



**PHILADELPHIA GAS WORKS**

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May 29, 2015

**VIA eFiling**

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

Re: **Pa. PUC v. Philadelphia Gas Works; R-2014-2404355,  
June 1, 2015 Quarterly GCR Filing**

Dear Secretary Chiavetta:

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

Respectfully Submitted,

A handwritten signature in black ink, appearing to read 'M. Decktor', is written over a horizontal line.

Michael P. Decktor, Esquire

Enclosures

cc: All Parties of Record  
Erin Laudenslager, Fixed Utility Services ([elaudensla@pa.gov](mailto:elaudensla@pa.gov))



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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).

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Michael P. Decktor, Esquire

Date: May 29, 2015

**JUNE 1, 2015**

**3RD QUARTER GCR FILING**

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**Philadelphia Gas Works**  
**Levelized Gas Cost Rate**  
**3rd Qtr Filing - June 1, 2015**

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

where:

	<u>Demand</u>	<u>Commodity</u>	<u>Total</u>	
<b>S = Firm Sales (Mcf)</b>			<b>46,085,525</b>	Schedule 2
<hr/>				
Net Natural Gas Expense	\$ 58,457,308	\$ 152,155,559	\$ 210,612,867	
Purchased Electric & Misc Expenses	\$ -	\$ 846,056	\$ 846,056	
<b>Total Natural Gas Expense</b>	<b>\$ 58,457,308</b>	<b>\$ 153,001,614</b>	<b>\$ 211,458,922</b>	Schedule 3
C-Factor Reconciliation	\$ (18,981,291)	\$ 4,269,549	\$ (14,711,742)	Schedule 4(b)
<b>C = Total Applicable GCR Expense</b>	<b>\$ 39,476,017</b>	<b>\$ 157,271,164</b>	<b>\$ 196,747,181</b>	
<b>SSC = C / S</b>	<b>\$ 0.8566</b>	<b>\$ 3.4126</b>	<b>\$ 4.2692</b>	
<hr/>				
<b>Adjustment For:</b>				
E-Factor Volumes (Mcf)			3,269,216	
E-Factor Reconciliation	\$ 411	\$ 10,706	\$ 11,117	Schedule 4(c)
<b>E = E-Factor</b>	<b>\$ 0.0001</b>	<b>\$ 0.0033</b>	<b>\$ 0.0034</b>	
<hr/>				
Interruptible Revenue Credit			\$ 32,663	Schedule 5(a)
<b>IRC = Interruptible Revenue Credit / S</b>			<b>\$ 0.0007</b>	
<hr/>				
<b>Net Applicable GCR Expenses = C + E - Interruptible Revenue Credit</b>			<b>\$ 196,725,635</b>	
<b><u>GCR = SSC + GAC - IRC</u></b>			<b>\$ 4.2719</b>	
<hr/>				
SSC in effect 6/01/15	\$ 0.8504	\$ 3.3881	\$ 4.2385	
GAC in effect 6/01/15	\$ (0.0024)	\$ (0.0633)	\$ (0.0657)	
IRC in effect 6/01/15			\$ (0.0007)	
<b>GCR in effect 6/01/15</b>			<b>\$ 4.1721</b>	Schedule 6
<hr/>				
<b>Recovery Test on:</b>				
Firm Sales (Mcf)			46,085,525	
= GCR Projected Recovery			\$ 195,408,911	
= Load Balancing Revenue			\$ 1,083,556	
= LNG Sales Demand Revenue			\$ 235,137	
<b>= Total Projected Recovery</b>			<b>\$ 196,727,605</b>	Schedule 6
Compared To				
Net Applicable GCR Expenses			\$ 196,725,635	
<b>= Net Over/(Under) Recovery</b>			<b>\$ 1,969</b>	
<hr/>				
<b>Degree Days</b>			<b>4,237</b>	

## Philadelphia Gas Works

## Price To Compare (\$ / MCF)

June 1, 2015

	GCR	GCA	SSC	MFC	MFC Charge	GPC Charge	GAC	Price to Compare
	1	2	3 = (1 - 2)	4	5 = (1 * 4)	6	7	8 = (3 + 5 + 6 + 7)
Residential GS	\$4.1721	(\$0.0664)	\$4.2385	4.68%	\$0.1953	\$0.0400	(\$0.0657)	\$4.4081
Commercial GS	\$4.1721	(\$0.0664)	\$4.2385	0.28%	\$0.0117	\$0.0400	(\$0.0657)	\$4.2245
Industrial GS	\$4.1721	(\$0.0664)	\$4.2385	0.30%	\$0.0125	\$0.0400	(\$0.0657)	\$4.2253
Phila. Housing Authority (PHA)	\$4.1721	(\$0.0664)	\$4.2385	0%	\$0.0000	\$0.0400	(\$0.0657)	\$4.2128
Municipal (MS)	\$4.1721	(\$0.0664)	\$4.2385	0%	\$0.0000	\$0.0400	(\$0.0657)	\$4.2128
NGV Firm	\$4.1721	(\$0.0664)	\$4.2385	0%	\$0.0000	\$0.0400	(\$0.0657)	\$4.2128
Phila. Housing Authority (GS)	\$4.1721	(\$0.0664)	\$4.2385	0%	\$0.0000	\$0.0400	(\$0.0657)	\$4.2128

SALES & VOLUMES

## JUNE 2015 THROUGH MAY 2016

MONTH	2015	2016	FIRM		INTERRUPTIBLE SALES 4	LNG SALES 4A	AIR CONDITIONING SALES 4B	GCR FIRM SALES 5 = (3 - 4 - 4A - 4B)	SENIOR CITIZEN DISCOUNT SALES 6	APPLICABLE VOLUMES 7 = (5 - 6 + 2)
			TOTAL VOLUMES 1	TRANSPORT VOLUMES 2						
JUNE	1,370,705	171,511	1,199,194	109	-	2,363	1,196,723	6,516	1,361,717	
JULY	1,242,594	163,574	1,079,020	367	-	3,443	1,075,210	5,614	1,233,170	
AUGUST	1,100,761	146,207	954,554	367	-	2,971	951,215	4,928	1,092,495	
SEPTEMBER	1,082,490	150,748	931,742	354	-	2,098	929,290	4,745	1,075,294	
OCTOBER	1,721,548	230,612	1,490,936	366	-	539	1,490,031	8,401	1,712,242	
NOVEMBER	3,785,705	402,853	3,382,852	354	-	-	3,382,498	21,993	3,763,358	
DECEMBER	6,587,954	624,974	5,962,980	366	31,000	-	5,931,613	39,777	6,516,810	
JANUARY	10,439,035	835,655	9,603,380	366	31,000	-	9,572,014	65,856	10,341,813	
FEBRUARY	9,258,892	735,767	8,523,125	342	29,000	-	8,493,782	57,628	9,171,921	
MARCH	7,226,124	589,628	6,636,496	366	31,000	-	6,605,130	43,723	7,151,035	
APRIL	4,839,130	378,832	4,460,298	354	75,000	-	4,384,944	28,409	4,735,367	
MAY	2,376,366	225,378	2,150,988	366	77,500	47	2,073,075	12,112	2,286,341	
TOTAL	51,031,304	4,655,740	46,375,565	4,079	274,500	11,461	46,085,525	299,703	50,441,562	

