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| PUC logo | COMMONWEALTH OF PENNSYLVANIAPENNSYLVANIA PUBLIC UTILITY COMMISSIONCOMMONWEALTH KEYSTONE BUILDING400 NORTH STREET, HARRISBURG, PA 17120 | **IN REPLY PLEASE REFER TO OUR FILE** |

October 5, 2017

**Mr. Richard G Webster, Jr.**

**Vice President – Regulatory Policy & Strategy**

**PECO Energy Company**

**2301 Market Street, Suite 515**

**Philadelphia, PA 19103**

Re: Management Efficiency Investigation of PECO Energy Company

(D-2016-2562303)

Dear Mr. Webster:

 The Commission appreciates the cooperation extended by the officers and employees of PECO Energy Company (PECO) to our audit staff during the recent Management Efficiency Investigation. We seek PECO’s further cooperation in implementing the recommendations cited in the MEI audit report.

 At its Public Meeting of October 5, 2017, the Commission acknowledged receipt of PECO’s Implementation Plan submitted on September 21, 2017 and released it to the public, along with the Audit Staff’s MEI report. The Commission notes that the Companies’ Implementation Plan indicates acceptance of all 13 recommendations. Receipt of the Implementation Plan does not constitute acceptance by the Commission of the actions already taken, those to be taken, or the explanations and analysis provided. The Company’s implementation actions, together with any explanations and cost/benefit analyses, may be reviewed by the Commission at a later date. This review would be made to determine if the Company has effectively implemented the recommendation.

 Accordingly, the Commission directs PECO to proceed with the September 21, 2017 Implementation Plan. The Commission’s direction to proceed with the Implementation Plan should not be construed as approval of the plan.

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 Sincerely,

 Rosemary Chiavetta

 Secretary

Contact Person: John Clista

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