



PHILADELPHIA GAS WORKS

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August 31, 2017

VIA E-FILING

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
2nd Floor, 1 North
400 North Street
Harrisburg, PA 17120

Re: Pa. PUC v. Philadelphia Gas Works (4th Quarter 2016-2017 GCR Filing)
Docket No. R-2016-2526700
Pa. PUC v. Philadelphia Gas Works (2017-2018 GCR Compliance Tariffs)
Docket No. R-2017-2587526

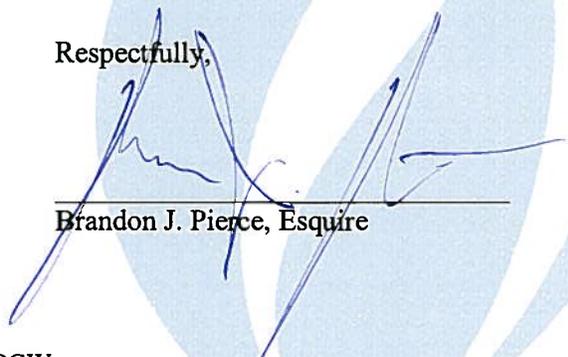
Dear Secretary Chiavetta:

On behalf of Philadelphia Gas Works (“PGW”), enclosed please find the following Tariff Supplements and supporting schedules:

- 1) PGW Gas Service Tariff, Pa. P.U.C. No. 2, Supplement No. 105; and
- 2) PGW Gas Supplier Tariff, Pa. P.U.C. No. 1, Supplement No. 72.

These supplements are being filed to implement PGW’s 4th Quarter 2016-2017 Gas Cost Rate (“GCR”) and PGW’s compliance with the Commission’s Order entered August 3, 2017, at Docket No. R-2017-2587526 approving PGW’s 2017-2018 GCR. The tariff supplements are to become effective on one day’s notice on September 1, 2017. Please contact me with any questions.

Respectfully,



Brandon J. Pierce, Esquire

Enclosures

cc: Cert. of Service w/enc
Raquel Guzman, VP Legal & General Counsel, PGW
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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.

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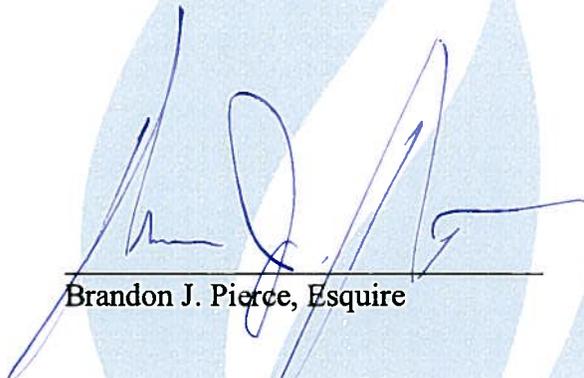
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Brandon J. Pierce, Esquire

Dated: August 31, 2017

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

Supplement No. 105

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

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Updated to reflect revised page numbers for each of the changes listed below on this page.

GAS COST RATE (GCR) – SECTION 1307(f), II. DEFINITIONS (Page No. 67)

In the definition of “GAC,” the GAC value effective September 1, 2017, increases from \$(0.00909) per Ccf to \$(0.00640) per Ccf.

GAS COST RATE (GCR) – SECTION 1307(f), II. DEFINITIONS (Page No. 67A)

In the definition of “IRC,” the “IRC” value effective September 1, 2017, decreases from \$0.00029 per Ccf to \$0.00026 per Ccf. In the definition of “SSC,” the “SSC” value effective September 1, 2017, decreases from \$0.46924 per Ccf to \$0.42189 per Ccf.

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

The Gas Cost Rate (GCR) effective September 1, 2017, decreases from \$0.45986 per Ccf to \$0.41523 per Ccf.

PRICE TO COMPARE (Page No. 78)

The Prices to Compare effective September 1, 2017, are: a) \$0.43892 per Ccf for Residential; b) \$0.42065 per Ccf for Commercial Customers on Rate GS; c) \$0.42074 per Ccf for Industrial Customers on Rate GS; and d) \$0.41949 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 Current Restructuring and Consumer Education Surcharge effective September 1, 2017, is \$0.00077 per Ccf.

EFFICIENCY COST RECOVERY SURCHARGE (Page No. 80)

The Efficiency Cost Recovery Surcharges effective September 1, 2017, are: a) \$0.00196 per Ccf for Residential and Public Housing Customers on Rate GS; b) \$0.00407 per Ccf for Commercial Customers on Rate GS; c) \$0.00419 per Ccf for Industrial Customers on Rate GS; d) \$0.00000 per Ccf for Municipal Customers on Rate MS; and e) \$0.00407 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, 2017, decreases from \$0.14482 per Ccf to \$0.13701 per Ccf.

OTHER POST EMPLOYMENT BENEFIT (“OPEB”) SURCHARGE (Page No. 82)

The Other Post Employment Benefit Surcharge effective September 1, 2017, increases from \$0.03757 per Ccf to \$0.03785 per Ccf.

GENERAL SERVICE – RATE GS (Page No. 83)

The Gas Cost Rate (GCR) effective September 1, 2017, decreases from \$0.45986 per Ccf to \$0.41523 per Ccf.

MUNICIPAL SERVICE – RATE MS (Page No. 87)

The Gas Cost Rate (GCR) effective September 1, 2017, decreases from \$0.45986 per Ccf to \$0.41523 per Ccf.

PHILADELPHIA GAS WORKS

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

The Gas Cost Rate (GCR) effective September 1, 2017, decreases from \$0.45986 per Ccf to \$0.41523 per Ccf.

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

The Gas Cost Rate (GCR) effective September 1, 2017, decreases from \$0.45986 per Ccf to \$0.41523 per Ccf.

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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.

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 \$(0.02106) per Ccf for Commodity Costs and \$0.01466 per Ccf for Demand Costs, for service on or after September 1, 2017. The total GAC is \$(0.00640) per Ccf. (I)

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.

(I) – Increase

IRC - Interruptible Revenue Credit - The credit defined in Subsection VI below. The currently effective IRC is \$0.00026 per Ccf for service on or after September 1, 2017.

(D)

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 \$0.29391 per Ccf for Commodity Costs and \$0.12798 per Ccf for Demand Costs, for service on or after September 1, 2017. The total SSC is \$0.42189 per Ccf.

(D)

(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:

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

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 \$0.41523 per Ccf, for service on or after September 1, 2017.

(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	\$0.42189	\$0.42189	\$0.42189	\$0.42189	\$0.42189	\$0.42189	\$0.42189
GAC	(\$0.00640)	(\$0.00640)	(\$0.00640)	(\$0.00640)	(\$0.00640)	(\$0.00640)	(\$0.00640)
MFC	\$0.01943	\$0.00000	\$0.00116	\$0.00125	\$0.00000	\$0.00000	\$0.00000
GPC	\$0.00400	\$0.00400	\$0.00400	\$0.00400	\$0.00400	\$0.00400	\$0.00400
PTC	<u>\$0.43892</u>	<u>\$0.41949</u>	<u>\$0.42065</u>	<u>\$0.42074</u>	<u>\$0.41949</u>	<u>\$0.41949</u>	<u>\$0.41949</u>

(C)

(C) - Change

RESTRUCTURING AND CONSUMER EDUCATION SURCHARGE

Non-Gas restructuring and consumer education costs, including the costs arising from implementation and administration of the Account Number Access Mechanism as specified in the Commission's Final Order entered on October 27, 2016, at Docket No. M-2015-2468991, 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 = \$0.00077/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) \$0.00196 per Ccf for Residential and Public Housing Customers on Rate GS;
- b) \$0.00407 per Ccf for Commercial Customers on Rate GS;
- c) \$0.00419 per Ccf for Industrial Customers on Rate GS;
- d) \$0.00000 per Ccf for Municipal Customers on Rate MS; and
- e) \$0.00407 per Ccf for The Philadelphia Housing Authority on Rate PHA.

(I)
(D)
(D)
(NC)
(D)

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

(D) – Decrease; (I) – Increase; (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 = \$ 0.13701/Ccf.

(D)

(D) - Decrease

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 = \$0.03785/Ccf

(I)

(I) - Increase

GENERAL SERVICE - RATE GS

Rate: Applicable to all Retail Sales Service or Transportation Service rendered pursuant to this Rate Schedule on or after September 1, 2017.

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):

\$0.41523 per Ccf for Residential and Public Housing (D)
\$0.41523 per Ccf for Commercial Customers (D)
\$0.41523 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 September 1, 2017.

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):

\$0.41523 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 September 1, 2017.

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):

\$0.41523 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
September 1, 2017.

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):

\$0.41523 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

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

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

Supplement No. 72

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

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

The load balancing charge effective September 1, 2017, is \$39.2446 per design day Mcf.

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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 \$39.2446 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. (I)

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:

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

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.

(I) – Increase

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SEPTEMBER 1, 2017
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Philadelphia Gas Works
Levelized Gas Cost Rate
4th Qtr Filing - September 1, 2017

Formula:
GCR = SSC + GAC - IRC

where:

	<u>Demand</u>	<u>Commodity</u>	<u>Total</u>	
S = Firm Sales (Mcf)			42,907,563	Schedule 2
<hr/>				
Net Natural Gas Expense	\$ 55,345,948	\$ 126,378,863	\$ 181,724,811	
Purchased Electric & Misc Expenses	\$ -	\$ 726,315	\$ 726,315	
C = Total Applicable GCR Expense	\$ 55,345,948	\$ 127,105,178	\$ 182,451,126	Schedule 3
SSC = C / S	\$ 1.2899	\$ 2.9623	\$ 4.2522	

Adjustment For:

E-Factor Volumes (Mcf)			42,907,563	
Interest	\$ 79,667	\$ (294,902)	\$ (215,235)	Schedule 5(a)
E-Factor Reconciliation	\$ 6,240,327	\$ (8,784,505)	\$ (2,544,178)	Schedule 4(b)(c)
	\$ 6,319,995	\$ (9,079,408)	\$ (2,759,413)	
E = E-Factor	\$ 0.1473	\$ (0.2116)	\$ (0.0643)	

Interruptible Revenue Credit			\$ 113,353	Schedule 10(a)
IRC = Interruptible Revenue Credit / S			\$ 0.0026	

Net Applicable GCR Expenses = C + E - Interruptible Revenue Credit			\$ 179,578,360	
<u>GCR = SSC + GAC - IRC</u>			\$ 4.1852	

SSC in effect 9/01/17	\$ 1.2798	\$ 2.9391	\$ 4.2189	
GAC in effect 9/01/17	\$ 0.1466	\$ (0.2106)	\$ (0.0640)	
IRC in effect 9/01/17			\$ (0.0026)	
GCR in effect 9/01/17			\$ 4.1523	Schedule 7

Recovery Test on:

Firm Sales (Mcf)		42,907,563	
= GCR Projected Recovery	\$	178,354,539	
= Load Balancing Revenue	\$	1,143,803	
= LNG Sales Demand Revenue	\$	85,133	
= Total Projected Recovery	\$	179,583,476	Schedule 7
Compared To			
Net Applicable GCR Expenses	\$	179,578,360	
= Net Over/(Under) Recovery	\$	5,116	

