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PECO
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November 14, 2012

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Post Office Box 3265
Harrisburg, PA 17105-3265

Re: **Amended Pages** to Supplement No. 55 to Tariff Electric – Pa PUC No. 4
Effective January 1, 2013 - Updating CAP Discount Rates and Maximum
Discounts - Docket No. R-2012-2329373

Dear Secretary Chiavetta:

On October 12, 2012, PECO Energy Company submitted Supplement No. 55 to Tariff Electric Pa. P.U.C. No. 4, bearing an effective date of January 1, 2013. The Commission assigned Docket No. R-2012-2329373 to this filing.

Under that filing, PECO made adjustments to CAP discounts and Rate RH usage limits because of the change to the Generation Service Adjustment (GSA) phase out factor calculation and to address the impact on low income customers due to the phase out of the discounted blocked rates for Rate RH. As stated in that filing, PECO planned to update the CAP discounts in mid-November to reflect the GSA prices with first quarter 2013 pricing thus assuring the CAP rates represent the most up to date pricing effective January 1, 2013. In accordance with that plan, PECO hereby submits for filing amended pages to Supplement No. 55 to Tariff Electric Pa. P.U.C. No. 4.

In support of Supplement No. 55 we are providing the following Attachments:

Attachment 1 – Amended Electric CAP Tariff page
Attachment 2 – Summary of electric CAP discounts and maximum discounts by CAP tier
Attachment 3 – APPRISE Electric Affordability Study
Attachment 4 – Electric CAP discount calculation using APPRISE Electric Affordability Study

Thank you for your assistance in this matter and please direct any questions regarding the above to Richard Schlesinger, Manager, Retail Rates (215) 841-5771.

Sincerely,



cc: Certificate of Service
Commissioner Robert F. Powelson, Chairman
Commissioner John F. Coleman, Vice Chairman
Commissioner James H. Cawley
Commissioner Pamela A. Witmer
Commissioner Wayne E. Gardner

PENNSYLVANIA PUBLIC UTILITY COMMISSION

PECO Energy Company

:

DOCKET NO. R-2012-2329373

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing documents upon the participants, listed below, in the manner indicated below:

VIA First Class Mail

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Dated: November 14, 2012

ATTACHMENT 1

Customer Assistance Program (CAP) Rider

AVAILABILITY:

To payment-troubled customers who are currently served under or otherwise qualify for Rate R, or RH (excluding multiple dwelling unit buildings consisting of two to five dwelling units). Customers must apply for the rates contained in this rider and must demonstrate annual household gross income at or below 150% of the Federal Poverty guidelines. In addition, these customers will not be able to obtain Competitive Energy Supply.

Based on the applicable level of income and other criteria, the following CAP Rate categories (A through E1) apply:

CAP A - PECO Cares Program: Customers with annual household gross incomes at or below 25% of the Federal poverty income guidelines with documented extenuating circumstances will be eligible for CAP A which provides for Residential Rate R customers a nominal bundled rate of \$12/month for all usage up to 1,000 KWH; for usage above 1,000 KWH the CAP D rate structure will apply. For Residential Heating customers Rate RH, CAP A provides a nominal bundled rate of \$30/month for all usage up to 2,000 KWH in the Winter¹/1,000 KWH in the Summer¹; for usage above 2,000/1,000 KWH the CAP D rate structure will apply.

Extenuating circumstances shall include those individuals who demonstrate an inability to pay the billed rate of CAP B as a result of unique circumstances such as: Health related matters:

- o Injury or illness
- o High medical bills
- o Medically related usage
- o Death in the family
- Sudden loss of employment
- Households that include at risk individuals such as:
 - o Children below 8 years of age
 - o Disabled persons
 - o Infirm elderly
- Inability to maintain at least two CAP B payment arrangements
- High usage related to shelter conditions which are not treatable by LIURP

¹ Winter refers to the 9 months (October – June); Summer refers to the 3 peak usage summer months (July-September).

Program Provisions: The CAP A Rate is limited to 7,500 customers and these customers will be re-certified annually. CAP A customers will be targeted to receive LIURP treatments; and they will be assigned to a PECO Cares Representative to maximize the assistance available to them. In addition, these customers will not be able to obtain Competitive Energy Supply.

