

R-973953

**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**

**Exhibit 2**

**RESPONSE TO FILING REQUIREMENTS**  
**RESPONSES O-2 THROUGH P-25**

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PECO Energy Company  
Response to Filing Requirements

Schedule O-2

Respondent: Thomas P. Hill, Jr.

Q: Provide a discussion of any contemplated acts of merger, consolidation, acquisition or disposition by the company.

Response:

As part of our strategic planning process, PECO continues to evaluate many options with respect to mergers, acquisitions and dispositions. However, we cannot comment on these studies because of the proprietary nature of the work, confidentiality agreements with third parties as well as SEC disclosure requirements.

PECO Energy Company  
Response to Filing Requirements

Schedule O-3  
Respondent: Thomas P. Hill, Jr.

Q: Provide a description of any contemplated creation of new business entities by the Company.

Response:

The Company has fully disclosed its various business entities in required submissions to the SEC and reports to shareholders. However, we cannot comment on these studies because of the proprietary nature of the work, confidentiality agreements with third parties as well as SEC disclosure requirements.

PECO Energy Company  
Response to Filing Requirements

Schedule O-4  
Respondent: Frank F. Frankowski

Q: List accumulated deferred federal income tax amounts held by the utility.

Response:

Attachment O-4 is a listing of electric federal deferred income taxes at December 31, 1996.

## PECO Energy Company

A/C 190

## Deferred Federal Income Taxes

A/C 190 Federal Deferred Tax	Balance 12/31/96				x
<b>Electric</b>					
Decommissioning Expense	11,828,503				
Obsolete Inventory	102,720				
Environmental Cleanup	2,282,090				
Deferred Compensation	399,470				
FAS 109	8,417,606				
Contributions in Aid of Construction	1,293,449				
Gain on Reacquired Bonds	136,487				
Value of Generation Lim#1	24,590,179				
Deferred Fuel	(29,716,360)				
Value of Generation Lim#2	8,769,095				
Dividend Equivalents	573,496				
Pension Expense	55,921,739				
Nuclear Design Basis Documentation	(89,342)				
Nuclear Fuel Outae Costs	7,831,766				
Uncollectible Accounts	41,025,545				
Avoided Interest	41,790,652				
Merril Creek	11,367,678				
FAS 106	10,253,728				
Pa Sales & Use Tax	852,738				
Hydrogen Water Chemistry System	261,314				
Power Rerate	(6,811,102)				
Interest Income O' Brien	491,225				
Injuries and Damages	580,968				
Nuclear Decommissioning Earnings	2,523,762				
NAWI	1,078,086				
<b>Gas</b>					
Advoided Interest	936,005				
Gain on Reacquired Bonds	14,126				
Capitalized Inventory Costs	299,248				
Contributions in Aid of Construction	882,622				
Dividend Euivalents	25,776				
Pension Expense	8,484,705				
Obsolete Inventory	142,010				
Environmental Cleanup	1,155,851				
Deferred Compensation	2,603				
Contient Liabilities	1,088,678				
FAS 109	766,399				
FAS 106	(751,406)				
Uncollectible Accounts	(540,016)				
Injuries and Damages	50,520				
<b>Other</b>					
Accretion Income					
AMT Deferral	1,348,973				
Advoided Interest	1,586,672				
<b>Total</b>	<b>211,248,258</b>				







PECO Energy Company  
Response to Filing Requirements

Schedule O-5  
Respondent: Frank F. Frankowski

Q: Provide a schedule of when deferred state taxes are to be paid.

Response:

The Company provides state deferred income taxes in the 190 account (deferred asset) and the 283 account (deferred liability). Deferred income taxes are the result of a timing difference between book and tax accounting. These deferred taxes reverse over the life of the associated asset or liability. At the time the deferred taxes are reversed, payment is made.

PECO Energy Company  
Response to Filing Requirements

Schedule O-6  
Respondent: Thomas P. Hill, Jr.

Q: Provide a discussion and description of the utility's proposed functional separation between regulated and nonregulated operations.

Response:

The Company will continue to account for its operations, including the delineation between regulated and nonregulated operations, in accordance with the FERC Uniform System of Accounts.

Revenues recognized and operating costs incurred in rendering electric utility service will be accounted for as regulated operations, with the resulting profit classified in the Company's statement of income as Operating Income. The activities accounted for as a part of regulated operations will continue to be the transmission, distribution, customer service and support (administrative and general) functions.

Likewise, activities apart from the rendering of electric utility service will be accounted for as nonregulated operations. The resulting profit or loss will be classified in the Company's statement of income as Other Income and Deductions. Examples of such activities include appliance repair operations, jobbing work such as relocation and maintenance of customers' electrical equipment and consulting on energy services. The nonregulated entities will continue to reimburse the regulated operations on a fully loaded basis for use of any utility assets and resources by the nonregulated entities.

