



PHILADELPHIA GAS WORKS

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Philadelphia Gas Works
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Newark NJ 07101-4700

Dear Customer,

Pennsylvania's Gas Choice program allows customers to choose a natural gas supplier other than PGW, and potentially save money! This program is available to all PGW customers, providing the ability to shop for a gas supplier who offers the prices and products that best meets your needs.

Even if you chose a different gas supplier, PGW will continue to serve as your natural gas distribution company. Furthermore, PGW has a regulated role as the supplier of last resort. This means that PGW will provide natural gas supply service to those customers who have not chosen an alternative natural gas supplier or are refused service from a natural gas supplier, or in situations where a natural gas supplier fails to deliver the required gas supplies.

Understanding PGW's price-to-compare ("PTC") is important in helping you to consider offers from other suppliers. The PTC is the rate charged by PGW for the natural gas commodity, and you can compare this PGW price against other competitive suppliers' rates. PGW's PTC includes the cost of the natural gas commodity plus PGW's costs in purchasing and selling the commodity. The PGW PTC can be found in the Message section of your PGW gas bill.

Additionally, customers should be aware of migration rider charges, which correct any pricing inconsistencies resulting from switching to an alternative supplier. The migration rider is a true-up method to ensure customers pay the exact same price for PGW purchased gas as PGW paid. This true-up can either be a charge or a credit, based on gas costs charged to customers during the 12 month period prior to the date you switch to an alternative supplier, compared against PGW's actual gas costs incurred in that same period. Migration riders are applied for a 12 month period and then are eliminated. Customers who continue to purchase gas from PGW are also subject to the exact same credit/charge to true up gas costs from the prior twelve months.

PGW encourages all customers to shop regularly for the best available options, and to carefully review suppliers' terms and conditions before choosing a new supplier. On the reverse side of this letter is a listing of current licensed natural gas suppliers operating in PGW's service territory. Additional gas shopping information, including available suppliers and rates, can be found on the PA Public Utility Commission's ("PUC") website, www.PAGasSwitch.com.

Regards,

PGW Customer Choice

Licensed Natural Gas Suppliers Operating in PGW Service Territory

Constellation

Commercial and industrial class customers only
<http://www.constellation.com>

Direct Energy Business Marketing

www.directenergy.com

UGI Energy Services, LLC d/b/a UGI EnergyLink

<http://www.ugies.com/about/UGIES.aspx>

Talen Energy Marketing, LLC

www.talenenergy.com

South Jersey Energy Solutions

Commercial and industrial class customers only
<http://www.southjerseyenergy.com/>

Sprague Operating Resources LLC

Commercial and industrial class customers only
<https://www.spragueenergy.com/>

Supreme Energy, Inc.

Commercial and industrial class customers only
www.SupremeEnergyInc.com

WGL Energy Services

www.wglenergy.com

