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October 14, 2010

Ms. Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street  
Harrisburg, PA 17120

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OCT 14 2010

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

**Subject: Universal Service Fund Charge – Section 1307 Mechanism - Final Reconciliation for 2010**

Dear Mr. McNulty:

PECO encloses for filing with the Commission an original and eight copies of PECO's final reconciliation of the Universal Service Fund Charge ("USFC") and Supplemental USFC for 2010. This filing is made in accordance with the USFC provisions of Paragraph 33 and 34 of the Joint Petition for Full Settlement (R00973953) as modified by Paragraph 35 of the PECO-Unicom Merger Settlement (Docket No. A-110550F0147) with the Commission's Order at Docket No's. R-00038535 & C-20031543. The Supplemental USFC component is in accordance with the Commission's Order at Docket No. M-00061945.

This filing, which includes actual data through September, supports a total USFC rate of 0.18 cent/kWh that would be added to the Variable Distribution Charges contained in Rates R, RT and RH. For a residential customer using 500 kWh per month, the new USFC rate would result in a \$0.20 decrease (0.25%) to the monthly bill.

This filing includes the following Exhibits:

- Exhibit 1 – USFC Calculation
- Exhibit 2 – Supplement USFC Calculation
- Exhibit 3 – Proposed Tariff Sheets indicating the rate information for 2011
- Exhibit 4 – Rate R, RT and RH Proofs of Revenue for 2011
- Exhibit 5 – Bill Comparison

Ms. Rosemary Chiavetta, Secretary  
October 14, 2010  
Page 2

Please acknowledge receipt of the foregoing on the enclosed copy of this letter.  
A business reply envelope is enclosed for your convenience.

Sincerely,

A handwritten signature in black ink, appearing to read "R.G. Webster". The signature is fluid and cursive, with a large initial "R" and "G".

w/enclosures

cc: The Honorable James H. Cawley, Chairman  
The Honorable Tyrone J. Christy, Commissioner  
The Honorable John F. Coleman, Jr., Commissioner  
The Honorable Robert F. Powelson, Commissioner  
The Honorable Wayne E. Gardner, Commissioner  
C. Walker-Davis, Esquire, Director - Office of Special Assistants  
P. Diskin, Bureau of Fixed Utility Services  
J. E. Simms, Director, Office of Trial Staff  
M. Carl Lesney, Director, Bureau of Audits  
R. E. Wallace, Bureau of Audits  
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Certificate of Service

I hereby certify that I have this day served the foregoing document on the following by first class mail:

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Richard G. Webster, Jr.  
Director, Rates and Regulatory Affairs  
PECO  
2301 Market Street, S15-2  
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Dated: October 14, 2010

# EXHIBIT 1

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PA PUBLIC UTILITY COMMISSION  
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**PECO - Electric Operations**  
**Calculation of USFC Rate Effective January 1, 2011**

|     |   | <u>Amount</u>      | <u>\$/KWH</u>   |           |
|-----|---|--------------------|-----------------|-----------|
| (1) | C = Projected Recoverable CAP Costs                   | \$ 19,118,594      | \$0.00146       | p. 2 of 3 |
| (2) | E = Experienced & Estimated Net Over/(Under)          |                    |                 |           |
|     | a. Over/(Under)                                       | \$ 1,448,363       | \$0.00011       | p. 2 of 3 |
|     | b. Interest   | \$74,703           | \$0.00001       | p. 3 of 3 |
|     |   | <u>\$1,523,066</u> | \$0.00012       |           |
| (3) | Net Recoverable (C - E)                               | \$17,595,528       | \$0.00135       |           |
| (4) | S = Projected Rate R, RH Sales for Computation Period | 13,057,885,931     |                 |           |
| (5) | <b>USFC: (3) / (4)</b>                                |                    | <b>\$0.0013</b> |           |