PECO Energy Company  
Response to Filing Requirements

Schedule P-1  
Respondent: Marilyn C. Kray

Q: Provide a listing of each universal service and energy conservation policy, activity and service during the two years ending December 31, 1996. For each such policy, activity and service, state budgeted and actual funding during the two years by the company, along with any funding or contribution by any third party source.

Response:

The Company participates in the following universal service/energy conservation activities:

Customer Assistance Program (CAP)

The budgeted funding for CAP in 1996 was:

Administrative - 1.759 million  
Electric UA Budget (CAP Portion)- 20.934 million

The actual funding for CAP in 1996 was

\$ 2.168 M Administrative  
\$22.138 M Shortfall  
\$ 5.313 M Preprogram Arrearage  
\$29.619 M Total

The budgeted funding for CAP in 1995 was:

Administrative 1.574 million  
Uncollectible Accounts Budget (CAP Portion ) 31.130  
million

The actual funding for CAP in 1995 was:

\$ 2.266 M Administrative  
\$28.788 M Shortfall  
\$ 8.411 M Preprogram Arrearage  
\$39.465 M Total

Customer Assistance Program Rate (CAP Rate)

The budgeted funding for CAP Rate in 1996 was:

PECO Energy Company  
Response to Filing Requirements

There was no budget allocation for CAP Rate in 1996

The actual funding for CAP Rate in 1996 was:

\$1.467 M	Shortfall
\$0.220 M	Preprogram arrearages
\$ .507 M	Administrative costs
\$2.194 M	Total

The CAP Rate began on 4/1/96 so there is not funding or budget information for 1995

Low Income Usage Reduction Program(LIURP)

The budget and funding for LIURP was:

Year	Budget	Funding
1995	\$2.604M	\$2.100M
1996	\$3.108M	\$2.772M

Low Income Heating Energy Assistance Program (LIHEAP Outreach)

The budget and funding for LIHEAP Outreach was:

Year	Budget	PECO
1995	\$460,130	\$384,480
1996	\$363,120	\$307,050

Matching Energy Assistance Fund (MEAF)

The budget and funding for MEAF was:

Year	Budget	Customer Contribution	PECO Match
1995	\$.940M	\$595,039	\$572,828
1996	\$.940M	\$501,623	\$403,099

PECO Energy Company  
Response to Filing Requirements

Schedule P-2  
Respondent: Marilyn C. Kray

Q: Regarding the provisions of 66 Pa.C.S. §2804 (9) and(15), state how the company intends to continue its universal service and energy conservation activities, which programs it intends to continue, how it will fund such programs, whether it commits itself to fully expend such funds, whether it intends to establish new programs or enlarge, reduce or eliminate existing programs, how it will determine the effectiveness of programs, how it intends to determine funding levels for each program and for its overall universal service and energy conservation efforts.

Response:

See Direct Testimony of Marilyn C. Kray

PECO Energy Company  
Response to Filing Requirements

Schedule P-3  
Respondent: Marilyn C. Kray

Q: Describe the company's existing consumer protection policies and services, including, but not limited to customer assistance plans, CARES, hardship funds, LIURP programs, Gatekeeper programs and other energy assistance programs. For each program, state the funding and participant level. For LIHEAP funding, include annual figures for the past 5 years. Identify the current organizational structure which provides these services, including in-house and outside individuals, departments, and organizations with current staffing and funding levels.

Response:

Customer Assistance Programs: The Company is currently operating two customer assistance programs. The Company operates a Customer Assistance Program ("CAP") and a pilot customer assistance program ("CAP Rate")

CAP is a program designed for low income, inability to pay customers. A customer who is at or below 150% of the federal poverty level and has an inability to pay, defined as expenses exceeding income by more than \$10, may be eligible for CAP. A CAP customer's bill is initially computed at the company's existing Rate R or Rh and a 20%, 40% or 60% discount is applied to the bill.

The Company's Accounts Receivable Department is responsible for administering CAP. In addition, the Company uses the services of Payco, DOR and 19 Neighborhood Energy Centers. Need information on the staffing and funding levels of the department, including contractors.

The funding and participant level for CAP is:

Year	Funding	Number of Participants
1996	\$29.619M	31,969*

\* Includes both Gas & Electric CAP customers. Due to the few number of customers, PECO does not track gas only CAP customers.

PECO Energy Company  
Response to Filing Requirements

CAP Rate is a pilot customer assistance program with an established tariffed rate. The CAP Rate provides a 50% or 25% discount on the first 500 kwh of the monthly bill. The level of the customer's discount is based on the customer's income level. A low income, payment troubled customer is eligible for CAP Rate. The CAP Rate is currently the subject of an ongoing Commission proceeding and evaluation at PUC Docket No. R-00953515C001, R-00953515C002, R-00953515C003. CAP Rate enrollment is limited, at this time, to 10,000 customers

The funding and participant level for CAP Rate is:

Year	Funding	Number of Participants
1996	\$ 2.194M	9,912

The Company's Accounts Receivables Department is responsible for administrating CAP Rate. In addition to Company personnel, PECO Energy utilizes the services of the Pennsylvania Department of Revenue, Gil Peach and Manpower.

