

Exhibit #1

Compliance FY 2018 Capital Budget Proposal, associated Financing Plan, and Revised Five Year Forecast of Capital Budgets for FY 2019 – FY 2023.

PHILADELPHIA GAS WORKS

**AMENDED
COMPLIANCE
FISCAL 2018 CAPITAL BUDGET
AND
FORECAST FISCAL 2019 - 2023

WITH
FISCAL 2018 FINANCING PLAN**

December 18, 2018



PHILADELPHIA GAS WORKS

PROPOSED
CAPITAL BUDGET

FISCAL YEAR 2018 AND FORECAST 2019 THROUGH 2023

	<u>2018 CAPITAL BUDGET</u>	<u>2019 - 2023 FORECAST</u>	<u>TOTAL 6 YEARS</u>
<u>GAS PROCESSING</u>			
ADDITIONS	1,923,000	3,028,000	4,951,000
REPLACEMENTS	<u>3,985,000</u>	<u>24,889,000</u>	<u>28,874,000</u>
TOTAL	<u>5,908,000</u>	<u>27,917,000</u>	<u>33,825,000</u>
<u>DISTRIBUTION</u>			
ADDITIONS	12,245,000	61,231,000	73,476,000
REPLACEMENTS	<u>84,619,000</u>	<u>423,482,000</u>	<u>508,101,000</u>
GROSS TOTAL	96,864,000	484,713,000	581,577,000
LESS: SALVAGE			
LESS: CONTRIBUTIONS*			
LESS: REIMBURSEMENTS**	<u>(1,881,000)</u>	<u>(9,999,000)</u>	<u>(11,880,000)</u>
NET TOTAL	<u>94,983,000</u>	<u>474,714,000</u>	<u>569,697,000</u>
<u>FIELD SERVICES</u>			
ADDITIONS	2,040,000	11,138,000	13,178,000
REPLACEMENTS	<u>5,288,000</u>	<u>28,332,000</u>	<u>33,620,000</u>
GROSS TOTAL	7,328,000	39,470,000	46,798,000
LESS: SALVAGE			
LESS: CONTRIBUTIONS*			
NET TOTAL	<u>7,328,000</u>	<u>39,470,000</u>	<u>46,798,000</u>
<u>FLEET OPERATIONS</u>			
ADDITIONS	289,000		289,000
REPLACEMENTS	<u>4,250,000</u>	<u>16,530,000</u>	<u>20,780,000</u>
GROSS TOTAL	4,539,000	16,530,000	21,069,000
LESS: SALVAGE			
NET TOTAL	<u>4,539,000</u>	<u>16,530,000</u>	<u>21,069,000</u>

PHILADELPHIA GAS WORKS

PROPOSED
CAPITAL BUDGET

FISCAL YEAR 2018 AND FORECAST 2019 THROUGH 2023

	<u>2018 CAPITAL BUDGET</u>	<u>2019 - 2023 FORECAST</u>	<u>TOTAL 6 YEARS</u>
<u>OTHER DEPARTMENTS</u>			
ADDITIONS	1,209,000	5,314,000	6,523,000
REPLACEMENTS	<u>3,211,000</u>	<u>68,098,000</u>	<u>71,309,000</u>
TOTAL	<u>4,420,000</u>	<u>73,412,000</u>	<u>77,832,000</u>
<u>TOTAL</u>			
ADDITIONS	17,706,000	80,711,000	98,417,000
REPLACEMENTS	<u>101,353,000</u>	<u>561,331,000</u>	<u>662,684,000</u>
GROSS TOTAL	119,059,000	642,042,000	761,101,000
LESS: SALVAGE			
LESS: REIMBURSEMENTS**	(1,881,000)	(9,999,000)	(11,880,000)
LESS: CONTRIBUTIONS*			
NET TOTAL	<u>117,178,000</u>	<u>632,043,000</u>	<u>749,221,000</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

<u>DEPARTMENT</u>	<u>2017 COMPL BUDGET</u>	<u>2018 FORECAST</u>	<u>2018 BUDGET</u>	<u>2017</u>		<u>2018 BUDGET vs 2018 FORECAST</u>	
				<u>2018 BUDGET vs AMOUNT DIFFERENCE</u>	<u>COMPL BUDGET PERCENT DIFFERENCE</u>	<u>AMOUNT DIFFERENCE</u>	<u>PERCENT DIFFERENCE</u>
<u>GAS PROCESSING</u>							
ADDITIONS	178,000	1,300,000	1,923,000	1,745,000	980.3%	623,000	47.9%
REPLACEMENTS	<u>5,678,000</u>	<u>7,294,000</u>	<u>3,985,000</u>	<u>(1,693,000)</u>	<u>-29.8%</u>	<u>(3,309,000)</u>	<u>-45.4%</u>
TOTAL GAS PROCESSING	5,856,000	8,594,000	5,908,000	52,000	0.9%	(2,686,000)	-31.3%
<u>DISTRIBUTION</u>							
ADDITIONS	10,394,000	10,634,000	12,245,000	1,851,000	17.8%	1,611,000	15.1%
REPLACEMENTS	<u>82,296,000</u>	<u>84,191,000</u>	<u>84,619,000</u>	<u>2,323,000</u>	<u>2.8%</u>	<u>428,000</u>	<u>0.5%</u>
GROSS TOTAL DISTRIBUTION	92,690,000	94,825,000	96,864,000	4,174,000	4.5%	2,039,000	2.2%
LESS: SALVAGE					N/A		N/A
LESS: CONTRIBUTIONS*					N/A		N/A
LESS: REIMBURSEMENT**	<u>(2,249,000)</u>	<u>(2,295,000)</u>	<u>(1,881,000)</u>	<u>368,000</u>	<u>-16.4%</u>	<u>414,000</u>	<u>-18.0%</u>
NET TOTAL DISTRIBUTION	90,441,000	92,530,000	94,983,000	4,542,000	5.0%	2,453,000	2.7%
<u>FIELD SERVICES</u>							
ADDITIONS	1,786,000	2,006,000	2,040,000	254,000	14.2%	34,000	1.7%
REPLACEMENTS	<u>5,251,000</u>	<u>5,727,000</u>	<u>5,288,000</u>	<u>37,000</u>	<u>0.7%</u>	<u>(439,000)</u>	<u>-7.7%</u>
GROSS TOTAL FIELD SERVICES	7,037,000	7,733,000	7,328,000	291,000	4.1%	(405,000)	-5.2%
LESS: SALVAGE					N/A		N/A
LESS: CONTRIBUTIONS*					N/A		N/A
NET TOTAL FIELD SERVICES	7,037,000	7,733,000	7,328,000	291,000	4.1%	(405,000)	-5.2%

PHILADELPHIA GAS WORKS
PROPOSED CAPITAL BUDGET
BUDGET/FORECAST COMPARISON

DEPARTMENT	2017 COMPL BUDGET	2018 FORECAST	2018 BUDGET	2017		2018 BUDGET vs 2018 FORECAST	
				2018 BUDGET vs COMPL BUDGET AMOUNT DIFFERENCE	PERCENT DIFFERENCE	AMOUNT DIFFERENCE	PERCENT DIFFERENCE
<u>FLEET OPERATIONS</u>							
ADDITIONS	80,000		2,025,000	1,945,000	2431.3%	2,025,000	N/A
REPLACEMENTS	<u>5,803,000</u>	<u>3,575,000</u>	<u>2,514,000</u>	<u>(3,289,000)</u>	<u>-56.7%</u>	<u>(1,061,000)</u>	<u>-29.7%</u>
GROSS TOTAL FLEET OPERATIONS	5,883,000	3,575,000	4,539,000	(1,344,000)	-22.8%	964,000	27.0%
LESS: SALVAGE					N/A		N/A
NET TOTAL TRANSPORTATION	5,883,000	3,575,000	4,539,000	(1,344,000)	-22.8%	964,000	27.0%
<u>OTHER</u>							
ADDITIONS	1,959,000	416,000	1,209,000	(750,000)	-38.3%	793,000	190.6%
REPLACEMENTS	<u>4,825,000</u>	<u>1,722,000</u>	<u>3,211,000</u>	<u>(1,614,000)</u>	<u>-33.5%</u>	<u>1,489,000</u>	<u>86.5%</u>
TOTAL OTHER	6,784,000	2,138,000	4,420,000	(2,364,000)	-34.8%	2,282,000	106.7%
<u>TOTAL</u>							
ADDITIONS	14,397,000	14,356,000	19,442,000	5,045,000	35.0%	5,086,000	35.4%
REPLACEMENTS	<u>103,853,000</u>	<u>102,509,000</u>	<u>99,617,000</u>	<u>(4,236,000)</u>	<u>-4.1%</u>	<u>(2,892,000)</u>	<u>-2.8%</u>
GROSS TOTAL	118,250,000	116,865,000	119,059,000	809,000	0.7%	2,194,000	1.9%
LESS: SALVAGE					N/A		N/A
LESS: REIMBURSEMENT**	(2,249,000)	(2,295,000)	(1,881,000)	368,000	-16.4%	414,000	-18.0%
LESS: CONTRIBUTIONS*					N/A		N/A
NET TOTAL	<u>116,001,000</u>	<u>114,570,000</u>	<u>117,178,000</u>	<u>1,177,000</u>	<u>1.0%</u>	<u>2,608,000</u>	<u>2.3%</u>

* CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

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

PHILADELPHIA GAS WORKS
 FISCAL YEAR 2018 CAPITAL BUDGET
 SUMMARY 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	17,681,000	18,099,000	98,879,000	85,092,000	116,560,000	103,191,000
YEAR 1		145,000		14,973,000		15,118,000
YEAR 2						
YEAR 3						
YEAR 4 AND BEYOND						
TOTAL	17,681,000	18,244,000	98,879,000	100,065,000	116,560,000	118,309,000

GAS PROCESSING DEPARTMENT
FISCAL YEAR 2018 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	100,000	189,000		289,000
53-02 SUPPLEMENTAL GAS FACILITIES	1,714,000	3,442,000		5,156,000
53-03 BUILDING AND GROUNDS				
53-04 MISC CAPITAL REQUIREMENTS	109,000	354,000		463,000
TOTAL GAS PROCESSING	<u>1,923,000</u>	<u>3,985,000</u>		<u>5,908,000</u>

GAS PROCESSING DEPARTMENT

FISCAL YEAR 2018

BUDGET/FORECAST COMPARISON

<u>CATEGORY</u>		2017						
		<u>2017 COMPL</u>	<u>2018</u>	<u>2018</u>	<u>2018 BUDGET vs</u>	<u>COMPL BUDGET</u>	<u>2018 BUDGET vs 2018 FORECAST</u>	
		<u>BUDGET</u>	<u>FORECAST</u>	<u>BUDGET</u>	<u>\$</u>	<u>%</u>	<u>\$</u>	<u>%</u>
				<u>DIFFERENCE</u>	<u>DIFF.</u>	<u>DIFFERENCE</u>	<u>DIFF.</u>	
53-01	NATURAL GAS							
	ADDITIONS	0	0	100,000	100,000	N/A	100,000	N/A
	MEASUREMENT AND							
	REPLACEMENTS	0	1,950,000	189,000	189,000	N/A	(1,761,000)	-90.3%
	CONTROL FACILITIES							
	TOTAL	0	1,950,000	289,000	289,000	N/A	(1,661,000)	-85.2%
53-02	SUPPLEMENTAL GAS							
	ADDITIONS	54,000	1,300,000	1,714,000	1,660,000	3074.1%	414,000	31.8%
	FACILITIES							
	REPLACEMENTS	5,313,000	5,344,000	3,442,000	(1,871,000)	-35.2%	(1,902,000)	-35.6%
	TOTAL	5,367,000	6,644,000	5,156,000	(211,000)	-3.9%	(1,488,000)	-22.4%
53-03	BUILDING AND							
	ADDITIONS	0	0	0	0	N/A	0	N/A
	REPLACEMENTS	0	0	0	0	N/A	0	N/A
	TOTAL	0	0	0	0	N/A	0	N/A
53-04	MISC CAPITAL							
	ADDITIONS	124,000	0	109,000	(15,000)	-12.1%	109,000	N/A
	REQUIREMENTS							
	REPLACEMENTS	365,000	0	354,000	(11,000)	-3.0%	354,000	N/A
	TOTAL	489,000	0	463,000	(26,000)	-5.3%	463,000	N/A
	TOTAL GAS PROCESSING	5,856,000	8,594,000	5,908,000	52,000	0.9%	(2,686,000)	-31.3%

