**CAPITAL PROGRAM PROPOSAL YEAR 2001**

[ ] ADDITION [x] REPLACEMENT

DEPARTMENT: Distribution

DIVISION:

BUDGET CATEGORY: 52-21-2-03

**PRIORITY:**

1 [x] SAFETY
2 [x] RELIABILITY
3 [ ] ENFORCED RELOCATION
4 [ ] LOAD GROWTH
5 [ ] IMPROVED EFFICIENCY AND DISCRETIONARY

**DESCRIPTION OF PROPOSED PROJECT:** Installation of 8" and smaller low pressure and intermediate pressure joint clamps

**LOCATION:** Various

**NEED FOR PROJECT:** Rehabilitate and extend the functional life of 8" and smaller low and intermediate pressure cast iron mains

**ESTIMATE OF COST (In Thousands)**

| | |
|---|---|
| PGW LABOR | $ 227 |
| MATERIAL | 33 |
| PURCHASED SERVICES | 131 |
| OTHER | 48 |
| PROJECT COST | $ 440 |
| ADMIN & GENERAL | |
| 13.5 % OF PROJECT | 59 |
| SUB TOTAL | $ 499 |
| AFUDC .20 % OF SUBTOTAL | 1 |
| TOTAL CAPITAL COST | $ 500 |

ESTIMATED BY: Distribution

DATE: 05/11/00

**MONTHLY EXPENDITURE FOR BUDGET YEAR (In Thousands)**

| | |
|---|---|
| SEP | $ 41 |
| OCT | 41 |
| NOV | 41 |
| DEC | 41 |
| JAN | 42 |
| FEB | 42 |
| MAR | 42 |
| APR | 42 |
| MAY | 42 |
| JUN | 42 |
| JUL | 42 |
| AUG | 42 |
| TOTAL | $ 500 |

**ESTIMATED TIMING & EXPENDITURE SCHEDULE (In Thousands)**

| | |
|---|---|
| BUDGET YEAR | $ 500 |
| FORECAST YEARS | |
| YEAR 1 | |
| YEAR 2 | |
| YEAR 3 | |
| TOTAL | $ 500 |

Brian C. Schenk
SUBMITTED BY DEPARTMENT MANAGER/DIRECTOR

5/12/00
APPROVED BY VICE PRESIDENT OR SENIOR VICE PRESIDENT

APPROVED BY EXECUTIVE VICE PRESIDENT & CHIEF OPER. OFFICER

APPROVED BY PRESIDENT AND CEO

Form M-6410 (Rev. 5/96)

**Fiscal 2001**
**52-21-2-03 Installation of Joint Clamps**

| Clamps | Cost/Clamp | | Project Cost |
|---|---|---|---|
| 400 | 1,100 | = | 440,000 |

| Category | Percentage | | Total Cost |
|---|---|---|---|
| PGW Labor, % of Total | 51.7% | = | 227,000 |
| Material, % of Total | 7.6% | = | 33,000 |
| Purchased Services, % of Total | 29.7% | = | 131,000 |
| Other, % of Total | 11.0% | = | 48,000 |
| | Project Cost | = | $440,000 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Project Cost | | | | | | | = | 440,000 |
| Adm. & Gen. | | | 13.50% | x | 440,000 | | = | 59,000 |
| AFUDC | 0.042 | x | 5.59% | x | 499,000 | | = | 1,000 |
| | | | | | Total Estimate | | = | **$500,000** |

05/16/2000
52-21-2-03
FYCapital2001.xls

**CAPITAL PROGRAM PROPOSAL YEAR 2001**

☐ ADDITION ☒ REPLACEMENT

DEPARTMENT: Distribution

DIVISION:

BUDGET CATEGORY: 52-21-2-04

**PRIORITY:**

1 ☒ SAFETY 3 ☐ ENFORCED RELOCATION 5 ☐ IMPROVED EFFICIENCY AND DISCRETIONARY

2 ☒ RELIABILITY 4 ☐ LOAD GROWTH

**DESCRIPTION OF PROPOSED PROJECT:** Encapsulation of 8" and smaller low and intermediate pressure joints and fittings.

**LOCATION:** Various

**NEED FOR PROJECT:** Rehabilitate and extend the functional life of 8" and smaller low and intermediate pressure joints and fittings by encapsulation.

**ESTIMATE OF COST (In Thousands)**

| | |
|---|---|
| PGW LABOR | $ 363 |
| MATERIAL | 53 |
| PURCHASED SERVICES | 209 |
| OTHER | 77 |
| PROJECT COST | $ 703 |
| ADMIN & GENERAL | |
| 13.5 % OF PROJECT | 95 |
| SUB TOTAL | $ 798 |
| AFUDC .25 % OF SUBTOTAL | 2 |
| TOTAL CAPITAL COST | $ 800 |

ESTIMATED BY: Distribution

DATE: 05/11/00

**MONTHLY EXPENDITURE FOR BUDGET YEAR (In Thousands)**

| | |
|---|---|
| SEP | $ 66 |
| OCT | 66 |
| NOV | 66 |
| DEC | 66 |
| JAN | 67 |
| FEB | 67 |
| MAR | 67 |
| APR | 67 |
| MAY | 67 |
| JUN | 67 |
| JUL | 67 |
| AUG | 67 |
| TOTAL | $ 800 |

**ESTIMATED TIMING & EXPENDITURE SCHEDULE (In Thousands)**

| | |
|---|---|
| BUDGET YEAR | $ 800 |
| FORECAST YEARS | |
| YEAR 1 | |
| YEAR 2 | |
| YEAR 3 | |
| TOTAL | $ 800 |

Brian C. Schenk Brian C. Schenk
SUBMITTED BY DEPARTMENT MANAGER/DIRECTOR

D E Stu 5/12/00
APPROVED BY VICE PRESIDENT OR SENIOR VICE PRESIDENT

APPROVED BY EXECUTIVE VICE PRESIDENT & CHIEF OPER. OFFICER

APPROVED BY PRESIDENT AND CEO

Form M-6410 (Rev. 5/96)

**FISCAL 2001**

**52-21-2-04 (D-21-R-4)**

**ENCAPSULATION OF 8" AND SMALLER L.P. & I.P. JOINTS AND FITTINGS**

| Encapsulations | Cost/Encapsulation | | Project Cost |
|---|---|---|---|
| 800 | 879 | = | 703,000 |

| Category | Percentage | | Total Cost |
|---|---|---|---|
| PGW Labor, % of Total | 51.7% | = | 363,000 |
| Material, % of Total | 7.6% | = | 53,000 |
| Purchased Services, % of Total | 29.7% | = | 209,000 |
| Other, % of Total | 11.0% | = | 77,000 |
| | Project Cost | = | 703,000 |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Project Cost | | | | | | = | 703,000 |
| Adm. & Gen. | | | 13.50% | x | 703,000 | = | 95,000 |
| AFUDC | 0.042 | x | 5.59% | x | 798,000 | = | 2,000 |
| | | | Total Estimate | | | = | **$800,000** |

05/16/2000
52-21-2-04
FYCapital2001.xls

**CAPITAL PROGRAM PROPOSAL YEAR 2001**

[X] ADDITION [ ] REPLACEMENT

DEPARTMENT: Distribution

DIVISION:

BUDGET CATEGORY: 52-22-1-01

PRIORITY:

1 [ ] SAFETY 3 [ ] ENFORCED RELOCATION 5 [ ] IMPROVED EFFICIENCY AND DISCRETIONARY

2 [ ] RELIABILITY 4 [X] LOAD GROWTH

*DESCRIPTION OF PROPOSED PROJECT:* 12" and larger low and intermediate pressure main addition.

LOCATION: Unspecified.

NEED FOR PROJECT: 12" and larger low and intermediate pressure main to supply new and existing residential, commercial and Major Accounts customers based on Market forecast of 3/15/00 and historical information.

**ESTIMATE OF COST (In Thousands)**

| | |
|---|---|
| PGW LABOR | $ 17 |
| MATERIAL | 22 |
| PURCHASED SERVICES | 18 |
| OTHER | 9 |
| PROJECT COST | $ 66 |
| ADMIN & GENERAL | |
| 13.5 % OF PROJECT | 8 |
| SUB TOTAL | $ 74 |
| AFUDC 1.35 % OF SUBTOTAL | 1 |
| TOTAL CAPITAL COST | $ 75 |

ESTIMATED BY: Distribution

DATE: 05/11/00

**MONTHLY EXPENDITURE FOR BUDGET YEAR (In Thousands)**

| | |
|---|---|
| SEP | $ 6 |
| OCT | 6 |
| NOV | 6 |
| DEC | 6 |
| JAN | 6 |
| FEB | 6 |
| MAR | 6 |
| APR | 6 |
| MAY | 6 |
| JUN | 7 |
| JUL | 7 |
| AUG | 7 |
| TOTAL | $ 75 |

**ESTIMATED TIMING & EXPENDITURE SCHEDULE (In Thousands)**

| | |
|---|---|
| BUDGET YEAR | $ 75 |
| FORECAST YEARS | |
| YEAR 1 | |
| YEAR 2 | |
| YEAR 3 | |
| TOTAL | $ 75 |

Brian C. Schenk Brian C. Schenk
SUBMITTED BY DEPARTMENT MANAGER/DIRECTOR

5/12/00
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APPROVED BY PRESIDENT AND CEO

*Form M-6410 (Rev. 5/96)*

## Fiscal 2001

## 52-22-1-01 12" AND LARGER LOW AND INTERMEDIATE PRESSURE MAINS

| | | | | |
|---|---|---|---|---|
| | | Project Cost | = | $66,000 |
| Category | ercentage | | | Total Cost |
| PGW Labor, % of Total | 25.2% | | = | 17,000 |
| Material, % of Total | 33.6% | | = | 22,000 |
| Purchased Services, % of Total | 27.5% | | = | 18,000 |
| Other, % of Total | 13.7% | | = | 9,000 |
| | | Project Cost | = | $66,000 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Project Cost | | | | | | | = | 66,000 |
| Adm. & Gen. | | | 13.50% | x | 66,000 | | = | 8,000 |
| AFUDC | 0.125 | x | 5.59% | x | 74,000 | | = | 1,000 |
| | | | | | Total Estimate | | = | **$75,000** |

05/16/2000
52-22-1-01
FYCapital2001.xls

## 52-22-1-01 (D-22-A-1) 12" & LARGER LOW PRESSURES & INTERMEDIATE PRESSURE MAIN ADDITIONS

| Fiscal Year | Program Amount * | Work Ordered Amount ** |
|---|---|---|
| 1986-1987 | 86,000 | 148,847 |
| 1987-1988 | 90,000 | 125,720 |
| 1988-1989 | 99,000 | 192,549 |
| 1989-1990 | 111,000 | 95,344 |
| 1990-1991 | 100,000 | 301,944 |
| 1991-1992 | 132,000 | 22,000 |
| 1992-1993 | 137,000 | 45,500 |
| 1993-1994 | 142,000 | 119,111 |
| 1994-1995 | 146,000 | 113,685 |
| 1995-1996 | 75,000 | 217,140 |
| 1996-1997 | 150,000 | 25,000 |
| 1997-1998 | 155,000 | 20,000 |
| 1998-1999 | 75,000 | 217,137 |
| 1999-2000 | 75,000 | |
| 2000-2001 (Forecast) | 88,000 | |
| 2000-2001 (Estimate) | 75,000 | |

* Does not include budget adjustment transferred into this category.

** Does not include budget adjustment transferred out of this category.

**CAPITAL PROGRAM PROPOSAL YEAR 2001**

☐ *ADDITION* ☒ *REPLACEMENT*

DEPARTMENT: Distribution

STRATEGIC PRIORITY:

BUDGET CATEGORY: 52-22-2-01

**PRIORITY:**

1 ☐ SAFETY
2 ☐ RELIABILITY
3 ☒ ENFORCED RELOCATIONS
4 ☐ REVENUE PRODUCING PROJECTS
5 ☐ IMPROVED EFFICIENCY AND DISCRETIONARY

**DESCRIPTION OF PROPOSED PROJECT:** Replacement of 12" and larger low and intermediate pressure mains.

**LOCATION:** Unspecified

***NEED FOR PROJECT:*** *Enforced relocation caused by City and State work and unforeseen conditions.*

**ESTIMATE OF COST (In Thousands)**

| | |
|---|---|
| PGW LABOR | $ 642 |
| MATERIAL | 341 |
| PURCHASED SERVICES | 557 |
| OTHER | 286 |
| PROJECT COST | $ 1,826 |
| ADMIN & GENERAL | |
| 13.5 % OF PROJECT | 246 |
| SUB TOTAL | $ 2,072 |
| AFUDC .68 % OF SUBTOTAL | 14 |
| TOTAL CAPITAL COST | $ 2,086 |

ESTIMATED BY:

DATE:

**MONTHLY EXPENDITURE FOR BUDGET YEAR (In Thousands)**

| | |
|---|---|
| SEP | $ 173 |
| OCT | 173 |
| NOV | 174 |
| DEC | 174 |
| JAN | 174 |
| FEB | 174 |
| MAR | 174 |
| APR | 174 |
| MAY | 174 |
| JUN | 174 |
| JUL | 174 |
| AUG | 174 |
| TOTAL | $ 2,086 |

**ESTIMATED TIMING & EXPENDITURE SCHEDULE (In Thousands)**

| | |
|---|---|
| BUDGET YEAR | $ 2,086 |
| FORECAST YEARS | |
| YEAR 1 | |
| YEAR 2 | |
| YEAR 3 | |
| TOTAL | $ 2,086 |

SUBMITTED BY DEPARTMENT MANAGER/DIRECTOR

Form M-6410 (Rev. 2/98)

## 2001 CAPITAL BUDGET

## FISCAL YEAR 2001 AND FIVE YEAR FORECAST
**(Thousands of Dollars)**

| (Dept.) | 52-22-2-01 (D-22-R-1) | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 |
|---|---|---|---|---|---|---|---|
| Streets & Water | 1999 Unknowns | 604 | 602 | 636 | 636 | 636 | 636 |
| | Market St. | | 1,384 | | | | |
| Streets | Bridge Reconstruction | 100 | 100 | 100 | 100 | 100 | 100 |
| | 1999 Budget and Forecast | 704 | 702 | 736 | 736 | 736 | 736 |

2001 Estimate

| Category | Percentage | | Total Cost |
|---|---|---|---|
| PGW Labor, % of Total | 35.2% | = | 642,000 |
| Material, % of Total | 18.7% | = | 341,000 |
| Purchased Services, % of Total | 30.5% | = | 557,000 |
| Other, % of Total | 15.6% | = | 285,000 |
| | Project Cost | = | $1,825,000 |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Project Cost | | | | | | = | 1,825,000 |
| Adm. & Gen. | | | 13.50% | x | 1,825,000 | = | 246,000 |
| AFUDC | 0.125 | x | 5.59% | x | 2,071,000 | = | 14,000 |
| | | | Total Estimate(1) | | | = | **$2,086,000** |

05/16/2000
52-22-2-01
FYCapital2001.xls

## 2001 CAPITAL BUDGET

## FISCAL YEAR 2001 AND FIVE YEAR FORECAST
**(Thousands of Dollars)**

| (Dept.) | 52-22-2-01 (D-22-R-1) | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 |
|---|---|---|---|---|---|---|---|---|
| Streets & Water | 1999 Unknowns | 604 | 602 | 636 | 636 | 636 | 636 | 636 |
| | Market St. | | 1,384 | | | | | |
| Streets | Bridge Reconstruction | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| | 1999 Budget and Forecast | 704 | 702 | 736 | 736 | 736 | 736 | 736 |

2001 Estimate

| Category | Percentage | | Total Cost |
|---|---|---|---|
| PGW Labor, % of Total | 35.2% | = | 642,000 |
| Material, % of Total | 18.7% | = | 341,000 |
| Purchased Services, % of Total | 30.5% | = | 557,000 |
| Other, % of Total | 15.6% | = | 285,000 |
| | Project Cost | = | $1,825,000 |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Project Cost | | | | | | = | 1,825,000 |
| Adm. & Gen. | | | 13.50% | x | 1,825,000 | = | 246,000 |
| AFUDC | 0.125 | x | 5.59% | x | 2,071,000 | = | 14,000 |
| | | | | Total Estimate(1) | | = | **$2,086,000** |

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52-22-2-01
FYCapital2001.xls

## 52-22-2-01 (D-22-R-1) 12" & LARGER REPLACEMENTS OF LOW PRESSURE AND INTERMEDIATE PRESSURE MAINS

| Fiscal Year | Program Amount | Work Ordered Amount * |
|---|---|---|
| 1988-1989 | 2,577,000 | 2,817,427 |
| 1989-1990 | 3,356,000 | 3,437,833 |
| 1990-1991 | 2,600,000 | 3,926,886 |
| 1991-1992 | 1,962,000 | 1,555,347 |
| 1992-1993 | 1,990,000 | 2,938,431 |
| 1993-1994 | 2,658,000 | 1,353,194 |
| 1994-1995 | 2,379,000 | 1,487,180 |
| 1995-1996 | 1,000,000 | 806,784 |
| 1996-1997 | 657,000 | 1,618,613 |
| 1997-1998 | 912,000 | 2,082,772 |
| 1998-1999 | 651,000 | 411,992 |
| 1999-2000 | 481,000 | |
| 2000-2001 (Forecast) | 490,139 | |
| 2000-2001 (Estimate) | 2,086,000 | |

* Does not include budget adjustment transferred out of this category.

The 2001-2006 City Capital Program was reviewed for items that will affect the distribution system. Major items, such as bridge reconstruction and highway improvements, are scheduled in the City budget and PGW budgets money in the same year for the effect these City improvements will have on PGW's facilities. The City also budgets items in general categories for items such as grading and paving, water

## Reimbursement

**2001 Capital Program Five Year Forecast**
**(in Thousands of Dollars)**

| | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 |
|---|---|---|---|---|---|---|
| 52-20-2-01 (D-20-R-1) | 1,036 | 1062 | 1089 | 1116 | 1144 | 1173 |
| 52-21-2-01 (D-21-R-1) | 1,161 | 1190 | 1220 | 1250 | 1282 | 1314 |
| 52-22-2-01 (D-22-R-1) | 134 | 137 | 141 | 144 | 148 | 152 |

| | | | | | | |
|---|---|---|---|---|---|---|
| Water Department and Streets: 1991 through 1995 (1) | | | reimbursement; | 20% | | |
| Department of Public Property: 1991 through 1995 (1) | | | reimbursement; | 48% | | |
| PENNDOT: 1991 through 1995 (1) | | | reimbursement; | 75% | | (2) |
| 52-20-2-01 (D-20-R-1) | | | | | | |
| Water Department and Streets | $ | 353 | x | 20% | = | $ 71 |
| Department of Public Property | | 650 | | 88% | | $572 |
| PENNDOT | | 525 | | 75% | | $394 |
| | $ | 1,528 | | | | $ 1,036 |
| 52-21-2-01 (D-21-R-1) | | | | | | |
| Water Department and Streets | $ | 5,048 | x | 23% | = | $ 1,161 |
| Department of Public Property | | | | 48% | | 0 |
| PENNDOT(Market St.) | | | | 75% | | 0 |
| | $ | 5,048 | | | | $ 1,161 |
| 52-22-2-01 (D-22-R-1) | | | | | | |
| Water Department and Streets | $ | 702 | x | 19% | = | $ 134 |
| Department of Public Property | | | | 48% | | $ - |
| PENNDOT(Market St) | | 1384 | | 90% | | $ 1,246 |
| | $ | 2,086 | | | | $ 1,380 |

(1) Percentages developed from Reimbursable Report File 12.1.1
(2) Majority of PENNDOT agreements provided 50% reimbursement.

05/16/2000
52-22-2-01
FYCapital2001.xls

**CAPITAL PROGRAM PROPOSAL YEAR 2001**

☐ ADDITION ☒ REPLACEMENT

DEPARTMENT: Distribution

DIVISION:

BUDGET CATEGORY: 52-22-2-02

**PRIORITY:**

1 ☒ SAFETY
2 ☒ RELIABILITY
3 ☐ ENFORCED RELOCATION
4 ☐ LOAD GROWTH
5 ☐ IMPROVED EFFICIENCY AND DISCRETIONARY

**DESCRIPTION OF PROPOSED PROJECT:** Installation of 12" and larger joint clamps.

**LOCATION:** Various locations.

**NEED FOR PROJECT:** Rehabilitate and extend the functional life of 12" and larger high, intermediate, and low pressure cast iron mains by installation of joint clamps.

**ESTIMATE OF COST (In Thousands)**

| | |
|---|---|
| PGW LABOR | $ 131 |
| MATERIAL | 22 |
| PURCHASED SERVICES | 44 |
| OTHER | 22 |
| PROJECT COST | $ 220 |
| ADMIN & GENERAL | |
| 13.5 % OF PROJECT | 30 |
| SUB TOTAL | $ 250 |
| AFUDC .40 % OF SUBTOTAL | 1 |
| TOTAL CAPITAL COST | $ 250 |

ESTIMATED BY: Distribution

DATE: 05/11/00

**MONTHLY EXPENDITURE FOR BUDGET YEAR (In Thousands)**

| | |
|---|---|
| SEP | $ 20 |
| OCT | 20 |
| NOV | 21 |
| DEC | 21 |
| JAN | 21 |
| FEB | 21 |
| MAR | 21 |
| APR | 21 |
| MAY | 21 |
| JUN | 21 |
| JUL | 21 |
| AUG | 21 |
| TOTAL | $ 250 |

**ESTIMATED TIMING & EXPENDITURE SCHEDULE (In Thousands)**

| | |
|---|---|
| BUDGET YEAR | $ 250 |
| FORECAST YEARS | |
| YEAR 1 | |
| YEAR 2 | |
| YEAR 3 | |
| TOTAL | $ 250 |

Brian C. Schenk
SUBMITTED BY DEPARTMENT MANAGER/DIRECTOR

5/12/00
APPROVED BY VICE PRESIDENT OR SENIOR VICE PRESIDENT

APPROVED BY EXECUTIVE VICE PRESIDENT & CHIEF OPER. OFFICER

PPROVED BY PRESIDENT AND CEO

Form M-6410 (Rev. 5/96)

**Fiscal 2001**

**52-22-2-02 INSTALLATION OF 12" AND LARGER JOINT CLAMPS**

| Clamps | ost/Clamp | | Project Cost |
|---|---|---|---|
| 60 | 3,667 | | |
| | | = | $220,000 |

| Category | ercentage | | Total Cost |
|---|---|---|---|
| PGW Labor, % of Total | 25.2% | = | 55,000 |
| Material, % of Total | 33.6% | = | 74,000 |
| Purchased Services, % of Total | 27.5% | = | 61,000 |
| Other, % of Total | 13.7% | = | 30,000 |
| | Project Cost | = | $220,000 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Project Cost | | | | | | | = | 220,000 |
| Adm. & Gen. | | | 13.50% | x | 220,000 | | = | 30,000 |
| AFUDC | 0.042 | x | 5.59% | x | 250,000 | | = | 1,000 |
| | | | | | Total Estimate | | = | **$250,000** |

05/16/2000
52-22-2-02
FYCapital2001.xls

**CAPITAL PROGRAM PROPOSAL YEAR 2001**

DEPARTMENT: Distribution

DIVISION:

BUDGET CATEGORY: 52-22-2-03

[ ] ADDITION [x] REPLACEMENT

*PRIORITY:*

1 [X] SAFETY 3 [ ] ENFORCED RELOCATION 5 [ ] IMPROVED EFFICIENCY AND DISCRETIONARY

2 [X] RELIABILITY 4 [ ] LOAD GROWTH

**DESCRIPTION OF PROPOSED PROJECT:** Encapsulation of 12" and larger joints and fittings

**LOCATION:** Various Locations

**NEED FOR PROJECT:** Rehabilitate and extend the useful life of 12" and larger high, intermediate and low pressure gas mains by encaplulation of joints and fittings.

**ESTIMATE OF COST (In Thousands)**

| | |
|---|---|
| PGW LABOR | $ 474 |
| MATERIAL | 79 |
| PURCHASED SERVICES | 158 |
| OTHER | 79 |
| PROJECT COST | $ 791 |
| ADMIN & GENERAL | |
| 13.5 % OF PROJECT | 107 |
| SUB TOTAL | $ 898 |
| AFUDC .22 % OF SUBTOTAL | 2 |
| TOTAL CAPITAL COST | $ 900 |

ESTIMATED BY: Distribution

DATE: 05/11/00

**MONTHLY EXPENDITURE FOR BUDGET YEAR (In Thousands)**

| | |
|---|---|
| SEP | $ 75 |
| OCT | 75 |
| NOV | 75 |
| DEC | 75 |
| JAN | 75 |
| FEB | 75 |
| MAR | 75 |
| APR | 75 |
| MAY | 75 |
| JUN | 75 |
| JUL | 75 |
| AUG | 75 |
| TOTAL | $ 900 |

**ESTIMATED TIMING & EXPENDITURE SCHEDULE (In Thousands)**

| | |
|---|---|
| BUDGET YEAR | $ 900 |
| FORECAST YEARS | |
| YEAR 1 | |
| YEAR 2 | |
| YEAR 3 | |
| TOTAL | $ 900 |

Brian C. Schenk
SUBMITTED BY DEPARTMENT MANAGER/DIRECTOR

5/12/00
APPROVED BY VICE PRESIDENT OR SENIOR VICE PRESIDENT

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PPROVED BY PRESIDENT AND CEO

Form M-6410 (Rev. 5/96)

**Fiscal 2001**

**52-22-2-03 12" AND LARGER JOINT AND FITTING ENCAPSULATION.**

| Encapsulations | Cost/Encapsulation | Project Cost |
|---|---|---|
| 425 | 1,861 | $791,000 |

| Category | Percentage | | Total Cost |
|---|---|---|---|
| PGW Labor, % of Total | 60.0% | = | 474,000 |
| Material, % of Total | 10.0% | = | 79,000 |
| Purchased Services, % of Total | 20.0% | = | 158,000 |
| Other, % of Total | 10.0% | = | 79,000 |
| | Project Cost | = | $790,000 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Project Cost | | | | | | | = | 791,000 |
| Adm. & Gen. | | | 13.50% | x | 791,000 | | = | 107,000 |
| AFUDC | 0.042 | x | 5.59% | x | 898,000 | | = | 2,000 |
| | | | | | Total Estimate | | = | **$900,000** |

05/16/2000
52-22-2-03
FYCapital2001.xls

**CAPITAL PROGRAM PROPOSAL YEAR 2001**

[X] ADDITION [ ] REPLACEMENT

DEPARTMENT: Distribution

DIVISION:

BUDGET CATEGORY: 52-23-1-01

**PRIORITY:**

1 [ ] SAFETY 3 [ ] ENFORCED RELOCATION 5 [ ] IMPROVED EFFICIENCY AND DISCRETIONARY

2 [X] RELIABILITY 4 [ ] LOAD GROWTH

**DESCRIPTION OF PROPOSED PROJECT:** Addition of corrosion control facilities for the Northeast corrosion study Area VII.

**LOCATION:** Various.

**NEED FOR PROJECT:** To provide funds for the cathodic protection of approximately 17,500 feet of steel main.

**ESTIMATE OF COST (In Thousands)**

| | |
|---|---|
| PGW LABOR | $ 98 |
| MATERIAL | 41 |
| PURCHASED SERVICES | 13 |
| OTHER | 21 |
| PROJECT COST | $ 173 |
| ADMIN & GENERAL | |
| 14.2 % OF PROJECT | 25 |
| SUB TOTAL | $ 198 |
| AFUDC .51 % OF SUBTOTAL | 1 |
| TOTAL CAPITAL COST | $ 200 |

ESTIMATED BY: Distribution

DATE: 05/11/00

**MONTHLY EXPENDITURE FOR BUDGET YEAR (In Thousands)**

| | |
|---|---|
| SEP | $ 16 |
| OCT | 16 |
| NOV | 16 |
| DEC | 16 |
| JAN | 17 |
| FEB | 17 |
| MAR | 17 |
| APR | 17 |
| MAY | 17 |
| JUN | 17 |
| JUL | 17 |
| AUG | 17 |
| TOTAL | $ 200 |

**ESTIMATED TIMING & EXPENDITURE SCHEDULE (In Thousands)**

| | |
|---|---|
| BUDGET YEAR | $ 200 |
| FORECAST YEARS | |
| YEAR 1 | |
| YEAR 2 | |
| YEAR 3 | |
| TOTAL | $ 200 |

Brian C. Schenk
SUBMITTED BY DEPARTMENT MANAGER/DIRECTOR

5/12/00
APPROVED BY VICE PRESIDENT OR SENIOR VICE PRESIDENT

APPROVED BY EXECUTIVE VICE PRESIDENT & CHIEF OPER. OFFICER

APPROVED BY PRESIDENT AND CEO

Form M-6410 (Rev. 5/96)

**Fiscal 2001**

## 52-23-1-01 ADDITION OF PRESSURE REGULATING AND CORROSION CONTROL FACILITIES

| | | | | | | |
|---|---|---|---|---|---|---|
| | | | | Project Cost | = | 173,000 |
| Category | | Percentage | | | | Total Cost |
| PGW Labor, % of Total | | 56.6% | | | = | 98,000 |
| Material, % of Total | | 23.6% | | | = | 41,000 |
| Purchased Services, % of Total | | 7.5% | | | = | 13,000 |
| Other, % of Total | | 12.3% | | | = | 21,000 |
| | | | | Project Cost | = | $173,000 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Project Cost | | | | | | | = | 175,000 |
| Adm. & Gen. | | | 13.50% | x | $173,000 | | = | 23,000 |
| AFUDC | 0.125 | x | 5.59% | x | $196,000 | | = | 1,000 |
| | | | | | Total Estimate | | = | **$200,000** |

05/16/2000
52-23-1-01
FYCapital2001.xls

## 52-23-1-01 ADDITION OF VARIOUS PRESSURE REGULATING AND CORROSION CONTROL FACILITIES

| Fiscal Year | Program Amount * | Work Ordered Amount ** |
|---|---|---|
| 1988-1989 | 232,000 | 584,930 |
| 1989-1990 | 243,000 | 200,898 |
| 1990-1991 | 220,000 | 259,000 |
| 1991-1992 | 290,000 | 100,774 |
| 1992-1993 | 303,000 | 432,983 |
| 1993-1994 | 315,000 | 951,789 |
| 1994-1995 | 326,000 | 248,229 |
| 1995-1996 | 100,000 | 0 |
| 1996-1997 | 276,000 | 611,484 |
| 1997-1998 | 375,000 | 416,471 |
| 1998-1999 | 135,434 | 15,643 |
| 1999-2000 | 200,000 | |
| 2000-2001 (Forecast) | 200,000 | |
| 2000-2001 (Estimate) | 200,000 | |

## CAPITAL PROGRAM PROPOSAL YEAR 2001

DEPARTMENT: Distribution

DIVISION:

BUDGET CATEGORY: 52-23-2-01

[ ] ADDITION [X] REPLACEMENT

**PRIORITY:**

1 [ ] SAFETY
2 [X] RELIABILITY
3 [ ] ENFORCED RELOCATION
4 [ ] LOAD GROWTH
5 [ ] IMPROVED EFFICIENCY AND DISCRETIONARY

**DESCRIPTION OF PROPOSED PROJECT:** Replacement or rehabilitation of high pressure valves via encapsulation.

**LOCATION:** Unspecified

**NEED FOR PROJECT:** Replace defective valves

**ESTIMATE OF COST (In Thousands)**

| | |
|---|---|
| PGW LABOR | $ 26 |
| MATERIAL | 21 |
| PURCHASED SERVICES | 9 |
| OTHER | 10 |
| PROJECT COST | $ 66 |
| ADMIN & GENERAL | |
| 13.5 % OF PROJECT | 8 |
| SUB TOTAL | $ 74 |
| AFUDC 1.35 % OF SUBTOTAL | 1 |
| TOTAL CAPITAL COST | $ 75 |

ESTIMATED BY: Distribution

DATE: 05/11/00

**MONTHLY EXPENDITURE FOR BUDGET YEAR (In Thousands)**

| | |
|---|---|
| SEP | $ 6 |
| OCT | 6 |
| NOV | 6 |
| DEC | 6 |
| JAN | 6 |
| FEB | 6 |
| MAR | 6 |
| APR | 6 |
| MAY | 6 |
| JUN | 7 |
| JUL | 7 |
| AUG | 7 |
| TOTAL | $ 75 |

**ESTIMATED TIMING & EXPENDITURE SCHEDULE (In Thousands)**

| | |
|---|---|
| BUDGET YEAR | $ 75 |
| FORECAST YEARS | |
| YEAR 1 | |
| YEAR 2 | |
| YEAR 3 | |
| TOTAL | $ 75 |

Brian C. Schenk Brian C. Schenk
SUBMITTED BY DEPARTMENT MANAGER/DIRECTOR

5/12/00
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APPROVED BY EXECUTIVE VICE PRESIDENT & CHIEF OPER. OFFICER

APPROVED BY PRESIDENT AND CEO

Form M-6410 (Rev. 5/96)

**Fiscal 2001**

**52-23-2-01 REPLACEMENT OF HIGH PRESSURE MAIN VALVES**

| | | | | | | |
|---|---|---|---|---|---|---|
| | | | | Project Cost | = | 66,000 |
| Category | | | Percentage | | | Total Cost |
| PGW Labor, % of Total | | | 39.7% | | = | 26,000 |
| Material, % of Total | | | 31.2% | | = | 21,000 |
| Purchased Services, % of Total | | | 13.5% | | = | 9,000 |
| Other, % of Total | | | 15.6% | | = | 10,000 |
| | | | | Project Cost | = | $66,000 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Project Cost | | | | | | | = | 66,000 |
| Adm. & Gen. | | | 13.50% | x | 66,000 | | = | 8,000 |
| AFUDC | 0.125 | x | 5.59% | x | 74,000 | | = | 1,000 |
| | | | | | Total Estimate | | = | **$75,000** |

05/16/2000
52-23-2-01
FYCapital2001.xls

**CAPITAL PROGRAM PROPOSAL YEAR 2001**

DEPARTMENT: Distribution

DIVISION:

BUDGET CATEGORY: 52-23-2-02

[ ] ADDITION [x] REPLACEMENT

**PRIORITY:**

1 [ ] SAFETY
2 [x] RELIABILITY
3 [ ] ENFORCED RELOCATION
4 [ ] LOAD GROWTH
5 [ ] IMPROVED EFFICIENCY AND DISCRETIONARY

**DESCRIPTION OF PROPOSED PROJECT:** Replacement of various regulating and corrosion control facilities.

**LOCATION:** Various.

**NEED FOR PROJECT:** To provide funds for replacement of worn or damaged pressure regulating and corrosion facilities.

**ESTIMATE OF COST (In Thousands)**

| | |
|---|---|
| PGW LABOR | $ 25 |
| MATERIAL | 23 |
| PURCHASED SERVICES | 10 |
| OTHER | 8 |
| PROJECT COST | $ 66 |
| ADMIN & GENERAL | |
| 13.5 % OF PROJECT | 8 |
| SUB TOTAL | $ 74 |
| AFUDC 1.35 % OF SUBTOTAL | 1 |
| TOTAL CAPITAL COST | $ 75 |

**MONTHLY EXPENDITURE FOR BUDGET YEAR (In Thousands)**

| | |
|---|---|
| SEP | $ 6 |
| OCT | 6 |
| NOV | 6 |
| DEC | 6 |
| JAN | 6 |
| FEB | 6 |
| MAR | 6 |
| APR | 6 |
| MAY | 6 |
| JUN | 7 |
| JUL | 7 |
| AUG | 7 |
| TOTAL | $ 75 |

**ESTIMATED TIMING & EXPENDITURE SCHEDULE (In Thousands)**

| | |
|---|---|
| BUDGET YEAR | $ 75 |
| FORECAST YEARS | |
| YEAR 1 | |
| YEAR 2 | |
| YEAR 3 | |
| TOTAL | $ 75 |

Brian C. Schenk
SUBMITTED BY DEPARTMENT MANAGER/DIRECTOR

5/12/00
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APPROVED BY EXECUTIVE VICE RESIDENT & CHIEF OPER. OFFICER

PPROVED BY PRESIDENT AND CEO

ESTIMATED BY: Distribution

DATE: 05/11/00

Form M-6410 (Rev. 5/96)

**Fiscal 2001**

**52-23-2-02 Replacement of various pressure and corrosion control facilities**

| | | | | |
|---|---|---|---|---|
| | | Project Cost | = | 66,000 |
| Category | Percentage | | | Total Cost |
| PGW Labor, % of Total | 38.1% | | = | 25,000 |
| Material, % of Total | 34.3% | | = | 23,000 |
| Purchased Services, % of Total | 15.8% | | = | 10,000 |
| Other, % of Total | 11.8% | | = | 8,000 |
| | | Project Cost | = | $66,000 |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Project Cost | | | | | | = | $66,000 |
| Adm. & Gen. | | | 13.50% | x | $66,000 | = | 8,000 |
| AFUDC | 0.125 | x | 5.59% | x | $74,000 | = | 1,000 |
| | | | | | Total Estimate | = | **$75,000** |

05/16/2000
52-23-2-02
FYCapital2001.xls

## 52-23-2-02 Replacement of various pressure and corrosion control facilities.

| Fiscal Year | Program Amount * | Work Ordered Amount ** |
|---|---|---|
| 1990-1991 | 79,000 | 67,000 |
| 1991-1992 | 85,000 | 76,000 |
| 1992-1993 | 160,000 | 52,653 |
| 1993-1994 | 242,000 | 597,347 |
| 1994-1995 | 94,000 | 0 |
| 1995-1996 | 60,000 | 0 |
| 1996-1997 | 60,000 | 0 |
| 1997-1998 | 62,000 | 146,525 |
| 1998-1999 | 75,000 | 100,000 |
| 2000-2001 (Forecast) | 76,650 | |
| 2000-2001 (Estimate) | 75,000 | |

* Does not include budget adjustment transferred into this category.

** Does not include budget adjustment transferred out of this category.

**CAPITAL PROGRAM PROPOSAL YEAR 2001**

[X] ADDITION [ ] REPLACEMENT

DEPARTMENT: Distribution

DIVISION:

BUDGET CATEGORY: 52-24-1-01

**PRIORITY:**

1 [ ] SAFETY 3 [ ] ENFORCED RELOCATION 5 [ ] IMPROVED EFFICIENCY AND DISCRETIONARY

2 [ ] RELIABILITY 4 [X] LOAD GROWTH

**DESCRIPTION OF PROPOSED PROJECT:** Installation of 11/4" and smaller high, low and intermediate pressure services for new residential, commercial and industrial customers.

**LOCATION:** Unspecified.

**NEED FOR PROJECT:** To supply new customers based on Marketing Department's forecast of 3/15/00 and historical information.

**ESTIMATE OF COST (In Thousands)**

| | |
|---|---|
| PGW LABOR | $ 1,038 |
| MATERIAL | 228 |
| PURCHASED SERVICES | 501 |
| OTHER | 166 |
| PROJECT COST | $ 1,933 |
| ADMIN & GENERAL | |
| 13.5 % OF PROJECT | 261 |
| SUB TOTAL | $ 2,194 |
| AFUDC .23 % OF SUBTOTAL | 5 |
| TOTAL CAPITAL COST | $ 2,199 |

ESTIMATED BY: Distribution

DATE: 05/11/00

**MONTHLY *EXPENDITURE FOR* BUDGET YEAR (In Thousands)**

| | |
|---|---|
| SEP | $ 183 |
| OCT | 183 |
| NOV | 183 |
| DEC | 183 |
| JAN | 183 |
| FEB | 183 |
| MAR | 183 |
| APR | 183 |
| MAY | 183 |
| JUN | 184 |
| JUL | 184 |
| AUG | 184 |
| TOTAL | $ 2,199 |

**ESTIMATED TIMING & EXPENDITURE *SCHEDULE (In Thousands)***

| | |
|---|---|
| BUDGET YEAR | $ 2,199 |
| FORECAST YEARS | |
| YEAR 1 | |
| YEAR 2 | |
| YEAR 3 | |
| TOTAL | $ 2,199 |

Brian C. Schenk
SUBMITTED BY DEPARTMENT MANAGER/DIRECTOR

5/12/00
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APPROVED BY EXECUTIVE VICE RESIDENT & CHIEF OPER. OFFICER

PPROVED BY PRESIDENT AND CEO

Form M-6410 (Rev. 5/96)

**FISCAL 2001**

**52-24-1-01 (D-24-A-1)**

**1 1/4" AND SMALLER SERVICE ADDITIONS**

**Establish Cost/Unit Using Actual Costs from Fiscal 1995-99**

**Cost/Unit Less Administration and General Costs Escalated to Fiscal 1999**

**((Cost/Unit) / (1 + A&G)) x (Esc. Factor) = Escalated Cost/Unit**

| | | | ESCALATION TO FISCAL 1999 | |
|---|---|---|---|---|
| *Fiscal Year* | *Service Cost/Unit* | *Admin. & Gen.* | *Esc. Factor (1)* | *Service Cost/Unit* |
| 1995 | 1,705 | .120 | 1.111 | 1,692 |
| 1996 | 1,639 | .109 | 1.075 | 1,588 |
| 1997 | 1,497 | .137 | 1.044 | 1,375 |
| 1998 | 2,986 | .140 | 1.022 | 2,677 |
| 1999 | 2,846 | .142 | 1.000 | 2,492 |
| | | *5 year average, less A&G, escalated to 1999* | | 1,965 |

| | | ESCALATION TO FISCAL 2001 | |
|---|---|---|---|
| Service 5 year Avg. Cost/Unit | Avg. AFUDC | Esc. Factor (1) | Service Cost/Unit |
| 1,965 | .020 | 1.044 | **$ 1,610** ** |

** *Unit Cost reduced by 20%*

05/16/2000
52-24-1-01
FYCapital2001.xls

## 2001 Capital Program

### 52-24-1-01 (D-24-A-1) - 1-1/4" and Smaller Service Additions

Marketing's letter of March 15, 2000 gave the number of new services as:

| | |
|---|---|
| New Dwelling Units | 176 |
| Existing Homes | 474 |
| Commercial | 245 |
| Industrial | 47 |
| | 942 |

Based on approved main and service estimates and FIR's for the five-year period of September 1, 1994 to August 31, 1999, of the forecast 650 residential services, 524 would be 1-1/4". Of the forecast 245 routine commercial services, 99 would be 1-1/4". Of the 47 industrial services, 20 would be 1-1/4".

The total estimated number of new 1-1/4" and smaller services is:

| | Total | % of Mktg Forecast |
|---|---|---|
| Residential | 524 | 80.6% |
| Commercial | 99 | 40.4% |
| Industrial | 20 | 42.6% |
| Others | 456 | - |
| TOTAL | 1,099 | |

| Category | Percentage | | Total Cost |
|---|---|---|---|
| *PGW Labor, % of Total | 53.7% | = | 1,038,000 |
| Material, % of Total | 11.8% | = | 228,000 |
| Purchased Services, % of Total | 25.9% | = | 501,000 |
| Other, % of Total | 8.6% | = | 166,000 |
| | Project Cost | = | $1,933,000 |

*The above percentages were developed from actual capital spending for Fiscal 1996.

| | Units | Cost/Unit | Project Cost | A&G | AFUDC | Total |
|---|---|---|---|---|---|---|
| Totals | 1,201 | **1,610** | $ 1,933,175 | 260,979 | 5,111 | $ 2,199,264 |
| | | | **$ 1,933,000** | | | **$ 2,199,000** |

05/16/2000
52-24-1-01
FYCapital2001.xls

## 52-24-1-01: 1-1/4" AND SMALLER SERVICE ADDITIONS

| | 2001 (Estimate) | 2001 (Forecast) | 1999-2000 (Program) | 1998-99 | 1997-98 | 1996-97 | 1995-96 | 1994-95 |
|---|---|---|---|---|---|---|---|---|
| COST: | | | | | | | | |
| 3/4" to 1-1/4" Services | 2,199,000 | 2,226,515 | 2,187,000 | 2,086,086 | 2,863,726 | 2,429,076 | 1,891,392 | 2,044,458 |
| FEET: | | | | | | | | |
| 3/4" to 1-1/4" Services | 33562.966 | | 33,185 | 21,945 | 26,510 | 46,309 | 30,257 | 32,917 |
| COST/FOOT: | | | | | | | | |
| 3/4" to 1-1/4" Services | $ 65.52 | | $ 65.90 | $ 95.06 | $ 108.03 | $ 52.45 | $ 62.51 | $ 62.11 |
| UNITS: | | | | | | | | |
| 3/4" to 1-1/4" Services | 1,201 | | 1,201 | 733 | 959 | 1,623 | 1,154 | 1,199 |
| COST/UNIT: | | | | | | | | |
| 3/4" to 1-1/4" Services | $ 1,610 | | $ 1,821 | $ 2,846 | $ 2,986 | $ 1,497 | $ 1,639 | $ 1,705 |
| FEET/UNIT: | | | | | | | | |
| 3/4" to 1-1/4" Services | 28.0 | | 27.6 | 29.9 | 27.6 | 28.5 | 26.2 | 27.5 |

Costs for Fiscal 95 - 99 are actual costs from budget category statistical listing.
Fiscal 95 - 99 units and feet from Underground Facilities database.
2001 Feet/Unit established by dividing total footage for Fiscal 94 - 99 by total units for Fiscal 94 - 99.

**CAPITAL PROGRAM PROPOSAL YEAR 2001**

[X] ADDITION [ ] REPLACEMENT

DEPARTMENT: Distribution

DIVISION:

BUDGET CATEGORY: 52-24-1-02

PRIORITY:

1 [ ] SAFETY 3 [ ] ENFORCED RELOCATION 5 [ ] IMPROVED EFFICIENCY AND DISCRETIONARY

2 [ ] RELIABILITY 4 [X] LOAD GROWTH

DESCRIPTION OF PROPOSED PROJECT: 2" & larger services, all pressures, for new residential, commercial & industrial customers.

LOCATION: Unspecified.

NEED FOR PROJECT: To supply new customers based on Marketing Department's estimate of new residential, commercial and industrial customers per forecast of 3/15/00.

**ESTIMATE OF COST (In Thousands)**

| | |
|---|---|
| PGW LABOR | $ 893 |
| MATERIAL | 322 |
| PURCHASED SERVICES | 408 |
| OTHER | 238 |
| PROJECT COST | $ 1,861 |
| ADMIN & GENERAL | |
| 13.5 % OF PROJECT | 251 |
| SUB TOTAL | $ 2,112 |
| AFUDC .23 % OF SUBTOTAL | 5 |
| TOTAL CAPITAL COST | $ 2,117 |

ESTIMATED BY: Distribution

DATE: 05/11/00

**MONTHLY EXPENDITURE FOR BUDGET YEAR (In Thousands)**

| | |
|---|---|
| SEP | $ 176 |
| OCT | 176 |
| NOV | 176 |
| DEC | 176 |
| JAN | 176 |
| FEB | 176 |
| MAR | 176 |
| APR | 177 |
| MAY | 177 |
| JUN | 177 |
| JUL | 177 |
| AUG | 177 |
| TOTAL | $ 2,117 |

**ESTIMATED TIMING & EXPENDITURE SCHEDULE (In Thousands)**

| | |
|---|---|
| BUDGET YEAR | $ 2,117 |
| FORECAST YEARS | |
| YEAR 1 | |
| YEAR 2 | |
| YEAR 3 | |
| TOTAL | $ 2,117 |

Brian C. Schenk *Brian C. Schenk*
SUBMITTED BY DEPARTMENT MANAGER/DIRECTOR

5/12/00
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APPROVED BY PRESIDENT AND CEO

Form M-6410 (Rev. 5/96)

FISCAL 2001

52-24-1-02 (D-24-A-2)

## 2" AND LARGER SERVICE ADDITIONS

**Establish Cost/Unit Using Actual Costs from Fiscal 1994-99**

**Cost/Unit Less Administration and General Costs Escalated to Fiscal 1999**

**((Cost/Unit) / (1 + A&G)) x (Esc. Factor) = Escalated Cost/Unit**

| | | | ESCALATION TO FISCAL 1999 | |
|---|---|---|---|---|
| Fiscal Year | Service Cost/Unit | Admin. & Gen. | Esc. Factor (1) | Service Cost/Unit |
| 1995 | 21,770 | .120 | 1.111 | 21,602 |
| 1996 | 24,368 | .109 | 1.075 | 23,616 |
| 1997 | 21,960 | .137 | 1.044 | 20,173 |
| 1998 | 21,166 | .140 | 1.022 | 18,975 |
| 1999 | 8,219 | .142 | 1.000 | 7,197 |

5 year average, less A&G, escalated to 1999 18,313

| | | ESCALATION TO FISCAL 2001 | |
|---|---|---|---|
| Service 5 year Avg. Cost/Unit | Avg. AFUDC (1) | Esc. Factor | Service Cost/Unit |
| 18,313 | .020 | 1.044 | **$ 15,008** |

## 2001 Capital Program

### 52-24-1-02 (D-24-A-2) - 2" and Larger Service Additions

Marketing's letter of March 15, 2000 gave the number of new services as:

| | |
|---|---|
| New Dwelling Units | 176 |
| Existing Homes | 474 |
| Commercial | 245 |
| Industrial | 47 |
| | 942 |

Based on approved main and service estimates and FIR's for the five-year period of September 1, 1994 to August 31, 1999, of the forecast 650 residential services, 13 would be 2" and larger additions. Of the forecast 245 routine commercial services, 97 would be 2" and larger additions. Of the 47 industrial services, 14 would be 2" and larger additions.

