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June 18, 2010

Ms. Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street.  
Harrisburg, PA 17105-3265

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**SUBJECT:** PECO Energy Company's 2010 Annual Depreciation Report,  
M-110550 and 122300 F2010 ADR

Dear Secretary Chiavetta:

In accordance with Sections 73.3 and 73.4 of the Pennsylvania Public Utility Code, enclosed please find an original and two copies of PECO Energy Company's ("PECO") 2010 Annual Depreciation Report for the year ended December 31, 2009. A CD-ROM is also provided that contains the copy of this filing. Please note that PECO's 2008 Electric, Gas, and Common Plant Service Life Study Report was filed on April 30, 2010.

Please date-stamp the enclosed extra copy of this letter as proof of filing and return it in the envelope provided.

Thank you for your assistance in this matter. If you have any questions, please call me at 215-841-5777.

Sincerely,

Enclosures

cc: Office of Special Assistants (including CD-ROM)  
Office of Consumer Advocate  
Office of Small Business Advocate  
J. E. Simms, Director, Office of Trial Staff  
Bureau of Fixed Utility Services (including CD-ROM)

**PECO ENERGY COMPANY**  
**2010 ANNUAL DEPRECIATION REPORT**

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PECO Energy Company  
2010 Annual Depreciation Report  
Executive Summary

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**Depreciation Methods**

The depreciation methods utilized in the 2010 Annual Depreciation Report are consistent with those utilized in the 2009 Annual Depreciation Report. Such methods are as follows:

**Electric and Common Plant** - The Company uses the straight line method, remaining life technique, average service life group procedure for electric and common plant which is consistent with accepted Pennsylvania Public Utility Commission (Pa PUC) practices.

The Iowa curves for the Electric Distribution, General, and Common accounts that are the basis of the Company's depreciation calculations were developed in the 2004 Service Life Study and filed August 31, 2005 in accordance with Section 73.5 of the Public Utility Code.

**Gas Plant** - The remaining life method of depreciation is also used for gas plant. The life span procedure is applied to the city gate station facilities, the propane air plant at Tilghman Street, and the liquefied natural gas storage (LNG) plant at West Conshohocken. The average service life group procedure is applied to all other gas plant. The terminal dates and the Iowa curves were developed in the 2004 Service Life Study and filed August 31, 2005 in accordance with Section 73.5 of the Public Utility Code.

**Net Negative Salvage Methodology**

The remaining life technique of depreciation incorporates the recovery of net negative salvage through the depreciation accrual without any additional adjustments. Basically, depreciation expense is calculated by taking the value of plant in service less the book reserve, divided by the remaining life. Since salvage and removal cost are part of the book reserve, the unrecovered net negative salvage is recovered over the remaining life of the plant. This treatment was reviewed and found acceptable by the Pa PUC in the Company's most recent electric and gas rate proceedings, R-891364 and R-2008-2028394, respectively.

## **Depreciation Expense Comparison**

Attachments A, B, and C provide a comparison of 2009, 2008 and 2007 depreciation expense by class of service, functional grouping, and plant account.

### **Attachment A - Electric Plant Depreciation Expense**

The change in electric plant depreciation in 2008 and 2009 is primarily due to additions to plant in service exceeding reductions to the depreciable base from depreciation.

### **Attachment B - Gas Plant Depreciation Expense**

The change in gas plant depreciation in 2008 and 2009 is primarily due to additions to plant in service exceeding reductions to the depreciable base from depreciation.

### **Attachment C - Common Plant Depreciation Expense**

The change in common plant depreciation in 2008 and 2009 is primarily due to additions to plant in service exceeding reductions to the depreciable base from depreciation. The increase in depreciation in 2008 is primarily attributable to a new software application supporting automation of field service work crew's activities.

## **Information Provided on CD-ROM**

The following summary and detail data are provided on CD-ROM:

1. Electric and Gas functional group summaries, including respective allocated common plant.
2. Calculation of the factors used in 2009 to allocate common plant.
3. Additional data for PECO by Functional Class and FERC Account showing year-end plant in service, current year accrual, year-end reserve and net plant .
4. Book life by FERC Account.

