

Exhibit #1

Compliance FY 2021 Capital Budget Proposal, associated Financing Plan, and Revised Five Year Forecast of Capital Budgets for FY 2022 – FY 2026.

PHILADELPHIA GAS WORKS

**FISCAL 2021 COMPLIANCE
CAPITAL BUDGET
AND
FORECAST FISCAL 2022 - 2026

WITH
FISCAL 2021 FINANCING PLAN**

APRIL 21, 2020



PHILADELPHIA GAS WORKS

COMPLIANCE

CAPITAL BUDGET

FISCAL YEAR 2021 AND FORECAST 2022 THROUGH 2026

	COMPLIANCE 2021 <u>CAPITAL BUDGET</u>	2022 - 2026 <u>FORECAST</u>	<u>TOTAL 6 YEARS</u>
<u>GAS PROCESSING</u>			
ADDITIONS	103,000	810,000	913,000
REPLACEMENTS	<u>5,908,000</u>	<u>130,681,000</u>	<u>136,589,000</u>
TOTAL	<u>6,011,000</u>	<u>131,491,000</u>	<u>137,502,000</u>
<u>DISTRIBUTION</u>			
ADDITIONS	15,075,000	80,972,000	96,047,000
REPLACEMENTS	<u>89,306,000</u>	<u>476,626,000</u>	<u>565,932,000</u>
GROSS TOTAL	104,381,000	557,598,000	661,979,000
LESS: SALVAGE			
LESS: CONTRIBUTIONS*			
LESS: REIMBURSEMENTS**	<u>(4,366,319)</u>	<u>(23,235,000)</u>	<u>(27,601,319)</u>
NET TOTAL	<u>100,014,681</u>	<u>534,363,000</u>	<u>634,377,681</u>
<u>FIELD SERVICES</u>			
ADDITIONS	3,676,000	18,537,000	22,213,000
REPLACEMENTS	<u>8,044,000</u>	<u>42,768,000</u>	<u>50,812,000</u>
GROSS TOTAL	11,720,000	61,305,000	73,025,000
LESS: SALVAGE			
LESS: CONTRIBUTIONS*			
NET TOTAL	<u>11,720,000</u>	<u>61,305,000</u>	<u>73,025,000</u>
<u>FLEET OPERATIONS</u>			
ADDITIONS			
REPLACEMENTS	<u>3,966,000</u>	<u>27,989,000</u>	<u>31,955,000</u>
GROSS TOTAL	3,966,000	27,989,000	31,955,000
LESS: SALVAGE			
NET TOTAL	<u>3,966,000</u>	<u>27,989,000</u>	<u>31,955,000</u>

PHILADELPHIA GAS WORKS

COMPLIANCE

CAPITAL BUDGET

FISCAL YEAR 2021 AND FORECAST 2022 THROUGH 2026

	COMPLIANCE 2021 <u>CAPITAL BUDGET</u>	2022 - 2026 <u>FORECAST</u>	<u>TOTAL 6 YEARS</u>
<u>OTHER DEPARTMENTS</u>			
ADDITIONS	788,000	1,321,783	2,109,783
REPLACEMENTS	<u>86,502,000</u>	<u>21,429,493</u>	<u>107,931,493</u>
TOTAL	<u>87,290,000</u>	<u>22,751,276</u>	<u>110,041,276</u>
<u>TOTAL</u>			
ADDITIONS	19,642,000	101,640,783	121,282,783
REPLACEMENTS	<u>193,726,000</u>	<u>699,493,493</u>	<u>893,219,493</u>
GROSS TOTAL	213,368,000	801,134,276	1,014,502,276
LESS: SALVAGE			
LESS: REIMBURSEMENTS**	(4,366,319)	(23,235,000)	(27,601,319)
LESS: CONTRIBUTIONS*			
NET TOTAL	<u>209,001,681</u>	<u>777,899,276</u>	<u>986,900,957</u>

* CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

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

PHILADELPHIA GAS WORKS
COMPLIANCE CAPITAL BUDGET
BUDGET/FORECAST COMPARISON

DEPARTMENT	2020 COMPL	2021	2021 COMPL	2021 COMP	2020	2021 COMP BUD vs 2021 FORECAST	
	BUDGET	FORECAST	BUDGET	BUDGET vs AMOUNT DIFFERENCE	COMPL BUDGET PERCENT DIFFERENCE	AMOUNT DIFFERENCE	PERCENT DIFFERENCE
<u>GAS PROCESSING</u>							
ADDITIONS	270,000	93,000	103,000	(167,000)	-61.9%	10,000	10.8%
REPLACEMENTS	<u>3,182,000</u>	<u>10,975,700</u>	<u>5,908,000</u>	<u>2,726,000</u>	<u>85.7%</u>	<u>(5,067,700)</u>	<u>-46.2%</u>
TOTAL GAS PROCESSING	3,452,000	11,068,700	6,011,000	2,559,000	74.1%	(5,057,700)	-45.7%
<u>DISTRIBUTION</u>							
ADDITIONS	13,920,000	14,482,000	15,075,000	1,155,000	8.3%	593,000	4.1%
REPLACEMENTS	<u>84,837,000</u>	<u>86,083,000</u>	<u>89,306,000</u>	<u>4,469,000</u>	<u>5.3%</u>	<u>3,223,000</u>	<u>3.7%</u>
GROSS TOTAL DISTRIBUTION	98,757,000	100,565,000	104,381,000	5,624,000	5.7%	3,816,000	3.8%
LESS: SALVAGE					N/A		N/A
LESS: CONTRIBUTIONS*					N/A		N/A
LESS: REIMBURSEMENT**	<u>(4,682,404)</u>	<u>(4,399,000)</u>	<u>(4,366,319)</u>	<u>316,085</u>	<u>-6.8%</u>	<u>32,681</u>	<u>-0.7%</u>
NET TOTAL DISTRIBUTION	94,074,596	96,166,000	100,014,681	5,940,085	6.3%	3,848,681	4.0%
<u>FIELD SERVICES</u>							
ADDITIONS	5,453,000	3,048,000	3,676,000	(1,777,000)	-32.6%	628,000	20.6%
REPLACEMENTS	<u>6,436,000</u>	<u>7,697,000</u>	<u>8,044,000</u>	<u>1,608,000</u>	<u>25.0%</u>	<u>347,000</u>	<u>4.5%</u>
GROSS TOTAL FIELD SERVICES	11,889,000	10,745,000	11,720,000	(169,000)	-1.4%	975,000	9.1%
LESS: SALVAGE					N/A		N/A
LESS: CONTRIBUTIONS*					N/A		N/A
NET TOTAL FIELD SERVICES	11,889,000	10,745,000	11,720,000	(169,000)	-1.4%	975,000	9.1%

PHILADELPHIA GAS WORKS
COMPLIANCE CAPITAL BUDGET
BUDGET/FORECAST COMPARISON

DEPARTMENT	2020 COMPL	2021	2021 COMPL	2021 COMP	2020	2021 COMP BUD vs 2021 FORECAST	
	BUDGET	FORECAST	BUDGET	BUDGET vs AMOUNT DIFFERENCE	COMPL BUDGET PERCENT DIFFERENCE	AMOUNT DIFFERENCE	PERCENT DIFFERENCE
<u>FLEET OPERATIONS</u>							
ADDITIONS	84,000	-	-	(84,000)	-100.0%	-	N/A
REPLACEMENTS	<u>2,669,000</u>	<u>6,132,000</u>	<u>3,966,000</u>	<u>1,297,000</u>	<u>48.6%</u>	<u>(2,166,000)</u>	<u>-35.3%</u>
GROSS TOTAL FLEET OPERATIONS	2,753,000	6,132,000	3,966,000	1,213,000	44.1%	(2,166,000)	-35.3%
LESS: SALVAGE					N/A		N/A
NET TOTAL TRANSPORTATION	2,753,000	6,132,000	3,966,000	1,213,000	44.1%	(2,166,000)	-35.3%
<u>OTHER</u>							
ADDITIONS	678,000	300,350	788,000	110,000	16.2%	487,650	162.4%
REPLACEMENTS	<u>10,179,000</u>	<u>46,418,590</u>	<u>86,502,000</u>	<u>76,323,000</u>	<u>749.8%</u>	<u>40,083,410</u>	<u>86.4%</u>
TOTAL OTHER	10,857,000	46,718,940	87,290,000	76,433,000	704.0%	40,571,060	86.8%
<u>TOTAL</u>							
ADDITIONS	20,405,000	17,923,350	19,642,000	(763,000)	-3.7%	1,718,650	9.6%
REPLACEMENTS	<u>107,303,000</u>	<u>157,306,290</u>	<u>193,726,000</u>	<u>86,423,000</u>	<u>80.5%</u>	<u>36,419,710</u>	<u>23.2%</u>
GROSS TOTAL	127,708,000	175,229,640	213,368,000	85,660,000	67.1%	38,138,360	21.8%
LESS: SALVAGE					N/A		N/A
LESS: REIMBURSEMENT**	(4,682,404)	(4,399,000)	(4,366,319)	316,085	-6.8%	32,681	-0.7%
LESS: CONTRIBUTIONS*					N/A		N/A
NET TOTAL	<u>123,025,596</u>	<u>170,830,640</u>	<u>209,001,681</u>	<u>85,976,085</u>	<u>69.9%</u>	<u>38,171,041</u>	<u>22.3%</u>

* CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

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

PHILADELPHIA GAS WORKS
 FISCAL YEAR 2021 COMPLIANCE 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	19,642,000	19,513,000	193,726,000	113,162,000	213,368,000	132,675,000
YEAR 1	-	129,000	-	66,807,000	-	66,936,000
YEAR 2	-	-	-	13,007,000	-	13,007,000
YEAR 3	-	-	-	-	-	-
YEAR 4 AND BEYOND	-	-	-	-	-	-
TOTAL	19,642,000	19,642,000	193,726,000	192,976,000	213,368,000	212,618,000

GAS PROCESSING DEPARTMENT
FISCAL YEAR 2021 COMPLIANCE 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	-	1,211,000	-	1,211,000
53-02 SUPPLEMENTAL GAS FACILITIES	-	3,199,000	-	3,199,000
53-03 BUILDING AND GROUNDS	-	1,182,000	-	1,182,000
53-04 MISC CAPITAL REQUIREMENTS	103,000	316,000	-	419,000
TOTAL GAS PROCESSING	<u>103,000</u>	<u>5,908,000</u>	<u>-</u>	<u>6,011,000</u>

GAS PROCESSING DEPARTMENT
FISCAL YEAR 2021 COMPLIANCE CAPITAL BUDGET
BUDGET/FORECAST COMPARISON

CATEGORY		2020 COMPL	2021	2021 COMPL	2021 COMP	2020	2021 COMP BUD vs 2021
		BUDGET	FORECAST	BUDGET	BUDGET vs \$	COMPL BUDGET %	FORECAST \$ %
					DIFF.	DIFF.	DIFF.
53-01	NATURAL GAS						
	ADDITIONS	-	-	-	-	N/A	0 N/A
	MEASUREMENT AND REPLACEMENTS	-	1,800,000	1,211,000	1,211,000	N/A	(589,000) -32.7%
	TOTAL	-	1,800,000	1,211,000	1,211,000	N/A	(589,000) -32.7%
53-02	SUPPLEMENTAL GAS						
	ADDITIONS	179,000	-	-	(179,000)	-100.0%	0 N/A
	FACILITIES REPLACEMENTS	2,946,000	8,933,700	3,199,000	253,000	8.6%	(5,734,700) -64.2%
	TOTAL	3,125,000	8,933,700	3,199,000	74,000	2.4%	(5,734,700) -64.2%
53-03	BUILDING AND						
	ADDITIONS	-	-	-	-	N/A	0 N/A
	REPLACEMENTS	-	-	1,182,000	1,182,000	N/A	1,182,000 N/A
	TOTAL	-	-	1,182,000	1,182,000	N/A	1,182,000 N/A
53-04	MISC CAPITAL						
	ADDITIONS	91,000	93,000	103,000	12,000	13.2%	10,000 10.8%
	REQUIREMENTS REPLACEMENTS	236,000	242,000	316,000	80,000	33.9%	74,000 30.6%
	TOTAL	327,000	335,000	419,000	92,000	28.1%	84,000 25.1%
	TOTAL GAS PROCESSING	3,452,000	11,068,700	6,011,000	2,559,000	74.1%	(5,057,700) -45.7%

GAS PROCESSING DEPARTMENT
FISCAL 2021 COMPLIANCE CAPITAL BUDGET

P			<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	1,211,000
		TOTAL GP-1	<u><u>1,211,000</u></u>
	<u>GP-2</u>	<u>SUPPLEMENTAL GAS FACILITIES</u>	
1	53-02-2-11	REPLACE HAZARD DETECTION SYSTEM - PASSYUNK	1,407,000
2	53-02-2-22	ISOLATE PIPING IN #77 HOUSE BASEMENT - RICHMOND	325,000
1	53-02-2-29	REPLACE GAS PIPING UPSTREAM OF H-1 HEATER FULE LINE - RICHMOND	481,000
1	53-02-2-33	REPLACE TWO PHASE POWER SYSTEMS - PASSYUNK	841,000
1	53-02-2-34	REPLACE ESD PANEL FOR V-101 - RICHMOND	145,000
		TOTAL GP-2	<u><u>3,199,000</u></u>
1	53-03-2-05	REPLACE FRONT OFFICE BUILDING ROOF - PASSYUNK	817,000
1	53-03-2-06	INCREASE WATER LINE TO LNG CONTROL ROOM - RICHMOND	365,000
1	53-03-2-07	RENOVATE TWO AREAS OF FSD TRAINING CENTER - PASSYUNK	
		TOTAL GP-3	<u><u>1,182,000</u></u>
	<u>GP-4</u>	<u>MISCELLANEOUS CAPITAL REQUIREMENTS</u>	
1	53-04-1-01	MISCELLANEOUS CAPITAL ADDITIONS	103,000
1	53-04-2-01	MISCELLANEOUS CAPITAL REPLACEMENTS	316,000
		TOTAL GP-4	<u><u>419,000</u></u>
		TOTAL GAS PROCESSING DEPARTMENT	<u><u>6,011,000</u></u>