The total estimated number of new 2" and larger services is:

| | Total | % of Mktg Forecast |
|---|---|---|
| Residential | 13 | 2.0% |
| Commercial | 97 | 39.6% |
| Industrial | 14 | 29.8% |
| TOTAL | 124 | |

| Category | Percentage | | Total Cost |
|---|---|---|---|
| *PGW Labor, % of Total | 48.0% | = | 893,000 |
| Material, % of Total | 17.3% | = | 322,000 |
| Purchased Services, % of Total | 21.9% | = | 408,000 |
| Other, % of Total | 12.8% | = | 238,000 |
| | Project Cost | = | $1,861,000 |

*The above percentages were developed from actual capital spending for Fiscal 1996.

| | Units | Cost/Unit | Project Cost | A&G | AFUDC | Total |
|---|---|---|---|---|---|---|
| Totals | 124 | 15,008 | $ 1,861,010 | 251,236 | 4,920 | $ 2,117,166 |
| | | | **$ 1,861,000** | | | **$ 2,117,000** |

## 52-24-1-02: 2" AND LARGER SERVICE ADDITIONS

| | 2001 (Estimate) | 2001 (Forecast) | 1999-2000 (Program) | 1998-99 | 1997-1998 | 1996-1997 | 1995-96 | 1994-95 |
|---|---|---|---|---|---|---|---|---|
| COST: | | | | | | | | |
| 2" & LARGER Services | 2,117,000 | 1,426,600 | 1,400,000 | 1,109,571 | 1,375,800 | 1,383,500 | 1,242,771 | 1,371,530 |
| FEET: | | | | | | | | |
| 2" & LARGER Services | 8,534 | | 4,178 | 9,056 | 4,500 | 5,738 | 3,837 | 3,834 |
| COST/FOOT: | | | | | | | | |
| 2" & LARGER Services | $ 248.05 | | $ 335.09 | $ 122.52 | $ 305.73 | $ 241.11 | $ 323.89 | $ 357.73 |
| UNITS: | | | | | | | | |
| 2" & LARGER Services | 124 | | 66 | 135 | 65 | 63 | 51 | 63 |
| COST/UNIT: | | | | | | | | |
| 2" & LARGER Services | $ 17,073 | | $ 21,212 | $ 8,219 | $ 21,166 | $ 21,960 | $ 24,368 | $ 21,770 |
| FEET/UNIT: | | | | | | | | |
| 2" & LARGER Services | 68.8 | | 63.3 | 67.1 | 69.2 | 91.1 | 75.2 | 60.9 |

Costs for Fiscal 94 - 99 are actual costs from budget category statistical listing. Fiscal 94 - 99 units and feet fromUnderground Facilities Database.
2001 Feet/Unit established by dividing total footage for Fiscal 94 - 99 by total units for Fiscal 94 - 99

**CAPITAL PROGRAM PROPOSAL YEAR 2001**

DEPARTMENT: Distribution

DIVISION:

BUDGET CATEGORY: 52-24-2-01

[ ] ADDITION [X] REPLACEMENT

**PRIORITY:**

1 [X] SAFETY 3 [ ] ENFORCED RELOCATION 5 [ ] IMPROVED EFFICIENCY AND DISCRETIONARY

2 [ ] RELIABILITY 4 [ ] LOAD GROWTH

**DESCRIPTION OF PROPOSED PROJECT:** Renewal of 1 1/4" and smaller services.

**LOCATION:** Unspecified.

**NEED FOR PROJECT:** To renew services for leaks, with main replacements, for customer complaints and City and State work.

Based on replacement of services.

**ESTIMATE OF COST (In Thousands)**

| | |
|---|---|
| PGW LABOR | $ 5,710 |
| MATERIAL | 1,255 |
| PURCHASED SERVICES | 2,754 |
| OTHER | 914 |
| PROJECT COST | $ 10,633 |
| ADMIN & GENERAL | |
| 13.5 % OF PROJECT | 1,435 |
| SUB TOTAL | $ 12,069 |
| AFUDC .23 % OF SUBTOTAL | 28 |
| TOTAL CAPITAL COST | $ 12,097 |

**MONTHLY EXPENDITURE FOR BUDGET YEAR (In Thousands)**

| | |
|---|---|
| SEP | $ 1,008 |
| OCT | 1,008 |
| NOV | 1,008 |
| DEC | 1,008 |
| JAN | 1,008 |
| FEB | 1,008 |
| MAR | 1,003 |
| APR | 1,008 |
| MAY | 1,008 |
| JUN | 1,008 |
| JUL | 1,008 |
| AUG | 1,009 |
| TOTAL | $ 12,097 |

**ESTIMATED TIMING & EXPENDITURE SCHEDULE (In Thousands)**

| | |
|---|---|
| BUDGET YEAR | $ 12,097 |
| FORECAST YEARS | |
| YEAR 1 | |
| YEAR 2 | |
| YEAR 3 | |
| TOTAL | $ 12,097 |

Brian C. Schenk *Brian C. Schenk*
SUBMITTED BY DEPARTMENT MANAGER/DIRECTOR

*5/12/00*
APPROVED BY VICE PRESIDENT OR SENIOR VICE PRESIDENT

APPROVED BY EXECUTIVE VICE PRESIDENT & CHIEF OPER. OFFICER

APPROVED BY PRESIDENT AND CEO

*ESTIMATED BY:* *Distribution*

DATE: 05/11/00

Form M-6410 (Rev. 5/96)

FISCAL 2001

52-24-2-01 (D-24-R-1)
1 1/4" AND SMALLER SERVICE REPLACEMENTS

Establish Cost/Unit Using Actual Costs from Fiscal 1994-98
Cost/Unit Less Administration and General Costs Escalated to Fiscal 1998
((Cost/Unit) / (1 + A&G)) x (Esc. Factor) = Escalated Cost/Unit

| Fiscal Year | Cost/Unit | Admin. & Gen. | ESCALATION TO FISCAL 1998 Esc. Factor (1) | Cost/Unit |
|---|---|---|---|---|
| 1995 | 1,748 | .120 | 1.111 | 1,734 |
| 1996 | 1,458 | .109 | 1.075 | 1,413 |
| 1997 | 1,254 | .137 | 1.044 | 1,149 |
| 1998 | 1,348 | .140 | 1.022 | 1,206 |
| 1999 | 1,466 | .142 | 1.000 | 1,284 |

4 year average( 1995 out ), less A&G, escalated to 1998 = 1,343

| Plastic 4 year Avg. Cost/Unit | Avg. AFUDC (1) | ESCALATION TO FISCAL 2001 Esc. Factor (1) | Plastic Cost/Unit |
|---|---|---|---|
| 1,209 * | .020 | 1.044 | 1,239 |

* Reduced 10%

| Category | Percentage | | Total Cost |
|---|---|---|---|
| *PGW Labor, % of Total | 53.7% | = | 5,710,000 |
| *Material, % of Total* | 11.8% | = | 1,255,000 |
| Purchased Services, % of Total | 25.9% | | 2,754,000 |
| Other, % of Total | 8.6% | = | 914,000 |
| | Project Cost | = | $10,633,000 |

*The above percentages were developed from actual capital spending for Fiscal 1997
(1) See Fact Sheet for calculation of escalation factors and average AFUDC.

| | Units | Cost/Unit | Project Cost | A&G | AFUDC | Total |
|---|---|---|---|---|---|---|
| Totals | 8585 | 1,239 | $ 10,632,983 | 1,435,453 | 28,109 | $ 12,096,546 |
| | | | **$ 10,633,000** | | | **$ 12,097,000** |

## 52-24-2-01: 1-1/4" AND SMALLER SERVICE REPLACEMENTS

| | 2001 (Estimate) | 2001 (Forecast) | 2000 (Program) | 1998-1999 | 1997-98 | 1996-97 | 1995-96 | 1994-95 |
|---|---|---|---|---|---|---|---|---|
| COST: | | | | | | | | |
| 3/4" to 1-1/4" TOTAL | 12,097,000 | 12,805,837 | 9,623,000 | 11,154,581 | 12,131,692 | 14,322,758 | 12,141,251 | 12,313,157 |
| FEET: | | | | | | | | |
| 3/4" to 1-1/4" TOTAL | 250,195 | | 205,725 | 222,124 | 262,293 | 261,710 | 281,931 | 202,920 |
| COST/FOOT: | | | | | | | | |
| 3/4" to 1-1/4" TOTAL | $ 48.35 | | $46.78 | $50.22 | $46.25 | $54.73 | $43.06 | $60.68 |
| UNITS: | | | | | | | | |
| 3/4" to 1-1/4" TOTAL | 8,585 | | 7,059 | 7,607 | 9,000 | 11,420 | 8,326 | 7,046 |
| COST/UNIT: | | | | | | | | |
| 3/4" to 1-1/4" TOTAL | $ 1,409 | | $1,363 | $1,466 | $1,348 | $1,254 | $1,458 | $1,748 |
| FEET/UNIT: | | | | | | | | |
| 3/4" to 1-1/4" TOTAL | 29.1 | | 29.1 | 29.2 | 29.1 | 22.9 | 33.9 | 28.8 |

Costs for Fiscal 94 - 99 are actual costs from budget category statistical listing. Fiscal 94 - 99 units and feet from Underground Facilities Database.
2001 Feet/Unit established by dividing total footage for Fiscal 94 - 99 by total units for Fiscal 94 - 99.

## CAPITAL PROGRAM PROPOSAL YEAR 2001

DEPARTMENT: Distribution

DIVISION:

BUDGET CATEGORY: 52-24-2-02

[ ] ADDITION [X] REPLACEMENT

**PRIORITY:**

1 [X] SAFETY 3 [ ] ENFORCED RELOCATION 5 [ ] IMPROVED EFFICIENCY AND DISCRETIONARY

2 [ ] RELIABILITY 4 [ ] LOAD GROWTH

**DESCRIPTION OF PROPOSED PROJECT:** Renewal of 2" and larger services.

**LOCATION:** Unspecified.

**NEED FOR PROJECT:** To allow for renewals in conjunction with leaks, main replacements and other maintenance reasons.

To enlarge services to existing industrial, commercial and residential customers for increased load.

### ESTIMATE OF COST (In Thousands)

| | |
|---|---|
| PGW LABOR | $ 293 |
| MATERIAL | 244 |
| PURCHASED SERVICES | 137 |
| OTHER | 52 |
| PROJECT COST | $ 727 |
| ADMIN & GENERAL | |
| 13.5 % OF PROJECT | 98 |
| SUB TOTAL | $ 825 |
| AFUDC .11 % OF SUBTOTAL | 1 |
| TOTAL CAPITAL COST | $ 827 |

ESTIMATED BY: Distribution

DATE: 05/11/00

### MONTHLY EXPENDITURE FOR BUDGET YEAR (In Thousands)

| | |
|---|---|
| SEP | $ 68 |
| OCT | 69 |
| NOV | 69 |
| DEC | 69 |
| JAN | 69 |
| FEB | 69 |
| MAR | 69 |
| APR | 69 |
| MAY | 69 |
| JUN | 69 |
| JUL | 69 |
| AUG | 69 |
| TOTAL | $ 827 |

### ESTIMATED TIMING & EXPENDITURE SCHEDULE (In Thousands)

| | |
|---|---|
| BUDGET YEAR | $ 827 |
| FORECAST YEARS | |
| YEAR 1 | |
| YEAR 2 | |
| YEAR 3 | |
| TOTAL | $ 827 |

Brian C. Schenk Brian C Schenk
SUBMITTED BY DEPARTMENT MANAGER/DIRECTOR

5/12/00
APPROVED BY VICE PRESIDENT OR SENIOR VICE PRESIDENT

APPROVED BY EXECUTIVE VICE PRESIDENT & CHIEF OPER. OFFICER

APPROVED BY PRESIDENT AND CEO

Form M-6410 (Rev. 5/96)

FISCAL 2001

52-24-2-02 (D-24-R-2)

## 2" AND LARGER SERVICE ENLARGEMENTS AND REPLACEMENTS

Establish Cost/Unit Using Actual Costs from Fiscal 1995-99

Cost/Unit Less Administration and General Costs Escalated to Fiscal 1999

**((Cost/Unit) / (1 + A&G)) x (Esc. Factor) = Escalated Cost/Unit**

| | | | | ESCALATION TO FISCAL 1999 | | |
|---|---|---|---|---|---|---|
| Fiscal Year | Plastic Cost/Unit | Steel Cost/Unit | Admin. & Gen. | Esc. Factor | Plastic Cost/Unit | Steel Cost/Unit |
| 1995 | 9,111 | 25,979 | .120 | 1.111 | 9,041 | 25,778 |
| 1996 | 11,008 | 24,937 | .109 | 1.075 | 10,668 | 24,167 |
| 1997 | 6,086 | 7,271 | .137 | 1.044 | 5,591 | 6,679 |
| 1998 | 7,699 | 9,742 | .140 | 1.022 | 6,902 | 8,734 |
| 1999 | 8,605 | 52,448 | .142 | 1.000 | 7,535 | 45,927 |
| | | 5 year average, less A&G, escalated to 1999 | | | 7,947 | 22,257 |

| Plastic 5 year Avg. Cost/Unit | Steel 5 year Avg. Cost/Unit | Avg. AFUDC | ESCALATION TO FISCAL 2001 Esc. | Plastic Cost/Unit | Steel Cost/Unit |
|---|---|---|---|---|---|
| 7,947 | 22,257 | .020 | 1.044 | **$ 7,327** | **$ 22,801** |

2001 Capital Program

52-24-2-02 (D-24-R-2) - 2" and Larger Service Enlargements and Replacements

*Marketing's letter of March 15, 2000 gave the number of new services as:*

| | |
|---|---|
| New Dwelling Units | 176 |
| Existing Homes | 474 |
| Commercial | 245 |
| Industrial | 47 |
| | 942 |

Based on approved main and service estimates and FIR's for the five-year period of September 1, 1994 to August 31, 1998, of the forecast 650 residential services, 3 would be 2" and larger replacements. Of the forecast 245 routine commercial services, 49 would be 2" and larger replacements. Of the 47 *industrial services, 30 would be 2" and larger replacements.*

The total estimated number of new 2" and larger service replacements is:

| | Steel | Plastic | Total | % of Mktg Forecast |
|---|---|---|---|---|
| Residential | 0 | 3 | 3 | 0.5% |
| Commercial | 0 | 49 | 49 | 20.0% |
| Industrial | 1 | 12 | 13 | 27.7% |
| Prudent | 1 | 29 | 30 | - |
| SUB-TOTAL | 2 | 93 | 95 | |

| Category | Percentage | | Total Cost |
|---|---|---|---|
| **PGW Labor, % of Total* | 40.3% | = | 293,000 |
| Material, % of Total | 33.6% | = | 244,000 |
| Purchased Services, % of Total | 18.9% | = | 137,000 |
| Other, % of Total | 7.2% | = | 52,000 |
| | Project Cost | = | $726,000 |

*The above percentages were developed from actual capital spending for Fiscal 1996.

| | Units(1) | Cost/Unit | | Project Cost | A&G | AFUDC | | Sub Total |
|---|---|---|---|---|---|---|---|---|
| Plastic | 93 | 7,327 | $ | 681,445 | 91,995 | 1,801 | $ | 775,242 |
| Steel | 2 | 22,801 | $ | 45,602 | 6,156 | 121 | $ | 51,878 |
| Totals | 95 | | $ | 727,047 | 98,151 | 1,922 | $ | 827,120 |
| | | | $ | 727,000 | | | $ | 827,000 |

## 52-24-2-02:- 2" AND LARGER SERVICE ENLARGEMENTS AND REPLACEMENTS

| | 2001 (Estimate) | 2001 (Forecast) | 1998-99 (Program) | 1998-99 | 1997-98 | 1996-97 | 1995-96 | 1994-95 |
|---|---|---|---|---|---|---|---|---|
| COST: | | | | | | | | |
| 2" & LARGER PLASTIC | 775,000 | | 585,000 | 645,343 | 646,714 | 462,524 | 825,605 | 783,587 |
| 2" & LARGER STEEL | 52,000 | | 18,000 | 104,897 | 48,712 | 72,705 | 149,622 | 337,726 |
| TOTAL | 827,000 | 1,444,000 | 603,000 | 750,239 | 695,426 | 535,229 | 975,227 | 1,121,313 |
| FEET: | | | | | | | | |
| 2" & LARGER PLASTIC | 4,357 | | 2,816 | 3,600 | 3,936 | 3,352 | 3,534 | 3,804 |
| 2" & LARGER STEEL | 145 | | 72 | 125 | 235 | 317 | 1,007 | 811 |
| TOTAL | 4,502 | | 2,888 | 3,725 | 4,171 | 3,669 | 4,541 | 4,615 |
| COST/FOOT: | | | | | | | | |
| 2" & LARGER PLASTIC | $ 177.86 | | $ 207.74 | $ 179 | $ 164.32 | $ 137.98 | $ 233.62 | $ 205.99 |
| 2" & LARGER STEEL | $ 358.63 | | $ 250.00 | $ 839 | $ 207.10 | $ 229.35 | $ 148.58 | $ 416.43 |
| TOTAL | $ 183.68 | | $ 208.80 | $ 201 | $ 166.73 | $ 145.88 | $ 214.76 | $ 242.97 |
| UNITS: | | | | | | | | |
| 2" & LARGER PLASTIC | 93 | | 60 | 75 | 84 | 76 | 75 | 86 |
| 2" & LARGER STEEL | 2 | | 1 | 2 | 5 | 10 | 6 | 13 |
| TOTAL | 95 | | 61 | 77 | 89 | 86 | 81 | 99 |
| COST/UNIT: | | | | | | | | |
| 2" & LARGER PLASTIC | $ 8,333 | | $ 9,750 | $ 8,605 | $ 7,699 | $ 6,086 | $ 11,008 | $ 9,111 |
| 2" & LARGER STEEL | $ 26,000 | | $ 18,000 | $ 52,448 | $ 9,742 | $ 7,271 | $ 24,937 | $ 25,979 |
| TOTAL | $ 8,705 | | $ 9,885 | $ 9,743 | $ 7,814 | $ 6,224 | $ 12,040 | $ 11,326 |
| FEET/UNIT: | | | | | | | | |
| 2" & LARGER PLASTIC | 46.9 | | 46.9 | 48.0 | 46.9 | 44.1 | 47.1 | 44.2 |
| 2" & LARGER STEEL | 72.5 | | 72.5 | 62.5 | 47.0 | 31.7 | 167.8 | 62.4 |
| TOTAL | 48.9 | | 48.9 | 48.4 | 46.9 | 42.7 | 56.1 | 46.6 |

Costs for Fiscal 95 - 99 are actual costs from budget category statistical listing. Fiscal 95 - 99 units and feet from Underground Facilities Database.

2001 Feet/Unit established by dividing total footage for Fiscal 94-99 by total units for Fiscal 94-99.

**CAPITAL PROGRAM PROPOSAL YEAR 2001**

[X] ADDITION [ ] REPLACEMENT

DEPARTMENT: Distribution

DIVISION:

BUDGET CATEGORY: 52-29-1-01

**PRIORITY:**

1 [ ] SAFETY 3 [ ] ENFORCED RELOCATION 5 [X] IMPROVED EFFICIENCY AND DISCRETIONARY

2 [ ] RELIABILITY 4 [ ] LOAD GROWTH

**DESCRIPTION OF PROPOSED PROJECT:** Purchase of tools and equipment.

**LOCATION:** Unspecified.

**NEED FOR PROJECT:** To increase efficiency through reduced labor costs, to create safer work environment, and to improve public relations.

**ESTIMATE OF COST (In Thousands)**

| | |
|---|---|
| PGW LABOR | $ |
| MATERIAL | 176 |
| PURCHASED SERVICES | |
| OTHER | |
| PROJECT COST | $ 176 |
| ADMIN & GENERAL | |
| 13.5 % OF PROJECT | 24 |
| SUB TOTAL | $ 200 |
| AFUDC .00 % OF SUBTOTAL | |
| TOTAL CAPITAL COST | $ 200 |

ESTIMATED BY: Distribution

DATE: 05/11/00

**MONTHLY EXPENDITURE FOR BUDGET YEAR (In Thousands)**

| | |
|---|---|
| SEP | $ 16 |
| OCT | 16 |
| NOV | 16 |
| DEC | 16 |
| JAN | 17 |
| FEB | 17 |
| MAR | 17 |
| APR | 17 |
| MAY | 17 |
| JUN | 17 |
| JUL | 17 |
| AUG | 17 |
| TOTAL | $ 200 |

**ESTIMATED TIMING & EXPENDITURE SCHEDULE (In Thousands)**

| | |
|---|---|
| BUDGET YEAR | $ 200 |
| FORECAST YEARS | |
| YEAR 1 | |
| YEAR 2 | |
| YEAR 3 | |
| TOTAL | $ 200 |

Brian C. Schenk
SUBMITTED BY DEPARTMENT MANAGER/DIRECTOR

5/12/00
APPROVED BY VICE PRESIDENT OR SENIOR VICE PRESIDENT

APPROVED BY EXECUTIVE VICE PRESIDENT & CHIEF OPER. OFFICER

APPROVED BY PRESIDENT AND CEO

Form M-6410 (Rev. 5/96)

**Fiscal 2001**

**52-29-1-01 TO PROVIDE FOR THE PURCHASE OF NEW TOOLS AND WORK EQUIPMENT**

| | | | | | |
|---|---|---|---|---|---|
| Project Cost | | | | = | $176,000 |
| Material, % of Total | 100.0% | x | 176,000 | = | 176,000 |
| Project Cost | | | | = | 176,000 |
| Adm. & Gen. | 13.50% | x | 176,000 | = | 24,000 |
| | *Total Estimate* | | | = | **$200,000** |

05/16/2000
52-29-1-01
FYCapital2001.xls

**52-29-1-01 (D-29-A-1) TO PROVIDE FOR THE PURCHASE OF NEW TOOLS AND WORK EQUIPMENT**

| Fiscal Year | Program Amount | Work Ordered Amount |
|---|---|---|
| 1987-1988 | 42,000 | 42,000 |
| 1988-1989 | 44,000 | 41,000 |
| 1989-1990 | 47,000 | 43,200 |
| 1990-1991 | 49,000 | 49,000 |
| 1991-1992 | 52,000 | 50,500 |
| 1992-1993 | 54,000 | 72,100 |
| 1993-1994 | 57,000 | 57,000 |
| 1994-1995 | 59,000 | 15,000 |
| 1995-1996 | 30,000 | 30,000 |
| 1996-1997 | 65,000 | 225,000 |
| 1997-1998 | 200,000 | 200,000 |
| 1998-1999 | 200,000 | 178,973 |
| 1999-2000 | 200,000 | |
| 2000 - 2001 (Forecast) | 200,000 | |
| 2000 - 2001 (Estimate) | 200,000 | |

**CAPITAL PROGRAM PROPOSAL YEAR 2001**

☐ ADDITION ☒ REPLACEMENT

DEPARTMENT
DIVISION
BUDGET CATEGORY

PRIORITY:
1 ☐ SAFETY 3 ☐ ENFORCED RELOCATION 5 ☒ IMPROVE EFFICIENCY AND DISCRETIONARY
2 ☐ RELIABILITY 4 ☐ LOAD GROWTH

**DESCRIPTION OF PROPOSED PROJECT:** GIS Development

**LOCATION:** 800 W. Montgomery Ave.

**NEED FOR PROJECT:** Development of a database linked to the electronic map lanbase for each segment of pipe in the street distribution system.

**ESTIMATE OF COST (In Thousands)**

| | | |
|---|---|---|
| PGW LABOR | $ | 616 |
| MATERIAL | | |
| PURCHASED SERVICES | | |
| OTHER | | 90 |
| PROJECT COST | $ | 706 |
| ADMIN & GENERAL | | |
| 13.5 % OF PROJECT | | 94 |
| SUB TOTAL | $ | 800 |
| AFUDC ____ % OF SUBTOTAL | | |
| TOTAL CAPITAL COST | $ | 800 |

ESTIMATED BY: Engineering Services

DATE: April 18, 2000

**MONTHLY EXPENDITURE FOR BUDGET YEAR (In Thousands)**

| | |
|---|---|
| SEP | 35 |
| OCT | 35 |
| NOV | 55 |
| DEC | 55 |
| JAN | 85 |
| FEB | 85 |
| MAR | 85 |
| APR | 85 |
| MAY | 65 |
| JUN | 65 |
| JUL | 75 |
| AUG | 75 |
| TOTAL | $ 800 |

**ESTIMATED TIMING & EXPENDITURE SCHEDULE (In Thousands)**

| | |
|---|---|
| BUDGET YEAR | $ 800 |
| FORECAST YEARS | |
| YEAR 1 | |
| YEAR 2 | |
| YEAR 3 | |
| TOTAL | $ 800 |

SUBMITTED BY DEPARTMENT DIRECTOR

APPROVED BY VICE PRESIDENT

5/10/00

APPROVED BY SENIOR VICE PRESIDENT

Form M-6410 (Rev. 12/95)

# GIS DEVELOPMENT

***2001 CAPITAL FORECAST / BUDGET***
***ENGINEER: RMS***

***DATE: 03 Mar 2000***
***ESTIMATOR: RMS***

**PERCENTAGE===>** **5.59**

| DESCRIPTION | | | MATERIAL | LABOR | SUB-CONTRACT | OTHER | TOTAL |
|---|---|---|---|---|---|---|---|
| CONTRACT | | | - | 616,000 | - | | $ 616,000 |
| ENGINEERING | | | | | | - | - |
| CONSTRUCTION | | | | | | - | - |
| CONTINGENCY | 10.00 | PERCENT | | | | 61,600 | 61,600 |
| ESCALATION | 2.50 | PERCENT | | | | 16,940 | 16,940 |
| A.F.U.D.C. | 8.00 | MONTH(S) | | | | 12,942 | 12,942 |
| A.+G. | 13.50 | PERCENT | | | | 93,763 | 93,763 |
| | | TOTAL | $ - | $ 616,000 | $ - | $ 185,245 | $ 801,245 |

USE===> $ 800,000

# GIS DEVELOPMENT

***2001 CAPITAL FORECAST / BUDGET*** ***DATE: 03 Mar 2000***
***ENGINEER: RMS*** ***ESTIMATOR: RMS***

| SECTION | HOURS | RATE | COST | PCT OF TOTAL |
|---|---|---|---|---|
| DESIGN | | $40.00 | $0 | 0.00% |
| ESTIMATING | | $40.00 | $0 | 0.00% |
| FIELD ENG'G | | $40.00 | $0 | 0.00% |
| DRAFTING | | $40.00 | $0 | 0.00% |
| ENVIR. AFF | | $40.00 | $0 | 0.00% |
| SPREAD @ 39% | 0 | $40.00 | $0 | 0.00% |
| TESTING / X-RAYS | | | $0 | 0.00% |
| CONSULTANTS | | | $0 | 0.00% |
| ENG'G TO DATE | | | $0 | 0.00% |
| TOTAL | 0 | | $0 | 0.00% |

USE===> $0

# GIS DEVELOPMENT

***2001 CAPITAL FORECAST / BUDGET***
***ENGINEER: RMS***

***DATE: 03 Mar 2000***
***ESTIMATOR: RMS***

| | | | MATERIAL | | LABOR | | | | SUB-CONTRACT | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| DESCRIPTION | QTY | UNIT | MATERIAL UNIT COST | AMOUNT | MANHOUR UNIT | TOTAL HOURS | LABOR RATE | AMOUNT | SUB-CONTR UNIT COST | AMOUNT | TOTAL |
| Identification of Map Attributes | 6100 | Maps | | - | | 4,000.00 | 40.00 | 160,000 | | - | 160,000 |
| Data Entry Into Database | 6100 | Maps | | - | | 4,000.00 | 40.00 | 160,000 | | - | 160,000 |
| Linking Datbase To Maps | 6100 | Maps | | - | | 6,000.00 | 40.00 | 240,000 | | - | 240,000 |
| | | | | - | | - | | - | | - | - |
| | | | | - | | - | | - | | - | - |
| | | | | - | | - | | - | | - | - |
| | | | | - | | - | | - | | - | - |
| | | | | - | | - | | - | | - | - |
| | | | | - | | - | | - | | - | - |
| | | | | - | | - | | - | | - | - |
| | | | | - | | - | | - | | - | - |
| | | | | - | | - | | - | | - | - |
| | | | | - | | - | | - | | - | - |
| | | | | - | | - | | - | | - | - |
| | | | | - | | - | | - | | - | - |
| | | | | - | | - | | - | | - | - |
| | | | | - | | - | | - | | - | - |
| | | | | - | | - | | - | | - | - |
| | | | | - | | - | | - | | - | - |

**CAPITAL PROGRAM PROPOSAL YEAR 2001**

DEPARTMENT: Distribution

DIVISION:

BUDGET CATEGORY: 52-29-2-01

[ ] ADDITION [X] REPLACEMENT

**PRIORITY:**

1 [ ] SAFETY
2 [X] RELIABILITY
3 [ ] ENFORCED RELOCATION
4 [ ] LOAD GROWTH
5 [ ] IMPROVED EFFICIENCY AND DISCRETIONARY

**DESCRIPTION OF PROPOSED PROJECT:** Replacement of worn and obsolete tools and equipment.

**LOCATION:** Unspecified.

**NEED FOR PROJECT:** To replace unusable work equipment.

**ESTIMATE OF COST (In Thousands)**

| | |
|---|---|
| PGW LABOR | $ |
| MATERIAL | 176 |
| PURCHASED SERVICES | |
| OTHER | |
| PROJECT COST | $ 176 |
| ADMIN & GENERAL | |
| 13.5 % OF PROJECT | 24 |
| SUB TOTAL | $ 200 |
| AFUDC .00 % OF SUBTOTAL | |
| TOTAL CAPITAL COST | $ 200 |

ESTIMATED BY: Distribution

DATE: 05/11/00

**MONTHLY EXPENDITURE FOR BUDGET YEAR (In Thousands)**

| | |
|---|---|
| SEP | $ 16 |
| OCT | 16 |
| NOV | 16 |
| DEC | 16 |
| JAN | 17 |
| FEB | 17 |
| MAR | 17 |
| APR | 17 |
| MAY | 17 |
| JUN | 17 |
| JUL | 17 |
| AUG | 17 |
| TOTAL | $ 200 |

**ESTIMATED TIMING & EXPENDITURE SCHEDULE (In Thousands)**

| | |
|---|---|
| BUDGET YEAR | $ 200 |
| FORECAST YEARS | |
| YEAR 1 | |
| YEAR 2 | |
| YEAR 3 | |
| TOTAL | $ 200 |

Brian C. Schenk Brian C. Schenk
SUBMITTED BY DEPARTMENT MANAGER/DIRECTOR

5/12/00
APPROVED BY VICE PRESIDENT OR SENIOR VICE PRESIDENT

APPROVED BY EXECUTIVE VICE RESIDENT & CHIEF OPER. OFFICER

PPROVED BY PRESIDENT AND CEO

Form M-6410 (Rev. 5/96)

**Fiscal 2001**

**52-29-2-01 REPLACE WORN AND OBSOLETE TOOLS AND WORK EQUIPMENT**

| | | | | | |
|---|---|---|---|---|---|
| Project Cost | | | | = | $176,000 |
| Material, % of Total | 100.0% | x | 176,000 | = | 176,000 |
| Project Cost | | | | = | 176,000 |
| Adm. & Gen. | 13.50% | x | 176,000 | = | 24,000 |
| | Total Estimate | | | = | **$200,000** |

05/16/2000
52-29-2-01
FYCapital2001.xls

## 52-29-2-01 (D-29-R-1) TO REPLACE WORN AND OBSOLETE TOOLS AND WORK EQUIPMENT

| Fiscal Year | Program Amount * | Work Ordered Amount ** |
|---|---|---|
| 1987-1988 | 166,000 | 166,000 |
| 1988-1989 | 165,000 | 128,000 |
| 1989-1990 | 166,000 | 127,700 |
| 1990-1991 | 178,000 | 165,000 |
| 1991-1992 | 178,000 | 92,400 |
| 1992-1993 | 167,000 | 115,510 |
| 1993-1994 | 169,000 | 165,000 |
| 1994-1995 | 162,000 | 78,200 |
| 1995-1996 | 100,000 | 188,500 |
| 1996-1997 | 200,000 | 366,000 |
| 1997-1998 | 206,000 | 256,000 |
| 1998-1999 | 200,000 | 42,251 |
| 1999-2000 | 200,000 | |
| 2000-2001 (Forecast) | 204,000 | |
| 2000-2001 (Estimate) | 200,000 | |

| CAPITAL PROGRAM PROPOSAL YEAR 2001 | DEPARTMENT FIELD SERVICES |
|---|---|
| | DIVISION SERVICE |
| ADDITION [X] REPLACEMENT [ ] | BUDGET CATEGORY C-30 A-1 (50-30-1-01) |

DESCRIPTION OF PROPOSED PROJECT:

Purchase and installation of various meter sizes and their connections for new customers.

LOCATION: Various customer premises.

REASON:

[ ] SAFETY [ ] ENFORCED RELOCATION

[ ] RELIABILITY [X] LOAD GROWTH [ ] IMPROVED EFFICIENCY AND DISCRETIONARY

NEED FOR PROJECT: Supply new customers with natural gas service. Also, increase or decrease the size of meter installations caused by changes in consumption.

The number of new meter installations is estimated at 1,600.

| ESTIMATE OF COST (In Thousands) | |
|---|---|
| PGW LABOR | $ 1,020 |
| MATERIAL | 605 |
| PURCHASED SERVICES | |
| OTHER | |
| PROJECT COST | $ 1,625 |
| ADMIN & GENERAL | |
| 13.5 % OF PROJECT | 215 |
| SUB TOTAL | $ 1,840 |
| AFUDC * % OF SUBTOTAL | 2 |
| TOTAL CAPITAL COST | $ 1,842 |

| MONTHLY EXPENDITURE FOR BUDGET YEAR (In Thousands) | |
|---|---|
| SEP | $ 169 |
| OCT | 154 |
| NOV | 137 |
| DEC | 135 |
| JAN | 132 |
| FEB | 127 |
| MAR | 140 |
| APR | 169 |
| MAY | 181 |
| JUN | 167 |
| JUL | 166 |
| AUG | 165 |
| TOTAL | $ 1,842 |

| ESTIMATED TIMING & EXPENDITURE SCHEDULE (In Thousands) | |
|---|---|
| BUDGET YEAR | $ 1,842 |
| FORECAST YEARS | |
| YEAR 1 | |
| YEAR 2 | |
| YEAR 3 | |
| TOTAL | $ 1,842 |

SUBMITTED BY DEPARTMENT MANAGER

APPROVED BY VICE PRESIDENT 5/10/00

APPROVED BY EXECUTIVE VICE PRESIDENT & CHIEF OPER. OFFICER

APPROVED BY PRESIDENT & CEO

ESTIMATED BY: FSD

DATE: May 4, 2000

* MINIMAL AFUDC CHARGES ARE ACCUMULATED FOR METER INSTALLATIONS.

(C-30 A-1) METER ADDITIONS

50-30-1-01

| | Actual 1996 | Actual 1997 | Actual 1998 | Actual 1999 | Estimated Actual 2000 | Budget 2001 |
|---|---|---|---|---|---|---|
| Units Installed | 1,729 | 1,693 | 1,951 | 1,481 | 1,600 | 1,600 |
| Installation Cost Per Unit | $621.68 | $590.59 | $664.19 | $684.11 | $709.38 | $723.56 |
| Meter Installation Cost | $1,074,889 | $999,861 | $1,295,825 | $1,013,254 | $1,135,000 | $1,157,000 |
| Meters Purchased | 382 | 1,949 | 2,010 | 10 | 1,665 | 1,600 |
| Cost Per Meter | $854.62 | $255.51 | $145.11 | $3,260.70 | $424.62 | $428.13 |
| Meter Cost | $326,466 | $497,993 | $291,674 | $32,607 | $707,000 | $685,000 |
| TOTAL | $1,401,355 | $1,497,854 | $1,587,499 | $1,045,861 | $1,842,000 | $1,842,000 |

| | Forecast Estimate 2002 | Forecast Estimate 2003 | Forecast Estimate 2004 | Forecast Estimate 2005 | Forecast Estimate 2006 | Forecast Total |
|---|---|---|---|---|---|---|
| Units Installed | 1,700 | 1,700 | 1,700 | 1,700 | 1,700 | 8,500 |
| Installation Cost Per Unit | $741.65 | $760.19 | $779.20 | $798.68 | $818.64 | $779.67 |
| Meter Installation Cost | $1,260,805 | $1,292,325 | $1,324,633 | $1,357,749 | $1,391,693 | $6,627,205 |
| Meters Purchased | 1,700 | 1,700 | 1,700 | 1,700 | 1,700 | 8,500 |
| Cost Per Meter | $438.83 | $449.80 | $461.05 | $472.58 | $484.39 | $461.33 |
| Meter Cost | $746,011 | $764,660 | $783,785 | $803,386 | $823,463 | $3,921,305 |
| TOTAL | $2,006,816 | $2,056,985 | $2,108,418 | $2,161,135 | $2,215,156 | $10,548,510 |
| Rounded Forecast | $2,007,000 | $2,057,000 | $2,109,000 | $2,161,000 | $2,215,000 | $10,549,000 |

**FY 2001**
**CAPITAL BUDGET**
**C-30 ADDITIONS**

| | | NUMBER | | UNIT | | TOTAL |
|---|---|---|---|---|---|---|
| | | PURCHASED | | COST | | COST |
| METER CLASS | | | | | | |
| L-250TC | | 1000 | | $49.20 | | $49,200 |
| L-425 | | 125 | | 141.69 | | $17,711 |
| L-630 | | 50 | | 310.00 | | $15,500 |
| | | | | | | |
| ROTARIES | | | | | | |
| 1M | | 175 | | 849.28 | | $148,624 |
| 2M | | 75 | | 915.71 | | $68,678 |
| 3M | | 60 | | 930.02 | | $55,801 |
| 5M | | 50 | | 1,194.72 | | $59,736 |
| 7M | | 15 | | 1,528.91 | | $22,934 |
| 11M | | 15 | | 1,757.84 | | |
| 16M | | 15 | | 2,394.55 | | $35,918 |
| | | | | | | |
| TURBINE | | | | | | |
| 4" TBO | | 5 | | 2,013.00 | | |
| 6" TBO | | 5 | | 2,385.00 | | $11,925 |
| 8" TBO | | 5 | | 3,792.00 | | $18,960 |
| 12" TBO | | 5 | | 10,721.00 | | $53,605 |
| | | | | | | |
| sub-total | | 1,600 | | | | $558,593 |
| | | | | | | |
| CORRECTING DEVICES | | 25 | | 1,855.00 | | $46,375 |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | TOTAL COST | | | $604,968 |
| | | | A & G | | | 80,032 |
| | | | | | | |
| | | | GRAND TOTAL | | | $685,000 |

**FY 2000 ESTIMATED-ACTUAL**
**CAPITAL BUDGET**
**C-30 ADDITIONS**

| | | NUMBER | | UNIT | | TOTAL |
|---|---|---|---|---|---|---|
| | | PURCHASED | | COST | | COST |
| METER CLASS | | | | | | |
| L-250TC | | 1000 | | $48 | | $48,000 |
| L-425 | | 125 | | 140.00 | | $17,500 |
| L-630 | | 50 | | 310.00 | | $15,500 |
| | | | | | | |
| ROTARIES | | | | | | |
| 1M | | 200 | | 888.00 | | $177,600 |
| 1.5M | | 20 | | 898.00 | | $17,960 |
| 2M | | 100 | | 948.00 | | $94,800 |
| 3M | | 60 | | 966.00 | | $57,960 |
| 5M | | 25 | | 1,150.00 | | $28,750 |
| 7M | | 15 | | 1,496.00 | | $22,440 |
| 11M | | 30 | | 1,764.00 | | $52,920 |
| 16M | | 15 | | 2,370.00 | | $35,550 |
| | | | | | | |
| TURBINE | | | | | | |
| 4" TBO | | | | | | |
| 6" TBO | | | | | | $0 |
| | | | | | | |
| CORRECTING DEVICES | | 25 | | 1,855.00 | | $46,375 |
| | | | | | | |
| sub-total | | 1665 | | | | $615,355 |
| | | | | | | |
| | | | | | | |
| | | | A & G | | | 91,645 |
| | | | | | | |
| | | | TOTAL COST | | | $707,000 |

**FY 1999-ACTUAL**
**CAPITAL BUDGET**
**C-30 ADDITIONS**

50-30-1-01

| | | NUMBER | | UNIT | | TOTAL |
|---|---|---|---|---|---|---|
| | | PURCHASED | | COST | | COST |
| METER CLASS | | | | | | |
| L-250 | | 0 | | $46.90 | | $0 |
| L-250 | | 0 | | $44.50 | | $0 |
| L-425 | | 0 | | $139.00 | | $0 |
| L-800 | | 0 | | $1,236.00 | | $0 |
| | | | | | | |
| ROTARIES | | | | | | |
| 1M | | 0 | | $830.00 | | $0 |
| 1M | | 0 | | $872.00 | | $0 |
| 1.5M | | 0 | | $844.00 | | $0 |
| 2M | | 0 | | $896.00 | | $0 |
| 3M | | 0 | | $910.00 | | $0 |
| 3M | | 0 | | $956.00 | | $0 |
| 5M | | 0 | | $1,167.00 | | $0 |
| 7M | | | | | | |
| 11M | | | | | | |
| 16M | | | | | | |
| | | | | | | |
| TURBINE | | | | | | |
| 4" TBO | | | | $3,503.00 | | $0 |
| 6" TBO | | 6 | | $2,370.00 | | $14,220 |
| 8" TBO | | 4 | | $3,503.00 | | $14,012 |
| 12" TBO | | | | | | |
| | | | | | | |
| Sub-total | | 10 | | | | 28,232 |
| | | | | | | |
| | | | | | | |
| | | | A & G | | | 4,375 |
| | | | | | | |
| | | | GRAND TOTAL | | | $32,607 |

| CAPITAL PROGRAM PROPOSAL YEAR 2001 | DEPARTMENT FIELD SERVICES |
|---|---|
| | DIVISION SERVICE |
| ADDITION [ ] REPLACEMENT [X] | BUDGET CATEGORY C-30 R-1 (50-30-2-01) |

DESCRIPTION OF PROPOSED PROJECT:

Purchase 8,550 meters to primarily support the activities of the residential Automatic Meter Reading Program which has a forecast of 20,076 installed units.

LOCATION: Various customer premises.

REASON:

[X] SAFETY [ ] ENFORCED RELOCATION

[ ] RELIABILITY [ ] LOAD GROWTH [ ] IMPROVED EFFICIENCY AND DISCRETIONARY

NEED FOR PROJECT: To replace environmentally irreparable meters.

| ESTIMATE OF COST (In Thousands) | | MONTHLY EXPENDITURE FOR BUDGET YEAR (In Thousands) | | ESTIMATED TIMING & EXPENDITURE SCHEDULE (In Thousands) | |
|---|---|---|---|---|---|
| PGW LABOR | $ | | | BUDGET YEAR | $ 1,196 |
| MATERIAL | 1,054 | | | FORECAST YEARS | |
| PURCHASED SERVICES | | SEP | $ 100 | YEAR 1 | |
| OTHER | | OCT | 105 | YEAR 2 | |
| PROJECT COST | $ 1,054 | NOV | 111 | YEAR 3 | |
| ADMIN & GENERAL | | DEC | 104 | TOTAL | $ 1,196 |
| 13.5 % OF PROJECT | 142 | JAN | 92 | | |
| SUB TOTAL | $ 1,196 | FEB | 87 | | |
| | | MAR | 91 | | |
| AFUDC * % OF SUBTOTAL | | APR | 106 | | |
| TOTAL CAPITAL COST | $ 1,196 | MAY | 105 | | |
| | | JUN | 98 | | |
| | | JUL | 94 | | |
| ESTIMATED BY: FSD | | AUG | 103 | | |
| DATE: April 27, 2000 | | TOTAL | $ 1,196 | | |

SUBMITTED BY DEPARTMENT MANAGER

APPROVED BY VICE PRESIDENT 5/10/00

APPROVED BY EXECUTIVE VICE PRESIDENT & CHIEF OPER. OFFICER

APPROVED BY PRESIDENT & CEO

(C-30 R-1) METER REPLACEMENTS
50-30-2-01



| | Actual 1996 | Actual 1997 | Actual 1998 | Actual 1999 | Estimated Actual 2000 | Budget 2001 |
|---|---|---|---|---|---|---|
| Meters Purchased | 40,442 | 9,947 | 26,150 | 14,466 | 12,957 | 8,550 |
| Cost Per Meter | $54.06 | $89.13 | $53.60 | $69.86 | $76.64 | $139.88 |
| Total Cost | $2,186,197 | $886,541 | $1,401,694 | $1,010,540 | $993,000 | $1,196,000 |

| | Forecast Estimate 2002 | Forecast Estimate 2003 | Forecast Estimate 2004 | Forecast Estimate 2005 | Forecast Estimate 2006 | Forecast Total |
|---|---|---|---|---|---|---|
| Meters Purchased | 7,500 | 7,500 | 7,500 | 7,500 | 7,500 | 37,500 |
| Cost Per Meter | $142.54 | $145.25 | $148.01 | $150.82 | $153.69 | $148.06 |
| Total Cost | $1,069,050 | $1,089,375 | $1,110,075 | $1,131,150 | $1,152,675 | $5,552,325 |
| Rounded Forecast | $1,069,000 | $1,089,000 | $1,110,000 | $1,131,000 | $1,153,000 | $5,552,000 |

**FY 2001**
**CAPITAL BUDGET**
**C-30 REPLACEMENTS**

50-30-2-01

| | | NUMBER | | UNIT | | TOTAL |
|---|---|---|---|---|---|---|
| | | PURCHASED | | COST | | COST |
| METER CLASS | | | | | | |
| L-250 | | 7,500 | | $46.95 | | $352,125 |
| L-425 | | 300 | | 141.69 | | 42,507.00 |
| L-630 | | 200 | | 310.00 | | 62,000.00 |
| | | | | | | |
| ROTARIES | | | | | | |
| 1M | | 250 | | 849.28 | | 212,320.50 |
| 2M | | 120 | | 915.71 | | 109,885.44 |
| 3M | | 50 | | 930.02 | | 46,501.00 |
| 5M | | 25 | | 1,194.72 | | 29,867.95 |
| 7M | | 20 | | 1,528.91 | | 30,578.24 |
| 11M | | 30 | | 1,757.84 | | 52,735.20 |
| 16M | | 25 | | 2,394.55 | | 59,863.65 |
| | | | | | | |
| TURBINE | | | | | | |
| 4" TBO | | | | | | |
| 6" TBO | | | | | | |
| | | | | | | |
| CORRECTING DEVICES | | 30 | | 1,855.00 | | 55,650 |
| | | | | | | |
| Sub-total | | 8,550 | | | | 1,054,034 |
| | | | | | | |
| | | | | | | |
| | | | A & G | | | 141,966 |
| | | | | | | |
| | | | TOTAL COST | | | $1,196,000 |

**FY 2000 ESTIMATED-ACTUAL**
**CAPITAL BUDGET**
**C-30 REPLACEMENTS**

50-30-2-01

| | | NUMBER | | UNIT | | TOTAL |
|---|---|---|---|---|---|---|
| | | PURCHASED | | COST | | COST |
| METER CLASS | | | | | | |
| L-250 | | 12,500 | | $46.95 | | $586,875 |
| L-425 | | 125 | | 140.00 | | 17,500.00 |
| L-630 | | 150 | | 310.00 | | 46,500.00 |
| | | | | | | |
| ROTARIES | | | | | | |
| 1M | | 75 | | 888.00 | | 66,600.00 |
| 1.5M | | 14 | | 898.00 | | 12,572.00 |
| 2M | | 20 | | 948.00 | | 18,960.00 |
| 3M | | 14 | | 966.00 | | 13,524.00 |
| 5M | | 10 | | 1,150.00 | | 11,500.00 |
| 7M | | 7 | | 1,496.00 | | 10,472.00 |
| 11M | | 7 | | 1,764.00 | | 12,348.00 |
| 16M | | 5 | | 2,370.00 | | 11,850.00 |
| | | | | | | |
| TURBINE | | | | | | |
| 4" TBO | | 0 | | $3,503.00 | | $0 |
| 6" TBO | | 0 | | $2,370.00 | | $0 |
| | | | | | | |
| CORRECTING DEVICES | | 30 | | $1,855.00 | | $55,650 |
| | | | | | | |
| Sub-total | | 12,957 | | | | 864,351 |
| | | | | | | |
| | | | | | | |
| | | | A & G | | | 128,649 |
| | | | | | | |
| | | | GRAND TOTAL | | | $993,000 |

**FY 1999-ACTUAL**
**CAPITAL BUDGET**
**C-30 REPLACEMENTS**

50-30-2-01

| | | NUMBER | | UNIT | | TOTAL |
|---|---|---|---|---|---|---|
| | | PURCHASED | | COST | | COST |
| METER CLASS | | | | | | |
| L-250 | | 6,000 | | $46.90 | | $281,400 |
| L-250 | | 8,100 | | $44.50 | | $360,450 |
| L-425 | | 125 | | $139.00 | | $17,375 |
| L-800 | | 25 | | $1,236.00 | | $30,900 |
| | | | | | | |
| ROTARIES | | | | | | |
| 1M | | 96 | | $830.00 | | $79,680 |
| 1M | | 50 | | $872.00 | | $43,600 |
| 1.5M | | 15 | | $844.00 | | $12,660 |
| 2M | | 15 | | $896.00 | | $13,440 |
| 3M | | 15 | | $910.00 | | $13,650 |
| 3M | | 15 | | $956.00 | | $14,340 |
| 5M | | 10 | | $1,167.00 | | $11,670 |
| 7M | | | | | | |
| 11M | | | | | | |
| 16M | | | | | | |
| | | | | | | |
| TURBINE | | | | | | |
| 4" TBO | | 0 | | $3,503.00 | | $0 |
| 6" TBO | | 0 | | $2,370.00 | | $0 |
| 8" TBO | | | | | | |
| 12" TBO | | | | | | |
| | | | | | | |
| Sub-total | | 14,466 | | | | 879,165 |
| | | | | | | |
| | | | | | | |
| | | | A & G | | | 131,375 |
| | | | | | | |
| | | | GRAND TOTAL | | | $1,010,540 |

| CAPITAL PROGRAM PROPOSAL YEAR 2001 | DEPARTMENT FIELD SERVICES |
|---|---|
| | DIVISION SERVICE |
| ADDITION [X] REPLACEMENT [ ] | BUDGET CATEGORY C-32 A-1 (50-32-1-01) |

DESCRIPTION OF PROPOSED PROJECT:

Purchase and install (175) various gas regulator sizes.

LOCATION: Various customer premises.

