

Exhibit #1-A

PHILADELPHIA GAS WORKS

**AMENDED
COMPLIANCE
FISCAL 2014 CAPITAL BUDGET
AND
FORECAST FISCAL 2015 - 2019

WITH
FISCAL 2014 FINANCING PLAN**

June 11, 2013



PHILADELPHIA GAS WORKS

PROPOSED
CAPITAL BUDGET

FISCAL YEAR 2014 AND FORECAST 2015 THROUGH 2019

	<u>2014 CAPITAL BUDGET</u>	<u>2015 - 2019 FORECAST</u>	<u>TOTAL 6 YEARS</u>
<u>GAS PROCESSING</u>			
ADDITIONS	2,091,000	4,287,000	6,378,000
REPLACEMENTS	<u>1,873,000</u>	<u>13,162,000</u>	<u>15,035,000</u>
TOTAL	<u>3,964,000</u>	<u>17,449,000</u>	<u>21,413,000</u>
<u>DISTRIBUTION</u>			
ADDITIONS	10,191,000	54,348,000	64,539,000
REPLACEMENTS	<u>62,758,000</u>	<u>345,790,000</u>	<u>408,548,000</u>
GROSS TOTAL	72,949,000	400,138,000	473,087,000
LESS: SALVAGE			
LESS: CONTRIBUTIONS*			
LESS: REIMBURSEMENTS**	<u>(1,616,000)</u>	<u>(5,031,000)</u>	<u>(6,647,000)</u>
NET TOTAL	<u>71,333,000</u>	<u>395,107,000</u>	<u>466,440,000</u>
<u>FIELD SERVICES</u>			
ADDITIONS	1,730,000	10,899,000	12,629,000
REPLACEMENTS	<u>4,156,000</u>	<u>20,768,000</u>	<u>24,924,000</u>
GROSS TOTAL	5,886,000	31,667,000	37,553,000
LESS: SALVAGE			
LESS: CONTRIBUTIONS*			
NET TOTAL	<u>5,886,000</u>	<u>31,667,000</u>	<u>37,553,000</u>
<u>FLEET OPERATIONS</u>			
ADDITIONS	0	0	0
REPLACEMENTS	<u>3,944,000</u>	<u>18,760,000</u>	<u>22,704,000</u>
GROSS TOTAL	3,944,000	18,760,000	22,704,000
LESS: SALVAGE			
NET TOTAL	<u>3,944,000</u>	<u>18,760,000</u>	<u>22,704,000</u>

PHILADELPHIA GAS WORKS

PROPOSED
CAPITAL BUDGET

FISCAL YEAR 2014 AND FORECAST 2015 THROUGH 2019

	<u>2014 CAPITAL BUDGET</u>	<u>2015 - 2019 FORECAST</u>	<u>TOTAL 6 YEARS</u>
<u>OTHER DEPARTMENTS</u>			
ADDITIONS	4,812,000	2,485,000	7,297,000
REPLACEMENTS	<u>11,370,000</u>	<u>15,734,000</u>	<u>27,104,000</u>
TOTAL	<u>16,182,000</u>	<u>18,219,000</u>	<u>34,401,000</u>
<u>TOTAL</u>			
ADDITIONS	18,824,000	72,019,000	90,843,000
REPLACEMENTS	<u>84,101,000</u>	<u>414,214,000</u>	<u>498,315,000</u>
GROSS TOTAL	102,925,000	486,233,000	589,158,000
LESS: SALVAGE			
LESS: REIMBURSEMENTS**	(1,616,000)	(5,031,000)	(6,647,000)
LESS: CONTRIBUTIONS*			
NET TOTAL	<u>101,309,000</u>	<u>481,202,000</u>	<u>582,511,000</u>

* CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

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

PHILADELPHIA GAS WORKS
PROPOSED CAPITAL BUDGET
BUDGET/FORECAST COMPARISON

<u>DEPARTMENT</u>	<u>2013 BUDGET</u>	<u>2014 FORECAST</u>	<u>2014 BUDGET</u>	<u>2014 vs 2013 BUDGET</u>		<u>2014 vs FORECAST</u>	
				<u>AMOUNT DIFFERENCE</u>	<u>PERCENT DIFFERENCE</u>	<u>AMOUNT DIFFERENCE</u>	<u>PERCENT DIFFERENCE</u>
<u>GAS PROCESSING</u>							
ADDITIONS	367,000	4,160,000	2,091,000	1,724,000	469.8%	(2,069,000)	-49.7%
REPLACEMENTS	<u>5,798,000</u>	<u>1,314,000</u>	<u>1,873,000</u>	<u>(3,925,000)</u>	<u>-67.7%</u>	<u>559,000</u>	<u>42.5%</u>
TOTAL GAS PROCESSING	6,165,000	5,474,000	3,964,000	(2,201,000)	-35.7%	(1,510,000)	-27.6%
<u>DISTRIBUTION</u>							
ADDITIONS	9,921,000	10,119,000	10,191,000	270,000	2.7%	72,000	0.7%
REPLACEMENTS	<u>56,033,000</u>	<u>57,128,000</u>	<u>62,758,000</u>	<u>6,725,000</u>	<u>12.0%</u>	<u>5,630,000</u>	<u>9.9%</u>
GROSS TOTAL DISTRIBUTION	65,954,000	67,247,000	72,949,000	6,995,000	10.6%	5,702,000	8.5%
LESS: SALVAGE					N/A		N/A
LESS: CONTRIBUTIONS*					N/A		N/A
LESS: REIMBURSEMENT**	<u>(3,610,000)</u>	<u>(3,631,000)</u>	<u>(1,616,000)</u>	<u>1,994,000</u>	<u>-55.2%</u>	<u>2,015,000</u>	<u>-55.5%</u>
NET TOTAL DISTRIBUTION	62,344,000	63,616,000	71,333,000	8,989,000	14.4%	7,717,000	12.1%
<u>FIELD SERVICES</u>							
ADDITIONS	2,337,000	2,555,000	1,730,000	(607,000)	-26.0%	(825,000)	-32.3%
REPLACEMENTS	<u>2,761,000</u>	<u>2,666,000</u>	<u>4,156,000</u>	<u>1,395,000</u>	<u>50.5%</u>	<u>1,490,000</u>	<u>55.9%</u>
GROSS TOTAL FIELD SERVICES	5,098,000	5,221,000	5,886,000	788,000	15.5%	665,000	12.7%
LESS: SALVAGE					N/A		N/A
LESS: CONTRIBUTIONS*					N/A		N/A
NET TOTAL FIELD SERVICES	5,098,000	5,221,000	5,886,000	788,000	15.5%	665,000	12.7%

PHILADELPHIA GAS WORKS
PROPOSED CAPITAL BUDGET
BUDGET/FORECAST COMPARISON

DEPARTMENT	2013 BUDGET	2014 FORECAST	2014 BUDGET	2014 vs 2013 BUDGET		2014 vs FORECAST	
				AMOUNT DIFFERENCE	PERCENT DIFFERENCE	AMOUNT DIFFERENCE	PERCENT DIFFERENCE
<u>FLEET OPERATIONS</u>							
ADDITIONS	39,000		0	(39,000)	-100.0%	0	N/A
REPLACEMENTS	<u>4,163,000</u>	<u>3,658,000</u>	<u>3,944,000</u>	<u>(219,000)</u>	<u>-5.3%</u>	<u>286,000</u>	<u>7.8%</u>
GROSS TOTAL FLEET OPERATIONS	4,202,000	3,658,000	3,944,000	(258,000)	-6.1%	286,000	7.8%
LESS: SALVAGE					N/A		N/A
NET TOTAL TRANSPORTATION	4,202,000	3,658,000	3,944,000	(258,000)	-6.1%	286,000	7.8%
<u>OTHER</u>							
ADDITIONS	1,496,000	625,000	4,812,000	3,316,000	221.7%	4,187,000	669.9%
REPLACEMENTS	<u>8,026,000</u>	<u>5,704,000</u>	<u>11,370,000</u>	<u>3,344,000</u>	<u>41.7%</u>	<u>5,666,000</u>	<u>99.3%</u>
TOTAL OTHER	9,522,000	6,329,000	16,182,000	6,660,000	69.9%	9,853,000	155.7%
<u>TOTAL</u>							
ADDITIONS	14,160,000	17,459,000	18,824,000	4,664,000	32.9%	1,365,000	7.8%
REPLACEMENTS	<u>76,781,000</u>	<u>70,470,000</u>	<u>84,101,000</u>	<u>7,320,000</u>	<u>9.5%</u>	<u>13,631,000</u>	<u>19.3%</u>
GROSS TOTAL	90,941,000	87,929,000	102,925,000	11,984,000	13.2%	14,996,000	17.1%
LESS: SALVAGE					N/A		N/A
LESS: REIMBURSEMENT**	(3,610,000)	(3,631,000)	(1,616,000)	1,994,000	-55.2%	2,015,000	-55.5%
LESS: CONTRIBUTIONS*					N/A		N/A
NET TOTAL	<u>87,331,000</u>	<u>84,298,000</u>	<u>101,309,000</u>	<u>13,978,000</u>	<u>16.0%</u>	<u>17,011,000</u>	<u>20.2%</u>

* CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

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

PHILADELPHIA GAS WORKS
 FISCAL YEAR 2014 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	18,824,000	17,988,000	84,101,000	73,129,000	102,925,000	91,117,000
YEAR 1		836,000		10,222,000		11,058,000
YEAR 2						
YEAR 3						
YEAR 4 AND BEYOND						
TOTAL	<u>18,824,000</u>	<u>18,824,000</u>	<u>84,101,000</u>	<u>83,351,000</u>	<u>102,925,000</u>	<u>102,175,000</u>

GAS PROCESSING DEPARTMENT
FISCAL YEAR 2014 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				
53-02 SUPPLEMENTAL GAS FACILITIES	1,919,000	1,466,000		3,385,000
53-03 BUILDING AND GROUNDS				
53-04 MISC CAPITAL REQUIREMENTS	172,000	407,000		579,000
TOTAL GAS PROCESSING	<u>2,091,000</u>	<u>1,873,000</u>		<u>3,964,000</u>

GAS PROCESSING DEPARTMENT
FISCAL YEAR 2014
BUDGET/FORECAST COMPARISON

CATEGORY	2013 BUDGET	2014 FORECAST	2014 BUDGET	<u>2014 vs 2013 BUDGET</u>		<u>2014 vs FORECAST</u>	
				\$ DIFFERENCE	% DIFF.	\$ DIFFERENCE	% DIFF.
53-01 NATURAL GAS	0	0	0	0	N/A	0	N/A
MEASUREMENT AND CONTROL FACILITIES	<u>631,000</u>	<u>0</u>	<u>0</u>	<u>(631,000)</u>	<u>-100.0%</u>	<u>0</u>	<u>N/A</u>
TOTAL	631,000	0	0	(631,000)	-100.0%	0	N/A
53-02 SUPPLEMENTAL GAS	251,000	4,044,000	1,919,000	1,668,000	664.5%	(2,125,000)	-52.5%
FACILITIES	<u>4,886,000</u>	<u>1,033,000</u>	<u>1,466,000</u>	<u>(3,420,000)</u>	<u>-70.0%</u>	<u>433,000</u>	<u>41.9%</u>
TOTAL	5,137,000	5,077,000	3,385,000	(1,752,000)	-34.1%	(1,692,000)	-33.3%
53-03 BUILDING AND	0	0	0	0	N/A	0	N/A
GROUNDS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>N/A</u>	<u>0</u>	<u>N/A</u>
TOTAL	0	0	0	0	N/A	0	N/A
53-04 MISC CAPITAL	116,000	116,000	172,000	56,000	48.3%	56,000	48.3%
REQUIREMENTS	<u>281,000</u>	<u>281,000</u>	<u>407,000</u>	<u>126,000</u>	<u>44.8%</u>	<u>126,000</u>	<u>44.8%</u>
TOTAL	397,000	397,000	579,000	182,000	45.8%	182,000	45.8%
TOTAL GAS PROCESSING	<u>6,165,000</u>	<u>5,474,000</u>	<u>3,964,000</u>	<u>(2,201,000)</u>	<u>-35.7%</u>	<u>(1,510,000)</u>	<u>-27.6%</u>

GAS PROCESSING DEPARTMENT
FISCAL YEAR 2014 CAPITAL BUDGET

<u>P</u>			<u>AMOUNT</u>
	<u>GP-2</u>	<u>SUPPLEMENTAL GAS FACILITIES</u>	
1	53-02-1-01	PROCESS HAZARDS (PHA) AND LAYERS OF PROTECTION ANALYSIS (LOPA) UPGRADES - RICHMOND	182,000
1	53-02-1-02	POWER BACKUP FOR CITY WATER PUMPS AND SECURITY CENTER - PASSYUNK	97,000
1	53-02-1-03	CONVERT EXISTING VENT STACK TO FLARE - RICHMOND	1,640,000
1	53-02-2-01	REPLACE H-1 HEATER FUEL GAS AND HEADER - RICHMOND	189,000
1	53-02-2-02	REPLACE UPS SYSTEMS - RICHMOND	202,000
1	53-02-2-03	REPLACE FOAM WATER PIPING ON LNG TANKS - RICHMOND	502,000
1	53-02-2-04	REPLACE FOAM SUPPRESSION SYSTEM FOR 77 BUILDING BASEMENT - RICHMOND	101,000
1	53-02-2-05	REPLACE VALVE ON SPILL LINE FOR RIVER WATER - PASSYUNK	146,000
1	53-02-2-06	REPLACE VAPORIZATION LOW TEMPERATURE SHUTDOWN VALVES- RICHMOND	326,000
		TOTAL GP-2	<u><u>3,385,000</u></u>
	<u>GP-4</u>	<u>MISCELLANEOUS CAPITAL REQUIREMENTS</u>	
1	53-04-1-01	MISCELLANEOUS CAPITAL ADDITIONS	172,000
1	53-04-2-01	MISCELLANEOUS CAPITAL REPLACEMENTS	<u>407,000</u>
		TOTAL GP-4	579,000
		TOTAL GAS PROCESSING DEPARTMENT	<u><u>3,964,000</u></u>

