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SECRETARY'S BUREAU

November 29, 2011

Marlane R. Chestnut
Administrative Law Judge
Suite 4063
801 Market Street
Philadelphia Pa. 19107

Re: Docket No. C-2011-2253896

In response to PECO's request of November 14 for relief in this matter, I am submitting additional documentation as to the impact of the elimination of the Residential Heat Rate on myself and the approximately 160,000 PECO customers in this rate class.

Exhibit #1 - My response to PUC 8/30/2011

Exhibit #2 - News article in Philadelphia Inquirer 11/16/2011 – "PECO Rate Reduction".

Exhibit #3 - News Article in Philadelphia Inquirer 11/27/2011 "Electric Heat Time to Convert".

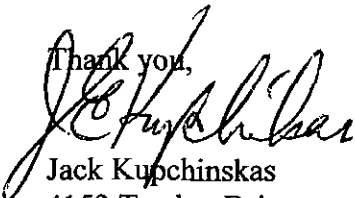
Exhibit #4 - PECO insert in my November utility bill.

Exhibit #5 - My November 2011 PECO utility bill showing current rates.

As the exhibits show, I currently have "No Choice" regarding competitive electric suppliers since none offer residential electric heat rates. As to other alternatives, gas would cost approximately \$10,000 for a new heating system and hookup if it were available. Oil Heat would involve installing a new heating system and oil tank. My property is not large enough for a windmill and solar would cost \$30,000 with government subsidies.

Since Exelon and its PECO subsidiary are making substantial profits and are lowering rates for most of its customer, I feel increasing my Winter heating costs by 45% is unreasonable and unfair.

Thank you,



Jack Kupchinkas
4152 Tersher Drive
Doylestown, Pa. 18902

Jackkup@verizon.net
215-230-3630

cc: Michael A. Gruin, Esquire
Stevens & Lee Lawyers
17 N. Second Street
16th Floor
Harrisburg, Pa. 17101

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, Pa. 17120

Office of Consumer Advocate Harrisburg
Tishekia Williams, PECO Energy
Chuck McIlhinney, Pa. State Senate
Margarita Quinn, Pa. State Assembly
Philadelphia Inquirer, Philadelphia

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August 30, 2011

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SECRETARY'S BUREAU

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Keystone Building
400 North Street, 2nd Floor
Harrisburg, Pa. 17120

Re: Docket No. C-2011-2253896

Attached please find the history of my complaint to the PUC and the response by PECO to the issue of the elimination of the "Residential Electric Heat Rates" effective in January 2012.

I will list the major points and actions I have tried to alleviate this financially devastating issue.

1. As can be seen from my typical Winter bill from PECO and the monthly and annual usage from that bill, my projected cost per month (Winter months) will increase over \$200.00 monthly or over 40%.
2. I am not poor, but live on a pension and Social Security that does not increase each month. I keep my winter thermostat at 68 degrees. I cannot lower it much more!
3. My street does not have gas available so my choice would be converting to oil heat. This is "Dirty" heat and against all the environmental concerns we hear so much about.
4. Tens of thousands of people in Bucks & Montgomery counties were told electric was the clean energy and were encouraged to install "Heat Pumps" when building our houses. The electric rates were set to compensate for the "High usage & High Cost" of this form of heat.
5. None of the alternative Suppliers offer a competitive "Home Heating electric Rate" to what PECO now offers.

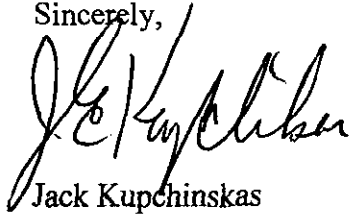
I have talked at length with PECO, Public Utility Commission the Office of Consumer Advocate in Harrisburg, my State Senators office and my State Representatives Office.

#1

This travesty cannot stand. We cannot afford this exorbitant increase in this environment.

