



An Exelon Company

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September 16, 2011

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

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SEP 16 2011

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

**SUBJECT:** Withdraw of Smart Meter Reconciliation and Tariff Supplement filing  
Submitted on August 1, 2011 at Docket No. M-2011-2255303

Dear Secretary Chiavetta:

As per the request of the Bureau of Audits, PECO Energy Company herewith withdraws the Smart Meter Reconciliation and Tariff Supplement filing submitted on August 1, 2011 at Docket No. M-2011-2255303 with the exception of the Reconciliation Statements Exhibits No. 2 and No. 3. PECO wishes that Exhibits No. 2 and No. 3 be the only items to be considered by the Commission under this docket. Note Exhibits No. 2 and No. 3 are attached for your convenience.

The Company will submit a new Tariff Supplement reflecting revised Smart Meter rates to become effective January 1, 2012, along with supporting documentation at the appropriate future time under a new docket number for Commission review and approval.

Please direct any questions regarding the above to Richard A. Schlesinger at 215-841-5771.

Would you please acknowledge receipt of the foregoing on the enclosed copy of this letter.

Sincerely,

Copies to: C. Walker-Davis, Director, Office of Special Assistants  
P. Diskin, Director, Bureau of Technical Utility Services  
M. C. Lesney, Director, Bureau of Audits  
J. E. Simms, Director, Bureau of Investigation & Enforcement  
Office of Consumer Advocate  
Office of Small Business Advocate  
McNees, Wallace & Nurick

**Exhibit 2**  
**PECO Energy Smart Meter Project**  
**Reconciliation of Revenue and Costs for Period July 1, 2010 through June 30, 2011**

<b>E-Factor Period</b>	<b>Actual Smart Meter Costs</b> <b>(1)</b>	<b>Actual Stimulus Funding</b> <b>(2)</b>	<b>Actual Recoverable Costs</b> <b>(3) = (1) - (2)</b>	<b>Actual Revenue</b> <b>(4)</b>	<b>C-Factor Over/(Under) Recovery</b> <b>(5) = (4) - (3)</b>	<b>Interest Rate</b> <b>(6)</b>	<b>Interest Time Factor</b> <b>(7)</b>	<b>(a) Interest Owed/ (Interest Recouped)</b> <b>(8) = (5) x (6) x (7)</b>
<b>Balance</b>								
Jul-10	\$ 2,498,583	\$ 1,082,376	\$ 1,416,206	\$ -	\$ (1,416,206)	n/a	n/a	n/a
Aug-10	\$ 241,577	\$ 104,163	\$ 137,414	\$ -	\$ (137,414)	n/a	n/a	n/a
Sep-10	\$ 464,945	\$ 197,857	\$ 267,088	\$ -	\$ (267,088)	n/a	n/a	n/a
Oct-10	\$ 1,508,214	\$ 587,008	\$ 921,206	\$ -	\$ (921,206)	n/a	n/a	n/a
Nov-10	\$ 747,055	\$ 331,824	\$ 415,230	\$ -	\$ (415,230)	n/a	n/a	n/a
Dec-10	\$ 950,500	\$ 426,502	\$ 523,998	\$ -	\$ (523,998)	n/a	n/a	n/a
Jan-11	\$ 767,092	\$ 265,337	\$ 501,754	\$ 724,276	\$ 222,522	6%	18/12	\$ 20,027
Feb-11	\$ 973,522	\$ 344,254	\$ 629,268	\$ 1,309,629	\$ 680,361	6%	17/12	\$ 57,831
Mar-11	\$ 995,819	\$ 373,519	\$ 622,300	\$ 1,094,874	\$ 472,574	6%	16/12	\$ 37,806
Apr-11	\$ 1,542,900	\$ 484,536	\$ 1,058,364	\$ 974,761	\$ (83,603)	6%	15/12	\$ (6,270)
May-11	\$ 1,778,849	\$ 639,839	\$ 1,139,010	\$ 869,502	\$ (269,508)	6%	14/12	\$ (18,866)
Jun-11	\$ 1,179,195	\$ 381,513	\$ 797,682	\$ 1,180,365	\$ 382,683	6%	13/12	\$ 24,874
	<b>\$ 13,648,250</b>	<b>\$ 5,218,729</b>	<b>\$ 8,429,521</b>	<b>\$ 6,153,407</b>	<b>\$ (2,276,114)</b>			<b>\$ 115,402</b>

(a) No interest charged for over and under recoveries prior to January 1, 2011

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**Exhibit 3**  
**PECO Energy Smart Meter Project**  
**Reconciliation of Revenue and Costs for Period July 1, 2010 through June 30, 2011 by Class**

	<u>Res (Rates R, RH, and OP)</u>	<u>Allocation</u>	<u>SCI (Rate GS)</u>	<u>Allocation</u>	<u>LCI (Rates HT, PD and EP)</u>	<u>Allocation</u>	<u>Total</u>
Actual Smart Meter Costs	\$ 12,328,365	90.33%	\$ 1,292,596	9.47%	\$ 27,289	0.20%	\$ 13,648,250
Less: Stimulus Grant	\$ 4,714,040	90.33%	\$ 494,255	9.47%	\$ 10,435	0.20%	\$ 5,218,729
Total Recoverable Costs by Class	\$ 7,614,325		\$ 798,342		\$ 16,854		\$ 8,429,521
Total Revenue by Class	\$ 5,530,330		\$ 609,814		\$ 13,264		\$ 6,153,407
<b>Over (Under) Recovery by Class</b>	<b>\$ (2,083,995)</b>		<b>\$ (188,528)</b>		<b>\$ (3,591)</b>		<b>\$ (2,276,114)</b>
Interest Owed to Customer by Class	\$ 104,242	90.33%	\$ 10,929	9.47%	\$ 231	0.20%	\$ 115,402
<b>Net Over (Under) Recovery</b>	<b>\$ (1,979,753)</b>		<b>\$ (177,599)</b>		<b>\$ (3,360)</b>		<b>\$ (2,160,712)</b>
Number of Customers (a)	1,412,692	90.33%	148,117	9.47%	3,127	0.20%	1,563,936

(a) Per PECO June 2011 Revenue, Sales and Customers Report and excluding all lighting, sales for resale and interdepartmental classes.