

Exhibit #1
Compliance FY 2024 Capital Budget Proposal, associated Financing Plan, and Revised Five-Year Forecast of Capital Budgets for FY 2025 – FY 2029.

PHILADELPHIA GAS WORKS

FISCAL 2024 COMPLIANCE CAPITAL BUDGET

AND

FORECAST FISCAL 2025 - 2029

WITH

FISCAL 2024 FINANCING PLAN

APRIL 25, 2023



PHILADELPHIA GAS WORKS
COMPLIANCE
CAPITAL BUDGET
FISCAL YEAR 2024 AND FORECAST 2025 THROUGH 2029

	2024 CAPITAL BUDGET	2025- 2029 FORECAST	TOTAL 6 YEARS
<u>GAS PROCESSING</u>			
ADDITIONS	9,106,000	435,000	9,541,000
REPLACEMENTS	<u>13,350,000</u>	<u>244,365,000</u>	<u>257,715,000</u>
TOTAL	<u><u>22,456,000</u></u>	<u><u>244,800,000</u></u>	<u><u>267,256,000</u></u>
<u>DISTRIBUTION</u>			
ADDITIONS	17,567,000	91,547,000	109,114,000
REPLACEMENTS	<u>129,314,000</u>	<u>631,844,000</u>	<u>761,158,000</u>
GROSS TOTAL	146,881,000	723,391,000	870,272,000
LESS: SALVAGE			
LESS: CONTRIBUTIONS*			
LESS: REIMBURSEMENTS**	<u>(6,147,000)</u>	<u>(31,866,000)</u>	<u>(38,013,000)</u>
NET TOTAL	<u><u>140,734,000</u></u>	<u><u>691,525,000</u></u>	<u><u>832,259,000</u></u>
<u>FIELD SERVICES</u>			
ADDITIONS	3,415,000	16,382,000	19,797,000
REPLACEMENTS	<u>5,430,000</u>	<u>108,059,000</u>	<u>113,489,000</u>
GROSS TOTAL	8,845,000	124,441,000	133,286,000
LESS: SALVAGE			
LESS: CONTRIBUTIONS*			
NET TOTAL	<u><u>8,845,000</u></u>	<u><u>124,441,000</u></u>	<u><u>133,286,000</u></u>
<u>FLEET OPERATIONS</u>			
ADDITIONS	415,000		415,000
REPLACEMENTS	<u>4,822,000</u>	<u>41,164,000</u>	<u>45,986,000</u>
GROSS TOTAL	5,237,000	41,164,000	46,401,000
LESS: SALVAGE			
NET TOTAL	<u><u>5,237,000</u></u>	<u><u>41,164,000</u></u>	<u><u>46,401,000</u></u>

PHILADELPHIA GAS WORKS
COMPLIANCE
CAPITAL BUDGET
FISCAL YEAR 2024 AND FORECAST 2025 THROUGH 2029

	2024	2025- 2029	TOTAL 6 YEARS
	CAPITAL BUDGET	FORECAST	
<u>OTHER DEPARTMENTS</u>			
ADDITIONS	3,175,000	1,605,000	4,780,000
REPLACEMENTS	<u>5,838,000</u>	<u>11,165,000</u>	<u>17,003,000</u>
TOTAL	<u>9,013,000</u>	<u>12,770,000</u>	<u>21,783,000</u>
<u>TOTAL</u>			
ADDITIONS	33,678,000	109,969,000	143,647,000
REPLACEMENTS	<u>158,754,000</u>	<u>1,036,597,000</u>	<u>1,195,351,000</u>
GROSS TOTAL	192,432,000	1,146,566,000	1,338,998,000
LESS: SALVAGE			
LESS: REIMBURSEMENTS**	(6,147,000)	(31,866,000)	(38,013,000)
LESS: CONTRIBUTIONS*			
NET TOTAL	<u>186,285,000</u>	<u>1,114,700,000</u>	<u>1,300,985,000</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	2023 COMPL BUDGET	2024 FORECAST	2024 BUDGET	2024	2023	2024 BUD vs 2024 FORECAST	2024 BUD vs 2024 FORECAST
				BUDGET vs AMOUNT DIFFERENCE	COMPL BUDGET PERCENT DIFFERENCE	AMOUNT DIFFERENCE	PERCENT DIFFERENCE
<u>GAS PROCESSING</u>							
ADDITIONS	637,000	80,000	81,000	(556,000)	-87.3%	1,000	1.3%
REPLACEMENTS	<u>27,932,000</u>	<u>23,470,000</u>	<u>22,375,000</u>	<u>(5,557,000)</u>	<u>-19.9%</u>	<u>(1,095,000)</u>	<u>-4.7%</u>
TOTAL GAS PROCESSING	28,569,000	23,550,000	22,456,000	(6,113,000)	-21.4%	(1,094,000)	-4.6%
<u>DISTRIBUTION</u>							
ADDITIONS	18,711,000	19,366,000	17,587,000	(1,144,000)	-6.1%	(1,799,000)	-9.3%
REPLACEMENTS	<u>94,883,000</u>	<u>96,833,000</u>	<u>129,314,000</u>	<u>34,431,000</u>	<u>36.3%</u>	<u>32,481,000</u>	<u>33.5%</u>
GROSS TOTAL DISTRIBUTION	113,594,000	116,199,000	146,881,000	33,287,000	29.3%	30,682,000	26.4%
LESS: SALVAGE					N/A		N/A
LESS: CONTRIBUTIONS*					N/A		N/A
LESS: REIMBURSEMENT**	<u>(6,025,000)</u>	<u>(6,171,000)</u>	<u>(6,147,000)</u>	<u>(122,000)</u>	<u>2.0%</u>	<u>24,000</u>	<u>-0.4%</u>
NET TOTAL DISTRIBUTION	107,569,000	110,028,000	140,734,000	33,165,000	30.8%	30,706,000	27.9%
<u>FIELD SERVICES</u>							
ADDITIONS	2,845,000	4,598,000	3,415,000	570,000	20.0%	(1,183,000)	-25.7%
REPLACEMENTS	<u>4,987,000</u>	<u>20,629,000</u>	<u>5,430,000</u>	<u>443,000</u>	<u>8.9%</u>	<u>(15,199,000)</u>	<u>-73.7%</u>
GROSS TOTAL FIELD SERVICES	7,832,000	25,227,000	8,845,000	1,013,000	12.9%	(16,382,000)	-64.9%
LESS: SALVAGE					N/A		N/A
LESS: CONTRIBUTIONS*					N/A		N/A
NET TOTAL FIELD SERVICES	7,832,000	25,227,000	8,845,000	1,013,000	12.9%	(16,382,000)	-64.9%

PHILADELPHIA GAS WORKS
COMPLIANCE CAPITAL BUDGET
BUDGET/FORECAST COMPARISON

DEPARTMENT	2023 COMPL BUDGET	2024 FORECAST	2024 BUDGET	2024	2023	2024 BUD vs 2024 FORECAST	
				BUDGET vs AMOUNT DIFFERENCE	COMPL BUDGET PERCENT DIFFERENCE	AMOUNT DIFFERENCE	PERCENT DIFFERENCE
FLEET OPERATIONS							
ADDITIONS	-	-	415,000	415,000.00	N/A	415,000.00	N/A
REPLACEMENTS	10,615,000	8,236,000	4,822,000	(5,793,000)	-54.8%	(3,414,000)	-41.5%
GROSS TOTAL FLEET OPERATIONS	10,615,000	8,236,000	5,237,000	(5,378,000)	-50.7%	(2,999,000)	-36.4%
LESS: SALVAGE					N/A		N/A
NET TOTAL TRANSPORTATION	10,615,000	8,236,000	5,237,000	(5,378,000)	-50.7%	(2,999,000)	-36.4%
OTHER							
ADDITIONS	4,319,000	239,000	3,175,000	(1,144,000)	-26.5%	2,936,000	1228.5%
REPLACEMENTS	26,658,000	4,916,000	5,838,000	(20,820,000)	-78.1%	922,000	18.8%
TOTAL OTHER	30,977,000	5,155,000	9,013,000	(21,964,000)	-70.9%	3,858,000	74.8%
TOTAL							
ADDITIONS	26,512,000	24,283,000	24,653,000	(1,859,000)	-7.0%	370,000	1.5%
REPLACEMENTS	165,075,000	154,084,000	167,779,000	2,704,000	1.6%	13,695,000	8.9%
GROSS TOTAL	191,587,000	178,367,000	192,432,000	845,000	0.4%	14,065,000	7.9%
LESS: SALVAGE					N/A		N/A
LESS: REIMBURSEMENT**	(6,025,000)	(6,171,000)	(6,147,000)	(122,000)	2.0%	24,000	-0.4%
LESS: CONTRIBUTIONS*					N/A		N/A
NET TOTAL	185,562,000	172,196,000	186,285,000	723,000	0.4%	14,089,000	8.2%

* CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

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

PHILADELPHIA GAS WORKS
FISCAL YEAR 2024 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	24,653,000	23,683,000	167,779,000	115,077,000	192,432,000	138,760,000
YEAR 1	-	970,000	-	40,550,000	-	41,520,000
YEAR 2	-	-	-	4,987,000	-	4,987,000
YEAR 3	-	-	-	2,137,000	-	2,137,000
YEAR 4 AND BEYOND	-	-	-	-	-	-
TOTAL	<u>24,653,000</u>	<u>24,653,000</u>	<u>167,779,000</u>	<u>162,751,000</u>	<u>192,432,000</u>	<u>187,404,000</u>

GAS PROCESSING DEPARTMENT
FISCAL YEAR 2024 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	-	2,152,000	-	2,152,000
53-02 SUPPLEMENTAL GAS FACILITIES	9,025,000	10,881,000	-	19,906,000
53-03 BUILDING AND GROUNDS	-	-	-	-
53-04 MISC CAPITAL REQUIREMENTS	81,000	317,000	-	398,000
TOTAL GAS PROCESSING	<u>9,106,000</u>	<u>13,350,000</u>	<u>-</u>	<u>22,456,000</u>

GAS PROCESSING DEPARTMENT
FISCAL YEAR 2024 COMPLIANCE CAPITAL BUDGET
BUDGET/FORECAST COMPARISON

CATEGORY		2023 COMPL BUDGET	2024 FORECAST	2024 BUDGET	2024	2023	2024 BUD vs 2024	
					BUDGET vs \$ DIFF.	COMPL BUDGET % DIFF.	FORECAST \$ DIFF.	% DIFF.
53-01	NATURAL GAS MEASUREMENT AND CONTROL FACILITIES							
	ADDITIONS	-	-	-	-	N/A	0	N/A
	REPLACEMENTS	<u>532,000</u>	<u>2,359,000</u>	<u>2,152,000</u>	<u>1,620,000</u>	<u>304.5%</u>	<u>(207,000)</u>	<u>-8.8%</u>
	TOTAL	532,000	2,359,000	2,152,000	1,620,000	304.5%	(207,000)	-8.8%
53-02	SUPPLEMENTAL GAS FACILITIES							
	ADDITIONS	559,000	-	9,025,000	8,466,000	1514.5%	9,025,000	N/A
	REPLACEMENTS	<u>25,612,000</u>	<u>20,821,000</u>	<u>10,881,000</u>	<u>(14,731,000)</u>	<u>-57.5%</u>	<u>(9,940,000)</u>	<u>-47.7%</u>
	TOTAL	26,171,000	20,821,000	19,906,000	(6,285,000)	-23.9%	(915,000)	-4.4%
53-03	BUILDING AND GROUNDS							
	ADDITIONS	-	-	-	-	N/A	0	N/A
	REPLACEMENTS	-	-	-	-	N/A	0	N/A
	TOTAL	-	-	-	-	N/A	0	N/A
53-04	MISC CAPITAL REQUIREMENTS							
	ADDITIONS	78,000	80,000	81,000	3,000	3.8%	1,000	1.3%
	REPLACEMENTS	<u>283,000</u>	<u>290,000</u>	<u>317,000</u>	<u>34,000</u>	<u>12.0%</u>	<u>27,000</u>	<u>9.3%</u>
	TOTAL	361,000	370,000	398,000	37,000	10.2%	28,000	7.6%
	REAUTHORIZATION							
	ADDITIONS	-	-	-	-	N/A	0	N/A
	REPLACEMENTS	<u>1,505,000</u>	-	-	<u>(1,505,000)</u>	<u>-100.0%</u>	<u>0</u>	<u>N/A</u>
	TOTAL	1,505,000	-	-	(1,505,000)	-100.0%	0	N/A
	TOTAL GAS PROCESSING	<u>28,569,000</u>	<u>23,550,000</u>	<u>22,456,000</u>	<u>(6,113,000)</u>	<u>-21.4%</u>	<u>(1,094,000)</u>	<u>-4.6%</u>

**GAS PROCESSING DEPARTMENT
LISTING BY PRIORITY
FISCAL 2024 COMPLIANCE CAPITAL BUDGET**

P	CATEGORY	PRIORITY 1	AMOUNT	BUDGET YR	YEAR 1	YEAR 2	YEAR 3
1	GP-1	53-01-2-03	1,434,000	1,317,000	117,000	-	-
		New Heater, Generator and Station Modifications					
1	GP-2	53-02-1-06	718,000	647,000	71,000	-	-
		Replace Natural Gas Driven Positioners and Actuators					
1	GP-2	53-04-1-01	81,000	81,000	-	-	-
		MISCELLANEOUS CAPITAL ADDITIONS					
1	GP-2	53-04-2-01	317,000	317,000	-	-	-
		MISCELLANEOUS CAPITAL REPLACEMENTS					
1	GP-2	53-02-2-04	1,352,000	1,352,000	-	-	-
		DCS Upgrades - Richmond					
1	GP-2	53-02-2-06	1,327,000	1,327,000	-	-	-
		REPL TWO PHASE POWER SYSTEM INSTALLATION - PASSYUNK					
1	GP-3	53-02-2-07	376,000	376,000	-	-	-
		REPLACE FIBER OPTIC - RICHMOND					
1	GP-2	53-02-2-01	4,735,000	898,000	3,836,000	-	-
		EXPANDER LIQUEFIER TSA SYSTEM UPGRADES - RICHMOND [Conditional Funding]					
1	GP-2	53-02-2-03	9,025,000	4,507,000	4,518,000	-	-
		REPL LNG SWITCHGEAR - RICHMOND					
PRIORITY 2							
2	GP-2	53-02-2-06	3,091,000	3,091,000	-	-	-
		CHP Richmond Plant [Conditional Funding]					

TOTAL GAS PROCESSING DEPARTMENT: 22,456,000 13,914,000 8,542,000

GAS PROCESSING DEPARTMENT
FISCAL 2024 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	1,434,000
1	53-01-2-04	Replace Natural Gas Driven Positioners and Actuators	718,000
		TOTAL GP-1	<u>2,152,000</u>
	<u>GP-2</u>	<u>SUPPLEMENTAL GAS FACILITIES</u>	
1	53-02-2-01	EXPANDER LIQUEFIER TSA SYSTEM UPGRADES -RICHMOND [Conditional Funding]	4,735,000
1	53-02-2-03	REPL LNG SWITCHGEAR - RICHMOND	9,025,000
1	53-02-2-04	DCS Upgrades - Richmond	1,352,000
2	53-02-2-05	CHP Richmond Plant [Conditional Funding]	3,091,000
1	53-02-2-06	REPL TWO PHASE POWER SYSTEM INSTALLATION - PASSYUNK	1,327,000
1	53-02-2-07	REPLACE FIBER OPTIC - RICHMOND	376,000
		TOTAL GP-2	<u>19,906,000</u>
	<u>GP-4</u>	<u>MISCELLANEOUS CAPITAL REQUIREMENTS</u>	
1	53-04-1-01	MISCELLANEOUS CAPITAL ADDITIONS	81,000
1	53-04-2-01	MISCELLANEOUS CAPITAL REPLACEMENTS	317,000
		TOTAL GP-4	<u>398,000</u>
		TOTAL GAS PROCESSING DEPARTMENT	<u>22,458,000</u>

