

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



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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. Additionally, removed Migration/Reverse Migration Rider from Page No. 7.

**GAS COST RATE (GCR) – SECTION 1307(f), II. DEFINITIONS (Page No. 67)**

In the definition of “GAC,” the GAC value effective September 1, 2016 increases from \$(0.05353) per Ccf to \$(0.00619) per Ccf.

**GAS COST RATE (GCR) – SECTION 1307(f), II. DEFINITIONS (Page No. 67A)**

In the definition of “IRC,” the “IRC” value effective September 1, 2016 decreases from \$0.00019 per Ccf to \$ 0.00017 per Ccf. In the definition of “SSC,” the “SSC” value effective September 1, 2016 increases from \$0.37551 per Ccf to \$0.42662 per Ccf.

**GAS COST RATE (GCR) – SECTION 1307(f), III. COMPUTATION OF GCR (Page No. 68)**

The Gas Cost Rate (GCR) effective September 1, 2016 increases from \$0.32179 per Ccf to \$0.42026 per Ccf. Additionally, the Migration Rider was removed from the GAC formula in subsection III.A.

**MIGRATION/REVERSE MIGRATION RIDER (Page No. 75)**

This provision was removed in its entirety to comply with Act 47 of 2016, P.L. 355, which amended, *inter alia*, 66 Pa. C.S. § 1307(f)(5). The page remains in the Tariff as a placeholder for future use.

**PRICE TO COMPARE (Page No. 78)**

The Prices to Compare effective September 1, 2016 are: a) \$0.44410 per Ccf for Residential; b) \$0.42561 per Ccf for Commercial Customers on Rate GS; c) \$0.42569 per Ccf for Industrial Customers on Rate GS; and d) \$0.42443 per Ccf for Municipal Customers on Rate MS, The Philadelphia Housing Authority on Rate PHA, Public Housing Customers on Rate GS & Natural Gas Vehicle Service on Rate NGVS.

**RESTRUCTURING AND CONSUMER EDUCATION SURCHARGE (Page No. 79)**

The Current Restructuring and Consumer Education Surcharge effective September 1, 2016 is \$0.00100 per Ccf.

**EFFICIENCY COST RECOVERY SURCHARGE (Page No. 80)**

The Efficiency Cost Recovery Surcharges effective September 1, 2016 are: a) \$0.00195 per Ccf for Residential and Public Housing Customers on Rate GS; b) \$0.00510 per Ccf for Commercial Customers on Rate GS; c) \$0.01212 per Ccf for Industrial Customers on Rate GS; d) \$0.00000 per Ccf for Municipal Customers on Rate MS; and e) \$0.00510 per Ccf for The Philadelphia Housing Authority on Rate PHA.

**UNIVERSAL SERVICE AND ENERGY CONSERVATION SURCHARGE (Page No. 81)**

The Universal Service and Energy Conservation Surcharge effective September 1, 2016 increases from \$0.15048 per Ccf to \$0.15160 per Ccf.

**OTHER POST EMPLOYMENT BENEFIT (“OPEB”) SURCHARGE (Page No. 82)**

The Other Post Employment Benefit Surcharge effective September 1, 2016 increases from \$0.03003 per Ccf to \$0.03724 per Ccf.

**GENERAL SERVICE – RATE GS (Page No. 83)**

The Gas Cost Rate (GCR) effective September 1, 2016 increases from \$0.32179 per Ccf to \$0.42026 per Ccf.

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GENERAL SERVICE – RATE GS (Page No. 84)

The Migration Rider and Reverse Migration Rider were removed from the list of charges that may apply to service taken under this rate.

MUNICIPAL SERVICE – RATE MS (Page No. 87)

The Gas Cost Rate (GCR) effective September 1, 2016 increases from \$0.32179 per Ccf to \$0.42026 per Ccf.

MUNICIPAL SERVICE – RATE MS (Page No. 88)

The Migration Rider and Reverse Migration Rider were removed from the list of charges that may apply to service taken under this rate.

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

The Gas Cost Rate (GCR) effective September 1, 2016 increases from \$0.32179 per Ccf to \$0.42026 per Ccf.

PHILADELPHIA HOUSING AUTHORITY SERVICE – RATE PHA (Page No. 91)

The Migration Rider and Reverse Migration Rider were removed from the list of charges that may apply to service taken under this rate.

