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August 9, 2011

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

**Re: Laura Maisch v. PECO Energy Company
PUC Docket No. C-2009-2118649**

Dear Secretary Chiavetta:

Pursuant to the Order entered on May 26, 2011 in the above reference docket, enclosed please find a copy of PECO Energy Company's report detailing changes to its bill format.

Please do not hesitate to contact with questions or comments. Thank you for your time and attention on this matter.

Very truly yours,



Tishekia Williams
Counsel for PECO Energy Company

Enc.

Cc: Dan Mumford, Bureau of Consumer Services, via email
B. Foisy, PECO Energy Company

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BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION
PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

LAURA MAISCH

Docket No. C-2009-2118649

v.

PECO ENERGY COMPANY

**REPORT OF PECO ENERGY COMPANY PURSUANT TO THE
COMMISSION'S ORDER ENTERED MAY 26, 2011**

On May 26, 2011, the Commission entered an order in the above-noted docket in which it ordered (p. 13, Ordering paragraphs 7) PECO Energy Company ("PECO") to file a report. Specifically, the Order provided:

That PECO Energy Company is directed to work with the Commission's Bureau of Consumer Services to determine whether PECO's bill format can and should be changed to include the full amount that a customer owes upon failing to comply with a payment agreement. The joint review process with BCS shall be completed within sixty (60) days of the date of entry of this Opinion and Order. That, within fifteen (15) days upon completion of the joint review process with the BCS, as directed in Ordering Paragraph No. 7, above, PECO shall file a report at Docket No. C-2009-2118649 on the outcome of the joint review process.

PECO provides this report in accordance with the Commission order.

I. Background and Procedural History

This case involves a complicated billing history caused by a number of factors including three (3) payment agreements, two (2) defaulted agreements, budget billing, termination for nonpayment, a reconnection fee, late fees, and unauthorized use of service. As a result of the complex billing history on this account, the customer was not able to reconcile her monthly bills and on July 7, 2009, Laura Maisch filed a formal

Complaint against PECO Energy Company alleging incorrect charges on her bill and that PECO failed to properly credit payments to her account. On August 3, 2009, PECO filed an Answer denying the allegations and explaining that the customer's unpaid balance is the result of defaulted payment agreements. A hearing was held on January 19, 2010.¹ On February 25, 2011, an Initial Decision ("ID") was rendered sustaining the Complaint in part, finding "insofar as PECO's failure to indicate the full amount owed by a customer, thus giving inadequate notice of the full amount that would be due if the customer failed to make a timely payment on a payment agreement, constitutes inadequate service within the meaning of the Public Utility Code." Ms. Maisch filed Exceptions to the ID on March 18, 2011. On March 28, 2011, PECO filed reply Exceptions.

On May 26, 2011, the Commission issued an Opinion and Order in this matter. In relevant part, the Opinion states:

"Based on the record in this case, we also do not believe that the failure to provide, on the customer's bill, the full amount the Ms. Maisch owed upon failure to comply with a payment agreement is unreasonable service. There was no finding here that PECO's bills issued to the customer violated the Commission's regulations on bill format or the Commission's "plain language" policy statement on billing. Rather, PECO's bill format seems to meet all the requirements in the Commission's billing regulations."

However, relying on Commission precedent,² PECO was directed to work with the BCS to determine whether PECO's bill format should be changed to include the full amount that a customer owes upon failing to comply with a payment agreement. The joint review process concluded on July 25, 2011.

¹ The hearing was originally scheduled for November 17, 2009. By Order dated October 29, 2009, the hearing was rescheduled for January 19, 2010.

² The Commission cited Dickson v. National Fuel Gas Distribution Corp., Docket No. C-2009-2132947 (Opinion and Order entered December 9, 2010)

II. Recent revisions to PECO Energy Company's bill format prior to the Maisch complaint.

PECO's bill format complies with the Commission's regulations, but PECO nonetheless periodically reviews its bill format to determine if improvements are available. As part of that ongoing process, and prior to receiving the *Maisch* complaint, PECO recently revised its monthly bill to provide additional information on the bill. The revisions specifically provide customers with more detailed information about their payment agreement.

