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April 26, 2013

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

RE: William Mallalieu v. PECO Energy Company
PUC Docket No.: C-2013-2359584

Dear Ms. Chiavetta:

Enclosed for filing with the Commission are the following documents in the matter referenced above.

- Answer
- Answer & New Matter
- Motion
- Motion for Judgment on the Pleadings
- Motion for Continuance
- Preliminary Objection
- Exceptions
- Reply Exceptions
- Main Brief
- Reply Petition

I have enclosed a Certificate of Service showing that a copy of the above document was served on the interested parties. Thank you for your time and attention on this matter.

Very truly yours,

Shawane Lee
 Counsel for PECO Energy Company
 SL/lo

Scheduling Recommendation: Call of the Docket Non Call of the Docket **X**

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

WILLIAM E. MALLALIEU	:	
Complainants	:	
v.	:	DOCKET NO. C-2013-2359584
	:	
PECO ENERGY COMPANY	:	
Respondent	:	

NOTICE TO PLEAD

Pursuant to 52 Pa. Code §§ 5.101 and 5.62(c), you are hereby notified that, if you do not file a written response denying or correcting the enclosed Preliminary Objection within 10 days from service of this notice, a ruling may be entered against you. Your response must be filed with the Secretary of the Pennsylvania Public Utility Commission, with a copy served to counsel for PECO Energy Company, Shawane L. Lee, and where applicable, the Administrative Law Judge presiding over the issue.

File with:
Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, Second Floor
Harrisburg, PA 17120

With a copy to:
Shawane L. Lee
PECO Energy Company
2301 Market Street, S-23
Philadelphia, PA 19103

Dated at Philadelphia, PA, April 26, 2013



Shawane L. Lee
PECO Energy Company
2301 Market Street, S-23
Philadelphia, PA 19103
(215) 841-6841
Shawane.Lee@exeloncorp.com

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

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**PRELIMINARY OBJECTION OF RESPONDENT,
PECO ENERGY COMPANY**

Respondent, PECO Energy Company (“PECO Energy”), pursuant to 52 Pa. Code § 5.101(a)(4) respectfully petitions this Honorable Commission to dismiss the instant Complaint as legally insufficient.

1. On April 24, 2013, PECO Energy was served with a formal complaint filed by William E. Mallalieu (hereafter “Complainant”).

2. In the Complainant’s formal complaint, he states the reason for his complaint as:

Charges for second electric meter unfair since second meter provides no customer advantage with single rate charges for all electricity used.

See the Complainant’s formal complaint, attached hereto as Exhibit “1”.

3. In the “relief” section of the Complainant’s formal complaint, he states:

PECO, with PUC approval has ended Off-Peak service. Since we get no advantage now from the second meter, we request PUC to re-evaluate allowing PECO to charge for this meter. In the 28 years we had “Off-Peak” rate, we have paid for this meter many times over. Now that PECO has abandoned any advantage offered by this meter, we believe they should also abandon charging for it.

It is entirely unreasonable to say the only way to not be charged for second meter is to have an electrician “combine” the service, incurring several hundred dollars in charge (sic) from the electrician as well as repairs the customer’s property resulting from the meter removal. In our opinion, this provides PECO with a license to steal from their former Off-Peak customers. We, like, many other, are all fixed limited income and this is neither affordable nor practical.

See the Complainant's formal complaint, attached hereto as Exhibit "1".

4. In his formal complaint, the Complainant disputes the \$1.75 off-peak meter charge he is incurring as a result of the elimination of PECO's discounted OP rate.

5. Additionally, he disputes the fact that in order to avoid incurring this monthly cost, he must have the meter removed by a licensed electrician at his own expense.

6. PECO Energy simultaneously filed an Answer and the instant Preliminary Objection.

7. Commission procedure regarding the disposition of preliminary objections is similar to that utilized in Pennsylvania civil procedure.¹

8. In deciding preliminary objections, the Public Utility Commission must determine, based on the factual pleadings of the petitioner, if relief or recovery is possible.²

9. A complaint must be able to recover under the law to survive a preliminary objection.³

10. All of the non-moving party's averments must be taken as true for the sake of deciding the preliminary objection.⁴

11. The court does not, however, need to accept, "unwarranted inferences from facts, argumentative allegations, or expressions of opinions."⁵

12. Section 703 of the Public Utility Code, 66 Pa.C.S.A. § 703(b) provides that the Commission may dismiss any complaint without a hearing if, in its opinion, a hearing is not necessary in the public interest.