GAS PROCESSING DEPARTMENT
LISTING BY PRIORITY
FISCAL 2021 COMPLIANCE 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>PRIORITY 1</u>					
1	GP-2	53-01-2-03	1,211,000	1,110,000	101,000	-	-
		NEW HEATER, GENERATOR AND STATION MODIFICATIONS					
1	GP-2	53-02-2-11	1,407,000	1,397,000	10,000	-	-
		REPLACE HAZARD DETECTION SYSTEM - PASSYUNK					
1	GP-3	53-03-2-05	817,000	817,000	-	-	-
		REPLACE FRONT OFFICE BUILDING ROOF - PASSYUNK					
1	GP-3	53-03-2-06	365,000	365,000	-	-	-
		INCREASE WATER LINE TO LNG CONTROL ROOM - RICHMOND					
1	GP-3	53-03-2-07	-	-	-	-	-
		RENOVATE TWO AREAS OF FSD TRAINING CENTER - PASSYUNK					
1	GP-4	53-04-1-01	103,000	103,000	-	-	-
		MISCELLANEOUS CAPITAL ADDITIONS					
1	GP-4	53-04-2-01	316,000	316,000	-	-	-
		MISCELLANEOUS CAPITAL REPLACEMENTS					
1	GP-2	53-02-2-29	481,000	112,000	369,000	-	-
		REPLACE GAS PIPING UPSTREAM OF H-1 HEATER FULE LINE - RICHMC					
1	GP-2	53-02-2-33	841,000	841,000	-	-	-
		REPLACE TWO PHASE POWER SYSTEMS - PASSYUNK					
1	GP-2	53-02-2-34	145,000	131,000	14,000	-	-
		REPLACE ESD PANEL FOR V-101 - RICHMOND					
		<u>PRIORITY 2</u>					
2	GP-2	53-02-2-22	325,000	297,000	28,000	-	-
		ISOLATE PIPING IN #77 HOUSE BASEMENT - RICHMOND					
TOTAL GAS PROCESSING DEPARTMENT:			6,011,000	5,489,000	522,000	-	-

PHILADELPHIA GAS WORKS

FISCAL YEAR 2021 COMPLIANCE CAPITAL BUDGET

GAS PROCESSING DEPARTMENT 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	103,000	103,000	5,908,000	5,386,000	6,011,000	5,489,000
YEAR 1	-	-	-	522,000	-	522,000
YEAR 2	-	-	-	-	-	-
YEAR 3	-	-	-	-	-	-
YEAR 4 AND BEYOND	-	-	-	-	-	-
TOTAL	103,000	103,000	5,908,000	5,908,000	6,011,000	6,011,000

DISTRIBUTION DEPARTMENT
FISCAL YEAR 2021 COMPLIANCE CAPITAL BUDGET

SUMMARY

<u>CATEGORY</u>	<u>ADDITIONS</u>	<u>REPLACEMENTS</u>	<u>GROSS TOTAL</u>	<u>REIMBURSEMENT**</u>	<u>CONTRIBUTIONS*</u>	<u>CONDITIONED RESERVED</u>	<u>NET TOTAL</u>
52-20 GAS MAINS - HIGH PRESSURE (WITH ASSOCIATED VALVES AND REGULATORS)	2,742,000	1,698,000	4,440,000	-	-	-	4,440,000
52-21 GAS MAINS - LOW AND INTERMEDIATE PRESSURE - 8 INCH AND SMALLER	2,641,000	61,016,000	63,657,000	(3,402,419)	-	-	60,254,581
52-22 GAS MAINS - LOW AND INTERMEDIATE PRESSURE - 12 INCH AND LARGER	177,000	2,107,000	2,284,000	(963,900)	-	-	1,320,100
52-23 CUST MTR & REG INSTALL, PRESSURE REGULATION & CORROSION CONTROL FACILITIES	376,000	955,000	1,331,000	-	-	-	1,331,000
52-24 SERVICES	9,139,000	19,493,000	28,632,000	-	-	-	28,632,000
52-29 OTHER DISTRIBUTION FACILITIES	-	996,000	996,000	-	-	-	996,000
CONDITIONED FUDNING RESERVE	-	-	-	-	-	3,041,000	3,041,000
TOTAL DISTRIBUTION	15,075,000	86,265,000	101,340,000	(4,366,319)	-	3,041,000	100,014,681

* CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

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

DISTRIBUTION DEPARTMENT
FISCAL YEAR 2021 COMPLIANCE CAPITAL BUDGET
BUDGET/FORECAST COMPARISON

CATEGORY		2020 COMPL	2021	2021 COMPL	2021 COMP	2020	2021 COMP BUD vs 2021	
		BUDGET	FORECAST	BUDGET	BUDGET vs	COMPL BUDGET	FORECAST	
					\$	%	\$	
					DIFF.	DIFF.	DIFF.	
							%	
							DIFF.	
52-20 GAS MAINS - HIGH	ADDITIONS	2,091,000	2,370,000	2,742,000	651,000	31.1%	372,000	15.7%
	REPLACEMENTS	1,898,000	1,944,000	1,698,000	(200,000)	-10.5%	(246,000)	-12.7%
	TOTAL	3,989,000	4,314,000	4,440,000	451,000	11.3%	126,000	2.9%
52-21 GAS MAINS - LOW	ADDITIONS	2,545,000	2,606,000	2,641,000	96,000	3.8%	35,000	1.3%
	REPLACEMENTS	59,645,000	60,285,000	61,016,000	1,371,000	2.3%	731,000	1.2%
	TOTAL	62,190,000	62,891,000	63,657,000	1,467,000	2.4%	766,000	1.2%
52-22 GAS MAINS - LOW	ADDITIONS	175,000	179,000	177,000	2,000	1.1%	(2,000)	-1.1%
	REPLACEMENTS	911,000	933,000	2,107,000	1,196,000	131.3%	1,174,000	125.8%
	TOTAL	1,086,000	1,112,000	2,284,000	1,198,000	110.3%	1,172,000	105.4%
52-23 CUST MTR & REG INST,	ADDITIONS	345,000	353,000	376,000	31,000	9.0%	23,000	6.5%
	REPLACEMENTS	1,028,000	1,053,000	955,000	(73,000)	-7.1%	(98,000)	-9.3%
	TOTAL	1,373,000	1,406,000	1,331,000	(42,000)	-3.1%	(75,000)	-5.3%
52-24 SERVICES	ADDITIONS	8,764,000	8,974,000	9,139,000	375,000	4.3%	165,000	1.8%
	REPLACEMENTS	19,739,000	20,213,000	19,493,000	(246,000)	-1.2%	(720,000)	-3.6%
	TOTAL	28,503,000	29,187,000	28,632,000	129,000	0.5%	(555,000)	-1.9%
52-29 OTHER DISTRIBUTION	ADDITIONS	-	-	-	-	N/A	-	N/A
	REPLACEMENTS	1,616,000	1,655,000	996,000	(620,000)	-38.4%	(659,000)	-39.8%
	TOTAL	1,616,000	1,655,000	996,000	(620,000)	-38.4%	(659,000)	-39.8%
SUB-TOTAL DISTRIBUTION		98,757,000	100,565,000	101,340,000	2,583,000	2.6%	775,000	0.8%
CONDITIONED FUNDING RESERVE (3%)		-	-	3,041,000	3,041,000	N/A	3,041,000	N/A
GROSS TOTAL DISTRIBUTION DEPARTMENT		98,757,000	100,565,000	104,381,000	5,624,000	5.7%	3,816,000	3.8%
52-99 COST OF REMOVAL AND ABANDONMENT		-	-	-	-	N/A	-	N/A
	LESS: SALVAGE	-	-	-	-	N/A	-	N/A
	LESS: CONTRIBUTIONS*	-	-	-	-	N/A	-	N/A
	LESS: REIMBURSEMENT**	(4,682,404)	(4,399,000)	(4,366,319)	316,085	-6.8%	32,681	-0.7%
NET TOTAL DISTRIBUTION		94,074,596	96,166,000	100,014,681	5,940,085	6.3%	3,848,681	4.0%

* DISTRIBUTION DEPARTMENT CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

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

DISTRIBUTION DEPARTMENT

FISCAL 2021 COMPLIANCE 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	2,742,000	10,565
3	52-20-2-01 ENFORCED RELOCATIONS CAUSED BY CITY AND STATE WORK	1,698,000	658
		<u>GROSS TOTAL D-20</u>	<u>4,440,000</u>
52-20-2-97		LESS: REIMBURSEMENT**	
		LESS: POTENTIAL CUSTOMER CONTRIBUTIONS	
		<u>NET TOTAL D-20</u>	<u>4,440,000</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	2,641,000	13,472
3	52-21-2-01 ENFORCED RELOCATIONS CAUSED BY CITY, STATE AND OTHER WORK	5,894,000	26,501
1	52-21-2-02 PRUDENT MAIN REPLACEMENTS	20,122,000	79,785
1	52-21-2-03 LONG TERM INFRASTRUCTURE PLAN - DSIC	35,000,000	
		<u>GROSS TOTAL D-21</u>	<u>63,657,000</u>
52-21-2-97		LESS: REIMBURSEMENT**	(3,402,419)
		<u>NET TOTAL D-21</u>	<u>60,254,581</u>

DISTRIBUTION DEPARTMENT
FISCAL 2021 COMPLIANCE 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	177,000	208
3	52-22-2-01 ENFORCED RELOCATIONS CAUSED BY CITY, STATE AND OTHER WORK	1,036,000	2,727
3	52-22-2-02 MAIN FOR MAJOR ENFORCED RELOCATION	1,071,000	391
	GROSS TOTAL D-22	2,284,000	
	LESS: REIMBURSEMENT**	(963,900)	
	NET TOTAL D-22	1,320,100	
	<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	376,000	
1	52-23-2-01 REPLACEMENT/REHABILITATION OF HIGH PRESSURE MAIN VALVES	511,000	
2	52-23-2-02 REPLACEMENT OF VARIOUS PRESSURE REGULATING AND CORROSION CONTROL FACILITIES	444,000	
	GROSS TOTAL D-23	1,331,000	
	LESS: REIMBURSEMENT**		
	LESS: POTENTIAL CUSTOMER CONTRIBUTIONS*		
	NET TOTAL D-23	1,331,000	

DISTRIBUTION DEPARTMENT

FISCAL YEAR 2021 COMPLIANCE CAPITAL BUDGET

DISTRIBUTION COMPRESSED CATEGORIES

<u>CATEGORIES</u>	2020 COMPL BUDGET	2021 FORECAST	2021 COMPL BUDGET
MAIN ADDITIONS	4,811,000	5,155,000	5,560,000
MAIN REPLACEMENTS	62,454,000	63,162,000	64,821,000
SERVICE ADDITIONS	8,764,000	8,974,000	9,139,000
SERVICE REPLACEMENTS	19,739,000	20,213,000	19,493,000
METER/REGULATOR/CORROSION	1,373,000	1,406,000	1,331,000
TOOLS	1,616,000	1,655,000	996,000
CONDITIONED FUNDING RESERVE	-	-	3,041,000
<u>GROSS TOTAL DISTRIBUTION</u>	<u>98,757,000</u>	<u>100,565,000</u>	<u>104,381,000</u>

DISTRIBUTION DEPARTMENT
LISTING BY PRIORITY
FISCAL 2021 COMPLIANCE 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>PRIORITY 1</u>						
1	D-21 52-21-2-02 PRUDENT MAIN REPLACEMENTS	20,122,000	79,785	13,884,000	6,238,000	-	-
1	D-21 52-21-2-03 LONG TERM INFRASTRUCTURE PLAN - DSIC	35,000,000		18,564,000	16,436,000	-	-
1	D-23 52-23-2-01 REPLACEMENT/REHABILITATION OF HIGH PRESSURE MAIN VALVES	511,000		511,000	-	-	-
1	D-24 52-24-2-02 RENEWAL OF 2" AND LARGER SERVICES	1,037,000	125	1,037,000	-	-	-
1	D-24 52-24-2-01 RENEWAL OF 1-1/4" AND SMALLER SERVICES FOR PRUDENT	18,456,000	9,409	15,802,000	2,654,000	-	-
	<u>PRIORITY 2</u>						
2	D-23 52-23-2-02 REPLACEMENT OF VARIOUS PRESSURE REGULATING AND	444,000		444,000	-	-	-
2	D-29 52-29-1-01 ADDITIONAL TOOLS AND WORK EQUIPMENT	-		-	-	-	-
2	D-29 52-29-2-01 REPLACEMENT OF OBSOLETE TOOLS, RADIOS, AND WORK	996,000		996,000	-	-	-

DISTRIBUTION DEPARTMENT
LISTING BY PRIORITY
FISCAL 2021 COMPLIANCE CAPITAL BUDGET

<u>P</u>	<u>CATEGORY</u>	<u>AMOUNT</u>	<u>FEET.</u> <u>UNITS</u>	<u>BUDGET_YR</u>	<u>YEAR_1</u>	<u>YEAR_2</u>	<u>YEAR_3</u>
	<u>PRIORITY 3</u>						
3	D-20 52-20-2-01 ENFORCED RELOCATIONS CAUSED BY CITY AND STATE WORK	1,698,000	658	1,698,000	-	-	-
3	D-21 52-21-2-01 ENFORCED RELOCATIONS CAUSED BY CITY, STATE AND OTHER	5,894,000	26,501	4,976,000	918,000	-	-
3	D-22 52-22-2-01 ENFORCED RELOCATIONS CAUSED BY CITY, STATE AND OTHER	1,036,000	2,727	1,036,000	-	-	-
3	D-22 52-22-2-02 MAIN FOR MAJOR ENFORCED RELOCATION	1,071,000	391	1,071,000	-	-	-
	<u>PRIORITY 4</u>						
4	D-20 52-20-1-01 INSTALLATIONS TO PROVIDE FOR AHEAD-OF-PAVING AND	2,742,000	10,565	2,742,000	-	-	-
4	D-21 52-21-1-01 MAINS TO SUPPLY NEW CUSTOMERS AND TO PROVIDE FOR	2,641,000	13,472	2,641,000	-	-	-
4	D-23 52-23-1-01 CUSTOMER METERING AND REGULATOR INSTALLATION	376,000		376,000	-	-	-
4	D-22 52-22-1-01 TO SUPPLY NEW CUSTOMERS AND TO PROVIDE FOR	177,000	208	177,000	-	-	-
4	D-24 52-24-1-01 INSTALLATION OF NEW 1-1/4" AND SMALLER SERVICES, HIGH,	6,829,000	2,063	6,829,000	-	-	-
4	D-24 52-24-1-02 INSTALLATION OF NEW 2 INCH AND LARGER SERVICES, HIGH,	2,310,000	189	2,310,000	-	-	-
<u>TOTAL DISTRIBUTION DEPARTMENT:</u>				<u>101,340,000</u>	<u>75,094,000</u>	<u>26,246,000</u>	<u>-</u>

