

P-00973953

PECO ~~Exhibit~~ Exhibit 2

Phda. 10/14, 15/16/97

E. Holbert

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

APPLICATION OF PECO ENERGY COMPANY
FOR APPROVAL OF ITS RESTRUCTURING PLAN
UNDER SECTION 2806 OF THE PUBLIC UTILITY CODE

RECEIVED
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Exhibit 2

DOCUMENT
FOLDER

RESPONSE TO FILING REQUIREMENTS
RESPONSES D-8 THROUGH D-22

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Vol 39

PECO Energy Company
Response to Filing Requirements

Schedule D-8

Respondent: Frank F. Frankowski

Q: Supply a schedule detailing the actual tax liability for the most recent calendar year for each of the following taxes. Include the dates and amount of the payments made to satisfy the respective tax liabilities.

- (a) Pa. Capital Stock Tax.
- (b) Pa. Corporate Net Income Tax.
- (c) Pa. Gross Receipts Tax.
- (d) Pa. Public Utility Realty Tax.

Response:

The most recent available year for actual tax liabilities is 1995. The requested information is provided in Attachment D-8.

**PECO ENERGY COMPANY
PA CORPORATE TAXES
1995**

	<u>CAPITAL STOCK</u>	<u>PAYMENT DATE</u>	<u>CNI</u>	<u>PAYMENT DATE</u>	<u>GROSS RECEIPTS</u>	<u>PAYMENT DATE</u>	<u>PURTA</u>	<u>PAYMENT DATE</u>
<u>1995</u>								
FILED LIABILITY	40,124,454		72,435,823		143,426,349		60,545,461	
PAYMENTS		4/15/96	14,835,388	4/15/96				
	3,335,587	10/15/96	8,083,290	10/15/96	124,273,714	3/15/95	56,822,594	3/15/95
	9,155,979	12/15/95	11,052,130	12/15/95	19,152,635	3/15/96	3,722,867	3/15/96
	9,155,979	9/15/95	11,301,285	9/15/95				
	164,951	9/15/96		9/15/96				
	9,155,979	6/15/95	13,581,865	6/15/95				
	9,155,979	3/15/95	13,581,865	3/15/95				
TOTAL PAYMENTS A/C 1995	40,124,454		72,435,823		143,426,349		60,545,461	

PECO Energy Company
Response to Filing Requirements

Schedule D-9
Respondent: Frank F. Frankowski

Q: Provide complete copies of the most recently filed Pennsylvania Corporate Net Income and Pennsylvania Capital Stock Tax reports. Include a copy of the official settlement and a copy of the Federal Form 1120 as submitted to the Department of Revenue.

Response:

Attachment D-9 is a copy of the most recently filed Pennsylvania Corporate Net Income and Pennsylvania Capital Stock Tax reports. Also included is a copy of the 1994 Pennsylvania Corporate Net Income Tax Report and Settlement, the last report that was settled. Copies of the Federal Form 1120's, as submitted to the Department of Revenue, are included.

1	2	3	4	5
1	2	3	4	5

CORPORATION PECO ENERGY COMPANY

ACCOUNT ID 0415-103

TAX PERIOD ENDING

SECTION A: CAPITAL STOCK/FOREIGN FRANCHISE TAX

HISTORY OF EARNINGS

TAXABLE PERIOD BEGINNING	TAXABLE PERIOD ENDING	TAXPAYER USE (WHOLE DOLLARS ONLY)	DEPARTMENT USE ONLY
MMDDYY	MMDDYY	BOOK INCOME	
01/01/91	12/31/91	534,311,492.	
01/01/92	12/31/92	477,927,207.	
01/01/93	12/31/93	594,991,500.	
01/01/94	12/31/94	437,164,495.	

Oldest Period - Start Here

Additional Periods use these spaces (Skip lines if not required)

1	Current Tax Year Book Income (Loss)	1	01/01/95	12/31/95	622,906,796.
2	Total Book Income (sum of income for all tax periods within, up to, but not over, 5 years total)	2			2,667,301,490.
3	Divisor (in years and part years rounded to three decimal places) See Instructions	3			5.000
4	Divide Line (2) by Line (3)	4			533,460,298.
5	AVERAGE BOOK INCOME - Enter Line (4) or if Line (4) is less than zero enter "0".	5			533,460,298.
6	Divide Line (5) by .095	6			5,615,371,558.
7	Sum of capital stock, paid-in capital and retained earnings less treasury stock at the end of the current period	7			4,807,354,387.
8	Sum of capital stock, paid-in capital and retained earnings less treasury stock at the beginning of the current period	8			4,656,618,788.
9	If line (7) is twice as great or half as much as Line (8), add Lines (7) and (8) and divide by 2. Otherwise enter Line (7)	9			4,807,354,387.
10	NET WORTH - Enter Line (9) or if Line (9) is less than zero enter "0"	10			4,807,354,387.
11	Multiply Line (10) by 0.75	11			3,605,515,790.
12	Add Lines (6) and (11)	12			9,220,887,348.
13	Divide Line (12) by 2	13			4,610,443,674.
14	\$100,000 valuation deduction	14			(\$100,000)
15	CAPITAL STOCK VALUE - Line (13) less Line (14) but not less than "0". If 100% Taxable, enter Line (15) on Line (17)	15			4,610,343,674.
16	Proportion of taxable assets or apportionment proportion. (From Schedule A-1, Line (5) below.)	16			.682599
17	TAXABLE VALUE - Multiply Line (15) by Line (16) if less than zero, enter "0"	17			3,147,015,982.
18	CAPITAL STOCK/FOREIGN FRANCHISE TAX - Multiply Line (17) by .01275, and enter this amount (minimum tax is \$300)	18			40,124,454.

SCHEDULE A-1: APPORTIONMENT SCHEDULE FOR CAPITAL STOCK/FOREIGN FRANCHISE TAX

Enter the numerator(s) and denominator(s) of fractions used for apportioning the capital stock value. Enter the figures only for the apportionment method (Three Factor or Single Factor) used in the tax computation. Also enter the apportionment proportion calculated to six decimal places in Line (5) below.

Three Factor - From insert sheet (RCT-106), page 2 or Manufacturing Exemption Schedule (RCT-105)

1a	Property Factor - PA	1a		1c	
b	Property Factor - Total	b			
2a	Payroll Factor - PA	2a		2c	
b	Payroll Factor - Total	b			
3a	Sales Factor - PA	3a		3c	
b	Sales Factor - Total	b			
Single Factor - From insert sheet (RCT-106) page 1 or Manufacturing Exemption Schedule (RCT-102)					
4a	Single Factor - Numerator	4a	8,867,727,994.		
b	Single Factor - Denominator	b	12,991,118,960.		
5	Apportionment Proportion - Also enter on Line (16) in Section A above	5			.682599

SECTION B: LOANS TAX

1	TAXABLE INDEBTEDNESS (Complete Schedule B-1 on page 4 of the RCT-101.)	1	10,153,991.
2	Multiply Line (1) by .004	2	40,616.
3	Treasurer's Commission (See Instruction Book.)	3	253.
4	LOANS TAX - Line (2) - Line (3)	4	40,363.

CORPORATION **PECO ENERGY COMPANY**

ACCOUNT ID

0415-103

TAX PERIOD ENDING

SECTION C: CORPORATE NET INCOME TAX		TAXPAYER USE (WHOLE DOLLARS ONLY)	DEPARTMENT USE
1	Income or Loss from Federal return on a separate company basis. (Attach copy of Federal Form 1120 or 1120S, etc. to back of the RCT-101)	1 724,783,305	
2	Deductions:		
a	Corporate Dividends Received (From Schedule C-2, Line 6)	a 17,907,769	
b	Interest on U.S. Securities GROSS INTEREST 30,400 less EXPENSES	b 30,400	
c	Other (Attach Schedule) See Instructions	c 2,230	
	TOTAL DEDUCTIONS - Sum of (a) through (c)	2 17,940,399	
3	Line (1) less Line (2)	3 706,842,906	
4	Additions:		
a	Taxes imposed on or measured by net income (Attach Schedule)	a 72,342,565	
b	Tax Preference Items (Attach copy of Federal Form 4626)	b 812,846	
c	Employment Incentive Payment Credit Adjustment (Attach Schedule W)	c	
d	Other (Attach Schedule) See Instructions	d	
	TOTAL ADDITIONS - Sum of (a) through (d)	4 73,155,411	
5	INCOME (OR LOSS) WITH PENNSYLVANIA ADJUSTMENTS - Line (3) plus Line (4)	5 779,998,317	

CORPORATION WHICH TRANSACTS ITS ENTIRE BUSINESS IN PA (does NOT apportion) SHOULD SKIP TO LINE (11) AND ENTER LINE (5) THERE.

6	Total Nonbusiness Income (or loss)	6	
7	INCOME (OR LOSS) TO BE APPORTIONED - Line (5) minus Line (6)	7	779,998,317
8	Apportionment Proportion (from Schedule C-1 Line (5))	8	.9 2 9 5 9 6
9	INCOME (OR LOSS) APPORTIONED TO PA - Line (7) multiplied by Line (8)	9	725,083,315
10	Nonbusiness Income (or loss) allocated to PA	10	
11	TAXABLE INCOME (OR LOSS) AFTER APPORTIONMENT - Line (9) plus Line (10). Enter amount from Line (5) for corporations which do not apportion. If a Loss, add to form RCT-103, line 13	11	725,083,315
12	Net Operating Loss Deduction (from RCT-103) can't exceed \$1,000,000	12	
13	PA TAXABLE INCOME - Line 11 minus Line 12. If less than zero, enter "0"	13	725,083,315
14	CORPORATE NET INCOME TAX - Multiply Line (13) by .0999	14	72,435,823

SCHEDULE C-1: APPORTIONMENT SCHEDULE FOR CORPORATE NET INCOME TAX

Enter the numerator(s) and denominator(s) of fractions used for apportioning income. Also enter the apportionment proportion calculated to six decimal places in Line (5) below.
Three Factor - From insert sheet (RCT-106) page 2:

1a	Property Factor - PA	1a	13,993,622,486	
b	Property Factor - Total	b	15,976,042,601	1c .8 7 5 9 1 3
2a	Payroll Factor - PA	2a	462,373,323	
b	Payroll Factor - Total	b	463,726,912	2c .9 9 7 0 8 1
3a	Sales Factor - PA	3a	3,869,157,105	
b	Sales Factor - Total	b	4,193,317,637	
c	Double Weighted Sales Factor (See Instructions) (Line 3a divided by Line 3b) x 2	c	1.8 4 5 3 9 2	
Single Factor - Apportionment Proportion				
4a	Single Factor - PA	4a		
b	Single Factor - Total	b		
5	Apportionment Proportion - Also enter on Line (8) in Section C. (See instructions)	5	.9 2 9 5 9 6	

SCHEDULE C-2: PA DIVIDEND DEDUCTION SCHEDULE

1	Federal Schedule C, Line 20, Total deductions	1	17,907,769
2	Federal Schedule C, Line 15, Foreign Dividend Gross-Up (Section 78)	2	
3	Dividends from less-than-20%-owned foreign corporations listed on Lines 13 and 14 of Federal Schedule C - x 70%	3	
4	Dividends from 20%-or-more-owned foreign corporations listed on Lines 13 and 14 of Federal Schedule C - x 80%	4	
5	Dividends listed on Line 13 and 14 of Federal Schedule C from foreign corporations that meet the "80% voting and value test" of IRC § 1504 (a)(2) and otherwise would qualify for 100% deduction under IRC § 243 (a)(3) if they were a domestic corporation. Do not list any amounts included in Item 4	5	
6	Total PA Dividend Deduction - Add Lines 1, 2, 3, 4 and 5 [Enter above at Section C, Line (2a)]	6	17,907,769

CORPORATION PECO ENERGY COMPANY

ACCOUNT ID 0415-103

TAX PERIOD ENDING

1	2	3	1	9	5
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SECTION D: GENERAL INFORMATION QUESTIONNAIRE

1. Location of corporation's records.

2301 MARKET STREET, PHILADELPHIA, PA

2. Corporation's records in care of:

3. Method of accounting, if different than for federal.

4. Location of principal office.

2301 MARKET STREET PHILADELPHIA, PA

5. Has federal government changed taxable income as originally reported for any prior period for which reports of change have not been filed in PA? Give year(s)

NO

6. Name and Account ID of any corporation holding all or a majority of the stock of this corporation.

7. Other corporations of which this corporation owns all or a majority of the stock.

NAME	FILE IN PA	ACCOUNT ID	ENTITY ID (EIN)
See Statement 1			

8. Date of incorporation 11/01/29

9. Incorporated under laws of state of PENNSYLVANIA

10. PA Sales Tax License Number 51-196-699

11. Brief description of corporate activity in PA:

GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC & GAS ENERGY

Outside PA:

List other states in which taxpayer has activity: NJ, MD

If incorporated outside Pennsylvania does the corporation solicit sales in Pennsylvania? Please Check YES NO

If yes, does the corporation use:

Please Check Employee An exclusive sales representative An independent sales representative?

12. Schedule of real property used in Pennsylvania (buildings AND land)

OWNED/ RENTED	STREET ADDRESS	CITY	COUNTY
	LAND & BLDGS IN 11 COUNTIES		

SCHEDULE B-1: CORPORATE LOANS TAX INFORMATION

Foreign Corporations - Start with Question 1. Domestic Corporations - Start with Question 2.

- 1. (Foreign Corporations Only) Did your corporation have a treasurer or other fiscal officer resident in Pennsylvania and paying interest on indebtedness of the corporation? If answer is NO, remaining questions on this Schedule do not have to be answered 1. YES NO
 - 2. Did your corporation have indebtedness outstanding to individual residents of Pennsylvania and/or to partnerships resident in Pennsylvania? 2. X YES NO
 - 3. Did your corporation have indebtedness outstanding held by a trustee, agent or guardian for a resident individual taxable in its own right or by an executor or administrator of an estate wherein the decedent was a resident of Pennsylvania? 3. X YES NO
- If the answers to question 2 and/or 3 were "YES", continue below.

4. Amount of Interest actually paid on the indebtedness in Question 2 or 3 during the tax year reported.	5. Rate of interest applicable to the indebtedness in Question 2 or 3.	6. Nominal value of taxable indebtedness (divide 5 into 4) Enter total of this column in Section B on Page 2.
923,552.	0.0909545800	10,153,991.

Schedule L Balance Sheets

	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
Assets				
1 Cash		40,845,392.		17,171,879.
2 a Trade notes and accounts receivable	164,683,711.		129,056,243.	
b Less allowance for bad debts	(118,159,853)	46,523,858.	(118,525,127)	10,531,116.
3 Inventories		190,236,366.		201,177,705.
4 U.S. government obligations				
5 Tax-exempt securities (see instructions)		173,114,895.		204,092,278.
6 Other current assets (attach schedule)	Stmt 7	104,518,032.		229,096,904.
7 Loans to stockholders				
8 Mortgage and real estate loans				
9 Other investments (attach schedule)	Stmt 7	216,167,725.		153,902,444.
10 a Buildings and other depreciable assets	4,665,871,826.		5,091,347,517.	
b Less accumulated depreciation	4,171,480,629	10,494,391,197.	4,596,137,334	10,495,210,183.
11 a Depletable assets	1,176,390,856.		1,296,350,456.	
b Less accumulated depletion	(818,484,797)	357,906,059.	(919,060,282)	377,290,174.
12 Land (net of any amortization)				
13 a Intangible assets (amortizable only)				
b Less accumulated amortization	()		()	
14 Other assets (attach schedule)	Stmt 7	1,450,915,142.		1,219,146,571.
15 Total assets		13,074,618,666.		12,907,619,254.
Liabilities and Stockholders' Equity				
16 Accounts payable		521,531,646.		499,830,814.
17 Mtges., notes, bonds payable (less than 1 year)		182,500,000.		401,003,000.
18 Other current liabilities (attach schedule)	Stmt 7	303,273,031.		325,473,638.
19 Loans from stockholders				
20 Mtges., notes, bonds payable in 1 year or more		5,091,205,464.		4,570,352,162.
21 Other liabilities (attach schedule)	Stmt 8	2,319,489,737.		2,293,287,832.
22 Capital stock: a Preferred stock	370,172,000.		292,067,206.	
b Common stock	3,490,728,489.	3,860,900,489.	3,506,312,537.	3,798,379,743.
23 Paid-in or capital surplus		1,271,048.		1,271,578.
24 Retained earnings-Appropriated (attach schedule)				
25 Retained earnings - Unappropriated		794,447,251.		1,018,020,487.
26 Less cost of treasury stock		()		()
27 Total liabilities and stockholders' equity		13,074,618,666.		12,907,619,254.

Note: You are not required to complete Schedules M-1 and M-2 below if the total assets on line 15, column (d) of Schedule L are less than \$25,000.

Schedule M-1 Reconciliation of Income(Loss) per Books With Income per Return (See page 18 of instructions.)

1 Net income (loss) per books	609,730,612.	7 Income recorded on books this year not included on this return (itemize):	
2 Federal income tax	181,763,715.	Tax exempt interest \$	
3 Excess of capital losses over capital gains			
4 Income subject to tax not recorded on books this year (itemize):		See Statement 10	148,445,574.
See Statement 9	74,396,704.		
5 Expenses recorded on books this year not deducted on this return (itemize):		8 Deductions on this return not charged against book income this year (itemize):	
a Depreciation \$		a Depreciation \$	
b Contributions carryover \$		b Contributions carryover \$	
c Travel and entertainment \$			
See Statement 9	268,330,610.	See Statement 10	260,992,762.
6 Add lines 1 through 5	1,134,221,641.	9 Add lines 7 and 8	409,438,336.
		10 Income (line 28, page 1) - line 6 less line 9	724,783,305.

Schedule M-2 Analysis of Unappropriated Retained Earnings per Books (Line 25, Schedule L)

1 Balance at beginning of year	794,447,251.	5 Distributions: a Cash	390,340,009.
2 Net income (loss) per books	609,730,612.	b Stock	
3 Other increases (itemize):		c Property	
See Statement 11	6,336,955.	6 Other decreases (itemize):	
4 Add lines 1, 2, and 3	1,410,514,818.	See Statement 11	2,154,322.
		7 Add lines 5 and 6	392,494,331.
		8 Balance at end of year (line 4 less line 7)	1,018,020,487.

Credit for Federal Tax Paid on Fuels
(And Credit for Purchase of Diesel-Powered Highway Vehicles)
▶ See the instructions for Form 4136.

▶ Attach this form to your income tax return.

Name (as shown on your income tax return) PECO ENERGY COMPANY	Taxpayer identification number 23-0970240
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Part I Diesel-Powered Highway Vehicle Credit

	(a) Number of vehicles	(b) Credit per vehicle	(c) Credit (col. (a) x col. (b))	CRN
1 Diesel-powered cars	1	\$102.00		
2 Diesel-powered light trucks and vans	2	198.00		
3 Total diesel-powered highway vehicle credit. Add lines 1 and 2, column (c) ▶			3	318

Part II Fuel Tax Credit *Caution: You cannot claim any amounts on Form 4136 that you claimed on Form 8849, Form 843, or Schedule C (Form 720).*

4 Nontaxable Use of Gasoline (See instructions)

	Type of use	Rate	Gallons	Amount of credit	CRN
a Off-highway business use		\$.184	152,615.00	} 28,081.	301
b Use on a farm for farming purposes		.184			
c Other		.184			

5 Nontaxable Use of Gasohol (See instructions.)

	Type of use	Rate	Gallons	Amount of credit	CRN
a Gasohol containing at least 10% alcohol		\$.13	} 312		
b Gasohol containing at least 7.7% alcohol but less than 10% alcohol		.1424			
c Gasohol containing at least 5.7% alcohol but less than 7.7% alcohol		.1532			

6 Nontaxable Use of Undyed Diesel Fuel (Lines 6a, b, and c)
Sales by Registered Ultimate Vendors of Undyed Diesel Fuel (Line 6d) (See instructions.)

	Type of use	Rate	Gallons	Amount of credit	CRN	
Lines 6a, b, and c: Purchaser bought undyed diesel fuel, certifies that the diesel fuel did not contain visible evidence of dye, and used that diesel fuel for a nontaxable use. <i>Caution: No claim is allowed on lines 6a, b or c for use on a farm for farming purposes or for use by a state or local government.</i>						
a Heating oil		\$.244	} 303	19,912.		
b Off-highway business use		.244				81,607.00
c Other nontaxable use		.244				
d Claimant sold undyed diesel fuel (a) to a state or local government for its exclusive use or (b) for use by the buyer on a farm for farming purposes. Claimant is a registered ultimate vendor, sold the fuel at a tax-excluded price, certifies that the diesel fuel did not contain visible evidence of dye, and obtained the required certificate from the buyer and has no reason to believe any of the information in the certificate is false.		.244				

7 Nontaxable Use of Other Fuels

	Type of use	Rate	Gallons	Amount of Credit	CRN
a	Special motor fuel (other than LPG)	\$.184	} 282.00 MCF	137.	304
b	Liquified petroleum gas (LPG)	.183			
c	LPG used in intercity or local buses	.109			
d	Compressed natural gas (credit rate per thousand cubic feet)	.4854			

8 Nontaxable Use of Gasoline Used in Aviation (See instructions.)

	Type of use	Rate	Gallons	Amount of credit	CRN
a	Used in foreign trade, on a farm, or in certain helicopters	\$.184	}		307
b	Used in commercial aviation (other than foreign trade)	.183/ .14*			

9 Nontaxable Use of Aviation Fuel (other than gasoline)

	Type of use	Rate	Gallons	Amount of credit	CRN
a	Used in foreign trade, on a farm, or in certain helicopters	\$.219	}		310
b	Used in commercial aviation (other than foreign trade)	.218/ .175*			

10 Gasohol Blenders (Caution: Do not claim for any gasohol sold or used after September 30, 1995. See instructions on page 4.)

Percentage of alcohol in the gasohol	Rate	Gallons of gasoline	Amount of credit	CRN
Claimant bought gasoline taxed at the full rate (\$.184) and blended it with alcohol to make gasohol. The gasohol was used or sold for use in a trade or business.		}		302
a At least 10% alcohol	\$.0396			
b At least 7.7% alcohol but less than 10% alcohol	.0298			
c At least 5.7% alcohol but less than 7.7% alcohol	.0216			

11 Use of Undyed Diesel Fuel - Train and Intercity and Local Bus (See instructions.)

Claimant bought undyed diesel fuel, certifies that the diesel fuel did not contain visible evidence of dye, and used the diesel fuel in an engine that propels a diesel-powered train or an automobile bus.	Rate	Gallons	Amount of credit	CRN
a Diesel-powered trains	\$.175 .1875*	}		305
b Certain intercity and local buses	.17			

12 Total fuel tax credit. Add lines 4-11	12	48,130.
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Part III Total Income Tax Credit

13 Total income tax credit claimed (add lines 3 and 12). Enter here and on Form 1040, line 60 (also check box b on line 60); Form 1120, line 32g; Form 1120-A, line 28g; Form 1120S, line 23c; Form 1041, line 24g; or the proper line of other returns	13	48,130.
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* This rate is only for fuel purchased and used after September 30, 1995. However, pending legislation may change the rates for lines 8b and 9b. Get Pub. 553, Highlights of 1995 Tax Changes.

Department of the Treasury
Internal Revenue Service

▶ Attach to your tax return.
▶ See separate instructions.

Attachment
Sequence No. 22

Name(s) shown on return

Identifying number

PECO ENERGY COMPANY

23-0970240

Part I Tentative Credit

1 a	Current year investment credit (Form 3468, Part I)	1 a	
b	Current year jobs credit (Form 5884, Part I)	1 b	2,230.
c	Current year credit for alcohol used as fuel (Form 6478)	1 c	
d	Current year credit for increasing research activities (Form 6765, Part I)	1 d	NONE
e	Current year low-income housing credit (Form 8586, Part I)	1 e	
f	Current year enhanced oil recovery credit (Form 8830, Part I)	1 f	
g	Current year disabled access credit (Form 8826, Part I)	1 g	
h	Current year renewable electricity production credit (Form 8835, Part I)	1 h	
i	Current year Indian employment credit (Form 8845, Part I)	1 i	
j	Current year credit for employer social security and Medicare taxes paid on certain employee tips (Form 8846, Part I)	1 j	
k	Current year credit for contributions to selected community development corporations (Form 8847, Part I)	1 k	
l	Current year trans-Alaska pipeline liability fund credit (see instructions)	1 l	
m	Current year general business credit. Add lines 1a through 1l	1 m	2,230.
2	Passive activity credits included on line 1m (see instructions)	2	
3	Subtract line 2 from line 1m	3	2,230.
4	Passive activity credits allowed for 1995 (see instructions)	4	
5	Carryforward of general business, WIN, or ESOP credit to 1995 (see instructions for the schedule to attach)	5	
6	Carryback of general business credit to 1995 (see instructions)	6	
7	Tentative general business credit. Add lines 3 through 6	7	2,230.

Part II General Business Credit Limitation Based on Amount of Tax

8 a	Individuals. Enter amount from Form 1040, line 40	}	8
b	Corporations. Enter amount from Form 1120, Schedule J, line 3 (or Form 1120-A, Part I, line 1)		
c	Other filers. Enter regular tax before credits from your return		
9 a	Credit for child and dependent care expenses (Form 2441, line 10)	9 a	
b	Credit for the elderly or the disabled (Schedule R (Form 1040), line 20)	9 b	
c	Mortgage interest credit (Form 8396, line 11)	9 c	
d	Foreign tax credit (Form 1116, line 32, or Form 1118, Sch. B, line 12)	9 d	
e	Possessions tax credit (Form 5735)	9 e	
f	Orphan drug credit (Form 6765)	9 f	
g	Credit for fuel from a nonconventional source	9 g	
h	Qualified electric vehicle credit (Form 8834, line 19)	9 h	
i	Add lines 9a through 9h	9 i	
10	Net regular tax. Subtract line 9i from line 8	10	
11	Tentative minimum tax (see instructions):		
a	Individuals. Enter amount from Form 6251, line 26	}	11
b	Corporations. Enter amount from Form 4626, line 13		
c	Estates and trusts. Enter amount from Form 1041, Schedule I, line 37		
12	Net income tax:		
a	Individuals. Add line 10 above and line 28 of Form 6251	}	12
b	Corporations. Add line 10 above and line 15 of Form 4626		
c	Estates and trusts. Add line 10 above and line 41 of Form 1041, Schedule I		
13	If line 10 is more than \$25,000, enter 25% (.25) of the excess (see instructions)	13	
14	Subtract line 11 or line 13, whichever is greater, from line 12. If zero or less, enter -0-	14	
15	General business credit allowed for current year. Enter the smaller of line 7 or line 14. Enter here and on Form 1040, line 44; Form 1120, Schedule J, line 4d; Form 1120-A, Part I, line 2a; or the appropriate line of your tax return. (Individuals, estates, and trusts, see instructions if the credit for increasing research activities is claimed. C corporations, see instructions for Schedule A if any regular investment credit carryforward is claimed. See the instructions if the corporation has undergone a post-1986 "ownership change.")	15	

For Paperwork Reduction Act Notice, see page 2 of this form.

Depreciation and Amortization (Including Information on Listed Property)

1995

Department of the Treasury Internal Revenue Service (99)

See separate instructions.

Attach this form to your return.

Attachment Sequence No. 67

Name(s) shown on return

Identifying number

PECO ENERGY COMPANY

23-0970240

Business or activity to which this form relates

General Depreciation and Amortization

Part I Election To Expense Certain Tangible Property (Section 179) (Note: If you have any "Listed Property," complete Part V before you complete Part I.)

Table with 5 rows for Part I. Columns include description and line numbers 1-5. Row 1: Maximum dollar limitation. Row 2: Total cost of section 179 property. Row 3: Threshold cost of section 179 property. Row 4: Reduction in limitation. Row 5: Dollar limitation for tax year.

Note: Do not use Part II or Part III below for listed property (automobiles, certain other vehicles, cellular telephones, certain computers, or property used for entertainment, recreation, or amusement). Instead, use Part V for listed property.

Part II MACRS Depreciation For Assets Placed in Service ONLY During Your 1995 Tax Year (Do Not Include Listed Property.)

Section A - General Asset Account Election

14 If you are making the election under section 168(i)(4) to group any assets placed in service during the tax year into one or more general asset accounts, check this box. See page 2 of the instructions.

Table with 7 columns: (a) Classification of property, (b) Month and year placed in service, (c) Basis for depreciation, (d) Recovery period, (e) Convention, (f) Method, (g) Depreciation deduction.

Section B - General Depreciation System (GDS) (See page 2 of the instructions.)

Table with 7 columns for Section B. Rows include 15a 3-year property, b 5-year property, c 7-year property, d 10-year property, e 15-year property, f 20-year property, g Residential rental property, h Nonresidential real property.

Section C - Alternative Depreciation System (ADS) (See page 4 of the instructions.)

Table with 7 columns for Section C. Rows include 16a Class life, b 12-year, c 40-year.

Part III Other Depreciation (Do Not Include Listed Property.) (See page 4 of the instructions.)

Table with 3 columns for Part III. Rows include 17 GDS and ADS deductions for assets placed in service in tax years beginning before 1995, 18 Property subject to section 168(f)(1) election, 19 ACRS and other depreciation.

Part IV Summary (See page 4 of the instructions.)

Table with 3 columns for Part IV. Rows include 20 Listed property. Enter amount from line 26, 21 Total. Add deductions on line 12, lines 15 and 16 in column (g), and lines 17 through 20. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instructions, 22 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs.

Part V Listed Property - Automobiles, Certain Other Vehicles, Cellular Telephones, Certain Computers, and Property Used for Entertainment, Recreation, or Amusement

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 23a, 23b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A - Depreciation and Other Information (Caution: See page 5 of the instructions for limitations for automobiles.)

Table with columns for property type, date placed in service, business/investment use percentage, cost or other basis, basis for depreciation, recovery period, method/convention, depreciation deduction, and elected section 179 cost. Includes rows 23a-27.

Section B - Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

Table for Section B with columns for vehicle 1-6 and rows for miles driven (28-31) and availability questions (32-34).

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons.

Table for Section C with columns for Yes/No and rows 35-39 regarding employee vehicle policies.

Part VI Amortization

Table for Part VI Amortization with columns for description of costs, date amortization begins, amount, code section, amortization period, and amount for this year. Includes row 40 for SALEM ESTUARY.

Name **PECO ENERGY COMPANY** Employer identification number **23-0970240**

1	Taxable income or (loss) before net operating loss deduction. (Important: If the corporation is subject to the environmental tax, see the instructions for line 16 on page 6.)	1	706,875,536.
2	Adjustments and preferences:		
a	Depreciation of post-1986 property	2a	44,476,357.
b	Amortization of certified pollution control facilities	2b	
c	Amortization of mining exploration and development costs	2c	
d	Amortization of circulation expenditures (personal holding companies only)	2d	
e	Adjusted gain or loss	2e	-273,350.
f	Long-term contracts	2f	
g	Installment sales	2g	
h	Merchant marine capital construction funds	2h	
i	Section 833(b) deduction (Blue Cross, Blue Shield, and similar type organizations only)	2i	
j	Tax shelter farm activities (personal service corporations only)	2j	
k	Passive activities (closely held corporations and personal service corporations only)	2k	
l	Loss limitations	2l	
m	Depletion	2m	
n	Tax-exempt interest from specified private activity bonds	2n	
o	Charitable contributions	2o	
p	Intangible drilling costs	2p	
q	Reserves for losses on bad debts of financial institutions	2q	
r	Accelerated depreciation of real property (pre-1987)	2r	812,846.
s	Accelerated depreciation of leased personal property (pre-1987) (personal holding companies only)	2s	
t	Other adjustments	2t	
u	Combine lines 2a through 2t	2u	45,015,853.
3	Preadjustment alternative minimum taxable income (AMTI). Combine lines 1 through 2u	3	751,891,389.
4	Adjusted current earnings (ACE) adjustment:		
a	Enter the corporation's ACE from line 10 of the worksheet on page 8 of the instructions	4a	809,347,676.
b	Subtract line 3 from line 4a. If line 3 exceeds line 4a, enter the difference as a negative amount (see page 4 of the instructions for examples)	4b	57,456,287.
c	Multiply line 4b by 75% (.75). Enter the result as a positive amount	4c	43,092,215.
d	Enter the excess, if any, of the corporation's total increases in AMTI from prior year ACE adjustments over its total reductions in AMTI from prior year ACE adjustments (see page 5 of the instructions). Note: You must enter an amount on line 4d (even if line 4b is positive)	4d	463,962,477.
e	ACE adjustment: • If you entered a positive number or zero on line 4b, enter the amount from line 4c here as a positive amount. • If you entered a negative number on line 4b, enter the smaller of line 4c or line 4d here as a negative amount. See Statement 14	4e	43,092,215.
5	Combine lines 3 and 4e. If zero or less, stop here; the corporation does not owe alternative minimum tax	5	794,983,604.
6	Alternative tax net operating loss deduction.(see page 5 of the instructions)	6	
7	Alternative minimum taxable income. Subtract line 6 from line 5	7	794,983,604.

For Paperwork Reduction Act Notice, see separate instructions.

8	8	794,983,604.
9		
a	9a	
b	9b	
c	9c	NONE
10	10	794,983,604.
11	11	158,996,721.
12	12	
13	13	158,996,721.
14	14	NONE
15	15	
16	16	

Adjusted Current Earnings Worksheet

▶ See ACE Worksheet Instructions (which begin on page 6).

