



May 4, 2018

Gemela McClendon  
Executive Director  
PHILADELPHIA GAS COMMISSION  
One Parkway Building  
1515 Arch Street, 9th Floor  
Philadelphia, PA 19102

**Re: PGW's Fiscal Year 2019 Compliance Capital Budget and Forecast**

Dear Ms. McClendon:

Enclosed is an original along with five (5) copies of PGW's Fiscal Year 2019 Compliance Capital Budget and Forecast.

Sincerely,

A handwritten signature in blue ink that reads "William J. Gallagher". The signature is written in a cursive, flowing style.

William J. Gallagher  
VP Budget and Strategic Development

WJG/mlo'b  
Enclosures

cc: Service List

# **PHILADELPHIA GAS WORKS**

**COMPLIANCE  
FISCAL 2019 CAPITAL BUDGET  
AND  
FORECAST FISCAL 2020 - 2024  
  
WITH  
FISCAL 2019 FINANCING PLAN**

**April 24, 2018**



PHILADELPHIA GAS WORKS

PROPOSED  
CAPITAL BUDGET

FISCAL YEAR 2019 AND FORECAST 2020 THROUGH 2024

	2019 <u>CAPITAL BUDGET</u>	2020 - 2024 <u>FORECAST</u>	<u>TOTAL 6 YEARS</u>
<u>GAS PROCESSING</u>			
ADDITIONS	598,000	2,475,000	3,073,000
REPLACEMENTS	<u>5,695,000</u>	<u>38,287,000</u>	<u>43,982,000</u>
TOTAL	<u>6,293,000</u>	<u>40,762,000</u>	<u>47,055,000</u>
<u>DISTRIBUTION</u>			
ADDITIONS	13,177,000	70,431,000	83,608,000
REPLACEMENTS	<u>80,826,000</u>	<u>420,403,000</u>	<u>501,229,000</u>
GROSS TOTAL	94,003,000	490,834,000	584,837,000
LESS: SALVAGE			
LESS: CONTRIBUTIONS*			
LESS: REIMBURSEMENTS**	<u>(1,882,767)</u>	<u>(9,990,000)</u>	<u>(11,872,767)</u>
NET TOTAL	<u>92,120,233</u>	<u>480,844,000</u>	<u>572,964,233</u>
<u>FIELD SERVICES</u>			
ADDITIONS	7,812,000	17,390,000	25,202,000
REPLACEMENTS	<u>5,554,000</u>	<u>29,669,000</u>	<u>35,223,000</u>
GROSS TOTAL	13,366,000	47,059,000	60,425,000
LESS: SALVAGE			
LESS: CONTRIBUTIONS*			
NET TOTAL	<u>13,366,000</u>	<u>47,059,000</u>	<u>60,425,000</u>
<u>FLEET OPERATIONS</u>			
ADDITIONS			
REPLACEMENTS	<u>2,035,000</u>	<u>19,399,000</u>	<u>21,434,000</u>
GROSS TOTAL	2,035,000	19,399,000	21,434,000
LESS: SALVAGE			
NET TOTAL	<u>2,035,000</u>	<u>19,399,000</u>	<u>21,434,000</u>

PHILADELPHIA GAS WORKS

PROPOSED  
CAPITAL BUDGET

FISCAL YEAR 2019 AND FORECAST 2020 THROUGH 2024

	<u>2019</u> <u>CAPITAL BUDGET</u>	<u>2020 - 2024</u> <u>FORECAST</u>	<u>TOTAL 6 YEARS</u>
<u>OTHER DEPARTMENTS</u>			
ADDITIONS	732,000	3,281,050	4,013,050
REPLACEMENTS	<u>18,112,000</u>	<u>94,552,950</u>	<u>112,664,950</u>
TOTAL	<u>18,844,000</u>	<u>97,834,000</u>	<u>116,678,000</u>
<u>TOTAL</u>			
ADDITIONS	22,319,000	93,577,050	115,896,050
REPLACEMENTS	<u>112,222,000</u>	<u>602,310,950</u>	<u>714,532,950</u>
GROSS TOTAL	134,541,000	695,888,000	830,429,000
LESS: SALVAGE			
LESS: REIMBURSEMENTS**	(1,882,767)	(9,990,000)	(11,872,767)
LESS: CONTRIBUTIONS*			
NET TOTAL	<u>132,658,233</u>	<u>685,898,000</u>	<u>818,556,233</u>

\* CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

\*\* REIMBURSEMENT TO PGW FOR RELOCATING STRUCTURES & EQUIPMENT AND/OR LOAD  
GROWTH

PHILADELPHIA GAS WORKS  
PROPOSED CAPITAL BUDGET  
BUDGET/FORECAST COMPARISON

DEPARTMENT	2018 COMPL BUDGET	2019 FORECAST	2019 BUDGET	2018		2019 BUDGET vs 2019 FORECAST	
				2019 BUDGET vs AMOUNT DIFFERENCE	COMPL BUDGET PERCENT DIFFERENCE	AMOUNT DIFFERENCE	PERCENT DIFFERENCE
<b>GAS PROCESSING</b>							
ADDITIONS	1,923,000	564,000	598,000	(1,325,000)	-68.9%	34,000	6.0%
REPLACEMENTS	<u>3,985,000</u>	<u>9,225,000</u>	<u>5,695,000</u>	<u>1,710,000</u>	<u>42.9%</u>	<u>(3,530,000)</u>	<u>-38.3%</u>
TOTAL GAS PROCESSING	5,908,000	9,789,000	6,293,000	385,000	6.5%	(3,496,000)	-35.7%
<b>DISTRIBUTION</b>							
ADDITIONS	12,245,000	11,725,000	13,177,000	932,000	7.6%	1,452,000	12.4%
REPLACEMENTS	<u>79,969,000</u>	<u>81,053,000</u>	<u>80,826,000</u>	<u>857,000</u>	<u>1.1%</u>	<u>(227,000)</u>	<u>-0.3%</u>
GROSS TOTAL DISTRIBUTION	92,214,000	92,778,000	94,003,000	1,789,000	1.9%	1,225,000	1.3%
LESS: SALVAGE					N/A		N/A
LESS: CONTRIBUTIONS*					N/A		N/A
LESS: REIMBURSEMENT**	<u>(1,881,000)</u>	<u>(1,920,000)</u>	<u>(1,882,767)</u>	<u>(1,767)</u>	<u>0.1%</u>	<u>37,233</u>	<u>-1.9%</u>
NET TOTAL DISTRIBUTION	90,333,000	90,858,000	92,120,233	1,787,233	2.0%	1,262,233	1.4%
<b>FIELD SERVICES</b>							
ADDITIONS	2,040,000	2,140,000	7,812,000	5,772,000	282.9%	5,672,000	265.0%
REPLACEMENTS	<u>5,288,000</u>	<u>5,423,000</u>	<u>5,554,000</u>	<u>265,000</u>	<u>5.0%</u>	<u>131,000</u>	<u>2.4%</u>
GROSS TOTAL FIELD SERVICES	7,328,000	7,563,000	13,366,000	6,038,000	82.4%	5,803,000	76.7%
LESS: SALVAGE					N/A		N/A
LESS: CONTRIBUTIONS*					N/A		N/A
NET TOTAL FIELD SERVICES	7,328,000	7,563,000	13,366,000	6,038,000	82.4%	5,803,000	76.7%

**PHILADELPHIA GAS WORKS**  
**PROPOSED CAPITAL BUDGET**  
**BUDGET/FORECAST COMPARISON**

DEPARTMENT	2018 COMPL BUDGET	2019 FORECAST	2019 BUDGET	2018		2019 BUDGET vs 2019 FORECAST	
				2019 BUDGET vs COMPL BUDGET AMOUNT DIFFERENCE	COMPL BUDGET PERCENT DIFFERENCE	AMOUNT DIFFERENCE	PERCENT DIFFERENCE
<b>FLEET OPERATIONS</b>							
ADDITIONS	289,000			(289,000)	-100.0%		N/A
REPLACEMENTS	<u>4,250,000</u>	<u>3,105,000</u>	<u>2,035,000</u>	<u>(2,215,000)</u>	<u>-52.1%</u>	<u>(1,070,000)</u>	<u>-34.5%</u>
GROSS TOTAL FLEET OPERATIONS	4,539,000	3,105,000	2,035,000	(2,504,000)	-55.2%	(1,070,000)	-34.5%
LESS: SALVAGE					N/A		N/A
NET TOTAL TRANSPORTATION	4,539,000	3,105,000	2,035,000	(2,504,000)	-55.2%	(1,070,000)	-34.5%
<b>OTHER</b>							
ADDITIONS	1,209,000	3,240,000	732,000	(477,000)	-39.5%	(2,508,000)	-77.4%
REPLACEMENTS	<u>3,211,000</u>	<u>14,052,000</u>	<u>18,112,000</u>	<u>14,901,000</u>	<u>464.1%</u>	<u>4,060,000</u>	<u>28.9%</u>
TOTAL OTHER	4,420,000	17,292,000	18,844,000	14,424,000	326.3%	1,552,000	9.0%
<b>TOTAL</b>							
ADDITIONS	17,706,000	17,669,000	22,319,000	4,613,000	26.1%	4,650,000	26.3%
REPLACEMENTS	<u>96,703,000</u>	<u>112,858,000</u>	<u>112,222,000</u>	<u>15,519,000</u>	<u>16.0%</u>	<u>(636,000)</u>	<u>-0.6%</u>
GROSS TOTAL	114,409,000	130,527,000	134,541,000	20,132,000	17.6%	4,014,000	3.1%
LESS: SALVAGE					N/A		N/A
LESS: REIMBURSEMENT**	(1,881,000)	(1,920,000)	(1,882,767)	(1,767)	0.1%	37,233	-1.9%
LESS: CONTRIBUTIONS*					N/A		N/A
NET TOTAL	<u>112,528,000</u>	<u>128,607,000</u>	<u>132,658,233</u>	<u>20,130,233</u>	<u>17.9%</u>	<u>4,051,233</u>	<u>3.2%</u>

\* CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

\*\* REIMBURSEMENT TO PGW FOR RELOCATING STRUCTURES & EQUIPMENT AND/OR LOAD GROWTH

PHILADELPHIA GAS WORKS  
 FISCAL YEAR 2019 CAPITAL BUDGET  
 SUMMARY ESTIMATE OF ENCUMBRANCE AND EXPENDITURE

<u>FISCAL YEAR</u>	<u>ADDITIONS</u>		<u>REPLACEMENTS</u>		<u>TOTAL</u>	
	<u>ENCUMBERED</u>	<u>EXPENDED</u>	<u>ENCUMBERED</u>	<u>EXPENDED</u>	<u>ENCUMBERED</u>	<u>EXPENDED</u>
CURRENT BUDGET	22,319,000	21,724,000	112,222,000	76,821,000	134,541,000	98,545,000
YEAR 1		595,000		35,401,000		35,996,000
YEAR 2						
YEAR 3						
YEAR 4 AND BEYOND						
<b>TOTAL</b>	<b>22,319,000</b>	<b>22,319,000</b>	<b>112,222,000</b>	<b>112,222,000</b>	<b>134,541,000</b>	<b>134,541,000</b>

GAS PROCESSING DEPARTMENT  
FISCAL YEAR 2019 CAPITAL BUDGET  
SUMMARY

<u>CATEGORY</u>	<u>ADDITIONS</u>	<u>REPLACEMENTS</u>	<u>COST OF REMOVAL</u>	<u>TOTAL</u>
53-01 NATURAL GAS MEASUREMENT AND CONTROL FACILITIES		996,000		996,000
53-02 SUPPLEMENTAL GAS FACILITIES	411,000	3,125,000		3,536,000
53-03 BUILDING AND GROUNDS	98,000	721,000		819,000
53-04 MISC CAPITAL REQUIREMENTS	89,000	309,000		398,000
2017 REAUTHORIZATION		544,000		544,000
<b>TOTAL GAS PROCESSING</b>	<b>598,000</b>	<b>5,695,000</b>		<b>6,293,000</b>