BOILER AND POWER PLANT SERVICE – RATE BPS (Page No. 94)

The Migration Rider was removed from the list of charges that may apply to service taken under this rate.

LOAD BALANCING SERVICE – RATE LBS (Page No. 98)

The Migration Rider was removed from the list of charges that may apply to service taken under this rate.

INTERRUPTIBLE TRANSPORTATION – RATE IT (Page No. 117)

The Migration Rider was removed from the list of charges that may apply to service taken under this rate.

COGENERATION SERVICE – RATE CG (Page No. 132)

The Migration Rider was removed from the list of charges that may apply to service taken under this rate.

DEVELOPMENTAL NATURAL GAS VEHICLE SVC - RATE NGVS FIRM SERVICE (Page No. 135)

The Gas Cost Rate (GCR) effective September 1, 2016 increases from \$0.32179 per Ccf to \$0.42026 per Ccf.

DEVELOPMENTAL NATURAL GAS VEHICLE SERVICE – RATE NGVS INTERRUPTIBLE SERVICE  
(PAGE NO. 140)

The Migration Rider and Reverse Migration Rider were removed from the list of charges that may apply to service taken under this rate.

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**GAS COST RATE (GCR) -- SECTION 1307(f)**

I. PROVISION FOR ADJUSTMENT

The Gas Cost Rate shall be applied to each Mcf (1,000 cubic feet) for Firm Retail Sales Service Gas supplied under Rates Schedules GS, MS, PHA, and NGVS-Firm, except for Gas usage under the Special Provisions – Air Conditioning of those rates calculated in a manner set forth below, pursuant to 66 Pa.C.S. §1307(f). Such rates for Firm Sales Service Gas may be increased or decreased from time to time under the procedures set forth in Section II.B. below to reflect changes in the level of Gas costs incurred or projected to be incurred by PGW related to Sales Service.

II. DEFINITIONS

C - The current cost of Natural Gas and other raw materials determined as follows: (a) for all types of Gas, project the cost for each purchase (adjusted for net current Gas stored) for the computation year plus (b) the of (1) the projected book value of non-current Gas at the beginning of the computation year minus (2) the projected book value of non-current Gas at the end of the computation year. In addition to any cost authorized by the Commission, the cost of Natural Gas may include any item included in the definition of Natural Gas costs set forth in 66 Pa.C.S. § 1307(h) ("Definition"). The Factor "C" includes two components -- Commodity Costs and Demand Costs which are defined as follows: Commodity Costs - the actual cost of natural gas and purchased electric for firm customers that does not include the fixed costs associated with the transportation and storage of natural gas; and Demand Costs - the fixed costs associated with the transportation and storage of natural gas for firm customers.

Effective 9/1/08, 75% of off system sales margin and capacity release credits will be allocated to the Factor "C" and 25% to the Company. Effective 9/1/09, 75% of storage asset management fees will be allocated to the Factor "C" and 25% to the Company.

Computation Year - The 12-month forecast period as identified in the Company's annual 1307(f) filing and each quarterly GCR filing.

E - Experienced net over billing (or under billing) of the cost of Natural Gas and other raw materials applicable to the GCR reported in the most recent Section 1307(f) proceeding. Such over billings (or under billings) will be made with interest at the rate and method set forth by the Pennsylvania Public Utility Commission. Additionally, supplier refunds received prior to the end of the August billing period will be included in the Factor "E." The Factor "E" includes two components -- Commodity Costs and Demand Costs which are defined above in the Factor "C" definition. Credit or recovery of the factor "E" is completed over the Company's Fiscal Year.

Firm Sales Service - The service provided to Customers who receive firm supply service from PGW. The term does not include the service provided to Customers who receive interruptible supply service from PGW.

GAC (Gas Adjustment Charge) - The "E" factor component of the GCR, representing the net overcollection or undercollection of Natural Gas and other raw materials costs. The currently effective GAC is \$(0.02562) per Ccf for Commodity Costs and \$0.01943 per Ccf for Demand Costs, for service on or after September 1, 2016. The total GAC is \$(0.00619) per Ccf. (I)

GCR - Gas Cost Rate determined to the nearest one-hundredth cent (\$0.0001) to be applied to each Mcf of Gas supplied under Rates GS, MS, PHA, and NGVS-Firm, except for Gas usage under the Special Provisions – Air Conditioning of those rates and is equal to the SSC plus the GAC minus the IRC.

