



Eckert Seamans Cherin & Mellott, LLC
213 Market Street
8th Floor
Harrisburg, PA 17101

TEL 717 237 6000
FAX 717 237 6019
www.eckertseamans.com

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

February 26, 2016

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 (2nd Quarter 2015-2016 GCR Tariff Supplements)
Docket No.: R-2015-2465656

Dear Secretary Chiavetta:

On behalf of Philadelphia Gas Works ("PGW"), enclosed please find PGW Gas Service Tariff, Pa. P.U.C. No. 2 Supplement 90; and, PGW Gas Supplier Tariff, Pa. P.U.C. No. 1 Supplement No. 64 which implement PGW's 2nd Quarter 2015-2016 Gas Cost Rate ("GCR").

Sincerely,

Deanne M. O'Dell
DMO/lww
Enclosure

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

RECEIVED
2016 FEB 26 PM 3:21
PA PUC
SECRETARY'S BUREAU

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
abcatty@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

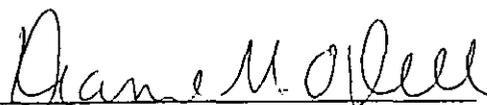
Richard Kanaskie, Esq.
Bureau of Investigation & Enforcement
PA Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, PA 17120
rkanaskie@pa.gov

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
emincavage@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.

RECEIVED
2016 FEB 26 PM 3:21
PA PUC
SECRETARY'S BUREAU

Dated: February 26, 2016

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

Supplement No. 64

RECEIVED

2016 FEB 26 PM 3:21

PA PUC
SECRETARY'S BUREAU

PHILADELPHIA GAS WORKS

GAS SUPPLIER TARIFF



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

PA PUC
SECRETARY'S BUREAU
2016 FEB 26 PM 3:21

List of Changes Made by this Tariff

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

The load balancing charge effective March 1, 2015 is \$38.9943 per design day Mcf.

TABLE OF CONTENTS

	<u>Page Number</u>
List of Changes Made By This Tariff _____	Sixty Fourth Revised 2
Checksheet _____	First Revised 4
Description of Territory Served _____	5
Table of Contents _____	Sixty Second Revised 6
Table of Contents (continued) _____	7
Definitions _____	Second Revised 10
<u>RULES and REGULATIONS:</u>	
1. The Supplier Tariff _____	14
2. Availability _____	16
3. Character of Service _____	18
4. Supplier Qualification _____	20
5. Customer List _____	First Revised 23
6. Supplier Selection Procedures _____	First Revised 26
7. Supplier Obligations _____	First Revised 29
8. Operational Requirements _____	33
9. Special Provisions _____	37
10. Nomination Procedure _____	42
11. Financial Security _____	44
12. Supplier Billing and Payment _____	First Revised 46
13. Supplier Exit Procedures _____	First Revised 52
14. Breach of Obligations _____	57
15. Standards of Conduct _____	60

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 \$38.9943 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:

$$BSC = (C / S_1) - (E / S_2)$$

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.

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

(D) – Decrease

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

Supplement No. 90

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)

In the definition of "GAC," the currently effective GAC is \$(0.01318) per Ccf for Commodity Costs and \$(0.01198) per Ccf for Demand Costs, and the total GAC is \$(0.02516) per Ccf for service on or after March 1, 2016. In the definition of "IRC," the "IRC" value effective March 1, 2016 is \$0.00023 per Ccf. In the definition of "SSC," the currently effective SSC is \$0.26543 per Ccf for Commodity Costs and \$0.10942 per Ccf for Demand Costs and the total SSC is \$0.37485 per Ccf effective March 1, 2016.

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

The Gas Cost Rate (GCR) effective March 1, 2016 is \$0.34946 per Ccf.

PRICE TO COMPARE (PAGE No. 78)

The Prices to Compare effective March 1, 2016 are: a) \$0.37004 per Ccf for Residential; b) \$0.35467 per Ccf for Commercial Customers on Rate GS; c) \$0.35474 per Ccf for Industrial Customers on Rate GS; and d) \$0.35369 per Ccf for Municipal Customers on Rate MS, The Philadelphia Housing Authority on Rate PHA, Public Housing Customers on Rate GS & Natural Gas Vehicle Service on Rate NGVS.

EFFICIENCY COST RECOVERY SURCHARGE (PAGE No. 80)

The Efficiency Cost Recovery Surcharge rates effective March 1, 2016 are: (a) \$0.00030 per Ccf for Residential and Public Housing Customers on Rate GS; (b) \$0.00570 per Ccf for Commercial Customers on Rate GS; (c) \$0.02888 per Ccf for Industrial Customers on Rate GS; and (d) \$0.00570 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 March 1, 2016 is \$0.13679 per Ccf.

GENERAL SERVICE – RATE GS (PAGE No. 83)

The Gas Cost Rate (GCR) effective March 1, 2016 is \$0.34946 per Ccf.

MUNICIPAL SERVICE – RATE MS (PAGE No. 87)

The Gas Cost Rate (GCR) effective March 1, 2016 is \$0.34946 per Ccf

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

The Gas Cost Rate (GCR) effective March 1, 2016 is \$0.34946 per Ccf

DEVELOPMENTAL NATURAL GAS VEHICLE SERVICE – RATE NGVS (PAGE No. 135)

The Gas Cost Rate (GCR) effective March 1, 2016 is \$0.34946 per Ccf. Corrected typographical error referencing "PHA" to "NGVS."

TABLE OF CONTENTS

	<u>Page Number</u>
List of Changes Made By This Tariff _____	Eighty Ninth Revised 2
Description of Territory Served _____	5
Table of Contents _____	Eighty Ninth Revised 6
Definitions _____	Second Revised 10
<u>RULES and REGULATIONS:</u>	
1. The Gas Service Tariff _____	First Revised 15
2. Application and Contract for Gas Service _____	Sixth Revised 17
3. Credit and Deposit _____	Second Revised 21
4. Billing and Payment _____	Second Revised 26
5. Termination and/or Discontinuance of Gas Service _____	Second Revised 30
6. Termination of Service for Safety Reasons and Curtailment of Service/ Service Continuity _____	First Revised 38
7. Inquiry, Review, Dispute, and Appeals Process _____	First Revised 41
8. Customer's Responsibility for Company's Property _____	First Revised 44
9. Conditions of Service, Point of Delivery, and Application of Rates ____	Third Revised 47
10. Extensions And Rights-Of-Way _____	First Revised 50
11. Meters: Measurements, Readings, Errors, and Tests _____	First Revised 53
12. Service Charges and Miscellaneous Fees and Provisions _____	First Revised 57
13. Universal Service And Energy Conservation Programs _____	Second Revised 59
14. Gas Choice Enrollment and Switching _____	First Revised 63
15. Supplier of Last Resort _____	First Revised 65

PHILADELPHIA GAS WORKS

	Page Number
RATES (Cover Page) _____	66
Gas Cost Rate _____	Fifty Ninth Revised 67
Revenue Reconciliation Adjustment (RRA) Rider _____	70
Senior Citizen Discount _____	First Revised 72
Migration/Reverse Migration Rider _____	75
Exit Fee Rider _____	77
Merchant Function & Gas Procurement Charges; Price to Compare_	Fourteenth Revised 78
Restructuring and Consumer Education Surcharge _____	Twenty Second Revised 79
Efficiency Cost Recovery Mechanism _____	Twenty Eighth Revised 80
Universal Services Surcharge _____	Sixty First Revised 81
Other Post Employment Benefit Surcharge _____	Seventh First Revised Page 82
General Service - Rate GS _____	Sixty Eighth Revised 83
Municipal Service - Rate MS _____	Sixty Seventh Revised 87
Philadelphia Housing Authority Service –Rate PHA _____	Sixty Eighth Revised 90
Boiler and Power Plant Service – Rate BPS _____	Fourth Revised 93
Load Balancing Service – RATE LBS _____	Fourth Revised 97
Daily Balancing Service – Rate DB _____	101
Interruptible Transportation Service – Rate IT _____	111
Gas Transportation Service - Rate GTS - Firm Service _____	118
Gas Transportation Service - Rate GTS - Interruptible _____	124
Cogeneration Service - Rate CG _____	Third Revised 131
Developmental Natural Gas Vehicle Service - Rate NGVS Firm Service	Forty First Revised 135
Developmental Natural Gas Vehicle Service - Rate NGVS Interruptible Service _____	139
Liquefied Natural Gas Service – Rate LNG _____	Third Revised 142
SPECIAL PROVISION – Air Conditioning Rider _____	143
SPECIAL PROVISION – Compressed Natural Gas Rider _____	145
SPECIAL PROVISION – Emergency/Unauthorized Use Gas Rider _____	147
WEATHER NORMALIZATION ADJUSTMENT CLAUSE _____	Third Revised 149
DISTRIBUTION SYSTEM IMPROVEMENT CHARGE	Fourteenth Revised 151

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.