CARES programs: PECO currently does not offer a separate CARES program. The Company believes that its customer assistance programs (CAP and CAP Rate) the LIURP program, its LIHEAP Outreach, MEAF and Community Workshops are the activities that will target the same customer base that BCS suggests in its CARES recommendations.

Hardship Funds: The Company is currently directly involved with two hardship funds - LIHEAP and MEAF.

LIHEAP is a federal funded program which enables the state to help households with incomes at 100% or below of the federal poverty guidelines. The program is designed to help low income customer with their home heating needs. The program is administered through the Pennsylvania Department of Welfare. The program has cash benefits, CRISIS payments and energy conservation program. Although the Company does not fund the program it incurs administrative costs involved with LIHEAP.

The Company's Accounts Receivable Department is responsible for its LIHEAP Outreach Effort. In addition the Company utilizes 10 Neighborhood Energy Centers for support in tracking LIHEAP applications.

PECO Energy Company  
Response to Filing Requirements

Year	Funding	Number of Participants
1993	\$7.797M	
1994	\$6.414M	
1995	\$3.741M	39,920
1996	\$3.597M	23,715

MEAF (Matching Energy Assistance Fund) is a PUC recommended program that enables the Company to assist low income customer with energy payments. The Company matches customer contributions to this fund.

Year	Funding	Number of Participants
1996	\$ .403M	2,228

LIURP (Low Income Usage Reduction Program) is a low income PUC directed program. It is a state sponsored program that provides energy education and conservation measures that help reduce the energy usage of low income customers. Funding of LIURP is .2% of annual revenue.

The funding and number of participants for LIURP are:

Year	Funding	Number of Participants
1996	\$ 2.772 M	8,220

The Company's Accounts Receivables Department is responsible for its LIURP program. In addition, the Company has a contract with Conservation Management Corporation ("CMC") to perform LIURP services. There are 23 CMC employees who work exclusively on the Company's LIURP program. There is one Company employee working exclusively on the LIURP program.

Gatekeeper programs PECO does not offer a "formal gatekeeper program." However, all of our customer contact personnel are trained to recognize certain behavioral signs in customers, and make the appropriate referrals.

The following are the current staffing levels of the Company's consumer protection policies and services:

Customer Assistance Program:

As of December 31, 1996, the Company employed 14 PAYCO employees and 2 PECO Energy employees to administer CAP.

PECO Energy Company  
Response to Filing Requirements

CAP Rate:

One PECO Energy employee is assigned to CAP Rate.

LIHEAP

One PECO Energy employee is assigned to work on LIHEAP and 30% of her time is allotted to LIHEAP.

MEAF

The Company's Accounts Receivables Department is responsible for administering MEAF. The Company does not employ any contractors for MEAF and one PECO Energy employee is assigned to MEAF and devotes 20% of her time to MEAF.

LIURP

One Company employee works on the LIURP program and devotes 40% of her time to LIURP.

PECO Energy Company  
Response to Filing Requirements

Schedule P-4  
Respondent: Gwendolyn S. King

Q: Fully describe your proposed consumer education program, and describe how it has been designed in accordance with the requirements of 66 Pa.C.S. §2807(d) to inform customers of the changes in the electric utility industry, how the education program will provide consumers with information necessary to help them make appropriate choices as to their electric service and how such information will be provided in an understandable format that enables consumers to compare prices and services on a uniform basis.

Response:

See Direct Testimony of Gwendolyn S. King.

PECO Energy Company  
Response to Filing Requirements

Schedule P-5  
Respondent: Marilyn C. Kray

Q: Identify all criteria used by the company to categorize customers as low income customers. State the collection costs for the base year 1996 associated with handling low income customer accounts, including administrative expenses associated with termination activity (10-day termination notice, personal contact, 48 hour notice, actual termination of service, post termination and restoration costs, negotiating payment arrangement requests, budget counseling, handling formal and informal complaints, securing and maintaining deposits, tracking delinquent accounts, collection agency expenses, litigation expenses, dunning expenses and winter survey expenses.

Response:

See Testimony of Marilyn C. Kray for the criteria used by the company to categorize customers as low income.

The collection costs for the base year 1996 associated with handling all customers was \$13.216 million. The Company cannot identify how much of these costs (except for the payment arrangement costs) were attributable to low income customers. All costs are of 12/31/96.