¹ Equitable Small Transportation Interveners v. Equitable Gas Co., 1994 Pa.PUC LEXIS 69, Docket No. C-00935435 (July 18, 1994)

² 2006 Pa. PUC Lexis 111, *7.

³ Milliner v. Enck, 709 A.2d 417, 418 (Pa. Super. Ct. 1998) ("preliminary objection should be sustained only where it appears with certainty that, upon the facts averred, the law will not allow the plaintiff to recover").

⁴ Id. at 7-8.

⁵ Feingold v. McNulty, 2009 Phila. Ct. Com. Pl LEXIS 167, *3.

13. A hearing is required only when there is a disputed question of fact, and is not required to resolve questions of law. Dee-Dee Cab, Inc. v. Pa.Pub. Util. Comm'n, 817 A.2nd 593 (Pa.Commw. Ct. 2003), petition for allowance of appeal denied, 836 A.2d 123 (Pa. 2003).

14. Here, there are no genuine issues of fact and PECO Energy is entitled to judgment as a matter of law. Therefore, the complaint is legally insufficient and should be dismissed.

15. The Complainant disputes the \$1.75 meter charge he is incurring as a result of the phase out of PECO Energy's off-peak rate.

16. The elimination of PECO Energy's off-peak rate was approved by the Commission as part of PECO's Default Service Program and Rate Mitigation Plan on June 9, 2009, docket number P-2008-2062739. The plan was previously approved by the Commission and is just, reasonable and lawful.

17. The \$1.75 customer charge is assessed for each off-peak meter at a customer's property and is part of the monthly basic distribution charge to cover costs for billing, meter reading, equipment and maintenance.

18. The Commission approved the \$1.75 rate as a part of the 2010 Electric Rate Case Settlement at Docket No. R-2010-2161575.

19. As a part of the rate case settlement, PECO submitted a Proof of Revenue, demonstrating the necessity for the charge, how the company designed its rates; and how the company proposed to obtain its revenue. See Rate Case Settlement, Rate Design, attached hereto as Exhibit "2".

20. The Commission asked PECO Energy to "Explain why PECO proposes to eliminate the Rate OP pricing advantage for distribution service". With regard to the off-peak customer charge, PECO Energy answered, in relevant part:

In order to equalize the variable distribution charges of rate OP and Rate R, any increase in Rate OP will be allocated first to the variable distribution charge. As a result of this change, the Rate OP customer charge is being reduced from \$4.65 to \$2.00 per month. A customer charge is still necessary for Rate OP because customers served under this rate schedule have a separate meter for this service.

See Rate Case Testimony, attached hereto as Exhibit "3".

21. After extensive discovery, hearings, and the filing of testimony and rebuttal testimony in this matter, the Commission ultimately approved PECO Energy's right to charge the \$1.75 under Docket Number R-2010-2161575.

22. Assuming that everything the Complainant alleges in his Complaint is true, PECO Energy is operating under the basis of a Commission approved Order and charged the \$1.75 with the specific approval of the Commission.

23. The \$1.75 charge is regulated by the Public Utility Commission ("PUC") and it is contained within PECO Energy's Electric Service Tariff ("Tariff") approved by and on file with the PUC. See Tariff Provision, attached hereto as Exhibit "4".

24. The Tariff provisions approved by the PUC are prima facie reasonable. 66 Pa. C.S.A. § 316 (1999); See also, Kossman v. Pennsylvania Public Utility Commission, 694 A.2d 1147 (Pa. Cmwlth. 1997). Moreover, tariffs that have been approved by the PUC have the full force and effect of law and are binding on both the utility and its customers. Brockway Glass Co. v. Pennsylvania Utility Commission, 437 A.2d 1067 (Pa. Cmwlth. 1981).

25. Administrative Law Judge David A. Salapa reached a similar conclusion in the matter Barbara Johnson v. PECO Energy, Docket No. C-2013-2351696 (Order entered April 4, 2013). In that case, the Complainant, Barbara Johnson objected to the monthly Off-Peak meter charge on her electric bill and alleged that PECO Energy was charging her for the Off-Peak meter without service. Id.

26. ALJ Salapa issued an Initial Decision wherein he determined:

...Here, the Respondent has not violated any statute, regulation or order which the Commission has jurisdiction to administer by placing the off-peak meter charge on the Complainant's bill.