PHILADELPHIA GAS WORKS

FISCAL YEAR 2024 COMPLIANCE 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	81,000	81,000	22,375,000	13,833,000	22,456,000	13,914,000
YEAR 1	-	-	-	8,542,000	-	8,542,000
YEAR 2	-	-	-	-	-	-
YEAR 3	-	-	-	-	-	-
YEAR 4 AND BEYOND	-	-	-	-	-	-
TOTAL	81,000	81,000	22,375,000	22,375,000	22,456,000	22,456,000

DISTRIBUTION DEPARTMENT
FISCAL YEAR 2024 COMPLIANCE CAPITAL BUDGET
SUMMARY

<u>CATEGORY</u>	<u>ADDITIONS</u>	<u>REPLACEMENTS</u>	<u>GROSS TOTAL</u>	<u>REIMBURSEM ENT**</u>	<u>NET TOTAL</u>
52-20 GAS MAINS - HIGH PRESSURE (WITH ASSOCIATED VALVES AND REGULATORS)	4,055,000	1,132,000	5,187,000	-	5,187,000
52-21 GAS MAINS - LOW AND INTERMEDIATE PRESSURE - 8 INCH AND SMALLER	3,129,000	94,263,000	97,392,000	(3,732,000)	93,660,000
52-22 GAS MAINS - LOW AND INTERMEDIATE PRESSURE - 12 INCH AND LARGER	300,000	4,805,000	5,105,000	(2,415,000)	2,690,000
52-23 CUST MTR & REG INSTALL, PRESSURE REGULATION & CORROSION CONTROL FACILITIES	385,000	2,732,000	3,117,000	-	3,117,000
52-24 SERVICES	9,405,000	20,999,000	30,404,000	-	30,404,000
52-25 CONDITIONED RESERVED	-	4,278,000	4,278,000	-	4,278,000
52-29 OTHER DISTRIBUTION FACILITIES	293,000	1,105,000	1,398,000	-	1,398,000
TOTAL DISTRIBUTION	17,567,000	129,314,000	146,881,000	(6,147,000)	140,734,000

* CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

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

DISTRIBUTION DEPARTMENT
FISCAL YEAR 2024 COMPLIANCE CAPITAL BUDGET
BUDGET/FORECAST COMPARISON

CATEGORY		2023 COMPL BUDGET	2024 FORECAST	2024 BUDGET	2024	2023	2024 BUD vs 2024	
					BUDGET vs \$ DIFF.	COMPL BUDGET % DIFF.	FORECAST \$ DIFF.	% DIFF.
52-20 GAS MAINS - HIGH PRESSURE (WITH ASSOCIATED VALVES AND REGULATORS)	ADDITIONS	5,665,000	5,863,000	4,055,000	(1,610,000)	-28.4%	(1,808,000)	-30.8%
	REPLACEMENTS	1,348,000	1,395,000	1,132,000	(216,000)	-16.0%	(263,000)	-18.9%
	TOTAL	7,013,000	7,258,000	5,187,000	(1,826,000)	-26.0%	(2,071,000)	-28.5%
52-21 GAS MAINS - LOW AND INTERMEDIATE PRESSURE - 8 INCH AND SMALLER	ADDITIONS	2,615,000	2,707,000	3,129,000	514,000	19.7%	422,000	15.6%
	REPLACEMENTS	64,202,000	65,119,000	94,263,000	30,061,000	46.8%	29,144,000	44.8%
	TOTAL	66,817,000	67,826,000	97,392,000	30,575,000	45.8%	29,566,000	43.6%
52-22 GAS MAINS - LOW AND INTERMEDIATE PRESSURE - 12 INCH AND LARGER	ADDITIONS	178,000	184,000	300,000	122,000	68.5%	116,000	63.0%
	REPLACEMENTS	2,792,000	2,889,000	4,805,000	2,013,000	72.1%	1,916,000	66.3%
	TOTAL	2,970,000	3,073,000	5,105,000	2,135,000	71.9%	2,032,000	66.1%
52-23 CUST MTR & REG INST, PRESSURE REGULA- TION AND CORROSION CONTROL FACILITIES	ADDITIONS	397,000	411,000	385,000	(12,000)	-3.0%	(26,000)	-6.3%
	REPLACEMENTS	2,651,000	2,744,000	2,732,000	81,000	3.1%	(12,000)	-0.4%
	TOTAL	3,048,000	3,155,000	3,117,000	69,000	2.3%	(38,000)	-1.2%
52-24 SERVICES	ADDITIONS	9,566,000	9,801,000	9,405,000	(161,000)	-1.7%	(496,000)	-5.0%
	REPLACEMENTS	19,472,000	20,154,000	20,999,000	1,527,000	7.8%	845,000	4.2%
	TOTAL	29,038,000	30,055,000	30,404,000	1,366,000	4.7%	349,000	1.2%
52-25	CONDITIONED FUDNING RESERVED	3,309,000	3,384,000	4,278,000	969,000	29.3%	894,000	26.4%
52-29 OTHER DISTRIBUTION FACILITIES	ADDITIONS	290,000	300,000	293,000	3,000	1.0%	(7,000.00)	-2.3%
	REPLACEMENTS	1,109,000	1,148,000	1,105,000	(4,000)	-0.4%	(43,000)	-3.7%
	TOTAL	1,399,000	1,448,000	1,398,000	(1,000)	-0.1%	(50,000)	-3.5%
GROSS TOTAL DISTRIBUTION DEPARTMENT		113,594,000	116,199,000	146,881,000	33,287,000	29.3%	30,682,000	26.4%
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**	(6,025,000)	(6,171,000)	(6,147,000)	(122,000)	2.0%	24,000	-0.4%
NET TOTAL DISTRIBUTION		107,569,000	110,028,000	140,734,000	33,165,000	30.8%	30,706,000	27.9%

* DISTRIBUTION DEPARTMENT CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

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

DISTRIBUTION DEPARTMENT
FISCAL 2024 COMPLIANCE CAPITAL BUDGET

<u>P</u>	<u>AMOUNT</u>	<u>FEET</u>	<u>UNITS</u>	
<u>D-20</u>	GAS MAINS - HIGH PRESSURE (WITH ASSOCIATED VALVES AND REGULATORS)			
4	52-20-1-01	INSTALLATIONS TO PROVIDE FOR AHEAD-OF-PAVING AND EXTENSIONS TO SUPPLY ADDITIONAL LOADS [Conditional Funding]	4,055,000	16,931
3	52-20-2-01	ENFORCED RELOCATIONS CAUSED BY CITY AND STATE WORK	1,132,000	1,357
52-20-2-97	GROSS TOTAL D-20		5,187,000	
	LESS: REIMBURSEMENT**			
	LESS: POTENTIAL CUSTOMER CONTRIBUTIONS			
	NET TOTAL D-20		5,187,000	
<u>D-21</u>	GAS MAINS - LOW AND INTERMEDIATE PRESSURE - 8 INCH AND SMALLER			
4	52-21-1-01	MAINS TO SUPPLY NEW CUSTOMERS AND TO PROVIDE FOR INCREASED CAPACITY	3,129,000	12,028
3	52-21-2-01	ENFORCED RELOCATIONS CAUSED BY CITY, STATE AND OTHER WORK	4,949,000	20,169
1	52-21-2-02	PRUDENT MAIN REPLACEMENTS	23,314,000	90,709
1	52-21-2-03	LONG TERM INFRASTRUCTURE PLAN - DSIC	41,000,000	
1	52-21-2-04	NG DIST INFRASTRUCTURE SAFETY AND MODERNIZATION [Conditional Funding]	25,000,000	
52-21-2-97	GROSS TOTAL D-21		97,392,000	
	LESS: REIMBURSEMENT**		(3,732,000)	
	NET TOTAL D-21		93,660,000	

DISTRIBUTION DEPARTMENT
FISCAL 2024 COMPLIANCE CAPITAL BUDGET

P		<u>AMOUNT</u>	<u>FEET UNITS</u>
	D-22		
	<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	300,000	15
3	52-22-2-01 ENFORCED RELOCATIONS CAUSED BY CITY, STATE AND OTHER WORK	2,122,000	2,988
3	52-22-2-02 MAIN FOR MAJOR ENFORCED RELOCATION	2,683,000	
	GROSS TOTAL D-22	5,105,000	
	LESS: REIMBURSEMENT**	(2,415,000)	
	NET TOTAL D-22	2,690,000	
	D-23		
	<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	385,000	
1	52-23-2-01 REPLACEMENT/REHABILITATION OF HIGH PRESSURE MAIN VALVES	625,000	
2	52-23-2-02 REPLACEMENT OF VARIOUS PRESSURE REGULATING AND CORROSION CONTROL FACILITIES	2,107,000	
	GROSS TOTAL D-23	3,117,000	
	LESS: REIMBURSEMENT**		
	LESS: POTENTIAL CUSTOMER CONTRIBUTIONS*		
	NET TOTAL D-23	3,117,000	

DISTRIBUTION DEPARTMENT
FISCAL 2024 COMPLIANCE CAPITAL BUDGET

<u>P</u>	<u>AMOUNT</u>	<u>FEET UNITS</u>	
<u>D-24</u>	<u>SERVICES</u>		
4 52-24-1-01	INSTALLATION OF NEW 1-1/4" AND SMALLER SERVICES, HIGH, INTERMEDIATE AND LOW PRESSURE	7,499,000	1,869
4 52-24-1-02	INSTALLATION OF NEW 2 INCH AND LARGER SERVICES, HIGH, INTERMEDIATE AND LOW PRESSURE	1,906,000	144
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	19,878,000	8,335
1 52-24-2-02	RENEWAL OF 2" AND LARGER SERVICES	1,121,000	80
	GROSS TOTAL D-24	30,404,000	
	LESS: REIMBURSEMENT**		
	NET TOTAL D-24	<u>30,404,000</u>	
<u>D-25</u>	<u>CONDITIONED FUNDING</u>		
1 52-25-2-01	CONDITIONED FUNDING RESERVED	4,278,000	
	NET TOTAL D-25	<u>4,278,000</u>	
<u>D-29</u>	<u>OTHER DISTRIBUTION FACILITIES</u>		
2 52-29-1-01	ADDITIONAL TOOLS AND WORK EQUIPMENT	293,000	
2 52-29-2-01	REPLACEMENT OF OBSOLETE TOOLS, RADIOS, AND WORK EQUIPMENT	1,105,000	
	NET TOTAL D-29	<u>1,398,000</u>	
	GROSS TOTAL DISTRIBUTION DEPARTMENT	146,881,000	
	LESS: REIMBURSEMENT**	(6,147,000)	
	LESS: POTENTIAL CUSTOMER CONTRIBUTIONS*		
	LESS: SALVAGE		
52-98-2-98	NET TOTAL DISTRIBUTION DEPARTMENT	<u>140,734,000</u>	

* DISTRIBUTION DEPARTMENT CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

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

DISTRIBUTION DEPARTMENT

FISCAL YEAR 2024 COMPLIANCE CAPITAL BUDGET

DISTRIBUTION COMPRESSED CATEGORIES

<u>CATEGORIES</u>	2023 COMPL BUDGET	2024 FORECAST	2024 BUDGET
MAIN ADDITIONS	8,458,000	8,754,000	7,484,000
MAIN REPLACEMENTS	68,342,000	69,403,000	100,200,000
SERVICE ADDITIONS	9,566,000	9,901,000	9,405,000
SERVICE REPLACEMENTS	19,472,000	20,154,000	20,999,000
METER/REGULATOR/CORROSION	3,048,000	3,155,000	3,117,000
TOOLS	1,399,000	1,448,000	1,398,000
CONDITIONED FUNDING RESERVE	3,309,000	3,384,000	4,278,000
GROSS TOTAL DISTRIBUTION	113,594,000	116,199,000	146,881,000

DISTRIBUTION DEPARTMENT
LISTING BY PRIORITY
FISCAL 2024 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	23,314,000	90,709	17,769,000	5,545,000	-	-
1	D-21 52-21-2-03 LONG TERM INFRASTRUCTURE PLAN - DSIC	41,000,000		28,194,000	12,806,000	-	-
1	D-21 52-21-2-04 NG DIST INFRASTRUCTURE SAFETY AND MODERNIZATION [Conditional Funding]	25,000,000		10,752,000	7,124,000	4,987,000	2,137,000
1	D-23 52-23-2-01 REPLACEMENT/REHABILITATION OF HIGH PRESSURE MAIN VALVES	625,000		232,000	393,000	-	-
1	D-24 52-24-2-02 RENEWAL OF 2" AND LARGER SERVICES	1,121,000	80	828,000	293,000	-	-
1	D-24 52-24-2-01 RENEWAL OF 1-1/4" AND SMALLER SERVICES FOR PRUDENT	19,878,000	8,335	18,030,000	1,848,000	-	-
1	D-25 52-25-2-01 CONDITIONED FUNDING RESERVED	4,278,000		-	-	-	-
	<u>PRIORITY 2</u>						
2	D-23 52-23-2-02 REPLACEMENT OF VARIOUS PRESSURE REGULATING AND	2,107,000		1,600,000	507,000	-	-
2	D-29 52-29-1-01 ADDITIONAL TOOLS AND WORK EQUIPMENT	293,000		264,000	29,000	-	-
2	D-29 52-29-2-01 REPLACEMENT OF OBSOLETE TOOLS, RADIOS, AND WORK	1,105,000		438,000	667,000	-	-

**DISTRIBUTION DEPARTMENT
LISTING BY PRIORITY
FISCAL 2024 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>
PRIORITY 3							
3	D-20 52-20-2-01 ENFORCED RELOCATIONS CAUSED BY CITY AND STATE WORK	1,132,000	1,357	1,093,000	39,000	-	-
3	D-21 52-21-2-01 ENFORCED RELOCATIONS CAUSED BY CITY, STATE AND OTHER	4,949,000	20,169	3,798,000	1,151,000	-	-
3	D-22 52-22-2-01 ENFORCED RELOCATIONS CAUSED BY CITY, STATE AND OTHER	2,122,000	2,988	1,722,000	400,000	-	-
3	D-22 52-22-2-02 MAIN FOR MAJOR ENFORCED RELOCATION	2,683,000		2,013,000	670,000	-	-
PRIORITY 4							
4	D-20 52-20-1-01 INSTALLATIONS TO PROVIDE FOR AHEAD-OF-PAVING AND EXTENSIONS TO SUPPLY ADDITIONAL LOADS [Conditional Funding]	4,055,000	16,931	3,706,000	349,000	-	-
4	D-21 52-21-1-01 MAINS TO SUPPLY NEW CUSTOMERS AND TO PROVIDE FOR	3,129,000	12,028	2,975,000	154,000	-	-
4	D-23 52-23-1-01 CUSTOMER METERING AND REGULATOR INSTALLATION	385,000		381,000	4,000	-	-
4	D-22 52-22-1-01 TO SUPPLY NEW CUSTOMERS AND TO PROVIDE FOR	300,000	15	300,000	-	-	-
4	D-24 52-24-1-01 INSTALLATION OF NEW 1-1/4" AND SMALLER SERVICES, HIGH,	7,499,000	1,869	7,470,000	29,000	-	-
4	D-24 52-24-1-02 INSTALLATION OF NEW 2 INCH AND LARGER SERVICES, HIGH,	1,906,000	144	1,863,000	43,000	-	-

TOTAL DISTRIBUTION DEPARTMENT: 146,881,000 103,428,000 32,051,000 4,987,000 2,137,000

PHILADELPHIA GAS WORKS
FISCAL YEAR 2024 COMPLIANCE CAPITAL BUDGET
DISTRIBUTION 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>
<u>CURRENT BUDGET</u>	17,567,000	16,959,000	129,314,000	86,469,000	146,881,000	103,428,000
<u>YEAR 1</u>	-	608,000	-	31,443,000	-	32,051,000
<u>YEAR 2</u>	-	-	-	4,987,000	-	4,987,000
<u>YEAR 3</u>	-	-	-	2,137,000	-	2,137,000
<u>YEAR 4 AND BEYOND</u>	-	-	-	-	-	-
<u>TOTAL</u>	<u>17,567,000</u>	<u>17,567,000</u>	<u>129,314,000</u>	<u>125,036,000</u>	<u>146,881,000</u>	<u>142,603,000</u>