REASON:

[ ] SAFETY [ ] ENFORCED RELOCATION

[ ] RELIABILITY [X] LOAD GROWTH [ ] IMPROVED EFFICIENCY AND DISCRETIONARY

NEED FOR PROJECT: Supply new customers with regulated natural gas service off high pressure mains. Also, increase or decrease regulator sizes caused by changes in gas consumption.

| ESTIMATE OF COST (In Thousands) | | MONTHLY EXPENDITURE FOR BUDGET YEAR (In Thousands) | | ESTIMATED TIMING & EXPENDITURE SCHEDULE (In Thousands) | |
|---|---|---|---|---|---|
| PGW LABOR | $ 58 | | | BUDGET YEAR | $ 80 |
| MATERIAL | 13 | | | FORECAST YEARS | |
| | | SEP | $ 8 | YEAR 1 | |
| PURCHASED SERVICES | | | | YEAR 2 | |
| | | OCT | 6 | | |
| OTHER | | | | YEAR 3 | |
| | | NOV | 3 | | |
| PROJECT COST | $ 71 | DEC | 3 | TOTAL | $ 80 |
| ADMIN & GENERAL | | | | | |
| | | JAN | 3 | | |
| 13.5 % OF PROJECT | 8 | | | | |
| | | FEB | 6 | | |
| SUB TOTAL | $ 79 | | | | |
| | | MAR | 6 | | |
| AFUDC * % OF SUBTOTAL | 1 | APR | 6 | | |
| TOTAL CAPITAL COST | $ 80 | MAY | 9 | | |
| | | JUN | 10 | | |
| | | JUL | 10 | | |
| ESTIMATED BY: FSD | | AUG | 10 | | |
| DATE: April 27, 2000 | | TOTAL | $ 80 | | |

SUBMITTED BY DEPARTMENT MANAGER

APPROVED BY VICE PRESIDENT 5/10/00

APPROVED BY EXECUTIVE VICE PRESIDENT & CHIEF OPER. OFFICER

APPROVED BY PRESIDENT & CEO

* MINIMAL AFUDC CHARGES ARE ACCUMULATED FOR METER INSTALLATIONS.

C-32 A-1 REGULATOR ADDITIONS

50-32-1-01



| | Actual 1996 | Actual 1997 | Actual 1998 | Actual 1999 | Estimated Actual 2000 | Budget 2001 |
|---|---|---|---|---|---|---|
| Units Installed | 175 | 126 | 243 | 221 | 175 | 175 |
| Cost Per Unit Installed | $363.71 | $356.93 | $925.80 | $506.71 | $365.71 | $374.86 |
| Regulator Install. Cost | $63,649 | $44,973 | $224,969 | $111,982 | $64,000 | $65,000 |
| Regulators Purchased | - | 12 | 0 | 0 | 175 | 175 |
| Cost Per Regulator | - | $155.58 | $0.00 | $0.00 | $85.71 | $85.71 |
| Total Regulator Cost | - | $ 1,867 | $0 | $0 | $15,000 | $15,000 |
| TOTAL COST | $63,649 | $46,840 | $224,969 | $111,982 | $79,000 | $80,000 |

| | FORECAST ESTIMATE | | | | | |
|---|---|---|---|---|---|---|
| | 2002 | 2003 | 2004 | 2005 | 2006 | Forecast Total |
| Units Installed | 175 | 175 | 175 | 175 | 175 | 875 |
| Cost Per Unit Installed | $384.23 | $393.83 | $403.68 | $413.77 | $424.11 | $403.93 |
| Regulator Install. Cost | $67,240 | $68,921 | $70,644 | $72,410 | $74,220 | $353,435 |
| Regulators Purchased | 175 | 175 | 175 | 175 | 175 | 875 |
| Cost Per Regulator | $87.86 | $90.06 | $92.31 | $94.62 | $96.98 | $92.37 |
| Total Regulator Cost | $15,376 | $15,760 | $16,154 | $16,558 | $16,972 | $80,820 |
| TOTAL COST | $82,616 | $84,681 | $86,798 | $88,968 | $91,192 | $434,255 |
| ROUNDED FORECAST | $82,000 | $85,000 | $87,000 | $89,000 | $91,000 | $434,000 |

FY 2001

BUDGET

C- 32 ADDITIONS

SERVICE REGULATORS

| | | NUMBER | | UNIT | | TOTAL |
|---|---|---|---|---|---|---|
| SIZE | | REQUIRED | | COST | | COST |
| | | | | | | |
| 1" REGULATORS | | 125 | | $14 | | $ 1,750 |
| | | | | | | |
| 2" REGULATORS | | 50 | | $158 | | $ 7,900 |
| | | | | | | |
| Sub-total | | 175 | | | | |
| | | | | | | |
| 2" MONITORS | | 50 | | $61 | | $ 3,050 |
| | | | | | | |
| Total Cost | | | | | | $ 12,700 |
| | | | | | | |
| A & G | | | | | | $ 2,300 |
| | | | | | | |
| Grand Total | | | | | | $ 15,000 |

FY 2000

ESTIMATED-ACTUAL

C- 32 ADDITIONS

SERVICE REGULATORS

| | | NUMBER | | UNIT | | TOTAL |
|---|---|---|---|---|---|---|
| SIZE | | REQUIRED | | COST | | COST |
| | | | | | | |
| 1" REGULATORS | | 125 | | $14 | | $ 1,750 |
| | | | | | | |
| 2" REGULATORS | | 50 | | $158 | | $ 7,900 |
| | | | | | | |
| Sub-total | | 175 | | | | |
| | | | | | | |
| 2" MONITORS | | 50 | | $61 | | $ 3,050 |
| | | | | | | |
| Total Cost | | | | | | $ 12,700 |
| | | | | | | |
| A & G | | | | | | $ 2,300 |
| | | | | | | |
| Grand Total | | | | | | $ 15,000 |

FY 1999

ACTUAL

C- 32 ADDITIONS

SERVICE REGULATORS

| | | | NUMBER | | UNIT | | TOTAL |
|---|---|---|---|---|---|---|---|
| SIZE | | | REQUIRED | | COST | | COST |
| | | | | | | | |
| 1" REGULATORS | | | - | | $13.50 | | $0 |
| | | | | | | | |
| 1 1/4" REGULATORS | | | 0 | | $26.63 | | $0 |
| | | | | | | | |
| 2" REGULATORS | | | 0 | | $134.49 | | $0 |
| | | | | | | | |
| 1" OPSO | | | 0 | | $52.00 | | $0 |
| | | | | | | | |
| Sub-total | | | - | | | | $0 |
| | | | | | | | |
| 2" MONITORS | | | 0 | | $61.00 | | $0 |
| | | | | | | | |
| Total Cost | | | | | | | $0 |
| | | | | | | | |
| A & G | | | | | | | $0 |
| | | | | | | | |
| Grand Total | | | | | | | $0 |

| CAPITAL PROGRAM PROPOSAL YEAR 2001 | DEPARTMENT | FIELD SERVICES |
|---|---|---|
| | DIVISION | SERVICE |
| ADDITION [ ] REPLACEMENT [X] | BUDGET CATEGORY | C-32 R-1 (50-32-2-01) |

DESCRIPTION OF PROPOSED PROJECT:

Purchase (1,160) various size service regulators.

LOCATION: Various customer premises.

REASON:

[X] SAFETY [ ] ENFORCED RELOCATION

[ ] RELIABILITY [ ] LOAD GROWTH [ ] IMPROVED EFFICIENCY AND DISCRETIONARY

NEED FOR PROJECT: To replace environmentally irreparable mercury-sealed gas regulators.

| ESTIMATE OF COST (In Thousands) | | MONTHLY EXPENDITURE FOR BUDGET YEAR (In Thousands) | | ESTIMATED TIMING & EXPENDITURE SCHEDULE (In Thousands) | |
|---|---|---|---|---|---|
| PGW LABOR | $ | | | BUDGET YEAR | $ 28 |
| MATERIAL | 24 | | | FORECAST YEARS | |
| PURCHASED SERVICES | | SEP | $ | YEAR 1 | |
| OTHER | | OCT | | YEAR 2 | |
| PROJECT COST | $ 24 | NOV | 10 | YEAR 3 | |
| ADMIN & GENERAL | | DEC | | TOTAL | $ 28 |
| 13.5 % OF PROJECT | 4 | JAN | 8 | | |
| SUB TOTAL | $ 28 | FEB | 8 | | |
| | | MAR | | | |
| AFUDC % OF SUBTOTAL | | APR | | | |
| TOTAL CAPITAL COST | $ 28 | MAY | | | |
| | | JUN | | | |
| | | JUL | | | |
| ESTIMATED BY: FSD | | AUG | 2 | | |
| DATE: May 4, 2000 | | TOTAL | $ 28 | | |

SUMITTED BY DEPARTMENT MANAGER

APPROVED BY VICE PRESIDENT 5/16/00

APPROVED BY EXECUTIVE VICE PRESIDENT & CHIEF OPERATING OFFICER

APPROVED BY PRESIDENT & CEO

C 32 R-1 REGULATOR REPLACEMENTS

50-32-2-01

| | | | | | | Estimated | |
|---|---|---|---|---|---|---|---|
| | | Actual | Actual | Actual | Actual | Actual | Budget |
| | | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 |
| Regulators Purchased | | 1,000 | 1,100 | 1,220 | 758 | 1,150 | 1,160 |
| Cost Per Regulator | | $16.04 | $18.63 | $19.34 | $37.82 | $22.61 | $24.14 |
| TOTAL COST | | $16,043 | $20,495 | $23,600 | $28,668 | $26,000 | $28,000 |
| | | Forecast | Forecast | Forecast | Forecast | Forecast | |
| | | Estimate | Estimate | Estimate | Estimate | Estimate | Forecast |
| | | 2002 | 2003 | 2004 | 2005 | 2006 | Total |
| Regulators Purchased | | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 6,000 |
| Cost Per Regulator | | $24.74 | $25.36 | $25.99 | $26.64 | $27.31 | $26.01 |
| Total Cost | | $29,688 | $30,432 | $31,188 | $31,968 | $32,772 | $156,048 |
| ROUNDED FORECAST | | $30,000 | $30,000 | $31,000 | $32,000 | $33,000 | $156,000 |

The forecast period replacement purchase volume reflects mercury seal regulator changes.

FY 2001

BUDGET

C- 32 REPLACEMENTS

SERVICE REGULATORS

| | | | NUMBER | | UNIT | | TOTAL |
|---|---|---|---|---|---|---|---|
| SIZE | | | REQUIRED | | COST | | COST |
| | | | | | | | |
| 1" REGULATORS | | | 1,000 | | $14.00 | | $14,000 |
| | | | | | | | |
| 1 1/4" REGULATORS | | | 35 | | $27.15 | | $950 |
| | | | | | | | |
| 2" REGULATORS | | | 25 | | $158.00 | | $3,950 |
| | | | | | | | |
| 1" OPSO | | | 100 | | $46.81 | | $4,681 |
| | | | | | | | |
| Sub-total | | | 1,160 | | | | $23,581 |
| | | | | | | | |
| 2" MONITORS | | | 15 | | $61.00 | | $915 |
| | | | | | | | |
| Total Cost | | | | | | | $24,496 |
| | | | | | | | |
| A & G | | | | | | | $3,504 |
| | | | | | | | |
| Grand Total | | | | | | | $28,000 |

FY 2000

ESTIMATED-ACTUAL

C- 32 REPLACEMENTS

SERVICE REGULATORS

| | | | NUMBER | | UNIT | | TOTAL |
|---|---|---|---|---|---|---|---|
| SIZE | | | REQUIRED | | COST | | COST |
| | | | | | | | |
| 1" REGULATORS | | | 1,000 | | $14.00 | | $14,000 |
| | | | | | | | |
| 1 1/4" REGULATORS | | | 35 | | $27.15 | | $950 |
| | | | | | | | |
| 2" REGULATORS | | | 15 | | $158.00 | | $2,370 |
| | | | | | | | |
| 1" OPSO | | | 100 | | $46.81 | | $4,681 |
| | | | | | | | |
| Sub-total | | | 1,150 | | | | $22,001 |
| | | | | | | | |
| 2" MONITORS | | | 15 | | $61.00 | | $915 |
| | | | | | | | |
| Total Cost | | | | | | | $22,916 |
| | | | | | | | |
| A & G | | | | | | | $3,084 |
| | | | | | | | |
| Grand Total | | | | | | | $26,000 |

FY 1999

ACTUAL

C- 32 REPLACEMENTS

SERVICE REGULATORS

| | | | NUMBER | | UNIT | | TOTAL |
|---|---|---|---|---|---|---|---|
| SIZE | | | REQUIRED | | COST | | COST |
| | | | | | | | |
| 1" REGULATORS | | | 500 | | $13.50 | | $6,750 |
| | | | | | | | |
| 1 1/4" REGULATORS | | | 0 | | $26.63 | | $0 |
| | | | | | | | |
| 2" REGULATORS | | | 58 | | $134.49 | | $7,800 |
| | | | | | | | |
| 1" OPSO | | | 200 | | $52.00 | | $10,400 |
| | | | | | | | |
| Sub-total | | | 758 | | | | $24,950 |
| | | | | | | | |
| 2" MONITORS | | | 0 | | $61.00 | | $0 |
| | | | | | | | |
| Total Cost | | | | | | | $24,950 |
| | | | | | | | |
| A & G | | | | | | | $3,718 |
| | | | | | | | |
| Grand Total | | | | | | | $28,668 |

**CAPITAL PROGRAM PROPOSAL YEAR 2001**

ADDITION [X] REPLACEMENT [ ]

DEPARTMENT: FIELD SERVICES

DIVISION: MEASUREMENT & METER REPAIR

BUDGET CATEGORY: C-33 A-1 (50-33-1-01)

PRIORITY:

[ ] SAFETY [ ] ENFORCED RELOCATION [X] IMPROVED EFFICIENCY AND DISCRETIONARY

[ ] RELIABILITY [ ] LOAD GROWTH

DESCRIPTION OF PROPOSED PROJECT:

Incremental purchase and installation of equipment and instrumentation for interruptible customer telemetering installations and non-residential general service customer AMR devices.

LOCATION: Various customer premises.

NEED FOR PROJECT:

To provide new interruptible customers with standard tariff telemetering equipment and non-residential AMR devices.

**ESTIMATE OF COST (In Thousands)**

| | |
|---|---|
| PGW LABOR | $ 158 |
| MATERIAL | 368 |
| PURCHASED SERVICES | |
| OTHER | |
| PROJECT COST | $ 526 |
| ADMIN & GENERAL | |
| 13.5 % OF PROJECT | 74 |
| SUB TOTAL | $ 600 |
| AFUDC ___ % OF SUBTOTAL | |
| TOTAL CAPITAL COST | $ 600 |

ESTIMATED BY: FSD

DATE: May 4, 2000

**MONTHLY EXPENDITURE FOR BUDGET YEAR (In Thousands)**

| | |
|---|---|
| SEP | $ 58 |
| OCT | 38 |
| NOV | 12 |
| DEC | 10 |
| JAN | 10 |
| FEB | 34 |
| MAR | 63 |
| APR | 75 |
| MAY | 75 |
| JUN | 75 |
| JUL | 75 |
| AUG | 75 |
| TOTAL | $ 600 |

**ESTIMATED TIMING & EXPENDITURE SCHEDULE (In Thousands)**

$ 600

FORECAST YEARS

| | |
|---|---|
| YEAR 1 | |
| YEAR 2 | |
| YEAR 3 | |
| TOTAL | $ 600 |

SUBMITTED BY DEPARTMENT MANAGER

APPROVED BY VICE PRESIDENT 5/10/00

APPROVED BY EXECUTIVE VICE PRESIDENT & CHIEF OPERATING OFFICER

APPROVED BY PRESIDENT & CEO

(C-33 A-1) NON-RESIDENTIAL CUSTOMER - AMR SYSTEMS
ADDITIONS

50-33-1-01

| | EST-ACTUAL 2000 | BUDGET 2001 | 2002 | 5-YEAR FORECAST TOTAL 2003 | 2004 | 2005 | 2006 | FORECAST TOTAL |
|---|---|---|---|---|---|---|---|---|
| METSCAN - BPS CUSTOMER INSTALLATIONS | | | | | | | | |
| *Units Installed* | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 100 |
| Cost per unit & installation | $992.13 | $1,013.96 | $1,039.31 | $1,065.29 | $1,091.92 | $1,119.22 | $1,147.20 | $1,092.58 |
| TOTAL - (BPS) CUSTOMER INSTALLATIONS | $19,843 | $20,279 | $20,786 | $21,306 | $21,838 | $22,384 | $22,944 | $109,258 |
| METRETEK - LBS CUSTOMER INSTALLATIONS | | | | | | | | |
| Units Installed | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 75 |
| Cost per unit & installation | $2,925.85 | $2,990.22 | $3,064.97 | $3,141.60 | $3,220.14 | $3,300.64 | $3,383.16 | $3,222.11 |
| TOTAL - (LBS) CUSTOMER INSTALLATIONS | $43,888 | $44,853 | $45,975 | $47,124 | $48,302 | $49,510 | $50,747 | $241,658 |
| AMR SYSTEMS - (GS) CUSTOMER INSTALLATIONS | | | | | | | | |
| Units Installed | 3,500 | 3,265 | 3,000 | 25 | 25 | 25 | 25 | 3,100 |
| Cost per unit & installation | $139.39 | $142.46 | $146.02 | $149.67 | $153.41 | $157.25 | $161.18 | $146.32 |
| TOTALS - (GS) CUSTOMER INSTALLATIONS | $487,865 | $465,121 | $438,054 | $3,742 | $3,835 | $3,931 | $4,029 | $453,591 |
| PROJECT COST - SUB TOTAL | $551,596 | $530,253 | $504,815 | $72,172 | $73,975 | $75,825 | $77,720 | $804,507 |
| A&G | 82,188 | 69,993 | 73,703 | 10,609 | 10,726 | 10,767 | 11,425 | $117,230 |
| TOTAL | $633,784 | $600,246 | $578,518 | $82,781 | $84,701 | $86,592 | $89,145 | $921,737 |
| ROUNDED FORECAST | $634,000 | $600,000 | $579,000 | $83,000 | $85,000 | $86,000 | $89,000 | $922,000 |

CAPITAL PROGRAM PROPOSAL YEAR 2001

ADDITION [ ] REPLACEMENT [X]

DEPARTMENT FIELD SERVICES

DIVISION MEASUREMENT & METER REPAIR

BUDGET CATEGORY C-33 R-1 (50-33-2-01)

PRIORITY:

[X] SAFETY [ ] ENFORCED RELOCATION [ ] IMPROVED EFFICIENCY AND DISCRETIONARY

[ ] RELIABILITY [ ] LOAD GROWTH

DESCRIPTION OF PROPOSED PROJECT:

Replace (20) BPS Metscan units, (5) LBS Metretek units for interrupible customer telemetering installations.

Also, replace (15) non-residential general service customer AMR devices.

LOCATION: Various customer premises.

NEED FOR PROJECT:

To maintain interruptible customers with telemetering equipment and other non-residential customers with AMR devices.

ESTIMATE OF COST (In Thousands)

| | | |
|---|---|---|
| PGW LABOR | $ | 11 |
| MATERIAL | | 28 |
| PURCHASED SERVICES | | |
| OTHER | | |
| PROJECT COST | $ | 39 |
| ADMIN & GENERAL | | |
| 13.5 % OF PROJECT | | 5 |
| SUB TOTAL | $ | 44 |
| AFUDC ___ % OF SUBTOTAL | | |
| TOTAL CAPITAL COST | $ | 44 |

ESTIMATED BY: FSD

DATE: April 27, 2000

MONTHLY EXPENDITURE FOR BUDGET YEAR (In Thousands)

| | | |
|---|---|---|
| SEP | $ | |
| OCT | | |
| NOV | | |
| DEC | | |
| JAN | | |
| FEB | | |
| MAR | | 10 |
| APR | | 10 |
| MAY | | 7 |
| JUN | | 7 |
| JUL | | 4 |
| AUG | | 6 |
| TOTAL | $ | 44 |

ESTIMATED TIMING & EXPENDITURE SCHEDULE (In Thousands)

$ 44

FORECAST YEARS

| | | |
|---|---|---|
| YEAR 1 | | |
| YEAR 2 | | |
| YEAR 3 | | |
| TOTAL | $ | 44 |

SUBMITTED BY DEPARTMENT MANAGER

APPROVED BY VICE PRESIDENT 5/10/00

APPROVED BY EXECUTIVE VICE PRESIDENT & CHIEF OPERATING OFFICER

APPROVED BY PRESIDENT & CEO

(C-33 R-1) NON-RESIDENTIAL CUSTOMER - AMR SYSTEMS REPLACEMENTS

50-33-2-01

| | EST-ACTUAL 2000 | BUDGET 2001 | | 2002 | 5-YEAR FORECAST TOTAL 2003 | 2004 | 2005 | 2006 | FORECAST TOTAL |
|---|---|---|---|---|---|---|---|---|---|
| METSCAN - BPS CUSTOMER INSTALLATIONS | | | | | | | | | |
| Units Installed | 20 | 20 | | 20 | 20 | 20 | 20 | 20 | 100 |
| Cost per unit & installation | $992.13 | $1,013.96 | | $1,039.31 | $1,065.29 | $1,091.92 | $1,119.22 | $1,147.20 | $1,092.58 |
| TOTAL - (BPS) CUSTOMER INSTALLATIONS | $19,843 | $20,279 | | $20,786 | $21,306 | $21,838 | $22,384 | $22,944 | $109,258 |
| METRETEK - LBS CUSTOMER INSTALLATIONS | | | | | | | | | |
| Units Installed | 5 | 5 | | 5 | 5 | 5 | 5 | 5 | 25 |
| Cost per unit & installation | $2,925.85 | $2,990.22 | | $3,064.97 | $3,141.60 | $3,220.14 | $3,300.64 | $3,383.16 | $3,222.12 |
| TOTAL - (LBS) CUSTOMER INSTALLATIONS | $14,629 | $14,951 | | $15,325 | $15,708 | $16,101 | $16,503 | $16,916 | $80,553 |
| AMR SYSTEMS - (GS) CUSTOMER INSTALLATIONS | | | | | | | | | |
| Units Installed | 15 | 15 | | 15 | 25 | 25 | 25 | 25 | 115 |
| Cost per unit & installation | $139.39 | $142.46 | | $146.02 | $149.67 | $153.41 | $157.25 | $161.18 | $154.15 |
| TOTALS - (GS) CUSTOMER INSTALLATIONS | $2,091 | $2,137 | | $2,190 | $3,742 | $3,835 | $3,931 | $4,029 | $17,727 |
| PROJECT COST - SUB TOTAL | $36,563 | $37,367 | | $38,301 | $40,756 | $41,774 | $42,818 | $43,889 | $207,538 |
| A&G | 5,448 | 6,644 | | 5,592 | 5,991 | 6,057 | 6,080 | 6,452 | $30,172 |
| TOTAL | $42,011 | $44,011 | | $43,893 | $46,747 | $47,831 | $48,898 | $50,341 | $237,710 |
| ROUNDED FORECAST | $42,000 | $44,000 | | $44,000 | $47,000 | $48,000 | $49,000 | $50,000 | $238,000 |

CAPITAL PROGRAM PROPOSAL YEAR 2001

DEPARTMENT FIELD SERVICES

DIVISION SERVICE

ADDITION [X] REPLACEMENT [ ]

BUDGET CATEGORY C-35 A-1 (50-35-1-01)

DESCRIPTION OF PROPOSED PROJECT:

Purchase various equipment utilized by the Training and Service Sections.

LOCATION: 800 West Montgomery Avenue & 1800 North Ninth Street

REASON:

[ ] SAFETY [ ] ENFORCED RELOCATION

[ ] RELIABILITY [ ] LOAD GROWTH [X] IMPROVED EFFICIENCY AND DISCRETIONARY

NEED FOR PROJECT: To upgrade training aids and equipment in the Service Section.

ESTIMATE OF COST (In Thousands)

| | |
|---|---|
| PGW LABOR | $ |
| MATERIAL | 22 |
| PURCHASED SERVICES | |
| OTHER | |
| PROJECT COST | $ 22 |
| ADMIN & GENERAL | |
| 13.5 % OF PROJECT | 3 |
| SUB TOTAL | $ 25 |
| AFUDC ___ % OF SUBTOTAL | |
| TOTAL CAPITAL COST | $ 25 |

MONTHLY EXPENDITURE FOR BUDGET YEAR (In Thousands)

| | |
|---|---|
| SEP | $ 8 |
| OCT | 6 |
| NOV | |
| DEC | |
| JAN | |
| FEB | |
| MAR | |
| APR | 7 |
| MAY | 4 |
| JUN | |
| JUL | |
| AUG | |
| TOTAL | $ 25 |

ESTIMATED TIMING & EXPENDITURE SCHEDULE (In Thousands)

$ 25

FORECAST YEARS

| | |
|---|---|
| YEAR 1 | |
| YEAR 2 | |
| YEAR 3 | |
| TOTAL | $ 25 |

SUBMITTED BY DEPARTMENT MANAGER

APPROVED BY VICE PRESIDENT 5/10/00

APPROVED BY EXECUTIVE VICE PRESIDENT & CHIEF OPERATING OFFICER

APPROVED BY PRESIDENT & CEO

ESTIMATED BY: FSD

DATE: May 4, 2000

C-35 SERVICE SECTION EQUIPMENT ADDITIONS

50-35-1-01

FY 2001 DETAIL

| | |
|---|---|
| 1. Purchase small tools and miscellaneous shop equipment. | $7,500 |
| - To provide for a variety of hand-held air tools and other miscellaneous equipment required to adequately accommodate FSD activities in the most efficient manner. | |
| 2. Purchase various equipment for the new Passyunk Training Facility. | $14,600 |
| - To provide for new appliances, tools & guages for electric central air conditioner service delivery. | |

| | |
|---|---|
| SUB-TOTAL | $22,100 |
| Administrative and General Expense | 2,937 |
| TOTAL | $25,000 |

CAPITAL PROGRAM PROPOSAL YEAR 2001

DEPARTMENT FIELD SERVICES

DIVISION SERVICE

ADDITION ☐ REPLACEMENT ☒

BUDGET CATEGORY C-35 R-1 (50-35-2-01)

DESCRIPTION OF PROPOSED PROJECT:

Replace various equipment utilized by the Training, Clerical and Service Sections of the Department.

LOCATION: 800 West Montgomery Avenue & 1800 North Ninth Street

REASON:

☐ SAFETY ☐ ENFORCED RELOCATION

☒ RELIABILITY ☐ LOAD GROWTH ☐ IMPROVED EFFICIENCY AND DISCRETIONARY

NEED FOR PROJECT: To replace equipment worn beyond economical repair.

ESTIMATE OF COST (In Thousands)

| | |
|---|---|
| PGW LABOR | $ |
| MATERIAL | 22 |
| PURCHASED SERVICES | |
| OTHER | |
| PROJECT COST | $ 22 |
| ADMIN & GENERAL | |
| 13.5 % OF PROJECT | 3 |
| SUB TOTAL | $ 25 |
| AFUDC ___ % OF SUBTOTAL | |
| TOTAL CAPITAL COST | $ 25 |

MONTHLY EXPENDITURE FOR BUDGET YEAR (In Thousands)

| | |
|---|---|
| SEP | $ |
| OCT | |
| NOV | |
| DEC | 8 |
| JAN | 5 |
| FEB | 3 |
| MAR | 5 |
| APR | 4 |
| MAY | |
| JUN | |
| JUL | |
| AUG | |
| TOTAL | $ 25 |

ESTIMATED TIMING & EXPENDITURE SCHEDULE (In Thousands)

$ 25

FORECAST YEARS

| | |
|---|---|
| YEAR 1 | |
| YEAR 2 | |
| YEAR 3 | |
| TOTAL | $ 25 |

SUMITTED BY DEPARTMENT MANAGER

APPROVED BY VICE PRESIDENT 5/10/00

APPROVED BY EXECUTIVE VICE PRESIDENT & CHIEF OPERATING OFFICER

APPROVED BY PRESIDENT & CEO

ESTIMATED BY: FSD

DATE: May 4, 2000

C-35 SERVICE SECTION EQUIPMENT REPLACEMENTS

50-35-2-01

FY 2001 DETAIL

| | |
|---|---|
| 1. Replace damaged small tools and miscellaneous shop equipment. | $5,000 |
| 3. Replace (15) obsolete GDI's and CO instruments. | $17,000 |
| 0 | |
| SUB-TOTAL | $22,000 |
| Administrative and General Expense | 3,037 |
| TOTAL | $25,000 |

| CAPITAL PROGRAM PROPOSAL YEAR 2001 | DEPARTMENT | FIELD SERVICES |
|---|---|---|
| | DIVISION | SERVICE |
| ADDITION [X] REPLACEMENT [ ] | BUDGET CATEGORY | C-36 A-1 (50-36-1-01) |

DESCRIPTION OF PROPOSED PROJECT:

Install (20,076) Automatic Meter Reading (ERT) devices in compliance with the incremental implementation of the AMR program.

LOCATION: Various customer premises.

REASON:

[ ] SAFETY [ ] ENFORCED RELOCATION

[ ] RELIABILITY [ ] LOAD GROWTH [X] IMPROVED EFFICIENCY AND DISCRETIONARY

NEED FOR PROJECT: Provide the capability to read customer meters via radio technology to increase the accuracy and efficiency of meter reading and billing functions.

| ESTIMATE OF COST (In Thousands) | | MONTHLY EXPENDITURE FOR BUDGET YEAR (In Thousands) | | ESTIMATED TIMING & EXPENDITURE SCHEDULE (In Thousands) | |
|---|---|---|---|---|---|
| | | | | | $ 2,372 |
| PGW LABOR | $ 944 | | | FORECAST YEARS | |
| MATERIAL | 1,146 | SEP | $ 365 | YEAR 1 | |
| PURCHASED SERVICES | | OCT | 146 | YEAR 2 | |
| OTHER | | NOV | 59 | YEAR 3 | |
| PROJECT COST | $ 2,090 | DEC | 15 | | |
| ADMIN & GENERAL | | JAN | 15 | TOTAL | $ 2,372 |
| 13.5 % OF PROJECT | 282 | FEB | 15 | | |
| SUB TOTAL | $ 2,372 | MAR | 55 | SUBMITTED BY DEPARTMENT MANAGER | |
| AFUDC % OF SUBTOTAL | | APR | 185 | APPROVED BY VICE PRESIDENT | |
| TOTAL CAPITAL COST | $ 2,372 | MAY | 270 | | |
| | | JUN | 397 | | |
| ESTIMATED BY: FSD | | JUL | 425 | | |
| | | AUG | 425 | APPROVED BY EXECUTIVE VICE PRESIDENT & CHIEF OPERATING OFFICER | |
| DATE: April 27, 2000 | | TOTAL | $ 2,372 | | |
| | | | | APPROVED BY PRESIDENT & CEO | |

REV. 4/4/00

AUTOMATIC METER READING PROJECT
50-36-1-01

| | Actual 1991- 1999 | Budget 2000 | Estimated-Actual 2000 | | Budget 2001 | TOTAL PROJECT SPENDING FY'91 - FY' 2000 |
|---|---|---|---|---|---|---|
| Cost Per Unit | $62.18 | $55.41 | $55.41 | | $57.07 | $61.77 |
| ERT Purchase Costs | $29,844,823 | $882,792 | $882,792 | | $1,145,737 | $31,873,352 |
| Units Installed | 479,992 | 15,932 | 15,932 | | 20,076 | 516,000 |
| Installation Cost Per Unit | $26.14 | $45.65 | $45.65 | | $47.02 | $27.55 |
| Installation Total | $12,545,392 | $727,296 | $727,296 | | $943,974 | $14,216,662 |
| SUB-TOTAL | $42,390,215 | $1,610,088 | $1,610,088 | | $2,089,711 | $46,090,014 |
| A & G | 3,713,992 | 225,912 | 225,912 | | 282,289 | $4,222,193 |
| GRAND-TOTAL | $46,104,207 | $1,836,000 | $1,836,000 | | $2,372,000 | $50,312,207 |
| | CUMULATIVE | | $47,940,207 | | | |

| | Forecast Estimate 2002 | Forecast Estimate 2003 | Forecast Estimate 2004 | Forecast Estimate 2005 | Forecast Estimate 2006 | Forecast Total |
|---|---|---|---|---|---|---|
| Cost Per Unit | $58.50 | $59.96 | $61.46 | $63.00 | $64.58 | $61.50 |
| ERT Purchase Costs | $99,450 | $101,932 | $104,482 | $107,100 | $109,786 | $522,750 |
| Units Installed | 1,700 | 1,700 | 1,700 | 1,700 | 1,700 | 8,500 |
| Installation Cost Per Unit | $48.20 | $49.41 | $50.65 | $51.92 | $53.22 | $50.68 |
| Installation Total | $81,940 | $83,997 | $86,105 | $88,264 | $90,474 | $430,780 |
| SUB-TOTAL | $181,390 | $185,929 | $190,587 | $195,364 | $200,260 | $953,530 |
| A & G | 26,483 | 27,332 | 27,635 | 27,742 | 29,438 | $138,630 |
| GRAND-TOTAL | $207,873 | $213,261 | $218,222 | $223,106 | $229,698 | $1,092,160 |
| ROUNDED FORECAST | $208,000 | $213,000 | $218,000 | $223,000 | $230,000 | $1,092,000 |

| CAPITAL PROGRAM PROPOSAL YEAR 2001 | DEPARTMENT FIELD SERVICES |
|---|---|
| | DIVISION SERVICE |
| ADDITION [ ] REPLACEMENT [X] | BUDGET CATEGORY C-36 R-1 (50-36-2-01) |

DESCRIPTION OF PROPOSED PROJECT:

Replace 5,025 AMR devices.

LOCATION: Various customer premises.

REASON:

[ ] SAFETY [ ] ENFORCED RELOCATION

[ ] RELIABILITY [ ] LOAD GROWTH [X] IMPROVED EFFICIENCY AND DISCRETIONARY

NEED FOR PROJECT: Replacement of AMR devices where failure has occurred.

| ESTIMATE OF COST (In Thousands) | | MONTHLY EXPENDITURE FOR BUDGET YEAR (In Thousands) | | ESTIMATED TIMING & EXPENDITURE SCHEDULE (In Thousands) | |
|---|---|---|---|---|---|
| | | | | | $ 325 |
| PGW LABOR | $ | | | FORECAST YEARS | |
| MATERIAL | 287 | SEP | $ 48 | YEAR 1 | |
| PURCHASED SERVICES | | OCT | 48 | YEAR 2 | |
| OTHER | | NOV | | YEAR 3 | |
| PROJECT COST | $ 287 | DEC | 48 | TOTAL | $ 325 |
| ADMIN & GENERAL | | JAN | 48 | | |
| 13.5 % OF PROJECT | 38 | FEB | | | |
| SUB TOTAL | $ 325 | MAR | 48 | SUBMITTED BY DEPARTMENT MANAGER | |
| AFUDC * % OF SUBTOTAL | | APR | 48 | | |
| TOTAL CAPITAL COST | $ 325 | MAY | | APPROVED BY VICE PRESIDENT 5/10/00 | |
| | | JUN | | | |
| ESTIMATED BY: FSD | | JUL | 37 | | |
| | | AUG | | APPROVED BY EXECUTIVE VICE PRESIDENT & CHIEF OPERATING OFFICER | |
| DATE: May 4, 2000 | | TOTAL | $ 325 | | |
| | | | | APPROVED BY PRESIDENT & CEO | |

C 36 R-1 AMR REPLACEMENTS

50-36-2-01

| | ESTIMATED ACTUAL 2000 | BUDGET 2001 | 5 - YEAR FORECAST ESTIMATE 2002 | 2003 | 2004 | 2005 | 2006 | Forecast Total |
|---|---|---|---|---|---|---|---|---|
| UNITS PURCHASED | 5,150 | 5,025 | 10,000 | 10,000 | 10,000 | 75,000 | 75,000 | 180,000 |
| COST PER UNIT (ERT) | $55.41 | $57.07 | $58.50 | $59.96 | $61.46 | $63.00 | $64.58 | $72.30 |
| SUB-TOTAL | $285,362 | $286,777 | $585,000 | $599,600 | $614,600 | $4,725,000 | $4,843,500 | $ 11,367,700 |
| A&G | $39,974 | $38,715 | $85,410 | $88,141 | $89,117 | $670,950 | $711,995 | 1,645,613 |
| TOTAL COST | $325,290 | $325,492 | $670,410 | $687,741 | $703,717 | $5,395,950 | $5,555,495 | $13,013,313 |
| ROUNDED FORECAST | | $325,000 | $670,000 | $688,000 | $704,000 | $5,396,000 | $5,555,000 | $13,013,000 |

CAPITAL PROGRAM PROPOSAL YEAR 2001

PRIORITY: 1 ☐ 2 ☐ 3 ☐

ADDITION ☒ REPLACEMENT ☐

DEPARTMENT FIELD SERVICES

DIVISION SERVICE SECTION

BUDGET CATEGORY C-94 CONTRIBUTIONS (50-94-1-94)

DESCRIPTION OF PROPOSED PROJECT:

Contribution revenues associated with the installation of additional meters on customer premises.

LOCATION: Various customer premises.

REASON:

(P) PRUDENT REPLACEMENT ☐ (L) LOAD GROWTH ☐ (O) OTHER ☐

(E) ECONOMIC REPLACEMENT ☐ (I) IMPROVED EFFICIENCY ☐ (R) ENFORCED RELOCATION ☐

NEED FOR PROJECT:

Upon request, additional meters are installed at customer meter locations to provide individual meters to separate apartments or subdivided properties.

ESTIMATE OF COST (In Thousands)

| | |
|---|---|
| PGW LABOR | $ |
| MATERIAL | |
| PURCHASED SERVICES | |
| OPERATING EXPENSE DEDUCTIONS | (121) |
| PROJECT COST | $ (121) |
| ADMIN & GENERAL | |
| 13.5 % OF PROJECT | |
| SUB TOTAL | $ (121) |
| AFUDC % OF SUBTOTAL | |
| TOTAL CAPITAL COST | $ (121) |

MONTHLY EXPENDITURE FOR BUDGET YEAR (In Thousands)

| | |
|---|---|
| SEP | $ (13) |
| OCT | (3) |
| NOV | (4) |
| DEC | (4) |
| JAN | (9) |
| FEB | (13) |
| MAR | (13) |
| APR | (15) |
| MAY | (11) |
| JUN | (10) |
| JUL | (13) |
| AUG | (13) |
| TOTAL | $ (121) |

ESTIMATED TIMING & EXPENDITURE SCHEDULE (In Thousands)

$ (121)

| | |
|---|---|
| FORECAST YEARS | |
| YEAR 1 | |
| YEAR 2 | |
| YEAR 3 | |
| TOTAL | $ (121) |

SUBMITTED BY DEPARTMENT MANAGER

APPROVED BY VICE PRESIDENT 5/10/00

APPROVED BY EXECUTIVE VICE PRESIDENT & CHIEF OPERATING OFFICER

APPROVED BY PRESIDENT & CEO

ESTIMATED BY: FSD

DATE: April 27, 2000

| CAPITAL PROGRAM PROPOSAL YEAR 2001 | DEPARTMENT FIELD SERVICES |
|---|---|
| PRIORITY: 1 ☐ 2 ☐ 3 ☐ | DIVISION MEASUREMENT & METER REPAIR |
| ADDITION ☐ REPLACEMENT ☒ | BUDGET CATEGORY C-98 Salvage (50-98-2-98) |

DESCRIPTION OF PROPOSED PROJECT:

Scrapping obsolete meters.

LOCATION: 1800 North Ninth Street - 1

REASON:

| | | |
|---|---|---|
| (P) PRUDENT REPLACEMENT ☐ | (L) LOAD GROWTH ☐ | (O) OTHER ☐ |
| (E) ECONOMIC REPLACEMENT ☐ | (I) IMPROVED EFFICIENCY ☐ | (R) ENFORCED RELOCATION ☐ |

NEED FOR PROJECT: To reduce the net cost of new meters.

| ESTIMATE OF COST (In Thousands) | | MONTHLY EXPENDITURE FOR BUDGET YEAR (In Thousands) | | ESTIMATED TIMING & EXPENDITURE SCHEDULE (In Thousands) | |
|---|---|---|---|---|---|
| | | | | | $ (22) |
| PGW LABOR | $ | | | FORECAST YEARS | |
| MATERIAL | | SEP | (4) | YEAR 1 | |
| PURCHASED SERVICES | | OCT | | YEAR 2 | |
| OPERATING EXPENSE DEDUCTIONS | (22) | NOV | | YEAR 3 | |
| PROJECT COST | $ (22) | DEC | | TOTAL | $ (22) |
| ADMIN & GENERAL | | JAN | | | |
| 13.5 % OF PROJECT | | FEB | | | |
| SUB TOTAL | $ (22) | MAR | (3) | | |
| | | APR | (3) | | |
| AFUDC % OF SUBTOTAL | | MAY | (3) | | |
| TOTAL CAPITAL COST | $ (22) | JUN | (3) | | |
| | | JUL | (3) | | |
| ESTIMATED BY: FSD | | AUG | (3) | | |
| | | TOTAL | (22) | | |
| DATE: April 27, 2000 | | | | | |

SUMITTED BY DEPARTMENT MANAGER

APPROVED BY VICE PRESIDENT 5/10/00

APPROVED BY EXECUTIVE VICE PRESIDENT & CHIEF OPERATING OFFICER

APPROVED BY PRESIDENT & CEO

CAPITAL PROGRAM PROPOSAL YEAR 2001

DEPARTMENT: Fleet Operations

DIVISION:

BUDGET CATEGORY: 73-01-101 T-A-1

___ ADDITION ☐ REPLACEMENT

PRIORITY:

1 ___ SAFETY
2 ___ RELIABILITY
3 ___ ENFORCED RELOCATIONS
4 ___ LOAD GROWTH
5 ☐ IMPROVED EFFICIENCY & DISCRETIONARY

DESCRIPTION OF PROPOSED PROJECT: Shop Equipment Additions:

Three (3) Oil Filters Crushers - $10,225; six (6) Micro #450 Battery Testers - $3,995; Thirty (30) Pneumatic Drills & Kits - $9,780; and $10,000 to provide funds for items under $1,000.

LOCATION: 1849 N. 9th Street

NEED FOR PROJECT: The additional shop equipment is required to remain current with technological advances and to maintain safe working conditions.

| ESTIMATE OF COST (In Thousands) | |
|---|---|
| PGW LABOR | $ |
| MATERIAL | 34 |
| PURCHASED SERVICES | |
| OTHER | |
| PROJECT COST | $34 |
| ADMIN & GENERAL 13.5 % OF PROJECT | 5 |
| SUBTOTAL | $ 39 |
| AFUDC ____ % OF SUBTOTAL | |
| TOTAL CAPITAL COST | $ 39 |

ESTIMATED BY: Stanley A. Szostek

DATE: 03/29/2000

| MONTHLY EXPENDITURE FOR (In Thousands) | |
|---|---|
| SEP | $ |
| OCT | 10 |
| NOV | |
| DEC | |
| JAN | |
| FEB | 13 |
| MAR | 8 |
| APR | 8 |
| MAY | |
| JUN | |
| JUL | |
| AUG | |
| TOTAL | $ 39 |

| ESTIMATED TIMING & EXPENDITURE SCHEDULE (In Thousands) | |
|---|---|
| BUDGET YEAR | $ 39 |
| FORECAST YEARS | |
| YEAR 1 | |
| YEAR 2 | |
| YEAR 3 | |
| TOTAL | $ 39 |

SUBMITTED BY DEPARTMENT MANAGER

APPROVED BY DIRECTOR

Form M-6410 (Rev. 2/98)

CAPITAL PROGRAM PROPOSAL YEAR 2001

☐ ADDITION ☐ REPLACEMENT

DEPARTMENT: Fleet Operations

DIVISION:

BUDGET CATEGORY: 73-01-102 T-A-2

PRIORITY:

1 ☐ SAFETY
2 ☐ RELIABILITY
3 ☐ ENFORCED RELOCATIONS
4 ☐ LOAD GROWTH
5 ☐ IMPROVED EFFICIENCY & DISCRETIONARY

DESCRIPTION OF PROPOSED PROJECT: Mobile Equipment Additions:

One (1) CNG Donor Trailer

LOCATION: 1849 N. 9th Street

NEED FOR PROJECT: *To provide safe refueling for CNG vehicles on the street*

| ESTIMATE OF COST (In Thousands) | |
|---|---|
| PGW LABOR | $ |
| MATERIAL | 30 |
| PURCHASED SERVICES | |
| OTHER | |
| PROJECT COST | |
| ADMIN & GENERAL | |
| 13.5 % OF PROJECT | 4 |
| SUBTOTAL | $ 34 |
| AFUDC ____ % OF SUBTOTAL | |
| TOTAL CAPITAL COST | $ 34 |

ESTIMATED BY: Stanley A. Szostek

DATE: 03/29/2000

| MONTHLY EXPENDITURE FOR (In Thousands) | |
|---|---|
| SEP | $ |
| OCT | |
| NOV | 34 |
| DEC | |
| JAN | |
| FEB | |
| MAR | |
| APR | |
| MAY | |
| JUN | |
| JUL | |
| AUG | |
| TOTAL | $ 34 |

| ESTIMATED TIMING & EXPENDITURE SCHEDULE (In Thousands) | |
|---|---|
| BUDGET YEAR | $ 34 |
| FORECAST YEARS | |
| YEAR 1 | |
| YEAR 2 | |
| YEAR 3 | |
| TOTAL | $ 34 |

SUBMITTED BY DEPARTMENT MANAGER

APPROVED BY DIRECTOR

Form M-6410 (Rev. 2/98)

CAPITAL PROGRAM PROPOSAL YEAR 2001

☐ ADDITION ☒ REPLACEMENT

DEPARTMENT: Fleet Operations

DIVISION:

BUDGET CATEGORY: 73-01-201 T-R-1

PRIORITY:

1 ☒ SAFETY
2 ☐ RELIABILITY
3 ☐ ENFORCED RELOCATIONS
4 ☐ LOAD GROWTH
5 ☒ IMPROVED EFFICIENCY & DISCRETIONARY

DESCRIPTION OF PROPOSED PROJECT: Vehicle Replacements:

Eight (8) multi-purpose vehicles $162,600; two (2) mini-vans $33,800; six (6) maintenance trucks $356,000

LOCATION: 1849 N. 9th Street

NEED FOR PROJECT: The above vehicle breakdown represents planned normal replacement of vehicles for Fiscal Year 2001.

| ESTIMATE OF COST (In Thousands) | |
|---|---|
| PGW LABOR | $ |
| MATERIAL | 552.4 |
| PURCHASED SERVICES | |
| OTHER | |
| PROJECT COST | $ 552.4 |
| ADMIN & GENERAL | |
| 13.5 % OF PROJECT | 74.6 |
| SUBTOTAL | $627 |
| AFUDC ____ % OF SUBTOTAL | |
| TOTAL CAPITAL COST | $627 |

| MONTHLY EXPENDITURE FOR (In Thousands) | |
|---|---|
| SEP | $ |
| OCT | |
| NOV | |
| DEC | |
| JAN | 38 |
| FEB | |
| MAR | |
| APR | |
| MAY | |
| JUN | 184 |
| JUL | |
| AUG | 405 |
| TOTAL | $627 |

| ESTIMATED TIMING & EXPENDITURE SCHEDULE (In Thousands) | |
|---|---|
| BUDGET YEAR | $627 |
| FORECAST YEARS | |
| YEAR 1 | |
| YEAR 2 | |
| YEAR 3 | |
| TOTAL | $627 |

SUBMITTED BY DEPARTMENT MANAGER

APPROVED BY DIRECTOR

5/15/00

ESTIMATED BY: Stanley A. Szostek

DATE: 05/09/2000

Form M-6410 (Rev. 2/98)

CAPITAL PROGRAM PROPOSAL YEAR 2001

___ ADDITION ___ REPLACEMENT

DEPARTMENT: Fleet Operations

DIVISION:

BUDGET CATEGORY: 73-01-202 T-R-2

PRIORITY:

1 ___ SAFETY
2 ___ RELIABILITY
3 ___ ENFORCED RELOCATIONS
4 ___ LOAD GROWTH
5 ___ IMPROVED EFFICIENCY & DISCRETIONARY

DESCRIPTION OF PROPOSED PROJECT: Mobile Equipment Replacements:

Twenty (20) Portable Compressors - $309,000; and Two (2) Digger/Loaders - $101,000.

