



City of Philadelphia

City Council
Chief Clerk's Office
402 City Hall
Philadelphia, PA 19107

BILL NO. 251018

Introduced November 20, 2025

Councilmember Gilmore Richardson for Council President Johnson

**Referred to the
Committee on Finance**

AN ORDINANCE

Approving the amendment of the Fiscal Year 2026 Capital Budget providing for expenditures for the capital purposes of the Philadelphia Gas Works (including the supplying of funds in connection therewith) subject to certain constraints and conditions and acknowledging the receipt of the Revised Forecast of Capital Budgets for Fiscal Years 2027 through 2031, as amended.

WHEREAS, Section IV.2.b of the Agreement Between the City of Philadelphia and the Philadelphia Facilities Management Corporation for the Management and Operation of the Philadelphia Gas Works ("Management Agreement") requires the Philadelphia Facilities Management Corporation ("PFMC") to prepare annually for the Philadelphia Gas Works ("PGW") a proposed capital budget for the ensuing year and a forecast for the six (6) years comprising the ensuing budget year and the five (5) years next following; and

WHEREAS, Section IV.2.b of the Management Agreement also requires that the proposed capital budget and forecast be submitted to the Director of Finance and the Philadelphia Gas Commission ("Gas Commission") for their review and for submission of said budget and forecast, together with their recommendations thereon, to the Council of the City of Philadelphia ("City Council") for its approval; and

WHEREAS, Section IV.2.b of the Management Agreement further requires that the proposed capital budget and forecast include a showing of the amounts needed and how the funds required are to be supplied as between funds generated within the business through charges to customers or otherwise and funds to be obtained through capital loans ("Financing Plan"); and

WHEREAS, Section IV.2.c of the Management Agreement requires that all PGW expenditures be made pursuant to approved budgets; and

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WHEREAS, PGW filed with the Gas Commission on January 2, 2025 a proposed Fiscal Year (“FY”) 2026 Capital Budget of One Hundred Eighty-Five Million Nine Hundred Sixty-Two Thousand Dollars (\$185,962,000) (“FY 2026 Capital Budget” or “Budget”) and a Five Year Forecast of Capital Budgets (FY 2027 - FY 2031) (“Forecast”); and

WHEREAS, the Gas Commission’s review of the Budget in its FY 2026 Budgets/Oversight Proceeding culminated in deliberations taken at a public meeting held on April 15, 2025 at which the Gas Commission endorsed a proposed FY 2026 Capital Budget in an amount not to exceed One Hundred Eighty-Five Million Two Hundred Twelve Thousand Dollars (\$185,212,000) including a revised Financing Plan and revised Forecast with related constraints and conditions related thereto; and

WHEREAS, on June 13, 2025, the Mayor approved Bill No. 250528, wherein City Council approved the foregoing FY2026 Compliance Capital Budget; and

WHEREAS, PGW filed two (2) requests to reauthorize and amend its FY2026 Capital Budget on June 26, 2025, and August 25, 2025 (hereinafter collectively referred to as “FY 2026 Consolidated Capital Budget Amendment Request”) by a combined total of Forty-Four Million Seven Hundred Seventy-Three Thousand Dollars (\$44,773,000); and

WHEREAS, the Gas Commission’s review of the proposed FY 2026 Capital Budget Amendment Request culminated in deliberations taken at its public meetings held on September 16, 2025 and November 18, 2025 whereupon the Gas Commission endorsed reauthorizations and amendments to the FY 2026 Capital Budget adding a total of Forty-Four Million Seven Hundred Seventy-Three Thousand Dollars (\$44,773,000), thereby increasing the total Budget to an amount not to exceed Two Hundred Twenty-Nine Million Nine Hundred Eighty-Five Thousand Dollars (\$229,985,000) with related constraints and conditions; and

WHEREAS, on November 18, 2025, PGW filed with the Gas Commission a final Amended FY 2026 Compliance Capital Budget in the amount of Two Hundred Twenty-Nine Million Nine Hundred Eighty-Five Thousand Dollars (\$229,985,000) (“Amended Compliance Budget”), a revised Financing Plan and a revised Forecast; and

WHEREAS, City Council seeks to provide for evolving capital needs and related expenditures of PGW by incorporating the Gas Commission endorsed amendments to the FY 2026 Capital Budget reflected in Exhibit 1 hereto; now, therefore,

THE COUNCIL OF THE CITY OF PHILADELPHIA ORDAINS:

SECTION 1. Approval and Acknowledgment

Pursuant to the provisions of Section IV.2.b and IV.2.c of the Management Agreement, the Council:

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- A. does hereby approve the amended FY 2026 Capital Budget for the Philadelphia Gas Works (“PGW”) in a total amount not to exceed Two Hundred Twenty-Nine Million Nine Hundred Eighty-Five Thousand Dollars (\$229,985,000) as reflected in the Amended FY 2026 Compliance Capital Budget (“Amended Compliance Budget”) and associated revised Financing Plan, subject to the provisions of Sections 4-8 of this Ordinance; and
- B. does hereby acknowledge receipt of PGW’s Revised Forecast of Capital Budgets for FY 2027 - FY 2031.

SECTION 2. Spending Authorization

The amounts shown in the approved Amended Compliance Budget are hereby authorized for the purposes shown and shall be available for expenditure as of FY 2026, defined as September 1, 2025 through August 31, 2026, in an aggregate amount not to exceed Two Hundred Twenty-Nine Million Nine Hundred Eighty-Five Thousand Dollars (\$229,985,000) as reflected in the Amended Compliance Budget and subject to the provisions of Sections 4-9 of this Ordinance. The Amended Compliance Budget (including the revised Financing Plan) is attached as Exhibit 1.

SECTION 3. Reauthorized Line Items

- A. The following line items from the FY 2023 Capital Budget are hereby reauthorized, with the amended amounts consisting of unspent funds carried over from FY 2023 authorizations into the FY 2026 Capital Budget:
 - 1. Replace Porter Street Fueling Station (#72-01-2-08) (\$1,500,000); and
 - 2. Repaving Porter Street Lot (#72-2-01-09) (\$1,500,000).
- B. The following line items from the FY 2024 Capital Budget are hereby reauthorized, with the amended amounts consisting of unspent funds carried over from FY 2024 authorizations:
 - 1. Replace Natural Gas Driven Positioners (#53-01-2-04) (\$718,000);
 - 2. Expander TSA System (#53-02-2-01) (\$4,735,000);
 - 3. Replace LNG Switchgear Richmond (#53-02-2-03) (\$9,025,000);
 - 4. CHP Richmond (#53-02-2-03) (\$3,091,000);
 - 5. Replace Two Phase Power (#53-02-2-06) (\$1,327,000);
 - 6. Vehicle Additions (#73-01-1-03) (\$434,575); and
 - 7. Vehicle Replacements (#73-01-2-03) (\$4,318,025).
- C. The following line item from the FY 2025 Capital Budget is hereby reauthorized, with the amended amounts consisting of unspent funds carried over from FY 2025 authorizations:

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1. CHP-Richmond (#53-02-2-05) (\$807,000).

D. The following line item is hereby included in the FY 2026 Capital Budget, as detailed below:

1. CIS Replacement (#47-01-2-06) (\$30,000,000).

SECTION 4. Amended Line Item

A. The following line item is hereby included in the FY 2026 Capital Budget, as detailed below:

1. CIS Replacement (#47-01-2-06) (\$30,000,000).

SECTION 5. Constraints and Conditions – Capital Program Protocols

During the lifespan of the line items in the approved Amended Compliance Budget, as a condition of approval, PGW shall adhere to the “Capital Program Protocols” (“Protocols”) adopted by the Gas Commission on April 15, 2025. Said Protocols are incorporated herein by reference.

SECTION 6. Constraints and Conditions – Line Item Transfer Exclusions

Except as necessitated by Emergency Circumstances as set forth in the Protocols at Part 1 – Subpart I.3, no line item referenced herein shall be available as a source of spending authority in transfer transactions.

SECTION 7. Constraints and Conditions – Line Item Lifespan

A. Spending authority for the following line items shall expire as of August 31, 2026:

1. Replace Porter Street Fueling Station (#72-01-2-08) (\$1,500,000);
2. Repaving Porter Street Lot (#72-2-01-09) (\$1,500,000);
3. Replace LNG Switchgear Richmond (#53-02-2-03) (\$9,025,000);
4. Replace Two Phase Power (#53-02-2-06) (\$1,327,000);
5. CHP Richmond (#53-02-2-03) (\$3,091,000);
6. Vehicle Additions (#73-01-1-03) (\$434,575);
7. Vehicle Replacement (#73-01-2-03) (\$4,318,025);
8. Replace Porter Street Fueling Station (#72-01-2-08) (\$1,500,000);
9. Repave Porter Street Lot (#72-01-2-09) (\$1,500,000);
10. CHP Richmond (#53-02-2-05) (\$807,000).

SECTION 8. Constraints and Conditions – Line Item Lifespan

A. Spending authority for the following line item shall expire as of August 31, 2027:

1. CIS Replacement (#47-01-2-06) (\$30,000,000).

SECTION 9. Constraints and Conditions – Line Item Spending Authorization

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- A. The total combined spending for the following line items from the FY 2023 Capital Budget shall not exceed the spending authorization for each project as approved in the FY 2023 Capital Budget:
 - 1. Replace Porter Street Fueling Station (#72-01-2-08) (\$1,500,000); and
 - 2. Repaving Porter Street Lot (#72-2-01-09) (\$1,500,000).
- B. The total combined spending for the following line items from the FY 2024 Capital Budget shall not exceed the spending authorization for each project as approved in the FY 2024 Capital Budget:
 - 1. Replace Natural Gas Driven Positioners (#53-01-2-04) (\$718,000);
 - 2. Expander TSA System (#53-02-2-01) (\$4,735,000);
 - 3. Replace LNG Switchgear Richmond (#53-02-2-03) (\$9,025,000);
 - 4. CHP Richmond (#53-02-2-03) (\$3,091,000);
 - 5. Replace Two Phase Power (#53-02-2-06) (\$1,327,000);
 - 6. Vehicle Additions (#73-01-1-03) (\$434,575); and
 - 7. Vehicle Replacements (#73-01-2-03) (\$4,318,025).
- C. The total combined spending for the following line item shall not exceed the spending authorization as approved in the FY 2025 Capital Budget:
 - 1. CHP-Richmond (#53-02-2-05) (\$807,000 plus an additional \$300,000 derived from permitted transfers under the FY 2025 and FY 2026 Capital Program Protocols).
- D. The total combined spending for the following line item shall not exceed the spending authorization as approved in the Amended FY 2026 Capital Budget:
 - 1. CIS Replacement (#47-01-2-06) (\$30,000,000).

SECTION 10. Exhibit

Exhibit 1 referenced in this Ordinance and incorporated herein shall be kept on file by the Chief Clerk of City Council and shall be available to the public for inspection, reading or copying at reasonable times.

Exhibit A

PHILADELPHIA GAS WORKS

FISCAL 2026 SECOND AMENDED COMPLIANCE CAPITAL BUDGET

AND

FORECAST FISCAL 2027 - 2031

WITH

FISCAL 2026 FINANCING PLAN

NOVEMBER 18, 2025



City of Philadelphia

PHILADELPHIA GAS WORKS
SECOND AMENDED COMPLIANCE
CAPITAL BUDGET
FISCAL YEAR 2026 AND FORECAST 2027 THROUGH 2031

| | <u>2026</u> <u>CAPITAL BUDGET</u> | <u>2027- 2031</u> <u>FORECAST</u> | <u>TOTAL 6 YEARS</u> |
|-----------------------------|--------------------------------------|--------------------------------------|---------------------------|
| <u>GAS PROCESSING</u> | | | |
| ADDITIONS | 226,000 | 4,025,000 | 4,251,000 |
| REPLACEMENTS | <u>14,350,000</u> | <u>273,482,000</u> | <u>287,832,000</u> |
| TOTAL | <u><u>14,576,000</u></u> | <u><u>277,507,000</u></u> | <u><u>292,083,000</u></u> |
| <u>DISTRIBUTION</u> | | | |
| ADDITIONS | 15,531,000 | 82,938,000 | 98,469,000 |
| REPLACEMENTS | <u>130,702,000</u> | <u>633,717,000</u> | <u>764,419,000</u> |
| GROSS TOTAL | 146,233,000 | 716,655,000 | 862,888,000 |
| LESS: SALVAGE | | | |
| LESS: CONTRIBUTIONS* | | | |
| LESS: REIMBURSEMENTS** | <u>(5,497,000)</u> | <u>(29,266,000)</u> | <u>(34,763,000)</u> |
| NET TOTAL | <u><u>140,736,000</u></u> | <u><u>687,389,000</u></u> | <u><u>828,125,000</u></u> |
| <u>FIELD SERVICES</u> | | | |
| ADDITIONS | 2,598,000 | 13,744,000 | 16,342,000 |
| REPLACEMENTS | <u>6,101,000</u> | <u>74,643,000</u> | <u>80,744,000</u> |
| GROSS TOTAL | 8,699,000 | 88,387,000 | 97,086,000 |
| LESS: SALVAGE | | | |
| LESS: CONTRIBUTIONS* | | | |
| NET TOTAL | <u><u>8,699,000</u></u> | <u><u>88,387,000</u></u> | <u><u>97,086,000</u></u> |
| <u>FLEET OPERATIONS</u> | | | |
| ADDITIONS | 137,000 | | 137,000 |
| REPLACEMENTS | <u>10,234,000</u> | <u>52,018,000</u> | <u>62,252,000</u> |
| GROSS TOTAL | 10,371,000 | 52,018,000 | 62,389,000 |
| LESS: SALVAGE | | | |
| NET TOTAL | <u><u>10,371,000</u></u> | <u><u>52,018,000</u></u> | <u><u>62,389,000</u></u> |

City of Philadelphia

PHILADELPHIA GAS WORKS
SECOND AMENDED COMPLIANCE
CAPITAL BUDGET
FISCAL YEAR 2026 AND FORECAST 2027 THROUGH 2031

| | <u>2026</u> <u>CAPITAL BUDGET</u> | <u>2027- 2031</u> <u>FORECAST</u> | <u>TOTAL 6 YEARS</u> |
|--------------------------|--------------------------------------|--------------------------------------|-----------------------------|
| <u>OTHER DEPARTMENTS</u> | | | |
| ADDITIONS | 3,831,000 | 2,310,000 | 6,141,000 |
| REPLACEMENTS | <u>31,502,000</u> | <u>5,170,000</u> | <u>36,672,000</u> |
| TOTAL | <u><u>35,333,000</u></u> | <u><u>7,480,000</u></u> | <u><u>42,813,000</u></u> |
| <u>TOTAL</u> | | | |
| ADDITIONS | 22,323,000 | 103,017,000 | 125,340,000 |
| REPLACEMENTS | <u>192,889,000</u> | <u>1,039,030,000</u> | <u>1,231,919,000</u> |
| GROSS TOTAL | 215,212,000 | 1,142,047,000 | 1,357,259,000 |
| LESS: SALVAGE | | | |
| LESS: REIMBURSEMENTS** | (5,497,000) | (29,266,000) | (34,763,000) |
| LESS: CONTRIBUTIONS* | <u> </u> | <u> </u> | <u> </u> |
| NET TOTAL | <u><u>209,715,000</u></u> | <u><u>1,112,781,000</u></u> | <u><u>1,322,496,000</u></u> |

* CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

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

City of Philadelphia

PHILADELPHIA GAS WORKS
SECOND AMENDED COMPLIANCE
BUDGET/FORECAST COMPARISON

| <u>DEPARTMENT</u> | <u>2025 COMPL BUDGET</u> | <u>2026 FORECAST</u> | <u>2026 BUDGET</u> | <u>2026</u> | <u>2025</u> | <u>2026 BUD vs 2026 FORECAST</u> | |
|----------------------------|------------------------------|--------------------------|------------------------|--|--|----------------------------------|-------------------------------|
| | | | | <u>BUDGET vs AMOUNT DIFFERENCE</u> | <u>COMPL BUDGET PERCENT DIFFERENCE</u> | <u>AMOUNT DIFFERENCE</u> | <u>PERCENT DIFFERENCE</u> |
| <u>GAS PROCESSING</u> | | | | | | | |
| ADDITIONS | 51,000 | 52,000 | 226,000 | 175,000 | 343.1% | 174,000 | 334.6% |
| REPLACEMENTS | <u>14,757,000</u> | <u>40,138,000</u> | <u>14,350,000</u> | <u>(407,000)</u> | <u>-2.8%</u> | <u>(25,788,000)</u> | <u>-64.2%</u> |
| TOTAL GAS PROCESSING | 14,808,000 | 40,190,000 | 14,576,000 | (232,000) | -1.6% | (25,614,000) | -63.7% |
| <u>DISTRIBUTION</u> | | | | | | | |
| ADDITIONS | 16,260,900 | 17,832,000 | 15,531,000 | (729,900) | -4.5% | (2,301,000) | -12.9% |
| REPLACEMENTS | <u>133,360,000</u> | <u>134,915,000</u> | <u>130,702,000</u> | <u>(2,658,000)</u> | <u>-2.0%</u> | <u>(4,213,000)</u> | <u>-3.1%</u> |
| GROSS TOTAL DISTRIBUTION | 149,620,900 | 152,747,000 | 146,233,000 | (3,387,900) | -2.3% | (6,514,000) | -4.3% |
| LESS: SALVAGE | | | | | N/A | | N/A |
| LESS: CONTRIBUTIONS* | | | | | N/A | | N/A |
| LESS: REIMBURSEMENT** | <u>(4,044,000)</u> | <u>(4,128,000)</u> | <u>(5,497,000)</u> | <u>(1,453,000)</u> | <u>35.9%</u> | <u>(1,369,000)</u> | <u>33.2%</u> |
| NET TOTAL DISTRIBUTION | 145,576,900 | 148,619,000 | 140,736,000 | (4,840,900) | -3.3% | (7,883,000) | -5.3% |
| <u>FIELD SERVICES</u> | | | | | | | |
| ADDITIONS | 3,017,000 | 4,258,000 | 2,598,000 | (419,000) | -13.9% | (1,660,000) | -39.0% |
| REPLACEMENTS | <u>4,975,000</u> | <u>20,810,000</u> | <u>6,101,000</u> | <u>1,126,000</u> | <u>22.6%</u> | <u>(14,709,000)</u> | <u>-70.7%</u> |
| GROSS TOTAL FIELD SERVICES | 7,992,000 | 25,068,000 | 8,699,000 | 707,000 | 8.8% | (16,369,000) | -65.3% |
| LESS: SALVAGE | | | | | N/A | | N/A |
| LESS: CONTRIBUTIONS* | | | | | N/A | | N/A |
| NET TOTAL FIELD SERVICES | 7,992,000 | 25,068,000 | 8,699,000 | 707,000 | 8.8% | (16,369,000) | -65.3% |

