

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

DOCKET NO. R-2008-2028394

PECO Energy Company

Exhibit to Accompany
Direct Testimony of Paul T. Patterson

**PECO Gas
Proof of Revenue at Present Rates**

Amounts in \$000s													
Rate Class	Rate	No. of Annual Bills	Annual Sales (mcf)	Refer.	Cust. Charge Revenue	Delivery Charge Revenue	Alternate Fuel/ Negotiated	Tariff Distrib. Revenue	Gas Revenue	Tariff Revenue	Adjust. / Eliminations	Total Adjusted Revenue	Total Distrib. Revenue
A	B	C	D			F	G	H=E+F+G	I	J=H+I	K	L=J+K	M=K-H
1 Residential- GR	GR	5,070,504	37,669,899	PTP-5A	36,508	106,689		143,196	417,804	561,000	(2,330)	558,670	140,867
2 Residential- CAP	CAP	245,755	1,789,916	PTP-5B	1,769	817		2,587	19,852	22,439	(9,842)	12,597	(7,255)
3 Residential		5,316,259	39,459,815		38,277	107,506	0	145,783	437,656	583,439	(12,172)	571,268	133,612
4													
5 GC	GC	491,432	19,482,490	PTP-5C	8,137	50,977		59,115	215,906	275,021	(224)	274,797	58,890
6 Outdoor	OL	12	1,081	PTP-5D	1			1	12	13		13	1
7 Large	L	24	97,140	PTP-5E	10	147		157	1,073	1,230		1,230	157
8 Motor Vehicles- Firm	MVF	96	36,263	PTP-5F	5	25		30	400	430		430	30
9 Motor Vehicles- Interr	MVI	432	977	PTP-5G	6		0	6	11	17		17	6
10 Interruptible	IS	12	134,249	PTP-5H	3		182	185	127	312	(185)	127	0
11 Temperature	TCS	3,016	902,490	PTP-5I	214		2,082	2,297	9,858	12,154		12,154	2,297
12 Transport- Firm	TSF	3,564	4,353,080	PTP-5J	1,528	4,175	30	5,733		5,733		5,733	5,733
13 Transport- Interr	TSI	3,060	21,864,307	PTP-5K	1,385	4,624	3,294	9,303		9,303		9,303	9,303
14 City Gate Service	CGS	24	11,676	PTP-5L		1		1		1		1	1
15													
16 Total		5,817,931	86,343,568		49,566	167,456	5,589	222,611	665,042	887,653	(12,581)	<u>875,072</u>	<u>210,030</u>
17 Forfeited Discounts								2,817		2,817		2,817	2,817
18 Leap Year adjustment										0	(504)	(504)	(504)
19 Total								225,428	665,042	890,470	(13,085)	<u>877,385</u>	<u>212,343</u>
Adjustments / Eliminations													
20 Residential- GR													
21 Annualization				PTP-1A							1,195		
22 STAS Adjustment				PTP-1A							(2,944)		
23 Conservation revenue loss				PTP-1A							(221)		
24 Rounding											(360)		
25 Residential CAP- Additional CAP sho~all				PTP-1B							(9,842)		
G_~C													
26 Annualization				PTP-IC							429		
27 STAS Adjustment				PTP-IC							(622)		
28 Rounding				PTP-IC							(31)		
29				PTP-IC							(224)		
30 Interruptible Sales- Eliminate				PTP-4H							(185)		

