

Deanne M. O'Dell
717.255.3744
dodell@eckertseamans.com

August 28, 2015

Via Hand Delivery

Rosemary Chiavetta, Secretary
PA Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

Re: Pa. PUC v. Philadelphia Gas Works (4th Quarter 2014-2015 GCR Filing)
R-2014-2404355; and
Pa. PUC v. Philadelphia Gas Works (2015-2016 GCR Compliance Tariffs)
R-2015-2465656

Dear Secretary Chiavetta:

Enclosed please find the following tariff supplements and supporting schedules:

- 1) PGW Gas Service Tariff, Pa. P.U.C. No. 2 Supplement 86;¹
- 2) PGW Gas Supplier Tariff, Pa. P.U.C. No. 1, Supplement No. 62.

These supplements are being filed to implement PGW's 4th Quarter 2014-2015 Gas Cost Rate ("GCR") and PGW's compliance with the Commission's Order entered July 8, 2015 at Docket No. R-2015-2465656 approving PGW's 2015-2016 GCR. The tariff supplements are to become effective on September 1, 2015.

The tariff supplements and supporting schedules are also included in the attached CD.

Sincerely,



Deanne M. O'Dell

DMO/lww

Enclosure

cc: Cert. of Service w/enc
Raquel Guzman, VP Legal & Associate General Counsel, PGW
Erin Laudenslager, (elaudensla@pa.gov).

¹ PGW is reserving Tariff Supplement No. 85 for a filing that will be forthcoming.

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SUPPORTING SCHEDULES

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**SEPTEMBER 1, 2015
4TH QUARTER GCR FILING**

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**SEPTEMBER 1, 2015
4TH QUARTER GCR FILING**

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Philadelphia Gas Works

Levelized Gas Cost Rate

4th Qtr Filing - September 1, 2015

Formula:

$$\text{GCR} = \text{SSC} + \text{GAC} - \text{IRC}$$

where:

	<u>Demand</u>	<u>Commodity</u>	<u>Total</u>	
S = Firm Sales (Mcf)			45,853,382	Schedule 2
Net Natural Gas Expense	\$ 58,220,175	\$ 138,113,137	\$ 196,333,312	Schedule 3
Purchased Electric & Misc Expenses	\$ -	\$ 840,016	\$ 840,016	
C = Total Applicable GCR Expense	\$ 58,220,175	\$ 138,953,153	\$ 197,173,328	
SSC = C / S	\$ 1.2697	\$ 3.0304	\$ 4.3001	
Adjustment For:				
E-Factor Volumes (Mcf)			46,583,525	
Interest	\$ (496,490)	\$ 264,715	\$ (231,774)	Schedule 5(b)
E-Factor Reconciliation	\$ (4,127,604)	\$ (4,406,539)	\$ (8,534,143)	Schedule 4(b)(c)
	\$ (4,624,093)	\$ (4,141,824)	\$ (8,765,917)	
E = E-Factor	\$ (0.0993)	\$ (0.0889)	\$ (0.1882)	
Interruptible Revenue Credit			\$ 35,928	Schedule 10(a)
IRC = Interruptible Revenue Credit / S			\$ 0.0008	
Net Applicable GCR Expenses = C + E - Interruptible Revenue Credit			\$ 188,371,483	
<u>GCR = SSC + GAC - IRC</u>			\$ 4.1111	
SSC in effect 9/01/15	\$ 1.2586	\$ 3.0040	\$ 4.2626	
GAC in effect 9/01/15	\$ (0.0999)	\$ (0.0895)	\$ (0.1894)	
IRC in effect 9/01/15			\$ (0.0008)	
GCR in effect 9/01/15			\$ 4.0724	Schedule 7
Recovery Test on:				
Firm Sales (Mcf)			45,853,382	
= GCR Projected Recovery		\$	186,642,652	
= Load Balancing Revenue		\$	1,091,440	
= LNG Sales Demand Revenue		\$	640,564	
= Total Projected Recovery		\$	188,374,655	Schedule 7
Compared To				
Net Applicable GCR Expenses		\$	188,371,483	
= Net Over/(Under) Recovery		\$	3,173	
Degree Days			4,237	

Philadelphia Gas Works

Price To Compare (\$ / MCF)

September 1, 2015

	GCR	GCA	SSC	MFC	MFC Charge	GPC Charge	GAC	Price to Compare
	1	2	3 = (1 - 2)	4	5 = (1 * 4)	6	7	8 = (3 + 5 + 6 + 7)
Residential GS	\$4.0724	(\$0.1902)	\$4.2626	4.68%	\$0.1906	\$0.0400	(\$0.1894)	\$4.3038
Commercial GS	\$4.0724	(\$0.1902)	\$4.2626	0.28%	\$0.0114	\$0.0400	(\$0.1894)	\$4.1246
Industrial GS	\$4.0724	(\$0.1902)	\$4.2626	0.30%	\$0.0122	\$0.0400	(\$0.1894)	\$4.1254
Phila. Housing Authority (PHA)	\$4.0724	(\$0.1902)	\$4.2626	0%	\$0.0000	\$0.0400	(\$0.1894)	\$4.1132
Municipal (MS)	\$4.0724	(\$0.1902)	\$4.2626	0%	\$0.0000	\$0.0400	(\$0.1894)	\$4.1132
NGV Firm	\$4.0724	(\$0.1902)	\$4.2626	0%	\$0.0000	\$0.0400	(\$0.1894)	\$4.1132
Phila. Housing Authority (GS)	\$4.0724	(\$0.1902)	\$4.2626	0%	\$0.0000	\$0.0400	(\$0.1894)	\$4.1132

SALES & VOLUMES

: SEPTEMBER 2015 THROUGH AUGUST 2016

MONTH	TOTAL VOLUMES	FIRM TRANSPORT VOLUMES	BILLED SALES	INTERRUPTIBLE SALES	LNG SALES	AIR CONDITIONING SALES	GCR FIRM SALES	SENIOR CITIZEN DISCOUNT SALES	APPLICABLE VOLUMES
	1	2	3 = (1 - 2)	4	4A	4B	5 = (3 - 4 - 4A - 4B)	6	7 = (5 - 6 + 2)
SEPTEMBER 2015	1,080,964	152,368	928,596	357	-	2,098	926,142	4,746	1,073,763
OCTOBER	1,718,532	232,302	1,486,230	368	-	539	1,485,323	8,403	1,709,222
NOVEMBER	3,774,952	404,741	3,370,211	357	-	-	3,369,854	21,997	3,752,599
DECEMBER	6,567,371	627,516	5,939,855	368	31,000	-	5,908,486	39,783	6,496,219
JANUARY 2016	10,402,024	839,627	9,562,397	368	31,000	-	9,531,028	65,865	10,304,790
FEBRUARY	9,226,596	739,373	8,487,223	345	29,000	-	8,457,878	57,637	9,139,614
MARCH	7,202,195	592,935	6,609,260	368	31,000	-	6,577,891	43,731	7,127,096
APRIL	4,823,593	381,605	4,441,988	357	75,000	-	4,366,631	28,414	4,719,823
MAY	2,370,687	227,480	2,143,207	368	77,500	47	2,065,291	12,115	2,280,656
JUNE	1,433,712	182,658	1,251,054	357	75,000	2,363	1,173,335	5,548	1,350,444
JULY	1,311,828	174,037	1,137,791	368	77,500	3,443	1,056,479	4,786	1,225,731
AUGUST	<u>1,171,206</u>	<u>155,323</u>	<u>1,015,882</u>	<u>368</u>	<u>77,500</u>	<u>2,971</u>	<u>935,043</u>	<u>4,194</u>	<u>1,086,172</u>
TOTAL	51,083,659	4,709,966	46,373,692	4,350	504,500	11,461	45,853,382	297,220	50,266,128

**Projected Applicable Fuel Expense
SUMMARY
FY 2014-2015 4th Quarter Filing**

	SEPTEMBER 2015	OCTOBER 2015	NOVEMBER 2015	DECEMBER 2015	JANUARY 2016	FEBRUARY 2016	MARCH 2016	APRIL 2016	MAY 2016	JUNE 2016	JULY 2016	AUGUST 2016	TOTAL
NATURAL GAS BILLED													
DEMAND CHARGE	\$4,908,301	\$4,967,461	\$4,778,190	\$4,816,974	\$4,816,974	\$4,859,276	\$4,756,542	\$4,874,018	\$4,866,807	\$4,874,018	\$4,856,807	\$4,856,807	\$58,220,175
COMMODITY CHARGE	\$7,306,030	\$11,195,567	\$12,918,390	\$17,220,066	\$15,223,117	\$15,135,397	\$15,486,073	\$11,314,366	\$10,574,774	\$8,045,816	\$8,043,678	\$8,280,436	\$140,744,711
TOTAL NATURAL GAS BILLED	\$12,214,331	\$16,163,029	\$17,696,580	\$22,036,040	\$20,039,091	\$19,994,673	\$20,242,616	\$16,188,384	\$15,431,581	\$12,920,834	\$12,900,485	\$13,137,243	\$198,964,885
INTERRUPTIBLE & A/C CREDIT	\$6,170	\$2,377	\$1,036	\$1,147	\$1,166	\$1,084	\$1,135	\$984	\$1,116	\$7,357	\$10,442	\$9,184	\$43,198
SENDOUT VOLUME IN MCF	2,523	932	366	379	379	364	379	366	427	2,795	3,917	3,432	16,248
DKT CONVERSION FACTOR	1.056	1.056	1.056	1.056	1.056	1.056	1.056	1.056	1.056	1.056	1.056	1.056	
PRICE \$/DKT	\$2.3161	\$2.4137	\$2.6781	\$2.8701	\$2.9180	\$2.8986	\$2.8386	\$2.5442	\$2.4753	\$2.4926	\$2.5245	\$2.5342	
GAS USED FOR UTILITY	\$24,964	\$32,490	\$85,220	\$168,994	\$202,587	\$218,163	\$184,401	\$90,871	\$20,723	\$23,369	\$10,783	\$19,994	\$1,072,658
NATURAL GAS TO STORAGE	(\$4,516,557)	(\$4,178,902)	\$0	\$0	\$0	\$0	\$0	(\$2,563,710)	(\$5,640,567)	(\$5,208,880)	(\$5,610,192)	(\$5,840,192)	(\$33,559,000)
FROM STORAGE PGW	\$0	\$0	\$1,814,761	\$6,878,160	\$12,504,142	\$9,090,007	\$4,161,604	\$733,751	\$0	\$0	\$0	\$0	\$35,182,416
FT FROM STORAGE	\$0	\$0	\$73,321	\$362,334	\$549,372	\$424,336	\$147,704	\$9,613	\$0	\$0	\$0	\$0	\$1,566,681
NET NATURAL GAS STORAGE	(\$4,516,557)	(\$4,178,902)	\$1,814,761	\$6,878,150	\$12,504,142	\$9,090,007	\$4,161,604	(\$1,829,968)	(\$5,640,567)	(\$5,208,880)	(\$5,610,192)	(\$5,840,192)	\$1,623,416
LNG TO STORAGE	(\$169,192)	(\$911,546)	(\$1,191,195)	(\$744,830)	(\$146,036)	(\$273,061)	(\$1,323,815)	(\$1,047,090)	(\$834,355)	(\$494,604)	\$0	\$0	(\$7,135,724)
FROM LNG PGW	\$268,356	\$263,620	\$246,566	\$396,366	\$989,768	\$763,325	\$366,250	\$514,034	\$527,021	\$507,436	\$523,275	\$523,275	\$5,779,292
FT FROM LNG	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
NET LNG STORAGE	\$89,164	(\$647,926)	(\$944,629)	(\$348,464)	\$743,732	\$490,264	(\$957,564)	(\$533,056)	(\$307,334)	\$12,832	\$523,275	\$523,275	(\$1,356,432)
LNG SALES FROM LNG TANK	\$0	\$0	\$0	\$109,827	\$110,211	\$103,214	\$110,503	\$267,653	\$274,141	\$263,693	\$271,731	\$271,731	\$1,782,701
SENDOUT VOLUMES (MCF)	0	0	0	31,000	31,000	29,000	31,000	75,000	77,500	75,000	77,500	77,500	504,500
@ AVG LNG COMMODITY RATE	\$3.6431	\$3.6257	\$3.5548	\$3.5428	\$3.5552	\$3.5591	\$3.5646	\$3.5687	\$3.5373	\$3.5159	\$3.5062	\$3.5062	
NET NATURAL GAS EXPENSE	\$7,755,804	\$11,301,334	\$18,480,456	\$28,295,758	\$32,973,001	\$29,252,483	\$23,150,616	\$13,465,763	\$9,187,701	\$7,430,367	\$7,520,611	\$7,519,417	\$196,333,312
APPLICABLE GCR EXPENSE													
NET NATURAL GAS EXPENSE	\$7,755,804	\$11,301,334	\$18,480,456	\$28,295,758	\$32,973,001	\$29,252,483	\$23,150,616	\$13,465,763	\$9,187,701	\$7,430,367	\$7,520,611	\$7,519,417	\$196,333,312
PURCHASED ELECTRIC & MISC	\$34,540	\$49,636	\$47,718	\$79,574	\$111,537	\$97,034	\$82,055	\$57,294	\$43,421	\$36,597	\$44,968	\$30,643	\$715,016
PLANALYTICS	\$0	\$0	\$0	\$0	\$125,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$125,000
TOTAL APPLICABLE EXPENSES	\$7,790,344	\$11,350,970	\$18,528,174	\$28,375,331	\$33,209,538	\$29,349,517	\$23,232,671	\$13,523,057	\$9,231,122	\$7,466,964	\$7,565,579	\$7,550,060	\$197,173,328
TOTAL GCR FIRM SALES	926,142	1,485,323	3,369,854	5,908,486	9,531,028	8,457,878	6,577,891	4,366,631	2,065,291	1,173,335	1,056,479	935,043	45,853,382