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 \$(0.01318) per Ccf for Commodity Costs and \$(0.01198) per Ccf for Demand Costs, for service on or after March 1, 2016. The total GAC is \$(0.02516) per Ccf. (D)

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

(D) – Decrease

PHILADELPHIA GAS WORKS

IRC - Interruptible Revenue Credit - The credit defined in Subsection VI below. The currently effective IRC is \$0.00023 per Ccf for service on or after March 1, 2016. (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 \$0.26543 per Ccf for Commodity Costs and \$0.10942 per Ccf for Demand Costs, for service on or after March 1, 2016. The total SSC is \$0.37485 per Ccf. (D)

(I)– Increase; (D) – Decrease

III. COMPUTATION OF GAS COST RATE

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

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

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

The currently effective Gas Cost Rate is \$0.34946 per Ccf, for service on or after March 1, 2016.

(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	\$0.37485	\$0.37485	\$0.37485	\$0.37485	\$0.37485	\$0.37485	\$0.37485
GAC	(\$0.02516)	(\$0.02516)	(\$0.02516)	(\$0.02516)	(\$0.02516)	(\$0.02516)	(\$0.02516)
MFC	\$0.01635	\$0.00000	\$0.00098	\$0.00105	\$0.00000	\$0.00000	\$0.00000
GPC	\$0.00400	\$0.00400	\$0.00400	\$0.00400	\$0.00400	\$0.00400	\$0.00400
PTC	\$0.37004	\$0.35369	\$0.35467	\$0.35474	\$0.35369	\$0.35369	\$0.35369

(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) \$0.00030 per Ccf for Residential and Public Housing Customers on Rate GS; | (I) |
| b) \$0.00570 per Ccf for Commercial Customers on Rate GS; | (I) |
| c) \$0.02888 per Ccf for Industrial Customers on Rate GS; | (I) |
| d) \$0.00000 per Ccf for Municipal Customers on Rate MS; and | (NC) |
| e) \$0.00570 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 = \$ 0.13679/Ccf.

(I)

(D) - Increase

GENERAL SERVICE - RATE GS

Rate: Applicable to all Retail Sales Service or Transportation Service rendered pursuant to this Rate Schedule on or after March 1, 2016

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):

\$ 0.34946 per Ccf for Residential and Public Housing (D)
\$ 0.34946 per Ccf for Commercial Customers (D)
\$ 0.34946 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, 2016.

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):

\$ 0.34946 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 March 1, 2016

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):

\$ 0.34946 per Ccf

(D)

Plus

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

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

\$0.41101 per Ccf

(B) Surcharges:

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

(D) – Decrease

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

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

Rate: Applicable to all Retail Sales Service rendered pursuant to this Rate Schedule on or after
March 1, 2016

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 NGVS customers who transport gas through a qualified NGS): **(C)**

\$ 0.34946 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.

(D) – Decrease; (C) - Change

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

SUPPORTING SCHEDULES

Philadelphia Gas Works
Levelized Gas Cost Rate
2nd Qtr Filing - March 1, 2016

Formula:
GCR = SSC + GAC - IRC

where:

	<u>Demand</u>	<u>Commodity</u>	<u>Total</u>	
S = Firm Sales (Mcf)			45,977,125	Schedule 2
<hr/>				
Net Natural Gas Expense	\$ 55,121,609	\$ 120,002,977	\$ 175,124,586	
Purchased Electric & Misc Expense:	\$ -	\$ 832,724	\$ 832,724	
Total Natural Gas Expense	\$ 55,121,609	\$ 120,835,702	\$ 175,957,310	Schedule 3
C-Factor Reconciliation	\$ (4,129,762)	\$ 2,858,775	\$ (1,270,987)	Schedule 4(b)
C = Total Applicable GCR Expense	\$ 50,991,847	\$ 123,694,477	\$ 174,686,324	
SSC = C / S	\$ 1.1091	\$ 2.6903	\$ 3.7994	
<hr/>				
Adjustment For:				
E-Factor Volumes (Mcf)			16,692,577	
E-Factor Reconciliation	\$ (1,893,135)	\$ (2,084,039)	\$ (3,977,175)	Schedule 4(c)
E = E-Factor	\$ (0.1134)	\$ (0.1248)	\$ (0.2383)	
<hr/>				
Interruptible Revenue Credit			\$ 101,177	Schedule 5(a)
IRC = Interruptible Revenue Credit / S			\$ 0.0022	
<hr/>				
Net Applicable GCR Expenses = C + E - Interruptible Revenue Credit			\$ 170,607,972	
<u>GCR = SSC + GAC - IRC</u>			\$ 3.5589	
<hr/>				
SSC in effect 3/01/16	\$ 1.0942	\$ 2.6543	\$ 3.7485	
GAC in effect 3/01/16	\$ (0.1198)	\$ (0.1318)	\$ (0.2516)	
IRC in effect 3/01/16			\$ (0.0023)	
GCR in effect 3/01/16			\$ 3.4946	Schedule 6
<hr/>				
Recovery Test on:				
Firm Sales (Mcf)			45,977,125	
= GCR Projected Recovery			\$ 168,705,940	
= Load Balancing Revenue			\$ 1,180,123	
= LNG Sales Demand Revenue			\$ 723,455	
= Total Projected Recovery			\$ 170,609,518	Schedule 6
Compared To				
Net Applicable GCR Expenses			\$ 170,607,972	
= Net Over/(Under) Recovery			\$ 1,547	
<hr/>				
Degree Days			4,237	

Philadelphia Gas Works

Price To Compare (\$ / MCF)

March 1, 2016

	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	\$3.4946	(\$0.2539)	\$3.7485	4.68%	\$0.1635	\$0.0400	(\$0.2516)	\$3.7004
Commercial GS	\$3.4946	(\$0.2539)	\$3.7485	0.28%	\$0.0098	\$0.0400	(\$0.2516)	\$3.5467
Industrial GS	\$3.4946	(\$0.2539)	\$3.7485	0.30%	\$0.0105	\$0.0400	(\$0.2516)	\$3.5474
Phila. Housing Authority (PHA)	\$3.4946	(\$0.2539)	\$3.7485	0%	\$0.0000	\$0.0400	(\$0.2516)	\$3.5369
Municipal (MS)	\$3.4946	(\$0.2539)	\$3.7485	0%	\$0.0000	\$0.0400	(\$0.2516)	\$3.5369
NGV Firm	\$3.4946	(\$0.2539)	\$3.7485	0%	\$0.0000	\$0.0400	(\$0.2516)	\$3.5369
Phila. Housing Authority (GS)	\$3.4946	(\$0.2539)	\$3.7485	0%	\$0.0000	\$0.0400	(\$0.2516)	\$3.5369