**Administrative Costs**

**10 day termination notices** - PECO issues approximately 100,000 10 - day notices each month in 1996. The cost per notice is \$.319. Costs include postage, computer time to construct the notice, paper for the notices and envelopes. No labor is included.

**Total - \$382,800**

**Personal Contact** - Seventy two hour notices are made either on the phone or with a field visit. In 1996, the Company conducted 162,216 field visits and 602,259 phone contacts.

**Total - \$1,959,565.67**

**48 hour notice** - There were 117,088 48 hour notices issued in 1996. The cost per notice was \$9.75.

**Total \$1,141,608**

**PECO Energy Company**  
**Response to Filing Requirements**

**Termination of Service** - There were 34,621 service termination's in 1996. The cost per termination was \$16.75. There were 5,860 contacts made at a customer's location but termination could not be made for various reasons. The costs per contact was \$9.75.

There were 19,685 instances where contact was made at the customers location but termination could not be made due to no access. The cost per instance was \$9.75.

Additionally, the cost includes vehicle support and one full time PECO employee.

**Total \$1,274,571.85**

The post termination and restoration costs associated with re-energizing a customers service are \$416,996. \$50,000 of these costs are contracted out, the rest of the costs are internal.

**Total \$416,996**

**Payment Agreements**

The total costs for negotiating payment agreements are  
**\$3,171,500.62**

There were 110,828 customers on payment agreements.

There were 76,956 (69.4%) payment agreements under 48 months  
58.18% of these payments were for low income customers, therefore  
low income costs under 48 months were \$1,280,554

There were 33,872 (30.6%) payment agreements over 48 months,  
87.96% of these payments were for low income customers, therefore  
low income costs over 48 months were \$853,633

**Total low income costs \$2,134,187**

**Budget Counseling** - PECO does not budget counsel customers.

**Handling informal and formal complaints** - Costs associated with a PECO employee who spends 3 days/week during the termination period and 1 day/week during the winter moratorium.

**Total - \$31,257.18**

**Securing & Maintaining Deposits** - Costs associated with one person processing the deposits and one person sending the notices for deposits out. (It takes only one person 10 hours to process 4700 payments for the year but unfortunately there is much more involved)

PECO Energy Company  
Response to Filing Requirements

Only bankrupt customers must pay a deposit.  
Total - \$112,799.03

**Tracking Delinquent Accounts** - These are all OCCS costs (ie CPU time, IS). PECO is going to move to RMS (Recovery Management System) this year.  
Total - \$2,406,179.00

**Litigation Expenses** - Costs associated with credit and collection litigation. This is when PECO takes the customer to court. These are PECO \$'s and contract \$'s.

Total - \$506,385

**Litigation Expenses** - Costs associated with the Company's representation at formal Pa PUC inability to pay ("ITP") complaints for low income customers.

Total - \$72,900

**Collection Agency Expenses** - Costs associated with collection agencies to track down delinquent customers. These costs include two PECO people in A/R.

Total - \$1,546,653

**Dunning Expenses** - PECO incurs no dunning expenses.

**Winter survey expenses** - Costs are based on 1996 winter survey numbers with 1997 direct labor costs. These are primarily contractor costs.

Total - \$192,753.48

Total for all costs - \$13,215,968

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PECO Energy Company  
Response to Filing Requirements

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**Winter survey expenses** - Costs are based on 1996 winter survey numbers with 1997 direct labor costs. These are primarily contractor costs.

Total - \$192,753.48

Total for all costs - \$13,215,968

PECO Energy Company  
Response to Filing Requirements

Schedule P-6  
Respondent: Marilyn C. Kray

Q: State the dollar amount of the company's gross residential write-offs for 1996, the portion related to low income customers or an estimate of the portion related to low income customers.

Response:

The total gross electric residential write-offs for 1996 was \$72.647 million. The Company cannot provide the total portion of this figure that relates to low-income. The Company did write off \$27.451 million for CAP in 1996 and \$.220 million for CAP Rate in 1996. This is the only portion of the total gross electric residential write-offs that can be specified for low income customers although there is another portion of the total that is attributable to low income customer who are not on CAP or CAP Rate. However this amount can not be quantified at this time.

PECO Energy Company  
Response to Filing Requirements

Schedule P-7  
Respondent: Marilyn C. Kray

Q: State how many residential service customers were served in 1996, the number of residential customers known to be low income customers, and total estimated low income customers. Indicate the company's definition of low income customers. State how many residential customers are payment troubled customers, how many payment troubled customers are low income customers and how does the company define "payment troubled"? How many low income customers are known to be payment troubled customers, and what is the estimate of the total number of low income, payment troubled customers?

Response:

See Direct Testimony of Marilyn C. Kray

PECO Energy Company  
Response to Filing Requirements

Schedule P-8  
Respondent: Marilyn C. Kray

Q: State the company's definition of a residential account in arrears, the total number of residential accounts in arrears in 1996, the number of those accounts which were low income customers, dollars in arrears owe by identified low income customers, and total number of dollars in arrears (identified and estimated).

