

PECO ENERGY COMPANY

GAS SERVICE TARIFF

COMPANY OFFICE LOCATION

2301 Market Street
Philadelphia, Pennsylvania 19101

For List of Communities Served, See Page 6.

Issued: March 31, 2008

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ISSUED BY: D. P. O'BRIEN - President
PECO Energy Distribution Company
230t MARKET STREET
PHILADELPHIA, PA. 19101

NOTICE.

PECO Energy Company

Superseding Sixty Fifth Revised Page No. 1

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DEFINITION OF TERMS AND EXPLANATION OF ABBREVIATIONS

Aggregation Services Fee - A charge of $1\text{¢}/\text{mcf}$ applicable to all Low Volume Sales and Transportation Customers to be added to such Customers' Variable Distribution Service Charge effective January 1, 2001.

available rate - A rate which may be obtained by a Customer if the use of service conforms to the character of service contemplated in the rate, and the Customer's location is such that this service can be supplied from existing facilities of the Company.

Balancing Service Cost or ("BSC") - Charge to all Low Volume Customers, both Sales and Transportation, included in Vatable Distribution Charges, for fixed and vatable storage costs for each Mcf of gas delivered under Rate Schedules GR, CAP, GC, OL, L, and MV-F and under the Excess Off-Peak Use Rider of this Tadff, or the successors thereto.
Btu -Bdtish thermal unit.

cu. ft. - Cubic foot.

Ccf- 100 cubic feet of gas. This is a measure of gas usage.

Chapter 56 - The PUC regulations that govern metering, billing and collections for residential gas and electricity service.

Commodity Charge (=CC") - The "C" factor component of the Sales Service Cost representing the charge to Low Volume Sales Customers for purchased gas costs for each McF of Sales Service gas supplied under Rate Schedules GR, CAP, GC, OL, L and MV-F and under the Excess Off-Peak Use Rider of this Tariff, or the successors thereto.

Commission - The Pennsylvania Public Utility Commission or any lawful successor thereto.

Company - PECO Energy Company

Competition Act - the Natural Gas Choice and Competition Act, 66 Pa.C.S. §2201, et seq.

Competitive Natural Gas Supply ~ unbundled, firm natural gas provided by an NGS to Low Volume Transportation Customers under the Company's Gas Choice program.

Consolidated NGDC Billing - Billing provided by the Company that contains both the Company's charges for its services arid the NGS's separate charges for gas supply services.

Customer - Any person, partnership, association, or corporation, lawfully receiving service at a single meter location from the Company. In addition, unless explicitly prohibited by the Public Utility Code or the Commission's Rules or Regulations, an NGS may act as an agent for a Customer upon wdttten authorization to PECO Energy, which authorization may be included in the notice of NGS selection.

daily quantity - The quantity of gas used in a 24-hour pedod beginning at 10:00 a.m., Eastern Standard Time or Daylight Saving Time, whichever is in common use.

Delivery point - That point at which the Customer's facilities are connected to the Company's facilities which is the first fitting after the outlet side of the meter connection.

Fixed Distribution Service Charge - A charge to recover costs caused by the presence of the Low Volume Customer or~ the system, other than the costs associated with the Customer's usage.

Gas Choice - Program under which Suppliers provide Competitive Natural Gas Supply to Low Volume Transportation Customers on the Company's system.

Gas Cost Adjustment (=GCA") Charge - The "E" factor component of the Sales Service Cost representing the net overcollection or undercollection of purchased gas costs, charged to Low Volume Sales Customers for each Mcf of Sales Service gas supplied under Rate Schedules GR, GC, CAP, OL, L, MV-F and the Excess Off-Peak Use Rider, or the successors thereto.

High Volume Transportation Customers - Customers who purchase natural gas from an alternative Supplier under Rates Schedules TS-F, TS-I and/or CGS, or the successors thereto, and not under the Company's Gas Choice program.

holidays - Company holidays include: New Year's Day, Martin Luther King, Jr.'s Birthday, Presidents' Day, Good Friday, Memodal Day, Independence Day, Labor Day, Columbus Day, Veterans Day, Thanksgiving Day, Friday after Thanksgiving, Christmas, and Sundays

(C) Denotes Change

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(C)

PECO Energy Company

RULES AND REGULATIONS - Continued

3. CUSTOMER'S INSTALLATION

3.1 INFORMATION FROM APPLICANT FOR SERVICE. The Company should be advised by the applicant for service in writing, preferably on a form supplied by the Company, of premises to be equipped for gas, giving exact location, and details of all gas appliances to be installed.

The applicant for service shall supply the Company information regarding potential or actual contamination, waste or other materials or other adverse environmental conditions on the Customer's premises on or near where the Company facilities are to be located. The Customer has a continuing obligation to provide the Company with copies of any environmental assessment relating to the premises. The Company also has a continuing right to inspect the Customer's premises for the purposes of performing an environmental assessment.

3.2 DELIVERY POINT. The Company will designate in writing, upon request, a satisfactory point at which the Customer shall terminate the Customer's piping for connection to the facilities of the Company. The failure to request and obtain such information may result in refusal of service pending rearrangement of Customer's facilities, but the designation of a termination point does not constitute an agreement or obligation on the part of the Company to furnish service.

In establishing a point of delivery, the Company has the right to avoid areas known or suspected to contain contamination waste or other materials or other adverse environmental conditions.

The Company may waive this right upon agreement from the Customer or applicant to indemnify, defend and hold harmless the Company (its successors, assigns, trustees, officers, employees and agents) from and against all actions, causes of action, claims and demands whatsoever, and from all costs, damages, expenses, losses, charges, debts and liabilities whatsoever (including attorney's fees), whether known or unknown, present or future, that arise from such conditions. This indemnification provision shall survive the termination or expiration of this Agreement and the termination of the business relationship of the parties hereto.

3.3 METER LOCATION. There shall be provided, free of expense to the Company, at a location outdoors, unless otherwise designated by the Company, which the Company will designate in writing upon request, a suitable place for the regulator or regulators, meter or meters, or other equipment of the Company which may be required in the delivery of gas service. The space provided for the Company's meters and equipment shall be of convenient unimpeded access to the Company's employees and as near as possible to the *terminus* of the service-supply pipe. Its location shall minimize any risk for damage or, future obstruction and will be able to receive upon installation an adequate communication signal for remote reading. Its location shall be such that the meter connections are not concealed and shall be otherwise acceptable to the Company. (c)

3.4 NONSTANDARD SERVICE. The Customer shall pay the cost of any special installation necessary to meet any peculiar requirements for service.

The Customer shall pay all costs to the Company of performing environmental assessments, including consultant costs and the costs of removal and disposal of hazardous materials associated with either the initial installation of service, modifications to the service or repair and maintenance of service.

3.5 REVERSE FLOW. The Customer may be required to install check-valves, or other devices, to prevent compressed air or other gases from entering the Company's mains.

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RULES AND REGULATIONS - Continued

6. SERVICE-SUPPLY FACILITIES

6.1 COMPANY'S SERVICE-SUPPLY PIPE. The Company will install, own and maintain the required service-supply pipe with Company participation in the cost of installation determined by the Company in accordance with Section 7. Extensions.

6.2 SERVICE-SUPPLY ALTERATIONS. Changes in location of service-supply pipe, or meter and connections, for the accommodation of the Customer, shall be at the expense of the Customer.

6.3 STUB-SERVICE PIPE. When supply mains are in place, service-supply pipe to a point beyond the curb line may be installed, at the option of the Company, ahead of paving, providing the owners of the abutting property shall request and pay for such stub-service pipe. The cost of any such stub-service pipe may be refunded to the Customer over a term of years, upon such basis or condition as may be determined by the Company and specified in the contract for service.

6.4 METERS AND REGULATORS. The Company will provide, own and maintain any meter or meters, regulator or regulators, required in the supply of service.

7. EXTENSIONS

7.1 SUPPLY MAIN CONSTRUCTION. The Company will install, own and maintain gas supply mains located on the highway or on rights-of-way acquired by the Company and used or usable as part of the Company's general supply system.