City of Philadelphia

PHILADELPHIA GAS WORKS SECOND AMENDED COMPLIANCE BUDGET/FORECAST COMPARISON

| DEPARTMENT | 2025 COMPL BUDGET | 2026 FORECAST | 2026 BUDGET | 2026 | 2025 | 2026 BUD vs 2026 FORECAST AMOUNT | PERCENT DIFFERENCE |
|---------------------------------|----------------------|--------------------|--------------------|-----------------------------------|---------------------------------------|-------------------------------------|-----------------------|
| | | | | BUDGET vs AMOUNT DIFFERENCE | COMPL BUDGET PERCENT DIFFERENCE | | |
| <u>FLEET OPERATIONS</u> | | | | | | | |
| ADDITIONS | - | - | 137,000 | 137,000.00 | N/A | 137,000.00 | N/A |
| REPLACEMENTS | <u>5,980,000</u> | <u>12,421,000</u> | <u>10,234,000</u> | <u>4,254,000</u> | <u>71.1%</u> | <u>(2,187,000)</u> | <u>-17.6%</u> |
| GROSS TOTAL FLEET OPERATIONS | 5,980,000 | 12,421,000 | 10,371,000 | 4,391,000 | 73.4% | (2,050,000) | -16.5% |
| LESS: SALVAGE | | | | | N/A | | N/A |
| NET TOTAL TRANSPORTATION | 5,980,000 | 12,421,000 | 10,371,000 | 4,391,000 | 73.4% | (2,050,000) | -16.5% |
| <u>OTHER</u> | | | | | | | |
| ADDITIONS | 11,697,000 | 621,000 | 3,831,000 | (7,866,000) | -67.2% | 3,210,000 | 516.9% |
| REPLACEMENTS | <u>14,493,000</u> | <u>1,622,000</u> | <u>31,502,000</u> | <u>17,009,000</u> | <u>117.4%</u> | <u>29,880,000</u> | <u>1842.2%</u> |
| TOTAL OTHER | 26,190,000 | 2,243,000 | 35,333,000 | 9,143,000 | 34.9% | 33,090,000 | 1475.3% |
| <u>TOTAL</u> | | | | | | | |
| ADDITIONS | 31,025,900 | 22,763,000 | 22,323,000 | (8,702,900) | -28.1% | (440,000) | -1.9% |
| REPLACEMENTS | <u>173,565,000</u> | <u>209,906,000</u> | <u>192,889,000</u> | <u>19,324,000</u> | <u>11.1%</u> | <u>(17,017,000)</u> | <u>-8.1%</u> |
| GROSS TOTAL | 204,590,900 | 232,669,000 | 215,212,000 | 10,621,100 | 5.2% | (17,457,000) | -7.5% |
| LESS: SALVAGE | | | | | N/A | | N/A |
| LESS: REIMBURSEMENT** | (4,044,000) | (4,128,000) | (5,497,000) | (1,453,000) | 35.9% | (1,369,000) | 33.2% |
| LESS: CONTRIBUTIONS* | | | | | <u>N/A</u> | | <u>N/A</u> |
| NET TOTAL | <u>200,546,900</u> | <u>228,541,000</u> | <u>209,715,000</u> | <u>9,168,100</u> | <u>4.6%</u> | <u>(18,826,000)</u> | <u>-8.2%</u> |

* CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

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

City of Philadelphia

PHILADELPHIA GAS WORKS
SECOND AMENDED COMPLIANCE
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 | 22,323,000 | 20,241,000 | 192,889,000 | 130,704,000 | 215,212,000 | 150,945,000 |
| YEAR 1 | - | 2,082,000 | - | 54,202,000 | - | 56,284,000 |
| YEAR 2 | - | - | - | 2,607,000 | - | 2,607,000 |
| YEAR 3 | - | - | - | 1,117,000 | - | 1,117,000 |
| YEAR 4 AND BEYOND | - | - | - | - | - | - |
| TOTAL | <u>22,323,000</u> | <u>22,323,000</u> | <u>192,889,000</u> | <u>188,630,000</u> | <u>215,212,000</u> | <u>210,953,000</u> |

City of Philadelphia

GAS PROCESSING DEPARTMENT
SECOND AMENDED COMPLIANCE
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 | - | 2,428,000 | - | 2,428,000 |
| 53-02 SUPPLEMENTAL GAS FACILITIES | 192,000 | 11,584,000 | - | 11,776,000 |
| 53-03 BUILDING AND GROUNDS | - | - | - | - |
| 53-04 MISC CAPITAL REQUIREMENTS | 34,000 | 338,000 | - | 372,000 |
| TOTAL GAS PROCESSING | <u>226,000</u> | <u>14,350,000</u> | <u>-</u> | <u>14,576,000</u> |

City of Philadelphia

GAS PROCESSING DEPARTMENT
SECOND AMENDED COMPLIANCE
BUDGET/FORECAST COMPARISON

| CATEGORY | | 2025 COMPL BUDGET | 2026 FORECAST | 2026 BUDGET | 2026 BUDGET vs | 2025 | 2026 BUD vs 2026 | |
|----------------------|--------------|----------------------|------------------|----------------|-------------------|------------|------------------|------------|
| | | | | | \$ DIFF. | % DIFF. | \$ DIFF. | % DIFF. |
| 53-01 | NATURAL GAS | | | | | | | |
| | MEASUREMENT | | | | | | | |
| | AND | | | | | | | |
| | CONTROL | | | | | | | |
| | FACILITIES | | | | | | | |
| | ADDITIONS | - | - | - | - | N/A | 0 | N/A |
| | REPLACEMENTS | 2,236,400 | 754,000 | 2,428,000 | 191,600 | 8.6% | 1,674,000 | 222.0% |
| | TOTAL | 2,236,400 | 754,000 | 2,428,000 | 191,600 | 8.6% | 1,674,000 | 222.0% |
| 53-02 | SUPPLEMENTAL | | | | | | | |
| | GAS | | | | | | | |
| | FACILITIES | | | | | | | |
| | ADDITIONS | - | - | 192,000 | 192,000 | N/A | 192,000 | N/A |
| | REPLACEMENTS | 6,350,000 | 10,351,000 | 11,584,000 | 5,234,000 | 82.4% | 1,233,000 | 11.9% |
| | TOTAL | 6,350,000 | 10,351,000 | 11,776,000 | 5,426,000 | 85.4% | 1,425,000 | 13.8% |
| 53-03 | BUILDING AND | | | | | | | |
| | GROUND | | | | | | | |
| | REPLACEMENTS | 4,940,600 | 28,754,000 | - | (4,940,600) | -100.0% | (28,754,000) | -100.0% |
| | TOTAL | 4,940,600 | 28,754,000 | - | (4,940,600) | -100.0% | (28,754,000) | -100.0% |
| 53-04 | MISC CAPITAL | | | | | | | |
| | REQUIREMENTS | | | | | | | |
| | ADDITIONS | 51,000 | 52,000 | 34,000 | (17,000) | -33.3% | (18,000) | -34.6% |
| | REPLACEMENTS | 272,000 | 279,000 | 338,000 | 66,000 | 24.3% | 59,000 | 21.1% |
| | TOTAL | 323,000 | 331,000 | 372,000 | 49,000 | 15.2% | 41,000 | 12.4% |
| REAUTHORIZATION | | | | | | | | |
| | ADDITIONS | - | - | - | - | N/A | - | N/A |
| | REPLACEMENTS | 958,000 | - | - | (958,000) | -100.0% | - | N/A |
| | TOTAL | 958,000 | - | - | (958,000) | -100.0% | - | N/A |
| TOTAL GAS PROCESSING | | 14,808,000 | 40,190,000 | 14,576,000 | (232,000) | -1.6% | (25,614,000) | -63.7% |

City of Philadelphia

GAS PROCESSING DEPARTMENT
LISTING BY PRIORITY
FISCAL 2026 SECOND AMENDED COMPLIANCE CAPITAL BUDGET

| P | CATEGORY | | | AMOUNT | BUDGET_YR | YEAR_1 | YEAR_2 | YEAR_3 |
|----------------------------------|----------|------------|--|------------|-----------|-----------|--------|--------|
| | | PRIORITY 1 | | | | | | |
| 1 | GP-2 | 53-02-2-12 | REPLACE PLANT WIDE AIR COMPRESSORS - RICHMOND | 881,000 | 233,000 | 648,000 | - | - |
| 1 | GP-2 | 53-02-2-11 | DCS FOAM SYSTEM MONITORING - RICHMOND | 606,000 | 126,000 | 480,000 | - | - |
| 1 | GP-2 | 53-02-1-08 | ECV-71 PLATFORM - RICHMOND | 192,000 | 127,000 | 65,000 | - | - |
| 1 | GP-4 | 53-04-1-01 | MISCELLANEOUS CAPITAL ADDITIONS* | 34,000 | 10,000 | 24,000 | - | - |
| 1 | GP-4 | 53-04-2-01 | MISCELLANEOUS CAPITAL REPLACEMENTS* | 338,000 | 68,000 | 270,000 | - | - |
| 1 | GP-1 | 53-01-2-04 | 2024 REAUTHORIZATION REPLACE NATURAL GAS DRIVEN POSITIONERS AND ACTUATORS** | - | - | - | - | - |
| 1 | GP-2 | 53-02-2-01 | EXPANDER LIQUEFIER TSA SYSTEM UPGRADES - RICHMOND** | - | - | - | - | - |
| 1 | GP-2 | 53-02-2-03 | REPLACE LNG SWITCHGEAR - RICHMOND** | - | - | - | - | - |
| 1 | GP-2 | 53-02-2-06 | REPL TWO PHASE POWER SYSTEM INSTALLATION - PASSYUNK** | - | - | - | - | - |
| | | PRIORITY 2 | | | | | | |
| 2 | GP-2 | 53-02-2-07 | BOILOFF GAS COMPRESSORS REPLACEMENTS - PASSYUNK | 7,546,000 | 4,302,000 | 3,244,000 | - | - |
| 2 | GP-2 | 53-02-2-05 | 2024 REAUTHORIZATION CHP RICHMOND PLANT** | - | - | - | - | - |
| | | PRIORITY 5 | | | | | | |
| 5 | GP-2 | 53-02-2-10 | UPGRADE HEATER E-165 | 332,000 | 262,000 | 70,000 | - | - |
| 5 | GP-2 | 53-02-2-09 | SECURITY CAMERA UPGRADES - RICHMOND | 1,187,000 | 238,000 | 949,000 | - | - |
| 5 | GP-1 | 53-01-2-03 | M&R RTU REPLACEMENTS | 1,076,000 | 530,000 | 546,000 | - | - |
| 5 | GP-1 | 53-01-2-04 | M&R STATIONS - INSTALL EMISSION CONTROL VALVES | 1,352,000 | 132,000 | 1,220,000 | - | - |
| 5 | GP-2 | 53-02-2-13 | DCS FIBER OPTIC NETWORK PHASE III - RICHMOND | 1,032,000 | 205,000 | 827,000 | - | - |
| TOTAL GAS PROCESSING DEPARTMENT: | | | | 14,576,000 | 6,233,000 | 8,343,000 | - | - |

**THESE REAUTHORIZATIONS OF A PREVIOUS BUDGET REFLECT NO INCREASE IN SPENDING AUTHORIZATION, BUT
REQUIRES AN EXTENSION OF THE PROJECTS' LIFESPAN FOR AN ADDITIONAL TWELVE (12) MONTHS

City of Philadelphia

GAS PROCESSING DEPARTMENT
FISCAL 2026 SECOND AMENDED COMPLIANCE CAPITAL BUDGET

| P | | | <u>AMOUNT</u> |
|---|-------------|--|--------------------------|
| | <u>GP-1</u> | <u>NATURAL GAS MEASUREMENT AND CONTROL FACILITIES</u> | |
| 5 | 53-01-2-03 | M&R RTU REPLACEMENTS | 1,076,000 |
| 5 | 53-01-2-04 | M&R STATIONS - INSTALL EMISSION CONTROL VALVES | 1,352,000 |
| | | TOTAL GP-1 | <u><u>2,428,000</u></u> |
| | <u>GP-2</u> | <u>SUPPLEMENTAL GAS FACILITIES</u> | |
| 5 | 53-02-2-13 | DCS FIBER OPTIC NETWORK PHASE III - RICHMOND | 1,032,000 |
| 1 | 53-02-2-12 | REPLACE PLANT WIDE AIR COMPRESSORS - RICHMOND | 881,000 |
| 1 | 53-02-2-11 | DCS FOAM SYSTEM MONITORING - RICHMOND | 606,000 |
| 5 | 53-02-2-10 | UPGRADE HEATER E-165 | 332,000 |
| 5 | 53-02-2-09 | SECURITY CAMERA UPGRADES - RICHMOND | 1,187,000 |
| 1 | 53-02-1-08 | ECV-71 PLATFORM - RICHMOND | 192,000 |
| 2 | 53-02-2-07 | BOILOFF GAS COMPRESSORS REPLACEMENTS - PASSYUNK | 7,546,000 |
| | | TOTAL GP-2 | <u><u>11,776,000</u></u> |
| | <u>GP-4</u> | <u>MISCELLANEOUS CAPITAL REQUIREMENTS</u> | |
| 1 | 53-04-1-01 | MISCELLANEOUS CAPITAL ADDITIONS* | 34,000 |
| 1 | 53-04-2-01 | MISCELLANEOUS CAPITAL REPLACEMENTS* | 338,000 |
| | | | <u><u>372,000</u></u> |
| | | 2024 REAUTHORIZATION | |
| 1 | 53-01-2-04 | REPLACE NATURAL GAS DRIVEN POSITIONERS AND ACTUATORS** | - |
| 1 | 53-02-2-01 | EXPANDER LIQUEFIER TSA SYSTEM UPGRADES - RICHMOND** | - |
| 1 | 53-02-2-03 | REPLACE LNG SWITCHGEAR - RICHMOND** | - |
| 2 | 53-02-2-05 | CHP RICHMOND PLANT** | - |
| 1 | 53-02-2-06 | REPL TWO PHASE POWER SYSTEM INSTALLATION - PASSYUNK** | - |
| | | TOTAL GAS PROCESSING DEPARTMENT | <u><u>14,576,000</u></u> |

* THESE HAVE BEEN ADJUSTED TO THE 5 YEAR AVERAGE, CAUSING A \$42,000 DIFFERENCE FROM THE PFMC RESOLUTION

**THESE REAUTHORIZATIONS OF A PREVIOUS BUDGET REFLECT NO INCREASE IN SPENDING AUTHORIZATION, BUT REQUIRES AN EXTENSION OF THE PROJECTS' LIFESPAN FOR AN ADDITIONAL TWELVE (12) MONTHS

City of Philadelphia

PHILADELPHIA GAS WORKS
SECOND AMENDED COMPLIANCE
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 | 226,000 | 137,000 | 14,350,000 | 6,096,000 | 14,576,000 | 6,233,000 |
| YEAR 1 | - | 89,000.00 | - | 8,254,000 | - | 8,343,000 |
| YEAR 2 | - | - | - | - | - | - |
| YEAR 3 | - | - | - | - | - | - |
| YEAR 4 AND BEYOND | - | - | - | - | - | - |
| TOTAL | <u>226,000</u> | <u>226,000</u> | <u>14,350,000</u> | <u>14,350,000</u> | <u>14,576,000</u> | <u>14,576,000</u> |

City of Philadelphia

DISTRIBUTION DEPARTMENT
SECOND AMENDED COMPLIANCE
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) | 2,922,000 | 845,000 | 3,767,000 | - | 3,767,000 |
| 52-21 | GAS MAINS - LOW AND INTERMEDIATE PRESSURE - 8 INCH AND SMALLER | 2,390,000 | 95,412,000 | 97,802,000 | (2,745,000) | 95,057,000 |
| 52-22 | GAS MAINS - LOW AND INTERMEDIATE PRESSURE - 12 INCH AND LARGER | 258,000 | 3,653,000 | 3,911,000 | (2,752,000) | 1,159,000 |
| 52-23 | CUST MTR & REG INSTALL, PRESSURE REGULATION & CORROSION CONTROL FACILITIES | 307,000 | 1,451,000 | 1,758,000 | - | 1,758,000 |
| 52-24 | SERVICES | 9,379,000 | 23,971,000 | 33,350,000 | - | 33,350,000 |
| 52-25 | CONDITIONED RESERVED | - | 4,259,000 | 4,259,000 | - | 4,259,000 |
| 52-29 | OTHER DISTRIBUTION FACILITIES | 275,000 | 1,111,000 | 1,386,000 | - | 1,386,000 |
| TOTAL DISTRIBUTION | | 15,531,000 | 130,702,000 | 146,233,000 | (5,497,000) | 140,736,000 |

* CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

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

City of Philadelphia

DISTRIBUTION DEPARTMENTSECOND AMENDED COMPLIANCEBUDGET/FORECAST COMPARISON

| CATEGORY | | | 2025 COMPL | | 2026 | | 2026 | 2026 | 2025 | 2026 BUD vs 2026 |
|-------------------------------------|---------------------------------|--------------|--------------------|--------------------|--------------------|--------------------|---------------|--------------|--------------------|------------------|
| | | | BUDGET | FORECAST | BUDGET | \$ | % | COMPL BUDGET | \$ | % |
| | | | | | | DIFF. | DIFF. | | DIFF. | DIFF. |
| 52-20 | GAS MAINS - HIGH | ADDITIONS | 2,711,900 | 3,999,000 | 2,922,000 | 210,100 | 7.7% | | (1,077,000) | -26.9% |
| | PRESSURE (WITH | REPLACEMENTS | <u>1,082,000</u> | <u>1,105,000</u> | <u>845,000</u> | <u>(237,000)</u> | <u>-21.9%</u> | | <u>(260,000)</u> | <u>-23.5%</u> |
| | ASSOCIATED VALVES | | | | | | | | | |
| | AND REGULATORS) | TOTAL | 3,793,900 | 5,104,000 | 3,767,000 | (26,900) | -0.7% | | (1,337,000) | -26.2% |
| 52-21 | GAS MAINS - LOW | ADDITIONS | 2,429,000 | 2,480,000 | 2,390,000 | (39,000) | -1.6% | | (90,000) | -3.6% |
| | AND INTERMEDIATE | REPLACEMENTS | <u>97,558,000</u> | <u>98,221,000</u> | <u>95,412,000</u> | <u>(2,146,000)</u> | <u>-2.2%</u> | | <u>(2,809,000)</u> | <u>-2.9%</u> |
| | PRESSURE - 8 INCH | | | | | | | | | |
| | AND SMALLER | TOTAL | 99,987,000 | 100,701,000 | 97,802,000 | (2,185,000) | -2.2% | | (2,899,000) | -2.9% |
| 52-22 | GAS MAINS - LOW | ADDITIONS | 302,000 | 308,000 | 258,000 | (44,000) | -14.6% | | (50,000) | -16.2% |
| | AND INTERMEDIATE | REPLACEMENTS | <u>3,985,000</u> | <u>4,069,000</u> | <u>3,653,000</u> | <u>(332,000)</u> | <u>-8.3%</u> | | <u>(416,000)</u> | <u>-10.2%</u> |
| | PRESSURE - 12 INCH | | | | | | | | | |
| | AND LARGER | TOTAL | 4,287,000 | 4,377,000 | 3,911,000 | (376,000) | -8.8% | | (466,000) | -10.6% |
| 52-23 | CUST MTR & REG INST, | ADDITIONS | 811,000 | 828,000 | 307,000 | (504,000) | -62.1% | | (521,000) | -62.9% |
| | PRESSURE REGULA- | REPLACEMENTS | <u>2,114,000</u> | <u>2,334,000</u> | <u>1,451,000</u> | <u>(663,000)</u> | <u>-31.4%</u> | | <u>(883,000)</u> | <u>-37.8%</u> |
| | TION AND CORROSION | | | | | | | | | |
| | CONTROL FACILITIES | TOTAL | 2,925,000 | 3,162,000 | 1,758,000 | (1,167,000) | -39.9% | | (1,404,000) | -44.4% |
| 52-24 | SERVICES | ADDITIONS | 9,725,000 | 9,929,000 | 9,379,000 | (346,000) | -3.6% | | (550,000) | -5.5% |
| | | REPLACEMENTS | <u>23,117,000</u> | <u>23,603,000</u> | <u>23,971,000</u> | <u>854,000</u> | <u>3.7%</u> | | <u>368,000</u> | <u>1.6%</u> |
| | | TOTAL | 32,842,000 | 33,532,000 | 33,350,000 | 508,000 | 1.5% | | (182,000) | -0.5% |
| 52-25 | CONDITIONED FUDNING RESERVED | | 4,393,000 | 4,449,000 | 4,259,000 | (134,000) | -3.1% | | (190,000) | -4.3% |
| 52-29 | OTHER DISTRIBUTION | ADDITIONS | 282,000 | 288,000 | 275,000 | (7,000) | -2.5% | | (13,000.00) | -4.5% |
| | FACILITIES | REPLACEMENTS | <u>1,111,000</u> | <u>1,134,000</u> | <u>1,111,000</u> | <u>0</u> | <u>0.0%</u> | | <u>(23,000)</u> | <u>-2.0%</u> |
| | | TOTAL | 1,393,000 | 1,422,000 | 1,386,000 | (7,000) | -0.5% | | (36,000) | -2.5% |
| GROSS TOTAL DISTRIBUTION DEPARTMENT | | | 149,620,900 | 152,747,000 | 146,233,000 | (3,387,900) | -2.3% | | (6,514,000) | -4.3% |
| 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** | | <u>(4,044,000)</u> | <u>(4,128,000)</u> | <u>(5,497,000)</u> | <u>(1,453,000)</u> | <u>35.9%</u> | | <u>(1,369,000)</u> | <u>33.2%</u> |
| NET TOTAL DISTRIBUTION | | | <u>145,576,900</u> | <u>148,619,000</u> | <u>140,736,000</u> | <u>(4,840,900)</u> | <u>-3.3%</u> | | <u>(7,883,000)</u> | <u>-5.3%</u> |

* DISTRIBUTION DEPARTMENT CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

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

City of Philadelphia

DISTRIBUTION DEPARTMENTFISCAL 2026 SECOND AMENDED 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 MAIN ADDITIONS FOR LOADS TO SUPPLY INDUSTRIAL AND COMMERCIAL CUSTOMERS | 2,922,000 | | 14,337 |
| 3 | 52-20-2-01 ENFORCED RELOCATIONS CAUSED BY CITY AND STATE WORK | 845,000 | | 1,378 |
| | | | | |
| | | GROSS TOTAL D-20 | 3,767,000 | |
| 52-20-2-97 | | LESS: REIMBURSEMENT** | | |
| | | LESS: POTENTIAL CUSTOMER CONTRIBUTIONS | | |
| | | NET TOTAL D-20 | 3,767,000 | |
| | | | | |
| | <u>D-21</u> GAS MAINS - LOW AND INTERMEDIATE PRESSURE - 8 INCH AND SMALLER | | | |
| 4 | 52-21-1-01 MAINS ADDITIONS FOR LOADS TO SUPPLY NEW AND EXISTING RESIDENTIAL, COMMERCIAL, AND MAJOR ACCOUNT CUSTOMERS | 2,390,000 | | 8,763 |
| 3 | 52-21-2-01 ENFORCED RELOCATIONS CAUSED BY CITY, STATE /UNFORSEEN CONDITIONS | 4,674,000 | | 17,404 |
| 1 | 52-21-2-02 PRUDENT MAIN REPLACEMENTS | 26,141,000 | | 92,658 |
| 1 | 52-21-2-03 LONG TERM INFRASTRUCTURE PLAN - DSIC | 36,202,000 | | |
| 1 | 52-21-2-04 NG DIST INFRASTRUCTURE SAFETY AND MODERNIZATION | 28,395,000 | | |
| | | | | |
| | | GROSS TOTAL D-21 | 97,802,000 | |
| 52-21-2-97 | | LESS: REIMBURSEMENT** | (2,745,000) | |
| | | NET TOTAL D-21 | 95,057,000 | |

City of Philadelphia

DISTRIBUTION DEPARTMENTFISCAL 2026 SECOND AMENDED COMPLIANCE CAPITAL BUDGET

| <u>P</u> | | <u>AMOUNT</u> | <u>FEET</u> | <u>UNITS</u> |
|----------|---|---------------|-------------|--------------|
| | <u>D-22</u> GAS MAINS - LOW AND INTERMEDIATE PRESSURE - 12 INCH AND LARGER | | | |
| 4 | 52-22-1-01 MAIN ADDITIONS TO SUPPLY INDUSTRIAL AND COMMERCIAL CUSTOMERS | 258,000 | | 32 |
| 3 | 52-22-2-01 ENFORCED RELOCATIONS CAUSED BY CITY, STATE WORK AND UNFORESEEN CONDITIONS | 595,000 | | 543 |
| 3 | 52-22-2-02 MAIN FOR MAJOR ENFORCED RELOCATION CAUSED BY CITY/STATE | 3,058,000 | | |
| | GROSS TOTAL D-22 | 3,911,000 | | |
| | LESS: REIMBURSEMENT** | (2,752,000) | | |
| | NET TOTAL D-22 | 1,159,000 | | |
| | <u>D-23</u> CUSTOMER METERING & REGULATOR INSTALLATION, AND PRESSURE REGULATION & CORROSION CONTROL FACILITIES (NOT INCLUDED IN D-20 OR D-22) | | | |
| 4 | 52-23-1-01 INSTALL OF METERS/REGULATORS FOR NEW CUSTOMERS | 307,000 | | |
| 1 | 52-23-2-01 EMERGENCY SHUTDOWN VALVES OUT OF COMPLI WITH DOT 192 | 615,000 | | |
| 2 | 52-23-2-02 REPL OF WORN DAMAGED PRESSURE REGULATING/CORROSION CONTROL FACILITIES | 836,000 | | |
| | GROSS TOTAL D-23 | 1,758,000 | | |
| | LESS: REIMBURSEMENT** | | | |
| | LESS: POTENTIAL CUSTOMER CONTRIBUTIONS* | | | |
| | NET TOTAL D-23 | 1,758,000 | | |

City of Philadelphia

DISTRIBUTION DEPARTMENTFISCAL 2026 SECOND AMENDED 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 | 6,808,000 | 1,867 |
| 4 | 52-24-1-02 INSTALLATION OF NEW 2 INCH AND LARGER SERVICES, HIGH, INTERMEDIATE AND LOW PRESSURE | 2,571,000 | 144 |
| 1 | 52-24-2-01 RENEWAL OF 1-1/4" AND SMALLER SERVICES FOR PRUDENT REASONS, AS A RESULT OF PGW'S MAIN REPL PROG, CUSTOMER COMPLAINTS OR CITY AND STATE WORK | 22,821,000 | 8,335 |
| 1 | 52-24-2-02 RENEWAL OF 2" AND LARGER SERVICES | 1,150,000 | 80 |
| | GROSS TOTAL D-24 | 33,350,000 | |
| | LESS: REIMBURSEMENT** | | |
| | NET TOTAL D-24 | <u>33,350,000</u> | |
| <u>D-25</u> | <u>CONDITIONED FUNDING</u> | | |
| 1 | 52-25-2-01 CONDITIONED FUNDING RESERVED | 4,259,000 | |
| | NET TOTAL D-25 | <u>4,259,000</u> | |
| <u>D-29</u> | <u>OTHER DISTRIBUTION FACILITIES</u> | | |
| 2 | 52-29-1-01 ADDITIONAL TOOLS AND WORK EQUIPMENT | 275,000 | |
| 2 | 52-29-2-01 REPLACEMENT OF UNUSABLE WORK EQUIPMENT | 1,111,000 | |
| | NET TOTAL D-29 | <u>1,386,000</u> | |

City of Philadelphia

DISTRIBUTION DEPARTMENT

FISCAL 2026 SECOND AMENDED COMPLIANCE CAPITAL BUDGET

| <u>P</u> | | <u>AMOUNT</u> | <u>FEET UNITS</u> |
|------------|---|--------------------|-------------------|
| | GROSS TOTAL DISTRIBUTION DEPARTMENT | 146,233,000 | |
| | LESS: REIMBURSEMENT** | (5,497,000) | |
| | LESS: POTENTIAL CUSTOMER CONTRIBUTIONS*** | | |
| 52-98-2-98 | LESS: SALVAGE | | |
| | NET TOTAL DISTRIBUTION DEPARTMENT | <u>140,736,000</u> | |

*** DISTRIBUTION DEPARTMENT CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

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

City of Philadelphia

DISTRIBUTION DEPARTMENT

SECOND AMENDED COMPLIANCE

DISTRIBUTION COMPRESSED CATEGORIES

| <u>CATEGORIES</u> | 2025 COMPL BUDGET | 2026 FORECAST | 2026 BUDGET |
|---------------------------------|----------------------|--------------------|--------------------|
| MAIN ADDITIONS | 5,442,900 | 6,787,000 | 5,570,000 |
| MAIN REPLACEMENTS | 102,625,000 | 103,395,000 | 99,910,000 |
| SERVICE ADDITIONS | 9,725,000 | 9,929,000 | 9,379,000 |
| SERVICE REPLACEMENTS | 23,117,000 | 23,603,000 | 23,971,000 |
| METER/REGULATOR/CORROSION | 2,925,000 | 3,162,000 | 1,758,000 |
| TOOLS | 1,393,000 | 1,422,000 | 1,386,000 |
| CONDITIONED FUNDING RESERVE | 3,309,000 | 3,384,000 | 4,259,000 |
| GROSS TOTAL DISTRIBUTION | 148,536,900 | 151,682,000 | 146,233,000 |

City of Philadelphia

Bill No. 251018, continued

DISTRIBUTION DEPARTMENT
LISTING BY PRIORITY
FISCAL 2026 SECOND AMENDED COMPLIANCE CAPITAL BUDGET

| P | CATEGORY | | | AMOUNT | FEET UNITS | BUDGET_YR | YEAR_1 | YEAR_2 | YEAR_3 |
|---|----------|------------|---|------------|---------------|------------|------------|-----------|-----------|
| | | | PRIORITY_1 | | | | | | |
| 1 | D-21 | 52-21-2-02 | PRUDENT MAIN REPLACEMENTS | 26,141,000 | 92,658 | 19,926,000 | 6,215,000 | - | - |
| 1 | D-21 | 52-21-2-03 | LONG TERM INFRASTRUCTURE PLAN - DSIC | 36,202,000 | | 25,824,000 | 10,378,000 | - | - |
| 1 | D-21 | 52-21-2-04 | NG DIST INFRASTRUCTURE SAFETY AND MODERNIZATION | 28,395,000 | | 20,946,000 | 3,725,000 | 2,607,000 | 1,117,000 |
| 1 | D-23 | 52-23-2-01 | EMERGENCY SHUTDOWN VALVES OUT OF COMPLI WITH DOT 192 | 615,000 | | 232,000 | 383,000 | - | - |
| 1 | D-24 | 52-24-2-02 | RENEWAL OF 2" AND LARGER SERVICES | 1,150,000 | 80 | 900,000 | 250,000 | - | - |
| 1 | D-24 | 52-24-2-01 | RENEWAL OF 1-1/4" AND SMALLER SERVICES FOR PRUDENT | 22,821,000 | 8,335 | 20,694,000 | 2,127,000 | - | - |
| 1 | D-25 | 52-25-2-01 | CONDITIONED FUNDING RESERVED | 4,259,000 | | - | - | - | - |
| | | | PRIORITY_2 | | | | | | |
| 2 | D-29 | 52-29-1-01 | ADDITIONAL TOOLS AND WORK EQUIPMENT | 275,000 | | 248,000 | 27,000 | - | - |
| 2 | D-29 | 52-29-2-01 | REPLACEMENT OF UNUSABLE WORK EQUIPMENT | 1,111,000 | | 441,000 | 670,000 | - | - |
| 2 | D-23 | 52-23-2-02 | REPL OF WORN DAMAGED PRESSURE REGULATING/CORROSION CONTROL FACILITIES | 836,000 | | 637,000 | 199,000 | - | - |

City of Philadelphia

DISTRIBUTION DEPARTMENT
LISTING BY PRIORITY
FISCAL 2026 SECOND AMENDED 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 3</u> | | | | | | |
| 3 | D-20 52-20-2-01 ENFORCED RELOCATIONS CAUSED BY CITY AND STATE WORK | 845,000 | 1,378 | 816,000 | 29,000 | - | - |
| 3 | D-21 52-21-2-01 ENFORCED RELOCATIONS CAUSED BY CITY, STATE /UNFORSEEN | 4,674,000 | 17,404 | 3,582,000 | 1,092,000 | - | - |
| 3 | D-22 52-22-2-01 ENFORCED RELOCATIONS CAUSED BY CITY, STATE WORK | 595,000 | 543 | 483,000 | 112,000 | - | - |
| 3 | D-22 52-22-2-02 MAIN FOR MAJOR ENFORCED RELOCATION CAUSED BY CITY/STATE | 3,058,000 | | 2,476,000 | 582,000 | - | - |
| | <u>PRIORITY 4</u> | | | | | | |
| 4 | D-20 52-20-1-01 MAIN ADDITIONS FOR LOADS TO SUPPLY INDUSTRIAL AND | 2,922,000 | 14,337 | 2,670,000 | 252,000 | - | - |
| 4 | D-21 52-21-1-01 MAINS ADDITIONS FOR LOADS TO SUPPLY NEW AND EXISTING | 2,390,000 | 8,763 | 2,273,000 | 117,000 | - | - |
| 4 | D-23 52-23-1-01 INSTALL OF METERS/REGULATORS FOR NEW CUSTOMERS | 307,000 | - | 303,000 | 4,000 | - | - |
| 4 | D-22 52-22-1-01 MAIN ADDITIONS TO SUPPLY INDUSTRIAL AND COMMERCIAL | 258,000 | 32 | 258,000 | - | - | - |
| 4 | D-24 52-24-1-01 INSTALLATION OF NEW 1-1/4" AND SMALLER SERVICES, HIGH, | 6,808,000 | 1,867 | 6,783,000 | 25,000 | - | - |
| 4 | D-24 52-24-1-02 INSTALLATION OF NEW 2 INCH AND LARGER SERVICES, HIGH, | 2,571,000 | 144 | 2,514,000 | 57,000 | - | - |
| TOTAL DISTRIBUTION DEPARTMENT: | | 146,233,000 | | 112,006,000 | 26,244,000 | 2,607,000 | 1,117,000 |

