

November 14, 2017

Via Electronic Filing

Rosemary Chiavetta, Secretary
PA Public Utility Commission
PO Box 3265
Harrisburg, PA 17105-3265

Re: PA Public Utility Commission v. Philadelphia Gas Works - R-2017-2586783

Dear Secretary Chiavetta:

Enclosed for electronic filing please find: (1) Philadelphia Gas Works' ("PGW") Gas Service Tariff Pa. P.U.C. No. 2, Supplement No. 106; (2) PGW Gas Supplier Tariff Pa. P.U.C. No. 1, Supplement No. 73; and (3) PGW's Proof of Revenue, which was originally filed as Exhibit 2 to the Joint Petition for Partial Settlement filed on July 21, 2017. These documents are being filed pursuant to Ordering Paragraphs 6 and 9 of the Commission's November 8, 2017 Opinion and Order with regard to the above-referenced matter. In accordance with the Commission's Order, these Supplements shall become effective on December 1, 2017. Copies are being served in accordance with the attached Certificate of Service.

Sincerely,


Daniel Clearfield
DC/lww

Enclosure

cc: Hon. Christopher Pell
Hon. Marta Guhl
Certificate of Service w/enc.

CERTIFICATE OF SERVICE

I hereby certify that this day I served a copy of PGW's Philadelphia Gas Works' ("PGW") Gas Service Tariff Pa. P.U.C. No. 2, Supplement No. 106; 2) PGW Gas Supplier Tariff Pa. P.U.C. No. 1, Supplement No. 73; and 3) PGW's Proof of Revenue upon the persons listed below in the manner indicated in accordance with the requirements of 52 Pa. Code Section 1.54.

Via Email and/or First Class Mail

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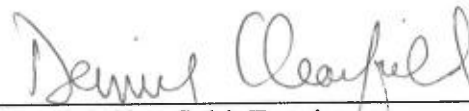
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Date: November 14, 2017



Daniel Clearfield, Esquire

PHILADELPHIA GAS WORKS

GAS SERVICE TARIFF



Issued by: Craig White
President and CEO

PHILADELPHIA GAS WORKS
800 West Montgomery Avenue
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List of Changes Made by this Tariff Supplement**TABLE OF CONTENTS (Page Nos. 6-7)**

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

MERCHANT FUNCTION CHARGE AND PRICE TO COMPARE (Page No. 78)

The MFC percentages have changed: 3.76% - GS Residential; 0.62% - GS Commercial; and 0.39% - GS Industrial. Additionally, the MFC charges in the Price to Compare table: \$0.01561 – GS Residential; \$0.00257 – GS Commercial; and \$0.00162 – GS Industrial.

GENERAL SERVICE – RATE GS (Page No. 83)

Changed the customer charges and delivery charges: For Residential customers, the customer charge increases from \$12.00 to \$13.75 and delivery charge increases from \$0.60067 to \$0.66967. For Public Housing customers, the customer charge increases from \$12.00 to \$13.75 and the delivery charge increases from \$0.49441 to \$0.57105. For Commercial customers, the customer charge increases from \$18.00 to \$23.40 and the delivery charge increases from \$0.45984 to \$0.48651. For Industrial customers, the customer charge increases from \$50.00 to \$70.00 and the delivery charge increases from \$0.45332 to \$0.47698.

MUNICIPAL SERVICE – RATE MS (Page No. 87)

The customer charge increases from \$18.00 to \$23.40 and the delivery charge increases from \$0.33661 to \$0.42723.

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

The customer charge increases from \$18.00 to \$23.40 and the delivery charge increases from \$0.41101 to \$0.50163.

BOILER AND POWER PLANT SERVICE – RATE BPS (Page Nos. 93-95)

Pages cancelled – rate being discontinued.

LOAD BALANCING SERVICE – RATE LBS (Page Nos. 97-99)

Pages cancelled – rate being discontinued.

BALANCING LIMITS AND CHARGES – (PAGE No. 104-105)

Section (f)(1) Monthly Imbalance Reconciliation Threshold changed from 2.5% to 3.5%. Subsection (2)(a) purchase amount changed from 150% to 125%. Subsection (5) cashout threshold changed to 3.5%.

