



NEWS RELEASE

FROM THE
OFFICE OF MARKETING & CORPORATE COMMUNICATIONS
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For Immediate Release

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PHILADELPHIA GAS WORKS ANNOUNCES DECREASE IN NATURAL GAS COSTS THIS SPRING ***Average PGW residential heating customers will pay 7.7 percent less per month***

(Philadelphia, Pa. – March 2, 2015) – Philadelphia Gas Works (PGW) today announced that natural gas rates will decrease this spring for PGW's residential, commercial, industrial and municipal customers. The new rate reflects what PGW pays for the gas. The rate for residential heating customers, for instance, will be adjusted for the next three months from its current \$1.37 per hundred cubic feet (Ccf) to \$1.25 per Ccf.

On an annualized basis, a residential heating customer using 830 Ccf per year can lower their PGW bill by 7.7 percent per month or approximately \$100 per year.

PGW reviews its gas rate quarterly and determines, based on market conditions, whether it should change. The new rate began March 1, 2015 and will stay in effect through May 31, 2015.

PGW's residential natural gas rates are made up of two main components: a supply charge and delivery charge:

- The supply charge is the part of the bill that reflects the amount of gas used by the customer. This charge is what PGW pays for the gas and is passed on to the customer without markup.
- The delivery charge includes the cost of delivering natural gas to the customer's residence, distribution system maintenance and customer billing costs, as well as weather adjustments.

Founded in 1836, The 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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