Rather the Respondent is complying with relevant statutes, regulations and orders. As set forth in the Respondent's answer and preliminary objections, the Commission approved elimination of the Respondent's off-peak rate and approved the \$1.75 customer charge for each off-peak meter. The off-peak meter charge is part of the Respondent's tariff which has been approved by the Commission.

It appears that the Complainant believes she should not have the burden of paying the monthly off-peak meter charge if she does not receive the benefit of the off-peak rate. However, the Commission has previously ruled that elimination of Respondent's off-peak rate was consistent with the Electricity Generation Customer Choice Competition Act (Competition Act), 66 Pa. C.S. §§2810-2812. Piekara v PECO Energy Co., Docket No. C-2012-2323880 (Order entered December 19, 2012); Rantz v. PECO Energy Co., Docket No. C-2012-2293057 (Order entered September 6, 2012).

While the Commission has ruled that the Competition Act requires elimination of the Respondent's off-peak rate, it has not ruled that the Competition Act requires elimination of the Respondent's off-peak meters. Since it appears that the Complainant's off-peak meter is still registering electricity usage, it would be inappropriate for the Respondent to remove the off-peak meter, since removing the meter would cause the Complainant to lose electric service. The Respondent has not violated the Public Utility Code or Commission regulations in these circumstances by failing to remove the Complainant's off-peak meter. Id.

27. Like the formal complaint filed in the Barbara Johnson matter, objecting to the \$1.75 Off-Peak meter charge, this case should be dismissed as a matter of law.

28. The Complainant's complaint, objecting to the \$1.75 Off-Peak meter charge does not allege a violation of any order, law or tariff that can be the basis of any finding against PECO Energy.

29. Additionally, the Complainant disputes the fact that he must move remove the meter at his own expense or have the load combined to prevent the need for the off-peak meter.

30. The off-peak meter is still needed to measure usage for the appliances connected to that meter.

31. The meter must be present to properly measure the Complainant's energy usage for the old heating circuit regardless of what variable energy rate is being charged.

32. For instance, if the Complainant's hot water heater appliance is connected to the off-peak meter; the meter is separately calculating the usage for the hot water heater.

33. If the meter is removed without the Complainant rewiring to the first meter, there would be no electric service available to that circuit for his hot water heater or other hard wired 220 volt appliances.

34. As the meter is still required, PECO Energy is permitted through its approved tariff to recover costs through the \$1.75 meter charge to cover the cost for billing, meter reading, and equipment maintenance.

35. Accordingly, the Complainant's formal complaint should be dismissed as a matter of law.

REQUEST FOR RELIEF

WHEREFORE, for all of the reasons stated herein, PECO respectfully requests that your Honorable Commission dismiss the instant complaint with prejudice.

Respectfully submitted,



Shawane L. Lee
Counsel for PECO Energy Company
2301 Market Street, S23-1
P.O. Box 8699
Philadelphia, PA 19101-8699
(215) 841-6841
Fax: 215.568.3389
Shawane.Lee@exeloncorp.com

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

WILLIAM E. MALLALIEU	:	
Complainants	:	
v.	:	DOCKET NO. C-2013-2359584
	:	
PECO ENERGY COMPANY	:	
Respondent	:	

VERIFICATION

I, Shawane L. Lee, hereby declare that I am counsel for PECO Energy Company; that as such I am authorized to make this verification on its behalf; that the facts set forth in the foregoing Pleading are true to the best of my knowledge, information and belief, and that I make this verification subject to the penalties of 18 Pa. C.S. § 4904 pertaining to false statements to authorities.



Date: April 26, 2013

Shawane L. Lee

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

WILLIAM E. MALLALIEU	:	
Complainants	:	
v.	:	DOCKET NO. C-2013-2359584
	:	
PECO ENERGY COMPANY	:	
Respondent	:	

CERTIFICATE OF SERVICE

I, Shawane L. Lee, hereby certify that I have this day served a copy of PECO Energy Company's Answer in the above matter upon all interested parties by mailing a copy, properly addressed and postage prepaid to:

William Mallalieu
1014 South Chester Road
West Chester, PA 19382

Dated at Philadelphia, Pennsylvania, April 26, 2013



Shawane L. Lee
Counsel for PECO Energy Company
2301 Market Street, S23-1
P.O. Box 8699
Philadelphia, PA 19101-8699
(215) 841-6841
Fax: 215.568.3389
Shawane.Lee@exeloncorp.com

EXHIBIT “1”

PENNSYLVANIA PUBLIC UTILITY COMMISSION

Formal Complaint

Filing this form begins a legal proceeding and you will be a party to the case. If you do not wish to be a party to the case, consider filing an Informal complaint.