Degree Days 4,011

Philadelphia Gas Works

Price To Compare (\$ / MCF)

September 1, 2017

	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	\$4.1523	(\$0.0666)	\$4.2189	4.68%	\$0.1943	\$0.0400	(\$0.0640)	\$4.3892
Commercial GS	\$4.1523	(\$0.0666)	\$4.2189	0.28%	\$0.0116	\$0.0400	(\$0.0640)	\$4.2065
Industrial GS	\$4.1523	(\$0.0666)	\$4.2189	0.30%	\$0.0125	\$0.0400	(\$0.0640)	\$4.2074
Phila. Housing Authority (PHA)	\$4.1523	(\$0.0666)	\$4.2189	0%	\$0.0000	\$0.0400	(\$0.0640)	\$4.1949
Municipal (MS)	\$4.1523	(\$0.0666)	\$4.2189	0%	\$0.0000	\$0.0400	(\$0.0640)	\$4.1949
NGV Firm	\$4.1523	(\$0.0666)	\$4.2189	0%	\$0.0000	\$0.0400	(\$0.0640)	\$4.1949
Phila. Housing Authority (GS)	\$4.1523	(\$0.0666)	\$4.2189	0%	\$0.0000	\$0.0400	(\$0.0640)	\$4.1949

SALES & VOLUMES

SEPTEMBER 2017 THROUGH AUGUST 2018

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 2017	1,007,700	150,612	857,089	587	5,425	2,027	849,050	3,425	996,237
OCTOBER	1,516,689	235,207	1,281,482	607	5,605	-	1,275,270	5,642	1,504,835
NOVEMBER	3,446,143	413,779	3,032,364	587	5,425	-	3,026,352	16,012	3,424,119
DECEMBER	6,029,638	659,752	5,369,886	607	5,605	-	5,363,674	29,385	5,994,041
JANUARY 2018	10,065,606	935,857	9,129,748	607	5,605	-	9,123,536	51,204	10,008,189
FEBRUARY	8,893,328	812,515	8,080,813	548	5,063	-	8,075,202	44,657	8,843,060
MARCH	6,822,618	652,282	6,170,336	607	5,605	-	6,164,123	32,969	6,783,437
APRIL	4,583,348	420,834	4,162,514	587	5,425	-	4,156,502	21,631	4,555,705
MAY	2,160,223	235,509	1,924,714	607	5,605	-	1,918,501	8,849	2,145,161
JUNE	1,287,973	185,755	1,102,218	587	5,425	1,328	1,094,878	3,929	1,276,704
JULY	1,173,456	175,424	998,031	607	5,605	2,131	989,688	3,397	1,161,716
AUGUST	<u>1,034,350</u>	<u>155,172</u>	<u>879,177</u>	<u>607</u>	<u>5,605</u>	<u>2,177</u>	<u>870,788</u>	<u>2,949</u>	<u>1,023,011</u>
TOTAL	48,021,073	5,032,700	42,988,373	7,147	66,000	7,663	42,907,563	224,048	47,716,215

**Projected Applicable Fuel Expense
SUMMARY
FY 2016-2017 4th Quarter Filing**

	SEPTEMBER 2017	OCTOBER 2017	NOVEMBER 2017	DECEMBER 2017	JANUARY 2018	FEBRUARY 2018	MARCH 2018	APRIL 2018	MAY 2018	JUNE 2018	JULY 2018	AUGUST 2018	TOTAL
NATURAL GAS BILLED													
DEMAND CHARGE	\$4,442,879	\$4,421,214	\$4,841,042	\$4,891,815	\$4,891,061	\$4,912,731	\$4,830,270	\$4,437,135	\$4,415,412	\$4,435,481	\$4,413,846	\$4,413,062	\$55,345,948
COMMODITY CHARGE	\$5,701,680	\$8,770,254	\$13,857,868	\$17,858,395	\$13,443,087	\$12,000,847	\$10,417,831	\$12,620,390	\$11,477,059	\$8,975,458	\$8,799,233	\$8,525,810	\$132,447,913
TOTAL NATURAL GAS BILLED	\$10,144,559	\$13,191,468	\$18,698,910	\$22,750,210	\$18,334,148	\$16,913,578	\$15,248,101	\$17,057,524	\$15,892,472	\$13,410,940	\$13,213,079	\$12,938,873	\$187,793,861
INTERRUPTIBLE & A/C CREDIT	\$7,190	\$1,757	\$1,775	\$1,849	\$1,776	\$1,609	\$1,754	\$1,720	\$1,736	\$5,368	\$7,742	\$7,886	\$42,162
SENDOUT VOLUME IN MCF	2,701	627	607	627	627	566	627	607	627	1,979	2,829	2,876	15,300
DKT CONVERSION FACTOR	1.037	1.037	1.037	1.037	1.037	1.037	1.037	1.037	1.037	1.037	1.037	1.037	
PRICE \$/DKT	\$2.5671	\$2.7022	\$2.8200	\$2.8428	\$2.7304	\$2.7397	\$2.6972	\$2.7326	\$2.6698	\$2.6160	\$2.6394	\$2.6440	
GAS USED FOR UTILITY	\$30,057	\$37,287	\$61,608	\$115,477	\$139,568	\$128,599	\$124,107	\$69,685	\$38,840	\$24,811	\$21,797	\$24,417	\$816,253
NATURAL GAS TO STORAGE	(\$3,133,317)	(\$2,082,640)	\$0	\$0	\$0	\$0	\$0	(\$3,508,004)	(\$7,128,061)	(\$6,651,825)	(\$6,399,578)	(\$6,128,021)	(\$35,031,445)
FROM STORAGE PGW	\$0	\$0	\$316,327	\$4,271,668	\$11,070,624	\$9,066,796	\$6,921,051	\$221,268	\$0	\$0	\$0	\$0	\$31,867,733
FT FROM STORAGE	\$0	\$0	\$58,636	\$368,646	\$568,755	\$421,947	\$130,925	\$4,307	\$0	\$0	\$0	\$0	\$1,553,215
NET NATURAL GAS STORAGE	(\$3,133,317)	(\$2,082,640)	\$316,327	\$4,271,668	\$11,070,624	\$9,066,796	\$6,921,051	(\$3,286,736)	(\$7,128,061)	(\$6,651,825)	(\$6,399,578)	(\$6,128,021)	(\$3,163,712)
LNG TO STORAGE	(\$26,610)	(\$587,613)	(\$1,113,323)	(\$1,104,194)	(\$442,971)	(\$312,114)	(\$976,266)	(\$899,669)	(\$284,680)	(\$13,526)	\$0	\$0	(\$5,760,966)
FROM LNG PGW	\$203,816	\$211,851	\$204,917	\$272,081	\$1,077,642	\$580,472	\$222,922	\$217,746	\$226,420	\$219,449	\$226,771	\$226,771	\$3,890,859
FT FROM LNG	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
NET LNG STORAGE	\$177,206	(\$375,762)	(\$908,406)	(\$832,114)	\$634,671	\$268,358	(\$753,344)	(\$681,923)	(\$58,260)	\$205,923	\$226,771	\$226,771	(\$1,870,107)
LNG SALES FROM LNG TANK	\$13,572	\$14,033	\$13,766	\$14,592	\$14,966	\$13,645	\$15,218	\$14,955	\$15,610	\$15,148	\$15,656	\$15,656	\$176,815
SENDOUT VOLUMES (MCF)	5,425	5,605	5,425	5,605	5,605	5,063	5,605	5,425	5,605	5,425	5,605	5,605	66,000
@ AVG LNG COMMODITY RATE	\$2.5020	\$2.5035	\$2.5376	\$2.6031	\$2.6698	\$2.6950	\$2.7148	\$2.7569	\$2.7848	\$2.7924	\$2.7929	\$2.7929	
NET NATURAL GAS EXPENSE	\$7,137,629	\$10,679,989	\$18,029,683	\$26,057,847	\$29,883,134	\$26,104,878	\$21,274,729	\$13,002,505	\$8,649,964	\$6,919,711	\$6,995,077	\$6,989,665	\$181,724,811
APPLICABLE GCR EXPENSE													
NET NATURAL GAS EXPENSE	\$7,137,629	\$10,679,989	\$18,029,683	\$26,057,847	\$29,883,134	\$26,104,878	\$21,274,729	\$13,002,505	\$8,649,964	\$6,919,711	\$6,995,077	\$6,989,665	\$181,724,811
PURCHASED ELECTRIC & MISC	\$23,643	\$50,948	\$51,671	\$67,861	\$74,792	\$70,627	\$68,008	\$47,868	\$40,134	\$22,819	\$46,224	\$36,721	\$601,315
PLANALYTICS	\$0	\$0	\$0	\$0	\$125,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$125,000
TOTAL APPLICABLE EXPENSES	\$7,161,272	\$10,730,937	\$18,081,354	\$26,125,708	\$30,082,926	\$26,175,505	\$21,342,737	\$13,050,373	\$8,690,098	\$6,942,530	\$7,041,302	\$7,026,386	\$182,451,126
TOTAL GCR FIRM SALES	849,050	1,275,270	3,026,352	5,363,674	9,123,536	8,075,202	6,164,123	4,156,502	1,918,501	1,094,878	989,688	870,788	42,907,563

**ACTUAL / ESTIMATED DATA - FISCAL YEAR 2017
PHILADELPHIA GAS WORKS**

Rate	7/1/2016	Split Month 9/1/2016	10/1/2016	Split Month 12/1/2016	1/1/2017	Split Month 3/1/2017	4/1/2017	Split Month 6/1/2017	7/1/2017
	SSC in Effect	\$ 3.7551	\$ 4.0107	\$ 4.2662	\$ 4.2367	\$ 4.2071	\$ 4.6064	\$ 5.0056	\$ 4.8490
GAC in Effect	\$ (0.5353)	\$ (0.2986)	\$ (0.0619)	\$ (0.0547)	\$ (0.0474)	\$ (0.0542)	\$ (0.0609)	\$ (0.0759)	\$ (0.0909)
IRC in Effect	\$ (0.0019)	\$ (0.0018)	\$ (0.0017)	\$ (0.0019)	\$ (0.0020)	\$ (0.0018)	\$ (0.0017)	\$ (0.0023)	\$ (0.0029)
Total Effective	\$ 3.2179	\$ 3.7103	\$ 4.2026	\$ 4.1802	\$ 4.1577	\$ 4.5504	\$ 4.9430	\$ 4.7708	\$ 4.5986
Percentage of Total									
C-Factor	116.7%	108.1%	101.5%	101.4%	101.2%	101.2%	101.3%	101.6%	102.0%
E-Factor	-16.6%	-8.0%	-1.5%	-1.3%	-1.1%	-1.2%	-1.2%	-1.6%	-2.0%
IRC-Factor	-0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-0.1%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%

