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March 20, 2026

**VIA E-FILING**

Matthew L. Homsher, Secretary  
Pennsylvania Public Utility Commission  
400 North Street  
Harrisburg, PA 17120

RE: Philadelphia Gas Works (“PGW”) April 1, 2026 Quarterly Distribution System  
Improvement Charge (“DSIC”) Filing; Docket No. M-2026-

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Dear Secretary Homsher:

Enclosed for electronic filing please find Philadelphia Gas Works’ (“PGW”) support schedules for the April 1, 2026 Quarterly Distribution System Improvement Charge (“DSIC”) filing.

Pursuant to Pennsylvania Public Utility Commission’s Order entered October 9, 2025 at Docket No. R-2025-3053112 approving PGW’s temporary DSIC Percent Cap increase, also enclosed is Supplement No. 186 to Gas Service Tariff – Pa. P.U.C. No. 2, which acts to **increase** the DSIC surcharge from 8.17% to 8.18%, effective April 1, 2026.

If you have any questions on this matter, please contact me.

Sincerely,



Bryce R. Beard

BRB/jls  
Enclosure

cc: Certificate of Service (w/enc)  
David Screven, Esq. ([dscreven@pa.gov](mailto:dscreven@pa.gov))  
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**CERTIFICATE OF SERVICE**

I hereby certify that this day I served a copy of PGW's (4/1/26) Quarterly DSIC 1307(e) 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/ Bryce R. Beard*  
Bryce R. Beard, Esquire

Date: March 20, 2026

**PHILADELPHIA GAS WORKS**  
**April 1, 2026 - QUARTERLY FILING**  
**DISTRIBUTION SYSTEM IMPROVEMENT CHARGE (DSIC)**

Projected Recoverable Annual Costs (DSI)      43,500,863

2025 Annual Reconciliation (e)    \$    679,591 (Page 2)

Total Recoverable Costs (DSI + e)    \$ 44,180,455

Projected Annual Revenues (PAR)    \$ 580,011,508 (Page 3)

Distribution System Improvement Charge (DSIC)    7.50%

**Recovery of \$3.9 Million From 2025 Under-Collection / Rate Case Settlement**

**2025 Annual Reconciliation (e) / 2**    \$    3,936,970 (Page 2)

Projected Annual Revenues (PAR)    \$ 580,011,508 (Page 3)

Distribution System Improvement Charge (DSIC)    0.68%

**Total Distribution System Improvement Charge (DSIC)**    8.18%

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

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

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**  
**2024 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 25	\$ 7,240,775	\$ 1,817,908	\$ 1,817,908		\$ 5,422,867	\$ 5,422,867	21	7.00%	\$ 664,301
February	\$ 6,775,536	\$ 1,701,103	\$ 3,519,010	\$ 6,420,412	\$ 5,074,434	\$ (1,345,978)	20	7.00%	\$ (157,031)
March	\$ 5,200,501	\$ 1,305,666	\$ 4,824,676		\$ 3,894,835	\$ 3,894,835	19	7.25%	\$ 447,095
<b>2024 Under Collection</b>			<b>\$ (7,791,919)</b>						
April	\$ 3,371,148	\$ 715,104	\$ (2,252,139)		\$ 2,656,044	\$ 2,656,044	18	7.00%	\$ 278,885
May	\$ 2,002,813	\$ 424,846	\$ (1,827,293)	\$ 4,462,408	\$ 1,577,967	\$ (2,884,441)	17	7.00%	\$ (286,040)
June	\$ 1,590,181	\$ 337,317	\$ (1,489,976)		\$ 1,252,864	\$ 1,252,864	16	7.00%	\$ 116,934
July	\$ 1,367,832	\$ 290,151	\$ (1,199,825)		\$ 1,077,681	\$ 1,077,681	15	7.25%	\$ 97,665
August	\$ 1,320,509	\$ 280,113	\$ (919,712)	\$ 5,166,247	\$ 1,040,396	\$ (4,125,851)	14	7.25%	\$ (348,978)
September	\$ 1,306,277	\$ 277,094	\$ (642,618)		\$ 1,029,183	\$ 1,029,183	13	7.25%	\$ 80,834
October	\$ 1,523,303	\$ 323,130	\$ (319,488)		\$ 1,200,173	\$ 1,200,173	12	7.25%	\$ 87,013
November	\$ 2,836,625	\$ 601,718	\$ 282,230	\$ 20,143,013	\$ 2,234,906	\$ (17,908,107)	11	7.00%	\$ (1,149,104)
December	\$ 6,199,795	\$ 597,571	\$ 879,801	\$ 4,625,234	\$ 5,602,224	\$ 976,990	10	7.00%	\$ 56,991
<b>Totals</b>	<b>\$ 40,735,294</b>	<b>\$ 8,671,720</b>	<b>\$ 40,817,315</b>	<b>\$ 40,817,315</b>	<b>\$ 32,063,574</b>	<b>\$ (8,753,741)</b>			<b>\$ (111,436)</b>
<b>2025 Under Collection</b>			<b>\$ (7,873,940)</b>						

