PECO Energy Company
2026 Winter Readiness Overview
October 23, 2026

PECO Energy Company ("PECO" or the "Company"), through its Winter Readiness Program (the "Program"), is prepared to provide safe, least-cost, and reliable electric and natural gas service to its customers during the upcoming winter season.

The Program will ensure system reliability, maintains customer safety, and will aim for continuous improvement. The Program is extensive and requires the Company to review, inspect, maintain, and modify documents involving safety, corrective and preventative maintenance, scheduling, procedures, contracts, emergency preparedness, training, transmission, communications, natural gas supply and customer care – all prior to the winter period. PECO's Emergency Preparedness ("EP") organization manages the Program, which includes 428 items.

PECO's responses to the data requests from the Pennsylvania Public Utility Commission, pertaining to winter reliability, are set forth below.

A. Winter Readiness and Employee Safety / Readiness

As PECO prepares for winter, PECO's major areas of focus include, but are not limited to, the following:

i. General Safety/Readiness; Drills

PECO maintains year-round readiness through training, emergency response exercises, and adherence to Company procedures. To prepare for winter storms and other significant events, EP conducts drills and exercises to validate response procedures, resource coordination, communications, and restoration processes. PECO also maintains mutual assistance agreements with other utilities to ensure the availability of supplemental resources during major events. In 2026, EP hosted several drills and preparation exercises, discussed in more detail below:

- Emergency Operations Center ("EOC") drill simulated a severe weather event involving widespread outages, critical infrastructure impacts, high customer call volumes, mutual assistance requests, and logistics challenges to test EOC coordination and response capabilities.

- A Regional Storm Readiness drill simulated a severe weather event impacting the PECO service territory, with approximately 100,000 customers out of service. The exercise focused on regional storm center activation, damage assessment deployment, mutual assistance and contractor crew integration, resource allocation, and restoration activities.

- Adrill simulated a major storm, requiring activation of Primary and Secondary Operations, including damage assessors, wire watchers, road closure support, and estimated restoration time management.

- A road closure drill simulated widespread storm-related road closures resulting from heavy rain and high winds. The exercise validated activation procedures, dispatching processes, OMS reporting, governmental coordination, and communication protocols for road closure operations.

- A Wildfire Tabletop Exercise was conducted jointly with Vegetation Management using a scenario involving Red Flag Warnings and a rapidly spreading wildfire threatening transmission infrastructure. The exercise evaluated emergency communications and activations, infrastructure protection strategies, and coordination with external emergency response agencies.

On October 28, 2026, EP will host a Serious Injury and Fatality ("SIF") Drill with the support of PECO Security. During this drill, EP, Security, Field Supervisors, Operation Control Center Shift Managers, Safety, System Incident Commanders, Field Incident Commanders, Claims, Equipment Failure Investigators, Human Resources, Communications, and Legal will gather to drill through a proposed SIF scenario. The drill will provide a brief overview of the SIF roles and responsibilities and where to find relevant checklists and procedures. The exercise will include a breakout session, where attendees will work in groups to walk through a SIF Scenario and identify how they would respond. This collaboration will ensure that all roles and responsibilities are clear and communicated effectively, as well as to identify any procedures, documents or work practices that need to be created or modified. EP will continue to host these SIF Drills annually.

ii. Natural Gas System Readiness

PECO routinely performs numerous preventative maintenance activities, including regulator station and valve inspections; annual review/update of regulator pressure settings; and installation of temporary regulator stations to address zero-degree days. Winter-critical projects also are completed to eliminate pressure constraints that could exist during periods of high demand. For the 2026-2027 winter season, PECO identified three main projects required to withstand prolonged zero-degree temperatures. The Company completed all three of the identified projects prior to the heating season.

PECO's preparedness activities will enhance service reliability to customers during times of inclement weather. These activities include developing contingency plans, conducting leak surveys, monitoring capacity-constrained areas, readying snow removal equipment, and checking compressed natural gas ("CNG") trailers and portable CNG kits.

PECO also conducts several drills to prepare its natural gas distribution system for severe weather/operating conditions. Specifically, the Company's Winter Readiness Drill can simulate: 1) the effects of a zero-degree day; 2) severe winter weather (including ice, snow, and high winds); 3) facility damage, such as a main hit by a contractor (during winter conditions); and 4) Gas Mutual Assistance processes. To date, PECO has conducted three out of four readiness drills, which focused on potential system events that were identified and mitigated earlier, and the fourth is intended to be completed by early December 2026.

PECO also conducts a Gas Load Reduction Emergency procedure tabletop drill on an annual basis, in which personnel review all procedures related to a natural gas load reduction crisis. This year, the drill is scheduled to be completed on October 29, 2026.