PECO - Calculation of USFC Rate

| E-Factor Period<br>Month                 | Billed Sales (a)<br>(Rates R, RH, RT)<br>(1) | Revenue   |                    |          |                    | Total<br>Revenue<br>(6) = (3) + (5) | No. of Cap Customers<br>exceeding 90,000 @ 1/1<br>(7) | Allowable<br>Cost Recovery<br>(8) = (7) x \$31.92 (c) | Over/(Under)<br>Recovery<br>(9) = (6) - (8) | Cumulative<br>Over/(Under)<br>Recovery<br>(10) |
|--|--|-----------|--------------------|----------|--------------------|-------------------------------------|---|---|---|--|
|  |  | C Rate    | C Revenue          | E Rate   | E Revenue          |                                     |   |   |   |  |
|  |  | (2)       | (3) = Sales * Rate | (4)      | (5) = Sales * Rate |                                     |   |   |   |  |
| Balance                                  |  |           |                    |          |                    |                                     |   |   | \$ (472,407)                                |  |
| Jan-09                                   | 1,288,910,859                                | \$ 0.0011 | \$ 1,417,802       | \$0.0001 | \$ 128,891         | \$ 1,546,693                        | 36,644  | \$ 1,169,676  | \$ 377,017                                  | \$ (95,390)                                    |
| Feb-09                                   | 1,130,529,841                                | \$ 0.0012 | \$ 1,356,636       | \$0.0000 | \$ -               | \$ 1,356,636                        | 37,785  | \$ 1,206,097  | \$ 150,539                                  | \$ 55,148                                      |
| Mar-09                                   | 942,166,573                                  | \$ 0.0012 | \$ 1,130,600       | \$0.0000 | \$ -               | \$ 1,130,600                        | 38,812  | \$ 1,238,879  | \$ (108,279)                                | \$ (53,131)                                    |
| Apr-09                                   | 792,960,492                                  | \$ 0.0012 | \$ 951,553         | \$0.0000 | \$ -               | \$ 951,553                          | 40,713  | \$ 1,299,559  | \$ (348,006)                                | \$ (401,137)                                   |
| May-09                                   | 748,615,194                                  | \$ 0.0012 | \$ 898,338         | \$0.0000 | \$ -               | \$ 898,338                          | 41,293  | \$ 1,318,073  | \$ (419,734)                                | \$ (820,872)                                   |
| Jun-09                                   | 814,154,903                                  | \$ 0.0012 | \$ 976,986         | \$0.0000 | \$ -               | \$ 976,986                          | 40,186  | \$ 1,282,737  | \$ (305,751)                                | \$ (1,126,623)                                 |
| Jul-09                                   | 992,049,575                                  | \$ 0.0012 | \$ 1,190,459       | \$0.0000 | \$ -               | \$ 1,190,459                        | 39,884  | \$ 1,273,097  | \$ (82,638)                                 | \$ (1,209,261)                                 |
| Aug-09                                   | 1,170,005,978                                | \$ 0.0012 | \$ 1,404,007       | \$0.0000 | \$ -               | \$ 1,404,007                        | 40,263  | \$ 1,285,195  | \$ 118,812                                  | \$ (1,090,449)                                 |
| Sep-09                                   | 1,079,238,564                                | \$ 0.0012 | \$ 1,295,086       | \$0.0000 | \$ -               | \$ 1,295,086                        | 40,891  | \$ 1,305,241  | \$ (10,154)                                 | \$ (1,100,603)                                 |
| Oct-09                                   | 751,591,642                                  | \$ 0.0012 | \$ 901,910         | \$0.0000 | \$ -               | \$ 901,910                          | 41,775  | \$ 1,333,458  | \$ (431,548)                                | \$ (1,532,151)                                 |
| Nov-09                                   | 774,416,296                                  | \$ 0.0012 | \$ 929,300         | \$0.0000 | \$ -               | \$ 929,300                          | 40,791  | \$ 1,302,049  | \$ (372,749)                                | \$ (1,904,900)                                 |
| Dec-09                                   | 1,013,630,240                                | \$ 0.0012 | \$ 1,216,356       | \$0.0000 | \$ -               | \$ 1,216,356                        | 40,619  | \$ 1,296,558  | \$ (80,202)                                 | \$ (1,985,102)                                 |
|  | 11,498,270,157                               |           | 13,669,033         |          | 128,891            | 13,797,924                          |   | \$ 15,310,620   | (1,512,695)                                 |  |
| Jan-10                                   | 1,278,083,252                                | \$ 0.0012 | \$ 1,533,700       | \$0.0000 | \$ -               | \$ 1,533,700                        | 41,164  | \$ 1,313,955  | \$ 219,745                                  | \$ (1,765,357)                                 |
| Feb-10                                   | 1,099,265,775                                | \$ 0.0015 | \$ 1,648,899       | \$0.0002 | \$ 219,853         | \$ 1,868,752                        | 40,561  | \$ 1,294,707  | \$ 574,045                                  | \$ (1,191,313)                                 |
| Mar-10                                   | 953,625,895                                  | \$ 0.0015 | \$ 1,430,439       | \$0.0002 | \$ 190,725         | \$ 1,621,164                        | 41,240  | \$ 1,316,381  | \$ 304,783                                  | \$ (886,529)                                   |
| Apr-10                                   | 747,803,978                                  | \$ 0.0015 | \$ 1,121,706       | \$0.0002 | \$ 149,561         | \$ 1,271,267                        | 42,045  | \$ 1,342,076  | \$ (70,810)                                 | \$ (957,339)                                   |
| May-10                                   | 736,666,549                                  | \$ 0.0015 | \$ 1,105,000       | \$0.0002 | \$ 147,333         | \$ 1,252,333                        | 47,019  | \$ 1,500,846  | \$ (248,513)                                | \$ (1,205,852)                                 |
| Jun-10                                   | 1,029,642,594                                | \$ 0.0015 | \$ 1,544,464       | \$0.0002 | \$ 205,929         | \$ 1,750,392                        | 47,500  | \$ 1,516,200  | \$ 234,192                                  | \$ (971,660)                                   |
| Jul-10                                   | 1,395,071,303                                | \$ 0.0015 | \$ 2,092,607       | \$0.0002 | \$ 279,014         | \$ 2,371,621                        | 48,290  | \$ 1,541,417  | \$ 830,204                                  | \$ (141,456)                                   |
| Aug-10                                   | 1,400,535,993                                | \$ 0.0015 | \$ 2,100,804       | \$0.0002 | \$ 280,107         | \$ 2,380,911                        | 49,100  | \$ 1,567,272  | \$ 813,639                                  | \$ 672,184                                     |
| Sep-10                                   | 1,131,801,679                                | \$ 0.0015 | \$ 1,697,703       | \$0.0002 | \$ 226,360         | \$ 1,924,063                        | 49,918  | \$ 1,593,383  | \$ 330,680                                  | \$ 1,002,864                                   |
| Oct-10 (b)                               | 868,071,196                                  | \$ 0.0015 | \$ 1,302,107       | \$0.0002 | \$ 173,614         | \$ 1,475,721                        | 49,918  | \$ 1,593,383  | \$ (117,662)                                | \$ 885,202                                     |
| Nov-10 (b)                               | 969,008,142                                  | \$ 0.0015 | \$ 1,453,512       | \$0.0002 | \$ 193,802         | \$ 1,647,314                        | 49,918  | \$ 1,593,383  | \$ 53,931                                   | \$ 939,134                                     |
| Dec-10 (b)                               | 1,236,830,486                                | \$ 0.0015 | \$ 1,855,246       | \$0.0002 | \$ 247,366         | \$ 2,102,612                        | 49,918  | \$ 1,593,383  | \$ 509,229                                  | \$ 1,448,363                                   |
|  | 12,846,406,842                               |           | \$ 18,886,185      |          | \$ 2,313,665       | \$ 21,199,850                       |   | \$ 17,766,385   | \$ 3,433,465                                |  |
| <b>Total Balance for E factor period</b> |  |           |                    |          |                    |                                     |   |   | <b>\$</b>                                   | <b>1,448,363</b>                               |

| C-Factor Period | No. of Cap Customers<br>exceeding 90,000 @ 1/1<br>(7) | Allowable<br>Cost Recovery<br>(3) = (2) x \$383 (c) |
|-----------------|---|---|
| 12 Month Total  | 49,918  | \$ 19,118,594                                       |

(a) USFC approved 1/1/07. Was included in customer bills beginning with the first full billing cycle in February 2007.  
 (b) Estimated.  
 (c) \$383 annual recovery x 1/12 monthly = \$31.92/CAP customer exceeding 90,000/per month