**ACTUAL / ESTIMATED DATA - FISCAL YEAR 2015
PHILADELPHIA GAS WORKS**

Rate	7/1/2014	Split Month 9/1/2014	10/1/2014	Split Month 12/1/2014	1/1/2015	Split Month 3/1/2015	4/1/2015	Split Month 6/1/2015	7/1/2015
	SSC In Effect	\$ 6.6635	\$ 6.1070	\$ 5.5505	\$ 5.6090	\$ 5.6674	\$ 5.0328	\$ 4.3982	\$ 4.3184
GAC In Effect	\$ (0.1040)	\$ 0.1037	\$ 0.3114	\$ 0.3192	\$ 0.3270	\$ 0.3169	\$ 0.3067	\$ 0.1205	\$ (0.0557)
IRC In Effect	\$ 0.0047	\$ 0.0049	\$ 0.0051	\$ 0.0042	\$ 0.0032	\$ 0.0021	\$ 0.0010	\$ 0.0002	\$ (0.0007)
Total Effective	\$ 6.5642	\$ 6.2156	\$ 5.8670	\$ 5.9323	\$ 5.9976	\$ 5.3518	\$ 4.7058	\$ 4.4390	\$ 4.1721
Percentage of Total									
C-Factor	101.5%	98.3%	94.6%	94.5%	94.5%	94.0%	93.5%	97.3%	101.6%
E-Factor	-1.6%	1.7%	5.3%	5.4%	5.6%	5.9%	6.5%	2.7%	-1.6%
IRC-Factor	0.1%	0.1%	0.1%	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%

C-Factor									
Demand Charge in Effect	\$ 0.9822	\$ 1.1263	\$ 1.2704	\$ 1.3366	\$ 1.4027	\$ 1.1953	\$ 0.9879	\$ 0.9192	\$ 0.8504
Commodity in Effect	\$ 5.6813	\$ 4.9807	\$ 4.2801	\$ 4.2724	\$ 4.2647	\$ 3.8375	\$ 3.4103	\$ 3.3992	\$ 3.3881
Total Effective	\$ 6.6635	\$ 6.1070	\$ 5.6505	\$ 5.6090	\$ 5.6674	\$ 5.0328	\$ 4.3982	\$ 4.3184	\$ 4.2385
Percentage of Total									
Demand Charge in Effect	14.7%	18.4%	22.9%	23.8%	24.8%	23.8%	22.5%	21.3%	20.1%
Commodity in Effect	85.3%	81.6%	77.1%	76.2%	75.2%	76.2%	77.5%	78.7%	79.9%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%

	C-Factor Over/(Under)	E-Factor Over/(Under)	Interest Over/(Under)	FY 2014 Final E-Factor
Fiscal Year 2014 E-Factor	\$ (13,421,204)	\$ (12,302)	\$ (1,021,951)	\$ (14,455,457)

Actual Fiscal Year 2014-2015	Sep-2014	Oct-2014	Nov-2014	Dec-2014	Jan-2015	Feb-2015	Mar-2015	Apr-2015	May-2015	Jun-2015	Jul-2015	Aug-2015	FY-2015
	Actual	Actual	Actual	Actual	Estimated	Totals							
GCR Firm Sales	985,610	1,231,063	3,009,779	6,408,636	8,228,767	9,585,393	8,863,287	5,040,612	1,998,491	1,151,587	981,686	948,025	48,432,936
Migration Rider Sales	14,041	16,506	29,423	48,669	63,374	76,847	60,531	38,434	25,358	21,392	23,220	22,927	439,722
GCR Revenue Billed	\$ 6,137,819	\$ 7,217,520	\$ 17,649,014	\$ 38,010,260	\$ 49,336,834	\$ 57,489,685	\$ 47,505,901	\$ 23,781,190	\$ 9,407,980	\$ 5,143,714	\$ 4,107,752	\$ 3,955,254	\$ 269,742,925
Migration Rider Revenue Billed	\$ 2,246	\$ 5,122	\$ 9,163	\$ 15,620	\$ 20,715	\$ 24,734	\$ 15,209	\$ 11,788	\$ 7,778	\$ 1,766	\$ (1,899)	\$ (1,506)	\$ 110,736
Load Balancing Billed	\$ 103,393	\$ 81,005	\$ 79,953	\$ 82,062	\$ 84,045	\$ 81,748	\$ 82,227	\$ 78,424	\$ 78,641	\$ -	\$ -	\$ 86,248	\$ 837,745
LNG Sales Demand Charge Credit	\$ 104,617	\$ 30,073	\$ 61,832	\$ 120,419	\$ 193,385	\$ 163,048	\$ 3,912	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 677,286
Total Revenue Billed	\$ 6,348,075	\$ 7,333,720	\$ 17,799,961	\$ 38,228,361	\$ 49,634,978	\$ 57,759,216	\$ 47,607,250	\$ 23,871,402	\$ 9,494,399	\$ 6,146,480	\$ 4,105,853	\$ 4,039,996	\$ 271,368,691
Natural Gas Refunds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Demand Charges	\$ 4,758,384	\$ 4,766,704	\$ 4,736,382	\$ 4,378,554	\$ 4,752,213	\$ 4,966,561	\$ 4,721,914	\$ 4,913,090	\$ 5,273,421	\$ 4,901,126	\$ 4,688,181	\$ 4,829,664	\$ 57,686,194
Supply Charges	\$ 5,488,192	\$ 6,462,867	\$ 22,974,735	\$ 29,471,854	\$ 39,723,098	\$ 44,476,576	\$ 26,463,224	\$ 6,924,226	\$ 3,604,849	\$ 1,105,213	\$ 2,241,349	\$ 1,622,159	\$ 190,558,340
Net Cost of Fuel	\$ 10,246,576	\$ 11,229,571	\$ 27,711,117	\$ 33,850,408	\$ 44,476,311	\$ 49,443,136	\$ 31,185,138	\$ 11,837,315	\$ 8,878,270	\$ 6,006,339	\$ 6,929,530	\$ 6,451,823	\$ 248,244,534

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

MONTH	NET COST	TOTAL	C FACTOR	C FACTOR	LOAD BALANCING	LNG SALES GCR	TOTAL	NATURAL GAS	OVER/	CUMULATIVE
	OF FUEL	GCR		REVENUE			REVENUE		C FACTOR	
	1	2	% of GCR	4 = (2 * 3)	5	6	7 = (4 + 5 + 6)	8	9 = (7 + 8 - 1)	10
	(\$)	(\$)		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
SEPTEMBER 2014	10,246,576	6,137,819	98.3%	6,030,578	103,393	104,617	6,238,589	0	(4,007,988)	(4,007,988)
OCTOBER	11,229,571	7,217,520	94.6%	6,828,165	81,005	30,073	6,939,243	0	(4,290,328)	(8,298,316)
NOVEMBER	27,711,117	17,649,014	94.6%	16,696,924	79,953	61,832	16,838,709	0	(10,872,409)	(19,170,725)
DECEMBER	33,850,408	38,010,260	94.5%	35,938,446	82,062	120,419	36,140,928	0	2,290,520	(16,880,204)
JANUARY 2015	44,475,311	49,336,834	94.5%	46,620,577	84,045	193,385	46,898,006	0	2,422,695	(14,457,509)
FEBRUARY	49,443,136	57,489,686	94.5%	54,324,571	81,748	163,048	54,569,367	0	5,126,231	(9,331,278)
MARCH	31,185,138	47,505,901	94.0%	44,674,676	82,227	3,912	44,760,816	0	13,575,678	4,244,399
APRIL	11,837,315	23,781,190	93.5%	22,226,233	78,424	0	22,304,657	0	10,467,342	14,711,742
MAY	8,878,270	9,407,980	93.5%	8,792,830	78,641	0	8,871,471	0	(6,799)	14,704,942
JUNE	6,006,339	5,143,714	97.3%	5,003,910	0	0	5,003,910	0	(1,002,429)	13,702,514
JULY	6,929,530	4,107,752	101.6%	4,173,128	0	0	4,173,128	0	(2,756,402)	10,946,111
AUGUST	<u>6,451,823</u>	<u>3,955,254</u>	101.6%	<u>4,018,203</u>	<u>86,248</u>	<u>0</u>	<u>4,104,451</u>	<u>0</u>	<u>(2,347,372)</u>	8,598,739
Totals	248,244,534	269,742,925		255,328,242	837,745	677,286	256,843,273	0	8,598,739	

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

		GCR SALES 1	MIGRATION RIDER SALES 2	TOTAL E-FACTOR VOLUMES 3=(1+2)	TOTAL GCR REVENUE BILLED 4	E-FACTOR % of GCR 5	E-FACTOR GCR REVENUE BILLED 6=(4*5)	MIGRATION RIDER REVENUES 7	TOTAL E-FACTOR REVENUE 8=(6+7)	OVER/(UNDER) PROJECTED RECOVERY (9)
		(MCF)	(MCF)	(MCF)	(\$)		(\$)	(\$)	(\$)	(\$)
PRIOR YEAR E-FACTOR										
										\$ (14,455,457)
MONTH										
SEPTEMBER 2014	Actual	985,610	14,041	999,651	\$ 6,137,819	1.7%	\$ 102,402	\$ 2,246	\$ 104,648	\$ (14,350,809)
OCTOBER	Actual	1,231,063	16,506	1,247,569	\$ 7,217,520	5.3%	\$ 383,081	\$ 5,122	\$ 388,203	\$ (13,962,606)
NOVEMBER	Actual	3,009,779	29,423	3,039,202	\$ 17,649,014	5.3%	\$ 936,748	\$ 9,163	\$ 945,911	\$ (13,016,695)
DECEMBER	Actual	6,408,636	48,669	6,457,305	\$ 38,010,260	5.4%	\$ 2,045,223	\$ 15,620	\$ 2,060,843	\$ (10,955,852)
JANUARY 2015	Actual	8,228,767	63,374	8,292,141	\$ 49,336,834	5.5%	\$ 2,689,933	\$ 20,715	\$ 2,710,648	\$ (8,245,204)
FEBRUARY	Actual	9,585,393	75,847	9,661,240	\$ 57,489,686	5.5%	\$ 3,134,442	\$ 24,734	\$ 3,159,176	\$ (5,086,028)
MARCH	Actual	8,863,287	60,531	8,923,818	\$ 47,505,901	5.9%	\$ 2,812,584	\$ 15,209	\$ 2,827,793	\$ (2,258,235)
APRIL	Actual	5,040,612	38,434	5,079,046	\$ 23,781,190	6.5%	\$ 1,549,904	\$ 11,788	\$ 1,561,691	\$ (696,544)
MAY	Actual	1,998,491	25,358	2,023,849	\$ 9,407,980	6.5%	\$ 613,151	\$ 7,778	\$ 620,929	\$ (75,615)
JUNE	Actual	1,151,587	21,392	1,172,979	\$ 5,143,714	2.7%	\$ 139,630	\$ 1,766	\$ 141,396	\$ 65,781
JULY	Actual	981,686	23,220	1,004,906	\$ 4,107,752	-1.6%	\$ (64,687)	\$ (1,899)	\$ (66,586)	\$ (804)
AUGUST	Estimated	948,025	22,927	970,952	\$ 3,955,254	-1.6%	\$ (62,285)	\$ (1,506)	\$ (63,792)	\$ (64,596)
TOTAL		48,432,936	439,722	48,872,658	269,742,925		14,280,126	110,736	14,390,861	