C-Factor									
Demand Charge in Effect	\$ 1.1324	\$ 1.1749	\$ 1.2173	\$ 1.2885	\$ 1.3596	\$ 1.2780	\$ 1.1964	\$ 1.1765	\$ 1.1565
Commodity in Effect	\$ 2.6227	\$ 2.8358	\$ 3.0489	\$ 2.9482	\$ 2.8475	\$ 3.3284	\$ 3.8092	\$ 3.6726	\$ 3.5359
Total Effective	\$ 3.7551	\$ 4.0107	\$ 4.2662	\$ 4.2367	\$ 4.2071	\$ 4.6064	\$ 5.0056	\$ 4.8490	\$ 4.6924
Percentage of Total									
Demand Charge in Effect	30.2%	29.3%	28.5%	30.4%	32.3%	27.7%	23.9%	24.3%	24.6%
Commodity in Effect	69.8%	70.7%	71.5%	69.6%	67.7%	72.3%	76.1%	75.7%	75.4%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%

	C-Factor Over/(Under)	E-Factor Over/(Under)	Interest Over/(Under)	FY 2016 Final E-Factor
Fiscal Year 2016 E-Factor	\$ 2,267,684	\$ (109,192)	\$ 286,497	\$ 2,444,989

Actual Fiscal Year 2016-2017	Sep-2016	Oct-2016	Nov-2016	Dec-2016	Jan-2017	Feb-2017	Mar-2017	Apr-2017	May-2017	Jun-2017	Jul-2017	Aug-2017	FY-2017
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Estimated	Totals
GCR Firm Sales	925,157	1,202,685	2,580,829	5,472,734	8,146,730	6,578,367	5,764,593	4,363,162	1,772,773	1,294,582	966,095	872,492	39,940,199
Migration Rider Sales	1,476	-	-	-	-	-	-	-	-	-	-	-	1,476
GCR Revenue Billed	\$ 3,457,095	\$ 5,070,159	\$ 10,825,976	\$ 23,143,420	\$ 34,670,444	\$ 27,997,826	\$ 26,815,639	\$ 21,550,758	\$ 8,774,556	\$ 6,208,332	\$ 4,440,721	\$ 4,012,240	\$ 176,967,165
Migration Rider Revenue Billed	\$ (614)	\$ 38	\$ 342	\$ 98	\$ 17	\$ -	\$ -	\$ -	\$ -	\$ 56	\$ (8)	\$ -	\$ (70)
Load Balancing Billed	\$ 91,214	\$ 91,362	\$ 91,800	\$ 83,326	\$ 75,857	\$ 92,917	\$ 93,172	\$ 93,633	\$ 92,562	\$ 91,521	\$ 92,249	\$ 91,890	\$ 1,081,502
LNG Sales Demand Charge Credit	\$ -	\$ -	\$ -	\$ 7,493	\$ 1,622	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,115
Total Revenue Billed	\$ 3,547,696	\$ 5,161,558	\$ 10,918,118	\$ 23,234,337	\$ 34,747,939	\$ 28,090,743	\$ 26,908,811	\$ 21,644,391	\$ 8,867,117	\$ 6,299,910	\$ 4,532,962	\$ 4,104,130	\$ 178,057,712
Natural Gas Refunds	\$ -	\$ -	\$ 1,431	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,431
Demand Charges	\$ 4,732,272	\$ 4,727,256	\$ 5,124,677	\$ 5,149,234	\$ 4,766,298	\$ 5,421,958	\$ 4,824,590	\$ 4,601,393	\$ 5,559,736	\$ 4,660,036	\$ 5,321,419	\$ 3,563,773	\$ 58,452,642
Supply Charges	\$ 1,571,764	\$ 3,028,219	\$ 8,901,928	\$ 21,907,741	\$ 26,223,112	\$ 26,118,413	\$ 20,559,866	\$ 6,428,332	\$ 4,917,717	\$ 2,744,928	\$ (4,630,647)	\$ 1,814,090	\$ 119,585,463
Net Cost of Fuel	\$ 6,304,036	\$ 7,755,475	\$ 14,026,605	\$ 27,056,975	\$ 30,989,410	\$ 31,540,371	\$ 25,384,456	\$ 11,029,725	\$ 10,477,453	\$ 7,404,964	\$ 690,772	\$ 5,377,863	\$ 178,038,105

**FISCAL YEAR 2017
PHILADELPHIA GAS WORKS
C-FACTOR RECONCILIATION**

	NET COST OF FUEL 1	TOTAL GCR REVENUE BILLED 2	C FACTOR % of GCR 3	C FACTOR REVENUE BILLED 4 = (2 * 3)	LOAD BALANCING REVENUE 5	LNG SALES GCR BILLED REVENUE 6	TOTAL C FACTOR REVENUE BILLED 7 = (4 + 5 + 6)	NATURAL GAS REFUNDS 8	OVER/ (UNDER) RECOVERY 9 = (7 + 8 - 1)	CUMULATIVE OVER/(UNDER) 10
MONTH	(\$)	(\$)		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
SEPTEMBER 2016	6,304,036	3,457,095	108.1%	3,736,999	91,214	0	3,828,213	0	(2,475,823)	(2,475,823)
OCTOBER	7,755,475	5,070,159	101.5%	5,146,888	91,362	0	5,238,249	0	(2,517,226)	(4,993,049)
NOVEMBER	14,026,605	10,825,976	101.5%	10,989,811	91,800	0	11,081,611	1,431	(2,943,563)	(7,936,612)
DECEMBER	27,056,975	23,143,420	101.4%	23,456,233	83,326	7,493	23,547,051	0	(3,509,924)	(11,446,535)
JANUARY 2017	30,989,410	34,670,444	101.2%	35,082,383	75,857	1,622	35,159,862	0	4,170,452	(7,276,084)
FEBRUARY	31,540,371	27,997,826	101.2%	28,330,484	92,917	0	28,423,401	0	(3,116,970)	(10,393,054)
MARCH	25,384,456	26,815,639	101.2%	27,145,653	93,172	0	27,238,824	0	1,854,368	(8,538,685)
APRIL	11,029,725	21,550,758	101.3%	21,823,685	93,633	0	21,917,317	0	10,887,592	2,348,907
MAY	10,477,453	8,774,556	101.3%	8,885,680	92,562	0	8,978,241	0	(1,499,212)	849,695
JUNE	7,404,964	6,208,332	101.6%	6,310,095	91,521	0	6,401,617	0	(1,003,347)	(153,652)
JULY	690,772	4,440,721	102.0%	4,531,301	92,249	0	4,623,550	0	3,932,778	3,779,126
AUGUST	<u>5,377,863</u>	<u>4,012,240</u>	102.0%	<u>4,094,080</u>	<u>91,890</u>	<u>0</u>	<u>4,185,970</u>	<u>0</u>	<u>(1,191,893)</u>	2,587,233
Totals	178,038,105	176,967,165		179,533,289	1,081,502	9,115	180,623,906	1,431	2,587,233	

**FISCAL YEAR 2017
PHILADELPHIA GAS WORKS
E-FACTOR RECONCILIATION**

		MIGRATION RIDER SALES	TOTAL E-FACTOR VOLUMES	TOTAL GCR REVENUE	E-FACTOR % of GCR	E-FACTOR GCR REVENUE	MIGRATION RIDER REVENUES	TOTAL E-FACTOR REVENUE	OVER/(UNDER) PROJECTED RECOVERY
	GCR SALES	2	3=(1+2)	4	5	6=(4*5)	7	8=(6+7)	(9)
	1	(MCF)	(MCF)	(\$)		(\$)	(\$)	(\$)	(\$)
PRIOR YEAR E-FACTOR									
									\$ 2,444,989
MONTH									
SEPTEMBER 2016	Actual	925,157	1,476	926,633	\$ 3,457,095	-8.0%	\$ (278,226)	\$ (614)	\$ 2,166,149
OCTOBER	Actual	1,202,685	-	1,202,685	\$ 5,070,159	-1.5%	\$ (74,678)	\$ 38	\$ 2,091,509
NOVEMBER	Actual	2,580,829	-	2,580,829	\$ 10,825,976	-1.5%	\$ (159,456)	\$ 342	\$ 1,932,396
DECEMBER	Actual	5,472,734	-	5,472,734	\$ 23,143,420	-1.3%	\$ (302,570)	\$ 98	\$ 1,629,924
JANUARY 2017	Actual	8,146,730	-	8,146,730	\$ 34,670,444	-1.1%	\$ (395,262)	\$ 17	\$ 1,234,679
FEBRUARY	Actual	6,578,367	-	6,578,367	\$ 27,997,826	-1.1%	\$ (319,190)	-	\$ 915,489
MARCH	Actual	5,764,593	-	5,764,593	\$ 26,815,639	-1.2%	\$ (319,111)	-	\$ 596,378
APRIL	Actual	4,363,162	-	4,363,162	\$ 21,550,758	-1.2%	\$ (265,515)	-	\$ 330,863
MAY	Actual	1,772,773	-	1,772,773	\$ 8,774,556	-1.2%	\$ (108,107)	-	\$ 222,756
JUNE	Actual	1,294,582	-	1,294,582	\$ 6,208,332	-1.6%	\$ (98,770)	\$ 56	\$ 124,042
JULY	Actual	966,095	-	966,095	\$ 4,440,721	-2.0%	\$ (87,779)	\$ (8)	\$ 36,255
AUGUST	Estimated	<u>872,492</u>	-	<u>872,492</u>	<u>\$ 4,012,240</u>	-2.0%	<u>\$ (79,309)</u>	<u>-</u>	<u>\$ (43,054)</u>
Totals		39,940,199	1,476	39,941,674	176,967,165		\$ (2,487,973)	\$ (70)	\$ (2,488,043)

**FISCAL YEAR 2017
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 2016	3,457,095	-0.05%	(1,677)
OCTOBER	5,070,159	-0.04%	(2,051)
NOVEMBER	10,825,976	-0.04%	(4,379)
DECEMBER	23,143,420	-0.04%	(10,243)
JANUARY 2017	34,670,444	-0.05%	(16,678)
FEBRUARY	27,997,826	-0.05%	(13,468)
MARCH	26,815,639	-0.04%	(10,902)
APRIL	21,550,758	-0.03%	(7,412)
MAY	8,774,556	-0.03%	(3,018)
JUNE	6,208,332	-0.05%	(2,993)
JULY	4,440,721	-0.06%	(2,800)
AUGUST	<u>4,012,240</u>	-0.06%	<u>(2,530)</u>
TOTALS	176,967,165		(78,151)

**FISCAL YEAR 2017
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 2016	4,641,058	1,086,921	(3,554,137)	(3,554,137)
OCTOBER	4,635,894	1,464,028	(3,171,866)	(6,726,003)
NOVEMBER	5,032,877	3,141,643	(1,891,234)	(8,617,237)
DECEMBER	5,058,415	7,051,344	1,992,929	(6,624,308)
JANUARY 2017	4,688,819	11,076,294	6,387,475	(236,833)
FEBRUARY	5,329,041	8,943,948	3,614,907	3,378,074
MARCH	4,731,418	7,367,150	2,635,732	6,013,805
APRIL	4,507,760	5,220,087	712,327	6,726,132
MAY	5,467,174	2,120,946	(3,346,229)	3,379,903
JUNE	4,568,515	1,523,011	(3,045,504)	334,400
JULY	5,229,170	1,117,289	(4,111,881)	(3,777,481)
AUGUST	<u>3,471,882</u>	<u>1,009,037</u>	<u>(2,462,846)</u>	<u>(6,240,327)</u>
TOTALS	57,362,025	51,121,697	(6,240,327)	