7.2 OBLIGATION TO EXTEND. Subject to the terms set forth herein, the Company will extend its facilities to a new point of delivery without charge to a potential customer making a valid request for natural gas service. For additional details see Section 7.3, Service Pipe and Main Extension Policy.

7.3 SERVICE PIPE AND MAIN EXTENSION POLICY. When gas is available for sale to new customers under one of the Company's firm sales or transportation rate schedules, main and service facilities will be extended to an applicant in accordance with the following provisions:

A. General Economic Test. The Company will make a capital investment in the total cost of new main and service facilities to serve the customer (including, but not limited to, allocated overheads and related system modifications) up to an amount equal to five times the additional estimated base annual revenue (EBAR) attributable to the customer. The Customer shall pay the cost, if any, in excess of the above limit except for the cost of the meter installation. The "EBAR" (Estimated Base Annual Revenue) shall be calculated by multiplying the applicable Variable Distribution Charge rate (excluding any applicable gross receipts tax or certain fixed TCS costs) times the estimated annual consumption, plus the attributable portion of annualized Fixed Distribution Charge attributable to service line capital costs. (c)

B. Developments. Deposits shall be required in advance for all lot developments and for developers with unsatisfactory credit history. Amount of deposit shall equal the net capital investment with EBAR credit applied for ~,nown gas applications in buildings under construction or buildings not yet under construction but which are expected to be fully constructed within a three-year period from the date of the original contract signing. This requirement may be met by payment of at least 35 percent of the required contribution upon execution of the service agreement with the remainder subject to payment bond and interest (at pdme rate) and is due no later than 6 months after PECO certifies, in writing, that service is available to the development. Lot developments are defined as tracts subdivided for sale as individual lots or groups of lots to more than one builder or buyer. (c)

C. Interruptible Service Installations. The Service Agreement for customers with interruptible service installations, including dual fuel installations, will include a provision for customer contributions and revenue guarantees based on the Company recovering its cost of investment in new mains and service facilities over a pedod not exceeding five years.

7.4 EXTENSION REFUNDS. Upon receipt of a written request by a Customer or developer made no eadier than the end of the third year following the date of an agreement for new gas service, PECO will: (a) review its records to determine if a refund is due the customer or the developer for additional customers that attached to the facilities paid for by the customer or the developer within three (3) years after the execution date of the agreement for new gas service, and (b) within sixty (60) days of receipt of such request, (i) make payment to the customer or developer of any refund due and (ii) provide the customer or developer with documentation substantiating the refund calculations and identifying the attached loads for which the developer was credited. Customer or developer contributions may be refunded if, within three years of the date of the service agreement, new loads are added to facilities paid for by the contributing Customer or developer. Revenue and cost computations shall simulate that the original and new loads were installed at the same time. Refunds will be paid only to the contributing Customer or developer, and the original contribution shall be the maximum refund.

7.5 TAX ACCOUNTING OF CONTRIBUTIONS IN AID OF CONSTRUCTION AND CUSTOMER ADVANCES. All contributions in aid of construction (CIAC), customer advances or other like payments received by the Company shall constitute taxable income as defined by the Internal Revenue Service. The income taxes on such CIAC or customer advances will be segregated in a deferred account for inclusion in rate base in a future rate case proceeding. Such income taxes associated with CIAC or customer advances will not be charged to the specific contributor of the capital.

PECO Energy Company

RULES AND REGULATIONS - Continued

10. COMPANY EQUIPMENT ON CUSTOMER'S PREMISES

10.1 COMPANY MAINTENANCE. The Company shall keep in repair and maintain its own property installed on the premises of the Customer.

10.2 CUSTOMER'S RESPONSIBILITY. The Customer shall be responsible for safekeeping of the Company's property while on the Customer's premises. In event of injury or destruction of any such property the Customer shall pay the costs of repairs and replacement. Any changes made to the customer's premises after completion of service and meter installation that, in the opinion of the Company, place the Company's property in an unsafe situation or location, the customer shall be responsible for any costs associated with installing protection and or relocating if necessary said Company property. (C)

10.3 PROTECTION BY CUSTOMER. The Customer shall protect the equipment of the Company on the Customer's premises, and shall not permit any person, except a Company employee having a standard badge of the Company or other Company identification, to break any seals upon, or do any work on, any meter, service-supply pipe or other equipment of the Company located on the Customer's premises.

10.4 TAMPERING. In the event of the Company's meters or other property being tampered or interfered with, the Customer being supplied through such equipment shall pay the amount which the Company may estimate is due for service used but not registered on the Company's meter, and for any repairs or replacements required, as well as for costs of inspections, investigations, and protective installations.

10.5 RIGHT OF ACCESS. The Company's identified employees shall have access to the premises of the Customer at all reasonable times for the purpose of reading meters and disconnecting service, and for installing, testing, inspecting, repairing, removing or changing any or all equipment belonging to the Company.

10.6 OWNERSHIP AND REMOVAL. All equipment supplied by the Company shall remain its exclusive property and the Company shall have the right to remove the same from the premises of the Customer at any time after the termination of service from whatever cause.

10.7 RELOCATION OF COMPANY FACILITIES REQUESTED BY NON-RESIDENTIAL PROPERTY OWNERS. Except as otherwise provided by law (e.g., 66 Pa. C.S. Section 2704 et seq.), a non-residential property owner, such as a builder, developer or contractor (Owner), shall compensate the Company for the costs of relocation of Company facilities or equipment, made for the accommodation of the Owner or in fulfillment of the Owner's obligation to any public authority. A request for relocation of Company facilities shall be in writing.

Where the relocation is done in conjunction with construction of a supply line to a development, the Company shall include in the relocation cost those costs caused by the Owner's request. Such relocation costs are not part of the capital investment toward supplying service and are, therefore, not included in the revenue test with which the line extension contribution is calculated.

The Company will notify the Owner in writing of the relocation cost. Advance payment of relocation costs will be required before the Company will commence the work, except, at the sole discretion of the company, under special circumstances.

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PECO Energy Company

RULES AND REGULATIONS - Continued

12. SERVICE CONTINUITY- Continued

- (7) Large Customer. A customer with annual usage of at least 18,000 Mcf during the prior calendar year.
- (8) Natural Gas Emergency. Whenever the aggregate demand of firm service customers on the Company's system or portion of the Company's system, for any reason, exceeds or threatens to exceed the gas-supply or capacity that is actually and lawfully available to the Company to meet the demands, and the actual or threatened excess creates an immediate threat to the Company's system operating integrity or the ability of the Company to satisfy the demand requirements of its Priority 1 Customers (including when continued delivery of gas to Customers would prevent the Company to arrange for the injection of gas into underground storage pools necessary for the protection of winter season supply requirements).
- (9) Non-Critical Use. Gas usage where natural gas is not the only feasible form of energy; i.e., where the Customer has alternate fuel capability.
- (10) Small Customer. A customer with annual usage of less than 18,000 Mcf during the prior calendar year.
- (12) System Maintenance Order ("SMO") - operational directive issued by the Company in its sole discretion to protect the operational integrity of its systems in terms of line pressure and adequacy of supply, which orders directly affect the quantity of gas to be delivered on the same gas day or other near-term gas days and may require a Customer or class of Customers, or a Customer's natural gas supplier or agent, to maintain, decrease or increase the quantity of natural gas delivered to the Company's system. (c)
- (13) Plant Protection Use. Minimum usage of natural gas required to prevent physical harm to an industrial or commercial customer's facility, or danger to personnel at the facility, when the protection cannot be afforded through the use of an alternative fuel. Plant protection requirements includes usage necessary for the protection of the material in process as would otherwise be destroyed, but does not include deliveries required to maintain production.
- (14) Residential Use. Gas usage in a residential dwelling or unit for space heating, air conditioning, cooking, water heating, or other domestic purposes.

d. Curtailment Process.

