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BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

PHILADELPHIA GAS WORKS
DOCKET No. R-00061931

VOLUME III

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COST OF SERVICE STUDY
PGW EXHIBITS HSG-1 – HSG-8

December 2006

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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY
COMMISSION

EXHIBITS TO DIRECT TESTIMONY OF
HOWARD S. GORMAN

CLASS COST OF SERVICE STUDY
FUTURE TEST YEAR ENDED AUGUST 31, 2007

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PA PUBLIC UTILITY COMMISSION
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Exhibit HSG-1

Summary of Results

Philadelphia Gas Works
Class Cost of Service Study - 2006
Future Test Year Ended August 31, 2007 (\$000s)

	Total	NGV	BPS	BPS	BPS	LBS	LBS	LBS	LBS	LBX	Co-Gen	GTS / IT
		Direct	Small	Large	A/C	Small	Large-	Large-	Large-	ΔA/C	InDirect	Trans only
		RC-10	RC-11	RC-12	RC-13	RC-14	RC-15	RC-16	RC-17	RC-18	RC-19	RC-20
7 Revenues at Current Rates												
8 Gas Full Tariff Revenue	609,786	4	2,549	26,172	1,108	6,029	4,076	218	24	587	162	0
9 Non-Gas Full Tariff Revenue	<u>434,342</u>	<u>1</u>	<u>47</u>	<u>146</u>	<u>3</u>	<u>22</u>	<u>13</u>	<u>2</u>	<u>6</u>	<u>12</u>	<u>10</u>	<u>7,256</u>
10 Full tariff gas revenue at current rates	1,044,127	5	2,597	26,317	1,111	6,051	4,089	220	30	599	172	7,256
11 Other revenue / Adjustments	<u>31,585</u>	<u>0</u>	<u>62</u>	<u>146</u>	<u>6</u>	<u>31</u>	<u>21</u>	<u>6</u>	<u>0</u>	<u>4</u>	<u>1</u>	<u>102</u>
12 Net revenues	1,075,712	5	2,659	26,463	1,117	6,082	4,110	226	30	602	173	7,358
14 Operating Expenses												
15 Supply, Storage and Transmission	651,439	4	1,963	23,250	1,314	6,362	4,516	247	27	652	191	1,471
16 Other Operating expenses	234,080	1	193	1,031	38	188	123	9	10	27	9	2,038
17 Universal Service and Energy Conservation	<u>108,546</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
18 Total Operating Expenses	994,066	5	2,156	24,282	1,351	6,550	4,639	256	37	679	200	3,509
20 Income before Interest and Surplus	81,646	(0)	503	2,181	(234)	(468)	(529)	(30)	(7)	(76)	(27)	3,849
21 Interest and Surplus	<u>81,646</u>	<u>0</u>	<u>129</u>	<u>1,190</u>	<u>49</u>	<u>256</u>	<u>174</u>	<u>8</u>	<u>4</u>	<u>29</u>	<u>8</u>	<u>800</u>
Current Revenue OVER (UNDER) Total Requirements- Before Rate Increase Requirement												
22	(0)	(0)	374	991	(283)	(724)	(703)	(37)	(11)	(106)	(35)	3,050
24 Rate Increase Requirement	<u>100,000</u>	<u>0</u>	<u>158</u>	<u>1,458</u>	<u>60</u>	<u>313</u>	<u>213</u>	<u>9</u>	<u>4</u>	<u>36</u>	<u>10</u>	<u>979</u>
Current Revenue OVER (UNDER) Total Requirements- Including Rate Increase Requirement												
25	<u>(100,000)</u>	<u>(1)</u>	<u>216</u>	<u>(467)</u>	<u>(342)</u>	<u>(1,037)</u>	<u>(916)</u>	<u>(47)</u>	<u>(15)</u>	<u>(142)</u>	<u>(46)</u>	<u>2,070</u>
26 Increase (Decrease) in Tariff Rates for Full Cost of Service with Rate Increase Requirement												
27	9.6%	14.9%	(8.3%)	1.8%	30.8%	17.1%	22.4%	21.3%	50.1%	23.7%	26.4%	(28.5%)
29 Rate Base	1,409,193	6	2,224	20,547	842	4,416	3,000	133	61	507	144	13,799
31 Return on Rate Base at Present Rates (Before All Interest and Surplus)	5.8%	(0.1%)	22.6%	10.6%	(27.8%)	(10.6%)	(17.6%)	(22.2%)	(11.6%)	(15.1%)	(18.7%)	27.9%

Exhibit HSG-1A

Revenue Requirement By Functional Classification

Exhibit HSG-1B

Total Class Allocation- Revenue Requirement By Rate Class

Philadelphia Gas Works
Class Cost of Service Study - 2006
Future Test Year Ended August 31, 2007 (\$000s)

		TOTAL Class Allocation							
	Account	Total	Residential	Residential	Commercial	Commercial	Industrial	Industrial	
	Description	Allocated	Non-Heat	Heat	Non-Heat	Heat	Non-Heat	Heat	
	Code	Dollars	RC-1	RC-2	RC-3	RC-4	RC-5	RC-6	
40	E. DISTRIBUTION PLANT								
41	Land and Land Rights	374	101	2	69	1	14	0	1
42	Structures and Improvements	375	2,533	45	1,733	37	352	10	31
43	Mains	376	540,564	21,244	394,172	7,603	62,370	1,701	5,256
44	Mains- Direct Assignment	376Direct	7,574	0	0	0	0	0	0
45	Compressor Station Equipment	377	1,180	23	885	19	180	5	16
46	Meas. & Reg. Stat. Equip. - General	378	16,545	322	12,419	268	2,520	72	225
47	Services	380	491,117	49,028	396,508	8,042	27,886	647	1,543
48	Meters	381	78,972	6,575	53,178	3,645	12,638	248	591
49	Meters Install.	382	99,534	8,287	67,024	4,594	15,929	312	745
50	House Regulators	383	3,927	432	3,494	0	0	0	0
51	House Regulator Install.	384	4,895	539	4,355	0	0	0	0
52	Subtotal - Plant Accounts 383-384	383-384	8,821	971	7,849	0	0	0	0
53	Indust. Meas. & Reg. Station Equipment	385	1,663	32	1,248	27	253	7	23
54	Other Equipment	387	4,452	79	3,047	66	618	18	55
55	Subtotal - DISTRIBUTION PLANT	374-387	1,253,057	86,608	938,132	24,303	122,760	3,021	8,487
56									
57	F. GENERAL PLANT								
58	Land and Land Rights	389	3,713	275	2,819	88	385	9	24
59	Structures and Improvements	390	65,834	4,882	49,985	1,565	6,822	165	433
60	Office Furniture and Equipment	391	80,912	6,000	61,433	1,924	8,384	202	532
61	Transportation Equipment	392	27,083	2,008	20,563	644	2,806	68	178
62	Stores Equipment	393	707	52	537	17	73	2	5
63	Tools, Shop and Garage Equipment	394	8,816	654	6,694	210	913	22	58
64	Power Operated Equipment	396	400	30	304	10	41	1	3
65	Communication Equipment	397	19,503	1,446	14,808	464	2,021	49	128
66	Miscellaneous Equipment	398	7,662	568	5,818	182	794	19	50
67	Subtotal - GENERAL PLANT	389-399	214,631	15,915	162,959	5,103	22,240	537	1,412
68									
69	TOTAL UTILITY PLANT		1,641,403	105,903	1,231,479	32,222	171,453	4,314	12,258
70									
71	II. DEPRECIATION RESERVE								
72	Production Plant	108.2	32,971	641	24,747	535	5,021	144	448
73	Local Storage Plant	108.3	79,233	1,542	59,471	1,285	12,066	345	1,076
74	Mains	109	188,353	7,402	137,345	2,649	21,732	593	1,831
75	Mains- Direct Assignment	08.52Direc	4,713	0	0	0	0	0	0
76	Services	109	198,089	19,775	159,929	3,244	11,248	261	623
77	Meters	109	53,485	4,453	36,015	2,468	8,559	168	400
78	Distr Other	109	15,664	278	10,719	232	2,175	62	194
79	General Plant	109	94,257	6,989	71,565	2,241	9,767	236	620
80	TOTAL - DEPRECIATION RESERVE	108	666,765	41,081	499,792	12,653	70,567	1,808	5,192

Philadelphia Gas Works
Class Cost of Service Study - 2006
Future Test Year Ended August 31, 2007 (\$000s)

TOTAL Class Allocation									
Account Description	Account Code	Total Allocated Dollars	Municipal	ousing Auth	NGV	BPS	BPS	BPS	
			Heat RC-8	GS RC-9	Direct RC-10	Small RC-11	Large RC-12	A/C RC-13	
E. DISTRIBUTION PLANT									
Land and Land Rights	374	101	2	1	0	0	3	0	
Structures and Improvements	375	2,533	53	38	0	7	71	2	
Mains	376	540,564	8,718	7,029	0	1,155	12,233	376	
Mains- Direct Assignment	376Direct	7,574	0	0	0	0	0	0	
Compressor Station Equipment	377	1,180	27	19	0	0	0	0	
Meas. & Reg. Stat. Equip. - General	378	16,545	378	269	0	0	0	0	
Services	380	491,117	1,418	3,308	3	287	825	41	
Meters	381	78,972	543	444	1	73	145	7	
Meters Install.	382	99,534	685	559	1	92	183	9	
House Regulators	383	3,927	0	0	0	1	0	0	
House Regulator Install.	384	4,895	0	0	0	1	0	0	
Subtotal - Plant Accounts 383-384	383-384	8,821	0	0	0	2	0	0	
Indust. Meas. & Reg. Station Equipment	385	1,663	38	27	0	0	0	0	
Other Equipment	387	4,452	93	66	0	12	126	4	
Subtotal - DISTRIBUTION PLANT	374-387	1,253,057	11,955	11,759	5	1,629	13,586	439	
F. GENERAL PLANT									
Land and Land Rights	389	3,713	28	37	0	3	13	0	
Structures and Improvements	390	65,834	504	661	0	55	226	8	
Office Furniture and Equipment	391	80,912	620	812	0	68	278	10	
Transportation Equipment	392	27,083	208	272	0	23	93	3	
Stores Equipment	393	707	5	7	0	1	2	0	
Tools, Shop and Garage Equipment	394	8,816	68	88	0	7	30	1	
Power Operated Equipment	396	400	3	4	0	0	1	0	
Communication Equipment	397	19,503	149	196	0	16	67	2	
Miscellaneous Equipment	398	7,662	59	77	0	6	26	1	
Subtotal - GENERAL PLANT	389-399	214,631	1,644	2,154	1	179	736	27	
TOTAL UTILITY PLANT		1,641,403	17,570	16,735	6	1,808	14,322	467	
II. DEPRECIATION RESERVE									
Production Plant	108.2	32,971	754	535	0	0	0	0	
Local Storage Plant	108.3	79,233	1,811	1,287	0	0	0	0	
Mains	109	188,353	3,038	2,449	0	402	4,263	131	
Mains- Direct Assignment	08.52Direx	4,713	0	0	0	0	0	0	
Services	109	198,089	572	1,334	1	116	333	16	
Meters	109	53,485	368	300	1	50	98	5	
Distr Other	109	15,664	326	232	0	41	442	14	
General Plant	109	94,257	722	946	0	79	323	12	
TOTAL - DEPRECIATION RESERVE	108	666,765	7,591	7,084	2	687	5,459	178	

Philadelphia Gas Works
Class Cost of Service Study - 2006
Future Test Year Ended August 31, 2007 (\$000s)

			TOTAL Class Allocation							
Account	Account	Total	LBS	LBS	LBS	LBS	LBX	Co-Gen	GTS / IT	
Description	Code	Allocated	Small	Large-Direct	Large-Direct	Large-Direct	XL-Indirect	InDirect	Trans only	
		Dollars	RC-14	RC-15	RC-16	RC-17	RC-18	RC-19	RC-20	
E. DISTRIBUTION PLANT										
41 Land and Land Rights	374	101	1	0	0	0	0	0	5	
42 Structures and Improvements	375	2,533	13	9	0	0	1	0	120	
43 Mains	376	540,564	2,223	1,506	29	4	250	25	12,912	
44 Mains- Direct Assignment	376Direct	7,574	0	0	0	0	0	0	7,574	
45 Compressor Station Equipment	377	1,180	0	0	0	0	0	0	0	
46 Meas. & Reg. Stat. Equip. - General	378	16,545	0	0	0	0	0	0	0	
47 Services	380	491,117	93	32	5	31	61	51	825	
48 Meters	381	78,972	16	7	1	12	7	6	617	
49 Meters Install.	382	99,534	21	9	1	15	8	7	778	
50 House Regulators	383	3,927	0	0	0	0	0	0	0	
51 House Regulator Install.	384	4,895	0	0	0	0	0	0	0	
52 Subtotal - Plant Accounts 383-384	383-384	8,821	0	0	0	0	0	0	0	
53 Indust. Meas. & Reg. Station Equipment	385	1,663	0	0	0	0	0	0	0	
54 Other Equipment	387	4,452	23	15	0	0	3	0	210	
55 Subtotal - DISTRIBUTION PLANT	374-387	1,253,057	2,390	1,579	37	61	330	89	23,041	
F. GENERAL PLANT										
58 Land and Land Rights	389	3,713	2	1	0	0	0	0	18	
59 Structures and Improvements	390	65,834	40	26	3	3	6	2	311	
60 Office Furniture and Equipment	391	80,912	49	32	3	4	7	3	382	
61 Transportation Equipment	392	27,083	17	11	1	1	2	1	128	
62 Stores Equipment	393	707	0	0	0	0	0	0	3	
63 Tools, Shop and Garage Equipment	394	8,816	5	3	0	0	1	0	42	
64 Power Operated Equipment	396	400	0	0	0	0	0	0	2	
65 Communication Equipment	397	19,503	12	8	1	1	2	1	92	
66 Miscellaneous Equipment	398	7,662	5	3	0	0	1	0	36	
67 Subtotal - GENERAL PLANT	389-399	214,631	131	84	9	10	20	8	1,013	
69 TOTAL UTILITY PLANT		1,641,403	2,521	1,663	46	71	350	97	24,053	
II. DEPRECIATION RESERVE										
72 Production Plant	108.2	32,971	0	0	0	0	0	0	0	
73 Local Storage Plant	108.3	79,233	0	0	0	0	0	0	0	
74 Mains	109	188,353	775	525	10	1	87	9	4,499	
75 Mains- Direct Assignment	08.52Direc	4,713	0	0	0	0	0	0	4,713	
76 Services	109	198,089	38	13	2	12	25	21	333	
77 Meters	109	53,485	11	5	1	8	4	4	418	
78 Distr Other	109	15,664	80	54	1	0	9	1	741	
79 General Plant	109	94,257	57	37	4	5	9	3	445	
80 TOTAL - DEPRECIATION RESERVE	108	666,765	961	634	18	26	134	37	11,148	

Philadelphia Gas Works
Class Cost of Service Study - 2006
Future Test Year Ended August 31, 2007 (\$000s)

TOTAL Class Allocation									
Account Description	Account Code	Total Allocated Dollars	Residential Non-Heat RC-1	Residential Heat RC-2	Commercial Non-Heat RC-3	Commercial Heat RC-4	Industrial Non-Heat RC-5	Industrial Heat RC-6	
119 B. NATURAL GAS STORAGE, TERMINAL									
120 LNG Operating Exp Admin	840	728	14	546	12	111	3	10	
121 Training	841	2,874	56	2,157	47	438	13	39	
122 Subtotal - O&M Accounts 840-841	840-841	3,602	70	2,704	58	549	16	49	
123 Fuel- LNG Power	842	1,204	23	904	20	183	5	16	
124 Maintenance Exp- Admin	843	6,324	123	4,747	103	963	28	86	
125 Oper Exp Admin	850	662	13	497	11	101	3	9	
126 Subtotal - Maint. Accounts 843.1-850	843.1-850	6,986	136	5,243	113	1,064	30	95	
127 Subtotal - NATURAL GAS STORAGE	840-850	11,791	229	8,850	191	1,796	51	160	
128									
129 C. TRANSMISSION EXPENSES	856-863	0	0	0	0	0	0	0	
130									
131 D. DISTRIBUTION EXPENSES									
132 Operation Supv & Engineering	870	603	38	458	10	60	2	5	
133 Gas Control	871	1,114	30	749	35	172	7	15	
134 Mains and Services Expenses	874	2,950	185	2,230	46	280	7	22	
135 Natural Gas Oper Exp	875	1,099	21	825	18	167	5	15	
136 Meas & Reg Exp- City Gate Stations	877	266	5	200	4	41	1	4	
137 Meter & House Regulator Expenses	878	18,007	1,522	12,309	792	2,746	54	128	
138 Customer Install- Gas Business Costs	879	3,716	309	2,502	172	595	12	28	
139 PLP Costs	879PLP	3,511	384	3,102	0	0	0	0	
140 Other expenses	880	8,671	851	6,884	170	588	12	29	
141 Distribution Rents	881	9	1	7	0	1	0	0	
142 Maint. Supervision & Engineering	885	717	45	544	12	71	2	5	
143 Maint. of Mains	887	6,287	247	4,584	88	725	20	61	
144 Maint. of Meas. & Reg. Station Expenses-C	889	1,343	26	1,008	22	205	6	18	
145 Natural Gas Equipment	891	452	12	304	14	70	3	6	
146 Maint. of Services	892	1,430	143	1,154	23	81	2	4	
147 Maint. of Meters & House Regulators	893	2,639	223	1,804	116	402	8	19	
148 Subtotal - DISTRIBUTION EXPENSES	870-893	52,816	4,042	38,666	1,523	6,204	140	360	
149 Total - OPERATION & MAINTENANCE EX		697,356	20,432	472,905	20,147	104,413	3,992	8,883	
150									
151 II. CUSTOMER ACCOUNTS EXPENSES									
152 Customer Service - Administrative	901	930	83	761	15	54	1	2	
153 Meter Reading - Administrative	901	124	8	94	3	12	0	1	
154 Collection - Administrative	901	170	15	139	3	10	0	0	
155 Meter Reading Expenses	902	1,742	115	1,324	37	170	6	13	
156 Customer Records & Collection Expense	903	26,956	2,418	22,056	436	1,558	24	56	
157 Uncollectible Accounts	904	40,808	3,265	34,523	490	1,755	82	286	
158 Uncollectible Accounts in CRP	904CRP	11,450	323	8,172	377	1,877	76	162	
159 Total - CUSTOMER ACCOUNTS EXPENS		82,180	6,227	67,069	1,360	5,435	189	520	

**Philadelphia Gas Works
Class Cost of Service Study - 2006**

Future Test Year Ended August 31, 2007 (\$000s)

		TOTAL Class Allocation							
		Total	Municipal	housing	Autl	NGV	BPS	BPS	BPS
Account	Account	Allocated	Heat	GS	Direct	Small	Large	A/C	
Description	Code	Dollars	RC-8	RC-9	RC-10	RC-11	RC-12	RC-13	
119	B. NATURAL GAS STORAGE, TERMINAL								
120	LNG Operating Exp Admin	840	728	17	12	0	0	0	0
121	Training	841	2,874	66	47	0	0	0	0
122	Subtotal - O&M Accounts 840-841	840-841	3,602	82	58	0	0	0	0
123	Fuel- LNG Power	842	1,204	28	20	0	0	0	0
124	Maintenance Exp- Admin	843	6,324	145	103	0	0	0	0
125	Oper Exp Admin	850	662	15	11	0	0	0	0
126	Subtotal - Maint. Accounts 843.1-850	843.1-850	6,986	160	113	0	0	0	0
127	Subtotal - NATURAL GAS STORAGE	840-850	11,791	269	191	0	0	0	0
128									
129	C. TRANSMISSION EXPENSES	856-863	0	0	0	0	0	0	0
130									
131	D. DISTRIBUTION EXPENSES								
132	Operation Supv & Engineering	870	603	7	7	0	1	6	0
133	Gas Control	871	1,114	20	17	0	3	39	2
134	Mains and Services Expenses	874	2,950	33	31	0	5	43	1
135	Natural Gas Oper Exp	875	1,099	25	18	0	0	0	0
136	Meas & Reg Exp- City Gate Stations	877	266	6	4	0	0	0	0
137	Meter & House Regulator Expenses	878	18,007	118	96	0	16	32	2
138	Customer Install- Gas Business Costs	879	3,716	26	21	0	3	7	0
139	PLP Costs	879PLP	3,511	0	26	0	0	0	0
140	Other expenses	880	8,671	27	57	0	5	13	1
141	Distribution Rents	881	9	0	0	0	0	0	0
142	Maint. Supervision & Engineering	885	717	8	8	0	1	8	0
143	Maint. of Mains	887	6,287	101	82	0	13	142	4
144	Maint. of Meas. & Reg. Station Expenses-C	889	1,343	31	22	0	0	0	0
145	Natural Gas Equipment	891	452	8	7	0	1	16	1
146	Maint. of Services	892	1,430	4	10	0	1	2	0
147	Maint. of Meters & House Regulators	893	2,639	17	14	0	2	5	0
148	Subtotal - DISTRIBUTION EXPENSES	870-893	52,816	431	419	0	52	312	12
149	Total - OPERATION & MAINTENANCE EX		697,356	12,427	10,110	4	2,015	23,563	1,326
150									
151	II. CUSTOMER ACCOUNTS EXPENSES								
152	Customer Service - Administrative	901	930	1	11	0	1	0	0
153	Meter Reading - Administrative	901	124	1	1	0	0	2	0
154	Collection - Administrative	901	170	0	2	0	0	0	0
155	Meter Reading Expenses	902	1,742	16	19	0	2	24	1
156	Customer Records & Collection Expense	903	26,956	36	318	0	23	5	0
157	Uncollectible Accounts	904	40,808	0	408	0	0	0	0
158	Uncollectible Accounts in CRP	904CRP	11,450	222	183	0	0	0	0
159	Total - CUSTOMER ACCOUNTS EXPENS		82,180	277	943	0	26	30	1

Philadelphia Gas Works
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			TOTAL Class Allocation							
Account	Account	Total	LBS	LBS	LBS	LBS	LBX	Co-Gen	GTS / IT	
Description	Code	Allocated	Small	arge-InDire	Large-Direc	Large-Direc	XL-Indirect	InDirect	Trans only	
		Dollars	RC-14	RC-15	RC-16	RC-17	RC-18	RC-19	RC-20	
119	B. NATURAL GAS STORAGE, TERMINAL									
120	LNG Operating Exp Admin	840	728	0	0	0	0	0	0	
121	Training	841	2,874	0	0	0	0	0	0	
122	Subtotal - O&M Accounts 840-841	840-841	3,602	0	0	0	0	0	0	
123	Fuel- LNG Power	842	1,204	0	0	0	0	0	0	
124	Maintenance Exp- Admin	843	6,324	0	0	0	0	0	0	
125	Oper Exp Admin	850	662	0	0	0	0	0	0	
126	Subtotal - Maint. Accounts 843.1-850	843.1-850	6,986	0	0	0	0	0	0	
127	Subtotal - NATURAL GAS STORAGE	840-850	11,791	0	0	0	0	0	0	
128										
129	C. TRANSMISSION EXPENSES	856-863	0	0	0	0	0	0	0	
130										
131	D. DISTRIBUTION EXPENSES									
132	Operation Supv & Engineering	870	603	1	1	0	0	0	6	
133	Gas Control	871	1,114	11	8	0	0	1	0	
134	Mains and Services Expenses	874	2,950	8	5	0	0	1	45	
135	Natural Gas Oper Exp	875	1,099	0	0	0	0	0	0	
136	Meas & Reg Exp- City Gate Stations	877	266	0	0	0	0	0	0	
137	Meter & House Regulator Expenses	878	18,007	4	2	0	3	1	134	
138	Customer Install- Gas Business Costs	879	3,716	1	0	0	1	0	29	
139	PLP Costs	879PLP	3,511	0	0	0	0	0	0	
140	Other expenses	880	8,671	1	1	0	1	1	20	
141	Distribution Rents	881	9	0	0	0	0	0	0	
142	Maint. Supervision & Engineering	885	717	1	1	0	0	0	8	
143	Maint. of Mains	887	6,287	26	18	0	0	3	150	
144	Maint. of Meas. & Reg. Station Expenses-C	889	1,343	0	0	0	0	0	0	
145	Natural Gas Equipment	891	452	4	3	0	0	0	0	
146	Maint. of Services	892	1,430	0	0	0	0	0	2	
147	Maint. of Meters & House Regulators	893	2,639	1	0	0	0	0	20	
148	Subtotal - DISTRIBUTION EXPENSES	870-893	52,816	58	38	2	4	9	415	
149	Total - OPERATION & MAINTENANCE EX		697,356	6,420	4,554	249	32	661	194	1,885
150										
151	II. CUSTOMER ACCOUNTS EXPENSES									
152	Customer Service - Administrative	901	930	0	0	0	0	0	0	
153	Meter Reading - Administrative	901	124	0	0	0	0	0	0	
154	Collection - Administrative	901	170	0	0	0	0	0	0	
155	Meter Reading Expenses	902	1,742	5	4	0	0	1	0	
156	Customer Records & Collection Expense	903	26,956	1	0	2	0	0	6	
157	Uncollectible Accounts	904	40,808	0	0	0	0	0	0	
158	Uncollectible Accounts in CRP	904CRP	11,450	0	0	0	0	0	0	
159	Total - CUSTOMER ACCOUNTS EXPENS		82,180	6	4	3	0	1	7	

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TOTAL Class Allocation									
Account Description	Account Code	Total Allocated Dollars	Residential Non-Heat RC-1	Residential Heat RC-2	Commercial Non-Heat RC-3	Commercial Heat RC-4	Industrial Non-Heat RC-5	Industrial Heat RC-6	
201 VII. TAXES OTHER THAN INCOME TAXE									
202 Payroll Taxes	408	6,485	481	4,924	154	672	16	43	
203									
204 TOTAL EXPENSES		994,066	37,936	697,385	27,211	137,244	5,335	12,085	
205									
206 V. REVENUES									
207 Distribution Revenue	480-483	292,053	13,534	215,493	8,549	40,774	1,637	3,525	
208 GCR Revenue	80-483GC	568,861	16,040	405,998	18,706	93,235	3,788	8,063	
209 Interruptible Gas Revenues	480-483Int	40,924	0	0	0	0	0	0	
210 USEC Revenue	80-483US	131,636	3,712	93,949	4,329	21,575	877	1,866	
211 REC Revenue	80-483RE	3,396	96	2,424	112	557	23	48	
212 Finance Chges- Unpaid Gas Accts	487	17,746	1,098	14,848	231	912	34	78	
213 Misc Service Discounts	488	286	13	211	8	40	2	3	
214 Transport Gas for Others	489	7,256	0	0	0	0	0	0	
215 Gas Revenues- Adjustment	495	(732)	(21)	(522)	(24)	(120)	(5)	(10)	
216 Revenue Adjustments	495Adj	<u>(6,209)</u>	<u>(189)</u>	<u>(4,450)</u>	<u>(201)</u>	<u>(999)</u>	<u>(41)</u>	<u>(86)</u>	
217 Subtotal Gas Revenues, net		1,055,218	34,284	727,951	31,709	155,974	6,314	13,486	
218									
219 Bill Paid Turn Ons & Dig Ups		2,757	285	2,302	31	108	1	3	
220 Rev/Exp- Appliance, Service, Other	879Rev	7,775	849	6,868	0	0	0	0	
221 Subtotal Other Oper Revenues, net		10,532	1,134	9,170	31	108	1	3	
222									
223 Total Operating Revenues		1,065,750	35,418	737,121	31,740	156,082	6,316	13,489	
224									
225 Interest and Non-Operating Income	418	10,012	568	7,335	229	1,169	35	88	
226 Penalties- Regulatory	426	<u>(50)</u>	<u>(3)</u>	<u>(37)</u>	<u>(1)</u>	<u>(6)</u>	<u>(0)</u>	<u>(0)</u>	
227 Total Non-Oper Income		9,962	565	7,298	228	1,163	35	88	
228									
229 Total Revenue		1,075,712	35,983	744,419	31,968	157,245	6,351	13,577	
230									
231 Income before Interest and Surplus		81,646	(1,954)	47,034	4,757	20,001	1,015	1,492	
232									
233 Interest on long-term debt	427	75,180	4,265	55,076	1,723	8,776	264	664	
234 AFUDC	432	<u>(1,202)</u>	<u>(68)</u>	<u>(881)</u>	<u>(28)</u>	<u>(140)</u>	<u>(4)</u>	<u>(11)</u>	
235 Surplus Requirement		<u>7,668</u>	<u>435</u>	<u>5,618</u>	<u>176</u>	<u>895</u>	<u>27</u>	<u>68</u>	
236 Total Interest and Surplus		81,646	4,631	59,813	1,871	9,531	287	721	
237 Rate Increase Requirement	436	<u>100,000</u>	<u>5,672</u>	<u>73,259</u>	<u>2,292</u>	<u>11,673</u>	<u>352</u>	<u>883</u>	
238 Total Interest, Surplus and Rate Increas		181,646	10,304	133,072	4,164	21,203	639	1,603	
239									
240 OVER (UNDER) Total Requirements		<u>(100,000)</u>	<u>(12,257)</u>	<u>(86,038)</u>	<u>594</u>	<u>(1,203)</u>	<u>377</u>	<u>(111)</u>	

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			TOTAL Class Allocation							
			Total	Municipal	housing	Autf	NGV	BPS	BPS	BPS
			Allocated	Heat	GS	Direct	Small	Large	A/C	
			Dollars	RC-8	RC-9	RC-10	RC-11	RC-12	RC-13	
Account	Account	Account								
Description	Code	Code								
201	VII. TAXES OTHER THAN INCOME TAXE									
202	Payroll Taxes	408	6,485	50	65	0	5	22	1	
203										
204	TOTAL EXPENSES		994,066	15,517	13,734	5	2,156	24,282	1,351	
205										
206	V. REVENUES									
207	Distribution Revenue	480-483	292,053	3,287	4,093	0	47	146	3	
208	GCR Revenue	80-483GC	568,861	11,043	9,102	4	0	0	0	
209	Interruptible Gas Revenues	480-483Int	40,924	0	0	0	2,549	26,172	1,108	
210	USEC Revenue	80-483USI	131,636	2,555	2,106	1	0	0	0	
211	REC Revenue	80-483REI	3,396	66	54	0	0	0	0	
212	Finance Chges- Unpaid Gas Accts	487	17,746	35	444	0	46	0	0	
213	Misc Service Discounts	488	286	3	4	0	0	0	0	
214	Transport Gas for Others	489	7,256	0	0	0	0	0	0	
215	Gas Revenues- Adjustment	495	(732)	(14)	(12)	(0)	0	0	0	
216	Revenue Adjustments	495Adj	(6,209)	(114)	(98)	(0)	(0)	(0)	(0)	
217	Subtotal Gas Revenues, net		1,055,218	16,862	15,694	5	2,643	26,317	1,111	
218										
219	Bill Paid Turn Ons & Dig Ups		2,757	3	19	0	1	1	0	
220	Rev/Exp- Appliance, Service, Other	879Rev	7,775	0	57	0	0	0	0	
221	Subtotal Other Oper Revenues, net		10,532	3	77	0	1	1	0	
222										
223	Total Operating Revenues		1,065,750	16,865	15,770	5	2,643	26,318	1,111	
224										
225	Interest and Non-Operating Income	418	10,012	121	112	0	16	146	6	
226	Penalties- Regulatory	426	(50)	(1)	(1)	(0)	(0)	(1)	(0)	
227	Total Non-Oper Income		9,962	121	112	0	16	145	6	
228										
229	Total Revenue		1,075,712	16,986	15,882	5	2,659	26,463	1,117	
230										
231	Income before Interest and Surplus		81,646	1,469	2,148	(0)	503	2,181	(234)	
232										
233	Interest on long-term debt	427	75,180	910	842	0	119	1,096	45	
234	AFUDC	432	(1,202)	(15)	(13)	(0)	(2)	(18)	(1)	
235	Surplus Requirement		7,668	93	86	0	12	112	5	
236	Total Interest and Surplus		81,646	988	915	0	129	1,190	49	
237	Rate Increase Requirement	436	100,000	1,210	1,120	0	158	1,458	60	
238	Total Interest, Surplus and Rate Increas		181,646	2,199	2,035	1	287	2,648	109	
239										
240	OVER (UNDER) Total Requirements		(100,000)	(730)	113	(1)	216	(467)	(342)	

Philadelphia Gas Works
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		TOTAL Class Allocation								
		Total	LBS	LBS	LBS	LBS	LBX	Co-Gen	GTS / IT	
Account	Account	Allocated	Small	Large-InDirec	Large-Direc	Large-Direc	XL-Indirect	InDirect	Trans only	
Description	Code	Dollars	RC-14	RC-15	RC-16	RC-17	RC-18	RC-19	RC-20	
201	VII. TAXES OTHER THAN INCOME TAXE									
202	Payroll Taxes	408	6,485	4	3	0	0	1	0	31
203										
204	TOTAL EXPENSES		994,066	6,550	4,639	256	37	679	200	3,509
205										
206	V. REVENUES									
207	Distribution Revenue	480-483	292,053	22	13	2	6	12	10	0
208	GCR Revenue	80-483GC	568,861	0	0	0	0	0	0	0
209	Interruptible Gas Revenues	480-483Int	40,924	6,029	4,076	218	24	587	162	0
210	USEC Revenue	80-483USI	131,636	0	0	0	0	0	0	0
211	REC Revenue	80-483REI	3,396	0	0	0	0	0	0	0
212	Finance Chges- Unpaid Gas Accts	487	17,746	0	0	5	0	0	0	4
213	Misc Service Discounts	488	286	0	0	0	0	0	0	0
214	Transport Gas for Others	489	7,256	0	0	0	0	0	0	7,256
215	Gas Revenues- Adjustment	495	(732)	0	0	0	0	0	0	0
216	Revenue Adjustments	495Adj	(6,209)	(0)	(0)	(0)	(0)	(0)	(0)	0
217	Subtotal Gas Revenues, net		1,055,218	6,051	4,089	225	30	599	172	7,260
218										
219	Bill Paid Turn Ons & Dig Ups		2,757	0	0	0	0	0	0	1
220	Rev/Exp- Appliance, Service, Other	879Rev	7,775	0	0	0	0	0	0	0
221	Subtotal Other Oper Revenues, net		10,532	0	0	0	0	0	0	1
222										
223	Total Operating Revenues		1,065,750	6,051	4,089	225	30	599	172	7,260
224										
225	Interest and Non-Operating Income	418	10,012	31	21	1	0	4	1	98
226	Penalties- Regulatory	426	(50)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
227	Total Non-Oper Income		9,962	31	21	1	0	4	1	98
228										
229	Total Revenue		1,075,712	6,082	4,110	226	30	602	173	7,358
230										
231	Income before Interest and Surplus		81,646	(468)	(529)	(30)	(7)	(76)	(27)	3,849
232										
233	Interest on long-term debt	427	75,180	236	160	7	3	27	8	736
234	AFUDC	432	(1,202)	(4)	(3)	(0)	(0)	(0)	(0)	(12)
235	Surplus Requirement		7,668	24	16	1	0	3	1	75
236	Total Interest and Surplus		81,646	256	174	8	4	29	8	800
237	Rate Increase Requirement	436	100,000	313	213	9	4	36	10	979
238	Total Interest, Surplus and Rate Increas		181,646	569	387	17	8	65	19	1,779
239										
240	OVER (UNDER) Total Requirements		(100,000)	(1,037)	(916)	(47)	(15)	(142)	(46)	2,070

Exhibit HSG-2

Functionalization

Philadelphia Gas Works
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FUNCTIONALIZATION										
Account Description	Account Code	Account Balance	Allocation Factor	SUPPLY	STORAGE	TRANSMI	DISTRIBUTI	ONSITE	USEC	
I. GAS PLANT IN SERVICE										
A. INTANGIBLE PLANT	301-303	0	None	0	0	0	0	0	0	
B. PRODUCTION PLANT										
Land and Land Rights	304	1,453	SUPP	1,453	0	0	0	0	0	
Structures and Improvements	305	17,346	SUPP	17,346	0	0	0	0	0	
Boiler Equipment	306	2,497	SUPP	2,497	0	0	0	0	0	
Other Power Equipment	307	229	SUPP	229	0	0	0	0	0	
L.P.G. Equipment	311	5,081	SUPP	5,081	0	0	0	0	0	
Purification Equipment	317	(37)	SUPP	(37)	0	0	0	0	0	
Resid. Refine Equipment	318	8	SUPP	8	0	0	0	0	0	
Gas Mixing Equipment	319	157	SUPP	157	0	0	0	0	0	
Subtotal - Plant Accounts 305-338	305-338	25,281		25,281	0	0	0	0	0	
Other Equipment	320	20,102	SUPP	20,102	0	0	0	0	0	
SNG Plant	320.1	0	None	0	0	0	0	0	0	
Subtotal - PRODUCTION PLANT	304-338	46,836		46,836	0	0	0	0	0	
C. STORAGE PLANT (Mostly LNG Plant)										
Structures and Improvements	361	7,396	STOR	0	7,396	0	0	0	0	
Gas Holders	362	33,679	STOR	0	33,679	0	0	0	0	
Purification Equipment	363	201	STOR	0	201	0	0	0	0	
Liquification Equipment	364	29,564	STOR	0	29,564	0	0	0	0	
Vaporizing Equipment	365	12,152	STOR	0	12,152	0	0	0	0	
Compressor Equipment	366	14,279	STOR	0	14,279	0	0	0	0	
Measuring and Regulating Equipment	367	12,077	STOR	0	12,077	0	0	0	0	
Other Equipment	368	17,531	STOR	0	17,531	0	0	0	0	
Subtotal - Plant Accounts 361-368	361-368	126,879		0	126,879	0	0	0	0	
Subtotal - STORAGE PLANT	360-368	126,879		0	126,879	0	0	0	0	
D. TRANSMISSION PLANT										
	370-373	0	None	0	0	0	0	0	0	

Philadelphia Gas Works
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FUNCTIONALIZATION										
	Account Description	Account Code	Account Balance	Allocation Factor	SUPPLY	STORAGE	TRANSMI	DISTRIBUTI	ONSITE	USEC
40	E. DISTRIBUTION PLANT									
41	Land and Land Rights	374	101	DIST	0	0	0	101	0	0
42	Structures and Improvements	375	2,533	DIST	0	0	0	2,533	0	0
43	Mains	376	540,564	DIST	0	0	0	540,564	0	0
44	Mains- Direct Assignment	376Direct	7,574	DIST	0	0	0	7,574	0	0
45	Compressor Station Equipment	377	1,180	DIST	0	0	0	1,180	0	0
46	Meas. & Reg. Stat. Equip. - General	378	16,545	DIST	0	0	0	16,545	0	0
47	Services	380	491,117	DIST	0	0	0	491,117	0	0
48	Meters	381	78,972	ONSITE	0	0	0	0	78,972	0
49	Meters Install.	382	99,534	ONSITE	0	0	0	0	99,534	0
50	House Regulators	383	3,927	ONSITE	0	0	0	0	3,927	0
51	House Regulator Install.	384	<u>4,895</u>	ONSITE	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>4,895</u>	<u>0</u>
52	Subtotal - Plant Accounts 383-384	383-384	8,821		0	0	0	0	8,821	0
53	Indust. Meas. & Reg. Station Equipment	385	1,663	DIST	0	0	0	1,663	0	0
54	Other Equipment	387	<u>4,452</u>	DIST	<u>0</u>	<u>0</u>	<u>0</u>	<u>4,452</u>	<u>0</u>	<u>0</u>
55	Subtotal - DISTRIBUTION PLANT	374-387	1,253,057		0	0	0	1,065,729	187,328	0
56										
57	F. GENERAL PLANT									
58	Land and Land Rights	389	3,713	LABOR	47	372	0	745	2,549	0
59	Structures and Improvements	390	65,834	LABOR	838	6,594	0	13,208	45,194	0
60	Office Furniture and Equipment	391	80,912	LABOR	1,030	8,105	0	16,233	55,545	0
61	Transportation Equipment	392	27,083	LABOR	345	2,713	0	5,433	18,592	0
62	Stores Equipment	393	707	LABOR	9	71	0	142	486	0
63	Tools, Shop and Garage Equipment	394	8,816	LABOR	112	883	0	1,769	6,052	0
64	Power Operated Equipment	396	400	LABOR	5	40	0	80	275	0
65	Communication Equipment	397	19,503	LABOR	248	1,954	0	3,913	13,389	0
66	Miscellaneous Equipment	398	<u>7,662</u>	LABOR	<u>98</u>	<u>768</u>	<u>0</u>	<u>1,537</u>	<u>5,260</u>	<u>0</u>
67	Subtotal - GENERAL PLANT	389-399	214,631		2,731	21,499	0	43,059	147,342	0
68										
69	TOTAL UTILITY PLANT		1,641,403		49,568	148,378	0	1,108,788	334,670	0
70										
71	II. DEPRECIATION RESERVE									
72	Production Plant	108.2	32,971	SUPPPT	32,971	0	0	0	0	0
73	Local Storage Plant	108.3	79,233	STORPT	0	79,233	0	0	0	0
74	Mains	108.52	188,353	DIST	0	0	0	188,353	0	0
75	Mains- Direct Assignment	38.52Dire	4,713	DIST	0	0	0	4,713	0	0
76	Services	108.54	198,089	DIST	0	0	0	198,089	0	0
77	Meters	108.55	53,485	ONSITE	0	0	0	0	53,485	0
78	Distr Other	108.58	15,664	DIST	0	0	0	15,664	0	0
79	General Plant	108.8	<u>94,257</u>	LABOR	<u>1,199</u>	<u>9,441</u>	<u>0</u>	<u>18,910</u>	<u>64,707</u>	<u>0</u>
80	TOTAL - DEPRECIATION RESERVE	108	666,765		34,170	88,675	0	425,728	118,192	0

Philadelphia Gas Works
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FUNCTIONALIZATION										
	Account Description	Account Code	Account Balance	Allocation Factor	SUPPLY	STORAGE	TRANSMI	DISTRIBUTI	ONSITE	USEC
81										
82	III. OTHER RATE BASE ITEMS									
83	Unclassified	106	0	None	0	0	0	0	0	0
84	Construction Work in Progress	107	30,553	CWIP	661	6,808	0	2,612	20,472	0
85	CWIP- Mains	235	22,063	DIST	0	0	0	22,063	0	0
86	CWIP- Services	282	<u>22,536</u>	DIST	<u>0</u>	<u>0</u>	<u>0</u>	<u>22,536</u>	<u>0</u>	<u>0</u>
87	Total - OTHER RATE BASE ITEMS		75,152		661	6,808	0	47,211	20,472	0
88										
89	IV. TOTAL RATE BASE (Excl. Working Capital)		1,049,790		16,058	66,511	0	730,271	236,950	0
90	Working Capital (See Subreport)	131	359,403	See WC Report	248,649	13,487	20,784	16,251	28,993	31,237
91										
92	V. TOTAL RATE BASE		1,409,193		264,707	79,998	20,784	746,522	265,943	31,237
93										
94	I. OPERATION & MAINTENANCE EXPENSE									
95	A. PRODUCTION EXPENSES									
96	1. Manufactured Gas Production									
97	Operations Labor- Passyunk	701	418	SUPP	418	0	0	0	0	0
98	Misc. Steam Expenses- Passyunk	703	337	SUPP	337	0	0	0	0	0
99	Maintenance of Structures	706	33	SUPP	33	0	0	0	0	0
100	Maint Boiler Plant Equipment- Passyunk	707	144	SUPP	144	0	0	0	0	0
101	Maint Steam Oth Prod- Passyunk	708	3	SUPP	3	0	0	0	0	0
102	Other Power Elec Generation	712	<u>1,319</u>	SUPP	<u>1,319</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
103	Subtotal - O&M Accounts 701-716	710-716	2,254		2,254	0	0	0	0	0
104	Steam & Elec Cr Oth Util	734	(1,050)	SUPP	(1,050)	0	0	0	0	0
105	Plant Protection	735	1,052	SUPP	1,052	0	0	0	0	0
106	Maint. of Structure & Improvements	741	118	SUPP	118	0	0	0	0	0
107	Maint Production Equipment	743	<u>287</u>	SUPP	<u>287</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
108	Subtotal - O&M Accounts 717-742	717-742	407		407	0	0	0	0	0
109	Subtotal - Manufactured Gas Production	710-742	2,661		2,661	0	0	0	0	0
110										
111	2. Other Gas Supply Expenses									
112	Natural Gas Purchases	804	625,696	Gas Report	559,952	19,755	45,990	0	0	0
113	Natural Gas Oper Expenses	807	30,622	SUPP	30,622	0	0	0	0	0
114	Natural Gas W/D from Storage- Gas Repo	808	5,140	SUPP	5,140	0	0	0	0	0
115	Gas Used for Qther Util Operations	812	(33,170)	SUPP	(33,170)	0	0	0	0	0
116	LNG Operating Expenses	813	<u>1,800</u>	STOR	<u>0</u>	<u>1,800</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
117	Subtotal - PRODUCTION EXPENSES	710-813	632,748		565,205	21,554	45,990	0	0	0
118										

Philadelphia Gas Works
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 FUNCTIONALIZATION

	Account Description	Account Code	Account Balance	Allocation Factor	SUPPLY	STORAGE	TRANSMI	DISTRIBUTI	ONSITE	USEC
119	B. NATURAL GAS STORAGE, TERMINALING & PROCESSING EXPENSES									
120	LNG Operating Exp Admin	840	728	STOR	0	728	0	0	0	0
121	Training	841	2,874	STOR	0	2,874	0	0	0	0
122	Subtotal - O&M Accounts 840-841	840-841	3,602		0	3,602	0	0	0	0
123	Fuel- LNG Power	842	1,204	STOR	0	1,204	0	0	0	0
124	Maintenance Exp- Admin	843	6,324	STOR	0	6,324	0	0	0	0
125	Oper Exp Admin	850	662	STOR	0	662	0	0	0	0
126	Subtotal - Maint. Accounts 843.1-850	843.1-850	8,189		0	8,189	0	0	0	0
127	Subtotal - NATURAL GAS STORAGE	840-850	11,791		0	11,791	0	0	0	0
128										
129	C. TRANSMISSION EXPENSES	856-863	0	None	0	0	0	0	0	0
130										
131	D. DISTRIBUTION EXPENSES									
132	Operation Supv & Engineering	870	603	DISTPT	0	0	0	513	90	0
133	Gas Control	871	1,114	DIST	0	0	0	1,114	0	0
134	Mains and Services Expenses	874	2,950	MAIN-SERVICE	0	0	0	2,950	0	0
135	Natural Gas Oper Exp	875	1,099	DIST	0	0	0	1,099	0	0
136	Meas & Reg Exp- City Gate Stations	877	266	DIST	0	0	0	266	0	0
137	Meter & House Regulator Expenses	878	18,007	ONSITE	0	0	0	0	18,007	0
138	Customer Install- Gas Business Costs	879	3,716	ONSITE	0	0	0	0	3,716	0
139	PLP Costs	879PLP	3,511	ONSITE	0	0	0	0	3,511	0
140	Other expenses	880	8,671	DISTPT	0	0	0	7,375	1,296	0
141	Distribution Rents	881	9	DISTPT	0	0	0	8	1	0
142	Maint. Supervision & Engineering	885	717	DISTPT	0	0	0	610	107	0
143	Maint. of Mains	887	6,287	DIST	0	0	0	6,287	0	0
144	Maint. of Meas. & Reg. Station Expenses-(889	1,343	DIST	0	0	0	1,343	0	0
145	Natural Gas Equipment	891	452	DIST	0	0	0	452	0	0
146	Maint. of Services	892	1,430	DIST	0	0	0	1,430	0	0
147	Maint. of Meters & House Regulators	893	2,639	ONSITE	0	0	0	0	2,639	0
148	Subtotal - DISTRIBUTION EXPENSES	870-893	52,816		0	0	0	23,447	29,369	0
149	Total - OPERATION & MAINTENANCE EXPENSES		697,356		565,205	33,346	45,990	23,447	29,369	0
150										
151	II. CUSTOMER ACCOUNTS EXPENSES									
152	Customer Service - Administrative	901.1	930	ONSITE	0	0	0	0	930	0
153	Meter Reading - Administrative	901.4	124	ONSITE	0	0	0	0	124	0
154	Collection - Administrative	901.45	170	ONSITE	0	0	0	0	170	0
155	Meter Reading Expenses	902	1,742	ONSITE	0	0	0	0	1,742	0
156	Customer Records & Collection Expense	903	26,956	ONSITE	0	0	0	0	26,956	0
157	Uncollectible Accounts	904	40,808	DIST	0	0	0	40,808	0	0
158	Uncollectible Accounts in CRP	904CRP	11,450	USEC	0	0	0	0	0	11,450
159	Total - CUSTOMER ACCOUNTS EXPENSES		82,180		0	0	0	40,808	29,922	11,450

Philadelphia Gas Works
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FUNCTIONALIZATION										
	Account Description	Account Code	Account Balance	Allocation Factor	SUPPLY	STORAGE	TRANSMI	DISTRIBUTI	ONSITE	USEC
160	III. CUSTOMER SERVICE & INFORMATIONAL EXPENSES									
161	III. CUSTOMER SERVICE & INFORMATIONAL EXPENSES									
162	Customer Assistance- Marketing	908	4,055	ONSITE	0	0	0	0	4,055	0
163	CAP Costs	908CAP	2,000	USEC	0	0	0	0	0	2,000
164	CRP Shortfall	480CRP	78,655	USEC	0	0	0	0	0	78,655
165	Senior Discounts	480Sen	<u>16,441</u>	USEC	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>16,441</u>
166	Total - CUSTOMER SERVICE & INFORMATIONAL		101,151		0	0	0	0	4,055	97,096
167										
168	Total - CUSTOMER ACCOUNTS, SERVICES & SAI		183,331		0	0	0	40,808	33,977	108,546
169										
170	IV. ADMINISTRATIVE & GENERAL EXPENSES									
171										
172	A. Labor-Related:									
173	Administrative & General Salaries	920	12,257	LABOR	156	1,228	0	2,459	8,415	0
174	Office Supplies & Expenses	921	10,596	LABOR	135	1,061	0	2,126	7,274	0
175	Administrative Expenses Transferred	922	(19,211)	LABOR	(244)	(1,924)	0	(3,854)	(13,188)	0
176	Outside Services Employed	923	2,251	LABOR	29	225	0	452	1,545	0
177	Injuries & Damages	925	6,424	LABOR	82	643	0	1,289	4,410	0
178	Employee Pensions and Benefits	926	<u>55,953</u>	LABOR	<u>712</u>	<u>5,605</u>	<u>0</u>	<u>11,225</u>	<u>38,411</u>	<u>0</u>
179	Subtotal - O&M Accounts 920-923, 926		68,270		869	6,838	0	13,696	46,867	0
180										
181	B. Plant-Related:									
182	Risk Management - Corporate Insurance F	924	<u>1,341</u>	PSTDP	<u>44</u>	<u>119</u>	<u>0</u>	<u>1,002</u>	<u>176</u>	<u>0</u>
183	Subtotal - O&M Accounts 924-925, 935		1,341		44	119	0	1,002	176	0
184										
185	C. Other-Related:									
186	Regulatory Commission Expenses	928	3,763	DIST	0	0	0	3,763	0	0
187	Duplicate Charges- Gas Used by Util	929	(6,486)	STOR	0	(6,486)	0	0	0	0
188	Misc. Gen'l Expenses	930	<u>1,567</u>	LABOR	<u>20</u>	<u>157</u>	<u>0</u>	<u>314</u>	<u>1,076</u>	<u>0</u>
189	Subtotal - Duplicate Charges	929	(4,919)		20	(6,329)	0	314	1,076	0
190	Rents	931	243	LABOR	3	24	0	49	167	0
191										
192	Total - ADMINISTRATIVE & GENERAL EXPENSES		68,698		936	653	0	18,824	48,285	0
193										
194	TOTAL - OPERATING EXPENSES (Excl Depr, Tax		323,122		936	18,930	0	83,078	111,631	108,546
195										
196	VI. DEPRECIATION EXPENSE									
197	Original Cost Depreciation expense	403	37,607	PSTDP	1,235	3,344	0	28,091	4,938	0
198	Depreciation expense- Direct Assignment	403Direct	<u>589</u>	DIST	<u>0</u>	<u>0</u>	<u>0</u>	<u>589</u>	<u>0</u>	<u>0</u>
199	Total - DEPRECIATION EXPENSE	403	38,196		1,235	3,344	0	28,680	4,938	0
200										

Philadelphia Gas Works
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FUNCTIONALIZATION

	Account Description	Account Code	Account Balance	Allocation Factor	SUPPLY	STORAGE	TRANSMI	DISTRIBUTI	ONSITE	USEC
201	VII. TAXES OTHER THAN INCOME TAXES									
202	Payroll Taxes	408	6,485	LABOR	83	650	0	1,301	4,452	0
203										
204	TOTAL EXPENSES		994,066		567,457	37,992	45,990	113,059	121,021	108,546
205										
206	V. REVENUES									
207	Distribution Revenue	480-483	292,053	O&MXGAS	1,274	25,765	0	113,076	151,938	0
208	GCR Revenue	30-483GC	568,861	GCR_Revenue	501,438	21,434	45,990	0	0	0
209	Interruptible Gas Revenues	180-483In	40,924	SUPP	40,924	0	0	0	0	0
210	USEC Revenue	30-483US	131,636	USEC	0	0	0	0	0	131,636
211	REC Revenue	30-483RE	3,396	DIST	0	0	0	3,396	0	0
212	Finance Chges- Unpaid Gas Accts	487	17,746	DIST	0	0	0	17,746	0	0
213	Misc Service Discounts	488	286	DIST	0	0	0	286	0	0
214	Transport Gas for Others	489	7,256	DIST	0	0	0	7,256	0	0
215	Gas Revenues- Adjustment	495	(732)	SUPP	(732)	0	0	0	0	0
216	Revenue Adjustments	495Adj	(6,209)	Rev_Adjust	17,620	0	0	(765)	0	(23,064)
217	Subtotal Gas Revenues, net		1,055,218		560,524	47,199	45,990	140,995	151,938	108,572
218										
219	Bill Paid Turn Ons & Dig Ups		2,757	ONSITE	0	0	0	0	2,757	0
220	Rev/Exp- Appliance, Service, Other	879Rev	7,775	ONSITE	0	0	0	0	7,775	0
221	Subtotal Other Oper Revenues, net		10,532		0	0	0	0	10,532	0
222										
223	Total Operating Revenues		1,065,750		560,524	47,199	45,990	140,995	162,470	108,572
224										
225	Interest and Non-Operating Income	418	10,012	RATEBASE	153	634	0	6,965	2,260	0
226	Penalties- Regulatory	426	(50)	DIST	0	0	0	(50)	0	0
227	Total Non-Oper Income		9,962		153	634	0	6,915	2,260	0
228										
229	Total Revenue		1,075,712		560,677	47,834	45,990	147,910	164,730	108,572
230										
231	Income before Interest and Surplus		81,646		(6,781)	9,841	0	34,851	43,709	26
232										
233	Interest on long-term debt	427	75,180	RATEBASE	1,150	4,763	0	52,298	16,969	0
234	AFUDC	432	(1,202)	CWIP	(26)	(268)	0	(103)	(805)	0
235	Surplus Requirement		7,668	DIST	0	0	0	7,668	0	0
236	Total Interest and Surplus		81,646		1,124	4,495	0	59,864	16,164	0
237	Rate Increase Requirement	436	100,000	DIST	0	0	0	100,000	0	0
238	Total Interest, Surplus and Rate Increase		181,646		1,124	4,495	0	159,864	16,164	0
239										
240	OVER (UNDER) Total Requirements		(100,000)		(7,905)	5,346	0	(125,013)	27,546	26

Exhibit HSG-3

Classifications

**Supply Function
Distribution Function**

Philadelphia Gas Works
Class Cost of Service Study - 2006
Future Test Year Ended August 31, 2007 (\$000s)

Account Description	Account Code	SUPPLY Dollars	Classification Allocation Factor	SUPPLY		
				Demand	Commodity	Customer
I. GAS PLANT IN SERVICE						
A. INTANGIBLE PLANT	301-303	0	None	0	0	0
B. PRODUCTION PLANT						
Land and Land Rights	304	1,453	DEMAND	1,453	0	0
Structures and Improvements	305	17,346	DEMAND	17,346	0	0
Boiler Equipment	306	2,497	DEMAND	2,497	0	0
Other Power Equipment	307	229	DEMAND	229	0	0
L.P.G. Equipment	311	5,081	DEMAND	5,081	0	0
Purification Equipment	317	(37)	DEMAND	(37)	0	0
Resid. Refine Equipment	318	8	DEMAND	8	0	0
Gas Mixing Equipment	319	157	DEMAND	157	0	0
Subtotal - Plant Accounts 305-338	305-338	25,281		25,281	0	0
Other Equipment	320	20,102	DEMAND	20,102	0	0
SNG Plant	320	0	DEMAND	0	0	0
Subtotal - PRODUCTION PLANT	304-338	46,836		46,836	0	0
C. STORAGE PLANT (Mostly LNG Plant)						
Structures and Improvements	361	0	None	0	0	0
Gas Holders	362	0	None	0	0	0
Purification Equipment	363	0	None	0	0	0
Liquification Equipment	364	0	None	0	0	0
Vaporizing Equipment	365	0	None	0	0	0
Compressor Equipment	366	0	None	0	0	0
Measuring and Regulating Equipment	367	0	None	0	0	0
Other Equipment	368	0	None	0	0	0
Subtotal - Plant Accounts 361-368	361-368	0		0	0	0
Subtotal - STORAGE PLANT	360-368	0		0	0	0
D. TRANSMISSION PLANT	370-373	0	None	0	0	0

Philadelphia Gas Works
Class Cost of Service Study - 2006
Future Test Year Ended August 31, 2007 (\$000s)