**PECO Gas
Proposed Rates- Residential GR**

	<u>GR</u>	<u>Annualization</u>	<u>Adjusted Total</u>
<u>Revenue at present rates</u>			
1 Annual bills	5,070,504	42,324	5,112,828
2 Monthly customer charge	\$7.20	\$7.20	
3 Customer charge revenue	\$36,507,629	\$304,733	\$36,812,362
4 Annual sales / deliveries, mcf	37,669,899	314,434	37,984,333
5 Distribution charge per mcf	\$2.8322	\$2.8322	
6 Delivery charge revenue	106,688,688	890,541	107,579,229
7 Rounding error	(341,859)		(341,859)
8 Conservation revenue loss	(221,000)		(221,000)
9 Subtotal	142,633,457	1,195,274	143,828,731
10 Other revenue			1,715,542
11 Distribution revenue at present rates			\$145,544,273
12 Distribution revenue at present rates			145,544,273
13 PGC Revenue	\$11.09118 417,803,630		417,803,630
14 STAS Adjustment	(2,944,000)		(2,944,000)
15 Rounding			(18,000)
16 Total Revenue at Present Rates	\$557,493,088	\$1,195,274	560,385,904
17 Less: PGC Revenue			(417,803,630)
18 Less: Other revenue			(1,715,542)
19 Distribution revenue in pro forma Future Test Year			\$140,866,731
<u>Revenue at proposed rates</u>			
20 Annual bills	5,070,504	42,324	5,112,828
21 Monthly customer charge	\$12.00	\$12.00	
22 Customer charge revenue	\$60,846,048	\$507,888	\$61,353,936
23 Annual sales / deliveries, mcf	37,669,899	314,434	37,984,333
24 Distribution charge per mcf	\$3.7515	\$3.7515	
25 Delivery charge revenue	141,318,626	1,179,601	142,498,227
Conservation revenue loss	(221,000)		(221,000)
26 Subtotal	201,943,674	1,687,489	203,631,163
27 Other revenue			1,715,542
28 Distribution revenue at proposed rates			\$205,346,705
29 Total revenue at proposed rates			\$205,346,705
30 PGC Revenue	417,803,630	0	417,803,630
31 Total Revenue at Proposed Rates	\$619,747,304	\$1,687,489	\$623,150,335
32 GR Distribution revenue			\$182,891,510
33 GR PGC revenue			417,803,630
34 GR Other revenue			1,715,542
35 CAP PGC costs	PTP-5B, Line 25		20,739,653
			\$623,150,335
36 Increase in distribution revenue	Line 32 - line 19		\$42,024,779
37 PGC revenue not collected from CAP	PTP-5B, Line 25		20,739,653
38 GR increase			\$62,764,431

**PECO Gas
Proposed Rates- Residential GR**

Proof of GR and CAP combined

39	GR distribution rate revenue	Line 26	\$203,631,163
40	GR PGC revenue	Line 30	417,803,630
41	CAP revenue	PTP-5B, Line 20	15,395,566
42			636,830,359
43	GR PGC costs	Line 30	(417,803,630)
44	CAP PGC costs	PTP-5B, Line 25	(20,739,653)
45	Distribution revenue from total GR / CAP revenue		198,287,076
46	Other revenue	Line 34	1,715,542
47	Total Residential Distribution = GR plus CAP		\$200,002,618

	<u>G..~R</u>	<u>CAP</u>	<u>Total Residential</u>
48	Distribution revenue at present rates	\$140,866,731	\$133,611,596
49	Increase in contribution to distribution	62,764,431	64,675,480
50		203,631,163	198,287,076
51	Other revenue	1,715,542	1,715,542
52		\$205,346,705	\$200,002,618
		(\$5,344,086)	

**PECO Gas
Proposed Rates- Residential CAP**

Revenue at Present Rates					<u>Total</u>
1	Participants		13,328	7,152	20,480
2	Annual usage	87.4	1,164,874	625,041	1,789,916
3	Delivery charge		\$0.00	\$1.3078	
4	PGC Revenue	\$11.09118	\$12,919,833	\$6,932,443	\$19,852,276
5	Customer charge revenue	\$7.20	1,151,546	617,890	1,769,436
6	Delivery charge revenue		0	817,429	817,429
7	CAP Revenue at Present Rates		14,071,379	8,367,762	22,439,141
8	Less: Additional CAP shortfall (PECO Exhibit RLO-1, Schedule D-5C)				(9,842,000)
9	CAP total revenue				12,597,141
10	Less: PGC Revenue				(19,852,276)
11	CAP (negative) distribution margin pro forma Future Test Year				(\$7,255,135)

CAP pro forma revenue at present GR rates					
12	PGC Revenue	\$11.09118	\$12,919,833	\$6,932,443	\$19,852,276
13	Customer charge revenue	\$7.20	1,151,546	617,890	1,769,436
14	Delivery charge revenue	\$2.8322	3,299,158	1,770,241	5,069,399
15			17,370,536	9,320,574	26,691,111
16	CAP shortfall at present rates		\$3,299,158	\$952,813	\$4,251,970

Revenue at Proposed Rates		<u>Cap A / B</u>				<u>CapE</u>	<u>Total</u>
17	Participants		1,624	2,564	9,736	7,471	21,395
18	Annual usage	87.4	141,938	224,094	850,926	652,965	1,869,923
19	Annual revenue per participant		\$300.00	\$304.68	\$609.36	\$1,096.84	
20	CAP Revenue at Proposed Rates		\$487,200	\$781,194	\$5,932,684	\$8,194,489	\$15,395,566
21	Less: Cap PGC costs						(20,739,653)
22	CAP (negative) distribution margin at proposed rates						(5,344,086)
23	CAP (negative) distribution margin pro forma Future Test Year						7,255,135
24	Reduction in CAP negative distribution margin						\$1,911,049