1	Pre-adjustment AMTI. Enter the amount from line 3 of Form 4626		1	751,891,389.
2	ACE depreciation adjustment			
a	AMT depreciation	2a		488,547,551.
b	ACE depreciation:			
(1)	Post-1993 property	2b(1)		74,538,191.
(2)	Post-1989 pre-1994 property	2b(2)		133,227,890.
(3)	Pre-1990 MACRS property	2b(3)		27,814,165.
(4)	Pre-1990 original ACRS property	2b(4)		154,107,570.
(5)	Property described in sections 168(f)(1) through (4)	2b(5)		
(6)	Other property	2b(6)		35,027,773.
(7)	Total ACE depreciation. Add lines 2b(1) through 2b(6)	2b(7)		424,715,589.
c	ACE depreciation adjustment. Subtract line 2b(7) from line 2a		2c	63,831,962.
3	Inclusion in ACE of items included in earnings and profits (E&P):			
a	Tax-exempt interest income	3a		57,464.
b	Death benefits from life insurance contracts	3b		
c	All other distributions from life insurance contracts (including surrenders)	3c		
d	Inside buildup of undistributed income in life insurance contracts	3d		
e	Other items (see Regulations sections 1.56(g)-1(c)(6)(iii) through (ix) for a partial list)	3e		
f	Total increase to ACE due to inclusion in ACE of items included in E&P. Add lines 3a through 3e		3f	57,464.
4	Disallowance of items not deductible from E&P:			
a	Certain dividends received	4a		468,572.
b	Dividends paid on certain preferred stock of public utilities that are deductible under section 247	4b		483,507.
c	Dividends paid to an ESOP that are deductible under section 404(k)	4c		
d	Nonpatronage dividends that are paid and deductible under section 1382(c)	4d		
e	Other items (see Regulations section 1.56(g)-1(d)(3)(i) and (ii) for a partial list)	4e		
f	Total increase to ACE because of disallowance of items not deductible from E&P. Add lines 4a through 4e		4f	952,079.
5	Other adjustments based on rules for computing E&P:			
a	Intangible drilling costs	5a		
b	Circulation expenditures	5b		
c	Organizational expenditures	5c		
d	LIFO inventory adjustments	5d		
e	Installment sales	5e		
f	Total other E&P adjustments. Combine lines 5a through 5e		5f	
6	Disallowance of loss on exchange of debt pools		6	
7	Acquisition expenses of life insurance companies for qualified foreign contracts		7	
8	Depletion		8	
9	Basis adjustments in determining gain or loss from sale or exchange of pre-1994 property		9	-7,385,218.
10	Adjusted current earnings. Combine lines 1, 2c, 3f, 4f, and 5f through 9. Enter the result here and on line 4a of Form 4626		10	809,347,676.

Sales of Business Property
 (Also Involuntary Conversions and Recapture Amounts
 Under Sections 179 and 280F(b)(2))

Department of the Treasury
 Internal Revenue Service (99)

▶ Attach to your tax return. ▶ See separate instructions.

Name(s) shown on return

Identifying number

PECO ENERGY COMPANY

23-0970240

1 Enter here the gross proceeds from the sale or exchange of real estate reported to you for 1995 on Form(s) 1099-S (or a substitute statement) that you will be including on line 2, 11, or 22 1

Part I Sales or Exchanges of Property Used in a Trade or Business and Involuntary Conversions From Other Than Casualty or Theft - Property Held More Than 1 Year

(a) Description of property	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Gross sales price	(e) Depreciation allowed or allowable since acquisition	(f) Cost or other basis, plus improvements and expense of sale	(g) LOSS ((f) minus the sum of (d) and (e))	(h) GAIN ((d) plus (e) minus (f))
2 Stmt 15						14,260,589.	1,757,327.
3 Gain, if any, from Form 4684, line 39							
4 Section 1231 gain from installment sales from Form 6252, line 26 or 37							
5 Section 1231 gain or (loss) from like-kind exchanges from Form 8824							
6 Gain, if any, from line 34, from other than casualty or theft							2,617,175.
7 Add lines 2 through 6 in columns (g) and (h)						(14,260,589.)	4,374,502.
8 Combine columns (g) and (h) of line 7. Enter gain or (loss) here, and on the appropriate line as follows:							-9,886,087.
Partnerships - Enter the gain or (loss) on Form 1065, Schedule K, line 6. Skip lines 9, 10, 12, and 13 below. S corporations - Report the gain or (loss) following the instructions for Form 1120S, Schedule K, lines 5 and 6. Skip lines 8, 10, 12, and 13 below, unless line 8 is a gain and the S corporation is subject to the capital gains tax. All others - If line 8 is zero or a loss, enter the amount on line 12 below and skip lines 9 and 10. If line 8 is a gain and you did not have any prior year section 1231 losses, or they were recaptured in an earlier year, enter the gain as a long-term capital gain on Schedule D and skip lines 9, 10, and 13 below.							
9 Nonrecaptured net section 1231 losses from prior years (see instructions)							
10 Subtract line 9 from line 8. If zero or less, enter -0-. Also enter on the appropriate line as follows (see instructions):							
S corporations - Enter this amount on Schedule D (Form 1120S), line 13, and skip lines 12 and 13 below. All others - If line 10 is zero, enter the amount from line 8 on line 13 below. If line 10 is more than zero, enter the amount from line 9 on line 13 below, and enter the amount from line 10 as a long-term capital gain on Schedule D.							

Part II Ordinary Gains and Losses

11 Ordinary gains and losses not included on lines 12 through 18 (include property held 1 year or less):

11 Stmt 17						9,643.	
12 Loss, if any, from line 8						9,886,087.	
13 Gain, if any, from line 8, or amount from line 9 if applicable							
14 Gain, if any, from line 33							-329,928.
15 Net gain or (loss) from Form 4684, lines 31 and 38a							
16 Ordinary gain from installment sales from Form 6252, line 25 or 36							
17 Ordinary gain or (loss) from like-kind exchanges from Form 8824							
18 Recapture of section 179 expense deduction for partners and S corporation shareholders from property dispositions by partnerships and S corporations (see instructions)							
19 Add lines 11 through 18 in columns (g) and (h)						(9,895,730.)	-329,928.
20 Combine columns (g) and (h) of line 19. Enter gain or (loss) here, and on the appropriate line as follows:							-10,225,658.
a For all except individual returns: Enter the gain or (loss) from line 20 on the return being filed. b For individual returns:							
(1) If the loss on line 12 includes a loss from Form 4884, line 35, column (b)(ii), enter that part of the loss here and on line 22 of Schedule A (Form 1040). Identify as from "Form 4797, line 20b(1)." See instructions							20b(1)
(2) Redetermine the gain or (loss) on line 20, excluding the loss, if any, on line 20b(1). Enter here and on Form 1040, line 14							20b(2)

For Paperwork Reduction Act Notice, see page 1 of separate instructions.

Part III Gain From Disposition of Property Under Sections 1245, 1250, 1252, 1254, and 1255

21 (a) Description of section 1245, 1250, 1252, 1254, or 1255 property:	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)		
A E 100 STEAM PROD	VARIOUS	1995		
B E 100 STEAM PROD	VARIOUS	1995		
C E 101 NUC PROD	VARIOUS	1995		
D E 103 T&D FAC	VARIOUS	1995		
Relate lines 21A through 21D to these columns	Property A	Property B	Property C	Property D
22 Gross sales price (Note: See line 1 before completing.)	22 163,571.	83.	367.	5,114.
23 Cost or other basis plus expense of sale	23 4,096.			134,858.
24 Depreciation (or depletion) allowed or allowable	24 7,384.			536,388.
25 Adjusted basis. Subtract line 24 from line 23	25 -3,288.			-401,530.
26 Total gain. Subtract line 25 from line 22	26 166,859.	83.	367.	406,644.
27 If section 1245 property:				
a Depreciation allowed or allowable from line 24	27a 7,384.			536,388.
b Enter the smaller of line 26 or 27a	27b 7,384.			406,644.
28 If section 1250 property: If straight line depreciation was used, enter -0- on line 28g, except for a corporation subject to section 291.				
a Additional depreciation after 1975 (see instructions)	28a			
b Applicable percentage multiplied by the smaller of line 26 or line 28a (see instructions)	28b			
c Subtract line 28a from line 26. If residential rental property or line 26 is not more than line 28a, skip lines 28d and 28e	28c			
d Additional depreciation after 1969 and before 1976	28d			
e Enter the smaller of line 28c or 28d	28e			
f Section 291 amount (corporations only)	28f			
g Add lines 28b, 28e, and 28f	28g			
29 If section 1252 property: Skip this section if you did not dispose of farmland or if this form is being completed for a partnership.				
a Soil, water, and land clearing expenses	29a			
b Line 29a multiplied by applicable percentage (see instructions)	29b			
c Enter the smaller of line 26 or 29b	29c			
30 If section 1254 property:				
a Intangible drilling and development costs, expenditures for development of mines and other natural deposits, and mining exploration costs (see instructions)	30a			
b Enter the smaller of line 26 or 30a	30b			
31 If section 1255 property:				
a Applicable percentage of payments excluded from income under section 126 (see instructions)	31a			
b Enter the smaller of line 26 or 31a (see instructions)	31b			

Summary of Part III Gains. Complete property columns A through D, through line 31b before going to line 32.

32 Total gains for all properties. Add columns A through D, line 26	32	2,287,247.
33 Add property columns A through D, lines 27b, 28g, 29c, 30b, and 31b. Enter here and on line 14	33	-329,928.
34 Subtract line 33 from line 32. Enter the portion from casualty or theft on Form 4684, line 33. Enter the portion from other than casualty or theft on Form 4797, line 6	34	2,617,175.

Part IV Recapture Amounts Under Sections 179 and 280F(b)(2) When Business Use Drops to 50% or Less
See instructions.

	(a) Section 179	(b) Section 280F(b)(2)
35 Section 179 expense deduction or depreciation allowable in prior years	35	
36 Recomputed depreciation. See instructions	36	
37 Recapture amount. Subtract line 36 from line 35. See the instructions for where to report	37	

Part III Gain From Disposition of Property Under Sections 1245, 1250, 1252, 1254, and 1255

21 (a) Description of section 1245, 1250, 1252, 1254, or 1255 property:		(b) Date acquired (mo., day, yr.)		(c) Date sold (mo., day, yr.)	
A S301 CF NUC PROD		VARIOUS		1995	
B L351 1 NUC PROD		VARIOUS		1995	
C C801 T&D FAC		VARIOUS		1995	
D C801 T&D FAC RC		VARIOUS		1995	
Relate lines 21A through 21D to these columns		Property A	Property B	Property C	Property D
22 Gross sales price (Note: See line 1 before completing.)	22	11,476.	997,730.	3,993.	702.
23 Cost or other basis plus expense of sale	23	-226,200.	-620,055.	-369,585.	
24 Depreciation (or depletion) allowed or allowable	24	92,805.	-955,760.	-347,823.	
25 Adjusted basis. Subtract line 24 from line 23	25	-319,005.	335,705.	-21,762.	
26 Total gain. Subtract line 25 from line 22	26	330,481.	662,025.	25,755.	702.
27 If section 1245 property:					
a Depreciation allowed or allowable from line 24	27a	92,805.	-955,760.	-347,823.	
b Enter the smaller of line 26 or 27a	27b	92,805.	-955,760.	-347,823.	
28 If section 1250 property: If straight line depreciation was used, enter -0- on line 28g, except for a corporation subject to section 291.					
a Additional depreciation after 1975 (see instructions)	28a				
b Applicable percentage multiplied by the smaller of line 26 or line 28a (see instructions)	28b				
c Subtract line 28a from line 26. If residential rental property or line 26 is not more than line 28a, skip lines 28d and 28e	28c				
d Additional depreciation after 1969 and before 1976	28d				
e Enter the smaller of line 28c or 28d	28e				
f Section 281 amount (corporations only)	28f				
g Add lines 28b, 28e, and 28f	28g				
29 If section 1252 property: Skip this section if you did not dispose of farmland or if this form is being completed for a partnership.					
a Soil, water, and land clearing expenses	29a				
b Line 29a multiplied by applicable percentage (see instructions)	29b				
c Enter the smaller of line 26 or 29b	29c				
30 If section 1254 property:					
a Intangible drilling and development costs, expenditures for development of mines and other natural deposits, and mining exploration costs (see instructions)	30a				
b Enter the smaller of line 26 or 30a	30b				
31 If section 1255 property:					
a Applicable percentage of payments excluded from income under section 126 (see instructions)	31a				
b Enter the smaller of line 26 or 31a (see instructions)	31b				

Summary of Part III Gains. Complete property columns A through D, through line 31b before going to line 32.

32 Total gains for all properties. Add columns A through D, line 26	32	
33 Add property columns A through D, lines 27b, 28g, 29c, 30b, and 31b. Enter here and on line 14	33	
34 Subtract line 33 from line 32. Enter the portion from casualty or theft on Form 4684, line 33. Enter the portion from other than casualty or theft on Form 4797, line 6	34	

Part IV Recapture Amounts Under Sections 179 and 280F(b)(2) When Business Use Drops to 50% or Less
See instructions.

	(a) Section 179	(b) Section 280F(b)(2)
35 Section 179 expense deduction or depreciation allowable in prior years	35	
36 Recomputed depreciation. See instructions	36	
37 Recapture amount. Subtract line 36 from line 35. See the instructions for where to report	37	

Part III Gain From Disposition of Property Under Sections 1245, 1250, 1252, 1254, and 1255

21 (a) Description of section 1245, 1250, 1252, 1254, or 1255 property:	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)		
A C804 OFFICE MACHINES	VARIOUS	1995		
B C805 OFFICE FURNITUR	VARIOUS	1995		
C C805 OFFICE FURN RC	VARIOUS	1995		
D C808 BLDG IMP	VARIOUS	1995		
Relate lines 21A through 21D to these columns	Property A	Property B	Property C	Property D
22 Gross sales price (Note: See line 1 before completing.)	22 124.	68.	13.	-512.
23 Cost or other basis plus expense of sale	23 -129,982.	-63,970.	-11,719.	13,364.
24 Depreciation (or depletion) allowed or allowable	24 -129,646.	-62,190.	-11,393.	61,371.
25 Adjusted basis. Subtract line 24 from line 23	25 -336.	-1,780.	-326.	-48,007.
26 Total gain. Subtract line 25 from line 22	26 460.	1,848.	339.	47,495.
27 If section 1245 property:				
a Depreciation allowed or allowable from line 24	27a -129,646.	-62,190.	-11,393.	61,371.
b Enter the smaller of line 26 or 27a	27b -129,646.	-62,190.	-11,393.	47,495.
28 If section 1250 property: If straight line depreciation was used, enter -0- on line 28g, except for a corporation subject to section 291.				
a Additional depreciation after 1975 (see instructions)	28a			
b Applicable percentage multiplied by the smaller of line 26 or line 28a (see instructions)	28b			
c Subtract line 28a from line 26. If residential rental property or line 26 is not more than line 28a, skip lines 28d and 28e	28c			
d Additional depreciation after 1969 and before 1976	28d			
e Enter the smaller of line 28c or 28d	28e			
f Section 291 amount (corporations only)	28f			
g Add lines 28b, 28e, and 28f	28g			
29 If section 1252 property: Skip this section if you did not dispose of farmland or if this form is being completed for a partnership.				
a Soil, water, and land clearing expenses	29a			
b Line 29a multiplied by applicable percentage (see instructions)	29b			
c Enter the smaller of line 26 or 29b	29c			
30 If section 1254 property:				
a Intangible drilling and development costs, expenditures for development of mines and other natural deposits, and mining exploration costs (see instructions)	30a			
b Enter the smaller of line 26 or 30a	30b			
31 If section 1255 property:				
a Applicable percentage of payments excluded from income under section 126 (see instructions)	31a			
b Enter the smaller of line 26 or 31a (see instructions)	31b			

Summary of Part III Gains. Complete property columns A through D, through line 31b before going to line 32.

32 Total gains for all properties. Add columns A through D, line 26	32	
33 Add property columns A through D, lines 27b, 28g, 29c, 30b, and 31b. Enter here and on line 14	33	
34 Subtract line 33 from line 32. Enter the portion from casualty or theft on Form 4684, line 33. Enter the portion from other than casualty or theft on Form 4797, line 6	34	

Part IV Recapture Amounts Under Sections 179 and 280F(b)(2) When Business Use Drops to 50% or Less
See instructions.

	(a) Section 179	(b) Section 280F(b)(2)
35 Section 179 expense deduction or depreciation allowable in prior years	35	
36 Recomputed depreciation. See instructions	36	
37 Recapture amount. Subtract line 36 from line 35. See the instructions for where to report	37	

Part III Gain From Disposition of Property Under Sections 1245, 1250, 1252, 1254, and 1255

21 (a) Description of section 1245, 1250, 1252, 1254, or 1255 property:	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)				
A C BUILDINGSS	VARIOUS	1995				
B						
C						
D						
Relate lines 21A through 21D to these columns			Property A	Property B	Property C	Property D
22 Gross sales price (Note: See line 1 before completing.)	22		-3,857.			
23 Cost or other basis plus expense of sale	23		-25,490.			
24 Depreciation (or depletion) allowed or allowable	24		279,028.			
25 Adjusted basis. Subtract line 24 from line 23	25		-304,518.			
26 Total gain. Subtract line 25 from line 22	26		300,661.			
27 If section 1245 property:						
a Depreciation allowed or allowable from line 24	27a		279,028.			
b Enter the smaller of line 26 or 27a	27b		279,028.			
28 If section 1250 property: If straight line depreciation was used, enter -0- on line 28g, except for a corporation subject to section 291.						
a Additional depreciation after 1975 (see instructions)	28a					
b Applicable percentage multiplied by the smaller of line 26 or line 28a (see instructions)	28b					
c Subtract line 28a from line 26. If residential rental property or line 26 is not more than line 28a, skip lines 28d and 28e	28c					
d Additional depreciation after 1969 and before 1976	28d					
e Enter the smaller of line 28c or 28d	28e					
f Section 291 amount (corporations only)	28f					
g Add lines 28b, 28e, and 28f	28g					
29 If section 1252 property: Skip this section if you did not dispose of farmland or if this form is being completed for a partnership.						
a Soil, water, and land clearing expenses	29a					
b Line 29a multiplied by applicable percentage (see instructions)	29b					
c Enter the smaller of line 26 or 29b	29c					
30 If section 1254 property:						
a Intangible drilling and development costs, expenditures for development of mines and other natural deposits, and mining exploration costs (see instructions)	30a					
b Enter the smaller of line 26 or 30a	30b					
31 If section 1255 property:						
a Applicable percentage of payments excluded from income under section 126 (see instructions)	31a					
b Enter the smaller of line 26 or 31a (see instructions)	31b					

Summary of Part III Gains. Complete property columns A through D, through line 31b before going to line 32.

32 Total gains for all properties. Add columns A through D, line 26	32	
33 Add property columns A through D, lines 27b, 28g, 29c, 30b, and 31b. Enter here and on line 14	33	
34 Subtract line 33 from line 32. Enter the portion from casualty or theft on Form 4684, line 33. Enter the portion from other than casualty or theft on Form 4797, line 6	34	

Part IV Recapture Amounts Under Sections 179 and 280F(b)(2) When Business Use Drops to 50% or Less
See instructions.

	(a) Section 179	(b) Section 280F(b)(2)
35 Section 179 expense deduction or depreciation allowable in prior years	35	
36 Recomputed depreciation. See instructions	36	
37 Recapture amount. Subtract line 36 from line 35. See the instructions for where to report	37	

Jobs Credit

1995

Department of the Treasury
Internal Revenue Service

▶ Attach to your return.

Attachment
Sequence No. **77**

Name(s) shown on return

Identifying number

PECO ENERGY COMPANY

23-0970240

Part I Current Year Jobs Credit

1	Enter the total qualified wages paid or incurred during the tax year for services of employees who are certified as members of a targeted group and who began work for you before January 1, 1995	1	5,574.										
2	Current year credit. Multiply line 1 by 40% (.40). You must subtract this amount from the deduction on your return for salaries and wages. (Members of a controlled group, see instructions.)	2	2,230.										
3	Jobs credits from flow-through entities	3											
	<table border="1"> <tr> <th>If you are a -</th> <th>Then enter total of current year jobs credit(s) from -</th> </tr> <tr> <td>a Shareholder</td> <td>Schedule K-1 (Form 1120S), lines 12d, 12e, or 13</td> </tr> <tr> <td>b Partner</td> <td>Schedule K-1 (Form 1065), lines 13c, 13d, or 14</td> </tr> <tr> <td>c Beneficiary</td> <td>Schedule K-1 (Form 1041), line 13</td> </tr> <tr> <td>d Patron</td> <td>Written statement from cooperative</td> </tr> </table>	If you are a -	Then enter total of current year jobs credit(s) from -	a Shareholder	Schedule K-1 (Form 1120S), lines 12d, 12e, or 13	b Partner	Schedule K-1 (Form 1065), lines 13c, 13d, or 14	c Beneficiary	Schedule K-1 (Form 1041), line 13	d Patron	Written statement from cooperative		
If you are a -	Then enter total of current year jobs credit(s) from -												
a Shareholder	Schedule K-1 (Form 1120S), lines 12d, 12e, or 13												
b Partner	Schedule K-1 (Form 1065), lines 13c, 13d, or 14												
c Beneficiary	Schedule K-1 (Form 1041), line 13												
d Patron	Written statement from cooperative												
4	Total current year jobs credit. Add lines 2 and 3. (S corporations, partnerships, estates, trusts, and cooperatives, see instructions.)	4	2,230.										

Part II Tax Liability Limit (See Who Must File Form 3800 to find out if you complete Part II or file Form 3800.)

5a	Individuals. Enter amount from Form 1040, line 40	5	
b	Corporations. Enter amount from Form 1120, Schedule J, line 3 (or Form 1120-A, Part I, line 1)		
c	Other filers. Enter regular tax before credits from your return		
6a	Credit for child and dependent care expenses (Form 2441, line 10)	6a	
b	Credit for the elderly or the disabled (Schedule R (Form 1040), line 20)	6b	
c	Mortgage interest credit (Form 8396, line 11)	6c	
d	Foreign tax credit (Form 1116, line 32, or Form 1118, Sch. B, line 12)	6d	
e	Possessions tax credit (Form 5735)	6e	
f	Orphan drug credit (Form 6765)	6f	
g	Credit for fuel from a nonconventional source	6g	
h	Qualified electric vehicle credit (Form 8834, line 19)	6h	
i	Add lines 6a through 6h	6i	
7	Net regular tax. Subtract line 6i from line 5	7	
8	Tentative minimum tax (see instructions):	8	
a	Individuals. Enter amount from Form 6251, line 26		
b	Corporations. Enter amount from Form 4626, line 13		
c	Estates and trusts. Enter amount from Form 1041, Schedule I, line 37		
9	Net income tax:	9	
a	Individuals. Add line 7 above and line 28 of Form 6251		
b	Corporations. Add line 7 above and line 15 of Form 4626		
c	Estates and trusts. Add line 7 above and line 41 of Form 1041, Schedule I		
10	If line 7 is more than \$25,000, enter 25% (.25) of the excess (see instructions)	10	
11	Subtract line 8 or line 10, whichever is greater, from line 9. If less than zero, enter -0-	11	
12	Jobs credit allowed for the current year. Enter the smaller of line 4 or line 11. This is your General Business Credit for 1995. Enter here and on Form 1040, line 44; Form 1120, Schedule J, line 4d; Form 1120-A, Part I, line 2a; or the appropriate line of other income tax returns	12	

**** 5884 For the Controlled Group ****

Jobs Credit

Department of the Treasury Internal Revenue Service

Attach to your return.

Name(s) shown on return

Identifying number

PECO ENERGY COMPANY

23-0970240

Part I Current Year Jobs Credit

Table with 4 rows for Part I. Line 1: Enter the total qualified wages paid or incurred... Line 2: Current year credit. Multiply line 1 by 40% (.40)... Line 3: Jobs credits from flow-through entities... Line 4: Total current year jobs credit. Add lines 2 and 3. Value: 2,230.

Part II Tax Liability Limit (See Who Must File Form 3800 to find out if you complete Part II or file Form 3800.)

Table with 12 rows for Part II. Rows 5a-c: Individuals, Corporations, Other filers. Rows 6a-h: Credit for child and dependent care expenses, Credit for the elderly or the disabled, Mortgage interest credit, Foreign tax credit, Possessions tax credit, Orphan drug credit, Credit for fuel from a nonconventional source, Qualified electric vehicle credit. Row 6i: Add lines 6a through 6h. Row 7: Net regular tax. Subtract line 6i from line 5. Row 8: Tentative minimum tax (see instructions). Row 9: Net income tax. Row 10: If line 7 is more than \$25,000, enter 25% (.25) of the excess. Row 11: Subtract line 8 or line 10, whichever is greater, from line 9. Row 12: Jobs credit allowed for the current year. Enter the smaller of line 4 or line 11. Value: 2,230.

**** Controlled-group 5884 for this member ****

Credit for Increasing Research Activities
(and orphan drug credit from fiscal year 1994-95 flow-through entities)

Department of the Treasury
Internal Revenue Service

See separate instructions.
Attach to your return.

Name(s) shown on return

Identifying number

PECO ENERGY COMPANY

23-0970240

Part I Current Year Credit for Increasing Research Activities (Do not include costs incurred after June 30, 1995.)

Table with 18 rows for Part I. Columns include line number, description, and amount. Total current year credit is 360,256.

Part II Tax Liability Limit (See Who Must File Form 3800 to find out if you complete Part II or file Form 3800.)

Table with 27 rows for Part II. Columns include line number, description, and amount. Includes sub-rows 20a-20h.

For Paperwork Reduction Act Notice, see separate instructions.

Part III Current Year Orphan Drug Credit From Flow-Through Entities and Tax Liability Limit (see instructions)

Note: To complete Part III, you will need entries from Part II. If you did not complete Part II, enter on lines 29, 30, and 32, the required information for lines 19, 20a through 20e, and 22.

28	Orphan drug credit(s) from flow-through entities (partnerships, S corporations, estates, or trusts)			28
29	Amount from line 19, page 1	29		
30	Total of lines 20a through 20e, page 1	30		
31	Subtract line 30 from line 29	31		
32	Amount from line 22, page 1	32		
33	Subtract line 32 from line 31			33
34	Orphan drug credit allowed for the current year. Enter here and on the appropriate line of your return the smaller of line 28 or line 33			34

Disclosure Statement

Do not use this form to disclose items or positions that are contrary to Treasury regulations. Instead, use Form 8275-R, Regulation Disclosure Statement.
See separate instructions.

Department of the Treasury
Internal Revenue Service

▶ Attach to your return.

Name(s) shown on return PECO ENERGY COMPANY	Identifying number shown on return 23-0970240
-------------------------------------------------------	---------------------------------------------------------

Part I General Information (See instructions.)

(a) Rev. Rul., Rev. Proc., etc.	(b) Item or Group of Items	(c) Detailed Description of Items	(d) Form or Schedule	(e) Line No.	(f) Amount
1	1	U.S. DOE PYMT DECONTAMINATION AND DECOMMISSIONING COST	1120	2	5,586,089.
2					
3					

Part II Detailed Explanation (See instructions.)

1 SEE ATTACHMENT FOR DETAILED DESCRIPTION

2

3

Part III Information About Pass-Through Entity. To be completed by partners, shareholders, beneficiaries, or residual interest holders.

Complete this part only if you are making adequate disclosure with respect to pass-through item.

Note: A pass-through entity is a partnership, an S corporation, an estate, a trust, a regulated investment company, a real estate investment trust, or real estate mortgage investment conduit (REMIC).

1 Name, address, and ZIP code of pass-through entity	2 Identifying number of pass-through entity
	3 Tax year of pass-through entity to
	4 Internal Revenue Service Center where the pass-through entity filed its return

For Paperwork Reduction Act Notice, see separate instructions.

Credit For Prior Year Minimum Tax-Corporations

OMB No. 1545-1257

Form **8827**
 Department of the Treasury
 Internal Revenue Service

1995

▶ Attach to the corporation's tax return

Name	Employer identification number
PECO ENERGY COMPANY	23-0970240
1 Alternative minimum tax for 1994. Enter the amount from line 15 of the 1994 Form 4626	1
2 Minimum tax credit carryforward from 1994. Enter the amount from line 9 of the 1994 Form 8827	173,420,339.
3 Enter any 1994 credit for fuel produced from a nonconventional source and any orphan drug credit not allowed for 1994. See instructions	3
4 Add lines 1, 2, and 3	173,420,339.
5 Enter the corporation's 1995 regular income tax liability minus allowable tax credits. See instructions	5 NONE
6 Enter the tentative minimum tax from line 13 of the 1995 Form 4626	158,996,721.
7 Subtract line 6 from line 5. If zero or less, enter -0-	7
8 Minimum tax credit. Enter the smaller of line 4 or line 7. Also enter this amount on the appropriate line of the corporation's income tax return (e.g., Form 1120, Schedule J, line 4e). If the corporation had a post-1986 ownership change or has preacquisition excess credits, see instructions	8
9 Minimum tax credit carryforward to 1996. Subtract line 8 from line 4. See instructions	173,420,339.

Form 8827 (1995)

Name **PECO ENERGY COMPANY** Employer Identification number **23-0970240**

Note: In most cases, the corporation does not need to file Form 2220. The IRS will figure any penalty owed and bill the corporation. File Form 2220 only if one or more boxes in Part I apply to the corporation. If the corporation does not need to file Form 2220, it may still use it to figure the penalty. Enter the amount from line 36, Part III, on the penalty line of the corporation's income tax return, but do not attach Form 2220.

Part I Reasons For Filing - Check the boxes below that apply to the corporation. If any box is checked, the corporation must file Form 2220 with the corporation's tax return, even if it does not owe the penalty. If the box on line 1 or line 2 applies, the corporation may be able to lower or eliminate the penalty. See instructions.

- 1 The corporation is using the annualized income installment method.
- 2 The corporation is using the adjusted seasonal installment method.
- 3 The corporation is a "large corporation" figuring its first required installment based on the prior year's tax.

Part II Figuring the Underpayment

4 Total tax (see instructions)		4	NONE		
5 a Personal holding company tax included on line 4 (Schedule PH (Form 1120), line 26)	5a				
b Interest due under the look-back method of section 460(b)(2) for completed long-term contracts included on line 4	5b				
c Credit for Federal tax paid on fuels (see instructions)	5c	48,130.			
d Total. Add lines 5a through 5c	5d	48,130.			
6 Subtract line 5d from line 4. If the result is less than \$500, do not complete or file this form. The corporation does not owe the penalty	6				
7 Enter the tax shown on the corporation's 1994 income tax return. (CAUTION: See instructions before completing this line.)	7				
8 Enter the smaller of line 6 or line 7. If the corporation is required to skip line 7, enter the amount from line 6 on line 8	8				
9 Installment due dates. Enter in columns (a) through (d) the 15th day of the 4th, 6th, 9th, and 12th months of the corporation's tax year	9	(a)	(b)	(c)	(d)
10 Required installments. If the box on line 1 or line 2 above is checked enter the amounts from Schedule A, line 41. If the box on line 3 (but not 1 or 2) is checked, see the instructions for the amounts to enter. If none of these boxes is checked, enter 25% of line 8 in each column	10				
11 Estimated tax paid or credited for each period (see instructions). For column (a) only, enter the amount from line 11 on line 15	11	63859447.	53127001.	36020209.	55000000.
12 Enter amount, if any, from line 18 of the preceding column	12				
13 Add lines 11 and 12	13		53127001.	36020209.	55000000.
14 Add amounts on lines 16 and 17 of the preceding column	14				
15 Subtract line 14 from line 13. If zero or less, enter -0-	15	63859447.			55000000.
16 If the amount on line 15 is zero, subtract line 13 from line 14. Otherwise, enter -0-	16				
17 Underpayment. If line 15 is less than or equal to line 10, subtract line 15 from line 10. Then go to line 12 of the next column. Otherwise, go to line 18 (see instructions)	17				
18 Overpayment. If line 10 is less than line 15, subtract line 10 from line 15. Then go to line 12 of the next column	18				55000000.

Complete Part III on page 2 to figure the penalty. If there are no entries on line 17, no penalty is owed.

Part II Figuring the Penalty

	(a)	(b)	(c)	(d)
19 Enter the date of payment or the 15th day of the 3rd month after the close of the tax year, whichever is earlier (see instructions). (Form 990-PF and Form 990-T filers: Use 5th month instead of 3rd month.)	19			
20 Number of days from due date of installment on line 9 to the date shown on line 19	20			
21 Number of days on line 20 after 4/15/95 and before 7/1/95	21			
22 Underpayment on line 17 x $\frac{\text{Number of days on line 21}}{365}$ x 10%	22			
23 Number of days on line 20 after 6/30/95 and before 1/1/96	23			
24 Underpayment on line 17 x $\frac{\text{Number of days on line 23}}{365}$ x 9%	24			
25 Number of days on line 20 after 12/31/95 and before 4/1/96	25			
26 Underpayment on line 17 x $\frac{\text{Number of days on line 25}}{366}$ x 9%	26			
27 Number of days on line 20 after 3/31/96 and before 7/1/96	27			
28 Underpayment on line 17 x $\frac{\text{Number of days on line 27}}{366}$ x %	28			
29 Number of days on line 20 after 6/30/96 and before 10/1/96	29			
30 Underpayment on line 17 x $\frac{\text{Number of days on line 29}}{366}$ x %	30			
31 Number of days on line 20 after 9/30/96 and before 1/1/97	31			
32 Underpayment on line 17 x $\frac{\text{Number of days on line 31}}{366}$ x %	32			
33 Number of days on line 20 after 12/31/96 and before 2/16/97	33			
34 Underpayment on line 17 x $\frac{\text{Number of days on line 33}}{365}$ x %	34			
35 Add lines 22, 24, 26, 28, 30, 32, and 34	35			
36 Penalty. Add columns (a) through (d), line 35. Enter here and on line 33, Form 1120; line 29, Form 1120-A; or comparable line for other income tax returns				36

*If the corporation's tax year ends after December 31, 1995, see the instructions for lines 28, 30, 32, and 34.

Form 1120, Page 1 Detail

Line 10 - Other Income

MISCELLANEOUS.	9.
PARTNERSHIP INCOME	30,081.
CONTRIBUTIONS IN AID OF CONSTRUCTION	687,206.

Total

717,296.

Form 1120, Page 1 Detail

Line 17 - Taxes and licenses

PA CAPITAL STOCK	41,438,802.
PA GROSS RECEIPTS	163,176,047.
PA UNEMPLOYMENT COMPENSATION	2,919,465.
LOCAL REAL ESTATE -PA\MD	3,491,281.
LOCAL FRANCHISE	230,523.
STATE EXCISE TAX ON INSURANCE PREM'S	176,080.
MD PERSONAL PROPERTY	100.
PURTA (PA REAL ESTATE TAXES)	63,705,614.
PHILA REALTY OCCUPANCY	992,052.
NJ PERSONAL PROPERTY	-9,420.
TAXES EXCLUDING INCOME TAXES	135.
LOCAL REAL ESTATE - N.J.	2,483,714.
PA SALES & USE TAX ASSESSMENTS	-718,141.
GENERAL SERVICE FEES	-75,000.
FEDERAL UNEMPLOY COMP	333,997.
FICA	26,311,952.
TELEPHONE & TELEGRAPH	126,000.
FED EXCISE TAX ON INS PREM	-15,681.
PURTA RECOVERABLE	7,311.
FED EXCISE REPLAC POWER INS	124,548.
PA INCOME TAXES	66,103,641.
NJ INCOME TAXES	4,718,345.
MD INCOME TAXES	1,082,811.
Environmental tax	437,768.