Account Description	Account Code	SUPPLY Dollars	Classification Allocation Factor	SUPPLY		
				Demand	Commodity	Customer
40 E. DISTRIBUTION PLANT						
41 Land and Land Rights	374	0	None	0	0	0
42 Structures and Improvements	375	0	None	0	0	0
43 Mains	376	0	None	0	0	0
44 Mains- Direct Assignment	376Direct	0	None	0	0	0
45 Compressor Station Equipment	377	0	None	0	0	0
46 Meas. & Reg. Stat. Equip. - General	378	0	None	0	0	0
47 Services	380	0	None	0	0	0
48 Meters	381	0	None	0	0	0
49 Meters Install.	382	0	None	0	0	0
50 House Regulators	383	0	None	0	0	0
51 House Regulator Install.	384	0	None	0	0	0
52 Subtotal - Plant Accounts 383-384	383-384	0		0	0	0
53 Indust. Meas. & Reg. Station Equipment	385	0	None	0	0	0
54 Other Equipment	387	0	None	0	0	0
55 Subtotal - DISTRIBUTION PLANT	374-387	0		0	0	0
56						
57 F. GENERAL PLANT						
58 Land and Land Rights	389	47	SUPPLABOR	47	0	0
59 Structures and Improvements	390	838	SUPPLABOR	838	0	0
60 Office Furniture and Equipment	391	1,030	SUPPLABOR	1,030	0	0
61 Transportation Equipment	392	345	SUPPLABOR	345	0	0
62 Stores Equipment	393	9	SUPPLABOR	9	0	0
63 Tools, Shop and Garage Equipment	394	112	SUPPLABOR	112	0	0
64 Power Operated Equipment	396	5	SUPPLABOR	5	0	0
65 Communication Equipment	397	248	SUPPLABOR	248	0	0
66 Miscellaneous Equipment	398	98	SUPPLABOR	98	0	0
67 Subtotal - GENERAL PLANT	389-399	2,731		2,731	0	0
68						
69 TOTAL UTILITY PLANT		49,568		49,568	0	0
70						
71 II. DEPRECIATION RESERVE						
72 Production Plant	108.2	32,971	SUPPPT	32,971	0	0
73 Local Storage Plant	108.3	0	None	0	0	0
74 Mains	109	0	None	0	0	0
75 Mains- Direct Assignment	108.52Direct	0	None	0	0	0
76 Services	109	0	None	0	0	0
77 Meters	109	0	None	0	0	0
78 Distr Other	109	0	None	0	0	0
79 General Plant	109	1,199	SUPPLABOR	1,199	0	0
80 TOTAL - DEPRECIATION RESERVE	108	34,170		34,170	0	0

Philadelphia Gas Works
Class Cost of Service Study - 2006
Future Test Year Ended August 31, 2007 (\$000s)

Account Description	Account Code	SUPPLY Dollars	Classification Allocation Factor	SUPPLY		
				Demand	Commodity	Customer
81						
82	III. OTHER RATE BASE ITEMS					
83	Unclassified	106	0	None	0	0
84	Construction Work in Progress	107	661	DEMAND	661	0
85	CWIP- Mains	235	0	None	0	0
86	CWIP- Services	282	0	None	0	0
87	Total - OTHER RATE BASE ITEMS		661		661	0
88						
89	IV. TOTAL RATE BASE (Excl. Working Ca		16,058		16,058	0
90	Working Capital (See Subreport)	131	248,649	See WC Report	(148)	248,798
91						
92	V. TOTAL RATE BASE		264,707		15,910	248,798
93						
94	I. OPERATION & MAINTENANCE EXPEN					
95	A. PRODUCTION EXPENSES					
96	1. Manufactured Gas Production					
97	Operations Labor- Passyunk	701	418	DEMAND	418	0
98	Misc. Steam Expenses- Passyunk	703	337	DEMAND	337	0
99	Maintenance of Structures	706	33	DEMAND	33	0
100	Maint Boiler Plant Equipment- Passyunk	707	144	DEMAND	144	0
101	Maint Steam Oth Prod- Passyunk	708	3	DEMAND	3	0
102	Other Power Elec Generation	712	1,319	DEMAND	1,319	0
103	Subtotal - O&M Accounts 701-716	710-716	2,254		2,254	0
104	Steam & Elec Cr Oth Util	734	(1,050)	DEMAND	(1,050)	0
105	Plant Protection	735	1,052	DEMAND	1,052	0
106	Maint. of Structure & Improvements	741	118	DEMAND	118	0
107	Maint Production Equipment	743	287	DEMAND	287	0
108	Subtotal - O&M Accounts 717-742	717-742	407		407	0
109	Subtotal - Manufactured Gas Production	710-742	2,661		2,661	0
110						
111	2. Other Gas Supply Expenses					
112	Natural Gas Purchases	804	559,952	Gas Report	1,973	557,979
113	Natural Gas Oper Expenses	807	30,622	COMMODITY	0	30,622
114	Natural Gas W/D from Storage- Gas Repoi	808	5,140	COMMODITY	0	5,140
115	Gas Used for Other Util Operations	812	(33,170)	COMMODITY	0	(33,170)
116	LNG Operating Expenses	813	0	None	0	0
117	Subtotal - PRODUCTION EXPENSES	710-813	565,205		4,634	560,571
118						

Philadelphia Gas Works
Class Cost of Service Study - 2006
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Account Description	Account Code	SUPPLY Dollars	Classification Allocation Factor	SUPPLY		
				Demand	Commodity	Customer
119 B. NATURAL GAS STORAGE, TERMINAL						
120 LNG Operating Exp Admin	840	0	None	0	0	0
121 Training	841	0	None	0	0	0
122 Subtotal - O&M Accounts 840-841	840-841	0		0	0	0
123 Fuel- LNG Power	842	0	None	0	0	0
124 Maintenance Exp- Admin	843	0	None	0	0	0
125 Oper Exp Admin	850	0	None	0	0	0
126 Subtotal - Maint. Accounts 843.1-850	843.1-850	0		0	0	0
127 Subtotal - NATURAL GAS STORAGE	840-850	0		0	0	0
128						
129 C. TRANSMISSION EXPENSES	856-863	0	None	0	0	0
130						
131 D. DISTRIBUTION EXPENSES						
132 Operation Supv & Engineering	870	0	None	0	0	0
133 Gas Control	871	0	None	0	0	0
134 Mains and Services Expenses	874	0	None	0	0	0
135 Natural Gas Oper Exp	875	0	None	0	0	0
136 Meas & Reg Exp- City Gate Stations	877	0	None	0	0	0
137 Meter & House Regulator Expenses	878	0	None	0	0	0
138 Customer Install- Gas Business Costs	879	0	None	0	0	0
139 PLP Costs	879PLP	0	None	0	0	0
140 Other expenses	880	0	None	0	0	0
141 Distribution Rents	881	0	None	0	0	0
142 Maint. Supervision & Engineering	885	0	None	0	0	0
143 Maint. of Mains	887	0	None	0	0	0
144 Maint. of Meas. & Reg. Station Expenses-	889	0	None	0	0	0
145 Natural Gas Equipment	891	0	None	0	0	0
146 Maint. of Services	892	0	None	0	0	0
147 Maint. of Meters & House Regulators	893	0	None	0	0	0
148 Subtotal - DISTRIBUTION EXPENSES	870-893	0		0	0	0
149 Total - OPERATION & MAINTENANCE EXP		565,205		4,634	560,571	0
150						
151 II. CUSTOMER ACCOUNTS EXPENSES						
152 Customer Service - Administrative	901	0	None	0	0	0
153 Meter Reading - Administrative	901	0	None	0	0	0
154 Collection - Administrative	901	0	None	0	0	0
155 Meter Reading Expenses	902	0	None	0	0	0
156 Customer Records & Collection Expense	903	0	None	0	0	0
157 Uncollectible Accounts	904	0	None	0	0	0
158 Uncollectible Accounts in CRP	904CRP	0	None	0	0	0
159 Total - CUSTOMER ACCOUNTS EXPENSES		0		0	0	0

Philadelphia Gas Works
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Account Description	Account Code	SUPPLY Dollars	Classification Allocation Factor	SUPPLY		
				Demand	Commodity	Customer
160						
161	III. CUSTOMER SERVICE & INFORMATI					
162	Customer Assistance- Marketing	908	0	None	0	0
163	CAP Costs	908CAP	0	None	0	0
164	CRP Shortfall	480CRP	0	None	0	0
165	Senior Discounts	480Sen	0	None	0	0
166	Total - CUSTOMER SERVICE & INFORM		0		0	0
167						
168	Total - CUSTOMER ACCOUNTS, SERVIC		0		0	0
169						
170	IV. ADMINISTRATIVE & GENERAL EXPE					
171						
172	A. Labor-Related:					
173	Administrative & General Salaries	920	156	SUPPLABOR	156	0
174	Office Supplies & Expenses	921	135	SUPPLABOR	135	0
175	Administrative Expenses Transferred	922	(244)	SUPPLABOR	(244)	0
176	Outside Services Employed	923	29	SUPPLABOR	29	0
177	Injuries & Damages	925	82	SUPPLABOR	82	0
178	Employee Pensions and Benefits	926	712	SUPPLABOR	712	0
179	Subtotal - O&M Accounts 920-923, 926		869		869	0
180						
181	B. Plant-Related:					
182	Risk Management - Corporate Insurance F	924	44	SUPPPT	44	0
183	Subtotal - O&M Accounts 924-925, 935		44		44	0
184						
185	C. Other-Related:					
186	Regulatory Commission Expenses	928	0	None	0	0
187	Duplicate Charges- Gas Used by Util	929	0	None	0	0
188	Misc. Gen'l Expenses	930	20	SUPPLABOR	20	0
189	Subtotal - Duplicate Charges	929	20		20	0
190	Rents	931	3	SUPPLABOR	3	0
191						
192	Total - ADMINISTRATIVE & GENERAL EX		936		936	0
193						
194	TOTAL - OPERATING EXPENSES (Excl C		936		936	0
195						
196	VI. DEPRECIATION EXPENSE					
197	Original Cost Depreciation expense	403	1,235	SUPPPT	1,235	0
198	Depreciation expense- Direct Assignment	403Direct	0	None	0	0
199	Total - DEPRECIATION EXPENSE	403	1,235		1,235	0
200						

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Account Description	Account Code	SUPPLY Dollars	Classification Allocation Factor	SUPPLY		
				Demand	Commodity	Customer
201 VII. TAXES OTHER THAN INCOME TAXE						
202 Payroll Taxes	408	83	SUPPLABOR	83	0	0
203						
204 TOTAL EXPENSES		567,457		6,887	560,571	0
205						
206 V. REVENUES						
207 Distribution Revenue	480-483	1,274	COMMODITY	0	1,274	0
208 GCR Revenue	480-483GCR	501,438	COMMODITY	0	501,438	0
209 Interruptible Gas Revenues	480-483Int	40,924	COMMODITY	0	40,924	0
210 USEC Revenue	480-483USC	0	None	0	0	0
211 REC Revenue	480-483REC	0	None	0	0	0
212 Finance Chges- Unpaid Gas Accts	487	0	None	0	0	0
213 Misc Service Discounts	488	0	None	0	0	0
214 Transport Gas for Others	489	0	None	0	0	0
215 Gas Revenues- Adjustment	495	(732)	COMMODITY	0	(732)	0
216 Revenue Adjustments	495Adj	<u>17,620</u>	COMMODITY	<u>0</u>	<u>17,620</u>	<u>0</u>
217 Subtotal Gas Revenues, net		560,524		0	560,524	0
218						
219 Bill Paid Turn Ons & Dig Ups		0	None	0	0	0
220 Rev/Exp- Appliance, Service, Other	879Rev	<u>0</u>	None	0	0	0
221 Subtotal Other Oper Revenues, net		0		0	0	0
222						
223 Total Operating Revenues		560,524		0	560,524	0
224						
225 Interest and Non-Operating Income	418	153	SUPPBASE	153	0	0
226 Penalties- Regulatory	426	<u>0</u>	None	<u>0</u>	<u>0</u>	<u>0</u>
227 Total Non-Oper Income		153		153	0	0
228						
229 Total Revenue		560,677		153	560,524	0
230						
231 Income before Interest and Surplus		(6,781)		(6,734)	(47)	0
232						
233 Interest on long-term debt	427	1,150	SUPPBASE	1,150	0	0
234 AFUDC	432	<u>(26)</u>	DEMAND	<u>(26)</u>	<u>0</u>	<u>0</u>
235 Surplus Requirement		<u>0</u>	None	<u>0</u>	<u>0</u>	<u>0</u>
236 Total Interest and Surplus		1,124		1,124	0	0
237 Rate Increase Requirement	436	<u>0</u>	None	<u>0</u>	<u>0</u>	<u>0</u>
238 Total Interest, Surplus and Rate Increase		<u>1,124</u>		<u>1,124</u>	<u>0</u>	<u>0</u>
239						
240 OVER (UNDER) Total Requirements		<u>(7,905)</u>		<u>(7,858)</u>	<u>(47)</u>	<u>0</u>

Philadelphia Gas Works
Class Cost of Service Study - 2006
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Classification

Account Description	Account Code	DISTRIBUTION Dollars	Allocation Factor	DISTRIBUTION		
				Demand	Commodity	Customer
9 I. GAS PLANT IN SERVICE						
10 A. INTANGIBLE PLANT	301-303	#	0	None	0	0
12 B. PRODUCTION PLANT						
13 Land and Land Rights	304		0	None	0	0
14 Structures and Improvements	305		0	None	0	0
15 Boiler Equipment	306		0	None	0	0
16 Other Power Equipment	307		0	None	0	0
17 L.P.G. Equipment	311		0	None	0	0
18 Purification Equipment	317		0	None	0	0
19 Resid. Refine Equipment	318		0	None	0	0
20 Gas Mixing Equipment	319		0	None	0	0
21 Subtotal - Plant Accounts 305-338	305-338		0		0	0
22 Other Equipment	320		0	None	0	0
23 SNG Plant	320		0	None	0	0
24 Subtotal - PRODUCTION PLANT	304-338		0		0	0
26 C. STORAGE PLANT (Mostly LNG Plant)						
27 Structures and Improvements	361		0	None	0	0
28 Gas Holders	362		0	None	0	0
29 Purification Equipment	363		0	None	0	0
30 Liquification Equipment	364		0	None	0	0
31 Vaporizing Equipment	365		0	None	0	0
32 Compressor Equipment	366		0	None	0	0
33 Measuring and Regulating Equipment	367		0	None	0	0
34 Other Equipment	368		0	None	0	0
35 Subtotal - Plant Accounts 361-368	361-368		0		0	0
36 Subtotal - STORAGE PLANT	360-368		0		0	0
38 D. TRANSMISSION PLANT	370-373		0	None	0	0

Philadelphia Gas Works
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1	2	3	4	5	6	7	8	9	10	11	12
	Account	Account	DISTRIBUTION	Classification	DISTRIBUTION						
	Description	Code	Dollars	Allocation	Demand	Commodity	Customer				
				Factor							
40	E. DISTRIBUTION PLANT										
41	Land and Land Rights	374	101	DEMAND	101	0	0				
42	Structures and Improvements	375	2,533	DEMAND	2,533	0	0				
43	Mains	376	540,564	MAINS	405,423	0	135,141				
44	Mains- Direct Assignment	376Direct	7,574	DEMAND	7,574	0	0				
45	Compressor Station Equipment	377	1,180	DEMAND	1,180	0	0				
46	Meas. & Reg. Stat. Equip. - General	378	16,545	DEMAND	16,545	0	0				
47	Services	380	491,117	CUST	0	0	491,117				
48	Meters	381	0	None	0	0	0				
49	Meters Install.	382	0	None	0	0	0				
50	House Regulators	383	0	None	0	0	0				
51	House Regulator Install.	384	0	None	0	0	0				
52	Subtotal - Plant Accounts 383-384	383-384	0		0	0	0				
53	Indust. Meas. & Reg. Station Equipment	385	1,663	DEMAND	1,663	0	0				
54	Other Equipment	387	4,452	DEMAND	4,452	0	0				
55	Subtotal - DISTRIBUTION PLANT	374-387	1,065,729		439,471	0	626,258				
56											
57	F. GENERAL PLANT										
58	Land and Land Rights	389	745	DISTLABOR	376	0	369				
59	Structures and Improvements	390	13,208	DISTLABOR	6,663	0	6,545				
60	Office Furniture and Equipment	391	16,233	DISTLABOR	8,189	0	8,043				
61	Transportation Equipment	392	5,433	DISTLABOR	2,741	0	2,692				
62	Stores Equipment	393	142	DISTLABOR	72	0	70				
63	Tools, Shop and Garage Equipment	394	1,769	DISTLABOR	892	0	876				
64	Power Operated Equipment	396	80	DISTLABOR	41	0	40				
65	Communication Equipment	397	3,913	DISTLABOR	1,974	0	1,939				
66	Miscellaneous Equipment	398	1,537	DISTLABOR	776	0	762				
67	Subtotal - GENERAL PLANT	389-399	43,059		21,723	0	21,336				
68											
69	TOTAL UTILITY PLANT		1,108,788		461,194	0	647,594				
70											
71	II. DEPRECIATION RESERVE										
72	Production Plant	108.2	0	None	0	0	0				
73	Local Storage Plant	108.3	0	None	0	0	0				
74	Mains	109	188,353	MAINS	141,265	0	47,088				
75	Mains- Direct Assignment	108.52Direct	4,713	DEMAND	4,713	0	0				
76	Services	109	198,089	CUST	0	0	198,089				
77	Meters	109	0	None	0	0	0				
78	Distr Other	109	15,664	DEMAND	15,664	0	0				
79	General Plant	109	18,910	DISTLABOR	9,540	0	9,370				
80	TOTAL - DEPRECIATION RESERVE	108	425,728		171,181	0	254,547				

Philadelphia Gas Works
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		Classification		DISTRIBUTION		
Account	Account	DISTRIBUTION	Allocation	DISTRIBUTION		
Description	Code	Dollars	Factor	Demand	Commodity	Customer
81						
82	III. OTHER RATE BASE ITEMS					
83	Unclassified	106	0	None	0	0
84	Construction Work in Progress	107	2,612	DISTPT	1,077	0
85	CWIP- Mains	235	22,063	MAINS	16,547	0
86	CWIP- Services	282	<u>22,536</u>	CUST	0	0
87	Total - OTHER RATE BASE ITEMS		47,211		17,624	0
88						
89	IV. TOTAL RATE BASE (Excl. Working Ca					
90	Working Capital (See Subreport)	131	730,271	See WC Report	307,637	0
91			16,251		987	362
92	V. TOTAL RATE BASE					
93			746,522		308,624	362
94	I. OPERATION & MAINTENANCE EXPEN					
95	A. PRODUCTION EXPENSES					
96	1. Manufactured Gas Production					
97	Operations Labor- Passyunk	701	0	None	0	0
98	Misc. Steam Expenses- Passyunk	703	0	None	0	0
99	Maintenance of Structures	706	0	None	0	0
100	Maint Boiler Plant Equipment- Passyunk	707	0	None	0	0
101	Maint Steam Oth Prod- Passyunk	708	0	None	0	0
102	Other Power Elec Generation	712	<u>0</u>	None	0	0
103	Subtotal - O&M Accounts 701-716	710-716	0		0	0
104	Steam & Elec Cr Oth Util	734	0	None	0	0
105	Plant Protection	735	0	None	0	0
106	Maint. of Structure & Improvements	741	0	None	0	0
107	Maint Production Equipment	743	<u>0</u>	None	0	0
108	Subtotal - O&M Accounts 717-742	717-742	0		0	0
109	Subtotal - Manufactured Gas Production	710-742	0		0	0
110						
111	2. Other Gas Supply Expenses					
112	Natural Gas Purchases	804	0	Gas Report	0	0
113	Natural Gas Oper Expenses	807	0	None	0	0
114	Natural Gas W/D from Storage- Gas Repoi	808	0	None	0	0
115	Gas Used for Other Util Operations	812	0	None	0	0
116	LNG Operating Expenses	813	<u>0</u>	None	0	0
117	Subtotal - PRODUCTION EXPENSES	710-813	0		0	0
118						

Philadelphia Gas Works
Class Cost of Service Study - 2006
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Account Description	Account Code	DISTRIBUTION Dollars	Classification Allocation Factor	DISTRIBUTION		
				Demand	Commodity	Customer
119 B. NATURAL GAS STORAGE, TERMINAL						
120 LNG Operating Exp Admin	840	0	None	0	0	0
121 Training	841	0	None	0	0	0
122 Subtotal - O&M Accounts 840-841	840-841	0		0	0	0
123 Fuel- LNG Power	842	0	None	0	0	0
124 Maintenance Exp- Admin	843	0	None	0	0	0
125 Oper Exp Admin	850	0	None	0	0	0
126 Subtotal - Maint. Accounts 843.1-850	843.1-850	0		0	0	0
127 Subtotal - NATURAL GAS STORAGE	840-850	0		0	0	0
128						
129 C. TRANSMISSION EXPENSES	856-863	0	None	0	0	0
130						
131 D. DISTRIBUTION EXPENSES						
132 Operation Supv & Engineering	870	513	DISTLABOR	259	0	254
133 Gas Control	871	1,114	COMMODITY	0	1,114	0
134 Mains and Services Expenses	874	2,950	MAIN&SERVICE	1,159	0	1,791
135 Natural Gas Oper Exp	875	1,099	DEMAND	1,099	0	0
136 Meas & Reg Exp- City Gate Stations	877	266	DEMAND	266	0	0
137 Meter & House Regulator Expenses	878	0	None	0	0	0
138 Customer Install- Gas Business Costs	879	0	None	0	0	0
139 PLP Costs	879PLP	0	None	0	0	0
140 Other expenses	880	7,375	CUST	0	0	7,375
141 Distribution Rents	881	8	DISTLABOR	4	0	4
142 Maint. Supervision & Engineering	885	610	DISTLABOR	307	0	302
143 Maint. of Mains	887	6,287	MAINS	4,715	0	1,572
144 Maint. of Meas. & Reg. Station Expenses-	889	1,343	DEMAND	1,343	0	0
145 Natural Gas Equipment	891	452	DEMAND	452	0	0
146 Maint. of Services	892	1,430	CUST	0	0	1,430
147 Maint. of Meters & House Regulators	893	0	None	0	0	0
148 Subtotal - DISTRIBUTION EXPENSES	870-893	23,447		9,605	1,114	12,727
149 Total - OPERATION & MAINTENANCE EXP		23,447		9,605	1,114	12,727
150						
151 II. CUSTOMER ACCOUNTS EXPENSES						
152 Customer Service - Administrative	901	0	None	0	0	0
153 Meter Reading - Administrative	901	0	None	0	0	0
154 Collection - Administrative	901	0	None	0	0	0
155 Meter Reading Expenses	902	0	None	0	0	0
156 Customer Records & Collection Expense	903	0	None	0	0	0
157 Uncollectible Accounts	904	40,808	CUST	0	0	40,808
158 Uncollectible Accounts in CRP	904CRP	0	None	0	0	0
159 Total - CUSTOMER ACCOUNTS EXPENSES		40,808		0	0	40,808

Philadelphia Gas Works
Class Cost of Service Study - 2006
Future Test Year Ended August 31, 2007 (\$000s)
Classification

Account Description	Account Code	DISTRIBUTION Dollars	Allocation Factor	DISTRIBUTION Demand	Commodity	Customer
161 III. CUSTOMER SERVICE & INFORMATIK						
162 Customer Assistance- Marketing	908	0	None	0	0	0
163 CAP Costs	908CAP	0	None	0	0	0
164 CRP Shortfall	480CRP	0	None	0	0	0
165 Senior Discounts	480Sen	0	None	0	0	0
166 Total - CUSTOMER SERVICE & INFORM		0		0	0	0
167						
168 Total - CUSTOMER ACCOUNTS, SERVIC		40,808		0	0	40,808
169						
170 IV. ADMINISTRATIVE & GENERAL EXPE						
171						
172 A. Labor-Related:						
173 Administrative & General Salaries	920	2,459	DISTLABOR	1,241	0	1,219
174 Office Supplies & Expenses	921	2,126	DISTLABOR	1,072	0	1,053
175 Administrative Expenses Transferred	922	(3,854)	DISTLABOR	(1,944)	0	(1,910)
176 Outside Services Employed	923	452	DISTLABOR	228	0	224
177 Injuries & Damages	925	1,289	DISTLABOR	650	0	639
178 Employee Pensions and Benefits	926	11,225	DISTLABOR	5,663	0	5,562
179 Subtotal - O&M Accounts 920-923, 926		13,696		6,910	0	6,787
180						
181 B. Plant-Related:						
182 Risk Management - Corporate Insurance F	924	1,002	DISTPT	413	0	589
183 Subtotal - O&M Accounts 924-925, 935		1,002		413	0	589
184						
185 C. Other-Related:						
186 Regulatory Commission Expenses	928	3,763	CUST	0	0	3,763
187 Duplicate Charges- Gas Used by Util	929	0	None	0	0	0
188 Misc. Gen'l Expenses	930	314	DISTLABOR	159	0	156
189 Subtotal - Duplicate Charges	929	314		159	0	156
190 Rents	931	49	DISTLABOR	25	0	24
191						
192 Total - ADMINISTRATIVE & GENERAL EX		18,824		7,506	0	11,318
193						
194 TOTAL - OPERATING EXPENSES (Excl I		83,078		17,111	1,114	64,853
195						
196 VI. DEPRECIATION EXPENSE						
197 Original Cost Depreciation expense	403	28,091	DISTPT	11,584	0	16,507
198 Depreciation expense- Direct Assignment	403Direct	589	DEMAND	589	0	0
199 Total - DEPRECIATION EXPENSE	403	28,680		12,173	0	16,507
200						

Philadelphia Gas Works
Class Cost of Service Study - 2006
Future Test Year Ended August 31, 2007 (\$000s)

Classification	Account Description	Account Code	DISTRIBUTION Dollars	Allocation Factor	DISTRIBUTION		
					Demand	Commodity	Customer
201	VII. TAXES OTHER THAN INCOME TAXE						
202	Payroll Taxes	408	1,301	DISTLABOR	656	0	645
203							
204	TOTAL EXPENSES		113,059		29,940	1,114	82,005
205							
206	V. REVENUES						
207	Distribution Revenue	480-483	113,076	DISTO&MXGAS	23,289	1,516	88,270
208	GCR Revenue	480-483GCR	0	None	0	0	0
209	Interruptible Gas Revenues	480-483Int	0	None	0	0	0
210	USEC Revenue	480-483USC	0	None	0	0	0
211	REC Revenue	480-483REC	3,396	DISTBASE	1,431	0	1,966
212	Finance Chges- Unpaid Gas Accts	487	17,746	DIST_REV	3,766	231	13,749
213	Misc Service Discounts	488	286	DIST_REV	61	4	222
214	Transport Gas for Others	489	7,256	DEMAND	7,256	0	0
215	Gas Revenues- Adjustment	495	0	None	0	0	0
216	Revenue Adjustments	495Adj	(765)	DISTBASE	(322)	0	(443)
217	Subtotal Gas Revenues, net		140,995		35,481	1,751	103,763
218							
219	Bill Paid Turn Ons & Dig Ups		0	None	0	0	0
220	Rev/Exp- Appliance, Service, Other	879Rev	0	None	0	0	0
221	Subtotal Other Oper Revenues, net		0		0	0	0
222							
223	Total Operating Revenues		140,995		35,481	1,751	103,763
224							
225	Interest and Non-Operating Income	418	6,965	DISTBASE	2,934	0	4,031
226	Penalties- Regulatory	426	(50)	CUST	0	0	(50)
227	Total Non-Oper Income		6,915		2,934	0	3,981
228							
229	Total Revenue		147,910		38,415	1,751	107,744
230							
231	Income before Interest and Surplus		34,851		8,475	637	25,739
232							
233	Interest on long-term debt	427	52,298	DISTBASE	22,031	0	30,267
234	AFUDC	432	(103)	DIST-CWIP	(38)	0	(64)
235	Surplus Requirement		7,668	CUST	0	0	7,668
236	Total Interest and Surplus		59,864		21,993	0	37,871
237	Rate Increase Requirement	436	100,000	CUST	0	0	100,000
238	Total Interest, Surplus and Rate Increase		159,864		21,993	0	137,871
239							
240	OVER (UNDER) Total Requirements		(125,013)		(13,518)	637	(112,132)

Exhibit HSG-4A

Class Allocation – Supply Demand

Philadelphia Gas Works
Class Cost of Service Study - 2006

Future Test Year Ended August 31, 2007 (\$000s)

Account Description	Account Code	SUPPLY DEMAND Dollars	Allocation Factor	SUPPLY DEMAND Class Allocation						
				Residential Non-Heat RC-1	Residential Heat RC-2	Commercial Non-Heat RC-3	Commercial Heat RC-4	Industrial Non-Heat RC-5	Industrial Heat RC-6	
9 I. GAS PLANT IN SERVICE										
10 A. INTANGIBLE PLANT	301-303	0	None	0	0	0	0	0	0	0
11 B. PRODUCTION PLANT										
13 Land and Land Rights	304	1,453	DesignDay	28	1,091	24	221	6	20	
14 Structures and Improvements	305	17,346	DesignDay	337	13,020	281	2,641	76	236	
15 Boiler Equipment	306	2,497	DesignDay	49	1,874	40	380	11	34	
16 Other Power Equipment	307	229	DesignDay	4	172	4	35	1	3	
17 L.P.G. Equipment	311	5,081	DesignDay	99	3,814	82	774	22	69	
18 Purification Equipment	317	(37)	DesignDay	(1)	(28)	(1)	(6)	(0)	(1)	
19 Resid. Refine Equipment	318	8	DesignDay	0	6	0	1	0	0	
20 Gas Mixing Equipment	319	157	DesignDay	3	118	3	24	1	2	
21 Subtotal - Plant Accounts 305-338	305-338	25,281		492	18,975	410	3,850	110	343	
22 Other Equipment	320	20,102	DesignDay	391	15,088	326	3,061	88	273	
23 SNG Plant	320	0	None	0	0	0	0	0	0	
24 Subtotal - PRODUCTION PLANT	304-338	46,836		911	35,154	759	7,132	204	636	
25 C. STORAGE PLANT (Mostly LNG Plant)										
27 Structures and Improvements	361	0	None	0	0	0	0	0	0	
28 Gas Holders	362	0	None	0	0	0	0	0	0	
29 Purification Equipment	363	0	None	0	0	0	0	0	0	
30 Liquification Equipment	364	0	None	0	0	0	0	0	0	
31 Vaporizing Equipment	365	0	None	0	0	0	0	0	0	
32 Compressor Equipment	366	0	None	0	0	0	0	0	0	
33 Measuring and Regulating Equipment	367	0	None	0	0	0	0	0	0	
34 Other Equipment	368	0	None	0	0	0	0	0	0	
35 Subtotal - Plant Accounts 361-368	361-368	0		0	0	0	0	0	0	
36 Subtotal - STORAGE PLANT	360-368	0		0	0	0	0	0	0	
37 D. TRANSMISSION PLANT										
38 D. TRANSMISSION PLANT	370-373	0	None	0	0	0	0	0	0	

Future Test Year Ended August 31, 2007 (\$000s)

Account	Description	Account Code	SUPPLY DEMAND Dollars	Allocation Factor	SUPPLY DEMAND Class Allocation					
					Residential Non-Heat RC-1	Residential Heat RC-2	Commercial Non-Heat RC-3	Commercial Heat RC-4	Industrial Non-Heat RC-5	Industrial Heat RC-6
40	E. DISTRIBUTION PLANT									
41	Land and Land Rights	374	0	None	0	0	0	0	0	0
42	Structures and Improvements	375	0	None	0	0	0	0	0	0
43	Mains	376	0	None	0	0	0	0	0	0
44	Mains- Direct Assignment	376Direct	0	None	0	0	0	0	0	0
45	Compressor Station Equipment	377	0	None	0	0	0	0	0	0
46	Meas. & Reg. Stat. Equip. - General	378	0	None	0	0	0	0	0	0
47	Services	380	0	None	0	0	0	0	0	0
48	Meters	381	0	None	0	0	0	0	0	0
49	Meters Install.	382	0	None	0	0	0	0	0	0
50	House Regulators	383	0	None	0	0	0	0	0	0
51	House Regulator Install.	384	0	None	0	0	0	0	0	0
52	Subtotal - Plant Accounts 383-384	383-384	0		0	0	0	0	0	0
53	Indust. Meas. & Reg. Station Equipment	385	0	None	0	0	0	0	0	0
54	Other Equipment	387	0	None	0	0	0	0	0	0
55	Subtotal - DISTRIBUTION PLANT	374-387	0		0	0	0	0	0	0
56										
57	F. GENERAL PLANT									
58	Land and Land Rights	389	47	SUPPLABOR-D	1	35	1	7	0	1
59	Structures and Improvements	390	838	SUPPLABOR-D	16	629	14	128	4	11
60	Office Furniture and Equipment	391	1,030	SUPPLABOR-D	20	773	17	157	4	14
61	Transportation Equipment	392	345	SUPPLABOR-D	7	259	6	52	2	5
62	Stores Equipment	393	9	SUPPLABOR-D	0	7	0	1	0	0
63	Tools, Shop and Garage Equipment	394	112	SUPPLABOR-D	2	84	2	17	0	2
64	Power Operated Equipment	396	5	SUPPLABOR-D	0	4	0	1	0	0
65	Communication Equipment	397	248	SUPPLABOR-D	5	186	4	38	1	3
66	Miscellaneous Equipment	398	98	SUPPLABOR-D	2	73	2	15	0	1
67	Subtotal - GENERAL PLANT	389-399	2,731		53	2,050	44	416	12	37
68										
69	TOTAL UTILITY PLANT		49,568		964	37,204	804	7,548	216	673
70										
71	II. DEPRECIATION RESERVE									
72	Production Plant	108.2	32,971	SUPPPT-D	641	24,747	535	5,021	144	448
73	Local Storage Plant	108.3	0	None	0	0	0	0	0	0
74	Mains	109	0	None	0	0	0	0	0	0
75	Mains- Direct Assignment	08.52Direc	0	None	0	0	0	0	0	0
76	Services	109	0	None	0	0	0	0	0	0
77	Meters	109	0	None	0	0	0	0	0	0
78	Distr Other	109	0	None	0	0	0	0	0	0
79	General Plant	109	1,199	SUPPLABOR-D	23	900	19	183	5	16
80	TOTAL - DEPRECIATION RESERVE	108	34,170		665	25,648	554	5,203	149	464

Future Test Year Ended August 31, 2007 (\$000s)

		SUPPLY		Allocation	SUPPLY DEMAND Class Allocation						
Account	Account	Account	Allocation	Municipal	Municipal	ousing Autf	NGV	BPS	BPS	BPS	
Description	Code	Code	Factor	Non-Heat	Heat	GS	Direct	Small	Large	A/C	
				RC-7	RC-8	RC-9	RC-10	RC-11	RC-12	RC-13	
40	E. DISTRIBUTION PLANT										
41	Land and Land Rights	374	0	None	0	0	0	0	0	0	
42	Structures and Improvements	375	0	None	0	0	0	0	0	0	
43	Mains	376	0	None	0	0	0	0	0	0	
44	Mains- Direct Assignment	376Direct	0	None	0	0	0	0	0	0	
45	Compressor Station Equipment	377	0	None	0	0	0	0	0	0	
46	Meas. & Reg. Stat. Equip. - General	378	0	None	0	0	0	0	0	0	
47	Services	380	0	None	0	0	0	0	0	0	
48	Meters	381	0	None	0	0	0	0	0	0	
49	Meters Install.	382	0	None	0	0	0	0	0	0	
50	House Regulators	383	0	None	0	0	0	0	0	0	
51	House Regulator Install.	384	0	None	0	0	0	0	0	0	
52	Subtotal - Plant Accounts 383-384	383-384	0		0	0	0	0	0	0	
53	Indust. Meas. & Reg. Station Equipment	385	0	None	0	0	0	0	0	0	
54	Other Equipment	387	0	None	0	0	0	0	0	0	
55	Subtotal - DISTRIBUTION PLANT	374-387	0		0	0	0	0	0	0	
56											
57	F. GENERAL PLANT										
58	Land and Land Rights	389	47	SUPPLABOR-D	0	1	1	0	0	0	
59	Structures and Improvements	390	838	SUPPLABOR-D	4	19	14	0	0	0	
60	Office Furniture and Equipment	391	1,030	SUPPLABOR-D	5	24	17	0	0	0	
61	Transportation Equipment	392	345	SUPPLABOR-D	2	8	6	0	0	0	
62	Stores Equipment	393	9	SUPPLABOR-D	0	0	0	0	0	0	
63	Tools, Shop and Garage Equipment	394	112	SUPPLABOR-D	0	3	2	0	0	0	
64	Power Operated Equipment	396	5	SUPPLABOR-D	0	0	0	0	0	0	
65	Communication Equipment	397	248	SUPPLABOR-D	1	6	4	0	0	0	
66	Miscellaneous Equipment	398	98	SUPPLABOR-D	0	2	2	0	0	0	
67	Subtotal - GENERAL PLANT	389-399	2,731		12	62	44	0	0	0	
68											
69	TOTAL UTILITY PLANT		49,568		220	1,133	805	0	0	0	
70											
71	II. DEPRECIATION RESERVE										
72	Production Plant	108.2	32,971	SUPPPT-D	147	754	535	0	0	0	
73	Local Storage Plant	108.3	0	None	0	0	0	0	0	0	
74	Mains	109	0	None	0	0	0	0	0	0	
75	Mains- Direct Assignment	08.52Direc	0	None	0	0	0	0	0	0	
76	Services	109	0	None	0	0	0	0	0	0	
77	Meters	109	0	None	0	0	0	0	0	0	
78	Distr Other	109	0	None	0	0	0	0	0	0	
79	General Plant	109	1,199	SUPPLABOR-D	5	27	19	0	0	0	
80	TOTAL - DEPRECIATION RESERVE	108	34,170		152	781	555	0	0	0	

Philadelphia Gas Works
Class Cost of Service Study - 2006

Future Test Year Ended August 31, 2007 (\$000s)

Account Description	Account Code	SUPPLY DEMAND Dollars	Allocation Allocation Factor	SUPPLY DEMAND Class Allocation						
				LBS Small	LBS Large-Indirect	LBS Large-Direct	LBS Large-Direct	LBX XL-Indirect	Co-Gen InDirect	GTS / IT Trans only
				RC-14	RC-15	RC-16	RC-17	RC-18	RC-19	RC-20
E. DISTRIBUTION PLANT										
Land and Land Rights	374	0	None	0	0	0	0	0	0	0
Structures and Improvements	375	0	None	0	0	0	0	0	0	0
Mains	376	0	None	0	0	0	0	0	0	0
Mains- Direct Assignment	376Direct	0	None	0	0	0	0	0	0	0
Compressor Station Equipment	377	0	None	0	0	0	0	0	0	0
Meas. & Reg. Stat. Equip. - General	378	0	None	0	0	0	0	0	0	0
Services	380	0	None	0	0	0	0	0	0	0
Meters	381	0	None	0	0	0	0	0	0	0
Meters Install.	382	0	None	0	0	0	0	0	0	0
House Regulators	383	0	None	0	0	0	0	0	0	0
House Regulator Install.	384	0	None	0	0	0	0	0	0	0
Subtotal - Plant Accounts 383-384	383-384	0		0	0	0	0	0	0	0
Indust. Meas. & Reg. Station Equipment	385	0	None	0	0	0	0	0	0	0
Other Equipment	387	0	None	0	0	0	0	0	0	0
Subtotal - DISTRIBUTION PLANT	374-387	0		0	0	0	0	0	0	0
F. GENERAL PLANT										
Land and Land Rights	389	47	SUPPLABOR-D	0	0	0	0	0	0	0
Structures and Improvements	390	838	SUPPLABOR-D	0	0	0	0	0	0	0
Office Furniture and Equipment	391	1,030	SUPPLABOR-D	0	0	0	0	0	0	0
Transportation Equipment	392	345	SUPPLABOR-D	0	0	0	0	0	0	0
Stores Equipment	393	9	SUPPLABOR-D	0	0	0	0	0	0	0
Tools, Shop and Garage Equipment	394	112	SUPPLABOR-D	0	0	0	0	0	0	0
Power Operated Equipment	396	5	SUPPLABOR-D	0	0	0	0	0	0	0
Communication Equipment	397	248	SUPPLABOR-D	0	0	0	0	0	0	0
Miscellaneous Equipment	398	98	SUPPLABOR-D	0	0	0	0	0	0	0
Subtotal - GENERAL PLANT	389-399	2,731		0	0	0	0	0	0	0
TOTAL UTILITY PLANT		49,568		0	0	0	0	0	0	0
II. DEPRECIATION RESERVE										
Production Plant	108.2	32,971	SUPPPT-D	0	0	0	0	0	0	0
Local Storage Plant	108.3	0	None	0	0	0	0	0	0	0
Mains	109	0	None	0	0	0	0	0	0	0
Mains- Direct Assignment	108.52Direc	0	None	0	0	0	0	0	0	0
Services	109	0	None	0	0	0	0	0	0	0
Meters	109	0	None	0	0	0	0	0	0	0
Distr Other	109	0	None	0	0	0	0	0	0	0
General Plant	109	1,199	SUPPLABOR-D	0	0	0	0	0	0	0
TOTAL - DEPRECIATION RESERVE	108	34,170		0	0	0	0	0	0	0

Future Test Year Ended August 31, 2007 (\$000s)

SUPPLY DEMAND Class Allocation

	Account Description	Account Code	SUPPLY DEMAND Dollars	Allocation Factor	Residential	Residential	Commercial	Commercial	Industrial	Industrial
					Non-Heat RC-1	Heat RC-2	Non-Heat RC-3	Heat RC-4	Non-Heat RC-5	Heat RC-6
119	B. NATURAL GAS STORAGE, TERMINAL									
120	LNG Operating Exp Admin	840	0	None	0	0	0	0	0	0
121	Training	841	0	None	0	0	0	0	0	0
122	Subtotal - O&M Accounts 840-841	840-841	0		0	0	0	0	0	0
123	Fuel- LNG Power	842	0	None	0	0	0	0	0	0
124	Maintenance Exp- Admin	843	0	None	0	0	0	0	0	0
125	Oper Exp Admin	850	0	None	0	0	0	0	0	0
126	Subtotal - Maint. Accounts 843.1-850	843.1-850	0		0	0	0	0	0	0
127	Subtotal - NATURAL GAS STORAGE	840-850	0		0	0	0	0	0	0
128										
129	C. TRANSMISSION EXPENSES	856-863	0	None	0	0	0	0	0	0
130										
131	D. DISTRIBUTION EXPENSES									
132	Operation Supv & Engineering	870	0	None	0	0	0	0	0	0
133	Gas Control	871	0	None	0	0	0	0	0	0
134	Mains and Services Expenses	874	0	None	0	0	0	0	0	0
135	Natural Gas Oper Exp	875	0	None	0	0	0	0	0	0
136	Meas & Reg Exp- City Gate Stations	877	0	None	0	0	0	0	0	0
137	Meter & House Regulator Expenses	878	0	None	0	0	0	0	0	0
138	Customer Install- Gas Business Costs	879	0	None	0	0	0	0	0	0
139	PLP Costs	879PLP	0	None	0	0	0	0	0	0
140	Other expenses	880	0	None	0	0	0	0	0	0
141	Distribution Rents	881	0	None	0	0	0	0	0	0
142	Maint. Supervision & Engineering	885	0	None	0	0	0	0	0	0
143	Maint. of Mains	887	0	None	0	0	0	0	0	0
144	Maint. of Meas. & Reg. Station Expenses-C	889	0	None	0	0	0	0	0	0
145	Natural Gas Equipment	891	0	None	0	0	0	0	0	0
146	Maint. of Services	892	0	None	0	0	0	0	0	0
147	Maint. of Meters & House Regulators	893	0	None	0	0	0	0	0	0
148	Subtotal - DISTRIBUTION EXPENSES	870-893	0		0	0	0	0	0	0
149	Total - OPERATION & MAINTENANCE EX		4,634		90	3,478	75	706	20	63
150										
151	II. CUSTOMER ACCOUNTS EXPENSES									
152	Customer Service - Administrative	901	0	None	0	0	0	0	0	0
153	Meter Reading - Administrative	901	0	None	0	0	0	0	0	0
154	Collection - Administrative	901	0	None	0	0	0	0	0	0
155	Meter Reading Expenses	902	0	None	0	0	0	0	0	0
156	Customer Records & Collection Expense	903	0	None	0	0	0	0	0	0
157	Uncollectible Accounts	904	0	None	0	0	0	0	0	0
158	Uncollectible Accounts in CRP	904CRP	0	None	0	0	0	0	0	0
159	Total - CUSTOMER ACCOUNTS EXPENS		0		0	0	0	0	0	0

Future Test Year Ended August 31, 2007 (\$000s)

	Account	Account	SUPPLY	Allocation	SUPPLY DEMAND Class Allocation							
					Account	Allocation	Municipal	Municipal	ousing Auth	NGV	BPS	BPS
	Description	Code	Dollars	Factor	Non-Heat	Heat	GS	Direct	Small	Large	A/C	
					RC-7	RC-8	RC-9	RC-10	RC-11	RC-12	RC-13	
119	B. NATURAL GAS STORAGE, TERMINAL											
120	LNG Operating Exp Admin	840	0	None	0	0	0	0	0	0	0	
121	Training	841	0	None	0	0	0	0	0	0	0	
122	Subtotal - O&M Accounts 840-841	840-841	0		0	0	0	0	0	0	0	
123	Fuel- LNG Power	842	0	None	0	0	0	0	0	0	0	
124	Maintenance Exp- Admin	843	0	None	0	0	0	0	0	0	0	
125	Oper Exp Admin	850	0	None	0	0	0	0	0	0	0	
126	Subtotal - Maint. Accounts 843.1-850	843.1-850	0		0	0	0	0	0	0	0	
127	Subtotal - NATURAL GAS STORAGE	840-850	0		0	0	0	0	0	0	0	
128												
129	C. TRANSMISSION EXPENSES	856-863	0	None	0	0	0	0	0	0	0	
130												
131	D. DISTRIBUTION EXPENSES											
132	Operation Supv & Engineering	870	0	None	0	0	0	0	0	0	0	
133	Gas Control	871	0	None	0	0	0	0	0	0	0	
134	Mains and Services Expenses	874	0	None	0	0	0	0	0	0	0	
135	Natural Gas Oper Exp	875	0	None	0	0	0	0	0	0	0	
136	Meas & Reg Exp- City Gate Stations	877	0	None	0	0	0	0	0	0	0	
137	Meter & House Regulator Expenses	878	0	None	0	0	0	0	0	0	0	
138	Customer Install- Gas Business Costs	879	0	None	0	0	0	0	0	0	0	
139	PLP Costs	879PLP	0	None	0	0	0	0	0	0	0	
140	Other expenses	880	0	None	0	0	0	0	0	0	0	
141	Distribution Rents	881	0	None	0	0	0	0	0	0	0	
142	Maint. Supervision & Engineering	885	0	None	0	0	0	0	0	0	0	
143	Maint. of Mains	887	0	None	0	0	0	0	0	0	0	
144	Maint. of Meas. & Reg. Station Expenses-C	889	0	None	0	0	0	0	0	0	0	
145	Natural Gas Equipment	891	0	None	0	0	0	0	0	0	0	
146	Maint. of Services	892	0	None	0	0	0	0	0	0	0	
147	Maint. of Meters & House Regulators	893	0	None	0	0	0	0	0	0	0	
148	Subtotal - DISTRIBUTION EXPENSES	870-893	0		0	0	0	0	0	0	0	
149	Total - OPERATION & MAINTENANCE EX		4,634		21	106	75	0	0	0	0	
150												
151	II. CUSTOMER ACCOUNTS EXPENSES											
152	Customer Service - Administrative	901	0	None	0	0	0	0	0	0	0	
153	Meter Reading - Administrative	901	0	None	0	0	0	0	0	0	0	
154	Collection - Administrative	901	0	None	0	0	0	0	0	0	0	
155	Meter Reading Expenses	902	0	None	0	0	0	0	0	0	0	
156	Customer Records & Collection Expense	903	0	None	0	0	0	0	0	0	0	
157	Uncollectible Accounts	904	0	None	0	0	0	0	0	0	0	
158	Uncollectible Accounts in CRP	904CRP	0	None	0	0	0	0	0	0	0	
159	Total - CUSTOMER ACCOUNTS EXPENS		0		0	0	0	0	0	0	0	

Future Test Year Ended August 31, 2007 (\$000s)

		SUPPLY		SUPPLY DEMAND Class Allocation						
		Account	Allocation	Residential	Residential	Commercial	Commercial	Industrial	Industrial	
		Code	Factor	Non-Heat	Heat	Non-Heat	Heat	Non-Heat	Heat	
		Description	Dollars	RC-1	RC-2	RC-3	RC-4	RC-5	RC-6	
160	III. CUSTOMER SERVICE & INFORMATI									
161	Customer Assistance- Marketing	908	0	None	0	0	0	0	0	
162	CAP Costs	908CAP	0	None	0	0	0	0	0	
163	CRP Shortfall	480CRP	0	None	0	0	0	0	0	
164	Senior Discounts	480Sen	0	None	0	0	0	0	0	
165	Total - CUSTOMER SERVICE & INFORM/		0		0	0	0	0	0	
166	Total - CUSTOMER ACCOUNTS, SERVIC		0		0	0	0	0	0	
167	IV. ADMINISTRATIVE & GENERAL EXPEI									
170	A. Labor-Related:									
171	Administrative & General Salaries	920	156	SUPPLABOR-D	3	117	3	24	1	2
172	Office Supplies & Expenses	921	135	SUPPLABOR-D	3	101	2	21	1	2
173	Administrative Expenses Transferred	922	(244)	SUPPLABOR-D	(5)	(183)	(4)	(37)	(1)	(3)
174	Outside Services Employed	923	29	SUPPLABOR-D	1	22	0	4	0	0
175	Injuries & Damages	925	82	SUPPLABOR-D	2	61	1	12	0	1
176	Employee Pensions and Benefits	926	712	SUPPLABOR-D	14	534	12	108	3	10
177	Subtotal - O&M Accounts 920-923, 926		869		17	652	14	132	4	12
178	B. Plant-Related:									
179	Risk Management - Corporate Insurance P	924	44	SUPPPT-D	1	33	1	7	0	1
180	Subtotal - O&M Accounts 924-925, 935		44		1	33	1	7	0	1
181	C. Other-Related:									
182	Regulatory Commission Expenses	928	0	None	0	0	0	0	0	0
183	Duplicate Charges- Gas Used by Util	929	0	None	0	0	0	0	0	0
184	Misc. Gen'l Expenses	930	20	SUPPLABOR-D	0	15	0	3	0	0
185	Subtotal - Duplicate Charges	929	20		0	15	0	3	0	0
186	Rents	931	3	SUPPLABOR-D	0	2	0	0	0	0
187	Total - ADMINISTRATIVE & GENERAL EX		936		18	702	15	143	4	13
188	TOTAL - OPERATING EXPENSES (Excl C		936		18	702	15	143	4	13
189	VI. DEPRECIATION EXPENSE									
190	Original Cost Depreciation expense	403	1,235	SUPPPT-D	24	927	20	188	5	17
191	Depreciation expense- Direct Assignment	403Direct	0	None	0	0	0	0	0	0
192	Total - DEPRECIATION EXPENSE	403	1,235		24	927	20	188	5	17
193										
194										
195										
196										
197										
198										
199										
200										

Future Test Year Ended August 31, 2007 (\$000s)

Account Description	Account Code	SUPPLY DEMAND Dollars	Allocation Allocation Factor	SUPPLY DEMAND Class Allocation						
				Residential Non-Heat RC-1	Residential Heat RC-2	Commercial Non-Heat RC-3	Commercial Heat RC-4	Industrial Non-Heat RC-5	Industrial Heat RC-6	
201 VII. TAXES OTHER THAN INCOME TAXE										
202 Payroll Taxes	408	83	SUPPLABOR-D	2	62	1	13	0	1	
203										
204 TOTAL EXPENSES		6,887		134	5,169	112	1,049	30	94	
205										
206 V. REVENUES										
207 Distribution Revenue	480-483	0	None	0	0	0	0	0	0	
208 GCR Revenue	80-483GC	0	None	0	0	0	0	0	0	
209 Interruptible Gas Revenues	480-483Int	0	None	0	0	0	0	0	0	
210 USEC Revenue	80-483USI	0	None	0	0	0	0	0	0	
211 REC Revenue	80-483REI	0	None	0	0	0	0	0	0	
212 Finance Chges- Unpaid Gas Accts	487	0	None	0	0	0	0	0	0	
213 Misc Service Discounts	488	0	None	0	0	0	0	0	0	
214 Transport Gas for Others	489	0	None	0	0	0	0	0	0	
215 Gas Revenues- Adjustment	495	0	None	0	0	0	0	0	0	
216 Revenue Adjustments	495Adj	0	None	0	0	0	0	0	0	
217 Subtotal Gas Revenues, net		0		0	0	0	0	0	0	
218										
219 Bill Paid Turn Ons & Dig Ups		0	None	0	0	0	0	0	0	
220 Rev/Exp- Appliance, Service, Other	879Rev	0	None	0	0	0	0	0	0	
221 Subtotal Other Oper Revenues, net		0		0	0	0	0	0	0	
222										
223 Total Operating Revenues		0		0	0	0	0	0	0	
224										
225 Interest and Non-Operating Income	418	153	RATEBASE	9	112	4	18	1	1	
226 Penalties- Regulatory	426	0	None	0	0	0	0	0	0	
227 Total Non-Oper Income		153		9	112	4	18	1	1	
228										
229 Total Revenue		153		9	112	4	18	1	1	
230										
231 Income before Interest and Surplus		(6,734)		(125)	(5,057)	(108)	(1,031)	(29)	(92)	
232										
233 Interest on long-term debt	427	1,150	RATEBASE	65	842	26	134	4	10	
234 AFUDC	432	(26)	RATEBASE	(1)	(19)	(1)	(3)	(0)	(0)	
235 Surplus Requirement		0	None	0	0	0	0	0	0	
236 Total Interest and Surplus		1,124		64	823	26	131	4	10	
237 Rate Increase Requirement	436	0	None	0	0	0	0	0	0	
238 Total Interest, Surplus and Rate Increas		1,124		64	823	26	131	4	10	
239										
240 OVER (UNDER) Total Requirements		(7,858)		(189)	(5,880)	(134)	(1,162)	(33)	(102)	

Future Test Year Ended August 31, 2007 (\$000s)

SUPPLY DEMAND Class Allocation

	Account Description	Account Code	SUPPLY DEMAND Dollars	Allocation Factor	SUPPLY DEMAND Class Allocation						
					Municipal Non-Heat RC-7	Municipal Heat RC-8	housing Auth GS RC-9	NGV Direct RC-10	BPS Small RC-11	BPS Large RC-12	BPS A/C RC-13
201	VII. TAXES OTHER THAN INCOME TAXE										
202	Payroll Taxes	408	83	SUPPLABOR-D	0	2	1	0	0	0	0
203											
204	TOTAL EXPENSES		6,887		31	157	112	0	0	0	0
205											
206	V. REVENUES										
207	Distribution Revenue	480-483	0	None	0	0	0	0	0	0	0
208	GCR Revenue	80-483GC	0	None	0	0	0	0	0	0	0
209	Interruptible Gas Revenues	480-483Int	0	None	0	0	0	0	0	0	0
210	USEC Revenue	80-483US'	0	None	0	0	0	0	0	0	0
211	REC Revenue	80-483RE'	0	None	0	0	0	0	0	0	0
212	Finance Chges- Unpaid Gas Accts	487	0	None	0	0	0	0	0	0	0
213	Misc Service Discounts	488	0	None	0	0	0	0	0	0	0
214	Transport Gas for Others	489	0	None	0	0	0	0	0	0	0
215	Gas Revenues- Adjustment	495	0	None	0	0	0	0	0	0	0
216	Revenue Adjustments	495Adj	0	None	0	0	0	0	0	0	0
217	Subtotal Gas Revenues, net		0		0	0	0	0	0	0	0
218											
219	Bill Paid Turn Ons & Dig Ups		0	None	0	0	0	0	0	0	0
220	Rev/Exp- Appliance, Service, Other	879Rev	0	None	0	0	0	0	0	0	0
221	Subtotal Other Oper Revenues, net		0		0	0	0	0	0	0	0
222											
223	Total Operating Revenues		0		0	0	0	0	0	0	0
224											
225	Interest and Non-Operating Income	418	153	RATEBASE	0	2	2	0	0	2	0
226	Penalties- Regulatory	426	0	None	0	0	0	0	0	0	0
227	Total Non-Oper Income		153		0	2	2	0	0	2	0
228											
229	Total Revenue		153		0	2	2	0	0	2	0
230											
231	Income before Interest and Surplus		(6,734)		(30)	(156)	(110)	0	0	2	0
232											
233	Interest on long-term debt	427	1,150	RATEBASE	3	14	13	0	2	17	1
234	AFUDC	432	(26)	RATEBASE	(0)	(0)	(0)	(0)	(0)	(0)	(0)
235	Surplus Requirement		0	None	0	0	0	0	0	0	0
236	Total Interest and Surplus		1,124		3	14	13	0	2	16	1
237	Rate Increase Requirement	436	0	None	0	0	0	0	0	0	0
238	Total Interest, Surplus and Rate Increas		1,124		3	14	13	0	2	16	1
239											
240	OVER (UNDER) Total Requirements		(7,858)		(33)	(169)	(123)	(0)	(2)	(14)	(1)

Exhibit HSG-4B

Class Allocation – Supply Commodity

Future Test Year Ended August 31, 2007 (\$000s)