CAP pro forma revenue at proposed GR rates							
25	PGC Revenue	\$11.09118	\$1,574,255	\$2,485,462	\$9,437,778	\$7,242,157	\$20,739,653
26	Customer charge revenue	\$12.00	233,856	369,216	1,401,984	1,075,824	3,080,880
27	Delivery charge revenue	\$3.7515	532,479	840,687	3,192,250	2,449,600	7,015,016
28			2,340,590	3,695,366	14,032,012	10,767,580	30,835,549
29	CAP shortfall at proposed rates		\$1,853,390	\$2,914,172	\$8,099,329	\$2,573,092	\$15,439,983

**PECO Gas
Proposed Rates- OL (Outdoor Lighting)**

	<u>Basis</u>	2007 <u>Rate</u>	<u>Units</u>	<u>2008 Revenue- Present Rates</u>	2008 Future <u>Proposed Rates</u>	<u>Explanation</u>	<u>2008 Revenue- Proposed Rates</u>	<u>Increase Increase (Decrease)</u>
1	1999 Btu/hr or less, not in conjunction with service under other gas rates	\$5.5183	48	265	\$5.5183	No change	265	
2	2000 Btu/hr to 2499 Btu/hr, not in conjunction with service under other gas rates	\$6.4128	24	154	\$6.4128	No change	154	
3	2500 Btu/hr to 2999 Btu/hr, not in conjunction with service under other gas rates	\$7.2106			\$7.2106	No change		
4	3000 Btu/hr to 3499 Btu/hr, not in conjunction with service under other gas rates	\$8.0517			\$8.0517	No change		
5	1999 Btu/hr or less, in conjunction with service under other gas rates	\$2.7704	24	66	\$2.7704	No change	66	
6	2000 Btu/hr to 2499 Btu/hr, in conjunction with service under other gas rates	\$3.6909	12	44	\$3.6909	No change	44	
7	2500 Btu/hr to 2999 Btu/hr, in conjunction with service under other gas rates	\$4.4730	12	54	\$4.4730	No change	54	
8	3000 Btu/hr to 3499 Btu/hr, in conjunction with service under other gas rates	\$5.3241	48	256	\$5.3241	No change	256	
9	Total			839			839	
10	Revenue at present rates							839
11	Revenue at proposed rates							839
12						Increase needed		1,000

**PECO Gas
Proposed Rates- L (Large)**

	2007				2008 Future			
	<u>Basis</u>	<u>Rate</u>	<u>Units</u>	<u>2008 Revenue- Present Rates</u>	<u>Proposed Rates</u>	<u>Explanation</u>	<u>2008 Revenue- Proposed Rates</u>	<u>Increase (Decrease)</u>
1 Customer charge	bills	\$410.98	24	9,864	\$259.43	New L customer charge	6,226	(3,637)
2 Variable distribution- 15 days	mcf	\$1.5013	48,570	72,918	\$4.2337	New L VDC- 15 days	205,631	132,713
3 Variable distribution- over 15 days	mcf	\$0.4622	48,570	22,449	\$1.3034	New L VDC- over 15 days	63,306	40,857
4 Rounding (budget did not reflect VDC at lower rate)				52,000				(52,000)
5 Total				157,231			275,163	117,933
6 Revenue at present rates								157,231
7 Revenue at proposed rates								275,163
8 Total customer bills	bills		24	9,864			6,226	
9 Total commodity delivered	mcf		97,140	147,367			268,937	
10 Other								
11 Total				157,231			275,163	
12						Increase needed		<u>117,923</u>

PECO Gas
Proposed Rates- MVF (Motor Vehicles- Firm)

		2007		2008 Revenue-	2008 Future		2008 Revenue-	Inc~ase
	<u>Basis</u>	<u>Rate</u>	<u>Units</u>	<u>Present Rates</u>	<u>Proposed Rates</u>	<u>Explanation</u>	<u>P~posed Rates</u>	<u>(Decrease)</u>
1	Customer charge- Elevated Pressure bills	\$72.01	60	4,321	\$30.00	New MVF customer charge	1,800	(2,521)
2	Customer charge- Non-elev. Pressure bills	\$14.40	36	518	\$30.00	New MVF customer charge	1,080	562
3	Variable distribution charge mcf	\$0.7012	36,263	25,428	\$0.9196	New MVF VDC	33,347	7,920
4	Total			30,267			36,227	5,961
5	Revenue at present rates							30,267
6	Revenue at proposed rates							36,227
7	Total customer bills bills		96	4,839			2,880	
8	Total commodity delivered mcf		36,263	25,428			33,347	
9	Other							
10	Total			30,267			36,227	
11						Increase needed		<u>6,000</u>