PHILADELPHIA GAS WORKS

FISCAL YEAR 2021 COMPLIANCE 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	15,075,000	15,075,000	89,306,000	63,060,000	104,381,000	78,135,000
YEAR 1	-	-	-	26,246,000	-	26,246,000
YEAR 2	-	-	-	-	-	-
YEAR 3	-	-	-	-	-	-
YEAR 4 AND BEYOND	-	-	-	-	-	-
TOTAL	15,075,000	15,075,000	89,306,000	89,306,000	104,381,000	104,381,000

FIELD SERVICES DEPARTMENT
FISCAL YEAR 2021 COMPLIANCE CAPITAL BUDGET
SUMMARY

<u>CATEGORY</u>	<u>ADDITIONS</u>	<u>REPLACEMENTS</u>	<u>TOTAL</u>
50-30 METERS & INSTALLATION	2,819,000	2,640,000	5,459,000
50-32 SERVICE REGULATORS AND INSTALLATION	89,000	64,000	153,000
50-33 COMMERCIAL & INDUSTRIAL TELEMETERING SYSTEMS	41,000	1,073,000	1,114,000
50-35 SERVICE SECTION EQUIPMENT	500,000	-	500,000
50-36 AUTOMATIC METER READING	<u>227,000</u>	<u>4,267,000</u>	<u>4,494,000</u>
GROSS TOTAL FIELD SERVICES	3,676,000	8,044,000	11,720,000
LESS: SALVAGE LESS: CONTRIBUTIONS*			
NET TOTAL FIELD SERVICES	<u><u>3,676,000</u></u>	<u><u>8,044,000</u></u>	<u><u>11,720,000</u></u>

* FIELD SERVICES DEPARTMENT CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

FIELD SERVICES DEPARTMENT
FISCAL YEAR 2021 COMPLIANCE CAPITAL BUDGET
BUDGET/FORECAST COMPARISON

CATEGORY		2020 COMPL	2021	2021 COMPL	2021 COMP	2020	2021 COMP	2021 FORECAST
		BUDGET	FORECAST	BUDGET	BUDGET vs \$	COMPL BUDGET %	BUD vs 2021 FORECAST \$	DIFF. %
50-30 METERS	ADDITIONS	2,197,000	2,284,000	2,819,000	622,000	28.3%	535,000	23.4%
	REPLACEMENTS	2,496,000	2,768,000	2,640,000	144,000	5.8%	(128,000)	-4.6%
	TOTAL	4,693,000	5,052,000	5,459,000	766,000	16.3%	407,000	8.1%
50-32 SERVICE REGULATORS AND INSTALLATIONS	ADDITIONS	60,000	61,000	89,000	29,000	48.3%	28,000	45.9%
	REPLACEMENTS	72,000	76,000	64,000	(8,000)	-11.1%	(12,000)	-15.8%
	TOTAL	132,000	137,000	153,000	21,000	15.9%	16,000	11.7%
50-33 TELEMETERING AND INSTALLATIONS	ADDITIONS	82,000	84,000	41,000	(41,000)	-50.0%	(43,000)	-51.2%
	REPLACEMENTS	91,000	-	1,073,000	982,000	1079.1%	1,073,000	N/A
	TOTAL	173,000	84,000	1,114,000	941,000	543.9%	1,030,000	1226.2%
50-34 METER SHOP EQUIPMENT	ADDITIONS	-	-	-	-	N/A	-	N/A
	REPLACEMENTS	-	-	-	-	N/A	-	N/A
	TOTAL	-	-	-	-	N/A	-	N/A
50-35 SERVICE SECTION EQUIPMENT	ADDITIONS	2,900,000	400,000	500,000	(2,400,000)	-82.8%	100,000	25.0%
	REPLACEMENTS	-	-	-	-	N/A	-	N/A
	TOTAL	2,900,000	400,000	500,000	(2,400,000)	-82.8%	100,000	25.0%
50-36 AUTOMATIC METER READING	ADDITIONS	214,000	219,000	227,000	13,000	6.1%	8,000	3.7%
	REPLACEMENTS	3,777,000	4,853,000	4,267,000	490,000	13.0%	(586,000)	-12.1%
	TOTAL	3,991,000	5,072,000	4,494,000	503,000	12.6%	(578,000)	-11.4%
GROSS TOTAL FIELD SERVICES		11,889,000	10,745,000	11,720,000	(169,000)	-1.4%	975,000	9.1%
LESS: SALVAGE		-	-	-	-	N/A	-	N/A
LESS: CONTRIBUTIONS*		-	-	-	-	N/A	-	N/A
NET TOTAL FIELD SERVICES		11,889,000	10,745,000	11,720,000	(169,000)	-1.4%	975,000	9.1%

* FIELD SERVICES DEPARTMENT CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

FIELD SERVICES DEPARTMENT
FISCAL 2021 COMPLIANCE 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	2,819,000
1	50-30-2-01	PURCHASE METERS TO SUPPORT AUTOMATIC METER READING	2,640,000
		TOTAL C-30	<u>5,459,000</u>
	<u>C-32</u>	<u>SERVICE REGULATORS</u>	
4	50-32-1-01	PURCHASE AND INSTALLATION OF SERVICE REGULATORS	89,000
1	50-32-2-01	PURCHASE VARIOUS SIZE SERVICE REGULATORS AS REPLACEMENTS	64,000
		TOTAL C-32	<u>153,000</u>
	<u>C-33</u>	<u>COMMERCIAL & INDUSTRIAL TELEMETERING SYSTEMS</u>	
1	50-33-1-01	PURCHASE AND INSTALLATION OF EQUIPMENT AND INSTRUMENTATION	41,000
1	50-33-2-01	REPLACE METRETEK UNITS, EQUIPMENT, AND INSTRUMENTATION	1,073,000
		TOTAL C-33	<u>1,114,000</u>
	<u>C-35</u>	<u>SERVICE SECTION EQUIPMENT</u>	
5	50-35-1-01	ADVANCED METER INFRASTRUCTURE	500,000
		TOTAL C-35	<u>500,000</u>
	<u>C-36</u>	<u>AUTOMATIC METER READING</u>	
5	50-36-1-01	PURCHASE AND INSTALLATION OF ERT DEVICES FOR AMR	227,000
5	50-36-2-01	REPLACE AMR DEVICES	4,267,000
		TOTAL C-36	<u>4,494,000</u>
		GROSS TOTAL FIELD SERVICES DEPARTMENT	11,720,000
50-98-2-98		LESS: ESTIMATED SALVAGE	
		LESS: CONTRIBUTIONS*	
		NET TOTAL FIELD SERVICES DEPARTMENT	<u>11,720,000</u>

FIELD SERVICES DEPARTMENT

LISTING BY PRIORITY

FISCAL 2021 COMPLIANCE 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>PRIORITY 1</u>					
1	50-32-2-01 PURCHASE VARIOUS SIZE SERVICE REGULATORS AS REPLACEMENTS	64,000	64,000	-	-	-
1	50-33-2-01 REPLACE METRETEK UNITS, EQUIPMENT, AND INSTRUMENTATION	1,073,000	1,073,000	-	-	-
1	50-33-1-01 PURCHASE AND INSTALLATION OF EQUIPMENT AND INSTRUMENTATION	41,000	41,000	-	-	-
1	50-30-2-01 PURCHASE METERS TO SUPPORT AUTOMATIC METER READING	2,640,000	2,640,000	-	-	-
	<u>PRIORITY 4</u>					
4	50-30-1-01 PURCHASE AND INSTALLATION OF METERS TO PROVIDE FOR	2,819,000	2,819,000	-	-	-
4	50-32-1-01 PURCHASE AND INSTALLATION OF SERVICE REGULATORS	89,000	89,000	-	-	-
	<u>PRIORITY 5</u>					
5	50-35-1-01 ADVANCED METER INFRASTRUCTURE	500,000	500,000	-	-	-
5	50-36-1-01 PURCHASE AND INSTALLATION OF ERT DEVICES FOR AMR	227,000	227,000	-	-	-
5	50-36-2-01 REPLACE AMR DEVICES	4,267,000	1,577,000	2,690,000.00	-	-
TOTAL FIELD SERVICES DEPARTMENT:		<u>11,720,000</u>	<u>9,030,000</u>	<u>2,690,000.00</u>	<u>-</u>	<u>-</u>

PHILADELPHIA GAS WORKS

FISCAL YEAR 2021 COMPLIANCE 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	3,676,000	3,676,000	8,044,000	5,354,000	11,720,000	9,030,000
YEAR 1	-	-	-	2,690,000	-	2,690,000
YEAR 2	-	-	-	-	-	-
YEAR 3	-	-	-	-	-	-
YEAR 4 AND BEYOND	-	-	-	-	-	-
TOTAL	3,676,000	3,676,000	8,044,000	8,044,000	11,720,000	11,720,000

FLEET OPERATIONS DEPARTMENT
FISCAL YEAR 2021 COMPLIANCE CAPITAL BUDGET
BUDGET/FORECAST COMPARISON

<u>CATEGORY</u>	<u>2020 COMPL BUDGET</u>	<u>2021 FORECAST</u>	<u>2021 COMPL BUDGET</u>	<u>2021 COMP</u>	<u>2020</u>	<u>2021 COMP BUD vs</u>	
				<u>\$</u>	<u>COMPL BUDGET</u>	<u>2021 FORECAST</u>	<u>\$</u>
				<u>DIFFERENCE</u>	<u>DIFF.</u>	<u>DIFFERENCE</u>	<u>DIFF.</u>
73-01-1-03 VEHICLE ADDITIONS	84,000	-	-	(84,000)	-100.0%	-	N/A
73-01-2-01 SHOP EQUIPMENT REPLACEMENTS	23,000	-	-	(23,000)	-100.0%	-	N/A
73-01-2-02 MOBILE EQUIPMENT REPLACEMENT	773,000	925,000	967,000	194,000	25.1%	42,000	4.5%
73-01-2-03 VEHICLE REPLACEMENTS	1,873,000	5,207,000	2,999,000	1,126,000	60.1%	(2,208,000)	-42.4%
GROSS TOTAL FLEET OPERATIONS	2,753,000	6,132,000	3,966,000	1,213,000	44.1%	(2,166,000)	-35.3%
LESS: SALVAGE					<u>N/A</u>		<u>N/A</u>
NET TOTAL FLEET OPERATIONS	<u>2,753,000</u>	<u>6,132,000</u>	<u>3,966,000</u>	<u>1,213,000</u>	<u>44.1%</u>	<u>(2,166,000)</u>	<u>-35.3%</u>

FLEET OPERATIONS DEPARTMENT
FISCAL 2021 COMPLIANCE CAPITAL BUDGET

<u>P</u>		<u>AMOUNT</u>
1	73-01-2-02 MOBILE EQUIPMENT REPLACEMENTS	967,000
2	73-01-2-03 VEHICLE REPLACEMENTS	2,999,000
	GROSS TOTAL FLEET OPERATIONS	<u>3,966,000</u>
	NET TOTAL FLEET OPERATIONS	<u><u>3,966,000</u></u>

FLEET OPERATIONS DEPARTMENT
LISTING BY PRIORITY
FISCAL 2021 COMPLIANCE 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>PRIORITY 1</u>					
1	73-01-2-02	MOBILE EQUIPMENT REPLACEMENTS	967,000	967,000	-	-	-
		<u>PRIORITY 2</u>					
2	73-01-2-03	VEHICLE REPLACEMENTS	2,999,000	2,999,000	-	-	-
TOTAL FLEET OPERATIONS DEPARTMENT:			<u>3,966,000</u>	<u>3,966,000</u>	<u>-</u>	<u>-</u>	<u>-</u>

PHILADELPHIA GAS WORKS

FISCAL YEAR 2021 COMPLIANCE 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	-	-	3,966,000	3,966,000	3,966,000	3,966,000
YEAR 1	-	-	-	-	-	-
YEAR 2	-	-	-	-	-	-
YEAR 3	-	-	-	-	-	-
YEAR 4 AND BEYOND	-	-	-	-	-	-
TOTAL			3,966,000	3,966,000	3,966,000	3,966,000

FACILITIES

FISCAL YEAR 2021 COMPLIANCE CAPITAL BUDGET

BUDGET/FORECAST COMPARISON

<u>CATEGORY</u>	<u>2020 COMPL BUDGET</u>	<u>2021 FORECAST</u>	<u>2021 COMPL BUDGET</u>	<u>2021 COMP</u>	<u>2020</u>	<u>2021 COMP BUD vs</u>	
				<u>BUDGET vs</u>	<u>COMPL BUDGET</u>	<u>2021 FORECAST</u>	<u>2021 FORECAST</u>
				<u>\$</u>	<u>%</u>	<u>\$</u>	<u>%</u>
				<u>DIFF.</u>	<u>DIFF.</u>	<u>DIFF.</u>	<u>DIFF.</u>
72-01-1-01 MISCELLANEOUS CAPITAL ADDITIONS	150,000	150,000	150,000	-	0.0%	-	0.0%
72-01-1-02 MISCELLANEOUS CAPITAL ADDITIONS - GAS PROCESSING	12,000	13,000	4,000	(8,000)	-66.7%	(9,000)	-69.2%
72-01-2-01 MISCELLANEOUS CAPITAL REPLACEMENTS/STRUCTURAL REPAIRS	418,000	404,000	471,000	53,000	12.7%	67,000	16.6%
72-01-2-02 MISCELLANEOUS CAPITAL REPLACEMENTS - GAS PROCESSING	48,000	49,000	22,000	(26,000)	-54.2%	(27,000)	-55.1%
72-01-2-03 MISC CAPITAL REPL - STRUCTURAL REPAIRS - GAS PROCESSING	60,000	61,000	9,000	(51,000)	-85.0%	(52,000)	-85.2%
72-01-2-04 REPLACE CARPETS - ALL LOCATIONS	75,000	75,000	40,000	(35,000)	-46.7%	(35,000)	-46.7%
72-01-2-05 REPLACE MODULAR FURNITURE	100,000	75,000	75,000	(25,000)	-25.0%	-	0.0%
72-01-2-06 REPLACE 800 AHU HW, CHW CONTROL VALVES, DAMPER ACTUATORS	226,000	-	-	(226,000)	-100.0%	-	N/A
72-01-2-07 REPLACE 1800 ROOF	3,105,000	-	-	(3,105,000)	-100.0%	-	N/A
72-01-2-08 REPLACE 1800 BOILER #2	228,000	-	-	(228,000)	-100.0%	-	N/A
72-01-2-09 WPDO REAR WALL STRCTUREAL REPLAIRS & REPLACE REAR WINDOWS	572,000	-	-	(572,000)	-100.0%	-	N/A
72-01-2-10 CIS TEAM SPACE FIT-OUT	349,000	-	-	(349,000)	-100.0%	-	N/A
72-01-2-11 150KW SOLAR ARRAY PASSYUNK PLANT	276,000	-	-	(276,000)	-100.0%	-	N/A
72-01-2-08 LEASE	-	-	-	-	N/A	-	N/A
72-01-2-09 BUILDING COSOLIDATION	-	-	53,250,000	53,250,000	N/A	53,250,000	N/A
72-01-2-10 800 BUILDING RESTROOM RENOVATIONS	-	-	2,135,000	2,135,000	N/A	2,135,000	N/A
72-01-2-11 REPLACE METERSHOP ROOF	-	-	108,000	108,000	N/A	108,000	N/A
72-01-2-12 REPLACE 1849 BUILDING VEHICLE REPLAIR SHOP	-	-	541,000	541,000	N/A	541,000	N/A
72-01-2-XX COST IF NO BUILDING CONSOLIDATION	-	11,951,590	-	-	N/A	(11,951,590)	-100.0%
72-01-XX-XX NON-RECURRING ITEMS	-	4,900,000	-	-	N/A	(4,900,000)	-100.0%
TOTAL FACILITIES	5,619,000	17,678,590	56,805,000	51,186,000	910.9%	39,126,410	221.3%