PECO - Interest Calculation

| E-Factor Period<br>Month | Billed Sales<br>(Rates R, RH, RT) | C Rate    | C Revenue          | No. of Cap Customers<br>exceeding 90,000 @ 1/1 | Allowable<br>Cost Recovery | Over/(Under)<br>Recovery | Interest Rate | Interest Factor | Interest Owed/<br>(Interest to be Recouped) | Interest Refund<br>Rate | Interest Refund                  | Cumulative Interest<br>Interest Owed/<br>(Interest to be Recouped) |
|--------------------------|-----------------------------------|-----------|--------------------|--|----------------------------|--------------------------|---------------|-----------------|---|-------------------------|----------------------------------|--|
|                          | (1)                               | (2)       | (3) = Sales * Rate | (4)  | (5) = (4) x \$31.92 (b)    | (6) = (3) - (5)          | (7)           | (8)             | (9) = (6) x (7) x (8) (c)                   | (10)                    | (11) = (11) * (10)               | (12) = (9) - (11)  |
| <b>Balance</b>           |                                   |           |                    |  |                            |                          |               |                 |   |                         |                                  | \$ 2,355   |
| Jan-09                   | 1,288,910,859                     | 0.0011    | \$ 1,417,802       | 36,644   | \$ 1,169,676               | \$ 248,125               | 6%            | 18/12           | \$ 22,331                                   | 0.0000                  | \$0                              | \$ 24,686  |
| Feb-09                   | 1,130,529,841                     | 0.0012    | \$ 1,356,636       | 37,785   | \$ 1,206,097               | \$ 150,539               | 6%            | 17/12           | \$ 12,796                                   | 0.0000                  | \$0                              | \$ 37,482  |
| Mar-09                   | 942,166,573                       | 0.0012    | \$ 1,130,600       | 38,812   | \$ 1,238,879               | \$ (108,279)             | 6%            | 16/12           | \$ (8,662)                                  | 0.0000                  | \$0                              | \$ 28,820  |
| Apr-09                   | 792,960,492                       | 0.0012    | \$ 951,553         | 40,713   | \$ 1,299,559               | \$ (348,006)             | 6%            | 15/12           | \$ (26,100)                                 | 0.0000                  | \$0                              | \$ 2,719   |
| May-09                   | 748,615,194                       | 0.0012    | \$ 898,338         | 41,293   | \$ 1,318,073               | \$ (419,734)             | 6%            | 14/12           | \$ (29,381)                                 | 0.0000                  | \$0                              | \$ (26,662)  |
| Jun-09                   | 814,154,903                       | 0.0012    | \$ 976,986         | 40,186   | \$ 1,282,737               | \$ (305,751)             | 6%            | 13/12           | \$ (19,874)                                 | 0.0000                  | \$0                              | \$ (46,536)  |
| Jul-09                   | 992,049,575                       | 0.0012    | \$ 1,190,459       | 39,884   | \$ 1,273,097               | \$ (82,638)              | 6%            | 12/12           | \$ (4,958)                                  | 0.0000                  | \$0                              | \$ (51,494)  |
| Aug-09                   | 1,170,005,978                     | 0.0012    | \$ 1,404,007       | 40,263   | \$ 1,285,195               | \$ 118,812               | 6%            | 11/12           | \$ 6,535                                    | 0.0000                  | \$0                              | \$ (44,960)  |
| Sep-09                   | 1,079,238,564                     | 0.0012    | \$ 1,295,086       | 40,891   | \$ 1,305,241               | \$ (10,154)              | 6%            | 10/12           | \$ (508)                                    | 0.0000                  | \$0                              | \$ (45,467)  |
| Oct-09                   | 751,591,642                       | 0.0012    | \$ 901,910         | 41,775   | \$ 1,333,458               | \$ (431,548)             | 6%            | 9/12            | \$ (19,420)                                 | 0.0000                  | \$0                              | \$ (64,887)  |
| Nov-09                   | 774,416,296                       | 0.0012    | \$ 929,300         | 40,791   | \$ 1,302,049               | \$ (372,749)             | 6%            | 8/12            | \$ (14,910)                                 | 0.0000                  | \$0                              | \$ (79,797)  |
| Dec-09                   | 1,013,630,240                     | 0.0012    | \$ 1,216,356       | 40,619   | \$ 1,296,558               | \$ (80,202)              | 6%            | 7/12            | \$ (2,807)                                  | 0.0000                  | \$0                              | \$ (82,604)  |
|                          | 11,498,270,157                    |           | 13,669,033         |  | \$ 15,310,620              | (1,641,586)              |               |                 | \$ (84,959)                                 |                         |                                  |  |
|                          |                                   |           |                    |  |                            |                          |               |                 |   |                         | <b>Net Interest</b>              | \$ -   |
| Jan-10                   | 1,278,083,252                     | \$ 0.0012 | \$ 1,533,700       | 41,164   | \$ 1,313,955               | \$ 219,745               | 6%            | 18/12           | \$ 19,777                                   | 0.0000                  | \$0                              | \$ 19,777  |
| Feb-10                   | 1,099,265,775                     | \$ 0.0015 | \$ 1,648,899       | 40,561   | \$ 1,294,707               | \$ 354,192               | 6%            | 17/12           | \$ 30,106                                   | 0.0000                  | \$0                              | \$ 49,883  |
| Mar-10                   | 953,625,895                       | \$ 0.0015 | \$ 1,430,439       | 41,240   | \$ 1,316,381               | \$ 114,058               | 6%            | 16/12           | \$ 9,125                                    | 0.0000                  | \$0                              | \$ 59,008  |
| Apr-10                   | 747,803,978                       | \$ 0.0015 | \$ 1,121,706       | 42,045   | \$ 1,342,076               | \$ (220,370)             | 6%            | 15/12           | \$ (16,528)                                 | 0.0000                  | \$0                              | \$ 42,480  |
| May-10                   | 736,666,549                       | \$ 0.0015 | \$ 1,105,000       | 47,019   | \$ 1,500,846               | \$ (395,847)             | 6%            | 14/12           | \$ (27,709)                                 | 0.0000                  | \$0                              | \$ 14,771  |
| Jun-10                   | 1,029,642,594                     | \$ 0.0015 | \$ 1,544,464       | 47,500   | \$ 1,516,200               | \$ 28,264                | 6%            | 13/12           | \$ 1,837                                    | 0.0000                  | \$0                              | \$ 16,608  |
| Jul-10                   | 1,395,071,303                     | \$ 0.0015 | \$ 2,092,607       | 48,290   | \$ 1,541,417               | \$ 551,190               | 6%            | 12/12           | \$ 33,071                                   | 0.0000                  | \$0                              | \$ 49,679  |
| Aug-10                   | 1,400,535,993                     | \$ 0.0015 | \$ 2,100,804       | 49,100   | \$ 1,567,272               | \$ 533,532               | 6%            | 11/12           | \$ 29,344                                   | 0.0000                  | \$0                              | \$ 79,024  |
| Sep-10                   | 1,131,801,679                     | \$ 0.0015 | \$ 1,697,703       | 49,918   | \$ 1,593,383               | \$ 104,320               | 6%            | 10/12           | \$ 5,216                                    | 0.0000                  | \$0                              | \$ 84,240  |
| Oct-10 (a)               | 868,071,196                       | \$ 0.0015 | \$ 1,302,107       | 49,918   | \$ 1,593,383               | \$ (291,276)             | 6%            | 9/12            | \$ (13,107)                                 | 0.0000                  | \$0                              | \$ 71,132  |
| Nov-10 (a)               | 969,008,142                       | \$ 0.0015 | \$ 1,453,512       | 49,918   | \$ 1,593,383               | \$ (139,870)             | 6%            | 8/12            | \$ (5,595)                                  | 0.0000                  | \$0                              | \$ 65,538  |
| Dec-10 (a)               | 1,236,830,486                     | \$ 0.0015 | \$ 1,855,246       | 49,918   | \$ 1,593,383               | \$ 261,863               | 6%            | 7/12            | \$ 9,165                                    | 0.0000                  | \$0                              | \$ 74,703  |
|                          | 12,846,406,842                    |           | 18,886,185         |  | \$ 17,766,385              | 1,119,801                |               |                 | \$ 74,703                                   |                         |                                  |  |
|                          |                                   |           |                    |  |                            |                          |               |                 |   |                         | <b>Net Interest to Customers</b> | \$ <u>74,703</u>   |

(a) Estimated  
 (b) \$383 annual recovery x 1/12 monthly = \$31.92/CAP customer exceeding 90,000/per month  
 (c) Per tariff, customers shall not be liable for net interest otherwise due the Company