GAS PROCESSING DEPARTMENT
LISTING BY PRIORITY
FISCAL YEAR 2014 CAPITAL BUDGET

<u>P</u>	<u>CATEGORY</u>	<u>AMOUNT</u>	<u>BUDGET YR</u>	<u>YEAR 1</u>	<u>YEAR 2</u>	<u>YEAR 3</u>	<u>YEAR 4 +</u>
	<u>PRIORITY 1</u>						
1	GP-2 53-02-1-01	PROCESS HAZARDS (PHA) AND LAYERS OF PROTECTION ANALYSIS (LOPA) UPGRADES - RICHMOND	182,000	90,000	92,000		
1	GP-2 53-02-1-02	POWER BACKUP FOR CITY WATER PUMPS AND SECURITY CENTER - PASSYUNK	97,000	97,000			
1	GP-2 53-02-1-03	CONVERT EXISTING VENT STACK TO FLARE - RICHMOND	1,640,000	956,000	684,000		
1	GP-2 53-02-2-01	REPLACE H-1 HEATER FUEL GAS AND HEADER - RICHMOND	189,000	189,000			
1	GP-2 53-02-2-02	REPLACE UPS SYSTEMS - RICHMOND	202,000	202,000			
1	GP-2 53-02-2-03	REPLACE FOAM WATER PIPING ON LNG TANKS - RICHMOND	502,000	399,000	103,000		
1	GP-2 53-02-2-04	REPLACE FOAM SUPPRESSION SYSTEM FOR 77 BUILDING BASEMENT - RICHMOND	101,000	101,000			
1	GP-2 53-02-2-05	REPLACE VALVE ON SPILL LINE FOR RIVER WATER - PASSYUNK	146,000	146,000			
1	GP-2 53-02-2-06	REPLACE VAPORIZATION LOW TEMPERATURE SHUTDOWN VALVES- RICHMOND	326,000	97,000	229,000		
1	GP-4 53-04-1-01	MISCELLANEOUS CAPITAL ADDITIONS	172,000	172,000			
1	GP-4 53-04-2-01	MISCELLANEOUS CAPITAL REPLACEMENTS	407,000	357,000	50,000		
	TOTAL GAS PROCESSING DEPARTMENT:		<u>3,964,000</u>	<u>2,806,000</u>	<u>1,158,000</u>		

PHILADELPHIA GAS WORKS
 FISCAL YEAR 2014 CAPITAL BUDGET
 GAS PROCESSING DEPARTMENT ESTIMATE OF ENCUMBERANCE AND EXPENDITURE

<u>FISCAL YEAR</u>	<u>ADDITIONS</u>		<u>REPLACEMENTS</u>		<u>TOTAL</u>	
	<u>ENCUMBERED</u>	<u>EXPENDED</u>	<u>ENCUMBERED</u>	<u>EXPENDED</u>	<u>ENCUMBERED</u>	<u>EXPENDED</u>
CURRENT BUDGET	2,091,000	1,315,000	1,873,000	1,491,000	3,964,000	2,806,000
YEAR 1		776,000		382,000		1,158,000
YEAR 2						
YEAR 3						
YEAR 4 AND BEYOND						
TOTAL	<u>2,091,000</u>	<u>2,091,000</u>	<u>1,873,000</u>	<u>1,873,000</u>	<u>3,964,000</u>	<u>3,964,000</u>

DISTRIBUTION DEPARTMENT
FISCAL YEAR 2014 CAPITAL BUDGET
SUMMARY

<u>CATEGORY</u>	<u>ADDITIONS</u>	<u>REPLACEMENTS</u>	<u>GROSS TOTAL</u>	<u>REIMBURSEMENT**</u>	<u>CONTRIBUTIONS*</u>	<u>SALV.</u>	<u>NET TOTAL</u>
52-20 GAS MAINS - HIGH PRESSURE (WITH ASSOCIATED VALVES AND REGULATORS)	1,226,000	19,349,000	20,575,000				20,575,000
52-21 GAS MAINS - LOW AND INTERMEDIATE PRESSURE - 8 INCH AND SMALLER	2,155,000	20,943,000	23,098,000	(1,616,000)			21,482,000
52-22 GAS MAINS - LOW AND INTERMEDIATE PRESSURE - 12 INCH AND LARGER	37,000	295,000	332,000				332,000
52-23 CUST MTR & REG INSTALL, PRESSURE REGULATION & CORROSION CONTROL FACILITIES	405,000	892,000	1,297,000				1,297,000
52-24 SERVICES	6,313,000	20,102,000	26,415,000				26,415,000
52-29 OTHER DISTRIBUTION FACILITIES	55,000	1,177,000	1,232,000				1,232,000
52-99 COST OF REMOVAL AND ABANDONMENT SALVAGE							
TOTAL DISTRIBUTION	10,191,000	62,758,000	72,949,000	(1,616,000)			71,333,000

* CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

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

DISTRIBUTION DEPARTMENT
FISCAL YEAR 2014
BUDGET/FORECAST COMPARISON

CATEGORY	2013 BUDGET	2014 FORECAST	2014 BUDGET	2014 vs 2013 BUDGET		2014 vs FORECAST	
				\$ DIFFERENCE	% DIFF.	\$ DIFFERENCE	% DIFF.
52-20 GAS MAINS - HIGH ADDITIONS	1,017,000	1,037,000	1,226,000	209,000	20.6%	189,000	18.2%
PRESSURE (WITH REPLACEMENTS	<u>11,753,000</u>	<u>12,301,000</u>	<u>19,349,000</u>	<u>7,596,000</u>	<u>64.6%</u>	<u>7,048,000</u>	<u>57.3%</u>
ASSOCIATED VALVES AND REGULATORS) TOTAL	12,770,000	13,338,000	20,575,000	7,805,000	61.1%	7,237,000	54.3%
52-21 GAS MAINS - LOW ADDITIONS	2,080,000	2,122,000	2,155,000	75,000	3.6%	33,000	1.6%
AND INTERMEDIATE REPLACEMENTS	<u>19,434,000</u>	<u>19,694,000</u>	<u>20,943,000</u>	<u>1,509,000</u>	<u>7.8%</u>	<u>1,249,000</u>	<u>6.3%</u>
PRESSURE - 8 INCH AND SMALLER TOTAL	21,514,000	21,816,000	23,098,000	1,584,000	7.4%	1,282,000	5.9%
52-22 GAS MAINS - LOW ADDITIONS	33,000	34,000	37,000	4,000	12.1%	3,000	8.8%
AND INTERMEDIATE REPLACEMENTS	<u>2,392,000</u>	<u>2,395,000</u>	<u>295,000</u>	<u>(2,097,000)</u>	<u>-87.7%</u>	<u>(2,100,000)</u>	<u>-87.7%</u>
PRESSURE - 12 INCH AND LARGER TOTAL	2,425,000	2,429,000	332,000	(2,093,000)	-86.3%	(2,097,000)	-86.3%
52-23 CUST MTR & REG INST ADDITIONS	222,000	226,000	405,000	183,000	82.4%	179,000	79.2%
PRESSURE REGULA- REPLACEMENTS	<u>438,000</u>	<u>447,000</u>	<u>892,000</u>	<u>454,000</u>	<u>103.7%</u>	<u>445,000</u>	<u>99.6%</u>
TION AND CORROSION CONTROL FACILITIES TOTAL	660,000	673,000	1,297,000	637,000	96.5%	624,000	92.7%
52-24 SERVICES ADDITIONS	6,547,000	6,678,000	6,313,000	(234,000)	-3.6%	(365,000)	-5.5%
REPLACEMENTS	<u>21,841,000</u>	<u>22,276,000</u>	<u>20,102,000</u>	<u>(1,739,000)</u>	<u>-8.0%</u>	<u>(2,174,000)</u>	<u>-9.8%</u>
TOTAL	28,388,000	28,954,000	26,415,000	(1,973,000)	-7.0%	(2,539,000)	-8.8%
52-29 OTHER DISTRIBUTION ADDITIONS	22,000	22,000	55,000	33,000	150.0%	33,000	150.0%
FACILITIES REPLACEMENTS	<u>175,000</u>	<u>15,000</u>	<u>1,177,000</u>	<u>1,002,000</u>	<u>572.6%</u>	<u>1,162,000</u>	<u>7746.7%</u>
TOTAL	197,000	37,000	1,232,000	1,035,000	525.4%	1,195,000	3229.7%
GROSS TOTAL DISTRIBUTION	65,954,000	67,247,000	72,949,000	6,995,000	10.6%	5,702,000	8.5%
52-99 COST OF REMOVAL AND ABANDONMENT	0	0	0	0	N/A	0	N/A
LESS: SALVAGE	0	0	0	0	N/A	0	N/A
LESS: CONTRIBUTIONS*	0	0	0	0	N/A	0	N/A
LESS: REIMBURSEMENT**	<u>(3,610,000)</u>	<u>(3,631,000)</u>	<u>(1,616,000)</u>	<u>1,994,000</u>	<u>-55.2%</u>	<u>2,015,000</u>	<u>-55.5%</u>
NET TOTAL DISTRIBUTION	<u>62,344,000</u>	<u>63,616,000</u>	<u>71,333,000</u>	<u>8,989,000</u>	<u>14.4%</u>	<u>7,717,000</u>	<u>12.1%</u>

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

DISTRIBUTION DEPARTMENT
FISCAL YEAR 2014 CAPITAL BUDGET

<u>P</u>	<u>D-20</u>	<u>GAS MAINS - HIGH PRESSURE (WITH ASSOCIATED VALVES AND REGULATORS)</u>	<u>AMOUNT</u>	<u>FEET, UNITS</u>
4	52-20-1-01	INSTALLATIONS TO PROVIDE FOR AHEAD-OF-PAVING AND EXTENSIONS TO SUPPLY ADDITIONAL LOADS	1,226,000	
3	52-20-2-01	ENFORCED RELOCATIONS CAUSED BY CITY AND STATE WORK	1,175,000	2,450
1	52-20-2-02	INCREMENTAL REPLACEMENT OF 12" HP CAST IRON MAIN	7,789,000	
1	52-20-2-03	INCREMENTAL REPLACEMENT OF 30" HP CAST IRON AND OTHER LARGE DIAMETER MAIN	10,385,000	
		GROSS TOTAL D-20	<u>20,575,000</u>	
		LESS: REIMBURSEMENT**		
		LESS: POTENTIAL CUSTOMER CONTRIBUTIONS		
		NET TOTAL D-20	<u><u>20,575,000</u></u>	
		<u>GAS MAINS - LOW AND INTERMEDIATE PRESSURE - 8 INCH AND SMALLER</u>		
	<u>D-21</u>			
4	52-21-1-01	LOCAL MAINS TO SUPPLY NEW HOUSES AND TO PROVIDE FOR INCREASED CAPACITY	2,155,000	
3	52-21-2-01	ENFORCED RELOCATIONS CAUSED BY CITY, STATE AND OTHER WORK AND ENLARGEMENTS THAT MAY BE REQUIRED TO MAINTAIN SYSTEM PRESSURE	4,992,000	22,236
1	52-21-2-02	PRUDENT MAIN REPLACEMENTS	15,201,000	75,276
3	52-21-2-03	MAIN FOR MAJOR ENFORCED RELOCATIONS: I-95 RECONSTRUCTION	<u>750,000</u>	
		GROSS TOTAL D-21	<u>23,098,000</u>	
		LESS: REIMBURSEMENT**	(1,616,000)	
		NET TOTAL D-21	<u><u>21,482,000</u></u>	

DISTRIBUTION DEPARTMENT
FISCAL YEAR 2014 CAPITAL BUDGET

<u>P</u>	<u>AMOUNT</u>	<u>FEET, UNITS</u>
<u>D-22</u>	GAS MAINS - LOW AND INTERMEDIATE PRESSURE - 12 INCH AND LARGER	
4 52-22-1-01	TO SUPPLY NEW CUSTOMERS AND TO PROVIDE FOR INSTALLATION OF MAINS AHEAD-OF-PAVING	37,000 55
3 52-22-2-01	ENFORCED RELOCATIONS CAUSED BY CITY, STATE AND OTHER WORK, AND NECESSARY REPLACEMENTS	295,000 86
	GROSS TOTAL D-22	332,000
	LESS: REIMBURSEMENT**	
	NET TOTAL D-22	332,000
<u>D-23</u>	CUSTOMER METERING & REGULATOR INSTALLATION, AND PRESSURE REGULATION & CORROSION CONTROL FACILITIES (NOT INCLUDED IN D-20 OR D-22)	
4 52-23-1-01	CUSTOMER METERING AND REGULATOR INSTALLATION	405,000
1 52-23-2-01	REPLACEMENT/REHABILITATION OF HIGH PRESSURE MAIN VALVES	608,000
2 52-23-2-02	REPLACEMENT OF VARIOUS PRESSURE REGULATING AND CORROSION CONTROL FACILITIES	284,000
	GROSS TOTAL D-23	1,297,000
	LESS: REIMBURSEMENT**	
	LESS: POTENTIAL CUSTOMER CONTRIBUTIONS*	
	NET TOTAL D-23	1,297,000

DISTRIBUTION DEPARTMENT
FISCAL YEAR 2014 CAPITAL BUDGET

<u>P</u>	<u>D-24</u>	<u>SERVICES</u>	<u>AMOUNT</u>	<u>FEET, UNITS</u>
4	52-24-1-01	INSTALLATION OF NEW 1-1/4" AND SMALLER SERVICES, HIGH, INTERMEDIATE AND LOW PRESSURE	3,943,000	
4	52-24-1-02	INSTALLATION OF NEW 2 INCH AND LARGER SERVICES TO SUPPLY NEW LOAD	2,370,000	
1	52-24-2-01	RENEWAL OF 1-1/4" AND SMALLER SERVICES FOR PRUDENT REASONS, AS A RESULT OF LEAK SURVEYS, CUSTOMER COMPLAINTS OR CITY AND STATE WORK	19,216,000	8,145
1	52-24-2-02	RENEWAL OF 2" AND LARGER SERVICES RESULTING FROM LEAKS OR OTHER REASONS	886,000	133
		GROSS TOTAL D-24	<u>26,415,000</u>	
		LESS: REIMBURSEMENT**		
		NET TOTAL D-24	<u><u>26,415,000</u></u>	
	<u>D-29</u>	<u>OTHER DISTRIBUTION FACILITIES</u>		
5	52-29-1-01	ADDITIONAL TOOLS AND WORK EQUIPMENT	55,000	
2	52-29-2-01	REPLACEMENT OF OBSOLETE TOOLS, RADIOS, AND WORK EQUIPMENT	1,177,000	
		NET TOTAL D-29	<u><u>1,232,000</u></u>	
1	52-99-2-99	REMOVAL AND ABANDONMENTS		
		GROSS TOTAL DISTRIBUTION DEPARTMENT	72,949,000	
		LESS: REIMBURSEMENT**	(1,616,000)	
		LESS: POTENTIAL CUSTOMER CONTRIBUTIONS*		
	52-98-2-98	LESS: SALVAGE		
		NET TOTAL DISTRIBUTION DEPARTMENT	<u><u>71,333,000</u></u>	