Total

377,041,944.

Form 1120, Page 1 Detail

Current year contributions

CURRENT-YEAR CONTRIBUTIONS

3,687,260.

Total

3,687,260.

Line 26 - Other deductions

Amortization	864,078.
Reduction of research expenses by research credit	NONE
MISC CIVIC EXPENSES	59,048.
GAS METER SHOP SETTLEMENT	425,000.
POWER RERATE EXPENDITURES	8,951,538.
EASEMENTS, CLEARING & GRADING	712,545.
COST OF REMOVAL	2,478,298.
AUDIT ADJUSTMENTS - ROLLOVER ITEMS	-369,975.
REPAIR ALLOWANCE	20,124,847.
CONSULTATION SERVICES	-59,047.
SOFTWARE DEVELOPMENT COSTS	5,745,919.
SECTION 179A DEDUCTION	110,000.
ABANDONED MERGERS EXP	4,854,544.

Total

43,896,795.

Form 1120, Page 2 detail

Sch A, Line 5 - Other costs

EXPENSE - MERCH & JOBBING	1,755,764.
NON-OPERATING RENTAL	-22,644.
SUPERVISION & ENGINEERING	13,981,445.
FUEL	190,506,015.
STEAM EXPENSE	21,304,726.
ELECTRIC EXPENSE	3,001,477.
MISC STEAM POWER EXPENSE	12,335,349.
SUPERVISION & ENGINEERING	87,029,537.
FUEL - OTHER CHARGES	37,515,915.
HELIUM & OTHER COOLANTS	8,539,585.
STEAM EXPENSE	31,033,599.
ELECTRIC EXPENSE	123,572.
MISC NUCLEAR POWER EXPENSE	129,700,208.
SUPERVISION & ENGINEERING	1,023,414.
WATER	963,727.
HYDRAULIC EXPENSE	1,537,168.
MISC HYDRAULIC EXPENSE	11,126.
SUPERVISION & ENGINEERING	655,248.
FUEL	9,803,827.
GENERATION EXPENSE	560,234.
MISC OTHER POWER GEN EXPENSE	378,704.
PURCH POWER EXPENSE	339,907,418.
SYSTEM CONTROL & LOAD DISPATCH	7,897,380.
OTHER EXPENSE	-19,707,620.
SUPERVISION & ENGINEERING	3,223,445.
LOAD DISPATCH	2,897,216.
STATION EXPENSE	1,125,368.
OVERHEAD LINE EXPENSE	851,931.
UNDERGROUND LINE EXPENSE	74,872.
MISC TRANSMISSION SYSTEM EXPENSE	3,484,899.
SUPERVISION & ENGINEERING	5,350,218.
LOAD DISPATCHING	3,875,287.
STATION EXPENSE	5,292,709.
OVERHEAD LINE EXPENSE	10,060,753.
UNDERGROUND LINE EXPENSE	6,065,579.
STREET LIGHT & TRAFFIC SIGNAL EXP	154,661.
METER EXPENSE	871,437.
INSTALLATION EXPENSE	2,414,563.
DISTRIBUTION EXPENSE	19,681,733.
SUPERVISION EXPENSE	231,346.
METER READING EXPENSE	9,892,321.
CUSTOMER RECONCILE & COLLECT	37,371,007.
MISCELLANEOUS	6,836,990.
SUPERVISION - COMMERCIAL OPERATIONS	6,816.
CUSTOMER ASSISTANCE EXPENSE	3,934,659.
INFO & INST ADV EXP - COMMERCIAL	856,371.
MISC CUST SERV & INFO - COMMERCIAL	3,619,349.
SUPERVISION	57,141.

Continued on next page

Statement 4

Sch A, Line 5 - Other costs (Cont'd)

DEMONSTRATING & SELLING	6,100,169.
SALES EXPENSE	49,702.
SALARIES	95,109,314.
OFFICE SUPPLIES	91,619,905.
OUTSIDE SERVICES	12,885,454.
PROPERTY INSURANCE	8,640,346.
INJURIES AND DAMAGES	15,362,315.
REGULATOR COMMISSION EXPENSE	5,698,493.
DUPLICATE	-3,637,681.
GENERAL	6,549,688.
OPERATIONAL SUPERV & ENGINEER	84,689.
GAS PURCHASES	167,917,057.
PURCHASED GAS	3,779,472.
WITHDRAWN LNG	6,823,812.
PURCHASED GAS	-639,789.
GAS SUPPLY EXPENSE	19,358,978.
SUPERVISION & ENGINEERING	679,622.
LABOR & EXPENSES	677,871.
PURCHASED GAS	751,214.
SUPERVISION & ENGINEERING	1,078,779.
DISTRIBUTION LOAD DISPATCH	345,268.
MAINS & SERVICE EXPENSE	2,199,652.
M&R STATION GENERAL EXPENSE	80,039.
M&R STATION IND EXPENSE	781,287.
METER & HOUSE REGUALTOR EXPENSE	1,800,004.
CUSTOMER INSTALLATION EXPENSE	5,931,611.
OTHER EXPENSE	4,525,780.
SUPERVISION	20,996.
METER READING EXPENSE	2,414,294.
CUST RECEIPTS & COLLECT EXPENSE	6,212,698.
MISC CUSTOMER ACCOUTNS EXPENSE	1,143,845.
SUPERVISION - COMMERCIAL OPERATIONS	1,154.
CUST ASSIATANCE EXPENSE	461,268.
INFO & INST ADV EXP - COMMERCIAL	10,826.
SUPERVISION	567,031.
MISC SALES EXPENSE	71,450.
SALARIES	5,524,232.
OFFICE SUPPLIES & EXPENSE	4,982,605.
OUTSIDE SERVICES	923,772.
PROPERTY INSURANCE	106,915.
INJURIES AND DAMAGES	1,274,846.
REGULATORY COMMISSION EXPENSE	1,061,174.
DUPLICATE	3,550.
MISCELLANEOUS GENERAL EXPENSE	421,093.
DECOMMISSIONING EXPENSE	17,763,384.
OTHER ELECTRIC POWER EXPENSE	49,046.
LIQUIFIED PETROLEUM GAS EXPENSE	165,547.
LIQUIFIED PETROLEUM GAS PURCHASE	430,261.

Continued on next page

Statement 5

Form 1120, Page 2 detail

Sch A, Line 5 - Other costs (Cont'd)

OTHER COSTS	778,690.
MEAS REGULATE EXPENSE	1,194,032.
CUST SERV & INFO EXPENSE	431,685.
DEMONSTRATING & SELLING EXPENSE	2,723,457.
ADVERTISING EXPENSE	371,776.
RENTS	445.

Total other COGS / COOP	1,511,728,968.
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Sch C, Line 1 - Dividends subject to 70% deduction

DOMESTIC CORP., 20% OWNED, 70% DED.	669,388.
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Total	669,388.
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Form 1120, Page 4 detail

Sch L, line 6 - Other current assets	Beginning	Ending
PREPAID TAXES & INSURANCE	20,909,100.	25,684,145.
DEF FUEL, ACCR & BANKED SICK & VACA	-15,221,068.	55,882,759.
ACCRUED UTILITY REVENUE	98,830,000.	147,530,000.
Total	104,518,032.	229,096,904.

Sch L, line 9 - Other investments	Beginning	Ending
INVESTMENTS IN ASSOCIATED CO'S	216,091,348.	153,826,067.
MORTGAGES, LAND OPTIONS, OTHER	76,377.	76,377.
Total	216,167,725.	153,902,444.

Sch L, line 14 - Other assets	Beginning	Ending
UNAMORTIZED DEBT EXPENSES	21,891,887.	18,448,141.
UNRECOVERED PLANT & PROPERTY LOSSES	45,874,177.	41,396,217.
PRELIMINARY SURVEY & INVESTIGATION	38,757,401.	6,730,215.
CLEARING ACCOUNTS	5,646,383.	3,489,419.
DEF. DEBITS- BILLINGS, D.O. FAS 109	467,725,714.	458,598,841.
RESEARCH & DEVELOPMENT EXPENDITURES		55,056.
UNAMORT PREMIUMS ON REACQUIRED DEBT	320,878,593.	308,576,588.
DEFERRED INCOME TAXES	550,140,987.	381,852,094.
Total	1,450,915,142.	1,219,146,571.

Sch L, line 18 - Other current liabilities	Beginning	Ending
ACCRUED TAXES	80,645,633.	105,063,958.
ACCRUED INTEREST	93,007,895.	88,057,922.
DIVIDENDS DECLARED	15,096,312.	20,722,383.
TAX COLLECTIONS PAYABLE	12,194,286.	6,850,662.
ADVANCES & OTHER ACCRUED LIABILITIES	41,853,077.	44,459,055.
UTILITY PROPERTY UNDER LEASE - CURR	60,475,828.	60,319,658.
Total	303,273,031.	325,473,638.

Form 1120, Page 4 detail

Sch L, line 21 - Other liabilities	Beginning	Ending
UNAMORTIZED PREMIUMS ON L.T. DEBT	11,188.	9,580.
UNAMORTIZED DISCOUNT ON L.T. DEBT	-38,225,113.	-32,609,058.
UTILITY PROPERTY UNDER LEASE - L.T.	114,089,199.	120,104,848.
CUSTOMER DEPOSITS	13,542,509.	11,470,413.
CUSTOMER ADVANCES	2,591,871.	2,542,902.
DEFERRED CREDITS	170,338,297.	168,053,846.
ACCUMULATED DEFERRED ITC	372,067,015.	350,619,066.
UNAMORTIZED GAIN ON REAQUIRED DEBT	4,337,659.	3,163,386.
ACCUM DEF TAXES - ACCEL AMORT PROP	369,228.	199,633.
ACCUM DEF TAXES- OTHER PROP	1,433,348,270.	1,464,812,502.
ACCUM DEF TAXES- OTHER THAN PROP	161,582,731.	150,358,345.
FAS 106-DECONTAM/DECOMM LIABILITY	85,442,000.	54,352,676.
EMISSION ALLOWANCE	-5,117.	209,693.
Total	2,319,489,737.	2,293,287,832.

Form 1120, Page 4 Detail

Sch M-1, line 4 - Taxable income not recorded on books this year

DIV'S FROM SUB CO'S SUBJ TO 100%EXCL	16,955,690.
SALEM LEASING INTEREST INCOME	3,758,687.
UNBILLED REVENUE -TAX	51,670,000.
CONTRIBUTIONS IN AID OF CONSTRUCTION	591,324.
PTNR. PORTFOLIO INT INC	4,317.
DIVID. -70% DEDUCTION	669,388.
DECOMM CORP BOND INTEREST	747,298.

Total	74,396,704.
	=====

Sch M-1, line 5 - Expenses on books not deducted in return

AMORT. OF PREM'S PAID-REAIQUIRED DEBT	26,985,661.
50% NON-DEDUCTIBLE BUSINESS MEALS	777,409.
DEF COMPENSATION(ACCR NET OF PYMTS)	914,209.
AMORT OF LIM 1&COM DECLAR ORDER COST	22,647,156.
DIVID.EQUIVALENCE(ACCR NET OF PYMTS)	-1,295,919.
ENVIRONMENTAL CLEAN-UP COSTS	233,975.
D.O.E.-DECON/DECOMM EXPENDITURES	-361,663.
DECOMMISSIONING EXPENSES	2,492,100.
OBSELETE INVENTORY WRITEDOWN	-14,129,338.
AVOIDED INTEREST	18,233,750.
AUDIT ADJUSTMENTS - ROLLOVER ITEMS	369,975.
CIVIL PENALTIES & OTHER VIOLATIONS	375,257.
DEFERRED TAXES	187,317,395.
ITC ADJUSTMENT	-21,629,908.
STATE INCOME TAXES	6,458,461.
UNIFORM CAP OF INVENTORY - END OF YR	1,421,218.
POLITICAL ACTION COMMITTEE EXP	53,176.
DEPREC ADJ FOR LEASED VEHICLES	148.
JOBS CREDIT	2,230.
VACATION / HOLIDAY PAY	-1,048,234.
FAS 106	-7,335,271.
LOBBYING EXPENSES	1,054,953.
NUCLEAR OUTAGE ACCRUAL - BK	39,280,000.
UNCOLLECTIBLES - BK/TX	5,251,864.
DUES	414,009.
AMORT OF HYDROGEN WTR CHEM SYS	414,476.
INTEREST INC/EXP ADJ	-3,146,176.
STAC GIVEBACK	2,579,697.

Total	268,330,610.
	=====

Form 1120, Page 4 Detail

Sch M-1, line 7 - Income on books not included in this return

Gain or loss on disposition of assets	68,669,734.
ACCRETION INCOME NET	672,997.
EQUITY IN EARNINGS OF SUBSIDIARIES	3,779,506.
PARTNERSHIP INCOME	41,860.
AMORT. OF GAIN ON REAQUIRED BONDS	1,174,274.
BOOKED UNBILLED REVENUE	48,700,000.
AFUDC	26,898,700.
AMORT OF ANTI-TRUST SETTLEMENT	8,503.
PA USE TAX ADJUSTMENT	-1,500,000.
Total	148,445,574.

Sch M-1, line 8 - Deductions in return not charged against book

LONG TERM INCENTIVE PLAN	2,154,322.
GROSS RECEIPTS TAX -PA/MD	722,598.
PREMIUMS PAID TO REACQUIRE DEBT	14,848,183.
TRUSTEE FEES -ESCROW FUNDS	170,779.
UNIFORM CAPITAL OF INVENTORY	2,039,313.
ADDITIONAL DEPREIATION -FUEL	6,444,396.
ADD'L DEPREC PLNT&SOFTWARE EXCL.FUEL	26,705,843.
EASEMENTS, CLEARING & GRADING	712,545.
SALEM LEASING RENTAL EXPENSE	15,145,323.
COST OF REMOVAL	2,478,298.
REPAIR ALLOWANCE	20,124,847.
DEFERRED FUEL	71,103,828.
REAL ESTATE TAXES CAPITALIZED	33,148.
NUCLEAR DESIGN BASIS DOCUMENTATION	510,665.
CAPITALIZED INTEREST	34,316.
POWER RERATE EXPENDITURES	8,170,776.
NUCLEAR OUTAGE COST ACCRUAL	48,984,487.
PENSION COSTS	31,211,430.
CO-OP INVEST ADJ	-10,000.
SOFTWARE DEVELOPMENT COSTS	-2,885,040.
RABBI TRUST	-130,000.
VRIP / VSIP COSTS	14,112,596.
CLEARING ACCOUNT EXPENSE	245,628.
CONVERSION COSTS	210,743.
CONTIGENT LEGAL LIABILITY	-3,000,000.
MGO EXPENSE	2,622,170.
SALEM ESTUARY	311,645.
CHARITABLE CONTRIBUTIONS	-2,272,764.
MINE CLOSURE COSTS	82,687.
OTHER TAX DEDUCTIONS NOT ON BOOKS	110,000.
Total	260,992,762.

Form 1120, Page 4 Detail

=====

Sch M-2 line 3 - Other increases

CAPITAL STOCK ACTIVITY

6,336,955.

Total

6,336,955.
=====

Sch M-2, line 6 - Other decreases

LONG TERM INCENTIVE PLAN
LTIP OPTIONS EXERCISED

2,154,322.

Total

2,154,322.
=====

Schedule D Detail

Line 1 - Short-term Capital Gain(Loss)

Property	Date Acq	Date Sld	Sales Price	Cost	Gain(loss)
COREFUND FUNDS (RABBI TRUST ACCT)	VAR	1995	946,946.	931,103.	15,843
Total					15,843

Line 4 - Unused Carryovers

Taxable Year	Carryover	Remaining
1995		
1994	206,826.	
1993	304,729.	
1992		
1991		
1990		
1989		
1988		
1987		
Total	511,555.	

Line 6 - Long-term Capital Gain(Loss)

Property	Date Acq	Date Sld	Sales Price	Cost	Gain(loss)
DECOMMISSIONING FUNDS	VAR	VAR	1,711,408.		1,711,408
BUCKS COUNTY PROPERTY	09/08/88	1995	105,615.	119,903.	-14,288
MONTGOMERY COUNTY PROPERTY	1931	1995	-11,493.	6,908.	-18,401
COREFUND FUNDS (RABBI TRUST ACCTS)	VAR	VAR	14,537.		14,537
EMISSION ALLOWANCES	VARIOUS	1995		164,780.	-164,780

Continued on next page

Schedule D Detail

Line 6 - Long-term Capital Gain(Loss)

Property	Date Acq	Date Sld	Sales Price	Cost	Gain(loss)
Total					1,528,476

Form 4626 Detail

Line 4 - ACE Carryover

	1990	1991	1992	1993	1994	1995
ACE				816,750,997.	859,324,190.	809,347,676.
AMTI				502,369,848.	555,088,703.	751,891,389.
ACE over AMTI				314,381,149.	304,235,487.	57,456,287.
AMTI over ACE						
75% ACE preference ..				235,785,862.	228,176,615.	43,092,215.
75% ACE reduction ..						
Carryover created ..				235,785,862.	228,176,615.	43,092,215.
Prior yr carryover (Reduction allowed)					235,785,862.	463,962,477.
Carryover used (Reduction claimed)						
Carryover remaining				235,785,862.	463,962,477.	507,054,692.

Form 4797, Page 1 Detail Part 1

(A) Description of Property	(B) Date Acquired	(C) Date Sold	(D) Gross Sales Price	(E) Deprec. Allowed	(F) Cost or Other Basis Plus Improv and Sale Expense	(G) Loss	(H) Gain
L498 CF BRADSHAW	VARIOUS	1995	6,750.	595,397.	751,987.	149,840.	
E100 STEAM PROD	VARIOUS	1995	205,400.	3,418,974.	5,411,856.	1,787,482.	
E100 STEAM PROD RC	VARIOUS	1995	183,713.	1,474,808.	2,675,207.	1,016,686.	
E101 NUC PROD	VARIOUS	1995	14,136.	-33,734.	23.	23.	
E102 HYDRO PROD	VARIOUS	1995			298,010.	317,608.	
E103 T&D FAC	VARIOUS	1995			2,267.	2,267.	
E103 T&D FAC RC	VARIOUS	1995	-30,837.	851,735.	6,465,334.	5,644,436.	
E106	VARIOUS	1995			21,687.	21,687.	
E106 BUILDINGS RC	VARIOUS	1995			1,421.	1,421.	
E107 BUILDINGS	VARIOUS	1995			2.	2.	
E107 BUILDINGS RC	VARIOUS	1995		2,405.	4,951.	2,546.	
E BUILDINGS	VARIOUS	1995	197.	263.	527.	264.	
S201 1 NUC PROD	VARIOUS	1995		18,246.	34,985.	16,542.	
S251 2 NUC PROD	VARIOUS	1995		17,685.	126,554.	108,869.	
S301 CF NUC PROD	VARIOUS	1995		1,788,454.	3,044,232.	1,255,778.	
L447 2 LIMERICK 2	VARIOUS	1995	-4,820.	-268,412.	129,559.	402,791.	
G602 LNG	VARIOUS	1995		113,075.	990,190.	877,115.	
G603 DIST FAC	VARIOUS	1995			1,011.	1,011.	
G603 DIST FAC RC	VARIOUS	1995	-582.	54,440.	1,315,264.	1,261,406.	
G606	VARIOUS	1995			27,540.	27,540.	
C801 T&D FAC	VARIOUS	1995	1,339.		619.	619.	
C806 BUILDINGS	VARIOUS	1995		4,038.	17,364.	11,987.	
C807 BUILDINGS	VARIOUS	1995	1,961.		456,297.	454,336.	
C807 BUILDINGS RC	VARIOUS	1995		579.	1,309.	730.	
C BUILDINGS	VARIOUS	1995		82.	185.	103.	
E LAND TRANSMISSION	VARIOUS	1995	2,534.	-9,701.	199,171.	206,338.	
E LAND DISTRIBUTION	VARIOUS	1995			152,845.	152,845.	
Bucks County-Land	VARIOUS	1995			2,110.	2,110.	
Montgo County - Land	1963	1995	1,255,000.	38,635.	487,200.		806,435.
Montgo County - Land	1953	1995	40,000.		21,367.		18,633.
Montgo County - Land	VARIOUS	1995	185,885.		66,262.		119,623.
			175,000.	2,416.	93,256.		84,160.

Form 4797, Page 1 Detail Part I

(A) Description of Property	(B) Date Acquired	(C) Date Sold	(D) Gross Sales Price	(E) Deprec. Allowed	(F) Cost or Other Basis Plus Improv and Sale Expense	(G) Loss	(H) Gain
Chester County -Land	VARIOUS	1995	15,000.		3,473.		11,527.
Chester County -Land	1994	1995	22,000.		10,905.		11,095.
Bucks County-Land	1970	1995	1,100,000.		428,743.		671,257.
Montgo County - Land	1931	1995	25,000.		3,784.		21,216.
Chester County -Land	1983	1995	1,501.		806.		695.
Bucks Cnty -Easement	1987	1995	18,135.		18,135.		
Bucks Cnty -Easement	1931	1995	1,762.		1,762.		
Chester Cnty-Easemnt	1964	1995	18,000.		18,000.		
Montgo Cnty-Easement	1955	1995	5,050.		5,050.		
Montgo Cnty-Easement	1983	1995	950.		950.		
Chester Cnty-Easemnt	1931	1995	13,000.		314.		12,686.
Bucks Cnty - Easemnt	1931	1995	5,798.		5,798.		
Montgo Cnty- Easemnt	1954	1995	3,412.		3,412.		
Hydro Wtr Chem-abnmt	1992	1995			12,995.	12,995.	
Salem Lease Property	1982	1994			517,070.	517,070.	
Part I 4797 Gain or Loss						14260589.	1,757,327.

Form 4797, Page 1 Detail Part II

(A) Description of Property	(B) Date Acquired	(C) Date Sold	(D) Gross Sales Price	(E) Deprec. Allowed	(F) Cost or Other Basis Plus Improv and Sale Expense	(G) Loss	(H) Gain
E103 T&D FAC	1995	1995	-81.		9,562.	9,643.	
Part II Ordinary Gains and Losses						9,643.	

Bureau of Corporation Taxes
DEPT. 280703
HARRISBURG, PA 17128-0703

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF REVENUE

REPORT RECEIVED 10/16/95



OFFICIAL NOTICE OF SETTLEMENT

RE: 0415-103 REV-57 CT APP (9-96)
01/01/94 TO 12/31/94
DLN 97-7-60355

PECO ENERGY COMPANY
2301 MARKET ST
PHILADELPHIA PA 19101

TAXES DEVISION
TAX ENCL YFP
MFD GEN GEN MEM
MGT KSPF WFD
CAL

DH

132597

OFFICIAL SETTLEMENT HAS BEEN MADE BY THE PA DEPARTMENT OF REVENUE AND THE DEPARTMENT OF THE AUDITOR GENERAL FOR THE TAXES LISTED BELOW:

----- SECTION A - CAPITAL STOCK/FRANCHISE TAX -----		
TAX	AS REPORTED	AS SETTLED
	35,127,785	35,082,913
----- SECTION B - LOANS TAX -----		
TAX	AS REPORTED	AS SETTLED
	57,988	57,988
----- SECTION C - CORPORATE NET INCOME TAX -----		
TAX	AS REPORTED	AS SETTLED
	65,650,011	65,585,038

DEPARTMENT OF REVENUE GLENWOOD HOSKIN	MAILING DATE	AUDITED AND APPROVED BY DEPARTMENT OF AUDITOR GENERAL THOMAS HORAN
02/03/97	02/21/97	02/20/97

IF YOU DISAGREE WITH THIS SETTLEMENT, IT WILL BE NECESSARY TO FILE A PETITION FOR RESETTLEMENT WITH THE BOARD OF APPEALS, DEPT. 281021, HARRISBURG, PA 17128-1021 WITHIN 90 DAYS OF THE SETTLEMENT MAILING DATE. PLEASE FORWARD A COPY OF THIS DOCUMENT WITH YOUR PETITION.

- ADJUSTMENTS NOTED ON THE NEXT PAGE ARE EXPLAINED BELOW:
- * DEPARTMENT OF REVENUE COMPUTATION DIFFERS FROM SUBMITTED FIGURE
 - A5 INCLUDE ALL TAXES IMPOSED ON OR MEASURED BY NET INCOME.
 - B1 INCLUDE DIVIDENDS RECEIVED.
 - F1 USE CONSOLIDATED NET WORTH.
 - M5 PER CORRESPONDENCE FROM TAXPAYER.
 - PY PRIOR YEAR SETTLEMENT FIGURES EMPLOYED.
 - Q2 SALES FACTOR REVISED TO EXCLUDE ITEMS WHICH ARE NOT RECEIPTS.
 - Q3 REMOVE GAINS/LOSSES AND INCLUDE PROCEEDS IN SALES FACTOR.
 - U9 FEDERAL JOBS CREDIT IS AN ALLOWABLE DEDUCTION.

M M Y Y
 1 2 9 4

CORPORATION PECO ENERGY COMPANY CORPORATION TAX
 FILE (BOX) NUMBER 0415-103 TAX YEAR ENDING

HISTORY OF EARNINGS		TAXABLE YEAR BEGINNING	TAXABLE YEAR ENDING	TAXPAYER USE (WHOLE DOLLARS ONLY)	DEPARTMENT USE ONLY
		M M D D Y Y	M M D D Y Y	BOOK INCOME	
Oldest Period - Start Here		01/01/90	12/31/90	211,496,944.	
		01/01/91	12/31/91	534,311,492.	
		01/01/92	12/31/92	477,927,207.	
		01/01/93	12/31/93	594,991,500.	
Additional Periods use these spaces (Skip Lines if Not Required)					
1	Current Tax Year Book Income (Loss)	01/01/94	12/31/94	437,164,495.	
2	Total Book Income (sum of income for all tax periods within, up to, but not over, 5 years total)			2,255,891,638.	
3	Divisor (in years and part years rounded to three decimal places) See Instructions			5.000	
4	Divide Line (2) by Line (3)			451,178,328.	
5	AVERAGE NET INCOME - Enter Line (4) or if Line (4) is less than zero enter "0"			451,178,328.	
6	Divide Line (5) by .095			4,749,245,558.	
7	Sum of capital stock, paid-in capital and retained earnings less treasury stock at the end of the current year			4,656,618,788.	
8	Sum of capital stock, paid-in capital and retained earnings less treasury stock at the beginning of the current year			4,856,329,507.	
9	If Line (7) is twice as great or half as much as Line (8), add Lines (7) and (8) and divide by 2. Otherwise enter Line (7)			4,656,618,788.	
10	NET WORTH - Enter Line (9) or if Line (9) is less than zero enter "0"			4,656,618,788.	
11	Multiply Line (10) by 0.75			3,492,464,091.	
12	Add Line (6) and (11)			8,241,709,649.	
13	Divide Line (12) by 2			4,120,854,825.	
14	\$75,000 valuation deduction			(\$75,000)	
15	CAPITAL STOCK VALUE - Line (13) less Line (14) but not less than "0". If 100% Taxable, enter Line (15) on Line (17)			4,120,779,825.	
16	Proportion of taxable assets or apportionment proportion. (From Schedule A-1, Line (5) below.)			0.668592	
17	TAXABLE VALUE - Multiply Line (15) by Line (16) if less than zero, enter "0"			2,755,120,425.	
18	CAPITAL STOCK/FRANCHISE TAX - Multiply Line (17) by .01275, and enter this amount (minimum tax is \$300)			35,127,785.	

SCHEDULE A-1: APPORTIONMENT SCHEDULE FOR CAPITAL STOCK/FRANCHISE TAX

Enter the numerator(s) and denominator(s) of fractions used for apportioning the capital stock value. Enter the figures only for the apportionment method (Three Factor or Single Factor) used in the tax computation. Also enter the apportionment proportion calculated to six decimal places in Line (5) below.

Three Factor - From insert sheet (RCT-106) page 2 or Manufacturing Exemption Schedule (RCT-105)

1a	Property Factor - PA	1a		
b	Property Factor - Total	b		1c
2a	Payroll Factor - PA	2a		
b	Payroll Factor - Total	b		2c
3a	Sales Factor - PA	3a		
b	Sales Factor - Total	b		3c

Single Factor - From insert sheet (RCT-106) page 1 or Manufacturing Exemption Schedule (RCT-102)

4a	Single Factor - Numerator	4a	8,745,666,181.	
b	Single Factor - Denominator	b	13,080,719,037.	
5	Apportionment Proportion - Also enter on Line (16) in Section A above	5		0.668592

1	TAXABLE INDEBTEDNESS (Complete Schedule B-1 on page 4 of the RCT-101.)	1	14,582,601.
2	Multiply Line (1) by .004	2	58,330.
3	Treasurer's Commission (See Instruction Book.)	3	342.
4	LOANS TAX - Line (2) - Line (3)	4	57,988.

CORPORATION PECO ENERGY COMPANY

SECTION C - CORPORATE NET INCOME TAX		TAXPAYER USE (WHOLE DOLLARS ONLY)	DEPARTMENT USE
1	Income or Loss from Federal return on a separate company basis. (Attach copy of Federal Form 1120 or 1120S, etc. to back of the RCT-101)	526,130,617.	
2	Deductions:		
a	Corporate Dividends Received (From Schedule C-2, Line 6)	10,890,029.	
b	Interest on U.S. Securities GROSS INTEREST less EXPENSES (Attach Schedule)		
c	Other (Attach Schedule) See Instructions		
	TOTAL DEDUCTIONS - Sum of (a) through (c)	10,890,029.	
3	Line (1) less Line (2)	515,240,588.	
4	Additions:		
a	Taxes Imposed on or measured by net income (Attach Schedule)	69,340,297.	
b	Tax Preference Items. (Attach copy of Federal Form 4626)	862,777.	
c	Employment Incentive Payment Credit Adjustment (Attach Schedule W)	183.	
d	Other (Attach Schedule) See Instructions See Statement 1.	1,284,000.	
	TOTAL ADDITIONS - Sum of (a) through (d)	71,487,257.	
5	INCOME (OR LOSS) WITH PENNSYLVANIA ADJUSTMENTS - Line (3) plus Line (4)	586,727,845.	

CORPORATION WHICH TRANSACTS ITS ENTIRE BUSINESS IN PA (does NOT apportion) SHOULD SKIP TO LINE (11) AND ENTER LINE (5) THERE.

6	Total Nonbusiness Income (or loss)	
7	INCOME (OR LOSS) TO BE APPORTIONED - Line (5) minus Line (6)	586,727,845.
8	Apportionment Proportion (from Schedule C-1 Line (5))	0.933209
9	INCOME (OR LOSS) APPORTIONED TO PA - Line (7) multiplied by Line (8)	547,539,706.
10	Nonbusiness Income (or loss) allocated to PA	
11	TAXABLE INCOME (OR LOSS) AFTER APPORTIONMENT - Line (9) plus Line (10). Enter amount from Line (5) for corporations which do not apportion.	547,539,706.
12	DEPARTMENT USE ONLY	
13	PA TAXABLE INCOME - Enter amount from Line (11). If less than zero, enter "0"	547,539,706.
14	CORPORATE NET INCOME TAX - Multiply Line (13) by .1199	65,650,011.

SCHEDULE C-1: APPORTIONMENT SCHEDULE FOR CORPORATE NET INCOME TAX

Enter the numerator(s) and denominator(s) of fractions used for apportioning income. Also enter the apportionment proportion calculated to six decimal places in Line (5) below.
 Three Factor - From insert sheet (RCT-106) page 2.

1a	Property Factor - PA	1a	13,695,737,937.		
b	Property Factor - Total	b	15,610,486,167.	1c	0.877342
2a	Payroll Factor - PA	2a	492,565,933.		
b	Payroll Factor - Total	b	494,007,910.	2c	0.997081
3a	Sales Factor - PA	3a	3,750,599,991.		
b	Sales Factor - Total	b	4,053,810,749.	3c	0.925204
Single Factor - Apportionment Proportion					
4a	Single Factor - PA	4a			
b	Single Factor - Total	b			
5	Apportionment Proportion - Also enter on Line (8) in Section C	5		5	0.933209

SCHEDULE C-2: PA DIVIDEND DEDUCTION SCHEDULE

1	Federal Schedule C, Line 20, Total deductions	1	10,890,029.
2	Federal Schedule C, Line 15, Foreign Dividend Gross-Up (Section 78)	2	
3	Dividends from less-than-20%-owned foreign corporations listed on Lines 13 and 14 of Federal Schedule C - x 70%	3	
4	Dividends from 20%-or-more-owned foreign corporations listed on Lines 13 and 14 of Federal Schedule C - x 80%	4	
5	Dividends listed on Line 13 and 14 of Federal Schedule C from foreign corporations that meet the "80% voting and value test" of IRC §1504 (a) (2) and otherwise would qualify for 100% deduction under IRC §243 (a) (3) if they were a domestic corporation. Do not list any amounts included in Item 4.	5	
6	Total PA Dividend Deduction - Add Lines 1, 2, 3, 4 and 5 [Enter above at Section C, Line (2a)].	6	10,890,029.

CORPORATION PECO ENERGY COMPANY

CORPORATION TAX
 FILE (BOX) NUMBER 0415-103

TAX YEAR ENDING

1	2	9	4
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1. Location of corporation's records.

2301 MARKET STREET, PHILADELPHIA, P

2. Corporation's records in care of

3. Method of accounting, if different than for Federal.

4. Location of principal office.

2301 MARKET STREET PHILADELPHIA, PA

5. Has Federal Government changed taxable income as originally reported for any prior year for which reports of change have not been filed in PA? Give year(s)

NO

6. Name and Corporation Tax File (Box) Number of any corporation holding all or a majority of the stock of this corporation.

7. Other corporations of which this corporation owns all or a majority of the stock.

NAME	FILE IN PA	CORPORATION TAX FILE (BOX) NUMBER	FEDERAL EIN
See Statement 2			

8. Date of Incorporation 11/01/29

9. Incorporated under laws of state of PENNSYLVANIA

10. PA Sales Tax License Number 51-196-699

11. Brief description of corporate activity in PA:

GENERATION, MANUFACTURE AND DISTRIBUTION OF ELECTRIC & GAS ENERGY

Outside PA:

List other states in which taxpayer has activity: NJ, MD

If incorporated outside PA, does the corporation solicit sales in PA? Please Check YES NO

If yes, does the corporation use:

Please Check Employee An Exclusive Sales Representative An Independent Sales Representative?

