



Veolia Energy Philadelphia, Incorporated  
2600 Christian Street  
Philadelphia, PA 19146  
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September 15, 2014

Ms. Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
P.O. Box 3265  
Harrisburg, PA 17105-3265

Re: Tariff Heating and Cooling - PA. P.U.C. No. 4  
Steam Cost Rate 2014/2015, Monthly Report September

Dear Ms. Chiavetta:

Veolia Energy Philadelphia, Incorporated's steam service tariff requires the calculation of and submission to the Commission of a new value for the steam cost rate monthly based on the formula contained therein.

The enclosed report is for the month of September 2014 and is filed for informational purposes only.

Three copies of the report are enclosed for filing with the Commission. Kindly date-stamp and return to me an extra copy of this letter and enclosure. Please contact me with any questions.

Respectfully submitted,

Michael J. Smedley  
Vice President Mid-Atlantic Region

MS/kn

Enclosures

cc: Christine Maloni Hoover, PA Public Utility Commission, Office of the Consumer Advocate  
Dennis Hosler, PA Public Utility Commission, Bureau of Audits  
Barnett Satinsky, Esquire, Fox Rothschild, LLP  
Charis Micavage, Esquire, McNeese, Wallace & Nurick  
Steven C. Gray, Jr. Esquire, Office of Small Business Advocate  
Lawrence G. Speilvogel  
Lewis C. Cohen

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VEOLIA ENERGY PHILADELPHIA, INC.  
Monthly SCR Filing  
Computation of Effective Fuel Rate

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Application Period:

Sep-14

Calculation of Projected Portion [ C/(PS - PSc) - B ]  
SCR = Steam Cost Rate = [ C/(PS - PSc) - B ] - [ E/(PS-PSc) ]

<u>Variable</u>	<u>Description</u>	<u>Value</u>
<b>C</b>	<i>Projected total costs of steam and electricity production during the computation year</i>	<b>\$53,748,019</b>
<b>SPp</b>	<i>Projected mlbs of steam to be purchased during the computation year, other than cooling steam</i>	<b>4,505,392</b>
<b>CSP1</b>	<i>Actual cost per mlb of steam purchased during the prior month</i>	<b>\$10.166</b>
<b>SMP</b>	<i>Projected total cost of Veolia produced steam and electricity and water and electric revenues and expenses incurred during the computation year</i>	<b>(\$747,481)</b>
<b>PS</b>	<i>Total projected sales in mlbs of steam</i>	<b>3,603,179</b>
<b>PSc</b>	<i>Projected sales of cooling steam in mlbs of steam</i>	<b>50,788</b>
<b>DL</b>	<i>Veolia's estimated distribution system losses expressed in mlbs</i>	<b>953,000</b>
<b>Fp</b>	<i>Actual cost per mmbtu of fuel (LHV) consumed during the preceding month</i>	<b>\$24.302</b>
<b>Tp</b>	<i>Projected megawatt-hours of Veolia's electricity sales during the computation year</i>	<b>0</b>
<b>Wp</b>	<i>Projected total water and sewer costs during the computation year</i>	<b>\$2,134,414</b>
<b>Lp</b>	<i>Projected total electricity purchases at Schuylkill Station during the computation year</i>	<b>\$682,586</b>
<b>CRLp</b>	<i>Projected total electricity revenues during the computation year</i>	<b>\$0</b>
<b>CRWp</b>	<i>Projected total water revenues during the computation year</i>	<b>\$3,564,481</b>
<b>Hp</b>	<i>Actual prior month fuel hedge costs (revenues)</i>	<b>\$0</b>
<b>C/(PS-PSc)</b>	<i>Projected total cost per mlb sold</i>	<b>\$15.130</b>
<b>B</b>	<i>Base unit fuel cost per mlb</i>	<b>\$7.782</b>
<b>C/(PS-PSc) - B</b>	<i>Projected charge (refund) per mlb</i>	<b>\$7.348</b>

VEOLIA ENERGY PHILADELPHIA, INC.  
 Monthly SCR Filing  
 Computation of Effective Fuel Rate

Application Period:

Sep-14

$$\text{Calculation of E-Factor [ E/(PS-PSc) ]}$$

$$\text{SCR = Steam Cost Rate = [ C/(PS - PSc) - B ] - [ E/(PS-PSc) ]}$$

<u>Variable</u>	<u>Description</u>	
E	Actual over/(under) collection balance at most recent June 30	\$1,356,948
Sa	Actual mlbs of steam, less cooling steam, billed to all customers for the most recent year ended June 30	1,677,656
<b>C1/(PS1-PSc1)</b>	Previous year's "C" divided by previous year's "PS-PSc"	23.843
Aa	Actual total costs of steam purchased for resale (excluding cooling steam and associated line losses) for the most recent year ended June 30	\$31,503,328
Tfa	Actual total fuel costs for Veolia manufactured steam (excluding cooling steam and associated line losses) and electricity for the most recent year ended June 30	\$5,154,085
La	Actual total electricity purchases at Schuylkill Station for most recent year ended June 30	\$856,508
Wa	Actual total water and sewer costs for most recent year ended June 30	\$2,697,661
CRLa	Actual total electricity revenues for most recent year ended June 30	\$0
CRWa	Actual total water revenues from the GFCP for the most recent year ended June 30	\$1,595,213
Ha	Actual fuel hedge costs (revenues) for the most recent year ended June 30	\$0
E1	Previous year's "E"	\$2,031,584
<b>E1/(PS1-PSc1)</b>	Actual refund(recoupment) of previous year's over/(under) collection per mlb	(\$2,063,013)
I	Interest on gross over/(under) collections for most recent year ended June 30	\$4,971
<b>E/(PS-PSc)</b>	Prior period (charge) refund per mlb	\$0.761
<b>SCR</b>	Steam Cost Rate	\$6.587
<b>B + SCR</b>	Effective fuel rate	\$14.369

Monthly SCR Filing

Computation of Prior Month's Actual Cost per Mmbtu of Fuel Consumed

Application Period: September-14  
 Actual Data For: August-14

<u>Description</u>	<u>Quantity</u>	<u>Conversion Factor</u>	<u>Mmbtus</u>
Fuel Oil #6 - Gallons	7,932	0.1417	1,124
Fuel Oil #4 - Gallons	0	0.1368	0
Fuel Oil #2 - Gallons	159	0.1307	21
Natural Gas - DeKatherms	0	0.909	0
<i>Total Mmbtus of Fuel Consumed</i>			1,145
<i>Total Cost of Fuel Consumed</i>			\$27,826
<b>Actual cost per mmbtu of fuel (LHV) consumed (Fp)</b>			<b><u><u>\$24.302</u></u></b>

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**Rosemary Chiavetta, Secretary**  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street  
Harrisburg, PA 17120