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

\*\* Interest is not recoverable in net under-collections

**PHILADELPHIA GAS WORKS**  
**December 1, 2025 - QUARTERLY FILING**  
**Annual Tariff Revenue**

	December 1, 2025			December 1, 2025 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
<b>1 Non-Heating:</b>																
2 Residential	10,749	128,987	305,262	\$17.25	\$0.3316	\$2.0068	\$0.0291	\$ -	\$8.5396	2,225	101	613	9	0	2,607	5,555
3 Commercial	2,932	35,184	722,404	\$29.00	\$0.3316	\$2.0068	\$0.0849	\$ -	\$6.3694	1,020	240	1,450	61	0	4,601	7,372
4 BUS	55	660	1,697	\$371.80	\$0.3316	\$2.0068	\$ -	\$ -	\$6.3694	245	1	3	0	0	11	260
5 NGS	1	12	15,674	\$426.06	\$ -	\$ -	\$ -	\$ -	\$2.7500	5	0	0	0	0	43	48
6 Industrial	73	876	85,900	\$100.00	\$0.3316	\$2.0068	\$0.0004	\$ -	\$6.5960	88	28	172	0	0	567	855
7 Municipal/MS	90	1,080	72,638	\$29.00	\$0.3316	\$2.0068	-	\$ -	\$7.2370	31	24	146	0	0	526	727
8 NGV	1	12	229	\$46.50	\$0.3316	\$2.0068	-	\$ -	\$3.2000	1	0	0	0	0	1	2
9 <i>Total Non-Heat Firm</i>	13,901	166,811	1,203,804							3,615	394	2,384	70	0	8,355	14,819
<b>10 Heating:</b>																
12 Residential	442,539	5,310,468	29,596,672	\$17.25	\$0.3316	\$2.0068	\$0.0291	\$ -	\$8.5396	91,606	9,814	59,395	861	0	252,744	414,419
13 Commercial	17,868	214,419	5,921,679	\$29.00	\$0.3316	\$2.0068	\$0.0849	\$ -	\$6.3694	6,218	1,964	11,884	503	0	37,718	58,286
14 BUS	22	264	8,239	\$371.80	\$0.3316	\$2.0068	\$0.0849	\$ -	\$6.3694	98	3	17	1	0	52	171
15 Industrial	271	3,252	280,847	\$100.00	\$0.3316	\$2.0068	\$0.0004	\$ -	\$6.5960	325	93	564	0	0	1,852	2,835
16 Municipal/MS	419	5,028	507,522	\$29.00	\$0.3316	\$2.0068	-	\$ -	\$7.2370	146	168	1,018	0	0	3,673	5,006
17 PHA Rate 8	1,070	12,840	395,055	\$29.00	\$0.3316	\$2.0068	\$0.0849	\$ -	\$7.6015	372	131	793	34	0	3,003	4,333
18 PHA/GS	1,796	21,552	132,900	\$17.25	\$0.3316	\$2.0068	\$0.0291	\$ -	\$9.2857	372	44	267	4	0	1,234	1,920
19 <i>Total Heat Firm</i>	463,985	5,567,823	36,842,914							99,137	12,217	73,936	1,402	0	300,276	486,969
<b>20 Total Heat &amp; Non-Heat Firm</b>	<b>477,886</b>	<b>5,734,634</b>	<b>38,046,718</b>							<b>102,752</b>	<b>12,611</b>	<b>76,321</b>	<b>1,472</b>	<b>0</b>	<b>308,631</b>	<b>501,788</b>
<b>21 Firm Transport</b>																
<b>23 Non-Heating:</b>																
24 Residential	1,469	17,622	44,780	\$17.25	\$0.3316	\$2.0068	\$0.0291	\$ -	\$8.5396	304	15	90	1	0	382	792
25 Commercial	625	7,494	458,849	\$29.00	\$0.3316	\$2.0068	\$0.0849	\$ -	\$6.3694	217	152	921	39	0	2,923	4,252
26 Industrial	27	324	99,753	\$100.00	\$0.3316	\$2.0068	\$0.0004	\$ -	\$6.5960	32	33	200	0	0	658	924
27 Municipal/MS	150	1,800	67,480	\$29.00	\$0.3316	\$2.0068	-	\$ -	\$7.2370	52	22	135	0	0	488	698
28 NGV	1	12	19,037	\$46.50	\$0.3316	\$2.0068	-	\$ -	\$3.2000	1	6	38				45
29 <i>Total Non Heat FT</i>	2,271	27,252	689,899							606	229	1,384	40	0	4,451	6,711
<b>31 Heating:</b>																
32 Residential	29,555	354,662	2,339,716	\$17.25	\$0.3316	\$2.0068	\$0.0291	\$ -	\$8.5396	6,118	776	4,695	68	0	19,980	31,637
33 Commercial	2,930	35,161	3,466,754	\$29.00	\$0.3316	\$2.0068	\$0.0849	\$ -	\$6.3694	1,020	1,150	6,957	294	0	22,081	31,502
34 Industrial	70	839	216,596	\$100.00	\$0.3316	\$2.0068	\$0.0004	\$ -	\$6.5960	84	72	435	0	0	1,429	2,019
35 Municipal/MS	205	2,460	440,580	\$29.00	\$0.3316	\$2.0068	-	\$ -	\$7.2370	71	146	884	0	0	3,188	4,290
36 PHA/GS	181	2,172	15,951	\$17.25	\$0.3316	\$2.0068	\$0.0291	\$ -	\$9.2857	37	5	32	0	0	148	223
37 <i>Total Heat FT</i>	32,941	395,294	6,479,598							7,330	2,149	13,003	363	0	46,827	69,672
<b>38 Total FT</b>	<b>35,212</b>	<b>422,546</b>	<b>7,169,497</b>							<b>7,937</b>	<b>2,377</b>	<b>14,388</b>	<b>403</b>	<b>0</b>	<b>51,278</b>	<b>76,383</b>
39 IT-XLT	2	24	13,345,560	1,100			\$0.0004		\$0.1138	26		290	5		1,519	1,840
<b>40 Total PGW</b>	<b>513,100</b>	<b>6,157,204</b>	<b>58,561,775</b>							<b>110,716</b>	<b>14,988</b>	<b>90,998</b>	<b>1,881</b>	<b>0</b>	<b>361,428</b>	<b>580,012</b>

