



PGW has asked to raise rates for its customers, is that true?

Yes. PGW has asked for permission from our regulators to increase rates for natural gas service. PGW has requested an overall rate increase of \$70 million per year. In November of 2017 The Pennsylvania Public Utility Commission (PUC) approved a \$42 million PGW rate increase or 6.8%.

How much will my PGW bill go up?

The PUC will decide how much PGW is able to raise its base rates.

If the PUC decides to allow PGW to increase rates by the amount we have asked for, then the average residential customer using 75 thousand cubic feet (Mcf) per year will see their bill increase from \$99.52 per month to \$110.68 per month or by 11.2%.

CRP customers will not be affected.

Why are these rates going up?

Despite saving millions, and cutting our spending and adding millions in new revenue, the basic costs of doing business continue to rise.

Utilities, like PGW, have three ways to keep the system safe, reliable and efficient:

- Uncover new sources of revenue;
- Cut costs and increase efficiencies; and
- Raise rates.

Most of PGW's residential revenue comes from home heating. Improved building and weatherization techniques, more efficient appliances and warmer weather patterns mean less revenue. This rate request will improve PGW's ability to sustain the company's financial well-being, continue to enhance customer service and meet the energy demands of customers while maintaining a safe, reliable natural gas delivery system.

What is PGW going to do with the increased rates?

PGW is owned by the City, it does not make a profit.

The requested cost will help support PGW's ongoing infrastructure improvement plan essential to maintaining a safe, reliable and environmentally responsible natural gas system. PGW has continued to make tremendous strides in reducing the amount of cast iron main in its system and replacing it with modern materials such as protected, coated steel and plastic. In the past seven (7) fiscal years, PGW has successfully removed 210.41 miles from its inventory. Each new, zero-emissions mile installed significantly improves the City's overall carbon footprint and the safety of the entire delivery system.

PGW is also planning to expand access to assistance programs to more customers and offer even more flexibility, as well as the insights customer's need to monitor their own consumption. This approach helps keep natural gas affordable for all.

When will the PUC make its decision about approval?

The PUC is expected to decide whether to approve the request within the next 9 months. This time period could be shorter if the parties reach a settlement, which the PUC encourages. PGW is requesting that the new gas rates take effect on April 28, 2020. For more information, on PGW's base rate filing, please visit www.puc.state.pa.us.