					SUPPLY COMMODITY Class Allocation					
Account	Account	SUPPLY	Allocation	Residential	Residential	Commercial	Commercial	Industrial	Industrial	
Description	Code	COMMODITY	Allocation	Non-Heat	Heat	Non-Heat	Heat	Non-Heat	Heat	
		Dollars	Factor	RC-1	RC-2	RC-3	RC-4	RC-5	RC-6	
9 I. GAS PLANT IN SERVICE										
10 A. INTANGIBLE PLANT	301-303	0	None	0	0	0	0	0	0	
11 B. PRODUCTION PLANT										
13 Land and Land Rights	304	0	None	0	0	0	0	0	0	
14 Structures and Improvements	305	0	None	0	0	0	0	0	0	
15 Boiler Equipment	306	0	None	0	0	0	0	0	0	
16 Other Power Equipment	307	0	None	0	0	0	0	0	0	
17 L.P.G. Equipment	311	0	None	0	0	0	0	0	0	
18 Purification Equipment	317	0	None	0	0	0	0	0	0	
19 Resid. Refine Equipment	318	0	None	0	0	0	0	0	0	
20 Gas Mixing Equipment	319	0	None	0	0	0	0	0	0	
21 Subtotal - Plant Accounts 305-338	305-338	0		0	0	0	0	0	0	
22 Other Equipment	320	0	None	0	0	0	0	0	0	
23 SNG Plant	320	0	None	0	0	0	0	0	0	
24 Subtotal - PRODUCTION PLANT	304-338	0		0	0	0	0	0	0	
25 C. STORAGE PLANT (Mostly LNG Plant)										
27 Structures and Improvements	361	0	None	0	0	0	0	0	0	
28 Gas Holders	362	0	None	0	0	0	0	0	0	
29 Purification Equipment	363	0	None	0	0	0	0	0	0	
30 Liquification Equipment	364	0	None	0	0	0	0	0	0	
31 Vaporizing Equipment	365	0	None	0	0	0	0	0	0	
32 Compressor Equipment	366	0	None	0	0	0	0	0	0	
33 Measuring and Regulating Equipment	367	0	None	0	0	0	0	0	0	
34 Other Equipment	368	0	None	0	0	0	0	0	0	
35 Subtotal - Plant Accounts 361-368	361-368	0		0	0	0	0	0	0	
36 Subtotal - STORAGE PLANT	360-368	0		0	0	0	0	0	0	
37 D. TRANSMISSION PLANT	370-373	0	None	0	0	0	0	0	0	

Future Test Year Ended August 31, 2007 (\$000s)

						SUPPLY COMMODITY Class Allocation					
Account Description	Account Code	SUPPLY COMMODITY Dollars	Allocation Factor	Residential	Residential	Commercial	Commercial	Industrial	Industrial		
				Non-Heat RC-1	Heat RC-2	Non-Heat RC-3	Heat RC-4	Non-Heat RC-5	Heat RC-6		
E. DISTRIBUTION PLANT											
41 Land and Land Rights	374	0	None	0	0	0	0	0	0		
42 Structures and Improvements	375	0	None	0	0	0	0	0	0		
43 Mains	376	0	None	0	0	0	0	0	0		
44 Mains- Direct Assignment	376Direct	0	None	0	0	0	0	0	0		
45 Compressor Station Equipment	377	0	None	0	0	0	0	0	0		
46 Meas. & Reg. Stat. Equip. - General	378	0	None	0	0	0	0	0	0		
47 Services	380	0	None	0	0	0	0	0	0		
48 Meters	381	0	None	0	0	0	0	0	0		
49 Meters Install.	382	0	None	0	0	0	0	0	0		
50 House Regulators	383	0	None	0	0	0	0	0	0		
51 House Regulator Install.	384	0	None	0	0	0	0	0	0		
52 Subtotal - Plant Accounts 383-384	383-384	0		0	0	0	0	0	0		
53 Indust. Meas. & Reg. Station Equipment	385	0	None	0	0	0	0	0	0		
54 Other Equipment	387	0	None	0	0	0	0	0	0		
55 Subtotal - DISTRIBUTION PLANT	374-387	0		0	0	0	0	0	0		
F. GENERAL PLANT											
58 Land and Land Rights	389	0	None	0	0	0	0	0	0		
59 Structures and Improvements	390	0	None	0	0	0	0	0	0		
60 Office Furniture and Equipment	391	0	None	0	0	0	0	0	0		
61 Transportation Equipment	392	0	None	0	0	0	0	0	0		
62 Stores Equipment	393	0	None	0	0	0	0	0	0		
63 Tools, Shop and Garage Equipment	394	0	None	0	0	0	0	0	0		
64 Power Operated Equipment	396	0	None	0	0	0	0	0	0		
65 Communication Equipment	397	0	None	0	0	0	0	0	0		
66 Miscellaneous Equipment	398	0	None	0	0	0	0	0	0		
67 Subtotal - GENERAL PLANT	389-399	0		0	0	0	0	0	0		
69 TOTAL UTILITY PLANT		0		0	0	0	0	0	0		
II. DEPRECIATION RESERVE											
72 Production Plant	108.2	0	None	0	0	0	0	0	0		
73 Local Storage Plant	108.3	0	None	0	0	0	0	0	0		
74 Mains	109	0	None	0	0	0	0	0	0		
75 Mains- Direct Assignment	08.52Direx	0	None	0	0	0	0	0	0		
76 Services	109	0	None	0	0	0	0	0	0		
77 Meters	109	0	None	0	0	0	0	0	0		
78 Distr Other	109	0	None	0	0	0	0	0	0		
79 General Plant	109	0	None	0	0	0	0	0	0		
80 TOTAL - DEPRECIATION RESERVE	108	0		0	0	0	0	0	0		

Future Test Year Ended August 31, 2007 (\$000s)

					SUPPLY COMMODITY Class Allocation					
					Residential	Residential	Commercial	Commercial	Industrial	Industrial
					Non-Heat	Heat	Non-Heat	Heat	Non-Heat	Heat
					RC-1	RC-2	RC-3	RC-4	RC-5	RC-6
Account	Account	SUPPLY	Allocation							
Description	Code	COMMODITY	Allocation							
		Dollars	Factor							
119	B. NATURAL GAS STORAGE, TERMINAL									
120	LNG Operating Exp Admin	840	0	None	0	0	0	0	0	0
121	Training	841	0	None	0	0	0	0	0	0
122	Subtotal - O&M Accounts 840-841	840-841	0		0	0	0	0	0	0
123	Fuel- LNG Power	842	0	None	0	0	0	0	0	0
124	Maintenance Exp- Admin	843	0	None	0	0	0	0	0	0
125	Oper Exp Admin	850	0	None	0	0	0	0	0	0
126	Subtotal - Maint. Accounts 843.1-850	843.1-850	0		0	0	0	0	0	0
127	Subtotal - NATURAL GAS STORAGE	840-850	0		0	0	0	0	0	0
128										
129	C. TRANSMISSION EXPENSES	856-863	0	None	0	0	0	0	0	0
130										
131	D. DISTRIBUTION EXPENSES									
132	Operation Supv & Engineering	870	0	None	0	0	0	0	0	0
133	Gas Control	871	0	None	0	0	0	0	0	0
134	Mains and Services Expenses	874	0	None	0	0	0	0	0	0
135	Natural Gas Oper Exp	875	0	None	0	0	0	0	0	0
136	Meas & Reg Exp- City Gate Stations	877	0	None	0	0	0	0	0	0
137	Meter & House Regulator Expenses	878	0	None	0	0	0	0	0	0
138	Customer Install- Gas Business Costs	879	0	None	0	0	0	0	0	0
139	PLP Costs	879PLP	0	None	0	0	0	0	0	0
140	Other expenses	880	0	None	0	0	0	0	0	0
141	Distribution Rents	881	0	None	0	0	0	0	0	0
142	Maint. Supervision & Engineering	885	0	None	0	0	0	0	0	0
143	Maint. of Mains	887	0	None	0	0	0	0	0	0
144	Maint. of Meas. & Reg. Station Expenses-C	889	0	None	0	0	0	0	0	0
145	Natural Gas Equipment	891	0	None	0	0	0	0	0	0
146	Maint. of Services	892	0	None	0	0	0	0	0	0
147	Maint. of Meters & House Regulators	893	0	None	0	0	0	0	0	0
148	Subtotal - DISTRIBUTION EXPENSES	870-893	0		0	0	0	0	0	0
149	Total - OPERATION & MAINTENANCE EX		560,571		14,731	372,848	17,179	85,623	3,479	7,404
150										
151	II. CUSTOMER ACCOUNTS EXPENSES									
152	Customer Service - Administrative	901	0	None	0	0	0	0	0	0
153	Meter Reading - Administrative	901	0	None	0	0	0	0	0	0
154	Collection - Administrative	901	0	None	0	0	0	0	0	0
155	Meter Reading Expenses	902	0	None	0	0	0	0	0	0
156	Customer Records & Collection Expense	903	0	None	0	0	0	0	0	0
157	Uncollectible Accounts	904	0	None	0	0	0	0	0	0
158	Uncollectible Accounts in CRP	904CRP	0	None	0	0	0	0	0	0
159	Total - CUSTOMER ACCOUNTS EXPENS		0		0	0	0	0	0	0

Future Test Year Ended August 31, 2007 (\$000s)

	Account	Account	SUPPLY	Allocation	SUPPLY COMMODITY Class Allocation							
					COMMODITY	Allocation	Municipal	Municipal	ousing Autl	NGV	BPS	BPS
	Description	Code	Dollars	Factor	Non-Heat	Heat	GS	Direct	Small	Large	A/C	
					RC-7	RC-8	RC-9	RC-10	RC-11	RC-12	RC-13	
119	B. NATURAL GAS STORAGE, TERMINAL											
120	LNG Operating Exp Admin	840	0	None	0	0	0	0	0	0	0	
121	Training	841	0	None	0	0	0	0	0	0	0	
122	Subtotal - O&M Accounts 840-841	840-841	0		0	0	0	0	0	0	0	
123	Fuel- LNG Power	842	0	None	0	0	0	0	0	0	0	
124	Maintenance Exp- Admin	843	0	None	0	0	0	0	0	0	0	
125	Oper Exp Admin	850	0	None	0	0	0	0	0	0	0	
126	Subtotal - Maint. Accounts 843.1-850	843.1-850	0		0	0	0	0	0	0	0	
127	Subtotal - NATURAL GAS STORAGE	840-850	0		0	0	0	0	0	0	0	
128												
129	C. TRANSMISSION EXPENSES	856-863	0	None	0	0	0	0	0	0	0	
130												
131	D. DISTRIBUTION EXPENSES											
132	Operation Supv & Engineering	870	0	None	0	0	0	0	0	0	0	
133	Gas Control	871	0	None	0	0	0	0	0	0	0	
134	Mains and Services Expenses	874	0	None	0	0	0	0	0	0	0	
135	Natural Gas Oper Exp	875	0	None	0	0	0	0	0	0	0	
136	Meas & Reg Exp- City Gate Stations	877	0	None	0	0	0	0	0	0	0	
137	Meter & House Regulator Expenses	878	0	None	0	0	0	0	0	0	0	
138	Customer Install- Gas Business Costs	879	0	None	0	0	0	0	0	0	0	
139	PLP Costs	879PLP	0	None	0	0	0	0	0	0	0	
140	Other expenses	880	0	None	0	0	0	0	0	0	0	
141	Distribution Rents	881	0	None	0	0	0	0	0	0	0	
142	Maint. Supervision & Engineering	885	0	None	0	0	0	0	0	0	0	
143	Maint. of Mains	887	0	None	0	0	0	0	0	0	0	
144	Maint. of Meas. & Reg. Station Expenses-C	889	0	None	0	0	0	0	0	0	0	
145	Natural Gas Equipment	891	0	None	0	0	0	0	0	0	0	
146	Maint. of Services	892	0	None	0	0	0	0	0	0	0	
147	Maint. of Meters & House Regulators	893	0	None	0	0	0	0	0	0	0	
148	Subtotal - DISTRIBUTION EXPENSES	870-893	0		0	0	0	0	0	0	0	
149	Total - OPERATION & MAINTENANCE EX		560,571		2,647	10,142	8,359	4	1,944	23,030	1,301	
150												
151	II. CUSTOMER ACCOUNTS EXPENSES											
152	Customer Service - Administrative	901	0	None	0	0	0	0	0	0	0	
153	Meter Reading - Administrative	901	0	None	0	0	0	0	0	0	0	
154	Collection - Administrative	901	0	None	0	0	0	0	0	0	0	
155	Meter Reading Expenses	902	0	None	0	0	0	0	0	0	0	
156	Customer Records & Collection Expense	903	0	None	0	0	0	0	0	0	0	
157	Uncollectible Accounts	904	0	None	0	0	0	0	0	0	0	
158	Uncollectible Accounts in CRP	904CRP	0	None	0	0	0	0	0	0	0	
159	Total - CUSTOMER ACCOUNTS EXPENS		0		0	0	0	0	0	0	0	

Philadelphia Gas Works
Class Cost of Service Study - 2006

Future Test Year Ended August 31, 2007 (\$000s)

					SUPPLY COMMODITY Class Allocation						
Account Description	Account Code	SUPPLY COMMODITY Dollars	Allocation Factor	LBS	LBS	LBS	LBS	LBX	Co-Gen	GTS / IT	
				Small RC-14	arge-InDirec RC-15	arge-Direc RC-16	Large-Direc RC-17	XL-Indirect RC-18	InDirect RC-19	Trans only RC-20	
119	B. NATURAL GAS STORAGE, TERMINAL										
120	LNG Operating Exp Admin	840	0	None	0	0	0	0	0	0	0
121	Training	841	0	None	0	0	0	0	0	0	0
122	Subtotal - O&M Accounts 840-841	840-841	0		0	0	0	0	0	0	0
123	Fuel- LNG Power	842	0	None	0	0	0	0	0	0	0
124	Maintenance Exp- Admin	843	0	None	0	0	0	0	0	0	0
125	Oper Exp Admin	850	0	None	0	0	0	0	0	0	0
126	Subtotal - Maint. Accounts 843.1-850	843.1-850	0		0	0	0	0	0	0	0
127	Subtotal - NATURAL GAS STORAGE	840-850	0		0	0	0	0	0	0	0
128											
129	C. TRANSMISSION EXPENSES	856-863	0	None	0	0	0	0	0	0	0
130											
131	D. DISTRIBUTION EXPENSES										
132	Operation Supv & Engineering	870	0	None	0	0	0	0	0	0	0
133	Gas Control	871	0	None	0	0	0	0	0	0	0
134	Mains and Services Expenses	874	0	None	0	0	0	0	0	0	0
135	Natural Gas Oper Exp	875	0	None	0	0	0	0	0	0	0
136	Meas & Reg Exp- City Gate Stations	877	0	None	0	0	0	0	0	0	0
137	Meter & House Regulator Expenses	878	0	None	0	0	0	0	0	0	0
138	Customer Install- Gas Business Costs	879	0	None	0	0	0	0	0	0	0
139	PLP Costs	879PLP	0	None	0	0	0	0	0	0	0
140	Other expenses	880	0	None	0	0	0	0	0	0	0
141	Distribution Rents	881	0	None	0	0	0	0	0	0	0
142	Maint. Supervision & Engineering	885	0	None	0	0	0	0	0	0	0
143	Maint. of Mains	887	0	None	0	0	0	0	0	0	0
144	Maint. of Meas. & Reg. Station Expenses-C	889	0	None	0	0	0	0	0	0	0
145	Natural Gas Equipment	891	0	None	0	0	0	0	0	0	0
146	Maint. of Services	892	0	None	0	0	0	0	0	0	0
147	Maint. of Meters & House Regulators	893	0	None	0	0	0	0	0	0	0
148	Subtotal - DISTRIBUTION EXPENSES	870-893	0		0	0	0	0	0	0	0
149	Total - OPERATION & MAINTENANCE EX		560,571		6,302	4,473	245	27	646	189	0
150											
151	II. CUSTOMER ACCOUNTS EXPENSES										
152	Customer Service - Administrative	901	0	None	0	0	0	0	0	0	0
153	Meter Reading - Administrative	901	0	None	0	0	0	0	0	0	0
154	Collection - Administrative	901	0	None	0	0	0	0	0	0	0
155	Meter Reading Expenses	902	0	None	0	0	0	0	0	0	0
156	Customer Records & Collection Expense	903	0	None	0	0	0	0	0	0	0
157	Uncollectible Accounts	904	0	None	0	0	0	0	0	0	0
158	Uncollectible Accounts in CRP	904CRP	0	None	0	0	0	0	0	0	0
159	Total - CUSTOMER ACCOUNTS EXPENS		0		0	0	0	0	0	0	0

Future Test Year Ended August 31, 2007 (\$000s)

SUPPLY COMMODITY Class Allocation

Account Description	Account Code	SUPPLY COMMODITY Dollars	Allocation Factor	Residential	Residential	Commercial	Commercial	Industrial	Industrial
				Non-Heat RC-1	Heat RC-2	Non-Heat RC-3	Heat RC-4	Non-Heat RC-5	Heat RC-6
201 VII. TAXES OTHER THAN INCOME TAXE									
202 Payroll Taxes	408	0	None	0	0	0	0	0	0
203									
204 TOTAL EXPENSES		560,571		14,731	372,848	17,179	85,623	3,479	7,404
205									
206 V. REVENUES									
207 Distribution Revenue	480-483	1,274	BaseRate_Rev	59	940	37	178	7	15
208 GCR Revenue	80-483GC	501,438	GCR_Revenue	14,139	357,877	16,489	82,185	3,339	7,107
209 Interruptible Gas Revenues	480-483Int	40,924	InterGas_Rev	0	0	0	0	0	0
210 USEC Revenue	80-483USI	0	None	0	0	0	0	0	0
211 REC Revenue	80-483REI	0	None	0	0	0	0	0	0
212 Finance Chges- Unpaid Gas Accts	487	0	None	0	0	0	0	0	0
213 Misc Service Discounts	488	0	None	0	0	0	0	0	0
214 Transport Gas for Others	489	0	GTS	0	0	0	0	0	0
215 Gas Revenues- Adjustment	495	(732)	GCR_Revenue	(21)	(522)	(24)	(120)	(5)	(10)
216 Revenue Adjustments	495Adj	<u>17,620</u>	GCR_Revenue	<u>497</u>	<u>12,575</u>	<u>579</u>	<u>2,888</u>	<u>117</u>	<u>250</u>
217 Subtotal Gas Revenues, net		560,524		14,674	370,870	17,082	85,131	3,458	7,362
218									
219 Bill Paid Turn Ons & Dig Ups		0	None	0	0	0	0	0	0
220 Rev/Exp- Appliance, Service, Other	879Rev	0	None	0	0	0	0	0	0
221 Subtotal Other Oper Revenues, net		0		0	0	0	0	0	0
222									
223 Total Operating Revenues		560,524		14,674	370,870	17,082	85,131	3,458	7,362
224									
225 Interest and Non-Operating Income	418	0	None	0	0	0	0	0	0
226 Penalties- Regulatory	426	<u>0</u>	None	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
227 Total Non-Oper Income		0		0	0	0	0	0	0
228									
229 Total Revenue		560,524		14,674	370,870	17,082	85,131	3,458	7,362
230									
231 Income before Interest and Surplus		(47)		(56)	(1,978)	(97)	(492)	(20)	(43)
232									
233 Interest on long-term debt	427	0	None	0	0	0	0	0	0
234 AFUDC	432	0	None	0	0	0	0	0	0
235 Surplus Requirement		<u>0</u>	None	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
236 Total Interest and Surplus		0		0	0	0	0	0	0
237 Rate Increase Requirement	436	<u>0</u>	None	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
238 Total Interest, Surplus and Rate Increas		0		0	0	0	0	0	0
239									
240 OVER (UNDER) Total Requirements		<u>(47)</u>		<u>(56)</u>	<u>(1,978)</u>	<u>(97)</u>	<u>(492)</u>	<u>(20)</u>	<u>(43)</u>

Future Test Year Ended August 31, 2007 (\$000s)

	Account Description	Account Code	SUPPLY COMMODITY Dollars	Allocation Allocation Factor	SUPPLY COMMODITY Class Allocation						
					Municipal Non-Heat RC-7	Municipal Heat RC-8	ousing Auth GS RC-9	NGV Direct RC-10	BPS Small RC-11	BPS Large RC-12	BPS A/C RC-13
201	VII. TAXES OTHER THAN INCOME TAXE										
202	Payroll Taxes	408	0	None	0	0	0	0	0	0	0
203											
204	TOTAL EXPENSES		560,571		2,647	10,142	8,359	4	1,944	23,030	1,301
205											
206	V. REVENUES										
207	Distribution Revenue	480-483	1,274	BaseRate_Rev	4	14	18	0	0	1	0
208	GCR Revenue	80-483GC	501,438	GCR_Revenue	2,540	9,734	8,023	4	0	0	0
209	Interruptible Gas Revenues	480-483Int	40,924	InterGas_Rev	0	0	0	0	2,549	26,172	1,108
210	USEC Revenue	80-483US	0	None	0	0	0	0	0	0	0
211	REC Revenue	80-483RE	0	None	0	0	0	0	0	0	0
212	Finance Chges- Unpaid Gas Accts	487	0	None	0	0	0	0	0	0	0
213	Misc Service Discounts	488	0	None	0	0	0	0	0	0	0
214	Transport Gas for Others	489	0	GTS	0	0	0	0	0	0	0
215	Gas Revenues- Adjustment	495	(732)	GCR_Revenue	(4)	(14)	(12)	(0)	0	0	0
216	Revenue Adjustments	495Adj	17,620	GCR_Revenue	89	342	282	0	0	0	0
217	Subtotal Gas Revenues, net		560,524		2,630	10,077	8,311	4	2,549	26,172	1,108
218											
219	Bill Paid Turn Ons & Dig Ups		0	None	0	0	0	0	0	0	0
220	Rev/Exp- Appliance, Service, Other	879Rev	0	None	0	0	0	0	0	0	0
221	Subtotal Other Oper Revenues, net		0		0	0	0	0	0	0	0
222											
223	Total Operating Revenues		560,524		2,630	10,077	8,311	4	2,549	26,172	1,108
224											
225	Interest and Non-Operating Income	418	0	None	0	0	0	0	0	0	0
226	Penalties- Regulatory	426	0	None	0	0	0	0	0	0	0
227	Total Non-Oper Income		0		0	0	0	0	0	0	0
228											
229	Total Revenue		560,524		2,630	10,077	8,311	4	2,549	26,172	1,108
230											
231	Income before Interest and Surplus		(47)		(17)	(65)	(48)	(0)	605	3,143	(193)
232											
233	Interest on long-term debt	427	0	None	0	0	0	0	0	0	0
234	AFUDC	432	0	None	0	0	0	0	0	0	0
235	Surplus Requirement		0	None	0	0	0	0	0	0	0
236	Total Interest and Surplus		0		0	0	0	0	0	0	0
237	Rate Increase Requirement	436	0	None	0	0	0	0	0	0	0
238	Total Interest, Surplus and Rate Increas		0		0	0	0	0	0	0	0
239											
240	OVER (UNDER) Total Requirements		(47)		(17)	(65)	(48)	(0)	605	3,143	(193)

Philadelphia Gas Works
Class Cost of Service Study - 2006

Future Test Year Ended August 31, 2007 (\$000s)

	Account Description	Account Code	SUPPLY COMMODITY Dollars	Allocation Allocation Factor	SUPPLY COMMODITY Class Allocation							
					LBS Small RC-14	LBS Large-Indirect RC-15	LBS Large-Direct RC-16	LBS Large-Direct RC-17	LBX XL-Indirect RC-18	Co-Gen InDirect RC-19	GTS / IT Trans only RC-20	
201	VII. TAXES OTHER THAN INCOME TAXE											
202	Payroll Taxes	408	0	None	0	0	0	0	0	0	0	0
203												
204	TOTAL EXPENSES		560,571		6,302	4,473	245	27	646	189	0	
205												
206	V. REVENUES											
207	Distribution Revenue	480-483	1,274	BaseRate_Rev	0	0	0	0	0	0	0	0
208	GCR Revenue	80-483GC	501,438	GCR_Revenue	0	0	0	0	0	0	0	0
209	Interruptible Gas Revenues	480-483Int	40,924	InterGas_Rev	6,029	4,076	218	24	587	162	0	0
210	USEC Revenue	80-483USI	0	None	0	0	0	0	0	0	0	0
211	REC Revenue	80-483REI	0	None	0	0	0	0	0	0	0	0
212	Finance Chges- Unpaid Gas Accts	487	0	None	0	0	0	0	0	0	0	0
213	Misc Service Discounts	488	0	None	0	0	0	0	0	0	0	0
214	Transport Gas for Others	489	0	GTS	0	0	0	0	0	0	0	0
215	Gas Revenues- Adjustment	495	(732)	GCR_Revenue	0	0	0	0	0	0	0	0
216	Revenue Adjustments	495Adj	17,620	GCR_Revenue	0	0	0	0	0	0	0	0
217	Subtotal Gas Revenues, net		560,524		6,029	4,076	218	24	587	162	0	0
218												
219	Bill Paid Turn Ons & Dig Ups		0	None	0	0	0	0	0	0	0	0
220	Rev/Exp- Appliance, Service, Other	879Rev	0	None	0	0	0	0	0	0	0	0
221	Subtotal Other Oper Revenues, net		0		0	0	0	0	0	0	0	0
222												
223	Total Operating Revenues		560,524		6,029	4,076	218	24	587	162	0	0
224												
225	Interest and Non-Operating Income	418	0	None	0	0	0	0	0	0	0	0
226	Penalties- Regulatory	426	0	None	0	0	0	0	0	0	0	0
227	Total Non-Oper Income		0		0	0	0	0	0	0	0	0
228												
229	Total Revenue		560,524		6,029	4,076	218	24	587	162	0	0
230												
231	Income before Interest and Surplus		(47)		(273)	(398)	(27)	(3)	(59)	(27)	0	0
232												
233	Interest on long-term debt	427	0	None	0	0	0	0	0	0	0	0
234	AFUDC	432	0	None	0	0	0	0	0	0	0	0
235	Surplus Requirement		0	None	0	0	0	0	0	0	0	0
236	Total Interest and Surplus		0		0	0	0	0	0	0	0	0
237	Rate Increase Requirement	436	0	None	0	0	0	0	0	0	0	0
238	Total Interest, Surplus and Rate Increas		0		0	0	0	0	0	0	0	0
239												
240	OVER (UNDER) Total Requirements		(47)		(273)	(398)	(27)	(3)	(59)	(27)	0	0

Exhibit HSG-4C

Class Allocation – Storage Demand

Future Test Year Ended August 31, 2007 (\$000s)

Account Description	Account Code	STORAGE DEMAND Dollars	Allocation Factor	STORAGE DEMAND Class Allocation					
				Residential Non-Heat RC-1	Residential Heat RC-2	Commercial Non-Heat RC-3	Commercial Heat RC-4	Industrial Non-Heat RC-5	Industrial Heat RC-6
40 E. DISTRIBUTION PLANT									
41 Land and Land Rights	374	0	None	0	0	0	0	0	0
42 Structures and Improvements	375	0	None	0	0	0	0	0	0
43 Mains	376	0	None	0	0	0	0	0	0
44 Mains- Direct Assignment	376Direct	0	None	0	0	0	0	0	0
45 Compressor Station Equipment	377	0	None	0	0	0	0	0	0
46 Meas. & Reg. Stat. Equip. - General	378	0	None	0	0	0	0	0	0
47 Services	380	0	None	0	0	0	0	0	0
48 Meters	381	0	None	0	0	0	0	0	0
49 Meters Install.	382	0	None	0	0	0	0	0	0
50 House Regulators	383	0	None	0	0	0	0	0	0
51 House Regulator Install.	384	0	None	0	0	0	0	0	0
52 Subtotal - Plant Accounts 383-384	383-384	0		0	0	0	0	0	0
53 Indust. Meas. & Reg. Station Equipment	385	0	None	0	0	0	0	0	0
54 Other Equipment	387	0	None	0	0	0	0	0	0
55 Subtotal - DISTRIBUTION PLANT	374-387	0		0	0	0	0	0	0
56									
57 F. GENERAL PLANT									
58 Land and Land Rights	389	372	STORLABOR-D	7	279	6	57	2	5
59 Structures and Improvements	390	6,594	STORLABOR-D	128	4,950	107	1,004	29	90
60 Office Furniture and Equipment	391	8,105	STORLABOR-D	158	6,083	131	1,234	35	110
61 Transportation Equipment	392	2,713	STORLABOR-D	53	2,036	44	413	12	37
62 Stores Equipment	393	71	STORLABOR-D	1	53	1	11	0	1
63 Tools, Shop and Garage Equipment	394	883	STORLABOR-D	17	663	14	134	4	12
64 Power Operated Equipment	396	40	STORLABOR-D	1	30	1	6	0	1
65 Communication Equipment	397	1,954	STORLABOR-D	38	1,466	32	297	9	27
66 Miscellaneous Equipment	398	768	STORLABOR-D	15	576	12	117	3	10
67 Subtotal - GENERAL PLANT	389-399	21,499		418	16,136	349	3,274	94	292
68									
69 TOTAL UTILITY PLANT		148,378		2,887	111,369	2,406	22,595	646	2,015
70									
71 II. DEPRECIATION RESERVE									
72 Production Plant	108.2	0	None	0	0	0	0	0	0
73 Local Storage Plant	108.3	79,233	STORPT-D	1,542	59,471	1,285	12,066	345	1,076
74 Mains	109	0	None	0	0	0	0	0	0
75 Mains- Direct Assignment	08.52Direc	0	None	0	0	0	0	0	0
76 Services	109	0	None	0	0	0	0	0	0
77 Meters	109	0	None	0	0	0	0	0	0
78 Distr Other	109	0	None	0	0	0	0	0	0
79 General Plant	109	<u>9,441</u>	STORLABOR-D	<u>184</u>	<u>7,086</u>	<u>153</u>	<u>1,438</u>	<u>41</u>	<u>128</u>
80 TOTAL - DEPRECIATION RESERVE	108	88,675		1,725	66,557	1,438	13,503	386	1,204

Future Test Year Ended August 31, 2007 (\$000s)

Account Description	Account Code	STORAGE DEMAND Dollars	Allocation Factor	STORAGE DEMAND Class Allocation							
				Municipal Non-Heat RC-7	Municipal Heat RC-8	ousing Auth GS RC-9	NGV Direct RC-10	BPS Small RC-11	BPS Large RC-12	BPS A/C RC-13	
40 E. DISTRIBUTION PLANT											
41 Land and Land Rights	374	0	None	0	0	0	0	0	0	0	0
42 Structures and Improvements	375	0	None	0	0	0	0	0	0	0	0
43 Mains	376	0	None	0	0	0	0	0	0	0	0
44 Mains- Direct Assignment	376Direct	0	None	0	0	0	0	0	0	0	0
45 Compressor Station Equipment	377	0	None	0	0	0	0	0	0	0	0
46 Meas. & Reg. Stat. Equip. - General	378	0	None	0	0	0	0	0	0	0	0
47 Services	380	0	None	0	0	0	0	0	0	0	0
48 Meters	381	0	None	0	0	0	0	0	0	0	0
49 Meters Install.	382	0	None	0	0	0	0	0	0	0	0
50 House Regulators	383	0	None	0	0	0	0	0	0	0	0
51 House Regulator Install.	384	0	None	0	0	0	0	0	0	0	0
52 Subtotal - Plant Accounts 383-384	383-384	0		0	0	0	0	0	0	0	0
53 Indust. Meas. & Reg. Station Equipment	385	0	None	0	0	0	0	0	0	0	0
54 Other Equipment	387	0	None	0	0	0	0	0	0	0	0
55 Subtotal - DISTRIBUTION PLANT	374-387	0		0	0	0	0	0	0	0	0
56											
57 F. GENERAL PLANT											
58 Land and Land Rights	389	372	STORLABOR-D	2	8	6	0	0	0	0	0
59 Structures and Improvements	390	6,594	STORLABOR-D	29	151	107	0	0	0	0	0
60 Office Furniture and Equipment	391	8,105	STORLABOR-D	36	185	132	0	0	0	0	0
61 Transportation Equipment	392	2,713	STORLABOR-D	12	62	44	0	0	0	0	0
62 Stores Equipment	393	71	STORLABOR-D	0	2	1	0	0	0	0	0
63 Tools, Shop and Garage Equipment	394	883	STORLABOR-D	4	20	14	0	0	0	0	0
64 Power Operated Equipment	396	40	STORLABOR-D	0	1	1	0	0	0	0	0
65 Communication Equipment	397	1,954	STORLABOR-D	9	45	32	0	0	0	0	0
66 Miscellaneous Equipment	398	768	STORLABOR-D	3	18	12	0	0	0	0	0
67 Subtotal - GENERAL PLANT	389-399	21,499		96	491	349	0	0	0	0	0
68											
69 TOTAL UTILITY PLANT		148,378		659	3,391	2,410	0	0	0	0	0
70											
71 II. DEPRECIATION RESERVE											
72 Production Plant	108.2	0	None	0	0	0	0	0	0	0	0
73 Local Storage Plant	108.3	79,233	STORPT-D	352	1,811	1,287	0	0	0	0	0
74 Mains	109	0	None	0	0	0	0	0	0	0	0
75 Mains- Direct Assignment	08.52Direc	0	None	0	0	0	0	0	0	0	0
76 Services	109	0	None	0	0	0	0	0	0	0	0
77 Meters	109	0	None	0	0	0	0	0	0	0	0
78 Distr Other	109	0	None	0	0	0	0	0	0	0	0
79 General Plant	109	<u>9,441</u>	STORLABOR-D	<u>42</u>	<u>216</u>	<u>153</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
80 TOTAL - DEPRECIATION RESERVE	108	88,675		394	2,027	1,440	0	0	0	0	0

Future Test Year Ended August 31, 2007 (\$000s)

					STORAGE DEMAND Class Allocation					
Account		Account	STORAGE	Allocation	Residential	Residential	Commercial	Commercial	Industrial	Industrial
Description		Code	DEMAND	Allocation	Non-Heat	Heat	Non-Heat	Heat	Non-Heat	Heat
			Dollars	Factor	RC-1	RC-2	RC-3	RC-4	RC-5	RC-6
119	B. NATURAL GAS STORAGE, TERMINAL									
120	LNG Operating Exp Admin	840	728	DesignDay	14	546	12	111	3	10
121	Training	841	2,874	DesignDay	56	2,157	47	438	13	39
122	Subtotal - O&M Accounts 840-841	840-841	3,602		70	2,704	58	549	16	49
123	Fuel- LNG Power	842	1,204	DesignDay	23	904	20	183	5	16
124	Maintenance Exp- Admin	843	6,324	DesignDay	123	4,747	103	963	28	86
125	Oper Exp Admin	850	662	DesignDay	13	497	11	101	3	9
126	Subtotal - Maint. Accounts 843.1-850	843.1-850	6,986		136	5,243	113	1,064	30	95
127	Subtotal - NATURAL GAS STORAGE	840-850	11,791		229	8,850	191	1,796	51	160
128										
129	C. TRANSMISSION EXPENSES	856-863	0	DesignDay	0	0	0	0	0	0
130										
131	D. DISTRIBUTION EXPENSES									
132	Operation Supv & Engineering	870	0	None	0	0	0	0	0	0
133	Gas Control	871	0	None	0	0	0	0	0	0
134	Mains and Services Expenses	874	0	None	0	0	0	0	0	0
135	Natural Gas Oper Exp	875	0	None	0	0	0	0	0	0
136	Meas & Reg Exp- City Gate Stations	877	0	None	0	0	0	0	0	0
137	Meter & House Regulator Expenses	878	0	None	0	0	0	0	0	0
138	Customer Install- Gas Business Costs	879	0	None	0	0	0	0	0	0
139	PLP Costs	879PLP	0	None	0	0	0	0	0	0
140	Other expenses	880	0	None	0	0	0	0	0	0
141	Distribution Rents	881	0	None	0	0	0	0	0	0
142	Maint. Supervision & Engineering	885	0	None	0	0	0	0	0	0
143	Maint. of Mains	887	0	None	0	0	0	0	0	0
144	Maint. of Meas. & Reg. Station Expenses-C	889	0	None	0	0	0	0	0	0
145	Natural Gas Equipment	891	0	None	0	0	0	0	0	0
146	Maint. of Services	892	0	None	0	0	0	0	0	0
147	Maint. of Meters & House Regulators	893	0	None	0	0	0	0	0	0
148	Subtotal - DISTRIBUTION EXPENSES	870-893	0		0	0	0	0	0	0
149	Total - OPERATION & MAINTENANCE EX		33,346		674	23,395	625	4,877	153	432
150										
151	II. CUSTOMER ACCOUNTS EXPENSES									
152	Customer Service - Administrative	901	0	None	0	0	0	0	0	0
153	Meter Reading - Administrative	901	0	None	0	0	0	0	0	0
154	Collection - Administrative	901	0	None	0	0	0	0	0	0
155	Meter Reading Expenses	902	0	None	0	0	0	0	0	0
156	Customer Records & Collection Expense	903	0	None	0	0	0	0	0	0
157	Uncollectible Accounts	904	0	None	0	0	0	0	0	0
158	Uncollectible Accounts in CRP	904CRP	0	None	0	0	0	0	0	0
159	Total - CUSTOMER ACCOUNTS EXPENS		0		0	0	0	0	0	0

Future Test Year Ended August 31, 2007 (\$000s)

		STORAGE	Allocation	STORAGE DEMAND Class Allocation						
Account	Account	DEMAND	Allocation	Municipal	Municipal	ousing Auth	NGV	BPS	BPS	BPS
Description	Code	Dollars	Factor	Non-Heat	Heat	GS	Direct	Small	Large	A/C
				RC-7	RC-8	RC-9	RC-10	RC-11	RC-12	RC-13
119	B. NATURAL GAS STORAGE, TERMINAL									
120	LNG Operating Exp Admin	840	728	DesignDay	3	17	12	0	0	0
121	Training	841	2,874	DesignDay	13	66	47	0	0	0
122	Subtotal - O&M Accounts 840-841	840-841	3,602		16	82	58	0	0	0
123	Fuel- LNG Power	842	1,204	DesignDay	5	28	20	0	0	0
124	Maintenance Exp- Admin	843	6,324	DesignDay	28	145	103	0	0	0
125	Oper Exp Admin	850	662	DesignDay	3	15	11	0	0	0
126	Subtotal - Maint. Accounts 843.1-850	843.1-850	6,986		31	160	113	0	0	0
127	Subtotal - NATURAL GAS STORAGE	840-850	11,791		52	269	191	0	0	0
128										
129	C. TRANSMISSION EXPENSES	856-863	0	DesignDay	0	0	0	0	0	0
130										
131	D. DISTRIBUTION EXPENSES									
132	Operation Supv & Engineering	870	0	None	0	0	0	0	0	0
133	Gas Control	871	0	None	0	0	0	0	0	0
134	Mains and Services Expenses	874	0	None	0	0	0	0	0	0
135	Natural Gas Oper Exp	875	0	None	0	0	0	0	0	0
136	Meas & Reg Exp- City Gate Stations	877	0	None	0	0	0	0	0	0
137	Meter & House Regulator Expenses	878	0	None	0	0	0	0	0	0
138	Customer Install- Gas Business Costs	879	0	None	0	0	0	0	0	0
139	PLP Costs	879PLP	0	None	0	0	0	0	0	0
140	Other expenses	880	0	None	0	0	0	0	0	0
141	Distribution Rents	881	0	None	0	0	0	0	0	0
142	Maint. Supervision & Engineering	885	0	None	0	0	0	0	0	0
143	Maint. of Mains	887	0	None	0	0	0	0	0	0
144	Maint. of Meas. & Reg. Station Expenses-C	889	0	None	0	0	0	0	0	0
145	Natural Gas Equipment	891	0	None	0	0	0	0	0	0
146	Maint. of Services	892	0	None	0	0	0	0	0	0
147	Maint. of Meters & House Regulators	893	0	None	0	0	0	0	0	0
148	Subtotal - DISTRIBUTION EXPENSES	870-893	0		0	0	0	0	0	0
149	Total - OPERATION & MAINTENANCE EX		33,346		145	697	510	0	19	221
150										
151	II. CUSTOMER ACCOUNTS EXPENSES									
152	Customer Service - Administrative	901	0	None	0	0	0	0	0	0
153	Meter Reading - Administrative	901	0	None	0	0	0	0	0	0
154	Collection - Administrative	901	0	None	0	0	0	0	0	0
155	Meter Reading Expenses	902	0	None	0	0	0	0	0	0
156	Customer Records & Collection Expense	903	0	None	0	0	0	0	0	0
157	Uncollectible Accounts	904	0	None	0	0	0	0	0	0
158	Uncollectible Accounts in CRP	904CRP	0	None	0	0	0	0	0	0
159	Total - CUSTOMER ACCOUNTS EXPENS		0		0	0	0	0	0	0

Future Test Year Ended August 31, 2007 (\$000s)

	Account Description	Account Code	STORAGE DEMAND Dollars	Allocation Allocation Factor	STORAGE DEMAND Class Allocation					
					Residential Non-Heat RC-1	Residential Heat RC-2	Commercial Non-Heat RC-3	Commercial Heat RC-4	Industrial Non-Heat RC-5	Industrial Heat RC-6
201	VII. TAXES OTHER THAN INCOME TAXE									
202	Payroll Taxes	408	650	STORLABOR-D	13	488	11	99	3	9
203										
204	TOTAL EXPENSES		37,992		736	26,995	654	5,554	166	493
205										
206	V. REVENUES									
207	Distribution Revenue	480-483	25,765	BaseRate_Rev	1,194	19,011	754	3,597	144	311
208	GCR Revenue	80-483GC	21,434	GCR_Revenue	604	15,297	705	3,513	143	304
209	Interruptible Gas Revenues	480-483Int	0	None	0	0	0	0	0	0
210	USEC Revenue	80-483USI	0	None	0	0	0	0	0	0
211	REC Revenue	80-483REI	0	None	0	0	0	0	0	0
212	Finance Chges- Unpaid Gas Accts	487	0	None	0	0	0	0	0	0
213	Misc Service Discounts	488	0	None	0	0	0	0	0	0
214	Transport Gas for Others	489	0	None	0	0	0	0	0	0
215	Gas Revenues- Adjustment	495	0	None	0	0	0	0	0	0
216	Revenue Adjustments	495Adj	0	None	0	0	0	0	0	0
217	Subtotal Gas Revenues, net		47,199		1,798	34,309	1,459	7,110	287	615
218										
219	Bill Paid Turn Ons & Dig Ups		0	None	0	0	0	0	0	0
220	Rev/Exp- Appliance, Service, Other	879Rev	0	None	0	0	0	0	0	0
221	Subtotal Other Oper Revenues, net		0		0	0	0	0	0	0
222										
223	Total Operating Revenues		47,199		1,798	34,309	1,459	7,110	287	615
224										
225	Interest and Non-Operating Income	418	634	RATEBASE	36	465	15	74	2	6
226	Penalties- Regulatory	426	0	None	0	0	0	0	0	0
227	Total Non-Oper Income		634		36	465	15	74	2	6
228										
229	Total Revenue		47,834		1,834	34,773	1,474	7,184	289	620
230										
231	Income before Interest and Surplus		9,841		1,099	7,778	820	1,631	123	127
232										
233	Interest on long-term debt	427	4,763	RATEBASE	270	3,489	109	556	17	42
234	AFUDC	432	(268)	RATEBASE	(15)	(196)	(6)	(31)	(1)	(2)
235	Surplus Requirement		0	None	0	0	0	0	0	0
236	Total Interest and Surplus		4,495		255	3,293	103	525	16	40
237	Rate Increase Requirement	436	0	None	0	0	0	0	0	0
238	Total Interest, Surplus and Rate Increas		4,495		255	3,293	103	525	16	40
239										
240	OVER (UNDER) Total Requirements		5,346		844	4,485	717	1,106	108	87

Future Test Year Ended August 31, 2007 (\$000s)

	Account Description	Account Code	STORAGE DEMAND Dollars	Allocation Allocation Factor	STORAGE DEMAND Class Allocation							
					Municipal Non-Heat RC-7	Municipal Heat RC-8	housing Auth GS RC-9	NGV Direct RC-10	BPS Small RC-11	BPS Large RC-12	BPS A/C RC-13	
201	VII. TAXES OTHER THAN INCOME TAXE											
202	Payroll Taxes	408	650	STORLABOR-D	3	15	11	0	0	0	0	0
203												
204	TOTAL EXPENSES		37,992		162	811	586	0	19	221	12	
205												
206	V. REVENUES											
207	Distribution Revenue	480-483	25,765	BaseRate_Rev	79	290	361	0	4	13	0	0
208	GCR Revenue	80-483GC	21,434	GCR_Revenue	109	416	343	0	0	0	0	0
209	Interruptible Gas Revenues	480-483Int	0	None	0	0	0	0	0	0	0	0
210	USEC Revenue	80-483USI	0	None	0	0	0	0	0	0	0	0
211	REC Revenue	80-483REI	0	None	0	0	0	0	0	0	0	0
212	Finance Chges- Unpaid Gas Accts	487	0	None	0	0	0	0	0	0	0	0
213	Misc Service Discounts	488	0	None	0	0	0	0	0	0	0	0
214	Transport Gas for Others	489	0	None	0	0	0	0	0	0	0	0
215	Gas Revenues- Adjustment	495	0	None	0	0	0	0	0	0	0	0
216	Revenue Adjustments	495Adj	0	None	0	0	0	0	0	0	0	0
217	Subtotal Gas Revenues, net		47,199		188	706	704	0	4	13	0	0
218												
219	Bill Paid Turn Ons & Dig Ups		0	None	0	0	0	0	0	0	0	0
220	Rev/Exp- Appliance, Service, Other	879Rev	0	None	0	0	0	0	0	0	0	0
221	Subtotal Other Oper Revenues, net		0		0	0	0	0	0	0	0	0
222												
223	Total Operating Revenues		47,199		188	706	704	0	4	13	0	0
224												
225	Interest and Non-Operating Income	418	634	RATEBASE	2	8	7	0	1	9	0	0
226	Penalties- Regulatory	426	0	None	0	0	0	0	0	0	0	0
227	Total Non-Oper Income		634		2	8	7	0	1	9	0	0
228												
229	Total Revenue		47,834		190	714	711	0	5	22	1	0
230												
231	Income before Interest and Surplus		9,841		28	(97)	125	0	(13)	(199)	(12)	0
232												
233	Interest on long-term debt	427	4,763	RATEBASE	14	58	53	0	8	69	3	0
234	AFUDC	432	(268)	RATEBASE	(1)	(3)	(3)	(0)	(0)	(4)	(0)	0
235	Surplus Requirement		0	None	0	0	0	0	0	0	0	0
236	Total Interest and Surplus		4,495		13	54	50	0	7	66	3	0
237	Rate Increase Requirement	436	0	None	0	0	0	0	0	0	0	0
238	Total Interest, Surplus and Rate Increas		4,495		13	54	50	0	7	66	3	0
239												
240	OVER (UNDER) Total Requirements		5,346		15	(151)	75	0	(21)	(264)	(14)	0

Philadelphia Gas Works
Class Cost of Service Study - 2006

Future Test Year Ended August 31, 2007 (\$000s)

	Account Description	Account Code	STORAGE DEMAND Dollars	Allocation Allocation Factor	STORAGE DEMAND Class Allocation							
					LBS Small	LBS Large	LBS In-Direct	LBS Large-Direct	LBS XL-Indirect	Co-Gen In-Direct	GTS / IT Trans only	
					RC-14	RC-15	RC-16	RC-17	RC-18	RC-19	RC-20	
201	VII. TAXES OTHER THAN INCOME TAXE											
202	Payroll Taxes	408	650	STORLABOR-D	0	0	0	0	0	0	0	0
203												
204	TOTAL EXPENSES		37,992		60	43	2	0	6	2	1,471	
205												
206	V. REVENUES											
207	Distribution Revenue	480-483	25,765	BaseRate_Rev	2	1	0	1	1	1	0	0
208	GCR Revenue	80-483GC	21,434	GCR_Revenue	0	0	0	0	0	0	0	0
209	Interruptible Gas Revenues	480-483Int	0	None	0	0	0	0	0	0	0	0
210	USEC Revenue	80-483US	0	None	0	0	0	0	0	0	0	0
211	REC Revenue	80-483RE	0	None	0	0	0	0	0	0	0	0
212	Finance Chges- Unpaid Gas Accts	487	0	None	0	0	0	0	0	0	0	0
213	Misc Service Discounts	488	0	None	0	0	0	0	0	0	0	0
214	Transport Gas for Others	489	0	None	0	0	0	0	0	0	0	0
215	Gas Revenues- Adjustment	495	0	None	0	0	0	0	0	0	0	0
216	Revenue Adjustments	495Adj	0	None	0	0	0	0	0	0	0	0
217	Subtotal Gas Revenues, net		47,199		2	1	0	1	1	1	0	0
218												
219	Bill Paid Turn Ons & Dig Ups		0	None	0	0	0	0	0	0	0	0
220	Rev/Exp- Appliance, Service, Other	879Rev	0	None	0	0	0	0	0	0	0	0
221	Subtotal Other Oper Revenues, net		0		0	0	0	0	0	0	0	0
222												
223	Total Operating Revenues		47,199		2	1	0	1	1	1	0	0
224												
225	Interest and Non-Operating Income	418	634	RATEBASE	2	1	0	0	0	0	6	6
226	Penalties- Regulatory	426	0	None	0	0	0	0	0	0	0	0
227	Total Non-Oper Income		634		2	1	0	0	0	0	6	6
228												
229	Total Revenue		47,834		4	3	0	1	1	1	6	6
230												
231	Income before Interest and Surplus		9,841		(57)	(40)	(2)	0	(5)	(1)	(1,465)	(1,465)
232												
233	Interest on long-term debt	427	4,763	RATEBASE	15	10	0	0	2	0	47	47
234	AFUDC	432	(268)	RATEBASE	(1)	(1)	(0)	(0)	(0)	(0)	(3)	(3)
235	Surplus Requirement		0	None	0	0	0	0	0	0	0	0
236	Total Interest and Surplus		4,495		14	10	0	0	2	0	44	44
237	Rate Increase Requirement	436	0	None	0	0	0	0	0	0	0	0
238	Total Interest, Surplus and Rate Increas		4,495		14	10	0	0	2	0	44	44
239												
240	OVER (UNDER) Total Requirements		5,346		(71)	(50)	(2)	0	(7)	(1)	(1,509)	(1,509)

Exhibit HSG-4D

Class Allocation – Transmission Demand

Philadelphia Gas Works
Class Cost of Service Study - 2006

Future Test Year Ended August 31, 2007 (\$000s)

Account Description	TRANSMISSIC		Allocation Factor	TRANSMISSION DEMAND Class Allocation						
	Account Code	DEMAND Dollars		Residential Non-Heat RC-1	Residential Heat RC-2	Commercial Non-Heat RC-3	Commercial Heat RC-4	Industrial Non-Heat RC-5	Industrial Heat RC-6	
1. GAS PLANT IN SERVICE										
A. INTANGIBLE PLANT	301-303	None	None	0	0	0	0	0	0	0
B. PRODUCTION PLANT										
Land and Land Rights	304	0	None	0	0	0	0	0	0	0
Structures and Improvements	305	0	None	0	0	0	0	0	0	0
Boiler Equipment	306	0	None	0	0	0	0	0	0	0
Other Power Equipment	307	0	None	0	0	0	0	0	0	0
L.P.G. Equipment	311	0	None	0	0	0	0	0	0	0
Purification Equipment	317	0	None	0	0	0	0	0	0	0
Resid. Refine Equipment	318	0	None	0	0	0	0	0	0	0
Gas Mixing Equipment	319	0	None	0	0	0	0	0	0	0
Subtotal - Plant Accounts 305-338	305-338	0		0	0	0	0	0	0	0
Other Equipment	320	0	None	0	0	0	0	0	0	0
SNG Plant	320	0	None	0	0	0	0	0	0	0
Subtotal - PRODUCTION PLANT	304-338	0	None	0	0	0	0	0	0	0
C. STORAGE PLANT (Mostly LNG Plant)										
Structures and Improvements	361	0	None	0	0	0	0	0	0	0
Gas Holders	362	0	None	0	0	0	0	0	0	0
Purification Equipment	363	0	None	0	0	0	0	0	0	0
Liquification Equipment	364	0	None	0	0	0	0	0	0	0
Vaporizing Equipment	365	0	None	0	0	0	0	0	0	0
Compressor Equipment	366	0	None	0	0	0	0	0	0	0
Measuring and Regulating Equipment	367	0	None	0	0	0	0	0	0	0
Other Equipment	368	0	None	0	0	0	0	0	0	0
Subtotal - Plant Accounts 361-368	361-368	0		0	0	0	0	0	0	0
Subtotal - STORAGE PLANT	360-368	0		0	0	0	0	0	0	0
D. TRANSMISSION PLANT	370-373	0	None	0	0	0	0	0	0	0

Future Test Year Ended August 31, 2007 (\$000s)

	Account	TRANSMISSION		Allocation	TRANSMISSION DEMAND Class Allocation						
		Account	DEMAND		Residential		Commercial		Industrial		
					Description	Code	Dollars	Factor	Non-Heat	Heat	Non-Heat
					RC-1	RC-2	RC-3	RC-4	RC-5	RC-6	
40	E. DISTRIBUTION PLANT										
41	Land and Land Rights	374	0	None	0	0	0	0	0	0	0
42	Structures and Improvements	375	0	None	0	0	0	0	0	0	0
43	Mains	376	0	None	0	0	0	0	0	0	0
44	Mains- Direct Assignment	376	Direct	0	0	0	0	0	0	0	0
45	Compressor Station Equipment	377	0	None	0	0	0	0	0	0	0
46	Meas. & Reg. Stat. Equip. - General	378	0	None	0	0	0	0	0	0	0
47	Services	380	0	None	0	0	0	0	0	0	0
48	Meters	381	0	None	0	0	0	0	0	0	0
49	Meters Install.	382	0	None	0	0	0	0	0	0	0
50	House Regulators	383	0	None	0	0	0	0	0	0	0
51	House Regulator Install.	384	0	None	0	0	0	0	0	0	0
52	Subtotal - Plant Accounts 383-384	383-384	0		0	0	0	0	0	0	0
53	Indust. Meas. & Reg. Station Equipment	385	0	None	0	0	0	0	0	0	0
54	Other Equipment	387	0	None	0	0	0	0	0	0	0
55	Subtotal - DISTRIBUTION PLANT	374-387	0		0	0	0	0	0	0	0
56	F. GENERAL PLANT										
58	Land and Land Rights	389	0	None	0	0	0	0	0	0	0
59	Structures and Improvements	390	0	None	0	0	0	0	0	0	0
60	Office Furniture and Equipment	391	0	None	0	0	0	0	0	0	0
61	Transportation Equipment	392	0	None	0	0	0	0	0	0	0
62	Stores Equipment	393	0	None	0	0	0	0	0	0	0
63	Tools, Shop and Garage Equipment	394	0	None	0	0	0	0	0	0	0
64	Power Operated Equipment	396	0	None	0	0	0	0	0	0	0
65	Communication Equipment	397	0	None	0	0	0	0	0	0	0
66	Miscellaneous Equipment	398	0	None	0	0	0	0	0	0	0
67	Subtotal - GENERAL PLANT	389-399	0		0	0	0	0	0	0	0
68											
69	TOTAL UTILITY PLANT		0		0	0	0	0	0	0	0
70											
71	II. DEPRECIATION RESERVE										
72	Production Plant	108.2	0	None	0	0	0	0	0	0	0
73	Local Storage Plant	108.3	0	None	0	0	0	0	0	0	0
74	Mains	109	0	None	0	0	0	0	0	0	0
75	Mains- Direct Assignment	109	Direct	0	0	0	0	0	0	0	0
76	Services	109	0	None	0	0	0	0	0	0	0
77	Meters	109	0	None	0	0	0	0	0	0	0
78	Distr Other	109	0	None	0	0	0	0	0	0	0
79	General Plant	109	0	None	0	0	0	0	0	0	0
80	TOTAL - DEPRECIATION RESERVE	108	0		0	0	0	0	0	0	0

Philadelphia Gas Works
Class Cost of Service Study - 2006

Future Test Year Ended August 31, 2007 (\$000s)

Account Description	TRANSMISSIC DEMAND		Allocation Factor	TRANSMISSION DEMAND Class Allocation						
	Account Code	Dollars		Municipal Non-Heat RC-7	Municipal Heat RC-8	ousing Auth GS RC-9	NGV Direct RC-10	BPS Small RC-11	BPS Large RC-12	BPS A/C RC-13
40 E. DISTRIBUTION PLANT										
41 Land and Land Rights	374	0	None	0	0	0	0	0	0	0
42 Structures and Improvements	375	0	None	0	0	0	0	0	0	0
43 Mains	376	0	None	0	0	0	0	0	0	0
44 Mains- Direct Assignment	376Direct	0	None	0	0	0	0	0	0	0
45 Compressor Station Equipment	377	0	None	0	0	0	0	0	0	0
46 Meas. & Reg. Stat. Equip. - General	378	0	None	0	0	0	0	0	0	0
47 Services	380	0	None	0	0	0	0	0	0	0
48 Meters	381	0	None	0	0	0	0	0	0	0
49 Meters Install.	382	0	None	0	0	0	0	0	0	0
50 House Regulators	383	0	None	0	0	0	0	0	0	0
51 House Regulator Install.	384	0	None	0	0	0	0	0	0	0
52 Subtotal - Plant Accounts 383-384	383-384	0		0	0	0	0	0	0	0
53 Indust. Meas. & Reg. Station Equipment	385	0	None	0	0	0	0	0	0	0
54 Other Equipment	387	0	None	0	0	0	0	0	0	0
55 Subtotal - DISTRIBUTION PLANT	374-387	0		0	0	0	0	0	0	0
56										
57 F. GENERAL PLANT										
58 Land and Land Rights	389	0	None	0	0	0	0	0	0	0
59 Structures and Improvements	390	0	None	0	0	0	0	0	0	0
60 Office Furniture and Equipment	391	0	None	0	0	0	0	0	0	0
61 Transportation Equipment	392	0	None	0	0	0	0	0	0	0
62 Stores Equipment	393	0	None	0	0	0	0	0	0	0
63 Tools, Shop and Garage Equipment	394	0	None	0	0	0	0	0	0	0
64 Power Operated Equipment	396	0	None	0	0	0	0	0	0	0
65 Communication Equipment	397	0	None	0	0	0	0	0	0	0
66 Miscellaneous Equipment	398	0	None	0	0	0	0	0	0	0
67 Subtotal - GENERAL PLANT	389-399	0		0	0	0	0	0	0	0
68										
69 TOTAL UTILITY PLANT		0		0	0	0	0	0	0	0
70										
71 II. DEPRECIATION RESERVE										
72 Production Plant	108.2	0	None	0	0	0	0	0	0	0
73 Local Storage Plant	108.3	0	None	0	0	0	0	0	0	0
74 Mains	109	0	None	0	0	0	0	0	0	0
75 Mains- Direct Assignment	08.52Direc	0	None	0	0	0	0	0	0	0
76 Services	109	0	None	0	0	0	0	0	0	0
77 Meters	109	0	None	0	0	0	0	0	0	0
78 Distr Other	109	0	None	0	0	0	0	0	0	0
79 General Plant	109	0	None	0	0	0	0	0	0	0
80 TOTAL - DEPRECIATION RESERVE	108	0		0	0	0	0	0	0	0