# EXHIBIT 2

**RECEIVED**

OCT 14 2010

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

**PECO - Electric Operations**  
**Calculation of USFC Rate (Supplemental) Effective January 1, 2011**

|     |   | <u>Amount</u>  | <u>\$/KWH</u>   |           |
|-----|---|----------------|-----------------|-----------|
| (1) | C = Projected Recoverable CAP Costs                         | \$ 5,500,000   | \$0.00042       | p. 2 of 4 |
| (2) | L = Incremental LIURP expenditures (a)                      | \$ 1,500,000   | \$0.00011       |           |
| (3) | E = Experienced & Estimated Net Over/(Under)                | \$ 421,015     | \$0.00003       | p. 2 of 4 |
| (4) | I = Interest  | \$ 50,906      | \$0.00000       | p. 3 of 4 |
| (5) | Net Recoverable (C + L - E - I)                             | \$ 6,528,079   | \$0.00050       |           |
| (6) | S = Projected Rate R, RH Sales (kWh) for Computation Period | 13,057,885,931 |                 |           |
| (7) | <b>USFC: (3) / (4)</b>                                      |                | <b>\$0.0005</b> |           |

(a) As per settlement Docket No. P-2008-2062734

**PECO - Calculation of USFC Rate (Supplemental)**

| E-Factor Period<br>Month                 | Billed Sales (a)<br>(Rates R, RH, RT)<br>(1) | Revenue       |                          |               |                          | Total<br>Revenue<br>(6) = (3) + (5) | Allowable<br>Cost Recovery<br>(7) = Seasonal Allocation * \$8,500,000 (b) | Over/(Under)<br>Recovery<br>(8) = (6) - (7) | Cumulative<br>Over/(Under)<br>Recovery<br>(9) |
|--|--|---------------|--------------------------|---------------|--------------------------|-------------------------------------|---|---|---|
|  |  | C Rate<br>(2) | C Revenue<br>(3) = 1 * 2 | E Rate<br>(4) | E Revenue<br>(5) = 1 * 4 |                                     |   |   |   |
|  |  |               |                          |               |                          |                                     |   |   |   |
| Jan-09 (c)                               | -  | \$ -          | \$ -                     |               | \$ -                     | \$ -                                |   | \$ -  |   |
| Feb-09 (d)                               | 1,130,529,841                                | \$ 0.0005     | \$ 565,265               | \$ -          | \$ -                     | \$ 565,265                          | \$ 530,164  | \$ 35,101                                   |   |
| Mar-09                                   | 942,166,573                                  | \$ 0.0005     | \$ 471,083               | \$ -          | \$ -                     | \$ 471,083                          | \$ 455,589  | \$ 15,494                                   |   |
| Apr-09                                   | 792,960,492                                  | \$ 0.0005     | \$ 396,480               | \$ -          | \$ -                     | \$ 396,480                          | \$ 425,415  | \$ (28,934)                                 |   |
| May-09                                   | 748,615,194                                  | \$ 0.0005     | \$ 374,308               | \$ -          | \$ -                     | \$ 374,308                          | \$ 350,680  | \$ 23,628                                   |   |
| Jun-09                                   | 814,154,903                                  | \$ 0.0005     | \$ 407,077               | \$ -          | \$ -                     | \$ 407,077                          | \$ 467,347  | \$ (60,269)                                 |   |
| Jul-09                                   | 992,049,575                                  | \$ 0.0005     | \$ 496,025               | \$ -          | \$ -                     | \$ 496,025                          | \$ 606,592  | \$ (110,568)                                |   |
| Aug-09                                   | 1,170,005,978                                | \$ 0.0005     | \$ 585,003               | \$ -          | \$ -                     | \$ 585,003                          | \$ 535,668  | \$ 49,335                                   |   |
| Sep-09                                   | 1,079,238,564                                | \$ 0.0005     | \$ 539,619               | \$ -          | \$ -                     | \$ 539,619                          | \$ 388,014  | \$ 151,605                                  |   |
| Oct-09                                   | 751,591,642                                  | \$ 0.0005     | \$ 375,796               | \$ -          | \$ -                     | \$ 375,796                          | \$ 350,512  | \$ 25,283                                   |   |
| Nov-09                                   | 774,416,296                                  | \$ 0.0005     | \$ 387,208               | \$ -          | \$ -                     | \$ 387,208                          | \$ 389,007  | \$ (1,799)                                  |   |
| Dec-09                                   | 1,013,630,240                                | \$ 0.0005     | \$ 506,815               | \$ -          | \$ -                     | \$ 506,815                          | \$ 489,067  | \$ 17,748                                   |   |
|  | 10,209,359,298                               |               | 5,104,680                |               |                          | 5,104,680                           | 4,988,055   | 116,625                                     |   |
| Jan-10 (f)                               | 1,278,083,252                                | \$ 0.0005     | \$ 639,042               | \$ -          | \$ -                     | \$ 639,042                          | (g) 511,945   | \$ 127,097                                  |   |
| Feb-10                                   | 1,099,265,775                                | \$ 0.00057    | \$ 626,581               | \$ (0.00004)  | \$ (43,971)              | \$ 582,611                          | \$ 563,364  | \$ 19,246                                   |   |
| Mar-10                                   | 953,625,895                                  | \$ 0.00057    | \$ 543,567               | \$ (0.00004)  | \$ (38,145)              | \$ 505,422                          | \$ 517,489  | \$ (12,067)                                 |   |
| Apr-10                                   | 747,803,978                                  | \$ 0.00057    | \$ 426,248               | \$ (0.00004)  | \$ (29,912)              | \$ 396,336                          | \$ 423,791  | \$ (27,455)                                 |   |
| May-10                                   | 736,666,549                                  | \$ 0.00057    | \$ 419,900               | \$ (0.00004)  | \$ (29,467)              | \$ 390,433                          | \$ 429,082  | \$ (38,648)                                 |   |
| Jun-10                                   | 1,029,642,594                                | \$ 0.00057    | \$ 586,896               | \$ (0.00004)  | \$ (41,186)              | \$ 545,711                          | \$ 564,678  | \$ (18,967)                                 |   |
| Jul-10                                   | 1,395,071,303                                | \$ 0.00057    | \$ 795,191               | \$ (0.00004)  | \$ (55,803)              | \$ 739,388                          | \$ 734,190  | \$ 5,197                                    |   |
| Aug-10                                   | 1,400,535,993                                | \$ 0.00057    | \$ 798,306               | \$ (0.00004)  | \$ (56,021)              | \$ 742,284                          | \$ 679,920  | \$ 62,364                                   |   |
| Sep-10                                   | 1,131,801,679                                | \$ 0.00057    | \$ 645,127               | \$ (0.00004)  | \$ (45,272)              | \$ 599,855                          | \$ 485,312  | \$ 114,543                                  |   |
| Oct-10 (e)                               | 868,071,196                                  | \$ 0.00057    | \$ 494,801               | \$ (0.00004)  | \$ (34,723)              | \$ 460,078                          | \$ 439,440  | \$ 20,638                                   |   |
| Nov-10 (e)                               | 969,008,142                                  | \$ 0.00057    | \$ 552,335               | \$ (0.00004)  | \$ (38,760)              | \$ 513,574                          | \$ 490,536  | \$ 23,038                                   |   |
| Dec-10 (e)                               | 1,236,830,486                                | \$ 0.00057    | \$ 704,993               | \$ (0.00004)  | \$ (49,473)              | \$ 655,520                          | \$ 626,115  | \$ 29,405                                   |   |
|  | 12,846,406,842                               |               | \$ 7,232,986             |               | \$ (462,733)             | \$ 6,770,253                        | 6,465,862   | 304,391                                     |   |
| <b>Total Balance for E factor period</b> |  |               |                          |               |                          |                                     |   | <b>\$ 421,015</b>                           |   |

(a) USFC approved 1/1/09. Was included in customer bills beginning with the first full billing cycle beginning after 1/1/09 (therefore billed in February 09).