FIELD SERVICES DEPARTMENT
FISCAL YEAR 2024 COMPLIANCE CAPITAL BUDGET
SUMMARY

<u>CATEGORY</u>	<u>ADDITIONS</u>	<u>REPLACEMENTS</u>	<u>TOTAL</u>
50-30 METERS & INSTALLATION	2,827,000	3,946,000	6,773,000
50-32 SERVICE REGULATORS AND INSTALLATION	116,000	113,000	229,000
50-33 COMMERCIAL & INDUSTRIAL TELEMETERING SYSTEMS	58,000	62,000	120,000
50-34 METER SHOP EQUIPMENT	153,000.00	71,000	224,000
50-36 AUTOMATIC METER READING	<u>261,000</u>	<u>1,238,000</u>	<u>1,499,000</u>
GROSS TOTAL FIELD SERVICES	3,415,000	5,430,000	8,845,000
LESS: SALVAGE LESS: CONTRIBUTIONS*	<u> </u>	<u> </u>	<u> </u>
NET TOTAL FIELD SERVICES	<u><u>3,415,000</u></u>	<u><u>5,430,000</u></u>	<u><u>8,845,000</u></u>

* FIELD SERVICES DEPARTMENT CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

FIELD SERVICES DEPARTMENT
FISCAL YEAR 2024 COMPLIANCE CAPITAL BUDGET
BUDGET/FORECAST COMPARISON

CATEGORY		2023 COMPL BUDGET	2024 FORECAST	2024 BUDGET	2024	2023	2024 BUD vs 2024 FORECAST	
					BUDGET vs \$ DIFFERENCE	COMPL BUDGET % DIFF.	\$ DIFFERENCE	% DIFF.
50-30 METERS	ADDITIONS	2,441,000	3,211,000	2,827,000	386,000	15.8%	(384,000)	-12.0%
	REPLACEMENTS	<u>3,348,000</u>	<u>19,583,000</u>	<u>3,946,000</u>	<u>598,000</u>	<u>17.8%</u>	<u>(15,637,000)</u>	<u>-79.8%</u>
	TOTAL	5,789,000	22,794,000	6,773,000	984,000	17.0%	(16,021,000)	-70.3%
SERVICE 50-32 REGULATORS AND INSTALLATIONS	ADDITIONS	79,000	67,000	116,000	37,000	46.8%	49,000	73.1%
	REPLACEMENTS	<u>56,000</u>	<u>59,000</u>	<u>113,000</u>	<u>57,000</u>	<u>101.8%</u>	<u>54,000</u>	<u>91.5%</u>
	TOTAL	135,000	126,000	229,000	94,000	69.6%	103,000	81.7%
50-33 TELEMETERING AND INSTALLATIONS	ADDITIONS	79,000	82,000	58,000	(21,000)	-26.6%	(24,000)	-29.3%
	REPLACEMENTS	<u>73,000</u>	<u>76,000</u>	<u>62,000</u>	<u>(11,000)</u>	<u>-15.1%</u>	<u>(14,000)</u>	<u>-18.4%</u>
	TOTAL	152,000	158,000	120,000	(32,000)	-21.1%	(38,000)	-24.1%
50-34 METER SHOP EQUIPMENT	ADDITIONS	-	-	153,000	153,000.00	N/A	153,000.00	N/A
	REPLACEMENTS	<u>71,000</u>	-	<u>71,000</u>	-	-	<u>71,000.00</u>	<u>N/A</u>
	TOTAL	71,000	-	224,000	153,000	2.15	224,000.00	N/A
SERVICE 50-35 SECTION EQUIPMENT	ADDITIONS	-	1,075,000	-	-	N/A	(1,075,000)	-100.0%
	REPLACEMENTS	-	-	-	-	N/A	-	N/A
	TOTAL	-	1,075,000	-	-	N/A	(1,075,000)	-100.0%
AUTOMATIC 50-36 METER READING	ADDITIONS	246,000	163,000	261,000	15,000	6.1%	98,000	60.1%
	REPLACEMENTS	<u>1,439,000</u>	<u>911,000</u>	<u>1,238,000</u>	<u>(201,000)</u>	<u>-14.0%</u>	<u>327,000</u>	<u>35.9%</u>
	TOTAL	1,685,000	1,074,000	1,499,000	(186,000)	-11.0%	425,000	39.6%
GROSS TOTAL FIELD SERVICES		7,832,000	25,227,000	8,845,000	1,013,000	12.9%	(16,382,000)	-64.9%
LESS: SALVAGE		-	-	-	-	N/A	-	N/A
LESS: CONTRIBUTIONS*		-	-	-	-	N/A	-	N/A
NET TOTAL FIELD SERVICES		<u>7,832,000</u>	<u>25,227,000</u>	<u>8,845,000</u>	<u>1,013,000</u>	<u>12.9%</u>	<u>(16,382,000)</u>	<u>-64.9%</u>

* FIELD SERVICES DEPARTMENT CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

FIELD SERVICES DEPARTMENT
FISCAL 2024 COMPLIANCE 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	2,827,000
5	50-30-2-01	PURCHASE METERS TO SUPPORT AUTOMATIC METER READING	3,946,000
		TOTAL C-30	<u>6,773,000</u>
	<u>C-32</u>	<u>SERVICE REGULATORS</u>	
4	50-32-1-01	PURCHASE AND INSTALLATION OF SERVICE REGULATORS	116,000
2	50-32-2-01	PURCHASE VARIOUS SIZE SERVICE REGULATORS AS REPLACEMENTS	113,000
		TOTAL C-32	<u>229,000</u>
	<u>C-33</u>	<u>COMMERCIAL & INDUSTRIAL TELEMETERING SYSTEMS</u>	
4	50-33-1-01	PURCHASE AND INSTALLATION OF EQUIPMENT AND INSTRUMENTATION	58,000
2	50-33-2-01	REPLACE BPS METSCAN & LBS METRETEK UNITS	62,000
		TOTAL C-33	<u>120,000</u>
	<u>C-34</u>	<u>METER SHOP EQUIPMENT</u>	
2	50-34-1-01	ADVANCED METER INFRASTRUCTURE INSTALLATION	153,000
2	50-34-2-01	REPLACEMENT OF OBSOLETE SHOP EQUIPMENT, HAND-HELD TOOLS AND SOFTWARE PACKAGE USED FOR AMR	71,000
		TOTAL C-34	<u>224,000</u>
	<u>C-36</u>	<u>AUTOMATIC METER READING</u>	
4	50-36-1-01	PURCHASE AND INSTALLATION OF ERT DEVICES FOR AMR	261,000
5	50-36-2-01	REPLACE AMR DEVICES	1,238,000
		TOTAL C-36	<u>1,499,000</u>
		GROSS TOTAL FIELD SERVICES DEPARTMENT	8,845,000
50-98-2-98		LESS: ESTIMATED SALVAGE	
		LESS: CONTRIBUTIONS*	
		NET TOTAL FIELD SERVICES DEPARTMENT	<u>8,845,000</u>

FIELD SERVICES DEPARTMENT

LISTING BY PRIORITY

FISCAL 2024 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 2</u>					
2	50-32-2-01	113,000	113,000	-	-	-
	<u>PURCHASE VARIOUS SIZE SERVICE REGULATORS AS REPLACEMENTS</u>					
2	50-33-2-01	62,000	37,000	25,000	-	-
	<u>REPLACE BPS METSCAN & LBS METRETEK UNITS</u>					
2	50-34-1-01	153,000	153,000	-	-	-
	<u>ADVANCED METER INFRASTRUCTURE INSTALLATION</u>					
2	50-34-2-01	71,000	71,000	-	-	-
	<u>REPLACEMENT OF OBSOLETE SHOP EQUIPMENT, HAND-HELD TOOLS AND SOFTWARE P</u>					
	<u>PRIORITY 4</u>					
4	50-30-1-01	2,827,000	2,827,000	-	-	-
	<u>PURCHASE AND INSTALLATION OF METERS TO PROVIDE FOR</u>					
4	50-32-1-01	116,000	116,000	-	-	-
	<u>PURCHASE AND INSTALLATION OF SERVICE REGULATORS</u>					
4	50-33-1-01	58,000	35,000	23,000	-	-
	<u>PURCHASE AND INSTALLATION OF EQUIPMENT AND INSTRUMENTATION</u>					
4	50-36-1-01	261,000	183,000	78,000	-	-
	<u>PURCHASE AND INSTALLATION OF ERT DEVICES FOR AMR</u>					
	<u>PRIORITY 5</u>					
5	50-30-2-01	3,946,000	3,946,000	-	-	-
	<u>PURCHASE METERS TO SUPPORT AUTOMATIC METER READING</u>					
5	50-36-2-01	1,238,000	867,000	371,000	-	-
	<u>REPLACE AMR DEVICES</u>					
	TOTAL FIELD SERVICES DEPARTMENT:	8,845,000	8,348,000	487,000	-	-

PHILADELPHIA GAS WORKS

FISCAL YEAR 2024 COMPLIANCE CAPITAL BUDGET

FIELD SERVICES DEPARTMENT ESTIMATE OF ENCUMBRANCE AND EXPENDITURE

FISCAL YEAR	ADDITIONS		REPLACEMENTS		TOTAL	
	<u>ENCUMBERED</u>	<u>EXPENDED</u>	<u>ENCUMBERED</u>	<u>EXPENDED</u>	<u>ENCUMBERED</u>	<u>EXPENDED</u>
CURRENT BUDGET	3,415,000	3,314,000	5,430,000	5,034,000	8,845,000	8,348,000
YEAR 1	-	101,000	-	396,000	-	497,000
YEAR 2	-	-	-	-	-	-
YEAR 3	-	-	-	-	-	-
YEAR 4 AND BEYOND	-	-	-	-	-	-
TOTAL	3,415,000	3,415,000	5,430,000	5,430,000	8,845,000	8,845,000

FLEET OPERATIONS DEPARTMENT
FISCAL YEAR 2024 COMPLIANCE CAPITAL BUDGET
BUDGET/FORECAST COMPARISON

CATEGORY	2023 COMPL	2024	2024	2024	2023	2024 BUD vs 2024	
	BUDGET	FORECAST	BUDGET	BUDGET vs \$ DIFFERENCE	COMPL BUDGET % DIFF.	FORECAST \$ DIFFERENCE % DIFF.	
73-01-2-02 MOBILE EQUIPMENT REPLACEMENTS	2,008,000	1,236,000	403,000	(1,605,000)	-79.9%	(833,000) -67.4%	
73-01-2-03 VEHICLE REPLACEMENTS	5,404,000	7,000,000	4,338,000	(1,066,000)	-19.7%	(2,662,000) -38.0%	
2021 REAUTHORIZATION							
73-01-2-02 MOBILE EQUIPMENT REPLACEMENTS	414,000	-	-	(414,000)	-100.0%	- N/A	
73-01-2-03 VEHICLE REPLACEMENTS	2,789,000	-	-	(2,789,000)	-100.0%	- N/A	
GROSS TOTAL FLEET OPERATIONS	10,615,000	8,236,000	5,237,000	(5,378,000)	-50.7%	(2,999,000) -36.4%	
LESS: SALVAGE					N/A	N/A	
NET TOTAL FLEET OPERATIONS	10,615,000	8,236,000	5,237,000	(5,378,000)	-50.7%	(2,999,000) -36.4%	

FLEET OPERATIONS DEPARTMENT
FISCAL 2024 COMPLIANCE CAPITAL BUDGET

P			<u>AMOUNT</u>
1	73-01-1-02	MOBILE EQUIPMENT ADDITIONS	81,000
1	73-01-1-03	VEHICLE ADDITIONS [Conditional Funding]	415,000
2	73-01-2-02	MOBILE EQUIPMENT REPLACEMENTS	403,000
2	73-01-2-03	VEHICLE REPLACEMENTS	4,338,000
		GROSS TOTAL FLEET OPERATIONS	<u>5,237,000</u>
		NET TOTAL FLEET OPERATIONS	<u><u>5,237,000</u></u>

**FLEET OPERATIONS DEPARTMENT
LISTING BY PRIORITY
FISCAL 2024 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>
1	73-01-1-02	MOBILE EQUIPMENT ADDITIONS	81,000	81,000	-	-	-
1	73-01-1-03	VEHICLE ADDITIONS [Conditional Funding]	415,000	415,000	-	-	-
<u>PRIORITY 2</u>							
2	73-01-2-02	MOBILE EQUIPMENT REPLACEMENTS	403,000	403,000	-	-	-
2	73-01-2-03	VEHICLE REPLACEMENTS	4,338,000	4,338,000	-	-	-
TOTAL FLEET OPERATIONS DEPARTMENT:			5,237,000	5,237,000	-	-	-

PHILADELPHIA GAS WORKS
FISCAL YEAR 2024 COMPLICANCE 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	415,000	415,000	4,822,000	4,822,000	5,237,000	5,237,000
YEAR 1	-	-	-	-	-	-
YEAR 2	-	-	-	-	-	-
YEAR 3	-	-	-	-	-	-
YEAR 4 AND BEYOND	-	-	-	-	-	-
TOTAL	415,000	415,000	4,822,000	4,822,000	5,237,000	5,237,000

FACILITIES

FISCAL YEAR 2024 COMPLIANCE CAPITAL BUDGET

BUDGET/FORECAST COMPARISON

CATEGORY	2023 COMPL BUDGET	2024 FORECAST	2024 BUDGET	2024	2023	2024 BUD vs 2024	
				BUDGET vs \$ DIFF.	COMPL BUDGET % DIFF.	FORECAST \$ DIFF.	% DIFF.
72-01-1-01 MISCELLANEOUS CAPITAL ADDITIONS	96,000	98,000	94,000	(2,000)	-2.1%	(4,000)	-4.1%
72-01-1-02 MISCELLANEOUS CAPITAL ADDITIONS - GAS PROCESSING	2,000	2,000	5,000	3,000	150.0%	3,000	150.0%
72-01-2-01 MISCELLANEOUS CAPITAL REPLACEMENTS/STRUCTURAL REPAIRS	499,000	511,000	476,000	(23,000)	-4.6%	(35,000)	-6.8%
72-01-2-02 MISCELLANEOUS CAPITAL REPLACEMENTS - GAS PROCESSING	12,000	12,000	14,000	2,000	16.7%	2,000	16.7%
72-01-2-03 MISC CAPITAL REPL - STRUCTURAL REPAIRS - GAS PROCESSING	3,000	3,000	5,000	2,000	66.7%	2,000	66.7%
72-01-1-03 NOC DATA CENTER BACKUP GENERATOR	-	-	416,000	416,000	N/A	416,000	N/A
72-01-1-04 1849 ELECTRICAL POWER SEPARATION [Conditional Funding]	-	-	332,000	332,000	N/A	332,000	N/A
72-01-2-05 800 BUILDING DATA CENTER UPS MPR REPLACEMENT	-	-	272,000	272,000	N/A	272,000	N/A
72-01-2-04 REPLACE 800 BUILDING MAIN ELECTRIC SWITCHGEAR	417,000	2,616,000	2,616,000	2,199,000	527.3%	-	0.0%
72-01-2-06 800 BUILDING DATA CENTER UPS BATTERY REPLACEMENT	-	-	239,000	239,000	N/A	239,000	N/A
72-01-2-07 800 BUILDING FIRE SYSTEM NOTIFICATION REPLACEMENT	-	-	140,000	140,000	N/A	140,000	N/A
72-02-2-03 800 BUILDING CAFETERIA IMPROVEMENTS	-	-	202,000	202,000	N/A	202,000	N/A
72-02-2-01 800 BUILDING LOBBY IMPROVEMENTS	-	-	106,000	106,000	N/A	106,000	N/A
72-02-2-02 800 BUILDING DATA UPGRADES 1ST FLOOR WEST	-	-	51,000	51,000	N/A	51,000	N/A
72-05-1-03 800 BUILDING EAST PARKING LOT EV CHARGERS	307,000	-	-	(307,000)	-100.0%	-	N/A
72-02-1-04 NOC DATA CENTER FACILITIES INFRASTRUCTURE	1,350,000	-	-	(1,350,000)	-100.0%	-	N/A
72-01-2-04 REPLACE 800 BUILDING PNEUMATIC CONTROLS	231,000	-	-	(231,000)	-100.0%	-	N/A
72-01-2-08 REPLACE PORTER STATION FUELING STATION	1,500,000	-	-	(1,500,000)	-100.0%	-	N/A
72-01-2-09 REPAVEMENT OF PORTER STATION LOT	1,500,000	-	-	(1,500,000)	-100.0%	-	N/A
0							
72-01-2-10 800 BUILDING RESTROOM RENOVATIONS	300,000	-	-	(300,000)	-	-	-
TOTAL FACILITIES	6,217,000	3,242,000	4,968,000	(1,249,000)	-20.1%	1,726,000	53.2%