Philadelphia Gas Works
Class Cost of Service Study - 2006

Future Test Year Ended August 31, 2007 (\$000s)

Account Description	Account Code	TRANSMISSIC DEMAND Dollars	Allocation Factor	TRANSMISSION DEMAND Class Allocation							
				Municipal Non-Heat RC-7	Municipal Heat RC-8	ousing Auti GS RC-9	NGV Direct RC-10	BPS Small RC-11	BPS Large RC-12	BPS A/C RC-13	
III. OTHER RATE BASE ITEMS											
83	Unclassified	106	0	None	0	0	0	0	0	0	0
84	Construction Work in Progress	107	0	None	0	0	0	0	0	0	0
85	CWIP- Mains	235	0	None	0	0	0	0	0	0	0
86	CWIP- Services	282	0	None	0	0	0	0	0	0	0
87	Total - OTHER RATE BASE ITEMS		0		0	0	0	0	0	0	0
IV. TOTAL RATE BASE (Excl. Working Cap)											
89	Working Capital (See Subreport)	131	20,784	See WC Report	100	435	335	0	0	0	0
92	V. TOTAL RATE BASE		20,784		100	435	335	0	0	0	0
I. OPERATION & MAINTENANCE EXPEN:											
A. PRODUCTION EXPENSES											
1. Manufactured Gas Production											
97	Operations Labor- Passyunk	701	0	None	0	0	0	0	0	0	0
98	Misc. Steam Expenses- Passyunk	703	0	None	0	0	0	0	0	0	0
99	Maintenance of Structures	706	0	None	0	0	0	0	0	0	0
100	Maint Boiler Plant Equipment- Passyunk	707	0	None	0	0	0	0	0	0	0
101	Maint Steam Oth Prod- Passyunk	708	0	None	0	0	0	0	0	0	0
102	Other Power Elec Generation	712	0	None	0	0	0	0	0	0	0
103	Subtotal - O&M Accounts 701-716	710-716	0		0	0	0	0	0	0	0
104	Steam & Elec Cr Oth Util	734	0	None	0	0	0	0	0	0	0
105	Plant Protection	735	0	None	0	0	0	0	0	0	0
106	Maint. of Structure & Improvements	741	0	None	0	0	0	0	0	0	0
107	Maint Production Equipment	743	0	None	0	0	0	0	0	0	0
108	Subtotal - O&M Accounts 717-742	717-742	0	None	0	0	0	0	0	0	0
109	Subtotal - Manufactured Gas Production	710-742	0		0	0	0	0	0	0	0
2. Other Gas Supply Expenses											
112	Natural Gas Purchases	804	45,990	Gas Report	204	1,051	747	0	0	0	0
113	Natural Gas Oper Expenses	807	0	None	0	0	0	0	0	0	0
114	Natural Gas W/D from Storage- Gas Repor	808	0	None	0	0	0	0	0	0	0
115	Gas Used for Other Util Operations	812	0	None	0	0	0	0	0	0	0
116	LNG Operating Expenses	813	0	None	0	0	0	0	0	0	0
117	Subtotal - PRODUCTION EXPENSES	710-813	45,990		204	1,051	747	0	0	0	0

Philadelphia Gas Works
Class Cost of Service Study - 2006

Future Test Year Ended August 31, 2007 (\$000s)

TRANSMISSION DEMAND Class Allocation

Account Description	Account Code	TRANSMISSION DEMAND Dollars	Allocation Factor	Residential	Residential	Commercial	Commercial	Industrial	Industrial
				Non-Heat RC-1	Heat RC-2	Non-Heat RC-3	Heat RC-4	Non-Heat RC-5	Heat RC-6
B. NATURAL GAS STORAGE, TERMINAL									
120 LNG Operating Exp Admin	840	0	None	0	0	0	0	0	0
121 Training	841	0	None	0	0	0	0	0	0
122 Subtotal - O&M Accounts 840-841	840-841	0		0	0	0	0	0	0
123 Fuel- LNG Power	842	0	None	0	0	0	0	0	0
124 Maintenance Exp- Admin	843	0	None	0	0	0	0	0	0
125 Oper Exp Admin	850	0	None	0	0	0	0	0	0
126 Subtotal - Maint. Accounts 843.1-850	843.1-850	0		0	0	0	0	0	0
127 Subtotal - NATURAL GAS STORAGE	840-850	0		0	0	0	0	0	0
C. TRANSMISSION EXPENSES									
129 C. TRANSMISSION EXPENSES	856-863	0	None	0	0	0	0	0	0
D. DISTRIBUTION EXPENSES									
132 Operation Supv & Engineering	870	0	None	0	0	0	0	0	0
133 Gas Control	871	0	None	0	0	0	0	0	0
134 Mains and Services Expenses	874	0	None	0	0	0	0	0	0
135 Natural Gas Oper Exp	875	0	None	0	0	0	0	0	0
136 Meas & Reg Exp- City Gate Stations	877	0	None	0	0	0	0	0	0
137 Meter & House Regulator Expenses	878	0	None	0	0	0	0	0	0
138 Customer Install- Gas Business Costs	879	0	None	0	0	0	0	0	0
139 PLP Costs	879PLP	0	None	0	0	0	0	0	0
140 Other expenses	880	0	None	0	0	0	0	0	0
141 Distribution Rents	881	0	None	0	0	0	0	0	0
142 Maint. Supervision & Engineering	885	0	None	0	0	0	0	0	0
143 Maint. of Mains	887	0	None	0	0	0	0	0	0
144 Maint. of Meas. & Reg. Station Expenses-C	889	0	None	0	0	0	0	0	0
145 Natural Gas Equipment	891	0	None	0	0	0	0	0	0
146 Maint. of Services	892	0	None	0	0	0	0	0	0
147 Maint. of Meters & House Regulators	893	0	None	0	0	0	0	0	0
148 Subtotal - DISTRIBUTION EXPENSES	870-893	0		0	0	0	0	0	0
149 Total - OPERATION & MAINTENANCE EX		45,990		895	34,519	746	7,003	200	625
II. CUSTOMER ACCOUNTS EXPENSES									
152 Customer Service - Administrative	901	0	None	0	0	0	0	0	0
153 Meter Reading - Administrative	901	0	None	0	0	0	0	0	0
154 Collection - Administrative	901	0	None	0	0	0	0	0	0
155 Meter Reading Expenses	902	0	None	0	0	0	0	0	0
156 Customer Records & Collection Expense	903	0	None	0	0	0	0	0	0
157 Uncollectible Accounts	904	0	None	0	0	0	0	0	0
158 Uncollectible Accounts in CRP	904CRP	0	None	0	0	0	0	0	0
159 Total - CUSTOMER ACCOUNTS EXPENS		0		0	0	0	0	0	0

Philadelphia Gas Works
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Future Test Year Ended August 31, 2007 (\$000s)

TRANSMISSION DEMAND Class Allocation

	Account Description	Account Code	TRANSMISSION DEMAND Dollars	Allocation Factor	Residential	Residential	Commercial	Commercial	Industrial	Industrial
					Non-Heat RC-1	Heat RC-2	Non-Heat RC-3	Heat RC-4	Non-Heat RC-5	Heat RC-6
201	VII. TAXES OTHER THAN INCOME TAXE									
202	Payroll Taxes	408	0	None	0	0	0	0	0	0
203										
204	TOTAL EXPENSES		45,990		895	34,519	746	7,003	200	625
205										
206	V. REVENUES									
207	Distribution Revenue	480-483	0	None	0	0	0	0	0	0
208	GCR Revenue	80-483GC	45,990	GCR_Revenue	1,297	32,823	1,512	7,538	306	652
209	Interruptible Gas Revenues	480-483Int	0	None	0	0	0	0	0	0
210	USEC Revenue	80-483USI	0	None	0	0	0	0	0	0
211	REC Revenue	80-483REI	0	None	0	0	0	0	0	0
212	Finance Chges- Unpaid Gas Accts	487	0	TRAN_REV-D	0	0	0	0	0	0
213	Misc Service Discounts	488	0	TRAN_REV-D	0	0	0	0	0	0
214	Transport Gas for Others	489	0	None	0	0	0	0	0	0
215	Gas Revenues- Adjustment	495	0	None	0	0	0	0	0	0
216	Revenue Adjustments	495Adj	0	None	0	0	0	0	0	0
217	Subtotal Gas Revenues, net		45,990		1,297	32,823	1,512	7,538	306	652
218										
219	Bill Paid Turn Ons & Dig Ups		0	None	0	0	0	0	0	0
220	Rev/Exp- Appliance, Service, Other	879Rev	0	None	0	0	0	0	0	0
221	Subtotal Other Oper Revenues, net		0		0	0	0	0	0	0
222										
223	Total Operating Revenues		45,990		1,297	32,823	1,512	7,538	306	652
224										
225	Interest and Non-Operating Income	418	0	None	0	0	0	0	0	0
226	Penalties- Regulatory	426	0	None	0	0	0	0	0	0
227	Total Non-Oper Income		0		0	0	0	0	0	0
228										
229	Total Revenue		45,990		1,297	32,823	1,512	7,538	306	652
230										
231	Income before Interest and Surplus		0		402	(1,696)	767	534	106	27
232										
233	Interest on long-term debt	427	0	None	0	0	0	0	0	0
234	AFUDC	432	0	None	0	0	0	0	0	0
235	Surplus Requirement		0	None	0	0	0	0	0	0
236	Total Interest and Surplus		0		0	0	0	0	0	0
237	Rate Increase Requirement	436	0	None	0	0	0	0	0	0
238	Total Interest, Surplus and Rate Increas		0		0	0	0	0	0	0
239										
240	OVER (UNDER) Total Requirements		0		402	(1,696)	767	534	106	27

Future Test Year Ended August 31, 2007 (\$000s)

Account Description	Account Code	TRANSMISSIC DEMAND Dollars	Allocation Allocation Factor	TRANSMISSION DEMAND Class Allocation							
				Municipal Non-Heat RC-7	Municipal Heat RC-8	ousing Aut GS RC-9	NGV Direct RC-10	BPS Small RC-11	BPS Large RC-12	BPS A/C RC-13	
201 VII. TAXES OTHER THAN INCOME TAXE											
202 Payroll Taxes	408	0	None	0	0	0	0	0	0	0	0
203											
204 TOTAL EXPENSES		45,990		204	1,051	747	0	0	0	0	0
205											
206 V. REVENUES											
207 Distribution Revenue	480-483	0	None	0	0	0	0	0	0	0	0
208 GCR Revenue	80-483GC	45,990	GCR_Revenue	233	893	736	0	0	0	0	0
209 Interruptible Gas Revenues	480-483Int	0	None	0	0	0	0	0	0	0	0
210 USEC Revenue	80-483US	0	None	0	0	0	0	0	0	0	0
211 REC Revenue	80-483RE	0	None	0	0	0	0	0	0	0	0
212 Finance Chges- Unpaid Gas Accts	487	0	TRAN_REV-D	0	0	0	0	0	0	0	0
213 Misc Service Discounts	488	0	TRAN_REV-D	0	0	0	0	0	0	0	0
214 Transport Gas for Others	489	0	None	0	0	0	0	0	0	0	0
215 Gas Revenues- Adjustment	495	0	None	0	0	0	0	0	0	0	0
216 Revenue Adjustments	495Adj	0	None	0	0	0	0	0	0	0	0
217 Subtotal Gas Revenues, net		45,990		233	893	736	0	0	0	0	0
218											
219 Bill Paid Turn Ons & Dig Ups		0	None	0	0	0	0	0	0	0	0
220 Rev/Exp- Appliance, Service, Other	879Rev	0	None	0	0	0	0	0	0	0	0
221 Subtotal Other Oper Revenues, net		0		0	0	0	0	0	0	0	0
222											
223 Total Operating Revenues		45,990		233	893	736	0	0	0	0	0
224											
225 Interest and Non-Operating Income	418	0	None	0	0	0	0	0	0	0	0
226 Penalties- Regulatory	426	0	None	0	0	0	0	0	0	0	0
227 Total Non-Oper Income		0		0	0	0	0	0	0	0	0
228											
229 Total Revenue		45,990		233	893	736	0	0	0	0	0
230											
231 Income before Interest and Surplus		0		29	(158)	(11)	0	0	0	0	0
232											
233 Interest on long-term debt	427	0	None	0	0	0	0	0	0	0	0
234 AFUDC	432	0	None	0	0	0	0	0	0	0	0
235 Surplus Requirement		0	None	0	0	0	0	0	0	0	0
236 Total Interest and Surplus		0		0	0	0	0	0	0	0	0
237 Rate Increase Requirement	436	0	None	0	0	0	0	0	0	0	0
238 Total Interest, Surplus and Rate Increas		0		0	0	0	0	0	0	0	0
239											
240 OVER (UNDER) Total Requirements		0		29	(158)	(11)	0	0	0	0	0

Philadelphia Gas Works
Class Cost of Service Study - 2006

Future Test Year Ended August 31, 2007 (\$000s)

	Account Description	Account Code	TRANSMISSION DEMAND Dollars	Allocation Allocation Factor	TRANSMISSION DEMAND Class Allocation						
					LBS Small RC-14	LBS Large-Indirect RC-15	LBS Large-Direct RC-16	LBS Large-Direct RC-17	LBX XL-Indirect RC-18	Co-Gen InDirect RC-19	GTS / IT Trans only RC-20
201	VII. TAXES OTHER THAN INCOME TAXE										
202	Payroll Taxes	408	0	None	0	0	0	0	0	0	0
203											
204	TOTAL EXPENSES		45,990		0	0	0	0	0	0	0
205											
206	V. REVENUES										
207	Distribution Revenue	480-483	0	None	0	0	0	0	0	0	0
208	GCR Revenue	80-483GC	45,990	GCR_Revenue	0	0	0	0	0	0	0
209	Interruptible Gas Revenues	480-483Int	0	None	0	0	0	0	0	0	0
210	USEC Revenue	80-483US	0	None	0	0	0	0	0	0	0
211	REC Revenue	80-483RE	0	None	0	0	0	0	0	0	0
212	Finance Chges- Unpaid Gas Accts	487	0	TRAN_REV-D	0	0	0	0	0	0	0
213	Misc Service Discounts	488	0	TRAN_REV-D	0	0	0	0	0	0	0
214	Transport Gas for Others	489	0	None	0	0	0	0	0	0	0
215	Gas Revenues- Adjustment	495	0	None	0	0	0	0	0	0	0
216	Revenue Adjustments	495Adj	0	None	0	0	0	0	0	0	0
217	Subtotal Gas Revenues, net		45,990		0	0	0	0	0	0	0
218											
219	Bill Paid Turn Ons & Dig Ups		0	None	0	0	0	0	0	0	0
220	Rev/Exp- Appliance, Service, Other	879Rev	0	None	0	0	0	0	0	0	0
221	Subtotal Other Oper Revenues, net		0		0	0	0	0	0	0	0
222											
223	Total Operating Revenues		45,990		0	0	0	0	0	0	0
224											
225	Interest and Non-Operating Income	418	0	None	0	0	0	0	0	0	0
226	Penalties- Regulatory	426	0	None	0	0	0	0	0	0	0
227	Total Non-Oper Income		0		0	0	0	0	0	0	0
228											
229	Total Revenue		45,990		0	0	0	0	0	0	0
230											
231	Income before Interest and Surplus		0		0	0	0	0	0	0	0
232											
233	Interest on long-term debt	427	0	None	0	0	0	0	0	0	0
234	AFUDC	432	0	None	0	0	0	0	0	0	0
235	Surplus Requirement		0	None	0	0	0	0	0	0	0
236	Total Interest and Surplus		0		0	0	0	0	0	0	0
237	Rate Increase Requirement	436	0	None	0	0	0	0	0	0	0
238	Total Interest, Surplus and Rate Increas		0		0	0	0	0	0	0	0
239											
240	OVER (UNDER) Total Requirements		0		0	0	0	0	0	0	0

Exhibit HSG-4E

Class Allocation – Distribution Demand

Future Test Year Ended August 31, 2007 (\$000s)

Account Description	Account Code	DISTRIBUTION DEMAND Dollars	Allocation Factor	DISTRIBUTION DEMAND Class Allocation					
				Residential Non-Heat RC-1	Residential Heat RC-2	Commercial Non-Heat RC-3	Commercial Heat RC-4	Industrial Non-Heat RC-5	Industrial Heat RC-6
40 E. DISTRIBUTION PLANT									
41 Land and Land Rights	374	101	DISTPT-D	2	69	1	14	0	1
42 Structures and Improvements	375	2,533	DISTPT-D	45	1,733	37	352	10	31
43 Mains	376	405,423	PeakDemand	7,293	281,347	6,077	57,080	1,632	5,091
44 Mains- Direct Assignment	376Direct	7,574	GTS-Dir-Mains	0	0	0	0	0	0
45 Compressor Station Equipment	377	1,180	DesignDay	23	885	19	180	5	16
46 Meas. & Reg. Stat. Equip. - General	378	16,545	DesignDay	322	12,419	268	2,520	72	225
47 Services	380	0	None	0	0	0	0	0	0
48 Meters	381	0	None	0	0	0	0	0	0
49 Meters Install.	382	0	None	0	0	0	0	0	0
50 House Regulators	383	0	None	0	0	0	0	0	0
51 House Regulator Install.	384	0	None	0	0	0	0	0	0
52 Subtotal - Plant Accounts 383-384	383-384	0		0	0	0	0	0	0
53 Indust. Meas. & Reg. Station Equipment	385	1,663	DesignDay	32	1,248	27	253	7	23
54 Other Equipment	387	4,452	DISTPT-D	79	3,047	66	618	18	55
55 Subtotal - DISTRIBUTION PLANT	374-387	439,471		7,796	300,749	6,496	61,017	1,745	5,442
56									
57 F. GENERAL PLANT									
58 Land and Land Rights	389	376	DISTLABOR-D	10	269	6	52	2	5
59 Structures and Improvements	390	6,663	DISTLABOR-D	170	4,775	109	917	27	81
60 Office Furniture and Equipment	391	8,189	DISTLABOR-D	209	5,869	133	1,127	33	99
61 Transportation Equipment	392	2,741	DISTLABOR-D	70	1,964	45	377	11	33
62 Stores Equipment	393	72	DISTLABOR-D	2	51	1	10	0	1
63 Tools, Shop and Garage Equipment	394	892	DISTLABOR-D	23	639	15	123	4	11
64 Power Operated Equipment	396	41	DISTLABOR-D	1	29	1	6	0	0
65 Communication Equipment	397	1,974	DISTLABOR-D	50	1,415	32	272	8	24
66 Miscellaneous Equipment	398	776	DISTLABOR-D	20	556	13	107	3	9
67 Subtotal - GENERAL PLANT	389-399	21,723		555	15,568	354	2,989	87	263
68									
69 TOTAL UTILITY PLANT		461,194		8,350	316,317	6,850	64,006	1,832	5,705
70									
71 II. DEPRECIATION RESERVE									
72 Production Plant	108.2	0	None	0	0	0	0	0	0
73 Local Storage Plant	108.3	0	None	0	0	0	0	0	0
74 Mains	109	141,265	PeakDemand	2,541	98,032	2,118	19,889	569	1,774
75 Mains- Direct Assignment	08.52Direc	4,713	GTS-Dir-AccDep	0	0	0	0	0	0
76 Services	109	0	None	0	0	0	0	0	0
77 Meters	109	0	None	0	0	0	0	0	0
78 Distr Other	109	15,664	DISTPT-D	278	10,719	232	2,175	62	194
79 General Plant	109	9,540	DISTLABOR-D	244	6,837	155	1,313	38	115
80 TOTAL - DEPRECIATION RESERVE	108	171,181		3,063	115,589	2,504	23,377	669	2,083

Philadelphia Gas Works

Exhibit HSG-4E

Class Cost of Service Study - 2006

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Future Test Year Ended August 31, 2007 (\$000s)

Account Description	Account Code	DISTRIBUTION DEMAND Dollars	Allocation Factor	DISTRIBUTION DEMAND Class Allocation						
				Municipal Non-Heat RC-7	Municipal Heat RC-8	ousing Autf GS RC-9	NGV Direct RC-10	BPS Small RC-11	BPS Large RC-12	BPS A/C RC-13
40 E. DISTRIBUTION PLANT										
41 Land and Land Rights	374	101	DISTPT-D	0	2	1	0	0	3	0
42 Structures and Improvements	375	2,533	DISTPT-D	10	53	38	0	7	71	2
43 Mains	376	405,423	PeakDemand	1,666	8,567	6,088	0	1,124	12,189	374
44 Mains- Direct Assignment	376Direct	7,574	GTS-Dir-Mains	0	0	0	0	0	0	0
45 Compressor Station Equipment	377	1,180	DesignDay	5	27	19	0	0	0	0
46 Meas. & Reg. Stat. Equip. - General	378	16,545	DesignDay	74	378	269	0	0	0	0
47 Services	380	0	None	0	0	0	0	0	0	0
48 Meters	381	0	None	0	0	0	0	0	0	0
49 Meters Install.	382	0	None	0	0	0	0	0	0	0
50 House Regulators	383	0	None	0	0	0	0	0	0	0
51 House Regulator Install.	384	0	None	0	0	0	0	0	0	0
52 Subtotal - Plant Accounts 383-384	383-384	0		0	0	0	0	0	0	0
53 Indust. Meas. & Reg. Station Equipment	385	1,663	DesignDay	7	38	27	0	0	0	0
54 Other Equipment	387	4,452	DISTPT-D	18	93	66	0	12	126	4
55 Subtotal - DISTRIBUTION PLANT	374-387	439,471		1,781	9,157	6,507	0	1,143	12,389	380
56										
57 F. GENERAL PLANT										
58 Land and Land Rights	389	376	DISTLABOR-D	1	7	6	0	1	8	0
59 Structures and Improvements	390	6,663	DISTLABOR-D	26	133	98	0	13	135	4
60 Office Furniture and Equipment	391	8,189	DISTLABOR-D	33	163	120	0	15	166	6
61 Transportation Equipment	392	2,741	DISTLABOR-D	11	55	40	0	5	55	2
62 Stores Equipment	393	72	DISTLABOR-D	0	1	1	0	0	1	0
63 Tools, Shop and Garage Equipment	394	892	DISTLABOR-D	4	18	13	0	2	18	1
64 Power Operated Equipment	396	41	DISTLABOR-D	0	1	1	0	0	1	0
65 Communication Equipment	397	1,974	DISTLABOR-D	8	39	29	0	4	40	1
66 Miscellaneous Equipment	398	776	DISTLABOR-D	3	15	11	0	1	16	1
67 Subtotal - GENERAL PLANT	389-399	21,723		86	433	318	0	41	440	15
68										
69 TOTAL UTILITY PLANT		461,194		1,867	9,590	6,826	0	1,184	12,829	395
70										
71 II. DEPRECIATION RESERVE										
72 Production Plant	108.2	0	None	0	0	0	0	0	0	0
73 Local Storage Plant	108.3	0	None	0	0	0	0	0	0	0
74 Mains	109	141,265	PeakDemand	580	2,985	2,121	0	392	4,247	130
75 Mains- Direct Assignment	08.52Direc	4,713	GTS-Dir-AccDep	0	0	0	0	0	0	0
76 Services	109	0	None	0	0	0	0	0	0	0
77 Meters	109	0	None	0	0	0	0	0	0	0
78 Distr Other	109	15,664	DISTPT-D	63	326	232	0	41	442	14
79 General Plant	109	9,540	DISTLABOR-D	38	190	140	0	18	193	6
80 TOTAL - DEPRECIATION RESERVE	108	171,181		682	3,501	2,493	0	450	4,882	150

Future Test Year Ended August 31, 2007 (\$000s)

Account Description	Account Code	DISTRIBUTION DEMAND Dollars	Allocation Allocation Factor	DISTRIBUTION DEMAND Class Allocation						
				LBS Small RC-14	LBS Large-InDirect RC-15	LBS Large-Direct RC-16	LBS Large-Direct RC-17	LBX XL-Indirect RC-18	Co-Gen InDirect RC-19	GTS / IT Trans only RC-20
E. DISTRIBUTION PLANT										
41 Land and Land Rights	374	101	DISTPT-D	1	0	0	0	0	0	5
42 Structures and Improvements	375	2,533	DISTPT-D	13	9	0	0	1	0	120
43 Mains	376	405,423	PeakDemand	2,218	1,504	29	3	249	24	12,868
44 Mains- Direct Assignment	376Direct	7,574	GTS-Dir-Mains	0	0	0	0	0	0	7,574
45 Compressor Station Equipment	377	1,180	DesignDay	0	0	0	0	0	0	0
46 Meas. & Reg. Stat. Equip. - General	378	16,545	DesignDay	0	0	0	0	0	0	0
47 Services	380	0	None	0	0	0	0	0	0	0
48 Meters	381	0	None	0	0	0	0	0	0	0
49 Meters Install.	382	0	None	0	0	0	0	0	0	0
50 House Regulators	383	0	None	0	0	0	0	0	0	0
51 House Regulator Install.	384	0	None	0	0	0	0	0	0	0
52 Subtotal - Plant Accounts 383-384	383-384	0		0	0	0	0	0	0	0
53 Indust. Meas. & Reg. Station Equipment	385	1,663	DesignDay	0	0	0	0	0	0	0
54 Other Equipment	387	4,452	DISTPT-D	23	15	0	0	3	0	210
55 Subtotal - DISTRIBUTION PLANT	374-387	439,471		2,254	1,529	29	3	253	25	20,777
F. GENERAL PLANT										
58 Land and Land Rights	389	376	DISTLABOR-D	1	1	0	0	0	0	7
59 Structures and Improvements	390	6,663	DISTLABOR-D	26	17	0	0	3	0	129
60 Office Furniture and Equipment	391	8,189	DISTLABOR-D	32	21	1	0	4	0	159
61 Transportation Equipment	392	2,741	DISTLABOR-D	11	7	0	0	1	0	53
62 Stores Equipment	393	72	DISTLABOR-D	0	0	0	0	0	0	1
63 Tools, Shop and Garage Equipment	394	892	DISTLABOR-D	3	2	0	0	0	0	17
64 Power Operated Equipment	396	41	DISTLABOR-D	0	0	0	0	0	0	1
65 Communication Equipment	397	1,974	DISTLABOR-D	8	5	0	0	1	0	38
66 Miscellaneous Equipment	398	776	DISTLABOR-D	3	2	0	0	0	0	15
67 Subtotal - GENERAL PLANT	389-399	21,723		84	57	1	0	9	1	420
69 TOTAL UTILITY PLANT		461,194		2,338	1,586	31	3	262	26	21,197
II. DEPRECIATION RESERVE										
72 Production Plant	108.2	0	None	0	0	0	0	0	0	0
73 Local Storage Plant	108.3	0	None	0	0	0	0	0	0	0
74 Mains	109	141,265	PeakDemand	773	524	10	1	87	8	4,484
75 Mains- Direct Assignment	08.52Direct	4,713	GTS-Dir-AccDep	0	0	0	0	0	0	4,713
76 Services	109	0	None	0	0	0	0	0	0	0
77 Meters	109	0	None	0	0	0	0	0	0	0
78 Distr Other	109	15,664	DISTPT-D	80	54	1	0	9	1	741
79 General Plant	109	9,540	DISTLABOR-D	37	25	1	0	4	1	185
80 TOTAL - DEPRECIATION RESERVE	108	171,181		890	604	12	1	100	10	10,121

Philadelphia Gas Works
Class Cost of Service Study - 2006

Future Test Year Ended August 31, 2007 (\$000s)

DISTRIBUTION DEMAND Class Allocation

Account Description	Account Code	DEMAND Dollars	Allocation Factor	Residential	Residential	Commercial	Commercial	Industrial	Industrial	
				Non-Heat RC-1	Heat RC-2	Non-Heat RC-3	Heat RC-4	Non-Heat RC-5	Heat RC-6	
B. NATURAL GAS STORAGE, TERMINAL										
120 LNG Operating Exp Admin	840	0	None	0	0	0	0	0	0	
121 Training	841	0	None	0	0	0	0	0	0	
122 Subtotal - O&M Accounts 840-841	840-841	0		0	0	0	0	0	0	
123 Fuel- LNG Power	842	0	None	0	0	0	0	0	0	
124 Maintenance Exp- Admin	843	0	None	0	0	0	0	0	0	
125 Oper Exp Admin	850	0	None	0	0	0	0	0	0	
126 Subtotal - Maint. Accounts 843.1-850	843.1-850	0		0	0	0	0	0	0	
127 Subtotal - NATURAL GAS STORAGE	840-850	0		0	0	0	0	0	0	
C. TRANSMISSION EXPENSES										
129 C. TRANSMISSION EXPENSES	856-863	0	None	0	0	0	0	0	0	
D. DISTRIBUTION EXPENSES										
132 Operation Supv & Engineering	870	259	DISTLABOR-D	7	185	4	36	1	3	
133 Gas Control	871	0	None	0	0	0	0	0	0	
134 Mains and Services Expenses	874	1,159	STMAIN-SERVICE	73	877	18	110	3	9	
135 Natural Gas Oper Exp	875	1,099	DesignDay	21	825	18	167	5	15	
136 Meas & Reg Exp- City Gate Stations	877	266	DesignDay	5	200	4	41	1	4	
137 Meter & House Regulator Expenses	878	0	None	0	0	0	0	0	0	
138 Customer Install- Gas Business Costs	879	0	None	0	0	0	0	0	0	
139 PLP Costs	879PLP	0	None	0	0	0	0	0	0	
140 Other expenses	880	0	None	0	0	0	0	0	0	
141 Distribution Rents	881	4	DISTLABOR-D	0	3	0	1	0	0	
142 Maint. Supervision & Engineering	885	307	DISTLABOR-D	8	220	5	42	1	4	
143 Maint. of Mains	887	4,715	PeakDemand	85	3,272	71	664	19	59	
144 Maint. of Meas. & Reg. Station Expenses-C	889	1,343	DesignDay	26	1,008	22	205	6	18	
145 Natural Gas Equipment	891	452	Gas_Sales	12	304	14	70	3	6	
146 Maint. of Services	892	0	None	0	0	0	0	0	0	
147 Maint. of Meters & House Regulators	893	0	None	0	0	0	0	0	0	
148 Subtotal - DISTRIBUTION EXPENSES	870-893	9,605		237	6,894	156	1,334	39	118	
149 Total - OPERATION & MAINTENANCE EX		9,605		237	6,894	156	1,334	39	118	
II. CUSTOMER ACCOUNTS EXPENSES										
152 Customer Service - Administrative	901	0	None	0	0	0	0	0	0	
153 Meter Reading - Administrative	901	0	None	0	0	0	0	0	0	
154 Collection - Administrative	901	0	None	0	0	0	0	0	0	
155 Meter Reading Expenses	902	0	None	0	0	0	0	0	0	
156 Customer Records & Collection Expense	903	0	None	0	0	0	0	0	0	
157 Uncollectible Accounts	904	0	None	0	0	0	0	0	0	
158 Uncollectible Accounts in CRP	904CRP	0	None	0	0	0	0	0	0	
159 Total - CUSTOMER ACCOUNTS EXPENS		0		0	0	0	0	0	0	

Future Test Year Ended August 31, 2007 (\$000s)

DISTRIBUTION DEMAND Class Allocation

Account Description	Account Code	DISTRIBUTION DEMAND Dollars	Allocation Factor	Residential	Residential	Commercial	Commercial	Industrial	Industrial
				Non-Heat RC-1	Heat RC-2	Non-Heat RC-3	Heat RC-4	Non-Heat RC-5	Heat RC-6
201 VII. TAXES OTHER THAN INCOME TAXE									
202 Payroll Taxes	408	656	DISTLABOR-D	17	470	11	90	3	8
204 TOTAL EXPENSES		29,940		648	20,658	460	4,066	118	360
206 V. REVENUES									
207 Distribution Revenue	480-483	23,289	BaseRate_Rev	1,079	17,184	682	3,251	131	281
208 GCR Revenue	80-483GC	0	None	0	0	0	0	0	0
209 Interruptible Gas Revenues	480-483Int	0	None	0	0	0	0	0	0
210 USEC Revenue	80-483USI	0	None	0	0	0	0	0	0
211 REC Revenue	80-483REI	1,431	REC_Rev	40	1,021	47	234	10	20
212 Finance Chges- Unpaid Gas Accts	487	3,766	Over60-Dol	233	3,151	49	194	7	17
213 Misc Service Discounts	488	61	BaseRate_Rev	3	45	2	8	0	1
214 Transport Gas for Others	489	7,256	GTS	0	0	0	0	0	0
215 Gas Revenues- Adjustment	495	0	None	0	0	0	0	0	0
216 Revenue Adjustments	495Adj	(322)	BaseRate_Rev	(15)	(238)	(9)	(45)	(2)	(4)
217 Subtotal Gas Revenues, net		35,481		1,341	21,164	770	3,643	146	315
219 Bill Paid Turn Ons & Dig Ups		0	None	0	0	0	0	0	0
220 Rev/Exp- Appliance, Service, Other	879Rev	0	None	0	0	0	0	0	0
221 Subtotal Other Oper Revenues, net		0		0	0	0	0	0	0
223 Total Operating Revenues		35,481		1,341	21,164	770	3,643	146	315
225 Interest and Non-Operating Income	418	2,934	RATEBASE	166	2,149	67	342	10	26
226 Penalties- Regulatory	426	0	None	0	0	0	0	0	0
227 Total Non-Oper Income		2,934		166	2,149	67	342	10	26
229 Total Revenue		38,415		1,507	23,313	837	3,986	156	341
231 Income before Interest and Surplus		8,475		859	2,655	378	(81)	39	(19)
233 Interest on long-term debt	427	22,031	RATEBASE	1,250	16,140	505	2,572	77	194
234 AFUDC	432	(38)	RATEBASE	(2)	(28)	(1)	(4)	(0)	(0)
235 Surplus Requirement		0	None	0	0	0	0	0	0
236 Total Interest and Surplus		21,993		1,248	16,112	504	2,567	77	194
237 Rate Increase Requirement	436	0	None	0	0	0	0	0	0
238 Total Interest, Surplus and Rate Increas		21,993		1,248	16,112	504	2,567	77	194
240 OVER (UNDER) Total Requirements		(13,518)		(388)	(13,456)	(126)	(2,648)	(39)	(213)

Future Test Year Ended August 31, 2007 (\$000s)

	Account Description	Account Code	DISTRIBUTION DEMAND Dollars	Allocation Factor	DISTRIBUTION DEMAND Class Allocation							
					Municipal Non-Heat RC-7	Municipal Heat RC-8	housing Auth GS RC-9	NGV Direct RC-10	BPS Small RC-11	BPS Large RC-12	BPS A/C RC-13	
201	VII. TAXES OTHER THAN INCOME TAXE											
202	Payroll Taxes	408	656	DISTLABOR-D	3	13	10	0	1	13	0	
203												
204	TOTAL EXPENSES		29,940		118	598	433	0	63	681	22	
205												
206	V. REVENUES											
207	Distribution Revenue	480-483	23,289	BaseRate_Rev	72	262	326	0	4	12	0	
208	GCR Revenue	80-483GC	0	None	0	0	0	0	0	0	0	
209	Interruptible Gas Revenues	480-483Int	0	None	0	0	0	0	0	0	0	
210	USEC Revenue	80-483US	0	None	0	0	0	0	0	0	0	
211	REC Revenue	80-483RE	1,431	REC_Rev	7	28	23	0	0	0	0	
212	Finance Chges- Unpaid Gas Accts	487	3,766	Over60-Dol	2	8	94	0	10	0	0	
213	Misc Service Discounts	488	61	BaseRate_Rev	0	1	1	0	0	0	0	
214	Transport Gas for Others	489	7,256	GTS	0	0	0	0	0	0	0	
215	Gas Revenues- Adjustment	495	0	None	0	0	0	0	0	0	0	
216	Revenue Adjustments	495Adj	(322)	BaseRate_Rev	(1)	(4)	(5)	(0)	(0)	(0)	(0)	
217	Subtotal Gas Revenues, net		35,481		80	294	440	0	14	11	0	
218												
219	Bill Paid Turn Ons & Dig Ups		0	None	0	0	0	0	0	0	0	
220	Rev/Exp- Appliance, Service, Other	879Rev	0	None	0	0	0	0	0	0	0	
221	Subtotal Other Oper Revenues, net		0		0	0	0	0	0	0	0	
222												
223	Total Operating Revenues		35,481		80	294	440	0	14	11	0	
224												
225	Interest and Non-Operating Income	418	2,934	RATEBASE	9	36	33	0	5	43	2	
226	Penalties- Regulatory	426	0	None	0	0	0	0	0	0	0	
227	Total Non-Oper Income		2,934		9	36	33	0	5	43	2	
228												
229	Total Revenue		38,415		89	330	473	0	18	54	2	
230												
231	Income before Interest and Surplus		8,475		(29)	(268)	39	0	(45)	(627)	(20)	
232												
233	Interest on long-term debt	427	22,031	RATEBASE	65	267	247	0	35	321	13	
234	AFUDC	432	(38)	RATEBASE	(0)	(0)	(0)	(0)	(0)	(1)	(0)	
235	Surplus Requirement		0	None	0	0	0	0	0	0	0	
236	Total Interest and Surplus		21,993		65	266	246	0	35	321	13	
237	Rate Increase Requirement	436	0	None	0	0	0	0	0	0	0	
238	Total Interest, Surplus and Rate Increas		21,993		65	266	246	0	35	321	13	
239												
240	OVER (UNDER) Total Requirements		(13,518)		(94)	(535)	(207)	(0)	(80)	(947)	(33)	

Philadelphia Gas Works
Class Cost of Service Study - 2006

Future Test Year Ended August 31, 2007 (\$000s)

Account Description	Account Code	DISTRIBUTION DEMAND Dollars	Allocation Allocation Factor	DISTRIBUTION DEMAND Class Allocation							
				LBS Small RC-14	LBS Large-Indirect RC-15	LBS Large-Direct RC-16	LBS Large-Direct RC-17	LBX XL-Indirect RC-18	Co-Gen InDirect RC-19	GTS / IT Trans only RC-20	
201 VII. TAXES OTHER THAN INCOME TAXE											
202 Payroll Taxes	408	656	DISTLABOR-D	3	2	0	0	0	0	0	13
203											
204 TOTAL EXPENSES		29,940		127	86	2	0	14	2	1,485	
205											
206 V. REVENUES											
207 Distribution Revenue	480-483	23,289	BaseRate_Rev	2	1	0	0	1	1	0	
208 GCR Revenue	80-483GC	0	None	0	0	0	0	0	0	0	
209 Interruptible Gas Revenues	480-483Int	0	None	0	0	0	0	0	0	0	
210 USEC Revenue	80-483US	0	None	0	0	0	0	0	0	0	
211 REC Revenue	80-483RE	1,431	REC_Rev	0	0	0	0	0	0	0	
212 Finance Chges- Unpaid Gas Accts	487	3,766	Over60-Dol	0	0	1	0	0	0	1	
213 Misc Service Discounts	488	61	BaseRate_Rev	0	0	0	0	0	0	0	
214 Transport Gas for Others	489	7,256	GTS	0	0	0	0	0	0	7,256	
215 Gas Revenues- Adjustment	495	0	None	0	0	0	0	0	0	0	
216 Revenue Adjustments	495Adj	(322)	BaseRate_Rev	(0)	(0)	(0)	(0)	(0)	(0)	0	
217 Subtotal Gas Revenues, net		35,481		2	1	1	0	1	1	7,257	
218											
219 Bill Paid Turn Ons & Dig Ups		0	None	0	0	0	0	0	0	0	
220 Rev/Exp- Appliance, Service, Other	879Rev	0	None	0	0	0	0	0	0	0	
221 Subtotal Other Oper Revenues, net		0		0	0	0	0	0	0	0	
222											
223 Total Operating Revenues		35,481		2	1	1	0	1	1	7,257	
224											
225 Interest and Non-Operating Income	418	2,934	RATEBASE	9	6	0	0	1	0	29	
226 Penalties- Regulatory	426	0	None	0	0	0	0	0	0	0	
227 Total Non-Oper Income		2,934		9	6	0	0	1	0	29	
228											
229 Total Revenue		38,415		11	7	2	1	2	1	7,285	
230											
231 Income before Interest and Surplus		8,475		(116)	(79)	(0)	0	(12)	(1)	5,801	
232											
233 Interest on long-term debt	427	22,031	RATEBASE	69	47	2	1	8	2	216	
234 AFUDC	432	(38)	RATEBASE	(0)	(0)	(0)	(0)	(0)	(0)	(0)	
235 Surplus Requirement		0	None	0	0	0	0	0	0	0	
236 Total Interest and Surplus		21,993		69	47	2	1	8	2	215	
237 Rate Increase Requirement	436	0	None	0	0	0	0	0	0	0	
238 Total Interest, Surplus and Rate Increas		21,993		69	47	2	1	8	2	215	
239											
240 OVER (UNDER) Total Requirements		(13,518)		(185)	(126)	(2)	(1)	(20)	(3)	5,585	

Exhibit HSG-4F

Class Allocation – Distribution Commodity

Philadelphia Gas Works
Class Cost of Service Study - 2006

Future Test Year Ended August 31, 2007 (\$000s)

Account Description	Account Code	DISTRIBUTION COMMODITY Dollars	Allocation Factor	DISTRIBUTION COMMODITY Class Allocation						
				Residential Non-Heat RC-1	Residential Heat RC-2	Commercial Non-Heat RC-3	Commercial Heat RC-4	Industrial Non-Heat RC-5	Industrial Heat RC-6	
9 I. GAS PLANT IN SERVICE										
10 A. INTANGIBLE PLANT	301-303	0	None	0	0	0	0	0	0	0
11 B. PRODUCTION PLANT										
12 Land and Land Rights	304	0	None	0	0	0	0	0	0	0
13 Structures and Improvements	305	0	None	0	0	0	0	0	0	0
14 Boiler Equipment	306	0	None	0	0	0	0	0	0	0
15 Other Power Equipment	307	0	None	0	0	0	0	0	0	0
16 L.P.G. Equipment	311	0	None	0	0	0	0	0	0	0
17 Purification Equipment	317	0	None	0	0	0	0	0	0	0
18 Resid. Refine Equipment	318	0	None	0	0	0	0	0	0	0
19 Gas Mixing Equipment	319	0	None	0	0	0	0	0	0	0
20 Subtotal - Plant Accounts 305-338	305-338	0		0	0	0	0	0	0	0
21 Other Equipment	320	0	None	0	0	0	0	0	0	0
22 SNG Plant	320	0	None	0	0	0	0	0	0	0
23 Subtotal - PRODUCTION PLANT	304-338	0		0	0	0	0	0	0	0
24 C. STORAGE PLANT (Mostly LNG Plant)										
25 Structures and Improvements	361	0	None	0	0	0	0	0	0	0
26 Gas Holders	362	0	None	0	0	0	0	0	0	0
27 Purification Equipment	363	0	None	0	0	0	0	0	0	0
28 Liquification Equipment	364	0	None	0	0	0	0	0	0	0
29 Vaporizing Equipment	365	0	None	0	0	0	0	0	0	0
30 Compressor Equipment	366	0	None	0	0	0	0	0	0	0
31 Measuring and Regulating Equipment	367	0	None	0	0	0	0	0	0	0
32 Other Equipment	368	0	None	0	0	0	0	0	0	0
33 Subtotal - Plant Accounts 361-368	361-368	0		0	0	0	0	0	0	0
34 Subtotal - STORAGE PLANT	360-368	0		0	0	0	0	0	0	0
35 D. TRANSMISSION PLANT	370-373	0	None	0	0	0	0	0	0	0

Philadelphia Gas Works
Class Cost of Service Study - 2006

Future Test Year Ended August 31, 2007 (\$000s)

					DISTRIBUTION COMMODITY Class Allocation					
Account Description	Account Code	DISTRIBUTION COMMODITY Dollars	Allocation Factor	Residential	Residential	Commercial	Commercial	Industrial	Industrial	
				Non-Heat RC-1	Heat RC-2	Non-Heat RC-3	Heat RC-4	Non-Heat RC-5	Heat RC-6	
E. DISTRIBUTION PLANT										
Land and Land Rights	374	0	None	0	0	0	0	0	0	0
Structures and Improvements	375	0	None	0	0	0	0	0	0	0
Mains	376	0	None	0	0	0	0	0	0	0
Mains- Direct Assignment	376Direct	0	None	0	0	0	0	0	0	0
Compressor Station Equipment	377	0	None	0	0	0	0	0	0	0
Meas. & Reg. Stat. Equip. - General	378	0	None	0	0	0	0	0	0	0
Services	380	0	None	0	0	0	0	0	0	0
Meters	381	0	None	0	0	0	0	0	0	0
Meters Install.	382	0	None	0	0	0	0	0	0	0
House Regulators	383	0	None	0	0	0	0	0	0	0
House Regulator Install.	384	0	None	0	0	0	0	0	0	0
Subtotal - Plant Accounts 383-384	383-384	0		0	0	0	0	0	0	0
Indust. Meas. & Reg. Station Equipment	385	0	None	0	0	0	0	0	0	0
Other Equipment	387	0	None	0	0	0	0	0	0	0
Subtotal - DISTRIBUTION PLANT	374-387	0		0	0	0	0	0	0	0
F. GENERAL PLANT										
Land and Land Rights	389	0	DISTLABOR-E	0	0	0	0	0	0	0
Structures and Improvements	390	0	DISTLABOR-E	0	0	0	0	0	0	0
Office Furniture and Equipment	391	0	DISTLABOR-E	0	0	0	0	0	0	0
Transportation Equipment	392	0	DISTLABOR-E	0	0	0	0	0	0	0
Stores Equipment	393	0	DISTLABOR-E	0	0	0	0	0	0	0
Tools, Shop and Garage Equipment	394	0	DISTLABOR-E	0	0	0	0	0	0	0
Power Operated Equipment	396	0	DISTLABOR-E	0	0	0	0	0	0	0
Communication Equipment	397	0	DISTLABOR-E	0	0	0	0	0	0	0
Miscellaneous Equipment	398	0	DISTLABOR-E	0	0	0	0	0	0	0
Subtotal - GENERAL PLANT	389-399	0		0	0	0	0	0	0	0
TOTAL UTILITY PLANT		0		0	0	0	0	0	0	0
II. DEPRECIATION RESERVE										
Production Plant	108.2	0	None	0	0	0	0	0	0	0
Local Storage Plant	108.3	0	None	0	0	0	0	0	0	0
Mains	109	0	None	0	0	0	0	0	0	0
Mains- Direct Assignment	08.52Direc	0	None	0	0	0	0	0	0	0
Services	109	0	None	0	0	0	0	0	0	0
Meters	109	0	None	0	0	0	0	0	0	0
Distr Other	109	0	None	0	0	0	0	0	0	0
General Plant	109	0	DISTLABOR-E	0	0	0	0	0	0	0
TOTAL - DEPRECIATION RESERVE	108	0		0	0	0	0	0	0	0

Future Test Year Ended August 31, 2007 (\$000s)

Account Description	Account Code	DISTRIBUTION/COMMODITY Dollars	Allocation Factor	DISTRIBUTION COMMODITY Class Allocation						
				Municipal Non-Heat RC-7	Municipal Heat RC-8	ousing Autr GS RC-9	NGV Direct RC-10	BPS Small RC-11	BPS Large RC-12	BPS A/C RC-13
40 E. DISTRIBUTION PLANT										
41 Land and Land Rights	374	0	None	0	0	0	0	0	0	0
42 Structures and Improvements	375	0	None	0	0	0	0	0	0	0
43 Mains	376	0	None	0	0	0	0	0	0	0
44 Mains- Direct Assignment	376Direct	0	None	0	0	0	0	0	0	0
45 Compressor Station Equipment	377	0	None	0	0	0	0	0	0	0
46 Meas. & Reg. Stat. Equip. - General	378	0	None	0	0	0	0	0	0	0
47 Services	380	0	None	0	0	0	0	0	0	0
48 Meters	381	0	None	0	0	0	0	0	0	0
49 Meters Install.	382	0	None	0	0	0	0	0	0	0
50 House Regulators	383	0	None	0	0	0	0	0	0	0
51 House Regulator Install.	384	0	None	0	0	0	0	0	0	0
52 Subtotal - Plant Accounts 383-384	383-384	0		0	0	0	0	0	0	0
53 Indust. Meas. & Reg. Station Equipment	385	0	None	0	0	0	0	0	0	0
54 Other Equipment	387	0	None	0	0	0	0	0	0	0
55 Subtotal - DISTRIBUTION PLANT	374-387	0		0	0	0	0	0	0	0
56										
57 F. GENERAL PLANT										
58 Land and Land Rights	389	0	DISTLABOR-E	0	0	0	0	0	0	0
59 Structures and Improvements	390	0	DISTLABOR-E	0	0	0	0	0	0	0
60 Office Furniture and Equipment	391	0	DISTLABOR-E	0	0	0	0	0	0	0
61 Transportation Equipment	392	0	DISTLABOR-E	0	0	0	0	0	0	0
62 Stores Equipment	393	0	DISTLABOR-E	0	0	0	0	0	0	0
63 Tools, Shop and Garage Equipment	394	0	DISTLABOR-E	0	0	0	0	0	0	0
64 Power Operated Equipment	396	0	DISTLABOR-E	0	0	0	0	0	0	0
65 Communication Equipment	397	0	DISTLABOR-E	0	0	0	0	0	0	0
66 Miscellaneous Equipment	398	0	DISTLABOR-E	0	0	0	0	0	0	0
67 Subtotal - GENERAL PLANT	389-399	0		0	0	0	0	0	0	0
68										
69 TOTAL UTILITY PLANT		0		0	0	0	0	0	0	0
70										
71 II. DEPRECIATION RESERVE										
72 Production Plant	108.2	0	None	0	0	0	0	0	0	0
73 Local Storage Plant	108.3	0	None	0	0	0	0	0	0	0
74 Mains	109	0	None	0	0	0	0	0	0	0
75 Mains- Direct Assignment	08.52Direc	0	None	0	0	0	0	0	0	0
76 Services	109	0	None	0	0	0	0	0	0	0
77 Meters	109	0	None	0	0	0	0	0	0	0
78 Distr Other	109	0	None	0	0	0	0	0	0	0
79 General Plant	109	0	DISTLABOR-E	0	0	0	0	0	0	0
80 TOTAL - DEPRECIATION RESERVE	108	0		0	0	0	0	0	0	0

Future Test Year Ended August 31, 2007 (\$000s)

					DISTRIBUTION COMMODITY Class Allocation					
Account Description	Account Code	DISTRIBUTION COMMODITY Dollars	Allocation Factor	Residential	Residential	Commercial	Commercial	Industrial	Industrial	
				Non-Heat RC-1	Heat RC-2	Non-Heat RC-3	Heat RC-4	Non-Heat RC-5	Heat RC-6	
119 B. NATURAL GAS STORAGE, TERMINAL										
120 LNG Operating Exp Admin	840	0	None	0	0	0	0	0	0	
121 Training	841	0	None	0	0	0	0	0	0	
122 Subtotal - O&M Accounts 840-841	840-841	0		0	0	0	0	0	0	
123 Fuel- LNG Power	842	0	None	0	0	0	0	0	0	
124 Maintenance Exp- Admin	843	0	None	0	0	0	0	0	0	
125 Oper Exp Admin	850	0	None	0	0	0	0	0	0	
126 Subtotal - Maint. Accounts 843.1-850	843.1-850	0		0	0	0	0	0	0	
127 Subtotal - NATURAL GAS STORAGE	840-850	0		0	0	0	0	0	0	
128										
129 C. TRANSMISSION EXPENSES	856-863	0	None	0	0	0	0	0	0	
130										
131 D. DISTRIBUTION EXPENSES										
132 Operation Supv & Engineering	870	0	DISTLABOR-E	0	0	0	0	0	0	
133 Gas Control	871	1,114	Gas_Sales	30	749	35	172	7	15	
134 Mains and Services Expenses	874	0	None	0	0	0	0	0	0	
135 Natural Gas Oper Exp	875	0	None	0	0	0	0	0	0	
136 Meas & Reg Exp- City Gate Stations	877	0	None	0	0	0	0	0	0	
137 Meter & House Regulator Expenses	878	0	None	0	0	0	0	0	0	
138 Customer Install- Gas Business Costs	879	0	None	0	0	0	0	0	0	
139 PLP Costs	879PLP	0	None	0	0	0	0	0	0	
140 Other expenses	880	0	None	0	0	0	0	0	0	
141 Distribution Rents	881	0	None	0	0	0	0	0	0	
142 Maint. Supervision & Engineering	885	0	DISTLABOR-E	0	0	0	0	0	0	
143 Maint. of Mains	887	0	None	0	0	0	0	0	0	
144 Maint. of Meas. & Reg. Station Expenses-C	889	0	None	0	0	0	0	0	0	
145 Natural Gas Equipment	891	0	None	0	0	0	0	0	0	
146 Maint. of Services	892	0	None	0	0	0	0	0	0	
147 Maint. of Meters & House Regulators	893	0	None	0	0	0	0	0	0	
148 Subtotal - DISTRIBUTION EXPENSES	870-893	1,114		30	749	35	172	7	15	
149 Total - OPERATION & MAINTENANCE EX		1,114		30	749	35	172	7	15	
150										
151 II. CUSTOMER ACCOUNTS EXPENSES										
152 Customer Service - Administrative	901	0	None	0	0	0	0	0	0	
153 Meter Reading - Administrative	901	0	None	0	0	0	0	0	0	
154 Collection - Administrative	901	0	None	0	0	0	0	0	0	
155 Meter Reading Expenses	902	0	None	0	0	0	0	0	0	
156 Customer Records & Collection Expense	903	0	None	0	0	0	0	0	0	
157 Uncollectible Accounts	904	0	None	0	0	0	0	0	0	
158 Uncollectible Accounts in CRP	904CRP	0	None	0	0	0	0	0	0	
159 Total - CUSTOMER ACCOUNTS EXPENS		0		0	0	0	0	0	0	

Philadelphia Gas Works
Class Cost of Service Study - 2006

Exhibit HSG-4F
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Future Test Year Ended August 31, 2007 (\$000s)

DISTRIBUTION COMMODITY Class Allocation

Account Description	Account Code	DISTRIBUTION COMMODITY Dollars	Allocation Allocation Factor	Residential	Residential	Commercial	Commercial	Industrial	Industrial
				Non-Heat RC-1	Heat RC-2	Non-Heat RC-3	Heat RC-4	Non-Heat RC-5	Heat RC-6
201 VII. TAXES OTHER THAN INCOME TAXE									
202 Payroll Taxes	408	0	DISTLABOR-E	0	0	0	0	0	0
203									
204 TOTAL EXPENSES		1,114		30	749	35	172	7	15
205									
206 V. REVENUES									
207 Distribution Revenue	480-483	1,516	BaseRate_Rev	70	1,119	44	212	9	18
208 GCR Revenue	80-483GC	0	None	0	0	0	0	0	0
209 Interruptible Gas Revenues	480-483Int	0	None	0	0	0	0	0	0
210 USEC Revenue	80-483US	0	None	0	0	0	0	0	0
211 REC Revenue	80-483RE	0	BaseRate_Rev	0	0	0	0	0	0
212 Finance Chges- Unpaid Gas Accts	487	231	Over60-Dol	14	193	3	12	0	1
213 Misc Service Discounts	488	4	BaseRate_Rev	0	3	0	1	0	0
214 Transport Gas for Others	489	0	None	0	0	0	0	0	0
215 Gas Revenues- Adjustment	495	0	None	0	0	0	0	0	0
216 Revenue Adjustments	495Adj	0	BaseRate_Rev	0	0	0	0	0	0
217 Subtotal Gas Revenues, net		1,751		85	1,315	48	224	9	19
218									
219 Bill Paid Turn Ons & Dig Ups		0	None	0	0	0	0	0	0
220 Rev/Exp- Appliance, Service, Other	879Rev	0	None	0	0	0	0	0	0
221 Subtotal Other Oper Revenues, net		0		0	0	0	0	0	0
222									
223 Total Operating Revenues		1,751		85	1,315	48	224	9	19
224									
225 Interest and Non-Operating Income	418	0	None	0	0	0	0	0	0
226 Penalties- Regulatory	426	0	None	0	0	0	0	0	0
227 Total Non-Oper Income		0		0	0	0	0	0	0
228									
229 Total Revenue		1,751		85	1,315	48	224	9	19
230									
231 Income before Interest and Surplus		637		55	566	13	52	2	4
232									
233 Interest on long-term debt	427	0	None	0	0	0	0	0	0
234 AFUDC	432	0	None	0	0	0	0	0	0
235 Surplus Requirement		0	None	0	0	0	0	0	0
236 Total Interest and Surplus		0		0	0	0	0	0	0
237 Rate Increase Requirement	436	0	None	0	0	0	0	0	0
238 Total Interest, Surplus and Rate Increas		0		0	0	0	0	0	0
239									
240 OVER (UNDER) Total Requirements		637		55	566	13	52	2	4