12. Schedule of Real Property used in Pennsylvania (Buildings AND Land)

OWNED/ RENTED	STREET ADDRESS	CITY	COUNTY
	LAND & BLDGS IN 11 COUNTYS		

- (Foreign Corporations Only) Did your corporation have a treasurer or other fiscal officer resident in PA and paying interest on indebtedness of the corporation? If answer is NO, remaining questions on this Schedule do not have to be answered . . . 1. YES NO
 - Did your corporation have indebtedness outstanding to individual residents of PA and/or to partnerships resident in PA? . . . 2. YES NO
 - Did your corporation have indebtedness outstanding held by a trustee, agent or guardian for a resident individual taxable in its own right or by an executor or administrator of an estate wherein the decedent was a resident of PA? . . . 3. YES NO
- If the answer to question 2 and/or 3 were "YES", continue below.

4. Amount of Interest Actually Paid on the Indebtedness In Question 2 or 3 During the Tax Year Reported.	5. Rate of Interest Applicable to the Indebtedness in Question 2 or 3.	6. Nominal Value of Taxable Indebtedness (Divide 5 into 4) Enter Total of this Column in Section 8 on Page 2.
1,111,888.		14,582,601.

RCT-103 (9-94)

COMMONWEALTH OF PENNSYLVANIA

Page 1

INSERT SHEET - FILE WITH FORM RCT-101

12 / 94 PECO ENERGY COMPANY

0415-103

TAXABLE YEAR ENDED (MONTH/YEAR)

NAME OF CORPORATION

CORPORATION TAX FILE (BOX) NUMBER

Schedules 1 and 2 of this Insert Sheet must be completed by PA corporations claiming the exemption for tangible and intangible assets for Capital Stock Tax purposes and foreign corporations electing to use the single factor apportionment formula for Franchise Tax purposes.

Tables 1, 2, 3 and 4 of this Insert Sheet must be completed by all corporations apportioning taxable income and by foreign and PA corporations using the three (3) factor formula to compute the taxable value of capital stock.

A. AVERAGE TOTAL ASSETS [Carry to RCT-101, Schedule A-1, Line 4(b)] \$ 13,080,719,037.

Less: AVERAGE EXEMPT ASSETS - Tangibles (From Schedule 1 Below) \$ 1,143,563,808.

Intangibles (From Schedule 2 Below) \$ 279,883,394.

Pollution Control Devices \$ 2,911,605,654. \$ 4,335,052,856.
 (Attach description schedule and copy of DER certification)

C. AVERAGE ASSETS TANGIBLE IN PA [Carry to RCT-101, Schedule A-1, Line (4a)] \$ 8,745,666,181.

D. PROPORTION OF TAXABLE ASSETS (compute to six decimal places) $\frac{\text{AVERAGE TAXABLE ASSETS}}{\text{AVERAGE TOTAL ASSETS}} = \frac{0.668592}{1}$
 [Carry to RCT-101, Schedule A-1, Line (5)]

EXEMPTION CLAIMED FOR TANGIBLE AND INTANGIBLE ASSETS (OMIT CENTS)

SCHEDULE 1 EXEMPT TANGIBLE ASSETS (Attach rider, if necessary)	Net Book Value - Beginning		Net Book Value - Ending		E Amount of Exemption Claimed for Average Value of Tangible Assets Located Outside of PA
	A Inside PA	B Outside PA	C Inside PA	D Outside PA	
1. Buildings	9,286,659,837.	1,003,714,347.	9,278,904,500.	1,064,396,493.	1,034,055,420.
2. Equipment and Fixtures					
3. Land	134,884,672.	12,222,310.	139,918,428.	11,171,776.	11,697,043.
4. Leasehold Improvements					
5. Motor Vehicles					
6. Rolling Stock and all other Movable Property					
7. Other Tangible Property	286,503,174.	86,700,196.	274,314,829.	83,591,229.	85,145,713.
8. Inventories	197,737,610.	10,659,483.	175,564,568.	14,671,800.	12,665,632.
TOTALS	9,905,785,293.	1,113,296,316.	9,868,702,325.	1,173,831,298.	1,143,563,808.

NOTE: If there was a substantial change during the year, attach a separate schedule explaining same in detail.

SCHEDULE 2 EXEMPT INTANGIBLE ASSETS (Attach rider, if necessary)	A Number of Shares or %	B Date Acquired	C Date Sold	D Held (Full Year or No. of Days)	E Book Value	F Exemptions Claimed
1. Stocks of PA Corporations						
PEPCO	984000.0			365	68,570,643.	68,145,080.
EPEC	1000.0			365	-708,458.	-34,553.
EPDC	1000.0			365	26,225,079.	28,446,204.
2. Stocks of Foreign Corporations (More than 50% owned)	Stmt 3				122,004,084.	100,926,055.
3. United States Securities						
4. Exempt State and Local Securities	Stmt 3				49,339,384.	82,400,608.
5. National Bank Shares						
6. TOTALS (For Exemption Purposes)					265,430,732.	279,883,394.

12 / 94 PECO ENERGY COMPANY 0415-103
 TAXABLE YEAR ENDED (MONTH/YEAR) NAME OF CORPORATION CORPORATION TAX FILE (BOX) NUMBER

TABLES SUPPORTING DETERMINATION OF APPORTIONMENT PERCENTAGE (OMIT CENTS)

TABLE 1 - PROPERTY FACTOR Description	Inside PA		Inside and Outside PA	
	Beginning of Year	End of Year	Beginning of Year	End of Year
Tangible Property Owned (original cost value)				
Land and Buildings	12,551,438,143.	12,743,255,500.	13,944,169,819.	14,198,201,892.
Machinery and Equipment				
Furniture and Fixtures				
Automobiles and Trucks				
Inventories	197,737,610.	175,564,568.	208,397,073.	190,236,368.
Other Tangible Property	927,698,384.	644,551,701.	1,090,817,438.	826,639,824.
Totals	13,676,874,137.	13,563,371,769.	15,243,384,330.	15,215,078,084.
Total Beginning and End of Year		27,240,245,906.		30,458,462,414.
Average Value (1/2 of Above)		13,620,122,953.		15,229,231,207.
Add: Corporate Tangible and/or Real Property Rented*		75,614,984.		381,254,960.
Partnership Tangible and/or Real Property Rented*				
Total Average Value	(A)	13,695,737,937.	(B)	15,610,486,167.

* Eight times net annual rental rate (Attach Schedule)

[carry (A), (B) and (C) over to RCT-101, Schedule C-1 and Schedule A-1, if applicable, Lines (1a), (1b) and (1c)]

(C) Property factor (divide "A" by "B" - compute to six decimal places) 0.877342

TABLE 2 - PAYROLL FACTOR Description	Inside PA	Inside and Outside PA
Wages, salaries, commissions and other compensation to employees in:		
Costs of goods sold		
Compensation of officers		
Salesmen's salaries and commissions		
Other	492,565,933.	494,007,910.
Total Payroll	(A) 492,565,933.	(B) 494,007,910.

[carry (A), (B) and (C) over to RCT-101, Schedule C-1 and Schedule A-1, if applicable, Lines (2a), (2b) and (2c)]

(C) Payroll factor (divide "A" by "B" - compute to six decimal places) 0.997081

TABLE 3 - SALES FACTOR Description	Inside PA	Inside and Outside PA
Net Sales		
Interest, Rents, Royalties	3,726,246,050.	4,029,456,808.
Other Income (receipts only)	24,353,941.	24,353,941.
Gross Sales Price of Assets (except securities**)		
Totals	(A) 3,750,599,991.	(B) 4,053,810,749.

**Unless you are a securities dealer

[carry (A), (B) and (C) over to RCT-101, Schedule C-1 and Schedule A-1, if applicable, Lines (3a), (3b) and (3c)]

(C) Sales factor (divide "A" by "B" - compute to six decimal places) 0.925204

TABLE 4 - NONBUSINESS INCOME ALLOCATED INSIDE AND OUTSIDE PA (Attach rider reflecting basis for nonbusiness income)

Description	A. Inside PA	B. Outside PA	C. Total
1. Net Rents and Royalties from Real Property			
2. Net Rents and Royalties from Tangible Personal Property			
3. Gains or Losses from Sale of Real Property			
4. Gains or Losses from Sale of Tangible Personal Property			
5. Gains or Losses from Sale of Intangible Personal Property			
6. Interest Income (Other than U.S. Securities)			
7. Royalties from Patents and Copyrights			
Total [Transfer column A to RCT-101, Section C, Line (10) and Column C to RCT-101, Section C, Line (6)]			

Special Apportionment Factor - to be completed only by railroad, truck, bus, and airline companies, pipeline or natural gas companies and water transportation companies. (Refer to instructions).

(A) NUMERATOR (A) = (C) [carry (A), (B) and (C) over to RCT-101, Schedules A-1 and C-1, Lines 4a, 4b and 5]

Pennsylvania Form RCT-101, Page 3 Detail

Section C: Line 4(D) Other Additions

Environmental Tax

1,284,000.

Total

1,284,000.
=====

Pennsylvania Form RCT-101, Page 4 Detail

Line 7: Corporations Which This Corporation Owns Majority of Stock

Name	File in PA	Box Number	Federal EIN
PECO ENERGY POWER CO	Y	0261-243	23-0970740
CONOWINGO POWER CO	Y	6535-815	52-0280040
EASTERN PA DEVELOPMENT CO	Y	9018-279	23-1706184
EASTERN PA EXPLORATION CO	Y	9751-506	23-2039821
SUSQUEHANNA ELECTRIC CO	Y	6656-208	52-0503520
PECO ENERGY CAPITAL CORPORATION	N		51-0355321

Pennsylvania Form RCT-106, Page 1 Detail

Sch 2, Line 2: Stocks of Foreign Corporations

Description	Number of Shares	Date Acquired	Date Sold	Time Held	Book Value	Exemption Claimed
CPCO				365	92,742,988.	86,345,803.
SECO				365	-18,393.	-59,493.
PECC				365	29,279,489.	14,639,745.
Total					122,004,084.	100,926,055.

Sch 2, Line 4: Exempt State and Local Securities

Description	Number of Shares	Date Acquired	Date Sold	Time Held	Book Value	Exemption Claimed
Muni. Bonds				365 365	49,339,384.	82,400,608.
Total					49,339,384.	82,400,608.

Form **1120** U.S. Corporation Income Tax Return
 Department of the Treasury Internal Revenue Service For calendar year 1994 or tax year beginning _____, 1994, ending _____, 19
 Instructions are separate. See page 1 for Paperwork Reduction Act Notice. OMB No. 1545-0123
1994

A Check if a:
 (1) Consolidated return (attach Form 851)
 (2) Personal holding co. (attach Sch. PH)
 (3) Personal service corp. (as defined in Temp. Regs. sec. 1.441-4T -see instructions)

B Employer identification number: **23-0970240**

C Date incorporated: **11/01/29**

D Total assets (see Specific Instructions): **13,074,618,666.**

Name: **PECO ENERGY COMPANY**
 Number, street, and room or suite no. (If a P.O. box, see page 6 of instructions.): **2301 MARKET STREET**
 City or town, state, and ZIP code: **PHILADELPHIA, PA 19101**

E Check applicable boxes: (1) Initial return (2) Final return (3) Change of address

1 a Gross receipts or sales		4,014,103,627.	b Less returns and allowances		c Bal	1c	4,014,103,627.
2 Cost of goods sold (Schedule A, line 8)						2	1,434,604,156.
3 Gross profit. Subtract line 2 from line 1c						3	2,579,499,471.
4 Dividends (Schedule C, line 19)						4	9,927,938.
5 Interest						5	14,376,483.
6 Gross rents						6	12,995,675.
7 Gross royalties						7	
8 Capital gain net income (attach Schedule D (Form 1120))						8	NONE
9 Net gain or (loss) from Form 4797, Part II, line 20 (attach Form 4797)						9	-16,465,802.
10 Other income (see instructions - attach schedule)						10	24,353,941.
11 Total income. Add lines 3 through 10						11	2,624,687,706.
12 Compensation of officers (Schedule E, line 4)						12	
13 Salaries and wages (less employment credits)						13	
14 Repairs and maintenance						14	323,364,633.
15 Bad debts						15	79,444,273.
16 Rents						16	63,126,189.
17 Taxes and licenses						17	365,863,010.
18 Interest						18	388,892,589.
19 Charitable contributions (see instructions for 10% limitation)						19	3,590,008.
20 Depreciation (attach Form 4562)			20	748,242,108.			
21 Less depreciation claimed on Schedule A and elsewhere on return			21a			21b	748,242,108.
22 Depletion						22	
23 Advertising						23	1,909,046.
24 Pension, profit-sharing, etc., plans						24	19,900,203.
25 Employee benefit programs						25	57,051,413.
26 Other deductions (attach schedule)						26	47,173,617.
27 Total deductions. Add lines 12 through 26						27	2,098,557,089.
28 Taxable income before net operating loss deduction and special deductions. Subtract line 27 from line 11						28	526,130,617.
29 Less: a Net operating loss deduction (see instructions)			29a				
b Special deductions (Schedule C, line 20)			29b	10,890,029.		29c	10,890,029.
30 Taxable income. Subtract line 29c from line 28						30	515,240,588.
31 Total tax (Schedule J, line 10)						31	NONE
32 Payments: a 1993 overpayment credited to 1994		32a	5,160,921.				
b 1994 estimated tax payments		32b	144,883,819.				
c Less 1994 refund applied for on Form 4466		32c			d Bal	32d	
e Tax deposited with Form 7004						32e	11,353,019.
f Credit from regulated investment companies (attach Form 2439)						32f	
g Credit for Federal tax on fuels (attach Form 4136). See instructions						32g	
32h						32h	11,353,019.
33 Estimated tax penalty (see instructions). Check if Form 2220 is attached						33	
34 Tax due. If line 32h is smaller than the total of lines 31 and 33, enter amount owed						34	
35 Overpayment. If line 32h is larger than the total of lines 31 and 33, enter amount overpaid						35	NONE
36 Enter amount of line 35 you want: Credited to 1995 estimated tax						36	NONE

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature of officer: _____ Date: _____ Title: _____

Paid Preparer's Use Only

Preparer's signature: _____ Date: _____ Check if self-employed: Preparer's social security no.: _____

Firm's name (or yours if self-employed) and address: _____ E.I. No.: _____ ZIP code: _____

Form 1120 (1994)

Page 2

Schedule A Cost of Goods Sold (See instructions.)

1	Inventory at beginning of year	1	
2	Purchases	2	
3	Cost of labor	3	
4	Additional section 263A costs (attach schedule)	4	
5	Other costs (attach schedule)	5	See Statement 4
6	Total. Add lines 1 through 5	6	1,434,604,156.
7	Inventory at end of year	7	
8	Cost of goods sold. Subtract line 7 from line 6. Enter here and on page 1, line 2.	8	1,434,604,156.

9a Check all methods used for valuing closing inventory:
 Cost Lower of cost or market as described in Regulations section 1.471-4
 Writedown of subnormal goods as described in Regulations section 1.471-2(c)
 Other (Specify method used and attach explanation.)

b Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970)

c If the LIFO inventory method was used for this tax year, enter percentage (or amounts) of closing inventory computed under LIFO. 9c

d Do the rules of section 263A (for property produced or acquired for resale) apply to the corporation? Yes No

e Was there any change in determining quantities, cost, or valuations between opening and closing inventory? If "Yes," attach explanation Yes No

Schedule C Dividends and Special Deductions (See instructions.)

	(a) Dividends received	(b) %	(c) Special deductions: (a) x (b)
1 Dividends from less-than-20%-owned domestic corporations that are subject to the 70% deduction (other than debt-financed stock) Stmt. 6	579,573.	70	405,701.
2 Dividends from 20%-or-more-owned domestic corporations that are subject to the 80% deduction (other than debt-financed stock)		80 see inst.	
3 Dividends on debt-financed stock of domestic and foreign corporations (section 246A)		42	
4 Dividends on certain preferred stock of less-than-20%-owned public utilities		48	
5 Dividends on certain preferred stock of 20%-or-more-owned public utilities		70	
6 Dividends from less-than-20%-owned foreign corporations and certain FSCs that are subject to the 70% deduction		80	
7 Dividends from 20%-or-more-owned foreign corporations and certain FSCs that are subject to the 80% deduction		100	
8 Dividends from wholly owned foreign subsidiaries subject to the 100% deduction (section 245(b))			
9 Total. Add lines 1 through 8. See instructions for limitation			405,701.
10 Dividends from domestic corporations received by a small business investment company operating under the Small Business Investment Act of 1958		100	
11 Dividends from certain FSCs that are subject to the 100% deduction (section 245(c)(1))		100	
12 Dividends from affiliated group members subject to the 100% deduction (section 243(a)(3))	9,348,365.	100	9,348,365.
13 Other dividends from foreign corporations not included on lines 3, 6, 7, 8, or 11			
14 Income from controlled foreign corporations under subpart F (attach Form(s) 5471)			
15 Foreign dividend gross-up (section 78)			
16 IC-DISC and former DISC dividends not included on lines 1, 2, or 3 (section 246(d))			
17 Other dividends			
18 Deduction for dividends paid on certain preferred stock of public utilities (see instructions)			1,135,963.
19 Total dividends. Add lines 1 through 17. Enter here and on line 4, page 1	9,927,938.		
20 Total special deductions. Add lines 9, 10, 11, 12, and 18. Enter here and on line 29b, page 1			10,890,029.

Schedule E Compensation of Officers (See instructions for line 12, page 1.)

Complete Schedule E only if total receipts (line 1a plus lines 4 through 10 on page 1, Form 1120) are \$500,000 or more.

(a) Name of officer	(b) Social security number	(c) Percent of time devoted to business	(d) Percent of corporation stock owned		(e) Amount of compensation
			(e) Common	(e) Preferred	
1		%	%	%	
		%	%	%	
		%	%	%	
		%	%	%	
		%	%	%	
2 Total compensation of officers.					
3 Compensation of officers claimed on Schedule A and elsewhere on return					
4 Subtract line 3 from line 2. Enter the result here and on line 12, page 1					

Schedule J Tax Computation (See instructions.)

1	Check if the corporation is a member of a controlled group (see sections 1561 and 1563) . . . <input type="checkbox"/>		
2a	If the box on line 1 is checked, enter the corporation's share of the \$50,000, \$25,000, and \$9,925,000 taxable income brackets (in that order): (1) <input type="text"/> (2) <input type="text"/> (3) <input type="text"/>		
b	Enter the corporation's share of: (1) Additional 5% tax (not more than \$11,750) <input type="text"/> (2) Additional 3% tax (not more than \$100,000) <input type="text"/>		
3	Income tax. Check this box if the corporation is a qualified personal service corporation as defined in section 448(d)(2) (see instructions on page 15) <input type="checkbox"/>	3	NONE
4a	Foreign tax credit (attach Form 1118)	4a	
b	Possessions tax credit (attach Form 5735)	4b	
c	Orphan drug credit (attach Form 6765)	4c	
d	Check: <input type="checkbox"/> Nonconventional source fuel credit <input type="checkbox"/> OLEV credit (attach Form 8834)	4d	
e	General business credit. Enter here and check which forms are attached: <input checked="" type="checkbox"/> 3800 <input type="checkbox"/> 3468 <input checked="" type="checkbox"/> 5884 <input type="checkbox"/> 6478 <input type="checkbox"/> 6765 <input type="checkbox"/> 8586 <input type="checkbox"/> 8830 <input type="checkbox"/> 8826 <input type="checkbox"/> 8835 <input type="checkbox"/> 8844 <input type="checkbox"/> 8845 <input type="checkbox"/> 8846 <input type="checkbox"/> 8847	4e	
f	Credit for prior year minimum tax (attach Form 8827)	4f	
5	Total credits. Add lines 4a through 4f.	5	
6	Subtract line 5 from line 3	6	NONE
7	Personal holding company tax (attach Schedule PH (Form 1120))	7	
8	Recapture taxes. Check if from: <input type="checkbox"/> Form 4255 <input type="checkbox"/> Form 8611	8	
9a	Alternative minimum tax (attach Form 4626)	9a	NONE
b	Environmental tax (attach Form 4626)	9b	
10	Total tax. Add lines 6 through 9b. Enter here and on line 31, page 1	10	NONE

Schedule K Other Information (See pages 17 and 18 of instructions.)

1	Check method of accounting: a <input type="checkbox"/> Cash b <input checked="" type="checkbox"/> Accrual c <input type="checkbox"/> Other (specify) <input type="text"/>	Yes	No	7	Was the corporation a U.S. shareholder of any controlled foreign corporation? (See sections 951 and 957.) If "Yes," attach Form 5471 for each such corporation. Enter number of Forms 5471 attached <input type="text"/>	Yes	No
2	Refer to page 19 of the instructions and state the principal: a Business activity code no. <input type="text"/> 4930 b Business activity <input type="text"/> GENERATION/MANUFACT c Product or service <input type="text"/> DISTRIBUTE ELEC/GAS			8	At any time during the 1994 calendar year, did the corporation have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? . . . If "Yes," the corporation may have to file Form TD F 90-22.1. If "Yes," enter name of foreign country <input type="text"/>		X
3	Did the corporation at the end of the tax year own, directly or indirectly, 50% or more of the voting stock of a domestic corporation? (For rules of attribution, see section 267(c.) If "Yes," attach a schedule showing: (a) name and identifying number, (b) percentage owned, and (c) taxable income or (loss) before NOL and special deductions of such corporation for the tax year ending with or within your tax year.	X		9	Was the corporation the grantor of, or transferor to, a foreign trust that existed during the current tax year, whether or not the corporation has any beneficial interest in it? If "Yes," the corporation may have to file Forms 926, 3520, or 3520-A		X
4	Is the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? If "Yes," enter employer identification number and name of the parent corporation <input type="text"/>		X	10	Did one foreign person at any time during the tax year own, directly or indirectly, at least 25% of: (a) the total voting power of all classes of stock of the corporation entitled to vote, or (b) the total value of all classes of stock of the corporation? If "Yes," a Enter percentage owned <input type="text"/> b Enter owner's country <input type="text"/> c The corporation may have to file Form 5472. Enter number of Forms 5472 attached <input type="text"/>		X
5	Did any individual, partnership, corporation, estate or trust at the end of the tax year own, directly or indirectly, 50% or more of the corporation's voting stock? (For rules of attribution, see section 267(c.) If "Yes," attach a schedule showing name and identifying number. (Do not include any information already entered in 4 above.) Enter percentage owned <input type="text"/>		X	11	Check this box if the corporation issued publicly offered debt instruments with original issue discount . . . <input type="checkbox"/> If so, the corporation may have to file Form 8281.		
6	During this tax year, did the corporation pay dividends (other than stock dividends and distributions in exchange for stock) in excess of the corporation's current and accumulated earnings and profits? (See secs. 301 and 316.) If "Yes," file Form 5452. If this is a consolidated return, answer here for the parent corporation and on Form 851, Affiliations Schedule, for each subsidiary.		X	12	Enter the amount of tax-exempt interest received or accrued during the tax year <input type="text"/>		
				13	If there were 35 or fewer shareholders at the end of the tax year, enter the number <input type="text"/>		
				14	If the corporation has an NOL for the tax year and is electing to forego the carryback period, check here <input type="checkbox"/>		
				15	Enter the available NOL carryover from prior tax years (Do not reduce it by any deduction on line 29a.) <input type="text"/>		

Form **4136**

Credit for Federal Tax Paid on Fuels
 (And Credit for Purchase of Diesel-Powered Highway Vehicles)

Department of the Treasury
 Internal Revenue Service (99)

▶ Attach this form to your income tax return.

Name (as shown on your income tax return)

Social security or employer identification number

PECO ENERGY COMPANY

23-0970240

Part I Diesel-Powered Highway Vehicle Credit

	(a) Number of vehicles	(b) Credit per vehicle	(c) Credit (col. (a) x col. (b))	CRN
1 Diesel-powered cars	1	\$102.00		
2 Diesel-powered light trucks and vans	20	198.00	3,960.	
3 Total diesel-powered highway vehicle credit. Add lines 1 and 2, column (c) ▶			3,960.	318

Part II Fuel Tax Credit

Caution: If you claimed any fuel tax refunds on Form 8849, Claim for Refund of Excise Taxes, Form 843, Claim for Refund and Request for Abatement, or Schedule C (Form 720), Adjustments and Claims, you cannot claim those amounts as credits on Form 4136.

4 Nontaxable Use of Gasoline (See instructions)

	Rate	Gallons	Amount of credit	CRN
a Off-highway business use	\$.184	14,850.00	2,732.	301
b Use on a farm for farming purposes	.184			
c Other nontaxable use (specify) ▶	.184			

5 Nontaxable Use of Gasohol (See instructions.)

	Rate	Gallons	Amount of credit	CRN
a Gasohol containing at least 10% alcohol	\$.13			312
b Gasohol containing at least 7.7% alcohol but less than 10% alcohol	.1424			
c Gasohol containing at least 5.7% alcohol but less than 7.7% alcohol	.1532			

6 Nontaxable Use of Undyed Diesel Fuel (except for use on a farm for farming purposes or for the exclusive use of a state or local government) and Sales by Registered Ultimate Vendors of Diesel Fuel (See instructions.)

Lines 6a, b, and c: Claimant bought undyed diesel fuel, certifies that the diesel fuel did not contain visible evidence of dye, and used that diesel fuel for a nontaxable use.

	Rate	Gallons	Amount of credit	CRN	
a Heating oil	\$.244		4,831.	303	
b Off-highway business use	.244				19,800.00
c Other nontaxable use (specify) ▶	.244				
Line 6d: Claimant sold undyed diesel fuel (a) to a state or local government for its exclusive use or (b) for use by the buyer on a farm for farming purposes. Claimant is a registered ultimate vendor, sold the fuel at a tax-excluded price, certifies that the diesel fuel did not contain visible evidence of dye, and obtained the required certificate from the buyer, and has no reason to believe any of the information in the certificate is false.					
d Registered ultimate vendors	.244				

Form **4136** (1994)

7 Nontaxable Use of Other Fuels

	Rate	Gallons	Amount of Credit	CRN
a Special motor fuel (other than LPG)	\$.184	MCF		304
b Liquified petroleum gas (LPG)	.183			
c LPG used in intercity or local buses	.109			
d Compressed natural gas (credit rate per thousand cubic feet)	.4854			

8 Gasoline Used in Aviation

	Rate	Gallons	Amount of credit	CRN
a Used in foreign trade, on a farm, or in certain helicopters	\$.184			307
b Used in commercial aviation (other than foreign trade)	.183			

9 Aviation Fuel (other than gasoline)

	Rate	Gallons	Amount of credit	CRN
a Used in foreign trade, on a farm, or in certain helicopters	\$.219			310
b Used in commercial aviation (other than foreign trade)	.218			

10 Gasohol Blenders (See instructions.)

Claimant bought gasoline taxed at the full rate (\$.184) and blended it with alcohol to make gasohol. The gasohol was used or sold for use in a trade or business.

Percentage of alcohol in the gasohol	Rate	Gallons of gasoline	Amount of credit	CRN
a At least 10% alcohol	\$.0396			302
b At least 7.7% alcohol but less than 10% alcohol	.0298			
c At least 5.7% alcohol but less than 7.7% alcohol	.0216			

11. Train and Intercity and Local Bus Use of Undyed Diesel Fuel (See instructions.)

Claimant bought undyed diesel fuel, certifies that the diesel fuel did not contain visible evidence of dye, and used the diesel fuel in an engine that propels a diesel-powered train or an automobile bus.

	Rate	Gallons	Amount of credit	CRN
a Diesel-powered trains	\$.175			305
b Certain intercity and local buses	.17			

12 Total fuel tax credit. Add lines 4-11 ▶ **12** \$ 7,563.

Part III Total Income Tax Credit

13 Total income tax credit claimed (add lines 3 and 12). Enter here and on Form 1040, line 59 (also check box b on line 59); Form 1120, line 32g; Form 1120-A, line 28g; Form 1120S, line 23c; Form 1041, line 24g; or the proper line of other returns ▶ **13** \$ 11,523.

Form **3800**

General Business Credit

OMB No. 1545-0095

1994

Department of the Treasury
 Internal Revenue Service
 Name(s) shown on return

▶ Attach to your tax return.
 ▶ See separate instructions.

Attachment
 Sequence No. 22

Identifying number
23-0970240

PECO ENERGY COMPANY
Part I Tentative Credit

1a	Current year investment credit (Form 3468, Part I)	1a	
b	Current year jobs credit (Form 5884, Part I)	1b	29,943.
c	Current year credit for alcohol used as fuel (Form 6478)	1c	
d	Current year credit for increasing research activities (Form 6765, Part III)	1d	
e	Current year low-income housing credit (Form 8586, Part I)	1e	
f	Current year enhanced oil recovery credit (Form 8830, Part I)	1f	
g	Current year disabled access credit (Form 8826, Part I)	1g	
h	Current year renewable electricity production credit (Form 8835, Part I)	1h	
i	Current year Indian employment credit (Form 8845, Part I)	1i	
j	Current year credit for employer social security and Medicare taxes paid on certain employee tips (Form 8846, Part I)	1j	
k	Current year credit for contributions to selected community development corporations (Form 8847, Part I)	1k	
l	Current year general business credit. Add lines 1a through 1k	1l	29,943.
2	Passive activity credits included on lines 1a through 1k (see instructions)	2	
3	Subtract line 2 from line 1l	3	29,943.
4	Passive activity credits allowed for 1994 (see instructions)	4	
5	Carryforward of general business, WIN, or ESOP credit to 1994 (see instructions for the schedule to attach) Stm.t. 13.	5	44,736,121.
6	Carryback of general business credit to 1994 (see instructions)	6	
7	Tentative general business credit. Add lines 3 through 6	7	44,766,064.

Part II General Business Credit Limitation Based on Amount of Tax

8a	Individuals. Enter amount from Form 1040, line 40	}	8
b	Corporations. Enter amount from Form 1120, Schedule J, line 3 (or Form 1120-A, Part I, line 1)		
c	Other filers. Enter regular tax before credits from your return (see instructions)		
9	Credits that reduce regular tax before the general business credit:		
a	Credit for child and dependent care expenses (Form 2441, line 10)	9a	
b	Credit for the elderly or the disabled (Schedule R (Form 1040), line 21)	9b	
c	Mortgage interest credit (Form 8396, line 11)	9c	
d	Foreign tax credit (Form 1116, line 32, or Form 1118, Sch. B, line 12)	9d	
e	Possessions tax credit (Form 5735)	9e	
f	Orphan drug credit (Form 6765, line 10)	9f	
g	Credit for fuel from a nonconventional source	9g	
h	Qualified electric vehicle credit (Form 8834, line 19)	9h	
i	Add lines 9a through 9h	9i	
10	Net regular tax. Subtract line 9i from line 8	10	
11	Tentative minimum tax (see instructions):		
a	Individuals. Enter amount from Form 6251, line 26	}	11
b	Corporations. Enter amount from Form 4626, line 13		
c	Estates and trusts. Enter amount from Form 1041, Schedule H, line 37		
12	Net income tax:		
a	Individuals. Add line 10 above and line 28 of Form 6251	}	12
b	Corporations. Add line 10 above and line 15 of Form 4626		
c	Estates and trusts. Add line 10 above and line 39 of Form 1041, Schedule H		
13	If line 10 is more than \$25,000, enter 25% (.25) of the excess (see instructions)	13	
14	Subtract line 11 or line 13, whichever is greater, from line 12. If less than zero, enter -0-	14	
15	General business credit allowed for current year. Enter the smaller of line 7 or line 14. Also enter this amount on Form 1040, line 44; Form 1120, Schedule J, line 4e; Form 1120-A, Part I, line 2a; or the appropriate line of your tax return. (Individuals, estates, and trusts, see instructions if the credit for increasing research activities is claimed. C corporations, see instructions for Schedule A if any regular investment credit carryforward is claimed. See the instructions if the corporation has undergone a post-1986 "ownership change.")	15	

For Paperwork Reduction Act Notice, see page 2 of this form.

Form 3800 (1994)

Schedule A - Additional General Business Credit Allowed By Section 38(c)(2) (Before Repeal by the Revenue Reconciliation Act of 1990) - Only Applicable to C Corporations

16	Enter the portion of the credit shown on line 5, page 1, that is attributable to the regular investment credit under section 46 (before amendment by the Revenue Reconciliation Act of 1990)	16	44,348,854.
17	Tentative minimum tax (from line 11, page 1)	17	
18	Multiply line 17 by 25% (.25)	18	
19	Enter the amount from line 14, page 1	19	
20	Enter the portion of the credit shown on line 7, page 1, that is NOT attributable to the regular investment credit under section 46 (before amendment by the Revenue Reconciliation Act of 1990)	20	417,210.
21	Subtract line 20 from line 19 (if less than zero, enter -0-)	21	
22	Subtract line 21 from line 16 (if less than zero, enter -0-)	22	
23	For purposes of this line only, recompute the amount on line 11, Form 4626, by using zero on line 6, Form 4626, and enter the result here	23	
24	Multiply line 23 by 10% (.10)	24	
25	Net income tax (from line 12, page 1)	25	
26	General business credit (from line 15, page 1)	26	
27	Subtract line 26 from line 25	27	
28	Subtract line 24 from line 27	28	
29	Enter the smallest of line 18, line 22, or line 28	29	
30	Subtract line 29 from line 17	30	
31	Enter the greater of line 30 or line 13, page 1	31	
32	Subtract line 31 from line 25	32	
33	Enter the smaller of line 32 or line 10, page 1. Enter this amount also on line 15, page 1, instead of the amount previously computed on that line. Write "Sec. 38(c)(2)" in the margin next to your entry on line 15, page 1	33	
34	If line 32 is greater than line 33, enter the excess here (see instructions)	34	

Form **4562**
 Department of the Treasury
 Internal Revenue Service (99)

Depreciation and Amortization
 (Including Information on Listed Property)

OMB No. 1545-0172
1994
 Attachment
 Sequence No. **67**
 Identifying number
23-0970240

▶ See separate instructions. ▶ Attach this form to your return.