OTHER DEPARTMENTS
FISCAL YEAR 2024 COMPLIANCE CAPITAL BUDGET
SUMMARY

<u>CATEGORY</u>	<u>ADDITIONS</u>	<u>REPLACEMENTS</u>	<u>TOTAL</u>
FACILITIES	847,000	4,121,000	4,968,000
INFORMATION SERVICES	2,328,000	967,000	3,295,000
CHIEF OPERATING OFFICER	-	750,000	750,000
OTHER	-	-	-
TOTAL OTHER DEPARTMENTS	<u>3,175,000</u>	<u>5,838,000</u>	<u>9,013,000</u>

OTHER DEPARTMENTS
FISCAL YEAR 2024 COMPLIANCE CAPITAL BUDGET
BUDGET/FORECAST COMPARISON

CATEGORY		2023 COMPL	2024	2024	2024	2023	2024 BUD vs 2024	
		BUDGET	FORECAST	BUDGET	\$ DIFFERENCE	% COMPL BUDGET	\$ FORECAST	% DIFF.
FACILITIES	ADDITIONS	1,755,000	100,000	847,000	(908,000)	-51.7%	747,000	747.0%
	REPLACEMENTS	4,462,000	3,142,000	4,121,000	(341,000)	-7.6%	979,000	31.2%
	TOTAL	6,217,000	3,242,000	4,968,000	(1,249,000)	-20.1%	1,726,000	53.2%
INFORMATION SERVICES	ADDITIONS	2,530,000	139,000	2,328,000	(202,000)	-8.0%	2,189,000	1574.8%
	REPLACEMENTS	21,446,000	1,024,000	967,000	(20,479,000)	-95.5%	(57,000)	-5.6%
	TOTAL	23,976,000	1,163,000	3,295,000	(20,681,000)	-86.3%	2,132,000	183.3%
CHIEF OPERATING OFFICER	ADDITIONS	-	-	-	-	N/A	-	N/A
	REPLACEMENTS	750,000	750,000	750,000	-	0.0%	-	0.0%
	TOTAL	750,000	750,000	750,000	-	0.0%	-	0.0%
CHEMICAL SERVICES	ADDITIONS	34,000	-	-	(34,000)	-100.0%	-	N/A
	REPLACEMENTS	-	-	-	-	N/A	-	N/A
	TOTAL	34,000	-	-	(34,000)	-100.0%	-	N/A
TOTAL OTHER DEPARTMENTS		30,977,000	5,155,000	9,013,000	(21,964,000)	-70.9%	3,858,000	74.8%

OTHER DEPARTMENTS
FISCAL 2024 COMPLIANCE CAPITAL BUDGET

P			AMOUNT
	<u>FACILITIES</u>		
1	72-01-1-01	MISCELLANEOUS CAPITAL ADDITIONS	94,000
1	72-01-1-02	MISCELLANEOUS CAPITAL ADDITIONS - GAS PROCESSING	5,000
1	72-01-2-01	MISCELLANEOUS CAPITAL REPLACEMENTS/STRUCTURAL REPAIRS	476,000
1	72-01-2-02	MISCELLANEOUS CAPITAL REPLACEMENTS - GAS PROCESSING	14,000
1	72-01-2-03	MISC CAPITAL REPL - STRUCTURAL REPAIRS - GAS PROCESSING	5,000
1	72-01-1-03	NOC DATA CENTER BACKUP GENERATOR	416,000
1	72-01-1-04	1849 ELECTRICAL POWER SEPARATION [Conditional Funding]	332,000
1	72-01-2-05	800 BUILDING DATA CENTER UPS MPR REPLACEMENT	272,000
1	72-01-2-04	REPLACE 800 BUILDING MAIN ELECTRIC SWITCHGEAR	2,616,000
1	72-01-2-06	800 BUILDING DATA CENTER UPS BATTERY REPLACEMENT	239,000
1	72-01-2-07	800 BUILDING FIRE SYSTEM NOTIFICATION REPLACEMENT	140,000
2	72-02-2-03	800 BUILDING CAFETERIA IMPROVEMENTS	202,000
2	72-02-2-01	800 BUILDING LOBBY IMPROVEMENTS	106,000
2	72-02-2-02	800 BUILDING DATA UPGRADES 1ST FLOOR WEST	51,000
TOTAL FACILITIES			<u>4,968,000</u>

OTHER DEPARTMENTS
FISCAL 2024 COMPLIANCE CAPITAL BUDGET

<u>P</u>			<u>AMOUNT</u>
		<u>INFORMATION SERVICES</u>	
2	47-01-1-01	MISCELLANEOUS SERVER, NETWORK, & HARDWARE ADDITIONS	1,381,000
2	47-01-1-02	MISCELLANEOUS SOFTWARE ADDITIONS	475,000
2	47-01-1-03	SAN STORAGE	472,000
2	47-01-2-01	MISCELLANEOUS SOFTWARE REPLACEMENTS	400,000
2	47-01-2-02	MISC SERVER AND NETWORK HARDWARE REPLACEMENT	449,000
2	47-01-2-03	REPLACE SAN EQUIPMENT	118,000
		TOTAL INFORMATION SERVICES	<u>3,295,000</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>
		TOTAL OTHER DEPARTMENTS	<u>9,013,000</u>

**OTHER DEPARTMENTS
LISTING BY PRIORITY
FISCAL 2024 COMPLIANCE CAPITAL BUDGET**

P	CATEGORY	AMOUNT	BUDGET YR	YEAR 1	YEAR 2	YEAR 3
PRIORITY 1						
1	72-01-1-01 MISCELLANEOUS CAPITAL ADDITIONS	94,000	94,000	-	-	-
1	72-01-1-02 MISCELLANEOUS CAPITAL ADDITIONS - GAS PROCESSING	5,000	5,000	-	-	-
1	72-01-2-01 MISCELLANEOUS CAPITAL REPLACEMENTS/STRUCTURAL REPAIRS	476,000	476,000	-	-	-
1	72-01-2-02 MISCELLANEOUS CAPITAL REPLACEMENTS - GAS PROCESSING	14,000	14,000	-	-	-
1	72-01-2-03 MISC CAPITAL REPL - STRUCTURAL REPAIRS - GAS PROCESSING	5,000	5,000	-	-	-
1	72-01-1-03 NOC DATA CENTER BACKUP GENERATOR	416,000	416,000	-	-	-
1	72-01-1-04 1949 ELECTRICAL POWER SEPARATION [Conditional Funding]	332,000	332,000	-	-	-
1	72-01-2-05 800 BUILDING DATA CENTER UPS MPR REPLACEMENT	272,000	272,000	-	-	-
1	72-01-2-04 REPLACE 800 BUILDING MAIN ELECTRIC SWITCHGEAR	2,616,000	2,616,000	-	-	-
1	72-01-2-06 800 BUILDING DATA CENTER UPS BATTERY REPLACEMENT	236,000	236,000	-	-	-
1	72-01-2-07 800 BUILDING FIRE SYSTEM NOTIFICATION REPLACEMENT	140,000	140,000	-	-	-
1	13-01-2-01 CONDITIONAL FUNDING FOR CAPITAL NEEDS RELATED TO SAFETY	250,000	-	-	-	-
PRIORITY 2						
2	72-02-2-03 800 BUILDING CAFETERIA IMPROVEMENTS	202,000	202,000	-	-	-
2	72-02-2-01 800 BUILDING LOBBY IMPROVEMENTS	106,000	106,000	-	-	-
2	72-02-2-02 800 BUILDING DATA UPGRADES 1ST FLOOR WEST	51,000	51,000	-	-	-
2	47-01-1-01 MISCELLANEOUS SERVER, NETWORK, & HARDWARE ADDITIONS	1,391,000	1,120,000	261,000	-	-
2	47-01-1-02 MISCELLANEOUS SOFTWARE ADDITIONS	475,000	475,000	-	-	-
2	47-01-1-03 SAN STORAGE	472,000	472,000	-	-	-
2	47-01-2-01 MISCELLANEOUS SOFTWARE REPLACEMENTS	400,000	350,000	50,000	-	-
2	47-01-2-02 MISC SERVER AND NETWORK HARDWARE REPLACEMENT	449,000	330,000	119,000	-	-
2	47-01-2-03 REPLACE SAN EQUIPMENT	118,000	118,000	-	-	-
2	13-01-2-02 CONDITIONAL FUNDING FOR CAPITAL NEEDS RELATED TO RELIABILITY OF SERVICE	250,000	-	-	-	-
PRIORITY 4						
4	13-01-2-03 CONDITIONAL FUNDING FOR CAPITAL NEEDS RELATED TO COST-JUSTIFIED LOAD GROWTH	250,000	-	-	-	-
TOTAL OTHER DEPARTMENTS:		9,013,000	7,653,000	430,000	-	-

PHILADELPHIA GAS WORKS
FISCAL YEAR 2024 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	3,175,000	2,914,000	5,838,000	4,919,000	9,013,000	7,833,000
YEAR 1	-	261,000	-	169,000	-	430,000
YEAR 2	-	-	-	-	-	-
YEAR 3	-	-	-	-	-	-
YEAR 4 AND BEYOND	-	-	-	-	-	-
TOTAL	3,175,000	3,175,000	5,838,000	5,088,000	9,013,000	8,263,000

FIVE YEAR FORECAST

PHILADELPHIA GAS WORKS

FISCAL YEAR 2024 AND FORECAST 2025 THROUGH 2029

<u>DEPARTMENT</u>	<u>2024 CAPITAL BUDGET</u>	<u>FORECAST</u>				<u>TOTAL 6 YEARS</u>
		<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	
<u>GAS PROCESSING</u>						
<u>ADDITIONS</u>	81,000	83,000	85,000	87,000	89,000	516,000
<u>REPLACEMENTS</u>	<u>22,375,000</u>	<u>39,747,000</u>	<u>6,999,000</u>	<u>179,687,000</u>	<u>7,580,000</u>	<u>266,740,000</u>
<u>TOTAL GAS PROCESSING</u>	<u>22,456,000</u>	<u>39,830,000</u>	<u>7,084,000</u>	<u>179,774,000</u>	<u>7,669,000</u>	<u>267,256,000</u>
<u>ACQUIRE ASSETS LEASE</u>	<u>22,456,000</u>	<u>39,830,000</u>	<u>7,084,000</u>	<u>179,774,000</u>	<u>7,669,000</u>	<u>267,256,000</u>
<u>DISTRIBUTION</u>						
<u>ADDITIONS</u>	17,567,000	17,467,000	17,869,000	18,298,000	18,734,000	109,114,000
<u>REPLACEMENTS</u>	<u>129,314,000</u>	<u>128,588,000</u>	<u>129,983,000</u>	<u>131,472,000</u>	<u>132,995,000</u>	<u>761,158,000</u>
<u>GROSS TOTAL DISTRIBUTION</u>	<u>146,881,000</u>	<u>146,055,000</u>	<u>147,852,000</u>	<u>149,770,000</u>	<u>151,729,000</u>	<u>870,272,000</u>
<u>LESS: SALVAGE</u>						
<u>LESS: CONTRIBUTIONS*</u>						
<u>LESS: REIMBURSEMENT**</u>	<u>(6,693,000)</u>	<u>(6,110,000)</u>	<u>(6,238,000)</u>	<u>(6,370,000)</u>	<u>(6,505,000)</u>	<u>(38,559,000)</u>
<u>NET TOTAL DISTRIBUTION</u>	<u>140,188,000</u>	<u>139,945,000</u>	<u>141,614,000</u>	<u>143,400,000</u>	<u>145,224,000</u>	<u>831,713,000</u>
<u>ACQUIRE ASSETS LEASE</u>	<u>140,188,000</u>	<u>139,945,000</u>	<u>141,614,000</u>	<u>143,400,000</u>	<u>145,224,000</u>	<u>831,713,000</u>

PHILADELPHIA GAS WORKS

FISCAL YEAR 2024 AND FORECAST 2025 THROUGH 2029

<u>DEPARTMENT</u>	<u>2024 CAPITAL BUDGET</u>	<u>FORECAST</u>				<u>TOTAL 6 YEARS</u>
		<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	
<u>FIELD SERVICES</u>						
<u>ADDITIONS</u>	3,415,000	3,467,000	3,295,000	3,171,000	3,165,000	19,797,000
<u>REPLACEMENTS</u>	5,430,000	21,808,000	21,193,000	21,447,000	21,408,000	113,489,000
<u>GROSS TOTAL FIELD SERVICES</u>	8,845,000	25,275,000	24,488,000	24,618,000	24,573,000	133,286,000
<u>LESS: SALVAGE</u>						
<u>LESS: CONTRIBUTIONS*</u>						
<u>NET TOTAL FIELD SERVICES</u>	8,845,000	25,275,000	24,488,000	24,618,000	24,573,000	133,286,000
<u>ACQUIRE ASSETS LEASE</u>	8,845,000	25,275,000	24,488,000	24,618,000	24,573,000	133,286,000
<u>FLEET OPERATIONS</u>						
<u>ADDITIONS</u>	415,000	-	-	-	-	415,000
<u>REPLACEMENTS</u>	4,822,000	8,317,000	8,986,000	9,856,000	7,521,000	45,986,000
<u>GROSS TOTAL FLEET OPERATIONS</u>	5,237,000	8,317,000	8,986,000	9,856,000	7,521,000	46,401,000
<u>LESS: SALVAGE</u>						
<u>NET TOTAL FLEET OPERATIONS</u>	5,237,000	8,317,000	8,986,000	9,856,000	7,521,000	46,401,000
<u>ACQUIRE ASSETS LEASE</u>	5,237,000	8,317,000	8,986,000	9,856,000	7,521,000	46,401,000

PHILADELPHIA GAS WORKS

FISCAL YEAR 2024 AND FORECAST 2025 THROUGH 2029

<u>DEPARTMENT</u>	<u>2024 CAPITAL BUDGET</u>	<u>FORECAST</u>				<u>TOTAL 6 YEARS</u>
		<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	
<u>OTHER</u>						
ADDITIONS	2,427,000	311,000	316,000	321,000	326,000	331,000
REPLACEMENTS	<u>6,586,000</u>	<u>3,384,000</u>	<u>1,773,000</u>	<u>1,842,000</u>	<u>1,801,000</u>	<u>2,365,000</u>
TOTAL OTHER	9,013,000	3,695,000	2,089,000	2,163,000	2,127,000	2,696,000
ACQUIRE ASSETS LEASE	9,013,000	3,695,000	2,089,000	2,163,000	2,127,000	2,696,000
<u>TOTAL</u>						
ADDITIONS	23,905,000	21,328,000	21,565,000	21,877,000	22,314,000	22,885,000
REPLACEMENTS	<u>168,527,000</u>	<u>201,844,000</u>	<u>168,934,000</u>	<u>344,304,000</u>	<u>171,305,000</u>	<u>150,210,000</u>
GROSS TOTAL	192,432,000	223,172,000	190,499,000	366,181,000	193,619,000	173,095,000
LESS: SALVAGE						
LESS: REIMBURSEMENT**	(6,693,000)	(6,110,000)	(6,238,000)	(6,370,000)	(6,505,000)	(6,643,000)
LESS: CONTRIBUTIONS*						
NET TOTAL	<u>185,739,000</u>	<u>217,062,000</u>	<u>184,261,000</u>	<u>359,811,000</u>	<u>187,114,000</u>	<u>166,452,000</u>
ACQUIRE ASSETS LEASE	185,739,000	217,062,000	184,261,000	359,811,000	187,114,000	166,452,000

* CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

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

PHILADELPHIA GAS WORKS
PROPOSED 2025 - 2029 FORECAST
(COMPARISON)

