

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

DOCKET NO. R-2008-2028394

PECO Energy Company

Exhibit to Accompany
Direct Testimony of Matthew R. Galvanoni

Depreciation Study -
**Estimated Annual Depreciation Accruals Related to
Utility Plant in Service for 2008**

Summary -

This exhibit includes the results of the depreciation study as related to the estimated original cost of the PECO Energy' s gas and common plant in service at December 31, 2008.

Related to Utility Plant In Service (Depreciable Plant) for 2008

In Curves, & 2008

2007 Gross Plant, Accumulated Reserve, & Net Plant - December 31, 2007

2008 Depreciation Rate	Gross Plant Cost - December 31, 2007	Accumulated Reserve - December 31, 2007	Depreciable Plant Net Book Value - December 31, 2007
	4,212,008.61	3,786,831.61	425,177.00
	872,396.60	581,736.20	290,660.40
	13,442,291.98	10,774,044.04	2,668,247.94
	5,987,131.12	3,702,215.08	2,284,916.04
	7,083,539.99	6,628,664.82	454,875.17
	714,448.25	481,302.06	233,146.19
	8,294,302.86	4,145,989.81	4,148,313.05
	2,177,625.79	1,564,592.36	613,033.43
	1,906,503.94	792,155.02	1,114,348.92
	1,119,784.05	713,701.88	406,082.17
	6,387,093.99	4,448,687.66	1,938,406.33
	14,436,068.93	4,042,576.92	10,393,492.01
	429,313,711.74	142,101,290.03	287,212,421.71
3.160%	23,810,128.23	13,796,038.63	10,014,089.60
2.116%	333,217,644.02	67,033,966.88	266,183,677.14
2.641%	12,342,096.51	4,874,023.96	7,468,072.55
1.820%	36,146,575.20	16,029,425.46	20,117,149.74
3.274%	78,373,548.99	18,356,644.17	60,016,904.82
2.745%	402,114,162.91	142,717,080.95	259,397,081.96
3.687%	62,192,854.45	22,889,855.52	39,302,998.93
2.653%	119,292,741.12	40,315,241.79	78,977,499.33
5.098%	3,003,497.74	140,749.89	2,862,747.85
3.291%	1,318,792.00	601,147.64	717,644.36
7.444%	5,273,475.03	1,661,193.72	3,612,281.31
2.841%	29,150.76	12,740.66	16,410.10
14.255%	0.00	192,507.49	(192,507.49)
100.000%	3,106,336.61	643,496.21	2,462,840.40
6.784%	2,203,196.15	679,469.37	1,523,726.78
17.228%	169,558.93	100,191.38	69,367.55
12.845%	60,592.02	60,592.02	0.00
	97,356,692.20	34,889,230.66	62,467,461.54
	1 -675,957,950.72	548,757,383.86	1,127,200,566.86

2008 Gross Plant - Beginning to Ending of Year

Gross Plant Cost - January 1, 2008	2008 Projected Plant Additions	2008 Gross Plant Retirements	Gross Plant Cost - December 31, 2008
4,212,008.61	0.00	0.00	4,212,008.61
872,396.60	0.00	0.00	872,396.60
13,442,291.98	0.00	0.00	13,442,291.98
5,987,131.12	43,808.73	(11,524.16)	6,019,415.69
7,083,539.99	112,245.97	(2,098.21)	7,193,687.75
714,448.25	86,172.14	(1,265.57)	769,354.82
8,294,302.86	470,388.67	(125,918.18)	8,638,773.35
2,177,625.79	144,810.73	(15,017.34)	2,307,419.19
1,906,503.94	26,166.90	(1,980.57)	1,930,690.27
1,119,784.05	0.00	0.00	1,119,784.05
6,387,093.99	227,883.65	(4-1,235.76)	6,573,741.89
14,436,068.93	69,382.99	(13,669.06)	14,491,782.86
429,313,711.74	9,006,764.84	(780,225-60)	437,154,250.99
23,810,128.23	776,601.25	(228,296.21)	24,358,433.27
333,217,644.02	20,413,341.50	(470,936.57)	353,160,048.95
12,342,096.51	369,633.84	(42,515.54)	12,669,214.81
36,146,575.20	1,200,770.54	(50,881.03)	37,296,464.71
78,373,548.99	5,505,925.73	(870,244.01)	83,009,230.71
402,114,162.91	15,563,980.81	(801,063.71)	416,877,080.01
62,192,854.45	1,513,196.78	0.00	63,706,051.23
119,292,741.12	3,541,035.69	(14,817.11)	122,818,959.70
3,003,497.74	698,935.59	(201,613.63)	3,500,819.70
1,318,792.00	0.00	0.00	1,318,792.00
5,273,475.03	744,779.91	(79,988.86)	5,938,266.09
29,150.76	0.00	0.00	29,150.76
0.00	517.25	0.00	517.25
3,106,336.61	422,913.39	0.00	3,529,250.00
2,203,196.15	0.00	(267,996.50)	1,935,199.65
169,558.93	1,694.90	0.00	171,253.83
60,592.02	0.00	0.00	60,592.02
97,172,129.75	4,858,524.62	(2,730,487.27)	99,300,167.11
1,675,113,388.27	65,769,476.42	(6,751,774.87)	1,734,791,089.82