Other than a "Class Action Lawsuit" or public demonstrations/petitions, I am at a loss as to what can be done to forestall or remediate this impending financial disaster.

Sincerely,



Jack Kupchinskas
4152 Tersher Drive
Doylestown, Pa. 18902

215-230-3630

jackkup@verizon.net

cc: Office of Consumer Advocate, Harrisburg
Michael Gruin, Stevens & Lee Lawyers
Tishekia Williams, PECO Energy
Chuck McIlhinney, Pa. State Senate
Margarita Quinn, Pa. State Assembly
Philadelphia Inquirer, Philadelphia

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BUSINESS

Tactics that attracted Teva warehouse **Philly Deals, A20.**

Wednesday, Nov. 16, 2011 ★ A18

Peco will reduce some rates on Jan. 1

By Andrew Maykuth
INQUIRER STAFF WRITER

It's official: Peco Energy Co.'s residential supply charge will decrease 10.6 percent on Jan. 1.

The Philadelphia utility announced Tuesday that its price for most residential customers would decrease from 11.14 cents per kilowatt-hour to 9.96 cents. For a customer using 500 kilowatt hours, the monthly savings would amount to \$5.90.

Small commercial customers will see a 10.3 percent decrease:

The price for most residential customers will drop by 10.6 percent.

Peco had signaled in October that its generation charge would decline Jan. 1. The charge is adjusted quarterly to reflect market conditions, and wholesale rates often soften during the winter.

But not all Peco customers will be smiling Jan. 1.

As it had previously warned, the utility will sharply reduce discounts for about 160,000 residential heating customers and 80,000 customers with electric water heaters Jan. 1.

For residential heating customers, the kilowatt-hour price for the See **PECO** on A19

Peco

Continued from A18

first 600 kilowatt hours a month will be 10.05 cents, down 8.5 percent. But the discounted rate for amounts greater than 600 kilowatt hours will be 7.78 cents, about 30 percent more than the current price.

Rates for off-peak customers with electric water heaters will double from 3.22 cents per kilowatt hour to 6.54 cents, according to the filing with the Pennsylvania Public Utility Commission.

Peco was required to reduce the discounts under an agreement with state regulators to end subsidies for some rate classes. The discounts will disappear altogether at the end of 2012.

Customers are free to shop for alternative suppliers. Those who don't switch will receive Peco's price to compare, which is generally greater than the competition.

Although Peco is cutting discounts for heating customers, no alternative suppliers have made offers to those customers because the discounts are still below market.

But more than 30 suppliers are currently offering discounts to regular res-

PA PowerSwitch
Pennsylvania Public Utility Commission

1-411-611
Pennsylvanians have already switched elec
View detailed report (PDF)

Rate caps on electric generation are expiring and co
But you may be able to save money by switching ele.

Shop for Electric Suppliers
You shop for products almost every day. Help someone you love. Save.

The Pennsylvania Public Utility Commission's <http://www.papowerswitch.com>, lists alter

native suppliers, though the suppliers will be under increasing pressure to keep their rates low in comparison with Peco's upcoming price of 9.96 cents.

Recent surveys show that customers are reluctant to switch for small discounts.

About 381,500 of Peco's 1.6 million customers buy power from alternative suppliers.

A list of alternative suppliers is post-



PhillyInc

#2

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Electric heat: Time to convert — or not?

As long-term price caps were about to expire a year ago, Peco Energy customers learned that cheap and abundant natural gas was easing the pressure on power prices and sparing them some long-anticipated bad news.

Customers who chose competitive suppliers were able to save about a penny per kilowatt-hour, offsetting a simultaneous increase in Peco's electricity-distribution rates. Rather than rise 10 percent or more, as widely predicted, the Philadelphia region's overall power prices basically held steady or ticked down.

But, there was one group of customers who saw a shadow approaching, and

now it's at hand. Starting Jan. 1, Peco's 140,000 electric-heating customers will lose half of their special residential-heating rate — the "RH rate" discount.