SALES & VOLUMES

MARCH 2016 THROUGH FEBRUARY 2017

MONTH	TOTAL VOLUMES	FIRM TRANSPORT VOLUMES	BILLED SALES	INTERRUPTIBLE SALES	LNG SALES	AIR CONDITIONING SALES		GCR FIRM SALES	SENIOR CITIZEN DISCOUNT SALES	APPLICABLE VOLUMES
						4A	4B			
	1	2	3 = (1 - 2)	4	4A	4B	5 = (3 - 4 - 4A - 4B)	6	7 = (5 - 6 + 2)	
MARCH 2016	7,314,821	628,239	6,686,581	1,236	26,350	-	6,658,996	43,784	7,243,451	
APRIL	4,827,862	397,677	4,430,185	1,196	25,500	-	4,403,489	28,294	4,772,872	
MAY	2,334,173	235,869	2,098,304	1,236	26,350	47	2,070,671	11,985	2,294,555	
JUNE	1,391,957	189,714	1,202,243	1,196	25,500	2,363	1,173,185	5,463	1,357,435	
JULY	1,274,640	180,799	1,093,841	1,236	26,350	3,443	1,062,812	4,753	1,238,858	
AUGUST	1,132,986	161,147	971,838	1,236	26,350	2,971	941,282	4,165	1,098,264	
SEPTEMBER	1,174,565	166,724	1,007,840	1,199	82,192	2,098	922,352	4,025	1,085,051	
OCTOBER	1,810,846	259,029	1,551,816	1,239	84,932	539	1,465,107	7,020	1,717,117	
NOVEMBER	3,911,581	452,761	3,458,820	1,199	82,192	-	3,375,430	18,657	3,809,534	
DECEMBER	6,700,145	700,348	5,999,797	1,239	84,932	-	5,913,626	33,577	6,580,398	
JANUARY 2017	10,568,639	921,159	9,647,480	1,239	84,932	-	9,561,310	55,480	10,426,989	
FEBRUARY	<u>9,303,761</u>	<u>797,064</u>	<u>8,506,697</u>	<u>1,119</u>	<u>76,712</u>	<u>-</u>	<u>8,428,866</u>	<u>48,176</u>	<u>9,177,754</u>	
TOTAL	51,745,974	5,090,529	46,655,444	14,568	652,290	11,461	45,977,125	265,378	50,802,276	

**Projected Applicable Fuel Expense
SUMMARY
FY 2015-2016 2nd Quarter Filing**

	MARCH 2016	APRIL 2016	MAY 2016	JUNE 2016	JULY 2016	AUGUST 2016	SEPTEMBER 2016	OCTOBER 2016	NOVEMBER 2016	DECEMBER 2016	JANUARY 2017	FEBRUARY 2017	TOTAL
NATURAL GAS BILLED													
DEMAND CHARGE	\$4,781,574	\$4,528,302	\$4,508,333	\$4,525,924	\$4,505,955	\$4,604,709	\$4,470,090	\$4,448,631	\$4,668,817	\$4,715,029	\$4,714,160	\$4,750,085	\$55,121,609
COMMODITY CHARGE	\$13,081,272	\$7,165,105	\$6,521,893	\$3,681,529	\$3,793,340	\$3,825,902	\$4,752,484	\$8,771,217	\$12,800,217	\$18,343,876	\$19,830,222	\$18,024,670	\$119,491,728
TOTAL NATURAL GAS BILLED	\$17,862,846	\$11,693,406	\$10,030,225	\$8,107,453	\$8,299,296	\$8,330,610	\$9,222,575	\$13,219,848	\$17,469,035	\$23,058,906	\$24,544,382	\$22,774,755	\$174,613,337
INTERRUPTIBLE & A/C CREDIT	\$2,804	\$2,666	\$2,679	\$7,263	\$9,812	\$8,896	\$7,809	\$4,501	\$3,154	\$3,462	\$3,608	\$3,244	\$59,898
SENDOUT VOLUME IN MCF	1,275	1,234	1,324	3,672	4,828	4,341	3,403	1,835	1,338	1,279	1,279	1,155	26,862
DKT CONVERSION FACTOR	1.050	1.050	1.050	1.050	1.050	1.050	1.050	1.050	1.050	1.050	1.050	1.050	
PRICE \$/DKT	\$2.0941	\$2.0578	\$1.9276	\$1.8835	\$1.9355	\$1.9518	\$2.1857	\$2.3358	\$2.4273	\$2.5786	\$2.6873	\$2.6747	
GAS USED FOR UTILITY	\$135,268	\$73,161	\$16,046	\$17,558	\$10,512	\$16,899	\$24,086	\$33,053	\$59,228	\$110,204	\$170,634	\$181,628	\$848,276
NATURAL GAS TO STORAGE	\$0	(\$1,960,596)	(\$2,139,403)	(\$1,823,790)	(\$1,946,703)	(\$1,963,946)	(\$2,251,397)	(\$2,277,074)	\$0	\$0	\$0	\$0	(\$14,362,910)
FROM STORAGE PGW	\$1,349,245	\$2,293,324	\$0	\$0	\$0	\$0	\$0	\$0	\$466,289	\$3,620,024	\$5,849,436	\$3,800,866	\$17,379,184
FT FROM STORAGE	\$94,414	\$1,985	\$0	\$0	\$0	\$0	\$0	\$0	\$40,821	\$287,201	\$434,854	\$343,289	\$1,202,564
NET NATURAL GAS STORAGE	\$1,349,245	\$332,729	(\$2,139,403)	(\$1,823,790)	(\$1,946,703)	(\$1,963,946)	(\$2,251,397)	(\$2,277,074)	\$466,289	\$3,620,024	\$5,849,436	\$3,800,866	\$3,016,275
LNG TO STORAGE	(\$922,567)	(\$743,875)	(\$242,066)	(\$11,656)	\$0	\$0	(\$23,882)	(\$524,829)	(\$992,940)	(\$989,603)	(\$450,793)	(\$301,849)	(\$5,204,060)
FROM LNG PGW	\$299,383	\$286,757	\$292,297	\$281,953	\$291,328	\$291,328	\$458,004	\$472,442	\$450,613	\$523,936	\$1,043,858	\$934,601	\$5,626,500
FT FROM LNG	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
NET LNG STORAGE	(\$623,184)	(\$457,117)	\$60,231	\$270,296	\$291,328	\$291,328	\$434,121	(\$52,387)	(\$542,327)	(\$465,667)	\$593,065	\$632,752	\$422,440
LNG SALES FROM LNG TANK	\$84,533	\$81,263	\$82,286	\$79,218	\$81,843	\$81,843	\$255,288	\$263,687	\$253,299	\$259,661	\$259,882	\$236,489	\$2,019,292
SENDOUT VOLUMES (MCF)	26,350	25,500	26,350	25,500	26,350	26,350	82,192	84,932	82,192	84,932	84,932	76,712	652,290
@ AVG LNG COMMODITY RATE	\$3.2081	\$3.1868	\$3.1228	\$3.1066	\$3.1060	\$3.1060	\$3.1047	\$3.1047	\$3.0818	\$3.0573	\$3.0599	\$3.0828	
NET NATURAL GAS EXPENSE	\$18,366,302	\$11,411,927	\$7,840,043	\$6,449,919	\$6,541,754	\$6,550,354	\$7,118,116	\$10,589,146	\$17,077,316	\$25,839,936	\$30,552,759	\$26,787,013	\$175,124,586
APPLICABLE GCR EXPENSE													
NET NATURAL GAS EXPENSE	\$18,366,302	\$11,411,927	\$7,840,043	\$6,449,919	\$6,541,754	\$6,550,354	\$7,118,116	\$10,589,146	\$17,077,316	\$25,839,936	\$30,552,759	\$26,787,013	\$175,124,586
PURCHASED ELECTRIC & MISC	\$82,055	\$57,294	\$43,421	\$36,597	\$43,093	\$36,603	\$20,266	\$49,261	\$50,657	\$76,359	\$106,765	\$105,355	\$707,724
PLANALYTICS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$125,000	\$0	\$125,000
TOTAL APPLICABLE EXPENSES	\$18,448,356	\$11,469,222	\$7,883,464	\$6,486,517	\$6,584,846	\$6,586,958	\$7,138,382	\$10,638,407	\$17,127,973	\$25,916,295	\$30,784,524	\$26,892,368	\$175,957,310
TOTAL GCR FIRM SALES	6,658,996	4,403,489	2,070,671	1,173,185	1,062,812	941,282	922,352	1,465,107	3,375,430	5,913,626	9,561,310	8,428,866	45,977,125