2008 Accumulated Reserve - Beginning to Ending of Year

Accumulated Reserve - January 1, 2008	2008 Provision	2008 Retirements	2008 Cost of (Removal)/ Salvage	Accumulated Reserve - December 31, 2008	Depreciable Plant Net Book Value - December 31, 2008	Annualized Provision (2008 Provision Adjusted for Full-Year Depr for 2008 Plant Additions)
3,786,831.61	268,532.87	0.00	0.00	4,055,364.48	156,644.13	268,532.87
581,736.20	10,380.65	0.00	0.00	592,116.85	280,279.76	10,380.65
10,774,044.04	95,293.81	0.00	0.00	10,869,337.85	2,572,954.13	95,293.81
3,702,215.08	92,419.64	(11,524.16)	(7,341.12)	3,775,769.44	2,243,646.25	93,442.64
6,628,664.82	20,641.37	(2,098.21)	(10,072.34)	6,637,135.65	556,552.11	23,087.74
481,302.06	10,586.01	(1,265.57)	(5,336.11)	485,256.39	284,098.42	11,786.18
4,145,989.81	176,221.71	(125,918.18)	(44,070.76)	4,152,222.57	4,486,550.77	186,510.90
1,564,592.36	27,691.87	(15,017.34)	(13,715.66)	1,563,551.22	743,867.97	30,862.39
792,155.02	45,146.94	(1,980.87)	(2,482.22)	832,839.17	1,097,851.10	45,719.92
713,701.88	16,243.29	0.00	0.00	729,945.17	389,838.88	16,243.29
4,448,687.66	82,471.70	(41,235.76)	(18,888.50)	4,471,035.10	2,102,706.79	87,407.14
4,042,576.92	329,816.36	(13,669.06)	(18,086.17)	4,340,638.06	10,151,144.80	331,198.37
142,101,290.03	6,177,841.53	(780,225.60)	(485,359.36)	147,013,546.61	290,526,704.38	6,278,268.20
13,796,038.63	277,843.39	(228,296.21)	(235,991.59)	13,609,594.22	10,748,839.04	291,214.68
57,033,966.88	5,030,444.41	(470,936.57)	(15,393.62)	71,578,081.10	281,581,967.85	5,216,345.90
4,874,023.96	250,615.50	(42,515.54)	(3,659.04)	5,078,464.87	5,690,749.94	256,726.30
16,029,425.46	569,406.85	(50,881.03)	(51,768.13)	16,496,183.15	20,800,281.56	586,597.95
18,356,644.17	2,349,222.65	(870,244.01)	(1,893,009.23)	17,942,613.58	65,066,617.13	2,485,622.02
142,717,080.95	7,089,415.28	(801,063.71)	(87,032.55)	148,918,399.97	267,958,680.04	7,297,025.97
22,889,855.52	2,042,238.27	0.00	0.00	24,932,093.79	38,773,957.45	2,080,809.66
40,315,241.79	2,660,163.02	(14,817.11)	(166,865.64)	42,793,722.06	80,025,237.64	2,721,176.53
140,749.89	241,468.79	(201,613.63)	(63,177.17)	117,427.68	3,383,391.82	269,834.62
601,147.64	15,784.56	0.00	0.00	616,932.20	701,859.80	15,784.56
1,661,193.72	113,664.64	(79,988.86)	(32,392.05)	1,662,477.45	4,275,788.64	124,704.37
12,740.66	2,339.26	0.00	0.00	15,079.92	14,070.84	2,339.26
192,507.49	192,507.49	0.00	0.00	258.62	258.62	(191,990.24)
643,496.21	181,584.70	0.00	(4,728.20)	820,352.70	2,708,897.29	196,090.30
679,469.37	262,507.65	(267,996.50)	0.00	673,980.52	1,261,219.13	262,507.65
100,191.38	9,019.12	0.00	0.00	109,210.50	62,043.33	9,127.97
60,592.02	0.00	0.00	0.00	60,592.02	0.00	0.00
			262,435.71	39,197,698.45	60,102,468.66	7,410,098.29
548,691,243.14	135,099,387.02	(6,751,774.87)	(2,896,933.74)	574,141,921.56	1,160,649,168.26	36,512,749.88
	(1,313.1-3.29)					(1,381,914.73)
	33,786,263.73					35,130,835.16

and Gas Storage Plant are depreciated using a terminal date and as result do not have an Average Service Life and Dispersion Curve.

It utility accounts identified in the 2004 Service Life Study and the depreciation rates are calculated the same as Gas Plant. The Common Plant amounts are allocated to gas plant based on the Common Allocation Factor determined each year.

re different than the 2008 Gross Plant and Accumulated Reserve amounts since dJf-erenl Common Plant Allocation Factors are in existence for 2008 vs. 2007.

,n relating to PECO Fleet depreciation in the Gas Depreciable Plant Total row. PECO Fleet depreciation is revised and applied through a clearing account and redistributed to both capital and expense accounts/projects.

The amount of F-eet deDreci&tieR that is capitalized is included in the addition and related provision accounts.