**(I) – Increase**

IRC - Interruptible Revenue Credit - The credit defined in Subsection VI below. The currently effective IRC is \$0.00017 per Ccf for service on or after September 1, 2016.

**(D)**

Natural Gas or Gas - The volumes of gas purchased or manufactured by the Company that is delivered to the Company's Customers, plus such portion of the Company-used and unaccounted-for gas as the Commission permits, including, but not limited to, natural gas, liquefied natural gas, synthetic gas, liquefied propane and naphtha.

S - Projected applicable Mcf of Gas to be billed to Customers during the computation year.

SSC - Sales Service Charge - The purchased Gas costs determined to the nearest  $\frac{1}{100}$  of a cent (\$0.0001). The currently effective SSC is \$0.30489 per Ccf for Commodity Costs and \$0.12173 per Ccf for Demand Costs, for service on or after September 1, 2016. The total SSC is \$0.42662 per Ccf.

**(I)**

**(I) – Increase; (D) – Decrease**

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III. COMPUTATION OF GAS COST RATE

A. The GCR shall be computed to the nearest one-thousandth cent (\$0.00001) in accordance with the formula set forth below as the terms are defined in Section II:

$$\begin{aligned} \text{SSC} &= \text{C/S} \\ \text{GAC} &= \text{E/S} \\ \text{GCR} &= \text{SSC} + \text{GAC} - \text{IRC} \end{aligned}$$

B. Each Gas Cost Rate so computed shall be applied to Customers' bills for twelve monthly billing periods commencing with September.

The currently effective Gas Cost Rate is \$0.42026 per Ccf, for service on or after September 1, 2016.

**(I)**

IV. REPORTING REQUIREMENTS

A. The Company's rates are subject to quarterly adjustments for recovery of the Gas Cost Rate under procedures set forth in Section 1307(f) of the Public Utility Code.

B. The filing of the Company's annual Section 1307(f) filing, annual Gas Cost Rate, effective during the billing period of September through August, shall be submitted to the Commission by March 1 of each year, with a February 1 pre-filing date.

C. The application of the Gas Cost Rate shall be subject to review and audit by the Commission at such intervals as the Commission shall determine.

D. If it shall be determined, from audit by the Commission, or by final order entered after notice and hearing, that the application of this clause has resulted in the overcollection or undercollection of revenues, then the Company shall apply such over/undercollection as a credit or debit against future Gas Cost Rates.

V. PROVISION FOR INCLUSION OF SPECIFIC NON-GAS EXPENSES

The computation of the Gas Cost Rate may include such Non-Gas expenses as may be authorized by this tariff and annually authorized by the Commission.

VI. INTERRUPTIBLE REVENUE CREDIT (IRC)

A. The GCR rate shall be credited with an Interruptible Revenue Credit (IRC) equal to the margin realized from interruptible sales under PGW's Interruptible Sales Tariff Rates: BPS, LBS; and CG (Total Margin Revenue).

B. The IRC shall be set each year in the Company's 1307(f) proceeding to reflect the Total Margin Revenue. The rate per Mcf shall be calculated by dividing the Total Margin Revenue by total applicable firm sales. For the period September 1, 2003 through August 31, 2004 the IRC shall be initially set to reflect the Total Margin Revenue authorized by the Commission in its final order at M-00021612 (entered March 31, 2003).

**(I) – Increase**



**(C)**

(This page intentionally left blank for future use.)

**(C) – Change**

### MERCHANT FUNCTION CHARGE (“MFC”)

The MFC is a volumetric charge, applied to firm sales service customers, which will be included in the Price to Compare. The MFC is based on Gas Cost Rate multiplied by a fixed uncollectible percentage established in the Company’s last general base rate proceeding. The MFC will not be reconciled to reflect actual results. The MFC is intended to make the Company’s Price to Compare more comparable to the gas supply services price offers of other Natural Gas Suppliers that presumably reflect anticipated uncollectible expenses. The following percentages will be applied to the quarterly Gas Cost Rate in order to calculate the quarterly MFC: 4.68% - GS Residential (“GS RES”); 0.28% - GS Commercial (“GS COM”); and 0.30% - GS Industrial (“GS IND”). The current MFC is set forth below in the Price to Compare table.

