco Supply1 - Dem	\$ 4,2600	\$ 4,2600	\$ 4,2600	\$ 4,2609	\$ 4,2601	\$ 6,6915	\$ 6,9131	\$ 6,4671	\$ 6,6915	\$ 4,2601	\$ 4,2608	\$ 4,2600
Commodity	\$ 4,2292	\$ 5,0670	\$ 9,6128	\$ 5,4022	\$ 5,3744	\$ 6,2449	\$ 5,5527	\$ 4,9152	\$ 5,1724	\$ 4,6313	\$ 4,6842	\$ 4,2292
Transco Supply2 - Dem	\$ 0,0200	\$ -	\$ 0,0200	\$ 0,0200	\$ 0,0200	\$ 0,0200	\$ 0,0200	\$ 0,0200	\$ 0,0200	\$ -	\$ 0,0300	\$ 0,0300
Commodity	\$ -	\$ -	\$ -	\$ -	\$ 5,2600	\$ 5,9750	\$ 6,0350	\$ 4,9300	\$ 5,0000	\$ 4,8975	\$ -	\$ 5,9900
Transco Supply3 - Dem	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity	\$ 4,1061	\$ 4,1475	\$ 7,5083	\$ 5,5641	\$ 5,7063	\$ 5,4252	\$ -	\$ 4,6350	\$ -	\$ 5,1395	\$ -	\$ -
Transco Supply4 - Dem	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply5 - Dem	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply6 - Dem	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity	\$ 4,7573	\$ -	\$ 7,7500	\$ 5,2784	\$ 5,4333	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply7 - Dem	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Commodity	\$ 4,1536	\$ 5,3823	\$ 9,1505	\$ 5,1300	\$ 5,1300	\$ 5,8150	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,1536
Transco Supply8 - Dem	\$ 4,0358	\$ 4,0358	\$ 4,0358	\$ 5,4736	\$ 5,5919	\$ 5,9509	\$ 6,2783	\$ 4,6997	\$ 4,9167	\$ 4,7598	\$ 5,0627	\$ 4,0358
Commodity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply9 - Dem	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply10 - Dem	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity	\$ 4,3650	\$ 4,3650	\$ 4,3650	\$ 8,0875	\$ 5,8875	\$ 5,9888	\$ 5,3275	\$ 5,1425	\$ 5,1825	\$ 5,2225	\$ 5,1680	\$ 4,3650
Transco Supply11 - Dem	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply12 - Dem	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity	\$ 4,1117	\$ 4,1850	\$ 3,9950	\$ 5,2410	\$ 5,5400	\$ 5,9850	\$ 6,0101	\$ 4,9350	\$ 4,9350	\$ 5,2150	\$ 5,0050	\$ 4,1117
Transco Supply13 - Dem	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply14 - Dem	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity	\$ -	\$ -	\$ -	\$ -	\$ 5,8144	\$ 6,0650	\$ 6,0750	\$ 4,9700	\$ 5,0300	\$ 5,0900	\$ 5,3800	\$ 5,3800
Transco Supply15 - Dem	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply16 - Dem	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply17 - Dem	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tcelco Supply1 - Dem	\$ 0,1974	\$ 0,3141	\$ 0,4278	\$ 0,1500	\$ 0,1500	\$ 0,1487	\$ 0,1487	\$ 0,1487	\$ 0,1487	\$ -	\$ -	\$ 5,5600
Commodity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,8782	\$ -	\$ 4,7805	\$ 4,8725	\$ -	\$ 4,3992	\$ 0,1974
Tcelco Supply2 - Dem	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,9226	\$ 6,1158
Tcelco Supply3 - Dem	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity	\$ 4,1479	\$ 5,4082	\$ 9,1500	\$ 5,4750	\$ 5,4669	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,0500	\$ 4,1479
Tcelco Supply4 - Dem	\$ 4,0324	\$ 4,1114	\$ 6,4303	\$ 5,0438	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity	\$ 4,7023	\$ -	\$ 7,2700	\$ 5,2215	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tcelco Supply5 - Dem	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tcelco Supply6 - Dem	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tcelco Supply7 - Dem	\$ 4,0416	\$ 4,2755	\$ 4,8532	\$ 5,6489	\$ 5,4163	\$ 5,8392	\$ -	\$ 4,9834	\$ 5,0178	\$ 5,0534	\$ 4,7240	\$ 4,0416
Commodity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tcelco Supply8 - Dem	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity	\$ 4,9100	\$ 5,6200	\$ -	\$ -	\$ 5,0830	\$ 5,9400	\$ 5,9150	\$ 5,0200	\$ 5,0500	\$ 5,1000	\$ 4,8391	\$ 5,6216
Tcelco Supply9 - Dem	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity	\$ 0,2250	\$ 0,2250	\$ 0,2250	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tcelco Supply10 - Dem	\$ 3,7138	\$ 3,8351	\$ 4,0008	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity	\$ 4,0843	\$ 4,1589	\$ 4,5072	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tcelco Supply11 - Dem	\$ 0,0133	\$ 0,0045	\$ 0,0045	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity	\$ 4,9331	\$ 2,7308	\$ 9,1500	\$ 5,3925	\$ 5,1980	\$ 6,0250	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tcelco Supply12 - Dem	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tcelco Supply13 - Dem	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tcelco Supply14 - Dem	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,8147	\$ 5,8603

Philadelphia Gas Works
Cost of Fuel Purchased
Texas Eastern

Volumes - Dth	Jan-03	Feb-03	Mar-03	Apr-03	May-03	Jun-03	Jul-03	Aug-03	Sep-03	Oct-03	Nov-03	Dec-03
CDS Market Area Demand	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000
CDS Access Area Demand	97,573	97,573	97,573	97,573	97,573	97,573	97,573	97,573	97,573	97,573	97,573	97,573
CDS Commodity	2,323,200	2,086,425	2,083,000	1,103,553	1,753,014	1,610,148	142,910	1,325,495	527,940	937,563	1,086,420	1,927,450
CDS ACA Charge	2,323,200	2,086,425	2,083,000	1,103,553	1,753,014	1,610,148	142,910	1,325,495	527,940	937,563	1,086,420	1,927,450
FT1 Access Area Demand	23,822	23,822	23,822	23,822	23,822	23,822	23,822	23,822	23,822	23,822	23,822	23,822
FT1 Market Area Demand	54,878	54,878	54,878	54,878	54,878	54,878	54,878	54,878	54,878	54,878	54,878	54,878
FT1 Commodity	738,482	667,016	738,482	714,660	0	0	0	0	714,660	738,482	714,660	738,482
FT1 ACA Charge	738,482	667,016	738,482	714,660	0	0	0	0	714,660	738,482	714,660	738,482
SS1 Demand 400121	44,118	44,118	44,118	44,118	44,118	44,118	44,118	44,118	44,118	44,118	44,118	44,118
Space Charge	220,590	220,590	220,590	220,590	220,590	220,590	220,590	220,590	220,590	220,590	220,590	220,590
Handling fr Storage	653,131	603,344	235,399	264,496	0	0	0	0	0	0	51,931	435,380
Storage Injection			122,893	165,096	370,621	405,380	29,135	423,174	408,180	288,038	85,971	28,545
Excess Injection			87	2,349	14,293	941					18,274	40,207
Storage Surcharge Credit												
SS1 Demand 400209	20,847	20,847	20,847	20,847	20,847	20,847	20,847	20,847	20,847	20,847	20,847	20,847
Space Charge	205,177	205,177	205,177	205,177	205,177	205,177	205,177	205,177	205,177	205,177	205,177	205,177
Handling fr Storage	610,753		269,550	208,827							89,714	393,228
Excess Withdrawal		558,947										
Storage Injection			61,862	121,244	387,693	379,680	23,573	392,336	378,533	37,768	192,847	41,960
Excess Injection			35,771		14,658							
Storage Surcharge Credit												
FTS-2 Demand	5,394	5,394	5,394	5,394	5,394	5,394	5,394	5,394	5,394	5,394	5,394	5,394
FTS-7 Demand	7,788	7,788	7,788	7,788	7,788	7,788	7,788	7,788	7,788	7,788	7,788	7,788
FTS-8 Demand	25,709	25,709	25,709	25,709	25,709	25,709	25,709	25,709	25,709	25,709	25,709	25,709
FT-1 Acc. Area Dem. 800514	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000
FT-1 Market Area Demand	11,474	11,474	11,474	11,474	11,474	11,474	11,474	11,474	11,474	11,474	11,474	11,474
FT-1 GRI Demand	18,000	18,000	18,000	18,000	18,000	18,000	18,000			18,000	18,000	18,000
FT Commodity	558,000	504,000	459,000	0							540,000	558,000
FT-1 GRI Usage	540,000	504,000	459,000	0							540,000	558,000
FT-1 ACA Charge	540,000	504,000	459,000	0							540,000	558,000
M1-M3 Cap. Rel. GRI dem.credit							1,656,000	558,000	540,000			
M1-M3 Cap. Rel. demand credit							1,656,000	558,000	540,000			
FT-1 Acc. Area Dem. 800515	18,000	18,000	18,000	18,000	18,000	18,000	18,000				18,000	18,000
FT-1 Market Area Demand	11,474	11,474	11,474	11,474	11,474	11,474	11,474	11,474	11,474	11,474	11,474	11,474
FT-1 GRI Demand	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000
FT Commodity	558,000	504,000	459,000	3,000							540,000	558,000
FT-1 GRI Usage	558,000	504,000	459,000	3,000							540,000	558,000
FT-1 ACA Charge	558,000	504,000	459,000	3,000							540,000	558,000
M1-M3 Cap. Rel. GRI dem.credit							1,656,000	558,000	540,000			
M1-M3 Cap. Rel. demand credit							1,656,000	558,000	540,000			
CDS 800232 M1-M2 Cap. Rel.												
FT1-800233 M1-M3 Cap. Rel.						300,000	310,000	310,000				
FT-2,7,8 ACA	1,063,629	935,853	379,356	277,443	0	0					341,448	794,171

Philadelphia Gas Works
Cost of Fuel Purchased
Texas Eastern

Volumes - Dth	Jan-03	Feb-03	Mar-03	Apr-03	May-03	Jun-03	Jul-03	Aug-03	Sep-03	Oct-03	Nov-03	Dec-03
CDS Access Area Demand	\$ 805,725.00	\$ 805,575.00	\$ 805,575.00	\$ 805,575.00	\$ 805,575.00	\$ 805,575.00	\$ 805,575.00	\$ 811,950.00	\$ 811,950.00	\$ 811,950.00	\$ 811,950.00	\$ 810,875.00
CDS Market Area Demand	\$ 330,356.77	\$ 330,295.81	\$ 330,295.81	\$ 330,295.61	\$ 330,295.61	\$ 330,295.61	\$ 330,295.61	\$ 330,272.47	\$ 330,272.47	\$ 330,272.47	\$ 330,272.47	\$ 330,272.47
CDS Commodity	\$ 177,130.33	\$ 147,289.74	\$ 152,389.75	\$ 77,063.88	\$ 127,924.34	\$ 118,959.89	\$ 9,573.43	\$ 100,419.57	\$ 35,306.69	\$ 70,001.64	\$ 86,893.29	\$ 164,913.52
CDS ACA Charge	\$ 4,878.72	\$ 4,381.50	\$ 4,374.29	\$ 2,317.46	\$ 3,681.32	\$ 3,381.31	\$ 300.11	\$ 2,783.54	\$ 1,108.67	\$ 1,968.91	\$ 2,281.49	\$ 4,047.64
FT1 Access Area Demand	\$ 250,607.44	\$ 250,559.80	\$ 250,559.80	\$ 250,559.80	\$ 250,559.80	\$ 250,559.80	\$ 250,559.80	\$ 252,584.67	\$ 252,584.67	\$ 252,584.67	\$ 252,584.67	\$ 252,179.69
FT1 Market Area Demand	\$ 194,763.58	\$ 194,714.80	\$ 194,714.80	\$ 194,714.80	\$ 194,714.80	\$ 194,714.80	\$ 194,714.80	\$ 194,700.76	\$ 194,700.76	\$ 194,700.76	\$ 194,700.76	\$ 194,700.76
FT1 Commodity	\$ 81,143.55	\$ 51,467.17	\$ 58,452.72	\$ 51,863.29	\$ -	\$ -	\$ -	\$ -	\$ 59,147.53	\$ 58,508.41	\$ 58,331.90	\$ 63,642.51
FT1 ACA Charge	\$ 1,550.81	\$ 1,400.74	\$ 1,550.81	\$ 1,500.79	\$ -	\$ -	\$ -	\$ -	\$ 1,500.79	\$ 1,550.81	\$ 1,500.79	\$ 1,550.81
SS1 Demand 400121	\$ 240,398.98	\$ 240,663.69	\$ 240,663.69	\$ 240,663.69	\$ 240,663.69	\$ 240,663.69	\$ 240,663.69	\$ 241,678.40	\$ 241,678.40	\$ 241,678.40	\$ 241,678.40	\$ 241,834.29
Space Charge	\$ 28,522.29	\$ 28,522.29	\$ 28,522.29	\$ 28,522.29	\$ 28,522.29	\$ 28,522.29	\$ 28,522.29	\$ 28,522.29	\$ 28,522.29	\$ 28,522.29	\$ 28,522.29	\$ 28,522.29
Handling fr Storage	\$ 39,253.18	\$ 35,536.96	\$ 13,865.00	\$ 15,578.81	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,152.21	\$ 28,393.82
Storage Injection	\$ -	\$ -	\$ 4,485.59	\$ 6,078.00	\$ 13,527.67	\$ 14,796.37	\$ 1,063.43	\$ 15,445.85	\$ 14,898.57	\$ 10,513.38	\$ 3,137.94	\$ 1,053.31
Excess Injection	\$ -	\$ -	\$ 14.05	\$ 379.36	\$ 1,050.45	\$ 34.35	\$ -	\$ -	\$ -	\$ -	\$ 2,951.25	\$ 6,501.47
Storage Surcharge Credit	\$ (25,111.72)	\$ (25,015.83)	\$ (25,276.44)	\$ (24,788.95)	\$ (24,467.82)	\$ (25,505.47)	\$ (25,209.24)	\$ (25,348.67)	\$ (25,183.77)	\$ (24,363.46)	\$ (24,087.60)	\$ (24,484.56)
SS1 Demand 400209	\$ 113,595.30	\$ 113,720.19	\$ 113,720.19	\$ 113,720.39	\$ 113,720.39	\$ 113,720.39	\$ 113,720.39	\$ 114,199.87	\$ 114,199.87	\$ 114,199.87	\$ 114,199.87	\$ 114,179.02
Space Charge	\$ 26,529.39	\$ 26,529.39	\$ 26,529.39	\$ 26,529.39	\$ 26,529.39	\$ 26,529.39	\$ 26,529.39	\$ 26,529.39	\$ 26,529.39	\$ 26,529.39	\$ 26,529.39	\$ 26,529.39
Handling fr Storage	\$ 38,708.26	\$ 32,921.98	\$ 15,876.50	\$ 12,299.91	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,445.64	\$ 24,773.36
Excess Withdrawal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,292.52	\$ -	\$ -
Storage Injection	\$ -	\$ -	\$ 2,257.96	\$ 4,425.41	\$ 14,150.79	\$ 13,858.32	\$ 860.41	\$ 14,320.26	\$ 13,818.45	\$ 10,469.12	\$ 7,038.92	\$ 1,548.32
Excess Injection	\$ -	\$ -	\$ 5,777.02	\$ -	\$ 535.02	\$ 0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Storage Surcharge Credit	\$ (11,965.73)	\$ (11,820.56)	\$ (11,920.18)	\$ (11,477.19)	\$ (11,561.71)	\$ (12,052.04)	\$ (11,912.05)	\$ (11,977.93)	\$ (11,900.02)	\$ (11,512.39)	\$ (11,382.04)	\$ (11,569.62)
FTS-2 Demand	\$ 42,930.85	\$ 42,930.85	\$ 42,930.85	\$ 42,930.85	\$ 42,930.85	\$ 42,930.85	\$ 42,930.85	\$ 42,930.85	\$ 42,930.85	\$ 42,930.85	\$ 43,014.82	\$ 43,182.75
FTS-7 Demand	\$ 51,213.89	\$ 51,213.89	\$ 51,213.89	\$ 51,213.89	\$ 51,213.89	\$ 51,213.89	\$ 51,213.89	\$ 51,213.89	\$ 51,213.89	\$ 51,213.89	\$ 51,361.08	\$ 51,496.03
FTS-8 Demand	\$ 178,466.58	\$ 178,466.58	\$ 178,466.58	\$ 178,466.58	\$ 178,466.58	\$ 178,466.58	\$ 178,466.58	\$ 178,466.58	\$ 178,466.58	\$ 178,466.58	\$ 176,952.48	\$ 177,600.30
FT-1 Acc. Area Dem. 800514	\$ 189,360.00	\$ 189,324.00	\$ 189,324.00	\$ 189,324.00	\$ 189,324.00	\$ 189,324.00	\$ 189,324.00	\$ 190,854.00	\$ 190,854.00	\$ 190,854.00	\$ 190,854.00	\$ 190,548.00
FT-1 Market Area Demand	\$ 25,689.16	\$ 25,689.16	\$ 25,689.16	\$ 25,689.16	\$ 25,689.16	\$ 25,689.16	\$ 25,689.16	\$ 25,686.96	\$ 25,686.96	\$ 25,686.96	\$ 25,686.96	\$ 25,686.96
FT-1 GRI Demand	\$ 900.00	\$ 900.00	\$ 900.00	\$ 900.00	\$ 900.00	\$ 900.00	\$ 900.00	\$ 900.00	\$ 900.00	\$ 900.00	\$ 900.00	\$ 900.00
FT Commodity	\$ 39,568.34	\$ 32,583.94	\$ 30,221.83	\$ 222.30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 39,310.50
FT-1 GRI Usage	\$ 2,232.00	\$ 2,016.00	\$ 1,457.56	\$ 12.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,781.52	\$ 2,232.00
FT-1 ACA Charge	\$ 1,171.80	\$ 1,058.40	\$ 963.90	\$ 6.30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,134.00	\$ 1,171.80
M1-M3 Cap. Rel. GRI dem. credit	\$ -	\$ -	\$ -	\$ -	\$ (900.00)	\$ (900.00)	\$ (900.00)	\$ (900.00)	\$ (900.00)	\$ (900.00)	\$ (900.00)	\$ -
M1-M3 Cap. Rel. demand credit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (378,344.07)	\$ (46,127.18)	\$ (107,981.21)	\$ -	\$ -	\$ -
FT-1 Acc. Area Dem. 800516	\$ 189,360.00	\$ 189,324.00	\$ 189,324.00	\$ 189,324.00	\$ 189,324.00	\$ 189,324.00	\$ 189,324.00	\$ 190,854.00	\$ 190,854.00	\$ 190,854.00	\$ 190,854.00	\$ 190,548.00
FT-1 Market Area Demand	\$ 25,689.16	\$ 25,689.16	\$ 25,689.16	\$ 25,689.16	\$ 25,689.16	\$ 25,689.16	\$ 25,689.16	\$ 25,686.96	\$ 25,686.96	\$ 25,686.96	\$ 25,686.96	\$ 25,686.96
FT-1 GRI Demand	\$ 900.00	\$ 900.00	\$ 900.00	\$ 900.00	\$ 900.00	\$ 900.00	\$ 900.00	\$ 900.00	\$ 900.00	\$ 900.00	\$ 900.00	\$ 900.00
FT Commodity	\$ 39,568.34	\$ 32,583.94	\$ 30,221.83	\$ 222.30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 39,310.50
FT-1 GRI Usage	\$ 2,232.00	\$ 2,016.00	\$ 1,457.56	\$ 12.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,781.52	\$ 2,232.00
FT-1 ACA Charge	\$ 1,171.80	\$ 1,058.40	\$ 963.90	\$ 6.30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,134.00	\$ 1,171.80
M1-M3 Cap. Rel. GRI dem. credit	\$ -	\$ -	\$ -	\$ -	\$ (900.00)	\$ (900.00)	\$ (900.00)	\$ (900.00)	\$ (900.00)	\$ (900.00)	\$ (900.00)	\$ -
M1-M3 Cap. Rel. demand credit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (378,344.07)	\$ (46,127.18)	\$ (107,981.21)	\$ -	\$ -	\$ -
CDS 800232 M1-M2 Cap. Rel.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (378,344.07)	\$ (46,127.18)	\$ (107,981.21)	\$ -	\$ -	\$ -
FY1-800233 M1-M3 Cap. Rel.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (14,790.00)	\$ (9,300.00)	\$ (9,362.00)	\$ -	\$ -	\$ -	\$ -
FT-2,7,8 ACA	\$ 2,233.82	\$ 1,965.29	\$ 542.83	\$ 582.63	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Take-or-Pay Credit SS-2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjustment 899 SS1B Storage	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 3,064,872.19	\$ 3,002,422.48	\$ 2,980,746.09	\$ 2,829,650.60	\$ 2,816,058.67	\$ 2,789,901.34	\$ 1,899,906.88	\$ 2,698,157.35	\$ 2,676,863.68	\$ 2,824,460.03	\$ 2,926,364.00	\$ 3,060,059.57

Philadelphia Gas Works
Cost of Fuel Purchased
Equitrans

53 64(c)(1) Schedule 1 Volumes	Jan-03	Feb-03	Mar-03	Apr-03	May-03	Jun-03	Jul-03	Aug-03	Sep-03	Oct-03	Nov-03	Dec-03
STS-1 Cap. Res. Chge.	3,480	3,480	3,480	2,442	2,442	2,442	2,442	2,442	2,442	2,442	3,480	3,480
STS-1 Commodity Inj				78,120	80,724	78,120	80,724	80,724	78,120	29,905		
SS-3 Demand	4,998	4,998	4,998	4,998	4,998	4,998	4,998	4,998	4,998	4,998	4,998	4,998
SS-3 Space Charge	522,500	522,500	522,500	522,500	522,500	522,500	522,500	522,500	522,500	522,500	522,500	522,500
SS-3 Storage Withdrawal	154,938	131,788	40,259								39,984	119,952
SS-3 Storage Injection									77,730	29,756		
ACA STS-1				78,120	80,724	78,120	80,724	80,724	78,120	29,905		

Rates - \$

STS-1 Cap. Res. Chge.	5.7625	5.7625	5.7625	5.0087	5.0087	5.0087	5.0087	5.0087	5.0087	5.0087	5.7625	5.7625
STS-1 Commodity Inj	0.0079	0.0079	0.0079	0.0079	0.0079	0.0079	0.0079	0.0079	0.0079	0.0079	0.0079	0.0079
SS-3 Demand	1.3887	1.3887	1.3887	1.3887	1.3887	1.3887	1.3887	1.3887	1.3887	1.3887	1.3887	1.3887
SS-3 Space Charge	0.0265	0.0265	0.0265	0.0265	0.0265	0.0265	0.0265	0.0265	0.0265	0.0265	0.0265	0.0265
SS-3 Storage Withdrawal	0.0089	0.0089	0.0089	0.0089	0.0089	0.0089	0.0089	0.0089	0.0089	0.0089	0.0089	0.0089
SS-3 Storage Injection	0.0089	0.0089	0.0089	0.0089	0.0089	0.0089	0.0089	0.0089	0.0089	0.0089	0.0089	0.0089
ACA STS-1	0.0021	0.0021	0.0021	0.0021	0.0021	0.0021	0.0021	0.0021	0.0021	0.0021	0.0021	0.0021

Total Amount - \$

STS-1 Transp. Demand	\$ 19,938.25	\$ 19,938.25	\$ 19,938.25	\$ 12,231.25	\$ 12,231.25	\$ 12,231.25	\$ 12,231.25	\$ 12,231.25	\$ 12,231.25	\$ 12,231.25	\$ 19,938.25	\$ 19,938.25
STS-1 Commodity Inj				\$ 817.10	\$ 837.87	\$ 817.10	\$ 837.87	\$ 837.87	\$ 817.10	\$ 236.23		
SS-3 Demand	\$ 6,940.72	\$ 6,940.72	\$ 6,940.72	\$ 6,940.72	\$ 6,940.72	\$ 6,940.72	\$ 6,940.72	\$ 6,940.72	\$ 6,940.72	\$ 6,940.72	\$ 6,940.72	\$ 6,940.72
SS-3 Space Charge	\$ 13,846.25	\$ 13,846.25	\$ 13,846.25	\$ 13,846.25	\$ 13,846.25	\$ 13,846.25	\$ 13,846.25	\$ 13,846.25	\$ 13,846.25	\$ 13,846.25	\$ 13,846.25	\$ 13,846.25
SS-3 Storage Withdrawal	\$ 1,376.88	\$ 1,172.88	\$ 358.29								\$ 355.84	\$ 1,067.52
SS-3 Storage Injection									\$ 691.80	\$ 284.83		
ACA STS-1				\$ 184.10	\$ 189.57	\$ 184.10	\$ 189.57	\$ 189.57	\$ 184.10	\$ 82.82		
Total	\$ 42,104.10	\$ 41,897.90	\$ 41,083.51	\$ 33,799.42	\$ 33,825.47	\$ 33,799.42	\$ 33,825.47	\$ 33,825.47	\$ 34,491.22	\$ 33,582.10	\$ 41,081.06	\$ 41,782.74

Section 1
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1307F
5764(c)(1)
Schedule 1

Volumes	Jan-03	Feb-03	Mar-03	Apr-03	May-03	Jun-03	Jul-03	Aug-03	Sep-03	Oct-03	Nov-03	Dec-03
GSS Storage Demand	34,047	34,047	34,047	34,047	34,047	34,047	34,047	34,047	34,047	34,047	34,047	34,047
GSS Storage Capacity	3,918,971	3,918,971	3,918,971	3,918,971	3,918,971	3,918,971	3,918,971	3,918,971	3,918,971	3,918,971	3,918,971	3,918,971
GSS Storage Injection			219,748	173,764	775,000	702,720		607,445	560,341	354,435	183,130	
GSS Handling from Storage	923,524	617,175	344,553	281,907							306,423	685,195
GSS-TE Surcharge	923,524	617,175	344,553	281,907							306,423	685,195

Rates - \$

GSS Storage Demand	\$ 1.8887	\$ 1.8887	\$ 1.8887	\$ 1.8887	\$ 1.8887	\$ 1.8887	\$ 1.8887	\$ 1.8887	\$ 1.8887	\$ 1.8887	\$ 1.8841	\$ 1.8841
GSS Storage Capacity	\$ 0.0145	\$ 0.0145	\$ 0.0145	\$ 0.0145	\$ 0.0145	\$ 0.0145	\$ 0.0145	\$ 0.0145	\$ 0.0145	\$ 0.0145	\$ 0.0145	\$ 0.0145
GSS Storage Injection	\$ 0.0207	\$ 0.0207	\$ 0.0207	\$ 0.0207	\$ 0.0207	\$ 0.0207	\$ 0.0207	\$ 0.0207	\$ 0.0207	\$ 0.0207	\$ 0.0215	\$ 0.0215
GSS Handling from Storage	\$ 0.0171	\$ 0.0171	\$ 0.0171	\$ 0.0171	\$ 0.0171	\$ 0.0171	\$ 0.0171	\$ 0.0171	\$ 0.0171	\$ 0.0171	\$ 0.0177	\$ 0.0177
GSS-TE Surcharge	\$ 0.0061	\$ 0.0061	\$ 0.0061	\$ 0.0061	\$ 0.0061	\$ 0.0061	\$ 0.0061	\$ 0.0061	\$ 0.0061	\$ 0.0061	\$ 0.0041	\$ 0.0041

Total Amount - \$

GSS Storage Demand	\$ 64,304.57	\$ 64,304.57	\$ 64,304.57	\$ 64,304.57	\$ 64,304.57	\$ 64,304.57	\$ 64,304.57	\$ 64,304.57	\$ 64,304.57	\$ 64,304.57	\$ 64,147.95	\$ 64,147.95
GSS Storage Capacity	\$ 56,825.08	\$ 56,825.08	\$ 56,825.08	\$ 56,825.08	\$ 56,825.08	\$ 56,825.08	\$ 56,825.08	\$ 56,825.08	\$ 56,825.08	\$ 56,825.08	\$ 56,825.08	\$ 56,825.08
GSS Storage Injection	\$ -	\$ -	\$ 4,548.74	\$ 3,596.91	\$ 16,042.50	\$ 14,546.30	\$ -	\$ 12,574.11	\$ 11,599.06	\$ 7,336.80	\$ 3,837.30	\$ -
GSS Handling from Storage	\$ 15,792.26	\$ 13,973.71	\$ 5,891.86	\$ 4,820.81	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,423.69	\$ 12,127.95
GSS-TE Surcharge	\$ 5,833.50	\$ 4,984.77	\$ 2,101.77	\$ 1,719.63	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,256.33	\$ 2,809.30
Overrun/Penalty Distribution	\$ -	\$ -	\$ -	\$ -	\$ (8,357.74)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 142,555.41	\$ 140,088.13	\$ 133,672.02	\$ 131,266.80	\$ 128,814.41	\$ 135,875.95	\$ 121,129.65	\$ 133,703.76	\$ 132,728.71	\$ 128,466.45	\$ 131,590.35	\$ 135,910.28

Section 1
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53.64(c)(1)
Schedule 1

**Philadelphia Gas Works
Cost of Fuel Purchased
ANR Pipeline**

Volume	Jan-03	Feb-03	Mar-03
FSS-Capacity Reserv.	157,915	157,915	157,915
FSS-Deliver. Reserv.	13,832	13,832	13,832
Storage Injection			
Storage Withdraw	390,505	332,932	
FTS-1 Reservation	13,665	13,665	13,665
FTS-1 Commodity	385,780	328,904	
FTS-ACA			
GSR Reservation			
Rates - \$			
Storage Withdraw			
FSS-Capacity Reserv.	\$ 0.4000	\$ 0.4000	\$ 0.4000
FSS-Deliver. Reserv.	\$ 2.6000	\$ 2.6000	\$ 2.6000
Storage Injection	\$ 0.0126	\$ 0.0126	\$ 0.0126
Storage Withdraw			
FTS-1 Reservation	\$ 2.5821	\$ 2.5821	\$ 2.5821
FTS-1 Commodity	\$ 0.0095	\$ 0.0095	\$ 0.0095
FTS-ACA	\$ 0.0021	\$ 0.0021	\$ 0.0021
GSR Reservation			
Storage Withdrawal	\$ 0.0126	\$ 0.0126	\$ 0.0126
Total Amount - \$			
FSS-Capacity Reserv.	\$ 63,166.00	\$ 63,166.00	\$ 63,166.00
FSS-Deliver. Reserv.	\$ 35,963.20	\$ 35,963.20	\$ 35,963.20
Storage Injection			
Storage Withdraw	\$ 4,920.36	\$ 4,194.94	\$ -
FTS-1 Reservation	\$ 35,284.40	\$ 35,284.40	\$ 35,284.40
FTS-1 Commodity	\$ 3,664.91	\$ 3,124.59	\$ -
FTS-ACA	\$ -	\$ -	\$ -
GSR Reservation	\$ -	\$ -	\$ -
Credit 9/01			
Adj. 12/01 & 1/02			
Total	\$ 142,998.87	\$ 141,733.13	\$ 134,413.60

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

Item 53.64(c)(1)
 Schedule 2

MONTH	TGPL		TETCO		Combined Total	
	Total	Volume	Total	Volume	Total	Volume
	Credits	DTH'S	Credits	DTH'S	Credits	DTH'S
Jan-03	-	-	-	-	-	-
Feb-03	-	-	-	-	-	-
Mar-03	-	-	-	-	-	-
Apr-03	\$60,480	300,000	-	-	\$60,480	300,000
May-03	\$124,992	620,000	\$223,920	1,116,000	\$348,397	1,736,000
Jun-03	\$223,920	1,200,000	\$231,046	1,380,000	\$454,966	2,580,000
Jul-03	\$290,780	1,550,000	\$322,427	1,116,000	\$613,207	2,666,000
Aug-03	\$231,384	1,240,000	\$232,523	1,426,000	\$463,907	2,666,000
Sep-03	\$120,960	600000	\$217,762	1,080,000	\$338,722	1,680,000
Oct-03	-	-	-	-	-	-
Nov-03	-	-	-	-	-	-
Dec-03	-	-	-	-	-	-

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.64(c)(1)

	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04
Williams	\$ 2,575,705	\$ 2,565,920	\$ 2,527,309	\$ 2,517,992	\$ 2,435,574	\$ 2,297,496	\$ 2,224,799	\$ 2,241,065	\$ 2,272,554	\$ 2,317,740
Texas Eastern	\$ 3,085,809	\$ 2,999,118	\$ 2,953,007	\$ 2,543,648	\$ 2,623,870	\$ 2,631,014	\$ 2,703,880	\$ 2,632,015	\$ 2,602,923	\$ 2,547,921
Dominion	\$ 141,097	\$ 132,823	\$ 134,053	\$ 158,103	\$ 135,031	\$ 247,118	\$ 240,442	\$ 239,722	\$ 239,139	\$ 120,973
Equitrans	\$ 42,015	\$ 42,003	\$ 40,806	\$ 48,777	\$ 47,536	\$ 46,789	\$ 47,248	\$ 47,156	\$ 43,405	\$ 33,018
ANR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Spot Purchases - Transco	\$ 245,876	\$ 2,241,390	\$ 6,753,441	\$ 13,866,264	\$ 9,191,235	\$ 2,516,323	\$ 2,490,412	\$ 8,263,932	\$ 10,041,310	\$ 14,036,168
Spot Purchases - Tecto	\$ 6,389,905	\$ 6,543,997	\$ 5,450,758	\$ 10,634,900	\$ 8,213,017	\$ 8,059,257	\$ 8,039,260	\$ 7,984,379	\$ 6,085,836	\$ 3,790,415
Transco Supply 1	\$ 10,022,435	\$ 9,386,445	\$ 11,629,877	\$ 11,349,047	\$ 10,542,571	\$ 10,042,731	\$ 9,722,726	\$ 10,310,996	\$ 10,292,290	\$ 10,548,733
Transco Supply 2	\$ 3,270,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 5	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 6	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 7	\$ 861,413	\$ 795,688	\$ 833,879	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 8	\$ 5,110,350	\$ 2,295,350	\$ 2,453,650	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 9	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 10	\$ 4,549,250	\$ 3,804,800	\$ 4,034,350	\$ 2,184,750	\$ 2,234,325	\$ 2,162,250	\$ 2,234,325	\$ -	\$ -	\$ -
Transco Supply 12	\$ 1,784,050	\$ 1,648,650	\$ 1,722,050	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 14	\$ 1,386,284	\$ 1,245,808	\$ 1,288,767	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 17	\$ 847,850	\$ 787,350	\$ 821,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 1	\$ 1,245,254	\$ 373,359	\$ 413,362	\$ 73,613	\$ 76,066	\$ 73,613	\$ 76,066	\$ 75,269	\$ 49,180	\$ 50,819
Tetco Supply 2	\$ 7,932,718	\$ 5,718,998	\$ 5,830,966	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 3	\$ 2,125,766	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 5	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 6	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 7	\$ 3,399,041	\$ 2,778,802	\$ 3,010,293	\$ 3,544,306	\$ 3,623,700	\$ 3,506,806	\$ 3,623,700	\$ -	\$ -	\$ -
Tetco Supply 8	\$ 1,347,835	\$ 1,242,898	\$ 1,222,670	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 9	\$ 932,439	\$ 858,978	\$ 893,237	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 10	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 11	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 12	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 13	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 14	\$ 835,838	\$ 776,113	\$ 757,263	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 15	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 17	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 18	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 19	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 20	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Costs	\$ 58,131,430	\$ 46,238,488	\$ 52,771,237	\$ 46,921,400	\$ 39,122,924	\$ 31,583,397	\$ 31,402,858	\$ 31,794,534	\$ 31,626,638	\$ 33,445,787

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 item 53.64(c)(1)

	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05
Williams	\$ 2,423,957	\$ 2,544,665	\$ 2,578,451	\$ 2,550,740	\$ 2,534,293	\$ 2,519,568	\$ 2,468,606	\$ 2,372,646	\$ 2,286,833	\$ 2,277,491
Texas Eastern	\$ 2,593,112	\$ 2,779,025	\$ 3,008,332	\$ 2,952,905	\$ 2,954,123	\$ 2,644,910	\$ 2,602,308	\$ 2,572,553	\$ 2,656,351	\$ 2,650,094
Dominion	\$ 132,802	\$ 142,584	\$ 143,240	\$ 140,241	\$ 124,691	\$ 150,178	\$ 135,031	\$ 239,528	\$ 234,430	\$ 235,033
Equitrans	\$ 41,037	\$ 42,015	\$ 42,104	\$ 41,858	\$ 41,263	\$ 45,899	\$ 46,139	\$ 45,834	\$ 46,478	\$ 46,555
ANR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Spot Purchases - Transco	\$ 14,648,269	\$ 14,575,810	\$ 16,317,821	\$ 14,405,969	\$ 17,744,250	\$ 15,215,839	\$ 12,590,371	\$ 10,496,061	\$ 10,438,104	\$ 9,225,384
Spot Purchases - Tecto	\$ 14,226,439	\$ 13,676,181	\$ 15,274,579	\$ 11,540,038	\$ 16,965,573	\$ 10,369,286	\$ 8,426,502	\$ 7,484,628	\$ 7,580,842	\$ 7,626,845
Transco Supply 1	\$ 10,490,556	\$ 11,295,149	\$ 11,317,400	\$ 10,138,845	\$ 10,618,223	\$ 9,458,644	\$ 9,642,969	\$ 9,450,031	\$ 9,883,445	\$ 9,916,478
Transco Supply 2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 5	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 6	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 7	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 8	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 9	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 10	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 12	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 14	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 17	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 1	\$ 391,552	\$ 1,307,118	\$ 1,340,707	\$ 1,822,131	\$ 413,362	\$ 73,613	\$ 76,066	\$ 73,613	\$ 76,066	\$ 75,269
Tetco Supply 2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 5	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 6	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 7	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 8	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 9	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 10	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 11	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 12	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 13	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 14	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 15	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 17	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 18	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 19	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 20	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Costs	\$ 44,947,724	\$ 46,362,548	\$ 50,022,633	\$ 43,592,726	\$ 51,395,779	\$ 40,477,937	\$ 35,987,992	\$ 32,734,894	\$ 33,202,549	\$ 32,053,150

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 item 53.64(c)(1)

Volumes (Dth)

	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04
Spot Purchases - Transco	39,922	315,511	969,208	2,386,998	1,783,560	502,210	497,039	1,644,452	1,933,221	2,709,685
Spot Purchases - Tecto	1,039,009	934,323	793,646	1,853,416	1,614,670	1,618,162	1,614,147	1,614,147	1,192,133	746,145
Transco Supply 1	1,497,406	1,213,586	1,544,942	1,656,360	1,711,572	1,649,806	1,586,603	1,711,572	1,656,360	1,711,572
Transco Supply 2	620,000	-	-	-	-	-	-	-	-	-
Transco Supply 7	155,000	145,000	154,924	-	-	-	-	-	-	-
Transco Supply 8	930,000	435,000	465,000	-	-	-	-	-	-	-
Transco Supply 10	775,000	725,000	760,000	450,000	465,000	450,000	465,000	-	-	-
Transco Supply 12	310,000	290,000	310,000	-	-	-	-	-	-	-
Transco Supply 13	-	-	-	-	-	-	-	-	-	-
Transco Supply 16	-	-	-	-	-	-	-	-	-	-
Transco Supply 17	148,335	138,765	148,335	-	-	-	-	-	-	-
Transco Supply 18	-	-	-	-	-	-	-	-	-	-
Transco Supply 19	-	-	-	-	-	-	-	-	-	-
Transco Supply 20	-	-	-	-	-	-	-	-	-	-
Tetco Supply 1	136,343	-	-	-	-	-	-	-	-	-
Tetco Supply 3	390,049	-	-	-	-	-	-	-	-	-
Tetco Supply 7	599,437	560,764	599,437	750,006	775,007	750,006	775,007	-	-	-
Tetco Supply 10	-	-	-	-	-	-	-	-	-	-
Tetco Supply 11	-	-	-	-	-	-	-	-	-	-
Tetco Supply 12	-	-	-	-	-	-	-	-	-	-
Tetco Supply 13	-	-	-	-	-	-	-	-	-	-
Tetco Supply 14	155,000	145,000	145,000	-	-	-	-	-	-	-
Tetco Supply 15	-	-	-	-	-	-	-	-	-	-
Tetco Supply 16	-	-	-	-	-	-	-	-	-	-
Tetco Supply 17	-	-	-	-	-	-	-	-	-	-
Tetco Supply 18	-	-	-	-	-	-	-	-	-	-
Tetco Supply 19	-	-	-	-	-	-	-	-	-	-
Tetco Supply 20	-	-	-	-	-	-	-	-	-	-
Total Volumes	7,283,751	5,359,698	6,355,241	7,096,780	6,349,809	4,970,185	4,937,795	4,970,171	4,781,714	5,167,402

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 item 53.64(c)(1)

Volumes (Dth)

	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05
Spot Purchases - Transco	2,753,434	2,603,288	2,907,925	2,626,909	3,399,933	3,227,013	2,702,593	2,232,531	2,179,937	1,914,304
Spot Purchases - Tecto	2,730,602	2,491,561	2,771,401	2,131,518	3,307,774	2,234,038	1,843,269	1,621,278	1,614,147	1,614,147
Transco Supply 1	1,656,360	1,711,572	1,711,572	1,545,936	1,711,572	1,656,360	1,711,572	1,656,360	1,711,572	1,711,572
Transco Supply 2	-	-	-	-	-	-	-	-	-	-
Transco Supply 7	-	-	-	-	-	-	-	-	-	-
Transco Supply 8	-	-	-	-	-	-	-	-	-	-
Transco Supply 10	-	-	-	-	-	-	-	-	-	-
Transco Supply 12	-	-	-	-	-	-	-	-	-	-
Transco Supply 13	-	-	-	-	-	-	-	-	-	-
Transco Supply 16	-	-	-	-	-	-	-	-	-	-
Transco Supply 17	-	-	-	-	-	-	-	-	-	-
Transco Supply 18	-	-	-	-	-	-	-	-	-	-
Transco Supply 19	-	-	-	-	-	-	-	-	-	-
Transco Supply 20	-	-	-	-	-	-	-	-	-	-
Tecto Supply 1	-	158,034	163,612	264,441	-	-	-	-	-	-
Tecto Supply 3	-	-	-	-	-	-	-	-	-	-
Tecto Supply 7	-	-	-	-	-	-	-	-	-	-
Tecto Supply 10	-	-	-	-	-	-	-	-	-	-
Tecto Supply 11	-	-	-	-	-	-	-	-	-	-
Tecto Supply 12	-	-	-	-	-	-	-	-	-	-
Tecto Supply 13	-	-	-	-	-	-	-	-	-	-
Tecto Supply 14	-	-	-	-	-	-	-	-	-	-
Tecto Supply 15	-	-	-	-	-	-	-	-	-	-
Tecto Supply 16	-	-	-	-	-	-	-	-	-	-
Tecto Supply 17	-	-	-	-	-	-	-	-	-	-
Tecto Supply 18	-	-	-	-	-	-	-	-	-	-
Tecto Supply 19	-	-	-	-	-	-	-	-	-	-
Tecto Supply 20	-	-	-	-	-	-	-	-	-	-
Total Volumes	7,140,396	6,964,456	7,554,510	6,568,804	8,419,279	7,117,411	6,257,434	5,510,168	5,505,656	5,240,023

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 item 53.64(c)(1)

TRANSCONTINENTAL

Cost of Natural Gas

<u>Suppliers</u>	<u>Jan-04</u>	<u>Feb-04</u>	<u>Mar-04</u>	<u>Apr-04</u>	<u>May-04</u>	<u>Jun-04</u>	<u>Jul-04</u>	<u>Aug-04</u>	<u>Sep-04</u>	<u>Oct-04</u>
TR Spot	\$ 245,876	\$ 2,241,390	\$ 6,753,441	\$ 13,866,264	\$ 9,191,235	\$ 2,516,323	\$ 2,490,412	\$ 8,263,932	\$ 10,041,310	\$ 14,036,168
Supplier 1	\$ 10,022,435	\$ 9,386,445	\$ 11,629,877	\$ 11,349,047	\$ 10,542,571	\$ 10,042,731	\$ 9,722,726	\$ 10,310,996	\$ 10,292,290	\$ 10,548,733
Supplier 2	\$ 3,270,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 5	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 6	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 7	\$ 861,413	\$ 795,688	\$ 833,879	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 8	\$ 5,110,350	\$ 2,295,350	\$ 2,453,650	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 9	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 10	\$ 4,549,250	\$ 3,804,800	\$ 4,014,350	\$ 2,184,750	\$ 2,234,325	\$ 2,162,250	\$ 2,234,325	\$ -	\$ -	\$ -
Supplier 11	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 12	\$ 1,784,050	\$ 1,648,650	\$ 1,722,050	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 13	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 14	\$ 1,386,284	\$ 1,245,808	\$ 1,288,767	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 15	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 17	\$ 847,850	\$ 787,350	\$ 821,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 18	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 19	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 20	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Suppliers	\$ 28,078,008	\$ 22,205,480	\$ 29,537,513	\$ 27,400,061	\$ 21,968,131	\$ 14,721,304	\$ 14,447,463	\$ 18,574,928	\$ 20,333,599	\$ 24,584,901

Transportation Costs

Tr Spot -Sup 10	\$ 90,103	\$ 58,005	\$ 83,550	\$ 91,094	\$ 62,898	\$ 19,925	\$ 20,406	\$ 44,272	\$ 58,240	\$ 94,766
Sup 11- Sup 20	\$ 24,732	\$ 23,136	\$ 24,468	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Williams Total	\$ 114,835	\$ 81,141	\$ 108,019	\$ 91,094	\$ 62,898	\$ 19,925	\$ 20,406	\$ 44,272	\$ 58,240	\$ 94,766
Total Costs	\$ 28,192,843	\$ 22,286,621	\$ 29,645,531	\$ 27,491,156	\$ 22,031,029	\$ 14,741,229	\$ 14,467,869	\$ 18,619,200	\$ 20,391,840	\$ 24,679,667

Philadelphia Gas Works
Forecasted Summary of Total Fuel Purchased
January 2004-August 2005

Schedule 3
Item 53.64(c)(1)

TRANSCONTINENTAL

Cost of Natural Gas

<u>Suppliers</u>	<u>Nov-04</u>	<u>Dec-04</u>	<u>Jan-05</u>	<u>Feb-05</u>	<u>Mar-05</u>	<u>Apr-05</u>	<u>May-05</u>	<u>Jun-05</u>	<u>Jul-05</u>	<u>Aug-05</u>
TR Spot	\$ 14,648,269	\$ 14,575,810	\$ 16,317,821	\$ 14,405,969	\$ 17,744,250	\$ 15,215,839	\$ 12,590,371	\$ 10,496,061	\$ 10,438,104	\$ 9,225,384
Supplier 1	\$ 10,490,556	\$ 11,295,149	\$ 11,317,400	\$ 10,138,845	\$ 10,618,223	\$ 9,458,644	\$ 9,642,969	\$ 9,450,031	\$ 9,883,445	\$ 9,916,478
Supplier 2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 5	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 6	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 7	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 8	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 9	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 10	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 11	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 12	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 13	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 14	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 15	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 17	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 18	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 19	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 20	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Suppliers	\$ 25,138,825	\$ 25,870,959	\$ 27,635,221	\$ 24,544,814	\$ 28,362,473	\$ 24,674,483	\$ 22,233,340	\$ 19,946,092	\$ 20,321,549	\$ 19,141,862

Transportation Costs

Tr Spot -Sup 10	\$ 96,296	\$ 91,045	\$ 101,699	\$ 91,871	\$ 118,906	\$ 105,057	\$ 81,279	\$ 65,266	\$ 63,000	\$ 62,714
Sup 11- Sup 20	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Williams Total	\$ 96,296	\$ 91,045	\$ 101,699	\$ 91,871	\$ 118,906	\$ 105,057	\$ 81,279	\$ 65,266	\$ 63,000	\$ 62,714
Total Costs	\$ 25,235,121	\$ 25,962,004	\$ 27,736,920	\$ 24,636,685	\$ 28,481,379	\$ 24,779,540	\$ 22,314,619	\$ 20,011,359	\$ 20,384,549	\$ 19,204,576

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 item 53.64(c)(1)

TRANSCONTINENTAL

Volumes (Dth)

<u>Suppliers</u>	<u>Jan-04</u>	<u>Feb-04</u>	<u>Mar-04</u>	<u>Apr-04</u>	<u>May-04</u>	<u>Jun-04</u>	<u>Jul-04</u>	<u>Aug-04</u>	<u>Sep-04</u>	<u>Oct-04</u>
TR Spot	39,922	315,511	969,208	2,386,998	1,783,560	502,210	497,039	1,644,452	1,933,221	2,709,685
Supplier 1	1,497,406	1,213,586	1,544,942	1,656,360	1,711,572	1,649,806	1,586,603	1,711,572	1,656,360	1,711,572
Supplier 2	620,000	-	-	-	-	-	-	-	-	-
Supplier 7	155,000	145,000	154,924	-	-	-	-	-	-	-
Supplier 8	930,000	435,000	465,000	-	-	-	-	-	-	-
Supplier 10	775,000	725,000	760,000	450,000	465,000	450,000	465,000	-	-	-
Supplier 12	310,000	290,000	310,000	-	-	-	-	-	-	-
Supplier 13	-	-	-	-	-	-	-	-	-	-
Supplier 14	247,994	231,994	239,994	-	-	-	-	-	-	-
Supplier 15	-	-	-	-	-	-	-	-	-	-
Supplier 16	-	-	-	-	-	-	-	-	-	-
Supplier 17	<u>148,335</u>	<u>138,765</u>	<u>148,335</u>	-	-	-	-	-	-	-
Total Volumes	4,723,657	3,494,856	4,592,403	4,493,358	3,960,132	2,602,016	2,548,642	3,356,024	3,589,581	4,421,257

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.64(c)(1)

TRANSCONTINENT,

Volumes (Dth)

<u>Suppliers</u>	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05
TR Spot	2,753,434	2,603,288	2,907,925	2,626,909	3,399,933	3,227,013	2,702,593	2,232,531	2,179,937	1,914,304
Supplier 1	1,656,360	1,711,572	1,711,572	1,545,936	1,711,572	1,656,360	1,711,572	1,656,360	1,711,572	1,711,572
Supplier 2	-	-	-	-	-	-	-	-	-	-
Supplier 7	-	-	-	-	-	-	-	-	-	-
Supplier 8	-	-	-	-	-	-	-	-	-	-
Supplier 10	-	-	-	-	-	-	-	-	-	-
Supplier 12	-	-	-	-	-	-	-	-	-	-
Supplier 13	-	-	-	-	-	-	-	-	-	-
Supplier 14	-	-	-	-	-	-	-	-	-	-
Supplier 15	-	-	-	-	-	-	-	-	-	-
Supplier 16	-	-	-	-	-	-	-	-	-	-
Supplier 17	-	-	-	-	-	-	-	-	-	-
Total Volumes	4,409,794	4,314,860	4,619,497	4,172,845	5,111,505	4,883,373	4,414,165	3,888,891	3,891,509	3,625,876

Philadelphia Gas Works
Forecasted Summary of Total Fuel Purchased
January 2004-August 2005

Schedule 3
Item 53.64(c)(1)

TRANSCONTINENTAL

	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04
WSS										
Injection	\$ -	\$ -	\$ -	\$ 1,898	\$ 3,677	\$ 3,125	\$ 3,093	\$ 3,093	\$ 2,189	\$ -
Withdrawal	\$ 975	\$ 3,759	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Demand Charges	\$ 44,607	\$ 44,607	\$ 44,607	\$ 44,607	\$ 44,607	\$ 44,607	\$ 44,607	\$ 44,607	\$ 44,607	\$ 44,607
FT Transportation	\$ 5,004	\$ 19,300	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Charges	\$ 50,586	\$ 67,666	\$ 44,607	\$ 46,505	\$ 48,284	\$ 47,732	\$ 47,700	\$ 47,700	\$ 46,796	\$ 44,607
S2										
Injection	\$ -	\$ -	\$ -	\$ 1,403	\$ 2,899	\$ 2,806	\$ 2,899	\$ 2,899	\$ 2,806	\$ 1,604
Withdrawal	\$ 8,366	\$ 8,018	\$ 3,904	\$ 211	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Demand Charges	\$ 30,105	\$ 30,105	\$ 30,105	\$ 30,105	\$ 30,105	\$ 30,105	\$ 30,105	\$ 30,105	\$ 30,105	\$ 30,105
Total Charges	\$ 38,471	\$ 38,123	\$ 34,009	\$ 31,719	\$ 33,004	\$ 32,910	\$ 33,004	\$ 33,004	\$ 32,910	\$ 31,709
GSS										
Injection	\$ -	\$ -	\$ -	\$ 16,967	\$ 20,656	\$ 18,615	\$ 19,235	\$ 19,235	\$ 18,615	\$ 10,403
Withdrawal	\$ 40,394	\$ 41,706	\$ 9,765	\$ -	\$ 218	\$ -	\$ -	\$ -	\$ -	\$ -
Demand Charges	\$ 235,985	\$ 235,985	\$ 235,985	\$ 235,985	\$ 235,985	\$ 235,985	\$ 235,985	\$ 235,985	\$ 235,985	\$ 235,985
Total Charges	\$ 276,379	\$ 279,691	\$ 245,750	\$ 252,952	\$ 256,859	\$ 254,600	\$ 255,220	\$ 255,220	\$ 254,600	\$ 246,388
EMINENCE										
Injection	\$ -	\$ -	\$ -	\$ 797	\$ 1,544	\$ 1,494	\$ 1,544	\$ 1,544	\$ 595	\$ -
Withdrawal	\$ 509	\$ 4,374	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Demand Charges	\$ 93,737	\$ 93,737	\$ 93,737	\$ 93,737	\$ 93,737	\$ 93,737	\$ 93,737	\$ 93,737	\$ 93,737	\$ 93,737
Total Charges	\$ 94,246	\$ 98,110	\$ 93,737	\$ 94,533	\$ 95,280	\$ 95,230	\$ 95,280	\$ 95,280	\$ 94,331	\$ 93,737
Total Injection Charges	\$ -	\$ -	\$ -	\$ 21,064	\$ 28,775	\$ 26,039	\$ 26,771	\$ 26,771	\$ 24,204	\$ 12,008
Total Withdrawal Charges	\$ 50,244	\$ 59,857	\$ 13,669	\$ 211	\$ 218	\$ -	\$ -	\$ -	\$ -	\$ -
Total Demand Charges	\$ 404,433	\$ 404,433	\$ 404,433	\$ 404,433	\$ 404,433	\$ 404,433	\$ 404,433	\$ 404,433	\$ 404,433	\$ 404,433
Total FT Transport Charge	\$ 5,004	\$ 19,300	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Storage	\$ 459,681	\$ 483,590	\$ 418,102	\$ 425,709	\$ 433,427	\$ 430,472	\$ 431,204	\$ 431,204	\$ 428,638	\$ 416,441

Forecasted Summary of Firm Transportation

Demand Charges	\$ 2,001,189	\$ 2,001,189	\$ 2,001,189	\$ 2,001,189	\$ 2,001,189	\$ 2,001,189	\$ 2,001,189	\$ 2,001,189	\$ 2,001,189	\$ 2,001,189
Capacity Release Credit	\$ -	\$ -	\$ -	\$ -	\$ (61,940)	\$ (154,090)	\$ (228,000)	\$ (235,600)	\$ (215,512)	\$ (194,656)
Net Demand Charge	\$ 2,001,189	\$ 2,001,189	\$ 2,001,189	\$ 2,001,189	\$ 1,939,249	\$ 1,847,099	\$ 1,773,189	\$ 1,765,589	\$ 1,785,677	\$ 1,806,533

Philadelphia Gas Works
Forecasted Summary of Total Fuel Purchased
January 2004-August 2005

Schedule 3
Item 53.64(c)(1)

TRANSCONTINENTAL

	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05
WSS										
Injection	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,822	\$ 3,093	\$ 2,993	\$ 3,093	\$ 989
Withdrawal	\$ -	\$ 4,130	\$ 4,130	\$ 3,730	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Demand Charges	\$ 44,607	\$ 44,607	\$ 44,607	\$ 44,607	\$ 44,607	\$ 44,607	\$ 44,607	\$ 44,607	\$ 44,607	\$ 44,607
FT Transportation	\$ -	\$ 21,204	\$ 21,204	\$ 19,152	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Charges	\$ 44,607	\$ 69,941	\$ 69,941	\$ 67,489	\$ 44,607	\$ 46,429	\$ 47,700	\$ 47,600	\$ 47,700	\$ 45,596
S2										
Injection	\$ 880	\$ -	\$ -	\$ -	\$ -	\$ 1,403	\$ 2,899	\$ 2,806	\$ 2,899	\$ 2,899
Withdrawal	\$ 2,217	\$ 9,187	\$ 6,428	\$ 5,487	\$ -	\$ 1,804	\$ -	\$ -	\$ -	\$ -
Demand Charges	\$ 30,105	\$ 30,105	\$ 30,105	\$ 30,105	\$ 30,105	\$ 30,105	\$ 30,105	\$ 30,105	\$ 30,105	\$ 30,105
Total Charges	\$ 33,202	\$ 39,292	\$ 36,532	\$ 35,591	\$ 30,105	\$ 33,311	\$ 33,004	\$ 32,910	\$ 33,004	\$ 33,004
GSS										
Injection	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,967	\$ 20,656	\$ 18,732	\$ 19,235	\$ 19,235
Withdrawal	\$ 9,038	\$ 31,453	\$ 38,849	\$ 24,413	\$ 9,765	\$ -	\$ 440	\$ -	\$ -	\$ -
Demand Charges	\$ 235,985	\$ 235,985	\$ 235,985	\$ 235,985	\$ 235,985	\$ 235,985	\$ 235,985	\$ 235,985	\$ 235,985	\$ 235,985
Total Charges	\$ 245,023	\$ 267,438	\$ 274,834	\$ 260,397	\$ 245,750	\$ 252,952	\$ 257,080	\$ 254,717	\$ 255,220	\$ 255,220
EMINENCE										
Injection	\$ 747	\$ -	\$ -	\$ -	\$ -	\$ 797	\$ 1,544	\$ 1,494	\$ 1,544	\$ 1,544
Withdrawal	\$ 4,399	\$ 2,880	\$ 519	\$ 465	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Demand Charges	\$ 93,737	\$ 93,737	\$ 93,737	\$ 93,737	\$ 93,737	\$ 93,737	\$ 93,737	\$ 93,737	\$ 93,737	\$ 93,737
Total Charges	\$ 98,883	\$ 96,616	\$ 94,256	\$ 94,202	\$ 93,737	\$ 94,533	\$ 95,280	\$ 95,230	\$ 95,280	\$ 95,280
Total Injection Charges	\$ 1,626	\$ -	\$ -	\$ -	\$ -	\$ 20,989	\$ 28,191	\$ 26,024	\$ 26,771	\$ 24,668
Total Withdrawal Charges	\$ 15,655	\$ 47,650	\$ 49,925	\$ 34,095	\$ 9,765	\$ 1,804	\$ 440	\$ -	\$ -	\$ -
Total Demand Charges	\$ 404,433									
Total FT Transport Charge	\$ -	\$ 21,204	\$ 21,204	\$ 19,152	\$ -					
Total Storage	\$ 421,715	\$ 473,287	\$ 475,563	\$ 457,680	\$ 414,198	\$ 427,226	\$ 433,064	\$ 430,458	\$ 431,204	\$ 429,101
Demand Charges	\$ 2,001,189									
Capacity Release Credit	\$ (95,242)	\$ (20,856)	\$ -	\$ -	\$ -	\$ (13,904)	\$ (46,926)	\$ (124,267)	\$ (208,560)	\$ (215,512)
Net Demand Charge	\$ 1,905,947	\$ 1,980,333	\$ 2,001,189	\$ 2,001,189	\$ 2,001,189	\$ 1,987,285	\$ 1,954,263	\$ 1,876,922	\$ 1,792,629	\$ 1,785,677