**ACTUAL / ESTIMATED DATA - FISCAL YEAR 2016
PHILADELPHIA GAS WORKS**

Rate	Split Month		Split Month		Split Month		4/1/2016
	7/1/2015	9/1/2015	10/1/2015	12/1/2015	1/1/2016	3/1/2016	
SSC in Effect	\$ 4,2385	\$ 4,2506	\$ 4,2626	\$ 4,0715	\$ 3,8804	\$ 3,8145	\$ 3,7485
GAC in Effect	\$ (0.0657)	\$ (0.1276)	\$ (0.1894)	\$ (0.1878)	\$ (0.1861)	\$ (0.2189)	\$ (0.2516)
IRC in Effect	\$ (0.0007)	\$ (0.0008)	\$ (0.0008)	\$ (0.0009)	\$ (0.0009)	\$ (0.0016)	\$ (0.0023)
Total Effective	\$ 4.1721	\$ 4.1223	\$ 4.0724	\$ 3.8829	\$ 3.6934	\$ 3.5940	\$ 3.4946
Percentage of Total							
C-Factor	101.6%	103.1%	104.7%	104.9%	105.1%	106.1%	107.3%
E-Factor	-1.6%	-3.1%	-4.7%	-4.8%	-5.0%	-6.1%	-7.2%
IRC-Factor	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-0.1%
Total	100%	100%	100%	100%	100%	100%	100%

C-Factor							
Demand Charge in Effect	\$ 0,8504	\$ 1,0545	\$ 1,2586	\$ 1,3244	\$ 1,3901	\$ 1,2422	\$ 1,0942
Commodity in Effect	\$ 3,3881	\$ 3,1961	\$ 3,0040	\$ 2,7472	\$ 2,4903	\$ 2,5723	\$ 2,6543
Total Effective	\$ 4,2385	\$ 4,2506	\$ 4,2626	\$ 4,0715	\$ 3,8804	\$ 3,8145	\$ 3,7485
Percentage of Total							
Demand Charge in Effect	20.1%	24.8%	29.5%	32.5%	35.8%	32.6%	29.2%
Commodity in Effect	79.9%	75.2%	70.5%	67.5%	64.2%	67.4%	70.8%
Total	100%	100%	100%	100%	100%	100%	100%

	C-Factor	E-Factor	Interest	FY 2015
	Over/(Under)	Over/(Under)	Over/(Under)	Final E-Factor
Fiscal Year 2015 E-Factor	\$ 8,413,382	\$ (62,649)	\$ 226,479	\$ 8,577,213

Actual	Fiscal Year 2015-2016		Sep-2015		Oct-2015		Nov-2015		Dec-2015		Jan-2016		Feb-2016	
	Actual	Estimated	Actual	Estimated	Actual	Estimated	Actual	Estimated	Actual	Estimated	Actual	Estimated	Actual	Estimated
GCR Firm Sales	894,850		1,338,478		2,406,950		3,852,232		7,177,678		8,709,532			
Migration Rider Sales	19,504		22,521		30,764		93,084		171,219		169,067			
GCR Revenue Billed	\$ 3,730,053		\$ 5,461,240		\$ 9,792,985		\$ 14,993,180		\$ 26,510,036		\$ 32,167,786			
Migration Rider Revenue Billed	\$ (2,811)		\$ (4,265)		\$ (5,819)		\$ (17,380)		\$ (31,864)		\$ (31,463)			
Load Balancing Billed	\$ 80,989		\$ 78,091		\$ 77,245		\$ 84,969		\$ 98,095		\$ 98,740			
LNG Sales Demand Charge Credit	\$ -		\$ -		\$ -		\$ -		\$ 8,271		\$ 34,266			
Total Revenue Billed	\$ 3,808,230		\$ 5,535,066		\$ 9,864,410		\$ 15,060,759		\$ 26,584,538		\$ 32,269,328			
Natural Gas Refunds	\$ -		\$ 6,382		\$ 2,005		\$ -		\$ -		\$ -			
Demand Charges	\$ 4,900,132		\$ 4,875,008		\$ 4,906,154		\$ 4,882,448		\$ 4,843,355		\$ 4,866,667			
Supply Charges	\$ 2,457,185		\$ 5,858,891		\$ 7,834,145		\$ 10,376,701		\$ 21,956,201		\$ 18,724,141			
Net Cost of Fuel	\$ 7,357,317		\$ 10,733,899		\$ 12,740,299		\$ 15,259,149		\$ 26,799,556		\$ 23,690,808			

**FISCAL YEAR 2016
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 2015	7,357,317	3,730,053	103.1%	3,846,146	80,989	0	3,927,135	0	(3,430,182)	(3,430,182)
OCTOBER	10,733,899	5,461,240	104.7%	5,716,305	78,091	0	5,794,395	6,382	(4,933,121)	(8,363,303)
NOVEMBER	12,740,299	9,792,985	104.7%	10,250,362	77,245	0	10,327,608	2,005	(2,410,687)	(10,773,990)
DECEMBER	15,259,149	14,993,180	104.9%	15,721,428	84,959	0	15,806,387	0	547,238	(10,226,752)
JANUARY 2016	26,799,556	26,510,036	105.1%	27,852,262	98,095	8,271	27,958,628	0	1,159,072	(9,067,680)
FEBRUARY	23,590,808	32,167,786	105.1%	33,796,468	98,740	34,266	33,929,474	0	10,338,667	1,270,987

**FISCAL YEAR 2016
PHILADELPHIA GAS WORKS
E-FACTOR RECONCILIATION**

		GCR SALES 1 (MCF)	MIGRATION RIDER SALES 2 (MCF)	TOTAL E-FACTOR VOLUMES 3=(1+2) (MCF)	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) (\$)
PRIOR YEAR E-FACTOR										
MONTH										
SEPTEMBER 2015	Actual	894,850	19,504	914,354	\$ 3,730,053	-3.1%	\$ (115,415)	\$ (2,811)	\$ (118,226)	\$ 8,458,987
OCTOBER	Actual	1,338,478	22,521	1,360,999	\$ 5,461,240	-4.7%	\$ (253,992)	\$ (4,265)	\$ (258,257)	\$ 8,200,730
NOVEMBER	Actual	2,405,950	30,764	2,436,714	\$ 9,792,985	-4.7%	\$ (455,454)	\$ (5,819)	\$ (461,273)	\$ 7,739,457
DECEMBER	Actual	3,852,232	93,084	3,945,316	\$ 14,993,180	-4.8%	\$ (724,966)	\$ (17,380)	\$ (742,345)	\$ 6,997,112
JANUARY 2016	Estimated	7,177,678	171,219	7,348,897	\$ 26,510,036	-5.0%	\$ (1,335,766)	\$ (31,864)	\$ (1,367,630)	\$ 5,629,482
FEBRUARY	Estimated	8,709,532	169,067	8,878,599	\$ 32,167,786	-5.0%	\$ (1,620,844)	\$ (31,463)	\$ (1,652,307)	\$ 3,977,175
							6 = (Col 1 * -.2383)	7 = (Col 2 * -.2383)		
MARCH	Estimated	6,658,996	133,863	6,792,859	\$ 23,932,431		\$ (1,586,573)	\$ (31,894)	\$ (1,618,467)	
APRIL	Estimated	4,403,489	84,736	4,488,225	\$ 15,388,434		\$ (1,049,176)	\$ (20,189)	\$ (1,069,365)	
MAY	Estimated	2,070,671	50,258	2,120,929	\$ 7,236,167		\$ (493,358)	\$ (11,975)	\$ (505,333)	
JUNE	Estimated	1,173,185	40,424	1,213,608	\$ 4,099,811		\$ (279,523)	\$ (9,631)	\$ (289,154)	
JULY	Estimated	1,062,812	38,524	1,101,337	\$ 3,714,104		\$ (253,226)	\$ (9,179)	\$ (262,405)	
AUGUST	Estimated	941,282	34,337	975,618	\$ 3,289,403		\$ (224,270)	\$ (8,181)	\$ (232,451)	
TOTAL		16,310,435	382,142	16,692,577	\$ 57,660,350		\$ (3,886,125)	\$ (91,049)	\$ (3,977,175)	
MARCH 1, 2016 E-FACTOR		-0.2383								

**FISCAL YEAR 2016
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 2015	3,730,053	-0.02%	(679)
OCTOBER	5,461,240	-0.02%	(1,073)
NOVEMBER	9,792,985	-0.02%	(1,924)
DECEMBER	14,993,180	-0.02%	(3,282)
JANUARY 2016	26,510,036	-0.02%	(6,460)
FEBRUARY	32,167,786	-0.02%	(7,839)