**Projected Applicable Fuel Expense  
SUMMARY  
FY 2014-2015 3rd Quarter Filing**

	JUNE 2015	JULY 2015	AUGUST 2015	SEPTEMBER 2015	OCTOBER 2015	NOVEMBER 2015	DECEMBER 2015	JANUARY 2016	FEBRUARY 2016	MARCH 2016	APRIL 2016	MAY 2016	TOTAL
<b>NATURAL GAS BILLED</b>													
DEMAND CHARGE	\$5,026,733	\$5,010,401	\$5,010,401	\$4,879,168	\$4,942,114	\$4,782,918	\$4,776,978	\$4,776,978	\$4,820,822	\$4,760,967	\$4,844,181	\$4,825,647	\$58,457,308
COMMODITY CHARGE	\$6,856,711	\$7,443,869	\$7,369,124	\$7,328,820	\$11,901,416	\$15,690,907	\$17,935,499	\$15,816,487	\$17,131,828	\$15,920,567	\$15,032,821	\$13,083,668	\$151,511,716
<b>TOTAL NATURAL GAS BILLED</b>	<b>\$11,883,443</b>	<b>\$12,454,270</b>	<b>\$12,379,525</b>	<b>\$12,207,989</b>	<b>\$16,843,530</b>	<b>\$20,473,825</b>	<b>\$22,712,477</b>	<b>\$20,593,465</b>	<b>\$21,952,650</b>	<b>\$20,681,535</b>	<b>\$19,877,002</b>	<b>\$17,909,315</b>	<b>\$209,989,025</b>
<b>INTERRUPTIBLE &amp; A/C CREDIT</b>	<b>\$6,177</b>	<b>\$9,868</b>	<b>\$8,529</b>	<b>\$6,470</b>	<b>\$2,553</b>	<b>\$1,154</b>	<b>\$1,242</b>	<b>\$1,257</b>	<b>\$1,184</b>	<b>\$1,245</b>	<b>\$1,176</b>	<b>\$1,403</b>	<b>\$42,258</b>
SENDOUT VOLUME IN MCF	2,540	3,916	3,431	2,520	930	364	376	376	352	376	364	425	15,972
DKT CONVERSION FACTOR	1.056	1.056	1.056	1.056	1.056	1.056	1.056	1.056	1.056	1.056	1.056	1.056	1.056
PRICE \$/DKT	\$2.3027	\$2.3865	\$2.3543	\$2.4309	\$2.5987	\$2.9998	\$3.1250	\$3.1624	\$3.1846	\$3.1321	\$3.0584	\$3.1297	\$3.1297
<b>GAS USED FOR UTILITY</b>	<b>\$12,649</b>	<b>\$9,461</b>	<b>\$15,949</b>	<b>\$26,201</b>	<b>\$34,980</b>	<b>\$95,456</b>	<b>\$173,112</b>	<b>\$219,557</b>	<b>\$239,688</b>	<b>\$203,468</b>	<b>\$111,925</b>	<b>\$12,837</b>	<b>\$1,155,282</b>
<b>NATURAL GAS</b>													
TO STORAGE	(\$4,270,224)	(\$5,158,849)	(\$5,125,082)	(\$4,393,756)	(\$4,352,683)	\$0	\$0	\$0	\$0	\$0	(\$3,786,127)	(\$6,979,086)	(\$34,065,808)
FROM STORAGE PGW	\$0	\$0	\$0	\$0	\$0	\$721,960	\$8,354,113	\$14,365,246	\$9,595,206	\$5,819,861	\$52,322	\$0	\$38,912,709
FT FROM STORAGE	\$0	\$0	\$0	\$0	\$0	\$94,058	\$465,993	\$705,996	\$545,077	\$188,489	\$12,740	\$0	\$2,012,353
<b>NET NATURAL GAS STORAGE</b>	<b>(\$4,270,224)</b>	<b>(\$5,158,849)</b>	<b>(\$5,125,082)</b>	<b>(\$4,393,756)</b>	<b>(\$4,352,683)</b>	<b>\$721,960</b>	<b>\$8,354,113</b>	<b>\$14,365,246</b>	<b>\$9,595,206</b>	<b>\$5,819,861</b>	<b>(\$3,733,805)</b>	<b>(\$6,979,086)</b>	<b>\$4,846,901</b>
<b>LNG</b>													
TO STORAGE	(\$452,382)	\$0	\$0	(\$173,776)	(\$940,667)	(\$1,163,035)	(\$748,608)	(\$150,657)	(\$289,374)	(\$1,425,818)	(\$1,076,285)	(\$860,110)	(\$7,280,713)
FROM LNG PGW	\$273,585	\$280,716	\$280,716	\$271,456	\$276,822	\$259,239	\$419,941	\$947,061	\$816,222	\$381,908	\$538,225	\$551,125	\$5,297,015
FT FROM LNG	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>NET LNG STORAGE</b>	<b>(\$178,797)</b>	<b>\$280,716</b>	<b>\$280,716</b>	<b>\$97,680</b>	<b>(\$663,844)</b>	<b>(\$903,796)</b>	<b>(\$328,667)</b>	<b>\$796,404</b>	<b>\$526,848</b>	<b>(\$1,043,911)</b>	<b>(\$538,060)</b>	<b>(\$308,986)</b>	<b>(\$1,983,696)</b>
LNG SALES FROM LNG TANK	\$0	\$0	\$0	\$0	\$0	\$0	\$115,190	\$115,140	\$107,796	\$115,444	\$280,928	\$287,324	\$1,021,821
SENDOUT VOLUMES (MCF)	0	0	0	0	0	0	31,000	31,000	29,000	31,000	75,000	77,500	274,500
@ AVG LNG COMMODITY RATE	\$3.9268	\$3.8664	\$3.8664	\$3.8664	\$3.8476	\$3.7694	\$3.7158	\$3.7142	\$3.7171	\$3.7240	\$3.7457	\$3.7074	\$3.7074
<b>NET NATURAL GAS EXPENSE</b>	<b>\$7,415,597</b>	<b>\$7,556,808</b>	<b>\$7,510,680</b>	<b>\$7,879,241</b>	<b>\$11,789,470</b>	<b>\$20,195,380</b>	<b>\$30,448,379</b>	<b>\$35,419,162</b>	<b>\$31,730,035</b>	<b>\$25,137,328</b>	<b>\$15,211,108</b>	<b>\$10,319,680</b>	<b>\$210,612,867</b>
<b>APPLICABLE GCR EXPENSE</b>													
NET NATURAL GAS EXPENSE	\$7,415,597	\$7,556,808	\$7,510,680	\$7,879,241	\$11,789,470	\$20,195,380	\$30,448,379	\$35,419,162	\$31,730,035	\$25,137,328	\$15,211,108	\$10,319,680	\$210,612,867
PURCHASED ELECTRIC & MISC	\$39,804	\$44,348	\$33,025	\$34,540	\$49,636	\$47,718	\$79,574	\$111,537	\$97,034	\$82,055	\$57,968	\$43,817	\$721,056
PLANALYTICS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$125,000	\$0	\$0	\$0	\$0	\$125,000
<b>TOTAL APPLICABLE EXPENSES</b>	<b>\$7,455,400</b>	<b>\$7,601,156</b>	<b>\$7,543,705</b>	<b>\$7,913,781</b>	<b>\$11,839,106</b>	<b>\$20,243,097</b>	<b>\$30,527,953</b>	<b>\$35,655,698</b>	<b>\$31,827,069</b>	<b>\$25,219,382</b>	<b>\$15,269,077</b>	<b>\$10,363,497</b>	<b>\$211,458,922</b>
<b>TOTAL GCR FIRM SALES</b>	<b>1,196,723</b>	<b>1,075,210</b>	<b>951,215</b>	<b>929,290</b>	<b>1,490,031</b>	<b>3,382,498</b>	<b>5,931,613</b>	<b>9,572,014</b>	<b>8,493,782</b>	<b>6,605,130</b>	<b>4,384,944</b>	<b>2,073,075</b>	<b>46,085,525</b>



**FISCAL YEAR 2015  
PHILADELPHIA GAS WORKS  
C-FACTOR RECONCILIATION**

MONTH	NET COST OF FUEL 1	TOTAL GCR REVENUE BILLED 2	C FACTOR % of GCR 3	C FACTOR REVENUE BILLED 4 = (2 * 3)	LOAD BALANCING REVENUE 5	LNG SALES GCR BILLED REVENUE 6	TOTAL C FACTOR REVENUE BILLED 7 = (4 + 5 + 6)	NATURAL GAS REFUNDS 8	OVER/ (UNDER) RECOVERY 9 = (7 + 8 - 1)	CUMULATIVE OVER/(UNDER) 10
	(\$)	(\$)		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
SEPTEMBER 2014	10,246,576	6,137,819	98.3%	6,030,578	103,393	104,617	6,238,589	0	(4,007,988)	(4,007,988)
OCTOBER	11,229,571	7,217,520	94.6%	6,828,165	81,005	30,073	6,939,243	0	(4,290,328)	(8,298,316)
NOVEMBER	27,711,117	17,649,014	94.6%	16,696,924	79,953	61,832	16,838,709	0	(10,872,409)	(19,170,725)
DECEMBER	33,850,408	38,010,260	94.5%	35,938,446	82,062	120,419	36,140,928	0	2,290,520	(16,880,204)
JANUARY 2015	44,475,311	49,336,834	94.5%	46,620,577	84,045	193,385	46,898,006	0	2,422,695	(14,457,509)
FEBRUARY	49,443,136	57,489,686	94.5%	54,324,571	81,748	163,048	54,569,367	0	5,126,231	(9,331,278)
MARCH	31,185,138	47,505,901	94.0%	44,674,676	82,227	3,912	44,760,816	0	13,575,678	4,244,399
APRIL	11,837,315	23,781,190	93.5%	22,226,233	78,424	0	22,304,657	0	10,467,342	14,711,742



**FISCAL YEAR 2015  
PHILADELPHIA GAS WORKS  
IRC FACTOR REVENUE BILLED**

<b>MONTH</b>	<b>TOTAL GCR REVENUE BILLED 1</b>	<b>IRC- FACTOR % of GCR 2</b>	<b>IRC-FACTOR REVENUE BILLED 3 = ( 1 * 2 )</b>
	\$		\$
<b>SEPTEMBER 2014</b>	6,137,819	0.08%	4,839
<b>OCTOBER</b>	7,217,520	0.09%	6,274
<b>NOVEMBER</b>	17,649,014	0.09%	15,342
<b>DECEMBER</b>	38,010,260	0.07%	26,590
<b>JANUARY 2015</b>	49,336,834	0.05%	26,324
<b>FEBRUARY</b>	57,489,686	0.05%	30,673
<b>MARCH</b>	47,505,901	0.04%	18,641
<b>APRIL</b>	23,781,190	0.02%	5,053