(b) Budget seasonal allocation factor. \$5.5M through Jan 2010. Effective with Feb 2010 billings an additional \$1.0 M is collected for additional "LIURP" weatherization/conservation. Total for Feb 2010 through Jan 2011 is \$6.5M.

(c) Effective for billing periods beginning on or after January 1, 2009. Therefore, first month of billing was Feb 2009.

(d) Reconciliation is based on an eleventh month collection period. As a result, first calendar year allowable cost recovery is only \$5.0M instead of the required \$5.5M.

(e) Estimated.

(f) Feb 09- Jan 10 total allowable cost recovery equals \$5.5M.

(g) January 2010 total comes from October 14, 2009 filing (Exhibit 2, page 4).

PECO - Interest Calculation (Supplemental).

| E-Factor Period Month | Billed Sales (Rates R, RH & RT) | C Rate     | C Revenue   | Allowable Cost Recovery (a)             | Over/(Under) Recovery | Interest Rate | Interest Factor | Interest Owed/ (Interest to be Recouped) | Interest Refund Rate              | Interest Refund  | Cumulative Interest Interested Owed or (Interest to be Recouped) |
|-----------------------|---------------------------------|------------|-------------|---|-----------------------|---------------|-----------------|--|-----------------------------------|------------------|--|
|                       | (1)                             | (2)        | (3) = 1 * 2 | (4) = Seasonal Allocation * \$6,500,000 | (5) = (3) - (4)       | (6)           | (7)             | (8) = (5) x (6) x (7)                    | (9)                               | (10) = (1) * (9) | (11) = (8) - (10)  |
| Jan-09 (b)            | -                               | -          | \$ -        | \$ -                                    | \$ -                  |               | 18/12           | \$ -                                     | -                                 | \$0.00           | \$ -   |
| Feb-09 (c)            | 1,130,529,841                   | \$ 0.0005  | \$ 565,265  | \$ 530,164                              | \$ 35,101             | 6%            | 17/12           | \$ 2,984                                 | 0.0000                            | \$0.00           | \$ 2,984   |
| Mar-09                | 942,166,573                     | \$ 0.0005  | \$ 471,083  | \$ 455,589                              | \$ 15,494             | 6%            | 16/12           | \$ 1,240                                 | 0.0000                            | \$0.00           | \$ 4,223   |
| Apr-09                | 792,960,492                     | \$ 0.0005  | \$ 396,480  | \$ 425,415                              | \$ (28,934)           | 6%            | 15/12           | \$ (2,170)                               | 0.0000                            | \$0.00           | \$ 2,053   |
| May-09                | 748,615,194                     | \$ 0.0005  | \$ 374,308  | \$ 350,680                              | \$ 23,628             | 6%            | 14/12           | \$ 1,654                                 | 0.0000                            | \$0.00           | \$ 3,707   |
| Jun-09                | 814,154,903                     | \$ 0.0005  | \$ 407,077  | \$ 467,347                              | \$ (60,269)           | 6%            | 13/12           | \$ (3,918)                               | 0.0000                            | \$0.00           | \$ (211)   |
| Jul-09                | 992,049,575                     | \$ 0.0005  | \$ 496,025  | \$ 606,592                              | \$ (110,568)          | 6%            | 12/12           | \$ (6,634)                               | 0.0000                            | \$0.00           | \$ (6,845)   |
| Aug-09                | 1,170,005,978                   | \$ 0.0005  | \$ 585,003  | \$ 535,668                              | \$ 49,335             | 6%            | 11/12           | \$ 2,713                                 | 0.0000                            | \$0.00           | \$ (4,131)   |
| Sep-09                | 1,079,238,564                   | \$ 0.0005  | \$ 539,619  | \$ 388,014                              | \$ 151,605            | 6%            | 10/12           | \$ 7,580                                 | 0.0000                            | \$0.00           | \$ 3,449   |
| Oct-09                | 751,591,642                     | \$ 0.0005  | \$ 375,796  | \$ 350,512                              | \$ 25,283             | 6%            | 9/12            | \$ 1,138                                 | 0.0000                            | \$0.00           | \$ 4,587   |
| Nov-09                | 774,416,296                     | \$ 0.0005  | \$ 387,208  | \$ 389,007                              | \$ (1,799)            | 6%            | 8/12            | \$ (72)                                  | 0.0000                            | \$0.00           | \$ 4,515   |
| Dec-09                | 1,013,630,240                   | \$ 0.0005  | \$ 506,815  | \$ 489,067                              | \$ 17,748             | 6%            | 7/12            | \$ 621                                   | 0.0000                            | \$0.00           | \$ 5,136   |
|                       | 10,209,359,298                  |            | 5,104,680   | \$ 4,988,055                            | 116,625               |               |                 | \$ 5,136                                 |                                   |                  |  |
| Jan-10                | 1,278,083,252                   | \$ 0.0005  | \$ 639,042  | \$ 511,945                              | \$ 127,097            | 6%            | 18/12           | \$ 11,439                                | 0.0000                            | \$0.00           | \$ 16,575  |
| Feb-10                | 1,099,265,775                   | \$ 0.00057 | \$ 626,581  | \$ 563,364                              | \$ 63,217             | 6%            | 17/12           | \$ 5,373                                 | 0.0000                            | \$0.00           | \$ 21,948  |
| Mar-10                | 953,625,895                     | \$ 0.00057 | \$ 543,567  | \$ 517,489                              | \$ 26,078             | 6%            | 16/12           | \$ 2,086                                 | 0.0000                            | \$0.00           | \$ 24,034  |
| Apr-10                | 747,803,978                     | \$ 0.00057 | \$ 426,248  | \$ 423,791                              | \$ 2,457              | 6%            | 15/12           | \$ 184                                   | 0.0000                            | \$0.00           | \$ 24,219  |
| May-10                | 736,666,549                     | \$ 0.00057 | \$ 419,900  | \$ 429,082                              | \$ (9,182)            | 6%            | 14/12           | \$ (643)                                 | 0.0000                            | \$0.00           | \$ 23,576  |
| Jun-10                | 1,029,642,594                   | \$ 0.00057 | \$ 586,896  | \$ 564,678                              | \$ 22,218             | 6%            | 13/12           | \$ 1,444                                 | 0.0000                            | \$0.00           | \$ 25,020  |
| Jul-10                | 1,395,071,303                   | \$ 0.00057 | \$ 795,191  | \$ 734,190                              | \$ 61,000             | 6%            | 12/12           | \$ 3,660                                 | 0.0000                            | \$0.00           | \$ 28,680  |
| Aug-10                | 1,400,535,993                   | \$ 0.00057 | \$ 798,306  | \$ 679,920                              | \$ 118,386            | 6%            | 11/12           | \$ 6,511                                 | 0.0000                            | \$0.00           | \$ 35,191  |
| Sep-10                | 1,131,801,679                   | \$ 0.00057 | \$ 645,127  | \$ 485,312                              | \$ 159,815            | 6%            | 10/12           | \$ 7,991                                 | 0.0000                            | \$0.00           | \$ 43,182  |
| Oct-10 (d)            | 868,071,196                     | \$ 0.00057 | \$ 494,801  | \$ 439,440                              | \$ 55,361             | 6%            | 9/12            | \$ 2,491                                 | 0.0000                            | \$0.00           | \$ 45,673  |
| Nov-10 (d)            | 969,008,142                     | \$ 0.00057 | \$ 552,335  | \$ 490,536                              | \$ 61,798             | 6%            | 8/12            | \$ 2,472                                 | 0.0000                            | \$0.00           | \$ 48,145  |
| Dec-10 (d)            | 1,236,830,486                   | \$ 0.00057 | \$ 704,993  | \$ 626,115                              | \$ 78,878             | 6%            | 7/12            | \$ 2,761                                 | 0.0000                            | \$0.00           | \$ 50,906  |
|                       | 12,846,406,842                  |            | 7,232,986   | \$ 6,465,862                            | 767,124               |               |                 | \$ 45,770                                |                                   |                  |  |
|                       |                                 |            |             |   |                       |               |                 |  | Interest Owed (Interest Recouped) | \$               | \$ 50,906  |