RECEIVED
2013 APR -5 AM 10:12
PA P.U.C. BUREAU
SECRETARY'S BUREAU

To complete this form, please type or print legibly in ink.

1. Customer (Complainant) Information

Provide your name, mailing address, county, telephone number(s), e-mail address and utility account number.

Name WILLIAM E. MALLOLIEU

Street/P.O. Box 1014 S. CHESTER ROAD Apt # _____

City WEST CHESTER State Pa Zip 19382-7839

County CHESTER

Telephone Number(s) Where We Can Contact You During the Day:

(610) 399-9676 (home) () _____ (mobile)

E-mail Address (optional): aped@verizon.net

Utility Account Number (from your bill) 07694-01506

If your complaint involves utility service provided to a different address or in a different name than your mailing address, please list this information below.

Name _____

Street/P.O. Box _____

City _____ State _____ Zip _____

2. Name of Utility or Company (Respondent)

Provide the full name of the utility or company about which you are complaining. The name of your utility or company is on your bill.

Peco

PECO ENERGY
EXHIBIT 1

3. Type of Utility Service

Check the box listing the type of utility service that is the subject of your complaint (check only one):

- ELECTRIC
- WASTEWATER/SEWER
- GAS
- TELEPHONE/TELECOMMUNICATIONS (local, long distance)
- WATER
- MOTOR CARRIER (e.g. taxi, moving company, limousine)
- STEAM HEAT

4. Reason for Complaint

What kind of problem are you having with the utility or company? Check all boxes below that apply and state the reason for your complaint. Explain specifically what you believe the utility or company has done wrong. Provide relevant details including dates, times and places and any other information that may be important. If the complaint is about billing, tell us the amount you believe is not correct. Use additional paper if you need more space. Your complaint may be dismissed without a hearing if you do not provide specific information.

- The utility is threatening to shut off my service or has already shut off my service.
- I would like a payment agreement.
- Incorrect charges are on my bill. Provide dates that are important and an explanation about any amounts or charges that you believe are not correct. Attach a copy of the bill(s) in question if you have it/them.
- I am having a reliability, safety or quality problem with my utility service. Explain the problem, including dates, times or places and any other relevant details that may be important.
- Other (explain). *CHARGES FOR SECOND ELECTRIC METER. UNFOR SINCE SECOND METER PROVIDES NO CUSTOMER ADVANTAGE WITH SINGLE RATE CHARGES FOR ALL ELECTRICITY USED*

Note: If your complaint is only about removing or modifying a municipal lien filed by the City of Philadelphia, the Public Utility Commission (PUC) cannot address it. Only local courts in Philadelphia County can address this type of complaint. The PUC can address a complaint about service or incorrect billing even if that amount is subject to a lien.

In addition, the PUC generally does not handle complaints about cell phone or internet service, but may be able to resolve a dispute regarding voice communications over the internet (including the inability to make voice 911/E911 emergency calls) or concerns about high-speed access to internet service.

5. Requested Relief

How do you want your complaint to be resolved? Explain what you want the PUC to order the utility or company to do. Use additional paper if you need more space.

PECO, WITH PUC APPROVAL HAS ENDED OFF-PEAK SERVICE. SINCE WE GET NO ADVANTAGES NOW FROM THE SECOND METER, WE REQUEST PUC TO RE-EVALUATE ACCORDING TO CHARGE FOR THIS METER. IN THE 28 YEARS WE HAD "OFF-PEAK" RATE, WE HAVE PAID FOR THIS METER MANY TIMES OVER. NOW THAT PECO HAS ABANDONED ANY ADVANTAGE OFFERED BY THIS METER, WE REQUEST THAT SOMEONE ALSO RE-EVALUATE CHARGES FOR IT.

IT IS ENTIRELY UNREASONABLE TO SAY THE ONLY WAY TO GET AN EXTRA CHARGE FOR SECOND METER IS TO HAVE AN ELECTRICAL "LOADING" OF SERVICE, INSTEAD OF SEVERAL HUNDREDS OF DOLLARS IN CHARGE FROM THE ELECTRICAL AS WELL AS FROM THE CUSTOMER'S PROPERTY RESULTING FROM THE METER REVERSAL.