- (1) Reservation of Company Right to Curtail. The Company reserves the right to reduce or eliminate the availability of firm natural gas service to Customers during a natural gas emergency, on a system-wide or localized basis ("curtailment"), when, in the Company's sole judgment, curtailment of natural gas service is necessary to protect the integrity of service to Priority 1 customers and/or the Company's gas distribution system assets. When necessary, the Company may curtail service to Priority 1 customers.
- (2) Pre-Curtailment Procedures. To avoid curtailment of service, the Company will use reasonable business and operational efforts to interrupt all Priority 3 services; issue appropriate system maintenance orders (SMO) to HVT and LVT Customers, their Natural Gas Suppliers or other agents; and/or request customers to institute voluntary usage reductions.
- (3) Curtailment Directive. In the event that Pre-Curtailment Procedures are not practicable or fail to protect the integrity of service to Priority 1 customers and/or the Company's gas distribution system assets, the Company may issue a curtailment directive. The curtailment directive should be reasonably well-tailored by the Company to require Customers of lower priority services to reduce usage by an amount calculated by the Company, as necessary to minimize the potential threat to public health and safety and to minimize the effect of a natural gas emergency on the integrity of service to Priority 1 customers and/or the Company's gas distribution system assets, but may be issued without regard to priorities of service. During the period specified by the curtailment directive, Customers directed to curtail usage must comply with the directive or face physical shut-off by the Company and/or the assessment of penalties elsewhere set forth in this Rule 12.

(C) Denotes Change

RULES AND REGULATIONS - Continued
12. SERVICE CONTINUITY - Continued

- (4) Curtailment Sequence. Curtailment of a customer class of a higher priority shall not be initiated until all Customers falling into the lower classifications have been completely curtailed. Where only partial curtailment of any one classification is required, customer usage should be reduced pro rata to the extent reasonably possible. As applied to High Volume Transportation Customers served under Rate TS-F, pro rata reductions will be based on a percentage of the Customer's Transportation Contract Quantity unless the Customer has alternative fuel capability. If the Customer has alternative fuel capability, a pro rata reduction shall be based on a percentage of the Customer's Transportation Contract Quantity less the daily alternative fuel capability. The Company shall restore service as soon as practicable to any gas-fired generation facility that is deemed critical to electric system reliability by the applicable electrical system's control area operator.
- (5) Customer Notification. The Company shall provide maximum notice possible of a curtailment directive or of a change in curtailment amount or priority level set forth in a curtailment directive. In the curtailment directive, the Company shall specify the authorized consumption for a specified period or until further notice. The Company reserves the right to provide notice by any reasonable means, including by telephone, pager, e-mail, facsimile or personal contact. If such notice is by telephone, then it will be followed by a written notice to the Customer, specifying the Customer's curtailment percentage and resulting peak day, daily, monthly, seasonal or annual authorized entitlement, as the case may be. An emergency curtailment may be made after oral notice to the Customer, effective when so given, but such oral notice will be confirmed in writing within 48 hours.
- (6) Commission Notification. The Company shall notify the Commission as soon as practicable after the issuance of a curtailment directive.
- (7) Curtailment Directive Exceeding 5 Days. The Company must obtain Commission authorization before it may extend a curtailment directive beyond a maximum duration of 5 business days. Business days shall be all days except Saturdays, Sundays, and federal holidays.
- (8) Natural Gas Emergency Plan. This Rule 12 is supplemented by Company procedures referenced in the Company's Natural Gas Emergency Plan filed by the Company in compliance with Commission Regulations, 52 Pa. Code § 59.63 and 59.71 et seq., and such procedures may be modified from time to time.

e. Unauthorized Use.

- (1) Penalties. A Customer determined to have used natural gas in violation of a SMO issued pursuant to Rule 12.2.d(3) or a curtailment directive issued by the Company ("unauthorized use") shall pay the Company \$25 per Mcf of unauthorized usage plus the actual, additional cost incurred by the Company as a result of such unauthorized gas usage; as reasonably determined by the Company.
- (2) Disposition of Penalties. As of December 31 of each year, the Company shall subtract the total of all penalties paid that year to the Company's suppliers from penalties collected that year from Customers. The Company will then distribute all remaining penalties collected by the Company to its curtailed Customers who did not incur penalties under e(i) above.
- (3) To determine the amount of reimbursement due a Customer, the total amount to be redistributed shall be divided by the total volume of sales during the twelve-month period to all Customers eligible for reimbursement. This quotient shall represent the factor, which when multiplied by an eligible Customer's total purchase volume during the twelve-month period will equal the amount to be credited to that Customer. However, no reimbursement shall be made to Customers who have terminated service during the year.
- (4) The Company will make periodic reports to the Commission containing itemized statements, status of penalty accounts and the extent and nature of disbursements from such accounts made during that period.

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PROVISIONS FOR RECOVERY OF UNIVERSAL SERVICE FUND CHARGE (USFC)

Variable Distribution Service Charge rates for gas service in Residential Rate Schedule GR of this Tariff shall include \$0.0000 per Mcf (1,000 cubic feet) for recovery of Universal Service Fund Cost (USFC), calculated in the manner set forth below. The USFC rate for gas service shall be increased or decreased annually, to reflect changes in the level of Universal Service Fund costs, net of base rate recoveries, in the manner described below: (D)

COMPUTATION OF USFC.

The USFC per Mcf (\$x.xxxx), shall be computed in accordance with the formula set forth below: (C)

$$\text{USFC} = (\text{S})$$

The USFC, so computed, shall be included in distribution rates charged to Customers for service pursuant to the rate schedule identified above. The amount of USFC, per Mcf, will vary, if appropriate, based upon annual filings by the Company.

In computing the USFC, per Mcf, pursuant to the formula above, the following definitions shall apply:

"Reconcilable Customer Assistance Program (CAP) Costs" - Billed discounts provided to CAP customers, effective January 1, 2009. (C)

"USFC" - Universal Service Fund Charge determined to the nearest one-hundredth cent (0.01) to be included in the rate for each Mcf of Variable Distribution Service Charge calculated under Rate Schedule GR, to recover Reconcilable CAP Costs that exceed such amounts recovered in base rates. (C)

"C" - Cost in dollars of the Reconcilable CAP Costs for the projected period. (C)

"E" - the net (overcollection) or undercollection of Universal Service Fund Charges. The net overcollection or undercollection shall be determined for the most recent period, beginning with the month following the last month which was included in the previous overcollection or undercollection calculation reflected in rates.

Each overcollection or undercollection statement shall also provide for refund or recovery of amounts necessary to adjust for overrecovery or underrecovery of "E" factor amounts under the previous USFC.

"I" - Interest shall be computed monthly at a 6% annual simple interest rate from the month that the overcollection or undercollection occurs to the effective month such overcollection is refunded or undercollection is recouped. (C)

"S" - projected Mcf of gas service to be billed under Rate GR during the projected period when rates will be in effect. Mcf's shall be the projected residential throughput used in the current applicable annual Purchased Gas Cost filing.

FILING WITH PENNSYLVANIA PUBLIC UTILITY COMMISSION; AUDIT; RECONCILIATION.

The Company's annual USFC filing and its annual reconciliation statement shall be submitted to the Commission 120 days prior to new rates being effective December 1 of each year, or at such time as the Commission may prescribe. The USFC mechanism is subject to annual audit review by the Bureau of Audits.

(D) Denotes Decrease
(C) Denotes Change

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PECO Energy Company

RATE GR - GENERAL SERVICE -RESIDENTIAL

AVAILABILITY.

Service to the dwelling of a single private family or to a multiple dwelling unit building consisting of two to five dwelling units for domestic requirements. Resale of gas and/or service provided by the Company under this rate is only allowed for those locations being served through a single meter prior to January 6, 1980.

MONTHLY RATE TABLE.

FIXED DISTRIBUTION CHARGE: \$12.00 per month

VARIABLE DISTRIBUTION CHARGE: \$3.7515 per Mcf.