### GAS PROCUREMENT CHARGE (“GPC”)

The GPC is a volumetric charge, applied to firm sales service customers, which will be included in the Price to Compare. The GPC will remain in effect until reviewed and updated in the Company’s next general base rate proceeding.

Current Gas Procurement Charge = \$0.00400/Ccf

### PRICE TO COMPARE (“PTC”)

The PTC is composed of the Sales Service Charge (“SSC”), Gas Adjustment Charge (“GAC”), the Merchant Function Charge and the Gas Procurement Charge. The PTC will change whenever any of the components of the PTC change. The current PTC is (per Ccf):

|            | <b>GS RES</b> | <b>GS PH</b> | <b>GS COM</b> | <b>GS IND</b> | <b>MS</b>   | <b>PHA</b>  | <b>NGVS</b> |
|------------|---------------|--------------|---------------|---------------|-------------|-------------|-------------|
| <b>SSC</b> | \$0.42662     | \$0.42662    | \$0.42662     | \$0.42662     | \$0.42662   | \$0.42662   | \$0.42662   |
| <b>GAC</b> | (\$0.00619)   | (\$0.00619)  | (\$0.00619)   | (\$0.00619)   | (\$0.00619) | (\$0.00619) | (\$0.00619) |
| <b>MFC</b> | \$0.01967     | \$0.00000    | \$0.00118     | \$0.00126     | \$0.00000   | \$0.00000   | \$0.00000   |
| <b>GPC</b> | \$0.00400     | \$0.00400    | \$0.00400     | \$0.00400     | \$0.00400   | \$0.00400   | \$0.00400   |
| <b>PTC</b> | \$0.44410     | \$0.42443    | \$0.42561     | \$0.42569     | \$0.42443   | \$0.42443   | \$0.42443   |

(C)

(C) - Change

## **RESTRUCTURING AND CONSUMER EDUCATION SURCHARGE**

Non-Gas restructuring and consumer education costs will be recovered by a Restructuring and Consumer Education Surcharge applicable to all volumes of Gas delivered.

1. Computation of the Restructuring and Consumer Education Surcharge factors will be in accordance with the automatic adjustment procedures utilized under Section 1307 of the Public Utility Code and will be filed and approved in conjunction with the Company's annual Section 1307(f)-GCR filing.
2. Restructuring and Consumer Education costs recovered through the Surcharge mechanism are the Commission approved costs which the Company has or will incur to meet the requirements of the Natural Choice and Competition Act and applicable Commission regulations, orders and other regulatory requirements, other than those costs pertaining to universal service and energy conservation programs.
3. Once the surcharge is in place, PGW shall file reconciliation statements quarterly and shall submit a claim for over/under recovery on an annual basis, at the same time it submits its projected Restructuring costs and Restructuring Surcharge claim for the next year; provided however, that if a project for which costs were included in the Restructuring Surcharge is cancelled or delayed beyond the year in which the cost was originally scheduled to be incurred, the Company will withdraw the projected costs of that project from the Restructuring Surcharge in its next quarterly update. No interest will be included in such surcharge computations. The basic component of the surcharge will be determined by dividing the restructuring and consumer education costs approved for annual recovery by the estimated applicable throughput in Mcf.
4. The Restructuring and Consumer Education Surcharge shall remain in effect until restructuring and consumer education costs have been collected or as otherwise directed by the Commission.
5. The Restructuring and Consumer Education Surcharge is effective on and after September 1, 2008.

Current Restructuring and Consumer Education Surcharge = \$0.00100/Ccf

**(C)**

**(C) - Change**

### EFFICIENCY COST RECOVERY SURCHARGE

The cost of the energy efficiency programs (i.e. the demand side management programs) for the firm customer rate classes listed below will be recovered by an Efficiency Cost Recovery Surcharge applicable to all volumes of Gas delivered.