IN OUR OPINION, THIS PROVIDES PECO WITH A LICENSE TO STEAL FROM THOSE THOUSANDS OF OFF-PEAK CUSTOMERS.

NO, LIKE MANY OTHERS, ARE ON FIXED LIMITED INCOME AND THIS IS NOTHING MORE THAN A TRICK.

Note: The PUC can decide that a customer was not billed correctly and can order billing refunds. The PUC can also fine a utility or company for not following rules and can order a utility or company to correct a problem with your service. Under state law, the PUC cannot decide whether a utility or company should pay customers for loss or damages. Damage claims may be sought in an appropriate civil court.

6. Protection from Abuse

Has a court granted a "Protection from Abuse" order that is currently in effect for your personal safety or welfare? The PUC needs this information to properly process your complaint so that your identity is not made public.

Note: You must answer this question if your complaint is against a natural gas distribution utility, an electric distribution utility or a water distribution utility AND your complaint is about a problem involving billing, a request to receive service, a security deposit request, termination of service or a request for a payment agreement.

Has a court granted a "Protection from Abuse" order for your personal safety or welfare?

YES

NO

If your answer to the above question is "yes," attach a copy of the current Protection for Abuse order to this Formal Complaint form.

7. Prior Utility Contact

a. Is this an appeal from a decision of the PUC's Bureau of Consumer Services (BCS)?

YES

NO

Note: If you answered yes, move to Section 8. No further contact with the utility or company is required. If you answered no, answer the question in Section 7 b. and answer the question in Section 7 c. if relevant.

b. If this is not an appeal from a BCS decision, have you spoken to a utility or company representative about this complaint?

YES

NO

Note: You must contact the utility first if (1) you are a residential customer, (2) your complaint is against a natural gas distribution utility, an electric distribution utility or a water utility AND (3) your complaint is about a billing problem, a service problem, a termination of service problem, or a request for a payment agreement.

Name: WILLIAM MALLALIEU
Account Number: 07004-01004
Phone Number: 610-350-6376
Service Address: 1014 S CHESTER RD, WEST CHESTER

Billing Summary

Bill Date 03/04/2013
Thank you for your payment of \$140.02

Table with 2 columns: Description and Amount. Rows include Current Period Charges (Electric \$135.63), Total New Charges (\$135.63), and Total Amount Due on 03/28/2013 (\$135.63).

General Information

Next scheduled meter reading: April 2, 2013
PECO, 201 Market St, Philadelphia, PA 19103-1382. If you have any questions or concerns, please call 1-800-494-6999 before the due date.

Message Center

New charges include estimated total state taxes of \$8.07, including \$6.00 for State Gross Receipts Tax.
Your electric price to compare is \$0.0899 per kWh.
The amount of this bill will be automatically deducted from your bank account on Mar 28, 2013.

- Customer Self Service - Manage Your Account 24/7
- Register online
- Bill, stop and transfer your service
- Save energy and money

When paying in person, please bring the entire bill.

(continued on next page)

Please return only this portion with your check made payable to PECO. Please write your account number on your check.



- Check here to enroll in Power Pay automatic account debit and complete form on reverse side.
Check here to pledge a donation to NEAP and complete form on reverse side.

07694 0150 40000 0000

1014 S AV 0.337
WILLIAM MALLALIEU
1014 S CHESTER RD
WEST CHESTER PA 19382-7030

Account Number 07004-01004
Payment Receipt Stamp

Payment Amount box

Automatic payment deducted on 03/28/2013 \$135.63

PECO - PAYMENT PROCESSING
PO BOX 3929
PHILADELPHIA PA 19101-0829

00000135630000000000

076940150400001356330650135634

Name: **WILLIAM MALLALIEU**
 Account Number: **07004-01004**

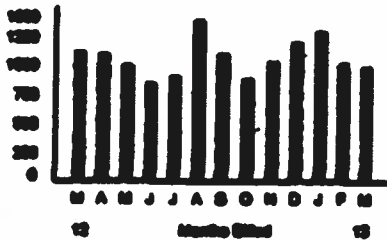
Meter Information								
Read Date	Meter Number	Lead Type	Reading Type	Meter Reading		Difference	Multiplier	Usage
				Previous	Present			
03/08	00300475	General Service	Tot kWh	09420 Actual	09045 Actual	782	1	782
03/08	00300480	General Service Meter 2	Tot kWh	31220 Actual	31110 Actual	100	1	100

Total kWh Used **882**

Electric Residential Heating Service - Current Period Detail Service 01/31/2013 to 03/03/2013 - 31 days