(~)
(i)

MINIMUM CHARGE: The minimum charge per month will be the Fixed Distribution Charge.

STATE TAX ADJUSTMENT CLAUSE, TRANSITION SURCHARGE, COMMODITY CHARGE ("CC") (if customer receives Sales Service), GAS COST ADJUSTMENT CHARGE (=GCA"), BALANCING SERVICE COST ("BSC"), MIGRATION RIDER apply to this rate. The Consumer Education Charge is incorporated in the Variable Distribution Charge. The Universal Service Fund Charge is incorporated in the Variable Distribution Charge.

CONTROLLED LOW PRESSURE SERVICE AND 2 PSIG DELIVERY.

For those Customers served from medium or high pressure mains, low pressure delivery of gas at 12.2 inches of water column or 2 PSIG will be provided upon request in lieu of the normal low pressure delivery. For these Customers multipliers of 1.03 will be applied to all meter readings for 12.2 inches of water column delivery and 1.14 for 2 psig delivery to recognize the additional volume of gas delivered.

BUDGET BILLING.

At the option of the Customer, budget billing is available in accordance with the provisions of Rule 16.5.

RULES AND REGULATIONS.

The Company's rules and regulations in effect from time to time where not inconsistent with any specific provisions hereof are a part of this rate schedule.

TERM OF CONTRACT.

The initial term for any contract shall be at least one year.

PAYMENT TERMS.

Standard.

(i) Denotes Increase

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PECO Energy Company

Supplement No. 71 To
Gas-Pa. P.U.C. No. 2
Second Revised Page No. 42
Superseding First Revised Page No. 42

CAP RATE

Rate has been replaced by CAP Rider.

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RATE GC - GENERAL SERVICE - COMMERCIAL AND INDUSTRIAL

AVAILABILITY.

Service for use in commercial and/or industrial applications, with the right reserved to restrict its use as boiler fuel and for other non-critical use.

MONTHLY RATE TABLE.

FIXED DISTRIBUTION CHARGE: \$25.00 per month

VARIABLE DISTRIBUTION CHARGE: \$4.3945 per Mcf for all or any part of the first 200 Mcf
\$3.0688 per Mcf for the additional use

(i)

MINIMUM CHARGE: The minimum charge per month will be the Fixed Distribution Charge.

STATE TAX ADJUSTMENT CLAUSE, TRANSITION SURCHARGE, COMMODITY CHARGE ("CC") (if customer receives Sales Service), GAS COST ADJUSTMENT CHARGE ("GCA"), BALANCING SERVICE COST ("BSC") AND MIGRATION RIDER apply to this rate. The Consumer Education Charge is incorporated in the Variable Distribution Charge.

CONTROLLED LOW PRESSURE SERVICE AND 2 PSIG DELIVERY.

For those Customers served from medium or high pressure mains, low pressure delivery of gas at 12.2 inches of water column or 2 PSIG will be provided upon request in lieu of the normal low pressure delivery. For these Customers multipliers of 1.03 will be applied to all meter readings for 12.2 inches of water column delivery and 1.14 for 2 psig delivery to recognize the additional volume of gas delivered.

BUDGET BILLING.

At the option of a Customer, budget billing is available in accordance with the provisions of Rule 16.5

RULES AND REGULATIONS.

The Company's rules and regulations in effect from time to time where not inconsistent with any specific provisions hereof are a part of this rate schedule.

TERM OF CONTRACT.

The initial contract term shall be at least one year.

PAYMENT TERMS.

Standard.

(I) Denotes Increase

PECO Energy Company

RATE L - LARGE HIGH LOAD FACTOR SERVICE

AVAILABILITY.

Large volume high load factor service for use in commercial and/or industrial applications, with the right reserved to restrict its use as a boiler fuel and for other non-critical use. This service shall be under a contract specifying in Mcf. the maximum daily quantity (MDQ) of natural gas to be supplied on a seasonal basis. The winter period MDQ may not exceed the summer period MDQ. Deliveries shall be as ready as practicable at uniform hourly rates of flow.

MONTHLY RATE TABLE.

FIXED DISTRIBUTION CHARGE: \$259.43 per month

VARIABLE DISTRIBUTION CHARGE: \$4.2337 per Mcf for the first 15 days' use of billing demand.
\$1.3034 per Mcf for the additional use.

(D)
(I)
(I)

STATE TAX ADJUSTMENT CLAUSE, TRANSITION SURCHARGE, COMMODITY CHARGE ("CC") (if customer receives Sales Service), GAS COST ADJUSTMENT CHARGE ("GCA"), BALANCING SERVICE COST ("BSC") AND MIGRATION RIDER apply to this rate. The Consumer Education Charge is incorporated in the Variable Distribution Charge.

SEASONAL PERIODS DEFINED.

The summer period is defined as the calendar months of April through November, inclusive. The winter period is defined as the calendar months of December, January, February and March.

DETERMINATION OF BILLING DEMAND.

The billing demand shall be computed each month to the nearest Mcf and shall be the highest measured quantity of gas, corrected to standard conditions, taken in a 24-hour interval. The summer period billing demand for all Customers will never be less than 80% of the summer period MDQ nor less than 100 Mcf per day.

MINIMUM CHARGE.

The monthly minimum charge shall be the Fixed Distribution Charge, plus the Variable Distribution Charge price applied to the Mcf that would result from 15 days' use of the Customer's billing demand for the month.

MEASUREMENT.

The quantities of gas used shall be determined from the Company's meters, corrected to standard conditions, namely 60° Fahrenheit temperature and 30 inches of mercury barometric pressure.

UNAUTHORIZED OVERRUN.

Any quantity of gas taken for this service on any day of the month in excess of the MDQ specified in the contract for this service shall constitute unauthorized overrun volume for such day, except when such excess results from fluctuations in day-to-day deliveries hereunder determined by the Company to be normal and in accordance with good operating practices. The sum of all such unauthorized volume in a month shall be billed at the rate of \$25.00 for each Mcf of gas so taken and the resulting amount shall be paid in addition to the charges specified in this rate.

RULES AND REGULATIONS.

The Company's rules and regulations in effect from time to time where not inconsistent with any specific provisions hereof are a part of this rate schedule.

MDQ DETERMINATION.

Each Customer shall review the contract annually and shall supply the Company written notification by August 1 of the Customer's requested MDQ(s) for the coming contract year. The MDQ requested shall be subject to reduction by the Company for either or both of the seasonal periods in light of available gas supplies, winter deliverability constraints, or for other good reason before the contract becomes effective. Any reduction made by the Company below the prior year's MDQ(s) shall be limited to the Customer's boiler fuel and other non-critical use.

The Company may, with the consent of the Customer, increase the existing winter MDQ up to the level of the contracted summer MDQ at such time during the winter period when, in the judgment of the Company, sufficient quantities of gas are available for the balance of the contract year.

TERM OF CONTRACT.

The initial contract term shall be at least one year.

PAYMENT TERMS.

Standard.

(D) Denotes Decrease

(I) Denotes Increase

PECO Energy Company

RATE MV-F - MOTOR VEHICLE SERVICE-FIRM

AVAILABILITY.

Firm motor vehicle service is available to Customers using natural gas exclusively as fuel for motor vehicles.

MONTHLY RATE TABLE.

FIXED DISTRIBUTION CHARGE: \$30.00 per month. (I)

ADDITIONAL FIXED DISTRIBUTION CHARGE: If the Customer contracts with the Company for the installation and maintenance of compressor equipment to deliver gas at the necessary pressure for vehicle use, there will be an additional Customer Charge as specified in the Customer's contract.

VARIABLE DISTRIBUTION CHARGE: \$0.9196 per Mcf

ADDITIONAL VARIABLE DISTRIBUTION CHARGE: If the Customer contracts with the Company for the purchase of compressed gas at a Company-owned refueling location, there will be a compression and refueling charge of \$2.66 per Mcf added for each Mcf of gas supplied.

MINIMUM CHARGE: The minimum charge per month shall be the Fixed Distribution Charge.