**GAS PROCESSING DEPARTMENT**  
**FISCAL YEAR 2019 CAPITAL BUDGET**  
**BUDGET/FORECAST COMPARISON**

CATEGORY		2018 COMPL BUDGET	2019 FORECAST	2019 BUDGET	2019 BUDGET vs 2018 COMPL BUDGET		2019 BUDGET vs 2019 FORECAST	
					\$ DIFFERENCE	% DIFF.	\$ DIFFERENCE	% DIFF.
53-01 NATURAL GAS MEASUREMENT AND CONTROL FACILITIES	ADDITIONS	100,000	0	0	(100,000)	-100.0%	0	N/A
	REPLACEMENTS	<u>189,000</u>	<u>927,000</u>	<u>996,000</u>	<u>807,000</u>	<u>427.0%</u>	<u>69,000</u>	<u>7.4%</u>
	TOTAL	289,000	927,000	996,000	707,000	244.6%	69,000	7.4%
53-02 SUPPLEMENTAL GAS FACILITIES	ADDITIONS	1,714,000	454,000	411,000	(1,303,000)	-76.0%	(43,000)	-9.5%
	REPLACEMENTS	<u>3,442,000</u>	<u>7,937,000</u>	<u>3,125,000</u>	<u>(317,000)</u>	<u>-9.2%</u>	<u>(4,812,000)</u>	<u>-60.6%</u>
	TOTAL	5,156,000	8,391,000	3,536,000	(1,620,000)	-31.4%	(4,855,000)	-57.9%
53-03 BUILDING AND GROUNDS	ADDITIONS	0	0	98,000	98,000	N/A	98,000	N/A
	REPLACEMENTS	0	0	<u>721,000</u>	<u>721,000</u>	<u>N/A</u>	<u>721,000</u>	<u>N/A</u>
	TOTAL	0	0	819,000	819,000	N/A	819,000	N/A
53-04 MISC CAPITAL REQUIREMENTS	ADDITIONS	109,000	110,000	89,000	(20,000)	-18.3%	(21,000)	-19.1%
	REPLACEMENTS	<u>354,000</u>	<u>361,000</u>	<u>309,000</u>	<u>(45,000)</u>	<u>-12.7%</u>	<u>(52,000)</u>	<u>-14.4%</u>
	TOTAL	463,000	471,000	398,000	(65,000)	-14.0%	(73,000)	-15.5%
2017 REAUTHORIZATION								
	REPLACEMENTS			544,000				
TOTAL GAS PROCESSING		<u>5,908,000</u>	<u>9,788,000</u>	<u>6,283,000</u>	<u>(159,000)</u>	<u>-2.7%</u>	<u>(4,040,000)</u>	<u>-41.3%</u>

GAS PROCESSING DEPARTMENT  
FISCAL 2019 CAPITAL BUDGET

<u>P</u>			<u>AMOUNT</u>
	<u>GP-1</u>	<u>NATURAL GAS MEASUREMENT AND CONTROL FACILITIES</u>	
1	53-01-2-03	NEW HEATER, GENERATOR AND STATION MODIFICATIONS	996,000
		TOTAL GP-1	<u>996,000</u>
	<u>GP-2</u>	<u>SUPPLEMENTAL GAS FACILITIES</u>	
2	53-02-1-04	INSTALL REPORTING HARDWARE AND SOFTWARE -RICHMOND AND PASSYUNK PLAN1	292,000
1	53-02-1-05	INSTALL BOLLARDS AND BARRIERS AROUND EXPANDER PLANT - RICHMOND	119,000
1	53-02-2-11	REPLACE HAZARD DETECTION SYSTEM - PASSYUNK	2,976,000
2	53-02-2-21	REPLACE STEAM HEATING IN SWITCHGEAR BUILDING - PASSYUNK	149,000
		TOTAL GP-2	<u>3,536,000</u>
	<u>GP-3</u>	<u>BUILDING &amp; GROUNDS</u>	
1	53-03-2-02	INSTALL CANOPY OVER TRANSFORMERS AT MAIN SWITCHGEAR BUILDING - RICHMOND	98,000
1	53-03-2-03	REPLACE SHOP BOILERS IN FRONT OFFICE - RICHMOND PLANT	227,000
1	53-03-2-05	REMODEL SECURITY FRONT OFFICE AND CCTV BUILDING- RICHMOND PLANT	494,000
		TOTAL GP-3	<u>819,000</u>
	<u>GP-4</u>	<u>MISCELLANEOUS CAPITAL REQUIREMENTS</u>	
1	53-04-1-01	MISCELLANEOUS CAPITAL ADDITIONS	89,000
1	53-04-2-01	MISCELLANEOUS CAPITAL REPLACEMENTS	309,000
		TOTAL GP-4	398,000
		<u>2017 REAUTHORIZATION</u>	
1	53-02-2-08	REPLACE P-106 PUMP - RICHMOND	544,000
		TOTAL REAUTHORIZATION	
		TOTAL GAS PROCESSING DEPARTMENT	<u>6,293,000</u>

GAS PROCESSING DEPARTMENT  
LISTING BY PRIORITY  
FISCAL 2019 CAPITAL BUDGET

<u>P</u>	<u>CATEGORY</u>	<u>PRIORITY 1</u>	<u>AMOUNT</u>	<u>BUDGET YR</u>	<u>YEAR 1</u>	<u>YEAR 2</u>	<u>YEAR 3</u>	<u>YEAR 4</u>
1	GP-2	53-02-1-05	INSTALL BOLLARDS AND BARRIERS AROUND EXPANDER PLANT - RICHMOND	119,000	115,000	4,000		
1	GP-2	53-01-2-03	NEW HEATER, GENERATOR AND STATION MODIFICATIONS	996,000	280,000	736,000		
1	GP-2	53-02-2-11	REPLACE HAZARD DETECTION SYSTEM - PASSYUNK	2,976,000	2,098,000	878,000		
1	GP-3	53-03-2-02	INSTALL CANOPY OVER TRANSFORMERS AT MAIN SWITCHGEAR BUILDING - R	98,000	91,000	7,000		
1	GP-3	53-03-2-03	REPLACE SHOP BOILERS IN FRONT OFFICE - RICHMOND PLANT	227,000	209,000	18,000		
1	GP-3	53-03-2-05	REMODEL SECURITY FRONT OFFICE AND CCTV BUILDING- RICHMOND PLANT	484,000	236,000	258,000		
1	GP-4	53-04-1-01	MISCELLANEOUS CAPITAL ADDITIONS	88,000	89,000			
1	GP-4	53-04-2-01	MISCELLANEOUS CAPITAL REPLACEMENTS	308,000	309,000			
2017 REAUTHORIZATION								
1	53-02-2-08		REPLACE P-108 PUMP - RICHMOND	544,000	544,000			
<u>PRIORITY 2</u>								
2	GP-2	53-02-1-03	LIQUIFACTION FEEDGAS CO2 AND ETHANE REMOVAL - RICHMOND					
2	GP-2	53-02-1-04	INSTALL REPORTING HARDWARE AND SOFTWARE -RICHMOND AND PASSYUNK	292,000	268,000	24,000		
2	GP-2	53-02-2-21	REPLACE STEAM HEATING IN SWITCHGEAR BUILDING - PASSYUNK	149,000	139,000	10,000		
<b>TOTAL GAS PROCESSING DEPARTMENT:</b>				<b>6,293,000</b>	<b>4,358,000</b>	<b>1,935,000</b>		

PHILADELPHIA GAS WORKS  
 FISCAL YEAR 2019 CAPITAL BUDGET  
 GAS PROCESSING DEPARTMENT ESTIMATE OF ENCUMBERANCE AND EXPENDITURE

<u>FISCAL YEAR</u>	<u>ADDITIONS</u>		<u>REPLACEMENTS</u>		<u>TOTAL</u>	
	<u>ENCUMBERED</u>	<u>EXPENDED</u>	<u>ENCUMBERED</u>	<u>EXPENDED</u>	<u>ENCUMBERED</u>	<u>EXPENDED</u>
CURRENT BUDGET	598,000	563,000	5,695,000	3,795,000	6,293,000	4,358,000
YEAR 1		35,000		1,900,000		1,935,000
YEAR 2						
YEAR 3						
YEAR 4 AND BEYOND						
<b>TOTAL</b>	<b>598,000</b>	<b>598,000</b>	<b>5,695,000</b>	<b>5,695,000</b>	<b>6,293,000</b>	<b>6,293,000</b>

DISTRIBUTION DEPARTMENT  
FISCAL YEAR 2019 CAPITAL BUDGET  
SUMMARY

<u>CATEGORY</u>	<u>ADDITIONS</u>	<u>REPLACEMENTS</u>	<u>GROSS TOTAL</u>	<u>REIMBURSEMENT**</u>	<u>CONTRIBUTIONS*</u>	<u>SALV.</u>	<u>NET TOTAL</u>
52-20 GAS MAINS - HIGH PRESSURE (WITH ASSOCIATED VALVES AND REGULATORS)	1,216,000	1,771,000	2,987,000				2,987,000
52-21 GAS MAINS - LOW AND INTERMEDIATE PRESSURE - 8 INCH AND SMALLER	2,548,000	57,061,000	59,609,000	(1,882,767)			57,726,233
52-22 GAS MAINS - LOW AND INTERMEDIATE PRESSURE - 12 INCH AND LARGER	129,000	487,000	616,000				616,000
52-23 CUST MTR & REG INSTALL, PRESSURE REGULATION & CORROSION CONTROL FACILITIES	479,000	1,005,000	1,484,000				1,484,000
52-24 SERVICES	8,655,000	19,135,000	27,790,000				27,790,000
52-29 OTHER DISTRIBUTION FACILITIES	150,000	1,367,000	1,517,000				1,517,000
52-99 COST OF REMOVAL AND ABANDONMENT SALVAGE							
<b>TOTAL DISTRIBUTION</b>	<b>13,177,000</b>	<b>80,826,000</b>	<b>94,003,000</b>	<b>(1,882,767)</b>			<b>92,120,233</b>

- \* CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS
- \*\* REIMBURSEMENT TO PGW FOR RELOCATING STRUCTURES & EQUIPMENT AND/OR LOAD GROWTH