OTHER DEPARTMENTS
FISCAL YEAR 2021 COMPLIANCE CAPITAL BUDGET
SUMMARY

<u>CATEGORY</u>	<u>ADDITIONS</u>	<u>REPLACEMENTS</u>	<u>TOTAL</u>
FACILITIES	154,000	56,651,000	56,805,000
INFORMATION SERVICES	634,000	28,972,000	29,606,000
CHIEF OPERATING OFFICER	-	750,000	750,000
CHEMICAL SERVICES	-	129,000	129,000
TOTAL OTHER DEPARTMENTS	<u>788,000</u>	<u>86,502,000</u>	<u>87,290,000</u>

OTHER DEPARTMENTS
FISCAL YEAR 2021 COMPLIANCE CAPITAL BUDGET
BUDGET/FORECAST COMPARISON

<u>CATEGORY</u>		<u>2020 COMPL</u>	<u>2021</u>	<u>2021 COMPL</u>	<u>2021 COMP</u>	<u>2020</u>	<u>2021 COMP BUD vs 2021</u>	
		<u>BUDGET</u>	<u>FORECAST</u>	<u>BUDGET</u>	<u>BUDGET vs</u>	<u>COMPL BUDGET</u>	<u>FORECAST</u>	
					<u>\$</u>	<u>%</u>	<u>\$</u>	
					<u>DIFFERENCE</u>	<u>DIFF.</u>	<u>DIFFERENCE</u>	
							<u>%</u>	
FACILITIES	ADDITIONS	162,000	163,000	154,000	(8,000)	-4.9%	(9,000)	-5.5%
	REPLACEMENTS	<u>5,457,000</u>	<u>17,515,590</u>	<u>56,651,000</u>	<u>51,194,000</u>	<u>938.1%</u>	<u>39,135,410</u>	<u>223.4%</u>
	TOTAL	<u>5,619,000</u>	<u>17,678,590</u>	<u>56,805,000</u>	<u>51,186,000</u>	<u>910.9%</u>	<u>39,126,410</u>	<u>221.3%</u>
INFORMATION SERVICES	ADDITIONS	516,000	137,350	634,000	118,000	22.9%	496,650	361.6%
	REPLACEMENTS	<u>525,000</u>	<u>20,072,000</u>	<u>28,972,000</u>	<u>28,447,000</u>	<u>5418.5%</u>	<u>8,900,000</u>	<u>44.3%</u>
	TOTAL	1,041,000	20,209,350	29,606,000	28,565,000	2744.0%	9,396,650	46.5%
CHIEF OPERATING OFFICER	ADDITIONS	-	-	-	-	N/A	-	N/A
	REPLACEMENTS	<u>4,142,000</u>	<u>4,142,000</u>	<u>750,000</u>	<u>(3,392,000)</u>	<u>-81.9%</u>	<u>(3,392,000)</u>	<u>-81.9%</u>
	TOTAL	4,142,000	4,142,000	750,000	(3,392,000)	-81.9%	(3,392,000)	-81.9%
VP TECHNICAL COMPLIANCE	ADDITIONS	-	-	-	-	N/A	-	N/A
	REPLACEMENTS	-	<u>4,689,000</u>	-	-	N/A	<u>(4,689,000)</u>	-100.0%
	TOTAL	-	4,689,000	-	-	N/A	(4,689,000)	-100.0%
CHEMICAL SERVICES	ADDITIONS	-	-	-	-	N/A	-	N/A
	REPLACEMENTS	<u>55,000</u>	-	-	<u>(55,000)</u>	<u>-100.0%</u>	-	<u>N/A</u>
	TOTAL	55,000	-	-	(55,000)	-100.0%	-	N/A
SECURITY & LOST PREVENTION	ADDITIONS	-	-	-	-	N/A	-	N/A
	REPLACEMENTS	-	-	<u>129,000</u>	<u>129,000</u>	<u>N/A</u>	<u>129,000</u>	<u>N/A</u>
	TOTAL	-	-	129,000	129,000	N/A	129,000	N/A
TOTAL OTHER DEPARTMENTS	<u>10,857,000</u>	<u>46,718,940</u>	<u>87,290,000</u>	<u>76,433,000</u>	<u>704.0%</u>	<u>40,571,060</u>	<u>86.8%</u>	

OTHER DEPARTMENTS
FISCAL 2021 COMPLIANCE CAPITAL BUDGET

<u>P</u>		<u>FACILITIES</u>	AMOUNT
1	72-01-1-01	MISCELLANEOUS CAPITAL ADDITIONS	150,000
1	72-01-1-02	MISCELLANEOUS CAPITAL ADDITIONS - GAS PROCESSING	4,000
1	72-01-2-01	MISCELLANEOUS CAPITAL REPLACEMENTS/STRUCTURAL REPAIRS	471,000
1	72-01-2-02	MISCELLANEOUS CAPITAL REPLACEMENTS - GAS PROCESSING	22,000
1	72-01-2-03	MISC CAPITAL REPL - STRUCTURAL REPAIRS - GAS PROCESSING	9,000
1	72-01-2-04	REPLACE CARPETS - ALL LOCATIONS	40,000
2	72-01-2-05	REPLACE MODULAR FURNITURE - ALL LOCATIONS	75,000
5	72-01-2-08	LEASE	-
5	72-01-2-09	BUILDING COSOLIDATION	53,250,000
5	72-01-2-10	800 BUILDING RESTROOM RENOVATIONS	2,135,000
1	72-01-2-11	REPLACE METERSHOP ROOF	108,000
2	72-01-2-12	REPLACE 1849 BUILDING VEHICLE REPAIR SHOP	541,000
		TOTAL FACILITIES	<u><u>56,805,000</u></u>
		<u>INFORMATION SERVICES</u>	
2	47-01-1-01	MISCELLANEOUS SERVER, NETWORK, & HARDWARE ADDITIONS	59,000
2	47-01-1-02	MISCELLANEOUS SOFTWARE ADDITIONS	575,000
2	47-01-2-01	MISC SERVER AND NETWORK HARDWARE REPLACEMENT	411,000
2	47-01-2-02	MISCELLANEOUS SOFTWARE REPLACEMENTS	75,000
2	47-01-2-03	CUSTOMER INFORMATION SYSTEMS (CIS/BCCS) REPLACEMENTS	19,970,000
		2019 REAUTHORIZATION	
2	47-01-2-04	CUSTOMER INFORMATION SYSTEMS (CIS/BCCS) REPLACEMENTS	8,516,000
		TOTAL INFORMATION SERVICES	<u><u>29,606,000</u></u>

OTHER DEPARTMENTS
FISCAL 2021 COMPLIANCE CAPITAL BUDGET

<u>P</u>			<u>AMOUNT</u>
		<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>
		<u>SECURITY</u>	
2	31-01-1-01	REPLACE VIDEO RECORDING SYSTEM	129,000
		TOTAL SECURITY & LOST PREVENTION	<u>129,000</u>
		TOTAL OTHER DEPARTMENTS	<u>87,290,000</u>

OTHER DEPARTMENTS
LISTING BY PRIORITY
FISCAL 2021 COMPLIANCE CAPITAL BUDGET

P	CATEGORY	AMOUNT	BUDGET_YR	YEAR_1	YEAR_2	YEAR_3
<u>PRIORITY 1</u>						
1	72-01-1-01 MISCELLANEOUS CAPITAL ADDITIONS	150,000	150,000	-	-	-
1	72-01-1-02 MISCELLANEOUS CAPITAL ADDITIONS - GAS PROCESSING	4,000	4,000	-	-	-
1	72-01-2-01 MISCELLANEOUS CAPITAL REPLACEMENTS/STRUCTURAL REPAIRS	471,000	471,000	-	-	-
1	72-01-2-02 MISCELLANEOUS CAPITAL REPLACEMENTS - GAS PROCESSING	22,000	22,000	-	-	-
1	72-01-2-03 MISC CAPITAL REPL - STRUCTURAL REPAIRS - GAS PROCESSING	9,000	9,000	-	-	-
1	72-01-2-04 REPLACE CARPETS - ALL LOCATIONS	40,000	40,000	-	-	-
1	72-01-2-11 REPLACE METERSHOP ROOF	108,000	108,000	-	-	-
1	13-01-2-01 CONDITIONAL FUNDING FOR CAPITAL NEEDS RELATED TO SAFETY	250,000	-	-	-	-
<u>PRIORITY 2</u>						
2	72-01-2-05 REPLACE MODULAR FURNITURE - ALL LOCATIONS	75,000	75,000	-	-	-
2	72-01-2-12 REPLACE 1849 BUILDING VEHICLE REPAIR SHOP	541,000	541,000	-	-	-
2	47-01-1-01 MISCELLANEOUS SERVER, NETWORK, & HARDWARE ADDITIONS	59,000	30,000	29,000	-	-
2	47-01-1-02 MISCELLANEOUS SOFTWARE ADDITIONS	575,000	475,000	100,000	-	-
2	47-01-2-01 MISC SERVER AND NETWORK HARDWARE REPLACEMENT	411,000	255,000	156,000	-	-
2	47-01-2-02 MISCELLANEOUS SOFTWARE REPLACEMENTS	75,000	30,000	45,000	-	-
2	47-01-2-03 CUSTOMER INFORMATION SYSTEMS (CIS/IBCCS) REPLACEMENTS	19,970,000	3,000,000	12,694,000	4,276,000	-
2	31-01-1-01 REPLACE VIDEO RECORDING SYSTEM	129,000	129,000	-	-	-
2	13-01-2-02 CONDITIONAL FUNDING FOR CAPITAL NEEDS RELATED TO RELIABILITY OF SERVICE	250,000	-	-	-	-
2019 REAUTHORIZATION						
2	47-01-2-04 CUSTOMER INFORMATION SYSTEMS (CIS/IBCCS) REPLACEMENTS	8,516,000	8,516,000	-	-	-
<u>PRIORITY 4</u>						
4	13-01-2-03 CONDITIONAL FUNDING FOR CAPITAL NEEDS RELATED TO COST-JUSTIFIED LOAD G	250,000	-	-	-	-
<u>PRIORITY 5</u>						
5	72-01-2-08 LEASE	-	-	-	-	-
5	72-01-2-09 BUILDING CONSOLIDATION	53,250,000	20,065,000	24,454,000	8,731,000	-
5	72-01-2-10 800 BUILDING RESTROOM RENOVATIONS	2,135,000	2,135,000	-	-	-
TOTAL OTHER DEPARTMENTS:		87,290,000	36,055,000	37,478,000	13,007,000	-

PHILADELPHIA GAS WORKS

FISCAL YEAR 2021 COMPLIANCE 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	788,000	659,000	86,502,000	35,396,000	87,290,000	36,055,000
YEAR 1	-	129,000	-	37,349,000	-	37,478,000
YEAR 2	-	-	-	13,007,000	-	13,007,000
YEAR 3	-	-	-	-	-	-
YEAR 4 AND BEYOND	-	-	-	-	-	-
TOTAL	788,000	788,000	86,502,000	85,752,000	87,290,000	86,540,000

FIVE YEAR FORECAST

PHILADELPHIA GAS WORKS

FISCAL YEAR 2021 AND FORECAST 2022 THROUGH 2026

		<u>FORECAST</u>				<u>TOTAL</u>
		<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>6 YEARS</u>
<u>DEPARTMENT</u>	<u>COMPLIANCE 2021 CAPITAL BUDGET</u>					
<u>GAS PROCESSING</u>						
ADDITIONS	103,000	265,000	200,000	112,000	115,000	913,000
REPLACEMENTS	<u>5,908,000</u>	<u>4,894,000</u>	<u>7,552,000</u>	<u>8,014,000</u>	<u>12,625,000</u>	<u>136,589,000</u>
TOTAL GAS PROCESSING	6,011,000	5,159,000	7,752,000	8,126,000	12,740,000	<u>137,502,000</u>
ACQUIRE ASSETS LEASE	6,011,000	5,159,000	7,752,000	8,126,000	12,740,000	137,502,000
<u>DISTRIBUTION</u>						
ADDITIONS	15,075,000	15,436,000	15,806,000	16,184,000	16,574,000	96,047,000
REPLACEMENTS	<u>89,306,000</u>	<u>92,644,000</u>	<u>93,953,000</u>	<u>95,292,000</u>	<u>96,666,000</u>	<u>565,932,000</u>
GROSS TOTAL DISTRIBUTION	104,381,000	108,080,000	109,759,000	111,476,000	113,240,000	<u>661,979,000</u>
LESS: SALVAGE						
LESS: CONTRIBUTIONS*						
LESS: REIMBURSEMENT**	<u>(4,366,319)</u>	<u>(4,457,000)</u>	<u>(4,550,000)</u>	<u>(4,645,000)</u>	<u>(4,742,000)</u>	<u>(27,601,319)</u>
NET TOTAL DISTRIBUTION	100,014,681	103,623,000	105,209,000	106,831,000	108,498,000	<u>634,377,681</u>
ACQUIRE ASSETS LEASE	100,014,681	103,623,000	105,209,000	106,831,000	108,498,000	634,377,681