**PECO Gas
Proposed Rates- MVI (Motor Vehicles- Interruptible)**

		2007			2008 Future			
	<u>Basis</u>	<u>Rate</u>	<u>Units</u>	<u>2008 Revenue- Present Rates</u>	<u>Proposed Rates</u>	<u>Explanation</u>	<u>2008 Revenue- Proposed Rates</u>	<u>Increase (Decrease)</u>
1	Customer charge- Elevated Pressure	\$71.05	0	-	\$30.00	New MVI customer charge		
2	Customer charge- Non-elev. Pressure	\$14.21	432	6,139	\$30.00	New MVI customer charge	12,960	6,821
3	Variable distribution charge		977			Credited to PGC		
4	Total			6,139			12,960	6,821
5	Revenue at present rates							6,139
6	Revenue at proposed rates							12,960
7	Total customer bills		432	6,139			12,960	
8	Total commodity delivered		977					
9	Other							
10	Total			6,139			12,960	
11						Increase needed		<u>7,000</u>

**PECO Gas
Proposed Rates- IS (Interruptible Sales)**

		2007		2008 Future				
	<u>Basis</u>	<u>Rate</u>	<u>Units</u>	<u>2008 Revenue- Present Rates</u>	<u>Proposed Rates</u>	<u>Explanation</u>	<u>2008 Revenue- Proposed Rates</u>	<u>Increase (Decrease)</u>
1	Customer charge	bills	\$217.89	12	2,615	\$217.89 No change	2,615	
2	Variable distribution charge	mcf	\$1.3593	134,249	182,485	\$1.3593 Credited to PGC	182,485	
3	Total				185,099		185,099	
4	Revenue at present rates							185,099
5	Revenue at proposed rates							185,099
6	Total customer bills			12	2,615		2,615	
7	Total commodity delivered	mcf		134,249	182,485		182,485	
8	Total				185,099		185,099	
9						Increase needed		-

PECO Gas
Proposed Rates- TCS (Temperature Controlled Service)

	2007		2008 Future					
	<u>Basis</u>	<u>Rate</u>	<u>Units</u>	<u>2008 Revenue- Present Rates</u>	<u>Proposed Rates</u>	<u>Explanation</u>	<u>2008 Revenue- Proposed Rates</u>	<u>Increase (Decrease)</u>
1 Customer charge	bills	\$71.05	3,016	214,287	\$71.05	No change	214,287	
2 Variable distribution charge	mcf	\$2.3072	902,490	2,082,225	\$2.3072	No change	2,082,225	
3 Total				<u>2,296,512</u>			<u>2,296,512</u>	
4 Revenue at present rates								2,296,512
5 Revenue at proposed rates								<u>2,296,512</u>
6 Total customer bills	bills		3,016	214,287			214,287	
7 Total commodity delivered	mcf		<u>902,490</u>	<u>2,082,225</u>			2,082,225	
8 Total				<u>2,296,512</u>			<u>2,296,512</u>	
9						Increase needed		

**PECO Gas
Proposed Rates- TSF (Transportation Firm)**

		2007		2008 Revenue-	2008 Future		2008 Revenue-	Inc~ase
	<u>Basis</u>	<u>Rate</u>	<u>Units</u>	<u>Present Rates</u>	<u>Proposed Rates</u>	<u>Explanation</u>	<u>Proposed Rates</u>	<u>(Decrease)</u>
<u>TFL- Over 18000</u>								
1	Customer charge	\$477	1,296	618,192	\$177	New TSF customer charge	229,392	(388,800)
2	Variable distribution charge	mcf \$0.85	3,242,121	2,755,803	\$0.7648	New TSF VDC	2,479,574	(276,229)
3	PA adjustment- VDC	(\$0.36)	3,203,269	(1,153,177)		Eliminate PA credit		1,153,177
4	Additional commodity (15 days TCQ)	\$0.85	1,638,087	1,392,374	\$0.7648	Same as TSF VDC	1,252,809	(139,565)
5	PA adjustment- Additional commodity	(\$0.36)	1,533,352	(552,007)		Eliminate PA credit		552,007
<u>TFG- Under 18000</u>								
6	Customer charge	\$401	2,268	909,468	\$148	New TSF customer charge	335,664	(573,804)
7	Variable distribution charge	mcf \$2.11	1,110,959	2,344,123	\$1.6025	New TSF VDC	1,780,312	(563,812)
8	PA adjustment- VDC	(\$1.19)	1,070,063	(1,273,376)		Eliminate PA credit		1,273,376
9	Additional commodity (15 days TCQ)	\$2.11	615,085	1,297,829	\$1.6025	Same as TSF VDC	985,674	(312,156)
10	PA adjustment- Additional commodity	(\$1.19)	534,995	(636,644)		Eliminate PA credit		636,644
11	Rounding			30,000		Same \$	30,000	
12	Total			5,732,587			7,093,425	1,360,838
13	Revenue at present rates							5,732,587
14	Revenue at proposed rates							<u>7,093,425</u>
15	Total customer bills	bills	3,564	1,527,660			565,056	
16	Total commodity delivered	mcf	4,353,080	4,174,927			6,498,369	
17	Other			30,000			30,000	
18	Total			5,732,587			7,093,425	
19						Increase needed		<u>1,361,000</u>