PECO ENERGY COMPANY
 Business or activity to which this form relates

Part I Election To Expense Certain Tangible Property (Section 179) (Note: If you have any "Listed Property," complete Part V before you complete Part I.)

1	Maximum dollar limitation (If an enterprise zone business, see instructions)	1
2	Total cost of section 179 property placed in service during the tax year (see instructions)	2
3	Threshold cost of section 179 property before reduction in limitation	3
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. (If married filing separately, see instructions.)	5
6	(a) Description of property	(b) Cost
		(c) Elected cost
7	Listed property. Enter amount from line 26	7
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8
9	Tentative deduction. Enter the smaller of line 5 or line 8	9
10	Carryover of disallowed deduction from 1993 (see instructions)	10
11	Taxable income limitation. Enter the smaller of taxable income (not less than zero) or line 5 (see instructions)	11
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12
13	Carryover of disallowed deduction to 1995. Add lines 9 and 10, less line 12	13

Note: Do not use Part II or Part III below for listed property (automobiles, certain other vehicles, cellular telephones, certain computers, or property used for entertainment, recreation, or amusement). Instead, use Part V for listed property.

Part II MACRS Depreciation For Assets Placed in Service ONLY During Your 1994 Tax Year (Do Not Include Listed Property)

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
Section A - General Depreciation System (GDS) (see instructions)						
14a 3-year property						
b 5-year property		111,629,457.	5.000	HY	DDB	22,325,892.
c 7-year property		2,240,068.	7.000	HY	DDB	320,010.
d 10-year property						
e 15-year property		86,086,504.	15.000	HY	DB	4,304,325.
f 20-year property		233,342,542.	20.000	HY	DB	8,750,345.
g Residential rental property			27.5 yrs.	MM	S/L	
			27.5 yrs.	MM	S/L	
h Nonresidential real property		9,122,899.	39 yrs.	MM	S/L	51,741.
				MM	S/L	
Section B - Alternative Depreciation System (ADS) (see instructions)						
15a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 40-year			40 yrs.	MM	S/L	

Part III Other Depreciation (Do Not Include Listed Property)

16	GDS and ADS deductions for assets placed in service in tax years beginning before 1994 (see instructions)	16	241,326,284.
17	Property subject to section 168(f)(1) election (see instructions)	17	
18	ACRS and other depreciation (see instructions)	18	471,163,511.

Part IV Summary

19	Listed property. Enter amount from line 25	19	
20	Total. Add deductions on line 12, lines 14 and 15 in column (g), and lines 16 through 19. Enter here and on the appropriate lines of your return. (Partnerships and S corporations - see instructions)	20	748,242,108.
21	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs (see instructions)	21	

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Form 4562 (1994)

Part V Listed Property - Automobiles, Certain Other Vehicles, Cellular Telephones, Certain Computers, and Property Used for Entertainment, Recreation, or Amusement

For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 22a, 22b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A - Depreciation and Other Information (Caution: See instructions for limitations for automobiles.)

22a Do you have evidence to support the business/investment use claimed? **Yes** **No** 22b If "Yes," is the evidence written? **Yes** **No**

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/Convention	(h) Depreciation deduction	(i) Elected section 179 cost
-----------------------------------------------	-------------------------------	-------------------------------------------	----------------------------	--------------------------------------------------------------	------------------------	--------------------------	-------------------------------	---------------------------------

23 Property used more than 50% in a qualified business use (see instructions):

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
		%						
		%						
		%						

24 Property used 50% or less in a qualified business use (see instructions):

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
		%				S/L -		
		%				S/L -		
		%				S/L -		

25 Add amounts in column (h). Enter the total here and on line 19, page 1

25

26 Add amounts in column (i). Enter the total here and on line 7, page 1

26

Section B - Information on Use of Vehicles - If you deduct expenses for vehicles:

- Always complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person.
- If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle 1		(b) Vehicle 2		(c) Vehicle 3		(d) Vehicle 4		(e) Vehicle 5		(f) Vehicle 6	
	Yes	No										
27 Total business/investment miles driven during the year (DO NOT include commuting miles)												
28 Total commuting miles driven during the year												
29 Total other personal (noncommuting) miles driven												
30 Total miles driven during the year. Add lines 27 through 29												
31 Was the vehicle available for personal use during off-duty hours?												
32 Was the vehicle used primarily by a more than 5% owner or related person?												
33 Is another vehicle available for personal use?												

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B. Note: Section B must always be completed for vehicles used by sole proprietors, partners, or other more than 5% owners or related persons.

	Yes	No
34 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
35 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? (See instructions for vehicles used by corporate officers, directors, or 1% or more owners.)		
36 Do you treat all use of vehicles by employees as personal use?		
37 Do you provide more than five vehicles to your employees and retain the information received from your employees concerning the use of the vehicles?		
38 Do you meet the requirements concerning qualified automobile demonstration use (see instructions)?		

Note: If your answer to 34, 35, 36, 37, or 38 is "Yes," you need not complete Section B for the covered vehicles.

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
39 Amortization of costs that begins during your 1994 tax year:					
40 Amortization of costs that began before 1994					40
41 Total. Enter here and on "Other Deductions" or "Other Expenses" line of your return					41

Form **4626**

Alternative Minimum Tax - Corporations
 (including environmental tax)

OMB No. 1545-0175

1994

Department of the Treasury
 Internal Revenue Service

▶ See separate instructions.
 ▶ Attach to the corporation's tax return.

Name **PECO ENERGY COMPANY** Employer Identification number **23-0970240**

1	Taxable income or (loss) before net operating loss deduction. (Important: See instructions if the corporation is subject to the environmental tax.)	1	515,240,588.
2	Adjustments and preferences:		
a	Depreciation of post-1986 property	2a	39,789,977.
b	Amortization of certified pollution control facilities	2b	
c	Amortization of mining exploration and development costs	2c	
d	Amortization of circulation expenditures (personal holding companies only)	2d	
e	Adjusted gain or loss	2e	-804,639.
f	Long-term contracts	2f	
g	Installment sales	2g	
h	Merchant marine capital construction funds	2h	
i	Section 833(b) deduction (Blue Cross, Blue Shield, and similar type organizations only)	2i	
j	Tax shelter farm activities (personal service corporations only)	2j	
k	Passive activities (closely held corporations and personal service corporations only)	2k	
l	Loss limitations	2l	
m	Depletion	2m	
n	Tax-exempt interest from specified private activity bonds	2n	
o	Charitable contributions	2o	
p	Intangible drilling costs	2p	
q	Reserves for losses on bad debts of financial institutions	2q	
r	Accelerated depreciation of real property (pre-1987)	2r	862,777.
s	Accelerated depreciation of leased personal property (pre-1987) (personal holding companies only)	2s	
t	Other adjustments	2t	
u	Combine lines 2a through 2t	2u	39,848,115.
3	Preadjustment alternative minimum taxable income (AMTI). Combine lines 1 through 2u	3	555,088,703.
4	Adjusted current earnings (ACE) adjustment:		
a	Enter the corporation's ACE from line 10 of the worksheet on page 8 of the instructions	4a	859,324,190.
b	Subtract line 3 from line 4a. If line 3 exceeds line 4a, enter the difference as a negative number (see instructions for examples)	4b	304,235,487.
c	Multiply line 4b by 75% and enter the result as a positive number	4c	228,176,615.
d	Enter the excess, if any, of the corporation's total increases in AMTI from prior year ACE adjustments over its total reductions in AMTI from prior year ACE adjustments (see instructions). Note: You must enter an amount on line 4d (even if line 4b is positive)	4d	235,785,862.
e	ACE adjustment: • If you entered a positive number or zero on line 4b, enter the amount from line 4c here as a positive amount. • If you entered a negative number on line 4b, enter the smaller of line 4c or line 4d here as a negative amount. See Statement 15	4e	228,176,615.
5	Combine lines 3 and 4e. If zero or less, stop here (the corporation does not owe alternative minimum tax)	5	783,265,318.
6	Alternative tax net operating loss deduction. (see instructions)	6	
7	Alternative minimum taxable income. Subtract line 6 from line 5	7	783,265,318.

For Paperwork Reduction Act Notice, see separate instructions.

Form 4626 (1994)

8 Enter the amount from line 7 (alternative minimum taxable income)	8	783,265,318.
9 Exemption phase-out computation (if line 8 is \$310,000 or more, skip lines 9a and 9b and enter -0- on line 9c):		
a Subtract \$150,000 from line 8 (if you are completing this line for a member of a controlled group, see instructions). If zero or less, enter -0-	9a	
b Multiply line 9a by 25%	9b	
c Exemption. Subtract line 9b from \$40,000 (if you are completing this line for a member of a controlled group, see instructions). If zero or less, enter -0-	9c	NONE
10 Subtract line 9c from line 8. If zero or less, enter -0-	10	783,265,318.
11 Multiply line 10 by 20%	11	156,653,064.
12 Alternative minimum tax foreign tax credit. See instructions for limitations	12	
13 Tentative minimum tax. Subtract line 12 from line 11	13	156,653,064.
14 Regular tax liability before all credits except the foreign tax credit and possessions tax credit	14	NONE
15 Alternative minimum tax. Subtract line 14 from line 13. Enter the result on the appropriate line of the corporation's income tax return (e.g., Form 1120, Schedule J, line 9a). If zero or less, enter -0-	15	
16 Environmental tax. Subtract \$2,000,000 from line 5 (figured without the corporation's environmental tax deduction). Multiply the excess, if any, by 0.12% (.0012). Enter the result here and on the appropriate line of the corporation's income tax return (e.g., Form 1120, Schedule J, line 9a). If you are completing this line for a member of a controlled group, see the instructions	16	

Adjusted Current Earnings Worksheet

▶ See ACE Worksheet Instructions (which begin on page 5).

1	Pre-adjustment AMTI. Enter the amount from line 3 of Form 4626		1	555,088,703.
2	ACE depreciation adjustment:			
a	AMT depreciation	2a	708,452,790.	
b	ACE depreciation:			
(1)	Post-1993 property	2b(1)		
(2)	Post-1989, pre-1994 property	2b(2)	401,417,122.	
(3)	Pre-1990 MACRS property	2b(3)		
(4)	Pre-1990 original ACRS property	2b(4)		
(5)	Property described in sections 168(f)(1) through (4)	2b(5)		
(6)	Other property	2b(6)		
(7)	Total ACE depreciation. Add lines 2b(1) through 2b(6)	2b(7)	401,417,122.	
c	ACE depreciation adjustment. Subtract line 2b(7) from line 2a		2c	307,035,668.
3	Inclusion in ACE of items included in earnings and profits (E&P):			
a	Tax-exempt interest income	3a	42,475.	
b	Death benefits from life insurance contracts	3b		
c	All other distributions from life insurance contracts (including surrenders)	3c		
d	Inside buildup of undistributed income in life insurance contracts	3d		
e	Other items (see Regulations sections 1.56(g)-1(c)(6)(iii) through (ix) for a partial list)	3e		
f	Total increase to ACE due to inclusion in ACE of items included in E&P. Add lines 3a through 3e		3f	42,475.
4	Disallowance of items not deductible from E&P:			
a	Certain dividends received	4a	405,701.	
b	Dividends paid on certain preferred stock of public utilities that are deductible under section 247	4b	1,135,963.	
c	Dividends paid to an ESOP that are deductible under section 404(k)	4c		
d	Nonpatronage dividends that are paid and deductible under section 1382(c)	4d		
e	Other items (see Regulations section 1.56(g)-1(d)(3)(i) and (ii) for a partial list)	4e		
f	Total increase to ACE because of disallowance of items not deductible from E&P. Add lines 4a through 4e		4f	1,541,664.
5	Other adjustments based on rules for computing E&P:			
a	Intangible drilling costs	5a		
b	Circulation expenditures	5b		
c	Organizational expenditures	5c		
d	LIFO inventory adjustments	5d		
e	Installment sales	5e		
f	Total other E&P adjustments. Combine lines 5a through 5e		5f	
6	Disallowance of loss on exchange of debt pools		6	
7	Acquisition expenses of life insurance companies for qualified foreign contracts		7	
8	Depletion		8	
9	Basis adjustments in determining gain or loss from sale or exchange of pre-1994 property		9	-4,384,320.
10	Adjusted current earnings. Combine lines 1, 2c, 3f, 4f, and 5f through 9. Enter the result here and on line 4a of Form 4626		10	859,324,190.

4797

Sales of Business Property

(Also Involuntary Conversions and Recapture Amounts Under Sections 179 and 280F(b)(2))

OMB No. 1545-0184

1994

Form
 Department of the Treasury
 Internal Revenue Service (99)
 Name(s) shown on return

▶ Attach to your tax return. ▶ See separate instructions.

Attachment Sequence No. 27

Identifying number

PECO ENERGY COMPANY

23-0970240

1 Enter here the gross proceeds from the sale or exchange of real estate reported to you for 1994 on Form(s) 1099-S (or a substitute statement) that you will be including on line 2, 11, or 22 1

Part I Sales or Exchanges of Property Used in a Trade or Business and Involuntary Conversions From Other Than Casualty or Theft - Property Held More Than 1 Year

(a) Description of property	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Gross sales price	(e) Depreciation allowed or allowable since acquisition	(f) Cost or other basis, plus improvements and expense of sale	(g) LOSS ((f) minus the sum of (d) and (e))	(h) GAIN ((d) plus (e) minus (f))
2 Stmt 16						21,227,689.	3,970,152.

3 Gain, if any, from Form 4684, line 39	3	
4 Section 1231 gain from installment sales from Form 6252, line 26 or 37	4	
5 Section 1231 gain or (loss) from like-kind exchanges from Form 8824	5	
6 Gain, if any, from line 34, from other than casualty or theft	6	397,934.
7 Add lines 2 through 6 in columns (g) and (h)	7	21,227,689.) 4,368,086.
8 Combine columns (g) and (h) of line 7. Enter gain or (loss) here, and on the appropriate line as follows:	8	-16,859,603.
Partnerships- Enter the gain or (loss) on Form 1065, Schedule K, line 6. Skip lines 9, 10, 12, and 13 below. S corporations- Report the gain or (loss) following the instructions for Form 1120S, Schedule K, lines 5 and 6. Skip lines 9, 10, 12, and 13 below, unless line 8 is a gain and the S corporation is subject to the capital gains tax. All others- If line 8 is zero or a loss, enter the amount on line 12 below and skip lines 9 and 10. If line 8 is a gain and you did not have any prior year section 1231 losses, or they were recaptured in an earlier year, enter the gain as a long-term capital gain on Schedule D and skip lines 9, 10, and 13 below.		
9 Nonrecaptured net section 1231 losses from prior years (see instructions)	9	
10 Subtract line 9 from line 8. If zero or less, enter -0-. Also enter on the appropriate line as follows (see instructions):	10	
S corporations- Enter this amount (if more than zero) on Schedule D (Form 1120S), line 13, and skip lines 12 and 13 below. All others- If line 10 is zero, enter the amount from line 8 on line 13 below. If line 10 is more than zero, enter the amount from line 9 on line 13 below, and enter the amount from line 10 as a long-term capital gain on Schedule D.		

Part II Ordinary Gains and Losses

11 Ordinary gains and losses not included on lines 12 through 18 (include property held 1 year or less):

11 Stmt 17		3,669.

12 Loss, if any, from line 8	12	16,859,603.
13 Gain, if any, from line 8, or amount from line 9 if applicable	13	
14 Gain, if any, from line 33	14	397,470.
15 Net gain or (loss) from Form 4684, lines 31 and 38a	15	
16 Ordinary gain from installment sales from Form 6252, line 25 or 36	16	
17 Ordinary gain or (loss) from like-kind exchanges from Form 8824	17	
18 Recapture of section 179 expense deduction for partners and S corporation shareholders from property dispositions by partnerships and S corporations (see instructions)	18	
19 Add lines 11 through 18 in columns (g) and (h)	19	16,863,272.) 397,470.
20 Combine columns (g) and (h) of line 19. Enter gain or (loss) here, and on the appropriate line as follows:	20	-16,465,802.
a For all except individual returns: Enter the gain or (loss) from line 20 on the return being filed. b For individual returns:		
(1) If the loss on line 12 includes a loss from Form 4684, line 35, column (b)(ii), enter that part of the loss here and on line 22 of Schedule A (Form 1040). Identify as from "Form 4797, line 20b(1)." See instructions 20b(1)		
(2) Redetermine the gain or (loss) on line 20, excluding the loss, if any, on line 20b(1). Enter here and on Form 1040, line 14 20b(2)		

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Form 4797 (1994)

Page 2

Part III Gain From Disposition of Property Under Sections 1245, 1250, 1252, 1254, and 1255

21 (a) Description of section 1245, 1250, 1252, 1254, or 1255 property:		(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)		
A VARIOUS					
B					
C					
D					
Relate lines 21A through 21D to these columns		Property A	Property B	Property C	Property D
22	Gross sales price (Note: See line 1 before completing.)	22 248,468.			
23	Cost or other basis plus expense of sale . . .	23 -149,466.			
24	Depreciation (or depletion) allowed or allowable .	24 397,470.			
25	Adjusted basis. Subtract line 24 from line 23 .	25 -546,936.			
26	Total gain. Subtract line 25 from line 22 . . .	26 795,404.			
27 If section 1245 property:					
	a Depreciation allowed or allowable from line 24 .	27a 397,470.			
	b Enter the smaller of line 26 or 27a	27b 397,470.			
28 If section 1250 property: If straight line depreciation was used, enter -0- on line 28g, except for a corporation subject to section 291.					
	a Additional depreciation after 1975 (see instructions)	28a			
	b Applicable percentage multiplied by the smaller of line 26 or line 28a (see instructions)	28b			
	c Subtract line 28a from line 26. If residential rental property or line 26 is not more than line 28a, skip lines 28d and 28e	28c			
	d Additional depreciation after 1969 and before 1976	28d			
	e Enter the smaller of line 28c or 28d	28e			
	f Section 291 amount (corporations only)	28f			
	g Add lines 28b, 28e, and 28f	28g			
29 If section 1252 property: Skip this section if you did not dispose of farmland or if this form is being completed for a partnership.					
	a Soil, water, and land clearing expenses	29a			
	b Line 29a multiplied by applicable percentage (see instructions)	29b			
	c Enter the smaller of line 26 or 29b	29c			
30 If section 1254 property:					
	a Intangible drilling and development costs, expenditures for development of mines and other natural deposits, and mining exploration costs (see instructions)	30a			
	b Enter the smaller of line 26 or 30a	30b			
31 If section 1255 property:					
	a Applicable percentage of payments excluded from income under section 126 (see instructions) . . .	31a			
	b Enter the smaller of line 26 or 31a	31b			

Summary of Part III Gains. Complete property columns A through D, through line 31b before going to line 32.

32	Total gains for all properties. Add columns A through D, line 26	32	795,404.
33	Add columns A through D, lines 27b, 28g, 29c, 30b, and 31b. Enter here and on line 14	33	397,470.
34	Subtract line 33 from line 32. Enter the portion from casualty or theft on Form 4684, line 33. Enter the portion from other than casualty or theft on Form 4797, line 6	34	397,934.

Part IV Recapture Amounts Under Sections 179 and 280F(b)(2) When Business Use Drops to 50% or Less
 See instructions.

	(a) Section 179	(b) Section 280F(b)(2)
35 Section 179 expense deduction or depreciation allowable in prior years	35	
36 Recomputed depreciation. See instructions	36	
37 Recapture amount. Subtract line 36 from line 35. See the instructions for where to report	37	

Form **5884**

Jobs Credit

OMB No. 1545-0219

Department of the Treasury
 Internal Revenue Service

▶ Attach to your return.

1994

Attachment
 Sequence No. **77**

Name(s) shown on return

Identifying number

PECO ENERGY COMPANY

23-0970240

Part I Current Year Jobs Credit

1	Enter the total qualified wages paid or incurred during the tax year for services of employees who are certified as members of a targeted group and who begin work for you before January 1, 1995	1	74,858.
2	Current year credit. Multiply line 1 by 40% (.40). You must subtract this amount from the deduction on your return for salaries and wages. (Members of a controlled group, see instructions.)	2	29,943.
3	Jobs credits from flow-through entities If you are a - Then enter total of current year jobs credit(s) from - a Shareholder Schedule K-1 (Form 1120S), lines 12d, 12e, or 13 b Partner Schedule K-1 (Form 1065), lines 13d, 13e, or 14 c Beneficiary Schedule K-1 (Form 1041), line 13 d Patron Written statement from cooperative	3	
4	Total current year jobs credit. Add lines 2 and 3. (S corporations, partnerships, estates, trusts, and cooperatives, see instructions.)	4	29,943.

Part II Tax Liability Limitation (See Who Must File Form 3800 to see if you complete Part II or file Form 3800.)

5a	Individuals. Enter amount from Form 1040, line 40	}	5
b	Corporations. Enter amount from Form 1120, Schedule J, line 3 (or Form 1120-A, Part I, line 1)		
c	Other filers. Enter regular tax before credits from your return		
6	Credits that reduce regular tax before the general business credit:		
a	Credit for child and dependent care expenses (Form 2441, line 10)	6a	
b	Credit for the elderly or the disabled (Schedule R (Form 1040), line 21)	6b	
c	Mortgage interest credit (Form 8396, line 11)	6c	
d	Foreign tax credit (Form 1116, line 32, or Form 1118, Sch. B, line 12)	6d	
e	Possessions tax credit (Form 5735)	6e	
f	Orphan drug credit (Form 6765, line 10)	6f	
g	Credit for fuel from a nonconventional source	6g	
h	Qualified electric vehicle credit (Form 8834, line 19)	6h	
i	Add lines 6a through 6h	6i	
7	Net regular tax. Subtract line 6i from line 5	7	
8	Tentative minimum tax (see instructions):		
a	Individuals. Enter amount from Form 6251, line 26	}	8
b	Corporations. Enter amount from Form 4626, line 13		
c	Estates and trusts. Enter amount from Form 1041, Schedule H, line 37		
9	Net income tax:		
a	Individuals. Add line 7 above and line 28 of Form 6251	}	9
b	Corporations. Add line 7 above and line 15 of Form 4626		
c	Estates and trusts. Add line 7 above and line 39 of Form 1041, Schedule H		
10	If line 7 is more than \$25,000, enter 25% (.25) of the excess (see instructions)	10	
11	Subtract line 8 or line 10, whichever is greater, from line 9. If less than zero, enter -0-	11	
12	Jobs credit allowed for the current year. Enter the smaller of line 4 or line 11. This is your General Business Credit for 1994. Enter here and on Form 1040, line 44; Form 1120, Schedule J, line 4e; Form 1120-A, Part I, line 2a; or the appropriate line of other income tax returns	12	

Form **5884** (1994)

Form **8827** Credit For Prior Year Minimum Tax-Corporations

OMB No. 1545-1257

1994

Department of the Treasury
 Internal Revenue Service

▶ Attach to the corporation's tax return.

Name	Employer identification number
PECO ENERGY COMPANY	23-0970240
1 Alternative minimum tax for 1993. Enter the amount from line 16 of the 1993 Form 4626	1
2 Minimum tax credit carryforward from 1993. Enter the amount from line 9 of the 1993 Form 8827	2
3 Enter any 1993 unallowed credit for fuel produced from a nonconventional source and any 1993 unallowed orphan drug credit. See instructions	3
4 Add lines 1, 2, and 3	4
5 Enter the corporation's 1994 regular income tax liability minus allowable tax credits. See instructions	5
6 Enter the tentative minimum tax from line 13 of the 1994 Form 4626	6
7 Subtract line 6 from line 5. If zero or less, enter -0-	7
8 Minimum tax credit. Enter the smaller of line 4 or line 7. Also enter this amount on the appropriate line of the corporation's income tax return (e.g., Form 1120, Schedule J, line 4f). If the corporation had a post-1986 ownership change or has preacquisition excess credits, see instructions	8
9 Minimum tax credit carryforward to 1995. Subtract line 8 from line 4. See instructions	9

178,003,160.

178,003,160.

NONE

156,653,064.

178,003,160.

Form 8827 (1994)

Underpayment of Estimated Tax by Corporations

Department of the Treasury
Internal Revenue Service

See separate instructions.

Attach to the corporation's tax return.

1994

Name PECO ENERGY COMPANY	Employer identification number 23-0970240
------------------------------------	-----------------------------------------------------

Note: In most cases, the IRS will figure the penalty and the corporation will not have to complete this form. See Who Must File in the instructions for more information.

Part I - Figuring The Underpayment

1 Total tax (see instructions)	1	NONE			
2a Personal holding company tax included on line 1 (Schedule PH (Form 1120), line 26)	2a				
b Interest due under the look-back method of section 460(b)(2) for completed long-term contracts included on line 1	2b				
c Credit for Federal tax paid on fuels (see instructions)	2c	11,523.			
d Total. Add lines 2a through 2c	2d	11,523.			
3 Subtract line 2d from line 1. If the result is less than \$500, do not complete or file this form. The corporation does not owe the penalty	3				
4 Enter the tax shown on the corporation's 1993 income tax return. (CAUTION: See instructions before completing this line.)	4				
5 Enter the smaller of line 3 or line 4. If the corporation is required to skip line 4, enter the amount from line 3 on line 5	5				
6 Installment due dates. Enter in columns (a) through (d) the 15th day of the 4th, 6th, 9th, and 12th months of the corporation's tax year	6	(a)	(b)	(c)	(d)
7 Required installments. Enter 25% of line 5 in columns (a) through (d) unless a or b below applies to the corporation. a Annualized income installment method and/or the adjusted seasonal installment method: Check this box <input type="checkbox"/> and attach Form 2220 if the corporation uses one or both of these methods. After completing Schedule A of this form, enter on line 7 the amount from line 41, Part III of Schedule A. b "Large corporations:" Check this box <input type="checkbox"/> and see the instructions for the amount to enter in each column of line 7	7				
8 Estimated tax paid or credited for each period (see instructions). For column (a) only, enter the amount from line 8 on line 12	8	34470613.	57744967.	33403000.	24426160.
Complete lines 9 through 15 of one column before going to the next column.					
9 Enter amount, if any, from line 15 of the preceding column	9				
10 Add lines 8 and 9	10		57744967.	33403000.	24426160.
11 Add amounts on lines 13 and 14 of the preceding column	11				
12 Subtract line 11 from line 10. If zero or less, enter -0-. For column (a) only, enter the amount from line 8	12	34470613.			24426160.
13 If the amount on line 12 is zero, subtract line 10 from line 11. Otherwise, enter -0-	13				
14 Underpayment. If line 12 is less than or equal to line 7, subtract line 12 from line 7. Then go to line 9 of the next column. Otherwise, go to line 15 (see instructions)	14				
15 Overpayment. If line 7 is less than line 12, subtract line 7 from line 12. Then go to line 9 of the next column	15				24426160.

Complete Part II on page 2 to figure the penalty. If there are no entries on line 14, no penalty is owed.

For Paperwork Reduction Act Notice, see page 1 of instructions.

Form 2220 (1994)

Part II Figuring the Penalty

	(a)	(b)	(c)	(d)
16 Enter the date of payment or the 15th day of the 3rd month after the close of the tax year, whichever is earlier (see instructions). (Form 990-PF and Form 990-T filers: Use 5th month instead of 3rd month.)	16			
17 Number of days from due date of installment on line 6 to the date shown on line 16	17			
18 Number of days on line 17 after 4/15/94 and before 7/1/94	18			
19 Number of days on line 17 after 6/30/94 and before 10/1/94	19			
20 Number of days on line 17 after 9/30/94 and before 4/1/95	20			
21 Number of days on line 17 after 3/31/95 and before 7/1/95	21			
22 Number of days on line 17 after 6/30/95 and before 10/1/95	22			
23 Number of days on line 17 after 9/30/95 and before 1/1/96	23			
24 Number of days on line 17 after 12/31/95 and before 2/16/96	24			
25 Underpayment on line 14 x $\frac{\text{Number of days on line 18} \times 7\%}{365}$	25			
26 Underpayment on line 14 x $\frac{\text{Number of days on line 19} \times 8\%}{365}$	26			
27 Underpayment on line 14 x $\frac{\text{Number of days on line 20} \times 9\%}{365}$	27			
28 Underpayment on line 14 x $\frac{\text{Number of days on line 21} \times *}{365}$	28			
29 Underpayment on line 14 x $\frac{\text{Number of days on line 22} \times *}{365}$	29			
30 Underpayment on line 14 x $\frac{\text{Number of days on line 23} \times *}{365}$	30			
31 Underpayment on line 14 x $\frac{\text{Number of days on line 24} \times *}{366}$	31			
32 Add lines 25 through 31	32			
33 PENALTY. Add columns (a) through (d), line 32. Enter here and on line 33, Form 1120; line 29, Form 1120-A; or comparable line for other income tax returns	33			

*If the corporation's tax year ends after December 31, 1994, see the instructions for lines 28 through 31.

Form 1120, Page 1 Detail

Line 10 - Other Income

MISCELLANEOUS.	1,121.
ACCRETION INCOME	
MANAGEMENT CONTINGENCY	
PARTNERSHIP INCOME	83,158.
COMPENSATION FROM LIPA -NUCLEAR FUEL	22,621,607.
CONTRIBUTIONS IN AID OF CONSTRUCTION	1,648,055.

Total	24,353,941.

Form 1120, Page 1 Detail

Line 17 - Taxes and licenses

PA CAPITAL STOCK (SEE BELOW - FRANCHISE TAXES)	
PA GROSS RECEIPTS	157,103,162.
PA UNEMPLOYMENT COMPENSATION	3,976,690.
LOCAL REAL ESTATE -PA\MD	4,766,934.
LOCAL FRANCHISE	235,865.
STATE EXCISE TAX ON INSURANCE PREM'S	364,224.
PHILA BUSINESS PRIVILAGE	12,000.
MD PERSONAL PROPERTY	
PURTA (PA REAL ESTATE TAXES)	63,136,216.
PHILA REALTY OCCUPANCY	1,300,600.
NJ PERSONAL PROPERTY	120,000.
UNEMPLOY COMP - MD	10,774.
LOCAL REAL ESTATE - N.J.	2,682,480.
LOCAL REAL ESTATE - OTHER	
PA SALES & USE TAX ASSESSMENTS	-522,757.
GENERAL SERVICE FEES	
FEDERAL UNEMPLOY COMP	416,447.
FICA	26,569,267.
TELEPHONE & TELEGRAPH	
FED EXCISE TAX ON INS PREM	33,600.
PA INCOME TAXES	-153,975.
NJ INCOME TAXES	
MD INCOME TAXES	
DEFERRED INCOME TAXES	
INVESTMENT TAX CREDIT	
Accrued State Taxes for Maryland	535,583.
Accrued State Taxes for New Jersey	3,147,996.
Accrued State Taxes for Pennsylvania	65,649,166.
Accrued Franchise Taxes for Pennsylvania	35,194,738.
Environmental tax	1,284,000.

Total	365,863,010.

Form 1120, Page 1 Detail

Current year contributions

CURRENT-YEAR CONTRIBUTIONS

3,590,008.

Total

3,590,008.

Line 26 - Other deductions

SALEM 1 PENALTY
SALEM 2 PENALTY
ACT 222 VIO - ENERGY EFFIC ASSESSMT
LEGISLATIVE ANALYST EXPENSES
PAC EXPENDITURES
LIMERICK LIGHT PUBLICATION EXPS
ENERGY ADVISORY COUNCIL
OTHER DEDUCTIONS
EMPLOYEE PRACTICE SETTLEMENTS
AMORT OF FUEL SAVINGS & O&M LIMERICK
SHAREHOLDER & EMPLOYEE MAILINGS
CORPORATE IDENTITY EXPENSE
PEACH BOTTOM PENALTIES
ENTERTAINMENT
OTHER DEDUCTIONS
MISCELLANEOUS PENALTIES
DAVEY TREE SETTLEMENT
STATE RADWASTE FACILITY EXPENDITURE
POWER RERATE EXPENDITURES
EASEMENTS, CLEARING & GRADING
COST OF REMOVAL
AUDIT ADJUSTMENTS - ROLLOVER ITEMS
REPAIR ALLOWANCE
CONSULTATION SERVICES
CORPORATE DUES/LOBBYING EXPENSE
SOFTWARE DEVELOPMENT COSTS
OTHER DEDUCTIONS

30,100.

1.

15,936,174.

737,328.

5,665,839.

-397,732.

9,514,520.

-18,566.

15,211,972.

493,981.

Total

47,173,617.

Form 1120, Page 2 detail

Sch A, Line 5 - Other costs

EXPENSE - MERCH & JOBBING	7,891,496.
NON-OPERATING RENTAL	-68,348.
SUPERVISION & ENGINEERING	16,499,842.
FUEL	216,109,545.
STEAM EXPENSE	29,408,135.
ELECTRIC EXPENSE	3,920,461.
MISC STEAM POWER EXPENSE	17,113,589.
SUPERVISION & ENGINEERING	88,960,273.
FUEL - OTHER CHARGES	37,451,905.
HELIUM & OTHER COOLANTS	8,893,235.
STEAM EXPENSE	34,336,506.
ELECTRIC EXPENSE	728,020.
MISC NUCLEAR POWER EXPENSE	112,759,142.
SUPERVISION & ENGINEERING	141,056.
WATER	729,087.
HYDRAULIC EXPENSE	2,309,615.
ELECTRIC EXPENSE	
MISC HYDRAULIC EXPENSE	69,726.
SUPERVISION & ENGINEERING	915,137.
FUEL	6,002,047.
GENERATION EXPENSE	580,466.
MISC OTHER POWER GEN EXPENSE	1,225,977.
PURCH POWER EXPENSE	169,556,684.
SYSTEM CONTROL & LOAD DISPATCH	9,412,714.
OTHER EXPENSE	1,885,226.
SUPERVISION & ENGINEERING	1,450,695.
LOAD DISPATCH	2,766,069.
STATION EXPENSE	-3,070,121.
OVERHEAD LINE EXPENSE	507,548.
UNDERGROUND LINE EXPENSE	144,553.
MISC TRANSMISSION SYSTEM EXPENSE	2,683,517.
SUPERVISION & ENGINEERING	11,222,661.
LOAD DISPATCHING	2,894,646.
STATION EXPENSE	5,047,537.
OVERHEAD LINE EXPENSE	9,458,622.
UNDERGROUND LINE EXPENSE	5,819,072.
STREET LIGHT & TRAFFIC SIGNAL EXP	206,261.
METER EXPENSE	688,415.
INSTALLATION EXPENSE	1,841,637.
DISTRIBUTION EXPENSE	12,227,481.
SUPERVISION EXPENSE	246,884.
METER READING EXPENSE	10,646,359.
CUSTOMER RECONCILE & COLLECT	38,590,195.
MISCELLANEOUS	10,561,521.
SUPERVISION - COMMERCIAL OPERATIONS	46,393.
CUSTOMER ASSISTANCE EXPENSE	5,863,204.
INFO & INST ADV EXP - COMMERCIAL	1,800,546.
MISC CUST SERV & INFO - COMMERCIAL	5,577,093.