**FISCAL YEAR 2016
PHILADELPHIA GAS WORKS
RECONCILIATION OF DEMAND CHARGES**

MONTH	DEMAND CHARGES LESS LOAD BALANCING CHARGE REVENUE 1	DEMAND REVENUE BILLED 2	MONTHLY DEMAND OVER/(UNDER) 3 = (2 - 1)	CUMULATIVE DEMAND OVER/(UNDER) 4
	\$	\$	\$	\$
SEPTEMBER 2015	4,819,143	943,619	(3,875,524)	(3,875,524)
OCTOBER	4,796,917	1,684,608	(3,112,309)	(6,987,833)
NOVEMBER	4,828,909	3,028,129	(1,800,780)	(8,788,613)
DECEMBER	4,797,489	5,101,703	304,214	(8,484,399)
JANUARY 2016	4,736,988	9,977,690	5,240,702	(3,243,698)
FEBRUARY	4,733,661	12,107,121	7,373,459	4,129,762

INTERRUPTIBLE REVENUE CREDIT
March 1, 2016

Fiscal Year 2015 Reconciliation (8/31/15) \$ 33,111

<u>MONTH</u>	<u>IRC</u> <u>CREDIT</u>	<u>MARGIN</u>	
September-15	Actual \$ (679)	\$ 417	
October	Actual \$ (1,073)	\$ 11,721	
November	Actual \$ (1,924)	\$ 60,473	
December	Actual \$ (3,282)	\$ 3,992	
January-16	Estimated \$ (6,460)	\$ 927	
February	Estimated \$ (7,839)	\$ 867	
Act/Est IRC Credit September 2015 to February 2016	<u>\$ (21,257)</u>		
Act/Est Margin September 2015 to February 2016		<u>\$ 78,397</u>	\$ 78,397
FY 2015 Reconciliation Plus Act/Est Margin September 2015 to February 2016			<u>\$ 111,508</u>

FY 2015 Reconciliation Plus Act/Est Margin September 2015 to February 2016	\$ 111,508	
Act/Est IRC Credit September 2015 to February 2016	<u>\$ (21,257)</u>	
Reconciliation as of February 29, 2016	\$ 90,251	
Margin - March 2016 through February 2017	<u>\$ 10,926</u>	Schedule 5(b)
March 1, 2016 Interruptible Revenue Credit	\$ 101,177	

GCR Firm Sales 45,977,125 Schedule 2

March 1, 2016 IRC/Mcf \$ 0.0022

INTERRUPTIBLE REVENUE MARGIN
2ND QTR FILING

<u>MONTH</u>		<u>MARGIN</u>
March-16	Estimated	\$ 927
April	Estimated	\$ 897
May	Estimated	\$ 927
June	Estimated	\$ 897
July	Estimated	\$ 927
August	Estimated	\$ 927
September	Estimated	\$ 899
October	Estimated	\$ 929
November	Estimated	\$ 899
December	Estimated	\$ 929
January-17	Estimated	\$ 929
February	Estimated	\$ 839
Total		\$ <u>10,926</u>

CALCULATION OF RECOVERED CHARGES
2nd Qtr Filing
March 1, 2016

	<u>50% March</u>	<u>11.5 Months</u>	Total
			(MCF) (\$)
S - Firm Sales (Mcf)	3,329,498	42,647,627	45,977,125
C-Factor	\$ 3.8804	\$ 3.7485	
Projected Recovery	12,919,784	159,864,629	\$ 172,784,412
S - Firm Sales (Mcf)	3,329,498	42,647,627	45,977,125
IRC-Factor	\$ (0.0009)	\$ (0.0023)	
Projected Recovery	(2,997)	(98,090)	\$ (101,086)
E-Factor Volumes (Mcf)	3,396,430	13,296,147	16,692,577
E-Factor	\$ (0.1861)	\$ (0.2516)	
Projected Recovery	(632,076)	(3,345,311)	\$ (3,977,386)
GCR (\$ / Mcf)	\$ 3.6934	\$ 3.4946	
<hr/>			
GCR Projected Recovery			\$ 168,705,940
Load Balancing Revenue			\$ 1,180,123
LNG Sales Demand Revenue			<u>\$ 723,455</u>
TOTAL PROJECTED RECOVERY			\$ 170,609,518

**Change In Rates
2nd Quarter Filing
Rates Effective March 1, 2016**

Current Rates

	<u>12/01/15 Distribution Charge</u> (1)	<u>12/01/15 GCR</u> (2)	<u>12/01/15 MFC</u> (3)	<u>12/01/15 GPC</u> (4)	<u>12/01/15 Commodity Rate</u> (5)=(1)+(2)+(3)+(4)
Residential GS	\$7.3827	\$3.6934	\$0.1729	\$0.0400	\$11.2890
Commercial GS	\$6.0163	\$3.6934	\$0.0103	\$0.0400	\$9.7600
Industrial GS	\$6.1327	\$3.6934	\$0.0111	\$0.0400	\$9.8772
Phila.Housing Authority (PHA)	\$5.5280	\$3.6934	\$0.0000	\$0.0400	\$9.2614
Municipal (MS)	\$4.7394	\$3.6934	\$0.0000	\$0.0400	\$8.4728
Phila.Housing Authority (GS)	\$6.3201	\$3.6934	\$0.0000	\$0.0400	\$10.0535

March 1, 2016 - 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	\$0.0030	\$1.3679	\$0.0061	\$1.6773	\$7.6840
Commercial GS	\$4.5984	\$0.3003	\$0.0570	\$1.3679	\$0.0061	\$1.7313	\$6.3297
Industrial GS	\$4.5332	\$0.3003	\$0.2888	\$1.3679	\$0.0061	\$1.9631	\$6.4963
Phila.Housing Authority (PHA)	\$4.1101	\$0.3003	\$0.0570	\$1.3679	\$0.0061	\$1.7313	\$5.8414
Municipal (MS)	\$3.3661	\$0.3003	\$0.0000	\$1.3679	\$0.0061	\$1.6743	\$5.0404
Phila.Housing Authority (GS)	\$4.9441	\$0.3003	\$0.0030	\$1.3679	\$0.0061	\$1.6773	\$6.6214

Proposed Rates

	<u>03/01/16 Distribution Charge</u> (12)	<u>03/01/16 GCR</u> (13)	<u>03/01/16 MFC</u> (14)	<u>03/01/16 GPC</u> (15)	<u>03/01/16 Commodity Rate</u> (16)=(12)+(13)+(14)+(15)	<u>Difference</u> (17)=(16)-(5)
Residential GS	\$7.6840	\$3.4946	\$0.1635	\$0.0400	\$11.3821	\$0.0931
Commercial GS	\$6.3297	\$3.4946	\$0.0098	\$0.0400	\$9.8741	\$0.1141
Industrial GS	\$6.4963	\$3.4946	\$0.0105	\$0.0400	\$10.0414	\$0.1642
Phila.Housing Authority (PHA)	\$5.8414	\$3.4946	\$0.0000	\$0.0400	\$9.3760	\$0.1146
Municipal (MS)	\$5.0404	\$3.4946	\$0.0000	\$0.0400	\$8.5750	\$0.1022
Phila.Housing Authority (GS)	\$6.6214	\$3.4946	\$0.0000	\$0.0400	\$10.1560	\$0.1025

PHILADELPHIA GAS WORKS
March 1, 2016 - 2ND QTR FILING
UNIVERSAL SERVICE & ENERGY CONSERVATION SURCHARGE

	<u>Expenses in the Surcharge</u>
Enhanced Low Income Retrofit Program (ELIRP)	\$ 4,820,974
Customer Responsibility Program (CRP)	\$ 47,858,598
Senior Citizen Discount *	\$ 3,222,602
<u>February 16 Under Collection</u>	<u>\$ 13,587,714</u>
Total \$ to be Recovered	\$ 69,489,887
Total Applicable Volumes	Mcf 50,800,502
Universal Service & Energy Conservation Surcharge	<u><u>\$ 1.3679</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 \$3,600,409.