<u>DEPARTMENT</u>	<u>2024 - 2028 FORECAST</u>	<u>2025 - 2029 FORECAST</u>	<u>AMOUNT DIFFERENCE</u>	<u>PERCENT DIFFERENCE</u>
<u>GAS PROCESSING</u>				
ADDITIONS	420,000	435,000	15,000	3.6%
REPLACEMENTS	<u>239,284,000</u>	<u>244,365,000</u>	<u>5,081,000</u>	2.1%
TOTAL GAS PROCESSING	239,704,000	244,800,000	5,096,000	2.1%
<u>DISTRIBUTION</u>				
ADDITIONS	93,841,000	91,547,000	(2,294,000)	-2.4%
REPLACEMENTS	<u>500,698,000</u>	<u>631,844,000</u>	<u>131,146,000</u>	26.2%
GROSS TOTAL DISTRIBUTION	594,539,000	723,391,000	128,852,000	21.7%
LESS: SALVAGE	-	-	-	
LESS: CONTRIBUTIONS*	-	-	-	
LESS: REIMBURSEMENT**	<u>(28,830,000)</u>	<u>(31,866,000)</u>	<u>(3,036,000)</u>	10.5%
NET TOTAL DISTRIBUTION	594,539,000	691,525,000	96,986,000	16.3%
<u>FIELD SERVICES</u>				
ADDITIONS	18,164,000	16,382,000	(1,782,000)	-9.8%
REPLACEMENTS	<u>109,356,000</u>	<u>108,059,000</u>	<u>(1,297,000)</u>	-1.2%
GROSS TOTAL FIELD SERVICES	127,520,000	124,441,000	(3,079,000)	-2.4%
LESS: SALVAGE	-	-	-	
LESS: CONTRIBUTIONS*	<u>-</u>	<u>-</u>	<u>-</u>	
NET TOTAL FIELD SERVICES	127,520,000	124,441,000	(3,079,000)	-2.4%

PHILADELPHIA GAS WORKS
PROPOSED 2025 - 2029 FORECAST
(COMPARISON)

<u>DEPARTMENT</u>	<u>2024 - 2028 FORECAST</u>	<u>2025 - 2029 FORECAST</u>	<u>AMOUNT DIFFERENCE</u>	<u>PERCENT DIFFERENCE</u>
<u>FLEET OPERATIONS</u>				
ADDITIONS	-	-	-	
REPLACEMENTS	<u>32,073,000</u>	<u>41,164,000</u>	<u>9,091,000</u>	28.3%
GROSS TOTAL FLEET OPERATIONS	32,073,000	41,164,000	9,091,000	28.3%
LESS: SALVAGE				
NET TOTAL FLEET OPERATIONS	32,073,000	41,164,000	9,091,000	28.3%
<u>OTHER</u>				
ADDITIONS	1,261,000	1,605,000	344,000	27.3%
REPLACEMENTS	<u>14,650,000</u>	<u>11,165,000</u>	<u>(3,485,000)</u>	-23.8%
TOTAL OTHER	15,911,000	12,770,000	(3,141,000)	-19.7%
<u>TOTAL</u>				
ADDITIONS	113,686,000	109,969,000	(3,717,000)	-3.3%
REPLACEMENTS	<u>896,061,000</u>	<u>1,036,597,000</u>	<u>140,536,000</u>	15.7%
GROSS TOTAL	1,009,747,000	1,146,566,000	136,819,000	13.5%
LESS: SALVAGE	-	-	-	
LESS: REIMBURSEMENT**	(28,830,000)	(31,866,000)	(3,036,000)	10.5%
LESS: CONTRIBUTIONS*	<u>-</u>	<u>-</u>	<u>-</u>	
NET TOTAL	<u>980,917,000</u>	<u>1,114,700,000</u>	<u>133,783,000</u>	13.6%

* CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

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

GAS PROCESSING DEPARTMENT

FORECAST - FISCAL YEARS 2025 THROUGH 2029

	<u>2023 Compliance Budget</u>	<u>2024 Budget</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>TOTAL FORECAST</u>
<u>GP-1 NATURAL GAS MEASUREMENT AND CONTROL FACILITIES</u>								
1 53-01-2-03	-	1,434,000	-	1,577,000	-	1,735,000	-	3,312,000
1 53-01-2-04	532,000	718,000	754,000	791,000	831,000	-	-	2,376,000
	<u>532,000</u>	<u>2,152,000</u>	<u>754,000</u>	<u>2,368,000</u>	<u>831,000</u>	<u>1,735,000</u>	-	<u>5,688,000</u>
<u>TOTAL GP-1</u>								
<u>GP-2 SUPPLEMENTAL GAS FACILITIES</u>								
1 53-02-2-01	-	4,735,000	-	-	-	-	-	-
1 53-02-2-03	3,826,000	9,025,000	-	-	-	-	-	-
1 53-02-2-04	-	1,352,000	-	-	-	-	-	-
2 53-02-2-05	-	3,091,000	-	-	-	-	-	-
1 53-02-2-06	-	1,327,000	-	-	-	-	-	-
1 53-02-2-07	-	376,000	1,200,000	800,000	-	-	-	2,000,000

GAS PROCESSING DEPARTMENT

FORECAST - FISCAL YEARS 2025 THROUGH 2029

	<u>2023 Compliance Budget</u>	<u>2024 Budget</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>TOTAL FORECAST</u>
53-02-2-15			9,015,000					9,015,000
REPLACE BREAKERS AND CONTROLS FOR MAIN SWITCHGEAR - PASSYUNK								
53-02-2-16			5,000,000					5,000,000
REPLACE RIVER WATER PUMP SWITCHGEAR AND RIVER WATER PUMPS - RICHMOND								
53-02-2-17			204,000					204,000
REPLACE H2O ANALYZER - RICHMOND								
53-02-2-18			2,620,000					2,620,000
UPGRADE H-1 HEATER CONTROLS - RICHMOND								
53-02-2-19			2,500,000					2,500,000
REPLACE FIRE SYSTEMS FOR EXPANDER PLANT AND RIVER PUMP HOUSE								
53-02-2-20			1,738,000					1,738,000
REPLACE MCC 1,2,3 - RICHMOND								
53-02-2-21				500,000	500,000			1,000,000
REPLACE VAPORIZER BUNDLES - RICHMOND								
53-02-2-22					170,000,000			170,000,000
REPLACE LIQUEFIER - RICHMOND								
53-02-2-23							10,000,000	10,000,000
VAPORIZATION UPGRADE-PASSYUNK								
53-02-2-24					2,518,000	3,000,000		5,518,000
REPLACE PA SYSTEM PASSYUNK								
53-02-2-25					2,500,000	2,500,000		5,000,000
H-1 HEATER REPLACEMENT								
53-02-2-26			11,392,000					11,392,000
BOILOFF COMPRESSORS REPL - PASSYUNK								
2 53-02-1-02	107,000							
ADD CAMERAS TO THE LNG TANK DIKE AREA - PASSYUNK								
1 53-02-2-04	4,705,000							
HAZZARD DETECTION NON PROCESS AREAS								
1 53-02-2-05	489,000							
REPL PRODUCT RECOVERY TANK AND OIL/WATER SEPRATOR - PASSYUNK								
1 53-02-1-06	452,000							
BOILOFF MOBILE ODORANT NO. 2 RUN - RICHMOND								
2 53-02-2-08	14,500,000							
REPLACE THE EXPANDER PLANT COLD BOX								
1 53-02-2-10	549,000							
SPLIT HAZARD DETECTION LOOP - RICHMOND								
2 53-02-2-12	1,543,000							
REPLACE FIBER OPTIC - PASSYUNK								
TOTAL GP-2	26,171,000	19,906,000	33,669,000	1,300,000	175,518,000	5,500,000	10,000,000	225,987,000

GAS PROCESSING DEPARTMENT

FORECAST - FISCAL YEARS 2025 THROUGH 2029

	<u>2023 Compliance Budget</u>	<u>2024 Budget</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>TOTAL FORECAST</u>
<u>GP-3 BUILDING AND GROUNDS</u>								
2 53-03-2-01	-	-	5,000,000	-	-	-	-	5,000,000
2 53-03-2-04	-	-	-	3,000,000	3,000,000	-	-	6,000,000
	<u>TOTAL GP-3</u>	<u>-</u>	<u>5,000,000</u>	<u>3,000,000</u>	<u>3,000,000</u>	<u>-</u>	<u>-</u>	<u>11,000,000</u>
1 53-04-1-01	78,000	81,000	83,000	85,000	87,000	89,000	91,000	435,000
1 53-04-2-01	283,000	317,000	324,000	331,000	338,000	345,000	352,000	1,680,000
	<u>TOTAL GP-4</u>	<u>361,000</u>	<u>407,000</u>	<u>416,000</u>	<u>425,000</u>	<u>434,000</u>	<u>443,000</u>	<u>2,125,000</u>
<u>REAUTHORIZATIONS</u>								
2 53-02-2-22	60,000	-	-	-	-	-	-	-
1 53-02-2-11	698,000	-	-	-	-	-	-	-
1 53-03-2-06	717,000	-	-	-	-	-	-	-
1 53-01-2-03	30,000	-	-	-	-	-	-	-
	<u>TOTAL REAUTHORIZATION</u>	<u>1,505,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
		28,589,000	39,830,000	7,084,000	179,774,000	7,668,000	10,443,000	244,800,000
		28,589,000	39,830,000	7,084,000	179,774,000	7,669,000	10,443,000	244,800,000
		-	-	-	-	-	-	-

ACQUIRE ASSETS
LEASE

DISTRIBUTION DEPARTMENT
FORECAST - FISCAL YEARS 2025 THROUGH 2029

	<u>2023 Compliance Budget</u>	<u>2024 Budget</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>TOTAL FORECAST</u>
D-20 HIGH PRESSURE MAINS								
4 52-20-1-01 INSTALLATIONS TO PROVIDE FOR AHEAD-OF-PAYING AND EXTENSIONS TO SUPPLY ADDITIONAL LOADS [Conditional Funding]	5,665,000	4,065,000	3,644,000	3,728,000	3,617,000	3,905,000	3,965,000	19,069,000
3 52-20-2-01 ENFORCED RELOCATIONS CAUSED BY CITY AND STATE WORK	1,348,000	1,132,000	1,156,000	1,185,000	1,213,000	1,242,000	1,272,000	6,070,000
	7,013,000	5,187,000	4,802,000	4,913,000	5,030,000	5,147,000	5,267,000	25,159,000
GROSS TOTAL D-20			<u>4,802,000</u>	<u>4,913,000</u>	<u>5,030,000</u>	<u>5,147,000</u>	<u>5,267,000</u>	<u>25,159,000</u>
52-20-2-97 LESS: REIMBURSEMENT**								
LESS: CONTRIBUTIONS*								
NET TOTAL D-20	<u>7,013,000</u>	<u>5,187,000</u>	<u>4,802,000</u>	<u>4,913,000</u>	<u>5,030,000</u>	<u>5,147,000</u>	<u>5,267,000</u>	<u>25,159,000</u>
D-21 8 INCH AND SMALLER I.P. AND L.P. MAIN								
4 52-21-1-01 MAINS TO SUPPLY NEW CUSTOMERS AND TO PROVIDE FOR INCREASED CAPACITY	2,615,000	3,126,000	3,201,000	3,275,000	3,354,000	3,434,000	3,516,000	16,780,000
3 52-21-2-01 ENFORCED RELOCATIONS CAUSED BY CITY, STATE AND OTHER WORK	5,047,000	4,949,000	5,063,000	5,179,000	5,303,000	5,430,000	5,560,000	26,535,000
1 52-21-2-02 PRUDENT MAIN REPLACEMENTS	21,155,000	23,314,000	23,650,000	24,389,000	24,985,000	25,585,000	26,199,000	125,018,000
1 52-21-2-03 LONG TERM INFRASTRUCTURE PLAN - DSC	38,000,000	41,000,000	41,000,000	41,000,000	41,000,000	41,000,000	41,000,000	205,000,000
1 52-21-2-04 NG DIST INFRASTRUCTURE SAFETY AND MODERNIZATION [Conditiona		25,000,000	25,000,000	25,000,000	25,000,000	25,000,000	-	<u>100,000,000</u>
	66,817,000	97,382,000	98,114,000	98,853,000	98,842,000	100,449,000	76,275,000	473,333,000
GROSS TOTAL D-21	<u>(4,319,000)</u>	<u>(4,278,000)</u>	<u>(4,364,000)</u>	<u>(4,451,000)</u>	<u>(4,540,000)</u>	<u>(4,631,000)</u>	<u>(4,724,000)</u>	<u>(22,710,000)</u>
52-21-2-97 LESS: REIMBURSEMENT**								
LESS: CONTRIBUTIONS*								
NET TOTAL D-21	<u>62,498,000</u>	<u>93,114,000</u>	<u>93,750,000</u>	<u>94,402,000</u>	<u>95,102,000</u>	<u>95,818,000</u>	<u>71,551,000</u>	<u>450,623,000</u>

DISTRIBUTION DEPARTMENT
FORECAST - FISCAL YEARS 2025 THROUGH 2029

	<u>2023 Compliance Budget</u>	<u>2024 Budget</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</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	178,000	300,000	307,000	314,000	322,000	330,000	338,000	1,611,000
3 52-22-2-01 ENFORCED RELOCATIONS CAUSED BY CITY, STATE AND OTHER WORK	886,000	2,122,000	917,000	938,000	961,000	984,000	1,008,000	4,808,000
3 52-22-2-01 MAIN FOR MAJOR ENFORCED RELOCATION	1,896,000	2,683,000	1,940,000	1,985,000	2,033,000	2,082,000	2,132,000	10,172,000
	<u>2,970,000</u>	<u>5,105,000</u>	<u>3,184,000</u>	<u>3,237,000</u>	<u>3,316,000</u>	<u>3,396,000</u>	<u>3,478,000</u>	<u>16,591,000</u>
	<u>(1,706,000)</u>	<u>(2,415,000)</u>	<u>(1,746,000)</u>	<u>(1,787,000)</u>	<u>(1,830,000)</u>	<u>(1,874,000)</u>	<u>(1,919,000)</u>	<u>(9,156,000)</u>
52-22-2-07 LESS: REIMBURSEMENT** LESS: CONTRIBUTIONS*	<u>1,264,000</u>	<u>2,690,000</u>	<u>1,418,000</u>	<u>1,450,000</u>	<u>1,486,000</u>	<u>1,522,000</u>	<u>1,559,000</u>	<u>7,435,000</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	397,000	385,000	394,000	403,000	413,000	423,000	433,000	2,066,000
1 52-23-2-01 REPLACEMENT/REHABILITATION OF HIGH PRESSURE MAIN VALVES	773,000	625,000	639,000	654,000	670,000	686,000	702,000	3,351,000
2 52-23-2-02 REPLACEMENT OF VARIOUS PRESSURE REGULATING AND CORROSION CONTROL FACILITIES	1,878,000	2,107,000	2,155,000	2,205,000	2,258,000	2,312,000	2,367,000	11,297,000
	<u>3,048,000</u>	<u>3,117,000</u>	<u>3,188,000</u>	<u>3,262,000</u>	<u>3,341,000</u>	<u>3,421,000</u>	<u>3,502,000</u>	<u>16,714,000</u>
LESS: REIMBURSEMENT** LESS: CONTRIBUTIONS*								
TOTAL D-23	<u>3,048,000</u>	<u>3,117,000</u>	<u>3,188,000</u>	<u>3,262,000</u>	<u>3,341,000</u>	<u>3,421,000</u>	<u>3,502,000</u>	<u>16,714,000</u>