(C)

Rate R	CAP B	CAP C	CAP D	CAP D1	CAP E	CAP E1
Federal Poverty Income Rate	<=25%	26-50%	51-75%	76-100%	101-125%	126-150%
Discount	92%	85%	68%	61%	36%	19%
Max Discount Amount Winter Bill						
650 kWh	\$95.39	\$88.13	\$70.50	\$63.24	\$37.32	\$19.70
Max Discount Amount Jul - Sept						
750 kWh	\$109.04	\$100.74	N/A	N/A	N/A	N/A
Max Discount Amount Jun - Sept						
650 kWh	N/A	N/A	\$70.50	\$63.24	\$37.32	\$19.70
Max Discount Amount June						
650 kWh	\$95.39	\$88.13	N/A	N/A	N/A	N/A
Monthly Minimum Bill	\$12.00	N/A	N/A	N/A	N/A	N/A
Must be on Budget Billing	Yes	Yes	No	No	No	No

(C) Denotes Change

Customer Assistance Program (CAP) Rider (continued)

(C)

Rate RH	CAP B	CAP C	CAP D	CAP D1	CAP E	CAP E1
Federal Poverty Income Rate	<=25%	26-50%	51-75%	76-100%	101-125%	126-150%
Discount	88%	76%	50%	37%	4%	0%
Max Discount Amount Oct & May						
650 kWh	\$80.14	\$69.21	\$45.54	\$33.70	\$3.64	\$0.00
Max Discount Amount Nov - Apr						
1500 kWh	\$176.69	\$152.59	\$100.39	\$74.29	\$8.03	\$0.00
Max Discount Amount Jul - Sept						
750 kWh	\$104.30	\$90.08	N/A	N/A	N/A	N/A
Max Discount Amount Jun - Sept						
650 kWh	N/A	N/A	\$51.84	\$38.36	\$4.15	\$0.00
Max Discount Amount June						
650 kWh	\$91.24	\$78.80	N/A	N/A	N/A	N/A
Monthly Minimum Bill Oct - June	\$30.00	N/A	N/A	N/A	N/A	N/A
Must be on Budget Billing	Yes	Yes	No	No	No	No

DISCOUNT LEVELS: The Company shall be required to modify the level of discounts set forth as part of its annual USFC filing. If the calculated discounts result in a discount greater than the level allowed by the Commission, the discount for each class will be scaled back on a prorata basis such that the total cost does not exceed the allowed level. The Company will update the maximum discounts for all CAP tiers in conjunction with the quarterly Generation Supply Adjustment filing.

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CERTIFICATION/VERIFICATION Prior to enrollment in the CAP Rider, and then again every two years, customers must verify, to PECO's satisfaction, that their household income level meets the "Availability" standards set forth in this Rider. Customers being considered for the CAP Rider will be required to:

- Provide information sufficient to demonstrate to PECO their household income level.
- Waive certain privacy rights to enable PECO to effectively conduct the above certification process.
- Apply for and assign to PECO at least one energy assistance grant from the Commonwealth.
- Participate in various energy education and conservation programs facilitated by PECO.

PECO may, at its sole discretion, supplement this verification process by using data from Commonwealth or federal government programs which demonstrate the income eligibility of its customers. Such data may come from a customer's participation in, or receipt of benefits from, the Low Income Home Energy Assistance Program, Temporary Assistance for Needy Families, Food Stamps, Supplemental Security Income, and Medicaid. Information available from the Pennsylvania Department of Revenue may also be used where appropriate to expedite the process.

MINIMUM CHARGE. The minimum charge per month will be the fixed distribution charge for all customers unless otherwise noted

(C) Denotes Change

ATTACHMENT 2

PECO - Electric
Summary of 2013 Q1
CAP Rates and Discounts
Using Revised APPRISE Affordability Study Data (11-7-12)

Rate R		<u>CAP A</u>	<u>CAP B</u>	<u>CAP C</u>	<u>CAP D</u>	<u>CAP D1</u>	<u>CAP E</u>	<u>CAP E1</u>
	Discount	92%	92%	85%	68%	61%	36%	19%
	650 kWh Winter Bill	\$103.68	\$103.68	\$103.68	\$103.68	\$103.68	\$103.68	\$103.68
	650 kWh Winter Bill w/disc*	\$ 12.00	\$ 12.00	\$ 15.55	\$ 33.18	\$ 40.44	\$ 66.36	\$ 83.98
	Max Discount Amount		\$ 95.39	\$ 88.13	\$ 70.50	\$ 63.24	\$ 37.32	\$ 19.70
	750 kWh Summer Bill	\$ 118.52	\$ 118.52	\$ 118.52				
	750 kWh Summer Bill w/disc*	\$ 12.00	\$ 12.00	\$ 17.78				
	Max Discount Amount		\$109.04	\$100.74				
	650 kWh Summer Bill				\$103.68	\$103.68	\$103.68	\$103.68
	650 kWh Summer Bill w/disc*				\$ 33.18	\$ 40.44	\$ 66.36	\$ 83.98
	Max Discount Amount				\$70.50	\$63.24	\$37.32	\$19.70
	650 kWh June Bill		\$103.68	\$103.68				
	650 kWh June Bill w/disc*		\$12.00	\$15.55				
	650 kWh June Max Discount		\$95.39	\$88.13				