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.64(c)(1)

TRANSCONTINENTAL
Spot Purchases
Station 65

Rates :

	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04
Price	\$ 6.1589	\$ 7.1040	\$ 6.9680	\$ 5.8180	\$ 5.1765	\$ 5.0805	\$ 5.0905	\$ 5.0465	\$ 5.2050	\$ 5.1800
Transport Fuel	\$ 0.2513	\$ 0.2898	\$ 0.2843	\$ 0.2374	\$ 0.2112	\$ 0.2073	\$ 0.2077	\$ 0.2059	\$ 0.2124	\$ 0.2113
Transport Charge	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234
Great Plains Surcharge	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069
GRI Commodity Surcharge	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040
ACA	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021
City Gate Delivered Price	6.4466	7.4302	7.2887	6.0918	5.4241	5.3242	5.3346	5.2888	5.4538	5.4277
D1 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Volumes :

Purchased Volume	39,922	315,511	969,208	2,081,995	1,192,617	-	-	1,147,413	1,581,422	2,709,685
Delivered Volume	38,357	303,143	931,215	2,000,381	1,145,866	-	-	1,102,434	1,519,430	2,603,465
D1 Demand Volume	-	-	-	-	-	-	-	-	-	-
D2 Demand Volume	-	-	-	-	-	-	-	-	-	-
Transport Fuel Expressed As %	3.92%	3.92%	3.92%	3.92%	3.92%	3.92%	3.92%	3.92%	3.92%	3.92%

Transportation Cost :

Transport Charge	\$ 898	\$ 7,094	\$ 21,790	\$ 46,809	\$ 26,813	\$ -	\$ -	\$ 25,797	\$ 35,555	\$ 60,921
Great Plains Surcharge	\$ 265	\$ 2,092	\$ 6,425	\$ 13,803	\$ 7,906	\$ -	\$ -	\$ 7,607	\$ 10,484	\$ 17,964
GRI Commodity Surcharge	\$ 153	\$ 1,213	\$ 3,725	\$ 8,002	\$ 4,583	\$ -	\$ -	\$ 4,410	\$ 6,078	\$ 10,414
ACA	\$ 81	\$ 637	\$ 1,956	\$ 4,201	\$ 2,406	\$ -	\$ -	\$ 2,315	\$ 3,191	\$ 5,467
Total Pipeline Charge	\$ 1,396	\$ 11,034	\$ 33,896	\$ 72,814	\$ 41,710	\$ -	\$ -	\$ 40,129	\$ 55,307	\$ 94,766
Purchased price	\$ 245,876	\$ 2,241,390	\$ 6,753,441	\$ 12,113,109	\$ 6,173,582	\$ -	\$ -	\$ 5,790,420	\$ 8,231,302	\$ 14,036,168
D1 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Supplier Charges	\$ 245,876	\$ 2,241,390	\$ 6,753,441	\$ 12,113,109	\$ 6,173,582	\$ -	\$ -	\$ 5,790,420	\$ 8,231,302	\$ 14,036,168
Total Charges	\$ 247,272	\$ 2,252,425	\$ 6,787,337	\$ 12,185,923	\$ 6,215,291	\$ -	\$ -	\$ 5,830,548	\$ 8,286,609	\$ 14,130,934

Philadelphia Gas Works
Forecasted Summary of Total Fuel Purchased
January 2004-August 2005

Schedule 3
item 53.64(c)(1)

TRANSCONTINENTAL
Spot Purchases
Station 65

Rates :

	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05
Price	\$ 5.3200	\$ 5.5990	\$ 5.6115	\$ 5.4840	\$ 5.2190	\$ 4.7215	\$ 4.6715	\$ 4.7165	\$ 4.8065	\$ 4.8250
Transport Fuel	\$ 0.2171	\$ 0.2284	\$ 0.2289	\$ 0.2237	\$ 0.2129	\$ 0.1926	\$ 0.1906	\$ 0.1924	\$ 0.1961	\$ 0.1969
Transport Charge	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234
Great Plains Surcharge	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069
GRI Commodity Surcharge	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040
ACA	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021
City Gate Delivered Price	5.5735	5.8638	5.8768	5.7441	5.4683	4.9505	4.8985	4.9453	5.0390	5.0583
D1 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Volumes :

Purchased Volume	2,753,434	2,603,288	2,907,925	2,626,909	3,399,933	2,934,129	2,205,559	1,751,530	1,682,903	1,755,292
Delivered Volume	2,645,499	2,501,239	2,793,934	2,523,934	3,266,656	2,819,111	2,119,101	1,682,870	1,616,933	1,686,485
D1 Demand Volume	-	-	-	-	-	-	-	-	-	-
D2 Demand Volume	-	-	-	-	-	-	-	-	-	-
Transport Fuel Expressed As %	3.92%	3.92%	3.92%	3.92%	3.92%	3.92%	3.92%	3.92%	3.92%	3.92%

Transportation Cost :

Transport Charge	\$ 61,905	\$ 58,529	\$ 65,378	\$ 59,060	\$ 76,440	\$ 65,967	\$ 49,587	\$ 39,379	\$ 37,836	\$ 39,464
Great Plains Surcharge	\$ 18,254	\$ 17,259	\$ 19,278	\$ 17,415	\$ 22,540	\$ 19,452	\$ 14,622	\$ 11,612	\$ 11,157	\$ 11,637
GRI Commodity Surcharge	\$ 10,582	\$ 10,005	\$ 11,176	\$ 10,096	\$ 13,067	\$ 11,276	\$ 8,476	\$ 6,731	\$ 6,468	\$ 6,746
ACA	\$ 5,556	\$ 5,253	\$ 5,867	\$ 5,300	\$ 6,860	\$ 5,920	\$ 4,450	\$ 3,534	\$ 3,396	\$ 3,542
Total Pipeline Charge	\$ 96,296	\$ 91,045	\$ 101,699	\$ 91,871	\$ 118,906	\$ 102,616	\$ 77,135	\$ 61,256	\$ 58,856	\$ 61,388
Purchased price	\$ 14,648,269	\$ 14,575,810	\$ 16,317,821	\$ 14,405,969	\$ 17,744,250	\$ 13,853,490	\$ 10,303,269	\$ 8,261,091	\$ 8,088,873	\$ 8,469,284
D1 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Supplier Charges	\$ 14,648,269	\$ 14,575,810	\$ 16,317,821	\$ 14,405,969	\$ 17,744,250	\$ 13,853,490	\$ 10,303,269	\$ 8,261,091	\$ 8,088,873	\$ 8,469,284
Total Charges	\$ 14,744,565	\$ 14,666,855	\$ 16,419,520	\$ 14,497,840	\$ 17,863,157	\$ 13,956,106	\$ 10,380,404	\$ 8,322,348	\$ 8,147,730	\$ 8,530,672

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 item 53.64(c)(1)

TRANSCONTINENTAL
 Spot Purchases
 Station 30

Rates :

	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04
Price	\$ 6.9940	\$ 6.9940	\$ 6.8780	\$ 5.7480	\$ 5.1065	\$ 5.0105	\$ 5.0105	\$ 4.9765	\$ 5.1450	\$ 5.1100
Transport Fuel	\$ 0.1371	\$ 0.1371	\$ 0.1348	\$ 0.1127	\$ 0.1001	\$ 0.0982	\$ 0.0982	\$ 0.0976	\$ 0.1009	\$ 0.1001
Transport Charge	\$ 0.0064	\$ 0.0064	\$ 0.0064	\$ 0.0064	\$ 0.0064	\$ 0.0064	\$ 0.0064	\$ 0.0064	\$ 0.0064	\$ 0.0064
Great Plains Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ACA	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021
City Gate Delivered Price	\$ 7.1396	\$ 7.1396	\$ 7.0213	\$ 5.8692	\$ 5.2151	\$ 5.1172	\$ 5.1172	\$ 5.0826	\$ 5.2544	\$ 5.2186
D1 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Volumes :

Purchased Volume	-	-	-	305,003	590,943	502,210	497,039	497,039	351,799	-
Delivered Volume	-	-	-	299,137	579,579	492,552	487,480	487,480	345,034	-
D1 Demand Volume	-	-	-	-	-	-	-	-	-	-
D2 Demand Volume	-	-	-	-	-	-	-	-	-	-
Transport Fuel Expressed As %	1.92%	1.92%	1.92%	1.92%	1.92%	1.92%	1.92%	1.92%	1.92%	1.92%

Transportation Cost :

Transport Charge	\$ -	\$ -	\$ -	\$ 1,914	\$ 3,709	\$ 3,152	\$ 3,120	\$ 3,120	\$ 2,208	\$ -
Great Plains Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ACA	\$ -	\$ -	\$ -	\$ 628	\$ 1,217	\$ 1,034	\$ 1,024	\$ 1,024	\$ 725	\$ -
Total Pipeline Charge	\$ -	\$ -	\$ -	\$ 2,543	\$ 4,926	\$ 4,187	\$ 4,144	\$ 4,144	\$ 2,933	\$ -
Purchased price	\$ -	\$ -	\$ -	\$ 1,753,154	\$ 3,017,653	\$ 2,516,323	\$ 2,490,412	\$ 2,473,512	\$ 1,810,008	\$ -
D1 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Supplier Charges	\$ -	\$ -	\$ -	\$ 1,753,154	\$ 3,017,653	\$ 2,516,323	\$ 2,490,412	\$ 2,473,512	\$ 1,810,008	\$ -
Total Charges	\$ -	\$ -	\$ -	\$ 1,755,697	\$ 3,022,579	\$ 2,520,510	\$ 2,494,555	\$ 2,477,656	\$ 1,812,941	\$ -

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.64(c)(1)

TRANSCONTINENTAL
 Spot Purchases
 Station 30

Rates:

	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05
Price	\$ 5.2400	\$ 5.4890	\$ 5.4915	\$ 5.3740	\$ 5.1290	\$ 4.6515	\$ 4.6015	\$ 4.6465	\$ 4.7265	\$ 4.7550
Transport Fuel	\$ 0.1027	\$ 0.1076	\$ 0.1076	\$ 0.1053	\$ 0.1005	\$ 0.0912	\$ 0.0902	\$ 0.0911	\$ 0.0926	\$ 0.0932
Transport Charge	\$ 0.0064	\$ 0.0064	\$ 0.0064	\$ 0.0064	\$ 0.0064	\$ 0.0064	\$ 0.0064	\$ 0.0064	\$ 0.0064	\$ 0.0064
Great Plains Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ACA	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021
City Gate Delivered Price	\$ 5.3512	\$ 5.6051	\$ 5.6076	\$ 5.4878	\$ 5.2380	\$ 4.7512	\$ 4.7002	\$ 4.7461	\$ 4.8276	\$ 4.8567
D1 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Volumes:

Purchased Volume	-	-	-	-	-	292,884	497,034	481,001	497,034	159,012
Delivered Volume	-	-	-	-	-	287,254	487,480	471,755	487,480	155,955
D1 Demand Volume	-	-	-	-	-	-	-	-	-	-
D2 Demand Volume	-	-	-	-	-	-	-	-	-	-
Transport Fuel Expressed As %	1.92%	1.92%	1.92%	1.92%	1.92%	1.92%	1.92%	1.92%	1.92%	1.92%

Transportation Cost:

Transport Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,838	\$ 3,120	\$ 3,019	\$ 3,120	\$ 998
Great Plains Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ACA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 603	\$ 1,024	\$ 991	\$ 1,024	\$ 328
Total Pipeline Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,442	\$ 4,144	\$ 4,010	\$ 4,144	\$ 1,326
Purchased price	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,362,349	\$ 2,287,102	\$ 2,234,970	\$ 2,349,231	\$ 756,100
D1 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Supplier Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,362,349	\$ 2,287,102	\$ 2,234,970	\$ 2,349,231	\$ 756,100
Total Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,364,791	\$ 2,291,245	\$ 2,238,980	\$ 2,353,375	\$ 757,425

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.64(c)(1)

TRANSCONTINENTAL
Supplier 1
Station 65

Rates :

	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04
Price	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Fuel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Great Plains Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ACA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City Gate Delivered Price	\$ 6.4466	\$ 7.4302	\$ 7.2887	\$ 6.0918	\$ 5.4241	\$ 5.3242	\$ 5.3346	\$ 5.2888	\$ 5.4538	\$ 5.4277
D1 rate	\$ 6.6880	\$ 6.6880	\$ 6.6880	\$ 22.8000	\$ 22.8000	\$ 22.8000	\$ 22.8000	\$ 22.8000	\$ 22.8000	\$ 22.8000
D2 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Volumes :

Purchased Volume	1,497,406	1,213,586	1,544,942	1,656,360	1,711,572	1,649,806	1,586,603	1,711,572	1,656,360	1,711,572
Delivered Volume	1,497,406	1,213,586	1,544,942	1,656,360	1,711,572	1,649,806	1,586,603	1,711,572	1,656,360	1,711,572
D1 Demand Volume	55,212	55,212	55,212	55,212	55,212	55,212	55,212	55,212	55,212	55,212
D2 Demand Volume	-	-	-	-	-	-	-	-	-	-
Transport Fuel Expressed As %	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Transportation Cost :

Transport Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Great Plains Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ACA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Pipeline Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchased price	\$ 9,653,178	\$ 9,017,187	\$ 11,260,619	\$ 10,090,214	\$ 9,283,738	\$ 8,783,897	\$ 8,463,892	\$ 9,052,162	\$ 9,033,456	\$ 9,289,899
D1 Charge	\$ 369,258	\$ 369,258	\$ 369,258	\$ 1,258,834	\$ 1,258,834	\$ 1,258,834	\$ 1,258,834	\$ 1,258,834	\$ 1,258,834	\$ 1,258,834
D2 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Supplier Charges	\$ 10,022,435	\$ 9,386,445	\$ 11,629,877	\$ 11,349,047	\$ 10,542,571	\$ 10,042,731	\$ 9,722,726	\$ 10,310,996	\$ 10,292,290	\$ 10,548,733
Total Charges	\$ 10,022,435	\$ 9,386,445	\$ 11,629,877	\$ 11,349,047	\$ 10,542,571	\$ 10,042,731	\$ 9,722,726	\$ 10,310,996	\$ 10,292,290	\$ 10,548,733

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.64(c)(1)

TRANSCONTINENTAL
 Supplier 1
 Station 65

Rates :

	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05
Price	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Fuel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Great Plains Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ACA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City Gate Delivered Price	\$ 5.5735	\$ 5.8638	\$ 5.8768	\$ 5.7441	\$ 5.4683	\$ 4.9505	\$ 4.8985	\$ 4.9453	\$ 5.0390	\$ 5.0583
D1 rate	\$ 22.8000	\$ 22.8000	\$ 22.8000	\$ 22.8000	\$ 22.8000	\$ 22.8000	\$ 22.8000	\$ 22.8000	\$ 22.8000	\$ 22.8000
D2 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Volumes :

Purchased Volume	1,656,360	1,711,572	1,711,572	1,545,936	1,711,572	1,656,360	1,711,572	1,656,360	1,711,572	1,711,572
Delivered Volume	1,656,360	1,711,572	1,711,572	1,545,936	1,711,572	1,656,360	1,711,572	1,656,360	1,711,572	1,711,572
D1 Demand Volume	55,212	55,212	55,212	55,212	55,212	55,212	55,212	55,212	55,212	55,212
D2 Demand Volume	-	-	-	-	-	-	-	-	-	-
Transport Fuel Expressed As %	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Transportation Cost :

Transport Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Great Plains Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ACA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Pipeline Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchased price	\$ 9,231,722	\$ 10,036,316	\$ 10,058,566	\$ 8,880,011	\$ 9,359,389	\$ 8,199,810	\$ 8,384,135	\$ 8,191,197	\$ 8,624,611	\$ 8,657,645
D1 Charge	\$ 1,258,834	\$ 1,258,834	\$ 1,258,834	\$ 1,258,834	\$ 1,258,834	\$ 1,258,834	\$ 1,258,834	\$ 1,258,834	\$ 1,258,834	\$ 1,258,834
D2 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Supplier Charges	\$ 10,490,556	\$ 11,295,149	\$ 11,317,400	\$ 10,138,845	\$ 10,618,223	\$ 9,458,644	\$ 9,642,969	\$ 9,450,031	\$ 9,883,445	\$ 9,916,478
Total Charges	\$ 10,490,556	\$ 11,295,149	\$ 11,317,400	\$ 10,138,845	\$ 10,618,223	\$ 9,458,644	\$ 9,642,969	\$ 9,450,031	\$ 9,883,445	\$ 9,916,478

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 item 53.64(c)(1)

TRANSCONTINENTAL
 Supplier 2
 Station 65

Rates :

	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04
Price	\$ 5.2750	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Fuel	\$ 0.2152	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Charge	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234
Great Plains Surcharge	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069
GRI Commodity Surcharge	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040
ACA	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021
City Gate Delivered Price	\$ 5.5266	\$ 0.0364	\$ 0.0364	\$ 0.0364	\$ 0.0364	\$ 0.0364	\$ 0.0364	\$ 0.0364	\$ 0.0364	\$ 0.0364
D1 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Volumes :

Purchased Volume	620,000	-	-	-	-	-	-	-	-	-
Delivered Volume	595,696	-	-	-	-	-	-	-	-	-
D1 Demand Volume	-	-	-	-	-	-	-	-	-	-
D2 Demand Volume	-	-	-	-	-	-	-	-	-	-
Transport Fuel Expressed As %	3.92%	3.92%	3.92%	3.92%	3.92%	3.92%	3.92%	3.92%	3.92%	3.92%

Transportation Cost :

Transport Charge	\$ 13,919	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Great Plains Surcharge	\$ 4,110	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GRI Commodity Surcharge	\$ 2,383	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ACA	\$ 1,251	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Pipeline Charge	\$ 21,681	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchased price	\$ 3,270,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D1 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Supplier Charges	\$ 3,270,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Charges	\$ 3,292,183	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.64(c)(1)

TRANSCONTINENTAL,
 Supplier 2
 Station 65

Rates :

	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05
Price	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Fuel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Charge	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234
Great Plains Surcharge	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069
GRI Commodity Surcharge	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040
ACA	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021
City Gate Delivered Price	\$ 0.0364	\$ 0.0364	\$ 0.0364	\$ 0.0364	\$ 0.0364	\$ 0.0364	\$ 0.0364	\$ 0.0364	\$ 0.0364	\$ 0.0364
D1 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Volumes :

Purchased Volume	-	-	-	-	-	-	-	-	-	-
Delivered Volume	-	-	-	-	-	-	-	-	-	-
D1 Demand Volume	-	-	-	-	-	-	-	-	-	-
D2 Demand Volume	-	-	-	-	-	-	-	-	-	-
Transport Fuel Expressed As %	3.92%	3.92%	3.92%	3.92%	3.92%	3.92%	3.92%	3.92%	3.92%	3.92%

Transportation Cost :

Transport Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Great Plains Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ACA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Pipeline Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchased price	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D1 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Supplier Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.64(c)(1)

TRANSCONTINENTAL
 Supplier 7
 Station 65

Rates :

	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04
Price	\$ 5.5575	\$ 5.4875	\$ 5.3825	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Fuel	\$ 0.2267	\$ 0.2239	\$ 0.2196	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Charge	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234
Great Plains Surcharge	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069
GRI Commodity Surcharge	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040
ACA	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021
City Gate Delivered Price	\$ 5.8206	\$ 5.7478	\$ 5.6385	\$ 0.0364	\$ 0.0364	\$ 0.0364	\$ 0.0364	\$ 0.0364	\$ 0.0364	\$ 0.0364
D1 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Volumes :

Purchased Volume	155,000	145,000	154,924	-	-	-	-	-	-	-
Delivered Volume	148,924	139,316	148,851	-	-	-	-	-	-	-
D1 Demand Volume	-	-	-	-	-	-	-	-	-	-
D2 Demand Volume	-	-	-	-	-	-	-	-	-	-
Transport Fuel Expressed As %	3.92%	3.92%	3.92%	3.92%	3.92%	3.92%	3.92%	3.92%	3.92%	3.92%

Transportation Cost :

Transport Charge	\$ 3,485	\$ 3,260	\$ 3,483	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Great Plains Surcharge	\$ 1,028	\$ 961	\$ 1,027	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GRI Commodity Surcharge	\$ 596	\$ 557	\$ 595	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ACA	\$ 313	\$ 293	\$ 313	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Pipeline Charge	\$ 5,421	\$ 5,071	\$ 5,418	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchased price	\$ 861,413	\$ 795,688	\$ 833,879	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D1 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Supplier Charges	\$ 861,413	\$ 795,688	\$ 833,879	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Charges	\$ 866,833	\$ 800,759	\$ 839,297	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.64(c)(1)

TRANSCONTINENTAL
 Supplier 7
 Station 65

Rates :

	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05
Price	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Fuel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Charge	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234
Great Plains Surcharge	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069
GRI Commodity Surcharge	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040
ACA	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021
City Gate Delivered Price	\$ 0.0364	\$ 0.0364	\$ 0.0364	\$ 0.0364	\$ 0.0364	\$ 0.0364	\$ 0.0364	\$ 0.0364	\$ 0.0364	\$ 0.0364

D1 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Volumes :

Purchased Volume	-	-	-	-	-	-	-	-	-	-
Delivered Volume	-	-	-	-	-	-	-	-	-	-
D1 Demand Volume	-	-	-	-	-	-	-	-	-	-
D2 Demand Volume	-	-	-	-	-	-	-	-	-	-
Transport Fuel Expressed As %	3.92%	3.92%	3.92%	3.92%	3.92%	3.92%	3.92%	3.92%	3.92%	3.92%

Transportation Cost :

Transport Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Great Plains Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ACA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Pipeline Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchased price	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D1 Charge	-	-	-	-	-	-	-	-	-	-
D2 Charge	-	-	-	-	-	-	-	-	-	-
Total Supplier Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.64(c)(1)

TRANSCONTINENTAL
 Supplier 8
 Station 30

Rates :

	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04
Price	\$ 5.3525	\$ 5.1500	\$ 5.1500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Fuel	\$ 0.2593	\$ 0.2495	\$ 0.2495	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Charge	\$ 0.0274	\$ 0.0274	\$ 0.0274	\$ 0.0274	\$ 0.0274	\$ 0.0274	\$ 0.0274	\$ 0.0274	\$ 0.0274	\$ 0.0274
Great Plains Surcharge	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069
GRI Commodity Surcharge	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040
ACA	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021
City Gate Delivered Price	\$ 5.6522	\$ 5.4399	\$ 5.4399	\$ 0.0404	\$ 0.0404	\$ 0.0404	\$ 0.0404	\$ 0.0404	\$ 0.0404	\$ 0.0404
D1 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Volumes :

Purchased Volume	310,000	145,000	155,000	-	-	-	-	-	-	-
Delivered Volume	295,678	138,301	147,839	-	-	-	-	-	-	-
D1 Demand Volume	-	-	-	-	-	-	-	-	-	-
D2 Demand Volume	-	-	-	-	-	-	-	-	-	-
Transport Fuel Expressed As %	4.62%	4.62%	4.62%	4.62%	4.62%	4.62%	4.62%	4.62%	4.62%	4.62%

Transportation Cost :

Transport Charge	\$ 8,102	\$ 3,789	\$ 4,051	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Great Plains Surcharge	\$ 2,040	\$ 954	\$ 1,020	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GRI Commodity Surcharge	\$ 1,183	\$ 553	\$ 591	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ACA	\$ 621	\$ 290	\$ 310	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Pipeline Charge	\$ 11,945	\$ 5,587	\$ 5,973	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchased price	\$ 1,659,275	\$ 746,750	\$ 798,250	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D1 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Supplier Charges	\$ 1,659,275	\$ 746,750	\$ 798,250	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Charges	\$ 1,671,220	\$ 752,337	\$ 804,223	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 item 53.64(c)(1)

TRANSCONTINENTAL
 Supplier B
 Station 30

Rates :

	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05
Price	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Fuel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Charge	\$ 0.0274	\$ 0.0274	\$ 0.0274	\$ 0.0274	\$ 0.0274	\$ 0.0274	\$ 0.0274	\$ 0.0274	\$ 0.0274	\$ 0.0274
Great Plains Surcharge	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069
GRI Commodity Surcharge	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040
ACA	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021
City Gate Delivered Price	\$ 0.0404	\$ 0.0404	\$ 0.0404	\$ 0.0404	\$ 0.0404	\$ 0.0404	\$ 0.0404	\$ 0.0404	\$ 0.0404	\$ 0.0404
D1 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Volumes :

Purchased Volume	-	-	-	-	-	-	-	-	-	-
Delivered Volume	-	-	-	-	-	-	-	-	-	-
D1 Demand Volume	-	-	-	-	-	-	-	-	-	-
D2 Demand Volume	-	-	-	-	-	-	-	-	-	-
Transport Fuel Expressed As %	4.62%	4.62%	4.62%	4.62%	4.62%	4.62%	4.62%	4.62%	4.62%	4.62%

Transportation Cost :

Transport Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Great Plains Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ACA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Pipeline Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchased price	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D1 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Supplier Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 item 53.64(c)(1)

TRANSCONTINENTAL
 Supplier #
 Station 65

Rates :

	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04
Price	\$ 5.5663	\$ 5.3400	\$ 5.3400	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Fuel	\$ 0.2271	\$ 0.2179	\$ 0.2179	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Charge	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234
Great Plains Surcharge	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069
GRI Commodity Surcharge	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040
ACA	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021
City Gate Delivered Price	\$ 5.8297	\$ 5.5943	\$ 5.5943	\$ 0.0364	\$ 0.0364	\$ 0.0364	\$ 0.0364	\$ 0.0364	\$ 0.0364	\$ 0.0364
D1 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Volumes :

Purchased Volume	620,000	290,000	310,000	-	-	-	-	-	-	-
Delivered Volume	595,696	278,632	297,848	-	-	-	-	-	-	-
D1 Demand Volume	-	-	-	-	-	-	-	-	-	-
D2 Demand Volume	-	-	-	-	-	-	-	-	-	-
Transport Fuel Expressed As %	3.92%	3.92%	3.92%	3.92%	3.92%	3.92%	3.92%	3.92%	3.92%	3.92%

Transportation Cost :

Transport Charge	\$ 13,939	\$ 6,520	\$ 6,970	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Great Plains Surcharge	\$ 4,110	\$ 1,923	\$ 2,055	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GRI Commodity Surcharge	\$ 2,383	\$ 1,115	\$ 1,191	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ACA	\$ 1,251	\$ 585	\$ 625	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Pipeline Charge	\$ 21,683	\$ 10,143	\$ 10,841	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchased price	\$ 3,451,075	\$ 1,548,600	\$ 1,655,400	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D1 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Supplier Charges	\$ 3,451,075	\$ 1,548,600	\$ 1,655,400	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Charges	\$ 3,472,758	\$ 1,558,742	\$ 1,666,241	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.64(c)(1)

TRANSCONTINENTAL
 Supplier 8
 Station 65

Rates :

	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05
Price	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Fuel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Charge	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234
Great Plains Surcharge	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069
GRI Commodity Surcharge	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040
ACA	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021
City Gate Delivered Price	\$ 0.0364	\$ 0.0364	\$ 0.0364	\$ 0.0364	\$ 0.0364	\$ 0.0364	\$ 0.0364	\$ 0.0364	\$ 0.0364	\$ 0.0364
D1 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Volumes :

Purchased Volume	-	-	-	-	-	-	-	-	-	-
Delivered Volume	-	-	-	-	-	-	-	-	-	-
D1 Demand Volume	-	-	-	-	-	-	-	-	-	-
D2 Demand Volume	-	-	-	-	-	-	-	-	-	-
Transport Fuel Expressed As %	3.92%	3.92%	3.92%	3.92%	3.92%	3.92%	3.92%	3.92%	3.92%	3.92%

Transportation Cost :

Transport Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Great Plains Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ACA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Pipeline Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchased price	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D1 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Supplier Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.64(c)(1)

TRANSCONTINENTAL
Supplier 10
Station 45

Rates :

	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04
Price	\$ 5.8500	\$ 5.2900	\$ 5.2900	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Fuel	\$ 0.2629	\$ 0.2377	\$ 0.2377	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Charge	\$ 0.0255	\$ 0.0255	\$ 0.0255	\$ 0.0255	\$ 0.0255	\$ 0.0255	\$ 0.0255	\$ 0.0255	\$ 0.0255	\$ 0.0255
Great Plains Surcharge	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069
GRI Commodity Surcharge	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040
ACA	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021
City Gate Delivered Price	\$ 6.1514	\$ 5.5662	\$ 5.5662	\$ 0.0385	\$ 0.0385	\$ 0.0385	\$ 0.0385	\$ 0.0385	\$ 0.0385	\$ 0.0385

D1 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Volumes :

Purchased Volume	465,000	435,000	450,000	-	-	-	-	-	-	-
Delivered Volume	445,005	416,295	430,650	-	-	-	-	-	-	-
D1 Demand Volume	-	-	-	-	-	-	-	-	-	-
D2 Demand Volume	-	-	-	-	-	-	-	-	-	-

Transport Fuel Expressed As %	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%
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Transportation Cost :

Transport Charge	\$ 11,348	\$ 10,616	\$ 10,982	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Great Plains Surcharge	\$ 3,071	\$ 2,872	\$ 2,971	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GRI Commodity Surcharge	\$ 1,780	\$ 1,665	\$ 1,723	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ACA	\$ 935	\$ 874	\$ 904	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Pipeline Charge	\$ 17,133	\$ 16,027	\$ 16,580	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Purchased price	\$ 2,720,250	\$ 2,301,150	\$ 2,380,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D1 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Supplier Charges	\$ 2,720,250	\$ 2,301,150	\$ 2,380,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Total Charges	\$ 2,737,383	\$ 2,317,177	\$ 2,397,080	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
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Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 item 53.64(c)(1)

TRANSCONTINENTAL
 Supplier 10
 Station 45

Rates :

	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05
Price	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Fuel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Charge	\$ 0.0255	\$ 0.0255	\$ 0.0255	\$ 0.0255	\$ 0.0255	\$ 0.0255	\$ 0.0255	\$ 0.0255	\$ 0.0255	\$ 0.0255
Great Plains Surcharge	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069
GRI Commodity Surcharge	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040
ACA	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021
City Gate Delivered Price	\$ 0.0385	\$ 0.0385	\$ 0.0385	\$ 0.0385	\$ 0.0385	\$ 0.0385	\$ 0.0385	\$ 0.0385	\$ 0.0385	\$ 0.0385
D1 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Volumes :

Purchased Volume	-	-	-	-	-	-	-	-	-	-
Delivered Volume	-	-	-	-	-	-	-	-	-	-
D1 Demand Volume	-	-	-	-	-	-	-	-	-	-
D2 Demand Volume	-	-	-	-	-	-	-	-	-	-
Transport Fuel Expressed As %	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%

Transportation Cost :

Transport Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Great Plains Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ACA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Pipeline Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchased price	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D1 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Supplier Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 item 53.64(c)(1)

TRANSCONTINENTAL,
 Supplier 10
 Station 65

Rates :

	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04
Price	\$ 5.9000	\$ 5.1850	\$ 5.3350	\$ 4.8550	\$ 4.8050	\$ 4.8050	\$ 4.8050	\$ -	\$ -	\$ -
Transport Fuel	\$ 0.2407	\$ 0.2115	\$ 0.2177	\$ 0.1981	\$ 0.1960	\$ 0.1960	\$ 0.1960	\$ -	\$ -	\$ -
Transport Charge	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234
Great Plains Surcharge	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069
GRI Commodity Surcharge	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040
ACA	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021
City Gate Delivered Price	\$ 6.1771	\$ 5.4329	\$ 5.5891	\$ 5.0895	\$ 5.0374	\$ 5.0374	\$ 5.0374	\$ 0.0364	\$ 0.0364	\$ 0.0364
D1 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Volumes :

Purchased Volume	310,000	290,000	310,000	450,000	465,000	450,000	465,000	-	-	-
Delivered Volume	297,848	278,632	297,848	432,360	446,772	432,360	446,772	-	-	-
D1 Demand Volume	-	-	-	-	-	-	-	-	-	-
D2 Demand Volume	-	-	-	-	-	-	-	-	-	-
Transport Fuel Expressed As %	3.92%	3.92%	3.92%	3.92%	3.92%	3.92%	3.92%	3.92%	3.92%	3.92%

Transportation Cost :

Transport Charge	\$ 6,970	\$ 6,520	\$ 6,970	\$ 10,117	\$ 10,454	\$ 10,117	\$ 10,454	\$ -	\$ -	\$ -
Great Plains Surcharge	\$ 2,055	\$ 1,923	\$ 2,055	\$ 2,983	\$ 3,083	\$ 2,983	\$ 3,083	\$ -	\$ -	\$ -
GRI Commodity Surcharge	\$ 1,191	\$ 1,115	\$ 1,191	\$ 1,729	\$ 1,787	\$ 1,729	\$ 1,787	\$ -	\$ -	\$ -
ACA	\$ 625	\$ 585	\$ 625	\$ 908	\$ 938	\$ 908	\$ 938	\$ -	\$ -	\$ -
Total Pipeline Charge	\$ 10,842	\$ 10,142	\$ 10,842	\$ 15,738	\$ 16,263	\$ 15,738	\$ 16,263	\$ -	\$ -	\$ -
Purchased price	\$ 1,829,000	\$ 1,503,650	\$ 1,653,850	\$ 2,184,750	\$ 2,234,325	\$ 2,162,250	\$ 2,234,325	\$ -	\$ -	\$ -
D1 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Supplier Charges	\$ 1,829,000	\$ 1,503,650	\$ 1,653,850	\$ 2,184,750	\$ 2,234,325	\$ 2,162,250	\$ 2,234,325	\$ -	\$ -	\$ -
Total Charges	\$ 1,839,842	\$ 1,513,792	\$ 1,664,692	\$ 2,200,488	\$ 2,250,588	\$ 2,177,988	\$ 2,250,588	\$ -	\$ -	\$ -

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.64(b)(1)

TRANSCONTINENTAL
Supplier 10
Station 65

Rates :

	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05
Price	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Fuel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Charge	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234
Great Plains Surcharge	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069
GRI Commodity Surcharge	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040
ACA	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021
City Gate Delivered Price	\$ 0.0364	\$ 0.0364	\$ 0.0364	\$ 0.0364	\$ 0.0364	\$ 0.0364	\$ 0.0364	\$ 0.0364	\$ 0.0364	\$ 0.0364
D1 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Volumes :

Purchased Volume	-	-	-	-	-	-	-	-	-	-
Delivered Volume	-	-	-	-	-	-	-	-	-	-
D1 Demand Volume	-	-	-	-	-	-	-	-	-	-
D2 Demand Volume	-	-	-	-	-	-	-	-	-	-
Transport Fuel Expressed As %	3.92%	3.92%	3.92%	3.92%	3.92%	3.92%	3.92%	3.92%	3.92%	3.92%

Transportation Cost :

Transport Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Great Plains Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ACA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Pipeline Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchased price	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D1 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Supplier Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.64(c)(1)

TRANSCONTINENTAL
 Supplier 12
 Station 65

Rates :

	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04
Price	\$ 5.7550	\$ 5.6850	\$ 5.5550	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Fuel	\$ 0.2348	\$ 0.2319	\$ 0.2266	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Charge	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234
Great Plains Surcharge	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069
GRI Commodity Surcharge	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040
ACA	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021
City Gate Delivered Price	\$ 6.0262	\$ 5.9533	\$ 5.8180	\$ 0.0364	\$ 0.0364	\$ 0.0364	\$ 0.0364	\$ 0.0364	\$ 0.0364	\$ 0.0364
D1 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Volumes :

Purchased Volume	310,000	290,000	310,000	-	-	-	-	-	-	-
Delivered Volume	297,848	278,632	297,848	-	-	-	-	-	-	-
D1 Demand Volume	-	-	-	-	-	-	-	-	-	-
D2 Demand Volume	-	-	-	-	-	-	-	-	-	-
Transport Fuel Expressed As %	3.92%	3.92%	3.92%	3.92%	3.92%	3.92%	3.92%	3.92%	3.92%	3.92%

Transportation Cost :

Transport Charge	\$ 6,970	\$ 6,520	\$ 6,970	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Great Plains Surcharge	\$ 2,055	\$ 1,923	\$ 2,055	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GRI Commodity Surcharge	\$ 1,191	\$ 1,115	\$ 1,191	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ACA	\$ 625	\$ 585	\$ 625	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Pipeline Charge	\$ 10,842	\$ 10,142	\$ 10,842	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchased price	\$ 1,784,050	\$ 1,648,650	\$ 1,722,050	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D1 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Supplier Charges	\$ 1,784,050	\$ 1,648,650	\$ 1,722,050	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Charges	\$ 1,794,892	\$ 1,658,792	\$ 1,732,892	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.64(e)(1)

TRANSCONTINENTAL
 Supplier 12
 Station 65

Rates :

	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05
Price	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Fuel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Charge	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234	\$ 0.0234
Great Plains Surcharge	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069
GRI Commodity Surcharge	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040
ACA	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021
City Gate Delivered Price	\$ 0.0364	\$ 0.0364	\$ 0.0364	\$ 0.0364	\$ 0.0364	\$ 0.0364	\$ 0.0364	\$ 0.0364	\$ 0.0364	\$ 0.0364
D1 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Volumes :

Purchased Volume	-	-	-	-	-	-	-	-	-	-
Delivered Volume	-	-	-	-	-	-	-	-	-	-
D1 Demand Volume	-	-	-	-	-	-	-	-	-	-
D2 Demand Volume	-	-	-	-	-	-	-	-	-	-
Transport Fuel Expressed As %	3.92%	3.92%	3.92%	3.92%	3.92%	3.92%	3.92%	3.92%	3.92%	3.92%

Transportation Cost :

Transport Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Great Plains Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ACA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Pipeline Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchased price	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D1 Charge	-	-	-	-	-	-	-	-	-	-
D2 Charge	-	-	-	-	-	-	-	-	-	-
Total Supplier Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 item 53.64(c)(1)

TRANSCONTINENTAL
 Supplier 14
 Station 85

Rates :

	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04
Price	\$ 5.5900	\$ 5.3700	\$ 5.3700	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Fuel	\$ 0.2064	\$ 0.1982	\$ 0.1982	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Charge	\$ 0.0212	\$ 0.0212	\$ 0.0212	\$ 0.0212	\$ 0.0212	\$ 0.0212	\$ 0.0212	\$ 0.0212	\$ 0.0212	\$ 0.0212
Great Plains Surcharge	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069
GRI Commodity Surcharge	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040
ACA	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021
City Gate Delivered Price	\$ 5.8306	\$ 5.6024	\$ 5.6024	\$ 0.0342	\$ 0.0342	\$ 0.0342	\$ 0.0342	\$ 0.0342	\$ 0.0342	\$ 0.0342
D1 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Volumes :

Purchased Volume	247,994	231,994	239,994	-	-	-	-	-	-	-
Delivered Volume	239,165	223,735	231,450	-	-	-	-	-	-	-
D1 Demand Volume	-	-	-	-	-	-	-	-	-	-
D2 Demand Volume	-	-	-	-	-	-	-	-	-	-
Transport Fuel Expressed As %	3.56%	3.56%	3.56%	3.56%	3.56%	3.56%	3.56%	3.56%	3.56%	3.56%

Transportation Cost :

Transport Charge	\$ 5,070	\$ 4,741	\$ 4,907	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Great Plains Surcharge	\$ 1,640	\$ 1,544	\$ 1,597	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GRI Commodity Surcharge	\$ 947	\$ 895	\$ 926	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ACA	\$ 502	\$ 470	\$ 486	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Pipeline Charge	\$ 8,179	\$ 7,652	\$ 7,916	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchased price	\$ 1,386,284	\$ 1,245,808	\$ 1,288,767	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D1 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Supplier Charges	\$ 1,386,284	\$ 1,245,808	\$ 1,288,767	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Charges	\$ 1,394,464	\$ 1,253,459	\$ 1,296,682	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 item 53.64(c)(1)

TRANSCONTINENTAL
 Supplier 14
 Station 85

Rates :

	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05
Price	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Fuel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Charge	\$ 0.0212	\$ 0.0212	\$ 0.0212	\$ 0.0212	\$ 0.0212	\$ 0.0212	\$ 0.0212	\$ 0.0212	\$ 0.0212	\$ 0.0212
Great Plains Surcharge	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069
GRI Commodity Surcharge	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040
ACA	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021
City Gate Delivered Price	\$ 0.0342	\$ 0.0342	\$ 0.0342	\$ 0.0342	\$ 0.0342	\$ 0.0342	\$ 0.0342	\$ 0.0342	\$ 0.0342	\$ 0.0342
D1 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Volumes :

Purchased Volume	-	-	-	-	-	-	-	-	-	-
Delivered Volume	-	-	-	-	-	-	-	-	-	-
D1 Demand Volume	-	-	-	-	-	-	-	-	-	-
D2 Demand Volume	-	-	-	-	-	-	-	-	-	-
Transport Fuel Expressed As %	3.56%	3.56%	3.56%	3.56%	3.56%	3.56%	3.56%	3.56%	3.56%	3.56%

Transportation Cost :

Transport Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Great Plains Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ACA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Pipeline Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchased price	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D1 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Supplier Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.64(c)(1)

TRANSCONTINENTAL
 Supplier 17
 Station 45

Rates :

	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04
Price	\$ 5.4700	\$ 5.4300	\$ 5.3000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Fuel	\$ 0.2458	\$ 0.2440	\$ 0.2381	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Charge	\$ 0.0255	\$ 0.0255	\$ 0.0255	\$ 0.0255	\$ 0.0255	\$ 0.0255	\$ 0.0255	\$ 0.0255	\$ 0.0255	\$ 0.0255
Great Plains Surcharge	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069
GRI Commodity Surcharge	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040
ACA	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021
City Gate Delivered Price	\$ 5.7543	\$ 5.7125	\$ 5.5766	\$ 0.0385	\$ 0.0385	\$ 0.0385	\$ 0.0385	\$ 0.0385	\$ 0.0385	\$ 0.0385
D1 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Volumes :

Purchased Volume	155,000	145,000	155,000	-	-	-	-	-	-	-
Delivered Volume	148,335	138,765	148,335	-	-	-	-	-	-	-
D1 Demand Volume	-	-	-	-	-	-	-	-	-	-
D2 Demand Volume	-	-	-	-	-	-	-	-	-	-
Transport Fuel Expressed As %	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%

Transportation Cost :

Transport Charge	\$ 3,783	\$ 3,539	\$ 3,783	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Great Plains Surcharge	\$ 1,024	\$ 957	\$ 1,024	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GRI Commodity Surcharge	\$ 593	\$ 555	\$ 593	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ACA	\$ 312	\$ 291	\$ 312	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Pipeline Charge	\$ 5,711	\$ 5,342	\$ 5,711	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchased price	\$ 847,850	\$ 787,350	\$ 821,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D1 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Supplier Charges	\$ 847,850	\$ 787,350	\$ 821,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Charges	\$ 853,561	\$ 792,692	\$ 827,211	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.64(c)(1)

TRANSCONTINENTAL
 Supplier 17
 Station 45

Rates :

	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05
Price	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Fuel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Charge	\$ 0.0255	\$ 0.0255	\$ 0.0255	\$ 0.0255	\$ 0.0255	\$ 0.0255	\$ 0.0255	\$ 0.0255	\$ 0.0255	\$ 0.0255
Great Plains Surcharge	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069
GRI Commodity Surcharge	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040
ACA	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021
City Gate Delivered Price	\$ 0.0385	\$ 0.0385	\$ 0.0385	\$ 0.0385	\$ 0.0385	\$ 0.0385	\$ 0.0385	\$ 0.0385	\$ 0.0385	\$ 0.0385
D1 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Volumes :

Purchased Volume	-	-	-	-	-	-	-	-	-	-
Delivered Volume	-	-	-	-	-	-	-	-	-	-
D1 Demand Volume	-	-	-	-	-	-	-	-	-	-
D2 Demand Volume	-	-	-	-	-	-	-	-	-	-
Transport Fuel Expressed As %	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%

Transportation Cost :

Transport Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Great Plains Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ACA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Pipeline Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchased price	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D1 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Supplier Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.64(c)(1)

TRANSCONTINENTAL
 WSS

	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04
To Storage										
Injection Charge	\$ 0.0064	\$ 0.0064	\$ 0.0064	\$ 0.0064	\$ 0.0064	\$ 0.0064	\$ 0.0064	\$ 0.0064	\$ 0.0064	\$ 0.0064
From Storage										
FT Transportation Commodity Charge (Zones 4-6)	\$ 0.0212	\$ 0.0212	\$ 0.0212	\$ 0.0212	\$ 0.0212	\$ 0.0212	\$ 0.0212	\$ 0.0212	\$ 0.0212	\$ 0.0212
Great Plains Surcharge	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069
GRI Commodity Surcharge	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040
ACA	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021
Sub-Total	\$ 0.0342	\$ 0.0342	\$ 0.0342	\$ 0.0342	\$ 0.0342	\$ 0.0342	\$ 0.0342	\$ 0.0342	\$ 0.0342	\$ 0.0342
Withdrawal Charge	\$ 0.0064	\$ 0.0064	\$ 0.0064	\$ 0.0064	\$ 0.0064	\$ 0.0064	\$ 0.0064	\$ 0.0064	\$ 0.0064	\$ 0.0064
Demand rate 1	\$ 0.5671	\$ 0.5671	\$ 0.5671	\$ 0.5671	\$ 0.5671	\$ 0.5671	\$ 0.5671	\$ 0.5671	\$ 0.5671	\$ 0.5671
Demand rate 2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capacity Charge	\$ 0.0067	\$ 0.0067	\$ 0.0067	\$ 0.0067	\$ 0.0067	\$ 0.0067	\$ 0.0067	\$ 0.0067	\$ 0.0067	\$ 0.0067
Volume										
Injection Volume	-	-	-	296,528	574,523	488,255	483,228	483,228	342,024	-
Withdrawal Volume	152,287	587,354	-	-	-	-	-	-	-	-
Demand Volume D1	39,246	39,246	39,246	39,246	39,246	39,246	39,246	39,246	39,246	39,246
Demand Volume D2	-	-	-	-	-	-	-	-	-	-
Capacity Volume	3,335,909	3,335,909	3,335,909	3,335,909	3,335,909	3,335,909	3,335,909	3,335,909	3,335,909	3,335,909
Transport Volume	146,317	564,330	-	-	-	-	-	-	-	-
Total Cost:										
To Storage										
Injection Charges	\$ -	\$ -	\$ -	\$ 1,898	\$ 3,677	\$ 3,125	\$ 3,093	\$ 3,093	\$ 2,189	\$ -
From Storage										
FT Transportation Commodity Charge (Zones 3-6)	\$ 3,102	\$ 11,964	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Great Plains Surcharge	\$ 1,010	\$ 3,894	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GRI Commodity Surcharge	\$ 585	\$ 2,257	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ACA	\$ 307	\$ 1,185	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-Total	\$ 5,004	\$ 19,300	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Withdrawal Cost	\$ 975	\$ 3,759	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Injection, Withdrawal & Transport charges	\$ 5,979	\$ 23,059	\$ -	\$ 1,898	\$ 3,677	\$ 3,125	\$ 3,093	\$ 3,093	\$ 2,189	\$ -
Demand rate 1	\$ 22,256	\$ 22,256	\$ 22,256	\$ 22,256	\$ 22,256	\$ 22,256	\$ 22,256	\$ 22,256	\$ 22,256	\$ 22,256
Demand rate 2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capacity	\$ 22,351	\$ 22,351	\$ 22,351	\$ 22,351	\$ 22,351	\$ 22,351	\$ 22,351	\$ 22,351	\$ 22,351	\$ 22,351
Total Demand Charges	\$ 44,607	\$ 44,607	\$ 44,607	\$ 44,607	\$ 44,607	\$ 44,607	\$ 44,607	\$ 44,607	\$ 44,607	\$ 44,607
Total Charges	\$ 50,586	\$ 67,666	\$ 44,607	\$ 46,505	\$ 48,284	\$ 47,732	\$ 47,700	\$ 47,700	\$ 46,796	\$ 44,607

Philadelphia Gas Works
Forecasted Summary of Total Fuel Purchased
January 2004-August 2005

Schedule 3
Item 53.64(c)(1)

TRANSCONTINENTAL
WSS

	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05
To Storage										
Injection Charge	\$ 0.0064	\$ 0.0064	\$ 0.0064	\$ 0.0064	\$ 0.0064	\$ 0.0064	\$ 0.0064	\$ 0.0064	\$ 0.0064	\$ 0.0064
From Storage										
FT Transportation Commodity Charge (Zones 4-6)	\$ 0.0212	\$ 0.0212	\$ 0.0212	\$ 0.0212	\$ 0.0212	\$ 0.0212	\$ 0.0212	\$ 0.0212	\$ 0.0212	\$ 0.0212
Great Plains Surcharge	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069
GRI Commodity Surcharge	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040
ACA	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021
Sub Total	\$ 0.0342	\$ 0.0342	\$ 0.0342	\$ 0.0342	\$ 0.0342	\$ 0.0342	\$ 0.0342	\$ 0.0342	\$ 0.0342	\$ 0.0342
Withdrawal Charge	\$ 0.0064	\$ 0.0064	\$ 0.0064	\$ 0.0064	\$ 0.0064	\$ 0.0064	\$ 0.0064	\$ 0.0064	\$ 0.0064	\$ 0.0064
Demand rate 1	\$ 0.5671	\$ 0.5671	\$ 0.5671	\$ 0.5671	\$ 0.5671	\$ 0.5671	\$ 0.5671	\$ 0.5671	\$ 0.5671	\$ 0.5671
Demand rate 2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capacity Charge	\$ 0.0067	\$ 0.0067	\$ 0.0067	\$ 0.0067	\$ 0.0067	\$ 0.0067	\$ 0.0067	\$ 0.0067	\$ 0.0067	\$ 0.0067
Volume										
Injection Volume	-	-	-	-	-	284,748	483,228	467,640	483,228	154,595
Withdrawal Volume	-	645,296	645,296	582,848	-	-	-	-	-	-
Demand Volume D1	39,246	39,246	39,246	39,246	39,246	39,246	39,246	39,246	39,246	39,246
Demand Volume D2	-	-	-	-	-	-	-	-	-	-
Capacity Volume	3,335,909	3,335,909	3,335,909	3,335,909	3,335,909	3,335,909	3,335,909	3,335,909	3,335,909	3,335,909
Transport Volume	-	620,000	620,000	560,000	-	-	-	-	-	-
Total Costs										
To Storage										
Injection Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,822	\$ 3,093	\$ 2,993	\$ 3,093	\$ 989
From Storage										
FT Transportation Commodity Charge (Zones 3-6)	\$ -	\$ 13,144	\$ 13,144	\$ 11,872	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Great Plains Surcharge	\$ -	\$ 4,278	\$ 4,278	\$ 3,864	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GRI Commodity Surcharge	\$ -	\$ 2,480	\$ 2,480	\$ 2,240	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ACA	\$ -	\$ 1,302	\$ 1,302	\$ 1,176	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub Total	\$ -	\$ 21,204	\$ 21,204	\$ 19,152	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Withdrawal Cost	\$ -	\$ 4,130	\$ 4,130	\$ 3,730	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Injection, Withdrawal & Transport charges	\$ -	\$ 25,334	\$ 25,334	\$ 22,882	\$ -	\$ 1,822	\$ 3,093	\$ 2,993	\$ 3,093	\$ 989
Demand rate 1	\$ 22,256	\$ 22,256	\$ 22,256	\$ 22,256	\$ 22,256	\$ 22,256	\$ 22,256	\$ 22,256	\$ 22,256	\$ 22,256
Demand rate 2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capacity	\$ 22,351	\$ 22,351	\$ 22,351	\$ 22,351	\$ 22,351	\$ 22,351	\$ 22,351	\$ 22,351	\$ 22,351	\$ 22,351
Total Demand Charges	\$ 44,607	\$ 44,607	\$ 44,607	\$ 44,607	\$ 44,607	\$ 44,607	\$ 44,607	\$ 44,607	\$ 44,607	\$ 44,607
Total Charges	\$ 44,607	\$ 69,941	\$ 69,941	\$ 67,489	\$ 44,607	\$ 46,429	\$ 47,700	\$ 47,600	\$ 47,700	\$ 45,596

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.64(c)(1)

**TRANSCONTINENTAL
 S2 Storage**

	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04
To Storage										
Injection Charge	\$ 0.0390	\$ 0.0390	\$ 0.0390	\$ 0.0390	\$ 0.0390	\$ 0.0390	\$ 0.0390	\$ 0.0390	\$ 0.0390	\$ 0.0390
From Storage										
Withdrawal Charge	\$ 0.0588	\$ 0.0588	\$ 0.0588	\$ 0.0588	\$ 0.0588	\$ 0.0588	\$ 0.0588	\$ 0.0588	\$ 0.0588	\$ 0.0588
Demand										
Capacity Charge	\$ 0.1293	\$ 0.1293	\$ 0.1293	\$ 0.1293	\$ 0.1293	\$ 0.1293	\$ 0.1293	\$ 0.1293	\$ 0.1293	\$ 0.1293
Demand Charge	\$ 4.7810	\$ 4.7810	\$ 4.7810	\$ 4.7810	\$ 4.7810	\$ 4.7810	\$ 4.7810	\$ 4.7810	\$ 4.7810	\$ 4.7810
GRI High Load Factor Demand	\$ 0.0500	\$ 0.0500	\$ 0.0500	\$ 0.0500	\$ 0.0500	\$ 0.0500	\$ 0.0500	\$ 0.0500	\$ 0.0500	\$ 0.0500
Volume										
Injection Volume	-	-	-	35,970	74,338	71,940	74,338	74,338	71,940	41,138
Withdrawal Volume	142,284	136,364	66,390	3,592	-	-	-	-	-	-
Capacity Volume	466,548	466,548	466,548	466,548	466,548	466,548	466,548	466,548	466,548	466,548
Demand Volume	5,191	5,191	5,191	5,191	5,191	5,191	5,191	5,191	5,191	5,191
Total Cost										
Injection Charges	\$ -	\$ -	\$ -	\$ 1,403	\$ 2,899	\$ 2,806	\$ 2,899	\$ 2,899	\$ 2,806	\$ 1,604
Withdrawal Charges	\$ 8,366	\$ 8,018	\$ 3,904	\$ 211	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Injection & Withdrawal Charges	\$ 8,366	\$ 8,018	\$ 3,904	\$ 1,614	\$ 2,899	\$ 2,806	\$ 2,899	\$ 2,899	\$ 2,806	\$ 1,604
Capacity Charge	\$ 5,027	\$ 5,027	\$ 5,027	\$ 5,027	\$ 5,027	\$ 5,027	\$ 5,027	\$ 5,027	\$ 5,027	\$ 5,027
Demand Charge	\$ 24,818	\$ 24,818	\$ 24,818	\$ 24,818	\$ 24,818	\$ 24,818	\$ 24,818	\$ 24,818	\$ 24,818	\$ 24,818
GRI High Load Factor Demand	\$ 260	\$ 260	\$ 260	\$ 260	\$ 260	\$ 260	\$ 260	\$ 260	\$ 260	\$ 260
Total Demand Charges	\$ 30,105	\$ 30,105	\$ 30,105	\$ 30,105	\$ 30,105	\$ 30,105	\$ 30,105	\$ 30,105	\$ 30,105	\$ 30,105
Total Charges	\$ 38,471	\$ 38,123	\$ 34,009	\$ 31,719	\$ 33,004	\$ 32,910	\$ 33,004	\$ 33,004	\$ 32,910	\$ 31,709

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.64(c)(1)

**TRANSCONTINENTAL
 S2 Storage**

	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05
To Storage										
Injection Charge	\$ 0.0390	\$ 0.0390	\$ 0.0390	\$ 0.0390	\$ 0.0390	\$ 0.0390	\$ 0.0390	\$ 0.0390	\$ 0.0390	\$ 0.0390
From Storage										
Withdrawal Charge	\$ 0.0588	\$ 0.0588	\$ 0.0588	\$ 0.0588	\$ 0.0588	\$ 0.0588	\$ 0.0588	\$ 0.0588	\$ 0.0588	\$ 0.0588
Demand										
Capacity Charge	\$ 0.1293	\$ 0.1293	\$ 0.1293	\$ 0.1293	\$ 0.1293	\$ 0.1293	\$ 0.1293	\$ 0.1293	\$ 0.1293	\$ 0.1293
Demand Charge	\$ 4.7810	\$ 4.7810	\$ 4.7810	\$ 4.7810	\$ 4.7810	\$ 4.7810	\$ 4.7810	\$ 4.7810	\$ 4.7810	\$ 4.7810
GRI High Load Factor Demand	\$ 0.0500	\$ 0.0500	\$ 0.0500	\$ 0.0500	\$ 0.0500	\$ 0.0500	\$ 0.0500	\$ 0.0500	\$ 0.0500	\$ 0.0500
Volume										
Injection Volume	22,552	-	-	-	-	35,970	74,338	71,940	74,338	74,338
Withdrawal Volume	37,712	156,238	109,312	93,310	-	30,674	-	-	-	-
Capacity Volume	466,548	466,548	466,548	466,548	466,548	466,548	466,548	466,548	466,548	466,548
Demand Volume	5,191	5,191	5,191	5,191	5,191	5,191	5,191	5,191	5,191	5,191
Total Cost										
Injection Charges	\$ 880	\$ -	\$ -	\$ -	\$ -	\$ 1,403	\$ 2,899	\$ 2,806	\$ 2,899	\$ 2,899
Withdrawal Charges	\$ 2,217	\$ 9,187	\$ 6,428	\$ 5,487	\$ -	\$ 1,804	\$ -	\$ -	\$ -	\$ -
Total Injection & Withdrawal Charges	\$ 3,097	\$ 9,187	\$ 6,428	\$ 5,487	\$ -	\$ 3,206	\$ 2,899	\$ 2,806	\$ 2,899	\$ 2,899
Capacity Charge	\$ 5,027	\$ 5,027	\$ 5,027	\$ 5,027	\$ 5,027	\$ 5,027	\$ 5,027	\$ 5,027	\$ 5,027	\$ 5,027
Demand Charge	\$ 24,818	\$ 24,818	\$ 24,818	\$ 24,818	\$ 24,818	\$ 24,818	\$ 24,818	\$ 24,818	\$ 24,818	\$ 24,818
GRI High Load Factor Demand	\$ 260	\$ 260	\$ 260	\$ 260	\$ 260	\$ 260	\$ 260	\$ 260	\$ 260	\$ 260
Total Demand Charges	\$ 30,105	\$ 30,105	\$ 30,105	\$ 30,105	\$ 30,105	\$ 30,105	\$ 30,105	\$ 30,105	\$ 30,105	\$ 30,105
Total Charges	\$ 33,202	\$ 39,292	\$ 36,532	\$ 35,591	\$ 30,105	\$ 33,311	\$ 33,004	\$ 32,910	\$ 33,004	\$ 33,004

Philadelphia Gas Works
Forecasted Summary of Total Fuel Purchased
January 2004-August 2005

Schedule 3
Item 53.64(c)(1)