**DISTRIBUTION DEPARTMENT**  
**FISCAL YEAR 2019 CAPITAL BUDGET**  
**BUDGET/FORECAST COMPARISON**

CATEGORY	2018 COMPL BUDGET	2019 FORECAST	2019 BUDGET	2019		2019	
				\$	%	\$	%
				2019 BUDGET vs DIFFERENCE	2019 BUDGET vs DIFF.	2019 BUDGET vs DIFFERENCE	2019 BUDGET vs DIFF.
52-20 GAS MAINS - HIGH							
ADDITIONS	2,005,000	1,260,000	1,216,000	(789,000)	-39.4%	(44,000)	-3.5%
PRESSURE (WITH							
ASSOCIATED VALVES	1,831,000	1,671,000	1,771,000	(60,000)	-3.3%	(100,000)	-5.3%
AND REGULATORS)							
TOTAL	3,836,000	3,131,000	2,987,000	(849,000)	-22.1%	(144,000)	-4.6%
52-21 GAS MAINS - LOW							
ADDITIONS	2,466,000	2,520,000	2,548,000	82,000	3.3%	28,000	1.1%
AND INTERMEDIATE							
PRESSURE - 8 INCH	55,153,000	55,640,000	57,061,000	1,908,000	3.5%	1,421,000	2.6%
AND SMALLER							
TOTAL	57,619,000	58,160,000	59,609,000	1,990,000	3.5%	1,449,000	2.5%
52-22 GAS MAINS - LOW							
ADDITIONS	115,000	118,000	129,000	14,000	12.2%	11,000	9.3%
AND INTERMEDIATE							
PRESSURE - 12 INCH	850,000	879,000	487,000	(373,000)	-43.4%	(392,000)	-44.6%
AND LARGER							
TOTAL	975,000	997,000	616,000	(359,000)	-36.8%	(381,000)	-38.2%
52-23 CUST MTR & REG INST							
ADDITIONS	595,000	608,000	479,000	(116,000)	-19.5%	(129,000)	-21.2%
PRESSURE REGULA-							
TION AND CORROSION	974,000	996,000	1,005,000	31,000	3.2%	9,000	0.9%
CONTROL FACILITIES							
TOTAL	1,569,000	1,604,000	1,484,000	(85,000)	-5.4%	(120,000)	-7.5%
52-24 SERVICES							
ADDITIONS	6,903,000	7,054,000	8,655,000	1,752,000	25.4%	1,601,000	22.7%
REPLACEMENTS	19,960,000	20,450,000	19,135,000	(825,000)	-4.1%	(1,315,000)	-6.4%
TOTAL	26,863,000	27,504,000	27,790,000	927,000	3.5%	286,000	1.0%
52-29 OTHER DISTRIBUTION							
FACILITIES							
ADDITIONS	161,000	165,000	150,000	(11,000)	-6.8%	(15,000)	-9.1%
REPLACEMENTS	1,191,000	1,217,000	1,367,000	176,000	14.8%	150,000	12.3%
TOTAL	1,352,000	1,382,000	1,517,000	165,000	12.2%	135,000	9.8%
GROSS TOTAL DISTRIBUTION	92,214,000	92,778,000	94,003,000	1,789,000	1.9%	1,225,000	1.3%
52-99 COST OF REMOVAL AND ABANDONMENT			0	0	N/A	0	N/A
LESS: SALVAGE			0	0	N/A	0	N/A
LESS: CONTRIBUTIONS*			0	0	N/A	0	N/A
LESS: REIMBURSEMENT**	(1,881,000)	(1,920,000)	(1,682,787)	(1,767)	0.1%	37,233	-1.9%
NET TOTAL DISTRIBUTION	90,333,000	90,858,000	92,120,233	1,787,233	2.0%	1,262,233	1.4%

\* DISTRIBUTION DEPARTMENT CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

\*\* REIMBURSEMENT TO PGW FOR RELOCATING STRUCTURES & EQUIPMENT AND/OR LOAD GROWTH

DISTRIBUTION DEPARTMENT  
FISCAL 2019 CAPITAL BUDGET

P		<u>AMOUNT</u>	<u>FEET UNITS</u>
	<u>D-20</u> <u>GAS MAINS - HIGH PRESSURE (WITH ASSOCIATED VALVES AND REGULATORS)</u>		
4	52-20-1-01 INSTALLATIONS TO PROVIDE FOR AHEAD-OF-PAVING AND EXTENSIONS TO SUPPLY ADDITIONAL LOADS	1,216,000	5,603
3	52-20-2-01 ENFORCED RELOCATIONS CAUSED BY CITY AND STATE WORK	1,771,000	768
		GROSS TOTAL D-20      2,987,000	
52-20-2-97		LESS: REIMBURSEMENT**	
		LESS: POTENTIAL CUSTOMER CONTRIBUTIONS	
		NET TOTAL D-20      2,987,000	
	<u>D-21</u> <u>GAS MAINS - LOW AND INTERMEDIATE PRESSURE - 8 INCH AND SMALLER</u>		
4	52-21-1-01 MAINS TO SUPPLY NEW CUSTOMERS AND TO PROVIDE FOR INCREASED CAPACITY	2,548,000	9,283
3	52-21-2-01 ENFORCED RELOCATIONS CAUSED BY CITY, STATE AND OTHER WORK	6,946,000	29,892
1	52-21-2-02 PRUDENT MAIN REPLACEMENTS	17,115,000	74,693
1	52-21-2-03 LONG TERM INFRASTRUCTURE PLAN - DSIC	33,000,000	
		GROSS TOTAL D-21      59,609,000	
52-21-2-97		LESS: REIMBURSEMENT**      (1,882,767)	
		NET TOTAL D-21      57,726,233	

DISTRIBUTION DEPARTMENT  
FISCAL 2019 CAPITAL BUDGET

P		<u>AMOUNT</u>	<u>FEET UNITS</u>
	<u>D-22</u> <u>GAS MAINS - LOW AND INTERMEDIATE PRESSURE - 12 INCH AND LARGER</u>		
4	52-22-1-01 TO SUPPLY NEW CUSTOMERS AND TO PROVIDE FOR INSTALLATION OF MAINS AHEAD-OF-PAVING	129,000	186
3	52-22-2-01 ENFORCED RELOCATIONS CAUSED BY CITY, STATE AND OTHER WORK	487,000	149
	GROSS TOTAL D-22	616,000	
	LESS: REIMBURSEMENT**		
	NET TOTAL D-22	616,000	

	<u>D-23</u> <u>CUSTOMER METERING &amp; REGULATOR INSTALLATION, AND PRESSURE REGULATION &amp; CORROSION CONTROL FACILITIES (NOT INCLUDED IN D-20 OR D-22)</u>		
4	52-23-1-01 CUSTOMER METERING AND REGULATOR INSTALLATION	479,000	
1	52-23-2-01 REPLACEMENT/REHABILITATION OF HIGH PRESSURE MAIN VALVES	531,000	
2	52-23-2-02 REPLACEMENT OF VARIOUS PRESSURE REGULATING AND CORROSION CONTROL FACILITIES	474,000	
	GROSS TOTAL D-23	1,484,000	
	LESS: REIMBURSEMENT**		
	LESS: POTENTIAL CUSTOMER CONTRIBUTIONS*		
	NET TOTAL D-23	1,484,000	





DISTRIBUTION DEPARTMENT  
LISTING BY PRIORITY  
FISCAL 2019 CAPITAL BUDGET

P	CATEGORY	AMOUNT	UNITS	BUDGET_YR	YEAR_1	YEAR_2	YEAR_3	YEAR_4+
<u>PRIORITY 1</u>								
1	D-21 52-21-2-02	17,115,000	74,693	11,810,000	5,305,000			
	PRUDENT MAIN REPLACEMENTS							
1	D-21 52-21-2-03	33,000,000		17,325,000	15,675,000			
	LONG TERM INFRASTRUCTURE PLAN - DSIC							
1	D-23 52-23-2-01	531,000		531,000				
	REPLACEMENT/REHABILITATION OF HIGH PRESSURE MAIN VALVES							
1	D-24 52-24-2-02	1,043,000	114	1,043,000				
	RENEWAL OF 2" AND LARGER SERVICES							
1	D-24 52-24-2-01	18,092,000	8,432	15,555,000	2,537,000			
	RENEWAL OF 1-1/4" AND SMALLER SERVICES FOR PRUDENT							
<u>PRIORITY 2</u>								
2	D-23 52-23-2-02	474,000		474,000				
	REPLACEMENT OF VARIOUS PRESSURE REGULATING AND							
2	D-29 52-29-1-01	150,000		150,000				
	ADDITIONAL TOOLS AND WORK EQUIPMENT							
2	D-29 52-29-2-01	1,367,000		1,367,000				
	REPLACEMENT OF OBSOLETE TOOLS, RADIOS, AND WORK							
<u>PRIORITY 3</u>								
3	D-20 52-20-2-01	1,771,000	768	1,771,000				
	ENFORCED RELOCATIONS CAUSED BY CITY AND STATE WORK							
3	D-21 52-21-2-01	6,948,000	29,892	5,863,000	1,083,000			
	ENFORCED RELOCATIONS CAUSED BY CITY, STATE AND OTHER							
3	D-22 52-22-2-01	487,000	149	487,000				
	ENFORCED RELOCATIONS CAUSED BY CITY, STATE AND OTHER							
<u>PRIORITY 4</u>								
4	D-20 52-20-1-01	1,216,000	5,603	1,216,000				
	INSTALLATIONS TO PROVIDE FOR AHEAD-OF-PAVING AND							
4	D-21 52-21-1-01	2,548,000	9,283	2,548,000				
	MAINS TO SUPPLY NEW CUSTOMERS AND TO PROVIDE FOR							
4	D-23 52-23-1-01	479,000		479,000				
	CUSTOMER METERING AND REGULATOR INSTALLATION							
4	D-22 52-22-1-01	129,000	186	129,000				
	TO SUPPLY NEW CUSTOMERS AND TO PROVIDE FOR							
4	D-24 52-24-1-01	6,365,000	1,849	6,365,000				
	INSTALLATION OF NEW 1-1/4" AND SMALLER SERVICES, HIGH,							
4	D-24 52-24-1-02	2,290,000	181	2,290,000				
	INSTALLATION OF NEW 2 INCH AND LARGER SERVICES, HIGH,							
				84,003,000	69,403,000	24,600,000		
TOTAL DISTRIBUTION DEPARTMENT								

PHILADELPHIA GAS WORKS  
 FISCAL YEAR 2019 CAPITAL BUDGET  
 DISTRIBUTION DEPARTMENT ESTIMATE OF ENCUMBERANCE AND EXPENDITURE

<u>FISCAL YEAR</u>	<u>ADDITIONS</u>		<u>REPLACEMENTS</u>		<u>TOTAL</u>	
	<u>ENCUMBERED</u>	<u>EXPENDED</u>	<u>ENCUMBERED</u>	<u>EXPENDED</u>	<u>ENCUMBERED</u>	<u>EXPENDED</u>
CURRENT BUDGET	13,177,000	13,177,000	80,826,000	56,226,000	94,003,000	69,403,000
YEAR 1				24,600,000		24,600,000
YEAR 2						
YEAR 3						
YEAR 4 AND BEYOND						
<b>TOTAL</b>	<b>13,177,000</b>	<b>13,177,000</b>	<b>80,826,000</b>	<b>80,826,000</b>	<b>94,003,000</b>	<b>94,003,000</b>

FIELD SERVICES DEPARTMENT  
FISCAL YEAR 2019 CAPITAL BUDGET  
SUMMARY

<u>CATEGORY</u>	<u>ADDITIONS</u>	<u>REPLACEMENTS</u>	<u>TOTAL</u>
50-30 METERS & INSTALLATION	2,008,000	2,706,000	4,714,000
50-32 SERVICE REGULATORS AND INSTALLATION	68,000	42,000	110,000
50-33 COMMERCIAL & INDUSTRIAL TELEMETERING SYSTEMS	146,000	126,000	272,000
50-34 METER SHOP EQUIPMENT		23,000	23,000
50-35 SERVICE SECTION EQUIPMENT	5,400,000		5,400,000
50-36 AUTOMATIC METER READING	190,000	2,657,000	2,847,000
50-99 COST OF REMOVAL			
GROSS TOTAL FIELD SERVICES	7,812,000	5,554,000	13,366,000
LESS: SALVAGE			
LESS: CONTRIBUTIONS*			
NET TOTAL FIELD SERVICES	7,812,000	5,554,000	13,366,000

\* FIELD SERVICES DEPARTMENT CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