Response:

PECO Energy defines an account in arrears as an account that is over one month, two months or three months past due. The Company also considers all special payment agreement accounts including CAP and CAP Rate accounts in arrears.

The total number of accounts in arrears and the number of dollars in arrears at 12-31-96 is shown below.

	Accounts	Dollars
Over 1 month past due	55,490	4.526M
Over 2 months past due	19,122	3.338M
Over 3 months past due	32,511	18.193M
S.A. Customers over 48 mo	31,056	62.970M
S.A. Customers under 48 mo	71,912	44.961M
CAP Customers	31,969	24.962M
CAP Rate	9,912	9.291M

All data is as of 12/31/96. The totals for S.A. customers over 48 months and under 48 months includes a small percentage of commercial accounts.

PECO cannot quantify how many customers are low income in the one, two or three month past due categories.

All CAP and CAP Rate customers are low income. 88% of the all SA customers with agreements over 48 months are low income. 58% of all SA customers with agreements under 48 months are low income.

The total number of dollars in arrears identified is \$168.241 million. PECO does not estimate this number yearly.

PECO Energy Company  
Response to Filing Requirements

Schedule P-9  
Respondent: Marilyn C. Kray

Q: What would CAP enrollment be if the program was large enough to accommodate all low income negative ability to pay customers? State number of customers still in need of LIURP services. State how much it would cost to serve all customers which need LIURP services.

Response:

See the Direct Testimony of Marilyn S. Kray for CAP enrollment information.

PECO Energy estimates that there are approximately 10,000 customers currently on its system with average usage of 800 kwh or greater per month who may be eligible for LIURP. If the Company were to enroll 10,000 new customers to its LIURP program, it would cost approximately \$5.9 million over a two year period, based on historic costs.

PECO Energy Company  
Response to Filing Requirements

Schedule P-10  
Respondent: Marilyn C. Kray

Q: Does the company intend to shift traditional collection costs to fund universal service and energy conservation activities? What is the plan for accomplishing this? If there is no such plan, why not?

Response:

No. Based upon historic experience, the Company has determined that traditional collection costs have not declined as low income assistance programs have expanded, therefore for purposes of this filing the Company is not proposing any shift.

PECO Energy Company  
Response to Filing Requirements

Schedule P-11  
Respondent: Marilyn C. Kray

Q: State all plans to use community based organizations to assist low income customers, and state known technical and administrative experience of such organizations to assist such customers.

Response:

See Direct Testimony of Marilyn C. Kray

PECO Energy Company  
Response to Filing Requirements

Schedule P-12  
Respondent: Gregory A. Cucchi

Q: State how new customers will apply for electric service and select a generation supplier. State how electric power will be supplied in the event that new or existing customers do not, or are unable to select a third party generation supplier.

Response:

A discussion of how customers will select electric service and suppliers is contained in the Direct Testimony of Gregory A. Cucchi.

PECO Energy Company  
Response to Filing Requirements

Schedule P-13  
Respondent: Gregory A. Cucchi

Q: In instances in which the end-use customer chooses to receive a single bill from the electric utility for all electric services regardless of generation supplier, provide a proposed billing format. Show how charges will be unbundled to enable customers to determine the basis for each charge. State the procedures which will be employed to receive accurate, timely billing data from other providers in rendering customer bills after restructuring commences. State how the company intends to prevent the improper disclosure or use of sensitive or proprietary customer information, obtained from outside generation suppliers for billing purposes, within the company or to third parties. Indicate how the company will apply partial payments in satisfaction of the unbundled charges. State how customer billing inquiries or complaints will be handled in a timely and effective fashion.

Response:

PECO will provide single bills in a format which contains the appropriate unbundled charges based upon the discussions which will occur as part of the Commission's Customer Information and Bills Working Group. PECO will develop procedures, as necessary, to allow for the receipt of billing data from suppliers based upon the discussions of the Supplier/Utility /Customer Interaction Work Group and the Customer Information and Bills Work Group. A discussion of the proposed procedures preventing improper disclosure of customer information is contained in the Direct Testimony of Gregory A. Cucchi.

A discussion of application of partial payments is contained in the Direct Testimony of Gregory A. Cucchi. A discussion of the proposed procedures around billing inquiries/complaints is contained in the Direct Testimony of Gregory A. Cucchi.

PECO Energy Company  
Response to Filing Requirements

Schedule P-14  
Respondent: Gregory A. Cucchi

Q: Provide a proposed billing format for customers who choose to be billed separately for energy service by their electric generation provider. Show how charges will be unbundled to enable customers to determine the basis for each charge. State the procedures which will be employed to receive accurate, timely billing data from other providers (if any) in rendering customer bills after restructuring commences. Indicate how the company will apply partial payments in satisfaction of the unbundled charges. State how customer billing inquiries or complaints will be handled in a timely and effective fashion.