PHILADELPHIA GAS WORKS
FISCAL YEAR 2021 AND FORECAST 2022 THROUGH 2026

<u>COMPLIANCE</u> 2021	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>TOTAL</u> <u>6 YEARS</u>
<u>DEPARTMENT</u>	<u>FORECAST</u>					
<u>CAPITAL BUDGET</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>6 YEARS</u>
<u>FIELD SERVICES</u>						
ADDITIONS	3,176,000	3,538,000	3,713,000	3,878,000	4,037,000	21,713,000
REPLACEMENTS	<u>8,544,000</u>	<u>9,329,000</u>	<u>8,270,000</u>	<u>7,746,000</u>	<u>7,253,000</u>	<u>51,312,000</u>
GROSS TOTAL FIELD SERVICES	11,720,000	12,867,000	11,983,000	11,624,000	11,290,000	<u>73,025,000</u>
LESS: SALVAGE						
LESS: CONTRIBUTIONS*						
NET TOTAL FIELD SERVICES	11,720,000	12,867,000	11,983,000	11,624,000	11,290,000	<u>73,025,000</u>
ACQUIRE ASSETS LEASE	11,720,000	12,867,000	11,983,000	11,624,000	11,290,000	73,025,000
<u>FLEET OPERATIONS</u>						
ADDITIONS						
REPLACEMENTS	<u>3,966,000</u>	<u>4,330,000</u>	<u>8,061,000</u>	<u>4,353,000</u>	<u>2,196,000</u>	<u>31,955,000</u>
GROSS TOTAL FLEET OPERATIONS	3,966,000	4,330,000	8,061,000	4,353,000	2,196,000	<u>31,955,000</u>
LESS: SALVAGE						
NET TOTAL FLEET OPERATIONS	3,966,000	4,330,000	8,061,000	4,353,000	2,196,000	<u>31,955,000</u>
ACQUIRE ASSETS LEASE	3,966,000	4,330,000	8,061,000	4,353,000	2,196,000	31,955,000

PHILADELPHIA GAS WORKS

FISCAL YEAR 2021 AND FORECAST 2022 THROUGH 2026

<u>DEPARTMENT</u>	<u>COMPLIANCE 2021 CAPITAL BUDGET</u>	<u>FORECAST</u>				<u>TOTAL 6 YEARS</u>
		<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	
<u>OTHER</u>						
ADDITIONS	788,000	257,075	264,252	271,534	278,922	2,109,783
REPLACEMENTS	<u>86,502,000</u>	<u>4,436,100</u>	<u>1,456,553</u>	<u>1,473,307</u>	<u>4,525,533</u>	<u>107,931,493</u>
TOTAL OTHER	87,290,000	4,693,175	1,720,805	1,744,841	4,804,455	<u>110,041,276</u>
ACQUIRE ASSETS LEASE	87,290,000	4,693,175	1,720,805	1,744,841	4,804,455	110,041,276
ADDITIONS	19,142,000	19,801,075	20,273,252	20,838,534	21,405,922	120,782,783
REPLACEMENTS	<u>194,226,000</u>	<u>119,600,100</u>	<u>121,093,553</u>	<u>122,863,307</u>	<u>209,641,533</u>	<u>893,719,493</u>
GROSS TOTAL	213,368,000	139,401,175	141,366,805	143,701,841	231,047,455	<u>1,014,502,276</u>
LESS: SALVAGE						
LESS: REIMBURSEMENT**	(4,366,319)	(4,550,000)	(4,645,000)	(4,742,000)	(4,841,000)	<u>(27,601,319)</u>
LESS: CONTRIBUTIONS*						
NET TOTAL	<u>209,001,681</u>	<u>134,851,175</u>	<u>136,721,805</u>	<u>138,959,841</u>	<u>226,206,455</u>	<u>986,900,957</u>
ACQUIRE ASSETS LEASE	209,001,681	134,851,175	136,721,805	138,959,841	226,206,455	<u>986,900,957</u>

* CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

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

PHILADELPHIA GAS WORKS
PROPOSED 2022 - 2026 FORECAST
(COMPARISON)

<u>DEPARTMENT</u>	<u>2021 - 2025 FORECAST</u>	<u>2022 - 2026 FORECAST</u>	<u>AMOUNT DIFFERENCE</u>	<u>PERCENT DIFFERENCE</u>
<u>GAS PROCESSING</u>				
ADDITIONS	3,150,000	810,000	(2,340,000)	-74.3%
REPLACEMENTS	36,795,100	130,681,000	93,885,900	255.2%
TOTAL GAS PROCESSING	39,945,100	131,491,000	91,545,900	229.2%
<u>DISTRIBUTION</u>				
ADDITIONS	75,969,000	80,972,000	5,003,000	6.6%
REPLACEMENTS	443,470,000	476,626,000	33,156,000	7.5%
GROSS TOTAL DISTRIBUTION	519,439,000	557,598,000	38,159,000	7.3%
LESS: SALVAGE	-	-	-	
LESS: CONTRIBUTIONS*	-	-	-	
LESS: REIMBURSEMENT**	(22,894,000)	(23,235,000)	(341,000)	1.5%
NET TOTAL DISTRIBUTION	519,439,000	534,363,000	14,924,000	2.9%
<u>FIELD SERVICES</u>				
ADDITIONS	14,275,000	18,537,000	4,262,000	29.9%
REPLACEMENTS	36,341,000	42,768,000	6,427,000	17.7%
GROSS TOTAL FIELD SERVICES	50,616,000	61,305,000	10,689,000	21.1%
LESS: SALVAGE	-	-	-	
LESS: CONTRIBUTIONS*	-	-	-	
NET TOTAL FIELD SERVICES	50,616,000	61,305,000	10,689,000	21.1%

PHILADELPHIA GAS WORKS
PROPOSED 2022 - 2026 FORECAST
(COMPARISON)

<u>DEPARTMENT</u>	<u>2021 - 2025 FORECAST</u>	<u>2022 - 2026 FORECAST</u>	<u>AMOUNT DIFFERENCE</u>	<u>PERCENT DIFFERENCE</u>
<u>FLEET OPERATIONS</u>				
ADDITIONS	-	-	-	
REPLACEMENTS	<u>27,532,000</u>	<u>27,989,000</u>	<u>457,000</u>	1.7%
GROSS TOTAL FLEET OPERATIONS	27,532,000	27,989,000	457,000	1.7%
LESS: SALVAGE				
NET TOTAL FLEET OPERATIONS	27,532,000	27,989,000	457,000	1.7%
<u>OTHER</u>				
ADDITIONS	14,370,746	1,321,783	(13,048,963)	-90.8%
REPLACEMENTS	<u>118,086,272</u>	<u>21,429,493</u>	<u>(96,656,779)</u>	-81.9%
TOTAL OTHER	132,457,018	22,751,276	(109,705,742)	-82.8%
<u>TOTAL</u>				
ADDITIONS	107,764,746	101,640,783	(6,123,963)	-5.7%
REPLACEMENTS	<u>662,224,372</u>	<u>699,493,493</u>	37,269,121	5.6%
GROSS TOTAL	769,989,118	801,134,276	31,145,158	4.0%
LESS: SALVAGE	-	-	-	
LESS: REIMBURSEMENT**	(22,894,000)	(23,235,000)	(341,000)	1.5%
LESS: CONTRIBUTIONS*	-	-	-	
NET TOTAL	<u>747,095,118</u>	<u>777,899,276</u>	<u>30,804,158</u>	4.1%

* CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

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

GAS PROCESSING DEPARTMENT

FORECAST - FISCAL YEARS 2022 THROUGH 2026

		<u>2020 COMPLIANCE BUDGET</u>	<u>2021 COMPLIANCE BUDGET</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>TOTAL FORECAST</u>
	<u>GP-1 NATURAL GAS MEASUREMENT AND CONTROL FACILITIES</u>								
1	53-01-2-03 NEW HEATER, GENERATOR AND STATION MODIFICATIONS	-	1,211,000	-	1,800,000	-	1,800,000	-	3,600,000
	53-01-2-04 REPLACE NATURAL GAS DRIVEN POSITIONERS AND ACTUATORS	-	-	300,000	300,000	-	300,000	-	600,000
	TOTAL GP-1	-	1,211,000	-	2,100,000	-	2,100,000	-	4,200,000
	<u>GP-2 SUPPLEMENTAL GAS FACILITIES</u>								
2	53-02-1-03 LIQUIFICATION FEEDGAS CO2 AND ETHANE REMOVAL - RICHMOND	-	-	-	-	-	-	-	-
2	53-02-1-04 INSTALL REPORTING HARDWARE AND SOFTWARE -RICHMOND AND PASSYUNK PLANTS	-	159,000	-	-	-	-	-	159,000
2	53-02-1-05 INSTALL BOLLARDS AND BARRIERS AROUND EXPANDER PLANT - RICHMOND	179,000	-	-	-	-	-	-	-
2	53-02-1-06 INSTALL NEW CARD READERS & TURNSTILES AT MAIN GATE & BOILER AREA - PASSYUNK	-	-	-	-	-	-	-	-
2	53-02-1-07 ADD CAMERAS TO THE LNG TANK DIKE AREA - PASSYUNK	-	-	91,000	-	-	-	-	91,000
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	-	-	-	-	-	-	-	-
1	53-02-2-08 REPLACE LNG SWITCHGEAR-RICHMOND	-	-	1,350,000	2,500,000	2,500,000	-	-	6,350,000
1	53-02-2-09 REPLACE RIVER WATER PUMP SWITCHGEAR AND RIVER WATER PUMPS -RICHMOND	-	-	-	-	-	5,000,000	-	5,000,000
1	53-02-2-11 REPLACE HAZARD DETECTION SYSTEM - PASSYUNK	-	1,407,000	-	-	-	-	-	-
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	53-02-2-17 RELOCATE STEAM SILENCER - PASSYUNK	151,000	-	-	-	-	-	-	-
2	53-02-2-18 ISOLATE NATURAL GAS HEATERS - PASSYUNK	-	-	194,000	-	-	-	-	194,000
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	-	-	-	2,620,000	-	-	-	2,620,000

GAS PROCESSING DEPARTMENT

FORECAST - FISCAL YEARS 2022 THROUGH 2026

	<u>2020 COMPLIANCE BUDGET</u>	<u>2021 COMPLIANCE BUDGET</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>TOTAL FORECAST</u>
2 53-03-2-04 CONSOLIDATE ALL MAINTENANCE SHOPS AND CONSTRUCT NEW SHOP AREA - PASSYUNK	-	-	-	-	3,000,000	-	-	3,000,000
2 53-03-2-05 REMODEL SECURITY FRONT OFFICE AND CCTV BUILDING- RICHMOND PLANT	-	817,000	-	-	-	-	-	-
53-03-2-06 Increase Water line to LNG Control Room - Richmond	-	385,000	-	-	-	-	-	-
53-03-2-07 Renovate two areas of FSD Training Center - Passyunk	-	-	-	-	-	-	-	-
TOTAL GP-3	-	<u>1,182,000</u>	-	-	<u>3,000,000</u>	-	<u>5,000,000</u>	<u>8,000,000</u>
1 53-04-1-01 MISCELLANEOUS CAPITAL ADDITIONS	91,000	103,000	106,000	109,000	112,000	115,000	118,000	560,000
1 53-04-2-01 MISCELLANEOUS CAPITAL REPLACEMENTS	236,000	316,000	324,000	332,000	340,000	349,000	358,000	1,703,000
TOTAL GP-4	<u>327,000</u>	<u>419,000</u>	<u>430,000</u>	<u>441,000</u>	<u>452,000</u>	<u>464,000</u>	<u>476,000</u>	<u>2,263,000</u>
2018 REAUTHORIZATION								
1 53-02-1-01 REPLACE/ADD SHUTOFF VALVE AT LNG TANK - PASSYUNK	650,000	-	-	-	-	-	-	-
2 53-02-2-03 RELOCATE LNG SWITCHGEAR AT PASSYUNK	649,000	-	-	-	-	-	-	-
TOTAL REAUTHORIZATION	<u>1,299,000</u>	-	-	-	-	-	-	-
TOTAL GAS PROCESSING DEPARTMENT								
	4,751,000	6,011,000	5,159,000	7,752,000	8,125,000	12,740,000	97,714,000	131,491,000
ACQUIRE ASSETS LEASE								
	4,751,000	6,011,000	5,159,000	7,752,000	8,125,000	12,740,000	97,714,000	131,491,000

DISTRIBUTION DEPARTMENT
FORECAST - FISCAL YEARS 2022 THROUGH 2026

	<u>2020 COMPLIANCE BUDGET</u>	<u>2021 COMPLIANCE BUDGET</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</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	175,000	177,000	181,000	185,000	189,000	194,000	199,000	948,000
3 52-22-2-01 MAIN FOR MAJOR ENFORCED RELOCATION	500,000	1,036,000	1,061,000	1,086,000	1,112,000	1,139,000	1,166,000	5,564,000
52-2X-X-XX NON-RECURRING ITEMS	411,000	1,071,000	1,097,000	1,123,000	1,150,000	1,178,000	1,206,000	5,754,000
52-22-2-97 LESS: REIMBURSEMENT**	<u>1,086,000</u>	<u>2,284,000</u>	<u>2,339,000</u>	<u>2,394,000</u>	<u>2,451,000</u>	<u>2,511,000</u>	<u>2,571,000</u>	<u>12,266,000</u>
LESS: CONTRIBUTIONS*	<u>(369,900)</u>	<u>(963,900)</u>	<u>(987,000)</u>	<u>(1,011,000)</u>	<u>(1,035,000)</u>	<u>(1,060,000)</u>	<u>(1,085,000)</u>	<u>(5,178,000)</u>
GROSS TOTAL D-22	<u>716,100</u>	<u>1,320,100</u>	<u>1,352,000</u>	<u>1,383,000</u>	<u>1,416,000</u>	<u>1,451,000</u>	<u>1,486,000</u>	<u>7,088,000</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	345,000	376,000	385,000	394,000	403,000	413,000	423,000	2,018,000
1 52-23-2-01 REPLACEMENT/REHABILITATION OF HIGH PRESSURE MAIN VALVES	542,000	511,000	523,000	536,000	549,000	562,000	575,000	2,745,000
2 52-23-2-02 REPLACEMENT OF VARIOUS PRESSURE REGULATING AND CORROSION CONTROL FACILITIES	486,000	444,000	455,000	466,000	477,000	488,000	500,000	2,386,000
GROSS TOTAL D-23	<u>1,373,000</u>	<u>1,331,000</u>	<u>1,363,000</u>	<u>1,396,000</u>	<u>1,429,000</u>	<u>1,463,000</u>	<u>1,498,000</u>	<u>7,149,000</u>
LESS: REIMBURSEMENT**								
LESS: CONTRIBUTIONS*								
TOTAL D-23	<u>1,373,000</u>	<u>1,331,000</u>	<u>1,363,000</u>	<u>1,396,000</u>	<u>1,429,000</u>	<u>1,463,000</u>	<u>1,498,000</u>	<u>7,149,000</u>