LOCATION: 1849 N. 9th Street

NEED FOR PROJECT: The above equipment represents planned normal replacement of equipment for Fiscal Year 2001.

| ESTIMATE OF COST (In Thousands) | |
|---|---|
| PGW LABOR | $ |
| MATERIAL | 410 |
| PURCHASED SERVICES | |
| OTHER | |
| PROJECT COST | $ 410 |
| ADMIN & GENERAL | |
| 13.5 % OF PROJECT | 55 |
| SUBTOTAL | $ 465 |
| AFUDC ____ % OF SUBTOTAL | |
| TOTAL CAPITAL COST | $ 465 |

ESTIMATED BY: Stanley A. Szostek

DATE: 03/29/2000

| MONTHLY EXPENDITURE FOR (In Thousands) | |
|---|---|
| SEP | $ |
| OCT | |
| NOV | |
| DEC | |
| JAN | |
| FEB | |
| MAR | |
| APR | |
| MAY | 101 |
| JUN | 159 |
| JUL | 150 |
| AUG | 55 |
| TOTAL | $ 465 |

| ESTIMATED TIMING & EXPENDITURE SCHEDULE (In Thousands) | |
|---|---|
| BUDGET YEAR | $ 465 |
| FORECAST YEARS | |
| YEAR 1 | |
| YEAR 2 | |
| YEAR 3 | |
| TOTAL | $ 465 |

SUBMITTED BY DEPARTMENT MANAGER

APPROVED BY DIRECTOR

Form M-6410 (Rev. 2/98)

CAPITAL PROGRAM PROPOSAL YEAR 2001

___ ADDITION ☒ REPLACEMENT

DEPARTMENT: Fleet Operations

DIVISION:

BUDGET CATEGORY: 73-01-203 T-R-3

PRIORITY:

1 ___ SAFETY
2 ___ RELIABILITY
3 ___ ENFORCED RELOCATIONS
4 ___ LOAD GROWTH
5 ___ IMPROVED EFFICIENCY & DISCRETIONARY

DESCRIPTION OF PROPOSED PROJECT: Shop Equipment Replacements:

One (1) Car/Light Truck Wheel Balance - $4,000; Four (4) MT-2500 Scanner Updates - $5,000; Vehicle Lifts - $30,000; and $10,000 to provide funds for items under $1,000

LOCATION: 1849 N. 9th Street

NEED FOR PROJECT: The replacement of shop equipment is to keep up with technological advances and to improve and maintain safe working conditions.

| ESTIMATE OF COST (In Thousands) | |
|---|---|
| PGW LABOR | $ |
| MATERIAL | 49 |
| PURCHASED SERVICES | |
| OTHER | |
| PROJECT COST | $ 49 |
| ADMIN & GENERAL | |
| 13.5 % OF PROJECT | 7 |
| SUBTOTAL | $ 56 |
| AFUDC ____ % OF SUBTOTAL | |
| TOTAL CAPITAL COST | $ 56 |

| MONTHLY EXPENDITURE FOR (In Thousands) | |
|---|---|
| SEP | $ |
| OCT | 4 |
| NOV | 5 |
| DEC | |
| JAN | |
| FEB | |
| MAR | |
| APR | |
| MAY | 15 |
| JUN | 15 |
| JUL | 9 |
| AUG | 8 |
| TOTAL | $ 56 |

| ESTIMATED TIMING & EXPENDITURE SCHEDULE (In Thousands) | |
|---|---|
| BUDGET YEAR | $ 56 |
| FORECAST YEARS | |
| YEAR 1 | |
| YEAR 2 | |
| YEAR 3 | |
| TOTAL | $ 56 |

SUBMITTED BY DEPARTMENT MANAGER

APPROVED BY DIRECTOR

ESTIMATED BY: Stanley A. Szostek

DATE: 03/29/2000

Form M-6410 (Rev. 2/98)

CUSTOMER AFFAIRS DIVISION
CUSTOMER SERVICE DEPARTMENT

## CAPITAL PROGRAM PROPOSAL YEAR 2001

ADDITION [X] REPLACEMENT [ ]

DEPARTMENT: CUSTOMER SERVICE
DIVISION: CUSTOMER AFFAIRS
BUDGET CATEGORY:

PRIORITY:

1 [ ] SAFETY
2 [ ] RELIABILITY
3 [ ] ENFORCED RELOCATIONS
4 [ ] LOAD GROWTH
5 [X] IMPROVED EFFICIENCY AND DISCRETIONARY

DESCRIPTION OF PROPOSED PROJECT: One 1 Customer Satisfation Survey System

Upgrade to current Lucent System that would randomly select customers to participate. After completing the call with the Service Represenative any customer who previously accepted to participate in the survey would be transferred back to the automated survey program.

LOCATION: 1800 - 4 Montgomery Av.

NEED FOR PROJECT: To track customer satisfaction and improve and evaluate the service represenatives abilities or training needs.

ESTIMATE OF COST (In Thousands)

| | | |
|---|---|---|
| PGW LABOR | | $ |
| MATERIAL | | |
| PURCHASED SERVICES | | |
| OTHER | | 88.1 |
| PROJECT COST | | $ 88.1 |
| ADMIN & GENERAL | | |
| 13.5 | % OF PROJECT | 11.9 |
| SUB TOTAL | | $ 100.0 |
| AFUDC | % OF SUBTOTAL | 0.0 |
| TOTAL CAPITAL COST | | $ 100.0 |

ESTIMATED BY: LYNNE F. WEINTRAUB

DATE: 03/17/00

MONTHLY EXPENDITURE FOR BUDGET YEAR (In Thousands)

| | |
|---|---|
| SEP | $ 100.0 |
| OCT | |
| NOV | |
| DEC | |
| JAN | |
| FEB | |
| MAR | |
| APR | |
| MAY | |
| JUN | |
| JUL | |
| AUG | |
| TOTAL | $ 100.0 |

ESTIMATED TIMING & EXPENDITURE SCHEDULE (In Thousands)

| | |
|---|---|
| BUDGET YEAR | $ 100.0 |
| FORECAST YEARS | |
| YEAR 1 | |
| YEAR 2 | |
| YEAR 3 | |
| TOTAL | $ 100.0 |

ALONZO W. WEBSTER
SUBMITTED BY DEPARTMENT DIRECTOR, CUSTOMER SERVICE

APPROVED BY SR. VICE PRESIDENT OR VICE PRESIDENT

APPROVED BY EXEC VP AND COO

Form M-6410 (Rev. 1/96)

CUSTOMER AFFAIRS DIVISION
CUSTOMER SERVICE DEPARTMENT

**CAPITAL PROGRAM PROPOSAL YEAR 2001**

ADDITION [X] REPLACEMENT [ ]

DEPARTMENT: CUSTOMER SERVICE
DIVISION: CUSTOMER AFFAIRS
BUDGET CATEGORY:

**PRIORITY:**

1 [ ] SAFETY
2 [ ] RELIABILITY
3 [ ] ENFORCED RELOCATIONS
4 [ ] LOAD GROWTH
5 [X] IMPROVED EFFICIENCY AND DISCRETIONARY

**DESCRIPTION OF PROPOSED PROJECT:** One 1 E-mail ACD

The E-Mail ACD System is an inhancement to PGW's current E-Mail system which will allow customers to directly contact PGW's Customer Affairs areas instead of waiting on-line to speak with a Service Representative in the Call Center.

**LOCATION:** 1800 - 4 Montgomery Av.

**NEED FOR PROJECT:** Provide customer with another avenue of contact to PGW, relieving the strain on the Customer Service Call Center.

**ESTIMATE OF COST (In Thousands)**

| | | |
|---|---|---|
| PGW LABOR | | $ |
| MATERIAL | | |
| PURCHASED SERVICES | | |
| OTHER | | 88.1 |
| PROJECT COST | | $ 88.1 |
| ADMIN & GENERAL | | |
| 13.5 | % OF PROJECT | 11.9 |
| SUB TOTAL | | $ 100.0 |
| AFUDC | % OF SUBTOTAL | 0.0 |
| TOTAL CAPITAL COST | | $ 100.0 |

ESTIMATED BY: LYNNE F. WEINTRAUB

DATE: 03/17/00

**MONTHLY EXPENDITURE FOR BUDGET YEAR (In Thousands)**

| | |
|---|---|
| SEP | $ 100.0 |
| OCT | |
| NOV | |
| DEC | |
| JAN | |
| FEB | |
| MAR | |
| APR | |
| MAY | |
| JUN | |
| JUL | |
| AUG | |
| TOTAL | $ 100.0 |

**ESTIMATED TIMING & EXPENDITURE SCHEDULE (In Thousands)**

| | |
|---|---|
| BUDGET YEAR | $ 100.0 |
| FORECAST YEARS | |
| YEAR 1 | |
| YEAR 2 | |
| YEAR 3 | |
| TOTAL | $ 100.0 |

ALONZO W. WEBSTER
SUBMITTED BY DEPARTMENT
DIRECTOR, CUSTOMER SERVICE

APPROVED BY SR. VICE PRESIDENT OR VICE PRESIDENT

APPROVED BY EXEC VP AND COO

Form M-6410 (Rev. 1/96)

**CAPITAL PROGRAM PROPOSAL YEAR 2001**

[X] ADDITION [ ] REPLACEMENT

DEPARTMENT: Customer Service

STRATEGIC PRIORITY: Customer Affairs

BUDGET CATEGORY:

**PRIORITY:**

1 [ ] SAFETY
2 [ ] RELIABILITY
3 [ ] ENFORCED RELOCATIONS
4 [ ] REVENUE PRODUCING PROJECTS
5 [X] IMPROVED EFFICIENCY AND DISCRETIONARY

**DESCRIPTION OF PROPOSED PROJECT:** Customer Complaint Auto Tracking System stand alone software system which will facilitate the capture of each customer's complaint, track the process through completion and document the ultimate resolution status.

**LOCATION:** 1800 - 4

**NEED FOR PROJECT:** Provide a better response to each customer's complaint and improve our customer resolution process.

**ESTIMATE OF COST (In Thousands)**

| | |
|---|---|
| PGW LABOR | $ |
| MATERIAL | |
| PURCHASED SERVICES | |
| OTHER | 44 |
| PROJECT COST | $ 44 |
| ADMIN & GENERAL | |
| 13.5 % OF PROJECT | 6 |
| SUB TOTAL | $ 50 |
| AFUDC ____ % OF SUBTOTAL | |
| TOTAL CAPITAL COST | $ 50 |

ESTIMATED BY:

DATE:

**MONTHLY EXPENDITURE FOR BUDGET YEAR (In Thousands)**

| | |
|---|---|
| SEP | $ 50 |
| OCT | |
| NOV | |
| DEC | |
| JAN | |
| FEB | |
| MAR | |
| APR | |
| MAY | |
| JUN | |
| JUL | |
| AUG | |
| TOTAL | $ 50 |

**ESTIMATED TIMING & EXPENDITURE SCHEDULE (In Thousands)**

| | |
|---|---|
| BUDGET YEAR | $ 50 |
| FORECAST YEARS | |
| YEAR 1 | |
| YEAR 2 | |
| YEAR 3 | |
| TOTAL | $ 50 |

SUBMITTED BY DEPARTMENT MANAGER/DIRECTOR

Form M-6410 (Rev. 2/98)

**CAPITAL PROGRAM PROPOSAL YEAR 2001**

[X] ADDITION [ ] REPLACEMENT

DEPARTMENT VP Customer Affairs

STRATEGIC PRIORITY

BUDGET CATEGORY

**PRIORITY:**

1 [ ] SAFETY
2 [ ] RELIABILITY
3 [ ] ENFORCED RELOCATIONS
4 [ ] REVENUE PRODUCING PROJECTS
5 [X] IMPROVED EFFICIENCY AND DISCRETIONARY

**DESCRIPTION OF PROPOSED PROJECT:** Enhancements to the Billing, Collections and Customer Service (BCCS) system.

**LOCATION:** 1800 - 4

**NEED FOR PROJECT:** These enhancements will enable PGW to improve in the areas of billing, credit & collections and customer services.

**ESTIMATE OF COST (In Thousands)**

| | |
|---|---|
| PGW LABOR | $ 40 |
| MATERIAL | |
| PURCHASED SERVICES | 400 |
| OTHER | |
| PROJECT COST | $ 440 |
| ADMIN & GENERAL | |
| 13.5 % OF PROJECT | 60 |
| SUB TOTAL | $ 500 |
| AFUDC ____ % OF SUBTOTAL | |
| TOTAL CAPITAL COST | $ 500 |

ESTIMATED BY:

DATE:

**MONTHLY EXPENDITURE FOR BUDGET YEAR (In Thousands)**

| | |
|---|---|
| SEP | $ |
| OCT | |
| NOV | |
| DEC | 100 |
| JAN | 100 |
| FEB | 100 |
| MAR | 100 |
| APR | 50 |
| MAY | 50 |
| JUN | |
| JUL | |
| AUG | |
| TOTAL | $ 500 |

**ESTIMATED TIMING & EXPENDITURE SCHEDULE (In Thousands)**

| | |
|---|---|
| BUDGET YEAR | $ 500 |
| FORECAST YEARS | |
| YEAR 1 | |
| YEAR 2 | |
| YEAR 3 | |
| TOTAL | $ 500 |

SUBMITTED BY DEPARTMENT MANAGER/DIRECTOR

Form M-6410 (Rev. 2/98)

**CAPITAL PROGRAM PROPOSAL YEAR 2001**

☐ ADDITION ☒ REPLACEMENT

DEPARTMENT Gas Control

STRATEGIC PRIORITY

BUDGET CATEGORY 09-01-2-01

**PRIORITY:**

1 ☒ SAFETY
2 ☒ RELIABILITY
3 ☐ ENFORCED RELOCATIONS
4 ☐ REVENUE PRODUCING PROJECTS
5 ☐ IMPROVED EFFICIENCY AND DISCRETIONARY

**DESCRIPTION OF PROPOSED PROJECT:** Replacement of critical components of the remote terminal units (RTU) at the metering and regulating stations. Prudent replacement will assure current technology on a periodic upgrade rather than total replacement at all stations.

**LOCATION:** Richmond M&R, Whitman M&R, Richmond Plant, 030 M&R, 034 M&R, Passyunk Plant, Ashmead M&R, Somerton M&R and Ivy Hill M&R

**NEED FOR PROJECT:** To assure metering and regulating station remote terminal units are reliable.

**ESTIMATE OF COST (In Thousands)**

| | |
|---|---|
| PGW LABOR | $ 6 |
| MATERIAL | 18 |
| PURCHASED SERVICES | |
| OTHER | |
| PROJECT COST | $ 24 |
| ADMIN & GENERAL | |
| 13.5 % OF PROJECT | 3 |
| SUB TOTAL | $ |
| AFUDC ____ % OF SUBTOTAL | |
| TOTAL CAPITAL COST | $ 27 |

ESTIMATED BY: D. Moser

DATE: 4-01-00

**MONTHLY EXPENDITURE FOR BUDGET YEAR (In Thousands)**

| | |
|---|---|
| SEP | $ 13 |
| OCT | 14 |
| NOV | |
| DEC | |
| JAN | |
| FEB | |
| MAR | |
| APR | |
| MAY | |
| JUN | |
| JUL | |
| AUG | |
| TOTAL | $ 27 |

**ESTIMATED TIMING & EXPENDITURE SCHEDULE (In Thousands)**

| | |
|---|---|
| BUDGET YEAR | $ 27 |
| FORECAST YEARS | |
| YEAR 1 | |
| YEAR 2 | |
| YEAR 3 | |
| TOTAL | $ 27 |

SUBMITTED BY DEPARTMENT MANAGER/DIRECTOR

Form M-6410 (Rev. 2/98)

**CAPITAL PROGRAM PROPOSAL YEAR 2001**

☐ ADDITION ☒ REPLACEMENT

DEPARTMENT Gas Control

STRATEGIC PRIORITY

BUDGET CATEGORY 09-01-2-02

**PRIORITY:**

1 ☒ SAFETY
2 ☒ RELIABILITY
3 ☐ ENFORCED RELOCATIONS
4 ☐ REVENUE PRODUCING PROJECTS
5 ☐ IMPROVED EFFICIENCY AND DISCRETIONARY

**DESCRIPTION OF PROPOSED PROJECT:** Replacement servers for the SCADA System

**LOCATION:** 1800-2 Gas Control Center

**NEED FOR PROJECT:** The servers will be 6 years old and will have reached the end of their practical life.

**ESTIMATE OF COST (In Thousands)**

| | |
|---|---|
| PGW. LABOR | $ 5 |
| MATERIAL | 60 |
| PURCHASED SERVICES | 10 |
| OTHER | |
| PROJECT COST | $ 75 |
| ADMIN & GENERAL | |
| 13.5 % OF PROJECT | 11 |
| SUB TOTAL | $ |
| AFUDC ____ % OF SUBTOTAL | |
| TOTAL CAPITAL COST | $ 86 |

ESTIMATED BY: D. Moser

DATE: 4-01-00

**MONTHLY EXPENDITURE FOR BUDGET YEAR (In Thousands)**

| | |
|---|---|
| SEP | $ 28 |
| OCT | 29 |
| NOV | 29 |
| DEC | |
| JAN | |
| FEB | |
| MAR | |
| APR | |
| MAY | |
| JUN | |
| JUL | |
| AUG | |
| TOTAL | $ 86 |

**ESTIMATED TIMING & EXPENDITURE SCHEDULE (In Thousands)**

| | |
|---|---|
| BUDGET YEAR | $ 86 |
| FORECAST YEARS | |
| YEAR 1 | |
| YEAR 2 | |
| YEAR 3 | |
| TOTAL | $ 86 |

SUBMITTED BY DEPARTMENT MANAGER/DIRECTOR

Form M-6410 (Rev. 2/98)

**CAPITAL PROGRAM PROPOSAL YEAR 2001**

☐ ADDITION ☒ REPLACEMENT

DEPARTMENT Gas Control

STRATEGIC PRIORITY

BUDGET CATEGORY 09-01-2-03

**PRIORITY:**

1 ☒ SAFETY
2 ☒ RELIABILITY
3 ☐ ENFORCED RELOCATIONS
4 ☐ REVENUE PRODUCING PROJECTS
5 ☐ IMPROVED EFFICIENCY AND DISCRETIONARY

**DESCRIPTION OF PROPOSED PROJECT:** Replacement of operator stations for the SCADA System

**LOCATION:** 1800-2 Gas Control Center

**NEED FOR PROJECT:** The operator stations will be 5 years old and will have reached the end of their practical life.

**ESTIMATE OF COST (In Thousands)**

| | |
|---|---|
| PGW LABOR | $ 3 |
| MATERIAL | 35 |
| PURCHASED SERVICES | 10 |
| OTHER | |
| PROJECT COST | $ 48 |
| ADMIN & GENERAL | |
| 13.5 % OF PROJECT | 7 |
| SUB TOTAL | $ |
| AFUDC ____ % OF SUBTOTAL | |
| TOTAL CAPITAL COST | $ 55 |

ESTIMATED BY: D. Moser

DATE: 4-01-00

**MONTHLY EXPENDITURE FOR *BUDGET YEAR* (In Thousands)**

| | |
|---|---|
| SEP | $ 18 |
| OCT | 18 |
| NOV | 19 |
| DEC | |
| JAN | |
| FEB | |
| MAR | |
| APR | |
| MAY | |
| JUN | |
| JUL | |
| AUG | |
| TOTAL | $ 55 |

**ESTIMATED TIMING & EXPENDITURE SCHEDULE (In Thousands)**

| | |
|---|---|
| BUDGET YEAR | $ 55 |
| FORECAST YEARS | |
| YEAR 1 | |
| YEAR 2 | |
| YEAR 3 | |
| TOTAL | $ 55 |

SUBMITTED BY DEPARTMENT MANAGER/DIRECTOR

Form M-6410 (Rev. 2/98)

**CAPITAL PROGRAM PROPOSAL YEAR 2001**

☐ ADDITION ☐ REPLACEMENT

DEPARTMENT Building Services
DIVISION
BUDGET CATEGORY 72-01-1-01

PRIORITY:
1 ☐ SAFETY
2 [X] RELIABILITY
3 ☐ ENFORCED RELOCATIONS
4 ☐ LOAD GROWTH
5 ☐ IMPROVE EFFICIENCY AND DISCRETIONARY

**DESCRIPTION OF PROPOSED PROJECT:** Miscellaneous Capital Additions

**LOCATION:** Various

**NEED FOR PROJECT:** These would provide funds for unanticipated physical plant requirements and other costs relative to organizational and operational needs as well as other miscellaneous items.

**ESTIMATE OF COST (In Thousands)**

| | | |
|---|---|---|
| PGW LABOR | $ | |
| MATERIAL | | |
| PURCHASED SERVICES | | |
| OTHER | | |
| PROJECT COST | $ | 41 |
| ADMIN & GENERAL | | |
| 13.5 % OF PROJECT | | 6 |
| SUB TOTAL | $ | 47 |
| AFUDC 5.59 % OF SUBTOTAL | | 3 |
| TOTAL CAPITAL COST | $ | 50 |

ESTIMATED BY: Building Services

DATE: April 17, 2000

**MONTHLY EXPENDITURE FOR BUDGET YEAR (In Thousands)**

| | |
|---|---|
| SEP | 5 |
| OCT | 5 |
| NOV | 5 |
| DEC | 5 |
| JAN | 5 |
| FEB | 5 |
| MAR | 5 |
| APR | 5 |
| MAY | 5 |
| JUN | 5 |
| JUL | |
| AUG | |
| TOTAL | $ 50 |

**ESTIMATED TIMING & EXPENDITURE SCHEDULE (In Thousands)**

| | |
|---|---|
| BUDGET YEAR | $ 50 |
| FORECAST YEARS | |
| YEAR 1 | |
| YEAR 2 | |
| YEAR 3 | |
| TOTAL | $ 50 |

R. S. Rayon
SUBMITTED BY DEPARTMENT DIRECTOR

5-10-00
APPROVED BY VICE PRESIDENT

5/10/00
APPROVED BY SENIOR VICE PRESIDENT

Form M-6410 (Rev. 12/95)

**CAPITAL PROGRAM PROPOSAL YEAR 2001**

[X] ADDITION [ ] REPLACEMENT

DEPARTMENT Building Services
DIVISION
BUDGET CATEGORY 72-01-1-01-A

PRIORITY:
1 [X] SAFETY
2 [ ] RELIABILITY
3 [ ] ENFORCED RELOCATIONS
4 [ ] LOAD GROWTH
5 [ ] IMPROVE EFFICIENCY AND DISCRETIONARY

**DESCRIPTION OF PROPOSED PROJECT:** Purchase Snow Brush for Snow Plows

**LOCATION:** Various

**NEED FOR PROJECT:** To clean sidewalks of snow for a safe walking area for employees, customers and pedestrians.

**ESTIMATE OF COST (In Thousands)**

| | | |
|---|---|---|
| PGW LABOR | $ | |
| MATERIAL | | |
| PURCHASED SERVICES | | |
| OTHER | | |
| PROJECT COST | $ | 13 |
| ADMIN & GENERAL | | |
| 13.5 % OF PROJECT | | 2 |
| SUB TOTAL | $ | 15 |
| AFUDC 5.59 % OF SUBTOTAL | | |
| TOTAL CAPITAL COST | $ | 15 |

ESTIMATED BY: Building Services

DATE: April 18, 2000

**MONTHLY EXPENDITURE FOR BUDGET YEAR (In Thousands)**

| | |
|---|---|
| SEP | |
| OCT | 15 |
| NOV | |
| DEC | |
| JAN | |
| FEB | |
| MAR | |
| APR | |
| MAY | |
| JUN | |
| JUL | |
| AUG | |
| TOTAL | $ 15 |

**ESTIMATED TIMING & EXPENDITURE SCHEDULE (In Thousands)**

| | |
|---|---|
| BUDGET YEAR | $ 15 |
| FORECAST YEARS | |
| YEAR 1 | |
| YEAR 2 | |
| YEAR 3 | |
| TOTAL | $ 15 |

R. S. Ryan
SUBMITTED BY DEPARTMENT DIRECTOR

5-10-00
APPROVED BY VICE PRESIDENT

5/11/00
APPROVED BY SENIOR VICE PRESIDENT

Form M-6410 (Rev. 12/95)

BUILDING SERVICES DEPARTMENT
CAPITAL BUDGET FOR FISCAL 2001

BUDGET CATEGORY 72-01-1-01: MISCELLANEOUS CAPITAL ADDITIONS

| | | | | | |
|---|---|---|---|---|---|
| PROJECT COST: | | | | | $41,000 |
| ADM. & GEN. | ( | 13.5% of | $41,000 ) | = | $6,000 |
| AFUDC | ( | 5.59% of | $47,000 ) | = | $3,000 |
| | | | | = | $50,000 |

BUILDING SERVICES DEPARTMENT
CAPITAL BUDGET FOR FISCAL 2001

BUDGET CATEGORY 72-01-1-01: MISCELLANEOUS CAPITAL ADDITIONS

| FISCAL YEAR | | PROGRAM AMOUNT | WORK ORDER AMOUNT | *AMOUNT SPENT |
|---|---|---|---|---|
| 1989 - 90 | | 346,000 | 336,000 | 137,572 |
| 1990 - 91 | | 143,000 | 136,200 | 0 |
| 1991 - 92 | | 75,000 | 75,000 | 15,319 |
| 1992 - 93 | | 194,000 | 127,790 | 84,695 |
| 1993 - 94 | | 131,000 | 89,900 | 31,549 |
| 1994 - 95 | | 75,000 | 75,000 | 58,574 |
| 1995 - 96 | | 25,000 | 4,300 | 4,239 |
| 1996 - 97 | | 31,000 | 31,000 | 18,933 |
| 1997 - 98 | | 52,000 | 102,000 | 4,652 |
| 1998 - 99 | | 53,000 | 121,296 | 1,325 |
| 1999 - 00 | **PROGRAM** | **49,000** | **AVERAGE** | **35,686** |
| 2000 - 01 | **FORECAST** | **50,000** | | |
| 2000 - 01 | **ESTIMATE** | **50,000** | | |

Program amount does not include budget transfers out of this category.

Cost information taken from budget category status listing using August's report for fiscal years.
*Actual amount spent in the Program Year only.

## HISTORICAL SPENDING

BUDGET CATEGORY 72-01-1-01: MISCELLANEOUS CAPITAL ADDITIONS

| FISCAL YEAR | WORK ORDER AMOUNT | AMOUNT SPENT FISCAL 1990 | AMOUNT SPENT FISCAL 1991 | AMOUNT SPENT FISCAL 1992 | AMOUNT SPENT FISCAL 1993 | AMOUNT SPENT FISCAL 1994 | AMOUNT SPENT FISCAL 1995 | AMOUNT SPENT FISCAL 1996 | AMOUNT SPENT FISCAL 1997 | AMOUNT SPENT FISCAL 1998 | AMOUNT SPENT FISCAL 1999 | TOTAL SPENDING AS OF 8/31/99 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1989 - 90 | 346,000 | 137,572 | 268,042 | 27,141 | 1,752 | 912 | | | | | | 435,419 |
| 1990 - 91 | 143,000 | | 53,411 | 45,363 | 5,004 | | | | | | | 103,778 |
| 1991 - 92 | 75,000 | | | 15,319 | 17,085 | (2) | | | | | | 32,402 |
| 1992 - 93 | 194,000 | | | | 84,695 | 3,085 | 49,833 | | | | | 137,613 |
| 1993 - 94 | 131,000 | | | | | 31,549 | 60,525 | | | | | 92,074 |
| 1994 - 95 | 75,000 | | | | | | 58,574 | 21,986 | 3,762 | 2,930 | | 87,252 |
| 1995 - 96 | 25,000 | | | | | | | 4,239 | | | | 4,239 |
| 1996 - 97 | 31,000 | | | | | | | | 18,933 | 3,176 | 8,267 | 30,376 |
| 1997 - 98 | 102,000 | | | | | | | | | 4,652 | 66,541 | 71,193 |
| 1998 - 99 | 121,296 | | | | | | | | | | 1,325 | 1,325 |

Cost information from Budget Category Status Listing.

# CAPITAL PROGRAM PROPOSAL YEAR 2001

[X] ADDITION [ ] REPLACEMENT

DEPARTMENT Building Services
DIVISION
BUDGET CATEGORY 72-01-1-02

PRIORITY:
1 [ ] SAFETY
2 [X] RELIABILITY
3 [ ] ENFORCED RELOCATIONS
4 [ ] LOAD GROWTH
5 [ ] IMPROVE EFFICIENCY AND DISCRETIONARY

**DESCRIPTION OF PROPOSED PROJECT:** Office machines and equipment

**LOCATION:** Various

**NEED FOR PROJECT:** To provide items for PGW's efficient operation.

**ESTIMATE OF COST (In Thousands)**

| | | |
|---|---|---|
| PGW LABOR | $ | |
| MATERIAL | | |
| PURCHASED SERVICES | | |
| OTHER | | |
| PROJECT COST | $ | 19 |
| ADMIN & GENERAL | | |
| 13.5 % OF PROJECT | | 3 |
| SUB TOTAL | $ | 22 |
| AFUDC 5.59 % OF SUBTOTAL | | |
| TOTAL CAPITAL COST | $ | 22 |

ESTIMATED BY: Building Services

DATE: April 18, 2000

**MONTHLY EXPENDITURE FOR BUDGET YEAR (In Thousands)**

| | |
|---|---|
| SEP | 3 |
| OCT | 6 |
| NOV | 4 |
| DEC | |
| JAN | |
| FEB | |
| MAR | 3 |
| APR | |
| MAY | 3 |
| JUN | |
| JUL | |
| AUG | 3 |
| TOTAL | $ 22 |

**ESTIMATED TIMING & EXPENDITURE SCHEDULE (In Thousands)**

| | |
|---|---|
| BUDGET YEAR | $ 22 |
| FORECAST YEARS | |
| YEAR 1 | |
| YEAR 2 | |
| YEAR 3 | |
| TOTAL | $ 22 |

R. S. Ryan
SUBMITTED BY DEPARTMENT DIRECTOR

5-10-00
APPROVED BY VICE PRESIDENT

5/10/00
APPROVED BY SENIOR VICE PRESIDENT

Form M-6410 (Rev. 12/95)

BUILDING SERVICES DEPARTMENT
CAPITAL BUDGET FOR FISCAL 2001

BUDGET CATEGORY 72-01-1-02: ADDITIONAL OFFICE MACHINES AND EQUIPMENT

| | | | | | |
|---|---|---|---|---|---|
| PROJECT COST: | | | | | $19,000 |
| ADM. & GEN. | ( | 13.5% of | $19,000 ) | = | $3,000 |
| AFUDC | ( | 5.59% of | $0 ) | = | $0 |
| | | | | = | $22,000 |

BUILDING SERVICES DEPARTMENT
CAPITAL BUDGET FOR FISCAL 2001

BUDGET CATEGORY 72-01-1-02: ADDITIONAL OFFICE MACHINES AND EQUIPMENT

| FISCAL YEAR | | PROGRAM AMOUNT | WORK ORDER AMOUNT | *AMOUNT SPENT |
|---|---|---|---|---|
| 1989 - 90 | | 132,000 | 49,000 | 33,000 |
| 1990 - 91 | | 113,000 | 116,000 | 26,422 |
| 1991 - 92 | | 211,000 | 141,464 | 78,822 |
| 1992 - 93 | | 206,000 | 154,440 | 46,376 |
| 1993 - 94 | | 246,000 | 230,105 | 113,396 |
| 1994 - 95* | | 85,000 | 0 | 0 |
| 1995 - 96 | | 7,000 | 1,000 | 997 |
| 1996 - 97 | | 23,000 | 23,000 | 633 |
| 1997 - 98 | | 36,000 | 36,000 | 0 |
| 1998 - 99 | | 36,000 | 4,104 | 4,100 |
| 1999 - 00 | **PROGRAM** | **15,000** | **AVERAGE** | **30,375** |
| 2000 - 01 | **FORECAST** | **11,000** | | |
| 2000 - 01 | **ESTIMATE** | **22,000** | | |

Program amount does not include budget transfers out of this category.

Cost information taken from budget category status listing using August's report for Fiscal year 1991 to 1999 only.

Cost information for fiscal years prior to 1991 taken from actual spending on the forecast of capital expenditure reports.

*beginning fiscal 95 monies budgeted for computer equipment was transferred to IT's budget.

## HISTORICAL SPENDING

BUDGET CATEGORY 72-01-1-02: ADDDITIONAL OFFICE EQUIPMENT AND MACHINES

| FISCAL YEAR | WORK ORDER AMOUNT | AMOUNT SPENT FISCAL 1990 | AMOUNT SPENT FISCAL 1991 | AMOUNT SPENT FISCAL 1992 | AMOUNT SPENT FISCAL 1993 | AMOUNT SPENT FISCAL 1994 | AMOUNT SPENT FISCAL 1995 | AMOUNT SPENT FISCAL 1996 | AMOUNT SPENT FISCAL 1997 | AMOUNT SPENT FISCAL 1998 | AMOUNT SPENT FISCAL 1999 | TOTAL SPENDING AS OF 8/31/99 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1989 - 90 | 132,000 | 33,000 | 16,000 | 3,751 | | | | | | | | 52,751 |
| 1990 - 91 | 113,000 | | 26,422 | 72,839 | 411 | | | | | | | 99,672 |
| 1991 - 92 | 211,000 | | | 78,822 | 107,331 | | | | | | | 186,153 |
| 1992 - 93 | 206,000 | | | | 46,376 | 43,116 | | | | | | 89,492 |
| 1993 - 94 | 246,000 | | | | | 113,396 | 128,339 | 103,376 | | | | 345,111 |
| 1994 - 95 | 85,000 | | | | | | | | | | | 0 |
| 1995 - 96 | 7,000 | | | | | | | 977 | | | | 977 |
| 1996 - 97 | 23,000 | | | | | | | | 633 | | | 633 |
| 1997 - 98 | 36,000 | | | | | | | | | | 5,900 | 5,900 |
| 1998 - 99 | 4,104 | | | | | | | | | | 4,100 | 4,100 |

Cost information taken from budget category status listing using August's report for fiscal year 1991 to 1999 only.

Cost information for fiscal years prior to 1991 taken from actual spending on the forecast of capital expenditure reports.

*beginning fiscal 95 monies budgeted for computer equipment was transferred to IT's budget.

OFFICE EQUIPMENT & FURNITURE REQUESTS FROM OTHER DEPTS.

*FISCAL 2001*

| DEPT. | BUD CAT. | ITEM | | AMOUNT |
|---|---|---|---|---|
| BUILDING SERVICES | 7201102 | MISC EQUIPMENT | | $11,000 |
| MARKETING | 7201102 | PROJECTION EQUIPMENT | | $5,000 |
| TRANSPORTATION | 7201102 | MISC EQUIPMENT | | $6,000 |
| | | | **TOTAL** | **$22,000** |
| BUILDING SERVICES | 7201103 | MISC FURNITURE FOR STATIONS | | $11,000 |
| | | | **TOTAL** | **$11,000** |
| BUILDING SERVICES | 7201202 | MISC EQUIPMENT | | $11,000 |
| TRANSPORTATION | 7201102 | MISC EQUIPMENT | | $10,000 |
| | | | **TOTAL** | **$21,000** |
| BUILDING SERVICES | 7201203 | MISC FURNITURE | | $11,000 |
| | | | **TOTAL** | **$11,000** |

**CAPITAL PROGRAM PROPOSAL YEAR 2001**

[X] ADDITION [ ] REPLACEMENT

DEPARTMENT Building Services
DIVISION
BUDGET CATEGORY 72-01-1-03

PRIORITY:
1 [ ] SAFETY 3 [ ] ENFORCED RELOCATIONS 5 [ ] IMPROVE EFFICIENCY AND DISCRETIONARY
2 [X] RELIABILITY 4 [ ] LOAD GROWTH

**DESCRIPTION OF PROPOSED PROJECT:** Office furniture

**LOCATION:** Various

**NEED FOR PROJECT:** *To provide items for PGW's efficient operation.*

**ESTIMATE OF COST (In Thousands)**

| | | |
|---|---|---|
| PGW LABOR | $ | |
| MATERIAL | | |
| PURCHASED SERVICES | | |
| OTHER | | |
| PROJECT COST | $ | 10 |
| ADMIN & GENERAL | | |
| 13.5 % OF PROJECT | | 1 |
| SUB TOTAL | $ | 11 |
| AFUDC 5.59 % OF SUBTOTAL | | |
| TOTAL CAPITAL COST | $ | 11 |

**MONTHLY EXPENDITURE FOR BUDGET YEAR (In Thousands)**

| | |
|---|---|
| SEP | |
| OCT | 1 |
| NOV | |
| DEC | 2 |
| JAN | 4 |
| FEB | |
| MAR | |
| APR | |
| MAY | 1 |
| JUN | 3 |
| JUL | |
| AUG | |
| TOTAL | $ 11 |

**ESTIMATED TIMING & EXPENDITURE SCHEDULE (In Thousands)**

| | |
|---|---|
| BUDGET YEAR | $ 11 |
| FORECAST YEARS | |
| YEAR 1 | |
| YEAR 2 | |
| YEAR 3 | |
| TOTAL | $ 11 |

R. S. Rayor
SUBMITTED BY DEPARTMENT DIRECTOR

APPROVED BY VICE PRESIDENT
5-10-00

5/10/00
APPROVED BY SENIOR VICE PRESIDENT

ESTIMATED BY: Building Services

DATE: April 18, 2000

Form M-6410 (Rev. 12/95)

BUILDING SERVICES DEPARTMENT
CAPITAL BUDGET FOR FISCAL 2001

BUDGET CATEGORY 72-01-1-03: FURNITURE ADDITIONS

| | | | | | |
|---|---|---|---|---|---|
| PROJECT COST: | | | | | $10,000 |
| ADM. & GEN. | ( | 13.5% of | $10,000 ) | = | $1,000 |
| AFUDC | ( | 5.59% of | $0 ) | = | $0 |
| | | | | = | $11,000 |

BUILDING SERVICES DEPARTMENT
CAPITAL BUDGET FOR FISCAL 2001

BUDGET CATEGORY 72-01-1-03: OFFICE FURNITURE ADDITIONS

| FISCAL YEAR | | PROGRAM AMOUNT | WORK ORDER AMOUNT | *AMOUNT SPENT |
|---|---|---|---|---|
| 1989 - 90 | | 64,000 | 59,000 | 6,000 |
| 1990 - 91 | | 31,000 | 31,000 | 1,209 |
| 1991 - 92 | | 61,000 | 20,734 | 14,495 |
| 1992 - 93 | | 26,000 | 15,918 | 14,495 |
| 1993 - 94 | | 87,000 | 49,936 | 36,036 |
| 1994 - 95 | | 0 | 0 | 0 |
| 1995 - 96 | | 2,000 | 16,404 | 0 |
| 1996 - 97 | | 48,000 | 48,000 | 55,445 |
| 1997 - 98 | | 51,000 | 51,000 | 15,960 |
| 1998 - 99 | | 27,000 | 17,000 | 0 |
| 1999 - 00 | **PROGRAM** | **17,000** | **AVERAGE** | **15,293** |
| 2000 - 01 | **FORECAST** | **11,000** | | |
| 2000 - 01 | **ESTIMATE** | **11,000** | | |

Program amount does not include budget transfers out of this category.

Cost information taken from budget category status listing using August's report for Fiscal year 1991 to 1999 only.

Cost information for fiscal years prior to 1991 taken from actual spending on the forecast of capital expenditure reports.

## HISTORICAL SPENDING

BUDGET CATEGORY 72-01-1-03: OFFICE FURNITURE ADDITIONS

| FISCAL YEAR | WORK ORDER AMOUNT | AMOUNT SPENT FISCAL 1990 | AMOUNT SPENT FISCAL 1991 | AMOUNT SPENT FISCAL 1992 | AMOUNT SPENT FISCAL 1993 | AMOUNT SPENT FISCAL 1994 | AMOUNT SPENT FISCAL 1995 | AMOUNT SPENT FISCAL 1996 | AMOUNT SPENT FISCAL 1997 | AMOUNT SPENT FISCAL 1998 | AMOUNT SPENT FISCAL 1999 | TOTAL SPENDING AS OF 8/31/99 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1989 - 90 | 59,000 | 59,000 | 7,000 | 10,259 | 2,381 | | | | | | | 78,640 |
| 1990 - 91 | 31,000 | | 717 | 8,835 | 25 | | | | | | | 9,577 |
| 1991 - 92 | 20,734 | | | 14,495 | 12,834 | | | | | | | 27,329 |
| 1992 - 93 | 15,918 | | | | 4,597 | 11,084 | 1,462 | | | | | 17,143 |
| 1993 - 94 | 49,936 | | | | | 36,036 | 7,586 | | | | | 43,622 |
| 1994 - 95 | 0 | | | | | | | | | | | 0 |
| 1995 - 96 | 16,404 | | | | | | | | 15,894 | | | 15,894 |
| 1996 - 97 | 48,000 | | | | | | | | 55,445 | (46,203) | 22,774 | 32,016 |
| 1997 - 98 | 51,000 | | | | | | | | | 8,399 | | 8,399 |
| 1998 - 99 | 17,000 | | | | | | | | | | | 0 |

Cost information taken from budget category status listing using August's report for fiscal year 1991 to 1999 only.

Cost information for fiscal years prior to 1991 taken from actual spending on the forecast of capital expenditure reports.

OFFICE EQUIPMENT & FURNITURE REQUESTS FROM OTHER DEPTS.
FISCAL 2001

| DEPT. | BUD CAT. | ITEM | | AMOUNT |
|---|---|---|---|---|
| BUILDING SERVICES | 7201102 | MISC EQUIPMENT | | $11,000 |
| MARKETING | 7201102 | PROJECTION EQUIPMENT | | $5,000 |
| TRANSPORTATION | 7201102 | MISC EQUIPMENT | | $6,000 |
| | | | **TOTAL** | **$22,000** |
| BUILDING SERVICES | 7201103 | MISC FURNITURE FOR STATIONS | | $11,000 |
| | | | **TOTAL** | **$11,000** |
| BUILDING SERVICES | 7201202 | MISC EQUIPMENT | | $11,000 |
| TRANSPORTATION | 7201102 | MISC EQUIPMENT | | $10,000 |
| | | | **TOTAL** | **$21,000** |
| BUILDING SERVICES | 7201203 | MISC FURNITURE | | $11,000 |
| | | | **TOTAL** | **$11,000** |

**CAPITAL PROGRAM PROPOSAL YEAR 2001**

[X] ADDITION [ ] REPLACEMENT

DEPARTMENT Building Services
DIVISION
BUDGET CATEGORY 72-01-1-04

PRIORITY:
1 [ ] SAFETY
2 [X] RELIABILITY
3 [ ] ENFORCED RELOCATIONS
4 [ ] LOAD GROWTH
5 [ ] IMPROVE EFFICIENCY AND DISCRETIONARY

**DESCRIPTION OF PROPOSED PROJECT:** Increase reliabilty of the CNG Station

**LOCATION:** 9th & Norris Sts.

**NEED FOR PROJECT:** Due to increased volume of dedicated CNG vehicles upgrade to current station is required. We currently do not have a back up compressor an the existing unit is unable to handle the load.

**ESTIMATE OF COST (In Thousands)**

| | | |
|---|---|---|
| PGW LABOR | $ | |
| MATERIAL | | |
| PURCHASED SERVICES | | |
| OTHER | | |
| PROJECT COST | $ | 131 |
| ADMIN & GENERAL | | |
| 13.5 % OF PROJECT | | 18 |
| SUB TOTAL | $ | 149 |
| AFUDC 5.59 % OF SUBTOTAL | | 1 |
| TOTAL CAPITAL COST | $ | 150 |

**MONTHLY EXPENDITURE FOR BUDGET YEAR (In Thousands)**

| | |
|---|---|
| SEP | |
| OCT | |
| NOV | 25 |
| DEC | 125 |
| JAN | |
| FEB | |
| MAR | |
| APR | |
| MAY | |
| JUN | |
| JUL | |
| AUG | |
| TOTAL | $ 150 |

**ESTIMATED TIMING & EXPENDITURE SCHEDULE (In Thousands)**

| | |
|---|---|
| BUDGET YEAR | $ 150 |
| FORECAST YEARS | |
| YEAR 1 | |
| YEAR 2 | |
| YEAR 3 | |
| TOTAL | $ 150 |

R. S. Rogan
SUBMITTED BY DEPARTMENT DIRECTOR

APPROVED BY VICE PRESIDENT
5-10-00
5/10/00
APPROVED BY SENIOR VICE PRESIDENT

ESTIMATED BY: *Engineering Services*

DATE: May 8, 2000

Form M-6410 (Rev. 12/95)

# INCREASE RELIABILITY OF NORRIS CNG

***2001 CAPITAL FORECAST / BUDGET***
***ENGINEER: RMS***

***DATE: 08 MAY 00***
***ESTIMATOR: NNN***

PERCENTAGE===> 5.59

| DESCRIPTION | | | MATERIAL | LABOR | SUB-CONTRACT | OTHER | TOTAL |
|---|---|---|---|---|---|---|---|
| CONTRACT | | | - | - | 130,000 | | $ 130,000 |
| ENGINEERING | | | | | | 900 | 900 |
| CONSTRUCTION | | | | | | 1,100 | 1,100 |
| CONTINGENCY | 10.00 | PERCENT | | | | | - |
| ESCALATION | 2.50 | PERCENT | | | | | - |
| A.F.U.D.C. | 2.00 | MONTH(S) | | | | 615 | 615 |
| A.+G. | 13.50 | PERCENT | | | | 17,820 | 17,820 |
| | | TOTAL | $ - | $ - | $ 130,000 | $ 20,435 | $ 150,435 |

USE===> $ 150,400

# INCREASE RELIABILITY OF NORRIS CNG

***2001 CAPITAL FORECAST / BUDGET***
***ENGINEER: RMS***

***DATE: 08 MAY 00***
***ESTIMATOR: NNN***

| SECTION | HOURS | RATE | COST | PCT OF TOTAL |
|---|---|---|---|---|
| DESIGN | | $40.00 | $0 | 0.00% |
| ESTIMATING | 20 | $40.00 | $800 | 40.00% |
| FIELD ENG'G | 20 | $40.00 | $800 | 40.00% |
| DRAFTING | 10 | $40.00 | $400 | 20.00% |
| ENVIR. AFF | | $40.00 | $0 | 0.00% |
| SPREAD @ 33% | | $40.00 | $0 | 0.00% |
| TESTING / X-RAYS | | | $0 | 0.00% |
| CONSULTANTS | | | $0 | 0.00% |
| ENG'G TO DATE | | | $0 | 0.00% |
| TOTAL | 50 | | $2,000 | 100.00% |

USE===> $2,000

# INCREASE RELIABILITY OF NORRIS CNG

***2001 CAPITAL FORECAST / BUDGET***
***ENGINEER: RMS***

***DATE: 08 MAY 00***
***ESTIMATOR: NNN***

| | | | MATERIAL | | LABOR | | | | SUB-CONTRACT | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| DESCRIPTION | QTY | UNIT | MATERIAL UNIT COST | AMOUNT | MANHOUR UNIT | TOTAL HOURS | LABOR RATE | AMOUNT | SUB-CONTR UNIT COST | AMOUNT | TOTAL |
| CNG Compressor | 1 | EA | | - | | - | | - | 130,000.00 | 130,000 | 130,000 |
| | | | | - | | - | | - | | | - |
| | | | | - | | - | | - | | | - |
| | | | | - | | - | | - | | | - |
| | | | | - | | - | | - | | | - |
| | | | | - | | - | | - | | - | - |
| | | | | - | | - | | - | | - | - |
| | | | | - | | - | | - | | - | - |
| | | | | - | | - | | - | | - | - |
| | | | | - | | - | | - | | - | - |
| | | | | - | | - | | - | | - | - |
| | | | | - | | - | | - | | - | - |
| | | | | - | | - | | - | | - | - |
| | | | | - | | - | | - | | - | - |
| | | | | - | | - | | - | | - | - |
| | | | | - | | - | | - | | - | - |
| | | | | - | | - | | - | | - | - |
| | | | | - | | - | | - | | - | - |
| | | | | - | | - | | - | | - | - |

# CAPITAL PROGRAM PROPOSAL YEAR 2001

☐ ADDITION ☐ REPLACEMENT

DEPARTMENT Building Services
DIVISION
BUDGET CATEGORY 72-01-2-01

PRIORITY:
1 ☐ SAFETY
2 ☒ RELIABILITY
3 ☐ ENFORCED RELOCATIONS
4 ☐ LOAD GROWTH
5 ☐ IMPROVE EFFICIENCY AND DISCRETIONARY

**DESCRIPTION OF PROPOSED PROJECT:** Miscellaneous Capital Replacements.

**LOCATION:** Various

**NEED FOR PROJECT:** These funds are needed to provide for unexpected physical plant breakdowns and various buidling alterations.

**ESTIMATE OF COST (In Thousands)**

| | | |
|---|---|---|
| PGW LABOR | $ | |
| MATERIAL | | |
| PURCHASED SERVICES | | |
| OTHER | | |
| PROJECT COST | $ | 85 |
| ADMIN & GENERAL | | |
| 13.5 % OF PROJECT | | 12 |
| SUB TOTAL | $ | 97 |
| AFUDC 5.59 % OF SUBTOTAL | | 5 |
| TOTAL CAPITAL COST | $ | 102 |

ESTIMATED BY: Building Services

DATE: April 17, 2000

**MONTHLY EXPENDITURE FOR BUDGET YEAR (In Thousands)**

| | |
|---|---|
| SEP | 10 |
| OCT | 10 |
| NOV | 10 |
| DEC | 10 |
| JAN | 10 |
| FEB | 10 |
| MAR | 10 |
| APR | 10 |
| MAY | 7 |
| JUN | |
| JUL | |
| AUG | |
| TOTAL | $ 87 |

**ESTIMATED TIMING & EXPENDITURE SCHEDULE (In Thousands)**

| | | |
|---|---|---|
| BUDGET YEAR | $ | 85 |
| FORECAST YEARS | | |
| YEAR 1 | | 15 |
| YEAR 2 | | |
| YEAR 3 | | |
| TOTAL | $ | 102 |

R. S. Rejon
SUBMITTED BY DEPARTMENT DIRECTOR

5-10-00
APPROVED BY VICE PRESIDENT

5/10/00
APPROVED BY SENIOR VICE PRESIDENT

Form M-6410 (Rev. 12/95)

ENGINEERING & BUILDING SERVICES DEPARTMENT
CAPITAL BUDGET FOR FISCAL 2001

BUDGET CATEGORY 72-01-2-01: MISCELLANEOUS CAPITAL REPLACEMENTS

| | | | | | |
|---|---|---|---|---|---|
| PROJECT COST: | | | | | $85,000 |
| ADM. & GEN. | ( | 13.5% of | $85,000 ) | = | $12,000 |
| AFUDC | ( | 5.59% of | $97,000 ) | = | $5,000 |
| | | | | = | $102,000 |

ENGINEERING & BUILDING SERVICES DEPARTMENT
CAPITAL BUDGET FOR FISCAL 2001

BUDGET CATEGORY 72-01-2-01: MISCELLANEOUS CAPITAL REPLACEMENTS

| FISCAL YEAR | | PROGRAM AMOUNT | WORK ORDER AMOUNT | *AMOUNT SPENT |
|---|---|---|---|---|
| 1989 - 90 | | 357,000 | 302,000 | 120,910 |
| 1990 - 91 | | 139,000 | 139,000 | 3,063 |
| 1991 - 92 | | 250,000 | 125,000 | 0 |
| 1992 - 93 | | 163,000 | 154,869 | 186,200 |
| 1993 - 94 | | 251,000 | 250,165 | 123,654 |
| 1994 - 95 | | 125,000 | 75,000 | 74,868 |
| 1995 - 96 | | 59,000 | 324,977 | 1,318 |
| 1996 - 97 | | 69,000 | 69,000 | 38,124 |
| 1997 - 98 | | 1,717,160 | 1,717,160 | 2,147,900 |
| 1998 - 99 | | 182,600 | 182,600 | 12,959 |
| 1999 - 00 | **PROGRAM** | **100,000** | **AVERAGE** | **270,900** |
| 2000 - 01 | **FORECAST** | **102,000** | | |
| 2000 - 01 | **ESTIMATE** | **102,000** | | |

Program amount does not include budget transfers out of this category.