## PECO ENERGY COMPANY

## 2010 Annual Depreciation Report - Executive Summary

## Comparison of 2007 thru 2009 Depreciation Expense

(in \$ thousands)

Depreciation Expense						2009 vs 2008	2009 vs 2008
Account	2009	2008	2007	\$ Change	% Change		
<b>ELECTRIC</b>							
<b>Intangible Plant</b>							
303	\$138	\$2	\$0	\$136		Large*	
Total	\$138	\$2	\$0	\$136		Large*	
*Large: Significant percentage change resulting from small absolute dollar values.							
<b>Transmission Plant</b>							
352	\$522	\$536	\$512	(\$14)		-3%	
353	7,492	6,744	6,357	748		11%	
354	3,155	3,162	3,182	(7)		0%	
355	182	132	133	50		38%	
356	2,037	1,925	1,934	113		6%	
357	202	203	257	(1)		-1%	
358	1,136	1,145	1,141	(8)		-1%	
359	19	20	21	(1)		-6%	
Total	\$14,745	\$13,867	\$13,537	\$878		6%	
<b>Distribution Plant</b>							
361	\$1,192	\$1,109	\$1,090	\$83		7%	
362	16,289	14,955	14,021	1,333		9%	
364	9,892	9,571	9,184	321		3%	
365	15,341	14,556	13,387	785		5%	
366	4,242	3,946	3,819	296		7%	
367	14,855	13,972	12,914	883		6%	
368	7,400	7,077	6,667	323		5%	
369	7,025	6,937	6,667	88		1%	
370	9,961	10,421	10,330	(460)		-4%	
371	5	5	5	(0)		0%	
373	2,161	2,337	2,189	(175)		-7%	
Total	\$88,363	\$84,886	\$80,273	\$3,477		4%	
<b>General Plant</b>							
390	\$416	\$417	\$415	(\$1)		0%	
391	873	2,693	2,896	(1,819)		-68%	
393	45	45	46	(0)		0%	
394	833	824	859	9		1%	
395	46	45	49	2		4%	
397	193	123	102	70		57%	
398	255	272	288	(17)		-6%	
Total	\$2,662	\$4,419	\$4,655	(\$1,756)		-40%	
<b>TOTAL</b>							
<b>ELECTRIC</b>	\$105,908	\$103,173	\$98,465	\$2,735		3%	

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**PECO ENERGY COMPANY**  
**2010 Annual Depreciation Report - Executive Summary**  
**Comparison of 2007 thru 2009 Depreciation Expense**  
**(in \$ thousands)**

**PA PUBLIC UTILITY COMMISSION**  
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Account	Depreciation Expense			2009 vs 2008	2009 vs 2008
	2009	2008	2007	\$ Change	% Change
<b>GAS</b>					
Intangible Plant					
1303	\$354	\$330	\$283	\$24	7%
Total	\$354	\$330	\$283	\$24	7%
Production Plant					
1305	\$10	\$10	\$10	\$0	0%
1311	95	95	95	0	0%
Total	\$106	\$106	\$106	\$0	0%
Storage Plant					
1361	\$91	\$91	\$91	\$0	0%
1362	18	18	17	(0)	0%
1363	403	352	337	51	15%
Total	\$513	\$462	\$445	\$51	11%
Distribution Plant					
1375	\$312	\$324	\$324	(\$11)	-4%
1376	11,863	11,527	10,956	336	3%
1377	0	0	0	0	0%
1378	249	245	238	4	1%
1379	603	576	546	27	5%
1380	9,673	9,350	8,878	323	3%
1381	2,051	2,017	1,971	34	2%
1382	2,683	2,752	2,585	(70)	-3%
1387	252	268	163	(16)	-6%
Total	\$27,686	\$27,060	\$25,662	\$626	2%
General Plant					
1390	\$101	\$101	\$99	\$0	0%
1391	5	(190)	(352)	195	-103%
1394	229	196	158	33	17%
1395	227	243	252	(16)	-6%
1398	8	8	8	(0)	0%
Total	\$571	\$359	\$165	\$212	59%
<b>TOTAL GAS</b>	<b>\$29,230</b>	<b>\$28,317</b>	<b>\$26,661</b>	<b>\$913</b>	<b>3%</b>

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## PECO ENERGY COMPANY

## 2010 Annual Depreciation Report - Executive Summary

## Comparison of 2007 thru 2009 Depreciation Expense

(in \$ thousands)

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Account	Depreciation Expense			2009 vs 2008	2009 vs 2008
	2009	2008	2007	\$ Change	% Change
<b>COMMON</b>					
General Plant					
4303	\$14,265	\$12,453	\$10,867	\$1,811	15%
4390	4,263	4,331	4,154	(67)	-2%
4391	6,511	7,408	6,783	(896)	-12%
4393	110	110	125	(1)	-1%
4394	297	314	379	(16)	-5%
4397	1,259	1,246	1,150	13	1%
4398	66	64	67	2	3%
4399	0	0	0	0	0%
Total	\$26,771	\$25,926	\$23,525	\$845	3%
Transportation (See Note Below)					
4392	\$5,567	\$5,753	\$5,421	(\$186)	-3%
4394	371	392	396	(22)	-6%
4396	10	11	19	(1)	-11%
Total	\$5,947	\$6,156	\$5,837	(\$209)	-3%
<b>TOTAL COMMON</b>	<b>\$32,718</b>	<b>\$32,082</b>	<b>\$29,362</b>	<b>\$636</b>	<b>2%</b>

**Note:** Fleet depreciation is charged to a clearing account and then allocated between capital and expense. These amounts represent the total fleet depreciation prior to allocation between capital and expense.