- (a) Budget seasonal allocation factor. \$5.5M through Jan 2010. Effective with Feb 2010 billings an additional \$1.0 M is collected for additional "LIURP" weatherization/conservation. Total for Feb 2010 through Jan 2011 is \$6.5M.
- (b) Effective for billing periods beginning on or after January 1, 2009. Therefore, first month of billing was Feb 2009.
- (c) First year of reconciliation is based on an eleventh month collection period. As a result, first calendar year allowable cost recovery is only \$5.0M instead of the required \$5.5M.
- (d) Estimated.

## Budget Seasonal Allocation Factor 2010

| <u>Month</u> | <u>Budget (a)</u>     | <u>Ratio</u>  | <u>Allocated Supplemental</u> | <u>USFC</u>      |
|--------------|-----------------------|---------------|-------------------------------|------------------|
| February     | 1,112,872,819         | 0.0852        | \$                            | 563,364          |
| March        | 1,022,250,012         | 0.0783        | \$                            | 517,489          |
| April        | 837,159,173           | 0.0641        | \$                            | 423,791          |
| May          | 847,610,162           | 0.0649        | \$                            | 429,082          |
| June         | 1,115,467,768         | 0.0854        | \$                            | 564,678          |
| July         | 1,450,323,244         | 0.1111        | \$                            | 734,190          |
| August       | 1,343,117,313         | 0.1029        | \$                            | 679,920          |
| September    | 958,687,739           | 0.0734        | \$                            | 485,312          |
| October      | 868,071,196           | 0.0665        | \$                            | 439,440          |
| November     | 969,008,142           | 0.0742        | \$                            | 490,536          |
| December     | 1,236,830,486         | 0.0947        | \$                            | 626,115          |
| January      | 1,296,487,877         | 0.0993        | \$                            | 546,083          |
|              | <b>13,057,885,931</b> | <b>1.0000</b> | <b>\$</b>                     | <b>6,500,000</b> |

(a) Rates R, RH, RT

# EXHIBIT 3

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OCT 14 2010

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

PECO Energy Company

**PROVISIONS FOR RECOVERY OF UNIVERSAL SERVICE FUND COSTS**

Variable Distribution Service Charge rates for electric service in Rate Schedules R, R-H and RT of this Tariff shall include \$0.0013 per kWh for recovery of Universal Service Fund Cost (USFC), calculated in the manner set forth below, pursuant to Section 2804(8) of the Competition Act. The USFC rates for electric service may be increased or decreased annually, to reflect changes in the level of Universal Service Fund costs, in the manner described below:

(D)

COMPUTATION OF USFC.

The USFC per kWh, shall be computed to the nearest one-hundredth cent (0.01¢) in accordance with the formula set forth below:

$$\text{USFC} = \frac{(C - E)}{(S)}$$

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

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

"Universal Service Fund Cost" – \$383 per Customer Assistance Program (CAP) Customer per year (pro-rated basis) for incremental CAP customers in excess of 90,000.

"USFC" – Universal Service Fund Charge determined to the nearest one-hundredth cent (0.01¢) to be included in rates for each kWh of Variable Distribution Service Charge calculated under Rate Schedules R, R-H, and RT, to recover Universal Service Fund Costs.

"C" - Cost in dollars of the Universal Service Fund Cost for the projected period. Such amount will be based on the actual number of CAP customers at the end of the "E" factor period.

"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.

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. Customers shall not be liable for net interest otherwise due the Company under this calculation.

"S" - projected kWh of electric service to be billed under Rate R, R-H, and RT during the projected period when rates will be in effect, per Appendix A of the Joint Petition for Full Settlement at Docket No. R-00973953.

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 January 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.

(I) Indicates Increase

PECO Energy Company

**SUMMARY OF PROVISIONS FOR RECOVERY OF UNIVERSAL SERVICE FUND COSTS**

The total of the Universal Service Fund Costs ("USFC") and Supplemental Universal Service Fund Costs ("Supplemental USFC") is summarized below:

|                   |                         |     |
|-------------------|-------------------------|-----|
| USFC              | \$0.0013 per kWh        | (d) |
| Supplemental USFC | <u>\$0.0005 per kWh</u> |     |
| Total             | \$0.0018 per kWh        | (d) |