**FIELD SERVICES DEPARTMENT**  
**FISCAL YEAR 2019 CAPITAL BUDGET**  
**BUDGET/FORECAST COMPARISON**

CATEGORY		2018 COMPL BUDGET	2019 FORECAST	2019 BUDGET	2018		2019 BUDGET vs 2019 FORECAST	
					2019 BUDGET vs COMPL BUDGET	COMPL BUDGET	2019 BUDGET vs DIFFERENCE	2019 FORECAST
					\$	%	\$	%
					DIFFERENCE	DIFF.	DIFFERENCE	DIFF.
50-30 METERS	ADDITIONS	1,728,000	1,810,000	2,008,000	280,000	16.2%	198,000	10.9%
	REPLACEMENTS	2,676,000	2,744,000	2,706,000	30,000	1.1%	(38,000)	-1.4%
	TOTAL	4,404,000	4,554,000	4,714,000	310,000	7.0%	160,000	3.5%
50-32 SERVICE REGULATORS AND INSTALLATIONS	ADDITIONS	58,000	74,000	68,000	10,000	17.2%	(6,000)	-8.1%
	REPLACEMENTS	37,000	38,000	42,000	5,000	13.5%	4,000	10.5%
	TOTAL	95,000	112,000	110,000	15,000	15.8%	(2,000)	-1.8%
50-33 TELEMETERING AND INSTALLATIONS	ADDITIONS	84,000	82,000	146,000	62,000	73.8%	64,000	78.0%
	REPLACEMENTS	159,000	163,000	126,000	(33,000)	-20.8%	(37,000)	-22.7%
	TOTAL	243,000	245,000	272,000	29,000	11.9%	27,000	11.0%
50-34 METER SHOP EQUIPMENT	ADDITIONS	0	0	0	0	N/A	0	N/A
	REPLACEMENTS	39,000	40,000	23,000	(16,000)	-41.0%	(17,000)	-42.5%
	TOTAL	39,000	40,000	23,000	(16,000)	-41.0%	(17,000)	-42.5%
50-35 SERVICE SECTION EQUIPMENT	ADDITIONS	0	0	5,400,000	5,400,000	N/A	5,400,000	N/A
	REPLACEMENTS	0	0	0	0	N/A	0	N/A
	TOTAL	0	0	5,400,000	5,400,000	N/A	5,400,000	N/A
50-36 AUTOMATIC METER READING	ADDITIONS	170,000	174,000	190,000	20,000	11.8%	16,000	9.2%
	REPLACEMENTS	2,377,000	2,438,000	2,657,000	280,000	11.8%	219,000	9.0%
	TOTAL	2,547,000	2,612,000	2,847,000	300,000	11.8%	235,000	9.0%
50-99 COST OF REMOVAL		0	0	0	0	N/A	0	N/A
	GROSS TOTAL FIELD SERVICES	7,328,000	7,563,000	13,366,000	6,038,000	82.4%	5,803,000	76.7%
	LESS: SALVAGE	0	0	0	0	N/A	0	N/A
	LESS: CONTRIBUTIONS*	0	0	0	0	N/A	0	N/A
	NET TOTAL FIELD SERVICES	7,328,000	7,563,000	13,366,000	6,038,000	82.4%	5,803,000	76.7%

\* FIELD SERVICES DEPARTMENT CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

FIELD SERVICES DEPARTMENT  
FISCAL 2019 CAPITAL BUDGET

P			<u>AMOUNT</u>
	<u>C-30</u>	<u>METERS</u>	
4	50-30-1-01	PURCHASE AND INSTALLATION OF METERS TO PROVIDE FOR NEW CUSTOMERS	2,008,000
1	50-30-2-01	PURCHASE METERS TO SUPPORT AUTOMATIC METER READING	2,706,000
		TOTAL C-30	<u>4,714,000</u>
	<u>C-32</u>	<u>SERVICE REGULATORS</u>	
4	50-32-1-01	PURCHASE AND INSTALLATION OF SERVICE REGULATORS	68,000
1	50-32-2-01	PURCHASE VARIOUS SIZE SERVICE REGULATORS AS REPLACEMENTS	42,000
		TOTAL C-32	<u>110,000</u>
	<u>C-33</u>	<u>COMMERCIAL &amp; INDUSTRIAL TELEMETERING SYSTEMS</u>	
1	50-33-1-01	PURCHASE AND INSTALLATION OF EQUIPMENT AND INSTRUMENTATION	146,000
1	50-33-2-01	REPLACE METRETEK UNITS, EQUIPMENT, AND INSTRUMENTATION	126,000
		TOTAL C-33	<u>272,000</u>
	<u>C-34</u>	<u>METER SHOP EQUIPMENT</u>	
2	50-34-1-01	ADVANCED METER INFRASTRUCTURE INSTALLATION	5,400,000
1	50-34-2-01	REPLACEMENT OF OBSOLETE SHOP EQUIPMENT & ACCESSORIES USED FOR AMR	23,000
		TOTAL C-34	<u>5,423,000</u>
		<u>SERVICE SECTION EQUIPMENT</u>	
		TOTAL C-35	<u>                    </u>
	<u>C-36</u>	<u>AUTOMATIC METER READING</u>	
5	50-36-1-01	PURCHASE AND INSTALLATION OF ERT DEVICES FOR AMR	190,000
5	50-36-2-01	REPLACE AMR DEVICES	2,657,000
		TOTAL C-36	<u>2,847,000</u>
1	50-99-2-99	COST OF REMOVAL	<u>                    </u>
		GROSS TOTAL FIELD SERVICES DEPARTMENT	13,366,000
	50-98-2-98	LESS: ESTIMATED SALVAGE LESS: CONTRIBUTIONS*	<u>                    </u>
		NET TOTAL FIELD SERVICES DEPARTMENT	<u>13,366,000</u>

FIELD SERVICES DEPARTMENT

LISTING BY PRIORITY

FISCAL 2019 CAPITAL BUDGET

<u>P</u>	<u>CATEGORY</u>	<u>AMOUNT</u>	<u>BUDGET YR</u>	<u>YEAR 1</u>	<u>YEAR 2</u>	<u>YEAR 3</u>	<u>YEAR 4 +</u>
	<u>PRIORITY 1</u>						
1	50-32-2-01	42,000	42,000				
	<u>PURCHASE VARIOUS SIZE SERVICE REGULATORS AS REPLACEMENTS</u>						
1	50-33-2-01	126,000	126,000				
	<u>REPLACE METRETEK UNITS, EQUIPMENT, AND INSTRUMENTATION</u>						
1	50-33-1-01	146,000	146,000				
	<u>PURCHASE AND INSTALLATION OF EQUIPMENT AND</u>						
1	50-34-2-01	23,000	23,000				
	<u>REPLACEMENT OF OBSOLETE SHOP EQUIPMENT &amp; ACCESSORIES USED FOR AMR</u>						
1	50-30-2-01	2,706,000	2,706,000				
	<u>PURCHASE METERS TO SUPPORT AUTOMATIC METER READING</u>						
	<u>PRIORITY 4</u>						
4	50-30-1-01	2,008,000	2,008,000				
	<u>PURCHASE AND INSTALLATION OF METERS TO PROVIDE FOR</u>						
4	50-32-1-01	68,000	68,000				
	<u>PURCHASE AND INSTALLATION OF SERVICE REGULATORS</u>						
	<u>PRIORITY 5</u>						
2	50-34-1-01	5,400,000	4,945,000	455,000			
	<u>ADVANCED METER INFRASTRUCTURE INSTALLATION</u>						
5	50-36-1-01	190,000	190,000				
	<u>PURCHASE AND INSTALLATION OF ERT DEVICES FOR AMR</u>						
5	50-36-2-01	2,657,000	2,657,000				
	<u>REPLACE AMR DEVICES</u>						
<b>TOTAL FIELD SERVICES DEPARTMENT:</b>			<b>13,366,000</b>	<b>12,911,000</b>	<b>455,000</b>		

PHILADELPHIA GAS WORKS  
 FISCAL YEAR 2019 CAPITAL BUDGET  
 FIELD SERVICES DEPARTMENT ESTIMATE OF ENCUMBERANCE AND EXPENDITURE

<u>FISCAL YEAR</u>	<u>ADDITIONS</u>		<u>REPLACEMENTS</u>		<u>TOTAL</u>	
	<u>ENCUMBERED</u>	<u>EXPENDED</u>	<u>ENCUMBERED</u>	<u>EXPENDED</u>	<u>ENCUMBERED</u>	<u>EXPENDED</u>
CURRENT BUDGET	7,812,000	7,357,000	5,554,000	5,554,000	13,366,000	12,911,000
YEAR 1		455,000				455,000
YEAR 2						
YEAR 3						
YEAR 4 AND BEYOND						
<b>TOTAL</b>	<b>7,812,000</b>	<b>7,812,000</b>	<b>5,554,000</b>	<b>5,554,000</b>	<b>13,366,000</b>	<b>13,366,000</b>



FLEET OPERATIONS DEPARTMENT  
FISCAL YEAR 2019 CAPITAL BUDGET  
BUDGET/FORECAST COMPARISON

CATEGORY	2018 COMPL BUDGET	2019 FORECAST	2019 BUDGET	2019 BUDGET vs 2018 COMPL BUDGET		2019 BUDGET vs 2019 FORECAST	
				\$ DIFFERENCE	% DIFF.	\$ DIFFERENCE	% DIFF.
73-01-1-01 VEHICLE ADDITIONS TO SUPPORT CAST IRON MAIN REPLACEMENT				0	N/A	0	N/A
73-01-1-02 MOBILE EQUIPMENT ADDITIONS				0	N/A	0	N/A
73-01-2-01 SHOP EQUIPMENT REPLACEMENTS	538,000	0	12,000	(526,000)	-97.8%	12,000	N/A
73-01-2-02 MOBILE EQUIPMENT REPLACEMENTS	561,000	643,000	415,000	(146,000)	-26.0%	(228,000)	-35.5%
73-01-2-03 VEHICLE REPLACEMENTS	1,415,000	2,462,000	1,608,000	193,000	13.6%	(854,000)	-34.7%
<b>FY 2016 REAUTHORIZATION</b>							
73-01-1-01 VEHICLE ADDITIONS	289,000			(289,000)	-100.0%	0	N/A
73-01-2-03 VEHICLE REPLACEMENTS	1,736,000			(1,736,000)	-100.0%	0	N/A
GROSS TOTAL FLEET OPERATIONS	4,539,000	3,105,000	2,035,000	(2,504,000)	-55.2%	(1,070,000)	-34.5%
LESS: SALVAGE			0	0	N/A	0	N/A
NET TOTAL FLEET OPERATIONS	<u>4,539,000</u>	<u>3,105,000</u>	<u>2,035,000</u>	<u>(2,504,000)</u>	<u>-55.2%</u>	<u>(1,070,000)</u>	<u>-34.5%</u>

FLEET OPERATIONS DEPARTMENT  
FISCAL 2019 CAPITAL BUDGET

<u>P</u>		<u>AMOUNT</u>
2	73-01-2-01 SHOP EQUIPMENT REPLACEMENTS	12,000
1	73-01-2-02 MOBILE EQUIPMENT REPLACEMENTS	415,000
2	73-01-2-03 VEHICLE REPLACEMENTS	1,608,000
	GROSS TOTAL FLEET OPERATIONS	<u>2,035,000</u>
73-98-2-98	LESS: SALVAGE	
	NET TOTAL FLEET OPERATIONS	<u><u>2,035,000</u></u>

FLEET OPERATIONS DEPARTMENT  
LISTING BY PRIORITY  
FISCAL 2019 CAPITAL BUDGET

<u>P.</u>	<u>CATEGORY</u>	<u>PRIORITY 1</u>	<u>AMOUNT</u>	<u>BUDGET_YR</u>	<u>YEAR 1</u>	<u>YEAR 2</u>	<u>YEAR 3</u>	<u>YEAR 4</u>	<u>YEAR 5</u>
		<u>PRIORITY 1</u>							
1	73-01-2-02	MOBILE EQUIPMENT REPLACEMENTS	415,000	415,000					
		<u>PRIORITY 2</u>							
2	73-01-2-01	SHOP EQUIPMENT REPLACEMENTS	12,000	12,000					
2	73-01-2-03	VEHICLE REPLACEMENTS	1,608,000	1,608,000					
<b>TOTAL FLEET OPERATIONS DEPARTMENT:</b>			<b>2,035,000</b>	<b>2,035,000</b>					