INTERRUPTIBLE TRANSPORTATION – RATE IT (Page No. 115)

Increased customer charge and distribution charges for as follows. For existing IT-A customers, the customer charge changed from \$125 to \$152.16 and the rate per Mcf/Dth delivered changes from \$1.88/1.81 to \$2.2885/\$2.2068. For existing IT-B customers, the customer charge changed from \$225 to \$273.89 and the rate per Mcf/Dth delivered changes from \$0.91/\$0.87 to \$1.1077/\$1.0682. For existing IT-C customers, the customer charge changed from \$225 to \$273.89 and the rate per Mcf/ Dth delivered changes from \$0.71/0.68 to \$0.8643/\$0.8335. For existing IT-D customers, the customer charge changed from \$225 to \$273.89 and the rate per Mcf/Dth delivered changes from \$0.63/0.61 to \$0.7669/\$0.7395. For existing IT-E customers, the customer charge changed from \$350 to \$426.06 and the rate per Mcf/Dth delivered changes from \$0.61/0.58 to \$0.7426/\$0.7161. The distribution charge may be the product of a negotiated rate and may include long-term contracts of up to five years as mutually agreed to by the Company and the Customer. This negotiated rate may be higher than, but not lower than, the distribution charges set forth above and may include additional minimum take requirements.

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COGENERATION SERVICE – RATE CG (Page No. 131)

Rate being discontinued. Existing contracts will continue until end of the term of the service agreement, at which time customers shall then migrate to most appropriate rate schedule.

WEATHER NORMALIZATION ADJUSTMENT CLAUSE (Page Nos. 149 -150)

Calculation for normal heating degree days changed from current thirty year average to calculation based on number of years used in the Company's most recent rate case, currently twenty years, as approved at Docket No. R-2017-2586783. Adds an annual reporting regarding actual charges or credits and actual number of heating degree days.

BACK-UP SERVICE – RATE BUS (Page No. 154)

Establishes the availability, rates, and terms of service for new rate for customers with operable back-up or emergency generation equipment who will require gas from the Company. Rates to be negotiated.

TECHNOLOGY AND ECONOMIC DEVELOPMENT RIDER / MICRO-COMBINED HEAT AND POWER INCENTIVES (Page No. 155)

Establishes the availability, rates, and terms of service for new rider available on a pilot basis to support the expansion of new technologies. Rates to be negotiated. Also makes available the following incentives for qualifying Micro-CHP projects: (1) up to \$750 per kW for units between 20 kW and 50 kW; and, (2) up to \$1,000 per kW for units below 20 kW. Availability of the rider and the incentives dependent upon the economics of the proposed project meeting the requirements of Section 10 of this Tariff.

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GENERAL SERVICE - RATE GS

Rate: Applicable to all Retail Sales Service or Transportation Service rendered pursuant to this Rate Schedule on or after December 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)):

\$ 13.75	per month for Residential and Public Housing Authority Customers.	(I)
\$ 23.40	per month for Commercial Customers	(I)
\$ 70.00	per month for Industrial Customers	(I)

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
\$0.41523	per Ccf for Commercial Customers
\$0.41523	per Ccf for Industrial Customers

Plus,

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

(A) Delivery Charge:

\$0.66967	per Ccf for Residential	(I)
\$0.57105	per Ccf for Public Housing	(I)
\$0.48651	per Ccf for Commercial and Municipal Customers	(I)
\$0.47698	per Ccf for Industrial Customers	(I)

(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.

(I) - Increase

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 December 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):

\$ 23.40 per month

(I)

Surcharge: Distribution System Improvement Charge.

Plus,

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

\$0.41523 per Ccf

Plus,

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

(A) Delivery Charge:

\$0.42723 per Ccf

(I)

(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.

(I) - Increase

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 December 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);

\$23.40 per month

(I)

Surcharge: Distribution System Improvement Charge.

Plus,

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

\$0.41523 per Ccf

Plus

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

(A) Delivery Charge:

\$0.50163 per Ccf

(I)

(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.