Come Jan. 1, 2013, the RH discount will vanish entirely — at least from Peco.

Those customers don't have many options at the moment. So far, no competitive supplier has offered dis-

counts to compete with what will be left of Peco's price

break. Nor is it guaranteed that any will do so by 2013.

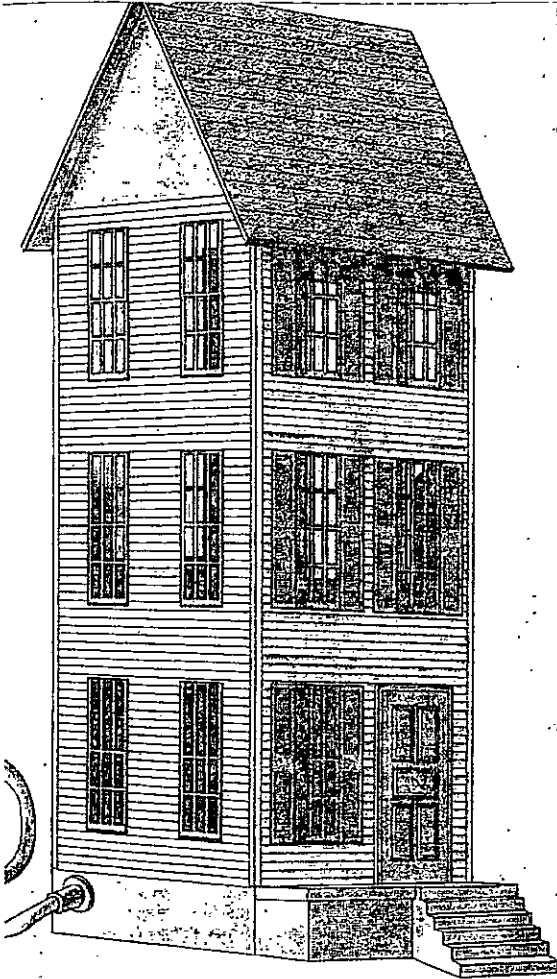
But with the clock beginning to wind down, RH customers have good reason to start evaluating what few options there are — including

See **CONSUMER 11.0** on C2



Jeff Gelles

Consumer 11.0



#3

CONSUMER 11.0 from C1
the possibility of making a final
break with electric heat.

Though it may seem ironic to
those who recall the era when
Peco and other utilities promoted
all-electric homes, Peco itself is
now eager to help, including with
incentives to help pay for convert-
ing. So is Philadelphia Gas Works.

Here's a quick rundown of the
costs, benefits, and uncertainties
if you take either path: sticking
with electric heat or switching to
gas.

Staying put. If you're staying with
electric heat, warm yourself with
this thought: You'll still have a
deep-enough discount that none
of the 40 competitive suppliers in
Peco territory is even bothering to
make you an offer.