STATE TAX ADJUSTMENT CLAUSE, TRANSITION SURCHARGE, COMMODITY CHARGE ("CC") (if customer receives Sales Service), GAS COST ADJUSTMENT CHARGE ("GCA"), BALANCING SERVICE COST ("BSC") AND MIGRATION RIDER and any applicable fuel taxes apply to this rate. The Consumer Education Charge is incorporated in the Variable Distribution Charge.

RULES AND REGULATIONS.

The Company's rules and regulations in effect from time to time where not inconsistent with any specific provisions hereof are a part of this rate schedule.

TERM OF CONTRACT.

The initial contract term shall be at least one year.

PAYMENT TERMS.

Standard.

(I) Denotes Increase

PECO Energy Company

Superseding First Revised Page No. 47

RATE MV-I - MOTOR VEHICLE SERVICE-INTERRUPTIBLE

AVAILABILITY.

Interruptible motor vehicle service is available to Customers using natural gas for the sole purpose of a fuel for motor vehicles which have installed dual-fuel capability.

QUALITY OF SERVICE.

Upon notification by the Company, the Customer is required to transfer load to an alternate fuel. Under normal operating conditions, a minimum of four hours notice will be given before interruptions of service. However, the notice period in emergency situations may be less than four hours. The Customer shall be responsible for maintaining alternate fuel equipment in good operating condition, and arranging for adequate supplies of alternate fuel. Sales under this rate schedule are subordinate to all firm sales or firm transportation service provided by the Company.

MONTHLY RATE TABLE.

FIXED DISTRIBUTION CHARGE : \$30.00 per month

(t)

At Company owned refueling location:
\$30.00 per month

VARIABLE DISTRIBUTION CHARGE AND COMMODITY CHARGES:

Prices shall be established by the Company based on the alternate fuels that this Customer class has the economic capability of consuming.

The total of the Variable Distribution Charge and the Commodity Charge shall be no less than the allocated monthly cost of gas plus three cents, plus the applicable gross receipts tax factor.

The total of the Variable Distribution Charge and the Commodity Charge shall not exceed the sum of the end block of the Variable Distribution Charge, Commodity Charge, Balancing Service Cost ("BSC") and, the Gas Cost Adjustment Charge ("GCA") of Rate GC.

The Company will provide the Pennsylvania Public Utility Commission with written notification of the Rate MV-I prices on an unbundled basis at least eight (8) business days before the beginning of the month in which any price revision is to occur. Once established, the price will remain in effect from month to month unless changed by the above notification procedure.

ADDITIONAL COMMODITY CHARGE: If the Customer contracts with the Company for the purchase of compressed gas at a Company-owned refueling location, there will be a compression and refueling charge of \$2.65 per Mcf added for each Mcf of gas supplied.

MINIMUM CHARGE: The minimum charge per month will be the Fixed Distribution Charge.

STATE TAX ADJUSTMENT CLAUSE, TRANSITION SURCHARGE and any applicable fuel taxes apply to this rate.

OTHER CONDITIONS.

1. The Company reserves the right to enter the Customer's premises to inspect the equipment and apparatus at any time to determine whether the Customer's equipment and the Company's equipment is properly functioning, and whether the Customer is in compliance with all the provisions of this rate. It is the Customer's responsibility to inform the Company immediately if the Customer-owned or Company-owned control equipment does not operate properly.

2. Service under this rate may be separately supplied to a Customer who is also supplied under one or more other gas rates at the same premises, provided that each supply shall be separate and distinct with respect to delivery, metering and billing, and that no piping connections shall be made between the fuel line systems on the load side of the separate metering installation.

(Continued)

(l) Denotes Increase

Issued March 31, 2008

Effective May 30, 2008

PECO Energy Company

GAS TRANSPORTATION SERVICE o GENERAL TERMS AND CONDITIONS

(Applicable to: Rate TS-I Gas Transportation Service-Interruptible and
Rate TS-F Gas Transportation Service-Firm.)

1. TRANSPORTATION SERVICE

1.1 GENERAL. Transportation service shall consist of: the receipt of gas on behalf of a Customer; the transportation of gas through the Company's distribution facilities; and the delivery of equivalent quantities of gas to the Customer, adjusted for thermal correction and system losses where applicable.

Transportation service may also include Standby Sales Service to permit purchases of gas under one of the Company's retail sales rate schedules.

1.2 TERMS DEFINED. The following definitions shall apply throughout the transportation portion of this tariff:

RECEIVED/RECEIPT shall refer to gas tendered to the Company for the Customer's account at one or more of the interconnections between the Company and its interstate pipeline suppliers, or other specified location. The normal unit of measurement is the decatherm or mmBtu.

DELIVERED/DELIVERY shall refer to gas tendered to the Customer by the Company at the Customer's specified location. The normal unit of measurement is the Mcf.

USE/USAGE shall refer to gas actually consumed by the Customer at the specified location as measured by the Company's meter in Mcf.

DEFICIENT DELIVERIES shall refer to occurrences in which the Customer uses more gas than the quantity of transportation gas tendered by the Company for delivery.

EXCESS DELIVERIES shall refer to occurrences in which the Customer uses less than the quantity of gas tendered by the Company for delivery.

1.3 VOLUME ADJUSTMENT. The quantity of transportation gas received into the Company's distribution system for the Customer's account shall be: (a) reduced by 2.5 percent for system losses; and (b) adjusted for thermal correction determined by dividing the daily average Btu content per cubic foot of gas for the Company's system by a reference Btu content of 1,000 Btu per cubic foot. Where the transported gas can be delivered directly to the Customer without commingling with other system supplies, no reduction for system losses shall be made, and the thermal correction shall be based on the daily average Btu content of the pipeline to which the Customer is directly connected.

1.4 SUPPLY COST ADJUSTMENT. If the Company incurs any added gas supply cost in order to provide transportation service by displacement, or for other reasons, such additional cost will be charged to the Customer. Displacement occurs when a Customer, who is directly connected to one of the Company's pipeline suppliers, arranges for receipt of transportation gas on another pipeline to which the Customer is not directly connected. Revenues received by the Company in payment for added gas supply cost will be credited to firm sales Customers through the annual Sales Service Costs reconciliation (Section 1307(f)).

1.5 SERVICE AGREEMENT. The Customer will be required to execute a Transportation Service Agreement which will specify an initial Transportation Contract Quantity (TCQ) to be the maximum daily volume of gas, expressed in Mcf net of system losses where applicable, to be transported and delivered to the Customer. The agreement will also specify delivery locations, the election of Standby Sales Service, the commodity charge to be in effect for the term of the agreement, and any special provisions for service. The standard term for a Transportation Service Agreement shall be twelve months, unless the Company and the Customer agree to a shorter or longer term.

The TCQ shall not exceed the lower of (a) the capacity of the Company's metering and regulating equipment at the Customer's location; or (b) 110% of the maximum daily usage of the Customer during the twelve-month period prior to the execution of the Transportation Service Agreement, unless full documentation of new or additional gas usage capability is provided by the Customer. If a Customer chooses to designate an Agent to act on the Customer's behalf for scheduling, dispatching, billing and other administrative aspects of transportation service, such designation shall be made in the Transportation Service Agreement. The designation of an Agent shall not relieve the Customer of ultimate responsibility for payment for service or other obligations incurred under this tariff.

Every November 1 following execution of the Transportation Service Agreement, the Customer's TCQ shall be automatically adjusted by the Company to be 110% of the maximum daily usage of the Customer during the prior twelve-month period. The TCQ may also be adjusted by mutual agreement of the Customer and the Company. (c)

(Continued)

PECO Energy Company

GAS TRANSPORTATION SERVICE - GENERAL TERMS AND CONDITION,~ - Continued
(Applicable to: ~~Rate TS-I Gas Transportation Service-Interruptible and~~
Rate TS-F Gas Transportation Service-Firm.)

