



NEWS RELEASE

FROM THE
OFFICE OF MARKETING & CORPORATE COMMUNICATIONS
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For Immediate Release

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PHILADELPHIA GAS WORKS SEEKS NON-BINDING PROPOSALS FOR LNG SALES

PGW operates one of the largest LNG facilities in the country and is assessing the potential for expansion.

(Philadelphia, Pa. – Jan. 12, 2015) – Philadelphia Gas Works (PGW) today announced that it is accepting non-binding proposals for the purchase of Liquefied Natural Gas (LNG). This 'Open Season' for proposals extends until January 23, 2015 and will assist the company in assessing the market potential of its natural gas liquefaction capabilities. In fiscal year 2014, PGW sold more than 1 Billion cubic feet (Bcf) of LNG to customers for a variety of uses, including as alternative fuel for high-horsepower engines. The company now seeks to measure the potential size of the market, to better gauge market interest in purchasing LNG from its on-site facility, and to gain insight into the value of liquefaction capacity expansion.

Information on PGW's LNG project and a proposal sheet for prospective customers, are available at pgworks.com or by contacting PGW.LNG@pgworks.com.

LNG is natural gas that is converted to liquid form and is about 1/600th the volume of regular natural gas. PGW currently operates one of the largest LNG storage facilities in the country, with a capacity of 4.3 Bcf. Located along Interstate 95, this facility is in a prime location as a result of its proximity to several major transportation systems and its reliable access to interstate pipelines and the Marcellus shale, the nation's largest source of shale gas.

"PGW's LNG facilities have brought great benefit to our customers here in Philadelphia," said Raymond Snyder, vice president of gas management. "With the current expansion of the LNG market, we believe that we can expand the positive impact of that benefit, delivering increased value to our customers in Philadelphia and bringing cost savings and easier LNG accessibility to companies wherever they operate. The current Open Season is a way to test those beliefs before committing to a course of action."

According to the Institute for Energy Research, Pennsylvania ranks third in natural gas production, behind Louisiana and Texas. The abundance of natural gas in Pennsylvania, coupled with PGW's liquefaction capabilities, and the potential for their expansion, represents an enticing proposition for companies in search of a dependable link to cheaper, cleaner, abundant natural gas.

PGW currently owns, operates and maintains a distribution system of approximately 3,030 miles of gas mains. It operates one LNG facility for the liquefaction, storage and vaporization of natural gas and a second satellite facility for LNG storage and vaporization.

The 'Open Season' for submission of non-binding open season requests for LNG purchase will close at five o'clock on Friday, January 23, 2015. More information is at pgworks.com.

Founded in 1836, Philadelphia Gas Works (PGW) is owned by the City of Philadelphia and is the largest municipally owned gas utility in the country. It manages a distribution system of approximately 6,000 miles of gas mains and service pipes supplying approximately 500,000 customers. PGW's operations are managed by a non-profit corporation, the Philadelphia Facilities Management Corporation (PFMC). More information about the company is available at www.pgworks.com.

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