To understand the changes, it is first necessary to understand some basic background information about PECO payment agreements. PECO issues four (4) types of payment agreements: deferred payment agreements ("DPA"); special payment agreements ("SPA"); Public Utility Commission ("PUC") payment agreements; and installment payment agreements. A DPA is an agreement issued to a residential customer by PECO Energy. A SPA is an agreement issued to customers with unusual billing issues, such as a significant make-up bill or active Protection from Abuse Order. PUC agreements are agreements ordered by the Pennsylvania Public Utility Commission. Finally, installment agreements are payment agreements issued to commercial or industrial customers. By far, DPAs are the most common agreements issued, followed by PUC agreements.³ Compared to DPA and PUC agreements, PECO does not issue SPAs or installment agreements frequently.

In December 2008, PECO's monthly bill was revised to include the number or remaining installments, the installment amount, and the total agreement balance for all

³ Over the past 12 months, PECO averaged 2,186 active PUC agreements and 47,519 active DPAs.

customers on a DPA. When Ms. Maisch filed her formal complaint, customers on DPAs did in fact receive detailed information about their payment agreement each month.⁴ A copy of the bill, as revised in December 2008, is attached to this report.

During the joint review process, PECO and the BCS reviewed the current bill format to determine what additional changes could be reasonably made to the bill to address the issues that were raised in the *Maisch* proceeding.

III. Changes to be implemented following the joint review process.

After consideration of the comments provided by the Bureau of Consumer Services (“BCS”), PECO will revise its bill to include the number of remaining installments, monthly installment amount and agreement balance for all four (4) payment agreement types. That is, by January 30, 2012, PECO’s bill will include the same information currently provided to customers on a DPA, to customers on SPAs, PUC and installment payment agreements. As a result of the change, all customers on a payment agreement will be able to determine their entire account balance each month.

PECO will also make a process enhancement to better reflect a customer’s receipt of external grant funding, such as LIHEAP funding. When a customer on a payment agreement makes a payment (typically via a LIHEAP grant) that is greater than the amount currently due, PECO will now apply the grant to the payment agreement balance, then cancel that agreement and immediately re-issue a new agreement for the same duration as the old payment agreement, but with a lower monthly amount due. PECO believes that this enhancement best gives the customer the full benefit of their LIHEAP

⁴ Ms. Maisch’s payment agreement balance was not reflected on her bill because it was a PUC agreement.

grant while still allowing them the full length of their previously-agreed upon payment arrangement.

If a customer makes a payment in excess of the required amount from a source other than a grant, the additional monies are applied to future bills. The customer may elect to have the excess payment applied to the past due balance. If the customer elects to apply the payment to the balance, PECO will follow the same process described above for grant payments.

V. Conclusion

PECO's bill will be revised to include the number of remaining installments, the installment amount, and the total agreement balance for all customers on a payment agreement. This change will be implemented by January 30, 2012. Accordingly, any customer on a payment agreement will be able to determine their total account balance by adding the current charges and total payment agreement balance. PECO believes that this change will reduce customer confusion regarding the terms of their payment agreements.

Dated: August 9, 2011

Page 1

Name:
Service Address:

Phone Number:
Account Number:
Issue Date: 06/02/2010

General Information

Next scheduled meter reading: July 1, 2010
Payment Information: PECO Energy, 2301 Market St, Philadelphia, PA, 19101, walk-in business hours Monday through Friday 8:30AM to 5:00PM. For additional payment options, go to www.peco.com/ehome. If you have any questions or concerns, please call 1-800-494-4000 before the due date.
To pay by phone, call 1-877-432-9384. (A convenience fee will apply.)
Si tiene alguna pregunta, favor de llamar al numero 1-800-494-4000 antes de la fecha de vencimiento.