* DISTRIBUTION DEPARTMENT CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

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

DISTRIBUTION DEPARTMENT
LISTING BY PRIORITY
FISCAL YEAR 2014 CAPITAL BUDGET

<u>P</u>	<u>CATEGORY</u>	<u>AMOUNT</u>	<u>BUDGET YR</u>	<u>YEAR 1</u>	<u>YEAR 2</u>	<u>YEAR 3</u>	<u>YEAR 4 +</u>
<u>PRIORITY 1</u>							
1	D-20 52-20-2-02	INCREMENTAL REPLACEMENT OF 12" HP CAST IRON MAIN	7,789,000	6,289,000	1,500,000		
1	D-20 52-20-2-03	INCREMENTAL REPLACEMENT OF 30" HP CAST IRON AND OTHER LARGE DIAMETER MAIN	10,385,000	8,357,000	2,028,000		
1	D-21 52-21-2-02	PRUDENT MAIN REPLACEMENTS	15,201,000	14,416,000	785,000		
1	D-23 52-23-2-01	REPLACEMENT OF HIGH PRESSURE MAIN VALVES	608,000	358,000	250,000		
1	D-24 52-24-2-01	RENEWAL OF 1-1/4" AND SMALLER SERVICES FOR PRUDENT REASONS, AS A RESULT OF LEAK SURVEYS, CUSTOMER COMPLAINTS OR CITY AND STATE WORK	19,216,000	19,216,000			
1	D-24 52-24-2-02	RENEWAL OF 2" AND LARGER SERVICES RESULTING FROM LEAKS OR OTHER REASONS	886,000	886,000			
<u>PRIORITY 2</u>							
2	D-23 52-23-2-02	REPLACEMENT OF VARIOUS PRESSURE REGULATING AND CORROSION CONTROL FACILITIES	284,000	284,000			
2	D-29 52-29-2-01	REPLACEMENT OF OBSOLETE TOOLS, RADIOS, AND WORK EQUIPMENT	1,177,000	1,177,000			

DISTRIBUTION DEPARTMENT
LISTING BY PRIORITY
FISCAL YEAR 2014 CAPITAL BUDGET

<u>P</u>	<u>CATEGORY</u>	<u>AMOUNT</u>	<u>BUDGET YR</u>	<u>YEAR 1</u>	<u>YEAR 2</u>	<u>YEAR 3</u>	<u>YEAR 4 +</u>
<u>PRIORITY 3</u>							
3	D-20 52-20-2-01	ENFORCED RELOCATIONS CAUSED BY CITY AND STATE WORK	1,175,000	1,175,000			
3	D-21 52-21-2-01	ENFORCED RELOCATIONS CAUSED BY CITY, STATE AND OTHER WORK AND ENLARGEMENTS THAT MAY BE REQUIRED TO MAINTAIN SYSTEM PRESSURE	4,992,000	3,551,000	1,441,000		
3	D-21 52-21-2-03	MAIN FOR MAJOR ENFORCED RELOCATIONS: I-95 RECONSTRUCTION	750,000	750,000			
3	D-22 52-22-2-01	ENFORCED RELOCATIONS CAUSED BY CITY, STATE AND OTHER WORK, AND NECESSARY REPLACEMENTS	295,000	295,000			
<u>PRIORITY 4</u>							
4	D-20 52-20-1-01	INSTALLATIONS TO PROVIDE FOR AHEAD-OF-PAVING AND EXTENSIONS TO SUPPLY ADDITIONAL LOADS	1,226,000	1,226,000			
4	D-21 52-21-1-01	LOCAL MAINS TO SUPPLY NEW HOUSES AND TO PROVIDE FOR INCREASED CAPACITY	2,155,000	2,155,000			
4	D-22 52-22-1-01	TO SUPPLY NEW CUSTOMERS AND TO PROVIDE FOR INSTALLATION OF MAINS AHEAD-OF-PAVING	37,000	37,000			
4	D-23 52-23-1-01	CUSTOMER METERING AND REGULATOR INSTALLATION	405,000	405,000			
4	D-24 52-24-1-01	INSTALLATION OF NEW 1-1/4" AND SMALLER SERVICES, HIGH, INTERMEDIATE AND LOW PRESSURE	3,943,000	3,943,000			
4	D-24 52-24-1-02	INSTALLATION OF NEW 2 INCH AND LARGER SERVICES TO SUPPLY NEW LOAD	2,370,000	2,370,000			
<u>PRIORITY 5</u>							
5	D-29 52-29-1-01	ADDITIONAL TOOLS AND WORK EQUIPMENT	55,000	55,000			
TOTAL DISTRIBUTION DEPARTMENT:			<u>72,949,000</u>	<u>66,945,000</u>	<u>6,004,000</u>	<u>0</u>	<u>0</u>

PHILADELPHIA GAS WORKS
 FISCAL YEAR 2014 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	10,191,000	10,191,000	62,758,000	56,754,000	72,949,000	66,945,000
YEAR 1				6,004,000		6,004,000
YEAR 2						
YEAR 3						
YEAR 4 AND BEYOND						
TOTAL	<u>10,191,000</u>	<u>10,191,000</u>	<u>62,758,000</u>	<u>62,758,000</u>	<u>72,949,000</u>	<u>72,949,000</u>

FIELD SERVICES DEPARTMENT
FISCAL YEAR 2014 CAPITAL BUDGET
SUMMARY

<u>CATEGORY</u>	<u>ADDITIONS</u>	<u>REPLACEMENTS</u>	<u>TOTAL</u>
50-30 METERS & INSTALLATION	1,564,000	1,884,000	3,448,000
50-32 SERVICE REGULATORS AND INSTALLATION	48,000	62,000	110,000
50-33 COMMERCIAL & INDUSTRIAL TELEMETERING SYSTEMS	58,000	79,000	137,000
50-34 METER SHOP EQUIPMENT		72,000	72,000
50-35 SERVICE SECTION EQUIPMENT			
50-36 AUTOMATIC METER READING	60,000	2,059,000	2,119,000
50-99 COST OF REMOVAL			
GROSS TOTAL FIELD SERVICES	1,730,000	4,156,000	5,886,000
LESS: SALVAGE			
LESS: CONTRIBUTIONS*			
NET TOTAL FIELD SERVICES	<u>1,730,000</u>	<u>4,156,000</u>	<u>5,886,000</u>

* FIELD SERVICES DEPARTMENT CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

FIELD SERVICES DEPARTMENT
FISCAL YEAR 2014
BUDGET/FORECAST COMPARISON

CATEGORY		2013 BUDGET	2014 FORECAST	2014 BUDGET	2014 vs 2013 BUDGET		2014 vs FORECAST	
					\$ DIFFERENCE	% DIFF.	\$ DIFFERENCE	% DIFF.
50-30	METERS							
	ADDITIONS	2,166,000	2,383,000	1,564,000	(602,000)	-27.8%	(819,000)	-34.4%
	REPLACEMENTS	<u>1,449,000</u>	<u>1,366,000</u>	<u>1,884,000</u>	<u>435,000</u>	<u>30.0%</u>	<u>518,000</u>	<u>37.9%</u>
	TOTAL	3,615,000	3,749,000	3,448,000	(167,000)	-4.6%	(301,000)	-8.0%
50-32	SERVICE REGULATORS AND INSTALLATIONS							
	ADDITIONS	38,000	23,000	48,000	10,000	26.3%	25,000	108.7%
	REPLACEMENTS	<u>61,000</u>	<u>14,000</u>	<u>62,000</u>	<u>1,000</u>	<u>1.6%</u>	<u>48,000</u>	<u>342.9%</u>
	TOTAL	99,000	37,000	110,000	11,000	11.1%	73,000	197.3%
50-33	TELEMETERING AND INSTALLATIONS							
	ADDITIONS	74,000	91,000	58,000	(16,000)	-21.6%	(33,000)	-36.3%
	REPLACEMENTS	<u>10,000</u>	<u>22,000</u>	<u>79,000</u>	<u>69,000</u>	<u>690.0%</u>	<u>57,000</u>	<u>259.1%</u>
	TOTAL	84,000	113,000	137,000	53,000	63.1%	24,000	21.2%
50-34	METER SHOP EQUIPMENT							
	ADDITIONS	0	0	0	0	N/A	0	N/A
	REPLACEMENTS	<u>104,000</u>	<u>106,000</u>	<u>72,000</u>	<u>(32,000)</u>	<u>-30.8%</u>	<u>(34,000)</u>	<u>-32.1%</u>
	TOTAL	104,000	106,000	72,000	(32,000)	-30.8%	(34,000)	-32.1%
50-35	SERVICE SECTION EQUIPMENT							
	ADDITIONS	0	0	0	0	N/A	0	N/A
	REPLACEMENTS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>N/A</u>	<u>0</u>	<u>N/A</u>
	TOTAL	0	0	0	0	N/A	0	N/A
50-36	AUTOMATIC METER READING							
	ADDITIONS	59,000	58,000	60,000	1,000	1.7%	2,000	3.4%
	REPLACEMENTS	<u>1,137,000</u>	<u>1,158,000</u>	<u>2,059,000</u>	<u>922,000</u>	<u>81.1%</u>	<u>901,000</u>	<u>77.8%</u>
	TOTAL	1,196,000	1,216,000	2,119,000	923,000	77.2%	903,000	74.3%
50-99	COST OF REMOVAL	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>N/A</u>	<u>0</u>	<u>N/A</u>
	GROSS TOTAL FIELD SERVICES	5,098,000	5,221,000	5,886,000	788,000	15.5%	665,000	12.7%
	LESS: SALVAGE	0	0	0	0	N/A	0	N/A
	LESS: CONTRIBUTIONS*	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>N/A</u>	<u>0</u>	<u>N/A</u>
	NET TOTAL FIELD SERVICES	<u>5,098,000</u>	<u>5,221,000</u>	<u>5,886,000</u>	<u>788,000</u>	<u>15.5%</u>	<u>665,000</u>	<u>12.7%</u>

* FIELD SERVICES DEPARTMENT CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

FIELD SERVICES DEPARTMENT
FISCAL YEAR 2014 CAPITAL BUDGET

<u>P</u>	<u>C-30</u>	<u>METERS</u>	<u>AMOUNT</u>
4	50-30-1-01	PURCHASE AND INSTALLATION OF METERS TO PROVIDE FOR NEW CUSTOMERS	1,564,000
1	50-30-2-01	PURCHASE METERS TO SUPPORT AUTOMATIC METER READING	<u>1,884,000</u>
		TOTAL C-30	<u><u>3,448,000</u></u>
	<u>C-32</u>	<u>SERVICE REGULATORS</u>	
4	50-32-1-01	PURCHASE AND INSTALLATION OF SERVICE REGULATORS	48,000
1	50-32-2-01	PURCHASE VARIOUS SIZE SERVICE REGULATORS	<u>62,000</u>
		TOTAL C-32	<u><u>110,000</u></u>
	<u>C-33</u>	<u>COMMERCIAL & INDUSTRIAL TELEMETERING SYSTEMS</u>	
5	50-33-1-01	PURCHASE AND INSTALLATION OF EQUIPMENT AND INSTRUMENTATION	58,000
1	50-33-2-01	REPLACE BPS METSCAN AND LBS METRETEK UNITS, EQUIPMENT AND INSTRUMENTATION	<u>79,000</u>
		TOTAL C-33	<u><u>137,000</u></u>
	<u>C-34</u>	<u>METER SHOP EQUIPMENT</u>	
5	50-34-2-01	REPLACEMENT OF OBSOLETE SHOP EQUIPMENT, HAND-HELD TOOLS AND SOFTWARE PACKAGE USED FOR AMR	72,000
		TOTAL C-34	<u><u>72,000</u></u>
	<u>C-35</u>	<u>SERVICE SECTION EQUIPMENT</u>	
2	50-35-2-01	REPLACE EQUIPMENT UTILIZED BY THE TRAINING, CLERICAL AND SERVICE SECTIONS	
		TOTAL C-35	<u><u> </u></u>

FIELD SERVICES DEPARTMENT
FISCAL YEAR 2014 CAPITAL BUDGET

<u>P</u>	<u>C-36</u>	<u>AUTOMATIC METER READING</u>	<u>AMOUNT</u>
5	50-36-1-01	PURCHASE AND INSTALLATION OF ERT DEVICES FOR AMR	60,000
5	50-36-2-01	REPLACE AMR DEVICES WHERE BATTERIES FAILED	<u>2,059,000</u>
		TOTAL C-36	<u><u>2,119,000</u></u>
1	50-99-2-99	COST OF REMOVAL	<u><u> </u></u>
		GROSS TOTAL FIELD SERVICES DEPARTMENT	5,886,000
	50-98-2-98	LESS: ESTIMATED SALVAGE	
		LESS: CONTRIBUTIONS*	
		NET TOTAL FIELD SERVICES DEPARTMENT	<u><u><u>5,886,000</u></u></u>

FIELD SERVICES DEPARTMENT
LISTING BY PRIORITY
FISCAL YEAR 2014 CAPITAL BUDGET

<u>P</u>	<u>CATEGORY</u>		<u>AMOUNT</u>	<u>BUDGET YR</u>	<u>YEAR 1</u>	<u>YEAR 2</u>	<u>YEAR 3</u>	<u>YEAR 4 +</u>	
	<u>PRIORITY 1</u>								
1	C-30	50-30-2-01 PURCHASE METERS TO SUPPORT AUTOMATIC METER READING	1,884,000	1,884,000					
1	C-32	50-32-2-01 PURCHASE VARIOUS SIZE SERVICE REGULATORS	62,000	62,000					
1	C-33	50-33-2-01 REPLACE BPS METSCAN AND LBS METRETEK UNITS, EQUIPMENT AND INSTRUMENTATION	79,000	79,000					
	<u>PRIORITY 4</u>								
4	C-30	50-30-1-01 PURCHASE AND INSTALLATION OF METERS TO PROVIDE FOR NEW CUSTOMERS	1,564,000	1,564,000					
4	C-32	50-32-1-01 PURCHASE AND INSTALLATION OF SERVICE REGULATORS	48,000	48,000					
	<u>PRIORITY 5</u>								
5	C-33	50-33-1-01 PURCHASE AND INSTALLATION OF EQUIPMENT AND INSTRUMENTATION	58,000	58,000					
5	C-34	50-34-2-01 REPLACEMENT OF OBSOLETE SHOP EQUIPMENT, HAND-HELD TOOLS AND SOFTWARE PACKAGE USED FOR AMR	72,000	72,000					
5	C-36	50-36-1-01 PURCHASE AND INSTALLATION OF ERT DEVICES FOR AMR	60,000	60,000					
5	C-36	50-36-2-01 REPLACE AMR DEVICES WHERE BATTERIES FAILED	2,059,000	1,159,000	900,000				
	<u>TOTAL FIELD SERVICES DEPARTMENT:</u>			<u>5,886,000</u>	<u>4,986,000</u>	<u>900,000</u>	<u>0</u>	<u>0</u>	<u>0</u>