Rate RH		<u>CAP A</u>	<u>CAP B</u>	<u>CAP C</u>	<u>CAP D</u>	<u>CAP D1</u>	<u>CAP E</u>	<u>CAP E1</u>
	Discount	88%	88%	76%	50%	37%	4%	0%
	650 kWh Winter Bill	\$ 91.07	\$ 91.07	\$ 91.07	\$ 91.07	\$ 91.07	\$ 91.07	\$ 91.07
	650 kWh Winter Bill w/disc*	\$ 30.00	\$ 30.00	\$ 21.86	\$ 45.54	\$ 57.37	\$ 87.43	\$ 91.07
	Max Discount Amount		\$ 80.14	\$ 69.21	\$ 45.54	\$ 33.70	\$ 3.64	\$ -
	1500 kWh (Nov through Apr) Bill	\$ 200.78	\$ 200.78	\$ 200.78	\$ 200.78	\$ 200.78	\$ 200.78	\$ 200.78
	1500 kWh Winter Bill w/disc*	\$ 30.00	\$ 30.00	\$ 48.19	\$ 100.39	\$ 126.49	\$ 192.75	\$ 200.78
	Max Discount Amount		\$ 176.69	\$ 152.59	\$ 100.39	\$ 74.29	\$ 8.03	\$ -
	750 kWh Summer Bill	\$ 118.52	\$ 118.52	\$ 118.52				
	750 kWh Summer Bill w/disc*	\$ 30.00	\$ 14.22	\$ 28.44				
	Max Discount Amount		\$ 104.30	\$ 90.08				
	650 kWh Summer Bill				\$ 103.68	\$ 103.68	\$ 103.68	\$ 103.68
	650 kWh Summer Bill w/disc*				\$ 51.84	\$ 65.32	\$ 99.53	\$ 103.68
	Max Discount Amount				\$ 51.84	\$ 38.36	\$ 4.15	\$ -
	650 kWh June Bill		\$ 103.68	\$ 103.68				
	650 kWh June Bill w/disc*		\$ 30.00	\$ 24.88				
	650 kWh June Max Discount		\$ 91.24	\$ 78.80				

* As per PECO tariff, minimum bills for CAP A & B tiers Rate R is \$12. Rate RH (W) is \$30 and for (S) is \$12.

ATTACHMENT 3



MEMO

DATE: November 14, 2012
TO: Scott Neumann
FROM: Jackie Berger and Ferit Ucar
SUBJECT: PECO Electric Affordability Analysis

PECO has asked APPRISE to update the analysis of the electric burden for CAP customers compared to the PUC's targeted energy burden for 2013 using the rates that will be in effect as of January 1, 2013. This memo provides a summary of the analyses that we conducted.

All analyses in this memo were conducted using 2009 electric usage data for customers who were enrolled in PECO's CAP in December 2009. The usage data were multiplied by current electric rates provided by PECO. Energy burden was obtained by using the following formula:

$$(\text{annual electric usage}) * (\text{2013 PECO electric prices}) / (\text{annual household income})^1$$

Table 1 displays the electric rates provided by PECO that are used in the analyses included in this memo. The Non CAP rates are used in the analyses to demonstrate the discount that is needed off the full electric bill.

Table 1
PECO 2013 Electric Rates, as of January 1, 2013

	Rate R	Rate RH – Electric Heat	
Fixed Distribution Service Charge	\$7.17	\$7.17	
		Winter	Summer
Transmission Charge	\$ 0.0096	\$ 0.0096	\$ 0.0096
Variable Distribution Service Charge	\$ 0.0616	\$ 0.0422	\$ 0.0616
AEPS	\$ 0.0007	\$ 0.0007	\$ 0.0007
Energy and Capacity Charge	\$ 0.0766	\$ 0.0766	\$ 0.0766
Total Cost per kWh	\$ 0.1485	\$ 0.1291	\$ 0.1485

¹ Income was updated to 2011 using the Consumer Price Index.

Table 2 displays the current PUC target burden levels and the proposed target burden levels by poverty group.