FISCAL YEAR 2017
PHILADELPHIA GAS WORKS
INTEREST CALCULATION

<u>MONTH</u>	NET COST	TOTAL	OVER/	INTEREST	TIME	INTEREST	INTEREST	TOTAL
	OF FUEL ⁽¹⁾	C FACTOR	(UNDER)	RATE	FACTOR	EXPENSE	NATURAL GAS	INTEREST
	1	REVENUE	RECOVERY	4	5	6 = (3*4*5)	REFUNDS ⁽²⁾	8 = (6+7)
	(\$)	BILLED ⁽¹⁾	3 = (2 - 1)	(\$)	(\$)	(\$)	(\$)	(\$)
SEPTEMBER 16	6,304,036	3,828,213	(2,475,823)	3.75%	18/12	(139,265)	-	(139,265)
OCTOBER	7,755,475	5,238,249	(2,517,226)	3.75%	17/12	(133,728)	-	(133,728)
NOVEMBER	14,026,605	11,081,611	(2,944,994)	3.75%	16/12	(147,250)	243	(147,007)
DECEMBER	27,056,975	23,547,051	(3,509,924)	3.75%	15/12	(164,528)	-	(164,528)
JANUARY 17	30,989,410	35,159,862	4,170,452	3.75%	14/12	182,457	-	182,457
FEBRUARY	31,540,371	28,423,401	(3,116,970)	3.75%	13/12	(126,627)	-	(126,627)
MARCH	25,384,456	27,238,824	1,854,368	3.75%	12/12	69,539	-	69,539
APRIL	11,029,725	21,917,317	10,887,592	3.75%	11/12	374,261	-	374,261
MAY	10,477,453	8,978,241	(1,499,212)	3.75%	10/12	(46,850)	-	(46,850)
JUNE	7,404,964	6,401,617	(1,003,347)	3.75%	9/12	(28,219)	-	(28,219)
JULY	690,772	4,623,550	3,932,778	3.75%	8/12	98,319	-	98,319
AUGUST	5,377,863	4,185,970	(1,191,893)	3.75%	7/12	(26,073)	-	(26,073)
Total	178,038,105	180,623,906	2,585,801			(87,963)	243	(87,720)
INTEREST FROM 5(b1)								302,955
TOTAL INTEREST								215,235

(1) See Schedule 4(b)

(2) See Schedule 5(c)

**CALENDAR YEAR 2016
PHILADELPHIA GAS WORKS
INTEREST ADJUSTMENT CALCULATION**

<u>MONTH</u>	NET COST	C FACTOR	OVER/	INTEREST	TIME	INTEREST	INTEREST	TOTAL
	OF FUEL (1)	% of GCR REVENUE BILLED (1)	(UNDER) RECOVERY 3 = (2 - 1)	RATE	FACTOR	EXPENSE 6 = (3*4*5)	NATURAL GAS REFUNDS	INTEREST 8 = (6+7)
	1	2		4	5	6 = (3*4*5)	7	8 = (6+7)
	(\$)		(\$)	(\$)		(\$)	(\$)	
JANUARY 2016	26,541,391	25,579,847	(961,544)	2%	14/12	(22,436)	-	(22,436)
FEBRUARY	21,760,564	29,800,729	8,040,165	2%	13/12	174,204	-	174,204
MARCH	13,895,507	21,997,447	8,101,940	2%	12/12	162,039	-	162,039
APRIL	9,593,675	14,088,452	4,494,777	2%	11/12	82,404	-	82,404
MAY	9,541,183	8,920,785	(620,398)	2%	10/12	(10,340)	-	(10,340)
JUNE	5,887,695	5,306,190	(581,505)	2%	9/12	(8,723)	-	(8,723)
JULY	6,215,584	3,677,884	(2,537,700)	2%	8/12	(33,836)	-	(33,836)
AUGUST	6,675,834	3,216,623	(3,459,211)	2%	7/12	(40,357)	-	(40,357)
	100,111,433	112,587,957	12,476,524			302,955	0	302,955

(1) See Schedule 5(a)

**FISCAL YEAR 2017
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 16	0	6.00%	18/12	0
OCTOBER	0	6.00%	17/12	0
NOVEMBER	1,431	6.00%	34/12	243
DECEMBER	0	6.00%	15/12	0
JANUARY 17	0	6.00%	14/12	0
FEBRUARY	0	6.00%	13/12	0
MARCH	0	6.00%	12/12	0
APRIL	0	6.00%	11/12	0
MAY	0	6.00%	10/12	0
JUNE	0	6.00%	9/12	0
JULY	0	6.00%	8/12	0
AUGUST	0	6.00%	7/12	0
TOTAL	1,431			243

(1) See Schedule 5(b)

**FISCAL YEAR 2017
PHILADELPHIA GAS WORKS
DEMAND AND COMMODITY INTEREST CALCULATION**

MONTH	OVER/(UNDER)	DEMAND CHARGE	COMMODITY CHARGE	INTEREST	TIME	DEMAND	COMMODITY	TOTAL	INTEREST ON	TOTAL
	RECOVERY (1)	OVER/(UNDER)	OVER/(UNDER)							
	1	2	3=(1-2)	4	5	6=(2*4*5)	7=(3*4*5)	8=(6+7)	9	10=(8+9)
	(\$)	(\$)	(\$)			(\$)	(\$)	(\$)	(\$)	(\$)
SEPTEMBER 16	(2,475,823)	(3,554,137)	1,078,314	3.75%	18/12	(199,920)	60,655	(139,265)	0	(139,265)
OCTOBER	(2,517,226)	(3,171,866)	654,640	3.75%	17/12	(168,505)	34,778	(133,728)	0	(133,728)
NOVEMBER	(2,944,994)	(1,891,234)	(1,053,760)	3.75%	16/12	(94,562)	(52,688)	(147,250)	243	(147,007)
DECEMBER	(3,509,924)	1,992,929	(5,502,852)	3.75%	15/12	93,419	(257,946)	(164,528)	0	(164,528)
JANUARY 17	4,170,452	6,387,475	(2,217,023)	3.75%	14/12	279,452	(96,995)	182,457	0	182,457
FEBRUARY	(3,116,970)	3,614,907	(6,731,877)	3.75%	13/12	146,856	(273,483)	(126,627)	0	(126,627)
MARCH	1,854,368	2,635,732	(781,363)	3.75%	12/12	98,840	(29,301)	69,539	0	69,539
APRIL	10,887,592	712,327	10,175,266	3.75%	11/12	24,486	349,775	374,261	0	374,261
MAY	(1,499,212)	(3,346,229)	1,847,017	3.75%	10/12	(104,570)	57,719	(46,850)	0	(46,850)
JUNE	(1,003,347)	(3,045,504)	2,042,156	3.75%	9/12	(85,655)	57,436	(28,219)	0	(28,219)
JULY	3,932,778	(4,111,881)	8,044,659	3.75%	8/12	(102,797)	201,116	98,319	0	98,319
AUGUST	(1,191,893)	(2,462,846)	1,270,953	3.75%	7/12	(53,875)	27,802	(26,073)	0	(26,073)
TOTAL FY 2017	2,585,801	(6,240,327)	8,826,129			(166,831)	78,869	(87,963)	243	(87,720)
JANUARY 2016	(961,544)	3,999,064	(4,960,608)	2%	14/12	93,311	(115,748)	(22,436)	0	(22,436)
FEBRUARY	8,040,165	5,913,391	2,126,774	2%	13/12	128,123	46,080	174,204	0	174,204
MARCH	8,101,940	2,388,812	5,713,128	2%	12/12	47,776	114,263	162,039	0	162,039
APRIL	4,494,777	(835,403)	5,330,180	2%	11/12	(15,316)	97,720	82,404	0	82,404
MAY	(620,398)	(2,051,281)	1,430,883	2%	10/12	(34,188)	23,848	(10,340)	0	(10,340)
JUNE	(581,505)	(2,941,164)	2,359,659	2%	9/12	(44,117)	35,395	(8,723)	0	(8,723)
JULY	(2,537,700)	(3,437,793)	900,093	2%	8/12	(45,837)	12,001	(33,836)	0	(33,836)
AUGUST	(3,459,211)	(3,650,472)	191,261	2%	7/12	(42,589)	2,231	(40,357)	0	(40,357)
	12,476,524	(614,846)	13,091,371			87,164	215,791	302,955	0	302,955
Grand Total	15,062,326	(6,855,174)	21,917,499			(79,667)	294,659	214,992	243	215,235

- (1) See Schedule 5(b)
- (2) See Schedule 6(e)
- (3) See Schedule 5(c)

**PHILADELPHIA GAS WORKS
LOAD BALANCING CHARGE
SEPTEMBER 1, 2017**

Storage and Peaking Asset Cost	\$	13,922,902
<hr/>		
Design Day Requirements (Mcf)		652,781
Fulfilled from FT Capacity (Mcf)		<u>296,427</u>
Fulfilled from Storage and Peaking Assets (Excess Mcf)		356,354
<hr/>		
Annual Storage and Peaking Cost per Excess Mcf	\$	39.0704
Per Mcf Over / (Under) Adjustment	\$	<u>(0.1742)</u>
Load Balancing Charge	\$	39.2446

Over / (Under) Recovery	\$	(56,749)
Interest	\$	<u>(5,091)</u>
Total Over/(Under) Recovery	\$	(61,840)
Forecasted SSPC Volumes		355,094
Per Mcf Over / (Under) Adjustment	\$	(0.1742)

CALCULATION OF RECOVERED CHARGES
4TH Qtr Filing
September 1, 2017

	<u>50% September</u>	<u>11.5 Months</u>	<u>Total</u>
			(MCF) (\$)
S - Firm Sales (Mcf)	424,525	42,483,038	42,907,563
C-Factor	<u>\$ 4.6924</u>	<u>\$ 4.2189</u>	
Projected Recovery	1,992,040	179,231,690	\$ 181,223,730
S - Firm Sales (Mcf)	424,525	42,483,038	42,907,563
IRC-Factor	<u>\$ (0.0029)</u>	<u>\$ (0.0026)</u>	
Projected Recovery	(1,231)	(110,456)	\$ (111,687)
E-Factor Volumes (Mcf)	424,525	42,483,038	42,907,563
E-Factor	<u>\$ (0.0909)</u>	<u>\$ (0.0640)</u>	
Projected Recovery	(38,589)	(2,718,914)	\$ (2,757,504)
GCR (\$ / Mcf)	\$ 4.5986	\$ 4.1523	
<hr/>			
GCR Projected Recovery			\$ 178,354,539
Load Balancing Revenue			\$ 1,143,803
LNG Sales Demand Revenue			<u>\$ 85,133</u>
TOTAL PROJECTED RECOVERY			\$ 179,583,476