Customer Charge					27.17
Customer charge meter 2					1.76
Generation Charge	880 kWh	X	\$0.0780		76.07
A2. Energy Pools Standard	880 kWh	X	0.0070		6.09
Transmission Charge	880 kWh	X	0.0080		6.41
Distribution Charge	880 kWh	X	0.0420		41.65
State Tax Adjustment					-0.11
Total Current Charges					\$138.63

13-Month Usage (Total kWh)



Your Usage Profile

Period	Usage	Avg Daily Usage	Days	Avg Daily Temp
Current Month	880	28.4	31	38
Last Month	1,024	32.6	31	38
Last Year	1,115	35.4	31	41

Avg kWh per Month	1,089
Total Annual kWh Usage	12,708

EXHIBIT "2"

Docket No. R-2010-2161575

Rate Case Settlement
Exhibit # 2

PECO Energy Company (Electric)
Rate Year Ending December 31, 2011
Rate Design- Base Charge Residential (R) and Off-Peak (OP)

PECO (Electric) v1
Page 1 of 17

Line	Customer Charge	Rate	PRESENT RATES		PROPOSED RATES		Working Capital Threshold to G&A	EERC	Variable Rates Referred to Distribution
			Revenue	Rate	Revenue	Rate			
1	Base R (includes OP)	\$0.0000	13,970,663	\$3.31	71,180,332	\$7.25	\$7,104,039	0.0034	\$0.0586
2	Base RT	\$0.0000	143	\$16.68	1,580	\$7.25	1,008	0.0034	\$0.0586
3	R CAP A	\$0.0000	1,121	\$3.31	5,994	\$7.25	6,130	0.0034	\$0.0586
4	R CAP B	\$0.0000	139,656	\$3.31	730,390	\$7.25	1,008,139	0.0034	\$0.0586
5	R CAP C	\$0.0000	208,446	\$3.31	1,223,667	\$7.25	1,678,731	0.0034	\$0.0586
6	R CAP D	\$0.0000	724,458	\$3.31	3,044,872	\$7.25	5,282,321	0.0034	\$0.0586
7	R CAP E	\$0.0000	487,703	\$3.31	2,334,312	\$7.25	3,173,208	0.0034	\$0.0586
8		\$0.0000	14,924,593		72,598,937		107,317,777		
9		\$0.0000							
10	Total Customer Charges	\$0.0000	15,822,653		81,782,628		107,317,777		
11		\$0.0000							
12	LTV-Based rates	\$0.0000							
13	Base R	\$0.0000							
14	500 LTV	\$0.0000	5,198,106,486	\$0.0465	261,667,575	\$0.0536	209,304,321	0.0034	\$0.0586
15	> 500 LTV- Winter	\$0.0000	1,983,194,765	\$0.0465	94,380,346	\$0.0536	110,345,629	0.0034	\$0.0586
16	> 500 LTV- Summer	\$0.0000	1,770,046,390	\$0.0542	99,676,399	\$0.0536	98,414,571	0.0034	\$0.0586
17	Base RT	\$0.0000	94,317	\$0.0207	1,992	\$0.0536	3,300	0.0034	\$0.0586
18	Off-peak Peak Summer	\$0.0000	16,330	\$0.0770	1,202	\$0.0536	909	0.0034	\$0.0586
19	Peak Winter	\$0.0000	23,308	\$0.0726	1,687	\$0.0536	1,209	0.0034	\$0.0586
20		\$0.0000							
21	R CAP A	\$0.0000	757,687	\$0.0800	-	\$0.0536	42,123	0.0034	\$0.0586
22	Base R	\$0.0000	172,469	\$0.0481	8,314	\$0.0536	9,610	0.0034	\$0.0586
23		\$0.0000							
24	R CAP B	\$0.0000	64,712,223	\$0.0091	281,720	\$0.0536	3,828,400	0.0034	\$0.0586
25	Peak 100 LTV Jul-Sep	\$0.0000	2,441,834	\$0.0206	72,778	\$0.0536	135,766	0.0034	\$0.0586
26	Additional LTV	\$0.0000	22,887,340	\$0.0438	975,994	\$0.0536	1,261,983	0.0034	\$0.0586
27		\$0.0000							
28	R CAP C	\$0.0000	630 LTV	\$0.0000	1,812,835	\$0.0536	4,352,126	0.0034	\$0.0586
29	Peak 100 LTV Jul-Sep	\$0.0000	4,139,026	\$0.0209	123,757	\$0.0536	238,130	0.0034	\$0.0586
30	Additional LTV	\$0.0000	34,188,055	\$0.0438	1,672,206	\$0.0536	2,122,811	0.0034	\$0.0586
31		\$0.0000							
32	R CAP D	\$0.0000	354,208,916	\$0.0208	7,418,347	\$0.0536	19,809,487	0.0034	\$0.0586
33	Additional LTV	\$0.0000	188,334,302	\$0.0447	4,942,633	\$0.0536	6,082,498	0.0034	\$0.0586
34		\$0.0000							
35	R CAP E	\$0.0000	211,174,343	\$0.0035	7,074,403	\$0.0536	11,741,400	0.0034	\$0.0586
36	Additional LTV	\$0.0000	67,608,812	\$0.0455	3,076,281	\$0.0536	3,729,820	0.0034	\$0.0586
37		\$0.0000	10,130,468,171	\$0.0375	494,082,730	\$0.0536	543,352,775	0.0034	\$0.0586
38	Base Op	\$0.0000	298,635,621	\$0.0375	10,888,441	\$0.0536	16,128,726	0.0034	\$0.0586
39	Total Distribution Charges	\$0.0000	18,421,851,782		494,981,251		579,411,238		
40		\$0.0000							
41	CAP element- Non-distribution	\$0.0000							
42	CAP element- Distribution	\$0.0000							
43	New Cap Element	\$0.0000							