GAS PROCESSING DEPARTMENT
FISCAL YEAR 2018 CAPITAL BUDGET

<u>P</u>			<u>AMOUNT</u>
	<u>GP-1</u>	<u>NATURAL GAS MEASUREMENT AND CONTROL FACILITIES</u>	
1	53-01-1-01	IMPROVE VENTING FOR PITS AT IVY HILL STATION	50,000
1	53-01-1-02	INCREASE AND MODIFY VENT PIPING FOR PITS AT SOMERTON STATION	50,000
1	53-01-2-01	INCREASE SIZE OF SOUTH BOX AT 0-34 STATION	189,000
		TOTAL GP-1	<u><u>289,000</u></u>
	<u>GP-2</u>	<u>SUPPLEMENTAL GAS FACILITIES</u>	
1	53-02-1-01	REPLACE/ADD SHUTOFF VALVE AT LNG TANK - PASSYUNK	1,604,000
1	53-02-1-02	ADDRESS C-5RA AND C-5RB INLET AIR FILTERS AT RICHMOND	110,000
1	53-02-2-01	REPLACE LNG TANK ELEVATOR AT RICHMOND	987,000
1	53-02-2-02	MODIFY LNG TANK REPRESSURIZATION SYS - PASSY TO REPL OBSOLETE REGS	204,000
1	53-02-2-03	RELOCATE LNG SWITCHGEAR AT PASSYUNK	1,452,000
1	53-02-2-04	REPIPE AND RELOCATE EQUIPMENT ATTACHED TO #11 HOLDER - RICHMOND	436,000
1	53-02-2-05	REPLACE LNG CONTROL ROOM EMERGENCY GENERATOR - RICHMOND	179,000
1	53-02-2-06	REPLACE EMERGENCY GENERATOR ADMINISTRATION BLDG - RICHMOND	184,000
		TOTAL GP-2	<u><u>5,156,000</u></u>
	<u>GP-4</u>	<u>MISCELLANEOUS CAPITAL REQUIREMENTS</u>	
1	53-04-1-01	MISCELLANEOUS CAPITAL ADDITIONS	109,000
1	53-04-2-01	MISCELLANEOUS CAPITAL REPLACEMENTS	354,000
		TOTAL GP-4	<u>463,000</u>
		TOTAL GAS PROCESSING DEPARTMENT	<u><u>5,908,000</u></u>

GAS PROCESSING DEPARTMENT
LISTING BY PRIORITY
FISCAL YEAR 2018 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-1	53-01-1-01	IMPROVE VENTING FOR PITS AT IVY HILL STATION	50,000	50,000			
1	GP-1	53-01-1-02	INCREASE AND MODIFY VENT PIPING FOR PITS AT SOMERTON STAT	50,000	50,000			
1	GP-1	53-01-2-01	INCREASE SIZE OF SOUTH BOX AT 0-34 STATION	189,000	173,000	16,000		
1	GP-2	53-02-1-01	REPLACE/ADD SHUTOFF VALVE AT LNG TANK - PASSYUNK	1,604,000	1,469,000	135,000		
1	GP-2	53-02-1-02	ADDRESS C-5RA AND C-5RB INLET AIR FILTERS AT RICHMOND	110,000	100,000	10,000		
1	GP-2	53-02-2-01	REPLACE LNG TANK ELEVATOR AT RICHMOND	987,000	392,000	595,000		
1	GP-2	53-02-2-02	MODIFY LNG TANK REPRESSURIZATION SYS - PASSY TO REPL OBSC	204,000	187,000	17,000		
1	GP-2	53-02-2-03	RELOCATE LNG SWITCHGEAR AT PASSYUNK	1,452,000	1,252,000	200,000		
1	GP-2	53-02-2-04	REPIPE AND RELOCATE EQUIPMENT ATTACHED TO #11 HOLDER - RIH	436,000	410,000	26,000		
1	GP-2	53-02-2-05	REPLACE LNG CONTROL ROOM EMERGENCY GENERATOR - RICHMO	179,000	106,000	73,000		
1	GP-2	53-02-2-06	REPLACE EMERGENCY GENERATOR ADMINISTRATION BLDG - RICHM	184,000	109,000	75,000		
1	GP-4	53-04-1-01	MISCELLANEOUS CAPITAL ADDITIONS	109,000	109,000			
1	GP-4	53-04-2-01	MISCELLANEOUS CAPITAL REPLACEMENTS	354,000	354,000			
TOTAL GAS PROCESSING DEPARTMENT:				5,908,000	4,761,000	1,147,000		

PHILADELPHIA GAS WORKS
 FISCAL YEAR 2018 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	1,923,000	1,778,000	3,985,000	2,983,000	5,908,000	4,761,000
YEAR 1		145,000		1,002,000		1,147,000
YEAR 2						
YEAR 3						
YEAR 4 AND BEYOND						
TOTAL	1,923,000	1,923,000	3,985,000	3,985,000	5,908,000	5,908,000

DISTRIBUTION DEPARTMENT
FISCAL YEAR 2018 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)	2,005,000	1,831,000	3,836,000				3,836,000
52-21 GAS MAINS - LOW AND INTERMEDIATE PRESSURE - 8 INCH AND SMALLER	2,466,000	58,402,714	60,868,714	(1,626,000)			59,242,714
52-22 GAS MAINS - LOW AND INTERMEDIATE PRESSURE - 12 INCH AND LARGER	115,000	2,260,286	2,375,286	(255,000)			2,120,286
52-23 CUST MTR & REG INSTALL, PRESSURE REGULATION & CORROSION CONTROL FACILITIES	595,000	974,000	1,569,000				1,569,000
52-24 SERVICES	6,903,000	19,960,000	26,863,000				26,863,000
52-29 OTHER DISTRIBUTION FACILITIES	161,000	1,191,000	1,352,000				1,352,000
52-99 COST OF REMOVAL AND ABANDONMENT							
SALVAGE							
TOTAL DISTRIBUTION	12,245,000	84,619,000	96,864,000	(1,881,000)			94,983,000

* CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

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

DISTRIBUTION DEPARTMENT
FISCAL YEAR 2018
BUDGET/FORECAST COMPARISON

CATEGORY	2017 COMPL BUDGET	2018 FORECAST	2018 BUDGET	2017		2018	
				2018 BUDGET vs COMPL BUDGET	2018 BUDGET vs 2018 FORECAST	\$	%
				DIFFERENCE	DIFF.	DIFFERENCE	DIFF.
52-20 GAS MAINS - HIGH PRESSURE (WITH ASSOCIATED VALVES AND REGULATORS)							
ADDITIONS	1,253,000	1,282,000	2,005,000	752,000	60.0%	723,000	56.4%
REPLACEMENTS	<u>20,445,000</u>	<u>20,916,000</u>	<u>1,831,000</u>	<u>(18,614,000)</u>	<u>-91.0%</u>	<u>(19,085,000)</u>	<u>-91.2%</u>
TOTAL	21,698,000	22,198,000	3,836,000	(17,862,000)	-82.3%	(18,362,000)	-82.7%
52-21 GAS MAINS - LOW AND INTERMEDIATE PRESSURE - 8 INCH AND SMALLER							
ADDITIONS	2,124,000	2,173,000	2,466,000	342,000	16.1%	293,000	13.5%
REPLACEMENTS	<u>36,063,000</u>	<u>36,893,000</u>	<u>58,402,714</u>	<u>22,339,714</u>	<u>61.9%</u>	<u>21,509,714</u>	<u>58.3%</u>
TOTAL	38,187,000	39,066,000	60,868,714	22,681,714	59.4%	21,802,714	55.8%
52-22 GAS MAINS - LOW AND INTERMEDIATE PRESSURE - 12 INCH AND LARGER							
ADDITIONS	23,000	24,000	115,000	92,000	400.0%	91,000	379.2%
REPLACEMENTS	<u>1,813,000</u>	<u>1,855,000</u>	<u>2,260,286</u>	<u>447,286</u>	<u>24.7%</u>	<u>405,286</u>	<u>21.8%</u>
TOTAL	1,836,000	1,879,000	2,375,286	539,286	29.4%	496,286	26.4%
52-23 CUST MTR & REG INST PRESSURE REGULATION AND CORROSION CONTROL FACILITIES							
ADDITIONS	585,000	598,000	595,000	10,000	1.7%	(3,000)	-0.5%
REPLACEMENTS	<u>920,000</u>	<u>942,000</u>	<u>974,000</u>	<u>54,000</u>	<u>5.9%</u>	<u>32,000</u>	<u>3.4%</u>
TOTAL	1,505,000	1,540,000	1,569,000	64,000	4.3%	29,000	1.9%
52-24 SERVICES							
ADDITIONS	6,157,000	6,299,000	6,903,000	746,000	12.1%	604,000	9.6%
REPLACEMENTS	<u>21,714,000</u>	<u>22,213,000</u>	<u>19,960,000</u>	<u>(1,754,000)</u>	<u>-8.1%</u>	<u>(2,253,000)</u>	<u>-10.1%</u>
TOTAL	27,871,000	28,512,000	26,863,000	(1,008,000)	-3.6%	(1,649,000)	-5.8%
52-29 OTHER DISTRIBUTION FACILITIES							
ADDITIONS	252,000	258,000	161,000	(91,000)	-36.1%	(97,000)	-37.6%
REPLACEMENTS	<u>1,341,000</u>	<u>1,372,000</u>	<u>1,191,000</u>	<u>(150,000)</u>	<u>-11.2%</u>	<u>(181,000)</u>	<u>-13.2%</u>
TOTAL	1,593,000	1,630,000	1,352,000	(241,000)	-15.1%	(278,000)	-17.1%
GROSS TOTAL DISTRIBUTION	92,690,000	94,825,000	96,864,000	4,174,000	4.5%	2,039,000	2.2%
52-99 COST OF REMOVAL AND ABANDONMENT	0	0	0	0	N/A	0	N/A
LESS: SALVAGE	0	0	0	0	N/A	0	N/A
LESS: CONTRIBUTIONS*	0	0	0	0	N/A	0	N/A
LESS: REIMBURSEMENT**	<u>(2,249,000)</u>	<u>(2,295,000)</u>	<u>(1,881,000)</u>	<u>368,000</u>	<u>-16.4%</u>	<u>414,000</u>	<u>-18.0%</u>
NET TOTAL DISTRIBUTION	<u>90,441,000</u>	<u>92,530,000</u>	<u>94,983,000</u>	<u>4,542,000</u>	<u>5.0%</u>	<u>2,453,000</u>	<u>2.7%</u>

* DISTRIBUTION DEPARTMENT CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS
** REIMBURSEMENT TO PGW FOR RELOCATING STRUCTURES & EQUIPMENT AND/OR LOAD GROWTH