(i) Indicates Increase

# EXHIBIT 4

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OCT 14 2010

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

**PECO  
Proof of Revenue 2011  
Rate R**

|                              | <u>Billing Determinants</u><br>(4) |       | <u>Pricing</u><br>(5)=(6)/(4) | <u>Revenue</u><br>(6) | <u>Growth Ratio</u><br>(7)=(6)x1.092 | <u>RNR</u>  |                         | Adjusted<br>Distribution Pricing<br>w/ USFC<br>@ 0.0018 \$/KWH<br>(12) | Adjusted<br>Distribution Revenue<br>w/ USFC<br>@ 0.0018 \$/KWH<br>(13) |
|------------------------------|------------------------------------|-------|-------------------------------|-----------------------|--------------------------------------|-------------|-------------------------|--|--|
|                              |                                    |       |                               |                       |                                      | Pricing (a) | Revenue (b)<br>@1.01594 |  |  |
| Fixed Distribution Charge    | 13,709,923                         | Bills | \$ 5.10                       | \$ 69,920,607         | \$ 76,325,743                        | \$ 5.31 (c) | \$ 77,542,376           |  |  |
| Transmission Service Charge  |                                    |       |                               |                       |                                      |             |                         |  |  |
| Up to 500 kwh                | 5,415,895,024                      | kWh   | \$ 0.0055                     | \$ 29,542,074         | \$ 32,248,301                        | \$ 0.0055   | \$ 32,762,339           |  |  |
| kwh over 500-Winter          | 1,084,642,063                      | kWh   | \$ 0.0055                     | \$ 5,916,395          | \$ 6,458,372                         | \$ 0.0055   | \$ 6,561,318            |  |  |
| kwh over 500-Summer          | 1,198,814,912                      | kWh   | \$ 0.0063                     | \$ 7,598,340          | \$ 8,294,393                         | \$ 0.0064   | \$ 8,426,605            |  |  |
|                              |                                    |       |                               | \$ 43,056,810         | \$ 47,001,065                        |             | \$ 47,750,262           |  |  |
| Variable Distribution Charge |                                    |       |                               |                       |                                      |             |                         |  |  |
| Up to 500 kwh                | 5,415,895,024                      | kWh   | \$ 0.0457                     | \$ 247,567,493        | \$ 270,246,123                       | \$ 0.0464   | \$ 274,553,846          | \$ 0.0482  | \$ 284,959,493   |
| kwh over 500-Winter          | 1,084,642,063                      | kWh   | \$ 0.0457                     | \$ 49,580,377         | \$ 54,122,229                        | \$ 0.0464   | \$ 54,984,938           | \$ 0.0482  | \$ 57,068,878  |
| kwh over 500-Summer          | 1,198,814,912                      | kWh   | \$ 0.0531                     | \$ 63,675,354         | \$ 69,508,388                        | \$ 0.0540   | \$ 70,616,352           | \$ 0.0558  | \$ 73,021,742  |
|                              |                                    |       |                               | \$ 360,823,223        | \$ 393,876,740                       |             | \$ 400,155,136          |  | \$ 415,050,113   |
| CTC/Elec Gen                 |                                    |       |                               |                       |                                      |             |                         |  |  |
| Up to 500 kwh                | 10,831,790,049                     | kWh   | \$ 0.0937                     | \$ 507,410,813        | \$ 553,892,611                       | \$ 0.0952   | \$ 562,721,659          |  |  |
| kwh over 500-Winter          | 2,169,284,127                      | kWh   | \$ 0.0937                     | \$ 101,619,236        | \$ 110,928,152                       | \$ 0.0952   | \$ 112,696,347          |  |  |
| kwh over 500-Summer          | 2,397,629,824                      | kWh   | \$ 0.1061                     | \$ 127,131,648        | \$ 138,777,650                       | \$ 0.1078   | \$ 140,989,766          |  |  |
|                              |                                    |       |                               | \$ 736,161,697        | \$ 803,598,412                       |             | \$ 816,407,771          |  |  |
| Total Revenue                |                                    |       |                               | \$ 1,209,962,337      | \$ 1,320,801,961                     |             |                         |  |  |

Proof of Revenue is for demonstration purposes only.

(a) RNR Pricing = RNR Revenue / (Usage \* 1.092 growth factor)

(b) RNR Revenue = RNR Factor (1.01594) \* Column (7)

(c) Includes Consumer Education Plan (Pricing) = \$.13¢ for Rate R, RT and RH @ Docket No. M-2008-2032274 & M-2008-2062739

**PECO**  
**Proof of Revenue 2011**  
**Rate RT**

Electric PA PUC No. 3

|                              | <u>Billing Determinants</u><br>(4) | <u>Pricing</u><br>(5)=(6)/(4) | <u>Revenue</u><br>(6) | <u>Growth Ratio</u><br>(7)=(6)x1.092 | <u>RNR</u>   |                         | Adjusted<br>Distribution Pricing<br>w/ USFC<br>@ 0.0018 \$/KWH<br>(12) | Adjusted<br>Distribution Revenue<br>w/ USFC<br>@ 0.0018 \$/KWH<br>(13) |
|------------------------------|------------------------------------|-------------------------------|-----------------------|--------------------------------------|--------------|-------------------------|--|--|
|                              |                                    |                               |                       |                                      | Pricing (a)  | Revenue (b)<br>@1.01594 |  |  |
| Fixed Distribution Charge    | 143 bills                          | \$ 10.19                      | \$ 1,458              | \$ 1,592                             | \$ 10.48 (c) | \$ 1,617                |  |  |
| Transmission Charge          |                                    |                               |                       |                                      |              |                         |  |  |
| Summer Off-peak kwh          | 32,901 kWh                         | \$ 0.0030                     | \$ 98                 | \$ 107                               | \$ 0.0030    | \$ 108                  |  |  |
| Summer On-peak kwh           | 8,067 kWh                          | \$ 0.0121                     | \$ 98                 | \$ 106                               | \$ 0.0123    | \$ 108                  |  |  |
| Winter Off-peak kwh          | 27,659 kWh                         | \$ 0.0030                     | \$ 82                 | \$ 90                                | \$ 0.0030    | \$ 91                   |  |  |
| Winter On-peak kwh           | 10,372 kWh                         | \$ 0.0111                     | \$ 115                | \$ 126                               | \$ 0.0113    | \$ 128                  |  |  |
|                              |                                    |                               | \$ 393                | \$ 428                               |              | \$ 435                  |  |  |
| Variable Distribution Charge |                                    |                               |                       |                                      |              |                         |  |  |
| Summer Off-peak kwh          | 32,901 kWh                         | \$ 0.0187                     | \$ 615                | \$ 671                               | \$ 0.0190    | \$ 682                  | \$ 0.0208  | \$ 747   |
| Summer On-peak kwh           | 8,067 kWh                          | \$ 0.0761                     | \$ 614                | \$ 670                               | \$ 0.0773    | \$ 680                  | \$ 0.0791  | \$ 697   |
| Winter Off-peak kwh          | 27,659 kWh                         | \$ 0.0187                     | \$ 517                | \$ 564                               | \$ 0.0190    | \$ 573                  | \$ 0.0208  | \$ 628   |
| Winter On-peak kwh           | 10,372 kWh                         | \$ 0.0698                     | \$ 724                | \$ 790                               | \$ 0.0709    | \$ 802                  | \$ 0.0727  | \$ 823   |
|                              |                                    |                               | \$ 2,469              | \$ 2,695                             |              | \$ 2,738                |  | \$ 2,895   |
| CTC/Elec Gen                 |                                    |                               |                       |                                      |              |                         |  |  |
| Summer Off-peak kwh          | 65,802 kWh                         | \$ 0.0579                     | \$ 1,905              | \$ 2,080                             | \$ 0.0589    | \$ 2,113                |  |  |
| Summer On-peak kwh           | 16,135 kWh                         | \$ 0.1813                     | \$ 1,463              | \$ 1,597                             | \$ 0.1842    | \$ 1,622                |  |  |
| Winter Off-peak kwh          | 55,319 kWh                         | \$ 0.0579                     | \$ 1,602              | \$ 1,748                             | \$ 0.0589    | \$ 1,776                |  |  |
| Winter On-peak kwh           | 20,745 kWh                         | \$ 0.1678                     | \$ 1,740              | \$ 1,900                             | \$ 0.1704    | \$ 1,930                |  |  |
|                              |                                    |                               | \$ 6,710              | \$ 7,325                             |              | \$ 7,442                |  |  |
| <b>Total Revenue</b>         |                                    |                               | \$ 11,030             | \$ 12,040                            |              |                         |  |  |

Proof of Revenue is for demonstration purposes only.

