

Exhibit #1

Compliance FY 2019 Capital Budget Proposal, associated Financing Plan, and Revised Five Year Forecast of Capital Budgets for FY 2020 – FY 2024.

PHILADELPHIA GAS WORKS

**AMENDED
COMPLIANCE
FISCAL 2019 CAPITAL BUDGET
AND
FORECAST FISCAL 2020 - 2024

WITH
FISCAL 2019 FINANCING PLAN**

December 18, 2018



PHILADELPHIA GAS WORKS

PROPOSED
CAPITAL BUDGET

FISCAL YEAR 2019 AND FORECAST 2020 THROUGH 2024

	2019 <u>CAPITAL BUDGET</u>	2020 - 2024 <u>FORECAST</u>	<u>TOTAL 6 YEARS</u>
<u>GAS PROCESSING</u>			
ADDITIONS	598,000	2,475,000	3,073,000
REPLACEMENTS	<u>6,173,000</u>	<u>38,287,000</u>	<u>44,460,000</u>
TOTAL	<u>6,771,000</u>	<u>40,762,000</u>	<u>47,533,000</u>
<u>DISTRIBUTION</u>			
ADDITIONS	13,177,000	70,431,000	83,608,000
REPLACEMENTS	<u>80,826,000</u>	<u>420,403,000</u>	<u>501,229,000</u>
GROSS TOTAL	94,003,000	490,834,000	584,837,000
LESS: SALVAGE			
LESS: CONTRIBUTIONS*			
LESS: REIMBURSEMENTS**	<u>(1,882,767)</u>	<u>(9,990,000)</u>	<u>(11,872,767)</u>
NET TOTAL	<u>92,120,233</u>	<u>480,844,000</u>	<u>572,964,233</u>
<u>FIELD SERVICES</u>			
ADDITIONS	7,812,000	17,390,000	25,202,000
REPLACEMENTS	<u>5,554,000</u>	<u>29,669,000</u>	<u>35,223,000</u>
GROSS TOTAL	13,366,000	47,059,000	60,425,000
LESS: SALVAGE			
LESS: CONTRIBUTIONS*			
NET TOTAL	<u>13,366,000</u>	<u>47,059,000</u>	<u>60,425,000</u>
<u>FLEET OPERATIONS</u>			
ADDITIONS			
REPLACEMENTS	<u>4,778,000</u>	<u>19,399,000</u>	<u>24,177,000</u>
GROSS TOTAL	4,778,000	19,399,000	24,177,000
LESS: SALVAGE			
NET TOTAL	<u>4,778,000</u>	<u>19,399,000</u>	<u>24,177,000</u>

PHILADELPHIA GAS WORKS

PROPOSED
CAPITAL BUDGET

FISCAL YEAR 2019 AND FORECAST 2020 THROUGH 2024

	<u>2019 CAPITAL BUDGET</u>	<u>2020 - 2024 FORECAST</u>	<u>TOTAL 6 YEARS</u>
<u>OTHER DEPARTMENTS</u>			
ADDITIONS	732,000	3,281,050	4,013,050
REPLACEMENTS	<u>19,574,300</u>	<u>94,552,950</u>	<u>114,127,250</u>
TOTAL	<u>20,306,300</u>	<u>97,834,000</u>	<u>118,140,300</u>
<u>TOTAL</u>			
ADDITIONS	22,319,000	93,577,050	115,896,050
REPLACEMENTS	<u>116,905,300</u>	<u>602,310,950</u>	<u>719,216,250</u>
GROSS TOTAL	139,224,300	695,888,000	835,112,300
LESS: SALVAGE			
LESS: REIMBURSEMENTS**	(1,882,767)	(9,990,000)	(11,872,767)
LESS: CONTRIBUTIONS*			
NET TOTAL	<u>137,341,533</u>	<u>685,898,000</u>	<u>823,239,533</u>

* CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

** REIMBURSEMENT TO PGW FOR RELOCATING STRUCTURES & EQUIPMENT AND/OR LOAD GROWTH

PHILADELPHIA GAS WORKS
PROPOSED CAPITAL BUDGET
BUDGET/FORECAST COMPARISON

DEPARTMENT	2018 COMPL BUDGET	2019 FORECAST	2019 BUDGET	2018		2019 BUDGET vs 2019 FORECAST	
				2019 BUDGET vs COMPL BUDGET AMOUNT DIFFERENCE	PERCENT DIFFERENCE	AMOUNT DIFFERENCE	PERCENT DIFFERENCE
GAS PROCESSING							
ADDITIONS	1,923,000	564,000	598,000	(1,325,000)	-68.9%	34,000	6.0%
REPLACEMENTS	<u>3,985,000</u>	<u>9,225,000</u>	<u>6,173,000</u>	<u>2,188,000</u>	<u>54.9%</u>	<u>(3,052,000)</u>	<u>-33.1%</u>
TOTAL GAS PROCESSING	5,908,000	9,789,000	6,771,000	863,000	14.6%	(3,018,000)	-30.8%
DISTRIBUTION							
ADDITIONS	12,245,000	11,725,000	13,177,000	932,000	7.6%	1,452,000	12.4%
REPLACEMENTS	<u>79,969,000</u>	<u>81,053,000</u>	<u>80,826,000</u>	<u>857,000</u>	<u>1.1%</u>	<u>(227,000)</u>	<u>-0.3%</u>
GROSS TOTAL DISTRIBUTION	92,214,000	92,778,000	94,003,000	1,789,000	1.9%	1,225,000	1.3%
LESS: SALVAGE					N/A		N/A
LESS: CONTRIBUTIONS*					N/A		N/A
LESS: REIMBURSEMENT**	<u>(1,881,000)</u>	<u>(1,920,000)</u>	<u>(1,882,767)</u>	<u>(1,767)</u>	<u>0.1%</u>	<u>37,233</u>	<u>-1.9%</u>
NET TOTAL DISTRIBUTION	90,333,000	90,858,000	92,120,233	1,787,233	2.0%	1,262,233	1.4%
FIELD SERVICES							
ADDITIONS	2,040,000	2,140,000	7,812,000	5,772,000	282.9%	5,672,000	265.0%
REPLACEMENTS	<u>5,288,000</u>	<u>5,423,000</u>	<u>5,554,000</u>	<u>266,000</u>	<u>5.0%</u>	<u>131,000</u>	<u>2.4%</u>
GROSS TOTAL FIELD SERVICES	7,328,000	7,563,000	13,366,000	6,038,000	82.4%	5,803,000	76.7%
LESS: SALVAGE					N/A		N/A
LESS: CONTRIBUTIONS*					N/A		N/A
NET TOTAL FIELD SERVICES	7,328,000	7,563,000	13,366,000	6,038,000	82.4%	5,803,000	76.7%

PHILADELPHIA GAS WORKS
PROPOSED CAPITAL BUDGET
BUDGET/FORECAST COMPARISON

DEPARTMENT	2018 COMPL BUDGET	2019 FORECAST	2019 BUDGET	2018		2019 BUDGET vs 2019 FORECAST		
				2019 BUDGET vs COMPL BUDGET AMOUNT DIFFERENCE	PERCENT DIFFERENCE	AMOUNT DIFFERENCE	PERCENT DIFFERENCE	
<u>FLEET OPERATIONS</u>								
ADDITIONS	289,000			(289,000)	-100.0%			N/A
REPLACEMENTS	<u>4,250,000</u>	<u>3,105,000</u>	<u>4,778,000</u>	<u>528,000</u>	<u>12.4%</u>	<u>1,673,000</u>		<u>53.9%</u>
GROSS TOTAL FLEET OPERATIONS	4,539,000	3,105,000	4,778,000	239,000	5.3%	1,673,000		53.9%
LESS: SALVAGE					N/A			N/A
NET TOTAL TRANSPORTATION	4,539,000	3,105,000	4,778,000	239,000	5.3%	1,673,000		53.9%
<u>OTHER</u>								
ADDITIONS	1,209,000	3,240,000	732,000	(477,000)	-39.5%	(2,508,000)		-77.4%
REPLACEMENTS	<u>3,211,000</u>	<u>14,052,000</u>	<u>19,574,300</u>	<u>16,363,300</u>	<u>509.6%</u>	<u>5,522,300</u>		<u>39.3%</u>
TOTAL OTHER	4,420,000	17,292,000	20,306,300	15,886,300	359.4%	3,014,300		17.4%
<u>TOTAL</u>								
ADDITIONS	17,706,000	17,669,000	22,319,000	4,613,000	26.1%	4,650,000		26.3%
REPLACEMENTS	<u>96,703,000</u>	<u>112,858,000</u>	<u>116,905,300</u>	<u>20,202,300</u>	<u>20.9%</u>	<u>4,047,300</u>		<u>3.6%</u>
GROSS TOTAL	114,409,000	130,527,000	139,224,300	24,815,300	21.7%	8,697,300		6.7%
LESS: SALVAGE					N/A			N/A
LESS: REIMBURSEMENT**	(1,881,000)	(1,920,000)	(1,882,767)	(1,767)	0.1%	37,233		-1.9%
LESS: CONTRIBUTIONS*					N/A			N/A
NET TOTAL	<u>112,528,000</u>	<u>128,607,000</u>	<u>137,341,533</u>	<u>24,813,533</u>	<u>22.1%</u>	<u>8,734,533</u>		<u>6.8%</u>

* CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

** REIMBURSEMENT TO PGW FOR RELOCATING STRUCTURES & EQUIPMENT AND/OR LOAD GROWTH

PHILADELPHIA GAS WORKS
 FISCAL YEAR 2019 CAPITAL BUDGET
 SUMMARY ESTIMATE OF ENCUMBERANCE AND EXPENDITURE

FISCAL YEAR	ADDITIONS		REPLACEMENTS		TOTAL	
	<u>ENCUMBERED</u>	<u>EXPENDED</u>	<u>ENCUMBERED</u>	<u>EXPENDED</u>	<u>ENCUMBERED</u>	<u>EXPENDED</u>
CURRENT BUDGET	22,319,000	21,724,000	116,905,300	81,504,300	139,224,300	103,228,300
YEAR 1		595,000		35,401,000		35,996,000
YEAR 2						
YEAR 3						
YEAR 4 AND BEYOND						
TOTAL	<u>22,319,000</u>	<u>22,319,000</u>	<u>116,905,300</u>	<u>116,905,300</u>	<u>139,224,300</u>	<u>139,224,300</u>

GAS PROCESSING DEPARTMENT
FISCAL YEAR 2019 CAPITAL BUDGET
SUMMARY

<u>CATEGORY</u>	<u>ADDITIONS</u>	<u>REPLACEMENTS</u>	<u>COST OF REMOVAL</u>	<u>TOTAL</u>
53-01 NATURAL GAS MEASUREMENT AND CONTROL FACILITIES		996,000		996,000
53-02 SUPPLEMENTAL GAS FACILITIES	411,000	3,125,000		3,536,000
53-03 BUILDING AND GROUNDS	98,000	721,000		819,000
53-04 MISC CAPITAL REQUIREMENTS	89,000	309,000		398,000
2017 REAUTHORIZATION		1,022,000		1,022,000
TOTAL GAS PROCESSING	<u>598,000</u>	<u>6,173,000</u>		<u>6,771,000</u>