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

MONTH	TOTAL GCR REVENUE BILLED 1	IRC- FACTOR % of GCR 2	IRC-FACTOR REVENUE BILLED 3 = (1 * 2)
	\$		\$
SEPTEMBER 2014	6,137,819	0.08%	4,839
OCTOBER	7,217,520	0.09%	6,274
NOVEMBER	17,649,014	0.09%	15,342
DECEMBER	38,010,260	0.07%	26,590
JANUARY 2015	49,336,834	0.05%	26,324
FEBRUARY	57,489,686	0.05%	30,673
MARCH	47,505,901	0.04%	18,641
APRIL	23,781,190	0.02%	5,053
MAY	9,407,980	0.02%	1,999
JUNE	5,143,714	0.00%	174
JULY	4,107,752	-0.02%	(689)
AUGUST	<u>3,955,254</u>	-0.02%	<u>(664)</u>
TOTALS	269,742,925		134,556

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

MONTH	DEMAND CHARGES		MONTHLY DEMAND OVER/(UNDER) 3 = (2 - 1)	CUMULATIVE DEMAND OVER/(UNDER) 4
	LESS LOAD BALANCING CHARGE REVENUE 1	DEMAND REVENUE BILLED 2		
	\$	\$	\$	\$
SEPTEMBER 2014	4,550,374	1,110,093	(3,440,281)	(3,440,281)
OCTOBER	4,655,626	1,563,942	(3,091,684)	(6,531,965)
NOVEMBER	4,594,597	3,823,623	(770,974)	(7,302,939)
DECEMBER	4,176,073	8,565,462	4,389,390	(2,913,549)
JANUARY 2015	4,474,784	11,542,491	7,067,708	4,154,159
FEBRUARY	4,721,765	13,445,431	8,723,666	12,877,824
MARCH	4,635,775	10,594,287	5,958,512	18,836,337
APRIL	4,834,666	4,979,621	144,954	18,981,291
MAY	5,194,780	1,974,309	(3,220,471)	15,760,820
JUNE	4,901,126	1,058,481	(3,842,645)	11,918,175
JULY	4,688,181	834,826	(3,853,355)	8,064,820
AUGUST	<u>4,743,417</u>	<u>806,200</u>	<u>(3,937,216)</u>	4,127,604
TOTALS	56,171,163	60,298,767	4,127,604	

**CALENDAR YEAR 2014
PHILADELPHIA GAS WORKS
INTEREST RATE CALCULATION**

MONTH	NET COST	C FACTOR	OVER/	INTEREST
	OF FUEL	% of .GCR	(UNDER)	RATE
	1	REVENUE	RECOVERY	4
	(\$)	BILLED	3 = (2 - 1)	(\$)
		2		
JANUARY 2014	57,443,177	48,009,109	(9,434,068)	
FEBRUARY	50,964,979	54,239,390	3,274,411	
MARCH	46,529,237	49,022,098	2,492,861	
APRIL	15,631,353	29,712,433	14,081,080	
MAY	15,621,071	13,568,658	(2,052,413)	
JUNE	7,255,770	8,177,775	922,005	
JULY	5,873,858	6,816,944	943,086	
AUGUST	9,199,583	6,204,698	(2,994,886)	
SEPTEMBER	10,246,576	6,238,589	(4,007,988)	
OCTOBER	11,229,571	6,939,243	(4,290,328)	
NOVEMBER	27,711,117	16,838,709	(10,872,409)	
DECEMBER	33,850,408	36,140,928	2,290,520	
Total	291,556,701	281,908,572	(9,648,129)	6%

**FISCAL YEAR 2015
PHILADELPHIA GAS WORKS
INTEREST CALCULATION**

MONTH	NET COST	C FACTOR	OVER/	INTEREST	TIME	INTEREST	INTEREST	TOTAL
	OF FUEL ⁽¹⁾	% of GCR REVENUE BILLED ⁽¹⁾	(UNDER) RECOVERY 3 = (2 - 1)	RATE ⁽²⁾	FACTOR	EXPENSE 6 = (3*4*5)	NATURAL GAS REFUNDS ⁽³⁾	INTEREST 8 = (6+7)
	1	2	3 = (2 - 1)	4	5	6 = (3*4*5)	7	8 = (6+7)
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
SEPTEMBER 14	10,246,576	6,238,589	(4,007,988)	6%	18/12	(360,719)	-	(360,719)
OCTOBER	11,229,571	6,939,243	(4,290,328)	6%	17/12	(364,678)	-	(364,678)
NOVEMBER	27,711,117	16,838,709	(10,872,409)	6%	16/12	(869,793)	-	(869,793)
DECEMBER	33,850,408	36,140,928	2,290,520	6%	15/12	171,789	-	171,789
JANUARY 15	44,475,311	46,898,006	2,422,695	6%	14/12	169,589	-	169,589
FEBRUARY	49,443,136	54,569,367	5,126,231	6%	13/12	333,205	-	333,205
MARCH	31,185,138	44,760,816	13,575,678	6%	12/12	814,541	-	814,541
APRIL	11,837,315	22,304,657	10,467,342	6%	11/12	575,704	-	575,704
MAY	8,878,270	8,871,471	(6,799)	6%	10/12	(340)	-	(340)
JUNE	6,006,339	5,003,910	(1,002,429)	6%	9/12	(45,109)	-	(45,109)
JULY	6,929,530	4,173,128	(2,756,402)	6%	8/12	(110,256)	-	(110,256)
AUGUST	6,451,823	4,104,451	(2,347,372)	6%	7/12	(82,158)	-	(82,158)
Total	248,244,534	256,843,273	8,598,739			231,774	-	231,774
TOTAL INTEREST								<u>231,774</u>

- (1) See Schedule 4 (b)
- (2) See Schedule 5 (a)
- (3) See Schedule 5 (c)

**FISCAL YEAR 2015
PHILADELPHIA GAS WORKS
INTEREST ON NATURAL GAS REFUNDS**

<u>MONTH</u>	NATURAL GAS REFUNDS ⁽¹⁾	INTEREST RATE	TIME FACTOR	INTEREST ON REFUNDS
	1	2	3	4=(1*2*3)
	(\$)			(\$)
SEPTEMBER 14		6%	18/12	0
OCTOBER		6%	17/12	0
NOVEMBER		6%	16/12	0
DECEMBER		6%	15/12	0
JANUARY 15		6%	14/12	0
FEBRUARY		6%	13/12	0
MARCH		6%	12/12	0
APRIL		6%	11/12	0
MAY		6%	10/12	0
JUNE		6%	9/12	0
JULY		6%	8/12	0
AUGUST		6%	7/12	0
TOTAL	0			0

(1) See Schedule 4 (b)

**FISCAL YEAR 2015
PHILADELPHIA GAS WORKS
DEMAND AND COMMODITY INTEREST CALCULATION**

MONTH	OVER/(UNDER)	DEMAND CHARGE	COMMODITY CHARGE	INTEREST RATE	TIME FACTOR	DEMAND	COMMODITY	TOTAL	INTEREST ON REFUNDS (3)	TOTAL
	RECOVERY (1)	OVER/(UNDER)	OVER/(UNDER)			INTEREST	INTEREST	INTEREST		INTEREST
	1	RECOVERY (2)	RECOVERY			EXPENSE	EXPENSE	EXPENSE		EXPENSE
	(S)	(S)	3=(1-2)	4	5	6=(2*4*5)	7=(3*4*5)	8=(6+7)	9	10=(8+9)
	(S)	(S)	(S)			(S)	(S)	(S)	(S)	(S)
SEPTEMBER 14	(4,007,988)	(3,440,281)	(567,707)	6%	18/12	(309,625)	(51,094)	(360,719)	0	(360,719)
OCTOBER	(4,290,328)	(3,091,684)	(1,198,644)	6%	17/12	(262,793)	(101,885)	(364,678)	0	(364,678)
NOVEMBER	(10,872,409)	(770,974)	(10,101,435)	6%	16/12	(61,678)	(808,115)	(869,793)	0	(869,793)
DECEMBER	2,290,520	4,389,390	(2,098,870)	6%	15/12	329,204	(157,415)	171,789	0	171,789
JANUARY 15	2,422,695	7,067,708	(4,645,012)	6%	14/12	494,740	(325,151)	169,589	0	169,589
FEBRUARY	5,126,231	8,723,666	(3,597,435)	6%	13/12	567,038	(233,833)	333,205	0	333,205
MARCH	13,575,678	5,958,512	7,617,165	6%	12/12	357,511	457,030	814,541	0	814,541
APRIL	10,467,342	144,954	10,322,388	6%	11/12	7,973	567,731	575,704	0	575,704
MAY	(6,799)	(3,220,471)	3,213,672	6%	10/12	(161,024)	160,684	(340)	0	(340)
JUNE	(1,002,429)	(3,842,645)	2,840,216	6%	9/12	(172,919)	127,810	(45,109)	0	(45,109)
JULY	(2,756,402)	(3,853,355)	1,096,953	6%	8/12	(154,134)	43,878	(110,256)	0	(110,256)
AUGUST	(2,347,372)	(3,937,216)	1,589,844	6%	7/12	(137,803)	55,645	(82,158)	0	(82,158)
TOTAL FY 2015	8,598,739	4,127,604	4,471,135			496,490	(264,715)	231,774	0	231,774

(1) See Schedule 5 (b)

(2) See Schedule 4 (e)

(3) See Schedule 5 (c)

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

Storage and Peaking Asset Cost	\$	15,125,248
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Design Day Requirements (Mcf)		653,198
Fulfilled from FT Capacity (Mcf)		<u>291,094</u>
Fulfilled from Storage and Peaking Assets (Excess Mcf)		362,104

Annual Storage and Peaking Cost per Excess Mcf	\$	41.7704
Per Mcf Over / (Under) Adjustment	\$	<u>0.1059</u>
Load Balancing Charge	\$	41.6645

Over / (Under) Recovery	\$	28,975
Interest	\$	<u>4,317</u>
Total Over/(Under) Recovery	\$	33,292
Forecasted SSPC Volumes		314,351
Per Mcf Over / (Under) Adjustment	\$	0.1059

**FISCAL YEAR 2016
PHILADELPHIA GAS WORKS
MIGRATION RIDER & LOAD BALANCING REVENUE**

<u>Month</u>		Migration Rider	Migration Rider	Migration Rider	Load Balancing	Total
		Volumes	in Effect	Revenue Billed	Revenue Billed	Load Balancing & Migration Revenue Billed
		1	2	3 = (1 * 2)	4	5 = (3 + 4)
		(MCF)	(\$)	(\$)	(\$)	(\$)
September 2015	Estimated	23,620	(0.1276)	(3013)	85,441	82,429
October	Estimated	36,012	(0.1894)	(6821)	86,389	79,569
November	Estimated	62,743	(0.1894)	(11884)	87,340	75,456
December	Estimated	97,278	(0.1894)	(18424)	88,351	69,926
January 2016	Estimated	130,160	(0.1894)	(24652)	89,592	64,940
February	Estimated	114,618	(0.1894)	(21709)	90,545	68,836
March	Estimated	91,917	(0.1894)	(17409)	91,556	74,147
April	Estimated	59,157	(0.1894)	(11204)	92,507	81,302
May	Estimated	35,264	(0.1894)	(6679)	93,455	86,776
June	Estimated	28,316	(0.1894)	(5363)	94,451	89,088
July	Estimated	26,979	(0.1894)	(5110)	95,399	90,289
August	Estimated	24,078	(0.1894)	(4560)	96,414	91,854
Total		730,143		(136,828)	1,091,440	954,612