EP is additionally involved in Storm Response, Mutual Assistance, Physical Security, and Cyber Security drills scheduled throughout the year. Other winter readiness efforts include increasing capacity to meet customer heating demands, entering into contracts to secure adequate supplies of natural gas, preparing vehicles for the winter, and utilizing snow removal vendors.

Further, PECO's liquefied natural gas ("LNG") peak shaving facility is filled to capacity as of September 25, 2026, and stands ready to supplement natural gas supplies during high demand days. PECO also fills its underground storage facilities (located off interstate pipelines) throughout the year, when prices are low, to provide customers with the most competitive price available. The Company's hedging activities lock in prices during the year to limit the amount of natural gas purchased during winter months, when natural gas market prices generally peak. As discussed below, PECO has sufficient supplies to meet the needs of its customers this winter. PECO also has tested its system and completed a full check of readiness tasks to ensure that reliable natural gas service will be delivered to customers.

iii. Frost Survey

PECO's Frost Survey protocols mitigate natural gas leaks by requiring proactive leak surveys of cast iron mains during the frost season when cast iron mains are more susceptible to breaks. These Frost Surveys are conducted per procedure from November 1 to April 1. Each year, on November 1, PECO begins to monitor low temperatures daily and executes Frost Surveys when specific frost temperature conditions exist. Once PECO observes a five-day rolling average low temperature of at least 32 degrees Fahrenheit, the Frost Surveys begin. The surveys are prioritized according to break history. Frost Surveys are discontinued once the five-day rolling average temperature rises above 32 degrees. This process continues through April 1.

PECO also performs accelerated Frost Surveys when conditions warrant additional action. For example, when PECO experiences three cast iron main breaks within a single day, the Company initiates accelerated surveys. During this time, PECO's Leak Survey mechanics conduct surveys on double shifts during a 48-hour period. Once the 48-hour period expires, PECO reverts back to its normal average low temperature-driven Frost Survey protocols.

iv. Emergency Dispatch

PECO's Emergency Response Organization provides the necessary management and support for emergency incidents, mitigates threats to public and personnel safety, and ensures safe and reliable delivery of service to customers. PECO's Emergency Response Plan incorporates an incident management approach to streamline and coordinate emergency response efforts.

PECO continues to establish the expectation that all natural gas emergency odor calls will be fielded within one hour. Additionally, PECO monitors the National Weather Service for winter storm warnings when the average daily temperature is forecasted to be five degrees Fahrenheit or

below. When such warnings are issued and a storm is likely, PECO will prepare and develop the appropriate response plan. As part of those plans, PECO personnel will be ready to respond to natural gas odor calls within one hour and clear ice and snow from natural gas meters and regulators.

B. Communications and Outreach

PECO's Communications and Outreach plan consists of distributing information via news releases, the PECO Connection website, social media, PECO's website, and customer and stakeholder newsletters. Through these channels, PECO highlights the work that is performed to provide safe and reliable electric and natural gas service during the winter months, information to help customers prepare their homes for colder weather, and natural gas safety tips.

In addition, PECO continues to promote a suite of enhanced online and mobile tools to give more control to customers and keep them better informed:

- Alerts: PECO customers have greater control and access to important account information through text message, email, or phone call. Customers can choose how they would like to receive information about outages, energy usage, billing, payment, and more.

- Website: PECO customers can move seamlessly through PECO.com across their electronic devices, and the website builds on existing tools, such as online outage reporting and the ability to monitor energy use. The site also incorporates enhanced security features to help protect customer information and to streamline navigation.

- Outage Map: This tool provides our customers with more information when service is interrupted, including the number of customers affected. The map also includes the cause of the outage, if a crew has been dispatched, and the estimated time for service restoration.

Finally, PECO has a crisis communications plan, which clearly establishes the roles, responsibilities, and guidelines necessary to maintain and enhance employee and public perceptions during operational emergencies and other situations. Specifically, the crisis communications plan is intended to:

1. Inform employees and the public about the Company's readiness and response efforts in an emergency/crisis that impacts operations, customer service and/or employee/public safety;
2. Demonstrate command and control during an emergency/crisis by defining clear roles and responsibilities and identifying available staffing/resources;

3. Ensure all external communications are coordinated with stakeholders; and communicate preparedness, response, and restoration efforts to key audiences.

4. Provide guidance and direction for communications activities during crisis management, helping to mitigate the crisis and expedite recovery.

This plan commences when a significant event occurs, which has the potential to generate extensive news media coverage and/or public scrutiny. For example, a significant system issue could affect the Company's normal operations and could also have political, legal and/or financial impact to the business. Similarly, a crisis could be caused by human error, mechanical problems, weather conditions or force majeure events. These types of events, revelations, allegations or circumstances threaten the integrity, reputation and/or survival of an individual or organization. PECO's crisis communications plan mitigates these threats by providing accurate and timely information to customers, employees, and key stakeholders. This strategy aids in event recovery and a return to normal operating conditions.