DISTRIBUTION DEPARTMENT
FORECAST - FISCAL YEARS 2022 THROUGH 2026

	<u>2020 COMPLIANCE BUDGET</u>	<u>2021 COMPLIANCE BUDGET</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>TOTAL FORECAST</u>
<u>D-24 SERVICES</u>								
4 52-24-1-01	6,557,000	6,829,000	6,993,000	7,161,000	7,333,000	7,509,000	7,689,000	36,685,000
	INSTALLATION OF NEW 1-1/4" AND SMALLER SERVICES, HIGH, INTERMEDIATE AND LOW PRESSURE							
4 52-24-1-02	2,207,000	2,310,000	2,365,000	2,422,000	2,480,000	2,540,000	2,601,000	12,408,000
	INSTALLATION OF NEW 2 INCH AND LARGER SERVICES, HIGH, INTERMEDIATE AND LOW PRESSURE							
1 52-24-2-01	18,748,000	18,456,000	18,899,000	19,353,000	19,817,000	20,293,000	20,780,000	99,142,000
	RENEWAL OF 1-1/4" AND SMALLER SERVICES FOR PRUDENT REASONS, AS A RESULT OF LEAK SURVEYS, CUSTOMER COMPLAINTS OR CITY AND STATE WORK							
1 52-24-2-02	991,000	1,037,000	1,062,000	1,087,000	1,113,000	1,140,000	1,167,000	5,569,000
	RENEWAL OF 2" AND LARGER SERVICES							
	<u>28,503,000</u>	<u>28,632,000</u>	<u>29,319,000</u>	<u>30,023,000</u>	<u>30,743,000</u>	<u>31,482,000</u>	<u>32,237,000</u>	<u>153,804,000</u>
	GROSS TOTAL D-24							
52-24-2-97								
	LESS: REIMBURSEMENT**							
	LESS: CONTRIBUTIONS*							
	<u>28,503,000</u>	<u>28,632,000</u>	<u>29,319,000</u>	<u>30,023,000</u>	<u>30,743,000</u>	<u>31,482,000</u>	<u>32,237,000</u>	<u>153,804,000</u>
	TOTAL D-24							

DISTRIBUTION DEPARTMENT
FORECAST - FISCAL YEARS 2022 THROUGH 2026

	<u>2020 COMPLIANCE BUDGET</u>	<u>2021 COMPLIANCE BUDGET</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>TOTAL FORECAST</u>
<u>D-29 OTHER DISTRIBUTION FACILITIES</u>								
<u>D-29-1-01 ADDITIONAL TOOLS AND WORK EQUIPMENT</u>								
2 52-29-2-01	REPLACEMENT OF OBSOLETE TOOLS, RADIOS, AND WORK EQUIPMENT	1,616,000	996,000	1,020,000	1,044,000	1,069,000	1,121,000	5,349,000
	TOTAL D-29	<u>1,616,000</u>	<u>996,000</u>	<u>1,020,000</u>	<u>1,044,000</u>	<u>1,069,000</u>	<u>1,121,000</u>	<u>5,349,000</u>
	SUB-TOTAL DISTRIBUTION DEPARTMENT	98,757,000	101,340,000	104,932,000	106,562,000	108,229,000	111,692,000	541,357,000
	CONDITIONED FUNDING RESERVE (3%)	-	3,041,000	3,148,000	3,197,000	3,247,000	3,351,000	16,241,000
	GROSS TOTAL DISTRIBUTION DEPARTMENT	98,757,000	104,381,000	108,080,000	109,759,000	111,476,000	115,043,000	557,598,000
52-98-2-98	LESS: SALVAGE							
	LESS: CONTRIBUTIONS*	(4,682,404)	(4,366,319)	(4,457,000)	(4,550,000)	(4,645,000)	(4,841,000)	(23,235,000)
	LESS: REIMBURSEMENT**	94,074,596	100,014,681	103,623,000	105,209,000	106,831,000	110,202,000	534,363,000
	NET TOTAL DISTRIBUTION DEPARTMENT	94,074,596	100,014,681	103,623,000	105,209,000	106,831,000	110,202,000	534,363,000
	ACQUIRE ASSETS							
	LEASE							

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

FIELD SERVICES DEPARTMENT

FORECAST - FISCAL YEARS 2022 THROUGH 2026

	<u>2020 COMPLIANCE BUDGET</u>	<u>2021 COMPLIANCE BUDGET</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>TOTAL FORECAST</u>
<u>C-30 METERS</u>								
4 50-30-1-01 ADDITIONS AND INSTALLATIONS	2,197,000	2,819,000	3,029,000	3,191,000	3,338,000	3,496,000	3,652,000	16,706,000
1 50-30-2-01 REPLACEMENTS	2,496,000	2,640,000	2,774,000	2,856,000	2,922,000	2,991,000	3,057,000	14,600,000
TOTAL C-30	4,693,000	5,459,000	5,803,000	6,047,000	6,260,000	6,487,000	6,709,000	31,306,000
<u>C-32 SERVICES REGULATORS</u>								
4 50-32-1-01 ADDITIONS AND INSTALLATIONS	60,000	89,000	84,000	87,000	89,000	91,000	93,000	444,000
1 50-32-2-01 REPLACEMENTS	72,000	64,000	65,000	67,000	68,000	70,000	72,000	342,000
TOTAL C-32	132,000	153,000	149,000	154,000	157,000	161,000	165,000	786,000
<u>C-33 TELEMETERING</u>								
1 50-33-1-01 ADDITIONS AND INSTALLATIONS	82,000	41,000	42,000	44,000	45,000	46,000	47,000	224,000
1 50-33-2-01 REPLACEMENTS	91,000	1,073,000	1,158,000	91,000	93,000	95,000	98,000	1,535,000
TOTAL C-33	173,000	1,114,000	1,200,000	135,000	138,000	141,000	145,000	1,759,000

FIELD SERVICES DEPARTMENT

FORECAST - FISCAL YEARS 2022 THROUGH 2026

	<u>2020 COMPLIANCE BUDGET</u>	<u>2021 COMPLIANCE BUDGET</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>TOTAL FORECAST</u>
<u>C-35 SERVICE SECTION EQUIPMENT</u>								
5 50-35-1-01 REPLACEMENTS	2,900,000	500,000	500,000	500,000	500,000	500,000	500,000	2,500,000
TOTAL C-35	2,900,000	500,000	500,000	500,000	500,000	500,000	500,000	2,500,000
<u>C-36 AUTOMATIC METER READING</u>								
5 50-36-1-01 ADDITIONS	214,000	227,000	216,000	216,000	241,000	245,000	245,000	1,163,000
5 50-36-2-01 REPLACEMENTS	3,777,000	4,267,000	5,673,000	5,815,000	4,687,000	4,090,000	3,526,000	23,791,000
TOTAL C-36	3,991,000	4,494,000	5,889,000	6,031,000	4,928,000	4,335,000	3,771,000	24,954,000
GROSS TOTAL FIELD SERVICES DEPARTMENT	11,889,000	11,720,000	13,541,000	12,867,000	11,983,000	11,624,000	11,290,000	61,305,000
50-98-2-98 LESS: SALVAGE								
50-94-1-94 LESS: CONTRIBUTIONS								
NET TOTAL FIELD SERVICES DEPARTMENT	11,889,000	11,720,000	13,541,000	12,867,000	11,983,000	11,624,000	11,290,000	61,305,000
ACQUIRE ASSETS	11,889,000	11,720,000	13,541,000	12,867,000	11,983,000	11,624,000	11,290,000	61,305,000
LEASE								

FLEET OPERATIONS DEPARTMENT
FORECAST - FISCAL YEARS 2022 THROUGH 2026

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>TOTAL</u>
	<u>COMPLIANCE</u>	<u>COMPLIANCE</u>						<u>FORECAST</u>
	<u>BUDGET</u>	<u>BUDGET</u>						
73-01-1-03 VEHICLE ADDITIONS	84,000	-	-	-	-	-	-	-
73-01-2-01 SHOP EQUIPMENT REPLACEMENTS	23,000	-	-	-	-	-	-	-
73-01-2-02 MOBILE EQUIPMENT REPLACEMENTS	773,000	967,000	1,578,000	811,000	1,962,000	227,000	614,000	5,192,000
73-01-2-03 VEHICLE REPLACEMENTS	1,873,000	2,999,000	7,471,000	3,519,000	6,099,000	4,126,000	1,582,000	22,797,000
73-98-2-98								
LESS: SALVAGE								
NET TOTAL FLEET OPERATIONS DEPARTMENT	<u>2,753,000</u>	<u>3,966,000</u>	<u>9,049,000</u>	<u>4,330,000</u>	<u>8,061,000</u>	<u>4,353,000</u>	<u>2,196,000</u>	<u>27,989,000</u>
ACQUIRE ASSETS	2,753,000	3,966,000	9,049,000	4,330,000	8,061,000	4,353,000	2,196,000	27,989,000
LEASE								

OTHER DEPARTMENTS

FORECAST - FISCAL YEARS 2022 THROUGH 2026

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>TOTAL</u>
	<u>COMPLIANCE</u>	<u>COMPLIANCE</u>						<u>FORECAST</u>
	<u>BUDGET</u>	<u>BUDGET</u>						
FACILITIES								
1 72-01-1-01 MISCELLANEOUS CAPITAL ADDITIONS	150,000	150,000	150,000	153,750	157,594	161,534	165,572	788,450
1 72-01-1-02 MISCELLANEOUS CAPITAL ADDITIONS - GAS PROCESSING	12,000	4,000	13,000	13,325	13,658	14,000	14,350	68,333
MISCELLANEOUS CAPITAL REPLACEMENTS/STRUCTURAL REPAIRS								
1 72-01-2-01 MISCELLANEOUS CAPITAL REPLACEMENTS - STRUCTURAL REPAIRS	418,000	471,000	404,000	414,100	424,453	435,004	445,940	2,123,497
MISCELLANEOUS CAPITAL REPLACEMENTS - GAS PROCESSING								
1 72-01-2-02 MISCELLANEOUS CAPITAL REPLACEMENTS - GAS PROCESSING	48,000	22,000	49,000	50,225	53,481	52,768	54,087	259,561
MISC CAPITAL REPL - STRUCTURAL REPAIRS								
1 72-01-2-03 - GAS PROCESSING	60,000	9,000	61,000	62,525	64,088	65,690	67,333	320,636
REPLACE CARPETS - ALL LOCATIONS								
1 72-01-2-04 REPLACE CARPETS - ALL LOCATIONS	-	40,000	-	-	-	-	-	-
REPLACE MODULAR FURNITURE - ALL LOCATIONS								
2 72-01-2-05 REPLACE MODULAR FURNITURE - ALL LOCATIONS	-	75,000	-	-	-	-	-	-
BUILDING CONSOLIDATION								
5 72-01-2-08 LEASE	75,000	-	30,000	-	-	-	-	30,000
5 72-01-2-09 BUILDING CONSOLIDATION	100,000	53,250,000	50,000	51,250	52,531	53,845	55,191	262,817
800 BUILDING RESTROOM RENOVATIONS								
5 72-01-2-10 800 BUILDING RESTROOM RENOVATIONS	-	2,135,000	-	-	-	-	-	-
REPLACE METERSHOP ROOF								
1 72-01-2-11 REPLACE METERSHOP ROOF	-	108,000	-	-	-	-	-	-
REPLACE 1849 BUILDING VEHICLE REPLAIR SHOP								
2 72-01-2-12 REPLACE 1849 BUILDING VEHICLE REPLAIR SHOP	-	541,000	-	-	-	-	-	-
REPLACE 800 AHU HW, CHW CONTROL VALVES, DAMPER ACTUATORS								
1 72-01-2-06 REPLACE 800 AHU HW, CHW CONTROL VALVES, DAMPER ACTUATORS	226,000	-	-	-	-	-	-	-
REPLACE 1800 ROOF								
2 72-01-2-07 REPLACE 1800 ROOF	3,105,000	-	-	-	-	-	-	-
NON-RECURRING ITEMS								
72-01-XX-XX NON-RECURRING ITEMS	1,425,000	-	3,400,000	3,000,000	-	-	3,032,982	9,432,982
TOTAL FACILITIES	5,619,000	56,805,000	4,157,000	3,745,175	765,805	782,841	3,835,455	13,286,276

OTHER DEPARTMENTS

FORECAST - FISCAL YEARS 2022 THROUGH 2026

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>TOTAL</u>
	<u>COMPLIANCE</u>	<u>COMPLIANCE</u>						<u>FORECAST</u>
<u>INFORMATION SERVICES</u>								
MISCELLANEOUS SERVER, NETWORK, & HARDWARE ADDITIONS								
2 47-01-1-01	59,000	59,000	61,000	63,000	65,000	67,000	69,000	325,000
MISCELLANEOUS SOFTWARE ADDITIONS								
2 47-01-1-02	75,000	575,000	26,000	27,000	28,000	29,000	30,000	140,000
SYSTEM & NETWORK MONITORING APPLIANCE ADDITIONS								
2 47-01-1-03	382,000	-	-	-	-	-	-	-
ENVIRONMENTAL MANAGEMENT SYSTEM								
1 47-01-1-04	-	-	-	-	-	-	-	-
REPLACEMENT								
2 47-01-2-01	475,000	411,000	52,000	54,000	56,000	58,000	60,000	280,000
MISCELLANEOUS SOFTWARE REPLACEMENTS								
2 47-01-2-02	50,000	75,000	52,000	54,000	56,000	58,000	60,000	280,000
CUSTOMER INFORMATION SYSTEMS (CIS/BCCS) REPLACEMENTS								
2 47-01-2-03	-	19,970,000	-	-	-	-	-	-
2019 REAUTHORIZATION (CIS/BCCS) REPLACEMENTS								
2 47-01-2-04	-	8,516,000	-	-	-	-	-	-
TOTAL INFORMATION SERVICES								
	<u>1,041,000</u>	<u>29,606,000</u>	<u>191,000</u>	<u>198,000</u>	<u>205,000</u>	<u>212,000</u>	<u>219,000</u>	<u>1,025,000</u>

