



PHILADELPHIA GAS WORKS

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January 30, 2019

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

Re: Philadelphia Gas Works Distribution System Improvement Charge Annual Reconciliation Under 66 Pa. C.S. § 1307(e) for the Year Ended December 31, 2018
Docket No. M-2019-XXXXXXX

Dear Secretary Chiavetta:

On behalf of Philadelphia Gas Works ("PGW"), enclosed for filing please find PGW's Distribution System Improvement Charge ("DSIC") Annual Reconciliation under 66 Pa. C.S. Section 1307(e) for the Year Ended December 31, 2018. Consistent with the Commission's Order entered on July 6, 2016, at Docket No. P-2015-2501500, this reconciliation period includes the temporary, two-year additional DSIC recovery for the recoupment of the approximate \$11.4 million DSIC under collection amount for 2015. PGW implemented this change beginning on October 1, 2016. Any under or over collection from the previous year will be calculated in an annual reconciliation based on actual billed DSIC revenues and DSIC recoverable costs during each month of the applicable calendar year. The actual reconciliation rate shall not exceed the total DSIC cap authorized by the Commission in the above-referenced Order, or any subsequent Order modifying the cap applicable to this reconciliation period. It should also be noted that PGW's December 2018 expenses had not yet been filed so they are included in this filing. Please do not hesitate to contact me if you have any questions.

Respectfully,



Brandon J. Pierce, Esquire

Enclosure

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

CERTIFICATE OF SERVICE

I hereby certify that this day I served a copy of PGW's DSIC Annual Reconciliation under 1307(e) upon the persons listed below in the manner indicated in accordance with the requirements of 52 Pa. Code Section 1.54.

Via Email and/or First Class Mail

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The following are parties of record in Docket No. P-2015-2501500

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Dated: January 30, 2019



Brandon J. Pierce, Esq.

**PHILADELPHIA GAS WORKS
DECEMBER 2018 - RECOVERABLE COSTS
DISTRIBUTION SYSTEM IMPROVEMENT CHARGE (DSIC)**

RECOVERABLE COSTS - DECEMBER 2018

FERC Account #	PGW Project #	Location	Type	Dec-18	Total
376	411432	2100 S 23rd, 2200 Cantrell, 2200 Winton, 2100-2300 S 22nd, 2100 Wolf, 2200-2300 Croskey, 2200-2300 Hemberger, 2300 Jackson, 2200 S 24th	8" (LP / IP)	\$ 1,082,183	\$ 1,082,183
376	411412	3600-3700 N. 2nd - Lining Project	12" & Larger (HP)	\$ 1,062,874	\$ 1,062,874
376	411488	7600 Germantown, 00-100 Roumfort, 7200-7500 Boyer, 00 McPherson, 7400-7500 Devon St	8" (LP / IP), 12" & Larger (HP)	\$ 1,675,301	\$ 1,675,301
376	411427	2800 S 63rd, 6000-6200 Lindbergh Blvd	12" & Larger (HP)	\$ 4,182,997	\$ 4,182,997
376	411426	2800-2900 Chatham St, 2900 Gaul St, 2800-2900 Belgrade St, 2400-2600 Cambria St, 2500 Monmouth St	8" (LP / IP)	\$ 868,972	\$ 868,972
376	411457	1100, 4500 Adams, 1100-1400 Unity, 4300 E Wingohocking, 4400 Oakland, 4300-4400 Elizabeth, 4400 Leiper	8" (LP / IP), 12" & Larger (HP)	\$ 1,418,436	\$ 1,418,436
376	411420	500-600 Gates St, 500 Acorn St, 6300 Lawnton St	8" (LP / IP)	\$ 1,084,578	\$ 1,084,578
376	411433	1300-1400 E. Montgomery, 600 Gaul, 600 Miller	8" (LP / IP)	\$ 664,562	\$ 664,562
376	411394	3700-3900 Cresson, 100 Salaingnac, 100-200 Hermit, 100 Seville, 3700-3800 Sharp	8" (LP / IP)	\$ 20,730	\$ 20,730
376	411374	200 Wolf, 100 Daly, 2100-2200 Front, 100-200 Jackson, 100-200 Snyder, 2100 S. 2nd	8" (LP / IP)	\$ 41,523	\$ 41,523
376	411372 LD	6000-6300 Wister, 6100-6300 N. Beechwood, 6200 N. Norwood, 2100 Medary	8" (LP / IP), 12" & Larger (LP)	\$ 5,318	\$ 5,318
376	411408	2500-2600 S. 68th, 6800-6900 Elmwood, 6800 Dicks Ave, 2500-2600 Carroll, 2500 Massey	8" (LP / IP)	\$ 175,016	\$ 175,016
376	411409	1400-1800 Norris St, 2000-2100 Carlisle St, 2000-2100 Broad St	8" (LP / IP), 12" & Larger (LP)	\$ 35,353	\$ 35,353
376	411458	4500-4600 Cottman Ave, 7200 Glenloch St, 7200 Marsden St	8" (LP / IP), 12" & Larger (HP)	\$ 2,386	\$ 2,386
376	411371	5500-5600 Sprague, Blakemore, Matthews, Ardleigh, 5700 Anderson, 1000-1100 Woodlawn, 1000-1200 Cheltenham	8" (LP / IP), 12" & Larger (LP)	\$ 73,401	\$ 73,401
376	411431	6100-6200 Lindbergh Ave, 6100-6200 Harley Ave, 2900 Felton Ave, 2900 S 62nd St, 2900 Robinson St, 2900 Dewey St	8" (LP / IP)	\$ 124,742	\$ 124,742
376	411342	1100-1200 Venango, 1800 Tioga	8" (LP / IP), 12" & Larger (LP)	\$ 117,742	\$ 117,742
376	411327	1300-1700 W. Wingohocking, 4500 N. Carlisle 4400 N. Bancroft, 4400 N. Chadwick, 4400 N. 17th, 1700 Blavis	8" (LP / IP), 12" & Larger (HP), 12" & Larger (LP)	\$ 154,018	\$ 154,018
376	411364	Collins, Ontario to Tioga; Tioga, Collins to Brabant; Ontario, Kensington to Collins	30" HP	\$ 830,633	\$ 830,633
376	411333	1400-1500 Conlyn, 1400-1500 Grange, 1400-1500 Clearview, 5700-5800 N. 15th, 5700-5800 N. 16th (East)	8" (LP / IP)/12"(LP)	\$ 179,055	\$ 179,055