Response:

PECO will provide bills, for those customers who choose to be billed separately, in a format and which contain the appropriate unbundled charges based upon the discussions which will occur as part of the Commission's Customer Information and Bills Working Group. PECO will develop procedures, as necessary, to allow for the receipt of billing data from suppliers based upon the discussions of the Supplier/Utility/Customer Interaction Work Group and the Customer Information and Bills Work Group.

A discussion of the proposed procedures around preventing improper disclosure of customer information are contained in the Direct Testimony of Gregory A. Cucchi.

Application of partial payments - A discussion around application of partial payments is contained in the Direct Testimony of Gregory A. Cucchi.

A discussion of the proposed procedures around billing inquiries/ complaints are contained in the Direct Testimony of Gregory A. Cucchi.

PECO Energy Company  
Response to Filing Requirements

Schedule P-15  
Respondent: Gregory A. Cucchi

Q: If the utility intends to permit generation suppliers (including its own generation affiliate or division) to bill all charges, provide a proposed billing format. Show how charges will be unbundled to enable customers to determine the basis for each charge. State the procedures which will be employed to transmit accurate, timely billing data to other providers in rendering customer bills after restructuring commences. Indicate how the billing company will apply partial payments in satisfaction of the unbundled charges. State how customer billing inquiries or complaints will be handled in a timely and effective fashion.

Response:

PECO is not intending to permit generation suppliers to bill for PECO charges.

PECO Energy Company  
Response to Filing Requirements

Schedule P-16  
Respondent: Gregory A. Cucchi

Q: Describe how the company will provide customer service functions consistent with the requirements of 66 Pa.C.S. §2807(d) and 2809(e).

Response:

See Direct Testimony of Gregory A. Cucchi and Marilyn C. Kray.

PECO Energy Company  
Response to Filing Requirements

Schedule P-17  
Respondent: Gwendolyn S. King

Q: Describe fully the company's proposed customer education and information program relative to restructuring, including the explanation of restructuring to individual customers, to groups and through mass advertising, in customer solicitations, in responding to customer inquiries and with regard to outreach programs.

Response:

See the Direct Testimony of Gwendolyn S. King.

PECO Energy Company  
Response to Filing Requirements

Schedule P-18

Respondent: Gwendolyn S. King

Q: Describe how the company intends to ensure that plain language is employed in company communications with customers in the future, including in bills, sales contracts, and in handling billing for third parties.

Response:

Currently the Company follows the Commission's Policy Statement regarding plain language for customer communications. The Company's Regulatory Performance Group coordinates this effort and there are guidelines in place for drafting communications. The Company has conducted training for employees who prepare customer communications. In addition, the Regulatory Performance Group routinely reviews communications for compliance.

PECO Energy Company  
Response to Filing Requirements

Schedule P-19  
Respondent: Gwendolyn S. King

Q: If the company intends to use outside contractors or third parties in situations requiring customer contact or education, describe the circumstances and what services will be provided.

Response:

See the Direct Testimony of Gwendolyn S. King.

PECO Energy Company  
Response to Filing Requirements

Schedule P-20  
Respondent: Gwendolyn S. King

Q: Describe what statistical or survey techniques the company intends to utilize to determine the effectiveness of its customer education efforts. State whether all such information will be provided to the commission, and if not, to what extent and why.

Response:

See the Direct Testimony of Gwendolyn S. King.

PECO Energy Company  
Response to Filing Requirements

Schedule P-21  
Respondent: Marilyn C. Kray

Q: Provide the following information for each business office and for the utility's operations in Pennsylvania as a whole, by average length of time and for the 10<sup>th</sup>, 25<sup>th</sup>, 50<sup>th</sup>, 75<sup>th</sup>, and 90<sup>th</sup> percentiles, for calendar years 1995 and 1996:

a) Installation of service - Length of time in days that it takes to complete the installation of new service after receipt of a customer application for service.

b) Response to telephone inquiries - Length of time in minutes and seconds it takes to respond to a telephone inquiry into the business office (length of time on hold).

c) Response to billing complaints - Length of time in days it takes to resolve billing complaints.

Response:

The Company does not differentiate information by business offices and does not have percentile information for the above question.

a) To the extent the Schedule asks how long it takes a customer to apply for service - a customer who applies for service (either by phone or in person) will have service initiated on the day requested or within three days of the request. For residential customers Chapter 56 requires that a utility process applications within three days. The average time for residential installations is 36 hours from the time the contractor informs us that the site is ready. Specific statistics on actual times are not recorded, but the design criteria is for all installations to be completed within 24-48 hours from time in which the Company receives notice from the contractor that the site is ready. These criteria are for each region and have been in place since the latter portion of 1995.