DISTRIBUTION DEPARTMENT
FORECAST - FISCAL YEARS 2025 THROUGH 2029

	<u>2023 Compliance Budget</u>	<u>2024 Budget</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>TOTAL FORECAST</u>
<u>D-24 SERVICES</u>								
4 52-24-1-01	7,120,000	7,499,000	7,671,000	7,847,000	8,035,000	8,228,000	8,425,000	40,206,000
4 52-24-1-02	2,446,000	1,906,000	1,950,000	1,995,000	2,043,000	2,092,000	2,142,000	10,222,000
1 52-24-2-01	18,383,000	19,878,000	20,335,000	20,803,000	21,302,000	21,813,000	22,337,000	106,690,000
1 52-24-2-02	1,078,000	1,121,000	1,147,000	1,173,000	1,201,000	1,230,000	1,260,000	6,011,000
	<u>29,038,000</u>	<u>30,404,000</u>	<u>31,103,000</u>	<u>31,818,000</u>	<u>32,581,000</u>	<u>33,363,000</u>	<u>34,164,000</u>	<u>163,029,000</u>
GROSS TOTAL D-24								
52-24-2-87								
LESS: REIMBURSEMENT**								
LESS: CONTRIBUTIONS*								
	<u>29,038,000</u>	<u>30,404,000</u>	<u>31,103,000</u>	<u>31,818,000</u>	<u>32,581,000</u>	<u>33,363,000</u>	<u>34,164,000</u>	<u>163,029,000</u>
<u>D-25 - CONDITIONED FUNDING</u>								
1 52-25-2-01	3,309,000	4,278,000	4,254,000	4,306,000	4,362,000	4,419,000	3,728,000	21,089,000
TOTAL D-25	<u>3,309,000</u>	<u>4,278,000</u>	<u>4,254,000</u>	<u>4,306,000</u>	<u>4,362,000</u>	<u>4,419,000</u>	<u>3,728,000</u>	<u>21,089,000</u>

**DISTRIBUTION DEPARTMENT
FORECAST - FISCAL YEARS 2025 THROUGH 2029**

	<u>2023 Compliance Budget</u>	<u>2024 Budget</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>TOTAL FORECAST</u>
<u>D-29 OTHER DISTRIBUTION FACILITIES</u>								
2 52-28-1-01 ADDITIONAL TOOLS AND WORK EQUIPMENT	280,000	283,000	300,000	307,000	314,000	322,000	330,000	1,573,000
2 52-29-2-01 REPLACEMENT OF OBSOLETE TOOLS, RADIOS, AND WORK EQUIPMENT	1,106,000	1,106,000	1,130,000	1,156,000	1,184,000	1,212,000	1,241,000	5,923,000
TOTAL D-29	<u>1,386,000</u>	<u>1,389,000</u>	<u>1,430,000</u>	<u>1,463,000</u>	<u>1,498,000</u>	<u>1,534,000</u>	<u>1,571,000</u>	<u>7,496,000</u>
GROSS TOTAL DISTRIBUTION DEPARTMENT	113,594,000	146,881,000	146,055,000	147,852,000	149,770,000	151,729,000	127,985,000	723,391,000
LESS: SALVAGE								
LESS: CONTRIBUTIONS*	(6,025,000)	(6,683,000)	(6,110,000)	(6,238,000)	(6,370,000)	(6,505,000)	(6,643,000)	(31,868,000)
LESS: REIMBURSEMENT**	<u>107,589,000</u>	<u>140,188,000</u>	<u>139,945,000</u>	<u>141,614,000</u>	<u>143,400,000</u>	<u>145,224,000</u>	<u>121,342,000</u>	<u>691,525,000</u>
NET TOTAL DISTRIBUTION DEPARTMENT								
ACQUIRE ASSETS	107,589,000	140,188,000	139,945,000	141,614,000	143,400,000	145,224,000	121,342,000	691,525,000
LEASE								

* CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

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

FIELD SERVICES DEPARTMENT

FORECAST - FISCAL YEARS 2025 THROUGH 2029

	<u>2023 Compliance Budget</u>	<u>2024 Budget</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>TOTAL FORECAST</u>
<u>C-30 METERS</u>								
4 50-30-1-01 ADDITIONS AND INSTALLATIONS	2,441,000	2,827,000	2,845,000	2,955,000	2,890,000	2,884,000	3,096,000	14,870,000
5 50-30-2-01 REPLACEMENTS	3,348,000	3,946,000	19,963,000	20,736,000	20,988,000	20,949,000	21,737,000	122,351,000
TOTAL C-30	<u>5,789,000</u>	<u>6,773,000</u>	<u>22,808,000</u>	<u>23,691,000</u>	<u>23,978,000</u>	<u>23,833,000</u>	<u>24,833,000</u>	<u>119,243,000</u>
<u>C-32 SERVICES REGULATORS</u>								
4 50-32-1-01 ADDITIONS AND INSTALLATIONS	79,000	116,000	86,000	88,000	90,000	90,000	93,000	448,000
2 50-32-2-01 REPLACEMENTS	56,000	113,000	118,000	123,000	124,000	124,000	128,000	617,000
TOTAL C-32	<u>135,000</u>	<u>229,000</u>	<u>204,000</u>	<u>212,000</u>	<u>214,000</u>	<u>214,000</u>	<u>221,000</u>	<u>1,065,000</u>
<u>C-33 TELEMETERING</u>								
4 50-33-1-01 ADDITIONS AND INSTALLATIONS	79,000	58,000	87,000	90,000	91,000	91,000	95,000	454,000
2 50-33-2-01 REPLACEMENTS	73,000	62,000	81,000	84,000	85,000	85,000	88,000	423,000
TOTAL C-33	<u>152,000</u>	<u>120,000</u>	<u>168,000</u>	<u>174,000</u>	<u>176,000</u>	<u>176,000</u>	<u>183,000</u>	<u>877,000</u>

OTHER DEPARTMENTS

FORECAST - FISCAL YEARS 2025 THROUGH 2029

	<u>2023 Compliance Budget</u>	<u>2024 Budget</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>TOTAL FORECAST</u>
FACILITIES								
1 72-01-1-01 MISCELLANEOUS CAPITAL ADDITIONS	96,000	94,000	96,000	98,000	100,000	102,000	104,000	500,000
1 72-01-1-02 MISCELLANEOUS CAPITAL ADDITIONS - GAS PROCESSING	2,000	5,000	5,000	5,000	5,000	5,000	5,000	25,000
1 72-01-2-01 MISCELLANEOUS CAPITAL REPLACEMENTS/STRUCTURAL REPAIRS	499,000	476,000	490,000	504,000	518,000	532,000	546,000	2,590,000
1 72-01-2-02 MISCELLANEOUS CAPITAL REPLACEMENTS - GAS PROCESSING	12,000	14,000	14,000	14,000	14,000	14,000	14,000	70,000
1 72-01-2-03 MISC CAPITAL REPL - STRUCTURAL REPAIRS - GAS PROCESSING	3,000	5,000	5,000	5,000	5,000	5,000	5,000	25,000
1 72-01-1-03 NOC DATA CENTER BACKUP GENERATOR	-	416,000	-	-	-	-	-	-
1 72-01-1-04 1849 ELECTRICAL POWER SEPARATION [Conditional Funding]	-	332,000	-	-	-	-	-	-
1 72-01-2-05 800 BUILDING DATA CENTER UPS MPR REPLACEMENT	-	272,000	-	-	-	-	-	-
1 72-01-2-04 REPLACE 800 BUILDING MAIN ELECTRIC SWITCHGEAR	417,000	2,616,000	-	-	-	-	-	-
1 72-01-2-06 800 BUILDING DATA CENTER UPS BATTERY REPLACEMENT	-	239,000	-	-	-	-	-	-
1 72-01-2-07 800 BUILDING FIRE SYSTEM NOTIFICATION REPLACEMENT	-	140,000	-	-	-	-	-	-
2 72-02-2-03 800 BUILDING CAFETERIA IMPROVEMENTS	-	202,000	-	-	-	-	-	-
2 72-02-2-01 800 BUILDING LOBBY IMPROVEMENTS	-	106,000	-	-	-	-	-	-
2 72-02-2-02 800 BUILDING DATA UPGRADES 1ST FLOOR WEST	-	51,000	-	-	-	-	-	-

OTHER DEPARTMENTS
FORECAST - FISCAL YEARS 2025 THROUGH 2029

	2023 Compliance Budget	2024 Budget	2025	2026	2027	2028	2029	TOTAL FORECAST
2021 REAUTHORIZATION								
1 72-01-2-10 800 BUILDING RESTROOM RENOVATIONS	300,000	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
TOTAL FACILITIES	6,217,000	4,968,000	1,685,000	626,000	642,000	658,000	674,000	4,285,000
INFORMATION SERVICES								
2 47-01-1-01 MISCELLANEOUS SERVER, NETWORK, & HARDWARE ADDITIONS	60,000	1,381,000	60,000	62,000	64,000	66,000	68,000	320,000
2 47-01-1-02 MISCELLANEOUS SOFTWARE ADDITIONS	75,000	475,000	50,000	51,000	52,000	53,000	54,000	260,000
2 47-01-1-03 SAN STORAGE	-	472,000	100,000	100,000	100,000	100,000	100,000	500,000
2 47-01-2-01 MISCELLANEOUS SOFTWARE REPLACEMENTS	521,000	400,000	50,000	50,000	50,000	50,000	50,000	250,000
2 47-01-2-02 MISC SERVER AND NETWORK HARDWARE REPLACEMENT	415,000	449,000	450,000	450,000	450,000	450,000	450,000	2,250,000
2 47-01-2-03 REPLACE SAN EQUIPMENT	510,000	118,000	550,000	-	55,000	-	550,000	1,155,000
2 47-01-2-04 CUSTOMER INFORMATION SYSTEMS (CIS/BCCS) REPLACEMENTS	20,000,000	-	-	-	-	-	-	-
2 47-01-1-03 COLOCATION PROJECT SOFTWARE	160,000	-	-	-	-	-	-	-
1 47-01-1-04 ENVIRONMENTAL MANAGEMENT SYSTEM	2,235,000	-	-	-	-	-	-	-
TOTAL INFORMATION SERVICES	23,976,000	3,295,000	1,260,000	713,000	771,000	719,000	1,272,000	4,735,000

**OTHER DEPARTMENTS
FORECAST - FISCAL YEARS 2025 THROUGH 2029**

	<u>2023 Compliance Ratifier</u>	<u>2024 Budget</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</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 RELATED TO 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							
1 31-01-1-01	34,000	-	-	-	-	-	-	-
	VP TECHNICAL COMPLIANCE AND SOIL VAPOR EXTRACTION SYSTEM							
	<u>34,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	TOTAL VP TECHNICAL COMPLIANCE							
	<u>30,977,000</u>	<u>9,013,000</u>	<u>3,695,000</u>	<u>2,089,000</u>	<u>2,163,000</u>	<u>2,127,000</u>	<u>2,696,000</u>	<u>12,770,000</u>
	TOTAL OTHER DEPARTMENTS							
	ACQUIRE ASSETS LEASE							

FIVE YEAR FORECAST

PHILADELPHIA GAS WORKS

FISCAL YEAR 2024 AND FORECAST 2025 THROUGH 2029

<u>DEPARTMENT</u>	<u>2024 CAPITAL BUDGET</u>	<u>FORECAST</u>				<u>TOTAL 6 YEARS</u>
		<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	
<u>GAS PROCESSING</u>						
ADDITIONS	81,000	85,000	87,000	89,000	91,000	516,000
REPLACEMENTS	<u>22,375,000</u>	<u>6,999,000</u>	<u>179,687,000</u>	<u>7,580,000</u>	<u>10,352,000</u>	<u>266,740,000</u>
TOTAL GAS PROCESSING	22,456,000	7,084,000	179,774,000	7,669,000	10,443,000	<u>267,256,000</u>
ACQUIRE ASSETS LEASE	22,456,000	7,084,000	179,774,000	7,669,000	10,443,000	267,256,000
<u>DISTRIBUTION</u>						
ADDITIONS	17,567,000	17,869,000	18,298,000	18,734,000	19,179,000	109,114,000
REPLACEMENTS	<u>129,314,000</u>	<u>129,983,000</u>	<u>131,472,000</u>	<u>132,995,000</u>	<u>108,606,000</u>	<u>761,158,000</u>
GROSS TOTAL DISTRIBUTION	146,881,000	147,852,000	149,770,000	151,729,000	127,985,000	<u>870,272,000</u>
LESS: SALVAGE						
LESS: CONTRIBUTIONS*						
LESS: REIMBURSEMENT**	<u>(6,693,000)</u>	<u>(6,238,000)</u>	<u>(6,370,000)</u>	<u>(6,505,000)</u>	<u>(6,643,000)</u>	<u>(38,559,000)</u>
NET TOTAL DISTRIBUTION	140,188,000	141,614,000	143,400,000	145,224,000	121,342,000	<u>831,713,000</u>
ACQUIRE ASSETS LEASE	140,188,000	141,614,000	143,400,000	145,224,000	121,342,000	831,713,000

PHILADELPHIA GAS WORKS

FISCAL YEAR 2024 AND FORECAST 2025 THROUGH 2029

DEPARTMENT	2024 CAPITAL BUDGET	FORECAST				TOTAL 6 YEARS
		2025	2026	2027	2028	
<u>FIELD SERVICES</u>						
ADDITIONS	3,415,000	3,467,000	3,295,000	3,171,000	3,165,000	19,797,000
REPLACEMENTS	5,430,000	21,808,000	21,193,000	21,447,000	21,408,000	113,489,000
GROSS TOTAL FIELD SERVICES	8,845,000	25,275,000	24,488,000	24,618,000	24,573,000	133,286,000
LESS: SALVAGE						
LESS: CONTRIBUTIONS*						
NET TOTAL FIELD SERVICES	8,845,000	25,275,000	24,488,000	24,618,000	24,573,000	133,286,000
ACQUIRE ASSETS LEASE	8,845,000	25,275,000	24,488,000	24,618,000	24,573,000	133,286,000
<u>FLEET OPERATIONS</u>						
ADDITIONS	415,000	-	-	-	-	415,000
REPLACEMENTS	4,822,000	8,317,000	8,986,000	9,856,000	7,521,000	45,986,000
GROSS TOTAL FLEET OPERATIONS	5,237,000	8,317,000	8,986,000	9,856,000	7,521,000	46,401,000
LESS: SALVAGE						
NET TOTAL FLEET OPERATIONS	5,237,000	8,317,000	8,986,000	9,856,000	7,521,000	46,401,000
ACQUIRE ASSETS LEASE	5,237,000	8,317,000	8,986,000	9,856,000	7,521,000	46,401,000

PHILADELPHIA GAS WORKS

FISCAL YEAR 2024 AND FORECAST 2025 THROUGH 2029

<u>DEPARTMENT</u>	<u>2024 CAPITAL BUDGET</u>	<u>FORECAST</u>				<u>TOTAL 6 YEARS</u>
		<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	
<u>OTHER</u>						
ADDITIONS	2,427,000	316,000	321,000	326,000	331,000	4,032,000
REPLACEMENTS	<u>6,586,000</u>	<u>1,773,000</u>	<u>1,842,000</u>	<u>1,801,000</u>	<u>2,365,000</u>	<u>17,751,000</u>
TOTAL OTHER	9,013,000	2,089,000	2,163,000	2,127,000	2,696,000	21,783,000
ACQUIRE ASSETS LEASE	9,013,000	2,089,000	2,163,000	2,127,000	2,696,000	21,783,000
<u>TOTAL</u>						
ADDITIONS	23,905,000	21,565,000	21,877,000	22,314,000	22,885,000	133,874,000
REPLACEMENTS	<u>168,527,000</u>	<u>168,934,000</u>	<u>344,304,000</u>	<u>171,305,000</u>	<u>150,210,000</u>	<u>1,205,124,000</u>
GROSS TOTAL	192,432,000	190,499,000	366,181,000	193,619,000	173,095,000	1,338,998,000
LESS: SALVAGE						
LESS: REIMBURSEMENT**	(6,693,000)	(6,238,000)	(6,370,000)	(6,505,000)	(6,643,000)	<u>(38,559,000)</u>
LESS: CONTRIBUTIONS*						
NET TOTAL	<u>185,739,000</u>	<u>184,261,000</u>	<u>359,811,000</u>	<u>187,114,000</u>	<u>166,452,000</u>	<u>1,300,439,000</u>
ACQUIRE ASSETS LEASE	185,739,000	184,261,000	359,811,000	187,114,000	166,452,000	1,300,439,000

* CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

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

PHILADELPHIA GAS WORKS
PROPOSED 2025 - 2029 FORECAST
(COMPARISON)