**2010 Annual Depreciation Report  
Comparative Analysis of Electric Utilities  
Years Ended December 31, 2009/2008/ 2007  
PECO Energy Company ADR 110550**

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INTANGIBLE PLANT	2009	2008	2007
Original Cost (Depreciable)	2,220,610	235,146	
Book Accrued Depreciation	139,692	1,960	
Book Reserve % of O. C.	6.29%	0.83%	
Original Cost Depreciated	2,080,918	233,186	
Annual Depreciation Expense	137,732	1,960	
Annual % of O. C.	6.20%	0.83%	

TRANSMISSION PLANT	2009	2008	2007
Original Cost (Depreciable)	968,557,056	925,122,959	889,486,706
Book Accrued Depreciation	426,016,805	429,854,989	417,985,792
Book Reserve % of O. C.	43.98%	46.46%	46.99%
Original Cost Depreciated	542,540,251	495,267,970	471,510,914
Annual Depreciation Expense	14,745,295	13,866,796	13,536,761
Annual % of O. C.	1.52%	1.50%	1.52%

DISTRIBUTION PLANT	2009	2008	2007
Original Cost (Depreciable)	4,282,536,211	4,095,834,821	3,901,757,024
Book Accrued Depreciation	1,271,713,105	1,204,310,866	1,159,470,502
Book Reserve % of O. C.	29.70%	29.40%	29.72%
Original Cost Depreciated	3,010,823,107	2,891,523,953	2,742,286,522
Annual Depreciation Expense	88,363,107	84,885,938	80,273,481
Annual % of O. C.	2.06%	2.07%	2.06%

GENERAL PLANT	2009	2008	2007
Original Cost (Depreciable)	54,870,646	50,375,162	57,751,145
Book Accrued Depreciation	18,446,322	16,092,328	20,789,531
Book Reserve % of O. C.	33.62%	31.94%	36.00%
Original Cost Depreciated	36,424,324	34,282,834	36,961,614
Annual Depreciation Expense	2,661,302	4,418,703	4,654,614
Annual % of O. C.	4.85%	8.77%	8.06%

ALLOCATED COMMON PLANT (including Transportation)	2009	2008	2007
Original Cost (Depreciable)	403,814,303	385,835,616	364,049,432
Book Accrued Depreciation	160,045,600	142,763,661	130,440,144
Book Reserve % of O. C.	39.63%	37.00%	35.83%
Original Cost Depreciated	243,768,703	243,071,955	233,609,288
Annual Depreciation Expense	25,925,906	25,357,489	23,166,660
Annual % of O. C.	6.42%	6.57%	6.36%

TOTAL COMPANY	2009	2008	2007
Original Cost (Depreciable)	5,711,998,825	5,457,403,703	5,213,054,307
Book Accrued Depreciation	1,876,361,523	1,793,023,805	1,728,685,989
Book Reserve % of O. C.	32.85%	32.85%	33.16%
Original Cost Depreciated	3,835,637,302	3,664,379,898	3,484,368,338
Annual Depreciation Expense	131,833,343	128,530,886	121,631,516
Annual % of O. C.	2.31%	2.36%	2.33%

NON-DEPRECIABLE PLANT	2009	2008	2007
Land and Land Rights - Electric	102,060,140	101,940,720	101,815,406
Land and Land Rights - Allocated Common	5,371,139	5,357,582	5,357,264
Intangible Property - Electric	162,934	162,934	162,934
Intangible Property - Allocated Common	536,562	535,203	534,260
<b>Total Non-Depreciable Plant</b>	<b>108,130,776</b>	<b>107,996,439</b>	<b>107,869,865</b>

Plant Held for Future Use	2009	2008	2007
Plant Held for Future Use - Electric	2,197,263	1,861,075	2,644,418
Plant Held for Future Use - Allocated Common	11,212	11,184	11,164
<b>Total Plant Held for Future Use</b>	<b>2,208,475</b>	<b>1,872,259</b>	<b>2,655,582</b>

TOTAL PLANT IN SERVICE	2009	2008	2007
	<b>6,822,338,076</b>	<b>5,567,272,401</b>	<b>5,323,579,753</b>

