



An Exelon Company

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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

August 1, 2012

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 18105-3265

Subject: PECO Energy Company Reconciliation of Smart Meter Cost
Recovery (SMCRS) for the 12 Month Period ended June 30, 2012
Docket No. M-2009-2123944

Dear Secretary Chiavetta:

As required by Commission Order at Docket No. M-2009-2123944, PECO Energy Company ("PECO") transmits for filing with the Pennsylvania Public Utility Commission eight copies of the annual SMCRS reconciliation statement consisting of the following:

Computation sheets showing the reconciliation of revenues, costs and interest for the 12 month period July 1, 2011 through June 30, 2012 for the Residential, Small Commercial and Large Commercial/Industrial customer classes.

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

Sincerely,

A handwritten signature in black ink, appearing to read "R. Webster".

Copies to: C. Walker-Davis, Director, Office of Special Assistants
P. T. 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 1
PECO Energy Smart Meter Project
Reconciliation of Revenue and Costs
For the Period July 1, 2011 through June 30, 2012

E-Factor Period	Actual	Actual	Recoverable	Actual	C-Factor	Interest	Interest	Interest Owed/ (Interest Recouped)
	Smart Meter Costs ^(a)	Stimulus Funding ^(b)	Costs (Net of Stimulus Funding)		Revenue	Over/(Under) Recovery	Rate	
	(1)	(2)	(3) = (1) - (2)	(4)	(5) = (4) - (3)	(6)	(7)	(8) = (5) * (6) * (7)
Balance								
Jul-11	\$ 1,473,789	\$ 488,353	\$ 985,436	\$ 1,458,042	\$ 472,605	6%	24/12	\$ 56,713
Aug-11	\$ 1,950,110	\$ 820,358	\$ 1,129,753	\$ 1,577,232	\$ 447,479	6%	23/12	\$ 51,460
Sep-11	\$ 545,374	\$ 645,377	\$ (100,003)	\$ 1,209,029	\$ 1,309,032	6%	22/12	\$ 143,994
Oct-11	\$ 1,613,462	\$ 474,255	\$ 1,139,207	\$ 974,413	\$ (164,794)	6%	21/12	\$ (17,303)
Nov-11	\$ 1,218,674	\$ 591,635	\$ 627,039	\$ 930,178	\$ 303,139	6%	20/12	\$ 30,314
Dec-11	\$ 1,136,872	\$ 766,209	\$ 370,662	\$ 1,126,962	\$ 756,300	6%	19/12	\$ 71,848
Jan-12	\$ 2,098,427	\$ 441,885	\$ 1,656,542	\$ 3,867,678	\$ 2,211,136	6%	18/12	\$ 199,002
Feb-12	\$ 2,543,039	\$ 605,050	\$ 1,937,989	\$ 3,270,834	\$ 1,332,845	6%	17/12	\$ 113,292
Mar-12	\$ 3,841,608	\$ 1,339,759	\$ 2,501,849	\$ 2,842,333	\$ 340,484	6%	16/12	\$ 27,239
Apr-12	\$ 3,040,409	\$ 675,147	\$ 2,365,261	\$ 2,456,817	\$ 91,556	6%	15/12	\$ 6,867
May-12	\$ 3,113,064	\$ 673,360	\$ 2,439,704	\$ 2,406,897	\$ (32,807)	6%	14/12	\$ (2,296)
Jun-12	\$ 3,695,795	\$ 907,820	\$ 2,787,975	\$ 3,042,994	\$ 255,019	6%	13/12	\$ 16,576
	\$ 26,270,623	\$ 8,429,207	\$ 17,841,415	\$ 25,163,409	\$ 7,321,994			\$ 697,704

^(a) Reflects total smart meter costs which include O&M, capital expenditures net of CIAC, depreciation, return on capital, state tax flow through impacts and amortization of accelerated depreciation of Automated Meter Reading System (AMR) assets. Costs are also net of avoided AMR costs.

^(b) Reflects stimulus grant funding awarded to PECO from the Department of Energy (DOE) on project O&M spending as per (award DE-OE0000207).

Exhibit 2
PECO Energy Smart Meter Project
Reconciliation of Revenue and Costs by Class
For the Period July 1, 2011 through June 30, 2012 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	\$ 23,692,031	90.2%	\$ 2,506,906	9.5%	\$ 71,686	0.3%	\$ 26,270,623
Less: Stimulus Grant	\$ 7,601,839	90.2%	\$ 804,367	9.5%	\$ 23,001	0.3%	\$ 8,429,207
Total Recoverable Costs by Class	\$ 16,090,192		\$ 1,702,538		\$ 48,685		\$ 17,841,415
Total Revenue by Class	\$ 22,568,361		\$ 2,541,950		\$ 53,098		\$ 25,163,409
Over (Under) Recovery by Class	\$ 6,478,169		\$ 839,412		\$ 4,413		\$ 7,321,994
Interest Owed to Customer by Class	\$ 629,221	90.18%	\$ 66,579	9.54%	\$ 1,904	0.27%	\$ 697,704
Net Over (Under) Recovery	\$ 7,107,390		\$ 905,991		\$ 6,317		\$ 8,019,698
Number of Customers (a)	1,417,346	90.2%	148,837	9.5%	3,107	0.3%	1,569,290

(a) Per PECO June 2012 Revenue, Sales and Customers Report and excluding all lighting, sales for resale and interdepartmental classes.

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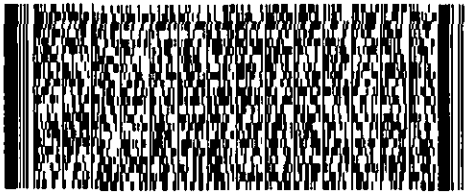
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Rosemary Chiavetta, Secretary
Pa Public Utility Commission
400 NORTH ST
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HARRISBURG, PA 17120

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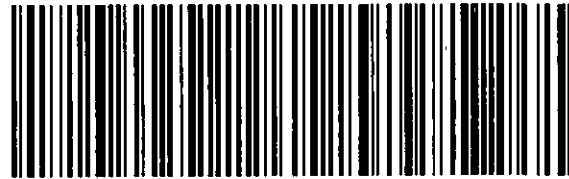
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