GAS PROCESSING DEPARTMENT
FISCAL YEAR 2019 CAPITAL BUDGET
BUDGET/FORECAST COMPARISON

CATEGORY		2018						
		2018 COMPL	2019	2019	2019 BUDGET vs	2018 COMPL BUDGET	2019 BUDGET vs 2019 FORECAST	
		BUDGET	FORECAST	BUDGET	\$	%	\$	%
				DIFFERENCE	DIFF.	DIFFERENCE	DIFF.	
53-01	NATURAL GAS							
	ADDITIONS	100,000	0	0	(100,000)	-100.0%	0	N/A
	MEASUREMENT AND							
	REPLACEMENTS	189,000	927,000	996,000	807,000	427.0%	69,000	7.4%
	CONTROL FACILITIES							
	TOTAL	289,000	927,000	996,000	707,000	244.6%	69,000	7.4%
53-02	SUPPLEMENTAL GAS							
	ADDITIONS	1,714,000	454,000	411,000	(1,303,000)	-76.0%	(43,000)	-9.5%
	FACILITIES							
	REPLACEMENTS	3,442,000	7,937,000	3,125,000	(317,000)	-9.2%	(4,812,000)	-60.6%
	TOTAL	5,156,000	8,391,000	3,536,000	(1,620,000)	-31.4%	(4,855,000)	-57.9%
53-03	BUILDING AND							
	ADDITIONS	0	0	98,000	98,000	N/A	98,000	N/A
	REPLACEMENTS	0	0	721,000	721,000	N/A	721,000	N/A
	TOTAL	0	0	819,000	819,000	N/A	819,000	N/A
53-04	MISC CAPITAL							
	ADDITIONS	109,000	110,000	89,000	(20,000)	-18.3%	(21,000)	-19.1%
	REQUIREMENTS							
	REPLACEMENTS	354,000	361,000	309,000	(45,000)	-12.7%	(52,000)	-14.4%
	TOTAL	463,000	471,000	398,000	(65,000)	-14.0%	(73,000)	-15.5%
	2017 REAUTHORIZATION							
	REPLACEMENTS			1,022,000				
	TOTAL GAS PROCESSING	5,908,000	9,789,000	6,771,000	(159,000)	-2.7%	(4,040,000)	-41.3%

GAS PROCESSING DEPARTMENT
FISCAL 2019 CAPITAL BUDGET

<u>P</u>			<u>AMOUNT</u>
	<u>GP-1</u>	<u>NATURAL GAS MEASUREMENT AND CONTROL FACILITIES</u>	
1	53-01-2-03	NEW HEATER, GENERATOR AND STATION MODIFICATIONS	996,000
		TOTAL GP-1	<u><u>996,000</u></u>
	<u>GP-2</u>	<u>SUPPLEMENTAL GAS FACILITIES</u>	
2	53-02-1-04	INSTALL REPORTING HARDWARE AND SOFTWARE -RICHMOND AND PASSYUNK PLANT	292,000
1	53-02-1-05	INSTALL BOLLARDS AND BARRIERS AROUND EXPANDER PLANT - RICHMOND	119,000
1	53-02-2-11	REPLACE HAZARD DETECTION SYSTEM - PASSYUNK	2,976,000
2	53-02-2-21	REPLACE STEAM HEATING IN SWITCHGEAR BUILDING - PASSYUNK	149,000
		TOTAL GP-2	<u><u>3,536,000</u></u>
	<u>GP-3</u>	<u>BUILDING & GROUNDS</u>	
1	53-03-2-02	INSTALL CANOPY OVER TRANSFORMERS AT MAIN SWITCHGEAR BUILDING - RICHMOND	98,000
1	53-03-2-03	REPLACE SHOP BOILERS IN FRONT OFFICE - RICHMOND PLANT	227,000
1	53-03-2-05	REMODEL SECURITY FRONT OFFICE AND CCTV BUILDING- RICHMOND PLANT	494,000
		TOTAL GP-3	<u><u>819,000</u></u>
	<u>GP-4</u>	<u>MISCELLANEOUS CAPITAL REQUIREMENTS</u>	
1	53-04-1-01	MISCELLANEOUS CAPITAL ADDITIONS	89,000
1	53-04-2-01	MISCELLANEOUS CAPITAL REPLACEMENTS	309,000
		TOTAL GP-4	398,000
		2017 REAUTHORIZATION	
1	53-02-2-08	REPLACE P-106 PUMP - RICHMOND	544,000
1	53-02-2-01	REPLACE H-2 HEATER - RICHMOND	478,000
		TOTAL REAUTHORIZATION	1,022,000
		TOTAL GAS PROCESSING DEPARTMENT	<u><u>6,771,000</u></u>

GAS PROCESSING DEPARTMENT
LISTING BY PRIORITY
FISCAL 2019 CAPITAL BUDGET

<u>P</u>	<u>CATEGORY</u>	<u>PRIORITY 1</u>	<u>AMOUNT</u>	<u>BUDGET YR</u>	<u>YEAR 1</u>	<u>YEAR 2</u>	<u>YEAR 3</u>	<u>YEAR 4</u>
1	GP-2	53-02-1-05	INSTALL BOLLARDS AND BARRIERS AROUND EXPANDER PLANT - RICHMOND	119,000	115,000	4,000		
1	GP-2	53-01-2-03	NEW HEATER, GENERATOR AND STATION MODIFICATIONS	996,000	260,000	736,000		
1	GP-2	53-02-2-11	REPLACE HAZARD DETECTION SYSTEM - PASSYUNK	2,976,000	2,098,000	878,000		
1	GP-3	53-03-2-02	INSTALL CANOPY OVER TRANSFORMERS AT MAIN SWITCHGEAR BUILDING - R	98,000	91,000	7,000		
1	GP-3	53-03-2-03	REPLACE SHOP BOILERS IN FRONT OFFICE - RICHMOND PLANT	227,000	209,000	18,000		
1	GP-3	53-03-2-05	REMODEL SECURITY FRONT OFFICE AND CCTV BUILDING- RICHMOND PLANT	494,000	236,000	258,000		
1	GP-4	53-04-1-01	MISCELLANEOUS CAPITAL ADDITIONS	89,000	89,000			
1	GP-4	53-04-2-01	MISCELLANEOUS CAPITAL REPLACEMENTS	309,000	309,000			
			2017 REAUTHORIZATION					
1	53-02-2-08		REPLACE P-106 PUMP - RICHMOND	544,000	544,000			
1	53-02-2-01		REPLACE H-2 HEATER - RICHMOND	478,000	478,000			
			<u>PRIORITY 2</u>					
2	GP-2	53-02-1-03	LIQUIFACTION FEEDGAS CO2 AND ETHANE REMOVAL - RICHMOND					
2	GP-2	53-02-1-04	INSTALL REPORTING HARDWARE AND SOFTWARE -RICHMOND AND PASSYUNK	292,000	268,000	24,000		
2	GP-2	53-02-2-21	REPLACE STEAM HEATING IN SWITCHGEAR BUILDING - PASSYUNK	149,000	139,000	10,000		
TOTAL GAS PROCESSING DEPARTMENT:				6,771,000	4,836,000	1,935,000		

PHILADELPHIA GAS WORKS
 FISCAL YEAR 2019 CAPITAL BUDGET
 GAS PROCESSING DEPARTMENT ESTIMATE OF ENCUMBERANCE AND EXPENDITURE

<u>FISCAL YEAR</u>	<u>ADDITIONS</u>		<u>REPLACEMENTS</u>		<u>TOTAL</u>	
	<u>ENCUMBERED</u>	<u>EXPENDED</u>	<u>ENCUMBERED</u>	<u>EXPENDED</u>	<u>ENCUMBERED</u>	<u>EXPENDED</u>
CURRENT BUDGET	598,000	563,000	6,173,000	4,273,000	6,771,000	4,836,000
YEAR 1		35,000		1,900,000		1,935,000
YEAR 2						
YEAR 3						
YEAR 4 AND BEYOND						
TOTAL	598,000	598,000	6,173,000	6,173,000	6,771,000	6,771,000

DISTRIBUTION DEPARTMENT
FISCAL YEAR 2019 CAPITAL BUDGET
SUMMARY

<u>CATEGORY</u>	<u>ADDITIONS</u>	<u>REPLACEMENTS</u>	<u>GROSS TOTAL</u>	<u>REIMBURSEMENT**</u>	<u>CONTRIBUTIONS*</u>	<u>SALV.</u>	<u>NET TOTAL</u>
52-20 GAS MAINS - HIGH PRESSURE (WITH ASSOCIATED VALVES AND REGULATORS)	1,216,000	1,771,000	2,987,000				2,987,000
52-21 GAS MAINS - LOW AND INTERMEDIATE PRESSURE - 8 INCH AND SMALLER	2,548,000	57,061,000	59,609,000	(1,882,767)			57,726,233
52-22 GAS MAINS - LOW AND INTERMEDIATE PRESSURE - 12 INCH AND LARGER	129,000	487,000	616,000				616,000
52-23 CUST MTR & REG INSTALL, PRESSURE REGULATION & CORROSION CONTROL FACILITIES	479,000	1,005,000	1,484,000				1,484,000
52-24 SERVICES	8,655,000	19,135,000	27,790,000				27,790,000
52-29 OTHER DISTRIBUTION FACILITIES	150,000	1,367,000	1,517,000				1,517,000
52-99 COST OF REMOVAL AND ABANDONMENT SALVAGE							
TOTAL DISTRIBUTION	13,177,000	80,826,000	94,003,000	(1,882,767)			92,120,233

* CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

** REIMBURSEMENT TO PGW FOR RELOCATING STRUCTURES & EQUIPMENT AND/OR LOAD GROWTH

DISTRIBUTION DEPARTMENT
FISCAL YEAR 2019 CAPITAL BUDGET
BUDGET/FORECAST COMPARISON

CATEGORY	2018 COMPL BUDGET	2019 FORECAST	2019 BUDGET	2018		2019	
				2019 BUDGET vs COMPL BUDGET	% DIFF.	2019 BUDGET vs 2019 FORECAST	% DIFF.
52-20 GAS MAINS - HIGH ADDITIONS	2,005,000	1,260,000	1,216,000	(789,000)	-39.4%	(44,000)	-3.5%
PRESSURE (WITH REPLACEMENTS	1,831,000	<u>1,871,000</u>	<u>1,771,000</u>	<u>(60,000)</u>	<u>-3.3%</u>	<u>(100,000)</u>	<u>-5.3%</u>
ASSOCIATED VALVES AND REGULATORS) TOTAL	3,836,000	3,131,000	2,987,000	(849,000)	-22.1%	(144,000)	-4.6%
52-21 GAS MAINS - LOW ADDITIONS	2,466,000	2,520,000	2,548,000	82,000	3.3%	28,000	1.1%
AND INTERMEDIATE REPLACEMENTS	<u>55,153,000</u>	<u>55,840,000</u>	<u>57,061,000</u>	<u>1,908,000</u>	<u>3.5%</u>	<u>1,421,000</u>	<u>2.6%</u>
PRESSURE - 8 INCH AND SMALLER TOTAL	57,619,000	58,160,000	59,609,000	1,990,000	3.5%	1,449,000	2.5%
52-22 GAS MAINS - LOW ADDITIONS	115,000	118,000	129,000	14,000	12.2%	11,000	9.3%
AND INTERMEDIATE REPLACEMENTS	<u>860,000</u>	<u>879,000</u>	<u>487,000</u>	<u>(373,000)</u>	<u>-43.4%</u>	<u>(392,000)</u>	<u>-44.6%</u>
PRESSURE - 12 INCH AND LARGER TOTAL	975,000	997,000	616,000	(359,000)	-36.8%	(381,000)	-38.2%
52-23 CUST MTR & REG INST ADDITIONS	595,000	608,000	479,000	(116,000)	-19.5%	(129,000)	-21.2%
PRESSURE REGULATION AND CORROSION CONTROL FACILITIES REPLACEMENTS	<u>974,000</u>	<u>996,000</u>	<u>1,005,000</u>	<u>31,000</u>	<u>3.2%</u>	<u>9,000</u>	<u>0.9%</u>
TOTAL	1,569,000	1,604,000	1,484,000	(85,000)	-5.4%	(120,000)	-7.5%
52-24 SERVICES ADDITIONS	6,903,000	7,054,000	8,655,000	1,752,000	25.4%	1,601,000	22.7%
REPLACEMENTS	<u>19,960,000</u>	<u>20,450,000</u>	<u>19,135,000</u>	<u>(825,000)</u>	<u>-4.1%</u>	<u>(1,315,000)</u>	<u>-6.4%</u>
TOTAL	26,863,000	27,504,000	27,790,000	927,000	3.5%	286,000	1.0%
52-29 OTHER DISTRIBUTION FACILITIES ADDITIONS	161,000	165,000	150,000	(11,000)	-6.8%	(15,000)	-9.1%
REPLACEMENTS	<u>1,191,000</u>	<u>1,217,000</u>	<u>1,367,000</u>	<u>176,000</u>	<u>14.8%</u>	<u>150,000</u>	<u>12.3%</u>
TOTAL	1,352,000	1,382,000	1,517,000	165,000	12.2%	135,000	9.8%
GROSS TOTAL DISTRIBUTION	92,214,000	92,778,000	94,003,000	1,789,000	1.9%	1,225,000	1.3%
52-99 COST OF REMOVAL AND ABANDONMENT			0	0	N/A	0	N/A
LESS: SALVAGE			0	0	N/A	0	N/A
LESS: CONTRIBUTIONS*			0	0	N/A	0	N/A
LESS: REIMBURSEMENT**	<u>(1,881,000)</u>	<u>(1,920,000)</u>	<u>(1,882,767)</u>	<u>(1,767)</u>	<u>0.1%</u>	<u>37,233</u>	<u>-1.9%</u>
NET TOTAL DISTRIBUTION	<u>90,333,000</u>	<u>90,858,000</u>	<u>92,120,233</u>	<u>1,787,233</u>	<u>2.0%</u>	<u>1,262,233</u>	<u>1.4%</u>