CALCULATION OF RECOVERED CHARGES
4th Qtr Filing
September 1, 2015

	<u>50% September</u>	<u>11.5 Months</u>	<u>Total</u>
			(MCF) (\$)
S - Firm Sales (Mcf)	463,071	45,390,311	45,853,382
C-Factor	<u>\$ 4.2385</u>	<u>\$ 4.2626</u>	
Projected Recovery	1,962,726	193,480,739	\$ 195,443,465
S - Firm Sales (Mcf)	463,071	45,390,311	45,853,382
IRC-Factor	<u>\$ (0.0007)</u>	<u>\$ (0.0008)</u>	
Projected Recovery	(324)	(36,312)	\$ (36,636)
E-Factor Volumes (Mcf)	474,881	46,108,644	46,583,525
E-Factor	<u>\$ (0.0657)</u>	<u>\$ (0.1894)</u>	
Projected Recovery	(31,200)	(8,732,977)	\$ (8,764,177)
GCR (\$ / Mcf)	\$ 4.1721	\$ 4.0724	
<hr/>			
GCR Projected Recovery			\$ 186,642,652
Load Balancing Revenue			\$ 1,091,440
LNG Sales Demand Revenue			<u>\$ 640,564</u>
TOTAL PROJECTED RECOVERY			\$ 188,374,655

Change In Rates
4th Quarter Filing
Rates Effective September 1, 2015

Current Rates

	06/01/15 <u>Distribution Charge</u> (1)	06/01/15 <u>GCR</u> (2)	06/01/15 <u>MFC</u> (3)	06/01/15 <u>GPC</u> (4)	06/01/15 Commodity <u>Rate</u> (5)=(1)+(2)+(3)+(4)
Residential GS	\$7.8066	\$4.1721	\$0.1953	\$0.0400	\$12.2140
Commercial GS	\$6.4162	\$4.1721	\$0.0117	\$0.0400	\$10.6400
Industrial GS	\$6.3199	\$4.1721	\$0.0125	\$0.0400	\$10.5445
Phila.Housing Authority (PHA)	\$5.9279	\$4.1721	\$0.0000	\$0.0400	\$10.1400
Municipal (MS)	\$5.1641	\$4.1721	\$0.0000	\$0.0400	\$9.3762
Phila.Housing Authority (GS)	\$6.7440	\$4.1721	\$0.0000	\$0.0400	\$10.9561

September 1, 2015 - Distribution Charge

	<u>Delivery Charge</u> (6)	<u>Surcharges</u>				<u>Total Surcharges</u> (11)=(7)+(8)+(9)+(10)	<u>Distribution Charge / Mcf</u> (12)=(11)+(6)
		<u>Other Post Employment Benefit</u> (7)	<u>Efficiency Cost Recovery</u> (8)	<u>Universal Service & Ener. Cons.</u> (9)	<u>Restructuring & Consumer Education</u> (10)		
Residential GS	\$6.0067	\$0.3003	\$0.0071	\$1.3471	\$0.0061	\$1.6606	\$7.6673
Commercial GS	\$4.5984	\$0.3003	\$0.0243	\$1.3471	\$0.0061	\$1.6778	\$6.2762
Industrial GS	\$4.5332	\$0.3003	(\$0.0091)	\$1.3471	\$0.0061	\$1.6444	\$6.1776
Phila.Housing Authority (PHA)	\$4.1101	\$0.3003	\$0.0243	\$1.3471	\$0.0061	\$1.6778	\$5.7879
Municipal (MS)	\$3.3661	\$0.3003	\$0.0000	\$1.3471	\$0.0061	\$1.6535	\$5.0196
Phila.Housing Authority (GS)	\$4.9441	\$0.3003	\$0.0071	\$1.3471	\$0.0061	\$1.6606	\$6.6047

Proposed Rates

	09/01/15 <u>Distribution Charge</u> (12)	09/01/15 <u>GCR</u> (13)	09/01/15 <u>MFC</u> (14)	09/01/15 <u>GPC</u> (15)	09/01/15 Commodity <u>Rate</u> (16)=(12)+(13)+(14)+(15)	<u>Difference</u> (17)=(16)-(5)
Residential GS	\$7.6673	\$4.0724	\$0.1906	\$0.0400	\$11.9703	(\$0.2437)
Commercial GS	\$6.2762	\$4.0724	\$0.0114	\$0.0400	\$10.4000	(\$0.2400)
Industrial GS	\$6.1776	\$4.0724	\$0.0122	\$0.0400	\$10.3022	(\$0.2423)
Phila.Housing Authority (PHA)	\$5.7879	\$4.0724	\$0.0000	\$0.0400	\$9.9003	(\$0.2397)
Municipal (MS)	\$5.0196	\$4.0724	\$0.0000	\$0.0400	\$9.1320	(\$0.2442)
Phila.Housing Authority (GS)	\$6.6047	\$4.0724	\$0.0000	\$0.0400	\$10.7171	(\$0.2390)

PHILADELPHIA GAS WORKS
SEPTEMBER 1, 2015 - 4TH QTR FILING
UNIVERSAL SERVICE & ENERGY CONSERVATION SURCHARGE

	<u>Expenses in the Surcharge</u>
Enhanced Low Income Retrofit Program (ELIRP)	\$ 8,264,257
Customer Responsibility Program (CRP)	\$ 47,118,698
Senior Citizen Discount *	\$ 3,697,478
<u>August 2015 Under Collection</u>	<u>\$ 8,627,243</u>
Total \$ to be Recovered	\$ 67,707,676
 Total Applicable Volumes	 Mcf 50,263,129
 Universal Service & Energy Conservation Surcharge	 <u><u>\$ 1.3471</u></u>

* This is the Senior Citizen Discount based on the Distribution Charge without the Universal Services Surcharge plus the GCR. This is used to calculate the Universal Services Surcharge. The total senior citizen discount is \$4,119,000

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

Month	USC Applicable Volumes	USC Charge	USC Revenue Billed	USC Expenses	Monthly Over/(Under) Recovery	Cumulative Over/(Under) Recovery
FY 14 Reconciliation						\$1,338,927
September 2014	Actual 1,120,161	\$ 1,6753	\$ 1,876,606	\$ (1,754,620)	\$ 3,631,226	\$4,970,153
October	Actual 1,410,747	\$ 1,4642	\$ 2,065,616	\$ (942,460)	\$ 3,008,076	\$7,978,229
November	Actual 3,310,333	\$ 1,4642	\$ 4,846,990	\$ 4,575,714	\$ 271,276	\$8,249,505
December	Actual 6,897,688	\$ 1,2795	\$ 8,825,247	\$ 12,729,386	\$ (3,904,139)	\$4,345,366
January 2015	Actual 8,801,725	\$ 1,0947	\$ 9,635,248	\$ 17,122,367	\$ (7,487,119)	(\$3,141,753)
February	Actual 10,263,513	\$ 1,0947	\$ 11,235,468	\$ 17,584,237	\$ (6,348,769)	(\$9,490,521)
March	Actual 9,449,687	\$ 1,1688	\$ 11,044,321	\$ 15,870,152	\$ (4,825,831)	(\$14,316,352)
April	Actual 5,403,643	\$ 1,2428	\$ 6,715,647	\$ 8,761,072	\$ (2,045,425)	(\$16,361,777)
May	Actual 2,187,690	\$ 1,2428	\$ 2,718,861	\$ 2,525,245	\$ 193,616	(\$16,168,161)
June	Actual 1,308,732	\$ 1,3665	\$ 1,788,382	\$ (650,004)	\$ 2,438,386	(\$13,729,775)
July	Actual 1,125,749	\$ 1,4902	\$ 1,677,591	\$ (1,321,068)	\$ 2,998,660	(\$10,731,116)
August	Estimated 1,090,737	\$ 1,4902	\$ 1,625,417	\$ (478,456)	\$ 2,103,872	(\$8,627,243)

USC Expenses	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15 * Revised	May-15	Jun-15	Jul-15	Aug-15	Total
ELJRP Expense *	\$ 48,393	\$ 51,212	\$ 455,885	\$ 585,451	\$ 973,868	\$ 41,296	\$ 1,124,411	\$ 826,183	\$ 823,808	\$ 618,920	\$ 538,229	\$ 2,226,172	\$ 8,313,829
ELJRP Labor	\$ 12,683	\$ 16,517	\$ 19,264	\$ 19,228	\$ 24,220	\$ 18,865	\$ 16,049	\$ 10,287	\$ 12,857	\$ 10,318	\$ 12,555	\$ 14,404	\$ 187,247
CRP Discount	\$ (2,424,508)	\$ (1,659,774)	\$ 3,235,642	\$ 10,852,045	\$ 14,662,334	\$ 16,019,680	\$ 13,316,092	\$ 6,842,300	\$ 825,635	\$ (2,030,043)	\$ (2,566,295)	\$ (3,318,635)	\$53,754,472
CRP Forgiveness	\$ 469,489	\$ 478,214	\$ 456,177	\$ 498,830	\$ 515,397	\$ 493,063	\$ 560,325	\$ 562,347	\$ 607,513	\$ 615,562	\$ 585,316	\$ 495,300	\$ 6,337,531
Senior Citizen Discount	\$ 139,322	\$ 171,372	\$ 408,745	\$ 773,832	\$ 946,548	\$ 1,011,334	\$ 853,275	\$ 519,955	\$ 255,432	\$ 135,241	\$ 109,127	\$ 104,303	\$ 5,428,486
Bad Debt Expense Offset*	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ (1,754,620)	\$ (942,460)	\$ 4,575,714	\$ 12,729,386	\$ 17,122,367	\$ 17,584,237	\$ 15,870,152	\$ 8,761,072	\$ 2,525,245	\$ (650,004)	\$ (1,321,068)	\$ (478,456)	\$74,021,566

CRP Participation													
Rate Case Participation Rate	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000
Actual Participation Rate*	61,588	61,243	60,885	61,319	61,191	61,169	61,185	62,365	62,719	61,985	61,060	61,060	61,060
CRP Under(Over) Participation	22,412	22,757	23,115	22,681	22,809	22,831	22,815	21,635	21,281	22,015	22,940	22,940	22,940
Average Shortfall Per CRP Participant													
CRP Discount	\$ (2,424,508)	\$ (1,659,774)	\$ 3,235,642	\$ 10,852,045	\$ 14,662,334	\$ 16,019,680	\$ 13,316,092	\$ 6,842,300	\$ 825,635	\$ (2,030,043)	\$ (2,566,295)	\$ (2,566,295)	\$ (2,566,295)
Actual Participation Rate	61,588	61,243	60,885	61,319	61,191	61,169	61,185	62,365	62,719	61,985	61,060	61,060	61,060
Average Shortfall per CRP Participant	\$ (39)	\$ (27)	\$ 53	\$ 177	\$ 240	\$ 262	\$ 218	\$ 110	\$ 13	\$ (33)	\$ (42)	\$ (42)	\$ (42)
Shortfall*	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Bad Debt Expense Offset* 7.1%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

*Bad Debt Expense Offset Applicable When Actual CRP Participation Exceeds 84,000

INTERRUPTIBLE REVENUE CREDIT
September 1, 2015

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

<u>MONTH</u>	<u>IRC CREDIT</u>	<u>MARGIN</u>	
September-14	Actual \$ 4,839	\$ 13,329	
October	Actual \$ 6,274	\$ 18,824	
November	Actual \$ 15,342	\$ 28,089	
December	Actual \$ 26,590	\$ 14,728	
January-15	Actual \$ 26,324	\$ 22,004	
February	Actual \$ 30,673	\$ 32,710	
March	Actual \$ 18,641	\$ -	
April	Actual \$ 5,053	\$ 13,779	
May	Actual \$ 1,999	\$ 3,431	
June	Actual \$ 174	\$ 124	
July	Actual \$ (689)	\$ 708	
August	Estimated \$ (664)	\$ 277	
Act/Est IRC Credit September 2014 to August 2015	\$ 134,556		
Act/Est Margin September 2014 to August 2015		\$ 148,003	\$ 148,003
FY 2014 Reconciliation Plus Act/Est Margin September 2014 to August 2015			\$ (101,891)