Continued on next page

Form 1120, Page 2 detail

Sch A, Line 5 - Other costs (Cont'd)

SUPERVISION	113,376.
DEMONSTRATING & SELLING	5,356,395.
SALES EXPENSE	9,650.
SALARIES	130,761,491.
OFFICE SUPPLIES	67,468,030.
OUTSIDE SERVICES	16,939,429.
PROPERTY INSURANCE	12,376,371.
INJURIES AND DAMAGES	19,457,654.
REGULATOR COMMISSION EXPENSE	5,285,760.
DUPLICATE	-4,042,865.
GENERAL	10,510,616.
OPERATIONAL SUPERV & ENGINEER	131,960.
GAS PURCHASES	200,508,832.
SNG PURCHASES	
PURCHASED GAS	3,599,397.
WITHDRAWN LNG	3,143,591.
PURCHASED GAS	-1,180,219.
GAS SUPPLY EXPENSE	834,991.
SUPERVISION & ENGINEERING	335,816.
LABOR & EXPENSES	716,764.
PURCHASED GAS	1,275,399.
SUPERVISION & ENGINEERING	1,238,712.
DISTRIBUTION LOAD DISPATCH	
COMPRESSOR STATION LABOR	
COMPRESSOR STATION FUEL	
MAINS & SERVICE EXPENSE	2,767,663.
M&R STATION GENERAL EXPENSE	66,243.
M&R STATION IND EXPENSE	808,469.
METER & HOUSE REGUALTOR EXPENSE	1,987,620.
CUSTOMER INSTALLATION EXPENSE	2,992,606.
OTHER EXPENSE	5,004,209.
SUPERVISION	23,460.
METER READING EXPENSE	2,505,715.
CUST RECEIPTS & COLLECT EXPENSE	6,566,759.
MISC CUSTOMER ACCOUTNS EXPENSE	1,292,017.
SUPERVISION - COMMERCIAL OPERATIONS	7,851.
CUST ASSIATANCE EXPENSE	678,311.
INFO & INST ADV EXP - COMMERCIAL	486,501.
SUPERVISION	112,829.
MISC SALES EXPENSE	43,486.
SALARIES	9,335,329.
OFFICE SUPPLIES & EXPENSE	5,353,233.
OUTSIDE SERVICES	927,759.
PROPERTY INSURANCE	167,963.
INJURIES AND DAMAGES	1,275,822.
REGULATORY COMMISSION EXPENSE	1,003,649.
DUPLICATE	50,680.
MISCELLANEOUS GENERAL EXPENSE	777,832.

Continued on next page

Form 1120, Page 2 detail

Sch A, Line 5 - Other costs (Cont'd)

DECOMMISSIONING EXPENSE	16,896,823.
OTHER ELECTRIC POWER EXPENSE	85,215.
LIQUIFIED PETROLEUM GAS EXPENSE	243,108.
LIQUIFIED PETROLEUM GAS PURCHASE	724,415.
FUEL	7,394.
OTHER COSTS	58,266.
MEAS REGULATE EXPENSE	1,561,080.
MISCELLANEOUS NUCLEAR POWER EXPENSE	
MISCELLANEOUS TRANSMISSION EXPENSE	
CUST SERV & INFO EXPENSE	476,999.
DEMONSTRATING & SELLING EXPENSE	1,357,289.
ADVERTISING EXPENSE	60,569.
RENTS	3,518.
Total other COGS / COOP	<u>1,434,604,156.</u>

Sch C, Line 1 - Dividends subject to 70% deduction

DOMESTIC CORP., 20% OWNED, 70% DED.	<u>579,573.</u>
Total	<u>579,573.</u>

Form 1120, Page 4 detail

	Beginning -----	Ending -----
Sch L, line 6 - Other current assets		

PREPAID TAXES & INSURANCE	17,839,591.	20,909,100.
DEF FUEL, ACCR & BANKED SICK & VACA	-13,126,961.	-15,221,068.
ACCRUED UTILITY REVENUE	112,050,000.	98,830,000.
	-----	-----
Total	116,762,630.	104,518,032.
	=====	=====
Sch L, line 9 - Other investments		

INVESTMENTS IN ASSOCIATED CO'S	178,934,222.	216,091,348.
MORTGAGES, LAND OPTIONS, OTHER	76,377.	76,377.
	-----	-----
Total	179,010,599.	216,167,725.
	=====	=====
Sch L, line 14 - Other assets		

UNAMORTIZED DEBT EXPENSES	17,664,689.	21,891,887.
UNRECOVERED PLANT & PROPERTY LOSSES	106,123,547.	45,874,177.
PRELIMINARY SURVEY & INVESTIGATION	38,048,535.	38,757,401.
CLEARING ACCOUNTS		5,646,383.
DEF DEBITS-BILLINGS, D.O COST	532,665,526.	467,725,714.
RESEARCH & DEVELOPMENT EXPENDITURES	19,659.	
UNAMORT PREMIUMS ON REACQUIRED DEBT	343,003,650.	320,878,593.
DEFERRED INCOME TAXES	466,673,797.	550,140,987.
	-----	-----
Total	1,504,199,403.	1,450,915,142.
	=====	=====
Sch L, line 18 - Other current liabilities		

ACCRUED TAXES	23,283,789.	80,645,633.
ACCRUED INTEREST	97,383,107.	93,007,895.
DIVIDENDS DECLARED	18,344,552.	15,096,312.
TAX COLLECTIONS PAYABLE	9,305,254.	12,194,286.
ADVANCES & OTHER ACCRUED LIABILITIES	85,111,500.	41,853,077.
UTILITY PROPERTY UNDER LEASE - CURR	60,498,725.	60,475,828.
	-----	-----
Total	293,926,927.	303,273,031.
	=====	=====

Form 1120, Page 4 detail

Sch L, line 21 - Other liabilities	Beginning	Ending
-----	-----	-----
UNAMORTIZED PREMIUMS ON L.T. DEBT	14,597.	11,188.
UNAMORTIZED DISCOUNT ON L.T. DEBT	-41,125,600.	-38,225,113.
UTILITY PROPERTY UNDER LEASE - L.T.	134,203,581.	114,089,199.
CUSTOMER DEPOSITS	13,119,633.	13,542,509.
CUSTOMER ADVANCES	2,477,587.	2,591,871.
DEFERRED CREDITS	186,242,958.	170,338,297.
ACCUMULATED DEFERRED ITC	384,001,074.	372,067,015.
UNAMORTIZED GAIN ON REAQUIRED DEBT	5,511,933.	4,337,659.
ACCUM DEF TAXES - ACCEL AMORT PROP	602,268.	369,228.
ACC NET DEF'S & REG. LIAB -OTH PROP	1,300,819,433.	1,433,348,270.
ACC NET DEF'S & REG LIA -OT TH PROP	192,378,492.	161,582,731.
POST RETIREMENT BENEFITS	115,530,608.	85,442,000.
EMISSION ALLOWANCE	72,638.	-5,117.
	-----	-----
Total	2,293,849,202.	2,319,489,737.
	=====	=====

Form 1120, Page 4 Detail

Sch M-1, line 4 - Taxable income not recorded on books this year

DIV'S FROM SUB CO'S SUBJ TO 100%EXCL	9,348,365.
SALEM LEASING INTEREST INCOME	5,716,269.
UNBILLED REVENUE -TAX	-14,490,000.
CONTRIBUTIONS IN AID OF CONSTRUCTION	1,219,284.
PTNR. PORTFOLIO INT INC	7,403.
COMPENSATION FROM LIPA -NUCLEAR FUEL	-3,880,636.
DIVID. -70% DEDUCTION	579,573.
LEASING RENTAL INCOME -ADWIN	
GAIN ON REAQUIRED DEBT	
DECOMM ESCROW CORP BOND INTEREST	373,964.
Total	-1,125,778.

Sch M-1, line 5 - Expenses on books not deducted in return

AMORT. OF PREM'S PAID-REAQUIRED DEBT	26,923,238.
50% NON-DEDUCTIBLE BUSINESS MEALS	1,177,797.
DEF COMPENSATION(ACCR NET OF PYMTS)	185,377.
AMORT OF LIM 1&COM DECLAR ORDER COST	22,647,156.
DIVID.EQUIVALENCE(ACCR NET OF PYMTS)	1,254,750.
ENVIRONMENTAL CLEAN-UP COSTS	3,251,421.
D.O.E.-DECON/DECOMM EXPENDITURES	-542,727.
DECOMMISSIONING EXPENSES	3,358,661.
OBSELETE INVENTORY WRITEDOWN	8,513,000.
AVOIDED INTEREST	24,439,690.
SPARE PARTS ADJ	3,634,456.
AUDIT ADJUSTMENTS - ROLLOVER ITEMS	397,732.
CPOPORATE LOANS	
CIVIL PENALTIES & OTHER VIOLATIONS	345,965.
DEFERRED TAXES	-25,703,254.
ITC ADJUSTMENT	28,133,810.
STATE INCOME TAXES	77,697,298.
UNIFORM CAP OF INVENTORY - END OF YR	2,039,313.
POLITICAL ACTION COMMITTEE EXP	84,485.
DEPREC ADJ FOR LEASED VEHICLES	658.
JOBS CREDIT	29,943.
OTHER BOOK EXPENSES NOT ON RETURN	
GOODWILL	
TAX PENALTY	
GROSS REC TAX ON DEFERRED REVENUE	
POLITICAL CONTRIBUTIONS	
VACATION PAY	
VALUATION LOSS	
DEPLETION	
FAS 106	66,500,000.
LOBBYING EXPENSES	1,025,852.
NUCLEAR OUTAGE ACCRUAL - BK	51,152,000.

Continued on next page

Form 1120, Page 4 Detail

Sch M-1, line 5 - Expenses on books not deducted in return (Cont'd)

UNCOLLECTIBLES - BK/TX	8,395,789.
DUES	258,335.
AMORT OF HYDROGEN WTR CHEM SYS	395,334.
INTEREST INC/EXP ADJ	-761,260.

Total	<u>304,834,819.</u>

Sch M-1, line 7 - Income on books not included in this return

Gain or loss on disposition of assets	20,880,304.
ACCRETION INCOME NET	1,544,161.
EQUITY IN EARNINGS OF SUBSIDIARIES	-1,102,596.
PARTNERSHIP INCOME	1,998.
AMORT. OF GAIN ON REAQUIRED BONDS	1,174,274.
BOOKED UNBILLED REVENUE	-13,220,000.
PURCHASING PRACTICE COSTS	
AFUDC	21,828,340.
AMORT OF ANTI-TRUST SETTLEMENT	16,991.
PA USE TAX ADJUSTMENT	
PREPAID RENTAL INCOME	69,977.
DEFERRED REVENUE	
NEIGHBORHOOD ASSISTANCE ACT CREDIT	51,546.
DEF RR MAINT - RENT EXP	-475.

Total	<u>31,244,520.</u>

Sch M-1, line 8 - Deductions in return not charged against book

State taxes	104,527,483.
Capital loss carryover	127,563.
LONG TERM INCENTIVE PLAN	388,036.
UNCOLLECTIBLE ACCOUNT RESERVE	
GROSS RECEIPTS TAX -PA/MD	-1,906,259.
PREMIUMS PAID TO REACQUIRE DEBT	4,987,720.
TRUSTEE FEES -ESCROW FUNDS	172,479.
UNIFORM CAPITAL OF INVENTORY	3,649,913.
ADDITIONAL DEPRIATION -FUEL	-3,662,004.
ADD'L DEPREC PLNT&SOFTWARE EXCL.FUEL	245,492,991.
EASEMENTS, CLEARING & GRADING	737,328.
SALEM LEASING RENTAL EXPENSE	15,469,318.
COST OF REMOVAL	5,665,839.
REPAIR ALLOWANCE	9,514,520.
DEFERRED FUEL	35,368,995.
STATE RADWASTE FACILITY EXPENDITURE	
PURTA	-3,150,363.
REAL ESTATE TAXES CAPITALIZED	68,411.

Continued on next page

Form 1120, Page 4 Detail

Sch M-1, line 8 - Deductions in return not charged against book (Cont'd)

NUCLEAR DESIGN BASIS DOCUMENTATION	1,713,127.
CAPITALIZED INTEREST	82,984.
POWER RERATE EXPENDITURES	15,936,174.
PENNA CAPITAL STOCK TAX ADJ	-39,000,000.
NUCLEAR OUTAGE COST ACCRUAL	52,311,605.
PENSION COSTS	-112,767,559.
CONTRIBUTIONS	
PARTNERSHIP LOSS	
PTNR DEDUCTIONS RELATED TO PORTFOLIO	
SOFTWARE DEVELOPMENT COSTS	8,291,940.
PARTNRSHP - INT EXP ON INVEST	
INTANGIBLE DRILLING COSTS	
STATE FRANCHISE TAX	
VRIP / VSIP COSTS	-14,112,596.
CLEARING ACCOUNT EXPENSE	5,565,350.
CONVERSION COSTS	478,290.
AUTOMATIC STATE TAX ADJUSTMENT	
Total	<u>335,951,285.</u>

Sch M-2, line 6 - Other decreases

EXPENSES OF CAPITAL STOCK ACTIVITY	11,662,108.
LTIP OPTIONS EXERCISED	388,039.
Total	<u>12,050,147.</u>

Schedule D Detail

Line 4 - Unused Carryovers

Taxable Year	Carryover	Remaining
1994		
1993	2,274,628.	2,147,065.
1992		
1991		
1990		
1989		
1988		
1987		
1986		
Total	2,274,628.	2,147,065.

Line 6 - Long-term Capital Gain(Loss)

Property	Date Acq	Date Sld	Sales Price	Cost	Gain(loss)
VARIOUS			451,054.	323,491.	127,563.
Total					127,563.

Form 3800 Detail

Line 5 - General Business Credit Carryforwards

Year Ending	Amount Generated	Amount Utilized	Carryover
1979			
1980			
1981			
1982			
1983			
1984			
1985			
1986			
1987			
1988			
1989			
1990			
1991			
1992			
1993			
1994	29,943.		29,943.
Total	<u>29,943.</u>	<u></u>	<u>29,943.</u>

Expired carryover:

Total carried forward to 1995: 29,943.

Line 6 - General Business Credit Carrybacks

Carrybacks:
 1995 1996 1997

Carrybacks not utilized: 1996 1997

Form 3800 Detail

Line 5 - Jobs Credit Carryforwards

Year Ending	Amount Generated	Amount Utilized	Carryover
12/31/79			
12/31/80			
12/31/81			
12/31/82			
12/31/83			
12/31/84			
12/31/85			
12/31/86			
12/31/87			
12/31/88			
12/31/89			
12/31/90			
12/31/91			
12/31/92			
12/31/93			
12/31/94	29,943.		29,943.
	<hr/>	<hr/>	<hr/>
Total	29,943.		29,943.

Expired carryover:

Total carried forward to 1995: 29,943.

Line 6 - Jobs Credit Carrybacks

Carrybacks:		
1995	1996	1997
Carrybacks not utilized:	1996	1997

Form 4797, Page 1 Detail Part I

(A) Description of Property	(B) Date Acquired	(C) Date Sold	(D) Gross Sales Price	(E) Deprec. Allowed	(F) Cost or Other Basis Plus Improv and Sale Expense	(G) Loss	(H) Gain
VARIOUS VARIOUS			1,053,672. 6,283,154.	15953005. 32,776.	38234366. 2,345,778.	21227689.	3,970,152.
Part I 4797 Gain or Loss						<u>21227689.</u>	<u>3,970,152.</u>

Form 4797, Page 1 Detail Part II

(A) Description of Property	(B) Date Acquired	(C) Date Sold	(D) Gross Sales Price	(E) Deprec. Allowed	(F) Cost or Other Basis Plus Improv and Sale Expense	(G) Loss	(H) Gain
VARIOUS			372.		4,041.	3,669.	
Part II Ordinary Gains and Losses						<u>3,669.</u>	

Form LJET282 XZ001 not found. Document: CPECOAA.PRN
Form LJET282 XZ001 not found. Document: CPECOAA.PRN

PECO Energy Company
Response to Filing Requirements

Schedule D-10

Respondent: Frank F. Frankowski

Q: Provide copies of the most recently filed Pennsylvania Gross Receipts Tax and Pennsylvania Public Utility Realty Tax reports with copies of the official settlements.

Response:

Attachment D-10 is the 1994 Gross Receipts Tax returns for electric and gas along with copies of official settlements, and the 1995 Gross Receipts Tax returns for electric and gas. Attached also is a copy of the 1995 Public Utility Realty Tax (PURTA) Report.



COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF REVENUE

IMPORTANT

THIS REPORT IS DUE ON OR BEFORE MARCH 15, FOR THE 12 MONTHS ENDED DECEMBER 31 IMMEDIATELY PRECEDING. A PENALTY FOR LATE FILING WILL BE IMPOSED IN THE AMOUNT OF 10% ON THE FIRST \$1000 OF TAX, 5% ON THE NEXT \$4000 AND 1% ON EVERYTHING IN EXCESS OF \$5000.

**GROSS RECEIPTS TAX REPORT
ELECTRIC, HYDRO-ELECTRIC
AND WATER POWER COMPANIES**

Attachment D-10

FIRST REPORT (Newly Incorporated/ Franchised) AMENDED REPORT
 LAST REPORT (Going out-of-existence) COVERS LESS THAN A FULL 12-MO. PERIOD COMPOSITE REPORT

(REV-856S) TO THE PA DEPARTMENT OF REVENUE, BUREAU OF RECEIPTS AND CONTROL (CORP.), DEPT. 280407, HARRISBURG, PA 17128-0407.

NAME (Place Preprinted Label Here) PECO Energy Company
STREET ADDRESS 2301 Market St.
CITY Phila STATE PA ZIP CODE 19101
CORPORATION TAX FILE (BOX) NUMBER 0415-103
FEDERAL EIN 23-0970240
TAX YEAR ENDING 12/31/ 1995

To the Commonwealth of Pennsylvania, Department of Revenue, Harrisburg, Pennsylvania.
In compliance with the Act of March 4, 1971 P.L. 6 (Act No. 2), as amended, the following report is made of the gross receipts by the above named Corporation, Association, Joint-Stock Association, Limited Partnership, Co-partnership, Individual or Individuals for the period mentioned above.

(Answer all questions with appropriate figures, the use of the word "None" or such statement of facts as is responsive to the question.)
Gross Receipts from all sources \$ 3,770,806,391
Gross Receipts within the state from all sources \$ 3,446,868,650

**SCHEDULE OF GROSS RECEIPTS WITHIN THE STATE
COMPLETE ONLY THOSE LINES APPLICABLE TO YOUR BUSINESS ACTIVITY.**

	GROSS RECEIPTS TAXABLE	GROSS RECEIPTS EXEMPT
1. From the sale of artificial and natural gas	\$ 3,259,689,668	\$
2. From the sales of electric energy (not including sales for resale)		
3. From sale of current for lighting, heating or power to other utilities or municipalities for the purpose of resale. (The amount stated should include the gross sales under interchange agreements.)		48,575,884
4. From sale of lamps, wire, sockets, plugs, fuses, switches, lighting fixtures, heating or cooking fixtures or utensils, motors, electric sweepers or vacuum cleaners and all other electrical supplies, repairs, machines, utensils or devices		
5. From charges for services rendered (The amount stated should include receipts from labor charges in connection with custom or jobbing work, or in connection with installations for the reporting company's service.)		
6. From rental of motors, transformers, sweepers or cleaners or other machines or devices		128,201
7. From interest and finance charges in connection with sales of electrical equipment machines, utensils or devices		682,713
8. From consumer's forfeited discounts and penalties		9,949,076
9. From sales to Federal government		
10. From sale of steam for heating		
11. From sale of steam for power		
12. From sale of steam for other purposes (Specify purposes and the amount of receipts for each purpose.)		
13. From rental of wire or conduits		
14. From charges for pole rights		8,100,000
15. From sale of old equipment or materials		
16. From rental of real estate		1,767,376
17. From interest on loans or deposits		10,805,517
18. From earnings on investments		15,485,599
From all other sources: (List separately below. All receipts must be shown by their several sources. Miscellaneous receipts must be explained. If space is insufficient, attach rider as part of the report.)		91,684,616
a. From		
b. From		
c. From		
TOTAL GROSS RECEIPTS WITHIN THE STATE	\$ 3,259,689,668	\$ 187,178,982
* Not including liquefied petroleum gas.		

COMPUTATION BY TAXPAYER

GROSS RECEIPTS TAXABLE for the period covered by this report \$ 3,259,689,668
Tax at the rate of 44 mills \$ 143,426,349
Penalty (for failure to file report within time limit prescribed by law) \$
Amount due Commonwealth. If remitting payment by Electronic Funds Transfer (EFT), place an "X" in this block \$ 143,426,349
Mail completed tax report to the PA Department of Revenue at the address listed above. Beginning 01/01/94 payments of \$20,000 or more must be remitted by EFT. To participate in the EFT program, the Department first must receive your completed Authorization Agreement. For EFT questions only, call 1-800-892-9816.

AFFIRMATION

I hereby affirm under penalties prescribed by law that this Report (including any accompanying schedules and statements) has been examined by me, and to the best of my knowledge and belief is a true, correct and complete report.

Date 3/15/96 Signature of Official [Signature] Print or Type Name of Official J. B. Mitchell
Address [Address] Title Treasurer
City State Zip Code Telephone Number (215) 841-6098

**PECO ENERGY COMPANY
PENNSYLVANIA GROSS RECEIPTS TAX REPORT
TWELVE MONTHS ENDED DECEMBER 31, 1995**

ELECTRIC - RIDER

GROSS RECEIPTS WITHIN THE STATE FROM ALL SOURCES

TAXABLE		3,259,689,668
EXEMPT		187,178,982
		<hr/>
TOTAL		3,446,868,650

ADD:

GROSS RECEIPTS OUTSIDE THE STATE (a)

SALES MADE UNDER FERC TARIFFS

CONRAIL - NEW JERSEY BRANCH	5,871,866	
CONOWINGO POWER COMPANY	19,861,067	25,732,933
		<hr/>

SALES FOR RESALE

LONG ISLAND LIGHTING	74,105	
CONSOLIDATED EDISON OF N.Y.	11,596,390	
ALLEGHENY POWER SYSTEMS	15,484,494	
PUBLIC SERVICES ELECTRIC & GAS	25,638,853	
GPU SERVICE CORPORATION	7,684,216	
BALTIMORE GAS & ELECTRIC	83,311,481	
ORANGE & ROCKLAND	1,383,570	
ALANTIC CITY ELECTRIC	27,695,628	
DELMARVA POWER & LIGHT	85,007,528	
NEW YORK POWER AUTHORITY	2,532,523	
METROPOLITAN EDISON	15,549	
NORTHEAST UTILITIES SERVICE	853,388	
DELAWARE MUNICIPAL ELECTRIC	5,009,948	
CAROLINA POWER & LIGHT	631,237	
CATEX VITOL ELECTRI, L.L.C.	103,760	
CINERGY SERVICES	8,030	
CITIZENS LEHMAN POWER SALES	169,800	
DAYTON POWER & LIGHT	1,361,385	
LOUIS DREYFUS ELECTRIC POWER	231,365	
ELECTRIC CLEARINGHOUSE	4,430,086	
ENRON POWER MARKETING	1,007,500	
OHIO EDISON	488,416	
OLD DOMINION ELECTRIC COOPERATIVE	2,893,995	
POTOMAC ELECTRIC POWER	20,419,691	
VIRIGINA ELECTRIC & POWER	70,800	
WABASH VALLEY POWER ASSN.	41,070	298,204,808
		<hr/>

GROSS RECEIPTS FROM ALL SOURCES:

3,770,806,391

(a) The Commonwealth concedes that receipts from these sources are from sources outside of Pennsylvania. See Commonwealth brief in Commonwealth vs. Philadelphia Electric Company, No. 204, Docket 1940, Court of Common Pleas of Dauphin County.

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**PECO ENERGY COMPANY
PENNSYLVANIA GROSS RECEIPTS TAX REPORT
TWELVE MONTHS ENDED DECEMBER 31,1995**

ELECTRIC - RIDER

Detail of Item 19(a)

Miscellaneous Service Revenues	2,225,717
Other Electric Revenues	19,542
Revenue from Operation of Fish and Wildlife Recreation Facilities	17,156
Commissions on Collection of Pennsylvania Sales Tax	556,456
Carrying Charges on Investment in Samac Computer Allocated to Peach Bottom	20,700
Gain on Sale of Property	60,675,019
Revenue- Delaware Resource Management	2,384,737
Lease O & M Charges	30,580
Customer Credits for Interest Due on Overcollection - Electric Energy Cost Rate	1,712,022
Customer Credits for Refund Associated with Sale of Gas Turbines	37
Gain on Reacquired Bonds	0
Maintenance & Transmission Losses	0
Miscellaneous Non-Operating Income	(127,640)
Carrying Charges Atlantic City 220 KV	1,200
Administration Charges for Qualifying Facilities	(1,353)
Sale of Import Capability	0
Special Facilities Charged to Amtrak	3,531,709
Merck Company Operating & maintenance Expenses	(19,896)
Carrying Charges - Peach Bottom Reconciliation	0
Cost of Unpaid Peach Bottom Invoices	0
Compensation for Overheads other than Fringe Benefits	16,501,652
Rental of Facilities	4,156,978
Total Item 19(a)	<hr/> 91,684,616



COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF REVENUE

IMPORTANT

THIS REPORT IS DUE ON OR BEFORE MARCH 15,
FOR THE TWELVE MONTHS ENDED DECEMBER 31
IMMEDIATELY PRECEDING. A PENALTY FOR LATE
FILING WILL BE IMPOSED IN THE AMOUNT OF
10% ON THE FIRST \$1000 OF TAX, 5% ON
THE NEXT \$4000 AND 1% ON EVERYTHING IN
EXCESS OF \$5000.

**GROSS RECEIPTS TAX REPORT
GAS COMPANIES**

FIRST REPORT
(Newly Incorporated/
Franchised)

AMENDED REPORT

LAST REPORT (Going
out-of-existence)

COVERS LESS THAN
A FULL 12-MO. PERIOD

COMPOSITE
REPORT

MAIL THIS FORM WITH REMITTANCE PAYABLE
TO THE PA DEPARTMENT OF REVENUE ALONG
WITH PAYMENT TRANSMITTAL FORM
(REV-856S) TO THE PA DEPARTMENT OF
REVENUE, BUREAU OF RECEIPTS AND
CONTROL (CORP.), DEPT. 280407,
HARRISBURG, PA 17128-0407.

NAME (Place Preprinted Label Here)
 DM 12 4931 BOX NO 0415-103
 PECO ENERGY COMPANY
 TAX DEPARTMENT 3RD FL
 2300 MARKET ST
 PHILADELPHIA PA 19101

CORPORATION TAX FILE (BOX) NUMBER
0415-103

FEDERAL EIN
23-0970240

TAX YEAR ENDING
12/31/95

In compliance with the Act of March 4, 1971 P.L. 6 (Act No. 2), as amended, the following report is made of the gross receipts by the above named Corporation, Association, Joint-Stock Association, Limited Partnership, Copartnership, Individual or Individuals for the period mentioned above:

(Answer all questions with appropriate figures, the use of the word "None" or such statement of facts as is responsive to the question.)

Gross Receipts from all sources	\$ 400,647,878
Gross Receipts within the state from all sources	\$ 400,647,878

SCHEDULE OF GROSS RECEIPTS WITHIN THE STATE COMPLETE ONLY THOSE LINES APPLICABLE TO YOUR BUSINESS ACTIVITY.		GROSS RECEIPTS TAXABLE	GROSS RECEIPTS EXEMPT
1. From the sale of artificial and natural gas		\$ 381,759,098	\$
2. From the sales of electric energy (not including sales for resale)			
3. From sale of current for lighting, heating or power to other utilities or municipalities for the purpose of resale. (The amount stated should include the gross sales under interchange agreements.)			
4. From sale of lamps, wire, sockets, plugs, fuses, switches, lighting fixtures, heating or cooking fixtures or utensils, motors, electric sweepers or vacuum cleaners and all other electrical supplies, repairs, machines, utensils or devices			
5. From charges for services rendered (The amount stated should include receipts from labor charges in connection with custom or jobbing work, or in connection with installations for the reporting company's service.)			0
6. From rental of motors, transformers, sweepers or cleaners or other machines or devices			
7. From interest and finance charges in connection with sales of electrical equipment machines, utensils or devices			
8. From consumer's forfeited discounts and penalties	14870-0001		1,169,770
9. From sales to Federal government			
10. From sale of steam for heating			
11. From sale of steam for power			
12. From sale of steam for other purposes (Specify purposes and the amount of receipts for each purpose.)			
13. From rental of wire or conduits			
14. From charges for pole rights			
15. From sale of old equipment or materials			
16. From rental of real estate			
17. From interest on loans or deposits			
18. From earnings on investments			
19. From all other sources: (List separately below. All receipts must be shown by their several sources. Miscellaneous receipts must be explained. If space is insufficient, attach rider as part of the report.)			
a. From Rent from gas property			2,130
b. From See rider attached			17,716,880
c. From			
TOTAL GROSS RECEIPTS WITHIN THE STATE		\$ 381,759,098	\$ 18,888,780
Not including liquefied petroleum gas.			

COMPUTATION OF TAX BY TAXPAYER

GROSS RECEIPTS TAXABLE for the period covered by this report	\$ 381,759,098
Tax at rate of 50 mills (.050)	\$ 19,087,955
Penalty (for failure to file report within time limit prescribed by law)	\$
Amount due Commonwealth. If remitting payment by Electronic Funds Transfer (EFT), place an "X" in this block.	<input checked="" type="checkbox"/> \$ 19,087,955
Completed tax report to the PA Department of Revenue at the address listed above. Beginning 01/01/94 payments of \$20,000 or more must be remitted by EFT. To participate in the EFT program, the Department first must receive your completed Authorization Agreement. For EFT questions only, call 1-800-892-9816.	

AFFIRMATION I hereby affirm under penalties prescribed by law that this Report (including any accompanying schedules and statements) has been examined by me, and to the best of my knowledge and belief is a true, correct and complete report.

Date: 1/15/96

Signature of Official:

Print or Type Name of Official: J. B. Mitchell

Title: Treasurer

State: _____ Zip Code: _____ Telephone Number: _____

PECO ENERGY COMPANY
PENNSYLVANIA GROSS RECEIPTS TAX REPORT
TWELVE MONTHS ENDED DECEMBER 31,1995

GAS - RIDER

Detail of Item 19(B) - GAS

Miscellaneous Service Revenues	0
Commissions on Collection of Pa. Sales Tax	82,543
Transportation of Gas for Others	17,009,117
Gas Fuel Adjusting Revenue	356,167
Customer Credits for Interest Due on Gas Refunds	269,053
	<hr/>
Total Item 19 (b)	17,716,880



COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF REVENUE

IMPORTANT

THIS REPORT IS DUE ON OR BEFORE MARCH 15, FOR THE 12 MONTHS ENDED DECEMBER 31 IMMEDIATELY PRECEDING. A PENALTY FOR LATE FILING WILL BE IMPOSED IN THE AMOUNT OF 10% ON THE FIRST \$1000 OF TAX, 5% ON THE NEXT \$4000 AND 1% ON EVERYTHING IN EXCESS OF \$5000.

**GROSS RECEIPTS TAX REPORT
ELECTRIC, HYDRO-ELECTRIC
AND WATER POWER COMPANIES**

FIRST REPORT (Newly Incorporated/ Franchised) AMENDED REPORT

LAST REPORT (Going out-of-existence) COVERS LESS THAN A FULL 12-MO. PERIOD COMPOSITE REPORT

MAIL THIS FORM WITH REMITTANCE PAYABLE TO THE PA DEPARTMENT OF REVENUE ALONG WITH PAYMENT TRANSMITTAL FORM (REV-856S) TO THE PA DEPARTMENT OF REVENUE, BUREAU OF RECEIPTS AND CONTROL (CORP.), DEPT. 280407 HARRISBURG, PA 17128-0407.

NAME: PECO Energy Company
ST: PA
CT: PHILADELPHIA, PA 19101

CORPORATION TAX FILE (BOX) NUMBER: 0415-109
FEDERAL EIN: 27-1570240
CODE: 101
TAX YEAR ENDING: 12/31 19 94

To the Commonwealth of Pennsylvania, Department of Revenue, Harrisburg, Pennsylvania.
In compliance with the Act of March 4, 1971 P.L. 6 (Act No. 2), as amended, the following report is made of the gross receipts by the above named Corporation, Association, Joint-Stock Association, Limited Partnership, Co-partnership, Individual or Individuals for the period mentioned above.

(Answer all questions with appropriate figures, the use of the word "None" or such statement of facts as is responsive to the question.)

Gross Receipts from all sources \$ 3,525,485,672
Gross Receipts within the state from all sources \$ 3,254,678,274

SCHEDULE OF GROSS RECEIPTS WITHIN THE STATE
COMPLETE ONLY THOSE LINES APPLICABLE TO YOUR BUSINESS ACTIVITY.

- From the sale of artificial and natural gas
 - From the sales of electric energy (not including sales for resale)
 - From sale of current for lighting, heating or power to other utilities or municipalities for the purpose of resale. (The amount stated should include the gross sales under interchange agreements.)
 - From sale of lamps, wire, sockets, plugs, fuses, switches, lighting fixtures, heating or cooking fixtures or utensils, motors, electric sweepers or vacuum cleaners and all other electrical supplies, repairs, machines, utensils or devices
 - From charges for services rendered (The amount stated should include receipts from labor charges in connection with custom or jobbing work, or in connection with installations for the reporting company's service.)
 - From rental of motors, transformers, sweepers or cleaners or other machines or devices
 - From interest and finance charges in connection with sales of electrical equipment machines, utensils or devices
 - From consumer's forfeited discounts and penalties
 - From sales to Federal government
 - From sale of steam for heating
 - From sale of steam for power
 - From sale of steam for other purposes (Specify purposes and the amount of receipts for each purpose.)
 - From rental of wire or conduits
 - From charges for pole rights
 - From sale of old equipment or materials
 - From rental of real estate
 - From interest on loans or deposits
 - From earnings on investments
 - From all other sources: (List separately below. All receipts must be shown by their several sources. Miscellaneous receipts must be explained. If space is insufficient, attach rider as part of the report.)
 - From SEE RIDER ATTACHED
 - From
 - From
- TOTAL GROSS RECEIPTS WITHIN THE STATE \$ 3,138,225,071
* Not including liquefied petroleum gas.