- 1) The Surcharge will recover the program costs and the administrative costs of the energy efficiency program.
- 2) Computation of the Efficiency Cost Recovery Surcharge factors will be in accordance with the automatic adjustment procedures utilized under Section 1307(f) of the Public Utility Code and will be filed and approved in conjunction with the Company's annual Section 1307(f)-GCR filing.
- 3) Once the surcharge is in place, it will be automatically adjusted effective March 1, June 1, September 1, and December 1 of each year in accordance with Section 1307(f) quarterly adjustment procedures. No interest will be included in such surcharge computations. The basic component of the surcharge will be determined by dividing the total energy efficiency program costs approved for annual recovery plus (or minus) any over (or under) recovery from the prior period by the estimated applicable throughput in Mcfs. The costs related to customers other than low income residential customers are tracked and will be recovered separately from each of the following firm customer rate classes if the customer class is served by the energy efficiency program:
  - a) Residential and Public Housing Customers on Rate GS;
  - b) Commercial Customers on Rate GS;
  - c) Industrial Customers on Rate GS;
  - d) Municipal Customers on Rate MS; and
  - e) The Philadelphia Housing Authority on Rate PHA.

The surcharge shall be a cents per Ccf charge calculated to the nearest one-thousandth of a cent (0.00001) which shall be added to the distribution rates for billing purposes for all customers in each of the above rate classes. The rate shall be calculated separately for each rate class as follows:

- |   |      |
|---|------|
| a) \$0.00195 per Ccf for Residential and Public Housing Customers on Rate GS; | (I)  |
| b) \$0.00510 per Ccf for Commercial Customers on Rate GS;                     | (I)  |
| c) \$0.01212 per Ccf for Industrial Customers on Rate GS;                     | (D)  |
| d) \$0.00000 per Ccf for Municipal Customers on Rate MS; and                  | (NC) |
| e) \$0.00510 per Ccf for The Philadelphia Housing Authority on Rate PHA.      | (I)  |

The Enhanced Low Income Retrofit Program costs shall be recovered through the Universal Services Surcharge beginning on September 1, 2010.

**(I) – Increase; (D) – Decrease; (NC) – No Change**

## UNIVERSAL SERVICE AND ENERGY CONSERVATION SURCHARGE

Universal service and energy conservation program and related costs will be recovered by a Universal Service and Energy Conservation Surcharge applicable to all volumes of Gas delivered.

1. The Surcharge will recover: 1) the discounts provided to Customers pursuant to the Customer Responsibility Program (CRP); 2) the discounts provided to Customers pursuant to the Senior Citizen Discount; 3) the costs of the Conservation Works Program (CWP) and the Enhanced Low Income Retrofit Program (ELIRP); and, 4) for Customers entering the CRP program on or after September 1, 2003, past due arrearages forgiven pursuant to paragraph A (6) of the CRP/CAP Program Design Stipulation approved by the Commission by its order at M-00021612 (entered March 31, 2003).
2. Computation of the Universal Service and Energy Conservation Surcharge factors will be in accordance with the automatic adjustment procedures utilized under Section 1307(f) of the Public Utility Code and will be filed and approved in conjunction with the Company's annual Section 1307(f)-GCR filing.
3. Once the surcharge is in place it will be automatically adjusted effective March 1, June 1, September 1, and December 1 of each year in accordance with Section 1307(f) quarterly adjustment procedures. No interest will be included in such surcharge computations. The basic component of the surcharge will be determined by dividing the total universal service and energy conservation program costs approved for annual recovery by the estimated applicable throughput in Mcfs.
4. The Universal Service and Energy Conservation Surcharge shall take effect upon the effective date of this Tariff.

Current Universal Service and Energy Conservation Surcharge = \$ 0.15160/Ccf.

**(I)**

**(I) - Increase**

### **OTHER POST EMPLOYMENT BENEFIT (“OPEB”) SURCHARGE**

The amounts necessary to fund PGW’s Other Post Employment Benefit obligations will be recovered by an Other Post Employment Benefit Surcharge applicable to all volumes of Gas delivered.