PHILADELPHIA GAS WORKS  
 FISCAL YEAR 2019 CAPITAL BUDGET  
 FLEET OPERATIONS DEPARTMENT ESTIMATE OF ENCUMBERANCE AND EXPENDITURE

<u>FISCAL YEAR</u>	<u>ADDITIONS</u>		<u>REPLACEMENTS</u>		<u>TOTAL</u>	
	<u>ENCUMBERED</u>	<u>EXPENDED</u>	<u>ENCUMBERED</u>	<u>EXPENDED</u>	<u>ENCUMBERED</u>	<u>EXPENDED</u>
CURRENT BUDGET			2,035,000	2,035,000	2,035,000	2,035,000
YEAR 1						
YEAR 2						
YEAR 3						
YEAR 4 AND BEYOND						
<b>TOTAL</b>			<b>2,035,000</b>	<b>2,035,000</b>	<b>2,035,000</b>	<b>2,035,000</b>

FACILITIES  
FISCAL YEAR 2019 CAPITAL BUDGET  
BUDGET/FORECAST COMPARISON

CATEGORY	2018		2019		2019 BUDGET vs 2018 COMPL BUDGET		2019 BUDGET vs 2018 FORECAST	
	2018 COMPL BUDGET	2019 FORECAST	2019 BUDGET	\$ DIFFERENCE	% DIFF.	\$ DIFFERENCE	% DIFF.	
72-01-1-01 MISCELLANEOUS CAPITAL ADDITIONS	150,000	150,000	150,000	0	0.0%	0	0.0%	
72-01-1-02 MISCELLANEOUS CAPITAL ADDITIONS - GAS PROCESSING	11,000	12,000	8,000	(3,000)	-27.3%	(4,000)	-33.3%	
72-01-2-01 MISCELLANEOUS CAPITAL REPLACEMENTS/STRUCTURAL REPAIRS	418,000	418,000	418,000	0	0.0%	0	0.0%	
72-01-2-02 MISCELLANEOUS CAPITAL REPLACEMENTS - GAS PROCESSING	38,000	39,000	24,000	(14,000)	-36.8%	(15,000)	-38.5%	
72-01-2-03 MISC CAPITAL REPL - STRUCTURAL REPAIRS - GAS PROCESSING	50,000	51,000	34,000	(16,000)	-32.0%	(17,000)	-33.3%	
72-01-2-04 REPLACE CARPETS - ALL LOCATIONS	61,000	61,000	61,000	0	0.0%	0	0.0%	
72-01-2-05 REPLACE MODULAR FURNITURE	67,000	67,000	67,000	0	0.0%	0	0.0%	
72-01-2-06 REPLACE AND REPAIR 1800 BUILDING EXTERIOR CONCRETE	904,000	0	1,040,000	136,000	15.0%	1,040,000	N/A	
72-01-2-07 REPLACE 20+ YEAR OLD HEATING AND COOLING EQUIP INSIDE & ON ROOF - WEST PHIL DO	356,000	0	0	(356,000)	-100.0%	0	N/A	
72-01-2-08 800 BUILDING	0	450,000	0	0	N/A	(450,000)	-100.0%	
72-01-2-09 1800 BUILDING	0	8,101,000	0	0	N/A	(8,101,000)	-100.0%	
72-01-2-10 1849 BUILDING AND PARKING GARAGE	0	2,157,000	0	0	N/A	(2,157,000)	-100.0%	
72-01-2-11 METER SHOP	0	641,000	0	0	N/A	(641,000)	-100.0%	
72-01-2-12 BELFIELD STATION	0	116,000	0	0	N/A	(116,000)	-100.0%	
72-01-2-13 CASTOR STATION	0	179,000	0	0	N/A	(179,000)	-100.0%	
72-01-2-14 PORTER STATION	0	127,000	0	0	N/A	(127,000)	-100.0%	
72-01-2-15 TIOGA STATION	0	160,000	0	0	N/A	(160,000)	-100.0%	
			0	0	N/A	0	N/A	
TOTAL FACILITIES	2,055,000	12,749,000	1,802,000	(253,000)	-12.3%	(10,947,000)	-85.9%	

OTHER DEPARTMENTS  
FISCAL YEAR 2019 CAPITAL BUDGET  
SUMMARY

<u>CATEGORY</u>	<u>ADDITIONS</u>	<u>REPLACEMENTS</u>	<u>TOTAL</u>
FACILITIES	158,000	1,644,000	1,802,000
INFORMATION SERVICES	574,000	15,391,000	15,965,000
CHIEF OPERATING OFFICER		750,000	750,000
VP TECHNICAL COMPLIANCE			
VP REGULATORY COMPLIANCE & CUSTOMER PROGRAMS			
CHEM SERVICES			
SECURITY & LOST PREVENTION		327,000	327,000
<b>TOTAL OTHER DEPARTMENTS</b>	<b>732,000</b>	<b>18,112,000</b>	<b>18,844,000</b>

OTHER DEPARTMENTS  
FISCAL YEAR 2019 CAPITAL BUDGET  
BUDGET/FORECAST COMPARISON

CATEGORY		2018						
		2018 COMPL	2019	2019	2019 BUDGET vs	2018 COMPL BUDGET	2019 BUDGET vs 2019 FORECAST	
		BUDGET	FORECAST	BUDGET	\$	%	\$	%
				DIFFERENCE	DIFF.	DIFFERENCE	DIFF.	
FACILITIES	ADDITIONS	161,000	162,000	158,000	(3,000)	-1.9%	(4,000)	-2.5%
	REPLACEMENTS	<u>1,894,000</u>	12,587,000	1,644,000	<u>(250,000)</u>	<u>-13.2%</u>	<u>(10,943,000)</u>	<u>-86.9%</u>
	TOTAL	<u>2,055,000</u>	<u>12,749,000</u>	<u>1,802,000</u>	<u>(253,000)</u>	<u>-12.3%</u>	<u>(10,947,000)</u>	<u>-85.9%</u>
INFORMATION SERVICES	ADDITIONS	1,048,000	339,000	574,000	(474,000)	-45.2%	235,000	89.3%
	REPLACEMENTS	<u>567,000</u>	<u>715,000</u>	<u>15,391,000</u>	<u>14,624,000</u>	<u>2614.5%</u>	<u>14,678,000</u>	<u>2052.8%</u>
	TOTAL	1,615,000	1,054,000	15,965,000	14,350,000	888.5%	14,911,000	1414.7%
CHIEF OPERATING OFFICER	ADDITIONS	0		0	0	N/A	0	N/A
	REPLACEMENTS	<u>750,000</u>	<u>750,000</u>	<u>750,000</u>	<u>0</u>	<u>0.0%</u>	<u>0</u>	<u>0.0%</u>
	TOTAL	750,000	750,000	750,000	0	0.0%	0	0.0%
VP TECHNICAL COMPLIANCE	ADDITIONS		2,739,000	0	0	N/A	(2,739,000)	-100.0%
	REPLACEMENTS			0	0	N/A	0	N/A
	TOTAL	0	2,739,000	0	0	N/A	(2,739,000)	-100.0%
VP REGULATORY COMPLIANCE & CUSTOMER PROGRAMS	ADDITIONS			0	0	N/A	0	N/A
	REPLACEMENTS			0	0	N/A	0	N/A
	TOTAL	0	0	0	0	N/A	0	N/A
CHEM SERVICES	ADDITIONS			0	0	N/A	0	N/A
	REPLACEMENTS			0	0	N/A	0	N/A
	TOTAL	0	0	0	0	N/A	0	N/A
SECURITY & LOST PREVENTION	ADDITIONS	0	0	0	0	N/A	0	N/A
	REPLACEMENTS	0	0	<u>327,000</u>	<u>327,000</u>	<u>N/A</u>	<u>327,000</u>	<u>N/A</u>
	TOTAL	0	0	327,000	327,000	N/A	327,000	N/A
TOTAL OTHER DEPARTMENTS		<u>4,420,000</u>	<u>17,292,000</u>	<u>18,644,000</u>	<u>14,424,000</u>	<u>326.3%</u>	<u>1,532,000</u>	<u>9.0%</u>

**OTHER DEPARTMENTS**  
**FISCAL 2019 CAPITAL BUDGET**

P		<u>FACILITIES</u>	AMOUNT
1	72-01-1-01	MISCELLANEOUS CAPITAL ADDITIONS	150,000
1	72-01-1-02	MISCELLANEOUS CAPITAL ADDITIONS - GAS PROCESSING	8,000
1	72-01-2-01	MISCELLANEOUS CAPITAL REPLACEMENTS/STRUCTURAL REPAIRS	418,000
1	72-01-2-02	MISCELLANEOUS CAPITAL REPLACEMENTS - GAS PROCESSING	24,000
1	72-01-2-03	MISC CAPITAL REPL - STRUCTURAL REPAIRS - GAS PROCESSING	34,000
1	72-01-2-04	REPLACE CARPETS - ALL LOCATIONS	61,000
1	72-01-2-05	REPLACE MODULAR FURNITURE	67,000
1	72-01-2-06	REPLACE AND REPAIR 1800 BUILDING EXTERIOR CONCRETE	1,040,000
		TOTAL FACILITIES	<u><u>1,802,000</u></u>
 <u>INFORMATION SERVICES</u> 			
2	47-01-1-01	MISCELLANEOUS SERVER, NETWORK, & HARDWARE ADDITIONS	62,000
2	47-01-1-02	MISCELLANEOUS SOFTWARE ADDITIONS	205,000
2	47-01-1-03	SYSTEM & NETWORK MONITORING APPLIANCE ADDITIONS	185,000
2	47-01-1-04	SAN STORAGE REPLACEMENTS	230,000
2	47-01-1-05	AIMS CORROSION	400,000
2	47-01-1-06	GIS IMPLEMENTATION	1,225,000
2	47-01-2-01	SERVER AND NETWORK HARDWARE REPLACEMENT	484,000
2	47-01-2-02	MISCELLANEOUS SOFTWARE REPLACEMENTS	50,000
2	47-01-2-03	PRI to SIP CONVERSION REPLACEMENTS	310,000
2	47-01-2-04	CUSTOMER INFORMATION SYSTEMS (CIS/BCCS) REPLACEMENTS	12,692,000
 2017 REAUTHORIZATION 			
5	10-01-1-01	DSM DATABASE	87,000
5	10-01-1-02	PUC LIURP	35,000
		TOTAL INFORMATION SERVICES	<u><u>15,965,000</u></u>



OTHER DEPARTMENTS  
FISCAL 2019 CAPITAL BUDGET

<u>P</u>			<u>AMOUNT</u>
		<u>CHIEF OPERATING OFFICER</u>	
1	13-01-2-01	CONDITIONAL FUNDING FOR CAPITAL NEEDS RELATED TO SAFETY	250,000
2	13-01-2-02	CONDITIONAL FUNDING FOR CAPITAL NEEDS RELATED TO RELIABILITY OF SERVICE	250,000
4	13-01-2-03	CONDITIONAL FUNDING FOR CAPITAL NEEDS RELATED TO COST-JUSTIFIED LOAD GROWTH	250,000
		TOTAL CHIEF OPERATING OFFICER	<u>750,000</u>
		<u>SECURITY &amp; LOST PREVENTION</u>	
1	65-01-2-01	VIDEO AND RECORDING DEVICE REPLACEMENT	327,000
		TOTAL SECURITY & LOST PREVENTION	<u>327,000</u>
		TOTAL OTHER DEPARTMENTS	<u>18,844,000</u>

