

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



Issued by: Thomas Knudsen  
President and CEO

PHILADELPHIA GAS WORKS  
800 West Montgomery Avenue  
Philadelphia, PA 19122

List of Changes Made by this Tariff Supplement

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

In the definition of "GAC," the "GAC" value effective March 1, 2011 decreases from \$0.00773 per Ccf to \$(0.00084) per Ccf; In the definition of "IRC," the "IRC" value effective March 1, 2011 increases from \$0.01286 to \$0.01294 per Ccf; In the definition of "SSC," the "SSC" value effective March 1, 2011 increases from \$0.63266 per Ccf to \$0.66778 per Ccf.

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

The Gas Cost Rate (GCR) effective March 1, 2011 increases from \$0.62753 per Ccf to \$0.65400 per Ccf.

UNIVERSAL SERVICE CHARGE (PAGE No. 81)

The Universal Services Charge effective March 1, 2011 increases from \$0.19728 per Ccf to \$0.26468 per Ccf.

GENERAL SERVICE – RATE GS (Page No. 83)

The GCR for Residential, Commercial, and Industrial Services increases from \$0.62753 per Ccf to \$0.65400 per Ccf, effective March 1, 2011.

MUNICIPAL SERVICE – RATE MS (Page No. 87)

The GCR for Municipal Service increases from \$0.62753 per Ccf to \$0.65400 per Ccf, effective March 1, 2011.

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

The GCR for Philadelphia Housing Authority Service increases from from \$0.62753 per Ccf to \$0.65400 per Ccf, effective March 1, 2011.

DEVELOPMENTAL NATURAL GAS VEHICLE SVC - RATE NGVS FIRM SERVICE (Page Nos. 135-136)

The GCR for NGVS Firm increases from \$0.62753 per Ccf to \$0.65400 per Ccf, effective March 1, 2011.

**TABLE OF CONTENTS**

	<u>Page Number</u>
List of Changes Made By This Tariff _____	Forty Fifth Revised 2
Description of Territory Served _____	5
Table of Contents _____	Forty Fifth Revised 6
Definitions _____	10
<b><u>RULES and REGULATIONS:</u></b>	
1. The Gas Service Tariff _____	First Revised 15
2. Application and Contract for Gas Service _____	Fourth Revised 17
3. Credit and Deposit _____	First Revised 21
4. Billing and Payment _____	First Revised 26
5. Termination and/or Discontinuance of Gas Service _____	First Revised 30
6. Termination of Service for Safety Reasons and Curtailment of Service/ Service Continuity _____	First Revised 38
7. Inquiry, Review, Dispute, and Appeals Process _____	First Revised 41
8. Customer's Responsibility for Company's Property _____	First Revised 44
9. Conditions of Service, Point of Delivery, and Application of Rates _____	Third Revised 47
10. Extensions And Rights-Of-Way _____	First Revised 50
11. Meters: Measurements, Readings, Errors, and Tests _____	First Revised 53
12. Service Charges and Miscellaneous Fees and Provisions _____	First Revised 57
13. Universal Service And Energy Conservation Programs _____	Second Revised 59
14. Gas Choice Enrollment and Switching _____	63
15. Supplier of Last Resort _____	First Revised 65