PHILADELPHIA GAS WORKS
 FISCAL YEAR 2014 CAPITAL BUDGET
 FIELD SERVICES DEPARTMENT ESTIMATE OF ENCUMBERANCE AND EXPENDITURE

<u>FISCAL YEAR</u>	<u>ADDITIONS</u>		<u>REPLACEMENTS</u>		<u>TOTAL</u>	
	<u>ENCUMBERED</u>	<u>EXPENDED</u>	<u>ENCUMBERED</u>	<u>EXPENDED</u>	<u>ENCUMBERED</u>	<u>EXPENDED</u>
CURRENT BUDGET	1,730,000	1,730,000	4,156,000	3,256,000	5,886,000	4,986,000
YEAR 1				900,000		900,000
YEAR 2						
YEAR 3						
YEAR 4 AND BEYOND						
TOTAL	<u>1,730,000</u>	<u>1,730,000</u>	<u>4,156,000</u>	<u>4,156,000</u>	<u>5,886,000</u>	<u>5,886,000</u>

FLEET OPERATIONS DEPARTMENT

FISCAL YEAR 2014

BUDGET/FORECAST COMPARISON

<u>CATEGORY</u>	<u>2013</u>	<u>2014</u>	<u>2014</u>	<u>2014 vs 2013 BUDGET</u>		<u>2014 vs FORECAST</u>	
	<u>BUDGET</u>	<u>FORECAST</u>	<u>BUDGET</u>	<u>\$</u>	<u>%</u>	<u>\$</u>	<u>%</u>
				<u>DIFFERENCE</u>	<u>DIFF.</u>	<u>DIFFERENCE</u>	<u>DIFF.</u>
73-01-1-01 SHOP EQUIPMENT ADDITIONS	0	0	0	0	N/A	0	N/A
73-01-1-02 VEHICLE ADDITIONS	39,000	0	0	(39,000)	-100.0%	0	N/A
73-01-2-01 SHOP EQUIPMENT REPLACEMENTS	0	0	0	0	N/A	0	N/A
73-01-2-02 MOBILE EQUIPMENT REPLACEMENTS	1,074,000	504,000	318,000	(756,000)	-70.4%	(186,000)	-36.9%
73-01-2-03 VEHICLE REPLACEMENTS	3,089,000	3,154,000	3,416,000	327,000	10.6%	262,000	8.3%
73-01-2-04 FLEET MANAGEMENT SYS UPGRADE	0	0	177,000	177,000	N/A	177,000	N/A
73-01-2-05 FUEL SYSTEM UPGRADE	0	0	33,000	33,000	N/A	33,000	N/A
GROSS TOTAL FLEET OPERATIONS	4,202,000	3,658,000	3,944,000	(258,000)	-6.1%	286,000	7.8%
LESS: SALVAGE	0	0	0	0	N/A	0	N/A
NET TOTAL FLEET OPERATIONS	<u>4,202,000</u>	<u>3,658,000</u>	<u>3,944,000</u>	<u>(258,000)</u>	<u>-6.1%</u>	<u>286,000</u>	<u>7.8%</u>

FLEET OPERATIONS DEPARTMENT
FISCAL YEAR 2014 CAPITAL BUDGET

<u>P</u>		<u>AMOUNT</u>
2	73-01-1-01 SHOP EQUIPMENT ADDITIONS	0
2	73-01-2-01 SHOP EQUIPMENT REPLACEMENTS	0
2	73-01-2-02 MOBILE EQUIPMENT REPLACEMENTS	318,000
2	73-01-2-03 VEHICLE REPLACEMENTS	3,416,000
2	73-01-2-04 FLEET MANAGEMENT SYSTEM UPGRADE	177,000
2	73-01-2-05 FUEL SYSTEM UPGRADE	33,000
	GROSS TOTAL FLEET OPERATIONS	<u>3,944,000</u>
73-98-2-98	LESS: SALVAGE	
	NET TOTAL FLEET OPERATIONS	<u><u>3,944,000</u></u>

FLEET OPERATIONS DEPARTMENT
LISTING BY PRIORITY
FISCAL YEAR 2014 CAPITAL BUDGET

<u>P</u>	<u>CATEGORY</u>	<u>AMOUNT</u>	<u>BUDGET YR</u>	<u>YEAR 1</u>	<u>YEAR 2</u>	<u>YEAR 3</u>	<u>YEAR 4 +</u>
	<u>PRIORITY 2</u>						
2	73-01-1-01 SHOP EQUIPMENT ADDITIONS	0	0				
2	73-01-1-02 VEHICLE ADDITIONS						
2	73-01-2-01 SHOP EQUIPMENT REPLACEMENTS	0	0				
2	73-01-2-02 MOBILE EQUIPMENT REPLACEMENTS	318,000	318,000				
2	73-01-2-03 VEHICLE REPLACEMENTS	3,416,000	1,985,000	1,431,000			
2	73-01-2-04 FLEET MANAGEMENT SYSTEM UPGRADE	177,000	177,000				
2	73-01-2-05 FUEL SYSTEM UPGRADE	33,000	33,000				
	TOTAL FLEET OPERATIONS DEPARTMENT:	<u>3,944,000</u>	<u>2,513,000</u>	<u>1,431,000</u>			

PHILADELPHIA GAS WORKS
 FISCAL YEAR 2014 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	0	0	3,944,000	2,513,000	3,944,000	2,513,000
YEAR 1				1,431,000		1,431,000
YEAR 2						
YEAR 3						
YEAR 4 AND BEYOND						
TOTAL	<u>0</u>	<u>0</u>	<u>3,944,000</u>	<u>3,944,000</u>	<u>3,944,000</u>	<u>3,944,000</u>

OTHER DEPARTMENTS
FISCAL YEAR 2014 CAPITAL BUDGET
SUMMARY

<u>CATEGORY</u>	<u>ADDITIONS</u>	<u>REPLACEMENTS</u>	<u>TOTAL</u>
FACILITIES	549,000	4,881,000	5,430,000
INFORMATION SERVICES	461,000	3,082,000	3,543,000
CHIEF OPERATING OFFICER		750,000	750,000
CORPORATE PREPAREDNESS	451,000	40,000	491,000
GAS CONTROL		1,188,000	1,188,000
VP GAS MANAGEMENT		1,159,000	1,159,000
VP TECHNICAL COMPLIANCE	1,403,000		1,403,000
VP CUSTOMER AFFAIRS	1,948,000	270,000	2,218,000
TOTAL OTHER DEPARTMENTS	<u>4,812,000</u>	<u>11,370,000</u>	<u>16,182,000</u>

OTHER DEPARTMENTS
FISCAL YEAR 2014
BUDGET/FORECAST COMPARISON

<u>CATEGORY</u>		2013 <u>BUDGET</u>	2014 <u>FORECAST</u>	2014 <u>BUDGET</u>	<u>2014 vs 2013 BUDGET</u>		<u>2014 vs FORECAST</u>	
					<u>\$</u> <u>DIFFERENCE</u>	<u>%</u> <u>DIFF.</u>	<u>\$</u> <u>DIFFERENCE</u>	<u>%</u> <u>DIFF.</u>
FACILITIES	ADDITIONS	133,000	133,000	549,000	416,000	312.8%	416,000	312.8%
	REPLACEMENTS	<u>6,414,000</u>	<u>3,232,000</u>	<u>4,881,000</u>	<u>(1,533,000)</u>	<u>-23.9%</u>	<u>1,649,000</u>	<u>51.0%</u>
	TOTAL	6,547,000	3,365,000	5,430,000	(1,117,000)	-17.1%	2,065,000	61.4%
INFORMATION SERVICES	ADDITIONS	1,151,000	492,000	461,000	(690,000)	-59.9%	(31,000)	-6.3%
	REPLACEMENTS	<u>862,000</u>	<u>1,722,000</u>	<u>3,082,000</u>	<u>2,220,000</u>	<u>257.5%</u>	<u>1,360,000</u>	<u>79.0%</u>
	TOTAL	2,013,000	2,214,000	3,543,000	1,530,000	76.0%	1,329,000	60.0%
CHIEF OPERATING OFFICER	ADDITIONS	0	0	0	0	N/A	0	N/A
	REPLACEMENTS	<u>750,000</u>	<u>750,000</u>	<u>750,000</u>	<u>0</u>	<u>0.0%</u>	<u>0</u>	<u>0.0%</u>
	TOTAL	750,000	750,000	750,000	0	0.0%	0	0.0%
CORPORATE PREPAREDNESS	ADDITIONS	0	0	451,000	451,000	N/A	451,000	N/A
	REPLACEMENTS	<u>0</u>	<u>0</u>	<u>40,000</u>	<u>40,000</u>	<u>N/A</u>	<u>40,000</u>	<u>N/A</u>
	TOTAL	0	0	491,000	491,000	N/A	491,000	N/A
GAS CONTROL	ADDITIONS	0	0	0	0	N/A	0	N/A
	REPLACEMENTS	<u>0</u>	<u>0</u>	<u>1,188,000</u>	<u>1,188,000</u>	<u>N/A</u>	<u>1,188,000</u>	<u>N/A</u>
	TOTAL	0	0	1,188,000	1,188,000	N/A	1,188,000	N/A
VP GAS MANAGEMENT	ADDITIONS	110,000	0	0	(110,000)	-100.0%	0	N/A
	REPLACEMENTS	<u>0</u>	<u>0</u>	<u>1,159,000</u>	<u>1,159,000</u>	<u>N/A</u>	<u>1,159,000</u>	<u>N/A</u>
	TOTAL	110,000	0	1,159,000	1,049,000	953.6%	1,159,000	N/A
VP TECHNICAL COMPLIANCE	ADDITIONS	0	0	1,403,000	1,403,000	N/A	1,403,000	N/A
	REPLACEMENTS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>N/A</u>	<u>0</u>	<u>N/A</u>
	TOTAL	0	0	1,403,000	1,403,000	N/A	1,403,000	N/A
VP CUSTOMER AFFAIRS	ADDITIONS	102,000	0	1,948,000	1,846,000	1809.8%	1,948,000	N/A
	REPLACEMENTS	<u>0</u>	<u>0</u>	<u>270,000</u>	<u>270,000</u>	<u>N/A</u>	<u>270,000</u>	<u>N/A</u>
	TOTAL	102,000	0	2,218,000	2,116,000	2074.5%	2,218,000	N/A
TOTAL OTHER DEPARTMENTS		<u>9,522,000</u>	<u>6,329,000</u>	<u>16,182,000</u>	<u>6,660,000</u>	<u>69.9%</u>	<u>9,853,000</u>	<u>155.7%</u>

FACILITIES
FISCAL YEAR 2014
BUDGET/FORECAST COMPARISON

CATEGORY	2013 BUDGET	2014 FORECAST	2014 BUDGET	2014 vs 2013 BUDGET		2014 vs FORECAST	
				\$ DIFFERENCE	% DIFF.	\$ DIFFERENCE	% DIFF.
72-01-1-01 MISC CAPITAL ADDITIONS	123,000	125,000	118,000	(5,000)	-4.1%	(7,000)	-5.6%
72-01-1-02 MISC CAPITAL ADDITIONS-GAS PROC	10,000	10,000	12,000	2,000	20.0%	2,000	20.0%
72-01-1-03 CNG REFUELING STATION - SLOW FIL	0	0		137,000	N/A	137,000	N/A
72-01-1-04 ELECTRIC GENERATOR - TIOGA	0	0		282,000	N/A	282,000	N/A
72-01-2-01 MISC CAPITAL REPL & STRUCTURAL	378,000	358,000	477,000	99,000	26.2%	119,000	33.2%
72-01-2-02 MISC CAPITAL REPL - GAS PROC	48,000	49,000	37,000	(11,000)	-22.9%	(12,000)	-24.5%
72-01-2-03 MISC CAPITAL REPLACEMENTS - STRUCTURAL - GAS PROCESSING	47,000	48,000	58,000	11,000	23.4%	10,000	20.8%
72-01-2-04 RENOVATE DISTRICT OFFICE	692,000	600,000	692,000	0	0.0%	92,000	15.3%
72-01-2-05 REPLACE HVAC SYSTEM - 800	185,000	190,000	201,000	16,000	8.6%	11,000	5.8%
72-01-2-06 REPLACE CARPETS - ALL LOCATIONS	200,000	0	154,000	(46,000)	-23.0%	154,000	N/A
72-01-2-07 REPLACE MODULAR FURNITURE - 800	200,000	200,000	200,000	0	0.0%	0	0.0%
72-01-2-08 REPLACE SWITCHGEAR - 1800	300,000	0	342,000	42,000	14.0%	342,000	N/A
72-01-2-09 REPL OBSOLETE LIGHTING - 800	0	0	105,000	105,000	N/A	105,000	N/A
72-01-2-10 RELOCATE GAS CONTROL	0	0	510,000	510,000	N/A	510,000	N/A
72-01-2-11 REPL PARKING LOT - CASTOR	0	0	418,000	418,000	N/A	418,000	N/A
72-01-2-12 UPGR ELECTRIC SERVICE - STATIONS	100,000	100,000	359,000	259,000	259.0%	259,000	259.0%
72-01-2-13 ELEVATOR #10 MODERNIZATION-1800	0	0	330,000	330,000	N/A	330,000	N/A
72-01-2-14 REPL BLDG EMERGENCY GENERATOR	0	0	315,000	315,000	N/A	315,000	N/A
72-01-2-15 REPL TRANSP BLDG TOP DECK	0	0	300,000	300,000	N/A	300,000	N/A
72-01-2-16 REPLACE HVAC COMPONENTS - 1800	200,000	0	208,000	8,000	4.0%	208,000	N/A
72-01-2-17 BLDG SECURITY UPGR - 800	0	0	175,000	175,000	N/A	175,000	N/A