* DISTRIBUTION DEPARTMENT CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

** REIMBURSEMENT TO PGW FOR RELOCATING STRUCTURES & EQUIPMENT AND/OR LOAD GROWTH

DISTRIBUTION DEPARTMENT
FISCAL 2019 CAPITAL BUDGET

<u>P</u>		<u>AMOUNT</u>	<u>FEET UNITS</u>
	<u>D-20</u> <u>GAS MAINS - HIGH PRESSURE (WITH ASSOCIATED VALVES AND REGULATORS)</u>		
4	52-20-1-01 INSTALLATIONS TO PROVIDE FOR AHEAD-OF-PAVING AND EXTENSIONS TO SUPPLY ADDITIONAL LOADS	1,216,000	5,603
3	52-20-2-01 ENFORCED RELOCATIONS CAUSED BY CITY AND STATE WORK	1,771,000	768
		<u>2,987,000</u>	
52-20-2-97	GROSS TOTAL D-20	2,987,000	
	LESS: REIMBURSEMENT**		
	LESS: POTENTIAL CUSTOMER CONTRIBUTIONS		
	NET TOTAL D-20	<u><u>2,987,000</u></u>	
	<u>D-21</u> <u>GAS MAINS - LOW AND INTERMEDIATE PRESSURE - 8 INCH AND SMALLER</u>		
4	52-21-1-01 MAINS TO SUPPLY NEW CUSTOMERS AND TO PROVIDE FOR INCREASED CAPACITY	2,548,000	9,283
3	52-21-2-01 ENFORCED RELOCATIONS CAUSED BY CITY, STATE AND OTHER WORK	6,946,000	29,892
1	52-21-2-02 PRUDENT MAIN REPLACEMENTS	17,115,000	74,693
1	52-21-2-03 LONG TERM INFRASTRUCTURE PLAN - DSIC	33,000,000	
		<u>59,609,000</u>	
52-21-2-97	GROSS TOTAL D-21	59,609,000	
	LESS: REIMBURSEMENT**	(1,882,767)	
	NET TOTAL D-21	<u><u>57,726,233</u></u>	

DISTRIBUTION DEPARTMENT
FISCAL 2019 CAPITAL BUDGET

<u>P</u>		<u>AMOUNT</u>	<u>FEET UNITS</u>
	<u>D-22</u> <u>GAS MAINS - LOW AND INTERMEDIATE PRESSURE - 12 INCH AND LARGER</u>		
4	52-22-1-01 TO SUPPLY NEW CUSTOMERS AND TO PROVIDE FOR INSTALLATION OF MAINS AHEAD-OF-PAVING	129,000	186
3	52-22-2-01 ENFORCED RELOCATIONS CAUSED BY CITY, STATE AND OTHER WORK	487,000	149
	GROSS TOTAL D-22	616,000	
	LESS: REIMBURSEMENT**		
	NET TOTAL D-22	616,000	
	<u>D-23</u> <u>CUSTOMER METERING & REGULATOR INSTALLATION, AND PRESSURE REGULATION & CORROSION CONTROL FACILITIES (NOT INCLUDED IN D-20 OR D-22)</u>		
4	52-23-1-01 CUSTOMER METERING AND REGULATOR INSTALLATION	479,000	
1	52-23-2-01 REPLACEMENT/REHABILITATION OF HIGH PRESSURE MAIN VALVES	531,000	
2	52-23-2-02 REPLACEMENT OF VARIOUS PRESSURE REGULATING AND CORROSION CONTROL FACILITIES	474,000	
	GROSS TOTAL D-23	1,484,000	
	LESS: REIMBURSEMENT**		
	LESS: POTENTIAL CUSTOMER CONTRIBUTIONS*		
	NET TOTAL D-23	1,484,000	

DISTRIBUTION DEPARTMENT
FISCAL 2019 CAPITAL BUDGET

<u>P</u>	<u>D-24</u>	<u>SERVICES</u>	<u>AMOUNT</u>	<u>FEET UNITS</u>
4	52-24-1-01	INSTALLATION OF NEW 1-1/4" AND SMALLER SERVICES, HIGH, INTERMEDIATE AND LOW PRESSURE	6,365,000	1,949
4	52-24-1-02	INSTALLATION OF NEW 2 INCH AND LARGER SERVICES, HIGH, INTERMEDIATE AND LOW PRESSURE	2,290,000	181
1	52-24-2-01	RENEWAL OF 1-1/4" AND SMALLER SERVICES FOR PRUDENT REASONS, AS A RESULT OF LEAK SURVEYS, CUSTOMER COMPLAINTS OR CITY AND STATE WORK	18,092,000	8,432
1	52-24-2-02	RENEWAL OF 2" AND LARGER SERVICES	1,043,000	114
		GROSS TOTAL D-24	27,790,000	
		LESS: REIMBURSEMENT**		
		NET TOTAL D-24	<u>27,790,000</u>	
	<u>D-29</u>	<u>OTHER DISTRIBUTION FACILITIES</u>		
2	52-29-1-01	ADDITIONAL TOOLS AND WORK EQUIPMENT	150,000	
2	52-29-2-01	REPLACEMENT OF OBSOLETE TOOLS, RADIOS, AND WORK EQUIPMENT	1,367,000	
		NET TOTAL D-29	<u>1,517,000</u>	
1	52-99-2-99	REMOVAL AND ABANDONMENTS		
		GROSS TOTAL DISTRIBUTION DEPARTMENT	94,003,000	
		LESS: REIMBURSEMENT**	(1,882,767)	
		LESS: POTENTIAL CUSTOMER CONTRIBUTIONS*		
	52-98-2-98	LESS: SALVAGE		
		NET TOTAL DISTRIBUTION DEPARTMENT	<u>92,120,233</u>	

* DISTRIBUTION DEPARTMENT CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

** REIMBURSEMENT TO PGW FOR RELOCATING STRUCTURES & EQUIPMENT AND/OR LOAD GROWTH

DISTRIBUTION DEPARTMENT

LISTING BY PRIORITY

FISCAL 2019 CAPITAL BUDGET

P	CATEGORY	AMOUNT	UNITS	BUDGET_YR	YEAR_1	YEAR_2	YEAR_3	YEAR_4 *
<u>PRIORITY 1</u>								
1	D-21	17,115,000	74,693	11,810,000	5,305,000			
	PRUDENT MAIN REPLACEMENTS							
1	D-21	33,000,000		17,325,000	15,675,000			
	LONG TERM INFRASTRUCTURE PLAN - DSIC							
1	D-23	531,000		531,000				
	REPLACEMENT/REHABILITATION OF HIGH PRESSURE MAIN VALVES							
1	D-24	1,043,000	114	1,043,000				
	RENEWAL OF 2" AND LARGER SERVICES							
1	D-24	18,092,000	8,432	15,555,000	2,537,000			
	RENEWAL OF 1-1/4" AND SMALLER SERVICES FOR PRUDENT							
<u>PRIORITY 2</u>								
2	D-23	474,000		474,000				
	REPLACEMENT OF VARIOUS PRESSURE REGULATING AND							
2	D-29	150,000		150,000				
	ADDITIONAL TOOLS AND WORK EQUIPMENT							
2	D-29	1,367,000		1,367,000				
	REPLACEMENT OF OBSOLETE TOOLS, RADIOS, AND WORK							
<u>PRIORITY 3</u>								
3	D-20	1,771,000	768	1,771,000				
	ENFORCED RELOCATIONS CAUSED BY CITY AND STATE WORK							
3	D-21	6,846,000	29,892	5,863,000	1,083,000			
	ENFORCED RELOCATIONS CAUSED BY CITY, STATE AND OTHER							
3	D-22	487,000	149	487,000				
	ENFORCED RELOCATIONS CAUSED BY CITY, STATE AND OTHER							
<u>PRIORITY 4</u>								
4	D-20	1,216,000	5,603	1,216,000				
	INSTALLATIONS TO PROVIDE FOR AHEAD-OF-PAVING AND							
4	D-21	2,548,000	9,283	2,548,000				
	MANS TO SUPPLY NEW CUSTOMERS AND TO PROVIDE FOR							
4	D-23	479,000		479,000				
	CUSTOMER METERING AND REGULATOR INSTALLATION							
4	D-22	129,000	186	129,000				
	TO SUPPLY NEW CUSTOMERS AND TO PROVIDE FOR							
4	D-24	6,365,000	1,949	6,365,000				
	INSTALLATION OF NEW 1-1/4" AND SMALLER SERVICES, HIGH,							
4	D-24	2,290,000	181	2,290,000				
	INSTALLATION OF NEW 2 INCH AND LARGER SERVICES, HIGH,							
				94,003,000	24,600,000	69,403,000		
TOTAL DISTRIBUTION DEPARTMENT:								

PHILADELPHIA GAS WORKS
 FISCAL YEAR 2019 CAPITAL BUDGET
 DISTRIBUTION DEPARTMENT ESTIMATE OF ENCUMBERANCE AND EXPENDITURE

<u>FISCAL YEAR</u>	<u>ADDITIONS</u>		<u>REPLACEMENTS</u>		<u>TOTAL</u>	
	<u>ENCUMBERED</u>	<u>EXPENDED</u>	<u>ENCUMBERED</u>	<u>EXPENDED</u>	<u>ENCUMBERED</u>	<u>EXPENDED</u>
CURRENT BUDGET	13,177,000	13,177,000	80,826,000	56,226,000	94,003,000	69,403,000
YEAR 1				24,600,000		24,600,000
YEAR 2						
YEAR 3						
YEAR 4 AND BEYOND						
TOTAL	13,177,000	13,177,000	80,826,000	80,826,000	94,003,000	94,003,000

