



PHILADELPHIA GAS WORKS

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March 28, 2023

Via E-Filing Only

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
400 North Street
Harrisburg, PA 17120

Re: Philadelphia Gas Works (“PGW”) April 1, 2023 Quarterly Distribution System Improvement Charge (“DSIC”) Filing in Docket No. M-2023-3039061

Dear Secretary Chiavetta:

Enclosed please find the revised supporting schedules for Philadelphia Gas Works’ (“PGW”) January 1, 2023 Quarterly Distribution System Improvement Charge (“DSIC”) filing. The revision is necessary to reflect an adjustment to projects in 2022. The DSIC rate effective April 1, 2023 remains unchanged from the currently effective rate of 7.5%. Therefore, no tariff supplement is required or enclosed. Please contact me if you have any questions.

Respectfully,

/s/ Craig W. Berry
Craig W. Berry, Esquire

Enclosure

cc: Cert. of Service w/enc.
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CERTIFICATE OF SERVICE

I hereby certify that this day I served a copy of PGW's Quarterly DSIC filing upon the persons listed below in the manner indicated in accordance with the requirements of 52 Pa. Code Section 1.54.

Via Email

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/s/ Craig W. Berry
Craig W. Berry, Esq.

Dated: March 38, 2023

PHILADELPHIA GAS WORKS
APRIL 1, 2023 - QUARTERLY FILING
DISTRIBUTION SYSTEM IMPROVEMENT CHARGE (DSIC)

Projected Recoverable Annual Costs (DSI) \$ 36,400,000

2022 Annual Reconciliation (e) \$ 6,232,243 (Page 2)

Total Recoverable Costs (DSI + e) \$ 42,632,243

Projected Annual Revenues (PAR) \$ 520,015,302 (Page 3)

Distribution System Improvement Charge (DSIC) **7.50%**

Formula: The formula for calculation of the DSIC is as follows:

$$\text{DSIC} = \frac{\text{DSI} + e}{\text{PAR}}$$

Where:

DSI = Projected recoverable annual costs

e = The amount calculated under the annual reconciliation feature or Commission audit.

PAR = Projected annual revenues for distribution service (including all applicable clauses and riders) including any revenue from existing customers plus netted revenue from any customers which will be gained or lost by the beginning of the applicable service period.