**Table 2
 PUC Target Burden Levels**

Rate R		
Poverty Level	Current PUC Electric Energy Burden Target	Proposed PUC Electric Energy Burden Target
<=25%	2%-5%	4%
26% - 50%	2%-5%	4%
51% - 75%	4%-6%	4%
76% - 100%	4%-6%	4%
101% - 125%	6%-7%	4%
126% - 150%	6%-7%	4%
Rate RH		
Poverty Level	Current PUC Electric Energy Burden Target	Proposed PUC Electric Energy Burden Target
<=25%	7%-13%	10%
26% - 50%	7%-13%	10%
51% - 75%	11%-16%	10%
76% - 100%	11%-16%	10%
101% - 125%	15%-17%	10%
126% - 150%	15%-17%	10%

Table 3 displays the number of electric CAP customers as of December 2009 by poverty group. The table shows that there were approximately 130,000 electric CAP customers. Nearly 100,000 of these customers were included in the analyses that are summarized in the following tables, providing for a very robust analysis of customers' need for bill assistance.

**Table 3
 CAP Poverty Levels**

Poverty Level	Electric CAP Accounts
<=25%	12,201
26 to 50%	18,925
51 to 75%	28,361
76 to 100%	31,483
101 to 125%	20,924

Poverty Level	Electric CAP Accounts
126 to 150%	14,507
>150%	940
Missing	3,278
TOTAL	130,619

Table 4A displays the discount off the 2013 non-discounted electric rates needed by each poverty group to reach the PUC target. The highest value in the energy burden target range is used as the target. For example, the target burden range is 7%-13% for RH customers with income at or below 50 percent of the poverty level. Tables 4A through Table 5 show the discount off the 2013 non-discounted electric rates needed to reach a 13 percent burden for that group.

The percentage shown is the percentage discount off the total monthly bill that is needed to achieve either the targeted PUC burden level or the targeted PUC minimum payment. Minimum payments of \$12 per month for non-heating and \$30 per month for heating customers are included in these calculations. The table shows that 23 percent of rate R (non-heating) customers with income below 25 percent of the poverty level need a discount of 90 percent or more to reach the current PUC targeted energy burden level and 64 percent of these households need a discount of 75 percent to 90 percent to reach their targeted energy burden. The table shows that 92 percent of rate RH customers with income between 126 and 150 percent of the poverty level do not need a discount to reach their targeted energy burden level.

Table 4A
Projected PECO Electric Discount Needed
Off 2013 Full Electric Rates
Current PUC Energy Burden Targets

Rate R (Minimum is \$12/Month)							
Poverty Level	Percent of Customers With Each Level of Discount Off Full 2013 Rate Needed to Achieve PUC Target						
	0%	<10%	10%-25%	25%-50%	50%-75%	75%-90%	90%+
<=25%	0%	0%	0%	1%	11%	64%	23%
26% - 50%	1%	0%	1%	8%	47%	40%	2%
51% - 75%	10%	5%	11%	33%	36%	5%	0%
76% - 100%	23%	7%	14%	30%	23%	2%	0%
101% - 125%	59%	8%	12%	15%	5%	0%	0%
126% - 150%	74%	7%	8%	9%	2%	0%	0%

Rate RH (Minimum is \$30/Month)							
Poverty Level	Percent of Customers With Each Level of Discount Off Full 2013 Rate Needed to Achieve PUC Target						
	0%	<10%	10%-25%	25%-50%	50%-75%	75%-90%	90%+
<=25%	1%	0%	1%	6%	26%	58%	7%
26% - 50%	6%	3%	6%	19%	50%	16%	0%
51% - 75%	41%	9%	13%	25%	12%	1%	0%
76% - 100%	61%	7%	11%	15%	5%	0%	0%
101% - 125%	83%	6%	5%	5%	1%	0%	0%
126% - 150%	92%	2%	3%	2%	0%	0%	0%

Table 4B displays the discount off the 2013 non-discounted electric rates needed by each poverty group to reach the PUC target. The table shows that the same data as in 4A, except that the discount needed is separated into five percent increments to allow for a more detailed analysis.

Table 4B
Projected PECO Electric Discount Needed
Off 2013 Full Electric Rates
Current PUC Energy Burden Targets
By 5 Percentage Point Increments