FIELD SERVICES DEPARTMENT
FISCAL YEAR 2019 CAPITAL BUDGET

SUMMARY

<u>CATEGORY</u>	<u>ADDITIONS</u>	<u>REPLACEMENTS</u>	<u>TOTAL</u>
50-30 METERS & INSTALLATION	2,008,000	2,706,000	4,714,000
50-32 SERVICE REGULATORS AND INSTALLATION	68,000	42,000	110,000
50-33 COMMERCIAL & INDUSTRIAL TELEMETERING SYSTEMS	146,000	126,000	272,000
50-34 METER SHOP EQUIPMENT		23,000	23,000
50-35 SERVICE SECTION EQUIPMENT	5,400,000		5,400,000
50-36 AUTOMATIC METER READING	190,000	2,657,000	2,847,000
50-99 COST OF REMOVAL			
GROSS TOTAL FIELD SERVICES	7,812,000	5,554,000	13,366,000
LESS: SALVAGE			
LESS: CONTRIBUTIONS*			
NET TOTAL FIELD SERVICES	<u>7,812,000</u>	<u>5,554,000</u>	<u>13,366,000</u>

* FIELD SERVICES DEPARTMENT CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

FIELD SERVICES DEPARTMENT
FISCAL YEAR 2019 CAPITAL BUDGET
BUDGET/FORECAST COMPARISON

CATEGORY		2018 COMPL BUDGET	2019 FORECAST	2019 BUDGET	2018		2019	
					2019 BUDGET vs \$ DIFFERENCE	COMPL BUDGET % DIFF.	2019 BUDGET vs 2019 FORECAST \$ DIFFERENCE	% DIFF.
50-30	METERS							
	ADDITIONS	1,728,000	1,810,000	2,008,000	280,000	16.2%	198,000	10.9%
	REPLACEMENTS	2,676,000	2,744,000	2,706,000	30,000	1.1%	(38,000)	-1.4%
	TOTAL	4,404,000	4,554,000	4,714,000	310,000	7.0%	160,000	3.5%
50-32	SERVICE REGULATORS AND INSTALLATIONS							
	ADDITIONS	58,000	74,000	68,000	10,000	17.2%	(6,000)	-8.1%
	REPLACEMENTS	37,000	38,000	42,000	5,000	13.5%	4,000	10.5%
	TOTAL	95,000	112,000	110,000	15,000	15.8%	(2,000)	-1.8%
50-33	TELEMETERING AND INSTALLATIONS							
	ADDITIONS	84,000	82,000	146,000	62,000	73.8%	64,000	78.0%
	REPLACEMENTS	159,000	163,000	126,000	(33,000)	-20.8%	(37,000)	-22.7%
	TOTAL	243,000	245,000	272,000	29,000	11.9%	27,000	11.0%
50-34	METER SHOP EQUIPMENT							
	ADDITIONS	0	0	0	0	N/A	0	N/A
	REPLACEMENTS	39,000	40,000	23,000	(16,000)	-41.0%	(17,000)	-42.5%
	TOTAL	39,000	40,000	23,000	(16,000)	-41.0%	(17,000)	-42.5%
50-35	SERVICE SECTION EQUIPMENT							
	ADDITIONS	0	0	5,400,000	5,400,000	N/A	5,400,000	N/A
	REPLACEMENTS	0	0	0	0	N/A	0	N/A
	TOTAL	0	0	5,400,000	5,400,000	N/A	5,400,000	N/A
50-36	AUTOMATIC METER READING							
	ADDITIONS	170,000	174,000	190,000	20,000	11.8%	16,000	9.2%
	REPLACEMENTS	2,377,000	2,438,000	2,657,000	280,000	11.8%	219,000	9.0%
	TOTAL	2,547,000	2,612,000	2,847,000	300,000	11.8%	235,000	9.0%
50-99	COST OF REMOVAL	0	0	0	0	N/A	0	N/A
	GROSS TOTAL FIELD SERVICES	7,328,000	7,563,000	13,366,000	6,038,000	82.4%	5,803,000	76.7%
	LESS: SALVAGE	0	0	0	0	N/A	0	N/A
	LESS: CONTRIBUTIONS*	0	0	0	0	N/A	0	N/A
	NET TOTAL FIELD SERVICES	7,328,000	7,563,000	13,366,000	6,038,000	82.4%	5,803,000	76.7%

* FIELD SERVICES DEPARTMENT CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

FIELD SERVICES DEPARTMENT

FISCAL 2019 CAPITAL BUDGET

<u>P</u>			<u>AMOUNT</u>
	<u>C-30</u>	<u>METERS</u>	
4	50-30-1-01	PURCHASE AND INSTALLATION OF METERS TO PROVIDE FOR NEW CUSTOMERS	2,008,000
1	50-30-2-01	PURCHASE METERS TO SUPPORT AUTOMATIC METER READING	2,706,000
		TOTAL C-30	<u>4,714,000</u>
	<u>C-32</u>	<u>SERVICE REGULATORS</u>	
4	50-32-1-01	PURCHASE AND INSTALLATION OF SERVICE REGULATORS	68,000
1	50-32-2-01	PURCHASE VARIOUS SIZE SERVICE REGULATORS AS REPLACEMENTS	42,000
		TOTAL C-32	<u>110,000</u>
	<u>C-33</u>	<u>COMMERCIAL & INDUSTRIAL TELEMETERING SYSTEMS</u>	
1	50-33-1-01	PURCHASE AND INSTALLATION OF EQUIPMENT AND INSTRUMENTATION	146,000
1	50-33-2-01	REPLACE METRETEK UNITS, EQUIPMENT, AND INSTRUMENTATION	126,000
		TOTAL C-33	<u>272,000</u>
	<u>C-34</u>	<u>METER SHOP EQUIPMENT</u>	
2	50-34-1-01	ADVANCED METER INFRASTRUCTURE INSTALLATION	5,400,000
1	50-34-2-01	REPLACEMENT OF OBSOLETE SHOP EQUIPMENT & ACCESSORIES USED FOR AMR	23,000
		TOTAL C-34	<u>5,423,000</u>
		<u>SERVICE SECTION EQUIPMENT</u>	
		TOTAL C-35	<u> </u>
	<u>C-36</u>	<u>AUTOMATIC METER READING</u>	
5	50-36-1-01	PURCHASE AND INSTALLATION OF ERT DEVICES FOR AMR	190,000
5	50-36-2-01	REPLACE AMR DEVICES	2,657,000
		TOTAL C-36	<u>2,847,000</u>
1	50-99-2-99	COST OF REMOVAL	<u> </u>
		GROSS TOTAL FIELD SERVICES DEPARTMENT	13,366,000
	50-98-2-98	LESS: ESTIMATED SALVAGE LESS: CONTRIBUTIONS*	
		NET TOTAL FIELD SERVICES DEPARTMENT	<u>13,366,000</u>

FIELD SERVICES DEPARTMENT

LISTING BY PRIORITY

FISCAL 2019 CAPITAL BUDGET

<u>P</u>	<u>CATEGORY</u>	<u>AMOUNT</u>	<u>BUDGET YR</u>	<u>YEAR 1</u>	<u>YEAR 2</u>	<u>YEAR 3</u>	<u>YEAR 4+</u>
	<u>PRIORITY 1</u>						
1	50-32-2-01	42,000	42,000				
	<u>PURCHASE VARIOUS SIZE SERVICE REGULATORS AS REPLACEMENTS</u>						
1	50-33-2-01	126,000	126,000				
	<u>REPLACE METRETEK UNITS, EQUIPMENT, AND INSTRUMENTATION</u>						
1	50-33-1-01	146,000	146,000				
	<u>PURCHASE AND INSTALLATION OF EQUIPMENT AND</u>						
1	50-34-2-01	23,000	23,000				
	<u>REPLACEMENT OF OBSOLETE SHOP EQUIPMENT & ACCESSORIES USED FOR AMR</u>						
1	50-30-2-01	2,706,000	2,706,000				
	<u>PURCHASE METERS TO SUPPORT AUTOMATIC METER READING</u>						
	<u>PRIORITY 4</u>						
4	50-30-1-01	2,008,000	2,008,000				
	<u>PURCHASE AND INSTALLATION OF METERS TO PROVIDE FOR</u>						
4	50-32-1-01	68,000	68,000				
	<u>PURCHASE AND INSTALLATION OF SERVICE REGULATORS</u>						
	<u>PRIORITY 5</u>						
2	50-34-1-01	5,400,000	4,945,000	455,000			
	<u>ADVANCED METER INFRASTRUCTURE INSTALLATION</u>						
5	50-36-1-01	190,000	190,000				
	<u>PURCHASE AND INSTALLATION OF ERT DEVICES FOR AMR</u>						
5	50-36-2-01	2,657,000	2,657,000				
	<u>REPLACE AMR DEVICES</u>						
TOTAL FIELD SERVICES DEPARTMENT:		13,366,000	12,911,000	455,000			

PHILADELPHIA GAS WORKS
 FISCAL YEAR 2019 CAPITAL BUDGET
 FIELD SERVICES DEPARTMENT ESTIMATE OF ENCUMBRANCE AND EXPENDITURE

<u>FISCAL YEAR</u>	<u>ADDITIONS</u>		<u>REPLACEMENTS</u>		<u>TOTAL</u>	
	<u>ENCUMBERED</u>	<u>EXPENDED</u>	<u>ENCUMBERED</u>	<u>EXPENDED</u>	<u>ENCUMBERED</u>	<u>EXPENDED</u>
CURRENT BUDGET	7,812,000	7,357,000	5,554,000	5,554,000	13,366,000	12,911,000
YEAR 1		455,000				455,000
YEAR 2						
YEAR 3						
YEAR 4 AND BEYOND						
TOTAL	7,812,000	7,812,000	5,554,000	5,554,000	13,366,000	13,366,000

FLEET OPERATIONS DEPARTMENT
FISCAL YEAR 2019 CAPITAL BUDGET
BUDGET/FORECAST COMPARISON

CATEGORY	2018 COMPL BUDGET	2019 FORECAST	2019 BUDGET	2019 BUDGET vs 2018		2019 BUDGET vs 2019 FORECAST	
				\$ DIFFERENCE	% DIFF.	\$ DIFFERENCE	% DIFF.
73-01-1-01 VEHICLE ADDITIONS TO SUPPORT CAST IRON MAIN REPLACEMENT				0	N/A	0	N/A
73-01-1-02 MOBILE EQUIPMENT ADDITIONS				0	N/A	0	N/A
73-01-2-01 SHOP EQUIPMENT REPLACEMENTS	538,000	0	12,000	(526,000)	-97.8%	12,000	N/A
73-01-2-02 MOBILE EQUIPMENT REPLACEMENTS	561,000	643,000	415,000	(146,000)	-26.0%	(228,000)	-35.5%
73-01-2-03 VEHICLE REPLACEMENTS	1,415,000	2,462,000	1,608,000	193,000	13.6%	(854,000)	-34.7%
FY 2016 & 2017 REAUTHORIZATION							
73-01-1-01 VEHICLE ADDITIONS	289,000			(289,000)	-100.0%	0	N/A
73-01-2-03 VEHICLE REPLACEMENTS	1,736,000		2,743,000	1,007,000	58.0%	2,743,000	N/A
GROSS TOTAL FLEET OPERATIONS	4,539,000	3,105,000	4,778,000	239,000	5.3%	1,673,000	53.9%
LESS: SALVAGE			0	0	N/A	0	N/A
NET TOTAL FLEET OPERATIONS	<u>4,539,000</u>	<u>3,105,000</u>	<u>4,778,000</u>	<u>239,000</u>	<u>5.3%</u>	<u>1,673,000</u>	<u>53.9%</u>