**2010 Annual Depreciation Report  
Comparative Analysis of Gas Utilities  
Years Ended December 31, 2009/2008/ 2007  
PECO Energy Company ADR 122300**

<b>INTANGIBLE PLANT</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
Original Cost (Depreciable)	5,666,257	4,788,209	4,212,009
Book Accrued Depreciation	4,471,583	4,117,173	3,786,832
Book Reserve % of O. C.	78.92%	85.99%	89.91%
Original Cost Depreciated	1,194,674	671,036	425,177
Annual Depreciation Expense	354,410	330,341	283,451
Annual % of O. C.	6.25%	6.90%	6.73%

**PRODUCTION PLANT**

Original Cost (Depreciable)	14,314,689	14,314,689	14,314,689
Book Accrued Depreciation	11,567,131	11,461,455	11,355,780
Book Reserve % of O. C.	80.81%	80.07%	79.33%
Original Cost Depreciated	2,747,558	2,853,233	2,958,909
Annual Depreciation Expense	105,675	105,675	105,675
Annual % of O. C.	0.74%	0.74%	0.74%

**STORAGE PLANT**

Original Cost (Depreciable)	35,199,132	35,145,858	33,670,430
Book Accrued Depreciation	23,370,143	22,938,854	22,477,309
Book Reserve % of O. C.	66.39%	65.27%	66.76%
Original Cost Depreciated	11,828,989	12,207,004	11,193,121
Annual Depreciation Expense	512,635	461,546	444,851
Annual % of O. C.	1.46%	1.31%	1.32%

**DISTRIBUTION PLANT**

Original Cost (Depreciable)	1,608,285,168	1,562,214,925	1,515,561,822
Book Accrued Depreciation	502,930,934	485,152,644	472,898,043
Book Reserve % of O. C.	31.27%	31.06%	31.20%
Original Cost Depreciated	1,105,354,234	1,077,062,281	1,042,663,779
Annual Depreciation Expense	27,686,189	27,060,486	25,661,907
Annual % of O. C.	1.72%	1.73%	1.69%

**GENERAL PLANT**

Original Cost (Depreciable)	12,635,021	11,922,502	10,842,308
Book Accrued Depreciation	4,002,217	3,569,114	3,350,190
Book Reserve % of O. C.	31.68%	29.94%	30.90%
Original Cost Depreciated	8,632,805	8,353,389	7,492,118
Annual Depreciation Expense	570,614	358,697	164,710
Annual % of O. C.	4.52%	3.01%	1.52%

**ALLOCATED COMMON PLANT**

Original Cost (Depreciable)	105,794,863	102,316,732	97,356,692
Book Accrued Depreciation	41,930,170	37,858,380	34,883,232
Book Reserve % of O. C.	39.63%	37.00%	35.83%
Original Cost Depreciated	63,864,693	64,458,352	62,473,460
Annual Depreciation Expense	6,792,299	6,724,354	6,195,393
Annual % of O. C.	6.42%	6.57%	6.36%

**TOTAL COMPANY**

Original Cost (Depreciable)	1,781,895,129	1,730,702,915	1,675,957,950
Book Accrued Depreciation	588,272,176	565,097,620	548,751,386
Book Reserve % of O. C.	33.01%	32.65%	32.74%
Original Cost Depreciated	1,193,622,953	1,165,605,295	1,127,206,564
Annual Depreciation Expense	36,021,823	35,041,100	32,855,987
Annual % of O. C.	2.02%	2.02%	1.96%

<b>NON-DEPRECIABLE PLANT</b>			
Land and Land Rights - Gas	2,869,449	2,958,702	2,905,967
Land and Land Rights - Common	1,407,179	1,420,735	1,432,678
Intangible Property - Gas	50,033	50,033	50,033
Intangible Property - Common	140,573	141,933	142,876
<b>Total Non-Depreciable Plant</b>	<b>4,467,234</b>	<b>4,571,402</b>	<b>4,531,553</b>

**Plant Held for Future Use**

Plant Held for Future Use - Gas	0	0	0
Plant Held for Future Use - Allocated Common	2,938	2,966	2,986
<b>Total Plant Held for Future Use</b>	<b>2,938</b>	<b>2,966</b>	<b>2,986</b>

<b>TOTAL PLANT IN SERVICE</b>	<b>1,786,365,301</b>	<b>1,735,277,283</b>	<b>1,680,492,489</b>
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**PECO Energy Company**  
**Development of Factors for Allocation of Common Plant - 2009**