1.6 BUYER GROUP/LEAD CUSTOMER. A Buyer Group generally consists of up to ten individual Customers who voluntarily join together to obtain either firm or interruptible transportation service. The Company, at its discretion, may require all members of the Buyer Group to execute the same Transportation Service Agreement and make the same elections as to Standby Sales Service. One member of the Buyer Group may be designated by the Company as the Lead Customer who shall be responsible for the timely payment of all bills rendered to the Buyer Group, as well as all day-to-day dispatch scheduling coordination and administrative communication between the Company and all members of the Buyer Group. A member of one Buyer Group may not be a member of another Buyer Group. Eleven or more individual Customers may form a Buyer Group only upon specific agreement by the Company. Unless otherwise described, the term "Customer" as used throughout these general terms and conditions shall refer to an individual Customer or to a Buyer Group. The Company, at its discretion, may set the maximum Commodity Charge for a Buyer Group at the maximum which any member would be individually required to pay.

1.7 MINIMUM SIZE. The minimum total gas consumption capability required to be eligible for transportation service shall be 5,000 Mcf per year. This minimum shall apply to an individual Customer or to a Buyer Group which, in the aggregate, uses 5,000 Mcf of gas annually.

1.8 SOURCE OF GAS. Unless otherwise certified, all gas transported shall be presumed to be non-Pennsylvania produced gas. In order to qualify for billing as Pennsylvania produced gas, the Customer must provide an affidavit specifying the percentage by month of Pennsylvania produced gas to be transported during the term of the Service Agreement. The Customer is responsible to notify the Company of any change in the above percentage no later than the second working day after the conclusion of the billing month in which the change occurred.

2. BALANCING PROVISIONS

2.1 GENERAL. Transportation balancing is provided to adjust for the unavoidable minor variations between Customer usage and scheduled deliveries, and is not intended to function as a storage service or a standby sales service. Each Customer shall use best efforts to *balance* deliveries and usage at all times.

2.2 INTERRUPTED RECEIPTS. On days when no transportation gas is received for the Customer's account, all gas used by the Customer shall be billed as a purchase from the Company. For Customers which have elected Standby Sales Service, the usage shall be billed at the applicable rate. For Customers which have not elected Standby Sales Service, the usage shall be billed at the sum of the Variable Distribution Charge, Commodity Charge, Balancing Service Cost ("BSC") and, the Gas Cost Adjustment Charge ("GCA") of Rate GC and an additional \$25 per Mcf penalty charge will be imposed. Excess deliveries already being held for the Customer at the time of interruption will be tendered for delivery when transportation receipts resume. If the interruption of receipts continues for more than thirty days, the Company will tender excess deliveries as soon as practicable subject to operating and gas procurement considerations.

2.3 BALANCING CHARGE. A \$0.0500 per Mcf balancing charge shall be imposed on all transportation deliveries in a billing month. The Balancing Charge shall be reviewed and adjusted annually, as necessary, effective December 1 subject to approval of the new charge in the Company's annual purchased gas cost filing under 66 Pa. C.S. § 1307(f) (c)

2.4 ALLOWABLE DAILY VARIATION. In order to minimize the effect of transportation imbalances on the operation of the Company's system, the allowable daily variation between delivered quantities and Customer usage is ten percent of the TCQ. (c)

If a Customer exceeds these limits, the Company shall: (a) in the case of excess deliveries, impose a \$0.25 per Mcf penalty charge on that portion of daily excess deliveries greater than the allowable daily variation and have the right to limit the receipt of Gas Transportation if a customer has excess deliveries greater than two times the Customer's TCQ; (b) in the case of deficient deliveries, have the right to bill such deficiency as a purchase from the Company. For Customers which have elected Standby Sales Service, the deficiency shall be billed at the applicable rate. For Customers which have not elected Standby Sales Service, the deficiency shall be billed at the sum of the Variable Distribution Charge, Commodity Charge, Balancing Service Cost ("BSC") and, the Gas Cost Adjustment Charge ("GCA") of Rate GC, and an additional \$25 per Mcf penalty charge will be imposed.

(C) Denotes Change

PECO Energy Company

Superseding Original Page No. 55

GAS TRANSPORTATION SERVICE - GENERAL TERMS AND CONDITIONS - Continued

(Applicable to: Rate TS-I Gas Transportation Service-Interruptible and
Rate TS-F Gas Transportation Service-Firm.)

2.5 MONTHLY BALANCING FOR DEFICIENT DELIVERIES. If in any billing month a Customer has deficient deliveries, the volumes shall be billed at the applicable rate for those customers that have elected Standby Sales Service. For Customers which have not elected Standby Sales Service, the volumes shall be billed at the sum of the Variable Distribution Charge, Commodity Charge, Balancing Service Cost ("BSC") and Gas Cost Adjustment Charge ("GCA") of Rate GC, and an additional \$25 per Mcf penalty charge will be imposed.

2.6 MONTHLY BANKING SERVICE FOR EXCESS DELIVERIES. The Customer is permitted to carry over or bank a positive imbalance each month at the following monthly charges:

- (a) where the monthly excess does not exceed the TCQ - \$0.00 per Mcf;
- (b) for the monthly excess greater than the TCQ and less than twice the TCQ - \$1.00 per Mcf;
- (c) for the monthly excess greater than twice the TCQ and less than three times the TCQ - \$5.00 per Mcf;
- (d) for the monthly excess greater than three times the TCQ - \$10.00 per Mcf.

2.7 OPERATIONAL POOLING AND BALANCING SERVICE. Pooling is an optional service provided by PECO whereby marketers, producers of natural gas or brokers may aggregate natural gas supplies needed to serve more than one transportation customer. Individual customers assign their balancing rights and responsibilities under PECO's then current tariff to one marketer, producer or broker, which operates the pool (the Pool Operator). Each Pool Operator shall execute an Operational Pooling and Balancing Agreement. The allowable daily variation for a pool is 15 percent between delivered quantities and pool usage. The Pool Operator manages the day-to-day balancing for each pool member and will be responsible for any applicable penalty charges and cash-out transactions, though the transportation customer remains jointly liable with the pool operator for all charges.

3. STANDBY SALES SERVICE

3.1 GENERAL. Standby Sales Service permits the Customer to purchase gas under one of the Company's retail sales rate schedules when:

- (a) no transportation gas is received for the Customer;
- (b) transportation deliveries are deficient with respect to the Customer's usage;
- (c) a Customer elects to purchase gas from the Company in lieu of transportation service.

Transportation service under Rate TS-I automatically provides Standby Sales Service as described in Section 3.2 below. A Customer purchasing transportation service under Rate TS-F shall indicate in the Transportation Service Agreement if the Customer elects to have Standby Sales Service. If the Customer elects Standby Sales Service the Customer shall specify the election in the Transportation Service Agreement as well as the Standby Sales Quantity (SSQ) which is the maximum daily quantity of gas expressed in Mcf that the Customer may purchase. A penalty charge of \$25 per Mcf will be imposed on volumes taken in excess of the SSQ.

The Company maintains no current or future duty to provide retail sales service to a Customer who declines to elect Standby Sales Service. Availability of Standby Sales Service for new gas loads not previously served under a retail firm sales rate schedule is contingent upon the Company's ability to arrange the required supply contracts.

3.2 INTERRUPTIBLE SERVICE. Interruptible Standby Sales Service under Rate IS is automatically provided to the Customer in conjunction with Rate TS-I. The billing and all other conditions of service shall be as stated under the Rate IS tariff, except that the Customer Charge shall be waived.

(Continued)

(C) Denotes Change

Issued: March 31, 2008

Effective: May 30, 2008

GAS TRANSPORTATION SERVICE - GENERAL TERMS AND CONDITIONS - Continued

(Applicable to: Rate TS-I Gas Transportation Service-Interruptible and
Rate TS-F Gas Transportation Service-Firm.)