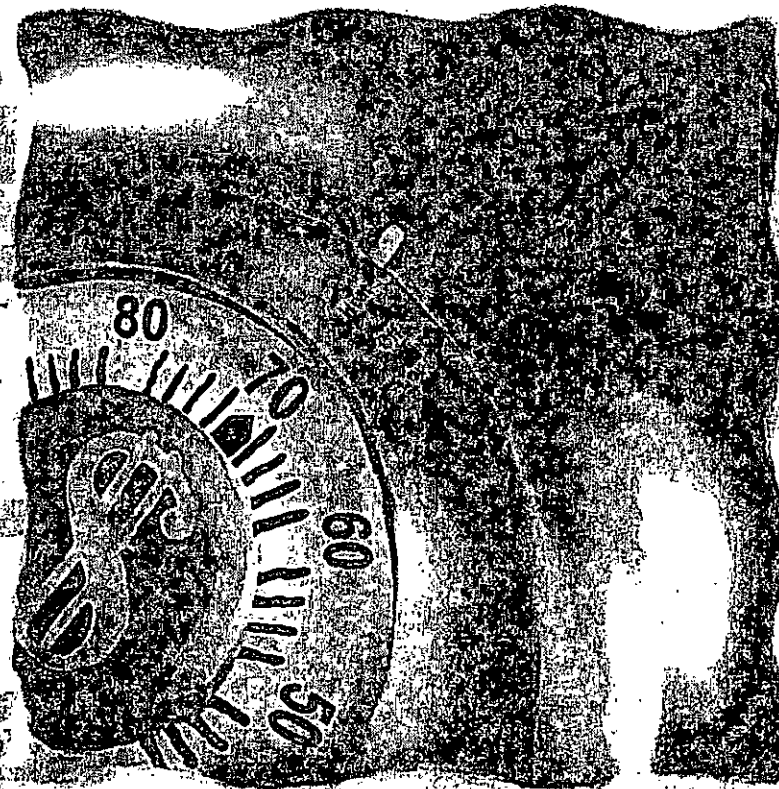
Right now, Peco's RH customers
pay 10.98 cents for their first 600
kWh per month — a threshold de-
signed to reflect their nonheating
uses. Above that during cold-
weather months, they pay 6.01
cents per kWh, a discount of more
than 45 percent.

Come Jan. 1, the price-to-com-
pare for the first 600 kWh drops
to 10.05 cents at the same time
that the RH discount is cut in half.
Above that, Peco's RH customers
will pay 7.78 per kWh.

Peco spokeswoman Cathy Engel
Menendez says the net result will
add about 5 percent to the month-
ly bill of an average RH customer,
who now pays about \$184 per
month on year-round budget bill-
ing for average use of about 1,600
kWh.

Are those customers stuck forev-
er without options? Not necessar-
ily. But two tools that may eventual-
ly make competition seem more
attractive — smart meters and so-
called dynamic pricing — are still
on the horizon.

Peco now expects to start install-
ing the computerized meters



MICHAEL HOGUE / Dallas Morning News

“sometime in 2013,” Engel Menen-
dez says. With them, either Peco
or a supplier could share savings
that come when customers shift
usage to avoid peak-demand peri-
ods — particularly summer after-
noons, when air-conditioning de-
mand soars, but also late winter
afternoons, when heating demand
coincides with businesses’ having
to turn on more lights.

It's possible that some suppliers
may offer discounts to electric-
heat customers before smart
meters are installed, since de-
mand for home heating tends to
rise overnight and in the morning.
But so far, there's no sign any are
taking that step.

The closest may be Direct Ener-
gy, which offers “Free Power Sat-
urday” to PPL customers already

equipped with smart meters, en-
couraging them to shift as much
appliance use as possible to that
low-demand day. “We're looking at
all sorts of other options to roll
out,” says spokeswoman Bethany
Ruhe, “but there's nothing firm
yet.”

Switching to gas. Much of the
power you're buying nowadays is
generated by turbines burning nat-
ural gas. Why not cut out the mid-
dleman, and eliminate the waste
that comes from burning an excel-
lent heating fuel to generate elec-
tricity just to heat your home?
Both the environment and your
budget will benefit.

Converting isn't an option for ev-
eryone, says Merie Piszczko, man-
ager of PGW's conversion pro-

gram, who says geological charac-
teristics sometimes make gas ser-
vice impossible. “There are parts
of Roxborough where it's all rock,
and we can't blast to install a
main,” he says.

But where terrain isn't an issue,
the chief challenge is gaining ac-
cess to a main. And you may be
surprised by how little it costs —
or how much your utility is willing
to help.

Under Peco's “Gas Along the
Main” program, which promotes
gas conversions, the average cost
of laying new pipe is about \$3,000,
but incentives and credits can cut
that by two-thirds. PGW offers
similar deals.