Poverty Level		Rate R (Minimum is \$12/Month)																				
		Percent of Customers With Each Level of Discount Off Full 2013 Rate Needed to Achieve PUC Target																				
		0%	<5%	5-10%	10-15%	15-20%	20-25%	25-30%	30-35%	35-40%	40-45%	45-50%	50-55%	55-60%	60-65%	65-70%	70-75%	75-80%	80-85%	85-90%	90-95%	>=95%
<=25%		0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	1%	1%	2%	3%	6%	12%	21%	31%	21%	2%
26% - 50%		1%	0%	0%	0%	0%	1%	1%	1%	1%	2%	3%	4%	6%	9%	12%	15%	17%	15%	9%	2%	0%
51% - 75%		10%	2%	4%	3%	4%	4%	5%	6%	7%	8%	8%	8%	9%	8%	7%	5%	3%	2%	0%	0%	0%
76% - 100%		23%	3%	4%	4%	4%	5%	6%	6%	6%	6%	7%	6%	6%	5%	4%	3%	1%	1%	0%	0%	0%
101% - 125%		59%	4%	4%	4%	4%	4%	4%	3%	3%	3%	2%	2%	1%	1%	1%	0%	0%	0%	0%	0%	0%
126% - 150%		74%	4%	3%	3%	3%	2%	2%	2%	2%	1%	1%	1%	1%	0%	0%	0%	0%	0%	0%	0%	0%
Poverty Level		Rate RH (Minimum is \$30/Month)																				
		Percent of Customers With Each Level of Discount Off Full 2013 Rate Needed to Achieve PUC Target																				
		0%	<5%	5-10%	10-15%	15-20%	20-25%	25-30%	30-35%	35-40%	40-45%	45-50%	50-55%	55-60%	60-65%	65-70%	70-75%	75-80%	80-85%	85-90%	90-95%	>=95%
<=25%		1%	0%	0%	0%	0%	0%	1%	1%	2%	2%	1%	2%	3%	5%	6%	11%	15%	24%	19%	7%	0%
26% - 50%		6%	1%	1%	2%	3%	4%	4%	4%	4%	5%	4%	8%	10%	13%	11%	9%	4%	2%	0%	0%	0%
51% - 75%		41%	4%	4%	4%	4%	5%	5%	5%	5%	5%	4%	4%	3%	2%	1%	1%	0%	0%	0%	0%	0%
76% - 100%		61%	3%	4%	4%	4%	4%	3%	3%	3%	2%	2%	2%	1%	1%	0%	0%	0%	0%	0%	0%	0%
101% - 125%		83%	3%	2%	2%	1%	1%	1%	1%	1%	1%	1%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
126% - 150%		92%	1%	1%	1%	1%	1%	0%	0%	0%	1%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

Table 5 separates out the customers that would receive the minimum payment amount instead of the discount, because the discount would take them below the \$12 per month minimum payment recommended for non-heating customers or the \$30 per month minimum payment recommended for heating customers.

The table shows that 74 percent of rate R customers and 79 percent of rate RH customers with income less than or equal to 25 percent of the poverty level would need the minimum payment. Only one percent of rate R customers with income between 26 percent and 50 percent of the poverty level would need the minimum payment. However, there are no customers in the other income groups that would need the minimum payment.

Table 5
Projected PECO Electric Discount Needed
Off 2013 Full Electric Rates
Current PUC Energy Burden Targets
Minimum Payment Customers Separated Out

Rate R (Minimum is \$12/Month)								
Poverty Level	Percent of Customers With Each Level of Discount Off Full 2013 Rate Needed to Achieve PUC Target							Minimum Payment
	0%	<10%	10%-25%	25%-50%	50%-75%	75%-90%	90%+	
<=25%	0%	0%	0%	0%	4%	18%	3%	74%
26% - 50%	1%	0%	1%	8%	47%	40%	2%	1%
51% - 75%	10%	5%	11%	33%	36%	5%	0%	0%
76% - 100%	23%	7%	14%	30%	23%	2%	0%	0%
101% - 125%	59%	8%	12%	15%	5%	0%	0%	0%
126% - 150%	74%	7%	8%	9%	2%	0%	0%	0%

Rate RH (Minimum is \$30/Month)								
Poverty Level	Percent of Customers With Each Level of Discount Off Full 2013 Rate Needed to Achieve PUC Target							Minimum Payment
	0%	<10%	10%-25%	25%-50%	50%-75%	75%-90%	90%+	
<=25%	0%	0%	0%	2%	7%	10%	1%	79%
26% - 50%	6%	3%	6%	19%	50%	15%	0%	0%
51% - 75%	41%	9%	13%	25%	12%	1%	0%	0%
76% - 100%	61%	7%	11%	15%	5%	0%	0%	0%
101% - 125%	83%	6%	5%	5%	1%	0%	0%	0%
126% - 150%	92%	2%	3%	2%	0%	0%	0%	0%

Table 6 displays the discount off the 2013 non-discounted electric rates needed by each poverty group to reach the proposed PUC energy burden targets. The percentage shown is the percentage discount off the total monthly bill that is needed to achieve either the targeted PUC burden level or the targeted PUC minimum payment. Minimum payments of \$12 per month for non-heating and \$30 per month for heating customers are included in these calculations. The table shows that 26 percent of rate R customers with income at or below 25 percent of the poverty level would need a discount of 90 percent or more and 64 percent would need a discount of 75 percent to 90 percent to reach the targeted energy burden level. The table shows that 60 percent of rate RH customers with income between 126 and 150 percent of the poverty level would not need a discount to reach the targeted energy burden level.