1. Computation of the Other Post Employment Benefit Rider Surcharge factors will be in accordance with the automatic adjustment procedures utilized under Section 1307(f) of the Public Utility Code and will be filed and approved in conjunction with the Company’s annual Section 1307(f)-GCR filing.
2. Once the surcharge is in place it will be automatically adjusted effective September 1 of each year to account for over (under) recoveries in accordance with Section 1307(f) adjustment procedures. No interest will be included in such surcharge computations. The basic component of the surcharge will be determined plus (or minus) any over (or under) recovery from the prior period by dividing the total OPEB funding amounts approved for annual recovery by the estimated applicable throughput in Mcfs.
3. The Other Post Employment Benefit Rider Surcharge shall take effect upon the effective date of this Tariff.

Current Other Post Employment Benefit Rider Surcharge = \$0.03724/Ccf

**(I)**

**(I) - Increase**

### GENERAL SERVICE - RATE GS

Rate: Applicable to all Retail Sales Service or Transportation Service rendered pursuant to this Rate Schedule on or after September 1, 2016

#### 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)):

\$ 12.00 per month for Residential and Public Housing Authority Customers.  
\$ 18.00 per month for Commercial Customers  
\$ 50.00 per month for Industrial Customers

Surcharge: Distribution System Improvement Charge.

Plus,

GCR (not applicable to GS Customers who transport gas through a qualified NGS):

\$0.42026 per Ccf for Residential and Public Housing (I)  
\$0.42026 per Ccf for Commercial Customers (I)  
\$0.42026 per Ccf for Industrial Customers (I)

Plus,

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

(A) Delivery Charge (Updated in Supplement No. 65 – Issued: July 10, 2013; Effective: October 1, 2013):

\$0.60067 per Ccf for Residential  
\$0.49441 per Ccf for Public Housing  
\$0.45984 per Ccf for Commercial and Municipal Customers  
\$0.45332 per Ccf for Industrial Customers

(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.

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Also,

The following may apply:

**(C)**

SPECIAL PROVISION – Air Conditioning Rider

SPECIAL PROVISION – Compressed Natural Gas (CNG) Rider

EXIT FEE

SENIOR CITIZEN DISCOUNT – to the extent authorized by this Gas Service Tariff.

**(C) – Change**



## MUNICIPAL SERVICE - RATE MS

Rate: Applicable to all Retail Sales Service or Transportation Service rendered pursuant to this Rate Schedule on or after September 1, 2016.

### 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):

\$ 18.00 per month

Surcharge: Distribution System Improvement Charge.

Plus,

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

\$0.42026 per Ccf

(I)

Plus,

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

(A) Delivery Charge (Updated in Supplement No. 65 – Issued: July 10, 2013; Effective: October 1, 2013):

\$0.33661 per Ccf

(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.

Also,

The following Riders may apply:

**(C)**

SPECIAL PROVISION – Air Conditioning Rider  
SPECIAL PROVISION – Compressed Natural Gas (CNG) Rider  
EXIT FEE

CONTRACT

Standard service agreements are for a one year period.

COMPANY RULES

The provisions of this Tariff shall govern the supply of services under this Rate Schedule.

**(C) – Change**

## 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 September 1, 2016

### 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);

\$18.00 per month

Surcharge: Distribution System Improvement Charge.

Plus,

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

\$0.42026 per Ccf

(I)

Plus

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

(A) Delivery Charge (Updated in Supplement No. 65 – Issued: July 10, 2013; Effective: October 1, 2013):

\$0.41101 per Ccf

(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

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Also,

The following Riders may apply:

(C)

SPECIAL PROVISION – Air Conditioning Rider  
EXIT FEE

CONTRACT

Standard service agreements are for a one year period.

COMPANY RULES

The provisions of this Tariff shall govern the supply of Gas under this classification.

**(C) – Change**

All BPS pricing information is as published by the Journal of Commerce, or a successor publication, or where none exists, a publication selected by the Company pending final approval of the Commission, as posted in the first 12 issues of the calendar month in which the calculation is made. The price is adjusted for Btu equivalence. In no event, however, shall such charges be less than 110% of the incremental Gas costs for Gas sold under this rate schedule plus an adjustment for all applicable taxes, as determined by the Company.

The Commodity Charge for Rate BPS Customers, as calculated above, will be available by the last working day of each month, and will be applicable for the subsequent calendar month, to the extent that service under this rate can be made available. The company reserves the right to adjust the price during the month and make such information available in the event that, in the company's sole opinion, the prices warrant such adjustment.