Change In Rates
4th Quarter Filing
Rates Effective September 1, 2017

Current Rates

	<u>06/01/17</u> <u>Distribution Charge</u> (1)	<u>06/01/17</u> <u>GCR</u> (2)	<u>06/01/17</u> <u>MFC</u> (3)	<u>06/01/17</u> <u>GPC</u> (4)	<u>06/01/17</u> <u>Commodity</u> <u>Rate</u> (5)=(1)+(2)+(3)+(4)
Residential GS	\$7.8527	\$4.5986	\$0.2152	\$0.0400	\$12.7065
Commercial GS	\$6.4870	\$4.5986	\$0.0129	\$0.0400	\$11.1385
Industrial GS	\$6.4232	\$4.5986	\$0.0138	\$0.0400	\$11.0756
Phila.Housing Authority (PHA)	\$5.9987	\$4.5986	\$0.0000	\$0.0400	\$10.6373
Municipal (MS)	\$5.1967	\$4.5986	\$0.0000	\$0.0400	\$9.8353
Phila.Housing Authority (GS)	\$6.7901	\$4.5986	\$0.0000	\$0.0400	\$11.4287

September 1, 2017 - Distribution Charge

	<u>Delivery</u>	<u>Surcharges</u>				<u>Total</u>	
	<u>Delivery</u> <u>Charge</u> (6)	<u>Other Post</u> <u>Employment</u> <u>Benefit</u> (7)	<u>Efficiency</u> <u>Cost</u> <u>Recovery</u> (8)	<u>Universal</u> <u>Service &</u> <u>Ener. Cons.</u> (9)	<u>Restructuring &</u> <u>Consumer</u> <u>Education</u> (10)	<u>Total</u> <u>Surcharges</u> (11)=(7)+(8)+(9)+(10)	<u>Distribution</u> <u>Charge / Mcf</u> (12)=(11)+(6)
Residential GS	\$6.0067	\$0.3785	\$0.0196	\$1.3701	\$0.0077	\$1.7759	\$7.7826
Commercial GS	\$4.5984	\$0.3785	\$0.0407	\$1.3701	\$0.0077	\$1.7970	\$6.3954
Industrial GS	\$4.5332	\$0.3785	\$0.0419	\$1.3701	\$0.0077	\$1.7982	\$6.3314
Phila.Housing Authority (PHA)	\$4.1101	\$0.3785	\$0.0407	\$1.3701	\$0.0077	\$1.7970	\$5.9071
Municipal (MS)	\$3.3661	\$0.3785	\$0.0000	\$1.3701	\$0.0077	\$1.7563	\$5.1224
Phila.Housing Authority (GS)	\$4.9441	\$0.3785	\$0.0196	\$1.3701	\$0.0077	\$1.7759	\$6.7200

Proposed Rates

	<u>09/01/17</u> <u>Distribution Charge</u> (12)	<u>09/01/17</u> <u>GCR</u> (13)	<u>09/01/17</u> <u>MFC</u> (14)	<u>09/01/17</u> <u>GPC</u> (15)	<u>09/01/17</u> <u>Commodity</u> <u>Rate</u> (16)=(12)+(13)+(14)+(15)	<u>Difference</u> (17)=(16)-(5)
Residential GS	\$7.7826	\$4.1523	\$0.1943	\$0.0400	\$12.1692	(\$0.5373)
Commercial GS	\$6.3954	\$4.1523	\$0.0116	\$0.0400	\$10.5993	(\$0.5392)
Industrial GS	\$6.3314	\$4.1523	\$0.0125	\$0.0400	\$10.5362	(\$0.5394)
Phila.Housing Authority (PHA)	\$5.9071	\$4.1523	\$0.0000	\$0.0400	\$10.0994	(\$0.5379)
Municipal (MS)	\$5.1224	\$4.1523	\$0.0000	\$0.0400	\$9.3147	(\$0.5206)
Phila.Housing Authority (GS)	\$6.7200	\$4.1523	\$0.0000	\$0.0400	\$10.9123	(\$0.5164)

PHILADELPHIA GAS WORKS
September 1, 2017 - 4TH QTR FILING
UNIVERSAL SERVICE & ENERGY CONSERVATION SURCHARGE

	Expenses in the Surcharge
Enhanced Low Income Retrofit Program (ELIRP)	\$ 6,419,407
Customer Responsibility Program (CRP)	\$ 46,930,389
Senior Citizen Discount *	\$ 3,006,436
August 2017 Under Collection	<u>\$ 9,019,338</u>
Total \$ to be Recovered	\$ 65,375,570
 Total Applicable Volumes	 Mcf 47,714,496
 Universal Service & Energy Conservation Surcharge	 <u>\$ 1.3701</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 \$3,334,791.

**STATEMENT OF RECONCILIATION
UNIVERSAL SERVICES & ENERGY CONSERVATION SURCHARGE
SEPTEMBER 2016 THROUGH AUGUST 2017**

Month	USC Applicable Volumes	USC Charge	USC Revenue Billed	USC Expenses	Monthly Over/(Under) Recovery	Cumulative Over/(Under) Recovery
FY 16 Reconciliation						(\$13,309,033)
September 2016	Actual 1,071,555	\$ 1.5104	\$ 1,618,477	\$ (1,111,484)	\$ 2,729,960	(\$10,579,073)
October	Actual 1,401,686	\$ 1.5160	\$ 2,124,956	\$ (350,380)	\$ 2,475,335	(\$8,103,737)
November	Actual 2,945,088	\$ 1.5160	\$ 4,464,753	\$ 3,840,976	\$ 623,777	(\$7,479,961)
December	Actual 6,044,721	\$ 1.4103	\$ 8,524,567	\$ 9,787,491	\$ (1,262,924)	(\$8,742,884)
January 2017	Actual 8,819,225	\$ 1.3045	\$ 11,504,679	\$ 13,419,769	\$ (1,915,089)	(\$10,657,974)
February	Actual 7,178,104	\$ 1.3045	\$ 9,363,837	\$ 12,257,565	\$ (2,893,728)	(\$13,551,702)
March	Actual 6,357,678	\$ 1.3837	\$ 8,796,801	\$ 10,100,491	\$ (1,303,689)	(\$14,855,391)
April	Actual 4,732,361	\$ 1.4628	\$ 6,922,497	\$ 7,077,738	\$ (155,241)	(\$15,010,632)
May	Actual 1,993,474	\$ 1.4628	\$ 2,916,054	\$ 2,387,656	\$ 528,397	(\$14,482,235)
June	Actual 1,471,294	\$ 1.4555	\$ 2,141,468	\$ 473,926	\$ 1,667,542	(\$12,814,693)
July	Actual 1,114,534	\$ 1.4482	\$ 1,614,069	\$ (569,755)	\$ 2,183,824	(\$10,630,869)
August	Estimated 1,020,093	\$ 1.4482	\$ 1,477,298	\$ (134,233)	\$ 1,611,531	(\$9,019,338)

USC Expenses	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Total
ELIRP Expense	\$ 4,070	\$ 3,253	\$ 718,095	\$ 1,262,122	\$ 10,299	\$ 887,272	\$ 384,814	\$ 14,514	\$ 744,026	\$ 429,352	\$ 462,272	\$ 1,181,095	\$ 6,101,184
ELIRP Labor	\$ 9,245	\$ 6,710	\$ 8,205	\$ 9,915	\$ 9,808	\$ 9,788	\$ 14,621	\$ 13,132	\$ 13,075	\$ 17,188	\$ 13,645	\$ 13,665	\$ 138,997
CRP Discount	\$ (1,982,820)	\$ (1,220,808)	\$ 2,207,684	\$ 7,322,973	\$ 11,987,815	\$ 10,152,493	\$ 8,410,876	\$ 5,992,880	\$ 752,518	\$ (786,284)	\$ (1,755,818)	\$ (2,079,500)	\$ 39,002,008
CRP Forgiveness	\$ 764,938	\$ 734,013	\$ 625,108	\$ 676,546	\$ 678,708	\$ 578,057	\$ 746,293	\$ 629,213	\$ 688,848	\$ 685,067	\$ 615,783	\$ 666,460	\$ 8,089,034
Senior Citizen Discount	\$ 93,084	\$ 126,452	\$ 281,884	\$ 515,935	\$ 733,139	\$ 629,955	\$ 543,886	\$ 427,999	\$ 189,190	\$ 128,603	\$ 94,363	\$ 84,047	\$ 3,848,537
Bad Debt Expense Offset*	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ (1,111,484)	\$ (350,380)	\$ 3,840,976	\$ 9,787,491	\$ 13,419,769	\$ 12,257,565	\$ 10,100,491	\$ 7,077,738	\$ 2,387,656	\$ 473,926	\$ (569,755)	\$ (134,233)	\$ 57,179,760

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
Actual Participation Rate*	50,045	49,664	49,558	49,321	49,009	48,580	47,668	48,099	48,502	47,852	47,966	
CRP Under(Over) Participation	33,955	34,336	34,442	34,679	34,991	35,420	36,332	35,901	35,498	36,148	36,034	
Average Shortfall Per CRP Participant												
CRP Discount	\$ (1,982,820)	\$ (1,220,808)	\$ 2,207,684	\$ 7,322,973	\$ 11,987,815	\$ 10,152,493	\$ 8,410,876	\$ 5,992,880	\$ 752,518	\$ (786,284)	\$ (1,755,818)	
Actual Participation Rate	50,045	49,664	49,558	49,321	49,009	48,580	47,668	48,099	48,502	47,852	47,966	
Average Shortfall per CRP Participant	\$ (40)	\$ (25)	\$ 45	\$ 148	\$ 245	\$ 209	\$ 176	\$ 125	\$ 16	\$ (16)	\$ (37)	
Shortfall*	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Bad Debt Expense Offset* 7.1%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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

INTERRUPTIBLE REVENUE CREDIT
September 1, 2017

Fiscal Year 2016 Reconciliation (8/31/16) \$ 85,233 Schedule 10(c)

<u>MONTH</u>	<u>IRC</u> <u>CREDIT</u>	<u>MARGIN</u>	
September-16	Actual \$ (1,677)	\$ 2,874	
October	Actual \$ (2,051)	\$ 5,287	
November	Actual \$ (4,379)	\$ 26,127	
December	Actual \$ (10,243)	\$ 65	
January-17	Actual \$ (16,678)	\$ 2,235	
February	Actual \$ (13,468)	\$ 7,504	
March	Actual \$ (10,902)	\$ 44,999	
April	Actual \$ (7,412)	\$ 8,673	
May	Actual \$ (3,018)	\$ 685	
June	Actual \$ (2,993)	\$ 1,070	
July	Actual \$ (2,800)	\$ 932	
August	Estimated \$ (2,530)	\$ 454	
Act/Est IRC Credit September 2016 to August 2017	<u>\$ (78,151)</u>		
Act/Est Margin September 2016 to August 2017		<u>\$ 100,905</u>	<u>\$ 100,905</u>
FY 2016 Reconciliation Plus Act/Est Margin September 2016 to August 2017			<u>\$ 186,138</u>

