



An Exelon Company

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PECO  
2301 Market Street, 515  
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March 15, 2013

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

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

**SUBJECT:** PECO Energy Company Implementation of Smart Meter Cost Recovery  
Surcharge Mechanism at Docket No. M-2009-2123944

Dear Secretary Chiavetta:

PECO Energy is permitted to file quarterly adjustments to the Smart Meter Cost Recovery Surcharge Mechanism, which are allowed to go into effect on 15 days notice. As provided for in the Commission's Final Order at Docket No. M-2009-212394452 the rate will only be updated if the rate changes by more than 5%. PECO has recalculated the rate and determined that it would change rates by less than 5%. Therefore, the Company will not be changing its Smart Meter Cost Recovery Surcharge on April 1, 2013.

This letter transmits for filing with the Commission PECO Energy's quarterly update including:

*Exhibit 1 – Smart Meter Projected Costs for April 1, 2013 to June 30, 2013*

Note that the projected recoverable Smart Meter Program Costs as shown in Exhibit 1 pages 1 and 2, exclude depreciation and return associated with the Sensus meters.

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. 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  
Projected Costs for April 1, 2013 to June 30, 2013**

**Smart Meter Cost Recovery (\$M)**

Line	Forecast 2Q 2013			
	Apr	May	Jun	
1	Period 2 (7/1/11 to 6/30/12) Overcollection	\$ (0.78)	\$ (0.78)	\$ (0.78)
2	2013 O&M to be Recovered	2.11	2.23	2.00
3	2013 Depreciation	1.30	1.43	1.49
4	2013 Capital Revenue Requirement	0.86	1.03	1.13
5	2013 Benefits/Avoided Costs	(0.53)	(0.53)	(0.53)
6	<b>Total Revenue Requirement</b>	<b>\$ 2.97</b>	<b>\$ 3.38</b>	<b>\$ 3.32</b>
7	<b>Quarterly Revenue Requirement (\$M)</b>	<b>\$ 9.67</b>		
	<b>Quarterly Revenue Requirement by class:</b>			
8	Res	\$ 8.77		
9	SCI	\$ 0.88		
10	LCI	\$ 0.02		
	<b>Estimated Monthly Rate:</b>			
11	Res (\$/kWh)	0.33		
12	SCI (\$/customer)	\$ 2.09		
13	LCI (\$/customer)	\$ 2.47		

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**Exhibit 1**  
**PECO Energy Smart Meter Project**  
**Projected Costs for April 1, 2013 to June 30, 2013**

<u>Line</u>		<u>In effect</u>	<u>Forecasted</u>	
	<b>Estimated Monthly Rate:</b>	<b>1Q 2013</b>	<b>2Q 2013</b>	
1	Res (¢/kWh)	0.31	0.33	
2	SCI (\$/customer)	\$ 2.27	\$ 2.09	
3	LCI (\$/customer)	\$ 2.65	\$ 2.47	
				%
	<b>Average Customer monthly bill with surcharge:</b>			<b>change</b>
4	Res (500 kWh usage)	\$81.49	\$ 81.61	0.0015
5	SCI (10,000 kWh usage)	\$1,121.77	\$ 1,121.59	(0.0002)
6	LCI (200,000 kWh usage)	\$18,642.01	\$ 18,641.83	(0.0000)

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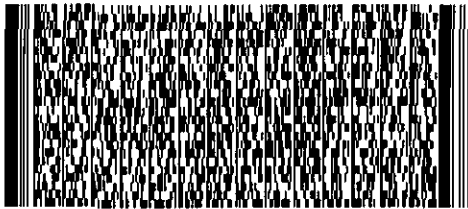
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