**FISCAL YEAR 2015  
PHILADELPHIA GAS WORKS  
RECONCILIATION OF DEMAND CHARGES**

MONTH	DEMAND CHARGES LESS LOAD BALANCING CHARGE REVENUE 1	DEMAND REVENUE BILLED 2	MONTHLY DEMAND OVER/(UNDER) 3 = (2 - 1)	CUMULATIVE DEMAND OVER/(UNDER) 4
	\$	\$	\$	\$
SEPTEMBER 2014	4,550,374	1,110,093	(3,440,281)	(3,440,281)
OCTOBER	4,655,626	1,563,942	(3,091,684)	(6,531,965)
NOVEMBER	4,594,597	3,823,623	(770,974)	(7,302,939)
DECEMBER	4,176,073	8,565,462	4,389,390	(2,913,549)
JANUARY 2015	4,474,784	11,542,491	7,067,708	4,154,159
FEBRUARY	4,721,765	13,445,431	8,723,666	12,877,824
MARCH	4,635,775	10,594,287	5,958,512	18,836,337
APRIL	4,834,666	4,979,621	144,954	18,981,291

**INTERRUPTIBLE REVENUE CREDIT**  
**June 1, 2015**

Fiscal Year 2014 Reconciliation (8/31/14) \$ (249,894)

<u>MONTH</u>	<u>IRC</u> <u>CREDIT</u>	<u>MARGIN</u>	
September-14	Actual \$ 4,839	\$ 13,329	
October	Actual \$ 6,274	\$ 18,824	
*November	Actual \$ 15,342	\$ 28,089	
December	Actual \$ 26,590	\$ 14,728	
January-15	Actual \$ 26,324	\$ 22,004	
February	Actual \$ 30,673	\$ 32,710	
March	Actual \$ 18,641	\$ -	
April	Actual \$ 5,053	\$ 13,779	
May	Estimated \$ 2,215	\$ 84	
<b>Act/Est IRC Credit September 2014 to May 2015</b>	<u>\$ 135,951</u>		
<b>Act/Est Margin September 2014 to May 2015</b>		<u>\$ 143,547</u>	<u>\$ 143,547</u>
<b>FY 2014 Reconciliation Plus Act/Est Margin September 2014 to May 2015</b>			<u>\$ (106,347)</u>

\*Revised IRC Credit

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<b>FY 2014 Reconciliation Plus Act/Est Margin September 2014 to May 2015</b>	\$ (106,347)
<b>Act/Est IRC Credit September 2014 to May 2015</b>	<u>\$ 135,951</u>
<b>Reconciliation as of May 31, 2015</b>	\$ 29,603
<b>Margin - June 2015 through May 2016</b>	<u>\$ 3,059</u>
<b>June 1, 2015 Interruptible Revenue Credit</b>	<u>\$ 32,663</u>

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GCR Firm Sales 46,085,525

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June 1, 2015 IRC/Mcf \$ 0.0007

**INTERRUPTIBLE REVENUE MARGIN**  
**3RD QTR FILING**

<b><u>MONTH</u></b>		<b><u>MARGIN</u></b>
June-15	Estimated \$	82
July	Estimated \$	275
August	Estimated \$	275
September	Estimated \$	266
October	Estimated \$	275
November	Estimated \$	266
December	Estimated \$	275
January-16	Estimated \$	275
February	Estimated \$	257
March	Estimated \$	275
April	Estimated \$	266
May	Estimated \$	275
Total	\$	<u>3,059</u>

**CALCULATION OF RECOVERED CHARGES**  
**3rd Qtr Filing**  
**June 1, 2015**

	<u>50% June</u>	<u>11.5 Months</u>	<u>Total</u>
			(MCF)                  (\$)
S - Firm Sales (Mcf)	598,361	45,487,164	46,085,525
C-Factor	<u>\$ 4.3982</u>	<u>\$ 4.2385</u>	
Projected Recovery	2,631,712	192,797,343	\$ 195,429,055
S - Firm Sales (Mcf)	598,361	45,487,164	46,085,525
IRC-Factor	<u>\$ 0.0010</u>	<u>\$ (0.0007)</u>	
Projected Recovery	598	(31,841)	\$ (31,243)
E-Factor Volumes (Mcf)	606,570	2,662,646	3,269,216
E-Factor	<u>\$ 0.3067</u>	<u>\$ (0.0657)</u>	
Projected Recovery	186,035	(174,936)	\$ 11,099
GCR (\$ / Mcf)	<u>\$ 4.7059</u>	<u>\$ 4.1721</u>	
<hr/>			
GCR Projected Recovery			\$ 195,408,911
Load Balancing Revenue			\$ 1,083,556
LNG Sales Demand Revenue			<u>\$ 235,137</u>
<b>TOTAL PROJECTED RECOVERY</b>			<b>\$ 196,727,605</b>

**Change In Rates**  
**3rd Quarter Filing**  
**Rates Effective June 1, 2015**

**Current Rates**

	<u>03/01/15</u> <u>Distribution Charge</u> (1)	<u>03/01/15</u> <u>GCR</u> (2)	<u>03/01/15</u> <u>MFC</u> (3)	<u>03/01/15</u> <u>GPC</u> (4)	<u>03/01/15</u> <u>Commodity</u> <u>Rate</u> (5)=(1)+(2)+(3)+(4)
Residential GS	\$7.5432	\$4.7059	\$0.2202	\$0.0400	\$12.5093
Commercial GS	\$6.1416	\$4.7059	\$0.0132	\$0.0400	\$10.9007
Industrial GS	\$5.9427	\$4.7059	\$0.0141	\$0.0400	\$10.7027
Phila.Housing Authority (PHA)	\$5.6533	\$4.7059	\$0.0000	\$0.0400	\$10.3992
Municipal (MS)	\$4.9167	\$4.7059	\$0.0000	\$0.0400	\$9.6626
Phila.Housing Authority (GS)	\$6.4806	\$4.7059	\$0.0000	\$0.0400	\$11.2265

**June 1, 2015 - Distribution Charge**

	<u>Delivery</u>	<u>Surcharges</u>			<u>Total</u>	
	<u>Delivery</u> <u>Charge</u> (6)	<u>Other Post</u> <u>Employment</u> <u>Benefit</u> (7)	<u>Efficiency</u> <u>Cost</u> <u>Recovery</u> (8)	<u>Universal</u> <u>Service &amp;</u> <u>Ener. Cons.</u> (9)	<u>Total</u> <u>Surcharges</u> (10)=(7)+(8)+(9)	<u>Distribution</u> <u>Charge / Mcf</u> (11)=(10)+(6)
Residential GS	\$6.0067	\$0.3078	\$0.0019	\$1.4902	\$1.7999	\$7.8066
Commercial GS	\$4.5984	\$0.3078	\$0.0198	\$1.4902	\$1.8178	\$6.4162
Industrial GS	\$4.5332	\$0.3078	(\$0.0113)	\$1.4902	\$1.7867	\$6.3199
Phila.Housing Authority (PHA)	\$4.1101	\$0.3078	\$0.0198	\$1.4902	\$1.8178	\$5.9279
Municipal (MS)	\$3.3661	\$0.3078	\$0.0000	\$1.4902	\$1.7980	\$5.1641
Phila.Housing Authority (GS)	\$4.9441	\$0.3078	\$0.0019	\$1.4902	\$1.7999	\$6.7440

**Proposed Rates**

	<u>06/01/15</u> <u>Distribution Charge</u> (11)	<u>06/01/15</u> <u>GCR</u> (12)	<u>06/01/15</u> <u>MFC</u> (13)	<u>06/01/15</u> <u>GPC</u> (14)	<u>06/01/15</u> <u>Commodity</u> <u>Rate</u> (15)=(11)+(12)+(13)+(14)	<u>Difference</u> (16)=(15)-(5)
Residential GS	\$7.8066	\$4.1721	\$0.1953	\$0.0400	\$12.2140	(\$0.2953)
Commercial GS	\$6.4162	\$4.1721	\$0.0117	\$0.0400	\$10.6400	(\$0.2607)
Industrial GS	\$6.3199	\$4.1721	\$0.0125	\$0.0400	\$10.5445	(\$0.1582)
Phila.Housing Authority (PHA)	\$5.9279	\$4.1721	\$0.0000	\$0.0400	\$10.1400	(\$0.2592)
Municipal (MS)	\$5.1641	\$4.1721	\$0.0000	\$0.0400	\$9.3762	(\$0.2864)
Phila.Housing Authority (GS)	\$6.7440	\$4.1721	\$0.0000	\$0.0400	\$10.9561	(\$0.2704)