DISTRIBUTION DEPARTMENT
FISCAL YEAR 2018 CAPITAL BUDGET

<u>P</u>	<u>D-20</u>	<u>AMOUNT</u>	<u>FEET UNITS</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	2,005,000	8,467
3	52-20-2-01 ENFORCED RELOCATIONS CAUSED BY CITY AND STATE WORK	1,831,000	4,208
		GROSS TOTAL D-20 3,836,000	
52-20-2-97		LESS: REIMBURSEMENT**	
		LESS: POTENTIAL CUSTOMER CONTRIBUTIONS	
		NET TOTAL D-20 3,836,000	
	<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	2,466,000	9,116
3	52-21-2-01 ENFORCED RELOCATIONS CAUSED BY CITY, STATE AND OTHER WORK	6,872,000	29,888
1	52-21-2-02 PRUDENT MAIN REPLACEMENTS	15,281,000	76,365
1	52-21-2-03 LONG TERM INFRASTRUCTURE PLAN - DSIC	36,249,714	
		GROSS TOTAL D-21 60,868,714	
52-21-2-97		LESS: REIMBURSEMENT** (1,626,000)	
		NET TOTAL D-21 59,242,714	

DISTRIBUTION DEPARTMENT
FISCAL YEAR 2018 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	115,000	100
3	52-22-2-01 ENFORCED RELOCATIONS CAUSED BY CITY, STATE AND OTHER WORK	1,960,286	736
3	52-22-2-02 MAIN FOR MAJOR ENFORCED RELOCATION	300,000	
	GROSS TOTAL D-22	2,375,286	
	LESS: REIMBURSEMENT**	(255,000)	
	NET TOTAL D-22	2,120,286	
	<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	595,000	
1	52-23-2-01 REPLACEMENT/REHABILITATION OF HIGH PRESSURE MAIN VALVES	542,000	
2	52-23-2-02 REPLACEMENT OF VARIOUS PRESSURE REGULATING AND CORROSION CONTROL FACILITIES	432,000	
	GROSS TOTAL D-23	1,569,000	
	LESS: REIMBURSEMENT**		
	LESS: POTENTIAL CUSTOMER CONTRIBUTIONS*		
	NET TOTAL D-23	1,569,000	

DISTRIBUTION DEPARTMENT
FISCAL YEAR 2018 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	4,655,000	1,321
4	52-24-1-02	INSTALLATION OF NEW 2 INCH AND LARGER SERVICES, HIGH, INTERMEDIATE AND LOW PRESSURE	2,248,000	160
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	18,727,000	8,108
1	52-24-2-02	RENEWAL OF 2" AND LARGER SERVICES	1,233,000	118-Plastic 15-Steel
1	52-24-2-03	RENEWAL OF 1-1/4" AND SMALLER SERVICES FOR PRUDENT INCREMENTAL SERVICE WORK		
		GROSS TOTAL D-24	26,863,000	
		LESS: REIMBURSEMENT**		
		NET TOTAL D-24	26,863,000	
	<u>D-29</u>	<u>OTHER DISTRIBUTION FACILITIES</u>		
2	52-29-1-01	ADDITIONAL TOOLS AND WORK EQUIPMENT	161,000	4
2	52-29-2-01	REPLACEMENT OF OBSOLETE TOOLS, RADIOS, AND WORK EQUIPMENT	1,191,000	45
		NET TOTAL D-29	1,352,000	
1	52-99-2-99	REMOVAL AND ABANDONMENTS		
		GROSS TOTAL DISTRIBUTION DEPARTMENT	96,864,000	
		LESS: REIMBURSEMENT**	(1,881,000)	
		LESS: POTENTIAL CUSTOMER CONTRIBUTIONS*		
		LESS: SALVAGE		
52-98-2-98		NET TOTAL DISTRIBUTION DEPARTMENT	94,983,000	

* DISTRIBUTION DEPARTMENT CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS
 ** REIMBURSEMENT TO PGW FOR RELOCATING STRUCTURES & EQUIPMENT AND/OR LOAD GROWTH

DISTRIBUTION DEPARTMENT

LISTING BY PRIORITY

FISCAL YEAR 2018 CAPITAL BUDGET

<u>P</u>	<u>CATEGORY</u>	<u>AMOUNT</u>	<u>FEET UNITS</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	D-21	52-21-2-02	PRUDENT MAIN REPLACEMENTS	15,281,000	76,365	9,933,000	5,348,000		
	D-21	52-21-2-03	LONG TERM INFRASTRUCTURE PLAN - DSIC	36,249,714	0	29,649,714	6,600,000		
1	D-23	52-23-2-01	REPLACEMENT/REHABILITATION OF HIGH PRESSURE MAIN VALVES	542,000		542,000			
1	D-24	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	18,727,000	8,108	18,727,000			
1	D-24	52-24-2-02	RENEWAL OF 2" AND LARGER SERVICES	1,233,000	118-Plastic 15-Steel	1,233,000			
	<u>PRIORITY 2</u>								
2	D-23	52-23-2-02	REPLACEMENT OF VARIOUS PRESSURE REGULATING AND CORROSION CONTROL FACILITIES	432,000		432,000			
	D-29	52-29-1-01	ADDITIONAL TOOLS AND WORK EQUIPMENT	161,000	4	161,000			
2	D-29	52-29-2-01	REPLACEMENT OF OBSOLETE TOOLS, RADIOS, AND WORK EQUIPMENT	1,191,000	45	1,191,000			

DISTRIBUTION DEPARTMENT
LISTING BY PRIORITY
FISCAL YEAR 2018 CAPITAL BUDGET

P	CATEGORY	AMOUNT	FEET UNITS	BUDGET_YR	YEAR_1	YEAR_2	YEAR_3	YEAR_4 +
	<u>PRIORITY 3</u>							
3	52-20-2-01	1,831,000	4,208	1,831,000				
	ENFORCED RELOCATIONS CAUSED BY CITY AND STATE WORK							
3	52-21-2-01	6,872,000	29,888	5,164,000	1,708,000			
	ENFORCED RELOCATIONS CAUSED BY CITY, STATE AND OTHER WORK							
3	52-22-2-01	1,960,286	736	1,960,286				
	ENFORCED RELOCATIONS CAUSED BY CITY, STATE AND OTHER WORK							
3	52-22-2-02	300,000	0	300,000				
	MAIN FOR MAJOR ENFORCED RELOCATION							
	<u>PRIORITY 4</u>							
4	52-20-1-01	2,005,000	8,467	2,005,000				
	INSTALLATIONS TO PROVIDE FOR AHEAD-OF-PAVING AND EXTENSIONS TO SUPPLY ADDITIONAL LOADS							
4	52-21-1-01	2,466,000	9,116	2,466,000				
	MAINS TO SUPPLY NEW CUSTOMERS AND TO PROVIDE FOR INCREASED CAPACITY							
4	52-22-1-01	115,000	100	115,000				
	TO SUPPLY NEW CUSTOMERS AND TO PROVIDE FOR INSTALLATION OF MAINS AHEAD-OF-PAVING							
4	52-23-1-01	595,000		595,000				
	CUSTOMER METERING AND REGULATOR INSTALLATION							
4	52-24-1-01	4,655,000	1,321	4,655,000				
	INSTALLATION OF NEW 1-1/4" AND SMALLER SERVICES, HIGH, INTERMEDIATE AND LOW PRESSURE							
4	52-24-1-02	2,248,000	160	2,248,000				
	INSTALLATION OF NEW 2 INCH AND LARGER SERVICES, HIGH, INTERMEDIATE AND LOW PRESSURE							
TOTAL DISTRIBUTION DEPARTMENT:				96,864,000	83,208,000	13,656,000		

PHILADELPHIA GAS WORKS
 FISCAL YEAR 2018 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	12,245,000	12,245,000	84,619,000	70,963,000	96,864,000	83,208,000
YEAR 1				13,656,000		13,656,000
YEAR 2						
YEAR 3						
YEAR 4 AND BEYOND						
TOTAL	12,245,000	12,245,000	84,619,000	84,619,000	96,864,000	96,864,000

FIELD SERVICES DEPARTMENT
FISCAL YEAR 2018 CAPITAL BUDGET
SUMMARY

<u>CATEGORY</u>	<u>ADDITIONS</u>	<u>REPLACEMENTS</u>	<u>TOTAL</u>
50-30 METERS & INSTALLATION	1,728,000	2,676,000	4,404,000
50-32 SERVICE REGULATORS AND INSTALLATION	58,000	37,000	95,000
50-33 COMMERCIAL & INDUSTRIAL TELEMETERING SYSTEMS	84,000	159,000	243,000
50-34 METER SHOP EQUIPMENT		39,000	39,000
50-36 AUTOMATIC METER READING	170,000	2,377,000	2,547,000
50-99 COST OF REMOVAL			
GROSS TOTAL FIELD SERVICES	2,040,000	5,288,000	7,328,000
LESS: SALVAGE LESS: CONTRIBUTIONS*			
NET TOTAL FIELD SERVICES	<u>2,040,000</u>	<u>5,288,000</u>	<u>7,328,000</u>

* FIELD SERVICES DEPARTMENT CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

FIELD SERVICES DEPARTMENT
FISCAL YEAR 2018
BUDGET/FORECAST COMPARISON

CATEGORY		2017 COMPL BUDGET	2018 FORECAST	2018 BUDGET	2017		2018 BUDGET vs 2018 FORECAST	
					2018 BUDGET vs COMPL BUDGET	2017	2018 BUDGET vs COMPL BUDGET	2018 FORECAST
					\$	%	\$	%
					DIFFERENCE	DIFF.	DIFFERENCE	DIFF.
50-30	METERS							
	ADDITIONS	1,490,000	1,660,000	1,728,000	238,000	16.0%	68,000	4.1%
	REPLACEMENTS	2,527,000	3,062,000	2,676,000	149,000	5.9%	(386,000)	-12.6%
	TOTAL	4,017,000	4,722,000	4,404,000	387,000	9.6%	(318,000)	-6.7%
50-32	SERVICE REGULATORS AND INSTALLATIONS							
	ADDITIONS	41,000	57,000	58,000	17,000	41.5%	1,000	1.8%
	REPLACEMENTS	32,000	33,000	37,000	5,000	15.6%	4,000	12.1%
	TOTAL	73,000	90,000	95,000	22,000	30.1%	5,000	5.6%
50-33	TELEMETERING AND INSTALLATIONS							
	ADDITIONS	115,000	122,000	84,000	(31,000)	-27.0%	(38,000)	-31.1%
	REPLACEMENTS	157,000	161,000	159,000	2,000	1.3%	(2,000)	-1.2%
	TOTAL	272,000	283,000	243,000	(29,000)	-10.7%	(40,000)	-14.1%
50-34	METER SHOP EQUIPMENT							
	ADDITIONS	0	0	0	0	N/A	0	N/A
	REPLACEMENTS	162,000	22,000	39,000	(123,000)	-75.9%	17,000	77.3%
	TOTAL	162,000	22,000	39,000	(123,000)	-75.9%	17,000	77.3%
50-36	AUTOMATIC METER READING							
	ADDITIONS	140,000	167,000	170,000	30,000	21.4%	3,000	1.8%
	REPLACEMENTS	2,373,000	2,449,000	2,377,000	4,000	0.2%	(72,000)	-2.9%
	TOTAL	2,513,000	2,616,000	2,547,000	34,000	1.4%	(69,000)	-2.6%
50-99	COST OF REMOVAL	0	0	0	0	N/A	0	N/A
	GROSS TOTAL FIELD SERVICES	7,037,000	7,733,000	7,328,000	291,000	4.1%	(405,000)	-5.2%
	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	7,037,000	7,733,000	7,328,000	291,000	4.1%	(405,000)	-5.2%

* FIELD SERVICES DEPARTMENT CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