(44,769,336)
0.220(217)
(77,724,000)

EXHIBIT "3"

Docket No R-2010-2161575
PECO Statement #9

1 20. Q. Explain why PECO proposes to eliminate the Rate OP pricing advantage for
2 distribution service.

3 A. The pricing structure of Rate OP is also a vestige of "bundled" rates that had included
4 the cost of generation. As such, that pricing structure is not justified for the recovery
5 of distribution charges after the transition to competitively procured generation for
6 default service. PECO's cost-of-service for kilowatt hours distributed under Rate OP
7 is the same as its cost-of-service for regular residential service. Therefore, PECO
8 proposes the same variable distribution charge for this service. In order to equalize
9 the variable distribution charges of rate OP and Rate R, any increase in Rate OP will
10 be allocated first to the variable distribution charge. As a result of this change, the
11 Rate OP customer charge is being reduced from \$4.65 to \$2.00 per month. A
12 customer charge is still necessary for Rate OP because customers served under this
13 rate schedule have a separate meter for this service.

14 21. Q. Will there be other options for Rate OP customers?

15 A. Yes. As part of its energy efficiency filing, the Company proposed a direct load
16 control rate that can be used by Rate OP customers. Additionally, the Company, as
17 required under Act 129, will, at a future date, be proposing time-of-use rates and/or
18 real time pricing rates. While some of these options might not be available at January
19 1, 2011, I would note that Rate OP customers will still be getting a significant benefit
20 in generation pricing until January 1, 2013.

21 22. Q. Explain why PECO proposes to eliminate Rate R-T.

EXHIBIT "4"

PECO Energy Company

RATE OP OFF-PEAK SERVICE

AVAILABILITY.

In conjunction with Rates R, RT, R-H and with residence service under Rate GS, for any customer receiving service at 120/240 volts, 3 wires, or 120/208 volts, 3 wires, for the operation of 240-volt or 208-volt domestic equipment of a type approved by the Company. Any load connected for service under Rate OP may not be connected for service under any other rate during the period that service under Rate OP is interrupted. Service will be interrupted during on-peak periods as established by the Company. This rate is not available when the source of supply is service purchased from a neighboring company under a borderline-purchase agreement. Effective January 1, 2004, service under Rate OP will be restricted to service locations receiving Rate OP service or that are the subject of a Rate OP service application as of December 31, 2003. Effective January 1, 2013 (last bill issued December 31, 2012) this rate will no longer be applicable in its current form.

SPECIAL RULES AND REGULATIONS.

The normal control device furnished by the Company has a limited capacity. The customer shall notify the Company before connecting any load in addition to an existing water heater. If necessary, the Company will install a control device with a rating of 200 amperes to accommodate the additional 240-volt controlled load. For controlled loads larger than 200 amperes the control device shall be furnished, installed and maintained by the customer. Service may be interrupted for a total of not more than 6-1/2 hours per day during scheduled periods which may vary from customer to customer.