**TRANSCONTINENTAL
GSS Storage**

	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04
<u>To Storage</u>										
Injection Charge	\$ 0.0322	\$ 0.0322	\$ 0.0322	\$ 0.0322	\$ 0.0322	\$ 0.0322	\$ 0.0322	\$ 0.0322	\$ 0.0322	\$ 0.0322
<u>From Storage</u>										
Withdrawal Charge	\$ 0.0296	\$ 0.0296	\$ 0.0296	\$ 0.0296	\$ 0.0296	\$ 0.0296	\$ 0.0296	\$ 0.0296	\$ 0.0296	\$ 0.0296
<u>Demand</u>										
Capacity Charge	\$ 0.0158	\$ 0.0158	\$ 0.0158	\$ 0.0158	\$ 0.0158	\$ 0.0158	\$ 0.0158	\$ 0.0158	\$ 0.0158	\$ 0.0158
Demand Charge	\$ 2.7247	\$ 2.7247	\$ 2.7247	\$ 2.7247	\$ 2.7247	\$ 2.7247	\$ 2.7247	\$ 2.7247	\$ 2.7247	\$ 2.7247
GRI High Load Factor Demand	\$ 0.0500	\$ 0.0500	\$ 0.0500	\$ 0.0500	\$ 0.0500	\$ 0.0500	\$ 0.0500	\$ 0.0500	\$ 0.0500	\$ 0.0500
<u>Volume</u>										
Injection Volume	-	-	-	526,930	641,480	578,100	597,370	597,370	578,100	323,084
Withdrawal Volume	1,364,653	1,476,551	329,899	-	7,362	-	-	-	-	-
Capacity Volume (Dth)	4,123,733	4,123,733	4,123,733	4,123,733	4,123,733	4,123,733	4,123,733	4,123,733	4,123,733	4,123,733
Demand Volume (Dth)	61,567	61,567	61,567	61,567	61,567	61,567	61,567	61,567	61,567	61,567
<u>Total Cost</u>										
Injection Charges	\$ -	\$ -	\$ -	\$ 16,967	\$ 20,656	\$ 18,615	\$ 19,235	\$ 19,235	\$ 18,615	\$ 10,403
Withdrawal Charges	\$ 40,394	\$ 43,706	\$ 9,765	\$ -	\$ 218	\$ -	\$ -	\$ -	\$ -	\$ -
Total Injection & Withdrawal Charges	\$ 40,394	\$ 43,706	\$ 9,765	\$ 16,967	\$ 20,874	\$ 18,615	\$ 19,235	\$ 19,235	\$ 18,615	\$ 10,403
Capacity Charge	\$ 65,155	\$ 65,155	\$ 65,155	\$ 65,155	\$ 65,155	\$ 65,155	\$ 65,155	\$ 65,155	\$ 65,155	\$ 65,155
Demand Charge	\$ 167,752	\$ 167,752	\$ 167,752	\$ 167,752	\$ 167,752	\$ 167,752	\$ 167,752	\$ 167,752	\$ 167,752	\$ 167,752
GRI High Load Factor Demand	\$ 3,078	\$ 3,078	\$ 3,078	\$ 3,078	\$ 3,078	\$ 3,078	\$ 3,078	\$ 3,078	\$ 3,078	\$ 3,078
Total Demand Charges	\$ 235,985	\$ 235,985	\$ 235,985	\$ 235,985	\$ 235,985	\$ 235,985	\$ 235,985	\$ 235,985	\$ 235,985	\$ 235,985
Total Charges	\$ 276,379	\$ 279,691	\$ 245,750	\$ 252,952	\$ 256,859	\$ 254,600	\$ 255,220	\$ 255,220	\$ 254,600	\$ 246,388

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.64(c)(1)

**TRANSCONTINENTAL
 GSS Storage**

	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05
To Storage										
Injection Charge	\$ 0.0322	\$ 0.0322	\$ 0.0322	\$ 0.0322	\$ 0.0322	\$ 0.0322	\$ 0.0322	\$ 0.0322	\$ 0.0322	\$ 0.0322
From Storage										
Withdrawal Charge	\$ 0.0296	\$ 0.0296	\$ 0.0296	\$ 0.0296	\$ 0.0296	\$ 0.0296	\$ 0.0296	\$ 0.0296	\$ 0.0296	\$ 0.0296
Demand										
Capacity Charge	\$ 0.0158	\$ 0.0158	\$ 0.0158	\$ 0.0158	\$ 0.0158	\$ 0.0158	\$ 0.0158	\$ 0.0158	\$ 0.0158	\$ 0.0158
Demand Charge	\$ 2.7247	\$ 2.7247	\$ 2.7247	\$ 2.7247	\$ 2.7247	\$ 2.7247	\$ 2.7247	\$ 2.7247	\$ 2.7247	\$ 2.7247
GRI High Load Factor Demand	\$ 0.0500	\$ 0.0500	\$ 0.0500	\$ 0.0500	\$ 0.0500	\$ 0.0500	\$ 0.0500	\$ 0.0500	\$ 0.0500	\$ 0.0500
Volume										
Injection Volume						526,930	641,480	581,740	597,370	597,370
Withdrawal Volume	305,347	1,062,616	1,312,463	824,747	329,899	-	14,860	-	-	-
Capacity Volume (Dth)	4,123,733	4,123,733	4,123,733	4,123,733	4,123,733	4,123,733	4,123,733	4,123,733	4,123,733	4,123,733
Demand Volume (Dth)	61,567	61,567	61,567	61,567	61,567	61,567	61,567	61,567	61,567	61,567
Total Cost										
Injection Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,967	\$ 20,656	\$ 18,732	\$ 19,235	\$ 19,235
Withdrawal Charges	\$ 9,038	\$ 31,453	\$ 38,849	\$ 24,413	\$ 9,765	\$ -	\$ 440	\$ -	\$ -	\$ -
Total Injection & Withdrawal Charges	\$ 9,038	\$ 31,453	\$ 38,849	\$ 24,413	\$ 9,765	\$ 16,967	\$ 21,096	\$ 18,732	\$ 19,235	\$ 19,235
Capacity Charge	\$ 65,155	\$ 65,155	\$ 65,155	\$ 65,155	\$ 65,155	\$ 65,155	\$ 65,155	\$ 65,155	\$ 65,155	\$ 65,155
Demand Charge	\$ 167,752	\$ 167,752	\$ 167,752	\$ 167,752	\$ 167,752	\$ 167,752	\$ 167,752	\$ 167,752	\$ 167,752	\$ 167,752
GRI High Load Factor Demand	\$ 3,078	\$ 3,078	\$ 3,078	\$ 3,078	\$ 3,078	\$ 3,078	\$ 3,078	\$ 3,078	\$ 3,078	\$ 3,078
Total Demand Charges	\$ 235,985	\$ 235,985	\$ 235,985	\$ 235,985	\$ 235,985	\$ 235,985	\$ 235,985	\$ 235,985	\$ 235,985	\$ 235,985
Total Charges	\$ 245,023	\$ 267,438	\$ 274,834	\$ 260,397	\$ 245,750	\$ 252,952	\$ 257,080	\$ 254,717	\$ 255,220	\$ 255,220

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.64(c)(1)

**TRANSCONTINENTAL
 Emlence**

	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04
<u>To Storage</u>										
Injection Charge	\$ 0.0091	\$ 0.0091	\$ 0.0091	\$ 0.0091	\$ 0.0091	\$ 0.0091	\$ 0.0091	\$ 0.0091	\$ 0.0091	\$ 0.0091
<u>From Storage</u>										
Withdrawal Charge	\$ 0.0091	\$ 0.0091	\$ 0.0091	\$ 0.0091	\$ 0.0091	\$ 0.0091	\$ 0.0091	\$ 0.0091	\$ 0.0091	\$ 0.0091
<u>Demand</u>										
Capacity Charge	\$ 0.0467	\$ 0.0467	\$ 0.0467	\$ 0.0467	\$ 0.0467	\$ 0.0467	\$ 0.0467	\$ 0.0467	\$ 0.0467	\$ 0.0467
Demand Charge	\$ 0.4697	\$ 0.4697	\$ 0.4697	\$ 0.4697	\$ 0.4697	\$ 0.4697	\$ 0.4697	\$ 0.4697	\$ 0.4697	\$ 0.4697
GRI High Load Factor Demand	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<u>Volume</u>										
Injection Volume	-	-	-	18,016	34,906	33,780	34,906	34,906	13,452	-
Withdrawal Volume	55,938	40,998	-	-	-	-	-	-	-	-
Capacity Volume (Dth)	482,793	482,793	482,793	482,793	482,793	482,793	482,793	482,793	482,793	482,793
Demand Volume (Dth)	47,985	47,985	47,985	47,985	47,985	47,985	47,985	47,985	47,985	47,985
<u>Total Cost</u>										
Injection Charges	\$ -	\$ -	\$ -	\$ 164	\$ 318	\$ 307	\$ 318	\$ 318	\$ 122	\$ -
Withdrawal Charges	\$ 509	\$ 373	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Injection & Withdrawal Charges	\$ 509	\$ 373	\$ -	\$ 164	\$ 318	\$ 307	\$ 318	\$ 318	\$ 122	\$ -
Capacity Charge	\$ 22,546	\$ 22,546	\$ 22,546	\$ 22,546	\$ 22,546	\$ 22,546	\$ 22,546	\$ 22,546	\$ 22,546	\$ 22,546
Demand Charge	\$ 22,539	\$ 22,539	\$ 22,539	\$ 22,539	\$ 22,539	\$ 22,539	\$ 22,539	\$ 22,539	\$ 22,539	\$ 22,539
GRI High Load Factor Demand	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Demand Charges	\$ 45,085	\$ 45,085	\$ 45,085	\$ 45,085	\$ 45,085	\$ 45,085	\$ 45,085	\$ 45,085	\$ 45,085	\$ 45,085
Total Charges	\$ 45,594	\$ 45,458	\$ 45,085	\$ 45,249	\$ 45,403	\$ 45,392	\$ 45,403	\$ 45,403	\$ 45,207	\$ 45,085

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 item 53.64(c)(1)

**TRANSCONTINENTAL
 Eminence**

	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05
<u>To Storage</u>										
Injection Charge	\$ 0.0091	\$ 0.0091	\$ 0.0091	\$ 0.0091	\$ 0.0091	\$ 0.0091	\$ 0.0091	\$ 0.0091	\$ 0.0091	\$ 0.0091
<u>From Storage</u>										
Withdrawal Charge	\$ 0.0091	\$ 0.0091	\$ 0.0091	\$ 0.0091	\$ 0.0091	\$ 0.0091	\$ 0.0091	\$ 0.0091	\$ 0.0091	\$ 0.0091
<u>Demand</u>										
Capacity Charge	\$ 0.0467	\$ 0.0467	\$ 0.0467	\$ 0.0467	\$ 0.0467	\$ 0.0467	\$ 0.0467	\$ 0.0467	\$ 0.0467	\$ 0.0467
Demand Charge	\$ 0.4697	\$ 0.4697	\$ 0.4697	\$ 0.4697	\$ 0.4697	\$ 0.4697	\$ 0.4697	\$ 0.4697	\$ 0.4697	\$ 0.4697
GRI High Load Factor Demand	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<u>Volume</u>										
Injection Volume	16,890	-	-	-	-	18,016	34,906	33,780	34,906	34,906
Withdrawal Volume	33,430	45,241	57,043	51,142	-	-	-	-	-	-
Capacity Volume (Dth)	482,793	482,793	482,793	482,793	482,793	482,793	482,793	482,793	482,793	482,793
Demand Volume (Dth)	47,985	47,985	47,985	47,985	47,985	47,985	47,985	47,985	47,985	47,985
<u>Total Cost</u>										
Injection Charges	\$ 154	\$ -	\$ -	\$ -	\$ -	\$ 164	\$ 318	\$ 307	\$ 318	\$ 318
Withdrawal Charges	\$ 304	\$ 412	\$ 519	\$ 465	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Injection & Withdrawal Charges	\$ 458	\$ 412	\$ 519	\$ 465	\$ -	\$ 164	\$ 318	\$ 307	\$ 318	\$ 318
Capacity Charge	\$ 22,546	\$ 22,546	\$ 22,546	\$ 22,546	\$ 22,546	\$ 22,546	\$ 22,546	\$ 22,546	\$ 22,546	\$ 22,546
Demand Charge	\$ 22,539	\$ 22,539	\$ 22,539	\$ 22,539	\$ 22,539	\$ 22,539	\$ 22,539	\$ 22,539	\$ 22,539	\$ 22,539
GRI High Load Factor Demand	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Demand Charges	\$ 45,085	\$ 45,085	\$ 45,085	\$ 45,085	\$ 45,085	\$ 45,085	\$ 45,085	\$ 45,085	\$ 45,085	\$ 45,085
Total Charges	\$ 45,543	\$ 45,497	\$ 45,604	\$ 45,550	\$ 45,085	\$ 45,249	\$ 45,403	\$ 45,392	\$ 45,403	\$ 45,403

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.64(c)(1)

**TRANSCONTINENTAL
 Eminence #2**

	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04
<u>To Storage</u>										
Injection Charge	\$ 0.0091	\$ 0.0091	\$ 0.0091	\$ 0.0091	\$ 0.0091	\$ 0.0091	\$ 0.0091	\$ 0.0091	\$ 0.0091	\$ 0.0091
<u>From Storage</u>										
Withdrawal Charge	\$ 0.0091	\$ 0.0091	\$ 0.0091	\$ 0.0091	\$ 0.0091	\$ 0.0091	\$ 0.0091	\$ 0.0091	\$ 0.0091	\$ 0.0091
<u>Demand</u>										
Capacity Charge	\$ 0.0371	\$ 0.0371	\$ 0.0371	\$ 0.0371	\$ 0.0371	\$ 0.0371	\$ 0.0371	\$ 0.0371	\$ 0.0371	\$ 0.0371
Demand Charge	\$ 0.3729	\$ 0.3729	\$ 0.3729	\$ 0.3729	\$ 0.3729	\$ 0.3729	\$ 0.3729	\$ 0.3729	\$ 0.3729	\$ 0.3729
GRI High Load Factor Demand	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<u>Volumes</u>										
Injection Volume	-	-	-	69,536	134,726	130,380	134,726	134,726	51,919	-
Withdrawal Volume	-	439,630	-	-	-	-	-	-	-	-
Capacity Volume (Dth)	656,013	656,013	656,013	656,013	656,013	656,013	656,013	656,013	656,013	656,013
Demand Volume (Dth)	65,201	65,201	65,201	65,201	65,201	65,201	65,201	65,201	65,201	65,201
<u>Total Cost</u>										
Injection Charges	\$ -	\$ -	\$ -	\$ 633	\$ 1,226	\$ 1,186	\$ 1,226	\$ 1,226	\$ 472	\$ -
Withdrawal Charges	\$ -	\$ 4,001	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Injection & Withdrawal Charges	\$ -	\$ 4,001	\$ -	\$ 633	\$ 1,226	\$ 1,186	\$ 1,226	\$ 1,226	\$ 472	\$ -
Capacity Charge	\$ 24,338	\$ 24,338	\$ 24,338	\$ 24,338	\$ 24,338	\$ 24,338	\$ 24,338	\$ 24,338	\$ 24,338	\$ 24,338
Demand Charge	\$ 24,313	\$ 24,313	\$ 24,313	\$ 24,313	\$ 24,313	\$ 24,313	\$ 24,313	\$ 24,313	\$ 24,313	\$ 24,313
GRI High Load Factor Demand	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Demand Charges	\$ 48,652	\$ 48,652	\$ 48,652	\$ 48,652	\$ 48,652	\$ 48,652	\$ 48,652	\$ 48,652	\$ 48,652	\$ 48,652
Total Charges	\$ 48,652	\$ 52,652	\$ 48,652	\$ 49,284	\$ 49,878	\$ 49,838	\$ 49,878	\$ 49,878	\$ 49,124	\$ 48,652

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.64(c)(1)

**TRANSCONTINENTAL
 Eminence #2**

	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05
<u>To Storage</u>										
Injection Charge	\$ 0.0091	\$ 0.0091	\$ 0.0091	\$ 0.0091	\$ 0.0091	\$ 0.0091	\$ 0.0091	\$ 0.0091	\$ 0.0091	\$ 0.0091
<u>From Storage</u>										
Withdrawal Charge	\$ 0.0091	\$ 0.0091	\$ 0.0091	\$ 0.0091	\$ 0.0091	\$ 0.0091	\$ 0.0091	\$ 0.0091	\$ 0.0091	\$ 0.0091
<u>Demand</u>										
Capacity Charge	\$ 0.0371	\$ 0.0371	\$ 0.0371	\$ 0.0371	\$ 0.0371	\$ 0.0371	\$ 0.0371	\$ 0.0371	\$ 0.0371	\$ 0.0371
Demand Charge	\$ 0.3729	\$ 0.3729	\$ 0.3729	\$ 0.3729	\$ 0.3729	\$ 0.3729	\$ 0.3729	\$ 0.3729	\$ 0.3729	\$ 0.3729
GRI High Load Factor Demand	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<u>Volume</u>										
Injection Volume	65,190	-	-	-	-	69,536	134,726	130,380	134,726	134,726
Withdrawal Volume	450 (MM)	271,201	-	-	-	-	-	-	-	-
Capacity Volume (Dth)	656,013	656,013	656,013	656,013	656,013	656,013	656,013	656,013	656,013	656,013
Demand Volume (Dth)	65,201	65,201	65,201	65,201	65,201	65,201	65,201	65,201	65,201	65,201
<u>Total Cost</u>										
Injection Charges	\$ 593	\$ -	\$ -	\$ -	\$ -	\$ 633	\$ 1,226	\$ 1,186	\$ 1,226	\$ 1,226
Withdrawal Charges	\$ 4,095	\$ 2,468	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Injection & Withdrawal Charges	\$ 4,688	\$ 2,468	\$ -	\$ -	\$ -	\$ 633	\$ 1,226	\$ 1,186	\$ 1,226	\$ 1,226
Capacity Charge	\$ 24,338	\$ 24,338	\$ 24,338	\$ 24,338	\$ 24,338	\$ 24,338	\$ 24,338	\$ 24,338	\$ 24,338	\$ 24,338
Demand Charge	\$ 24,313	\$ 24,313	\$ 24,313	\$ 24,313	\$ 24,313	\$ 24,313	\$ 24,313	\$ 24,313	\$ 24,313	\$ 24,313
GRI High Load Factor Demand	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Demand Charges	\$ 48,652	\$ 48,652	\$ 48,652	\$ 48,652	\$ 48,652	\$ 48,652	\$ 48,652	\$ 48,652	\$ 48,652	\$ 48,652
Total Charges	\$ 53,340	\$ 51,119	\$ 48,652	\$ 48,652	\$ 48,652	\$ 49,284	\$ 49,878	\$ 49,838	\$ 49,878	\$ 49,878

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 5.3.64(c)(1)

TRANSCONTINENTAL
Firm Transportation

Contract 5001

<u>Demand</u>	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04
Demand rate 1	\$ 7.7101	\$ 7.7101	\$ 7.7101	\$ 7.7101	\$ 7.7101	\$ 7.7101	\$ 7.7101	\$ 7.7101	\$ 7.7101	\$ 7.7101
Demand rate 2	\$ 0.0500	\$ 0.0500	\$ 0.0500	\$ 0.0500	\$ 0.0500	\$ 0.0500	\$ 0.0500	\$ 0.0500	\$ 0.0500	\$ 0.0500
Demand Volume 1	\$ 1.732	\$ 1.732	\$ 1.732	\$ 1.732	\$ 1.732	\$ 1.732	\$ 1.732	\$ 1.732	\$ 1.732	\$ 1.732
Demand Volume 2	\$ 1.732	\$ 1.732	\$ 1.732	\$ 1.732	\$ 1.732	\$ 1.732	\$ 1.732	\$ 1.732	\$ 1.732	\$ 1.732
Demand Charge 1	\$ 13,354	\$ 13,354	\$ 13,354	\$ 13,354	\$ 13,354	\$ 13,354	\$ 13,354	\$ 13,354	\$ 13,354	\$ 13,354
Demand Charge 2	\$ 87	\$ 87	\$ 87	\$ 87	\$ 87	\$ 87	\$ 87	\$ 87	\$ 87	\$ 87
Subtotal	\$ 13,440									

Contract 3691

<u>Demand</u>	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04
Demand rate 1	\$ 11.9815	\$ 11.9815	\$ 11.9815	\$ 11.9815	\$ 11.9815	\$ 11.9815	\$ 11.9815	\$ 11.9815	\$ 11.9815	\$ 11.9815
Demand rate 2	\$ 0.0500	\$ 0.0500	\$ 0.0500	\$ 0.0500	\$ 0.0500	\$ 0.0500	\$ 0.0500	\$ 0.0500	\$ 0.0500	\$ 0.0500
Demand Volume 1	165,212	165,212	165,212	165,212	165,212	165,212	165,212	165,212	165,212	165,212
Demand Volume 2	165,212	165,212	165,212	165,212	165,212	165,212	165,212	165,212	165,212	165,212
Demand Charge 1	\$ 1,979,488	\$ 1,979,488	\$ 1,979,488	\$ 1,979,488	\$ 1,979,488	\$ 1,979,488	\$ 1,979,488	\$ 1,979,488	\$ 1,979,488	\$ 1,979,488
Demand Charge 2	\$ 8,261	\$ 8,261	\$ 8,261	\$ 8,261	\$ 8,261	\$ 8,261	\$ 8,261	\$ 8,261	\$ 8,261	\$ 8,261
Subtotal	\$ 1,987,748									
Total Demand	\$ 2,001,189									

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.64(c)(1)

**TRANSCONTINENTAL
 Firm Transportation**

Contract 5001

<u>Demand</u>	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05
Demand rate 1	\$ 7.7101	\$ 7.7101	\$ 7.7101	\$ 7.7101	\$ 7.7101	\$ 7.7101	\$ 7.7101	\$ 7.7101	\$ 7.7101	\$ 7.7101
Demand rate 2	\$ 0.0500	\$ 0.0500	\$ 0.0500	\$ 0.0500	\$ 0.0500	\$ 0.0500	\$ 0.0500	\$ 0.0500	\$ 0.0500	\$ 0.0500
Demand Volume 1	\$ 1,732	\$ 1,732	\$ 1,732	\$ 1,732	\$ 1,732	\$ 1,732	\$ 1,732	\$ 1,732	\$ 1,732	\$ 1,732
Demand Volume 2	\$ 1,732	\$ 1,732	\$ 1,732	\$ 1,732	\$ 1,732	\$ 1,732	\$ 1,732	\$ 1,732	\$ 1,732	\$ 1,732
Demand Charge 1	\$ 13,354	\$ 13,354	\$ 13,354	\$ 13,354	\$ 13,354	\$ 13,354	\$ 13,354	\$ 13,354	\$ 13,354	\$ 13,354
Demand Charge 2	\$ 87	\$ 87	\$ 87	\$ 87	\$ 87	\$ 87	\$ 87	\$ 87	\$ 87	\$ 87
Subtotal	\$ 13,440									

Contract 3691

<u>Demand</u>	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05
Demand rate 1	\$ 11.9815	\$ 11.9815	\$ 11.9815	\$ 11.9815	\$ 11.9815	\$ 11.9815	\$ 11.9815	\$ 11.9815	\$ 11.9815	\$ 11.9815
Demand rate 2	\$ 0.0500	\$ 0.0500	\$ 0.0500	\$ 0.0500	\$ 0.0500	\$ 0.0500	\$ 0.0500	\$ 0.0500	\$ 0.0500	\$ 0.0500
Demand Volume 1	165,212	165,212	165,212	165,212	165,212	165,212	165,212	165,212	165,212	165,212
Demand Volume 2	165,212	165,212	165,212	165,212	165,212	165,212	165,212	165,212	165,212	165,212
Demand Charge 1	\$ 1,979,488	\$ 1,979,488	\$ 1,979,488	\$ 1,979,488	\$ 1,979,488	\$ 1,979,488	\$ 1,979,488	\$ 1,979,488	\$ 1,979,488	\$ 1,979,488
Demand Charge 2	\$ 8,261	\$ 8,261	\$ 8,261	\$ 8,261	\$ 8,261	\$ 8,261	\$ 8,261	\$ 8,261	\$ 8,261	\$ 8,261
Subtotal	\$ 1,987,748									
Total Demand	\$ 2,001,189									

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 item 53.64(c)(1)

Texas Eastern
 Cost of Natural Gas

<u>Suppliers</u>	<u>Jan-04</u>	<u>Feb-04</u>	<u>Mar-04</u>	<u>Apr-04</u>	<u>May-04</u>	<u>Jun-04</u>	<u>Jul-04</u>	<u>Aug-04</u>	<u>Sep-04</u>	<u>Oct-04</u>
TF Spot	\$ 6,389,905	\$ 6,543,997	\$ 5,450,758	\$ 10,634,900	\$ 8,213,017	\$ 8,059,257	\$ 8,039,260	\$ 7,984,379	\$ 6,085,836	\$ 3,790,415
Supplier 1	\$ 1,245,254	\$ 373,359	\$ 413,362	\$ 73,613	\$ 76,066	\$ 73,613	\$ 76,066	\$ 75,269	\$ 49,180	\$ 50,819
Supplier 2	\$ 7,932,718	\$ 5,718,998	\$ 5,830,966	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 3	\$ 2,125,766	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 5	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 6	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 7	\$ 3,399,041	\$ 2,778,802	\$ 3,010,293	\$ 3,544,306	\$ 3,623,700	\$ 3,506,806	\$ 3,623,700	\$ -	\$ -	\$ -
Supplier 8	\$ 1,347,835	\$ 1,242,898	\$ 1,222,670	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 9	\$ 932,439	\$ 858,978	\$ 893,237	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 10	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 11	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 12	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 13	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 14	\$ 835,838	\$ 776,113	\$ 757,263	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 15	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 17	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 18	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 19	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 20	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub Total	\$ 24,208,796	\$ 18,293,144	\$ 17,578,549	\$ 14,252,819	\$ 11,912,783	\$ 11,639,676	\$ 11,739,026	\$ 8,059,648	\$ 6,135,016	\$ 3,841,234
Transportation Costs										
TF Spot-Sup10	\$ 309,827	\$ 222,078	\$ 218,105	\$ 214,959	\$ 196,753	\$ 197,456	\$ 199,053	\$ 134,028	\$ 99,555	\$ 61,429
Sup11-Sup20	\$ 12,803	\$ 11,833	\$ 11,833	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total TF	\$ 322,630	\$ 233,911	\$ 229,939	\$ 214,959	\$ 196,753	\$ 197,456	\$ 199,053	\$ 134,028	\$ 99,555	\$ 61,429
ANR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Equitrans	\$ -	\$ -	\$ -	\$ 15,062	\$ 13,797	\$ 13,073	\$ 13,509	\$ 13,417	\$ 9,873	\$ -
Total Costs	\$ 24,531,426	\$ 18,527,055	\$ 17,808,487	\$ 14,482,840	\$ 12,123,332	\$ 11,850,205	\$ 11,951,588	\$ 8,207,093	\$ 6,244,444	\$ 3,902,663

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 item 53.64(c)(1)

**Texas Eastern
 Cost of Natural Gas**

<u>Suppliers</u>	<u>Nov-04</u>	<u>Dec-04</u>	<u>Jan-05</u>	<u>Feb-05</u>	<u>Mar-05</u>	<u>Apr-05</u>	<u>May-05</u>	<u>Jun-05</u>	<u>Jul-05</u>	<u>Aug-05</u>
TE Spot	\$ 14,226,439	\$ 13,676,181	\$ 15,274,579	\$ 11,540,038	\$ 16,965,573	\$ 10,369,286	\$ 8,426,502	\$ 7,484,628	\$ 7,580,842	\$ 7,626,845
Supplier 1	\$ 391,552	\$ 1,307,118	\$ 1,340,707	\$ 1,822,131	\$ 413,362	\$ 73,613	\$ 76,066	\$ 73,613	\$ 76,066	\$ 75,269
Supplier 2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 5	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 6	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 7	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 8	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 9	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 10	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 11	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 12	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 13	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 14	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 15	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 17	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 18	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 19	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 20	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub Total	\$ 14,617,991	\$ 14,983,299	\$ 16,615,286	\$ 13,362,169	\$ 17,378,935	\$ 10,442,899	\$ 8,502,568	\$ 7,558,241	\$ 7,656,908	\$ 7,702,114

Transportation

TE Spot-Sup10	\$ 224,994	\$ 214,653	\$ 237,705	\$ 194,337	\$ 266,765	\$ 183,368	\$ 150,548	\$ 134,797	\$ 134,028	\$ 134,028
Sup11-Sup20	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total TE	\$ 224,994	\$ 214,653	\$ 237,705	\$ 194,337	\$ 266,765	\$ 183,368	\$ 150,548	\$ 134,797	\$ 134,028	\$ 134,028
ANR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Equitrans	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,183	\$ 12,400	\$ 12,118	\$ 12,739	\$ 12,816
Total Costs	\$ 14,842,985	\$ 15,197,952	\$ 16,852,991	\$ 13,556,506	\$ 17,645,700	\$ 10,638,450	\$ 8,665,516	\$ 7,705,156	\$ 7,803,675	\$ 7,848,958

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 item 53.64(c)(1)

Texas Eastern
 Volumes

Suppliers

	<u>Jan-04</u>	<u>Feb-04</u>	<u>Mar-04</u>	<u>Apr-04</u>	<u>May-04</u>	<u>Jun-04</u>	<u>Jul-04</u>	<u>Aug-04</u>	<u>Sep-04</u>	<u>Oct-04</u>
TE Spot	1,039,009	934,323	793,646	1,853,416	1,614,670	1,618,162	1,614,147	1,614,147	1,192,133	746,145
Supplier 1	136,343	-	-	-	-	-	-	-	-	-
Supplier 3	390,049	-	-	-	-	-	-	-	-	-
Supplier 7	599,437	560,764	599,437	750,006	775,007	750,006	775,007	-	-	-
Supplier 10	-	-	-	-	-	-	-	-	-	-
Supplier 11	-	-	-	-	-	-	-	-	-	-
Supplier 12	-	-	-	-	-	-	-	-	-	-
Supplier 13	-	-	-	-	-	-	-	-	-	-
Supplier 14	155,000	145,000	145,000	-	-	-	-	-	-	-
Supplier 15	-	-	-	-	-	-	-	-	-	-
Supplier 16	-	-	-	-	-	-	-	-	-	-
Supplier 17	-	-	-	-	-	-	-	-	-	-
Supplier 18	-	-	-	-	-	-	-	-	-	-
Supplier 19	-	-	-	-	-	-	-	-	-	-
Supplier 20	-	-	-	-	-	-	-	-	-	-
Total	4,109,477	3,024,555	2,976,932	2,603,422	2,389,676	2,368,169	2,389,154	1,614,147	1,192,133	746,145

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.84(c)(1)

Texas Eastern
 Volumes

Suppliers

	<u>Nov-04</u>	<u>Dec-04</u>	<u>Jan-05</u>	<u>Feb-05</u>	<u>Mar-05</u>	<u>Apr-05</u>	<u>May-05</u>	<u>Jun-05</u>	<u>Jul-05</u>	<u>Aug-05</u>
TF Spot	2,730,602	2,491,561	2,771,401	2,131,518	3,307,774	2,234,038	1,843,269	1,621,278	1,614,147	1,614,147
Supplier 1	-	158,034	163,612	264,441	-	-	-	-	-	-
Supplier 3	-	-	-	-	-	-	-	-	-	-
Supplier 7	-	-	-	-	-	-	-	-	-	-
Supplier 10	-	-	-	-	-	-	-	-	-	-
Supplier 11	-	-	-	-	-	-	-	-	-	-
Supplier 12	-	-	-	-	-	-	-	-	-	-
Supplier 13	-	-	-	-	-	-	-	-	-	-
Supplier 14	-	-	-	-	-	-	-	-	-	-
Supplier 15	-	-	-	-	-	-	-	-	-	-
Supplier 16	-	-	-	-	-	-	-	-	-	-
Supplier 17	-	-	-	-	-	-	-	-	-	-
Supplier 18	-	-	-	-	-	-	-	-	-	-
Supplier 19	-	-	-	-	-	-	-	-	-	-
Supplier 20	-	-	-	-	-	-	-	-	-	-
Total	2,730,602	2,649,596	2,935,013	2,395,959	3,307,774	2,234,038	1,843,269	1,621,278	1,614,147	1,614,147

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004 August 2005

Schedule J
 Item 53.64(c)(1)

Texas Eastern
 Storages

	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04
SS1A										
Injections	\$ -	\$ -	\$ -	\$ 9,539	\$ 15,564	\$ 15,062	\$ 15,564	\$ 15,564	\$ 15,062	\$ 7,942
Withdrawal	\$ 43,132	\$ 45,400	\$ 41,710	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capacity	\$ 28,522	\$ 28,522	\$ 28,522	\$ 28,522	\$ 28,522	\$ 28,522	\$ 28,522	\$ 28,522	\$ 28,522	\$ 28,522
Demand	\$ 194,927	\$ 195,235	\$ 195,235	\$ 195,235	\$ 195,235	\$ 195,235	\$ 195,235	\$ 195,235	\$ 195,235	\$ 195,235
Total Charges	\$ 266,621	\$ 269,158	\$ 265,468	\$ 233,297	\$ 239,122	\$ 238,820	\$ 239,322	\$ 239,322	\$ 238,820	\$ 231,699
SS1B										
Injections	\$ -	\$ -	\$ -	\$ 5,604	\$ 14,477	\$ 14,010	\$ 14,477	\$ 14,477	\$ 2,282	\$ 172
Withdrawal	\$ 40,197	\$ 39,821	\$ 1,373	\$ 1,019	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capacity	\$ 26,529	\$ 26,529	\$ 26,529	\$ 26,529	\$ 26,529	\$ 26,529	\$ 26,529	\$ 26,529	\$ 26,529	\$ 26,529
Demand	\$ 114,179	\$ 114,346	\$ 114,346	\$ 114,346	\$ 114,346	\$ 114,346	\$ 114,346	\$ 114,346	\$ 114,346	\$ 114,346
Total Charges	\$ 181,205	\$ 180,696	\$ 142,248	\$ 147,409	\$ 155,352	\$ 154,885	\$ 155,352	\$ 155,352	\$ 143,157	\$ 141,048
GSSTE										
Injections	\$ -	\$ -	\$ -	\$ 3,174	\$ 14,058	\$ 12,888	\$ 12,206	\$ 12,206	\$ 11,812	\$ -
Injections/Retention Fuel	\$ -	\$ -	\$ -	\$ 32,068	\$ -	\$ 113,257	\$ 107,263	\$ 106,544	\$ 106,354	\$ -
Withdrawal	\$ 20,124	\$ 11,850	\$ 13,090	\$ 1,887	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capacity	\$ 56,825	\$ 56,825	\$ 56,825	\$ 56,825	\$ 56,825	\$ 56,825	\$ 56,825	\$ 56,825	\$ 56,825	\$ 56,825
Demand	\$ 64,148	\$ 64,148	\$ 64,148	\$ 64,148	\$ 64,148	\$ 64,148	\$ 64,148	\$ 64,148	\$ 64,148	\$ 64,148
Total Charges	\$ 131,092	\$ 132,823	\$ 134,053	\$ 158,103	\$ 135,033	\$ 247,118	\$ 240,442	\$ 239,722	\$ 239,139	\$ 120,973
ANR										
Injections	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Withdrawal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capacity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Demand	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transportation Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
EQUITRANS										
Injections	\$ -	\$ -	\$ -	\$ 698	\$ 721	\$ 698	\$ 721	\$ 721	\$ 514	\$ -
Withdrawal	\$ 1,290	\$ 1,278	\$ 81	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capacity	\$ 13,846	\$ 13,846	\$ 13,846	\$ 13,846	\$ 13,846	\$ 13,846	\$ 13,846	\$ 13,846	\$ 13,846	\$ 13,846
Demand	\$ 6,941	\$ 6,941	\$ 6,941	\$ 6,941	\$ 6,941	\$ 6,941	\$ 6,941	\$ 6,941	\$ 6,941	\$ 6,941
Total Charges	\$ 22,077	\$ 22,065	\$ 20,868	\$ 21,485	\$ 21,508	\$ 21,485	\$ 21,508	\$ 21,508	\$ 21,301	\$ 20,787
Total Injections/Charges	\$ -	\$ -	\$ -	\$ 19,015	\$ 44,820	\$ 42,657	\$ 42,968	\$ 42,968	\$ 29,670	\$ 8,114
Total Injections/Retention Fuel	\$ -	\$ -	\$ -	\$ 32,068	\$ -	\$ 113,257	\$ 107,263	\$ 106,544	\$ 106,354	\$ -
Total Withdrawal Charges	\$ 105,083	\$ 98,149	\$ 56,244	\$ 2,906	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Capacity Charges	\$ 125,723	\$ 125,723	\$ 125,723	\$ 125,723	\$ 125,723	\$ 125,723	\$ 125,723	\$ 125,723	\$ 125,723	\$ 125,723
Total Demand Charges	\$ 380,194	\$ 380,670	\$ 380,670	\$ 380,670	\$ 380,670	\$ 380,670	\$ 380,670	\$ 380,670	\$ 380,670	\$ 380,670
Total Transportation Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Storages	\$ 611,000	\$ 604,742	\$ 562,637	\$ 560,383	\$ 551,213	\$ 662,308	\$ 656,624	\$ 655,904	\$ 642,416	\$ 514,507

Forecasted Summary of Firm Transportation

Texas Eastern Demand	\$ 2,315,353	\$ 2,315,353	\$ 2,315,353	\$ 2,315,353	\$ 2,315,353	\$ 2,315,353	\$ 2,315,353	\$ 2,315,353	\$ 2,315,353	\$ 2,315,353
Capacity Release Credits	\$ -	\$ -	\$ -	\$ (367,460)	\$ (282,910)	\$ (275,500)	\$ (205,200)	\$ (212,040)	\$ (193,961)	\$ (201,608)
Net Total	\$ 2,315,353	\$ 2,315,353	\$ 2,315,353	\$ 1,947,893	\$ 2,032,443	\$ 2,039,853	\$ 2,110,153	\$ 2,103,313	\$ 2,121,392	\$ 2,113,745
ANR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Equitrans	\$ 19,938	\$ 19,938	\$ 19,938	\$ 12,231	\$ 12,231	\$ 12,231	\$ 12,231	\$ 12,231	\$ 12,231	\$ 12,231
Total Demand Charges	\$ 2,335,291	\$ 2,335,291	\$ 2,335,291	\$ 1,960,124	\$ 2,044,674	\$ 2,052,084	\$ 2,122,384	\$ 2,115,544	\$ 2,133,623	\$ 2,125,976

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.04(c)(1)

Texas Eastern
 Storages

	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05
SSIA										
Injections	\$ 182	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,539	\$ 15,564	\$ 15,062	\$ 15,564
Withdrawal	\$ 687	\$ 26,154	\$ 49,490	\$ 41,628	\$ 3,444	\$ -	\$ -	\$ -	\$ -	\$ -
Capacity	\$ 28,522	\$ 28,522	\$ 28,522	\$ 28,522	\$ 28,522	\$ 28,522	\$ 28,522	\$ 28,522	\$ 28,522	\$ 28,522
Demand	\$ 195,235	\$ 195,235	\$ 195,235	\$ 195,235	\$ 195,235	\$ 195,235	\$ 195,235	\$ 195,235	\$ 195,235	\$ 195,235
Total Charges	\$ 224,627	\$ 249,911	\$ 273,247	\$ 265,386	\$ 227,201	\$ 233,297	\$ 239,322	\$ 238,820	\$ 239,322	\$ 239,322
SSIB										
Injections	\$ 173	\$ -	\$ -	\$ -	\$ -	\$ 5,604	\$ 14,477	\$ 14,010	\$ 14,477	\$ 14,477
Withdrawal	\$ 1,321	\$ 23,343	\$ 41,151	\$ 36,954	\$ 3,929	\$ -	\$ -	\$ -	\$ -	\$ -
Capacity	\$ 26,529	\$ 26,529	\$ 26,529	\$ 26,529	\$ 26,529	\$ 26,529	\$ 26,529	\$ 26,529	\$ 26,529	\$ 26,529
Demand	\$ 114,346	\$ 114,346	\$ 114,346	\$ 114,346	\$ 114,346	\$ 114,346	\$ 114,346	\$ 114,346	\$ 114,346	\$ 114,346
Total Charges	\$ 142,369	\$ 164,219	\$ 182,026	\$ 177,829	\$ 144,805	\$ 146,479	\$ 155,352	\$ 154,885	\$ 155,352	\$ 155,352
GSSTE										
Injections	\$ 977	\$ -	\$ -	\$ -	\$ -	\$ 3,174	\$ 14,058	\$ 12,947	\$ 12,206	\$ 12,206
Injections/Retention Fuel	\$ 8,975	\$ -	\$ -	\$ -	\$ -	\$ 26,031	\$ -	\$ 105,608	\$ 101,251	\$ 101,854
Withdrawal	\$ 1,877	\$ 21,617	\$ 22,267	\$ 19,268	\$ 3,718	\$ -	\$ -	\$ -	\$ -	\$ -
Capacity	\$ 56,825	\$ 56,825	\$ 56,825	\$ 56,825	\$ 56,825	\$ 56,825	\$ 56,825	\$ 56,825	\$ 56,825	\$ 56,825
Demand	\$ 64,148	\$ 64,148	\$ 64,148	\$ 64,148	\$ 64,148	\$ 64,148	\$ 64,148	\$ 64,148	\$ 64,148	\$ 64,148
Total Charges	\$ 132,802	\$ 142,584	\$ 143,240	\$ 140,241	\$ 124,691	\$ 150,178	\$ 135,031	\$ 239,528	\$ 234,430	\$ 235,033
ANR										
Injections	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Withdrawal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capacity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Demand	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transportation Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Charges	\$ -									
EQUITRANS										
Injections	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 698	\$ 721	\$ 698	\$ 721	\$ 721
Withdrawal	\$ 311	\$ 1,290	\$ 1,379	\$ 1,132	\$ 538	\$ -	\$ -	\$ -	\$ -	\$ -
Capacity	\$ 13,846	\$ 13,846	\$ 13,846	\$ 13,846	\$ 13,846	\$ 13,846	\$ 13,846	\$ 13,846	\$ 13,846	\$ 13,846
Demand	\$ 6,941	\$ 6,941	\$ 6,941	\$ 6,941	\$ 6,941	\$ 6,941	\$ 6,941	\$ 6,941	\$ 6,941	\$ 6,941
Total Charges	\$ 21,098	\$ 22,077	\$ 22,166	\$ 21,919	\$ 21,325	\$ 21,485	\$ 21,508	\$ 21,485	\$ 21,508	\$ 21,508
Total Injection Charges	\$ 1,332	\$ -	\$ -	\$ -	\$ -	\$ 19,015	\$ 44,820	\$ 42,717	\$ 42,968	\$ 42,968
Total Injections/Retention Fuel	\$ 8,975	\$ -	\$ -	\$ -	\$ -	\$ 26,031	\$ -	\$ 105,608	\$ 101,251	\$ 101,854
Total Withdrawal Charges	\$ 4,196	\$ 72,398	\$ 114,287	\$ 98,982	\$ 11,629	\$ -				
Total Capacity Charges	\$ 125,723									
Total Demand Charges	\$ 380,670									
Total Transportation Charge	\$ -									
Total Storages	\$ 520,896	\$ 578,791	\$ 620,680	\$ 605,375	\$ 518,022	\$ 551,439	\$ 551,213	\$ 654,718	\$ 650,611	\$ 651,215

Forecasted Summary of Firm Transportation

Texas Eastern Demand	\$ 2,315,353	\$ 2,315,353	\$ 2,315,353	\$ 2,315,353	\$ 2,315,353	\$ 2,315,353	\$ 2,315,353	\$ 2,315,353	\$ 2,315,353	\$ 2,315,353
Capacity Release Credits	\$ (314,230)	\$ (165,110)	\$ -	\$ -	\$ -	\$ (233,387)	\$ (258,267)	\$ (271,302)	\$ (187,704)	\$ (193,961)
Net Total	\$ 2,001,123	\$ 2,150,243	\$ 2,315,353	\$ 2,315,353	\$ 2,315,353	\$ 2,081,966	\$ 2,057,086	\$ 2,044,051	\$ 2,127,649	\$ 2,121,392
ANR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Equitrans	\$ 19,938	\$ 19,938	\$ 19,938	\$ 19,938	\$ 19,938	\$ 12,231	\$ 12,231	\$ 12,231	\$ 12,231	\$ 12,231
Total Demand Charges	\$ 2,021,061	\$ 2,170,181	\$ 2,335,291	\$ 2,335,291	\$ 2,335,291	\$ 2,093,997	\$ 2,069,317	\$ 2,056,282	\$ 2,139,880	\$ 2,133,623

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 item 53.64(e)(1)

Texas Eastern
 TE Spot Purchases
 CDS-EIA

Rates :

	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04
Price	\$ 6.1500	\$ 7.0040	\$ 6.8680	\$ 5.7380	\$ 5.0865	\$ 4.9805	\$ 4.9805	\$ 4.9465	\$ 5.1050	\$ 5.0800
Transport Fuel	\$ 0.6674	\$ 0.7601	\$ 0.7453	\$ 0.4929	\$ 0.4369	\$ 0.4278	\$ 0.4278	\$ 0.4249	\$ 0.4385	\$ 0.4363
Transport Charge	\$ 0.0862	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873
ACA	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City Gate Delivered Price	\$ 6.9057	\$ 7.8535	\$ 7.7027	\$ 6.3203	\$ 5.6128	\$ 5.4977	\$ 5.4977	\$ 5.4608	\$ 5.6329	\$ 5.6057
D1 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Volumes :

Purchased Volume	1,019,009	924,601	789,737	1,560,834	1,521,488	862,035	890,769	890,769	514,266	708,753
Delivered Volume	917,290	834,083	712,422	1,437,372	1,401,138	793,848	820,309	820,309	473,588	652,691
D1 Demand Volume										
D2 Demand Volume										
Transport Fuel Expressed As %	9.79%	9.79%	9.79%	7.91%	7.91%	7.91%	7.91%	7.91%	7.91%	7.91%

Transportation Cost :

Transport Charge	\$ 80,794	\$ 72,815	\$ 62,194	\$ 125,483	\$ 122,319	\$ 69,303	\$ 71,613	\$ 71,613	\$ 41,344	\$ 56,980
ACA	\$ 1,968	\$ 1,752	\$ 1,496	\$ 3,018	\$ 2,942	\$ 1,667	\$ 1,723	\$ 1,723	\$ 995	\$ 1,371
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Pipeline Charge	\$ 82,763	\$ 74,567	\$ 63,691	\$ 128,501	\$ 125,262	\$ 70,970	\$ 73,336	\$ 73,336	\$ 42,339	\$ 58,351
Purchased price	\$ 6,389,905	\$ 6,475,905	\$ 5,423,914	\$ 8,956,065	\$ 7,739,049	\$ 4,293,365	\$ 4,436,475	\$ 4,406,189	\$ 2,625,328	\$ 3,600,465
D1 Charge	-	-	-	-	-	-	-	-	-	-
D2 Charge	-	-	-	-	-	-	-	-	-	-
Total Supplier Charges	\$ 6,389,905	\$ 6,475,905	\$ 5,423,914	\$ 8,956,065	\$ 7,739,049	\$ 4,293,365	\$ 4,436,475	\$ 4,406,189	\$ 2,625,328	\$ 3,600,465
Total Charges	\$ 6,472,668	\$ 6,550,472	\$ 5,487,604	\$ 9,084,567	\$ 7,864,310	\$ 4,364,335	\$ 4,509,811	\$ 4,479,524	\$ 2,667,667	\$ 3,658,816

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.64(c)(1)

Texas Eastern
 TE Spot Purchases
 CDS-ELA

Rates :

	<u>Nov-04</u>	<u>Dec-04</u>	<u>Jan-05</u>	<u>Feb-05</u>	<u>Mar-05</u>	<u>Apr-05</u>	<u>May-05</u>	<u>Jun-05</u>	<u>Jul-05</u>	<u>Aug-05</u>
Price	\$ 5.2100	\$ 5.4890	\$ 5.5115	\$ 5.4140	\$ 5.1290	\$ 4.6415	\$ 4.5715	\$ 4.6165	\$ 4.6965	\$ 4.7250
Transport Fuel	\$ 0.4475	\$ 0.5957	\$ 0.5981	\$ 0.5876	\$ 0.5566	\$ 0.3987	\$ 0.3927	\$ 0.3965	\$ 0.4034	\$ 0.4059
Transport Charge	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873
ACA	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City Gate Delivered Price	\$ 5.7469	\$ 6.1741	\$ 6.1990	\$ 6.0910	\$ 5.7750	\$ 5.1296	\$ 5.0536	\$ 5.1024	\$ 5.1893	\$ 5.2203
D1 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Volumes :

Purchased Volume	1,806,614	1,956,429	2,097,506	1,708,557	2,105,383	1,739,762	1,723,286	862,035	890,769	890,769
Delivered Volume	1,663,711	1,764,895	1,892,160	1,541,289	1,899,266	1,602,147	1,586,974	793,848	820,309	820,309
D1 Demand Volume										
D2 Demand Volume										
Transport Fuel Expressed As %	7.91%	9.79%	9.79%	9.79%	9.79%	7.91%	7.91%	7.91%	7.91%	7.91%

Transportation Cost :

Transport Charge	\$ 145,242	\$ 154,075	\$ 165,186	\$ 134,555	\$ 165,806	\$ 139,867	\$ 138,543	\$ 69,303	\$ 71,613	\$ 71,613
ACA	\$ 3,494	\$ 3,706	\$ 3,974	\$ 3,237	\$ 3,988	\$ 3,365	\$ 3,333	\$ 1,667	\$ 1,723	\$ 1,723
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Pipeline Charge	\$ 148,736	\$ 157,782	\$ 169,159	\$ 137,791	\$ 169,794	\$ 143,232	\$ 141,875	\$ 70,970	\$ 73,336	\$ 73,336
Purchased price	\$ 9,412,459	\$ 10,738,839	\$ 11,560,404	\$ 9,250,128	\$ 10,798,509	\$ 8,075,105	\$ 7,878,002	\$ 3,979,585	\$ 4,183,497	\$ 4,208,884
D1 Charge	-	-	-	-	-	-	-	-	-	-
D2 Charge	-	-	-	-	-	-	-	-	-	-
Total Supplier Charges	\$ 9,412,459	\$ 10,738,839	\$ 11,560,404	\$ 9,250,128	\$ 10,798,509	\$ 8,075,105	\$ 7,878,002	\$ 3,979,585	\$ 4,183,497	\$ 4,208,884
Total Charges	\$ 9,561,195	\$ 10,896,620	\$ 11,729,563	\$ 9,387,919	\$ 10,968,304	\$ 8,218,337	\$ 8,019,877	\$ 4,050,555	\$ 4,256,832	\$ 4,282,219

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.64(c)(1)

Texas Eastern
 TE Spot Purchases
 FT1-EIA

Rates :

	<u>Jan-04</u>	<u>Feb-04</u>	<u>Mar-04</u>	<u>Apr-04</u>	<u>May-04</u>	<u>Jun-04</u>	<u>Jul-04</u>	<u>Aug-04</u>	<u>Sep-04</u>	<u>Oct-04</u>
Price	\$ 6.1500	\$ 7.0040	\$ 6.8680	\$ 5.7380	\$ 5.0865	\$ 4.9805	\$ 4.9805	\$ 4.9465	\$ 5.1050	\$ 5.0800
Transport Fuel	\$ 0.6674	\$ 0.7601	\$ 0.7453	\$ 0.4929	\$ 0.4369	\$ 0.4278	\$ 0.4278	\$ 0.4249	\$ 0.4385	\$ 0.4363
Transport Charge	\$ 0.0862	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873
ACA	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City Gate Delivered Price	\$ 6.9057	\$ 7.8535	\$ 7.7027	\$ 6.3203	\$ 5.6128	\$ 5.4977	\$ 5.4977	\$ 5.4608	\$ 5.6329	\$ 5.6057
D1 rate	\$ -									
D2 rate	\$ -									

Volumes :

Purchased Volume	-	9,722	3,909	42,833	6,119	-	-	-	-	37,392
Delivered Volume	-	8,770	3,526	39,445	5,635	-	-	-	-	34,434
D1 Demand Volume	-									
D2 Demand Volume	-									
Transport Fuel Expressed As %	9.79%	9.79%	9.79%	7.91%	7.91%	7.91%	7.91%	7.91%	7.91%	7.91%

Transportation Cost :

Transport Charge	\$ -	\$ 766	\$ 308	\$ 3,444	\$ 492	\$ -	\$ -	\$ -	\$ -	\$ 3,006
ACA	\$ -	\$ 18	\$ 7	\$ 83	\$ 12	\$ -	\$ -	\$ -	\$ -	\$ 72
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Pipeline Charge	\$ -	\$ 784	\$ 315	\$ 3,526	\$ 504	\$ -	\$ -	\$ -	\$ -	\$ 3,078
Purchased price	\$ -	\$ 68,091	\$ 26,845	\$ 245,776	\$ 31,124	\$ -	\$ -	\$ -	\$ -	\$ 189,950
D1 Charge	-	-	-	-	-	-	-	-	-	-
D2 Charge	-	-	-	-	-	-	-	-	-	-
Total Supplier Charges	\$ -	\$ 68,091	\$ 26,845	\$ 245,776	\$ 31,124	\$ -	\$ -	\$ -	\$ -	\$ 189,950
Total Charges	\$ -	\$ 68,875	\$ 27,160	\$ 249,303	\$ 31,628	\$ -	\$ -	\$ -	\$ -	\$ 193,028

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 item 53.64(c)(1)

Texas Eastern
 TE Spot Purchases
 FTI-ELA

Rates :

	<u>Nov-04</u>	<u>Dec-04</u>	<u>Jan-05</u>	<u>Feb-05</u>	<u>Mar-05</u>	<u>Apr-05</u>	<u>May-05</u>	<u>Jun-05</u>	<u>Jul-05</u>	<u>Aug-05</u>
Price	\$ 5.2100	\$ 5.4890	\$ 5.5115	\$ 5.4140	\$ 5.1290	\$ 4.6415	\$ 4.5715	\$ 4.6165	\$ 4.6965	\$ 4.7250
Transport Fuel	\$ 0.4475	\$ 0.5957	\$ 0.5981	\$ 0.5876	\$ 0.5566	\$ 0.3987	\$ 0.3927	\$ 0.3965	\$ 0.4034	\$ 0.4059
Transport Charge	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873
ACA	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City Gate Delivered Price	\$ 5.7469	\$ 6.1741	\$ 6.1990	\$ 6.0910	\$ 5.7750	\$ 5.1296	\$ 5.0536	\$ 5.1024	\$ 5.1893	\$ 5.2203

D1 rate						\$ -	\$ -	\$ -	\$ -	\$ -
D2 rate						\$ -	\$ -	\$ -	\$ -	\$ -

Volumes :

Purchased Volume	873,051	535,132	673,895	422,961	1,202,391	244,527	32,920	-	-	-
Delivered Volume	803,993	482,743	607,921	381,553	1,084,677	225,185	30,316	-	-	-
D1 Demand Volume										
D2 Demand Volume										
Transport Fuel Expressed As %	7.91%	9.79%	9.79%	9.79%	9.79%	7.91%	7.91%	7.91%	7.91%	7.91%

Transportation Cost :

Transport Charge	\$ 70,189	\$ 42,141	\$ 51,072	\$ 33,310	\$ 94,692	\$ 19,659	\$ 2,647	\$ -	\$ -	\$ -
ACA	\$ 1,688	\$ 1,014	\$ 1,277	\$ 801	\$ 2,278	\$ 473	\$ 64	\$ -	\$ -	\$ -
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Pipeline Charge	\$ 71,877	\$ 43,155	\$ 52,349	\$ 34,111	\$ 96,970	\$ 20,132	\$ 2,710	\$ -	\$ -	\$ -
Purchased price	\$ 4,548,598	\$ 2,937,342	\$ 3,714,174	\$ 2,289,910	\$ 6,167,064	\$ 1,134,973	\$ 150,494	\$ -	\$ -	\$ -
D1 Charge										
D2 Charge										
Total Supplier Charges	\$ 4,548,598	\$ 2,937,342	\$ 3,714,174	\$ 2,289,910	\$ 6,167,064	\$ 1,134,973	\$ 150,494	\$ -	\$ -	\$ -
Total Charges	\$ 4,620,475	\$ 2,980,499	\$ 3,766,522	\$ 2,324,021	\$ 6,264,034	\$ 1,155,104	\$ 153,204	\$ -	\$ -	\$ -

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.64(c)(1)

Texas Eastern
 TE Spot Purchases
 CNG/Dominion

Rates :

	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04
Price	\$ 6.1500	\$ 7.0040	\$ 6.8680	\$ 5.7380	\$ 5.0865	\$ 4.9805	\$ 4.9805	\$ 4.9465	\$ 5.1050	\$ 5.0800
Transport Fuel	\$ 0.6674	\$ 0.7601	\$ 0.7453	\$ 0.4929	\$ 0.4369	\$ 0.4278	\$ 0.4278	\$ 0.4249	\$ 0.4385	\$ 0.4363
Transport Charge	\$ 0.0862	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873
ACA	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021
GRI Commodity Surcharge	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040
Sub Total Refill Price	\$ 6.9097	\$ 7.8575	\$ 7.7067	\$ 6.3243	\$ 5.6168	\$ 5.5017	\$ 5.5017	\$ 5.4648	\$ 5.6369	\$ 5.6097
Retention Fuel	\$ 0.2299	\$ 0.2614	\$ 0.2564	\$ 0.2104	\$ 0.1869	\$ 0.1830	\$ 0.1830	\$ 0.1818	\$ 0.1875	\$ 0.1866
Delivered Price	\$ 7.1396	\$ 8.1189	\$ 7.9632	\$ 6.5347	\$ 5.8037	\$ 5.6847	\$ 5.6847	\$ 5.6466	\$ 5.8244	\$ 5.7964
D1 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Volumes :

Purchased Volume	-	-	-	165,495	-	671,873	636,316	636,316	615,789	-
Delivered Volume	-	-	-	152,404	-	618,728	585,983	585,983	567,080	-
D1 Demand Volume	-	-	-	-	-	-	-	-	-	-
D2 Demand Volume	-	-	-	-	-	-	-	-	-	-
Transport Fuel Expressed As % Injection/Retention Fuel As %	9.79%	9.79%	9.79%	7.91%	7.91%	7.91%	7.91%	7.91%	7.91%	7.91%
	3.22%	3.22%	3.22%	3.22%	3.22%	3.22%	3.22%	3.22%	3.22%	3.22%

Transportation Cost :

Transport Charge	\$ -	\$ -	\$ -	\$ 13,305	\$ -	\$ 54,015	\$ 51,156	\$ 51,156	\$ 49,506	\$ -
ACA	\$ -	\$ -	\$ -	\$ 320	\$ -	\$ 1,299	\$ 1,231	\$ 1,231	\$ 1,191	\$ -
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ 610	\$ -	\$ 2,475	\$ 2,344	\$ 2,344	\$ 2,268	\$ -
TE Pipeline Charge	\$ -	\$ -	\$ -	\$ 14,235	\$ -	\$ 57,789	\$ 54,731	\$ 54,731	\$ 52,965	\$ -
Dominion Charge's	\$ -	\$ -	\$ -	\$ 32,068	\$ -	\$ 113,257	\$ 107,263	\$ 106,544	\$ 106,354	\$ -
Total Pipeline Charges	\$ -	\$ -	\$ -	\$ 46,303	\$ -	\$ 171,047	\$ 161,994	\$ 161,274	\$ 159,319	\$ -
Purchased price	\$ -	\$ -	\$ -	\$ 949,608	\$ -	\$ 3,346,264	\$ 3,169,170	\$ 3,147,535	\$ 3,143,602	\$ -
D1 Charge	-	-	-	-	-	-	-	-	-	-
D2 Charge	-	-	-	-	-	-	-	-	-	-
Total Supplier Charges	\$ -	\$ -	\$ -	\$ 949,608	\$ -	\$ 3,346,264	\$ 3,169,170	\$ 3,147,535	\$ 3,143,602	\$ -
Total Charges	\$ -	\$ -	\$ -	\$ 995,911	\$ -	\$ 3,517,311	\$ 3,331,164	\$ 3,308,809	\$ 3,302,922	\$ -