**PECO Gas
Proposed Rates- TSI (Transportation Interruptible)**

		2007		2008 Revenue.	2008 Future		2008 Revenue-	Increase
	<u>Basis</u>	<u>Rate</u>	<u>Unit</u>	<u>Present Rates</u>	<u>Proposed Rates</u>	<u>Explanation</u>	<u>Proposed Rates</u>	<u>(.Decrease)</u>
TSI- Over 18000								
1	Customer charge- TSI	bills	\$477	1,258	600,066	\$227 New TSI customer	285,327	(314,739)
2	Variable distribution charge	mcf	\$0.49	5,987,227	2,933,741	\$0.5789 New TSI VDC	3,466,006	532,264
TSI- Under 18000								
3	Customer charge- TSI	bills	\$401	930	372,930	\$191 New TSI customer	177,332	(195,598)
4	Variable distribution charge	mcf	\$0.92	524,816	482,831	\$1.0870 New TSI VDC	570,475	87,644
5	Negotiated rates			13,284,448	3,440,034		3,440,034	
TSG								
6	Customer charge- TSI (dual customer)	bills	\$200	261	52,200	\$95 New TSI customer	24,821	(27,379)
7	Customer charge- TSF	bills	\$477	261	124,497	\$177 New TSF customer	46,197	(78,300)
8	TSI Commodity charge	mcf	\$0.49	141,302	69,238	\$0.5789 New TSI VDC	81,800	12,562
9	TSF Commodity charge	mcf	\$0.85	34,858	29,629	\$0.7648 New TSF VDC	26,659	(2,970)
TSL								
10	Customer charge- TSI (dual customer)	bills	\$200	503	100,600	\$95 New TSI customer	47,835	(52,765)
11	Customer charge- TSF	bills	\$477	503	239,931	\$177 New TSF customer	89,031	(150,900)
12	TSI Commodity charge	mcf	\$0.49	1,566,503	767,586	\$0.5789 New TSI VDC	906,849	139,262
13	TSF Commodity charge	mcf	\$0.85	325,153	276,380	\$0.7648 New TSF VDC	248,677	(27,703)
14	Additional commodity (TSF 15 days TCQ)		\$0.85	75,780	64,413	\$0.7648 TSF VDC % increase	57,957	(6,456)
15	PA Adjustment				(280,760)	Eliminate PA credit		280,760
16	Rounding				30,000	Same \$	30,000	-
17	Total				9,303,316		9,498,999	195,683
18	Revenue at present rates							9,303,316
19	Revenue at proposed rates							<u>9,498,999</u>
20	Total customer bills (TSI)	bills		3,060	1,385,125		565,444	
21	Total commodity delivered	mcf		<u>21,864,307</u>	4,623,819		5,358,422	
22	Other				3,294,373		3,575,133	
23	Total				9,303,316		9,498,999	
24						Increase needed		196,000

**PECO Gas
Proposed Rates- CGS (City Gate Service)**

		2007			2008 Future		2008 Revenue-	Increase
	<u>Basis</u>	<u>Rate</u>	<u>Units</u>	<u>2008 Revenue-</u>	<u>Proposed</u>	<u>Explanation</u>	<u>Proposed</u>	<u>Increase</u>
				<u>Present Rates</u>	<u>Rates</u>		<u>Rates</u>	<u>(Decrease)</u>
1 Acquisition service charge	bills	\$47.50	24	1,140	\$95.00	New CGS service charge	2,280	1,140
2 Total				1,140			2,280	1,140
3 Revenue at present rates								1,140
4 Revenue at proposed rates								2,280
5 Total customer bills (TSI)	bills		24	1,140			2,280	
6 Total commodity delivered	mcf		11,676					
7 Other								
8 Total				1,140			2,280	
9						Increase needed		1,000