FACILITIES
FISCAL YEAR 2014
BUDGET/FORECAST COMPARISON

CATEGORY	2013	2014	2014	2014 vs 2013 BUDGET		2014 vs FORECAST	
	BUDGET	FORECAST	BUDGET	\$	%	\$	%
				DIFFERENCE	DIFF.	DIFFERENCE	DIFF.
72-01-2-18 UPGR OFFICE SPACES - 1800	0	100,000	0	0	N/A	(100,000)	-100.0%
72-01-2-19 REPAIR CONDITIONING - STATIONS	0	60,000	0	0	N/A	(60,000)	-100.0%
72-01-2-20 REPLACE ROOF - 9TH & DIAMOND	0	250,000	0	0	N/A	(250,000)	-100.0%
72-01-2-21 REPLACE ROOF - CASTOR	0	265,000	0	0	N/A	(265,000)	-100.0%
72-01-2-22 UPGR DISPATCH CENTERS	0	500,000	0	0	N/A	(500,000)	-100.0%
72-01-2-23 REPL LIGHTING - BELFIELD	100,000	0	0	(100,000)	-100.0%	0	N/A
72-01-2-24 RELOCATE DATA CENTER TO 800	2,807,000	0	0	(2,807,000)	-100.0%	0	N/A
72-01-2-25 REPLACE PARKING LOT - 9TH & DIA	707,000	0	0	(707,000)	-100.0%	0	N/A
72-01-2-26 UPGR OFFICE SPACES - 1800	100,000	0	0	(100,000)	-100.0%	0	N/A
72-01-2-27 RENOVATE TRAINING ROOMS	300,000	0	0	(300,000)	-100.0%	0	N/A
72-01-2-32 REPLACE WINDOWS - 1800	0	0	0	0	N/A	0	N/A
72-01-2-29 UPGR TIOGA STATION	0	500,000	0	0	N/A	(500,000)	-100.0%
TOTAL FACILITIES	<u>6,547,000</u>	<u>3,365,000</u>	<u>5,011,000</u>	<u>(1,117,000)</u>	<u>-17.1%</u>	<u>2,065,000</u>	<u>61.4%</u>

OTHER DEPARTMENTS
FISCAL YEAR 2014 CAPITAL BUDGET

<u>P</u>		<u>FACILITIES</u>	<u>AMOUNT</u>
1	72-01-1-01	MISCELLANEOUS CAPITAL ADDITIONS	118,000
1	72-01-1-02	MISCELLANEOUS CAPITAL ADDITIONS - GAS PROCESSING	12,000
5	72-01-1-03	CNG REFUELING STATION - SLOW FILL PACKAGED UNITS	137,000
2	72-01-1-04	BACKUP ELECTRIC GENERATOR - TIOGA	282,000
1	72-01-2-01	MISCELLANEOUS CAPITAL REPLACEMENTS/STRUCTURAL REPAIRS	477,000
1	72-01-2-02	MISCELLANEOUS CAPITAL REPLACEMENTS - GAS PROCESSING	37,000
1	72-01-2-03	MISC CAPITAL REPL - STRUCTURAL REPAIRS - GAS PROCESSING	58,000
1	72-01-2-04	RENOVATE SOUTH PHILADELPHIA DISTRICT OFFICE	692,000
2	72-01-2-05	REPLACE HVAC SYSTEM COMPONENTS - 800	201,000
2	72-01-2-06	REPLACE CARPETS - ALL LOCATIONS	154,000
2	72-01-2-07	REPLACE MODULAR FURNITURE - 800	200,000
2	72-01-2-08	REPLACE SWITCHGEAR - 1800	342,000
2	72-01-2-09	REPLACE OBSOLETE INTERIOR LIGHTING - 800	105,000
2	72-01-2-10	RELOCATE GAS CONTROL	510,000
1	72-01-2-11	REPLACE PARKING LOT - CASTOR	418,000
2	72-01-2-12	UPGRADE ELECTRIC SERVICE - BELFIELD	359,000
2	72-01-2-13	ELEVATOR #10 MODERNIZATION - 1800	330,000
2	72-01-2-14	REPLACE BUILDING EMERGENCY GENERATOR - 800	315,000
2	72-01-2-15	REPLACE TRANSPORTATION BUILDING TOP DECK	300,000
2	72-01-2-16	REPLACE HVAC COMPONENTS - 1800	208,000
5	72-01-2-17	BUILDING SECURITY UPGRADES - 800	175,000
		TOTAL FACILITIES	<u>5,430,000</u>

OTHER DEPARTMENTS
FISCAL YEAR 2014 CAPITAL BUDGET

<u>P</u>		<u>AMOUNT</u>
	<u>INFORMATION SERVICES</u>	
5	47-01-1-01 MISCELLANEOUS SERVER & NETWORK ADDITIONS	86,000
5	47-01-1-02 MISCELLANEOUS SOFTWARE ADDITIONS	95,000
5	47-01-1-03 DESKTOP VIRTUALIZATION - PHASE 1	280,000
5	47-01-2-01 DESKTOPS, LAPTOPS, PRINTERS & PERIPHERALS	0
5	47-01-2-02 MISCELLANEOUS SOFTWARE REPLACEMENTS	50,000
5	47-01-2-03 SERVER & NETWORK HARDWARE REPLACEMENTS	194,000
5	47-01-2-04 REPLACE PBX WITH VOICE OVER IP PHONE SYSTEM	2,838,000
	TOTAL INFORMATION SERVICES	<u>3,543,000</u>

CHIEF OPERATING OFFICER

1	13-01-2-01 CONDITIONAL FUNDING FOR CAPITAL NEEDS RELATED TO SAFETY	250,000
2	13-01-2-02 COND FUND FOR CAPITAL NEEDS - RELIABILITY OF SERVICE	250,000
4	13-01-2-03 COND FUND FOR CAPITAL NEEDS - COST-JUSTIFIED LOAD GROWTH	250,000
	TOTAL CHIEF OPERATING OFFICER	<u>750,000</u>

CORPORATE PREPAREDNESS

5	65-01-1-01 VIDEO MONITORING AND RECORDING AT CASTOR, BELFIELD, TIOGA	154,000
5	65-01-1-02 (2) CARD READERS - 1800 GARAGE, 8TH STREET GATE	40,000
5	65-01-1-03 (1) METAL DETECTOR, AND (1) MOBILE SECURITY STATION	27,000
5	65-01-1-04 CRASH BEAM BARRIER - RICHMOND	230,000
5	65-01-2-01 DIGITAL RECORDING UPGRADE - 800	40,000
	TOTAL CORPORATE PREPAREDNESS	<u>491,000</u>

GAS CONTROL

5	09-01-2-01 SCADA UPGRADE WITH CONTROL ROOM AND ALARM MANAGEMENT	1,188,000
	TOTAL GAS CONTROL	<u>1,188,000</u>

OTHER DEPARTMENTS
FISCAL YEAR 2014 CAPITAL BUDGET

<u>P</u>			<u>AMOUNT</u>
		<u>VP GAS MANAGEMENT</u>	
5	57-01-2-01	REPLACE GAS MGT SYSTEM AND SUPPLIER CHOICE SOFTWARE	1,159,000
		TOTAL VP GAS MANAGEMENT	<u>1,159,000</u>
		<u>VP TECHNICAL COMPLIANCE</u>	
1	38-01-1-01	SPARGE CURTAIN & SOIL VAPOR EXTRACTION - PASSYUNK/PORTER	1,403,000
		TOTAL VP TECHNICAL COMPLIANCE	<u>1,403,000</u>
		<u>VP CUSTOMER AFFAIRS</u>	
5	10-01-1-01	CONSOLIDATED BILLING AND PURCHASE OF RECEIVABLES (POR)	1,523,000
5	10-01-1-02	CREDIT DENIAL AUTOMATION	60,000
5	10-01-1-03	DEMAND SIDE MANAGEMENT (ENERGYSENSE) PROGRAMS	100,000
5	10-01-1-04	SELF SERVICE ENHANCEMENTS TO IVR AND PGW WEBSITE	150,000
5	10-01-1-05	LIHEAP GRANT APPLICATION FOR CRP	115,000
5	10-01-2-01	REPLACE COMPLAINT MANAGEMENT SYSTEM	270,000
		TOTAL VP CUSTOMER AFFAIRS	<u>2,218,000</u>
		TOTAL OTHER DEPARTMENTS	<u>16,182,000</u>

OTHER DEPARTMENTS
LISTING BY PRIORITY
FISCAL YEAR 2014 CAPITAL BUDGET

<u>P</u>	<u>CATEGORY</u>	<u>AMOUNT</u>	<u>BUDGET YR</u>	<u>YEAR 1</u>	<u>YEAR 2</u>	<u>YEAR 3</u>	<u>YEAR 4 +</u>
	<u>PRIORITY 1</u>						
1	72-01-1-01 MISCELLANEOUS CAPITAL ADDITIONS	118,000	118,000				
1	72-01-1-02 MISCELLANEOUS CAPITAL ADDITIONS - GAS PROCESSING	12,000	12,000				
1	72-01-2-01 MISCELLANEOUS CAPITAL REPLACEMENTS/STRUCTURAL REPAIRS	477,000	400,000	77,000			
1	72-01-2-02 MISCELLANEOUS CAPITAL REPLACEMENTS - GAS PROCESSING	37,000	37,000				
1	72-01-2-03 MISC CAPITAL REPL - STRUCTURAL REPAIRS - GAS PROCESSING	58,000	58,000				
1	72-01-2-04 RENOVATE SOUTH PHILADELPHIA DISTRICT OFFICE	692,000	692,000				
1	72-01-2-11 REPLACE PARKING LOT - CASTOR	418,000	418,000				
1	38-01-1-01 SPARGE CURTAIN & SOIL VAPOR EXTRACTION - PASSYUNK/PORTER	1,403,000	1,403,000				
1	13-01-2-01 CONDITIONAL FUNDING FOR CAPITAL NEEDS RELATED TO SAFETY	250,000					

OTHER DEPARTMENTS
LISTING BY PRIORITY
FISCAL YEAR 2014 CAPITAL BUDGET

<u>P</u>	<u>CATEGORY</u>	<u>AMOUNT</u>	<u>BUDGET YR</u>	<u>YEAR 1</u>	<u>YEAR 2</u>	<u>YEAR 3</u>	<u>YEAR 4 +</u>
	<u>PRIORITY 2</u>						
2	72-01-1-03 BACKUP ELECTRIC GENERATOR - TIOGA	282,000	282,000				
2	72-01-2-05 REPLACE HVAC SYSTEM COMPONENTS - 800	201,000	201,000				
2	72-01-2-06 REPLACE CARPETS - ALL LOCATIONS	154,000	154,000				
2	72-01-2-07 REPLACE MODULAR FURNITURE - 800	200,000	200,000				
2	72-01-2-08 REPLACE SWITCHGEAR - 1800	342,000	342,000				
2	72-01-2-09 REPLACE OBSOLETE INTERIOR LIGHTING - 800	105,000	105,000				
2	72-01-2-10 RELOCATE GAS CONTROL	510,000	510,000				
2	72-01-2-12 UPGRADE ELECTRIC SERVICE - BELFIELD	359,000	359,000				
2	72-01-2-13 ELEVATOR #10 MODERNIZATION - 1800	330,000	330,000				
2	72-01-2-14 REPLACE BUILDING EMERGENCY GENERATOR - 800	315,000	315,000				
2	72-01-2-15 REPLACE TRANSPORTATION BUILDING TOP DECK	300,000	300,000				
2	72-01-2-16 REPLACE HVAC COMPONENTS - 1800	208,000	208,000				
2	13-01-2-02 COND FUND FOR CAPITAL NEEDS - RELIABILITY OF SERVICE	250,000					
	<u>PRIORITY 4</u>						
4	13-01-2-03 COND FUND FOR CAPITAL NEEDS - COST-JUSTIFIED LOAD GROWTH	250,000					

OTHER DEPARTMENTS
LISTING BY PRIORITY
FISCAL YEAR 2014 CAPITAL BUDGET

<u>P</u>	<u>CATEGORY</u>	<u>AMOUNT</u>	<u>BUDGET YR</u>	<u>YEAR 1</u>	<u>YEAR 2</u>	<u>YEAR 3</u>	<u>YEAR 4 +</u>
	<u>PRIORITY 5</u>						
5	72-01-2-17 BUILDING SECURITY UPGRADES - 800	175,000	175,000				
5	47-01-1-01 MISCELLANEOUS SERVER & NETWORK ADDITIONS	86,000	86,000				
5	47-01-1-02 MISCELLANEOUS SOFTWARE ADDITIONS	95,000	95,000				
5	47-01-1-03 DESKTOP VIRTUALIZATION - PHASE 1	280,000	220,000	60,000			
5	47-01-2-01 DESKTOPS, LAPTOPS, PRINTERS & PERIPHERALS	0	0				
5	47-01-2-02 MISCELLANEOUS SOFTWARE REPLACEMENTS	50,000	50,000				
5	47-01-2-03 SERVER & NETWORK HARDWARE REPLACEMENTS	194,000	194,000				
5	47-01-2-04 REPLACE PBX WITH VOICE OVER IP PHONE SYSTEM	2,838,000	2,340,000	498,000			
5	65-01-1-01 VIDEO MONITORING AND RECORDING AT CASTOR, BELFIELD, TIOGA	154,000	154,000				
5	65-01-1-02 (2) CARD READERS - 1800 GARAGE, 8TH STREET GATE	40,000	40,000				
5	65-01-1-03 (1) METAL DETECTOR, AND (1) MOBILE SECURITY STATION	27,000	27,000				
5	65-01-1-04 CRASH BEAM BARRIER - RICHMOND	230,000	230,000				
5	65-01-2-01 DIGITAL RECORDING UPGRADE - 800	40,000	40,000				
5	09-01-2-01 SCADA UPGRADE WITH CONTROL ROOM AND ALARM MANAGEMENT	1,188,000	1,188,000				
5	57-01-2-01 REPLACE GAS MGT SYSTEM AND SUPPLIER CHOICE SOFTWARE	1,159,000	759,000	400,000			
5	10-01-1-01 CONSOLIDATED BILLING AND PURCHASE OF RECEIVABLES (POR)	1,523,000	1,143,000	380,000			
5	10-01-1-02 CREDIT DENIAL AUTOMATION	60,000	60,000				