FIELD SERVICES DEPARTMENT
FISCAL YEAR 2018 CAPITAL BUDGET

<u>P</u>	<u>C-30</u>	<u>METERS</u>	<u>AMOUNT</u>
4	50-30-1-01	PURCHASE AND INSTALLATION OF METERS TO PROVIDE FOR NEW CUSTOMERS	1,728,000
2	50-30-2-01	PURCHASE METERS TO SUPPORT AUTOMATIC METER READING	<u>2,676,000</u>
		TOTAL C-30	<u><u>4,404,000</u></u>
	<u>C-32</u>	<u>SERVICE REGULATORS</u>	
4	50-32-1-01	PURCHASE AND INSTALLATION OF SERVICE REGULATORS	58,000
1	50-32-2-01	PURCHASE VARIOUS SIZE SERVICE REGULATORS AS REPLACEMENTS	<u>37,000</u>
		TOTAL C-32	<u><u>95,000</u></u>
	<u>C-33</u>	<u>COMMERCIAL & INDUSTRIAL TELEMETERING SYSTEMS</u>	
5	50-33-1-01	PURCHASE AND INSTALLATION OF EQUIPMENT AND INSTRUMENTATION	84,000
1	50-33-2-01	REPLACE METRETEK UNITS, EQUIPMENT, AND INSTRUMENTATION	159,000
		TOTAL C-33	<u><u>243,000</u></u>
	<u>C-34</u>	<u>METER SHOP EQUIPMENT</u>	
5	50-34-2-01	REPLACEMENT OF OBSOLETE SHOP EQUIPMENT & ACCESSORIES USED FOR AMR	39,000
		TOTAL C-34	<u><u>39,000</u></u>
	<u>C-36</u>	<u>AUTOMATIC METER READING</u>	
5	50-36-1-01	PURCHASE AND INSTALLATION OF ERT DEVICES FOR AMR	170,000
5	50-36-2-01	REPLACE AMR DEVICES	<u>2,377,000</u>
		TOTAL C-36	<u><u>2,547,000</u></u>
1	50-99-2-99	COST OF REMOVAL	<u><u> </u></u>
		GROSS TOTAL FIELD SERVICES DEPARTMENT	7,328,000
50-98-2-98	LESS: ESTIMATED SALVAGE		
	LESS: CONTRIBUTIONS*		
		NET TOTAL FIELD SERVICES DEPARTMENT	<u><u><u>7,328,000</u></u></u>

FIELD SERVICES DEPARTMENT

LISTING BY PRIORITY

FISCAL YEAR 2018 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 PURCHASE VARIOUS SIZE SERVICE REGULATORS AS REPLACEMENTS	37,000	37,000				
1	50-33-2-01 REPLACE METRETEK UNITS, EQUIPMENT, AND INSTRUMENTATION	159,000	159,000				
	<u>PRIORITY 2</u>						
2	50-30-2-01 PURCHASE METERS TO SUPPORT AUTOMATIC METER READING	2,676,000	2,676,000				
	<u>PRIORITY 4</u>						
4	50-30-1-01 PURCHASE AND INSTALLATION OF METERS TO PROVIDE FOR NEW CUSTOMERS	1,728,000	1,728,000				
4	50-32-1-01 PURCHASE AND INSTALLATION OF SERVICE REGULATORS	58,000	58,000				
	<u>PRIORITY 5</u>						
5	50-33-1-01 PURCHASE AND INSTALLATION OF EQUIPMENT AND INSTRUMENTATION	84,000	84,000				
5	50-34-2-01 REPLACEMENT OF OBSOLETE SHOP EQUIPMENT & ACCESSORIES USED FOR AMR	39,000	39,000				
5	50-36-1-01 PURCHASE AND INSTALLATION OF ERT DEVICES FOR AMR	170,000	170,000				
5	50-36-2-01 REPLACE AMR DEVICES	2,377,000	2,377,000				
TOTAL FIELD SERVICES DEPARTMENT:		7,328,000	7,328,000				

PHILADELPHIA GAS WORKS
 FISCAL YEAR 2018 CAPITAL BUDGET
 FIELD SERVICES DEPARTMENT ESTIMATE OF ENCUMBERANCE AND EXPENDITURE

FISCAL YEAR	ADDITIONS		REPLACEMENTS		TOTAL	
	ENCUMBERED	EXPENDED	ENCUMBERED	EXPENDED	ENCUMBERED	EXPENDED
CURRENT BUDGET	2,040,000	2,040,000	5,288,000	5,288,000	7,328,000	7,328,000
YEAR 1						
YEAR 2						
YEAR 3						
YEAR 4 AND BEYOND						
TOTAL	<u>2,040,000</u>	<u>2,040,000</u>	<u>5,288,000</u>	<u>5,288,000</u>	<u>7,328,000</u>	<u>7,328,000</u>

FLEET OPERATIONS DEPARTMENT

FISCAL YEAR 2018

BUDGET/FORECAST COMPARISON

CATEGORY	2017 COMPL BUDGET	2018 FORECAST	2018 BUDGET	2018 BUDGET vs 2017 COMPL BUDGET		2018 BUDGET vs 2018 FORECAST	
				\$ DIFFERENCE	% DIFF.	\$ DIFFERENCE	% DIFF.
73-01-1-01 VEHICLE ADDITIONS TO SUPPORT CAST IRON MAIN REPLACEMENT	0	0		0	N/A	0	N/A
73-01-1-02 MOBILE EQUIPMENT ADDITIONS	80,000	0	0	(80,000)	-100.0%	0	N/A
73-01-2-01 SHOP EQUIPMENT REPLACEMENTS	45,000	0	538,000	493,000	1095.6%	538,000	N/A
73-01-2-02 MOBILE EQUIPMENT REPLACEMENTS	677,000	880,000	561,000	(116,000)	-17.1%	(319,000)	-36.3%
73-01-2-03 VEHICLE REPLACEMENTS	5,081,000	2,695,000	1,415,000	(3,666,000)	-72.2%	(1,280,000)	-47.5%
FY 2016 REAUTHORIZATION							
73-01-1-01 VEHICLE ADDITIONS	0	0	289,000	289,000	N/A	289,000	N/A
73-01-2-03 VEHICLE REPLACEMENTS	0		1,736,000	1,736,000	N/A	1,736,000	N/A
GROSS TOTAL FLEET OPERATIONS	5,883,000	3,575,000	4,539,000	(1,344,000)	-22.8%	964,000	27.0%
LESS: SALVAGE	0	0	0	0	N/A	0	N/A
NET TOTAL FLEET OPERATIONS	<u>5,883,000</u>	<u>3,575,000</u>	<u>4,539,000</u>	<u>(1,344,000)</u>	<u>-22.8%</u>	<u>964,000</u>	<u>27.0%</u>

FLEET OPERATIONS DEPARTMENT
FISCAL YEAR 2018 CAPITAL BUDGET

<u>P</u>		<u>AMOUNT</u>
5	73-01-1-02 MOBILE EQUIPMENT ADDITIONS	
2	73-01-1-03 VEHICLE ADDITIONS	538,000
2	73-01-2-02 MOBILE EQUIPMENT REPLACEMENTS	561,000
2	73-01-2-03 VEHICLE REPLACEMENTS	1,415,000
	GROSS TOTAL FLEET OPERATIONS	<u>2,514,000</u>
73-98-2-98	LESS: SALVAGE	
	FY 2016 REAUTHORIZATION	
73-01-1-01	VEHICLE ADDITIONS	289,000
73-01-2-03	VEHICLE REPLACEMENTS	<u>1,736,000</u>
	TOTAL 2016 AUTHORIZATION	<u>2,025,000</u>
	NET TOTAL FLEET OPERATIONS	<u><u>4,539,000</u></u>

FLEET OPERATIONS DEPARTMENT
LISTING BY PRIORITY
FISCAL YEAR 2018 CAPITAL BUDGET

<u>P</u>	<u>CATEGORY</u>	<u>PRIORITY 2</u>	<u>AMOUNT</u>	<u>BUDGET_YR</u>	<u>YEAR_1</u>	<u>YEAR_2</u>	<u>YEAR_3</u>	<u>YEAR_4 +</u>
2	73-01-1-03	VEHICLE ADDITIONS	538,000	538,000				
2	73-01-2-02	MOBILE EQUIPMENT REPLACEMENTS	561,000	561,000				
2	73-01-2-03	VEHICLE REPLACEMENTS	1,415,000	1,100,000	315,000			
2	FY 2016 REAUTHORIZATION							
	73-01-1-01	VEHICLE ADDITIONS	289,000	289,000				
2	73-01-2-03	VEHICLE REPLACEMENTS	1,736,000	1,736,000				
TOTAL FLEET OPERATIONS DEPARTMENT:			4,539,000	4,224,000	315,000			

PHILADELPHIA GAS WORKS
 FISCAL YEAR 2018 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	538,000	827,000	1,976,000	3,397,000	2,514,000	4,224,000
YEAR 1				315,000		315,000
YEAR 2						
YEAR 3						
YEAR 4 AND BEYOND						
TOTAL	538,000	827,000	1,976,000	3,712,000	2,514,000	4,539,000

OTHER DEPARTMENTS
FISCAL YEAR 2018 CAPITAL BUDGET
SUMMARY

<u>CATEGORY</u>	<u>ADDITIONS</u>	<u>REPLACEMENTS</u>	<u>TOTAL</u>
FACILITIES	161,000	1,894,000	2,055,000
INFORMATION SERVICES	1,048,000	567,000	1,615,000
CHIEF OPERATING OFFICER		750,000	750,000
VP TECHNICAL COMPLIANCE			
VP REGULATORY COMPLIANCE & CUSTOMER PROGRAMS			
CHEM SERVICES			
TOTAL OTHER DEPARTMENTS	<u>1,209,000</u>	<u>3,211,000</u>	<u>4,420,000</u>

OTHER DEPARTMENTS
FISCAL YEAR 2018
BUDGET/FORECAST COMPARISON

CATEGORY		2017 COMPL BUDGET	2018 FORECAST	2018 BUDGET	2017		2018 BUDGET vs 2018 FORECAST	
					2018 BUDGET vs COMPL BUDGET	2018 BUDGET vs 2018 FORECAST	2018 BUDGET vs COMPL BUDGET	2018 BUDGET vs 2018 FORECAST
					\$	%	\$	%
					DIFFERENCE	DIFF.	DIFFERENCE	DIFF.
FACILITIES	ADDITIONS	160,000	163,000	161,000	1,000	0.6%	(2,000)	-1.2%
	REPLACEMENTS	<u>2,646,000</u>	<u>480,000</u>	<u>1,894,000</u>	<u>(752,000)</u>	<u>-28.4%</u>	<u>1,414,000</u>	<u>294.6%</u>
	TOTAL	2,806,000	643,000	2,055,000	(751,000)	-26.8%	1,412,000	219.6%
INFORMATION SERVICES	ADDITIONS	725,000	253,000	1,048,000	323,000	44.6%	795,000	314.2%
	REPLACEMENTS	<u>1,422,000</u>	<u>492,000</u>	<u>567,000</u>	<u>(855,000)</u>	<u>-60.1%</u>	<u>75,000</u>	<u>15.2%</u>
	TOTAL	2,147,000	745,000	1,615,000	(532,000)	-24.8%	870,000	116.8%
CHIEF OPERATING OFFICER	ADDITIONS	0	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	88,000	0	0	(88,000)	-100.0%	0	N/A
	REPLACEMENTS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>N/A</u>	<u>0</u>	<u>N/A</u>
	TOTAL	88,000	0	0	(88,000)	-100.0%	0	N/A
VP REGULATORY COMPLIANCE & CUSTOMER PROGRAMS	ADDITIONS	871,000	0	0	(871,000)	-100.0%	0	N/A
	REPLACEMENTS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>N/A</u>	<u>0</u>	<u>N/A</u>
	TOTAL	871,000	0	0	(871,000)	-100.0%	0	N/A
CHEM SERVICES	ADDITIONS	115,000	0	0	<u>(115,000)</u>	<u>-100.0%</u>	<u>0</u>	<u>N/A</u>
	REPLACEMENTS	<u>7,000</u>	<u>0</u>	<u>0</u>	<u>(7,000)</u>	<u>-100.0%</u>	<u>0</u>	<u>N/A</u>
	TOTAL	122,000	0	0	(122,000)	-100.0%	0	N/A
TOTAL OTHER DEPARTMENTS		<u>6,784,000</u>	<u>2,138,000</u>	<u>4,420,000</u>	<u>(2,364,000)</u>	<u>-34.8%</u>	<u>2,282,000</u>	<u>106.7%</u>