FLEET OPERATIONS DEPARTMENT
FISCAL 2019 CAPITAL BUDGET

<u>P</u>		<u>AMOUNT</u>
2	73-01-2-01 SHOP EQUIPMENT REPLACEMENTS	12,000
1	73-01-2-02 MOBILE EQUIPMENT REPLACEMENTS	415,000
2	73-01-2-03 VEHICLE REPLACEMENTS	1,608,000
	GROSS TOTAL FLEET OPERATIONS	<u>2,035,000</u>
	2017 REAUTHORIZATION	
2	73-01-2-03 VEHICLE REPLACEMENTS	1,007,000
	2016 REAUTHORIZATION (18 Program)	
2	73-01-2-03 VEHICLE REPLACEMENTS	1,736,000
	TOTAL REAUTHORIZATION	2,743,000
	73-98-2-98 LESS: SALVAGE	
	NET TOTAL FLEET OPERATIONS	<u><u>4,778,000</u></u>

FLEET OPERATIONS DEPARTMENT
LISTING BY PRIORITY
FISCAL 2019 CAPITAL BUDGET

P	CATEGORY	PRIORITY 1	AMOUNT	BUDGET YR	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
		PRIORITY 1							
1	73-01-2-02	MOBILE EQUIPMENT REPLACEMENTS	415,000	415,000					
		PRIORITY 2							
2	73-01-2-01	SHOP EQUIPMENT REPLACEMENTS	12,000	12,000					
2	73-01-2-03	VEHICLE REPLACEMENTS	1,608,000	1,608,000					
		2017 REAUTHORIZATION							
	73-01-2-03	VEHICLE REPLACEMENTS	1,007,000	1,007,000					
		2016 REAUTHORIZATION (18 Program)							
	73-01-2-03	VEHICLE REPLACEMENTS	1,736,000	1,736,000					

TOTAL FLEET OPERATIONS DEPARTMENT: 4,778,000 4,778,000

PHILADELPHIA GAS WORKS
 FISCAL YEAR 2019 CAPITAL BUDGET
 FLEET OPERATIONS DEPARTMENT ESTIMATE OF ENCUMBERANCE AND EXPENDITURE

<u>FISCAL YEAR</u>	<u>ADDITIONS</u>		<u>REPLACEMENTS</u>		<u>TOTAL</u>	
	<u>ENCUMBERED</u>	<u>EXPENDED</u>	<u>ENCUMBERED</u>	<u>EXPENDED</u>	<u>ENCUMBERED</u>	<u>EXPENDED</u>
CURRENT BUDGET			4,778,000	4,778,000	4,778,000	4,778,000
YEAR 1						
YEAR 2						
YEAR 3						
YEAR 4 AND BEYOND						
TOTAL			4,778,000	4,778,000	4,778,000	4,778,000

FACILITIES
FISCAL YEAR 2019 CAPITAL BUDGET
BUDGET/FORECAST COMPARISON

CATEGORY	2018 COMPL BUDGET	2019 FORECAST	2019 BUDGET	2018			
				2019 BUDGET vs \$ DIFFERENCE	COMPL BUDGET % DIFF.	2019 BUDGET vs 2019 FORECAST \$ DIFFERENCE	% DIFF.
72-01-1-01 MISCELLANEOUS CAPITAL ADDITIONS	150,000	150,000	150,000	0	0.0%	0	0.0%
72-01-1-02 MISCELLANEOUS CAPITAL ADDITIONS - GAS PROCESSING	11,000	12,000	8,000	(3,000)	-27.3%	(4,000)	-33.3%
72-01-2-01 MISCELLANEOUS CAPITAL REPLACEMENTS/STRUCTURAL REPAIRS	418,000	418,000	418,000	0	0.0%	0	0.0%
72-01-2-02 MISCELLANEOUS CAPITAL REPLACEMENTS - GAS PROCESSING	38,000	39,000	24,000	(14,000)	-36.8%	(15,000)	-38.5%
72-01-2-03 MISC CAPITAL REPL - STRUCTURAL REPAIRS - GAS PROCESSING	50,000	51,000	34,000	(16,000)	-32.0%	(17,000)	-33.3%
72-01-2-04 REPLACE CARPETS - ALL LOCATIONS	61,000	61,000	61,000	0	0.0%	0	0.0%
72-01-2-05 REPLACE MODULAR FURNITURE	67,000	67,000	67,000	0	0.0%	0	0.0%
72-01-2-06 REPLACE AND REPAIR 1800 BUILDING EXTERIOR CONCRETE	904,000	0	1,040,000	136,000	15.0%	1,040,000	N/A
72-01-2-07 REPLACE 20+ YEAR OLD HEATING AND COOLING EQUIP INSIDE & ON ROOF - WEST PHIL DO	356,000	0	0	(356,000)	-100.0%	0	N/A
72-01-2-08 REPLACE 2 CHILLER/HITTER UNITS - 800 WEST MONTGOMERY			1,462,300	1,462,300	N/A	1,462,300	N/A
72-01-2-08 800 BUILDING	0	450,000	0	0	N/A	(450,000)	-100.0%
72-01-2-09 1800 BUILDING	0	8,101,000	0	0	N/A	(8,101,000)	-100.0%
72-01-2-10 1849 BUILDING AND PARKING GARAGE	0	2,157,000	0	0	N/A	(2,157,000)	-100.0%
72-01-2-11 METER SHOP	0	641,000	0	0	N/A	(641,000)	-100.0%
72-01-2-12 BELFIELD STATION	0	116,000	0	0	N/A	(116,000)	-100.0%
72-01-2-13 CASTOR STATION	0	179,000	0	0	N/A	(179,000)	-100.0%
72-01-2-14 PORTER STATION	0	127,000	0	0	N/A	(127,000)	-100.0%
72-01-2-15 TIOGA STATION	0	180,000	0	0	N/A	(180,000)	-100.0%
			0	0	N/A	0	N/A
TOTAL FACILITIES	<u>2,055,000</u>	<u>12,749,000</u>	<u>3,264,300</u>	<u>1,209,300</u>	<u>58.8%</u>	<u>(9,484,700)</u>	<u>-74.4%</u>

OTHER DEPARTMENTS
FISCAL YEAR 2019 CAPITAL BUDGET
SUMMARY

<u>CATEGORY</u>	<u>ADDITIONS</u>	<u>REPLACEMENTS</u>	<u>TOTAL</u>
FACILITIES	158,000	3,106,300	3,264,300
INFORMATION SERVICES	574,000	15,391,000	15,965,000
CHIEF OPERATING OFFICER		750,000	750,000
VP TECHNICAL COMPLIANCE			
VP REGULATORY COMPLIANCE & CUSTOMER PROGRAMS			
CHEM SERVICES			
SECURITY & LOST PREVENTION		327,000	327,000
TOTAL OTHER DEPARTMENTS	<u>732,000</u>	<u>19,574,300</u>	<u>20,306,300</u>

OTHER DEPARTMENTS
FISCAL YEAR 2019 CAPITAL BUDGET
BUDGET/FORECAST COMPARISON

CATEGORY		2018						
		2018 COMPL	2019	2019	2019 BUDGET vs	2018 COMPL BUDGET	2019 BUDGET vs 2019 FORECAST	
		BUDGET	FORECAST	BUDGET	\$	%	\$	%
				DIFFERENCE	DIFF.	DIFFERENCE	DIFF.	
FACILITIES	ADDITIONS	161,000	162,000	158,000	(3,000)	-1.9%	(4,000)	-2.5%
	REPLACEMENTS	<u>1,894,000</u>	12,587,000	3,106,300	<u>1,212,300</u>	<u>64.0%</u>	<u>(9,480,700)</u>	<u>-75.3%</u>
	TOTAL	<u>2,055,000</u>	<u>12,749,000</u>	<u>3,264,300</u>	<u>1,209,300</u>	<u>58.8%</u>	<u>(9,484,700)</u>	<u>-74.4%</u>
INFORMATION SERVICES	ADDITIONS	1,048,000	339,000	574,000	(474,000)	-45.2%	235,000	69.3%
	REPLACEMENTS	<u>567,000</u>	<u>715,000</u>	<u>15,391,000</u>	<u>14,824,000</u>	<u>2614.5%</u>	<u>14,676,000</u>	<u>2052.6%</u>
	TOTAL	1,615,000	1,054,000	15,965,000	14,350,000	888.5%	14,911,000	1414.7%
CHIEF OPERATING OFFICER	ADDITIONS	0		0	0	N/A	0	N/A
	REPLACEMENTS	<u>750,000</u>	<u>750,000</u>	<u>750,000</u>	<u>0</u>	<u>0.0%</u>	<u>0</u>	<u>0.0%</u>
	TOTAL	750,000	750,000	750,000	0	0.0%	0	0.0%
VP TECHNICAL COMPLIANCE	ADDITIONS		2,739,000	0	0	N/A	(2,739,000)	-100.0%
	REPLACEMENTS			0	0	N/A	0	N/A
	TOTAL	0	2,739,000	0	0	N/A	(2,739,000)	-100.0%
VP REGULATORY COMPLIANCE & CUSTOMER PROGRAMS	ADDITIONS			0	0	N/A	0	N/A
	REPLACEMENTS			<u>0</u>	<u>0</u>	<u>N/A</u>	<u>0</u>	<u>N/A</u>
	TOTAL	0	0	0	0	N/A	0	N/A
CHEM SERVICES	ADDITIONS			0	<u>0</u>	N/A	0	N/A
	REPLACEMENTS			<u>0</u>	<u>0</u>	<u>N/A</u>	<u>0</u>	<u>N/A</u>
	TOTAL	0	0	0	0	N/A	0	N/A
SECURITY & LOST PREVENTION	ADDITIONS	0	0	0	<u>0</u>	N/A	0	N/A
	REPLACEMENTS	<u>0</u>	<u>0</u>	<u>327,000</u>	<u>327,000</u>	<u>N/A</u>	<u>327,000</u>	<u>N/A</u>
	TOTAL	0	0	327,000	327,000	N/A	327,000	N/A
TOTAL OTHER DEPARTMENTS		<u>4,420,000</u>	<u>17,292,000</u>	<u>20,306,300</u>	<u>15,886,300</u>	<u>359.4%</u>	<u>3,014,300</u>	<u>17.4%</u>