GROSS RECEIPTS TAXABLE	GROSS RECEIPTS EXEMPT
\$ 3,138,225,071	\$
	42,059,792
	154,760
	(101,986)
	11,079,965
	7,831,548
	1,999,829
	7,505,983
	9,294,099
	366,291,63
\$ 3,138,225,071	\$ 116,453,193

COMPUTATION BY TAXPAYER

GROSS RECEIPTS TAXABLE for the period covered by this report \$ 3,138,225,071

Tax at the rate of 44 mills \$ 1,38,081,904

Penalty (for failure to file report within time limit prescribed by law) \$

Amount due Commonwealth. If remitting payment by Electronic Funds Transfer (EFT), place an "X" in this block \$ 1,38,081,904

Mail completed tax report to the PA Department of Revenue at the address listed above. Beginning 01/01/94 payments of \$20,000 or more must be remitted by EFT. To participate the EFT program, the Department first must receive your completed Authorization Agreement. For EFT questions only, call 1-800-892-9816.

AFFIRMATION

I hereby affirm under penalties prescribed by law that this Report (including any accompanying schedules and statements) has been examined by me, and to the best of my knowledge and belief is a true, correct and complete report.

Date: 3/15/95 Signature of Official: J.F. Hohenstein Print or Type Name of Official: J. F. HOHENSTEIN

Street Address: 2301 MARKET STREET Title: ASSISTANT TREASURER

City: PHILADELPHIA State: PA Zip Code: 19101 Telephone Number: (215) 541-4710

PECO ENERGY COMPANY
PENNSYLVANIA GROSS RECEIPTS TAX REPORT
TWELVE MONTHS ENDED DECEMBER 31, 1994

ELECTRIC - RIDER

GROSS RECEIPTS WITHIN THE STATE FROM ALL SOURCES		
TAXABLE		3,138,225,081
EXEMPT		116,453,193
		<hr/>
TOTAL		3,254,678,274

ADD:

GROSS RECEIPTS OUTSIDE THE STATE (a)

SALES MADE UNDER FPC TARIFFS		
CONRAIL - NEW JERSEY BRANCH	6,876,960	
CONOWINGO POWER COMPANY	46,538,151	53,415,111
		<hr/>

SALES FOR RESALE

LONG ISLAND LIGHTING	338,519	
CONSOLIDATED EDISON OF N.Y.	20,276,207	
ALLEGHENY POWER SYSTEMS	3,003,026	
PUBLIC SERVICES ELECTRIC & GAS	26,968,471	
GPU SERVICE CORPORATION	635,909	
BALTIMORE GAS & ELECTRIC	52,353,720	
ORANGE & ROCKLAND	844,740	
ALANTIC CITY ELECTRIC	65,619,702	
DELMARVA POWER & LIGHT	56,916,208	
NEW YORK POWER AUTHORITY	435785	227,392,287
		<hr/>

GROSS RECEIPTS FROM ALL SOURCES:		3,535,485,672
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(a) The Commonwealth concedes that receipts from these sources are from sources outside of Pennsylvania. See Commonwealth brief in Commonwealth vs. Philadelphia Electric Company, No. 204, Docket 1940, Court of Common Pleas of Dauphin County.

PECO ENERGY COMPANY
PENNSYLVANIA GROSS RECEIPTS TAX REPORT
TWELVE MONTHS ENDED DECEMBER 31,1994

ELECTRIC - RIDER

Detail of Item 19(A)

Miscellaneous Service Revenues	2,633,844
Other Electric Revenues	112,511
Revenue from Operation of Fish and Wildlife Recreation Facilities	240,317
Commissions on Collection of Pennsylvania Sales Tax	574,414
Carrying Charge on investment in Samac Computer Allocated to Peach Bottom	(188,452)
Gain on Sale of Property	3,898,288
Revenue - Delaware Resource Management Incorporated	2,174,366
Lease - O & M Charges	97,513
Customer Credits for Interest Due on Overcollection - Electric Energy Cost Rate	5,529,775
Customer Credits for Refund Associated with Sale of Gas Turbines	301,655
Gain on Reacquired Bonds	0
Maintenance & Transmission Losses	2,154,448
Miscellaneous Non-Operating Income	429,892
Carrying Charges Alantic City 220 KV	1,200
Administration Charges for Qualifying Facilities	25,976
Sale of Import Capability	73,190
Special Facilities Charged to Amtrak	3,367,074
Merck Company Operating & Maintenance Expenses	44,639
Carrying Charges - Peach Bottom Reconciliation	(2,711,456)
Cost of Unpaid Peach Bottom Invoices	88,200
Compensation for Overheads other than Fringe Benefits	13,205,407
Rental of Facilities	4,576,362
	<hr style="width: 20%; margin: auto;"/>
Total Item 19(A)	36,629,163

SETTLEMENT PAGE
PENNSYLVANIA GROSS RECEIPTS TAX
 ELECTRIC, HYDRO-ELECTRIC AND WATER POWER COMPANIES

RECEIVED 03-20-95 FILED MAR 19 1996	DLN 95085082 95501144	CORPORATION TAX FILE (BOX) NUMBER 0415-103	TAX YEAR ENDING 12-94
----------------------------------------------	-----------------------------	-----------------------------------------------	--------------------------

MAILING INSTRUCTIONS

Mail settlement of this report to:

Name PERD ENERGY SYSTEMS

Street 2301 MARKET STREET

PHILADELPHIA PA 19101
 (CITY) (STATE) (ZIP CODE)

Same

DO NOT WRITE BELOW THIS LINE

SETTLEMENT - GROSS RECEIPTS TAX (Official) <u>ELECTRIC</u>	TYPE OF TAX 10
To Tax on GROSS RECEIPTS for the 12 months ended <u>12-31 19 94</u>	SELF ASSESSED TAX 138,081,904.00
GROSS RECEIPTS TAXABLE \$ <u>3,149,304,986.00</u>	TAX DEBIT OR CREDIT 497,515.00
Tax at the rate of 44 mills	TOTAL TAX 138,569,419.00
Penalty (for failure to file report within time limit prescribed by law)	PENALTY DEBIT 210
Total Tax and Penalty	TOTAL TAX AND PENALTY

DEPARTMENT OF REVENUE

Harrisburg, PA FEB 28 1996 19

FILED AND DELIVERED TO AUDITOR GENERAL:

[Signature]
E. L. Wilson
 (FOR THE SECRETARY OF REVENUE)

DEPARTMENT OF AUDITOR GENERAL

Harrisburg, PA MAR 12 1996 19

AUDITED AND APPROVED:

[Signature]
MARK SENTICE
 (FOR THE AUDITOR GENERAL)

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF REVENUE

IMPORTANT

THIS REPORT IS DUE ON OR BEFORE MARCH 15, FOR THE TWELVE MONTHS ENDED DECEMBER 31 IMMEDIATELY PRECEDING. A PENALTY FOR LATE FILING WILL BE IMPOSED IN THE AMOUNT OF 10% ON THE FIRST \$1000 OF TAX, 5% ON THE NEXT \$4000 AND 1% ON EVERYTHING IN EXCESS OF \$5000.

FIRST REPORT (Why incorporated/franchised)
 LAST REPORT (Going out-of-existence)

AMENDED REPORT

COVERS LESS THAN A FULL 12-MO. PERIOD

COMPOSITE REPORT

WITH PAYMENT TRANSMITTAL FORM (REV-8565) TO THE PA DEPARTMENT OF REVENUE, BUREAU OF RECEIPTS AND CONTROL (CORP.), DEPT. 280407, HARRISBURG, PA 17128-0407.

PECO Energy Company
2301 Market St., S12-5, Taxes
Philadelphia, PA 19101

CORPORATION TAX FILE (BOX) NUMBER
0415-103

FEDERAL EIN
23-0970240

TAX YEAR ENDING
12/31/94

To the Commonwealth of Pennsylvania, Department of Revenue, Harrisburg, PA.

In compliance with the Act of March 4, 1971 P.L. 6 (Act No. 2), as amended, the following report is made of the gross receipts by the above named Corporation, Association, Joint-Stock Association, Limited Partnership, Copartnership, Individual or Individuals for the period mentioned above:

(Answer all questions with appropriate figures, the use of the word "None" or such statement of facts as is responsive to the question.)

Gross Receipts from all sources \$ 399,996.795
Gross Receipts within the state from all sources \$ 399,996.795

SCHEDULE OF GROSS RECEIPTS WITHIN THE STATE
COMPLETE ONLY THOSE LINES APPLICABLE TO YOUR BUSINESS ACTIVITY.

	GROSS RECEIPTS TAXABLE	GROSS RECEIPTS EXEMPT
1. From the sale of artificial and natural gas *	\$ 380,425.165	\$
2. From the sales of electric energy (not including sales for resale)		
3. From sale of current for lighting, heating or power to other utilities or municipalities for the purpose of resale. (The amount stated should include the gross sales under interchange agreements.)		
4. From sale of lamps, wire, sockets, plugs, fuses, switches, lighting fixtures, heating or cooking fixtures or utensils, motors, electric sweepers or vacuum cleaners and all other electrical supplies, repairs, machines, utensils or devices		
5. From charges for services rendered (The amount stated should include receipts from labor charges in connection with custom or jobbing work, or in connection with installations for the reporting company's service.)		3,414.576
6. From rental of motors, transformers, sweepers or cleaners or other machines or devices		
7. From interest and finance charges in connection with sales of electrical equipment machines, utensils or devices		
8. From consumer's forfeited discounts and penalties		1,263.257
9. From sales to Federal government		
10. From sale of steam for heating		
11. From sale of steam for power		
12. From sale of steam for other purposes (Specify purposes and the amount of receipts for each purpose.)		
13. From rental of wire or conduits		
14. From charges for pole rights		
15. From sale of old equipment or materials		
16. From rental of real estate		
17. From interest on loans or deposits		
18. From earnings on investments		
19. From all other sources: (List separately below. All receipts must be shown by their several sources. Miscellaneous receipts must be explained. If space is insufficient, attach rider as part of the report.)		
a. From RENT FROM GAS PROPERTY		1780
b. From SEE RIDER ATTACHED		14,600.053
c. From		
20. TOTAL GROSS RECEIPTS WITHIN THE STATE * Not including liquefied petroleum gas.	\$ 380,425.165	\$ 19,571.430

COMPUTATION OF TAX BY TAXPAYER

GROSS RECEIPTS TAXABLE for the period covered by this report \$ 380,425.165
Tax at rate of 50 mills (.050) \$ 19,021.258
Penalty (for failure to file report within time limit prescribed by law) \$ 0
Amount due Commonwealth. If remitting payment by Electronic Funds Transfer (EFT), place an "X" in this block \$ 19,021.258
Mail completed tax report to the PA Department of Revenue at the address listed above. Beginning 01/01/94 payments of \$20,000 or more must be remitted by EFT. To participate in the EFT program, the Department first must receive your completed Authorization Agreement. For EFT questions only, call 1-800-892-9816.

AFFIRMATION I hereby affirm under penalties prescribed by law that this Report (including any accompanying schedules and statements) has been examined by me, and to the best of my knowledge and belief is a true, correct and complete report.

Date: 3/15/95
Signature of Official: [Signature]
Print or Type Name of Official: J. F. HOHENSTEIN
Street Address: 2301 MARKET STREET
Title: ASSISTANT TREASURER
City: PHILADELPHIA
State: PA
Zip Code: 19101
Telephone Number: (215) 741-4700

PECO ENERGY COMPANY
PENNSYLVANIA GROSS RECEIPTS TAX REPORT
TWELVE MONTHS ENDED DECEMBER 31,1994

GAS - RIDER

Detail of Item 19(B) - GAS

Miscellaneous Service Revenues	81,884
Commissions on Collection of Pa. Sales Tax	54,335
Transportation of Gas for Others	14,223,695
Gas Fuel Adjusting Revenue	311,190
Customer Credits for Interest Due on Gas Refunds	220,949
Total Item 19 (b)	14,892,053

PENNSYLVANIA GROSS RECEIPTS TAX
GAS COMPANIES

RECEIVED 03-20-95 MAILED FEB 13 1996	DLN 95501020	CORPORATION TAX FILE (BOX) NUMBER 0415-103	TAX YEAR ENDING 12-94
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MAILING INSTRUCTIONS

Mail settlement of this report to:

Name PECO ENERGY CO.

Street 2301 MARKET ST.
PHILADELPHIA PA 19101

(CITY) (STATE) (ZIP CODE)

Same

DO NOT WRITE BELOW THIS LINE

SETTLEMENT - GROSS RECEIPTS TAX
(Official)

GAS

To Tax on GROSS RECEIPTS for the 12 months ended 12-31 19 94

GROSS RECEIPTS TAXABLE \$ 381,688.42

Tax at the Rate of 50 Mills (.050)

Penalty (for failure to file report within time limit prescribed by law)

Total Tax and Penalty

TYPE OF TAX	10
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SELF ASSESSED TAX	19,021,258. ¹⁰
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TAX DEBIT OR CREDIT	63,163. ⁰⁰
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TOTAL TAX	19,084,421. ¹⁰
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PENALTY DEBIT	210
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TOTAL TAX AND PENALTY	
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DEPARTMENT OF REVENUE

Harrisburg, PA J.H. JAN 25 1996 19

SETTLED AND DELIVERED TO AUDITOR GENERAL:

N.P.B.
(FOR THE SECRETARY OF REVENUE)

Nicholas P. Bakow 107

DEPARTMENT OF AUDITOR GENERAL

Harrisburg, PA FEB 06 1996 19

AUDITED AND APPROVED:

R.M. KUNTZER
(FOR THE AUDITOR GENERAL)



COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF REVENUE

PUBLIC UTILITY REALTY TAX REPORT

IMPORTANT! PUBLIC UTILITY TAX REPORTS MUST BE FILED ON OR BEFORE APRIL 15 REFLECTING THE STATE TAXABLE VALUE OF PUBLIC UTILITY REALTY AT THE END OF THE PRECEDING CALENDAR YEAR. PENALTY AND INTEREST WILL BE ADDED TO THE TAX AS PROVIDED IN THE ACT. MAIL THIS FORM WITH REMITTANCE PAYABLE TO THE PA DEPARTMENT OF REVENUE, ALONG WITH PAYMENT TRANSMITTAL FORM (REV-856S), TO THE PA DEPARTMENT OF REVENUE, BUREAU OF RECEIPTS AND CONTROL (CORP.), DEPT. 280407, HARRISBURG, PA 17128-0407.

FIRST REPORT

LAST REPORT

AMENDED REPORT

UTILITY NAME KA 12 0100 BOX NO 3500-103	PURTA BOX NUMBER 3500-103
COMPLETE ADDRESS PECO ENERGY CO 2301 MARKET ST S18-4 PHILADELPHIA PA 19101	FEDERAL EMPLOYER IDENTIFICATION NUMBER 23-0970240
CITY	TAX YEAR ENDING December 31, 19 95
STATE	ZIP CODE

1. COUNTIES IN WHICH UTILITY OWNS AND/OR FURNISHES PUBLIC UTILITY SERVICE: (Attach schedule if additional space is necessary.)

2. REPORT THE FOLLOWING AS TO LAND OWNED IN PENNSYLVANIA AT THE END OF THE PRECEDING CALENDAR YEAR AND USED, OR IN THE COURSE OF DEVELOPMENT FOR USE, IN FURNISHING PUBLIC UTILITY SERVICE:

A. BOOK COST	69,897,703
B. BOOK COST OF LAND INCLUDED ON LINE A THAT IS SUBJECT TO LOCAL TAXATION UNDER ANY LAW IN EFFECT ON APRIL 23, 1968	19,195,375
C. VALUE OF LAND SUBJECT TO UTILITY REALTY TAX (A MINUS B)	50,702,328
D. BOOK DEPLETION RESERVE ACCRUED AGAINST C	
E. NET VALUE OF LAND SUBJECT TO UTILITY REALTY TAX (C MINUS D)	50,702,328

3. REPORT THE FOLLOWING AS TO ALL OTHER "UTILITY REALTY" AS DEFINED BY ARTICLE 11 (a) § 1101-A. OWNED IN PENNSYLVANIA AT THE END OF THE PRECEDING CALENDAR YEAR AND USED, OR IN THE COURSE OF DEVELOPMENT OR CONSTRUCTION FOR USE, IN FURNISHING PUBLIC UTILITY SERVICE.

A. BOOK COST	2,072,835,287
B. BOOK COST OF UTILITY REALTY INCLUDED ON LINE A THAT IS SUBJECT TO LOCAL TAXATION UNDER ANY LAW IN EFFECT ON APRIL 23, 1968	149,010,237
C. VALUE OF UTILITY REALTY SUBJECT TO UTILITY REALTY TAX (A MINUS B)	1,923,825,050
D. BOOK DEPRECIATION RESERVE ACCRUED AGAINST C (See instructions below.)	532,968,777
E. NET VALUE OF UTILITY REALTY SUBJECT TO UTILITY REALTY TAX (C MINUS D)	1,390,856,273

**PUBLIC UTILITY REALTY TAX
DUE WITH THIS REPORT**

STATE TAXABLE VALUE (2E PLUS 3E)	1,441,558,601	x .042	= 60,545,461
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AMOUNT DUE COMMONWEALTH. If remitting payment by Electronic Funds Transfer (EFT), place an "X" in this block. \$ 54,490,915
Mail completed tax report to the PA Department of Revenue at the address listed above. Beginning 01/01/94 payments of \$20,000 or more must be remitted by EFT. To participate in the EFT program, the Department first must receive your completed Authorization Agreement. For EFT questions only, call 1-800-892-9816.

INSTRUCTIONS: (SEE REVERSE SIDE FOR GENERAL INSTRUCTIONS.)

- Item 2 - Show depreciable land improvements under Item 3.
 - Item 3 - (a) For any public utility which was required to record annual depreciation on its utility realty prior to enactment of section 503 of the Public Utility Law (P.L. 1053) May 28, 1937, show in Item 3D the book reserve for depreciation accrued against Item 3C. If the amount shown in Item 3D was determined by prorating, attach to this report the computations used in such prorating.
 - (b) For any public utility which was not required to record annual depreciation on its utility realty prior to enactment of section 503 of the Public Utility Law (P.L. 1053) May 28, 1937, show in Item 3D the book reserve for depreciation against Item 3C, or 50% of Item 3C, whichever is greater.
- Check here () if the 50% of Item 3C is used in Item 3D.

I hereby affirm under penalties prescribed by law that this report (including any accompanying schedules and statements) has been examined by me and to the best of my knowledge and belief is a true, correct and complete report. If prepared by a person other than taxpayer, the declaration is based on all information of which preparer has any knowledge.

SIGNATURE OF OFFICER OF COMPANY 	T. P. Hill, Jr.	TELEPHONE NUMBER 215 841-6098
INDIVIDUAL OR FIRM SIGNATURE OF PREPARER 	DATE 4/12/96	TITLE
STREET ADDRESS	STATE	TELEPHONE NUMBER
	ZIP CODE	DATE

**SPECIALTY TAX
ANNUAL TAX REPORT TRANSMITTAL**

REV-854 S (12-95)

ACCOUNT ID 3500-103	REPORT CODE KA	STANDARD INDUSTRY CODE 0100	INC/CERT DATE 00-00-00	ENTITY ID (EIN) 23-0970240	IF EIN IS INCORRECT OR NOT SHOWN, USE ENCLOSED REV-854R COUPON TO MAKE CORRECTION.	POSTMARK DATE
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INSTRUCTIONS:

Coupons are enclosed for your use in:

- Making a Tentative Payment (if applicable)
- Requesting a Filing Extension
- Requesting a Credit Transfer or Refund from a year other than the year covered by this report.

Electronic Funds Transfer (EFT) Effective 1-1-94, any payment of \$20,000 or more must be made by EFT.

To participate in the EFT Program, the Department of Revenue FIRST must receive your completed Authorization Agreement. For EFT questions only, call 1 (800) 892-9816.

NAME/ADDRESS

**PECO ENERGY CO
2301 MARKET ST
S18-4
PHILADELPHIA PA 19101**

MAKE ADDRESS CHANGES IN SPACE BELOW.

PECO Energy Co.

Address
2301 Market St., S12-5

City
Philadelphia

State **Pennsylvania** ZIP **19101**

A	ANNUAL PAYMENTS	TAX PERIOD ENDING 12-95	DUE DATE 04-15-96
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T/C 01 15 TAX TYPE	REVENUE USE ONLY		1. SELF-ASSESSED TAX (Enter only if report is attached)	2. TENTATIVE PREPAYMENTS	3. REMITTANCE Column 1 less column 2 POSITIVE (NEGATIVE)
	TAX TYPE	BUDGET CODE			
PUBLIC UTILITY REALT	20	124101	60,545,461	56,822,594	3,722,867
GRAND TOTALS			1. Self-assessed Tax 60,545,461	2. Remittance \$3,722,867	

ELECTRONIC FUNDS TRANSFER (EFT)

Please check this block if this payment will be made by Electronic Funds Transfer (EFT).

B. OVERPAYMENT INSTRUCTIONS

CHECK ONLY ONE BOX TO SELECT A REFUND OR TRANSFER METHOD.

- Automatically transfer overpayments to other current tax period underpaid taxes and the remaining portion of the overpayment(s) to the next tax period.
- Automatically transfer \$ _____ of the current tax period overpayment(s) to the next tax period after paying any other current tax period underpaid taxes, and refund the remaining portion of the current tax period overpayment(s).
- Refund the overpayment(s) of the current tax period after paying any other current tax period underpaid taxes.

I declare under the penalty prescribed by law that this report has been examined by me and to the best of my knowledge and belief is a true, correct and complete report.

Signature of Corporate Officer and Title Cont./ T. P. Hill, Jr. Vice Pres.	Date 4/12/96	Telephone Number (215) 841-6098
----------------------------------------------------------------------------------------------	------------------------	-------------------------------------------

Please refer to the bulletin "Annual Specialty Tax Report Transmittal Instructions" (REV-856S-I) enclosed with this package for specific information on the preparation of this Transmittal.

Please attach this Transmittal to your report and submit the completed report to the Department in the envelope provided with the tax report.

PECO PURTA 1995 Page 1 of 2				
	Electric	Gas	Common	Total
Land - Book Cost	61,065,611	409,396	8,422,696	69,897,703
Less: Taxed Locally A/C 101	16,615,220	178,998	1,208,562	18,002,780
A/C 106				
A/C 107	1,192,595			1,192,595
Land Subject to PURTA	43,257,796	230,398	7,214,134	50,702,328
Common Allocated 9E 87.561% G 12.439%)	6,316,768	897,366	(7,214,134)	0
Total Taxable Land	49,574,564	1,127,764	0	50,702,328
	Electric			
				Total
				PURTA
	Book	Accum	Local	Base
		Deprn	Book	
Structures				
A/C 311	186,273,552	125,527,835		60,745,717
A/C 312	3,948,794	2,812,049		1,136,745
A/C 314	4,043,391	2,838,961		1,204,430
Total Steam Production	194,265,737	131,178,845		63,086,892
Nuclear				
Bradshaw Res.	26,905,593	665,306		26,240,287
PB 2				
PB 3				
PB Common				
Total PB	112,272,570	52,865,433		59,407,137
Limerick 1&2 & Common	1,368,821,563	268,851,811		1,099,969,752
Nuclear E of / N. C.	1,764,042	219,762		1,544,280
Nuclear information center	350,781	53,376		297,405
Nuclear Training Center	2,568,289	517,722		2,050,567
PB Training	361,057	56,811		304,246
Total A/C 321	1,513,043,895	323,230,221		1,189,813,674
A/C 322	3,787,214	1,901,369		1,885,845
A/C 323	164,149,928	32,668,065		131,481,863
A/C 331	6,668,132	2,346,510		4,321,622
A/C 332 & 336	21,281,924	9,104,232		12,177,692
A/C 341	4,605,318	2,614,594		1,990,724
Subtotal Electric Structures	1,907,802,148	503,043,836	0	1,404,758,312

	Book	Accum Deprn	Local Book	Purta Base
Electric Structures Forward	1,907,802,148	503,043,836		1,404,758,312
A/C 352	11,877,579	8,570,011	4,115,667	3,307,568
A/C 359	957,966	847,573		110,393
A/C 361	37,797,696	21,101,551	5,521,320	16,696,145
A/C 390	12,464,494	7,719,007	12,861,165	4,745,487
Subtotal Electric	1,970,899,883	541,281,978	22,498,152	1,429,617,905
Limerick Disallowance	(122,869,568)	(31,737,904)		(91,131,664)
Total Electric	1,848,030,315	509,544,074	22,498,152	1,338,486,241
Gas	13,387,117	5,220,116		8,167,001
Common	62,407,618	18,204,587	126,512,085	44,203,031
Total PECO structures	1,923,825,050	532,968,777	149,010,237	1,390,856,273
Plus: land				50,702,328
Tax @ 42 mills				1,441,558,601
Tax				60,545,461
Reconciliation Above to Property Valuation's Run				
Total PECO Structures	1,923,825,050	532,968,777	149,010,237	1,390,856,273
Add back Limerick W/O	122,869,568	31,737,904		91,131,664
Subtotal	2,046,694,618	564,706,681	149,010,237	1,481,987,937
Less account 107	27,328,864			27,328,864
Total	2,019,365,754	564,706,681	149,010,237	1,454,659,073
Property Valuation	2,019,365,754	564,706,681		1,454,659,073
	0	0		0

PECO PURTA 1996 Page 1 of 2		Electric	Gas	Common	Total	1994 Total	1994 over (under)	Explanation
Land - Book Cost		61,065,611	409,396	8,422,696	69,897,703	68,805,590	1,092,113	
Less: Taxed Locally A/C 101		16,615,220	178,998	1,208,562	18,002,780	18,670,546	(667,766)	
A/C 106						937,585	(937,585)	
A/C 107		1,192,595			1,192,595	346,320	846,275	
Land Subject to PURTA		43,257,796	230,398	7,214,134	50,702,328	48,851,139	1,851,189	
Common Allocated 9E 87.561% G 12.439%)		6,316,768	897,366	(7,214,134)	0	0	0	
Total Taxable Land		49,574,564	1,127,764	0	50,702,328	48,851,139	1,851,189	Delco Svc. Bldg.
		Electric			Total			
		Book	Accum	Local	PURTA			
			Deprn	Book	Base			
Structures								
A/C 311		186,273,552	125,527,835		60,745,717	67,749,097	(7,003,380)	Increase in Deprn.
A/C 312		3,948,794	2,812,049		1,136,745	1,236,693	(99,948)	Increase in Deprn.
A/C 314		4,043,391	2,838,961		1,204,430	1,334,630	(130,200)	Increase in Deprn.
Total Steam Production		194,265,737	131,178,845		63,086,892	70,320,420	(7,233,528)	
Nuclear								
Bradshaw Res.		26,905,593	665,306		26,240,287	15,591,219	10,649,068	Decrease in Equip.#1
PB 2								
PB 3								
PB Common								
Total PB		112,272,570	52,865,433		59,407,137	62,399,673	(2,992,536)	Increase in Deprn.
erick 1&2 & Common		1,368,821,563	268,851,811		1,099,969,752	1,132,035,902	(32,066,150)	Increase in Deprn.
Nuclear E of / N. C.		1,764,042	219,762		1,544,280	1,687,664	(143,384)	Increase in Equip.#1
Nuclear information center		350,781	53,376		297,405	306,512	(9,107)	Increase in Deprn.
Nuclear Training Center		2,568,289	517,722		2,050,567	2,277,706	(227,139)	Increase in Equip.#1
PB Training		361,057	56,811		304,246	321,104	(16,858)	Increase in Deprn.
Total A/C 321		1,513,043,895	323,230,221		1,189,813,674	1,214,619,780	(24,806,106)	
A/C 322		3,787,214	1,901,369		1,885,845	2,106,622	(220,777)	Decrease in Asset
A/C 323		164,149,928	32,668,065		131,481,863	135,194,939	(3,713,076)	Increase in Deprn
A/C 331		6,668,132	2,346,510		4,321,622	4,521,162	(199,540)	Increase in Deprn.
A/C 332 & 336		21,281,924	9,104,232		12,177,692	12,825,708	(648,016)	Increase in Deprn.
A/C 341		4,605,318	2,614,594		1,990,724	1,908,155	82,569	Increase in Asset
Subtotal Electric Structures		1,907,802,148	503,043,836	0	1,404,758,312	1,441,496,786	(36,738,474)	

	Book	Accum Deprn	Local Book	Purta Base	1994 Total	1994 over (under)	Explanation
Electric Structures Forward	1,907,802,148	503,043,836		1,404,758,312	1,441,496,786	(36,738,474)	
A/C 352	11,877,579	8,570,011	4,115,667	3,307,568	7,961,496	(4,653,928)	Increase Taxed Local#1
A/C 359	957,966	847,573		110,393	206,155	(95,762)	Increase in Deprn.
A/C 361	37,797,696	21,101,551	5,521,320	16,696,145	21,049,274	(4,353,129)	Increase Taxed Local #1
A/C 390	12,464,494	7,719,007	12,861,165	4,745,487	17,248,298	(12,502,811)	Increase Taxed Local
Subtotal Electric	1,970,899,883	541,281,978	22,498,152	1,429,617,905	1,487,962,009	(58,344,104)	
Limerick Disallowance	(122,869,568)	(31,737,904)		(91,131,664)	(94,526,653)	3,394,989	Amortization
Total Electric	1,848,030,315	509,544,074	22,498,152	1,338,486,241	1,393,435,356	(54,949,115)	
Gas	13,387,117	5,220,116		8,167,001	6,092,683	2,074,318	Asset Increase
Common	62,407,618	18,204,587	126,512,085	44,203,031	54,864,164	(10,661,133)	Increase Taxed Local#1
Total PECO structures	1,923,825,050	532,968,777	149,010,237	1,390,856,273	1,454,392,203	(63,535,930)	
Plus: land				50,702,328	48,851,039	1,851,289	
Tax @ 42 mills				1,441,558,601	1,503,243,242	(61,684,641)	
				*.042		*.042	
Tax				60,545,461	63,136,216	(2,590,755)	
<u>Reconciliation Above to Property Valuation's Run</u>							
Total PECO Structures	1,923,825,050	532,968,777	149,010,237	1,390,856,273			
Add back Limerick W/O	122,869,568	31,737,904		91,131,664			
Subtotal	2,046,694,618	564,706,681	149,010,237	1,481,987,937			
Less account 107	27,328,864			27,328,864			Note #1 Explanation from Kurt
Total	2,019,365,754	564,706,681	149,010,237	1,454,659,073			Heiselmoyer. Formula is Total less
Property Valuation	2,019,365,754	564,706,681		1,454,659,073			Equipment and taxed locally equals
	0	0		0			remainder. Any change in equipment
							or taxed locally affects the remainder
							This is due to reclasses from analysis
							within an account.

PECO Energy Company
Response to Filing Requirements

Schedule D-11

Respondent: Frank F. Frankowski

Q: State the amount of debt interest utilized for base year income tax calculations, including the amount which has been allocated from the debt interest of an affiliate, and provide details of debt interest and allocation computations.

Response:

The amount of actual debt interest utilized for base year 1996 income tax calculation is \$375,920,000 for PECO Electric, as set forth on Page B-18 of Company Exhibit TPH-1. The amount allocated from the debt interest of affiliates is zero. Debt interest is allocated between electric and gas operations - 93.77% to electric and 6.23% to gas. The \$375,920,000 represents the electric portion only.

The Company's claim for this item is shown on page D-9 of Company Exhibit TPH-1.

PECO Energy Company
Response to Filing Requirements

Schedule D-12
Respondent: Frank F. Frankowski

Q: Provide a schedule for the base year of federal and Pennsylvania taxes other than income taxes, per books, pro forma at present rates, and pro forma at proposed rates, including the following tax categories:

- (a) Social security.
- (b) Unemployment.
- (c) Capital stock.
- (d) Public utility.
- (e) Other property taxes.
- (f) Any other appropriate categories.

Response:

The requested data is provided for as Attachment D-12.

**PECO ENERGY COMPANY - ELECTRIC OPERATIONS
OPERATING EXPENSES
12 MONTHS ENDING DECEMBER 31,1996
(Thousands)**

TAXES

TAXES OTHER THAN INCOME TAXES

<u>FEDERAL</u>	<u>Per Books</u>	<u>Page References and Values for Adjustments in Company Accounting Exhibit</u>	<u>Pro Forma</u>
SOCIAL SECURITY	\$ 21,550	D-12	\$ 22,393
UNEMPLOYMENT	371		371
SUPERFUND	878		878
OTHER	180		180
TOTAL FEDERAL	\$ 22,979		\$ 23,822
<u>PENNSYLVANIA</u>			
CAPITAL STOCK	\$ 38,724		\$ 38,724
PUBLIC UTILITY REALITY	59,650	D-2	60,373
GROSS RECEIPTS	140,017	D-3,4,13	142,992
UNEMPLOYMENT COMPENSATION	2,143		2,143
OTHER PROPERTY TAXES	6,791		6,791
OTHER	(249)		(249)
TOTAL PENNSYLVANIA	\$ 247,076		\$ 250,774
TOTAL TAXES OTHER THAN INCOME	\$ 270,055		\$ 274,596

PECO Energy Company
Response to Filing Requirements

Schedule D-13
Respondent: Frank F. Frankowski

Q: Submit a schedule showing the adjustments from taxable net income per books to taxable net income pro forma under existing rates, together with an explanation of the normalizing adjustments. Submit detailed calculations supporting taxable income before state and federal income taxes where the income tax is subject to allocation due to operations in another state or due to operation of other taxable utility or non-utility businesses, or by operating divisions or areas.

Response:

The development of taxable income per books before federal and state income taxes for electric operations for the year ended December 31, 1996 is provided on page B-18 of Company Exhibit TPH-1.