The following Riders may apply:

**(C)**

SPECIAL PROVISION – Air Conditioning Rider  
SPECIAL PROVISION – Emergency/ Unauthorized Use Gas Rider

#### MINIMUM CHARGE

The monthly Minimum Charge is the Customer Charge set forth above.

#### GAS COST RATE

The Gas Cost Rate does not apply to this service.

#### CONTRACT

Standard service agreements are for not less than a one-year period. The Company reserves the right to limit the amount of Gas supplied under this rate to the annual contract quantity specified in the Service Agreement with the Customer.

#### GAS MEASUREMENT

The quantity of Gas consumed will be corrected for billing purposes to conditions of 14.73 pounds per square inch absolute pressure and 60 degrees Fahrenheit.

**(C) – Change**

The rate so calculated will be available by the last working day of each month, and will be applicable for the subsequent calendar month, to the extent that service under this rate can be made available. The company reserves the right to adjust the price during the month and make such information available in the event that, in the company's sole opinion, the prices warrant such adjustment.

The following Riders may apply:

**(C)**

SPECIAL PROVISION – Emergency/Unauthorized Use Gas Rider

**MINIMUM CHARGE**

The monthly Minimum Charge is the Customer Charge.

**GAS COST RATE**

The Gas Cost Rate does not apply to this service.

**CONTRACT**

Standard contracts are for not less than a one year period. The Company reserves the right to limit the amount of Gas supplied under this rate to the Annual Contract Quantity specified in the Service Agreement with the Customer. The minimum charge shall be on a monthly service period basis and shall not be less than the Customer Charge.

**GAS MEASUREMENT**

The quantity of Gas consumed will be corrected for billing purposes to conditions of 14.73 pounds per square inch absolute pressure and sixty degrees Fahrenheit.

**(C) – Change**

STANDBY SERVICE

Contingent upon the Company's ability to arrange the required supply contracts, a Customer may contract for Standby Service to purchase Gas from the Company under a specified Retail Rate Schedule, in the event that the Customer experiences an interruption or curtailment in Transportation Service by a Supplier. The contract term for Standby Service shall be a minimum of one year. The maximum volume of Gas that the Company is obligated to provide under Standby Service on any Gas day shall be specified in the individual service agreement. Volumes taken in excess of the specified daily standby limits, except for those volumes authorized and supplied by the Company under an applicable retail rate, shall be purchased by the Customer at the higher of: (a) 150% 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) 150% of the Company's highest incremental supply cost for the month.

A Customer contracting for Standby Service shall pay a monthly reservation charge. This charge shall be based on the demand charge paid by the Company to its highest cost pipeline and then applied to the supplier's Standby Service Quantity as specified in the individual Service agreement. The Company may revise the reservation charge no more frequently than monthly to reflect changes in the pipeline demand and related charges. The reservation charge prorated on a daily basis will be credited to all volumes purchased under the standby service. In addition, at the end of each contract year, the Customer will be assessed those minimum bill or take-or-pay charges actually paid by the Company to its own suppliers, which are attributable to the volume reserved but not taken under this Standby Service.

LIABILITY

The Company shall not be liable for curtailment of service under this rate schedule or loss of Gas of the Customer as a result of any steps taken to comply with any law, regulation or order of any governmental agency with jurisdiction to regulate, allocate or control Gas supplies or the rendering of service hereunder, and regardless of any defect in such law, regulation or order.

The Company reserves the right to commingle transport Gas with its other supplies but Gas is and remains the property of the Customer while being transported and delivered by the Company. The Customer shall be responsible for maintaining all insurance it deems necessary to protect its property interest in such Gas before, during and after receipt by the Company. The Company shall not be liable for any loss to the Customer or any other entity or person(s) arising from or out of service under this rate schedule, including loss of Gas in the possession of the Company or any other cause.

COMPANY RULES

The provisions this Tariff shall govern the service under this classification except where noted herein.

The following Riders may apply:

**(C)**

**(C) – Change**

PHILADELPHIA GAS WORKS

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For Customers contracting under this service for over 1,000,000 Mcf of Gas per year, the above fixed contribution shall be determined by negotiation between the Customer and the Company provided, however, that the contribution, so determined, shall not be less than 10% of the above computed cost of Gas.