FY 2016 Reconciliation Plus Act/Est Margin September 2016 to August 2017	\$ 186,138	
Act/Est IRC Credit September 2016 to August 2017	<u>\$ (78,151)</u>	
Reconciliation as of August 31, 2017	\$ 107,987	
Margin - September 2017 through August 2018	<u>\$ 5,366</u>	Schedule 10(b)
August 1, 2017 Interruptible Revenue Credit	\$ 113,353	

GCR Firm Sales **42,907,563** Schedule 2

September 1, 2017 IRC/Mcf **\$ 0.0026**

INTERRUPTIBLE REVENUE MARGIN
4th Qtr Filing

<u>MONTH</u>			<u>MARGIN</u>
September-17	Estimated	\$ \$	442
October	Estimated	\$ \$	455
November	Estimated	\$ \$	442
December	Estimated	\$ \$	455
January-18	Estimated	\$ \$	455
February	Estimated	\$ \$	412
March	Estimated	\$ \$	455
April	Estimated	\$ \$	442
May	Estimated	\$ \$	455
June	Estimated	\$ \$	442
July	Estimated	\$ \$	455
August	Estimated	\$ \$	455
Total		\$	5,366

INTERRUPTIBLE REVENUE CREDIT
FY 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	Actual \$ (5,910)	\$ 4,351
February	Actual \$ (6,888)	\$ 714
March	Actual \$ (9,186)	\$ 774
April	Actual \$ (8,589)	\$ 6,656
May	Actual \$ (5,418)	\$ (419)
June	Actual \$ (2,920)	\$ 1,736
July	Actual \$ (1,815)	\$ (72)
August	Actual \$ (1,628)	\$ 11,090
Act/Est IRC Credit September 2015 to August 2016		\$ (49,312)
Act/Est Margin September 2015 to August 2016		<u>\$ 101,434</u> <u>\$ 101,434</u>
FY 2015 Reconciliation Plus Act/Est Margin September 2015 to August 2016		<u>\$ 134,545</u>
<hr/>		
FY 2015 Reconciliation Plus Act/Est Margin September 2015 to August 2016		\$ 134,545
Act/Est IRC Credit September 2015 to August 2016		<u>\$ (49,312)</u>
Reconciliation as of August 31, 2016		\$ 85,233

**OTHER POST EMPLOYMENT BENEFIT (OPEB) SURCHARGE
FISCAL YEAR 2018**

FY 2016 Over/(Under) Recovery (\$2,638,304)

<u>Month</u>		<u>OPEB Volumes</u>	<u>OPEB Surcharge</u>	<u>Revenue Billed</u>
September 2016	Actual	1,075,710	\$0.3364	\$361,815
October	Actual	1,407,836	\$0.3724	\$524,278
November	Actual	2,962,180	\$0.3724	\$1,103,116
December	Actual	6,080,124	\$0.3724	\$2,264,238
January 2017	Actual	8,870,728	\$0.3724	\$3,303,459
February	Actual	7,218,545	\$0.3724	\$2,688,186
March	Actual	6,392,437	\$0.3724	\$2,380,544
April	Actual	4,759,423	\$0.3724	\$1,772,409
May	Actual	2,003,390	\$0.3724	\$746,062
June	Actual	1,477,939	\$0.3724	\$550,384
July	Actual	1,118,641	\$0.3724	\$416,582
<u>August</u>	Estimated	<u>1,024,219</u>	<u>\$0.3724</u>	<u>\$381,419</u>
Total		44,391,172		\$16,492,493

FY 2017 Act/Est OPEB & FY 2016 Reconciliation	\$13,854,189
FY 2017 Permitted Recovery	<u>\$16,000,000</u>
Over/(Under) Recovery	(<u>\$2,145,811</u>)

FY 2017 Under Recovery	\$2,145,811
FY 2018 Permitted Recovery	<u>\$16,000,000</u>
FY 2018 Recovery	\$18,145,811

FY 2018 Volumes	47,938,544
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FY 2018 OPEB Surcharge / Mcf	\$0.3785
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EFFICIENCY COST RECOVERY (ECR) SURCHARGE
September 1, 2017

<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	\$746,329	\$86,574	\$726	\$833,628
Labor Expense	\$22,937	\$2,661	\$22	\$25,620
Commercial & Industrial Retrofit Incentive (CIRI)				
Program Expense	\$159,485	\$287,879	\$0	\$447,364
Labor Expense	\$4,498	\$8,120	\$0	\$12,618
Commercial & Industrial Equipment Rebate (CIER)				
Program Expense	\$10,356	\$346,241	\$81,160	\$437,756
Labor Expense	\$256	\$8,572	\$2,009	\$10,838
High-Efficiency Construction Incentive (HECI)				
Program Expense	\$116,131	\$141,487	\$0	\$257,619
Labor Expense	\$2,775	\$3,381	\$0	\$6,156
Comprehensive Residential Retrofit Incentive (CRRI)				
Program Expense	\$49,140	\$860	\$0	\$50,000
Labor Expense	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Total Expense	\$1,111,907	\$885,774	\$83,917	\$2,081,599
Prior Period Reconciliation (8/31/17)	<u>\$ (426,231)</u>	<u>\$ (437,034)</u>	<u>\$ (46,395)</u>	<u>\$ (909,660)</u>
Total	\$685,677	\$448,740	\$37,522	\$1,171,939
Volumes - Mcf (GCR Firm & Firm Transportation)	34,954,692	11,030,097	895,785	

Efficiency Cost Recovery Surcharge / Mcf	\$0.0196	\$0.0407	\$0.0419
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**EFFICIENCY COST RECOVERY (ECR) SURCHARGE
STATEMENT OF RECONCILIATION
4th Quarter Filing**