OTHER DEPARTMENTS

FORECAST - FISCAL YEARS 2022 THROUGH 2026

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>TOTAL</u>
	<u>COMPLIANCE</u>	<u>COMPLIANCE</u>						<u>FORECAST</u>
<u>CHIEF OPERATING OFFICER</u>								
<u>CONDITIONAL FUNDING FOR CAPITAL NEEDS</u>								
1 13-01-2-01 RELATED TO SAFETY	3,387,010	250,000	250,000	250,000	250,000	250,000	250,000	1,250,000
<u>CONDITIONAL FUNDING FOR CAPITAL NEEDS</u>								
2 13-01-2-02 RELATED TO RELIABILITY OF SERVICE	169,445	250,000	250,000	250,000	250,000	250,000	250,000	1,250,000
<u>CONDITIONAL FUNDING FOR CAPITAL NEEDS</u>								
4 13-01-2-03 GROWTH RELATED TO COST-JUSTIFIED LOAD	585,545	250,000	250,000	250,000	250,000	250,000	250,000	1,250,000
	<u>4,142,000</u>	<u>750,000</u>	<u>750,000</u>	<u>750,000</u>	<u>750,000</u>	<u>750,000</u>	<u>750,000</u>	<u>3,750,000</u>
<u>VP TECHNICAL COMPLIANCE</u>								
<u>BIOSPARGE AND SOIL VAPOR EXTRACTION</u>								
1 38-01-1-01 SYSTEM	-	-	4,690,000	-	-	-	-	4,690,000
	<u>-</u>	<u>-</u>	<u>4,690,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,690,000</u>
<u>CHEMICAL SERVICES</u>								
1 31-01-1-01 LAB EQUIPMENT-XRF ANALYZER	55,000	-	-	-	-	-	-	-
	<u>55,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>SECURITY & LOST PREVENTION</u>								
<u>VIDEO AND RECORDING DEVICE</u>								
1 65-01-2-01 REPLACEMENT	-	129,000	-	-	-	-	-	-
	<u>-</u>	<u>129,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>TOTAL OTHER DEPARTMENTS</u>								
ACQUIRE ASSETS	<u>10,857,000</u>	<u>87,290,000</u>	<u>9,788,000</u>	<u>4,693,175</u>	<u>1,720,805</u>	<u>1,744,841</u>	<u>4,804,455</u>	<u>22,751,276</u>
LEASE								

FISCAL 2021 FINANCING PLAN

PHILADELPHIA GAS WORKS
CAPITAL FINANCING PLAN
COMPLIANCE FY2021

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 2021

• Spending from FY 2021 Program	\$ 132,675,000
• Spending Carryover from FY 2020	\$ 27,241,000
• Total FY 2021 Spending	\$ 159,916,000
• Projected Reimbursement	\$ 4,312,000
• Salvage	\$ 523,000
• Construction Contributions	\$ 1,172,000
• Net FY 2021 Capital Spending	\$ 153,909,000

Capital Funding Sources:

• Capital Bond Proceeds	\$ 76,955,000
• DSIC	\$ 35,000,000
• Internally Generated Funds	\$ 41,954,000
• FY 2021 Capital Funding	\$ 153,909,000

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 2021 Capital Program.

Exhibit #2
Capital Program Protocols
For The Philadelphia Gas Works

CAPITAL PROGRAM PROTOCOLS
(Proposed FY 2021 Capital Budget)

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PART 1 - GENERAL PROVISIONS

SUBPART A - DEFINITIONS

1. ***“Budget Year”***: The fiscal year assigned to a capital budget.
2. ***“Fiscal Year”***: The 12-month period that begins on the first day in September and ends on the last day in August.
3. ***“Line Item Lifespan”***: The fiscal year(s) during which a line item may be available for the purpose of spending and/or commitment.
4. ***“Immediate Funding”***: The spending authority in an approved capital budget that is available for expenditure and/or commitment on the first day of the budget year subject to the limitations stated in the budget ordinance.
5. ***“Conditional Funding”***: The spending authority in an approved capital budget that is available for expenditure and/or commitment if released by the Gas Commission after PGW has provided supplemental disclosure/substantiation in accordance with the budget ordinance.
6. ***“Conditioned Funding”***: The spending authority in an approved Capital Budget that is immediately available upon the fulfillment of designated conditions established by the Commission and approved by City Council. No expenditure of Conditioned Funding shall be permissible unless and until PGW files with the Commission: (a) confirmation that amounts available for inter-departmental or intra-departmental transfers have been utilized to the extent available and/or sufficient; (b) confirmation that amounts available for conditional funding have been utilized to the extent available and/or sufficient; (c) detailed explanation of the circumstances necessitating expenditure of conditioned funding.
7. ***“Program Year”***: The fiscal year in which a Distribution department project is originated and an associated work order is opened. The program year is utilized in the administration of capital spending for the Distribution department and is linked to the timeline for project completion. The program year methodology presents a spending profile detailing the complete cost of Distribution projects with the corresponding capital work accomplished (e.g. footage replaced).

SUBPART B - NOMENCLATURE

1. The terms ***“budget category”*** and ***“line item category”*** shall be synonymous with the term ***“line item.”***
2. The term ***“budget ordinance”*** shall refer to the ordinance approving a capital budget or an amended capital budget.
3. Line items shall be styled as ***“miscellaneous additions”*** or ***“miscellaneous replacements”*** as applicable if total line item spending authority reflects one or more specific allocations for discrete projects having a capital cost of less than \$50,000 per project and/or a contingent

allocation for miscellaneous capital projects. If a discrete project budgeted in this manner is later cancelled/curtailed or if actual costs for a discrete project are less than originally projected, the placeholder allocation shall expand accordingly within the limits of line item spending authority.

4. The term “conditional funding reserve” shall refer to the three (3) line items proportionately allocating conditional funding to the Office of the Chief Operating Officer for unbudgeted/unanticipated capital needs that may arise during the budget year related to safety, reliability of service and load growth based upon the approved budget for a given year.
5. The term ”conditioned funding reserve” shall refer to conditioned funding amounts in a given capital budget for Distribution projects that exceed otherwise authorized spending for main and service additions/replacements due to cost overruns during the budget year. Subject to specific limitations/conditions recommended by the Gas Commission and approved by City Council, spending related to the aforesaid Distribution projects will be made immediately available. The amount of the conditioned funding reserve will be determined based upon the record presented taking into consideration indices of inflation identified by the parties and historical spending for Distribution contingency amounts.

SUBPART C - LINE ITEMS (OVERVIEW)

1. Spending authority shall be linked to the line items in an approved capital budget.
2. A line item shall reflect any and all components related to capital work identified thereby, the purpose of such work as identified by priority status, and the applicable projected cost.
3. A line item shall match expenditures and/or commitments to spend with its approved lifespan.
4. A line item shall lapse and its related spending authority shall expire:
 - A. when the spending authority is depleted as a result of actual spending (as confirmed by PGW’s practice of “one-time true-up”); or
 - B. to the extent that PGW elects to utilize all or part of the spending authority for the same or equivalent purpose and/or project in a subsequent operating budget approved by the Gas Commission and notifies the Gas Commission accordingly; or
 - C. when the spending authority is depleted as a result of line item transfers; or
 - D. if no work order has been opened for the line item by the close of business on the last day of the budget year; or
 - E. if the line item lifespan has expired; or
 - F. if the capital work justifying the line item approval is completed or cancelled unless the balance of spending authority in the line item is to be transferred.

5. A line item shall have a lifespan no greater than twenty-four (24) months commencing on the first day of the budget year, except as set forth in Part 1-Subpart C.6. or C.7.
6. The Commission may recommend and City Council may approve a budget line item lifespan of thirty-six (36) or forty-eight (48) months provided that PGW makes sufficient showing that: (i) the project timeline exceeds twenty-four (24) months, as known upon budget submission (Form 6410); (ii) the project cannot be reasonably phased-in over multiple budgets; and (iii) the expenditures related to such project will be off-limits as a source for budget transfers.
7. A line item in the conditional funding reserve shall have a lifespan no greater than fifteen (15) months commencing on the first day of the budget year.

SUBPART D - LINE ITEMS (SAFETY)

1. A line item shall be assigned a priority status of “1” when budgeted to fund capital investment critical to ensuring public safety, the integrity of PGW’s facilities, and/or the safety of PGW’s employees. Such line item:
 - A. may be eligible for approval as conditional funding for discrete projects identified by PGW under appropriate circumstances; and
 - B. is eligible for approval as conditional funding for unbudgeted and/or unanticipated capital needs as part of the conditional funding reserve.

SUBPART E - LINE ITEMS (RELIABILITY OF SERVICE)

1. A line item shall be assigned a priority status of “2” when budgeted to fund capital investment:
 - A. to preserve the dependability and proper working condition of PGW’s energy-related infrastructure based on accepted/applicable engineering practices; and/or
 - B. to keep PGW’s general facilities in a state suitable for occupancy and/or the conduct of business; and/or
 - C. to keep equipment, information systems and/or other infrastructure in a continuing state of readiness for responding to PGW’s operational needs.
2. A line item assigned a priority status of “2”:
 - A. may be eligible for approval as conditional funding for discrete projects identified by PGW under appropriate circumstances; and
 - B. is eligible for approval as conditional funding for unbudgeted and/or unanticipated capital needs as part of the conditional funding reserve.

SUBPART F - LINE ITEMS (ENFORCED RELOCATIONS)

1. A line item shall be assigned a priority status of “3” when budgeted to fund the replacement/relocation of gas mains and/or services as a result of anticipated or actual capital/construction work attributable to third parties which directly impacts PGW’s facilities. Such line item is not eligible for approval as conditional funding.

SUBPART G - LINE ITEMS (LOAD GROWTH)

1. A line item shall be assigned a priority status of “4” when budgeted to fund capital investment enhancing revenue generation by providing new and/or additional gas-related service(s) to end users. Such line item:
 - A. may be eligible for approval as conditional funding for discrete projects identified by PGW under appropriate circumstances; and
 - B. is eligible for approval as conditional funding for unbudgeted and/or unanticipated capital needs as part of the conditional funding reserve.

SUBPART H - LINE ITEMS (BUSINESS IMPROVEMENT)

1. A line item shall be assigned a priority status of “5” when budgeted to fund capital investment that will improve one or more business process(es) in order to increase productivity and/or enhance the efficiency of operations and/or service delivery, and will yield reduced or avoided operating and/or capital costs. Such line item is not eligible for approval as conditional funding.

SUBPART I - UNBUDGETED CAPITAL INVESTMENT

1. GENERAL PROHIBITION

Capital work that is not funded by line item spending authority in an approved budget is prohibited unless it is in accordance with the work/cost preapprovals in *Part 1 - Subparts I.2. through I.3.*

2. ADVANCE ENGINEERING

Upon enactment of an annual Capital Budget Ordinance and related Capital Program Protocols providing such preapproval, PGW may undertake such advance engineering work and incur and/or commit to such costs as may be necessary to develop capital budget proposals. Such costs shall subsequently be allocated to the capital budget line item approved by City Council or to the appropriate operating account if the applicable budget proposal is withdrawn by PGW or rejected by City Council.

3. EMERGENCY CIRCUMSTANCES

Upon enactment of an annual Capital Budget Ordinance and related Capital Program Protocols providing such preapproval, PGW may incur and/or commit to such costs as may be necessary to perform extraordinary work to (1) address an imminent threat to human life and/or property; (2) preserve the safety and/or security of PGW’s energy services system; and /or (3) avoid violation of a legal mandate, when it is impracticable to secure in advance the requisite budget authorization, release approval of

conditional funding, and/or approval of line item transfer/s. The aforesaid emergency preapproval shall be subject to the following requirements:

- A. PGW shall first endeavor to cover the costs of such extraordinary, emergency work with the conditional spending reserve and, if needed, by transferring thereto unused spending authorization from line items in the approved Budget;
- B. PGW shall, within ten (10) days, notify the Gas Commission of the emergency circumstance (including documentation thereof) and its plans for covering the costs of the extraordinary, emergency work including explanation whether the conditional spending reserve and line item transfers will be sufficient; and
- C. PGW shall, within thirty (30) days, take all necessary actions to request, as applicable, any necessary supplemental budget authorization from City Council and/or the Gas Commission's post-approval of conditional funding release and/or line item transfers.

PART 2 - BUDGET ADMINISTRATION

SUBPART A - IN GENERAL

1. A work order opened for a line item shall be traceable to said line item. The numerical code identifying a line item in an approved budget shall remain unchanged throughout its lifespan.
2. A work order opened for a miscellaneous additions/ replacements line item shall be for such discrete projects:
 - A. as were identified in Supporting Documentation on the basis of which the line item was approved; or
 - B. as may in PGW's judgment be required to address an unforeseen or unbudgeted capital need through the contingency component of the line item.

SUBPART B - PLANNED WORK

1. PGW shall monitor capital work to affirm:
 - A. that the components applicable to an approved line item have not changed materially;
 - B. that the applicable project(s) continue(s) to be necessary; and
 - C. that available resources are sufficient for accomplishing said project(s) during the applicable lifespan period.
2. A "material change" to a project shall be deemed to occur when the planned work for a project differs from a reasonable interpretation of the Supporting Documentation that formed the basis of budget approval. In such cases, a material change will require a proposal for inserting a new (i.e., appropriately descriptive and/or properly funded) line item in the approved budget or a proposal for supplemental authorization in a later budget.

SUBPART C - LINE ITEM OVERSPENDING

1. The approved spending authorization for a line item shall not be exceeded.
2. If PGW anticipates that a line item spending authorization could be exceeded, PGW shall notify the Gas Commission of this possibility as soon as possible with an explanation/justification for the potential overrun and a proposal for a remedial solution (e.g., budget amendment, line item transfer, deferral/ cancellation of planned projects, resubmission in whole or part in a subsequent budget proposal).
3. If PGW anticipates that a line item spending authorization will be exceeded because of a material change to the project(s) originally contemplated in Supporting Documentation when the line item was proposed, the notice referenced in **Part 2 - Subpart C.2.** shall explain why PGW failed to

propose beforehand an amendment to the given budget or a supplemental authorization in a future budget.

SUBPART D - BUDGETARY “BOTTOM-LINE” SHORTFALLS

1. The total spending authority for all line items in an approved budget shall not be exceeded.
2. If PGW anticipates that total spending authority in approved budget could be exceeded, PGW shall notify the Gas Commission as soon as possible with an explanation/justification. Said notice shall be accompanied by a proposal for a budget amendment. If a budget amendment is barred by *Part 3 - Subpart A.2.*, said notice shall be accompanied by an alternative remediation plan. If no remediation is possible, the notice will indicate accordingly and explain why.

SUBPART E - LINE ITEM SURPLUS

1. If the actual cost of capital work for a line item is anticipated to be materially lower than the cost reflected in the approved spending authorization, PGW shall provide the Gas Commission with an appropriate explanation. Said explanation shall be filed with the next monthly update of capital spending required by *Part 2 - Subpart H.1.* or the next capital spending forecast required by *Part 2 - Subpart H.3.*, whichever falls due sooner. Said explanation shall distinguish between the following:
 - A. underruns of a windfall nature stemming from unanticipated cost reductions and/or other circumstance; and
 - B. underruns stemming from doing less work or because line item components are done or otherwise accomplished by work different from what was cited by PGW in Supporting Documentation when the applicable budget was under proposal.
2. For purposes of *Part 2 - Subpart E.1.*, a “materially lower” cost shall be the larger of \$10,000 or 10% of the approved authorization.