**STATEMENT OF RECONCILIATION
UNIVERSAL SERVICES & ENERGY CONSERVATION SURCHARGE
SEPTEMBER 2015 THROUGH FEBRUARY 2016**

<u>Month</u>		<u>USC Applicable Volumes</u>	<u>USC Charge</u>	<u>USC Revenue Billed</u>	<u>USC Expenses</u>	<u>Monthly Over/(Under) Recovery</u>	<u>Cumulative Over/(Under) Recovery</u>
FY 15 Reconciliation							\$ (9,295,907)
September 2015	Actual	1,035,315	\$ 1.4187	\$ 1,468,750	\$ (1,940,513)	\$ 3,409,263	\$ (5,886,644)
October	Actual	1,530,956	\$ 1.3471	\$ 2,062,351	\$ (179,146)	\$ 2,241,497	\$ (3,645,147)
November	Actual	2,667,452	\$ 1.3471	\$ 3,593,325	\$ 3,725,297	\$ (131,973)	\$ (3,777,119)
December	Actual	4,261,276	\$ 1.2070	\$ 5,143,360	\$ 7,360,541	\$ (2,217,181)	\$ (5,994,301)
January 2016	Estimated	7,933,484	\$ 1.0669	\$ 8,464,234	\$ 11,226,443	\$ (2,762,209)	\$ (8,756,510)
February	Estimated	9,444,034	\$ 1.0669	\$ 10,075,840	\$ 14,907,044	\$ (4,831,204)	\$ (13,587,714)

<u>USC Expenses</u>		<u>Sep-15</u>	<u>Oct-15</u>	<u>Nov-15</u>	<u>Dec-15</u>	<u>Jan-16</u>	<u>Feb-16</u>
ELIRP Expense	\$	2,532	\$ 553,720	\$ 622,738	\$ 602,084	\$ 789,324	\$ 789,324
ELIRP Labor	\$	10,623	\$ 12,196	\$ 8,913	\$ 8,759	\$ 14,172	\$ 14,172
CRP Discount	\$	(2,580,366)	\$ (1,452,007)	\$ 2,250,502	\$ 5,686,259	\$ 9,003,781	\$ 12,545,736
CRP Forgiveness	\$	533,280	\$ 561,291	\$ 542,000	\$ 616,950	\$ 835,214	\$ 842,174
Senior Citizen Discount	\$	93,418	\$ 145,654	\$ 301,144	\$ 446,490	\$ 583,953	\$ 715,639
Bad Debt Expense Offset*	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$	(1,940,513)	\$ (179,146)	\$ 3,725,297	\$ 7,360,541	\$ 11,226,443	\$ 14,907,044

<u>CRP Participation</u>					
Rate Case Participation Rate		84,000	84,000	84,000	84,000
Actual Participation Rate*		58,958	58,609	58,462	58,282
CRP Under(Over) Participation		25,042	25,391	25,538	25,718
<u>Average Shortfall Per CRP Participant</u>					
CRP Discount	\$	(2,580,366)	\$ (1,452,007)	\$ 2,250,502	\$ 5,686,259
Actual Participation Rate		58,958	58,609	58,462	58,282
Average Shortfall per CRP Participant	\$	(44)	\$ (25)	\$ 38	\$ 98
Shortfall*	\$	-	\$ -	\$ -	\$ -
Bad Debt Expense Offset* 7.1%	\$	-	\$ -	\$ -	\$ -

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

EFFICIENCY COST RECOVERY (ECR) SURCHARGE
March 1, 2016

<u>Program</u>	<u>Residential & PHA GS</u>	<u>Commercial & PHA</u>	<u>Industrial</u>	<u>Total</u>
Residential Heating Equipment Rebate (RHER)				
Program Expense	\$438,548	\$51,292	\$511	\$490,351
Labor Expense	\$7,792	\$924	\$13	\$8,729
Commercial & Industrial Retrofit Incentive (CIRI)				
Program Expense	\$77,614	\$140,126	\$0	\$217,740
Labor Expense	\$1,102	\$2,090	\$0	\$3,193
Commercial & Industrial Equipment Rebate (CIER)				
Program Expense	\$4,711	\$153,774	\$36,962	\$195,447
Labor Expense	\$81	\$2,662	\$781	\$3,524
High-Efficiency Construction Incentive (HECI)				
Program Expense	\$55,233	\$73,780	\$0	\$129,013
Labor Expense	\$673	\$1,361	\$0	\$2,033
Comprehensive Residential Retrofit Incentive (CRRRI)				
Program Expense	\$368,353	\$6,075	\$0	\$374,428
Labor Expense	<u>\$7,349</u>	<u>\$139</u>	<u>\$0</u>	<u>\$7,488</u>
Total Expense	\$961,455	\$432,224	\$38,266	\$1,431,946
Prior Period Reconciliation (2/29/16)	<u>\$ (922,357)</u>	<u>\$ (190,849)</u>	<u>\$ 62,647</u>	<u>\$ (1,050,559)</u>
Total	\$39,098	\$241,375	\$100,914	\$381,387
Volumes - Mcf (GCR Firm & Firm Transportation)	13,190,165	4,233,116	349,472	
Efficiency Cost Recovery Surcharge / Mcf	\$0.0030	\$0.0570	\$0.2888	

**EFFICIENCY COST RECOVERY (ECR) SURCHARGE
STATEMENT OF RECONCILIATION
2nd Quarter Filing**

		Actual Sep-15	Actual Oct-15	Actual Nov-15	Actual Dec-15	Estimated Jan-16	Estimated Feb-16
RESIDENTIAL & PHA GS							
FY 2015 Over-Collection	\$	1,566,466					
Volume Billed		646,466	991,567	1,879,532	3,150,135	5,811,809	7,232,573
ECR Surcharge	\$	0.0045	\$ 0.0071	\$ 0.0071	\$ 0.0049	\$ 0.0027	\$ 0.0027
Revenue Billed	\$	2,909	\$ 7,040	\$ 13,345	\$ 15,436	\$ 15,692	\$ 19,528
RHER	Expense	\$ 233	\$ 83,436	\$ 30,200	\$ 45,339	\$ 73,091	\$ 73,091
RHER	Labor	\$ 976	\$ 1,121	\$ 850	\$ 805	\$ 1,299	\$ 1,299
HECI	Expense	\$ 27	\$ 2,894	\$ 7,426	\$ 3,268	\$ 9,205	\$ 9,205
HECI	Labor	\$ 115	\$ 131	\$ 422	\$ 94	\$ 112	\$ 112
CRR1	Expense	\$ 219	\$ 373	\$ 172,355	\$ 36,556	\$ 61,392	\$ 61,392
CRR1	Labor	\$ 919	\$ 1,056	\$ 785	\$ 758	\$ 1,225	\$ 1,225
CIRI	Expense	\$ 34	\$ 4,372	\$ 37	\$ 425	\$ 12,936	\$ 12,936
CIRI	Labor	\$ 142	\$ 163	\$ 167	\$ 117	\$ 184	\$ 184
CIER	Expense	\$ 2	\$ 390	\$ (19)	\$ 1,282	\$ 785	\$ 785
CIER	Labor	\$ 10	\$ 12	\$ 12	\$ 9	\$ 13	\$ 13
Total	\$	2,678	\$ 93,947	\$ 212,235	\$ 88,653	\$ 160,242	\$ 160,242
Monthly Over/(Under)	\$	231	\$ (86,907)	\$ (198,891)	\$ (73,217)	\$ (144,551)	\$ (140,715)
Cumulative Over/(Under)	\$	1,566,637	\$ 1,479,730	\$ 1,280,839	\$ 1,207,622	\$ 1,063,071	\$ 922,357
COMMERCIAL & PHA							
FY 2015 Over-Collection	\$	201,155					
Volume Billed		349,209	487,460	700,057	971,790	1,816,318	1,902,354
ECR Surcharge	\$	0.0221	\$ 0.0243	\$ 0.0243	\$ 0.0345	\$ 0.0446	\$ 0.0446
Revenue Billed	\$	7,700	\$ 11,845	\$ 17,011	\$ 33,478	\$ 81,008	\$ 84,845
RHER	Expense	\$ 27	\$ 9,679	\$ 2,943	\$ 5,259	\$ 8,549	\$ 8,549
RHER	Labor	\$ 113	\$ 130	\$ 71	\$ 93	\$ 154	\$ 154
CRR1	Expense	\$ 4	\$ 7	\$ 3,514	\$ 640	\$ 1,013	\$ 1,013
CRR1	Labor	\$ 16	\$ 18	\$ -	\$ 13	\$ 23	\$ 23
CIRI	Expense	\$ 61	\$ 7,892	\$ 27	\$ 768	\$ 23,354	\$ 23,354
CIRI	Labor	\$ 257	\$ 295	\$ 168	\$ 212	\$ 348	\$ 348
CIER	Expense	\$ 83	\$ 13,026	\$ 4,312	\$ 42,854	\$ 25,629	\$ 25,629
CIER	Labor	\$ 348	\$ 400	\$ 459	\$ 287	\$ 444	\$ 444
HECI	Expense	\$ 33	\$ 3,526	\$ 397	\$ 3,981	\$ 12,297	\$ 12,297
HECI	Labor	\$ 140	\$ 160	\$ (208)	\$ 115	\$ 227	\$ 227
Total	\$	1,082	\$ 35,132	\$ 11,682	\$ 54,222	\$ 72,037	\$ 72,037
Monthly Over/(Under)	\$	6,618	\$ (23,286)	\$ 5,329	\$ (20,744)	\$ 8,970	\$ 12,808
Cumulative Over/(Under)	\$	207,773	\$ 184,487	\$ 189,816	\$ 169,071	\$ 178,042	\$ 190,849
INDUSTRIAL							
FY 2015 Under-Collection	\$	(113,291)					
Volume Billed		28,538	36,712	48,035	70,044	158,399	150,819
ECR Surcharge	\$	(0.0102)	\$ (0.0091)	\$ (0.0091)	\$ 0.1086	\$ 0.2262	\$ 0.2262
Revenue Billed	\$	(291)	\$ (334)	\$ (437)	\$ 7,603	\$ 35,830	\$ 34,115
RHER	Expense	\$ 0	\$ 81	\$ (83)	\$ 44	\$ 85	\$ 85
RHER	Labor	\$ 1	\$ 1	\$ (6)	\$ 1	\$ 2	\$ 2
CIRI	Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CIRI	Labor	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CIER	Expense	\$ 19	\$ 3,053	\$ (211)	\$ 10,045	\$ 6,160	\$ 6,160
CIER	Labor	\$ 82	\$ 94	\$ (102)	\$ 67	\$ 130	\$ 130
Total	\$	102	\$ 3,229	\$ (402)	\$ 10,157	\$ 6,378	\$ 6,378
Monthly Over/(Under)	\$	(393)	\$ (3,563)	\$ (35)	\$ (2,554)	\$ 29,452	\$ 27,738
Cumulative Over/(Under)	\$	(113,685)	\$ (117,248)	\$ (117,283)	\$ (119,837)	\$ (90,385)	\$ (62,647)