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.84(c)(1)

Texas Eastern
 TE Spot Purchases
 CNG/Dominion

Rates :

	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05
Price	\$ 5.2100	\$ 5.4890	\$ 5.5115	\$ 5.4140	\$ 5.1290	\$ 4.6415	\$ 4.5715	\$ 4.6165	\$ 4.6965	\$ 4.7250
Transport Fuel	\$ 0.4475	\$ 0.5957	\$ 0.5981	\$ 0.5876	\$ 0.5566	\$ 0.3987	\$ 0.3927	\$ 0.3965	\$ 0.4034	\$ 0.4059
Transport Charge	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873
ACA	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021
GRI Commodity Surcharge	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040
Sub Total Refill Price	\$ 5.7509	\$ 6.1781	\$ 6.2030	\$ 6.0950	\$ 5.7790	\$ 5.1336	\$ 5.0576	\$ 5.1064	\$ 5.1933	\$ 5.2243
Retention Fuel	\$ 0.1913	\$ 0.2056	\$ 0.2064	\$ 0.2028	\$ 0.1923	\$ 0.1708	\$ 0.1683	\$ 0.1699	\$ 0.1728	\$ 0.1738
Delivered Price	\$ 5.9422	\$ 6.3836	\$ 6.4094	\$ 6.2977	\$ 5.9713	\$ 5.3044	\$ 5.2258	\$ 5.2763	\$ 5.3661	\$ 5.3981
D1 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Volumes :

Purchased Volume	50,917	-	-	-	-	165,495	-	674,989	636,316	636,316
Delivered Volume	46,908	-	-	-	-	152,404	-	621,597	585,983	585,983
D1 Demand Volume	-	-	-	-	-	-	-	-	-	-
D2 Demand Volume	-	-	-	-	-	-	-	-	-	-
Transport Fuel Expressed As %	7.91%	9.79%	9.79%	9.79%	9.79%	7.91%	7.91%	7.91%	7.91%	7.91%
Injection/Retention Fuel As %	3.22%	3.22%	3.22%	3.22%	3.22%	3.22%	3.22%	3.22%	3.22%	3.22%

Transportation Cost :

Transport Charge	\$ 4,095	\$ -	\$ -	\$ -	\$ -	\$ 13,305	\$ -	\$ 54,265	\$ 51,156	\$ 51,156
ACA	\$ 99	\$ -	\$ -	\$ -	\$ -	\$ 320	\$ -	\$ 1,305	\$ 1,231	\$ 1,231
GRI Commodity Surcharge	\$ 188	\$ -	\$ -	\$ -	\$ -	\$ 610	\$ -	\$ 2,486	\$ 2,344	\$ 2,344
TE Pipeline Charge	\$ 4,381	\$ -	\$ -	\$ -	\$ -	\$ 14,235	\$ -	\$ 58,057	\$ 54,731	\$ 54,731
Dominion Charge's	\$ 8,975	\$ -	\$ -	\$ -	\$ -	\$ 26,031	\$ -	\$ 105,608	\$ 101,251	\$ 101,854
Total Pipeline Charges	\$ 13,357	\$ -	\$ -	\$ -	\$ -	\$ 40,265	\$ -	\$ 163,665	\$ 155,982	\$ 156,585
Purchased price	\$ 265,382	\$ -	\$ -	\$ -	\$ -	\$ 768,143	\$ -	\$ 3,116,085	\$ 2,988,456	\$ 3,006,591
D1 Charge	-	-	-	-	-	-	-	-	-	-
D2 Charge	-	-	-	-	-	-	-	-	-	-
Total Supplier Charges	\$ 265,382	\$ -	\$ -	\$ -	\$ -	\$ 768,143	\$ -	\$ 3,116,085	\$ 2,988,456	\$ 3,006,591
Total Charges	\$ 278,739	\$ -	\$ -	\$ -	\$ -	\$ 808,409	\$ -	\$ 3,279,750	\$ 3,144,438	\$ 3,163,176

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 item 53.64(c)(1)

Texas Eastern
 TE Spot Purchases
 Equitrans

Rates :

	<u>Jan-04</u>	<u>Feb-04</u>	<u>Mar-04</u>	<u>Apr-04</u>	<u>May-04</u>	<u>Jun-04</u>	<u>Jul-04</u>	<u>Aug-04</u>	<u>Sep-04</u>	<u>Oct-04</u>
Price	\$ 6.1500	\$ 7.0040	\$ 6.8680	\$ 5.7380	\$ 5.0865	\$ 4.9805	\$ 4.9805	\$ 4.9465	\$ 5.1050	\$ 5.0800
Transport Fuel	\$ 0.5647	\$ 0.6431	\$ 0.6306	\$ 0.4292	\$ 0.3805	\$ 0.3726	\$ 0.3726	\$ 0.3700	\$ 0.3819	\$ 0.3800
Transport Charge	\$ 0.0668	\$ 0.0675	\$ 0.0675	\$ 0.0675	\$ 0.0675	\$ 0.0675	\$ 0.0675	\$ 0.0675	\$ 0.0675	\$ 0.0675
ACA	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021
GRI Commodity Surcharge	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040
STS I Transport Fuel	\$ 0.2059	\$ 0.2345	\$ 0.2300	\$ 0.1921	\$ 0.1703	\$ 0.1668	\$ 0.1668	\$ 0.1656	\$ 0.1709	\$ 0.1701
Delivered Price	\$ 6.9935	\$ 7.9553	\$ 7.8022	\$ 6.4330	\$ 5.7109	\$ 5.5934	\$ 5.5934	\$ 5.5558	\$ 5.7314	\$ 5.7037
D1 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Volumes :

Purchased Volume	-	-	-	84,254	87,063	84,254	87,063	87,063	62,078	-
Delivered Volume	-	-	-	78,390	81,003	78,390	81,003	81,003	57,757	-
D1 Demand Volume	-	-	-	-	-	-	-	-	-	-
D2 Demand Volume	-	-	-	-	-	-	-	-	-	-
Transport Fuel Expressed As %	8.41%	8.41%	8.41%	6.96%	6.96%	6.96%	6.96%	6.96%	6.96%	6.96%
STS I Shrinkage Fuel Expressed As %	1.24%	1.24%	1.24%	1.24%	3.24%	3.24%	3.24%	3.24%	3.24%	3.24%

Transportation Cost :

Transport Charge	\$ -	\$ -	\$ -	\$ 5,291	\$ 5,468	\$ 5,291	\$ 5,468	\$ 5,468	\$ 3,899	\$ -
ACA	\$ -	\$ -	\$ -	\$ 165	\$ 170	\$ 165	\$ 170	\$ 170	\$ 121	\$ -
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ 314	\$ 324	\$ 314	\$ 324	\$ 324	\$ 231	\$ -
TE Pipeline Charge	\$ -	\$ -	\$ -	\$ 5,770	\$ 5,962	\$ 5,770	\$ 5,962	\$ 5,962	\$ 4,251	\$ -
Equitrans Pipeline Charges	\$ -	\$ -	\$ -	\$ 15,062	\$ 13,797	\$ 13,073	\$ 13,509	\$ 13,417	\$ 9,873	\$ -
Total Pipeline	\$ -	\$ -	\$ -	\$ 20,831	\$ 19,758	\$ 18,843	\$ 19,471	\$ 19,379	\$ 14,124	\$ -
Purchased price	\$ -	\$ -	\$ -	\$ 483,450	\$ 442,844	\$ 419,627	\$ 433,615	\$ 430,655	\$ 316,906	\$ -
D1 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Supplier Charges	\$ -	\$ -	\$ -	\$ 483,450	\$ 442,844	\$ 419,627	\$ 433,615	\$ 430,655	\$ 316,906	\$ -
Total Charges	\$ -	\$ -	\$ -	\$ 504,281	\$ 462,602	\$ 438,470	\$ 453,086	\$ 450,034	\$ 331,030	\$ -

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.64(c)(1)

Texas Eastern
 TE Spot Purchases
 Equitrans

Rates :

	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05
Price	\$ 5.2100	\$ 5.4890	\$ 5.5115	\$ 5.4140	\$ 5.1290	\$ 4.6415	\$ 4.5715	\$ 4.6165	\$ 4.6965	\$ 4.7250
Transport Fuel	\$ 0.3897	\$ 0.5040	\$ 0.5061	\$ 0.4971	\$ 0.4710	\$ 0.3472	\$ 0.3420	\$ 0.3453	\$ 0.3513	\$ 0.3535
Transport Charge	\$ 0.0675	\$ 0.0675	\$ 0.0675	\$ 0.0675	\$ 0.0675	\$ 0.0675	\$ 0.0675	\$ 0.0675	\$ 0.0675	\$ 0.0675
ACA	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021
GRI Commodity Surcharge	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0040
STS 1 Transport Fuel	\$ 0.1745	\$ 0.1838	\$ 0.1846	\$ 0.1813	\$ 0.1717	\$ 0.1554	\$ 0.1531	\$ 0.1546	\$ 0.1573	\$ 0.1582
Delivered Price	\$ 5.8478	\$ 6.2504	\$ 6.2757	\$ 6.1660	\$ 5.8453	\$ 5.2177	\$ 5.1402	\$ 5.1900	\$ 5.2787	\$ 5.3103
D1 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Volumes :

Purchased Volume	-	-	-	-	-	84,254	87,063	84,254	87,063	87,063
Delivered Volume	-	-	-	-	-	78,390	81,003	78,390	81,003	81,003
D1 Demand Volume	-	-	-	-	-	-	-	-	-	-
D2 Demand Volume	-	-	-	-	-	-	-	-	-	-
Transport Fuel Expressed As %	6.96%	8.41%	8.41%	8.41%	8.41%	6.96%	6.96%	6.96%	6.96%	6.96%
STS1 Shrinkage Fuel Expressed As %	3.24%	3.24%	3.24%	3.24%	3.24%	3.24%	3.24%	3.24%	3.24%	3.24%

Transportation Cost :

Transport Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,291	\$ 5,468	\$ 5,291	\$ 5,468	\$ 5,468
ACA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 165	\$ 170	\$ 165	\$ 170	\$ 170
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 314	\$ 324	\$ 314	\$ 324	\$ 324
TE Pipeline Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,770	\$ 5,962	\$ 5,770	\$ 5,962	\$ 5,962
Equitrans Pipeline Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,183	\$ 12,400	\$ 12,118	\$ 12,739	\$ 12,816
Total Pipeline	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,953	\$ 18,361	\$ 17,887	\$ 18,701	\$ 18,778
Purchased price	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 391,065	\$ 398,006	\$ 388,959	\$ 408,889	\$ 411,371
D1 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Supplier Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 391,065	\$ 398,006	\$ 388,959	\$ 408,889	\$ 411,371
Total Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 409,018	\$ 416,368	\$ 406,846	\$ 427,590	\$ 430,148

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 item 53.64(c)(1)

Texas Eastern
 Supplier 1
 STX

Rates :

	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04
Price	\$ 5.8350	\$ 6.9040	\$ 6.8080	\$ 5.6980	\$ 5.0565	\$ 4.9505	\$ 4.9405	\$ 4.9165	\$ 5.0850	\$ 5.0500
Transport Fuel	\$ 0.7345	\$ 0.8690	\$ 0.8569	\$ 0.5546	\$ 0.4922	\$ 0.4818	\$ 0.4809	\$ 0.4785	\$ 0.4949	\$ 0.4915
Transport Charge	\$ 0.0945	\$ 0.0956	\$ 0.0956	\$ 0.0956	\$ 0.0956	\$ 0.0956	\$ 0.0956	\$ 0.0956	\$ 0.0956	\$ 0.0956
ACA	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City Gate Delivered Price	\$ 6.6661	\$ 7.8707	\$ 7.7626	\$ 6.3503	\$ 5.6464	\$ 5.5300	\$ 5.5191	\$ 5.4927	\$ 5.6776	\$ 5.6392
D1 rate	\$ 0.3000	\$ 0.3000	\$ 0.3000	\$ 0.1500	\$ 0.1500	\$ 0.1500	\$ 0.1500	\$ 0.1500	\$ 0.1500	\$ 0.1500
D2 rate	\$ 0.3000	\$ 0.2000	\$ 0.2000	\$ 0.0500	\$ 0.0500	\$ 0.0500	\$ 0.0500	\$ 0.0500	\$ 0.1500	\$ 0.1500

Volumes :

Purchased Volume	136,343	-	-	-	-	-	-	-	-	-
Delivered Volume	121,100	-	-	-	-	-	-	-	-	-
D1 Demand Volume	169,066	152,704	169,066	159,465	164,780	159,465	164,780	159,465	159,465	164,780
D2 Demand Volume	121,100	-	-	-	-	-	-	-	-	-
Transport Fuel Expressed As %	11.18%	11.18%	11.18%	8.87%	8.87%	8.87%	8.87%	8.87%	8.87%	8.87%

Transportation Cost :

Transport Charge	\$ 11,444	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ACA	\$ 254	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Pipeline Charge	\$ 11,698	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchased price	\$ 795,562	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D1 Charge	\$ 50,720	\$ 45,811	\$ 50,720	\$ 23,920	\$ 24,717	\$ 23,920	\$ 24,717	\$ 23,920	\$ 23,920	\$ 24,717
D2 Charge	\$ 36,330	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Supplier Charges	\$ 882,612	\$ 45,811	\$ 50,720	\$ 23,920	\$ 24,717	\$ 23,920	\$ 24,717	\$ 23,920	\$ 23,920	\$ 24,717
Total Charges	\$ 894,310	\$ 45,811	\$ 50,720	\$ 23,920	\$ 24,717	\$ 23,920	\$ 24,717	\$ 23,920	\$ 23,920	\$ 24,717

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.64(c)(1)

Texas Eastern
 Supplier 1
 STX

Rates :

	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05
Price	\$ 5.1600	\$ 5.3890	\$ 5.4015	\$ 5.2940	\$ 5.0590	\$ 4.6015	\$ 4.5515	\$ 4.5865	\$ 4.6565	\$ 4.6850
Transport Fuel	\$ 0.5022	\$ 0.6783	\$ 0.6799	\$ 0.6664	\$ 0.6368	\$ 0.4479	\$ 0.4430	\$ 0.4464	\$ 0.4532	\$ 0.4560
Transport Charge	\$ 0.0956	\$ 0.0956	\$ 0.0956	\$ 0.0956	\$ 0.0956	\$ 0.0956	\$ 0.0956	\$ 0.0956	\$ 0.0956	\$ 0.0956
ACA	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City Gate Delivered Price	\$ 5.7599	\$ 6.1650	\$ 6.1791	\$ 6.0581	\$ 5.7935	\$ 5.1471	\$ 5.0922	\$ 5.1306	\$ 5.2074	\$ 5.2387
D1 rate	\$ 0.3000	\$ 0.3000	\$ 0.3000	\$ 0.3000	\$ 0.3000	\$ 0.1500	\$ 0.1500	\$ 0.1500	\$ 0.1500	\$ 0.1500
D2 rate	\$ 0.3000	\$ 0.3000	\$ 0.3000	\$ 0.3000	\$ 0.3000	\$ 0.1500	\$ 0.1500	\$ 0.1500	\$ 0.1500	\$ 0.1500

Volumes :

Purchased Volume	-	158,034	163,612	141,797	-	-	-	-	-	-
Delivered Volume	-	140,366	145,320	125,944	-	-	-	-	-	-
D1 Demand Volume	159,465	169,066	169,066	152,704	169,066	159,465	164,780	159,465	164,780	159,465
D2 Demand Volume	-	140,366	145,320	125,944	-	-	-	-	-	-
Transport Fuel Expressed As %	8.87%	11.18%	11.18%	11.18%	11.18%	8.87%	8.87%	8.87%	8.87%	8.87%

Transportation Cost :

Transport Charge	\$ -	\$ 13,419	\$ 13,893	\$ 12,040	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ACA	\$ -	\$ 295	\$ 305	\$ 264	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Pipeline Charge	\$ -	\$ 13,714	\$ 14,198	\$ 12,305	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchased price	\$ -	\$ 851,646	\$ 883,749	\$ 750,673	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D1 Charge	\$ 47,840	\$ 50,720	\$ 50,720	\$ 45,811	\$ 50,720	\$ 23,920	\$ 24,717	\$ 23,920	\$ 24,717	\$ 23,920
D2 Charge	\$ -	\$ 42,110	\$ 43,596	\$ 37,783	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Supplier Charges	\$ 47,840	\$ 944,476	\$ 978,065	\$ 834,267	\$ 50,720	\$ 23,920	\$ 24,717	\$ 23,920	\$ 24,717	\$ 23,920
Total Charges	\$ 47,840	\$ 958,190	\$ 992,263	\$ 846,572	\$ 50,720	\$ 23,920	\$ 24,717	\$ 23,920	\$ 24,717	\$ 23,920

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.64(c)(1)

Texas Eastern
 Supplier 1
 WIA

Rates :

	<u>Jan-04</u>	<u>Feb-04</u>	<u>Mar-04</u>	<u>Apr-04</u>	<u>May-04</u>	<u>Jun-04</u>	<u>Jul-04</u>	<u>Aug-04</u>	<u>Sep-04</u>	<u>Oct-04</u>
Price	\$ 6.1450	\$ 6.9940	\$ 6.8780	\$ 5.7380	\$ 5.0965	\$ 5.0005	\$ 5.0005	\$ 4.9665	\$ 5.1250	\$ 5.1000
Transport Fuel	\$ 0.6995	\$ 0.7962	\$ 0.7829	\$ 0.5125	\$ 0.4552	\$ 0.4467	\$ 0.4467	\$ 0.4436	\$ 0.4578	\$ 0.4556
Transport Charge	\$ 0.0888	\$ 0.0899	\$ 0.0899	\$ 0.0899	\$ 0.0899	\$ 0.0899	\$ 0.0899	\$ 0.0899	\$ 0.0899	\$ 0.0899
ACA	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City Gate Delivered Price	\$ 6.9354	\$ 7.8822	\$ 7.7529	\$ 6.3425	\$ 5.6437	\$ 5.5392	\$ 5.5392	\$ 5.5021	\$ 5.6748	\$ 5.6476
D1 rate	\$ 0.3000	\$ 0.3000	\$ 0.3000	\$ 0.1500	\$ 0.1500	\$ 0.1500	\$ 0.1500	\$ 0.1500	\$ 0.1500	\$ 0.1500
D2 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Volumes :

Purchased Volume	-	-	-	-	-	-	-	-	-	-
Delivered Volume	-	-	-	-	-	-	-	-	-	-
D1 Demand Volume	146,230	132,078	146,230	138,399	143,012	138,399	143,012	143,012	138,399	143,012
D2 Demand Volume	-	-	-	-	-	-	-	-	-	-
Transport Fuel Expressed As %	10.22%	10.22%	10.22%	8.20%	8.20%	8.20%	8.20%	8.20%	8.20%	8.20%

Transportation Cost :

Transport Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ACA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Pipeline Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchased price	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D1 Charge	\$ 43,869	\$ 39,623	\$ 43,869	\$ 20,760	\$ 21,452	\$ 20,760	\$ 21,452	\$ 21,452	\$ 20,760	\$ 21,452
D2 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Supplier Charges	\$ 43,869	\$ 39,623	\$ 43,869	\$ 20,760	\$ 21,452	\$ 20,760	\$ 21,452	\$ 21,452	\$ 20,760	\$ 21,452
Total Charges	\$ 43,869	\$ 39,623	\$ 43,869	\$ 20,760	\$ 21,452	\$ 20,760	\$ 21,452	\$ 21,452	\$ 20,760	\$ 21,452

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.64(c)(1)

Texas Eastern
 Supplier 1
 WLA

Rates :

	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05
Price	\$ 5.2300	\$ 5.4990	\$ 5.5015	\$ 5.3840	\$ 5.1290	\$ 4.6415	\$ 4.5915	\$ 4.6365	\$ 4.7165	\$ 4.7450
Transport Fuel	\$ 0.4672	\$ 0.6260	\$ 0.6263	\$ 0.6129	\$ 0.5839	\$ 0.4146	\$ 0.4101	\$ 0.4142	\$ 0.4213	\$ 0.4238
Transport Charge	\$ 0.0899	\$ 0.0899	\$ 0.0899	\$ 0.0899	\$ 0.0899	\$ 0.0899	\$ 0.0899	\$ 0.0899	\$ 0.0899	\$ 0.0899
ACA	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City Gate Delivered Price	\$ 5.7892	\$ 6.2170	\$ 6.2198	\$ 6.0889	\$ 5.8049	\$ 5.1481	\$ 5.0936	\$ 5.1427	\$ 5.2298	\$ 5.2608
D1 rate	\$ 0.3000	\$ 0.3000	\$ 0.3000	\$ 0.3000	\$ 0.3000	\$ 0.1500	\$ 0.1500	\$ 0.1500	\$ 0.1500	\$ 0.1500
D2 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Volumes :

Purchased Volume	-	-	-	122,644	-	-	-	-	-	-
Delivered Volume	-	-	-	110,110	-	-	-	-	-	-
D1 Demand Volume	138,399	146,230	146,230	132,078	146,230	138,399	143,012	138,399	143,012	143,012
D2 Demand Volume	-	-	-	-	-	-	-	-	-	-
Transport Fuel Expressed As %	8.20%	10.22%	10.22%	10.22%	10.22%	8.20%	8.20%	8.20%	8.20%	8.20%

Transportation Cost :

Transport Charge	\$ -	\$ -	\$ -	\$ 9,899	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ACA	\$ -	\$ -	\$ -	\$ 231	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Pipeline Charge	\$ -	\$ -	\$ -	\$ 10,130	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchased price	\$ -	\$ -	\$ -	\$ 660,317	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D1 Charge	\$ 41,520	\$ 43,869	\$ 43,869	\$ 39,623	\$ 43,869	\$ 20,760	\$ 21,452	\$ 20,760	\$ 21,452	\$ 21,452
D2 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Supplier Charges	\$ 41,520	\$ 43,869	\$ 43,869	\$ 699,940	\$ 43,869	\$ 20,760	\$ 21,452	\$ 20,760	\$ 21,452	\$ 21,452
Total Charges	\$ 41,520	\$ 43,869	\$ 43,869	\$ 710,070	\$ 43,869	\$ 20,760	\$ 21,452	\$ 20,760	\$ 21,452	\$ 21,452

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.64(c)(1)

Texas Eastern
 Supplier 1
 ELA

Rates :

	<u>Jan-04</u>	<u>Feb-04</u>	<u>Mar-04</u>	<u>Apr-04</u>	<u>May-04</u>	<u>Jun-04</u>	<u>Jul-04</u>	<u>Aug-04</u>	<u>Sep-04</u>	<u>Oct-04</u>
Price	\$ 6.1500	\$ 7.0000	\$ 6.8680	\$ 5.7380	\$ 5.0865	\$ 4.9805	\$ 4.9805	\$ 4.9465	\$ 5.1050	\$ 5.0800
Transport Fuel	\$ 0.6674	\$ 0.7601	\$ 0.7453	\$ 0.4929	\$ 0.4369	\$ 0.4278	\$ 0.4278	\$ 0.4249	\$ 0.4385	\$ 0.4363
Transport Charge	\$ 0.0862	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873
ACA	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City Gate Delivered Price	\$ 6.9057	\$ 7.8535	\$ 7.7027	\$ 6.3203	\$ 5.6128	\$ 5.4977	\$ 5.4977	\$ 5.4608	\$ 5.6329	\$ 5.6057
D1 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 rate	\$ 0.1500	\$ 0.1500	\$ 0.1500	\$ 0.1500	\$ 0.1500	\$ 0.1500	\$ 0.1500	\$ 0.1500	\$ 0.1500	\$ 0.1500

Volumes :

Purchased Volume	-	-	-	-	-	-	-	-	-	-
Delivered Volume	-	-	-	-	-	-	-	-	-	-
D1 Demand Volume	-	-	-	-	-	-	-	-	-	-
D2 Demand Volume	1,062,577	959,747	1,062,577	192,887	199,317	192,887	199,317	199,317	30,003	31,003
Transport Fuel Expressed As %	9.79%	9.79%	9.79%	7.91%	7.91%	7.91%	7.91%	7.91%	7.91%	7.91%

Transportation Cost :

Transport Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ACA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Pipeline Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchased price	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D1 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 Charge	\$ 318,773	\$ 287,924	\$ 318,773	\$ 28,933	\$ 29,898	\$ 28,933	\$ 29,898	\$ 29,898	\$ 4,500	\$ 4,650
Total Supplier Charges	\$ 318,773	\$ 287,924	\$ 318,773	\$ 28,933	\$ 29,898	\$ 28,933	\$ 29,898	\$ 29,898	\$ 4,500	\$ 4,650
Total Charges	\$ 318,773	\$ 287,924	\$ 318,773	\$ 28,933	\$ 29,898	\$ 28,933	\$ 29,898	\$ 29,898	\$ 4,500	\$ 4,650

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.64(c)(1)

Texas Eastern
 Supplier 1
 ELA

Rates :

	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05
Price	\$ 5.2100	\$ 5.4890	\$ 5.5115	\$ 5.4140	\$ 5.1290	\$ 4.6415	\$ 4.5715	\$ 4.6165	\$ 4.6965	\$ 4.7250
Transport Fuel	\$ 0.4475	\$ 0.5957	\$ 0.5981	\$ 0.5876	\$ 0.5566	\$ 0.3987	\$ 0.3927	\$ 0.3965	\$ 0.4034	\$ 0.4059
Transport Charge	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873
ACA	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City Gate Delivered Price	\$ 5.7469	\$ 6.1741	\$ 6.1990	\$ 6.0910	\$ 5.7750	\$ 5.1296	\$ 5.0536	\$ 5.1024	\$ 5.1893	\$ 5.2203
D1 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 rate	\$ 0.3000	\$ 0.3000	\$ 0.3000	\$ 0.3000	\$ 0.3000	\$ 0.1500	\$ 0.1500	\$ 0.1500	\$ 0.1500	\$ 0.1500

Volumes :

Purchased Volume	-	-	-	-	-	-	-	-	-	-
Delivered Volume	-	-	-	-	-	-	-	-	-	-
D1 Demand Volume	-	-	-	-	-	-	-	-	-	-
D2 Demand Volume	1,007,308	1,062,577	1,062,577	959,747	1,062,577	192,887	199,317	192,887	199,317	199,317
Transport Fuel Expressed As %	7.91%	9.79%	9.79%	9.79%	9.79%	7.91%	7.91%	7.91%	7.91%	7.91%

Transportation Cost :

Transport Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ACA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Pipeline Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchased price	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D1 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 Charge	\$ 302,192	\$ 318,773	\$ 318,773	\$ 287,924	\$ 318,773	\$ 28,933	\$ 29,898	\$ 28,933	\$ 29,898	\$ 29,898
Total Supplier Charges	\$ 302,192	\$ 318,773	\$ 318,773	\$ 287,924	\$ 318,773	\$ 28,933	\$ 29,898	\$ 28,933	\$ 29,898	\$ 29,898
Total Charges	\$ 302,192	\$ 318,773	\$ 318,773	\$ 287,924	\$ 318,773	\$ 28,933	\$ 29,898	\$ 28,933	\$ 29,898	\$ 29,898

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.64(c)(1)

Texas Eastern
 Supplier 2
 STX

Rates :

	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04
Price	\$ 5.5200	\$ 5.4500	\$ 5.3200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Fuel	\$ 0.6948	\$ 0.6860	\$ 0.6696	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Charge	\$ 0.0956	\$ 0.0945	\$ 0.0945	\$ 0.0945	\$ 0.0945	\$ 0.0945	\$ 0.0945	\$ 0.0956	\$ 0.0956	\$ 0.0956
ACA	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City Gate Delivered Price	\$ 6.3125	\$ 6.2326	\$ 6.0862	\$ 0.0966	\$ 0.0966	\$ 0.0966	\$ 0.0966	\$ 0.0977	\$ 0.0977	\$ 0.0977
D1 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Volumes :

Purchased Volume	310,000	290,000	310,000	-	-	-	-	-	-	-
Delivered Volume	275,342	257,578	275,342	-	-	-	-	-	-	-
D1 Demand Volume	-	-	-	-	-	-	-	-	-	-
D2 Demand Volume	-	-	-	-	-	-	-	-	-	-
Transport Fuel Expressed As %	11.18%	11.18%	11.18%	8.87%	8.87%	8.87%	8.87%	8.87%	8.87%	8.87%

Transportation Cost :

Transport Charge	\$ 26,323	\$ 24,341	\$ 26,020	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ACA	\$ 578	\$ 541	\$ 578	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Pipeline Charge	\$ 26,901	\$ 24,882	\$ 26,598	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchased price	\$ 1,711,200	\$ 1,580,500	\$ 1,649,200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D1 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Supplier Charges	\$ 1,711,200	\$ 1,580,500	\$ 1,649,200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Charges	\$ 1,738,101	\$ 1,605,382	\$ 1,675,798	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.64(c)(1)

Texas Eastern
 Supplier 2
 STX

Rates :

	<u>Nov-04</u>	<u>Dec-04</u>	<u>Jan-05</u>	<u>Feb-05</u>	<u>Mar-05</u>	<u>Apr-05</u>	<u>May-05</u>	<u>Jun-05</u>	<u>Jul-05</u>	<u>Aug-05</u>
Price	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Fuel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Charge	\$ 0.0956	\$ 0.0956	\$ 0.0956	\$ 0.0956	\$ 0.0956	\$ 0.0956	\$ 0.0956	\$ 0.0956	\$ 0.0956	\$ 0.0956
ACA	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City Gate Delivered Price	\$ 0.0977	\$ 0.0977	\$ 0.0977	\$ 0.0977	\$ 0.0977	\$ 0.0977	\$ 0.0977	\$ 0.0977	\$ 0.0977	\$ 0.0977
D1 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Volumes :

Purchased Volume	-	-	-	-	-	-	-	-	-	-
Delivered Volume	-	-	-	-	-	-	-	-	-	-
D1 Demand Volume	-	-	-	-	-	-	-	-	-	-
D2 Demand Volume	-	-	-	-	-	-	-	-	-	-
Transport Fuel Expressed As %	8.87%	11.18%	11.18%	11.18%	11.18%	8.87%	8.87%	8.87%	8.87%	8.87%

Transportation Cost :

Transport Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ACA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Pipeline Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchased price	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D1 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Supplier Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.64(c)(1)

Texas Eastern
 Supplier 2
 M1

Rates :

	<u>Jan-04</u>	<u>Feb-04</u>	<u>Mar-04</u>	<u>Apr-04</u>	<u>May-04</u>	<u>Jun-04</u>	<u>Jul-04</u>	<u>Aug-04</u>	<u>Sep-04</u>	<u>Oct-04</u>
Price	\$ 5.8200	\$ 5.7500	\$ 5.6200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Fuel	\$ 0.4093	\$ 0.4043	\$ 0.3952	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Charge	\$ 0.0704	\$ 0.0693	\$ 0.0693	\$ 0.0693	\$ 0.0693	\$ 0.0693	\$ 0.0693	\$ 0.0693	\$ 0.0693	\$ 0.0693
ACA	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City Gate Delivered Price	\$ 6.3018	\$ 6.2257	\$ 6.0866	\$ 0.0714	\$ 0.0714	\$ 0.0714	\$ 0.0714	\$ 0.0714	\$ 0.0714	\$ 0.0714
D1 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Volumes :

Purchased Volume	769,376	719,739	744,086	-	-	-	-	-	-	-
Delivered Volume	718,828	672,452	695,200	-	-	-	-	-	-	-
D1 Demand Volume	-	-	-	-	-	-	-	-	-	-
D2 Demand Volume	-	-	-	-	-	-	-	-	-	-
Transport Fuel Expressed As %	6.57%	6.57%	6.57%							

Transportation Cost :

Transport Charge	\$ 50,605	\$ 46,601	\$ 48,177	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ACA	\$ 1,510	\$ 1,412	\$ 1,460	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Pipeline Charge	\$ 52,115	\$ 48,013	\$ 49,637	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchased price	\$ 4,477,768	\$ 4,138,498	\$ 4,181,766	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D1 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Supplier Charges	\$ 4,477,768	\$ 4,138,498	\$ 4,181,766	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Charges	\$ 4,529,883	\$ 4,186,511	\$ 4,231,403	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.64(c)(1)

Texas Eastern
 Supplier 2
 M1

Rates :

	<u>Nov-04</u>	<u>Dec-04</u>	<u>Jan-05</u>	<u>Feb-05</u>	<u>Mar-05</u>	<u>Apr-05</u>	<u>May-05</u>	<u>Jun-05</u>	<u>Jul-05</u>	<u>Aug-05</u>
Price	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Fuel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Charge	\$ 0.0693	\$ 0.0693	\$ 0.0693	\$ 0.0693	\$ 0.0693	\$ 0.0693	\$ 0.0693	\$ 0.0693	\$ 0.0693	\$ 0.0693
ACA	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City Gate Delivered Price	\$ 0.0714	\$ 0.0714	\$ 0.0714	\$ 0.0714	\$ 0.0714	\$ 0.0714	\$ 0.0714	\$ 0.0714	\$ 0.0714	\$ 0.0714
D1 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Volumes :

Purchased Volume	-	-	-	-	-	-	-	-	-	-
Delivered Volume	-	-	-	-	-	-	-	-	-	-
D1 Demand Volume	-	-	-	-	-	-	-	-	-	-
D2 Demand Volume	-	-	-	-	-	-	-	-	-	-

Transport Fuel Expressed As %

Transportation Cost :

Transport Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ACA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Pipeline Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchased price	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D1 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Supplier Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.64(c)(1)

Texas Eastern
 Supplier 2
 E.L.A

Rates :

	<u>Jan-04</u>	<u>Feb-04</u>	<u>Mar-04</u>	<u>Apr-04</u>	<u>May-04</u>	<u>Jun-04</u>	<u>Jul-04</u>	<u>Aug-04</u>	<u>Sep-04</u>	<u>Oct-04</u>
Price	\$ 5.6250	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Fuel	\$ 0.6105	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Charge	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873
ACA	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City Gate Delivered Price	\$ 6.3249	\$ 0.0894	\$ 0.0894	\$ 0.0894	\$ 0.0894	\$ 0.0894	\$ 0.0894	\$ 0.0894	\$ 0.0894	\$ 0.0894
D1 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Volumes :

Purchased Volume	310,000	-	-	-	-	-	-	-	-	-
Delivered Volume	279,651	-	-	-	-	-	-	-	-	-
D1 Demand Volume	-	-	-	-	-	-	-	-	-	-
D2 Demand Volume	-	-	-	-	-	-	-	-	-	-
Transport Fuel Expressed As %	9.79%	9.79%	9.79%	7.91%	7.91%	7.91%	7.91%	7.91%	7.91%	7.91%

Transportation Cost :

Transport Charge	\$ 24,414	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ACA	\$ 587	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Pipeline Charge	\$ 25,001	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchased price	\$ 1,743,750	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D1 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Supplier Charges	\$ 1,743,750	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Charges	\$ 1,768,751	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.64(c)(1)

Texas Eastern
 Supplier 2
 EIA

Rates :

	<u>Nov-04</u>	<u>Dec-04</u>	<u>Jan-05</u>	<u>Feb-05</u>	<u>Mar-05</u>	<u>Apr-05</u>	<u>May-05</u>	<u>Jun-05</u>	<u>Jul-05</u>	<u>Aug-05</u>
Price	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Fuel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Charge	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873
ACA	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City Gate Delivered Price	\$ 0.0894	\$ 0.0894	\$ 0.0894	\$ 0.0894	\$ 0.0894	\$ 0.0894	\$ 0.0894	\$ 0.0894	\$ 0.0894	\$ 0.0894
D1 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Volumes :

Purchased Volume	-	-	-	-	-	-	-	-	-	-
Delivered Volume	-	-	-	-	-	-	-	-	-	-
D1 Demand Volume	-	-	-	-	-	-	-	-	-	-
D2 Demand Volume	-	-	-	-	-	-	-	-	-	-
Transport Fuel Expressed As %	7.91%	9.79%	9.79%	9.79%	9.79%	7.91%	7.91%	7.91%	7.91%	7.91%

Transportation Cost :

Transport Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ACA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Pipeline Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchased price	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D1 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Supplier Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.84(c)(1)

Texas Eastern
 Supplier 3
 ELA

Rates :

	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04
Price	\$ 5.4500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Fuel	\$ 0.5915	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Charge	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873
ACA	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City Gate Delivered Price	\$ 6.1309	\$ 0.0894	\$ 0.0894	\$ 0.0894	\$ 0.0894	\$ 0.0894	\$ 0.0894	\$ 0.0894	\$ 0.0894	\$ 0.0894
D1 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Volumes :

Purchased Volume	390,049	-	-	-	-	-	-	-	-	-
Delivered Volume	351,863	-	-	-	-	-	-	-	-	-
D1 Demand Volume	-	-	-	-	-	-	-	-	-	-
D2 Demand Volume	-	-	-	-	-	-	-	-	-	-
Transport Fuel Expressed As %	9.79%	9.79%	9.79%	7.91%	7.91%	7.91%	7.91%	7.91%	7.91%	7.91%

Transportation Cost :

Transport Charge	\$ 30,718	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ACA	\$ 719	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Pipeline Charge	\$ 31,437	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchased price	\$ 2,125,766	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D1 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Supplier Charges	\$ 2,125,766	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Charges	\$ 2,157,222	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.64(c)(1)

Texas Eastern
 Supplier 3
 ELA

Rates :

	<u>Nov-04</u>	<u>Dec-04</u>	<u>Jan-05</u>	<u>Feb-05</u>	<u>Mar-05</u>	<u>Apr-05</u>	<u>May-05</u>	<u>Jun-05</u>	<u>Jul-05</u>	<u>Aug-05</u>
Price										
Transport Fuel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Charge	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873	\$ 0.0873
ACA	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City Gate Delivered Price	\$ 0.0894	\$ 0.0894	\$ 0.0894	\$ 0.0894	\$ 0.0894	\$ 0.0894	\$ 0.0894	\$ 0.0894	\$ 0.0894	\$ 0.0894
D1 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Volumes :

Purchased Volume	-	-	-	-	-	-	-	-	-	-
Delivered Volume	-	-	-	-	-	-	-	-	-	-
D1 Demand Volume	-	-	-	-	-	-	-	-	-	-
D2 Demand Volume	-	-	-	-	-	-	-	-	-	-
Transport Fuel Expressed As %	7.91%	9.79%	9.79%	9.79%	9.79%	7.91%	7.91%	7.91%	7.91%	7.91%

Transportation Cost :

Transport Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ACA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Pipeline Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchased price	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D1 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Supplier Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.64(c)(1)

Texas Eastern
 Supplier 7
 STX

Rates :

	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04
Price	\$ 5.6550	\$ 4.9400	\$ 5.0900	\$ 4.6800	\$ 4.6300	\$ 4.6300	\$ 4.6300	\$ -	\$ -	\$ -
Transport Fuel	\$ 0.7118	\$ 0.6218	\$ 0.6407	\$ 0.4555	\$ 0.4507	\$ 0.4507	\$ 0.4507	\$ -	\$ -	\$ -
Transport Charge	\$ 0.0956	\$ 0.0945	\$ 0.0945	\$ 0.0956	\$ 0.0956	\$ 0.0956	\$ 0.0956	\$ 0.0956	\$ 0.0956	\$ 0.0956
ACA	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City Gate Delivered Price	\$ 6.4645	\$ 5.6584	\$ 5.8273	\$ 5.2332	\$ 5.1784	\$ 5.1784	\$ 5.1784	\$ 0.0977	\$ 0.0977	\$ 0.0977
D1 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Volumes :

Purchased Volume	115,912	114,259	115,932	209,997	216,997	209,997	216,997	-	-	-
Delivered Volume	298,175	279,125	298,175	191,370	197,749	191,370	197,749	-	-	-
D1 Demand Volume	-	-	-	-	-	-	-	-	-	-
D2 Demand Volume	-	-	-	-	-	-	-	-	-	-
Transport Fuel Expressed As %	11.18%	11.18%	11.18%	8.87%	8.87%	8.87%	8.87%	8.87%	8.87%	8.87%

Transportation Cost :

Transport Charge	\$ 28,525	\$ 26,377	\$ 28,196	\$ 18,295	\$ 18,905	\$ 18,295	\$ 18,905	\$ -	\$ -	\$ -
ACA	\$ 627	\$ 586	\$ 627	\$ 402	\$ 415	\$ 402	\$ 415	\$ -	\$ -	\$ -
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Pipeline Charge	\$ 29,151	\$ 26,963	\$ 28,823	\$ 18,697	\$ 19,320	\$ 18,697	\$ 19,320	\$ -	\$ -	\$ -
Purchased price	\$ 1,899,697	\$ 1,552,440	\$ 1,709,895	\$ 982,785	\$ 1,004,694	\$ 972,285	\$ 1,004,694	\$ -	\$ -	\$ -
D1 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Supplier Charges	\$ 1,899,697	\$ 1,552,440	\$ 1,709,895	\$ 982,785	\$ 1,004,694	\$ 972,285	\$ 1,004,694	\$ -	\$ -	\$ -
Total Charges	\$ 1,928,848	\$ 1,579,404	\$ 1,738,718	\$ 1,001,481	\$ 1,024,014	\$ 990,982	\$ 1,024,014	\$ -	\$ -	\$ -

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.64(c)(1)

Texas Eastern
 Supplier 7
 STX

Rates :

	<u>Nov-04</u>	<u>Dec-04</u>	<u>Jan-05</u>	<u>Feb-05</u>	<u>Mar-05</u>	<u>Apr-05</u>	<u>May-05</u>	<u>Jun-05</u>	<u>Jul-05</u>	<u>Aug-05</u>
Price	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Fuel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Charge	\$ 0.0956	\$ 0.0956	\$ 0.0956	\$ 0.0956	\$ 0.0956	\$ 0.0956	\$ 0.0956	\$ 0.0956	\$ 0.0956	\$ 0.0956
ACA	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City Gate Delivered Price	\$ 0.0977	\$ 0.0977	\$ 0.0977	\$ 0.0977	\$ 0.0977	\$ 0.0977	\$ 0.0977	\$ 0.0977	\$ 0.0977	\$ 0.0977
D1 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Volumes :

Purchased Volume	-	-	-	-	-	-	-	-	-	-
Delivered Volume	-	-	-	-	-	-	-	-	-	-
D1 Demand Volume	-	-	-	-	-	-	-	-	-	-
D2 Demand Volume	-	-	-	-	-	-	-	-	-	-
Transport Fuel Expressed As %	8.87%	11.18%	11.18%	11.18%	11.18%	8.87%	8.87%	8.87%	8.87%	8.87%

Transportation Cost :

Transport Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ACA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Pipeline Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchased price	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D1 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Supplier Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.64(c)(1)

Texas Eastern
 Supplier 7
 WLA

Rates :

	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04
Price	\$ -	\$ -	\$ -	\$ 4.7750	\$ 4.7250	\$ 4.7250	\$ 4.7250	\$ -	\$ -	\$ -
Transport Fuel	\$ -	\$ -	\$ -	\$ 0.4265	\$ 0.4221	\$ 0.4221	\$ 0.4221	\$ -	\$ -	\$ -
Transport Charge	\$ 0.0888	\$ 0.0888	\$ 0.0888	\$ 0.0888	\$ 0.0888	\$ 0.0888	\$ 0.0888	\$ 0.0888	\$ 0.0888	\$ 0.0888
ACA	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City Gate Delivered Price	\$ 0.0909	\$ 0.0909	\$ 0.0909	\$ 5.2924	\$ 5.2380	\$ 5.2380	\$ 5.2380	\$ 0.0909	\$ 0.0909	\$ 0.0909
D1 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Volumes :

Purchased Volume	-	-	-	150,000	155,000	150,000	155,000	-	-	-
Delivered Volume	-	-	-	137,700	142,290	137,700	142,290	-	-	-
D1 Demand Volume	-	-	-	-	-	-	-	-	-	-
D2 Demand Volume	-	-	-	-	-	-	-	-	-	-
Transport Fuel Expressed As %	10.22%	10.22%	10.22%	8.20%	8.20%	8.20%	8.20%	8.20%	8.20%	8.20%

Transportation Cost :

Transport Charge	\$ -	\$ -	\$ -	\$ 12,228	\$ 12,635	\$ 12,228	\$ 12,635	\$ -	\$ -	\$ -
ACA	\$ -	\$ -	\$ -	\$ 289	\$ 299	\$ 289	\$ 299	\$ -	\$ -	\$ -
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Pipeline Charge	\$ -	\$ -	\$ -	\$ 12,517	\$ 12,934	\$ 12,517	\$ 12,934	\$ -	\$ -	\$ -
Purchased price	\$ -	\$ -	\$ -	\$ 716,250	\$ 732,375	\$ 708,750	\$ 732,375	\$ -	\$ -	\$ -
D1 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Supplier Charges	\$ -	\$ -	\$ -	\$ 716,250	\$ 732,375	\$ 708,750	\$ 732,375	\$ -	\$ -	\$ -
Total Charges	\$ -	\$ -	\$ -	\$ 728,767	\$ 745,309	\$ 721,267	\$ 745,309	\$ -	\$ -	\$ -

\$

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 item 53.64(c)(1)

Texas Eastern
 Supplier 7
 WLA

Rates :

	<u>Nov-04</u>	<u>Dec-04</u>	<u>Jan-05</u>	<u>Feb-05</u>	<u>Mar-05</u>	<u>Apr-05</u>	<u>May-05</u>	<u>Jun-05</u>	<u>Jul-05</u>	<u>Aug-05</u>
Price	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Fuel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Charge	\$ 0.0888	\$ 0.0888	\$ 0.0888	\$ 0.0888	\$ 0.0888	\$ 0.0888	\$ 0.0888	\$ 0.0888	\$ 0.0888	\$ 0.0888
ACA	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City Gate Delivered Price	\$ 0.0909	\$ 0.0909	\$ 0.0909	\$ 0.0909	\$ 0.0909	\$ 0.0909	\$ 0.0909	\$ 0.0909	\$ 0.0909	\$ 0.0909
D1 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Volumes :

Purchased Volume	-	-	-	-	-	-	-	-	-	-
Delivered Volume	-	-	-	-	-	-	-	-	-	-
D1 Demand Volume	-	-	-	-	-	-	-	-	-	-
D2 Demand Volume	-	-	-	-	-	-	-	-	-	-
Transport Fuel Expressed As %	8.20%	10.22%	10.22%	10.22%	10.22%	8.20%	8.20%	8.20%	8.20%	8.20%

Transportation Cost :

Transport Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ACA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Pipeline Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchased price	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D1 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Supplier Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.64(c)(1)

Texas Eastern
 Supplier 7
 ETX

Rates :

	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04
Price	\$ 5.6900	\$ 4.9750	\$ 4.9350	\$ 4.7150	\$ 4.6650	\$ 4.6650	\$ 4.6650	\$ -	\$ -	\$ -
Transport Fuel	\$ 0.6175	\$ 0.5399	\$ 0.5356	\$ 0.4050	\$ 0.4007	\$ 0.4007	\$ 0.4007	\$ -	\$ -	\$ -
Transport Charge	\$ 0.0873	\$ 0.0862	\$ 0.0862	\$ 0.0862	\$ 0.0862	\$ 0.0862	\$ 0.0862	\$ 0.0862	\$ 0.0862	\$ 0.0862
ACA	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City Gate Delivered Price	\$ 6.3969	\$ 5.6032	\$ 5.5589	\$ 5.2083	\$ 5.1540	\$ 5.1540	\$ 5.1540	\$ 0.0883	\$ 0.0883	\$ 0.0883
D1 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Volumes :

Purchased Volume	261,505	246,505	263,505	239,993	247,993	239,993	247,993	-	-	-
Delivered Volume	237,708	222,372	237,708	221,010	228,377	221,010	228,377	-	-	-
D1 Demand Volume	-	-	-	-	-	-	-	-	-	-
D2 Demand Volume	-	-	-	-	-	-	-	-	-	-
Transport Fuel Expressed As %	9.79%	9.79%	9.79%	7.91%	7.91%	7.91%	7.91%	7.91%	7.91%	7.91%

Transportation Cost :

Transport Charge	\$ 20,752	\$ 19,168	\$ 20,490	\$ 19,051	\$ 19,686	\$ 19,051	\$ 19,686	\$ -	\$ -	\$ -
ACA	\$ 499	\$ 467	\$ 499	\$ 464	\$ 480	\$ 464	\$ 480	\$ -	\$ -	\$ -
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Pipeline Charge	\$ 21,251	\$ 19,635	\$ 20,990	\$ 19,515	\$ 20,166	\$ 19,515	\$ 20,166	\$ -	\$ -	\$ -
Purchased price	\$ 1,499,344	\$ 1,226,361	\$ 1,300,398	\$ 1,131,569	\$ 1,156,889	\$ 1,119,570	\$ 1,156,889	\$ -	\$ -	\$ -
D1 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Supplier Charges	\$ 1,499,344	\$ 1,226,361	\$ 1,300,398	\$ 1,131,569	\$ 1,156,889	\$ 1,119,570	\$ 1,156,889	\$ -	\$ -	\$ -
Total Charges	\$ 1,520,595	\$ 1,245,997	\$ 1,321,388	\$ 1,151,084	\$ 1,177,054	\$ 1,139,085	\$ 1,177,054	\$ -	\$ -	\$ -

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.64(c)(1)

Texas Eastern
 Supplier 7
 ETX

Rates :

	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05
Price	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Fuel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Charge	\$ 0.0862	\$ 0.0862	\$ 0.0862	\$ 0.0862	\$ 0.0862	\$ 0.0862	\$ 0.0862	\$ 0.0862	\$ 0.0862	\$ 0.0862
ACA	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City Gate Delivered Price	\$ 0.0883	\$ 0.0883	\$ 0.0883	\$ 0.0883	\$ 0.0883	\$ 0.0883	\$ 0.0883	\$ 0.0883	\$ 0.0883	\$ 0.0883
D1 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Volumes :

Purchased Volume	-	-	-	-	-	-	-	-	-	-
Delivered Volume	-	-	-	-	-	-	-	-	-	-
D1 Demand Volume	-	-	-	-	-	-	-	-	-	-
D2 Demand Volume	-	-	-	-	-	-	-	-	-	-
Transport Fuel Expressed As %	7.91%	9.79%	9.79%	9.79%	9.79%	9.79%	9.79%	9.79%	9.79%	9.79%

Transportation Cost :

Transport Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ACA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Pipeline Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchased price	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D1 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Supplier Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.64(c)(1)

Texas Eastern
 Supplier 7
 ELA

Rates :

	<u>Jan-04</u>	<u>Feb-04</u>	<u>Mar-04</u>	<u>Apr-04</u>	<u>May-04</u>	<u>Jun-04</u>	<u>Jul-04</u>	<u>Aug-04</u>	<u>Sep-04</u>	<u>Oct-04</u>
Price	\$ -	\$ -	\$ -	\$ 4.7575	\$ 4.7075	\$ 4.7075	\$ 4.7075	\$ -	\$ -	\$ -
Transport Fuel	\$ -	\$ -	\$ -	\$ 0.4086	\$ 0.4043	\$ 0.4043	\$ 0.4043	\$ -	\$ -	\$ -
Transport Charge	\$ 0.0862	\$ 0.0862	\$ 0.0862	\$ 0.0862	\$ 0.0862	\$ 0.0862	\$ 0.0862	\$ 0.0862	\$ 0.0862	\$ 0.0862
ACA	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City Gate Delivered Price	\$ 0.0883	\$ 0.0883	\$ 0.0883	\$ 5.2544	\$ 5.2001	\$ 5.2001	\$ 5.2001	\$ 0.0883	\$ 0.0883	\$ 0.0883
D1 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Volumes :

Purchased Volume	-	-	-	150,016	155,017	150,016	155,017	-	-	-
Delivered Volume	-	-	-	138,150	142,755	138,150	142,755	-	-	-
D1 Demand Volume	-	-	-	-	-	-	-	-	-	-
D2 Demand Volume	-	-	-	-	-	-	-	-	-	-
Transport Fuel Expressed As %	9.79%	9.79%	9.79%	7.91%	7.91%	7.91%	7.91%	7.91%	7.91%	7.91%

Transportation Cost :

Transport Charge	\$ -	\$ -	\$ -	\$ 11,909	\$ 12,305	\$ 11,909	\$ 12,305	\$ -	\$ -	\$ -
ACA	\$ -	\$ -	\$ -	\$ 290	\$ 300	\$ 290	\$ 300	\$ -	\$ -	\$ -
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Pipeline Charge	\$ -	\$ -	\$ -	\$ 12,199	\$ 12,605	\$ 12,199	\$ 12,605	\$ -	\$ -	\$ -
Purchased price	\$ -	\$ -	\$ -	\$ 713,702	\$ 729,742	\$ 706,202	\$ 729,742	\$ -	\$ -	\$ -
D1 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Supplier Charges	\$ -	\$ -	\$ -	\$ 713,702	\$ 729,742	\$ 706,202	\$ 729,742	\$ -	\$ -	\$ -
Total Charges	\$ -	\$ -	\$ -	\$ 725,901	\$ 742,347	\$ 718,400	\$ 742,347	\$ -	\$ -	\$ -

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.64(c)(1)

Texas Eastern
 Supplier 7
 ELA

Rates :

	<u>Nov-04</u>	<u>Dec-04</u>	<u>Jan-05</u>	<u>Feb-05</u>	<u>Mar-05</u>	<u>Apr-05</u>	<u>May-05</u>	<u>Jun-05</u>	<u>Jul-05</u>	<u>Aug-05</u>
Price	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Fuel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Charge	\$ 0.0862	\$ 0.0862	\$ 0.0862	\$ 0.0862	\$ 0.0862	\$ 0.0862	\$ 0.0862	\$ 0.0862	\$ 0.0862	\$ 0.0862
ACA	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City Gate Delivered Price	\$ 0.0883	\$ 0.0883	\$ 0.0883	\$ 0.0883	\$ 0.0883	\$ 0.0883	\$ 0.0883	\$ 0.0883	\$ 0.0883	\$ 0.0883
D1 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Volumes :

Purchased Volume	-	-	-	-	-	-	-	-	-	-
Delivered Volume	-	-	-	-	-	-	-	-	-	-
D1 Demand Volume	-	-	-	-	-	-	-	-	-	-
D2 Demand Volume	-	-	-	-	-	-	-	-	-	-
Transport Fuel Expressed As %	7.91%	7.97%	7.99%	7.99%	7.99%	7.91%	7.91%	7.91%	7.91%	7.91%

Transportation Cost :

Transport Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ACA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Pipeline Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchased price	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D1 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Supplier Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 item 53.64(c)(1)

Texas Eastern
 Supplier 8
 M1

Rates :

	<u>Jan-04</u>	<u>Feb-04</u>	<u>Mar-04</u>	<u>Apr-04</u>	<u>May-04</u>	<u>Jun-04</u>	<u>Jul-04</u>	<u>Aug-04</u>	<u>Sep-04</u>	<u>Oct-04</u>
Price	\$ 5.6100	\$ 5.5300	\$ 5.4400	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Fuel	\$ 0.3945	\$ 0.3889	\$ 0.3825	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Charge	\$ 0.0704	\$ 0.0693	\$ 0.0693	\$ 0.0713	\$ 0.0713	\$ 0.0713	\$ 0.0713	\$ 0.0713	\$ 0.0713	\$ 0.0713
ACA	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City Gate Delivered Price	\$ 6.0770	\$ 5.9903	\$ 5.8939	\$ 0.0734	\$ 0.0734	\$ 0.0734	\$ 0.0734	\$ 0.0734	\$ 0.0734	\$ 0.0734
D1 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Volumes :

Purchased Volume	240,256	224,755	224,755	-	-	-	-	-	-	-
Delivered Volume	224,471	209,989	209,989	-	-	-	-	-	-	-
D1 Demand Volume	-	-	-	-	-	-	-	-	-	-
D2 Demand Volume	-	-	-	-	-	-	-	-	-	-
Transport Fuel Expressed As %	6.57%	6.57%	6.57%							

Transportation Cost :

Transport Charge	\$ 15,803	\$ 14,552	\$ 14,552	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ACA	\$ 471	\$ 441	\$ 441	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Pipeline Charge	\$ 16,274	\$ 14,993	\$ 14,993	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchased price	\$ 1,347,835	\$ 1,242,898	\$ 1,222,670	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D1 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Supplier Charges	\$ 1,347,835	\$ 1,242,898	\$ 1,222,670	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Charges	\$ 1,364,109	\$ 1,257,891	\$ 1,237,663	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.64(c)(1)

Texas Eastern
 Supplier 8
 M1

Rates :

	<u>Nov-04</u>	<u>Dec-04</u>	<u>Jan-05</u>	<u>Feb-05</u>	<u>Mar-05</u>	<u>Apr-05</u>	<u>May-05</u>	<u>Jun-05</u>	<u>Jul-05</u>	<u>Aug-05</u>
Price	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Fuel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Charge	\$ 0.0713	\$ 0.0713	\$ 0.0713	\$ 0.0713	\$ 0.0713	\$ 0.0713	\$ 0.0713	\$ 0.0713	\$ 0.0713	\$ 0.0713
ACA	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City Gate Delivered Price	\$ 0.0734	\$ 0.0734	\$ 0.0734	\$ 0.0734	\$ 0.0734	\$ 0.0734	\$ 0.0734	\$ 0.0734	\$ 0.0734	\$ 0.0734
D1 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Volumes :

Purchased Volume	-	-	-	-	-	-	-	-	-	-
Delivered Volume	-	-	-	-	-	-	-	-	-	-
D1 Demand Volume	-	-	-	-	-	-	-	-	-	-
D2 Demand Volume	-	-	-	-	-	-	-	-	-	-

Transport Fuel Expressed As %

Transportation Cost :

Transport Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ACA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Pipeline Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchased price	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D1 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Supplier Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.64(c)(1)

Texas Eastern
 Supplier 9
 WLA

Rates :

	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04
Price	\$ 5.8275	\$ 5.7275	\$ 5.5825	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Fuel	\$ 0.6634	\$ 0.6520	\$ 0.6355	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Charge	\$ 0.0899	\$ 0.0888	\$ 0.0888	\$ 0.0888	\$ 0.0888	\$ 0.0888	\$ 0.0888	\$ 0.0888	\$ 0.0888	\$ 0.0888
ACA	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City Gate Delivered Price	\$ 6.5829	\$ 6.4704	\$ 6.3089	\$ 0.0909	\$ 0.0909	\$ 0.0909	\$ 0.0909	\$ 0.0909	\$ 0.0909	\$ 0.0909
D1 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Volumes :

Purchased Volume	160,007	149,974	160,007	-	-	-	-	-	-	-
Delivered Volume	143,654	134,647	143,654	-	-	-	-	-	-	-
D1 Demand Volume	-	-	-	-	-	-	-	-	-	-
D2 Demand Volume	-	-	-	-	-	-	-	-	-	-
Transport Fuel Expressed As %	10.22%	10.22%	10.22%	8.20%	8.20%	8.20%	8.20%	8.20%	8.20%	8.20%

Transportation Cost :

Transport Charge	\$ 12,914	\$ 11,957	\$ 12,756	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ACA	\$ 302	\$ 283	\$ 302	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Pipeline Charge	\$ 13,216	\$ 12,239	\$ 13,058	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchased price	\$ 932,439	\$ 858,978	\$ 893,237	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D1 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Supplier Charges	\$ 932,439	\$ 858,978	\$ 893,237	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Charges	\$ 945,655	\$ 871,218	\$ 906,295	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.64(c)(1)

Texas Eastern
 Supplier 9
 WLA

Rates :

	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05
Price	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Fuel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Charge	\$ 0.0888	\$ 0.0888	\$ 0.0888	\$ 0.0888	\$ 0.0888	\$ 0.0888	\$ 0.0888	\$ 0.0888	\$ 0.0888	\$ 0.0888
ACA	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City Gate Delivered Price	\$ 0.0909	\$ 0.0909	\$ 0.0909	\$ 0.0909	\$ 0.0909	\$ 0.0909	\$ 0.0909	\$ 0.0909	\$ 0.0909	\$ 0.0909
D1 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Volumes :