PHILADELPHIA GAS WORKS
2022 DISTRIBUTION SYSTEM IMPROVEMENT CHARGE (DSIC) RECONCILIATION

| <u>Month</u> | <u>DSIC Revenue</u> | | | <u>DSIC Recoverable Costs</u> | <u>DSIC Revenue Billed</u> | | <u>Interest Weighting</u> | <u>Interest Rate*</u> | <u>Interest**</u> |
|------------------------------|----------------------------------|--|--|-------------------------------|---------------------------------------|--------------------------------|---------------------------|-----------------------|---------------------|
| | <u>Total DSIC Revenue Billed</u> | <u>Billed Allocated to Over / (Under) Collection</u> | <u>Over / (Under) Collection Balance</u> | | <u>Allocated to Recoverable Costs</u> | <u>Over/(Under) Collection</u> | | | |
| | <u>(1)</u> | <u>(2)</u> | <u>(3)</u> | <u>(4)</u> | <u>(5 = 1 - 2)</u> | <u>(6 = 5 - 4)</u> | <u>(7)</u> | <u>(8)</u> | <u>(9)</u> |
| January 22 | \$ 6,256,904 | \$ 34,128 | \$ 34,128 | | \$ 6,222,776 | \$ 6,222,776 | 21 | 4.25% | \$ 462,819 |
| February | \$ 6,509,241 | \$ 35,504 | \$ 69,632 | | \$ 6,473,737 | \$ 6,473,737 | 20 | 4.25% | \$ 458,556 |
| March | \$ 4,768,874 | \$ 26,012 | \$ 95,644 | | \$ 4,742,863 | \$ 4,742,863 | 19 | 4.50% | \$ 337,929 |
| 2021 Under Collection | | | \$ (2,530,962) | | | | | | |
| April | \$ 3,431,894 | \$ 211,539 | \$ (2,223,779) | | \$ 3,220,355 | \$ 3,220,355 | 18 | 4.75% | \$ 229,450 |
| May*** | \$ 2,099,887 | \$ 129,435 | \$ (2,094,344) | \$ 13,244,448 | \$ 1,970,452 | \$ (11,273,996) | 17 | 4.75% | \$ (758,646) |
| June | \$ 1,426,131 | \$ 87,906 | \$ (2,006,439) | \$ - | \$ 1,338,226 | \$ 1,338,226 | 16 | 5.25% | \$ 93,676 |
| July | \$ 1,286,183 | \$ 79,279 | \$ (1,927,159) | \$ - | \$ 1,206,904 | \$ 1,206,904 | 15 | 5.50% | \$ 82,975 |
| August | \$ 1,216,809 | \$ 75,003 | \$ (1,852,156) | \$ 12,716,373 | \$ 1,141,806 | \$ (11,574,567) | 14 | 5.75% | \$ (776,461) |
| September | \$ 1,249,544 | \$ 77,021 | \$ (1,775,135) | \$ - | \$ 1,172,524 | \$ 1,172,524 | 13 | 5.50% | \$ 69,863 |
| October | \$ 1,755,791 | \$ 108,225 | \$ (1,666,910) | \$ - | \$ 1,647,565 | \$ 1,647,565 | 12 | 5.75% | \$ 94,735 |
| November | \$ 2,549,579 | \$ 157,154 | \$ (1,509,756) | \$ 14,500,195 | \$ 2,392,425 | \$ (12,107,769) | 11 | 6.25% | \$ (693,674) |
| December*** | \$ 4,730,081 | \$ 291,558 | \$ (1,218,198) | \$ 521,185 | \$ 4,438,523 | \$ 3,917,338 | 10 | 6.50% | \$ 212,189 |
| Totals | \$ 37,280,920 | \$ 1,312,765 | \$ 40,982,200 | \$ 35,968,155 | \$ (5,014,045) | | | | \$ (186,589) |
| 2022 under Collection | | | \$ (6,232,243) | | | | | | |