(a) RNR Pricing = RNR Revenue / (Usage \* 1.092 growth factor)

(b) RNR Revenue = RNR Factor (1.01594) \* Column (7)

(c) Includes Consumer Education Plan (Pricing) = \$.13¢ for Rate R, RT and RH @ Docket No. M-2008-2032274 & M-2008-2062739

**PECO  
Proof of Revenue 2011**

**Rate RH**

|                              | Billing Determinants<br>(4) | Pricing<br>(5)=(6)/(4) | Revenue<br>(6)        | Growth Ratio<br>(7)=(6)x1.092 | RNR         |                         | Adjusted<br>Distribution Pricing<br>w/ USFC<br>@ 0.0018 \$/KWH<br>(12) | Adjusted<br>Distribution Revenue<br>w/ USFC<br>@ 0.0018 \$/KWH<br>(13) |
|------------------------------|-----------------------------|------------------------|-----------------------|-------------------------------|-------------|-------------------------|--|--|
|                              |                             |                        |                       |                               | Pricing (a) | Revenue (b)<br>@1.01594 |  |  |
| Fixed Distribution Charge    | 1,824,041 bills             | \$ 5.10                | \$ 9,302,607          | \$ 10,154,780                 | \$ 5.31 (c) | \$ 10,316,647           |  |  |
| Transmission Charge          |                             |                        |                       |                               |             |                         |  |  |
| Summer - Up to 500 kwh       | 457,508,824 kWh             | \$ 0.0055              | \$ 2,513,424          | \$ 2,743,668                  | \$ 0.0056   | \$ 2,787,402            |  |  |
| Summer - Over 500 kwh        | 353,843,726 kWh             | \$ 0.0064              | \$ 2,259,924          | \$ 2,466,946                  | \$ 0.0065   | \$ 2,506,269            |  |  |
| Winter - Up to 600 kwh       | 589,739,544 kWh             | \$ 0.0055              | \$ 3,239,862          | \$ 3,536,652                  | \$ 0.0056   | \$ 3,593,026            |  |  |
| Winter - Over 600 kwh        | 1,415,374,905 kWh           | \$ 0.0023              | \$ 3,236,047          | \$ 3,532,488                  | \$ 0.0023   | \$ 3,588,795            |  |  |
|                              |                             |                        | \$ 11,249,256         | \$ 12,279,754                 |             | \$ 12,475,493           |  |  |
| Variable Distribution Charge |                             |                        |                       |                               |             |                         |  |  |
| Summer - Up to 500 kwh       | 457,508,824 kWh             | \$ 0.0435              | \$ 19,912,151         | \$ 21,736,221                 | \$ 0.0442   | \$ 22,082,696           | \$ 0.0460  | \$ 22,973,288  |
| Summer - Over 500 kwh        | 353,843,726 kWh             | \$ 0.0506              | \$ 17,903,842         | \$ 19,543,939                 | \$ 0.0514   | \$ 19,855,469           | \$ 0.0532  | \$ 20,548,919  |
| Winter - Up to 600 kwh       | 589,739,544 kWh             | \$ 0.0435              | \$ 25,667,227         | \$ 28,018,495                 | \$ 0.0442   | \$ 28,465,110           | \$ 0.0460  | \$ 29,613,104  |
| Winter - Over 600 kwh        | 1,415,374,905 kWh           | \$ 0.0181              | \$ 25,637,002         | \$ 27,985,502                 | \$ 0.0184   | \$ 28,431,591           | \$ 0.0202  | \$ 31,209,637  |
|                              |                             |                        | \$ 89,120,223         | \$ 97,284,156                 |             | \$ 98,834,866           |  | \$ 104,344,948   |
| CTC/Elec Gen                 |                             |                        |                       |                               |             |                         |  |  |
| Summer - Up to 500 kwh       | 915,017,648 kWh             | \$ 0.0954              | \$ 43,633,548         | \$ 47,630,636                 | \$ 0.0969   | \$ 48,389,868           |  |  |
| Summer - Over 500 kwh        | 707,687,453 kWh             | \$ 0.1080              | \$ 38,209,227         | \$ 41,709,416                 | \$ 0.1097   | \$ 42,374,264           |  |  |
| Winter - Up to 600 kwh       | 1,179,479,088 kWh           | \$ 0.0954              | \$ 56,244,661         | \$ 61,397,001                 | \$ 0.0969   | \$ 62,375,669           |  |  |
| Winter - Over 600 kwh        | 2,830,749,811 kWh           | \$ 0.0501              | \$ 70,881,737         | \$ 77,374,918                 | \$ 0.0508   | \$ 78,608,275           |  |  |
|                              |                             |                        | \$ 208,969,173        | \$ 228,111,971                |             | \$ 231,748,076          |  |  |
| <b>Total Revenue</b>         |                             |                        | <b>\$ 318,641,259</b> | <b>\$ 347,830,661</b>         |             |                         |  |  |

Proof of Revenue is for demonstration purposes only.

(a) RNR Pricing = RNR Revenue / (Usage \* 1.092 growth factor)

(b) RNR Revenue = RNR Factor (1.01594) \* Column (7)

(c) Includes Consumer Education Plan (Pricing) = \$.13¢ for Rate R, RT and RH @ Docket No. M-2008-2032274 & M-2008-2062739

# EXHIBIT 5

PECO  
BILL COMPARISON with USFC at  
\$0.0018kWh

**Residential Rate R - 500 KWH \***

|                                    | 2010 w/ Current<br>\$0.0022kWh USFC Charge | 2011 w/ Proposed<br>\$0.0018kWh USFC Charge | Difference       |               |
|------------------------------------|--|---|------------------|---------------|
|                                    |  |   | (\$)             | (%)           |
| FIXED DISTRIBUTION CHARGE          | \$ 5.31                                    | \$ 5.31                                     |                  |               |
| TRANSMISSION CHARGE<br>1ST 500 KWH | \$ 2.75                                    | \$ 2.75                                     |                  |               |
| DISTRIBUTION CHARGE<br>1ST 500 KWH | \$ 24.30                                   | \$ 24.10                                    |                  |               |
| CTC/ELEC GEN<br>1ST 500 KWH        | \$ 47.60                                   | \$ 47.60                                    |                  |               |
| SUB TOTAL                          | \$ 79.96                                   | \$ 79.76                                    |                  |               |
| STATE TAX ADJUSTMENT CLAUSE -0.26% | \$ (0.13)                                  | \$ (0.13)                                   |                  |               |
| <b>TOTAL</b>                       | <b>\$ 79.83</b>                            | <b>\$ 79.63</b>                             | <b>\$ (0.20)</b> | <b>-0.25%</b> |

\* Calculation is for demonstration purposes only