OTHER DEPARTMENTS
LISTING BY PRIORITY
FISCAL YEAR 2014 CAPITAL BUDGET

<u>P</u>	<u>CATEGORY</u>	<u>AMOUNT</u>	<u>BUDGET YR</u>	<u>YEAR 1</u>	<u>YEAR 2</u>	<u>YEAR 3</u>	<u>YEAR 4 +</u>
	<u>PRIORITY 5</u>						
5	72-01-1-03 CNG REFUELING STATION - SLOW FILL PACKAGE	137,000	137,000				
5	10-01-1-03 DEMAND SIDE MANAGEMENT (ENERGYSENSE) PROGRAMS	100,000	100,000				
5	10-01-1-04 SELF SERVICE ENHANCEMENTS TO IVR AND PGW WEBSITE	150,000	150,000				
5	10-01-1-05 LIHEAP GRANT APPLICATION FOR CRP	115,000	115,000				
5	10-01-2-01 REPLACE COMPLAINT MANAGEMENT SYSTEM	270,000	120,000	150,000			
	TOTAL OTHER DEPARTMENTS:	16,182,000	13,867,000	1,565,000			

PHILADELPHIA GAS WORKS
 FISCAL YEAR 2014 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	4,812,000	4,752,000	11,370,000	9,115,000	16,182,000	13,867,000
YEAR 1		60,000		1,505,000		1,565,000
YEAR 2						
YEAR 3						
YEAR 4 AND BEYOND						
TOTAL	4,812,000	4,812,000	11,370,000	10,620,000	16,182,000	15,432,000

FIVE YEAR FORECAST

PHILADELPHIA GAS WORKS

FISCAL YEAR 2014 AND FORECAST 2015 THROUGH 2019

<u>DEPARTMENT</u>	2014	FORECAST					<u>TOTAL 6 YEARS</u>
	<u>CAPITAL BUDGET</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	
<u>GAS PROCESSING</u>							
ADDITIONS	2,091,000	2,577,000	834,000	289,000	442,000	145,000	6,378,000
REPLACEMENTS	<u>1,873,000</u>	<u>3,786,000</u>	<u>2,509,000</u>	<u>1,545,000</u>	<u>1,983,000</u>	<u>3,339,000</u>	<u>15,035,000</u>
TOTAL GAS PROCESSING	3,964,000	6,363,000	3,343,000	1,834,000	2,425,000	3,484,000	21,413,000
ACQUIRE ASSETS LEASE	3,964,000	6,363,000	3,343,000	1,834,000	2,425,000	3,484,000	21,413,000
<u>DISTRIBUTION</u>							
ADDITIONS	10,191,000	10,411,000	10,598,000	10,842,000	11,130,000	11,367,000	64,539,000
REPLACEMENTS	<u>62,758,000</u>	<u>67,270,000</u>	<u>68,222,000</u>	<u>68,995,000</u>	<u>70,085,000</u>	<u>71,218,000</u>	<u>408,548,000</u>
GROSS TOTAL DISTRIBUTION	72,949,000	77,681,000	78,820,000	79,837,000	81,215,000	82,585,000	473,087,000
LESS: SALVAGE							
LESS: CONTRIBUTIONS*							
LESS: REIMBURSEMENT**	<u>(1,616,000)</u>	<u>(961,000)</u>	<u>(982,000)</u>	<u>(1,005,000)</u>	<u>(1,029,000)</u>	<u>(1,054,000)</u>	<u>(6,647,000)</u>
NET TOTAL DISTRIBUTION	71,333,000	76,720,000	77,838,000	78,832,000	80,186,000	81,531,000	466,440,000
ACQUIRE ASSETS LEASE	71,333,000	76,720,000	77,838,000	78,832,000	80,186,000	81,531,000	466,440,000

PHILADELPHIA GAS WORKS

FISCAL YEAR 2014 AND FORECAST 2015 THROUGH 2019

<u>DEPARTMENT</u>	2014	FORECAST					TOTAL
	<u>CAPITAL BUDGET</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>6 YEARS</u>
<u>FIELD SERVICES</u>							
ADDITIONS	1,730,000	2,107,000	2,123,000	2,180,000	2,227,000	2,262,000	12,629,000
REPLACEMENTS	<u>4,156,000</u>	<u>4,236,000</u>	<u>4,408,000</u>	<u>3,968,000</u>	<u>4,031,000</u>	<u>4,125,000</u>	<u>24,924,000</u>
GROSS TOTAL FIELD SERVICES	5,886,000	6,343,000	6,531,000	6,148,000	6,258,000	6,387,000	37,553,000
LESS: SALVAGE							
LESS: CONTRIBUTIONS*							
NET TOTAL FIELD SERVICES	5,886,000	6,343,000	6,531,000	6,148,000	6,258,000	6,387,000	37,553,000
ACQUIRE ASSETS LEASE	5,886,000	6,343,000	6,531,000	6,148,000	6,258,000	6,387,000	37,553,000
<u>FLEET OPERATIONS</u>							
ADDITIONS	0	0	0	0	0	0	0
REPLACEMENTS	<u>3,944,000</u>	<u>3,280,000</u>	<u>5,282,000</u>	<u>5,174,000</u>	<u>3,304,000</u>	<u>1,720,000</u>	<u>22,704,000</u>
GROSS TOTAL FLEET OPERATIONS	3,944,000	3,280,000	5,282,000	5,174,000	3,304,000	1,720,000	22,704,000
LESS: SALVAGE							
NET TOTAL FLEET OPERATIONS	3,944,000	3,280,000	5,282,000	5,174,000	3,304,000	1,720,000	22,704,000
ACQUIRE ASSETS LEASE	3,944,000	3,280,000	5,282,000	5,174,000	3,304,000	1,720,000	22,704,000

PHILADELPHIA GAS WORKS

FISCAL YEAR 2014 AND FORECAST 2015 THROUGH 2019

<u>DEPARTMENT</u>	2014	FORECAST					<u>TOTAL 6 YEARS</u>
	<u>CAPITAL BUDGET</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	
<u>OTHER</u>							
ADDITIONS	4,812,000	597,000	603,000	609,000	335,000	341,000	7,297,000
REPLACEMENTS	<u>11,370,000</u>	<u>5,057,000</u>	<u>2,837,000</u>	<u>2,871,000</u>	<u>2,475,000</u>	<u>2,494,000</u>	27,104,000
TOTAL OTHER	16,182,000	5,654,000	3,440,000	3,480,000	2,810,000	2,835,000	34,401,000
ACQUIRE ASSETS LEASE	16,182,000	5,654,000	3,440,000	3,480,000	2,810,000	2,835,000	34,401,000
<u>TOTAL</u>							
ADDITIONS	18,824,000	15,692,000	14,158,000	13,920,000	14,134,000	14,115,000	90,843,000
REPLACEMENTS	<u>84,101,000</u>	<u>83,629,000</u>	<u>83,258,000</u>	<u>82,553,000</u>	<u>81,878,000</u>	<u>82,896,000</u>	<u>498,315,000</u>
GROSS TOTAL	102,925,000	99,321,000	97,416,000	96,473,000	96,012,000	97,011,000	589,158,000
LESS: SALVAGE							
LESS: REIMBURSEMENT**	(1,616,000)	(961,000)	(982,000)	(1,005,000)	(1,029,000)	(1,054,000)	(6,647,000)
LESS: CONTRIBUTIONS*							
NET TOTAL	<u>101,309,000</u>	<u>98,360,000</u>	<u>96,434,000</u>	<u>95,468,000</u>	<u>94,983,000</u>	<u>95,957,000</u>	<u>582,511,000</u>
ACQUIRE ASSETS LEASE	101,309,000	98,360,000	96,434,000	95,468,000	94,983,000	95,957,000	582,511,000

* CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

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

PHILADELPHIA GAS WORKS
PROPOSED 2015 - 2019 FORECAST
(COMPARIISON)

<u>DEPARTMENT</u>	<u>2014 - 2018 FORECAST</u>	<u>2015 - 2019 FORECAST</u>	<u>AMOUNT DIFFERENCE</u>	<u>PERCENT DIFFERENCE</u>
<u>GAS PROCESSING</u>				
ADDITIONS	5,934,000	4,287,000	(1,647,000)	-27.8%
REPLACEMENTS	<u>10,492,000</u>	<u>13,162,000</u>	<u>2,670,000</u>	25.4%
TOTAL GAS PROCESSING	16,426,000	17,449,000	1,023,000	6.2%
<u>DISTRIBUTION</u>				
ADDITIONS	52,896,000	54,348,000	1,452,000	2.7%
REPLACEMENTS	<u>295,912,000</u>	<u>345,790,000</u>	<u>49,878,000</u>	16.9%
GROSS TOTAL DISTRIBUTION	348,808,000	400,138,000	51,330,000	14.7%
LESS: SALVAGE				
LESS: CONTRIBUTIONS*				
LESS: REIMBURSEMENT**	<u>(8,201,000)</u>	<u>(5,031,000)</u>	<u>3,170,000</u>	-38.7%
NET TOTAL DISTRIBUTION	340,607,000	395,107,000	54,500,000	16.0%
<u>FIELD SERVICES</u>				
ADDITIONS	13,207,000	10,899,000	(2,308,000)	-17.5%
REPLACEMENTS	<u>15,493,000</u>	<u>20,768,000</u>	<u>5,275,000</u>	34.0%
GROSS TOTAL FIELD SERVICES	28,700,000	31,667,000	2,967,000	10.3%
LESS: SALVAGE				
LESS: CONTRIBUTIONS*				
NET TOTAL FIELD SERVICES	28,700,000	31,667,000	2,967,000	10.3%

PHILADELPHIA GAS WORKS
PROPOSED 2015 - 2019 FORECAST
(COMPARISON)

<u>DEPARTMENT</u>	<u>2014 - 2018 FORECAST</u>	<u>2015 - 2019 FORECAST</u>	<u>AMOUNT DIFFERENCE</u>	<u>PERCENT DIFFERENCE</u>
<u>FLEET OPERATIONS</u>				
ADDITIONS	0	0		
REPLACEMENTS	<u>16,148,000</u>	<u>18,760,000</u>	<u>2,612,000</u>	16.2%
GROSS TOTAL FLEET OPERATIONS	16,148,000	18,760,000	2,612,000	16.2%
LESS: SALVAGE				
NET TOTAL FLEET OPERATIONS	16,148,000	18,760,000	2,612,000	16.2%
<u>OTHER</u>				
ADDITIONS	2,173,000	2,485,000	312,000	14.4%
REPLACEMENTS	<u>16,495,000</u>	<u>15,734,000</u>	<u>(761,000)</u>	-4.6%
TOTAL OTHER	18,668,000	18,219,000	(449,000)	-2.4%
<u>TOTAL</u>				
ADDITIONS	74,210,000	72,019,000	(2,191,000)	-3.0%
REPLACEMENTS	<u>354,540,000</u>	<u>414,214,000</u>	<u>59,674,000</u>	16.8%
GROSS TOTAL	428,750,000	486,233,000	57,483,000	13.4%
LESS: SALVAGE				
LESS: REIMBURSEMENT**	(8,201,000)	(5,031,000)	3,170,000	-38.7%
LESS: CONTRIBUTIONS*				
NET TOTAL	<u>420,549,000</u>	<u>481,202,000</u>	<u>60,653,000</u>	14.4%

* CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

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

GAS PROCESSING DEPARTMENT

FORECAST - FISCAL YEARS 2015 THROUGH 2019

	<u>2013 BUDGET</u>	<u>2014 BUDGET</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>TOTAL FORECAST</u>
<u>GP-1 NATURAL GAS MEASUREMENT AND CONTROL FACILITIES</u>								
2 53-01-1-01			282,000					282,000
2 53-01-2-01			900,000		1,000,000		1,000,000	2,900,000
2 53-01-2-02						150,000		150,000
53-01-X-XX	631,000							
TOTAL GP-1	<u>631,000</u>		<u>1,182,000</u>		<u>1,000,000</u>	<u>150,000</u>	<u>1,000,000</u>	<u>3,332,000</u>
<u>GP-2 SUPPLEMENTAL GAS FACILITIES</u>								
1 53-02-1-01		182,000	162,000					162,000
1 53-02-1-02		97,000						
1 53-02-1-03		1,640,000						
2 53-02-1-04						300,000		300,000
2 53-02-1-05					150,000			150,000

GAS PROCESSING DEPARTMENT

FORECAST - FISCAL YEARS 2015 THROUGH 2019

	<u>2013 BUDGET</u>	<u>2014 BUDGET</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>TOTAL FORECAST</u>
<u>GP-2 SUPPLEMENTAL GAS FACILITIES</u>								
2 53-02-1-06 LIQUEFACTION FEEDGAS CO2 AND ETHANE REMOVAL - RICHMOND			2,000,000					2,000,000
2 53-02-1-07 REPLACE FIRE SYSTEM ON C-5RB BOIL-OFF COMPRESSOR - RICHMOND				698,000				698,000
1 53-02-2-01 REPLACE H-1 HEATER FUEL GAS AND HEADER - RICHMOND		189,000						
1 53-02-2-02 REPL UNINTERRUPTIBLE POWER SUPPLY SYSTEMS: RICHMOND PASSYUNK	162,000	202,000	105,000					105,000
1 53-02-2-03 REPL FOAM WATER PIPING LNG TANKS- RICHM		502,000		500,000		500,000		1,000,000
1 53-02-2-04 REPLACE FOAM SUPPRESSION SYSTEM FOR 77 BUILDING BASEMENT		101,000						
1 53-02-2-05 REPLACE VALVE ON SPILL LINE FOR RIVER WATER - PASSYUNK		146,000						
1 53-02-2-06 REPLACE VAPORIZATION LOW TEMPERATURE SHUTDOWN VALVES - RICHMOND		326,000						
2 53-02-2-07 REPLACE RIVER WATER PUMP SWITCHGEAR AND RIVER WATER PUMPS - RICHMOND				1,500,000				1,500,000