Purchased Volume	-	-	-	-	-	-	-	-	-	-
Delivered Volume	-	-	-	-	-	-	-	-	-	-
D1 Demand Volume	-	-	-	-	-	-	-	-	-	-
D2 Demand Volume	-	-	-	-	-	-	-	-	-	-
Transport Fuel Expressed As %	8.20%	10.22%	10.22%	10.22%	10.22%	8.20%	8.20%	8.20%	8.20%	8.20%

Transportation Cost :

Transport Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ACA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Pipeline Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchased price	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D1 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Supplier Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.64(c)(1)

Texas Eastern
 Supplier 14
 WLA

Rates :

	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04
Price	\$ 5.3925	\$ 5.3525	\$ 5.2225	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Fuel	\$ 0.6138	\$ 0.6093	\$ 0.5945	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Charge	\$ 0.0899	\$ 0.0888	\$ 0.0888	\$ 0.0888	\$ 0.0888	\$ 0.0888	\$ 0.0888	\$ 0.0888	\$ 0.0888	\$ 0.0888
ACA	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City Gate Delivered Price	\$ 6.0983	\$ 6.0527	\$ 5.9079	\$ 0.0909	\$ 0.0909	\$ 0.0909	\$ 0.0909	\$ 0.0909	\$ 0.0909	\$ 0.0909
D1 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Volumes :

Purchased Volume	155,000	145,000	145,000	-	-	-	-	-	-	-
Delivered Volume	139,159	130,181	130,181	-	-	-	-	-	-	-
D1 Demand Volume	-	-	-	-	-	-	-	-	-	-
D2 Demand Volume	-	-	-	-	-	-	-	-	-	-
Transport Fuel Expressed As %	10.22%	10.22%	10.22%	8.20%	8.20%	8.20%	8.20%	8.20%	8.20%	8.20%

Transportation Cost :

Transport Charge	\$ 12,510	\$ 11,560	\$ 11,560	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ACA	\$ 292	\$ 273	\$ 273	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Pipeline Charge	\$ 12,803	\$ 11,833	\$ 11,833	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchased price	\$ 835,838	\$ 776,113	\$ 757,263	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D1 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Supplier Charges	\$ 835,838	\$ 776,113	\$ 757,263	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Charges	\$ 848,640	\$ 787,946	\$ 769,096	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.64(c)(1)

Texas Eastern
 Supplier 14
 WLA

Rates :

	<u>Nov-04</u>	<u>Dec-04</u>	<u>Jan-05</u>	<u>Feb-05</u>	<u>Mar-05</u>	<u>Apr-05</u>	<u>May-05</u>	<u>Jun-05</u>	<u>Jul-05</u>	<u>Aug-05</u>
Price	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Fuel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transport Charge	\$ 0.0888	\$ 0.0888	\$ 0.0888	\$ 0.0888	\$ 0.0888	\$ 0.0888	\$ 0.0888	\$ 0.0888	\$ 0.0888	\$ 0.0888
ACA	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021	\$ 0.0021
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City Gate Delivered Price	\$ 0.0909	\$ 0.0909	\$ 0.0909	\$ 0.0909	\$ 0.0909	\$ 0.0909	\$ 0.0909	\$ 0.0909	\$ 0.0909	\$ 0.0909
D1 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Volumes :

Purchased Volume	-	-	-	-	-	-	-	-	-	-
Delivered Volume	-	-	-	-	-	-	-	-	-	-
D1 Demand Volume	-	-	-	-	-	-	-	-	-	-
D2 Demand Volume	-	-	-	-	-	-	-	-	-	-
Transport Fuel Expressed As %	8.20%	10.22%	10.22%	10.22%	10.22%	8.20%	8.20%	8.20%	8.20%	8.20%

Transportation Cost :

Transport Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ACA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GRI Commodity Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Pipeline Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchased price	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D1 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D2 Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Supplier Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 item 53.64(c)(1)

Texas Eastern
 SS-1A Storage

	<u>Jan-04</u>	<u>Feb-04</u>	<u>Mar-04</u>	<u>Apr-04</u>	<u>May-04</u>	<u>Jun-04</u>	<u>Jul-04</u>	<u>Aug-04</u>	<u>Sep-04</u>	<u>Oct-04</u>
<u>To Storage</u>										
Injection Charge	\$ 0.0369	\$ 0.0369	\$ 0.0369	\$ 0.0369	\$ 0.0369	\$ 0.0369	\$ 0.0369	\$ 0.0369	\$ 0.0369	\$ 0.0369
<u>From Storage</u>										
Withdrawal Charge	\$ 0.0630	\$ 0.0632	\$ 0.0632	\$ 0.0632	\$ 0.0632	\$ 0.0632	\$ 0.0632	\$ 0.0632	\$ 0.0632	\$ 0.0632
<u>Demand</u>										
Capacity Charge	\$ 0.1293	\$ 0.1293	\$ 0.1293	\$ 0.1293	\$ 0.1293	\$ 0.1293	\$ 0.1293	\$ 0.1293	\$ 0.1293	\$ 0.1293
Demand Charge	\$ 4.4183	\$ 4.4253	\$ 4.4253	\$ 4.4253	\$ 4.4253	\$ 4.4253	\$ 4.4253	\$ 4.4253	\$ 4.4253	\$ 4.4253
GRI High Load Factor Demand										
<u>Volumes</u>										
Injection Volume				258,514	421,786	408,180	421,786	421,786	408,180	215,221
Withdrawal Volume	685,272	718,155	659,967							
Capacity Volume (Dth)	220,590	220,590	220,590	220,590	220,590	220,590	220,590	220,590	220,590	220,590
Demand Volume (Dth)	44,118	44,118	44,118	44,118	44,118	44,118	44,118	44,118	44,118	44,118
<u>Total Cost</u>										
Injection Charges	\$ -	\$ -	\$ -	\$ 9,539	\$ 15,564	\$ 15,062	\$ 15,564	\$ 15,564	\$ 15,062	\$ 7,942
Withdrawal Charges	\$ 43,172.14	\$ 45,400.04	\$ 41,709.91	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Injection & Withdrawal Charges	\$ 43,172	\$ 45,400	\$ 41,710	\$ 9,539	\$ 15,564	\$ 15,062	\$ 15,564	\$ 15,564	\$ 15,062	\$ 7,942
Capacity Charge	\$ 28,522	\$ 28,522	\$ 28,522	\$ 28,522	\$ 28,522	\$ 28,522	\$ 28,522	\$ 28,522	\$ 28,522	\$ 28,522
Demand Charge	\$ 194,927	\$ 195,235	\$ 195,235	\$ 195,235	\$ 195,235	\$ 195,235	\$ 195,235	\$ 195,235	\$ 195,235	\$ 195,235
GRI High Load Factor Demand	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Demand Charges	\$ 223,449	\$ 223,758	\$ 223,758	\$ 223,758	\$ 223,758	\$ 223,758	\$ 223,758	\$ 223,758	\$ 223,758	\$ 223,758
Total Charges	\$ 266,621	\$ 269,158	\$ 265,468	\$ 233,297	\$ 239,322	\$ 238,820	\$ 239,322	\$ 239,322	\$ 238,820	\$ 231,699

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.64(c)(1)

**Texas Eastern
 SS-1A Storage**

	<u>Nov-04</u>	<u>Dec-04</u>	<u>Jan-05</u>	<u>Feb-05</u>	<u>Mar-05</u>	<u>Apr-05</u>	<u>May-05</u>	<u>Jun-05</u>	<u>Jul-05</u>	<u>Aug-05</u>
<u>To Storage</u>										
Injection Charge	\$ 0.0369	\$ 0.0369	\$ 0.0369	\$ 0.0369	\$ 0.0369	\$ 0.0369	\$ 0.0369	\$ 0.0369	\$ 0.0369	\$ 0.0369
<u>From Storage</u>										
Withdrawal Charge	\$ 0.0632	\$ 0.0632	\$ 0.0632	\$ 0.0632	\$ 0.0632	\$ 0.0632	\$ 0.0632	\$ 0.0632	\$ 0.0632	\$ 0.0632
<u>Demand</u>										
Capacity Charge	\$ 0.1293	\$ 0.1293	\$ 0.1293	\$ 0.1293	\$ 0.1293	\$ 0.1293	\$ 0.1293	\$ 0.1293	\$ 0.1293	\$ 0.1293
Demand Charge	\$ 4.4253	\$ 4.4253	\$ 4.4253	\$ 4.4253	\$ 4.4253	\$ 4.4253	\$ 4.4253	\$ 4.4253	\$ 4.4253	\$ 4.4253
GRI High Load Factor Demand										
<u>Volume</u>										
Injection Volume	4,932					258,514	421,786	408,180	421,786	421,786
Withdrawal Volume	10,868	413,822	783,066	658,669	54,488					
Capacity Volume (Dth)	220,590	220,590	220,590	220,590	220,590	220,590	220,590	220,590	220,590	220,590
Demand Volume (Dth)	44,118	44,118	44,118	44,118	44,118	44,118	44,118	44,118	44,118	44,118
<u>Total Cost</u>										
Injection Charges	\$ 182	\$ -	\$ -	\$ -	\$ -	\$ 9,539	\$ 15,564	\$ 15,062	\$ 15,564	\$ 15,564
Withdrawal Charges	\$ 687	\$ 26,154	\$ 49,490	\$ 41,628	\$ 3,444	\$ -	\$ -	\$ -	\$ -	\$ -
Total Injection & Withdrawal Charges	\$ 869	\$ 26,154	\$ 49,490	\$ 41,628	\$ 3,444	\$ 9,539	\$ 15,564	\$ 15,062	\$ 15,564	\$ 15,564
Capacity Charge	\$ 28,522	\$ 28,522	\$ 28,522	\$ 28,522	\$ 28,522	\$ 28,522	\$ 28,522	\$ 28,522	\$ 28,522	\$ 28,522
Demand Charge	\$ 195,235	\$ 195,235	\$ 195,235	\$ 195,235	\$ 195,235	\$ 195,235	\$ 195,235	\$ 195,235	\$ 195,235	\$ 195,235
GRI High Load Factor Demand	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Demand Charges	\$ 223,758	\$ 223,758	\$ 223,758	\$ 223,758	\$ 223,758	\$ 223,758	\$ 223,758	\$ 223,758	\$ 223,758	\$ 223,758
Total Charges	\$ 224,627	\$ 249,911	\$ 273,247	\$ 265,386	\$ 227,201	\$ 233,297	\$ 239,322	\$ 238,820	\$ 239,322	\$ 239,322

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 item 53.64(c)(1)

Texas Eastern
 SS-1B Storage

	<u>Jan-04</u>	<u>Feb-04</u>	<u>Mar-04</u>	<u>Apr-04</u>	<u>May-04</u>	<u>Jun-04</u>	<u>Jul-04</u>	<u>Aug-04</u>	<u>Sep-04</u>	<u>Oct-04</u>
<u>To Storage</u>										
Injection Charge	\$ 0.0369	\$ 0.0369	\$ 0.0369	\$ 0.0369	\$ 0.0369	\$ 0.0369	\$ 0.0369	\$ 0.0369	\$ 0.0369	\$ 0.0369
<u>From Storage</u>										
Withdrawal Charge	\$ 0.0630	\$ 0.0632	\$ 0.0632	\$ 0.0632	\$ 0.0632	\$ 0.0632	\$ 0.0632	\$ 0.0632	\$ 0.0632	\$ 0.0632
<u>Demand</u>										
Capacity Charge	\$ 0.1293	\$ 0.1293	\$ 0.1293	\$ 0.1293	\$ 0.1293	\$ 0.1293	\$ 0.1293	\$ 0.1293	\$ 0.1293	\$ 0.1293
Demand Charge	\$ 5.4770	\$ 5.4850	\$ 5.4850	\$ 5.4850	\$ 5.4850	\$ 5.4850	\$ 5.4850	\$ 5.4850	\$ 5.4850	\$ 5.4850
GRI High Load Factor Demand										
<u>Volume</u>										
Injection Volume	-	-	-	151,872	392,336	379,680	392,336	392,336	61,836	4,670
Withdrawal Volume	642,807	630,081	21,727	16,131	-	-	-	-	-	-
Capacity Volume (Dth)	205,177	205,177	205,177	205,177	205,177	205,177	205,177	205,177	205,177	205,177
Demand Volume (Dth)	20,847	20,847	20,847	20,847	20,847	20,847	20,847	20,847	20,847	20,847
<u>Total Cost</u>										
Injection Charges	\$ -	\$ -	\$ -	\$ 5,604	\$ 14,477	\$ 14,010	\$ 14,477	\$ 14,477	\$ 2,282	\$ 172
Withdrawal Charges	\$ 40,497	\$ 39,821	\$ 1,373	\$ 1,019	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Injection & Withdrawal Charges	\$ 40,497	\$ 39,821	\$ 1,373	\$ 6,624	\$ 14,477	\$ 14,010	\$ 14,477	\$ 14,477	\$ 2,282	\$ 172
Capacity Charge	\$ 26,529	\$ 26,529	\$ 26,529	\$ 26,529	\$ 26,529	\$ 26,529	\$ 26,529	\$ 26,529	\$ 26,529	\$ 26,529
Demand Charge	\$ 114,179	\$ 114,346	\$ 114,346	\$ 114,346	\$ 114,346	\$ 114,346	\$ 114,346	\$ 114,346	\$ 114,346	\$ 114,346
GRI High Load Factor Demand	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Demand Charges	\$ 140,708	\$ 140,875	\$ 140,875	\$ 140,875	\$ 140,875	\$ 140,875	\$ 140,875	\$ 140,875	\$ 140,875	\$ 140,875
Total Charges	\$ 181,205	\$ 180,696	\$ 142,248	\$ 147,499	\$ 155,352	\$ 154,885	\$ 155,352	\$ 155,352	\$ 143,157	\$ 141,048

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.64(c)(1)

Texas Eastern
 SS-1B Storage

	<u>Nov-04</u>	<u>Dec-04</u>	<u>Jan-05</u>	<u>Feb-05</u>	<u>Mar-05</u>	<u>Apr-05</u>	<u>May-05</u>	<u>Jun-05</u>	<u>Jul-05</u>	<u>Aug-05</u>
<u>To Storage</u>										
Injection Charge	\$ 0.0369	\$ 0.0369	\$ 0.0369	\$ 0.0369	\$ 0.0369	\$ 0.0369	\$ 0.0369	\$ 0.0369	\$ 0.0369	\$ 0.0369
<u>From Storage</u>										
Withdrawal Charge	\$ 0.0632	\$ 0.0632	\$ 0.0632	\$ 0.0632	\$ 0.0632	\$ 0.0632	\$ 0.0632	\$ 0.0632	\$ 0.0632	\$ 0.0632
<u>Demand</u>										
Capacity Charge	\$ 0.1293	\$ 0.1293	\$ 0.1293	\$ 0.1293	\$ 0.1293	\$ 0.1293	\$ 0.1293	\$ 0.1293	\$ 0.1293	\$ 0.1293
Demand Charge	\$ 5.4850	\$ 5.4850	\$ 5.4850	\$ 5.4850	\$ 5.4850	\$ 5.4850	\$ 5.4850	\$ 5.4850	\$ 5.4850	\$ 5.4850
GRI High Load Factor Demand										
<u>Volume</u>										
Injection Volume	4,678	-	-	-	-	151,872	392,336	379,680	392,336	392,336
Withdrawal Volume	20,904	369,358	651,128	584,713	62,175	-	-	-	-	-
Capacity Volume (Dth)	205,177	205,177	205,177	205,177	205,177	205,177	205,177	205,177	205,177	205,177
Demand Volume (Dth)	20,847	20,847	20,847	20,847	20,847	20,847	20,847	20,847	20,847	20,847
<u>Total Cost</u>										
Injection Charges	\$ 173	\$ -	\$ -	\$ -	\$ -	\$ 5,604	\$ 14,477	\$ 14,010	\$ 14,477	\$ 14,477
Withdrawal Charges	\$ 1,321	\$ 23,343	\$ 41,151	\$ 36,954	\$ 3,929	\$ -	\$ -	\$ -	\$ -	\$ -
Total Injection & Withdrawal Charges	\$ 1,494	\$ 23,343	\$ 41,151	\$ 36,954	\$ 3,929	\$ 5,604	\$ 14,477	\$ 14,010	\$ 14,477	\$ 14,477
Capacity Charge	\$ 26,529	\$ 26,529	\$ 26,529	\$ 26,529	\$ 26,529	\$ 26,529	\$ 26,529	\$ 26,529	\$ 26,529	\$ 26,529
Demand Charge	\$ 114,346	\$ 114,346	\$ 114,346	\$ 114,346	\$ 114,346	\$ 114,346	\$ 114,346	\$ 114,346	\$ 114,346	\$ 114,346
GRI High Load Factor Demand	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Demand Charges	\$ 140,875	\$ 140,875	\$ 140,875	\$ 140,875	\$ 140,875	\$ 140,875	\$ 140,875	\$ 140,875	\$ 140,875	\$ 140,875
Total Charges	\$ 142,369	\$ 164,219	\$ 182,026	\$ 177,829	\$ 144,805	\$ 146,479	\$ 155,352	\$ 154,885	\$ 155,352	\$ 155,352

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.64(c)(1)

Texas Eastern
 GSS-TE Storage

	<u>Jan-04</u>	<u>Feb-04</u>	<u>Mar-04</u>	<u>Apr-04</u>	<u>May-04</u>	<u>Jun-04</u>	<u>Jul-04</u>	<u>Aug-04</u>	<u>Sep-04</u>	<u>Oct-04</u>
<u>To Storage</u>										
Injection Charge	\$ 0.0215	\$ 0.0215	\$ 0.0215	\$ 0.0215	\$ 0.0215	\$ 0.0215	\$ 0.0215	\$ 0.0215	\$ 0.0215	\$ 0.0215
<u>From Storage</u>										
Withdrawal Charge	\$ 0.0218	\$ 0.0218	\$ 0.0218	\$ 0.0218	\$ 0.0218	\$ 0.0218	\$ 0.0218	\$ 0.0218	\$ 0.0218	\$ 0.0218
<u>Demand</u>										
Capacity Charge	\$ 0.0145	\$ 0.0145	\$ 0.0145	\$ 0.0145	\$ 0.0145	\$ 0.0145	\$ 0.0145	\$ 0.0145	\$ 0.0145	\$ 0.0145
Demand Charge	\$ 1.8841	\$ 1.8841	\$ 1.8841	\$ 1.8841	\$ 1.8841	\$ 1.8841	\$ 1.8841	\$ 1.8841	\$ 1.8841	\$ 1.8841
<u>Volume</u>										
Injection Volume	-	-	-	147,650	653,877	599,427	567,703	567,703	549,390	-
Withdrawal Volume	923,131	543,579	600,000	86,551	-	-	-	-	-	-
Capacity Volume (Dth)	3,918,971	3,918,971	3,918,971	3,918,971	3,918,971	3,918,971	3,918,971	3,918,971	3,918,971	3,918,971
Demand Volume (Dth)	34,047	34,047	34,047	34,047	34,047	34,047	34,047	34,047	34,047	34,047
<u>Total Cost</u>										
Injection Charges	\$ -	\$ -	\$ -	\$ 3,174	\$ 14,058	\$ 12,888	\$ 12,206	\$ 12,206	\$ 11,812	\$ -
Withdrawal Charges	\$ 20,124	\$ 11,850	\$ 13,080	\$ 1,887	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Injection & Withdrawal Charges	\$ 20,124	\$ 11,850	\$ 13,080	\$ 5,061	\$ 14,058	\$ 12,888	\$ 12,206	\$ 12,206	\$ 11,812	\$ -
Capacity Charge	\$ 56,825	\$ 56,825	\$ 56,825	\$ 56,825	\$ 56,825	\$ 56,825	\$ 56,825	\$ 56,825	\$ 56,825	\$ 56,825
Demand Charge	\$ 64,148	\$ 64,148	\$ 64,148	\$ 64,148	\$ 64,148	\$ 64,148	\$ 64,148	\$ 64,148	\$ 64,148	\$ 64,148
Total Demand Charges	\$ 120,973	\$ 120,973	\$ 120,973	\$ 120,973	\$ 120,973	\$ 120,973	\$ 120,973	\$ 120,973	\$ 120,973	\$ 120,973
Total Charges	\$ 141,097	\$ 132,823	\$ 134,053	\$ 126,034	\$ 135,031	\$ 133,861	\$ 133,179	\$ 133,179	\$ 132,785	\$ 120,973

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.64(c)(1)

Texas Eastern
 GSS-TE Storage

	<u>Nov-04</u>	<u>Dec-04</u>	<u>Jan-05</u>	<u>Feb-05</u>	<u>Mar-05</u>	<u>Apr-05</u>	<u>May-05</u>	<u>Jun-05</u>	<u>Jul-05</u>	<u>Aug-05</u>
<u>To Storage</u>										
Injection Charge	\$ 0.0215	\$ 0.0215	\$ 0.0215	\$ 0.0215	\$ 0.0215	\$ 0.0215	\$ 0.0215	\$ 0.0215	\$ 0.0215	\$ 0.0215
<u>From Storage</u>										
Withdrawal Charge	\$ 0.0218	\$ 0.0218	\$ 0.0218	\$ 0.0218	\$ 0.0218	\$ 0.0218	\$ 0.0218	\$ 0.0218	\$ 0.0218	\$ 0.0218
<u>Demand</u>										
Capacity Charge	\$ 0.0145	\$ 0.0145	\$ 0.0145	\$ 0.0145	\$ 0.0145	\$ 0.0145	\$ 0.0145	\$ 0.0145	\$ 0.0145	\$ 0.0145
Demand Charge	\$ 1.8841	\$ 1.8841	\$ 1.8841	\$ 1.8841	\$ 1.8841	\$ 1.8841	\$ 1.8841	\$ 1.8841	\$ 1.8841	\$ 1.8841
<u>Volume</u>										
Injection Volume	45,445	-	-	-	-	147,650	653,877	602,206	567,703	567,703
Withdrawal Volume	86,099	991,330	1,021,410	883,857	170,560	-	-	-	-	-
Capacity Volume (Dth)	3,918,971	3,918,971	3,918,971	3,918,971	3,918,971	3,918,971	3,918,971	3,918,971	3,918,971	3,918,971
Demand Volume (Dth)	34,047	34,047	34,047	34,047	34,047	34,047	34,047	34,047	34,047	34,047
<u>Total Cost</u>										
Injection Charges	\$ 977	\$ -	\$ -	\$ -	\$ -	\$ 3,174	\$ 14,058	\$ 12,947	\$ 12,206	\$ 12,206
Withdrawal Charges	\$ 1,877	\$ 21,611	\$ 22,267	\$ 19,268	\$ 3,718	\$ -	\$ -	\$ -	\$ -	\$ -
Total Injection & Withdrawal Charges	\$ 2,854	\$ 21,611	\$ 22,267	\$ 19,268	\$ 3,718	\$ 3,174	\$ 14,058	\$ 12,947	\$ 12,206	\$ 12,206
Capacity Charge	\$ 56,825	\$ 56,825	\$ 56,825	\$ 56,825	\$ 56,825	\$ 56,825	\$ 56,825	\$ 56,825	\$ 56,825	\$ 56,825
Demand Charge	\$ 64,148	\$ 64,148	\$ 64,148	\$ 64,148	\$ 64,148	\$ 64,148	\$ 64,148	\$ 64,148	\$ 64,148	\$ 64,148
Total Demand Charges	\$ 120,973	\$ 120,973	\$ 120,973	\$ 120,973	\$ 120,973	\$ 120,973	\$ 120,973	\$ 120,973	\$ 120,973	\$ 120,973
Total Charges	\$ 123,827	\$ 142,584	\$ 143,240	\$ 140,241	\$ 124,691	\$ 124,148	\$ 135,031	\$ 133,920	\$ 133,179	\$ 133,179

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 item 53.64(c)(1)

Texas Eastern
 EQUITRANS Storage

	<u>Jan-04</u>	<u>Feb-04</u>	<u>Mar-04</u>	<u>Apr-04</u>	<u>May-04</u>	<u>Jun-04</u>	<u>Jul-04</u>	<u>Aug-04</u>	<u>Sep-04</u>	<u>Oct-04</u>
<u>To Storage</u>										
Injection Charge	\$ 0.0089	\$ 0.0089	\$ 0.0089	\$ 0.0089	\$ 0.0089	\$ 0.0089	\$ 0.0089	\$ 0.0089	\$ 0.0089	\$ 0.0089
<u>From Storage</u>										
Withdrawal Charge	\$ 0.0089	\$ 0.0089	\$ 0.0089	\$ 0.0089	\$ 0.0089	\$ 0.0089	\$ 0.0089	\$ 0.0089	\$ 0.0089	\$ 0.0089
<u>Demand</u>										
Capacity Charge	\$ 0.0265	\$ 0.0265	\$ 0.0265	\$ 0.0265	\$ 0.0265	\$ 0.0265	\$ 0.0265	\$ 0.0265	\$ 0.0265	\$ 0.0265
Demand Charge	\$ 1.3887	\$ 1.3887	\$ 1.3887	\$ 1.3887	\$ 1.3887	\$ 1.3887	\$ 1.3887	\$ 1.3887	\$ 1.3887	\$ 1.3887
<u>Volume</u>										
Injection Volume	-	-	-	78,390	81,003	78,390	81,003	81,003	57,757	-
Withdrawal Volume	144,942	143,580	9,088	-	-	-	-	-	-	-
Capacity Volume (Dth)	522,500	522,500	522,500	522,500	522,500	522,500	522,500	522,500	522,500	522,500
Demand Volume (Dth)	4,998	4,998	4,998	4,998	4,998	4,998	4,998	4,998	4,998	4,998
<u>Total Cost</u>										
Injection Charges	\$ -	\$ -	\$ -	\$ 698	\$ 721	\$ 698	\$ 721	\$ 721	\$ 514	\$ -
Withdrawal Charges	\$ 1,290	\$ 1,278	\$ 81	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Injection & Withdrawal Charges	\$ 1,290	\$ 1,278	\$ 81	\$ 698	\$ 721	\$ 698	\$ 721	\$ 721	\$ 514	\$ -
Capacity Charge	\$ 13,846	\$ 13,846	\$ 13,846	\$ 13,846	\$ 13,846	\$ 13,846	\$ 13,846	\$ 13,846	\$ 13,846	\$ 13,846
Demand Charge	\$ 6,941	\$ 6,941	\$ 6,941	\$ 6,941	\$ 6,941	\$ 6,941	\$ 6,941	\$ 6,941	\$ 6,941	\$ 6,941
Total Demand Charges	\$ 20,787	\$ 20,787	\$ 20,787	\$ 20,787	\$ 20,787	\$ 20,787	\$ 20,787	\$ 20,787	\$ 20,787	\$ 20,787
Total Charges	\$ 22,077	\$ 22,065	\$ 20,868	\$ 21,485	\$ 21,508	\$ 21,485	\$ 21,508	\$ 21,508	\$ 21,301	\$ 20,787

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 item 53.64(c)(1)

Texas-Eastern
 EQUITRANS Storage

	<u>Nov-04</u>	<u>Dec-04</u>	<u>Jan-05</u>	<u>Feb-05</u>	<u>Mar-05</u>	<u>Apr-05</u>	<u>May-05</u>	<u>Jun-05</u>	<u>Jul-05</u>	<u>Aug-05</u>
<u>To Storage</u>										
Injection Charge	\$ 0.0089	\$ 0.0089	\$ 0.0089	\$ 0.0089	\$ 0.0089	\$ 0.0089	\$ 0.0089	\$ 0.0089	\$ 0.0089	\$ 0.0089
<u>From Storage</u>										
Withdrawal Charge	\$ 0.0089	\$ 0.0089	\$ 0.0089	\$ 0.0089	\$ 0.0089	\$ 0.0089	\$ 0.0089	\$ 0.0089	\$ 0.0089	\$ 0.0089
<u>Demand</u>										
Capacity Charge	\$ 0.0265	\$ 0.0265	\$ 0.0265	\$ 0.0265	\$ 0.0265	\$ 0.0265	\$ 0.0265	\$ 0.0265	\$ 0.0265	\$ 0.0265
Demand Charge	\$ 1.3887	\$ 1.3887	\$ 1.3887	\$ 1.3887	\$ 1.3887	\$ 1.3887	\$ 1.3887	\$ 1.3887	\$ 1.3887	\$ 1.3887
<u>Volume</u>										
Injection Volume						78,390	81,003	78,390	81,003	81,003
Withdrawal Volume	34,986	144,942	154,938	127,224	60,410	-	-	-	-	-
Capacity Volume (Dth)	522,500	522,500	522,500	522,500	522,500	522,500	522,500	522,500	522,500	522,500
Demand Volume (Dth)	4,998	4,998	4,998	4,998	4,998	4,998	4,998	4,998	4,998	4,998
<u>Total Cost</u>										
Injection Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 698	\$ 721	\$ 698	\$ 721	\$ 721
Withdrawal Charges	\$ 311	\$ 1,290	\$ 1,379	\$ 1,132	\$ 538	\$ -	\$ -	\$ -	\$ -	\$ -
Total Injection & Withdrawal Charges	\$ 311	\$ 1,290	\$ 1,379	\$ 1,132	\$ 538	\$ 698	\$ 721	\$ 698	\$ 721	\$ 721
Capacity Charge	\$ 13,846	\$ 13,846	\$ 13,846	\$ 13,846	\$ 13,846	\$ 13,846	\$ 13,846	\$ 13,846	\$ 13,846	\$ 13,846
Demand Charge	\$ 6,941	\$ 6,941	\$ 6,941	\$ 6,941	\$ 6,941	\$ 6,941	\$ 6,941	\$ 6,941	\$ 6,941	\$ 6,941
Total Demand Charges	\$ 20,787	\$ 20,787	\$ 20,787	\$ 20,787	\$ 20,787	\$ 20,787	\$ 20,787	\$ 20,787	\$ 20,787	\$ 20,787
Total Charges	\$ 21,098	\$ 22,077	\$ 22,166	\$ 21,919	\$ 21,325	\$ 21,485	\$ 21,508	\$ 21,485	\$ 21,508	\$ 21,508

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.64(c)(1)

Texas Eastern
 Firm Transportation
 Contract CDS

	<u>Jan-04</u>	<u>Feb-04</u>	<u>Mar-04</u>	<u>Apr-04</u>	<u>May-04</u>	<u>Jun-04</u>	<u>Jul-04</u>	<u>Aug-04</u>	<u>Sep-04</u>	<u>Oct-04</u>	<u>Nov-04</u>
Demand rate 1	\$ 15.2456	\$ 15.2456	\$ 15.2456	\$ 15.2456	\$ 15.2456	\$ 15.2456	\$ 15.2456	\$ 15.2456	\$ 15.2456	\$ 15.2456	\$ 15.2456
Demand rate 2	\$ 0.1483	\$ 0.1483	\$ 0.1483	\$ 0.1483	\$ 0.1483	\$ 0.1483	\$ 0.1483	\$ 0.1483	\$ 0.1483	\$ 0.1483	\$ 0.1483
Commodity Rate											
Demand Volume 1	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000
Demand Volume 2	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000
Commodity Volume											
Demand Charge 1	\$ 1,143,420	\$ 1,143,420	\$ 1,143,420	\$ 1,143,420	\$ 1,143,420	\$ 1,143,420	\$ 1,143,420	\$ 1,143,420	\$ 1,143,420	\$ 1,143,420	\$ 1,143,420
Demand Charge 2	\$ 11,123	\$ 11,123	\$ 11,123	\$ 11,123	\$ 11,123	\$ 11,123	\$ 11,123	\$ 11,123	\$ 11,123	\$ 11,123	\$ 11,123
Commodity Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total cost	\$ 1,154,543	\$ 1,154,543	\$ 1,154,543	\$ 1,154,543	\$ 1,154,543	\$ 1,154,543	\$ 1,154,543	\$ 1,154,543	\$ 1,154,543	\$ 1,154,543	\$ 1,154,543

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 item 53.64(c)(1)

Texas Eastern
 Firm Transportation
 Contract CDS

	<u>Dec-04</u>	<u>Jan-05</u>	<u>Feb-05</u>	<u>Mar-05</u>	<u>Apr-05</u>	<u>May-05</u>	<u>Jun-05</u>	<u>Jul-05</u>	<u>Aug-05</u>
Demand rate 1	\$ 15.2456	\$ 15.2456	\$ 15.2456	\$ 15.2456	\$ 15.2456	\$ 15.2456	\$ 15.2456	\$ 15.2456	\$ 15.2456
Demand rate 2	\$ 0.1483	\$ 0.1483	\$ 0.1483	\$ 0.1483	\$ 0.1483	\$ 0.1483	\$ 0.1483	\$ 0.1483	\$ 0.1483
Commodity Rate									
Demand Volume 1	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000
Demand Volume 2	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000
Commodity Volume									
Demand Charge 1	\$ 1,143,420	\$ 1,143,420	\$ 1,143,420	\$ 1,143,420	\$ 1,143,420	\$ 1,143,420	\$ 1,143,420	\$ 1,143,420	\$ 1,143,420
Demand Charge 2	\$ 11,123	\$ 11,123	\$ 11,123	\$ 11,123	\$ 11,123	\$ 11,123	\$ 11,123	\$ 11,123	\$ 11,123
Commodity Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total cost	\$ 1,154,543	\$ 1,154,543	\$ 1,154,543	\$ 1,154,543	\$ 1,154,543	\$ 1,154,543	\$ 1,154,543	\$ 1,154,543	\$ 1,154,543

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 item 53.64(c)(1)

Texas Eastern
 Firm Transportation
 Contract FTS

	<u>Jan-04</u>	<u>Feb-04</u>	<u>Mar-04</u>	<u>Apr-04</u>	<u>May-04</u>	<u>Jun-04</u>	<u>Jul-04</u>	<u>Aug-04</u>	<u>Sep-04</u>	<u>Oct-04</u>
Demand rate 1	\$ 14.7325	\$ 14.7325	\$ 14.7325	\$ 14.7325	\$ 14.7325	\$ 14.7325	\$ 14.7325	\$ 14.7325	\$ 14.7325	\$ 14.7325
Demand rate 2	\$ 0.1483	\$ 0.1483	\$ 0.1483	\$ 0.1483	\$ 0.1483	\$ 0.1483	\$ 0.1483	\$ 0.1483	\$ 0.1483	\$ 0.1483
Commodity Rate										
Demand Volume 1	59,822	59,822	59,822	59,822	59,822	59,822	59,822	59,822	59,822	59,822
Demand Volume 2	59,822	59,822	59,822	59,822	59,822	59,822	59,822	59,822	59,822	59,822
Commodity Volume										
Demand Charge 1	\$ 881,328	\$ 881,328	\$ 881,328	\$ 881,328	\$ 881,328	\$ 881,328	\$ 881,328	\$ 881,328	\$ 881,328	\$ 881,328
Demand Charge 2	\$ 8,872	\$ 8,872	\$ 8,872	\$ 8,872	\$ 8,872	\$ 8,872	\$ 8,872	\$ 8,872	\$ 8,872	\$ 8,872
Commodity Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Cost	\$ 890,199									

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 item 53.64(c)(1)

Texas Eastern
 Firm Transportation
 Contract FTS

	<u>Nov-04</u>	<u>Dec-04</u>	<u>Jan-05</u>	<u>Feb-05</u>	<u>Mar-05</u>	<u>Apr-05</u>	<u>May-05</u>	<u>Jun-05</u>	<u>Jul-05</u>	<u>Aug-05</u>
Demand rate 1	\$ 14.7325	\$ 14.7325	\$ 14.7325	\$ 14.7325	\$ 14.7325	\$ 14.7325	\$ 14.7325	\$ 14.7325	\$ 14.7325	\$ 14.7325
Demand rate 2	\$ 0.1483	\$ 0.1483	\$ 0.1483	\$ 0.1483	\$ 0.1483	\$ 0.1483	\$ 0.1483	\$ 0.1483	\$ 0.1483	\$ 0.1483
Commodity Rate										
Demand Volume 1	59,822	59,822	59,822	59,822	59,822	59,822	59,822	59,822	59,822	59,822
Demand Volume 2	59,822	59,822	59,822	59,822	59,822	59,822	59,822	59,822	59,822	59,822
Commodity Volume										
Demand Charge 1	\$ 881,328	\$ 881,328	\$ 881,328	\$ 881,328	\$ 881,328	\$ 881,328	\$ 881,328	\$ 881,328	\$ 881,328	\$ 881,328
Demand Charge 2	\$ 8,872	\$ 8,872	\$ 8,872	\$ 8,872	\$ 8,872	\$ 8,872	\$ 8,872	\$ 8,872	\$ 8,872	\$ 8,872
Commodity Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Cost	\$ 890,199									

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.64(c)(1)

Texas Eastern
 Firm Transportation
 Contract FTS2

	<u>Jan-04</u>	<u>Feb-04</u>	<u>Mar-04</u>	<u>Apr-04</u>	<u>May-04</u>	<u>Jun-04</u>	<u>Jul-04</u>	<u>Aug-04</u>	<u>Sep-04</u>	<u>Oct-04</u>
Demand rate 1	\$ 7.9590	\$ 7.9590	\$ 7.9590	\$ 7.9590	\$ 7.9590	\$ 7.9590	\$ 7.9590	\$ 7.9590	\$ 7.9590	\$ 7.9590
Demand rate 2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity Rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Demand Volume 1	5,394	5,394	5,394	5,394	5,394	5,394	5,394	5,394	5,394	5,394
Demand Volume 2	-	-	-	-	-	-	-	-	-	-
Commodity Volume	-	-	-	-	-	-	-	-	-	-
Demand Charge 1	\$ 42,931	\$ 42,931	\$ 42,931	\$ 42,931	\$ 42,931	\$ 42,931	\$ 42,931	\$ 42,931	\$ 42,931	\$ 42,931
Demand Charge 2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Cost	\$ 42,931									

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 item 53.64(c)(1)

Texas Eastern
 Firm Transportation
 Contract FTS2

	<u>Nov-04</u>	<u>Dec-04</u>	<u>Jan-05</u>	<u>Feb-05</u>	<u>Mar-05</u>	<u>Apr-05</u>	<u>May-05</u>	<u>Jun-05</u>	<u>Jul-05</u>	<u>Aug-05</u>
Demand rate 1	\$ 7.9590	\$ 7.9590	\$ 7.9590	\$ 7.9590	\$ 7.9590	\$ 7.9590	\$ 7.9590	\$ 7.9590	\$ 7.9590	\$ 7.9590
Demand rate 2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity Rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Demand Volume 1	5,394	5,394	5,394	5,394	5,394	5,394	5,394	5,394	5,394	5,394
Demand Volume 2	-	-	-	-	-	-	-	-	-	-
Commodity Volume	-	-	-	-	-	-	-	-	-	-
Demand Charge 1	\$ 42,931	\$ 42,931	\$ 42,931	\$ 42,931	\$ 42,931	\$ 42,931	\$ 42,931	\$ 42,931	\$ 42,931	\$ 42,931
Demand Charge 2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Cost	\$ 42,931									

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 item 53.64(c)(1)

Texas Eastern
 Firm Transportation
 Contract FTS7

	<u>Jan-04</u>	<u>Feb-04</u>	<u>Mar-04</u>	<u>Apr-04</u>	<u>May-04</u>	<u>Jun-04</u>	<u>Jul-04</u>	<u>Aug-04</u>	<u>Sep-04</u>	<u>Oct-04</u>
Demand rate 1	\$ 6.5760	\$ 6.5760	\$ 6.5760	\$ 6.5760	\$ 6.5760	\$ 6.5760	\$ 6.5760	\$ 6.5760	\$ 6.5760	\$ 6.5760
Demand rate 2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity Rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Demand Volume 1	7.788	7.788	7.788	7.788	7.788	7.788	7.788	7.788	7.788	7.788
Demand Volume 2	-	-	-	-	-	-	-	-	-	-
Commodity Volume	-	-	-	-	-	-	-	-	-	-
Demand Charge 1	\$ 51,214	\$ 51,214	\$ 51,214	\$ 51,214	\$ 51,214	\$ 51,214	\$ 51,214	\$ 51,214	\$ 51,214	\$ 51,214
Demand Charge 2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Cost	\$ 51,214									

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 item 53.64(c)(1)

Texas Eastern
 Firm Transportation
 Contract #TS7

	<u>Nov-04</u>	<u>Dec-04</u>	<u>Jan-05</u>	<u>Feb-05</u>	<u>Mar-05</u>	<u>Apr-05</u>	<u>May-05</u>	<u>Jun-05</u>	<u>Jul-05</u>	<u>Aug-05</u>
Demand rate 1	\$ 6,5760	\$ 6,5760	\$ 6,5760	\$ 6,5760	\$ 6,5760	\$ 6,5760	\$ 6,5760	\$ 6,5760	\$ 6,5760	\$ 6,5760
Demand rate 2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity Rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Demand Volume 1	7,788	7,788	7,788	7,788	7,788	7,788	7,788	7,788	7,788	7,788
Demand Volume 2	-	-	-	-	-	-	-	-	-	-
Commodity Volume	-	-	-	-	-	-	-	-	-	-
Demand Charge 1	\$ 51,214	\$ 51,214	\$ 51,214	\$ 51,214	\$ 51,214	\$ 51,214	\$ 51,214	\$ 51,214	\$ 51,214	\$ 51,214
Demand Charge 2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Cost	\$ 51,214									

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 item 53.64(c)(1)

Texas Eastern
 Firm Transportation
 Contract FTS8

	<u>Jan-04</u>	<u>Feb-04</u>	<u>Mar-04</u>	<u>Apr-04</u>	<u>May-04</u>	<u>Jun-04</u>	<u>Jul-04</u>	<u>Aug-04</u>	<u>Sep-04</u>	<u>Oct-04</u>
Demand rate 1	\$ 6.8640	\$ 6.8640	\$ 6.8640	\$ 6.8640	\$ 6.8640	\$ 6.8640	\$ 6.8640	\$ 6.8640	\$ 6.8640	\$ 6.8640
Demand rate 2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity Rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Demand Volume 1	25,709	25,709	25,709	25,709	25,709	25,709	25,709	25,709	25,709	25,709
Demand Volume 2	-	-	-	-	-	-	-	-	-	-
Commdity Volume	-	-	-	-	-	-	-	-	-	-
Demand Charge 1	\$ 176,467	\$ 176,467	\$ 176,467	\$ 176,467	\$ 176,467	\$ 176,467	\$ 176,467	\$ 176,467	\$ 176,467	\$ 176,467
Demand Charge 2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commdity Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Cost	\$ 176,467									

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 item 53.64(c)(1)

Texas Eastern
 Firm Transportation
 Contract FTS8

	<u>Nov-04</u>	<u>Dec-04</u>	<u>Jan-05</u>	<u>Feb-05</u>	<u>Mar-05</u>	<u>Apr-05</u>	<u>May-05</u>	<u>Jun-05</u>	<u>Jul-05</u>	<u>Aug-05</u>
Demand rate 1	\$ 6.8640	\$ 6.8640	\$ 6.8640	\$ 6.8640	\$ 6.8640	\$ 6.8640	\$ 6.8640	\$ 6.8640	\$ 6.8640	\$ 6.8640
Demand rate 2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity Rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Demand Volume 1	25,709	25,709	25,709	25,709	25,709	25,709	25,709	25,709	25,709	25,709
Demand Volume 2	-	-	-	-	-	-	-	-	-	-
Commodity Volume	-	-	-	-	-	-	-	-	-	-
Demand Charge 1	\$ 176,467	\$ 176,467	\$ 176,467	\$ 176,467	\$ 176,467	\$ 176,467	\$ 176,467	\$ 176,467	\$ 176,467	\$ 176,467
Demand Charge 2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Cost	\$ 176,467									

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 Item 53.64(c)(1)

Equitrans
 Firm Transportation
 Contract STS1

	<u>Jan-04</u>	<u>Feb-04</u>	<u>Mar-04</u>	<u>Apr-04</u>	<u>May-04</u>	<u>Jun-04</u>	<u>Jul-04</u>	<u>Aug-04</u>	<u>Sep-04</u>	<u>Oct-04</u>
Demand rate 1	\$ 5.7625	\$ 5.7625	\$ 5.7625	\$ 5.0087	\$ 5.0087	\$ 5.0087	\$ 5.0087	\$ 5.0087	\$ 5.0087	\$ 5.0087
Demand rate 2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity Rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Demand Volume 1	3,460	3,460	3,460	2,442	2,442	2,442	2,442	2,442	2,442	2,442
Demand Volume 2	-	-	-	-	-	-	-	-	-	-
Commodity Volume	-	-	-	-	-	-	-	-	-	-
Demand Charge 1	\$ 19,938	\$ 19,938	\$ 19,938	\$ 12,231	\$ 12,231	\$ 12,231	\$ 12,231	\$ 12,231	\$ 12,231	\$ 12,231
Demand Charge 2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total cost	\$ 19,938	\$ 19,938	\$ 19,938	\$ 12,231	\$ 12,231	\$ 12,231	\$ 12,231	\$ 12,231	\$ 12,231	\$ 12,231

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 3
 item 53.64(c)(1)

Equitrans
 Firm Transportation
 Contract STSI

	<u>Nov-04</u>	<u>Dec-04</u>	<u>Jan-05</u>	<u>Feb-05</u>	<u>Mar-05</u>	<u>Apr-05</u>	<u>May-05</u>	<u>Jun-05</u>	<u>Jul-05</u>	<u>Aug-05</u>
Demand rate 1	\$ 5.7625	\$ 5.7625	\$ 5.7625	\$ 5.7625	\$ 5.7625	\$ 5.0087	\$ 5.0087	\$ 5.0087	\$ 5.0087	\$ 5.0087
Demand rate 2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity Rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Demand Volume 1	3,460	3,460	3,460	3,460	3,460	2,442	2,442	2,442	2,442	2,442
Demand Volume 2	-	-	-	-	-	-	-	-	-	-
Commodity Volume	-	-	-	-	-	-	-	-	-	-
Demand Charge 1	\$ 19,938	\$ 19,938	\$ 19,938	\$ 19,938	\$ 19,938	\$ 12,231	\$ 12,231	\$ 12,231	\$ 12,231	\$ 12,231
Demand Charge 2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total cost	\$ 19,938	\$ 19,938	\$ 19,938	\$ 19,938	\$ 19,938	\$ 12,231	\$ 12,231	\$ 12,231	\$ 12,231	\$ 12,231

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2004-August 2005

Schedule 4
 Item 53.64(c)(1)

CAPACITY RELEASE
 (Dth)

	TRANSCO Contract 3691		TETCO Contract 800232		TETCO Contract 800515-514 Paid		TOTAL DOLLARS		TOTAL VOLUMES	
	VOLUMES ¹	DOLLARS ²	VOLUMES ¹	DOLLARS ²	VOLUMES ¹	DOLLARS ²	TRANSCO	TETCO	TRANSCO	TETCO
Aug-03	600,000	\$ -	1,080,000	\$ -	-	\$ -	\$ -	\$ -	600,000	1,080,000
Sep-03	-	\$ 120,960	-	\$ 217,762	-	\$ -	\$ 120,960	\$ 217,762	-	-
Oct-03	-	\$ -	-	\$ -	-	\$ -	\$ -	\$ -	-	-
Nov-03	-	\$ -	-	\$ -	-	\$ -	\$ -	\$ -	-	-
Dec-03	-	\$ -	-	\$ -	-	\$ -	\$ -	\$ -	-	-
Jan-04	-	\$ -	-	\$ -	-	\$ -	\$ -	\$ -	-	-
Feb-04	-	\$ -	-	\$ -	-	\$ -	\$ -	\$ -	-	-
Mar-04	-	\$ -	1,070,000	\$ -	864,000	\$ -	\$ -	\$ -	-	1,934,000
Apr-04	326,000	\$ -	409,000	\$ 203,300	1,080,000	\$ 164,160	\$ -	\$ 367,460	326,000	1,489,000
May-04	811,000	\$ 61,940	334,000	\$ 77,710	1,116,000	\$ 205,200	\$ 61,940	\$ 282,910	811,000	1,450,000
Jun-04	1,200,000	\$ 154,090	-	\$ 63,460	1,080,000	\$ 212,040	\$ 154,090	\$ 275,500	1,200,000	1,080,000
Jul-04	1,240,000	\$ 228,000	-	\$ -	1,116,000	\$ 205,200	\$ 228,000	\$ 205,200	1,240,000	1,116,000
Aug-04	-	\$ 235,600	-	\$ -	-	\$ 212,040	\$ 235,600	\$ 212,040	-	-
TOTAL September 03- August 04	4,177,000	\$ 800,590	2,893,000	\$ 562,232	5,256,000	\$ 998,640	\$ 800,590	\$ 1,560,872	4,177,000	8,149,000

(1) The volumes listed represent the volumes released during the month.
 (2) The dollars listed are the credit for the previous months released volumes due to a one month lag in the credit.

Philadelphia Gas Works
Forecasted Summary of Total Fuel Purchased
January 2004-August 2005

Schedule 4
Item 53 84(c)(1)

CAPACITY RELEASE
(Dth)

	TRANSCO Contract 3691		TETCO Contract 800232		TETCO Contract 800515-514 Paid		TOTAL DOLLARS		TOTAL VOLUMES	
	VOLUMES ¹	DOLLARS ²	VOLUMES ¹	DOLLARS ²	VOLUMES ¹	DOLLARS ²	TRANSCO	TETCO	TRANSCO	TETCO
Aug-04	1,240,000	\$ -	-	\$ -	1,116,000	\$ -	\$ -	\$ -	1,240,000	1,116,000
Sep-04	1,120,000	\$ 215,512	80,000	\$ -	1,080,000	\$ 193,961	\$ 215,512	\$ 193,961	1,120,000	1,160,000
Oct-04	548,000	\$ 194,656	692,000	\$ 13,904	1,116,000	\$ 187,704	\$ 194,656	\$ 201,608	548,000	1,808,000
Nov-04	120,000	\$ 95,242	482,000	\$ 120,270	468,000	\$ 193,961	\$ 95,242	\$ 314,230	120,000	950,000
Dec-04	-	\$ 20,856	-	\$ 83,772	-	\$ 81,338	\$ 20,856	\$ 165,110	-	-
Jan-05	-	\$ -	-	\$ -	-	\$ -	\$ -	\$ -	-	-
Feb-05	-	\$ -	-	\$ -	-	\$ -	\$ -	\$ -	-	-
Mar-05	80,000	\$ -	480,000	\$ -	864,000	\$ -	\$ -	\$ -	80,000	1,344,000
Apr-05	270,000	\$ 13,904	406,000	\$ 83,424	1,080,000	\$ 150,163	\$ 13,904	\$ 233,587	270,000	1,486,000
May-05	715,000	\$ 46,926	445,000	\$ 70,563	1,116,000	\$ 187,704	\$ 46,926	\$ 258,267	715,000	1,561,000
Jun-05	1,200,000	\$ 124,267	-	\$ 77,341	1,080,000	\$ 193,961	\$ 124,267	\$ 271,302	1,200,000	1,080,000
Jul-05	1,240,000	\$ 208,560	-	\$ -	1,116,000	\$ 187,704	\$ 208,560	\$ 187,704	1,240,000	1,116,000
Aug-05	-	\$ 215,512	-	\$ -	-	\$ 193,961	\$ 215,512	\$ 193,961	-	-
TOTAL September 04- August 05	6,533,000	1,135,435	2,585,000	449,273	9,036,000	1,570,457	1,135,435	2,019,730	6,533,000	11,621,000

(1) The volumes listed represent the volumes released during the month.

(2) The dollars listed are the credits for the previous months released volumes due to a one month lag in the credit.

DOCUMENT

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

DOCKETED
MAY 28 2004

DIRECT TESTIMONY
ON BEHALF OF
PHILADELPHIA GAS WORKS

DOCKET NOS. R- 00049157
P-

PF Phila
5-11-04

Philadelphia Gas Works
Proposed CRRC

2004 MAY 19 PM 2:45
SECRETARY'S BUREAU

RECEIVED

MARCH 1, 2004

DIRECT TESTIMONY

CRRC Statement No. 1 – Joseph R. Bogdonavage

CRRC Statement No. 2 – Douglas Moser

CRRC Statement No. 3 – Randall Gyory

CRRC Statement No. 4 – Hugh Gilbert Peach, Ph. D.

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

TESTIMONY OF

JOSEPH R. BOGDONAVAGE

ON BEHALF OF
PHILADELPHIA GAS WORKS

R-00049157

P- _____

Philadelphia Gas Works

Proposed CRRC

MARCH 2004

1 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

2 A. My name is Joseph R. Bogdonavage. My business address is 800 West Montgomery
3 Avenue, Philadelphia, PA 19122.

4 **Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?**

5 A. I am employed by the Philadelphia Gas Works in the capacity of Senior Vice President -
6 Finance.

7 **Q. WHAT ARE YOUR PRINCIPAL RESPONSIBILITIES AS SENIOR VICE**
8 **PRESIDENT?**

9 A. My principal responsibilities include the oversight of PGW's Accounting & Budget,
10 Treasury and Procurement & Contract Services Department. I am currently responsible
11 for the overall preparation of the financial areas of the operating and capital budgets.
12 These activities include the preparation of varied analyses for the purpose of generating
13 alternative financial initiatives; i.e., proposed revenue bond offerings, cash liquidity
14 analyses and base rate case presentations.

15 **Q. HAVE YOU PREVIOUSLY PRESENTED TESTIMONY BEFORE THE**
16 **PENNSYLVANIA PUBLIC UTILITY COMMISSION ("PUC")?**

17 A. Yes, my most recent testimony was in PGW's Restructuring Proceeding (M-00021612).

18 **Q. PLEASE EXPLAIN THE REASON FOR YOUR TESTIMONY.**

19 A. I will: 1) explain and document PGW's liquidity shortfall that it is currently experiencing
20 and which could reach crisis proportions at the end of the current fiscal year; 2) explain
21 that this liquidity crisis is directly attributable to a dramatic decline in customer cash
22 receipts that PGW has experienced during the past year which, in turn, is attributable to
23 the persistently high natural gas costs that PGW is attempting to recover; 3) explain that,
24 while cash receipts levels have been volatile, PGW expects these trends will continue and
25 substantial liquidity shortfalls will result for the next several years; 4) explain that in an

1 effort to forestall a financial crisis, and to respond to the high and volatile level of these
2 cash receipts, which is largely outside of PGW's control, I am proposing a mechanism
3 that, like the existing GCR clause, will permit PGW to reconcile actual levels of cash
4 receipts relative to billed revenues with historic levels (contained in PGW's last fully
5 litigated rate proceeding). The clause, which PGW is characterizing as its Cash Receipts
6 Reconciliation Clause (CRRC), will serve as a hedge to assure that PGW will be able to
7 reconcile its cash receipts with the assumed pro forma level. I will show PGW's
8 calculation of how the proposed Cash Receipts Reconciliation Clause would be
9 calculated and produce more adequate cash and liquidity to pay expenses timely and
10 provide for PGW's working capital requirements that have been adversely affected by
11 high natural gas costs.

12 **BACKGROUND**

13 **Q. HOW DOES PGW CURRENTLY RECOVER ITS COSTS INCLUDING** 14 **UNCOLLECTIBLE EXPENSE**

15 A. PGW recovers all of its costs of operations in its rates (although, as a municipally owned
16 utility, it does not receive an allowance for a rate of return). Virtually all of its natural
17 gas costs are designed to be recovered in a separate GCR rate which, pursuant to section
18 1307(f) of the Public Utility Code, is adjusted annually to reflect PGW's actually
19 experienced natural gas costs. A separate part of the same mechanism – the "E" factor –
20 authorizes the recovery (or credit) of any amounts from past periods which were not
21 recovered (or which were over recovered). Historically, PGW has recovered its natural
22 gas costs in this type of annual adjustment clause because natural gas costs are volatile
23 and the actually experienced price levels are a function of overall commodity market
24 conditions and are largely outside of the Company's control.

1 **Q. DOES THE COMPANY COLLECT 100% OF THE INCREASED NATURAL**
2 **GAS COSTS THAT IT IS PERMITTED TO BILL THROUGH ITS GCR?**

3 A. No. Like every company, it regularly fails to collect a portion of these and all other
4 charges. This past year, PGW collected less than 87% of the total amount it billed
5 including gas costs. When those amounts become permanently uncollectible, PGW has
6 no other alternative but to write them off. In the last four years, PGW's uncollectible
7 expense has ranged from 8.1% to 11% of total billed gas revenues. This means that while
8 it is theoretically permitted to recover all of the natural gas cost increases it experiences,
9 it failed to collect up to 13% of the increased charges in FY 1993 most of which turn into
10 permanent uncollectibles. Historically, PGW has failed to collect only 8% of all charges
11 billed. The difficulty the Company faces is that for the first time in many years, gas costs
12 have escalated for two years in a row. Customers have had no opportunity to catch their
13 breathes and are struggling to keep up.

14 **Q. HAS THE PUC PERMITTED PGW TO RECOVER ANY PORTION OF THIS**
15 **SHORTFALL.**

16 A. Yes. PGW is permitted an allowance for uncollectible expense in its permanent
17 distribution rates (which are **not** adjusted for changes in natural gas costs). In its last
18 fully litigated base rate case (R-00006042), PGW was permitted an allowance for
19 uncollectible expense of \$55.7 million, based upon an authorized uncollectible expense
20 percentage of 7.616% of pro forma gas revenues. This authorized amount implicitly
21 assumed that PGW would collect the remainder of its billed revenues – 92.38%. As one
22 can see from JRB-Exhibits 1 and 2, while being quite volatile, in this past year PGW's
23 cash receipts have fallen off significantly from historic levels (and its uncollectible
24 expense has also grown significantly).

1 **Q. PLEASE EXPLAIN YOUR ANALYSES OF THE DECLINE IN CASH RECEIPTS**
2 **DURING FISCAL YEAR 2003?**

3 A. The analysis is shown on JRB Exhibit-1. JRB Exhibit-1 details the recent history of
4 PGW's cash receipts compared to billings. Again, a long-term time horizon, PGW has
5 collected approximately 92% of annual billings on average. During the 2003 fiscal year,
6 however, and as mentioned above, PGW experienced a significant increase in natural gas
7 prices and a colder than normal winter heating season. The result of this situation was a
8 cash receipts factor below 87% or 5% below the historic level of 92%. Each 1% decline
9 in the receipts factor resulted in a reduction of nearly \$8.0 million or in Fiscal Year 2003,
10 an overall decline of over \$40.0 million.

11 **Q. WHY HAVE RECEIPTS DECLINED SO PRECIPITOUSLY?**

12 A. As Mr. Moser will explain in his testimony, gas costs have been increasing steadily over
13 the last several years. This was also reflected in increased average heating bills. From
14 FY 2000 to FY 2004 residential heating bills have increased approximately 60%. (See
15 Exhibit JRB-3). Customers experienced bills in the range of \$900 per family per year for
16 well over a decade. This allowed for predictability in terms of personal budgeting and
17 expected payment patterns on the part of the utility. For the latter part of the 1990's and
18 as late as 2002, this stability was enhanced from the customer's perspective by much
19 warmer than normal weather. In his testimony, Mr. Moser describes the circumstances in
20 the gas markets as they have evolved and how gas prices are likely to behave in the next
21 few years.

22 The customers' experiences changed abruptly over the last two years. As weather
23 returned to colder than normal last year, following a winter that was 24% warmer than
24 normal, and gas prices began their ascent, the bills topped off at \$1300 per family per

1 year, up \$400 on average from the prior period. As JRB Exhibit-3 details, the average
2 residential customer bill is anticipated to rise from just around \$900 in Fiscal Year 2002
3 to approximately \$1,450 projected for Fiscal Year 2004. These increases represent real
4 costs to customers and have put an extraordinary strain on not only the low income
5 ratepayer but on the middle class as well. A similar pattern of average bills also exists for
6 PGW's small business customers.