The Company has a program to replace seven-day clock control devices as they fail with five-day radio-control devices which provide uninterrupted service on Saturdays, Sundays and holidays.

MONTHLY RATE TABLE.

FIXED DISTRIBUTION SERVICE CHARGE: \$1.75 per month
VARIABLE DISTRIBUTION SERVICE CHARGE: 6.05¢ per kWh

ENERGY SUPPLY CHARGE: Refer to the Generation Supply Adjustment Procurement Class 1

TRANSMISSION SERVICE FOR CUSTOMERS RECEIVING DEFAULT SERVICE: per the Transmission Service Charge

MINIMUM CHARGE: The minimum charge per month will be the Fixed Distribution Service Charge.
STATE TAX ADJUSTMENT CLAUSE, NUCLEAR DECOMMISSIONING COST ADJUSTMENT, PROVISION FOR THE RECOVERY OF ENERGY EFFICIENCY AND CONSERVATION PROGRAM COSTS, SMART METER COST RECOVERY SURCHARGE PROVISION FOR THE TAX ACCOUNTING REPAIR CREDIT AND PROVISION FOR THE RECOVERY OF CONSUMER EDUCATION PLAN COSTS APPLY TO THIS RATE.

PAYMENT TERMS. Standard.

(f) Denotes Increase

PECO Energy Company

RATE R-1 RESIDENTIAL HEATING SERVICE

AVAILABILITY.

Single-phase service to the dwelling and appurtenances of a single private family (or to a multiple dwelling unit building consisting of two to five dwelling units, whether occupied or not), for domestic requirements when such service is provided through one meter and where the dwelling is heated by specified types of electric space heating systems. The systems eligible for this rate are (a) permanently connected electric resistance heaters where such heaters supply all of the heating requirements of the dwelling, (b) heat pump installations where the heat pump serves as the heating system for the dwelling and all of the supplementary heating required is supplied by electric resistance heaters, and (c) heat pump installations where the heat pump serves as the heating system for the dwelling and all of the supplementary heating required is supplied by non-electric energy sources and/or by electric energy sources served on Rate O-P Off-Peak Service. All space heating installations must meet Company requirements. This rate schedule is not available for commercial, institutional or industrial establishments.

Wood, solar, wind, water, and biomass systems may be used to supply a portion of the heating requirements in conjunction with service provided hereunder. Any customer system of this type that produces electric energy may not be operated concurrently with service provided by the Company except under written agreement setting forth the conditions of such operation as provided by and in accordance with the provisions of the Auxiliary Service Rider.

Each dwelling unit connected after May 10, 1980 except those dwelling units under construction or under written contract for construction as of that date, must be individually metered.

CURRENT CHARACTERISTICS. Standard single-phase secondary service.

MONTHLY RATE TABLE

FIXED DISTRIBUTION SERVICE CHARGE: \$7.09

FIXED DISTRIBUTION SERVICE CHARGE FOR FORMER OFF-PEAK METERS: \$1.75

(D)

VARIABLE DISTRIBUTION SERVICE CHARGE:

SUMMER MONTHS. (June through September)

6.19¢ per kWh for all kWh.

WINTER MONTHS. (October through May)

4.25¢ per kWh for all kWh

ENERGY SUPPLY CHARGE:

Refer to the Generation Supply Adjustment Procurement Class 1

TRANSMISSION SERVICE FOR CUSTOMERS RECEIVING DEFAULT SERVICE: per the Transmission Service Charge

MINIMUM CHARGE. The minimum charge per month will be the Fixed Distribution Service Charge.

STATE TAX ADJUSTMENT CLAUSE, NUCLEAR DECOMMISSIONING COST ADJUSTMENT, UNIVERSAL SERVICE FUND CHARGE PROVISION FOR THE RECOVERY OF ENERGY EFFICIENCY AND CONSERVATION PROGRAM COSTS, SMART METER COST RECOVERY SURCHARGE, PROVISION FOR THE TAX ACCOUNTING REPAIR CREDIT AND PROVISION FOR THE RECOVERY OF CONSUMER EDUCATION PLAN COSTS APPLY TO THIS RATE.

COMBINED RESIDENTIAL AND COMMERCIAL SERVICE. Where a portion of the service provided is used for commercial purposes, the appropriate general service rate is applicable to all service; or, at the option of the customer, the wiring may be so arranged that the residential service may be separately metered and this rate is then applicable to the residential service only.

PAYMENT TERMS. Standard.

(D) Denotes Decrease