OTHER DEPARTMENTS  
LISTING BY PRIORITY  
FISCAL 2019 CAPITAL BUDGET

P	CATEGORY	PRIORITY 1	AMOUNT	BUDGET_YR	YEAR 1	YEAR 2	YEAR 3
1	72-01-1-01	MISCELLANEOUS CAPITAL ADDITIONS	150,000	150,000			
1	72-01-1-02	MISCELLANEOUS CAPITAL ADDITIONS - GAS PROCESSING	8,000	8,000			
1	72-01-2-01	MISCELLANEOUS CAPITAL REPLACEMENTS/STRUCTURAL REPAIRS	418,000	418,000			
1	72-01-2-02	MISCELLANEOUS CAPITAL REPLACEMENTS - GAS PROCESSING	24,000	24,000			
1	72-01-2-03	MISC CAPITAL REPL - STRUCTURAL REPAIRS - GAS PROCESSING	34,000	34,000			
1	72-01-2-04	REPLACE CARPETS - ALL LOCATIONS	81,000	81,000			
1	72-01-2-05	REPLACE MODULAR FURNITURE	67,000	67,000			
1	72-01-2-06	REPLACE AND REPAIR 1800 BUILDING EXTERIOR CONCRETE	1,040,000	1,040,000			
1	13-01-2-01	CONDITIONAL FUNDING FOR CAPITAL NEEDS RELATED TO SAFETY	250,000	250,000			
1	65-01-2-01	VIDEO AND RECORDING DEVICE REPLACEMENT	327,000	327,000			
PRIORITY 2							
2	47-01-1-01	MISCELLANEOUS SERVER, NETWORK, & HARDWARE ADDITIONS	62,000	62,000			
2	47-01-1-02	MISCELLANEOUS SOFTWARE ADDITIONS	205,000	100,000	105,000		
2	47-01-1-03	SYSTEM & NETWORK MONITORING APPLIANCE ADDITIONS	185,000	185,000			
2	47-01-1-04	SAN STORAGE REPLACEMENTS	230,000	230,000			
2	47-01-1-05	AIMS CORROSION	400,000	400,000			
2	47-01-1-06	GIS IMPLEMENTATION	1,225,000	960,000	365,000		
2	47-01-2-01	SERVER AND NETWORK HARDWARE REPLACEMENT	484,000	484,000			
2	47-01-2-02	MISCELLANEOUS SOFTWARE REPLACEMENTS	50,000	30,000	20,000		
2	47-01-2-03	PRI to SIP CONVERSION REPLACEMENTS	310,000	310,000			
2	47-01-2-04	CUSTOMER INFORMATION SYSTEMS (CIS/BCCS) REPLACEMENTS	12,692,000	4,176,000	8,516,000		
2	13-01-2-02	CONDITIONAL FUNDING FOR CAPITAL NEEDS RELATED TO RELIABILITY OF SERVICE	250,000	250,000			
PRIORITY 4							
4	13-01-2-03	CONDITIONAL FUNDING FOR CAPITAL NEEDS RELATED TO COST-JUSTIFIED LOAD GROWTH	250,000	250,000			
PRIORITY 5							
5	10-01-1-01	DSM DATABASE	87,000	87,000			
5	10-01-1-02	PUC LUJRP	35,000	35,000			
TOTAL OTHER DEPARTMENTS:			18,644,000	9,638,000	8,008,000		

PHILADELPHIA GAS WORKS  
 FISCAL YEAR 2019 CAPITAL BUDGET  
 OTHER DEPARTMENTS ESTIMATE OF ENCUMBERANCE AND EXPENDITURE

<u>FISCAL YEAR</u>	<u>ADDITIONS</u>		<u>REPLACEMENTS</u>		<u>TOTAL</u>	
	<u>ENCUMBERED</u>	<u>EXPENDED</u>	<u>ENCUMBERED</u>	<u>EXPENDED</u>	<u>ENCUMBERED</u>	<u>EXPENDED</u>
CURRENT BUDGET	732,000	627,000	18,112,000	9,211,000	18,844,000	9,838,000
YEAR 1		105,000		8,901,000		9,006,000
YEAR 2						
YEAR 3						
YEAR 4 AND BEYOND						
<b>TOTAL</b>	<b>732,000</b>	<b>732,000</b>	<b>18,112,000</b>	<b>18,112,000</b>	<b>18,844,000</b>	<b>18,844,000</b>

# FIVE YEAR FORECAST

PHILADELPHIA GAS WORKS

FISCAL YEAR 2019 AND FORECAST 2020 THROUGH 2024

<u>DEPARTMENT</u>	2019 <u>CAPITAL BUDGET</u>	<u>FORECAST</u>				<u>TOTAL 6 YEARS</u>
		<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	
<u>GAS PROCESSING</u>						
ADDITIONS	598,000	91,000	93,000	95,000	97,000	3,073,000
REPLACEMENTS	<u>5,695,000</u>	<u>9,154,000</u>	<u>7,411,000</u>	<u>7,852,000</u>	<u>9,394,000</u>	<u>43,982,000</u>
TOTAL GAS PROCESSING	6,293,000	9,245,000	7,504,000	7,947,000	9,491,000	<u>47,055,000</u>
ACQUIRE ASSETS LEASE	6,293,000	9,245,000	7,504,000	7,947,000	9,491,000	47,055,000
<u>DISTRIBUTION</u>						
ADDITIONS	13,177,000	13,479,000	13,775,000	14,078,000	14,396,000	83,608,000
REPLACEMENTS	<u>80,826,000</u>	<u>81,882,000</u>	<u>82,956,000</u>	<u>84,056,000</u>	<u>85,181,000</u>	<u>501,229,000</u>
GROSS TOTAL DISTRIBUTION	94,003,000	95,361,000	96,731,000	98,134,000	99,577,000	<u>584,837,000</u>
LESS: SALVAGE						
LESS: CONTRIBUTIONS*						
LESS: REIMBURSEMENT**	<u>(1,882,767)</u>	<u>(1,920,000)</u>	<u>(1,958,000)</u>	<u>(1,997,000)</u>	<u>(2,037,000)</u>	<u>(11,872,767)</u>
NET TOTAL DISTRIBUTION	92,120,233	93,441,000	94,773,000	96,137,000	97,540,000	<u>572,964,233</u>
ACQUIRE ASSETS LEASE	92,120,233	93,441,000	94,773,000	96,137,000	97,540,000	572,964,233

PHILADELPHIA GAS WORKS

FISCAL YEAR 2019 AND FORECAST 2020 THROUGH 2024

<u>DEPARTMENT</u>	<u>2019 CAPITAL BUDGET</u>	<u>FORECAST</u>				<u>TOTAL 6 YEARS</u>
		<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	
<u>FIELD SERVICES</u>						
ADDITIONS	7,812,000	4,968,000	3,022,000	3,076,000	3,134,000	3,190,000
REPLACEMENTS	<u>5,554,000</u>	<u>5,677,000</u>	<u>5,904,000</u>	<u>5,931,000</u>	<u>6,062,000</u>	<u>6,195,000</u>
GROSS TOTAL FIELD SERVICES	13,366,000	10,645,000	8,826,000	9,007,000	9,196,000	9,385,000
LESS: SALVAGE						
LESS: CONTRIBUTIONS*						
NET TOTAL FIELD SERVICES	13,366,000	10,645,000	8,826,000	9,007,000	9,196,000	9,385,000
ACQUIRE ASSETS LEASE	13,366,000	10,645,000	8,826,000	9,007,000	9,196,000	9,385,000
<u>FLEET OPERATIONS</u>						
ADDITIONS						
REPLACEMENTS	<u>2,035,000</u>	<u>4,608,000</u>	<u>3,053,000</u>	<u>3,780,000</u>	<u>3,995,000</u>	<u>3,963,000</u>
GROSS TOTAL FLEET OPERATIONS	2,035,000	4,608,000	3,053,000	3,780,000	3,995,000	3,963,000
LESS: SALVAGE						
NET TOTAL FLEET OPERATIONS	2,035,000	4,608,000	3,053,000	3,780,000	3,995,000	3,963,000
ACQUIRE ASSETS LEASE	2,035,000	4,608,000	3,053,000	3,780,000	3,995,000	3,963,000

PHILADELPHIA GAS WORKS

FISCAL YEAR 2019 AND FORECAST 2020 THROUGH 2024

<u>DEPARTMENT</u>	2019 CAPITAL BUDGET	FORECAST				TOTAL 6 YEARS
		2020	2021	2022	2023	
<u>OTHER</u>						
ADDITIONS	732,000	623,000	634,000	645,000	684,000	4,013,050
REPLACEMENTS	<u>18,112,000</u>	<u>30,364,590</u>	<u>22,986,590</u>	<u>13,725,590</u>	<u>13,734,590</u>	<u>112,664,950</u>
TOTAL OTHER	18,844,000	30,987,590	23,620,590	14,370,590	14,418,590	<u>116,678,000</u>
ACQUIRE ASSETS LEASE	18,844,000	30,987,590	23,620,590	14,370,590	14,418,590	116,678,000
<u>TOTAL</u>						
ADDITIONS	22,319,000	19,161,000	17,524,000	17,894,000	18,311,000	115,896,050
REPLACEMENTS	<u>112,222,000</u>	<u>131,685,590</u>	<u>122,210,590</u>	<u>115,344,590</u>	<u>118,366,590</u>	<u>714,532,950</u>
GROSS TOTAL	134,541,000	150,846,590	139,734,590	133,238,590	136,677,590	<u>830,429,000</u>
LESS: SALVAGE						
LESS: REIMBURSEMENT**	(1,882,767)	(1,920,000)	(1,958,000)	(1,997,000)	(2,037,000)	<u>(11,872,767)</u>
LESS: CONTRIBUTIONS*						
NET TOTAL	<u>132,658,233</u>	<u>148,926,590</u>	<u>137,776,590</u>	<u>131,241,590</u>	<u>133,640,590</u>	<u>818,556,233</u>
ACQUIRE ASSETS LEASE	132,658,233	148,926,590	137,776,590	131,241,590	133,640,590	<u>818,556,233</u>

\* CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

\*\* REIMBURSEMENT TO PGW FOR RELOCATING STRUCTURES & EQUIPMENT AND/OR LOAD GROWTH

PHILADELPHIA GAS WORKS  
PROPOSED 2020 - 2024 FORECAST  
(COMPARISON)

<u>DEPARTMENT</u>	<u>2019- 2023 FORECAST</u>	<u>2020 - 2024 FORECAST</u>	<u>AMOUNT DIFFERENCE</u>	<u>PERCENT DIFFERENCE</u>
<u>GAS PROCESSING</u>				
ADDITIONS	3,028,000	2,475,000	(553,000)	-18.3%
REPLACEMENTS	24,889,000	38,287,000	13,398,000	53.8%
TOTAL GAS PROCESSING	27,917,000	40,762,000	12,845,000	46.0%
<u>DISTRIBUTION</u>				
ADDITIONS	61,231,000	70,431,000	9,200,000	15.0%
REPLACEMENTS	416,007,000	<u>420,403,000</u>	4,396,000	1.1%
GROSS TOTAL DISTRIBUTION	477,238,000	490,834,000	13,596,000	2.8%
LESS: SALVAGE				
LESS: CONTRIBUTIONS*				
LESS: REIMBURSEMENT**	<u>(9,999,000)</u>	(9,990,000)	9,000	-0.1%
NET TOTAL DISTRIBUTION	477,238,000	480,844,000	3,606,000	0.8%
<u>FIELD SERVICES</u>				
ADDITIONS	11,138,000	17,390,000	6,252,000	56.1%
REPLACEMENTS	28,332,000	<u>29,669,000</u>	1,337,000	4.7%
GROSS TOTAL FIELD SERVICES	39,470,000	47,059,000	7,589,000	19.2%
LESS: SALVAGE				
LESS: CONTRIBUTIONS*				
NET TOTAL FIELD SERVICES	39,470,000	47,059,000	7,589,000	19.2%