**PHILADELPHIA GAS WORKS**  
**JUNE 1, 2015 - 3RD QTR FILING**  
**UNIVERSAL SERVICE & ENERGY CONSERVATION SURCHARGE**

	<b>Expenses in the Surcharge</b>
Enhanced Low Income Retrofit Program (ELIRP)	\$ 9,333,102
Customer Responsibility Program (CRP)	\$ 47,950,179
Senior Citizen Discount *	\$ 3,763,367
<u>May 2015 Under Collection</u>	<u>\$ 14,119,382</u>
Total \$ to be Recovered	\$ 75,166,030
 Total Applicable Volumes	 Mcf 50,438,561
 Universal Service & Energy Conservation Surcharge	 <u><b>\$ 1.4902</b></u>

\* This is the Senior Citizen Discount based on the Distribution Charge without the Universal Services Surcharge plus the GCR. This is used to calculate the Universal Services Surcharge. The total senior citizen discount is \$4,226,705

**STATEMENT OF RECONCILIATION  
UNIVERSAL SERVICES & ENERGY CONSERVATION SURCHARGE  
SEPTEMBER 2014 THROUGH May 2015**

Month	Applicable Volumes	USC Charge	USC Revenue Billed	USC Expenses	Monthly Over/(Under) Recovery	Cumulative Over/(Under) Recovery	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15																																																																																
<b>FY 14 Reconciliation</b>																																																																																															
September 2014	Actual	1,120,161	\$ 1,6753	\$ 1,876,606	\$ (1,754,620)	\$ 3,631,226																																																																																									
October	Actual	1,410,747	\$ 1,4642	\$ 2,065,616	\$ (942,460)	\$ 3,008,076																																																																																									
November	Actual	3,310,333	\$ 1,4642	\$ 4,846,990	\$ 4,575,714	\$ 271,276																																																																																									
December	Actual	6,897,688	\$ 1,2795	\$ 8,825,247	\$ 12,729,386	\$ (3,904,139)																																																																																									
January 2015	Actual	8,801,725	\$ 1,0947	\$ 9,635,248	\$ 17,122,367	\$ (7,487,119)																																																																																									
February	Actual	10,263,513	\$ 1,0947	\$ 11,235,468	\$ 17,584,237	\$ (6,348,769)																																																																																									
March	Actual	9,449,687	\$ 1,1688	\$ 11,044,321	\$ 15,870,152	\$ (4,825,831)																																																																																									
April	Actual	5,403,643	\$ 1,2428	\$ 6,715,647	\$ 8,751,858	\$ (2,036,211)																																																																																									
May	Estimated	2,411,300	\$ 1,2428	\$ 2,996,764	\$ 763,582	\$ 2,233,182																																																																																									
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>USC Expenses</th> <th>Sep-14</th> <th>Oct-14</th> <th>Nov-14</th> <th>Dec-14</th> <th>Jan-15</th> <th>Feb-15</th> <th>Mar-15</th> <th>Apr-15</th> <th>May-15</th> </tr> </thead> <tbody> <tr> <td>ELIRP Expense</td> <td>\$ 48,393</td> <td>\$ 51,212</td> <td>\$ 455,885</td> <td>\$ 585,451</td> <td>\$ 973,868</td> <td>\$ 41,296</td> <td>\$ 1,124,411</td> <td>\$ 816,970</td> <td>\$ 1,032,644</td> </tr> <tr> <td>ELIRP Labor</td> <td>\$ 12,683</td> <td>\$ 16,517</td> <td>\$ 19,264</td> <td>\$ 19,228</td> <td>\$ 24,220</td> <td>\$ 18,865</td> <td>\$ 16,049</td> <td>\$ 10,287</td> <td>\$ 12,325</td> </tr> <tr> <td>CRP Discount</td> <td>\$ (2,424,508)</td> <td>\$ (1,659,774)</td> <td>\$ 3,235,642</td> <td>\$ 10,852,045</td> <td>\$ 14,662,334</td> <td>\$ 16,019,680</td> <td>\$ 13,316,092</td> <td>\$ 6,842,300</td> <td>\$ (996,452)</td> </tr> <tr> <td>CRP Forgiveness</td> <td>\$ 469,489</td> <td>\$ 478,214</td> <td>\$ 456,177</td> <td>\$ 498,830</td> <td>\$ 515,397</td> <td>\$ 493,063</td> <td>\$ 560,325</td> <td>\$ 562,347</td> <td>\$ 506,730</td> </tr> <tr> <td>Senior Citizen Discount</td> <td>\$ 139,322</td> <td>\$ 171,372</td> <td>\$ 408,745</td> <td>\$ 773,832</td> <td>\$ 946,548</td> <td>\$ 1,011,334</td> <td>\$ 853,275</td> <td>\$ 519,955</td> <td>\$ 208,335</td> </tr> <tr> <td>Bad Debt Expense Offset*</td> <td>\$ -</td> </tr> <tr> <td><b>Total</b></td> <td><b>\$ (1,754,620)</b></td> <td><b>\$ (942,460)</b></td> <td><b>\$ 4,575,714</b></td> <td><b>\$ 12,729,386</b></td> <td><b>\$ 17,122,367</b></td> <td><b>\$ 17,584,237</b></td> <td><b>\$ 15,870,152</b></td> <td><b>\$ 8,751,858</b></td> <td><b>\$ 763,582</b></td> </tr> </tbody> </table>																USC Expenses	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	ELIRP Expense	\$ 48,393	\$ 51,212	\$ 455,885	\$ 585,451	\$ 973,868	\$ 41,296	\$ 1,124,411	\$ 816,970	\$ 1,032,644	ELIRP Labor	\$ 12,683	\$ 16,517	\$ 19,264	\$ 19,228	\$ 24,220	\$ 18,865	\$ 16,049	\$ 10,287	\$ 12,325	CRP Discount	\$ (2,424,508)	\$ (1,659,774)	\$ 3,235,642	\$ 10,852,045	\$ 14,662,334	\$ 16,019,680	\$ 13,316,092	\$ 6,842,300	\$ (996,452)	CRP Forgiveness	\$ 469,489	\$ 478,214	\$ 456,177	\$ 498,830	\$ 515,397	\$ 493,063	\$ 560,325	\$ 562,347	\$ 506,730	Senior Citizen Discount	\$ 139,322	\$ 171,372	\$ 408,745	\$ 773,832	\$ 946,548	\$ 1,011,334	\$ 853,275	\$ 519,955	\$ 208,335	Bad Debt Expense Offset*	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	<b>Total</b>	<b>\$ (1,754,620)</b>	<b>\$ (942,460)</b>	<b>\$ 4,575,714</b>	<b>\$ 12,729,386</b>	<b>\$ 17,122,367</b>	<b>\$ 17,584,237</b>	<b>\$ 15,870,152</b>	<b>\$ 8,751,858</b>	<b>\$ 763,582</b>
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<b>CRP Participation</b>									
Rate Case Participation Rate	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000
Actual Participation Rate*	61,588	61,243	60,885	61,319	61,191	61,169	61,185	61,185	62,365
CRP Under(Over) Participation	22,412	22,757	23,115	22,681	22,809	22,831	22,815	21,815	21,635
<b>Average Shortfall Per CRP Participant</b>									
CRP Discount	\$ (2,424,508)	\$ (1,659,774)	\$ 3,235,642	\$ 10,852,045	\$ 14,662,334	\$ 16,019,680	\$ 13,316,092	\$ 6,842,300	\$ 62,365
Actual Participation Rate	61,588	61,243	60,885	61,319	61,191	61,169	61,185	61,185	62,365
Average Shortfall per CRP Participant	\$ (39)	\$ (27)	\$ 53	\$ 177	\$ 240	\$ 262	\$ 218	\$ 110	\$ -
Shortfall*	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Bad Debt Expense Offset*	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
*Bad Debt Expense Offset Applicable When Actual CRP Participation Exceeds 84,000									

**EFFICIENCY COST RECOVERY (ECR) SURCHARGE**  
June 1, 2015

<u>Program</u>	<u>Residential &amp; PHA GS</u>	<u>Commercial &amp; PHA</u>	<u>Industrial</u>	<u>Total</u>
<b>Residential Heating Equipment Rebate (RHER)</b>				
Program Expense	\$853,858	\$55,137	\$0	\$908,995
Labor Expense	\$17,650	\$1,026	\$0	\$18,676
<b>Commercial &amp; Industrial Retrofit Incentive (CIRI)</b>				
Program Expense	\$171,638	\$240,491	\$0	\$412,129
Labor Expense	\$6,235	\$1,186	\$0	\$7,422
<b>Commercial &amp; Industrial Equipment Rebate (CIER)</b>				
Program Expense	\$14,706	\$336,529	\$0	\$351,235
Labor Expense	\$196	\$6,815	\$0	\$7,011
<b>High-Efficiency Construction Incentive (HECI)</b>				
Program Expense	\$166,896	\$77,432	\$0	\$244,328
Labor Expense	\$1,751	\$2,819	\$0	\$4,571
<b>Comprehensive Residential Retrofit Incentive (CRR)</b>				
Program Expense	\$782,389	\$0	\$0	\$782,389
Labor Expense	<u>\$18,065</u>	<u>\$0</u>	<u>\$0</u>	<u>\$18,065</u>
<b>Total Expense</b>	\$2,033,384	\$721,435	\$0	\$2,754,820
<b>Prior Period Reconciliation (5/31/15)</b>	<u>\$ (1,963,639)</u>	<u>\$ (492,495)</u>	<u>\$ (10,745)</u>	<u>(\$2,466,879)</u>
<b>Total</b>	69,746	228,940	(10,745)	287,941
<b>Volumes - Mcf (GCR Firm &amp; Firm Transportation)</b>	37,138,670	11,554,070	955,066	