Cost information taken from budget category status listing using August's report for fiscal years.
*Actual amount spent in the Program Year only.

# CAPITAL PROGRAM PROPOSAL YEAR 2001

[ ] ADDITION [X] REPLACEMENT

DEPARTMENT Building Services
DIVISION
BUDGET CATEGORY 72-01-2-02

PRIORITY:
1 [ ] SAFETY
2 [X] RELIABILITY
3 [ ] ENFORCED RELOCATIONS
4 [ ] LOAD GROWTH
5 [ ] IMPROVE EFFICIENCY AND DISCRETIONARY

**DESCRIPTION OF PROPOSED PROJECT:** Office machines and equipment

**LOCATION:** Various

**NEED FOR PROJECT:** To provide items for PGW's efficient operation.

**ESTIMATE OF COST (In Thousands)**

| | | |
|---|---|---|
| PGW LABOR | $ | |
| MATERIAL | | |
| PURCHASED SERVICES | | |
| OTHER | | |
| PROJECT COST | $ | 19 |
| ADMIN & GENERAL | | |
| 13.5 % OF PROJECT | | 2 |
| SUB TOTAL | $ | 21 |
| AFUDC 5.59 % OF SUBTOTAL | | |
| TOTAL CAPITAL COST | $ | 21 |

**MONTHLY EXPENDITURE FOR BUDGET YEAR (In Thousands)**

| | |
|---|---|
| SEP | 2 |
| OCT | 3 |
| NOV | 2 |
| DEC | |
| JAN | 0 |
| FEB | |
| MAR | 3 |
| APR | 2 |
| MAY | 2 |
| JUN | 2 |
| JUL | 2 |
| AUG | 3 |
| TOTAL $ | 21 |

**ESTIMATED TIMING & EXPENDITURE SCHEDULE (In Thousands)**

| | | |
|---|---|---|
| BUDGET YEAR | $ | 21 |
| FORECAST YEARS | | |
| YEAR 1 | | |
| YEAR 2 | | |
| YEAR 3 | | |
| TOTAL | $ | 21 |

R. S. Ryan
SUBMITTED BY DEPARTMENT DIRECTOR

5-10-00
APPROVED BY VICE PRESIDENT

5/10/00
APPROVED BY SENIOR VICE PRESIDENT

ESTIMATED BY: Building Services

DATE: April 18, 2000

Form M-6410 (Rev. 12/95)

## HISTORICAL SPENDING

BUDGET CATEGORY 72-01-2-01: MISCELLANEOUS CAPITAL REPLACEMENTS

| FISCAL YEAR | WORK ORDER AMOUNT | AMOUNT SPENT FISCAL 1990 | AMOUNT SPENT FISCAL 1991 | AMOUNT SPENT FISCAL 1992 | AMOUNT SPENT FISCAL 1993 | AMOUNT SPENT FISCAL 1994 | AMOUNT SPENT FISCAL 1995 | AMOUNT SPENT FISCAL 1996 | AMOUNT SPENT FISCAL 1997 | AMOUNT SPENT FISCAL 1998 | AMOUNT SPENT FISCAL 1999 | TOTAL SPENDING AS OF 8/31/99 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1989 - 90 | 302,000 | 120,910 | (7,977) | 153,331 | 25,645 | 9,796 | | | | | | 301,705 |
| 1990 - 91 | 139,000 | | 3,063 | 155,094 | 100,067 | | | | | | | 258,224 |
| 1991 - 92 | 125,000 | | | | 24,519 | 71,764 | 5,830 | | 19,106 | | | 121,219 |
| 1992 - 93 | 154,869 | | | | 169,227 | 53,240 | (4,484) | | | | | 217,983 |
| 1993 - 94 | 250,165 | | | | | 123,654 | 148,793 | 4,598 | | | | 277,045 |
| 1994 - 95 | 75,000 | | | | | | 74,868 | 34,342 | | | | 109,210 |
| 1995 - 96 | 324,977 | | | | | | | 1,318 | 416,511 | 86,033 | | 503,862 |
| 1996 - 97 | 69,000 | | | | | | | | 38,124 | 4,624 | 19,963 | 62,711 |
| 1997 - 98 | 1,717,160 | | | | | | | | | 2,147,900 | 178,062 | 2,325,962 |
| 1998 - 99 | 182,600 | | | | | | | | | | 12,959 | 12,959 |

Cost information from Budget Category Status Listing.

BUILDING SERVICES DEPARTMENT
CAPITAL BUDGET FOR FISCAL 2001

BUDGET CATEGORY 72-01-2-02: OFFICE MACHINES AND EQUIPMENT REPLACEMENTS

| | | | | | |
|---|---|---|---|---|---|
| PROJECT COST: | | | | | $19,000 |
| ADM. & GEN. | ( | 13.5% of | $19,000 ) | = | $2,000 |
| AFUDC | ( | 5.59% of | $0 ) | = | $0 |
| | | | | = | $21,000 |

BUILDING SERVICES DEPARTMENT
CAPITAL BUDGET FOR FISCAL 2001

BUDGET CATEGORY 72-01-2-02: OFFICE MACHINES AND EQUIPMENT REPLACEMENTS

| FISCAL YEAR | | PROGRAM AMOUNT | WORK ORDER AMOUNT | *AMOUNT SPENT |
|---|---|---|---|---|
| 1989 - 90 | | 108,000 | 108,000 | 14,000 |
| 1990 - 91 | | 115,000 | 117,000 | 78,640 |
| 1991 - 92 | | 175,000 | 111,911 | 47,952 |
| 1992 - 93 | | 221,000 | 163,211 | 56,352 |
| 1993 - 94 | | 295,000 | 149,825 | 134,067 |
| 1994 - 95* | | 0 | 0 | 0 |
| 1995 - 96 | | 28,000 | 0 | 0 |
| 1996 - 97 | | 39,000 | 39,000 | 1,140 |
| 1997 - 98 | | 27,000 | 27,000 | 0 |
| 1998 - 99 | | 10,000 | 0 | 0 |
| 1999 - 00 | **PROGRAM** | **23,000** | **AVERAGE** | **33,215** |
| 2000 - 01 | **FORECAST** | **11,000** | | |
| 2000 - 01 | **ESTIMATE** | **21,000** | | |

Program amount does not include budget transfers out of this category.

Cost information taken from budget category status listing using August's report for Fiscal year 1991 to 1999 only.

Cost information for fiscal years prior to 1991 taken from actual spending on the forecast of capital expenditure reports.

*beginning fiscal 95 monies budgeted for computer equipment was transferred to IT's budget.

## HISTORICAL SPENDING

BUDGET CATEGORY 72-01-2-02: OFFICE MACHINES AND EQUIPMENT REPLACEMENTS

| FISCAL YEAR | WORK ORDER AMOUNT | AMOUNT SPENT FISCAL 1990 | AMOUNT SPENT FISCAL 1991 | AMOUNT SPENT FISCAL 1992 | AMOUNT SPENT FISCAL 1993 | AMOUNT SPENT FISCAL 1994 | AMOUNT SPENT FISCAL 1995 | AMOUNT SPENT FISCAL 1996 | AMOUNT SPENT FISCAL 1997 | AMOUNT SPENT FISCAL 1998 | AMOUNT SPENT FISCAL 1999 | TOTAL SPENDING AS OF 8/31/99 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1989 - 90 | 108,000 | 14,000 | 83,000 | 6,788 | 2,806 | | | | | | | 106,594 |
| 1990 - 91 | 115,000 | | 78,640 | 20,659 | 40 | | | | | | | 99,339 |
| 1991 - 92 | 175,000 | | | 47,952 | 60,793 | | | | | | | 108,745 |
| 1992 - 93 | 221,000 | | | | 56,352 | 101,414 | | | | | | 157,766 |
| 1993 - 94 | 295,000 | | | | | 134,067 | 40,147 | | | | | 174,214 |
| 1994 - 95 | 0 | | | | | | | | | | | 0 |
| 1995 - 96 | 28,000 | | | | | | | | | | | 0 |
| 1996 - 97 | 39,000 | | | | | | | | 1,140 | 65 | | 1,205 |
| 1997 - 98 | 27,000 | | | | | | | | | | 7,628 | 7,628 |
| 1998 - 99 | 10,000 | | | | | | | | | | | 0 |

Cost information taken from budget category status listing using August's report for fiscal year 1991 to 1999 only.

Cost information for fiscal years prior to 1991 taken from actual spending on the forecast of capital expenditure reports.

*beginning fiscal 95 monies budgeted for computer equipment was transferred to IT's budget.

OFFICE EQUIPMENT & FURNITURE REQUESTS FROM OTHER DEPTS.
FISCAL 2001

| DEPT. | BUD CAT. | ITEM | | AMOUNT |
|---|---|---|---|---|
| BUILDING SERVICES | 7201102 | MISC EQUIPMENT | | $11,000 |
| MARKETING | 7201102 | PROJECTION EQUIPMENT | | $5,000 |
| TRANSPORTATION | 7201102 | MISC EQUIPMENT | | $6,000 |
| | | | **TOTAL** | **$22,000** |
| BUILDING SERVICES | 7201103 | MISC FURNITURE FOR STATIONS | | $11,000 |
| | | | **TOTAL** | **$11,000** |
| BUILDING SERVICES | 7201202 | MISC EQUIPMENT | | $11,000 |
| TRANSPORTATION | 7201102 | MISC EQUIPMENT | | $10,000 |
| | | | **TOTAL** | **$21,000** |
| BUILDING SERVICES | 7201203 | MISC FURNITURE | | $11,000 |
| | | | **TOTAL** | **$11,000** |

**CAPITAL PROGRAM PROPOSAL YEAR 2001**

☐ ADDITION ☒ REPLACEMENT

DEPARTMENT *Building Services*
DIVISION
BUDGET CATEGORY 72-01-2-03

PRIORITY:
1 ☐ SAFETY
2 ☒ RELIABILITY
3 ☐ ENFORCED RELOCATIONS
4 ☐ LOAD GROWTH
5 ☐ IMPROVE EFFICIENCY AND DISCRETIONARY

**DESCRIPTION OF PROPOSED PROJECT:** Replacement of office furniture

**LOCATION:** Various

**NEED FOR PROJECT:** To provide items for PGW's efficient operation.

**ESTIMATE OF COST (In Thousands)**

| | | |
|---|---|---|
| PGW LABOR | $ | |
| MATERIAL | | |
| PURCHASED SERVICES | | |
| OTHER | | |
| PROJECT COST | $ | 10 |
| ADMIN & GENERAL | | |
| 13.5 % OF PROJECT | | 1 |
| SUB TOTAL | $ | 11 |
| AFUDC 5.59 % OF SUBTOTAL | | |
| TOTAL CAPITAL COST | $ | 11 |

**MONTHLY EXPENDITURE FOR BUDGET YEAR (In Thousands)**

| | |
|---|---|
| SEP | 2 |
| OCT | |
| NOV | 2 |
| DEC | |
| JAN | |
| FEB | |
| MAR | |
| APR | 3 |
| MAY | |
| JUN | 2 |
| JUL | 1 |
| AUG | 1 |
| TOTAL $ | 11 |

**ESTIMATED TIMING & EXPENDITURE SCHEDULE (In Thousands)**

| | | |
|---|---|---|
| BUDGET YEAR | $ | 11 |
| FORECAST YEARS | | |
| YEAR 1 | | |
| YEAR 2 | | |
| YEAR 3 | | |
| TOTAL | $ | 11 |

R. S. Ryan
SUBMITTED BY DEPARTMENT DIRECTOR

5-10-00
APPROVED BY VICE PRESIDENT

5/10/00
APPROVED BY SENIOR VICE PRESIDENT

ESTIMATED BY: Building Services

DATE: April 19, 2000

Form M-6410 (Rev. 12/95)

BUILDING SERVICES DEPARTMENT
CAPITAL BUDGET FOR FISCAL 2001

BUDGET CATEGORY 72-01-2-03: REPLACEMENT OF OFFICE FURNITURE

| | | | | | |
|---|---|---|---|---|---|
| PROJECT COST: | | | | | $10,000 |
| ADM. & GEN. | ( | 13.5% of | $10,000 ) | = | $1,000 |
| AFUDC | ( | 5.59% of | $0 ) | = | $0 |
| | | | | = | $11,000 |

BUILDING SERVICES DEPARTMENT
CAPITAL BUDGET FOR FISCAL 2001

BUDGET CATEGORY 72-01-2-03: REPLACEMENT OF OFFICE FURNITURE

| FISCAL YEAR | | PROGRAM AMOUNT | WORK ORDER AMOUNT | *AMOUNT SPENT |
|---|---|---|---|---|
| 1989 - 90 | | 45,000 | 35,000 | 1,000 |
| 1990 - 91 | | 80,000 | 73,321 | 25,539 |
| 1991 - 92 | | 59,000 | 22,145 | 8,307 |
| 1992 - 93 | | 40,000 | 27,300 | 8,846 |
| 1993 - 94 | | 79,000 | 47,010 | 22,547 |
| 1994 - 95* | | 0 | 0 | 0 |
| 1995 - 96 | | 3,000 | 11,046 | 1,676 |
| 1996 - 97 | | 30,000 | 30,000 | 14,524 |
| 1997 - 98 | | 60,000 | 60,000 | 2,560 |
| 1998 - 99 | | 44,000 | 34,000 | 0 |
| 1999 - 00 | **PROGRAM** | **53,000** | **AVERAGE** | **8,500** |
| 2000 - 01 | **FORECAST** | **11,000** | | |
| 2000 - 01 | **ESTIMATE** | **11,000** | | |

Program amount does not include budget transfers out of this category.

Cost information taken from budget category status listing using August's report for Fiscal year 1991 to 1999 only.

Cost information for fiscal years prior to 1991 taken from actual spending on the forecast of capital expenditure reports.

*beginning fiscal 95 monies budgeted for computer equipment was transferred to IT's budget.

HISTORICAL SPENDING

BUDGET CATEGORY 72-01-2-03: REPLACEMENT OF OFFICE FURNITURE

| FISCAL YEAR | WORK ORDER AMOUNT | AMOUNT SPENT FISCAL 1990 | AMOUNT SPENT FISCAL 1991 | AMOUNT SPENT FISCAL 1992 | AMOUNT SPENT FISCAL 1993 | AMOUNT SPENT FISCAL 1994 | AMOUNT SPENT FISCAL 1995 | AMOUNT SPENT FISCAL 1996 | AMOUNT SPENT FISCAL 1997 | AMOUNT SPENT FISCAL 1998 | AMOUNT SPENT FISCAL 1999 | TOTAL SPENDING AS OF 8/31/99 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1989 - 90 | 35,000 | 1,000 | 27,000 | 2,565 | | | | | | | | 30,565 |
| 1990 - 91 | 73,321 | | 25,539 | 19,081 | (271) | | | | | | | 44,349 |
| 1991 - 92 | 22,145 | | | 8,307 | 10,330 | | | | | | | 18,637 |
| 1992 - 93 | 27,300 | | | | 8,846 | 8,114 | | | | | | 16,960 |
| 1993 - 94 | 47,010 | | | | | 22,547 | 9,938 | | | | | 32,485 |
| 1994 - 95 | 0 | | | | | | | | | | | 0 |
| 1995 - 96 | 11,046 | | | | | | | 1,676 | 9,026 | (2,982) | | 7,720 |
| 1996 - 97 | 30,000 | | | | | | | | 14,524 | | 2,057 | 16,581 |
| 1997 - 98 | 60,000 | | | | | | | | | 2,560 | 589 | 3,149 |
| 1998 - 99 | 34,000 | | | | | | | | | | | 0 |

Cost information taken from budget category status listing using August's report for fiscal year 1991 to 1999 only.

Cost information for fiscal years prior to 1991 taken from actual spending on the forecast of capital expenditure reports.

*beginning fiscal 95 monies budgeted for computer equipment was transferred to IT's budget.

OFFICE EQUIPMENT & FURNITURE REQUESTS FROM OTHER DEPTS.
FISCAL 2001

| DEPT. | BUD CAT. | ITEM | | AMOUNT |
|---|---|---|---|---|
| BUILDING SERVICES | 7201102 | MISC EQUIPMENT | | $11,000 |
| MARKETING | 7201102 | PROJECTION EQUIPMENT | | $5,000 |
| TRANSPORTATION | 7201102 | MISC EQUIPMENT | | $6,000 |
| | | | **TOTAL** | **$22,000** |
| BUILDING SERVICES | 7201103 | MISC FURNITURE FOR STATIONS | | $11,000 |
| | | | **TOTAL** | **$11,000** |
| BUILDING SERVICES | 7201202 | MISC EQUIPMENT | | $11,000 |
| TRANSPORTATION | 7201102 | MISC EQUIPMENT | | $10,000 |
| | | | **TOTAL** | **$21,000** |
| BUILDING SERVICES | 7201203 | MISC FURNITURE | | $11,000 |
| | | | **TOTAL** | **$11,000** |

**CAPITAL PROGRAM PROPOSAL YEAR 2001**

☐ ADDITION ☒ REPLACEMENT

DEPARTMENT Building Services
DIVISION
BUDGET CATEGORY 72-01-2-04

PRIORITY:
1 [X] SAFETY 3 [ ] ENFORCED RELOCATION 5 [ ] IMPROVE EFFICIENCY AND DISCRETIONARY
2 [X] RELIABILITY 4 [ ] LOAD GROWTH

**DESCRIPTION OF PROPOSED PROJECT:** Replace carpet

**LOCATION:** Various

**NEED FOR PROJECT:** Carpet is worn and a safety hazard

**ESTIMATE OF COST (In Thousands)**

| | |
|---|---|
| PGW LABOR | $ |
| MATERIAL | |
| PURCHASED SERVICES | |
| OTHER | |
| PROJECT COST | $ 44 |
| ADMIN & GENERAL | |
| 13.5 % OF PROJECT | 6 |
| SUB TOTAL | $ 50 |
| AFUDC 5.59 % OF SUBTOTAL | |
| TOTAL CAPITAL COST | $ 50 |

ESTIMATED BY: Building Services

DATE: April 18, 2000

**MONTHLY EXPENDITURE FOR BUDGET YEAR (In Thousands)**

| | |
|---|---|
| SEP | 10 |
| OCT | 10 |
| NOV | |
| DEC | |
| JAN | |
| FEB | |
| MAR | |
| APR | |
| MAY | |
| JUN | 10 |
| JUL | 10 |
| AUG | 10 |
| TOTAL | $ 50 |

**ESTIMATED TIMING & EXPENDITURE SCHEDULE (In Thousands)**

| | |
|---|---|
| BUDGET YEAR | $ 50 |
| FORECAST YEARS | |
| YEAR 1 | |
| YEAR 2 | |
| YEAR 3 | |
| TOTAL | $ 50 |

R. S. Rayon
SUBMITTED BY DEPARTMENT DIRECTOR

5-10-00
APPROVED BY VICE PRESIDENT

5/10/00
APPROVED BY SENIOR VICE PRESIDENT

Form M-6410 (Rev. 12/95)

# REPLACE CARPET - 800 BLDG.

***2001 CAPITAL FORECAST*** ***DATE: 10 MAR 98***

***ENGINEER: RJS*** ***RJS***

| DESCRIPTION | | | MATERIAL | LABOR | SUB-CONTRACT | OTHER. | TOTAL |
|---|---|---|---|---|---|---|---|
| CONTRACT | | | - | - | 39,950 | | $ 39,950 |
| ENGINEERING | | | | | | 117 | 117 |
| CONSTRUCTION | | | | | | 2,224 | 2,224 |
| CONTINGENCY | | % | | | | - | - |
| ESCALATION | 4.40 | % | | | | 1,861 | 1,861 |
| A.F.U.D.C. | 2.00 | MONTH(S) | | | | 232 | 232 |
| A.+G. | 13.50 | % | | | | 5,960 | 5,960 |
| | | TOTAL | $ - | $ - | $ 39,950 | $ 10,394 | $ 50,344 |

USE==> $ 50,300

# REPLACE CARPET - 800 BLDG.

***2001 CAPITAL FORECAST***
***ENGINEER: RJS***

***DATE: 10 MAR 98***
***RJS***

| | | | MATERIAL | | LABOR | | | | SUB-CONTRACT | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| DESCRIPTION | QTY | UNIT | MATERIAL U/C | AMOUNT | MANHOUR UNIT | TOTAL HOURS | LABOR RATE | AMOUNT | SUB-CONTR U/C | AMOUNT | TOTAL |
| REMOVE EXISTING CARPET | 1.0 | LS | | 0 | | 0.0 | | 0 | 1,000.00 | 1,000 | 1,000 |
| INSTALL NEW CARPET | 7500.0 | SF | | 0 | | 0.0 | | 0 | 4.40 | 33,000 | 33,000 |
| SUB-TOTALS | | | | $0 | | | | $0 | | $34,000 | $34,000 |
| SALES TAX (M) | | % | | 0 | | | | | | | 0 |
| OVERHEAD&PROFIT (M+S/C) | 0.0 | % | | 0 | | | | | | 0 | 0 |
| SUPERVISION (L) | 16.0 | % | | | | | | 0 | | | 0 |
| WORKING CONDITIONS (L+.5S/C) | 25.0 | % | | | | | | 0 | | 4,250 | 4,250 |
| MISC ITEMS (M,L+S/C) | 5.0 | % | | 0 | | | | 0 | | 1,700 | 1,700 |
| CONFIDENCE FACTOR (M,L,+S/C) | | % | | 0 | | | | 0 | | 0 | 0 |
| TOTAL CONTRACT | | | | $0 | | | | $0 | | $39,950 | $39,950 |

USE==> $40,000

# REPLACE CARPET - 800 BLDG.

***2001 CAPITAL FORECAST*** ***DATE: 10 MAR 98***

***ENGINEER: RJS*** ***RJS***

| SECTION | HOURS | RATE | COST | PCT OF TOTAL |
|---|---|---|---|---|
| DESIGN | 0 | 40.00 | 0 | 0.00% |
| ESTIMATING | 4 | 40.00 | 160 | 6.84% |
| FIELD ENG'G | 40 | 40.00 | 1,600 | 68.35% |
| DRAFTING | 0 | 40.00 | 0 | 0.00% |
| ENVIR. AFF. | | 40.00 | 0 | 0.00% |
| SPREAD @33% | 15 | 40.00 | 581 | 24.81% |
| TESTING/X-RAYS | | | 0 | 0.00% |
| CONSULTANTS | | | 0 | 0.00% |
| ENGR'G TO DATE | | | 0 | 0.00% |
| TOTAL | 59 | | $2,341 | 100.00% |

USE==> $2,300

**CAPITAL PROGRAM PROPOSAL YEAR 2001**

[ ] ADDITION [X] REPLACEMENT

DEPARTMENT Building Services
DIVISION
BUDGET CATEGORY 72-01-2-05

PRIORITY:
1 [ ] SAFETY
2 [X] RELIABILITY
3 [ ] ENFORCED RELOCATIONS
4 [ ] LOAD GROWTH
5 [ ] IMPROVE EFFICIENCY AND DISCRETIONARY

**DESCRIPTION OF PROPOSED PROJECT:** Replace HVAC System

**LOCATION:** 800 West Montgomery Ave.

**NEED FOR PROJECT:** Start of program to upgrade HVAC system which is over 12 years old. First phase is the humidification.

**ESTIMATE OF COST (In Thousands)**

| | | |
|---|---|---|
| PGW LABOR | $ | |
| MATERIAL | | |
| PURCHASED SERVICES | | |
| OTHER | | |
| PROJECT COST | $ | 48 |
| ADMIN & GENERAL | | |
| 13.5 % OF PROJECT | | 7 |
| SUB TOTAL | $ | 55 |
| AFUDC 5.59 % OF SUBTOTAL | | |
| TOTAL CAPITAL COST | $ | 55 |

ESTIMATED BY: Engineering Services

DATE: April 18, 2000

**MONTHLY EXPENDITURE FOR BUDGET YEAR (In Thousands)**

| | |
|---|---|
| SEP | |
| OCT | |
| NOV | |
| DEC | |
| JAN | |
| FEB | |
| MAR | 10 |
| APR | 40 |
| MAY | 5 |
| JUN | |
| JUL | |
| AUG | |
| TOTAL | $ 55 |

**ESTIMATED TIMING & EXPENDITURE SCHEDULE (In Thousands)**

| | |
|---|---|
| BUDGET YEAR | $ 55 |
| FORECAST YEARS | |
| YEAR 1 | |
| YEAR 2 | |
| YEAR 3 | |
| TOTAL | $ 55 |

P.S. Regan
SUBMITTED BY DEPARTMENT DIRECTOR

APPROVED BY VICE PRESIDENT

5/16/00
APPROVED BY SENIOR VICE PRESIDENT

Form M-6410 (Rev. 12/95)

**CAPITAL PROGRAM PROPOSAL YEAR 2001**

[ ] ADDITION [X] REPLACEMENT

DEPARTMENT Building Services
DIVISION
BUDGET CATEGORY 72-01-2-06

PRIORITY:
1 [X] SAFETY
2 [X] RELIABILITY
3 [ ] ENFORCED RELOCATIONS
4 [ ] LOAD GROWTH
5 [ ] IMPROVE EFFICIENCY AND DISCRETIONARY

**DESCRIPTION OF PROPOSED PROJECT:** Replace windows

**LOCATION:** 1800 N. 9th Street

**NEED FOR PROJECT:** Aging windows are leaking and creating unacceptable indoor conditions.

**ESTIMATE OF COST (In Thousands)**

| | | |
|---|---|---|
| PGW LABOR | $ | |
| MATERIAL | | |
| PURCHASED SERVICES | | |
| OTHER | | |
| PROJECT COST | $ | 112 |
| ADMIN & GENERAL | | |
| 13.5 % OF PROJECT | | 15 |
| SUB TOTAL | $ | 127 |
| AFUDC 5.59 % OF SUBTOTAL | | 3 |
| TOTAL CAPITAL COST | $ | 130 |

ESTIMATED BY: Engineering Services

DATE: May 8, 2000

**MONTHLY EXPENDITURE FOR BUDGET YEAR (In Thousands)**

| | | |
|---|---|---|
| SEP | | |
| OCT | | 15 |
| NOV | | 60 |
| DEC | | 55 |
| JAN | | |
| FEB | | |
| MAR | | |
| APR | | |
| MAY | | |
| JUN | | |
| JUL | | |
| AUG | | |
| TOTAL | $ | 130 |

**ESTIMATED TIMING & EXPENDITURE SCHEDULE (In Thousands)**

| | | |
|---|---|---|
| BUDGET YEAR | $ | 130 |
| FORECAST YEARS | | |
| YEAR 1 | | |
| YEAR 2 | | |
| YEAR 3 | | |
| TOTAL | $ | 130 |

R. S. Rayon
SUBMITTED BY DEPARTMENT DIRECTOR

5-10-00
APPROVED BY VICE PRESIDENT

5/10/00
APPROVED BY SENIOR VICE PRESIDENT

Form M-6410 (Rev. 12/95)

# REPLACE WINDOWS AT 1800 N

***2001 CAPITAL BUDGET*** ***DATE: 8 MAY 00***

***ENGINEER: JEF*** ***ESTIMATOR: RJS***

| DESCRIPTION | | | MATERIAL | LABOR | SUB-CONTRACT | OTHER | TOTAL |
|---|---|---|---|---|---|---|---|
| CONTRACT | | | 0 | 0 | 93,600 | | 93,600 |
| ENGINEERING | | | | | | 3,245 | 3,245 |
| CONSTRUCTION MGT. | | | | | | 2,873 | 2,873 |
| CONTINGENCY | 10.00 | PERCENT | | | | 9,360 | 9,360 |
| ESCALATION | 2.50 | PERCENT | | | | 2,727 | 2,727 |
| A.F.U.D.C. | 12.00 | MONTH(S) | | | | 3,125 | 3,125 |
| A.+G. | 13.50 | PERCENT | | | | 15,094 | 15,094 |
| | | TOTAL | $0 | $0 | $93,600 | $36,424 | $130,024 |

USE===> $130,000

# REPLACE WINDOWS AT 1800 N

***2001 CAPITAL BUDGET***
***ENGINEER: JEF***

***DATE: 8 MAY 00***
***ESTIMATOR: RJS***

| | | | MATERIAL | | LABOR | | | | SUB-CONTRACT | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| DESCRIPTION | QTY | UNIT | MATERIAL UNIT COST | AMOUNT | MANHOUR UNIT | TOTAL HOURS | LABOR RATE | AMOUNT | UNIT COST | AMOUNT | TOTAL |
| REMOVE EXIST, INSTALL NEW WINDOWS | 12 | EA | | | | | | | 7,800.00 | 93,600 | 93,600 |
| SUB-TOTALS | | | | $0 | | | | $0 | | $93,600 | $93,600 |
| SALES TAX (M) | | % | | 0 | | | | | | | 0 |
| OVERHEAD & PROFIT (M+S/C) | 0.00 | % | | 0 | | | | | | 0 | 0 |
| SUPERVISION (L) | | % | | | | | | 0 | | | 0 |
| WORKING CONDITIONS (L+.5S/C) | 0.00 | % | | | | | | 0 | | 0 | 0 |
| MISC ITEMS (M,L+S/C) | | % | | 0 | | | | 0 | | 0 | 0 |
| TOTAL CONTRACT | | | | $0 | | | | $0 | | $93,600 | $93,600 |

USE===> $93,600

# REPLACE WINDOWS AT 1800 N

***2001 CAPITAL BUDGET*** ***DATE: 8 MAY 00***
***ENGINEER: JEF*** ***ESTIMATOR: RJS***

| SECTION | HOURS | RATE | COST | PCT OF TOTAL |
|---|---|---|---|---|
| DESIGN | 20 | 40.00 | 800 | 13.08% |
| ESTIMATING | 1 | 40.00 | 40 | 0.65% |
| FIELD ENG'G | 54 | 40.00 | 2,160 | 35.31% |
| DRAFTING | 40 | 40.00 | 1,600 | 26.15% |
| ENVIR. AFF. | | 40.00 | 0 | 0.00% |
| SPREAD @33% | 38 | 40.00 | 1,518 | 24.81% |
| CONSULTANTS | | | 0 | 0.00% |
| ENG'G TO DATE | | | 0 | 0.00% |
| TOTAL | 153 | | $6,118 | 100.00% |

USE===> $6,100

**CAPITAL PROGRAM PROPOSAL YEAR 2001**

[ ] ADDITION [X] REPLACEMENT

DEPARTMENT Building Services
DIVISION
BUDGET CATEGORY 72-01-2-07

PRIORITY:
1 [ ] SAFETY
2 [X] RELIABILITY
3 [ ] ENFORCED RELOCATIONS
4 [ ] LOAD GROWTH
5 [ ] IMPROVE EFFICIENCY AND DISCRETIONARY

**DESCRIPTION OF PROPOSED PROJECT:** Replace air compressor and piping

**LOCATION:** 1849 N. 9th Street (Transportation Bldg.)

**NEED FOR PROJECT:** Existing system: is continually breaking down.

**ESTIMATE OF COST (In Thousands)**

| | | |
|---|---|---|
| PGW LABOR | $ | |
| MATERIAL | | |
| PURCHASED SERVICES | | |
| OTHER | | |
| PROJECT COST | $ | 44 |
| ADMIN & GENERAL | | |
| 13.5 % OF PROJECT | | 6 |
| SUB TOTAL | $ | |
| AFUDC 5.59 % OF SUBTOTAL | | |
| TOTAL CAPITAL COST | $ | 50 |

ESTIMATED BY: Engineering Services

DATE: May 8, 2000

**MONTHLY EXPENDITURE FOR BUDGET YEAR (In Thousands)**

| | |
|---|---|
| SEP | |
| OCT | 5 |
| NOV | 20 |
| DEC | 25 |
| JAN | |
| FEB | |
| MAR | |
| APR | |
| MAY | |
| JUN | |
| JUL | |
| AUG | |
| TOTAL | $ 50 |

**ESTIMATED TIMING & EXPENDITURE SCHEDULE (In Thousands)**

| | |
|---|---|
| BUDGET YEAR | $ 50 |
| FORECAST YEARS | |
| YEAR 1 | |
| YEAR 2 | |
| YEAR 3 | |
| TOTAL | $ 50 |

R. S. Ryan
SUBMITTED BY DEPARTMENT DIRECTOR

5/10/00
APPROVED BY VICE PRESIDENT

5/10/00
APPROVED BY SENIOR VICE PRESIDENT

Form M-6410 (Rev. 12/95)

# REPLACE AIR COMPRESSOR - 1849

***2001 CAPITAL FORECAST / BUDGET***
***ENGINEER: RMS***

***DATE: 08 MAY 00***
***ESTIMATOR: RMS***

PERCENTAGE===> 5.59

| DESCRIPTION | | | MATERIAL | LABOR | SUB-CONTRACT | OTHER | TOTAL |
|---|---|---|---|---|---|---|---|
| CONTRACT | | | - | 4,000 | 26,250 | | $ 30,250 |
| ENGINEERING | | | | | | 5,200 | 5,200 |
| CONSTRUCTION | | | | | | 4,400 | 4,400 |
| CONTINGENCY | 10.00 | PERCENT | | | | 3,025 | 3,025 |
| ESCALATION | 2.50 | PERCENT | | | | 1,072 | 1,072 |
| A.F.U.D.C. | 1.00 | MONTH(S) | | | | 102 | 102 |
| A.+G. | 13.50 | PERCENT | | | | 5,933 | 5,933 |
| | | TOTAL | $ - | $ 4,000 | $ 26,250 | $ 19,732 | $ 49,982 |

USE===> $ 50,000

# REPLACE AIR COMPRESSOR - 1849

***2001 CAPITAL FORECAST / BUDGET*** ***DATE: 08 MAY 00***

***ENGINEER: RMS*** ***ESTIMATOR: RMS***

| SECTION | HOURS | RATE | COST | PCT OF TOTAL |
|---|---|---|---|---|
| DESIGN | 60 | $40.00 | $2,400 | 25.06% |
| ESTIMATING | | $40.00 | $0 | 0.00% |
| FIELD ENG'G | 80 | $40.00 | $3,200 | 33.42% |
| DRAFTING | 40 | $40.00 | $1,600 | 16.71% |
| ENVIR. AFF | | $40.00 | $0 | 0.00% |
| SPREAD @ 33% | 59.4 | $40.00 | $2,376 | 24.81% |
| TESTING / X-RAYS | | | $0 | 0.00% |
| CONSULTANTS | | | $0 | 0.00% |
| ENG'G TO DATE | | | $0 | 0.00% |
| TOTAL | 239.4 | | $9,576 | 100.00% |

USE===> $9,600

# REPLACE AIR COMPRESSOR - 1849

***2001 CAPITAL FORECAST / BUDGET***
***ENGINEER: RMS***

***DATE: 08 MAY 00***
***ESTIMATOR: RMS***

| | | | MATERIAL | | LABOR | | | | SUB-CONTRACT | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| DESCRIPTION | QTY | UNIT | MATERIAL UNIT COST | AMOUNT | MANHOUR UNIT | TOTAL HOURS | LABOR RATE | AMOUNT | SUB-CONTR UNIT COST | AMOUNT | TOTAL |
| Install Air Compressor | 1 | EA | - | - | 80.00 | 80.00 | 40.00 | 3,200 | | - | 3,200 |
| Electrical Work | | | | - | | - | | - | | 15,000 | 15,000 |
| Air Piping | | | | - | | - | | - | | 10,000 | 10,000 |
| | | | | - | | - | | - | | - | - |
| | | | | - | | - | | - | | - | - |
| | | | | - | | - | | - | | - | - |
| | | | | - | | - | | - | | - | - |
| | | | | - | | - | | - | | - | - |
| | | | | - | | - | | - | | - | - |
| | | | | - | | - | | - | | - | - |
| | | | | - | | - | | - | | - | - |
| | | | | - | | - | | - | | - | - |
| | | | | - | | - | | - | | - | - |
| | | | | - | | - | | - | | - | - |
| | | | | - | | - | | - | | - | - |
| | | | | - | | - | | - | | - | - |
| | | | | - | | - | | - | | - | - |
| | | | | - | | - | | - | | - | - |

**CAPITAL PROGRAM PROPOSAL YEAR 2001**

[ ] ADDITION [X] REPLACEMENT

DEPARTMENT Building Services
DIVISION
BUDGET CATEGORY 72-01-2-08

PRIORITY:
1 [ ] SAFETY
2 [X] RELIABILITY
3 [ ] ENFORCED RELOCATIONS
4 [ ] LOAD GROWTH
5 [ ] IMPROVE EFFICIENCY AND DISCRETIONARY

**DESCRIPTION OF PROPOSED PROJECT:** Provide improved facilities (Phase II)

**LOCATION:** Tioga Station

**NEED FOR PROJECT:** To accept increased FSD presence because of more CNG vehicles being relocated from Castor Station.

**ESTIMATE OF COST (In Thousands)**

| | |
|---|---|
| PGW LABOR | $ |
| MATERIAL | |
| PURCHASED SERVICES | |
| OTHER | |
| PROJECT COST | $ 66 |
| ADMIN & GENERAL | |
| 13.5 % OF PROJECT | 9 |
| SUB TOTAL | $ |
| AFUDC 5.59 % OF SUBTOTAL | |
| TOTAL CAPITAL COST | $ 75 |

**MONTHLY EXPENDITURE FOR BUDGET YEAR (In Thousands)**

| | |
|---|---|
| SEP | |
| OCT | |
| NOV | |
| DEC | |
| JAN | |
| FEB | |
| MAR | |
| APR | 10 |
| MAY | 45 |
| JUN | 20 |
| JUL | |
| AUG | |
| TOTAL | $ 75 |

**ESTIMATED TIMING & EXPENDITURE SCHEDULE (In Thousands)**

| | |
|---|---|
| BUDGET YEAR | $ 75 |
| FORECAST YEARS | |
| YEAR 1 | |
| YEAR 2 | |
| YEAR 3 | |
| TOTAL | $ 75 |

R. S. Rogers
SUBMITTED BY DEPARTMENT DIRECTOR

APPROVED BY VICE PRESIDENT

5/10/00
APPROVED BY SENIOR VICE PRESIDENT

ESTIMATED BY: Engineering Services

DATE: April 18, 2000

Form M-6410 (Rev. 12/95)

# PROVIDE IMPROVED FACILITIES AT TIOGA STATION - PHASE II

***2001 CAPITAL BUDGET***
***ENGINEER: RJS***

***DATE: 6 MAR 00***
***ESTIMATOR: RJS***

| DESCRIPTION | | | MATERIAL | LABOR | SUB-CONTRACT | OTHER | TOTAL |
|---|---|---|---|---|---|---|---|
| CONTRACT | | | - | - | 44,235 | | $ 44,235 |
| ENGINEERING | | | | | | 9,800 | 9,800 |
| CONSTRUCTION | | | | | | 5,600 | 5,600 |
| CONTINGENCY | 10.00 | PERCENT | | | | 4,424 | 4,424 |
| ESCALATION | 2.50 | PERCENT | | | | 1,601 | 1,601 |
| A.F.U.D.C. | 3.00 | MONTH(S) | | | | 459 | 459 |
| A.+G. | 13.50 | PERCENT | | | | 8,864 | 8,864 |
| | | TOTAL | $ - | $ - | $ 44,235 | $ 30,748 | $ 74,983 |

**PERCENTAGE===>** **5.59**

USE===> $ 75,000

# PROVIDE IMPROVED FACILITIES AT TIOGA STATION - PHASE II

***2001 CAPITAL BUDGET***
***ENGINEER: RJS***

***DATE: 6 MAR 00***
***ESTIMATOR: RJS***

| DESCRIPTION | QTY | UNIT | MATERIAL | | LABOR | | | | SUB-CONTRACT | | TOTAL |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | MATERIAL UNIT COST | AMOUNT | MANHOUR UNIT | TOTAL HOURS | LABOR RATE | AMOUNT | SUB-CONTR UNIT COST | AMOUNT | |
| **RELOCATE FSD STOREROOM TO MAIN OFFICE BLDG - RICHMOND** | | | | | | | | | | | |
| DEMOLITION, Commercial building MAX | 382 | SF | | | | - | | - | 10.00 | 3,824 | 3,824 |
| FINISHES (COUNTER, etc.) | 1 | LS | | | | - | | - | 7500 | 7,500 | 7,500 |
| FLOOR TILE | 1 | LS | | | | - | | - | 5000 | 5,000 | 5,000 |
| ACOUSTICAL CEILING | 382 | SF | | | | - | | - | 5 | 1,912 | 1,912 |
| LIGHTING | 20 | EA | | | | - | | - | 200 | 4,000 | 4,000 |
| ELECTRIC | 1 | LS | | | | - | | - | 5000 | 5,000 | 5,000 |
| EMERGENCY LIGHTING, EXIT | 1 | LS | | | | - | | - | 2000 | 2,000 | 2,000 |
| SUB-TOTALS | | | | - | | | | - | | 29,235 | 29,235 |
| SALES-TAX (M) | | % | | - | | | | | | | - |
| OVERHEAD & PROFIT (M+S/C) | | % | | - | | | | | | - | - |
| SUPERVISION (L) | | % | | | | | | - | | 5,000 | 5,000 |
| WORKING CONDITIONS(L+.5S/C) | | % | | | | | | - | | - | - |
| MISC ITEMS(M,L+S/C) | | % | | - | | | | - | | 10,000 | 10,000 |
| TOTAL CONTRACT | | | | $ - | | | | $ - | | $ 44,235 | $ 44,235 |

USE===> $ 44,200

Rev. 24 MAR 00

# PROVIDE IMPROVED FACILITIES AT TIOGA STATION - PHASE II

***2001 CAPITAL BUDGET*** ***DATE: 6 MAR 00***

***ENGINEER: RJS*** ***ESTIMATOR: RJS***

| SECTION | HOURS | RATE | COST | PCT OF TOTAL |
|---|---|---|---|---|
| DESIGN | 120 | $40.00 | $4,800 | 31.11% |
| ESTIMATING | 10 | $40.00 | $400 | 2.59% |
| FIELD ENG'G | 100 | $40.00 | $4,000 | 25.93% |
| DRAFTING | 60 | $40.00 | $2,400 | 15.56% |
| ENVIR. AFF | | | | |
| SPREAD @ 33% | 95.7 | $40.00 | $3,828 | 24.81% |
| TESTING / X-RAYS | | | | |
| CONSULTANTS | | | | |
| ENG'G TO DATE | | | | |
| TOTAL | 385.7 | | $15,428 | 100.00% |

USE===> $15,400

**CAPITAL PROGRAM PROPOSAL YEAR 2001**

[ ] ADDITION [X] REPLACEMENT

DEPARTMENT Building Services
DIVISION
BUDGET CATEGORY 72-01-2-09

PRIORITY:
1 [X] SAFETY 3 [ ] ENFORCED RELOCATION 5 [ ] IMPROVE EFFICIENCY AND DISCRETIONARY
2 [X] RELIABILITY 4 [ ] LOAD GROWTH

**DESCRIPTION OF PROPOSED PROJECT:** Replace ramp (Phase II)

**LOCATION:** 1849 N. 9th St. (Transportation Building)

**NEED FOR PROJECT:** The ramp is structurally not in a condition to be used for another year.

**ESTIMATE OF COST (In Thousands)**

| | |
|---|---|
| PGW LABOR | $ |
| MATERIAL | |
| PURCHASED SERVICES | |
| OTHER | |
| PROJECT COST | $ 134 |
| ADMIN & GENERAL | |
| 13.5 % OF PROJECT | 18 |
| SUB TOTAL | $ 152 |
| AFUDC 5.59 % OF SUBTOTAL | 1 |
| TOTAL CAPITAL COST | $ 153 |

ESTIMATED BY: Engineering Services

DATE: March 3, 2000

**MONTHLY EXPENDITURE FOR BUDGET YEAR (In Thousands)**

| | |
|---|---|
| SEP | |
| OCT | |
| NOV | |
| DEC | |
| JAN | |
| FEB | |
| MAR | |
| APR | |
| MAY | 20 |
| JUN | 50 |
| JUL | 83 |
| AUG | |
| TOTAL | $ 153 |

**ESTIMATED TIMING & EXPENDITURE SCHEDULE (In Thousands)**

| | |
|---|---|
| BUDGET YEAR | $ 153 |
| FORECAST YEARS | |
| YEAR 1 | |
| YEAR 2 | |
| YEAR 3 | |
| TOTAL | $ 153 |

R. S. Ryan
SUBMITTED BY DEPARTMENT DIRECTOR

5-8-00
APPROVED BY VICE PRESIDENT

5/18/00
APPROVED BY SENIOR VICE PRESIDENT

Form M-6410 (Rev. 12/95)

# REPLACE CONCRETE RAMP - MULTI-LEVEL GARAGE

***2001 CAPITAL FORECAST / BUDGET***
***ENGINEER: RMS***

***DATE: 03 Mar 2000***
***ESTIMATOR: RMS***

| | DESCRIPTION | | | MATERIAL | LABOR | SUB-CONTRACT | OTHER | TOTAL |
|---|---|---|---|---|---|---|---|---|
| | CONTRACT | | | - | - | - | | $ 115,000 |
| | ENGINEERING | | | | | | 2,600 | 1,000 |
| | CONSTRUCTION | | | | | | 1,100 | 3,000 |
| | CONTINGENCY | 10.00 | PERCENT | | | | 11,500 | 11,500 |
| | ESCALATION | 2.50 | PERCENT | | | | 3,263 | 3,263 |
| **PERCENTAGE===>** **5.59** | A.F.U.D.C. | 3.00 | MONTH(S) | | | | 935 | 935 |
| | A.+G. | 13.50 | PERCENT | | | | 18,058 | 18,058 |
| | | | TOTAL | $ - | $ - | $ - | $ 37,456 | $ 152,756 |

USE===> $ 152,800

# REPLACE CONCRETE RAMP - MULTI-LEVEL GARAGE

***2001 CAPITAL FORECAST / BUDGET*** ***DATE: 03 Mar 2000***
***ENGINEER: RMS*** ***ESTIMATOR: RMS***

| SECTION | HOURS | RATE | COST | PCT OF TOTAL |
|---|---|---|---|---|
| DESIGN | 10 | $40.00 | $400 | 10.91% |
| ESTIMATING | | $40.00 | $0 | 0.00% |
| FIELD ENG'G | 20 | $40.00 | $800 | 21.81% |
| DRAFTING | | $40.00 | $0 | 0.00% |
| ENVIR. AFF | | $40.00 | $0 | 0.00% |
| SPREAD @ 39% | 11.7 | $40.00 | $468 | 12.76% |
| TESTING / X-RAYS | | | $0 | 0.00% |
| CONSULTANTS | | | $2,000 | 54.53% |
| ENG'G TO DATE | | | $0 | 0.00% |
| TOTAL | 41.7 | | $3,668 | 100.00% |

USE===> $4,000

# REPLACE CONCRETE RAMP - MULTI-LEVEL GARAGE
## PHASE 2

***2001 CAPITAL FORECAST / BUDGET***
***ENGINEER: RMS***

***DATE: 03 Mar 2000***
***ESTIMATOR: RMS***

| | | | MATERIAL | | LABOR | | | | SUB-CONTRACT | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| DESCRIPTION | QTY | UNIT | MATERIAL UNIT COST | AMOUNT | MANHOUR UNIT | TOTAL HOURS | LABOR RATE | AMOUNT | SUB-CONTR UNIT COST | AMOUNT | TOTAL |
| General Construction | | | | - | | - | | - | | - | 25,000 |
| Structural Work | | | | - | | - | | - | | - | 80,000 |
| Mobilization/Demobilization | | | | - | | - | | - | | - | 10,000 |
| | | | | - | | - | | - | | - | - |
| | | | | - | | - | | - | | - | - |
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| | | | | - | | - | | - | | - | - |
| | | | | - | | - | | - | | - | - |

**CAPITAL PROGRAM PROPOSAL YEAR 2001**

[ ] ADDITION [X] REPLACEMENT

DEPARTMENT Building Services
DIVISION
BUDGET CATEGORY 72-01-2-10

PRIORITY:
1 [ ] SAFETY
2 [X] RELIABILITY
3 [ ] ENFORCED RELOCATIONS
4 [ ] LOAD GROWTH
5 [ ] IMPROVE EFFICIENCY AND DISCRETIONARY

**DESCRIPTION OF PROPOSED PROJECT:** Upgrade office for ergonomics

**LOCATION:** 1800 N. 9th St.

**NEED FOR PROJECT:** Improve lighting and provide ergonomic work spaces.

**ESTIMATE OF COST (In Thousands)**

| | |
|---|---|
| PGW LABOR | $ |
| MATERIAL | |
| PURCHASED SERVICES | |
| OTHER | |
| PROJECT COST | $ 88 |
| ADMIN & GENERAL | |
| 13.5 % OF PROJECT | 12 |
| SUB TOTAL | $ |
| AFUDC 5.59 % OF SUBTOTAL | |
| TOTAL CAPITAL COST | $ 100 |

ESTIMATED BY: Engineering Services

DATE: April 18, 2000

**MONTHLY EXPENDITURE FOR BUDGET YEAR (In Thousands)**

| | |
|---|---|
| SEP | |
| OCT | 10 |
| NOV | 10 |
| DEC | 10 |
| JAN | 20 |
| FEB | 20 |
| MAR | 10 |
| APR | 10 |
| MAY | 10 |
| JUN | |
| JUL | |
| AUG | |
| TOTAL | $ 100 |

**ESTIMATED TIMING & EXPENDITURE SCHEDULE (In Thousands)**

| | |
|---|---|
| BUDGET YEAR | $ 100 |
| FORECAST YEARS | |
| YEAR 1 | |
| YEAR 2 | |
| YEAR 3 | |
| TOTAL | $ 100 |

R. S. Rogers
SUBMITTED BY DEPARTMENT DIRECTOR

5-10-00
APPROVED BY VICE PRESIDENT

5/10/00
APPROVED BY SENIOR VICE PRESIDENT

Form M-6410 (Rev. 12/95)

# UPGRADE OFFICE ERGONOMICS

***2001 CAPITAL BUDGET*** ***DATE: 6 MAR 00***

***ENGINEER: RJS*** ***ESTIMATOR: RJS***

| | DESCRIPTION | | | MATERIAL | LABOR | SUB-CONTRACT | OTHER | TOTAL |
|---|---|---|---|---|---|---|---|---|
| | CONTRACT | | | - | - | 72,000 | | $ 72,000 |
| | ENGINEERING | | | | | | 4,200 | 4,200 |
| | CONSTRUCTION | | | | | | 2,400 | 2,400 |
| | CONTINGENCY | 10.00 | PERCENT | | | | 7,200 | 7,200 |
| | ESCALATION | 2.50 | PERCENT | | | | 2,145 | 2,145 |
| **PERCENTAGE===>** **5.59** | A.F.U.D.C. | 1.00 | MONTH(S) | | | | 205 | 205 |
| | A.+G. | 13.50 | PERCENT | | | | 11,873 | 11,873 |
| | | | TOTAL | $ - | $ - | $ 72,000 | $ 28,023 | $ 100,023 |

USE===> $ 100,000

# UPGRADE OFFICE ERGONOMICS

***2001 CAPITAL BUDGET***
***ENGINEER: RJS***

***DATE: 6 MAR 00***
***ESTIMATOR: RJS***

| | | | MATERIAL | | LABOR | | | | SUB-CONTRACT | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| DESCRIPTION | QTY | UNIT | MATERIAL UNIT COST | AMOUNT | MANHOUR UNIT | TOTAL HOURS | LABOR RATE | AMOUNT | SUB-CONTR UNIT COST | AMOUNT | TOTAL |
| HAWORTH FURNITURE | 1 | LS | | | | - | | - | 50,000.00 | 50,000 | 50,000 |
| LIGHTING | 1 | LS | | | | - | | - | 11000 | 11,000 | 11,000 |
| CEILING | 1 | LS | | | | - | | - | 11000 | 11,000 | 11,000 |
| | | | | | | - | | - | | | - |
| SUB-TOTALS | | | | - | | | | - | | 72,000 | 72,000 |
| SALES-TAX (M) | | % | | - | | | | | | | - |
| OVERHEAD & PROFIT (M+S/C) | | % | | - | | | | | | - | - |
| SUPERVISION (L) | | % | | | | | | - | | - | - |
| WORKING CONDITIONS(L+.5S/C) | | % | | | | | | - | | - | - |
| MISC ITEMS(M,L+S/C) | | % | | - | | | | - | | - | - |
| TOTAL CONTRACT | | | | $ - | | | | $ - | | $ 72,000 | $ 72,000 |

USE===> $ 72,000

Rev. 24 MAR 00

# UPGRADE OFFICE ERGONOMICS

***2001 CAPITAL BUDGET*** ***DATE: 6 MAR 00***

***ENGINEER: RJS*** ***ESTIMATOR: RJS***

| SECTION | HOURS | RATE | COST | PCT OF TOTAL |
|---|---|---|---|---|
| DESIGN | 40 | $40.00 | $1,600 | 24.25% |
| ESTIMATING | 1 | $40.00 | $40 | 0.61% |
| FIELD ENG'G | 43 | $40.00 | $1,720 | 26.07% |
| DRAFTING | 40 | $40.00 | $1,600 | 24.25% |
| ENVIR. AFF | | | | |
| SPREAD @ 33% | 40.92 | $40.00 | $1,637 | 24.81% |
| TESTING / X-RAYS | | | | |
| CONSULTANTS | | | | |
| ENG'G TO DATE | | | | |
| TOTAL | 164.92 | | $6,597 | 100.00% |

USE===> $6,600

**CAPITAL PROGRAM PROPOSAL YEAR 2001**

☐ ADDITION ☒ REPLACEMENT

DEPARTMENT Building Services
DIVISION
BUDGET CATEGORY 72-01-2-11

PRIORITY:
1 ☐ SAFETY 3 ☐ ENFORCED RELOCATION 5 ☐ IMPROVE EFFICIENCY AND DISCRETIONARY
2 ☒ RELIABILITY 4 ☐ LOAD GROWTH

**DESCRIPTION OF PROPOSED PROJECT:** Replace Security Systems at Customer Service Centers

**LOCATION:** Various

**NEED FOR PROJECT:** Upgrade of telephone hardware to make use of latest availabel technology.

**ESTIMATE OF COST (In Thousands)**

| | | |
|---|---|---|
| PGW LABOR | $ | |
| MATERIAL | | |
| PURCHASED SERVICES | | |
| OTHER | | |
| PROJECT COST | $ | 146 |
| ADMIN & GENERAL | | |
| 13.5 % OF PROJECT | | 20 |
| SUB TOTAL | $ | 166 |
| AFUDC 5.59 % OF SUBTOTAL | | 9 |
| TOTAL CAPITAL COST | $ | 175 |

ESTIMATED BY: Security & Loss Prevention

DATE: April 18, 2000

**MONTHLY EXPENDITURE FOR BUDGET YEAR (In Thousands)**

| | |
|---|---|
| SEP | 20 |
| OCT | 40 |
| NOV | 40 |
| DEC | 40 |
| JAN | 35 |
| FEB | |
| MAR | |
| APR | |
| MAY | |
| JUN | |
| JUL | |
| AUG | |
| TOTAL | $ 175 |

**ESTIMATED TIMING & EXPENDITURE SCHEDULE (In Thousands)**

| | |
|---|---|
| BUDGET YEAR | $ 175 |
| FORECAST YEARS | |
| YEAR 1 | |
| YEAR 2 | |
| YEAR 3 | |
| TOTAL | $ 175 |

R. S. Rajan
SUBMITTED BY DEPARTMENT DIRECTOR

APPROVED BY VICE PRESIDENT

5/10/00
APPROVED BY SENIOR VICE PRESIDENT

Form M-6410 (Rev. 12/95)

Tuesday, April 18, 2000

Mr John Ferrer
PGW
800 West Montgomery Ave
Philadelphia PA 19122

Dear Mr. Ferrer:

Patriot Commercial Leasing Company is pleased to present the following equipment financing proposal for your review and consideration. The following terms and conditions are based upon information furnished to us by you.

