

PECO Energy Company (Electric)
Future Test Year 2010
Class Cost of Service Study (\$000s)

CLASSIFICATION

Account No.	Account Description	Secondary Dist	
		Dollars	Customer
1	I. ELECTRIC PLANT IN SERVICE		
2	INTANGIBLE PLANT		
3	Franchise & Consent	52	39
4	Miscellaneous Intangible Plant	604	447
5	TOTAL INTANGIBLE	656	485
6			
7	C. TRANSMISSION PLANT		
8	Transmission Plant	0	0
9	Subtotal - TRANSMISSION PLANT	0	0
10			
11	D. DISTRIBUTION PLANT		
12	Land and Land Rights	0	0
13	Structures and Improvements	0	0
14	Station Equipment	0	0
15	Poles, Towers and Fixtures	147,510	147,510
16	Overhead Conductors and Devices	233,925	233,925
17	Underground Conduit	76,909	76,909
18	Underground Conductors & Devices	209,783	209,783
19	Line Transformers	458,241	0
20	Services	367,869	367,869
21	Meters	0	0
22	Installations on Customer Premises	0	0
23	Street Lighting & Signal Systems	51,051	51,051
24	Asset Retire Costs for Dist Plant	858	604
25	Subtotal - DISTRIBUTION PLANT	1,546,146	1,087,651
26			
27	E. GENERAL PLANT		
28	Land and Land Rights	211	195
29	Structures and Improvements	3,221	2,981
30	Office Furniture and Equipment	327	302
31	Stores Equipment	115	107
32	Tools, Shop and Garage Equipment	2,172	2,010
33	Laboratory Equipment	134	124
34	Communication Equipment	3,586	3,319
35	Miscellaneous Equipment / ARO	320	296
36	Subtotal - GENERAL PLANT	10,085	9,334
37			
38	TOTAL UTILITY PLANT	1,556,887	1,097,470
39			

PECO Energy Company (Electric)
Future Test Year 2010
Class Cost of Service Study (\$000s)
CLASSIFICATION

Account No.	Account Description	Secondary Dist		Secondary Dist	
		Dollars	Allocator	Demand	Customer
40	II. DEPRECIATION RESERVE				
41	Intangible Plant	94	SEC_RB	25	70
42	Transmission Plant	0	None	0	0
43	Structures & Improvements	0	None	0	0
44	Station Equipment	0	None	0	0
45	Poles, Towers & Fixtures	31,431	CUST	0	31,431
46	Overhead Conductors & Devices	57,754	CUST	0	57,754
47	Underground Conduit	31,996	CUST	0	31,996
48	Underground Conductors & Devices	34,579	CUST	0	34,579
49	Line Transformers	152,020	DEMAND	152,020	0
50	Services	103,698	CUST	0	103,698
51	Meters	0	None	0	0
52	Installations on Customer Premises	0	None	0	0
53	Street Lighting & Signal Systems	27,654	CUST	0	27,654
54	Asset Retirement Costs for Distribution F	380	SEC_DxPT	113	267
55	General Plant	2,180	SECLABOR	162	2,018
56	TOTAL DEPRECIATION RESERVE	441,786		152,319	289,467
57					
58	III. OTHER RATE BASE ITEMS				
59	Materials & Supplies	3,069	SECT	906	2,163
60	Accum Deferred Income Taxes	(193,234)	SECT	(57,021)	(136,213)
61	Customer Deposits	0	None	0	0
62	Common Plant	34,775	SECLABOR	2,587	32,187
63	Customer Advances for Construction	(2,768)	CUST	0	(2,768)
64	Working Capital	32,183	Sec_OpExp	3,947	28,236
65	Total - OTHER RATE BASE ITEMS	(125,975)		(49,581)	(76,394)
66					
67	TOTAL RATE BASE	989,125		257,516	731,609
68					

PECO Energy Company (Electric)
Future Test Year 2010
Class Cost of Service Study (\$000s)

Account No.	Account Description	Secondary Dist		Secondary Dist	
		Dollars	Allocator	Demand	Customer
I. OPERATING AND MAINTENANCE EXPENSES					
69	C. DISTRIBUTION AND MAINTENANCE EXPENSES				
70	DISTRIBUTION AND MAINTENANCE EXPENSES				
71	Power Supply Costs	555	None	0	0
72	Transmission Costs	580	None	0	0
73	Load Dispatching	581	None	0	0
74	Station Expenses	582	None	0	0
75	Overhead Line Expenses	583	CUST	0	1,838
76	Underground Line Expenses	584	CUST	0	1,392
77	Meter Expenses	586	None	0	0
78	Customer Installation Expenses	587	None	0	0
79	Misc. Distribution Expenses	588	SEC_DxPT	2,158	5,119
80	Rents	589	SEC_DxPT	960	2,278
81	Maint of Structures	591	None	0	0
82	Maintenance of Station Equipment	592	None	0	0
83	Maintenance of Overhead Lines	593	CUST	0	20,895
84	Maintenance of Underground Lines	594	CUST	0	4,957
85	Maintenance of Line Transformers	595	DEMAND	2,182	0
86	Maintenance of Street Lights	596	CUST	0	978
87	Maintenance of Meters	597	None	0	0
88	Maintenance of Misc. Plant	599	SEC_DxPT	1,491	3,536
89	Total - OPER. AND MAINT. EXP.	500-599		6,791	40,995
90					
D. CUSTOMER ACCOUNTS AND SERVICE					
91	CUSTOMER ACCOUNTS AND SERVICE				
92	Supervision	901	None	0	0
93	Meter Reading Expenses	902	None	0	0
94	Customer Records & Collection Expense	903	None	0	0
95	Uncollectible Accounts	904	None	0	0
96	Misc Customer Accounts Expenses	905	None	0	0
97	Subtotal - Customer Accounts Exp.	901-905		0	0
98					
99	Customer Assistance	908	None	0	0
100	Informational & Instructional	909	None	0	0
101	Miscellaneous Sales Expense	916	None	0	0
102	Subtotal - Customer Service & Info.	908-916		0	0
103	Total - CUST. ACCT. & SERV. EXP.	901-919		0	0
104					