**PHILADELPHIA GAS WORKS
LOAD BALANCING CHARGE
MARCH 1, 2016**

Storage and Peaking Asset Cost	\$	14,088,174
--------------------------------	----	------------

Design Day Requirements (Mcf)		653,198
Fulfilled from FT Capacity (Mcf)		<u>292,757</u>
Fulfilled from Storage and Peaking Assets (Excess Mcf)		360,441

Annual Storage and Peaking Cost per Excess Mcf	\$	39.0860
Per Mcf Over / (Under) Adjustment	\$	<u>0.0917</u>
Load Balancing Charge	\$	38.9943

Over / (Under) Recovery	\$	28,975
Interest	\$	<u>4,317</u>
Total Over/(Under) Recovery	\$	33,292
Forecasted SSPC Volumes		363,168
Per Mcf Over / (Under) Adjustment	\$	0.0917

Natural Gas Prices Used for PGW's - FY 2015-2016 - 2nd Quarter GCR Filing

Basis Differentials

Prices Used For Gas Cost Inputs

	TRANSCO				TETCO				NYMEX Futures 01/13/16 Close	TRANSCO				TETCO			
	Sta 30	Sta 45	Sta 65	Sta. 85	ELA	WLA	M-1	M-2		Sta 30	Sta 45	Sta 65	Sta. 85	ELA	WLA	M-1	M-2
2016:2	(0.11)	(0.14)	(0.02)	(0.01)	(0.06)	(0.08)	(0.10)	(0.72)	2.269	2.16	2.13	2.25	2.26	2.21	2.19	2.17	1.55
2016:3	(0.11)	(0.14)	(0.02)	(0.01)	(0.06)	(0.08)	(0.10)	(0.72)	2.290	2.18	2.15	2.27	2.28	2.23	2.21	2.19	1.57
2016:4	(0.11)	(0.14)	(0.02)	(0.01)	(0.06)	(0.08)	(0.10)	(0.72)	2.337	2.23	2.20	2.32	2.33	2.28	2.26	2.24	1.62
2016:5	(0.11)	(0.14)	(0.02)	(0.01)	(0.06)	(0.08)	(0.10)	(0.72)	2.385	2.28	2.25	2.37	2.38	2.33	2.31	2.29	1.67
2016:6	(0.11)	(0.14)	(0.02)	(0.01)	(0.06)	(0.08)	(0.10)	(0.72)	2.439	2.33	2.30	2.42	2.43	2.38	2.36	2.34	1.72
2016:7	(0.11)	(0.14)	(0.02)	(0.01)	(0.06)	(0.08)	(0.10)	(0.72)	2.493	2.38	2.35	2.47	2.48	2.43	2.41	2.39	1.77
2016:8	(0.11)	(0.14)	(0.02)	(0.01)	(0.06)	(0.08)	(0.10)	(0.72)	2.510	2.40	2.37	2.49	2.50	2.45	2.43	2.41	1.79
2016:9	(0.11)	(0.14)	(0.02)	(0.01)	(0.06)	(0.08)	(0.10)	(0.48)	2.507	2.40	2.37	2.49	2.50	2.45	2.43	2.41	2.03
2016:10	(0.11)	(0.14)	(0.02)	(0.01)	(0.06)	(0.08)	(0.10)	(0.48)	2.533	2.42	2.39	2.51	2.52	2.47	2.45	2.43	2.05
2016:11	(0.11)	(0.14)	(0.02)	(0.01)	(0.06)	(0.08)	(0.10)	(0.48)	2.609	2.50	2.47	2.59	2.60	2.55	2.53	2.51	2.13
2016:12	(0.11)	(0.14)	(0.02)	(0.01)	(0.06)	(0.08)	(0.10)	(0.48)	2.763	2.65	2.62	2.74	2.75	2.70	2.68	2.66	2.28
2017:1	(0.11)	(0.14)	(0.02)	(0.01)	(0.06)	(0.08)	(0.10)	(0.48)	2.872	2.76	2.73	2.85	2.86	2.81	2.79	2.77	2.39
2017:2	(0.11)	(0.14)	(0.02)	(0.01)	(0.06)	(0.08)	(0.10)	(0.48)	2.862	2.75	2.72	2.84	2.85	2.80	2.78	2.76	2.38