FY 2014 Reconciliation Plus Act/Est Margin September 2014 to August 2015	\$ (101,891)
Act/Est IRC Credit September 2014 to August 2015	\$ 134,556
Reconciliation as of August 31, 2015	\$ 32,665
Margin - September 2015 through August 2016	\$ 3,262
September 1, 2015 Interruptible Revenue Credit	\$ 35,928

GCR Firm Sales 45,853,382

September 1, 2015 IRC/Mcf \$ 0.0008

INTERRUPTIBLE REVENUE MARGIN
4TH QTR FILING

<u>MONTH</u>		<u>MARGIN</u>
September-15	Estimated	\$ 267
October	Estimated	\$ 276
November	Estimated	\$ 267
December	Estimated	\$ 276
January-16	Estimated	\$ 276
February	Estimated	\$ 258
March	Estimated	\$ 276
April	Estimated	\$ 267
May	Estimated	\$ 276
June	Estimated	\$ 267
July	Estimated	\$ 276
August	Estimated	\$ <u>276</u>
Total		\$ 3,262

INTERRUPTIBLE REVENUE CREDIT
September 1, 2014

Fiscal Year 2013 Reconciliation (8/31/13) \$ (2,477,535)

<u>MONTH</u>	<u>IRC</u> <u>CREDIT</u>	<u>MARGIN</u>
September-13	Actual \$ 54,902	35,539
October	Actual \$ 58,375	58,686
November	Actual \$ 145,120	81,787
December	Actual \$ 288,695	93,899
January-14	Actual \$ 401,054	37,970
February	Actual \$ 453,221	30,654
March	Actual \$ 247,691	36,369
April	Actual \$ 62,578	15,451
May	Actual \$ 28,407	14,154
June	Actual \$ 11,079	17,706
July	Actual \$ 4,680	17,317
August	Actual \$ 4,259	28,048
Act/Est IRC Credit September 2013 to August 2014	<u>\$ 1,760,061</u>	
Act/Est Margin September 2013 to August 2014		<u>\$ 467,579 \$ 467,579</u>
FY 2013 Reconciliation Plus Act/Est Margin September 2013 to August 2014		<u>\$ (2,009,955)</u>

FY 2013 Reconciliation Plus Act/Est Margin September 2013 to August 2014	\$ (2,009,955)
Act/Est IRC Credit September 2013 to August 2014	<u>\$ 1,760,061</u>
Reconciliation as of August 31, 2014	\$ (249,894)

**OTHER POST EMPLOYMENT BENEFIT (OPEB) SURCHARGE
FISCAL YEAR 2016**

FY 2014 Over/(Under) Recovery \$562,022

<u>Month</u>		<u>OPEB Volumes</u>	<u>OPEB Surcharge</u>	<u>Revenue Billed</u>
September 2014	Actual	1,125,781	\$0.3280	\$369,256
October	Actual	1,418,404	\$0.3078	\$436,585
November	Actual	3,334,309	\$0.3078	\$1,026,300
December	Actual	6,948,587	\$0.3078	\$2,138,775
January 2015	Actual	8,865,059	\$0.3078	\$2,728,665
February	Actual	10,335,987	\$0.3078	\$3,181,417
March	Actual	9,516,263	\$0.3078	\$2,929,106
April	Actual	5,441,742	\$0.3078	\$1,674,968
May	Actual	2,202,057	\$0.3078	\$677,793
June	Actual	1,315,354	\$0.3078	\$404,866
July	Actual	1,130,846	\$0.3078	\$348,074
<u>August</u>	Estimated	<u>1,095,667</u>	\$0.3078	<u>\$337,246</u>
Total		52,730,056		\$16,253,052

FY 2015 Act/Est OPEB & FY 2014 Reconciliation	\$16,815,074
FY 2015 Permitted Recovery	<u>\$16,000,000</u>
Over/(Under) Recovery	\$815,074

FY 2015 Over Recovery	(\$815,074)
FY 2016 Permitted Recovery	<u>\$16,000,000</u>
FY 2016 Recovery	\$15,184,926

FY 2016 Volumes	50,560,349
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FY 2016 OPEB Surcharge / Mcf	\$0.3003
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EFFICIENCY COST RECOVERY (ECR) SURCHARGE

September 1, 2015

<u>Program</u>	<u>Residential & PIIA GS</u>	<u>Commercial & PHA</u>	<u>Industrial</u>	<u>Total</u>
Residential Heating Equipment Rebate (RHER)				
Program Expense	\$736,587	\$94,761	\$0	\$831,348
Labor Expense	\$15,579	\$2,004	\$0	\$17,583
Commercial & Industrial Retrofit Incentive (CIRI)				
Program Expense	\$119,333	\$184,745	\$0	\$304,079
Labor Expense	\$2,524	\$3,907	\$0	\$6,431
Commercial & Industrial Equipment Rebate (CIER)				
Program Expense	\$14,221	\$321,368	\$0	\$335,589
Labor Expense	\$301	\$6,797	\$0	\$7,098
High-Efficiency Construction Incentive (HECI)				
Program Expense	\$141,615	\$52,045	\$0	\$193,660
Labor Expense	\$2,995	\$1,101	\$0	\$4,096
Comprehensive Residential Retrofit Incentive (CRRRI)				
Program Expense	\$713,238	\$0	\$0	\$713,238
Labor Expense	<u>\$15,084</u>	<u>\$0</u>	<u>\$0</u>	<u>\$15,084</u>
Total Expense	\$1,761,478	\$666,729	\$0	\$2,428,207
Prior Period Reconciliation (8/31/15)	<u>\$ (1,498,760)</u>	<u>\$ (384,786)</u>	<u>\$ (8,749)</u>	<u>(\$1,892,294)</u>
Total	262,718	281,943	(8,749)	535,913
Volumes - Mcf (GCR Firm & Firm Transportation)	36,894,817	11,614,181	963,539	

Efficiency Cost Recovery Surcharge / Mcf	\$0.0071	\$0.0243	(\$0.0091)
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**EFFICIENCY COST RECOVERY (ECR) SURCHARGE
STATEMENT OF RECONCILIATION
4TH QUARTER FILING**

	Actual Sep-14	Actual Oct-14	Actual Nov-14	Actual Dec-14	Actual Jan-15	Actual Feb-15	Actual Mar-15	Actual* Apr-15	Actual May-15	Actual Jun-15	Actual Jul-15	Estimated Aug-15
RESIDENTIAL & PHA GS												
FY 2014 Over-Collection	\$ 3,664,920											
Volume Billed	716,465	891,401	2,334,361	5,215,559	6,705,574	7,855,404	7,311,790	4,146,356	1,602,303	878,834	731,782	696,181
ECR Surcharge	\$ (0,0154)	\$ (0,0040)	\$ (0,0040)	\$ (0,0086)	\$ (0,0131)	\$ (0,0131)	\$ (0,0136)	\$ (0,0141)	\$ (0,0141)	\$ (0,0061)	\$ 0,0019	\$ 0,0019
Revenue Billed	\$ (11,034)	\$ (3,566)	\$ (9,337)	\$ (44,593)	\$ (87,843)	\$ (102,906)	\$ (99,440)	\$ (58,464)	\$ (22,592)	\$ (5,361)	\$ 1,390	\$ 1,323
RHER Expense	28,249	7,302	80,490	91,172	137,874	(13,912)	91,278	24,868	42,712	95,823	29,614	110,436
RHER Labor	1,714	2,232	3,096	2,598	3,273	765	2,169	1,390	1,394	1,697	3,317	3,317
HECI Expense	1,330	1,408	104	10,920	3,705	13,499	11,475	11,021	22,948	7,655	7,739	50,086
HECI Labor	349	454	687	529	666	2,376	441	283	2,951	284	345	(4,217)
CRR1 Expense	8,915	9,434	54,628	23,504	152,405	52,720	54,603	66,375	47,150	50,700	54,943	96,859
CRR1 Labor	2,336	3,043	3,584	3,542	4,462	3,520	2,957	1,895	2,397	1,901	2,313	2,545
CIRI Expense	1,352	1,431	(992)	2,471	2,126	(9,183)	40,924	7,766	(35,681)	10,042	412	80,015
CIRI Labor	354	461	224	537	677	(3,572)	448	287	(3,957)	288	351	9,131
CIER Expense	263	141	(213)	252	3,088	931	2,264	549	(562)	2,224	191	3,363
CIER Labor	24	32	-	37	46	207	31	20	232	20	24	(313)
Total	\$ 44,887	\$ 25,937	\$ 141,608	\$ 135,562	\$ 308,322	\$ 47,352	\$ 206,589	\$ 114,454	\$ 79,848	\$ 170,330	\$ 97,628	\$ 351,220
Monthly Over/(Under)	\$ (55,921)	\$ (29,502)	\$ (150,946)	\$ (180,155)	\$ (396,165)	\$ (150,258)	\$ (306,029)	\$ (172,918)	\$ (102,441)	\$ (175,691)	\$ (96,237)	\$ (349,898)
Cumulative Over/(Under)	\$ 3,609,000	\$ 3,579,497	\$ 3,428,551	\$ 3,248,396	\$ 2,852,232	\$ 2,701,973	\$ 2,395,944	\$ 2,223,027	\$ 2,120,586	\$ 1,944,895	\$ 1,848,658	\$ 1,498,760
COMMERCIAL & PHA												
FY 2014 Over-Collection	\$ 1,029,904											
Volume Billed	364,948	470,450	856,762	1,461,168	1,822,979	2,080,859	1,838,729	1,090,870	527,118	383,611	354,968	355,116
ECR Surcharge	\$ (0,0058)	\$ (0,0013)	\$ (0,0013)	\$ (0,0040)	\$ (0,0066)	\$ (0,0066)	\$ (0,0070)	\$ (0,0074)	\$ (0,0074)	\$ 0,0062	\$ 0,0198	\$ 0,0198
Revenue Billed	(2,098)	(612)	(1,114)	(5,772)	(12,032)	(13,734)	(12,871)	(8,072)	(3,901)	2,378	7,028	7,031
RHER Expense	3,200	827	3,232	10,327	15,616	71,075	10,339	2,817	(35,386)	10,853	3,354	(14,033)
RHER Labor	194	253	(155)	294	371	2,128	246	157	310	158	192	(1,283)
CIRI Expense	2,069	2,190	1,222	3,782	3,254	14,919	62,637	11,886	59,275	15,370	631	(23,134)
CIRI Labor	542	706	1,147	822	1,036	4,917	686	440	4,873	441	537	(8,141)
CIER Expense	5,915	3,161	3,943	5,669	69,417	5,988	50,899	12,332	2,239	50,003	4,284	66,927
CIER Labor	546	711	851	827	1,042	621	690	443	334	444	540	1,007
HECI Expense	591	625	(792)	4,851	1,646	(8,415)	5,098	4,896	(14,322)	3,401	3,438	62,020
HECI Labor	155	202	60	235	296	(1,650)	196	126	(2,455)	126	153	4,844
Total	\$ 13,212	\$ 8,674	\$ 9,507	\$ 26,808	\$ 92,678	\$ 89,584	\$ 130,790	\$ 33,097	\$ 14,867	\$ 80,796	\$ 13,130	\$ 88,208
Monthly Over/(Under)	\$ (15,311)	\$ (9,286)	\$ (10,621)	\$ (32,579)	\$ (104,710)	\$ (103,318)	\$ (143,661)	\$ (41,189)	\$ (18,768)	\$ (78,417)	\$ (6,101)	\$ (81,177)
Cumulative Over/(Under)	\$ 1,014,594	\$ 1,005,308	\$ 994,687	\$ 962,108	\$ 857,399	\$ 754,081	\$ 610,419	\$ 569,250	\$ 550,482	\$ 472,064	\$ 465,963	\$ 384,786
INDUSTRIAL												
FY 2014 Over-Collection	\$ 121,604											
Volume Billed	31,238	37,156	59,645	113,165	146,265	169,038	151,272	76,711	36,376	32,820	27,829	31,615
ECR Surcharge	\$ (0,1374)	\$ (0,1307)	\$ (0,1307)	\$ (0,1310)	\$ (0,1312)	\$ (0,1312)	\$ (0,1362)	\$ (0,1411)	\$ (0,1411)	\$ (0,0762)	\$ (0,0113)	\$ (0,0113)
Revenue Billed	\$ (4,292)	\$ (4,856)	\$ (7,796)	\$ (14,819)	\$ (19,190)	\$ (22,178)	\$ (20,596)	\$ (10,824)	\$ (5,133)	\$ (2,501)	\$ (314)	\$ (357)
CIRI Expense	-	-	-	-	-	-	-	-	-	-	-	-
CIRI Labor	-	-	-	-	-	-	-	-	-	-	-	-
CIER Expense	-	-	-	-	-	-	-	-	-	-	-	-
CIER Labor	-	-	-	-	-	-	-	-	-	-	-	-
Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Monthly Over/(Under)	\$ (4,292)	\$ (4,856)	\$ (7,796)	\$ (14,819)	\$ (19,190)	\$ (22,178)	\$ (20,596)	\$ (10,824)	\$ (5,133)	\$ (2,501)	\$ (314)	\$ (357)
Cumulative Over/(Under)	\$ 117,312	\$ 112,456	\$ 104,660	\$ 89,841	\$ 70,651	\$ 48,473	\$ 27,878	\$ 17,054	\$ 11,921	\$ 9,420	\$ 9,106	\$ 8,749