	[A]	[B]	[C]	
	Plant in Service	Total Revenue	Total Customers	Allocation Factors
<b>Electric</b>	5,410,407,597	4,359,416,591	1,562,845	
<b>Gas</b>	1,679,019,750	759,620,484	486,692	
<b>Subtotal</b>	<b>7,089,427,346</b>	<b>5,119,037,075</b>	<b>2,049,537</b>	
<b>Common</b>	517,064,619			
<b>Total</b>	<b>7,606,491,965</b>			
<b>Allocation Factors: (%)</b>				
<b>Electric</b>	76.32%	85.16%	76.25%	79.24%
<b>Gas</b>	23.68%	14.84%	23.75%	20.76%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

PECO Energy Company  
Net Plant as of December 31, 2009

TYPE	Plant Category	FERC ACCT	Acct Description	Asset Balance at 12/31/2009	Less: Non Depreciable	Depreciable Asset Balance 12/31/2009	Reserve - 12/31/2009	Net Plant
COMMON	General Plant	301	301 Organization	677,136	(677,136)	0	0	0
COMMON	General Plant	303	303 Software	125,078,983		125,078,983	73,265,698	51,813,285
COMMON	General Plant	389	389 Land and Land Rights	6,778,318	(6,778,318)	0	0	0
COMMON	General Plant	390	390 Structures and Improvements	238,251,821		238,251,821	71,068,189	167,183,633
COMMON	General Plant	391	391 Office Furniture and Equipment	39,825,139		39,825,139	20,345,462	19,479,678
COMMON	General Plant	392	Transportation Equipment	63,842,928		63,842,928	26,352,485	37,490,444
COMMON	General Plant	393	Stores Equipment	1,359,521		1,359,521	210,131	1,149,389
COMMON	General Plant	394	Tools, Shop, Garage Equipmnt	9,095,916		9,095,916	5,951,315	3,144,601
COMMON	General Plant	396	Power Operated Equipment	185,066		185,066	141,821	43,245
COMMON	General Plant	397	Communication Equipment	31,065,514		31,065,514	4,493,926	26,571,588
COMMON	General Plant	398	Miscellaneous Equipment	904,277		904,277	146,744	757,533
COMMON	General Plant	399	ARC	0		0	0	0
<b>COMMON PLANT GRAND TOTAL</b>				<b>517,064,619</b>	<b>(7,455,453)</b>	<b>509,609,165</b>	<b>201,975,769</b>	<b>307,633,396</b>
GAS	Intangible Plant	G302	Franchises & Consents	50,033	(50,033)	0	0	0
GAS	Intangible Plant	G303	Intangible Property	5,666,257		5,666,257	4,471,583	1,194,674
<b>Intangible Plant</b>				<b>5,716,290</b>	<b>(50,033)</b>	<b>5,666,257</b>	<b>4,471,583</b>	<b>1,194,674</b>
GAS	Production Plant	G305	Structures and Improvements	872,397		872,397	602,498	269,899
GAS	Production Plant	G311	Liquefied Petroleum Gas Eqp	13,442,292		13,442,292	10,964,633	2,477,659
<b>Production Plant</b>				<b>14,314,689</b>	<b>0</b>	<b>14,314,689</b>	<b>11,567,131</b>	<b>2,747,558</b>
GAS	Storage	G360	Land and Land Rights	15,948	(15,948)	0	0	0
GAS	Storage	G361	Structures & Improvements	5,987,131		5,987,131	3,885,008	2,102,123
GAS	Storage	G362	Gas Holders	7,083,540		7,083,540	6,665,055	418,485
GAS	Storage	G363	Gas Storage Equipment	22,128,461		22,128,461	12,820,079	9,308,381
<b>Storage</b>				<b>35,215,079</b>	<b>(15,948)</b>	<b>35,199,132</b>	<b>23,370,143</b>	<b>11,828,989</b>
GAS	Distribution Plant	G374	Land and Land Rights	2,853,501	(2,853,501)	0	0	0
GAS	Distribution Plant	G375	Structures and Improvements	13,683,416		13,683,416	3,925,910	9,757,506
GAS	Distribution Plant	G376	Gas Mains	840,681,772		840,681,772	240,206,677	600,475,095
GAS	Distribution Plant	G377	Compressor Station Equipment	0		0	0	0
GAS	Distribution Plant	G378	Measure & Regulate Sta Equip	12,837,791		12,837,791	5,271,496	7,566,295
GAS	Distribution Plant	G379	City Gate Station	38,325,710		38,325,710	15,983,743	22,341,968
GAS	Distribution Plant	G380	Services	513,180,348		513,180,348	171,144,601	342,035,747
GAS	Distribution Plant	G381	Meters	64,114,540		64,114,540	24,568,445	39,546,095
GAS	Distribution Plant	G382	Meter Installations	122,242,648		122,242,648	42,012,685	80,229,963
GAS	Distribution Plant	G387	Other Equipment	1,900,151		1,900,151	(623,171)	2,723,322
GAS	ARC	G388	ARC	1,318,792		1,318,792	640,549	678,243
<b>Distribution Plant</b>				<b>1,611,138,669</b>	<b>(2,853,501)</b>	<b>1,608,285,168</b>	<b>502,930,934</b>	<b>1,105,354,234</b>
GAS	General Plant	G390	Structures & Improvements	5,273,475		5,273,475	1,863,482	3,409,993
GAS	General Plant	G391	Office Furniture & Equipment	49,583		49,583	20,614	28,969
GAS	General Plant	G394	Tools, Shop & Garage Equip	5,157,123		5,157,123	1,069,633	4,087,489
GAS	General Plant	G395	Laboratory Equipment	1,924,691		1,924,691	870,898	1,053,793
GAS	General Plant	G398	Miscellaneous Equipment	169,558		169,558	116,998	52,560
GAS	General Plant	G399	Other Tangible Property	60,592		60,592	60,592	0
<b>General Plant</b>				<b>12,635,021</b>	<b>0</b>	<b>12,635,021</b>	<b>4,002,217</b>	<b>8,632,805</b>
<b>GAS PLANT GRAND TOTAL</b>				<b>1,679,019,750</b>	<b>(2,919,482)</b>	<b>1,676,100,268</b>	<b>546,342,006</b>	<b>1,129,758,260</b>