Philadelphia Gas Works
Class Cost of Service Study - 2006

		DISTRIBUTION		Allocation	Future Test Year Ended August 31, 2007 (\$000s)						
Account Description		Account Code	COMMODITY Dollars	Allocation Factor	DISTRIBUTION COMMODITY Class Allocation						
					Municipal Non-Heat RC-7	Municipal Heat RC-8	housing Auth GS RC-9	NGV Direct RC-10	BPS Small RC-11	BPS Large RC-12	BPS A/C RC-13
201	VII. TAXES OTHER THAN INCOME TAXE										
202	Payroll Taxes	408	0	DISTLABOR-E	0	0	0	0	0	0	0
203											
204	TOTAL EXPENSES		1,114		5	20	17	0	3	39	2
205											
206	V. REVENUES										
207	Distribution Revenue	480-483	1,516	BaseRate_Rev	5	17	21	0	0	1	0
208	GCR Revenue	80-483GC	0	None	0	0	0	0	0	0	0
209	Interruptible Gas Revenues	480-483Int	0	None	0	0	0	0	0	0	0
210	USEC Revenue	80-483USI	0	None	0	0	0	0	0	0	0
211	REC Revenue	80-483REI	0	BaseRate_Rev	0	0	0	0	0	0	0
212	Finance Chges- Unpaid Gas Accts	487	231	Over60-Dol	0	0	6	0	1	0	0
213	Misc Service Discounts	488	4	BaseRate_Rev	0	0	0	0	0	0	0
214	Transport Gas for Others	489	0	None	0	0	0	0	0	0	0
215	Gas Revenues- Adjustment	495	0	None	0	0	0	0	0	0	0
216	Revenue Adjustments	495Adj	0	BaseRate_Rev	0	0	0	0	0	0	0
217	Subtotal Gas Revenues, net		1,751		5	18	27	0	1	1	0
218											
219	Bill Paid Turn Ons & Dig Ups		0	None	0	0	0	0	0	0	0
220	Rev/Exp- Appliance, Service, Other	879Rev	0	None	0	0	0	0	0	0	0
221	Subtotal Other Oper Revenues, net		0		0	0	0	0	0	0	0
222											
223	Total Operating Revenues		1,751		5	18	27	0	1	1	0
224											
225	Interest and Non-Operating Income	418	0	None	0	0	0	0	0	0	0
226	Penalties- Regulatory	426	0	None	0	0	0	0	0	0	0
227	Total Non-Oper Income		0		0	0	0	0	0	0	0
228											
229	Total Revenue		1,751		5	18	27	0	1	1	0
230											
231	Income before Interest and Surplus		637		(0)	(3)	10	(0)	(2)	(38)	(2)
232											
233	Interest on long-term debt	427	0	None	0	0	0	0	0	0	0
234	AFUDC	432	0	None	0	0	0	0	0	0	0
235	Surplus Requirement		0	None	0	0	0	0	0	0	0
236	Total Interest and Surplus		0		0	0	0	0	0	0	0
237	Rate Increase Requirement	436	0	None	0	0	0	0	0	0	0
238	Total Interest, Surplus and Rate Increas		0		0	0	0	0	0	0	0
239											
240	OVER (UNDER) Total Requirements		637		(0)	(3)	10	(0)	(2)	(38)	(2)

Philadelphia Gas Works
Class Cost of Service Study - 2006

Future Test Year Ended August 31, 2007 (\$000s)

	Account Description	Account Code	DISTRIBUTION COMMODITY Dollars	Allocation Allocation Factor	DISTRIBUTION COMMODITY Class Allocation							
					LBS Small RC-14	LBS Large-Direct RC-15	LBS Large-Direct RC-16	LBS Large-Direct RC-17	LBX XL-Indirect RC-18	Co-Gen InDirect RC-19	GTS / IT Trans only RC-20	
201	VII. TAXES OTHER THAN INCOME TAXE											
202	Payroll Taxes	408	0	DISTLABOR-E	0	0	0	0	0	0	0	0
203												
204	TOTAL EXPENSES		1,114		11	8	0	0	1	0	0	0
205												
206	V. REVENUES											
207	Distribution Revenue	480-483	1,516	BaseRate_Rev	0	0	0	0	0	0	0	0
208	GCR Revenue	80-483GC	0	None	0	0	0	0	0	0	0	0
209	Interruptible Gas Revenues	480-483Int	0	None	0	0	0	0	0	0	0	0
210	USEC Revenue	80-483USI	0	None	0	0	0	0	0	0	0	0
211	REC Revenue	80-483REI	0	BaseRate_Rev	0	0	0	0	0	0	0	0
212	Finance Chges- Unpaid Gas Accts	487	231	Over60-Dol	0	0	0	0	0	0	0	0
213	Misc Service Discounts	488	4	BaseRate_Rev	0	0	0	0	0	0	0	0
214	Transport Gas for Others	489	0	None	0	0	0	0	0	0	0	0
215	Gas Revenues- Adjustment	495	0	None	0	0	0	0	0	0	0	0
216	Revenue Adjustments	495Adj	0	BaseRate_Rev	0	0	0	0	0	0	0	0
217	Subtotal Gas Revenues, net		1,751		0	0	0	0	0	0	0	0
218												
219	Bill Paid Turn Ons & Dig Ups		0	None	0	0	0	0	0	0	0	0
220	Rev/Exp- Appliance, Service, Other	879Rev	0	None	0	0	0	0	0	0	0	0
221	Subtotal Other Oper Revenues, net		0		0	0	0	0	0	0	0	0
222												
223	Total Operating Revenues		1,751		0	0	0	0	0	0	0	0
224												
225	Interest and Non-Operating Income	418	0	None	0	0	0	0	0	0	0	0
226	Penalties- Regulatory	426	0	None	0	0	0	0	0	0	0	0
227	Total Non-Oper Income		0		0	0	0	0	0	0	0	0
228												
229	Total Revenue		1,751		0	0	0	0	0	0	0	0
230												
231	Income before Interest and Surplus		637		(11)	(8)	(0)	(0)	(1)	(0)	0	0
232												
233	Interest on long-term debt	427	0	None	0	0	0	0	0	0	0	0
234	AFUDC	432	0	None	0	0	0	0	0	0	0	0
235	Surplus Requirement		0	None	0	0	0	0	0	0	0	0
236	Total Interest and Surplus		0		0	0	0	0	0	0	0	0
237	Rate Increase Requirement	436	0	None	0	0	0	0	0	0	0	0
238	Total Interest, Surplus and Rate Increas		0		0	0	0	0	0	0	0	0
239												
240	OVER (UNDER) Total Requirements		637		(11)	(8)	(0)	(0)	(1)	(0)	0	0

Exhibit HSG-4G

Class Allocation – Distribution Customer

Future Test Year Ended August 31, 2007 (\$000s)

	Account	DISTRIBUTION	Allocation	DISTRIBUTION CUSTOMER Class Allocation							
				Residential	Residential	Commercial	Commercial	Industrial	Industrial		
	Description	Code	CUSTOMER Dollars	Allocation Factor	Non-Heat RC-1	Heat RC-2	Non-Heat RC-3	Heat RC-4	Non-Heat RC-5	Heat RC-6	
40	E. DISTRIBUTION PLANT										
41	Land and Land Rights	374	0	None	0	0	0	0	0	0	
42	Structures and Improvements	375	0	None	0	0	0	0	0	0	
43	Mains	376	135,141	Cust_Avg	13,951	112,825	1,526	5,290	69	165	
44	Mains- Direct Assignment	376Direct	0	None	0	0	0	0	0	0	
45	Compressor Station Equipment	377	0	None	0	0	0	0	0	0	
46	Meas. & Reg. Stat. Equip. - General	378	0	None	0	0	0	0	0	0	
47	Services	380	491,117	Service_Invest	49,028	396,508	8,042	27,886	647	1,543	
48	Meters	381	0	None	0	0	0	0	0	0	
49	Meters Install.	382	0	None	0	0	0	0	0	0	
50	House Regulators	383	0	None	0	0	0	0	0	0	
51	House Regulator Install.	384	0	None	0	0	0	0	0	0	
52	Subtotal - Plant Accounts 383-384	383-384	0		0	0	0	0	0	0	
53	Indust. Meas. & Reg. Station Equipment	385	0	None	0	0	0	0	0	0	
54	Other Equipment	387	0	None	0	0	0	0	0	0	
55	Subtotal - DISTRIBUTION PLANT	374-387	626,258		62,979	509,333	9,568	33,176	716	1,708	
56											
57	F. GENERAL PLANT										
58	Land and Land Rights	389	369	DISTLABOR-C	34	296	5	23	1	1	
59	Structures and Improvements	390	6,545	DISTLABOR-C	602	5,252	97	400	9	24	
60	Office Furniture and Equipment	391	8,043	DISTLABOR-C	740	6,455	120	491	11	29	
61	Transportation Equipment	392	2,692	DISTLABOR-C	248	2,161	40	165	4	10	
62	Stores Equipment	393	70	DISTLABOR-C	6	56	1	4	0	0	
63	Tools, Shop and Garage Equipment	394	876	DISTLABOR-C	81	703	13	54	1	3	
64	Power Operated Equipment	396	40	DISTLABOR-C	4	32	1	2	0	0	
65	Communication Equipment	397	1,939	DISTLABOR-C	178	1,556	29	118	3	7	
66	Miscellaneous Equipment	398	762	DISTLABOR-C	70	611	11	47	1	3	
67	Subtotal - GENERAL PLANT	389-399	21,336		1,963	17,122	318	1,304	30	78	
68											
69	TOTAL UTILITY PLANT		647,594		64,942	526,456	9,886	34,480	746	1,786	
70											
71	II. DEPRECIATION RESERVE										
72	Production Plant	108.2	0	None	0	0	0	0	0	0	
73	Local Storage Plant	108.3	0	None	0	0	0	0	0	0	
74	Mains	109	47,088	Cust_Avg	4,861	39,313	532	1,843	24	57	
75	Mains- Direct Assignment	08.52Direc	0	Cust_Avg	0	0	0	0	0	0	
76	Services	109	198,089	Service_Invest	19,775	159,929	3,244	11,248	261	623	
77	Meters	109	0	None	0	0	0	0	0	0	
78	Distr Other	109	0	None	0	0	0	0	0	0	
79	General Plant	109	9,370	DISTLABOR-C	862	7,519	140	573	13	34	
80	TOTAL - DEPRECIATION RESERVE	108	254,547		25,498	206,761	3,915	13,664	298	714	

Future Test Year Ended August 31, 2007 (\$000s)

Account Description	Account Code	DISTRIBUTION CUSTOMER Dollars	Allocation Factor	DISTRIBUTION CUSTOMER Class Allocation							
				Municipal Non-Heat RC-7	Municipal Heat RC-8	housing Auth GS RC-9	NGV Direct RC-10	BPS Small RC-11	BPS Large RC-12	BPS A/C RC-13	
40 E. DISTRIBUTION PLANT											
41 Land and Land Rights	374	0	None	0	0	0	0	0	0	0	0
42 Structures and Improvements	375	0	None	0	0	0	0	0	0	0	0
43 Mains	376	135,141	Cust_Avg	91	152	941	0	31	44	2	
44 Mains- Direct Assignment	376Direct	0	None	0	0	0	0	0	0	0	0
45 Compressor Station Equipment	377	0	None	0	0	0	0	0	0	0	0
46 Meas. & Reg. Stat. Equip. - General	378	0	None	0	0	0	0	0	0	0	0
47 Services	380	491,117	Service_Invest	481	1,418	3,308	3	287	825	41	
48 Meters	381	0	None	0	0	0	0	0	0	0	0
49 Meters Install.	382	0	None	0	0	0	0	0	0	0	0
50 House Regulators	383	0	None	0	0	0	0	0	0	0	0
51 House Regulator Install.	384	0	None	0	0	0	0	0	0	0	0
52 Subtotal - Plant Accounts 383-384	383-384	0		0	0	0	0	0	0	0	0
53 Indust. Meas. & Reg. Station Equipment	385	0	None	0	0	0	0	0	0	0	0
54 Other Equipment	387	0	None	0	0	0	0	0	0	0	0
55 Subtotal - DISTRIBUTION PLANT	374-387	626,258		572	1,570	4,249	3	318	869	43	
56											
57 F. GENERAL PLANT											
58 Land and Land Rights	389	369	DISTLABOR-C	0	2	3	0	0	2	0	
59 Structures and Improvements	390	6,545	DISTLABOR-C	8	29	50	0	5	28	1	
60 Office Furniture and Equipment	391	8,043	DISTLABOR-C	10	35	62	0	6	35	1	
61 Transportation Equipment	392	2,692	DISTLABOR-C	3	12	21	0	2	12	0	
62 Stores Equipment	393	70	DISTLABOR-C	0	0	1	0	0	0	0	
63 Tools, Shop and Garage Equipment	394	876	DISTLABOR-C	1	4	7	0	1	4	0	
64 Power Operated Equipment	396	40	DISTLABOR-C	0	0	0	0	0	0	0	
65 Communication Equipment	397	1,939	DISTLABOR-C	2	8	15	0	1	8	0	
66 Miscellaneous Equipment	398	762	DISTLABOR-C	1	3	6	0	1	3	0	
67 Subtotal - GENERAL PLANT	389-399	21,336		26	93	164	0	15	93	3	
68											
69 TOTAL UTILITY PLANT		647,594		598	1,663	4,413	3	334	962	46	
70											
71 II. DEPRECIATION RESERVE											
72 Production Plant	108.2	0	None	0	0	0	0	0	0	0	0
73 Local Storage Plant	108.3	0	None	0	0	0	0	0	0	0	0
74 Mains	109	47,088	Cust_Avg	32	53	328	0	11	15	1	
75 Mains- Direct Assignment	08.52Direc	0	Cust_Avg	0	0	0	0	0	0	0	0
76 Services	109	198,089	Service_Invest	194	572	1,334	1	116	333	16	
77 Meters	109	0	None	0	0	0	0	0	0	0	0
78 Distr Other	109	0	None	0	0	0	0	0	0	0	0
79 General Plant	109	9,370	DISTLABOR-C	12	41	72	0	7	41	1	
80 TOTAL - DEPRECIATION RESERVE	108	254,547		237	666	1,734	1	133	389	19	

Philadelphia Gas Works
Class Cost of Service Study - 2006

Future Test Year Ended August 31, 2007 (\$000s)

Account Description	Account Code	DISTRIBUTION CUSTOMER Dollars	Allocation Factor	DISTRIBUTION CUSTOMER Class Allocation							
				LBS Small RC-14	LBS Large-Indirect RC-15	LBS Large-Direct RC-16	LBS Large-Direct RC-17	LBX XL-Indirect RC-18	Co-Gen InDirect RC-19	GTS / IT Trans only RC-20	
E. DISTRIBUTION PLANT											
41 Land and Land Rights	374	0	None	0	0	0	0	0	0	0	0
42 Structures and Improvements	375	0	None	0	0	0	0	0	0	0	0
43 Mains	376	135,141	Cust_Avg	5	2	0	1	1	1	44	
44 Mains- Direct Assignment	376Direct	0	None	0	0	0	0	0	0	0	
45 Compressor Station Equipment	377	0	None	0	0	0	0	0	0	0	
46 Meas. & Reg. Stat. Equip. - General	378	0	None	0	0	0	0	0	0	0	
47 Services	380	491,117	Service_Invest	93	32	5	31	61	51	825	
48 Meters	381	0	None	0	0	0	0	0	0	0	
49 Meters Install.	382	0	None	0	0	0	0	0	0	0	
50 House Regulators	383	0	None	0	0	0	0	0	0	0	
51 House Regulator Install.	384	0	None	0	0	0	0	0	0	0	
52 Subtotal - Plant Accounts 383-384	383-384	0		0	0	0	0	0	0	0	
53 Indust. Meas. & Reg. Station Equipment	385	0	None	0	0	0	0	0	0	0	
54 Other Equipment	387	0	None	0	0	0	0	0	0	0	
55 Subtotal - DISTRIBUTION PLANT	374-387	626,258		98	34	5	31	62	52	869	
F. GENERAL PLANT											
58 Land and Land Rights	389	369	DISTLABOR-C	0	0	0	0	0	0	2	
59 Structures and Improvements	390	6,545	DISTLABOR-C	5	3	0	0	1	0	30	
60 Office Furniture and Equipment	391	8,043	DISTLABOR-C	6	4	0	0	1	1	36	
61 Transportation Equipment	392	2,692	DISTLABOR-C	2	1	0	0	0	0	12	
62 Stores Equipment	393	70	DISTLABOR-C	0	0	0	0	0	0	0	
63 Tools, Shop and Garage Equipment	394	876	DISTLABOR-C	1	0	0	0	0	0	4	
64 Power Operated Equipment	396	40	DISTLABOR-C	0	0	0	0	0	0	0	
65 Communication Equipment	397	1,939	DISTLABOR-C	1	1	0	0	0	0	9	
66 Miscellaneous Equipment	398	762	DISTLABOR-C	1	0	0	0	0	0	3	
67 Subtotal - GENERAL PLANT	389-399	21,336		15	9	0	1	3	2	97	
69 TOTAL UTILITY PLANT		647,594		114	43	6	32	65	53	966	
II. DEPRECIATION RESERVE											
72 Production Plant	108.2	0	None	0	0	0	0	0	0	0	
73 Local Storage Plant	108.3	0	None	0	0	0	0	0	0	0	
74 Mains	109	47,088	Cust_Avg	2	1	0	0	0	0	15	
75 Mains- Direct Assignment	109.52Direct	0	Cust_Avg	0	0	0	0	0	0	0	
76 Services	109	198,089	Service_Invest	38	13	2	12	25	21	333	
77 Meters	109	0	None	0	0	0	0	0	0	0	
78 Distr Other	109	0	None	0	0	0	0	0	0	0	
79 General Plant	109	9,370	DISTLABOR-C	7	4	0	0	1	1	42	
80 TOTAL - DEPRECIATION RESERVE	108	254,547		46	18	2	13	26	22	391	

Philadelphia Gas Works
Class Cost of Service Study - 2006

Future Test Year Ended August 31, 2007 (\$000s)

		DISTRIBUTION		Allocation	DISTRIBUTION CUSTOMER Class Allocation					
Account	Account	CUSTOMER	Allocation	Residential	Residential	Commercial	Commercial	Industrial	Industrial	
Description	Code	Dollars	Factor	Non-Heat	Heat	Non-Heat	Heat	Non-Heat	Heat	
				RC-1	RC-2	RC-3	RC-4	RC-5	RC-6	
119	B. NATURAL GAS STORAGE, TERMINAL									
120	LNG Operating Exp Admin	840	0	None	0	0	0	0	0	0
121	Training	841	0	None	0	0	0	0	0	0
122	Subtotal - O&M Accounts 840-841	840-841	0		0	0	0	0	0	0
123	Fuel- LNG Power	842	0	None	0	0	0	0	0	0
124	Maintenance Exp- Admin	843	0	None	0	0	0	0	0	0
125	Oper Exp Admin	850	0	None	0	0	0	0	0	0
126	Subtotal - Maint. Accounts 843.1-850	843.1-850	0		0	0	0	0	0	0
127	Subtotal - NATURAL GAS STORAGE	840-850	0		0	0	0	0	0	0
128										
129	C. TRANSMISSION EXPENSES	856-863	0	None	0	0	0	0	0	0
130										
131	D. DISTRIBUTION EXPENSES									
132	Operation Supv & Engineering	870	254	DISTLABOR-C	23	204	4	16	0	1
133	Gas Control	871	0	None	0	0	0	0	0	0
134	Mains and Services Expenses	874	1,791	STMAIN-SERVICE	112	1,354	28	170	5	13
135	Natural Gas Oper Exp	875	0	None	0	0	0	0	0	0
136	Meas & Reg Exp- City Gate Stations	877	0	None	0	0	0	0	0	0
137	Meter & House Regulator Expenses	878	0	None	0	0	0	0	0	0
138	Customer Install- Gas Business Costs	879	0	None	0	0	0	0	0	0
139	PLP Costs	879PLP	0	None	0	0	0	0	0	0
140	Other expenses	880	7,375	DISTPT-C	742	5,998	113	391	8	20
141	Distribution Rents	881	4	DISTLABOR-C	0	3	0	0	0	0
142	Maint. Supervision & Engineering	885	302	DISTLABOR-C	28	242	4	18	0	1
143	Maint. of Mains	887	1,572	Cust_Avg	162	1,312	18	62	1	2
144	Maint. of Meas. & Reg. Station Expenses-C	889	0	None	0	0	0	0	0	0
145	Natural Gas Equipment	891	0	None	0	0	0	0	0	0
146	Maint. of Services	892	1,430	Service_Invest	143	1,154	23	81	2	4
147	Maint. of Meters & House Regulators	893	0	None	0	0	0	0	0	0
148	Subtotal - DISTRIBUTION EXPENSES	870-893	12,727		1,211	10,268	190	737	16	42
149	Total - OPERATION & MAINTENANCE EX		12,727		1,211	10,268	190	737	16	42
150										
151	II. CUSTOMER ACCOUNTS EXPENSES									
152	Customer Service - Administrative	901	0	None	0	0	0	0	0	0
153	Meter Reading - Administrative	901	0	None	0	0	0	0	0	0
154	Collection - Administrative	901	0	None	0	0	0	0	0	0
155	Meter Reading Expenses	902	0	None	0	0	0	0	0	0
156	Customer Records & Collection Expense	903	0	None	0	0	0	0	0	0
157	Uncollectible Accounts	904	40,808	WriteOff-Dol	3,265	34,523	490	1,755	82	286
158	Uncollectible Accounts in CRP	904CRP	0	None	0	0	0	0	0	0
159	Total - CUSTOMER ACCOUNTS EXPENS		40,808		3,265	34,523	490	1,755	82	286

Philadelphia Gas Works
Class Cost of Service Study - 2006

Future Test Year Ended August 31, 2007 (\$000s)

Account Description	Account Code	DISTRIBUTION CUSTOMER Dollars	Allocation Factor	DISTRIBUTION CUSTOMER Class Allocation							
				Municipal Non-Heat RC-7	Municipal Heat RC-8	housing Authr GS RC-9	NGV Direct RC-10	BPS Small RC-11	BPS Large RC-12	BPS A/C RC-13	
119 B. NATURAL GAS STORAGE, TERMINAL											
120 LNG Operating Exp Admin	840	0	None	0	0	0	0	0	0	0	0
121 Training	841	0	None	0	0	0	0	0	0	0	0
122 Subtotal - O&M Accounts 840-841	840-841	0		0	0	0	0	0	0	0	0
123 Fuel- LNG Power	842	0	None	0	0	0	0	0	0	0	0
124 Maintenance Exp- Admin	843	0	None	0	0	0	0	0	0	0	0
125 Oper Exp Admin	850	0	None	0	0	0	0	0	0	0	0
126 Subtotal - Maint. Accounts 843.1-850	843.1-850	0		0	0	0	0	0	0	0	0
127 Subtotal - NATURAL GAS STORAGE	840-850	0		0	0	0	0	0	0	0	0
128											
129 C. TRANSMISSION EXPENSES	856-863	0	None	0	0	0	0	0	0	0	0
130											
131 D. DISTRIBUTION EXPENSES											
132 Operation Supv & Engineering	870	254	DISTLABOR-C	0	1	2	0	0	1	0	0
133 Gas Control	871	0	None	0	0	0	0	0	0	0	0
134 Mains and Services Expenses	874	1,791	STMAIN-SERVICE	4	20	19	0	3	26	1	0
135 Natural Gas Oper Exp	875	0	None	0	0	0	0	0	0	0	0
136 Meas & Reg Exp- City Gate Stations	877	0	None	0	0	0	0	0	0	0	0
137 Meter & House Regulator Expenses	878	0	None	0	0	0	0	0	0	0	0
138 Customer Install- Gas Business Costs	879	0	None	0	0	0	0	0	0	0	0
139 PLP Costs	879PLP	0	None	0	0	0	0	0	0	0	0
140 Other expenses	880	7,375	DISTPT-C	7	18	50	0	4	10	1	0
141 Distribution Rents	881	4	DISTLABOR-C	0	0	0	0	0	0	0	0
142 Maint. Supervision & Engineering	885	302	DISTLABOR-C	0	1	2	0	0	1	0	0
143 Maint. of Mains	887	1,572	Cust_Avg	1	2	11	0	0	1	0	0
144 Maint. of Meas. & Reg. Station Expenses-C	889	0	None	0	0	0	0	0	0	0	0
145 Natural Gas Equipment	891	0	None	0	0	0	0	0	0	0	0
146 Maint. of Services	892	1,430	Service_Invest	1	4	10	0	1	2	0	0
147 Maint. of Meters & House Regulators	893	0	None	0	0	0	0	0	0	0	0
148 Subtotal - DISTRIBUTION EXPENSES	870-893	12,727		14	47	94	0	8	42	2	0
149 Total - OPERATION & MAINTENANCE EX		12,727		14	47	94	0	8	42	2	0
150											
151 II. CUSTOMER ACCOUNTS EXPENSES											
152 Customer Service - Administrative	901	0	None	0	0	0	0	0	0	0	0
153 Meter Reading - Administrative	901	0	None	0	0	0	0	0	0	0	0
154 Collection - Administrative	901	0	None	0	0	0	0	0	0	0	0
155 Meter Reading Expenses	902	0	None	0	0	0	0	0	0	0	0
156 Customer Records & Collection Expense	903	0	None	0	0	0	0	0	0	0	0
157 Uncollectible Accounts	904	40,808	WriteOff-Dol	0	0	408	0	0	0	0	0
158 Uncollectible Accounts in CRP	904CRP	0	None	0	0	0	0	0	0	0	0
159 Total - CUSTOMER ACCOUNTS EXPENS		40,808		0	0	408	0	0	0	0	0

Future Test Year Ended August 31, 2007 (\$000s)

	Account Description	Account Code	DISTRIBUTION CUSTOMER Dollars	Allocation Allocation Factor	DISTRIBUTION CUSTOMER Class Allocation					
					Residential Non-Heat RC-1	Residential Heat RC-2	Commercial Non-Heat RC-3	Commercial Heat RC-4	Industrial Non-Heat RC-5	Industrial Heat RC-6
201	VII. TAXES OTHER THAN INCOME TAXE									
202	Payroll Taxes	408	645	DISTLABOR-C	59	517	10	39	1	2
203										
204	TOTAL EXPENSES		82,005		7,108	67,560	1,141	4,302	141	435
205										
206	V. REVENUES									
207	Distribution Revenue	480-483	88,270	BaseRate_Rev	4,090	65,131	2,584	12,324	495	1,065
208	GCR Revenue	80-483GC	0	None	0	0	0	0	0	0
209	Interruptible Gas Revenues	480-483Int	0	None	0	0	0	0	0	0
210	USEC Revenue	80-483USI	0	None	0	0	0	0	0	0
211	REC Revenue	80-483REI	1,966	REC_Rev	55	1,403	65	322	13	28
212	Finance Chges- Unpaid Gas Accts	487	13,749	Over60-Dol	851	11,503	179	707	26	60
213	Misc Service Discounts	488	222	BaseRate_Rev	10	163	6	31	1	3
214	Transport Gas for Others	489	0	None	0	0	0	0	0	0
215	Gas Revenues- Adjustment	495	0	None	0	0	0	0	0	0
216	Revenue Adjustments	495Adj	(443)	BaseRate_Rev	(21)	(327)	(13)	(62)	(2)	(5)
217	Subtotal Gas Revenues, net		103,763		4,987	77,874	2,821	13,322	533	1,151
218										
219	Bill Paid Turn Ons & Dig Ups		0	None	0	0	0	0	0	0
220	Rev/Exp- Appliance, Service, Other	879Rev	0	None	0	0	0	0	0	0
221	Subtotal Other Oper Revenues, net		0		0	0	0	0	0	0
222										
223	Total Operating Revenues		103,763		4,987	77,874	2,821	13,322	533	1,151
224										
225	Interest and Non-Operating Income	418	4,031	RATEBASE	229	2,953	92	471	14	36
226	Penalties- Regulatory	426	(50)	RATEBASE	(3)	(37)	(1)	(6)	(0)	(0)
227	Total Non-Oper Income		3,981		226	2,916	91	465	14	35
228										
229	Total Revenue		107,744		5,212	80,790	2,912	13,786	547	1,186
230										
231	Income before Interest and Surplus		25,739		(1,896)	13,230	1,771	9,484	405	751
232										
233	Interest on long-term debt	427	30,267	RATEBASE	1,717	22,173	694	3,533	106	267
234	AFUDC	432	(64)	RATEBASE	(4)	(47)	(1)	(8)	(0)	(1)
235	Surplus Requirement		7,668	RATEBASE	435	5,618	176	895	27	68
236	Total Interest and Surplus		37,871		2,148	27,744	868	4,421	133	334
237	Rate Increase Requirement	436	100,000	RATEBASE	5,672	73,259	2,292	11,673	352	883
238	Total Interest, Surplus and Rate increas		137,871		7,821	101,003	3,160	16,094	485	1,217
239										
240	OVER (UNDER) Total Requirements		(112,132)		(9,716)	(87,773)	(1,389)	(6,609)	(79)	(466)

Future Test Year Ended August 31, 2007 (\$000s)

Account Description	Account Code	DISTRIBUTION CUSTOMER Dollars	Allocation Allocation Factor	DISTRIBUTION CUSTOMER Class Allocation							
				Municipal Non-Heat RC-7	Municipal Heat RC-8	housing Auth GS RC-9	NGV Direct RC-10	BPS Small RC-11	BPS Large RC-12	BPS A/C RC-13	
201 VII. TAXES OTHER THAN INCOME TAXE											
202 Payroll Taxes	408	645	DISTLABOR-C	1	3	5	0	0	3	0	
203											
204 TOTAL EXPENSES		82,005		50	168	718	0	28	153	6	
205											
206 V. REVENUES											
207 Distribution Revenue	480-483	88,270	BaseRate_Rev	272	993	1,237	0	14	44	1	
208 GCR Revenue	80-483GC	0	None	0	0	0	0	0	0	0	
209 Interruptible Gas Revenues	480-483Int	0	None	0	0	0	0	0	0	0	
210 USEC Revenue	80-483US	0	None	0	0	0	0	0	0	0	
211 REC Revenue	80-483RE	1,966	REC_Rev	10	38	31	0	0	0	0	
212 Finance Chges- Unpaid Gas Accts	487	13,749	Over60-Dol	8	27	344	0	36	0	0	
213 Misc Service Discounts	488	222	BaseRate_Rev	1	2	3	0	0	0	0	
214 Transport Gas for Others	489	0	None	0	0	0	0	0	0	0	
215 Gas Revenues- Adjustment	495	0	None	0	0	0	0	0	0	0	
216 Revenue Adjustments	495Adj	(443)	BaseRate_Rev	(1)	(5)	(6)	(0)	(0)	(0)	(0)	
217 Subtotal Gas Revenues, net		103,763		289	1,057	1,609	0	50	44	1	
218											
219 Bill Paid Turn Ons & Dig Ups		0	None	0	0	0	0	0	0	0	
220 Rev/Exp- Appliance, Service, Other	879Rev	0	None	0	0	0	0	0	0	0	
221 Subtotal Other Oper Revenues, net		0		0	0	0	0	0	0	0	
222											
223 Total Operating Revenues		103,763		289	1,057	1,609	0	50	44	1	
224											
225 Interest and Non-Operating Income	418	4,031	RATEBASE	12	49	45	0	6	59	2	
226 Penalties- Regulatory	426	(50)	RATEBASE	(0)	(1)	(1)	(0)	(0)	(1)	(0)	
227 Total Non-Oper Income		3,981		12	48	45	0	6	58	2	
228											
229 Total Revenue		107,744		301	1,105	1,654	0	56	102	3	
230											
231 Income before Interest and Surplus		25,739		251	936	935	(0)	28	(51)	(3)	
232											
233 Interest on long-term debt	427	30,267	RATEBASE	90	366	339	0	48	441	18	
234 AFUDC	432	(64)	RATEBASE	(0)	(1)	(1)	(0)	(0)	(1)	(0)	
235 Surplus Requirement		7,668	RATEBASE	23	93	86	0	12	112	5	
236 Total Interest and Surplus		37,871		112	458	424	0	60	552	23	
237 Rate Increase Requirement	436	100,000	RATEBASE	297	1,210	1,120	0	158	1,458	60	
238 Total Interest, Surplus and Rate Increas		137,871		409	1,669	1,545	1	218	2,010	82	
239											
240 OVER (UNDER) Total Requirements		(112,132)		(159)	(732)	(609)	(1)	(190)	(2,061)	(85)	

Philadelphia Gas Works
Class Cost of Service Study - 2006

Future Test Year Ended August 31, 2007 (\$000s)

	Account Description	Account Code	DISTRIBUTION CUSTOMER Dollars	Allocation Allocation Factor	DISTRIBUTION CUSTOMER Class Allocation							
					LBS Small RC-14	LBS Large-InDire RC-15	LBS Large-Direct RC-16	LBS Large-Direct RC-17	LBX XL-Indirect RC-18	Co-Gen InDirect RC-19	GTS / IT Trans only RC-20	
201	VII. TAXES OTHER THAN INCOME TAXE											
202	Payroll Taxes	408	645	DISTLABOR-C	0	0	0	0	0	0	3	
203												
204	TOTAL EXPENSES		82,005		26	16	1	2	6	3	138	
205												
206	V. REVENUES											
207	Distribution Revenue	480-483	88,270	BaseRate_Rev	7	4	1	2	4	3	0	
208	GCR Revenue	80-483GC	0	None	0	0	0	0	0	0	0	
209	Interruptible Gas Revenues	480-483Inl	0	None	0	0	0	0	0	0	0	
210	USEC Revenue	80-483USI	0	None	0	0	0	0	0	0	0	
211	REC Revenue	80-483REI	1,966	REC_Rev	0	0	0	0	0	0	0	
212	Finance Chges- Unpaid Gas Accts	487	13,749	Over60-Dol	0	0	4	0	0	0	3	
213	Misc Service Discounts	488	222	BaseRate_Rev	0	0	0	0	0	0	0	
214	Transport Gas for Others	489	0	None	0	0	0	0	0	0	0	
215	Gas Revenues- Adjustment	495	0	None	0	0	0	0	0	0	0	
216	Revenue Adjustments	495Adj	(443)	BaseRate_Rev	(0)	(0)	(0)	(0)	(0)	(0)	0	
217	Subtotal Gas Revenues, net		103,763		7	4	5	2	4	3	3	
218												
219	Bill Paid Turn Ons & Dig Ups		0	None	0	0	0	0	0	0	0	
220	Rev/Exp- Appliance, Service, Other	879Rev	0	None	0	0	0	0	0	0	0	
221	Subtotal Other Oper Revenues, net		0		0	0	0	0	0	0	0	
222												
223	Total Operating Revenues		103,763		7	4	5	2	4	3	3	
224												
225	Interest and Non-Operating Income	418	4,031	RATEBASE	13	9	0	0	1	0	39	
226	Penalties- Regulatory	426	(50)	RATEBASE	(0)	(0)	(0)	(0)	(0)	(0)	(0)	
227	Total Non-Oper Income		3,981		12	8	0	0	1	0	39	
228												
229	Total Revenue		107,744		19	12	5	2	5	3	42	
230												
231	Income before Interest and Surplus		25,739		(7)	(4)	4	0	(1)	0	(96)	
232												
233	Interest on long-term debt	427	30,267	RATEBASE	95	64	3	1	11	3	296	
234	AFUDC	432	(64)	RATEBASE	(0)	(0)	(0)	(0)	(0)	(0)	(1)	
235	Surplus Requirement		7,668	RATEBASE	24	16	1	0	3	1	75	
236	Total Interest and Surplus		37,871		119	81	4	2	14	4	371	
237	Rate Increase Requirement	436	100,000	RATEBASE	313	213	9	4	36	10	979	
238	Total Interest, Surplus and Rate Increas		137,871		432	294	13	6	50	14	1,350	
239												
240	OVER (UNDER) Total Requirements		(112,132)		(439)	(297)	(9)	(6)	(50)	(14)	(1,446)	

Exhibit HSG-4H

Class Allocation – Onsite Customer

Future Test Year Ended August 31, 2007 (\$000s)

		ONSITE		ONSITE CUSTOMER Class Allocation						
Account	Account	Allocation	Allocation	Residential	Residential	Commercial	Commercial	Industrial	Industrial	
Description	Code	CUSTOMER	Factor	Non-Heat	Heat	Non-Heat	Heat	Non-Heat	Heat	
		Dollars		RC-1	RC-2	RC-3	RC-4	RC-5	RC-6	
40	E. DISTRIBUTION PLANT									
41	Land and Land Rights	374	0	None	0	0	0	0	0	0
42	Structures and Improvements	375	0	None	0	0	0	0	0	0
43	Mains	376	0	None	0	0	0	0	0	0
44	Mains- Direct Assignment	376Direct	0	None	0	0	0	0	0	0
45	Compressor Station Equipment	377	0	None	0	0	0	0	0	0
46	Meas. & Reg. Stat. Equip. - General	378	0	None	0	0	0	0	0	0
47	Services	380	0	None	0	0	0	0	0	0
48	Meters	381	78,972	Meter_Invest	6,575	53,178	3,645	12,638	248	591
49	Meters Install.	382	99,534	Meter_Invest	8,287	67,024	4,594	15,929	312	745
50	House Regulators	383	3,927	Cust_Small	432	3,494	0	0	0	0
51	House Regulator Install.	384	4,895	Cust_Small	539	4,355	0	0	0	0
52	Subtotal - Plant Accounts 383-384	383-384	8,821		971	7,849	0	0	0	0
53	Indust. Meas. & Reg. Station Equipment	385	0	None	0	0	0	0	0	0
54	Other Equipment	387	0	None	0	0	0	0	0	0
55	Subtotal - DISTRIBUTION PLANT	374-387	187,328		15,833	128,051	8,239	28,567	560	1,336
56										
57	F. GENERAL PLANT									
58	Land and Land Rights	389	2,549	ONSITELABOR-C	224	1,939	70	247	5	13
59	Structures and Improvements	390	45,194	ONSITELABOR-C	3,965	34,379	1,239	4,373	96	228
60	Office Furniture and Equipment	391	55,545	ONSITELABOR-C	4,873	42,253	1,522	5,375	118	280
61	Transportation Equipment	392	18,592	ONSITELABOR-C	1,631	14,143	510	1,799	40	94
62	Stores Equipment	393	486	ONSITELABOR-C	43	369	13	47	1	2
63	Tools, Shop and Garage Equipment	394	6,052	ONSITELABOR-C	531	4,604	166	586	13	30
64	Power Operated Equipment	396	275	ONSITELABOR-C	24	209	8	27	1	1
65	Communication Equipment	397	13,389	ONSITELABOR-C	1,175	10,185	367	1,296	29	67
66	Miscellaneous Equipment	398	5,260	ONSITELABOR-C	461	4,001	144	509	11	27
67	Subtotal - GENERAL PLANT	389-399	147,342		12,926	112,082	4,038	14,257	314	743
68					#REF!	#REF!	#REF!	#REF!	#REF!	#REF!
69	TOTAL UTILITY PLANT		334,670		28,759	240,133	12,277	42,824	874	2,079
70										
71	II. DEPRECIATION RESERVE									
72	Production Plant	108.2	0	None	0	0	0	0	0	0
73	Local Storage Plant	108.3	0	None	0	0	0	0	0	0
74	Mains	109	0	None	0	0	0	0	0	0
75	Mains- Direct Assignment	08.52Direc	0	None	0	0	0	0	0	0
76	Services	109	0	None	0	0	0	0	0	0
77	Meters	109	53,485	Meter_Invest	4,453	36,015	2,468	8,559	168	400
78	Distr Other	109	0	None	0	0	0	0	0	0
79	General Plant	109	64,707	ONSITELABOR-C	5,676	49,222	1,774	6,261	138	326
80	TOTAL - DEPRECIATION RESERVE	108	118,192		10,130	85,238	4,242	14,821	306	726

Future Test Year Ended August 31, 2007 (\$000s)

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Account Description	Account Code	ONSITE CUSTOMER Dollars	Allocation Allocation Factor	ONSITE CUSTOMER Class Allocation							
				Municipal Non-Heat RC-7	Municipal Heat RC-8	ousing Autl GS RC-9	NGV Direct RC-10	BPS Small RC-11	BPS Large RC-12	BPS A/C RC-13	
E. DISTRIBUTION PLANT											
Land and Land Rights	374	0	None	0	0	0	0	0	0	0	0
Structures and Improvements	375	0	None	0	0	0	0	0	0	0	0
Mains	376	0	None	0	0	0	0	0	0	0	0
Mains- Direct Assignment	376Direct	0	None	0	0	0	0	0	0	0	0
Compressor Station Equipment	377	0	None	0	0	0	0	0	0	0	0
Meas. & Reg. Stat. Equip. - General	378	0	None	0	0	0	0	0	0	0	0
Services	380	0	None	0	0	0	0	0	0	0	0
Meters	381	78,972	Meter_Invest	218	543	444	1	73	145	7	
Meters Install.	382	99,534	Meter_Invest	275	685	559	1	92	183	9	
House Regulators	383	3,927	Cust_Small	0	0	0	0	1	0	0	
House Regulator Install.	384	4,895	Cust_Small	0	0	0	0	1	0	0	
Subtotal - Plant Accounts 383-384	383-384	8,821		0	0	0	0	2	0	0	
Indust. Meas. & Reg. Station Equipment	385	0	None	0	0	0	0	0	0	0	
Other Equipment	387	0	None	0	0	0	0	0	0	0	
Subtotal - DISTRIBUTION PLANT	374-387	187,328		493	1,228	1,003	2	168	328	16	
F. GENERAL PLANT											
Land and Land Rights	389	2,549	ONSITELABOR-C	4	10	22	0	2	4	0	
Structures and Improvements	390	45,194	ONSITELABOR-C	70	173	392	0	38	62	3	
Office Furniture and Equipment	391	55,545	ONSITELABOR-C	86	213	482	0	46	77	4	
Transportation Equipment	392	18,592	ONSITELABOR-C	29	71	161	0	15	26	1	
Stores Equipment	393	486	ONSITELABOR-C	1	2	4	0	0	1	0	
Tools, Shop and Garage Equipment	394	6,052	ONSITELABOR-C	9	23	53	0	5	8	0	
Power Operated Equipment	396	275	ONSITELABOR-C	0	1	2	0	0	0	0	
Communication Equipment	397	13,389	ONSITELABOR-C	21	51	116	0	11	18	1	
Miscellaneous Equipment	398	5,260	ONSITELABOR-C	8	20	46	0	4	7	0	
Subtotal - GENERAL PLANT	389-399	147,342		227	565	1,279	1	123	204	9	
				#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
TOTAL UTILITY PLANT		334,670		720	1,793	2,281	3	291	532	26	
II. DEPRECIATION RESERVE											
Production Plant	108.2	0	None	0	0	0	0	0	0	0	
Local Storage Plant	108.3	0	None	0	0	0	0	0	0	0	
Mains	109	0	None	0	0	0	0	0	0	0	
Mains- Direct Assignment	08.52Direc	0	None	0	0	0	0	0	0	0	
Services	109	0	None	0	0	0	0	0	0	0	
Meters	109	53,485	Meter_Invest	148	368	300	1	50	98	5	
Distr Other	109	0	None	0	0	0	0	0	0	0	
General Plant	109	64,707	ONSITELABOR-C	100	248	562	0	54	89	4	
TOTAL - DEPRECIATION RESERVE	108	118,192		247	616	862	1	104	188	9	

Philadelphia Gas Works
Class Cost of Service Study - 2006

Future Test Year Ended August 31, 2007 (\$000s)

Account Description	Account Code	ONSITE CUSTOMER Dollars	Allocation Factor	ONSITE CUSTOMER Class Allocation						
				LBS Small RC-14	LBS Large-InDirect RC-15	LBS Large-Direct RC-16	LBS Large-Direct RC-17	LBX XL-Indirect RC-18	Co-Gen InDirect RC-19	GTS / IT Trans only RC-20
E. DISTRIBUTION PLANT										
Land and Land Rights	374	0	None	0	0	0	0	0	0	0
Structures and Improvements	375	0	None	0	0	0	0	0	0	0
Mains	376	0	None	0	0	0	0	0	0	0
Mains- Direct Assignment	376Direct	0	None	0	0	0	0	0	0	0
Compressor Station Equipment	377	0	None	0	0	0	0	0	0	0
Meas. & Reg. Stat. Equip. - General	378	0	None	0	0	0	0	0	0	0
Services	380	0	None	0	0	0	0	0	0	0
Meters	381	78,972	Meter_Invest	16	7	1	12	7	6	617
Meters Install.	382	99,534	Meter_Invest	21	9	1	15	8	7	778
House Regulators	383	3,927	Cust_Small	0	0	0	0	0	0	0
House Regulator Install.	384	4,895	Cust_Small	0	0	0	0	0	0	0
Subtotal - Plant Accounts 383-384	383-384	8,821		0	0	0	0	0	0	0
Indust. Meas. & Reg. Station Equipment	385	0	None	0	0	0	0	0	0	0
Other Equipment	387	0	None	0	0	0	0	0	0	0
Subtotal - DISTRIBUTION PLANT	374-387	187,328		37	16	3	26	15	13	1,395
F. GENERAL PLANT										
Land and Land Rights	389	2,549	ONSITELABOR-C	1	0	0	0	0	0	9
Structures and Improvements	390	45,194	ONSITELABOR-C	10	6	2	3	2	2	152
Office Furniture and Equipment	391	55,545	ONSITELABOR-C	12	7	3	4	3	2	187
Transportation Equipment	392	18,592	ONSITELABOR-C	4	2	1	1	1	1	63
Stores Equipment	393	486	ONSITELABOR-C	0	0	0	0	0	0	2
Tools, Shop and Garage Equipment	394	6,052	ONSITELABOR-C	1	1	0	0	0	0	20
Power Operated Equipment	396	275	ONSITELABOR-C	0	0	0	0	0	0	1
Communication Equipment	397	13,389	ONSITELABOR-C	3	2	1	1	1	0	45
Miscellaneous Equipment	398	5,260	ONSITELABOR-C	1	1	0	0	0	0	18
Subtotal - GENERAL PLANT	389-399	147,342		32	18	7	9	7	5	496
				#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!
TOTAL UTILITY PLANT		334,670		69	34	10	36	22	18	1,890
II. DEPRECIATION RESERVE										
Production Plant	108.2	0	None	0	0	0	0	0	0	0
Local Storage Plant	108.3	0	None	0	0	0	0	0	0	0
Mains	109	0	None	0	0	0	0	0	0	0
Mains- Direct Assignment	08.52Direc	0	None	0	0	0	0	0	0	0
Services	109	0	None	0	0	0	0	0	0	0
Meters	109	53,485	Meter_Invest	11	5	1	8	4	4	418
Distr Other	109	0	None	0	0	0	0	0	0	0
General Plant	109	<u>64,707</u>	ONSITELABOR-C	<u>14</u>	<u>8</u>	<u>3</u>	<u>4</u>	<u>3</u>	<u>2</u>	<u>218</u>
TOTAL - DEPRECIATION RESERVE	108	118,192		25	13	4	12	8	6	636

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Account Description	Account Code	ONSITE CUSTOMER Dollars	Allocation Allocation Factor	ONSITE CUSTOMER Class Allocation						
				Municipal Non-Heat RC-7	Municipal Heat RC-8	housing Auth GS RC-9	NGV Direct RC-10	BPS Small RC-11	BPS Large RC-12	BPS A/C RC-13
III. OTHER RATE BASE ITEMS										
Unclassified	106	0	None	0	0	0	0	0	0	0
Construction Work in Progress	107	20,472	ONSITEPT-C	54	134	110	0	18	36	2
CWIP- Mains	235	0	None	0	0	0	0	0	0	0
CWIP- Services	282	0	None	0	0	0	0	0	0	0
Total - OTHER RATE BASE ITEMS		20,472		54	134	110	0	18	36	2
IV. TOTAL RATE BASE (Excl. Working Cap)		236,950		526	1,311	1,529	2	205	380	18
Working Capital (See Subreport)	131	28,993	See WC Report	98	364	440	0	(1)	(15)	(1)
V. TOTAL RATE BASE		265,943		624	1,675	1,969	2	204	365	17
I. OPERATION & MAINTENANCE EXPENSES										
A. PRODUCTION EXPENSES										
1. Manufactured Gas Production										
Operations Labor- Passyunk	701	0	None	0	0	0	0	0	0	0
Misc. Steam Expenses- Passyunk	703	0	None	0	0	0	0	0	0	0
Maintenance of Structures	706	0	None	0	0	0	0	0	0	0
Maint Boiler Plant Equipment- Passyunk	707	0	None	0	0	0	0	0	0	0
Maint Steam Oth Prod- Passyunk	708	0	None	0	0	0	0	0	0	0
Other Power Elec Generation	712	0	None	0	0	0	0	0	0	0
Subtotal - O&M Accounts 701-716	710-716	0		0	0	0	0	0	0	0
Steam & Elec Cr Oth Util	734	0	None	0	0	0	0	0	0	0
Plant Protection	735	0	None	0	0	0	0	0	0	0
Maint. of Structure & Improvements	741	0	None	0	0	0	0	0	0	0
Maint Production Equipment	743	0	None	0	0	0	0	0	0	0
Subtotal - O&M Accounts 717-742	717-742	0	None	0	0	0	0	0	0	0
Subtotal - Manufactured Gas Production	710-742	0		0	0	0	0	0	0	0
2. Other Gas Supply Expenses										
Natural Gas Purchases	804	0	Gas Report	0	0	0	0	0	0	0
Natural Gas Oper Expenses	807	0	None	0	0	0	0	0	0	0
Natural Gas W/D from Storage- Gas Repor	808	0	None	0	0	0	0	0	0	0
Gas Used for Other Util Operations	812	0	None	0	0	0	0	0	0	0
LNG Operating Expenses	813	0	None	0	0	0	0	0	0	0
Subtotal - PRODUCTION EXPENSES	710-813	0		0	0	0	0	0	0	0

Future Test Year Ended August 31, 2007 (\$000s)

		ONSITE		ONSITE CUSTOMER Class Allocation						
		Allocation	Allocation	Residential	Residential	Commercial	Commercial	Industrial	Industrial	
		CUSTOMER	Factor	Non-Heat	Heat	Non-Heat	Heat	Non-Heat	Heat	
		Dollars		RC-1	RC-2	RC-3	RC-4	RC-5	RC-6	
Account	Account									
Description	Code									
119	B. NATURAL GAS STORAGE, TERMINAL									
120	LNG Operating Exp Admin	840	0	None	0	0	0	0	0	0
121	Training	841	0	None	0	0	0	0	0	0
122	Subtotal - O&M Accounts 840-841	840-841	0		0	0	0	0	0	0
123	Fuel- LNG Power	842	0	None	0	0	0	0	0	0
124	Maintenance Exp- Admin	843	0	None	0	0	0	0	0	0
125	Oper Exp Admin	850	0	None	0	0	0	0	0	0
126	Subtotal - Maint. Accounts 843.1-850	843.1-850	0		0	0	0	0	0	0
127	Subtotal - NATURAL GAS STORAGE	840-850	0		0	0	0	0	0	0
128										
129	C. TRANSMISSION EXPENSES	856-863	0	None	0	0	0	0	0	0
130										
131	D. DISTRIBUTION EXPENSES									
132	Operation Supv & Engineering	870	90	ONSITELABOR-C	8	69	2	9	0	0
133	Gas Control	871	0	None	0	0	0	0	0	0
134	Mains and Services Expenses	874	0	None	0	0	0	0	0	0
135	Natural Gas Oper Exp	875	0	None	0	0	0	0	0	0
136	Meas & Reg Exp- City Gate Stations	877	0	None	0	0	0	0	0	0
137	Meter & House Regulator Expenses	878	18,007	ONSITE-MR-C	1,522	12,309	792	2,746	54	128
138	Customer Install- Gas Business Costs	879	3,716	Meter_Invest	309	2,502	172	595	12	28
139	PLP Costs	879PLP	3,511	Cust_Res	384	3,102	0	0	0	0
140	Other expenses	880	1,296	ONSITEPT-C	110	886	57	198	4	9
141	Distribution Rents	881	1	ONSITELABOR-C	0	1	0	0	0	0
142	Maint. Supervision & Engineering	885	107	ONSITELABOR-C	9	82	3	10	0	1
143	Maint. of Mains	887	0	None	0	0	0	0	0	0
144	Maint. of Meas. & Reg. Station Expenses-C	889	0	None	0	0	0	0	0	0
145	Natural Gas Equipment	891	0	None	0	0	0	0	0	0
146	Maint. of Services	892	0	None	0	0	0	0	0	0
147	Maint. of Meters & House Regulators	893	2,639	ONSITE-MR-C	223	1,804	116	402	8	19
148	Subtotal - DISTRIBUTION EXPENSES	870-893	29,369		2,565	20,755	1,142	3,960	78	185
149	Total - OPERATION & MAINTENANCE EX		29,369		2,565	20,755	1,142	3,960	78	185
150										
151	II. CUSTOMER ACCOUNTS EXPENSES									
152	Customer Service - Administrative	901	930	Account903	83	761	15	54	1	2
153	Meter Reading - Administrative	901	124	METERREAD	8	94	3	12	0	1
154	Collection - Administrative	901	170	Account903	15	139	3	10	0	0
155	Meter Reading Expenses	902	1,742	METERREAD	115	1,324	37	170	6	13
156	Customer Records & Collection Expense	903	26,956	Account903	2,418	22,056	436	1,558	24	56
157	Uncollectible Accounts	904	0	WriteOff-Dol	0	0	0	0	0	0
158	Uncollectible Accounts in CRP	904CRP	0	None	0	0	0	0	0	0
159	Total - CUSTOMER ACCOUNTS EXPENS		29,922		2,639	24,374	493	1,804	31	72

Philadelphia Gas Works
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Future Test Year Ended August 31, 2007 (\$000s)

Account Description	Account Code	ONSITE CUSTOMER Dollars	Allocation Factor	ONSITE CUSTOMER Class Allocation								
				Municipal Non-Heat RC-7	Municipal Heat RC-8	ousing Authr GS RC-9	NGV Direct RC-10	BPS Small RC-11	BPS Large RC-12	BPS A/C RC-13		
119 B. NATURAL GAS STORAGE, TERMINAL												
120 LNG Operating Exp Admin	840	0	None	0	0	0	0	0	0	0	0	
121 Training	841	0	None	0	0	0	0	0	0	0	0	
122 Subtotal - O&M Accounts 840-841	840-841	0		0	0	0	0	0	0	0	0	
123 Fuel- LNG Power	842	0	None	0	0	0	0	0	0	0	0	
124 Maintenance Exp- Admin	843	0	None	0	0	0	0	0	0	0	0	
125 Oper Exp Admin	850	0	None	0	0	0	0	0	0	0	0	
126 Subtotal - Maint. Accounts 843.1-850	843.1-850	0		0	0	0	0	0	0	0	0	
127 Subtotal - NATURAL GAS STORAGE	840-850	0		0	0	0	0	0	0	0	0	
128												
129 C. TRANSMISSION EXPENSES	856-863	0	None	0	0	0	0	0	0	0	0	
130												
131 D. DISTRIBUTION EXPENSES												
132 Operation Supv & Engineering	870	90	ONSITELABOR-C	0	0	1	0	0	0	0	0	
133 Gas Control	871	0	None	0	0	0	0	0	0	0	0	
134 Mains and Services Expenses	874	0	None	0	0	0	0	0	0	0	0	
135 Natural Gas Oper Exp	875	0	None	0	0	0	0	0	0	0	0	
136 Meas & Reg Exp- City Gate Stations	877	0	None	0	0	0	0	0	0	0	0	
137 Meter & House Regulator Expenses	878	18,007	ONSITE-MR-C	47	118	96	0	16	32	2		
138 Customer Install- Gas Business Costs	879	3,716	Meter_Invest	10	26	21	0	3	7	0		
139 PLP Costs	879PLP	3,511	Cust_Res	0	0	26	0	0	0	0		
140 Other expenses	880	1,296	ONSITEPT-C	3	8	7	0	1	2	0		
141 Distribution Rents	881	1	ONSITELABOR-C	0	0	0	0	0	0	0		
142 Maint. Supervision & Engineering	885	107	ONSITELABOR-C	0	0	1	0	0	0	0		
143 Maint. of Mains	887	0	None	0	0	0	0	0	0	0		
144 Maint. of Meas. & Reg. Station Expenses-C	889	0	None	0	0	0	0	0	0	0		
145 Natural Gas Equipment	891	0	None	0	0	0	0	0	0	0		
146 Maint. of Services	892	0	None	0	0	0	0	0	0	0		
147 Maint. of Meters & House Regulators	893	2,639	ONSITE-MR-C	7	17	14	0	2	5	0		
148 Subtotal - DISTRIBUTION EXPENSES	870-893	29,369		68	170	166	0	23	46	2		
149 Total - OPERATION & MAINTENANCE EX		29,369		68	170	166	0	23	46	2		
150												
151 II. CUSTOMER ACCOUNTS EXPENSES												
152 Customer Service - Administrative	901	930	Account903	1	1	11	0	1	0	0		
153 Meter Reading - Administrative	901	124	METERREAD	0	1	1	0	0	2	0		
154 Collection - Administrative	901	170	Account903	0	0	2	0	0	0	0		
155 Meter Reading Expenses	902	1,742	METERREAD	5	16	19	0	2	24	1		
156 Customer Records & Collection Expense	903	26,956	Account903	17	36	318	0	23	5	0		
157 Uncollectible Accounts	904	0	WriteOff-Dol	0	0	0	0	0	0	0		
158 Uncollectible Accounts in CRP	904CRP	0	None	0	0	0	0	0	0	0		
159 Total - CUSTOMER ACCOUNTS EXPENS		29,922		23	55	352	0	26	30	1		

Philadelphia Gas Works
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Future Test Year Ended August 31, 2007 (\$000s)