Table 6
Projected PECO Electric Discount Needed
Off 2013 Full Electric Rates
Proposed PUC Energy Burden Targets

Rate R (Minimum is \$12/Month)							
Targeted Energy Burden is 4%							
Poverty Level	Percent of Customers With Each Level of Discount Off Full 2013 Rate Needed to Achieve PUC Target						
	0%	<10%	10%-25%	25%-50%	50%-75%	75%-90%	90%+
<=25%	0%	0%	0%	1%	9%	64%	26%
26% - 50%	1%	0%	0%	3%	35%	55%	5%
51% - 75%	2%	1%	3%	19%	54%	20%	1%
76% - 100%	6%	3%	8%	28%	45%	11%	0%
101% - 125%	17%	6%	14%	33%	28%	3%	0%
126% - 150%	28%	8%	16%	29%	17%	1%	0%

Rate RH (Minimum is \$30/Month)							
Targeted Energy Burden is 10%							
Poverty Level	Percent of Customers With Each Level of Discount Off Full 2013 Rate Needed to Achieve PUC Target						
	0%	<10%	10%-25%	25%-50%	50%-75%	75%-90%	90%+
<=25%	1%	1%	1%	5%	23%	61%	9%
26% - 50%	3%	1%	3%	14%	45%	34%	1%
51% - 75%	15%	4%	10%	29%	36%	6%	0%
76% - 100%	29%	6%	12%	27%	23%	2%	0%
101% - 125%	43%	10%	14%	24%	8%	0%	0%
126% - 150%	60%	8%	14%	14%	4%	0%	0%

For the proposed PUC burden targets, Table 7 separates out the customers that would receive the minimum payment amount instead of the discount, because the discount would take them below the \$12 per month minimum payment recommended for non-heating customers or the \$30 per month minimum payment recommended for heating customers. The table shows that

78 percent of rate R customers with income at or below 25 percent of the poverty level would need the minimum payment and 85 percent of rate RH customers would need the minimum payment.

Table 7
Projected PECO Electric Discount Needed
Off 2013 Full Electric Rates
Proposed PUC Energy Burden Targets
Minimum Payment Customers Separated Out

Rate R (Minimum is \$12/Month)								
Targeted Energy Burden is 4%								
Poverty Level	Percent of Customers With Each Level of Discount							Minimum Payment
	0%	<10%	10%-25%	25%-50%	50%-75%	75%-90%	90%+	
<=25%	0%	0%	0%	0%	2%	15%	5%	78%
26% - 50%	1%	0%	0%	3%	34%	54%	5%	2%
51% - 75%	2%	1%	3%	19%	54%	20%	1%	0%
76% - 100%	6%	3%	8%	28%	45%	11%	0%	0%
101% - 125%	17%	6%	14%	33%	28%	3%	0%	0%
126% - 150%	28%	8%	16%	29%	17%	1%	0%	0%

Rate RH (Minimum is \$30/Month)								
Targeted Energy Burden is 10%								
Poverty Level	Percent of Customers With Each Level of Discount							Minimum Payment
	0%	<10%	10%-25%	25%-50%	50%-75%	75%-90%	90%+	
<=25%	0%	0%	0%	1%	3%	10%	1%	85%
26% - 50%	3%	1%	3%	14%	44%	32%	1%	2%
51% - 75%	15%	4%	10%	29%	36%	6%	0%	0%
76% - 100%	29%	6%	12%	27%	23%	2%	0%	0%
101% - 125%	43%	10%	14%	24%	8%	0%	0%	0%
126% - 150%	60%	8%	14%	14%	4%	0%	0%	0%

ATTACHMENT 4

PECO - Electric Operations

Updated CAP Discount Calculation using APPRISE Study Data (a)

CAP A/B - R 90%
Poverty Level: <= 25%

$$\frac{21\% \text{ Block}}{5\% \text{ points of discount}} = \frac{4.20\% \text{ of population}}{\text{ea. } 1\% \text{ of additional discount}}$$

$$\begin{array}{r} 21\% \text{ Total Cap population to be 100\% compliant} \\ - 8\% \text{ Acceptable non-compliant \%} \\ \hline 13\% \text{ Additional CAP population to cover} \end{array}$$

$$\frac{13\%}{4.20\%} = 3.1\% \text{ points}$$

$$\begin{array}{r} 3.1\% \text{ points Discount} \\ + 89.0\% \text{ Base Discount} \\ \hline 92.1\% \end{array}$$