Actual Natural Gas Billed

	<u>Oct-15</u>	<u>Nov-15</u>	<u>Dec-15</u>
Williams	\$ 2,546,485.81	\$ 2,616,067.58	\$ 2,730,731.79
Texas Eastern	\$ 2,308,045.44	\$ 2,268,484.62	\$ 2,265,131.91
Dominion	\$ 131,574.32	\$ 125,280.55	\$ 124,634.88
Equitrans	\$ -	\$ 16,671.22	\$ 13,593.51
Spot Purchases - Transco	\$ -	\$ -	\$ -
Spot Purchases - Tetco	\$ 334,800.00	\$ 344,775.00	\$ 284,025.00
Transco Supply 2	\$ 692,850.00	\$ 729,750.00	\$ 792,825.00
Transco Supply 3	\$ -	\$ -	\$ -
Transco Supply 6	\$ -	\$ -	\$ -
Transco Supply 7	\$ -	\$ -	\$ -
Transco Supply 8	\$ 1,052,737.50	\$ 1,043,505.84	\$ 1,049,350.00
Transco Supply 10	\$ 400,287.50	\$ 847,500.00	\$ 875,750.00
Transco Supply 12	\$ -	\$ -	\$ -
Transco Supply 14	\$ 408,812.50	\$ -	\$ -
Transco Supply 17	\$ -	\$ -	\$ -
Transco Supply 20	\$ -	\$ -	\$ -
Transco Supply 21	\$ -	\$ -	\$ -
Transco Supply 22	\$ 737,184.13	\$ 471,862.50	\$ 664,825.00
Transco Supply 23	\$ 415,865.00	\$ 745,500.00	\$ 678,900.00
Transco Supply 24	\$ -	\$ -	\$ -
Transco Supply 25	\$ 914,675.07	\$ -	\$ -
Transco Supply 26	\$ -	\$ -	\$ -
Transco Supply 27	\$ -	\$ -	\$ -
Transco Supply 28	\$ -	\$ -	\$ -
Transco Supply 29	\$ -	\$ 402,375.00	\$ 415,787.50
Transco Supply 30	\$ -	\$ 402,750.00	\$ 416,175.00
Transco Supply 31	\$ -	\$ -	\$ -
Tetco Supply 1	\$ -	\$ -	\$ -
Tetco Supply 2	\$ -	\$ -	\$ -
Tetco Supply 3	\$ -	\$ -	\$ -
Tetco Supply 4	\$ -	\$ -	\$ -
Tetco Supply 5	\$ -	\$ 396,900.00	\$ 463,760.00
Tetco Supply 7	\$ -	\$ -	\$ -
Tetco Supply 13	\$ 500,030.00	\$ -	\$ -
Tetco Supply 14	\$ -	\$ -	\$ -
Tetco Supply 16	\$ 412,300.00	\$ 306,750.00	\$ 380,525.00
Tetco Supply 17	\$ -	\$ -	\$ -
Tetco Supply 18	\$ -	\$ -	\$ -
Tetco Supply 19	\$ -	\$ 403,500.00	\$ 416,950.00
Tetco Supply 20	\$ -	\$ -	\$ -
Tetco Supply 21	\$ -	\$ -	\$ -
Tetco Supply 22	\$ -	\$ -	\$ -
Tetco Supply 23	\$ -	\$ -	\$ -
Tetco Supply 24	\$ 543,727.65	\$ 732,000.00	\$ 1,107,500.00
Tetco Supply 25	\$ -	\$ 199,200.00	\$ 232,655.00
Tetco Supply 26	\$ 761,300.00	\$ 431,622.33	\$ 529,325.00
Tetco Supply 27	\$ 182,900.00	\$ -	\$ -
Tetco Supply 28	\$ 179,025.00	\$ 182,250.00	\$ 237,925.00
Tetco Supply 29	\$ -	\$ 361,500.00	\$ 327,050.00
Total Costs	<u>\$ 12,522,600</u>	<u>\$ 13,028,245</u>	<u>\$ 14,007,420</u>
Sharing Mechanism	\$ 108,456	\$ 122,586	\$ 126,672
Asset Management Agreement	\$ -	\$ -	\$ -
Off System Sales	\$ 1,523	\$ 539	\$ 4,102
Gas Transportation Purchases	\$ 1,035,541	\$ (2,449,523)	\$ (852,483)
Adjustment/Reconciliation	\$ -	\$ -	\$ -
Total Natural Gas Billed	<u>\$ 13,668,120</u>	<u>\$ 10,701,846</u>	<u>\$ 13,285,711</u>

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

	<u>Actual</u>				Projected 4th Qtr Filing <u>Oct-15</u>	Projected 1st Qtr Filing <u>Nov-15</u>	Projected 1st Qtr Filing <u>Dec-15</u>	Total	<u>Actual Over/Under vs Projected</u>			
	<u>Oct-15</u>	<u>Nov-15</u>	<u>Dec-15</u>	Total					<u>Oct-15</u>	<u>Nov-15</u>	<u>Dec-15</u>	Total
Total Natural Gas Billed	\$ 13,668,120	\$ 10,791,846	\$ 13,285,711	\$ 37,655,677	\$ 16,163,029	\$ 18,272,768	\$ 19,560,348	\$ 53,996,144	\$ (2,494,909)	\$ (7,570,922)	\$ (6,274,637)	\$ (16,340,467)
Less Imbalance Charge	\$ 17,198	\$ 38,779	\$ 46,963	\$ 102,940	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Less Interruptible Credit	\$ 5,620	\$ 12,854	\$ 3,708	\$ 22,182	\$ 2,377	\$ 289	\$ 282	\$ 2,949	\$ 3,243	\$ 12,565	\$ 3,426	\$ 19,233
Gas Used For Utility	\$ 43,248	\$ 42,690	\$ 66,823	\$ 152,761	\$ 32,490	\$ 75,687	\$ 123,819	\$ 231,995	\$ 10,758	\$ (32,997)	\$ (56,996)	\$ (79,234)
	\$ 13,602,054	\$ 10,607,523	\$ 13,168,217	\$ 37,377,794	\$ 16,128,162	\$ 18,196,792	\$ 19,436,246	\$ 53,761,200	\$ (2,526,108)	\$ (7,589,269)	\$ (6,268,029)	\$ (16,383,406)
<u>Pipeline Storages</u>												
(To)	\$ (2,811,189)	\$ (785,584)	\$ (872,311)	\$ (4,469,084)	\$ (4,178,902)	\$ (746,675)	\$ -	\$ (4,925,577)	\$ 1,367,713	\$ (38,909)	\$ (872,311)	\$ 456,493
From	\$ 223,356	\$ 3,504,133	\$ 3,535,600	\$ 7,263,089	\$ -	\$ 615,783	\$ 4,288,288	\$ 4,904,071	\$ 223,356	\$ 2,888,350	\$ (752,688)	\$ 2,359,018
Net Pipeline Storages	\$ (2,587,833)	\$ 2,718,549	\$ 2,663,289	\$ 2,794,005	\$ (4,178,902)	\$ (130,892)	\$ 4,288,288	\$ (21,506)	\$ 1,591,069	\$ 2,849,441	\$ (1,624,999)	\$ 2,815,511
<u>LNG Storage</u>												
(To)	\$ (532,112)	\$ (903,635)	\$ (876,111)	\$ (2,311,858)	\$ (911,546)	\$ (1,186,250)	\$ (661,043)	\$ (2,758,839)	\$ 379,434	\$ 282,615	\$ (215,068)	\$ 446,981
From	\$ 212,109	\$ 259,958	\$ 248,190	\$ 720,257	\$ 263,620	\$ 248,346	\$ 362,027	\$ 873,993	\$ (51,511)	\$ 11,612	\$ (113,837)	\$ (153,736)
Net LNG Storage	\$ (320,003)	\$ (643,677)	\$ (627,921)	\$ (1,591,601)	\$ (647,926)	\$ (937,904)	\$ (299,016)	\$ (1,884,846)	\$ 327,923	\$ 294,227	\$ (328,905)	\$ 293,245
Net Natural Gas	\$ 10,694,218	\$ 12,682,395	\$ 15,203,585	\$ 38,580,198	\$ 11,301,334.02	\$ 17,127,996	\$ 23,425,518	\$ 51,854,848	\$ (607,116)	\$ (4,445,601)	\$ (8,221,933)	\$ (13,274,650)
<u>APPLICABLE GCR EXPENSES</u>												
Net Natural Gas Expense	\$ 10,694,218	\$ 12,682,395	\$ 15,203,585	\$ 38,580,198	\$ 11,301,334	\$ 17,127,996	\$ 23,425,518	\$ 51,854,848	\$ (607,116)	\$ (4,445,601)	\$ (8,221,933)	\$ (13,274,650)
Purchased Electric & Misc	\$ 39,681	\$ 57,904	\$ 55,564	\$ 153,149	\$ 49,636	\$ 76,365	\$ 79,574	\$ 205,575	\$ (9,955)	\$ (18,461)	\$ (24,010)	\$ (52,426)
Total GCR Expenses	\$ 10,733,899	\$ 12,740,299	\$ 15,259,149	\$ 38,733,347	\$ 11,350,970	\$ 17,204,361	\$ 23,505,092	\$ 52,060,423	\$ (617,071)	\$ (4,464,062)	\$ (8,245,943)	\$ (13,327,076)