

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

VOLUME I (PART 2 OF 3)

RESPONSES TO FILING REQUIREMENTS

**ON BEHALF OF
PHILADELPHIA GAS WORKS**

PHILADELPHIA GAS WORKS

R-2017-2586783

FEBRUARY 2017

Philadelphia Gas Works' Base Rate Filing

II. RATE OF RETURN

II.A.5. Supply projected capital requirements and sources of Company, Parent and System (consolidated) for each of future three years.

RESPONSE:

Attached are PGW's sources and uses of cash for capital improvement expenditures for Fiscal Years 2013 through 2022.

**PHILADELPHIA GAS WORKS
SOURCES & USES OF CASH FOR
CAPITAL IMPROVEMENT EXPENDITURES
FISCAL YEARS 2013 THROUGH 2022
(DOLLARS IN THOUSANDS)**

	<u>Actual</u> <u>2013</u>	<u>Actual</u> <u>2014</u>	<u>Actual</u> <u>2015</u>	<u>Actual</u> <u>2016</u>	<u>Estimate</u> <u>2017</u>	<u>Budget</u> <u>2018</u>	<u>Forecast</u> <u>2019</u>	<u>Forecast</u> <u>2020</u>	<u>Forecast</u> <u>2021</u>	<u>Forecast</u> <u>2022</u>
CAPITAL EXPENDITURES										
SOURCES:										
Bond Proceeds	45,018	33,294	10,000	-	65,000	52,000	57,000	55,000	57,000	59,000
TXCP - Capital	-	-	30,000	41,000	-	-	-	-	-	-
DSIC Surcharge	681	13,914	13,764	26,253	32,541	30,579	30,895	31,214	31,518	31,846
Internally Generated Funds	26,676	36,123	31,735	33,080	35,091	26,431	27,733	28,935	28,491	30,150
Total Sources	72,375	83,331	85,499	100,333	132,632	109,010	115,628	113,149	117,009	120,996
% Internally Generated Funds	37.8%	60.0%	53.2%	59.1%	51.0%	52.3%	50.7%	51.4%	51.3%	51.2%
% Debt Financing	62.2%	40.0%	46.8%	40.9%	49.0%	47.7%	49.3%	48.6%	48.7%	48.8%
USES:										
Gas Processing	3,095	5,350	2,569	1,726	8,639	7,287	8,897	4,776	2,286	3,873
Distribution	57,394	61,768	65,220	82,592	95,812	89,625	96,070	98,291	100,563	102,888
Field Services	3,727	5,393	6,055	6,384	6,770	7,733	7,970	8,082	8,356	8,487
Fleet Services	1,111	2,233	3,085	2,592	13,126	2,157	1,276	551	4,317	4,229
Facilities Management	2,440	7,646	4,177	2,642	4,813	750	655	671	688	704
Information Technology	4,093	683	2,632	1,481	3,110	811	760	778	799	815
Other	515	258	1,761	2,916	362	647	-	-	-	-
Total Uses	72,375	83,331	85,499	100,333	132,632	109,010	115,628	113,149	117,009	120,996
CAPITAL IMPROVEMENT FUND										
SOURCES:										
Bond Proceeds @ Par Amount	\$ -	\$ -	\$ -	\$ -	\$ 270,000	\$ -	\$ -	\$ 180,000	\$ -	\$ -
Other Financings	-	-	-	-	-	-	-	-	-	-
Total Sources	-	-	-	-	270,000	-	-	180,000	-	-
USES:										
Cash Deposit to Capital Improvement Fund	-	-	-	-	248,890	-	-	167,700	-	-
Discount & Issuance Expense	-	-	-	-	3,510	-	-	500	-	-
Cash Deposit to Sinking Fund	-	-	-	-	17,600	-	-	11,800	-	-
Total Uses	-	-	-	-	270,000	-	-	180,000	-	-
Cash Deposit to Capital Improvement Fund	-	-	-	-	248,890	-	-	167,700	-	-
Interest - Gains or (Losses)	235	89	-	-	713	761	378	493	796	364
Drawdown - Proceeds and Interest Earned	(45,018)	(44,144)	-	-	(196,000)	(52,500)	(57,500)	(55,500)	(57,800)	(59,500)
Changes in Fund	(44,783)	(44,055)	-	-	113,603	(51,739)	(57,122)	112,693	(57,004)	(59,136)
Balance End of Period	\$ 44,055	\$ -	\$ -	\$ -	\$ 113,603	\$ 61,864	\$ 4,742	\$ 117,435	\$ 60,431	\$ 1,295

Philadelphia Gas Works' Base Rate Filing

II. RATE OF RETURN

II.A.6. Provide a schedule of debt and preferred stock of Company, Parent and System (consolidated) as of test year-end and latest date, detailing for each issue (if applicable):

- II.A.6.a. Date of issue
- II.A.6.b. Date of maturity
- II.A.6.c. Amount issued
- II.A.6.d. Amount outstanding
- II.A.6.e. Amount retired
- II.A.6.f. Amount reacquired
- II.A.6.g. Gain on reacquisition
- II.A.6.h. Coupon rate
- II.A.6.i. Discount or premium at issuance
- II.A.6.j. Issuance expenses
- II.A.6.k. Net proceeds
- II.A.6.l. Sinking Fund requirements
- II.A.6.m. Effective interest rate
- II.A.6.n. Dividend rate
- II.A.6.o. Effective cost rate
- II.A.6.p. Total average weighted effective Cost Rate

RESPONSE:

Please see the attached Fiscal Year 2016, 2017, and 2018 debt schedules for the response to: a, b, c, d, e, h, i, j, k, l, and m.

II.A.6.f.	Not applicable	II.A.6.o.	Not applicable
II.A.6.g.	Not applicable	II.A.6.p.	Not applicable
II.A.6.n.	Not applicable		