Meter Information

Read Date	Meter Number	Load Type	Reading Type	Meter Reading		Diff	Mult X	Usage
				Previous	Present			
06/01	083261855	General Service	Tot kwh	53634 ACT	54251 ACT	617	1	617
Total kwh Used			617					

Current Period

Electric Residential Service

Service 05/02/2010 to 06/01/2010 - 30 Days

Customer charge					\$5.32
Generation Charges	500 kwh	X	\$0.06100		30.50
Generation Charges	117 kwh	X	0.06810		7.97
Transmission Charges	500 kwh	X	0.00550		2.75
Transmission Charges	117 kwh	X	0.00640		0.75
Distribution Charges	500 kwh	X	0.05200		26.00
Distribution Charges	117 kwh	X	0.05960		6.97
Transition Charges	500 kwh	X	0.03420		17.10
Transition Charges	117 kwh	X	0.03970		4.64
State Tax Adjustment					-0.17
Total current charges					\$101.83

When paying in person, please bring the entire bill.

Return only this portion with your check made payable to PECO. Please write your account number on your check.



- Check here to enroll in Power Pay automatic account debit and complete form on reverse side.
- Check here to pledge a donation to MEAF and complete form on reverse side.

To pay by phone call 1-877-432-9384. A convenience fee will apply.

4839 1 AT 0.357 4839004839011188 021 01 GXACR 1 06032010

Account Number

Payment Receipt Stamp

Payment Amount

PECO ENERGY - PAYMENT PROCESSING
PO BOX 37629
PHILADELPHIA, PA 19101

Please pay this amount by 06/24/2010

\$131.44

00000101830000000000

438740180500001314401750131444

Page 2

Name:
Service Address:

Phone Number:
Account Number:
Issue Date: 06/02/2010

Other Basic Charges

Thank you for your payment of \$179.00
 Deferred payment agreement \$29.61
Total other charges \$29.61
Total amount due \$131.44

Message Center

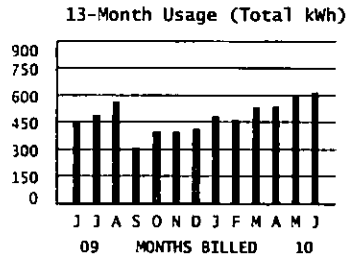
New charges contain estimated total state taxes of \$7.50, including \$6.01 for State Gross Receipts Tax. PECO's new charges contain \$19.18 Intangible Transition Charges.
 If you were on our budget billing program, your bill this month would have been \$78.00. To begin using budget billing, please pay this amount rather than the amount shown on your bill. Your account will automatically be placed on budget billing.

Your Usage Profile

DEFERRED PAYMENT ARRANGEMENT

Current Payment Plan Amount \$29.61
 Payment Plan Balance \$651.31
 # of Remaining Payments 22

Electric Residential Service



Month Billed	Avg Daily Usage	Avg Daily Temp
Current Month	20.5	67
Last Month	19.1	59
Last Year	15.1	65
Avg kWh per Month		483
Total Annual kWh Usage		5800

DO NOT MAIL THIS PORTION WITH YOUR PAYMENT

From: (215) 841-5353
Anita Zaketa

Origin ID: PSQA

FedEx
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2301 Market Street
S23-1
Philadelphia, PA 19101

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Rosemary Chiavetta, Secretary
Public Utilities Commission
400 NORTH ST FL 2
COMMONWEALTH KEYSTONE BUILDING
HARRISBURG, PA 17120

Ref #
Invoice #
PO #
Dept #

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STANDARD OVERNIGHT

TRK# 7950 6097 0999

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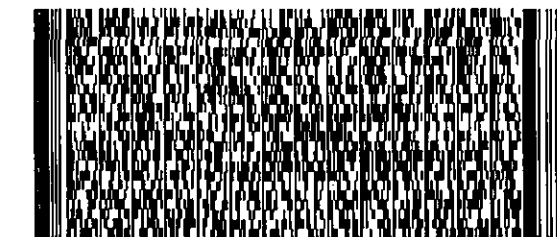
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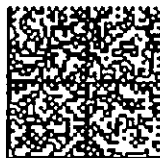
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