7 **Q. COULD YOU EXPLAIN THE IMPACT THAT LOWER CASH RECEIPTS HAD**
8 **ON CUSTOMER ACCOUNTS RECEIVABLE BALANCES AND**
9 **UNCOLLECTIBLE EXPENSE DURING FISCAL YEAR 2003.**

10 A. PGW's net customer accounts receivable balance as shown on JRB Exhibit-2 rose by
11 nearly 40% to \$92.9 million up from \$66.6 million in the prior year, while bad debt
12 expense rose to \$85.0 million, up \$33.5 million or 65% from \$51.5 million in Fiscal Year
13 2003 (and in comparison to our pro forma allowance of \$55.7 million). Exhibit JRB-4
14 compares total uncollectible expense with total cash collections. As is plainly shown
15 there, the very high levels of uncollectible expense PGW has experienced in 2001, 2003
16 and predicted for 2004 are associated with dramatically lower levels of cash collections.
17 I understand that available data show that both residential and small business customers
18 are responsible for the increase in accounts receivables and uncollectibles.

19 **Q. WHAT IS THE MAIN CAUSE OF THIS DRAMATIC RISE?**

20 A. Clearly, the increase in the absolute amount of our uncollectible levels are principally
21 associated with the significant rise in PGW's GCR charges which, in turn, are due to the
22 escalating price of natural gas combined with the colder weather experienced. But the
23 decrease in the relative amount of cash collections (i.e., from 92% down to below 87%) is
24 also related to these same factors. Moreover, as Mr. Peach explains, these persistently
25 high levels of natural gas costs have also resulted in customers paying a smaller and

1 smaller portion of the amounts they are billed. He explains that these higher prices hit
2 PGW customers unusually hard because of the economic circumstances in Philadelphia.
3 As a result of all of these factors, based upon projections of average annual customer bills
4 for the next few years or so, PGW is faced with the potential for continuing low
5 percentages of collections despite the Company's heightened attempts to improve its
6 results in this area, as described by Mr. Gyory.

7 **Q. WILL THIS INCREASE IN UNCOLLECTED REVENUES HAVE A MATERIAL**
8 **EFFECT ON PGW'S FINANCIAL CIRCUMSTANCES?**

9 A. Yes, very definitely.

10 **Q. PLEASE DESCRIBE THE IMPACT OF THE DECLINE IN CASH RECEIPTS**
11 **ON PGW'S OVERALL LIQUIDITY DURING FISCAL YEAR 2003.**

12 A. First, it is important to recall that PGW is regulated on a "Cash Flow Method" basis,
13 with its revenue requirement set a level that will permit PGW to maintain the debt
14 coverage levels required by its bond covenants and to achieve levels of liquidity so that it
15 is able to pay its bills when due. Under this approach, PGW obtains all of its cash
16 working capital from customers through the rates it charges for gas service. PGW in past
17 rate proceedings documented that it needed \$35.0 to \$40.0 million in liquidity (i.e., cash
18 and available short-term borrowing) (not including the limited and restricted funds
19 available from the restricted capital fund) at the end of its fiscal year to provide funding
20 for working capital requirements. While the PUC's prior orders have sought to set this
21 year-end liquidity level at a just and reasonable level, it did so under the assumption that
22 PGW would be able to collect billed revenues at historically realized amounts.

23 However, the dramatic drop in PGW's cash receipts has resulted in a parallel
24 drop in the Company's overall liquidity. JRB Exhibit-5, page 1, represents PGW's total
25 cash receipts and disbursements during Fiscal Year 2003. This analysis shows that PGW

1 had a cash balance of \$.1 million (i.e., \$100,000) and \$5.8 million in available
2 commercial paper with the remaining balance of \$74.0 million utilized. The \$45.0
3 million City of Philadelphia loan was also fully utilized at August 31, 2003. The only
4 way the Company was able to achieve even these results was by executing a forward
5 sale of gas inventory which produced \$15 million of additional cash at year end. The
6 only remaining source of liquidity was PGW's restricted capital fund which, while
7 having a balance of nearly \$94.0 million at fiscal year end 2003, and which can be used
8 as a source of intra-fund borrowing, must be reconciled to PGW's actual capital spending
9 on an annual fiscal period basis. In other words, PGW must either expend the
10 "borrowed" funds on construction or pay the money back into the fund by the end of the
11 year or be in violation of its bond ordinances.

12 **Q. WHAT IMPACT WILL THE CASH RECEIPTS DECLINE HAVE ON PGW'S**
13 **LIQUIDITY IN FISCAL YEAR 2004?**

14 A. As shown on JRB Exhibit-5 page 2, PGW is projecting a year end cash balance of
15 negative \$5 million. All sources of liquidity, including the \$80.0 million commercial
16 paper program and the \$45.0 million City of Philadelphia loan will be fully utilized. In
17 addition, PGW will have to draw down on its restricted capital fund in several months to
18 pay its current natural gas invoices and other obligations as they become due. As was
19 previously mentioned, PGW had \$94.0 million available in its restricted capital fund at
20 the beginning of the 2004 Fiscal Year. By the end of the fiscal period August 31, 2004,
21 PGW expects to have a remaining balance of just \$27.0 to \$30.0 million in the capital
22 fund. This level will not be sufficient to fund PGW's Fiscal Year 2005 capital program
23 and will require PGW to enter the capital market this fall (earlier than it had planned) for
24 a new bond issue of between \$125.0 million to \$150.0 million. If PGW's cash liquidity

1 issues have not been resolved by the time the bond is marketed, it could result in
2 substantially higher interest rates at best. At worst, it could substantially impede the
3 Company's access to the market place for capital funding. Either of these results will
4 substantially damage the Company's continued efforts at a financial work-out that has
5 been delayed more than two years. It would not appear to be the subject of serious
6 dispute that PGW needs either to find a way to return its cash receipts collections to
7 historical levels (and the levels assumed by the PUC in its last litigated rate proceeding)
8 or it needs to secure revenues to replace those that it can not collect from a portion of its
9 customer base.

10 **Q. WHAT OPTIONS DID PGW CONSIDER TO ADDRESS THIS PROBLEM?**

11 A. The first option considered was a full base rate case in which PGW would present its
12 need for a rate increase not only to cover this experienced and projected levels of
13 uncollectibles but also to cover the myriad of other expense increases that it has
14 experienced since its last rate proceeding, together with a new claim for year end cash
15 working capital and liquidity to reflect current market and financial conditions. While
16 some individual expense items may have gone down since that case, several major
17 categories of costs have increased, most notably pension expense, healthcare costs and
18 uncollectibles. There is no doubt, therefore, that, overall, PGW's cost of providing
19 service is higher today than it was in its last rate case. The second approach, and that
20 adopted by PGW, is to focus on the principal variable that is causing the financial crisis –
21 cash collection levels.

22 **Q. WHY DOESN'T PGW REDUCE OTHER COSTS TO CREATE ADDITIONAL**
23 **CASH WORKING CAPITAL?**

1 A. Because PGW has very limited ability to do so. PGW is constantly looking to reduce
2 expenditures over which it has some control. But only about 6% of its costs are truly
3 discretionary. That amounts to about \$50 million. These expenditures consist of things
4 like administrative and general expense, postage, utilities and the like. Obviously it
5 would be impossible to make up the entire cash shortfall -- or even a significant portion
6 of it -- by making cuts in this area without seriously harming the Company's ability to
7 operate.

8 **Q. CAN YOU EXPLAIN WHY PGW IS PROPOSING THE CASH RECEIPTS**
9 **RECONCILIATION CLAUSE ("CRRC")?**

10 A. Like its GCR clause for the recovery of natural gas costs, PGW's CRRC would recognize
11 that the current downturn in PGW's levels of uncollected cash receipts is largely outside
12 its control. If cash receipts return to the level, included in PGW's current base rates, the
13 clause will not charge customers . As Mr. Gyory explains, PGW is undertaking an
14 extensive effort to increase collections levels. If PGW is successful in improving these
15 collection levels, the clause will not charge customers any additional amount. However,
16 by putting the clause in place PGW will be assured (and assure potential bondholders)
17 that it will be able to achieve minimally acceptable levels of cash collections.
18 Moreover, PGW's recent experience shows that its cash collection levels are volatile and
19 swing wildly as natural gas costs and weather affect its customers' charges and, in turn,
20 their ability to pay their gas bills. In addition, such factors as the authorized levels of
21 LIHEAP funding will affect PGW's realized cash receipts in any particular year. As
22 such, in today's environment, recovering increased uncollectible amounts in an
23 automatically adjusting, fully reconcilable clause is best for a Cash Flow method
24 company like PGW.

1 **Q. IN CONSTRUCTING THE PROPOSED CLAUSE, WHY DIDN'T PGW FOCUS**
2 **ON RECONCILING ITS PROVISION FOR UNCOLLECTIBLES OR ITS**
3 **ACTUAL WRITE-OFFS?**

4 A. Because, for PGW, what it books as a "bad debt expense," and ultimately its actual write-
5 offs is not what drives its financial health at the current time. Its levels of cash at crucial
6 periods during the year are key and, in turn, so are its levels of cash collections. PGW
7 may not write off a large portion of delinquent accounts in any one year for a variety of
8 reasons, but that doesn't change the fact that it has, nonetheless, experienced a real cash
9 shortfall in that year.

10 **Q. WHAT ARE THE ELEMENTS OF THE CLAUSE AS PROPOSED BY PGW AND**
11 **HOW WILL THE MECHANISM BE IMPLEMENTED.**

12 A. As depicted on Exhibit JRB-6, PGW's proposal would have two components: a pro
13 forma prospective test year (Fiscal Year 2005) factor, which would have a projected level
14 of gas billings and projected cash receipts factor for the fiscal year. PGW in its most
15 recent fully litigated base rate proceeding had a \$55.7 million uncollectible expense
16 allowance incorporated in rates. The clause would be calculated utilizing a projected
17 cash receipts factor multiplied by the gas billings. PGW is proposing that the projected
18 cash receipts factor be set at the actual cash receipts percentage realized in the prior
19 year. The resultant short fall would be reduced by the allowance in base rates of \$55.7
20 million, leaving the remainder to be recovered over firm sales on a per Mcf basis. For
21 2004-05, (FY 2005) the calculation would be as follows: Gas billings: \$826 million @
22 89% (projected receipts factor for the fiscal year) = \$735.9 million, producing a gross
23 short fall of \$90.9 million, less \$55.7 million allowance in rates = \$35.2 million to be
24 recovered through the clause.

25 In addition, there would be an "E" factor similar to the one included in PGW's

1 Gas Cost Rate. The "E" factor would be implemented in basically the same manner
2 although it would utilize actual/estimated data for the current period. The "E" factor for
3 the 2003-04 clause would be calculated as follows: Gas billings: \$818.4 million @ 89%
4 (actual receipts factor for 2003-04) = \$728.4 million, producing a shortfall of \$90.0
5 million, less \$55.7 million allowance = \$34.3 million. To recognize that the clause
6 would be established at a point when the factors that affect PGW's cash collections have
7 had their most negative effect, and that the effect on our cash collections has been
8 building up for a few years, PGW is proposing to amortize the initial realized "E" factor
9 over three years for an annual recovery of \$11.4 million (without interest). This produces
10 a total potential recovery for these two components of \$ 46.7 million. This recovery, if
11 it becomes necessary, would permit PGW to bill customers for the shortfall in cash
12 collections and provide a source of liquidity to allow PGW to reduce its reliance on short-
13 term borrowing and the restricted capital fund for working capital requirements. Like, its
14 GCR, PGW would update these calculations in a 4th Quarter adjustment that would be
15 filed on September 1, 2004. In this way if PGW is able to improve its cash collections by
16 the end of its fiscal year, it will be able to adjust its projected collection levels as well as
17 the "E" factor for the 2003-04 period. This clause would be reconciled on an annual
18 basis at the same time and in the same manner as its GCR. The revisions to the tariff
19 necessary to implement this clause are set out in PGW's Supplement No. 3 to Tariff No.
20 2. As indicated earlier, if approved, this clause should allow PGW to have the cash
21 available to fund operations and to maintain minimally acceptable financial viability.

22 **Q. IF PGW'S ACTUAL CASH RECEIPTS LEVELS EXCEEDS THE LEVEL OF**
23 **UNCOLLECTIBLES INCLUDED IN RATES (\$55.7 MILLION) WILL THE**
24 **CLAUSE PROVIDE A CREDIT TO CUSTOMERS?**

1 A. No, PGW is proposing the CRRC as a “make whole” mechanism rather than as a true-up.
2 This is important because PGW, in its present circumstances needs to collect revenues at
3 historic collection percentages just to avoid financial crisis. If it is fortunate enough to
4 realize collection levels that would result in an implicit uncollectible amount that is
5 smaller than its present base rate allowance, PGW needs to be first able to use this added
6 amount as a source of internally generated working capital, and reduce its use of its short
7 term borrowings but ultimately its sole reliance on long term debt for capital
8 improvements. As indicated above, PGW continues to be in a situation where it has
9 absolutely no margin of error. It would be to everyone’s benefit if PGW were able to
10 produce internally generated funds (which ultimately all came from the customer) and
11 firm up its financial position in the coming few years. This has been our goal for some
12 time but high gas costs and much tighter financial markets has frustrated our progress.

13 **Q. MR. BOGDONAVAGE, IF THE PUC AUTHORIZES THIS “MAKE WHOLE”**
14 **CLAUSE WILL PGW LOSE ITS INCENTIVE TO IMPROVE ITS CASH**
15 **COLLECTIONS LEVELS?**

16 A. Absolutely not. As I indicated above, the clause would give PGW some assurance that it
17 will at least realize cash collection percentages at historic levels, levels that are essential
18 if it is to avoid full financial crisis. But the Company is completely committed not just to
19 surviving but to extricating itself from its present precarious financial circumstances and
20 getting back on to the road to financial stability. The only way that it is going to achieve
21 that is by exceeding historic performance levels. The only way to do this would be by
22 exceeding historic levels of collections. Considering the way in which the Company is
23 structuring the clause it will not lose its incentive to collect every penny of billings, in
24 fact, just the opposite is true.

1 **Q. WOULD THE COMPANY GO FORWARD AND IMPLEMENT THE CLAUSE IF**
2 **THE COMMISSION AUTHORIZED IT BUT MANDATED THAT IT HAD TO**
3 **TRUE UP CASH COLLECTIONS AND RETURN ANY AMOUNTS OVER THE**
4 **AMOUNT IMPLICITLY ASSUMED IN RATES BACK TO CUSTOMERS?**

5 A. Under the present circumstances, it is unlikely that we would agree to do so and PGW
6 reserves the right to withdraw the proposal if the PUC changes or revises a material *term*
7 such that, in the Company's view, implementation of the clause would be harmful to
8 PGW's overall financial position. We would have no option but to file a base rate case
9 for more money than we are seeking through the CRRC.

10 **Q. HOW WILL THE CRRC BE CHARGED TO CUSTOMERS?**

11 A. All firm rate customers would be billed the charge, which would be added to their
12 distribution charge, in the same way that PGW now calculates and charges its
13 Restructuring Charge and its Universal Service Charge. PGW's has included proposed
14 language in its GCR/CRRC Tariff filing to implement the CRRC (Supplement No. 2 to
15 Pa PUC Tariff No. 2, pg. 82).

16 **Q. DOES THAT COMPLETE YOUR DIRECT TESTIMONY?**

17 A. Yes.

18

PHILADELPHIA GAS WORKS
BILLINGS & RECEIPTS HISTORY
(Dollars in Millions)

<u>Fiscal Year</u>	<u>Sept</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>Aug</u>	<u>Total</u>	<u>% of Billings</u>	<u>Degree Days</u> Normal 4,555
<u>1997-1998</u>															
Receipts	28.8	30.9	28.8	50.0	53.3	56.7	62.9	53.3	44.8	35.8	29.2	25.4	\$ 499.9		
Billings	18.6	24.1	46.8	75.1	77.6	76	67.4	45.7	24.9	19.5	17.6	16.9	510.2	97.98%	3,996
<u>1998-1999</u>															
Receipts	26.4	24.0	24.3	38.0	38.9	64.2	69.0	54.0	41.7	32.5	24.4	20.6	\$ 458.0		
Billings	16.2	21.3	39.1	54.8	94.9	65.6	68.0	47.5	33.4	20.5	18.8	17.4	497.5	92.06%	3,886
<u>1999-2000</u>															
Receipts	27.4	22.6	29.3	34.3	41.2	60.8	68.0	50.0	50.0	40.3	23.8	27.4	\$ 475.1		
Billings	5.4	23.4	51.1	53.4	75.4	93.1	61.9	43.5	27.6	28.7	24.1	24.1	511.7	92.85%	3,960
<u>2000-2001</u>															
Receipts	29.4	31.1	32.5	40.3	77.0	86.6	82.9	83.8	73.5	53.4	43.6	43.3	\$ 677.4		
Billings	21.4	30.5	44.9	89.4	129.4	116.2	117.3	88	41.6	32.8	31.5	26.1	769.1	88.08%	4,505
<u>2001-2002</u>															
Receipts	32.2	40.9	42.6	41.5	63.1	64.6	66.3	72	51.2	34.5	33.4	33.0	\$ 575.3		
Billings	29.8	31.7	48.6	64.4	95.6	84.6	70.7	54.7	37.1	26.8	23.0	22.6	589.6	97.57%	3,462
<u>2002-2003</u>															
Receipts	28.5	37.7	31.6	49.9	77.6	76.3	102.9	85.4	68.8	50.5	44.6	36.5	\$ 690.3		
Billings	26.2	31.9	59.2	97.2	123.4	126.2	110.6	76.2	48.8	37.5	31.2	29.0	797.4	86.57%	4,794
														<u>Average</u>	<u>4,101</u>
														91.85%	
													<u>Total Receipts</u>	<u>\$ 3,376.0</u>	
													<u>Total Billings</u>	<u>\$ 3,675.5</u>	

PHILADELPHIA GAS WORKS
Historical Accounts Receivable and Write-offs

	<u>Actual</u> <u>1999</u>	<u>Actual</u> <u>2000*</u>	<u>Actual</u> <u>2001</u>	<u>Actual</u> <u>2002</u>	<u>Actual</u> <u>2003</u>	<u>Estimate</u> <u>2004</u>
Billed Gas Revenues (\$000)	\$ 482,700	\$ 495,545	\$ 741,963	\$ 557,466	\$ 755,920	\$ 818,395
Accounts Receivable (\$000)	107,453	185,421	280,406	254,047	321,408	353,103
Less: Reserve for Bad Debt	(67,070)	(129,154)	(184,324)	(187,461)	(228,548)	(238,548)
Net Accounts Receivable	40,383	56,267	96,082	66,586	92,860	114,555
Bad Debt Reserve/Accounts Receivable	62.4%	69.7%	65.7%	73.8%	71.1%	67.6%
Write-Offs Net (\$000)	36,653	19,712	12,463	48,411	43,914	60,000
Restated Reserve Adjustment Reactivated Accts.	-	27,154	-	-	-	-
Receivable/Billed Gas Revenues	22.3%	37.4%	37.8%	45.6%	42.5%	43.1%
Delinquent Customer (Annual Average)						
Delinquent Customer (End of Year)						
Bad Debt (\$000)	39,000	54,642	67,633	51,548	85,000	70,000
Bad Debt /Billed Gas Revenues	8.1%	11.0%	9.1%	9.2%	11.2%	8.6%
Bad Debt/Accounts Receivable	36.3%	29.5%	24.1%	20.3%	26.4%	19.8%

* Accounts Receivable & Reserve for Bad Debt Restated by \$27,154,000 in Reactivated accounts.

Philadelphia Gas Works

FY1993-2004 Year End Net Accounts Receivable & Ave. Residential Heating Bill

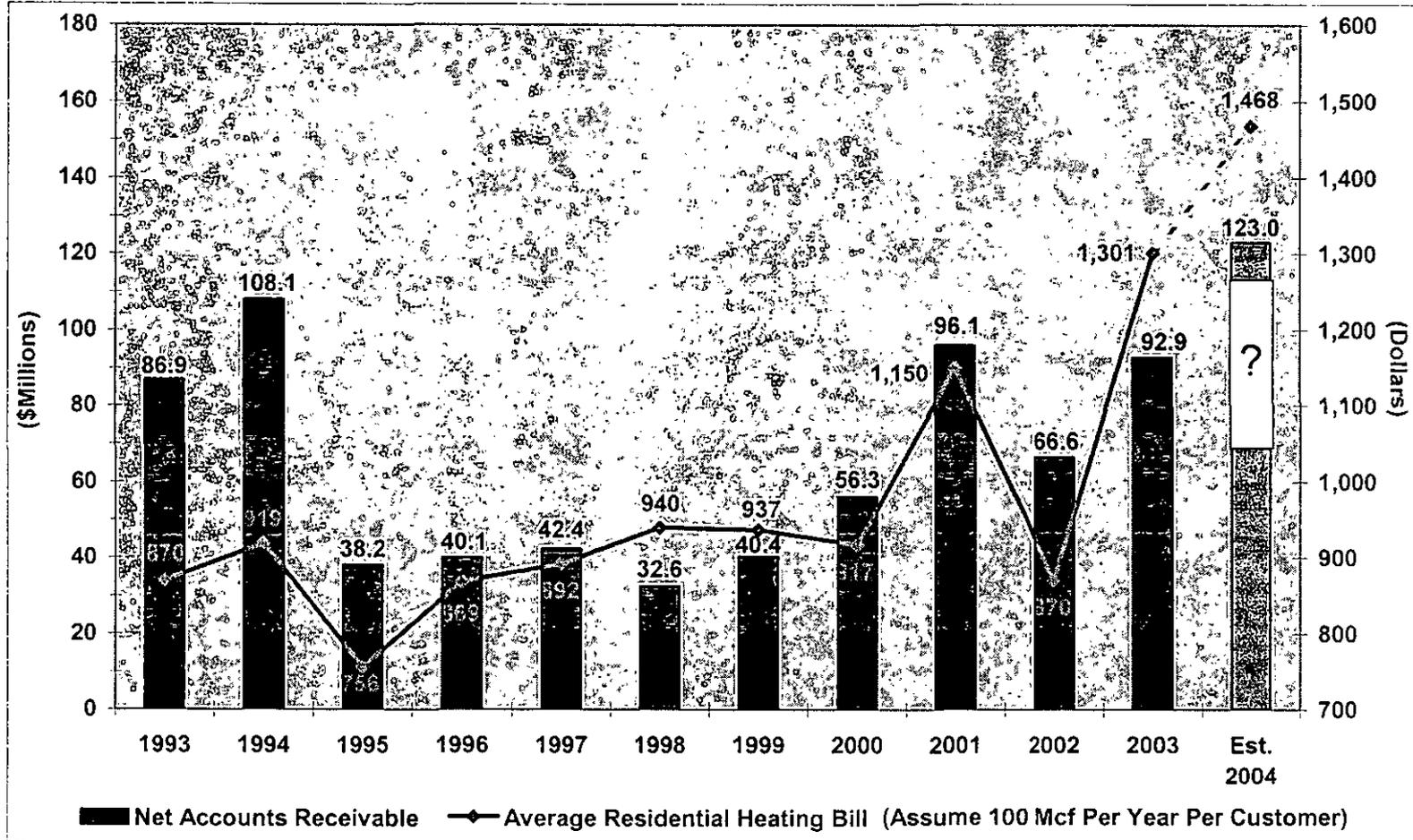
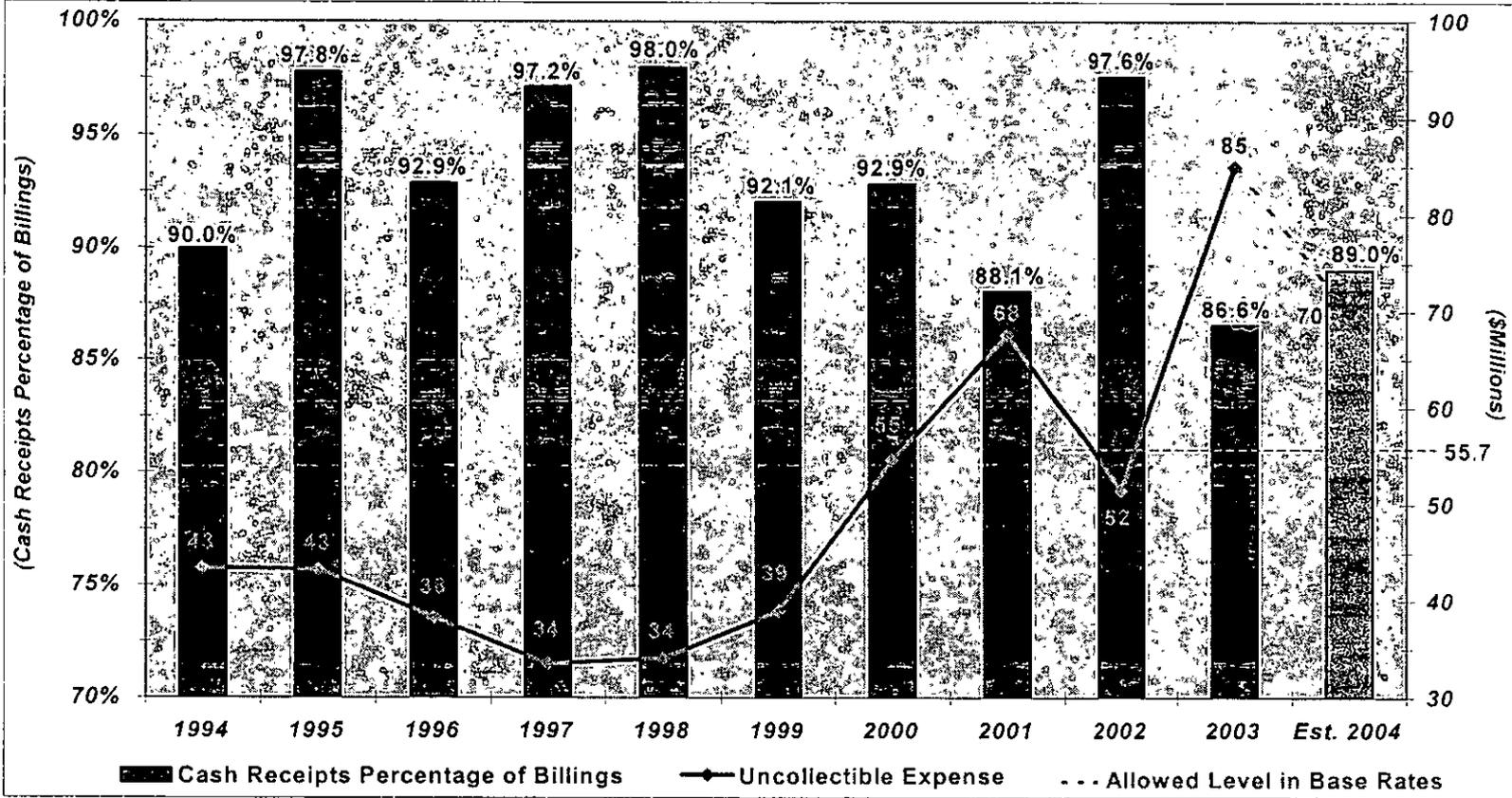


Exhibit JRB-3

Cash Receipts & Uncollectible Expense

At 86.57% in FY2003 Cash Receipts levels are dropping below historic percentages of Billings (91.85%) as well as the implicit level assumed in last base rate case (92.38%)



While Provision for Uncollectible Expense is climbing.

Actual Weather 4,794 degree days 5.25%
 City Loan \$45.0 MM Fully Outstanding @ 8/31/03
 \$69.6M Annualized Rate Increase
 TXCP \$80.0 M with \$74.0 MM Outstanding @ 8/31/03
 New Bond Sale \$125.0 MM 12/2002
 WNA Customer Credit \$10.0 MM

ESTIMATE OF CASH RECEIPTS AND DISBURSEMENTS
 FISCAL YEAR ENDING AUGUST 31, 2003
 (Millions of Dollars)

	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL
9/17/03	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	TOTAL
OPENING BALANCE - CASH INCLUDES \$78.0 TXCP RECEIPTS	\$11.4	(\$0.7)	\$0.8	\$6.0	\$6.2	\$8.0	\$3.1	\$10.1	\$13.8	\$2.2	\$2.0	(\$1.0)	\$11.4
Gas	28.5	37.7	31.6	49.9	77.6	76.3	102.9	85.4	68.8	50.5	44.6	36.7	690.5
Other	1.1	0.4	6.0	0.2	0.3	0.1	0.5	0.5	0.4	0.3	0.6	15.3	25.7
Drawn from Capital Funds - Principal	0.0	6.0	17.0	11.4	20.7	0.0	0.0	0.0	15.4	1.2	(3.1)	(7.6)	61.0
Drawn from Capital Funds - Interest	0.0	0.0	0.0	0.0	0.5	0.0	0.0	0.0	0.0	0.0	0.4	0.8	1.7
Drawn from Lease Funds - Principal	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Drawn from Lease Funds - Interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Advance (Repayment) of Capital Fund	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Pension Draw	0.0	3.6	1.5	1.0	2.6	0.0	2.6	1.8	0.8	0.8	0.8	1.7	17.2
City Loan	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rate Relief	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL RECEIPTS	29.6	47.7	56.1	62.5	101.7	76.4	106.0	87.7	85.4	52.8	43.3	46.9	796.1
TOTAL	41.0	47.0	56.9	68.5	107.9	84.4	109.2	97.8	99.2	55.0	45.3	45.9	807.5
DISBURSEMENTS													
Labor	10.7	10.3	12.6	11.4	12.4	12.2	11.7	12.4	12.3	9.8	12.5	11.5	139.8
Natural Gas	19.0	21.6	28.8	38.4	41.2	44.5	45.1	59.3	37.8	41.4	37.0	17.5	431.6
Debt Service	0.0	2.0	0.0	0.0	24.7	5.4	0.0	2.0	4.7	0.0	38.2	13.3	90.3
TXCP: Interest	0.0	0.1	0.0	0.2	0.1	0.1	0.1	0.0	0.0	0.4	0.0	0.1	1.1
Repayment of City Loan	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
City Fee	0.0	0.0	0.0	0.0	0.0	4.5	4.5	4.5	4.5	0.0	0.0	0.0	18.0
Other Disbursements	12.0	9.2	10.5	10.2	9.5	8.8	12.2	9.8	10.2	9.4	11.1	7.9	120.8
TOTAL DISBURSEMENTS	41.7	43.2	51.9	60.2	87.9	75.5	73.6	88.0	69.5	61.0	98.8	50.3	801.6
MONTHLY CASH FLOW	(12.1)	4.5	4.2	2.3	13.8	0.9	32.4	(0.3)	15.9	(8.2)	(55.5)	(3.4)	(5.5)
CUMULATIVE CASH FLOW	(12.1)	(7.6)	(3.4)	(1.1)	12.7	13.6	46.0	45.7	61.6	53.4	(2.1)	(5.5)	
OPENING TXCP	79.8	79.8	76.8	77.8	75.7	63.7	58.0	32.5	36.5	9.0	17.0	69.5	79.8
TXCP ISSUED DURING MONTH	0.0	0.0	1.0	0.0	0.0	0.0	0.0	4.0	0.0	8.0	52.5	4.5	70.0
TXCP ISSUED PAID DOWN DURING MONTH	0.0	3.0	0.0	2.1	12.0	5.8	25.5	0.0	27.5	0.0	0.0	0.0	75.9
ENDING TXCP	79.8	76.8	77.8	75.7	63.7	58.0	32.5	36.5	9.0	17.0	69.5	74.0	74.0
OPENING BALANCE - CASH	11.4	(0.7)	0.8	6.0	6.2	8.0	3.1	10.1	13.8	2.2	2.0	(1.0)	11.4
MONTHLY CASH FLOW	(12.1)	4.5	4.2	2.3	13.8	0.9	32.4	(0.3)	15.9	(8.2)	(55.5)	(3.4)	(5.5)
NET TXCP ACTIVITY MONTHLY	0.0	(3.0)	1.0	(2.1)	(12.0)	(5.8)	(25.5)	4.0	(27.5)	8.0	52.5	4.5	(5.8)
ENDING BALANCE - CASH	(0.7)	0.8	6.0	6.2	8.0	3.1	10.1	13.8	2.2	2.0	(1.0)	0.1	0.1
CITY LOAN AVAILABLE - END OF MONTH	6.5	2.3	1.3	0.0	5.1	0.0	0.8	6.6	11.5	0.0	0.0	0.0	0.0
CITY LOAN UTILIZED - END OF MONTH	38.5	42.7	43.7	45.0	39.9	45.0	44.2	38.4	33.5	45.0	45.0	45.0	45.0
CASH POSITION NET OF TXCP AND CITY LOAN	(123.2)	(119.7)	(116.8)	(109.4)	(100.7)	(99.0)	(60.8)	(56.2)	(51.8)	(60.0)	(115.5)	(118.9)	

Actual/Estimate Weather 4,490 degree days
 City Loan \$45.0 MM Fully Outstanding @ 8/31/04
 TXCP \$80.0 MM with \$79.8 MM Outstanding @ 8/31/04
 Original Collection Factor 94.5% / Estimate 89.0%
 City Fee Deferral \$18.0 M-Nat. Gas Storage Deferral \$10.0M
 Natural Gas Pymt. Deferral \$24.5 M @ 4.59 Bcf May-Sept
 FY 2004 Impact \$4.9 M per Month June-Aug
 2/25/04

BUDGET OF CASH RECEIPTS AND DISBURSEMENTS
 FISCAL YEAR ENDING AUGUST 31, 2004

(Millions of Dollars)

	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ESTIMATE	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST	TOTAL	
	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug		
OPENING BALANCE - CASH INCLUDES \$74.0 TXCP RECEIPTS	(\$0.1)	(\$2.7)	(\$1.5)	(\$0.8)	53.3	\$13.4	\$7.8	\$14.0	\$14.5	\$4.3	\$41.3	\$15.1	(\$0.1)	
Gas	34.0	42.3	39.3	58.9	77.5	96.0	99.0	91.0	77.0	60.0	47.0	44.7	766.7	
Other	2.2	1.7	0.1	0.4	3.4	0.1	0.1	0.6	0.6	0.6	0.6	1.9	12.3	
Drawn from Capital Funds - Principal (\$94.2MM)	18.6	9.6	12.4	4.3	31.0	0.0	0.0	0.0	18.1	0.0	0.0	(27.4)	66.6	
Drawn from Capital Funds - Interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.4	1.4	
Drawn from Lease Funds - Principal (\$X.XMM)	0.0	1.2	0.0	0.0	0.0	0.0	0.0	3.2	0.0	0.0	0.0	0.0	4.4	
Drawn from Lease Funds - Interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.1	
Pension Draw	0.8	2.2	1.5	1.6	1.5	1.6	1.6	1.6	1.6	1.6	1.6	1.6	18.8	
City Loan	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
TOTAL RECEIPTS	55.6	57.0	53.3	65.2	113.4	97.7	100.7	96.5	97.3	62.2	49.2	22.2	870.3	
TOTAL	55.5	54.3	51.8	64.4	116.7	111.1	108.5	110.5	111.8	66.5	90.5	37.3	870.2	
DISBURSEMENTS														
Labor	10.4	12.2	10.8	11.4	12.3	11.4	12.3	11.9	11.0	11.3	11.4	11.4	137.8	
Natural Gas	28.7	32.5	35.7	41.4	55.5	63.5	49.2	52.8	41.9	29.2	26.7	26.5	483.6	
Debt Service	0.0	2.0	0.0	0.0	23.3	8.4	0.0	2.0	4.6	0.0	39.0	15.0	94.3	
TXCP: Interest	0.1	0.1	0.1	0.1	0.2	0.2	0.2	0.2	0.2	0.4	0.2	0.2	2.2	
Repayment of City Loan	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Sales Tax Liability	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.5	0.0	0.0	0.0	0.0	1.5	
City Fee	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	18.0	0.0	0.0	18.0	
Other Disbursements	16.5	11.1	10.2	10.2	12.0	12.8	12.8	12.6	12.0	11.3	11.1	11.0	143.6	
TOTAL DISBURSEMENTS	55.7	57.9	56.8	63.1	103.3	96.3	74.5	81.0	69.7	70.2	88.4	64.1	881.0	
MONTHLY CASH FLOW	(0.1)	(0.9)	(3.5)	2.1	10.1	1.4	26.2	15.5	27.6	(8.0)	(39.2)	(41.9)	(10.7)	
CUMULATIVE CASH FLOW	(0.1)	(1.0)	(4.5)	(2.4)	7.7	9.1	35.3	50.8	78.4	70.4	31.2	(10.7)		
OPENING TXCP	74.0	74.0	71.5	73.6	77.8	79.8	79.8	72.8	52.8	37.8	0.0	45.0	58.0	74.0
TXCP ISSUED DURING MONTH	0.0	2.1	4.2	2.0	0.0	0.0	0.0	0.0	0.0	45.0	13.0	21.8	88.1	
TXCP ISSUED PAID DOWN DURING MONTH	2.5	0.0	0.0	0.0	0.0	7.0	20.0	15.0	37.8	0.0	0.0	0.0	82.3	
ENDING TXCP	71.5	73.6	77.8	79.8	79.8	72.8	52.8	37.8	0.0	45.0	58.0	79.8	79.8	
OPENING BALANCE - CASH	(0.1)	(2.7)	(1.5)	(0.8)	3.3	13.4	7.8	14.0	14.5	4.3	41.3	15.1	(0.1)	
MONTHLY CASH FLOW	(0.1)	(0.9)	(3.5)	2.1	10.1	1.4	26.2	15.5	27.6	(8.0)	(39.2)	(41.9)	(10.7)	
NET TXCP ACTIVITY MONTHLY	(2.5)	2.1	4.2	2.0	0.0	(7.0)	(20.0)	(15.0)	(37.8)	45.0	13.0	21.8	5.8	
ENDING BALANCE - CASH	(2.7)	(1.5)	(0.8)	3.3	13.4	7.8	14.0	14.5	4.3	41.3	15.1	(5.0)	(5.0)	
CITY LOAN AVAILABLE - END OF MONTH	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
CITY LOAN UTILIZED - END OF MONTH	45.0	45.0	45.0	45.0	45.0	45.0	45.0	45.0	45.0	45.0	45.0	45.0	45.0	
CASH POSITION NET OF TXCP AND CITY LOAN	(119.2)	(120.1)	(123.6)	(121.5)	(111.4)	(110.0)	(83.8)	(68.3)	(40.7)	(48.7)	(87.9)	(129.8)		

<u>Pro-Forma</u>			
2004-2005 Gas Billings	\$ 826,800	\$ 826,800	
Cash Receipts Percentage	<u>89.00%</u>		
Cash Receipts	735,852	<u>(735,852)</u>	
Gas Billings less Cash Receipts		90,948	
Uncollectible Expense Recovered in Base Rates		<u>(55,700)</u>	
Pro-Forma Recovery Amount		<u>35,248</u>	\$ 35,248
<u>"E" Factor</u>			
2003-2004 Gas Billings	818,395	818,395	
Cash Receipts Percentage	<u>89.00%</u>		
Cash Receipts	728,372	<u>(728,372)</u>	
Gas Billings less Cash Receipts		90,023	
Uncollectible Expense Recovered in Base Rates		<u>(55,700)</u>	
E Factor Recovery Amount		<u>34,323</u>	\$ 34,323
E Factor Amortization Period		<u>3</u>	
Amortized E Factor Recovery Amount		11,441	<u>11,441</u>
Total Recovery Amount			<u>\$ 46,689</u>

March 1, 2004 1307(f) Filing - Tab 1, Schedule 10:

		<u>50% of September</u>	<u>11.5 Months</u>	<u>Total</u>
Firm Sales	Mcf	628,566	59,144,619	59,773,185
CASH RECEIPTS RECOVERY CLAUSE SURCHARGE		-	\$ 0.7947	
Total Projected Recovery		\$ -	\$ 47,000,000	\$ 47,000,000

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

TESTIMONY OF

DOUGLAS MOSER

ON BEHALF OF
PHILADELPHIA GAS WORKS

DOCKET NO. R-00049157

P- _____

Philadelphia Gas Works

Proposed CRRC

March 1, 2004

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

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

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

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

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

13 **Q. HAVE YOU PREVIOUSLY PRESENTED TESTIMONY BEFORE THE**
14 **PENNSYLVANIA PUBLIC UTILITY COMMISSION ("PUC")?**

15 A. Yes, I testified in PGW's Restructuring Proceeding (M-00021612).

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

17 A. My testimony will describe how the natural gas market has evolved in the recent years,
18 how natural gas prices are predicted to perform in the next few years and the effect this
19 has had and will continue to have on the cost of natural gas for PGW customers. I will
20 also describe a potential benefit to the development of a competitive natural gas supply
21 market in PGW's service territory that could be offered if the PUC approves PGW's
22 proposed CRRC clause.

23 **Q. WHAT HAS BEEN THE PATTERN FOR NATURAL GAS PRICES DURING**
24 **THE LAST TEN YEARS?**

1 A. As seen on DM-1 and DM-2, natural gas prices have more than doubled from a range of
2 \$2.00-2.50 from 1996 to 1999 to a range of \$4.50-6.00 in 2003-04. Since 2003 natural gas
3 prices have stayed above \$4.00 with a spike to over \$9.00 in March, 2003. Whereas
4 natural gas prices typically traded within a narrow band in the late 1990's, the volatility
5 of natural gas prices have increased and prices now trade within a \$1.50 to \$2.00 band.
6 Therefore, not only have natural gas prices more than doubled, their volatility has also
7 more than doubled.

8 **Q. WHERE DOES PGW SEE NATURAL GAS PRICES IN THE FUTURE?**

9 A. As witnessed recently, there are many factors which influence natural gas prices. Factors
10 such as weather, new well drilling, price of alternate fuels and demand by electric
11 generators are all issues when discussing the future of natural gas prices. The
12 fundamentals are there to support a supply versus demand shortfall in the near term.
13 Publications such as Global Insight, Inc. are forecasting natural gas prices remaining in
14 the range of \$4.50 to \$6.00 over the next two years (See, Exh. DM-2, page 1). Based
15 upon current NYMEX futures contracts, prices are projected to be in the \$5.00- \$6.00
16 range for the foreseeable future (DM-2, pg. 2).

17 **Q. HOW DOES THIS AFFECT PGW'S PURCHASED GAS COSTS?**

18 A. Natural gas costs are a pass-through cost to the consumers. PGW is able to stabilize the
19 costs from broad fluctuations to a degree through the use of storages and forward
20 purchases of commodity, however the market is forcing the price to higher levels. As
21 displayed in DM-3, residential customers have experienced an increase in the yearly bill
22 from \$800 to nearly \$1450 (based on 100 mcf usage). The majority of this increase is
23 due to the increasing cost of the natural gas commodity.

1 **Q. HAVE THE RECENT INCREASES IN CUSTOMER BILLS BEEN MORE**
2 **SUSTAINED THAN IN THE PAST?**

3 A. Yes. This can also be seen on Exhibit DM-3. Until 2000, PGW's total GCR usually
4 changed just once a year and never experienced an increase for two consecutive periods.
5 In 2000 the rate went up and continued upward in 2001, but started downward by
6 December, of that year. However, in June 2002 the total commodity cost/Mcf began a
7 steady movement effort throughout that entire year and through 2003, with increases in
8 every quarter.

9 **Q. IS PGW THE ONLY LDC AFFECTED BY THE COMMODITY PRICE**
10 **INCREASES?**

11 A. No. To varying degrees, every LDC is being affected by the commodity increases. DM-
12 4 shows PGW's Purchased Gas Cost (PGC) rates compared to the other Pennsylvania
13 companies. Each of the companies have experienced increases in their PGC during the
14 four year period.

15 **Q. MR. MOSER, IS THERE A POSSIBILITY THAT THE ESTABLISHMENT OF**
16 **THE CRRC COULD ASSIST THE DEVELOPMENT OF COMPETITIVE GAS**
17 **SUPPLY SERVICE IN PGW'S SERVICE TERRITORY?**

18 A. Yes. If the Clause is enacted, PGW is willing to meet and discuss with Natural Gas
19 Suppliers (NGSs) the potential of purchasing the accounts receivables of their PGW
20 customers under specific conditions and including those revenues within the coverage of
21 the CRRC. Although PGW has received some inquiries from retail natural gas suppliers
22 about providing competitive natural gas supply service to PGW's customers, there are
23 currently no NGSs offering firm gas supply service in PGW's service territory. While
24 there might be several reasons for this, one potential cause may be the high level of
25 uncollectible accounts in PGW's service territory. This is a widely-known problem and
26 NGSs are likely to be very wary of serving customers that have a high default rate. It

1 stands to reason, therefore, that if there was some way to relieve NGSs of the risk of high
2 uncollectible accounts, they might be more willing to serve PGW's firm customers.

3 **Q. HOW WOULD THE CRRC PROVIDE SUCH AN OPPORTUNITY?**

4 A. PGW and an NGS could arrive at an appropriate arrangement in which PGW could
5 include the billings of NGSs in the CRRC. This would relieve these companies of
6 collection risk associated with PGW customers.

7 **Q. WOULD THERE BE CONDITIONS THAT WOULD HAVE TO BE MET TO**
8 **ALLOW PGW TO MAKE THIS OFFER?**

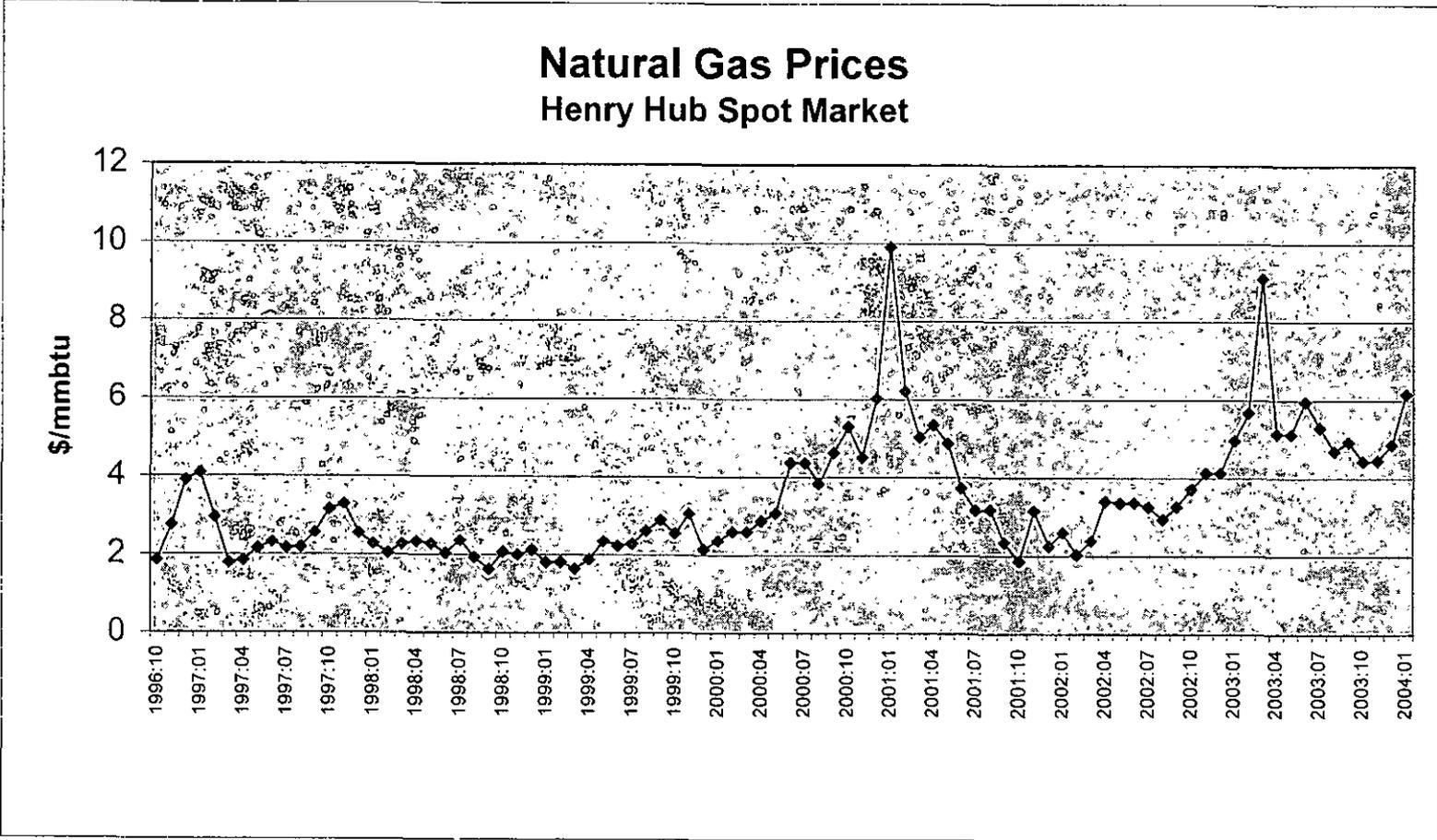
9 A. Yes. NGSs would have to use our soon-to-be-available consolidated billing option to
10 make this administratively workable. They would also have to agree to receive payment
11 from customers (or from the CRRC) at the same rate and time as we receive the payments
12 from our customers, otherwise it would create a cash working capital drain on the
13 company. There are likely other requirements and conditions that would be required as
14 well.

15 **Q. HOW DO YOU PROPOSE TO PROCEED?**

16 A. If the Commission approves the CRRC, and PGW receives a request from an NGS, the
17 Company would commit to holding a workshop to attempt to determine whether a set of
18 rules and procedures could be arrived at that would permit NGSs to participate in the
19 clause without adverse financial or operational consequences for the Company or its
20 customers.

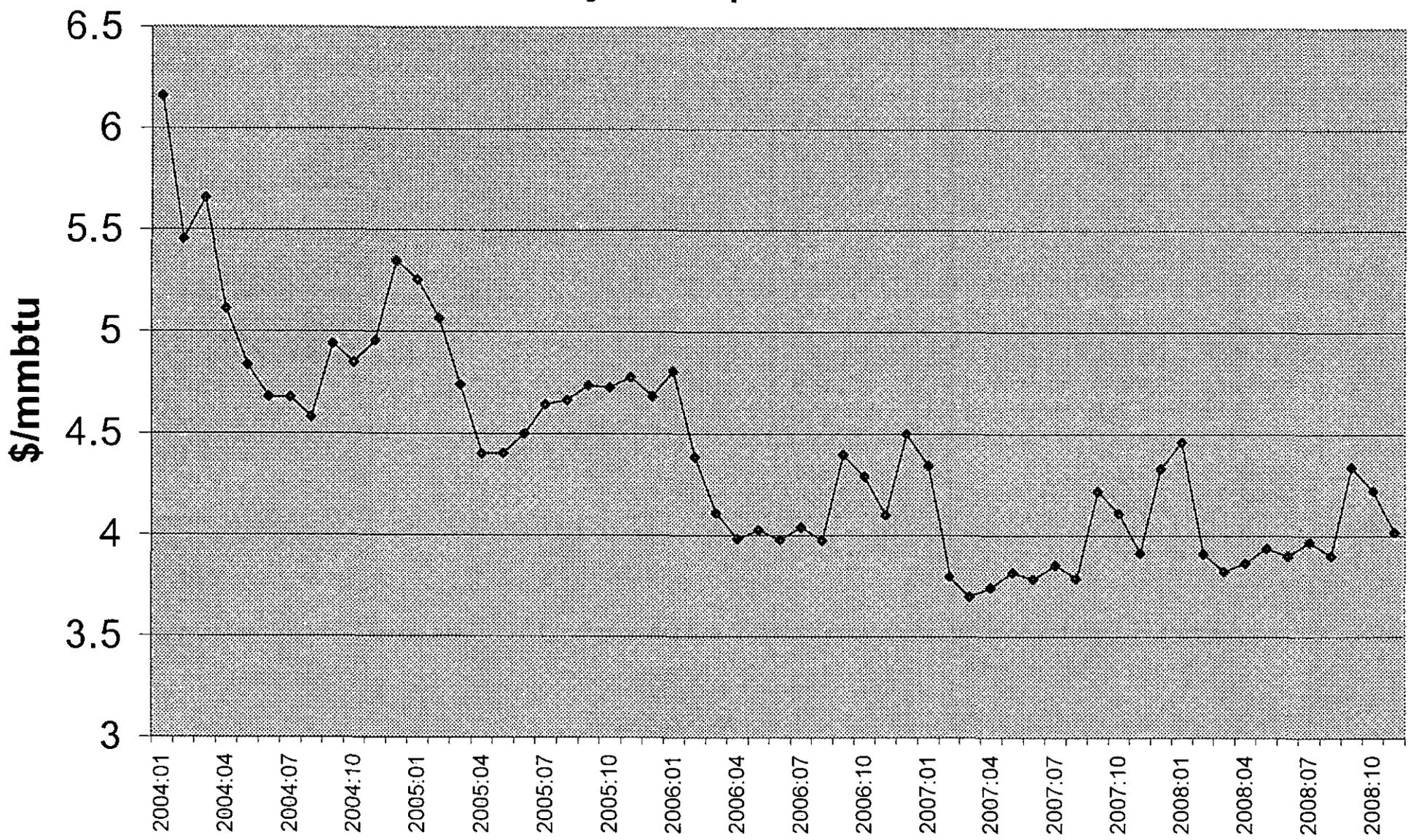
21 **Q. DOES THIS COMPLETE YOUR TESTIMONY?**

22 A. Yes.



Future Natural Gas Prices

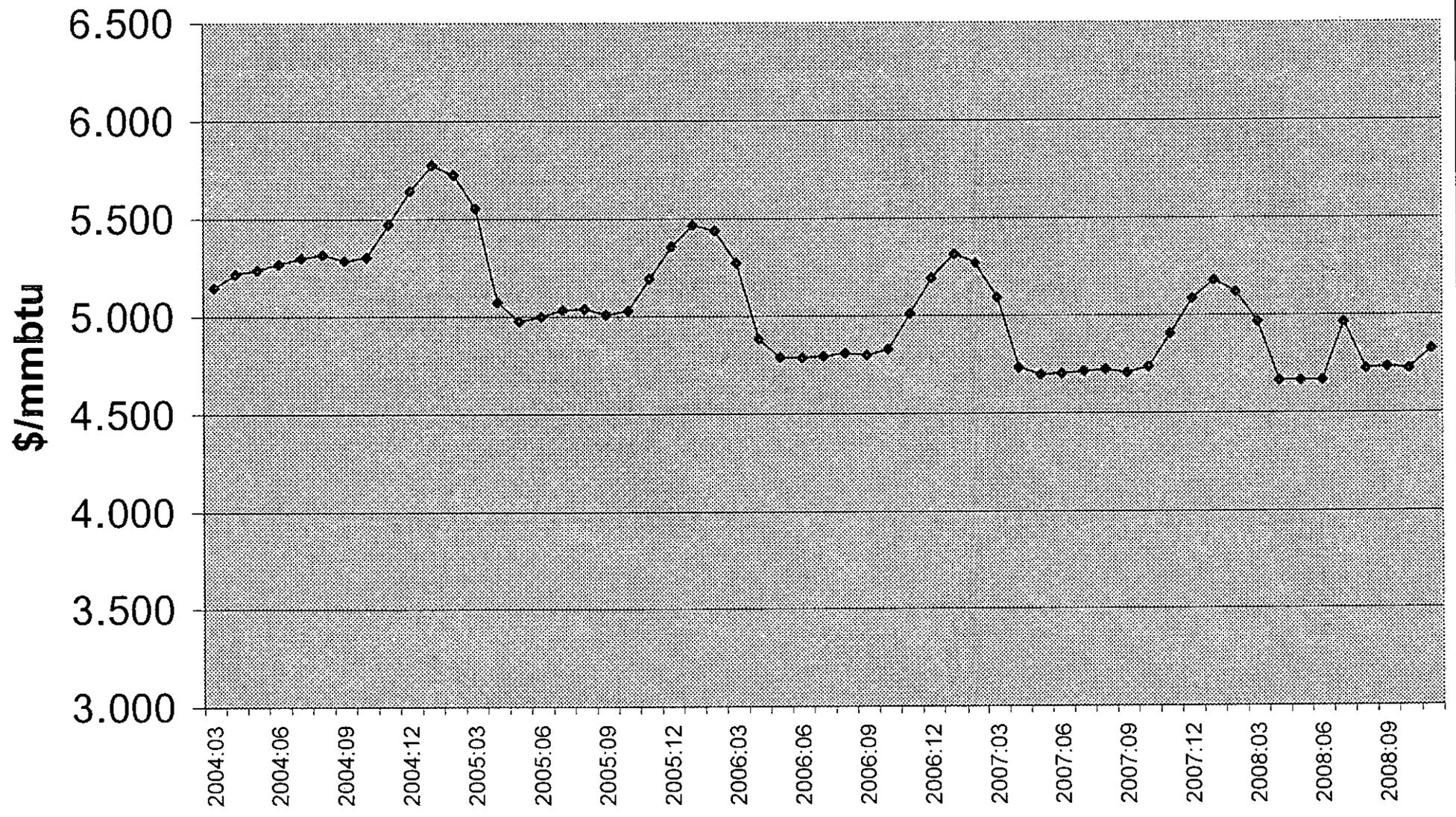
Henry Hub Spot Market



Global Insight Energy Price Forecast - January, 2004

Natural Gas - NYMEX Futures Contract

Henry Hub



PRICES AS OF FEBRUARY 25, 2004

**2003 - 2004 PURCHASED GAS COST RATES
PERCENTAGE INCREASES
CALCULATED PER THE OFFICE OF TRIAL STAFF**

	T.W. PHILLIPS (Mcf) Residential	NFG (Mcf)	PGW (Mcf) (1)	COLUMBIA (Mcf)	PEOPLES (Mcf)	EQUITABLE (Mcf)	Penn Fuels PFG (Dth)	UGI (Mcf) PGC-1	PG ENERGY (Mcf)	PECO (Mcf)	
PGC 2003 1307-f Rates											
PGC Rate In Effect Prior To Annual Review											
Approved rate	\$ 6.4985	\$ 7.3527	\$ 8.9487	\$ 8.6504	\$ 7.7215	\$ 8.56	\$ 6.1765	\$ 5.7041	\$ 7.2557	\$ 7.3237	
Rates per Annual Review + 4th Quarterly PGC 2002											
Date rates effective	Aug 1, 2003	Aug 1, 2003	Sept 1, 2003	Oct 1, 2003	Oct 1, 2003	Oct 1, 2003	Oct 1, 2003	Dec 1, 2003	Dec 1, 2003	Dec 1, 2003	Dec 1, 2003
Approved rate	\$ 6.1909	\$ 8.2166	\$ 7.8670	\$ 7.1536	\$ 7.5431	\$ 8.50	\$ 6.7104	\$ 7.5347	\$ 7.1880	\$ 7.9286	
Rate increase/(decrease)	\$ (0.3076)	\$ 0.8639	\$ (1.0817)	\$ (1.4968)	\$ (0.1784)	\$ (0.06)	\$ 0.5339	\$ 1.8306	\$ (0.0677)	\$ 0.6049	
Percentage Increase/(decrease)	(4.7)	11.7	(12.1)	(17.3)	(2.3)	(0.7)	8.6	32.1	(0.9)	8.3	
1st Quarterly											
Date rates effective	Nov 1, 2003	Nov 1, 2003	Dec 1, 2003	Jan 1, 2004	Jan 1, 2004	Jan 1, 2004	Mar 1, 2004	Mar 1, 2004	Mar 1, 2004	Mar 1, 2004	
Approved rate	\$ 6.3341	\$ 7.8660	\$ 7.6313	\$ 7.6361	\$ 8.4001	\$ 8.88	\$ -	\$ -	\$ -	\$ -	
Rate increase/(decrease)	\$ 0.1432	\$ (0.3506)	\$ (0.2357)	\$ 0.4825	\$ 0.8570	\$ 0.38	\$ -	\$ -	\$ -	\$ -	
Percentage Increase/(decrease)	2.3	(4.3)	(3.0)	6.7	11.4	4.5	0.0	0.0	0.0	0.0	
2nd Quarterly											
Date rates effective	Feb 1, 2004	Feb 1, 2004	Mar 1, 2004	Apr 1, 2004	Apr 1, 2004	Apr 1, 2004	June 1, 2004	June 1, 2004	June 1, 2004	June 1, 2004	
Approved rate	\$ 6.6440	\$ 8.1964	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Rate increase/(decrease)	\$ 0.3099	\$ 0.3304	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Percentage Increase/(decrease)	4.9	4.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
3rd Quarterly											
Date rates effective	May 1, 2004	May 1, 2004	June 1, 2004	July 1, 2004	July 1, 2004	July 1, 2004	Sept 1, 2004	Sept 1, 2004	Sept 1, 2004	Sept 1, 2004	
Approved rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Rate increase/(decrease)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Percentage Increase/(decrease)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Quarterly											
Date rates effective											
Approved rate											
Rate increase/(decrease)											
Percentage Increase/(decrease)											

**2002 - 2003 PURCHASED GAS COST RATES
PERCENTAGE INCREASES
CALCULATED PER THE OFFICE OF TRIAL STAFF**

	T.W. PHILLIPS (Mcf) Residential	NFG (Mcf)	PGW (Mcf) (1)	COLUMBIA (Mcf)	PEOPLES (Mcf)	EQUITABLE (Mcf)	Penn Fuels PFG (Dth)	UGI (Mcf) PGC-1	PG ENERGY (Mcf)	PECO (Mcf)
PGC 2002 1307-f Rates										
Rates per Annual Review + 4th Quarterly PGC 2001										
Date rates effective	Aug 1, 2002	Aug 1, 2002	Sept 1, 2002	Oct 1, 2002	Oct 1, 2002	Oct 1, 2002	Dec 1, 2002	Dec 1, 2002	Dec 1, 2002	Dec 1, 2002
Approved rate	\$ 4.5732	\$ 6.2118	\$ 6.2185	\$ 6.8189	\$ 5.1719	\$ 6.52	\$ 5.2228	\$ 6.4441	\$ 5.7793	\$ 5.3780
Rate increase/(decrease)	\$ 0.4702	\$ 0.4472	\$ 0.2453	\$ 2.1856	\$ 1.1167	0.0	\$ (0.7204)	\$ (0.1821)	\$ (0.1197)	\$ (0.3976)
Percentage Increase/(decrease)	11.5	7.8	4.1	47.2	27.5	0.0	(12.1)	(2.7)	(2.0)	(6.9)
1st Quarterly										
Date rates effective	Nov 1, 2002	Nov 1, 2002	Dec 1, 2002	Jan 1, 2003	Jan 1, 2003	Jan 1, 2003	Mar 1, 2003	Mar 1, 2003	Mar 1, 2003	Mar 1, 2003
Approved rate	\$ 4.9094	\$ 6.2118	\$ 6.7717	\$ 7.6074	\$ 6.0330	\$ 7.05	\$ 6.3737	\$ 8.5641	\$ 7.4139	\$ 6.8405
Rate increase/(decrease)	\$ 0.3362	0.0	\$ 0.5532	\$ 0.7885	\$ 0.8611	\$ 0.53	\$ 1.1509	\$ 2.1200	\$ 1.6346	\$ 1.4625
Percentage Increase/(decrease)	7.4	0.0	8.9	11.6	16.7	8.1	22.0	32.9	28.3	27.2
2nd Quarterly										
Date rates effective	Feb 1, 2003	Feb 1, 2003	Mar 1, 2003	Apr 1, 2003	Apr 1, 2003	Apr 1, 2003	June 1, 2003	June 1, 2003	Interim Apr 10, 2003	June 1, 2003
Approved rate	\$ 5.7581	\$ 6.9467	\$ 7.4150	\$ 8.8716	\$ 7.7215	\$ 8.56	\$ 6.3454	\$ 7.7441	\$ 6.8421	\$ 7.3237
Rate increase/(decrease)	\$ 0.8487	\$ 0.7349	\$ 0.6433	\$ 1.2642	\$ 1.6885	\$ 1.51	\$ (0.0283)	\$ (0.8200)	\$ (0.57)	\$ 0.4832
Percentage Increase/(decrease)	17.3	11.8	9.5	16.6	28.0	21.4	(0.4)	(9.6)	(7.7)	7.1
3rd Quarterly										
Date rates effective	April 1, 2003	May 1, 2003	Interim Apr 11, 2003	July 1, 2003	July 1, 2003	July 1, 2003	Sept 1, 2003	Interim Aug 1, 2003	2nd Qtrly June 1, 2003	Sept 1, 2003
Approved rate	\$ 6.4985	\$ 7.3527	\$ 8.2400	\$ 8.6504	\$ 7.7215	\$ 8.56	\$ 6.1765	\$ 5.7041	\$ 7.0302	\$ 7.3237
Rate increase/(decrease)	\$ 0.7404	\$ 0.4060	\$ 0.8250	\$ (0.2212)	0	0	\$ (0.1689)	\$ (2.0400)	\$ 0.1881	0
Percentage Increase/(decrease)	12.9	5.8	11.1	(2.5)	0.0	0.0	(2.7)	(26.3)	2.8	0.0
4th Quarterly										
Date rates effective			3rd Qtrly June 1, 2003					3rd Qtrly Sept 1, 2003	3rd Qtrly Sept 1, 2003	
Approved rate			\$ 8.9487				\$ 5.7041	\$ 7.2557		
Rate increase/(decrease)			\$ 0.7087				0	\$ 0.2255		
Percentage Increase/(decrease)			8.6				0.0	3.2		

(1) Numbers represent the total GCR rate including non-gas costs.

