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March 3, 2016

VIA HAND DELIVERY

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, PA 17120

**Re: Philadelphia Gas Works – Supplement No. 92 to Gas Service Tariff - Pa P.U.C. No. 2;
Docket No. _____**

Dear Secretary Chiavetta:

Enclosed for filing with the Pennsylvania Public Utility Commission on behalf of Philadelphia Gas Works (“PGW”) is Supplement No. 92 to Gas Service Tariff – Pa P.U.C. No. 2, bearing an effective date of May 2, 2016. This tariff filing reflects changes related to billing and payment procedures necessitated by modifications enacted in Act 155 of 2014. Supplement No. 92 revises the language of Rules 3.2 and 3.3 of its Credit and Deposit Standards and Procedures to reflect the timing and release requirements for a returned deposit and the calculation of interest on deposits held.

If you have any questions regarding this filing, please feel free to contact the undersigned.

Sincerely,



Sarah C. Stoner

SCS/dsc
Enclosures

cc: Certificate of Service, w/enc.
Erin Laudenslager, Bureau of Technical Utility Services (via email)
Marissa Boyle, Bureau of Technical Utility Services (via email)

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GAS SERVICE TARIFF



Issued by: Craig White
President and CEO

PHILADELPHIA GAS WORKS
800 West Montgomery Avenue
Philadelphia, PA 19122

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List of Changes Made by this Tariff Supplement

CREDIT AND DEPOSIT – (PAGE No. 21)

Rules 3.2 and 3.3 are revised to reflect the timing and release requirements for a returned deposit and the calculation of interest on deposits held consistent with 66 Pa.C.S.A. § 1404(c).

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3. Credit and Deposit

3.1. CREDIT AND DEPOSIT STANDARDS AND PROCEDURES.

3.1.A. Conditions Where Applicant or Customer Needs to Provide a Security Deposit. PGW will require a deposit for Gas Service, in accordance with Applicable Law.

3.1.B. Payment of the Security Deposit. If the full amount of the security deposit or the portion due and payable pursuant to Applicable Law is not received, PGW shall not be required to provide or, as relevant, continue to provide service. For Non-Residential and Landlord-Customers, payment of 100% of the security deposit will be required before service will be provided. A Residential, Non-Landlord Customer may pay a security deposit in installments if allowed under Applicable Law. A deposit may be required for continued Gas Service when the Customer has been delinquent in the payment of any two consecutive bills or three or more bills within the preceding 12 months.

3.2. Refund or Credit of Security Deposit when Timely Payment History has been established. Once a Customer establishes a timely payment history for 12 consecutive months, PGW shall deduct the outstanding balance from the deposit, if any and, at PGW's discretion, either return or credit any positive difference to the Customer. (C)

3.3. Interest on Residential Customers' deposits shall be calculated in accordance with Applicable Law. (C)

3.4. Interest earned on deposits shall be returned or credited to the Customer at the time that the deposit is returned or credited in accordance with Applicable Law.

3.5 Credit Scoring Methodology. When a credit scoring methodology is used in connection with this Tariff, the Company will use a generally accepted scoring methodology, with standards that fall within the range of general industry practice, provided by one of the three major credit reporting agencies (i.e. Equifax, Experian, Trans Union). This scoring methodology will be one that has been designed to predict risk on energy accounts and which provides scoring based on actual payment history of the Customer or Applicant.

Some material on this page was originally located on page 24.

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Philadelphia Gas Works : Docket No. _____
Supplement No. 92 to Gas Service :
Tariff – Pa P.U.C. No. 2 :
: :
: :
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STATEMENT OF REASONS

Philadelphia Gas Works (“PGW”) hereby files with the Pennsylvania Public Utility Commission (“PUC” or “Commission”) proposed Supplement No. 92 to Gas Service Tariff – Pa P.U.C. No. 2 (“Supplement No. 92”), with an effective date of May 2, 2016. Supplement No. 92 implements changes to Rules 3.2 and 3.3 of its Credit and Deposit Standards and Procedures consistent with the modifications enacted in Act 155 of 2014 (“Act 155”). This Statement of Reasons provides a background of the filing and an explanation of the reasons necessitating the proposed changes. PGW requests that Supplement No. 92 become effective on 60 days’ notice in accordance with the Commission’s statutory notice requirements at 52 Pa. Code § 53.101.

In addition, attached to this Statement of Reasons are the following documents in support of the proposed changes:

Exhibit A Responses to Questions in 52 Pa. Code § 53.52(a)

Exhibit B Proposed Supplement No. 92 to Gas Service Tariff – Pa P.U.C. No. 2

I. DESCRIPTION OF COMPANY

PGW is a group of real and personal assets owned by the City of Philadelphia (the "City") and used for the acquisition, storage, processing, and distribution of natural gas within the City, and thus qualifies as a "city natural gas distribution operation" pursuant to Section 102 of the Public Utility Code ("Code"), 66 Pa. C.S. § 102. PGW provides natural gas supply and natural gas distribution services to over 500,000 customers in the City and County of Philadelphia.