<b>Efficiency Cost Recovery Surcharge / Mcf</b>	<b>\$0.0019</b>	<b>\$0.0198</b>	<b>(\$0.0113)</b>
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**EFFICIENCY COST RECOVERY (ECR) SURCHARGE  
STATEMENT OF RECONCILIATION  
3RD QUARTER FILING**

	Actual Sep-14	Actual Oct-14	Actual Nov-14	Actual Dec-14	Actual Jan-15	Actual Feb-15	Actual Mar-15	Actual Apr-15	Estimated May-15
<b>RESIDENTIAL &amp; PHA GS</b>									
<b>FY 2014 Over-Collection</b>									
Volume Billed	716,465	891,401	2,334,361	5,215,559	6,705,574	7,855,404	7,311,790	4,146,356	1,803,764
ECR Surcharge	\$ (0,0154)	\$ (0,0040)	\$ (0,0040)	\$ (0,0086)	\$ (0,0131)	\$ (0,0131)	\$ (0,0136)	\$ (0,0141)	\$ (0,0141)
Revenue Billed	\$ (11,034)	\$ (3,566)	\$ (9,337)	\$ (44,593)	\$ (87,843)	\$ (102,906)	\$ (99,440)	\$ (58,464)	\$ (25,433)
<b>RHER</b>	28,249	7,302	80,490	91,172	137,874	(13,912)	91,278	23,623	100,472
Expense	1,714	2,232	3,096	2,598	3,273	765	2,169	1,390	1,988
Labor	1,330	1,408	104	10,920	3,705	13,499	11,475	10,768	20,228
HECI	349	454	687	529	666	2,376	441	283	(165)
<b>CRRR</b>	8,915	9,434	54,628	23,504	152,405	52,720	54,603	64,678	82,487
Expense	2,336	3,043	3,584	4,462	3,520	2,957	1,895	2,250	2,250
Labor	1,352	1,431	(992)	2,471	2,126	(9,183)	40,924	7,508	27,379
<b>CIRI</b>	354	461	224	537	677	(3,572)	448	287	1,447
Expense	263	141	(213)	252	3,088	931	2,264	531	1,347
Labor	24	32	-	37	46	207	31	20	(10)
<b>Total</b>	\$ 44,887	\$ 25,937	\$ 141,608	\$ 135,562	\$ 308,322	\$ 47,352	\$ 206,589	\$ 110,983	\$ 237,425
Monthly Over/(Under)	\$ (55,921)	\$ (29,502)	\$ (150,946)	\$ (180,155)	\$ (396,165)	\$ (150,258)	\$ (306,029)	\$ (169,447)	\$ (262,858)
Cumulative Over/(Under)	\$ 3,609,000	\$ 3,579,497	\$ 3,428,551	\$ 3,248,396	\$ 2,852,232	\$ 2,701,973	\$ 2,395,944	\$ 2,226,497	\$ 1,963,639
<b>COMMERCIAL &amp; PHA</b>									
<b>FY 2014 Over-Collection</b>									
Volume Billed	364,948	470,450	856,762	1,461,168	1,822,979	2,080,859	1,838,729	1,090,870	540,859
ECR Surcharge	\$ (0,0058)	\$ (0,0013)	\$ (0,0013)	\$ (0,0040)	\$ (0,0066)	\$ (0,0066)	\$ (0,0070)	\$ (0,0074)	\$ (0,0074)
Revenue Billed	\$ (2,098)	\$ (612)	\$ (1,114)	\$ (5,772)	\$ (12,032)	\$ (13,734)	\$ (12,871)	\$ (8,072)	\$ (4,002)
<b>RHER</b>	3,200	827	3,232	10,327	15,616	71,075	10,339	2,676	(5,311)
Expense	194	253	(155)	294	371	2,128	246	157	(159)
Labor	2,069	2,190	1,222	3,782	3,254	14,919	62,637	11,492	33,977
<b>CIRI</b>	542	706	1,147	822	1,036	4,917	686	440	(581)
Expense	5,915	3,161	3,943	5,669	69,417	5,988	50,899	11,936	31,834
Labor	546	711	851	827	1,042	621	690	443	572
HECI	591	625	(792)	4,851	1,646	(8,415)	5,098	4,784	12,799
Expense	155	202	60	235	296	(1,650)	196	126	665
Labor	13,212	8,674	9,507	26,808	92,678	89,584	130,790	32,053	73,796
<b>Total</b>	\$ (15,311)	\$ (9,286)	\$ (10,621)	\$ (32,579)	\$ (104,710)	\$ (103,318)	\$ (143,661)	\$ (40,126)	\$ (77,799)
Monthly Over/(Under)	\$ 1,014,594	\$ 1,005,308	\$ 994,687	\$ 962,108	\$ 857,399	\$ 754,081	\$ 610,419	\$ 570,294	\$ 492,495
Cumulative Over/(Under)									
<b>INDUSTRIAL</b>									
<b>FY 2014 Over-Collection</b>									
Volume Billed	31,238	37,156	59,645	113,165	146,265	169,038	151,272	76,711	44,711
ECR Surcharge	\$ (0,1374)	\$ (0,1307)	\$ (0,1307)	\$ (0,1310)	\$ (0,1312)	\$ (0,1312)	\$ (0,1362)	\$ (0,1411)	\$ (0,1411)
Revenue Billed	\$ (4,292)	\$ (4,856)	\$ (7,796)	\$ (14,819)	\$ (19,190)	\$ (22,178)	\$ (20,596)	\$ (10,824)	\$ (6,309)
<b>CIRI</b>	-	-	-	-	-	-	-	-	-
Expense	-	-	-	-	-	-	-	-	-
Labor	-	-	-	-	-	-	-	-	-
HECI	-	-	-	-	-	-	-	-	-
Expense	-	-	-	-	-	-	-	-	-
Labor	-	-	-	-	-	-	-	-	-
<b>Total</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Monthly Over/(Under)	\$ (4,292)	\$ (4,856)	\$ (7,796)	\$ (14,819)	\$ (19,190)	\$ (22,178)	\$ (20,596)	\$ (10,824)	\$ (6,309)
Cumulative Over/(Under)	\$ 117,312	\$ 112,456	\$ 104,660	\$ 89,841	\$ 70,651	\$ 48,473	\$ 27,878	\$ 17,054	\$ 10,745

\$ 3,664,920

\$ 1,029,904

\$ 121,604

**PHILADELPHIA GAS WORKS  
LOAD BALANCING CHARGE  
JUNE 1, 2015**

<b>Storage and Peaking Asset Cost</b>	<b>\$</b>	<b>15,501,487</b>
<hr/>		
<b>Design Day Requirements (Mcf)</b>		<b>653,198</b>
<b>Fulfilled from FT Capacity (Mcf)</b>		<b><u>291,094</u></b>
<b>Fulfilled from Storage and Peaking Assets (Excess Mcf)</b>		<b>362,104</b>
<hr/>		
<b>Annual Storage and Peaking Cost per Excess Mcf</b>	<b>\$</b>	<b>42.8095</b>
<b>Per Mcf Over / (Under) Adjustment</b>	<b>\$</b>	<b><u>0.1093</u></b>
<b>Load Balancing Charge</b>	<b>\$</b>	<b>42.7002</b>

<b>Over / (Under) Recovery</b>	<b>\$</b>	<b>28,975</b>
<b>Interest</b>	<b>\$</b>	<b><u>4,317</u></b>
<b>Total Over/(Under) Recovery</b>	<b>\$</b>	<b>33,292</b>
<b>Forecasted SSPC Volumes</b>		<b>304,511</b>
<b>Per Mcf Over / (Under) Adjustment</b>	<b>\$</b>	<b>0.1093</b>