**2001 - 2002 PURCHASED GAS COST RATES
PERCENTAGE INCREASES
CALCULATED PER THE OFFICE OF TRIAL STAFF**

	T.W. PHILLIPS (Mcf) Residential	NFG (Mcf)	PGW (Mcf) (1)	COLUMBIA (Mcf)	PEOPLES (Mcf)	EQUITABLE (Mcf)	Penn Fuels PFG (Dth)	UGI (Mcf) PGC-1	PG ENERGY (Mcf)	PECO (Mcf)
PGC 2001 1307-f Rates										
Rates per Annual Review + 4th Quarterly PGC 2000										
Date rates effective	Aug 1, 2001	Aug 1, 2001	Sept 1, 2001	Oct 1, 2001	Oct 1, 2001	Oct 1, 2001	Dec 1, 2001	Dec 1, 2001	Dec 1, 2001	Dec 1, 2001
Approved rate	\$ 4.7155	\$ 6.5494	\$ 7.5524	\$ 3.3542	\$ 4.0023	\$ 5.84	\$ 6.5179	\$ 5.5462	\$ 5.7735	\$ 5.7756
Rate increase/(decrease)	\$ (1.3089)	\$ (2.9705)	\$ (2.3235)	\$ (4.2853)	\$ (4.7047)	\$ (2.53)	\$ 0.4405	\$ (2.9972)	\$ (2.1878)	\$ (2.3624)
Percentage Increase/(decrease)	(21.7)	(31.2)	(23.5)	(56.1)	(54.0)	(30.2)	(6.30)	(35.1)	(27.5)	(29.0)
1st Quarterly										
Date rates effective	Nov 1, 2001	Nov 1, 2001	Dec 1, 2001	Jan 1, 2002	Jan 1, 2002	Jan 1, 2002	Mar 1, 2002	Mar 1, 2002	Mar 1, 2002	Mar 1, 2002
Approved rate	\$ 4.3030	\$ 5.4604	\$ 6.3107	\$ 3.4866	\$ 3.9656	\$ 5.84	\$ 5.9425	\$ 5.5462	\$ 5.7106	\$ 5.7756
Rate increase/(decrease)	\$ (0.4125)	\$ (1.0890)	\$ (1.2417)	\$ 0.1324	\$ (0.0367)	0.00	\$ (0.5754)	0.00	\$ (0.0629)	0.00
Percentage Increase/(decrease)	(8.8)	(16.6)	(16.4)	4.0	(0.9)	0.00	(8.8)	0.00	(1.1)	0.00
2nd Quarterly										
Date rates effective	Feb 1, 2002	Feb 1, 2002	Mar 1, 2002	Apr 1, 2002	Apr 1, 2002	Apr 1, 2002	June 1, 2002	June 1, 2002	June 1, 2002	June 1, 2002
Approved rate	\$ 4.1030	\$ 5.2883	\$ 5.2003	\$ 4.2828	\$ 4.0552	\$ 6.27	\$ 5.9010	\$ 6.6262	\$ 6.4606	\$ 5.7756
Rate increase/(decrease)	\$ (0.2000)	\$ (0.1721)	\$ (1.1104)	\$ 0.7962	\$ 0.0896	\$ 0.43	\$ (0.0415)	\$ 1.0800	\$ 0.7500	0.00
Percentage Increase/(decrease)	(4.7)	(3.2)	(17.6)	22.8	2.3	7.4	(0.7)	19.5	13.1	0.00
3rd Quarterly										
Date rates effective	May 1, 2002	May 1, 2002	June 1, 2002	July 1, 2002	July 1, 2002	July 1, 2002	Sept 1, 2002	Sept 1, 2002	Sept 1, 2002	Sept 1, 2002
Approved rate	\$ 4.1030	\$ 5.7646	\$ 5.9732	\$ 4.6333	\$ 4.0552	\$ 6.52	\$ 5.9432	\$ 6.6262	\$ 5.8990	\$ 5.7756
Rate increase/(decrease)	0.00	\$ 0.4763	\$ 0.7729	\$ 0.3505	0.0	\$ 0.25	\$ 0.0422	0.0	\$ (0.5616)	0.0
Percentage Increase/(decrease)	0.00	9.0	14.9	8.2	0.0	4.0	0.7	0.0	(8.7)	0.0
4th Quarterly										
Date rates effective										
Approved rate										
Rate increase/(decrease)										
Percentage Increase/(decrease)										

(1) Numbers represent the total GCR rate including non-gas costs.

**2000 - 2001 PURCHASED GAS COST RATES
PERCENTAGE INCREASES
CALCULATED PER THE OFFICE OF TRIAL STAFF**

	T.W. PHILLIPS (Mcf)	NFG (Mcf)	COLUMBIA (Mcf)	PEOPLES (Mcf)	Equitable (Mcf)	PECO (Mcf)	Penn Fuels PFG (Dth)	UGI (Mcf)	PG ENERGY (Mcf)	PGW (Mcf)
PGC 2000 1307-f Rates	TTL SYS									(1)
Rates per Annual Review + 4th Quarterly PGC 1999										
Date rates effective	Aug 1, 2000	Aug 1, 2000	Oct 1, 2000	Oct 1, 2000	Oct 1, 2000	Dec 1, 2000	Dec 1, 2000	Dec 1, 2000	Dec 1, 2000	Sept 1, 2000
Approved rate	\$ 4.2452	\$ 5.7984	\$ 6.9356	\$ 6.1999	\$ 7.25	\$ 6.2632	\$ 5.6753	\$ 6.8045	\$ 6.4844	\$ 4.2782
Rate increase/(decrease)	\$ 1.1316	\$ 1.3694	\$ 1.9653	\$ 1.0416	\$ 0.89	\$ 1.8173	\$ 1.6742	\$ 0.4155	\$ 2.3118	
Percentage Increase	36.34	30.92	39.54	20.19	13.99	40.88	41.84	6.50	55.40	
1st Quarterly										
Date rates effective	Oct 1, 2000*	Nov 1, 2000	Jan 1, 2001	Jan 1, 2001	Jan 1, 2001	Mar 1, 2001	Mar 1, 2001	Mar 1, 2001	Mar 1, 2001	Interim Nov 22, 2000
Approved rate	\$ 4.6980	\$ 6.6108	\$ 8.9452	\$ 8.2433	\$ 9.47	\$ 8.6309	\$ 8.2789	\$ 9.2134	\$ 6.9226	\$ 6.2245
Rate increase/(decrease)	\$ 0.4528	\$ 0.8124	\$ 2.0096	\$ 2.0434	\$ 2.22	\$ 2.3677	\$ 2.6036	\$ 2.4089	\$ 0.4382	\$ 1.9463
Percentage Increase	10.67	14.01	28.98	32.96	30.62	37.80	45.88	35.40	6.76	45.49
2nd Quarterly										
Date rates effective	Jan 1, 2000*	Feb 1, 2001	Apr 1, 2001	Apr 1, 2001	Apr 1, 2001	June 1, 2001	June 1, 2001	June 1, 2001	June 1, 2001	1st Quarterly Jan 1, 2001
Approved rate	\$ 6.6778	\$ 8.9373	\$ 8.6853	\$ 9.9991	\$ 9.47	\$ 8.6309	\$ 7.1708	\$ 9.2134	\$ 7.9892	\$ 9.3785
Rate increase/(decrease)	\$ 1.9798	\$ 2.3265	\$ (0.2599)	\$ 1.7558	\$ 0.00	\$ 0.00	\$ (1.1081)	\$ 0.00	\$ 1.0666	\$ 3.1540
Percentage Increase	42.14	35.19	(2.91)	21.30	0.00	0.00	(13.38)	0.00	15.41	50.67
3rd Quarterly										
Date rates effective	May 1, 2001	May 1, 2001	July 1, 2001	July 1, 2001	July 1, 2001	Sept 1, 2001	Sept 1, 2001	Sept 1, 2001	Sept 1, 2001	Interim Setlmt Mar 1, 2001
Approved rate	\$ 6.0601	\$ 9.5199	\$ 7.6395	\$ 8.7070	\$ 8.37	\$ 8.1380	\$ 6.9583	\$ 8.5434	\$ 7.9613	\$ 9.8759
Rate increase/(decrease)	\$ (0.6177)	\$ 0.5826	\$ (1.0458)	\$ (1.2921)	\$ (1.10)	\$ (0.4929)	\$ (0.2125)	\$ (0.6700)	\$ (0.0279)	\$ 0.4974
Percentage Increase	(9.25)	6.52	(12.04)	(12.92)	(11.62)	(5.71)	(2.96)	(7.27)	(0.35)	5.30
4th Quarterly										
Date rates effective	Interim June 5, 2001									2nd Quarterly Apr 1, 2001
Approved rate	\$ 5.5601									\$ 9.8759
Rate increase/(decrease)	\$ (0.5000)									0.00
Percentage Increase	(8.25)									0.00
* Quarterlies filed one month early.										
(1) Numbers represent the total GCR rate including non-gas costs.										

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

TESTIMONY OF
RANDALL GYORY

ON BEHALF OF
PHILADELPHIA GAS WORKS
DOCKET NOS. R- 00049157
P-

Philadelphia Gas Works
Proposed CRRC

MARCH 1, 2004

Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A. My name is Randall Gyory. My business address is 800 West Montgomery Avenue, Philadelphia, PA 19122.

Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?

A. I am employed by the Philadelphia Gas Works in the capacity of Vice President – Customer Affairs.

Q. WHAT ARE YOUR PRINCIPAL RESPONSIBILITIES AS VICE PRESIDENT?

A. My principal responsibilities include the oversight of PGW's Call Center Operations, Credit and Collections, Customer Service Centers, Account Management Department, Billing System, Bill Preparation & Mail Receipts, Universal Services and Customer response as required by PUC regulations.

Q. HAVE YOU PREVIOUSLY PRESENTED TESTIMONY BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION ("PUC")?

A. Yes, my most recent testimony was in PGW's Restructuring Proceeding (M-00021612).

Q. PLEASE EXPLAIN THE PURPOSE OF YOUR TESTIMONY.

A. The purpose of my testimony is to explain the efforts that PGW has is continuing to take to address the decline in receipts and improve collections.

Q. PLEASE DESCRIBE PGW'S STRATEGY TO IMPROVE COLLECTION PERFORMANCE.

A. In November 2003 PGW launched the Collection Renewal Initiative to address the decline in cash receipts. The strategic objectives of the program are to:

- Create focus and dedication to quickly drive improvement initiatives
- Enhance our Credit and Collections staffing and capabilities to address current cash flow needs

- Revise processes and capabilities based on principles of sound root cause analysis to improve our capacity and results
- Build a sense of partnership to strengthen our customer and commission relationships
- Sustain and continue to build upon results for the long term

Q. WHY WAS THE INITIATIVE REQUIRED?

A. In June 2003 it was becoming evident to management that a formalized program had to be initiated to address the decline in collections in comparison to our 10 year historical rates of 92%. We also needed to determine how best to respond to the effect on customer payment patterns that we expected in light of the projections by industry and government that natural gas costs -- already at all time highs -- were expected to stay at these levels in the upcoming winter. PGW decided to conduct a study to determine what the best approach would be to try to reverse the precipitous decline in collections and then implement those measures in a timely manner.

Q. WHY DID PGW INITIATE THIS STUDY IN JUNE, 2003?

A. Examining the results from the prior winter, it was clear that if natural gas costs were going to continue to stay at record high levels PGW was going to continue to be faced with collections results that were significantly lower than historic averages. It was more important than ever, therefore, for the Company to do all that it could to make sure that it was collecting every possible dollar, recognizing that the high gas costs could very well make completely reversing the trend very difficult if not impossible.

Q. PLEASE DESCRIBE YOUR OVERALL APPROACH OF THE COLLECTION RENEWAL INITIATIVE.

A. PGW has launched a two-tiered approach to address the decline in cash receipts.

The Plan determined to:

- 1) focus on enhancing cash flow and containment of uncollectibles;
- 2) conduct a operations diagnostic and long-term collection initiative to:
 - a) Review collection business processes and metrics,
 - b) Perform effective work planning and backlog reduction and
 - c) Transform and align PGW to industry best practices.

RJG Exhibit-1 & 2 illustrates the approach and the Initiative strategy.

Q. HOW WILL PGW MEET THE INITIATIVE OBJECTIVES?

A. PGW has partnered with Accenture to develop and implement credit and collection actions that specifically:

- Review existing credit & collections plans and capabilities to identify potential gaps and opportunities to improve efficiency and/or reduce receivables;
- Develop a credit scoring model to guide credit & collections customer interactions; and
- Modify existing plans and identify goals for individual collections programs and opportunities to improve management controls (the "Project").

Q. WHAT ARE THE KEY COMPONENTS OF THE INITIATIVE?

A. The scope of activity includes all Customer Service operations involved in the present collection of accounts receivable. Specific activities include, but are not necessarily limited to the following:

- Review and analyze PGW's current Collection processes, policies and procedures, and technologies.
- Perform collections leading practices Gap Analysis.
- Design, streamline and implement individual programs to improve credit and collections efficiency, and reduce PGW's receivables.
- Develop and assist in implementation of management controls.

- Assign 3, 6, 9 and 12-month recovery goals for individual programs.
- Enhance and provide training to assist the implementation of programs.
- Provide *on-going program management consulting for the term of the contract.*
- Develop a five (5) year Collections Strategic Plan with measurable ROI.
- Develop Credit Scoring application (model).

Q. WHAT IS THE IMPLEMENTATION TIME FRAME AND PROGRAM OBJECTIVES?

A. PGW's time frame for completing the Collections Renewal Initiative is nine to twelve months. This period has been selected as ample time to put in place the steps needed to attempt to reverse the decline in cash receipts and at minimum try to reestablish collections to the historical rate of 92% of total billings for FY2004.

RJG Exhibit-3 illustrates the work-plan and timeline developed for the initial stage of the program. The details of the second and third phase are dependent on the completion of the first phase.

Q. DO YOU EXPECT THE INITIATIVE TO BE SUCCESSFUL?

A. We are hopeful that the execution of the initiative will result in PGW collecting every dollar that is within its ability to collect; however we are concerned that if current circumstances (i.e., high gas costs) continue and if such factors as the income levels of our customers continue to deteriorate, PGW's unique operating environment will make reversing the current trend extremely difficult if not impossible. Therefore, there are no guarantees that PGW will be able to achieve the required collection rates to maintain financial viability in the near-term.

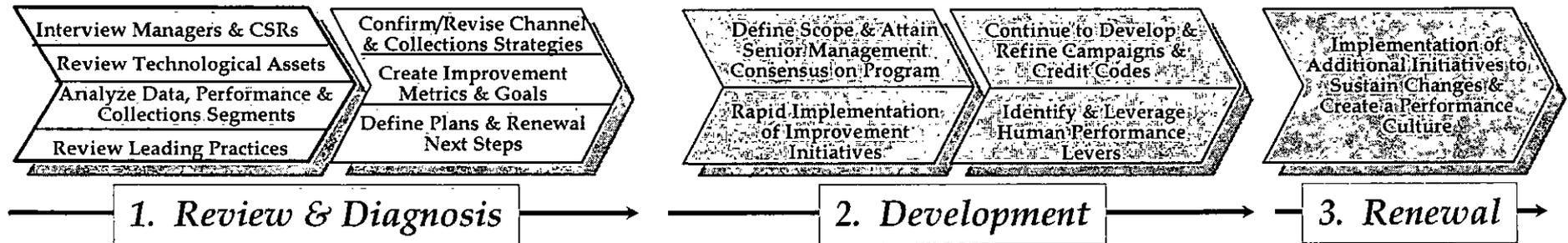
Q. DOES THAT COMPLETE YOUR DIRECT TESTIMONY?

A. Yes it does.

CRI Initial Approach Details

Exhibit RG-1

Our CRI team is determined to gain substantial and sustainable performance improvements in all aspects of our collections operations.



Deliverables

<ul style="list-style-type: none"> Start quick hits & create a balanced scorecard Assess collection ops against leading practices Identify key segments in A/R and write-off groups Identify processes, campaign & systems gaps Design credit model & technology requirements Develop staff/supervisor skills 	<ul style="list-style-type: none"> Assess employee & supervisor concerns/expectations to identify barriers to change Adjust renewal plans & put communications plan together Develop business case & ROI metrics to guide people, the improvement initiatives & value realization 	<ul style="list-style-type: none"> Resolve any technical issues Implement a credit scoring model Perform supervisor & staff skills assessments Conduct pilots to analyze how segments respond to campaigns Redesign or develop campaigns to improve collections by segment 	<ul style="list-style-type: none"> Design high performance supervisor processes Implement daily work planning & program control metrics/process Set training requirements Initiate supervisor training program aligned with strategy Reassign personnel to get "square pegs in square holes" 	<ul style="list-style-type: none"> Train staff on process changes Modify supervisor goals Complete new process designs Monitor performance, review/tune strategy, vendor mix & plans Address barriers to sustaining results Develop 5 year plan & ROI goals
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Timeline

2 Months	2 Months	8 Months
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CRI Initiative Summary

Exhibit RG-2

The CRI mobilization effort has focused on getting key enablers and quick hits in place.

Enablers (Needed Operational Capabilities)

- Compliance Task Force
- Collection Staff Optimization & Daily Work Planning
- Program Scorecard (Weekly Steering Committee & Board)
- Call Monitoring (Monthly Sessions)
- Supervisor Development Program
- Balanced Scorecard (Monthly for Function)
- Real-time Metric Posting (Reader Board)
- Metrix-Matrix Survey
- Outbound Campaign Coordinator
- Outsource CRP Qualification & LIHEAP Application

Quick Hits/In-Flight (Improve Receivables & Write-offs)

- Delay Write-off on Shut-offs until EOY 2003
- City Employee Reconciliation
- Large City Accounts - Get Outstanding Balances Current
- Resolve PHA Outstanding Issues
- Tiered Collection Agency Commission Contracts
- Outbound Scripts/Campaigns - Unprotected/Collectibles
- Customer Liens & Judgment Process Change
- Meter Investigation/Theft of Service - Vacant Account
- Payment Arrangement Process Improvement
- Winter Interim Period Pilot
- Reporting to Credit Bureau / Collections Communication
- Outbound Scripts/Campaigns - NPSO customers
- Large City Accounts - Prepaid/Advanced Billing
- Referral to Agency Final/WO Notification Letter Campaign
- Income Tax Credit
- High Risk Desk
- Outbound Calling Matrix

Long-Term (Confirm after Diagnosis)

- Thanks to Good Payer Customer Program
- Customer Segmentation - Late Payer Program
- Outbound Scripts/Campaigns - High Balance Accounts
- Outsource Final and Write-off accounts
- Secondary Collection Agency Placements
- Outbound Scripts/Campaigns - Disputes & Holds
- Inaccessible AMR Meter Shut-off Pilot Program
- Automated Transfer of Final Accounts
- Payment Arrangement Programming Enhancement
- IVR Tree Redesign
- Tenant Landlord USTRA Posting
- CSR Training Redesign
- Geographic Segmentation of Calls Pilot
- Tariff Reconnect Fees Pilot

Pilots (Design with BCS Input)

- Customer Segmentation - Chronic Delinquent Accounts Pilot
- Bill Reminder Campaign Pilot
- Credit Score/Pos ID Pilot

Workplan & Timeline

Exhibit RG-3

The Review and Diagnosis stage consists of the following activities and tasks.

Consolidation Strategy Review											
Activities/Tasks	PRESTART	Week									
	1/5	1/12	1/19	1/26	2/2	2/9	2/16	2/23	3/1	3/8	
Mobilization											
<ul style="list-style-type: none"> Finalize Workplan Orient Team Communicate data requests & begin data collection 											
Customer Segmentation Data Analysis (+)											
Identify & Implement Quick Hits (In Progress) (+)											
Review/Confirm Current Situation											
<ul style="list-style-type: none"> Collections Timeline As-Is Metrics Collection Collections Staffing Analysis Collections Functional Processes* Review Technological Capabilities 											
Collections Analytics* (+)											
Identify/Confirm Initiatives											
<ul style="list-style-type: none"> Perform Gap Analysis/Leading Practices Review Identify Initiatives (long term > 6 months) 											
Create Renewal Plans											
<ul style="list-style-type: none"> Credit & Collection Improvement Metrics & Goals Credit & Collection Business Cases Credit & Collection Initiatives & Implementation Plan 											
Project Management											

☆	Project Kick-off Meeting
★	Review/Briefing

* Refer to Process & Analytics Summary Slide for further details

+ Task/Activity continues into following phase

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

TESTIMONY OF
HUGH GILBERT PEACH, PH. D.

ON BEHALF OF
PHILADELPHIA GAS WORKS

DOCKET NOS. R-00049157
P-

Philadelphia Gas Works

Proposed CRRC

March 1, 2004

1 Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

2 A. My name is Hugh Gilbert Peach and my business address is 16232 NW Oakhills Drive,
3 Beaverton, Oregon 97006.

4 Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?

5 A. I am the Principal of H. Gil Peach & Associates LLC, where I direct and conduct
6 program evaluation and policy studies primarily related to energy efficiency services and
7 universal services in the US and Canada.

8 Q. PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND AND
9 PROFESSIONAL EXPERIENCE.

10 A. I was awarded the Doctorate of Philosophy in Sociology from New York University, the
11 Master of Arts in Economics from the New School for Social Research in New York
12 City, the Master of Arts in Sociology from Michigan State University, and the Bachelor
13 of Science in Sociology from Michigan State University. Since 1988, I have been
14 principal of H. Gil Peach & Associates performing evaluation, research, and policy
15 studies. Prior to that I was responsible for similar work for a number of years for a multi-
16 state utility (Pacific Power, where I served as Evaluation Manager), a small foundation
17 working on ways to improve City services for the City of New York (the Fund for the
18 City of New York), as a civil servant (for the Health and Housing agencies of the City of
19 New York), and prior to that I worked at the New York Stock Exchange. I began to
20 study low-income utility issues in Pennsylvania in 1988. Since then, I have carried out
21 evaluation, research, and policy studies in Pennsylvania for a total of sixteen (16) years
22 from project to project, primarily in Pittsburgh and in Philadelphia, but also around the
23 state. For the past seven (7) years, going on eight, I have been studying energy use,
24 energy services, and universal services in the City of Philadelphia. My resume, which

1 describes my educational background and work experience is attached and marked as
2 Exhibit HGP-1.

3 **Q. HAVE YOU EVER CONDUCTED STUDIES FOR A PUBLIC UTILITY**
4 **COMMISSION?**

5 A. Yes. This experience includes responsibility for the audit of energy efficiency evaluation
6 and related practices of the Long Island Lighting Company in a formal audit by the New
7 York Commission, and several verification studies carried out jointly for utilities and
8 commissions including the Wisconsin Commission and the Ontario Energy Board. I
9 have also carried out a management study of Boston Edison energy efficiency evaluation
10 practices in connection with a commission order and served as consultant to the staff of
11 the Massachusetts Commission. I have also been responsible for a management study of
12 energy efficiency evaluation for Los Angeles Water and Power (Electric Division), as
13 chartered by their board which performs a similar role to a public utility commission.
14 Currently, I am conducting the legislatively mandated two-year evaluation of the new
15 systems benefit charge for the Housing Division and the Welfare Division of the State of
16 Nevada. In addition, virtually all of my work in Pennsylvania in independent evaluation
17 studies for utilities is conducted according to provisions of the Pennsylvania Utility Code
18 and is jointly accountable to the Commission through the Bureau of Consumer Services.
19 Staff and Commissioners have relied on the evaluation studies I have conducted.

20 **Q. HAVE YOU EVER PROVIDED TESTIMONY TO THIS COMMISSION**
21 **BEFORE?**

22 A. I have submitted testimony in a previous matter, but have not previously testified before
23 the Commission. However, I was invited to Harrisburg to present to the Pennsylvania
24 Commissioners the results of the Equitable Gas Universal Services Energy Assistance
25 Program. This study demonstrated the success of a well run Universal Services Program

1 in benefiting all customers, including participants and non-participants. Also, I have
2 provided testimony to the Massachusetts, Rhode Island, Connecticut, and Kentucky
3 Commissions.

4 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

5 A. My testimony will explain and document the effect that historically high natural gas costs
6 have had on the ability of PGW customers to pay their bills. I will explain why
7 customers of all types – residential and commercial alike – are not only creating greater
8 levels of uncollectibles than ever before but are paying a smaller percentage of their total
9 bill as well. My testimony will also demonstrate that these unusually high gas prices
10 have a unique impact on PGW because of the demographics of its customer population.

11 **Q. PLEASE SUMMARIZE YOUR FINDINGS**

12 A. Philadelphia utility gas customers are caught by two conflicting trends – a sustained
13 upward trend in the price of natural gas and a substantial and continuing decline in real
14 income in the City that affects all income groups. In addition, there are shifts in cost in
15 the economy that make economic viability more difficult for middle class families with
16 children. It has become quite difficult for families with children and one breadwinner.

17 In Philadelphia, in contrast to other regions of Pennsylvania, a pattern of
18 continuing payment trouble is extended under these conditions to the lower middle and
19 middle-income households. With declining ability to pay an increasing cost of gas, and
20 given that in winter it is generally not possible to cut back on the use of gas for heating, it
21 is likely that upwards of fifty percent (50%+) of households will be increasingly unable
22 to pay full gas bills. Since both trends are driven by changes in the national economy for
23 which no solution is currently evident, they are likely to continue. Both trends are
24 outside the reach of the Philadelphia Gas Works, which must, nevertheless, develop

1 approaches to resolve the payment problems. While I understand from the testimony of
2 Mr. Moser that the high gas prices are projected to continue for several years, the changes
3 related to the economy should not be understood as temporary changes, but as historic
4 changes in the economy, the type of change that is referred to by economists as a
5 fundamental change in structure. Payment problems, that will affect not only low income
6 families but those up well through the strata of middle-income, will have to be worked
7 with for the foreseeable future. Overcoming this will take a considerable effort by both
8 the public and private sector and at all levels of government and is not the kind of
9 problem that can be resolved by PGW alone.

10 **Q. HAVE YOUR PAST ASSIGNMENTS CAUSED YOU TO DEVELOP AN**
11 **UNDERSTANDING OF THE DEMOGRAPHIC AND OTHER**
12 **CHARACTERISTICS OF PGW CUSTOMERS?**

13 A. Yes. On behalf of PGW, I have conducted a number of studies of PGW residential
14 customers which have assisted and informed my opinions in this testimony.

15 **Q. PLEASE DESCRIBE YOUR STUDIES OF PGW RESIDENTIAL CUSTOMERS.**

16 A. H. Gil Peach & Associates LLC was engaged by PGW to develop three studies related to
17 understanding and facilitating the transition to regulation by the Pennsylvania Public
18 Utility Commission. The purpose was to help PGW evaluate how to best modify its
19 *Customer Responsibility Program (CRP) to fit within requirements and expectations for*
20 *Customer Assistance Programs in Pennsylvania, exploring both immediate and long-term*
21 *program approaches. We were also engaged to do a short follow-on study of the Senior*
22 *Citizen Discount and then, later, to prepare testimony.¹ These studies provide an*
23 *empirical basis for evaluating the relationship between cost and ability to pay for PGW*

¹ This study was included in the record of the restructuring case.

1 customers and have assisted in the development of the conclusions I reach in this
2 testimony.

3 **Q. IS YOUR TESTIMONY DIRECTLY RELEVANT TO LOW-INCOME**
4 **UNIVERSAL SERVICES PROGRAM CUSTOMERS IN THE PHILADELPHIA**
5 **GAS WORKS CUSTOMER RESPONSIBILITY PROGRAM?**

6 A. No. Due to the foresight of the PUC in adopting Universal Service Programs as an
7 alternative payment modality and of PGW in developing and refining its program in
8 accordance with the Pennsylvania Code and the requirements of the Bureau of Consumer
9 Services, households in the Customer Responsibility Program are largely shielded from
10 the current comparatively high price of gas supply. This is accomplished through the
11 percentage of income payment plan adopted as the basic design for the Customer
12 Responsibility Program (CRP). Under CRP, low-income customers pay a fixed
13 percentage of their income (depending on their income level) regardless of the price of
14 gas or level of consumption. It is important to note however, that while the CRP
15 customers are shielded from the problems of this winter, only approximately two-thirds
16 of PGW customers who are eligible for CRP because of their income level actually
17 participate in the program. Approximately 30,000 customers who are income-eligible for
18 CRP are not enrolled in the program. These customers are extremely vulnerable and are
19 likely having great difficulty in paying their bills or are not paying them at all.

20 One other point must be kept in mind with regard to the impact of the CRP customers on
21 the problem which is at the heart of this proceeding. CRP customers pay a percentage of
22 their income as their full responsibility, without regard to usage or the price of gas. As
23 originally designed, this program required participants to pay an amount sufficient to
24 cover the variable costs of serving them plus some contribution to the company's fixed
25 costs. With gas costs at current levels, CRP customers do not come close to covering the

1 cost of service. The Company then attempts to collect this additional amount from
2 remaining customers in its Universal Service Charge. As this charge goes up, it adds to
3 the total billings that non-CRP customers are responsible for paying, of which in recent
4 periods they are actually paying less and less.

5 **Q. EXAMINING NON-CRP CUSTOMERS THEN, AS YOU UNDERSTAND IT,**
6 **WHAT ARE THE CURRENT FACTS CONCERNING THE PAYMENT**
7 **PATTERNS FOR THESE PGW CUSTOMERS?**

8 A. Based upon the facts as they have been presented to me, and which are described in the
9 testimony and schedules of Mr. Bogdonavage in this proceeding, the amount of dollars
10 that PGW customers owe and are not remitting has reached unprecedented levels. Just as
11 concerning, those amounts represent unprecedented percentages of PGW customers'
12 billed amounts.

13 If we look at this record, the overall relation between typical bill and percentage
14 receipts is of medium size.² The correlation on nominal bill from 1992 to 2002 is 0.36,
15 and on real bill it is 0.39. When looking at overall receipts, this is a substantial effect.

² The standard convention for interpreting correlations is that a "small" effect size for a Pearson correlation is defined as $r = 0.10$, "medium" is $r = 0.30$, and "large" is 0.50 . Cohen, Jacob, *Statistical Power Analysis for the Behavioral Sciences, Second Edition*. Hillsdale, New Jersey" Lawrence Erlbaum Associates, 1988, PP. 77-81.

Table 1: Typical Residential Bill & Overall Percentage Receipts

Relation of Nominal Bill and Receipts			Relation of Real Bill and Receipts				
Approximate Bill Date	Typical Bill	% Receipts	Typical Bill	CPI Index	Real Bill	% Receipts	Year
12/1/2003	\$ 1,442.77	86.57%	\$ 1,442.77	188.8	\$1,442.77	86.57%	2003
12/1/2002	\$ 1,251.01	97.57%	\$ 1,251.01	184.9	\$1,277.40	97.57%	2002
12/1/2001	\$ 1,148.26	88.08%	\$ 1,148.26	181.3	\$1,195.76	88.08%	2001
11/22/2000	\$ 1,061.75	92.85%	\$ 1,061.75	176.5	\$1,135.74	92.85%	2000
12/1/1999	\$ 881.24	92.06%	\$ 881.24	171.9	\$967.88	92.06%	1999
12/1/1996	\$ 902.72	92.88%	\$ 902.72	162.8	\$1,046.89	92.88%	1996
9/1/1995	\$ 825.40	97.77%	\$ 825.40	158.7	\$981.95	97.77%	1995
9/1/1994	\$ 828.95	89.98%	\$ 828.95	154.6	\$1,012.33	89.98%	1994
9/1/1993	\$ 829.57	93.24%	\$ 829.57	150.2	\$1,042.76	93.24%	1993
9/1/1992	\$ 800.75	92.28%	\$ 800.75	146.6	\$1,031.25	92.28%	1992
Pearson Correlation: r =		-0.36	Pearson Correlation: r =		-0.39		

Q. WHAT, IN YOUR OPINION ACCOUNTS FOR THIS EXPERIENCE?

A. In my opinion, PGW is experiencing these unprecedented levels of uncollectibles as a result of a variety of factors, all related to the persistently high price of natural gas and the impact that the high price has on the ability to pay of a very large percentage of PGW customers. Another factor is the continuing decline of real incomes in the City, which is discussed later in my testimony. The situation is exacerbated by the cold weather this winter. The result is that customer bills are increasing because of increased consumption and the rising cost of natural gas at a time when many customers have increasingly limited ability to pay.

Q. HOW HAS THE PRICE OF NATURAL GAS INCREASED?

A. Generally, and as set forth in greater detail in the testimony and schedules of Douglas Moser in this proceeding, the cost of natural gas has increased approximately as shown in the following table and graph.³

³ Data is for the Philadelphia-Wilmington-Atlantic City, PA-DE-NJ-MD, CMSA. The Pennsylvania portion is Bucks, Chester, Delaware, Montgomery, and Philadelphia Counties; New Jersey Portion: Atlantic, Burlington, Camden, Cape May, Cumberland,

1

Table 2: Sustained Increases in Gas Price

Month	Gas Price Index	% change 1 Month	% Change 12 Months
Dec-01	148.46	-	-
Jan-02	148.23	-0.16%	-
Feb-02	148.27	0.03%	-
Mar-02	144.82	-2.33%	-
Apr-02	144.14	-0.47%	-
May-02	143.17	-0.68%	-
Jun-02	146.01	1.99%	-
Jul-02	146.09	0.06%	-
Aug-02	148.43	1.60%	-
Sep-02	149.24	0.54%	-
Oct-02	149.45	0.14%	-
Nov-02	150.51	0.71%	-
Dec-02	149.83	-0.45%	0.92%
Jan-03	150.60	0.51%	1.60%
Feb-03	150.20	-0.27%	1.30%
Mar-03	162.20	7.99%	12.00%
Apr-03	163.60	0.86%	13.50%
May-03	165.50	1.16%	15.60%
Jun-03	170.10	2.78%	16.50%
Jul-03	170.20	0.06%	16.50%
Aug-03	170.70	0.29%	15.00%
Sep-03	176.40	3.34%	18.20%
Oct-03	176.50	0.06%	18.10%
Nov-03	177.60	0.62%	18.00%
Dec-03	181.00	1.91%	20.80%

Source: US Bureau of Labor Statistics
 Mid-Atlantic Office Consumer Price Index Ann
<http://www.bls.gov/ro3/#inflation>

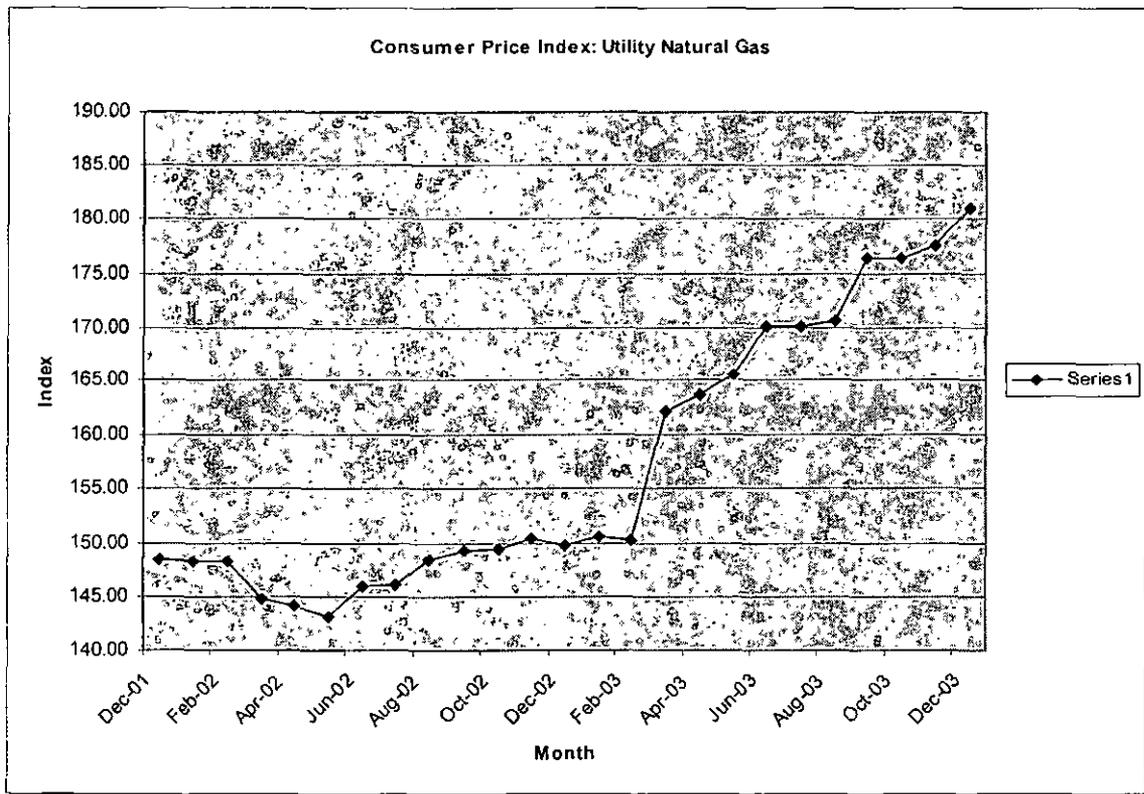
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As is evident in the table, the increase in gas price is substantial and continuing. The numbers show that the consumer price index for utility natural gas has had a positive change for 10 straight months, beginning in March of 2003, with a 20.8% year vs. year increase from December 2002 to December 2003. During the summer, although the bills were lower than in winter, there were problems in paying bills. This was probably due to problem of families trying to deal with the cumulative effect of the bills from the previous winter. With the return of winter the increase in price, the need to heat can

Gloucester, and Salem Counties; Delaware Portion: New Castle County; and Maryland Portion: Cecil County

1 explain why people cannot pay their bills.

2 The increasing trend is visible in the Consumer Price Index curve for natural gas.
3



4
5 **Figure 1: Gas Price Index Rises Sharply**

6 The PGW specific data shows a similar pattern. On a total charge basis, gas
7 charges to customers have increased by 80% since 1992 in nominal dollars and about
8 40% in real dollars. This calculation is shown in Table 2 using PGW's current projection
9 for MCF for the Residential Heating rate by month, rates as of 12/1/2003 and as of
10 9/1/1992 and using the US BLS CPI Series CUURA102SA0, for Philadelphia-
11 Wilmington-Atlantic City PA-NJ-DE-MD.
12
13

1

Table 3: Nominal and Real Increase (2003 vs. 1992)

2003 vs. 1992				
Residential Heating		Customer Bill		
Month	MCF	2003	1992	1992
		PGW Rate of 12/1/2003 (2003 Dollars)	PGW Rate 9/1/1992 (2003 Dollars)	PGW Rate 9/1/1992 (1992 Dollars)
Jan	20.8	282.14	206.79	160.57
Feb	18.3	249.67	182.56	141.75
Mar	14.9	205.52	149.60	116.16
Apr	9.9	140.58	101.13	78.52
May	4.7	73.04	50.71	39.38
Jun	2.8	48.37	32.30	25.08
Jul	2.2	40.57	26.48	20.56
Aug	2.1	39.27	25.51	19.81
Sep	1.9	36.68	23.57	18.30
Oct	2.8	48.37	32.30	25.08
Nov	6.6	97.72	69.13	53.68
Dec	11.9	166.55	120.51	93.58
Year	98.8	\$1,428.48	\$1,020.59	\$792.47
2003 Bill as Percentage of 1992 Bill (Nominal):				180%
2003 Bill as Percentage of 1992 Bill (Real):			140%	
Note: Cost per MCF 12/01/2003:		12.9877		
Cost per MCF 09/01/1992:		7.5275		
CPI for 1992 (base 1982-1984)		146.6		
CPI for 2003 (base 1982-1984)		188.8		
CPI Ratio (2003/1992)		1.2879		

2
3

4 **Q. HOW HAVE THESE PERSISTENTLY HIGH GAS CHARGES AFFECTED**
5 **CUSTOMER PAYMENT PATTERNS?**

6 A. They have decimated them. Customers have followed their historic patterns and failed to
7 pay a portion of their, now much higher PGW bill. But just as important, the months of
8 very high gas charges have caused them to pay an even smaller amount relative to their
9 total bill.

10 **Q. CAN YOU EXPLAIN WHY THIS IS OCCURRING?**

1 A. Yes. The research evidence on the inelastic nature of energy usage is clear. Generally,
2 families increase the use of fuel for heat when it gets cold. In my experience conducting
3 interview surveys of low-income customers, there is really no choice, regardless of
4 income, and regardless of whether or not the family has the ability to pay the gas bill at
5 the end of the month.

6 I would like to highlight the difference between inelastic demand and problem
7 customer payment. They are two separate facts. Customers having payment difficulty,
8 including middle class customers experiencing payment difficulty, still have no choice
9 but to use increased fuel in colder weather. But, in my experience in conducting and
10 managing the conduct of interviews with hundreds of customers, the winter moratorium
11 is a kind of “godsend” for households that cannot pay all of the bills that come due at the
12 same time in the winter. Given impossible choices, it is understandable that they take
13 advantage of the winter moratorium. I note that a recent study done for Oak Ridge
14 National Laboratory finds a similar result:⁴

15 When gas bills rise...Consumers often pay other bills before paying utility bills because
16 of protections against loss of service that are included in most utility tariffs. As a result,
17 in periods of high gas prices, uncollectibles can grow substantially above the level
18 anticipated in the regulated rate...Presenters at a number of gas utility
19 conferences...cited increases of 80 percent or more in uncollectibles.

20
21 A recent study of middle class payment difficulties by Warren & Tyagi underlines the
22 similar dilemma of a two-income middle class professional family in which one job is

⁴ Henning, Bruce, Michael Sloan, Maria de Leon, Energy and Environmental Analysis, Inc., *Natural Gas and Energy Price Volatility, Prepared for the Oak Ridge National Laboratory*. October 2003, P. I-63.

1 lost due to the incursion of “big box” stores and the closure of local employment.⁵

2
3 “Few families have substantial savings, so they usually run out of cash within a month or
4 so. Soon the charges start mounting up for the basics of life—food, gasoline, and
5 whatever else can go on “the card.” When there still isn’t enough to go around, the game
6 of impossible choices begins. Pay the mortgage or keep the heat on? Cancel the car
7 insurance or the health insurance. Meanwhile, interest and late fees have piled on,
8 making everything more expensive.”

9
10 The element introduced by the Warren & Tyagi study is the payment difficulties faced by
11 two-income and single-income families with children. The existence of income problems
12 for families with children is also shown in the following graph (Figure 3).⁶

5 Warren, Elizabeth and Amelia Warren Tyagi, *The Two-Income Trap, Why Middle-Class Mothers and Fathers are Going Broke*. New York: Basic Books, 2003, P. 3.

6 Income graph constructed using data from the Center for Budget and Policy Priorities, collected by the Current Population Survey.

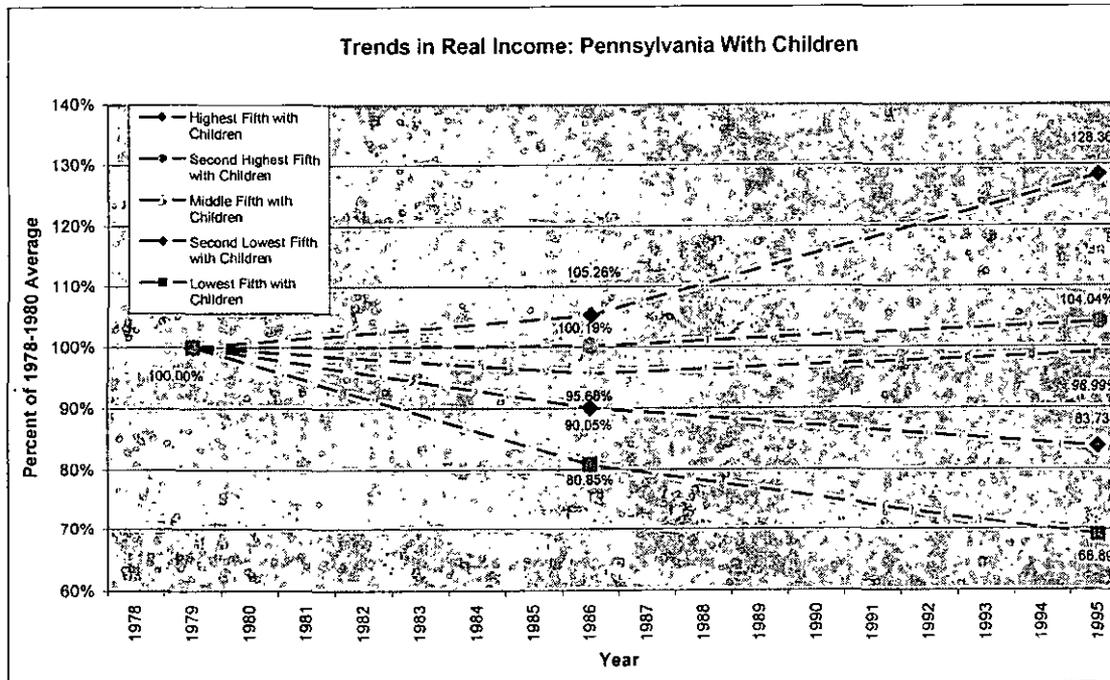


Figure 2: Families with Children

Warren & Tyagi go beyond the problems summarized by Figure 3 to document the problems experienced by two-income and single-income middle-income families with children, including civil service and professional families, in dealing with economic changes of the past 30 years.

Decreases in costs in many areas essential to family life (clothing, food, appliances, etc.) are more than offset by increases in other areas (housing, education, other costs of children) so that a typical two-income family with more joint income than a typical single-breadwinner family of a generation ago has *less discretionary income and lower savings*.

The situation is very difficult for single-income families with children. According to Warren & Tyagi, competition from two-income families bids up costs of necessary expenditures. The general situation of the middle class is one of high fixed costs, little ability to maneuver and susceptibility to any sudden change.

1 At the same time, nearly every institution in the corporate economy and extending
2 to government and non-profit organizations is becoming more efficient. For much of the
3 corporate service economy, this means transferring costs to customers and households so
4 that the production unit appears more efficient. There are many academic studies of the
5 “new economy,” and the erosion of economic infrastructure, the structure of jobs, and the
6 social safety nets. All of these factors weaken the ability of middle class households to
7 accommodate income or price shocks.⁷

8 **Q. IF MIDDLE-INCOME FAMILIES WITH CHILDREN ARE SUSCEPTIBLE TO**
9 **SUDDEN CHANGES, IS THE SITUATION MORE DIFFICULT IN**
10 **PHILADELPHIA?**

11 A. Yes. Results in Philadelphia are quite negative compared to the region and to the state in
12 general. Philadelphia differs in that it is highly affected by payment problems because
13 the steeply rising price curve is met by declining real income across all income groups.
14 In my experience, Philadelphia’s situation is unique within Pennsylvania. In
15 Philadelphia, approximately 50% or more of the customers have difficulty in paying
16 today’s higher supply prices for gas.

17 In past and current work in Pittsburgh, I do not find this situation, nor have I
18 found it in other utility service territories around the state. What is exceptional is that the
19 problem is not limited to low income customers (only about 2/3 of whom are protected
20 by Universal Service program participation, and about 1/3 of whom remain outside
21 Universal Service). What is a low income problem elsewhere in the state occurs in
22 Philadelphia up through the middle of the Philadelphia households by income.

7 See Goode, Judith & Jeff Maskovsky, eds., *The New Poverty Studies*. New York & London: New York University Press, 2001

1 Q. ARE YOU SAYING THAT PHILADELPHIA'S LOWER INCOME CUSTOMERS
2 ARE GOING TO HAVE AN EVEN HARDER TIME PAYING THEIR GAS BILL
3 NOW THAN THEY HAVE IN THE PAST?

4 A. Yes. But the point is that not only lower income customers are affected, but also the
5 lower middle and middle-income Philadelphia households are finding themselves in the
6 same position as low income customers. A working definition of poverty is being in a
7 position where one can not consistently meet all one's financial obligations on a regular
8 basis. In a year with high natural gas supply prices and during winter weather, many
9 families and households are placed into moderate, major, or extreme payment difficulties.
10 This is due both to the price of fuel and need to use high amounts of fuel due to winter,
11 regardless of price. While energy prices have gone up to unprecedented levels, and have
12 stayed up for unusually long times, Philadelphia residents have not experienced increase
13 at any comparable level of income. They have, in fact lost real income [See Table 5,
14 below].

15 The same problems that chronically confront low-income customers now, for a
16 period of months, temporarily but severely confront households of lower-middle and
17 middle income. Also, due to the long term decline in real income across income groups
18 in Philadelphia, the definition of "temporary" may easily stretch into the summer months.
19 Eventually, unless there is a reversal of price trend and a reversal in the continuing
20 decline of real incomes, the lower middle and much of the middle income groups will be
21 living with the chronic economic fear and chronic lack of ability to pay that in the past
22 has been associated with low income households.

23 In addition, it is important to keep in mind that there are also many small business
24 customers who are affected in exactly the same way as residential customers by high
25 prices and winter usage patterns. Their income is typically derived from a small store,

1 repair shop or similar establishment that produces modest income. That income must
2 cover the expenses of the commercial operation, including heat, as well as the family's
3 residential expenses. I will address the issue below.

4 **Q. ARE THESE FACTORS THAT WILL AFFECT PHILADELPHIA CUSTOMERS**
5 **TO AN EVEN GREATER EXTENT THAN OTHER NATURAL GAS**
6 **CUSTOMERS?**

7 A. Yes. Philadelphia's situation is particularly difficult. The "income donut" for
8 Philadelphia County is shown below.⁸ An income donut is a particular format for
9 showing the income distribution of a city. The income donut is constructed by taking all
10 of the household income of the city and then adding across the bottom 20% of
11 households by income (the low-income households), the next 20% of households by
12 income (lower-middle income households), the middle 20% (middle income households),
13 and so on. Each segment of the donut contains 20% of city households. The size of each
14 is proportional to the amount of household income received by the households within the
15 segment. When Philadelphia households are broken out this way, the bottom 20% have
16 incomes of \$10,000 or less, the lower-middle 20% have incomes above \$10,000 but less
17 than \$25,000, the middle income 20% have incomes from \$25,000 and to less than
18 \$40,000. The upper-middle income 20% has incomes of \$40,000 and to less than
19 \$60,000. The upper income 20% in Philadelphia has incomes of \$60,000 or more.

⁸ Constructed from Table P52, Household Income in 1999, Census 2000 Summary File 3 -
Sample Data.

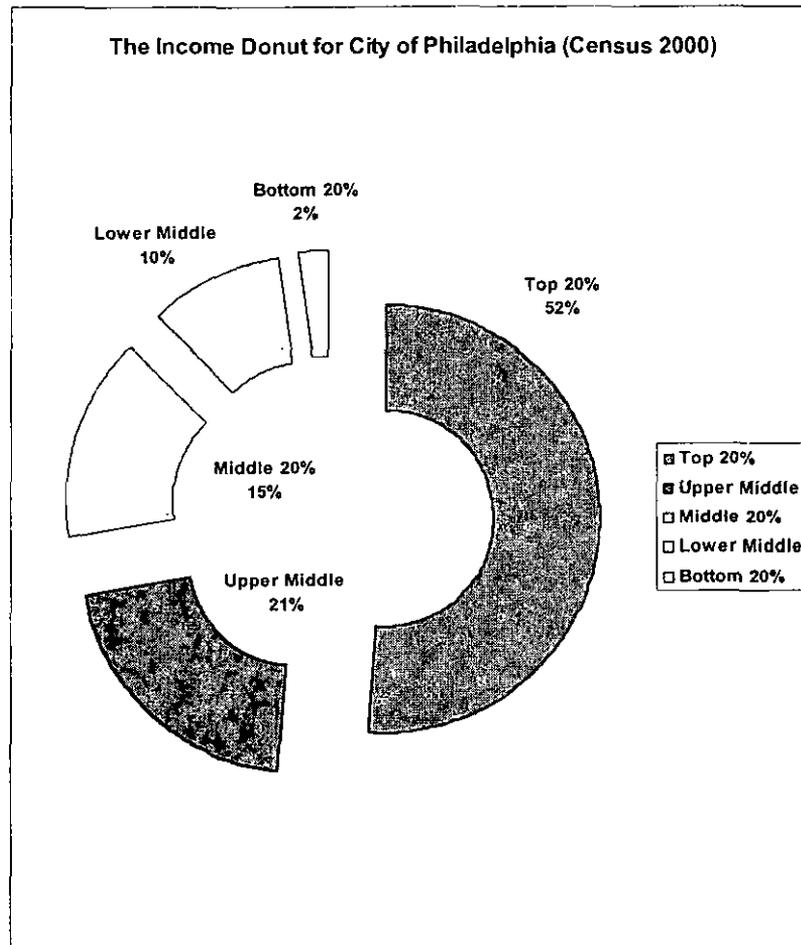


Figure 3: Income Donut for Philadelphia

With this “snapshot” of income in Philadelphia, it is clear that lower-middle and middle income households can be expected to have difficulty with payment, while upper-middle and upper income households will probably be able to handle the combination of persistently higher prices and cold winter weather. Note that the bottom 20% of the City population (with 2% of the household income) and a portion of the next 20% (lower-middle, with 10% of household income) are eligible for existing programs (though, as set forth above, not all participate and are almost certain to be unable to pay because they simply do not have the resources to pay a general service residential bill).⁹

⁹ These same factors affect small business customers.

1

Table 4: Controller's Data on Loss of Real Income

CHANGE IN AVERAGE REAL INCOME 1986-94 CITY VS. SUBURBS		
Quintile	City	Philadelphia Suburbs
Poorest Quintile	-54.2%	-42.5%
Middle Three Quintiles	-24.5%	-11.1%
Richest Quintile	-6.4%	+4.3%

Source: Table 7.1, P. 67, Jonathan A. Saidel, City Controller, 1997 Mid-Year Economic and Financial Report. Philadelphia: Office of the Controller, March 1997.

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An independent calculation using the 1990 and 2000 federal census results for Philadelphia, and adjusting for the loss of population and to constant dollars confirms that this pattern is continuing, although the percentages are smaller for the more recent time period.