PECO Energy Company  
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For Commercial installations, the design criteria is 3 to 5 days.

b.) Average answer delay, 1995 141 seconds  
1996 48 seconds

This is the amount of time from when a customer hears a ring until the time they are answered by a person.

c) For 1995, the average time it took to resolve billing complaints was 19 days. In 1996, it was 15 days.

PECO Energy Company  
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Schedule P-23  
Respondent: Marilyn C. Kray  
Gregory A. Cucchi

Q: Provide the following information for each field office and for the utility's operations as a whole for calendar years 1995 and 1996:

a) Appointments with customers - Number and percentage of appointments which the utility failed to keep, by month

b) Meter Reading - Number of meters and percentage of meters that have not been read for at least 3 months, 6 months, 9 months, 12 months and more than 12 months.

c) Response to meter reading complaints - Length of time in hours it takes to resolve field complaints (out of service reports, downed wires, etc.) by average length of time and by 10<sup>th</sup>, 25<sup>th</sup>, 50<sup>th</sup>, 75<sup>th</sup>, and 90<sup>th</sup> percentiles.

d) Average interruption frequency index - Average number of interruptions per customer per year. Provide the index value and the components of the calculation.

e) Average interruption duration index - Duration of interruptions experienced by those customers which experienced an interruption for the year divided by the number of such customers. Provide the index value and the components of the calculation.

f) Average interruption frequency index - Average number of interruptions for customers which experienced an interruption with respect to all customers which experienced an interruption. Provide the index value and the components of the calculation.

PECO Energy Company  
Response to Filing Requirements

Response:

a) The following data tracks the number of appointments not responded within the specific window established with the customer (all day, AM/PM, hourly). It does not indicate the appointment was totally missed. The above information was taken from December 1996 Performance Indicator Book.

	1996*
Jan	
Feb	
March	1960 (14%)
April	4730 (11%)
May	4500 (9%)
June	5040 (12%)
July	7200 (15%)
August	6825 (13%)
September	4900 (10%)
October	3430 (7%)
November	2340 (6%)
December	1520 (4%)

\* - This data has only been tracked since the establishment of the Field Services organization, March 1996. Therefore, there is no data for 1995 and January and February of 1996.

- b) PECO classifies no read (NR) meters in the following manner, 4NR, 5NR, 6NR and 7NR or more. (The 7NR or more was added in September, 1996. Prior to adding the 7NR or more, the 6 month NR's contained all the no reads 6 months or greater.)

The number of meters and percentage of meters that have not been read are as following:

	1995			
	<u>4 NR</u>	<u>5 NR</u>	<u>6NR or More</u>	<u>7 NR or More</u>
Jan	11,480(.5%)	5,225(.3%)	1,490(.1%)	N/A
Feb	10,314(.5%)	4,652(.2%)	1,819(.1%)	N/A
Mar	8,378(.4%)	4,297(.2%)	1,392(.1%)	N/A
Apr	8,070(.4%)	3,380(.2%)	1,350(.1%)	N/A
May	7,304(.4%)	3,741(.2%)	1,586(.1%)	N/A
Jun	8,410(.4%)	3,006(.2%)	1,316(.1%)	N/A

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Jul	9,608 (.5%)	3,718 (.2%)	1,207 (.1%)	N/A
Aug	8,508 (.4%)	4,566 (.2%)	1,248 (.1%)	N/A
Sep	8,336 (.4%)	3,957 (.2%)	1,868 (.1%)	N/A
Oct	9,381 (.5%)	3,623 (.2%)	1,530 (.1%)	N/A
Nov	8,428 (.4%)	4,398 (.2%)	1,632 (.1%)	N/A
Dec	11,291 (.6%)	4,536 (.2%)	1,632 (.1%)	N/A

1996

	<u>4 NR</u>	<u>5 NR</u>	<u>6NR</u>	<u>7 NR or More</u>
Jan	12,420 (.6%)	6,819 (.4%)	5,513 (.3%)	N/A
Feb	14,014 (.7%)	6,438 (.3%)	5,995 (.3%)	N/A
Mar	12,278 (.6%)	6,211 (.3%)	6,185 (.3%)	N/A
Apr	10,759 (.6%)	5,519 (.3%)	2,529 (.1%)	N/A
May	7,403 (.4%)	3,825 (.2%)	4,908 (.3%)	N/A
Jun	9,634 (.5%)	2,956 (.2%)	3,399 (.2%)	N/A
Jul	9,877 (.5%)	4,920 (.3%)	3,282 (.2%)	N/A
Aug	10,829 (.6%)	4,870 (.3%)	3,674 (.2%)	N/A
Sep	9,676 (.5%)	5,140 (.3%)	2,124 (.1%)	2,185 (.1%)
Oct	10,467 (.6%)	5,160 (.3%)	2,452 (.1%)	2,646 (.1%)
Nov.	11,362 (.6%)	5,288 (.3%)	2,518 (.1%)	3,147 (.2%)
Dec	11,684 (.6%)	7,256 (.4%)	2,782 (.1%)	3,795 (.2%)

This information was taken from the December's 1995 & 1996 Customer Services Performance Indicator books. Prior to reporting the 7 month no reads or more, the 6 month no-reads contained all the no reads 6 months or greater.