		Actual Sep-16	Actual Oct-16	Actual Nov-16	Actual Dec-16	Actual Jan-17	Actual Feb-17	Actual Mar-17	Actual Apr-17	Actual May-17	Actual Jun-17	Actual Jul-17	Estimated Aug-17	Total FY 2017
RESIDENTIAL & PHA GS														
FY 2016 Over-Collection		\$ 470,139												
Volume Billed		690,375	883,073	2,034,747	4,485,964	6,792,242	5,444,687	4,737,259	3,630,094	1,393,529	1,016,531	726,798	652,219	32,487,518
ECR Surcharge		\$ 0.0157	\$ 0.0195	\$ 0.0195	\$ 0.0221	\$ 0.0247	\$ 0.0247	\$ 0.0235	\$ 0.0222	\$ 0.0222	\$ 0.0188	\$ 0.0154	\$ 0.0154	
Revenue Billed		\$ 10,839	\$ 17,220	\$ 39,678	\$ 99,140	\$ 167,768	\$ 134,484	\$ 111,089	\$ 80,588	\$ 30,936	\$ 19,111	\$ 11,193	\$ 10,044	\$ 732,089
RHER	Expense	\$ 3,209	\$ 3,085	\$ 40,562	\$ 38,157	\$ 43,984	\$ 66,832	\$ 46,841	\$ 16,581	\$ 45,167	\$ 25,325	\$ 13,888	\$ 116,956	\$ 460,588
RHER	Labor	\$ 1,095	\$ 795	\$ 1,289	\$ 1,176	\$ 1,164	\$ 1,107	\$ 1,732	\$ 1,555	\$ 1,746	\$ 2,036	\$ 1,616	\$ 1,835	\$ 17,145
HECI	Expense	\$ 59	\$ 47	\$ 762	\$ 1,632	\$ 13,674	\$ 27,478	\$ 1,853	\$ 4,588	\$ 14,314	\$ 5,205	\$ 84	\$ 78,924	\$ 148,619
HECI	Labor	\$ 133	\$ 97	\$ 117	\$ 143	\$ 141	\$ 1,091	\$ 211	\$ 189	\$ 910	\$ 248	\$ 197	\$ 982	\$ 4,458
CRRI	Expense	\$ 93	\$ 1,870	\$ 14,029	\$ 80,151	\$ 9,894	\$ 60,908	\$ (34,233)	\$ 332	\$ 156	\$ -	\$ 0	\$ 0	\$ 133,200
CRRI	Labor	\$ 211	\$ 153	\$ 196	\$ 227	\$ 224	\$ 234	\$ 333	\$ 300	\$ 314	\$ -	\$ 0	\$ 0	\$ 2,193
CIRI	Expense	\$ 76	\$ 61	\$ 285	\$ 111	\$ 1,157	\$ 387	\$ 55	\$ 272	\$ 122	\$ 354	\$ 377	\$ 3,926	\$ 7,183
CIRI	Labor	\$ 174	\$ 126	\$ 155	\$ 186	\$ 184	\$ 184	\$ 274	\$ 247	\$ 246	\$ 323	\$ 256	\$ 255	\$ 2,609
CIER	Expense	\$ 4	\$ 3	\$ (7)	\$ 412	\$ 362	\$ (786)	\$ 489	\$ 686	\$ (1,175)	\$ 106	\$ 123	\$ (217)	\$ -
CIER	Labor	\$ 8	\$ 6	\$ (14)	\$ 9	\$ 9	\$ (18)	\$ 13	\$ 12	\$ (25)	\$ 15	\$ 12	\$ (27)	\$ -
Total		\$ 5,062	\$ 6,243	\$ 57,374	\$ 122,203	\$ 70,793	\$ 157,418	\$ 17,568	\$ 24,763	\$ 61,775	\$ 33,611	\$ 16,553	\$ 202,634	\$ 775,997
Monthly Over/(Under)		\$ 5,777	\$ 10,977	\$ (17,696)	\$ (23,063)	\$ 96,976	\$ (22,934)	\$ 93,520	\$ 55,825	\$ (30,839)	\$ (14,500)	\$ (5,360)	\$ (192,589)	
Cumulative Over/(Under)		\$ 475,916	\$ 486,892	\$ 469,196	\$ 446,133	\$ 543,108	\$ 520,174	\$ 613,694	\$ 669,519	\$ 638,680	\$ 624,180	\$ 618,820	\$ 426,231	
COMMERCIAL & PHA														
FY 2016 Over-Collection		\$ 160,448												
Volume Billed		342,337	464,675	809,222	1,351,756	1,746,985	1,486,058	1,407,527	946,366	526,783	421,964	350,089	328,387	10,182,149
ECR Surcharge		\$ 0.0493	\$ 0.0510	\$ 0.0510	\$ 0.0560	\$ 0.0610	\$ 0.0610	\$ 0.0590	\$ 0.0570	\$ 0.0570	\$ 0.0575	\$ 0.0580	\$ 0.0580	
Revenue Billed		\$ 16,877	\$ 23,698	\$ 41,270	\$ 75,698	\$ 106,566	\$ 90,650	\$ 83,044	\$ 53,943	\$ 30,027	\$ 24,263	\$ 20,305	\$ 19,046	\$ 585,388
RHER	Expense	\$ 354	\$ 340	\$ (694)	\$ 4,138	\$ 4,770	\$ 3,962	\$ 5,163	\$ 1,828	\$ 341	\$ 2,791	\$ 1,531	\$ 6,252	\$ 30,774
RHER	Labor	\$ 121	\$ 88	\$ (208)	\$ 128	\$ 126	\$ 182	\$ 191	\$ 171	\$ (23)	\$ 224	\$ 178	\$ (32)	\$ 1,146
CRRI	Expense	\$ 2	\$ 35	\$ (36)	\$ 1,480	\$ 183	\$ (1,662)	\$ (699)	\$ 6	\$ (7)	\$ -	\$ (0)	\$ (0)	\$ (700)
CRRI	Labor	\$ 4	\$ 3	\$ (7)	\$ 4	\$ 4	\$ (8)	\$ 7	\$ 6	\$ (12)	\$ -	\$ -	\$ -	\$ -
CIRI	Expense	\$ 138	\$ 110	\$ 514	\$ 200	\$ 2,088	\$ 699	\$ 100	\$ 492	\$ 220	\$ 638	\$ 680	\$ 7,087	\$ 12,967
CIRI	Labor	\$ 313	\$ 227	\$ 279	\$ 336	\$ 332	\$ 333	\$ 495	\$ 445	\$ 445	\$ 582	\$ 462	\$ 460	\$ 4,710
CIER	Expense	\$ 193	\$ 154	\$ 3,753	\$ 21,874	\$ 19,231	\$ 36,765	\$ 25,932	\$ 36,438	\$ 16,243	\$ 5,604	\$ 6,535	\$ 79,972	\$ 252,695
CIER	Labor	\$ 439	\$ 319	\$ (432)	\$ 464	\$ 459	\$ 1,360	\$ 694	\$ 624	\$ 962	\$ 816	\$ 648	\$ 856	\$ 7,210
HECI	Expense	\$ 72	\$ 57	\$ 941	\$ 2,001	\$ 16,771	\$ (19,843)	\$ 2,273	\$ 5,627	\$ (7,900)	\$ 6,383	\$ 103	\$ (6,486)	\$ -
HECI	Labor	\$ 163	\$ 119	\$ 146	\$ 175	\$ 173	\$ (777)	\$ 258	\$ 232	\$ (490)	\$ 304	\$ 241	\$ (545)	\$ -
Total		\$ 1,799	\$ 1,452	\$ 4,257	\$ 30,800	\$ 44,138	\$ 21,011	\$ 34,415	\$ 45,868	\$ 9,776	\$ 17,343	\$ 10,378	\$ 87,563	\$ 308,801
Monthly Over/(Under)		\$ 15,078	\$ 22,247	\$ 37,013	\$ 44,898	\$ 62,428	\$ 69,638	\$ 48,630	\$ 8,075	\$ 20,250	\$ 6,919	\$ 9,927	\$ (68,517)	
Cumulative Over/(Under)		\$ 175,526	\$ 197,772	\$ 234,786	\$ 279,684	\$ 342,112	\$ 411,750	\$ 460,380	\$ 468,454	\$ 488,705	\$ 495,624	\$ 505,551	\$ 437,034	
INDUSTRIAL														
FY 2016 Over-Collection		\$ 15,015												
Volume Billed		25,814	37,863	60,548	104,737	136,311	117,791	112,132	65,235	36,051	29,639	26,658	28,156	780,935
ECR Surcharge		\$ 0.1224	\$ 0.1212	\$ 0.1212	\$ 0.0798	\$ 0.0384	\$ 0.0384	\$ 0.0470	\$ 0.0556	\$ 0.0556	\$ 0.0575	\$ 0.0594	\$ 0.0594	
Revenue Billed		\$ 3,160	\$ 4,589	\$ 7,338	\$ 8,358	\$ 5,234	\$ 4,523	\$ 5,270	\$ 3,627	\$ 2,004	\$ 1,704	\$ 1,583	\$ 1,672	\$ 49,064
RHER	Expense	\$ 3	\$ 3	\$ (5)	\$ 31	\$ 35	\$ (67)	\$ 38	\$ 14	\$ (52)	\$ 21	\$ 11	\$ (31)	\$ -
RHER	Labor	\$ 1	\$ 1	\$ (2)	\$ 1	\$ 1	\$ (2)	\$ 1	\$ 1	\$ (3)	\$ 2	\$ 1	\$ (3)	\$ -
CIRI	Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CIRI	Labor	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CIER	Expense	\$ 29	\$ 23	\$ 12,689	\$ 3,604	\$ 3,169	\$ (7,840)	\$ 3,829	\$ 5,380	\$ (9,300)	\$ 827	\$ 965	\$ 3,819	\$ 17,194
CIER	Labor	\$ 65	\$ 47	\$ 901	\$ 76	\$ 76	\$ (800)	\$ 103	\$ 92	\$ (212)	\$ 121	\$ 96	\$ (73)	\$ 491
Total		\$ 97	\$ 73	\$ 13,584	\$ 3,712	\$ 3,281	\$ (8,709)	\$ 3,971	\$ 5,487	\$ (9,566)	\$ 970	\$ 1,073	\$ 3,712	\$ 17,684
Monthly Over/(Under)		\$ 3,063	\$ 4,516	\$ (6,245)	\$ 4,646	\$ 1,954	\$ 13,232	\$ 1,299	\$ (1,860)	\$ 11,571	\$ 734	\$ 510	\$ (2,040)	
Cumulative Over/(Under)		\$ 18,077	\$ 22,593	\$ 16,348	\$ 20,994	\$ 22,947	\$ 36,180	\$ 37,479	\$ 35,619	\$ 47,190	\$ 47,924	\$ 48,434	\$ 46,395	

**Philadelphia Gas Works
Restructuring & Consumer Education Surcharge
Fiscal Year 2018**

FY 16 Over/(Under) Recovery (\$259,274) Schedule 13(b)

<u>Month</u>		<u>R&CE Volumes</u>	<u>R&CE Surcharge</u>	<u>Revenue Billed</u>
September 2016	Actual	1,075,710	\$0.0036	\$3,819
October	Actual	1,407,836	\$0.0010	\$1,408
November	Actual	2,962,180	\$0.0010	\$2,962
December	Actual	6,080,124	\$0.0010	\$6,080
January 2017	Actual	8,870,728	\$0.0010	\$8,871
February	Actual	7,218,545	\$0.0010	\$7,219
March	Actual	6,392,437	\$0.0010	\$6,392
April	Actual	4,759,423	\$0.0010	\$4,759
May	Actual	2,003,390	\$0.0010	\$2,003
June	Actual	1,477,939	\$0.0010	\$1,478
July	Actual	1,118,641	\$0.0010	\$1,119
<u>August</u>	Estimated	<u>1,024,219</u>	<u>\$0.0010</u>	<u>\$1,024</u>
Total		44,391,172		\$47,134

FY 2017 Est R&CE Recovery	(<u>\$212,139</u>)	
FY 2017 R&CE Expense	<u>\$71,817</u>	Schedule 13(c)
FY 2017 Over/(Under) Recovery	(<u>\$283,957</u>)	

FY 2017 Under Recovery	\$283,957	
FY 2018 R&CE Expense	<u>\$83,285</u>	Schedule 13(c)
FY 2018 Recovery Amount	\$367,242	

FY 2018 R&CE Volumes	47,938,544
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FY 2018 R&CE Surcharge / Mcf	\$0.0077
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**Philadelphia Gas Works
Restructuring & Consumer Education Surcharge
Fiscal Year 2017**

FY 14 & FY 15 Over/(Under) Recovery (\$116,080)

<u>Month</u>		<u>R&CE Volumes</u>	<u>R&CE Surcharge</u>	<u>Revenue Billed</u>
September 2015	Actual	519,705	\$0.0061	\$3,170
October	Actual	1,539,123	\$0.0061	\$9,389
November	Actual	2,684,958	\$0.0061	\$16,378
December	Actual	4,288,966	\$0.0061	\$26,163
January 2016	Actual	7,063,874	\$0.0061	\$43,090
February	Actual	8,518,873	\$0.0061	\$51,965
March	Actual	6,269,646	\$0.0061	\$38,245
April	Actual	4,119,971	\$0.0061	\$25,132
May	Actual	2,615,289	\$0.0061	\$15,953
June	Actual	1,562,420	\$0.0061	\$9,531
July	Actual	1,094,573	\$0.0061	\$6,677
<u>August</u>	Actual	<u>1,001,149</u>	<u>\$0.0061</u>	<u>\$6,107</u>
Total		41,278,547		\$251,799

FY 2016 Actual R&CE & FY 2014-15 Recovery	\$135,719
FY 2016 R&CE Expense	<u>\$395,343</u>
FY 2016 Over/(Under) Recovery	<u>(\$259,624)</u>

**Philadelphia Gas Works
Restructuring & Consumer Education Surcharge
Expense**

Fiscal Year Month	FY 2017												FY 2017	FY18
	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	FY 2017	Est
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Est	Total	Est
Capital														
POR Build (90%)	\$ 2,430	\$ 9,982	\$ 1,606	\$ 2,594	\$ (14,184)	\$ 12,164	\$ 3,450	\$ 1,358	\$ 1,659	\$ 1,825	\$ 844	\$ 7,920	\$ 31,647	\$ 70,785
Access. Mech. (100%)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 40,170	\$ 40,170
Operating														
Mailers (50%)														
Access Mech. (100%)														\$ 12,500
Totals	\$ 2,430	\$ 9,982	\$ 1,606	\$ 2,594	\$ (14,184)	\$ 12,164	\$ 3,450	\$ 1,358	\$ 1,659	\$ 1,825	\$ 844	\$ 48,090	\$ 71,817	\$ 83,285