Schedule 12 (b)

Philadelphia Gas Works
Restructuring & Consumer Education Surcharge
Fiscal Year 2016

FY 2016 Forecasted Recovery	\$ 310,553
FY 2016 Forecasted Firm Volumes (Mcf)	50,560,349
<hr/>	
FY 2016 Restructuring Surcharge / Mcf	<u>\$ 0.0061</u>

**Philadelphia Gas Works
Restructuring & Consumer Education Surcharge
Recovery Forecasts**

R&CE Surcharge Forecasted Recoveries:		FY16	FY17	FY18	Total
Capital	POR Build	\$ 60,553	\$ 60,553	\$ 60,553	\$ 181,659
Operating	Mailers	\$ 250,000	\$ -	\$ -	\$ 250,000
R&CE Total		\$ 310,553	\$ 60,553	\$ 60,553	\$ 431,659

Natural Gas Prices Used for PGW's - FY 2014-2015 - 4th Quarter GCR Filing

Basis Differentials

Prices Used For Gas Cost Inputs

	TRANSCO				TETCO			NYMEX Futures 8/4/15 Close	TRANSCO				TETCO				
	Sta 30	Sta 45	Sta 65	Sta. 85	ELA	M-1	M-2		Sta 30	Sta 45	Sta 65	Sta. 85	ELA	STX	ELA/ETX	M-1	M-2
	2015:8										2.79	2.76	2.88	2.86	2.84	2.82	2.83
2015:9	(0.11)	(0.14)	(0.02)	(0.01)	(0.06)	(0.10)	(0.93)	2.812	2.70	2.67	2.79	2.80	2.75	2.68	2.71	2.71	2.09
2015:10	(0.11)	(0.14)	(0.02)	(0.01)	(0.06)	(0.10)	(0.93)	2.841	2.73	2.70	2.82	2.83	2.78	2.71	2.74	2.74	2.12
2015:11	(0.11)	(0.14)	(0.02)	(0.01)	(0.06)	(0.10)	(0.72)	2.941	2.83	2.80	2.92	2.93	2.88	2.81	2.84	2.84	2.22
2015:12	(0.11)	(0.14)	(0.02)	(0.01)	(0.06)	(0.10)	(0.72)	3.098	2.99	2.96	3.08	3.09	3.04	2.97	3.00	3.00	2.38
2016:1	(0.11)	(0.14)	(0.02)	(0.01)	(0.06)	(0.10)	(0.72)	3.204	3.09	3.06	3.18	3.19	3.14	3.07	3.10	3.10	2.48
2016:2	(0.11)	(0.14)	(0.02)	(0.01)	(0.06)	(0.10)	(0.72)	3.196	3.09	3.06	3.18	3.19	3.14	3.07	3.10	3.10	2.48
2016:3	(0.11)	(0.14)	(0.02)	(0.01)	(0.06)	(0.10)	(0.72)	3.152	3.04	3.01	3.13	3.14	3.09	3.02	3.05	3.05	2.43
2016:4	(0.11)	(0.14)	(0.02)	(0.01)	(0.06)	(0.10)	(0.72)	2.982	2.87	2.84	2.96	2.97	2.92	2.85	2.88	2.88	2.26
2016:5	(0.11)	(0.14)	(0.02)	(0.01)	(0.06)	(0.10)	(0.72)	2.977	2.87	2.84	2.96	2.97	2.92	2.85	2.88	2.88	2.26
2016:6	(0.11)	(0.14)	(0.02)	(0.01)	(0.06)	(0.10)	(0.72)	3.001	2.89	2.86	2.98	2.99	2.94	2.87	2.90	2.90	2.28
2016:7	(0.11)	(0.14)	(0.02)	(0.01)	(0.06)	(0.10)	(0.72)	3.034	2.92	2.89	3.01	3.02	2.97	2.90	2.93	2.93	2.31
2016:8	(0.11)	(0.14)	(0.02)	(0.01)	(0.06)	(0.10)	(0.72)	3.044	2.93	2.90	3.02	3.03	2.98	2.91	2.94	2.94	2.32

Actual Natural Gas Billed

	<u>Apr-15</u>	<u>May-15</u>	<u>Jun-15</u>
Williams	\$ 2,766,315.56	\$ 2,745,764.95	\$ 2,619,121.23
Texas Eastern	\$ 2,369,349.47	\$ 2,219,744.25	\$ 2,216,626.29
Dominion	\$ 130,667.38	\$ 134,295.13	\$ 125,242.98
Equitrans	\$ -	\$ -	\$ -
Spot Purchases -Transco	\$ 477,344.72	\$ -	\$ -
Spot Purchases -Tetco	\$ -	\$ -	\$ -
Transco Supply2	\$ 361,410.06	\$ 368,900.00	\$ 378,000.00
Transco Supply3	\$ 715,500.00	\$ 703,500.00	\$ 745,500.00
Transco Supply6	\$ -	\$ -	\$ -
Transco Supply7	\$ -	\$ -	\$ -
Transco Supply8	\$ 1,153,425.00	\$ 1,324,687.50	\$ 1,181,113.68
Transco Supply10	\$ 373,875.00	\$ 400,287.50	\$ 387,375.00
Transco Supply12	\$ -	\$ -	\$ -
Transco Supply14	\$ 801,525.00	\$ 401,837.50	\$ 396,375.00
Transco Supply17	\$ -	\$ -	\$ -
Transco Supply20	\$ -	\$ -	\$ -
Transco Supply21	\$ -	\$ -	\$ -
Transco Supply22	\$ 1,080,900.00	\$ 23,331.70	\$ 4,500.00
Transco Supply23	\$ 405,750.00	\$ 422,375.00	\$ 415,500.00
Transco Supply24	\$ -	\$ -	\$ -
Transco Supply25	\$ 1,078,649.94	\$ 187,851.07	\$ 92,521.70
Transco Supply26	\$ -	\$ -	\$ -
Transco Supply27	\$ -	\$ -	\$ -
Transco Supply28	\$ -	\$ -	\$ -
Transco Supply29	\$ -	\$ -	\$ -
Tetco Supply1	\$ -	\$ -	\$ -
Tetco Supply2	\$ -	\$ -	\$ -
Tetco Supply3	\$ -	\$ -	\$ -
Tetco Supply4	\$ -	\$ -	\$ -
Tetco Supply5	\$ -	\$ -	\$ -
Tetco Supply7	\$ -	\$ -	\$ -
Tetco Supply13	\$ 492,000.00	\$ 485,770.00	\$ 559,500.00
Tetco Supply14	\$ -	\$ -	\$ -
Tetco Supply16	\$ 362,341.66	\$ 412,300.00	\$ 399,000.00
Tetco Supply17	\$ -	\$ -	\$ -
Tetco Supply18	\$ -	\$ -	\$ -
Tetco Supply19	\$ -	\$ -	\$ -
Tetco Supply20	\$ -	\$ -	\$ -
Tetco Supply21	\$ -	\$ -	\$ -
Tetco Supply22	\$ -	\$ -	\$ -
Tetco Supply23	\$ -	\$ -	\$ -
Tetco Supply24	\$ 825,350.00	\$ 426,869.10	\$ 392,853.00
Tetco Supply25	\$ -	\$ -	\$ -
Tetco Supply26	\$ 896,325.00	\$ 891,025.00	\$ 791,250.00
Tetco Supply27	\$ 208,500.00	\$ 212,350.00	\$ 208,500.00
Tetco Supply28	\$ 204,750.00	\$ 208,475.00	\$ 204,750.00
Total Costs	\$ 14,703,979	\$ 11,569,364	\$ 11,117,729
Sharing Mechanism	\$ 86,945	\$ 124,816	\$ 129,097
Asset Management Agreement	\$ -	\$ -	\$ -
Off System Sales	\$ -	\$ -	\$ -
Gas Transportation Purchases	\$ 2,585	\$ 1,950	\$ 1,390
Adjustment/Reconciliation	\$ (102,077)	\$ 643,049	\$ (510,138)
Total Natural Gas Billed	\$ 14,691,432	\$ 12,339,179	\$ 10,738,078