OTHER DEPARTMENTS
FISCAL 2019 CAPITAL BUDGET

P	FACILITIES	AMOUNT
1	72-01-1-01 MISCELLANEOUS CAPITAL ADDITIONS	150,000
1	72-01-1-02 MISCELLANEOUS CAPITAL ADDITIONS - GAS PROCESSING	8,000
1	72-01-2-01 MISCELLANEOUS CAPITAL REPLACEMENTS/STRUCTURAL REPAIRS	418,000
1	72-01-2-02 MISCELLANEOUS CAPITAL REPLACEMENTS - GAS PROCESSING	24,000
1	72-01-2-03 MISC CAPITAL REPL - STRUCTURAL REPAIRS - GAS PROCESSING	34,000
1	72-01-2-04 REPLACE CARPETS - ALL LOCATIONS	61,000
1	72-01-2-05 REPLACE MODULAR FURNITURE	67,000
1	72-01-2-06 REPLACE AND REPAIR 1800 BUILDING EXTERIOR CONCRETE	1,040,000
1	72-01-2-08 REPLACE 2 CHILLER/HITTER UNITS - 800 WEST MONTGOMERY	1,462,300
	TOTAL FACILITIES	<u>3,264,300</u>
	INFORMATION SERVICES	
2	47-01-1-01 MISCELLANEOUS SERVER, NETWORK, & HARDWARE ADDITIONS	62,000
2	47-01-1-02 MISCELLANEOUS SOFTWARE ADDITIONS	205,000
2	47-01-1-03 SYSTEM & NETWORK MONITORING APPLIANCE ADDITIONS	185,000
2	47-01-1-04 SAN STORAGE REPLACEMENTS	230,000
2	47-01-1-05 AIMS CORROSION	400,000
2	47-01-1-06 GIS IMPLEMENTATION	1,225,000
2	47-01-2-01 SERVER AND NETWORK HARDWARE REPLACEMENT	484,000
2	47-01-2-02 MISCELLANEOUS SOFTWARE REPLACEMENTS	50,000
2	47-01-2-03 PRI to SIP CONVERSION REPLACEMENTS	310,000
2	47-01-2-04 CUSTOMER INFORMATION SYSTEMS (CIS/BCCS) REPLACEMENTS	12,892,000
	2017 REAUTHORIZATION	
5	10-01-1-01 DSM DATABASE	87,000
5	10-01-1-02 PUC LIURP	35,000
	TOTAL INFORMATION SERVICES	<u>15,965,000</u>
	CHIEF OPERATING OFFICER	
1	13-01-2-01 CONDITIONAL FUNDING FOR CAPITAL NEEDS RELATED TO SAFETY	250,000
2	13-01-2-02 CONDITIONAL FUNDING FOR CAPITAL NEEDS RELATED TO RELIABILITY OF SERVICE	250,000
4	13-01-2-03 CONDITIONAL FUNDING FOR CAPITAL NEEDS RELATED TO COST-JUSTIFIED LOAD GROWTH	250,000
	TOTAL CHIEF OPERATING OFFICER	<u>750,000</u>
	SECURITY & LOST PREVENTION	
1	65-01-2-01 VIDEO AND RECORDING DEVICE REPLACEMENT	327,000
	TOTAL SECURITY & LOST PREVENTION	<u>327,000</u>
	TOTAL OTHER DEPARTMENTS	<u>20,306,300</u>

OTHER DEPARTMENTS
LISTING BY PRIORITY
FISCAL 2019 CAPITAL BUDGET

P	CATEGORY	AMOUNT	BUDGET_YR	YEAR_1	YEAR_2	YEAR_3
PRIORITY 1						
1	72-01-1-01	150,000	150,000			
	MISCELLANEOUS CAPITAL ADDITIONS					
1	72-01-1-02	8,000	8,000			
	MISCELLANEOUS CAPITAL ADDITIONS - GAS PROCESSING					
1	72-01-2-01	418,000	418,000			
	MISCELLANEOUS CAPITAL REPLACEMENTS/STRUCTURAL REPAIRS					
1	72-01-2-02	24,000	24,000			
	MISCELLANEOUS CAPITAL REPLACEMENTS - GAS PROCESSING					
1	72-01-2-03	34,000	34,000			
	MISC CAPITAL REPL - STRUCTURAL REPAIRS - GAS PROCESSING					
1	72-01-2-04	61,000	61,000			
	REPLACE CARPETS - ALL LOCATIONS					
1	72-01-2-05	67,000	67,000			
	REPLACE MODULAR FURNITURE					
1	72-01-2-06	1,040,000	1,040,000			
	REPLACE AND REPAIR 1800 BUILDING EXTERIOR CONCRETE					
1	72-01-2-08	1,462,300	1,462,300			
	REPLACE 2 CHILLER/HITTER UNITS - 800 WEST MONTGOMERY					
1	13-01-2-01	250,000	250,000			
	CONDITIONAL FUNDING FOR CAPITAL NEEDS RELATED TO SAFETY					
1	65-01-2-01	327,000	327,000			
	VIDEO AND RECORDING DEVICE REPLACEMENT					
PRIORITY 2						
2	47-01-1-01	62,000	62,000			
	MISCELLANEOUS SERVER, NETWORK, & HARDWARE ADDITIONS					
2	47-01-1-02	205,000	100,000	105,000		
	MISCELLANEOUS SOFTWARE ADDITIONS					
2	47-01-1-03	185,000	185,000			
	SYSTEM & NETWORK MONITORING APPLIANCE ADDITIONS					
2	47-01-1-04	230,000	230,000			
	SAN STORAGE REPLACEMENTS					
2	47-01-1-05	400,000	400,000			
	AIMS CORROSION					
2	47-01-1-06	1,225,000	860,000	365,000		
	GIS IMPLEMENTATION					
2	47-01-2-01	484,000	484,000			
	SERVER AND NETWORK HARDWARE REPLACEMENT					
2	47-01-2-02	50,000	30,000	20,000		
	MISCELLANEOUS SOFTWARE REPLACEMENTS					
2	47-01-2-03	310,000	310,000			
	PRI to SIP CONVERSION REPLACEMENTS					
2	47-01-2-04	12,692,000	4,176,000	8,516,000		
	CUSTOMER INFORMATION SYSTEMS (CIS/BCCS) REPLACEMENTS					
2	13-01-2-02	250,000	250,000			
	CONDITIONAL FUNDING FOR CAPITAL NEEDS RELATED TO RELIABILITY OF SERVICE					
PRIORITY 4						
4	13-01-2-03	250,000	250,000			
	CONDITIONAL FUNDING FOR CAPITAL NEEDS RELATED TO COST-JUSTIFIED LOAD GROWTH					
PRIORITY 5						
5	10-01-1-01	87,000	87,000			
	DSM DATABASE					
5	10-01-1-02	35,000	35,000			
	PUC LIURP					
TOTAL OTHER DEPARTMENTS:			20,308,300	11,300,300	9,008,000	

PHILADELPHIA GAS WORKS
 FISCAL YEAR 2019 CAPITAL BUDGET
 OTHER DEPARTMENTS ESTIMATE OF ENCUMBERANCE AND EXPENDITURE

<u>FISCAL YEAR</u>	<u>ADDITIONS</u>		<u>REPLACEMENTS</u>		<u>TOTAL</u>	
	<u>ENCUMBERED</u>	<u>EXPENDED</u>	<u>ENCUMBERED</u>	<u>EXPENDED</u>	<u>ENCUMBERED</u>	<u>EXPENDED</u>
CURRENT BUDGET	732,000	627,000	19,574,300	10,673,300	20,306,300	11,300,300
YEAR 1		105,000		8,901,000		9,006,000
YEAR 2						
YEAR 3						
YEAR 4 AND BEYOND						
TOTAL	732,000	732,000	19,574,300	19,574,300	20,306,300	20,306,300

FIVE YEAR FORECAST

PHILADELPHIA GAS WORKS

FISCAL YEAR 2019 AND FORECAST 2020 THROUGH 2024

<u>DEPARTMENT</u>	2019 CAPITAL BUDGET	<u>FORECAST</u>				<u>TOTAL 6 YEARS</u>
		<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	
<u>GAS PROCESSING</u>						
ADDITIONS	598,000	91,000	93,000	95,000	97,000	3,073,000
REPLACEMENTS	<u>6,173,000</u>	<u>9,154,000</u>	<u>7,411,000</u>	<u>7,852,000</u>	<u>9,394,000</u>	<u>44,460,000</u>
TOTAL GAS PROCESSING	6,771,000	9,245,000	7,504,000	7,947,000	9,491,000	<u>47,533,000</u>
ACQUIRE ASSETS LEASE	6,771,000	9,245,000	7,504,000	7,947,000	9,491,000	47,533,000
<u>DISTRIBUTION</u>						
ADDITIONS	13,177,000	13,479,000	13,775,000	14,078,000	14,396,000	83,608,000
REPLACEMENTS	<u>80,826,000</u>	<u>81,882,000</u>	<u>82,956,000</u>	<u>84,056,000</u>	<u>85,181,000</u>	<u>501,229,000</u>
GROSS TOTAL DISTRIBUTION	94,003,000	95,361,000	96,731,000	98,134,000	99,577,000	<u>584,837,000</u>
LESS: SALVAGE						
LESS: CONTRIBUTIONS*						
LESS: REIMBURSEMENT**	<u>(1,882,767)</u>	<u>(1,920,000)</u>	<u>(1,958,000)</u>	<u>(1,997,000)</u>	<u>(2,037,000)</u>	<u>(11,872,767)</u>
NET TOTAL DISTRIBUTION	92,120,233	93,441,000	94,773,000	96,137,000	97,540,000	<u>572,964,233</u>
ACQUIRE ASSETS LEASE	92,120,233	93,441,000	94,773,000	96,137,000	97,540,000	572,964,233

PHILADELPHIA GAS WORKS

FISCAL YEAR 2019 AND FORECAST 2020 THROUGH 2024

<u>DEPARTMENT</u>	2019 CAPITAL BUDGET	<u>FORECAST</u>				<u>TOTAL 6 YEARS</u>
		<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	
<u>FIELD SERVICES</u>						
ADDITIONS	7,812,000	4,968,000	3,022,000	3,076,000	3,134,000	25,202,000
REPLACEMENTS	<u>5,554,000</u>	<u>5,677,000</u>	<u>5,804,000</u>	<u>5,931,000</u>	<u>6,062,000</u>	<u>35,223,000</u>
GROSS TOTAL FIELD SERVICES	13,366,000	10,645,000	8,826,000	9,007,000	9,196,000	<u>60,425,000</u>
LESS: SALVAGE						
LESS: CONTRIBUTIONS*						
NET TOTAL FIELD SERVICES	13,366,000	10,645,000	8,826,000	9,007,000	9,196,000	<u>60,425,000</u>
ACQUIRE ASSETS LEASE	13,366,000	10,645,000	8,826,000	9,007,000	9,196,000	60,425,000
<u>FLEET OPERATIONS</u>						
ADDITIONS						
REPLACEMENTS	<u>4,778,000</u>	<u>4,608,000</u>	<u>3,053,000</u>	<u>3,780,000</u>	<u>3,995,000</u>	<u>24,177,000</u>
GROSS TOTAL FLEET OPERATIONS	4,778,000	4,608,000	3,053,000	3,780,000	3,995,000	<u>24,177,000</u>
LESS: SALVAGE						
NET TOTAL FLEET OPERATIONS	4,778,000	4,608,000	3,053,000	3,780,000	3,995,000	<u>24,177,000</u>
ACQUIRE ASSETS LEASE	4,778,000	4,608,000	3,053,000	3,780,000	3,995,000	24,177,000

PHILADELPHIA GAS WORKS

FISCAL YEAR 2019 AND FORECAST 2020 THROUGH 2024

<u>DEPARTMENT</u>	2019 CAPITAL BUDGET	FORECAST				TOTAL 6 YEARS
		<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	
<u>OTHER</u>						
ADDITIONS	732,000	623,000	634,000	645,000	684,000	4,013,050
REPLACEMENTS	<u>19,574,300</u>	<u>30,364,590</u>	<u>22,986,590</u>	<u>13,725,590</u>	<u>13,734,590</u>	<u>114,127,250</u>
TOTAL OTHER	20,306,300	30,987,590	23,620,590	14,370,590	14,418,590	<u>118,140,300</u>
ACQUIRE ASSETS LEASE	20,306,300	30,987,590	23,620,590	14,370,590	14,418,590	118,140,300
<u>TOTAL</u>						
ADDITIONS	22,319,000	19,161,000	17,524,000	17,894,000	18,311,000	115,896,050
REPLACEMENTS	<u>116,905,300</u>	<u>131,685,590</u>	<u>122,210,590</u>	<u>115,344,590</u>	<u>118,366,590</u>	<u>719,216,250</u>
GROSS TOTAL	139,224,300	150,846,590	139,734,590	133,238,590	136,677,590	<u>835,112,300</u>
LESS: SALVAGE						
LESS: REIMBURSEMENT**	(1,882,767)	(1,920,000)	(1,958,000)	(1,997,000)	(2,037,000)	<u>(11,872,767)</u>
LESS: CONTRIBUTIONS*						
NET TOTAL	<u>137,341,533</u>	<u>148,926,590</u>	<u>137,776,590</u>	<u>131,241,590</u>	<u>134,640,590</u>	<u>823,239,533</u>
ACQUIRE ASSETS LEASE	137,341,533	148,926,590	137,776,590	131,241,590	134,640,590	<u>823,239,533</u>

* CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

** REIMBURSEMENT TO PGW FOR RELOCATING STRUCTURES & EQUIPMENT AND/OR LOAD GROWTH

PHILADELPHIA GAS WORKS
PROPOSED 2020 - 2024 FORECAST
(COMPARISON)

<u>DEPARTMENT</u>	<u>2019- 2023 FORECAST</u>	<u>2020 - 2024 FORECAST</u>	<u>AMOUNT DIFFERENCE</u>	<u>PERCENT DIFFERENCE</u>
<u>GAS PROCESSING</u>				
ADDITIONS	3,028,000	2,475,000	(553,000)	-18.3%
REPLACEMENTS	24,889,000	38,287,000	13,398,000	53.8%
TOTAL GAS PROCESSING	27,917,000	40,762,000	12,845,000	46.0%
<u>DISTRIBUTION</u>				
ADDITIONS	61,231,000	70,431,000	9,200,000	15.0%
REPLACEMENTS	416,007,000	<u>420,403,000</u>	4,396,000	1.1%
GROSS TOTAL DISTRIBUTION	477,238,000	490,834,000	13,596,000	2.8%
LESS: SALVAGE				
LESS: CONTRIBUTIONS*				
LESS: REIMBURSEMENT**	<u>(9,999,000)</u>	(9,990,000)	9,000	-0.1%
NET TOTAL DISTRIBUTION	477,238,000	480,844,000	3,606,000	0.8%
<u>FIELD SERVICES</u>				
ADDITIONS	11,138,000	17,390,000	6,252,000	56.1%
REPLACEMENTS	28,332,000	<u>29,669,000</u>	1,337,000	4.7%
GROSS TOTAL FIELD SERVICES	39,470,000	47,059,000	7,589,000	19.2%
LESS: SALVAGE				
LESS: CONTRIBUTIONS*				
NET TOTAL FIELD SERVICES	39,470,000	47,059,000	7,589,000	19.2%

PHILADELPHIA GAS WORKS
PROPOSED 2020 - 2024 FORECAST
(COMPARIISON)

<u>DEPARTMENT</u>	<u>2019- 2023 FORECAST</u>	<u>2020 - 2024 FORECAST</u>	<u>AMOUNT DIFFERENCE</u>	<u>PERCENT DIFFERENCE</u>
<u>FLEET OPERATIONS</u>				
ADDITIONS				
REPLACEMENTS	16,530,000	19,399,000	2,869,000	17.4%
GROSS TOTAL FLEET OPERATIONS	16,530,000	19,399,000	2,869,000	17.4%
LESS: SALVAGE				
NET TOTAL FLEET OPERATIONS	16,530,000	19,399,000	2,869,000	17.4%
<u>OTHER</u>				
ADDITIONS	5,314,000	3,281,050	(2,032,950)	-38.3%
REPLACEMENTS	68,098,000	94,552,950	26,454,950	38.8%
TOTAL OTHER	73,412,000	97,834,000	24,422,000	33.3%
<u>TOTAL</u>				
ADDITIONS	80,711,000	93,577,050	12,866,050	15.9%
REPLACEMENTS	<u>553,856,000</u>	<u>602,310,950</u>	48,454,950	8.7%
GROSS TOTAL	634,567,000	695,888,000	61,321,000	9.7%
LESS: SALVAGE				
LESS: REIMBURSEMENT**	(9,999,000)	(9,990,000)	9,000	-0.1%
LESS: CONTRIBUTIONS*				
NET TOTAL	<u>634,567,000</u>	<u>685,898,000</u>	<u>51,331,000</u>	8.1%

* CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

** REIMBURSEMENT TO PGW FOR RELOCATING STRUCTURES & EQUIPMENT AND/OR LOAD GROWTH

GAS PROCESSING DEPARTMENT

FORECAST - FISCAL YEARS 2020 THROUGH 2024

		<u>2018 COMPLIANCE BUDGET</u>	<u>2019 BUDGET</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>TOTAL FORECAST</u>
	<u>GP-1 NATURAL GAS MEASUREMENT AND CONTROL FACILITIES AND STATION MODIFICATIONS</u>								
1	53-01-2-03 NEW HEATER, GENERATOR AND STATION MODIFICATIONS		996,000		1,800,000		1,800,000		3,600,000
	53-01-X-XX NON-RECURRING ITEMS	289,000							
	<u>TOTAL GP-1</u>	<u>289,000</u>	<u>996,000</u>		<u>1,800,000</u>		<u>1,800,000</u>		<u>3,600,000</u>
	<u>GP-2 SUPPLEMENTAL GAS FACILITIES</u>								
2	53-02-1-03 LIQUIFACTION FEEDGAS CO2 AND ETHANE REMOVAL - RICHMOND							2,000,000	2,000,000
2	53-02-1-04 INSTALL REPORTING HARDWARE AND SOFTWARE - RICHMOND AND PASSYUNK PLANTS		292,000						
2	53-02-1-05 INSTALL BOLLARDS AND BARRIERS AROUND EXPANDER PLANT - RICHMOND		119,000						
2	53-02-2-05 REPLACE FIBER OPTIC - PASSYUNK PLANT							1,299,000	1,299,000
2	53-02-2-06 REPLACE FIBER OPTIC - RICHMOND PLANT							2,472,000	2,472,000
2	53-02-2-07 REPLACE PUBLIC ADDRESS SYSTEM - PASSYUNK			750,000					750,000
1	53-02-2-08 REPLACE LNG SWITCHGEAR-RICHMOND			6,500,000					6,500,000
1	53-02-2-09 REPLACE RIVER WATER PUMP SWITCHGEAR AND RIVER WATER PUMPS -RICHMOND				5,000,000				5,000,000
2	53-02-2-10 REPLACE PNEUMATIC COMPANDER ACTUATORS WITH ELECTRONIC ACTUATORS						380,000		380,000
1	53-02-2-11 REPLACE HAZARD DETECTION SYSTEM - PASSYUNK		2,976,000	1,194,000					1,194,000
1	53-02-2-12 DCS UPGRADES - RICHMOND						875,000		875,000
1	53-02-2-13 EXPANDER LIQUEFIER TSA SYSTEM UPGRADES - RICHMOND					2,000,000			2,000,000
2	53-02-2-14 REMODEL CENTRAL CONTROL ROOM - PASSYUNK					521,000			521,000
2	53-02-2-15 INSTALL NEW CARD READERS & TURNSTILES AT MAIN GATE AND BOILER AREA - PASSYUNK							154,000	154,000
2	53-02-2-17 RELOCATE STEAM SILENCER - PASSYUNK			112,000					112,000
2	53-02-2-18 ISOLATE NATURAL GAS HEATERS - PASSYUNK			168,000					168,000
2	53-02-2-19 REPLACE H2O ANALYZER - RICHMOND PLANT							204,000	204,000
2	53-02-2-20 UPGRADE H-1 HEATER CONTROLS - RICHMOND			114,000					114,000
2	53-02-2-21 REPLACE STEAM HEATING IN SWITCHGEAR BUILDING - PASSYUNK		149,000						

GAS PROCESSING DEPARTMENT

FORECAST - FISCAL YEARS 2020 THROUGH 2024

	2018 COMPLIANCE BUDGET	2019 BUDGET	2020	2021	2022	2023	2024	TOTAL FORECAST
2 53-02-2-22 ISOLATE PIPING IN #77 HOUSE BASEMENT - RICHMOND				288,000				288,000
53-02-X-XX NON-RECURRING ITEMS	5,156,000							
TOTAL GP-2	<u>5,156,000</u>	<u>3,536,000</u>	<u>8,838,000</u>	<u>5,288,000</u>	<u>2,521,000</u>	<u>1,255,000</u>	<u>6,129,000</u>	<u>24,031,000</u>
<u>GP-3 BUILDING AND GROUNDS</u>								
2 53-03-2-01 RELOCATE TRAINING FACILITY - RICHMOND					5,000,000			5,000,000
2 53-03-2-02 INSTALL CANOPY OVER TRANSFORMERS AT MAIN SWITCHGEAR BUILDING - RICHMOND		98,000						
2 53-03-2-03 REPLACE SHOP BOILERS IN FRONT OFFICE - RICHMOND PLANT		227,000						
2 53-03-2-04 CONSOLIDATE ALL MAINTENANCE SHOPS AND CONSTRUCT NEW SHOP AREA - PASSYUNK						6,000,000		6,000,000
2 53-03-2-05 REMODEL SECURITY FRONT OFFICE AND CCTV BUILDING - RICHMOND PLANT		494,000						
TOTAL GP-3	<u>819,000</u>	<u>89,000</u>	<u>91,000</u>	<u>93,000</u>	<u>5,000,000</u>	<u>6,000,000</u>	<u>99,000</u>	<u>11,000,000</u>
1 53-04-1-01 MISCELLANEOUS CAPITAL ADDITIONS	<u>109,000</u>				95,000	97,000	99,000	475,000
1 53-04-2-01 MISCELLANEOUS CAPITAL REPLACEMENTS	<u>354,000</u>	309,000	316,000	323,000	331,000	339,000	347,000	1,656,000
TOTAL GP-4	<u>463,000</u>	<u>398,000</u>	<u>407,000</u>	<u>416,000</u>	<u>426,000</u>	<u>436,000</u>	<u>446,000</u>	<u>2,131,000</u>
<u>2017 REAUTHORIZATION</u>								
1 53-02-2-08 REPLACE P-106 PUMP - RICHMOND		544,000						
1 53-02-2-01 REPLACE H-2 HEATER - RICHMOND		478,000						
TOTAL GAS PROCESSING DEPARTMENT	<u>5,908,000</u>	<u>6,771,000</u>	<u>9,245,000</u>	<u>7,504,000</u>	<u>7,947,000</u>	<u>9,491,000</u>	<u>6,575,000</u>	<u>40,762,000</u>
ACQUIRE ASSETS LEASE	<u>5,908,000</u>	<u>6,771,000</u>	<u>9,245,000</u>	<u>7,504,000</u>	<u>7,947,000</u>	<u>9,491,000</u>	<u>6,575,000</u>	<u>40,762,000</u>