	Account Description	Account Code	ONSITE CUSTOMER Dollars	Allocation Factor	ONSITE CUSTOMER Class Allocation							
					LBS Small RC-14	LBS Large-InDirect RC-15	LBS Large-Direct RC-16	LBS Large-Direct RC-17	LBX XL-Indirect RC-18	Co-Gen InDirect RC-19	GTS / IT Trans only RC-20	
119	B. NATURAL GAS STORAGE, TERMINAL											
120	LNG Operating Exp Admin	840	0	None	0	0	0	0	0	0	0	0
121	Training	841	0	None	0	0	0	0	0	0	0	0
122	Subtotal - O&M Accounts 840-841	840-841	0		0	0	0	0	0	0	0	0
123	Fuel- LNG Power	842	0	None	0	0	0	0	0	0	0	0
124	Maintenance Exp- Admin	843	0	None	0	0	0	0	0	0	0	0
125	Oper Exp Admin	850	0	None	0	0	0	0	0	0	0	0
126	Subtotal - Maint. Accounts 843.1-850	843.1-850	0		0	0	0	0	0	0	0	0
127	Subtotal - NATURAL GAS STORAGE	840-850	0		0	0	0	0	0	0	0	0
128												
129	C. TRANSMISSION EXPENSES	856-863	0	None	0	0	0	0	0	0	0	0
130												
131	D. DISTRIBUTION EXPENSES											
132	Operation Supv & Engineering	870	90	ONSITELABOR-C	0	0	0	0	0	0	0	0
133	Gas Control	871	0	None	0	0	0	0	0	0	0	0
134	Mains and Services Expenses	874	0	None	0	0	0	0	0	0	0	0
135	Natural Gas Oper Exp	875	0	None	0	0	0	0	0	0	0	0
136	Meas & Reg Exp- City Gate Stations	877	0	None	0	0	0	0	0	0	0	0
137	Meter & House Regulator Expenses	878	18,007	ONSITE-MR-C	4	2	0	3	1	1	134	
138	Customer Install- Gas Business Costs	879	3,716	Meter_Invest	1	0	0	1	0	0	29	
139	PLP Costs	879PLP	3,511	Cust_Res	0	0	0	0	0	0	0	
140	Other expenses	880	1,296	ONSITEPT-C	0	0	0	0	0	0	10	
141	Distribution Rents	881	1	ONSITELABOR-C	0	0	0	0	0	0	0	
142	Maint. Supervision & Engineering	885	107	ONSITELABOR-C	0	0	0	0	0	0	0	
143	Maint. of Mains	887	0	None	0	0	0	0	0	0	0	
144	Maint. of Meas. & Reg. Station Expenses-C	889	0	None	0	0	0	0	0	0	0	
145	Natural Gas Equipment	891	0	None	0	0	0	0	0	0	0	
146	Maint. of Services	892	0	None	0	0	0	0	0	0	0	
147	Maint. of Meters & House Regulators	893	2,639	ONSITE-MR-C	1	0	0	0	0	0	20	
148	Subtotal - DISTRIBUTION EXPENSES	870-893	29,369		5	2	0	4	2	2	193	
149	Total - OPERATION & MAINTENANCE EX		29,369		5	2	0	4	2	2	193	
150												
151	II. CUSTOMER ACCOUNTS EXPENSES											
152	Customer Service - Administrative	901	930	Account903	0	0	0	0	0	0	0	
153	Meter Reading - Administrative	901	124	METERREAD	0	0	0	0	0	0	0	
154	Collection - Administrative	901	170	Account903	0	0	0	0	0	0	0	
155	Meter Reading Expenses	902	1,742	METERREAD	5	4	0	0	1	0	0	
156	Customer Records & Collection Expense	903	26,956	Account903	1	0	2	0	0	0	6	
157	Uncollectible Accounts	904	0	WriteOff-Dol	0	0	0	0	0	0	0	
158	Uncollectible Accounts in CRP	904CRP	0	None	0	0	0	0	0	0	0	
159	Total - CUSTOMER ACCOUNTS EXPENS		29,922		6	4	3	0	1	0	7	

Philadelphia Gas Works

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Future Test Year Ended August 31, 2007 (\$000s)

Account Description	Account Code	ONSITE CUSTOMER Dollars	Allocation Factor	ONSITE CUSTOMER Class Allocation						
				Municipal Non-Heat RC-7	Municipal Heat RC-8	housing Auth GS RC-9	NGV Direct RC-10	BPS Small RC-11	BPS Large RC-12	BPS A/C RC-13
160										
161 III. CUSTOMER SERVICE & INFORMATI										
162 Customer Assistance- Marketing	908	4,055	Account908	1	2	23	0	0	0	0
163 CAP Costs	908CAP	0	None	0	0	0	0	0	0	0
164 CRP Shortfall	480CRP	0	None	0	0	0	0	0	0	0
165 Senior Discounts	480Sen	0	None	0	0	0	0	0	0	0
166 Total - CUSTOMER SERVICE & INFORM/		4,055		1	2	23	0	0	0	0
167										
168 Total - CUSTOMER ACCOUNTS, SERVIC		33,977		24	56	375	0	27	31	1
169										
170 IV. ADMINISTRATIVE & GENERAL EXPEI										
171										
172 A. Labor-Related:										
173 Administrative & General Salaries	920	8,415	ONSITELABOR-C	13	32	73	0	7	12	1
174 Office Supplies & Expenses	921	7,274	ONSITELABOR-C	11	28	63	0	6	10	0
175 Administrative Expenses Transferred	922	(13,188)	ONSITELABOR-C	(20)	(51)	(114)	(0)	(11)	(18)	(1)
176 Outside Services Employed	923	1,545	ONSITELABOR-C	2	6	13	0	1	2	0
177 Injuries & Damages	925	4,410	ONSITELABOR-C	7	17	38	0	4	6	0
178 Employee Pensions and Benefits	926	38,411	ONSITELABOR-C	59	147	333	0	32	53	2
179 Subtotal - O&M Accounts 920-923, 926		46,867		72	180	407	0	39	65	3
180										
181 B. Plant-Related:										
182 Risk Management - Corporate Insurance P	924	176	ONSITEPT-C	0	1	1	0	0	0	0
183 Subtotal - O&M Accounts 924-925, 935		176		0	1	1	0	0	0	0
184										
185 C. Other-Related:										
186 Regulatory Commission Expenses	928	0	None	0	0	0	0	0	0	0
187 Duplicate Charges- Gas Used by Util	929	0	None	0	0	0	0	0	0	0
188 Misc. Gen'l Expenses	930	1,076	ONSITELABOR-C	2	4	9	0	1	1	0
189 Subtotal - Duplicate Charges	929	1,076		2	4	9	0	1	1	0
190 Rents	931	167	ONSITELABOR-C	0	1	1	0	0	0	0
191										
192 Total - ADMINISTRATIVE & GENERAL EX		48,285		75	186	418	0	40	67	3
193										
194 TOTAL - OPERATING EXPENSES (Excl C		111,631		167	412	960	1	90	143	7
195										
196 VI. DEPRECIATION EXPENSE										
197 Original Cost Depreciation expense	403	4,938	ONSITEPT-C	13	32	26	0	4	9	0
198 Depreciation expense- Direct Assignment	403Direct	0	ONSITEPT-C	0	0	0	0	0	0	0
199 Total - DEPRECIATION EXPENSE	403	4,938		13	32	26	0	4	9	0
200										

Philadelphia Gas Works
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Future Test Year Ended August 31, 2007 (\$000s)

	Account Description	Account Code	ONSITE CUSTOMER Dollars	Allocation Allocation Factor	ONSITE CUSTOMER Class Allocation							
					LBS Small	LBS Large-InDirect	LBS Large-Direct	LBS Large-Direct	LBX XL-Indirect	Co-Gen InDirect	GTS / IT Trans only	
					RC-14	RC-15	RC-16	RC-17	RC-18	RC-19	RC-20	
161	III. CUSTOMER SERVICE & INFORMATI											
162	Customer Assistance- Marketing	908	4,055	Account908	0	0	0	0	0	0	0	
163	CAP Costs	908CAP	0	None	0	0	0	0	0	0	0	
164	CRP Shortfall	480CRP	0	None	0	0	0	0	0	0	0	
165	Senior Discounts	480Sen	0	None	0	0	0	0	0	0	0	
166	Total - CUSTOMER SERVICE & INFORM/		4,055		0	0	0	0	0	0	0	
167												
168	Total - CUSTOMER ACCOUNTS, SERVIC		33,977		6	4	3	0	1	0	7	
169												
170	IV. ADMINISTRATIVE & GENERAL EXPEI											
171												
172	A. Labor-Related:											
173	Administrative & General Salaries	920	8,415	ONSITELABOR-C	2	1	0	1	0	0	28	
174	Office Supplies & Expenses	921	7,274	ONSITELABOR-C	2	1	0	0	0	0	24	
175	Administrative Expenses Transferred	922	(13,188)	ONSITELABOR-C	(3)	(2)	(1)	(1)	(1)	(0)	(44)	
176	Outside Services Employed	923	1,545	ONSITELABOR-C	0	0	0	0	0	0	5	
177	Injuries & Damages	925	4,410	ONSITELABOR-C	1	1	0	0	0	0	15	
178	Employee Pensions and Benefits	926	38,411	ONSITELABOR-C	8	5	2	2	2	1	129	
179	Subtotal - O&M Accounts 920-923, 926		46,867		10	6	2	3	2	2	158	
180												
181	B. Plant-Related:											
182	Risk Management - Corporate Insurance P	924	176	ONSITEPT-C	0	0	0	0	0	0	1	
183	Subtotal - O&M Accounts 924-925, 935		176		0	0	0	0	0	0	1	
184												
185	C. Other-Related:											
186	Regulatory Commission Expenses	928	0	None	0	0	0	0	0	0	0	
187	Duplicate Charges- Gas Used by Util	929	0	None	0	0	0	0	0	0	0	
188	Misc. Gen'l Expenses	930	1,076	ONSITELABOR-C	0	0	0	0	0	0	4	
189	Subtotal - Duplicate Charges	929	1,076		0	0	0	0	0	0	4	
190	Rents	931	167	ONSITELABOR-C	0	0	0	0	0	0	1	
191												
192	Total - ADMINISTRATIVE & GENERAL EX		48,285		11	6	2	3	2	2	163	
193												
194	TOTAL - OPERATING EXPENSES (Excl C		111,631		22	12	5	7	5	4	364	
195												
196	VI. DEPRECIATION EXPENSE											
197	Original Cost Depreciation expense	403	4,938	ONSITEPT-C	1	0	0	1	0	0	37	
198	Depreciation expense- Direct Assignment	403Direct	0	ONSITEPT-C	0	0	0	0	0	0	0	
199	Total - DEPRECIATION EXPENSE	403	4,938		1	0	0	1	0	0	37	
200												

Future Test Year Ended August 31, 2007 (\$000s)

		ONSITE		Allocation	ONSITE CUSTOMER Class Allocation					
Account	Account	CUSTOMER	Allocation		Residential	Residential	Commercial	Commercial	Industrial	Industrial
Description	Code	Dollars	Factor	Non-Heat	Heat	Non-Heat	Heat	Non-Heat	Heat	
				RC-1	RC-2	RC-3	RC-4	RC-5	RC-6	
201	VII. TAXES OTHER THAN INCOME TAXE									
202	Payroll Taxes	408	4,452	ONSITELABOR-C	391	3,387	122	431	9	22
203										
204	TOTAL EXPENSES		121,021		10,595	91,418	3,317	11,685	472	1,121
205										
206	V. REVENUES									
207	Distribution Revenue	480-483	151,938	BaseRate_Rev	7,041	112,109	4,447	21,213	852	1,834
208	GCR Revenue	80-483GC	0	None	0	0	0	0	0	0
209	Interruptible Gas Revenues	480-483Int	0	None	0	0	0	0	0	0
210	USEC Revenue	80-483USI	0	None	0	0	0	0	0	0
211	REC Revenue	80-483REI	0	None	0	0	0	0	0	0
212	Finance Chges- Unpaid Gas Accts	487	0	None	0	0	0	0	0	0
213	Misc Service Discounts	488	0	None	0	0	0	0	0	0
214	Transport Gas for Others	489	0	None	0	0	0	0	0	0
215	Gas Revenues- Adjustment	495	0	None	0	0	0	0	0	0
216	Revenue Adjustments	495Adj	0	None	0	0	0	0	0	0
217	Subtotal Gas Revenues, net		151,938		7,041	112,109	4,447	21,213	852	1,834
218										
219	Bill Paid Turn Ons & Dig Ups		2,757	Cust_Avg	285	2,302	31	108	1	3
220	Rev/Exp- Appliance, Service, Other	879Rev	7,775	Cust_Res	849	6,868	0	0	0	0
221	Subtotal Other Oper Revenues, net		10,532		1,134	9,170	31	108	1	3
222										
223	Total Operating Revenues		162,470		8,175	121,279	4,479	21,320	853	1,837
224										
225	Interest and Non-Operating Income	418	2,260	RATEBASE	128	1,656	52	264	8	20
226	Penalties- Regulatory	426	0	None	0	0	0	0	0	0
227	Total Non-Oper Income		2,260		128	1,656	52	264	8	20
228										
229	Total Revenue		164,730		8,303	122,934	4,530	21,584	861	1,857
230										
231	Income before Interest and Surplus		43,709		(2,292)	31,516	1,213	9,899	389	736
232										
233	Interest on long-term debt	427	16,969	RATEBASE	963	12,431	389	1,981	60	150
234	AFUDC	432	(805)	RATEBASE	(46)	(590)	(18)	(94)	(3)	(7)
235	Surplus Requirement		0	None	0	0	0	0	0	0
236	Total Interest and Surplus		16,164		917	11,841	370	1,887	57	143
237	Rate Increase Requirement	436	0	None	0	0	0	0	0	0
238	Total Interest, Surplus and Rate Increas		16,164		917	11,841	370	1,887	57	143
239										
240	OVER (UNDER) Total Requirements		27,546		(3,209)	19,675	843	8,012	333	594

Future Test Year Ended August 31, 2007 (\$000s)

	Account Description	Account Code	ONSITE CUSTOMER Dollars	Allocation Allocation Factor	ONSITE CUSTOMER Class Allocation						
					Municipal Non-Heat RC-7	Municipal Heat RC-8	ousing Authr GS RC-9	NGV Direct RC-10	BPS Small RC-11	BPS Large RC-12	BPS A/C RC-13
201	VII. TAXES OTHER THAN INCOME TAXE										
202	Payroll Taxes	408	4,452	ONSITELABOR-C	7	17	39	0	4	6	0
203											
204	TOTAL EXPENSES		121,021		186	461	1,025	1	98	158	7
205											
206	V. REVENUES										
207	Distribution Revenue	480-483	151,938	BaseRate_Rev	468	1,710	2,129	0	25	76	2
208	GCR Revenue	80-483GC	0	None	0	0	0	0	0	0	0
209	Interruptible Gas Revenues	480-483Int	0	None	0	0	0	0	0	0	0
210	USEC Revenue	80-483USI	0	None	0	0	0	0	0	0	0
211	REC Revenue	80-483REI	0	None	0	0	0	0	0	0	0
212	Finance Chges- Unpaid Gas Accts	487	0	None	0	0	0	0	0	0	0
213	Misc Service Discounts	488	0	None	0	0	0	0	0	0	0
214	Transport Gas for Others	489	0	None	0	0	0	0	0	0	0
215	Gas Revenues- Adjustment	495	0	None	0	0	0	0	0	0	0
216	Revenue Adjustments	495Adj	0	None	0	0	0	0	0	0	0
217	Subtotal Gas Revenues, net		151,938		468	1,710	2,129	0	25	76	2
218											
219	Bill Paid Turn Ons & Dig Ups		2,757	Cust_Avg	2	3	19	0	1	1	0
220	Rev/Exp- Appliance, Service, Other	879Rev	7,775	Cust_Res	0	0	57	0	0	0	0
221	Subtotal Other Oper Revenues, net		10,532		2	3	77	0	1	1	0
222											
223	Total Operating Revenues		162,470		469	1,713	2,206	0	25	77	2
224											
225	Interest and Non-Operating Income	418	2,260	RATEBASE	7	27	25	0	4	33	1
226	Penalties- Regulatory	426	0	None	0	0	0	0	0	0	0
227	Total Non-Oper Income		2,260		7	27	25	0	4	33	1
228											
229	Total Revenue		164,730		476	1,740	2,231	0	29	110	3
230											
231	Income before Interest and Surplus		43,709		290	1,279	1,206	(0)	(70)	(48)	(4)
232											
233	Interest on long-term debt	427	16,969	RATEBASE	50	205	190	0	27	247	10
234	AFUDC	432	(805)	RATEBASE	(2)	(10)	(9)	(0)	(1)	(12)	(0)
235	Surplus Requirement		0	None	0	0	0	0	0	0	0
236	Total Interest and Surplus		16,164		48	196	181	0	26	236	10
237	Rate Increase Requirement	436	0	None	0	0	0	0	0	0	0
238	Total Interest, Surplus and Rate Increas		16,164		48	196	181	0	26	236	10
239											
240	OVER (UNDER) Total Requirements		27,546		242	1,083	1,025	(1)	(95)	(284)	(14)

Philadelphia Gas Works
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Future Test Year Ended August 31, 2007 (\$000s)

	Account Description	Account Code	ONSITE CUSTOMER Dollars	Allocation Allocation Factor	ONSITE CUSTOMER Class Allocation						
					LBS Small RC-14	LBS Large-InDire RC-15	LBS Large-Direct RC-16	LBS Large-Direct RC-17	LBX XL-Indirect RC-18	Co-Gen InDirect RC-19	GTS / IT Trans only RC-20
201	VII. TAXES OTHER THAN INCOME TAXE										
202	Payroll Taxes	408	4,452	ONSITELABOR-C	1	1	0	0	0	0	15
203											
204	TOTAL EXPENSES		121,021		24	13	6	8	6	4	415
205											
206	V. REVENUES										
207	Distribution Revenue	480-483	151,938	BaseRate_Rev	11	7	1	3	6	5	0
208	GCR Revenue	80-483GC	0	None	0	0	0	0	0	0	0
209	Interruptible Gas Revenues	480-483Int	0	None	0	0	0	0	0	0	0
210	USEC Revenue	80-483US	0	None	0	0	0	0	0	0	0
211	REC Revenue	80-483RE	0	None	0	0	0	0	0	0	0
212	Finance Chges- Unpaid Gas Accts	487	0	None	0	0	0	0	0	0	0
213	Misc Service Discounts	488	0	None	0	0	0	0	0	0	0
214	Transport Gas for Others	489	0	None	0	0	0	0	0	0	0
215	Gas Revenues- Adjustment	495	0	None	0	0	0	0	0	0	0
216	Revenue Adjustments	495Adj	0	None	0	0	0	0	0	0	0
217	Subtotal Gas Revenues, net		151,938		11	7	1	3	6	5	0
218											
219	Bill Paid Turn Ons & Dig Ups		2,757	Cust_Avg	0	0	0	0	0	0	1
220	Rev/Exp- Appliance, Service, Other	879Rev	7,775	Cust_Res	0	0	0	0	0	0	0
221	Subtotal Other Oper Revenues, net		10,532		0	0	0	0	0	0	1
222											
223	Total Operating Revenues		162,470		12	7	1	3	6	5	1
224											
225	Interest and Non-Operating Income	418	2,260	RATEBASE	7	5	0	0	1	0	22
226	Penalties- Regulatory	426	0	None	0	0	0	0	0	0	0
227	Total Non-Oper Income		2,260		7	5	0	0	1	0	22
228											
229	Total Revenue		164,730		19	12	1	3	7	5	23
230											
231	Income before Interest and Surplus		43,709		(5)	(1)	(4)	(5)	1	1	(392)
232											
233	Interest on long-term debt	427	16,969	RATEBASE	53	36	2	1	6	2	166
234	AFUDC	432	(805)	RATEBASE	(3)	(2)	(0)	(0)	(0)	(0)	(8)
235	Surplus Requirement		0	None	0	0	0	0	0	0	0
236	Total Interest and Surplus		16,164		51	34	2	1	6	2	158
237	Rate Increase Requirement	436	0	None	0	0	0	0	0	0	0
238	Total Interest, Surplus and Rate Increas		16,164		51	34	2	1	6	2	158
239											
240	OVER (UNDER) Total Requirements		27,546		(56)	(36)	(6)	(5)	(5)	(0)	(551)

Exhibit HSG-4I

Class Allocation – USEC Customer

Future Test Year Ended August 31, 2007 (\$000s)

	Account Description	Account Code	USEC CUSTOMER Dollars	Allocation Allocation Factor	USEC CUSTOMER Class Allocation					
					Residential Non-Heat RC-1	Residential Heat RC-2	Commercial Non-Heat RC-3	Commercial Heat RC-4	Industrial Non-Heat RC-5	Industrial Heat RC-6
40	E. DISTRIBUTION PLANT									
41	Land and Land Rights	374	0	None	0	0	0	0	0	0
42	Structures and Improvements	375	0	None	0	0	0	0	0	0
43	Mains	376	0	None	0	0	0	0	0	0
44	Mains- Direct Assignment	376Direct	0	None	0	0	0	0	0	0
45	Compressor Station Equipment	377	0	None	0	0	0	0	0	0
46	Meas. & Reg. Stat. Equip. - General	378	0	None	0	0	0	0	0	0
47	Services	380	0	None	0	0	0	0	0	0
48	Meters	381	0	None	0	0	0	0	0	0
49	Meters Install.	382	0	None	0	0	0	0	0	0
50	House Regulators	383	0	None	0	0	0	0	0	0
51	House Regulator Install.	384	0	None	0	0	0	0	0	0
52	Subtotal - Plant Accounts 383-384	383-384	0		0	0	0	0	0	0
53	Indust. Meas. & Reg. Station Equipment	385	0	None	0	0	0	0	0	0
54	Other Equipment	387	0	None	0	0	0	0	0	0
55	Subtotal - DISTRIBUTION PLANT	374-387	0		0	0	0	0	0	0
56										
57	F. GENERAL PLANT									
58	Land and Land Rights	389	0	None	0	0	0	0	0	0
59	Structures and Improvements	390	0	None	0	0	0	0	0	0
60	Office Furniture and Equipment	391	0	None	0	0	0	0	0	0
61	Transportation Equipment	392	0	None	0	0	0	0	0	0
62	Stores Equipment	393	0	None	0	0	0	0	0	0
63	Tools, Shop and Garage Equipment	394	0	None	0	0	0	0	0	0
64	Power Operated Equipment	396	0	None	0	0	0	0	0	0
65	Communication Equipment	397	0	None	0	0	0	0	0	0
66	Miscellaneous Equipment	398	0	None	0	0	0	0	0	0
67	Subtotal - GENERAL PLANT	389-399	0		0	0	0	0	0	0
68										
69	TOTAL UTILITY PLANT		0		0	0	0	0	0	0
70										
71	II. DEPRECIATION RESERVE									
72	Production Plant	108.2	0	None	0	0	0	0	0	0
73	Local Storage Plant	108.3	0	None	0	0	0	0	0	0
74	Mains	109	0	None	0	0	0	0	0	0
75	Mains- Direct Assignment	08.52Direc	0	None	0	0	0	0	0	0
76	Services	109	0	None	0	0	0	0	0	0
77	Meters	109	0	None	0	0	0	0	0	0
78	Distr Other	109	0	None	0	0	0	0	0	0
79	General Plant	109	0	None	0	0	0	0	0	0
80	TOTAL - DEPRECIATION RESERVE	108	0		0	0	0	0	0	0

Philadelphia Gas Works
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Future Test Year Ended August 31, 2007 (\$000s)

USEC CUSTOMER Class Allocation

Account Description	Account Code	USEC CUSTOMER Dollars	Allocation Factor	USEC CUSTOMER Class Allocation						
				Residential Non-Heat RC-1	Residential Heat RC-2	Commercial Non-Heat RC-3	Commercial Heat RC-4	Industrial Non-Heat RC-5	Industrial Heat RC-6	
119 B. NATURAL GAS STORAGE, TERMINAL										
120 LNG Operating Exp Admin	840	0	None	0	0	0	0	0	0	0
121 Training	841	0	None	0	0	0	0	0	0	0
122 Subtotal - O&M Accounts 840-841	840-841	0		0	0	0	0	0	0	0
123 Fuel- LNG Power	842	0	None	0	0	0	0	0	0	0
124 Maintenance Exp- Admin	843	0	None	0	0	0	0	0	0	0
125 Oper Exp Admin	850	0	None	0	0	0	0	0	0	0
126 Subtotal - Maint. Accounts 843.1-850	843.1-850	0		0	0	0	0	0	0	0
127 Subtotal - NATURAL GAS STORAGE	840-850	0		0	0	0	0	0	0	0
128										
129 C. TRANSMISSION EXPENSES	856-863	0	None	0	0	0	0	0	0	0
130										
131 D. DISTRIBUTION EXPENSES										
132 Operation Supv & Engineering	870	0	None	0	0	0	0	0	0	0
133 Gas Control	871	0	None	0	0	0	0	0	0	0
134 Mains and Services Expenses	874	0	None	0	0	0	0	0	0	0
135 Natural Gas Oper Exp	875	0	None	0	0	0	0	0	0	0
136 Meas & Reg Exp- City Gate Stations	877	0	None	0	0	0	0	0	0	0
137 Meter & House Regulator Expenses	878	0	None	0	0	0	0	0	0	0
138 Customer Install- Gas Business Costs	879	0	None	0	0	0	0	0	0	0
139 PLP Costs	879PLP	0	None	0	0	0	0	0	0	0
140 Other expenses	880	0	None	0	0	0	0	0	0	0
141 Distribution Rents	881	0	None	0	0	0	0	0	0	0
142 Maint. Supervision & Engineering	885	0	None	0	0	0	0	0	0	0
143 Maint. of Mains	887	0	None	0	0	0	0	0	0	0
144 Maint. of Meas. & Reg. Station Expenses-C	889	0	None	0	0	0	0	0	0	0
145 Natural Gas Equipment	891	0	None	0	0	0	0	0	0	0
146 Maint. of Services	892	0	None	0	0	0	0	0	0	0
147 Maint. of Meters & House Regulators	893	0	None	0	0	0	0	0	0	0
148 Subtotal - DISTRIBUTION EXPENSES	870-893	0		0	0	0	0	0	0	0
149 Total - OPERATION & MAINTENANCE EX		0		0	0	0	0	0	0	0
150										
151 II. CUSTOMER ACCOUNTS EXPENSES										
152 Customer Service - Administrative	901	0	None	0	0	0	0	0	0	0
153 Meter Reading - Administrative	901	0	None	0	0	0	0	0	0	0
154 Collection - Administrative	901	0	None	0	0	0	0	0	0	0
155 Meter Reading Expenses	902	0	None	0	0	0	0	0	0	0
156 Customer Records & Collection Expense	903	0	None	0	0	0	0	0	0	0
157 Uncollectible Accounts	904	0	None	0	0	0	0	0	0	0
158 Uncollectible Accounts in CRP	904CRP	11,450	Gas_Sales_Firm	323	8,172	377	1,877	76	162	
159 Total - CUSTOMER ACCOUNTS EXPENS		11,450		323	8,172	377	1,877	76	162	

Future Test Year Ended August 31, 2007 (\$000s)

	Account Description	Account Code	USEC CUSTOMER Dollars	Allocation Allocation Factor	USEC CUSTOMER Class Allocation							
					Municipal Non-Heat RC-7	Municipal Heat RC-8	ousing Authr GS RC-9	NGV Direct RC-10	BPS Small RC-11	BPS Large RC-12	BPS A/C RC-13	
119	B. NATURAL GAS STORAGE, TERMINAL											
120	LNG Operating Exp Admin	840	0	None	0	0	0	0	0	0	0	0
121	Training	841	0	None	0	0	0	0	0	0	0	0
122	Subtotal - O&M Accounts 840-841	840-841	0		0	0	0	0	0	0	0	0
123	Fuel- LNG Power	842	0	None	0	0	0	0	0	0	0	0
124	Maintenance Exp- Admin	843	0	None	0	0	0	0	0	0	0	0
125	Oper Exp Admin	850	0	None	0	0	0	0	0	0	0	0
126	Subtotal - Maint. Accounts 843.1-850	843.1-850	0		0	0	0	0	0	0	0	0
127	Subtotal - NATURAL GAS STORAGE	840-850	0		0	0	0	0	0	0	0	0
128												
129	C. TRANSMISSION EXPENSES	856-863	0	None	0	0	0	0	0	0	0	0
130												
131	D. DISTRIBUTION EXPENSES											
132	Operation Supv & Engineering	870	0	None	0	0	0	0	0	0	0	0
133	Gas Control	871	0	None	0	0	0	0	0	0	0	0
134	Mains and Services Expenses	874	0	None	0	0	0	0	0	0	0	0
135	Natural Gas Oper Exp	875	0	None	0	0	0	0	0	0	0	0
136	Meas & Reg Exp- City Gate Stations	877	0	None	0	0	0	0	0	0	0	0
137	Meter & House Regulator Expenses	878	0	None	0	0	0	0	0	0	0	0
138	Customer Install- Gas Business Costs	879	0	None	0	0	0	0	0	0	0	0
139	PLP Costs	879PLP	0	None	0	0	0	0	0	0	0	0
140	Other expenses	880	0	None	0	0	0	0	0	0	0	0
141	Distribution Rents	881	0	None	0	0	0	0	0	0	0	0
142	Maint. Supervision & Engineering	885	0	None	0	0	0	0	0	0	0	0
143	Maint. of Mains	887	0	None	0	0	0	0	0	0	0	0
144	Maint. of Meas. & Reg. Station Expenses-C	889	0	None	0	0	0	0	0	0	0	0
145	Natural Gas Equipment	891	0	None	0	0	0	0	0	0	0	0
146	Maint. of Services	892	0	None	0	0	0	0	0	0	0	0
147	Maint. of Meters & House Regulators	893	0	None	0	0	0	0	0	0	0	0
148	Subtotal - DISTRIBUTION EXPENSES	870-893	0		0	0	0	0	0	0	0	0
149	Total - OPERATION & MAINTENANCE EX		0		0	0	0	0	0	0	0	0
150												
151	II. CUSTOMER ACCOUNTS EXPENSES											
152	Customer Service - Administrative	901	0	None	0	0	0	0	0	0	0	0
153	Meter Reading - Administrative	901	0	None	0	0	0	0	0	0	0	0
154	Collection - Administrative	901	0	None	0	0	0	0	0	0	0	0
155	Meter Reading Expenses	902	0	None	0	0	0	0	0	0	0	0
156	Customer Records & Collection Expense	903	0	None	0	0	0	0	0	0	0	0
157	Uncollectible Accounts	904	0	None	0	0	0	0	0	0	0	0
158	Uncollectible Accounts in CRP	904CRP	11,450	Gas_Sales_Firm	58	222	183	0	0	0	0	0
159	Total - CUSTOMER ACCOUNTS EXPENS		11,450		58	222	183	0	0	0	0	0

Future Test Year Ended August 31, 2007 (\$000s)

		USEC		USEC CUSTOMER Class Allocation						
Account Description		Account Code	CUSTOMER Dollars	Allocation Factor	Residential Non-Heat RC-1	Residential Heat RC-2	Commercial Non-Heat RC-3	Commercial Heat RC-4	Industrial Non-Heat RC-5	Industrial Heat RC-6
201	VII. TAXES OTHER THAN INCOME TAXE									
202	Payroll Taxes	408	0	None	0	0	0	0	0	0
203										
204	TOTAL EXPENSES		108,546		3,061	77,470	3,569	17,791	723	1,538
205										
206	V. REVENUES									
207	Distribution Revenue	480-483	0	None	0	0	0	0	0	0
208	GCR Revenue	80-483GC	0	None	0	0	0	0	0	0
209	Interruptible Gas Revenues	480-483Int	0	None	0	0	0	0	0	0
210	USEC Revenue	80-483USI	131,636	USEC_Rev	3,712	93,949	4,329	21,575	877	1,866
211	REC Revenue	80-483REI	0	USEC_Rev	0	0	0	0	0	0
212	Finance Chges- Unpaid Gas Accts	487	0	None	0	0	0	0	0	0
213	Misc Service Discounts	488	0	None	0	0	0	0	0	0
214	Transport Gas for Others	489	0	None	0	0	0	0	0	0
215	Gas Revenues- Adjustment	495	0	None	0	0	0	0	0	0
216	Revenue Adjustments	495Adj	(23,064)	USEC_Rev	(650)	(16,461)	(758)	(3,780)	(154)	(327)
217	Subtotal Gas Revenues, net		108,572		3,061	77,488	3,570	17,795	723	1,539
218										
219	Bill Paid Turn Ons & Dig Ups		0	None	0	0	0	0	0	0
220	Rev/Exp- Appliance, Service, Other	879Rev	0	None	0	0	0	0	0	0
221	Subtotal Other Oper Revenues, net		0		0	0	0	0	0	0
222										
223	Total Operating Revenues		108,572		3,061	77,488	3,570	17,795	723	1,539
224										
225	Interest and Non-Operating Income	418	0	None	0	0	0	0	0	0
226	Penalties- Regulatory	426	0	None	0	0	0	0	0	0
227	Total Non-Oper Income		0		0	0	0	0	0	0
228										
229	Total Revenue		108,572		3,061	77,488	3,570	17,795	723	1,539
230										
231	Income before Interest and Surplus		26		1	19	1	4	0	0
232										
233	Interest on long-term debt	427	0	None	0	0	0	0	0	0
234	AFUDC	432	0	None	0	0	0	0	0	0
235	Surplus Requirement		0	None	0	0	0	0	0	0
236	Total Interest and Surplus		0		0	0	0	0	0	0
237	Rate Increase Requirement	436	0	None	0	0	0	0	0	0
238	Total Interest, Surplus and Rate Increas		0		0	0	0	0	0	0
239										
240	OVER (UNDER) Total Requirements		26		1	19	1	4	0	0

Future Test Year Ended August 31, 2007 (\$000s)

	Account Description	Account Code	USEC CUSTOMER Dollars	Allocation Factor	USEC CUSTOMER Class Allocation								
					Municipal Non-Heat RC-7	Municipal Heat RC-8	ousing Auth GS RC-9	NGV Direct RC-10	BPS Small RC-11	BPS Large RC-12	BPS A/C RC-13		
201	VII. TAXES OTHER THAN INCOME TAXE												
202	Payroll Taxes	408	0	None	0	0	0	0	0	0	0	0	
203													
204	TOTAL EXPENSES		108,546		550	2,107	1,737	1	0	0	0	0	
205													
206	V. REVENUES												
207	Distribution Revenue	480-483	0	None	0	0	0	0	0	0	0	0	
208	GCR Revenue	80-483GC	0	None	0	0	0	0	0	0	0	0	
209	Interruptible Gas Revenues	480-483Int	0	None	0	0	0	0	0	0	0	0	
210	USEC Revenue	80-483USI	131,636	USEC_Rev	667	2,555	2,106	1	0	0	0	0	
211	REC Revenue	80-483REI	0	USEC_Rev	0	0	0	0	0	0	0	0	
212	Finance Chges- Unpaid Gas Accts	487	0	None	0	0	0	0	0	0	0	0	
213	Misc Service Discounts	488	0	None	0	0	0	0	0	0	0	0	
214	Transport Gas for Others	489	0	None	0	0	0	0	0	0	0	0	
215	Gas Revenues- Adjustment	495	0	None	0	0	0	0	0	0	0	0	
216	Revenue Adjustments	495Adj	(23,064)	USEC_Rev	(117)	(448)	(369)	(0)	0	0	0	0	
217	Subtotal Gas Revenues, net		108,572		550	2,108	1,737	1	0	0	0	0	
218													
219	Bill Paid Turn Ons & Dig Ups		0	None	0	0	0	0	0	0	0	0	
220	Rev/Exp- Appliance, Service, Other	879Rev	0	None	0	0	0	0	0	0	0	0	
221	Subtotal Other Oper Revenues, net		0		0	0	0	0	0	0	0	0	
222													
223	Total Operating Revenues		108,572		550	2,108	1,737	1	0	0	0	0	
224													
225	Interest and Non-Operating Income	418	0	None	0	0	0	0	0	0	0	0	
226	Penalties- Regulatory	426	0	None	0	0	0	0	0	0	0	0	
227	Total Non-Oper Income		0		0	0	0	0	0	0	0	0	
228													
229	Total Revenue		108,572		550	2,108	1,737	1	0	0	0	0	
230													
231	Income before Interest and Surplus		26		0	1	0	0	0	0	0	0	
232													
233	Interest on long-term debt	427	0	None	0	0	0	0	0	0	0	0	
234	AFUDC	432	0	None	0	0	0	0	0	0	0	0	
235	Surplus Requirement		0	None	0	0	0	0	0	0	0	0	
236	Total Interest and Surplus		0		0	0	0	0	0	0	0	0	
237	Rate Increase Requirement	436	0	None	0	0	0	0	0	0	0	0	
238	Total Interest, Surplus and Rate Increas		0		0	0	0	0	0	0	0	0	
239													
240	OVER (UNDER) Total Requirements		26		0	1	0	0	0	0	0	0	

Philadelphia Gas Works
Class Cost of Service Study - 2006

Future Test Year Ended August 31, 2007 (\$000s)

USEC CUSTOMER Class Allocation

	Account Description	Account Code	USEC CUSTOMER Dollars	Allocation Factor	LBS	LBS	LBS	LBS	LBX	Co-Gen	GTS / IT	
					Small RC-14	Large-In RC-15	Direct-Large RC-16	Direct-Large RC-17	XL-Indirect RC-18	InDirect RC-19	Trans only RC-20	
201	VII. TAXES OTHER THAN INCOME TAXE											
202	Payroll Taxes	408	0	None	0	0	0	0	0	0	0	
204	TOTAL EXPENSES		108,546		0	0	0	0	0	0	0	
206	V. REVENUES											
207	Distribution Revenue	480-483	0	None	0	0	0	0	0	0	0	
208	GCR Revenue	80-483GC	0	None	0	0	0	0	0	0	0	
209	Interruptible Gas Revenues	480-483Int	0	None	0	0	0	0	0	0	0	
210	USEC Revenue	80-483USI	131,636	USEC_Rev	0	0	0	0	0	0	0	
211	REC Revenue	80-483REI	0	USEC_Rev	0	0	0	0	0	0	0	
212	Finance Chges- Unpaid Gas Accts	487	0	None	0	0	0	0	0	0	0	
213	Misc Service Discounts	488	0	None	0	0	0	0	0	0	0	
214	Transport Gas for Others	489	0	None	0	0	0	0	0	0	0	
215	Gas Revenues- Adjustment	495	0	None	0	0	0	0	0	0	0	
216	Revenue Adjustments	495Adj	(23,064)	USEC_Rev	0	0	0	0	0	0	0	
217	Subtotal Gas Revenues, net		108,572		0	0	0	0	0	0	0	
219	Bill Paid Turn Ons & Dig Ups		0	None	0	0	0	0	0	0	0	
220	Rev/Exp- Appliance, Service, Other	879Rev	0	None	0	0	0	0	0	0	0	
221	Subtotal Other Oper Revenues, net		0		0	0	0	0	0	0	0	
223	Total Operating Revenues		108,572		0	0	0	0	0	0	0	
225	Interest and Non-Operating Income	418	0	None	0	0	0	0	0	0	0	
226	Penalties- Regulatory	426	0	None	0	0	0	0	0	0	0	
227	Total Non-Oper Income		0		0	0	0	0	0	0	0	
229	Total Revenue		108,572		0	0	0	0	0	0	0	
231	Income before Interest and Surplus		26		0	0	0	0	0	0	0	
233	Interest on long-term debt	427	0	None	0	0	0	0	0	0	0	
234	AFUDC	432	0	None	0	0	0	0	0	0	0	
235	Surplus Requirement		0	None	0	0	0	0	0	0	0	
236	Total Interest and Surplus		0		0	0	0	0	0	0	0	
237	Rate Increase Requirement	436	0	None	0	0	0	0	0	0	0	
238	Total Interest, Surplus and Rate Increas		0		0	0	0	0	0	0	0	
240	OVER (UNDER) Total Requirements		26		0	0	0	0	0	0	0	

Exhibit HSG-5A

Allocator Values – Functionalization

Philadelphia Gas Works
 Class Cost of Service Study - 2006
 Future Test Year Ended August 31, 2007 (\$000s)

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Step 1: Functionalization								
Functional Allocator	Total	SUPPLY	STORAGE	TRANSMISSION	DISTRIBUTION	ONSITE	USEC	
CWIP	INT	386	3,977	0	1,526	11,959	0	
CWIP%	17,848	2.16%	22.28%	0.00%	8.55%	67.00%	0.00%	
LABOR	INT	622	4,896	0	9,806	33,556	0	
LABOR%	48,881	1.27%	10.02%	0.00%	20.06%	68.65%	0.00%	
SUPPPT	INT	25,281	0	0	0	0	0	
SUPPPT%	25,281	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
STORPT	INT	0	126,879	0	0	0	0	
STORPT%	126,879	0.00%	100.00%	0.00%	0.00%	0.00%	0.00%	
DISTPT	INT	0	0	0	1,065,729	187,328	0	
DISTPT%	1,253,057	0.00%	0.00%	0.00%	85.05%	14.95%	0.00%	
REVENUE	INT	543,636	47,199	45,990	116,472	151,938	131,636	
REVENUE%	1,036,871	52.43%	4.55%	4.44%	11.23%	14.65%	12.70%	
GCR_Revenue	INT	501,438	21,434	45,990	0	0	0	
GCR_Revenue%	568,861	88.15%	3.77%	8.08%	0.00%	0.00%	0.00%	
Rev_Adjust	INT	17,621	0	0	(765)	0	(23,065)	
Rev_Adjust%	(6,209)	-283.78%	0.00%	0.00%	12.32%	0.00%	371.46%	
GASCOST	INT	559,952	19,755	45,990	0	0	0	
GASCOST%	625,696	89.49%	3.16%	7.35%	0.00%	0.00%	0.00%	
MAIN-SERVICE	INT	0	0	0	1,031,680	0	0	
MAIN-SERVICE%	1,031,680	0.00%	0.00%	0.00%	100.00%	0.00%	0.00%	
O&MXGAS	INT	936	18,930	0	83,078	111,631	0	
O&MXGAS%	214,576	0.44%	8.82%	0.00%	38.72%	52.02%	0.00%	
PSTDTP	INT	46,836	126,879	0	1,065,729	187,328	0	
PSTDTP%	1,426,772	3.28%	8.89%	0.00%	74.70%	13.13%	0.00%	
RATEBASE	INT	16,058	66,511	0	730,271	236,950	0	
RATEBASE%	1,049,790	1.53%	6.34%	0.00%	69.56%	22.57%	0.00%	

Exhibit HSG-5B

Allocator Values – Classification

Philadelphia Gas Works
 Class Cost of Service Study - 2006
 Future Test Year Ended August 31, 2007 (\$000s)

Step II: Classification					
Allocator					
Name	Total	Demand	Energy	Customer	
MAINS	EXT	75	0	25	
MAINS%	0	75.00%	0.00%	25.00%	
SUPPLABOR	INT	604	0	0	
SUPPLABOR%	604	100.00%	0.00%	0.00%	
STORLABOR	INT	4,135	0	0	
STORLABOR%	4,135	100.00%	0.00%	0.00%	
DISTLABOR	INT	4,801	0	4,715	
DISTLABOR%	9,516	50.45%	0.00%	49.55%	
SUPPPT	INT	46,836	0	0	
SUPPPT%	46,836	100.00%	0.00%	0.00%	
STORPT	INT	126,879	0	0	
STORPT%	126,879	100.00%	0.00%	0.00%	
DISTPT	INT	439,471	0	626,258	
DISTPT%	1,065,729	41.24%	0.00%	58.76%	
SUPPO&M	INT	2,909	560,571	0	
SUPPO&M%	563,479	0.52%	99.48%	0.00%	
SUPP_REV	INT	0	543,636	0	
SUPP_REV%	543,636	0.00%	100.00%	0.00%	
STOR_REV	INT	47,199	0	0	
STOR_REV%	47,199	100.00%	0.00%	0.00%	
TRAN_REV	INT	45,990	0	0	
TRAN_REV%	45,990	100.00%	0.00%	0.00%	
DIST_REV	INT	24,720	1,516	90,236	
DIST_REV%	116,472	21.22%	1.30%	77.47%	
SUPPBASE	INT	16,058	0	0	
SUPPBASE%	16,058	100.00%	0.00%	0.00%	
STORBASE	INT	66,511	0	0	
STORBASE%	66,511	100.00%	0.00%	0.00%	
TRANBASE	INT	0	0	0	
TRANBASE%	0	0.00%	0.00%	0.00%	
DISTBASE	INT	307,637	0	422,634	
DISTBASE%	730,271	42.13%	0.00%	57.87%	
SUPPGAS	INT	1,973	557,979	0	
SUPPGAS%	559,952	0.35%	99.65%	0.00%	
STORGAS	INT	19,755	0	0	

Philadelphia Gas Works
 Class Cost of Service Study - 2006
 Future Test Year Ended August 31, 2007 (\$000s)

Step III Classification

Allocator Name	Total	Demand	Energy	Customer
STORGAS%	19,755	100.00%	0.00%	0.00%
TRANGAS	INT	45,990	0	0
TRANGAS%	45,990	100.00%	0.00%	0.00%
DISTGAS	INT	0	0	0
DISTGAS%	0	0.00%	0.00%	0.00%
DIST-CWIP	INT	17,624	0	29,587
DIST-CWIP%	47,211	37.33%	0.00%	62.67%
MAIN&SERVICE	INT	405,423	0	626,258
MAIN&SERVICE%	1,031,680	39.30%	0.00%	60.70%
SUPPO&MXGAS	INT	936	0	0
SUPPO&MXGAS%	936	100.00%	0.00%	0.00%
STORO&MXGAS	INT	18,930	0	0
STORO&MXGAS%	18,930	100.00%	0.00%	0.00%
DISTO&MXGAS	INT	17,111	1,114	64,853
DISTO&MXGAS%	83,078	20.60%	1.34%	78.06%

Exhibit HSG-5C

Allocator Values – Class Allocation

Philadelphia Gas Works
 Class Cost of Service Study - 2006
 Future Test Year Ended August 31, 2007 (\$000s)

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Step III: Allocation							
Allocator Name	Total	Residential Non-Heat	Residential Heat	Commercial Non-Heat	Commercial Heat	Industrial Non-Heat	Industrial Heat
Gas_Sales	EXT	1,462,088	37,006,739	1,705,062	8,498,417	345,261	734,898
Gas_Sales%	55,050,295	2.66%	67.22%	3.10%	15.44%	0.63%	1.33%
Gas_Sales_Firm	EXT	1,462,088	37,006,739	1,705,062	8,498,417	345,261	734,898
Gas_Sales_Firm%	51,851,789	2.82%	71.37%	3.29%	16.39%	0.67%	1.42%
Gas_Sales_Interr	EXT						
Gas_Sales_Interr%	3,198,506	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Thruput	EXT	1,515,117	38,348,952	1,766,904	8,806,650	357,783	761,552
Thruput%	70,369,397	2.15%	54.50%	2.51%	12.51%	0.51%	1.08%
DesignDay	EXT	14,076	543,043	11,730	110,174	3,150	9,827
DesignDay%	723,500	1.95%	75.06%	1.62%	15.23%	0.44%	1.36%
PeakDemand	EXT	14,076	543,043	11,730	110,174	3,150	9,827
PeakDemand%	782,529	1.80%	69.40%	1.50%	14.08%	0.40%	1.26%
Winter3	EXT	631	19,324	615	4,141	145	365
Winter3%	26,357	2.39%	73.32%	2.33%	15.71%	0.55%	1.38%
GCR	EXT	1,462,088	37,006,739	1,705,062	8,498,417	345,261	734,898
GCR%	51,851,789	2.82%	71.37%	3.29%	16.39%	0.67%	1.42%
Meter_Invest	EXT	12,657	102,365	7,016	24,328	477	1,138
Meter_Invest%	152,018	8.33%	67.34%	4.62%	16.00%	0.31%	0.75%
Service_Invest	EXT	171,516	1,387,110	28,134	97,555	2,263	5,399
Service_Invest%	1,718,082	9.98%	80.74%	1.64%	5.68%	0.13%	0.31%
Cust_Avg	EXT	51,245	414,434	5,604	19,431	254	606
Cust_Avg%	496,404	10.32%	83.49%	1.13%	3.91%	0.05%	0.12%
Cust_xL	EXT	51,245	414,434	5,604	19,431	254	606
Cust_xL%	495,923	10.33%	83.57%	1.13%	3.92%	0.05%	0.12%

Philadelphia Gas Works
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Allocator Name	Total	Municipal Non-Heat	Municipal Heat	Housing Auth. GS	NGV Direct	BPS Small	BPS Large	BPS A/C
Gas_Sales	EXT	262,687	1,006,599	829,671	367	162,977	1,930,441	109,062
Gas_Sales%	55,050,295	0.48%	1.83%	1.51%	0.00%	0.30%	3.51%	0.20%
Gas_Sales_Firm	EXT	262,687	1,006,599	829,671	367	0	0	0
Gas_Sales_Firm%	51,851,789	0.51%	1.94%	1.60%	0.00%	0.00%	0.00%	0.00%
Gas_Sales_Interr	EXT					162,977	1,930,441	109,062
Gas_Sales_Interr%	3,198,506	0.00%	0.00%	0.00%	0.00%	5.10%	60.35%	3.41%
Thruput	EXT	272,215	1,043,108	859,763	380	168,888	2,000,457	113,018
Thruput%	70,369,397	0.39%	1.48%	1.22%	0.00%	0.24%	2.84%	0.16%
DesignDay	EXT	3,215	16,535	11,750	0	0	0	0
DesignDay%	723,500	0.44%	2.29%	1.62%	0.00%	0.00%	0.00%	0.00%
PeakDemand	EXT	3,215	16,535	11,750	0	2,170	23,527	722
PeakDemand%	782,529	0.41%	2.11%	1.50%	0.00%	0.28%	3.01%	0.09%
Winter3	EXT	134	574	428	0	0	0	0
Winter3%	26,357	0.51%	2.18%	1.62%	0.00%	0.00%	0.00%	0.00%
GCR	EXT	262,687	1,006,599	829,671	367	0	0	0
GCR%	51,851,789	0.51%	1.94%	1.60%	0.00%	0.00%	0.00%	0.00%
Meter_Invest	EXT	419	1,046	854	2	141	279	14
Meter_Invest%	152,018	0.28%	0.69%	0.56%	0.00%	0.09%	0.18%	0.01%
Service_Invest	EXT	1,682	4,962	11,572	9	1,005	2,887	143
Service_Invest%	1,718,082	0.10%	0.29%	0.67%	0.00%	0.06%	0.17%	0.01%
Cust_Avg	EXT	335	557	3,458	1	113	162	8
Cust_Avg%	496,404	0.07%	0.11%	0.70%	0.00%	0.02%	0.03%	0.00%
Cust_xL	EXT	335	557	3,458	0	0	0	0
Cust_xL%	495,923	0.07%	0.11%	0.70%	0.00%	0.00%	0.00%	0.00%

Philadelphia Gas Works
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Step III Allocation							
Allocator Name	Total	Residential Non-Heat	Residential Heat	Commercial Non-Heat	Commercial Heat	Industrial Non-Heat	Industrial Heat
CRP_Diff	EXT	1,483	77,172	0	0	0	0
CRP_Diff%	78,655	1.89%	98.11%	0.00%	0.00%	0.00%	0.00%
Senior_Disc	EXT	362	16,071	0	0	0	0
Senior_Disc%	16,474	2.19%	97.55%	0.00%	0.00%	0.00%	0.00%
GTS-Dir-Mains	EXT	0	0	0	0	0	0
GTS-Dir-Mains%	7,574	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
GTS-Dir-DeprExp	EXT	0	0	0	0	0	0
GTS-Dir-DeprExp%	589	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
GTS-Dir-AccDep	EXT	0	0	0	0	0	0
GTS-Dir-AccDep%	4,713	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
METERREAD	EXT	115	1,324	37	170	6	13
METERREAD%	1,742	6.58%	75.98%	2.14%	9.79%	0.35%	0.74%
Account903	EXT	2,418	22,056	436	1,558	24	56
Account903%	26,956	8.97%	81.82%	1.62%	5.78%	0.09%	0.21%
Account908	EXT	348	2,812	16	55	236	562
Account908%	4,055	8.57%	69.33%	0.39%	1.36%	5.81%	13.86%
Over60-Dol	EXT						
Over60-Dol%	1	6.19%	83.67%	1.30%	5.14%	0.19%	0.44%
WriteOff-Dol	EXT						
WriteOff-Dol%	100.00%	8.00%	84.60%	1.20%	4.30%	0.20%	0.70%
SUPPLABOR-D	INT	12	467	10	95	3	8
SUPPLABOR-D%	622	1.95%	75.06%	1.62%	15.23%	0.44%	1.36%
STORLABOR-D	INT	95	3,675	79	746	21	67
STORLABOR-D%	4,896	1.95%	75.06%	1.62%	15.23%	0.44%	1.36%

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Allocator Name	Total	Municipal Non-Heat	Municipal Heat	Housing Auth. GS	NGV Direct	BPS Small	BPS Large	BPS A/C
CRP_Diff	EXT	0	0	0	0	0	0	0
CRP_Diff%	78,655	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Senior_Disc	EXT	0	0	41	0	0	0	0
Senior_Disc%	16,474	0.00%	0.00%	0.25%	0.00%	0.00%	0.00%	0.00%
GTS-Dir-Mains	EXT	0	0	0	0	0	0	0
GTS-Dir-Mains%	7,574	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
GTS-Dir-DeprExp	EXT	0	0	0	0	0	0	0
GTS-Dir-DeprExp%	589	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
GTS-Dir-AccDep	EXT	0	0	0	0	0	0	0
GTS-Dir-AccDep%	4,713	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
METERREAD	EXT	5	16	19	0	2	24	1
METERREAD%	1,742	0.26%	0.91%	1.11%	0.00%	0.14%	1.35%	0.06%
Account903	EXT	17	36	318	0	23	5	0
Account903%	26,956	0.06%	0.13%	1.18%	0.00%	0.08%	0.02%	0.00%
Account908	EXT	1	2	23	0	0	0	0
Account908%	4,055	0.02%	0.04%	0.58%	0.00%	0.01%	0.01%	0.00%
Over60-Dol	EXT	0.06%	0.20%	2.50%	0.00%	0.26%	0.00%	0.00%
Over60-Dol%	1	0.06%	0.20%	2.50%	0.00%	0.26%	0.00%	0.00%
WriteOff-Dol	EXT	0.00%	0.00%	1.00%	0.00%	0.00%	0.00%	0.00%
WriteOff-Dol%	100.00%	0.00%	0.00%	1.00%	0.00%	0.00%	0.00%	0.00%
SUPLABOR-D	INT	3	14	10	0	0	0	0
SUPLABOR-D%	622	0.44%	2.29%	1.62%	0.00%	0.00%	0.00%	0.00%
STORLABOR-D	INT	22	112	80	0	0	0	0
STORLABOR-D%	4,896	0.44%	2.29%	1.62%	0.00%	0.00%	0.00%	0.00%

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Step III: Allocation

Allocator Name	Total	Residential Non-Heat	Residential Heat	Commercial Non-Heat	Commercial Heat	Industrial Non-Heat	Industrial Heat
DISTLABOR-D	INT	126	3,546	81	681	20	60
DISTLABOR-D%	4,947	2.55%	71.67%	1.63%	13.76%	0.40%	1.21%
DISTLABOR-E	INT	0	0	0	0	0	0
DISTLABOR-E%	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
DISTLABOR-C	INT	447	3,900	72	297	7	18
DISTLABOR-C%	4,859	9.20%	80.25%	1.49%	6.11%	0.14%	0.36%
ONSITELABOR-C	INT	2,944	25,526	920	3,247	72	169
ONSITELABOR-C%	33,556	8.77%	76.07%	2.74%	9.68%	0.21%	0.50%
SUPPPT-D	INT	911	35,154	759	7,132	204	636
SUPPPT-D%	46,836	1.95%	75.06%	1.62%	15.23%	0.44%	1.36%
STORPT-D	INT	2,468	95,233	2,057	19,321	552	1,723
STORPT-D%	126,879	1.95%	75.06%	1.62%	15.23%	0.44%	1.36%
DISTPT-D	INT	7,796	300,749	6,496	61,017	1,745	5,442
DISTPT-D%	439,471	1.77%	68.43%	1.48%	13.88%	0.40%	1.24%
DISTPT-E	INT	0	0	0	0	0	0
DISTPT-E%	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
DISTPT-C	INT	62,979	509,333	9,568	33,176	716	1,708
DISTPT-C%	626,258	10.06%	81.33%	1.53%	5.30%	0.11%	0.27%
ONSITEPT-C	INT	15,833	128,051	8,239	28,567	560	1,336
ONSITEPT-C%	187,328	8.45%	68.36%	4.40%	15.25%	0.30%	0.71%
SUPPO&MXGAS-D	INT	18	702	15	143	4	13
SUPPO&MXGAS-D%	936	1.95%	75.06%	1.62%	15.23%	0.44%	1.36%
STORO&MXGAS-D	INT	368	14,209	307	2,883	82	257
STORO&MXGAS-D%	18,930	1.95%	75.06%	1.62%	15.23%	0.44%	1.36%

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Allocator Name	Total	Municipal Non-Heat	Municipal Heat	Housing Auth. GS	NGV Direct	BPS Small	BPS Large	BPS A/C
DISTLABOR-D	INT	20	99	73	0	9	100	3
DISTLABOR-D%	4,947	0.40%	1.99%	1.47%	0.00%	0.19%	2.02%	0.07%
DISTLABOR-E	INT	0	0	0	0	0	0	0
DISTLABOR-E%	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
DISTLABOR-C	INT	6	21	37	0	4	21	1
DISTLABOR-C%	4,859	0.12%	0.44%	0.77%	0.00%	0.07%	0.43%	0.02%
ONSITELABOR-C	INT	52	129	291	0	28	46	2
ONSITELABOR-C%	33,556	0.15%	0.38%	0.87%	0.00%	0.08%	0.14%	0.01%
SUPPPT-D	INT	208	1,070	761	0	0	0	0
SUPPPT-D%	46,836	0.44%	2.29%	1.62%	0.00%	0.00%	0.00%	0.00%
STORPT-D	INT	564	2,900	2,061	0	0	0	0
STORPT-D%	126,879	0.44%	2.29%	1.62%	0.00%	0.00%	0.00%	0.00%
DISTPT-D	INT	1,781	9,157	6,507	0	1,143	12,389	380
DISTPT-D%	439,471	0.41%	2.08%	1.48%	0.00%	0.26%	2.82%	0.09%
DISTPT-E	INT	0	0	0	0	0	0	0
DISTPT-E%	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
DISTPT-C	INT	572	1,570	4,249	3	318	869	43
DISTPT-C%	626,258	0.09%	0.25%	0.68%	0.00%	0.05%	0.14%	0.01%
ONSITEPT-C	INT	493	1,228	1,003	2	168	328	16
ONSITEPT-C%	187,328	0.26%	0.66%	0.54%	0.00%	0.09%	0.18%	0.01%
SUPPO&MXGAS-D	INT	4	21	15	0	0	0	0
SURPO&MXGAS-D%	936	0.44%	2.29%	1.62%	0.00%	0.00%	0.00%	0.00%
STORO&MXGAS-D	INT	84	433	307	0	0	0	0
STORO&MXGAS-D%	18,930	0.44%	2.29%	1.62%	0.00%	0.00%	0.00%	0.00%