GAS PROCESSING DEPARTMENT

FORECAST - FISCAL YEARS 2015 THROUGH 2019

	<u>2013 BUDGET</u>	<u>2014 BUDGET</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>TOTAL FORECAST</u>
<u>GP-2 SUPPLEMENTAL GAS FACILITIES</u>								
2 53-02-2-08 REPLACE PNEUMATIC COMPANDER ACTUATORS WITH ELECTRONIC ACTUATORS					180,000			180,000
2 53-02-2-09 REPLACE H1 HEATER - RICHMOND			1,800,000				2,000,000	3,800,000
2 53-02-2-10 REPLACE LNG SWITCHGEAR - RICHMOND						1,000,000		1,000,000
53-02-X-XX NON-RECURRING ITEMS	<u>4,975,000</u>							
TOTAL GP-2	<u>5,137,000</u>	<u>3,385,000</u>	<u>4,067,000</u>	<u>2,698,000</u>	<u>330,000</u>	<u>1,800,000</u>	<u>2,000,000</u>	<u>10,895,000</u>
<u>GP-3 BUILDING AND GROUNDS</u>								
2 53-03-2-01 REPLACE PLANT EMERGENCY ALARM SYSTEM - PASSYUNK				150,000				150,000
2 53-03-2-02 REPLACE LNG TANK ELEVATOR - RICHMOND			628,000					628,000
53-03-X-XX NON-RECURRING ITEMS								
TOTAL GP-3			<u>628,000</u>	<u>150,000</u>				<u>778,000</u>

GAS PROCESSING DEPARTMENT

FORECAST - FISCAL YEARS 2015 THROUGH 2019

	<u>2013 BUDGET</u>	<u>2014 BUDGET</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>TOTAL FORECAST</u>
<u>GP-4 MISCELLANEOUS CAPITAL REQUIREMENTS</u>								
1 53-04-1-01 MISCELLANEOUS CAPITAL ADDITIONS	116,000	172,000	133,000	136,000	139,000	142,000	145,000	695,000
1 53-04-2-01 MISCELLANEOUS CAPITAL REPLACEMENTS	281,000	407,000	353,000	359,000	365,000	333,000	339,000	1,749,000
TOTAL GP-4	<u>397,000</u>	<u>579,000</u>	<u>486,000</u>	<u>495,000</u>	<u>504,000</u>	<u>475,000</u>	<u>484,000</u>	<u>2,444,000</u>
 TOTAL GAS PROCESSING DEPARTMENT	6,165,000	3,964,000	6,363,000	3,343,000	1,834,000	2,425,000	3,484,000	17,449,000
 ACQUIRE ASSETS LEASE	6,165,000	3,964,000	6,363,000	3,343,000	1,834,000	2,425,000	3,484,000	17,449,000

DISTRIBUTION DEPARTMENT

FORECAST - FISCAL YEARS 2015 THROUGH 2019

	<u>2013 BUDGET</u>	<u>2014 BUDGET</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>TOTAL FORECAST</u>
<u>D-20 HIGH PRESSURE MAINS</u>								
4 52-20-1-01 UNSPECIFIED	1,017,000	1,226,000	1,252,000	1,280,000	1,309,000	1,340,000	1,372,000	6,553,000
3 52-20-2-01 CITY AND STATE WORK	839,000	1,175,000	1,200,000	1,226,000	1,254,000	1,284,000	1,315,000	6,279,000
1 52-20-2-02 INCRE REPL OF 12" HP CAST IRON MAIN	3,816,000	7,789,000	10,300,000	10,300,000	10,300,000	10,300,000	10,300,000	51,500,000
1 52-20-2-03 INCRE REPL - 30" HP CAST IRON AND OTHER LARGE DIAMETER MAIN	4,598,000	10,385,000	8,500,000	8,500,000	8,500,000	8,500,000	8,500,000	42,500,000
1 52-20-2-04 NATURAL GAS SOMERTON STATION - CHANGE MAOP (MAXIMUM ALLOWABLE OPERATING PRESSURE)	2,500,000							
GROSS TOTAL D-20	12,770,000	20,575,000	21,252,000	21,306,000	21,363,000	21,424,000	21,487,000	106,832,000
52-20-2-97 LESS: REIMBURSEMENT**								
NET TOTAL D-20	<u>12,770,000</u>	<u>20,575,000</u>	<u>21,252,000</u>	<u>21,306,000</u>	<u>21,363,000</u>	<u>21,424,000</u>	<u>21,487,000</u>	<u>106,832,000</u>

DISTRIBUTION DEPARTMENT

FORECAST - FISCAL YEARS 2015 THROUGH 2019

	<u>2013 BUDGET</u>	<u>2014 BUDGET</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>TOTAL FORECAST</u>
<u>D-21 8 INCH AND SMALLER I. P. AND L. P. MAIN</u>								
4 52-21-1-01 ADDITIONS	2,080,000	2,155,000	2,200,000	2,248,000	2,300,000	2,355,000	2,412,000	11,515,000
3 52-21-2-01 CITY AND STATE WORK	4,951,000	4,992,000	5,097,000	5,209,000	5,329,000	5,457,000	5,588,000	26,680,000
1 52-21-2-02 PRUDENT	14,483,000	15,201,000	15,520,000	15,861,000	16,226,000	16,615,000	17,014,000	81,236,000
3 52-21-2-03 MAIN FOR MAJOR ENFORCED RELOC: I-95		750,000						
5 52-21-2-04 LTIP - ACCELERATED CAST IRON			<u>3,200,000</u>	<u>3,200,000</u>	<u>3,200,000</u>	<u>3,200,000</u>	<u>3,200,000</u>	<u>16,000,000</u>
GROSS TOTAL D-21	21,514,000	23,098,000	26,017,000	26,518,000	27,055,000	27,627,000	28,214,000	135,431,000
52-21-2-97 LESS: REIMBURSEMENT**	<u>(1,488,000)</u>	<u>(1,616,000)</u>	<u>(961,000)</u>	<u>(982,000)</u>	<u>(1,005,000)</u>	<u>(1,029,000)</u>	<u>(1,054,000)</u>	<u>(5,031,000)</u>
NET TOTAL D-21	<u>20,026,000</u>	<u>21,482,000</u>	<u>25,056,000</u>	<u>25,536,000</u>	<u>26,050,000</u>	<u>26,598,000</u>	<u>27,160,000</u>	<u>130,400,000</u>
<u>D-22 12 INCH AND LARGER I. P. AND L. P. MAIN</u>								
4 52-22-1-01 ADDITIONS	33,000	37,000	38,000	39,000	40,000	41,000	42,000	200,000
3 52-22-2-01 CITY AND STATE WORK	160,000	295,000	301,000	308,000	315,000	323,000	331,000	1,578,000
3 52-22-2-02 MAIN FOR MAJOR ENFORCED RELOC: I-95	<u>2,232,000</u>							
GROSS TOTAL D-22	2,425,000	332,000	339,000	347,000	355,000	364,000	373,000	1,778,000
52-22-2-97 LESS: REIMBURSEMENT**	<u>(2,009,000)</u>							
NET TOTAL D-22	<u>416,000</u>	<u>332,000</u>	<u>339,000</u>	<u>347,000</u>	<u>355,000</u>	<u>364,000</u>	<u>373,000</u>	<u>1,778,000</u>

DISTRIBUTION DEPARTMENT

FORECAST - FISCAL YEARS 2015 THROUGH 2019

	<u>2013 BUDGET</u>	<u>2014 BUDGET</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>TOTAL FORECAST</u>
<u>D-23 CUSTOMER METERING & REGULATOR INSTALLATION, AND PRESSURE CONTROL & CORROSION CONTROL FACILITIES</u>								
4 52-23-1-01 CUSTOMER METER & REGULATOR INSTALL	222,000	405,000	414,000	423,000	433,000	443,000	454,000	2,167,000
1 52-23-2-01 REPLACE/REHABILITATION-HP MAIN VALVES	156,000	608,000	110,000	112,000	115,000	118,000	121,000	576,000
2 52-23-2-02 REPL - PRESSURE CNTL & CORR CNTL FACIL	<u>282,000</u>	<u>284,000</u>	<u>290,000</u>	<u>296,000</u>	<u>303,000</u>	<u>310,000</u>	<u>317,000</u>	<u>1,516,000</u>
GROSS TOTAL D-23	660,000	1,297,000	814,000	831,000	851,000	871,000	892,000	4,259,000
LESS: REIMBURSEMENT**								
TOTAL D-23	<u>660,000</u>	<u>1,297,000</u>	<u>814,000</u>	<u>831,000</u>	<u>851,000</u>	<u>871,000</u>	<u>892,000</u>	<u>4,259,000</u>
<u>D-24 SERVICES</u>								
4 52-24-1-01 1 1/4" AND SMALLER	4,245,000	3,943,000	4,026,000	4,115,000	4,210,000	4,311,000	4,414,000	21,076,000
4 52-24-1-02 2" AND LARGER	2,302,000	2,370,000	2,420,000	2,473,000	2,530,000	2,591,000	2,653,000	12,667,000
1 52-24-2-01 1 1/4" AND SMALLER	20,920,000	19,216,000	20,680,000	21,135,000	21,621,000	22,140,000	22,671,000	108,247,000
1 52-24-2-02 2" AND LARGER	<u>921,000</u>	<u>886,000</u>	<u>905,000</u>	<u>925,000</u>	<u>946,000</u>	<u>969,000</u>	<u>992,000</u>	<u>4,737,000</u>
GROSS TOTAL D-24	28,388,000	26,415,000	28,031,000	28,648,000	29,307,000	30,011,000	30,730,000	146,727,000
52-24-2-97 LESS: REIMBURSEMENT**	<u>(113,000)</u>							
LESS: CONTRIBUTIONS*								
TOTAL D-24	<u>28,275,000</u>	<u>26,415,000</u>	<u>28,031,000</u>	<u>28,648,000</u>	<u>29,307,000</u>	<u>30,011,000</u>	<u>30,730,000</u>	<u>146,727,000</u>

DISTRIBUTION DEPARTMENT

FORECAST - FISCAL YEARS 2015 THROUGH 2019

	<u>2013 BUDGET</u>	<u>2014 BUDGET</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>TOTAL FORECAST</u>
<u>D-29 OTHER DISTRIBUTION FACILITIES</u>								
5 52-29-1-01 ADDITIONS	22,000	55,000	61,000	20,000	20,000	49,000	20,000	170,000
2 52-29-2-01 REPLACEMENTS	<u>175,000</u>	<u>1,177,000</u>	<u>1,167,000</u>	<u>1,150,000</u>	<u>886,000</u>	<u>869,000</u>	<u>869,000</u>	<u>4,941,000</u>
TOTAL D-29	<u>197,000</u>	<u>1,232,000</u>	<u>1,228,000</u>	<u>1,170,000</u>	<u>906,000</u>	<u>918,000</u>	<u>889,000</u>	<u>5,111,000</u>
1 52-99-2-99 <u>D-99 REMOVAL AND ABANDONMENTS</u>								
GROSS TOTAL DISTRIBUTION DEPARTMENT	65,954,000	72,949,000	77,681,000	78,820,000	79,837,000	81,215,000	82,585,000	400,138,000
52-98-2-98 LESS: SALVAGE								
LESS: CONTRIBUTIONS*								
LESS: REIMBURSEMENT**	<u>(3,610,000)</u>	<u>(1,616,000)</u>	<u>(961,000)</u>	<u>(982,000)</u>	<u>(1,005,000)</u>	<u>(1,029,000)</u>	<u>(1,054,000)</u>	<u>(5,031,000)</u>
NET TOTAL DISTRIBUTION DEPARTMENT	<u>62,344,000</u>	<u>71,333,000</u>	<u>76,720,000</u>	<u>77,838,000</u>	<u>78,832,000</u>	<u>80,186,000</u>	<u>81,531,000</u>	<u>395,107,000</u>
ACQUIRE ASSETS	62,344,000	71,333,000	76,720,000	77,838,000	78,832,000	80,186,000	81,531,000	395,107,000
LEASE								

* CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

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

FIELD SERVICES DEPARTMENT

FORECAST - FISCAL YEARS 2015 THROUGH 2019

	<u>2013 BUDGET</u>	<u>2014 BUDGET</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>TOTAL FORECAST</u>
<u>C-30 METERS</u>								
4 50-30-1-01 ADDITIONS AND INSTALLATIONS	2,166,000	1,564,000	1,925,000	1,961,000	2,015,000	2,061,000	2,093,000	10,055,000
1 50-30-2-01 REPLACEMENTS	<u>1,449,000</u>	<u>1,884,000</u>	<u>2,004,000</u>	<u>2,047,000</u>	<u>1,599,000</u>	<u>1,638,000</u>	<u>1,677,000</u>	<u>8,965,000</u>
TOTAL C-30	<u>3,615,000</u>	<u>3,448,000</u>	<u>3,929,000</u>	<u>4,008,000</u>	<u>3,614,000</u>	<u>3,699,000</u>	<u>3,770,000</u>	<u>19,020,000</u>
<u>C-32 SERVICES REGULATORS</u>								
4 50-32-1-01 ADDITIONS AND INSTALLATIONS	38,000	48,000	46,000	46,000	48,000	46,000	47,000	233,000
1 50-32-2-01 REPLACEMENTS	<u>61,000</u>	<u>62,000</u>	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>21,000</u>	<u>21,000</u>	<u>102,000</u>
TOTAL C-32	<u>99,000</u>	<u>110,000</u>	<u>66,000</u>	<u>66,000</u>	<u>68,000</u>	<u>67,000</u>	<u>68,000</u>	<u>335,000</u>
<u>C-33 TELEMETERING</u>								
5 50-33-1-01 ADDITIONS AND INSTALLATIONS	74,000	58,000	78,000	60,000	61,000	63,000	64,000	326,000
1 50-33-2-01 REPLACEMENTS	<u>10,000</u>	<u>79,000</u>	<u>75,000</u>	<u>77,000</u>	<u>79,000</u>	<u>80,000</u>	<u>82,000</u>	<u>393,000</u>
TOTAL C-33	<u>84,000</u>	<u>137,000</u>	<u>153,000</u>	<u>137,000</u>	<u>140,000</u>	<u>143,000</u>	<u>146,000</u>	<u>719,000</u>