City of Philadelphia

PHILADELPHIA GAS WORKS
SECOND AMENDED COMPLIANCE
DISTRIBUTION DEPARTMENT ESTIMATE OF ENCUMBERANCE AND EXPENDITURE

| <u>FISCAL YEAR</u> | <u>ADDITIONS</u> | | <u>REPLACEMENTS</u> | | <u>TOTAL</u> | |
|--------------------|-------------------|-------------------|---------------------|--------------------|--------------------|--------------------|
| | <u>ENCUMBERED</u> | <u>EXPENDED</u> | <u>ENCUMBERED</u> | <u>EXPENDED</u> | <u>ENCUMBERED</u> | <u>EXPENDED</u> |
| CURRENT BUDGET | 15,531,000 | 15,049,000 | 130,702,000 | 96,957,000 | 146,233,000 | 112,006,000 |
| YEAR 1 | - | 482,000 | - | 25,762,000 | - | 26,244,000 |
| YEAR 2 | - | - | - | 2,607,000 | - | 2,607,000 |
| YEAR 3 | - | - | - | 1,117,000 | - | 1,117,000 |
| YEAR 4 AND BEYOND | - | - | - | - | - | - |
| TOTAL | <u>15,531,000</u> | <u>15,531,000</u> | <u>130,702,000</u> | <u>126,443,000</u> | <u>146,233,000</u> | <u>141,974,000</u> |

City of Philadelphia

FIELD SERVICES DEPARTMENT
SECOND AMENDED COMPLIANCE
SUMMARY

| <u>CATEGORY</u> | <u>ADDITIONS</u> | <u>REPLACEMENTS</u> | <u>TOTAL</u> |
|---|------------------|---------------------|------------------|
| 50-30 METERS & INSTALLATION | 2,374,000 | 5,452,000 | 7,826,000 |
| 50-32 SERVICE REGULATORS AND INSTALLATION | 98,000 | 105,000 | 203,000 |
| 50-33 COMMERCIAL & INDUSTRIAL TELEMETERING SYSTEMS | 126,000 | 342,000 | 468,000 |
| 50-34 METER SHOP EQUIPMENT | - | 202,000 | 202,000 |
| GROSS TOTAL FIELD SERVICES | 2,598,000 | 6,101,000 | 8,699,000 |
| LESS: SALVAGE | | | |
| LESS: CONTRIBUTIONS* | | | |
| NET TOTAL FIELD SERVICES | <u>2,598,000</u> | <u>6,101,000</u> | <u>8,699,000</u> |

* FIELD SERVICES DEPARTMENT CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

City of Philadelphia

FIELD SERVICES DEPARTMENT

SECOND AMENDED COMPLIANCE

BUDGET/FORECAST COMPARISON

| CATEGORY | | 2025 COMPL | | 2026 | | 2026 | 2025 | 2026 BUD vs 2026 FORECAST | |
|---|--------------|------------------|-------------------|------------------|--------------------|----------------|---------------------|---------------------------|--|
| | | BUDGET | | FORECAST | | BUDGET vs | COMPL BUDGET | \$ | |
| | | | | | | \$ | % | % DIFF. | |
| | | | | | | DIFFERENCE | DIFF. | DIFFERENCE | |
| 50-30 METERS | ADDITIONS | 2,579,000 | 2,910,000 | 2,374,000 | (205,000) | -7.9% | (536,000) | -18.4% | |
| | REPLACEMENTS | <u>3,130,000</u> | <u>20,290,000</u> | <u>5,452,000</u> | <u>2,322,000</u> | <u>74.2%</u> | <u>(14,838,000)</u> | <u>-73.1%</u> | |
| | TOTAL | 5,709,000 | 23,200,000 | 7,826,000 | 2,117,000 | 37.1% | (15,374,000) | -66.3% | |
| 50-32 SERVICE REGULATORS AND INSTALLATIONS | ADDITIONS | 138,000 | 103,000 | 98,000 | (40,000) | -29.0% | (5,000) | -4.9% | |
| | REPLACEMENTS | <u>126,000</u> | <u>131,000</u> | <u>105,000</u> | <u>(21,000)</u> | <u>-16.7%</u> | <u>(26,000)</u> | <u>-19.8%</u> | |
| | TOTAL | 264,000 | 234,000 | 203,000 | (61,000) | -23.1% | (31,000) | -13.2% | |
| 50-33 TELEMETERING AND INSTALLATIONS | ADDITIONS | 62,000 | 88,000 | 126,000 | 64,000 | 103.2% | 38,000 | 43.2% | |
| | REPLACEMENTS | <u>61,000</u> | <u>83,000</u> | <u>342,000</u> | <u>281,000</u> | <u>460.7%</u> | <u>259,000</u> | <u>312.0%</u> | |
| | TOTAL | 123,000 | 171,000 | 468,000 | 345,000 | 280.5% | 297,000 | 173.7% | |
| 50-34 METER SHOP EQUIPMENT | ADDITIONS | - | - | - | - | N/A | - | N/A | |
| | REPLACEMENTS | <u>228,000</u> | <u>143,000.00</u> | <u>202,000</u> | <u>(26,000)</u> | <u>(0.11)</u> | <u>59,000.00</u> | <u>0.41</u> | |
| | TOTAL | 228,000 | 143,000 | 202,000 | (26,000) | (0.11) | 59,000.00 | 0.41 | |
| 50-35 SERVICE SECTION EQUIPMENT | ADDITIONS | - | 1,075,000 | - | - | N/A | (1,075,000) | -100.0% | |
| | REPLACEMENTS | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>N/A</u> | <u>-</u> | <u>N/A</u> | |
| | TOTAL | - | 1,075,000 | - | - | N/A | (1,075,000) | -100.0% | |
| 50-36 AUTOMATIC METER READING | ADDITIONS | 238,000 | 82,000 | - | (238,000) | -100.0% | (82,000) | -100.0% | |
| | REPLACEMENTS | <u>1,430,000</u> | <u>163,000</u> | <u>-</u> | <u>(1,430,000)</u> | <u>-100.0%</u> | <u>(163,000)</u> | <u>-100.0%</u> | |
| | TOTAL | 1,668,000 | 245,000 | - | (1,668,000) | -100.0% | (245,000) | -100.0% | |
| GROSS TOTAL FIELD SERVICES | | 7,992,000 | 25,068,000 | 8,699,000 | 707,000 | 8.8% | (16,369,000) | -65.3% | |
| LESS: SALVAGE | | - | - | - | - | N/A | - | N/A | |
| LESS: CONTRIBUTIONS* | | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>N/A</u> | <u>-</u> | <u>N/A</u> | |
| NET TOTAL FIELD SERVICES | | <u>7,992,000</u> | <u>25,068,000</u> | <u>8,699,000</u> | <u>707,000</u> | <u>8.8%</u> | <u>(16,369,000)</u> | <u>-65.3%</u> | |

* FIELD SERVICES DEPARTMENT CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

City of Philadelphia

FIELD SERVICES DEPARTMENTFISCAL 2026 SECOND AMENDED COMPLIANCE CAPITAL BUDGET

| <u>P</u> | | | <u>AMOUNT</u> |
|------------|---|--|------------------|
| | <u>C-30</u> | <u>METERS</u> | |
| 4 | 50-30-1-01 | PURCHASE AND INSTALLATION OF METERS TO PROVIDE FOR NEW CUSTOMERS | 2,374,000 |
| 1 | 50-30-2-01 | PURCHASE METERS TO SUPPORT METER TESTING | 5,452,000 |
| | | TOTAL C-30 | <u>7,826,000</u> |
| | <u>C-32</u> | <u>SERVICE REGULATORS</u> | |
| 4 | 50-32-1-01 | PURCHASE AND INSTALLATION OF SERVICE REGULATORS | 98,000 |
| 2 | 50-32-2-01 | PURCHASE VARIOUS SIZE SERVICE REGULATORS AS REPLACEMENTS | 105,000 |
| | | TOTAL C-32 | <u>203,000</u> |
| | <u>C-33</u> | <u>COMMERCIAL & INDUSTRIAL TELEMETERING SYSTEMS</u> | |
| 4 | 50-33-1-01 | NON-RESIDENTIAL ENDPOINT ADDITIONS | 126,000 |
| 2 | 50-33-2-01 | NON-RESIDENTIAL ENDPOINT REPLACEMENTS | 342,000 |
| | | TOTAL C-33 | <u>468,000</u> |
| | <u>C-34</u> | <u>METER SHOP EQUIPMENT</u> | |
| 2 | 50-34-2-01 | REPL OBSOLETE SHOP EQUIP, HAND-HELD TOOLS/ SW PACKAGE FOR AMR | 202,000 |
| | | TOTAL C-34 | <u>202,000</u> |
| | | GROSS TOTAL FIELD SERVICES DEPARTMENT | 8,699,000 |
| 50-98-2-98 | LESS: ESTIMATED SALVAGE LESS: CONTRIBUTIONS* | | |
| | | NET TOTAL FIELD SERVICES DEPARTMENT | <u>8,699,000</u> |

City of Philadelphia

FIELD SERVICES DEPARTMENT

LISTING BY PRIORITY

FISCAL 2026 SECOND AMENDED COMPLIANCE CAPITAL BUDGET

| <u>P</u> | <u>CATEGORY</u> | <u>AMOUNT</u> | <u>BUDGET YR</u> | <u>YEAR 1</u> | <u>YEAR 2</u> | <u>YEAR 3</u> |
|----------------------------------|--|------------------|------------------|----------------|---------------|---------------|
| <u>PRIORITY 1</u> | | | | | | |
| 1 C-30 | 50-30-2-01 PURCHASE METERS TO SUPPORT METER TESTING | 5,452,000 | 5,452,000 | - | - | - |
| <u>PRIORITY 2</u> | | | | | | |
| 2 C-32 | 50-32-2-01 PURCHASE VARIOUS SIZE SERVICE REGULATORS AS REPLACEMENTS | 105,000 | 105,000 | - | - | - |
| 2 C-33 | 50-33-2-01 NON-RESIDENTIAL ENDPOINT REPLACEMENTS | 342,000 | 34,000 | 308,000 | - | - |
| 2 C-34 | 50-34-2-01 REPL OBSOLETE SHOP EQUIP, HAND-HELD TOOLS/ SW PACKAGE FOR AMR | 202,000 | 50,000 | 152,000 | - | - |
| <u>PRIORITY 4</u> | | | | | | |
| 4 C-30 | 50-30-1-01 PURCHASE AND INSTALLATION OF METERS TO PROVIDE FOR | 2,374,000 | 2,374,000 | - | - | - |
| 4 C-32 | 50-32-1-01 PURCHASE AND INSTALLATION OF SERVICE REGULATORS | 98,000 | 98,000 | - | - | - |
| 4 C-33 | 50-33-1-01 NON-RESIDENTIAL ENDPOINT ADDITIONS | 126,000 | 38,000 | 88,000 | - | - |
| TOTAL FIELD SERVICES DEPARTMENT: | | <u>8,699,000</u> | <u>8,151,000</u> | <u>548,000</u> | <u>-</u> | <u>-</u> |

City of Philadelphia

PHILADELPHIA GAS WORKS
SECOND AMENDED COMPLIANCE
FIELD SERVICES DEPARTMENT ESTIMATE OF ENCUMBERANCE AND EXPENDITURE

| <u>FISCAL YEAR</u> | <u>ADDITIONS</u> | | <u>REPLACEMENTS</u> | | <u>TOTAL</u> | |
|--------------------|-------------------|------------------|---------------------|------------------|-------------------|------------------|
| | <u>ENCUMBERED</u> | <u>EXPENDED</u> | <u>ENCUMBERED</u> | <u>EXPENDED</u> | <u>ENCUMBERED</u> | <u>EXPENDED</u> |
| CURRENT BUDGET | 2,598,000 | 2,510,000 | 6,101,000 | 5,641,000 | 8,699,000 | 8,151,000 |
| YEAR 1 | - | 88,000 | - | 460,000 | - | 548,000 |
| YEAR 2 | - | - | - | - | - | - |
| YEAR 3 | - | - | - | - | - | - |
| YEAR 4 AND BEYOND | - | - | - | - | - | - |
| TOTAL | <u>2,598,000</u> | <u>2,598,000</u> | <u>6,101,000</u> | <u>6,101,000</u> | <u>8,699,000</u> | <u>8,699,000</u> |

City of Philadelphia

FLEET OPERATIONS DEPARTMENT

SECOND AMENDED COMPLIANCE

BUDGET/FORECAST COMPARISON

| <u>CATEGORY</u> | 2025 COMPL <u>BUDGET</u> | 2026 <u>FORECAST</u> | 2026 <u>BUDGET</u> | 2026 <u>BUDGET vs</u> | 2025 <u>COMPL BUDGET</u> | 2026 BUD vs 2026 <u>FORECAST</u> | |
|--|-----------------------------|-------------------------|-----------------------|--------------------------|-----------------------------|-------------------------------------|-------------------|
| | | | | \$ <u>DIFFERENCE</u> | % <u>DIFF.</u> | \$ <u>DIFFERENCE</u> | % <u>DIFF.</u> |
| 73-01-1-02 MOBILE EQUIPMENT ADDITIONS | 0 | - | - | 0 | N/A | - | N/A |
| 73-01-1-03 VEHICLE ADDITIONS | - | - | 39,000 | 39,000.00 | N/A | 39,000.00 | N/A |
| 73-01-1-01 SHOP EQUIPMENT ADDITIONS | - | - | 98,000 | 98,000.00 | N/A | 98,000.00 | N/A |
| 73-01-2-02 MOBILE EQUIPMENT REPLACEMENTS | 797,000 | 1,612,000 | 1,613,000 | 816,000 | 102.4% | 1,000 | 0.1% |
| 73-01-2-03 VEHICLE REPLACEMENTS | 5,183,000 | 10,809,000 | 8,621,000 | 3,438,000 | 66.3% | (2,188,000) | -20.2% |
| 73-01-2-03 VEHICLE REPLACEMENTS | - | - | - | 0 | N/A | - | N/A |
| GROSS TOTAL FLEET OPERATIONS | 5,980,000 | 12,421,000 | 10,371,000 | 4,391,000 | 73.4% | (2,050,000) | -16.5% |
| LESS: SALVAGE | | | | | <u>N/A</u> | | <u>N/A</u> |
| NET TOTAL FLEET OPERATIONS | <u>5,980,000</u> | <u>12,421,000</u> | <u>10,371,000</u> | <u>4,391,000</u> | <u>73.4%</u> | <u>(2,050,000)</u> | <u>-16.5%</u> |

City of Philadelphia

FLEET OPERATIONS DEPARTMENT

FISCAL 2026 SECOND AMENDED COMPLIANCE CAPITAL BUDGET

| <u>P</u> | | | <u>AMOUNT</u> |
|----------|------------|-------------------------------|--------------------------|
| 1 | 73-01-1-01 | SHOP EQUIPMENT ADDITIONS | 98,000 |
| 1 | 73-01-1-02 | MOBILE EQUIPMENT ADDITIONS | 39,000 |
| 2 | 73-01-2-02 | MOBILE EQUIPMENT REPLACEMENTS | 1,613,000 |
| 2 | 73-01-2-03 | VEHICLE REPLACEMENTS | 8,621,000 |
| | | 2024 REAUTHORIZATION | |
| 1 | 73-01-1-03 | VEHICLE ADDITIONS** | - |
| 2 | 73-01-2-03 | VEHICLE REPLACEMENTS** | - |
| | | GROSS TOTAL FLEET OPERATIONS | <u>10,371,000</u> |
| | | NET TOTAL FLEET OPERATIONS | <u><u>10,371,000</u></u> |

**THESE REAUTHORIZATIONS OF A PREVIOUS BUDGET REFLECT NO INCREASE IN SPENDING AUTHORIZATION, BUT REQUIRES AN EXTENSION OF THE PROJECTS' LIFESPAN FOR AN ADDITIONAL TWELVE (12) MONTHS

City of Philadelphia

FLEET OPERATIONS DEPARTMENT
LISTING BY PRIORITY
FISCAL 2026 SECOND AMENDED COMPLIANCE CAPITAL BUDGET

| <u>P</u> | <u>CATEGORY</u> | <u>AMOUNT</u> | <u>BUDGET YR</u> | <u>YEAR 1</u> | <u>YEAR 2</u> | <u>YEAR 3</u> |
|------------------------------------|--|-------------------|------------------|------------------|---------------|---------------|
| | <u>PRIORITY 1</u> | | | | | |
| 1 | 73-01-1-01 SHOP EQUIPMENT ADDITIONS | 98,000 | 49,000 | 49,000 | - | - |
| 1 | 73-01-1-03 VEHICLE ADDITIONS | 39,000 | 19,000 | 20,000 | - | - |
| | 2024 REAUTHORIZATION | | | | | |
| 1 | 73-01-1-03 VEHICLE ADDITIONS** | - | - | - | - | - |
| | <u>PRIORITY 2</u> | | | | | |
| 2 | 73-01-2-02 MOBILE EQUIPMENT REPLACEMENTS | 1,613,000 | 807,000 | 806,000 | - | - |
| 2 | 73-01-2-03 VEHICLE REPLACEMENTS | 8,621,000 | 4,311,000 | 4,310,000 | - | - |
| | 2024 REAUTHORIZATION | | | | | |
| 2 | 73-01-2-03 VEHICLE REPLACEMENTS** | - | - | - | - | - |
| TOTAL FLEET OPERATIONS DEPARTMENT: | | <u>10,371,000</u> | <u>5,186,000</u> | <u>5,185,000</u> | <u>-</u> | <u>-</u> |