**Actual Natural Gas Billed**

	<u>Jan-15</u>	<u>Feb-15</u>	<u>Mar-15</u>
Williams	\$ 2,857,349.51	\$ 2,707,619.80	\$ 2,712,595.93
Texas Eastern	\$ 1,998,337.02	\$ 2,174,307.67	\$ 2,103,919.41
Dominion	\$ 140,529.45	\$ 137,460.27	\$ 126,750.50
Equitrans	\$ -	\$ -	\$ -
Spot Purchases -Transco	\$ 72,509.74	\$ 268,781.24	\$ 110,235.08
Spot Purchases -Tetco	\$ 603,515.36	\$ 2,248,469.33	\$ 174,401.06
Transco Supply2	\$ -	\$ 330,000.00	\$ -
Transco Supply3	\$ 3,930,800.00	\$ 3,438,400.00	\$ 2,876,800.00
Transco Supply6	\$ 1,682,615.00	\$ 1,436,000.00	\$ 626,975.00
Transco Supply7	\$ -	\$ -	\$ -
Transco Supply8	\$ 3,292,087.50	\$ 2,455,325.00	\$ 2,933,612.50
Transco Supply10	\$ 641,700.00	\$ 579,600.00	\$ 641,700.00
Transco Supply12	\$ -	\$ -	\$ -
Transco Supply14	\$ 1,212,400.00	\$ 1,707,100.00	\$ 2,552,450.00
Transco Supply17	\$ -	\$ -	\$ -
Transco Supply20	\$ -	\$ -	\$ -
Transco Supply21	\$ -	\$ -	\$ -
Transco Supply22	\$ 1,398,975.00	\$ 1,199,475.00	\$ 1,303,500.00
Transco Supply23	\$ 553,350.00	\$ 555,100.00	\$ 735,325.00
Transco Supply24	\$ -	\$ -	\$ -
Transco Supply25	\$ 1,396,649.82	\$ 1,197,375.06	\$ 1,301,175.09
Transco Supply26	\$ -	\$ -	\$ -
Transco Supply27	\$ -	\$ -	\$ -
Transco Supply28	\$ -	\$ -	\$ -
Transco Supply29	\$ 614,575.00	\$ 555,100.00	\$ 614,575.00
Tetco Supply1	\$ -	\$ -	\$ -
Tetco Supply2	\$ -	\$ -	\$ -
Tetco Supply3	\$ 2,148,902.00	\$ 1,106,000.00	\$ 1,224,128.70
Tetco Supply4	\$ 385,950.00	\$ 348,600.00	\$ 385,950.00
Tetco Supply5	\$ 241,125.00	\$ 1,076,756.51	\$ 1,290,375.00
Tetco Supply7	\$ -	\$ -	\$ -
Tetco Supply13	\$ -	\$ -	\$ -
Tetco Supply14	\$ -	\$ -	\$ -
Tetco Supply16	\$ 600,144.50	\$ 542,333.38	\$ 595,320.12
Tetco Supply17	\$ 1,222,224.06	\$ 1,002,399.98	\$ 1,109,799.98
Tetco Supply18	\$ -	\$ -	\$ -
Tetco Supply19	\$ -	\$ -	\$ -
Tetco Supply20	\$ 554,400.40	\$ 389,900.00	\$ 434,775.00
Tetco Supply21	\$ -	\$ -	\$ -
Tetco Supply22	\$ -	\$ -	\$ -
Tetco Supply23	\$ -	\$ -	\$ -
Tetco Supply24	\$ 2,153,362.38	\$ 2,326,875.00	\$ 2,282,175.00
Tetco Supply25	\$ 615,350.00	\$ 544,354.49	\$ 615,350.00
Tetco Supply26	\$ 1,436,350.00	\$ 1,636,675.00	\$ 1,517,049.03
<b>Total Costs</b>	<b>\$ 29,753,202</b>	<b>\$ 29,964,008</b>	<b>\$ 28,268,937</b>
Sharing Mechanism	\$ 236,576	\$ 201,599	\$ 234,777
Asset Management Agreement	\$ -	\$ -	\$ -
Off System Sales	\$ -	\$ -	\$ -
Gas Transportation Purchases	\$ 9,256	\$ 405	\$ 778
Adjustment/Reconciliation	\$ 361,733	\$ 133,197	\$ (265,052)
<b>Total Natural Gas Billed</b>	<b>\$ 30,360,767</b>	<b>\$ 30,299,209</b>	<b>\$ 28,239,441</b>

## Philadelphia Gas Works Summary of Fuels Purchased Three Months Ending March 2015

	Actual			Projected			Projected			Actual Over/Under vs Projected		
	Jan-15	Feb-15	Mar-15	Total	2nd Qtr Filing Jan-15	2nd Qtr Filing Feb-15	2nd Qtr Filing Mar-15	Total	Jan-15	Feb-15	Mar-15	Total
Total Natural Gas Billed	\$ 30,360,767	\$ 30,299,209	\$ 28,239,441	\$ 88,899,417	\$ 32,625,231	\$ 26,029,453	\$ 24,695,656	\$ 83,351,340	\$ (2,265,464)	\$ 4,269,756	\$ 3,543,785	\$ 5,548,077
Less Imbalance Charge	\$ 66,868	\$ 114,392	\$ 181,336	\$ 362,596	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Less Interruptible Credit	\$ 638,314	\$ 539,580	\$ 17,342	\$ 1,195,236	\$ 412,033	\$ 344,887	\$ 381,643	\$ 1,138,564	\$ 226,281	\$ 194,693	\$ (364,301)	\$ 56,672
Gas Used For Utility	\$ 228,577	\$ 169,871	\$ 248,709	\$ 647,157	\$ 305,249	\$ 288,527	\$ 212,417	\$ 806,192	\$ (76,672)	\$ (118,656)	\$ 36,292	\$ (159,035)
Pipeline Storages	\$ 29,427,008	\$ 29,475,366	\$ 27,792,054	\$ 86,694,428	\$ 31,908,950	\$ 25,396,039	\$ 24,101,596	\$ 81,406,584	\$ (2,481,942)	\$ 4,079,327	\$ 3,690,458	\$ 5,287,844
(To)	\$ (1,337,556)	\$ 1,275,354	\$ (1,373,000)	\$ (1,435,202)	\$ (87,737)	\$ -	\$ (108,597)	\$ (196,334)	\$ (1,249,819)	\$ 1,275,354	\$ (1,264,403)	\$ (1,238,868)
From	\$ 15,204,793	\$ 14,696,930	\$ 5,745,416	\$ 35,647,139	\$ 11,880,132	\$ 5,389,357	\$ 1,712,316	\$ 18,981,805	\$ 3,324,661	\$ 9,307,573	\$ 4,033,100	\$ 16,665,334
Net Pipeline Storages	\$ 13,867,237	\$ 15,972,284	\$ 4,372,416	\$ 34,211,937	\$ 11,792,395	\$ 5,389,357	\$ 1,603,719	\$ 18,785,471	\$ 2,074,842	\$ 10,582,927	\$ 2,768,697	\$ 15,426,466
LNG Storage												
(To)	\$ (757,175)	\$ (287,038)	\$ (1,729,004)	\$ (2,773,217)	\$ (1,275,900)	\$ (552,703)	\$ (1,616,407)	\$ (3,445,010)	\$ 518,725	\$ 265,665	\$ (112,597)	\$ 671,793
From	\$ 1,852,371	\$ 4,196,014	\$ 532,977	\$ 6,581,362	\$ 1,269,676	\$ 1,061,678	\$ 713,935	\$ 3,044,290	\$ 583,695	\$ 3,134,336	\$ (180,958)	\$ 3,537,072
Net LNG Storage	\$ 1,095,196	\$ 3,908,976	\$ (1,196,027)	\$ 3,808,145	\$ (7,223)	\$ 508,975	\$ (902,472)	\$ (400,720)	\$ 1,102,419	\$ 3,400,001	\$ (293,555)	\$ 4,208,865
Net Natural Gas	\$ 44,389,441	\$ 49,355,626	\$ 30,968,443	\$ 124,714,510	\$ 43,694,122.08	\$ 31,294,370	\$ 24,802,843	\$ 99,791,335	\$ 695,319	\$ 18,062,256	\$ 6,165,600	\$ 24,923,175
APPLICABLE GCR EXPENSES												
Net Natural Gas Expense	\$ 44,389,441	\$ 49,355,626	\$ 30,968,443	\$ 124,714,510	\$ 43,694,122	\$ 31,294,370	\$ 24,802,843	\$ 99,791,335	\$ 695,319	\$ 18,062,256	\$ 6,165,600	\$ 24,923,175
Purchased Electric & Misc	\$ 85,870	\$ 86,510	\$ 216,695	\$ 389,075	\$ 86,606	\$ 240,863	\$ 73,437	\$ 400,906	\$ (736)	\$ (154,353)	\$ 143,258	\$ (11,831)
Total GCR Expenses	\$ 44,475,311	\$ 49,443,136	\$ 31,185,138	\$ 125,103,585	\$ 43,780,728	\$ 31,535,234	\$ 24,876,280	\$ 100,192,242	\$ 694,583	\$ 17,907,902	\$ 6,308,858	\$ 24,911,344

**PHILADELPHIA GAS WORKS**  
**GAS SERVICE TARIFF**



Issued by: Craig White  
President and CEO

PHILADELPHIA GAS WORKS  
800 West Montgomery Avenue  
Philadelphia, PA 19122

List of Changes Made by this Tariff Supplement

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

In the definition of "GAC," the "GAC" value effective June 1, 2015 decreases from \$0.03067 per Ccf to \$(0.00657) per Ccf; In the definition of "IRC," the "IRC" value effective June 1, 2015 increases from \$(0.00010) to \$0.00007 per Ccf; In the definition of "SSC," the "SSC" value effective June 1, 2015 decreases from \$0.43982 per Ccf to \$0.42385 per Ccf.