**Philadelphia Gas Works
Summary of Fuels Purchased
Three Months Ending June 2015**

	<u>Actual</u>				<u>Projected</u>			<u>Projected</u>			<u>Actual Over/Under vs Projected</u>			
	<u>Apr-15</u>	<u>May-15</u>	<u>Jun-15</u>	<u>Total</u>	<u>2nd Qtr Filing</u>	<u>3rd Qtr Filing</u>	<u>3rd Qtr Filing</u>	<u>Total</u>	<u>Apr-16</u>	<u>May-15</u>	<u>Jun-15</u>	<u>Total</u>		
Total Natural Gas Billed	\$ 14,691,432	\$ 12,339,179	\$ 10,738,078	\$ 37,768,689	\$ 18,275,388	\$ 13,224,282	\$ 11,883,443	\$ 43,383,113	\$ (3,583,956)	\$ (885,102)	\$ (1,145,365)	\$ (5,614,424)		
Less Imbalance Charge	\$ 89,363	\$ 106,851	\$ -	\$ 196,214	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Less Interruptible Credit	\$ 2,618	\$ 449	\$ 3,004	\$ 6,071	\$ 375,814	\$ 336	\$ 6,177	\$ 382,327	\$ (373,106)	\$ 113	\$ (3,173)	\$ (376,256)		
Gas Used For Utility	\$ 72,888	\$ 30,353	\$ 22,909	\$ 126,150	\$ 88,139	\$ 2,852	\$ 12,649	\$ 103,640	\$ (15,251)	\$ 27,501	\$ 10,260	\$ 22,510		
	\$ 14,526,563	\$ 12,201,526	\$ 10,712,165	\$ 37,440,254	\$ 17,811,435	\$ 13,221,094	\$ 11,864,618	\$ 42,897,147	\$ (3,284,872)	\$ (1,019,568)	\$ (1,152,453)	\$ (5,456,893)		
Pipeline Storages														
(To)	\$ (1,402,962)	\$ (3,820,142)	\$ (5,068,403)	\$ (10,291,507)	\$ (2,660,698)	\$ (4,277,430)	\$ (4,270,224)	\$ (11,208,352)	\$ 1,257,736	\$ 457,288	\$ (798,179)	\$ 916,845		
From	\$ (745,067)	\$ (46,651)	\$ -	\$ (791,718)	\$ 61,362	\$ -	\$ -	\$ 61,362	\$ (806,429)	\$ (46,651)	\$ -	\$ (853,080)		
Net Pipeline Storages	\$ (2,148,029)	\$ (3,866,793)	\$ (5,068,403)	\$ (11,083,225)	\$ (2,599,336)	\$ (4,277,430)	\$ (4,270,224)	\$ (11,146,990)	\$ 451,307	\$ 410,637	\$ (798,179)	\$ 63,765		
LNG Storage														
(To)	\$ (863,702)	\$ 303,548	\$ 95,566	\$ (464,588)	\$ (1,088,644)	\$ (687,139)	\$ (452,382)	\$ (2,228,165)	\$ 224,942	\$ 990,687	\$ 547,948	\$ 1,763,577		
From	\$ 267,538	\$ 196,593	\$ 240,204	\$ 704,335	\$ 689,762	\$ 290,188	\$ 273,585	\$ 1,253,535	\$ (422,224)	\$ (93,595)	\$ (33,381)	\$ (549,200)		
Net LNG Storage	\$ (596,164)	\$ 500,141	\$ 335,770	\$ 239,747	\$ (398,882)	\$ (396,951)	\$ (178,797)	\$ (974,630)	\$ (197,282)	\$ 897,092	\$ 514,567	\$ 1,214,377		
Net Natural Gas	\$ 11,782,370	\$ 8,834,874	\$ 5,979,532	\$ 26,596,776	\$ 14,813,217.58	\$ 8,546,713	\$ 7,415,597	\$ 30,775,527	\$ (3,030,848)	\$ 288,161	\$ (1,436,065)	\$ (4,178,751)		
APPLICABLE GCR EXPENSES														
Net Natural Gas Expense	\$ 11,782,370	\$ 8,834,874	\$ 5,979,532	\$ 26,596,776	\$ 14,813,218	\$ 8,546,713	\$ 7,415,597	\$ 30,775,527	\$ (3,030,848)	\$ 288,161	\$ (1,436,065)	\$ (4,178,751)		
Purchased Electric & Misc	\$ 54,945	\$ 43,396	\$ 26,807	\$ 125,148	\$ 56,967	\$ 44,584	\$ 39,804	\$ 141,354	\$ (2,022)	\$ (1,188)	\$ (12,997)	\$ (16,206)		
Total GCR Expenses	\$ 11,837,315	\$ 8,878,270	\$ 6,006,339	\$ 26,721,924	\$ 14,870,184	\$ 8,591,296	\$ 7,455,400	\$ 30,916,881	\$ (3,032,870)	\$ 286,974	\$ (1,449,061)	\$ (4,194,957)		

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

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Gas Service Tariff
Pa P.U.C. No. 2

Supplement No. 86

PHILADELPHIA GAS WORKS

GAS SERVICE TARIFF



Issued by: Craig White
President and CEO

PHILADELPHIA GAS WORKS
800 West Montgomery Avenue
Philadelphia, PA 19122

List of Changes Made by this Tariff Supplement

GAS COST RATE (GCR) – SECTION 1307f, II DEFINITIONS (PAGE Nos. 67 and 67A)

The definition of the E Factor has been modified to add "Credit or recovery of the factor "E" is completed over the Company's Fiscal Year."

In the definition of "GAC," the currently effective GAC per Ccf for Commodity Costs decreases from \$(0.00657) to \$(0.01894) effective September 1, 2015. In the definition of "IRC," the "IRC" value effective September 1, 2015 is increases from \$0.00007 per Ccf to \$0.00008 per Ccf. In the definition of "SSC," the "SSC" value effective September 1, 2015 increases from \$0.42385 per Ccf to \$0.42626 per Ccf.

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

The Gas Cost Rate (GCR) effective September 1, 2015 decreases from \$0.41721 per Ccf to \$0.40724 per Ccf.

PRICE TO COMPARE (PAGE No. 78)

The Prices to Compare effective September 1, 2015 are: a) \$0.43038 per Ccf for Residential; b) \$0.41246 per Ccf for Commercial Customers on Rate GS; c) \$0.41254 per Ccf for Industrial Customers on Rate GS; and d) \$0.41132 per Ccf for Municipal Customers on Rate MS, The Philadelphia Housing Authority on Rate PHA, Public Housing Customers on Rate GS & Natural Gas Vehicle Service on Rate NGVS.

RESTRUCTURING AND CONSUMER EDUCATION SURCHARGE (PAGE No. 79)

The Restructuring and Consumer Education Surcharge effective September 1, 2015 is \$0.00061 per Ccf.

EFFICIENCY COST RECOVERY SURCHARGE (PAGE No. 80)

The Efficiency Cost Recovery Surcharge rates effective September 1, 2015 are: a) \$0.00071 per Ccf for Residential and Public Housing Customers on Rate GS; b) \$0.00243 per Ccf for Commercial Customers on Rate GS; c) \$(0.00091) per Ccf for Industrial Customers on Rate GS; and, d) \$0.00243 per Ccf for The Philadelphia Housing Authority on Rate PHA.

UNIVERSAL SERVICE AND ENERGY CONSERVATION SURCHARGE (PAGE No. 81)

The Universal Service and Energy Conservation Surcharge effective September 1, 2015 decreases from \$0.14901 per Ccf to \$0.13472 per Ccf.

OTHER POST EMPLOYMENT BENEFIT ("OPEB") SURCHARGE (PAGE No. 82)

The Other Post Employment Benefit Rider Surcharge effective September 1, 2015 decreases from \$0.03078 per Ccf to \$0.03003 per Ccf.

GENERAL SERVICE – RATE GS (PAGE No. 83)

The Gas Cost Rate (GCR) effective September 1, 2015 decreases from \$0.41721 per Ccf to \$0.40724 per Ccf.

MUNICIPAL SERVICE – RATE MS (PAGE No. 87)

The Gas Cost Rate (GCR) effective September 1, 2015 decreases from \$0.41721 per Ccf to \$0.40724 per Ccf.

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

The Gas Cost Rate (GCR) effective September 1, 2015 decreases from \$0.41721 per Ccf to \$0.40724 per Ccf.

PHILADELPHIA GAS WORKS

COGENERATION SERVICE – RATE CG (PAGE No. 131)

The Character of Service has been modified to remove the reference to No. 6 fuel oil posted price and the interruption ranking between Cogeneration and LBS.

DEVELOPMENTAL NATURAL GAS VEHICLE SVC - RATE NGVS FIRM SERVICE (Page No. 135)

The Gas Cost Rate (GCR) effective September 1, 2015 decreases from \$0.41721 per Ccf to \$0.40724 per Ccf.

The Other Post Employment Benefit Surcharge has been included in applicable surcharges.

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

I. PROVISION FOR ADJUSTMENT

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

II. DEFINITIONS

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

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

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

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

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

GAC (Gas Adjustment Charge) - The "E" factor component of the GCR, representing the net overcollection or undercollection of Natural Gas and other raw materials costs. The currently effective GAC is \$(0.00895) per Ccf for Commodity Costs and \$(0.00999) per Ccf for Demand Costs, for service on or after June 1, 2015. The total GAC is \$(0.01894) per Ccf. (D)

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

(C) – Change; (D) – Decrease

IRC - Interruptible Revenue Credit - The credit defined in Subsection VI below. The currently effective IRC is \$0.00008 per Ccf for service on or after June 1, 2015. (I)

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

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

SSC-Sales Service Charge - The purchased Gas costs determined to the nearest $\frac{1}{100}$ of a cent (\$0.0001). The currently effective SSC is \$0.30040 per Ccf for Commodity Costs and \$0.12586 per Ccf for Demand Costs, for service on or after September 1, 2015. The total SSC is \$0.42626 per Ccf. (I)

(I)– Increase; (D) – Decrease

III. COMPUTATION OF GAS COST RATE

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

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

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

The currently effective Gas Cost Rate is \$0.40724 per Ccf, for service on or after June 1, 2015.

(D)

IV. REPORTING REQUIREMENTS

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

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

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

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

V. PROVISION FOR INCLUSION OF SPECIFIC NON-GAS EXPENSES

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

VI. INTERRUPTIBLE REVENUE CREDIT (IRC)

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

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

(D) – Decrease

MERCHANT FUNCTION CHARGE ("MFC")

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

GAS PROCUREMENT CHARGE ("GPC")

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

Current Gas Procurement Charge = \$0.00400/Ccf

PRICE TO COMPARE ("PTC")

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

	GS RES	GS PH	GS COM	GS IND	MS	PHA	NGVS	
SSC	\$0.42626	\$0.42626	\$0.42626	\$0.42626	\$0.42626	\$0.42626	\$0.42626	(C)
GAC	(\$0.01894)	(\$0.01894)	(\$0.01894)	(\$0.01894)	(\$0.01894)	(\$0.01894)	(\$0.01894)	
MFC	\$0.01906	\$0.00000	\$0.00114	\$0.00122	\$0.00000	\$0.00000	\$0.00000	
GPC	\$0.00400	\$0.00400	\$0.00400	\$0.00400	\$0.00400	\$0.00400	\$0.00400	
PTC	\$0.43038	\$0.41132	\$0.41246	\$0.41254	\$0.41132	\$0.41132	\$0.41132	

(C) - Change

RESTRUCTURING AND CONSUMER EDUCATION SURCHARGE

Non-Gas restructuring and consumer education costs will be recovered by a Restructuring and Consumer Education Surcharge applicable to all volumes of Gas delivered.

1. Computation of the Restructuring and Consumer Education Surcharge factors will be in accordance with the automatic adjustment procedures utilized under Section 1307 of the Public Utility Code and will be filed and approved in conjunction with the Company's annual Section 1307(f)-GCR filing.
2. Restructuring and Consumer Education costs recovered through the Surcharge mechanism are the Commission approved costs which the Company has or will incur to meet the requirements of the Natural Choice and Competition Act and applicable Commission regulations, orders and other regulatory requirements, other than those costs pertaining to universal service and energy conservation programs.
3. Once the surcharge is in place, PGW shall file reconciliation statements quarterly and shall submit a claim for over/under recovery on an annual basis, at the same time it submits its projected Restructuring costs and Restructuring Surcharge claim for the next year; provided however, that if a project for which costs were included in the Restructuring Surcharge is cancelled or delayed beyond the year in which the cost was originally scheduled to be incurred, the Company will withdraw the projected costs of that project from the Restructuring Surcharge in its next quarterly update. No interest will be included in such surcharge computations. The basic component of the surcharge will be determined by dividing the restructuring and consumer education costs approved for annual recovery by the estimated applicable throughput in Mcf.
4. The Restructuring and Consumer Education Surcharge shall remain in effect until restructuring and consumer education costs have been collected or as otherwise directed by the Commission.
5. The Restructuring and Consumer Education Surcharge is effective on and after September 1, 2008.

Current Restructuring and Consumer Education Surcharge = \$0.00061/Ccf

(C)

(C) - Change

EFFICIENCY COST RECOVERY SURCHARGE

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

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

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

- | | |
|---|------|
| a) \$0.00071 per Ccf for Residential and Public Housing Customers on Rate GS; | (I) |
| b) \$0.00243 per Ccf for Commercial Customers on Rate GS; | (I) |
| c) \$(0.00091) per Ccf for Industrial Customers on Rate GS; | (D) |
| d) \$0.00000 per Ccf for Municipal Customers on Rate MS; and | (NC) |
| e) \$0.00243 per Ccf for The Philadelphia Housing Authority on Rate PHA. | (I) |

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

(I) – Increase; (D) – Decrease, (NC) – No Change

UNIVERSAL SERVICE AND ENERGY CONSERVATION SURCHARGE

Universal service and energy conservation program and related costs will be recovered by a Universal Service and Energy Conservation Surcharge applicable to all volumes of Gas delivered.