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Step III: Allocation								
Allocator Name	Total	Residential Non-Heat	Residential Heat	Commercial Non-Heat	Commercial Heat	Industrial Non-Heat	Industrial Heat	
DISTO&MXGAS-D	INT	425	12,260	278	2,368	69	208	
DISTO&MXGAS-D%	17,111	2.49%	71.65%	1.62%	13.84%	0.40%	1.22%	
DISTO&MXGAS-E	INT	30	749	35	172	7	15	
DISTO&MXGAS-E%	1,114	2.66%	67.22%	3.10%	15.44%	0.63%	1.33%	
DISTO&MXGAS-C	INT	5,389	53,617	879	3,388	122	388	
DISTO&MXGAS-C%	64,853	8.31%	82.68%	1.36%	5.22%	0.19%	0.60%	
ONSITEO&MXGAS-C	INT	9,787	84,656	2,978	10,501	448	1,063	
ONSITEO&MXGAS-C%	111,631	8.77%	75.84%	2.67%	9.41%	0.40%	0.95%	
SUPPGAS-D	INT	38	1,481	32	300	9	27	
SUPPGAS-D%	1,973	1.95%	75.06%	1.62%	15.23%	0.44%	1.36%	
SUPPGAS-E	INT	14,658	370,998	17,094	85,198	3,461	7,367	
SUPPGAS-E%	557,979	2.63%	66.49%	3.06%	15.27%	0.62%	1.32%	
STORGAS-D	INT	410	13,194	404	2,808	94	247	
STORGAS-D%	19,755	2.07%	66.79%	2.05%	14.21%	0.48%	1.25%	
TRANGAS-D	INT	895	34,519	746	7,003	200	625	
TRANGAS-D%	45,990	1.95%	75.06%	1.62%	15.23%	0.44%	1.36%	
DISTMAIN-SERVICE-D	INT	56,321	677,855	14,120	84,967	2,279	6,635	
DISTMAIN-SERVICE-D%	896,540	6.28%	75.61%	1.57%	9.48%	0.25%	0.74%	
DISTMAIN-SERVICE-C	INT	56,321	677,855	14,120	84,967	2,279	6,635	
DISTMAIN-SERVICE-C%	896,540	6.28%	75.61%	1.57%	9.48%	0.25%	0.74%	
DIST-CWIP-D	INT	317	12,220	264	2,479	71	221	
DIST-CWIP-D%	17,624	1.80%	69.34%	1.50%	14.07%	0.40%	1.25%	
DIST-CWIP-C	INT	2,974	24,048	455	1,577	34	82	
DIST-CWIP-C%	29,587	10.05%	81.28%	1.54%	5.33%	0.12%	0.28%	

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Step III: Allocation								
Allocator Name	Total	Residential Non-Heat	Residential Heat	Commercial Non-Heat	Commercial Heat	Industrial Non-Heat	Industrial Heat	
ONSITE-MR-C	INT	15,833	128,051	8,239	28,567	560	1,336	
ONSITE-MR-C%	187,328	8.45%	68.36%	4.40%	15.25%	0.30%	0.71%	
SUPP_REV-E	INT	14,198	358,817	16,526	82,363	3,346	7,122	
SUPP_REV-E%	543,636	2.61%	66.00%	3.04%	15.15%	0.62%	1.31%	
TRAN_REV-D	INT	1,297	32,823	1,512	7,538	306	652	
TRAN_REV-D%	45,990	2.82%	71.37%	3.29%	16.39%	0.67%	1.42%	
O&MXGAS	INT	19,078	243,664	8,061	37,245	1,454	3,482	
O&MXGAS%	323,122	5.90%	75.41%	2.49%	11.53%	0.45%	1.08%	
RATEBASE	INT	79,935	1,032,360	32,300	164,494	4,956	12,439	
RATEBASE%	1,409,193	5.67%	73.26%	2.29%	11.67%	0.35%	0.88%	

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Allocator Name	Total	Municipal Non-Heat	Municipal Heat	Housing Auth. GS	NGV Direct	BPS Small	BPS Large	BPS A/C
189 ONSITE-MR-C	INT	493	1,228	1,003	2	168	328	16
190 ONSITE-MR-C%	187,328	0.26%	0.66%	0.54%	0.00%	0.09%	0.18%	0.01%
192 SUPP_REV-E	INT	2,544	9,749	8,041	4	2,549	26,172	1,108
193 SUPP_REV-E%	543,636	0.47%	1.79%	1.48%	0.00%	0.47%	4.81%	0.20%
195 TRAN_REV-D	INT	233	893	736	0	0	0	0
196 TRAN_REV-D%	45,990	0.51%	1.94%	1.60%	0.00%	0.00%	0.00%	0.00%
198 O&MXGAS	INT	913	3,462	3,889	2	145	651	25
199 O&MXGAS%	323,122	0.28%	1.07%	1.20%	0.00%	0.04%	0.20%	0.01%
201 RATEBASE	INT	4,183	17,057	15,789	6	2,224	20,547	842
202 RATEBASE%	1,409,193	0.30%	1.21%	1.12%	0.00%	0.16%	1.46%	0.06%

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7	Allocator		LBS	LBS	LBS	LBS	LBX	Co-Gen	GTS / IT
8	Name	Total	Small	Large-Indirect	Large-Direct	XLarge-Direct	XL-Indirect	InDirect	Trans only
189	ONSITE-MR-C	INT	37	16	3	26	15	13	1,395
190	ONSITE-MR-C%	187,328	0.02%	0.01%	0.00%	0.01%	0.01%	0.01%	0.74%
191									
192	SUPP_REV-E	INT	6,029	4,076	218	24	587	162	0
193	SUPP_REV-E%	543,636	1.11%	0.75%	0.04%	0.00%	0.11%	0.03%	0.00%
194									
195	TRAN_REV-D	INT	0	0	0	0	0	0	0
196	TRAN_REV-D%	45,990	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
197									
198	O&MXGAS	INT	121	79	7	8	18	7	811
199	O&MXGAS%	323,122	0.04%	0.02%	0.00%	0.00%	0.01%	0.00%	0.25%
200									
201	RATEBASE	INT	4,416	3,000	133	61	507	144	13,799
202	RATEBASE%	1,409,193	0.31%	0.21%	0.01%	0.00%	0.04%	0.01%	0.98%

Exhibit HSG-5D

Assignment or Allocator Used for Each Account

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Account Description	Account	Total Dollars	DISTRIBUTION				ONSITE	USEC
			Classification Allocator	Demand Allocator	Commodity Allocator	Customer Allocator	Customer Allocator	Customer Allocator
I. GAS PLANT IN SERVICE								
A. INTANGIBLE PLANT	301-303	0						
B. PRODUCTION PLANT								
Land and Land Rights	304	1,453	-	-	-	-	-	
Structures and Improvements	305	17,346	-	-	-	-	-	
Boiler Equipment	306	2,497	-	-	-	-	-	
Other Power Equipment	307	229	-	-	-	-	-	
L.P.G. Equipment	311	5,081	-	-	-	-	-	
Purification Equipment	317	(37)	-	-	-	-	-	
Resid. Refine Equipment	318	8	-	-	-	-	-	
Gas Mixing Equipment	319	157	-	-	-	-	-	
Subtotal - Plant Accounts 305-338	305-338	25,281						
Other Equipment	320	20,102	-	-	-	-	-	
SNG Plant	320	0	-	-	-	-	-	
Subtotal - PRODUCTION PLANT	304-338	46,836						
C. STORAGE PLANT (Mostly LNG Pla								
Structures and Improvements	361	7,396	-	-	-	-	-	
Gas Holders	362	33,679	-	-	-	-	-	
Purification Equipment	363	201	-	-	-	-	-	
Liquification Equipment	364	29,564	-	-	-	-	-	
Vaporizing Equipment	365	12,152	-	-	-	-	-	
Compressor Equipment	366	14,279	-	-	-	-	-	
Measuring and Regulating Equipment	367	12,077	-	-	-	-	-	
Other Equipment	368	17,531	-	-	-	-	-	
Subtotal - Plant Accounts 361-368	361-368	126,879						
Subtotal - STORAGE PLANT	360-368	126,879						
D. TRANSMISSION PLANT	370-373	0						

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Account Description	Account	Total Dollars	Functional Allocator	SUPPLY			STORAGE	TRANSMISSION
				Classification Allocator	Demand Allocator	Commodity Allocator	Demand Allocator	Demand Allocator
40 E. DISTRIBUTION PLANT								
41 Land and Land Rights	374	101	DIST	-	-	-	-	-
42 Structures and Improvements	375	2,533	DIST	-	-	-	-	-
43 Mains	376	540,564	DIST	-	-	-	-	-
44 Mains- Direct Assignment	376Direct	7,574	DIST	-	-	-	-	-
45 Compressor Station Equipment	377	1,180	DIST	-	-	-	-	-
46 Meas. & Reg. Stat. Equip. - General	378	16,545	DIST	-	-	-	-	-
47 Services	380	491,117	DIST	-	-	-	-	-
48 Meters	381	78,972	ONSITE	-	-	-	-	-
49 Meters Install.	382	99,534	ONSITE	-	-	-	-	-
50 House Regulators	383	3,927	ONSITE	-	-	-	-	-
51 House Regulator Install.	384	4,895	ONSITE	-	-	-	-	-
52 Subtotal - Plant Accounts 383-384	383-384	8,821						
53 Indust. Meas. & Reg. Station Equipmer	385	1,663	DIST	-	-	-	-	-
54 Other Equipment	387	4,452	DIST	-	-	-	-	-
55 Subtotal - DISTRIBUTION PLANT	374-387	1,253,057						
56								
57 F. GENERAL PLANT								
58 Land and Land Rights	389	3,713	LABOR	SUPPLABOR	SUPPLABOR-D	-	STORLABOR-D	-
59 Structures and Improvements	390	65,834	LABOR	SUPPLABOR	SUPPLABOR-D	-	STORLABOR-D	-
60 Office Furniture and Equipment	391	80,912	LABOR	SUPPLABOR	SUPPLABOR-D	-	STORLABOR-D	-
61 Transportation Equipment	392	27,083	LABOR	SUPPLABOR	SUPPLABOR-D	-	STORLABOR-D	-
62 Stores Equipment	393	707	LABOR	SUPPLABOR	SUPPLABOR-D	-	STORLABOR-D	-
63 Tools, Shop and Garage Equipment	394	8,816	LABOR	SUPPLABOR	SUPPLABOR-D	-	STORLABOR-D	-
64 Power Operated Equipment	396	400	LABOR	SUPPLABOR	SUPPLABOR-D	-	STORLABOR-D	-
65 Communication Equipment	397	19,503	LABOR	SUPPLABOR	SUPPLABOR-D	-	STORLABOR-D	-
66 Miscellaneous Equipment	398	7,662	LABOR	SUPPLABOR	SUPPLABOR-D	-	STORLABOR-D	-
67 Subtotal - GENERAL PLANT	389-399	214,631						
68								
69 TOTAL UTILITY PLANT								
70								
71 II. DEPRECIATION RESERVE								
72 Production Plant	108.2	32,971	SUPPPT	SUPPPT	SUPPPT-D	-	-	-
73 Local Storage Plant	108.3	79,233	STORPT	-	-	-	STORPT-D	-
74 Mains	109	188,353	DIST	-	-	-	-	-
75 Mains- Direct Assignment	108.52Direct	4,713	DIST	-	-	-	-	-
76 Services	109	198,089	DIST	-	-	-	-	-
77 Meters	109	53,485	ONSITE	-	-	-	-	-
78 Distr Other	109	15,664	DIST	-	-	-	-	-
79 General Plant	109	94,257	LABOR	SUPPLABOR	SUPPLABOR-D	-	STORLABOR-D	-
80 TOTAL - DEPRECIATION RESERVE	108	666,765		0	0	0	0	0

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				DISTRIBUTION				ONSITE	USEC
Account	Description	Account	Total Dollars	Classification Allocator	Demand Allocator	Commodity Allocator	Customer Allocator	Customer Allocator	Customer Allocator
40	E. DISTRIBUTION PLANT								
41	Land and Land Rights	374	101	DEMAND	DISTPT-D	-	-	-	-
42	Structures and Improvements	375	2,533	DEMAND	DISTPT-D	-	-	-	-
43	Mains	376	540,564	MAINS	PeakDemand	-	Cust_Avg	-	-
44	Mains- Direct Assignment	376Direct	7,574	DEMAND	GTS-Dir-Mains	-	-	-	-
45	Compressor Station Equipment	377	1,180	DEMAND	DesignDay	-	-	-	-
46	Meas. & Reg. Stat. Equip. - General	378	16,545	DEMAND	DesignDay	-	-	-	-
47	Services	380	491,117	CUST	-	-	Service_Invest	-	-
48	Meters	381	78,972	-	-	-	-	Meter_Invest	-
49	Meters Install.	382	99,534	-	-	-	-	Meter_Invest	-
50	House Regulators	383	3,927	-	-	-	-	Cust_Small	-
51	House Regulator Install.	384	4,895	-	-	-	-	Cust_Small	-
52	Subtotal - Plant Accounts 383-384	383-384	8,821						
53	Indust. Meas. & Reg. Station Equipmer	385	1,663	DEMAND	DesignDay	-	-	-	-
54	Other Equipment	387	4,452	DEMAND	DISTPT-D	-	-	-	-
55	Subtotal - DISTRIBUTION PLANT	374-387	1,253,057						
56	F. GENERAL PLANT								
58	Land and Land Rights	389	3,713	DISTLABOR	DISTLABOR-D	-	DISTLABOR-C	ONSITELABOR-C	-
59	Structures and Improvements	390	65,834	DISTLABOR	DISTLABOR-D	-	DISTLABOR-C	ONSITELABOR-C	-
60	Office Furniture and Equipment	391	80,912	DISTLABOR	DISTLABOR-D	-	DISTLABOR-C	ONSITELABOR-C	-
61	Transportation Equipment	392	27,083	DISTLABOR	DISTLABOR-D	-	DISTLABOR-C	ONSITELABOR-C	-
62	Stores Equipment	393	707	DISTLABOR	DISTLABOR-D	-	DISTLABOR-C	ONSITELABOR-C	-
63	Tools, Shop and Garage Equipment	394	8,816	DISTLABOR	DISTLABOR-D	-	DISTLABOR-C	ONSITELABOR-C	-
64	Power Operated Equipment	396	400	DISTLABOR	DISTLABOR-D	-	DISTLABOR-C	ONSITELABOR-C	-
65	Communication Equipment	397	19,503	DISTLABOR	DISTLABOR-D	-	DISTLABOR-C	ONSITELABOR-C	-
66	Miscellaneous Equipment	398	7,662	DISTLABOR	DISTLABOR-D	-	DISTLABOR-C	ONSITELABOR-C	-
67	Subtotal - GENERAL PLANT	389-399	214,631						
68	TOTAL UTILITY PLANT								
70	II. DEPRECIATION RESERVE								
72	Production Plant	108.2	32,971	-	-	-	-	-	-
73	Local Storage Plant	108.3	79,233	-	-	-	-	-	-
74	Mains	109	188,353	MAINS	PeakDemand	-	Cust_Avg	-	-
75	Mains- Direct Assignment	108.52Direct	4,713	DEMAND	GTS-Dir-AccDep	-	-	-	-
76	Services	109	198,089	CUST	-	-	Service_Invest	-	-
77	Meters	109	53,485	-	-	-	-	Meter_Invest	-
78	Distr Other	109	15,664	DEMAND	DISTPT-D	-	-	-	-
79	General Plant	109	94,257	DISTLABOR	DISTLABOR-D	-	DISTLABOR-C	ONSITELABOR-C	-
80	TOTAL - DEPRECIATION RESERVE	108	666,765	0	0	0	0	0	0

Philadelphia Gas Works
 Class Cost of Service Study - 2006
 Future Test Year Ended August 31, 2007 (\$000s)

Account Description	Account	Total Dollars	DISTRIBUTION				ONSITE	USEC
			Classification Allocator	Demand Allocator	Commodity Allocator	Customer Allocator	Customer Allocator	Customer Allocator
81								
82	III. OTHER RATE BASE ITEMS							
83	Unclassified	106	0	-	-	-	-	
84	Construction Work in Progress	107	30,553	DISTPT	DISTPT-D	-	DISTPT-C	
85	CWIP- Mains	235	22,063	MAINS	PeakDemand	-	Cust_Avg	
86	CWIP- Services	282	22,536	CUST	-	-	Service_Invest	
87	Total - OTHER RATE BASE ITEMS		75,152					
88								
89	IV. TOTAL RATE BASE (Excl. Working		1,049,790					
90	Working Capital (See Subreport)	131	359,403	See WC Report	See WC Report	See WC Report	See WC Report	
91								
92	V. TOTAL RATE BASE							
93								
94	I. OPERATION & MAINTENANCE EXP							
95	A. PRODUCTION EXPENSES							
96	1. Manufactured Gas Production							
97	Operations Labor- Passyunk	701	418	-	-	-	-	
98	Misc. Steam Expenses- Passyunk	703	337	-	-	-	-	
99	Maintenance of Structures	706	33	-	-	-	-	
100	Maint Boiler Plant Equipment- Passyur	707	144	-	-	-	-	
101	Maint Steam Oth Prod- Passyunk	708	3	-	-	-	-	
102	Other Power Elec Generation	712	1,319	-	-	-	-	
103	Subtotal - O&M Accounts 701-716	710-716	2,254					
104	Steam & Elec Cr Oth Util	734	(1,050)	-	-	-	-	
105	Plant Protection	735	1,052	-	-	-	-	
106	Maint. of Structure & Improvements	741	118	-	-	-	-	
107	Maint Production Equipment	743	287	-	-	-	-	
108	Subtotal - O&M Accounts 717-742	717-742	407					
109	Subtotal - Manufactured Gas Productio	710-742	2,661					
110								
111	2. Other Gas Supply Expenses		0					
112	Natural Gas Purchases	804	625,696	-	-	-	-	
113	Natural Gas Oper Expenses	807	30,622	-	-	-	-	
114	Natural Gas W/D from Storage- Gas R	808	5,140	-	-	-	-	
115	Gas Used for Other Util Operations	812	(33,170)	-	-	-	-	
116	LNG Operating Expenses	813	1,800	-	-	-	-	
117	Subtotal - PRODUCTION EXPENSES	710-813	632,748					
118								

Philadelphia Gas Works
 Class Cost of Service Study - 2006
 Future Test Year Ended August 31, 2007 (\$000s)

Account Description	Account	Total Dollars	Functional Allocator	SUPPLY			STORAGE	TRANSMISSION
				Classification Allocator	Demand Allocator	Commodity Allocator	Demand Allocator	Demand Allocator
119 B. NATURAL GAS STORAGE, TERMI								
120 LNG Operating Exp Admin	840	728	STOR	-	-	-	DesignDay	-
121 Training	841	2,874	STOR	-	-	-	DesignDay	-
122 Subtotal - O&M Accounts 840-841	840-841	3,602						
123 Fuel- LNG Power	842	1,204	STOR	-	-	-	DesignDay	-
124 Maintenance Exp- Admin	843	6,324	STOR	-	-	-	DesignDay	-
125 Oper Exp Admin	850	662	STOR	-	-	-	DesignDay	-
126 Subtotal - Maint. Accounts 843.1-850	843.1-850	8,189						
127 Subtotal - NATURAL GAS STORAGE	840-850	11,791						
128								
129 C. TRANSMISSION EXPENSES	856-863	0						
130								
131 D. DISTRIBUTION EXPENSES								
132 Operation Supv & Engineering	870	603	DISTPT	-	-	-	-	-
133 Gas Control	871	1,114	DIST	-	-	-	-	-
134 Mains and Services Expenses	874	2,950	MAIN-SERVIC	-	-	-	-	-
135 Natural Gas Oper Exp	875	1,099	DIST	-	-	-	-	-
136 Meas & Reg Exp- City Gate Stations	877	266	DIST	-	-	-	-	-
137 Meter & House Regulator Expenses	878	18,007	ONSITE	-	-	-	-	-
138 Customer Install- Gas Business Costs	879	3,716	ONSITE	-	-	-	-	-
139 PLP Costs	879PLP	3,511	ONSITE	-	-	-	-	-
140 Other expenses	880	8,671	DISTPT	-	-	-	-	-
141 Distribution Rents	881	9	DISTPT	-	-	-	-	-
142 Maint. Supervision & Engineering	885	717	DISTPT	-	-	-	-	-
143 Maint. of Mains	887	6,287	DIST	-	-	-	-	-
144 Maint. of Meas. & Reg. Station Expens	889	1,343	DIST	-	-	-	-	-
145 Natural Gas Equipment	891	452	DIST	-	-	-	-	-
146 Maint. of Services	892	1,430	DIST	-	-	-	-	-
147 Maint. of Meters & House Regulators	893	2,639	ONSITE	-	-	-	-	-
148 Subtotal - DISTRIBUTION EXPENSES	870-893	52,816						
149 Total - OPERATION & MAINTENANCE		697,356						
150								
151 II. CUSTOMER ACCOUNTS EXPENSES								
152 Customer Service - Administrative	901	930	ONSITE	-	-	-	-	-
153 Meter Reading - Administrative	901	124	ONSITE	-	-	-	-	-
154 Collection - Administrative	901	170	ONSITE	-	-	-	-	-
155 Meter Reading Expenses	902	1,742	ONSITE	-	-	-	-	-
156 Customer Records & Collection Expens	903	26,956	ONSITE	-	-	-	-	-
157 Uncollectible Accounts	904	40,808	DIST	-	-	-	-	-
158 Uncollectible Accounts in CRP	904CRP	11,450	USEC	-	-	-	-	-
159 Total - CUSTOMER ACCOUNTS EXPENSES		82,180						

Philadelphia Gas Works
 Class Cost of Service Study - 2006
 Future Test Year Ended August 31, 2007 (\$000s)

Account Description	Account	Total Dollars	DISTRIBUTION				ONSITE	USEC
			Classification Allocator	Demand Allocator	Commodity Allocator	Customer Allocator	Customer Allocator	Customer Allocator
119 B. NATURAL GAS STORAGE, TERMI								
120 LNG Operating Exp Admin	840	728	-	-	-	-	-	
121 Training	841	2,874	-	-	-	-	-	
122 Subtotal - O&M Accounts 840-841	840-841	3,602						
123 Fuel- LNG Power	842	1,204	-	-	-	-	-	
124 Maintenance Exp- Admin	843	6,324	-	-	-	-	-	
125 Oper Exp Admin	850	662	-	-	-	-	-	
126 Subtotal - Maint. Accounts 843.1-850	843.1-850	8,189						
127 Subtotal - NATURAL GAS STORAGE	840-850	11,791						
128								
129 C. TRANSMISSION EXPENSES	856-863	0						
130								
131 D. DISTRIBUTION EXPENSES								
132 Operation Supv & Engineering	870	603	DISTLABOR	DISTLABOR-D	-	DISTLABOR-C	ONITELABOR-C	
133 Gas Control	871	1,114	COMMODITY	-	Gas_Sales	-	-	
134 Mains and Services Expenses	874	2,950	MAIN&SERVICE	MAIN-SERVICE	-	MAIN-SERVICE	-	
135 Natural Gas Oper Exp	875	1,099	DEMAND	DesignDay	-	-	-	
136 Meas & Reg Exp- City Gate Stations	877	266	DEMAND	DesignDay	-	-	-	
137 Meter & House Regulator Expenses	878	18,007	-	-	-	-	ONSITE-MR-C	
138 Customer Install- Gas Business Costs	879	3,716	-	-	-	-	Meter_Invest	
139 PLP Costs	879PLP	3,511	-	-	-	-	Cust_Res	
140 Other expenses	880	8,671	CUST	-	-	DISTPT-C	ONSITEPT-C	
141 Distribution Rents	881	9	DISTLABOR	DISTLABOR-D	-	DISTLABOR-C	ONITELABOR-C	
142 Maint. Supervision & Engineering	885	717	DISTLABOR	DISTLABOR-D	-	DISTLABOR-C	ONITELABOR-C	
143 Maint. of Mains	887	6,287	MAINS	PeakDemand	-	Cust_Avg	-	
144 Maint. of Meas. & Reg. Station Expens	889	1,343	DEMAND	DesignDay	-	-	-	
145 Natural Gas Equipment	891	452	DEMAND	Gas_Sales	-	-	-	
146 Maint. of Services	892	1,430	CUST	-	-	Service_Invest	-	
147 Maint. of Meters & House Regulators	893	2,639	-	-	-	-	ONSITE-MR-C	
148 Subtotal - DISTRIBUTION EXPENSES	870-893	52,816						
149 Total - OPERATION & MAINTENANCE		697,356						
150								
151 II. CUSTOMER ACCOUNTS EXPENSES								
152 Customer Service - Administrative	901	930	-	-	-	-	Account903	
153 Meter Reading - Administrative	901	124	-	-	-	-	METERREAD	
154 Collection - Administrative	901	170	-	-	-	-	Account903	
155 Meter Reading Expenses	902	1,742	-	-	-	-	METERREAD	
156 Customer Records & Collection Expenses	903	26,956	-	-	-	-	Account903	
157 Uncollectible Accounts	904	40,808	CUST	-	-	WriteOff-Dol	-	
158 Uncollectible Accounts in CRP	904CRP	11,450	-	-	-	-	-	
159 Total - CUSTOMER ACCOUNTS EXPENSES		82,180					Gas_Sales_Firm	

Philadelphia Gas Works
 Class Cost of Service Study - 2006
 Future Test Year Ended August 31, 2007 (\$000s)

Account Description	Account	Total Dollars	Functional Allocator
161 III. CUSTOMER SERVICE & INFORM/			
162 Customer Assistance- Marketing	908	4,055	ONSITE
163 CAP Costs	908CAP	2,000	USEC
164 CRP Shortfall	480CRP	78,655	USEC
165 Senior Discounts	480Sen	16,441	USEC
166 Total - CUSTOMER SERVICE & INFO		101,151	
167			
168 Total - CUSTOMER ACCOUNTS, SER		183,331	
169			
170 IV. ADMINISTRATIVE & GENERAL E)			
171			
172 A. Labor-Related:			
173 Administrative & General Salaries	920	12,257	LABOR
174 Office Supplies & Expenses	921	10,596	LABOR
175 Administrative Expenses Transferred	922	(19,211)	LABOR
176 Outside Services Employed	923	2,251	LABOR
177 Injuries & Damages	925	6,424	LABOR
178 Employee Pensions and Benefits	926	55,953	LABOR
179 Subtotal - O&M Accounts 920-923, 925		68,270	
180			
181 B. Plant-Related:			
182 Risk Management - Corporate Insurance	924	1,341	PSTDP
183 Subtotal - O&M Accounts 924-925, 935		1,341	
184			
185 C. Other-Related:			
186 Regulatory Commission Expenses	928	3,763	DIST
187 Duplicate Charges- Gas Used by Util	929	(6,486)	STOR
188 Misc. Gen'l Expenses	930	1,567	LABOR
189 Subtotal - Duplicate Charges	929	(4,919)	
190 Rents	931	243	LABOR
191			
192 Total - ADMINISTRATIVE & GENERAL		68,698	
193			
194 TOTAL - OPERATING EXPENSES (E)		323,122	
195			
196 VI. DEPRECIATION EXPENSE			
197 Original Cost Depreciation expense	403	37,607	PSTDP
198 Depreciation expense- Direct Assignm	403Direct		
199 Total - DEPRECIATION EXPENSE	403	38,196	
200			

Classification Allocator	SUPPLY		Commodity Allocator	STORAGE		TRANSMISSION	
	Demand Allocator			Demand Allocator		Demand Allocator	
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
SUPPLABOR	SUPPLABOR-D	-	STORLABOR-D	-	-	-	-
SUPPLABOR	SUPPLABOR-D	-	STORLABOR-D	-	-	-	-
SUPPLABOR	SUPPLABOR-D	-	STORLABOR-D	-	-	-	-
SUPPLABOR	SUPPLABOR-D	-	STORLABOR-D	-	-	-	-
SUPPLABOR	SUPPLABOR-D	-	STORLABOR-D	-	-	-	-
SUPPLABOR	SUPPLABOR-D	-	STORLABOR-D	-	-	-	-
SUPPPT	SUPPPT-D	-	STORPPT-D	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	Winter3	-	-	-	-
SUPPLABOR	SUPPLABOR-D	-	STORLABOR-D	-	-	-	-
SUPPLABOR	SUPPLABOR-D	-	STORLABOR-D	-	-	-	-
SUPPPT	SUPPPT-D	-	STORPPT-D	-	-	-	-

Philadelphia Gas Works
 Class Cost of Service Study - 2006
 Future Test Year Ended August 31, 2007 (\$000s)

Account Description	Account	Total Dollars	Functional Allocator	Classification Allocator	SUPPLY			STORAGE	TRANSMISSION
					Demand Allocator	Commodity Allocator	Demand Allocator	Demand Allocator	
201 VII. TAXES OTHER THAN INCOME T/									
202 Payroll Taxes	408	6,485							
203									
204 TOTAL EXPENSES									
205									
206 V. REVENUES									
207 Distribution Revenue	480-483	292,053	O&MXGAS	COMMODITY	-	BaseRate_Rev	BaseRate_Rev	-	
208 GCR Revenue	480-483GCF	568,861	GCR_Revenue	COMMODITY	-	GCR_Revenue	GCR_Revenue	GCR_Revenue	
209 Interruptible Gas Revenues	480-483Int	40,924	SUPP	COMMODITY	-	InterGas_Rev	-	-	
210 USEC Revenue	480-483USC	131,636	USEC	-	-	-	-	-	
211 REC Revenue	480-483REC	3,396	DIST	-	-	-	-	-	
212 Finance Chges- Unpaid Gas Accts	487	17,746	DIST	-	-	-	-	-	
213 Misc Service Discounts	488	286	DIST	-	-	-	-	-	
214 Transport Gas for Others	489	7,256	DIST	-	-	-	-	-	
215 Gas Revenues- Adjustment	495	(732)	SUPP	COMMODITY	-	GCR_Revenue	-	-	
216 Revenue Adjustments	495Adj	(6,209)	Rev_Adjust	COMMODITY	-	GCR_Revenue	-	-	
217 Subtotal Gas Revenues, net		1,055,218							
218									
219 Bill Paid Turn Ons & Dig Ups		2,757	ONSITE	-	-	-	-	-	
220 Rev/Exp- Appliance, Service, Other	879Rev	7,775	ONSITE	-	-	-	-	-	
221 Subtotal Other Oper Revenues, net									
222									
223 Total Operating Revenues									
224									
225 Interest and Non-Operating Income	418	10,012	RATEBASE	SUPPBASE	RATEBASE	-	RATEBASE	-	
226 Penalties- Regulatory	426	(50)	DIST	-	-	-	-	-	
227 Total Non-Oper Income		9,962							
228									
229 Total Revenue		1,075,712							
230									
231 Income before Interest and Surplus		81,646							
232									
233 Interest on long-term debt	427	75,180	RATEBASE	SUPPBASE	RATEBASE	-	RATEBASE	-	
234 AFUDC	432	(1,202)	CWIP	DEMAND	RATEBASE	-	RATEBASE	-	
235 Surplus Requirement		7,668	DIST	-	-	-	-	-	
236 Total Interest and Surplus		81,646							
237 Rate Increase Requirement	436	100,000	DIST	-	-	-	-	-	
238 Total Interest, Surplus and Rate Inc		181,646							
239									
240 OVER (UNDER) Total Requirements		(100,000)							

Philadelphia Gas Works
 Class Cost of Service Study - 2006
 Future Test Year Ended August 31, 2007 (\$000s)

			DISTRIBUTION				ONSITE	USEC
	Account	Total	Classification	Demand	Commodity	Customer		
	Description	Account	Allocators	Allocators	Allocators	Allocators	Customer	Customer
		Dollars					Allocators	Allocators
201	VII. TAXES OTHER THAN INCOME T							
202	Payroll Taxes	408	6,485					
203								
204	TOTAL EXPENSES							
205								
206	V. REVENUES							
207	Distribution Revenue	480-483	292,053	DISTO&MXGAS	BaseRate_Rev	BaseRate_Rev	BaseRate_Rev	BaseRate_Rev
208	GCR Revenue	480-483GCF	568,861	-	-	-	-	-
209	Interruptible Gas Revenues	480-483Int	40,924	-	-	-	-	-
210	USEC Revenue	480-483USC	131,636	-	-	-	-	USEC_Rev
211	REC Revenue	480-483REC	3,396	DISTBASE	REC_Rev	-	REC_Rev	-
212	Finance Chges- Unpaid Gas Accts	487	17,746	DIST_REV	Over60-Dol	Over60-Dol	Over60-Dol	-
213	Misc Service Discounts	488	286	DIST_REV	BaseRate_Rev	BaseRate_Rev	BaseRate_Rev	-
214	Transport Gas for Others	489	7,256	DEMAND	GTS	-	-	-
215	Gas Revenues- Adjustment	495	(732)	-	-	-	-	-
216	Revenue Adjustments	495Adj	(6,209)	DISTBASE	BaseRate_Rev	-	BaseRate_Rev	USEC_Rev
217	Subtotal Gas Revenues, net		1,055,218					
218								
219	Bill Paid Turn Ons & Dig Ups		2,757	-	-	-	-	Cust_Avg
220	Rev/Exp- Appliance, Service, Other	879Rev	7,775	-	-	-	-	Cust_Res
221	Subtotal Other Oper Revenues, net							
222								
223	Total Operating Revenues							
224								
225	Interest and Non-Operating Income	418	10,012	DISTBASE	RATEBASE	-	RATEBASE	RATEBASE
226	Penalties- Regulatory	426	(50)	CUST	-	-	RATEBASE	-
227	Total Non-Oper Income		9,962					
228								
229	Total Revenue		1,075,712					
230								
231	Income before Interest and Surplus		81,646					
232								
233	Interest on long-term debt	427	75,180	DISTBASE	RATEBASE	-	RATEBASE	RATEBASE
234	AFUDC	432	(1,202)	DIST-CWIP	RATEBASE	-	RATEBASE	RATEBASE
235	Surplus Requirement		7,668	CUST	-	-	RATEBASE	-
236	Total Interest and Surplus		81,646	CUST	-	-	Service_Invest	-
237	Rate Increase Requirement	436	100,000	CUST	-	-	RATEBASE	-
238	Total Interest, Surplus and Rate Inc		181,646					
239								
240	OVER (UNDER) Total Requirements		(100,000)					

Philadelphia Gas Works
 Class Cost of Service Study - 2006
 Future Test Year Ended August 31, 2007 (\$000s)

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Account
 Description

Account

Total
 Dollars

Classification	Demand	Commodity	Customer	DISTRIBUTION		ONSITE	USEC
				Allocator	Allocator	Customer	Customer
DIST_REV	BaseRate_Rev	BaseRate_Rev	BaseRate_Rev	DIST_REV	BaseRate_Rev	BaseRate_Rev	USEC_Rev
DIST_REV	BaseRate_Rev	BaseRate_Rev	BaseRate_Rev	DIST_REV	BaseRate_Rev	BaseRate_Rev	USEC_Rev
-	-	-	-	-	-	-	-
DISTO&MXGAS	DISTO&MXGAS	DISTO&MXGAS	DISTO&MXGAS	DISTO&MXGAS	DISTO&MXGAS	ONSITE&MXGAS	-
DISTO&MXGAS	DISTO&MXGAS	DISTO&MXGAS	DISTO&MXGAS	DISTO&MXGAS	DISTO&MXGAS	ONSITE&MXGAS	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
DISTLABOR	DISTLABOR-D	-	DISTLABOR-C	DISTLABOR	DISTLABOR-D	ONSITELABOR-C	-
DISTO&MXGAS	DISTO&MXGAS	DISTO&MXGAS	DISTO&MXGAS	DISTO&MXGAS	DISTO&MXGAS	ONSITE&MXGAS	-
DIST_REV	BaseRate_Rev	BaseRate_Rev	BaseRate_Rev	DIST_REV	BaseRate_Rev	BaseRate_Rev	USEC_Rev
DISTPT	RATEBASE	-	RATEBASE	DISTPT	RATEBASE	RATEBASE	-
DISTO&MXGAS	DISTO&MXGAS	DISTO&MXGAS	DISTO&MXGAS	DISTO&MXGAS	DISTO&MXGAS	ONSITE&MXGAS	-

Philadelphia Gas Works
 Class Cost of Service Study - 2006
 Future Test Year Ended August 31, 2007 (\$000s)

	Account	Account	Total Dollars	Functional Allocator	Classification Allocator	SUPPLY Demand Allocator	Commodity Allocator	STORAGE Demand Allocator	TRANSMISSION Demand Allocator
268	Cost of Gas Subreport								
269									
270	<u>Demand Costs:</u>								
271	Producer Demand Charges:								
272	Contracts Annual		4,427	STOR	-	-	-	DesignDay	-
273	Contracts Seasonal		1,973	SUPP	DEMAND	DesignDay	-	-	-
274	Capacity Release Credits		0	-	-	-	-	-	-
275	Subtotal		6,400						
276									
277	Storage Contracts:								
278	Daily Demand (PeakDay)		2,005	STOR	-	-	-	DesignDay	-
279	Daily Demand- Balancing (Thruput)		5,725	STOR	-	-	-	Thruput	-
280	Capacity (Winter)		1,794	STOR	-	-	-	Winter3	-
281	Capacity- Balancing (Thruput)		1,442	STOR	-	-	-	Thruput	-
282	Subtotal		10,966						
283									
284	Firm Transportation:								
285	Demand Charges - TF Demand all Pip		-	-	-	-	-	-	-
286	Pipeline Demand- Annual / Seasona		45,830	TRANS	-	-	-	-	DesignDay
287	Storage (PeakDay)		3,450	STOR	-	-	-	DesignDay	-
288	Pipeline Demand- Design XS (Winte		160	TRANS	-	-	-	-	DesignDay
289	Subtotal		49,439						
290									
291	Direct Assigned Demand Costs:								
292	TOTAL DEMAND CHARGES		66,806						
293									
294	Other Fixed Costs:								
295	Supplier Refunds		-	-	-	-	-	-	-
296	Subtotal								
297									
298	TOTAL DEMAND & FIXED COSTS		66,806						
299									
300	Variable Costs:								
301	Commodity Cost including transport lia		519,822	SUPP	COMMODITY	-	Gas_Sales_Firm	-	-
302	Gas Sold to Interruptibles		38,157	SUPP	COMMODITY	-	Gas_Sales_Interr	-	-
303	Withdrwl Transportation Charges (Wir		65	STOR	-	-	-	Winter3	-
304	Inject / Withdr Fees Balancing (Thruput		601	STOR	-	-	-	Thruput	-
305	Injection / Withdrawal Fees- (Winter)		245	STOR	-	-	-	Winter3	-
306	Subtotal		558,890						
307									
308	Total Cost of Gas		625,696						

Exhibit HSG-6

Development of Allocator Values

Exhibit HSG-6A	All Gas Contracts And Costs
Exhibit HSG-6B	Allocation of Contract Demand Costs
Exhibit HSG-6C	Design Day Sendout
Exhibit HSG-6D	PEAKDEMAND Allocator
Exhibit HSG-6E	Gas Sales Allocator
Exhibit HSG-6F	Thruput Allocator
Exhibit HSG-6G	GTS Allocator
Exhibit HSG-6H	Winter3 Allocator
Exhibit HSG-6I	GCR Allocator
Exhibit HSG-6J	Cust_Avg Allocator
Exhibit HSG-6K	Meter_Invest Allocator
Exhibit HSG-6L	Service_Invest Allocator
Exhibit HSG-6M	Account903 Allocator
Exhibit HSG-6N	Account908 Allocator
Exhibit HSG-6O	METERREAD Allocator
Exhibit HSG-6P	Account Agings
Exhibit HSG-6Q	Write-Offs
Exhibit HSG-6R	GTS-DIR-MAINS, GTS-DIR-EXP, GTS-DIR-ACCDEP
Exhibit HSG-6S	Test Year Tariff Revenue at Current Rates
Exhibit HSG-6T	Test Year Tariff Revenue at Proposed Rates

Philadelphia Gas Works
 Class Cost of Service Study - 2006
 ALL GAS CONTRACTS AND COSTS

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Vendor	Type	Available	Months	Dem Vol	Dem \$	Dem Rate	Comm Vol	Comm \$
<u>TRANSCO</u>								
Con-16TR	Pipeline Demand- Annual	Firm 365	12	165,212	22,486,898	11.342		
Con-17TR	Commodity Only	Commodity	12				878,409	9,710,878
Con-19TR	Supply Demand- Annual	Commodity	12	25,000	3,651,000	12.170	7,844,674	71,639,532
Con-02-TR	Commodity Only	Commodity					585,295	4,745,248
Con-03-TR	Commodity Only	Commodity					21,365,265	204,751,393
Con-08-TR	Commodity Only	Commodity					2,679,173	22,439,185
Con-09-TR	Supply Demand- Seasonal	Commodity	5	20,000	1,186,000	11.860	6,470,978	58,890,914
Con-22-TR	Commodity Only	Commodity					86,160	830,221
Con-25-TR	Commodity Only	Commodity					582,733	4,763,667
Con-26-TR	Commodity Only	Commodity					345,818	3,619,573
Con-27-TR	Supply Demand- Seasonal	Commodity	5	15,000	786,750	10.490	1,752,042	17,770,602
TRPSFT	Pipeline Demand- Seasonal	11/1-3/31	12	1,732	159,885	7.693		
TR-GSS	Storage Capacity- Balancing	Firm 365	12	4,123,733	781,860	0.016		
TR-GSS	Storage Demand- Balancing	Firm 365	12	61,567	2,009,030	2.719		
TR-GSS	Injection- Balancing	Firm 365	1	3,043,345	91,300	0.030		
TR-GSS	Withdrawal- Balancing	Firm 365	1	3,835,072	106,615	0.028		
	<i>Includes delivery</i>							
TR-S4/WSS	Storage Capacity- Seasonal	Firm 365	12	3,335,909	268,207	0.007		
TR-S4/WSS	Storage Demand- Peak	Firm 365	12	39,246	267,077	0.567		
TR-S4/WSS	Injection- Seasonal	Firm 365	1	2,665,602	17,060	0.006		
TR-S4/WSS	Withdrawal- Seasonal	Firm 365	1	3,491,789	22,347	0.006		
TR-S4/WSS	Storage Transport- Volume	Firm 365	1	372,525	64,918	0.174		
	<i>Delivered on Transco</i>							
TR-S2	Storage Capacity- Seasonal	Firm 365	12	466,554	60,325	0.011		
TR-S2	Storage Demand- Peak	Firm 365	12	5,191	296,572	4.761		
TR-S2	Injection- Seasonal	4/16-11/15	1	399,248	14,852	0.037		
TR-S2	Withdrawal- Seasonal	11/16-4/15	1	466,554	23,748	0.051		
	<i>Includes delivery</i>							

Philadelphia Gas Works
 Class Cost of Service Study - 2006
 ALL GAS CONTRACTS AND COSTS

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Vendor	Type	Available	Months	Dem Vol	Dem \$	Dem Rate	Comm Vol	Comm \$
TR-S12/Eminence	Storage Capacity- Seasonal	Firm 365	12	482,793	270,557	0.047		
TR-S12/Eminence	Storage Demand- Peak	Firm 365	12	47,986	270,465	0.470		
TR-S12/Eminence	Injection- Seasonal	Firm 365	1	489,294	4,453	0.009		
TR-S12/Eminence	Withdrawal- Seasonal	Firm 365	1	495,585	4,510	0.009		
	<i>Delivered on Transco</i>							
TR-S13/Eminence02	Storage Capacity- Seasonal	Firm 365	12	656,013	292,057	0.037		
TR-S13/Eminence02	Storage Demand- Peak	Firm 365	12	65,210	291,761	0.373		
TR-S13/Eminence02	Injection- Seasonal	Firm 365	1	599,748	5,458	0.009		
TR-S13/Eminence02	Withdrawal- Seasonal	Firm 365	1	656,013	5,970	0.009		
	<i>Delivered on Transco</i>							
TETCO								
Con-04-TE	Pipeline Demand- Annual	Firm 365	12	75,000	10,906,162	12.118	9,679,642	100,120,953
Con-04-TE	Pipeline Demand- Annual	Firm 365	12	75,000	133,470	0.148		
Con-06-TE	Pipeline Demand- Annual	Firm 365	12	59,822	10,493,592	14.618	1,108,105	12,437,125
Con-06-TE	Pipeline Demand- Annual	Firm 365	12	59,822	106,459	0.148		
Con-20-TE	Commodity Only	Commodity					3,319,750	29,525,371
Con-36-TE	Pipeline Demand- Annual	Monthly Average	12	516,583	1,703,145	0.275		
Con-37-TE	Commodity Only	Commodity					498,615	4,629,316
Con-66-TE	Supply Demand- Annual	Monthly Average	12	162,631	415,640	0.213	1,207,218	12,105,163
Con-70-TE	Supply Demand- Annual	Monthly Average	12	141,368	360,837	0.213		
TE-S5/SS1-A	Storage Capacity- Balancing	Firm 365	12	2,647,080	342,267	0.011		
TE-S5/SS1-A	Storage Demand- Balancing	Firm 365	12	44,118	2,343,354	4.426		
TE-S5/SS1-A	Injection- Balancing	Firm 365	1	1,892,344	66,989	0.035		
TE-S5/SS1-A	Withdrawal- Balancing	Firm 365	1	2,526,750	144,277	0.057		
	<i>Includes delivery</i>							
TE-S6/CNG	Storage Capacity- Seasonal	Firm 365	12	3,918,971	681,901	0.015		
TE-S6/CNG	Storage Demand- Peak	Firm 365	12	34,047	769,122	1.883		
TE-S6/CNG	Injection- Seasonal	Firm 365	1	3,236,886	65,385	0.020		
TE-S6/CNG	Withdrawal- Seasonal	Firm 365	1	3,644,643	65,604	0.018		
TE-FTS7/CNG	Storage Transport- Seasonal	Firm 365	12	7,788	614,567	6.576		
TE-FTS8/CNG	Storage Transport- Seasonal	Firm 365	12	25,709	2,117,599	6.864		
	<i>Delivered on FTS7/8 as shown</i>							

Philadelphia Gas Works
 Class Cost of Service Study - 2006
 ALL GAS CONTRACTS AND COSTS

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5	Vendor	Type	Available	Months	Dem Vol	Dem \$	Dem Rate	Comm Vol	Comm \$
78	SS3-TE	Storage Capacity- Seasonal	Firm 365	12	522,500	221,331	0.035		
79	SS3-TE	Storage Demand- Peak	Firm 365	12	4,998	109,690	1.829		
80	TE-S8/EQUITRANS	Injection- Seasonal	4/1-10/31	1	496,470	7,695	0.015		
81	TE-S8/EQUITRANS	Withdrawal- Seasonal	11/1-3/31	1	516,892	8,012	0.016		
82	TEFTS2	Storage Transport- Seasonal		12	5,394	515,170	7.959		
83	TE/EQ/STS	Storage Transport- Seasonal		12	2,442	94,196	3.214		
84	TE/EQ/STS	Storage Transport- Seasonal		5	1,018	108,186	21.255		
85		<i>Includes delivery</i>							
86									
87	TE-S11/SS1-B	Storage Capacity- Balancing	Firm 365	12	2,462,120	318,353	0.011		
88	TE-S11/SS1-B	Storage Demand- Balancing	Firm 365	12	20,847	1,372,400	5.486		
89	TE-S11/SS1-B	Injection- Balancing	Firm 365	1	1,760,216	62,312	0.035		
90	TE-S11/SS1-B	Withdrawal- Balancing	Firm 365	1	2,271,359	129,695	0.057		
91		<i>Includes delivery</i>							
					<u>53,158,739</u>	<u>67,717,085</u>		<u>58,403,877</u>	<u>557,979,141</u>
							Total		<u>625,696,226</u>

Philadelphia Gas Works
Class Cost of Service Study - 2006
ALLOCATION OF CONTRACT DEMAND COSTS

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SUMMARY OF DEMAND ITEMS

	<u>Volumes</u>	<u>Dollars</u>	<u>Function</u>	<u>Class</u>	<u>Allocation</u>
Supply Demand- Annual	328,998	4,427,477	Stor	Demand	DesignDay
Supply Demand- Seasonal	35,000	1,972,750	Supp	Demand	DesignDay
Storage Transport- Seasonal	42,351	3,449,718	Stor	Demand	DesignDay
Pipeline Demand- Annual	951,439	45,829,726	Trans	Demand	DesignDay
Pipeline Demand- Seasonal	1,732	159,885	Trans	Demand	DesignDay
Storage Capacity- Balancing	9,232,933	1,442,480	Stor	Demand	Thruput
Storage Capacity- Seasonal	9,382,740	1,794,378	Stor	Demand	Winter3
Storage Demand- Balancing	126,532	5,724,784	Stor	Demand	Thruput
Storage Demand- Peak	196,678	2,004,687	Stor	Demand	DesignDay
Storage Transport- Volume	372,525	64,918	Stor	Demand	Winter3
Injection- Seasonal	7,887,248	114,903	Stor	Demand	Winter3
Withdrawal- Seasonal	9,271,476	130,191	Stor	Demand	Winter3
Injection- Balancing	6,695,905	220,601	Stor	Demand	Thruput
Withdrawal- Balancing	<u>8,633,181</u>	<u>380,587</u>	Stor	Demand	Thruput
Totals	<u>53,158,739</u>	<u>67,717,085</u>			
Totals below	<u>53,158,739</u>	<u>67,717,085</u>			
	OK	OK			

Summary of Allocation Allocators

	<u>Volumes</u>	<u>Dollars</u>
DESIGNDAY	1,556,199	57,844,243
Winter3	26,913,989	2,104,390
Thruput	<u>24,688,551</u>	<u>7,768,452</u>
Totals	OK <u>53,158,739</u>	<u>67,717,085</u>

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Philadelphia Gas Works
Class Cost of Service Study - 2006
DESIGN DAY SENDOUT (MCF)
Provided by PGW Gas Model

<u>Classes</u>	<u>Type</u>	<u>Sendout mcf</u>
8 Residential Non-Heat	Non-Heating	14,076
9 Residential Heat	Heating	543,043
10 Commercial Non-Heat	Non-Heating	11,730
11 Commercial Heat	Heating	110,174
12 Industrial Non-Heat	Non-Heating	3,150
13 Industrial Heat	Heating	9,827
14 Municipal Non-Heat	Non-Heating	3,215
15 Municipal Heat	Heating	16,535
16 Housing Auth GS	Heating	11,750
17 TOTAL		723,500

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**Philadelphia Gas Works
Class Cost of Service Study - 2006
PEAKDEMAND ALLOCATOR**

Represents Demand on Peak Day; Used to Allocate Demand Component of Mains

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Daily Base Sales	January Monthly Base Sales	January Normal Total Sales	January Normal Thermal Sales	January Thermal Sales per HDD	Peak Day Thermal Sales	Peak Day Total Sales	
<u>July /August Average Daily Sales</u>	<u>Daily Base Sales X 31</u>		<u>(January Normal Total Sales)- (January Monthly Base Sales)</u>	<u>(January Normal Thermal Sales / (994 January Normal HDD))</u>	<u>(January Thermal Sales per HDD) X (65 Design HDD)</u>	<u>(Daily Base Sales) Plus (Peak Day Thermal Sales)</u>	
62	31			994	65		
PGW DESIGN DAY VALUES							
See Schedule 4							
						14,076	
						543,043	
						11,730	
						110,174	
						3,150	
						9,827	
						3,215	
						16,535	
						11,750	
	33	1,021	33,695	32,674	33	2,137	2,170
	936	29,002	374,482	345,481	348	22,592	23,527
	722	22,372	0	(22,372)	0	0	722
	821	25,452	78,365	52,913	53	3,460	4,281
	550	17,042	53,034	35,992	36	2,354	2,903
	56	1,745	1,745	0	0	0	56
	6	194	194	0	0	0	6
	67	2,073	8,395	6,322	6	413	480
	40	1,232	1,345	113	0	7	47
	Annual Average						24,837
							782,529

*Direct - Mains costs were directly assigned to this class

Philadelphia Gas Works
Class Cost of Service Study - 2006
Gas Sales Allocator
Billed Sales mcf for All Customer Classes

Class	Type	Sep-06	Oct-06	Nov-06	Dec-06	Jan-07	Feb-07
Residential Non-Heat	Non-Heating	56,595	69,411	111,645	166,051	242,651	222,206
Residential Heat	Heating	686,384	1,086,669	2,669,667	4,744,231	7,657,618	6,922,107
Commercial Non-Heat	Non-Heating	90,462	108,366	141,137	182,682	225,597	207,141
Commercial Heat	Heating	225,228	360,656	697,521	1,126,974	1,597,218	1,416,446
Industrial Non-Heat	Non-Heating	13,477	19,588	30,608	43,723	54,264	47,413
Industrial Heat	Heating	18,236	33,640	64,900	105,076	139,196	120,585
Municipal Non-Heat	Non-Heating	6,416	14,036	26,573	41,969	50,387	41,889
Municipal Heat	Heating	12,982	47,633	106,288	178,325	217,706	177,948
Housing Auth GS	Heating	19,052	40,407	79,432	127,964	162,314	137,277
NGV Direct	Non-Heating	30	31	30	31	31	30
BPS Small	Interruptible	2,178	9,399	18,266	29,573	33,695	27,612
BPS Large	Interruptible	37,391	113,627	204,649	327,416	374,482	313,143
BPS A/C	Interruptible	17,564	5,313	3,085			
LBS Small- Indirect	Interruptible	26,201	36,843	47,678	63,621	78,365	66,303
LBS Large-Indirect	Interruptible	20,332	28,662	37,157	49,639	53,034	44,911
LBS Large-Direct	Interruptible	1,689	1,745	1,689	1,745	1,745	1,576
LBS Xlarge-Direct	Interruptible	187	194	187	194	194	175
LBS Xlarge-Indirect	Interruptible	2,401	3,874	5,463	7,692	8,395	7,044
Co-Gen Indirect	Interruptible	1,411	1,458	1,411	1,458	1,345	1,215
GTS / IT Trans	Transport	999,795	1,085,806	1,115,833	1,231,719	1,292,931	1,170,702
TOTAL		<u>2,238,011</u>	<u>3,067,358</u>	<u>5,363,219</u>	<u>8,430,083</u>	<u>12,191,168</u>	<u>10,925,723</u>
Heating		961,882	1,569,005	3,617,808	6,282,570	9,774,052	8,774,363
Non-Heating		166,980	211,432	309,993	434,456	572,930	518,679
Interruptible		109,354	201,115	319,585	481,338	551,255	461,979
Transport		<u>999,795</u>	<u>1,085,806</u>	<u>1,115,833</u>	<u>1,231,719</u>	<u>1,292,931</u>	<u>1,170,702</u>
TOTAL		<u>2,238,011</u>	<u>3,067,358</u>	<u>5,363,219</u>	<u>8,430,083</u>	<u>12,191,168</u>	<u>10,925,723</u>
Sales		<u>1,238,216</u>	<u>1,981,552</u>	<u>4,247,386</u>	<u>7,198,364</u>	<u>10,898,237</u>	<u>9,755,021</u>
GCR Sales		<u>1,128,862</u>	<u>1,780,437</u>	<u>3,927,801</u>	<u>6,717,026</u>	<u>10,346,982</u>	<u>9,293,042</u>

Philadelphia Gas Works
Class Cost of Service Study - 2006
Gas Sales Allocator
Billed Sales mcf for All Customer Classes

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7 Class	Type	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	TOTAL
8 Residential Non-Heat	Non-Heating	179,063	135,289	82,654	73,860	62,780	59,883	1,462,088
9 Residential Heat	Heating	5,318,625	3,673,635	1,682,539	996,341	803,741	765,182	37,006,739
10 Commercial Non-Heat	Non-Heating	179,037	142,079	109,078	118,240	102,811	98,432	1,705,062
11 Commercial Heat	Heating	1,123,296	748,589	395,918	302,471	257,141	246,959	8,498,417
12 Industrial Non-Heat	Non-Heating	39,766	26,866	18,670	18,748	16,394	15,744	345,261
13 Industrial Heat	Heating	96,117	59,529	31,679	24,367	21,216	20,357	734,898
14 Municipal Non-Heat	Non-Heating	33,670	18,196	9,465	7,395	6,482	6,209	262,687
15 Municipal Heat	Heating	139,493	67,097	26,246	12,106	10,611	10,164	1,006,599
16 Housing Auth GS	Heating	109,150	62,252	31,038	22,584	19,511	18,690	829,671
17 NGV Direct	Non-Heating	31	30	31	30	31	31	367
18 BPS Small	Interruptible	22,738	12,079	4,407	988	1,021	1,021	162,977
19 BPS Large	Interruptible	261,124	148,152	65,153	27,301	28,738	29,265	1,930,441
20 BPS A/C	Interruptible	4,474	7,578	10,067	16,238	21,253	23,490	109,062
21 LBS Small- Indirect	Interruptible	60,194	42,786	30,738	24,631	25,452	25,452	528,264
22 LBS Large-Indirect	Interruptible	40,863	29,214	20,594	16,492	17,042	17,042	374,982
23 LBS Large-Direct	Interruptible	1,745	1,689	1,745	1,689	1,745	1,745	20,547
24 LBS Xlarge-Direct	Interruptible	194	187	194	187	194	194	2,281
25 LBS Xlarge-Indirect	Interruptible	6,229	4,162	2,707	2,006	2,073	2,073	54,119
26 Co-Gen Indirect	Interruptible	1,345	1,302	1,232	1,192	1,232	1,232	15,833
27 GTS / IT Trans	Transport	1,202,494	1,085,478	1,065,007	1,002,124	1,035,614	1,035,784	13,323,287
28								
29 TOTAL		8,819,648	6,266,189	3,589,162	2,668,990	2,435,082	2,378,949	68,373,582
30								
31 Heating		6,786,681	4,611,102	2,167,420	1,357,869	1,112,220	1,061,352	48,076,324
32 Non-Heating		431,567	322,460	219,898	218,273	188,498	180,299	3,775,465
33 Interruptible		398,906	247,149	136,837	90,724	98,750	101,514	3,198,506
34 Transport		1,202,494	1,085,478	1,065,007	1,002,124	1,035,614	1,035,784	13,323,287
35 TOTAL		8,819,648	6,266,189	3,589,162	2,668,990	2,435,082	2,378,949	68,373,582
36								
37 Sales		7,617,154	5,180,711	2,524,155	1,666,866	1,399,468	1,343,165	55,050,295
38 GCR Sales		7,218,248	4,933,562	2,387,318	1,576,142	1,300,718	1,241,651	51,851,789