PECO Energy Company  
 Net Plant as of December 31, 2009

TYPE	Plant Category	FERC ACCT	Acct Description	Asset Balance at 12/31/2009	Less: Non Depreciable	Depreciable Asset Balance 12/31/2009	Reserve - 12/31/2009	Net Plant
ELECTRIC	INTANGIBLE PLANT	E302	MISC INTANGIBLE PLANT	162,934	(162,934)	0	0	0
ELECTRIC	INTANGIBLE PLANT	E303	MISC INTANGIBLE PLANT	2,220,610		2,220,610	139,692	2,080,918
<b>Intangible Plant Total</b>				<b>2,383,544</b>	<b>(162,934)</b>	<b>2,220,610</b>	<b>139,692</b>	<b>2,080,918</b>
ELECTRIC	Transmission Plant	E350	Land and Land Rights	60,604,016	(60,604,016)	0	(0)	0
ELECTRIC	Transmission Plant	E352	Structures and Improvements	27,986,237		27,986,237	15,498,584	12,487,653
ELECTRIC	Transmission Plant	E353	Station Equipment	465,331,266		465,331,266	158,814,747	306,516,519
ELECTRIC	Transmission Plant	E354	Towers and Fixtures	237,311,349		237,311,349	134,972,478	102,338,871
ELECTRIC	Transmission Plant	E355	Poles and Fixtures	8,797,921		8,797,921	1,574,125	7,223,795
ELECTRIC	Transmission Plant	E356	Overhead Conductors, Devices	137,406,264		137,406,264	73,295,938	64,110,326
ELECTRIC	Transmission Plant	E357	Underground Conduit	11,151,453		11,151,453	3,562,233	7,589,220
ELECTRIC	Transmission Plant	E358	Undergmd Conductors, Devices	77,694,835		77,694,835	35,839,947	41,854,888
ELECTRIC	Transmission Plant	E359	Roads and Trails	2,054,612		2,054,612	1,894,406	160,207
ELECTRIC	Transmission Plant	E359.1	ARC	823,117		823,117	564,346	258,771
<b>Transmission Plant Total</b>				<b>1,029,161,072</b>	<b>(60,604,016)</b>	<b>968,557,056</b>	<b>426,016,805</b>	<b>542,540,250</b>
ELECTRIC	Distribution Plant	E360	Land and Land Rights	39,849,506	(39,849,506)	0	0	0
ELECTRIC	Distribution Plant	E361	Structures and Improvements	67,136,040		67,136,040	30,008,569	37,127,471
ELECTRIC	Distribution Plant	E362	Station Equipment	772,474,929		772,474,929	321,273,302	451,201,627
ELECTRIC	Distribution Plant	E364	Poles, Towers and Fixtures	509,826,611		509,826,611	108,878,791	400,947,820
ELECTRIC	Distribution Plant	E365	Overhead Conductors, Devices	788,093,349		788,093,349	197,979,719	590,113,629
ELECTRIC	Distribution Plant	E366	Underground Conduit	302,392,528		302,392,528	128,234,127	174,158,401
ELECTRIC	Distribution Plant	E367	Undergmd Conductors, Devices	807,382,158		807,382,158	136,778,367	670,603,791
ELECTRIC	Distribution Plant	E368	Line Transformers	443,162,062		443,162,062	153,364,693	289,797,369
ELECTRIC	Distribution Plant	E369	Services	357,186,497		357,186,497	97,828,152	259,358,345
ELECTRIC	Distribution Plant	E370	Meters	180,761,794		180,761,794	69,380,399	111,381,395
ELECTRIC	Distribution Plant	E371	Installs on Customer Premiss	1,030,123		1,030,123	913,552	116,571
ELECTRIC	Distribution Plant	E373	Street Lighting,Signal System	50,445,564		50,445,564	25,976,852	24,468,712
ELECTRIC	Distribution Plant	E374	ARC	2,644,557		2,644,557	1,096,581	1,547,976
<b>Distribution Plant Total</b>				<b>4,322,385,717</b>	<b>(39,849,506)</b>	<b>4,282,536,211</b>	<b>1,271,713,105</b>	<b>3,010,823,107</b>
ELECTRIC	General Plant	E389	Land and Land Rights	1,606,618	(1,606,618)	0	0	0
ELECTRIC	General Plant	E390	Structures and Improvements	24,032,361		24,032,361	9,860,447	14,171,915
ELECTRIC	General Plant	E391	Office Furniture, Equipment	4,950,406		4,950,406	2,410,890	2,539,516
ELECTRIC	General Plant	E393	Stores Equipment	882,194		882,194	474,217	407,977
ELECTRIC	General Plant	E394	Tools, Shop, Garage Equipmnt	12,830,528		12,830,528	1,466,209	11,364,319
ELECTRIC	General Plant	E395	Laboratory Equipment	707,425		707,425	324,322	383,103
ELECTRIC	General Plant	E397	Communication Equipment	6,574,673		6,574,673	2,531,797	4,042,876
ELECTRIC	General Plant	E398	Miscellaneous Equipment	2,751,829		2,751,829	1,280,575	1,471,254
ELECTRIC	General Plant	E399	ARC	141,229		141,229	97,865	43,364
<b>General Plant Total</b>				<b>56,477,264</b>	<b>(1,606,618)</b>	<b>54,870,646</b>	<b>18,446,322</b>	<b>36,424,323</b>
<b>ELECTRIC PLANT GRAND TOTAL</b>				<b>5,410,407,597</b>	<b>(102,223,075)</b>	<b>5,308,184,522</b>	<b>1,716,315,923</b>	<b>3,591,868,597</b>
<b>TOTAL</b>				<b>7,606,491,965</b>	<b>(112,598,010)</b>	<b>7,493,893,955</b>	<b>2,464,633,699</b>	<b>5,029,260,253</b>