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

** Interest is not recoverable in net under-collections

*** Revised May and December DSIC Recoverable Costs

PHILADELPHIA GAS WORKS
DECEMBER 1, 2022 - QUARTERLY FILING
Annual Tariff Revenue

| | December 1, 2022 | | | December 1, 2022 PUC Approved Tariff Rates | | | | | | Amounts in \$000s | | | | | | |
|--|------------------|---------------------|-------------------------|--|----------|----------------------|---------------------------------|---|-----------------|----------------------|---------------|------------------------------|----------------------------------|--|-------------------------|----------------------------|
| | No. of Customers | No. of Annual Bills | Annual Deliveries (mcf) | Monthly Cust. Charge | OPEB | Univ. Service Charge | Efficiency Cost Recovery Charge | Restructuring & Consumer Education Charge | Delivery Charge | Cust. Charge Revenue | OPEB Revenue | Univ. Service Charge Revenue | Efficiency Cost Recovery Revenue | Restructuring & Consumer Education Revenue | Delivery Charge Revenue | Total Distribution Revenue |
| 1 Non-Heating: | | | | | | | | | | | | | | | | |
| 2 Residential | 13,264 | 159,164 | 337,789 | \$14.90 | \$0.3789 | \$1.7353 | \$0.0125 | \$ - | \$7.2955 | 2,372 | 128 | 586 | 4 | 0 | 2,464 | 5,554 |
| 3 Commercial | 3,149 | 37,785 | 915,615 | \$25.35 | \$0.3789 | \$1.7353 | \$0.0410 | \$ - | \$5.1908 | 958 | 347 | 1,589 | 38 | 0 | 4,753 | 7,684 |
| 4 BUS | 26 | 312 | 1,465 | \$371.80 | \$0.3789 | \$1.7353 | \$0.0410 | \$ - | \$5.1908 | 116 | 1 | 3 | 0 | 0 | 8 | 127 |
| 5 NGS | 1 | 12 | 21,959 | \$426.06 | \$ - | \$ - | \$ - | \$ - | \$2.7500 | 5 | 0 | 0 | 0 | 0 | 60 | 66 |
| 6 Industrial | 93 | 1,111 | 95,074 | \$75.90 | \$0.3789 | \$1.7353 | \$(0.0056) | \$ - | \$5.1668 | 84 | 36 | 165 | (1) | 0 | 491 | 776 |
| 7 Municipal/MS | 239 | 2,868 | 210,646 | \$25.35 | \$0.3789 | \$1.7353 | - | \$ - | \$4.7765 | 73 | 80 | 366 | 0 | 0 | 1,006 | 1,524 |
| 8 NGV | 2 | 24 | 1,784 | \$35.00 | \$0.3789 | \$1.7353 | - | \$ - | \$1.2833 | 1 | 1 | 3 | 0 | 0 | 2 | 7 |
| 9 <i>Total Non-Heat Firm</i> | 16,773 | 201,276 | 1,584,331 | | | | | | | 3,608 | 592 | 2,711 | 41 | 0 | 8,785 | 15,738 |
| 10 | | | | | | | | | | | | | | | | |
| 11 Heating: | | | | | | | | | | | | | | | | |
| 12 Residential | 449,791 | 5,397,492 | 32,347,850 | \$14.90 | \$0.3789 | \$1.7353 | \$0.0125 | \$ - | \$7.2955 | 80,423 | 12,257 | 56,133 | 404 | 0 | 235,994 | 385,211 |
| 13 Commercial | 17,895 | 214,739 | 5,872,768 | \$25.35 | \$0.3789 | \$1.7353 | \$0.0410 | \$ - | \$5.1908 | 5,444 | 2,225 | 10,191 | 241 | 0 | 30,484 | 48,585 |
| 14 BUS | 9 | 108 | 814 | \$371.80 | \$0.3789 | \$1.7353 | \$0.0410 | \$ - | \$5.1908 | 40 | 0 | 1 | 0 | 0 | 4 | 46 |
| 15 TED | 3 | 36 | 21,952 | \$263.35 | \$ - | \$ - | \$ - | \$ - | \$2.3330 | 9 | 0 | 0 | 0 | 0 | 51 | 61 |
| 16 Industrial | 377 | 4,529 | 394,986 | \$75.90 | \$0.3789 | \$1.7353 | \$(0.0056) | \$ - | \$5.1668 | 344 | 150 | 685 | (2) | 0 | 2,041 | 3,217 |
| 17 Municipal/MS | 608 | 7,294 | 707,454 | \$25.35 | \$0.3789 | \$1.7353 | - | \$ - | \$4.7765 | 185 | 268 | 1,228 | 0 | 0 | 3,379 | 5,060 |
| 18 PHA Rate 8 | 1,038 | 12,456 | 420,005 | \$25.35 | \$0.3789 | \$1.7353 | \$0.0410 | \$ - | \$5.4534 | 316 | 159 | 729 | 17 | 0 | 2,290 | 3,511 |