(I) - Increase

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

PHILADELPHIA GAS WORKS

Supplement No. 106 to
Gas Tariff – Pa. P.U.C. No. 2
Fifth Revised Pg. No. 93
Canceling Fourth Revised Pg. No. 93

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Supplement No. 106 to
Gas Service Tariff – Pa. P.U.C. No. 2
Second Revised Pg. No. 94
Canceling First Pg. No. 94

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PHILADELPHIA GAS WORKS

Supplement No. 106 to
Gas Service Tariff – Pa. P.U.C. No. 2
First Revised Pg. No. 95
Canceling Original Pg. No. 95

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Supplement No. 106 to
Gas Service Tariff – Pa. P.U.C. No. 2
Fifth Revised Pg. No. 97
Canceling Fourth Revised Pg. No. 97

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Supplement No. 106 to
Gas Service Tariff – Pa. P.U.C. No. 2
Second Revised Pg. No. 98
Canceling First Pg. No. 98

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6. BALANCING LIMITS AND CHARGES

Daily balancing, and the reconciliation of end-of-month imbalances, shall be governed by the definitions, limits and charges set forth below:

- (a) Daily Receipt Quantity. The supplier's confirmed pipeline nomination quantity, adjusted for unaccounted for Gas, for the Gas day.
- (b) Daily Usage Quantity. Gas used by the Rate IT Customer(s) in a supply pool during the 24-hour Gas day as recorded by the Company's meter(s) at the Rate IT Customer location(s).
- (c) Allowable Daily Variation. The daily usage quantity must be within plus or minus ten percent (+/-10%) of the daily receipt quantity.
- (d) Daily Imbalance Surcharge. Supplier shall be charged \$0.50 for each Dth outside the applicable allowable daily variation
- (e) Daily Market Index Price. The prices published each day in Gas Daily (or successor publication or where none exists a publication selected by the Company) under the heading "Citygate Prices" for deliveries at "Texas Eastern M-3" and "Transco Z6 [non-NY]" (or applicable headings of a successor publication.) Whenever a price is published as a range, the value used for that day would be the midpoint of the range.
- (f) Monthly Imbalance Reconciliation. Imbalances remaining at the end of a month in each supply pool shall be reconciled to zero in accordance with the following schedule. All cost calculations shall reflect the appropriate adjustment for unaccounted for Gas, and for average heating value where applicable.

- 1. Monthly usage quantities that exceed monthly receipts by up to 3.5% shall be purchased by the Supplier at the monthly average of the Daily Market Index Price; provided, however, that if Supplier shall cease to be a Supplier pursuant to this Rate Schedule, then, usage quantities that exceed monthly receipts by up to 3.5% during the Supplier's last month on PGW's system shall be purchased by the Supplier at the higher of: (a) 100% of the average of the two highest Daily Market Index Prices for the monthly period beginning on the first day of the month; or (b) 100% of the Company's highest incremental supply cost for the month. (C)
- 2. Monthly usage quantities that exceed monthly receipts by more than 3.5% shall be purchased by the supplier at the higher of: (a) 125% of the average of the five (5) highest Daily Market Index Prices for the monthly period beginning on the first day of the month; or (b) 150% of the Company's highest incremental supply cost for the month. (C)
- 3. Monthly receipt quantities that exceed monthly usage by up to 3.5% shall be purchased by the Company at the monthly average of the Daily Market Index Price; provided, however, that if Supplier shall cease to be a Supplier pursuant to this Rate Schedule, then, receipt quantities that exceed monthly usage by up to 3.5% during the Supplier's last month on PGW's system shall be purchased by Company at the lower of: (a) 100% of the average of the two (2) lowest Daily Market Index Price for the monthly period beginning on the first day of the month; or (b) 100% of the Company's lowest incremental supply cost for the month.. (C)
- 4. Monthly receipt quantities that exceed monthly usage by more than 3.5% shall be purchased by the Company at the lower of: (a) 75% of the average of the five(5) lowest Daily Market Index Price for the monthly period beginning on the first day of the month; or (b) 75% of the Company's lowest incremental supply cost for the month. (C)

(C) - Change