## *SUMMARY OF TERMS AND CONDITIONS*

| | |
|---|---|
| **LESSOR** | Patriot Commercial Leasing Company |
| **LESSEE** | PGW |

## EQUIPMENT

| | |
|---|---|
| **DESCRIPTION** | Security Equipment |
| **EQUIPMENT LOCATION** | Philadelphia PA |
| **EQUIPMENT COST** | $175,000 |
| **TERM** | 48 months |
| **PAYMENT** | $4410.00 + tax |
| **PURCHASE OPTION** | $1.00 |
| **ADVANCE PAYMENTS** | 1st and last payment + documentation fee of $250.00 |

***** IF WE PAY THE 50% DOWNPAYMENT REQUIREDE BY VENDOR WE WILL START THE LEASE UPON RECEIVING YOUR SIGNED DOCUMENTS AND A VERBAL ACCEPTANCE BY YOU TO PAY THE VENDOR.**

This proposal is based upon both the assumption and the condition that the closing for this transaction will take place on or before May 20,2000. If the closing does not take place on this date, the rental amounts (and other economic factors) set forth herein may be adjusted to reflect the actual date of closing

# *LEASE INFORMATION*

## NET LEASE

The lease will be a noncancellable, net lease transaction whereby insurance, maintenance, and all applicable taxes (including sales and/or use taxes, which will be added to the cost of the Equipment or collected on the gross rentals, as appropriate under the laws of the particular state) are the responsibility of the Lessee. Lessor will make no warranties, expressed or implied, relating to the equipment.

## INSURANCE

Lessee will provide adequate property and liability insurance with endorsements and in amounts acceptable to Lessor prior to the delivery of the Equipment. Lessor will be named as first loss payee with respect to the Equipment under such property insurance policies and as an additional insured under such liability policies.

## DOCUMENTATION FEE

At Lease closing, Lessee shall pay to Lessor a documentation fee equal to $250.00 (unless otherwise listed on page 1) plus all fees and disbursements (including attorney's fees) actually incurred by Lessor in the negotiation of documentation.

## RESIDUAL EVALUATION

This proposal is based upon the assumption that ownership will be transferred to Lessee for $1.00 at the end of the lease term.

# MISCELLANEOUS

## SALES TAX EXEMPTION

Many companies are exempt from sales and/or use tax. For Lessor to qualify for Lessee's sales tax exemption, a valid tax exemption certificate, satisfactory in all respects to Lessor, for the state where the Equipment will be located will be required at lease closing.

## FINANCIAL STATEMENTS

Lessee shall furnish Lessor with its financial statements, in a form satisfactory to Lessor, for the last three fiscal years and latest interim financial statements. Lessee shall also provide the name of its major financial institution, and the address, phone number and account officer name.

## PROPOSAL ACCEPTANCE/EXPIRATION

This proposal is subject to approval by the Lessee on or before April 27,2000. Unless this date is extended in writing by Lessor, if Lessor has not received a copy of this proposal, signed by Lessee, on or before such date, this proposal will expire.

## DISCLAIMER

Patriot Commercial Leasing Company has offered this proposal based upon assumptions provided by the Lessee. This proposal is not intended to give advice, representations or warranties and we encourage you to discuss this proposal

with your CPA and/or tax advisor. PATRIOT COMMERCIAL LEASING COMPANY HAS NOT MADE, AND HERBY DISCLAIMS ANY ADVICE, REPRESENTATIONS, WARRANTIES AND COVENANTS, EITHER EXPRESSED OR IMPLIED, WITH RESPECT TO THE LEGAL, ECONOMIC, ACCOUNTING, TAX AND/OR OTHER EFFECTS OF THE LEASE AND THE TRANSACTION CONTEMPLATED.

This proposal is subject to the formal approval of Patriot Commercial Leasing (and/or its assignee) and the execution of documentation acceptable to Lessee and Lessor. **IT SHOULD NOT BE CONSTRUED AS A COMMITMENT BY PATRIOT COMMERCIAL LEASING CORPORATION TO ENGAGE IN THIS FINANCING.**

If the foregoing meets with your approval, please sign the enclosed copy and return it, together with the Application Deposit, to Patriot Commercial Leasing Company on or before the proposal Expiration Date set forth above. Our receipt of such signed copy and the Application Deposit will constitute your application for consideration by Patriot Commercial Leasing Company for the Financing summarized in this proposal.

Thank for allowing us the opportunity to present this proposal. If you have any questions, please call me at 610-280-6800 ext 405.

Very truly yours,

Patriot Commercial Leasing Company

By: Laura Rotelli
Laura Rotelli
Account Executive

APPROVED THIS 17 DAY OF April 2000

By:_____
Name:
Title:

Federal tax ID:_____

Lessee State of Incorporation:_____

# DIRECTION TO LESSOR TO PAY PROCEEDS TO VENDOR

We have furnished to you a Delivery and Acceptance Certificate for all the equipment covered by the Lease Rental Agreement dated between you, Patriot Commercial Leasing Co., Inc. as Lessor, and us as Lessee. Although the Delivery and Acceptance Certificate covers all of the equipment, not all of the equipment has been delivered and/or installed as of this date. Notwithstanding the non-delivery or incomplete installation of the leased equipment, we authorize you to immediately pay the sum of the total equipment cost to:

We agree that the lease shall commence on the date you first disburse funds and that our obligation under the lease agreement, including our obligation to make rental payments, shall not be affected by the failure of the vendor to deliver or to install the equipment, or any part thereof, or by any incomplete installation or by any defective condition of the equipment.

We acknowledge that our obligations to Patriot Commercial Leasing Co., Inc. or to your assigns under the lease agreement are not subject to cover, rejection or revocation of acceptance, nor to other claims, counterclaims, suits or liabilities, direct or indirect damages, costs or expenses, including attorneys' fees arising from this direction to you to pay the equipment costs stated above. We acknowledge that our recourse is solely against the

Except as modified by this direction, all the terms of the lease agreement shall continue in full force and effect.

Date: _____/_____/_____

By: _____

# DELIVERY AND ACCEPTANCE OF EQUIPMENT BY LESSEE

LESSOR: Patriot Commercial Leasing Co., Inc.

LESSEE:

LEASE NUMBER:

DATE OF LEASE:

EQUIPMENT:

Lessee hereby acknowledges that the Equipment described above has been received in good condition and repair, has been properly installed, tested, and inspected, and is operating satisfactorily in all respects for all of intended uses and purposes _____ hereby accepts *unconditionally and irrevocably the Equipment.*

By signature below_____ specifically authorizes and requests Patriot Commercial Leasing Co., Inc. to make payment to the supplier of the Equipment. Lessee agrees that said Equipment has not been delivered, installed, or accepted on a trial basis.

**WITH THE DELIVERY OF THIS DOCUMENT TO Patriot Commercial Leasing Co., Inc., _____ ACKNOWLEDGES AND AGREES THAT _____ OBLIGATIONS TO Patriot Commercial Leasing Co., Inc. BECOME ABSOLUTE AND IRREVOCABLE AND _____ SHALL BE FOREVER ESTOPPED FROM DENYING THE TRUTHFULNESS OF THE REPRESENTATIONS MADE IN THIS DOCUMENT.**

DATE OF ACCEPTANCE: LESSEE

_____ BY: _____

I HEREBY AUTHORIZE

_____

TO ORALLY VERIFY MY/OUR ACCEPTANCE OF THE ABOVE REFERENCED EQUIPMENT IN MY ABSENCE

***IMPORTANT:*** THIS DOCUMENT HAS LEGAL AND FINANCIAL CONSEQUENCES TO YOU. DO NOT SIGN THIS DOCUMENT UNTIL YOU HAVE ACTUALLY *RECEIVED ALL OF THE EQUIPMENT AND ARE* COMPLETELY SATISFIED WITH IT.

Patriot Commercial Leasing

**Patriot Commercial Leasing Company, Inc.**
101 Marchwood Road
Exton, PA 19341

(877) 969-7252
FAX (800) 786-0023

MASTER EQUIPMENT
Lease No. _____

Equipment Schedule No. _____ to the
Master Equipment Lease Agreement (the "Lease") dated as of _____
between Patriot Commercial Leasing Company, Inc. ("Lessor")
and _____ ("Lessee")

Equipment Description: _____

_____

_____

_____

_____

_____

Installation Location: _____

_____

Commencement Date: _____

## SCHEDULE OF RENTAL PAYMENTS

| TERM OF LEASE (in months) | Total Number of Rental Payments | AMOUNT OF EACH PAYMENT | | | FIRST PAYMENT AMOUNT | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | Rent | Sales Tax | Total | First Period Payment | + | Security Deposit | = | Total Payment Enclosed |
| | | $ | $ | $ | $ | | $ | | $ |

LESSEE: _____

PATRIOT COMMERCIAL LEASING COMPANY, INC. (LESSOR)

By: _____

Title: _____

By: _____
(signature)

Signer's Name: _____

Signer's Title: _____

Counterpart
Counterpart Number ____ of ____

**ACCEPTANCE CERTIFICATE**

To Patriot Commercial Leasing

The Customer certifies that all of the Equipment referred to in the above Agreement has been delivered to and has been received by the Customer, that the installation or other work necessary prior to the use of such Equipment has been completed, that such Equipment has been examined by Customer and is in good operating order and condition and is, in all respects, satisfactory to the Customer and that such Equipment is irrevocably accepted by the Customer for all purposes under the Agreement. Accordingly, Customer hereby authorizes Patriot to purchase the Equipment.

**Signature: X** _____ **Printed Name:** _____

**Title (if any):** _____ **Date:** _____

**CAPITAL PROGRAM PROPOSAL YEAR 2001**

☐ ADDITION ☒ REPLACEMENT

DEPARTMENT Building Services
DIVISION
BUDGET CATEGORY 72-01-2-12

PRIORITY:
1 ☐ SAFETY 3 ☐ ENFORCED RELOCATION 5 ☐ IMPROVE EFFICIENCY AND DISCRETIONARY
2 ☒ RELIABILITY 4 ☐ LOAD GROWTH

**DESCRIPTION OF PROPOSED PROJECT:** *Replace Call Master Phones*

**LOCATION:** Various

**NEED FOR PROJECT:** Upgrade of telephone hardware to make use of latest availabel technology.

**ESTIMATE OF COST (In Thousands)**

| | |
|---|---|
| PGW LABOR | $ |
| MATERIAL | |
| PURCHASED SERVICES | |
| OTHER | |
| PROJECT COST | $ 46 |
| ADMIN & GENERAL | |
| 13.5 % OF PROJECT | 6 |
| SUB TOTAL | $ |
| AFUDC 5.59 % OF SUBTOTAL | |
| TOTAL CAPITAL COST | $ 52 |

ESTIMATED BY: Telecommunications

DATE: April 18, 2000

**MONTHLY EXPENDITURE FOR BUDGET YEAR (In Thousands)**

| | |
|---|---|
| SEP | |
| OCT | |
| NOV | 5 |
| DEC | 47 |
| JAN | |
| FEB | |
| MAR | |
| APR | |
| MAY | |
| JUN | |
| JUL | |
| AUG | |
| TOTAL | $ 52 |

**ESTIMATED TIMING & EXPENDITURE SCHEDULE (In Thousands)**

| | |
|---|---|
| BUDGET YEAR | $ 52 |
| FORECAST YEARS | |
| YEAR 1 | |
| YEAR 2 | |
| YEAR 3 | |
| TOTAL | $ 52 |

R. S. Boyer
SUBMITTED BY DEPARTMENT DIRECTOR

5-10-00
APPROVED BY VICE PRESIDENT

5/10/00
APPROVED BY SENIOR VICE PRESIDENT

Form M-6410 (Rev. 12/95)

| CAPITAL PROGRAM PROPOSAL YEAR 2001 | DEPARTMENT | INFORMATION TECHNOLOGY |
|---|---|---|
| ☑ ADDITION ☐ REPLACEMENT | STRATEGIC PRIORITY | Network Services |
| | BUDGET CATEGORY | |

**PRIORITY:**

☐ SAFETY ☐ ENFORCED RELOCATIONS ☑ IMPROVED EFFICIENCY DISCRETIONARY

☐ RELIABILITY ☐ REVENUE PRODUCING PROJECTS

**DESCRIPTION OF PROPOSED PROJECT:** Additions of Desktops, Laptops, Peripherals & Software
Additions of desktops, laptops, peripherals and software requested by various departments.

**LOCATION:** Various

**NEED FOR PROJECT:**
To acquire the technology needs of requesting departments

| ESTIMATE OF COST (IN THOUSANDS) | |
|---|---|
| PGW LABOR | 0 |
| MATERIAL | 441 |
| PURCHASED SERVICES | 0 |
| OTHER | 0 |
| PROJECT COST | $441 |
| ADMIN GENERAL 13.5 % OF PROJECT | 60 |
| SUBTOTAL | $501 |
| AFDUC 0.0 % OF SUBTOTAL | 0 |
| **TOTAL CAPITAL COST** | **$501** |

**ESTIMATED BY** Joseph Szlanic
**DATE** 3/31/00

| MONTHLY EXPENDITURE FOR BUDGET YEAR (IN THOUSANDS) | |
|---|---|
| SEP | $0 |
| OCT | 0 |
| NOV | 50 |
| DEC | 50 |
| JAN | 50 |
| FEB | 50 |
| MAR | 50 |
| APR | 50 |
| MAY | 55 |
| JUN | 50 |
| JUL | 45 |
| AUG | 50 |
| **TOTAL** | **$500** |

| ESTIMATED TIMING EXPENDITURE SCHEDULE (IN THOUSANDS) | |
|---|---|
| BUDGET YEAR | **$500** |
| FORECAST YEARS | |
| YEAR 1 | **$0.00** |
| YEAR 2 | **$0.00** |
| YEAR 3 | **$0.00** |
| **TOTAL** | **$500** |

SUBMITTED BY DEPARTMENT MANAGER/DIRECTOR

FORM M-6410 (REV 4/98)

| CAPITAL PROGRAM PROPOSAL YEAR 2001 | DEPARTMENT | INFORMATION TECHNOLOGY |
|---|---|---|
| ☑ ADDITION ☐ REPLACEMENT | STRATEGIC PRIORITY | Network Services |
| | BUDGET CATEGORY | |

**PRIORITY:**

☐ SAFETY ☐ ENFORCED RELOCATIONS ☑ IMPROVED EFFICIENCY DISCRETIONARY

☐ RELIABILITY ☐ REVENUE PRODUCING PROJECTS

**DESCRIPTION OF PROPOSED PROJECT:** Server Hardware Upgrades

Purchase of additional hardware for mission critical servers

**LOCATION:** Data Center 1800-5

**NEED FOR PROJECT:**

Network based servers provide mission critical applications to support PGW. It may be necessary to upgrade CPUs, Memory, Hard Disk, etc.

| ESTIMATE OF COST (IN THOUSANDS) | |
|---|---|
| PGW LABOR | 0 |
| MATERIAL | 213 |
| PURCHASED SERVICES | 0 |
| OTHER | 0 |
| PROJECT COST | $213 |
| ADMIN GENERAL 13.5 % OF PROJECT | 29 |
| SUBTOTAL | $242 |
| AFDUC 0.0 % OF SUBTOTAL | 0 |
| **TOTAL CAPITAL COST** | **$242** |

**ESTIMATED BY** Joseph Szlanic
**DATE** 3/31/00

| MONTHLY EXPENDITURE FOR BUDGET YEAR (IN THOUSANDS) | |
|---|---|
| SEP | $0 |
| OCT | 100 |
| NOV | 14 |
| DEC | 14 |
| JAN | 14 |
| FEB | 14 |
| MAR | 14 |
| APR | 14 |
| MAY | 14 |
| JUN | 14 |
| JUL | 14 |
| AUG | 16 |
| **TOTAL** | **$242** |

| ESTIMATED TIMING EXPENDITURE SCHEDULE (IN THOUSANDS) | |
|---|---|
| BUDGET YEAR | **$242** |
| FORECAST YEARS | |
| YEAR 1 | $0.00 |
| YEAR 2 | $0.00 |
| YEAR 3 | $0.00 |
| **TOTAL** | **$242** |

SUBMITTED BY DEPARTMENT MANAGER/DIRECTOR

FORM M-6410 (REV 4/98)

| CAPITAL PROGRAM PROPOSAL YEAR 2001 | DEPARTMENT | INFORMATION TECHNOLOGY |
|---|---|---|
| ☑ ADDITION ☐ REPLACEMENT | STRATEGIC PRIORITY | Application Services |
| | BUDGET CATEGORY | |

**PRIORITY:**

☐ SAFETY ☐ ENFORCED RELOCATIONS ☑ IMPROVED EFFICIENCY DISCRETIONARY

☐ RELIABILITY ☐ REVENUE PRODUCING PROJECTS

**DESCRIPTION OF PROPOSED PROJECT:** Database Performance Tools

The purchase and implementation of database performance monitoring tools.

**LOCATION:** 1800-6

**NEED FOR PROJECT:**

To ensure the peak operating efficiency of the corporate database environments.

| ESTIMATE OF COST (IN THOUSANDS) | |
|---|---|
| PGW LABOR | 0 |
| MATERIAL | 117 |
| PURCHASED SERVICES | 33 |
| OTHER | 0 |
| PROJECT COST | $150 |
| ADMIN GENERAL 13.5 % OF PROJECT | 20 |
| SUBTOTAL | $170 |
| AFDUC 0.0 % OF SUBTOTAL | 0 |
| **TOTAL CAPITAL COST** | **$170** |

**ESTIMATED BY** Richard Hawes
**DATE** 4/3/00

| MONTHLY EXPENDITURE FOR BUDGET YEAR (IN THOUSANDS) | |
|---|---|
| SEP | $170 |
| OCT | 0 |
| NOV | 0 |
| DEC | 0 |
| JAN | 0 |
| FEB | 0 |
| MAR | 0 |
| APR | 0 |
| MAY | 0 |
| JUN | 0 |
| JUL | 0 |
| AUG | 0 |
| **TOTAL** | **$170** |

| ESTIMATED TIMING EXPENDITURE SCHEDULE (IN THOUSANDS) | |
|---|---|
| BUDGET YEAR | **$170** |
| FORECAST YEARS | |
| YEAR 1 | $0.00 |
| YEAR 2 | $0.00 |
| YEAR 3 | $0.00 |
| **TOTAL** | **$170** |

Richard M. Hawes

SUBMITTED BY DEPARTMENT MANAGER/DIRECTOR

Sherry Nae

FORM M-6410 (REV 4/98)

| CAPITAL PROGRAM PROPOSAL YEAR 2001 | DEPARTMENT | INFORMATION TECHNOLOGY |
|---|---|---|
| ☐ ADDITION ☐ REPLACEMENT | STRATEGIC PRIORITY | Application Services |
| | BUDGET CATEGORY | |

**PRIORITY:**

☐ SAFETY ☑ ENFORCED RELOCATIONS ☑ IMPROVED EFFICIENCY DISCRETIONARY

☐ RELIABILITY ☐ REVENUE PRODUCING PROJECTS

**DESCRIPTION OF PROPOSED PROJECT:** *Configuration Management*

Provide CM tools for development and change control. This includes change management tools and configuration management tools.

**LOCATION:** 1800

**NEED FOR PROJECT:**

Tighter control is needed for source change control. Tools are needed in the new environments (UNIX, etc), to manage changes to software, particularly as PGW takes over development for products previously provided by vendors.

| ESTIMATE OF COST (IN THOUSANDS) | |
|---|---|
| PGW LABOR | 0 |
| MATERIAL | 200 |
| PURCHASED SERVICES | 20 |
| OTHER | 0 |
| PROJECT COST | $220 |
| ADMIN GENERAL 13.5 % OF PROJECT | 30 |
| SUBTOTAL | $250 |
| AFDUC 0.0 % OF SUBTOTAL | 0 |
| **TOTAL CAPITAL COST** | **$250** |

**ESTIMATED BY** Richard Hawes
**DATE** 4/3/00

| MONTHLY EXPENDITURE FOR BUDGET YEAR (IN THOUSANDS) | |
|---|---|
| SEP | $250 |
| OCT | 0 |
| NOV | 0 |
| DEC | 0 |
| JAN | 0 |
| FEB | 0 |
| MAR | 0 |
| APR | 0 |
| MAY | 0 |
| JUN | 0 |
| JUL | 0 |
| AUG | 0 |
| **TOTAL** | **$250** |

| ESTIMATED TIMING EXPENDITURE SCHEDULE (IN THOUSANDS) | |
|---|---|
| BUDGET YEAR | **$250** |
| FORECAST YEARS | |
| YEAR 1 | $0.00 |
| YEAR 2 | $0.00 |
| YEAR 3 | $0.00 |
| **TOTAL** | **$250** |

Richard M. Hawes

SUBMITTED BY DEPARTMENT MANAGER/DIRECTOR

Thomas M. Kerr

FORM M-6410 (REV 4/98)

| CAPITAL PROGRAM PROPOSAL YEAR 2001 | DEPARTMENT | INFORMATION TECHNOLOGY |
|---|---|---|
| ☑ ADDITION ☐ REPLACEMENT | STRATEGIC PRIORITY | APPLICATION SERVICES |
| | BUDGET CATEGORY | |

**PRIORITY:**

☐ SAFETY ☐ ENFORCED RELOCATIONS ☑ IMPROVED EFFICIENCY DISCRETIONARY

☐ RELIABILITY ☐ REVENUE PRODUCING PROJECTS

**DESCRIPTION OF PROPOSED PROJECT:** Software Testing Tools

Provide tools to automate scripting of regression and change testing. These tools will provide capability to track testing results and status. These tools will also provide capability to perform stress testing by simulating multiple user activity.

***LOCATION:***

**NEED FOR PROJECT:**

Tool will allow automated testing of vendor and PGW developed applications. Can perform stress tests that will assure adequate system performance. BCCS vendor will supply scripts to use with their product. Will save months of regression testing when changes are made to a system.

| ESTIMATE OF COST (IN THOUSANDS) | |
|---|---|
| PGW LABOR | 0 |
| MATERIAL | 240 |
| PURCHASED SERVICES | 61 |
| OTHER | 0 |
| PROJECT COST | $301 |
| ADMIN GENERAL 13.5 % OF PROJECT | 41 |
| SUBTOTAL | $342 |
| AFDUC 0.0 % OF SUBTOTAL | 0 |
| **TOTAL CAPITAL COST** | **$342** |

**ESTIMATED BY** Richard Hawes
**DATE** 4/3/00

| MONTHLY EXPENDITURE FOR BUDGET YEAR (IN THOUSANDS) | |
|---|---|
| SEP | $342 |
| OCT | 0 |
| NOV | 0 |
| DEC | 0 |
| JAN | 0 |
| FEB | 0 |
| MAR | 0 |
| APR | 0 |
| MAY | 0 |
| JUN | 0 |
| JUL | 0 |
| AUG | 0 |
| **TOTAL** | **$342** |

| ESTIMATED TIMING EXPENDITURE SCHEDULE (IN THOUSANDS) | |
|---|---|
| BUDGET YEAR | **$342** |
| FORECAST YEARS | |
| YEAR 1 | $0.00 |
| YEAR 2 | $0.00 |
| YEAR 3 | $0.00 |
| **TOTAL** | **$342** |

SUBMITTED BY DEPARTMENT MANAGER/DIRECTOR

FORM M-6410 (REV 4/98)

| CAPITAL PROGRAM PROPOSAL YEAR 2001 | DEPARTMENT | INFORMATION TECHNOLOGY |
|---|---|---|
| ☑ ADDITION ☐ REPLACEMENT | STRATEGIC PRIORITY | System Services |
| | BUDGET CATEGORY | |

**PRIORITY:**

☐ SAFETY ☐ ENFORCED RELOCATIONS ☑ IMPROVED EFFICIENCY DISCRETIONARY

☐ RELIABILITY ☐ REVENUE PRODUCING PROJECTS

**DESCRIPTION OF PROPOSED PROJECT:** Addition Direct Access Storage Devices
Addition of storage devices to support future applications data.

**LOCATION:** Data Center, 1800-5

**NEED FOR PROJECT:**
To provide storage for increased data requirements

| ESTIMATE OF COST (IN THOUSANDS) | |
|---|---|
| PGW LABOR | 0 |
| MATERIAL | 500 |
| PURCHASED SERVICES | 0 |
| OTHER | 0 |
| PROJECT COST | $500 |
| ADMIN GENERAL 13.5 % OF PROJECT | 68 |
| SUBTOTAL | $568 |
| AFDUC 0.0 % OF SUBTOTAL | 0 |
| **TOTAL CAPITAL COST** | **$568** |

**ESTIMATED BY** Eloise Young
**DATE** 4/4/00

| MONTHLY EXPENDITURE FOR BUDGET YEAR (IN THOUSANDS) | |
|---|---|
| SEP | $568 |
| OCT | 0 |
| NOV | 0 |
| DEC | 0 |
| JAN | 0 |
| FEB | 0 |
| MAR | 0 |
| APR | 0 |
| MAY | 0 |
| JUN | 0 |
| JUL | 0 |
| AUG | 0 |
| **TOTAL** | **$568** |

| ESTIMATED TIMING EXPENDITURE SCHEDULE (IN THOUSANDS) | |
|---|---|
| BUDGET YEAR | **$568** |
| FORECAST YEARS | |
| YEAR 1 | $0.00 |
| YEAR 2 | $0.00 |
| YEAR 3 | $0.00 |
| **TOTAL** | **$568** |

Eloise B. Young

SUBMITTED BY DEPARTMENT MANAGER/DIRECTOR

Sherry M

FORM M-6410 (REV 4/98)

| CAPITAL PROGRAM PROPOSAL YEAR 2001 | DEPARTMENT | INFORMATION TECHNOLOGY |
|---|---|---|
| ☐ ADDITION ☑ REPLACEMENT | STRATEGIC PRIORITY | Application Services |
| | BUDGET CATEGORY | |

**PRIORITY:**

☐ SAFETY ☐ ENFORCED RELOCATIONS ☑ IMPROVED EFFICIENCY DISCRETIONARY

☐ RELIABILITY ☐ REVENUE PRODUCING PROJECTS

**DESCRIPTION OF PROPOSED PROJECT:** Upgrade GPOS7 to NT

Update GPOS7 to GPOS7 Win NT and migrate associated applications to the GPOS7 Win NT operating system and client server environment including file server

**LOCATION:** Data Center, 1800-5

**NEED FOR PROJECT:**

To prepare for the eventual elimination of the corporate mainframe which currently runs the Planmetrics Gas Planning Model/GPOS7 System.

| ESTIMATE OF COST (IN THOUSANDS) | |
|---|---|
| PGW LABOR | 0 |
| MATERIAL | 60 |
| PURCHASED SERVICES | 21 |
| OTHER | 0 |
| PROJECT COST | $81 |
| ADMIN GENERAL 13.5 % OF PROJECT | 11 |
| SUBTOTAL | $92 |
| AFDUC 0.0 % OF SUBTOTAL | 0 |
| **TOTAL CAPITAL COST** | **$92** |

**ESTIMATED BY** Pascal J. Durante
**DATE** 3/24/00

| MONTHLY EXPENDITURE FOR BUDGET YEAR (IN THOUSANDS) | |
|---|---|
| SEP | $0 |
| OCT | 0 |
| NOV | 0 |
| DEC | 0 |
| JAN | 13 |
| FEB | 22 |
| MAR | 31 |
| APR | 26 |
| MAY | 0 |
| JUN | 0 |
| JUL | 0 |
| AUG | 0 |
| **TOTAL** | **$92** |

| ESTIMATED TIMING EXPENDITURE SCHEDULE (IN THOUSANDS) | |
|---|---|
| BUDGET YEAR | **$92** |
| FORECAST YEARS | |
| YEAR 1 | $0.00 |
| YEAR 2 | $0.00 |
| YEAR 3 | $0.00 |
| **TOTAL** | **$92** |

SUBMITTED BY DEPARTMENT MANAGER/DIRECTOR

FORM M 6410 (REV 4/98)

| CAPITAL PROGRAM PROPOSAL YEAR 2001 | DEPARTMENT | INFORMATION TECHNOLOGY |
|---|---|---|
| ☑ ADDITION ☐ REPLACEMENT | STRATEGIC PRIORITY | System Services |
| | BUDGET CATEGORY | |

**PRIORITY:**

☐ SAFETY ☐ ENFORCED RELOCATIONS ☑ IMPROVED EFFICIENCY DISCRETIONARY

☐ RELIABILITY ☐ REVENUE PRODUCING PROJECTS

**DESCRIPTION OF PROPOSED PROJECT:** Addition of 2 Data Servers

Addition of 2 HP Unix Servers.

***LOCATION:*** *Data Center, 1800-5*

**NEED FOR PROJECT:**

Purchase of 2 new HP Unix Servers will provide an additional applications development server and a data warehouse server.

| ESTIMATE OF COST (IN THOUSANDS) | |
|---|---|
| PGW LABOR | 0 |
| MATERIAL | 273 |
| PURCHASED SERVICES | 0 |
| OTHER | 0 |
| PROJECT COST | $273 |
| ADMIN GENERAL 13.5 % OF PROJECT | 37 |
| SUBTOTAL | $310 |
| AFDUC 0.0 % OF SUBTOTAL | 0 |
| ***TOTAL CAPITAL COST*** | **$310** |

| MONTHLY EXPENDITURE FOR BUDGET YEAR (IN THOUSANDS) | |
|---|---|
| SEP | $0 |
| OCT | 170 |
| NOV | 0 |
| DEC | 0 |
| JAN | 140 |
| FEB | 0 |
| MAR | 0 |
| APR | 0 |
| MAY | 0 |
| JUN | 0 |
| JUL | 0 |
| AUG | 0 |
| **TOTAL** | **$310** |

| ESTIMATED TIMING EXPENDITURE SCHEDULE (IN THOUSANDS) | |
|---|---|
| BUDGET YEAR | **$310** |
| FORECAST YEARS | |
| YEAR 1 | $0.00 |
| YEAR 2 | $0.00 |
| YEAR 3 | $0.00 |
| **TOTAL** | **$310** |

Eloise M. Young

SUBMITTED BY DEPARTMENT MANAGER/DIRECTOR

**ESTIMATED BY** Eloise Young
**DATE** 4/4/00

FORM M-6410 (REV 4/98)

| CAPITAL PROGRAM PROPOSAL YEAR 2001 | DEPARTMENT | INFORMATION TECHNOLOGY |
|---|---|---|
| ☐ ADDITION ☑ REPLACEMENT | STRATEGIC PRIORITY | System Services |
| | BUDGET CATEGORY | |

**PRIORITY:**

☐ SAFETY ☐ ENFORCED RELOCATIONS ☑ IMPROVED EFFICIENCY DISCRETIONARY

☐ RELIABILITY ☐ REVENUE PRODUCING PROJECTS

**DESCRIPTION OF PROPOSED PROJECT:** Data Tape Library Upgrade & 2 CPU's

Upgrade data tape library.

**LOCATION:** Data Center, 1800-5

**NEED FOR PROJECT:**

Data storage requirements increase creating a need to backup and in the event of a disaster restore more data as fast as possible.

| ESTIMATE OF COST (IN THOUSANDS) | |
|---|---|
| PGW LABOR | 0 |
| MATERIAL | 58 |
| PURCHASED SERVICES | 0 |
| OTHER | 0 |
| PROJECT COST | $58 |
| ADMIN GENERAL 13.5 % OF PROJECT | 8 |
| SUBTOTAL | $66 |
| AFDUC 0.0 % OF SUBTOTAL | 0 |
| **TOTAL CAPITAL COST** | **$66** |

**ESTIMATED BY** Eloise Young
**DATE** 4/4/00

| MONTHLY EXPENDITURE FOR BUDGET YEAR (IN THOUSANDS) | |
|---|---|
| SEP | $66 |
| OCT | 0 |
| NOV | 0 |
| DEC | 0 |
| JAN | 0 |
| FEB | 0 |
| MAR | 0 |
| APR | 0 |
| MAY | 0 |
| JUN | 0 |
| JUL | 0 |
| AUG | 0 |
| **TOTAL** | **$66** |

| ESTIMATED TIMING EXPENDITURE SCHEDULE (IN THOUSANDS) | |
|---|---|
| BUDGET YEAR | **$66** |
| FORECAST YEARS | |
| YEAR 1 | $0.00 |
| YEAR 2 | $0.00 |
| YEAR 3 | $0.00 |
| **TOTAL** | **$66** |

Eloise M. Young

SUBMITTED BY DEPARTMENT MANAGER/DIRECTOR

FORM M-6410 (REV 4/98)

| CAPITAL PROGRAM PROPOSAL YEAR 2001 | DEPARTMENT | INFORMATION TECHNOLOGY |
|---|---|---|
| ☐ ADDITION ☑ REPLACEMENT | STRATEGIC PRIORITY | Network Services |
| | BUDGET CATEGORY | |

**PRIORITY:**

☐ SAFETY ☐ ENFORCED RELOCATIONS ☑ IMPROVED EFFICIENCY DISCRETIONARY

☐ RELIABILITY ☐ REVENUE PRODUCING PROJECTS

**DESCRIPTION OF PROPOSED PROJECT:** Replacement of Desktops, Laptops, Peripherals & Softwar
Replacements of desktops, laptops, peripherals and software requested by various departments

***LOCATION:*** *Various*

**NEED FOR PROJECT:**
To address replacement requests of various departments

| ESTIMATE OF COST (IN THOUSANDS) | |
|---|---|
| PGW LABOR | 0 |
| MATERIAL | 119 |
| PURCHASED SERVICES | 0 |
| OTHER | 0 |
| PROJECT C.. ST | $119 |
| ADMIN GENERAL 13.5 % OF PROJECT | 16 |
| SUBTOTAL | $135 |
| AFDUC 0.0 % OF SUBTOTAL | 0 |
| **TOTAL CAPITAL COST** | **$135** |

| MONTHLY EXPENDITURE FOR BUDGET YEAR (IN THOUSANDS) | |
|---|---|
| SEP | $0 |
| OCT | 0 |
| NOV | 14 |
| DEC | 14 |
| JAN | 14 |
| FEB | 14 |
| MAR | 14 |
| APR | 14 |
| MAY | 14 |
| JUN | 14 |
| JUL | 14 |
| AUG | 9 |
| **TOTAL** | **$135** |

| ESTIMATED TIMING EXPENDITURE SCHEDULE (IN THOUSANDS) | |
|---|---|
| BUDGET YEAR | **$135** |
| FORECAST YEARS | |
| YEAR 1 | $0.00 |
| YEAR 2 | $0.00 |
| YEAR 3 | $0.00 |
| **TOTAL** | **$135** |

**ESTIMATED BY** Joseph Szlanic
**DATE** 3/31/00

SUBMITTED BY DEPARTMENT MANAGER/DIRECTOR

FORM M-6410 (REV 4/98)

| CAPITAL PROGRAM PROPOSAL YEAR 2001 | DEPARTMENT | INFORMATION TECHNOLOGY |
|---|---|---|
| ☐ ADDITION ☑ REPLACEMENT | STRATEGIC PRIORITY | Network Services |
| | BUDGET CATEGORY | |

**PRIORITY:**

☐ SAFETY ☐ ENFORCED RELOCATIONS ☑ IMPROVED EFFICIENCY DISCRETIONARY

☐ RELIABILITY ☐ REVENUE PRODUCING PROJECTS

**DESCRIPTION OF PROPOSED PROJECT:** Desktop Software Upgrade

Upgrade of desktop software applications

**LOCATION:** Various

**NEED FOR PROJECT:**

Contingency for upgrades to PGW's current desktop applications to take advantage of new technology and support strategic goals.

| ESTIMATE OF COST (IN THOUSANDS) | |
|---|---|
| PGW LABOR | 0 |
| MATERIAL | 35 |
| PURCHASED SERVICES | 0 |
| OTHER | 0 |
| PROJECT COST | $35 |
| ADMIN GENERAL 13.5 % OF PROJECT | 5 |
| SUBTOTAL | $40 |
| AFDUC 0.0 % OF SUBTOTAL | 0 |
| **TOTAL CAPITAL COST** | **$40** |

| MONTHLY EXPENDITURE FOR BUDGET YEAR (IN THOUSANDS) | |
|---|---|
| SEP | $0 |
| OCT | 0 |
| NOV | 4 |
| DEC | 4 |
| JAN | 4 |
| FEB | 4 |
| MAR | 4 |
| APR | 4 |
| MAY | 4 |
| JUN | 4 |
| JUL | 4 |
| AUG | 4 |
| **TOTAL** | **$40** |

| ESTIMATED TIMING EXPENDITURE SCHEDULE (IN THOUSANDS) | |
|---|---|
| BUDGET YEAR | **$40** |
| FORECAST YEARS | |
| YEAR 1 | $0.00 |
| YEAR 2 | $0.00 |
| YEAR 3 | $0.00 |
| **TOTAL** | **$40** |

**ESTIMATED BY** Joseph Szlanic
**DATE** 3/31/00

SUBMITTED BY DEPARTMENT MANAGER/DIRECTOR

FORM M-6410 (REV 4/98)

| CAPITAL PROGRAM PROPOSAL YEAR 2001 | DEPARTMENT | INFORMATION TECHNOLOGY |
|---|---|---|
| ☐ ADDITION ☑ REPLACEMENT | STRATEGIC PRIORITY | System Services |
| | BUDGET CATEGORY | |

**PRIORITY:**

☐ SAFETY ☐ ENFORCED RELOCATIONS ☑ IMPROVED EFFICIENCY DISCRETIONARY

☐ RELIABILITY ☐ REVENUE PRODUCING PROJECTS

**DESCRIPTION OF PROPOSED PROJECT:** Fiber Digital Data Interchange Upgrade
Replace SCSI connections from servers to storage devices to FDDI.

**LOCATION:** Data Center, 1800-5

**NEED FOR PROJECT:**
Will optimize data throughput and client response time. This upgrade will take advantage of the increased speed of a fiber optic backbone.

| ESTIMATE OF COST (IN THOUSANDS) | |
|---|---|
| PGW LABOR | 0 |
| MATERIAL | 120 |
| PURCHASED SERVICES | 0 |
| OTHER | 0 |
| PROJECT COST | $120 |
| ADMIN GENERAL 13.5 % OF PROJECT | 16 |
| SUBTOTAL | $136 |
| AFDUC 0.0 % OF SUBTOTAL | 0 |
| **TOTAL CAPITAL COST** | **$136** |

**ESTIMATED BY** Eloise Young
**DATE** 4/4/00

| MONTHLY EXPENDITURE FOR BUDGET YEAR (IN THOUSANDS) | |
|---|---|
| SEP | $136 |
| OCT | 0 |
| NOV | 0 |
| DEC | 0 |
| JAN | 0 |
| FEB | 0 |
| MAR | 0 |
| APR | 0 |
| MAY | 0 |
| JUN | 0 |
| JUL | 0 |
| AUG | 0 |
| **TOTAL** | **$136** |

| ESTIMATED TIMING EXPENDITURE SCHEDULE (IN THOUSANDS) | |
|---|---|
| BUDGET YEAR | **$136** |
| FORECAST YEARS | |
| YEAR 1 | $0.00 |
| YEAR 2 | $0.00 |
| YEAR 3 | $0.00 |
| **TOTAL** | **$136** |

Eloise N. Young

SUBMITTED BY DEPARTMENT MANAGER/DIRECTOR

Sherry M

FORM M-6410 (REV 4/98)

| CAPITAL PROGRAM PROPOSAL YEAR 2001 | DEPARTMENT | INFORMATION TECHNOLOGY |
|---|---|---|
| ☐ ADDITION ☑ REPLACEMENT | STRATEGIC PRIORITY | Network Services |
| | BUDGET CATEGORY | |

**PRIORITY:**

☐ SAFETY ☐ ENFORCED RELOCATIONS ☑ IMPROVED EFFICIENCY DISCRETIONARY

☐ RELIABILITY ☐ REVENUE PRODUCING PROJECTS

**DESCRIPTION OF PROPOSED PROJECT:** Replacement of 950 Dell Optiplex Desktops

Replacement over a 3 year period of 950 Dell Optiplex Desktops that have reach the end of their tehnological life.

**LOCATION:** Various

**NEED FOR PROJECT:**

The speed at which new applications technologically advance requires PGW to refresh its desktop hardware every 3 to 4 years to support these applications.

| ESTIMATE OF COST (IN THOUSANDS) | |
|---|---|
| PGW LABOR | 0 |
| MATERIAL | 220 |
| PURCHASED SERVICES | 0 |
| OTHER | 0 |
| PROJECT COST | $220 |
| ADMIN GENERAL 13.5 % OF PROJECT | 30 |
| SUBTOTAL | $250 |
| AFDUC 0.0 % OF SUBTOTAL | 0 |
| **TOTAL CAPITAL COST** | **$250** |

| MONTHLY EXPENDITURE FOR BUDGET YEAR (IN THOUSANDS) | |
|---|---|
| SEP | $0 |
| OCT | 0 |
| NOV | 25 |
| DEC | 25 |
| JAN | 25 |
| FEB | 25 |
| MAR | 25 |
| APR | 25 |
| MAY | 25 |
| JUN | 25 |
| JUL | 25 |
| AUG | 25 |
| **TOTAL** | **$250** |

| ESTIMATED TIMING EXPENDITURE SCHEDULE (IN THOUSANDS) | |
|---|---|
| BUDGET YEAR | **$250** |
| FORECAST YEARS | |
| YEAR 1 | $0.00 |
| YEAR 2 | $0.00 |
| YEAR 3 | $0.00 |
| **TOTAL** | **$250** |

**ESTIMATED BY** Joseph Szlanic
**DATE** 3/31/00

SUBMITTED BY DEPARTMENT MANAGER/DIRECTOR

FORM M-6410 (REV 4/98)

| CAPITAL PROGRAM PROPOSAL YEAR 2001 | DEPARTMENT | INFORMATION TECHNOLOGY |
|---|---|---|
| ☐ ADDITION ☑ REPLACEMENT | STRATEGIC PRIORITY | Network Services |
| | BUDGET CATEGORY | |

**PRIORITY:**

☐ SAFETY ☐ ENFORCED RELOCATIONS ☐ IMPROVED EFFICIENCY DISCRETIONARY

☑ RELIABILITY ☐ REVENUE PRODUCING PROJECTS

**DESCRIPTION OF PROPOSED PROJECT:** Replace Server & Network Hardware
Contingency for purchase of replacement parts for mission critical servers and network devices.