The adjustments to taxable net income per books needed for taxable net income proforma are provided on page A-3 of Company Exhibit TPH-1. Explanations of each adjustment are on the applicable page of each adjustment.

PECO Energy Company
Response to Filing Requirements

Schedule D-14
Respondent: Frank F. Frankowski

Q: Furnish a breakdown of major items comprising prepaid and deferred income tax charges and other deferred income tax credits, reserves and associated reversals on liberalized depreciation.

Response:

Refer to Schedule D-5, Attachment D-5 parts a through d for the requested information.

PECO Energy Company
Response to Filing Requirements

Schedule D-15

Respondent: Frank F. Frankowski

Q: Explain how the federal corporate tax rates have been reflected for rate case purposes. If the Pennsylvania jurisdictional utility is part of a multi-corporate system, explain how the tax savings are allocated to each member of the system.

Response:

The Company uses a flat 35% federal income tax rate as presented on page B-21 of Company Exhibit TPH-1. Tax savings are allocated to the loss companies based on the federal corporate tax paid on the consolidated return.

The consolidated tax savings claim for electric operations is shown on page D-16 of Company Exhibit TPH-1 and derived in response to Schedule D-6.

PECO Energy Company
Response to Filing Requirements

Schedule D-16
Respondent: Frank F. Frankowski

Q: Explain the treatment given to costs of removal in the income tax calculation and the basis for such treatment.

Response:

For purposes of the income tax calculation, costs of removal are flowed through to the customer as set forth on page B-18 of Company Exhibit TPH-1 for 1996. Section 1.167(a)-11(d)(3) of the ADR regulations states, "the cost of dismantling, demolishing, or removing an asset in the process of a retirement from the vintage account shall be treated as an expense deductible in the year paid or incurred, and such costs shall not be subtracted from the depreciation reserve for the account". Cost of removal on ACRS and MACRS property is built into the gain or loss computation on disposition of such property.

PECO Energy Company
Response to Filing Requirements

Schedule D-17

Respondent: Frank F. Frankowski

Q: Show income tax loss/gain carryovers from previous years.
Show loss/gain carryovers by years of origin and amounts
remaining by years at the beginning of the base year.

Response:

PECO Energy Company has no income tax loss/gain carryovers
at the beginning of the base year.

PECO Energy Company
Response to Filing Requirements

Schedule D-18
Respondent: Frank F. Frankowski

Q: State whether the company eliminates tax savings by the payment of actual interest on construction work in progress not in rate base claim. If the response is affirmative:

- (a) Set forth amount of construction claimed in this tax savings reduction, and explain the basis for this amount.
- (b) Explain the manner in which the debt portion of this construction is determined for purposes of the deferral calculations.
- (c) State the interest rate used to calculate interest on this construction debt portion, and the manner in which it is derived.
- (d) Provide details of the calculation used to determine any tax savings reduction, and state whether state taxes are increased to reflect the construction interest elimination.

Response:

The company eliminates tax savings by the payment of actual interest on construction work in progress not in rate base claim.

- a) Attachment D-18 sets forth the calculation of the tax savings on actual interest for the 12 months ended December 31, 1996. The basis for these calculations is the long term debt rate that is used in accordance with the Pa. PUC order dated August 17, 1973. The debt rate is applied to capital expenditures on a monthly basis. The detail of monthly calculations of the tax savings is available on Company premises by capital projects.
- b) Attachment D-18, page 1 of 2 calculates the total debt portion of capitalized interest for the year ending December 31, 1996. Attachment D-18, page 2 of 2 calculates the deferral taxes associated with the debt portion of capitalized interest.

PECO Energy Company

Response to Filing Requirements

- c) The debt portion is calculated in accordance with the cost components based on a letter to the Pa. PUC and filed on a semiannual basis. For the first six months of 1996 the interest rate on the debt portion was 4.38%, and for the last six months the rate was 4.81%.

- d) The same procedure outlined in response to part b for the state deferred income taxes associated with capitalized interest. State income taxes are increased over the life of the capital asset to reflect the construction interest elimination.

1 pa.dynalib.depn96(taxdef96)
 2 02/26/97
 3 10:59
 4 /ex a5.a7
 5 /pr b1.f47 w=150 b
 6 /pr g1.p47 w=150 b
 7 /pr q1.z47 w=150 b

		***** AFUDC Debt Federal Deferral *****			***** AFUDC Debt State Deferral *****						
		Account 282			Account 282						
	Tax Rate	Tax Deferral	Common Alloc%	Common Allocation	Tax Deferral Allocation	Tax Rate	Tax Deferral	Common Alloc%	Common Allocation	Tax Deferral Allocation	
19	Company/Class & Service										
20	PECO ENERGY Co.										
22	Electric	0.315744	-2,661,401.74	0.87133	-232,958.00	-2,894,359.74	0.097875	-824,986.00	0.87133	-72,212.35	-897,198
23	Gas	0.315744	-10,979.42	0.12867	-34,401.00	-45,380	0.097875	-3,401.00	0.12867	-10,663.65	-14,065
24	Common	0.315744	-267,357.35		267,359.00	2	0.097875	-82,876.00		82,876.00	0
26	TOTAL		-2,939,739		0.00	-2,939,739		-911,263		0.00	-911,263
28	CPCO	0.000000	0.00			0	0.000000	0			0
30	SPCO	0.325500	-57,272.23			-57,272	0.000000	0			0
32	PE PW CO.	0.315035	0.00			0	0.000000	0			0
34	TOTAL PLANT		-2,997,011		0.00	-2,997,011		-911,263		0.00	-911,263

1 pa.dyna11b.depn96(taxdef96)
2 02/26/97
3 10:59
4 /ex a5.a7
5 /pr b1.f47 w=150 b
6 /pr g1.p47 w=150 b
7 /pr q1.z47 w=150 b

PECO ENERGY COMPANY
Monthly Tax Deferral-CWIP
Year to Date 1996

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Company/Class & Service	Avoided AFUDC (TAX)	Regular AFUDC (BOOK)	Borrow Fund %	Debt Interest # 197	Excess Intrest # 51
PECO ENERGY Co.					
Electric	15,687,653.11	17,589,722.14	0.4874	8,428,985.94	7,238,667.17
Gas	65,060.76	72,801.84	0.4874	34,773.17	30,287.59
Common	1,543,718.15	1,760,362.06	0.4874	846,753.54	696,964.61
TOTAL	17,276,432.02	19,422,686.04		9,310,512.65	7,965,919.37
CPCO	0.00	0.00	0.4874	0.00	0.00
SPCO	322,284.72	363,748.66	0.4874	175,951.54	146,333.18
PE PW CO.	0.00	0.00	0.4874	0.00	0.00
TOTAL PLANT	17,598,716.74	19,786,434.70		9,486,464.19	8,112,252.55

PECO Energy Company
Response to Filing Requirements

Schedule D-19
Respondent: Frank F. Frankowski

Q: Under section 1552 of the Internal Revenue Code (26 U.S.C.A. §1552) and 26 CFR §1.1552-1 (1983), if applicable, a parent company, in filing a consolidated income tax return for the group, must choose one of four options by which it must allocate total income tax liability of the group to the participating members to determine each member's tax liability to the federal government (if this interrogatory is not applicable, so state):

- (a) State what option has been chosen by the group.
- (b) Provide, in summary form, the amount of tax liability that has been allocated to each of the participating members in the consolidated income tax return for the base year and the most recent three years for which data is available.
- (c) Provide a schedule, in summary form, of contributions which were determined on the basis of separate tax calculations made by each of the participating members to the tax liability indicated in the consolidated group tax return. Provide total amounts of actual payments to the tax depository for the tax year, as computed on the basis of separate returns of members.
- (d) Provide the most recent annual income tax return for the group.
- (e) Provide details of the amount of the net operating losses of any member allocated to the income tax returns of each of the members of the consolidated group for the base year and the most recent three years for which data is available, together with a summary of the actual tax payments for those years.
- (f) Provide details of the amount of net negative income taxes, after the tax credits are accounted for, of any member allocated to the income tax return of each of the members of the consolidated group for the base year and the most recent three years for which data is available, together with a summary of the actual tax payments for those years.

Response:

- a. PECO Energy Company has chosen paragraph 2 under Section 1552(a) of the IRC, which states that the tax liability of the group should be allocated to the several

PECO Energy Company
Response to Filing Requirements

members of the group on the basis of the percentage of the total tax which the tax of such member if computed on a separate return would bear to the total amount of the taxes for all members of the group so computed. However, since inception of the investment tax credit in 1962, PECO Energy Company has applied the provisions of Section 1552(a)(2) to the income tax liability before investment tax credit. The investment tax credit is then allocated to the company which qualified for the credit. The amount of the investment tax credit is then charged to the investment tax credit adjustment account and is amortized over the life of the property.

- b. The amount of tax liability, exclusive of AMT tax or credits and other credits, is 35% of the income or loss for each member of the consolidated group. The taxable income or loss for 1995 and 1996 is provided in our response to Schedule D-6. For 1993 and 1994 the information is as follows:

	<u>1993</u>	<u>1994</u>
PECO Energy Company	465,237,459	515,240,588
Susquehanna Power Company	8,649,377	9,140,952
PECO Energy Power Company	53,358	58,005
Susquehanna Electric Company	97,398	(797,160)
Conowingo Power Company	(4,136,134)	683,259
Eastern Pennsylvania Exploration Company	59,099	110,268
Eastern Pennsylvania Development Company	(1,343)	38,793
Adwin Realty Company	(4,782,851)	(1,770,429)
Adwin Equipment Company	(1,249,139)	1,153,534
Adwin Investment Company	123,833	56,802
Buttwoods Associates Inc.	64,281	(10,882)
Energy Performance Services Inc.	-	(3,366,508)
PECO Energy Capital Corp	-	<u>1,189,778</u>
Total	464,115,338	521,727,000

- c. See our response to a and b above. The actual deposits to the tax depository are made by PECO Energy Company on behalf of the consolidated group. PECO Energy then requests payments from each member of the group for their share of the liability.
- d. The most recent federal consolidated income tax return for the group is 1995 and is provided in our response to Schedule D-7.

PECO Energy Company
Response to Filing Requirements

- e. The information requested is provided in Schedule D-7 for 1995 and in b above. The actual tax payments for 1993 were \$112,091,161 and \$137,899,275 for 1994.
- f. The requested information can be found in Schedule D-19e above.

PECO Energy Company
Response to Filing Requirements

Schedule D-20
Respondent: Frank F. Frankowski

Q: Provide detailed computations by vintage year showing state and federal deferred income taxes resulting from the use of accelerated tax depreciation associated with post-1969 public utility property, Asset Depreciation Range rates, and accelerated tax depreciation associated with post-1980 public utility property under the Accelerated Cost Recovery System (ACRS).

(a) Reconcile and explain any differences in the base used to calculate State and Federal deferred income taxes.

(b) State whether tax depreciation is based on the rate base items claimed as of the end of the base year, and whether it is the annual tax depreciation at the end of the base year.

(c) Reconcile differences between the deferred tax balance, as shown as a reduction to rate base, and the deferred tax balance as shown on the balance sheet.

Response:

- a) The company does not defer state income taxes associated with accelerated tax depreciation.
- b) Tax depreciation on Attachment D-20a schedules was calculated for the 12 months ended 12/31/96 based on plant in service throughout the year.
- c) See Attachment D-20b for the balance per balance sheet with exclusions because of FERC Jurisdictional and non-utility deferred taxes. The Company's claim for accumulated deferred taxes is developed on page B-19 of Company Exhibit TPH-1 and Attachment D-20b.

The Company's claim for tax depreciation expense and deferred taxes on liberalized depreciation are provided on pages D-7, D-7a, D-7b, D-8, D-8a, and D-8b of Company Exhibit TPH-1.

PECO Energy Company
Common Deferred Tax Report
Plant at 12/31/96

Vintage	Federal Depreciation	S/L Book Life Depreciation	Difference	Net Deferred Tax	Deferred Tax Balance
TIME: 1996A					
METHOD LIFE TYPE:FED					
V1969	662,237	261,481	400,756	0	0
V1970	36,386	33,198	3,188	876	211,143
V1971	5,785	7,442	-1,657	0	0
V1972	719,573	989,400	-269,828	-108,065	2,187,859
V1973	24,669	33,814	-9,145	-3,991	84,584
V1974	-368	1,716	-2,083	-161	129,634
V1975	5,318	13,413	-8,095	-3,043	54,592
V1976	5,507	8,084	-2,577	-921	13,886
V1977	14,906	23,866	-8,961	-3,444	51,224
V1978	19,574	21,837	-2,263	-783	45,308
V1979	47,792	53,569	-5,777	-2,261	120,460
V1980	35,929	36,409	-480	-409	111,578
V1981	30,790	191,676	-160,886	-56,890	344,912
V1982	152,840	94,468	58,372	20,430	491,205
V1983	53,191	106,611	-53,420	-23,462	542,602
V1984	233,295	112,978	120,317	41,954	600,980
V1985	230,526	65,353	165,173	57,806	275,381
V1986	547,711	161,581	386,131	133,147	621,746
V1987A	97,821	7,592	90,229	31,583	73,740
V1987	868,288	582,515	285,773	99,778	367,718
V1988	783,041	228,805	554,236	195,064	372,735
V1989	778,428	63,792	714,636	250,276	379,441
V1990	592,679	153,850	438,830	153,849	439,425
V1991	587,768	231,441	356,327	124,715	521,645
V1992	879,505	435,845	443,660	155,281	1,015,092
V1993	2,113,031	1,443,663	669,368	234,279	2,072,422
V1994	2,094,134	757,176	1,336,959	467,936	1,396,265
V1995	5,368,890	1,853,082	3,515,807	1,230,533	1,982,972
V1996	642,526	68,044	574,482	201,069	201,069
	17,631,775	8,042,702	9,589,074	3,195,145	14,709,618

PECO Energy Company
Nuclear Fuel Deferred Tax Report
Plant at 12/31/96

Vintage	Federal Depreciation	S/L Book Life Depreciation	Difference	Net Deferred Tax	Deferred Tax Balance
TIME: 1996A					
METHOD LIFE TYPE: FED					
V1983	0	0	0	0	0
V1985	0	0	0	0	0
V1986	0	0	0	0	0
V1987	0	0	0	0	1,031,926
V1988	0	0	0	0	295,780
V1989	0	435,523	-435,523	-149,882	2,504,474
V1990	0	296,865	-296,865	-100,934	621,134
V1991	6,524,436	10,132,066	-3,607,630	-1,229,993	1,386,527
V1992	14,120,985	9,044,871	5,076,114	1,791,114	7,344,527
V1993	13,408,932	18,918,658	-5,509,726	-1,910,201	4,506,882
V1994	20,270,560	16,192,816	4,077,744	1,427,211	12,892,442
V1995	34,184,128	21,451,168	12,732,960	4,456,536	6,623,016
V1996	17,969,875	10,446,316	7,523,559	2,633,246	2,633,246
	<u>106,478,916</u>	<u>86,918,283</u>	<u>19,560,633</u>	<u>6,917,097</u>	<u>39,839,954</u>

PECO Energy Company
 Electric Deferred Tax Report
 Plant at 12/31/96

Vintage	Federal Depreciation	S/L Book Life Depreciation	Difference	Net Deferred Tax	Deferred Tax Balance
TIME: 1996A					
METHOD LIFE TYPE: FED					
V1953	348,053	67,779	280,274	0	0
V1969	15,929,406	2,577,872	13,351,534	0	0
V1970	2,005,217	2,527,800	-522,583	-301,779	5,190,447
V1971	45,553	5,539,972	-5,494,420	-2,271,098	8,442,056
V1972	21,780	2,685,576	-2,663,796	-1,102,212	4,746,517
V1973	313,759	3,842,204	-3,528,445	-1,289,786	8,453,456
V1974	409,200	9,753,854	-9,344,654	-4,138,538	18,742,304
V1975	814,925	2,928,779	-2,113,854	-882,026	6,953,209
V1976	1,729,394	11,425,231	-9,695,836	-4,518,933	9,234,380
V1977	973,415	2,221,050	-1,247,635	-457,305	5,316,280
V1978	1,148,039	2,319,711	-1,171,672	-448,047	5,865,689
V1979	1,355,262	2,964,120	-1,608,858	-658,989	6,593,395
V1980	1,220,977	2,655,447	-1,434,470	-595,172	6,231,834
V1981	829,518	2,567,264	-1,737,747	-726,198	17,717,293
V1982	13,170,140	9,275,312	3,894,829	1,270,640	30,514,967
V1983	6,512,077	4,330,515	2,181,561	723,916	29,565,825
V1984	6,695,461	4,173,594	2,521,866	843,356	22,297,664
V1985	8,683,461	59,137,537	-50,454,076	-18,343,237	541,706,268
V1986	5,407,335	5,096,833	310,502	113,303	24,378,580
V1987A	5,469,808	2,494,662	2,975,146	1,041,369	13,201,519
V1987	10,716,374	6,377,178	4,339,195	1,518,814	18,333,213
V1988A	3,210,673	1,302,031	1,908,642	668,284	7,395,714
V1988	10,609,940	6,978,184	3,631,756	1,275,613	14,970,327
V1989A	148,688,742	47,591,975	101,096,767	35,383,868	342,077,300
V1989	14,222,385	7,142,286	7,080,099	2,479,411	20,597,206
V1990A	493,865	323,307	170,557	59,695	647,369
V1990	19,056,633	14,245,356	4,811,277	1,685,461	19,788,681
V1991	10,766,622	6,675,293	4,091,329	1,432,601	11,557,572
V1992	21,480,302	15,384,044	6,096,258	2,134,003	12,174,945
V1993	18,283,500	13,920,361	4,363,138	1,526,767	7,148,925
V1994	17,676,997	14,821,199	2,855,798	999,529	3,539,048
V1995	17,868,022	12,750,022	5,118,001	1,791,300	2,794,496
V1996	5,787,860	2,269,559	3,518,301	1,231,405	1,231,405
	<u>371,944,693</u>	<u>288,365,909</u>	<u>83,578,785</u>	<u>20,446,014</u>	<u>1,227,407,885</u>

PECO Energy Co. - Electric Operations - JC 282 Accumulated Deferred Taxes

Account	Electric, Gas or Common	Description	Balance @ 12/31/96	Less: FERC Jurisdiction & Below the Line	PUC Jurisdiction	Electric	Gas	Common	Total
02820-0002	E-Fed	Liberalized Depreciation	(1,227,414,987)		(1,227,414,987)	(1,227,414,987)			(1,227,414,987)
02820-0007	E-Fed	Lib Depreciation Sal#2	(20,132,424)		(20,132,424)	(20,132,424)			(20,132,424)
02820-0008	E-Fed	Lib Deprn Nuclear Fuel	78,095,898		78,095,898	78,095,898			78,095,898
02820-0008	E-Fed	Lib Deprn Nuclear Fuel	(111,547,894)		(111,547,894)	(111,547,894)			(111,547,894)
02820-0010	G-Fed	Liberalized Depreciation	(83,491,514)		(83,491,514)		(83,491,514)		(83,491,514)
02820-0012	C-Fed	Liberalized Depreciation	(14,716,553)		(14,716,553)			(14,716,553)	(14,716,553)
02820-0031	E-Fed	Tax Benefit Transfer Sal#2	(22,189,438)		(22,189,438)	(22,189,438)			(22,189,438)
02820-0032	E-Fed	PUC Adjustment	(19,841,311)	19,841,311	0				0
02820-0033	E-State	PUC Adjustment	(4,433,675)	4,433,675	0				0
02820-0039	E-Fed	Lib Deprn Nuclear Fuel	(6,387,958)		(6,387,958)	(6,387,958)			(6,387,958)
02820-0040	E-Fed	Prelim Eng Basis Design Docu	(1,177,429)		(1,177,429)	(1,177,429)			(1,177,429)
02820-0041	E-State	Prelim Eng Basis Design Docu	(471,373)		(471,373)	(471,373)			(471,373)
02820-0042	C-Fed	Software Amortization	(5,966,760)		(5,966,760)			(5,966,760)	(5,966,760)
02820-0043	C-State	Software Amortization	(1,768,662)		(1,768,662)			(1,768,662)	(1,768,662)
02820-0044	E-Fed	Audit Exp/Deprn Settlements	(13,294,516)		(13,294,516)	(13,294,516)			(13,294,516)
02820-0045	E-Fed	Salem Estuary Program	(1,150,831)		(1,150,831)	(1,150,831)			(1,150,831)
02820-0046	E-State	Salem Estuary Program	(356,347)		(356,347)	(356,347)			(356,347)
02820-2002	E-Fed	Lib Deprn Lim#1 Nuclear Fuel	(5,114,586)		(5,114,586)	(5,114,586)			(5,114,586)
02820-3001	E-Fed	Lib Deprn Lim#2 Nuclear Fuel	(5,628,319)		(5,628,319)	(5,628,319)			(5,628,319)
02820-4004	E-Fed	Cwip AFUDC Debt	(3,172,839)		(3,172,839)	(3,172,839)			(3,172,839)
02820-4005	G-Fed	Cwip AFUDC Debt	(10,979)		(10,979)		(10,979)		(10,979)
02820-4006	C-Fed	Cwip AFUDC Debt	(267,358)		(267,358)			(267,358)	(267,358)
02820-4010	E-State	Cwip AFUDC Debt	(828,608)		(828,608)	(828,608)			(828,608)
02820-4011	G-State	Cwip AFUDC Debt	(3,402)		(3,402)		(3,402)		(3,402)
02820-4012	C-State	Cwip AFUDC Debt	(82,876)		(82,876)			(82,876)	(82,876)
02820-4019	E-Fed	PSS AFUDC Debt	(27,527,986)		(27,527,986)	(27,527,986)			(27,527,986)
02820-4020	G-Fed	PSS AFUDC Debt	(571,952)		(571,952)		(571,952)		(571,952)
02820-4021	C-Fed	PSS AFUDC Debt	(855,804)		(855,804)			(855,804)	(855,804)
02820-4022	E-State	PSS AFUDC Debt	(6,194,695)		(6,194,695)	(6,194,695)			(6,194,695)
02820-4023	G-State	PSS AFUDC Debt	(127,258)		(127,258)		(127,258)		(127,258)
02820-4024	C-State	PSS AFUDC Debt	(208,663)		(208,663)			(208,663)	(208,663)
02820-0004	FERC	So. Georgia Lib Deprn	(1,702,652)	1,702,652	0				0
02820-0005	FERC	So. Georgia Lib Deprn	(1,126,373)	1,126,373	0				0
		Total	(1,509,670,124)	27,104,011	(1,482,566,113)	(1,374,494,332)	(84,205,105)	(23,866,676)	(1,482,566,113)

Attachment D-20b

PECO Energy Company
Response to Filing Requirements

Schedule D-21
Respondent: Frank F. Frankowski

Q: Submit a schedule showing a breakdown of accumulated and unamortized investment tax credits, by vintage year and percentage rate, together with calculations supporting the amortized amount claimed as a reduction to pro forma income taxes. Provide details of methods used to write-off the unamortized balances.

Response:

Attachment D-21 is a schedule showing a breakdown of accumulated unamortized investment tax credit as requested. Page D-17 of Company Exhibit TPH-1 provides the Company's claim for ITC amortization.

													PECO ENERGY	
													ITC AMORT FOR 1996	
	10%	4%	10%	4%	10%	10%	10%	10%	10%	10%	4%	10%		
	T & D AND	T & D AND	STEAM &	STEAM &										
	OTH ELEC	OTH ELEC	HYDRO	HYDRO				CRMBY					CPCO	
			PROD	PROD	SALEM 1	SALEM 2	EDDY SO2	SO2	MGO	PB 2&3	PB 2&3	Sale	TOTAL	
Vintage	255-0002	255-0002	255-0002	255-0002	255-0002	255-0002	255-0002	255-0002	255-0002	255-0002	255-0002	255-0002	255-0002	
71	0	23,976	0	16,716	0	0	0	0	0	0		3,936	44,628	
72	574	55,246	409	42,939	0	0	0	0	0	0		0	99,168	
73	3,312	84,682	2,302	57,690	0	0	0	0	0	0		0	147,986	
74	0	205,896	0	144,472	0	0	0	0	0	0	216,912	0	567,280	
75	73,670	67,348	34,584	29,152	0	4,344	0	0	0	11,292		0	220,390	
76	212,054	8,766	177,850	4,718	630,084	21,504	0	0	0	1,656		0	1,056,632	
77	62,225	3,499	62,801	2,439	41,124	33,144	0	0	0	25,320		0	230,552	
78	72,965	3,979	50,865	2,775	26,124	67,248	0	0	0	8,004		0	231,960	
79	100,956	1,032	70,392	720	43,020	55,884	8,916	0	0	6,384		0	287,304	
80	123,807	421	88,422	294	49,212	26,076	87,072	22,728	0	19,320		0	417,352	
81	188,789	5,819	15,104	520	14,748	79,992	199,272	117,048	0	79,140		0	700,432	
82	83,188		187,044		37,860	26,784	132,312	140,796	267,456	56,120		0	931,560	
83	135,504		57,144		35,664	36,840	0	0	48,588	16,536		0	330,276	
84	251,024		80,336		27,648	16,416	0	0	0	27,552		0	402,976	
85	98,684		140,748		19,368	41,496	0	0	0	205,648		0	505,944	
86	63,056		49,592		14,172	8,124	0	0	0	9,984		0	144,928	
87	89,880		30,908		19,776	25,332	0	0	0	25,964		0	191,860	
88	5,868		2,748		13,608	2,976	0	0	0	12,540		0	37,740	
89	2,944		3,000		0	0	0	0	0	268		0	6,212	
90	0		3,252		0	0	0	0	0	0		0	3,252	
	1,568,500	460,664	1,057,501	302,435	972,408	446,160	427,572	280,572	316,044	505,728	216,912	3,936	6,558,432	

	P:\Data\									
	10%	4%	10%	4%	10%	10%	10%	10%	10%	
					Salem 2					
	GAS	GAS	Common	Common	Lease	LIM 1	LIM2	LIM 1 COM	LIM 2 COM	GRAND
<u>Vintage</u>	<u>255-0003</u>	<u>255-0003</u>	<u>255-0006</u>	<u>255-0006</u>	<u>255-0005</u>	<u>255-2001</u>	<u>255-2002</u>	<u>255-2003</u>	<u>255-2004</u>	<u>TOTAL</u>
71	0	7,111	0	432	0	0	0	0	0	52,171
72	0	34,523	0	5,592	0	0	0	0	0	139,283
73	0	18,279	40	4,496	0	0	0	0	0	170,801
74	2,576	6,569	105	3,219	0	0	0	0	0	579,749
75	17,681	260	404	172	0	25,081	8,166	2,628	0	274,782
76	17,018	5	3,360		0	96,189	40,854	10,816	0	1,224,875
77	18,395	15	564		0	171,170	81,416	20,973	0	523,084
78	21,957		792		0	207,176	133,015	30,003	0	624,903
79	47,066		1,368		0	314,270	102,899	33,086	0	785,993
80	98,792		1,044		0	291,180	40,875	24,571	0	873,814
81	108,149		10,596		272,244	310,849	60,084	69,695	0	1,532,049
82	50,196		14,688		0	349,238	62,266	64,596	96,192	1,568,736
83	12,996		3,084		0	561,767	93,205	117,653	119,100	1,238,081
84	0		0		0	543,865	132,071	21,894	140,777	1,241,383
85	60,196		7,596		0	495,521	62,805	72,388	76,505	1,280,956
86	5,052		1,632		0	77,008	739,959	6,266	6,123	980,967
87	1,032		672		0	13,460	676,844	7,365	7,421	898,653
88	0		0		0	0	670,292	22,297	22,021	752,351
89	0		0		0	0	653,094	0	1,545	660,851
90	4,536		0		0	0	9,604	0	0	17,392
	465,642	66,762	45,945	13,911	272,244	3,456,774	3,567,447	504,033	469,683	15,420,873

UNAMORTIZED ITC @ 12/31/96													
ECO ENERGY													
	10%	4%	10%	4%	10%	10%	10%	10%	10%	10%	4%	4%	
	T & D AND	T & D AND	STEAM &	STEAM &				CRMBY					CPCO
	OTH ELEC	OTH ELEC	HYDRO	HYDRO	SALEM 1	SALEM 2	EDDY SO2	SO2	MGO	PB 2&3	PB 2&3	Sale	TOTAL
Vintage	255-0002	255-0002	255-0002	255-0002	255-0002	255-0002	255-0002	255-0002	255-0002	255-0002	255-0002	255-0002	255-0002
71	0	203,796	0	142,091	0	0	0	0	0	0	0	70,740	416,627
72	6,079	496,114	4,238	345,885	0	0	0	0	0	0	0	0	852,316
73	37,959	784,914	26,466	547,268	0	0	0	0	0	0	0	0	1,396,607
74	0	1,533,181	0	1,068,956	0	0	0	0	0	0	3,796,246	0	6,398,383
75	853,536	500,887	391,055	229,485	0	102,151	0	0	0	197,498	0	0	2,274,612
76	2,677,480	68,942	1,866,777	48,067	12,286,688	505,494	0	0	0	29,043	0	0	17,482,491
77	869,177	35,646	606,004	24,853	801,836	779,032	0	0	0	443,040	0	0	3,559,588
78	1,074,956	40,546	749,490	28,269	509,329	1,580,237	0	0	0	140,133	0	0	4,122,960
79	1,601,238	10,514	1,116,400	7,331	838,839	1,313,107	120,273	0	0	111,804	0	0	5,119,506
80	1,987,863	4,291	1,385,989	2,992	959,533	612,787	1,175,544	170,449	0	338,034	0	0	6,637,482
81	3,054,855	59,284	273,241	5,303	287,499	1,879,813	2,690,185	877,823	0	1,384,877	0	0	10,512,880
82	1,371,465	0	2,942,657	0	738,392	629,446	1,786,287	1,056,052	3,610,716	947,239	0	0	13,082,254
83	2,131,228	0	898,653	0	695,357	865,831	0	0	655,796	289,484	0	0	5,536,349
84	4,122,875	0	1,545,085	0	539,088	385,797	0	0	0	482,045	0	0	7,074,890
85	1,627,335	0	2,704,172	0	377,669	975,270	0	0	0	3,510,979	0	0	9,195,425
86	1,036,319	0	1,003,268	0	276,320	190,833	0	0	0	174,635	0	0	2,681,375
87	1,477,714	0	679,207	0	385,829	594,991	0	0	0	471,923	0	0	3,609,664
88	92,192	0	67,345	0	265,524	70,064	0	0	0	223,045	0	0	718,170
89	49,397	0	76,542	0	0	0	0	0	0	4,965	0	0	130,904
90	0	0	86,352	0	0	0	0	0	0	0	0	0	86,352
T.B 12/96	24,071,668	3,738,115	16,422,941	2,450,500	18,961,903	10,484,853	5,772,289	2,104,324	4,266,512	8,748,744	3,796,246	70,740	100,888,835

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	10%	4%	10%	4%	10%	10%	10%	10%	10%	10%
	Salem 2									
	GAS	GAS	Common	Common	Lease	LIM 1	LIM2	LIM 1 COM	LIM 2 COM	GRAND
Vintage	255-0003	255-0003	255-0006	255-0006	255-0005	255-2001	255-2002	255-2003	255-2004	TOTAL
71		106,676	0	3,573	0	0	0	0	0	526,876
72		517,841	0	69,056	0	0	0	0	0	1,439,213
73		274,179	531	60,129	0	0	0	0	0	1,731,446
74	51,510	98,529	1,509	46,149	0	0	0	0	0	6,596,080
75	353,630	3,905	6,457	2,463	0	602,152	238,786	76,625	0	3,558,630
76	340,350	68	54,948	0	0	2,307,104	1,192,612	315,551	0	21,693,124
77	367,909	226	9,663	0	0	4,104,779	2,376,140	612,178	0	11,030,483
78	439,131	0	14,557	0	0	4,968,372	3,881,801	875,668	0	14,302,489
79	941,320	0	26,799	0	0	7,536,809	3,002,999	965,343	0	17,592,776
80	2,074,638	0	21,271	0	0	6,982,927	1,192,880	717,284	0	17,626,482
81	2,392,462	0	227,764	0	6,397,717	7,454,443	1,753,203	2,033,782	0	30,772,251
82	1,129,549	0	330,366	0	0	8,375,137	1,817,079	1,885,129	2,807,201	29,426,715
83	305,537	0	72,511	0	0	13,471,680	2,719,811	3,433,809	3,475,805	29,015,502
84	0	0	0	0	0	13,042,699	3,854,252	633,274	4,108,370	28,713,485
85	1,586,155	0	193,674	0	0	11,883,122	1,832,432	2,112,309	2,232,529	29,035,646
86	134,010	0	43,131	0	0	1,846,666	21,594,386	182,568	178,963	26,661,099
87	28,535	0	18,560	0	0	322,689	19,752,269	214,893	216,499	24,163,109
88	0	0	0	0	0	0	19,561,208	650,665	642,432	21,572,475
89	0	0	0	0	0	0	19,059,185	0	45,110	19,235,199
90	138,267	0	0	0	0	0	280,494	0	0	505,113
T.B 12/96	10,283,003	1,001,424	1,021,741	181,370	6,397,717	82,898,579	104,109,537	14,709,078	13,706,909	335,198,193

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	10%	4%	10%	4%	10%	10%	10%	10%	10%	
					Salem 2					
	GAS	GAS	Common	Common	Lease	LIM 1	LIM2	LIM 1 COM	LIM 2 COM	GRAND
Vintage	255-0003	255-0003	255-0006	255-0006	255-0005	255-2001	255-2002	255-2003	255-2004	TOTAL
71		15		8						
72		15		12						
73		15	13	13						
74	20	15	14	14						
75	20	15	16	14		24	29	29		
76	20	14	16			24	29	29		
77	20	15	17			24	29	29		
78	20		18			24	29	29		
79	20		20			24	29	29		
80	21		20			24	29	29		
81	22		21		23	24	29	29		
82	23		22			24	29	29	29	
83	24		24			24	29	29	29	
84						24	29	29	29	
85	26		25			24	29	29	29	
86	27		26			24	29	29	29	
87	28		28			24	29	29	29	
88							29	29	29	
89							29		29	
90	30						29			

PECO Energy Company
Response to Filing Requirements

Schedule D-22
Respondent: Frank F. Frankowski

Q: Submit a schedule which shows federal income tax refunds, plus interest -- net of taxes, received for the last five years due to prior years' claims.

Response:

No federal income tax refunds have been received for the last five years.