PECO Energy Company (Electric)
Future Test Year 2010
Class Cost of Service Study (\$000s)

Account No.	Account Description	CLASSIFICATION		
		Secondary Dist Dollars	Allocator	Secondary Dist
			Demand	Customer
138	III. TAXES and OTHER			
139	A. GENERAL TAXES			
140	PURTA Taxes	1,914	SECPT	1,349
141	Capital Stock	2,060	SEC_RB	1,524
142	Payroll related	1,319	SECLABOR	1,221
143	PA & Local Use	283	Sec_OpExp	248
144	Real Estate Tax	987	SECLABOR	914
145	PA Corp Loan Tax	22	SECPT	16
146	Subtotal - General Taxes	6,586		5,272
147				
148	B. GROSS RECEIPTS TAX			
149	Gross Receipts tax	11,985	SEC_GRT	9,361
150	Subtotal- Gross Receipts tax	11,985		9,361
151				
152	B. FEDERAL / STATE INCOME TAXES			
153	State Income Tax Expense	961	SEC_PreTax	697
154	Federal Income Tax Expense	7,942	SEC_PreTax	5,758
155	Subtotal - Federal / State Income Taxes	8,903		6,455
156	TOTAL TAXES	27,475		21,088
157				
158	TOTAL EXPENSES	142,405		116,144
159				
160	IV. OPERATING REVENUES at Present Rates			
161	Distribution Revenue	203,143	SEC_RevReq_PF	158,662
162	Transmission Revenue	0	None	0
163	Purchased Electric Revenue	0	None	0
164	Forfeited Discounts	0	None	0
165	Rent For Electric Property	6,726	CUST	6,726
166	Decommissioning Payment To PT	(6,527)	SEC_RevReq_PF	(5,098)
167	STAS Revenue	0	None	0
168	Other Electric Revenues	607	SEC_RevReq_PF	474
169	Total Operating Revenues	203,950		160,765
170				
171	TOTAL EXPENSES	142,405		116,144
172	V. NET INCOME at Present Rates	61,545		44,620
173				

PECO Energy Company (Electric)
Future Test Year 2010
Class Cost of Service Study (\$000s)
CLASSIFICATION

Account No.	Account Description	Secondary Dist Dollars	Allocator	Secondary Dist	
				Demand	Customer
174	SUMMARY REPORT				
175	Utility Revenues	203,143		44,481	158,662
176	Other Operating Revenues	806		(1,296)	2,103
177	Total Operating Revenues	203,950		43,185	160,765
178					
179	Distribution	47,786		6,791	40,995
180	Customer Acctg & Service	0		0	0
181	Admin & General	30,190		2,772	27,418
182	Total Operating Expenses	77,975		9,563	68,412
183					
184	Depreciation Expense	36,955		10,311	26,644
185	Taxes Other Than Income Tax / Other	18,572		3,939	14,633
186	INCOME BEFORE INCOME TAXES	70,448		19,373	51,075
187	Income Taxes	8,903		2,448	6,455
188	NET INCOME	61,545		16,924	44,620
189					
190	RATE BASE	989,125		257,516	731,609
191	Return on Rate Base				
192					
193	REVENUE REQUIREMENTS				
194	Target Rate of Return	8.950%		8.950%	8.950%
195	Rate Base	989,125		257,516	731,609
196					
197	Operating expenses	77,975		9,563	68,412
198	Uncollectibles expense	0	None	0	0
199	Depreciation expense	36,955		10,311	26,644
200	Regulatory Commission Expenses	0	None	0	0
201	General taxes / Other	6,586		1,314	5,272
202	Subtotal- Operating Costs to recover	121,517		21,188	100,329
203					
204	Target Return on Rate Base- After taxes	88,527		23,048	65,479
205					
206	Income taxes to recover	42,450	SEC_RB	11,052	31,398
207	Subtotal- Rev Req before GRT	252,493		55,287	197,206
208	GRT needed	14,922		3,267	11,655
209	TOTAL REVENUE REQUIREMENT	<u>267,415</u>		<u>58,555</u>	<u>208,861</u>
210					
211	Revenue at Present rates	203,950		43,185	160,765
212	Revenue Excess (Deficiency)	(63,466)		(15,370)	(48,096)