***LOCATION:*** *. Data Center 1800-5*

**NEED FOR PROJECT:**
Source of funds is necessary for replacement parts for mission critical devices.

| ESTIMATE OF COST (IN THOUSANDS) | |
|---|---|
| PGW LABOR | 0 |
| MATERIAL | 125 |
| PURCHASED SERVICES | 0 |
| OTHER | 0 |
| PROJECT COST | $125 |
| ADMIN GENERAL 13.5 % OF PROJECT | 17 |
| SUBTOTAL | $142 |
| AFDUC 0.0 % OF SUBTOTAL | 0 |
| **TOTAL CAPITAL COST** | **$142** |

**ESTIMATED BY** Joseph Szlanic
**DATE** 3/31/00

| MONTHLY EXPENDITURE FOR BUDGET YEAR (IN THOUSANDS) | |
|---|---|
| SEP | $0 |
| OCT | 14 |
| NOV | 14 |
| DEC | 14 |
| JAN | 14 |
| FEB | 14 |
| MAR | 14 |
| APR | 14 |
| MAY | 14 |
| JUN | 14 |
| JUL | 16 |
| AUG | 0 |
| **TOTAL** | **$142** |

| ESTIMATED TIMING EXPENDITURE SCHEDULE (IN THOUSANDS) | |
|---|---|
| BUDGET YEAR | **$142** |
| FORECAST YEARS | |
| YEAR 1 | $0.00 |
| YEAR 2 | $0.00 |
| YEAR 3 | $0.00 |
| **TOTAL** | **$142** |

SUBMITTED BY DEPARTMENT MANAGER/DIRECTOR

FORM M-6410 (REV 4/98)

Exhibit A-3

# PHILADELPHIA GAS WORKS
# DEBT SERVICE COVERAGE
# ( Dollars in Thousands )

| Line No. | | Actual 1998-99 | Estimate 1999-2000 | Budget 2000-01 | 2000-01 Budget Over/(Under) 1999-00 Estimate Amount |
|---|---|---|---|---|---|
| | FUNDS PROVIDED | | | | |
| 1. | Total Gas Revenues | $462,644 | $515,678 | $625,103 | $109,425 |
| 2. | Other Operating Revenues | 24,241 | 21,348 | 24,348 | 3,000 |
| 3. | Total Operating Revenues | 486,885 | 537,026 | 649,451 | 112,425 |
| 4. | Other Income Less Restricted Funds | 8,066 | 17,776 | 5,774 | (12,002) |
| 5. | AFUDC (Interest) | 201 | 500 | 355 | (145) |
| 6. | **TOTAL FUNDS PROVIDED** | $495,152 | $555,302 | $655,580 | $100,278 |
| | FUNDS APPLIED | | | | |
| 7. | Fuel Costs | $219,090 | $252,996 | $294,603 | $41,607 |
| 8. | Other Operating Costs | 222,725 | 236,419 | 234,954 | (1,465) |
| 9. | Total Operating Expenses | 441,815 | 489,415 | 529,557 | 40,142 |
| 10. | Capital Lease Costs | 7,882 | 7,988 | 7,977 | (11) |
| 11. | Less: Non-Cash Expenses | 34,831 | 36,257 | 37,569 | 1,312 |
| 12. | **TOTAL FUNDS APPLIED** | $414,866 | $461,146 | $499,965 | $38,819 |
| 13. | Funds Available to Cover Debt Service | $80,286 | $94,156 | $155,615 | $61,459 |
| 14. | Add-back Lease Costs | 7,882 | 7,988 | 7,977 | (11) |
| 15. | Funds Available Excluding Lease Costs | 88,168 | 102,144 | 163,592 | 61,448 |
| 16. | 1975 Ordinace Bonds Debt Service | $57,741 | $59,345 | $51,611 | ($7,734) |
| 17. | **Debt Service Coverage 1975 Bonds** | **1.53** | **1.72** | **3.17** | **1.45** |
| 18. | Net Available After Prior Debt Service | $30,427 | $42,799 | $111,981 | $69,182 |
| 19. | PMA and Other Capital Leases | 7,882 | 7,988 | 7,977 | (11) |
| 20. | Net Available After Prior Capital Leases | 22,545 | 34,811 | 104,004 | 69,193 |
| 21. | 1998 Ordinace Bonds Debt Service | $14,230 | $21,659 | $29,449 | $7,790 |
| 22. | **Debt Service Coverage 1998 Bonds** | **1.58** | **1.61** | **3.53** | **1.92** |
| 23. | Net Available After 1998 Debt Service | $8,315 | $13,152 | $74,555 | $61,403 |
| 24. | 1998 Ordinance Subordinate Bond Debt Service | 1,988 | 1,987 | 1,990 | 3 |
| 25. | **Debt Service Coverage Subordinate Bond** | **4.18** | **6.62** | **37.46** | **30.85** |

Exhibit A-4

# PHILADELPHIA GAS WORKS
## BALANCE SHEET
## (Dollars in Thousands)

| Line No. | | Actual 8/31/99 | Estimate 8/31/00 | Budget 8/31/01 |
|---|---|---|---|---|
| | **ASSETS** | | | |
| 1. | Utility Plant Net | $856,450 | $872,640 | $897,757 |
| 2. | Sinking Fund Reserve | 92,381 | 91,195 | 97,010 |
| 3. | Capital Improvement Fund | 103,092 | 34,820 | 66,560 |
| 4. | Capital Lease Fund | 12,676 | 10,141 | 4,141 |
| 6. | Cash | 16,088 | 5,473 | 46,154 |
| | Accounts Receivable: | | | |
| 7. | Gas | 97,038 | 139,206 | 138,029 |
| 8. | Other | 3,414 | 929 | 871 |
| 9. | Accrued Gas Revenues | 7,001 | 6,800 | 8,300 |
| 10. | Reserve For Uncollectible | (67,070) | (75,820) | (81,820) |
| 11. | Materials & Supplies | 53,850 | 68,151 | 65,029 |
| 12. | Other Current Assets | 722 | 525 | 510 |
| 13. | Deferred Debits | 21,049 | 12,259 | 9,314 |
| 14. | Unamortized Bond Issuance Expense | 13,377 | 12,340 | 12,471 |
| 15. | Unamortized Extraordinary Loss | 48,068 | 43,757 | 39,595 |
| 16. | Regulatory Asset | 18,750 | 15,000 | 11,250 |
| 17. | Other Assets | 6,870 | 4,507 | 3,114 |
| 18. | **TOTAL ASSETS** | $1,283,756 | $1,241,923 | $1,318,285 |
| | **EQUITY & LIABILITIES** | | | |
| 19. | City Equity | $231,711 | $218,767 | $268,655 |
| | Long Term Debt: | | | |
| 20. | Revenue Bonds | 848,866 | 814,251 | 853,994 |
| 21. | TECA Accretions | 29,352 | 29,354 | 27,928 |
| 23. | Unamortized Discount | (13,762) | (12,815) | (13,398) |
| 24. | Unamortized Premium | 4,719 | 4,293 | 3,871 |
| 25. | Capital Equipment Leasing | 27,959 | 21,421 | 14,520 |
| 27. | CNG Acquisition | 278 | 59 | - |
| 28. | Notes Payable | 75,000 | 97,000 | 97,000 |
| | Accounts Payable: | | | |
| 29. | Natural Gas | 18,972 | 22,587 | 19,658 |
| 30. | General | 19,658 | 23,400 | 23,400 |
| 31. | Customer Deposits | 1,035 | 1,105 | 1,155 |
| 32. | Other Current Liabilities | 1,965 | 2,651 | 3,608 |
| 33. | Deferred Credits | 21,671 | 2,344 | 2,355 |
| | Accrued Credits: | | | |
| 34. | Interest | 8,407 | 7,836 | 8,265 |
| 35. | Taxes & Wages | 3,066 | 3,652 | 2,140 |
| 36. | Distribution to City | 3,000 | 3,000 | 3,000 |
| 37. | Other Liabilities | 1,859 | 3,018 | 2,134 |
| 38. | **TOTAL EQUITY & LIABILITIES** | $1,283,756 | $1,241,923 | $1,318,285 |

Exhibit B

# PHILADELPHIA GAS WORKS
## OPERATING REVENUES
(Dollars in Thousands)

| Line No. | | Actual 1998-99 | Estimate 1999-2000 | Budget 2000-01 |
|---|---|---|---|---|
| 1. | Non-Heating | $69,375 | $89,529 | $106,778 |
| 2. | Gas Transportation Service | 3,376 | 3,483 | 3,509 |
| 3. | Heating | 390,242 | 422,867 | 463,816 |
| 4. | Proposed Base Rate Increase | - | - | 52,000 |
| 5. | Marginal Revenue Loss - Weather | - | - | (4,000) |
| 6. | Change in Senior Citizen Discount | - | - | 1,500 |
| 7. | Unbilled Gas Adjustment | (349) | (201) | 1,500 |
| 8. | Sub-Total Gas Revenues | 462,644 | 515,678 | 625,103 |
| 9. | Marketing Point-of-Sale Revenues | 952 | - | - |
| 10. | Appliance Repair & Other Service Revenues | 13,683 | 12,098 | 13,233 |
| 11. | Other Operating Revenues | 9,606 | 9,250 | 11,115 |
| 12. | Sub-Total Other Revenues | 24,241 | 21,348 | 24,348 |
| 13. | Total Operating Revenues | $486,885 | $537,026 | $649,451 |

Exhibit B-1

# PGW
## RECONCILIATION OF BILLED REVENUES
## (Dollars in Thousands)

| 1998-99 ACTUAL | Billed Revenues | 1997-98 Under recovery | 1998-99 Over recovery | Total Revenues |
|---|---|---|---|---|
| Firm Non-Heating | $42,672 | (328) | (1,434) | $40,910 |
| Interruptible | 28,465 | | | 28,465 |
| Total Non Heating | 71,137 | (328) | (1,434) | 69,375 |
| Gas Transportation Service | 3,376 | | | 3,376 |
| Heating | 408,187 | (3,286) | (14,660) | 390,241 |
| Total Revenues | $482,700 | ($3,614) | ($16,094) | $462,992 |

| 1999-2000 ESTIMATE | Billed Revenues | 1998-99 Over recovery | 1999-2000 Under recovery | Total Revenues |
|---|---|---|---|---|
| Firm Non-Heating | $43,552 | $1,434 | | $44,986 |
| Interruptible | 44,543 | | | 44,543 |
| Total Non Heating | 88,095 | 1,434 | | 89,529 |
| Gas Transportation Service | 3,483 | | | 3,483 |
| Heating | 408,028 | 14,660 | 179 | 422,867 |
| Total Revenues | $499,606 | $16,094 | $179 | $515,879 |

| 2000-01 BUDGET | Billed Revenues | | 1999-2000 Under recovery | Total Revenues |
|---|---|---|---|---|
| Firm Non-Heating | $49,932 | | | $49,932 |
| Interruptible | 56,846 | | | 56,846 |
| Total Non Heating | 106,778 | | | 106,778 |
| Gas Transportation Service | 3,509 | | | 3,509 |
| Heating | 463,995 | | (179) | 463,816 |
| Total Revenues | $574,282 | | ($179) | $574,103 |

Exhibit B-1-1

# PHILADELPHIA GAS WORKS
## GAS REVENUES
(Dollars in Thousands)

| GAS REVENUES | Actual 1998-99 | Estimate 1999-2000 | Budget 2000-01 | 2000-01 Budget Over/(Under) 1999-2000 Estimate Amount | % |
|---|---|---|---|---|---|
| NON HEATING | | | | | |
| Residential | 19,199 | | 23,779 | | |
| CRP Residential | 1,233 | | 1,758 | | |
| CRP Shortfall | (232) | | (461) | | |
| Commercial | 15,436 | | 17,605 | | |
| Industrial | 5,168 | | 5,020 | | |
| Municipal | 1,622 | | 1,902 | | |
| Housing Authority | 246 | | 329 | | |
| Total Firm Non-Heating | 42,672 | 43,552 | 49,932 | 6,380 | 15 |
| BPS - Small | 1,576 | | 2,073 | | |
| BPS - Large | 12,317 | | 25,099 | | |
| BPS - A/C | 451 | | 1,052 | | |
| LBS-L Direct | 660 | | 1,714 | | |
| LBS-L Indirect | 3,325 | | 6,535 | | |
| LBS-S Indirect | 4,787 | | 10,115 | | |
| LBS-XL Direct | 1,572 | | 3,230 | | |
| LBS-XL Indirect | 802 | | 5,113 | | |
| Co-Generation - Direct (Trigen) | 0 | | 264 | | |
| Co-Generation - Indirect | 552 | | 660 | | |
| LNG - Direct | 31 | | - | | |
| Grays Ferry | - | | 630 | | |
| GTS - Sales | 2,386 | | 350 | | |
| NGV | 6 | | 11 | | |
| Total Interruptibles | 28,465 | 44,543 | 56,846 | 12,303 | 28 |
| Total Non Heating | 71,137 | 88,095 | 106,778 | 18,683 | 21 |
| HEATING | | | | | |
| Residential | 292,233 | | 320,722 | | |
| CRP Residential | 44,981 | | 57,945 | | |
| CRP Shortfall | (9,080) | | (22,591) | | |
| Commercial | 55,381 | | 78,731 | | |
| Industrial | 6,764 | | 8,580 | | |
| Municipal | 7,921 | | 9,456 | | |
| Housing Authority | 9,987 | | 11,152 | | |
| Total Heating | 408,187 | 408,028 | 463,995 | 55,967 | 14 |
| Net Billed Revenues | 479,324 | 496,123 | 570,773 | 74,650 | 15 |
| GTS Revenues | 3,376 | 3,483 | 3,509 | 26 | 1 |
| Total Billed Revenues | 482,700 | 499,606 | 574,282 | 74,676 | 15 |
| GCR Factor per MCF | 1.0114 | 1.0982 | 1.8362 | 0.7380 | 67 |

Exhibit B-2

# PHILADELPHIA GAS WORKS
## GAS SALES
## (MCF's)

| GAS SALES | Actual 1998-99 | Estimate 1999-2000 | Budget 2000-01 | 2000-01 Budget Over/(Under) 999-2000 Estimate Amount | % |
|---|---|---|---|---|---|
| NON HEATING | | | | | |
| Residential | 1,902 | | 2,124 | | |
| CRP Residential | 136 | | 184 | | |
| Commercial | 1,777 | | 1,892 | | |
| Industrial | 612 | | 551 | | |
| Municipal | 214 | | 231 | | |
| Housing Authority | 30 | | 37 | | |
| Total Firm Non-Heating | 4,671 | 4,681 | 5,019 | 338 | 7 |
| BPS - Small | 245 | | 304 | | |
| BPS - Large | 3,447 | | 4,148 | | |
| BPS - A/C | 115 | | 239 | | |
| LBS - L Direct | 219 | | 337 | | |
| LBS - L Indirect | 1,102 | | 1,293 | | |
| LBS - S Indirect | 1,607 | | 1,813 | | |
| LBS - XL Direct | 529 | | 672 | | |
| LBS - XL Indirect | 268 | | 1,067 | | |
| Co-Generation - Direct (Trigen) | - | | 70 | | |
| Co-Generation - Indirect | 169 | | 169 | | |
| LNG - Direct | 5 | | - | | |
| Grays Ferry | - | | 175 | | |
| GTS - Sales | 733 | | 114 | | |
| NGV Indirect | 2 | | 3 | | |
| Total Interruptibles | 8,441 | 8,685 | 10,404 | 1,719 | 20 |
| Total Non Heating | 13,112 | 13,366 | 15,423 | 2,057 | 15 |
| HEATING | | | | | |
| Residential | 34,155 | | 35,562 | | |
| CRP Residential | 5,462 | | 6,492 | | |
| Commercial | 6,405 | | 8,547 | | |
| Industrial | 794 | | 938 | | |
| Municipal | 1,033 | | 1,141 | | |
| Housing Authority | 1,166 | | 1,273 | | |
| Total Heating | 49,015 | 51,046 | 53,953 | 2,907 | 6 |
| Net Billed Sales | 62,127 | 64,412 | 69,376 | 4,964 | 8 |
| GTS Volumes | 13,619 | 14,439 | 14,440 | 1 | |
| Total Billed Sales | 75,746 | 78,851 | 83,816 | 4,965 | 6 |

Exhibit C-1

# PHILADELPHIA GAS WORKS
# NATURAL GAS EXPENSE
(Dollars in Thousands)

| Line No. | | Actual 1998-99 | Estimate 1999-2000 | Budget 2000-01 |
|---|---|---|---|---|
| | **Billed Natural Gas** | | | |
| | Demand Charges: | | | |
| 1. | Texas Eastern | $28,817 | $33,879 | $35,014 |
| 2. | Transcontinental | 28,953 | 29,657 | 28,875 |
| 3. | Other | 11,184 | 7,027 | 3,836 |
| 4. | Total Demand | 68,954 | 70,563 | 67,725 |
| | Commodity Charges: | | | |
| 5. | Texas Eastern | 2,775 | 4,779 | 53,220 |
| 6. | Transcontinental | 29,324 | 38,957 | 58,977 |
| 7. | Other | 126,542 | 154,850 | 111,729 |
| 8. | Total Commodity | 158,641 | 198,586 | 223,926 |
| 9. | **Total Billed Natural Gas** | 227,595 | 269,149 | 291,651 |
| | **Storage Activity** | | | |
| 10. | (To) Inventory | (54,572) | (68,810) | (64,658) |
| 11. | From Inventory | 53,532 | 52,669 | 67,600 |
| 12. | Net Storage | (1,040) | (16,141) | 2,942 |
| 13. | **Natural Gas Refunds** | (7,474) | (22) | - |
| 14. | **Total Natural Gas Expense** | $219,081 | $252,986 | $294,593 |

Exhibit C-1-1

# PHILADELPHIA GAS WORKS
# NATURAL GAS EXPENSE
# 1998-99 ACTUAL
(Dollars in Thousands)

| Line No. | | Billed | (To) Inventory | From Inventory | Refunds | Seasonal Adjustment | Total |
|---|---|---|---|---|---|---|---|
| 1. | September | $16,204 | ($6,326) | $230 | $ - | ($3,906) | $6,202 |
| 2. | October | 19,992 | (6,691) | 253 | (324) | (2,212) | 11,018 |
| 3. | November | 21,205 | (1,492) | 1,376 | (323) | 1,280 | 22,046 |
| 4. | December | 19,258 | (462) | 10,392 | (324) | 5,273 | 34,137 |
| 5. | January | 21,429 | (49) | 15,605 | (723) | 7,125 | 43,387 |
| 6. | February | 17,525 | (234) | 12,641 | (674) | 5,197 | 34,455 |
| 7. | March | 17,203 | (7) | 10,591 | (764) | 3,228 | 30,251 |
| 8. | April | 15,679 | (2,778) | 1,909 | (804) | (869) | 13,137 |
| 9. | May | 19,880 | (7,951) | (63) | (777) | (3,188) | 7,901 |
| 10. | June | 22,901 | (10,220) | 176 | (1,235) | (4,015) | 7,607 |
| 11. | July | 17,347 | (9,208) | 202 | (763) | (3,965) | 3,613 |
| 12. | August | 18,972 | (9,154) | 220 | (763) | (3,948) | 5,327 |
| 13. | Total | $227,595 | ($54,572) | $53,532 | ($7,474) | $0 | $219,081 |

Exhibit C-1-2

# PHILADELPHIA GAS WORKS
# NATURAL GAS EXPENSE
# 1999-2000 ESTIMATE
(Dollars in Thousands)

| Line No. | | Billed | (To) Inventory | From Inventory | Refunds | Seasonal Adjustment | Total |
|---|---|---|---|---|---|---|---|
| 1. | September | $19,035 | ($8,210) | $222 | $ - | ($3,598) | $7,449 |
| 2. | October | 19,096 | (4,430) | 339 | - | (2,012) | 12,993 |
| 3. | November | 23,959 | (2,821) | 1,640 | (21) | 1,218 | 23,975 |
| 4. | December | 24,885 | (460) | 9,637 | - | 4,895 | 38,957 |
| 5. | January | 24,792 | (960) | 18,947 | - | 6,677 | 49,456 |
| 6. | February | 25,932 | (217) | 10,213 | - | 5,243 | 41,171 |
| 7. | March | 17,338 | - | 7,912 | - | 2,941 | 28,191 |
| 8. | April | 21,813 | (4,955) | 2,564 | - | (1,133) | 18,289 |
| 9. | May | 24,165 | (11,199) | 457 | (1) | (3,046) | 10,376 |
| 10. | June | 22,826 | (12,041) | 225 | - | (3,763) | 7,247 |
| 11. | July | 22,720 | (11,740) | 251 | - | (3,704) | 7,527 |
| 12. | August | 22,588 | (11,777) | 262 | - | (3,718) | 7,355 |
| 13. | Total | $269,149 | ($68,810) | $52,669 | ($22) | $0 | $252,986 |

Exhibit C-1-3

# PHILADELPHIA GAS WORKS
# NATURAL GAS EXPENSE
# 2000-01 BUDGET
(Dollars in Thousands)

| Line No. | | Billed | (To) Inventory | From Inventory | Refunds | Seasonal Adjustment | Total |
|---|---|---|---|---|---|---|---|
| 1. | September | $24,032 | ($11,682) | $259 | $ - | ($3,526) | $9,083 |
| 2. | October | 24,955 | (7,047) | 281 | - | (1,981) | 16,208 |
| 3. | November | 23,500 | (476) | 7,152 | - | 1,184 | 31,360 |
| 4. | December | 28,081 | - | 16,041 | - | 4,634 | 48,756 |
| 5. | January | 29,900 | - | 19,792 | - | 6,341 | 56,033 |
| 6. | February | 26,502 | - | 13,613 | - | 4,628 | 44,743 |
| 7. | March | 24,761 | - | 8,482 | - | 2,943 | 36,186 |
| 8. | April | 24,333 | (6,480) | 994 | - | (786) | 18,061 |
| 9. | May | 23,938 | (10,388) | 248 | - | (2,729) | 11,069 |
| 10. | June | 21,942 | (10,905) | 237 | - | (3,613) | 7,661 |
| 11. | July | 20,049 | (8,958) | 251 | - | (3,551) | 7,791 |
| 12. | August | 19,658 | (8,722) | 250 | - | (3,544) | 7,642 |
| 13. | Total | $291,651 | ($64,658) | $67,600 | $ - | $0 | $294,593 |

Exhibit C-3

# PHILADELPHIA GAS WORKS
# LABOR & FRINGE BENEFITS
**(Dollars in Thousands)**

| Line No. | | Actual 1998-99 | Estimate 1999-2000 | Budget 2000-01 |
|---|---|---|---|---|
| | **OPERATING LABOR** | | | |
| 1. | Payroll | 95,241 | 101,141 | 100,450 |
| 2. | To Capital & Non-Operating Accounts | (19,708) | (22,528) | (22,399) |
| 3. | Total Operating Labor | 75,533 | 78,613 | 78,051 |
| | **PENSIONS** | | | |
| 4. | Beneficiaries | 27,303 | 27,438 | 28,900 |
| 5. | Payments to (Withdrawals from) Fund | (26,516) | (26,319) | (27,524) |
| 6. | Total Pensions | 787 | 1,119 | 1,376 |
| | **INSURANCE** | | | |
| 7. | Group Life | 984 | 1,760 | 1,755 |
| 8. | Health | 23,432 | 24,375 | 25,290 |
| 9. | Total Insurance | 24,416 | 26,135 | 27,045 |
| | **TAXES** | | | |
| 10. | FICA - OASI | 5,849 | 6,167 | 6,071 |
| 11. | FICA - Medical | 1,388 | 1,419 | 1,450 |
| 12. | State Unemployment | 165 | 225 | 180 |
| 13. | Federal Unemployment | 109 | 105 | 114 |
| 14. | Allocated to Capital | (1,420) | (1,242) | (1,267) |
| 15. | Total Taxes | 6,091 | 6,674 | 6,548 |
| | **OTHER** | | | |
| 16. | Perfect Attendance Incentive | 411 | 393 | 387 |
| 17. | **Total Labor & Fringe Benefits** | 107,238 | 112,934 | 113,407 |

# PHILADELPHIA GAS WORKS
## DETAIL OF DIRECT LABOR EXPENSES
(Dollars in Thousands)

| Line No. | | Actual 1998-99 Average Personnel | Actual 1998-99 Payroll | Estimate 1999-2000 Average Personnel | Estimate 1999-2000 Payroll | Budget 2000-01 Average Personnel | Budget 2000-01 Payroll |
|---|---|---|---|---|---|---|---|
| 1. | Administration | 50 | $3,965 | 55 | $4,296 | 60 | $4,925 |
| 2. | Finance | 49 | 2,253 | 49 | 2,409 | 51 | 2,509 |
| 3. | Customer Activities | 372 | 16,972 | 303 | 15,896 | 318 | 16,791 |
| 4. | Marketing & Planning | 72 | 4,067 | 59 | 3,413 | 67 | 3,837 |
| 5. | Operations | 1,083 | 53,474 | 1,104 | 59,957 | 1,072 | 58,538 |
| 6. | Systems & Services | 293 | 14,088 | 285 | 14,706 | 304 | 15,874 |
| 7. | Retirements | - | - | - | - | (50) | (2,500) |
| 8. | Philadelphia Gas Commission | | 422 | | 464 | | 476 |
| 9. | Total Personnel & Payroll | 1,919 | $95,241 | 1,855 | $101,141 | 1,822 | $100,450 |
| 10. | Allocated to Capital & Appliances | | (19,708) | | (22,528) | | (22,399) |
| 11. | Net Operating Labor | 1,919 | $75,533 | 1,855 | $78,613 | 1,822 | $78,051 |

Exhibit C-3-1

# PHILADELPHIA GAS WORKS
## DETAIL OF OTHER EXPENSES
### (Dollars in Thousands)

| LINE NO. | OTHER EXPENSES | Actual 1998-99 | Estimate 1999-2000 | Budget 2000-01 |
|---|---|---|---|---|
| 1. | Appropriation for Reserves and Other Losses | $3,618 | $2,568 | $2,102 |
| 2. | Advertising | 443 | 762 | 1,333 |
| 3. | General Material | 6,128 | 4,784 | 5,359 |
| 4. | Insurance | 1,662 | 2,256 | 1,379 |
| 5. | Contracted Maintenance | 4,030 | 4,235 | 4,601 |
| 6. | Utilities | 4,038 | 3,512 | 3,503 |
| 7. | Rentals | 1,787 | 1,787 | 2,448 |
| 8. | Purchased Services | 20,708 | 20,290 | 21,379 |
| 9. | Postage | 1,668 | 2,179 | 2,822 |
| 10. | Promotion | 405 | 663 | 1,645 |
| 11. | Non-Utility Revenues | (72) | (66) | (72) |
| 12. | Labor Related Fringe Benefits and A&G Charged to Capital | (12,142) | (11,114) | (12,149) |
| 13. | Depreciation | 33,777 | 34,669 | 35,881 |
| 14. | Less: Cleared to Capital | (1,331) | (737) | (699) |
| 15. | Miscellaneous | 11,768 | 13,697 | 6,015 |
| 16. | Total Other Expenses | $76,487 | $79,485 | $75,547 |

## DETAIL OF OTHER OPERATING EXPENSES C-4

| APPROPRIATION FOR RESERVE AND OTHER LOSSES | Actual 1998-99 | Estimate 1999-2000 | Budget 2000-01 |
|---|---|---|---|
| Distribution | $42 | $10 | $10 |
| Field Services | - | 5 | 5 |
| Risk Management | 2,865 | 247 | 698 |
| Sr VP Legal & Genl Counsel | - | 2,026 | 1,211 |
| Compensated Absences | 66 | 80 | (22) |
| Corporate Settlements | 645 | 200 | 200 |
| Grand Total | $3,618 | $2,568 | $2,102 |

| ADVERTISING | Actual 1998-99 | Estimate 1999-2000 | Budget 2000-01 |
|---|---|---|---|
| Field Services | $174 | $165 | $168 |
| Collection & Revenue Recovery | 110 | 99 | 40 |
| Customer Service | - | 40 | 40 |
| Marketing | 22 | 98 | 304 |
| VP Public Policy | 38 | 183 | 350 |
| Human Resources | 46 | 50 | 103 |
| VP Customer Affairs | - | - | 200 |
| Gas Commission | 23 | 75 | 75 |
| Building Services | - | 1 | 1 |
| Engineering | - | 1 | 1 |
| Information Technology | 2 | 3 | 3 |
| Telecommunications | 19 | 36 | 37 |
| Transportation Service | - | 1 | 1 |
| Materials Management | 9 | 10 | 10 |
| Grand Total | $443 | $762 | $1,333 |

## DETAIL OF OTHER OPERATING EXPENSES C-4

| GENERAL MATERIAL | Actual 1998-99 | Estimate 1999-2000 | Budget 2000-01 |
|---|---|---|---|
| Gas Processing | $1,923 | $1,469 | $1,524 |
| Distribution | 1,804 | 1,549 | 1,243 |
| Field Services | 3,023 | 2,666 | 2,608 |
| Collection & Revenue Recovery | 30 | 354 | 458 |
| Meter Reading | 236 | - | - |
| Customer Service | 47 | 30 | 82 |
| Customer Accounting | 168 | 4 | 17 |
| Marketing | (138) | 86 | 78 |
| Marketing Point of Sale | 335 | 7 | - |
| VP Public Policy | 60 | 44 | 105 |
| Gas Control & Acquisition | 8 | 12 | 18 |
| Human Resources | 77 | 73 | 77 |
| Risk Management | 9 | 4 | 4 |
| Accounting & Reporting | 15 | 5 | 6 |
| Treasury | 75 | 35 | 36 |
| Other A & G | 28 | 26 | 29 |
| Sr VP Legal & Genl Counsel | 20 | 30 | 36 |
| VP Customer Affairs | 2 | 12 | 182 |
| Security | 4 | 3 | 20 |
| Gas Commission | 26 | 12 | 20 |
| Emergency Operations | 10 | - | 150 |
| Utility Gas Use | (256) | (302) | (311) |
| Building Service | 396 | 375 | 393 |
| Engineering Service | 23 | 30 | 30 |
| Information Technology | 404 | 271 | 432 |
| Office Services | 33 | 82 | 86 |
| Telecommunications | 30 | 2 | 2 |
| Transportation Services | 692 | 886 | 1,021 |
| Chemical Laboratory Services | 12 | 17 | 21 |
| Materials Management | (2,968) | (2,998) | (3,008) |
| Grand Total | $6,128 | $4,784 | $5,359 |

## DETAIL OF OTHER OPERATING EXPENSES C-4

| INSURANCE | Actual 1998-99 | Estimate 1999-2000 | Budget 2000-01 |
|---|---|---|---|
| Human Resources | $23,442 | $24,385 | $25,300 |
| Risk Management | 2,591 | 2,921 | 2,981 |
| Sr VP Legal & Genl Counsel | - | 90 | 90 |
| Gas Planning & FRA | - | 950 | - |
| Gas Commission | 45 | 45 | 53 |
| Sub-Total | 26,078 | 28,391 | 28,424 |
| Less Group Life & Health | 24,416 | 26,135 | 27,045 |
| Grand Total | $1,662 | $2,256 | $1,379 |

| CONTRACTED MAINTENANCE | Actual 1998-99 | Estimate 1999-2000 | Budget 2000-01 |
|---|---|---|---|
| Maintenance Contractors | $1,399 | $1,156 | $1,255 |
| Maintenance Software | 1,512 | 2,094 | 2,336 |
| Maintenance Office Equipment | 1,119 | 985 | 1,010 |
| Grand Total | $4,030 | $4,235 | $4,601 |

| UTILITIES | Actual 1998-99 | Estimate 1999-2000 | Budget 2000-01 |
|---|---|---|---|
| Electric | $1,822 | $1,774 | $1,763 |
| Purchased Telephone | 1,951 | 1,566 | 1,567 |
| Water | 265 | 172 | 173 |
| Grand Total | $4,038 | $3,512 | $3,503 |

| RENTALS | Actual 1998-99 | Estimate 1999-2000 | Budget 2000-01 |
|---|---|---|---|
| Other Rents | $382 | $397 | $308 |
| Equipment Rentals & Leasing | 1,405 | 1,355 | 1,486 |
| Operating Leases | - | 35 | 654 |
| Grand Total | $1,787 | $1,787 | $2,448 |

## DETAIL OF OTHER OPERATING EXPENSES C-4

| Maintenance Contractors | Actual 1998-99 | Estimate 1999-2000 | Budget 2000-01 |
|---|---|---|---|
| Gas Processing | $727 | $480 | $522 |
| Gas Processing from Capital | 31 | 25 | 25 |
| Distribution | 224 | 195 | 200 |
| Field Services | - | 8 | 8 |
| Collection & Revenue Recovery | - | 1 | 8 |
| Meter Reading | 2 | - | - |
| Marketing | 2 | - | - |
| Gas Acquisition & Control | 1 | - | - |
| Human Resources | 3 | 5 | 7 |
| Security | - | - | 4 |
| Building Services | 298 | 290 | 314 |
| Engineering Services | 4 | 5 | 5 |
| Information Technology | 51 | 53 | 55 |
| Office Services | 6 | 8 | 9 |
| Transportation Service | 26 | 58 | 67 |
| Chemical Laboratory Services | 2 | 1 | 3 |
| Materials Management | 22 | 27 | 28 |
| Grand Total | $1,399 | $1,156 | $1,255 |

| Maintenance Software | Actual 1998-99 | Estimate 1999-2000 | Budget 2000-01 |
|---|---|---|---|
| Field Services | $133 | $133 | $133 |
| Gas Control & Acquisition | 30 | 5 | 75 |
| Accounting & Reporting | - | - | 7 |
| Security | - | - | 10 |
| Gas Planning | - | - | 25 |
| Building Service | 2 | 4 | 5 |
| Engineering Services | 7 | 17 | 18 |
| Information Technology | 1,314 | 1,869 | 1,990 |
| Transportation Services | 3 | 11 | 12 |
| Chemical Services | 1 | 3 | 3 |
| Materials Management | 22 | 52 | 58 |
| Grand Total | $1,512 | $2,094 | $2,336 |

## DETAIL OF OTHER OPERATING EXPENSES C-4

| Maintenance Office Equipment | Actual 1998-99 | Estimate 1999-2000 | Budget 2000-01 |
|---|---|---|---|
| Gas Processing | - | $1 | $2 |
| Distribution | - | 1 | 5 |
| Field Services | - | 17 | 17 |
| Collection & Revenue Recovery | - | 63 | 42 |
| Meter Reading | 13 | - | - |
| Customer Service | - | 30 | 27 |
| Customer Accounting | 25 | - | - |
| VP Public Policy | 1 | 1 | 4 |
| Gas Control & Acquisition | 19 | 18 | 36 |
| Human Resources | - | 1 | 2 |
| Other A & G | 2 | 4 | 9 |
| Maintenance Office Equipment | 227 | 165 | 175 |
| Building Service | 3 | 4 | 4 |
| Engineering Services | 3 | 4 | 3 |
| Information Technology | 677 | 544 | 549 |
| Office Services | 19 | 37 | 37 |
| Telecommunications | 108 | 68 | 69 |
| Transportation Services | 4 | 6 | 6 |
| Chemical Services | 1 | 2 | 2 |
| Materials Management | 17 | 19 | 21 |
| Grand Total | $1,119 | $985 | $1,010 |

## DETAIL OF OTHER OPERATING EXPENSES C-4

| Electric | Actual 1998-99 | Estimate 1999-2000 | Budget 2000-01 |
|---|---|---|---|
| Gas Processing | $982 | $910 | $895 |
| Distribution | 47 | 30 | 44 |
| Building Service | 610 | 635 | 621 |
| Engineering Service | 8 | 9 | 9 |
| Information Technology | 106 | 116 | 108 |
| Office Services | 12 | 17 | 16 |
| Telecommunciations | - | 1 | 1 |
| Transportation Service | 23 | 30 | 43 |
| Chemical Laboratory Services | 1 | 1 | 1 |
| Materials Management | 33 | 25 | 25 |
| Grand Total | $1,822 | $1,774 | $1,763 |

| Purchased Telephone | Actual 1998-99 | Estimate 1999-2000 | Budget 2000-01 |
|---|---|---|---|
| Gas Commission | $7 | $6 | $6 |
| Building Service | 28 | 37 | 37 |
| Engineering Service | 19 | 26 | 26 |
| Information Technology | 161 | 102 | 102 |
| Office Services | 2 | 4 | 4 |
| Telecommunications | 1,640 | 1,305 | 1,304 |
| Transportation Services | 30 | 32 | 32 |
| Chemical Laboratory Services | 8 | 10 | 11 |
| Materials Management | 56 | 44 | 45 |
| Grand Total | $1,951 | $1,566 | $1,567 |

| Water | Actual 1998-99 | Estimate 1999-2000 | Budget 2000-01 |
|---|---|---|---|
| Gas Processing | $88 | $75 | $75 |
| Distribution | 2 | 2 | 2 |
| Building Service | 135 | 73 | 73 |
| Engineering Service | 2 | 1 | 1 |
| Information Technology | 23 | 13 | 12 |
| Office Services | 3 | 2 | 2 |
| Transportation Service | 5 | 3 | 5 |
| Materials Management | 7 | 3 | 3 |
| Grand Total | $265 | $172 | $173 |

## DETAIL OF OTHER OPERATING EXPENSES C-4

| Other Rents | Actual 1998-99 | Estimate 1999-2000 | Budget 2000-01 |
|---|---|---|---|
| Distribution | $2 | - | - |
| Customer Service | 287 | 287 | 228 |
| Gas Commission | 61 | 110 | 80 |
| Building Services | 1 | - | - |
| Materials Management | 31 | - | - |
| Grand Total | $382 | $397 | $308 |

| Equipment Rentals & Leasing | Actual 1998-99 | Estimate 1999-2000 | Budget 2000-01 |
|---|---|---|---|
| Gas Processing | $17 | $165 | $15 |
| Distribution | 5 | 12 | 3 |
| Field Services | 14 | 60 | 61 |
| Collection & Revenue Recovery | 8 | 234 | 250 |
| Meter Reading | 31 | - | - |
| Customer Service | 105 | 85 | 81 |
| Customer Accounting | 195 | - | - |
| Marketing | 52 | 30 | 11 |
| VP Public Policy | 26 | 16 | 2 |
| Gas Control & Acquisition | 2 | 8 | 12 |
| Human Resources | 10 | 7 | 7 |
| Risk Management | 1 | 5 | 13 |
| Accounting & Reporting | 3 | 2 | 3 |
| Other A&G | 28 | 15 | 14 |
| Sr VP General Counsel & Legal | 12 | 4 | 4 |
| Security | 3 | 1 | 8 |
| Gas Commission | 12 | 15 | 14 |
| Building Services | 38 | 44 | 17 |
| Engineering | 34 | 33 | 31 |
| Information Technology | 598 | 467 | 779 |
| Office Services | 18 | 23 | 22 |
| Telecommunicaytions | 85 | 13 | 13 |
| Transportation Service | 73 | 83 | 86 |
| Chemical Services | 2 | 2 | 2 |
| Materials Management | 33 | 31 | 38 |
| Grand Total | $1,405 | $1,355 | $1,486 |

| Operating Leases | Actual 1998-99 | Estimate 1999-2000 | Budget 2000-01 |
|---|---|---|---|
| Building Services | - | $1 | $9 |
| Engineering Services | - | - | 4 |
| Information Technology | - | - | 139 |
| Office Services | - | - | 1 |
| Telecommunications | - | - | - |
| Transportation Service | - | 32 | 462 |
| Chemical Laboratory | - | - | 1 |
| Materials Management | - | 2 | 38 |
| Grand Total | - | $35 | $654 |

## DETAIL OF OTHER OPERATING EXPENSES C-4

### PURCHASED SERVICES & BANK FEES

| | Actual 1998-99 | Estimate 1999-2000 | Budget 2000-01 |
|---|---|---|---|
| Gas Processing | $615 | $683 | $701 |
| Distribution | 96 | 84 | 101 |
| Field Services | 268 | 336 | 341 |
| Collection & Revenue Recovery | 705 | 911 | 1,350 |
| Meter Reading | 63 | - | - |
| Customer Service | 192 | 107 | 138 |
| Customer Service Bank Fees | 112 | 12 | 12 |
| Customer Accounting | 784 | 5 | 6 |
| Marketing | 255 | 313 | 781 |
| Marketing Point of Sale | 464 | 1 | - |
| VP Public Policy | 372 | 457 | 960 |
| Gas Control & Acquisition | 27 | 110 | 100 |
| Human Resources | 1,168 | 1,108 | 1,115 |
| Risk Management | 703 | 410 | 258 |
| Accounting & Reporting | 889 | 30 | 30 |
| Treasury | 18 | 50 | 64 |
| Treasury Bank Fees | 120 | 102 | 84 |
| Other A & G | 7 | 10 | 11 |
| President & CEO | 9 | 1 | 5 |
| Sr VP Gen'l Counsel & Legal | 165 | 527 | 529 |
| Conservation Works Program | 1,908 | 2,200 | 2,200 |
| VP Customer Affairs | 8 | 180 | 2,229 |
| EVP & COO | 7 | 6 | - |
| Security | 1,616 | 1,230 | 1,500 |
| VP Gas Management | 297 | 11 | 5 |
| Budget | - | 5 | 12 |
| Public Utility Commission | - | 490 | 675 |
| Gas Planning & Fed Reg Aff | 120 | 96 | 100 |
| VP Human Resources | 7 | 15 | 15 |
| CFO | 3 | - | 10 |
| Internal Auditing | - | - | 50 |
| Gas Commission | 700 | 495 | 561 |
| Administrative Consultants | 975 | 5,291 | 2,120 |
| FERC Matters | 180 | 175 | 150 |
| Special Legal | 1,294 | 2,100 | 1,900 |
| Emergency Operations | 37 | - | 150 |
| Relocation Expenses | 7 | 2 | - |
| Electric Programs | 27 | - | - |
| Building Service | 200 | 193 | 184 |
| Engineering Service | 21 | 20 | 39 |
| Information Technology | 5,698 | 2,100 | 2,599 |
| Office Services | 7 | 8 | 7 |
| Telecommunications | 222 | 159 | 8 |
| Transportation Services | 105 | 88 | 94 |
| Chemical Laboratory Services | 6 | 8 | 11 |
| Materials Management | 231 | 161 | 174 |
| Grand Total | $20,708 | $20,290 | $21,379 |

# DETAIL OF OTHER OPERATING EXPENSES C-4

## POSTAGE

| | Actual 1998-99 | Estimate 1999-2000 | Budget 2000-01 |
|---|---|---|---|
| Gas Processing | $1 | $1 | $1 |
| Distribution | 2 | 1 | 2 |
| Field Services | 119 | 150 | 153 |
| Collection & Revenue Recovery | 182 | 1,877 | 2,044 |
| Customer Service | 12 | 5 | 4 |
| Customer Accounting | 1,290 | - | - |
| Marketing | 8 | 63 | 398 |
| VP Public Policy | 7 | 5 | 35 |
| Human Resources | 17 | 19 | 21 |
| Risk Management | 1 | 1 | 1 |
| Accounting & Reporting | 1 | - | - |
| Treasury | 13 | 12 | 12 |
| Other A & G | 11 | 10 | 13 |
| VP Customer Affairs | - | 2 | 105 |
| Engineering | 1 | - | - |
| Information Technology | 1 | - | - |
| Materials Management | 2 | 33 | 33 |
| Grand Total | $1,668 | $2,179 | $2,822 |

## PROMOTION

| | Actual 1998-99 | Estimate 1999-2000 | Budget 2000-01 |
|---|---|---|---|
| Marketing | $383 | $663 | $1,645 |
| VP Public Policy | 22 | - | - |
| Grand Total | $405 | $663 | $1,645 |

## DETAIL OF OTHER OPERATING EXPENSES C-4

### NON-UTILITY REVENUE

| | Actual 1998-99 | Estimate 1999-2000 | Budget 2000-01 |
|---|---|---|---|
| Customer Accounting | ($36) | ($33) | ($36) |
| Customer Service | (36) | (33) | (36) |
| Grand Total | ($72) | ($66) | ($72) |

### LABOR RELATED FRINGE BENEFITS & A&G CHARGED to CAPITAL

| | Actual 1998-99 | Estimate 1999-2000 | Budget 2000-01 |
|---|---|---|---|
| Construction Overheads | ($4,896) | ($5,258) | ($5,333) |
| A & G Additive | (7,243) | (5,855) | (6,815) |
| Accounting & Reporting | (3) | (1) | (1) |
| Grand Total | ($12,142) | ($11,114) | ($12,149) |

### MISCELLANEOUS

| | Actual 1998-99 | Estimate 1999-2000 | Budget 2000-01 |
|---|---|---|---|
| Expense of Employees | $518 | $634 | $1,463 |
| Dues & Subscriptions | 795 | 714 | 954 |
| Charitable Contributions | 12 | - | - |
| Sponorships | 88 | - | - |
| Taxes | 57 | 34 | 35 |
| PFMC - Management Fee | 398 | 355 | 612 |
| Deferred Compensation | 345 | 376 | 385 |
| LNG Inventory | 65 | (23) | 74 |
| Cost Savings/Productivity Improv | - | - | (10,000) |
| Capital Lease Amortization | 1,618 | 2,307 | 3,477 |
| Amortization | 7,872 | 9,300 | 9,015 |
| Grand Total | $11,768 | $13,697 | $6,015 |

## DETAIL OF OTHER OPERATING EXPENSES C-4

| Expense of Employees | Actual 1998-99 | Estimate 1999-2000 | Budget 2000-01 |
|---|---|---|---|
| Gas Processing | $43 | $34 | $41 |
| Distribution | 18 | 26 | 27 |
| Field Services | 41 | 49 | 49 |
| Collection & Revenue Recovery | 8 | 10 | 8 |
| Meter Reading | 6 | - | - |
| Customer Service | 15 | 10 | 40 |
| Customer Accounting | 14 | - | 6 |
| Marketing | 51 | 106 | 272 |
| VP Public Policy | 13 | 8 | 60 |
| Gas Control & Acquisition | 12 | 27 | 64 |
| Human Resources | 19 | 20 | 90 |
| Risk Management | 8 | 6 | 6 |
| Accounting & Reporting | 13 | 13 | 25 |
| Treasury | 6 | 8 | 8 |
| Other A & G | 4 | 4 | 14 |
| President & CEO | 4 | 6 | 6 |
| Sr VP General Counsel & Legal | 12 | 20 | 65 |
| VP Customer Affairs | 8 | 15 | 206 |
| EVP & COO | 22 | 1 | - |
| Security | 5 | 7 | 15 |
| VP Regulatory Affairs | - | 10 | 25 |
| Budget | 8 | 14 | 20 |
| Gas Planning | 19 | 21 | 21 |
| VP Human Resources | - | 5 | 8 |
| Senior VP & CFO | 23 | 5 | 25 |
| Internal Auditing | 10 | 14 | 29 |
| VP Operations | 5 | 2 | 2 |
| VP Marketing | 4 | 5 | 5 |
| Gas Commission | 18 | 25 | 20 |
| Relocation Expenses | 4 | - | - |
| Building Service | 8 | 9 | 11 |
| Engineering Service | 10 | 6 | 6 |
| Information Technology | 68 | 104 | 256 |
| Office Services | - | 1 | - |
| Telecommunications | 4 | 1 | 1 |
| Transportation Services | 6 | 9 | 11 |
| Chemical Laboratory Services | 2 | 4 | 6 |
| Materials Management | 7 | 29 | 15 |
| Grand Total | $518 | $634 | $1,463 |

## DETAIL OF OTHER OPERATING EXPENSES C-4

| Dues & Subscriptions | Actual 1998-99 | Estimate 1999-2000 | Budget 2000-01 |
|---|---|---|---|
| Gas Processing | $1 | $1 | $2 |
| Distribution | - | 2 | 2 |
| Field Services | 2 | 2 | 2 |
| Collection & Revenue Recovery | 1 | 1 | 1 |
| Customer Service | 1 | 2 | 2 |
| Customer Accounting | - | - | 1 |
| Marketing | 77 | 45 | 143 |
| VP Public Policy | 13 | 14 | 60 |
| Gas Control & Acquisition | 11 | 2 | 13 |
| Human Resources | 137 | 118 | 122 |
| Risk Management | 2 | 3 | 3 |
| Accounting & Reporting | 1 | 1 | 1 |
| Treasury | 2 | 2 | 2 |
| Other A & G | 12 | 14 | 26 |
| Sr VP Genl Counsel & Legal | 5 | 15 | 20 |
| VP Customer Affairs | - | 2 | 23 |
| VP Gas Management | 8 | 6 | 6 |
| Gas Planning | - | 21 | 22 |
| Corporate Planning | 6 | 1 | 1 |
| Company Dues & Subscriptions | 496 | 440 | 445 |
| Building Service | 2 | 1 | 1 |
| Engineering Service | 6 | 6 | 7 |
| Information Technology | 2 | 1 | 32 |
| Transportation Services | 1 | 3 | 4 |
| Chemical Laboratory | 2 | 2 | 3 |
| Materials Management | 7 | 9 | 10 |
| Grand Total | $795 | $714 | $954 |

| Taxes | Actual 1998-99 | Estimate 1999-2000 | Budget 2000-01 |
|---|---|---|---|
| Gas Commission | $30 | $34 | $35 |
| Relocation Expenses | 27 | - | - |
| Grand Total | $57 | $34 | $35 |

## DETAIL OF OTHER OPERATING EXPENSES C-4

| Amortization | Actual 1998-99 | Estimate 1999-2000 | Budget 2000-01 |
|---|---|---|---|
| Gas Processing | $62 | $52 | $33 |
| Distribution | 7 | - | - |
| Field Services | 27 | 82 | - |
| Meter Reading | 55 | - | - |
| Risk Management | 15 | 15 | - |
| Human Resources | 3 | - | - |
| Public Utility Commission | - | 6 | 1,350 |
| VP Strategic Planning | 7 | 7 | 7 |
| Gas Commission | 2 | 2 | 2 |
| Administrative Consulting | 307 | 307 | 196 |
| Grays Ferry Legal Expense | 89 | 89 | - |
| Relocation Expenses | 78 | 78 | 78 |
| Regulatory Asset | 3,156 | 3,750 | 3,750 |
| Restructuring | 965 | 965 | 965 |
| Year 2000 & Deregulation | 882 | 888 | 888 |
| Building Services | 2 | 7 | 4 |
| Engineering | 4 | 12 | 6 |
| Information Technology | 2,168 | 2,937 | 1,674 |
| Transportation | 6 | 17 | 10 |
| Chemical Services | 1 | 5 | 3 |
| Materials Management | 36 | 81 | 49 |
| Grand Total | $7,872 | $9,300 | $9,015 |

Exhibit D-1

# PHILADELPHIA GAS WORKS
# OTHER INCOME
## (Dollars in Thousands)

| Line No. | | Actual 1998-99 | Estimate 1999-2000 | Budget 2000-01 |
|---|---|---|---|---|
| | Interest Earnings On: | | | |
| 1. | Capital Improvement Fund | $2,544 | $3,134 | $802 |
| 2. | Capital Lease Fund | 746 | 585 | 349 |
| 3. | Revenue Bond Sinking Fund | 1,778 | 1,769 | 1,822 |
| 4. | Temporary Investments | 1,701 | 1,800 | 2,400 |
| 5. | Gain (Loss) on Investments | (470) | 0 | 0 |
| 6. | Natural Gas Refunds | 923 | 0 | 0 |
| 7. | Total Interest Earnings | 7,222 | 7,288 | 5,373 |
| 8. | Rental Income | 135 | 64 | 71 |
| 9. | Miscellaneous | 796 | 785 | 35 |
| 10. | Swap Option Proceeds | - | 8,645 | - |
| 11. | AFUDC | 110 | - | 295 |
| 12. | Total Other Income | $8,263 | $16,782 | $5,774 |