| 19 PHA/GS | 1,978 | 23,736 | 169,215 | \$14.90 | \$0.3789 | \$1.7353 | \$0.0125 | \$ - | \$6.5393 | 354 | 64 | 294 | 2 | 0 | 1,107 | 1,820 |
| 20 <i>Total Heat Firm</i> | 471,699 | 5,660,390 | 39,935,045 | | | | | | | 87,114 | 15,123 | 69,261 | 662 | 0 | 275,351 | 447,511 |
| 21 Total Heat & Non-Heat Firm | 488,472 | 5,861,666 | 41,519,376 | | | | | | | 90,722 | 15,715 | 71,972 | 704 | 0 | 284,135 | 463,249 |
| 22 | | | | | | | | | | | | | | | | |
| 23 Firm Transport | | | | | | | | | | | | | | | | |
| 24 Non-Heating: | | | | | | | | | | | | | | | | |
| 25 Residential | 1,060 | 12,715 | 33,722 | \$14.90 | \$0.3789 | \$1.7353 | \$0.0125 | \$ - | \$7.2955 | 189 | 13 | 59 | 0 | 0 | 246 | 507 |
| 26 Commercial | 545 | 6,543 | 436,941 | \$25.35 | \$0.3789 | \$1.7353 | \$0.0410 | \$ - | \$5.1908 | 166 | 166 | 758 | 18 | 0 | 2,268 | 3,376 |
| 27 Industrial | 35 | 421 | 152,797 | \$75.90 | \$0.3789 | \$1.7353 | \$(0.0056) | \$ - | \$5.1668 | 32 | 58 | 265 | (1) | 0 | 789 | 1,144 |
| 28 Municipal/MS | 3 | 36 | 1,110 | \$25.35 | \$0.3789 | \$1.7353 | - | \$ - | \$4.7765 | 1 | 0 | 2 | 0 | 0 | 5 | 9 |
| 29 NGV | 1 | 12 | 18,325 | \$35.00 | \$0.3789 | \$1.7353 | - | \$ - | \$1.2833 | 0 | 7 | 32 | 0 | 0 | 0 | 0 |
| 30 <i>Total Non Heat FT</i> | 1,644 | 19,727 | 642,895 | | | | | | | 389 | 244 | 1,116 | 17 | 0 | 3,309 | 5,035 |
| 31 | | | | | | | | | | | | | | | | |
| 32 Heating: | | | | | | | | | | | | | | | | |
| 33 Residential | 25,558 | 306,694 | 2,307,511 | \$14.90 | \$0.3789 | \$1.7353 | \$0.0125 | \$ - | \$7.2955 | 4,570 | 874 | 4,004 | 29 | 0 | 16,834 | 26,312 |
| 34 Commercial | 2,525 | 30,302 | 3,121,461 | \$25.35 | \$0.3789 | \$1.7353 | \$0.0410 | \$ - | \$5.1908 | 768 | 1,183 | 5,417 | 128 | 0 | 16,203 | 23,698 |
| 35 Industrial | 62 | 744 | 167,831 | \$75.90 | \$0.3789 | \$1.7353 | \$(0.0056) | \$ - | \$5.1668 | 56 | 64 | 291 | (1) | 0 | 867 | 1,278 |
| 36 Municipal/MS | 15 | 180 | 40,326 | \$25.35 | \$0.3789 | \$1.7353 | - | \$ - | \$4.7765 | 5 | 15 | 70 | 0 | 0 | 193 | 282 |
| 37 PHA | 48 | 579 | 18,694 | \$35.00 | \$0.3789 | \$1.7353 | - | \$ - | \$5.4534 | 20 | 7 | 32 | 0 | 0 | 102 | 162 |
| 38 <i>Total Heat FT</i> | 28,208 | 338,499 | 5,655,823 | | | | | | | 5,419 | 2,143 | 9,815 | 156 | 0 | 34,199 | 51,732 |
| 39 <i>Total FT</i> | 29,852 | 358,226 | 6,298,718 | | | | | | | 5,808 | 2,387 | 10,930 | 173 | 0 | 37,508 | 56,767 |
| 40 Total PGW | 518,324 | 6,219,892 | 47,818,094 | | | | | | | 96,530 | 18,102 | 82,903 | 877 | 0 | 321,643 | 520,015 |

PHILADELPHIA GAS WORKS
APRIL 1, 2023 - QUARTERLY FILING
2023 REVENUE & RECOVERABLE COSTS - YTD

| <u>Month</u> | | <u>Total DSIC</u> <u>Revenue Billed</u> | <u>DSIC Recoverable</u> <u>Costs</u> |
|--------------|---------------|--|---|
| January 2023 | Actual | \$ 5,741,639 | \$ - |
| February | Actual | \$ 5,014,171 | \$ 1,835,466 |



Distribution System Improvement Charge (DSIC)
Expenditures and Approvals

DSIC Period Ending 2/28/2023

Eligible property placed into fixed assets during

| <u>Project Location</u> | <u>Project Class</u> | <u>CWOA</u> | <u>Expenditures</u> |
|--|----------------------|-------------|---------------------|
| 2600-2900 Poplar St, 900 Taney St, 900 N 26th St | 12" LP | 411821 | \$1,015,989 |
| 1000-1200 Fillmore, 1000-1200 Harrison | 8" (LP / IP) | 411926 | \$819,477 |
| SUB-TOTAL NEW PROJECTS | | | \$1,835,466 |