

Philadelphia Gas Works

Gregory J. Stunder
Senior Attorney



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January 28, 2015

VIA EXPRESS MAIL

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

Re: Philadelphia Gas Works ("PGW") Distribution System Improvement Charge
Annual Reconciliation Under 1307(e) for the Year Ended December 31, 2014;
Docket No. M -2015-XXXXXX

Dear Secretary Chiavetta:

Enclosed is PGW's Distribution System Improvement Charge Annual Reconciliation Under 1307(e) for the Year Ended December 31, 2014. If you have any questions, please contact me.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Gregory J. Stunder", is written over a circular stamp or watermark. The signature is fluid and cursive.

Gregory J. Stunder

Enclosures

cc: All Parties of Record
Bhodan R. Pankiw, Esquire, Law Bureau (bpankiw@pa.gov)
Paul T. Diskin, Technical Utility Services (pdiskin@pa.gov)
Lori A. Burger, Bureau of Audits (lburger@pa.gov)
Brian T. Shuey, Bureau of Audits (bshuey@pa.gov)

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PHILADELPHIA GAS WORKS
2014 DISTRIBUTION SYSTEM IMPROVEMENT CHARGE (DSIC) RECONCILIATION

<u>Month</u>	<u>Total DSIC</u>	<u>DSIC Revenue</u>	<u>Over / (Under)</u>	<u>DSIC</u>	<u>DSIC Revenue</u>	<u>Over/(Under)</u>	<u>Interest</u>	<u>Interest</u>	<u>Interest**</u>
	<u>Revenue Billed</u>	<u>Billed Allocated to</u>	<u>Collection</u>	<u>Recoverable</u>	<u>Billed Allocated</u>	<u>Collection</u>	<u>Weighting</u>	<u>Rate*</u>	<u>Interest**</u>
	<u>(1)</u>	<u>Over / (Under)</u>	<u>Balance</u>	<u>Costs</u>	<u>to Recoverable</u>	<u>(6 = 5- 4)</u>	<u>(7)</u>	<u>(8)</u>	<u>(9)</u>
		<u>Collection</u>	<u>(3)</u>	<u>(4)</u>	<u>Costs</u>	<u>(5 = 1 - 2)</u>			
January 14	\$ 3,329,041			\$ 1,692,096 (a)	\$ 3,329,041	\$ 1,636,944	21	5.75%	\$ 164,718
February	\$ 3,799,835			\$ 1,692,096 (a)	\$ 3,799,835	\$ 2,107,739	20	6.00%	\$ 210,774
March	\$ 3,338,292			\$ 1,692,096 (a)	\$ 3,338,292	\$ 1,646,196	19	6.25%	\$ 162,905
2013 Under Collection			\$ (3,125,326)						
April	\$ 1,628,220	\$ 1,628,220	\$ (1,497,106)	\$ -	\$ -	\$ -	18	5.75%	\$ -
May	\$ 656,230	\$ 656,230	\$ (840,876)	\$ -	\$ -	\$ -	17	5.75%	\$ -
June	\$ 426,683	\$ 426,683	\$ (414,193)	\$ -	\$ -	\$ -	16	5.75%	\$ -
July	\$ 571,895	\$ 76,767	\$ (337,426)	\$ 1,895,060 (b)	\$ 495,128	\$ (1,399,932)	15	5.50%	\$ (96,245)
August	\$ 698,803	\$ 93,802	\$ (243,624)	\$ 1,895,060 (b)	\$ 605,001	\$ (1,290,059)	14	5.50%	\$ (82,779)
September	\$ 722,636	\$ 97,001	\$ (146,623)	\$ 1,895,060 (b)	\$ 625,635	\$ (1,269,425)	13	5.50%	\$ (75,637)
October	\$ 812,714	\$ 115,052	\$ (31,571)	\$ 2,591,705 (c)	\$ 697,662	\$ (1,894,043)	12	5.25%	\$ (99,437)
November	\$ 1,517,663	\$ 31,571	\$ -	\$ 2,591,705 (c)	\$ 1,486,092	\$ (1,105,613)	11	5.50%	\$ (55,741)
December	\$ 2,804,822	\$ -	\$ -	\$ 2,591,705 (c)	\$ 2,804,822	\$ 213,117	10	5.25%	\$ 9,324
Totals	\$ 20,306,834	\$ 3,125,326		\$ 18,536,584	\$ 17,181,508	\$ (1,355,076)			\$ 137,881
2014 Under Collection			\$ (1,355,076)						

* Maximum Lawful Rate of Interest for Residential Mortgages for the month posted in the Pennsylvania Bulletin

** Interest is not recoverable in net under-collections

- (a) \$ 5,076,289 recoverable costs in 1-1-14 DSIC quarterly filing divided by 3 months
- (b) \$ 5,685,180 recoverable costs in 7-1-14 DSIC quarterly filing divided by 3 months
- (c) \$ 7,775,115 recoverable costs in 10-1-14 DSIC quarterly filing divided by 3 months

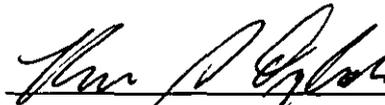
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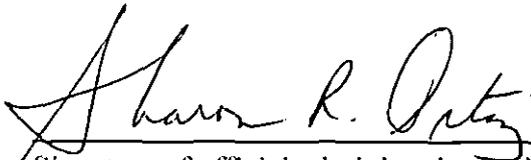
AFFIDAVIT

I, **Kenneth S. Dybalski**, Director - Gas Planning & Rates at Philadelphia Gas Works, being duly sworn (affirmed) according to law, depose and say that – I am authorized to make this affidavit on behalf of Philadelphia Gas Works, being that I am an employee and have been authorized to make this affidavit on its behalf – and that the facts set forth in the Distribution System Improvement Charge Annual Reconciliation under Section 1307(e) for the year ended December 31, 2014 are true and correct to the best of my knowledge, information and belief and I expect to be able to prove the same at any hearing hereof.

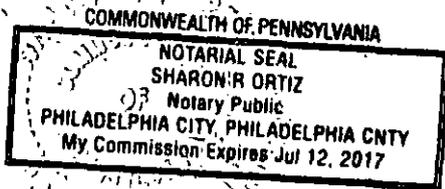


Signature of affiant

Sworn and subscribed before me this 27th Jan day of 2015.



Signature of official administering oath



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CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing document upon the participants listed below in accordance with the requirements of § 1.54 (relating to service by a participant).

VIA EMAIL

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Erin Gannon, Esquire
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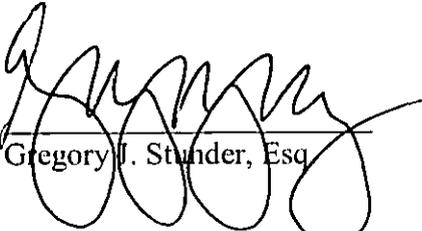
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Date: January 28, 2015



Gregory J. Stunder, Esq.
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