OTHER DEPARTMENTS
FISCAL YEAR 2018 CAPITAL BUDGET

P		<u>FACILITIES</u>	AMOUNT
1	72-01-1-01	MISCELLANEOUS CAPITAL ADDITIONS	150,000
1	72-01-1-02	MISCELLANEOUS CAPITAL ADDITIONS - GAS PROCESSING	11,000
1	72-01-2-01	MISCELLANEOUS CAPITAL REPLACEMENTS/STRUCTURAL REPAIRS	418,000
1	72-01-2-02	MISCELLANEOUS CAPITAL REPLACEMENTS - GAS PROCESSING	38,000
1	72-01-2-03	MISC CAPITAL REPL - STRUCTURAL REPAIRS - GAS PROCESSING	50,000
1	72-01-2-04	REPLACE CARPETS - ALL LOCATIONS	61,000
1	72-01-2-05	REPLACE MODULAR FURNITURE	67,000
2	72-01-2-06	REPLACE 800 BUILDING 25 YEAR OLD CEILING VAV DIFFUSERS	904,000
2	72-01-2-07	REPLACE 20+ YEAR OLD HEATING AND COOLING EQUIP INSIDE & ON ROOF - WEST PHIL DO	356,000
		TOTAL FACILITIES	<u><u>2,055,000</u></u>
 <u>INFORMATION SERVICES</u>			
2	47-01-1-01	MISCELLANEOUS SERVER, NETWORK, & HARDWARE ADDITIONS	58,000
2	47-01-1-02	MISCELLANEOUS SOFTWARE ADDITIONS	275,000
1	47-01-1-03	REVENUE PROTECTION UNIT (RPU) ENHANCEMENT	241,000
1	47-01-1-04	ENVIRONMENTAL MANAGEMENT SYSTEM	200,000
2	47-01-2-01	REPLACEMENT SAN STORAGE	230,000
2	47-01-2-02	MISCELLANEOUS SOFTWARE REPLACEMENTS	50,000
2	47-01-2-03	MISCELLANEOUS SERVER & NETWORK HARDWARE REPLACEMENTS	87,000
	47-01-2-06	FY 2016 REAUTHORIZATION - UPGRADE TIPPING POINT	200,000
	10-01-1-01	FY 2016 REAUTHORIZATION - AUTOMATED CRP PROCESS	274,000
		TOTAL INFORMATION SERVICES	<u><u>1,615,000</u></u>

OTHER DEPARTMENTS
FISCAL YEAR 2018 CAPITAL BUDGET

P			AMOUNT
		<u>CHIEF OPERATING OFFICER</u>	
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>
		TOTAL VP TECHNICAL COMPLIANCE	
		TOTAL OTHER DEPARTMENTS	<u>4,420,000</u>

FACILITIES
FISCAL YEAR 2018
BUDGET/FORECAST COMPARISON

CATEGORY	2017 COMPL BUDGET	2018 FORECAST	2018 BUDGET	2017		2018 BUDGET vs 2018 FORECAST	
				2018 BUDGET vs COMPL BUDGET	COMPL BUDGET	2018 BUDGET vs 2018 FORECAST	2018 FORECAST
				\$	%	\$	%
				DIFFERENCE	DIFF.	DIFFERENCE	DIFF.
72-01-1-01 MISCELLANEOUS CAPITAL ADDITIONS	150,000	153,000	150,000	0	0.0%	(3,000)	-2.0%
72-01-1-02 MISCELLANEOUS CAPITAL ADDITIONS - GAS PROCESSING	10,000	10,000	11,000	1,000	10.0%	1,000	10.0%
72-01-2-01 MISCELLANEOUS CAPITAL REPLACEMENTS/STRUCTURAL REPAIRS	366,000	374,000	418,000	52,000	14.2%	44,000	11.8%
72-01-2-02 MISCELLANEOUS CAPITAL REPLACEMENTS - GAS PROCESSING	46,000	47,000	38,000	(8,000)	-17.4%	(9,000)	-19.1%
72-01-2-03 MISC CAPITAL REPL - STRUCTURAL REPAIRS - GAS PROCESSING	57,000	59,000	50,000	(7,000)	-12.3%	(9,000)	-15.3%
72-01-2-04 REPLACE CARPETS - ALL LOCATIONS	70,000	0	61,000	(9,000)	-12.9%	61,000	N/A
72-01-2-05 REPLACE MODULAR FURNITURE	80,000	0	67,000	(13,000)	-16.3%	67,000	N/A
72-01-2-06 REPLACE 800 BUILDING 25 YEAR OLD CEILING VAV DIFFUSERS	0	0	904,000	904,000	N/A	904,000	N/A
72-01-2-07 REPLACE 20+ YEAR OLD HEATING AND COOLING EQUIP INSIDE & ON	0	0	356,000	356,000	N/A	356,000	N/A
REPLACE 800 BUILDING MECHANICAL ROOM CIRCULATION PUMPS	354,000	0	0	(354,000)	-100.0%	0	N/A
REPLACE 800 CHW PIPING	108,000	0	0	(108,000)	-100.0%	0	N/A
REPLACE 1849 BUILDING STAIR TOWER STAIR	289,000	0	0	(289,000)	-100.0%	0	N/A
REPLACE 1800 3RD FLOOR DOMESTIC WATER PUMPS & PIPING	268,000	0	0	(268,000)	-100.0%	0	N/A
REPLACE 800 BUILDING ELEVATOR INTERIORS	91,000	0	0	(91,000)	-100.0%	0	N/A
800 BUILDING RESTROOM1 RENOVATIONS	455,000	0	0	(455,000)	-100.0%	0	N/A
SOUTH PHILADELPHIA DISTRICT OFFICE BUILDING ENVELOPE REPAIR	400,000	0	0	(400,000)	-100.0%	0	N/A
800 BUILDING UPS ROOM CLEAN AGENT FIRE SUPPRESSION SYSTEM	62,000	0	0	(62,000)	-100.0%	0	N/A
TOTAL FACILITIES	2,806,000	643,000	2,055,000	(751,000)	-26.8%	1,412,000	219.6%

OTHER DEPARTMENTS
LISTING BY PRIORITY

FISCAL YEAR 2018 CAPITAL BUDGET

P	CATEGORY	AMOUNT	BUDGET_YR	YEAR_1	YEAR_2	YEAR_3	YEAR 4 +
	PRIORITY 1						
1	13-01-2-01	250,000					
	CONDITIONAL FUNDING FOR CAPITAL NEEDS RELATED TO SAFETY						
1	47-01-1-03	241,000	241,000				
	REVENUE PROTECTION UNIT (RPU) ENHANCEMENT						
1	47-01-1-04	200,000	200,000				
	ENVIRONMENTAL MANAGEMENT SYSTEM						
1	72-01-1-01	150,000	150,000				
	MISCELLANEOUS CAPITAL ADDITIONS						
1	72-01-1-02	11,000	11,000				
	MISCELLANEOUS CAPITAL ADDITIONS - GAS PROCESSING						
1	72-01-2-01	418,000	418,000				
	MISCELLANEOUS CAPITAL REPLACEMENTS/STRUCTURAL REPAIRS						
1	72-01-2-02	38,000	38,000				
	MISCELLANEOUS CAPITAL REPLACEMENTS - GAS PROCESSING						
1	72-01-2-03	50,000	50,000				
	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						
	PRIORITY 2						
2	13-01-2-02	250,000					
	CONDITIONAL FUNDING FOR CAPITAL NEEDS RELATED TO RELIABILITY OF SERVICE						
2	47-01-1-01	58,000	58,000				
	MISCELLANEOUS SERVER, NETWORK, & HARDWARE ADDITIONS						
2	47-01-1-02	275,000	275,000				
	MISCELLANEOUS SOFTWARE ADDITIONS						
2	47-01-2-01	230,000	230,000				
	REPLACEMENT SAN STORAGE						
2	47-01-2-02	50,000	50,000				
	MISCELLANEOUS SOFTWARE REPLACEMENTS						
2	47-01-2-03	87,000	87,000				
	MISCELLANEOUS SERVER & NETWORK HARDWARE REPLACEMENTS						
2	72-01-2-06	904,000	904,000				
	REPLACE 800 BUILDING 25 YEAR OLD CEILING VAV DIFFUSERS						
2	72-01-2-07	356,000	356,000				
	REPLACE 20+ YEAR OLD HEATING AND COOLING EQUIP INSIDE & ON ROOF - WEST PHIL DO						
	PRIORITY 4						
4	13-01-2-03	250,000					
	CONDITIONAL FUNDING FOR CAPITAL NEEDS RELATED TO COST-JUSTIFIED LOAD GROWTH						
	FY 2016 REAUTHORIZATION						
	47-01-2-06	200,000	200,000				
	UPGRADE TIPPING POINT						
	10-01-1-01	274,000	274,000				
	AUTOMATED CRP PROCESS						
	TOTAL OTHER DEPARTMENTS:		4,420,000	3,670,000			

PHILADELPHIA GAS WORKS
 FISCAL YEAR 2018 CAPITAL BUDGET
 OTHER DEPARTMENTS ESTIMATE OF ENCUMBERANCE AND EXPENDITURE

<u>FISCAL YEAR</u>	ADDITIONS		REPLACEMENTS		TOTAL	
	<u>ENCUMBERED</u>	<u>EXPENDED</u>	<u>ENCUMBERED</u>	<u>EXPENDED</u>	<u>ENCUMBERED</u>	<u>EXPENDED</u>
CURRENT BUDGET	935,000	1,209,000	3,011,000	2,461,000	3,946,000	3,670,000
YEAR 1						
YEAR 2						
YEAR 3						
YEAR 4 AND BEYOND						
TOTAL	<u>935,000</u>	<u>1,209,000</u>	<u>3,011,000</u>	<u>2,461,000</u>	<u>3,946,000</u>	<u>3,670,000</u>