II. EXPLANATION AND REASONS FOR PROPOSED REVISIONS

On October 22, 2014, Governor Corbett signed Act 155 into law and it became effective on December 22, 2014. Act 155 amended Title 66 of the Public Utility Code to provide for, among other things, revised definitions, as well as revisions or additions regarding cash deposits, payment agreements, dishonored payments, and public utility duties. PGW proposes to revise Rules 3.2 and 3.3 of the Credit and Deposit Standards and Procedures in its Gas Service Tariff to align the language with current business practices, consistent with the modifications enacted in Act 155.

A. Rule 3.2 - Credit and Deposit Standards and Procedures

PGW proposes to make changes to Rule 3.2 – Credit and Deposit Standards and Procedures. Specifically, PGW proposes to revise its tariff language on the timeframe to return or credit security deposits to customers who have paid on a timely basis. This modification is consistent with the modifications enacted in Act 155.

B. Rule 3.3 - Credit and Deposit Standards and Procedures

PGW also proposes to make changes to Rule 3.3 – Credit and Deposit Standards and Procedures. Specifically, PGW proposes to revise its tariff language to reflect that interest on residential customers’ deposits be calculated in accordance with applicable law. This modification is consistent with the modifications enacted in Act 155.

III. NOTICE PROCEDURES AND EFFECTIVENESS OF PROPOSED RATE CHANGES

PGW requests that Supplement No. 92 to Gas Service Tariff – Pa P.U.C. No. 2 become effective on 60 days’ notice in accordance with the statutory notice period prescribed by 52 Pa. Code § 53.101. PGW will satisfy the notice requirements the Commission directs pursuant to 52 Pa. Code § 53.45(g).

WHEREFORE, Philadelphia Gas Works respectfully requests that the Commission review and approve its proposed Supplement No. 92 to Gas Service Tariff – Pa P.U.C. No. 2 effective on May 2, 2016.

Respectfully submitted,



Daniel Clearfield, Esquire
Attorney ID 26183
Deanne M. O’Dell, Esquire
Attorney ID 81064
Sarah C. Stoner, Esquire
Attorney ID 313793
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213 Market St., 8th Floor
Harrisburg, PA 17101
717.237.6000
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Date: March 3, 2016

Counsel to Philadelphia Gas Works

Responses to Questions in 52 Pa. Code, Section 53.52(a)

(a)(1) The specific reason for each change

On December 22, 2014, Act 155 of 2014 became effective. Act 155 of 2014 amended Chapter 14 of the Public Utility Code (66 Pa. C.S. §§ 1401-1419). PGW proposes to revise Rules 3.2 and 3.3 of the Credit and Deposit Standards and Procedures in its Gas Service Tariff to align the language with current business practices, consistent with 66 Pa.C.S.A. § 1404(c).

Specifically, PGW proposes that Rule 3.2 (Refund or Credit of Security Deposit when Timely Payment History has been established) be modified to reflect that once a customer establishes timely payment history for 12 consecutive months, PGW shall deduct the outstanding balance from the deposit, if any and, at PGW's discretion, either return or credit any positive difference to the customer. PGW is also proposing that Rule 3.3 be modified to reflect that interest on residential customers' deposits be calculated in accordance with applicable law.

(a)(2) The total number of customers served by the utility.

PGW currently serves over 500,000 customers.

(a)(3) A calculation of the number of customers, by tariff subdivision, whose bills will be affected by the change.

Customer bills will not be affected by the change.

(a)(4) The effect of the change on the utility's customers.

None.

(a)(5) The direct or indirect effect of the proposed change on the utility's revenue and expenses.

There is no effect on PGW's revenue and expenses as no operational changes have occurred.

(a)(6) The effect of the change on the service rendered by the utility.

None.

(a)(7) A list of factors considered by the utility in its determination to make the change.

See PGW's response above to 52 Pa. Code § 53.52(a)(1).

(a)(8) Studies undertaken by the utility in order to draft its proposed change.

None.

(a)(9) Customer polls taken and other documents which indicate customer acceptance and desire for the proposed change. If the poll or other documents reveal discernible public opposition, an explanation of why the change is in the public interest shall be provided.

None.

(a)(10) Plans the utility has for introducing or implementing the changes with respect to its ratepayers.

Pursuant to 52 Pa. Code § 53.45(g), PGW will undertake notice activities as directed by the Commission.

(a)(11) FCC, FERC or Commission orders or rulings applicable to the filing.

None.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing document upon the persons listed below in the manner indicated in accordance with the requirements of 52 Pa. Code Section 1.54.

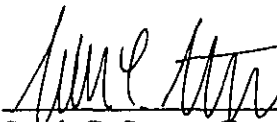
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Dated: March 3, 2016



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