Recoverable Costs (DSIC) \$ 13,799,824 \$ 13,799,824

PHILADELPHIA GAS WORKS
2018 DISTRIBUTION SYSTEM IMPROVEMENT CHARGE (DSIC) RECONCILIATION

<u>Month</u>	<u>Total DSIC</u>	<u>DSIC Revenue Billed</u>	<u>Over / (Under)</u>	<u>DSIC</u>	<u>DSIC Revenue Billed</u>	<u>Over/(Under)</u>	<u>Interest</u>	<u>Interest</u>	<u>Interest**</u>
	<u>Revenue Billed</u>	<u>Allocated to Over / (Under) Collection</u>	<u>Collection Balance</u>	<u>Recoverable Costs</u>	<u>Recoverable Costs</u>	<u>Collection</u>	<u>Weighting</u>	<u>Rate*</u>	
	(1)	(2)	(3)	(4)	(5 = 1 - 2)	(6 = 5 - 4)	(7)	(8)	(9)
January 18	\$ 8,626,322	\$ 2,489,014	\$ 2,489,014		\$ 6,137,309	\$ 6,137,309	21	5.00%	\$ 537,015
February	\$ 6,118,705	\$ 1,765,473	\$ 4,254,487		\$ 4,353,232	\$ 4,353,232	20	5.00%	\$ 362,769
March	\$ 5,470,211	\$ 1,578,359	\$ 5,832,845		\$ 3,891,853	\$ 3,891,853	19	5.25%	\$ 323,510
<u>2017 Under Collection</u>			\$ (13,419,965)						
April	\$ 4,962,824	\$ 1,604,347	\$ (5,982,773)		\$ 3,358,477	\$ 3,358,477	18	5.50%	\$ 277,074
May	\$ 2,398,664	\$ 775,423	\$ (5,207,350)	\$ 2,303,244	\$ 1,623,241	\$ (680,003)	17	5.50%	\$ (52,984)
June	\$ 1,537,556	\$ 497,050	\$ (4,710,300)	\$ -	\$ 1,040,505	\$ 1,040,505	16	5.50%	\$ 76,304
July	\$ 1,387,764	\$ 448,627	\$ (4,261,673)	\$ -	\$ 939,137	\$ 939,137	15	5.50%	\$ 64,566
August	\$ 1,328,996	\$ 429,629	\$ (3,832,045)	\$ 7,525,299	\$ 899,368	\$ (6,625,931)	14	5.50%	\$ (425,164)
September	\$ 1,379,968	\$ 446,106	\$ (3,385,938)	\$ -	\$ 933,862	\$ 933,862	13	5.50%	\$ 55,643
October	\$ 1,504,122	\$ 485,809	\$ (2,900,129)	\$ -	\$ 1,018,312	\$ 1,018,312	12	5.50%	\$ 56,007
November	\$ 3,064,473	\$ 989,780	\$ (1,910,348)	\$ 9,311,862	\$ 2,074,693	\$ (7,237,169)	11	5.50%	\$ (364,874)
December	\$ 4,740,938	\$ 1,531,254	\$ (379,094)	\$ 13,799,824	\$ 3,209,684	\$ (10,590,140)	10	5.75%	\$ (507,444)
Totals	\$ 42,520,544	\$ 13,040,871		\$ 32,940,228	\$ 29,479,673	\$ (3,460,556)			\$ 402,422
<u>2018 Under Collection</u>			\$ (3,839,650)						

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

** Interest is not recoverable in net under-collections

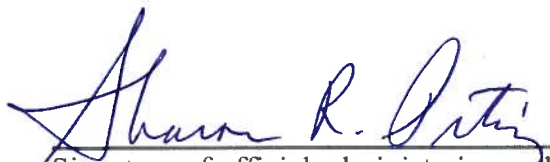
AFFIDAVIT

I, **Kenneth S. Dybalski**, Vice President – Energy Planning and Technical Compliance, at Philadelphia Gas Works, being duly sworn (affirmed) according to law, depose and say that – I am authorized to make this affidavit on behalf of Philadelphia Gas Works, being that I am an employee and have been authorized to make this affidavit on its behalf – and that the facts set forth in the Distribution System Improvement Charge Annual Reconciliation under 66 Pa. C.S. Section 1307(e) for the Year Ended December 31, 2018, are true and correct to the best of my knowledge, information, and belief and I expect to be able to prove the same at any hearing hereof.



Signature of affiant

Sworn and subscribed before me this 30th January of 2019.



Signature of official administering oath