PHILADELPHIA GAS WORKS  
PROPOSED 2020 - 2024 FORECAST  
(COMPARISON)

<u>DEPARTMENT</u>	<u>2019- 2023 FORECAST</u>	<u>2020 - 2024 FORECAST</u>	<u>AMOUNT DIFFERENCE</u>	<u>PERCENT DIFFERENCE</u>
<u>FLEET OPERATIONS</u>				
ADDITIONS				
REPLACEMENTS	16,530,000	19,399,000	2,869,000	17.4%
GROSS TOTAL FLEET OPERATIONS	16,530,000	19,399,000	2,869,000	17.4%
LESS: SALVAGE				
NET TOTAL FLEET OPERATIONS	16,530,000	19,399,000	2,869,000	17.4%
 <u>OTHER</u>				
ADDITIONS	5,314,000	3,281,050	(2,032,950)	-38.3%
REPLACEMENTS	68,098,000	94,552,950	26,454,950	38.8%
TOTAL OTHER	73,412,000	97,834,000	24,422,000	33.3%
 <u>TOTAL</u>				
ADDITIONS	80,711,000	93,577,050	12,866,050	15.9%
REPLACEMENTS	<u>553,856,000</u>	<u>602,310,950</u>	48,454,950	8.7%
GROSS TOTAL	634,567,000	695,888,000	61,321,000	9.7%
LESS: SALVAGE				
LESS: REIMBURSEMENT**	(9,999,000)	(9,990,000)	9,000	-0.1%
LESS: CONTRIBUTIONS*				
NET TOTAL	<u>634,567,000</u>	<u>685,898,000</u>	<u>51,331,000</u>	8.1%

\* CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

\*\* REIMBURSEMENT TO PGW FOR RELOCATING STRUCTURES & EQUIPMENT AND/OR LOAD GROWTH



GAS PROCESSING DEPARTMENT

FORECAST - FISCAL YEARS 2020 THROUGH 2024

		2018 COMPLIANCE BUDGET	2019 BUDGET	2020	2021	2022	2023	2024	TOTAL FORECAST
2	53-02-2-22	ISOLATE PIPING IN #77 HOUSE BASEMENT - RICHMOND			288,000				288,000
	53-02-X-XX	NON-RECURRING ITEMS	5,158,000						
		TOTAL GP-2	5,158,000	3,538,000	5,288,000	2,521,000	1,255,000	6,129,000	24,031,000
		<u>GP-3 BUILDING AND GROUNDS</u>							
2	53-03-2-01	RELOCATE TRAINING FACILITY - RICHMOND				5,000,000			5,000,000
2	53-03-2-02	INSTALL CANOPY OVER TRANSFORMERS AT MAIN SWITCHGEAR BUILDING - RICHMOND		98,000					
2	53-03-2-03	REPLACE SHOP BOILERS IN FRONT OFFICE - RICHMOND PLANT		227,000					
2	53-03-2-04	CONSOLIDATE ALL MAINTENANCE SHOPS AND CONSTRUCT NEW SHOP AREA - PASSYUNK					6,000,000		6,000,000
2	53-03-2-05	REMODEL SECURITY FRONT OFFICE AND CCTV BUILDING- RICHMOND PLANT		484,000					
		TOTAL GP-3		819,000		5,000,000	6,000,000		11,000,000
1	53-04-1-01	MISCELLANEOUS CAPITAL ADDITIONS	109,000	89,000	93,000	95,000	97,000	99,000	475,000
1	53-04-2-01	MISCELLANEOUS CAPITAL REPLACEMENTS	354,000	309,000	323,000	331,000	339,000	347,000	1,656,000
		TOTAL GP-4	463,000	398,000	416,000	426,000	436,000	446,000	2,131,000
		2017 REALTHORIZATION							
1	53-02-2-08	REPLACE P-108 PUMP - RICHMOND		544,000					
		TOTAL GAS PROCESSING DEPARTMENT	5,908,000	6,293,000	7,504,000	7,947,000	9,491,000	6,575,000	40,782,000
		ACQUIRE ASSETS LEASE	5,908,000	6,293,000	7,504,000	7,947,000	9,491,000	6,575,000	40,782,000



DISTRIBUTION DEPARTMENT

FORECAST - FISCAL YEARS 2020 THROUGH 2024

	2018 COMPLIANCE BUDGET	2018 BUDGET	2020	2021	2022	2023	2024	TOTAL FORECAST
D-22 12 INCH AND LARGER I. P. AND L.P. MAIN								
4 52-22-1-01 TO SUPPLY NEW CUSTOMERS AND TO PROVIDE FOR INSTALLATION OF MAINS AHEAD-OF-PAVING	115,000	129,000	132,000	135,000	138,000	141,000	144,000	890,000
3 52-22-2-01 MAIN FOR MAJOR ENFORCED RELOCATION	560,000	487,000	498,000	509,000	520,000	532,000	543,000	2,802,000
52-2X-X-XX NON-RECURRING ITEMS	300,000							
GROSS TOTAL D-22	<u>975,000</u>	<u>616,000</u>	<u>630,000</u>	<u>644,000</u>	<u>658,000</u>	<u>673,000</u>	<u>687,000</u>	<u>3,292,000</u>
52-22-2-87 LESS: REIMBURSEMENT** LESS: CONTRIBUTIONS*	<u>(255,000)</u>							
NET TOTAL D-22	<u>720,000</u>	<u>616,000</u>	<u>630,000</u>	<u>644,000</u>	<u>658,000</u>	<u>673,000</u>	<u>687,000</u>	<u>3,292,000</u>
D-23 CUSTOMER METERING & REGULATOR INSTALLATION, AND PRESSURE REGULATION & CORROSION CONTROL FACILITIES								
4 52-23-1-01 CUSTOMER METERING AND REGULATOR INSTALLATION	595,000	479,000	498,000	509,000	520,000	532,000	543,000	2,802,000
1 52-23-2-01 REPLACEMENT/REHABILITATION OF HIGH PRESSURE MAIN VALVES	542,000	531,000	543,000	555,000	567,000	580,000	593,000	2,838,000
2 52-23-3-02 REPLACEMENT OF VARIOUS PRESSURE REGULATING AND CORROSION CONTROL FACILITIES	432,000	474,000	485,000	496,000	506,000	518,000	529,000	2,524,000
GROSS TOTAL D-23	<u>1,569,000</u>	<u>1,484,000</u>	<u>1,526,000</u>	<u>1,560,000</u>	<u>1,593,000</u>	<u>1,630,000</u>	<u>1,665,000</u>	<u>7,974,000</u>
TOTAL D-23	<u>1,569,000</u>	<u>1,484,000</u>	<u>1,526,000</u>	<u>1,560,000</u>	<u>1,593,000</u>	<u>1,630,000</u>	<u>1,665,000</u>	<u>7,974,000</u>

DISTRIBUTION DEPARTMENT  
FORECAST-FISCAL YEARS 2020 THROUGH 2024

	2018 COMPLIANCE BUDGET	2019 BUDGET	2020	2021	2022	2023	2024	TOTAL FORECAST
<b>D-24 SERVICES</b>								
4 52-24-1-01	4,655,000	8,365,000	6,506,000	6,649,000	6,795,000	6,944,000	7,097,000	33,991,000
INSTALLATION OF NEW 1-1/4" AND SMALLER SERVICES, HIGH, INTERMEDIATE AND LOW PRESSURE								
4 52-24-1-02	2,248,000	2,290,000	2,341,000	2,392,000	2,445,000	2,496,000	2,554,000	12,230,000
INSTALLATION OF NEW 2 INCH AND LARGER SERVICES, HIGH, INTERMEDIATE AND LOW PRESSURE								
1 52-24-2-01	18,727,000	18,092,000	18,481,000	18,698,000	19,313,000	19,730,000	20,172,000	96,610,000
RENEWAL OF 1-1/4" AND SMALLER SERVICES FOR PRUDENT REASONS, AS A RESULT OF LEAK SURVEYS, CUSTOMER COMPLAINTS OR CITY AND STATE WORK								
1 52-24-2-02	1,233,000	1,043,000	1,066,000	1,090,000	1,114,000	1,138,000	1,163,000	5,571,000
RENEWAL OF 2" AND LARGER SERVICES								
<b>GROSS TOTAL D-24</b>								
	26,863,000	27,790,000	28,404,000	29,027,000	29,667,000	30,318,000	30,996,000	149,402,000
52-24-2-07								
LESS: REIMBURSEMENT**								
LESS: CONTRIBUTIONS*								
<b>TOTAL D-24</b>								
	26,863,000	27,790,000	28,404,000	29,027,000	29,667,000	30,318,000	30,996,000	149,402,000
<b>D-28 OTHER DISTRIBUTION FACILITIES</b>								
2 52-28-1-01	161,000	150,000	154,000	157,000	161,000	164,000	168,000	804,000
ADDITIONAL TOOLS AND WORK EQUIPMENT								
2 52-28-2-01	1,191,000	1,367,000	1,398,000	1,428,000	1,460,000	1,492,000	1,525,000	7,303,000
REPLACEMENT OF OBSOLETE TOOLS, RADIOS, AND WORK EQUIPMENT								
52-28-2-01								
<b>TOTAL D-28</b>								
	1,352,000	1,517,000	1,552,000	1,585,000	1,621,000	1,656,000	1,693,000	8,107,000
1 52-08-2-99								
<b>D-99 REMOVAL AND ABANDONMENTS</b>								
	92,214,000	94,003,000	95,361,000	96,731,000	98,134,000	99,577,000	101,031,000	490,634,000
GROSS TOTAL DISTRIBUTION DEPARTMENT								
LESS: SALVAGE								
LESS: CONTRIBUTIONS*								
LESS: REIMBURSEMENT**								
<b>NET TOTAL DISTRIBUTION DEPARTMENT</b>								
	90,333,000	92,120,233	93,441,000	94,773,000	96,137,000	97,540,000	98,953,000	480,644,000
ACQUIRE ASSETS								
	90,333,000	92,120,233	93,441,000	94,773,000	96,137,000	97,540,000	98,953,000	480,644,000
LEASE								

\* CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

\*\* REIMBURSEMENT TO PGW FOR RELOCATING STRUCTURES & EQUIPMENT AND/OR LOAD GROWTH

FIELD SERVICES DEPARTMENT

FORECAST - FISCAL YEARS 2020 THROUGH 2024

	<u>2018 COMPLIANCE BUDGET</u>	<u>2019 BUDGET</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>TOTAL FORECAST</u>
<u>C-30 METERS</u>								
4 50-30-1-01 ADDITIONS AND INSTALLATIONS	1,728,000	2,008,000	2,053,000	2,088,000	2,144,000	2,191,000	2,239,000	10,725,000
1 50-30-2-01 REPLACEMENTS	2,876,000	2,706,000	2,766,000	2,827,000	2,889,000	2,953,000	3,018,000	14,453,000
TOTAL C-30	4,404,000	4,714,000	4,819,000	4,925,000	5,033,000	5,144,000	5,257,000	25,178,000
<u>C-32 SERVICES REGULATORS</u>								
4 50-32-1-01 ADDITIONS AND INSTALLATIONS	58,000	68,000	70,000	72,000	73,000	75,000	76,000	368,000
1 50-32-2-01 REPLACEMENTS	37,000	42,000	43,000	44,000	45,000	46,000	47,000	225,000
TOTAL C-32	95,000	110,000	113,000	116,000	118,000	121,000	123,000	591,000
<u>C-33 TELEMETERING</u>								
1 50-33-1-01 ADDITIONS AND INSTALLATIONS	84,000	146,000	150,000	153,000	156,000	160,000	163,000	782,000
1 50-33-2-01 REPLACEMENTS	159,000	126,000	128,000	132,000	135,000	138,000	141,000	674,000
TOTAL C-33	243,000	272,000	278,000	285,000	291,000	298,000	304,000	1,456,000