Some customers pay nothing,
such as a customer with a
2,500-square-foot home that's with-
in 150 feet of a main, Engel Menen-
dez says.

Incentives are also available for
purchasing a gas furnace or boiler
— enough, perhaps, to knock
25 percent off the cost of a \$6,000
high-efficiency boiler.

So is low-interest financing, via
the Philadelphia Home Improve-
ment Loan program and the Key-
stone Home Energy Loan Pro-
gram. The city program offers 3
percent loans to those who qualify
based on income, and 5 percent
loans to all comers.

What's the payoff? Piszczko has
numbers at his fingertips for oil-
heat customers weighing conver-
sion. He says today's natural gas
prices equate to paying \$2.06 per
gallon of heating fuel. “If oil is
\$3.50 per gallon, there are big fuel
savings,” he says.

And compared with electricity?
Even with Peco's full RH discount,
you can probably save 40 percent
to 50 percent by heating with gas
at today's prices.

Contact columnist Jeff Gelles
at 215-854-2776 or
jgelles@phillynews.com.

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ENCLOSED WITH NOV PECO BILL!!

State Tax Adjustment applies to Fixed Distribution Service Charge and Distribution Charges.

Residential Service - Rate R

This service is available to single private homes, or, in certain cases, a building that has up to five dwelling units. Service is supplied through one meter. For more information concerning the application of this rate, please call 1-800-494-4000.

500 kWh-WINTER OR SUMMER Itemized Bill

Customer Charge (Fixed Dist. Service Charge)	\$7.20
Generation Charges: (\$.1027 x 500 kWh)	51.35*
Transmission Charges: (\$.0073 x 500 kWh)	3.65*
Distribution Charges: (\$.0596 x 500 kWh)	29.80
AEPS Charges: (\$.0014 x 500 kWh)	.70*
Total Basic Charges for 500 kWh	\$92.70
State Tax Adjustment: (-.06% x \$37.00)	-.02
TOTAL CURRENT CHARGES:	\$92.68

1,000 kWh-WINTER Itemized Bill

Customer Charge (Fixed Dist. Service Charge)	\$7.20
Generation Charges: (\$.1027 x 1,000 kWh)	102.70*
Transmission Charges: (\$.0073 x 1,000 kWh)	7.30*
Distribution Charges: (\$.0596 x 1,000 kWh)	59.60
AEPS Charges: (\$.0014 x 1,000 kWh)	1.40*
Total Basic Charges for 1,000 kWh	\$178.20
State Tax Adjustment: (-.06% x \$66.80)	-.04
TOTAL CURRENT CHARGES:	\$178.16

1,000 kWh-SUMMER Itemized Bill

Customer Charge (Fixed Dist. Service Charge)	\$7.20
Generation Charges:	
(\$.1027 x first 500 kWh)	51.35*
(\$.1162 x next 500 kWh)	58.10*
Transmission Charges:	
(\$.0073 x 1,000 kWh)	7.30*
Distribution Charges:	
(\$.0596 x 1,000 kWh)	59.60
AEPS Charges:	
(\$.0014 x 1,000 kWh)	1.40*
Total Basic Charges for 1,000 kWh	\$184.95
State Tax Adjustment: (-.06% x \$66.80)	-.04
TOTAL CURRENT CHARGES:	\$184.91

*If you are receiving competitive energy supply, these PECO charges will not appear. Instead, the charges from your competitive energy supplier will be shown.

5000 kWh x .1027 = 513.50

5000 kWh x .0548 = 274.00

NEXT WINTER

CURRENT

239.50 inc / month

#4

Residential Heating Service - Rate RH

This service is available to single private homes or, in certain cases, a building that has up to five dwelling units. Service is supplied through one meter and the home must be heated by a qualified electric space heating system. For more information concerning the application of this rate, please call 1-800-494-4000.