<b>PECO Energy Company</b>				
<b>2010 Annual Depreciation Report Summary</b>				
<b>For Year 2009 Data</b>				
<b>Sum of D &amp; A EXPENSE</b>				
<b>Class</b>	<b>Function</b>	<b>FERC/Utility acco</b>	<b>Total</b>	
Common	General Plant	390	4,263,400.57	
		391	6,511,393.14	
		393	109,577.05	
		394	297,152.22	
		397	1,258,714.17	
		398	65,908.57	
	<b>General Plant Total</b>			<b>12,506,145.72</b>
	Intangible	303	14,264,796.47	
	<b>Intangible Total</b>			<b>14,264,796.47</b>
	Transportation	392	5,566,808.04	
		394	370,570.99	
		396	9,884.36	
	<b>Transportation Total</b>			<b>5,947,263.39</b>
	<b>Common Total</b>			<b>32,718,205.58</b>
	Electric	Distribution	361	1,191,949.56
362			16,288,583.24	
364			9,892,458.04	
365			15,340,908.21	
366			4,242,055.83	
367			14,854,540.40	
368			7,399,759.42	
369			7,025,329.15	
370			9,961,293.85	
371			4,796.14	
373		2,161,433.34		
<b>Distribution Total</b>			<b>88,363,107.18</b>	
General Plant		390	416,178.30	
		391	873,229.72	
		393	45,322.33	
		394	832,926.07	
		395	45,483.98	
		397	193,103.82	
		398	255,058.12	
<b>General Plant Total</b>			<b>2,661,302.34</b>	
Intangible		303	137,732.45	
<b>Intangible Total</b>			<b>137,732.45</b>	
Transmission		352	522,071.47	
		353	7,491,906.66	
		354	3,155,431.09	
		355	181,958.19	
		356	2,037,378.62	
		357	201,619.35	
		358	1,136,289.83	
		359	18,639.62	
<b>Transmission Total</b>			<b>14,745,294.83</b>	
<b>Electric Total</b>			<b>105,907,436.80</b>	
Gas		Distribution	375	312,266.84
	376		11,863,275.07	
	378		248,951.79	
	379		602,809.73	
	380		9,673,101.45	
	381		2,051,096.53	
	382		2,682,624.04	
	387		252,064.04	
	<b>Distribution Total</b>			<b>27,686,189.49</b>
	General Plant	390	100,988.75	
		391	4,972.10	
		394	229,057.26	
		395	227,193.67	
		398	8,402.38	
	<b>General Plant Total</b>			<b>570,614.16</b>
	Intangible	303	354,409.95	
	<b>Intangible Total</b>			<b>354,409.95</b>
	Production Plant	305	10,380.72	
		311	95,294.52	
	<b>Production Plant Total</b>			<b>105,675.24</b>
Storage Plant	361	91,396.62		
	362	18,195.06		
	363	403,042.91		
<b>Storage Plant Total</b>			<b>512,634.59</b>	
<b>Gas Total</b>			<b>29,229,523.43</b>	
<b>Grand Total</b>			<b>167,855,165.81</b>	