(c) The following is the number of meter reading complaints in 1996:

<u>Month</u>	<u># of Complaints</u>
Jan	49
Feb	83
Mar	84
Apr	89
May	110
Jun	130
Jul	142
Aug	160
Sep	114
Oct	132
Nov	72
Dec	-

PECO Energy Company  
Response to Filing Requirements

Out of service reports and downed wires do not fall under the topic of meter reading complaints. PECO would consider these as interruptions, and the response would be considered the restoration of service to the affected customers. Statistics on the average duration of interruptions is as follows:

1995  
 Philadelphia            1 Hr 57 Min  
 Bucksmont            1 Hr 46 Min  
 Delchester            1 Hr 51 Min

PECO                    1 Hr 52 Min

1996  
 Philadelphia            2 Hr 8 Min  
 Bucksmont            2 Hr 19 Min  
 Delchester            1 Hr 34 Min

PECO                    1 Hr 58 Min

Statistics are not kept in a manner to provide percentile results.

(d)

<u>Region</u>	<u>Index</u>	<u>Interruptions</u>	<u>Customers</u>
<u>1995</u>			
Philadelphia	0.733	514,840	702,070
Bucksmont	1.086	508,767	468,630
Delchester	1.539	688,722	447,440
PECO Energy	1.058	1,712,329	1,618,140
<u>1996</u>			
Philadelphia	0.827	583,306	705,144
Bucksmont	1.599	770,952	482,166
Delchester	1.959	896,143	457,354
PECO Energy	1.368	2,250,401	1,644,664

PECO Energy Company  
Response to Filing Requirements

(e)

<u>Region</u>	<u>Index</u>	<u># Customer Interruptions</u>	<u>CustomerHrs</u>
<u>1995</u>			
Philadelphia	116.95	514,840	1,003,518
Bucksmont	106.27	508,767	901,098
Delchester	111.21	688,722	1,276,509
PECO Energy	111.47	1,712,329	3,181,125
<u>1996</u>			
Philadelphia	127.73	583,306	1,241,714
Bucksmont	138.58	770,952	1,780,685
Delchester	94.03	896,143	1,404,384
PECO Energy	118.03	2,250,401	4,426,784

(f)

PECO Energy does not maintain this index.

PECO Energy Company  
Response to Filing Requirements

Schedule P-24  
Respondent: Gregory A. Cucchi

Q: What standards are used by the company to establish when an interruption has occurred, when an interruption condition has ceased, when a field complaint has been resolved and when a billing complaint has been resolved?

Response:

An interruption is considered to have started when the Company receives notification of a loss of service, either by electronic monitoring or by phone calls from customers.

An interruption condition is considered to cease for given customers when service is restored to those customers.

For purposes of calculating indices, PECO Energy includes only sustained interruptions, which are those whose duration exceeds 5 minutes.

Power Delivery receives field complaints from Customer Service, which are entered into the Field Order Dispatch system, along with other requests. Measurements to complete all of these requests are based on completing the order within a given number of days. When the work is completed, the order is closed in the system

At the conclusion of all customer contacts the customer is asked if they are satisfied with the information they have been given. At the conclusion of an investigation regarding a billing dispute we review what the customer's complaint was, how the Company investigated the complaint and what the resolution is. We always explain the customer's rights under Chapter 56 if the customer is a residential customer.

PECO Energy Company  
Response to Filing Requirements

Schedule P-25  
Respondent: Gregory A. Cucchi

Q: Does the company maintain a System Average Interruption Frequency Index (SAIFI), a Customer Average Interruption Duration Index (CAIDI) and/or a Customer Average Interruption Frequency Index (CAIFI)? If so, provide reports of such indices for the years 1995 and 1996, and discuss how such indices are used.

Response:

	<u>SAIFI</u>	<u>CAIDI</u>	<u>CAIFI</u>
1995	1.058	111.47	N/A
1996	1.368	118.03	N/A

PECO Energy uses the company indices for comparison with other utilities and as an indicator of overall reliability trend. In addition, indices utilizing the same formulas are determined for various sub-sections of the system (regions, circuits, etc.) to determine areas where the best improvement can be obtained. From this, specific analyses are performed and actions planned and implemented to improve the reliability in those areas.