FIVE YEAR FORECAST

PHILADELPHIA GAS WORKS

FISCAL YEAR 2018 AND FORECAST 2019 THROUGH 2023

<u>DEPARTMENT</u>	2018		FORECAST				TOTAL 6 YEARS
	<u>CAPITAL BUDGET</u>		<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	
<u>GAS PROCESSING</u>							
ADDITIONS	1,923,000		564,000	113,000	2,115,000	117,000	119,000
REPLACEMENTS	<u>3,985,000</u>		<u>9,225,000</u>	<u>6,305,000</u>	<u>5,175,000</u>	<u>1,461,000</u>	<u>2,723,000</u>
TOTAL GAS PROCESSING	5,908,000		9,789,000	6,418,000	7,290,000	1,578,000	2,842,000
ACQUIRE ASSETS LEASE	5,908,000		9,789,000	6,418,000	7,290,000	1,578,000	2,842,000
<u>DISTRIBUTION</u>							
ADDITIONS	12,245,000		11,725,000	11,971,000	12,235,000	12,505,000	12,795,000
REPLACEMENTS	<u>84,619,000</u>		<u>82,484,000</u>	<u>83,552,000</u>	<u>84,663,000</u>	<u>85,799,000</u>	<u>86,984,000</u>
GROSS TOTAL DISTRIBUTION	96,864,000		94,209,000	95,523,000	96,898,000	98,304,000	99,779,000
LESS: SALVAGE							
LESS: CONTRIBUTIONS*							
LESS: REIMBURSEMENT**	<u>(1,881,000)</u>		<u>(1,920,000)</u>	<u>(1,959,000)</u>	<u>(1,999,000)</u>	<u>(2,040,000)</u>	<u>(2,081,000)</u>
NET TOTAL DISTRIBUTION	94,983,000		92,289,000	93,564,000	94,899,000	96,264,000	97,698,000
ACQUIRE ASSETS LEASE	94,983,000		92,289,000	93,564,000	94,899,000	96,264,000	97,698,000

PHILADELPHIA GAS WORKS

FISCAL YEAR 2018 AND FORECAST 2019 THROUGH 2023

DEPARTMENT	2018 CAPITAL BUDGET	FORECAST				TOTAL 6 YEARS
		2019	2020	2021	2022	
<u>FIELD SERVICES</u>						
ADDITIONS	2,040,000	2,174,000	2,227,000	2,273,000	2,324,000	13,178,000
REPLACEMENTS	<u>5,288,000</u>	<u>5,511,000</u>	<u>5,737,000</u>	<u>5,766,000</u>	<u>5,895,000</u>	<u>33,620,000</u>
GROSS TOTAL FIELD SERVICES	7,328,000	7,685,000	7,964,000	8,039,000	8,219,000	<u>46,798,000</u>
LESS: SALVAGE						
LESS: CONTRIBUTIONS*						
NET TOTAL FIELD SERVICES	7,328,000	7,685,000	7,964,000	8,039,000	8,219,000	<u>46,798,000</u>
ACQUIRE ASSETS LEASE	7,328,000	7,563,000	7,964,000	8,039,000	8,219,000	46,798,000
<u>FLEET OPERATIONS</u>						
ADDITIONS	827,000					827,000
REPLACEMENTS	<u>3,712,000</u>	<u>2,960,000</u>	<u>3,687,000</u>	<u>3,177,000</u>	<u>3,601,000</u>	<u>20,242,000</u>
GROSS TOTAL FLEET OPERATIONS	4,539,000	2,960,000	3,687,000	3,177,000	3,601,000	<u>21,069,000</u>
LESS: SALVAGE						
NET TOTAL FLEET OPERATIONS	4,539,000	2,960,000	3,687,000	3,177,000	3,601,000	<u>21,069,000</u>
ACQUIRE ASSETS LEASE	4,539,000	2,960,000	3,687,000	3,177,000	3,601,000	21,069,000

PHILADELPHIA GAS WORKS

FISCAL YEAR 2018 AND FORECAST 2019 THROUGH 2023

<u>DEPARTMENT</u>	2018 CAPITAL BUDGET	FORECAST				TOTAL 6 YEARS
		<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	
<u>OTHER</u>						
ADDITIONS	1,209,000	3,240,000	508,000	515,000	522,000	6,523,000
REPLACEMENTS	<u>3,211,000</u>	<u>14,052,000</u>	<u>13,504,000</u>	<u>13,509,000</u>	<u>13,514,000</u>	<u>71,309,000</u>
TOTAL OTHER	4,420,000	17,292,000	14,012,000	14,024,000	14,036,000	<u>77,832,000</u>
ACQUIRE ASSETS LEASE	4,420,000	17,292,000	14,012,000	14,024,000	14,036,000	77,832,000
<u>TOTAL</u>						
ADDITIONS	18,244,000	17,669,000	14,766,000	17,092,000	15,417,000	98,955,000
REPLACEMENTS	<u>100,815,000</u>	<u>114,289,000</u>	<u>111,832,000</u>	<u>112,771,000</u>	<u>109,717,000</u>	<u>662,146,000</u>
GROSS TOTAL	119,059,000	131,958,000	126,598,000	129,863,000	125,134,000	<u>761,101,000</u>
LESS: SALVAGE						
LESS: REIMBURSEMENT**	(1,881,000)	(1,920,000)	(1,959,000)	(1,999,000)	(2,040,000)	<u>(11,880,000)</u>
LESS: CONTRIBUTIONS*						
NET TOTAL	<u>117,178,000</u>	<u>130,038,000</u>	<u>124,639,000</u>	<u>127,864,000</u>	<u>123,094,000</u>	<u>749,221,000</u>
ACQUIRE ASSETS LEASE	117,178,000	130,038,000	124,639,000	127,864,000	123,094,000	<u>749,221,000</u>

* CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

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

PHILADELPHIA GAS WORKS
PROPOSED 2019 - 2023 FORECAST
(COMPARISON)

<u>DEPARTMENT</u>	<u>2018- 2022 FORECAST</u>	<u>2019 - 2023 FORECAST</u>	<u>AMOUNT DIFFERENCE</u>	<u>PERCENT DIFFERENCE</u>
<u>GAS PROCESSING</u>				
ADDITIONS	10,350,000	3,028,000	(7,322,000)	-70.7%
REPLACEMENTS	<u>16,900,000</u>	<u>24,889,000</u>	7,989,000	47.3%
TOTAL GAS PROCESSING	27,250,000	27,917,000	667,000	2.4%
<u>DISTRIBUTION</u>				
ADDITIONS	55,672,000	61,231,000	5,559,000	10.0%
REPLACEMENTS	<u>440,765,000</u>	<u>423,482,000</u>	(17,283,000)	-3.9%
GROSS TOTAL DISTRIBUTION	496,437,000	484,713,000	(11,724,000)	-2.4%
LESS: SALVAGE				
LESS: CONTRIBUTIONS*				
LESS: REIMBURSEMENT**				
NET TOTAL DISTRIBUTION	496,437,000	484,713,000	(11,724,000)	-2.4%
<u>FIELD SERVICES</u>				
ADDITIONS	10,504,000	11,138,000	634,000	6.0%
REPLACEMENTS	<u>30,124,000</u>	<u>28,332,000</u>	(1,792,000)	-5.9%
GROSS TOTAL FIELD SERVICES	40,628,000	39,470,000	(1,158,000)	-2.9%
LESS: SALVAGE				
LESS: CONTRIBUTIONS*				
NET TOTAL FIELD SERVICES	40,628,000	39,470,000	(1,158,000)	-2.9%

PHILADELPHIA GAS WORKS
PROPOSED 2019 - 2023 FORECAST
(COMPARIISON)

<u>DEPARTMENT</u>	<u>2018- 2022 FORECAST</u>	<u>2019 - 2023 FORECAST</u>	<u>AMOUNT DIFFERENCE</u>	<u>PERCENT DIFFERENCE</u>
<u>FLEET OPERATIONS</u>				
ADDITIONS				
REPLACEMENTS	<u>14,078,000</u>	<u>16,530,000</u>	2,452,000	17.4%
GROSS TOTAL FLEET OPERATIONS	14,078,000	16,530,000	2,452,000	17.4%
LESS: SALVAGE				
NET TOTAL FLEET OPERATIONS	14,078,000	16,530,000	2,452,000	17.4%
 <u>OTHER</u>				
ADDITIONS	2,190,000	5,314,000	3,124,000	142.6%
REPLACEMENTS	<u>8,851,000</u>	<u>68,098,000</u>	59,247,000	669.4%
TOTAL OTHER	11,041,000	73,412,000	62,371,000	564.9%
 <u>TOTAL</u>				
ADDITIONS	78,716,000	80,711,000	1,995,000	2.5%
REPLACEMENTS	<u>510,718,000</u>	<u>561,331,000</u>	50,613,000	9.9%
GROSS TOTAL	589,434,000	642,042,000	52,608,000	8.9%
LESS: SALVAGE				
LESS: REIMBURSEMENT**				
LESS: CONTRIBUTIONS*				
NET TOTAL	<u>589,434,000</u>	<u>642,042,000</u>	52,608,000	8.9%

* CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

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

GAS PROCESSING DEPARTMENT

FORECAST - FISCAL YEARS 2019 THROUGH 2023

		<u>2017 COMPLIANCE BUDGET</u>	<u>2018 BUDGET</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>TOTAL FORECAST</u>
	GP-1 NATURAL GAS MEASUREMENT AND CONTROL FACILITIES								
1	53-01-1-01 IMPROVE VENTING FOR PITS AT IVY HILL STATION		50,000						
1	53-01-1-02 INCREASE AND MODIFY VENT PIPING FOR PITS AT SOMERTON STATION		50,000						
1	53-01-2-01 INCREASE SIZE OF SOUTH BOX AT 0-34 STATION		189,000						
2	53-01-2-02 REPLACE M&R STATION HEATER			927,000		1,800,000		1,800,000	4,527,000
	TOTAL GP-1		<u>289,000</u>	<u>927,000</u>		<u>1,800,000</u>		<u>1,800,000</u>	<u>4,527,000</u>
	GP-2 SUPPLEMENTAL GAS FACILITIES								
1	53-02-1-01 REPLACE/ADD SHUTOFF VALVE AT LNG TANK - PASSYUNK		1,604,000						
1	53-02-1-02 ADDRESS C-5RA AND C-5RB INLET AIR FILTERS AT RICHMOND		110,000						
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 & PASSYUNK			292,000					292,000
2	53-02-1-05 INSTALL BOLLARDS AROUND EXPANDER PLANT			162,000					162,000
1	53-02-2-01 REPLACE LNG TANK ELEVATOR AT RICHMOND		987,000						
1	53-02-2-02 MODIFY LNG TANK REPRESSURIZATION SYS - PASSY TO REPL OBSOLETE REGS		204,000						
1	53-02-2-03 RELOCATE LNG SWITCHGEAR AT PASSYUNK		1,452,000						
1	53-02-2-04 REPIPE AND RELOCATE EQUIPMENT ATTACHED TO #11 HOLDER - RICHMOND		436,000						
1	53-02-2-05 REPLACE LNG CONTROL ROOM EMERGENCY GENERATOR - RICHMOND		179,000						
1	53-02-2-06 REPLACE EMERGENCY GENERATOR ADMINISTRATION BLDG - RICHMOND		184,000						
2	53-02-2-07 REPLACE PUBLIC ADDRESS SYSTEM - PASSYUNK			750,000					750,000
1	53-02-2-08 REPLACE LNG SWITCHGEAR - RICHMOND					1,000,000			1,000,000
1	53-02-2-09 REPLACE RIVER WATER PUMP SWITCHGEAR & RIVER WATER PUMPS - RICHMOND			1,500,000					1,500,000
2	53-02-2-10 REPLACE PNEUMATIC COMPANDER ACTUATORS WITH ELECTRONIC ACTUATORS						380,000		380,000
1	53-02-2-11 REPLACE FIRE AND GAS DETECTION SYSTEM - PASSYUNK			5,387,000					5,387,000
1	53-02-2-12 DCS UPGRADE - RICHMOND		876,000				875,000		875,000