1. The Surcharge will recover: 1) the discounts provided to Customers pursuant to the Customer Responsibility Program (CRP); 2) the discounts provided to Customers pursuant to the Senior Citizen Discount; 3) the costs of the Conservation Works Program (CWP) and the Enhanced Low Income Retrofit Program (ELIRP); and, 4) for Customers entering the CRP program on or after September 1, 2003, past due arrearages forgiven pursuant to paragraph A (6) of the CRP/CAP Program Design Stipulation approved by the Commission by its order at M-00021612 (entered March 31, 2003).
2. Computation of the Universal Service and Energy Conservation Surcharge factors will be in accordance with the automatic adjustment procedures utilized under Section 1307(f) of the Public Utility Code and will be filed and approved in conjunction with the Company's annual Section 1307(f)-GCR filing.
3. Once the surcharge is in place it will be automatically adjusted effective March 1, June 1, September 1, and December 1 of each year in accordance with Section 1307(f) quarterly adjustment procedures. No interest will be included in such surcharge computations. The basic component of the surcharge will be determined by dividing the total universal service and energy conservation program costs approved for annual recovery by the estimated applicable throughput in Mcfs.
4. The Universal Service and Energy Conservation Surcharge shall take effect upon the effective date of this Tariff.

Current Universal Service and Energy Conservation Surcharge = \$ 0.13471/Ccf.

(D)

(D) - Increase

OTHER POST EMPLOYMENT BENEFIT (“OPEB”) SURCHARGE

The amounts necessary to fund PGW's Other Post Employment Benefit obligations will be recovered by an Other Post Employment Benefit Surcharge applicable to all volumes of Gas delivered.

1. *Computation of the Other Post Employment Benefit Rider Surcharge factors will be in accordance with the automatic adjustment procedures utilized under Section 1307(f) of the Public Utility Code and will be filed and approved in conjunction with the Company's annual Section 1307(f)-GCR filing.*
2. *Once the surcharge is in place it will be automatically adjusted effective September 1 of each year to account for over (under) recoveries in accordance with Section 1307(f) adjustment procedures. No interest will be included in such surcharge computations. The basic component of the surcharge will be determined plus (or minus) any over (or under) recovery from the prior period by dividing the total OPEB funding amounts approved for annual recovery by the estimated applicable throughput in Mcfs.*
3. The Other Post Employment Benefit Rider Surcharge shall take effect upon the effective date of this Tariff.

Current Other Post Employment Benefit Rider Surcharge = \$0.03003/Ccf

(D)

(D) - Decrease

GENERAL SERVICE - RATE GS

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

AVAILABILITY

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

RATES

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

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

Surcharge: Distribution System Improvement Charge.

Plus,

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

\$ 0.40724 per Ccf for Residential and Public Housing (D)
\$ 0.40724 per Ccf for Commercial Customers (D)
\$ 0.40724 per Ccf for Industrial Customers (D)

Plus,

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

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

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

(B) Surcharges:

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

(D) – Decrease

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

MUNICIPAL SERVICE - RATE MS

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

AVAILABILITY

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

RATES

CUSTOMER CHARGE (per Meter (except parallel meters):

\$ 18.00 per month

Surcharge: Distribution System Improvement Charge.

Plus,

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

\$ 0.40724 per Ccf

(D)

Plus,

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

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

\$0.33661 per Ccf

(B) Surcharges:

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

(D) – Decrease

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

PHILADELPHIA HOUSING AUTHORITY SERVICE - RATE PHA

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

AVAILABILITY

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

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

RATES

CUSTOMER CHARGE (per Meter (except parallel meters);

\$18.00 per month

Surcharge: Distribution System Improvement Charge.

Plus,

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

\$ 0.40724 per Ccf

(D)

Plus

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

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

\$0.41101 per Ccf

(B) Surcharges:

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

(D) – Decrease

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

COGENERATION SERVICE – RATE CG

Rate: Applicable to all Retail Sales Service rendered pursuant to this Rate Schedule on or after September 1, 2003

AVAILABILITY

This service is available to any new or existing Commercial or Industrial Customer for Gas use in any form of combined cooling, heating and power production where there is a sequential production of energy and useful thermal energy from the same fuel source or in the sequential production of electrical energy and useful thermal energy from the same fuel source by a qualifying facility as defined in Section 201 of the Public Utility Regulatory Policies Act of 1978, regularly meeting the efficiency standards set forth in Chapter 18 of the Federal Regulations, Sections 292.205 (a) and (b). The Customer must certify that qualifying status has been granted by the Federal Energy Regulatory Commission or must demonstrate to the Company its ability to utilize waste heat created from one process by using Natural Gas in a second process. The waste heat may be generated from any form, such as power production, heating, cooling, or process applications. The waste heat recovered may be used for any domestic, Commercial or Industrial applications. The determination by the Company as to the Customer's ability to co-generate will be final. This service will be available where the Company's facilities are, or can economically be made, available to supply the service; but Gas Service under this rate shall not be a replacement of Gas Service under any rate providing for uninterruptible Gas Service. The Company's determination as to whether the service would amount to such a replacement shall be final. An Applicant for service under this rate shall be required to execute a service agreement in which shall be defined maximum and minimum quantities of Gas to be delivered. The number of Customers to receive service under this rate, at any single time, may be limited by the Company in order to maintain adequate and efficient Gas Service generally.

CHARACTER OF SERVICE

Service under this rate schedule is interruptible, and shall be subordinate to all firm services. Customer is advised of their responsibility to maintain capability of satisfying their requirements during any period when service is interrupted. Interruptions may occur for economic or operational considerations at any time.

(C)

RATES

CUSTOMER CHARGE:

\$362.00 per month.

Plus

COMMODITY And DISTRIBUTION CHARGE:

The monthly Commodity Charge for each one hundred cubic feet of Gas used shall be set equal to the average commodity cost of Gas purchased and delivered to PGW's gate stations, including an allowance for Unaccounted for losses where applicable, plus a fixed Distribution Charge of 7.5 cents per Ccf.

(C) = Change

DEVELOPMENTAL NATURAL GAS VEHICLE SERVICE - RATE NGVS
FIRM SERVICE

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

AVAILABILITY

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

CHARACTER OF SERVICE

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

MONTHLY RATE

CUSTOMER CHARGE:

\$35.00 per month

Surcharge: Distribution System Improvement Charge.

Plus,

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

\$ 0.40724 per Ccf (D)

Plus

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

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

\$0.12833 per Ccf

(B) Surcharges:

Universal Service and Energy Conversation Surcharge; The Restructuring and Consumer Education Surcharge; Other Post Employment Benefit Surcharge; and Distribution System Improvement Charge. (C)

(D) – Decrease; (C) - Change

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

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PGW
Gas Supplier Tariff
Pa P.U.C. No. 1

Supplement No. 62

PHILADELPHIA GAS WORKS

GAS SUPPLIER TARIFF



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

List of Changes Made by this Tariff

DEFINITIONS (Page No. 10)

The definition of Daily Delivery Quantity has been corrected to replace “DDQ” with “DCQ.”

9.14. LOAD BALANCING CHARGE, 9.14.A. and LOAD BALANCING CHARGE,
COMPUTATION OF BALANCING SERVICE COSTS PER DTH, 9.14.B.1 (Page No. 39)

The load balancing charge decreases from \$42.7002 per design day Mcf to \$41.6645 per design day Mcf.

The Balance Service Costs formula has been modified.

The definition of “S” has been removed and replaced with definitions for “S₁” and “S₂.”

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Definitions

For the purposes of this Supplier Tariff, in addition to any definitions set forth in Company's Gas Service Tariff (except as set forth below) the following definitions apply:

APPLICABLE LAW - The provisions of this Tariff, the rules and regulations promulgated by the PUC and published at Title 52 Pennsylvania Code, the Public Utility Code and all legally binding decisions of the Public Utility Commission interpreting those rules, regulations and law, and all other applicable current and future laws, ordinances, executive orders and legally binding interpretations, all of them as amended from time to time.

BALANCING - Services provided by Company to cover differences between a Supplier's Daily Delivery Requirement and the actual usage of the Supplier's Firm Pool.

CUSTOMER - A recipient of Firm Transportation Service from the Company, except for customers receiving service under Rate GTS-Firm.

DAILY CONTRACT QUANTITY ("DCQ") - The firm transportation capacity ("Pipeline FT Capacity") in Dths assigned by the Company to the Supplier and required to deliver Natural Gas Supply to Supplier's Firm Transportation Customers.

DAILY DELIVERY QUANTITY ("DDQ") - The daily quantities of natural gas supplies a Supplier is required to deliver in Dths for a Firm Pool, as forecasted and communicated by Company, and may specify the required points of delivery. Such forecast shall be calculated to include volumes needed for end-use requirements, prior imbalances and provide return of balancing service quantities and unaccounted for gas, which amount shall not exceed the DCQ. This quantity will include corrections for Volume Adjustments. (C)

DAILY OPERATIONAL BULLETIN ("DOB") - A bulletin issued by the Company to address system management issues on a non-critical day, including actions necessary to comply with statutory directives and obligations.

DELIVERY POINT - A point specified by Company where Supplier would deliver natural gas supplies for subsequent redelivery by Company to Supplier's Firm Transportation customers.

DESIGN DAY – A 24-hour period of usage which is used as a basis for planning gas capacity requirements.

FIRM POOLING SERVICE - Services provided by Company to Supplier to facilitate the delivery of gas supplies to Customers receiving service under Firm Transportation Rates.

FIRM TRANSPORTATION – Transportation Service offered to Customers under schedules or contracts that anticipate no interruptions, regardless of class of service, except for force majeure.

GAS SUPPLIER TARIFF (or Supplier Tariff) - PGW Supplier Tariff Pa PUC No. 1, as supplemented or amended from time to time in accordance with law.

LIQUEFIED NATURAL GAS ("LNG") – Natural gas that has been liquified by reducing the temperature to minus two hundred and sixty degrees Fahrenheit (-260°F) at atmospheric pressure.

PHILADELPHIA GAS WORKS

9.14. LOAD BALANCING CHARGE.

9.14.A. Suppliers for all gas delivered under Firm Transportation Rates, of this Suppliers Tariff shall be charged at \$41.6645 per design day Mcf that is fulfilled by PGW storage and peaking assets, for recovery of those costs for Balancing Service, calculated in the manner set forth in the Commission's Order at M-00021612 (entered March 31, 2003) and as set forth below. Such rate for Balancing Service shall be increased or decreased, from time to time, in accordance with applicable law and procedures. (D)

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

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

$$\text{BSC} = (C / S_1) - (E / S_2)$$

(C)

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

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

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

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

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

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

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

"S₁" – projected Mcf of storage gas/LNG to be delivered to Customers to meet design day needs during the projected period when rates will be in effect. (C)

"S₂" – forecasted Mcf of load balancing volumes during the projected period when rates will be in effect.

(D) – Decrease; (C) - Change

CERTIFICATE OF SERVICE

I hereby certify that this day I served a copy of PGW's Tariff Supplements upon the persons listed below in the manner indicated in accordance with the requirements of 52 Pa. Code Section 1.54.

Via Email and/or First Class Mail

Aron Beatty, Esq.
Brandon Pierce, Esq.
Office of Consumer Advocate
5th Floor, Forum Place Bldg.
555 Walnut Street
Harrisburg, PA 17101-1921
abeatty@paoca.org
bpierce@paoca.org

Sharon Webb, Esq.
Office of Small Business Advocate
Commerce Building, Suite 202
300 North 2nd Street
Harrisburg, PA 17101
swebb@pa.gov

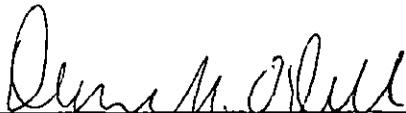
Richard Kanaskie, Esq.
Bureau of Investigation & Enforcement
PA Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, PA 17120
rkanaskie@pa.gov

Robert W. Ballenger, Esq.
Energy Unit
Community Legal Services, Inc
North Philadelphia Law Center
1410 West Erie Avenue
Philadelphia, PA 19102
rballenger@clsphila.org

Charis Mincavage, Esq.
Adelou Bakare, Esq.
McNEES, WALLACE, NURICK
100 Pine Street
P.O. Box 1166
Harrisburg, PA 17108-1166
cmincavage@mwn.com
ABakare@mwn.com

Jerome D. Mierzwa
Exeter Associates, Inc.
10480 Little Patuxent Parkway
Columbia, MD 21044
jmierzwa@exeterassociates.com

Robert Knecht
Industrial Economics, Incorporated
2067 Massachusetts Ave.
Cambridge MA 02140
rdk@indecon.com



Deanne M. O'Dell, Esq.

Dated: August 28, 2015

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