SUBPART F - INTRADEPARTMENTAL TRANSFERS

1. **MANAGERIAL DISCRETION**
Upon enactment of an annual Capital Budget Ordinance and related Capital Program Protocols providing such authorization, PGW may implement intradepartmental transfers of spending authority at its discretion subject to the limitations in *Part 2 - Subparts F.2. through F.7.*
2. **DURATION**
PGW discretion to implement transfers shall end on the last day of the October that follows the close of the budget year.
3. **EXCLUDED LINE ITEMS**
 - A. Line items shall be unavailable for use as a source of spending authority in a transfer transaction as follows:

- i. any line item approved as conditional funding with a priority status of “1” or “2;”
- ii. any line item approved with a priority status of “4” unless the intended recipient line item was also approved with a priority status of “4;” and
- iii. such other line item(s) as City Council shall designate in the annual Capital Budget Ordinance.

B. Any line item with a lifespan in excess of twenty-four (24) months shall be unavailable for use as a source of spending authority.

4. NEW PROJECTS

PGW discretion shall not apply to a new project unless said project properly falls within the scope of the recipient line item in a transfer transaction.

5. BUSINESS UNIT INTEGRITY

Each department included in the approved budget shall retain its identity for purposes of line item transfers notwithstanding whether said department is/was part of a larger business unit in PGW’s organizational structure.

6. CROSS-BUDGET TRANSFERS

The transfer of spending authority from one Budget to another Budget is forbidden.

7. CONDITIONAL FUNDING

- A. **RELEASE ANTECEDENT:** PGW shall have no discretion to implement a transfer transaction involving a conditional funding line item unless the Gas Commission has released such funding.
- B. **TRANSFER ADVISORY:** If a transfer transaction involves a conditional funding line item, PGW shall file with the Gas Commission a Transfer Advisory coupled with a Request for Release of Conditional Funding. The Transfer Advisory shall communicate PGW’s intent to exercise transfer discretion with respect to any such line item if the Gas Commission approves the Request for Release of Conditional Funding. The Request for Release of Conditional Funding shall be premised on and limited solely to the purpose(s) stated and the transfer transaction(s) described in the Transfer Advisory.
- C. **DEVIATION FROM RELEASE APPROVAL:** The release of conditional funding shall be null and void if PGW abandons or modifies the transactions identified in the Transfer Advisory or if PGW wishes or attempts to apply released funding to other purposes.

SUBPART G - OTHER TRANSFERS

1. APPROVAL/OVERSIGHT AUTHORITY

Upon enactment of an annual Capital Budget Ordinance and related Capital Program Protocols vesting such responsibility, the Gas Commission:

- A. may approve transfers of spending authority beyond PGW's discretion if good cause has been shown after appropriate review subject to the limitations in *Part 2 - Subparts G.2. through G.5.*; and
- B. shall be responsible for monitoring line item transfer activity in the approved Budget and making appropriate recommendations to City Council with respect to line item transfers in connection with the next ensuing budget proposal.

2. DURATION

Gas Commission authority to approve transfers shall end on the last day of the December that follows the close of the budget year.

3. EXCLUDED LINE ITEMS

- A. Line items shall be unavailable for use as a source of spending authority in a transfer transaction as follows:
 - i. any line item approved as conditional funding with a priority status of "1" or "2";
 - ii. any line item approved with a priority status of "4" unless the intended recipient line item was also approved with a priority status of "4"; and
 - iii. such other line item(s) as City Council shall designate by ordinance in conjunction with the annual Capital Budget Ordinance.
- B. Any line item with a lifespan in excess of twenty-four (24) months shall be unavailable for use as a source of spending authority.

4. CROSS-BUDGET TRANSFERS

The transfer of spending authority from one Budget to another Budget is forbidden.

5. TRANSFER APPROVAL REQUESTS

A request that the Gas Commission approve a proposed transfer of spending authority must satisfy the following criteria:

- A. the circumstances that the transfer transaction would address are clearly defined and not subject to reasonable dispute;
- B. the transfer transaction does not rely on a source of spending authority that has been excluded by the approving Budget Ordinance;

- C. a transfer source has sufficient spending authority to support the transfer transaction; and
- D. no circumstance or consideration warrants that a proposed transfer be rejected for the sake of prudence.

SUBPART H - BUDGET REPORTING

1. MONTHLY UPDATES

PGW shall file monthly updates of actual/estimated spending styled as the “Capital Budget Authorization/Spending Review” in an electronic format acceptable to the Gas Commission as well as in hard copy. Said updates shall be due on the 15th day of each month or the next ensuing business day. Separate columns shall reflect:

- A. whether a line item is open or closed;
- B. the lifespan expiration date applicable to each line item;
- C. any transfer(s) applicable to each line item, the related dollar impact of such transfer(s) on the affected line item(s), and the justification for each transfer.

2. QUARTERLY UPDATES

PGW shall file a quarterly report disclosing PGW’s actual spending related to Disadvantaged Business Enterprise participation as compared to its projected spending broken down into operating and capital spending.

3. PERIODIC FORECASTS

PGW shall file spending forecasts of actual/estimated spending organized on a “line-by-line/budget-by-budget” basis in both hard copy and electronic formats as part of the Capital Budget Authorization/Spending Review. Said forecasts shall be due as follows:

- A. on the first business day in October, January, April and July as Quarterly Forecasts; and
- B. on the first business day in November as an Unaudited End-of-Year Forecast.

Said forecasts shall reflect any transfer(s) applicable to each line item, the related dollar impact of such transfer(s) on the affected line item(s), and the justification for each transfer.

4. FINAL REPORTS

PGW shall file a “Final Report” of actual spending for an approved Budget as and when all work orders and line items are closed as part of the Capital Budget Authorization/Spending Review. Said report shall reflect any transfer(s) applicable to each line item, the related dollar impact of such transfer(s) on the affected line item(s), and the justification for each transfer.

PART 3 - BUDGET PROPOSALS/ REQUESTS - IN GENERAL

SUBPART A - FILING DEADLINES

1. **PROPOSED ANNUAL BUDGET**
A capital budget proposal for the next ensuing budget year shall be filed with the Gas Commission by no later than the first business day in January.
2. **PROPOSED AMENDMENT TO APPROVED ANNUAL BUDGET**
A proposal to amend an approved Budget shall be filed with the Gas Commission by no later than the first business day in March of the budget year.
3. **REQUEST FOR RELEASE OF CONDITIONAL FUNDING**
A request that the Gas Commission release conditional funding in an approved Budget shall be filed with the Gas Commission by no later than:
 - A. the first business day in September that follows the budget year for a line item in the conditional funding reserve; and
 - B. the first business day in April of the budget year for all other line items.
4. **REQUEST FOR APPROVAL OF LINE ITEM TRANSFER**
A request that the Gas Commission approve a line item transfer transaction shall be due as follows:
 - A. on the same day that a request for release of conditional funding is due under **Part 3 - Subpart A.3.** if a transfer transaction involves a conditional funding line item; and
 - B. by no later than the first business day of the November that next follows the budget year if any other transfer transaction is involved.

SUBPART B - SUBSTANTIATION

1. **SAFETY**
In addition to the content requirements of **Part 4**, a proposed line item assigned a priority status of **"1"** shall be substantiated by a showing that the capital work at issue is necessary based on a confirmed risk assessment. If a Miscellaneous Funding line item is proposed, the allocation for unbudgeted/unanticipated capital projects included therein shall be reasonable.

If no risk assessment is yet confirmed or if the project scope and/or costs is/are not yet finalized, the line item may be considered for conditional funding of a discrete project only if there is a reasonable expectation that the risk assessment will be confirmed and/or that the project scope and/or costs will be finalized during the budget year.
2. **RELIABILITY OF SERVICE**
In addition to the content requirements of **Part 4**, a proposed line item assigned a priority status of **"2"** shall be substantiated by a showing that the capital work at issue is necessary based on a

confirmed risk assessment and/or cost-benefit analysis. If a Miscellaneous Funding line item is proposed, the allocation for unbudgeted/unanticipated capital projects included therein shall be reasonable.

If no risk assessment and/or cost-benefit is yet confirmed or if the project scope and/or costs is/are not yet finalized, the line item may be considered for conditional funding of a discrete project only if there is a reasonable expectation that the risk assessment and/or cost-benefit will be confirmed or that the project scope and/or costs will be finalized during the budget year.

3. ENFORCED RELOCATIONS

A proposed line item assigned a priority status of “3” shall be substantiated in accordance with the content requirements of *Part 4* as applicable.

4. LOAD GROWTH

In addition to the content requirements of *Part 4*, a proposed line item assigned a priority status of “4” shall be substantiated by a showing that a contractual commitment has been or is reasonably certain to be secured during the budget year and that such commitment promises an acceptable return on investment. If a Miscellaneous Funding line item is proposed, the allocation for unbudgeted/unanticipated capital projects included therein shall be reasonable.

If no contractual commitment and/or analysis of investment return is yet available, the line item may be considered for conditional funding of a discrete project if there is a reasonable likelihood that a contractual commitment indicating an acceptable return on investment will be secured during the budget year.

5. BUSINESS IMPROVEMENT

In addition to the content requirements of *Part 4*, a proposed line item assigned a priority status of “5” shall be substantiated by an acceptable analysis that specifically identifies cost-beneficial productivity/efficiency improvements and/or cost reductions in future operating and/or capital budgets and/or other specific benefit to PGW and its customers directly resulting from such capital investment. Said analysis shall include the identification of consequences from delaying such project. If a Miscellaneous Funding line item is proposed, the allocation for unbudgeted/unanticipated capital projects included therein shall be reasonable.

6. REGULATORY OR OTHER MANDATES

In addition to the content requirements of *Part 4*, a proposed line item with any priority status whose business justification in whole or in part involves a regulatory, legislative, or judicial mandate shall be substantiated by a citation to the applicable regulation, law, or other published directive or by a copy of the applicable order.

PART 4 - BUDGET PROPOSALS/ REQUESTS - CONTENT REQUIREMENTS

SUBPART A – FILING CONTENTS

A capital budget proposal/request shall be accompanied by supporting documentation that fully and meaningfully describes the matter at issue in accordance with *Part 3 - Subpart B*. The supporting documentation described in *Part 4 - Subparts A through K* shall be required components of each PGW capital budget proposal/request (including any requested amendment), and shall be filed together with, and at the same time as such capital budget proposal/request.

SUBPART B - NARRATIVE

The annual capital budget proposal shall be accompanied by prepared written testimony and budget narrative indexed to persons who are available for questioning and such other information as necessary to develop an informed recommendation from the Gas Commission. Any other budget proposal/request shall be accompanied by such testimony/ narrative as shall be warranted by the subject matter at issue.

SUBPART C - AUTHORIZING BOARD RESOLUTION

A capital budget proposal/request shall be accompanied by a Philadelphia Facilities Management Corporation Board Resolution authorizing such proposal/request.

SUBPART D - COST COMPONENT BREAKOUT

Supporting documentation for a proposed line item shall include a breakout of cost components that reflects the following as applicable:

1. Labor
2. Purchased Services
3. Materials
4. Information System Hardware/Software
5. Other Cost
6. Project Cost comprising *Part 4 - Subparts D.1. through D.5.*
7. Administrative & General Expense
8. Allowance for Funds Used During Construction
9. Total Capital Cost comprising *Part 4 - Subparts D.6. through D.8.*

SUBPART E - COST DERIVATION

1. Supporting documentation for a proposed line item budgeted on the basis of unit costs shall include an explanation or analysis that justifies the use of an averaging method that utilizes fewer than four years of cost data.

2. Supporting documentation for main replacement and addition line items in the Distribution Department for a given Program Year shall include the underlying information utilized to develop proposed unit costs broken down separately for each size classification, type, pressure classification and program (e.g. prudent, enforced relocation, load growth and long-term infrastructure plan) and, with respect to each size classification, type, pressure classification and program, shall provide the breakdown of cost components as set forth in Part 4 - Subpart D.
3. Supporting documentation for service replacement and addition line items in the Distribution Department for a given Program Year shall include the underlying information utilized to develop proposed unit costs broken down separately by each size classification of service replacement and addition, and with respect to each such size classification for service replacements and service additions, shall provide the breakdown of cost components set forth in Part 4 - Subpart D.

SUBPART F - LOAD GROWTH

The annual capital budget proposal shall be accompanied by the most recent Marketing Sales Forecast available. The same shall apply to a proposal to amend a proposed or approved budget by modifying or inserting a line item assigned a priority status of “4”.

SUBPART G - CAPITAL FINANCING

The annual capital budget proposal shall be accompanied by a financing plan for capital spending during the budget year indexed to illustrate the relationship of all active budgets and the following financing sources:

- Capital Improvement Fund
- Internally-Generated Funds From Operations
- Reimbursements
- Customer Contributions
- Other sources as applicable.

A proposal to amend a proposed or approved budget shall be accompanied by a revised financing plan.

SUBPART H - DISADVANTAGED BUSINESS ENTERPRISE PARTICIPATION

The annual capital budget proposal shall include pertinent data on Disadvantaged Business Enterprise (“DBE”) participation:

- as projected for the budget year; and
- as estimated for the prior fiscal year.

This data shall include a report regarding any changes to participation goals, contract compliance procedures, or any other aspect(s) of the DBE vendor program. A proposal to amend a proposed or approved Budget shall include updated DBE participation data.

SUBPART I - APPROVED BUDGETS (CASH RECAPTURE)

The annual capital budget proposal shall include information on the amount of money PGW has received to date by way of reimbursements, customer contributions, salvage or any other project-related cash recapture applicable to approved budgets for which no final spending report has been filed. A proposal to amend a proposed or approved budget shall include updated recapture data as appropriate.

SUBPART J - APPROVED BUDGETS (LEASES)

The annual capital budget proposal shall include a capital leasing report which identifies all line items in approved budgets for which no final spending report has been filed. For each line item, PGW will provide the following information:

- names and addresses of all lessors;
- the lease term; and
- the annual lease payment.

SUBPART K - APPROVED BUDGETS (GAINS/REDUCTIONS)

The annual capital budget proposal shall include narrative which identifies the productivity/efficiency gains and/or cost reductions and/or other specific benefit secured via line items with a priority status of “5” in approved Budgets for which no final spending report has been file