**PHILADELPHIA GAS WORKS**

	<b>Page Number</b>
<b>RATES (Cover Page) _____</b>	<b>66</b>
<b>Gas Cost Rate _____</b>	<b>Thirty Seventh Revised 67</b>
<b>Revenue Reconciliation Adjustment (RRA) Rider _____</b>	<b>70</b>
<b>Senior Citizen Discount _____</b>	<b>72</b>
<b>Migration/Reverse Migration Rider _____</b>	<b>75</b>
<b>Exit Fee Rider _____</b>	<b>77</b>
<b>Restructuring and Consumer Education Surcharge _____</b>	<b>Fourteenth Revised 79</b>
<b>Efficiency Cost Recovery Mechanism _____</b>	<b>Fifth Revised 80</b>
<b>Universal Services Surcharge _____</b>	<b>Thirty Eighth Revised 81</b>
<b>Other Post Employment Benefit Surcharge _____</b>	<b>Second Revised Page 82</b>
<b>General Service - Rate GS _____</b>	<b>Forty First Revised 83</b>
<b>Municipal Service - Rate MS _____</b>	<b>Forty First Revised 87</b>
<b>Philadelphia Housing Authority Service –Rate PHA _____</b>	<b>Forty First Revised 90</b>
<b>Boiler and Power Plant Service – Rate BPS _____</b>	<b>Second Revised 93</b>
<b>Load Balancing Service – RATE LBS _____</b>	<b>Second Revised 97</b>
<b>Daily Balancing Service – Rate DB _____</b>	<b>101</b>
<b>Interruptible Transportation Service – Rate IT _____</b>	<b>111</b>
<b>Gas Transportation Service - Rate GTS - Firm Service _____</b>	<b>118</b>
<b>Gas Transportation Service - Rate GTS - Interruptible _____</b>	<b>124</b>
<b>Cogeneration Service - Rate CG _____</b>	<b>Second Revised 131</b>
<b>Developmental Natural Gas Vehicle Service - Rate NGVS Firm Service _____</b>	<b>Fourteenth Revised 135</b>
<b>Developmental Natural Gas Vehicle Service - Rate NGVS Interruptible Service _____</b>	<b>139</b>
<b>SPECIAL PROVISION – Air Conditioning Rider _____</b>	<b>143</b>
<b>SPECIAL PROVISION – Compressed Natural Gas Rider _____</b>	<b>145</b>
<b>SPECIAL PROVISION – Emergency/Unauthorized Use Gas Rider _____</b>	<b>147</b>
<b>WEATHER NORMALIZATION ADJUSTMENT CLAUSE _____</b>	<b>Third Revised 149</b>

**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.

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 - 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 \$(0.02049) per Ccf for Commodity Costs and \$0.01965 per Ccf for Demand Costs, for service on or after March 1, 2011. The total Gac is \$(0.00084) per Ccf. (D)

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.

**(D) – Decrease**

PHILADELPHIA GAS WORKS

IRC - Interruptible Revenue Credit - The credit defined in Subsection VI below. The currently effective IRC is \$0.01294 per Ccf for service on or after March 1, 2011.

(I)

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 \$0.54252 per Ccf for Commodity Costs and \$0.12526 per Ccf for Demand Costs, for service on or after March 1, 2011. The total SSC is \$0.66778 per Ccf.

(I)

(I) – Increase

**PHILADELPHIA GAS WORKS**

---

**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 \$0.65400 per Ccf, for service on or after March 1, 2011. **(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**

## 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 = \$ 0.26468/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 March 1, 2011

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

Plus,

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

\$ 0.65400 per Ccf for Residential and Public Housing (I)  
\$ 0.65400 per Ccf for Commercial Customers (I)  
\$ 0.65400 per Ccf for Industrial Customers (I)

Plus,

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

(A) Delivery Charge:

\$0.63863 per Ccf for Residential  
\$0.49820 per Ccf for Public Housing  
\$0.46530 per Ccf for Commercial and Municipal Customers  
\$0.45859 per Ccf for Industrial Customers

(B) Surcharges:

Universal Service and Energy Conservation Surcharge; Restructuring and Consumer Education Surcharge; Efficiency Cost Recovery Surcharge; and Other Post Employment Benefit Surcharge.

(I) – Increase

**MUNICIPAL SERVICE - RATE MS**

Rate: Applicable to all Retail Sales Service or Transportation Service rendered pursuant to this Rate Schedule on or after March 1, 2011.

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

Plus,

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

\$0.65400 per Ccf

(I)

Plus,

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

(A) Delivery Charge:

\$0.34040 per Ccf

(B) Surcharges:

Universal Service and Energy Conservation Surcharge; and The Restructuring and Consumer Education Surcharge; the Efficiency Cost Recovery Surcharge; and Other Post Employment Benefit Surcharge.

Also,

The following Riders may apply:

(I) – Increase

**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 March 1, 2011

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

Plus,

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

\$ 0.65400 per Ccf

(I)

Plus

DISTRIBUTION CHARGE:

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

(A) Delivery Charge:

\$0.41480 per Ccf

(B) Surcharges:

Universal Service and Energy Conversation Surcharge; The Restructuring and Consumer Education Surcharge; the Efficiency Cost Recovery Surcharge; and Other Post Employment Benefit Surcharge.

(I) – Increase

**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  
March 1, 2011

**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

Plus,

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

\$ 0.65400 per Ccf

(I)

Plus

**DISTRIBUTION CHARGE:**

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

(A) Delivery Charge:

\$0.13212 per Ccf

(B) Surcharges:

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

**(I) – Increase**