FIELD SERVICES DEPARTMENT

FORECAST - FISCAL YEARS 2015 THROUGH 2019

	<u>2013 BUDGET</u>	<u>2014 BUDGET</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>TOTAL FORECAST</u>
<u>C-34 METER SHOP EQUIPMENT</u>								
5 50-34-2-01 REPLACEMENTS	<u>104,000</u>	<u>72,000</u>		<u>31,000</u>	<u>31,000</u>			<u>62,000</u>
TOTAL C-34	<u>104,000</u>	<u>72,000</u>	<u>0</u>	<u>31,000</u>	<u>31,000</u>	<u>0</u>	<u>0</u>	<u>62,000</u>
 <u>C-35 SERVICE SECTION EQUIPMENT</u>								
2 50-35-2-01 REPLACEMENTS	<u>0</u>	<u>0</u>	<u>0</u>	<u>55,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>55,000</u>
TOTAL C-35	<u>0</u>	<u>0</u>	<u>0</u>	<u>55,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>55,000</u>
 <u>C-36 AUTOMATIC METER READING</u>								
5 50-36-1-01 ADDITIONS	59,000	60,000	58,000	56,000	56,000	57,000	58,000	285,000
5 50-36-2-01 REPLACEMENTS	<u>1,137,000</u>	<u>2,059,000</u>	<u>2,137,000</u>	<u>2,178,000</u>	<u>2,239,000</u>	<u>2,292,000</u>	<u>2,345,000</u>	<u>11,191,000</u>
TOTAL C-36	<u>1,196,000</u>	<u>2,119,000</u>	<u>2,195,000</u>	<u>2,234,000</u>	<u>2,295,000</u>	<u>2,349,000</u>	<u>2,403,000</u>	<u>11,476,000</u>

FLEET OPERATIONS DEPARTMENT

FORECAST - FISCAL YEARS 2015 THROUGH 2019

	<u>2013 BUDGET</u>	<u>2014 BUDGET</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>TOTAL FORECAST</u>
2 73-01-1-01 SHOP EQUIPMENT ADDITIONS	0	0	0	0	0	0	0	0
2 73-01-1-02 VEHICLE ADDITIONS	39,000							0
2 73-01-2-01 SHOP EQUIPMENT REPLACEMENTS	0	0	0	0	0	0	0	0
2 73-01-2-02 MOBILE EQUIPMENT REPLACEMENTS	1,074,000	318,000	469,000	201,000	401,000	413,000	425,000	1,909,000
2 73-01-2-03 VEHICLE REPLACEMENTS	3,089,000	3,416,000	2,811,000	5,081,000	4,773,000	2,891,000	1,295,000	16,851,000
2 73-01-2-04 FLEET MANAGEMENT SYSTEM UPGRADE		177,000						0
2 73-01-2-05 FUEL SYSTEM UPGRADE	0	33,000						0
GROSS TOTAL FLEET OPERATIONS DEPARTMENT	4,202,000	3,944,000	3,280,000	5,282,000	5,174,000	3,304,000	1,720,000	18,760,000
73-98-2-98 LESS: SALVAGE	0							0
NET TOTAL FLEET OPERATIONS DEPARTMENT	<u>4,202,000</u>	<u>3,944,000</u>	<u>3,280,000</u>	<u>5,282,000</u>	<u>5,174,000</u>	<u>3,304,000</u>	<u>1,720,000</u>	<u>18,760,000</u>
ACQUIRE ASSETS	4,202,000	3,944,000	3,280,000	5,282,000	5,174,000	3,304,000	1,720,000	18,760,000
LEASE								

OTHER DEPARTMENTSFORECAST - FISCAL YEARS 2015 THROUGH 2019

	<u>2013 BUDGET</u>	<u>2014 BUDGET</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>TOTAL FORECAST</u>
<u>FACILITIES</u>								
1 72-01-1-01 MISCELLANEOUS CAPITAL ADDITIONS	123,000	118,000	120,000	122,000	124,000	126,000	128,000	620,000
1 72-01-1-02 MISC CAPITAL ADDITIONS-GAS PROCESSING	10,000	12,000	12,000	12,000	12,000	12,000	12,000	60,000
5 72-01-1-03 CNG Refueling Station - Slow Fill Package		137,000						
2 72-01-1-04 BACKUP ELECTRIC GENERATOR - TIOGA		282,000						
1 72-01-2-01 MISC CAPITAL REPL & STRUCTURAL REPAIRS	378,000	477,000	382,000	389,000	396,000	403,000	410,000	1,980,000
1 72-01-2-02 MISC CAPITAL REPL - GAS PROCESSING	48,000	37,000	38,000	39,000	40,000	41,000	42,000	200,000
1 72-01-2-03 MISC CAP REPL-STRUCT REPAIRS-GAS PROC	47,000	58,000	59,000	60,000	61,000	62,000	63,000	305,000
1 72-01-2-04 RENOVATE SOUTH PHILA DISTRICT OFFICE		692,000						
RENOVATE DISTRICT OFFICE	692,000		400,000	400,000	400,000			1,200,000
2 72-01-2-05 REPLACE HVAC SYSTEM COMPONENTS - 800	185,000	201,000	205,000	205,000	210,000	210,000	210,000	1,040,000
2 72-01-2-06 REPLACE CARPETS - ALL LOCATIONS	200,000	154,000	210,000	210,000	215,000	215,000	215,000	1,065,000
2 72-01-2-07 REPLACE MODULAR FURNITURE -800	200,000	200,000	210,000	210,000	215,000	215,000	215,000	1,065,000
2 72-01-2-08 REPLACE SWITCHGEAR - 1800	300,000	342,000						

OTHER DEPARTMENTS

FORECAST - FISCAL YEARS 2015 THROUGH 2019

	<u>2013 BUDGET</u>	<u>2014 BUDGET</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>TOTAL FORECAST</u>
<u>FACILITIES</u>								
2 72-01-2-09 REPLACE OBSOLETE INTERIOR LIGHTING - 800		105,000	105,000					105,000
2 72-01-2-10 RELOCATE GAS CONTROL		510,000						
1 72-01-2-11 REPLACE PARKING LOT - CASTOR		418,000						
2 72-01-2-12 UPGRADE ELECTRIC SERVICE - BELFIELD		359,000						
2 72-01-2-13 ELEVATOR #10 MODERNIZATION - 1800		330,000						
2 72-01-2-14 REPL BUILDING EMERGENCY GENERATOR - 800		315,000						
2 72-01-2-15 REPL TRANSPORTATION BLDG TOP DECK		300,000						
2 72-01-2-16 REPLACE HVAC COMPONENTS - 1800	200,000	208,000						
5 72-01-2-17 BUILDING SECURITY UPGRADES - 800		175,000						

OTHER DEPARTMENTSFORECAST - FISCAL YEARS 2015 THROUGH 2019

	<u>2013 BUDGET</u>	<u>2014 BUDGET</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>TOTAL FORECAST</u>
<u>FACILITIES</u>								
2 72-01-2-18 REPLACE AIR CONDITIONING - DISTRICT OFFICES			50,000	50,000	50,000			150,000
2 72-01-2-19 REPL ROOF - DIST TRAINING GARAGE - PASSY			59,000					59,000
5 72-01-2-20 RELOCATE FIELD OPERATIONS DISPATCH			500,000					500,000
5 72-01-2-21 RELOCATE CALL CENTER			1,600,000					1,600,000
2 72-01-2-22 REPL AIR CONDITIONING - OUTLYING STATIONS				25,000	25,000	60,000	60,000	170,000
72-01-X-XX NON-RECURRING ITEMS	4,164,000							
TOTAL FACILITIES	<u>6,547,000</u>	<u>5,430,000</u>	<u>3,950,000</u>	<u>1,722,000</u>	<u>1,748,000</u>	<u>1,344,000</u>	<u>1,355,000</u>	<u>10,119,000</u>

OTHER DEPARTMENTS

FORECAST - FISCAL YEARS 2015 THROUGH 2019

	<u>2013 BUDGET</u>	<u>2014 BUDGET</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>TOTAL FORECAST</u>
<u>INFORMATION SERVICES</u>								
5 47-01-1-01 MISC SERVER & NETWORK ADDITIONS	86,000	86,000	88,000	90,000	92,000	94,000	96,000	460,000
5 47-01-1-02 MISCELLANEOUS SOFTWARE ADDITIONS	50,000	95,000	97,000	99,000	101,000	103,000	105,000	505,000
5 47-01-1-03 DESKTOP VIRTUALIZATION - PHASE 1		280,000	280,000	280,000	280,000			840,000
5 47-01-2-01 DESKTOP, LAPTOP, PRINTER & PERIPHERALS	0	0						
5 47-01-2-02 MISCELLANEOUS SOFTWARE REPLACEMENT	50,000	50,000	51,000	52,000	53,000	54,000	55,000	265,000
5 47-01-2-03 SERVER & NETWORK HARDWARE REPLACE	232,000	194,000	198,000	202,000	206,000	210,000	214,000	1,030,000
5 47-01-2-04 REPL PBX WITH VOICE OVER IP PHONE SYS		2,838,000						
5 47-01-2-05 STORAGE REPLACEMENTS	230,000		240,000	245,000	250,000	255,000	260,000	1,250,000
47-01-X-XX NON-RECURRING ITEMS	1,365,000							
TOTAL INFORMATION SERVICES	<u>2,013,000</u>	<u>3,543,000</u>	<u>954,000</u>	<u>968,000</u>	<u>982,000</u>	<u>716,000</u>	<u>730,000</u>	<u>4,350,000</u>

OTHER DEPARTMENTSFORECAST - FISCAL YEARS 2015 THROUGH 2019

	<u>2013 BUDGET</u>	<u>2014 BUDGET</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>TOTAL FORECAST</u>
<u>CHIEF OPERATING OFFICER</u>								
1 13-01-2-01	250,000	250,000	250,000	250,000	250,000	250,000	250,000	1,250,000
	CONDITIONAL FUNDING FOR CAPITAL NEEDS RELATED TO SAFETY							
2 13-01-2-02	250,000	250,000	250,000	250,000	250,000	250,000	250,000	1,250,000
	CONDITIONAL FUNDING FOR CAPITAL NEEDS RELATED TO RELIABILITY OF SERVICE							
4 13-01-2-03	250,000	250,000	250,000	250,000	250,000	250,000	250,000	1,250,000
	CONDITIONAL FUNDING FOR CAPITAL NEEDS FOR COST-JUSTIFIED LOAD GROWTH							
	<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>750,000</u>	<u>3,750,000</u>
	TOTAL CHIEF OPERATING OFFICER							
<u>CORPORATE PREPAREDNESS</u>								
5 65-01-1-01		154,000						
	VIDEO MONITORING AND RECORDING AT CASTOR, BELFIELD, AND TIOGA							
5 65-01-1-02		40,000						
	(2) CARD READERS- 1800 GARAGE, 8TH ST GATE							
5 65-01-1-03		27,000						
	(1) METAL DETECTOR, AND (1) MOBILE SECURITY STATION							
5 65-01-1-04		230,000						
	CRASH BEAM BARRIER - RICHMOND							
5 65-01-2-01		40,000						
	DIGITAL RECORDING UPGRADE - 800							
		<u>491,000</u>						
	TOTAL CORPORATE PREPAREDNESS							

OTHER DEPARTMENTS

FORECAST - FISCAL YEARS 2015 THROUGH 2019

	<u>2013 BUDGET</u>	<u>2014 BUDGET</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>TOTAL FORECAST</u>
<u>GAS CONTROL</u>								
5 09-01-2-01 SCADA UPGRADE WITH ALARM MANAGEMENT		<u>1,188,000</u>						
TOTAL GAS CONTROL		<u>1,188,000</u>						
 <u>VP GAS MANAGEMENT</u>								
5 57-01-1-01 WORK MANAGEMENT SYSTEM	110,000							
5 57-01-2-01 REPLACE GAS MANAGEMENT SYSTEM AND SUPPLIER CHOICE SOFTWARE		<u>1,159,000</u>						
TOTAL VP GAS MANAGEMENT	<u>110,000</u>	<u>1,159,000</u>						
 <u>VP TECHNICAL COMPLIANCE</u>								
1 38-01-1-01 SPARGE CURTAIN & SOIL VAPOR EXTRACTION AT PASSYUNK/PORTER		<u>1,403,000</u>						
TOTAL VP TECHNICAL COMPLIANCE		<u>1,403,000</u>						

OTHER DEPARTMENTSFORECAST - FISCAL YEARS 2015 THROUGH 2019

	<u>2013 BUDGET</u>	<u>2014 BUDGET</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>TOTAL FORECAST</u>
<u>VP CUSTOMER AFFAIRS</u>								
5 10-01-1-01 CONSOLIDATED BILLING AND PURCHASE OF RECEIVABLES (POR)		1,523,000						
5 10-01-1-02 CREDIT DENIAL AUTOMATION		60,000						
5 10-01-1-03 DEMAND SIDE MANAGEMENT PROGRAMS		100,000						
5 10-01-1-04 SELF SERVICE ENHANCEMENTS TO IVR AND PGW WEBSITE		150,000						
5 10-01-1-05 LIHEAP GRANT APPLICATION FOR CRP		115,000						
5 10-01-2-01 REPLACE COMPLAINT MANAGEMENT SYSTEM		270,000						
10-01-X-XX NON-RECURRING ITEMS	102,000							
TOTAL VP CUSTOMER AFFAIRS	<u>102,000</u>	<u>2,218,000</u>						
TOTAL OTHER DEPARTMENTS	<u>9,522,000</u>	<u>16,182,000</u>	<u>5,654,000</u>	<u>3,440,000</u>	<u>3,480,000</u>	<u>2,810,000</u>	<u>2,835,000</u>	<u>18,219,000</u>
ACQUIRE ASSETS LEASE	9,522,000	16,182,000	5,654,000	3,440,000	3,480,000	2,810,000	2,835,000	18,219,000

FISCAL 2014 FINANCING PLAN

PHILADELPHIA GAS WORKS
CAPITAL FINANCING PLAN

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

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

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

Capital Spending in FY 2014

• Spending from FY 2014 Program	\$ 91,117,000
• Spending Carryover from FY 2013	\$ 21,584,000
• Total FY 2014 Spending	\$112,701,000
• Less: Projected Reimbursement	\$ 1,616,000
• Net FY 2014 Capital Spending	\$111,085,000

Capital Funding Sources:

• External Capital Loan Program	\$ 54,085,000
• DSIC	\$ 22,000,000
• Internally Generated Funds	\$ 35,000,000
• Total Capital Funding	\$111,085,000

The proposed 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 2014 Capital Program. The funding contribution projected from DSIC of \$22,000,000 is based upon recovery from carryover spending from the FY 2013 Capital Program, as well as recovery from the FY 2014 Capital Program. Also it is assumed PGW will execute an external financing vehicle in FY 2014 that will replenish PGW's external capital loan capacity. Specifics on this external capital loan program are in the process of being evaluated.