92 % Total Discount

CAP C - R 90%
Poverty Level: 26% - 50%

$$\frac{9\% \text{ Block}}{5\% \text{ points of discount}} = \frac{1.80\% \text{ of population}}{\text{ea. } 1\% \text{ of additional discount}}$$

$$\begin{array}{r} 9\% \text{ Total Cap population to be 100\% compliant} \\ - 8\% \text{ Acceptable non-compliant \%} \\ \hline 1\% \text{ Additional CAP population to cover} \end{array}$$

$$\frac{1\%}{1.80\%} = 0.6\% \text{ points}$$

$$\begin{array}{r} 0.6\% \text{ points Discount} \\ + 84.0\% \text{ Base Discount} \\ \hline 84.6\% \end{array}$$

85 % Total Discount

CAP D - R 88%
Poverty Level: 51% - 75%

$$\frac{7\% \text{ Block}}{5\% \text{ points of discount}} = \frac{1.40\% \text{ of population}}{\text{ea. } 1\% \text{ of additional discount}}$$

$$\begin{array}{r} 7\% \text{ Total Cap population to be 100\% compliant} \\ - 2\% \text{ Acceptable non-compliant \%} \\ \hline 5\% \text{ Additional CAP population to cover} \end{array}$$

$$\frac{5\%}{1.40\%} = 3.6\% \text{ points}$$

$$\begin{array}{r} 3.6\% \text{ points Discount} \\ + 64.0\% \text{ Base Discount} \\ \hline 67.6\% \end{array}$$

68 % Total Discount

(a) Based on CAP Affordability Targets per Settlement (Exhibit 4) providing for CAP Tiers A, B, and C to target 90% and CAP Tiers D, D1, E, and E1 to target 88%.

PECO - Electric Operations

Updated CAP Discount Calculation using APPRISE Study Data (a)

CAP D1 - R 88%

Poverty Level: 76% - 100%

$$\frac{5\% \text{ Block}}{5\% \text{ points of discount}} = \frac{1.00\% \text{ of population}}{\text{ea. } 1\% \text{ of additional discount}}$$

$$\begin{array}{r} 5\% \text{ Total Cap population to be } 100\% \text{ compliant} \\ - 3\% \text{ Acceptable non-compliant \%} \\ \hline 2\% \text{ Additional CAP population to cover} \end{array}$$

$$\frac{2\%}{1.00\%} = 2.0\% \text{ points}$$

$$\begin{array}{r} 2.0\% \text{ points Discount} \\ + 59.0\% \text{ Base Discount} \\ \hline 61.0\% \end{array}$$

61 % Total Discount

CAP E - R 88%

Poverty Level: 101% - 125%

$$\frac{3\% \text{ Block}}{5\% \text{ points of discount}} = \frac{0.60\% \text{ of population}}{\text{ea. } 1\% \text{ of additional discount}}$$

$$\begin{array}{r} 3\% \text{ Total Cap population to be } 100\% \text{ compliant} \\ - 2\% \text{ Acceptable non-compliant \%} \\ \hline 1\% \text{ Additional CAP population to cover} \end{array}$$

$$\frac{1\%}{0.60\%} = 1.7\% \text{ points}$$

$$\begin{array}{r} 1.7\% \text{ points Discount} \\ + 34.0\% \text{ Base Discount} \\ \hline 35.7\% \end{array}$$

36 % Total Discount

CAP E1 - R 88%

Poverty Level: 126% - 150%

$$\frac{2\% \text{ Block}}{5\% \text{ points of discount}} = \frac{0.40\% \text{ of population}}{\text{ea. } 1\% \text{ of additional discount}}$$

$$\begin{array}{r} 2\% \text{ Total Cap population to be } 100\% \text{ compliant} \\ - 2\% \text{ Acceptable non-compliant \%} \\ \hline 0\% \text{ Additional CAP population to cover} \end{array}$$

$$\frac{0\%}{0.40\%} = 0.0\% \text{ points}$$

$$\begin{array}{r} 0.0\% \text{ points Discount} \\ + 19.0\% \text{ Base Discount} \\ \hline 19.0\% \end{array}$$

19 % Total Discount

(a) Based on CAP Affordability Targets per Settlement (Exhibit 4) providing for CAP Tiers A, B, and C to target 90% and CAP Tiers D, D1, E, and E1 to target 88%.