**PECO Energy Company**  
**Non-Depreciable Plant as of December 31, 2009**

Description	Utility Account	Common	Electric	Gas	Grand Total
Utility Intangible Acct	301	677,136			677,136
Utility Intangible Acct	302		162,934	50,033	212,967
Utility Land Acct	350		60,604,016		60,604,016
Utility Land Acct	360		39,849,506	15,948	39,865,453
Utility Land Acct	374			2,853,501	2,853,501
Utility Land Acct	389	6,778,318	1,606,618		8,384,936
	<b>Grand Total</b>	<b>7,455,453</b>	<b>102,223,075</b>	<b>2,919,482</b>	<b>112,598,010</b>

**PECO Energy Company**  
**Book Life (Average Service Life) by FERC Account**

<b>Product</b>	<b>FERC</b>	<b>Life(Yrs)</b>
Electric	352	50
Electric	353	55
Electric	354	60
Electric	355	45
Electric	356	55
Electric	357	60
Electric	358	60
Electric	359	40
Electric	361	45
Electric	362	45
Electric	364	53
Electric	365	52
Electric	366	65
Electric	367	56
Electric	368	54
Electric	3691	51
Electric	3692	52
Electric	370	20
Electric	371	35
Electric	3730	19
Electric	3731	19
Electric	3732	19
Electric	3733	19
Electric	390	50
Electric	3911	10
Electric	3912	15
Electric	3913	5
Electric	393	20
Electric	394	20
Electric	3951	15
Electric	3952	15
Electric	397	28
Electric	398	15
Gas	303	5
Gas	305	2035 Terminal End date used to develop rate
Gas	311	2035 Terminal End date used to develop rate
Gas	361	2032 Terminal End date used to develop rate
Gas	362	2032 Terminal End date used to develop rate
Gas	363	2032 Terminal End date used to develop rate
Gas	375	45
Gas	3761	66
Gas	3762	65
Gas	3763	66
Gas	378	45
Gas	379	45
Gas	3801	35
Gas	3802	50
Gas	381	30
Gas	382	39
Gas	387	22
Gas	390	50
Gas	3912	15
Gas	3913	5
Gas	394	20
Gas	395	15

**PECO Energy Company**  
**Book Life (Average Service Life) by FERC Account**

<b>Product</b>	<b>FERC</b>	<b>Life(Yrs)</b>
Gas	398	15
Common	303	5
Common	390	50
Common	3911	10
Common	3912	15
Common	3913	5
Common	3921	7
Common	3922	9
Common	3923	12
Common	3924	9
Common	3925	15
Common	3926	10
Common	3930	20
Common	3941	20
Common	3943	20
Common	396	11
Common	397	28
Common	398	15

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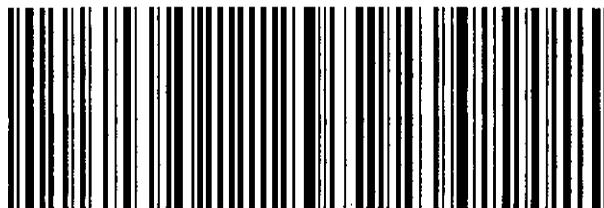
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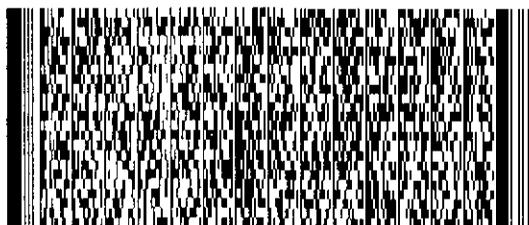
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