Philadelphia Gas Works
Class Cost of Service Study - 2006
THROUGHPUT Allocator mcf
Throughput Relating to Billed Sales mcf

7	<u>Class</u>	<u>Type</u>	<u>Sep-06</u>	<u>Oct-06</u>	<u>Nov-06</u>	<u>Dec-06</u>	<u>Jan-07</u>	<u>Feb-07</u>
8	Residential Non-Heat	Non-Heating	58,648	71,928	115,694	172,074	251,452	230,265
9	Residential Heat	Heating	711,279	1,126,082	2,766,494	4,916,302	7,935,355	7,173,168
10	Commercial Non-Heat	Non-Heating	93,743	112,296	146,256	189,308	233,779	214,654
11	Commercial Heat	Heating	233,397	373,737	722,820	1,167,849	1,655,148	1,467,820
12	Industrial Non-Heat	Non-Heating	13,966	20,298	31,718	45,309	56,232	49,133
13	Industrial Heat	Heating	18,897	34,860	67,254	108,887	144,245	124,959
14	Municipal Non-Heat	Non-Heating	6,649	14,545	27,537	43,491	52,215	43,408
15	Municipal Heat	Heating	13,453	49,361	110,143	184,793	225,602	184,402
16	Housing Auth GS	Heating	19,743	41,873	82,313	132,605	168,201	142,256
17	NGV Direct	Non-Heating	31	32	31	32	32	31
18	BPS Small	Interruptible	2,257	9,740	18,928	30,646	34,917	28,613
19	BPS Large	Interruptible	38,747	117,748	212,072	339,291	388,064	324,501
20	BPS A/C	Interruptible	18,201	5,506	3,197	-	-	-
21	LBS Small- Indirect	Interruptible	27,151	38,179	49,407	65,928	81,207	68,708
22	LBS Large-Indirect	Interruptible	21,069	29,702	38,505	51,439	54,958	46,540
23	LBS Large-Direct	Interruptible	1,689	1,745	1,689	1,745	1,745	1,576
24	LBS Xlarge-Direct	Interruptible	187	194	187	194	194	175
25	LBS Xlarge-Indirect	Interruptible	2,488	4,015	5,661	7,971	8,699	7,299
26	Co-Gen Indirect	Interruptible	1,462	1,511	1,462	1,511	1,394	1,259
27	GTS / IT Trans	Transport	999,795	1,085,806	1,115,833	1,231,719	1,292,931	1,170,702
28								
29	TOTAL		<u>2,282,852</u>	<u>3,139,157</u>	<u>5,517,201</u>	<u>8,691,093</u>	<u>12,586,371</u>	<u>11,279,469</u>
30								
31	Heating		996,769	1,625,912	3,749,024	6,510,435	10,128,551	9,092,604
32	Non-Heating		173,036	219,101	321,236	450,213	593,710	537,491
33	Interruptible		113,252	208,339	331,108	498,726	571,178	478,671
34	Transport		<u>999,795</u>	<u>1,085,806</u>	<u>1,115,833</u>	<u>1,231,719</u>	<u>1,292,931</u>	<u>1,170,702</u>
35	TOTAL		<u>2,282,852</u>	<u>3,139,157</u>	<u>5,517,201</u>	<u>8,691,093</u>	<u>12,586,371</u>	<u>11,279,469</u>
36								
37	Sales		<u>1,283,057</u>	<u>2,053,351</u>	<u>4,401,368</u>	<u>7,459,374</u>	<u>11,293,440</u>	<u>10,108,767</u>

Philadelphia Gas Works
 Class Cost of Service Study - 2006
 THROUGHPUT Allocator mcf
 Throughput Relating to Billed Sales mcf

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Class	Type	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	TOTAL
Residential Non-Heat	Non-Heating	185,558	140,196	85,652	76,539	65,057	62,055	1,515,117
Residential Heat	Heating	5,511,528	3,806,876	1,743,564	1,032,478	832,892	792,935	38,348,952
Commercial Non-Heat	Non-Heating	185,531	147,232	113,034	122,528	106,540	102,002	1,766,904
Commercial Heat	Heating	1,164,037	775,740	410,278	313,441	266,467	255,916	8,806,650
Industrial Non-Heat	Non-Heating	41,208	27,840	19,347	19,428	16,989	16,315	357,783
Industrial Heat	Heating	99,603	61,688	32,828	25,251	21,985	21,095	761,552
Municipal Non-Heat	Non-Heating	34,891	18,856	9,808	7,663	6,717	6,434	272,215
Municipal Heat	Heating	144,552	69,531	27,198	12,545	10,996	10,533	1,043,108
Housing Auth GS	Heating	113,109	64,510	32,164	23,403	20,219	19,368	859,763
NGV Direct	Non-Heating	32	31	32	31	32	32	380
BPS Small	Interruptible	23,563	12,517	4,567	1,024	1,058	1,058	168,888
BPS Large	Interruptible	270,595	153,525	67,516	28,291	29,780	30,326	2,000,457
BPS A/C	Interruptible	4,636	7,853	10,432	16,827	22,024	24,342	113,018
LBS Small- Indirect	Interruptible	62,377	44,338	31,853	25,524	26,375	26,375	547,424
LBS Large-Indirect	Interruptible	42,345	30,274	21,341	17,090	17,660	17,660	388,582
LBS Large-Direct	Interruptible	1,745	1,689	1,745	1,689	1,745	1,745	20,547
LBS Xlarge-Direct	Interruptible	194	187	194	187	194	194	2,281
LBS Xlarge-Indirect	Interruptible	6,455	4,313	2,805	2,079	2,148	2,148	56,082
Co-Gen Indirect	Interruptible	1,394	1,349	1,277	1,235	1,277	1,277	16,407
GTS / IT Trans	Transport	1,202,494	1,085,478	1,065,007	1,002,124	1,035,614	1,035,784	13,323,287
TOTAL		9,095,848	6,454,022	3,680,641	2,729,378	2,485,770	2,427,595	70,369,397
Heating		7,032,830	4,778,344	2,246,031	1,407,118	1,152,560	1,099,847	49,820,025
Non-Heating		447,220	334,155	227,874	226,190	195,335	186,838	3,912,399
Interruptible		413,304	256,045	141,730	93,946	102,261	105,126	3,313,686
Transport		1,202,494	1,085,478	1,065,007	1,002,124	1,035,614	1,035,784	13,323,287
TOTAL		9,095,848	6,454,022	3,680,641	2,729,378	2,485,770	2,427,595	70,369,397
Sales		7,893,354	5,368,544	2,615,634	1,727,254	1,450,156	1,391,811	57,046,110

Philadelphia Gas Works
 Class Cost of Service Study - 2006
 GTS Allocators

Represents Volumes mcf and Throughput \$000s for GTS Customer Class

TRANSPORT VOLUMES SENDOUT mcf

	Sep-06	Oct-06	Nov-06	Dec-06	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	TOTAL
TRANSPORT (GTS)	743,064	767,833	743,064	767,833	767,834	718,295	767,833	743,064	767,833	743,064	767,833	767,833	9,065,383
TRANSPORT (IT)	<u>256,731</u>	<u>317,973</u>	<u>372,769</u>	<u>463,886</u>	<u>525,097</u>	<u>452,407</u>	<u>434,661</u>	<u>342,414</u>	<u>297,174</u>	<u>259,060</u>	<u>267,781</u>	<u>267,951</u>	<u>4,257,904</u>
TOTAL	<u>999,795</u>	<u>1,085,806</u>	<u>1,115,833</u>	<u>1,231,719</u>	<u>1,292,931</u>	<u>1,170,702</u>	<u>1,202,494</u>	<u>1,085,478</u>	<u>1,065,007</u>	<u>1,002,124</u>	<u>1,035,614</u>	<u>1,035,784</u>	<u>13,323,287</u>

TRANSPORT REVENUES

	Sep-06	Oct-06	Nov-06	Dec-06	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	TOTAL
TRANSPORT (GTS)	184	187	184	187	187	181	187	184	187	184	187	187	2,224
TRANSPORT (IT)	<u>282</u>	<u>365</u>	<u>446</u>	<u>570</u>	<u>662</u>	<u>569</u>	<u>532</u>	<u>403</u>	<u>335</u>	<u>283</u>	<u>292</u>	<u>292</u>	<u>5,031</u>
TOTAL	<u>466</u>	<u>552</u>	<u>630</u>	<u>757</u>	<u>849</u>	<u>750</u>	<u>719</u>	<u>587</u>	<u>522</u>	<u>467</u>	<u>479</u>	<u>479</u>	<u>7,256</u>

Philadelphia Gas Works
Class Cost of Service Study - 2006
WINTER3 Allocator

Represents Billed Sales mcf for December-February

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<u>Class</u>	<u>Type</u>	<u>Dec-06</u>	<u>Jan-07</u>	<u>Feb-07</u>	<u>TOTAL</u>
Residential Non-Heat	Non-Heatin	166,051	242,651	222,206	630,908
Residential Heat	Heating	4,744,231	7,657,618	6,922,107	19,323,956
Commercial Non-Heat	Non-Heatin	182,682	225,597	207,141	615,420
Commercial Heat	Heating	1,126,974	1,597,218	1,416,446	4,140,638
Industrial Non-Heat	Non-Heatin	43,723	54,264	47,413	145,400
Industrial Heat	Heating	105,076	139,196	120,585	364,857
Municipal Non-Heat	Non-Heatin	41,969	50,387	41,889	134,245
Municipal Heat	Heating	178,325	217,706	177,948	573,979
Housing Auth GS	Heating	127,964	162,314	137,277	427,555
NGV Direct	Non-Heatin	31	31	30	92
TOTAL		<u>6,717,026</u>	<u>10,346,982</u>	<u>9,293,042</u>	<u>26,357,050</u>
Heating		6,282,570	9,774,052	8,774,363	24,830,985
Non-Heating		434,456	572,930	518,679	1,526,065
Interruptible		-	-	-	-
Transport		-	-	-	-
TOTAL		<u>6,717,026</u>	<u>10,346,982</u>	<u>9,293,042</u>	<u>26,357,050</u>
					31,546,974

Philadelphia Gas Works
Class Cost of Service Study - 2006
GCR Allocator
 Billed Sales mcf for Firm Customer Classes

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<u>Class</u>	<u>Type</u>	<u>Sep-06</u>	<u>Oct-06</u>	<u>Nov-06</u>	<u>Dec-06</u>	<u>Jan-07</u>	<u>Feb-07</u>
Residential Non-Heat	Non-Heating	56,595	69,411	111,645	166,051	242,651	222,206
Residential Heat	Heating	686,384	1,086,669	2,669,667	4,744,231	7,657,618	6,922,107
Commercial Non-Heat	Non-Heating	90,462	108,366	141,137	182,682	225,597	207,141
Commercial Heat	Heating	225,228	360,656	697,521	1,126,974	1,597,218	1,416,446
Industrial Non-Heat	Non-Heating	13,477	19,588	30,608	43,723	54,264	47,413
Industrial Heat	Heating	18,236	33,640	64,900	105,076	139,196	120,585
Municipal Non-Heat	Non-Heating	6,416	14,036	26,573	41,969	50,387	41,889
Municipal Heat	Heating	12,982	47,633	106,288	178,325	217,706	177,948
Housing Auth GS	Heating	19,052	40,407	79,432	127,964	162,314	137,277
NGV Direct	Non-Heating	30	31	30	31	31	30
TOTAL		1,128,862	1,780,437	3,927,801	6,717,026	10,346,982	9,293,042

Philadelphia Gas Works
 Class Cost of Service Study - 2006
 GCR Allocator

Billed Sales mcf for Firm Customer Classes

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<u>Class</u>	<u>Type</u>	<u>Mar-07</u>	<u>Apr-07</u>	<u>May-07</u>	<u>Jun-07</u>	<u>Jul-07</u>	<u>Aug-07</u>	<u>TOTAL</u>
Residential Non-Heat	Non-Heating	179,063	135,289	82,654	73,860	62,780	59,883	1,462,088
Residential Heat	Heating	5,318,625	3,673,635	1,682,539	996,341	803,741	765,182	37,006,739
Commercial Non-Heat	Non-Heating	179,037	142,079	109,078	118,240	102,811	98,432	1,705,062
Commercial Heat	Heating	1,123,296	748,589	395,918	302,471	257,141	246,959	8,498,417
Industrial Non-Heat	Non-Heating	39,766	26,866	18,670	18,748	16,394	15,744	345,261
Industrial Heat	Heating	96,117	59,529	31,679	24,367	21,216	20,357	734,898
Municipal Non-Heat	Non-Heating	33,670	18,196	9,465	7,395	6,482	6,209	262,687
Municipal Heat	Heating	139,493	67,097	26,246	12,106	10,611	10,164	1,006,599
Housing Auth GS	Heating	109,150	62,252	31,038	22,584	19,511	18,690	829,671
NGV Direct	Non-Heating	31	30	31	30	31	31	367
TOTAL		7,218,248	4,933,562	2,387,318	1,576,142	1,300,718	1,241,651	51,851,789

Philadelphia Gas Works
Class Cost of Service Study - 2006
CUST-AVG Allocator
 Number of Customers in Each Rate Class

Classes	Type	Sep-06	Oct-06	Nov-06	Dec-06	Jan-07	Feb-07
Residential Non-Heat	Non-Heating	52,471	52,248	52,025	51,802	51,579	51,356
Residential Heat	Heating	405,899	408,899	413,902	417,902	418,906	418,906
Commercial Non-Heat	Non-Heating	5,577	5,582	5,587	5,592	5,597	5,602
Commercial Heat	Heating	19,248	19,280	19,314	19,348	19,381	19,415
Industrial Non-Heat	Non-Heating	254	254	254	254	254	254
Industrial Heat	Heating	603	603	606	606	606	606
Municipal Non-Heat	Non-Heating	335	335	335	335	335	335
Municipal Heat	Heating	556	556	557	557	557	557
Housing Auth GS	Heating	3,461	3,461	3,458	3,458	3,458	3,458
NGV Direct	Non-Heating	1	1	1	1	1	1
BPS Small	Interruptible	116	116	117	117	113	113
BPS Large	Interruptible	164	165	166	167	161	162
BPS A/C	Interruptible	8	8	8	8	8	8
LBS Small- Indirect	Interruptible	18	18	18	18	19	19
LBS Large-Indirect	Interruptible	7	7	7	7	6	6
LBS Large-Direct	Interruptible	1	1	1	1	1	1
LBS Xlarge-Direct	Interruptible	2	2	2	2	2	2
LBS Xlarge-Indirect	Interruptible	4	4	4	4	4	4
Co-Gen Indirect	Interruptible	4	4	4	4	3	3
GTS / IT Trans	Transport	162	162	162	162	162	162
TOTAL		488,891	491,706	496,528	500,345	501,153	500,970

Philadelphia Gas Works
Class Cost of Service Study - 2006
CUST-AVG Allocator
Number of Customers in Each Rate Class

Classes	Type	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	TOTAL	Average
Residential Non-Heat	Non-Heating	51,133	50,910	50,687	50,464	50,241	50,019	614,935	51,245
Residential Heat	Heating	418,910	418,010	416,514	414,618	411,718	409,021	4,973,205	414,434
Commercial Non-Heat	Non-Heating	5,607	5,612	5,616	5,621	5,625	5,629	67,247	5,604
Commercial Heat	Heating	19,449	19,483	19,515	19,548	19,582	19,614	233,177	19,431
Industrial Non-Heat	Non-Heating	254	254	254	254	254	254	3,048	254
Industrial Heat	Heating	606	607	607	607	607	607	7,271	606
Municipal Non-Heat	Non-Heating	335	335	335	335	335	335	4,020	335
Municipal Heat	Heating	557	557	557	557	557	557	6,682	557
Housing Auth GS	Heating	3,458	3,458	3,455	3,455	3,455	3,455	41,490	3,458
NGV Direct	Non-Heating	1	1	1	1	1	1	12	1
BPS Small	Interruptible	113	113	109	109	109	109	1,354	113
BPS Large	Interruptible	162	163	157	158	159	160	1,944	162
BPS A/C	Interruptible	8	8	8	8	8	8	96	8
LBS Small- Indirect	Interruptible	19	19	18	18	18	18	220	18
LBS Large-Indirect	Interruptible	6	6	6	6	6	6	76	6
LBS Large-Direct	Interruptible	1	1	1	1	1	1	12	1
LBS Xlarge-Direct	Interruptible	2	2	2	2	2	2	24	2
LBS Xlarge-Indirect	Interruptible	4	4	4	4	4	4	48	4
Co-Gen Indirect	Interruptible	3	3	3	3	3	3	40	3
GTS / IT Trans	Transport	162	162	162	162	162	162	1,944	162
TOTAL		500,790	499,708	498,011	495,931	492,847	489,965	5,956,845	496,404

Philadelphia Gas Works
Class Cost of Service Study - 2006
Meter_Invest Allocator
Current Costs of Meters

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<u>Classes</u>	<u>Meter Type</u>	<u>Meter Cost</u>	<u>Average Customers</u>	<u>Product (\$000s)</u>
Residential Non-Heat	Residential	247	51,245	12,657
Residential Heat	Residential	247	414,434	102,365
Commercial Non-Heat	Small C-I	1,252	5,604	7,016
Commercial Heat	Small C-I	1,252	19,431	24,328
Industrial Non-Heat	Large C-I	1,878	254	477
Industrial Heat	Large C-I	1,878	606	1,138
Municipal Non-Heat	Small C-I	1,252	335	419
Municipal Heat	Large C-I	1,878	557	1,046
Housing Auth GS	Residential	247	3,458	854
NGV Direct	Large C-I	1,878	1	2
BPS Small	Small C-I	1,252	113	141
BPS Large	Medium Interr	1,724	162	279
BPS A/C	Medium Interr	1,724	8	14
LBS Small- Indirect	Medium Interr	1,724	18	32
LBS Large-Indirect	Large Interr	2,143	6	14
LBS Large-Direct	Large Interr	2,143	1	2
LBS Xlarge-Direct	Turbo	11,253	2	23
LBS Xlarge-Indirect	Large Rotary	3,194	4	13
Co-Gen Indirect	Large Rotary	3,194	3	11
GTS / IT Trans	GTS/IT Avg	7,332	162	1,188
			<u>496,404</u>	<u>152,018</u>

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Philadelphia Gas Works
Class Cost of Service Study - 2006
Service_Invest Allocator
Current Costs of Service Lines

7	<u>Classes</u>	<u>Service</u>	<u>Service Cost</u>	<u>Average</u> <u>Customers</u>	<u>Product</u> <u>(\$000s)</u>
8	Residential Non-Heat	Residential	3,347	51,245	171,516
9	Residential Heat	Residential	3,347	414,434	1,387,110
10	Commercial Non-Heat	Commercial	5,021	5,604	28,134
11	Commercial Heat	Commercial	5,021	19,431	97,555
12	Industrial Non-Heat	Industrial	8,911	254	2,263
13	Industrial Heat	Industrial	8,911	606	5,399
14	Municipal Non-Heat	Commercial	5,021	335	1,682
15	Municipal Heat	Industrial	8,911	557	4,962
16	Housing Auth GS	Residential	3,347	3,458	11,572
17	NGV Direct	Industrial	8,911	1	9
18	BPS Small	Industrial	8,911	113	1,005
19	BPS Large	Large	17,822	162	2,887
20	BPS A/C	Large	17,822	8	143
21	LBS Small- Indirect	Large	17,822	18	327
22	LBS Large-Indirect	Large	17,822	6	113
23	LBS Large-Direct	Large	17,822	1	18
24	LBS Xlarge-Direct	Largest	53,466	2	107
25	LBS Xlarge-Indirect	Largest	53,466	4	214
26	Co-Gen Indirect	Largest	53,466	3	178
27	GTS / IT Trans	Large	17,822	162	2,887
				<u>496,404</u>	<u>1,718,082</u>

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Philadelphia Gas Works
Class Cost of Service Study - 2006
ACCT903 Allocator

6 Listed below is a listing of the subaccounts in Account 903, and the allocation base used for each subaccount.
7 Allocation of the subaccount costs among the rate classes is presented below.

Customer Records & Collection- Account 903	Sub- Account	% Total	Dollars (\$000s)	Sub-Allocator	Descripti on							
10	Commercial Resource Center	903,007	2.1%	558	Cust_Comm	Customer Count- Commercial						
11	Customer Service - District Offices - Labor	903,130	9.0%	2,437	Cust_xL	Cust Count Except Large						
12	Customer Service - District Offices - Supplies & Expense	903,131	2.7%	724	Cust_xL	Cust Count Except Large						
13	Customer Service - Telephone Service - Labor	903,140	27.0%	7,276	Cust_Avg	Customer Count- Average						
14	Customer Service - Telephone Service - Supplies & Expense	903,141	3.3%	882	Cust_Avg	Customer Count- Average						
15	Customer Service - Field & Correspondence - Labor	903,150	0.0%	0	Cust_xL	Cust Count Except Large						
16	Customer Service - Field & Correspondence - Supplies & Expe	903,151	2.2%	606	Cust_xL	Cust Count Except Large						
17	Collection - Field	903,413	10.7%	2,878	Over60-Dol	Accounts Over 60 Days- \$						
18	Collection - Office	903,414	16.4%	4,416	Over60-Dol	Accounts Over 60 Days- \$						
19	Acct Mgmt - Bill Preparation Office	903,416	12.2%	3,280	Cust_Avg	Customer Count- Average						
20	Collection - Revenue Recovery	903,417	0.6%	150	Over60-Dol	Accounts Over 60 Days- \$						
21	Collection - Telephone Training	903,428	0.0%	0	Cust_Avg	Customer Count- Average						
22	Acct Mgmt - Mail Receipts	903,700	5.5%	1,492	Cust_Avg	Customer Count- Average						
23	VP Customer Service Indirect Expenses	903XXX	0.5%	146	Cust_Avg	Customer Count- Average						
24	Account Management	903,710	7.8%	2,112	Cust_Avg	Customer Count- Average						
25			100.0%	26,956								
27	Collection - Revenues - Bill Paid Turn Ons & Dig Ups	903,490	Revenue	(2,757)	Over60-Dol	Accounts Over 60 Days- \$						
28	Account Balance			24,199								
29												
30												
31												
	AMOUNT	<u>Residential Non-Heat</u>	<u>Residential Heat</u>	<u>Commercial Non-Heat</u>	<u>Commercial Heat</u>	<u>Industrial Non-Heat</u>	<u>Industrial Heat</u>	<u>Municipal Non-Heat</u>	<u>Municipal Heat</u>	<u>Housing Auth GS</u>	<u>NGV Direct</u>	
33	Cust_Avg	15,187.6	1,567.8	12,679.7	171.5	594.5	7.8	18.5	10.2	17.0	105.8	0.0
34	Cust_xL	3,766.5	389.2	3,147.6	42.6	147.6	1.9	4.6	2.5	4.2	26.3	0.0
35	Over60-Dol	7,444.3	460.8	6,228.7	96.8	382.6	14.1	32.8	4.5	14.9	186.1	0.0
36	Cust_Comm	558.0	0.0	0.0	124.9	433.1	0.0	0.0	0.0	0.0	0.0	0.0
37	Acct903 Allocator	26,956.4	2,417.8	22,056.0	435.7	1,557.8	23.8	55.9	17.3	36.2	318.2	0.0
38												
		<u>BPS Small</u>	<u>BPS Large</u>	<u>BPS A/C</u>	<u>LBS Small- Indirect</u>	<u>LBS Large- Indirect</u>	<u>LBS Large- Direct</u>	<u>LBS Xlarge- Direct</u>	<u>LBS Xlarge- Indirect</u>	<u>Co-Gen Indirect</u>	<u>GTS / IT Trans</u>	
39												
40	Cust_Avg	3.5	5.0	0.2	0.6	0.2	0.0	0.1	0.1	0.1	5.0	
41	Cust_xL	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
42	Over60-Dol	19.4	0.0	0.0	0.0	0.0	2.2	0.0	0.0	0.0	1.5	
43	Cust_Comm	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
44	Acct903 Allocator	22.8	5.0	0.2	0.6	0.2	2.3	0.1	0.1	0.1	6.4	

Philadelphia Gas Works
 Class Cost of Service Study - 2006
 METERREAD Allocator

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<u>Customer Accounts Expenses - Meter Reading Expenses</u>	<u>Subaccount</u>	<u>% Total</u>	<u>Dollars (\$000s)</u>	<u>SubAllocator</u>	<u>Description</u>
Meter Reading Scrap/Special	902,412	52.7%	918	Tariff_Rev	Tariff Revenue
Meter Reading AMR Program	902,415	47.3%	824	Cust_Avg	Customer Count- Average
Account Balance		100.0%	1,742		

	2	3	4	5	6	7	8	9	10	11	
<u>AMOUNT</u>	<u>Residential Non-Heat</u>	<u>Residential Heat</u>	<u>Commercial Non-Heat</u>	<u>Commercial Heat</u>	<u>Industrial Non-Heat</u>	<u>Industrial Heat</u>	<u>Municipal Non-Heat</u>	<u>Municipal Heat</u>	<u>Housing Auth GS</u>	<u>NGV Direct</u>	
Tariff_Rev	917.8	29.6	635.4	28.1	138.2	5.6	12.0	4.0	15.0	13.6	0.0
Cust_Avg	824.2	85.1	688.1	9.3	32.3	0.4	1.0	0.6	0.9	5.7	0.0
METERREAD Allocator	1,742.0	114.6	1,323.5	37.4	170.5	6.0	13.0	4.5	15.9	19.3	0.0

	<u>BPS Small</u>	<u>BPS Large</u>	<u>BPS A/C</u>	<u>LBS Small-Indirect</u>	<u>LBS Large-Indirect</u>	<u>LBS Large-Direct</u>	<u>LBS Xlarge-Direct</u>	<u>LBS Xlarge-Indirect</u>	<u>Co-Gen Indirect</u>	<u>GTS / IT Trans</u>	
Tariff_Rev		2.3	23.3	1.0	5.4	3.6	0.2	0.0	0.5	0.2	0.0
Cust_Avg		0.2	0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.3
METERREAD Allocator		2.5	23.6	1.0	5.4	3.6	0.2	0.0	0.5	0.2	0.3

Philadelphia Gas Works
 Class Cost of Service Study - 2006
 Account Aging
 Accounts Receivable Aging by Customer Class

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Aging as of 06/30/2006 (\$000s)

Classes	Arrears 0-	Arrears 31-	Arrears 61-	Arrears 91-	Total Over	% Over60-D	% Over60-	OVER60-D
	30	60	90	Up	60	Total	D Prior COS	Allocator
8 Residential Non-Heat	1,240	1,182	1,093	8,498	9,591	4.1%	8.3%	6.19%
9 Residential Heat	24,918	25,061	26,065	180,103	206,168	88.6%	78.7%	83.67%
10 Commercial Non-Heat	1,746	801	414	1,218	1,632	0.7%	1.9%	1.30%
11 Commercial Heat	3,800	2,016	2,229	6,353	8,582	3.7%	6.6%	5.14%
12 Industrial Non-Heat	216	73	44	278	323	0.1%	0.2%	0.19%
13 Industrial Heat	313	230	182	468	650	0.3%	0.6%	0.44%
14 Municipal Non-Heat	137	182	284	0	284	0.1%	0.0%	0.06%
15 Municipal Heat	223	375	923	27	950	0.4%	0.0%	0.20%
16 Housing Auth GS	144	391	1,419	1,554	2,973	1.3%	3.7%	2.50%
17 NGV Direct	1	0	0	0	0	0.0%	0.0%	0.00%
18 BPS Small	547	460	273	947	1,220	0.5%	0.0%	0.26%
19 BPS Large					0	0.0%	0.0%	0.00%
20 BPS A/C					0	0.0%	0.0%	0.00%
21 LBS Small- Indirect					0	0.0%	0.0%	0.00%
22 LBS Large-Indirect					0	0.0%	0.0%	0.00%
23 LBS Large-Direct	954	284	126	13	139	0.1%	0.0%	0.03%
24 LBS Xlarge-Direct					0	0.0%	0.0%	0.00%
25 LBS Xlarge-Indirect					0	0.0%	0.0%	0.00%
26 Co-Gen Indirect	0	0	0	0	0	0.0%	0.0%	0.00%
27 GTS / IT Trans	582	146	41	37	78	0.0%	0.0%	0.02%
28 Total	<u>34,818</u>	<u>31,200</u>	<u>33,094</u>	<u>199,497</u>	<u>232,590</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.00%</u>

Philadelphia Gas Works
Class Cost of Service Study - 2006
Write-Offs
 Actual Write-Off Dollars

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<u>Classes</u>	<u>WRITE OFF</u> <u>FY 2006 (A)</u>	<u>FY 2006 %</u> <u>Write-Off</u>	<u>WRITE OFF</u> <u>FY 2001</u>	<u>FY 2001 %</u> <u>Write-Off</u>	<u>WRITE OFF</u> <u>FY 1988</u>	<u>FY 1998 %</u> <u>Write-Off</u>	<u>WRITE OFF</u> <u>Allocator</u>
8 Residential Non-Heat	4,202	7.1%	2,709	8.6%	2,860	8.5%	8.0%
9 Residential Heat	53,061	89.3%	26,190	82.8%	27,452	81.6%	84.6%
10 Commercial Non-Heat	421	0.7%	485	1.5%	496	1.5%	1.2%
11 Commercial Heat	1,464	2.5%	1,605	5.1%	1,775	5.3%	4.3%
12 Industrial Non-Heat	145	0.2%	54	0.2%	28	0.1%	0.2%
13 Industrial Heat	96	0.2%	409	1.3%	246	0.7%	0.7%
14 Municipal Non-Heat		0.0%	0	0.0%	0	0.0%	0.0%
15 Municipal Heat		0.0%	0	0.0%	0	0.0%	0.0%
16 Housing Auth GS		0.0%	189	0.6%	777	2.3%	1.0%
17 NGV Direct		0.0%	0	0.0%	0	0.0%	0.0%
18 BPS Small	26	0.0%	0	0.0%	0	0.0%	0.0%
19 BPS Large		0.0%	0	0.0%	0	0.0%	0.0%
20 BPS A/C		0.0%	0	0.0%	0	0.0%	0.0%
21 LBS Small- Indirect		0.0%	0	0.0%	0	0.0%	0.0%
22 LBS Large-Indirect		0.0%	0	0.0%	0	0.0%	0.0%
23 LBS Large-Direct		0.0%	0	0.0%	0	0.0%	0.0%
24 LBS Xlarge-Direct		0.0%	0	0.0%	0	0.0%	0.0%
25 LBS Xlarge-Indirect		0.0%	0	0.0%	0	0.0%	0.0%
26 Co-Gen Indirect		0.0%	0	0.0%	0	0.0%	0.0%
27 GTS / IT Trans		0.0%	0	0.0%	0	0.0%	0.0%
28 Total	59,414	100.0%	31,641	100.0%	33,633	100.0%	100.0%

29
 30 (A) Actual Write-Off Dollars for 10 Months ending June 2006
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Philadelphia Gas Works
 Class Cost of Service Study - 2006
 GTS-DIR-MAINS, GTS-DIR-EXP, GTS-DIR-ACCDEP

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TOTAL (\$000s)

Allocator Name

GTS-Dir-Mains

Directly Assigned Cost of Mains:

Customer #1	7,292
Customer #2	1,654
Customer #3	<u>128</u>
Original Cost	9,074
Contribution received	(1,500)
	<u><u>7,574</u></u>

The cost of Mains installed for individual customers is directly assigned.

GTS-Dir-DeprExp

Depreciation expense, 10 year contract	757
Depreciation expense, 45 years average	<u>168</u>
	<u><u>589</u></u>

Depreciation expense for these Mains is adjusted to account for the 10-year contracts with the customers.

Depreciation life usually used for Mains is approximately 45-years.

GTS-Dir-AccDep

Annual difference in Depreciaton expense	589
Number of years- 8 (through FYE 2007)	<u>4,713</u>
	<u><u>4,713</u></u>

Acumulated Depreciation on the Mains is adjusted to reflect the approximately 3 years that the Mains are in service.

**Philadelphia Gas Works
Class Cost of Service Study - 2006
Tariff Revenue at Current Rates**

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	Test Year 2007			Current PUC Approved Tariff Rates					Amounts in \$000s					Total Full Tariff Revenue	
	No. of Customers	No. of Annual Bills	Annual Sales (mcf)	Monthly Cust. Charge	GCR Charge	Univ. Service Charge	Restr. and Cons. Educ. Charge	Delivery Charge	Cust. Charge Revenue	GCR Charge Revenue	Univ. Service Charge Revenue	Restr. and Cons. Educ. Charge Revenue	Delivery Charge Revenue		
6 Non-Heating:															
7 Residential	47,922	575,067	1,387,356	\$12.00	\$10.9709	\$2.5387	\$0.0655	\$4.2124	6,901	15,221	3,522	91	5,844	31,578	
8 Residential-Senior	3,322	39,868	74,732	\$12.00	\$10.9709	\$2.5387	\$0.0655	\$4.2124	478	820	190	5	315	1,808	
9 Commercial	5,604	67,247	1,705,062	\$18.00	\$10.9709	\$2.5387	\$0.0655	\$4.3056	1,210	18,706	4,329	112	7,341	31,698	
10 Industrial	254	3,048	345,261	\$50.00	\$10.9709	\$2.5387	\$0.0655	\$4.3029	152	3,788	877	23	1,486	6,325	
11 Municipal/MS	335	4,020	262,687	\$18.00	\$10.9709	\$2.5387	\$0.0655	\$3.1470	72	2,882	667	17	827	4,465	
12 NGV	<u>1</u>	<u>12</u>	<u>367</u>	\$35.00	\$10.9709	\$2.5387	\$0.0655		<u>0</u>	<u>4</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>5</u>	
13 Total Non-Heat Firm	57,439	689,262	3,775,465						8,815	41,420	9,585	247	15,813	75,880	
14 Heating:															
15 Residential	369,201	4,430,417	32,855,506	\$12.00	\$10.9709	\$2.5387	\$0.0655	\$4.2124	53,165	360,455	83,410	2,152	138,401	637,583	
16 Residential-Senior	45,232	542,788	4,151,233	\$12.00	\$10.9709	\$2.5387	\$0.0655	\$4.2124	6,513	45,543	10,539	272	17,487	80,354	
17 Commercial	19,431	233,177	8,498,417	\$18.00	\$10.9709	\$2.5387	\$0.0655	\$4.3056	4,197	93,235	21,575	557	36,591	156,155	
18 Industrial	606	7,271	734,898	\$50.00	\$10.9709	\$2.5387	\$0.0655	\$4.3029	364	8,063	1,866	48	3,162	13,502	
19 Municipal/MS	557	6,682	1,006,599	\$18.00	\$10.9709	\$2.5387	\$0.0655	\$3.1470	120	11,043	2,555	66	3,168	16,953	
20 PHA Rate 8	780	9,354	548,297	\$18.00	\$10.9709	\$2.5387	\$0.0655	\$4.2952	168	6,015	1,392	36	2,355	9,967	
21 PHA/GS	2,577	30,924	270,534	\$12.00	\$10.9709	\$2.5387	\$0.0655	\$4.2124	371	2,968	687	18	1,140	5,183	
22 PHA/GS- Senior	<u>101</u>	<u>1,212</u>	<u>10,840</u>	\$12.00	\$10.9709	\$2.5387	\$0.0655	\$4.2124	<u>15</u>	<u>119</u>	<u>28</u>	<u>1</u>	<u>46</u>	<u>207</u>	
23 Total HeatFirm	438,485	5,261,825	48,076,324						64,913	527,441	122,051	3,149	202,348	919,903	
24 Total Heating & Non-Heating Firm	495,924	5,951,087	51,851,789						73,728	568,861	131,636	3,396	218,161	995,783	
25 Interruptible:															
26 BPS, SMALL	113	1,354	162,977	\$35.00	\$15.6414				47				2,549	2,597	
27 BPS, LARGE	162	1,944	1,930,441	\$75.00	\$13.5573				146				26,172	26,317	
28 BPS, A/C	8	96	109,062	\$35.00	\$10.1585				3				1,108	1,111	
29 LBS-S, INDIRECT	18	220	528,264	\$100.00	\$11.4126				22				6,029	6,051	
30 LBS-L, INDIRECT	6	76	374,982	\$175.00	\$10.8689				13				4,076	4,089	
31 LBS-L, DIRECT	1	12	20,547	\$175.00	\$10.6121				2				218	220	
32 LBS-XL, DIRECT	2	24	2,281	\$250.00	\$10.4980				6				24	30	
33 LBS-XL, INDIRECT	4	48	54,119	\$250.00	\$10.8419				12				587	599	
34 CO-GEN	<u>3</u>	<u>40</u>	<u>15,833</u>	\$250.00	\$10.2449				<u>10</u>				<u>162</u>	<u>172</u>	
35 Total Interruptible	318	3,814	3,198,506						262				40,924	41,186	
36 Total PGW	<u>496,242</u>	<u>5,954,901</u>	<u>55,050,295</u>						<u>73,990</u>	<u>568,861</u>	<u>131,636</u>	<u>3,396</u>	<u>259,085</u>	<u>1,036,969</u>	
37 GTS / IT Revenue														7,256	
38 Rounding difference															(98)
39 Current Tariff Revenue at Full Tariff Rates															<u>1,044,127</u>

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1 Philadelphia Gas Works
 2 Class Cost of Service Study - 2006
 3 Tariff Revenue at Company's Proposed Rates
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	Test Year 2007			Company's Proposed Tariff Rates				Amounts in \$000s					
	No. of Customers	No. of Annual Bills	Annual Sales (mcf)	Monthly Cust. Charge	GCR Charge	Univ. Service Charge	Delivery Charge	Cust. Charge Revenue	GCR Charge Revenue	Univ. Service Charge Revenue	Delivery Charge Revenue	Total Full Tariff Revenue	
6													
7 Non-Heating:													
8 Residential	47,922	575,067	1,387,356	\$12.00	\$10.9709	\$2.5387	\$6.0799	6,901	15,221	3,522	8,435	34,078	
9 Residential-Senior	3,322	39,868	74,732	\$12.00	\$10.9709	\$2.5387	\$6.0799	478	820	190	454	1,942	
10 Commercial	5,604	67,247	1,705,062	\$18.00	\$10.9709	\$2.5387	\$6.7944	1,210	18,706	4,329	11,585	35,830	
11 Industrial	254	3,048	345,261	\$50.00	\$10.9709	\$2.5387	\$6.0749	152	3,788	877	2,097	6,914	
12 Municipal/MS	335	4,020	262,687	\$18.00	\$10.9709	\$2.5387	\$4.9416	72	2,882	667	1,298	4,919	
13 NGV	<u>1</u>	<u>12</u>	<u>367</u>	\$35.00	\$10.9709	\$2.5387	\$0.9254	<u>0</u>	<u>4</u>	<u>1</u>	<u>0</u>	<u>6</u>	
14 Total Non-Heat Firm	57,439	689,262	3,775,465					8,815	41,420	9,585	23,870	83,690	
15													
16 Heating:													
17 Residential	369,201	4,430,417	32,855,506	\$12.00	\$10.9709	\$2.5387	\$6.0799	53,165	360,455	83,410	199,758	696,788	
18 Residential-Senior	45,232	542,788	4,151,233	\$12.00	\$10.9709	\$2.5387	\$6.0799	6,513	45,543	10,539	25,239	87,834	
19 Commercial	19,431	233,177	8,498,417	\$18.00	\$10.9709	\$2.5387	\$6.7944	4,197	93,235	21,575	57,742	176,749	
20 Industrial	606	7,271	734,898	\$50.00	\$10.9709	\$2.5387	\$6.0749	364	8,063	1,866	4,464	14,756	
21 Municipal/MS	557	6,682	1,006,599	\$18.00	\$10.9709	\$2.5387	\$4.9416	120	11,043	2,555	4,974	18,693	
22 PHA Rate 8	780	9,354	548,297	\$18.00	\$10.9709	\$2.5387	\$6.6390	168	6,015	1,392	3,640	11,216	
23 PHA/GS	2,577	30,924	270,534	\$12.00	\$10.9709	\$2.5387	\$6.0799	371	2,968	687	1,645	5,671	
24 PHA/GS- Senior	<u>101</u>	<u>1,212</u>	<u>10,840</u>	\$12.00	\$10.9709	\$2.5387	\$6.0799	<u>15</u>	<u>119</u>	<u>28</u>	<u>66</u>	<u>227</u>	
25 Total HeatFirm	438,485	5,261,825	48,076,324	34%				64,913	527,441	122,051	297,528	1,011,934	
26													
27 Total Heating & Non-Heating Firm	495,924	5,951,087	51,851,789					73,728	568,861	131,636	321,399	1,095,624	
28													
29													
30 Interruptible:													
31 BPS, SMALL	113	1,354	162,977	\$43.06	\$15.6414			58			2,549	2,607	
32 BPS, LARGE	162	1,944	1,930,441	\$92.27	\$13.5573			179			26,172	26,351	
33 BPS, A/C	8	96	109,062	\$43.06	\$10.1585			4			1,108	1,112	
34 LBS-S, INDIRECT	18	220	528,264	\$123.02	\$11.4126			27			6,029	6,056	
35 LBS-L, INDIRECT	6	76	374,982	\$215.29	\$10.8689			16			4,076	4,092	
36 LBS-L, DIRECT	1	12	20,547	\$215.25	\$10.6121			3			218	221	
37 LBS-XL, DIRECT	2	24	2,281	\$307.54	\$10.4980			7			24	31	
38 LBS-XL, INDIRECT	4	48	54,119	\$307.56	\$10.8419			15			587	602	
39 CO-GEN	<u>3</u>	<u>40</u>	<u>15,833</u>	\$307.55	\$10.2449			<u>12</u>			<u>162</u>	<u>175</u>	
40 Total Interruptible	318	3,814	3,198,506					322			40,924	41,246	
41 Total PGW	<u>496,242</u>	<u>5,954,901</u>	<u>55,050,295</u>					<u>74,051</u>	<u>568,861</u>	<u>131,636</u>	<u>0</u>	<u>362,323</u>	<u>1,136,871</u>
42 GTS / IT Revenue												7,256	
43													
44 Proposed Tariff Revenue at Full Tariff Rates												<u>1,144,126</u>	

Exhibit HSG-7

Company's Proposed Revenue Allocation and Proposed Rates

Exhibit HSG-7A	Company's Tentative Revenue Allocation
Exhibit HSG-7B	Development of Company's Proposed Delivery Charges
Exhibit HSG-7C	Results of Company's Proposed Rates

Philadelphia Gas Works
 Class Cost of Service Study - 2006
 Future Test Year Ended August 31, 2007 (\$000s)

	Total	Residential Non-Heat RC-1	Residential Heat RC-2	Commercial Non-Heat RC-3	Commercial Heat RC-4	Industrial Non-Heat RC-5	Industrial Heat RC-6	Municipal Non-Heat RC-7	Municipal Heat RC-8	Floussing Avg GS RC-9	NGV Direct RC-10
<u>Company's Tentative Revenue Allocation</u>											
8 <u>Tariff Revenue at Present Rates</u>											
9 Customer Charge	73,990	7,379	59,678	1,210	4,197	152	364	72	120	554	0
10 Delivery Charge / RCEC	221,459	6,250	158,239	7,450	37,134	1,508	3,209	844	3,233	3,593	0
11 USEC	131,636	3,712	93,949	4,329	21,575	877	1,866	667	2,555	2,106	1
12 Gas Revenue / Transport	617,042	16,040	405,998	18,706	93,235	3,788	8,063	2,882	11,043	9,102	4
13 Full tariff gas revenue at current rates	<u>1,044,127</u>	<u>33,382</u>	<u>717,864</u>	<u>31,695</u>	<u>156,141</u>	<u>6,324</u>	<u>13,501</u>	<u>4,465</u>	<u>16,952</u>	<u>15,356</u>	<u>5</u>
14											
15 <u>Tentative Revenue Allocation</u>											
16 Customer Charge	74,051	7,379	59,678	1,210	4,197	152	364	72	120	554	0
17 Delivery Charge / RCEC	321,399	12,201	221,522	11,020	58,306	1,770	4,792	1,393	4,879	5,515	0
18 USEC	131,636	3,712	93,949	4,329	21,575	877	1,866	667	2,555	2,106	1
19 Gas Revenue	617,042	16,040	405,998	18,706	93,235	3,788	8,063	2,882	11,043	9,102	4
20 Full tariff gas revenue at proposed rates	<u>1,144,127</u>	<u>39,332</u>	<u>781,147</u>	<u>35,265</u>	<u>177,314</u>	<u>6,587</u>	<u>15,084</u>	<u>5,014</u>	<u>18,598</u>	<u>17,278</u>	<u>6</u>
21											
22 Rate Base	<u>1,409,193</u>	<u>79,935</u>	<u>1,032,360</u>	<u>32,300</u>	<u>164,494</u>	<u>4,956</u>	<u>12,439</u>	<u>4,183</u>	<u>17,057</u>	<u>15,789</u>	<u>6</u>
23											
24 <u>Distributin Revenue (Delivery Charge and Customer Charge)</u>											
25 Tentative Revenue Allocation	395,450	19,580	281,200	12,231	62,504	1,922	5,156	1,466	4,999	6,069	1
26 Revenue at Present Rates	<u>295,449</u>	<u>13,629</u>	<u>217,917</u>	<u>8,661</u>	<u>41,331</u>	<u>1,660</u>	<u>3,573</u>	<u>916</u>	<u>3,353</u>	<u>4,147</u>	<u>0</u>
27 Tentative Increase	100,000	5,950	63,283	3,570	21,173	262	1,583	550	1,647	1,922	0
28											
29 <u>Interest Before Income and Surplus- Present Rates</u>											
30 Present Rates	81,646	(1,954)	47,034	4,757	20,001	1,015	1,492	521	1,469	2,148	(0)
31 Tentative Revenue Allocation	181,647	3,997	110,317	8,327	41,173	1,278	3,075	1,071	3,116	4,070	0
32											
33 <u>Return on Rate Base</u>											
34 Present Rates	5.79%	(2.44%)	4.56%	14.73%	12.16%	20.49%	12.00%	12.45%	8.61%	13.61%	(0.11%)
35 Tentative Revenue Allocation	12.89%	5.00%	10.69%	25.78%	25.03%	25.78%	24.72%	25.59%	18.27%	25.78%	5.00%
36											
37 <u>Relative Rates of Return on Rate Base</u>											
38 Present Rates	100.0%	(42.2%)	78.6%	254.2%	209.9%	353.6%	207.1%	215.0%	148.6%	234.9%	(1.9%)
39 Tentative Revenue Allocation	100.0%	38.8%	82.9%	200.0%	194.2%	200.0%	191.8%	198.6%	141.7%	200.0%	38.8%
40											
41 Progress Toward Unity		57.0%	20.0%	35.1%	14.3%	60.6%	14.3%	14.3%	14.3%	25.8%	39.9%
42 Constraint		Min. 5% Return	20% Progress Toward Unity	Max. 2X System Avg Ret.	Max. Progress Toward Unity	Max. 2X System Avg Ret.	Max. Progress Toward Unity	Max. Progress Toward Unity	Max. Progress Toward Unity	Max. 2X System Avg Ret.	Min. 5% Return

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Development of Company's Proposed Delivery Charges
Based on Tentative Revenue Allocation

	Tentative Revenue Allocation	Annual Sales (mcf)	Proposed Delivery Charge Rate (\$ / mcf)
Residential:			
Residential Non-Heating	12,201	1,387,356	
Residential Non-Heating-Senior		74,732	
Residential Heating	221,522	32,855,506	
Residential Heating-Senior		4,151,233	
PHA/GS (a)	1,875	270,534	
PHA/GS- Senior (a)		10,840	
	<u>235,598</u>	<u>38,750,201</u>	<u>\$6.0799</u>
Commercial:			
Commercial Non-Heat	11,020	1,705,062	
Commercial Heat	58,306	8,498,417	
	<u>69,327</u>	<u>10,203,479</u>	<u>\$6.7944</u>
Industrial:			
Industrial Non-Heat	1,770	345,261	
Industrial Heat	4,792	734,898	
	<u>6,562</u>	<u>1,080,159</u>	<u>\$6.0749</u>
Municipal:			
Municipal Non-Heat	1,393	262,687	
Municipal Heat	4,879	1,006,599	
	<u>6,272</u>	<u>1,269,286</u>	<u>\$4.9416</u>
NGV	<u>0,340</u>	<u>367</u>	<u>\$0.9254</u>
PHA Rate 8 (a)	<u>3,640</u>	<u>548,297</u>	<u>\$6.6390</u>

(a) Tentative Revenue Allocation of \$5,515 split based on sales volumes.

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Results of Company's Proposed Rates

	Total	<u>Residential</u> Non-Heat RC-1	<u>Residential</u> Heat RC-2	<u>Commercial</u> Non-Heat RC-3	<u>Commercial</u> Heat RC-4	<u>Industrial</u> Non-Heat RC-5	<u>Industrial</u> Heat RC-6
<u>Income (before Interest and Surplus)- Company's Proposed Rates</u>							
9 Full Tariff Revenues at Proposed Rates	1,144,126	36,021	784,622	35,830	176,749	6,914	14,756
10 Full Tariff Revenues at Present Rates	<u>1,044,127</u>	<u>33,382</u>	<u>717,864</u>	<u>31,695</u>	<u>156,141</u>	<u>6,324</u>	<u>13,501</u>
11 Increase in Full Tariff Revenue	100,000	2,639	66,758	4,135	20,608	590	1,255
12 Income before Interest and Surplus- Present Rates	81,646	(1,954)	47,034	4,757	20,001	1,015	1,492
13 Income before Interest and Surplus- Proposed Rates	181,646	685	113,792	8,892	40,609	1,605	2,748
15 Rate Base	1,409,193	79,935	1,032,360	32,300	164,494	4,956	12,439
<u>Return on Rate Base at Company's Proposed Rates (Before Interest and Surplus)</u>							
18 Return on Rate Base- Proposed Rates	12.89%	0.86%	11.02%	27.53%	24.69%	32.39%	22.09%
19 Return on Rate Base- Present Rates	5.79%	(2.44%)	4.56%	14.73%	12.16%	20.49%	12.00%
21 Relative Rate of Return- Proposed Rates	100%	7%	86%	214%	192%	251%	171%
22 Relative Rate of Return- Present Rates	100%	(42%)	79%	254%	210%	354%	207%
23 Progress Toward Unity		34%	32%	26%	17%	40%	33%
25 Subsidy- Proposed Rates	(0)	(9,618)	(19,280)	4,728	19,405	966	1,144
26 Subsidy- Present Rates	(0)	(6,585)	(12,779)	2,886	10,470	728	772
28 % Increase in Full Tariff Revenue at Proposed Rates	9.6%	7.9%	9.3%	13.0%	13.2%	9.3%	9.3%
29 % Increase in Non-Gas Tariff Revenue at Proposed Rates	23.0%	15.2%	21.4%	31.8%	32.8%	23.2%	23.1%
30 % Increase in Distribution Revenue at Proposed Rates	33.8%	19.4%	30.6%	47.7%	49.9%	35.5%	35.1%

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Results of Company's Proposed Rates

	Total	<u>Municipal</u> <u>Non-Heat</u> RC-7	<u>Municipal</u> <u>Heat</u> RC-8	<u>Housing</u> <u>Auth.</u> <u>GS</u> RC-9	<u>NGV</u> <u>Direct</u> RC-10	<u>BPS</u> <u>Small</u> RC-11	<u>BPS</u> <u>Large</u> RC-12	<u>BPS</u> <u>A/C</u> RC-13
<u>Income (before Interest and Surplus)- Company's Proposed Rates</u>								
9 Full Tariff Revenues at Proposed Rates	1,144,126	4,919	18,693	17,113	6	2,607	26,351	1,112
10 Full Tariff Revenues at Present Rates	<u>1,044,127</u>	<u>4,465</u>	<u>16,952</u>	<u>15,356</u>	<u>5</u>	<u>2,597</u>	<u>26,317</u>	<u>1,111</u>
11 Increase in Full Tariff Revenue	100,000	455	1,742	1,758	0	11	34	1
12 Income before Interest and Surplus- Present Rates	81,646	521	1,469	2,148	(0)	503	2,181	(234)
13 Income before Interest and Surplus- Proposed Rates	181,646	975	3,211	3,906	0	514	2,215	(233)
15 Rate Base	1,409,193	4,183	17,057	15,789	6	2,224	20,547	842
<u>Return on Rate Base at Company's Proposed Rates (Before Interest and Surplus)</u>								
18 Return on Rate Base- Proposed Rates	12.89%	23.32%	18.82%	24.74%	5.00%			
19 Return on Rate Base- Present Rates	5.79%	12.45%	8.61%	13.61%	(0.11%)			
21 Relative Rate of Return- Proposed Rates	100%	181%	146%	192%	39%			
22 Relative Rate of Return- Present Rates	100%	215%	149%	235%	(2%)			
23 Progress Toward Unity		30%	5%	32%	40%			
25 Subsidy- Proposed Rates	(0)	436	1,012	1,871	(0)	227	(433)	(342)
26 Subsidy- Present Rates	(0)	279	481	1,234	(0)	374	991	(283)
28 % Increase in Full Tariff Revenue at Proposed Rates	9.6%	10.2%	10.3%	11.4%	5.8%	0.4%	0.1%	0.1%
29 % Increase in Non-Gas Tariff Revenue at Proposed Rates	23.0%	28.7%	29.5%	28.1%	23.0%	23.1%	23.1%	23.1%
30 % Increase in Distribution Revenue at Proposed Rates	33.8%	49.6%	51.9%	42.4%	71.1%	23.1%	23.1%	23.1%

Exhibit HSG-8

Interruptible Transportation Cost of Service Analysis

Philadelphia Gas Works
Class Cost of Service Study - 2006
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Interruptible Transportation Cost of Service Analysis

Exhibit HSG-8

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	Source	GTS	IT-3	IT-5/ IT-6 / IT-8	Others	Total	
7 Sales, Revenue and Customer Data							
8	Thruput mcf	Company provided	9,065,383	1,555,786	2,565,950	136,167	13,323,286
9	Revenue	Company provided	2,224	2,650	2,174	208	7,256
10	Meters	Company provided	8	89	51	14	162
12 Unit Margins							
13	Average rate per mcf Thruput	Line 9 / Line 8	\$ 0.2454	\$ 1.7032	\$ 0.8472	\$ 1.5244	\$ 0.5446
14	Unit Costs per mcf	Line 42 / Line 8	\$ 0.3554	\$ 0.5872	\$ 0.3635	\$ 0.8604	\$ 0.3892
15	Unit Margin (Loss) per mcf		\$ (0.1101)	\$ 1.1161	\$ 0.4836	\$ 0.6640	\$ 0.1554
16	Total Margin (Loss)		(998)	1,736	1,241	90	2,070
17	Margin		(45%)	66%	57%	44%	29%
19 Allocation of Rate Base and Revenue Requirement							
<u>Allocation Basis</u>							
21 Rate Base:							
22	Mains- Direct Assignment, net	Direct	2,861				2,861
24	Mains- Customer Component, net	Meters	104	1,155	662	182	2,103
25	Mains- Demand Component, net	Thruput	4,293	737	1,215	64	6,310
26	Services and Meters, net	Meters	73	807	463	127	1,469
27	Rate Base excluding Direct		4,470	2,699	2,340	373	9,882
29	Balance of Rate Base	Rate Base excl. Direct	478	288	250	40	1,056
30	Total Rate Base		7,809	2,988	2,590	413	13,799
32 Revenue Requirement:							
33	Depreciation expense- Direct	Direct	589				589
34	Depreciation expense- Other	Rate Base excl. Direct	275	166	144	23	607
36	Demand-related operating expenses	Thruput	1,104	189	313	17	1,623
37	Customer-related operating expenses	Meters	10	109	63	17	199
38	Operating costs		1,114	299	375	34	1,821
40	Administrative & General expenses	Operating Costs	238	64	80	7	389
41	Interest and Surplus; Rate increase	Rate Base	1,007	385	334	53	1,779
42	Total Revenue Requirement		3,222	914	933	117	5,186
44 Allocation Bases							
45	Thruput mcf %	Line 8	68.04%	11.68%	19.26%	1.02%	100.00%
46	Meters %	Line 10	4.94%	54.94%	31.48%	8.64%	100.00%
47	Rate Base excluding Direct %	Line 27	45.23%	27.32%	23.68%	3.78%	100.00%
48	Total Rate Base %	Line 30	56.59%	21.65%	18.77%	2.99%	100.00%
49	Operating Costs	Line 38	61.16%	16.40%	20.59%	1.85%	100.00%