<u>DEPARTMENT</u>	<u>2024 - 2028 FORECAST</u>	<u>2025 - 2029 FORECAST</u>	<u>AMOUNT DIFFERENCE</u>	<u>PERCENT DIFFERENCE</u>
<u>GAS PROCESSING</u>				
ADDITIONS	420,000	435,000	15,000	3.6%
REPLACEMENTS	<u>239,284,000</u>	<u>244,365,000</u>	<u>5,081,000</u>	2.1%
TOTAL GAS PROCESSING	239,704,000	244,800,000	5,096,000	2.1%
<u>DISTRIBUTION</u>				
ADDITIONS	93,841,000	91,547,000	(2,294,000)	-2.4%
REPLACEMENTS	<u>500,698,000</u>	<u>631,844,000</u>	<u>131,146,000</u>	26.2%
GROSS TOTAL DISTRIBUTION	594,539,000	723,391,000	128,852,000	21.7%
LESS: SALVAGE	-	-	-	
LESS: CONTRIBUTIONS*	-	-	-	
LESS: REIMBURSEMENT**	<u>(28,830,000)</u>	<u>(31,866,000)</u>	<u>(3,036,000)</u>	10.5%
NET TOTAL DISTRIBUTION	594,539,000	691,525,000	96,986,000	16.3%
<u>FIELD SERVICES</u>				
ADDITIONS	18,164,000	16,382,000	(1,782,000)	-9.8%
REPLACEMENTS	<u>109,356,000</u>	<u>108,059,000</u>	<u>(1,297,000)</u>	-1.2%
GROSS TOTAL FIELD SERVICES	127,520,000	124,441,000	(3,079,000)	-2.4%
LESS: SALVAGE	-	-	-	
LESS: CONTRIBUTIONS*	<u>-</u>	<u>-</u>	<u>-</u>	
NET TOTAL FIELD SERVICES	127,520,000	124,441,000	(3,079,000)	-2.4%

PHILADELPHIA GAS WORKS
PROPOSED 2025 - 2029 FORECAST
(COMPARISON)

<u>DEPARTMENT</u>	<u>2024 - 2028 FORECAST</u>	<u>2025 - 2029 FORECAST</u>	<u>AMOUNT DIFFERENCE</u>	<u>PERCENT DIFFERENCE</u>
<u>FLEET OPERATIONS</u>				
ADDITIONS	-	-	-	
REPLACEMENTS	<u>32,073,000</u>	<u>41,164,000</u>	<u>9,091,000</u>	28.3%
GROSS TOTAL FLEET OPERATIONS	32,073,000	41,164,000	9,091,000	28.3%
LESS: SALVAGE				
NET TOTAL FLEET OPERATIONS	32,073,000	41,164,000	9,091,000	28.3%
<u>OTHER</u>				
ADDITIONS	1,261,000	1,605,000	344,000	27.3%
REPLACEMENTS	<u>14,650,000</u>	<u>11,165,000</u>	<u>(3,485,000)</u>	-23.8%
TOTAL OTHER	15,911,000	12,770,000	(3,141,000)	-19.7%
<u>TOTAL</u>				
ADDITIONS	113,686,000	109,969,000	(3,717,000)	-3.3%
REPLACEMENTS	<u>896,061,000</u>	<u>1,036,597,000</u>	<u>140,536,000</u>	15.7%
GROSS TOTAL	1,009,747,000	1,146,566,000	136,819,000	13.5%
LESS: SALVAGE	-	-	-	
LESS: REIMBURSEMENT**	(28,830,000)	(31,866,000)	(3,036,000)	10.5%
LESS: CONTRIBUTIONS*	-	-	-	
NET TOTAL	<u>980,917,000</u>	<u>1,114,700,000</u>	<u>133,783,000</u>	13.6%

* CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

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

GAS PROCESSING DEPARTMENT

FORECAST - FISCAL YEARS 2025 THROUGH 2028

	2023 Comptroller's Budget	2024 Budget	2025	2026	2027	2028	TOTAL FORECAST
GP-1 NATURAL GAS MEASUREMENT AND CONTROL FACILITIES							
1 53-01-2-03	-	1,434,000	-	1,577,000	-	1,735,000	3,312,000
1 53-01-2-04	532,000	718,000	754,000	781,000	831,000	-	2,376,000
	<u>532,000</u>	<u>2,152,000</u>	<u>754,000</u>	<u>2,358,000</u>	<u>831,000</u>	<u>1,735,000</u>	<u>5,698,000</u>
TOTAL GP-1							
GP-2 SUPPLEMENTAL GAS FACILITIES							
1 53-02-2-01	-	4,735,000	-	-	-	-	-
1 53-02-2-03	3,826,000	9,025,000	-	-	-	-	-
1 53-02-2-04	-	1,352,000	-	-	-	-	-
2 53-02-2-05	-	3,091,000	-	-	-	-	-
1 53-02-2-06	-	1,327,000	-	-	-	-	-
1 53-02-2-07	-	376,000	1,200,000	800,000	-	-	2,000,000

GAS PROCESSING DEPARTMENT

FORECAST - FISCAL YEARS 2025 THROUGH 2029

	2023 Commitment Budget	2024 Budget	2025	2026	2027	2028	2029	TOTAL FORECAST
53-02-2-15 REPLACE BREAKERS AND CONTROLS FOR MAIN SWITCHGEAR - PASSYUNK	-	-	9,015,000	-	-	-	-	9,015,000
53-02-2-16 REPLACE RIVER WATER PUMP SWITCHGEAR AND RIVER WATER PUMPS - RICHMOND	-	-	5,000,000	-	-	-	-	5,000,000
53-02-2-17 REPLACE H2O ANALYZER - RICHMOND	-	-	204,000	-	-	-	-	204,000
53-02-2-18 UPGRADE H-1 HEATER CONTROLS - RICHMOND	-	-	2,620,000	-	-	-	-	2,620,000
53-02-2-19 REPLACE FIRE SYSTEMS FOR EXPANDER PLANT AND RIVER PUMP HOUSE	-	-	2,500,000	-	-	-	-	2,500,000
53-02-2-20 REPLACE MCC 1,2,3 - RICHMOND	-	-	1,738,000	-	-	-	-	1,738,000
53-02-2-21 REPLACE VAPORIZER BUNDLES - RICHMOND	-	-	-	500,000	500,000	-	-	1,000,000
53-02-2-22 REPLACE LIQUEFIER - RICHMOND	-	-	-	-	170,000,000	-	-	170,000,000
53-02-2-23 VAPORIZATION UPGRADE-PASSYUNK	-	-	-	-	-	-	10,000,000	10,000,000
53-02-2-24 REPLACE PA SYSTEM PASSYUNK	-	-	-	-	2,518,000	3,000,000	-	5,518,000
53-02-2-25 H-1 HEATER REPLACEMENT	-	-	-	-	2,500,000	2,500,000	-	5,000,000
53-02-2-26 BOILOFF COMPRESSORS REPL - PASSYUNK	-	-	11,362,000	-	-	-	-	11,362,000
2 53-02-1-02 ADD CAMERAS TO THE LNG TANK DIKE AREA - PASSYUNK	107,000	-	-	-	-	-	-	-
1 53-02-2-04 HAZZARD DETECTION NON PROCESS AREAS	4,705,000	-	-	-	-	-	-	-
1 53-02-2-05 REPL PRODUCT RECOVERY TANK AND OILWATER SEPRATOR - PASSYUNK	489,000	-	-	-	-	-	-	-
1 53-02-1-08 BOILOFF MOBILE ODORANT NO. 2 RUN - RICHMOND	452,000	-	-	-	-	-	-	-
2 53-02-2-08 REPLACE THE EXPANDER PLANT COLD BOX	14,500,000	-	-	-	-	-	-	-
1 53-02-2-10 SPLIT HAZARD DETECTION LOOP - RICHMOND	549,000	-	-	-	-	-	-	-
2 53-02-2-12 REPLACE FIBER OPTIC - PASSYUNK	1,543,000	-	-	-	-	-	-	-
TOTAL GP-2	26,171,000	19,808,000	33,666,000	1,300,000	175,518,000	5,500,000	10,000,000	225,967,000

GAS PROCESSING DEPARTMENT

FORECAST - FISCAL YEARS 2025 THROUGH 2029

	2023 Comminced Budget	2024 Budget	2025	2026	2027	2028	2029	TOTAL FORECAST
GP-3. BUILDING AND GROUNDS								
2 59-03-2-01			5,000,000	-	-	-	-	5,000,000
2 59-03-2-04			-	3,000,000	3,000,000	-	-	6,000,000
TOTAL GP-3								
			5,000,000	3,000,000	3,000,000	-	-	11,000,000
1 59-04-1-01	78,000	81,000	83,000	85,000	87,000	88,000	91,000	435,000
1 59-04-2-01	283,000	317,000	324,000	331,000	338,000	345,000	352,000	1,690,000
TOTAL GP-4								
	361,000	398,000	407,000	416,000	425,000	434,000	443,000	2,125,000
REAUTHORIZATIONS								
2 59-02-2-22	60,000	-	-	-	-	-	-	-
1 59-02-2-11	698,000	-	-	-	-	-	-	-
1 59-03-2-05	717,000	-	-	-	-	-	-	-
1 59-01-2-03	30,000	-	-	-	-	-	-	-
TOTAL REAUTHORIZATION								
	1,505,000	-	-	-	-	-	-	-
TOTAL GAS PROCESSING DEPARTMENT								
	28,586,000	22,456,000	39,830,000	7,084,000	179,774,000	7,889,000	10,443,000	244,800,000
ACQUIRE ASSETS LEASE								
	28,586,000	22,456,000	39,830,000	7,084,000	179,774,000	7,889,000	10,443,000	244,800,000

DISTRIBUTION DEPARTMENT
FORECAST - FISCAL YEARS 2025 THROUGH 2029

	<u>2023 Compliance Budget</u>	<u>2024 Budget</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>TOTAL FORECAST</u>
D-20 HIGH PRESSURE MAINS								
4	5,665,000	4,055,000	3,644,000	3,728,000	3,917,000	3,905,000	3,965,000	18,089,000
INSTALLATIONS TO PROVIDE FOR AHEAD-OF-PAVING AND EXTENSIONS TO SUPPLY ADDITIONAL LOADS [Conditional Funding]								
3	1,348,000	1,132,000	1,158,000	1,185,000	1,213,000	1,242,000	1,272,000	6,070,000
ENFORCED RELOCATIONS CAUSED BY CITY AND STATE WORK								
GROSS TOTAL D-20								
	7,013,000	5,187,000	4,802,000	4,913,000	5,030,000	5,147,000	5,237,000	25,159,000
52-20-2-97								
LESS: REIMBURSEMENT**								
LESS: CONTRIBUTIONS*								
	7,013,000	5,187,000	4,802,000	4,913,000	5,030,000	5,147,000	5,237,000	25,159,000
NET TOTAL D-20								
D-21 8 INCH AND SMALLER I.P. AND L.P. MAIN								
4	2,615,000	3,129,000	3,201,000	3,275,000	3,354,000	3,434,000	3,516,000	16,780,000
MAINS TO SUPPLY NEW CUSTOMERS AND TO PROVIDE FOR INCREASED CAPACITY								
3	5,047,000	4,949,000	5,063,000	5,179,000	5,303,000	5,430,000	5,560,000	28,535,000
ENFORCED RELOCATIONS CAUSED BY CITY, STATE AND OTHER WORK								
1	21,155,000	23,314,000	23,850,000	24,389,000	24,965,000	25,585,000	26,199,000	125,018,000
PRUDENT MAIN REPLACEMENTS								
1	38,000,000	41,000,000	41,000,000	41,000,000	41,000,000	41,000,000	41,000,000	205,000,000
LONG TERM INFRASTRUCTURE PLAN - DSIC								
1	-	25,000,000	25,000,000	25,000,000	25,000,000	25,000,000	-	100,000,000
NG DIST INFRASTRUCTURE SAFETY AND MODERNIZATION [Conditions								
GROSS TOTAL D-21								
	66,817,000	97,382,000	98,114,000	98,853,000	99,642,000	100,449,000	76,275,000	473,333,000
52-21-2-97								
LESS: REIMBURSEMENT**								
LESS: CONTRIBUTIONS*								
	(4,319,000)	(4,278,000)	(4,384,000)	(4,451,000)	(4,540,000)	(4,631,000)	(4,724,000)	(22,710,000)
NET TOTAL D-21								
	62,498,000	93,114,000	93,750,000	94,402,000	95,102,000	95,818,000	71,551,000	450,623,000

**DISTRIBUTION DEPARTMENT
FORECAST - FISCAL YEARS 2025 THROUGH 2029**

	<u>2023 Compliance Budget</u>	<u>2024 Budget</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2028</u>	<u>TOTAL FORECAST</u>
D-22 12 INCH AND LARGER I. P. AND L.P. MAIN								
4	178,000	300,000	307,000	314,000	322,000	330,000	338,000	1,811,000
INSTALLATION OF MAINS AHEAD-OF-PAVING								
3	898,000	2,122,000	917,000	938,000	961,000	984,000	1,008,000	4,808,000
ENFORCED RELOCATIONS CAUSED BY CITY, STATE AND OTHER WORK								
3	1,898,000	2,863,000	1,940,000	1,985,000	2,033,000	2,082,000	2,132,000	10,172,000
MAIN FOR MAJOR ENFORCED RELOCATION								
	2,970,000	5,105,000	3,164,000	3,237,000	3,316,000	3,386,000	3,475,000	16,581,000
GROSS TOTAL D-22								
52-22-2-07	(1,708,000)	(2,415,000)	(1,746,000)	(1,787,000)	(1,830,000)	(1,874,000)	(1,919,000)	(9,156,000)
LESS: REIMBURSEMENT**								
LESS: CONTRIBUTIONS*								
	1,264,000	2,690,000	1,418,000	1,450,000	1,486,000	1,522,000	1,559,000	7,435,000
NET TOTAL D-22								
D-23 CUSTOMER METERING & REGULATOR INSTALLATION, AND PRESSURE REGULATION & CORROSION CONTROL FACILITIES								
4	387,000	385,000	384,000	403,000	413,000	423,000	433,000	2,066,000
CUSTOMER METERING AND REGULATOR INSTALLATION								
1	773,000	625,000	639,000	654,000	670,000	686,000	702,000	3,351,000
REPLACEMENT/REHABILITATION OF HIGH PRESSURE MAIN VALVES								
2	1,878,000	2,107,000	2,155,000	2,205,000	2,258,000	2,312,000	2,367,000	11,287,000
REPLACEMENT OF VARIOUS PRESSURE REGULATING AND CORROSION CONTROL FACILITIES								
	3,048,000	3,117,000	3,186,000	3,262,000	3,341,000	3,421,000	3,502,000	16,714,000
GROSS TOTAL D-23								
LESS: REIMBURSEMENT**								
LESS: CONTRIBUTIONS*								
	3,048,000	3,117,000	3,186,000	3,262,000	3,341,000	3,421,000	3,502,000	16,714,000
TOTAL D-23								