If a storm or significant event is expected to impact PECO's service territory, the Company will contact external stakeholders with information regarding PECO's preparations and what customers should do to prepare and stay safe. If PECO's Emergency Operations Center is activated, external stakeholders are notified and receive periodic updates from PECO's External Affairs Department with information regarding customer impacts by municipality and restoration strategies. In addition, PECO's External Affairs Department coordinates with regional emergency response centers across the service territory to offer PECO representation, either remotely or at each location, if needed. Conference calls are coordinated with Emergency Response Center Directors, Municipal Managers, and Elected Officials, if conditions warrant such a response.

C. Gas Supply and Planning

PECO will meet its obligation to provide least-cost natural gas service to its firm customers for the winter of 2026-2027 in a safe and reliable manner by utilizing various sources of firm transportation capacity, storage, and supply assets to meet design day demands.

i. Best Practices, Including Communications and Coordination, with Natural Gas Suppliers Ahead of Anticipated Peak Usage

PECO's Gas Transportation Department utilizes a program called "The Large Gas Customer Notification Program" to communicate to interruptible rate customers. Prior to a called interruption, PECO sends messages via the program's portal, notifying customers to stop burning gas and switch to an alternate fuel. Other notifications are also sent via this portal such as "cold weather coming" alerts. Suppliers and other internal PECO contacts (such as Account Managers) are also notified. In addition, as a courtesy, all Account Managers call their customers prior to any interruption, and PECO's Electronic Bulletin Board ("EBB") is updated with interruption messaging for those using the EBB.

PECO further participates in quarterly meetings with its affiliated gas utilities to discuss and share "best practices." The best practice meetings allow PECO to share and/or adopt best practices and continue to improve PECO's operations to provide the least-cost natural gas service to firm customers in a safe and reliable manner.

ii. Peak Design Day Evaluation

PECO uses a design temperature of zero degrees Fahrenheit – an average of hourly temperatures during a 24-hour period. The design temperature of zero degrees is a reasonable compromise between reliability and cost because it provides assurance that firm service customers are not likely to face supply interruptions, while keeping the costs for peak day capacity at an acceptable/reasonable level. For the 2026-2027 winter, PECO's design day is 926,731 Mcf or 958,239 Dth.

iii. System Supply Requirement Review – Resource Planning

To ensure PECO meets its firm delivery commitments, the Company applied a multi-tier approach to its capacity and supply utilization plan, including deliveries of supply from: (1) Firm Transportation ("FT") contracts; (2) firm contracted storage; and (3) on-system peak facilities or contracted peak deliveries.

PECO's FT contracts with interstate pipelines provide an integral part of its overall gas supply reliability plans. These contracts provide reliable firm delivery rights and geographic diversity of supply (through the firm supply receipt location capacity rights guaranteed in the contracts). This supply diversity has been further enhanced as Marcellus Shale supply has become more readily available.

PECO will supplement the supply from its 11 long-term natural gas supply contracts with supplies withdrawn from its six interstate storage contracts. PECO will also utilize its two peak-shaving facilities to inject firm supplies directly into the Company's distribution system (on an as-needed basis). PECO's LNG facility can provide 227,480 Dth on a peak day, and the Company's propane facility can provide another 25,750 Dth on a peak day. PECO has a peak-day firm deliverability surplus of 16,804 Dth for Winter 2026-2027.

iv. Interstate Supply and Contract Arrangements

PECO's annual firm transportation contracts with Texas Eastern and Transcontinental pipelines and Eastern Shore Natural Gas pipelines provide daily transportation capacity during the winter months. Under the foregoing contracts, PECO flows natural gas purchased under long-term, seasonal, and spot purchase agreements with the Company's suppliers, which represents about one-third of PECO's peak-day supply requirements. Under the Company's current supply contracts, PECO can purchase natural gas from numerous natural gas trading hubs and transport natural gas on a firm basis from receipt to delivery at PECO's city gates.

v. Utility and Contract Storage Inventory Delivery Plans

About one-third of PECO's design day requirements and one-third of PECO's total winter deliveries will be sourced via six interstate pipeline storage contracts. These storage contracts either include transportation or are matched with one of PECO's FT contracts to provide firm delivery. PECO's contract storage utilization plan ensures that the maximum withdrawal capability exists as a source of natural gas from December 1, 2026, through February 15, 2027. This

withdrawal capability is available because PECO's inventory (associated with any of the storage contracts) does not dip below levels that would trigger an automatic reduction of withdraw capability by the pipelines. PECO can inventory a total of 19 Bcf of natural gas under its six storage contracts. PECO's storage inventory will be at least 94 percent full by October 31, 2026. PECO must leave space in its inventory for injections that may be necessary due to warm days in November 2026.