**THESE REAUTHORIZATIONS OF A PREVIOUS BUDGET REFLECT NO INCREASE IN SPENDING AUTHORIZATION, BUT REQUIRES AN EXTENSION OF THE PROJECTS' LIFESPAN FOR AN ADDITIONAL TWELVE (12) MONTHS

City of Philadelphia

PHILADELPHIA GAS WORKS
SECOND AMENDED COMPLIANCE
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 | 137,000 | 68,000 | 10,234,000 | 5,118,000 | 10,371,000 | 5,186,000 |
| YEAR 1 | - | 69,000.00 | - | 5,116,000 | - | 5,185,000 |
| YEAR 2 | - | - | - | - | - | - |
| YEAR 3 | - | - | - | - | - | - |
| YEAR 4 AND BEYOND | - | - | - | - | - | - |
| TOTAL | <u>137,000</u> | <u>137,000</u> | <u>10,234,000</u> | <u>10,234,000</u> | <u>10,371,000</u> | <u>10,371,000</u> |

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City of Philadelphia

FACILITIES

SECOND AMENDED COMPLIANCE

BUDGET/FORECAST COMPARISON

| CATEGORY | 2025 COMPL BUDGET | 2026 FORECAST | 2026 BUDGET | 2026 | 2025 | 2026 BUD vs 2026 | |
|--|----------------------|------------------|----------------|--------------------------|----------------------------|-------------------------|---------------|
| | | | | BUDGET vs \$ DIFF. | COMPL BUDGET % DIFF. | FORECAST \$ DIFF. | % DIFF. |
| 72-01-1-01 MISCELLANEOUS CAPITAL ADDITIONS | 94,000 | 96,000 | 84,000 | (10,000) | -10.6% | (12,000) | -12.5% |
| 72-01-1-02 MISCELLANEOUS CAPITAL ADDITIONS - GAS PROCESSING | 5,000 | 5,000 | 5,000 | - | 0.0% | - | 0.0% |
| 72-01-2-01 MISCELLANEOUS CAPITAL REPLACEMENTS/STRUCTURAL REPAIRS | 476,000 | 490,000 | 368,000 | (108,000) | -22.7% | (122,000) | -24.9% |
| 72-01-2-02 MISCELLANEOUS CAPITAL REPLACEMENTS - GAS PROCESSING | 14,000 | 14,000 | 20,000 | 6,000 | 42.9% | 6,000 | 42.9% |
| 72-01-2-03 MISC CAPITAL REPL - STRUCTURAL REPAIRS - GAS PROCESSING | 5,000 | 5,000 | 12,000 | 7,000 | 140.0% | 7,000 | 140.0% |
| 72-01-2-04 REPLACE CARPETS | - | - | 50,000 | 50,000 | N/A | 50,000 | N/A |
| 72-01-2-05 REPLACE MODULAR FURNITURE | - | - | 50,000 | 50,000 | N/A | 50,000 | N/A |
| 72-01-1-03 NOC DATA CENTER BACKUP GENERATOR | 416,000 | - | - | (416,000) | -100.0% | - | N/A |
| 72-01-1-04 1849 ELECTRICAL POWER SEPARATION [Conditall Funding] | 332,000 | - | - | (332,000) | -100.0% | - | N/A |
| 72-01-2-05 800 BUILDING DATA CENTER UPS MPR REPL | 272,000 | - | - | (272,000) | -100.0% | - | N/A |
| 72-01-2-04 REPLACE 800 BUILDING MAIN ELECTRIC SWITCHGEAR | 2,616,000 | - | - | (2,616,000) | -100.0% | - | N/A |
| 72-01-2-06 800 BUILDING DATA CENTER UPS BATTERY REPLACEMENT | 239,000 | - | - | (239,000) | -100.0% | - | N/A |
| 72-01-2-07 800 BUILDING FIRE SYSTEM NOTIFICATION REPLACEMENT | 140,000 | - | - | (140,000) | -100.0% | - | N/A |
| 72-02-2-03 800 BUILDING CAFETERIA IMPROVEMENTS | 202,000 | - | - | (202,000) | -100.0% | - | N/A |
| 72-02-2-01 800 BUILDING LOBBY IMPROVEMENTS | 106,000 | - | - | (106,000) | -100.0% | - | N/A |
| 72-02-2-02 800 BUILDING DATA UPGRADES 1ST FLOOR WEST | 51,000 | - | - | (51,000) | - | - | - |
| 72-01-2-08 SOUTH OPERATIONS CENTER (SOC) | 24,733,000 | - | - | (24,733,000) | - | - | - |
| 72-01-2-08 1849 MECHANICAL SEPARATION | - | 350,000 | - | - | - | (350,000) | - |
| 72-05-1-03 1849 FUELING STATION IMPROVEMENTS | - | 725,000 | - | - | - | (725,000) | - |
| 2024 REAUTHORIZATION | | | | | | | |
| 72-01-2-05 REFUELING STATION NOC | 6,367,000 | - | - | (6,367,000) | - | - | - |
| 72-01-2-06 REPAVE 800 PARKING LOT | 459,000 | - | - | (459,000) | -100.0% | - | N/A |
| | - | - | - | - | - | - | - |
| TOTAL FACILITIES | <u>36,527,000</u> | <u>1,685,000</u> | <u>589,000</u> | <u>(35,938,000)</u> | <u>-98.4%</u> | <u>(1,096,000)</u> | <u>-65.0%</u> |

City of Philadelphia

OTHER DEPARTMENTS
SECOND AMENDED COMPLIANCE
SUMMARY

| <u>CATEGORY</u> | <u>ADDITIONS</u> | <u>REPLACEMENTS</u> | <u>TOTAL</u> |
|-------------------------|------------------|---------------------|-------------------|
| FACILITIES | 89,000 | 500,000 | 589,000 |
| INFORMATION SERVICES | 3,742,000 | 31,002,000 | 34,744,000 |
| CHIEF OPERATING OFFICER | - | - | - |
| OTHER | - | - | - |
| TOTAL OTHER DEPARTMENTS | <u>3,831,000</u> | <u>31,502,000</u> | <u>35,333,000</u> |

City of Philadelphia

OTHER DEPARTMENTS

SECOND AMENDED COMPLIANCE

BUDGET/FORECAST COMPARISON

| CATEGORY | | 2026 | | | | 2025 | | 2026 BUD vs 2026 | |
|-------------------------|--------------|-------------------|---------------|--------------|-------------|----------|------------|------------------|--|
| | | BUDGET vs | | COMPL BUDGET | | FORECAST | | | |
| | | \$ | | \$ | | \$ | | | |
| | | 2025 COMPL BUDGET | 2026 FORECAST | 2026 BUDGET | DIFFERENCE | % DIFF. | | % DIFF. | |
| FACILITIES | ADDITIONS | 7,394,000 | 71,000 | 89,000 | (7,305,000) | -98.8% | 18,000 | 25.4% | |
| | REPLACEMENTS | 1,264,000 | 397,000 | 500,000 | (764,000) | -60.4% | 103,000 | 25.9% | |
| | TOTAL | 8,658,000 | 468,000 | 589,000 | (8,069,000) | -93.2% | 121,000 | 25.9% | |
| INFORMATION SERVICES | ADDITIONS | 4,303,000 | 550,000 | 3,742,000 | (561,000) | -13.0% | 3,192,000 | 580.4% | |
| | REPLACEMENTS | 12,479,000 | 475,000 | 31,002,000 | 18,523,000 | 148.4% | 30,527,000 | 6426.7% | |
| | TOTAL | 16,782,000 | 1,025,000 | 34,744,000 | 17,962,000 | 107.0% | 33,719,000 | 3289.7% | |
| CHIEF OPERATING OFFICER | ADDITIONS | - | - | - | - | N/A | - | N/A | |
| | REPLACEMENTS | 750,000 | 750,000 | - | (750,000) | -100.0% | (750,000) | -100.0% | |
| | TOTAL | 750,000 | 750,000 | - | (750,000) | -100.0% | (750,000) | -100.0% | |
| TOTAL OTHER DEPARTMENTS | | 26,190,000 | 2,243,000 | 35,333,000 | 9,143,000 | 34.9% | 33,090,000 | 1475.3% | |

City of Philadelphia

OTHER DEPARTMENTS

FISCAL 2026 SECOND AMENDED COMPLIANCE CAPITAL BUDGET

| P | | | AMOUNT |
|------------------|-------------------|---|-----------------------|
| | <u>FACILITIES</u> | | |
| 1 | 72-01-1-01 | MISCELLANEOUS CAPITAL ADDITIONS | 84,000 |
| 1 | 72-01-1-02 | MISCELLANEOUS CAPITAL ADDITIONS - GAS PROCESSING | 5,000 |
| 1 | 72-01-2-01 | MISCELLANEOUS CAPITAL REPLACEMENTS/STRUCTURAL REPAIRS | 368,000 |
| 1 | 72-01-2-02 | MISCELLANEOUS CAPITAL REPLACEMENTS - GAS PROCESSING | 20,000 |
| 1 | 72-01-2-03 | MISC CAPITAL REPL - STRUCTURAL REPAIRS - GAS PROCESSING | 12,000 |
| 1 | 72-01-2-04 | REPLACE CARPETS | 50,000 |
| 1 | 72-01-2-05 | REPLACE MODULAR FURNITURE | 50,000 |
| | | 2023 REAUTHORIZATION | - |
| 1 | 72-01-2-08 | REPLACE PORTER FUELING STATION** | - |
| 1 | 72-01-2-09 | REPAVE PORTER STATION LOT** | - |
| TOTAL FACILITIES | | | <u><u>589,000</u></u> |

City of Philadelphia

OTHER DEPARTMENTS

FISCAL 2026 SECOND AMENDED COMPLIANCE CAPITAL BUDGET

| E | | | AMOUNT |
|----------------------------|-----------------------------|---|--------------------------|
| | <u>INFORMATION SERVICES</u> | | |
| 2 | 47-01-1-01 | MISC ADDITIONS - SERVER, NETWORK AND HARDWARE | 2,043,000 |
| 2 | 47-01-1-03 | ADDITIONS - SAN STORAGE | 119,000 |
| 2 | 47-01-1-05 | ADDITIONS - FIELD DATA COLLECTION SOFTWARE | 452,000 |
| 2 | 47-01-2-01 | MISC REPLACEMENTS - SOFTWARE | 220,000 |
| 2 | 47-01-2-02 | MISC REPLACEMENTS - SERVER & NETWORK HARDWARE | 247,000 |
| 2 | 47-01-1-04 | ADDITIONS - SECURITY CAMERAS - M&R STATIONS | 296,000 |
| 2 | 47-01-1-02 | MISC ADDITIONS - SOFTWARE | 832,000 |
| 2 | 47-01-2-03 | AMI IMPLEMENTATION | 417,000 |
| 2 | 47-01-2-04 | REPLACEMENT SECURITY CAMERAS | 118,000 |
| 2 | 47-01-2-06 | CIS REPLACEMENT | 30,000,000 |
| TOTAL INFORMATION SERVICES | | | <u><u>34,744,000</u></u> |

City of Philadelphia

OTHER DEPARTMENTS

FISCAL 2026 SECOND AMENDED COMPLIANCE CAPITAL BUDGET

| P | | | AMOUNT |
|--------------------------------|------------|---|-------------------|
| <u>CHIEF OPERATING OFFICER</u> | | | |
| 1 | 13-01-2-01 | CONDITIONAL FUNDING FOR CAPITAL NEEDS RELATED TO SAFETY | - |
| 2 | 13-01-2-02 | CONDITIONAL FUNDING FOR CAPITAL NEEDS RELATED TO RELIABILITY OF SERVICE | - |
| 4 | 13-01-2-03 | CONDITIONAL FUNDING FOR CAPITAL NEEDS RELATED TO COST-JUSTIFIED LOAD GROWTH | - |
| TOTAL CHIEF OPERATING OFFICER | | | <u>-</u> |
| TOTAL OTHER DEPARTMENTS | | | <u>35,333,000</u> |

**THESE REAUTHORIZATIONS OF A PREVIOUS BUDGET REFLECT NO INCREASE IN SPENDING AUTHORIZATION, BUT REQUIRES AN EXTENSION OF THE PROJECTS' LIFESPAN FOR AN ADDITIONAL TWELVE (12) MONTHS

City of Philadelphia

OTHER DEPARTMENTS
LISTING BY PRIORITY
FISCAL 2026 SECOND AMENDED COMPLIANCE CAPITAL BUDGET

| P | CATEGORY | AMOUNT | BUDGET_YR | YEAR_1 | YEAR_2 | YEAR_3 |
|--------------------------|--|------------|------------|------------|--------|--------|
| <hr/> | | | | | | |
| PRIORITY 1 | | | | | | |
| <hr/> | | | | | | |
| 1 | 72-01-1-01 MISCELLANEOUS CAPITAL ADDITIONS | 84,000 | 17,000 | 67,000.00 | - | - |
| 1 | 72-01-1-02 MISCELLANEOUS CAPITAL ADDITIONS - GAS PROCESSING | 5,000 | 5,000 | - | - | - |
| 1 | 72-01-2-01 MISCELLANEOUS CAPITAL REPLACEMENTS/STRUCTURAL REPAIRS | 368,000 | 73,000 | 295,000.00 | - | - |
| 1 | 72-01-2-02 MISCELLANEOUS CAPITAL REPLACEMENTS - GAS PROCESSING | 20,000 | 4,000 | 16,000.00 | - | - |
| 1 | 72-01-2-03 MISC CAPITAL REPL - STRUCTURAL REPAIRS - GAS PROCESSING | 12,000 | 3,000 | 9,000.00 | - | - |
| 1 | 72-01-2-04 REPLACE CARPETS | 50,000 | 10,000 | 40,000 | - | - |
| 1 | 72-01-2-05 REPLACE MODULAR FURNITURE | 50,000 | 10,000 | 40,000 | - | - |
| 2023 REAUTHORIZATION | | | | | | |
| 1 | 72-01-2-08 REPLACE PORTER FUELING STATION** | - | - | - | - | - |
| 1 | 72-01-2-09 REPAVE PORTER STATION LOT** | - | - | - | - | - |
| <hr/> | | | | | | |
| PRIORITY 2 | | | | | | |
| <hr/> | | | | | | |
| 2 | 47-01-1-01 MISC ADDITIONS - SERVER, NETWORK AND HARDWARE | 2,043,000 | 1,200,000 | 843,000 | - | - |
| 2 | 47-01-1-03 ADDITIONS - SAN STORAGE | 119,000 | 119,000 | - | - | - |
| 2 | 47-01-1-05 ADDITIONS - FIELD DATA COLLECTION SOFTWARE | 452,000 | 452,000 | - | - | - |
| 2 | 47-01-2-01 MISC REPLACEMENTS - SOFTWARE | 220,000 | 220,000 | - | - | - |
| 2 | 47-01-2-02 MISC REPLACEMENTS - SERVER & NETWORK HARDWARE | 247,000 | 247,000 | - | - | - |
| 2 | 47-01-1-04 ADDITIONS - SECURITY CAMERAS - M&R STATIONS | 296,000 | 296,000 | - | - | - |
| 2 | 47-01-1-02 MISC ADDITIONS - SOFTWARE | 832,000 | 388,000 | 444,000 | - | - |
| 2 | 47-01-2-03 AMI IMPLEMENTATION | 417,000 | 417,000 | - | - | - |
| 2 | 47-01-2-04 REPLACEMENT SECURITY CAMERAS | 118,000 | 118,000 | - | - | - |
| 2 | 47-01-2-06 CIS REPLACEMENT | 30,000,000 | 15,790,000 | 14,210,000 | - | - |
| <hr/> | | | | | | |
| PRIORITY 4 | | | | | | |
| <hr/> | | | | | | |
| 4 | 13-01-2-03 CONDITIONAL FUNDING FOR CAPITAL NEEDS RELATED TO COST-JUSTIFIED LOAD GROWTH | | - | - | - | - |
| <hr/> | | | | | | |
| TOTAL OTHER DEPARTMENTS: | | 35,333,000 | 19,369,000 | 15,964,000 | - | - |
| <hr/> | | | | | | |

City of Philadelphia

PHILADELPHIA GAS WORKS
SECOND AMENDED COMPLIANCE
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 | 3,831,000 | 2,477,000 | 31,502,000 | 16,892,000 | 35,333,000 | 19,369,000 |
| YEAR 1 | - | 1,354,000 | - | 14,610,000 | - | 15,964,000 |
| YEAR 2 | - | - | - | - | - | - |
| YEAR 3 | - | - | - | - | - | - |
| YEAR 4 AND BEYOND | - | - | - | - | - | - |
| TOTAL | <u>3,831,000</u> | <u>3,831,000</u> | <u>31,502,000</u> | <u>31,502,000</u> | <u>35,333,000</u> | <u>35,333,000</u> |