FIELD SERVICES DEPARTMENT

FORECAST - FISCAL YEARS 2020 THROUGH 2024

	<u>2018 COMPLIANCE BUDGET</u>	<u>2019 BUDGET</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>TOTAL FORECAST</u>
<u>C-34 METER SHOP EQUIPMENT</u>								
<u>2 50-34-1-01 ADDITIONS AND INSTALLATIONS</u>								
		5,400,000	2,500,000	500,000	500,000	500,000	500,000	4,500,000
<u>1 50-34-2-01 REPLACEMENTS</u>	<u>39,000</u>	<u>23,000</u>	<u>24,000</u>	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>26,000</u>	<u>126,000</u>
<b>TOTAL C-34</b>	<b>39,000</b>	<b>5,423,000</b>	<b>2,524,000</b>	<b>525,000</b>	<b>525,000</b>	<b>525,000</b>	<b>526,000</b>	<b>4,626,000</b>
<u>C-36 AUTOMATIC METER READING</u>								
<u>5 50-36-1-01 ADDITIONS</u>	170,000	190,000	195,000	199,000	203,000	208,000	212,000	1,017,000
<u>5 50-36-2-01 REPLACEMENTS</u>	<u>2,377,000</u>	<u>2,657,000</u>	<u>2,716,000</u>	<u>2,776,000</u>	<u>2,837,000</u>	<u>2,899,000</u>	<u>2,963,000</u>	<u>14,191,000</u>
<b>TOTAL C-36</b>	<b>2,547,000</b>	<b>2,847,000</b>	<b>2,911,000</b>	<b>2,975,000</b>	<b>3,040,000</b>	<b>3,107,000</b>	<b>3,175,000</b>	<b>15,208,000</b>
<u>1 50-99-2-99 C-99 COST OF REMOVAL</u>								
<b>GROSS TOTAL FIELD SERVICES DEPARTMENT</b>	7,328,000	13,366,000	10,645,000	8,826,000	9,007,000	9,196,000	9,385,000	47,059,000
50-98-2-98 LESS: SALVAGE								0
50-94-1-94 LESS: CONTRIBUTIONS								0
<b>NET TOTAL FIELD SERVICES DEPARTMENT</b>	<b>7,328,000</b>	<b>13,366,000</b>	<b>10,645,000</b>	<b>8,826,000</b>	<b>9,007,000</b>	<b>9,196,000</b>	<b>9,385,000</b>	<b>47,059,000</b>
<b>ACQUIRE ASSETS</b>	7,328,000	13,366,000	10,645,000	8,826,000	9,007,000	9,196,000	9,385,000	47,059,000
<b>LEASE</b>								



**FLEET OPERATIONS DEPARTMENT  
FORECAST - FISCAL YEARS 2020 THROUGH 2024**

	2018 COMPLIANCE BUDGET	2019 BUDGET	2020	2021	2022	2023	2024	TOTAL FORECAST
2 73-01-1-03 VEHICLE ADDITIONS	538,000							
2 73-01-2-01 SHOP EQUIPMENT REPLACEMENTS		12,000						
1 73-01-2-02 MOBILE EQUIPMENT REPLACEMENTS	561,000	415,000	900,000	267,000	1,103,000	739,000	1,530,000	4,539,000
2 73-01-2-03 VEHICLE REPLACEMENTS	1,415,000	1,608,000	3,708,000	2,786,000	2,677,000	3,256,000	2,433,000	14,860,000
73-01-X-XX NON-RECURRING ITEMS	2,025,000							
LESS: SALVAGE								
73-98-2-98 NET TOTAL FLEET OPERATIONS DEPARTMENT	<u>4,539,000</u>	<u>2,035,000</u>	<u>4,608,000</u>	<u>3,053,000</u>	<u>3,780,000</u>	<u>3,985,000</u>	<u>3,963,000</u>	<u>19,399,000</u>
ACQUIRE ASSETS	4,539,000	2,035,000	4,608,000	3,053,000	3,780,000	3,995,000	3,963,000	19,399,000
LEASE								

OTHER DEPARTMENTS

FORECAST - FISCAL YEARS 2020 THROUGH 2024

	2018 COMPLIANCE BUDGET	2018 BUDGET	2020	2021	2022	2023	2024	TOTAL FORECAST
<b>FACILITIES</b>								
1 72-01-1-01 MISCELLANEOUS CAPITAL ADDITIONS	150,000	150,000	150,000	150,000	150,000	150,000	150,000	750,000
1 72-01-1-02 MISCELLANEOUS CAPITAL ADDITIONS - GAS PROCESSING	11,000	8,000	12,000	13,000	14,000	15,000	15,000	69,000
1 72-01-2-01 MISCELLANEOUS CAPITAL REPLACEMENTS-STRUCTURAL REPAIRS	418,000	416,000	397,000	404,000	411,000	411,000	411,000	2,034,000
1 72-01-2-02 MISCELLANEOUS CAPITAL REPLACEMENTS - GAS PROCESSING	38,000	24,000	48,000	49,000	50,000	51,000	51,000	249,000
1 72-01-2-03 MISC CAPITAL REPL - STRUCTURAL REPAIRS - GAS PROCESSING	50,000	34,000	60,000	61,000	62,000	63,000	63,000	309,000
1 72-01-2-04 REPLACE CARPETS - ALL LOCATIONS	61,000	61,000	61,000	75,000	75,000	75,000	75,000	361,000
1 72-01-2-05 REPLACE MODULAR FURNITURE	67,000	67,000	67,000	75,000	75,000	75,000	75,000	367,000
1 72-01-2-06 REPLACE AND REPAIR 1600 BUILDING EXTERIOR CONCRETE	904,000	1,040,000						
1 72-01-2-08 800 BUILDING			450,575	450,575	450,575	450,575	450,575	2,252,875
2 72-01-2-09 1600 BUILDING			8,100,430	8,100,430	8,100,430	8,100,430	8,100,430	40,502,150
1 72-01-2-10 1849 BUILDING AND PARKING GARAGE			2,157,067	2,157,067	2,157,067	2,157,067	2,157,067	10,785,335
1 72-01-2-11 METER SHOP			641,428	641,429	641,428	641,428	641,428	3,207,145
2 72-01-2-12 BELFIELD STATION			116,043	116,043	116,043	116,043	116,043	580,215
1 72-01-2-13 CASTOR STATION			179,188	179,188	179,188	179,188	179,188	895,940
2 72-01-2-14 PORTER STATION			126,588	126,588	126,588	126,588	126,588	632,940
2 72-01-2-15 TOGA STATION			180,270	180,270	180,270	180,270	180,270	901,350
72-01-XX-XX NON-RECURRING ITEMS	356,000							
<b>TOTAL FACILITIES</b>	<b>2,055,000</b>	<b>1,802,000</b>	<b>12,746,590</b>	<b>12,778,590</b>	<b>12,780,590</b>	<b>12,791,590</b>	<b>12,791,590</b>	<b>65,886,950</b>

OTHER DEPARTMENTS

FORECAST - FISCAL YEARS 2020 THROUGH 2024

		2018 COMPLIANCE BUDGET	2019 BUDGET	2020	2021	2022	2023	2024	TOTAL FORECAST
<u>INFORMATION SERVICES</u>									
2	47-01-1-01	MISCELLANEOUS SERVER, NETWORK, & HARDWARE ADDITIONS	58,000	62,000	63,000	64,000	65,000	67,000	325,000
2	47-01-1-02	MISCELLANEOUS SOFTWARE ADDITIONS	275,000	205,000	209,000	214,000	219,000	229,050	1,095,050
2	47-01-1-03	SYSTEM & NETWORK MONITORING APPLIANCE ADDITIONS	241,000	185,000	189,000	183,000	197,000	234,000	1,042,000
1	47-01-1-04	ENVIRONMENTAL MANAGEMENT SYSTEM	200,000	230,000	235,000	240,000	245,000	255,000	1,225,000
2	47-01-1-05	AIMS CORROSION		400,000					
2	47-01-1-06	GIS IMPLEMENTATION		1,225,000					
2	47-01-2-01	SERVER AND NETWORK HARDWARE REPLACEMENT	230,000	484,000	51,000	52,000	54,000	55,000	265,000
2	47-01-2-02	MISCELLANEOUS SOFTWARE REPLACEMENTS	50,000	50,000	51,000	52,000	54,000	55,000	265,000
2	47-01-2-03	PRI to SIP CONVERSION REPLACEMENTS	87,000	310,000					
2	47-01-2-04	CUSTOMER INFORMATION SYSTEMS (CIS/BCCS) REPLACEMENTS	12,692,000		10,693,000	9,277,000			19,970,000
2	47-01-2-05	UPGRADE ORACLE FIS		2,000,000					2,000,000
72	47-01-XX-X3	NON-RECURRING ITEMS	474,000						
<u>2017 REAUTHORIZATION</u>									
5	10-01-1-01	DSM DATABASE		87,000					
5	10-01-1-02	PUC LIURP		35,000					
<u>2018 REAUTHORIZATION</u>									
<u>TOTAL INFORMATION SERVICES</u>			<u>1,615,000</u>	<u>15,985,000</u>	<u>13,491,000</u>	<u>10,092,000</u>	<u>932,000</u>	<u>895,050</u>	<u>26,187,050</u>
<u>CHIEF OPERATING OFFICER</u>									
1	13-01-2-01	CONDITIONAL FUNDING FOR CAPITAL NEEDS RELATED TO SAFETY	250,000	250,000	250,000	250,000	250,000	250,000	1,250,000
2	13-01-2-02	CONDITIONAL FUNDING FOR CAPITAL NEEDS RELATED TO RELIABILITY OF SERVICE	250,000	250,000	250,000	250,000	250,000	250,000	1,250,000
4	13-01-2-03	CONDITIONAL FUNDING FOR CAPITAL NEEDS RELATED TO COST-JUSTIFIED LOAD GROWTH	250,000	250,000	250,000	250,000	250,000	250,000	1,250,000
<u>TOTAL CHIEF OPERATING OFFICER</u>			<u>750,000</u>	<u>750,000</u>	<u>750,000</u>	<u>750,000</u>	<u>750,000</u>	<u>750,000</u>	<u>3,750,000</u>



**FISCAL 2019 FINANCING PLAN**

**PHILADELPHIA GAS WORKS**  
**CAPITAL FINANCING PLAN**

As a result of the FY 2011 Operating Budget proceedings, a motion was approved that directed PGW to begin with its FY 2012 Capital Budget filing to include with each proposed Capital Budget and Capital Budget Amendment a proposed Capital Funding plan pursuant to Section IV.2.b of the Management Agreement.

In this section of the Management Agreement, funds required to be supplied must be identified between:

- i. Funds generated within the business through charges to customer or otherwise; and
- ii. Funds to be obtained through capital loans.

**Capital Spending in FY 2019**

• Spending from FY 2019 Program	\$ 98,545,000
• Spending Carryover from FY 2018	\$ 27,521,000
• Total FY 2019 Spending	\$ 126,066,000
• Projected Reimbursement	\$ 1,882,767
• Salvage	\$ 294,607
• Construction Contributions	\$ 1,003,393
• <b>Net FY 2019 Capital Spending</b>	<b>\$ 122,885,233</b>

**Capital Funding Sources:**

• Capital Debt	\$ 61,442,617
• DSIC	\$ 33,000,000
• Internally Generated Funds	\$ 28,442,616
• <b>FY 2019 Capital Funding</b>	<b>\$ 122,885,233</b>

The funding plan is based upon current financial projections and is subject to changes based upon PGW's financial conditions at the time funds are required to support the FY 2019 Capital Program.