PECO - Electric Operations

Updated CAP Discount Calculation using APPRISE Study Data (a)

CAP A/B - RH 90%
Poverty Level: <= 25%

$$\frac{19\% \text{ Block}}{5\% \text{ points of discount}} = \frac{3.80\% \text{ of population}}{\text{ea. } 1\% \text{ of additional discount}}$$

$$\begin{array}{r} 19\% \text{ Total Cap population to be 100\% compliant} \\ - 3\% \text{ Acceptable non-compliant \%} \\ \hline 16\% \text{ Additional CAP population to cover} \end{array}$$

$$\frac{16\%}{3.80\%} = 4.2\% \text{ points}$$

$$\begin{array}{r} 4.2\% \text{ points Discount} \\ + 84.0\% \text{ Base Discount} \\ \hline 88.2\% \end{array}$$

88 % Total Discount

CAP C - RH 90%
Poverty Level: 26% - 50%

$$\frac{9\% \text{ Block}}{5\% \text{ points of discount}} = \frac{1.80\% \text{ of population}}{\text{ea. } 1\% \text{ of additional discount}}$$

$$\begin{array}{r} 9\% \text{ Total Cap population to be 100\% compliant} \\ - 6\% \text{ Acceptable non-compliant \%} \\ \hline 3\% \text{ Additional CAP population to cover} \end{array}$$

$$\frac{3\%}{1.80\%} = 1.7\% \text{ points}$$

$$\begin{array}{r} 1.7\% \text{ points Discount} \\ + 74.0\% \text{ Base Discount} \\ \hline 75.7\% \end{array}$$

76 % Total Discount

CAP D - RH 88%
Poverty Level: 51% - 75%

$$\frac{4\% \text{ Block}}{5\% \text{ points of discount}} = \frac{0.80\% \text{ of population}}{\text{ea. } 1\% \text{ of additional discount}}$$

$$\begin{array}{r} 4\% \text{ Total Cap population to be 100\% compliant} \\ - 3\% \text{ Acceptable non-compliant \%} \\ \hline 1\% \text{ Additional CAP population to cover} \end{array}$$

$$\frac{1\%}{0.80\%} = 1.3\% \text{ points}$$

$$\begin{array}{r} 1.3\% \text{ points Discount} \\ + 49.0\% \text{ Base Discount} \\ \hline 50.3\% \end{array}$$

50 % Total Discount

(a) Based on CAP Affordability Targets per Settlement (Exhibit 4) providing for CAP Tiers A, B, and C to target 90% and CAP Tiers D, D1, E, and E1 to target 88%.

PECO - Electric Operations

Updated CAP Discount Calculation using APPRISE Study Data (a)

CAP D1 - RH 88%

Poverty Level: 76% - 100%

$$\frac{3 \% \text{ Block}}{5 \% \text{ points of discount}} = \frac{0.60 \% \text{ of population}}{\text{ea. } 1\% \text{ of additional discount}}$$

$$\begin{aligned} & 3 \% \text{ Total Cap population to be } 100\% \text{ compliant} \\ - & \underline{1 \% \text{ Acceptable non-compliant \%}} \\ & 2 \% \text{ Additional CAP population to cover} \end{aligned}$$

$$\frac{2 \%}{0.60 \%} = 3.3 \% \text{ points}$$

$$\begin{aligned} & 3.3 \% \text{ points Discount} \\ + & \underline{34.0 \% \text{ Base Discount}} \\ & 37.3 \% \end{aligned}$$

37 % Total Discount

CAP E - RH 88%

Poverty Level: 101% - 125%

$$\frac{2 \% \text{ Block}}{5 \% \text{ points of discount}} = \frac{0.40 \% \text{ of population}}{\text{ea. } 1\% \text{ of additional discount}}$$

$$\begin{aligned} & 2 \% \text{ Total Cap population to be } 100\% \text{ compliant} \\ - & \underline{2 \% \text{ Acceptable non-compliant \%}} \\ & 0 \% \text{ Additional CAP population to cover} \end{aligned}$$

$$\frac{0 \%}{0.40 \%} = 0.0 \% \text{ points}$$

$$\begin{aligned} & 0.0 \% \text{ points Discount} \\ + & \underline{4.0 \% \text{ Base Discount}} \\ & 4.0 \% \end{aligned}$$

4 % Total Discount

CAP E1 - RH 88%

Poverty Level: 126% - 150%

0 % Total Discount

(a) Based on CAP Affordability Targets per Settlement (Exhibit 4) providing for CAP Tiers A, B, and C to target 90% and CAP Tiers D, D1, E, and E1 to target 88%.