FIVE YEAR FORECAST

City of Philadelphia

Bill No. 251018, continued

PHILADELPHIA GAS WORKS

FISCAL YEAR 2026 AND FORECAST 2027 THROUGH 2031

| DEPARTMENT | COMPLIANCE 2026 CAPITAL BUDGET | FORECAST | | | | | TOTAL 6 YEARS |
|--------------------------|---|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------|
| | | 2027 | 2028 | 2029 | 2030 | 2031 | |
| <u>GAS PROCESSING</u> | | | | | | | |
| ADDITIONS | 226,000 | 35,000 | 36,000 | 1,901,000 | 38,000 | 2,015,000 | 4,251,000 |
| REPLACEMENTS | <u>14,350,000</u> | <u>177,408,000</u> | <u>28,931,000</u> | <u>32,662,000</u> | <u>23,308,000</u> | <u>11,173,000</u> | <u>287,832,000</u> |
| TOTAL GAS PROCESSING | 14,576,000 | 177,443,000 | 28,967,000 | 34,563,000 | 23,346,000 | 13,188,000 | <u>292,083,000</u> |
| ACQUIRE ASSETS LEASE | 14,576,000 | 177,443,000 | 28,967,000 | 34,563,000 | 23,346,000 | 13,188,000 | 292,083,000 |
| <u>DISTRIBUTION</u> | | | | | | | |
| ADDITIONS | 15,531,000 | 15,874,000 | 16,224,000 | 16,580,000 | 16,944,000 | 17,316,000 | 98,469,000 |
| REPLACEMENTS | <u>130,702,000</u> | <u>134,167,000</u> | <u>136,427,000</u> | <u>139,326,000</u> | <u>110,681,000</u> | <u>113,116,000</u> | <u>764,419,000</u> |
| GROSS TOTAL DISTRIBUTION | 146,233,000 | 150,041,000 | 152,651,000 | 155,906,000 | 127,625,000 | 130,432,000 | <u>862,888,000</u> |
| LESS: SALVAGE | | | | | | | |
| LESS: CONTRIBUTIONS* | | | | | | | |
| LESS: REIMBURSEMENT** | <u>(5,497,000)</u> | <u>(5,613,000)</u> | <u>(5,731,000)</u> | <u>(5,851,000)</u> | <u>(5,973,000)</u> | <u>(6,098,000)</u> | <u>(34,763,000)</u> |
| NET TOTAL DISTRIBUTION | 140,736,000 | 144,428,000 | 146,920,000 | 150,055,000 | 121,652,000 | 124,334,000 | <u>828,125,000</u> |
| ACQUIRE ASSETS LEASE | 140,736,000 | 144,428,000 | 146,920,000 | 150,055,000 | 121,652,000 | 124,334,000 | 828,125,000 |

City of Philadelphia

PHILADELPHIA GAS WORKS
FISCAL YEAR 2026 AND FORECAST 2027 THROUGH 2031

| <u>DEPARTMENT</u> | COMPLIANCE 2026 CAPITAL BUDGET | FORECAST | | | | | TOTAL 6 YEARS |
|------------------------------|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | | <u>2027</u> | <u>2028</u> | <u>2029</u> | <u>2030</u> | <u>2031</u> | |
| <u>FIELD SERVICES</u> | | | | | | | |
| ADDITIONS | 2,598,000 | 2,641,000 | 2,694,000 | 2,734,000 | 2,773,000 | 2,902,000 | 16,342,000 |
| REPLACEMENTS | <u>6,101,000</u> | <u>14,046,000</u> | <u>14,704,000</u> | <u>14,922,000</u> | <u>15,133,000</u> | <u>15,838,000</u> | <u>80,744,000</u> |
| GROSS TOTAL FIELD SERVICES | 8,699,000 | 16,687,000 | 17,398,000 | 17,656,000 | 17,906,000 | 18,740,000 | <u>97,086,000</u> |
| LESS: SALVAGE | | | | | | | |
| LESS: CONTRIBUTIONS* | | | | | | | |
| NET TOTAL FIELD SERVICES | 8,699,000 | 16,687,000 | 17,398,000 | 17,656,000 | 17,906,000 | 18,740,000 | <u>97,086,000</u> |
| ACQUIRE ASSETS LEASE | 8,699,000 | 16,687,000 | 17,398,000 | 17,656,000 | 17,906,000 | 18,740,000 | 97,086,000 |
| <u>FLEET OPERATIONS</u> | | | | | | | |
| ADDITIONS | 137,000 | - | - | - | - | - | 137,000 |
| REPLACEMENTS | <u>10,234,000</u> | <u>12,951,000</u> | <u>14,823,000</u> | <u>11,899,000</u> | <u>3,982,000</u> | <u>8,363,000</u> | <u>62,252,000</u> |
| GROSS TOTAL FLEET OPERATIONS | 10,371,000 | 12,951,000 | 14,823,000 | 11,899,000 | 3,982,000 | 8,363,000 | 62,389,000 |
| LESS: SALVAGE | | | | | | | |
| NET TOTAL FLEET OPERATIONS | 10,371,000 | 12,951,000 | 14,823,000 | 11,899,000 | 3,982,000 | 8,363,000 | <u>62,389,000</u> |
| ACQUIRE ASSETS LEASE | 10,371,000 | 12,951,000 | 14,823,000 | 11,899,000 | 3,982,000 | 8,363,000 | 62,389,000 |

City of Philadelphia

Bill No. 251018, continued

PHILADELPHIA GAS WORKS FISCAL YEAR 2026 AND FORECAST 2027 THROUGH 2031

| DEPARTMENT | COMPLIANCE 2026 CAPITAL BUDGET | FORECAST | | | | | TOTAL 6 YEARS |
|-------------------------|---|--------------------|--------------------|--------------------|--------------------|--------------------|----------------------|
| | | 2027 | 2028 | 2029 | 2030 | 2031 | |
| <u>OTHER</u> | | | | | | | |
| ADDITIONS | 3,831,000 | 440,000 | 451,000 | 462,000 | 473,000 | 484,000 | 6,141,000 |
| REPLACEMENTS | <u>31,502,000</u> | <u>1,012,000</u> | <u>1,033,000</u> | <u>1,054,000</u> | <u>1,075,000</u> | <u>996,000</u> | <u>36,672,000</u> |
| TOTAL OTHER | 35,333,000 | 1,452,000 | 1,484,000 | 1,516,000 | 1,548,000 | 1,480,000 | 42,813,000 |
| ACQUIRE ASSETS LEASE | 35,333,000 | 1,452,000 | 1,484,000 | 1,516,000 | 1,548,000 | 1,480,000 | 42,813,000 |
| <u>TOTAL</u> | | | | | | | |
| ADDITIONS | 22,323,000 | 18,990,000 | 19,405,000 | 21,677,000 | 20,228,000 | 22,717,000 | 125,340,000 |
| REPLACEMENTS | <u>192,889,000</u> | <u>339,584,000</u> | <u>195,918,000</u> | <u>199,863,000</u> | <u>154,179,000</u> | <u>149,486,000</u> | <u>1,231,919,000</u> |
| GROSS TOTAL | 215,212,000 | 358,574,000 | 215,323,000 | 221,540,000 | 174,407,000 | 172,203,000 | 1,357,259,000 |
| LESS: SALVAGE | | | | | | | |
| LESS: REIMBURSEMENT** | (5,497,000) | (5,613,000) | (5,731,000) | (5,851,000) | (5,973,000) | (6,098,000) | <u>(34,763,000)</u> |
| LESS: CONTRIBUTIONS* | | | | | | | |
| NET TOTAL | <u>209,715,000</u> | <u>352,961,000</u> | <u>209,592,000</u> | <u>215,689,000</u> | <u>168,434,000</u> | <u>166,105,000</u> | <u>1,322,496,000</u> |
| ACQUIRE ASSETS LEASE | 209,715,000 | 352,961,000 | 209,592,000 | 215,689,000 | 168,434,000 | 166,105,000 | 1,322,496,000 |

* CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

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

City of Philadelphia

PHILADELPHIA GAS WORKS AMENDED COMPLIANCE 2027 - 2031 FORECAST (COMPARISON)

| <u>DEPARTMENT</u> | <u>2026 - 2030 FORECAST</u> | <u>2027 - 2031 FORECAST</u> | <u>AMOUNT DIFFERENCE</u> | <u>PERCENT DIFFERENCE</u> |
|----------------------------|---------------------------------|---------------------------------|------------------------------|-------------------------------|
| <u>GAS PROCESSING</u> | | | | |
| ADDITIONS | 270,000 | 4,025,000 | 3,755,000 | 1390.7% |
| REPLACEMENTS | <u>258,658,000</u> | <u>273,482,000</u> | <u>14,824,000</u> | 5.7% |
| TOTAL GAS PROCESSING | 258,928,000 | 277,507,000 | 18,579,000 | 7.2% |
| <u>DISTRIBUTION</u> | | | | |
| ADDITIONS | 93,213,000 | 82,938,000 | (10,275,000) | -11.0% |
| REPLACEMENTS | <u>653,732,000</u> | <u>633,717,000</u> | <u>(20,015,000)</u> | -3.1% |
| GROSS TOTAL DISTRIBUTION | 746,945,000 | 716,655,000 | (30,290,000) | -4.1% |
| LESS: SALVAGE | - | - | - | |
| LESS: CONTRIBUTIONS* | - | - | - | |
| LESS: REIMBURSEMENT** | <u>(21,540,000)</u> | <u>(29,266,000)</u> | <u>(7,726,000)</u> | 35.9% |
| NET TOTAL DISTRIBUTION | 725,405,000 | 687,389,000 | (38,016,000) | -5.2% |
| <u>FIELD SERVICES</u> | | | | |
| ADDITIONS | 16,306,000 | 13,744,000 | (2,562,000) | -15.7% |
| REPLACEMENTS | <u>109,691,000</u> | <u>74,643,000</u> | <u>(35,048,000)</u> | -32.0% |
| GROSS TOTAL FIELD SERVICES | 125,997,000 | 88,387,000 | (37,610,000) | -29.8% |
| LESS: SALVAGE | - | - | - | |
| LESS: CONTRIBUTIONS* | <u>-</u> | <u>-</u> | <u>-</u> | |
| NET TOTAL FIELD SERVICES | 125,997,000 | 88,387,000 | (37,610,000) | -29.8% |

City of Philadelphia

PHILADELPHIA GAS WORKS AMENDED COMPLIANCE 2027 - 2031 FORECAST (COMPARISON)

| <u>DEPARTMENT</u> | <u>2026 - 2030 FORECAST</u> | <u>2027 - 2031 FORECAST</u> | <u>AMOUNT DIFFERENCE</u> | <u>PERCENT DIFFERENCE</u> |
|------------------------------|---------------------------------|---------------------------------|------------------------------|-------------------------------|
| <u>FLEET OPERATIONS</u> | | | | |
| ADDITIONS | - | - | - | |
| REPLACEMENTS | <u>52,514,000</u> | <u>52,018,000</u> | <u>(496,000)</u> | -0.9% |
| GROSS TOTAL FLEET OPERATIONS | 52,514,000 | 52,018,000 | (496,000) | -0.9% |
| LESS: SALVAGE | | | | |
| NET TOTAL FLEET OPERATIONS | 52,514,000 | 52,018,000 | (496,000) | -0.9% |
| <u>OTHER</u> | | | | |
| ADDITIONS | 3,195,000 | 2,310,000 | (885,000) | -27.7% |
| REPLACEMENTS | <u>8,260,000</u> | <u>5,170,000</u> | <u>(3,090,000)</u> | -37.4% |
| TOTAL OTHER | 11,455,000 | 7,480,000 | (3,975,000) | -34.7% |
| <u>TOTAL</u> | | | | |
| ADDITIONS | 112,984,000 | 103,017,000 | (9,967,000) | -8.8% |
| REPLACEMENTS | <u>1,082,855,000</u> | <u>1,039,030,000</u> | <u>(43,825,000)</u> | -4.0% |
| GROSS TOTAL | 1,195,839,000 | 1,142,047,000 | (53,792,000) | -4.5% |
| LESS: SALVAGE | - | - | - | |
| LESS: REIMBURSEMENT** | (21,540,000) | (29,266,000) | (7,726,000) | 35.9% |
| LESS: CONTRIBUTIONS* | <u>-</u> | <u>-</u> | <u>-</u> | |
| NET TOTAL | <u>1,174,299,000</u> | <u>1,112,781,000</u> | <u>(61,518,000)</u> | -5.2% |

* CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS

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

City of Philadelphia

GAS PROCESSING DEPARTMENT

FORECAST - FISCAL YEARS 2027 THROUGH 2031

| | | | <u>2025</u> | <u>2026 AMENDED</u> | | | | | | TOTAL |
|--|---|--|-------------------|---------------------|----------------|-------------|------------------|-------------|------------------|------------------|
| | | | <u>COMPLIANCE</u> | <u>COMPLIANCE</u> | <u>2027</u> | <u>2028</u> | <u>2029</u> | <u>2030</u> | <u>2031</u> | <u>FORECAST</u> |
| | | | <u>BUDGET</u> | <u>BUDGET</u> | | | | | | |
| GP-1 NATURAL GAS MEASUREMENT AND CONTROL FACILITIES | | | | | | | | | | |
| 53-02-2-03 | NEW HEATER, GENERATOR AND STATION MODIFICATIONS | | 1,441,400 | - | - | - | 1,864,000 | - | 1,976,000 | 3,840,000 |
| 5 | 53-01-2-03 | M&R RTU REPLACEMENTS | - | 1,076,000 | | | | | | - |
| | | | | - | | | | | | |
| 5 | 53-01-2-04 | M&R STATIONS - INSTALL EMISSION CONTROL VALVES | - | 1,352,000 | 829,000 | | | | | 829,000 |
| | | | | | | | | | | |
| 53-01-2-04 | REPLACE NATURAL GAS DRIVEN POSTITIONERS AND ACTUATORS | | 795,000 | - | - | - | - | - | - | - |
| TOTAL GP-1 | | | <u>2,236,400</u> | <u>2,428,000</u> | <u>829,000</u> | <u>-</u> | <u>1,864,000</u> | <u>-</u> | <u>1,976,000</u> | <u>4,669,000</u> |

City of Philadelphia

GAS PROCESSING DEPARTMENT

FORECAST - FISCAL YEARS 2027 THROUGH 2031

| | | <u>2025</u> <u>COMPLIANCE</u> <u>BUDGET</u> | <u>2026 AMENDED</u> <u>COMPLIANCE</u> <u>BUDGET</u> | <u>2027</u> | <u>2028</u> | <u>2029</u> | <u>2030</u> | <u>2031</u> | TOTAL <u>FORECAST</u> |
|---|---|---|---|--------------------|-------------------|-------------------|-------------------|-------------------|--------------------------|
| | <u>GP-2 SUPPLEMENTAL GAS FACILITIES</u> | | | | | | | | |
| 5 | 53-02-2-13 DCS FIBER OPTIC NETWORK PHASE III - RICHMOND | - | 1,032,000 | - | - | - | - | - | - |
| | 53-02-2-01 REPLACE FIBER OPTIC - RICHMOND PLANT | 867,000 | - | - | - | - | - | - | - |
| 1 | 53-02-2-12 REPLACE PLANT WIDE AIR COMPRESSORS - RICHMOND | - | 881,000 | - | - | - | - | - | - |
| 1 | 53-02-2-11 DCS FOAM SYSTEM MONITORING - RICHMOND | - | 606,000 | - | - | - | - | - | - |
| 5 | 53-02-2-10 UPGRADE HEATER E-165 | - | 332,000 | - | - | - | - | - | - |
| 5 | 53-02-2-09 SECURITY CAMERA UPGRADES - RICHMOND | - | 1,187,000 | - | - | - | - | - | - |
| 1 | 53-02-1-08 ECV-71 PLATFORM - RICHMOND | - | 192,000 | - | - | - | - | - | - |
| 2 | 53-02-2-07 BOILOFF GAS COMPRESSORS REPLACEMENTS - PASSYUNK | | 7,546,000 | - | - | - | - | - | - |
| | 53-02-2-XX CHP - RICHMOND | 807,000 | | - | - | - | - | - | |
| | 53-02-2-22 REPLACE PA SYSTEM PASSYUNK | - | | 2,518,000 | 3,000,000 | - | - | - | 5,518,000 |
| | 53-02-2-14 REPLACE RIVER WATER PUMP SWITCHGEAR AND RIVER WATER PUMPS - RICHMOND | - | | - | 5,000,000 | - | - | - | 5,000,000 |
| | 53-02-2-16 UPGRADE H-1 HEATER CONTROLS - RICHMOND | 3,333,000 | | - | - | - | - | - | - |
| | 53-02-2-19 REPLACE VAPORIZER BUNDLES - RICHMOND | - | | 813,000 | 835,000 | - | - | - | 1,648,000 |
| | 53-02-2-15 REPLACE BREAKERS AND CONTROLS FOR MAIN SWITCHGEAR - PASSYUNK | - | | | 10,558,000 | - | - | - | 10,558,000 |
| | 53-02-2-18 REPLACE MCC 1,2,3 - RICHMOND | 1,080,000 | | | 5,500,000 | 5,500,000 | - | - | 11,000,000 |
| | 53-02-2-25 H-1 HEATER REPLACEMENT | - | | 2,500,000 | - | 2,500,000 | - | 2,500,000 | 7,500,000 |
| | 53-02-2-20 REPLACE LIQUEFIER - RICHMOND | - | | 170,000,000 | - | - | - | - | 170,000,000 |
| | 53-02-2-23 VAPORIZATION UPGRADE/REPLACE BOILERS-PASSYUNK | - | | - | - | 9,135,000 | 9,135,000 | - | 18,270,000 |
| | 53-02-1-02 UNDERTANK HEATING | - | | - | - | - | - | 8,000,000 | 8,000,000 |
| | 53-02-1-03 LNG TRANSFER LINE INSULATION | - | | - | - | 4,448,000 | - | - | 4,448,000 |
| | 53-02-1-04 JOCKEY PUMP - PASSYUNK | - | | - | - | 415,000 | - | - | 415,000 |
| | 53-02-1-05 LNG TRUCK LOADING - RICHMOND | - | | - | - | - | 13,800,000 | - | 13,800,000 |
| | 53-02-1-06 LNG TRUCK LOADING - PASSYUNK | - | | - | - | 10,000,000 | - | - | 10,000,000 |
| | 53-02-1-07 UPGRADE PA SYSTEM - RICHMOND | - | | - | 1,083,000 | - | - | - | 1,083,000 |
| | 53-02-2-10 INSTALL A MONITOR VALVE AT O-34 UPSTREAM OF THE HIGH FLOW VALVE | - | | - | 600,000 | - | - | - | 600,000 |
| | 53-02-2-11 INSTALL A NEW MICRO PROCESSOR BUILDING AT O-30 | - | | - | - | 300,000 | - | - | 300,000 |
| | 53-02-1-09 GATE 5 MODIFICATIONS - RICHMOND | - | | 402,000 | - | - | - | - | 402,000 |
| | 53-02-2-17 IMPOUNDING BASIN UPGRADE | - | | - | - | - | - | 291,000 | 291,000 |
| | TOTAL GP-2 | <u>6,087,000</u> | <u>11,776,000</u> | <u>176,233,000</u> | <u>26,576,000</u> | <u>32,298,000</u> | <u>22,935,000</u> | <u>10,791,000</u> | <u>268,833,000</u> |

