

Daniel Clearfield  
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January 29, 2016

**Via Hand Delivery**

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

Re: Philadelphia Gas Works ("PGW") Distribution System Improvement Charge Annual  
Reconciliation Under 1307(e) for the Year Ended December 31, 2015,  
Docket No. M-2016-XXXXXXX

Dear Secretary Chiavetta:

On behalf of the Philadelphia Gas Works ("PGW") enclosed for filing please find the original Distribution System Improvement Charge Annual Reconciliation Under 1307(e) for the Year Ended December 31, 2015. Consistent with the Commission's Order entered on January 28, 2016 at docket number P-2015-2501500, this first reconciliation period for calendar year 2015 shall be 16-months. Any under or over collection from the previous year will be calculated in an annual reconciliation based on actual billed DSIC revenues and DSIC recoverable costs during each month of the applicable calendar year. The actual reconciliation rate shall not exceed the total DSIC cap authorized by the Commission in the referenced Order, or any subsequent Order modifying the cap applicable to this reconciliation period.

If you have any questions please do not hesitate to contact me.

Sincerely,



Daniel Clearfield  
DC/lww  
Enclosure

cc: Hon. Christopher P. Pell w/enc.  
Hon. Marta Guhl w/enc.  
Cert. of Service w/enc.  
Bhodan R. Pankiw, w/enc. via email only  
Paul T. Diskin, w/enc. via email only  
Lori A. Burger, w/enc. via email only  
Brian T. Shuey, w/enc. via email only

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**PHILADELPHIA GAS WORKS**  
**2015 DISTRIBUTION SYSTEM IMPROVEMENT CHARGE (DSIC) RECONCILIATION**

<u>Month</u>	<u>Total DSIC</u>	<u>DSIC Revenue Billed</u>		<u>DSIC</u>	<u>DSIC Revenue Billed</u>		<u>Interest</u>	<u>Interest</u>	<u>Interest</u>
	<u>Revenue Billed</u>	<u>Allocated to Over /</u>	<u>Over / (Under)</u>	<u>Recoverable</u>	<u>Allocated to</u>	<u>Over/(Under)</u>			
	<u>(1)</u>	<u>(Under) Collection</u>	<u>Collection Balance</u>	<u>Costs</u>	<u>Recoverable Costs</u>	<u>Collection</u>	<u>Weighting</u>	<u>Rate*</u>	<u>Interest**</u>
		<u>(2)</u>	<u>(3)</u>	<u>(4)</u>	<u>(5 = 1 - 2)</u>	<u>(6 = 5 - 4)</u>	<u>(7)</u>	<u>(8)</u>	<u>(9)</u>
September	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	25	5.50%	\$ -
October	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	24	5.25%	\$ -
November	\$ -	\$ -	\$ -	\$ 2,360,282	\$ -	\$ (2,360,282)	23	5.50%	\$ (248,813)
December	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	22	5.25%	\$ -
January 15	\$ 2,419,579	\$ -	\$ -	\$ -	\$ 2,419,579	\$ 2,419,579	21	5.25%	\$ 222,299
February	\$ 1,772,081	\$ -	\$ -	\$ 1,932,098	\$ 1,772,081	\$ (160,017)	20	5.00%	\$ (13,335)
March	\$ 1,655,303	\$ -	\$ -	\$ -	\$ 1,655,303	\$ 1,655,303	19	4.75%	\$ 124,493
<b>2014 Under Collection</b>			\$ (1,339,069)						
April	\$ 983,528	\$ 145,274	\$ (1,193,795)	\$ -	\$ 838,254	\$ 838,254	18	4.75%	\$ 59,726
May	\$ 458,174	\$ 67,675	\$ (1,126,120)	\$ 1,511,865	\$ 390,499	\$ (1,121,366)	17	4.75%	\$ (75,459)
June	\$ 325,740	\$ 48,114	\$ (1,078,006)	\$ -	\$ 277,626	\$ 277,626	16	4.75%	\$ 17,583
July	\$ 268,558	\$ 48,757	\$ (1,029,249)	\$ -	\$ 219,801	\$ 219,801	15	5.00%	\$ 13,738
August	\$ 226,885	\$ 41,191	\$ (988,057)	\$ 5,290,744	\$ 185,694	\$ (5,105,050)	14	5.14%	\$ (306,133)
September	\$ 222,845	\$ 40,458	\$ (947,600)	\$ -	\$ 182,387	\$ 182,387	13	5.14%	\$ 10,156
October	\$ 584,249	\$ 35,528	\$ (912,071)	\$ -	\$ 548,720	\$ 548,720	12	5.00%	\$ 27,436
November	\$ 1,268,886	\$ 77,161	\$ (834,910)	\$ 9,676,476	\$ 1,191,725	\$ (8,484,751)	11	5.00%	\$ (388,884)
December	\$ 1,830,267	\$ 111,299	\$ (723,611)	\$ 1,343,672	\$ 1,718,968	\$ 375,297	10	5.00%	\$ 15,637
<b>Totals</b>	\$ 12,016,096	\$ 615,458		\$ 22,115,137	\$ 11,400,638	\$ (10,714,499)			\$ (541,557)
<b>2015 Under Collection</b>			\$ (11,438,110)						

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

\*\* Interest is not recoverable in net under-collections

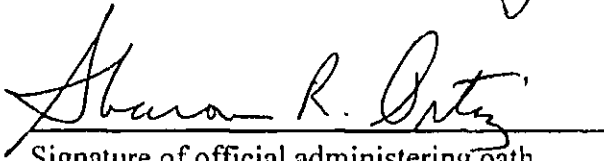
# AFFIDAVIT

I, **Kenneth S. Dybalski**, Director - Gas Planning & Rates at Philadelphia Gas Works, being duly sworn (affirmed) according to law, depose and say that – I am authorized to make this affidavit on behalf of Philadelphia Gas Works, being that I am an employee and have been authorized to make this affidavit on its behalf – and that the facts set forth in the Distribution System Improvement Charge Annual Reconciliation under Section 1307(e) for the year ended December 31, 2015 are true and correct to the best of my knowledge, information and belief and I expect to be able to prove the same at any hearing hereof.

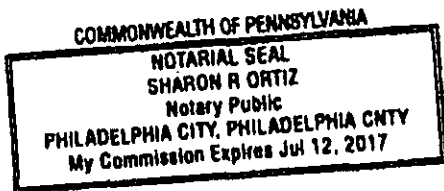


Signature of affiant

Sworn and subscribed before me this Jan. 28 of 2016.



Signature of official administering oath



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**CERTIFICATE OF SERVICE**

I hereby certify that this day I served a copy of PGW's DSIC Annual Reconciliation Under 1307(e) 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**

Daryl Lawrence, Esq.  
Erin Gannon, Esq.  
Ashley Everette  
Valerie Hironimus  
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The following are parties of record in  
Docket No. P-2015-2501500

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Dated: January 29, 2016

  
\_\_\_\_\_  
Daniel Clearfield, Esq.

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