**PHILADELPHIA GAS WORKS**  
**April 1, 2026 - QUARTERLY FILING**  
**2025 REVENUE & RECOVERABLE COSTS - YTD**

<u>Month</u>	<u>Total DSIC Revenue Billed</u>	<u>DSIC Recoverable Costs</u>
January 2026	8,746,473	
February	9,608,671	
March		
April		
May		
June		
July		
August		
September		
October		
November		
December		



PHILADELPHIA GAS WORKS  
2/28/2026  
DISTRIBUTION SYSTEM IMPROVEMENT CHARGE (DSIC)

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DSIC Period Ending

2/28/2026

Eligible property placed into fixed assets during this filing period

Nothing to Report

**PHILADELPHIA GAS WORKS**  
**GAS SERVICE TARIFF**



Issued by: Seth Shapiro  
President and CEO

PHILADELPHIA GAS WORKS  
800 West Montgomery Avenue  
Philadelphia, PA 19122

Rates effective April 1, 2026 in accordance with  
the Commission's Order entered October 9, 2025  
at Docket No. R-2025-3053115  
approving PGW's Temporary DSIC Cap % Increase.

**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.

**DISTRIBUTION SYSTEM IMPROVEMENT CHARGE (DSIC) (Page No. 151)**

Increases the temporary increase to DSIC Cap % to allow for recovery of prior DSIC undercollections ending calendar year 2025 as approved at Docket No. R-2025-3053112.

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PHILADELPHIA GAS WORKS

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## DISTRIBUTION SYSTEM IMPROVEMENT CHARGE (DSIC)

In addition to the net charges provided for in this Tariff, for service rendered on or after July 1, 2021, a charge of 8.18% will apply consistent with the Commission Order dated May 9, 2013, at Docket No. P-2012-2337737 approving the DSIC and the Commission Orders dated January 28, 2016, and July 6, 2016, at Docket No. P-2015-2501500 and the Commission Order dated October 9, 2025 at Docket No. R-2025-3053112 modifying the terms and conditions of the DSIC. (I)

### 1. General Description

**A. Purpose:** To recover the reasonable and prudent costs incurred to repair, improve, or replace eligible property which is completed and placed in service and recorded in the individual accounts, as noted below, between base rate cases and to provide the Utility with the resources to accelerate the replacement of aging infrastructure, to comply with evolving regulatory requirements. The costs of extending facilities to serve new customers are not recoverable through the DSIC.

**B. Eligible Property:** The DSIC-eligible property will consist of the following:

- Piping (account 376);
- Couplings (account 376);
- Gas services lines (account 380) and insulated and non-insulated fittings (account 378);
- Valves (account 376);
- Excess flow valves (account 376);
- Risers (account 376);
- Meter bars (account 382);
- Meters (account 381);
- Unreimbursed costs related to highway relocation projects where a natural gas distribution company or city natural gas distribution operation must relocate its facilities; and
- Other related capitalized costs.

**C. Effective Date:** The initial DSIC will become effective upon one (1) day notice after submission of a compliance tariff in compliance with commission order.

### 2. Computation of the DSIC

**A. Calculation:** The initial DSIC shall be calculated to recover the fixed costs of eligible plant additions that have not previously been reflected in the Utility's rates and have been or are projected to be placed in service in the calendar year in which the DSIC is charged. The DSIC charge shall be levelized so that, on an annual basis, it will collect the recoverable costs for eligible plant additions that have been or are anticipated to be placed in service during the calendar year. DSIC charges shall be reconciled and may be adjusted on a calendar quarter basis for: 1) actual experienced sales volumes; and 2) revisions to projected DSIC eligible capital expenditures.

(C) – Change; (I) – Increase; (D) – Decrease