**DISTRIBUTION DEPARTMENT
FORECAST - FISCAL YEARS 2025 THROUGH 2029**

	<u>2023 Compliance Budget</u>	<u>2024 Budget</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>TOTAL FORECAST</u>
D-24 SERVICES								
4 52-24-1-01	7,120,000	7,469,000	7,871,000	7,947,000	8,095,000	8,228,000	8,425,000	40,208,000
	INSTALLATION OF NEW 1-1/4" AND SMALLER SERVICES, HIGH, INTERMEDIATE AND LOW PRESSURE							
4 52-24-1-02	2,446,000	1,906,000	1,950,000	1,995,000	2,043,000	2,092,000	2,142,000	10,222,000
	INSTALLATION OF NEW 2 INCH AND LARGER SERVICES, HIGH, INTERMEDIATE AND LOW PRESSURE							
1 52-24-2-01	18,383,000	19,878,000	20,335,000	20,803,000	21,302,000	21,813,000	22,337,000	108,590,000
	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	1,079,000	1,121,000	1,147,000	1,173,000	1,201,000	1,230,000	1,260,000	6,011,000
	RENEWAL OF 2" AND LARGER SERVICES							
	<u>29,038,000</u>	<u>30,404,000</u>	<u>31,103,000</u>	<u>31,818,000</u>	<u>32,581,000</u>	<u>33,363,000</u>	<u>34,164,000</u>	<u>163,029,000</u>
	GROSS TOTAL D-24							
	<u>29,038,000</u>	<u>30,404,000</u>	<u>31,103,000</u>	<u>31,818,000</u>	<u>32,581,000</u>	<u>33,363,000</u>	<u>34,164,000</u>	<u>163,029,000</u>
	TOTAL D-24							
	<u>3,309,000</u>	<u>4,278,000</u>	<u>4,254,000</u>	<u>4,306,000</u>	<u>4,382,000</u>	<u>4,419,000</u>	<u>3,728,000</u>	<u>21,069,000</u>
	D-25 - CONDITIONED FUNDING							
1 52-25-2-01	<u>3,309,000</u>	<u>4,278,000</u>	<u>4,254,000</u>	<u>4,306,000</u>	<u>4,382,000</u>	<u>4,419,000</u>	<u>3,728,000</u>	<u>21,069,000</u>
	CONDITIONED FUNDING RESERVED							
	<u>3,309,000</u>	<u>4,278,000</u>	<u>4,254,000</u>	<u>4,306,000</u>	<u>4,382,000</u>	<u>4,419,000</u>	<u>3,728,000</u>	<u>21,069,000</u>

**DISTRIBUTION DEPARTMENT
FORECAST - FISCAL YEARS 2025 THROUGH 2029**

	2023 Compliance Budget	2024 Budget	2025	2026	2027	2028	2029	TOTAL FORECAST
D-28 OTHER DISTRIBUTION FACILITIES								
2 52-28-1-01 ADDITIONAL TOOLS AND WORK EQUIPMENT	280,000	283,000	300,000	307,000	314,000	322,000	330,000	1,573,000
2 52-28-2-01 REPLACEMENT OF OBSOLETE TOOLS, RADIOS, AND WORK EQUIPMENT	1,108,000	1,105,000	1,130,000	1,156,000	1,184,000	1,212,000	1,241,000	5,923,000
	<u>1,388,000</u>	<u>1,388,000</u>	<u>1,430,000</u>	<u>1,463,000</u>	<u>1,498,000</u>	<u>1,534,000</u>	<u>1,571,000</u>	<u>7,496,000</u>
TOTAL D-28								
	113,594,000	146,881,000	146,055,000	147,852,000	148,770,000	151,729,000	127,965,000	723,391,000
GROSS TOTAL DISTRIBUTION DEPARTMENT								
LESS: SALVAGE								
LESS: CONTRIBUTIONS*	(6,025,000)	(6,693,000)	(6,110,000)	(6,239,000)	(6,370,000)	(6,505,000)	(6,643,000)	(31,866,000)
LESS: REIMBURSEMENT**	<u>107,569,000</u>	<u>140,188,000</u>	<u>139,945,000</u>	<u>141,614,000</u>	<u>143,400,000</u>	<u>145,224,000</u>	<u>121,342,000</u>	<u>681,525,000</u>
NET TOTAL DISTRIBUTION DEPARTMENT								
ACQUIRE ASSETS	107,569,000	140,188,000	139,945,000	141,614,000	143,400,000	145,224,000	121,342,000	691,525,000
LEASE								

* CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

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

FIELD SERVICES DEPARTMENT

FORECAST - FISCAL YEARS 2025 THROUGH 2029

	<u>2023 Compliance Budget</u>	<u>2024 Budget</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>TOTAL FORECAST</u>
C-30 METERS								
4 50-30-1-01 ADDITIONS AND INSTALLATIONS	2,441,000	2,627,000	2,845,000	2,655,000	2,960,000	2,984,000	3,086,000	14,870,000
5 50-30-2-01 REPLACEMENTS	3,346,000	3,946,000	19,963,000	20,736,000	20,966,000	20,949,000	21,737,000	122,351,000
TOTAL C-30	<u>5,789,000</u>	<u>6,773,000</u>	<u>22,808,000</u>	<u>23,691,000</u>	<u>23,976,000</u>	<u>23,933,000</u>	<u>24,823,000</u>	<u>119,243,000</u>
C-32 SERVICES REGULATORS								
4 50-32-1-01 ADDITIONS AND INSTALLATIONS	79,000	116,000	86,000	89,000	90,000	90,000	93,000	448,000
2 50-32-2-01 REPLACEMENTS	56,000	113,000	118,000	123,000	124,000	124,000	128,000	617,000
TOTAL C-32	<u>135,000</u>	<u>229,000</u>	<u>204,000</u>	<u>212,000</u>	<u>214,000</u>	<u>214,000</u>	<u>221,000</u>	<u>1,065,000</u>
C-33 TELEMETERING								
4 50-33-1-01 ADDITIONS AND INSTALLATIONS	79,000	58,000	87,000	90,000	91,000	91,000	95,000	454,000
2 50-33-2-01 REPLACEMENTS	73,000	62,000	81,000	84,000	85,000	85,000	88,000	423,000
TOTAL C-33	<u>152,000</u>	<u>120,000</u>	<u>168,000</u>	<u>174,000</u>	<u>176,000</u>	<u>176,000</u>	<u>183,000</u>	<u>877,000</u>

OTHER DEPARTMENTS

FORECAST - FISCAL YEARS 2025 THROUGH 2029

	2023 Comolance Budget	2024 Budget	2025	2026	2027	2028	2028	TOTAL FORECAST
FACILITIES								
1 72-01-1-01 MISCELLANEOUS CAPITAL ADDITIONS	96,000	94,000	96,000	98,000	100,000	102,000	104,000	500,000
1 72-01-1-02 MISCELLANEOUS CAPITAL ADDITIONS - GAS PROCESSING	2,000	5,000	5,000	5,000	5,000	5,000	5,000	25,000
1 72-01-2-01 MISCELLANEOUS CAPITAL REPLACEMENTS/STRUCTURAL REPAIRS	499,000	476,000	490,000	504,000	518,000	532,000	546,000	2,590,000
1 72-01-2-02 MISCELLANEOUS CAPITAL REPLACEMENTS - GAS PROCESSING	12,000	14,000	14,000	14,000	14,000	14,000	14,000	70,000
1 72-01-2-03 MISC CAPITAL REPL - STRUCTURAL REPAIRS - GAS PROCESSING	3,000	5,000	5,000	5,000	5,000	5,000	5,000	25,000
1 72-01-1-03 NOC DATA CENTER BACKUP GENERATOR	-	416,000	-	-	-	-	-	-
1 72-01-1-04 1849 ELECTRICAL POWER SEPARATION [Conditional Funding]	-	332,000	-	-	-	-	-	-
1 72-01-2-05 800 BUILDING DATA CENTER UPS MPR REPLACEMENT	-	272,000	-	-	-	-	-	-
1 72-01-2-04 REPLACE 800 BUILDING MAIN ELECTRIC SWITCHGEAR	417,000	2,616,000	-	-	-	-	-	-
1 72-01-2-06 800 BUILDING DATA CENTER UPS BATTERY REPLACEMENT	-	239,000	-	-	-	-	-	-
1 72-01-2-07 800 BUILDING FIRE SYSTEM NOTIFICATION REPLACEMENT	-	140,000	-	-	-	-	-	-
2 72-02-2-03 800 BUILDING CAFETERIA IMPROVEMENTS	-	202,000	-	-	-	-	-	-
2 72-02-2-01 800 BUILDING LOBBY IMPROVEMENTS	-	106,000	-	-	-	-	-	-
2 72-02-2-02 800 BUILDING DATA UPGRADES 1ST FLOOR WEST	-	51,000	-	-	-	-	-	-

OTHER DEPARTMENTS

FORECAST - FISCAL YEARS 2025 THROUGH 2029

	2023 Committed Purchase	2024 Budget	2025	2026	2027	2028	2028	TOTAL FORECAST
2021 REAUTHORIZATION								
1 72-01-2-10 800 BUILDING RESTROOM RENOVATIONS	300,000	-	-	-	-	-	-	-
1 72-01-2-08 RE-AUTHORIZATION BUILDING CONSOLIDATION	-	-	-	-	-	-	-	-
TOTAL FACILITIES	<u>6,217,000</u>	<u>4,988,000</u>	<u>1,685,000</u>	<u>628,000</u>	<u>642,000</u>	<u>658,000</u>	<u>674,000</u>	<u>4,285,000</u>
INFORMATION SERVICES								
2 47-01-1-01 MISCELLANEOUS SERVER, NETWORK, & HARDWARE ADDITIONS	60,000	1,381,000	60,000	62,000	64,000	66,000	68,000	320,000
2 47-01-1-02 MISCELLANEOUS SOFTWARE ADDITIONS	75,000	475,000	50,000	51,000	52,000	53,000	54,000	260,000
2 47-01-1-03 SAN STORAGE	-	472,000	100,000	100,000	100,000	100,000	100,000	500,000
2 47-01-2-01 MISCELLANEOUS SOFTWARE REPLACEMENTS	521,000	400,000	50,000	50,000	50,000	50,000	50,000	250,000
2 47-01-2-02 MISC SERVER AND NETWORK HARDWARE REPLACEMENT	415,000	449,000	450,000	450,000	450,000	450,000	450,000	2,250,000
2 47-01-2-03 REPLACE SAN EQUIPMENT	510,000	118,000	550,000	-	55,000	-	550,000	1,155,000
2 47-01-2-04 CUSTOMER INFORMATION SYSTEMS (CIS/BCCS) REPLACEMENTS	20,000,000	-	-	-	-	-	-	-
2 47-01-1-03 COLOCATION PROJECT SOFTWARE	160,000	-	-	-	-	-	-	-
1 47-01-1-04 ENVIRONMENTAL MANAGEMENT SYSTEM	2,235,000	-	-	-	-	-	-	-
TOTAL INFORMATION SERVICES	<u>23,976,000</u>	<u>3,295,000</u>	<u>1,260,000</u>	<u>713,000</u>	<u>771,000</u>	<u>719,000</u>	<u>1,272,000</u>	<u>4,735,000</u>

OTHER DEPARTMENTS
FORECAST - FISCAL YEARS 2025 THROUGH 2029

	2023 Comptroller Report	2024 Budget	2025	2026	2027	2028	2028	TOTAL FORECAST
CHIEF OPERATING OFFICER								
1 13-01-2-01	250,000	250,000	250,000	250,000	250,000	250,000	250,000	1,250,000
2 13-01-2-02	250,000	250,000	250,000	250,000	250,000	250,000	250,000	1,250,000
4 13-01-2-03	250,000	250,000	250,000	250,000	250,000	250,000	250,000	1,250,000
	750,000	750,000	750,000	750,000	750,000	750,000	750,000	3,750,000
VP TECHNICAL COMPLIANCE								
1 31-01-1-01	34,000	-	-	-	-	-	-	-
	34,000	-	-	-	-	-	-	-
TOTAL OTHER DEPARTMENTS								
	30,977,000	9,013,000	3,685,000	2,089,000	2,163,000	2,127,000	2,686,000	12,770,000
ACQUIRE ASSETS LEASE								

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 2024

• Spending from FY 2024 Program	\$ 138,760,000
• Spending Carryover from FY 2023	<u>\$ 56,450,000</u>
• Total FY 2024 Spending	\$ 195,210,000
• Projected Reimbursement	\$ 6,147,000
• Salvage	\$ 363,000
• Construction Contributions	<u>\$ 1,741,000</u>
• Net FY 2024 Capital Spending	\$ 186,959,000

Capital Funding Sources:

• Commercial Paper	\$ 102,000,000
• DSIC	\$ 41,000,000
• Internally Generated Funds	<u>\$ 43,959,000</u>
• FY 2024 Capital Funding	\$ 186,959,000

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 2024 Capital Program.

Exhibit #2
Capital Program Protocols for The Philadelphia Gas Works
(FY 2024 Capital Budget)

CAPITAL PROGRAM PROTOCOLS
(FY 2024 Capital Budget)

TABLE OF CONTENTS

PART 1 - GENERAL PROVISIONS	A-1
SUBPART A - DEFINITIONS	A-1
SUBPART B - NOMENCLATURE	A-1
SUBPART C - LINE ITEMS (OVERVIEW)	A-2
SUBPART D - LINE ITEMS (SAFETY)	A-3
SUBPART E - LINE ITEMS (RELIABILITY OF SERVICE)	A-3
SUBPART F - LINE ITEMS (ENFORCED RELOCATIONS)	A-4
SUBPART G - LINE ITEMS (LOAD GROWTH)	A-4
SUBPART H - LINE ITEMS (BUSINESS IMPROVEMENT)	A-4
SUBPART I - UNBUDGETED CAPITAL INVESTMENT	A-4
1. GENERAL PROHIBITION	A-4
2. ADVANCE ENGINEERING	A-4
3. EMERGENCY CIRCUMSTANCES	A-4
PART 2 - BUDGET ADMINISTRATION	A-6
SUBPART A - IN GENERAL	A-6
SUBPART B - PLANNED WORK	A-6
SUBPART C - LINE ITEM OVERSPENDING	A-6
SUBPART D - BUDGETARY "BOTTOM-LINE" SHORTFALLS	A-7
SUBPART E - LINE ITEM SURPLUS	A-7
SUBPART F - INTRADEPARTMENTAL TRANSFERS	A-7
1. MANAGERIAL DISCRETION	A-7
2. DURATION	A-7
3. EXCLUDED LINE ITEMS	A-7
4. NEW PROJECTS	A-8
5. BUSINESS UNIT INTEGRITY	A-8
6. CROSS-BUDGET TRANSFERS	A-8
7. CONDITIONAL FUNDING	A-8
A. RELEASE ANTECEDENT	A-8
B. TRANSFER ADVISORY	A-8
C. DEVIATION FROM RELEASE APPROVAL	A-8
SUBPART G - OTHER TRANSFERS	A-9
1. APPROVAL/OVERSIGHT AUTHORITY	A-9
2. DURATION	A-9
3. EXCLUDED LINE ITEMS	A-9
4. CROSS-BUDGET TRANSFERS	A-9
5. TRANSFER APPROVAL REQUESTS	A-9
SUBPART H - BUDGET REPORTING	A-10
1. MONTHLY UPDATES	A-10
2. QUARTERLY UPDATES	A-10

3.	PERIODIC FORECASTS	A-10
4.	FINAL REPORTS	A-10
PART 3 - BUDGET PROPOSALS/ REQUESTS - IN GENERAL.....		A-11
SUBPART A - FILING DEADLINES		A-11
1.	PROPOSED ANNUAL BUDGET	A-11
2.	PROPOSED AMENDMENT TO APPROVED ANNUAL BUDGET	A-11
3.	REQUEST FOR RELEASE OF CONDITIONAL FUNDING.....	A-11
4.	REQUEST FOR APPROVAL OF LINE ITEM TRANSFER	A-11
SUBPART B - SUBSTANTIATION		A-11
1.	SAFETY	A-11
2.	RELIABILITY OF SERVICE	A-11
3.	ENFORCED RELOCATIONS.....	A-12
4.	LOAD GROWTH.....	A-12
5.	BUSINESS IMPROVEMENT	A-12
6.	REGULATORY OR OTHER MANDATES	A-12
PART 4 - BUDGET PROPOSALS/ REQUESTS - CONTENT REQUIREMENTS.....		A-13
SUBPART A -FILING CONTENTS		A-13
SUBPART B - NARRATIVE		A-13
SUBPART C - AUTHORIZING BOARD RESOLUTION		A-13
SUBPART D - COST COMPONENT BREAKOUT		A-13
SUBPART E - COST DERIVATION		A-13
SUBPART F - LOAD GROWTH		A-14
SUBPART G - CAPITAL FINANCING		A-14
SUBPART H - DISADVANTAGED BUSINESS PARTICIPATION.....		A-14
SUBPART I - APPROVED BUDGETS (CASH RECAPTURE).....		A-16
SUBPART J - APPROVED BUDGETS (LEASES).....		A-16
SUBPART K - APPROVED BUDGETS (GAINS/REDUCTIONS)		A-16

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 methodologically 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