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

The Gas Cost Rate (GCR) effective June 1, 2015 decreases from \$0.47059 per Ccf to \$0.41721 per Ccf.

PRICE TO COMPARE (PAGE No. 78)

The Prices to Compare effective June 1, 2015 are: a) \$0.44081 per Ccf for Residential; b) \$0.42245 per Ccf for Commercial Customers on Rate GS; c) \$0.42253 per Ccf for Industrial Customers on Rate GS; and d) \$0.42128 per Ccf for Municipal Customers on Rate MS, The Philadelphia Housing Authority on Rate PHA, Public Housing Customers on Rate GS & Natural Gas Vehicle Service on Rate NGVS.

EFFICIENCY COST RECOVERY SURCHARGE (PAGE No. 80)

The Efficiency Cost Recovery Surcharges effective June 1, 2015 are: a) \$0.00019 per Ccf for Residential and Public Housing Customers on Rate GS; b) \$0.00198 per Ccf for Commercial Customers on Rate GS; c) \$(0.00113) per Ccf for Industrial Customers on Rate GS; d) \$0.00000 per Ccf for Municipal Customers on Rate MS; and e) \$0.00198 per Ccf for The Philadelphia Housing Authority on Rate PHA.

UNIVERSAL SERVICE CHARGE (PAGE No. 81)

The Universal Services Charge effective June 1, 2015 increases from \$0.12428 per Ccf to \$0.14902 per Ccf.

GENERAL SERVICE – RATE GS (Page No. 83)

The Gas Cost Rate (GCR) effective June 1, 2015 decreases from \$0.47059 per Ccf to \$0.41721 per Ccf.

MUNICIPAL SERVICE – RATE MS (Page No. 87)

The Gas Cost Rate (GCR) effective June 1, 2015 decreases from \$0.47059 per Ccf to \$0.41721 per Ccf.

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

The Gas Cost Rate (GCR) effective June 1, 2015 decreases from \$0.47059 per Ccf to \$0.41721 per Ccf.

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

The Gas Cost Rate (GCR) effective June 1, 2015 decreases from \$0.47059 per Ccf to \$0.41721 per Ccf.

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

**I. PROVISION FOR ADJUSTMENT**

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

**II. DEFINITIONS**

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

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

Computation Year - The 12-month forecast period as identified in the Company's annual 1307 (f) filing and each quarterly GCR filing.

E - Experienced net over billing (or under billing) of the cost of Natural Gas and other raw materials applicable to the GCR reported in the most recent Section 1307(f) proceeding. Such over billings (or under billings) will be made with interest at the rate and method set forth by the Pennsylvania Public Utility Commission. Additionally, supplier refunds received prior to the end of the August billing period will be included in the Factor "E." The Factor "E" includes two components -- Commodity Costs and Demand Costs which are defined above in the Factor "C" definition.

Firm Sales Service - The service provided to Customers who receive firm supply service from PGW. The term does not include the service provided to Customers who receive interruptible supply service from PGW.

GAC (Gas Adjustment Charge) - The "E" factor component of the GCR, representing the net overcollection or undercollection of Natural Gas and other raw materials costs. The currently effective GAC is \$(0.00633) per Ccf for Commodity Costs and \$(0.00024) per Ccf for Demand Costs, for service on or after June 1, 2015. The total Gac is \$(0.00657) per Ccf.

(D)

GCR - Gas Cost Rate determined to the nearest one-hundredth cent (\$0.0001) to be applied to each Mcf of Gas supplied under Rates GS, MS, PHA, and NGVS-Firm, except for Gas usage under the Special Provisions – Air Conditioning of those rates and is equal to the SSC plus the GAC minus the IRC.

**(D) – Decrease**

IRC - Interruptible Revenue Credit - The credit defined in Subsection VI below. The currently effective IRC is \$0.00007 per Ccf for service on or after June 1, 2015. (I)

Natural Gas or Gas - The volumes of gas purchased or manufactured by the Company that is delivered to the Company's Customers, plus such portion of the Company-used and unaccounted-for gas as the Commission permits, including, but not limited to, natural gas, liquefied natural gas, synthetic gas, liquefied propane and naphtha.

S - Projected applicable Mcf of Gas to be billed to Customers during the computation year.

SSC-Sales Service Charge - The purchased Gas costs determined to the nearest  $\frac{1}{100}$  of a cent (\$0.0001). The currently effective SSC is \$0.33881 per Ccf for Commodity Costs and \$0.08504 per Ccf for Demand Costs, for service on or after June 1, 2015. The total SSC is \$0.42385 per Ccf. (D)

**(I)– Increase; (D) – Decrease**

III. COMPUTATION OF GAS COST RATE

A. The GCR shall be computed to the nearest one-thousandth cent (\$0.00001) in accordance with the formula set forth below as the terms are defined in Section II:

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

B. Each Gas Cost Rate so computed shall be applied to Customers' bills for twelve monthly billing periods commencing with September.

The currently effective Gas Cost Rate is \$0.41721 per Ccf, for service on or after June 1, 2015.

**(D)**

IV. REPORTING REQUIREMENTS

A. The Company's rates are subject to quarterly adjustments for recovery of the Gas Cost Rate under procedures set forth in Section 1307 (f) of the Public Utility Code.

B. The filing of the Company's annual Section 1307(f) filing, annual Gas Cost Rate, effective during the billing period of September through August, shall be submitted to the Commission by March 1 of each year, with a February 1 pre-filing date.

C. The application of the Gas Cost Rate shall be subject to review and audit by the Commission at such intervals as the Commission shall determine.

D. If it shall be determined, from audit by the Commission, or by final order entered after notice and hearing, that the application of this clause has resulted in the overcollection or undercollection of revenues, then the Company shall apply such over/undercollection as a credit or debit against future Gas Cost Rates.

V. PROVISION FOR INCLUSION OF SPECIFIC NON-GAS EXPENSES

The computation of the Gas Cost Rate may include such Non-Gas expenses as may be authorized by this tariff and annually authorized by the Commission.

VI. INTERRUPTIBLE REVENUE CREDIT (IRC)

A. The GCR rate shall be credited with an Interruptible Revenue Credit (IRC) equal to the margin realized from interruptible sales under PGW's Interruptible Sales Tariff Rates: BPS, LBS; and CG (Total Margin Revenue).

B. The IRC shall be set each year in the Company's 1307(f) proceeding to reflect the Total Margin Revenue. The rate per Mcf shall be calculated by dividing the Total Margin Revenue by total applicable firm sales. For the period September 1, 2003 through August 31, 2004 the IRC shall be initially set to reflect the Total Margin Revenue authorized by the Commission in its final order at M-00021612 (entered March 31, 2003).

**(D) – Decrease**

### MERCHANT FUNCTION CHARGE (“MFC”)

The MFC is a volumetric charge, applied to firm sales service customers, which will be included in the Price to Compare. The MFC is based on Gas Cost Rate multiplied by a fixed uncollectible percentage established in the Company’s last general base rate proceeding. The MFC will not be reconciled to reflect actual results. The MFC is intended to make the Company’s Price to Compare more comparable to the gas supply services price offers of other Natural Gas Suppliers that presumably reflect anticipated uncollectible expenses. The following percentages will be applied to the quarterly Gas Cost Rate in order to calculate the quarterly MFC: 4.68% - GS Residential (“GS RES”); 0.28% - GS Commercial (“GS COM”); and 0.30% - GS Industrial (“GS IND”). The current MFC is set forth below in the Price to Compare table.

### GAS PROCUREMENT CHARGE (“GPC”)

The GPC is a volumetric charge, applied to firm sales service customers, which will be included in the Price to Compare. The GPC will remain in effect until reviewed and updated in the Company’s next general base rate proceeding.