As stated above, PECO also has on-system propane and LNG storage facilities. The inventory in these facilities is withdrawn in the winter when: (1) system demand projections exceed PECO's firm transportation and storage contract supplies; and (2) intraday changes in forecasted weather increase demand requirements so rapidly that unscheduled pipeline storage and transportation capacity could not be utilized. As of September 25, 2026, PECO's LNG facility, which has an inventory capacity of 1.2 Bcf, was 100 percent full, and the propane facility, which holds 1.98 million gallons of liquid propane, was 100% full as of September 2, 2026.

vi. Emergency Curtailment Plans

PECO's emergency curtailment plan has a three-phase approach:

1. Natural Gas Load Reduction Crisis Phase I: Request for voluntary load reductions;

2. Natural Gas Load Reduction Crisis Phase II: Mandatory reduction of industrial and commercial load; and

3. Natural Gas Load Reduction Crisis Phase III: Mandatory reduction of residential load

The curtailment crisis plan addresses a possible inability to meet firm natural gas demand, due to inadequate supply predicated by pipeline Company delivery issues, peak shaving facility issues or a distribution system infrastructure event.

In addition, PECO conducts a test of its customer notification system in which a text message, email, and/or an audio message is sent to all customers served under PECO's various interruptible natural gas rates. These customers are notified to curtail their use of natural gas. The annual test for Winter 2026-2027 will be held on November 5, 2026.

vii. Weather and Forecasting

As PECO's natural gas demand is highly temperature driven, the Company relies on several weather forecasting services and tools to aid in projecting natural gas system demand. For example, PECO's Gas Supply and Transportation Department, which has the responsibility of ensuring adequate supply, will review forecasts from DTN. These forecasts are used to make and adjust supply contingency plans, storage management, and purchasing requirements to ensure overall least cost and reliability.

PECO's Gas System Operators ("GSOs") are responsible for forecasting short-term load requirements (one to four days) and rely on DTN to provide the weather forecast to aid the GSOs

in this process. GSOs utilize historic data accessing Supervisory Control and Data Acquisition historic demand information and analyze variables, including temperature, time of year, wind speed, and warming and cooling trends, when making their short-term forecasts. The forecasted demand information is forwarded to Gas Supply and Transportation, which uses the data in its daily natural gas demand load balancing process.

D. Natural Gas Demand from Electric Generators

PECO does not have concerns about fuel availability during the winter season despite increased demand for natural gas as an electric generation fuel source. As discussed above regarding natural gas supply, PECO relies on firm transportation, storage, supply contracts, and on-system assets to meet the Company's winter demand. Under the terms of the Company's contracts, the counterparties are required to deliver as contracted. Due in part to the robust availability of Marcellus and other shale gas supplies, PECO believes that sufficient supply will be available to meet its winter requirements.

To date, PECO has not experienced an increase in electric generation demand on its distribution system, which jeopardizes its ability to serve firm customers. In addition, PECO's tariff provisions, and its enforcement of those provisions as they apply to electric generation customers, provide appropriate protections for PECO's other natural gas customers. Electric generation deliveries and balancing requirements therefore do not currently jeopardize PECO's ability to reliably serve its firm customers.

Looking forward, however, PECO recognizes that the natural gas and electric generation landscape is evolving, particularly with the potential development of large-load customers such as artificial intelligence data centers. Data centers can require substantial amounts of electricity, and where incremental electric demand is served by natural gas-fired generation, this growth could result in additional demand for natural gas supply, interstate pipeline transportation, and storage services.

Depending on the location, timing, magnitude, and operating characteristics of this new generation demand, PECO anticipates that constraints could develop on the electric grid and interstate natural gas transportation and storage infrastructure if sufficient incremental infrastructure is not developed. In particular, the ability of pipelines, storage facilities, and generation resources to accommodate significant variations or "swing" in demand may warrant additional consideration as the market develops.

At this time, however, the market associated with AI data centers and the generation needed to serve them remains relatively new and continues to evolve. Accordingly, PECO believes it is premature to reliably predict the magnitude, timing, or location of incremental natural gas demand or the extent to which that demand could affect interstate pipeline and storage capacity. PECO will continue to monitor these developments and evaluate their potential implications for the Company's gas supply portfolio and its ability to reliably serve firm customers.

As part of its ongoing supply planning process, PECO continues to evaluate pipeline open seasons and capacity made available through permanent capacity releases to determine whether

new, cost-effective, firm natural gas transportation alternatives to PECO's city gate become available. Each opportunity is evaluated to determine whether participation is necessary to meet projected increases in firm demand or whether the project represents a reliable, least-cost alternative to an existing transportation or storage contract approaching expiration. Projects are also reviewed based on their ability to deliver firm natural gas from reliable, liquid supply markets and their compatibility with PECO's existing contracts and load profile.