City of Philadelphia

GAS PROCESSING DEPARTMENT

FORECAST - FISCAL YEARS 2027 THROUGH 2031

| | | <u>2025</u> | <u>2026 AMENDED</u> | | | | | | TOTAL |
|--|---|-------------------|---------------------|----------------|------------------|----------------|----------------|----------------|------------------|
| | | <u>COMPLIANCE</u> | <u>COMPLIANCE</u> | <u>2027</u> | <u>2028</u> | <u>2029</u> | <u>2030</u> | <u>2031</u> | <u>FORECAST</u> |
| | | <u>BUDGET</u> | <u>BUDGET</u> | | | | | | |
| <u>GP-3 BUILDING AND GROUNDS</u> | | | | | | | | | |
| 53-03-2-01 | RELOCATE TRAINING FACILITY- RICHMOND | - | - | - | 2,000,000 | - | - | - | 2,000,000 |
| 53-02-2-04 | REPL RIVER WATER PUMP SWITCHGEAR AND RIVER WATER PUMPS - PASSYUNK | 1,070,000 | - | - | - | - | - | - | - |
| 53-03-1-01 | BOILOFF GAS COMPRESSORS REPLACEMENTS - PASSYUNK | 4,940,600 | - | - | - | - | - | - | - |
| | TOTAL GP-3 | <u>6,010,600</u> | <u>-</u> | <u>-</u> | <u>2,000,000</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>2,000,000</u> |
| <u>GP-4 MISCELLANEOUS CAPITAL REQUIREMENTS</u> | | | | | | | | | |
| 1 53-04-1-01 | MISCELLANEOUS CAPITAL ADDITIONS | 51,000 | 34,000 | 35,000 | 36,000 | 37,000 | 38,000 | 39,000 | 185,000 |
| 1 53-04-2-01 | MISCELLANEOUS CAPITAL REPLACEMENTS | 272,000 | 338,000 | 346,000 | 355,000 | 364,000 | 373,000 | 382,000 | 1,820,000 |
| | TOTAL GP-4 | <u>323,000</u> | <u>372,000</u> | <u>381,000</u> | <u>391,000</u> | <u>401,000</u> | <u>411,000</u> | <u>421,000</u> | <u>2,005,000</u> |
| 2024 REAUTHORIZATION | | | | | | | | | |
| 2 53-02-2-05 | CHP - RICHMOND | 807,000 | - | | | | | | - |
| 2 53-02-2-10 | SPLIT HAZARD DETECTION LOOP -RICHMOND | 151,000 | - | | | | | | - |
| 1 53-01-2-04 | REPLACE NATURAL GAS DRIVEN POSITIONERS AND ACTUATORS** | - | - | | | | | | - |
| 1 53-02-2-01 | EXPANDER LIQUEFIER TSA SYSTEM UPGRADES - RICHMOND** | - | - | | | | | | - |
| 1 53-02-2-03 | REPLACE LNG SWITCHGEAR - RICHMOND** | - | - | | | | | | - |
| 2 53-02-2-05 | CHP RICHMOND PLANT** | - | - | | | | | | - |
| 1 53-02-2-06 | REPL TWO PHASE POWER SYSTEM INSTALLATION - PASSYUNK** | - | - | | | | | | - |
| | TOTAL REAUTHORIZATION | <u>958,000</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| | TOTAL GAS PROCESSING DEPARTMENT | 15,615,000 | 14,576,000 | 177,443,000 | 28,967,000 | 34,563,000 | 23,346,000 | 13,188,000 | 277,507,000 |
| | ACQUIRE ASSETS | 15,615,000 | 14,576,000 | 177,443,000 | 28,967,000 | 34,563,000 | 23,346,000 | 13,188,000 | 277,507,000 |
| | LEASE | - | - | - | - | - | - | - | - |

City of Philadelphia

DISTRIBUTION DEPARTMENT FORECAST - FISCAL YEARS 2027 THROUGH 2031

| | | <u>2025 COMPLIANCE BUDGET</u> | <u>2026 AMENDED COMPLIANCE BUDGET</u> | <u>2027</u> | <u>2028</u> | <u>2029</u> | <u>2030</u> | <u>2031</u> | <u>TOTAL FORECAST</u> |
|---|------------|---|---|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------------|
| <u>D-20 HIGH PRESSURE MAINS</u> | | | | | | | | | |
| 4 | 52-20-1-01 | MAIN ADDITIONS FOR LOADS TO SUPPLY INDUSTRIAL AND COMMERCIAL CUSTOMERS | 2,711,900 | 2,922,000 | 2,986,000 | 3,052,000 | 3,119,000 | 3,188,000 | 15,603,000 |
| 3 | 52-20-2-01 | ENFORCED RELOCATIONS CAUSED BY CITY AND STATE WORK | 1,082,000 | 845,000 | 864,000 | 883,000 | 902,000 | 922,000 | 4,513,000 |
| | | GROSS TOTAL D-20 | 3,793,900 | 3,767,000 | 3,850,000 | 3,935,000 | 4,021,000 | 4,110,000 | 20,116,000 |
| | 52-20-2-97 | LESS: REIMBURSEMENT** LESS: CONTRIBUTIONS* | | | | | | | |
| | | NET TOTAL D-20 | <u>3,793,900</u> | <u>3,767,000</u> | <u>3,850,000</u> | <u>3,935,000</u> | <u>4,021,000</u> | <u>4,110,000</u> | <u>20,116,000</u> |
| <u>D-21 8 INCH AND SMALLER I. P. AND L. P. MAIN</u> | | | | | | | | | |
| 4 | 52-21-1-01 | MAINS ADDITIONS FOR LOADS TO SUPPLY NEW AND EXISTING RESIDENTIAL, COMMERCIAL, AND MAJOR ACCOUNT CUSTOMERS | 2,429,000 | 2,390,000 | 2,443,000 | 2,497,000 | 2,552,000 | 2,608,000 | 12,765,000 |
| 3 | 52-21-2-01 | ENFORCED RELOCATIONS CAUSED BY CITY, STATE /UNFORSEEN CONDITIONS | 4,955,000 | 4,674,000 | 4,777,000 | 4,882,000 | 4,989,000 | 5,099,000 | 24,958,000 |
| 1 | 52-21-2-02 | PRUDENT MAIN REPLACEMENTS | 26,603,000 | 26,141,000 | 26,716,000 | 27,304,000 | 27,905,000 | 28,519,000 | 139,590,000 |
| 1 | 52-21-2-03 | LONG TERM INFRASTRUCTURE PLAN - DSIC | 41,000,000 | 36,202,000 | 36,998,000 | 37,812,000 | 38,644,000 | 39,494,000 | 193,311,000 |
| 1 | 52-21-2-04 | NG DIST INFRASTRUCTURE SAFETY AND MODERNIZATION | 25,000,000 | 28,395,000 | 29,593,000 | 29,572,000 | 30,124,000 | - | <u>89,289,000</u> |
| | | GROSS TOTAL D-21 | 99,987,000 | 97,802,000 | 100,527,000 | 102,067,000 | 104,214,000 | 75,720,000 | 459,913,000 |
| | 52-21-2-97 | LESS: REIMBURSEMENT** LESS: CONTRIBUTIONS* | <u>(1,617,000)</u> | <u>(2,745,000)</u> | <u>(2,800,000)</u> | <u>(2,856,000)</u> | <u>(2,913,000)</u> | <u>(2,971,000)</u> | <u>(14,570,000)</u> |
| | | NET TOTAL D-21 | <u>98,370,000</u> | <u>95,057,000</u> | <u>97,727,000</u> | <u>99,211,000</u> | <u>101,301,000</u> | <u>72,749,000</u> | <u>445,343,000</u> |

City of Philadelphia

DISTRIBUTION DEPARTMENT FORECAST - FISCAL YEARS 2027 THROUGH 2031

| | <u>2025 COMPLIANCE BUDGET</u> | <u>2026 AMENDED COMPLIANCE BUDGET</u> | <u>2027</u> | <u>2028</u> | <u>2029</u> | <u>2030</u> | <u>2031</u> | <u>TOTAL FORECAST</u> |
|--|-----------------------------------|---|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------------|
| D-22 12 INCH AND LARGER I. P. <u>AND L. P. MAIN</u> | | | | | | | | |
| 4 52-22-1-01 MAIN ADDITIONS TO SUPPLY INDUSTRIAL AND COMMERCIAL CUSTOMERS | 302,000 | 258,000 | 264,000 | 270,000 | 276,000 | 282,000 | 288,000 | 1,380,000 |
| 3 52-22-2-01 ENFORCED RELOCATIONS CAUSED BY CITY, STATE WORK AND UNFORESEEN CONDITIONS | 1,288,000 | 595,000 | 608,000 | 621,000 | 635,000 | 649,000 | 663,000 | 3,176,000 |
| 3 52-22-2-02 MAIN FOR MAJOR ENFORCED RELOCATION CAUSED BY CITY/STATE | 2,697,000 | 3,058,000 | 3,125,000 | 3,194,000 | 3,264,000 | 3,336,000 | 3,409,000 | 16,328,000 |
| GROSS TOTAL D-22 | <u>4,287,000</u> | <u>3,911,000</u> | <u>3,997,000</u> | <u>4,085,000</u> | <u>4,175,000</u> | <u>4,267,000</u> | <u>4,360,000</u> | <u>20,884,000</u> |
| 52-22-2-97 LESS: REIMBURSEMENT** | <u>(2,427,000)</u> | <u>(2,752,000)</u> | <u>(2,813,000)</u> | <u>(2,875,000)</u> | <u>(2,938,000)</u> | <u>(3,002,000)</u> | <u>(3,068,000)</u> | (14,696,000) |
| LESS: CONTRIBUTIONS* | | | | | | | | |
| NET TOTAL D-22 | <u>1,860,000</u> | <u>1,159,000</u> | <u>1,184,000</u> | <u>1,210,000</u> | <u>1,237,000</u> | <u>1,265,000</u> | <u>1,292,000</u> | <u>6,188,000</u> |
| D-23 CUSTOMER METERING & REGULATOR INSTALLATION, AND PRESSURE REGULATION & <u>CORROSION CONTROL FACILITIES</u> | | | | | | | | |
| 4 52-23-1-01 INSTALL OF METERS/REGULATORS FOR NEW CUSTOMERS | 404,000 | 307,000 | 314,000 | 321,000 | 328,000 | 335,000 | 342,000 | 1,640,000 |
| 1 52-23-1-02 HIGH PRESSURE CONTROL VALVE ADDITIONS | 407,000 | - | - | - | - | - | - | - |
| 1 52-23-2-01 EMERGENCY SHUTDOWN VALVES OUT OF COMPLI WITH DOT 192 | 173,000 | 615,000 | 629,000 | 643,000 | 657,000 | 671,000 | 686,000 | 3,286,000 |
| 1-2 52-23-2-02 REPL OF WORN DAMAGED PRESSURE REGULATING/CORROSION | 1,941,000 | 836,000 | 854,000 | 873,000 | 892,000 | 912,000 | 932,000 | 1,035,900 |
| GROSS TOTAL D-23 | <u>2,925,000</u> | <u>1,758,000</u> | <u>1,797,000</u> | <u>1,837,000</u> | <u>1,877,000</u> | <u>1,918,000</u> | <u>1,960,000</u> | <u>5,961,900</u> |
| TOTAL D-23 | <u>2,925,000</u> | <u>1,758,000</u> | <u>1,797,000</u> | <u>1,837,000</u> | <u>1,877,000</u> | <u>1,918,000</u> | <u>1,960,000</u> | <u>9,389,000</u> |

City of Philadelphia

DISTRIBUTION DEPARTMENT FORECAST - FISCAL YEARS 2027 THROUGH 2031

| | | | <u>2025 COMPLIANCE BUDGET</u> | <u>2026 AMENDED COMPLIANCE BUDGET</u> | <u>2027</u> | <u>2028</u> | <u>2029</u> | <u>2030</u> | <u>2031</u> | <u>TOTAL FORECAST</u> |
|-----------------------------------|------------|---|-----------------------------------|---|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------------|
| <u>D-24 SERVICES</u> | | | | | | | | | | |
| 4 | 52-24-1-01 | INSTALLATION OF NEW 1-1/4" AND SMALLER SERVICES, HIGH, INTERMEDIATE AND LOW PRESSURE | 7,733,000 | 6,808,000 | 6,958,000 | 7,111,000 | 7,267,000 | 7,427,000 | 7,590,000 | 36,353,000 |
| 4 | 52-24-1-02 | INSTALLATION OF NEW 2 INCH AND LARGER SERVICES, HIGH, INTERMEDIATE AND LOW PRESSURE | 1,992,000 | 2,571,000 | 2,628,000 | 2,686,000 | 2,745,000 | 2,805,000 | 2,867,000 | 13,731,000 |
| 1 | 52-24-2-01 | RENEWAL OF 1-1/4" AND SMALLER SERVICES FOR PRUDENT REASONS, AS A RESULT OF PGW'S MAIN REPL PROG, CUSTOMER COMPLAINTS OR CITY AND STATE WORK | 21,949,000 | 22,821,000 | 23,323,000 | 23,836,000 | 24,360,000 | 24,896,000 | 25,444,000 | 121,859,000 |
| 1 | 52-24-2-02 | RENEWAL OF 2" AND LARGER SERVICES | 1,168,000 | 1,150,000 | 1,175,000 | 1,201,000 | 1,227,000 | 1,254,000 | 1,282,000 | 6,139,000 |
| GROSS TOTAL D-24 | | | <u>32,842,000</u> | <u>33,350,000</u> | <u>34,084,000</u> | <u>34,834,000</u> | <u>35,599,000</u> | <u>36,382,000</u> | <u>37,183,000</u> | <u>178,082,000</u> |
| TOTAL D-24 | | | <u>32,842,000</u> | <u>33,350,000</u> | <u>34,084,000</u> | <u>34,834,000</u> | <u>35,599,000</u> | <u>36,382,000</u> | <u>37,183,000</u> | <u>178,082,000</u> |
| <u>D-25 - CONDITIONED FUNDING</u> | | | | | | | | | | |
| 1 | 52-25-2-01 | CONDITIONED FUNDING RESERVED | 4,393,000 | 4,259,000 | 4,370,000 | 4,446,000 | 4,541,000 | 3,717,000 | 3,799,000 | 20,873,000 |
| TOTAL D-25 | | | <u>4,393,000</u> | 4,259,000 | 4,370,000 | 4,446,000 | 4,541,000 | 3,717,000 | 3,799,000 | 20,873,000 |