# PHILADELPHIA GAS WORKS
# REVENUE BOND DEBT SERVICE
## ( Dollars in Thousands )

| Line No. | Year Issued | Series | Actual 1998-99 | Estimate 1999-00 | Budget 2000-01 |
|---|---|---|---|---|---|
| | **Interest Payments** | | | | |
| 1. | 1989 | 11th C | $2,336 | $ - | $ - |
| 2. | 1989 | 11th C TECA | - | 3,811 | 4,043 |
| 3. | 1990 | 12th A | 214 | 111 | - |
| 4. | 1990 | 12th B | - | - | 920 |
| 5. | 1991 | 13th | 283 | 196 | 102 |
| 6. | 1993 | 14th | 15,095 | 14,607 | 14,098 |
| 7. | 1994 | 15th | 6,588 | 5,972 | 5,306 |
| 8. | 1998 | 1st A | 8,539 | 8,358 | 8,332 |
| 9. | 1998 | 1st B | 5,291 | 5,190 | 5,190 |
| 10. | 1999 | 16th | - | 3,352 | 3,265 |
| 11. | 1999 | 2nd | - | 5,811 | 5,612 |
| 12. | Total Interest Payments | | $38,346 | $47,408 | $46,868 |
| | **Interest Accruals** | | | | |
| 13. | 1989 | 11th C | $1,558 | $ - | $ - |
| 14. | 1989 | 11th C TECA | 2,808 | 2,671 | 2,349 |
| 15. | 1990 | 12th A | 12 | 79 | - |
| 16. | 1990 | 12th A TECA | 1,066 | 1,141 | 1,188 |
| 17. | 1990 | 12th B | (13) | - | - |
| 18. | 1991 | 13th | 265 | 177 | 81 |
| 19. | 1993 | 14th | 16,967 | 14,522 | 14,029 |
| 20. | 1994 | 15th | 6,675 | 5,917 | 5,266 |
| 21. | 1998 | 1st A | 7,220 | 8,354 | 8,264 |
| 22. | 1998 | 1st B | 6,156 | 5,190 | 5,190 |
| 23. | 1999 | 16th | 619 | 3,277 | 3,261 |
| 24. | 1999 | 2nd | 1,074 | 5,672 | 5,599 |
| 25. | 2001 | 3rd | - | - | 813 |
| 26. | Total Interest Accruals | | $44,407 | $47,000 | $46,040 |

Exhibit E-2

# PHILADELPHIA GAS WORKS
# OTHER LONG TERM DEBT SERVICE
## ( Dollars in Thousands )

| Line No. | Year Issued | Series | Actual 1998-99 | Estimate 1999-00 | Budget 2000-01 |
|---|---|---|---|---|---|
| **Interest Payments** | | | | | |
| 1. | 1989 | PMA Bond | $ - | $ - | $ - |
| 2. | 1996 | Capital Lease | 684 | 491 | 280 |
| 3. | 1997 | Capital Lease | 1,114 | 959 | 796 |
| 4. | 1998 | 1st C Subordinate | 1,023 | 967 | 925 |
| 5. | Total Interest Payments | | $2,821 | $2,417 | $2,001 |
| **Interest Accruals** | | | | | |
| 6. | 1989 | PMA Bond | ($257) | $ - | $ - |
| 7. | 1996 | Capital Lease | 605 | 404 | 188 |
| 8. | 1997 | Capital Lease | 1,050 | 892 | 725 |
| 9. | 1998 | 1st C Subordinate | 1,185 | 960 | 918 |
| 10. | Total Interest Accruals | | $2,583 | $2,256 | $1,831 |

Exhibit E-3

# PHILADELPHIA GAS WORKS
## OTHER INTEREST
### (Dollars in Thousands)

| Line No. | Other Interest | Actual 1998-99 | Estimate 1999-00 | Budget 2000-01 |
|---|---|---|---|---|
| 1. | Tax-Exempt Commercial Paper | $3,023 | $4,400 | $4,537 |
| 2. | Bond Discount, Issuance & Premium Expense | 1,504 | 1,558 | 1,489 |
| 3. | Customer Deposits | 38 | 72 | 74 |
| 4. | Miscellaneous Interest Expense | 216 | 225 | - |
| 5. | Interest on Notes Payable | 21 | 15 | 2 |
| 6. | Total Other Interest | $4,802 | $6,270 | $6,102 |
| 7. | AFUDC * | $201 | $500 | $355 |
| 8. | * Total AFUDC | $311 | $500 | $650 |
| 9. | Included In Other Income | $110 | - | $295 |

EXHIBIT F-1

# *PHILADELPHIA GAS WORKS*
# *CAPITAL FUNDING & EXPENDITURES*
# *( Dollars in Thousands )*

| Line No. | | Actual 1998-99 | Estimate 1999-2000 | Budget 2000-2001 |
|---|---|---|---|---|
| | **Sources:** | | | |
| 1. | Capital Improvement Fund & Leasing | $49,801 | $70,451 | $40,820 |
| 2. | Internally Generated Funds | 18,286 | (19,492) | 21,473 |
| 3. | **Total Sources** | $68,087 | $50,959 | $62,293 |
| | **Uses:** | | | |
| | Capital Expenditures: | | | |
| 4. | Gas Supply | $744 | $2,247 | $16,685 |
| 5. | Distribution | 24,945 | 28,318 | 35,382 |
| 6. | Field Services | 9,141 | 8,427 | 4,394 |
| 7. | Information Technology | 21,598 | 4,658 | 2,858 |
| 8. | Other Departments | 11,659 | 7,309 | 2,974 |
| 9. | **Total Uses** | $68,087 | $50,959 | $62,293 |

Exhibit G-1

# PHILADELPHIA GAS WORKS
# REVENUE BOND DEBT SERVICE
## ( Dollars in Thousands )

| Line No. | Year Issued | Series | Actual 1998-99 | Estimate 999-2000 | Budget 2000-01 |
|---|---|---|---|---|---|
| | **Principal Payments** | | | | |
| 1. | 1989 | 11th C | $6,780 | $3,420 | $3,197 |
| 2. | 1990 | 12th A | 1,530 | 1,635 | 825 |
| 3. | 1991 | 13th | 1,185 | 1,270 | 1,365 |
| 4. | 1993 | 14th | 8,715 | 8,925 | 7,125 |
| 5. | 1994 | 15th | 15,015 | 15,690 | 10,725 |
| 6. | 1998 | 1st A | 400 | 580 | 8,525 |
| 7. | 1999 | 16th | - | 355 | 640 |
| 8. | 1999 | 2nd | - | 1,720 | 1,790 |
| 9. | otal Principal Payments | | $33,625 | $33,595 | $34,192 |

Exhibit G-2

# PHILADELPHIA GAS WORKS
# OTHER LONG TERM DEBT SERVICE
( Dollars in Thousands )

| Line No. | Year Issued | Series | Actual 1997-98 | Estimate 1998-99 | Budget 1999-2000 |
|---|---|---|---|---|---|
| **Principal Payments** | | | | | |
| 1. | 1996 | Capital Lease | $3,200 | $3,500 | $3,700 |
| 2. | 1997 | Capital Lease | 2,884 | 3,038 | 3,201 |
| 3. | 1998 | 1st C Subordinate | 965 | 1,020 | 1,065 |
| 4. | Total Principal Payments | | $7,049 | $6,538 | $7,966 |

Exhibit H-1

# PHILADELPHIA GAS WORKS
# WORKING CAPITAL DETAIL
## (Dollars in Thousands)

| Line No. | | Actual Balance 8/31/98 | Actual Balance 8/31/99 | Estimated Balance 8/31/00 | Budget Balance 8/31/01 |
|---|---|---|---|---|---|
| | **ASSETS** | | | | |
| 1. | Accounts Receivable | $89,998 | $100,452 | $140,135 | $138,900 |
| 2. | Accrued Gas Revenues | 7,350 | 7,001 | 6,800 | 8,300 |
| 3. | Uncollectible Reserve | (64,724) | (67,070) | (75,820) | (81,820) |
| 4. | Net Accounts Receivable | 32,624 | 40,383 | 71,115 | 65,380 |
| 5. | Materials & Supplies | 52,448 | 53,850 | 68,151 | 65,029 |
| 6. | Other Current Assets | 25,487 | 21,771 | 12,784 | 9,824 |
| 7. | Total Assets | $110,559 | $116,004 | $152,050 | $140,233 |
| | **LIABILITIES** | | | | |
| | Accounts Payable: | | | | |
| 8. | Natural Gas | $17,912 | $18,972 | $22,587 | $19,658 |
| 9. | General | 11,516 | 19,658 | 23,400 | 23,400 |
| 10. | Total Accounts Payable | 29,428 | 38,630 | 45,987 | 43,058 |
| 11. | Other Current Liabilities | 19,830 | 36,144 | 17,588 | 17,523 |
| 12. | Total Liabilities | $49,258 | $74,774 | $63,575 | $60,581 |
| 13. | Total Working Capital | $61,301 | $41,230 | $88,475 | $79,652 |
| 14. | Net Increase/(Decrease) | $61,301 | ($20,071) | $47,245 | ($8,823) |

# PHILADELPHIA GAS WORKS
# WORKING CAPITAL CHANGES
## (Dollars in Thousands)

| Line No. | | Actual Change 8/31/99 | Estimated Change 8/31/00 | Budget Change 8/31/01 |
|---|---|---|---|---|
| | **ASSETS** | | | |
| 1. | Accounts Receivable | $10,454 | $39,683 | ($1,235) |
| 2. | Accrued Gas Revenues | (349) | (201) | 1,500 |
| 3. | Uncollectible Reserve | (2,346) | (8,750) | (6,000) |
| 4. | Net Accounts Receivable | 7,759 | 30,732 | (5,735) |
| 5. | Materials & Supplies | 1,402 | 14,301 | (3,122) |
| 6. | Other Current Assets | (3,716) | (8,987) | (2,960) |
| 7. | Total Assets | $5,445 | $36,046 | ($11,817) |
| | **LIABILITIES** | | | |
| | Accounts Payable: | | | |
| 8. | Natural Gas | $1,060 | $3,615 | ($2,929) |
| 9. | General | 8,142 | 3,742 | - |
| 10. | Total Accounts Payable | 9,202 | 7,357 | (2,929) |
| 11. | Other Current Liabilities | 16,314 | (18,556) | (65) |
| 12. | Total Liabilities | $25,516 | ($11,199) | ($2,994) |
| 13. | Total Working Capital | ($20,071) | $47,245 | ($8,823) |

# PHILADELPHIA GAS WORKS
## DETAIL OF NON-CASH EXPENSES
### (Dollars in Thousands)

| Line No. | | Actual 1998-99 | Estimate 1999-2000 | Budget 2000-01 |
|---|---|---|---|---|
| | **DEPRECIATION** | | | |
| 1. | Depreciation on Historical | 33,777 | 34,669 | 35,881 |
| 2. | Less to Capital | (1,331) | (737) | (699) |
| | | 32,446 | 33,932 | 35,182 |
| | **SUBORDINATE PAYMENTS** | | | |
| 3. | Gas Commission | 1,359 | 1,300 | 1,362 |
| 4. | City Payments | 1,026 | 1,025 | 1,025 |
| | | 2,385 | 2,325 | 2,387 |
| 5. | Total Non-Cash Expenses | 34,831 | 36,257 | 37,569 |

| | **DETAIL OF DEPRECIATION & AMORTIZATION** | Actual 1998-99 | Estimate 1999-2000 | Budget 2000-01 |
|---|---|---|---|---|
| 6. | Depreciation Excluding Cost of Removal | 31,106 | 32,169 | 33,381 |
| 7. | Amortiation of Capital Leas | 1,884 | 2,600 | 3,795 |
| 8. | Discount, Premium & Issuance Expense | 1,504 | 1,558 | 1,489 |
| 9. | Extraordinary Loss | 3,992 | 4,311 | 4,162 |
| 10. | Hunting Park Lease | 14 | - | - |
| 11. | Total | 38,500 | 40,638 | 42,827 |

| | **NET CHANGE OTHER LONG TERM** | Actual 1998-99 | Estimate 1999-2000 | Budget 2000-01 |
|---|---|---|---|---|
| 12. | (Increase)/Decrease Other Assets | 52,948 | 6,113 | 5,143 |
| 13. | Increase/(Decrease) Other Liabilities | (48,856) | 1,159 | (884) |
| 14. | TECA Accretions | 3,874 | 2 | (1,426) |
| 15. | Total | 7,966 | 7,274 | 2,833 |

# PHILADELPHIA GAS WORKS
# INSURANCE EXPENSE
## ( Dollars in Thousands )

| Line No. | Insurance Type | Actual 1998-99 | Estimate 1999-2000 | Budget 2000-01 |
|---|---|---|---|---|
| 1. | Property | $355 | $325 | $362 |
| 2. | Public Liability | 1,162 | 836 | 864 |
| 3. | Workers' Compensation | 90 | 90 | 90 |
| 4. | Revenue Protection | - | 950 | - |
| 5. | Miscellaneous | 55 | 55 | 63 |
| 6. | Sub-Total | $1,662 | $2,256 | $1,379 |
| 7. | Employees' Health | 23,432 | 24,375 | 25,290 |
| 8. | Employees' Group Life | 984 | 1,760 | 1,755 |
| 9. | Sub-Total | $24,416 | $26,135 | $27,045 |
| 10. | Total Insurance | $26,078 | $28,391 | $28,424 |

**PHILADELPHIA GAS WORKS**
**PERSONNEL & PAYROLL DETAIL**
**(Dollars in Thousands)**

| DEPARTMENTS | Actual* 1998-99 Average Personnel | Actual* 1998-99 Payroll | Estimate 1999-2000 Average Personnel | Estimate 1999-2000 Payroll | Budget 2000-01 Average Personnel | Budget 2000-01 Payroll |
|---|---|---|---|---|---|---|
| **ADMINISTRATION** | | | | | | |
| Officer's Salaries | | $1,558 | | $1,528 | | $1,757 |
| President & Chief Executive Officer | 1 | 56 | 2 | 65 | 2 | 59 |
| VP Internal Auditing | 7 | 354 | 7 | 390 | 7 | 410 |
| Senior VP General Counsel & Legal | 10 | 567 | 13 | 711 | 16 | 889 |
| VP Human Resources | 20 | 925 | 21 | 1,031 | 23 | 1,202 |
| VP Public Policy | 12 | 505 | 12 | 571 | 12 | 608 |
| Total | 50 | $3,965 | 55 | $4,296 | 60 | $4,925 |
| **FINANCE** | | | | | | |
| Senir VP & Chief Financial Officer | 1 | $42 | 1 | $1 | 2 | $51 |
| Controller & CAO & Accounting & Rep. | 19 | 831 | 22 | 975 | 22 | 998 |
| Budget & Financial Forecasting | 5 | 248 | 5 | 307 | 5 | 305 |
| Corporate Planning & Analysis | 3 | 162 | 2 | 128 | 2 | 129 |
| Risk Management | 9 | 396 | 7 | 371 | 7 | 357 |
| Treasury | 12 | 574 | 12 | 627 | 13 | 669 |
| Total | 49 | $2,253 | 49 | $2,409 | 51 | $2,509 |
| **CUSTOMER ACTIVITIES** | | | | | | |
| VP Customer Affairs | 3 | $96 | 8 | $354 | 9 | $426 |
| Collection & Revenue Recovery | 56 | 2,805 | 105 | 5,586 | 105 | 5,569 |
| Bonus Awards | | 63 | | 45 | | 54 |
| Customer Accounting | 41 | 1,741 | 23 | 1,260 | 25 | 1,304 |
| Customer Service | 160 | 7,448 | 167 | 8,648 | 175 | 9,237 |
| Customer Review Unit | 6 | 282 | - | 3 | 4 | 201 |
| Meter Reading | 106 | 4,537 | - | - | - | - |
| Total | 372 | $16,972 | 303 | $15,896 | 318 | $16,791 |
| **MARKETING & PLANNING** | | | | | | |
| Senior VP Marketing & Econ. Bus. Dev. | 2 | $46 | 2 | $47 | 2 | $48 |
| Marketing | 45 | 2,606 | 33 | 1,878 | 37 | 2,115 |
| VP Regulatory Affairs | 2 | 63 | 2 | 62 | 5 | 251 |
| Director Tariffs, Reg. Affairs & Reporting | 1 | 96 | 2 | 125 | - | - |
| Gas Acquisition & Control | 17 | 997 | 15 | 1,056 | 19 | 1,210 |
| Gas Planning & Federal Reg Affairs | 5 | 259 | 5 | 245 | 4 | 213 |
| Total | 72 | $4,067 | 59 | $3,413 | 67 | $3,837 |
| **OPERATIONS** | | | | | | |
| EVP & Chief Operating Officer | 3 | $115 | 1 | $45 | - | - |
| VP Operations | 2 | 51 | 3 | 128 | 3 | 153 |
| Field Services | 458 | 23,025 | 497 | 27,382 | 476 | 26,120 |
| Distribution | 461 | 21,903 | 447 | 23,682 | 437 | 23,649 |
| Gas Processing | 159 | 8,380 | 156 | 8,720 | 156 | 8,616 |
| Total | 1,083 | $53,474 | 1,104 | $59,957 | 1,072 | $58,538 |
| **SYSTEMS & SERVICES** | | | | | | |
| VP Information Technology | 42 | $2,209 | 45 | $2,469 | 60 | $3,282 |
| VP Operation Support | 1 | 10 | 2 | 72 | 2 | 46 |
| Director Materials Mgt & Contract Serv | 2 | 128 | 2 | 147 | 2 | 127 |
| Engineering Services | 32 | 1,619 | 31 | 1,803 | 29 | 1,724 |
| Building Services | 69 | 2,966 | 66 | 2,916 | 67 | 3,058 |
| Telecommunications | - | 12 | 2 | 136 | 4 | 243 |
| Security | 6 | 290 | 4 | 212 | 6 | 332 |
| Materials Management | 81 | 3,913 | 76 | 3,963 | 77 | 3,931 |
| Chemical Services | 6 | 316 | 4 | 230 | 4 | 235 |
| Transportation | 54 | 2,625 | 53 | 2,758 | 53 | 2,896 |
| Total | 293 | $14,088 | 285 | $14,706 | 304 | $15,874 |
| SUB-TOTAL | 1,919 | $94,819 | 1,855 | $100,677 | 1,872 | $102,474 |
| Personnel Retirements | | - | | - | (50) | (2,500) |
| Philadelphia Gas Commission | | 422 | | 464 | | 476 |
| GRAND TOTAL PAYROLL | 1,919 | $95,241 | 1,855 | $101,141 | 1,822 | $100,450 |

* Restated due to Organizational Changes

## PHILADELPHIA GAS WORKS
## NORMALIZED EXPENSES
## 1998-99 ACTUAL

| Description | Department | Cash Expenditure | Years Amortized | 1998-99 | 1999-2000 | 2000-01 | 2001-02 | 2002-03 |
|---|---|---|---|---|---|---|---|---|
| Mainframe Technical & Network Serv | Information Technology | $1,468,570 | 3 | 489,524 | 489,523 | 489,523 | | |
| Application Services - Legacy | Information Technology | $1,936,792 | 3 | 645,598 | 645,597 | 645,597 | | |
| Oracle Database & License | Information Technology | $1,073,033 | 5 | 214,605 | 214,607 | 214,607 | 214,607 | 214,607 |
| Total | | $4,478,395 | | $1,349,727 | $1,349,727 | $1,349,727 | $214,607 | $214,607 |

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## PHILADELPHIA GAS WORKS
## NORMALIZED EXPENSES
## 1999-2000 ESTIMATE

| Description | Department | Cash Expenditure | Years Amortized | 1999-2000 | 2000-01 | 2001-02 | 2002-03 | 2003-04 | 2004-05 | 2005-06 |
|---|---|---|---|---|---|---|---|---|---|---|
| Assessment Fee - July 2000 | PUC | 1,500,000 | 12 months | 250,000 | 1,250,000 | | | | | |
| Management Audit - July 2000 | PUC | 200,000 | 6 | 6,000 | 33,000 | 33,000 | 33,000 | 33,000 | 33,000 | 29,000 |
| Total | | 1,700,000 | | 256,000 | 1,283,000 | 33,000 | 33,000 | 33,000 | 33,000 | 29,000 |

## PHILADELPHIA GAS WORKS
## NORMALIZED EXPENSES
## 2000-01 BUDGET

| Description | Department | Cash Expenditure | Years Amortized | 2000-01 | 2001-02 | 2002-03 | 2003-04 | 2004-05 | 2005-06 |
|---|---|---|---|---|---|---|---|---|---|
| Assessment Fee - July 2000 | PUC | 1,500,000 | 12 months | 250,000 | 1,250,000 | | | | |
| Management Audit | PUC | 400,000 | 6 | 67,000 | 67,000 | 67,000 | 67,000 | 67,000 | 65,000 |
| Total | | 1,900,000 | | 317,000 | 1,317,000 | 67,000 | 67,000 | 67,000 | 65,000 |

# PHILADELPHIA GAS WORKS
## CRP REGULATORY ASSET
## (Dollars in Thousands)

| | Beginning Balance | Amortized | Crisis Grants | Ending Balance |
|---|---|---|---|---|
| Actual 1994-95 | $37,500 | ($3,750) | - | $33,750 |
| Actual 1995-96 | 33,750 | (3,750) | (1,160) | 28,840 |
| Actual 1996-97 | 28,840 | (3,750) | (2,397) | 22,693 |
| Actual 1997-98 | 22,693 | 2,076 | (2,269) | 22,500 |
| Actual 1998-99 | 22,500 | (3,156) | (594) | 18,750 |
| Estimate 1999-2000 | 18,750 | (3,750) | | 15,000 |
| Budget 2000-01 | 15,000 | (3,750) | | 11,250 |
| Forecast 2001-02 | 11,250 | (3,750) | | 7,500 |
| Forecast 2002-03 | 7,500 | (3,750) | | 3,750 |
| Forecast 2003-04 | 3,750 | (3,750) | | 0 |

BEFORE THE PHILADELPHIA GAS COMMISSION

IN THE MATTER OF THE REQUEST FOR APPROVAL

OF THE CONSOLIDATED FY2001 OPERATING AND CAPITAL BUDGETS

AND INCREASE IN BASE RATES

PREPARED DIRECT TESTIMONY
OF

THOMAS E. KNUDSEN

ON BEHALF OF
PHILADELPHIA GAS WORKS

June, 2000

1 **Q. Please state your name and business address.**

2 A. My name is Thomas E. Knudsen. My business address is 800 West
3 Montgomery Avenue, Philadelphia, PA 19122.

4

5 **Q. By whom are you employed and in what capacity?**

6 A. I am employed by the Philadelphia Gas Works (PGW) as its Interim Chief
7 Financial Officer.

8

9 **Q. What are your job responsibilities?**

10 A. My formal responsibilities include the oversight of the following functions:
11 budgeting, treasury, information technology, risk management, customer
12 affairs, regulatory affairs and accounting, among other areas.

13

14 However, in my capacity as a member of the transitional management
15 team at PGW, my responsibilities also include the formulation of
16 strategies, policies and procedures which address the needs of the entire
17 organization. All of the actions being taken are in support of the six goals
18 which Mr. Kishinchand and I articulated to the Commission at the time of
19 our confirmation; specifically, to stabilize the financial condition, to
20 stabilize operations following the failed implementation of the new
21 Customer Information System, to control capital spending, to improve the
22 Human Resources function at PGW, to oversee the transition of PGW to

PUC jurisdiction and to oversee the process leading to permanent management.

**Q. Please summarize your educational background and work experience.**

A. I received a Bachelor of Arts Degree with a major in economics from Northwestern University in 1964 and a Master's Degree in Business Administration from Columbia University in 1968. During the period 1964-66, I served as a supply officer in the United States Navy. From 1968-1970, I was Assistant to the Finance Administrator of the City of New York. From 1971-78, I was employed in the Management Services Division of Touche Ross & Co., specializing in government, health care and utility regulatory consulting. From 1978 until February, 2000, I was a founding principal in the Woodside Group, Inc., a utility regulatory consulting firm. In March, 2000 I was appointed as Interim Chief Financial Officer of the Philadelphia Gas Works.

**Q. Have you previously submitted testimony to the Philadelphia Gas Commission?**

A. Yes, I have appeared before the Philadelphia Gas Commission ("the Commission") over a 15 year period in various budget and rate proceedings. I have also appeared before numerous other regulatory

commissions on issues of rate determination, as detailed in appendix A to my testimony.

**Q. What is the purpose of your testimony?**

A. The purpose of my testimony is fourfold. The first is to provide an understanding of how PGW/PFMC management approached the budget preparation process for FY2001. The second is to discuss the background to the current financial condition of the company. The third is to discuss the policies and assumptions which underlie the FY2001 Operating and Capital budgets and the request for an increase in base rates. The fourth is to discuss the strategic direction for PGW which interim management is assisting the company to define for the period FY2002 to FY2006. With regard to the latter, PGW will file supplemental testimony and schedules shortly.

**Q. First, summarize the major concerns which management had in the preparation of this budget.**

A. The budget was prepared over the last eight weeks based on several key assumptions. First, there was an assumption in projecting revenues of 4600 degree days for FY2001. There is no assertion at this time of any formulaic change to the method in which basic sales are computed. What is proposed, however, is an adjustment to revenues to recognize the effect on margins of a 3% warmer than normal year. It was

management's concern that recent experience of weather that was 10-15% warmer than normal required some recognition of potential financial exposure.

Second, it was assumed that the basic components of the new billing and collection system would be adequately repaired by the fall so as to permit the assumption of normal operations and activities. It is the view of management that this problem will be solved and, although a concern, it was appropriate to assume acceptable on-going performance of these systems as being representative of the future for financial planning purposes.

Third, it was assumed that PGW will need to continue to operate with its current configuration of services for the immediate future. PGW's collective bargaining agreement expires May 15, 2001 and it is not possible, at this juncture, to be specific with regard to changes that will be negotiated. However, employees realize that PGW is struggling financially and that an immediate and substantial effort at reducing costs will be necessary. Consequently, included in the budget are certain items about which we feel we can be specific; e.g., health care cost reductions, and other items that will take form as the employees grapple with necessary change; e.g. productivity improvements. For the latter group, $10 million of *realized* benefits are assumed over the 12 months ending

August 2001. The concern of management was to demonstrate to the stakeholders that PGW is serious about change.

One should also note that it is the intention of management to request sacrifices from others, in addition to employees. The company will look to its retirees to accept a change in post-retirement benefits to reduce the cost burden on the company. For those customers reaching 65 years of age, the company will request authority from the Gas Commission to close the program to new participants. The company will, however, provide assistance to those customers who have incomes less than 150% of Federal poverty through the Customer Responsibility Program.

As indicated in Exhibit TEK-1, there is not a lot of flexibility in our budget. The majority of our costs are fixed in nature. To effect reductions on the order of $21+ million and maintain quality of service will be the challenge to the company as a whole.

The fourth concern in the preparation of the budget was the recognition that with the restructuring of the indenture requirements in 1998, the focus of attention had shifted from coverage ratios to the sufficiency of operating funds and that the accompanying change in focus might not be readily understood by many observers of PGW as being critical. What is evident from the forecasts for next year is the tenuous nature of our ability

to pay bills. Without a change in base rates by winter of this year, we will be running negative, month-end cash balances thereafter. The devastating effects of three winters of 10% to 15% warmer than normal weather and a failure on the part of PGW in the past to basically restructure operations to reflect new market realities have brought the company to this state. The issue before management is how to correct the situation with the minimum impact on customers.

Faced with this challenge, the management and board of PGW have struggled for a number of months about how to proceed on the question of a base rate increase given the billing problems and the associated, overwhelming issues with customer service. To be sure we are all concerned about asking customers to pay more under current circumstances. Management is also concerned, however, with the high cost structure of PGW and the obvious need for change and reform as evidenced in the "Five Year Financial and Gas Management Plan" promulgated last year. As to the question "would it be possible to reduce costs and would such reductions be enough to forestall an increase in base rates?" - it was determined that only part of the answer could be found in substantial cost reductions.

Having determined that a base rate increase was necessary, there was the concern about the size of such an increase and the effect it would

have on PGW's competitive position. Management has not determined the elasticity of demand relating to an increase in rates; i.e., how much less people will consume because of the increase in price. However, we have raised the provision for uncollectible accounts and have assumed an aggressive effort at collecting funds to offset this potential effect. To the extent the effects of elasticity are more than our estimates, the adjustments above may prove conservative.

It is the position of PGW/PFMC management that having inherited an enterprise in decline, having committed the organization to a stringent program of cost reduction and being faced with the absolute need to bring PGW back from the brink of financial disaster as quickly as is feasible, a 9% increase in rates or $52 million is essential. To implement this increase we are proposing a change in the customer charge from $8 to $15 per residential customer and similar changes for firm commercial and industrial customers, as well. There was no alternative to potentially angering customers or of compromising PGW's gains in its pricing posture.

As will be demonstrated, the rationale for this action has three components:

1. For FY2001, the objectives are (1) to immediately provide PGW with sufficient funds to operate PGW this fall so as to meet the

obligation to fund operations and satisfy fiduciary responsibilities to bondholders and the City, (2) to begin the process of offsetting the effects of warm weather on earnings and cash flow through the change in the customer charge and, (3) last, to be in a position to sell long term securities next spring. Note that the Construction Fund is anticipated to be depleted by December.

2. For FY2001 and FY2002, the objective is to immediately reduce the short term debt position to more acceptable historic levels and to build up more acceptable fund balances.

3. For FY2002 and FY2003, the objective is to move in a direction which will allow PGW to fund a substantial portion of the capital program from internal generation. Accomplishing this would, in turn, have the threefold effect of (1) reducing the company's sole reliance on long term debt as the source of funds to make capital expenditures, as has been the case over the last 5 years, (2) increasing the equity to debt ratio with the objective of seeking an upgrade in our bond ratings and (3) reducing the cost of borrowing. Toward the end, the budget assumes only a $75 million issuance in FY2001 compared to the two prior issues of $100 million each.

The monthly cash flow statements attached as Exhibit TEK-2a and 2b show the stark difference in our experience with and without rate relief which is assumed to be granted in September. Even with the assumption of the successful implementation of productivity gains and costs savings and with normal weather, the cash balances are not substantial. A warmer than normal winter or an inability to deliver immediately on cost reductions will leave the company vulnerable. With rate relief, the balances are at more normal levels.

With the submission of the five year projections, there will be additional forecasts of the out year cash conditions under varying assumptions.

In the long term we must bring our prices more in alignment with our competition both on an mcf and a btu basis for certain. The reality is bearing down on PGW that the world has changed for gas distribution companies. PGW is no longer an adjunct of City operations. Nor is it a vehicle for providing employment – management or labor – without reference to the effects on staffing levels and methods of operating and on the rates we charge customers or the service we provide them. We must learn to compete effectively. For PGW that means (1) providing an uncompromisingly high level of service to recapture and then hold customer allegiance in the face of competition and (2) participating in the rebuilding of the City and garnering as large a share of the Philadelphia

energy market as is possible. In a world where retail customers are increasingly no longer the primary focus of utility management, PGW can create a substantial competitive advantage.

**Q. You discuss the need for a base rate increase and present a budget requiring additional revenues of $52 million. In light of the fact that, *as of July 1, 2000 certain regulatory authority over PGW has been* transferred to the PUC, please explain why PGW has submitted a rate increase as well as an operating budget for review by the PGC.**

A. While it is true that, in several specified areas, regulatory authority over PGW will be transferred to the PUC as of July 1, 2000, PGW has submitted its rate relief needs to the PGC for its review and decision for two important reasons. First, our PUC counsel has advised me that a ruling from the PGC on the appropriate revenue requirement and rates for PGW may have special legal significance, in light of the fact that PGW's filings are being made prior to July 1and the proposed tariff effective date is retroactive to the filing, June 19, 2000 . Our counsel is continuing to explore this from a legal standpoint and we will present our view to the PUC at the appropriate time.

Second, regardless of its legal significance, the PGC's view of the appropriate level of rates will be very important in informing the PUC

about the level of rates that it must establish for PGW. Regulatory counsel has indicated that, once it obtains jurisdiction, the Pennsylvania Public Utility Code requires the PUC to utilize the ratemaking methodology and requirements used by the PGC. Thus, the PGC's budget approval and advice on the appropriate level of rates for PGW will be highly probative information when the PUC considers the issue of the appropriate rate level for PGW.

**Q. Could you please explain how PGW structured this case and which witnesses will appear for what purpose?**

A. Yes. Because of the critical nature of this proceeding, our intention is to give the Commission as much information as we can for it to reach an informed conclusion with regard to PGW operations. It is also important to state that with the dynamics that are occurring at PGW, a thorough and constructive review of our numbers over the next few months will be very valuable. We welcome the opportunity of parties to challenge our program definitions and redefinition's in the face of numerous evaluations we have just completed and the imminent management audit. PGW at this moment is a work in progress. We value the insight and assistance we will get from interested and concerned parties.

To that end we are providing testimonies as follows:

Thomas E. Knudsen – Corporate Policy

Joseph R. Bogdonavage – Financial Report and Accounting Adjustments

Thomas Smyth - Accounts Receivable, Bad Debt and Depreciation

Dennis Stinson – Capital Budget

Howard Gormam, R. J. Rudden Associates – Cost of Service Study; Rate Design

Colbert Narcisse of Merrill Lynch – Financial Planning; Capital Structure

Craig White – Marketing and Sales

Craig White – Gas Cost Recovery

**Q. Please return to your statement of purpose. What is your understanding of the origins of the current financial difficulties?**

A. The present situation is not unexpected. Both the need for basic reforms and an accompanying need for rate relief have long been anticipated. For those of us who were watching the direction of the company closely over the last five years, the need for action was obvious, even before the warmer than normal weather began to be routine starting in 1997.

The degree of difficulty into which PGW was allowed to slide is what has alarmed most thoughtful people. The very idea that PGW would be forced to borrow to the limit of its letter of credit of $100 million would have been unthinkable just a few years ago.

The last administration and prior management was able to effectively finesse the situation with a series of stop gap measures which allowed PGW to make its required coverage ratios. Those measures included a forward purchase agreement in 1995 which granted back to PGW future earnings on the bond sinking fund reserve which technically belonged to the City but which had been allowed to remain with PGW. This move provided the company with $21.5 million in additional revenues to make its bond coverage that year but denied PGW a similar amount of income over the last five years. That $21.5 million could be well-used right now.

A second bit of opportunistic maneuvering was to recast the indenture agreement in 1998 to permit funds available from operations to be used twice in the coverage calculation; first to cover the requirements of the 1975 bond indenture and then reused, in part, for the 1998 bond indenture computation. This change had the effect of drying up desperately needed cash over the last three years. It also avoided a rate increase when it was, in reality, sorely required.

These actions were deemed necessary because the fundamentals of the utility had deteriorated badly after the rate increase in 1992. As shown in Exhibit TEK-3, the pattern of compliance budgets over the past 10 years has been that of a steady decline in earnings and internal generation.

The reality is even more stark, as shown in Exhibit TEK-4, when actual weather patterns (as opposed to normal weather) are considered and other factors come into play. The earnings picture becomes dismal.

This deterioration is actually the net effect of both positive and negative movement. On the positive side, there were significant benefits from the decline in capital costs throughout this period which allowed PGW to finance a 50% build up in plant investment and still keep a level interest expense. During this period, the exceptional performance of financial markets increased the value of the pension fund and allowed PGW to reduce its annual pension contribution by $18 million. During this time, the cost of operating the LNG facility declined by $12 million. On the negative side, the company lost margin on sales as residential customers used less gas and industrials users either sought their own gas supplies under deregulation or switched, when economic, to oil. There was also the effect of inflation on the non-gas, non-labor portion of costs. What is worth noting is that even though the number of employees declined by one third over the last 12 years (from 2,750 to 1,800), the wage bill remained the same as the average age and wage of employees steadily increased. Last, the increase in the principal payments associated with the added long term debt generated a higher debt service requirement.

When these changes were combined with three years of warmer than normal weather, the results were disastrous. But the story is not only a matter of numbers. There are other considerations as well. The company has been subjected to a decade of turmoil at the top. We are the sixth management group in six years. Also, throughout this period, PGW was never given a seat at the table when major projects were in development by the City or economic initiatives were underway. Valuable sales opportunities were either bartered away by City executives who favored electricity over gas or PGW was ignored completely.

Next, for all intents and purposes there was never a strategic vision that was either in place for long nor really acted upon. One initiative after another faltered serving only to demoralize the staff. The whole balance between management and labor became skewed. And most critically, throughout most of this period PGW experienced indifference from the owner which allowed a series of abuses to occur which only served to give the utility a black eye.

The challenge to the organization is to quickly move beyond these problems and build on the strengths at PGW which include a long history of safe and reliable gas service provided by the field and distribution departments, a gas purchasing function which is recognized as one of the

best in the state and a capable finance and accounting group who have kept PGW focused and functioning over the last years.

**Q. Please discuss the policies which underlie the FY2001 Operating and Capital Budgets and the request for an increase in base rates.**

A. The core policies underlying the FY2001 budget are three: (1) that the company must be returned to a position of basic financial viability quickly, (2) that the process of basic reform at PGW must be started in earnest and (3) that all reforms must inure to the benefit of the customers.

First, the PGW/PFMC management has sought, since its appointment on March 17, to restrict spending to essential levels to conserve funds and limit spending. That process will continue as Mr. Bogdonavage discusses in his testimony.

Second, on the topic of basic reforms, reference has already been made to the phasing out of the Senior Citizen Discount. Also, we have begun to explore ways in which the cost of retiree benefits can be dealt with fairly and with sensitivity. At a minimum, management intends to ask retirees to move from an indemnity base to managed care and increase co-pay requirements thereby reducing the expense for over 1900 retirees of their health care by one third or $3 million.

At issue also are provisions of the collective bargaining agreement and their interpretation. It is clear to the organization that management must have the ability to deploy resources in response to need. Certainly in the current situation, with the future of the core business depending on the effective implementation of the BCCS system, flexibility is key.

It is the intent of management to work with the union to undertake a different approach to our problems. Focusing on specific issues and assembling all of the parties in such a way that addressing these issues does not devolve into demands of one side upon the other but actually solves problems, we hope to move the organization away from confrontation to consensus.

To the extent all of our employees come to work, are productive and contribute both ideas and time, PGW can begin to effect enormous productivity gains. There are several hundred people poised to leave the company with 30+ years of service. It is essential that we either convince people to stay who want to continue to make a contribution or, for those who may chose to leave, we need to both plan for their succession and the transfer of their knowledge, if possible.

It is almost impossible to convey to those not in the organization the degree of uncertainty that exists at all levels of the company over a myriad of issues and the resulting sense of flux at PGW. In this state of change, there is both risk and opportunity. It is the challenge to this management team to assure the customers, the employees and other stakeholders that there is the will and commitment across the organization to assure not only PGW's survival but its revitalization as well.

**Q. The fourth purpose of the testimony is to discuss the strategic direction of PGW. Please comment.**

A. One of the criticisms leveled at PGW in the past was the lack of strategic thinking and direction. The truth is that there wasn't much of either. The problem in this regard has been the turnover in the executive suite, the lack of reality in the planning that did occur and the motives of past managers behind the plans that were implemented.

Mr. Kumar Kishinchand, the interim Chief Executive Officer and I have taken the position that for PGW to ultimately be successful, the senior management team must "own" the planning process and its results. Toward that end, this group has begun a process of strategic planning which will culminate in a formal document in the next few weeks. We will integrate this plan into the five year projections now being prepared and

which are required by the Commission for review and evaluation by the parties as part of the regulatory process.

The number of options and the degrees of flexibility available to this group at PGW in their strategic planning is limited; being proscribed both by statute and limited by the economic and demographic environment that is Philadelphia. Within those parameters, however, the intent is to be both realistic as to what can be accomplished and aggressive in attempting to mold the opportunities which can be exploited – such as a preferred position in City negotiations for economic development.

It is the intent of these managers to "drive down" into the organization the vision for the company and the mission for all employees that has been defined. With a sense of clear direction it will now be possible for the departments to define goals for daily operations consistent with corporate objectives.

Attached, as Exhibit 5, is a summary of the engagements and work that have been undertaken in the last three months. This list is divided into two groups. The first shows studies addressing organizational changes in those areas which Mr. Kishinchand and I felt needed to be quickly evaluated to give us guidance in approaching the problems we saw. Those areas included IT/BCCS, the Call Center, Human Resources, and

Risk Management. We are looking toward the PUC Management Audit, which will start at the end of this month, to provide us information on the major departments not addressed thus far. The second half of the Exhibit outlines functional activity which is underway to correct many of the problems we are facing.

Although the Anderson Consulting report principally addresses a near term strategy for the implementation of BCCS, many of its recommendations plus those in the Hay Report on Human Resources, the Vanguard report on call center operations, the Data Management report on District Office operations and the Risk Management report address requirements that speak to a long term strategic direction. These efforts have provided the core insights about our customers and services with which PGW can move forward across departments.

To reiterate the intermediate financial goals, the intention, as noted, is to return the company to a minimum level of financial flexibility in the coming fiscal period. We would then look beyond the immediate period to (1) reduce the short term debt position to a low level and (2) move PGW toward a position of generating funds internally to a magnitude that there could be some rebuilding of the City equity position and a potential upgrading of the bonds and reduction of customer burdens.

The essential question that the company and the parties must answer in this proceeding is: *how quickly do we need to get to a position of substantial internal generation to rebuild our financial position ?* The more accelerated the process, the higher the initial cost but the greater the benefits which are also accelerated. The slower the process, the lower the toll we have to pay. The PGW/PFMC management has expressed its position in this filing; namely, that prompt, substantial action is needed. The $52 million increase is the most effective manner to carry out that directive, so that at the time of the restructuring filing in FY2002/3 we will be fiscally sound. It should be noted that Mr. Narcisse will testify concerning the company's financial condition and how the financial community views PGW's current financial situation.

It is important to remember that the request for a rate increase is not driven by coverages for the next several years. The issue is the ability of PGW to fund operations in a fiscally sound manner and to continue to finance its required capital program to increase safety and reliability.

**Q. Mr. Knudsen, you earlier made reference to the role of deregulation on the future of PGW. Please comment on what impact the change of regulatory venue is having on the company.**

A. The management team has met with members of the Pennsylvania Public Utility Commission and their staffs. Having known and worked with many of these people for over 20 years, I fully respect their dedication and commitment to fair and equitable regulation. PGW is the new kid on the block. We are different from investor owned utilities in many ways: governance structure, financial structure, resources, ability to effect change quickly and so forth. There are several key similarities as well and that is where we are concentrating our immediate attention.

The management audit which will begin this month is directed at providing assurances to the regulators that PGW is operating or can be guided to operate in a more efficient manner. That is certainly the objective of the senior management team and, therefore, we look forward to the insights and advice we will receive.

The second area of mutual concern is the manner in which PGW delivers service to its customers and how complaints about such service get addressed. There is no question that PGW's performance in recent years in providing customer service severely lags that of other Pennsylvania utilities. We have tried to emphasize in our various meetings that at this time all hands are involved with righting this ship, but that we will direct resources to correct the immediate concerns and then swing full square behind the effort as soon as possible. The core strategic direction chosen

by the senior managers is to focus the entire organization on the needs of the customers and in delivery of an unsurpassed quality of service.

We think we are moving constructively to address the challenges of new regulation. The next few months of activity will demonstrate the degree of our success.

**Q. Remaining with issues of strategic direction, would you please comment on the direction efforts in sales and marketing are likely to take the company.**

A. Yes. The ability of PGW to forecast the results of anticipated future sales efforts has always been a question. It is clear to us that an effective marketing effort is essential because it is the only way to spread the fixed costs, or overheads, over a larger number of units, thus reducing the burden on each customer. Historically, the marketing/sales effort was always able to replace the 1 Bcf of gas which PGW inevitably lost each year through customer attrition. But not much more than that was achieved.

Looking forward in this budget is equally difficult. However, there are a number of basic differences from the prior budget. First, management has received support from various City officials that we will be given a "place at the table" for future development activities which the City is

supporting directly or which it is attempting to attract. This is a material change in the perception of PGW as an economic engine for Philadelphia. Second, we are being approached on several fronts to discuss possible distributed electric generation projects for which the developers would use natural gas. The evolution of this market together with that of gas air conditioning has been expected, but is only now taking project form. Third, PGW will also follow through on a program of conversion on non-heating customers to heating. The Marketing group has begun to put together a joint promotion effort to combine resources with equipment manufacturers and installers to provide the proper incentives – monetary and practical – to help people make the move. The fourth leg on this table is to increase the level of service so as to maintain residential customers on the system and not scare away those who would consider us.

The difficulty is that all of the above will not be accomplished overnight. What is different in this instance is that Mr. White and his team have the commitment from Mr. Kishinchand and me that his budgeted resources will not be cut out from under him as has been the case in each of the last four years. What we are now reaping is a barren harvest of lost opportunities because, at the margin, marketing costs were expendable. We don't have a lot of jobs in the pipeline right now for want of prior effort. That must change or there will be no sales growth at all, and potentially,

no PGW as we know it. Regarding the forecast period, Mr. White will address the specifics in subsequent testimony.

**Q. Mr. Knudsen, capital spending control was one of your and Mr. Kishinchand's six objectives which you alluded to above. Please explain the approach you took to this critical area.**

A. The amount of capital spending on a cumulative basis is a central factor driving the economics at PGW. As already discussed, a key factor in the deterioration of the company's financial condition over the last ten years has been the growth of long term debt and the associated effects of the multiplier required by the bond indenture. Both of the "fixes" referred to above which have affected PGW's operating funds were to obtain the required coverage ratio necessitated in large part by the build-up in long term borrowing.

From the perspective of overall policy, there was not a lot PGW could do this year that was not mandated by circumstances. First, it was critical that the investment in new liquefaction facilities at the Richmond LNG facility go forward. The company, the Commission and the parties in the past few budget proceedings have been concerned that the existing equipment would not continue to work through the summer months. Any failure would jeopardize the ability of PGW to have the required levels of gas to meet winter demands and which, under a circumstance of total

failure, could cost customers approximately $70+ million with the current cost of gas. Moreover, once these new facilities are in place the annual savings for operation and savings will be $2 million.

Of equal priority is the investment in the replacement of cast iron mains. Again, the Commission and the parties have expressed continuing interest in making the required investment in this area. For several years, when the Information Technology expenditures were the greatest, the company reduced its spending in this critical area. Mr. Stinson discusses how the recently completed study by Navigant has allowed PGW to further refine our targeting of this investment for maximum effect. Specifically, of the 1700 miles of cast iron main only 18% is the most vulnerable and subject to breaking. With the replacement of pipe at a rate of 18 miles per year (which is the standard previously established for the company and endorsed by the Commission) PGW can reduce the risks on the system to a minimal level in as little as 5 or 6 years.

The principal policy concern relating to the capital spending program can be framed as follows: should PGW make the investment in mains in accordance with the standard of 18 miles per year to replace the vast majority of pipes subject to breaking or protract the spending over several more years, thereby, reducing the level of capital requirements in the short term. It is the position of the PGW/PFMC management that an

aggressive program, now, which materially improves the safety and reliability of the system is the prudent approach. It is particularly appropriate given the reduced spending of the last few years which, with good fortune, was accompanied by extraordinarily warm weather with many fewer breaks than normal. We only need several colder than normal winters to remind us of the seriousness of these issues.

The third major concern addressed by management was the continuation of the investment in the AMR program. It is essential that we move to place devices where there are none now. The remaining non-automated sites cause no end of difficulty with the new billing system in that they become a source of errors.

Last, management identified several targeted areas in Customer Affairs and in Information Technology that either increased the efficiency of systems or aided us in serving customers.

Q. **PGW purchased weather insurance this past year. Please tell us your experience with insurance and what plans you have in the future to protect the company from the effects of weather.**

A. The company spent $950,000 for weather insurance for FY2000 to protect earnings if temperatures were more than 7% warmer than normal. Because of the way in which the degree days fell this last winter and the

definition of degree day as employed by the insurer and the term of the policy, we only received $725,000, even though, for the year, weather was 13% warmer than normal.

The PGW/PFMC management does not endorse further use of insurance for this purpose. Rather, an increase in the customer charge from $8 to $15 for residential customers and changes for firm commercial and industrial customers are being proposed. The cost of service study conducted by R.J. Rudden establishes that the expense to PGW of incurring the so-called "ready to serve" charges are substantially more for each class than the levels in this petition. By increasing the customer charge portion of the bill, PGW is better protected from lower revenues due to weather, in general, and less likely to experience the severe losses from warmer than normal weather than in has in the past few years. The customer pays a higher percentage of the costs incurred on his/her behalf in a monthly charge rather than paying the same amount or less based on the volumes of gas consumed which can vary significantly from year to year. The company experiences more stable earnings, enhanced cash flow and is spared the expense of buying insurance.

Q. **Mr. Knudsen, you mentioned six objectives which you and Mr. Kishinchand set for your interim term at PGW. You have addressed**

**the question of financial stability and capital cost control. Could you briefly describe your progress on the other questions?**

A. Yes. With regard to the stabilization of operations, by that term we essentially meant a return to normalcy in Information Technology and the Call Center. The goal for IT which we established was to assure that any unbilled accounts were billed by fiscal year end or could be properly accounted for. The objective is to be sure that we can obtain an unqualified financial opinion from our auditors which supports a finding that we are in compliance with our indenture requirement. We are on target to accomplish that goal. Accompanying that initiative is the need to demonstrate that we can also collect funds owing us as a result of the difficulties we have had over the year in properly billing. Here too, we have made substantial progress.

With regard to Call Center operations, it is axiomatic that if we can properly bill and collect from our customers the volumes of calls generated will be reduced and the pressure on the telephone system and the representatives will be reduced. We have also begun extensive training and redeployment of our resources in this area to take maximum advantage of the skilled personnel we have.

We are not out of the woods in either area. But, both management and employees are optimistic that the worst is behind us.

With regard to the Human Resources department and the personnel functions at PGW, we have undertaken several initiatives. First, the Hay Group has just recently issued its report on the HR organization and the changes required. They are also in the process of completing a compensation study for the administrative staff. Accompanying both of these studies is an employee evaluation program which is a first step to instituting the type of monitoring and performance evaluation efforts that have been needed for some time.

The fifth objective dealt with the transition to the PUC. I described above our current efforts in this regard. Management has taken the position that PGW can benefit greatly from a positive relationship with the PUC and is committed to do everything it can to fulfill its requirements.

The last objective dealt with finding permanent replacements for Mr. Kishinchand and myself. I would only note that this question of replacements is tied closely to the question of governance. There is a concerted effort on-going at the present time to resolve the question of governance given the change in regulatory venue. Permanent management will want to know precisely how PGW will be expected to relate to a future structure of oversight and how any future management

will be dealt with in that context. Pending resolution of that question, Mr. Kishinchand and I serve at the pleasure of the Mayor.

Q. **Does that conclude you direct testimony?**

A. Yes.