DISTRIBUTION DEPARTMENT

FORECAST - FISCAL YEARS 2020 THROUGH 2024

	<u>2018 COMPLIANCE BUDGET</u>	<u>2019 BUDGET</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>TOTAL FORECAST</u>
D-22 12 INCH AND LARGER I.P. AND L.P. MAIN								
4 52-22-1-01 TO SUPPLY NEW CUSTOMERS AND TO PROVIDE FOR INSTALLATION OF MAINS AHEAD-OF-PAVING	115,000	129,000	132,000	135,000	138,000	141,000	144,000	690,000
3 52-22-2-01 MAIN FOR MAJOR ENFORCED RELOCATION	560,000	487,000	498,000	509,000	520,000	532,000	543,000	2,602,000
52-2X-X-XX NON-RECURRING ITEMS	300,000							
GROSS TOTAL D-22	<u>975,000</u>	<u>616,000</u>	<u>630,000</u>	<u>644,000</u>	<u>658,000</u>	<u>673,000</u>	<u>687,000</u>	<u>3,292,000</u>
	(255,000)							
NET TOTAL D-22	<u>720,000</u>	<u>616,000</u>	<u>630,000</u>	<u>644,000</u>	<u>658,000</u>	<u>673,000</u>	<u>687,000</u>	<u>3,292,000</u>
D-23 CUSTOMER METERING & REGULATOR INSTALLATION, AND PRESSURE REGULATION & CORROSION CONTROL FACILITIES								
4 52-23-1-01 CUSTOMER METERING AND REGULATOR INSTALLATION	595,000	479,000	498,000	509,000	520,000	532,000	543,000	2,602,000
1 52-23-2-01 REPLACEMENT/REHABILITATION OF HIGH PRESSURE MAIN VALVES	542,000	531,000	543,000	555,000	567,000	580,000	593,000	2,838,000
2 52-23-2-02 REPLACEMENT OF VARIOUS PRESSURE REGULATING AND CORROSION CONTROL FACILITIES	432,000	474,000	485,000	496,000	506,000	518,000	529,000	2,534,000
GROSS TOTAL D-23	<u>1,569,000</u>	<u>1,484,000</u>	<u>1,526,000</u>	<u>1,560,000</u>	<u>1,593,000</u>	<u>1,630,000</u>	<u>1,665,000</u>	<u>7,974,000</u>
LESS: REIMBURSEMENT**								
LESS: CONTRIBUTIONS*								
TOTAL D-23	<u>1,569,000</u>	<u>1,484,000</u>	<u>1,526,000</u>	<u>1,560,000</u>	<u>1,593,000</u>	<u>1,630,000</u>	<u>1,665,000</u>	<u>7,974,000</u>

FIELD SERVICES DEPARTMENT

FORECAST - FISCAL YEARS 2020 THROUGH 2024

	<u>2018 COMPLIANCE BUDGET</u>	<u>2019 BUDGET</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>TOTAL FORECAST</u>
<u>C-30 METERS</u>								
4 50-30-1-01 ADDITIONS AND INSTALLATIONS	1,728,000	2,008,000	2,053,000	2,098,000	2,144,000	2,191,000	2,239,000	10,725,000
1 50-30-2-01 REPLACEMENTS	2,676,000	2,706,000	2,766,000	2,827,000	2,889,000	2,953,000	3,018,000	14,453,000
TOTAL C-30	4,404,000	4,714,000	4,819,000	4,925,000	5,033,000	5,144,000	5,257,000	25,178,000
<u>C-32 SERVICES REGULATORS</u>								
4 50-32-1-01 ADDITIONS AND INSTALLATIONS	58,000	68,000	70,000	72,000	73,000	75,000	76,000	366,000
1 50-32-2-01 REPLACEMENTS	37,000	42,000	43,000	44,000	45,000	46,000	47,000	225,000
TOTAL C-32	95,000	110,000	113,000	116,000	118,000	121,000	123,000	591,000
<u>C-33 TELEMETERING</u>								
1 50-33-1-01 ADDITIONS AND INSTALLATIONS	84,000	146,000	150,000	153,000	156,000	160,000	163,000	782,000
1 50-33-2-01 REPLACEMENTS	159,000	126,000	128,000	132,000	135,000	138,000	141,000	674,000
TOTAL C-33	243,000	272,000	278,000	285,000	291,000	298,000	304,000	1,456,000

OTHER DEPARTMENTS

FORECAST - FISCAL YEARS 2020 THROUGH 2024

	<u>2018</u>	<u>2019 BUDGET</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>TOTAL FORECAST</u>
	<u>COMPLIANCE BUDGET</u>							
<u>FACILITIES</u>								
1	72-01-1-01	MISCELLANEOUS CAPITAL ADDITIONS	150,000	150,000	150,000	150,000	150,000	750,000
1	72-01-1-02	MISCELLANEOUS CAPITAL ADDITIONS - GAS PROCESSING	11,000	8,000	12,000	13,000	14,000	69,000
1	72-01-2-01	MISCELLANEOUS CAPITAL REPLACEMENTS/STRUCTURAL REPAIRS	418,000	418,000	397,000	404,000	411,000	2,034,000
1	72-01-2-02	MISCELLANEOUS CAPITAL REPLACEMENTS - GAS PROCESSING	38,000	24,000	48,000	49,000	50,000	249,000
1	72-01-2-03	MISC CAPITAL REPL - STRUCTURAL REPAIRS - GAS PROCESSING	50,000	34,000	60,000	61,000	62,000	309,000
1	72-01-2-04	REPLACE CARPETS - ALL LOCATIONS	61,000	61,000	61,000	75,000	75,000	361,000
1	72-01-2-05	REPLACE MODULAR FURNITURE	67,000	67,000	67,000	75,000	75,000	367,000
1	72-01-2-06	REPLACE AND REPAIR 1800 BUILDING EXTERIOR CONCRETE	904,000	1,040,000				
2	72-01-2-08	REPLACE 2 CHILLER/HITTER UNITS - 800 WEST MONTGOMERY		1,462,300				
1	72-01-2-08	800 BUILDING			450,575	450,575	450,575	2,252,875
2	72-01-2-09	1800 BUILDING			8,100,430	8,100,430	8,100,430	40,502,150
1	72-01-2-10	1849 BUILDING AND PARKING GARAGE			2,157,067	2,157,067	2,157,067	10,785,335
1	72-01-2-11	METER SHOP			641,429	641,429	641,429	3,207,145
2	72-01-2-12	BELFIELD STATION			116,043	116,043	116,043	580,215
1	72-01-2-13	CASTOR STATION			179,188	179,188	179,188	895,940
2	72-01-2-14	PORTER STATION			126,588	126,588	126,588	632,940
2	72-01-2-15	TIOGA STATION			180,270	180,270	180,270	901,350
	72-01-XX-XX	NON-RECURRING ITEMS	356,000					
		<u>TOTAL FACILITIES</u>	<u>2,055,000</u>	<u>3,264,300</u>	<u>12,746,590</u>	<u>12,778,590</u>	<u>12,791,590</u>	<u>63,896,950</u>

OTHER DEPARTMENTS

FORECAST - FISCAL YEARS 2020 THROUGH 2024

	2018	2020	2021	2022	2023	2024	TOTAL FORECAST
<u>INFORMATION SERVICES</u>							
<u>INFORMATION SERVICES</u>							
2 47-01-1-01 MISCELLANEOUS SERVER, NETWORK, & HARDWARE ADDITIONS	58,000	62,000	64,000	65,000	66,000	67,000	325,000
2 47-01-1-02 MISCELLANEOUS SOFTWARE ADDITIONS	275,000	209,000	214,000	219,000	224,000	229,050	1,095,050
2 47-01-1-03 SYSTEM & NETWORK MONITORING APPLIANCE ADDITIONS	241,000	189,000	193,000	197,000	229,000	234,000	1,042,000
1 47-01-1-04 ENVIRONMENTAL MANAGEMENT SYSTEM	200,000	235,000	240,000	245,000	250,000	255,000	1,225,000
2 47-01-1-05 AIMS CORROSION		400,000					
2 47-01-1-06 GIS IMPLEMENTATION		1,225,000					
2 47-01-2-01 SERVER AND NETWORK HARDWARE REPLACEMENT	230,000	484,000	52,000	53,000	54,000	55,000	265,000
2 47-01-2-02 MISCELLANEOUS SOFTWARE REPLACEMENTS	50,000	50,000	52,000	53,000	54,000	55,000	265,000
2 47-01-2-03 PRI to SIP CONVERSION REPLACEMENTS	87,000	310,000					
2 47-01-2-04 CUSTOMER INFORMATION SYSTEMS (CIS/BCCS) REPLACEMENTS		12,692,000	9,277,000				19,970,000
2 47-01-2-05 UPGRADE ORACLE FIS		2,000,000					2,000,000
72 47-01-XX-X NON-RECURRING ITEMS	474,000						
<u>2017 REAUTHORIZATION</u>							
5 10-01-1-01 DSM DATABASE		87,000					
5 10-01-1-02 PUC LIURP		35,000					
<u>2016 REAUTHORIZATION</u>							
	1,615,000	15,965,000	10,092,000	832,000	877,000	895,050	26,187,050
<u>TOTAL INFORMATION SERVICES</u>							
<u>CHIEF OPERATING OFFICER</u>							
1 13-01-2-01 CONDITIONAL FUNDING FOR CAPITAL NEEDS RELATED TO SAFETY	250,000	250,000	250,000	250,000	250,000	250,000	1,250,000
2 13-01-2-02 CONDITIONAL FUNDING FOR CAPITAL NEEDS RELATED TO RELIABILITY OF SERVICE	250,000	250,000	250,000	250,000	250,000	250,000	1,250,000
4 13-01-2-03 CONDITIONAL FUNDING FOR CAPITAL NEEDS RELATED TO COST-JUSTIFIED LOAD GROWTH	250,000	250,000	250,000	250,000	250,000	250,000	1,250,000
	750,000	750,000	750,000	750,000	750,000	750,000	3,750,000
<u>TOTAL CHIEF OPERATING OFFICER</u>							

OTHER DEPARTMENTS

FORECAST - FISCAL YEARS 2020 THROUGH 2024

	2018	2020	2021	2022	2023	2024	TOTAL FORECAST
<u>VP TECHNICAL COMPLIANCE</u>							
1 38-01-1-01 BIOSPARGE AND SOIL VAPOR EXTRACTION SYSTEM		4,000,000					4,000,000
		<u>4,000,000</u>					<u>4,000,000</u>
<u>TOTAL VP TECHNICAL COMPLIANCE</u>							
		<u>4,000,000</u>					<u>4,000,000</u>
<u>SECURITY & LOST PREVENTION</u>							
1 65-01-2-01 VIDEO AND RECORDING DEVICE REPLACEMENT		327,000					327,000
		<u>327,000</u>					<u>327,000</u>
		<u>327,000</u>					<u>327,000</u>
<u>TOTAL SECURITY & LOST PREVENTION</u>							
		<u>327,000</u>					<u>327,000</u>
<u>TOTAL OTHER DEPARTMENTS</u>							
	<u>4,420,000</u>	<u>30,987,590</u>	<u>23,620,590</u>	<u>14,370,590</u>	<u>14,418,590</u>	<u>14,436,640</u>	<u>97,834,000</u>
<u>ACQUIRE ASSETS</u>							
<u>LEASE</u>							

FISCAL 2019 FINANCING PLAN

PHILADELPHIA GAS WORKS
CAPITAL FINANCING PLAN

As a result of the FY 2011 Operating Budget proceedings, a motion was approved that directed PGW to begin with its FY 2012 Capital Budget filing to include with each proposed Capital Budget and Capital Budget Amendment a proposed Capital Funding plan pursuant to Section IV.2.b of the Management Agreement.

In this section of the Management Agreement, funds required to be supplied must be identified between:

- i. Funds generated within the business through charges to customer or otherwise; and
- ii. Funds to be obtained through capital loans.

Capital Spending in FY 2019

• Spending from FY 2019 Program	\$ 103,228,300
• Spending Carryover from FY 2018	\$ 27,521,000
• Total FY 2019 Spending	\$ 130,749,300
• Projected Reimbursement	\$ 1,882,767
• Salvage	\$ 294,607
• Construction Contributions	\$ 1,003,393
• Net FY 2019 Capital Spending	\$ 127,568,533

Capital Funding Sources:

• Capital Debt	\$ 63,784,267
• DSIC	\$ 33,000,000
• Internally Generated Funds	\$ 30,784,266
• FY 2019 Capital Funding	\$ 127,568,533

The funding plan is based upon current financial projections and is subject to changes based upon PGW's financial conditions at the time funds are required to support the FY 2019 Capital Program.