Current Gas Procurement Charge = \$0.00400/Ccf

### PRICE TO COMPARE (“PTC”)

The PTC is composed of the Sales Service Charge (“SSC”), Gas Adjustment Charge (“GAC”), the Merchant Function Charge and the Gas Procurement Charge. The PTC will change whenever any of the components of the PTC change. The current PTC is (per Ccf):

	GS RES	GS PH	GS COM	GS IND	MS	PHA	NGVS
<b>SSC</b>	\$0.42385	\$0.42385	\$0.42385	\$0.42385	\$0.42385	\$0.42385	\$0.42385
<b>GAC</b>	(\$0.00657)	(\$0.00657)	(\$0.00657)	(\$0.00657)	(\$0.00657)	(\$0.00657)	(\$0.00657)
<b>MFC</b>	\$0.01953	\$0.00000	\$0.00117	\$0.00125	\$0.00000	\$0.00000	\$0.00000
<b>GPC</b>	\$0.00400	\$0.00400	\$0.00400	\$0.00400	\$0.00400	\$0.00400	\$0.00400
<b>PTC</b>	\$0.44081	\$0.42128	\$0.42245	\$0.42253	\$0.42128	\$0.42128	\$0.42128

(C)

(C) - Change

### EFFICIENCY COST RECOVERY SURCHARGE

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

- 1) The Surcharge will recover the program costs and the administrative costs of the energy efficiency program.
- 2) Computation of the Efficiency Cost Recovery Surcharge factors will be in accordance with the automatic adjustment procedures utilized under Section 1307(f) of the Public Utility Code and will be filed and approved in conjunction with the Company's annual Section 1307(f)-GCR filing.
- 3) Once the surcharge is in place, it will be automatically adjusted effective March 1, June 1, September 1, and December 1 of each year in accordance with Section 1307(f) quarterly adjustment procedures. No interest will be included in such surcharge computations. The basic component of the surcharge will be determined by dividing the total energy efficiency program costs approved for annual recovery plus (or minus) any over (or under) recovery from the prior period by the estimated applicable throughput in Mcfs. The costs related to customers other than low income residential customers are tracked and will be recovered separately from each of the following firm customer rate classes if the customer class is served by the energy efficiency program:
  - a) Residential and Public Housing Customers on Rate GS;
  - b) Commercial Customers on Rate GS;
  - c) Industrial Customers on Rate GS;
  - d) Municipal Customers on Rate MS; and
  - e) The Philadelphia Housing Authority on Rate PHA.

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

- a) \$0.00019 per Ccf for Residential and Public Housing Customers on Rate GS; (I)
- b) \$0.00198 per Ccf for Commercial Customers on Rate GS; (I)
- c) \$(0.00113) per Ccf for Industrial Customers on Rate GS; (I)
- d) \$0.00000 per Ccf for Municipal Customers on Rate MS; and (NC)
- e) \$0.00198 per Ccf for The Philadelphia Housing Authority on Rate PHA. (I)

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

(I) – Increase; (NC) – No Change

## GENERAL SERVICE - RATE GS

Rate: Applicable to all Retail Sales Service or Transportation Service rendered pursuant to this Rate Schedule on or after June 1, 2015

### AVAILABILITY

Available for any purpose where the Company's distribution mains adjacent to the proposed Gas Service location are, or can economically be made, suitable to supply the quantities of Gas or Transportation Services required.

### RATES

CUSTOMER CHARGE (per Meter (except parallel meters)):

\$ 12.00 per month for Residential and Public Housing Authority Customers.  
\$ 18.00 per month for Commercial Customers  
\$ 50.00 per month for Industrial Customers

Surcharge: Distribution System Improvement Charge.

Plus,

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

\$ 0.41721 per Ccf for Residential and Public Housing (D)  
\$ 0.41721 per Ccf for Commercial Customers (D)  
\$ 0.41721 per Ccf for Industrial Customers (D)

Plus,

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

(A) Delivery Charge (Updated in Supplement No. 65 – Issued: July 10, 2013; Effective: October 1, 2013):

\$0.60067 per Ccf for Residential  
\$0.49441 per Ccf for Public Housing  
\$0.45984 per Ccf for Commercial and Municipal Customers  
\$0.45332 per Ccf for Industrial Customers

(B) Surcharges:

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

(D) – Decrease

Note: The Commodity Charge includes the Sales Service Charge, the Merchant Function Charge and the Gas Procurement Charge.

**MUNICIPAL SERVICE - RATE MS**

Rate: Applicable to all Retail Sales Service or Transportation Service rendered pursuant to this Rate Schedule on or after March 1, 2015.

AVAILABILITY

Available to properties owned or occupied by the City of Philadelphia or the Board of Education, or any of their respective agencies or instrumentalities, for any type of Gas Service, unless purchased for resale to others, and where the Company's distribution mains adjacent to the proposed Gas Service locations are, or can economically be made, suitable to supply the quantities of Gas required; provided, however, that the rate shall not be available to Commercial Tenants of any such property.

RATES

CUSTOMER CHARGE (per Meter (except parallel meters):

\$ 18.00 per month

Surcharge: Distribution System Improvement Charge.

Plus,

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

\$ 0.41721 per Ccf

(D)

Plus,

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

(A) Delivery Charge (Updated in Supplement No. 65 – Issued: July 10, 2013; Effective: October 1, 2013):

\$0.33661 per Ccf

(B) Surcharges:

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

(D) – Decrease

Note: The Commodity Charge includes the Sales Service Charge, the Merchant Function Charge and the Gas Procurement Charge.

**PHILADELPHIA HOUSING AUTHORITY SERVICE - RATE PHA**

Rate: Applicable to all Retail Sales Service or Transportation Services rendered pursuant to this Rate Schedule on or after June 1, 2015

AVAILABILITY

Available for all Gas usage in multiple dwelling Residential buildings containing 10 or more dwelling units, owned and operated by the Philadelphia Housing Authority, where cooking shall be performed exclusively with Gas and where Gas Service shall be supplied through one or more single point metering arrangements at locations where the Company's distribution mains adjacent to the proposed Gas Service locations are, or can economically be made, suitable to supply the quantities of Gas required.

This rate is also available for all Gas usage in single and multiple dwelling Residential buildings, containing less than 10 dwelling units, provided, and only so long as, Gas is used exclusively for cooking, water heating and space heating for all such Residential buildings owned and operated by the Philadelphia Housing Authority, except (a) buildings operated by the Philadelphia Housing Authority, prior to the original effective date of this rate (January 1, 1969), and (b) buildings for which, in the judgment of the Company, such Gas Service cannot be provided economically.

RATES

CUSTOMER CHARGE (per Meter (except parallel meters);

\$18.00 per month

Surcharge: Distribution System Improvement Charge.

Plus,

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

\$ 0.41721 per Ccf

(D)

Plus

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

(A) Delivery Charge (Updated in Supplement No. 65 – Issued: July 10, 2013; Effective: October 1, 2013):

\$0.41101 per Ccf

(B) Surcharges:

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

(D) – Decrease

Note: The Commodity Charge includes the Sales Service Charge, the Merchant Function Charge and the Gas Procurement Charge.

**DEVELOPMENTAL NATURAL GAS VEHICLE SERVICE - RATE NGVS  
FIRM SERVICE**

Rate: Applicable to all Retail Sales Service rendered pursuant to this Rate Schedule on or after  
June 1, 2015

**AVAILABILITY**

This service is available to provide uncompressed Natural Gas to any Customer for the exclusive purpose of compressing such Gas for use as fuel for motor vehicles. The compression of the Natural Gas to the pressure required for use as a motor vehicle fuel will be conducted by the Customer, at the Customer's designated premises. Service shall only be available where the Company's distribution system is, or can economically be made available to supply the service. Each Customer will be required to execute a service agreement which will specify terms and conditions of service.

**CHARACTER OF SERVICE**

Service under this rate schedule is firm and shall only be interrupted in the case of operating emergencies experienced by the Company.

**MONTHLY RATE**

**CUSTOMER CHARGE:**

\$35.00 per month

Surcharge: Distribution System Improvement Charge.

Plus,

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

\$ 0.41721 per Ccf (D)

Plus

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

(A) Delivery Charge (Updated in Supplement No. 65 – Issued: July 10, 2013; Effective: October 1, 2013):

\$0.12833 per Ccf

(B) Surcharges:

Universal Service and Energy Conversation Surcharge; The Restructuring and Consumer Education Surcharge; and Distribution System Improvement Charge..

**(D) – Decrease**

Note: The Commodity Charge includes the Sales Service Charge, the Merchant Function Charge and the Gas Procurement Charge.

# **PHILADELPHIA GAS WORKS**

## **GAS SUPPLIER TARIFF**



Issued by: Craig White  
President and CEO  
PHILADELPHIA GAS WORKS  
800 West Montgomery Avenue  
Philadelphia, PA 19122

List of Changes Made by this Tariff

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

The load balancing charge increases from \$41.7107 per design day Mcf to \$42.7002 per design day Mcf.

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9.14. LOAD BALANCING CHARGE.

9.14.A. Suppliers for all gas delivered under Firm Transportation Rates, of this Suppliers Tariff shall be charged at \$42.7002 per design day Mcf that is fulfilled by PGW storage and peaking assets, for recovery of those costs for Balancing Service, calculated in the manner set forth in the Commission's Order at M-00021612 (entered March 31, 2003) and as set forth below. Such rate for Balancing Service shall be increased or decreased, from time to time, in accordance with applicable law and procedures. (I)

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

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

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

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

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

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

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

"E" - the net overcollection or undercollection of Balancing Service Costs.

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

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

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

**(I) – Increase**