GAS PROCESSING DEPARTMENT

FORECAST - FISCAL YEARS 2019 THROUGH 2023

		<u>2017 COMPLIANCE BUDGET</u>	<u>2018 BUDGET</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>TOTAL FORECAST</u>
1	53-02-2-13	EXPANDER LIQUEFIER TSA SYSTEM UPGRADES-RICHMOND				2,000,000			2,000,000
2	53-02-2-14	REMODEL LNG 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
1	53-02-2-16	REPAIR RTDS IN EXPANDER PLANT COLD BOX-RICHMOND		300,000					300,000
2	53-02-2-17	RELOCATE STEAM SILENCER - PASSYUNK			134,000				134,000
2	53-02-2-18	REMOVE 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
1	53-02-2-21	UPGRADE OIL RECOVERY AST SYSTEM-PASSYUNK	179,000						
1	53-02-2-22	REMOVE AND REPLACE ELECTRICAL PANEL 203813-PASSYUNK	105,000						
1	53-02-2-24	REPLACE P-106 PUMP-RICHMOND	1,400,000						
	53-02-X-XX	NON-RECURRING ITEMS	3,382,000						
		TOTAL GP-2	<u>5,942,000</u>	<u>8,391,000</u>	<u>937,000</u>	<u>5,000,000</u>	<u>1,079,000</u>	<u>534,000</u>	<u>15,941,000</u>
		GP-3 BUILDING AND GROUNDS							
2	53-03-2-01	RELOCATE TRAINING FACILITY & ADD TRUCK LOADING ACCESS-RICHMOND			5,000,000				5,000,000
	53-03-X-XX	NON-RECURRING ITEMS							
		TOTAL GP-3			<u>5,000,000</u>				<u>5,000,000</u>
		GP-4 MISCELLANEOUS CAPITAL REQUIREMENTS							
1	53-04-1-01	MISCELLANEOUS CAPITAL ADDITIONS	124,000	110,000	113,000	115,000	117,000	119,000	574,000
1	53-04-2-01	MISCELLANEOUS CAPITAL REPLACEMENTS	365,000	361,000	368,000	375,000	382,000	389,000	1,875,000
		TOTAL GP-4	<u>489,000</u>	<u>471,000</u>	<u>481,000</u>	<u>490,000</u>	<u>499,000</u>	<u>508,000</u>	<u>2,449,000</u>
		TOTAL GAS PROCESSING DEPARTMENT		<u>9,908,000</u>	<u>6,418,000</u>	<u>7,290,000</u>	<u>1,578,000</u>	<u>2,842,000</u>	<u>27,917,000</u>
		ACQUIRE ASSETS LEASE		<u>5,908,000</u>	<u>6,418,000</u>	<u>7,290,000</u>	<u>1,578,000</u>	<u>2,842,000</u>	<u>27,917,000</u>

DISTRIBUTION DEPARTMENT

FORECAST - FISCAL YEARS 2019 THROUGH 2023

	<u>2017 COMPLIANCE BUDGET</u>	<u>2018 BUDGET</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>TOTAL FORECAST</u>
<p><u>D-20 HIGH PRESSURE MAINS</u></p>								
<p>4 52-20-1-01 INSTALLATIONS TO PROVIDE FOR AHEAD-OF-PAVING AND EXTENSIONS TO SUPPLY ADDITIONAL LOADS</p>								
	1,253,000	2,005,000	1,260,000	1,288,000	1,316,000	1,345,000	1,375,000	6,584,000
<p>3 52-20-2-01 ENFORCED RELOCATIONS CAUSED BY CITY AND STATE WORK</p>								
	2,551,000	1,831,000	1,871,000	1,912,000	1,954,000	1,997,000	2,041,000	9,775,000
<p>1 52-20-2-02 INCREMENTAL REPLACEMENT OF 12" HP CAST IRON MAIN</p>								
	8,719,000							
<p>1 52-20-2-03 INCREMENTAL REPLACEMENT OF 30" HP CAST IRON</p>								
	9,175,000							
<p>GROSS TOTAL D-20</p>								
	21,698,000	3,836,000	3,131,000	3,200,000	3,270,000	3,342,000	3,416,000	16,359,000
<p>NET TOTAL D-20</p>								
	21,698,000	3,836,000	3,131,000	3,200,000	3,270,000	3,342,000	3,416,000	16,359,000
<p><u>D-21 .8 INCH AND SMALLER I.P. AND L.P. MAIN</u></p>								
<p>4 52-21-1-01 MAINS TO SUPPLY NEW CUSTOMERS AND TO PROVIDE FOR INCREASED CAPACITY</p>								
	2,124,000	2,466,000	2,520,000	2,575,000	2,632,000	2,690,000	2,749,000	13,166,000
<p>3 52-21-2-01 ENFORCED RELOCATIONS CAUSED BY CITY, STATE AND OTHER WORK</p>								
	6,156,000	6,872,000	7,023,000	7,178,000	7,336,000	7,497,000	7,662,000	36,696,000
<p>1 52-21-2-02 PRUDENT MAIN REPLACEMENTS</p>								
	14,338,000	15,281,000	15,617,000	15,961,000	16,312,000	16,671,000	17,038,000	81,599,000
<p>1 52-21-2-03 LONG TERM INFRASTRUCTURE PLAN - DSIC</p>								
	4,628,000	36,249,714	33,000,000	33,000,000	33,000,000	33,000,000	33,000,000	165,000,000
<p>1 52-21-2-04 LTIP-INCREMENTAL CAST IRON MAIN REMOVAL</p>								
	10,941,000							
<p>GROSS TOTAL D-21</p>								
	38,187,000	60,868,714	58,160,000	58,714,000	59,280,000	59,858,000	60,449,000	296,461,000
<p>NET TOTAL D-21</p>								
	36,346,000	59,242,714	56,501,000	57,022,000	57,554,000	58,097,000	58,653,000	287,827,000
<p>52-21-2-97 LESS: REIMBURSEMENT**</p>								
<p>LESS: CONTRIBUTIONS*</p>								
	[1,841,000]	[1,626,000]	[1,659,000]	[1,692,000]	[1,726,000]	[1,761,000]	[1,796,000]	[9,634,000]

DISTRIBUTION DEPARTMENT

FORECAST - FISCAL YEARS 2019 THROUGH 2023

	<u>2017 COMPLIANCE BUDGET</u>	<u>2018 BUDGET</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</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	23,000	115,000	118,000	121,000	124,000	127,000	130,000	620,000
3 52-22-2-01 ENFORCED RELOCATIONS CAUSED BY CITY, STATE AND OTHER WORK	1,333,000	1,960,286	2,003,000	2,047,000	2,092,000	2,138,000	2,185,000	10,465,000
3 52-22-2-02 MAIN FOR MAJOR ENFORCED RELOCATION	480,000	300,000	307,000	314,000	321,000	328,000	335,000	1,605,000
52-22-2-97 LESS: REIMBURSEMENT** LESS: CONTRIBUTIONS*	1,836,000 (408,000)	2,375,286 (255,000)	2,428,000 (261,000)	2,482,000 (267,000)	2,537,000 (273,000)	2,593,000 (279,000)	2,650,000 (285,000)	12,690,000 (1,365,000)
GROSS TOTAL D-22	<u>1,428,000</u>	<u>2,120,286</u>	<u>2,167,000</u>	<u>2,215,000</u>	<u>2,264,000</u>	<u>2,314,000</u>	<u>2,365,000</u>	<u>11,325,000</u>
NET TOTAL D-22								
D-23 CUSTOMER METERING & REGULATOR INSTALLATION, AND PRESSURE REGULATION & CORROSION CONTROL FACILITIES								
4 52-23-1-01 CUSTOMER METERING AND REGULATOR INSTALLATION	585,000	595,000	608,000	608,000	621,000	635,000	663,000	3,135,000
1 52-23-2-01 REPLACEMENT/REHABILITATION OF HIGH PRESSURE MAIN VALVES	506,000	542,000	554,000	554,000	566,000	578,000	604,000	2,856,000
2 52-23-2-02 REPLACEMENT OF VARIOUS PRESSURE REGULATING AND CORROSION CONTROL FACILITIES	414,000	432,000	442,000	442,000	452,000	462,000	482,000	2,280,000
GROSS TOTAL D-23	1,505,000	1,569,000	1,604,000	1,604,000	1,639,000	1,675,000	1,749,000	8,271,000
LESS: REIMBURSEMENT** LESS: CONTRIBUTIONS*								
TOTAL D-23	<u>1,505,000</u>	<u>1,569,000</u>	<u>1,604,000</u>	<u>1,604,000</u>	<u>1,639,000</u>	<u>1,675,000</u>	<u>1,749,000</u>	<u>8,271,000</u>

DISTRIBUTION DEPARTMENT

FORECAST - FISCAL YEARS 2019 THROUGH 2023

	<u>2017 COMPLIANCE BUDGET</u>	<u>2018 BUDGET</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>TOTAL FORECAST</u>
<u>D-24 SERVICES</u>								
4 52-24-1-01	4,074,000	4,655,000	4,757,000	4,862,000	4,969,000	5,078,000	5,190,000	24,856,000
4 52-24-1-02	2,083,000	2,248,000	2,297,000	2,348,000	2,400,000	2,453,000	2,507,000	12,005,000
1 52-24-2-01	19,274,000	18,727,000	19,139,000	19,560,000	19,990,000	20,430,000	20,879,000	99,998,000
1 52-24-2-02	1,098,000	1,233,000	1,311,000	1,340,000	1,369,000	1,399,000	1,430,000	6,849,000
1 52-24-2-03	<u>1,342,000</u>							
	27,871,000	26,863,000	27,504,000	28,110,000	28,728,000	29,360,000	30,006,000	143,708,000
GROSS TOTAL D-24								
	<u>27,871,000</u>	<u>26,863,000</u>	<u>27,504,000</u>	<u>28,110,000</u>	<u>28,728,000</u>	<u>29,360,000</u>	<u>30,006,000</u>	<u>143,708,000</u>
52-24-2-97								
LESS: REIMBURSEMENT**								
LESS: CONTRIBUTIONS*								

DISTRIBUTION DEPARTMENT

FORECAST - FISCAL YEARS 2019 THROUGH 2023

	2017 COMPLIANCE BUDGET	2018 BUDGET	2019	2020	2021	2022	2023	TOTAL FORECAST
<u>D-29 OTHER DISTRIBUTION FACILITIES</u>								
2 52-29-1-01	ADDITIONAL TOOLS AND WORK EQUIPMENT	252,000	161,000	165,000	169,000	173,000	181,000	865,000
2 52-29-2-01	REPLACEMENT OF OBSOLETE TOOLS, RADIOS, AND WORK EQUIPMENT	<u>1,341,000</u>	<u>1,191,000</u>	<u>1,217,000</u>	<u>1,244,000</u>	<u>1,271,000</u>	<u>1,328,000</u>	<u>6,359,000</u>
	TOTAL D-29	<u>1,593,000</u>	<u>1,352,000</u>	<u>1,382,000</u>	<u>1,413,000</u>	<u>1,444,000</u>	<u>1,509,000</u>	<u>7,224,000</u>
<u>D-99 REMOVAL AND ABANDONMENTS</u>								
1 52-99-2-99								
	GROSS TOTAL DISTRIBUTION DEPARTMENT	92,690,000	96,864,000	94,209,000	95,523,000	96,898,000	99,779,000	484,713,000
	LESS: SALVAGE							
	LESS: CONTRIBUTIONS*							
	LESS: REIMBURSEMENT**	<u>(2,249,000)</u>	<u>(1,881,000)</u>	<u>(1,920,000)</u>	<u>(1,959,000)</u>	<u>(1,999,000)</u>	<u>(2,081,000)</u>	<u>(9,999,000)</u>
	NET TOTAL DISTRIBUTION DEPARTMENT	<u>90,441,000</u>	<u>94,983,000</u>	<u>92,289,000</u>	<u>93,564,000</u>	<u>94,899,000</u>	<u>97,698,000</u>	<u>474,714,000</u>
	ACQUIRE ASSETS	90,441,000	94,983,000	92,289,000	93,564,000	94,899,000	97,698,000	474,714,000
	LEASE							

* CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

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

FIELD SERVICES DEPARTMENT

FORECAST - FISCAL YEARS 2019 THROUGH 2023

	<u>2017 COMPLIANCE BUDGET</u>	<u>2018 BUDGET</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>TOTAL FORECAST</u>
<u>C-30 METERS</u>								
4 50-30-1-01 ADDITIONS AND INSTALLATIONS	1,431,000	1,728,000	1,810,000	1,838,000	1,883,000	1,922,000	1,965,000	<u>9,418,000</u>
2 50-30-2-01 REPLACEMENTS	<u>2,374,000</u>	<u>2,676,000</u>	<u>2,744,000</u>	<u>2,788,000</u>	<u>2,857,000</u>	<u>2,915,000</u>	<u>2,980,000</u>	<u>14,284,000</u>
TOTAL C-30	3,805,000	4,404,000	4,554,000	4,626,000	4,740,000	4,837,000	4,945,000	<u>23,702,000</u>
<u>C-32 SERVICES REGULATORS</u>								
4 50-32-1-01 ADDITIONS AND INSTALLATIONS	56,000	58,000	74,000	76,000	77,000	79,000	81,000	<u>387,000</u>
1 50-32-2-01 REPLACEMENTS	<u>23,000</u>	<u>37,000</u>	<u>38,000</u>	<u>39,000</u>	<u>39,000</u>	<u>41,000</u>	<u>42,000</u>	<u>199,000</u>
TOTAL C-32	79,000	95,000	112,000	115,000	116,000	120,000	123,000	<u>586,000</u>
<u>C-33 TELEMETERING</u>								
5 50-33-1-01 ADDITIONS AND INSTALLATIONS	118,000	84,000	82,000	83,000	85,000	87,000	89,000	<u>426,000</u>
1 50-33-2-01 REPLACEMENTS	<u>166,000</u>	<u>159,000</u>	<u>163,000</u>	<u>166,000</u>	<u>170,000</u>	<u>174,000</u>	<u>178,000</u>	<u>851,000</u>
TOTAL C-33	284,000	243,000	245,000	249,000	255,000	261,000	267,000	<u>1,277,000</u>

FIELD SERVICES DEPARTMENT

FORECAST - FISCAL YEARS 2019 THROUGH 2023

	<u>2017 COMPLIANCE BUDGET</u>	<u>2018 BUDGET</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>TOTAL FORECAST</u>
<u>C-34 METER SHOP EQUIPMENT</u>								
5 50-34-2-01 REPLACEMENTS	<u>65,000</u>	<u>39,000</u>	<u>40,000</u>	<u>42,000</u>	<u>134,000</u>	<u>46,000</u>	<u>48,000</u>	<u>310,000</u>
TOTAL C-34	<u>65,000</u>	<u>39,000</u>	<u>40,000</u>	<u>42,000</u>	<u>134,000</u>	<u>46,000</u>	<u>48,000</u>	<u>310,000</u>
<u>C-36 AUTOMATIC METER READING</u>								
5 50-36-1-01 ADDITIONS	<u>140,000</u>	<u>170,000</u>	<u>174,000</u>	<u>177,000</u>	<u>182,000</u>	<u>185,000</u>	<u>189,000</u>	<u>907,000</u>
5 50-36-2-01 REPLACEMENTS	<u>2,332,000</u>	<u>2,377,000</u>	<u>2,438,000</u>	<u>2,476,000</u>	<u>2,537,000</u>	<u>2,590,000</u>	<u>2,647,000</u>	<u>12,688,000</u>
TOTAL C-36	<u>2,472,000</u>	<u>2,547,000</u>	<u>2,612,000</u>	<u>2,653,000</u>	<u>2,719,000</u>	<u>2,775,000</u>	<u>2,836,000</u>	<u>13,595,000</u>
1 50-99-2-99 C-99 COST OF REMOVAL								
GROSS TOTAL FIELD SERVICES DEPARTMENT	<u>6,705,000</u>	<u>7,328,000</u>	<u>7,563,000</u>	<u>7,685,000</u>	<u>7,964,000</u>	<u>8,039,000</u>	<u>8,219,000</u>	<u>39,470,000</u>
50-98-2-98 LESS: SALVAGE								<u>0</u>
50-94-1-94 LESS: CONTRIBUTIONS								<u>0</u>
NET TOTAL FIELD SERVICES DEPARTMENT	<u>6,705,000</u>	<u>7,328,000</u>	<u>7,563,000</u>	<u>7,685,000</u>	<u>7,964,000</u>	<u>8,039,000</u>	<u>8,219,000</u>	<u>39,470,000</u>
ACQUIRE ASSETS	<u>6,705,000</u>	<u>7,328,000</u>	<u>7,563,000</u>	<u>7,685,000</u>	<u>7,964,000</u>	<u>8,039,000</u>	<u>8,219,000</u>	<u>39,470,000</u>
LEASE								

FLEET OPERATIONS DEPARTMENT
FORECAST - FISCAL YEARS 2019 THROUGH 2023

		<u>2017 COMPLIANCE BUDGET</u>	<u>2018 BUDGET</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>TOTAL FORECAST</u>
2	73-01-1-01	ACQUIRE ADD'L VEHICLES TO SUPPORT INCREMENTAL CAST IRON MAIN REPLACEMENT							0
1	73-01-1-02	MOBILE EQUIPMENT ADDITIONS	80,000	0					0
2	73-01-1-03	VEHICLE ADDITIONS		538,000					
1	73-01-2-01	SHOP EQUIPMENT REPLACEMENTS	45,000						0
2	73-01-2-02	MOBILE EQUIPMENT REPLACEMENTS	677,000	561,000	643,000	352,000	273,000	732,000	2,495,000
2	73-01-2-03	VEHICLE REPLACEMENTS	5,081,000	1,415,000	2,462,000	2,608,000	2,904,000	2,869,000	14,035,000
		FY 2016 REAUTHORIZATION							
	73-01-1-01	VEHICLE ADDITIONS		289,000					
	73-01-2-03	VEHICLE REPLACEMENTS		1,736,000					
		GROSS TOTAL FLEET OPERATIONS DEPARTMENT	5,883,000	4,539,000	3,105,000	2,960,000	3,177,000	3,601,000	16,530,000
		LESS: SALVAGE							
	73-98-2-98	NET TOTAL FLEET OPERATIONS DEPARTMENT	<u>5,883,000</u>	<u>4,539,000</u>	<u>3,105,000</u>	<u>2,960,000</u>	<u>3,177,000</u>	<u>3,601,000</u>	<u>16,530,000</u>
		ACQUIRE ASSETS	5,883,000	4,539,000	3,105,000	2,960,000	3,177,000	3,601,000	16,530,000
		LEASE							

OTHER DEPARTMENTS

FORECAST - FISCAL YEARS 2019 THROUGH 2023

	<u>2017 COMPLIANCE BUDGET</u>	<u>2018 BUDGET</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>TOTAL FORECAST</u>
<u>FACILITIES</u>								
1	72-01-1-01	MISCELLANEOUS CAPITAL ADDITIONS	125,000	150,000	150,000	150,000	150,000	750,000
1	72-01-1-02	MISCELLANEOUS CAPITAL ADDITIONS - GAS PROCESSING	9,000	11,000	12,000	13,000	14,000	69,000
1	72-01-2-01	MISCELLANEOUS CAPITAL REPLACEMENTS/STRUCTURAL REPAIRS	376,000	418,000	418,000	418,000	418,000	2,090,000
1	72-01-2-02	MISCELLANEOUS CAPITAL REPLACEMENTS - GAS PROCESSING	45,000	38,000	39,000	40,000	41,000	205,000
1	72-01-2-03	MISC CAPITAL REPL - STRUCTURAL REPAIRS - GAS PROCESSING	57,000	50,000	51,000	52,000	53,000	265,000
1	72-01-2-04	REPLACE CARPETS - ALL LOCATIONS	165,000	61,000	61,000	75,000	75,000	361,000
1	72-01-2-05	REPLACE MODULAR FURNITURE	195,000	67,000	67,000	75,000	75,000	367,000
2	72-01-2-06	REPLACE 800 BUILDING 25 YEAR OLD CEILING VAV DIFFUSERS	904,000					
2	72-01-2-07	REPLACE 20+ YEAR OLD HEATING AND COOLING EQUIP INSIDE & ON ROOF - WEST PHIL DO	356,000					
5	72-01-2-08	800 BUILDING		450,000	450,000	450,000	450,000	2,250,000
5	72-01-2-09	1800 BUILDING		8,101,000	8,101,000	8,101,000	8,101,000	40,505,000
5	72-01-2-10	1849 BUILDING AND PARKING GARAGE		2,157,000	2,157,000	2,157,000	2,157,000	10,785,000
5	72-01-2-11	METER SHOP		641,000	641,000	641,000	641,000	3,205,000
5	72-01-2-12	BELFIELD STATION		116,000	116,000	116,000	116,000	580,000
5	72-01-2-13	CASTOR STATION		179,000	179,000	179,000	179,000	895,000
5	72-01-2-14	PORTER STATION		127,000	127,000	127,000	127,000	635,000
5	72-01-2-15	TIOGA STATION		180,000	180,000	180,000	180,000	900,000
	72-01-XX-XX	NON-RECURRING ITEMS	1,767,000					
		TOTAL FACILITIES	<u>2,739,000</u>	<u>12,749,000</u>	<u>12,777,000</u>	<u>12,780,000</u>	<u>12,782,000</u>	<u>63,862,000</u>

OTHER DEPARTMENTS

FORECAST - FISCAL YEARS 2019 THROUGH 2023

		<u>2017 COMPLIANCE BUDGET</u>	<u>2018 BUDGET</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>TOTAL FORECAST</u>
	<u>VP TECHNICAL COMPLIANCE</u>								
1	38-01-1-01 BIOSPARGE AND SOIL VAPOR EXTRACTION SYSTEM			2,739,000					2,739,000
	38-01-XX-XX NON-RECURRING ITEMS	3,386,000							
	TOTAL VP TECHNICAL COMPLIANCE	<u>3,386,000</u>		<u>2,739,000</u>					
	<u>CHEMICAL SERVICES</u>								
	31-01-X-XX NON-RECURRING ITEMS	8,000							
	TOTAL CHEM SERVICES	<u>8,000</u>							
	<u>VP REGULATORY COMPLIANCE & CUSTOMER PROGRAMS</u>								
	10-01-X-XX NON-RECURRING ITEMS	986,000							
	TOTAL VP REGULATORY COMPLIANCE & CUSTOMER PROGRAMS	<u>986,000</u>							
	<u>GAS MANAGEMENT</u>								
	NON-RECURRING ITEMS	785,000							
	TOTAL OTHER DEPARTMENTS	<u>11,568,000</u>	<u>4,420,000</u>	<u>17,292,000</u>	<u>14,012,000</u>	<u>14,024,000</u>	<u>14,036,000</u>	<u>14,048,000</u>	<u>73,412,000</u>
	ACQUIRE ASSETS LEASE								

FISCAL 2018 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 2018

• Spending from FY 2018 Program	\$ 103,191,000
• Spending Carryover from FY 2017	\$ 13,380,950
• Total FY 2018 Spending	\$ 111,921,950
• Projected Reimbursement	\$ 1,880,706
• Salvage	\$ 238,769
• Construction Contributions	\$ 1,387,141
• Net FY 2018 Capital Spending	\$ 113,065,334

Capital Funding Sources:

• Capital Debt	\$ 52,700,143
• DSIC	\$ 36,659,714
• Internally Generated Funds	\$ 23,705,477
• FY 2018 Capital Funding	\$ 113,065,334

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 2018 Capital Program.