3.3 FIRM SERVICE. All Rate TS-F Customers may elect Standby Sales Service under: (C)

(a) Rate L, for Customers with an SSQ of at least 100 Mcf per day and gas consumption capability of at least 18,000 Mcf per year;

(b) Rate GC, for Customers with an SSQ of less than 100 Mcf per day or gas consumption capability of less than 18,000 Mcf per year; except that the Standby Sales Service rate schedule applicable to a Buyer Group may, at the Company's discretion, be set at the highest priced rate schedule under which any member would be individually required to pay. The billing and all other conditions of service shall be as stated in the applicable rate schedule and prorated for actual days of use, except that the Customer Charge shall be waived. In addition, the Customer shall pay a monthly demand charge per Mcf of SSQ which is based on 110% of the average monthly demand charges paid for the Company's firm supply. The monthly demand charge, prorated on an Mcf-per-day basis, will be credited to all volumes purchased. Following the end of the Company's supply contract year (October 31), the Customer shall also be assessed those minimum bill, take-or-pay, supply inventory, or other similar charges actually paid by the Company, which are attributable to the annual volume reserved but not taken under this provision. Customers that request to terminate Standby Sales Service after one or more years will be required to continue payment of the monthly demand charge until the Company is able to reduce its purchase obligations or otherwise utilize the released supplies.

4. OTHER PROVISIONS

4.1 METERING SEQUENCE. Where gas is used by the Customer under more than one of the Company's rate schedules through the same meter location, the Company will assume for billing purposes that metered volumes reflect deliveries in the following sequence where applicable:

- (a) Rate L, up to maximum daily quantity.
- (b) Rate TS-F, up to transportation contract quantity.
- (c) Rate TS-I, up to transportation contract quantity, or actual delivered quantity, whichever is lower.
- (d) Rate IS.

4.2 GAS SUPPLY SHORTAGE. The Company shall have the right to appropriate natural gas supplies to be delivered by or on behalf of a Customer in the event of a natural gas emergency (as defined in Rule 12 of the Rules and Regulations). In the event of a natural gas emergency, the Customer or its Natural Gas Supplier (NGS) shall continue to deliver all available natural gas supplies to the Company for which the Customer is contracted to purchase from the NGS. As compensation, the Company shall pay a price not in excess of the greater of the city gate cost of the appropriated natural gas, including transportation charges up to the company's city gate, or the reasonable cost actually paid by the customer for delivered substitute energy, as documented by the Customer. The Company may also provide compensation in kind at the discretion of the affected customer or NGS. Upon request, the Customer shall demonstrate its cost of natural gas by making a copy and invoice of the contract with the natural gas supplier available to the Company upon request.

(C) Denotes Change

(Continued)

PECO Energy Company

Superseding Second Revised Page No. 58

RATE TS-I GAS TRANSPORTATION SERVICE-INTERRUPTIBLE
(Gas Transportation Service - General Terms and Conditions Apply To This Rate.)

AVAILABILITY.

Interruptible transportation service (Rate TS-I) is available to an individual Customer, or a Buyer Group, who may have dual fuel capability or is willing to accept interruption of gas service.

Service is available under this rate only to customers served by a licensed natural gas supplier who is deemed creditworthy by the Company pursuant to Rule 25 of the Rules and Regulations of the Gas Service Taff.

High Volume Transportation (HVT) Customers receiving service under this Rate, as of March 1, 2002, shall be exempt from the above supplier eligibility criteria; provided, however, such an I-IVT Customer may waive such exemption, in a writing submitted to the Company, by indicating its desire to be served by a natural gas supplier deemed creditworthy by the Company pursuant to the above referenced Rule 25.

UPGRADING AND OR INSTALLATION OF FACILITIES.

Upgrading and/or installation of mains and services required to provide adequate delivery capacity for interruptible transportation service for the Customer will be in accordance with the Rules and Regulations governing Extensions. The Customer shall prepay the total cost of any new receipt point for Customer-owned gas into the Company system, or improvements to an existing receipt point, which then shall be constructed, subject to specific contract terms and conditions, owned, and maintained by the Company.

QUALITY OF SERVICE.

Interruptible transportation service will be provided on a best efforts basis by the Company and may be restricted or interrupted from time to time due to operating and capacity limitations. Under normal operating conditions a minimum of four hours notice will be given before interruptions of service. However, the notice period in emergency situations may be less than four hours.

BILLING.

A. For each meter location having a gas consumption capability of at least 18,000 Mcf per year.

1. FIXED DISTRIBUTION CHARGE.

\$227.00 per month less any Fixed Distribution Charges billed on other rate schedules for gas service through the same meter location; but in no event shall the Fixed Distribution Charge be less than \$95.00.

2. VARIABLE DISTRIBUTION CHARGE.

The applicable Variable Distribution Charge shall be specified in the Transportation Service Agreement for each individual Customer. The maximum Variable Distribution Charge shall be \$0.5789 per Mcf.

B. For each meter location having a gas consumption capability of less than 18,000 Mcf per year.

1. FIXED DISTRIBUTION CHARGE.

\$191.00 per month less any Fixed Distribution Charges billed on other rate schedules for gas service through the same meter location; but in no event shall the Fixed Distribution Charge be less than \$95.00.

2. VARIABLE DISTRIBUTION CHARGE.

The applicable Variable Distribution Charge shall be specified in the Transportation Service Agreement for each individual Customer. The maximum Variable Distribution Charge shall be \$1.0870 per Mcf.

C. The State Tax Adjustment Clause does not apply to this rate.

D. Transition Surcharge applies to this Rate.

MINIMUM CHARGE.

The monthly minimum charge shall be the Customer Charge.

SEPARATION OF SERVICE.

Service under this rate may be separately supplied to a Customer who is also supplied under Rate GC at the same premises provided that each supply shall be separate and distinct with respect to delivery, metering, and billing, and that no piping connections shall be made between the fuel line systems on the load side of the separate metering installation.

PAYMENT TERMS.

Standard.

(C) Denotes Change

(D) Denotes Decrease

(I) Denotes Increase

Issued March 31, 2008

Effective May 30, 2008

(C)
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(C)
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(D)
(C)
(I)

PECO Energy Company

RATE TS-F GAS TRANSPORTATION SERVICE-FIRM

(Gas Transportation Service - General Terms and Conditions Apply To This Rate.)

AVAILABILITY.

Firm transportation service (Rate TS-F) is available to an individual Customer, or a Buyer Group, who desires uninterrupted transportation service. Firm transportation service is not available with Rate GC through the same meter, except as provided under Standby Sales Service of the General Terms and Conditions.

Service is available under this rate only to customers served by a licensed natural gas supplier who is deemed creditworthy by the Company pursuant to Rule 25 of the Rules and Regulations of the Gas Service Tariff.

High Volume Transportation (HVT) Customers receiving service under this Rate as of March 1, 2002, shall be exempt from the above supplier eligibility criteria; provided, however, such an HVT Customer may waive such exemption, in a writing submitted to the Company, by indicating its desire to be served by a natural gas supplier deemed creditworthy by the Company pursuant to the above referenced Rule 25.

UPGRADING AND OR INSTALLATION OF FACILITIES.

Upgrading and/or installation of mains and services required to provide adequate delivery capacity for firm transportation service for the Customer will be in accordance with the Rules and Regulations governing Extensions. The Customer shall prepay the total cost of any new receipt point for Customer-owned gas into the Company system, or improvements to an existing receipt point, which then shall be constructed, subject to specific contract terms and conditions, owned, and maintained by the Company.

QUALITY OF SERVICE.

Transportation service under this rate schedule is firm and shall be interrupted only in cases of operating emergencies experienced by the Company or in the case of a natural gas shortage when the supply of gas is insufficient to meet the requirements of Priority 1 Customers.

BILLING.

A. For each meter location having a gas consumption capability of at least 18,000 Mcf per year.

1. **FIXED DISTRIBUTION CHARGE**

\$177.00 per month less any Fixed Distribution Charges billed on other rate schedules for gas service through the same meter location; but in no event shall the Fixed Distribution Charge be less than \$95.00.