Table 5: Loss of Real Income¹⁰

Loss of Real Income by Philadelphia Households 1990 - 2000	
Low-Income 20%	-29.7%
Lower-Middle	-12.8%
Middle 20%	-7.7%
Upper-Middle	-9.2%
Upper 20%	-2.2%

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The remainder of the lower-middle income households (with 10% of household income) and the middle income households (with 15% of household income) are not shielded.

¹⁰ Data for 1990 are taken from Columns 1 & 2, Table P080, Household Income in 1989, Census 1990, Summary Table File 3 - Sample Data. Data for 2000 are taken from Columns 1 & 2, Table P52, Household Income in 1999, Census 2000 Summary File 3 - Sample Data. Data from 1990 and 2000 are adjusted to constant dollars using the CPI, Series ID CUURA102SA0, for Philadelphia-Wilmington-Atlantic City, PA-NJ-DE-MD, for all items, Base Period 1982-1984 = 100. Results are not taken directly from the federal census, but are calculated based on census figures. Results are approximate.

1 **Q. BESIDES HAVING A GREATER PERCENTAGE OF POORER CITIZENS**
2 **WHAT OTHER CIRCUMSTANCES CONTRIBUTE TO THIS INABILITY TO**
3 **PAY?**

4 A. The other important factor is that Philadelphia citizens are continuing to lose income at
5 alarming levels. As shown in Table 4, Philadelphia's middle three quintiles of
6 households by income are losing income at a faster rate than suburban households.
7 When families lose significant percentages of real income it becomes difficult to manage
8 ordinary expenses. This is the situation of middle income families in Philadelphia an
9 income grouping that is experiencing substantial loss of real income. The effects of a
10 fuel crisis of the type that has occurred in 2003-2004 are then magnified for these
11 households. A loss of about a quarter of real income (24.5%) across the lower-middle,
12 middle, and upper-middle income groups means that any price crisis will be intensely
13 magnified in its effects.

14 **Q. YOU HAVE DESCRIBED THE DEMOGRAPHIC PATTERNS OF PGW**
15 **CUSTOMERS WITH REGARD TO INCOME. IS THIS PATTERN SEEN IN**
16 **OTHER UTILITY SERVICE TERRITORIES IN PENNSYLVANIA?**

17 A. No. In Pennsylvania, each of the five income groups experienced a percentage increase
18 in real (inflation adjusted) income from the late 1980s to the late 1990's.¹¹ In
19 Philadelphia each of the five income groups experienced a percentage decrease in real
20 income *In Philadelphia, all income groups are affected.*

¹¹ For Pennsylvania, the source is the "Pennsylvania Fact Sheet" in Economic Policy Institute/Center on Budget and Policy Priorities, *Pulling Apart: A State-by-State Analysis of Income Trends, April 2002*. Figures in this study are based on averaging three year results from the Current Population Survey (1988 – 1990 as compared with 1998 – 2000). Note that the years included in the study are years of increasing economic expansion culminating in the collapse of the "bubble" and the healthcare, energy, and communications scandals that surfaced around the year 2000. Since 2000, poverty has increased in the US and the median income has declined.

Loss of Real Income by Philadelphia Households 1990-2000		Real Income as % of 1990
Low-Income 20%	-29.70%	70.30%
Lower-Middle	-12.80%	87.20%
Middle 20%	-7.70%	92.30%
Upper-Middle	-9.20%	90.80%
Upper 20%	-2.20%	97.80%
Increase in Real Income by Pennsylvania Households 1988-1990 v. 1998-2000		Real Income as % of '88-'90
Low-Income 20%	12.00%	112.00%
Lower-Middle	13.00%	113.00%
Middle 20%	15.00%	115.00%
Upper-Middle	18.00%	118.00%
Upper 20%	25.00%	125.00%

Table 6: Contrast of Philadelphia to the State

In Philadelphia, the situation is different from the state as a whole. The strong negative income effects extend to lower-middle and middle income groups. The loss of 24% of real income within the lower-middle, middle, and upper-middle income groups taken together is singular to the City. Even the upper-middle group is losing income and the top 20% is losing income. Philadelphia is experiencing a much more difficult situation than other utility service territories in Pennsylvania. The effect of this change is that, in Philadelphia, *lower-middle* and *middle income* customers are payment troubled, while in the rest of the State the designation applies to just the lower 20% of households by income.

Q. ARE YOU FAMILIAR WITH OTHER UTILITY SERVICE AREAS IN PENNSYLVANIA?

A. Yes. I have been working continuously in Pennsylvania from year to year since 1988 and have now completed studies that cover, when put together, most of the geography of

1. Pennsylvania. In addition to PGW, these studies have been for Duquesne Light,
2 Allegheny Power, Equitable Gas, Columbia Gas of Pennsylvania, PECO Energy,
3 People's Gas, Pennsylvania American Water Company, and currently Penn Power, Met
4 Edison, and Pennsylvania Power. While effects for the low income group are similar
5 around the state, I have not seen this problem throughout all the income groups
6 elsewhere.

7 **Q. CAN YOU FURTHER CHARACTERIZE THIS DIFFERENCE?**

8 A. Yes. Philadelphia's loss is much deeper, and *spread throughout all economic groups*
9 because of the City's transition from a regional financial and economic hub. Today, most
10 of the primary national and regional functions previously headquartered in Philadelphia
11 have been moved to other places. It is then, not just that manufacturing has left for other
12 countries and regions but that the core business institutions of the cities have been
13 transferred away, or, if some remain they are no longer headquartered here. The City
14 Controller projects a continued "decline in the City's share of economic activity relative
15 to the United States as a whole...." The Controller also forecasts the future economic
16 activity of City as a reflection of the national economy (rather than driven primarily by
17 economic factors belonging to the City).¹² It is becoming a smaller City in population
18 and its dependency ratio is increasing as the population ages. Because of the loss of jobs,
19 people in the prime working ages often have to leave the City to seek economic
20 opportunities.

21 **Q. DO YOU OBSERVE SIMILAR SHIFTS IN PAYMENT PATTERNS FOR SMALL**
22 **BUSINESS CUSTOMERS?**

¹² Office of the City Controller, City of Philadelphia, *Philadelphia, A New Urban Direction*. Philadelphia: Saint Joseph's University Press, 1999, P. 15.

1 A. Yes. Small business customers in Philadelphia are affected by the same shifts in
2 population and economic activity because their traditional sources of customers have left
3 the City or have less money to spend on the products and services offered by small
4 business. Small businesses within the City continue to lose customers due, in part, to the
5 decline of City population caused by the lack of job opportunities for persons within the
6 prime working ages. In addition, many of the traditional customers of small businesses
7 have migrated to the large national chains such as Wal Mart, Sears, Circuit City, Jiffy
8 Lube, etc. While some of those large chain stores are located within the City, most are on
9 the periphery – in the suburbs, so customers and their dollars migrate out of the City, with
10 many jobs, leaving less money circulating within the City economy, reducing the impact
11 of the multiplier effect, and compounding the ability-to-pay problem for residential and
12 small business customers. Even when the “big box” stores and their counterparts are
13 located within the City, they tend to remove net job opportunities from the City. There is
14 a large literature on this phenomenon: each big box store destroys and/or marginalizes
15 many small businesses, displacing local small and middle sized entrepreneurs and
16 reducing the total number of employees. Small and middle sized businesses that
17 managed to remain are generally weakened by a loss of customer traffic. The “big box”
18 stores offer quality goods at lower prices, in part, because they are of sufficient size to
19 distort markets and are thus able to force prices lower from suppliers. They also tend to
20 be involved in a succession of labor problems – offering low prices and high efficiency at
21 the cost of City jobs and quality of life. At the same time, small businesses have to carry
22 part of the weight of an increasing tax burden as the cost of City services is spread across
23 a declining tax base, thus further weakening their ability to pay their gas bills.

1 The same effect exists for gas costs: as PGW loses customers, the fixed utility
2 costs (the overhead) are spread over a declining base, leaving each remaining customer
3 with a larger responsibility. For PGW that impact is further exaggerated by the loss of
4 industrial customers (the old economy) that used substantial volumes of gas and paid
5 their bills fully and on time. Those customers, who might have mitigated the impact of
6 today's problems on PGW, are gone.

7 **Q. FOR BOTH RESIDENTIAL AND SMALL BUSINESS CUSTOMERS, DO YOU**
8 **HAVE ANY REASON TO EXPECT THAT PGW'S UNCOLLECTIBLE**
9 **EXPERIENCE WILL IMPROVE DRAMATICALLY IN THE SHORT TERM?**

10 A. I have been informed that PGW is trying to improve its results by increasing and
11 improving collection activity and procedures, as described in the testimony of Mr. Gyory
12 in this proceeding. While I understand that PGW is hopeful that these efforts will
13 produce benefits during the near term, they will take several years to produce dramatic
14 results, if they ever do. The natural gas cost jumps that have caused these decreases in
15 payments didn't happen overnight and even if gas prices return gradually to pre-spike
16 levels it will take many months for customers to see the effects of that mitigation in their
17 retail bills and then pay off any balances accumulated during this period. Nonetheless, it
18 would make sense to permit PGW to track its uncollectible experience in some special
19 mechanism at least until there is consensus that the cost spikes have mitigated for the
20 foreseeable future.

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Table 7: Yearly Bill & % Receipts

Bill & Receipts	
Bill (2000\$)	% Receipts
\$1,031	93.09%
\$1,196	91.57%
\$1,277	90.82%
\$1,443	89.29%
\$1,600	87.85%
\$1,800	86.00%
\$2,000	84.16%

A regression using the PGW data of record from Table 1 yields the results shown in Table 7. If the residential heating rate bill is around \$1,031, the percentage of total receipts has historically been around 93%. As a projection, if the residential bill is in the range of \$1,400 to \$1,600, total receipts will run about 88% - 89%. This projection is based on a ten-year trend that has no realistic prospect of being reversed substantially. It does not take into account future loss of income by the Philadelphia middle class which will tend to hold receipts down further. The combined force of increase in real price of gas and declined of real incomes across the board in the City are strong forces driven by factors outside the City. A special mechanism, such as that proposed by PGW is required to deal with this problem. In my opinion, it will deal with it directly and effectively

Q. ARE THERE OTHER FACTORS WHICH AFFECT THE COLLECTIBILITY OF A GAS UTILITY'S BILLINGS?

A. Yes. As described briefly above, the so-called winter moratorium on service terminations has a strong affect on collectibility. I support the moratorium as good public policy which protects the most vulnerable customers, but it is clear that it has an impact on payment patterns. From our fairly extensive survey work we have learned that Pennsylvanians work very hard at trying to pay their bills, and at certain times of year many families with scarce resources tend to prioritize the bills that they will pay at a

1 particular time. When utility customers know that they will not be shut off during winter,
2 they commonly allocate resources to some other bill, postponing until spring the
3 reckoning.¹³

4 There are at least two unfortunate consequences of postponing payment that are
5 relevant to this proceeding. First, fewer payments are made to PGW during the period
6 December 1 through March 31 which is exactly the period when PGW has to pay for the
7 winter gas volumes it must purchase to serve its customers. Second, when the customer
8 has to make arrangements in spring and summer to pay off the bill that accumulated
9 during the winter, those arrears are typically paid off, if they are paid, over an extended
10 period of time. The impact on PGW is that it must wait even longer to be made whole for
11 the expenditures it made during the winter, with direct negative implications for its cash
12 flow.

13 **Q. ISN'T THIS PATTERN ONE THAT IS EXPERIENCED BY OTHER UTILITIES?**

14 A. Yes, it is experienced by other utilities, but the demographics of PGW's customers are
15 such that makes this a much more serious problem for PGW than it would be for other
16 utilities. As I described above, PGW has many more customers in income categories that
17 experience this problem because they have difficulty paying. As a result, the impact on
18 PGW, among all the utilities with which I am familiar, is unique.

19 **Q. DOES THAT CONCLUDE YOUR TESTIMONY?**

20 A. Yes it does.
21

¹³ Note that ability to pay the gas bill is a matter separate from the inelasticity of demand for heating in cold weather. Heating is not a choice, so the heating bill will be incurred.

H. GIL PEACH, Ph.D., Principal

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Summary

- **Manager/Principal Investigator: Evaluation Research, Organizational Studies, Survey Research, Socioeconomic Studies, Applied Statistics, Litigation Support, Planning & Policy Studies, Strategic Policy Support.**
- **Expert Services including Evaluation design and Methods; Expert Witness Services on Measurement and Evaluation issues; Strategic Intelligence/Policy Development.**
- **Academic specialization in Study of Organizations, Political Economics, Sociology of Economic Life, Sociology of Deviance & Social Control, Applied Social Statistics, Econometrics.**
- **Thirty years experience in applied and evaluation research in Human Services, including Energy, Water, Health, Housing, Social Services, Community-Based Projects, Management & Organizational studies, Market & Market Transformation, Socio-economic Studies.**

Experience

Principal, H. Gil Peach & Associates (HGPA). January 1988 to present. HGPA provides evaluation design, process and impact evaluation services, planning and program development services, management and organizational studies, program design, policy studies, litigation support, expert witness services, and support for consensus building/collaborative initiatives. HGPA is the US member, along with a Canadian and a Swedish firm in the Scan America® Group, providing planning, measurement and evaluation services worldwide.

Manager, Evaluation & Coordinator, Demand Side Management Planning - Pacific Power & Light - 1988 to April 1989. Managed development of conservation supply curves, demand side of least-cost planning, development of portfolio of conservation programs.

Manager, Research & Evaluation - Pacific Power - 1984 to 1988. Managed research studies while maintaining consensus among industry, government, and public interest groups in a multi-year program of energy policy related social research.

Research & Evaluation Coordinator - Pacific Power - 1983 to 1984. Managed project evaluation for the Hood River Conservation Project, at the time the most ambitious community weatherization effort in the United States.

Sr. Analyst, Analyst - Pacific Power - 1980 to 1982. Reviewed, designed, and coordinated survey research projects, load studies, statistical, and energy conservation studies; coordinated improvements in computer supported statistical analysis; developed staff capability in research methods. Responsible for direct day-to-day supervision of load research staff.

Research Statistician/Computer Analyst - Fund for the City of New York - 1978 to 1980. Conducted social research & statistical analysis for public sector management studies to improve efficiency and quality of service in hospital outpatient services, subways, and taxi regulation, social services, training and employment programs. Pioneered the role of research planning and technical analytic support for joint projects of non-profit agencies, which developed, for a time, as a major focus of the foundation.

Marketing Consultant - 1975 to 1980. Applied analytic problems, primarily in survey research. Principal clients: Pan Am, Citibank, Avon Products, American Market Research Bureau.

Sr. Quantitative Analyst, Program Research Analyst - City of New York - 1972 to 1978. Evaluation research for Health Department; represented Director to funded university and hospital research teams. Various positions 1969 to 1972: Applied housing program research, urban renewal, training, budgeting, applied statistics.

Sr. Clerk - New York Stock Exchange - 1969. Assisted on trading floor, developed statistical reports.

Professional Memberships

American Evaluation Association; American Statistical Association – Past President, State of Oregon Chapter, Society for the Social Study of Science; American Association for the Advancement of Science.

Education

Ph.D. Sociology (1985), New York University, New York, New York. Dissertation topic: *The Social Production of Applied Social Statistics*. This is a study of how social factors influence the construction of quantitative results when applied statistics are developed in different kinds of organizations. MA Economics (1972), New School for Social Research, New York, New York. MA Sociology (1969), Michigan State University; BS Sociology (1965) Michigan State University, Sociology; One Year of Metropolitan Urban Service Training, Union Theological Seminary, New York, New York. Substantial undergraduate study in physics and mathematics, Michigan Technological University, Houghton, Michigan.

Selected Papers & Publications

Peach, H. Gil, "The Hood River Conservation Project: A Model for Consensus-Building in Applied & Energy Research." Paper presented to the eighth annual meeting of the Society for Social Studies of Science, Session I, Taking Scientific Practice Seriously. Blacksburg, Virginia, 1983. The paper emphasizes the relationship of research quality, a focus on measurement and evaluation, and collaboration.

Peach, H. Gil, Terry V. Oliver, Mark Cherniack, David Goldstein, and Marion Philips, "Dialectic of Cooperation: How the Hood River Project Worked." In *ACEEE Summer Study on Energy Efficiency in Buildings*. University of California at Santa Cruz: American Council for an Energy Efficient Economy, 1984. The paper details the 'back and forth' relations of continued collaboration in a multi-year multi-party evaluation.

Keating, Kenneth M., Ruth L. Love, Terry V. Oliver, H. Gil Peach, & Cynthia B. Flynn, "The Hood River Project -- Take a Walk on the Applied Side", *The Rural Sociologist*, Vol. 5, No. 2, Pp. 112-118, 1985. This paper deals with the learning experience for program planners and evaluators in the contrast between evaluation planning and the encounter of realities in the field.

Peach, H. Gil, "Argumentation in Applied Research", Paper presented at the 10th Annual Meeting of the Society for Social Studies of Science, Rensselaer Polytechnic Institute, Troy, New York, October 24-27, 1985. A paper illustrating the Dunn/Toulmin policy analysis approach to multi-party evaluation, employing 'argument maps'.

Peach, H. Gil, "Utilization Focused Field Experiments", Paper presented to Conference on Advances in Knowledge Utilization: Impacts of Sciences and Professions in the Information Society, A Joint Conference Sponsored by the Howard R. Davis Society for Knowledge Utilization and Planned Change and the University of Pittsburgh, October 8-10, 1987. A short paper contrasting different approaches to evaluation and knowledge development in different kinds of projects.

Peach, H. Gil, "Evaluation Strategies and Customer Response to Energy Efficiency Programmes: Pro-Active Evaluation - Lessons for the Future." *In Workshop on Conservation Programmes for Electric Utilities*, Pp. 341-351. Paris, France: International Energy Agency & Organization for Economic Cooperation and Development, 1988. This paper is a call for evaluators to work with program planners and implementation staff. Thesis: While retaining a responsibility to 'call things as they are' in the final evaluation, evaluators should share a common interest in and contribute to program success and social learning along with other parties.

Morse, William L. & H. Gil Peach, "Control Concepts in Conservation Supply," *Energy*, Vol. 14, No. 11, PP 727-735, 1989. This is a technical/statistical publication on energy conservation, incorporating evaluation as a tool for incremental social and organizational learning.

Peach, H. Gil & Eric Hirst, "Factors in the Practice, Organization, and Theory of Evaluation," *Evaluation and Program Planning*, Vol. 12, Pp. 163-170, 1989. This is an article on evaluation method, calling for positive inclusion of organizational context as a factor in evaluations.

Keating, Kenneth & H. Gil Peach, "Demonstration Projects: What's in Them for Utilities?" *Energy and Buildings*, Vol. 13, Pp. 85-91, 1989. This article calls for sponsorship of demonstration projects to promote social and organizational learning.

Peach, H. Gil, "Verification and Sample Design." *Evaluation Exchange*, Vol. 1, No. 7, Pp. 12-13, 1991. This is a short technical contribution to quantitative method in evaluation.

Peach, H. Gil, "Energy Conservation Technical Collaboratives," Paper presented to the 4S/EASST Joint Conference, Gothenburg, Sweden, August 1992. This paper contrasts the collaborative styles of California and New England in multi-party program and evaluation design.

Peach, H. Gil, "Performance Contracting: Advice to Utilities." *Home Energy*, Vol. 9, Pp. 19-21, 1992. This article alerts readers to several differences in how some performance contractors approach evaluation and measurement issues, in contrast to program funders.

Peach, H. Gil, Ralph Prah, Jeff Schlegel, & Rick Fleming, "Moving Towards Market Transformation", *Proceedings of the 1993 ECEEE Summer Study: The Energy Efficiency Challenge for Europe*. R. Ling & H. Wilhite (eds.). The European Council for an Energy Efficient Economy, Oslo, Norway, Pp. 141-151, 1993. This paper deals with using market forces to promote program goals, and with how evaluation changes in a market context.

Peach, H. Gil, "Low Income Program Evaluation for a Competitive Era," In *The Future of Energy Markets: Evaluation in a Changing Environment*, Pp. 293-300. Chicago, Illinois: National Program Evaluation Conference, 1997. This paper introduces improvements in evaluation perspectives and methods in the evaluation of low-income programs.

Peach, H. Gil, "Industrial Energy Efficiency in the Michigan Collaborative." In *Energy Program Evaluation: Uses, Methods, Results*, CONF-950817, Pp. 43-47. Chicago, Illinois: National Program Evaluation Conference, 1997. Based on evaluation results, this paper presents a public-responsibility perspective on industrial energy programs.

Peach, H. Gil, C. Eric Bonnyman, and Joseph C. Ghislain, "What Works for Energy Efficiency in Large Industry." In *ACEEE Summer Study on Energy Efficiency in Industry*, Pp. 473-482. Saratoga, New York: American Council for an Energy Efficient Economy, 1997. Based on evaluation results, this paper presents industrial energy efficiency programs from the industrial perspective of global auto companies.

Castelow, Carl, C. Eric Bonnyman, Joseph Ghislain, Phares A. Noel, Mary A. Kurtz, Jim Malinowski, H. Gil Peach, and Martin Kushler, "Energy Efficiency in Automotive and Steel Plants." In *Sustainable Energy Opportunities for a Greater Europe: The Energy Efficiency Challenge for Europe*, Pp. 166 1-10. Spindleruv Mlyn, Czech Republic: European Council for an Energy-Efficient Economy, 1997. This paper presents a technical perspective, based on a three-year evaluation of industrial programs at three major auto companies and two major steel plants in the US.

Peach, H. Gil, "Implications of Income Shifts & Globalization for Program Evaluation in the United States." Beaverton, Oregon: H. Gil Peach & Associates, Monograph 99-1-1, 1999. Preliminary theoretical developments of this monograph were presented in Session 227, "Global Thinking in Evaluation," at the 1998 Annual Meeting of the American Evaluation Association, "Transforming Society through Evaluation," Chicago, Illinois, November 4-7, 1998; and at the Affordable Comfort Conference, Madison, Wisconsin in the Spring of 1998. This research monograph is an 'alert to

evaluators' detailing the need to take secular economic trends into account in evaluations, in that changes in *social organization and economic context* have become stronger factors than direct program influences in contributing to the outcomes of many programs.

Peach, H. Gil, "Improving Customer Service - The Customer Perspective." Paper presented to Workshop on Maintaining Quality Customer Service during the Transition to Competition, NLIEC 1999 Conference, Pittsburgh, Pennsylvania, June 1999. Based on evaluation results, this paper contrasts the perspectives and pressures on utilities with the perspectives and needs of customers during organizational and economic transition.

Peach, H. Gil, Anne West, Howard Reichmuth and Ryan N. Miller, "The Sector Map Methodology for Evaluating Energy Affordability Programs," technical paper presented at the Seventeenth Annual Conference of the American Evaluation Association meeting in Sparks, Nevada, November 2003.

References

References will be provided on request.

DOCUMENT

St. GCR-1

PF-philas-11-01

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

DIRECT TESTIMONY OF

KENNETH DYBALSKI

DOCKETED

MAY 28 2004

ON BEHALF OF
PHILADELPHIA GAS WORKS

Docket No. R-00049157

Philadelphia Gas Works
Proposed 2004 Annual GCR Adjustment

March 1, 2004

PA. UC
SECRETARY'S BUREAU

2004 MAY 19 PM 2:47

RECEIVED

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

2

3 A. My name is Kenneth Dybalski. My position is Manager – Gas Planning at the
4 Philadelphia Gas Works.

5

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

7

8 A. I assumed the position of Manager – Gas Planning on November 1, 2001.

9

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

11

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

21

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

23

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

26

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

3
4 A. Yes. I submitted testimony for the 2003 PGW 1307f Annual GCR Filing in
5 Docket R-00038173.

6
7 Q. **HOW IS YOUR TESTIMONY STRUCTURED**

8
9 A. First, I will describe PGW's rate design and Gas Cost Rate (GCR) calculation
10 methodology. Second, I will describe the level of heating degree-days utilized in
11 this filing. Third, I will identify the methodology for determining the number of
12 customers and calculating billed sales. Fourth, I will discuss the calculation for
13 the Unaccounted for Adjustment Factor (UAF). Fifth, I will discuss Off System
14 Sales and Capacity Release credits. Finally, I will discuss the reasonableness of
15 PGW's gas costs.

16
17 Q. **PLEASE DESCRIBE THE IMPACT OF THE PROPOSED CHANGE IN**
18 **PGW's GCR IN THIS PROCEEDING.**

19
20 A. PGW's restructured GCR on September 1, 2003 was \$7.8670 and this rate was
21 revised to \$7.6313 in the Company's first quarterly GCR filing, effective
22 December 1, 2003. PGW's second quarter GCR filing, also submitted to the PUC
23 concurrently with this filing increases the GCR to \$7.9254. The proposed rate to
24 be effective September 1, 2004 is \$7.4216.

25
26 Q. **PLEASE SUMMARIZE THE EVIDENCE THAT PGW IS SUBMITTING**
27 **IN SUPPORT OF ITS PROPOSED GCR ADJUSTMENT.**

28 A. Tab 1 of this filing contains the sheets supporting Section 53.64 (a) filing
29 requirements for the proposed GCR for the period September 1, 2004 through
30 August 31, 2005.

1 Schedule 1 identifies the Levelized Gas Cost Rate. Specifically, this sheet
2 identifies the GCR Firm Sales Volumes in Mcfs ("S"), Total Applicable GCR
3 Expense ("C"), adjustments for Prior Year Reconciliation and Natural Gas
4 Refunds ("E"). Also included in "E" is the interest credit for the under recovery
5 of gas costs and natural gas refunds. An adjustment is also included for the
6 Interruptible Revenue Credit (IRC). Finally, this sheet calculates the company's
7 total projected recovery of GCR applicable costs by multiplying the Firm Sales
8 Volume times the proposed GCR to determine if these rates adequately cover the
9 Net Applicable GCR Expense. A Net Over/(Under) Recovery amount is
10 displayed to prove the calculation.

11
12 Schedule 2 Sales identifies the calculation of Total Firm Sales Volumes in Mcfs
13 ("S"). Essentially, the company utilizes Total Billed Sales and subtracts the
14 volumes associated with the Interruptible Rate Services identified in PGW's
15 Tariff to arrive at Total Firm Sales Volume ("S"). Also included in Schedule 2 is
16 the Total Applicable Sales Volumes which is Total Firm Sales less 20% of the
17 sales attributable to Senior Citizens.

18
19 Schedule 3 identifies the Projected Applicable Fuel Expense. Specifically, this
20 sheet identifies PGW's Net Natural Gas Expense and Total Applicable Expenses.
21 To arrive at the Net Natural Gas Expense, the total cost of commodity and
22 pipeline charges are calculated per month. The Interruptible Credit reflects the
23 portion of gas costs recovered from PGW's Interruptible Rate customers and Gas
24 Used by Utility is the credit for gas used by PGW. These credits are used to offset
25 the total purchases made by the company. Next, the Company calculates the net
26 effect of gas supplies being transferred into and out of storage and LNG. The
27 result is the Net Natural Gas Expense.

28

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

4
5 Schedule 4a Interest Calculation provides the calculation of the interest expense
6 or credit for the actual/estimated period for the under recovery of fuel costs and
7 the interest for the natural gas refunds. Schedule 4b Interest on Natural Gas
8 Refunds provides information on historic refunds that have been received by the
9 Company resulting from various cases before the Federal Energy Regulatory
10 Commission and the interest on these refunds.

11
12 Schedule 5 presents the Statement of Reconciliation for the forecast period
13 (September, 2004 - August, 2005).

14
15 Schedule 6 presents the Statement of Reconciliation for the actual/estimated
16 period (September, 2003 -- August, 2004).

17
18 Schedule 7 presents the finalized Statement of Reconciliation for the historic
19 period (September, 2002 -- August 2003).

20
21 Schedule 8 calculates total projected recovery with the proposed GCR.

22
23 Schedule 9 shows the changes in rates identifying the proposed changes to the
24 GCR and distribution rate and their impact on the proposed total commodity rate.

25
26 Schedule 10 shows the calculation of the Universal Service & Energy
27 Conservation Surcharge.

28
29 Schedule 11 is the Statement of Reconciliation for the Universal Services
30 Surcharge.

1
2 Schedule 12 identifies the natural gas prices that were used in the preparation of
3 this filing.

4
5 Schedule 13 is the Interruptible Revenue Credit Reconciliation.

6
7 Schedule 14 shows the calculation of the Restructuring and Consumer Education
8 Surcharge.

9
10 **Q. WHAT IS THE TIME PERIOD FOR FORECASTING PGW'S FUTURE**
11 **GAS COSTS?**

12
13 A. PGW's forecasted period is a twenty (20) month period that commences on
14 January 1, 2004, two (2) months before this filing and eight (8) months before the
15 effective date of the tariff on September 1, 2004. The 2004-2005 GCR year is
16 September 1, 2004 to August 31, 2005, however, since the required forecast
17 covers twenty (20) months, it must begin eight (8) months earlier, consistent with
18 Commission regulations.

19
20 **Q. PLEASE PROVIDE A GENERAL DESCRIPTION OF PGW'S RATE**
21 **DESIGN AND GCR CALCULATION METHODOLOGY.**

22
23 A. The rates charged to PGW's customers include two elements. The first of these is
24 the distribution rate that is reflected in PGW's Tariff. The distribution rate
25 consists of the Delivery Charge; the Universal Service and Energy Conservation
26 Surcharge; the Restructuring and Consumer Education Surcharge; and the Cash
27 Receipts Reconciliation Clause (CRRC). The Universal Service and Energy
28 Conservation Surcharge provides for the recovery of discounts to customers on
29 the Customer Responsibility Program (CRP), of discounts to customers receiving
30 the Senior Citizen Discount, of the costs of the Conservation Works Program, and

1 of past due arrearages forgiven to CRP customers entering CRP after September
2 1, 2003. The Restructuring and Consumer Education Surcharge is the recovery of
3 Commission approved costs which the Company has or will incur to meet the
4 requirements of the Natural Choice and Competition Act and applicable
5 Commission regulations, orders and other regulatory requirements.

6
7 The second element of the rate is the Gas Cost Rate or GCR factor. This charge is
8 a mechanism used to flow through the costs of natural gas costs and other raw
9 materials in a timely and equitable manner. The specific elements of PGW's GCR
10 are set forth in PGW's Tariff.

11
12 The cost of gas purchased to serve the requirements of PGW's customers
13 constitutes the largest single item in the delivered price of gas. In the past, all
14 natural gas costs were recovered through base (distribution) rates. However, in
15 the early 1970's the price of gas lost its stability and underwent rapid escalation
16 during and after a worldwide oil crisis. To combat this instability and prevent the
17 economic harm to all parties caused by regulatory lag in reflecting these price
18 fluctuations in base (distribution) rates, the concept of a fuel adjustment surcharge
19 mechanism was introduced by PGW. This mechanism provides the flexibility to
20 rapidly reflect current conditions without the time delay inherent in full-scale base
21 rate alteration. The intent is to achieve an annual balance of the costs incurred for
22 fuel and its pass-through to customers. The costs for pipeline transportation,
23 storage capacity and related fuel prices charged by the interstate pipeline suppliers
24 are approved by FERC and largely outside of distributor control. State and/or
25 local commissions oversee the pass-through of these charges and the balancing
26 activity.

27
28 PGW's Tariff, Gas Cost Rate Section identifies the appropriate formula for such a
29 balance and the limited charges that may be recovered through this mechanism.
30 Charges for natural gas and other raw materials used to manufacture supplemental

1 gas supplies are included in the GCR. In addition, the interest expense for the over
2 or under recovery of gas costs and natural gas refunds are also included in the
3 GCR. No labor, storage, local transportation, or profit component is added by
4 PGW. The ultimate balance represents the direct pass-through of actual costs
5 incurred.

6
7 Only costs incurred to purchase gas that is immediately used to meet customer
8 sendout requirements, including associated plant fuel, may appropriately be
9 considered a fuel expense for GCR purposes. Purchases diverted into storage
10 and/or LNG become an expense only when withdrawn for customer delivery.
11 Similarly, costs associated with purchases made to supply interruptible customers
12 are excluded from the Total Applicable Expenses used to calculate the GCR.

13
14 Various adjustments are then made to the total applicable expenses eligible for
15 GCR treatment. Natural gas refunds and interest on the refunds are credited in the
16 calculation of the GCR in the fiscal year received. An additional adjustment is
17 made to correct for any over or under recovery during the previous fiscal year
18 resulting from differences between values used to project the prior year's GCR and
19 those actually experienced. Also the interest expense or credit on the over or
20 under recovery is applied to calculate the total adjustment. An adjustment is also
21 made for the Interruptible Revenue Credit.

22
23 To determine the unit level of this charge, the remaining total expenses must be
24 divided by the sum of the volumes over which they can be effectively distributed,
25 which is Firm Sales Volume.

26
27 The influence of the bill cycling process is also recognized in the development of
28 the GCR. Assuming a change in commodity rates that takes effect as of the first
29 of the month, Billed Sales will, in reality, reflect the usage of cycle billed
30 customers occurring half in the month of the rate change and half in the prior

1 month. In this situation, the customers' bills will be prorated so that the volume
2 consumed in the period before the date of the authorized rate change is charged at
3 the previous rate level. The GCR component of these billings at the previous rate
4 level is subtracted from the expenses that are to be surcharged through the GCR.
5 The result is then divided by the remaining 11 and 1/2 months of Firm Sales to
6 establish the level of the GCR factor.

7
8 The GCR for the fiscal year September 1 - August 31 is set through the PUC's
9 1307(f) filing process. PGW's filing date for its fiscal year is March 1 with a pre-
10 filing date February 1. PGW then files quarterly updates to its GCR in which it
11 provides actual cost and sales data. The Company is required to revise the factor
12 based upon the actual data if the projected over or under recovery exceeds 2% and
13 may propose revisions if the difference is less than 2%.

14
15 **Q. HAS PGW SEPARATED ITS GCR GAS COST INTO COMMODITY AND**
16 **DEMAND CHARGES AS DIRECTED BY THE COMMISSION?¹**

17
18 A. PGW's 2004-2005 GCR filing includes a breakdown of its Applicable Gas
19 Expense² into both commodity and demand components.³ Additionally, this filing
20 includes separate E factors⁴ for the commodity and demand⁵ components.

21
22 PGW currently bills its customers a monthly Commodity Charge that represents
23 the aforementioned Applicable Gas Expense. PGW also bills its customers a
24 monthly Gas Cost Adjustment that includes the aforementioned E factors and the
25 Interruptible Revenue Credit ("IRC"). Although the Commodity Charge contains

¹ Pursuant to the Commission's Restructuring Order in *PaPUC v. PGW*, M-00021612 (March 31, 2004) at 25-28.

² Defined as Sales Service Charge ("SSC") in PGW's Gas Service Tariff and Schedule 1 of PGW's GCR filings.

³ See Schedule 1 in Tab 1 of PGW's March 1, 2004 Annual GCR filing.

⁴ Defined as GAC in PGW's Gas Service Tariff and Schedule 1 of PGW's GCR filings.

1 both a commodity and demand component, it appears as a single charge on the
2 customer bill. Likewise, the Gas Cost Adjustment contains a commodity E factor,
3 a demand E factor and the IRC but only a single charge appears on the customer
4 bill.

5
6 The Commodity Charge and the Gas Cost Adjustment charge will continue to
7 appear as single charges on the customer bill. PGW will provide the commodity
8 and demand components of both the Commodity Charge and the Gas Cost
9 Adjustment E factors in its Gas Service Tariff. To do otherwise will increase the
10 complexity of the customer bill, thereby, creating difficulty in understanding
11 PGW's monthly bill format.

12
13 **Q. WHAT IS THE BASIS FOR THE PRICES USED IN DETERMINING THE**
14 **GAS COSTS USED IN THIS FILING?**

15
16 **A.** The projected natural gas prices were derived from forecasted pricing data
17 produced specifically for PGW by Global Insight for January, 2004. Global
18 Insight and its predecessors are the same data service used by PGW for the past
19 several years. Additionally, PGW used the NYMEX Futures close data as of
20 January 8, 2004.

21
22 The pricing methodology utilized by the Company is similar to the methodology
23 in the last annual filing and in quarterly filings with the inclusion of the additional
24 months in the 20-month forecast. Specifically, the company has used actual
25 information for the first month of the forecast (i.e. January 2004). The next three
26 months (i.e. February through April 2004) utilize the NYMEX Futures price.
27 Finally, the remaining sixteen months (i.e. May through August 2005) utilize the
28 average of the NYMEX Futures closing data and Global Insight.

⁵ Beginning on September 1, 2004, the then existing E factor will be the beginning E factor for the commodity component. The demand component will not have an initial E factor. Rather, the development of the demand component E factor will begin prospectively on September 1, 2004.

1
2 **Q. HOW DOES THE PROJECTED LEVEL OF GAS COSTS FOR THE**
3 **FORECAST PERIOD COMPARE WITH THE LEVEL OF GAS COSTS**
4 **FORECASTED IN THE COMPANY'S LAST ANNUAL GCR FILING?**

5
6 A. The level of gas costs forecasted for 2004-2005 is higher than the level PGW had
7 forecasted for the 2003-2004 GCR. The level of costs in the 2004-2005 period are
8 being greatly influenced by the upward increase in natural gas prices.

9
10 **Q. DESCRIBE THE LEVEL OF HEATING DEGREE-DAYS THAT WERE**
11 **USED IN YOUR ANALYSIS.**

12
13 A. The Company subtracts the mean temperature from 65 degrees to calculate the
14 number of degree-days for the day. The degree-days for all of the days in the year
15 are aggregated to arrive at the total number of degree-days for the year. Next, the
16 Company calculates the average heating degree-days for the past 30 years to arrive
17 at the anticipated heating degree-days.

18
19 PGW has opted to continue to use the same 4,555 degree days as was included in
20 last year's annual GCR filing instead of this year's 30 year average. This current
21 actual 30 year average data indicates that the degree-days should be revised
22 downward to 4,526 degree days. Such a reduction in degree-days would ultimately
23 result in higher per unit charges to PGW's customers since there would be fewer
24 resulting units over which to spread the costs.

25
26 **Q. HOW HAS THE COMPANY DETERMINED THE NUMBER OF**
27 **CUSTOMERS IN EACH RATE CLASS?**

28
29 A. PGW started with the actual number of customers on December 31, 2003 from the
30 PGW Gas Sales and Revenue Report. The Marketing Department load forecast

1 was then used to determine the addition and loss of customers. In addition, the
2 number of customers was adjusted due to loss of customers as a result of
3 termination of service for non-payment.
4

5 **Q. WHAT IS THE METHODOLOGY FOR CALCULATING THE WEATHER**
6 **NORMALIZED BILLED SALES?**
7

8 A. PGW used a two step process to arrive at the appropriate level of usage
9 per customer. First, a trial domestic factor is developed by customer
10 class from sales reported for the summer months (July-September). This
11 average factor was then utilized in the sendout formula with the
12 customer counts for the months of July, August, and September, 2002.
13 A comparison between what the formula calculates and the actual
14 experienced for those three months is ascertained and the trial domestic
15 factors are finalized to replicate the total sendout experienced. The
16 finalized domestic factors (DOMS) are then utilized in conjunction with
17 the actual sales and customer counts for the months of December, 2002
18 through February, 2003 to determine the average Mcf per degree day for
19 each of the individual months for the remaining temperature sensitive
20 load. The results are weighted by degree-days to give an average value
21 that is utilized as a trial value for the heating factor.
22

23 The finalized domestic factor and the trial heating factor developed, as
24 such, are then applied in the sendout calculations, together with
25 customer counts for the months of December, 2002 through February,
26 2003, the peak winter heating period, to project an estimated sendout
27 for each of these months. The projected sendout is then compared with
28 the actual sendout experienced. Any variation between the projected
29 and actual is adjusted to force the replication of the actual sendout
30 experience, thus resulting in the determination of a finalized heating

1 factor. The finalized heating factor is used to forecast the heating load
2 and monthly adjustments are made based on monthly historic usage.

3
4 Utilizing the finalized domestic and heating factors including
5 adjustments, billed sales are then forecasted using 4555 degree days and
6 the number of customers.

7
8
9 **Q. WHAT IS THE UNACCOUNTED FOR GAS PERCENTAGE USED IN**
10 **THIS FILING?**

11
12 A. The level of unaccounted for gas used in this filing is 3.9%.

13
14 **Q. WHAT IS THE TOTAL AMOUNT OF OFF SYSTEM SALES THAT ARE**
15 **CREDITED TO THE GCR?**

16
17 A. There were no Off System Sales credited back to the GCR in this filing because
18 PGW is not currently projecting that it will experience any. If Off System Sales
19 can be achieved in the forecast period, PGW will flow 100% of the credit back to
20 its customers through the quarterly GCR mechanism.

21
22 **Q. WHAT IS THE TOTAL AMOUNT OF CAPACITY RELEASE THAT IS**
23 **CREDITED TO THE GCR?**

24
25 A. PGW has projected that the amount of Capacity Release credits within the GCR
26 period will amount to \$3,155,165. PGW credits 100% of its capacity release
27 credit back to its customers through the GCR mechanism.

1 **Q. ARE PGW'S OFF SYSTEM SALES AND CAPACITY RELEASE**
2 **CALCULATIONS IN COMPLIANCE WITH THE JOINT PETITION FOR**
3 **SETTLEMENT IN THE 2003-2004 GAS COST RATE PROCEEDING?**

4
5 A. Yes. For the 2004-2005 period, an average of: 1) the actual amount for 2002-
6 2003; and 2) the actual/estimated amount for 2003-2004 was utilized to derive the
7 estimated credit for Capacity Release Revenues and Gross Off-System Sales.

8
9 **Q. BASED UPON THE ABOVE SUPPORTING DATA, DO YOU BELIEVE**
10 **THAT PGW'S GAS COSTS ARE REASONABLE?**

11
12 A. Yes, PGW's gas cost projections have been prepared in a manner that is consistent
13 with PGW's Tariff, GCR Section and consists only of the pass-through of gas
14 costs, including any offsets for Off System Sales and Capacity Release Credits
15 and certain non-gas costs that were previously approved by the PUC. As stated by
16 Mr. Moser in his testimony submitted with this filing, PGW follows a least cost
17 gas procurement strategy. Additionally, PGW has made a conscious effort to
18 mitigate the impact of the anticipated costs in this filing by adjusting the "normal"
19 weather degree-day level to reflect the number of degree-days used in the last
20 GCR period.

21
22
23 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

24
25 A. Yes.

DOCUMENT

Statement No. GRC-1R

PI Phila 5-11-04

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

REBUTTAL TESTIMONY OF

KENNETH DYBALSKI

ON BEHALF OF
PHILADELPHIA GAS WORKS

Docket No. R-00049157
P-00042090

Philadelphia Gas Works
Proposed 2004 Annual GCR Adjustment

MAY 3, 2004

DOCKETED
MAY 28 2004

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2004 MAY 19 PM 2:44

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1 **Q. STARTING ON PAGE 27 OF HIS TESTIMONY, MR. LELASH**
2 **QUESTIONS THE DATA UNDERLYING PGW'S CALCULATION OF**
3 **THE INTERRUPTIBLE REVENUE CREDIT? HOW DID PGW**
4 **CALCULATE THE INTERRUPTIBLE REVENUE CREDIT (IRC) FOR**
5 **THE 04-05 GCR PERIOD ?**

6 A. As specified in the Joint Settlement of Philadelphia Gas Works' 2003-2004 GCR
7 Proceeding, PGW used the actual/estimated amount for 2003-04 to derive the
8 estimated IRC for the 04-05 GCR period. From the actual/estimated amount
9 (margin) for 2003-04, PGW subtracted the actual/estimated excess credit for
10 2003-04 to determine the IRC of \$3,336,551 for the 04-05 GCR period.

11 **Q. STARTING ON PAGE 26 OF HIS TESTIMONY, MR. LELASH**
12 **QUESTIONS THE COMPANY'S UNDERLYING DATA USED IN**
13 **CALCULATING THE CAPACITY RELEASR/OFF SYTEM SALES**
14 **CREDIT. HOW DID PGW CALCULATE THE CREDITS FOR**
15 **CAPACITY RELEASE/OFF SYSTEM SALES FOR THE 04-05 GCR**
16 **PERIOD ?**

17 A. As specified in the Joint Settlement of Philadelphia Gas Works' 2003-2004 GCR
18 Proceeding, PGW used the average of the actual amount for 2002-2003 and the
19 actual/estimated amount for 2003-2004 to derive the estimated credit for Capacity
20 Release Revenues/Gross Off-System Sales of \$3,155,165 for the 2004-2005 GCR
21 period. I have provided the derivation of the data sought by Mr. Lelash for the
22 2002-2003 GCR period in my response to the interrogatory propounded by him,
23 OCA 2-12 and for the 2003-2004 GCR period in Schedule 4, page 1 of the March
24 1, 2004 1307(f) Filing (Tab 3). Additionally, the estimated credit for Capacity
25 Release Revenues/Gross Off-System Sales of \$3,155,165 for the 2004-2005 GCR
26 period is supported in Schedule 4, page 2 of the March 1, 2004 1307(f) Filing
27 (Tab 3). All three schedules are provided with this rebuttal testimony as Exhibit
28 KSD-1.

1 **Q. IN REVIEWING THE SCHEDULES OF OCA STATEMENT NO. 1 DID**
2 **YOU FIND ANYTHING AMISS?**

3 A. Yes. In Schedule 2 page 2 , there appears to be a some discrepancy with the data
4 shown in the November-December, 2000 time frame. I have discussed this with
5 Mr. Lelash and he agrees that a discrepancy exists.

6 **Q. DOES THIS CONCLUDE YOUT TESTIMONY?**

7 A. Yes.

Exhibit KSD-1, page 1 of 3

Originally submitted in reponse to OCA 2-12

CAPACITY RELEASE CREDITS AND OFF-SYSTEM SALES

MONTH	TGPL TOTAL CREDITS	VOLUME DTH'S	TETCO TOTAL CREDITS	VOLUME DTH'S	TOTAL CAP/REL CREDITS	TOTAL VOLUME DTH'S	OFF SYSTEM SALES CREDITS	TOTAL CREDITS
Sep-02	\$ 71,205	600,000	\$ 175,796	1,794,690	\$ 247,001	2,784,030	\$ 283,450	\$ 530,451
Oct-02	\$ -	-	\$ 352,000	1,116,000	\$ 352,000	1,116,000	\$ -	\$ 352,000
Nov-02	\$ 85,220	300,000	\$ -	-	\$ 85,220	300,000	\$ -	\$ 85,220
Dec-02	\$ 85,220	310,000	\$ -	-	\$ 85,220	310,000	\$ -	\$ 85,220
Jan-03	\$ -	-	\$ -	-	\$ -	-	\$ 100,000	\$ 100,000
Feb-03	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ -
Mar-03	\$ -	-	\$ -	-	\$ -	-	\$ 853,060	\$ 853,060
Apr-03	\$ 60,480	300,000	\$ -	1,116,000	\$ 60,480	1,380,000	\$ -	\$ 60,480
May-03	\$ 124,992	620,000	\$ 223,920	1,380,000	\$ 348,912	2,675,982	\$ -	\$ 348,912
Jun-03	\$ 223,920	1,200,000	\$ 231,046	1,116,000	\$ 454,966	2,784,660	\$ -	\$ 454,966
Jul-03	\$ 290,780	1,550,000	\$ 322,427	1,426,000	\$ 613,207	2,784,482	\$ -	\$ 613,207
Aug-03	\$ 231,384	12,400,000	\$ 232,523	1,854,482	\$ 463,907	2,784,482	\$ -	\$ 463,907
TOTAL	\$ 1,173,201	17,280,000	\$ 1,537,712	9,803,172	\$ 2,710,913	16,919,636	\$ 1,236,510	\$ 3,947,423

FY 2003 \$ 3,947,423

FY 2004 \$ 2,361,462

Total \$ 6,308,370

Average Credits \$ 3,154,185

FY 2005 Estimate \$ 3,155,165

Exhibit KSD-1, page 2 of 3

Originally submitted in Schedule 4, page 1 of the March 1, 2004 1307(f) Filing (Tab 3)

**CAPACITY RELEASE
(Dth)**

	TRANSCO Contract 3691		TETCO Contract 800232		TETCO Contract 800515-514 Paid		TOTAL DOLLARS		TOTAL VOLUMES	
	<u>VOLUMES¹</u>	<u>DOLLARS²</u>	<u>VOLUMES¹</u>	<u>DOLLARS²</u>	<u>VOLUMES¹</u>	<u>DOLLARS²</u>	<u>TRANSCO</u>	<u>TETCO</u>	<u>TRANSCO</u>	<u>TETCO</u>
Aug-03	600,000	\$ -	1,080,000	\$ -	-	\$ -	\$ -	\$ -	600,000	1,080,000
Sep-03	-	\$ 120,960	-	\$ 217,762	-	\$ -	\$ 120,960	\$ 217,762	-	-
Oct-03	-	\$ -	-	\$ -	-	\$ -	\$ -	\$ -	-	-
Nov-03	-	\$ -	-	\$ -	-	\$ -	\$ -	\$ -	-	-
Dec-03	-	\$ -	-	\$ -	-	\$ -	\$ -	\$ -	-	-
Jan-04	-	\$ -	-	\$ -	-	\$ -	\$ -	\$ -	-	-
Feb-04	-	\$ -	-	\$ -	-	\$ -	\$ -	\$ -	-	-
Mar-04	-	\$ -	1,070,000	\$ -	864,000	\$ -	\$ -	\$ -	-	1,934,000
Apr-04	326,000	\$ -	409,000	\$ 203,300	1,080,000	\$ 164,160	\$ -	\$ 367,460	326,000	1,489,000
May-04	811,000	\$ 61,940	334,000	\$ 77,710	1,116,000	\$ 205,200	\$ 61,940	\$ 282,910	811,000	1,450,000
Jun-04	1,200,000	\$ 154,090	-	\$ 63,460	1,080,000	\$ 212,040	\$ 154,090	\$ 275,500	1,200,000	1,080,000
Jul-04	1,240,000	\$ 228,000	-	\$ -	1,116,000	\$ 205,200	\$ 228,000	\$ 205,200	1,240,000	1,116,000
Aug-04	-	\$ 235,600	-	\$ -	-	\$ 212,040	\$ 235,600	\$ 212,040	-	-
TOTAL September 03- August 04	4,177,000	\$ 800,590	2,893,000	\$ 562,232	5,256,000	\$ 998,640	\$ 800,590	\$ 1,560,872	4,177,000	8,149,000

0.19

(1) The volumes listed represent the volumes released during the month.

(2) The dollars listed are the credit for the previous months released volumes due to a one month lag in the credit.

Exhibit KSD-1, page 3 of 3

Originally submitted in Schedule 4, page 2 of the March 1, 2004 1307(f) Filing (Tab 3)

**CAPACITY RELEASE
(Dth)**

	TRANSCO Contract 3691		TETCO Contract 800232		TETCO Contract 800515-514 Paid		TOTAL DOLLARS		TOTAL VOLUMES	
	VOLUMES¹	DOLLARS²	VOLUMES¹	DOLLARS²	VOLUMES¹	DOLLARS²	TRANSCO	TETCO	TRANSCO	TETCO
Aug-04	1,240,000	\$ -	-	\$ -	1,116,000	\$ -	\$ -	\$ -	1,240,000	1,116,000
Sep-04	1,120,000	\$ 215,512	80,000	\$ -	1,080,000	\$ 193,961	\$ 215,512	\$ 193,961	1,120,000	1,160,000
Oct-04	548,000	\$ 194,656	692,000	\$ 13,904	1,116,000	\$ 187,704	\$ 194,656	\$ 201,608	548,000	1,808,000
Nov-04	120,000	\$ 95,242	482,000	\$ 120,270	468,000	\$ 193,961	\$ 95,242	\$ 314,230	120,000	950,000
Dec-04	-	\$ 20,856	-	\$ 83,772	-	\$ 81,338	\$ 20,856	\$ 165,110	-	-
Jan-05	-	\$ -	-	\$ -	-	\$ -	\$ -	\$ -	-	-
Feb-05	-	\$ -	-	\$ -	-	\$ -	\$ -	\$ -	-	-
Mar-05	80,000	\$ -	480,000	\$ -	864,000	\$ -	\$ -	\$ -	80,000	1,344,000
Apr-05	270,000	\$ 13,904	406,000	\$ 83,424	1,080,000	\$ 150,163	\$ 13,904	\$ 233,587	270,000	1,486,000
May-05	715,000	\$ 46,926	445,000	\$ 70,563	1,116,000	\$ 187,704	\$ 46,926	\$ 258,267	715,000	1,561,000
Jun-05	1,200,000	\$ 124,267	-	\$ 77,341	1,080,000	\$ 193,961	\$ 124,267	\$ 271,302	1,200,000	1,080,000
Jul-05	1,240,000	\$ 208,560	-	\$ -	1,116,000	\$ 187,704	\$ 208,560	\$ 187,704	1,240,000	1,116,000
Aug-05	-	\$ 215,512	-	\$ -	-	\$ 193,961	\$ 215,512	\$ 193,961	-	-
TOTAL September 04- August 05	6,533,000	1,135,435	2,585,000	449,273	9,036,000	1,570,457	1,135,435	2,019,730	6,533,000	11,621,000

0.1738

(1) The volumes listed represent the volumes released during the month.

(2) The dollars listed are the credit for the previous months released volumes due to a one month lag in the credit.

DOCUMENT

St. GCR-2

PF phila
5-11-04

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

DIRECT TESTIMONY OF

DOCKETED

MAY 28 2004

DOUGLAS MOSER

ON BEHALF OF

PHILADELPHIA GAS WORKS

DOCKET NO. R-00049157

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2004 MAY 19 PM 2:47
SECRETARY'S BUREAU

Philadelphia Gas Works

Proposed 2004 Annual GCR Adjustment

March 1, 2004

1 Q. Please state your name and current position with PGW.

2

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

5

6 Q. Please summarize your background and experience.

7

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

11

12 I have held the following positions at PGW: Engineering Assistant, Production
13 Engineer, Supervisor – Gas Conditioning, and Operations Engineer in the Gas
14 Processing Department, Manager – Gas Control and Manager – Gas Acquisition
15 in the Gas Supply Department and Senior Project Manager in the Strategic
16 Planning Department.

17

18 Q. What is the focus of your testimony in this proceeding?

19

20 A. My testimony will explain PGW's current gas procurement and purchasing
21 policies and strategies applicable to the current filing period, September 2004-
22 August 2005, and which were used during the prior GCR period, September 2003
23 – August 2004.

24

1 Q. Please provide a general description of PGW's gas distribution system.

2

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

11

12 Q. Please identify PGW's current interstate suppliers.

13

14 A. Duke Energy Gas Transmission (DEGT) and Williams Gas Pipeline comprise the
15 two interstate natural gas pipelines that deliver gas to PGW's city gates. In
16 addition, Dominion Transmission Inc. (DTI), Equitrans, Inc. (Equitrans), and
17 ANR Pipe Line Company (ANR) provide natural gas storage services that PGW
18 uses to meet winter peak requirement. These storage services require
19 intermediate transportation services from DEGT to deliver storage withdrawals to
20 the PGW gas distribution system.

21

22 **I. PGW GCR Filing FY 2005**

23

24 Q. Does PGW pursue a least-cost procurement policy?

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23

A. Yes.

Q. Please describe PGW's least-cost procurement policy?

A. PGW's current strategy for meeting the system's supply requirement, which it utilized in the 2003-2004 GCR period and which it intends to use in FY 2005, is to use a portfolio approach in both contract structure and pricing. The portfolio approach of purchasing gas supply allows PGW to remove some of the volatility in purchasing natural gas supplies for the City of Philadelphia. Without the use of the portfolio approach, the firm ratepayer would be totally at the mercy of market volatility which can be severely affected by natural conditions like hurricanes and supply area freeze offs. All natural gas procurement strategies are presented to the Company's Supply Committee for review and approval. The Supply Committee is made up of members of the Senior Team as well as the Vice Presidents of Gas Management and Regulatory. The Supply Committee meets monthly with the Supply Service Group. The Company's gas supply portfolio is divided into three distinct categories; (1) "first of the month index pricing", (2) storage, and (3) winter only supply contracts.

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

1
2 Second, the Company utilizes three (3) pipeline storage fields, which act as
3 additional sources of supply. These contracts do not include bundled
4 transportation and, therefore, move to PGW City gates within PGW's firm
5 interstate pipeline capacity. The gas procured under these contracts represent
6 four percent (4%) of supply and also acts as a physical fixed price counter to
7 market conditions.

8
9 Last but most significantly, the Company enters into winter-only supply
10 contracts. These winter-only supply arrangements provide gas supply, which fills
11 approximately sixty-four percent (64%) of PGW's daily firm transportation
12 entitlements on Texas Eastern and Transco. This arrangement provides
13 additional benefits by relieving the firm ratepayer from having to pay a demand
14 charges for supply for a period any longer than is necessary. As mentioned
15 earlier, the Supply Services Group meets monthly with the Supply Committee
16 and if after analysis it is found that a supply contract for longer period would be
17 in the best interest of the firm ratepayers, the Supply Services Group will present
18 this to the Supply Committee for review and approval.

19
20 Duke Energy Gas Transmission (DEGT) and Williams Gas Pipeline represent the
21 only interstate pipeline facilities with physical connections to the PGW service
22 territory. All of our supply contracts therefore utilize these two pipelines and
23 they also recognize pipeline receipt and delivery rights. These contracts contain

1 the ability to “lock up” the price for upcoming months, or to have the pricing
2 default to an agreed upon market index if there is no market advantage in fixing a
3 price before the month begins. Therefore, by sourcing supply in this manner,
4 PGW not only ensures security of supply from the pipelines, but also can take
5 advantage of varying basis differentiated pricing in the market. This
6 differentiated pricing results from the fact that all shippers of natural gas receive
7 their gas at varying locations along the pipeline. Generally speaking, gas located
8 nearest to the market area is more expensive than gas obtained in the production
9 area because shippers incur lower transportation costs for short haul transactions
10 compared to long haul. PGW uses a city-gate delivered price in comparing the
11 various alternatives available. The city gate delivered price is computed
12 considering the “into the pipe price of gas” plus all incremental charges levied by
13 the transporting pipeline to deliver that gas to the city gate. These prices include
14 but are not limited to fuel shrinkage, transportation charges, GRI charges, and
15 ACA charges.

16
17 Q. Are there any other gas procurement and purchasing strategies the Company uses
18 to meet operational requirements and to reduce costs other than winter-only
19 supply contracts, “first of the month index” priced contracts, and pipeline storage
20 contract?

21
22 A. Yes. PGW utilizes LNG and bundled storage to meet operational requirements.
23 Once operational requirements are met, these assets are then used in the overall

1 cost saving strategies. For example, once design winter sendout requirements are
2 ensured, the Company may utilize bundled storage and LNG as a substitute for
3 higher price gases based on market conditions, including anticipated storage refill
4 pricing. PGW's summer policy uses a similar approach to address system supply
5 and storage refill. The Gas Supply area uses forecasted prices as a benchmark to
6 purchase gas volumes for both system supply and storage refill below the
7 projected cost, where possible, on a proportional basis, while leaving a portion of
8 its needs to default to "first of the month" pricing.

9
10 Q. Does PGW utilize any additional cost saving strategies in addition to the effective
11 management of the LNG?

12
13 A. Yes. PGW uses capacity release and off system sales when available to the
14 benefit of its customer. Capacity release allows PGW to rent unused firm
15 capacity to which it is contractually entitled on the interstate pipelines. By doing
16 this, PGW is able to lessen the demand charges PGW must pay these pipelines.
17 Price and term are negotiated using a FERC approved methodology. The
18 Company also enters into the incremental off-system sales market to generate
19 additional revenue when it is economically advantageous. By engaging in off-
20 system sales, PGW is able to sell excess PGW supply rebundled with PGW
21 capacity for delivery outside of the PGW territory. The prices for these
22 transactions are negotiated and, in both instances, all dollars are returned to
23 customer through the GCR. Further, the Company participates in LNG