1,000 kWh-WINTER Itemized Bill

Customer Charge (Fixed Dist. Service Charge)	\$7.20
Generation Charges:	
(\$.1045 x first 600 kWh)	62.70*
(\$.0548 x next 400 kWh)	21.92*
Transmission Charges:	
(\$.0039 x 1,000 kWh)	3.90*
Distribution Charges:	
(\$.0402 x 1,000 kWh)	40.20
AEPS Charges:	
(\$.0014 x 1,000 kWh)	1.40*
Total Basic Charges for 1,000 kWh	\$137.32
State Tax Adjustment: (-.06% x \$47.40)	-.03
TOTAL CURRENT CHARGES:	\$137.29

1,000 kWh-SUMMER Itemized Bill

Customer Charge (Fixed Dist. Service Charge)	\$7.20
Generation Charges:	
(\$.1045 x first 500 kWh)	52.25*
(\$.1183 x next 500 kWh)	59.15*
Transmission Charges:	
(\$.0039 x 1,000 kWh)	3.90*
Distribution Charges:	
(\$.0596 x 1,000 kWh)	59.60
AEPS Charges:	
(\$.0014 x 1,000 kWh)	1.40*
Total Basic Charges for 1,000 kWh	\$183.50
State Tax Adjustment: (-.06% x \$66.80)	-.04
TOTAL CURRENT CHARGES:	\$183.46

Name: JACK E KUPCHINSKAS
Account Number: 36613-01404

5#

Meter Information

Read Date	Meter Number	Load Type	Reading Type	Meter Reading		Difference	Multiplier X	Usage
				Previous	Present			
11/20	021543648	General Service	Tot kWh	68124 Actual	70660 Actual	2536	1	2536

Total kWh Used 2,536

Electric Residential Heating Service - Current Period Detail

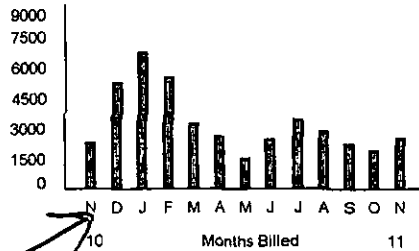
Service 10/20/2011 to 11/20/2011 - 31 days

Customer charge						\$7.20
Generation Charges	600 kWh	X	\$0.10450			62.70
Generation Charges	1,936 kWh	X	0.05480			106.09
Alt. Energy Portfolio Standard	2,536 kWh	X	0.00140			3.55
Transmission Charges	2,536 kWh	X	0.00390			9.89
Distribution Charges	2,536 kWh	X	0.04020			101.95
State Tax Adjustment						-0.07

Total Current Charges

\$291.31

13-Month Usage (Total kWh)



Your Usage Profile

Period	Usage	Avg Daily Usage	Days	Avg Daily Temp
Current Month	2,536	81.8	31	50
Last Month	1,940	66.8	29	65
Last Year	2,326	80.2	29	53

Avg kWh per Month	3,382
Total Annual kWh Usage	40,588

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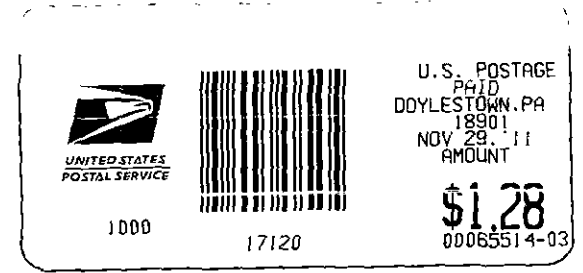
my winter average is near 5000 kWh/month

OVER \$1,000^{ea} INCREASE IN my winter heating bill (Nov-Mar)

Jack Kupchinskas
4152 Tersher Dr.
Doylestown, PA 18902

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FIRST CLASS

ROSEMARY CHIAVETTA, Secretary
PA. PUBLIC UTILITY COMMISSION
COMM. KEYSTONE BLDG.
400 NORTH STREET
HARRISBURG, PA