2. **VARIABLE DISTRIBUTION CHARGE.**

The applicable Variable Distribution Charge shall be specified in the Transportation Service Agreement for each individual Customer. The maximum Variable Distribution Charge shall be \$0.7648 per Mcf.

B. For each meter location having a gas consumption capability of less than 18,000 Mcf per year.

1. **FIXED DISTRIBUTION CHARGE.**

\$148.00 per month less any Fixed Distribution Charges billed on other rate schedules for gas service through the same meter location; but in no event shall the Fixed Distribution Charge be less than \$95.00.

2. **VARIABLE DISTRIBUTION CHARGE.**

The applicable Variable Distribution Charge shall be specified in the Transportation Service Agreement for each individual Customer. The maximum Variable Distribution Charge shall be \$1.6025 per Mcf.

C. The State Tax Adjustment Clause does not apply to this rate.

D. The Transition Surcharge applies to this Rate.

MINIMUM CHARGE.

The monthly minimum charge shall be the Customer Charge plus 15 days' use of the TCQ at the Customer's applicable commodity charge.

PAYMENT TERMS.

Standard.

- (C) Denotes Change
- (I) Denotes Increase
- (O) Denotes Decrease

(C)
(O)
(C)

(C)
(O)
(C)

(I)

PECO Energy Company

RATE CGS - CITY GATE SALES SERVICE

AVAILABILITY

City Gate Sales Service is available in conjunction with the Company's gas transportation services (Rates TS-F and/or TS-I) upon execution of a City Gate Sales Service Agreement. Supplies from the Company's total gas acquisition pool are made available for purchase at the interstate pipeline delivery points (city gates), for redelivery to the Customer under the terms and conditions of the applicable transportation service(s).

QUALITY OF SERVICE

Firm." Customers electing firm service under this rate are not subject to interruption or proration except pursuant to Section 12 of the Rules and Regulations of this Tariff.

Interruptible: Customers electing interruptible service under this rate are subject to interruption from time to time as necessary to meet the demands of firm Customers. Under normal operating conditions, the Customer will be notified by 10:00 AM of the previous gas dispatch day of any interruption of service. Under emergency conditions, the Company may shorten this notice period and interrupt service at times other than the start of the gas dispatch day (10:00 AM).

BILLING

Acquisition Service Charge
 \$95.00 per month.

(l)

Firm Supply Reservation Charge
 \$17.43 per month per Mcf of firm demand.

Interruptible Supply Reservation Charge

<u>Quarter</u>	<u>(\$1Mcf/Month)</u>
December 1 - February 29	\$4.39
March 1 - May 31	\$3.33
June 1 - August 31	\$2.83
September 1 - November 30	\$2.96

Commodity Charge

A monthly rate, expressed in dollars per thousand cubic feet (\$/Mcf), which represents the weighted average commodity cost for the Company's total acquisition pool during the month of service. This rate is applied to the firm and interruptible usage at the Customer's location during the current billing month.

State Tax Adjustment Charge
 Does not apply to this rate

DEMAND QUANTITIES

Firm Demand Quantity: The greater of: (a) the Customer's transportation contract quantity under Rate TS-F, or (b) the highest daily firm usage at the Customer's location at any time during the current billing month and previous twelve months.

Interruptible Demand Quantity: The highest daily Rate CGS interruptible usage at the Customer's location during the current billing month.

MINIMUM CHARGE

The minimum charge per month will be the Acquisition Service Charge, plus the applicable Supply Reservation Charge(s)

(Continued)

(l) Denotes Increase

APPLICABILITY INDEX OF RIDERS INTRODUCTORY STATEMENT

Customers under the different rates of this Tariff frequently desire services or present situations and conditions of supply which require special supply terms, charges or guarantees or which warrant modification of the amount or method of charge from the prices set forth in the rate under which they are supplied. Modifications for such conditions are defined by rider provisions included as a part of this Tariff. Riders may be employed when applicable, with or without signed agreement between the Customer and the Company as the case may require.

RIDERS	PAGE NUMBERS	GR	RATES TO WHICH RIDERS APPLY						CGS
			G.	WOL	L	T...	S	TS.	
Casualty	53	X	X	X	X	X	X	X	X
Construction	53		X		X	X	X	X	X
Excess Off-Peak Use	54		X				-		
Receivership	55	X	X	X	X	X	X	X	X
Temporary Service	55	X	X	-	X	-			
Customer Assistance Program	66	X							

(c)

(C) Denotes Change

PECO Energy Company

Customer Assistance Program (CAP) Rider

AVAILABILITY:

To payment-troubled customers who are currently served under or otherwise qualify for Rate GR (excluding multiple dwelling unit buildings consisting of two to five dwelling units). Customers must apply for the rates contained in this rider and must demonstrate annual household gross income at or below 150% of the Federal Poverty guidelines. Based on the applicable level of income and other criteria, the following CAP Rate categories (NB through E) apply:

(c)

CAP A/B: Customers with annual household gross incomes at or below 25% of the Federal poverty income guidelines will be *eligible* for the CAP NB Rate which provides a nominal 90% discount on the total bill for natural gas service. Customers must be on budget billing, will be subject to a \$25 monthly bill minimum (\$10 for non-heating customers) and will not be eligible to obtain Competitive Natural Gas Supply.

CAP C: Customers with annual household gross incomes at or greater than 26% but less than 51% of the Federal poverty income guidelines will be eligible for the CAP C Rate which provides a nominal 79% discount on the total bill for natural gas service. Customers must be on budget billing, will be subject to a \$25 monthly bill minimum (\$10 for non-heating customers) and will not be eligible to obtain Competitive Natural Gas Supply.

CAP D: Customers with annual household gross incomes at or greater than 51% but less than 101% of the Federal poverty income guidelines will be eligible for the CAP D Rate which provides a nominal 58% on the total bill for natural gas service. Customers will be subject to a \$25 monthly bill minimum (\$10 for non-heating customers) and will not be eligible to obtain Competitive Natural Gas Supply.

CAP E: Customers with annual household gross incomes from 101% up to and including 150% of the Federal poverty income guidelines will be eligible for the Customer Assistance Program CAP E Rate which provides a nominal 24% discount on the total bill for natural gas service. Customers will be subject to a \$25 monthly bill minimum (\$10 for non-heating customers) and will not be eligible to obtain Competitive Natural Gas Supply.

CERTIFICATION Prior to enrollment in the CAP Rider, and then again every two years, customers must verify, to PECO's satisfaction, that their household income level meets the "Availability" standards set forth in this Rider. Customers being considered for the CAP Rider will be required to:

- Provide information sufficient to demonstrate to PECO their household income level.
- Waive certain privacy rights to enable PECO to effectively conduct the above certification process.
- Apply for and assign to PECO at least one energy assistance grant from the Commonwealth.
- Participate in various energy education and conservation programs facilitated by PECO.

PECO may, at its sole discretion; supplement this verification process by using data from Commonwealth or federal government programs which demonstrate the income eligibility of its customers. Such data may come from a customer's participation in, or receipt of benefits from, the Low Income Home Energy Assistance Program, Aid to Families with Dependent Children, Food Stamps, Supplemental Security Income, and Medicaid. Information available from the Pa. Department of Revenue may also be used where appropriate to expedite the process.

MINIMUM CHARGE. The minimum charge per month will be \$25, or if the customer can demonstrate exclusive non-house heating use the minimum charge will be \$10.

STATE TAX ADJUSTMENT CLAUSE, COMMODITY CHARGE (CC"), GAS COST ADJUSTMENT CHARGE ("GCA") BALANCING SERVICE CHARGE ("BSC") AND UNIVERSAL SERVICE FUND CHARGE APPLY TO THIS RIDER.

ARREARAGE.

Customers who qualify and are placed on the CAP Rate will have their pre-program arrearage forgiven if they remain current on their CAP bill after six consecutive months. The development of any new arrearage during this period will delay forgiveness. Customers that develop any new arrearage will be offered a payment agreement.

(C) Indicates Change