City of Philadelphia

DISTRIBUTION DEPARTMENT FORECAST - FISCAL YEARS 2027 THROUGH 2031

| | | | <u>2025 COMPLIANCE BUDGET</u> | <u>2026 AMENDED COMPLIANCE BUDGET</u> | <u>2027</u> | <u>2028</u> | <u>2029</u> | <u>2030</u> | <u>2031</u> | <u>TOTAL FORECAST</u> |
|---|---------------------|--|-----------------------------------|---|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------------|
| <u>D-29 OTHER DISTRIBUTION FACILITIES</u> | | | | | | | | | | |
| 2 | 52-29-1-01 | ADDITIONAL TOOLS AND WORK EQUIPMENT | 282,000 | 275,000 | 281,000 | 287,000 | 293,000 | 299,000 | 306,000 | 1,466,000 |
| 2 | 52-29-2-01 | REPLACEMENT OF UNUSABLE WORK EQUIPMENT | 1,111,000 | 1,111,000 | 1,135,000 | 1,160,000 | 1,186,000 | 1,212,000 | 1,239,000 | 5,932,000 |
| 52-XX-X-XX | NON-RECURRING ITEMS | | | | | | | | | |
| | | TOTAL D-29 | <u>1,393,000</u> | <u>1,386,000</u> | <u>1,416,000</u> | <u>1,447,000</u> | <u>1,479,000</u> | <u>1,511,000</u> | <u>1,545,000</u> | <u>7,398,000</u> |
| | | | | | | | | | | |
| | | GROSS TOTAL DISTRIBUTION DEPARTMENT | 149,620,900 | 146,233,000 | 150,041,000 | 152,651,000 | 155,906,000 | 127,625,000 | 130,432,000 | 716,655,000 |
| 52-98-2-98 | | LESS: SALVAGE | | | | | | | | |
| | | LESS: CONTRIBUTIONS* | | | | | | | | |
| | | LESS: REIMBURSEMENT** | <u>(4,044,000)</u> | <u>(5,497,000)</u> | <u>(5,613,000)</u> | <u>(5,731,000)</u> | <u>(5,851,000)</u> | <u>(5,973,000)</u> | <u>(6,098,000)</u> | <u>(29,266,000)</u> |
| | | NET TOTAL DISTRIBUTION DEPARTMENT | <u>145,576,900</u> | <u>140,736,000</u> | <u>144,428,000</u> | <u>146,920,000</u> | <u>150,055,000</u> | <u>121,652,000</u> | <u>124,334,000</u> | <u>687,389,000</u> |
| | | | | | | | | | | |
| | | ACQUIRE ASSETS | 145,576,900 | 140,736,000 | 144,428,000 | 146,920,000 | 150,055,000 | 121,652,000 | 124,334,000 | 687,389,000 |
| LEASE | | | | | | | | | | |
| | | | | | | | | | | |
| | | * CONTRIBUTIONS ARE POTENTIAL CUSTOMER CONTRIBUTIONS | | 141,974,000 | 145,671,000 | 148,205,000 | 151,365,000 | 123,908,000 | 126,633,000 | |
| | | ** REIMBURSEMENT TO PGW FOR RELOCATING STRUCTURES & EQUIPMENT AND/OR LOAD GROWTH | | | | | | | | |

City of Philadelphia

FIELD SERVICES DEPARTMENT

FORECAST - FISCAL YEARS 2027 THROUGH 2031

| | | <u>2025 COMPLIANCE</u> <u>BUDGET</u> | <u>2026 AMENDED</u> <u>COMPLIANCE</u> <u>BUDGET</u> | <u>2027</u> | <u>2028</u> | <u>2029</u> | <u>2030</u> | <u>2031</u> | TOTAL <u>FORECAST</u> |
|---|--|---|---|-------------------|-------------------|-------------------|-------------------|-------------------|--------------------------|
| | <u>C-30 METERS</u> | | | | | | | | |
| 4 | 50-30-1-01 ADDITIONS AND INSTALLATIONS | 2,579,000 | 2,374,000 | 2,457,000 | 2,507,000 | 2,544,000 | 2,580,000 | 2,700,000 | 12,788,000 |
| 1 | 50-30-2-01 REPLACEMENTS | 3,130,000 | 5,452,000 | 13,443,000 | 14,234,000 | 14,445,000 | 14,649,000 | 15,332,000 | 72,103,000 |
| | TOTAL C-30 | <u>5,709,000</u> | <u>7,826,000</u> | <u>15,900,000</u> | <u>16,741,000</u> | <u>16,989,000</u> | <u>17,229,000</u> | <u>18,032,000</u> | <u>84,891,000</u> |
| | <u>C-32 SERVICES REGULATORS</u> | | | | | | | | |
| 4 | 50-32-1-01 ADDITIONS AND INSTALLATIONS | 138,000 | 98,000 | 54,000 | 55,000 | 56,000 | 57,000 | 59,000 | 281,000 |
| 2 | 50-32-2-01 REPLACEMENTS | 126,000 | 105,000 | 108,000 | 111,000 | 112,000 | 114,000 | 119,000 | 564,000 |
| | TOTAL C-32 | <u>264,000</u> | <u>203,000</u> | <u>162,000</u> | <u>166,000</u> | <u>168,000</u> | <u>171,000</u> | <u>178,000</u> | <u>845,000</u> |
| | <u>C-33 TELEMETERING</u> | | | | | | | | |
| 4 | 50-33-1-01 ADDITIONS AND INSTALLATIONS | 62,000 | 126,000 | 130,000 | 132,000 | 134,000 | 136,000 | 143,000 | 675,000 |
| 2 | 50-33-2-01 REPLACEMENTS | 61,000 | 342,000 | 352,000 | 359,000 | 365,000 | 370,000 | 387,000 | 1,833,000 |
| | TOTAL C-33 | <u>123,000</u> | <u>468,000</u> | <u>482,000</u> | <u>491,000</u> | <u>499,000</u> | <u>506,000</u> | <u>530,000</u> | <u>2,508,000</u> |

City of Philadelphia

FIELD SERVICES DEPARTMENT

FORECAST - FISCAL YEARS 2027 THROUGH 2031

| | | <u>2025 COMPLIANCE BUDGET</u> | <u>2026 AMENDED COMPLIANCE BUDGET</u> | <u>2027</u> | <u>2028</u> | <u>2029</u> | <u>2030</u> | <u>2031</u> | <u>TOTAL FORECAST</u> |
|---|---|-----------------------------------|---|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------------|
| | <u>C-34 METER SHOP EQUIPMENT</u> | | | | | | | | |
| 2 | 50-34-2-01 REPLACEMENTS | 228,000 | 202,000 | 143,000 | - | - | - | - | 143,000 |
| | TOTAL C-34 | <u>228,000</u> | <u>202,000</u> | <u>143,000</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>143,000</u> |
| | <u>C-35 SERVICE SECTION EQUIPMENT</u> | | | | | | | | |
| 5 | 50-35-1-01 ADVANCED METER INFRASTRCTURE | - | - | - | - | - | - | - | - |
| | TOTAL C-35 | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| | <u>C-36 AUTOMATIC METER READING</u> | | | | | | | | |
| 4 | 50-36-1-01 ADDITIONS | 238,000 | - | - | - | - | - | - | - |
| 5 | 50-36-2-01 REPLACEMENTS | 1,430,000 | - | - | - | - | - | - | - |
| | TOTAL C-36 | <u>1,668,000</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| 1 | 50-99-2-99 <u>C-99 COST OF REMOVAL</u> | | | | | | | | |
| | GROSS TOTAL FIELD SERVICES DEPARTMENT | 7,992,000 | 8,699,000 | 16,687,000 | 17,398,000 | 17,656,000 | 17,906,000 | 18,740,000 | <u>88,387,000</u> |
| | 50-98-2-98 LESS: SALVAGE | | | | | | | | |
| | 50-94-1-94 LESS: CONTRIBUTIONS | | | | | | | | |
| | NET TOTAL FIELD SERVICES DEPARTMENT | <u>7,992,000</u> | <u>8,699,000</u> | <u>16,687,000</u> | <u>17,398,000</u> | <u>17,656,000</u> | <u>17,906,000</u> | <u>18,740,000</u> | <u>88,387,000</u> |
| | ACQUIRE ASSETS | 7,992,000 | 8,699,000 | 16,687,000 | 17,398,000 | 17,656,000 | 17,906,000 | 18,740,000 | 88,387,000 |
| | LEASE | | | | | | | | |

City of Philadelphia

FLEET OPERATIONS DEPARTMENT FORECAST - FISCAL YEARS 2027 THROUGH 2031

| | <u>2025</u> <u>COMPLIANCE</u> <u>BUDGET</u> | <u>2026 AMENDED</u> <u>COMPLIANCE</u> <u>BUDGET</u> | <u>2027</u> | <u>2028</u> | <u>2029</u> | <u>2030</u> | <u>2031</u> | <u>TOTAL FORECAST</u> |
|--|---|---|-------------------|-------------------|-------------------|------------------|------------------|-----------------------|
| 1 73-01-1-02 VEHICLE ADDITIONS | - | 39,000 | - | - | - | - | - | - |
| 1 73-01-1-01 SHOP EQUIPMENT ADDITIONS | - | 98,000 | - | - | - | - | - | - |
| 2 73-01-2-02 MOBILE EQUIPMENT REPLACEMENTS | 797,000 | 1,613,000 | 2,117,000 | 1,543,000 | 1,874,000 | 871,000 | 4,317,000 | 10,722,000 |
| 2 73-01-2-03 VEHICLE REPLACEMENTS | 5,183,000 | 8,621,000 | 10,834,000 | 13,280,000 | 10,025,000 | 3,111,000 | 4,046,000 | 41,296,000 |
| 2024 REAUTHORIZATION | | | | | | | | |
| 1 73-01-1-03 VEHICLE ADDITIONS** | - | - | - | - | - | - | - | - |
| 2 73-01-2-03 VEHICLE REPLACEMENTS** | - | - | - | - | - | - | - | - |
| 73-98-2-98 LESS: SALVAGE | | | | | | | | |
| NET TOTAL FLEET OPERATIONS DEPARTMENT | <u>5,980,000</u> | <u>10,371,000</u> | <u>12,951,000</u> | <u>14,823,000</u> | <u>11,899,000</u> | <u>3,982,000</u> | <u>8,363,000</u> | <u>52,018,000</u> |
| ACQUIRE ASSETS | 5,980,000 | 10,371,000 | 12,951,000 | 14,823,000 | 11,899,000 | 3,982,000 | 8,363,000 | 52,018,000 |
| LEASE | | | | | | | | |

City of Philadelphia

OTHER DEPARTMENTS
FORECAST - FISCAL YEARS 2027 THROUGH 2031

| | <u>2025 COMPLIANCE BUDGET</u> | <u>2026 AMENDED COMPLIANCE BUDGET</u> | <u>2027</u> | <u>2028</u> | <u>2029</u> | <u>2030</u> | <u>2031</u> | <u>TOTAL FORECAST</u> |
|--|-----------------------------------|---|----------------|----------------|----------------|----------------|----------------|---------------------------|
| <u>FACILITIES</u> | | | | | | | | |
| 1 72-01-1-01 MISCELLANEOUS CAPITAL ADDITIONS | 64,000 | 84,000 | 85,000 | 86,000 | 87,000 | 88,000 | 89,000 | 435,000 |
| 1 72-01-1-02 MISCELLANEOUS CAPITAL ADDITIONS - GAS PROCESSING | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 25,000 |
| 1 72-01-2-01 MISCELLANEOUS CAPITAL REPLACEMENTS/STRUCTURAL REPAIRS | 363,000 | 368,000 | 375,000 | 382,000 | 389,000 | 396,000 | 403,000 | 1,945,000 |
| 1 72-01-2-02 MISCELLANEOUS CAPITAL REPLACEMENTS - GAS PROCESSING | 12,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 100,000 |
| 1 72-01-2-03 MISC CAPITAL REPL - STRUCTURAL REPAIRS - GAS PROCESSING | 12,000 | 12,000 | 12,000 | 12,000 | 12,000 | 12,000 | 12,000 | 60,000 |
| 1 72-01-2-04 REPLACE CARPETS | - | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | - | 200,000 |
| 1 72-01-2-05 REPLACE MODULAR FURNITURE | - | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | - | 200,000 |
| 1 72-01-2-05 800 BUILDING STAIR TOWER RENOVATION | 316,000 | - | - | - | - | - | - | - |
| 1 72-01-2-04 800 BUILDING CHP CHILLER REPLACEMENT | 561,000 | - | - | - | - | - | - | - |
| 1 72-01-2-06 800 BUILDING 1ST FLOOR RENOVATIONS PHASE 2 | 7,075,000 | - | - | - | - | - | - | - |
| 1 72-02-1-04 NOC DATA CENTER | 250,000 | - | - | - | - | - | - | - |
| 2023 REAUTHORIZATION | | | | | | | | |
| 1 72-01-2-08 REPLACE PORTER FUELING STATION** | - | - | - | - | - | - | - | - |
| 1 72-01-2-09 REPAVE PORTER STATION LOT** | - | - | - | - | - | - | - | - |
| TOTAL FACILITIES | <u>8,658,000</u> | <u>589,000</u> | <u>597,000</u> | <u>605,000</u> | <u>613,000</u> | <u>621,000</u> | <u>529,000</u> | <u>2,965,000</u> |

City of Philadelphia

OTHER DEPARTMENTS
FORECAST - FISCAL YEARS 2027 THROUGH 2031

| | <u>2025 COMPLIANCE</u> <u>BUDGET</u> | <u>2026 AMENDED</u> <u>COMPLIANCE</u> | <u>2027</u> | <u>2028</u> | <u>2029</u> | <u>2030</u> | <u>2031</u> | <u>TOTAL</u> <u>FORECAST</u> |
|--|---|--|----------------|----------------|----------------|----------------|----------------|---------------------------------|
| <u>INFORMATION SERVICES</u> | | | | | | | | |
| 2 47-01-1-01 MISC ADDITIONS - SERVER, NETWORK AND HARDWARE | 914,000 | 2,043,000 | 100,000 | 103,000 | 106,000 | 109,000 | 112,000 | 530,000 |
| 2 47-01-1-03 ADDITIONS - SAN STORAGE | 302,000 | 119,000 | 100,000 | 103,000 | 106,000 | 109,000 | 112,000 | 530,000 |
| 2 47-01-1-05 ADDITIONS - FIELD DATA COLLECTION SOFTWARE | - | 452,000 | - | - | - | - | - | - |
| 2 47-01-2-01 MISC REPLACEMENTS - SOFTWARE | 600,000 | 220,000 | 100,000 | 103,000 | 106,000 | 109,000 | 112,000 | 530,000 |
| 2 47-01-2-02 MISC REPLACEMENTS - SERVER & NETWORK HARDWARE | 685,000 | 247,000 | 100,000 | 103,000 | 106,000 | 109,000 | 112,000 | 530,000 |
| 2 47-01-1-04 ADDITIONS - SECURITY CAMERAS - M&R STATIONS | 296,000 | 296,000 | - | - | - | - | - | - |
| 2 47-01-1-02 MISC ADDITIONS - SOFTWARE | 300,000 | 832,000 | 150,000 | 154,000 | 158,000 | 162,000 | 166,000 | 790,000 |
| 2 47-01-2-03 AMI IMPLEMENTATION | - | 417,000 | 305,000 | 313,000 | 321,000 | 329,000 | 337,000 | 1,605,000 |
| 2 47-01-2-04 REPLACEMENT SECURITY CAMERAS | 119,000 | 118,000 | - | - | - | - | - | - |
| 2 47-01-2-06 CIS REPLACEMENT | 9,000,000 | 30,000,000 | - | - | - | - | - | - |
| 2 47-01-1-06 ADDITIONS - GIS HARDWARE | 1,779,000 | | | | | | | |
| 2 47-01-1-07 ADDITIONS - NOC DATACENTER | 712,000 | | | | | | | |
| 2 47-01-2-03 REPLACEMENTS - SAN STORAGE | 415,000 | | | | | | | |
| 2 47-01-2-05 REPLACEMENTS - OPERATIONS SOFTWARE | 1,660,000 | | | | | | | |
| TOTAL INFORMATION SERVICES | <u>16,782,000</u> | <u>34,744,000</u> | <u>855,000</u> | <u>879,000</u> | <u>903,000</u> | <u>927,000</u> | <u>951,000</u> | <u>4,515,000</u> |

City of Philadelphia

OTHER DEPARTMENTS
FORECAST - FISCAL YEARS 2027 THROUGH 2031

| | <u>2025 COMPLIANCE</u> <u>BUDGET</u> | <u>2026 AMENDED</u> <u>COMPLIANCE</u> | <u>2027</u> | <u>2028</u> | <u>2029</u> | <u>2030</u> | <u>2031</u> | <u>TOTAL</u> <u>FORECAST</u> |
|--|---|--|------------------|------------------|------------------|------------------|------------------|---------------------------------|
| <u>CHIEF OPERATING OFFICER</u> | | | | | | | | |
| 1 13-01-2-01 CONDITIONAL FUNDING FOR CAPITAL NEEDS RELATED TO SAFETY | 250,000 | - | - | - | - | - | - | - |
| 2 13-01-2-02 CONDITIONAL FUNDING FOR CAPITAL NEEDS RELATED TO RELIABILITY OF SERVICE | 250,000 | - | - | - | - | - | - | - |
| 4 13-01-2-03 CONDITIONAL FUNDING FOR CAPITAL NEEDS RELATED TO COST- JUSTIFIED LOAD GROWTH | 250,000 | - | - | - | - | - | - | - |
| TOTAL CHIEF OPERATING OFFICER | <u>750,000</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| TOTAL OTHER DEPARTMENTS | <u>26,190,000</u> | <u>35,333,000</u> | <u>1,452,000</u> | <u>1,484,000</u> | <u>1,516,000</u> | <u>1,548,000</u> | <u>1,480,000</u> | <u>7,480,000</u> |
| ACQUIRE ASSETS LEASE | | | | | | | | |

City of Philadelphia

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 customers or otherwise; and
- ii. Funds to be obtained through capital loans.

Capital Spending in FY 2026 (SECOND AMENDED COMPLIANCE)

| | |
|---|-----------------------|
| • Spending from FY 2026 Program | \$ 150,945,000 |
| • Spending Carryover from FY 2023, 2024, 2025 | <u>\$ 106,059,000</u> |
| • Total FY 2026 Spending | \$ 257,004,000 |
| • Projected Reimbursement | \$ 5,497,000 |
| • Salvage | \$ 215,000 |
| • Construction Contributions | <u>\$ 1,975,000</u> |
| • Net FY 2026 Capital Spending | \$ 264,691,000 |

Capital Funding Sources:

| | |
|----------------------------------|-----------------------|
| • Debt | \$ 132,345,500 |
| • DSIC | \$ 36,150,000 |
| • Federal Grant Revenue (PHMSA) | \$ 27,987,000 |
| • Internally Generated Funds | <u>\$ 68,208,500</u> |
| • FY 2026 Capital Funding | \$ 264,691,000 |

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 2026 Capital Program.