This commodity charge shall be applicable so long as the facility is operating in accordance with this rate. In the event of operations otherwise, the Gas utilized will be billed at the appropriate rate.

The following Riders may apply:

**(C)**

SPECIAL PROVISION – Emergency/Unauthorized Use Rider

**MINIMUM CHARGE**

The monthly Minimum Charge is the Customer Charge.

**GAS COST RATE**

The Gas Cost Rate does not apply to this service.

**CONTRACT TERM**

The duration of the Gas Service contract shall be as specified in the required individual Service Agreement. In no event shall the contract term be for a period of less than one year.

**GAS MEASUREMENT**

The quantity of Gas consumed will be corrected for billing purposes to conditions of 14.73 pounds per square inch absolute pressure and 60 degrees Fahrenheit.

**CONDITIONS OF USE**

The Customer will be required to pay for the investment in facilities which PGW installs to provide service under this rate schedule. The Company shall own and maintain such facilities. Gas used for cogeneration purposes shall be separately metered, where in the Company's judgment, separate metering is practicable. If the Company determines that separate metering is not appropriate, cogeneration use shall be estimated by the Company for billing purposes. For existing Customers qualifying for service under this rate schedule, monthly base period usage levels will be defined in the individual service agreement. Monthly usage up to these specified levels will continue to be billed as the first Gas through the meter each month at the then current level of the rate schedule under which the Customer is now receiving service, followed by all qualifying volumes billed under this cogeneration service.

**(C) – Change**



**DEVELOPMENTAL NATURAL GAS VEHICLE SERVICE - RATE NGVS  
FIRM SERVICE**

Rate: Applicable to all Retail Sales Service rendered pursuant to this Rate Schedule on or after  
September 1, 2016

**AVAILABILITY**

This service is available to provide uncompressed Natural Gas to any Customer for the exclusive purpose of compressing such Gas for use as fuel for motor vehicles. The compression of the Natural Gas to the pressure required for use as a motor vehicle fuel will be conducted by the Customer, at the Customer's designated premises. Service shall only be available where the Company's distribution system is, or can economically be made available to supply the service. Each Customer will be required to execute a service agreement which will specify terms and conditions of service.

**CHARACTER OF SERVICE**

Service under this rate schedule is firm and shall only be interrupted in the case of operating emergencies experienced by the Company.

**MONTHLY RATE**

**CUSTOMER CHARGE:**

\$35.00 per month

Surcharge: Distribution System Improvement Charge.

Plus,

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

\$0.42026 per Ccf

**(I)**

Plus

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

(A) Delivery Charge (Updated in Supplement No. 65 – Issued: July 10, 2013; Effective: October 1, 2013):

\$0.12833 per Ccf

(B) Surcharges:

Universal Service and Energy Conversation Surcharge; The Restructuring and Consumer Education 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

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The following Riders may apply:

**(C)**

SPECIAL PROVISION – Emergency/Unauthorized Use Gas Rider

MINIMUM CHARGE

The monthly Minimum Charge is the Customer charge set forth above.

APPLICABLE TAXES

The Customer will reimburse the Company for all taxes payable by the Company to any governmental body on sales of Gas and/or for services rendered under this rate schedule.

GAS COST RATE

The Gas Cost Rate does not apply to this service.

CONTRACT TERM

The duration of the contract for service under this rate schedule shall be as specified in the required individual service agreement. In no event shall the contract term be for a period of less than one year.

GAS MEASUREMENT

The quantity of Gas consumed will be corrected for billing purposes to conditions of 14.73 pounds per square inch absolute pressure and 60 degrees Fahrenheit.

CONDITIONS OF USE

All Gas volumes received under this rate schedule shall be separately metered. The use of such Gas for any purpose other than as a fuel for motor vehicles is prohibited. The Company reserves the right to inspect the facilities and equipment of Customer to ensure compliance. Violation of this provision may be grounds for termination of service, and may subject the Customer to penalty charges for unauthorized Gas usage.

The Company is not obligated to construct compressor stations for dispensing Gas under this rate schedule. However, if the Company in its sole judgment, elects to construct or acquire such facilities, and establishes public access to these facilities, the charge for compression of Natural Gas and refueling at the company station, will be set forth in the service agreement with Customers contracting for such service.

**(C) – Change**