Natural Gas Prices Used for PGW's - FY 2016-2017 - 4th Quarter GCR Filing

Basis Differentials

Prices Used For Gas Cost Inputs

	TRANSCO					TETCO				NYMEX Futures 08/03/17 Close	TRANSCO					TETCO			
	Sta 30	Sta 45	Sta 65	Sta. 85	Zone 6- Non-NY	ELA	WLA	M-1	M-2		Sta 30	Sta 45	Sta 65	Sta. 85	Zone 6- Non-NY	ELA	WLA	M-1	M-2
2017:8											2.88	2.90	2.92	2.92	2.30	2.85	2.85	2.85	1.70
2017:9	(0.11)	(0.14)	(0.02)	(0.01)	0.07	(0.06)	(0.08)	(0.10)	(0.48)	2.800	2.69	2.66	2.78	2.79	2.87	2.74	2.72	2.70	2.48
2017:10	(0.11)	(0.14)	(0.02)	(0.01)	0.07	(0.06)	(0.08)	(0.10)	(0.48)	2.844	2.73	2.70	2.82	2.83	2.91	2.78	2.76	2.74	2.52
2017:11	(0.11)	(0.14)	(0.02)	(0.01)	0.07	(0.06)	(0.08)	(0.10)	(0.48)	2.933	2.82	2.79	2.91	2.92	3.00	2.87	2.85	2.83	2.61
2017:12	(0.11)	(0.14)	(0.02)	(0.01)	0.07	(0.06)	(0.08)	(0.10)	(0.48)	3.092	2.98	2.95	3.07	3.08	3.16	3.03	3.01	2.99	2.77
2018:1	(0.11)	(0.14)	(0.02)	(0.01)	0.07	(0.06)	(0.08)	(0.10)	(0.48)	3.183	3.07	3.04	3.16	3.17	3.25	3.12	3.10	3.08	2.86
2018:2	(0.11)	(0.14)	(0.02)	(0.01)	0.07	(0.06)	(0.08)	(0.10)	(0.48)	3.172	3.06	3.03	3.15	3.16	3.24	3.11	3.09	3.07	2.85
2018:3	(0.11)	(0.14)	(0.02)	(0.01)	0.07	(0.06)	(0.08)	(0.10)	(0.48)	3.130	3.02	2.99	3.11	3.12	3.20	3.07	3.05	3.03	2.81
2018:4	(0.11)	(0.14)	(0.02)	(0.01)	0.07	(0.06)	(0.08)	(0.10)	(0.48)	2.835	2.73	2.70	2.82	2.83	2.91	2.78	2.76	2.74	2.52
2018:5	(0.11)	(0.14)	(0.02)	(0.01)	0.07	(0.06)	(0.08)	(0.10)	(0.48)	2.813	2.70	2.67	2.79	2.80	2.88	2.75	2.73	2.71	2.49
2018:6	(0.11)	(0.14)	(0.02)	(0.01)	0.07	(0.06)	(0.08)	(0.10)	(0.48)	2.838	2.73	2.70	2.82	2.83	2.91	2.78	2.76	2.74	2.52
2018:7	(0.11)	(0.14)	(0.02)	(0.01)	0.07	(0.06)	(0.08)	(0.10)	(0.48)	2.863	2.75	2.72	2.84	2.85	2.93	2.80	2.78	2.76	2.54
2018:8	(0.11)	(0.14)	(0.02)	(0.01)	0.07	(0.06)	(0.08)	(0.10)	(0.48)	2.868	2.76	2.73	2.85	2.86	2.94	2.81	2.79	2.77	2.55

Actual Natural Gas Billed

	<u>Apr-17</u>	<u>May-17</u>	<u>Jun-17</u>
Williams	\$ 2,574,446.17	\$ 2,671,644.20	\$ 2,562,398.01
Texas Eastern	\$ 2,500,500.47	\$ 2,389,548.28	\$ 2,442,115.93
Dominion	\$ 120,435.09	\$ 132,669.85	\$ 130,809.45
Equitrans	\$ -	\$ -	\$ -
Spot Purchases -Transco	\$ 27,409.91	\$ 20,808.24	\$ 10,511.78
Spot Purchases -Tetco	\$ -	\$ -	\$ -
Transco Supply2	\$ 417,000.00	\$ 440,200.00	\$ 423,000.00
Transco Supply3	\$ -	\$ -	\$ -
Transco Supply6	\$ 415,500.00	\$ 438,650.00	\$ 421,500.00
Transco Supply7	\$ -	\$ -	\$ -
Transco Supply8	\$ 189,529.41	\$ 1,207,313.72	\$ 438,650.00
Transco Supply10	\$ -	\$ -	\$ -
Transco Supply12	\$ -	\$ -	\$ -
Transco Supply14	\$ 421,500.00	\$ 430,435.00	\$ 430,650.00
Transco Supply17	\$ -	\$ -	\$ -
Transco Supply20	\$ -	\$ -	\$ -
Transco Supply21	\$ -	\$ -	\$ -
Transco Supply22	\$ 679,980.26	\$ 1,391,460.25	\$ 439,775.00
Transco Supply23	\$ 935,250.00	\$ 969,912.50	\$ 950,250.00
Transco Supply24	\$ -	\$ -	\$ -
Transco Supply25	\$ -	\$ -	\$ -
Transco Supply26	\$ -	\$ -	\$ -
Transco Supply27	\$ -	\$ -	\$ -
Transco Supply28	\$ -	\$ -	\$ -
Transco Supply29	\$ -	\$ -	\$ -
Transco Supply30	\$ -	\$ -	\$ -
Transco Supply31	\$ -	\$ -	\$ -
Transco Supply32	\$ 420,000.00	\$ 443,300.00	\$ 426,000.00
Tetco Supply1	\$ -	\$ -	\$ -
Tetco Supply2	\$ -	\$ -	\$ -
Tetco Supply3	\$ -	\$ -	\$ -
Tetco Supply4	\$ -	\$ -	\$ -
Tetco Supply5	\$ 353,250.00	\$ 359,910.00	\$ 362,400.00
Tetco Supply7	\$ -	\$ -	\$ -
Tetco Supply13	\$ -	\$ -	\$ -
Tetco Supply14	\$ -	\$ -	\$ -
Tetco Supply16	\$ 400,875.00	\$ 400,287.50	\$ 399,375.00
Tetco Supply17	\$ -	\$ -	\$ -
Tetco Supply18	\$ -	\$ -	\$ -
Tetco Supply19	\$ -	\$ -	\$ -
Tetco Supply20	\$ -	\$ -	\$ -
Tetco Supply21	\$ -	\$ -	\$ -
Tetco Supply22	\$ -	\$ -	\$ -
Tetco Supply23	\$ -	\$ -	\$ -
Tetco Supply24	\$ 1,431,265.97	\$ 1,836,919.00	\$ 1,613,715.00
Tetco Supply25	\$ -	\$ -	\$ -
Tetco Supply26	\$ 1,352,699.03	\$ 1,286,747.34	\$ 685,550.00
Tetco Supply27	\$ -	\$ -	\$ -
Tetco Supply28	\$ 400,875.00	\$ 400,287.50	\$ 399,375.00
Tetco Supply29	\$ -	\$ -	\$ -
Tetco Supply30	\$ -	\$ -	\$ -
Tetco Supply31	\$ -	\$ -	\$ -
Total Costs	\$ 12,640,516	\$ 14,820,093	\$ 12,136,075
Sharing Mechanism	\$ 1,013	\$ 39,980	\$ 38,105
Asset Management Agreement	\$ (25,000)	\$ (25,000)	\$ (25,000)
Off System Sales	\$ -	\$ -	\$ -
Gas Transportation Purchases	\$ 3,752	\$ -	\$ -
Adjustment/Reconciliation	\$ (3,242,913)	\$ (323,062)	\$ 872,405
Total Natural Gas Billed	\$ 9,377,368	\$ 14,512,011	\$ 13,021,585

Philadelphia Gas Works Summary of Fuels Purchased Three Months Ending June 2017

	<u>Actual</u>				<u>Projected</u>			<u>Actual Over/Under vs Projected</u>				
	<u>Apr-17</u>	<u>May-17</u>	<u>Jun-17</u>	<u>Total</u>	<u>2nd Qtr Filing Apr-17</u>	<u>3rd Qtr Filing May-17</u>	<u>Projected 3rd Qtr Filing Jun-17</u>	<u>Total</u>	<u>Apr-17</u>	<u>May-17</u>	<u>Jun-17</u>	<u>Total</u>
Total Natural Gas Billed	\$ 9,377,368	\$ 14,512,011	\$ 13,021,585	\$ 36,910,964	\$ 17,746,908	\$ 15,297,784	\$ 11,493,483	\$ 44,538,175	\$ (8,369,540)	\$ (785,773)	\$ 1,528,102	\$ (7,627,211)
Less Imbalance Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Less Interruptible Credit	\$ 1,695	\$ 3,066	\$ 10,787	\$ 15,548	\$ 193,337	\$ 51,780	\$ 54,473	\$ 299,589	\$ (191,642)	\$ (48,714)	\$ (43,686)	\$ (284,041)
Gas Used For Utility	\$ 74,257	\$ 17,364	\$ 35,561	\$ 127,182	\$ 87,064	\$ 40,015	\$ 29,978	\$ 157,057	\$ (12,807)	\$ (22,651)	\$ 5,583	\$ (29,875)
	\$ 9,301,416	\$ 14,491,581	\$ 12,975,237	\$ 36,768,234	\$ 17,466,507	\$ 15,205,989	\$ 11,409,032	\$ 44,081,528	\$ (8,165,091)	\$ (714,408)	\$ 1,566,205	\$ (7,313,294)
Pipeline Storages												
(To)	\$ (224,653)	\$ (3,948,881)	\$ (5,771,570)	\$ (9,945,104)	\$ (2,996,126)	\$ (6,834,260)	\$ (4,360,270)	\$ (14,190,656)	\$ 2,771,473	\$ 2,885,379	\$ (1,411,300)	\$ 4,245,552
From	\$ 2,156,086	\$ 170,703	\$ 8	\$ 2,326,797	\$ 49,698	\$ -	\$ -	\$ 49,698	\$ 2,106,388	\$ 170,703	\$ 8	\$ 2,277,099
Net Pipeline Storages	\$ 1,931,433	\$ (3,778,178)	\$ (5,771,562)	\$ (7,618,307)	\$ (2,946,428)	\$ (6,834,260)	\$ (4,360,270)	\$ (14,140,958)	\$ 4,877,861	\$ 3,056,082	\$ (1,411,292)	\$ 6,522,651
LNG Storage												
(To)	\$ (460,244)	\$ (465,234)	\$ 9,299	\$ (916,179)	\$ (1,074,994)	\$ (305,390)	\$ (16,289)	\$ (1,396,673)	\$ 614,750	\$ (159,844)	\$ 25,588	\$ 480,494
From	\$ 216,237	\$ 192,435	\$ 160,890	\$ 569,562	\$ 406,039	\$ 247,887	\$ 240,631	\$ 894,557	\$ (189,802)	\$ (55,452)	\$ (79,741)	\$ (324,995)
Net LNG Storage	\$ (244,007)	\$ (272,799)	\$ 170,189	\$ (346,617)	\$ (668,955)	\$ (57,503)	\$ 224,342	\$ (502,116)	\$ 424,948	\$ (215,296)	\$ (54,153)	\$ 155,499
Net Natural Gas	\$ 10,988,842	\$ 10,440,604	\$ 7,373,865	\$ 28,803,311	\$ 13,851,123.95	\$ 8,314,226	\$ 7,273,105	\$ 29,438,454	\$ (2,862,282)	\$ 2,126,378	\$ 100,760	\$ (635,143)
APPLICABLE GCR EXPENSES												
Net Natural Gas Expense	\$ 10,988,842	\$ 10,440,604	\$ 7,373,865	\$ 28,803,311	\$ 13,851,124	\$ 8,314,226	\$ 7,273,105	\$ 29,438,454	\$ (2,862,282)	\$ 2,126,378	\$ 100,760	\$ (635,143)
Purchased Electric & Misc	\$ 40,883	\$ 36,849	\$ 31,100	\$ 108,832	\$ 55,487	\$ 42,755	\$ 26,931	\$ 125,173	\$ (14,604)	\$ (5,906)	\$ 4,169	\$ (16,341)
Total GCR Expenses	\$ 11,029,725	\$ 10,477,453	\$ 7,404,965	\$ 28,912,143	\$ 13,906,611	\$ 8,356,980	\$ 7,300,036	\$ 29,563,628	\$ (2,876,886)	\$ 2,120,473	\$ 104,929	\$ (651,485)